GHANA – ROLE OF PRIVATE OPERATOR IN SMALL TOWNS WATER SUPPLY.

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OUTLINE OF PRESENTATION

- Some Facts on Ghana
- National Community Water and Sanitation Program
- Management of O&M
- CPPI in Ghana
  - Performance of 3 Systems under CPPI
  - Conclusion
Located on the West Coast of Africa
Population of about 22 million people
Divided into 10 Regional Administrations (Regional Coordinating Councils) and 168 local authorities (District Assemblies)
Provision of water managed by 2 institutions
- Ghana Water Company Limited – Urban population
- Community Water and Sanitation Agency – Rural and Small Towns population
Policy direction for provision of water is by Ministry of Water Resources, Works and Housing (National Water Policy)
More than $\frac{2}{3}$ of population live in rural communities and small towns
Launched in 1994 and managed by CWSA

Key elements include:

- Demand responsive approach
- Community Ownership and Management (COM)
- Community contribution to capital cost
- Public sector facilitation
- Private sector provision of goods and services
- Some 300 small towns water schemes rehabilitated/constructed with funding from IDA, KfW, CIDA, DANIDA, AFD.
By the Local Government Act, the District Assembly (DA) is the legal owner of water and sanitation facilities in area of jurisdiction.

DA delegates management of water supply scheme (small town) to a WSDB through a bye-law.

WSDB hires staff for Operation and Maintenance (Direct Management) or enters into contract with a private operator (Indirect Management).

WSDB proposes tariffs for approval by DA.

Operator proposes tariffs for approval by WSDB/DA.
COMMUNITY PRIVATE PARTNERSHIP INITIATIVE (CPPI) IN GHANA

- Started in 2002 with two (2) schemes
- Based on the management contract (indirect) approach
- Contract is signed between WSDB and the operator with DA as witness
- Contract is initially for 5 years
- Operator reports quarterly and annually to WSDB and DA on his technical and financial operations
- Currently five (5) water supply schemes under CPPI with three (3) less than 1 year old.
## PERFORMANCE OF 3 SYSTEMS UNDER CPPI

<table>
<thead>
<tr>
<th>SYSTEM TYPE</th>
<th>TECHNICAL PERFORMANCE</th>
<th>FINANCIAL PERFORMANCE</th>
<th>REMARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Water produced (m³)</td>
<td>Water consumed (m³)</td>
<td>% Un-accounted</td>
</tr>
<tr>
<td>Yeji Water Supply Initiative (Pop. 22,000)</td>
<td>68,400</td>
<td>63,043</td>
<td>7.7</td>
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<tr>
<td>Atebubu Water Supply Scheme (Pop. 20,000)</td>
<td>398,200</td>
<td>241,928</td>
<td>21</td>
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<tr>
<td>Bekwai Water Supply Scheme (Pop. 30,000)</td>
<td>775,470</td>
<td>559,620</td>
<td>23</td>
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LESSONS/CONCLUSIONS

- CPPI has not gained strong roots in Ghana yet.
- Though the schemes are fairly new, the long-term financial sustainability of the operations is not guaranteed.
- Tariffs increases are often difficult to approve on a timely thereby adversely affecting operations & maintenance of the systems.
- Community perception of private operator as profit oriented still persists.
- Tariff level & revenue collection not sufficient for system expansion.
THE END!!!

THANK YOU