



Medium Term Strategy Framework – 2022 to 2025



Supporting water sanitation
and hygiene services for life

At IRC, we believe that turning on a working tap should not be a surprise or cause for celebration. We believe in a world where water, sanitation and hygiene services are fundamental utilities that everyone is able to take for granted. For good.

We face a complex challenge. Every year, thousands of projects within and beyond the WASH sector fail – the result of short-term targets and interventions, at the cost of long-term service solutions.

This leaves around a third of the world's poorest people without access to the most basic of human rights, and leads directly to economic, social and health problems on a global scale. IRC exists to continually challenge and shape the established practices of the WASH sector.

Through collaboration and the active application of our expertise, we work with governments, service providers and international organisations to deliver systems and services that are truly built to last.

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From Systems Strengthening to Systems change: IRC's Medium Term Strategy Framework – 2022 to 2025

In 2021, IRC signed an Alliance agreement with Water For People committing ourselves to the goals of our shared Strategy: Destination 2030. Destination 2030 builds on and supersedes IRC's 2017-2030 Strategy.

This document, IRC's medium term strategy framework 2022-2025, sets out the medium-term goals and targets we set ourselves as IRC's contribution to Destination 2030 over the next four years. As such, it follows on from our 2017-2021 framework. The shorter time frame (four years instead of five) allows us to align better with Water For People's own medium term planning framework, as well as allowing us to course correct as we learn.

In 2016 we identified the years 2017 to 2021 as **“an essential time for identifying the models that will allow us to achieve universal access [whose] overarching objective ... is to create the foundations for achieving universal access in our partner districts and countries, as well as contributing to this aim globally. [...] A secondary objective is to finalise the development of our new hybrid ('think and do tank') business model while stabilising and further diversifying our funding.”**

We are pleased with progress made in the 2017-2021 period, especially at district level, and particularly taking into account the years of the Covid-19 pandemic. Despite this, the world and most of our focus countries are off-track to deliver on the promises of the Sustainable Development Goals (SDGs).

Real progress is being made, but this is largely incremental and not transformative at the scale needed to achieve the SDGs. Destination 2030 is transformative in intent, and the four years between 2022 and 2025 are critical if we are to see a shift from systems strengthening to the genuine systems change required to deliver SDG 6.

Getting back on track will call for us to accelerate the replication and scaling of what we have learned. It will also require driving a commitment to genuine leadership and systems change at the highest levels of politics and power in all the countries where we work.

The Destination 2030 theory of change describes how our multi-level organisational approach achieves concrete impact in local areas where we work while driving sustained transformational change at national, and global levels.

To achieve this multi-level impact, the Destination 2030 theory of change identifies five main cross-cutting outcomes. We have also identified a sixth outcome related specifically to changing ourselves as an organisation.

1. **High level political will** for universal and sustainable access to water and sanitation services drives accelerated progress toward SDG 6.
2. Key actors have the **capacity** to improve planning, service provision and regulation.
3. Secure **finance** for the sector achieves SDG 6 and increases the value of public and private investments in resilient water, sanitation, and hygiene.
4. **Citizens** demand higher levels of service, more can pay their rates, and there are subsidies for those who cannot pay.
5. **Collective action** drives transformative change through stronger and more **effective partnerships** within and beyond the water, sanitation, and hygiene sector.
6. **Organisational change** supports Destination 2030.

The following section sets out our medium term programmatic targets for outcomes one through five at local, national, and global levels; the subsequent section describes our organisational change journey and targets for 2025.

