

# PRIVATE SECTOR PARTICIPATION IN WASH SERVICES

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## MOLE XXVIII CONFERENCE



Ghana Coalition of NGOs in the  
Water and Sanitation Sector

### GHANA'S LOWER MIDDLE INCOME STATUS:

"Implications For Sustainable WASH Services Delivery"

- Alternative Financing Mechanisms
- Policy and Advocacy
- Responding to Equity and Vulnerability
- Institutional Reforms
- Opportunities for Private Sector Participation



3<sup>rd</sup> - 6<sup>th</sup> October, 2017  Accra International Conference Centre, Ghana

# Private Sector Participation in WASH Services

## Outline



- Background ...setting the context
- Experiences from PSP...
- Issues and Options

## Background

- ✓ Policies
- ✓ Modes and Types
- ✓ Financial
- ✓ Legal and Regulatory framework
- ✓ Monitoring & Evaluation

## Setting the Context....

- **Thematic Scope...why PSP ?**
- Lower middle income status
- Opportunities for PSP
- Challenges and successes in sanitation delivery
- Public-Private-Partnership
- **Guide posts of trending government policy (ies)...**
- “Ghana beyond aid”...
- Agenda for Change...creating jobs
- Not to increase government’s burden...especially wage bill

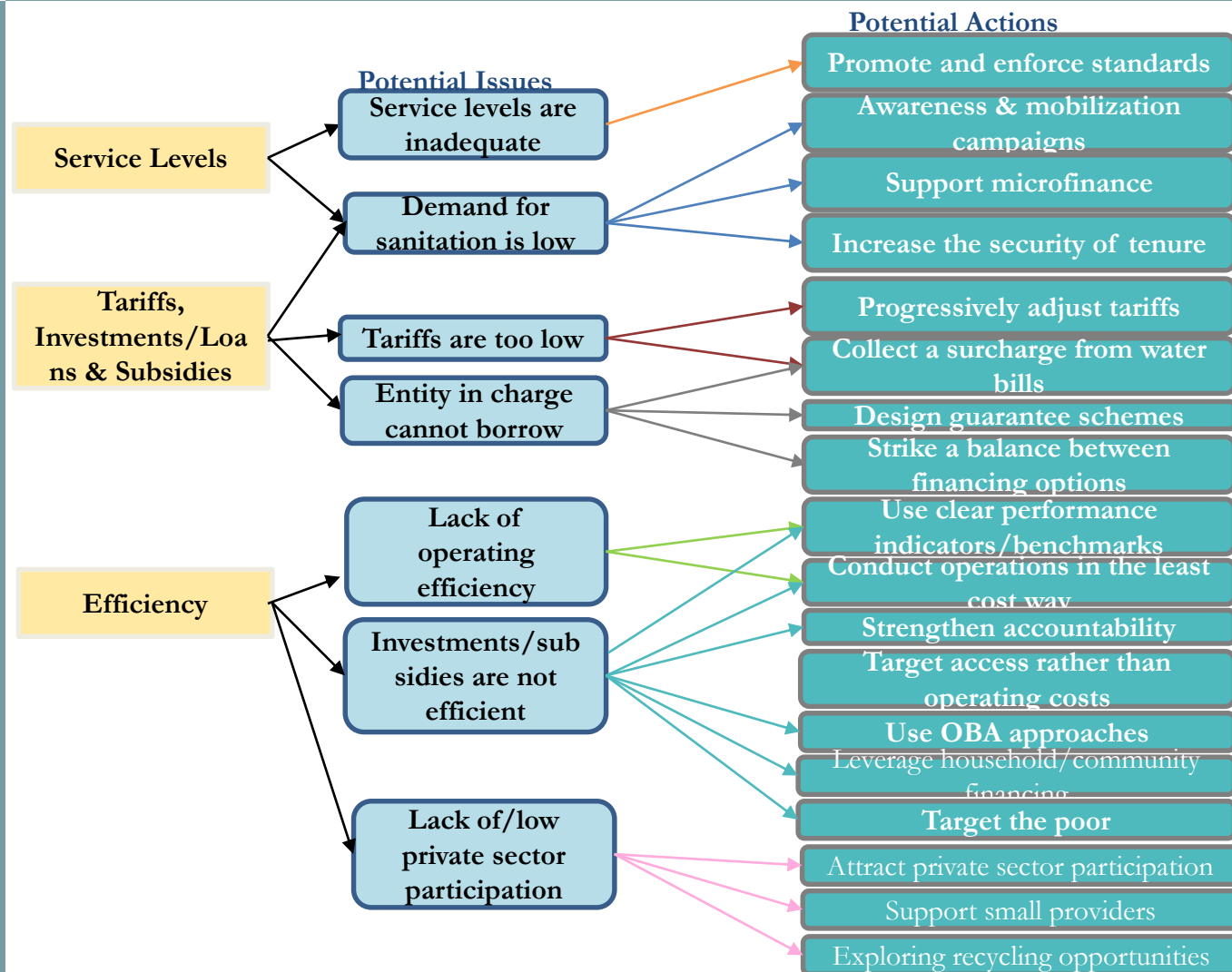
## Background Setting the Context...why PSP ?

