Governance

DEEP DIVE
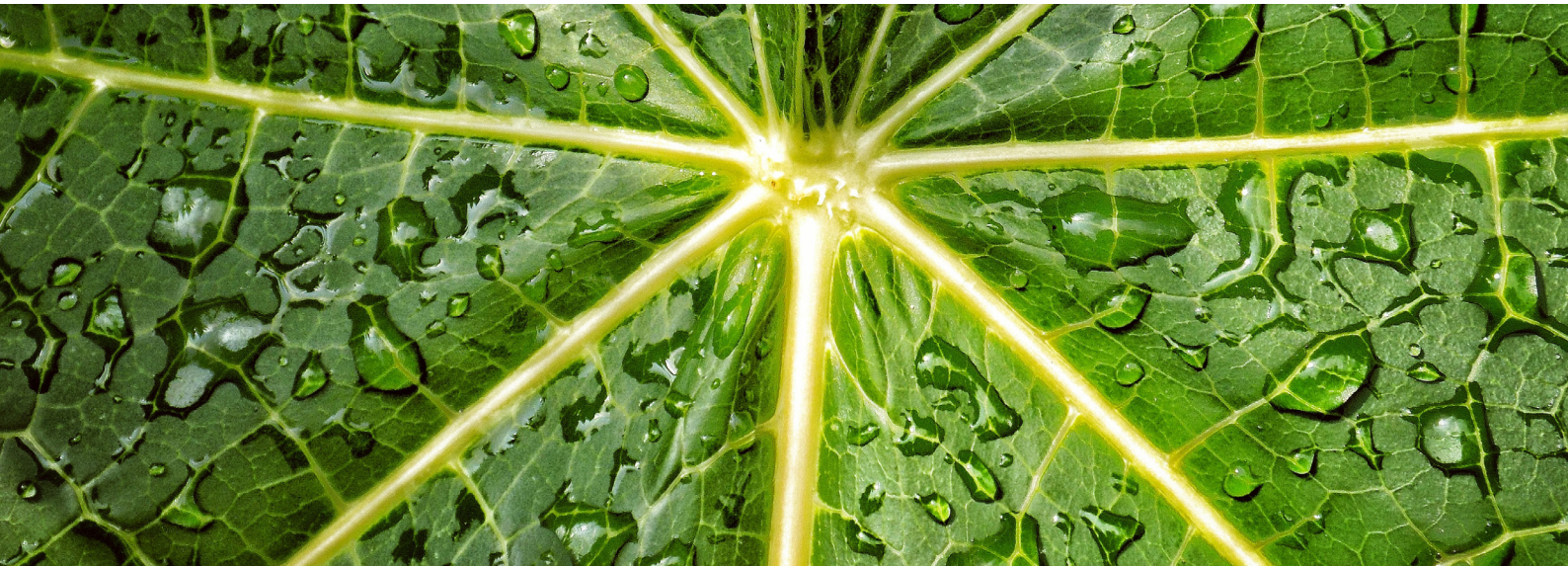
NOTE: This document is an accompanying resource to the Watershed Investment Program How-To Guide. Readers are strongly encouraged to review the guidance in its entirety before delving into any accompanying subject-matter "Deep Dives", including this document.

Introduction

The *Watershed Investment Program How-To Guide* (How-To Guide) defines the governance process as "assembling and aligning stakeholders with political influence, vested interest and societal trust that bring credibility to the watershed investment program (WIP) and help the WIP make decisions and implement interventions". The process can involve stakeholders from all sectors—public, private, civil society, academia—to varying degrees. Stakeholders may become technical or implementing partners, champions for the WIP, or funders and allies.

This document aims to deepen the reader's understanding of how to **develop** a strong governance arrangement for a WIP, and will therefore primarily focus on the Pre-Feasibility, Feasibility and Design phases. Important elements of the Execution phase, including launch, will be briefly outlined. For the reader's benefit, the Governance Deep Dive is organized according to these phases.

Readers are encouraged to read the *entirety* of each section before beginning any exercises described therein.

PROGRAM PREPARATION   PROGRAM IMPLEMENTATION

Pre-Feasibility

Explore high-level potential for NbS to address water security challenges

Feasibility

Determine whether a specific & viable path exists to deploy NbS and achieve impact

