



Republique Democratique du Congo Country Overview



I. Potential Benefits for Economic Growth: Role of Water, Sanitation and Hygiene

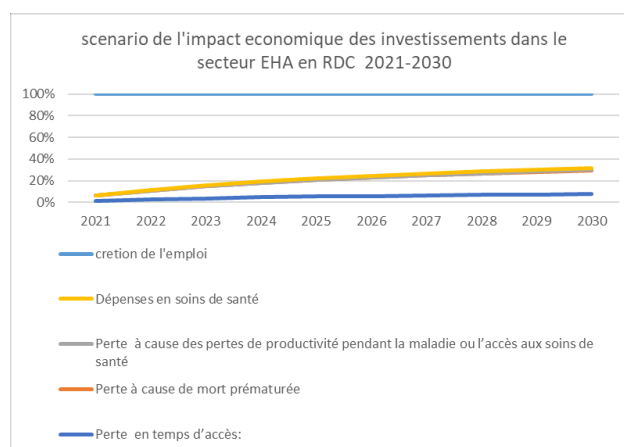
- The role of water, sanitation and hygiene or the economic benefit of investments in this sector during the period of the COVID-19 pandemic would be well known on the economic growth of the Democratic Republic of Congo by 2030.
- The Congolese government has just set up the National Water, Hygiene and Sanitation Program (PNEHA) aimed at increasing the rate of access to drinking water by 33% to 80%, to improve sanitation and hygiene for all and to eradicate the Open defecation for the poorest quintile by 2030 at an investment of roughly US\$7 billion investment per year. This investment is meant to be equitable and ensures that no one is left out (rural & urban, rich & poor, people in humanitarian...) through support to REGIDESO for the improvement of its performance and other public and private initiatives to bring about a better understanding of the needs of the population.

palliative solutions to this sector in accordance with the guidelines of the Water Act.

- Malfunctions in the water and sanitation sector contribute to poor health conditions and generate additional costs for the Congolese population.
- In DRC, the infant and child mortality rate (0-5 years) is 104 deaths per 1,000 births and stunting is more than 40% among children under 5 years of age. Malaria remains highly prevalent in the country, with 23% of under-fives testing positive, and continues to account for more than 40% of the causes of child mortality (MICS 2018).
- In addition, the search for water for the household is often to the detriment of the education of young people, particularly girls, who may be subjected to violence when fetching water. In fact, a primary school girl spends 15% of her time fetching water while a secondary school girl spends 16% of her time fetching water. Thus, fetching water reduces schooling time by 5% to 10% for girls in primary and secondary school. There is a significant causality between violence against women and the time spent collecting water over long distances. (Sources: World Bank, December 2014).
- Investments in the proper functioning of the Water, Hygiene and Sanitation (WASH) sector offer benefits in terms of the economic and social development of the Congolese population, estimated at 91,994,000 inhabitants. (MICS 2018). The economic development impact of investments in the WASH sector during this period of the COVID-19 pandemic would be well known on : (i) the development of the private sector with the creation of new economically viable enterprises, (ii) the broadening of the tax base, (iii) the reduction of the loss of income due to waterborne diseases affecting households. Then, in addition to the economic benefits of investments in the EHA sector, there would be social benefits in particular: (i) a significant reduction in diseases related to the lack

