**CURRENT REFORMS IN GHANA’s RURAL WATER SECTOR WILL BE COSTLY TO GOVERNMENT AND WILL DEFEAT THE COUNTRY’S DECENTRALISATION PROGRAMME**

Prepared by the Coalition of Community Water Services (COCOWAS) in Ghana

# Background

The Community Water and Sanitation Agency (CWSA) started reforming Ghana’s rural water sector when the new Chief Executive (Mr. Kwadwo Worlanyo Siabi) was appointed by the President in the first half of 2017. The reform, which began under the guise of a pilot, has so far affected scores of small towns water systems in the country. After more than one year of experimenting, it is useful to review the state of Ghana’s rural water sector in the light of the reforms.

This paper therefore seeks to do an analysis of the new rural water sector reforms and interrogate its relevance and implications for the growth and development of the sector in Ghana.

# History of rural water supply in Ghana

This section draws on the analysis contained in the second AMCOW[[1]](#footnote-1) Country Status Overview (CSO II) of water supply and sanitation in Ghana published by the Water and Sanitation Programme of the World Bank in 2011 (WSP, 2011:12).

Rural water supply in Ghana dates back to 1948 when a Rural Water Department was created within the Public Works Department (PWD).

The first reforms in rural water supply in Ghana occurred in 1958, i.e. 10 years after the creation of the Rural Water Department. This involved the merger of the Hydraulics Department of PWD (then responsible for urban water delivery) and the Rural Water Department to form the Water Supply Division of PWD. In other words, rural and urban water supply had become one entity within the Public Works Department.

In 1965, the Ghana Water and Sewerage Corporation (GWSC) was created as a separate autonomous institution outside the Public Works Department.

About 29 years on, in 1994, the Kokrobite Conference was organised to launch the National Community Water and Sanitation Programme (NCWSP).

In the same year (1994), the Community Water and Sanitation Division (CWSD) was created within the Ghana Water and Sewerage Corporation to focus on rural water supply and implement the NCWSP.

The CWSD of GWSC had worked quite effectively as a semi-autonomous rural water supply institution until 30th December, 1998 when Community Water and Sanitation Agency (CWSA) was established by Act 564 as an autonomous government institution for rural water was passed.

The new Chief Executive of CWSA appointed in 2017 also began to push for another reform agenda as soon as he took office around May or June, 2017. This new reforms is the focus of this paper.

# Context of the water sector reforms of the 1990s

The United Nations Conference on Water held in 1977 at Mar del Plata, Argentina recommended the period 1980 to 1990 as the International Water Supply and Sanitation Decade (IDWSSD). This was due mainly to the low level of access to potable water supply, estimated at about 29% in developing countries, particularly rural areas across the world. The IDWSSD (1981 to 1990) aimed at engendering increased political will and accelerated investments in the water sector globally. The Decade actions and interventions resulted in remarkable improvement in access to safe water supply, particularly for populations in developing countries, from 29% in 1981 to 68% by the end of 1990 (WHO, 1991).

Following the achievements and many lessons learnt from the Water Decade, especially in the areas of stakeholder participation and community ownership and management, and their implications for service sustainability, many developing countries embarked on major water sector reforms. These were aimed at taking forward the gains made during the Decade and replicating the best approaches, practices and lessons.

The New Delhi Statement, which was the product of the Global Consultation[[2]](#footnote-2) on safe water and sanitation for the 1990s could be described as a synthesis of the Decade’s best approaches and lessons.

The New Delhi meeting recognised that access to water and sanitation is not simply a technical issue; but a crucial component of social and economic development. The Statement further noted that “sustainable and socially acceptable services can be extended by using **appropriate technologies**, **adopting community management**, and **enhancing human development**”. It is, therefore, not surprising that these have become the major building blocks for sustainable service delivery in the rural water, sanitation and hygiene (WASH) sub-sector of developing countries.

Of the four Guiding Principles recommended by the New Delhi Statement, principles 2 and 3, which relate to institutional reforms and community management respectively, are most relevant to this discussion.

A game-changing resolution in relation to principle 2 was introduced. This is quoted below:

“A changing role of Government is envisaged, from that of provider to that of promoter and facilitator”. This will enable local public, private and community institutions to deliver better services”. Decentralisation requires a strong policy and support role from central governments, while local private enterprise can assist in improving efficiency and expansion of service delivery”.

With respect to principle 3 (i.e. community management) the Statement also highlighted an important observation as follows:

“Community management is key to sustaining services for the rural poor and is a viable option for poor urban settlements”. “Government should support community management through legislation and extension and give it priority in national sector strategies for the 1990s”.

The National Community Water and Sanitation Programme (NCWSP) of Ghana (1994), which was prepared following the recommendation from the Kokrobite Conference on Rural Water in 1991, built on the guiding principles contained in the New Delhi Statement. The NCWSP then provided the framework for Ghana’s water sector reforms, which began in 1994 and witnessed the creation of the Community Water and Sanitation Agency (CWSA). The functions of CWSA are fundamentally guided by the following key strategies:

* Public sector facilitation
* Community Ownership and Management (COM) and
* Private sector provision of goods and services.

It should be noted here that the creation of CWSA was driven by the need to develop a legal, policy and institutional framework for community-managed water and sanitation services in Ghana, and also provide extension services support to communities in order to equip and empower them to participate in rural water and sanitation services delivery for sustainability.

# Community Ownership and Management

In line with principle 2 of the New Delhi Statement, CWSA employed several Extension Services Specialists as part of its staffing mix to facilitate the operationalisation of principle 3 i.e. community management and decentralised service delivery. The concept of Community Ownership and Management (COM) has therefore been a key part of the National Community Water and Sanitation Strategy. The COM Concept found expression in the following:

* involvement of communities in planning and decision making
* Community contribution to the capital cost of water supply projects (5%).
* Communities taking 100% responsibility for operation and maintenance cost of the water systems/services.
* Communities managing their own water systems through community-based volunteer organisations namely: Water and Sanitation Committees (WATSAN), Water and Sanitation Development Boards (WSDBs) or Water and Sanitation Management Teams (WSMTs). In some cases, private sector agents/ utilities worked with the community-based organisations.