Opportunities  
for Private sector  
(enterprise-  
solution  
providers)

	Hard ware		Software
	Public good component	Private good components	
<b>Onsite Sanitation</b>	Emptying trucks Treatment facilities Disposal	Onsite Facilities: latrines, septic tanks, toilets	Education- Sensitization Hygiene promotion:  <ul style="list-style-type: none"> <li>• Household level</li> <li>• Community level</li> </ul>
<b>Network-based Solutions</b>	Sewerage/ Wastewater treatment plant Disposal/reuse	Internal plumbing fixtures, connection chambers	O&M Management: Regulation

## Background → Setting the Context...why PSP ?

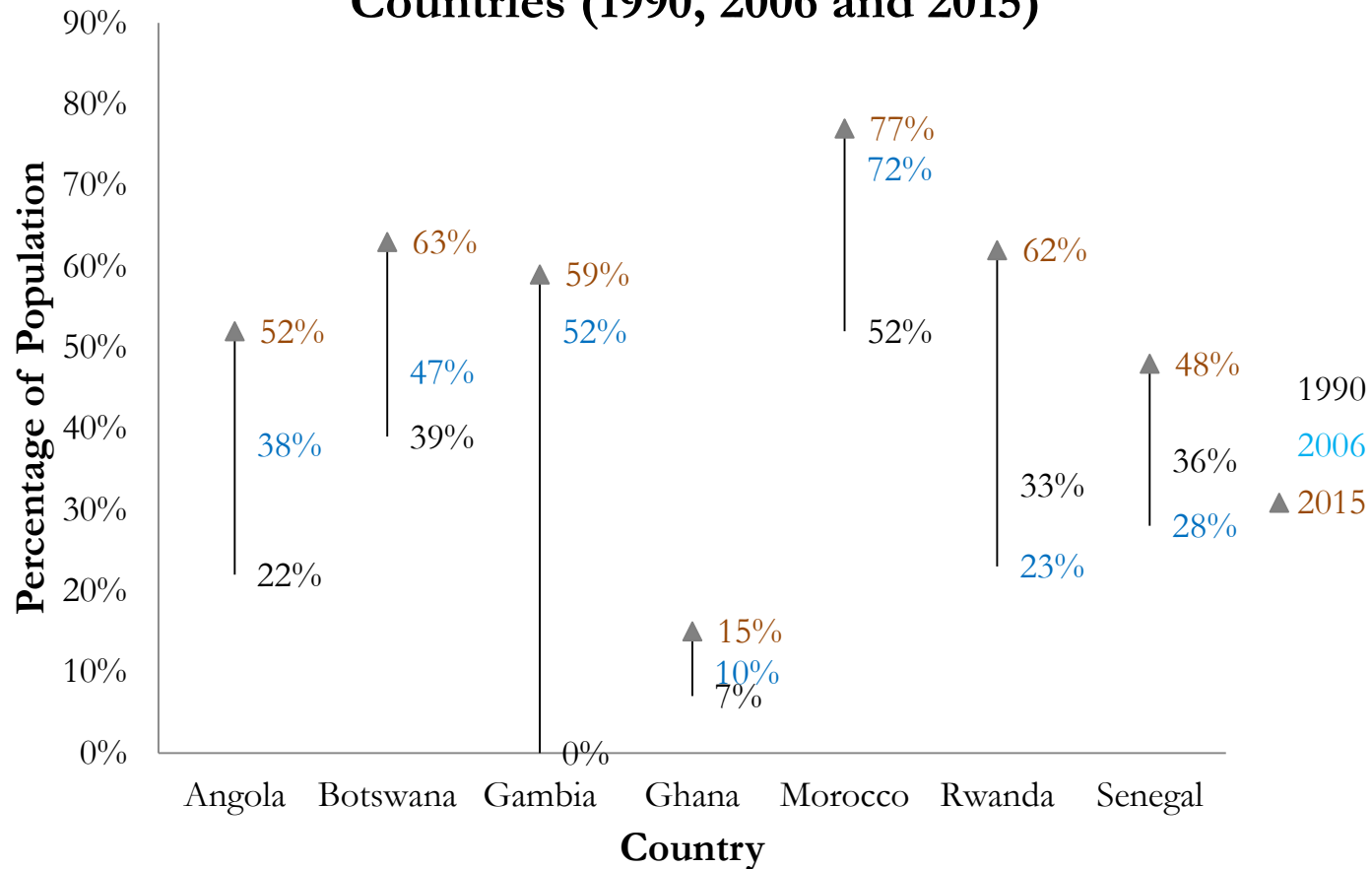
- **Service Levels**
  - ✓ Awareness & mobilisation
  - ✓ Support Microfinance – “susu collectors”
- **Investments, Loans & Subsidies**
  - ✓ Balancing financing options - suppliers
- **Efficiency**
  - ✓ OBA approaches
  - ✓ Target the poor
  - ✓ household/community
  - ✓ Support small providers