Design

Pull together proposed actions into an actionable program

Execution

Operationalize the proposed design and manage implementation in an adaptive manner
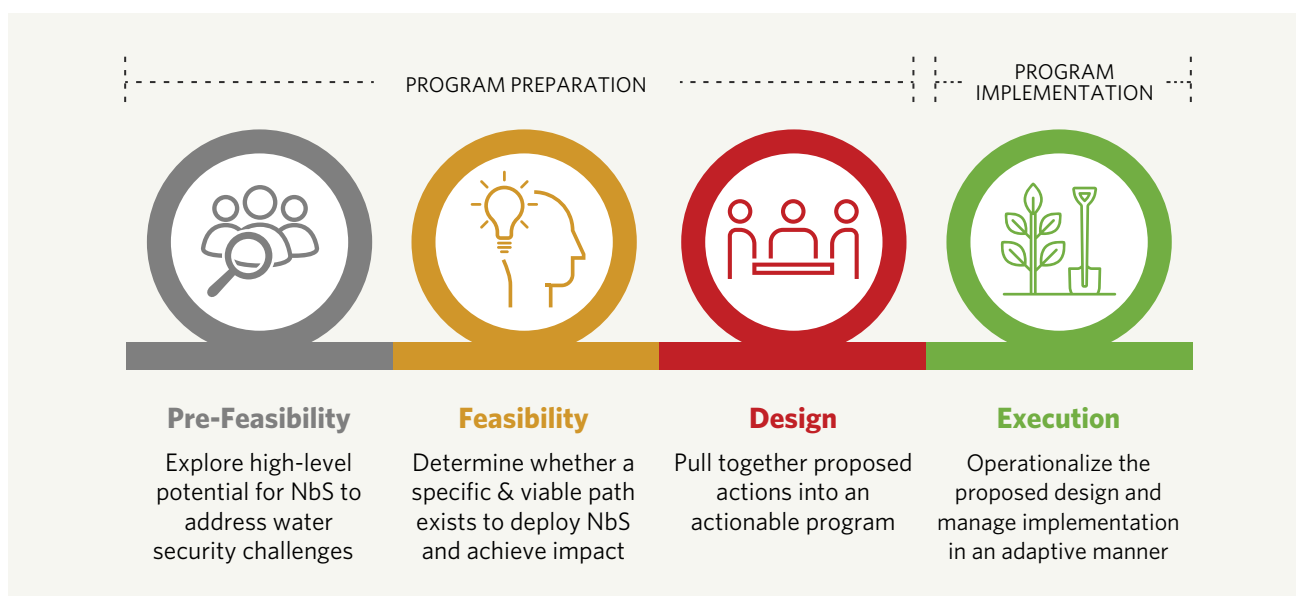
FIGURE 1. WIP development process

THE PROCESS

Governance is closely linked to other aspects of the How-To Guide. Some of the most poignant connections entail, but are not limited to:

1. The challenges the WIP should address—whether water security, climate, biodiversity, or socioeconomic—identified by stakeholders during Pre-Feasibility and narrowed during Feasibility

2. The portfolio of interventions developed during Feasibility to address the challenges identified, including the types of NbS chosen and the scope of implementation

3. The types of funding or financing the WIP will pursue, and the requirements of the chosen sources

4. The capacity and willingness of stakeholders to engage, as identified during the Stakeholder Mapping Exercise

5. Existing regulatory or legal frameworks the WIP can support or plug into which are identified during the Policy & Regulatory Mapping exercise

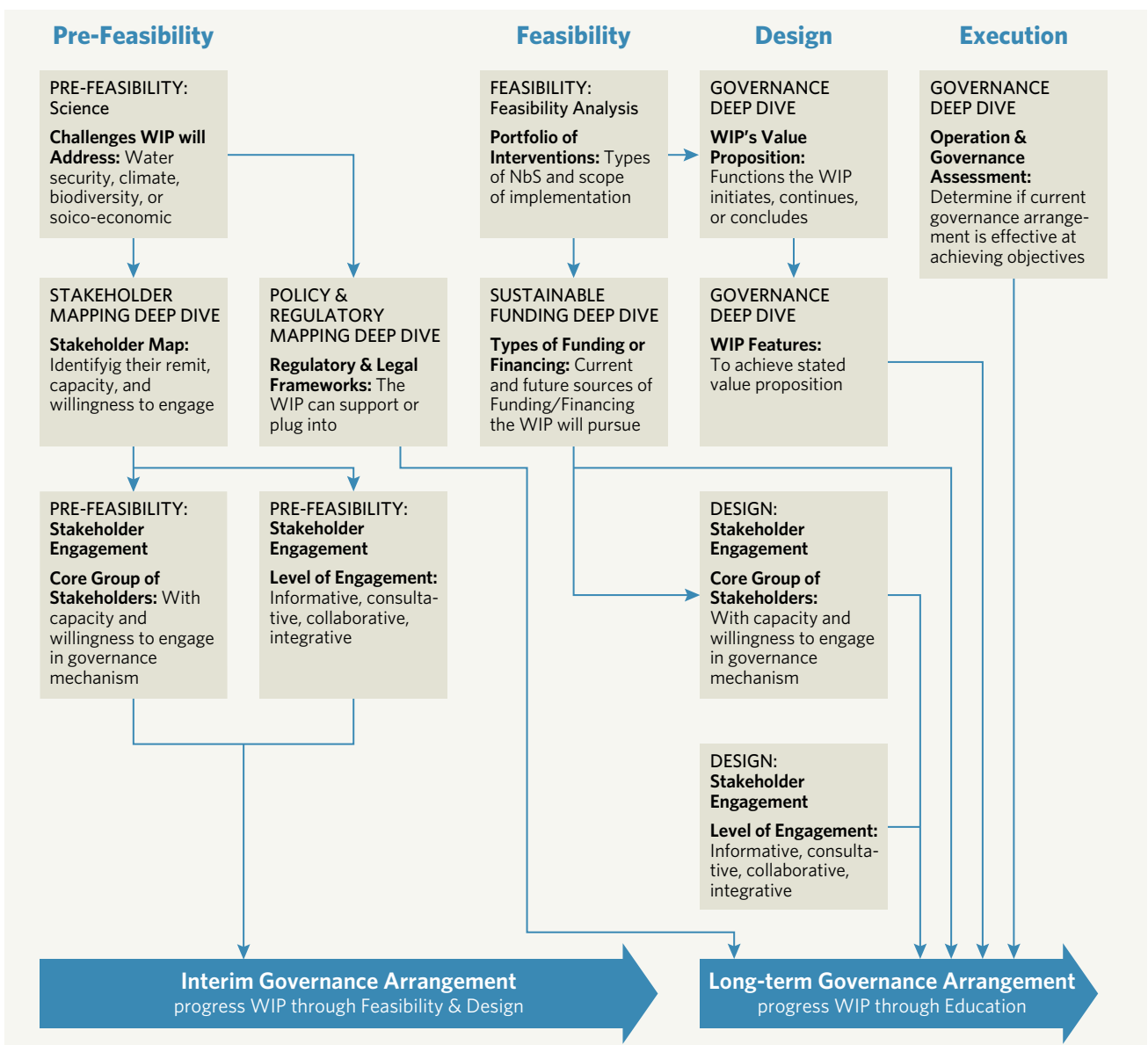**Figure 2** depicts the process of developing a WIP governance arrangement.

