Water and sanitation: How can Africa fill the gaps?

Insights from the African Economic Outlook 2007

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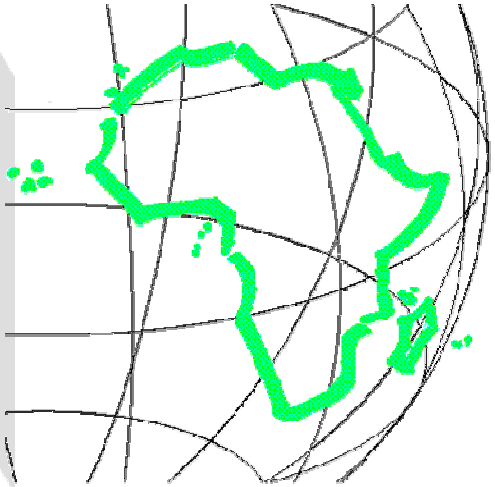

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Access to water and sanitation: the facts

- ***10 million people / year*** *have gained access to improved drinking water over 1990-2004 in sub-Saharan Africa (some 1.8 mill/yr in South Africa since 1994)*
- *With population growth, the number of unserved has increased by about* ***60 million*** and *SSA is unlikely to reach the MDGs by 2015.*
- *The situation is worse for sanitation:* ***35 million more people*** *annually need access to improved sanitation (current trend: 7 million). In South Africa, backlog=27%.*
- *If the MDGs were reached by 2015,* ***234 million people*** *would still lack access to safe drinking water and* ***317 million*** *to improved sanitation*

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Access: the outstanding experiences

- ***North Africa:***
  - *91% have access to drinking water (highest level in developing world with Latin America).*
  - *Sanitation coverage up by 12% points between 1990 and 2004 (at 75%), on track to reach the 83% target by 2015.*
- *Quasi universal access to water in **Mauritius** and **South Africa** (by 2008).*
- ***Uganda**: coverage for drinking water × 3 between 1990 and 2006 (from 21 to 61 per cent).*
- ***Tanzania**: 90% of population have access to some form of sanitation.*

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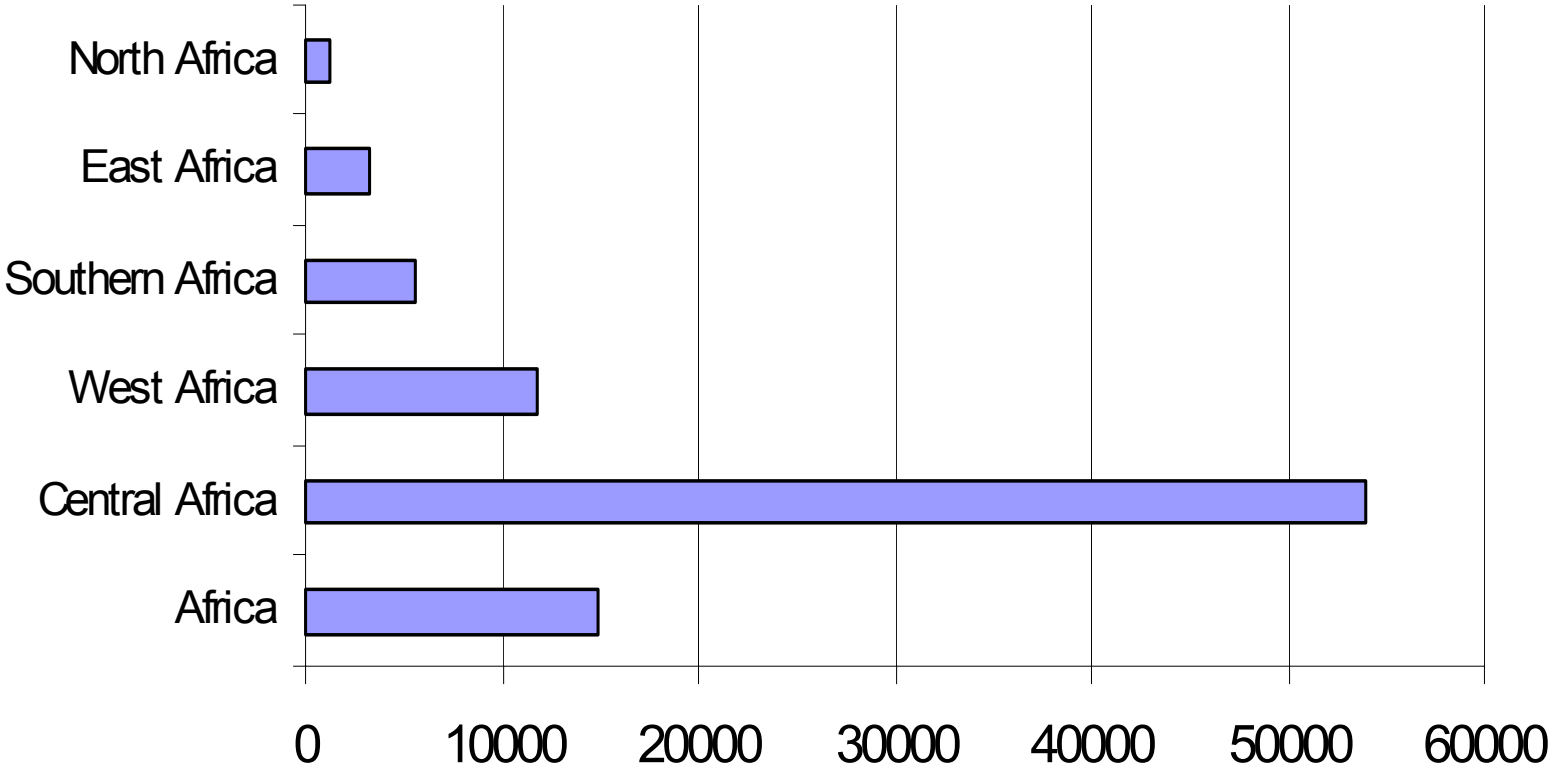
A resource issue?