The Extension Services Specialists of CWSA, through the District Assemblies, perform the following functions among others as part of their job descriptions:

* Facilitate the engagement of local NGOs (also referred to as Partner Organisations/POs) to implement software activities including hygiene education, and community empowerment/participation).
* Facilitate the formation of community-based organisations for WASH and their training by local NGOs.
* Facilitate community awareness creation, community mobilisation, and community participation in WASH projects by local NGOs.
* Facilitate the establishment of operation and maintenance (O&M) cost recovery and accountability mechanisms as part of the scope of work for local NGOs.
* Facilitate capacity building and gender-mainstreaming for WASH
* Facilitate the organisation of health and hygiene promotion/education
* Facilitate sanitation improvement in communities.

The observation by Maggie Black below supports these policy/strategic initiatives.

A review of UNDP-World Bank Water and Sanitation Programmes over a period of 20 years (1978-1998) by Maggie Black (pages 19, 20 and 21) observed that “the village level operation and maintenance concept (VLOM) was in part ideologically driven, suggesting that villagers could and should take into their own hands the management of a service intended to benefit them”. “From an accountancy perspective, the concept was democratic and ‘empowering’, dethroning the ‘High Priests of water and sanitation – the engineers, and giving communities the capacity to control their own water related affairs”. This concept (VLOM) is what CWSA seeks to wipe out under the new reform – a decision, which will no doubt be costly to government and will undermine the decentralisation efforts of the country.

# Key achievements of the 1990s water sector reforms

The reform through the NCWSP has given prominence to rural water supply in Ghana. The increased focus and activities resulted in significant improvements in rural water supply coverage from about 30% at the start of the reform in 1994 to more than 64% in 2014. Also, the MDG target for rural water supply in Ghana, estimated at 76% by 2015 was exceeded by 8 percentage points[[3]](#footnote-3) (Monney and Adjei, 2018).

The Communiqué from the 2018 Annual Review Conference of CWSA held at Ejisu in the Ashanti Region reported that 1,022 piped water schemes and 28,659 boreholes have been delivered to rural communities and small towns over the past 20 years.

Granted that the new reforms which started in June, 2017 has only succeeded in taking over 64 water systems and putting them under CWSA’s direct management as a utility, it will be fair to conclude that this remarkable achievements have been on the back of decentralised service delivery approaches and community management all these years.

Acheampong (2009:25 citing Nyarko, 2007) observed that an estimated 98% of rural communities and small towns water services in Ghana are managed by communities. That is how widespread and entrenched community management of water services in Ghana has become.

Also, the 1990s sector reform has brought communities into the mainstream of safe water delivery through their active participation in the planning, implementation, and management of operation and maintenance of rural water services.

A genuine sense of ownership has been developed for these water supply systems by the communities so much so that they no longer wait for government agencies for repairs or bailout when the water facilities break down. The high sense of responsibility assumed by the communities towards the water systems has helped in reducing the down-times since the communities have become more independent and self-reliant in keeping the water systems operational to ensure that their people continuously have access to potable water. This in fact is a critical social capital which should not be taken for granted.

Furthermore, some youths of the communities have been employed by the Water and Sanitation Management Teams (WSMTs), especially for piped water systems as operational staff. This has resulted in local-level capacity building in water utility management. Even though the remunerations given to these operational staff by the WSMTs have been low, they are happy with the opportunity to sacrifice for their communities. This partly explains the low overheads or operational costs associated with the community management model as opposed to the public/government utility management.

It is also important to mention that the community management approach which favours authentic participation of user communities in WASH projects allows for the integration of hygiene and sanitation improvements into drinking water supply projects, based on effective social/behaviour change processes. This helps to optimise health benefits (including significant reduction of diarrhoea-related child morbidity and mortality) realised from WASH projects.

Also, the community management approach to rural water delivery supports a vibrant local private sector including Handpump Mechanics, NGOS, Consultants, Contractors, and Spare Parts dealers among others who provide goods and services for installation of WASH infrastructure as well as management of operation and maintenance of services (i.e. across various segments of the water service delivery chain).

A critical achievement of the post-decade reform has been the recognition of water by rural communities and small towns as both a social and economic commodity requiring cost recovery to sustain services. This is evidenced by the fact that more than 99% of communities in Ghana supplied with piped water systems have adopted and are implementing the direct sale of water (Pay-As-You-Fetch) at public standposts as their primary cost recovery or revenue generation mechanism. These achievements have created a strong foundation for sustainable water services in rural communities and small towns.

# Some challenges of the water sector reforms of the 1990s

The most impactful weakness or challenge to sustainable water supply services in the rural sub-sector under the 1990 reforms has been the gravely inadequate regulation and technical support for community management from the two formal intermediary institutions namely: the District Assemblies and the Community Water and Sanitation Agency. This is reflective of major, general weaknesses at two levels of Ghana’s decentralised governance system. This situation, however, has left community-managed water services to their fate without the technical assistance required to enhance their effectiveness. Some describe this weakness as institutional failure especially when they come face-to-face with simple technical problems requiring simple solutions but have been allowed to deteriorate because of this lapse in technical assistance.

Lack of budget to undertake follow-up visits to community-managed water services for monitoring and technical support has often been cited by District Assemblies and CWSA as the reason for not being able to discharge their technical support responsibility imposed on them by the reforms.

In fairness, the community-managed water services (which are intended to generate revenue to cover their own operations) do not contribute to the operational budgets of the District Assemblies so as to enable them perform the regulation and technical assistance roles.

Another major challenge has been the lack of clarity of institutional mandates for rural water supply in view of the multiplicity of institutions involved in the sector. Hence, regulation has been at its lowest level of effectiveness in the sector.