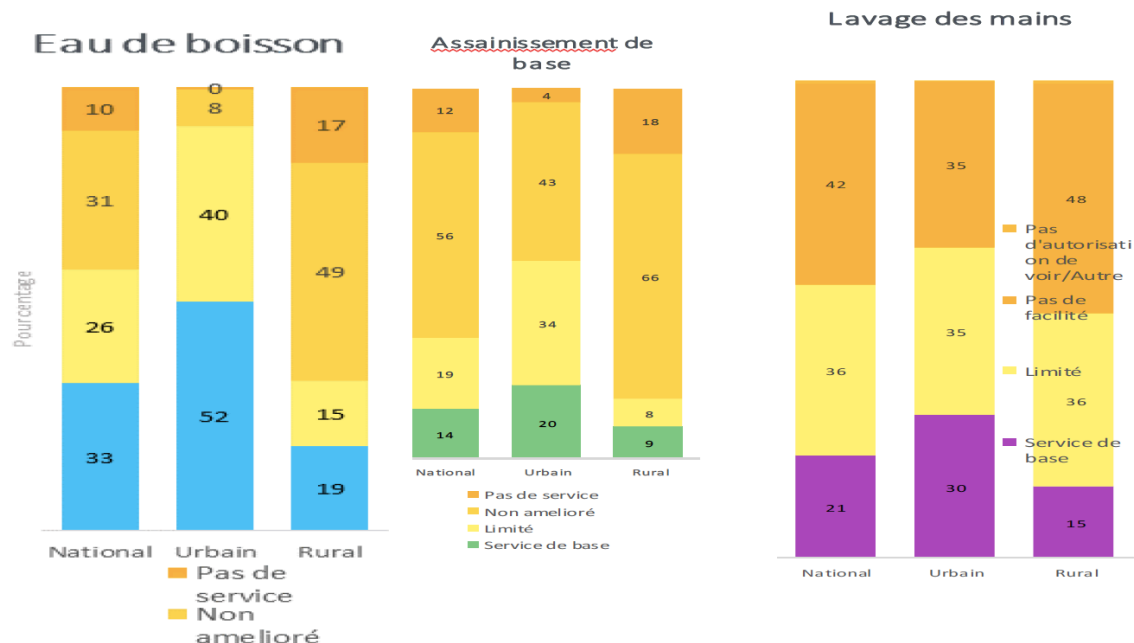
of water, hygiene and sanitation, (ii) job creation and a reduction in the unemployment rate, (iii) a reduction in the drudgery of collecting water for young girls, an improvement in their education and protection against sexual violence.

- In order to understand the economic benefits of investment in this sector during the COVID-19 pandemic, which now appears to be an opportunity, we start from a documentary study carried out by the Water and Sanitation Program, which states that the Democratic Republic of Congo loses 192 billion CDF each year, which is US\$3 per person in the DRC per year, or 1.6% of national GDP.
- The economic impact of poor sanitation is also large in terms of calculated statistics, as it represents 1.6% of national GDP for sanitation alone.
- Given that the informal sector accounts for more than 70% of economic activities in the DRC and that COVID-19 is an opportunity to boost efforts to improve the sector, it would be desirable for the Congolese government to encourage informal sector actors to move towards the formal sector and to implement the law on water, to provide incentives to stimulate private investment in this sector to transform the economic impact of poor sanitation into gain. Stimulating private investment in sanitation would bring the DRC more than \$32 million in gains.
- If nothing is done, as the Central Bank of Congo (BCC) predicts, between now and December there will be a continued deterioration of the macroeconomic framework, i.e. the recession will deepen further, inflation will continue to rise, there will be a greater lack of creation of new enterprises in the sector, the unemployment rate will increase, the state will mobilize less revenue, and so on.