## Experiences **Low coverage...**

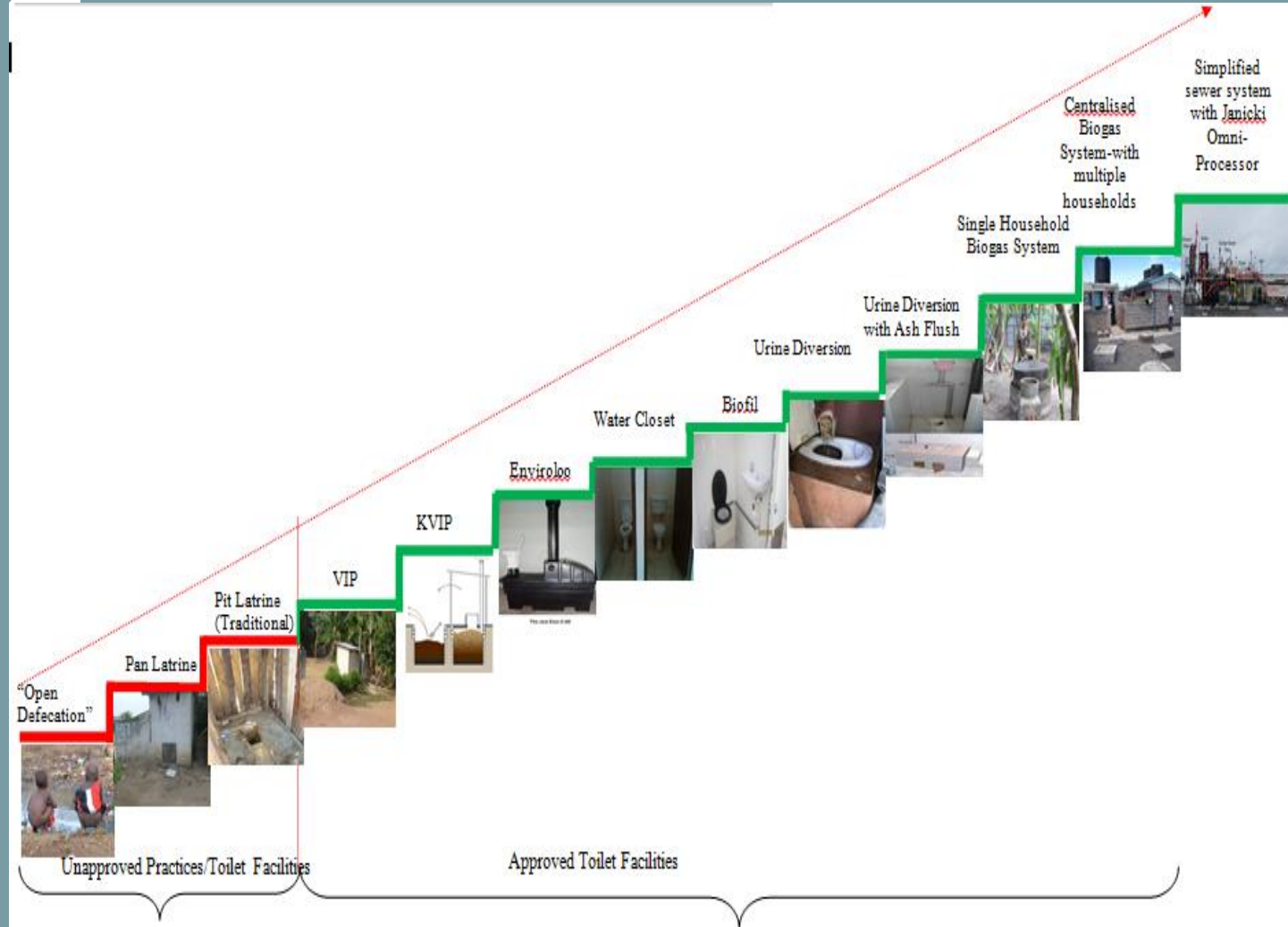
Service  
Levels

### Improved Sanitation Coverages of Some African Countries (1990, 2006 and 2015)



## Experiences Facility types...households' choice

Service Levels



## Experiences Facility types...households' choice

Service Levels



CleaNext Retrofit Toilet (CRT) made with Aluminum profile and Alucobond



Mobile Toilet Prefabricated with Aluminum



Mobile Bamboo Toilet Prefabricated



Biofil Alucobond Superstructure



Standalone CleaNext Retrofit Toilet (CRT) made from local materials



Stationary Block & Cement Toilet



Concrete Tiled Immoveable Toilet