Weak technical support and the absence of sector regulation has also, in some cases, exposed community-managed water services to exploitation from some private sector service providers who charge so high for repairs. The systems therefore tend to incur high repair/maintenance costs which often erode the savings and capital reserve funds of the water services.

Also, whilst community-managed water services in Ghana have been able to generate revenue through the sale of water to cover operational costs and to some extent, maintenance expenditure, the managers of the water services have not quite succeeded in accumulating enough funds for major capital expenditure, rehabilitation, system expansion or upgrade and even replacement as populations grow and settlements expand.

Another challenge has been the role of some influential persons in the communities on certain management decisions which sometimes go against the health of the water services. This brings to the fore the need for private involvement in the top management of the water systems in order to insulate the water systems from political interference as well as influence from traditional and key opinion leaders (see Acheampong, 2009:26)

Also, inadequate access to spare parts outlets and information about the prices of parts at different outlets hampered the efforts of water services providers to undertake speedy repairs or maintenance works. This situation confirms the ineffectiveness of the technical support role of the formal sector institutions (DAs and CWSA) as mentioned earlier.

Sale of spare parts for handpumps and piped water schemes has also been very slow and tends to lock-up the dealers’ capital since the handpumps and piped water systems do not break down so frequently. This underscores the need to integrate spare parts dealership with repair/maintenance services, community mobilisation, animation and capacity building services, community sanitation and hygiene promotion services, as well as handpump supply and installation contracts to make it attractive.

# Opportunities for improving rural water delivery

From the foregoing, it is clear that rural water supply in Ghana, like other developing countries, has reached a stage which calls for greater professionalisation of their management and improved service regulation. This will require some institutional reforms to clarify technical support and regulatory oversight roles whilst expanding financing streams, accumulating and ring-fencing funds for capital/infrastructure maintenance and renewal, as well as strengthening coordination, partnerships and accountability across levels (community, district, regional and national levels)..

Professionalising rural water supply means adopting business orientation for water services management in which managers and operators are given performance-based compensation for their services (rather than the over-dependence on volunteers), along with enhanced documentation and performance reporting functions to decentralised service authorities (i.e. the District Assemblies).

Hence, the interpretation given to professionalisation of the management of small towns piped water services by CWSA in terms of academic qualification, which found expression in the replacement of existing operational staff (from the communities) with HND and first Degree holders amounts to over-simplification of the issue, which may be counterproductive in terms of cost and the loss of expertise, practical experience, and commitment.

Keeping the cost of professionalising the management of rural water supply low is as important as the need for sector reforms. This is because, unlike urban water utilities, rural and small towns water systems do not have economies of scale and therefore cannot support high overheads that will characterise the public/utility management model of CWSA. Besides the lack of economies of scale, these water systems are discrete community entities which will require a lot of travel costs by various staff of the centralised Agency (CWSA) to manage as a public utility. In other words, any new sector reform which does not take into account the levels of overheads or operational costs associated with the direction taken by such a reform will not be a prudent decision particularly as it will eventually result in more liabilities for government. This will not be in the interest of government and the economy.

The above position is validated by the observation that **“centralised systems for operation and maintenance were inappropriate for ‘systems’ in which each installation was a separate stand-alone facility located some distance away”** (Maggie Black, 19998:14). This point is highly relevant to rural and small towns water supply services in Ghana and thus contradicts the direction taken by CWSA’s new reforms.

Also, Ghana’s experiences with private participation in the management of small towns piped water services, in which CWSA facilitated management contracts between District Assemblies/WSMTs on one hand and Private Operators on the other witnessed a situation where the Private Operator was given about 70% of the gross water revenue at the expense of the water system/infrastructure. Admittedly, the compensation level for the Private Operator was quite high relative to the need to save more funds over time in readiness for capital maintenance/renewal (CAPEX) and replacement of the water supply infrastructure. This was a clear demonstration of the regulatory weaknesses in the rural water sub-sector. Furthermore, these management contracts were not closely monitored and supervised by the District Assemblies and CWSA.

# Scope of the new rural water sector reforms

Simply put, the new reforms initiated by CWSA in 2017 could be described as replacing the concept of Community Ownership and Management with CWSA or Government Ownership and Management.

These shifts of interest and focus by CWSA runs counter to its legal or establishment mandate, which is to move out of direct service provision and rather create the enabling environment for the private sector, communities, and local government/District Assembly to deliver services for efficiency.

The new reforms, which seeks to create a second water utility for the country (besides the urban water utility i.e. GWCL) brings into question the relevance of the National Community Water and Sanitation Programme and the Act of Parliament, 1998 Act 564, which established CWSA.

Section 1 of Act 564 defines the object of the Agency as: ‘facilitate the provision of safe water and related sanitation services to rural communities and small towns’.

The following functions have been prescribed for CWSA for purposes of its mandate per section 1 of the Act:

1. provide support to district assemblies to:
   * 1. promote the sustainability of safe water supply and related sanitation services in rural communities and small towns;
     2. enable the Assemblies encourage the active involvement of communities, especially women, in the design, planning, construction and community management of projects related to safe water supply and related sanitation services;
2. formulate strategies for the effective mobilisation of resources for the execution of safe water development and related sanitation programmes in rural communities and small towns.
3. Encourage private sector participation in the provision of safe water supply and related sanitation services in rural communities and small towns,
4. Provide District Assemblies with technical assistance in the planning and execution of water development and sanitation projects in the districts.

In pursuing its new reforms of becoming a public water utility, it will be useful to know why CWSA feels that they are better placed to become a profit-making commercial public utility just like GWCL, rather than its original mandate of a facilitator and technical assistance provider for rural water supply within the context of poverty reduction and decentralised development.

It will also be useful to know what steps are being taken by CWSA to get another government institution such as the District Assemblies, Regional Coordinating Councils, Local Government Service Secretariat, Water Directorate, or Environmental Health and Sanitation Directorate to feel the vacuum that will be created in the wake of the new reforms.

