

Financing is key ingredient in the delivery of sustainable WASH Service

Access to Water, Sanitation and Hygiene (WASH) services connects and empower people in every way possible, contributing to improved health, especially for women and children. Access to WASH services can also break the cycle of poverty and ensure food security and guarantee human rights and dignity. However, financing has remained one of the key challenges in the delivery of sustainable WASH Services in Ghana. To achieve the Sustainable Development Goal 6 “ensure availability and sustainable management of water and sanitation for all”, there is the urgent need to look at innovative solutions including financing for the delivery of sustainable WASH services in Ghana.

SNV Netherlands Development Organization in partnership with Fidelity Bank Ghana Limited with funding from the Embassy of the Kingdom of Netherlands, EKN has been supporting households since 2015 in Ghana to access WASH services through its access to finance project dubbed Catalyzing WASH: “From Possible to Profitable, (P2P)”. The P2P project is intended to ease the difficulty of households in accessing funds from Financial Institutions, FIs for provision of WASH products and services. At a Learning event held in Kumasi on September 19, 2019 with the theme “Sustaining Innovative Finance Options for WASH”, stakeholders including beneficiaries and partners spoke of the project as a sustainable model for delivering financing solutions to households/house owners and micro, small and medium enterprises (MSMEs) for investment in WASH infrastructure and services.

SNV WASH Finance Learning Event in Kumasi

SNV Netherlands Development Organization in partnership with Fidelity Bank Ghana Limited with funding from the Embassy of the Kingdom of Netherlands, EKN has been supporting households since 2015 in Ghana to access WASH services through its access to finance project dubbed Catalyzing WASH: “From Possible to Profitable, (P2P)”. The P2P project is intended to ease the difficulty of households in accessing funds from Financial Institutions, FIs for provision of WASH products and services.

At a Learning event held in Kumasi on September 19, 2019 with the theme “Sustaining Innovative Finance Options for WASH”, stakeholders including beneficiaries and partners spoke of the project as a sustainable model for delivering financing solutions to households/house owners and micro, small and medium enterprises (MSMEs) for investment in WASH infrastructure and services.

Partnership is key in achieving sustainable WASH services

In her remarks, Janet Arthur, Policy Officer, WASH, EKN said the Donor land scape is changing so it is important to look at sustainable models and ways of mobilizing finance to address the SDG 6. She added that this requires more than innovative or sophisticated financial vehicles and mechanisms. It also involves private and public partnerships on core foundational issues grappling the WASH sector in Ghana.

She added that blending commerce and philanthropy was challenging for the P2P project and she was happy with its success so far with a total of about 583 households benefiting from the programme. She said the project is undergoing an evaluation to determine the future of the current fund which is proposed to evolve into a trust fund for sustainability and a wider reach.

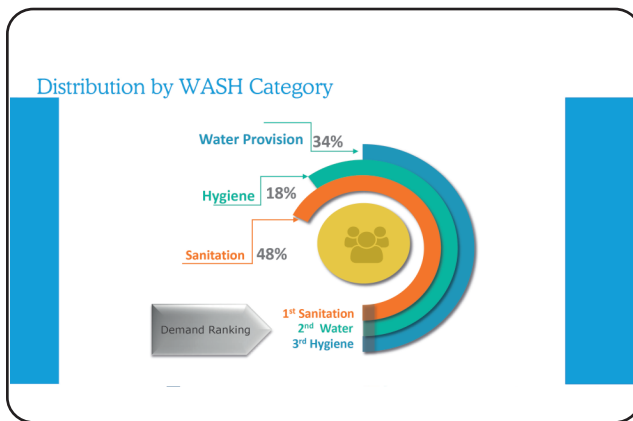
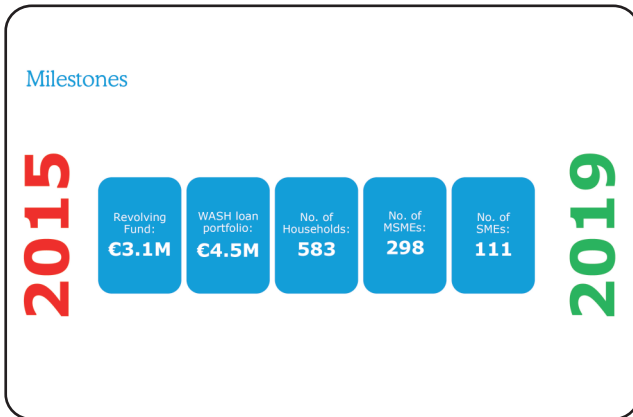
“We are exploring innovative alternative financing models to evolve into a trust fund to guarantee long-term sustainability as a result of the changing financing and donor landscape”

