

**Third Party Evaluator's Opinion on
Three Provincial Cities Water Supply Expansion Project,
Three Southern Provincial Cities Water Supply Expansion**

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Efficiency

Insofar as efficiency of any project is measured by the completion of the projects within allocated or requested budget, then the six provincial waterworks projects can be considered efficient. This can be misleading, as the completion of the project which has happened long after the date specified in the project proposal would incur time-loss and revenue-loss from the use of resulting water services. As it turns out, the six provincial waterworks projects were late in their completion, with the First Project experiencing 46 months overdue (or 112 per cent of the original completion time), and the Second Project experiencing 45 months overdue (or about 96 per cent of the original completion time). In other words, the two projects together suffered more than double time-overrun.

The cost saving due to under-expenditure from the original cost estimates cannot be said to be completely attributable to efficiency in project management. On the contrary, under-expenditure could be said to come from the delay in, and the problems of, project implementation. As in the case of these two sets of projects, the First Project expended only 2,422 million yen or slightly more than half of the original budget approval. And the Second Project expended only 2,362 million yen or about 56 per cent of the original budget approval. It was possible also that this under-expenditure came from the original cost estimates that were higher than what they should be (some would call this a built-in cost-overrun). Although the original output estimates have more or less been achieved, the quality of these outputs may be subject to questions.

According to the officer in charge of overseeing the operations of these two projects, some problems in implementation stemmed from the lack of knowledge and coordination between the project planners and designers in Bangkok, and the project implementers in the field. Such problems as the seasonal weather conditions, the existence of old water pipes which obstructed the construction of the new ones, the inflexibility on the use of fund for different or changed conditions at the sites, had all contributed to the delay in the completion of the projects.

In all, the efficiency of these waterworks expansion projects lies not so much on the concept of the project, but on the implementation of the projects on the part of the operating agency, which in this case, the Provincial Waterworks Authority (PWA) of Thailand. Similar situations exist in most other government agencies doing these kinds of public projects in Thailand, so there is nothing particularly wrong with the PWA. The situations today have improved over those ten years ago, as the implementers maintain stricter discipline in following the timetable of work, and ensuring the outcome of the projects.

Impact

Despite possible reservations on the efficiency of the projects, it can be argued that the benefits accrued to the customers of these waterworks expansion projects were quite large. The comparison between 'with' and 'without' situations often cannot be measured in terms monetary losses and gains alone, but in terms of enjoyment or convenience in life that the availability of these water services have brought to the people in the local areas.