It should be stressed that any attempt to make CWSA continue in its original role of a facilitator in addition to becoming a commercial public utility (with profit motives) will amount to being a player and a referee at the same time, and this will fly in the face of good governance.

It should also be understood that transforming CWSA into a commercial public water utility without making them accountable to the thousands of communities (rural communities and small towns) served with piped water systems will be worrying as it will be impracticable for the Public Utility Regulatory Commission (PURC) to regulate them considering PURC’s current staff strength and reach, as well as, the diverse needs and peculiarities of the rural water sector, which is not as straight forward as the urban water sector.

There are several different stakeholders in the rural water sector that will continue to need facilitation, coordination and regulatory oversight. Some of these are listed below:

1. Communities which will not allow CWSA to take over their piped water systems
2. Communities whose piped water systems may not be commercially viable by virtue of their population size and therefore might not be of interest to CWSA.
3. The thousands of communities served with hand-dug wells and boreholes fitted with handpumps.
4. Rural communities which do not yet have access to safe water supply.
5. Private sector service providers who have been providing services to community-managed water systems over the years.
6. Local non-governmental organisations in the business of community mobilisation, animation, capacity building and empowerment.
7. International NGOs and Development Partners who recognise community management and user participation as the most effective and efficient way of guaranteeing service sustainability
8. Private operators of community water supply systems.

The question then is what happens to all these stakeholders and institutions if the rural water sector becomes the sole possession of a single institution i.e. CWSA contrary to the enduring multi-institutional and multi-stakeholder sector which has gained traction since 1994.

Existing literature and best practices around the world do not support a return to government ownership and management of rural water services as could be seen below.

The European Commission (1998 cited in Acheampong, 2009:19) observed that private sector participation in water service delivery has been recognised as a means of making water supply services more efficient and cost effective as well as ensuring sustainability.

Triche, Requena and Kariuki (2006:1) also noted that local private sector is becoming very important in an era where decentralised service delivery is gaining momentum and the accompanying responsibility for managing water supply and sanitation services is shifting from centralised national agencies to small and medium size towns which may not have the capacity and experience to effectively finance and manage these services.

PEM Consult (2006:12) noted that “under the National Community Water and Sanitation Programme (NCWSP) of Ghana, communities were to choose to contract operations, maintenance, repairs and/revenue collection functions to a private company or the Urban Water Utility but this received very little attention from communities”. “Neither has it been actively promoted by CWSA as required by Act 564” (ibid).

It can be concluded therefore that existing literature/knowledge around the world favour local private sector participation over centralised government agency in water services management.

# Some justifications of the new reforms by the proponents (i.e. CWSA)

CWSA’s justification for the transformation from a facilitator and Technical Assistance entity under a decentralised water and sanitation service delivery approach into a Commercial Public Utility/Manager have been the following:

1. Community Ownership and Management (COM) has failed;
2. Private Operator Management has failed;
3. District Assemblies have also failed.
4. Communities are selling the water, misusing the money and running down the systems only to come back to CWSA for help when the systems break down.

The above narratives will, however, need to be subjected to empirical evidence or facts. For instance how many communities have sought CWSA’s financial intervention to repair breakdowns over the past one year, of course outside the administration of donor-funded water systems rehabilitation programmes?

On the contrary, however, communities have become more and more independent and self-reliant over the years as they strive to finance and undertake repairs of broken-down water facilities by working with the private sector.

The table below shows sample of piped water systems of different sizes, from different regions, which have been under community management over the years (4 to 20 years) and are still functioning even without the expected technical support from the District Assemblies and CWSA.

# Selected piped water systems (under community management) and their self-reliance in fixing breakdowns

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **No.** | **Region** | **District** | **Community/ Small Town** | **Estimated Population** | **Reference year for estimated pop** | **Year water system was installed/ rehabilitated for COM** | **No. of Public Standposts** | **No. of house connections** | **No. of Institutions connected** | **No. of Commercial customers** | **Total number of water supply outlets (all customer categories)** | **Current Status of water system (functioning/ Not functioning)** | **No. of years of in operation under COM** |
| 1 | Ashanti | Ejura/ Sekyedumase | Ejura | 32,271 | 2018 | 2001 | 60 | 1,250 | 5 | 60 | **1,375** | Functioning | 17 years |
| 2 | Ashanti | Atwima Mponua | Nyinahin | 17,000 | 2018 | 2004 | 30 | 1,151 | 11 | 0 | **1,192** | Functioning | 14 years |
| 3 | Ashanti | Bosomtwe | Kuntanase | 5,500 | 2018 | 2002 | 14 | 210 | 4 | 0 | **228** | Functioning | 16 years |
| 4 | Ashanti | Sekyere South | Wiamoase |  |  | 2002 | 34 | 520 | 4 | 0 | **558** | Functioning | 16 years |
| 5 | Ashanti | Amansie Central | Jacobu | 15,000 | 2018 | 2002 | 25 | 202 | 4 | 4 | **235** | Functioning | 16 years |
| 6 | Brong Ahafo | Nokoranza North | Busunya | 13,506 | 2018 | 2013 | 22 | 205 | 5 | 1 | **233** | Functioning | 5 years |
| 7 | Brong Ahafo | Tano South | Bechem |  |  | 2002 | 30 | 1,151 | 11 | 0 | **1,192** | Functioning | 16 years |
| 8 | Northern | Sawla-Tuna-Kalba | Sawla | 9,256 | 2018 | 2006 |  |  |  |  | **0** | Functioning | 12 years |
| 9 | Central | Asikuma Odoben Brakwa | Brakwa-Kokosu | 14,127 | 2010 | 2010 | 20 | 249 | 2 | 0 | **271** | Functioning | 8 years |
| 10 | Central | Asikuma Odoben Brakwa | Jamra | 6,000 | 2017 | 1998 | 10 | 42 | 4 | 0 | **56** | Functioning | 20 years |
| 11 | Central | Asikuma Odoben Brakwa | Bedum | 7,000 | 2017 | 2010 | 10 | 125 | 2 | 0 | **137** | Functioning | 8 years |
| 12 | Upper West | Nadowli | Kaleo | 5,000 | 2016 | 2010 | 9 | 143 | 3 | 0 | **155** | Functioning | 8 years |
| 13 | Upper West | Nadowli | Nadowli | 23,000 | 2016 | 2006 | 12 | 156 | 19 | 0 | **187** | Functioning | 12 years |
| 14 | Upper West | Wa East | Manwe | 2,717 | 2016 | 2014 | 6 | 1 | 0 | 0 | **7** | Functioning | 4 years |
| 15 | Upper West | Wa East | Funsi | 7,000 | 2016 | 2010 | 7 | 83 | 3 | 0 | **93** | Functioning | 8 years |