FIGURE 2. Process of developing a governance model for your WIP

Pre-Feasibility

PRIMARY ACTIVITY	PRE-FEASIBILITY STUDY
Other Relevant Deep Dives	Stakeholder Mapping Process Policy & Regulatory Mapping
Objective	Pre-Feasibility is a fact-finding mission. You'll begin gathering the information needed to develop a highly functioning, sustainable and trustworthy WIP, and start to define the institutional context in which it will operate; understand who has the remit to do what; which policies, regulatory frameworks and mandates apply; the risks your governance arrangement should mitigate or will need to operate within; and the environment that can enable or hinder your WIP.
Answer these questions	• Have you built an inventory of relevant government agencies, policies, and regulatory frameworks? Do you have a good understanding of what they do? • Are there national, state or local legal conditions that would prevent, limit or catalyze the development of a WIP? • Are there other initiatives in place with similar objectives and with whom you can collaborate? Would your WIP be in competition with any of these programs? • What is the value-add of your WIP? • How does the government (national or sub-national) rank in terms of transparency and corruption? • Who are the key stakeholders, and what do they do? What are their mandates? • What is their appetite for nature-based solutions (NbS) or other interventions? • Which stakeholders could be potential partners? What would be the role of the partnership? • Who are potential "champions"? • Is collective action likely to enhance outcomes?
Using these	• Stakeholder Map (*deep dive*) • Regulatory & Policy Map (*deep dive*) • Common Governance Model Overview (*in this section*)

PRE-FEASIBILITY STUDY

To deliver your Pre-Feasibility Study you will need to conduct a Stakeholder Mapping and a Regulatory & Policy Mapping exercise. The links below will take you to those relevant Deep Dives. While the processes are presented separately for clarity, in practice, the two exercises are closely related with results from one analysis impacting the scope of the other, and vice versa. Often, for example, laws can look very different on paper than they do on the ground; a desk analysis alone would not surface those inconsistencies, and you must interview the stakeholders involved. On the other hand, stakeholders interviewed during the stakeholder mapping process may identify additional local or national strategic plans that were not identified during your policy desk analysis. It's important to conduct the two exercises in parallel and iterate on your process to paint the most complete picture possible. Frequently refer to the above questions when conducting these exercises.

• To conduct a Stakeholder Mapping Exercise, visit the <u>Stakeholder Mapping Deep Dive</u>.

• To conduct a Regulatory & Policy Mapping Exercise, visit the <u>Regulatory & Policy Mapping Deep Dive</u>.

Once complete, return to this Governance Deep Dive to continue the process. Again, if this is your first time reading this document, it's recommended to read the entire section before beginning any exercises.

IDENTIFYING CORE STAKEHOLDERS

Refer to the outcome of your Stakeholder Mapping exercise to identify the core group of stakeholders who should be involved in the governance mechanisms. The WIP should anchor itself with a few critical stakeholders who have the interest and capacity to progress the WIP through the program development lifecycle. Failure to do so may create an overly cumbersome decision-making process or convene stakeholders lacking the influence needed to create the WIP or gain buy-in from other actors. It may be helpful to answer these questions, modified from the CEO Water Mandate's Guide to Water-Related Collective Action (2013):

- Which stakeholders have a direct influence over, or are required to participate in, any decisions to address the water security, climate, human development and/or biodiversity challenges identified?

- Which stakeholders are in a position to directly or indirectly support the WIP in addressing the identified challenges?

- Which stakeholders can contribute expertise, knowledge and advice in refining the WIP's SMART Objectives, NbS implementation portfolio, M&E plan, etc.?

- Which stakeholders will experience benefits or negative externalities associated with the WIP's potential execution?

- Which stakeholders have an interest in the process or its outcomes, even if they may not have a specific role to play in problem solving or execution (e.g., elected officials may want to be consulted on large infrastructure projects in their jurisdiction)?

- Which stakeholders experience, or may experience, conflicts with you or other potential stakeholders to the extent that the conflict may influence the options available (e.g., NbS, funding, etc.) to the WIP?