Sample Biodigester





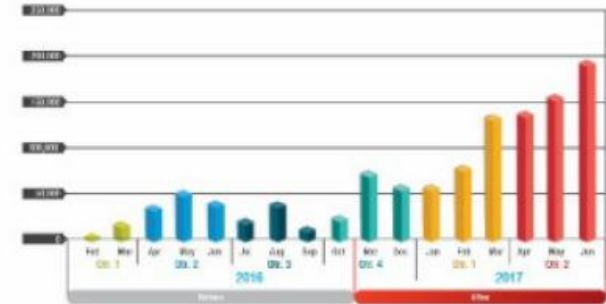
## TOILET PROMOTION THROUGH AGGRESSIVE MARKETING



UPDATE AS AT JUNE 30th, 2017

MWAS	NO. OF TOILETS	PERCENTAGE
ADAMA	179	17.33%
TNA	105	15.00%
AMA	102	14.71%
OWSA	102	11.81%
1 ERMA	117	10.84%
LAWAMA	96	8.20%
LADMA	81	5.91%
OSMA	46	4.85%
ADWA	39	3.70%
SEMA	36	3.40%
SOA	35	3.30%
<b>GRAND TOTAL</b>	<b>1,031</b>	<b>100.00%</b>

Monthly Contribution from Households



# Experiences

Government, suppliers & households...

- \$1 million per constituency...
- \$ Member of Parliaments share of common fund
- Household Contributions
- Community Contributions?