Information in the above table shows that communities through their operational staff have managed water systems for populations in the range of 2,717 to 32,271 for periods ranging between 4 and 20 years and yet the water systems were still functioning.

Assuming without admitting that the narratives presented as justification by CWSA for the new reforms are even true, it is doubtful if that is sufficient to warrant a total change in legal and institutional mandate of the lead rural water agency, and a return to the pre-1980s era of a centralised approach to rural water delivery.

# Maintenance of water systems under community management

Contrary to CWSA’s narrative that communities sell the water, misuse the money and come back to them when the water systems breakdown, available data from eight water systems have proven otherwise. There is empirical evidence that the community-managed water systems have used their own resources to fix breakdowns and undertake other maintenance activities (see graph below) without external financial help (see the graph and the table below).

The table below gives some more details of the costs incurred on some major maintenance works in specific years.

# Some data on major maintenance works carried out by the water systems without any external assistance

| **No.** | **Region** | **District** | **Community/ Small Town** | **Estimated Population** | **Year water system was constructed/ rehabilitated for COM** | **Total number of water supply outlets (all customer categories)** | **No. of years water system has been in operation** | **Description of breakdowns experienced from January 2017 to April 2018. (2011, 2012 and 2016 for community in Upper West).** | **Dates of repairs** | **Total Cost of the Repairs (GH₵)** | **Source of funding for the Repairs** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 1 | Ashanti | Ejura/ Sekyedumase | **Ejura** | 32,271 | 2001 | 1,375 | 17 years | 1) Leakage on transmission line - 5 times; 2) Booster pump got burnt; and 3) Submersible pumps got burnt (for 2 times) | 1) Between Feb and Nov, 2017; 2) Jan., 2017; and 3) August 2017 & Feb.,2018 | **69,445.68** | Funds generated through sale of water |
| 2 | Ashanti | Atwima Mponua | **Nyinahin** | 17,000 | 2004 | 1,192 | 14 years | Breakdown of submersible pump (No. 003) on the 4th of January, 2018 | 8th February, 2018 | **25,700.00** | Funds generated through sale of water |
| 3 | Ashanti | Bosomtwe | **Kuntanase** | 5,500 | 2002 | 228 | 16 years | 1) breakdown of pump-motor; 2) Replacement of Surge Arrester, Contacter and Fuses; 3) Pipe bursts; 4) Breadown of water meters and taps; 5) Purchase of Pump and Fuses; and 6) Replacement of Water Meters and Taps | 1 to 3 - Between January and December, 2017; 4, 5 & 6 - Between January and April, 2018 | **18,376.60** | Funds generated through sale of water |
| 4 | Ashanti | Amansie Central | **Jacobu** | 15,000 | 2002 | 235 | 16 years | Submersible pump got burnt | 24th May, 2017 | **7,300.00** | Funds generated through sale of water |
| 5 | Brong Ahafo | Nokoranza North | **Busunya** | 13,506 | 2013 | 233 | 5 years | Pump dropped into the borehole |  | **34,702.60** | Funds generated through sale of water |
| 6 | Brong Ahafo | Tano South | **Bechem** |  | 2002 | 1,192 | 16 years | 1) Replacement of 5.5 KV Submersible pump; 2) Maintenance work on 100m3 Pressed Tank; 3) Maintenance work on the 200m3 Re-inforced Concrete Tank; 4) Replacement of Motor Protector, Surge Arrester and Relays | 1) January, 2018; 2) February, 2018; 3) Jaunary, 2018 and 4) April, 2018 | **22,319.00** | Funds generated through sale of water |
| 7 | Upper West | Nadowli | **Nadowli** | 23,000 | 2006 | 187 | 12 years | Breakdown of submersible pump | 2016 | **8,500.00** | Funds generated through sale of water |
| 8 | Upper West | Wa East | **Funsi** | 7,000 | 2010 | 93 | 8 years | 1) Breakdown of submersible pump in 2011; 2) Breakdown of submersible pump in 2012; and 3) Breakdown of Submersible pump in 2016 | 1) 2011; 2) 2012; and 3) 2016 | **24,000.00** | Funds generated through sale of water |

# The process of the new reforms

CWSA has been very pragmatic with the introduction of these reforms which is being rolled out in the following steps:

It started with the nomination of a new Chief Executive in 2017 that came with the vision of doing away with community management, private operator management and District Assembly/Municipal Management and replacing them with direct management by CWSA.

* The game plan has been to use various means to take over the water systems
* Recruit and post staff with minimum qualification of HND or first Degree, who do not hail from the community they get posted to
* Open Bank Accounts at CWSA Regional Offices and Head Office into which proceeds from the sale of water will be lodged and used to run the water systems.

CWSA is going through the District Assemblies to dissolve the existing Management Teams and Operational Staff and get them replaced by the newly recruited staff. The staff positions advertised by CWSA for this purpose are presented below:

* 1. Water Systems Manager
  2. Technician Engineer
  3. Accounts Officer
  4. Community Relations Officer and
  5. Revenue Collector

The reform is deemed complete once the people recruited by CWSA successfully replace the existing operational staff. This is how narrow the scope of the reform has been.