Renewable water per capita (m^3/inhab/yr)



Source: FAO, Aquastat.

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Mainly a management issue

- ***Weak extraction*** *capacities - except in North and South Af.*
- ***Inefficient use****: agricultural (68%), domestic (24%), industrial (8%). (South Africa: 62% - 32% - 6%)*
- *Industrial* ***pollution****, poor sanitation and sewage practices. Congo: 68% of SNE water samples comply with quality std.*
- ***Wastage****: unaccounted for water reaches 50% in most cities. Botswana: 46%, Mauritius: 47%, Cairo & Alexandria: 50%*

=> Combining "hard" and "soft" paths

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Introducing water demand management the municipality of Windhoek

Programme components:

- *Increasing public awareness*
- *Implementation of block tariff system*
- *Legislation to address water conservation*
- *Improved maintenance and technical measures to reduce leaks*
- *Re-use of water: one of the first cities to introduce recycling of effluent for drinking purposes*

In 2006: unaccounted-for water fell to 10.3%
(good practice: 15-20%, OECD: 10-33%, Singapore: 6%)

The remaining Challenges

- ***Implementing integrated water resource management (IWRM)***
- ***Strengthening local management***
- ***Advancing sanitation and wastewater treatment to the top of the agenda***

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Status of National IWRM

	Level 1	Level 2	Level 3
North Africa		Egypt Morocco Tunisia Mauritania Sudan	Algeria Libya
Central Africa		Cameroon	Burundi Central African Rep. Chad Congo DRC Rwanda
Eastern Africa	**Uganda**	Eritrea Ethiopia Kenya Mauritius Tanzania	
Western Africa	**Burkina**	Benin Ghana Mali Nigeria Senegal	
Southern Africa	**Namibia** **South Africa** **Zimbabwe**	Botswana Malawi Mozambique Swaziland Zambia	

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Source: Global Water Partnership, 2006

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Key management issues

- *Strong national water **policies and legislation** backed up by political will.*
- *Sound and autonomous **regulation**: monitor progress, set guidelines, design incentives to extend service provision and protect consumers (NWASCO in Zambia).*
- ***Strengthening capacity** on the ground (partnership in South Africa between TCTA and Umgeni Water).*
- ***Harmonisation** of different stakeholders' interventions (SWAP in Uganda).*
- ***Participation of all stakeholders**: improve efficiency, maintenance, avoid conflict (Ghana community approach).*
- ***Regional cooperation***

Reducing the sanitation gap

- *Increasing access to drinking water can only be safely achieved if sanitation is tackled **simultaneously**. Awareness rising: Senegal*
- *Investments are small compared to the health and environmental **costs of inaction** and **returns** (WHO: economic benefits of meeting MDGs in Africa = $23 bl/yr).*
- *Overcome the **segmentation** of the sector: between administrations, among providers (Durban).*
- *Develop **technologies** adapted to communities' needs.*
- *Invest in **prevention campaigns** (Community health clubs in Zimbabwe).*

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Financing
A key issue for all stakeholders

- ***Investment needs**: $20bl/yr until 2025, 1/3 for sanitation, ¼ for drinking water supply (Africa Water Vision 2025).*
- *Insufficient **public money** (national budgets and ODA).*
- ***National water providers** have failed to achieve financial viability.*
- *Least attractive sector to **private investors**.*