You should also identify any existing watershed investment programs or conservation projects in the area of interest and determine whether there is room for another WIP. Will your WIP be additive? Would it spread resources too thin? Could it help mobilize additional resources? Should the WIP be embedded within an existing initiative? Your answers to these questions will help determine whether your WIP could successfully address the challenges identified, and whether your core group of stakeholders may have capacity to engage in governance if they are actively involved in other efforts.

CHAMPIONS

When identifying the relevant stakeholders and the roles they might play in enabling or hindering your WIP, it's important to keep an eye out for which might be good champions. A champion is a local individual, often representing an institution, with significant pre-existing watershed connections who is motivated to advocate for the WIP and its cause. If there is a WIP Steering Committee, champions typically sit on such structures and may even chair them. Section 3.3 of the HTG, *The Roles of Sponsor & Champions*, provides more information about the characteristics that make a good champion.

INTERIM GOVERNANCE ARRANGEMENT

At this point in the process, it's unlikely stakeholders will establish anything more substantial than an informal steering committee driven by the champion or a simple umbrella agreement to guide the development of their WIP. These working agreements, informal or formal, typically clarify commitments (e.g., time, information, funding, etc.) and roles of stakeholders identified during your Stakeholder Mapping Exercise. The interim governance arrangement you choose will facilitate stakeholder input during critical decision-making points including the objectives of the WIP, the short list of NbS interventions to consider during Feasibility, which sources of funding to pursue, etc.

For context, however, the following sub-section outlines common governance models the readers should keep in mind as the WIP progresses through the development phases. In some cases, the interim arrangement might become the permanent governance arrangement, while in other cases, stakeholders may choose to develop a new governance arrangement to better meet the needs and objectives of the WIP as it evolves.

The Design Section outlines additional aspects to consider when creating a final governance arrangement.

COMMON GOVERNANCE MODELS

Umbrella Agreement: an agreement, usually an MoU or collaborative charter, between multiple parties outlining how they will and will not work together to accomplish a shared goal. In this model stakeholders often execute their own, separate implementation plans based on their own theory of change, and signatories agree to loosely coordinate with one another on certain aspects; most commonly, sharing data around implementation and monitoring and evaluation. Signatories do not usually work together to mobilize funding, but that is not always the case. The exception is usually when applying for public funds where it may benefit many programs to jointly apply, especially if the funding pool requires match.

In an umbrella agreement, there may or may not be a steering committee depending on the desired degree of coordination among parties and, in some cases, an organization, permanent or rotating, may serve that coordinating function as the chair. Their roles may include the following:

- Convening and co-designing an annual meeting for signatories, including those who are not on the steering committee
- Coordinating organizations interested in advocating for policy change that could widely benefit the WIP
- Collecting, synthesizing and publicly publishing data for all signatories to access
- Reporting the WIP's impact

Hosted Program: one organization primarily manages the development of the WIP but is usually guided by a steering committee of relevant partners. Relationships are typically defined in a Memorandum of Understanding (MoU) or Administration Agreement. As the program moves through the phases and its objectives become more defined, the hosted program may choose to develop one or more working groups or sub-committees focused on specific aspects of the program, like monitoring and evaluation, that may benefit from dedicated attention.

The steering committee's role is to give direction to the WIP and act as a consultative forum for partners. As the WIP moves through the program preparation and implementation phases, its mandate—and therefore its role and responsibilities—may change. The steering committee's role often includes:

- Reviewing, evaluating, and endorsing the WIP's investment portfolio, SMART objectives, and annual operating manual
- Monitoring and evaluating performance against objectives
- Representing partner organizations
- Allocating resources and overseeing resource allocation [in some circumstances]
- Ensuring accountability
- Oversee activities, endorse recommendations, and approve Terms of Reference for Working Groups or Sub-Committees
- Elevating and mitigating risks to the WIP
- Coordinating and sharing information among implementers
- Advising and endorsing communications strategies

- Ensuring organizational and institutional alignment
- Advocating for the WIP

It's important to recognize the optimal size of the steering committee for your purposes. If a steering committee is too large, it can lead to decision paralysis, and if it's too small, it may miss critical stakeholders that need to be involved. It may be worth considering a model of ad-hoc members and technical working groups, or perhaps an advisory group consisting of subject matter experts and individuals with political or institutional influence.

The hosting organization (sometimes referred to as the Secretariat) is responsible for keeping the WIP on task, whether moving through the program development phases or maintaining impactful implementation. Like the steering committee, the role of the hosting organization is likely to change as the WIP moves through the phases and can include:

- Leading the creation of Terms of Reference, vetting and contracting expertise, and project managing the required analyses for each phase, for example, Return-on-Investment Analyses or Regulatory & Policy Mapping

- Developing the WIP's investment portfolio, SMART objectives, and annual operating manual

- Implementing and/or coordinating on-the-ground activities, including sub-contracting implementation

- Creating the Monitoring & Evaluation plan and coordinating implementation

- Raising funding for program development and implementation

- Conducting or coordinating data collection and analysis

- Managing stakeholder relationships

- Reporting to donors, the steering committee and other stakeholders

- Communicating about the WIP, including outreach and awareness raising, developing messaging and speaking with media

Under a hosted program arrangement, implementation can either be executed by the hosting organization or contracted out to other entities. This does not necessarily mean that all implementation must be executed or managed by the hosting organization; in many cases, other partners are also implementing in the desired area. It will, however, be important for the hosting organization to foster transparency among all implementing organizations and, at a minimum, share data among one another regarding the where, what, when and how of execution. This will be important to ensure programs' efforts are additive to one another and to track impact at scale, even if they are not formally engaged with your WIP.