- **Investments,  
Loans &  
Subsidies**

- ✓ Balancing  
financing  
options -  
suppliers

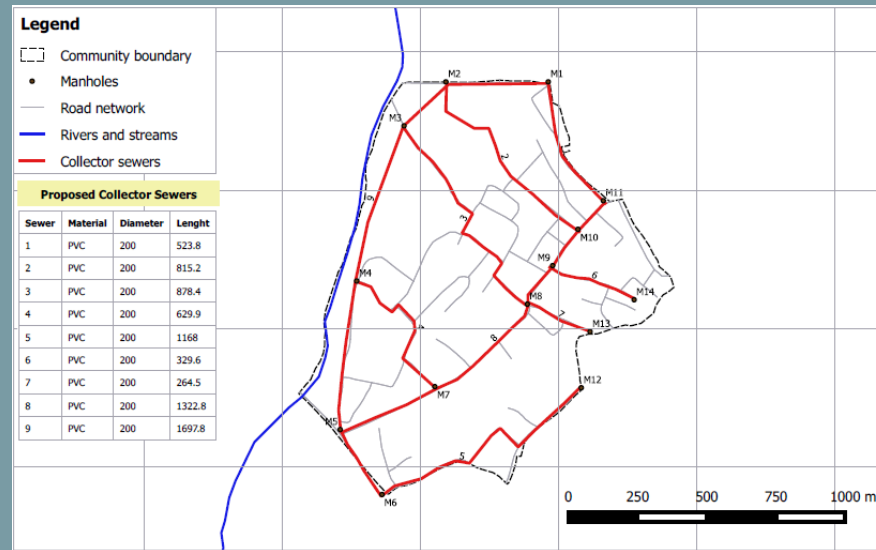
## Experiences

### Government, suppliers & households...

- Investments, Loans & Subsidies

✓ Balancing financing options - suppliers

- Simplified sewerage ?
- Example of Water supply extensions – pipes from suppliers and scheduled re-payment by contractors



- Sewage Treatment Plant (digestion systems that yield biogas and soil-conditioner) ?

**...REVOLVING FUND**

## Experiences

## Paying for household toilets....

- **Efficiency**

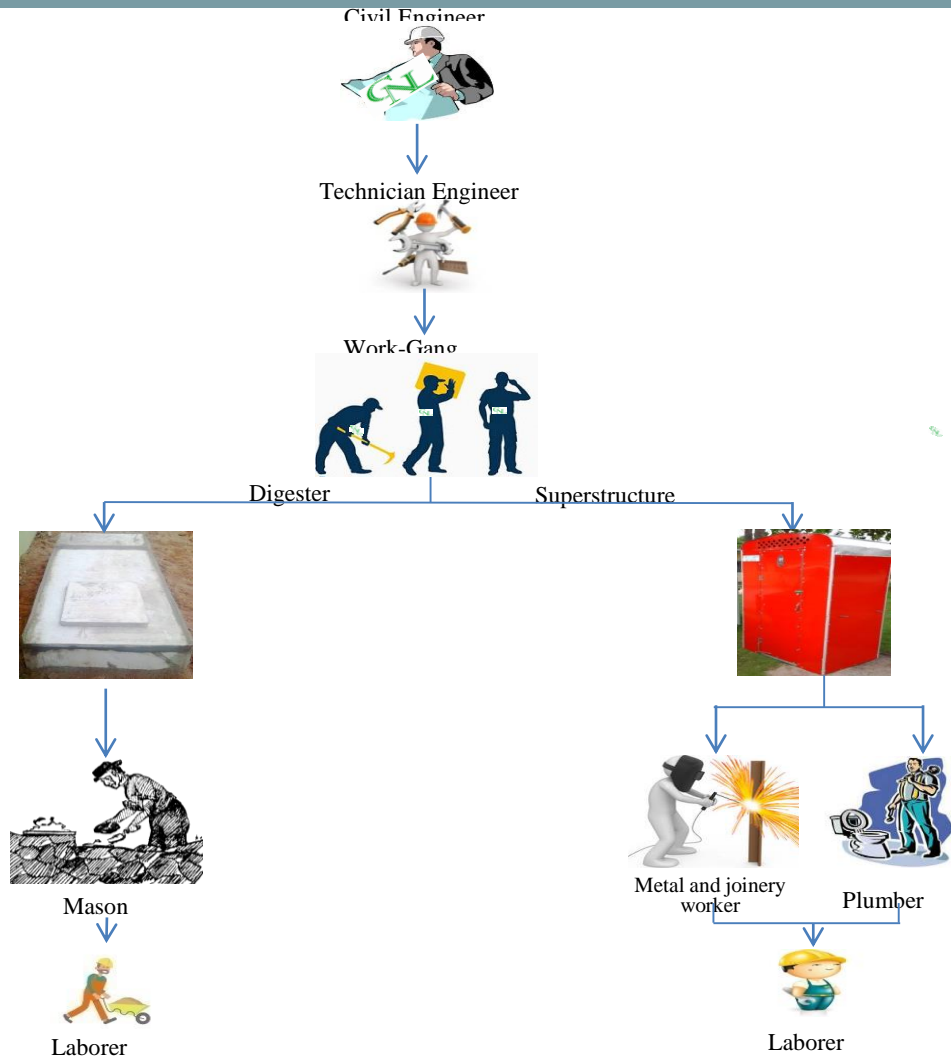
- ✓ OBA approaches
- ✓ Target the poor
- ✓ Leverage household/community
- ✓ Support small providers