It remains to be seen how this affects the Act which created CWSA, 1998, Act 564, the National Community Water and Sanitation Programme (1994) which gave birth to CWSA, the National Community Water and Sanitation Strategy (2014), the National Water Policy (2007), and Ghana’s Water Sector Strategic Development Plan (2014) all of which still consider CWSA as a facilitator and not a service provider or commercial water utility.

In all these, there has not been a clear plan as to how the existing staff of the water systems that were mostly from the communities and have operated/maintained the water systems even at very low remunerations over many years will be treated. Most of them were asked to apply and go through the interviews/exams even though the minimum requirement of HND/1st Degree disqualified a vast majority.

It should be mentioned, however, that most of these piped water systems were based on groundwater and did not involve complex treatment processes/procedures. The simplicity of these water supply technologies has made it possible for local operational staff to run them whilst the private sector comes in for major repairs/maintenance or provide professional management services (under management contract) when needed.

Interrogating the policy alignment and consistency of the reform being pushed as well as its implications on Ghana’s rural water sector is so crucial to avert further confusion and possible collapse of the sector.

# Implications of the reforms on operational costs/overheads

## Remunerations for operational staff

Comparing the actual average remuneration of the operational staff under COM with a conservative level of remuneration for the staff engaged by CWSA, there will be a significant increase in staff cost under the reforms as shown in table below.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| No. | Communities/ Piped Water Systems | Average Monthly Remuneration per Staff (under COM) - GH₵ | Average Number of Staff per Water System | Total Monthly Remuneration for five Staff under CWSA's Ownership and management (GH₵) | Average Monthly Remuneration per Staff under the Reforms (using a conservative figure of GH₵1,000 per staff) | Total Monthly Remuneration for five Staff under the Reforms (GH₵) | % Increase in the Cost of Staff Remuneration as a result of the Reforms |
| 1 | Ejura | 646 | 5 | 3,230 | 1,000 | 5000 | 55% |
| 2 | Nyinahin | 255 | 5 | 1,275 | 1,000 | 5000 | 292% |
| 3 | Kuntanase | 652 | 5 | 3,260 | 1,000 | 5000 | 53% |
| 4 | Wiamoase | 742 | 5 | 3,710 | 1,000 | 5000 | 35% |
| 5 | Jacobu | 436 | 5 | 2,180 | 1,000 | 5000 | 129% |
| 6 | Busunya | 263 | 5 | 1,315 | 1,000 | 5000 | 280% |
| 7 | Bechem | 191 | 5 | 955 | 1,000 | 5000 | 424% |
| 8 | Sawla | 243 | 5 | 1,215 | 1,000 | 5000 | 312% |
| 9 | Brakwa-Kokosu | 830 | 5 | 4,150 | 1,000 | 5000 | 20% |
| 10 | Jamra | 275 | 5 | 1,375 | 1,000 | 5000 | 264% |
| 11 | Bedum | 251 | 5 | 1,255 | 1,000 | 5000 | 298% |
| 12 | Kaleo | 75 | 5 | 375 | 1,000 | 5000 | 1233% |
| 13 | Nadowli | 115 | 5 | 575 | 1,000 | 5000 | 770% |
| 14 | Manwe | 130 | 5 | 650 | 1,000 | 5000 | 669% |
| 15 | Funsi | 88 | 5 | 440 | 1,000 | 5000 | 1036% |

This is understandable because the existing staff are mostly inhabitants of the communities. They also take their work as service to their own people and are thus not driven so much by the level of monetary compensation they get from the work they do. Furthermore, they value the training courses and workshops they sometimes attend as members of water system operational teams. They acquire new skills and build their capacity for improved performance. Most of the existing staff are also not too qualified academically (even though there are a few who hold high academic qualifications such as HND, First Degree and even Masters Degree) but have vast experience in operating and maintaining the piped water systems they have worked with for years. Apart from the capacity building training workshops they also benefit sometimes from hands-on coaching sessions from officials from the District Assembly, CWSA and consultants.

On the flip side, the operational staff engaged by CWSA hail from outside the communities and need to rent rooms. Also, most of them are more qualified academically, holding HND and 1st Degree and Masters Degree qualifications but are inexperienced when it comes to the job of operating and managing community water systems.

## Other institutional costs as well as challenges of bureaucracy

A lot more official visits should be expected from Regional and Head Office Staff of CWSA to these communities. These will come with costs in respect of fuel, vehicle maintenance, Per diems, and Hotel Accommodation among others.

Also, simple problems, which hitherto were solved at the level of the community, will now need clearance from Regional Office or in some cases Head Office. The cost of the newly introduced bureaucracy in terms of time and money will be quite a lot.

There is also the fear that revenues/funds generated from the sale of water from the communities will end up being used to pay institutional costs/overheads at the expense of the water supply infrastructure.

## Potential vulnerability of funds to misappropriation and misapplication

Since the proceeds from the sale of water from hundreds of communities/water systems (taken over or yet to be taken over by CWSA on the basis of the new reform agenda) across the country will be lodged in an Account at CWSA Head Office with discretionary use, it is only a matter of time that a Chief Executive will emerge and find inappropriate uses for such moneys. This is because the reform is deliberately leaving out the communities just so CWSA will not be held accountable by them (i.e. the communities) for the funds transferred to the CWSA Accounts.

## The confusion in the sector and the need for an alternative facilitating/coordinating agency for rural water

The reform has created so much confusion in the sector. This is so because the sector which originally had many partners and stakeholders is now being changed to a single-institution sector without thinking about what becomes of the other players.

As things stand now, it will be practically impossible for any other organisation to implement an alternative model through CWSA. That organisation may obviously be sabotaged.