A hosted program can be nested within a number of entities, including a government agency, basin authority, utility, corporation and/or nonprofit. The WIP requires dedicated capacity and time from the hosting organization to be successful; the hosting organization should be aware of the commitment and resources requirements.

Dedicated Vehicle: an autonomous, legal entity with its own staff and standard operating procedures. The most common dedicated vehicle is a tax-exempt organization, also commonly referred to as a not-for-profit, nonprofit, or public benefit organization, which can take from 6 to 18 months to establish, depending on the country. For this reason, many WIPs wait until they've executed for a few years before exploring the potential for a dedicated vehicle.

As autonomous entities, dedicated vehicles are subject to local regulations and must comply with specific laws that impact how they operate. It's recommended that, if exploring this model, the promotor acquire experienced legal capacity, contracted or in-house, to help them understand the pros and cons of the approach, to navigate the specific legal requirements, and to eventually apply for status.

If stakeholders agree to move forward with a dedicated vehicle, there are several common models to consider:

- *Dedicated vehicle managed by a separate organization through a management contract or an MoU.* In this case, the dedicated vehicle could have a group of founding members, but a separate entity would be contracted by or enter into a mutual agreement with the board to perform select functions on behalf of the dedicated vehicle.

- *Dedicated vehicle managed by in-house staff that functions as an independent entity.* In this case, the dedicated vehicle usually has a group of founding members, a board, and its own staff, including a managing or executive director who reports to the board. The director is responsible for executing on the WIP's strategic plan. This can include hiring staff, implementing either in-house or through contractors, delivering annual impact reports, securing funds and more.

In any case, a dedicated vehicle will usually have established formal partnerships with one or more stakeholders to support different aspects of the WIP's execution, for example, data management and impact reporting and/or in-situ monitoring and evaluation.

The objectives of the WIP, the potential funding sources and the stakeholders involved should inform your decision. This process is further described in Design, though many WIPs may choose not to create a dedicated vehicle until after they've reached Execution.

Feasibility

PRIMARY ACTIVITY	PRE-FEASIBILITY STUDY
Other Relevant Deep Dives	Stakeholder Mapping Process Policy & Regulatory Mapping
Objective	Confirm your interim governance arrangement is still meeting your needs and continue to include additional stakeholders as appropriate. Continue to engage stakeholders to sustain motivation and commitment. Remember to always keep your final governance arrangement in the back of your mind; begin to determine whether you'll adopt the current model or switch to an alternative model.
Answer these questions	Is the current governance arrangement serving your WIP and the needs of your stakeholders? If not, what adjustments need to be made?
Using these	• Stakeholder Map (*deep dive*) • Regulatory & Policy Map (*deep dive*) • Common Governance Model Overview (*in this section*)

FEASIBILITY STUDY

In the Feasibility Study your team will conduct a least-cost modeling exercise to create a high-ROI portfolio of interventions for your WIP. At the conclusion of this process, your WIP will have defined cost and benefits over time. They will have:

- identified the magnitude of benefits;
- when those benefits materialize;
- who benefits when they do; and
- the cost of the WIP and, therefore, the long-term funding need.

This information will inform SMART objectives for the WIP over the lifetime of the investment program and will be used to define its long-term financial and governance arrangement in the Design phase.

During Feasibility, the most important governance aspect is confirming that your current arrangement is serving its purpose well. Are stakeholders engaged? Are you able to make decisions in a timely manner? Are representatives, generally, happy with their role in the current structure? Are there any stakeholders missing? Are the right stakeholders involved? If the current structure is functioning well, move forward to Design with confidence. If the current structure could use some improvements, review the Common Governance Models sub-section below and make note of any models that might better meet your needs. Design presents an opportunity to make changes.

COMMON GOVERNANCE MODELS

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In an umbrella agreement, there may or may not be a steering committee depending on the desired degree of coordination among parties and, in some cases, an organization, permanent or rotating, may serve that coordinating function as the chair. Their roles may include:

- Convening and co-designing an annual meeting for signatories, including those who are not on the steering committee
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legal capacity, contracted or in-house, to help them understand the pros and cons of the approach, to navigate the specific legal requirements, and to eventually apply for status.

If stakeholders agree to move forward with a dedicated vehicle, there are several common models to consider:

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In any case, a dedicated vehicle will usually have established formal partnerships with one or more stakeholders to support different aspects of the WIP's execution, for example, data management and impact reporting and/or in-situ monitoring and evaluation.

The objectives of the WIP, the potential funding sources and the stakeholders involved should inform your decision. This process is further described in Design, though many WIPs may choose not to create a dedicated vehicle until after they've reached Execution.

