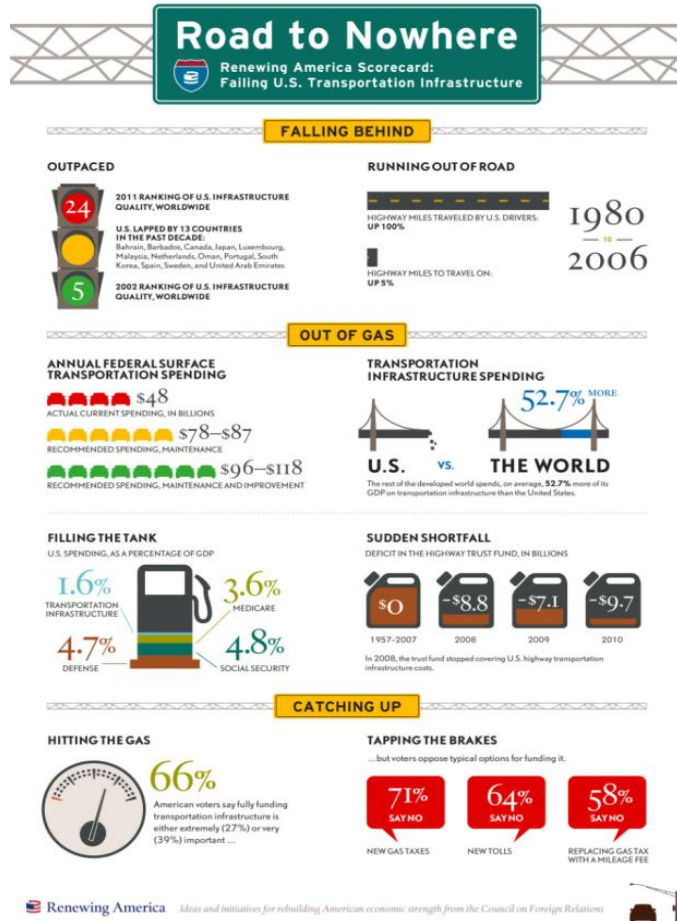


What we know on keeping water and sanitation services running?

Eva Kouassi-Komlan

2014 SMM, Washington DC, 10 April 2014

Sustainability of services



- Challenge for all countries
- Consequences of non functioning services
 - Wasting investment
 - Increase diseases
 - Economic and opportunity costs