Sharing their experience with the P2P Project, Managing Director of Fidelity Bank Ghana Limited, Julian Kingsley Opuni, said P2P is one of the sustainable ways of dealing with development challenges especially in WASH. He added that for the bank the most important learning is the use of innovation to achieve full WASH coverage. “The learning for us is how we come together as partners to share our experiences in WASH financing to impact positively in sustainable WASH services and access.”

Progress and opportunity for scale

Making a presentation on the progress and opportunity for scale, the P2P Project Manager, Mrs. Agatha Quayson said since the project was launched in 2015, a total of GHS 27M (which is approximately 4.5 million euros) has been disbursed through partnership

with 30 FIs across the country (April 2016 to August 2019). The distribution category included: sanitation 48%, water 38% and hygiene 18%.



Out of which includes 20,885 people have been served with improved hygiene facilities & products, 33,564 more with access to improved sanitation solutions 13,825, with access to improved latrines and 32,322 accessing improved water.

She said that Through the P2P Business Academy, 153 Businesses have also been trained in: WASH innovations & standards, marketing, finance, quality control, service delivery.

Mrs. Quayson outlined several factors that have influenced the success of the Project; among them were: targeted sensitization, continuous monitoring & verification, and effective collaboration between implementing partners.

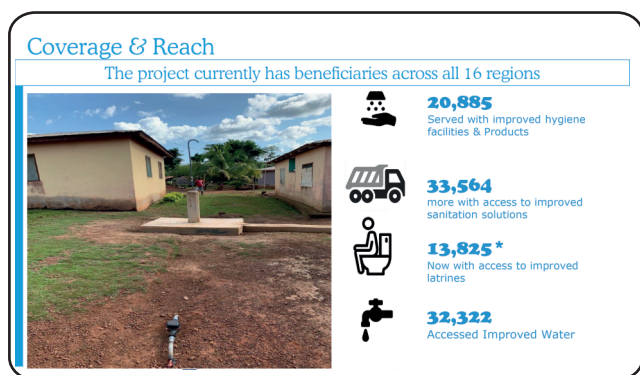
She was also quick to add some challenges faced, including the fall outs from the financial sector reforms

in Ghana which has left some partner banks insolvent, ability of SMEs to qualify for loans, poor knowledge of FIs on potential in WASH sector, buy-in from sector players on commercial financing model, reluctance of beneficiaries in providing data and the commercial nature of the model restricting funding to potent development projects.

Key learning outcomes/recommendations

Stakeholders from the public sector, FIs and CSOs at the end of the learning event made the following recommendations and suggestions to improve WASH financing in Ghana:

- WASH financing is a key challenge in the delivery of sustainable WASH services, there is therefore the need for greater cooperation and partnership between Civil society Organizations, the private sector and government to design and implement innovative WASH financing models.
- There is the need to identify effective WASH finance mechanisms that are affordable, accessible, sustainable and of high quality to reach those left behind in WASH services.
- Government WASH budgeting must be tailored towards maximizing public funds to achieve full WASH coverage.
- Government must also initiate legislations and policies to compel the public financial sector to prioritize WASH micro loans for those in lower income bracket to enable access to WASH services.
- Increased education and sensitization for Financial Institutions to understand that WASH financing has no more greater risks as perceived.



NLLAP is a WASH sector multi stakeholder platform with the overall goal of improving sector learning and dialogue. It is hosted by the Ghana WASH Resource Centre Network (RCN). The platform offers learning and sharing opportunity for sector players as one of the practical approaches to improving sector engagements/sharing with the long term aim of achieving a knowledge driven WASH sector that delivers quality and sustainable services in Ghana. NLLAP meetings take place on the last Thursday of every month (with modifications when necessary) and are open to all interested parties. The discussions of each NLLAP meetings can be found on the RCN website www.washghana.net.

If you are interested to propose a topic for a meeting please contact us on,
Tel. (233-0302) 797473/4
Email: rcn@washghana.net