THEORY OF CHANGE

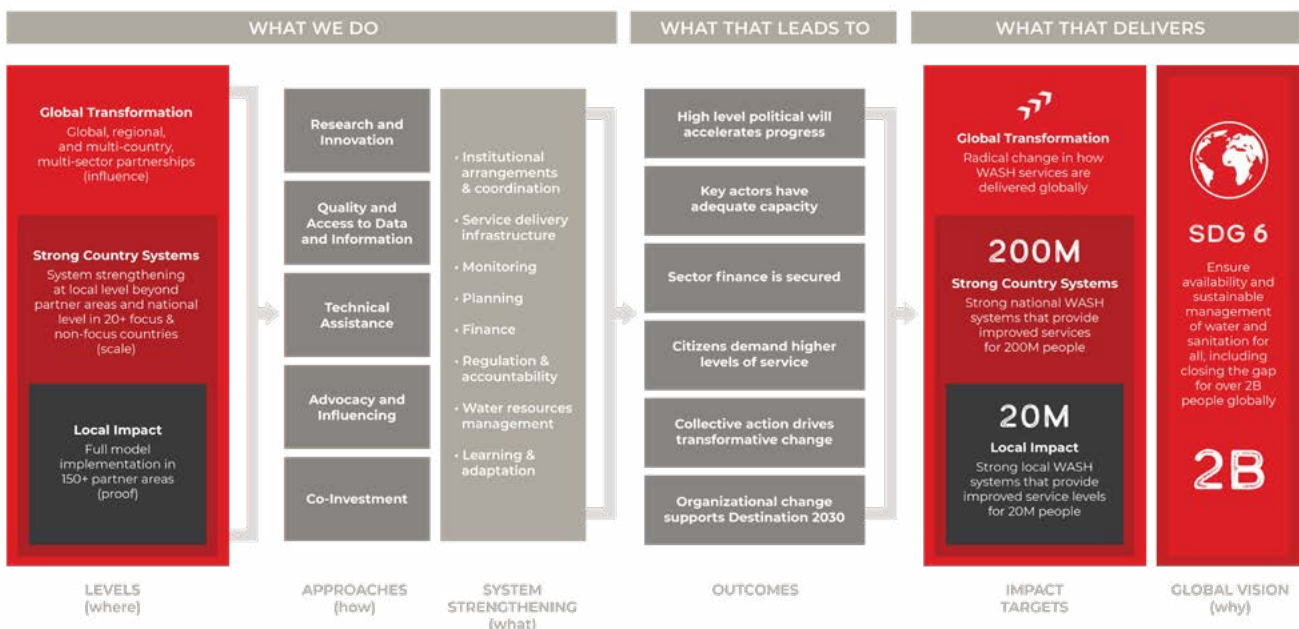


Figure 1. D30 theory of change

Programmes

IRC’s programming for the next four years is focused on delivering profound change in the systems that deliver safe, safely managed and sustainable water and sanitation services; making these fit for purpose and capable of improving people’s livelihoods and resilience.

As a crucial high level goal, we are committed to the bold ambition of having a **Presidential Compact** for every IRC focus country: setting out a clear vision for universal access to safe, safely managed and climate resilient water and sanitation.

We will do this while working at three main levels of intervention, in line with our impact model.



Local impact: strong systems for universal and sustainable services

Destination 2030 sets a local impact goal of ensuring 20 million people are served with safe, reliable, and sustainable water and sanitation services. Our key contribution to this is through our 12 partner districts, whose current population is estimated at 2.2 million people¹. Achieving SDG 6 in our partner districts is the foundation of our impact model and serves as proof of concept for our approach as a whole.

As a next step for the implementation of our new Destination 2030, in the coming strategic period we anticipate reviewing the number and type of partner districts in each of our country plans to ensure our current target reflects our true ambition.

¹ Re-orientation for D30 led in 2022 to a reduction of target districts and the subsequent reduction of population numbers from the end of our previous strategic period. See Monitoring Report 2022 for details.

Our targets for 2025 for these districts are:

- (updated) master plans incorporate climate resilience and water resource management; a clear commitment to 100% access to basic water and sanitation services by 2030; and district-led targets for 20% to 30% access to safely managed water, and 20% to 40% access to safely managed sanitation across our districts;
- credible strategies to serve the most marginalized and unserved populations;
- strong multi-stakeholder partnerships under confident local government leadership have credible, costed plans and strategies to achieve targets;
- grassroots actors representing the unserved play an active role;
- building block scores foster confidence that change is on track and sustainable.

² 2025 partner area targets assume linear progress from 2022 toward the 2030 partner district goals.

Key results by 2025²: In our partner districts, a minimum 18% reduction in those unserved providing access to at least basic water; 25% increase in those with access to safely managed water and 20% increase in safely managed sanitation; 50% of schools and 50% of health centres have water and sanitation; 50% of building blocks achieve minimum benchmarks; realistic strategies exist to rapidly scale and achieve universal access to basic national standards for safe drinking water and sanitation within partner districts by 2030.

National impact: strengthening, reforming, and adapting country systems

We will contribute to Destination 2030's national impact goal of reaching 200 million people with improved services through:

- expansion of our district level work, or elements thereof, to new districts and regions;
- national level influencing; and,
- knowledge sharing and capacity building.

This part of our programme is about quantifying the scope and impact of our work outside partner districts to ensure a systematic approach to changing the way country systems operate. The 200 million is about national influence, but also speaks to the areas where we are concretely implementing our work such as developing regional asset management systems, large scale utility partnerships, or water resource management.

Our targets for 2025 for our country programmes are:

- a national "Presidential Compact" that includes a statement of political commitment to access for all, signed by the head of state;
- the Compact explicitly commits to a national change agenda backed by appropriate policies and strategies;
- national level networks and partnerships, especially but not limited to Agenda for Change and Sanitation and Water for All (SWA), support the Compacts;
- there is capacity to deliver the Compact: localized WASH System Academy courses are being used by national partners as part of sector capacity building initiatives;
- public finance to the sector increases to a degree that responds to the scale of the gap;
- district master planning is incorporated in national development planning frameworks, and there is a mechanism to support districts in developing master plans;
- civil society organisations play a role in national multi-stakeholder platforms; and,
- IRC is seen as a trusted, credible, legitimate and increasingly local actor.

Key results by 2025

All focus countries have a “**Presidential Compact**” that provides a clear and compelling national vision of universal access to safe, safely managed and climate resilient water and sanitation services. The Compact includes a commitment to meaningful systems change centred on the provision of professionally managed services to all. IRC (and our Agenda for Change and SWA partners) are part of strong, government-led partnerships committed to supporting and delivering this vision. Scores for national level building blocks attain benchmark levels.