Building sustainability

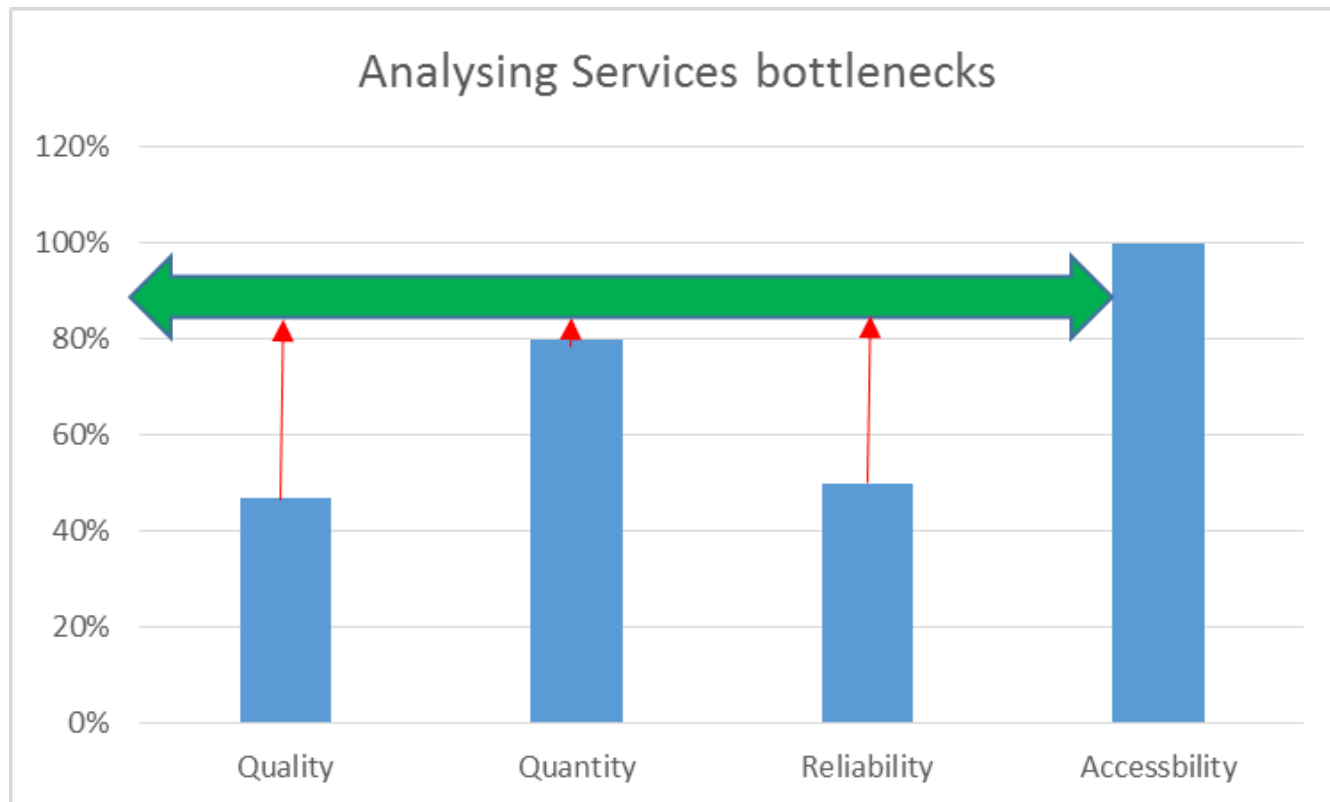


- Decentralization
 - National monitoring systems
 - Regulation
 - Appropriate services levels
 - Investment funds
- Costing of services (life cycle approach)
 - Bottlenecks analysis
 - Sustainability Compact
 - Sustainability checks
 - Systems mapping (ICT)
 - Circuit rider approaches
 - Washcost calculator
 - Easier payment mechanisms using mobile phones
 - ...

What can we do better?



