

Democratic Republic of Congo

Consultative Group – November 29-30, 2007

Working Session on the Water Sector

Medium Term Priorities for the Water Sector

The Government of the Democratic Republic of Congo and the international community have a common objective for the future stability and development of DRC: water sector.

The Democratic Republic of Congo (DRC) possesses abundant water resources. Its surface water system is among the world's largest, and its groundwater resources, considered very sizable, remain largely untapped. The average rainfall of 1,200 mm per year is relatively steady and well distributed, with the exception of Katanga and some regions of Southern Kasai which have prolonged dry seasons. The country nevertheless has great difficulty in supplying drinking water to its population. At the present time, only 11.5 million persons have access to a supply of drinking water (i.e. 22 percent of the country's total population, versus an average of some 60 percent in Sub-Saharan Africa as a whole). The unavailability of drinking water poses serious risks for public health. The main victims of ineffective delivery of this service are the poor, who must sometimes pay, for a single liter of water, a price seven times higher than they would if they were adequately served by the national water distribution company, REGIDESO. To reach the levels targeted by MDGs in this area (namely, to cut in half by 2015 the number of persons with no permanent access to drinking water supply and sanitation services, i.e. 71 percent in the case of water supply), it will be necessary for 45 million additional persons to gain access to drinking water by 2015, which is a formidable challenge, especially when these objectives are compared to the decline, since 1990, in the rate of access to such services.

Currently, it is estimated that 40% of the population resides in cities and this will increase to 46% by 2015.. The country's urban water sector is characterized by the following:

(a) **Very low level of coverage and access rates.** Regideso produces and distributes water in 94 centers including all major cities as well as administrative centers and towns. Out of the 94 centers, only 64 are functioning as 11 centers cannot operate due to lack of equipment requiring replacement while 19 centers have been totally damaged by the war. Additionally, Regideso has been unable to extend its services to the vast peri-urban settlements that have grown around major cities. **There is a very high number of inactive connections representing about 40% of total existing connections. The estimated technical losses (unaccounted-for-water) are about 50% compared to an average of 38% in the SSA Region, with 19.8% in Senegal and 21% in Côte d'Ivoire.** Today, the urban population who has access to safe drinking water is approximately 8 million inhabitants¹, representing 37% of the urban population in DRC and representing 15% of the total population of the country.

(b) **Accumulation of unpaid water bills. Collection of water bills is by far the worst in the sub-region, representing approximately 49% of billed amounts (compared to 98% in Senegal, and 72% in Burkina Faso).** This issue of unpaid bills is particularly sensitive with the public administration (including decentralized public entities) which represents 44% of Regideso's turnover. The accumulation of internal arrears from the Government to the water utility is a major constraint in the sustainable development of the sector. The Government is adopting a series of measures to ensure timely and regular payment of water bills. These measures include reducing the consumption of Government services by reducing internal leakage/wastage and by eliminating illegal connections.

¹. Out of the 8 million urban residents, about 340,000 are being served through public standpipes since today 845 standpipes (out of 1,233) are functioning, each serving about 400 people). The total number of connections to the systems amounts to 415,000, including 241,000 for individual domestic connections (with a monthly consumption of 26 m³).

(c) **Inappropriate tariff structure and level as well as lack of financial viability.** The general terms and conditions of the current water tariff structure stipulate that the water tariff should cover all Regideso's operations expenditures, amortization and new investments. **The national public utility is facing significant financial challenges with continuous operational deficits and a significant debt which can not be serviced considering the revenues generated by the utility.**

Considerable efforts are therefore necessary both by the Congolese government and the international community:

- Improving strategic and operational management
- Preparation of REGIDESO institutional reform and a road map for the sector reform
- Developing national standards for water quality;
- Development of an action plan to reduce and control water consumption by public institutions
- Strengthening the capacity of Government ministry in charge of water, in the area of management contract planning, regulation, and monitoring, as well as the development of a financing and rate adjustment strategy
- When and where possible, the international community shall support the Government in analyzing the potential need and impact of private-sector participation (PSP) in the delivery of potable water services. It will be of special importance, in each case, to outline the exact advantages which can be realistically expected when bringing, in pilot cases, in the private sector versus improving the performance of the current public provider. Efforts will concentrate on urban areas which have a relatively high population density, with a specific focus on peri-urban areas with very low coverage rate. The development of appropriate levels of service (public stand posts, shared yard taps,...) will therefore maximize the impact of limited financial resources. It is important to support the design and implementation of key sectoral reforms, through a combination of hands-on technical assistance and financial support, in particular to strengthen the capacity, performance, accountability, and financial viability of the State-owned water company (Régidésó).
- Provide financial support to finance large-scale investments in selected cities, both to rehabilitate damaged systems and to expand them to poor areas, so as to catch up with the demographic growth of the past years. These efforts are expected to have a major public health impact, especially for the poorest, in a country where water-borne diseases are among the main killers.

Risks

There are a number of risks that could disrupt achievement of DRC's objectives in water sector, including:

- Delays in delivery of promised support from donors. This can be minimised by all partners, working together to ensure funding conditions are realistic and donor procedures are streamlined as far as possible. **Support from donors is also linked to Government's commitment to engage into an in-depth sectoral reform (See below)**
- **Water sector reform don't happen as planned. Government leadership will be needed to ensure all understand the importance of the reform process. Regular joint monitoring of progress to identify and address key obstacles will be important.**
- If we don't achieve what we hope to in the first 12 months, some partners may get disillusioned and abandon the partnership. Regular joint monitoring of progress can help all partners to have a realistic assessment of the progress achieved and problems faced.
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