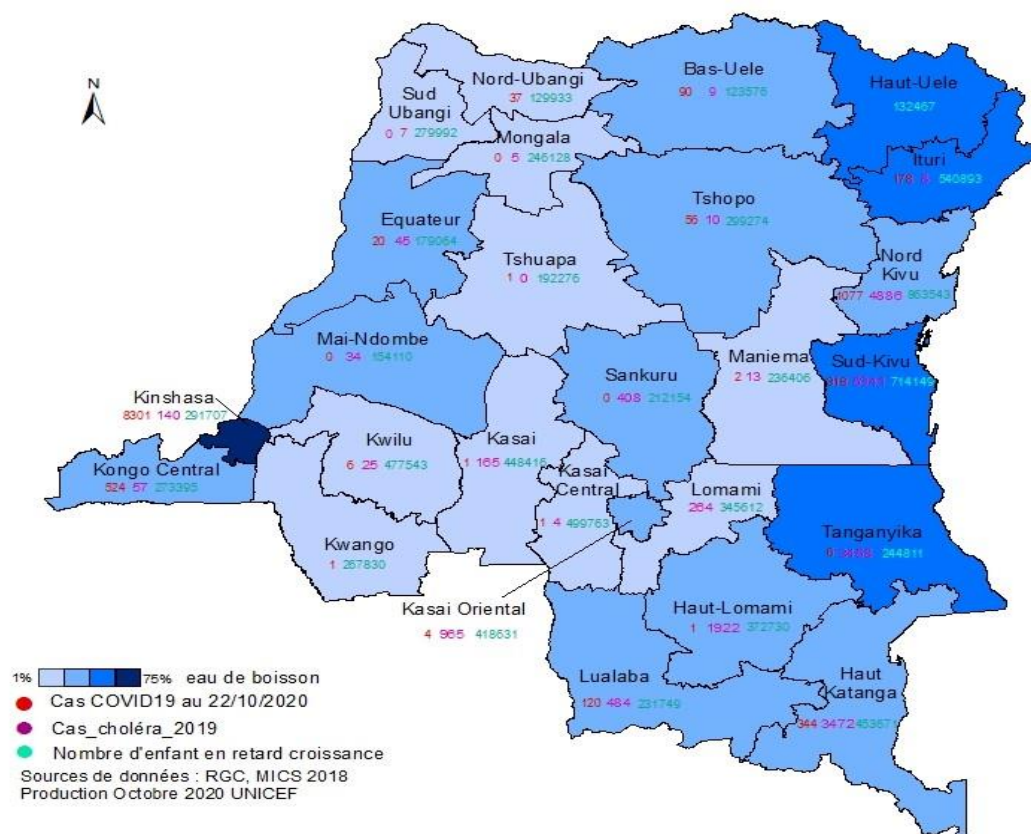


II. Existing Water, Sanitation and Hygiene (WASH) Service Levels and the Effects of COVID-19

- The Democratic Republic of Congo, despite its high potential for water resources (52% of Africa's freshwater reserves), is experiencing difficulties in accessing water, sanitation and good hygiene practices (33.6%, 13.5%, and 21.4%, MICS 2019) and is unable to meet the needs of its population, which could double by 2030 (MICS).
- Several disparities in access have been noted between rural and urban areas and between the poor and the rich.