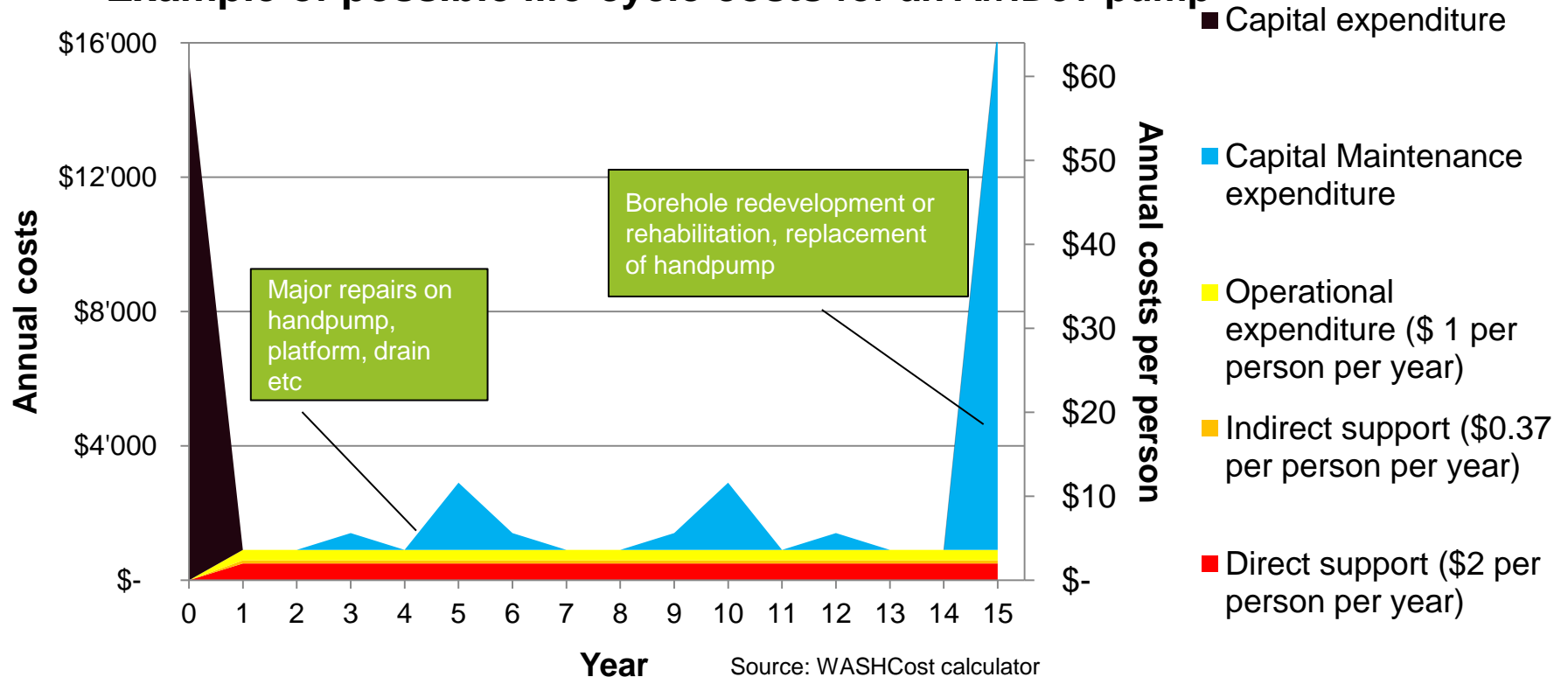
- Knowing the bottlenecks



Knowing the Costs



Example of possible life-cycle costs for an AfriDev pump



Initial capital expenditure: \$ 15,500 (\$ 62 per person)

Cumulative recurrent costs after 10 years: \$ 14,550 (\$ 58.20 per person)

Cumulative recurrent costs after 15 years: \$ 35,075 (\$ 140.30 per person)

Fundamental shift?



Financing

Procurement

Projects  Programmes



Infrastructures



Services (industry)
Behavior Change?

Public

Institutional
support

Private
sector

Jobs

3Ts

Turning WSS services back into money ...



Economic returns

- **\$1 invested in WSS returns between \$3.4 and \$12**
- **GDP loss due to poor of sanitation 0.9% to 2.4%**
- **Economic returns immediate leading to healthier more productive population**

Fiscal returns

- **WSS sales turnover ranges from 0.5%-3% GDP**
- **Increasing opportunity to benefit from WSS tax revenues (employment tax, corporation tax, VAT)**
- **Fiscal returns longer-term**

Water supply and sanitation is an industry contributing to the tax base



	% of GDP	Water sales (US\$ millions)	Formal sales per capita (US\$)	Total sales per capita (US\$)
Senegal	2.9%	201	9	17
Colombia	1.9%	1,706	27	37
Phillipines	1.7%	1,709	6	21
Poland	1.5%	3,599	80	94
Brazil	1.4%	7,732	27	41
Turkey	1.3%	3,413	34	47
UK	0.4%	8,766	141	146

Source: Global Water Intelligence

Conclusion?



- **Monitor and ensure accountability for service delivery and behaviour**
 - Governments must take the lead in defining service levels and ensuring these are being met
 - Robust (though appropriate) monitoring and regulation.
- **Sufficient public finance must be allocated to the sector to provide a robust enabling environment**
 - Provision of capacity and resources at local government level (1US\$/person/year)
 - Mechanisms for capital maintenance from user fees
- **Raise the service levels to match expectation and demand**
 - E.g. recent policy from Uganda and India
 - And invest more in understanding nature of real (economic) demand
- **Shift to service industry philosophy**
 - Water supply and sanitation services generate financial resources through transfers, tariff, taxes

Thank you!

Eva Kouassi-Komlan

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