Global transformational change: shifts in power structures, hearts, and minds

We will contribute to Destination 2030’s global impact goal of radical and systemic change through continued influencing, knowledge sharing, and capacity building. Our global change target commits us to investing at global scale, and we have the partnerships to do it. Establishing regional programmes is an example of our increased investment in high level influencing to accelerate global progress.

Our 2025 targets for our global programme are:

- the WASH sector globally commits to an agenda of change and professionalisation – as part of systems strengthening;
- the WASH sector globally establishes connections and shared agendas with other sectors: environment and water resource management, economic development, health, education etc.;
- IRC’s WASH Systems Academy is being used by at least 5,000 people per year;
- IRC’s District Master Planning Facility is a respected repository of knowledge and experience on how to do Master Planning;
- our regional programmes in Latin America, Africa and Asia are engaging with regional actors, contributing to systems strengthening and change; and,
- our All Systems Connect conference attracts at least 400 attendees from within and outside the WASH Sector and is seen as a pivotal event.

Key results by 2025

The water and sanitation sector is globally committed to an agenda of systems change, at the heart of which is a vision of professionally managed services delivered to all. The Sustainable Development Goal targets for water and sanitation are shared by actors outside the traditional boundaries of the sector, and shared agendas are being developed with other sectors. Key partnerships of which IRC is part – such as Agenda for Change and SWA – are effectively engaging their members in collective action on behalf of this agenda.

Organisation and structure

We are committed to continuing to change ourselves; to make ourselves both more effective in the pursuit of our missions and more sustainable as an organisation. By 2026 we will have transitioned to being a Network, with self-reliant country, regional and global programmes supported by a secretariat and efficient shared services. Subsidiarity will be a guiding principle. Our Network will have up to ten country offices, strong brand values and motivated staff working efficiently and professionally to deliver our goals. The last commitment will be built on:

- the creation of an IRC Network, with an underlying Network charter supported by governance and policy documents;
- a clear and agreed business model for our presence in Asia (including India and Bangladesh);
- at least three new registered offices (two in Africa and one in Asia);
- Justice, Equality, Diversity and Inclusion mainstreamed in the organisation supported by policy and targets, including that at least 75% of our total staff complement being based in the countries where we work;
- committed, confident, and world-class staff;
- the migration of financial information and project management services to the cloud;
- a shared model for project management and quality assurance across the network; and,
- a refreshed brand.

Fundraising and business development

Our Growth Hub will identify and source a total of € 44.5 million to support our programmes for the period 2022 to 2025, of which half has been contracted at the time of writing. We will achieve this through:

- continued investment in, and strengthening of, our Growth Hub, and in the ability of self-reliant country programmes to fundraise;
- maintenance of existing funders and diversification, including through public fundraising, high-net-worth individuals and big-bet philanthropists; and,
- a priority target for 2025 is to have at least 5% of our funding fully ‘unrestricted’.

Table 1: Summary analysis of the financial ambition, and contracted work to date, for the framework period. More details are available in IRC’s Annual Plans.

Total contracts & pipeline	2022	2023	2024	2025	Total 2022-2025
Ambition	€ 10.000.000	€ 10.500.000	€ 11.500.000	€ 12.500.000	€ 44.500.000
Contracted	€ 11.710.990	€ 13.542.155	€ 9.708.811	€ 4.270.805	€ 39.232.760
Full pipeline	€ -	€ 1.600	€ 5.122.133	€ 4.914.319	€ 10.038.052
Weighted pipeline	€ -	€ 1.440	€ 1.836.102	€ 1.642.812	€ 3.480.354
Contracted + weighted pipeline	€ 11.710.990	€ 13.543.595	€ 11.544.913	€ 5.913.617	€ 42.713.114
Contracted + full pipeline	€ 11.710.990	€ 13.543.755	€ 14.830.944	€ 9.185.124	€ 49.270.812
Deviation contracted on ambition	€ 1.710.990	€ 3.042.155	€ (1.791.189)	€ (8.229.196)	€ (5.267.240)
Ambition	€ 10.000.000	€ 10.500.000	€ 11.500.000	€ 12.500.000	€ 44.500.000
% contracted	117%	129%	84%	34%	88%
% contracted + weighted pipeline	117%	129%	100%	47%	96%
% contracted + full pipeline	117%	129%	129%	73%	111%
KPI contracted + weighted pipeline	100%	106%	81%	56%	84%

Looking ahead

This medium term framework indicates specific priorities for our programmes from 2022 to 2025, and is complemented by the strategic plans for each of our country, regional, and global programmes. It is implemented through a series of annual plans and a multi-year cycle of strategic reflection based on the monitoring of progress toward objectives.

IRC works on complex challenges within an uncertain operating environment and as such must remain flexible in its approach. Our ambition for large scale systems change requires working effectively through partnerships and networks.

Our Destination 2030 strategy lays the foundation, key actions, and targets for driving this change up to 2030. Our Water For People partnership in this strategy and our transition into a networked organisation, reflect two key adaptations to our model in response to a changing context.

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