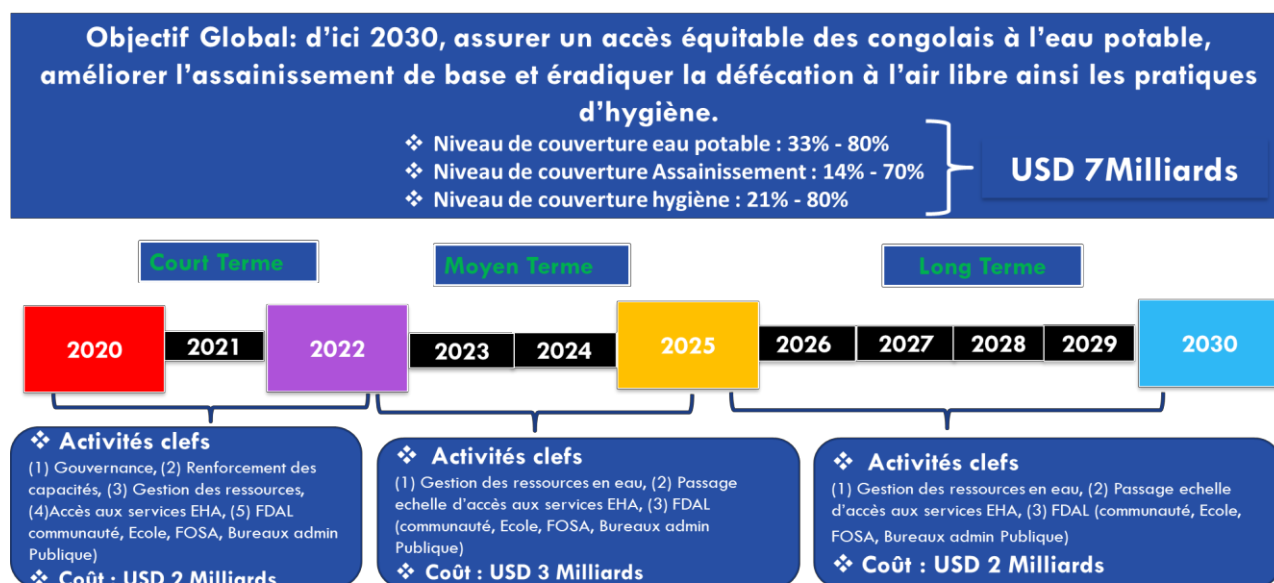


- The low rates mentioned above, coupled with poor hygiene practices, are at the root of the repeated epidemics that the DRC has been experiencing in recent years, among others: (i) Cholera, (ii) Ebola, (iii) Covid-19, (iv) nutritional crises and stunting.
- Projections of the improvement in service coverage according to the National Water, Hygiene and Sanitation Program (PNEHA), aim to :
 - (i) access to drinking water from 33% to 80% by 2030;
 - (ii) improving access to sanitation from 14% to 70% and eradicating open defecation from 12% to 0% by 2030;
 - (iii) an improvement in good hygiene practices by 21% to 80% by 2030.
- These projections of coverage levels will not only contribute to the reduction of transmission of the COVID-19 pandemic but also of other waterborne diseases (cholera, malaria, diarrhea, chronic malnutrition), and will contribute to reducing the unemployment rate through job creation and other income-generating activities.



III. Making SMART Investments: Opportunities for Economic and Social Development

To achieve safe drinking water, improved sanitation and basic hygiene for all, the Congolese government, with technical and financial support from UNICEF, has developed a 10-year program costing US\$7,723,445,420.



The activities to be carried out will focus on improving the governance of the sector and access to services by the communities.

In order to invest in the sector and benefit from its social and economic impact, the sectoral Ministries will carry out specific actions including :

- (i) organizing advocacy for increased support in the sector so that partnerships with sectoral actors are strengthened,
- (ii) improving and revitalizing the institutional framework of the sector,
- (iii) promoting incentives and providing facilities in favor of the private sector,
- (iv) increasing budget lines in the sector and effectively disbursing them.

Climate action financing through the REDD and Climate Funds can also be an important additional source for sustainable water resources management as the threat that climate change poses to the environment is being felt sorely on this resource.

The minimum investments required in the governance of the sector		
N°	Actions	Cost (USD)
1	Elaborate the application texts of the Law N° 15/026 of December 31, 2015 relating to water	180.000,00
2	Establish a system of financial contribution of Water	20.000,00
3	Create and Install the National Coordination of the Water Resources Observatory (CNORE)	5.500.000,00
4	Create and operationalize the National Fund Waterway Maintenance Facility (FoNEV)	45.870.000,00
5	Elaborate the National Policy for Sustainable Water Resources Management	1.250.500,00
6	Create the Water Management Fund (WMF)	Aucun
7	Operationalizing the EGF	10.000,00
8	Inventorying the Water Resources of the DRC	4.852.000,00
9	Elaborate the Master Plan for the development of the site and Water Resources Management (SDAGE)	2.500.000,00
10	Set up an Information System on the Water Resources (SIRE) with a network observation and monitoring	2.500.000,00
SUB-TOTAL WATER RESOURCES		62.682.500,00