That is why another Agency is seriously needed to perform the facilitation, coordination and regulation roles. These functions could be given to the Water Directorate, Ministry of Local Government, Environmental Health and Sanitation Directorate or Local Government Service Secretariat.

Clearly, it will not be in the interest of the country if CWSA succeeds in crowding out the communities, the private sector, local and international NGOs, and even the MMDAs from the rural water sector.

## Social cost and implications for community participation

The thousands of employment created for the youth of these communities through the water supply systems are being threatened by the reform. These workers, some of whom have spent several years on the job will no longer have a source of livelihood after all their sacrifices. Also, the rich experience and understanding they have gained in respect of the water systems will be lost.

The care and concern that communities attach to these water systems through the sense of ownership instilled in them over the years will also be lost and they will be made to now look up to government for everything concerning the water system.

The fact that CWSA per the strategy of the reform will not make themselves accountable to the communities will also affect the quality of services that will be provided.

The poor people in these communities who buy water in order to ensure that there are funds to fix breakdowns without delay may end up financing unrelated institutional expenses of CWSA.

The reform will likely bring about apathy towards the water supply systems/infrastructure by communities especially when the communities are not being properly engaged by CWSA in the process of taking over the water systems.

## CWSA’s claim of creating employment through the reform

CWSA is making government to believe that this reform is a way of creating employment for the youth who have graduated from the country’s Universities and Polytechnics. What they are not telling the government is that these water systems already have people working on them. Hence, it cannot be said that employment will be created through this reform since what is happening only amount to replacing low-cost but committed and experienced staff from the communities with more expensive graduates most of whom have not managed water systems before. Replacing one group of workers with another does not amount to employment creation and this has to be made clear to government.

## Rights of the existing staff who are being replaced with those recruited by CWSA

From the few water systems which have been taken over by CWSA, it does not appear that the rights of the replaced workers have been protected in line with the National Labour Act. CWSA will need to speak to how it has gone about the termination of those appointments.

## Cost to the private sector and local NGOs

By abdicating its mandate of creating enabling environment for the private sector, local NGOs, Local Government/District Assemblies and communities to deliver services to own and manage the piped water systems, CWSA has effectively closed the door to many stakeholders/actors outside government who otherwise would have had the chance to manage these systems as a source of livelihood. The fate of piped water systems which are not commercially viable including point sources also hangs in the balance.

## Effect of the reform on sanitation and hygiene promotion

By crowding out communities from water services delivery, CWSA will need to reflect on what that means for sanitation and hygiene promotion in communities and households.

Principle 1 of the New Delhi Statement recognised that “improvements to the household environment can best be achieved through the community’s involvement as an equal partner with government and sector agencies”. The Global Consultation therefore recommends that “emphasis must be placed on education, social mobilisation, and community involvement”, which will be difficult to achieve under the new reform.

## Implications of the new reforms for decentralisation

The reform in its current shape will rob the District Assemblies of the opportunity to work with the private sector to provide sustainable drinking water services for the small towns and rural communities within their jurisdiction. The District Assemblies will also be deprived of the opportunity to increase their Internally Generated Funds (IGF) through the monthly payments/contributions that the water systems can make in return for monitoring, supervision, and coordination as well as regulation by the District Assemblies. The water section of the District Works Department within the Assemblies will also be somewhat undermined as they will have no say in issues concerning safe water supply services. This will now be owned and managed centrally by CWSA. Weakening the link between rural/small towns water supply services and the District Assemblies through this centralised utility management model of CWSA will indirectly weaken Ghana’s decentralisation programme.

## Implications of the new reforms for accountability/good governance

Whilst the existing community management model allows for more access to operational, technical and financial records of the water services to all stakeholders such as the community leaders, District Assembly, CWSA, NGOs, and Consultants including transparency and accountability to different stakeholders and actors, the centralised utility management model of CWSA will be very restrictive. The most probable excuse from CWSA will be that they are accountable to their Auditors and the Public Utilities Regulatory Commission (PURC). This situation will be at variance with the principles of good governance which calls for greater transparency and accountability particularly to the user communities and civil society. How many people can go to CWSA Head Office and ask to see their Accounts Books or Bank transactions in relation to the water services they have taken over? That is almost impossible, which is contrary to what used to be the case under community management. In effect, accountability to the communities, civil society and the public will be adversely affected by the reform, a situation which will create favourable conditions for corruption and misuse of funds generated through the sale of water.

# Is there a need for reforms?

Twenty-three (23) years down the line since the post Decade water sector reform was initiated in Ghana (NCWSP, 1994), it will be a legitimate call to have a reform which takes into account the great lessons learnt over the years and the current need for professionalisation of small towns piped water services. Such a reform should improve upon the status-quo, or at a minimum, consolidate the gains made so far. Unfortunately, however, the path being taken by the current reform by CWSA (since 2017) is rather retrogressive as it seeks to send the country back to the pre-Decade era where government felt that communities and the District Assemblies do not have capacity and could not deliver services.

This conclusion is illustrated by the diagram below, adopted from a 2017 World Bank Multi-Country Sustainability Study on rural water service delivery models. It shows the evolution of management models of rural water supply in a way that vividly illustrates where CWSA wants to take Ghana with the new reforms.