Design

PRIMARY ACTIVITY	PRE-FEASIBILITY STUDY
Other Relevant Deep Dives	Sustainable Funding
Objective	During this phase you will define and operationalize the WIP's permanent governance arrangement and set up any relevant legal structures to do so. Note: while the How-To Guide discusses permanent governance arrangements during the Design phase, some WIPs may choose not to transition to a permanent arrangement until after they have a few years of experience operating in the Execution phase.
Answer these questions	• What is the value proposition of your WIP? What role will it serve and how will it interact with other stakeholders in the institutional landscape? What features will best enable the WIP to meet these objectives? – Which governance arrangement will enable the WIP to execute over its lifetime? – Which governance arrangement will enable the WIP to attract and absorb the funding sources identified in the Sustainable Funding Deep Dive? How will the WIP provide the rigor of impact reporting demanded by these sources? – Is there funding to sustain the work of the governance arrangement? – How long will the WIP execute? • What roles/responsibilities should stakeholders have? – Who is responsible for impact reporting? Is there an advantage or disadvantage if impact reporting is centrally managed? Relatedly, who is responsible for M&E? – Who is responsible for implementation? – Who is responsible for execution of the Strategic Plan? – Who is responsible for securing additional funding commitments? – Who will provide oversight? Who will define SOPs? Who will hire and onboard core staff? – Will tenure/term limits improve representation or hinder implementation? See below for additional questions.
Using these	• Sustainable Funding (*deep dive*) • Common Governance Model Overview (*in this section*) • Stakeholder Map (*deep dive*) • Regulatory & Policy Map (*deep dive*)

The purpose of Design is to create a WIP that can successfully execute the strategic plan (defined during this phase) and to secure sustainable funding commitments to deliver on the investment portfolio identified in the Feasibility Study. At the end of the phase, the reader will have a compelling, actionable strategic plan that articulates the WIP's vision and how it will achieve its SMART objectives, including how it plans to implement on-the-ground and/or influence policy, if that's relevant to your WIP. Readers will also have a defined sustainable funding strategy that is closely linked to its governance arrangement. It's important to continue to engage your key stakeholders so they remain committed to the WIP's strategy including how to unlock resources for Execution.

As noted previously, some WIPs choose to continue their current governance arrangement until after they have a few years of experience in Execution. This section will help the reader figure out whether they should adjust their current arrangement or continue as is for now.

It's highly recommended the reader review the Sustainable Funding Deep Dive before continuing to the remainder of this section. You will be unable to construct your final governance arrangement without understanding the types of funding your WIP will be targeting and how you plan to reach financial sustainability.

STRATEGIC PLAN

Underlying your WIP's strategic plan will be a series of in-depth stakeholder interviews. Read the entirety of Design and then work with your team to develop a set of questions that will help you determine how the WIP's governance can meet their needs.

FIRST. Identify the WIP's value proposition.

Understand its vision, theory of change, geographic scope, proposed investment portfolio and how it currently operates. Based on these considerations, get stakeholder input on what functions they would like to see the WIP initiate, continue or conclude. This can include:

- The institutional gap the WIP would fill (e.g., where governmental or other actors are unable to meet water security needs like ecosystem restoration outside of their remit)
- Which water security objectives the WIP would meet
- Which interventions they will target (e.g., interventions with high ROI or those that require a high-level of coordination for success)
- Core functions like mobilizing funding, monitoring, evaluation & learning, implementing, etc.
- A coordinating role among other actors or stakeholders who are already implementing in the watershed

SECOND. Determine what features will best enable these functions.

Defining which features matter most to stakeholders will inform which governance model the WIP should adopt to ensure sustainability into the future. Features may include:

FEATURE	EXAMPLE
Agile	Ability to quickly implement when funding becomes available Ability to make decisions without delays due to administrative or bureaucratic burdens Ability to report according to different funders' needs to secure diversified set of funding
Collaborative	WIP provides a platform to convene stakeholders to share lessons learned Work together to find synergies, ensuring complementarity of different programs
Continuity	Maintain organization of current model to help the WIP maintain or scale its impact
Impactful	Ensure quick and efficient interventions on the ground, either through partners or its own entity Ability to influence policy that could benefit the execution of the WIP's long-term strategic plan
Inclusive	Ensure a process for all relevant stakeholders'—including underrepresented communities—voices to be heard Stakeholders can provide input on key decisions through a defined, understood process
Institutional Simplicity	Low transaction and overhead costs to attract private sector funding Efficient management of operations and project implementation, including ability to prioritize different interventions as needed Flexibly disburse financial resources to achieve the WIP's purpose
Sustainable	WIP's governance supports absorption and management of long-term funding sources, for example, tariffs, endowment, etc., and can report on the needed metrics
Transparent	Share how the WIP approaches decision-making, impact reporting, implementation tracking, financial management & reporting, etc.

THIRD. Consider your current and potential funding flows.

The governance structure of the WIP will also be influenced by the types of funding it receives. Review your outcomes from the Sustainable Funding Deep Dive and ensure that your WIP's design will allow for the right funding to flow through the institution. Make note of any requirements that your structure should meet, including to tap into multiple or diversified financial flows, to tap into private sector funding, to avoid diverting funds from other stakeholders, to secure core funding for continuity, etc.

FOURTH. Assess potential governance models against the desired functions, features and funding flows identified.