- What level of daily payment per household is affordable ? Urban
  - GHS2.50 per household per public toilet per day
  - GHS3,000.00 cost of improved toilet
  - 4 years @ GHS2.50 per household per day
- **“susu collectors” ?**
- What level of daily payment per household is affordable ? Rural
- **Community contributions?** Community Savings & Loan schemes for home improvements (WASH Linkage?)

**....REVOLVING FUND**






## Experiences Enterprise-solution providers

- Efficiency
- ✓ Support small providers



# Field Installation Canvas for CRT: Enterprise-Solution Provider



KEY PARTNERS	KEY ACTIVITIES	VALUE PROPOSITIONS	CUSTOMER RELATIONSHIPS	CUSTOMER SEGMENTS
<p>1.MAs 2..Main Contractor 3.Sub-contractor 4.Contractd work – gangs/Small works contractors 5.Sub-Project Implementers (SPIs) 6.Sustainable Enterprise Solutions Providers</p>	<p>1.Liaise with MA for a list and contacts of beneficiary households 2. Zoning of work area and clustering of households. 3. Confirmation of interest of households/Notice of premises inspection 4. Premises inspection by Technician Engineer and plumber 5. Households/Beneficiary make choice of CRT type 6. Deployment of work-gangs for installation of digester and CRT cabin 7. Certification of works by engineer and Project Management Team 8. Payment of 75% of cost 9. 3 monthly inspection of facility 10.Final certification and demand for 25% of facility cost</p> <p><b>KEY RESOURCES</b> Group of well-trained artisans which consists of a metal and joinery worker, plumber and mason. The group is supervised by a technician engineer.</p>	 <p>1. Providing tenant friendly toilet superstructure that can easily be retrofitted. 2. Assembling a complete standalone toilet superstructure and digester within the shortest possible time</p>	<p>•Households shall be contacted on phone to confirm their interest in the facility. •Households have the flexibility of choosing from a number of options.</p> <p><b>CHANNELS OF COMMUNICATION</b></p> <p> Telephone and personal contact shall be obtained from MA</p> <p> House-to-house canvassing by work-gang (field installers)</p>	<p>Households (Landlords/Contractors and/or tenants)</p>
<p><b>COST STRUCTURE</b></p> <p>Cost of a complete standalone CRT which include; Cost of superstructure Cost of substructure</p> 		<p><b>REVENUE STREAMS</b></p> <p>Project's Fund ( if the cost of CRT choice is less than US\$ 600) Household savings: household pays cost difference between the CRT and project subsid. The household may obtain loan from a Microfinance Institution and agree on loan recovery or the household pays in full the remaining cost.</p> 		

## Experiences Enterprise-solution providers

- Efficiency
- ✓ Support small providers



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END

THANK YOU

**“Civilized man could embark on no task nobler than sanitary reform” Boston Board of Health, 1869**