### Evolution of Paradigms in the Rural Water Sector (1980 to 2010): Sustainability assessments of service delivery models (World Bank, August 2017: 33 of 181)

**1980** **1990**  **2000 2010**

Community involvement

recognized as important

Service delivery

approach developed

Post-construction

support emerges as

key challenge

Demand responsive

approach developed

Community based

management firmly

established

• **Concerns grow over**

**limits of CBM and**

**failure of governments**

**to adequately support**

**communities following**

**infrastructure**

**investment programs.**

**• Shift away from purely**

**voluntary CBM and towards professionalized**

**management models.**

• **Service Delivery Approach (SDA) emerges partly in**

**response to demand for**

**higher service levels.**

**• Recognizes full lifecycle**

**requirements of**

**services.**

**• Requires strengthening**

**of enabling**

**environment at all levels.**

**and alternative service**

**delivery models.**

• **Centralized**

**approaches of**

**pre-1980s fail**

**to deliver**

**improvements.**

• **Little or no**

**consultation**

**with local**

**government or**

**communities.**

• **CBM established.**

**Increasing community**

**participation in project**

**implementation.**

**• Users start to contribute to capital**

**Investment.**

**• CBM evolves as predominant**

**model across most countries.**

**(some). Governments withdrawn from active support to rural sector**

**UN international**

**drinking water**

**and sanitation**

**decade (1980–**

**1990) with**

**emphasis on**

**involving**

**communities as**

**partners**

**Broader decentralization processes and sector reforms, coupled with demographic changes and demand for higher service levels as expectations of population rise**

CWSA’s new reform

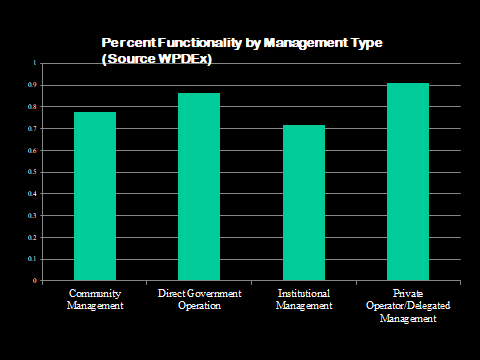
From the above diagram (World Bank, 2017:33 of 188) it could be seen that the 2017 reforms of CWSA reflects the pre-1980 era where centralised approaches were used with virtually no consultation with local governments and communities in delivering rural water services. The failure of this approach (centralised approach) to deliver improvements in rural/small towns water services caused the international community to emphasise the involvement of communities from the start of the International Drinking Water Supply and Sanitation Decade in 1981.

It therefore begs the question why a centralised government agency will want to take the sector back to the failed centralised approach to rural water delivery and management at a time we should be shifting to more efficient professionalised management model using the local private sector. The success of this shift will then grow into the last stage (see diagram above) of the management evolution which is the Service Delivery Approach (SDA) taking into account the full life cycle costs of the assets (water supply infrastructure) and develop the capacity to expand/upgrade services to meet the increasing demand for higher service levels from a growing population.

Per the analysis shown in the diagram above, the final stage (i.e. SDA) requires the strengthening of enabling environment at all levels and alternative service delivery models. Ironically, it is the same mandate which involves the creation of enabling environment that CWSA is abandoning under the new reforms in favour of direct management of water services.

Another comparative study of management models for water supply in relation to the functionality of water points was conducted by Waterpoint Data Exchange (WPDEx) covering over 40 countries. The results were clearly in favour of “Private Operator/Delegated Management which delivered more than 91% functionality of water points. This study provides further guidance on the kind of reforms which has the maximum potential for success. The study also showed that Community Management is a superior alternative (about 78% functionality rate) to institutional management (which has about 71% functionality rate).

It will be of interest to know why the CWSA is not moving the sector towards private participation in the management of water services which, a model (Private Operator/Delegated Management) which demonstrates the highest functionality rate of 91% (see diagram below).



# Recommendations to government and CWSA

The following recommendations will avert a looming crisis for Ghana’s rural water sector:

1. CWSA need to pilot the centralised approach to managing rural water services at a smaller scale with wider and deeper stakeholder involvement/consultation before attempting a full scale roll-out.
2. Full-scale reforms in the shape of a centralised government service delivery as opposed to the enduring decentralised approach to service delivery should be preceded by a comprehensive review and amendment of existing legal, policy, regulatory and institutional frameworks for rural water supply (including the Act which established CWSA).
3. Communities, having owned and managed their water services for many years should not be side-stepped in any sector reforms agenda since they are a major stakeholder group. Their buy-in, based on assurances of financial and operational transparency and accountability from CWSA will be critical.
4. The transformation of CWSA into a commercial water supply utility focusing on small towns piped systems amidst growing need for safe water supply for poverty reduction using other alternative management models will require another government institution to take up the role of facilitating the provision of water and sanitation services. In other words, CWSA’s original mandate of creating enabling environment for the local private sector, local government and communities to deliver efficient services can then be assumed by other Government Agencies like the Water Directorate, Environmental Health and Sanitation Directorate, Local Government Service Secretariat, the District Assemblies, or the Ministry of Local Government and Rural Development.
5. CWSA during their 2018 Annual Review Conference revealed that it has so far taken over 67 small towns piped water services (and has planned to scale it up to about 290 water systems by the end of 2019). Assuming that they even succeed in taking over the targeted 290 piped water systems that will only be about 28% of all rural and small towns piped water systems in Ghana. **‘What then happens to the remaining 732 piped water systems? Leaving these systems to their fate without continuous support for even 6 months or one year will have disastrous consequences for service sustainability**. That is why another government institution is urgently needed to galvanise all the players in the sector for the implementation of alternative management models and to continue providing support to these communities for sustainability.
6. Existing staff of the water systems being taken over by CWSA will need to be adequately compensated in line with the Labour Laws of Ghana.
7. There is the need to have public discussions on the utilisation of the 2% rural water levy, which the Urban Water Utility (GWCL) has been transferring to CWSA over the years, to see if part of it could not be allocated to District Assemblies to finance their monitoring and regulatory oversight roles for community-managed or private operator-managed water services. This will strengthen the country’s decentralisation programme.

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1. AMCOW: Africa Minister’s Conference on Water [↑](#footnote-ref-1)
2. The Global Consultation was organised in New Delhi, India from 10th to 14th September, 1990 and attended by 600 participants from 115 countries. [↑](#footnote-ref-2)
3. Ghana achieved 84% rural water coverage at the end of the MDGs in 2015 (WHO/UNICEF, 2015). [↑](#footnote-ref-3)