Through a series of qualitative interviews, collect stakeholder input on how each of the governance models might serve the desired functions, features and funding flows identified. You should document the advantages and challenges each model would present, but it might be helpful to summarize the results using a table like the one shared here.

Governance Model	FEATURES			FUNDING FLOWS	
	Feature #1	Feature #2	Feature #3	Funding Flow #1	Funding Flow #2
Hosted Program Option #1	🔴	🔴	🟢	🟢	🟡
Hosted Program Option #2	🟢	🟢	🟢	🟡	🔴
Umbrella Agreement with partners	🟡	🟡	🟢	🟢	🟢
Dedicated Vehicle contracted management	🟢	🟢	🟢	🟡	🔴
Dedicated Vehicle fully independent	🟢	🟢	🔴	🟢	🟡

Advantages could entail the following:
- Ownership or involvement from a particular stakeholder could add gravitas, credibility or open access to new funding flows.
- Embedding a WIP within an existing institution might offer stability or continuity with regards to operational systems, and it might enable the WIP to leverage an existing track record of success.
- Cost-effectiveness benefits could follow, including low-overhead, or lead to economies of scale.
- Access could occur to an organization's pool of expertise or capacity.
- Quick procurement processes for implementation could speed impact.
- Fully independent entities might offer the advantage of tailor-made features which you could design for institutional simplicity and flexibility to efficiently deliver services and to deploy funding sources.

Challenges could include the following:
- Government ownership or involvement may hinder the program with bureaucracy or "red tape".
- Ownership, perception of ownership or involvement from a particular stakeholder may reduce transparency around decision-making processes or funding flows.
- High operational "overhead" costs of government may hinder ability to attract private funding.

- Embedding within a particular institution might discourage collaboration, or the WIP might be vulnerable to changes in leadership or priorities within the organization.
- There could be a perception of the WIP as a foreign entity.
- Competitiveness with other similar organizations could occur.
- Some organizations may have internal standard operating procedures that limit their ability to receive public or private funds.
- There are risk and transaction costs of setting up an independent entity.
- Time registering as an independent entity might be burdensome, depending on local laws and regulations.

The common governance models usually fall into the below categories, but how the operational aspects (Step 5) are set up can provide flexibility to better meet a WIP's specific needs. The descriptions below are a repeat of Pre-Feasibility & Feasibility.

Umbrella Agreement: an agreement, usually an MoU or collaborative charter, between multiple parties outlining how they will and will not work together to accomplish a shared goal. In this model stakeholders often execute their own, separate implementation plans based on their own theory of change, and signatories agree to loosely coordinate with one another on certain aspects; most commonly, sharing data around implementation and monitoring and evaluation. Signatories do not usually work together to mobilize funding, but that is not always the case. The exception is usually when applying for public funds where it may benefit many programs to jointly apply, especially if the funding pool requires match.

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- Convening and co-designing an annual meeting for signatories, including those who are not on the steering committee
- Coordinating organizations interested in advocating for policy change that could widely benefit the WIP
- Collecting, synthesizing and publicly publishing data for all signatories to access
- Reporting the WIP's impact

Hosted Program: one organization primarily manages the development of the WIP but is usually guided by a steering committee of relevant partners. Relationships are typically defined in a Memorandum of Understanding (MoU) or Administration Agreement. As the program moves through the phases and its objectives become more defined, the hosted program may choose to develop one or more working groups or sub-committees focused on specific aspects of the program, like monitoring & evaluation, that may benefit from dedicated attention.

The steering committee's role is to give direction to the WIP and act as a consultative forum for partners. As the WIP moves through the program preparation and implementation phases, its mandate, and therefore its role and responsibilities, may change. The steering committee's role often includes:
- Reviewing, evaluating, and endorsing the WIP's investment portfolio, SMART objectives and annual operating manual
- Monitoring and evaluating performance against objectives
- Representing partner organizations
- Allocating resources and overseeing resource allocation [in some circumstances]
- Ensuring accountability
- Oversee activities, endorse recommendations and approve Terms of Reference for working groups or sub-committees

- Elevating and mitigating risks to the WIP
- Coordinating and sharing information among implementers
- Advising and endorsing communications strategies
- Ensuring organizational and institutional alignment
- Advocating for the WIP

It's important to recognize the optimal size of the steering committee for your purposes. If a steering committee is too large, it can lead to decision paralysis, and if it's too small, it may miss critical stakeholders that need to be involved. It may be worth considering a model of ad-hoc members and technical working groups, or perhaps an advisory group consisting of subject matter experts and individuals with political or institutional influence.

The hosting organization (sometimes referred to as the Secretariat) is responsible for keeping the WIP on task, whether moving through the program development phases or maintaining impactful implementation. Like the steering committee, the role of the hosting organization is likely to change as the WIP moves through the phases and can include:

- Leading the creation of Terms of Reference, vetting and contracting expertise and project managing the required analyses for each phase, for example, Return-on-investment Analyses or Regulatory & Policy Mapping
- Developing the WIP's investment portfolio, SMART objectives and annual operating manual
- Implementing and/or coordinating on-the-ground activities, including sub-contracting implementation
- Creating the Monitoring & Evaluation plan and coordinating implementation
- Raising funding for program development and implementation
- Conducting or coordinating data collection and analysis
- Managing stakeholder relationships
- Reporting to donors, the steering committee and other stakeholders
- Communicating about the WIP, including outreach and awareness raising, developing messaging and speaking with media

Under a hosted program arrangement, implementation can either be executed by the hosting organization or contracted out to other entities. This does not necessarily mean that all implementation must be executed or managed by the hosting organization; in many cases, other partners are also implementing in the desired area. It will, however, be important for the hosting organization to foster transparency among all implementing organizations and, at a minimum, share data among one another regarding the where, what, when and how of execution. This will be important to ensure programs' efforts are additive to one another and to track impact at scale, even if they are not formally engaged with your WIP.