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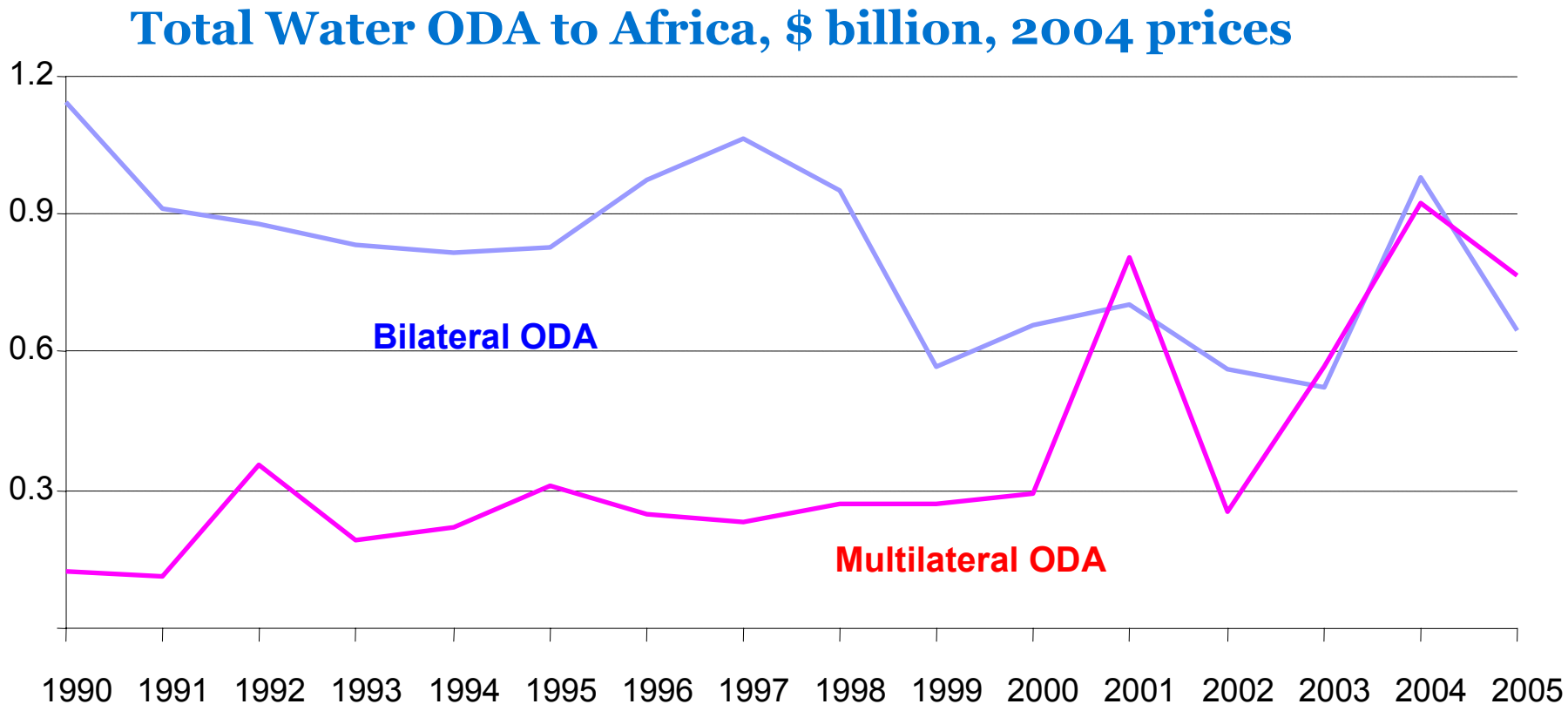
Strengthening utilities

- ***Financial independence***:
  - *cost-recovery: affordability and cross-subsidisation*
  - *sustainable & predictable public funding*
- ***Capacity building*** *through benchmarking and partnerships (ex: UNSGAB Water Operators Partnership).*
- *The role of* ***small-scale local providers***
  - *Flexible, better knowledge of remote areas*
  - *But they need to be better regulated and their action facilitated by institutional framework (Uganda Association of Private Water Operators)*

What role for the donor community?



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Source: OECD/DAC

What role for the donor community?

- *Using ODA to **leverage** further financing (Zambian Devolution Trust Fund).*
- *Using subsidies targeted on performance, such as **Output-Based Aid** (GPOBA in Mozambique).*
- *Develop **innovative financial tools**: sub-sovereign financing facility in local currency, risk mitigation through resource pooling, guarantees (Jo'burg 2004 municipal bonds: 1rst non-sov guaranteed loan in SSA).*
- *The role of the **African development Bank**: African Water Facility and the Rural Water and Sanitation Initiative.*

Thank you