N°	Actions	Cost (USD)
1	Develop and implement the enforcement actions relating to water on December 31, 2015	800.000
2	Equip and rehabilitate facilities State institutions in charge of drinking water at the national and provincial levels.	10.000.000
3	Accompany the provinces in the elaboration of Sector Investment Plans	2.000.000
4	Accompanying the provinces in the development of their sectoral roadmaps	500.000
5	Carry out feasibility studies for the construction and rehabilitation of drinking water supply infrastructure projects in the 26 provinces	10.000.000
6	To supply the rural population with drinking water	1.400.000.000
7	Supplying the urban population in drinking water	2.800.000.000
8	Supply drinking water to educational institutions	500.000.000
9	Supply drinking water to health institutions	200.000.000
10	Supplying public establishments with drinking water	600.000.000
11	Supply more than ten million people in humanitarian situations with drinking water (1. population movements: refugees, displaced persons, returnees; 2. epidemics: Cholera, Ebola, nutritional crises; 3. Natural disasters: Floods)	400.000.000
12	Integrate new technologies, promote innovations and research in the management of drinking water services	1.000.000
13	Favouring the business climate in the Drinking Water Supply sector (tax facilitation, bank guarantee ...)	500.000
14	Promote women's investments in the water sector drinking	200.000
15	Create and implement a water supply support fund drinking water to support private operators	500.000
16	Promote (encourage) private/public investment in the production of water treatment inputs	200.000
17	Promote private/public investment in the production/import of pump spare parts. manuals	200.000,00
	SUB-TOTAL WATER SUPPLY	5.925.900.000

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 - promoting incentives and providing facilities in favor of the private sector,
 - increasing budget lines in the sector and effectively disbursing them.
- Climate action financing through the REDD and Climate Funds can also be an important additional source for sustainable water resources management as the threat that climate change poses to the environment is being felt sorely on this resource.

IV. Actions identified to support national priorities through the Mutual Admissibility Mechanism.

- The Democratic Republic of Congo ratified the NGOR commitments in 2015 to improve sanitation for all and to eradicate open defecation by 2030. In 2019, at the High Level Meeting organized by SWA (Sanitation and Water for All) in Costa Rica, the Democratic Republic of Congo renewed its commitments to achieve universal coverage of access to safe drinking water, improved sanitation and hygiene for all and to eradicate open defecation for the poorest quintile by 2030.
- These commitments have led the DRC to :
 - (i) adopt a road map for the eradication of open defecation by 2030,
 - (ii) adopt a National Water, Hygiene and Sanitation Program (PNEHA) that will gradually bring about improvements in the sector,
 - (iii) ensure the improvement of public allocations to the water, hygiene and sanitation sector from 0.006% to 5%, thereby increasing the level of service coverage and improving governance of the sector in accordance with the law on water.
- To date, the first two commitments (i, ii) consisting of the preparation of investment guide documents in the sector have been developed by the Government with the support of its Technical and Financial Partners.
- In order to ensure accountability, the Government intends to improve :
 - (i) the disbursement of public funds related to the WASH sector
 - (ii) the management of the bank guarantee fund for companies investing in the WASH sector that will be created,
 - (iii) respect for the roles and responsibilities of each Ministry that will be involved in the sector's activities,
 - (iv) information sharing through conferences, FORAs, complaint collection sessions and the insertion of suggestion boxes at the National Water, Hygiene and Sanitation Action Committee (CNAEHA) and the Provincial Water, Hygiene and Sanitation Action Committee (CPAEHA).
- In addition, the Government intends (i) to integrate the Ministries of Finance, Budget and Rural Development into the office of the Steering Committee of the National Water, Hygiene and Sanitation Action Committee (CNAEHA), and (ii) to implement actions with new partnerships that can attract additional investments.
- The EHA sector in the DRC has been virtually financed by technical and financial partners for years. However, in view of these commitments made by the country, exchanges are underway to encourage TFPs to renew their commitments in order to accompany the country

in the process of improving universal and equitable access to water, hygiene and sanitation services.

- The Democratic Republic of Congo has put in place, through the CNAEHA, a mechanism for monitoring and evaluating the implementation of its commitments based on the following activities with the stakeholders of the sector:
 - (i) organization of annual sector reviews;
 - (ii) biannual review of sector financing;
 - (iii) updating of the sector database;
 - (iv) definition of service standards and norms;
 - (v) operation of a platform for knowledge management and sharing among sector stakeholders;
 - (vi) initiation of the sector financing week once a year.