

Optimising social inclusion in urban water supply delivery in Ghana.

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Outline of presentation

- Introduction/Background
- Objectives
- Work done to date
 - Policy Framework
 - Survey of water to urban poor in Kumasi
- SWITCH proposed activities

Background I

- Only 60% of the urban population are adequately served by GWCL, formal utility provider
- The un-served and the under served include all categories of customers
 - rich and poor
 - Formal and informal settlements
- Within urban areas with piped system only 15% of the poor have access to piped water directly

Background II

- The worst affected by the poor water supply in urban areas is the urban poor.
 - Majority of the poor are not served by the formal utility, with benefits of scale and cross subsidies
 - Water services from alternate service providers are characterised by
 - High tariffs, 3 – 15 times GWCL price
 - Poor water quality
- SWITCH Work Package 6.3 seeks to optimise Social Inclusion in Urban Water Supply delivery

Objectives

- Review of policy framework to identify opportunities to promote pro-poor orientation in water supply delivery
- Assess existing situation of water service to the urban poor
- Identify mechanisms to optimise social inclusion in urban water service delivery

Urban Water Supply in Ghana

- Formal Urban Water service provider is GWCL
- Other Service Providers:
 - GWCL dependent: Secondary and tertiary providers relying on GWCL source
 - Independent providers not relying on GWCL
- Other Service providers:
 - Tanker operators
 - Vendors
- PURC definition of the urban poor:
 - Without access to regulated piped supply
 - depend on secondary and tertiary providers
 - Buy by a bucket

Sodom & Gomorrah



GWCL hydrants for the tanker Operators



Situation of urban poor - Perspective of the Utility

- Unplanned nature makes extension difficult physically
- Utilities are not authorized to connect residents in unplanned areas
- some of the informal areas are “difficult areas” where actions to recover bills could be a problem. E.g. where the areas harbor criminals
- Areas have low ability to pay for connection and water charges

Policy and legal Framework

- Act 310 – GWCL should supply all inhabitants in its service area
- The Constitution of Ghana,
 - Article 35 (3) enjoins the state to promote just and reasonable access by all citizens to public facilities and services, which naturally include water supply services.
 - Article 17, also Allows for “different provision for different communities having regard to their special circumstances”. This provision allows for the service providers to have appropriate mechanism to optimise social inclusion.

Drinking Water Policy

- Two strategies are mentioned in the policy.
 - Using a tariff rate structure that provides an optimal benefit to consumers including low-income consumers.
 - Encourage cooperation between GWCL and small-scale independent providers, rather than grant exclusivity to either party, to facilitate adequate and affordable provision of safe drinking water to un-served and underserved areas.

Regulation of water supply

- Act 538 -PURC functions include:
 - Protect interest of the consumers and providers of utility services
 - Promote fair competition among public utilities
- PURC has come up with its Social Policy
 - Require that utilities include pro-poor criteria when undertaking investments.

PURC Social Policy

- PURC will lead the formation of a working group of stakeholders to address provision of service to the urban poor. The group's tasks will include the targeting of any social funding or other relief schemes for the poor.
- PURC will undertake pilot studies to test interventions in delivering water to low-income communities to provide lessons that will inform its regulatory policies, the supply and payment options available to the utility and the criteria for determining investments targeted to the urban poor.

PURC Social Policy -Proposed interventions

- bring tanker filling points closer to areas of need (recognising technical limitations) through collaboration with Ghana Water Company Limited;
- require GWCL to allocate a percentage of their production to secondary providers;
- promote co-operation between the utility and secondary providers in safeguarding the quality of service given to consumers

Interaction with the urban poor in Kumasi

- Source of water
 - 91 % from neighbours and standpipe
 - 7 % house connections,
- Time spent a day in fetching water
 - 78 % between 2 –6 hrs.
 - 14 % between 1 - 2 hrs
- Water Consumption
 - 79% use less than 36 litres/cap/day
 - 21 % use 45 litres/cap/day
- Expenditure on Water
 - 15 % of household income is spent on water.

SWITCH ACTIVITIES

- WP 6.3 Task 1-3, methodology, baseline, best practices
- Monitor the strategies in the PURC social policy
- Monitor Pilot project proposed by PURC/GWCL/Wateraid
- Through the learning alliance
 - Involve stakeholders in the research
 - Sharing research outcome
 - Encourage research uptake.

THANK YOU