A hosted program can be nested within a number of entities, including a government agency, basin authority, utility, corporation and/or nonprofit. The WIP requires dedicated capacity and time from the hosting organization to be successful; the hosting organization should be aware of the commitment and resources requirements.

Dedicated Vehicle: an autonomous, legal entity with its own staff and standard operating procedures. The most common dedicated vehicle is a tax-exempt organization, also commonly referred to as a not-for-profit, nonprofit, or public benefit organization, which can take from 6 to 18 months to establish, depending on the country. For this reason, many WIPs wait until they've executed for a few years before exploring the potential for a dedicated vehicle.

As autonomous entities, dedicated vehicles are subject to local regulations and must comply with specific laws that impact how they operate. It's recommended that, if exploring this model, the promotor acquire experienced

legal capacity, contracted or in-house, to help them understand the pros and cons of the approach, to navigate the specific legal requirements, and to eventually apply for status.

If stakeholders agree to move forward with a dedicated vehicle, there are several common models to consider:

- *Dedicated vehicle managed by a separate organization through a management contract or an MoU.* In this case, the dedicated vehicle could have a group of founding members, but a separate entity would be contracted by or enter into a mutual agreement with the board to perform select functions on behalf of the dedicated vehicle.

- *Dedicated vehicle managed by in-house staff that functions as an independent entity.* In this case, the dedicated vehicle usually has a group of founding members, a board, and its own staff, including a managing or executive director who reports to the board. The director is responsible for executing on the WIP's strategic plan. This can include hiring staff, implementing either in-house or through contractors, delivering annual impact reports, securing funds and more.

In any case, a dedicated vehicle will usually have established formal partnerships with one or more stakeholders to support different aspects of the WIP's execution, for example, data management and impact reporting and/or in-situ monitoring and evaluation. w**FIFTH. Detail how your governance arrangement will operate.**

Once you have chosen your leading governance arrangement, detail and document how the model—whether a hosted program, umbrella agreement, or dedicated vehicle—will operate. The table below outlines a range of questions that might be applicable depending on the model chosen; the list is neither exhaustive nor prescriptive, and questions should be tailored to your WIP's circumstances.

Organization	How will the WIP be organized, structurally? What are the roles and responsibilities of the different bodies? How will information and funding flow? Does it make sense to have different working groups? Who are the stakeholders outside of the WIP that you will need to coordinate closely with? Who is responsible for managing this coordination? How often will a charter be reviewed to determine its continuation?
Decision-making	What is the process by which decisions will be made? Who are the deciders? Are there stakeholders who may not decide, but who would provide input or data? When new stakeholders surface, how do they become involved? How long will members of the board/advisory groups/steering committees serve?
Implementation	How will implementation be managed? Will the WIP manage all or a portion of the implementation? Will implementation be contracted out? Will the board approve sub-grants for implementers? If many stakeholders are implementing, who is responsible for coordinating among partners?
Monitoring & Evaluation	Who is responsible for developing a monitoring and evaluation plan? Who is responsible for executing on the M&E plan? If multiple parties are executing their own M&E programs, is there an agreement to report data centrally? If so, how often are they reporting? Who is responsible for coordinating the consolidation and visualization of the data? Who has access to the data or platforms?
Funding	Who is responsible for raising funds? Who will manage reporting for public funds? Who will manage reporting for private funds? How will financial sustainability be reached? (See Sustainable Funding Deep Dive.)
Reporting	How often will the WIP provide overall impact and/or financial reports? Who will receive or have access to the reports? How will the WIP manage external communications? How often will partners meet?
Operations	Who is responsible for hiring and onboarding new staff? Who executes payroll and what benefits are offered? Who manages the annual WIP budget, and what is the financial management system? Who provides legal oversight for contracts and MoUs?

Execution

PRIMARY ACTIVITY	PRE-FEASIBILITY STUDY
Other Relevant Deep Dives	n/a
Objective	The Execution Phase is undertaken to establish stability, specifically by developing and implementing the WIP's strategic plan. Confirm your governance, legal and & operational arrangement is still meeting your needs and continue to include additional stakeholders as appropriate.
Answer these questions	Is the current governance arrangement serving your WIP and the needs of your stakeholders? If not, what adjustments need to be made?
Using these	Common Governance Model Overview (*in previous section*)

If your governance arrangement is not fully meeting your needs, go back to Design to create a process to get stakeholders' input on what is working and what could be improved. To maintain impartiality, it might be beneficial to contract a third party to conduct the stakeholder interviews. Record and detail any resulting changes, and continued to assess the efficacy of your governance, legal and operational arrangement as the WIP continues to mature.