AfDB’s Activities in the Water and Sanitation Sector: Strategies and Pipeline of Projects

Water Development and Sanitation Dept. (AHWS)

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African Development Bank
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Abidjan, Côte d'Ivoire
Outline

1. The Water and Sanitation Sector at a glance
2. AfDB’s engagement in the Water Sector
3. Selected projects and activities
4. Business Opportunities / Pipeline
1. Water and Sanitation Sector at a Glance: Challenges in Africa

**Infrastructure Deficit: Underdevelopment of water resources**

- WSS access: 72% & 39% - MDGs not met
- Low storage capacity and limited resilience to water–related disaster risks (droughts, floods, etc.)
- Low hydropower developed: <5% of potential
- Arable land irrigated: 7%
- **WSS funding gap of USD 6-14bn/year**: about half of what is needed

**Weak Sector Management and Governance**

- Weak institutions, systems, O&M/sustainability, human capacity
- 80 transboundary water basins; weak regional cooperation
- Insecurity and conflicts
- Low sector priority and visibility

**Inadequate water security hindering inclusive and green growth**
Some Opportunities/Context

Water security is key for inclusive and sustainable socio-economic development

• **Water Specific SDG**: Ensure availability and sustainable management of water and sanitation **for ALL**.

  *Water also affects nearly all other SDGs e.g. related to poverty, food/nutrition, education, health, gender, cities, industrialization, ecosystems and cooperation*

• **Africa Agenda 2063** – recognizes water security as a key driver for economic development on the continent

• **At the AfDB** – Water underpins **all the High 5s** and the Bank remains committed to supporting Africa’s efforts to attain water security
2. AfDB’s Engagement in Water Sector
Water Development & Sanitation Dept. (AHWS)

AHWS leads Bank’s work on promotion of sustainable and integrated solutions across the water and sanitation value chain to support Africa’s economic transformation.

**Role**

Coordinates Bank’s water development and sanitation-related activities to enhance synergies and support achievement of the High 5 on Improving the Quality of Life of the People of Africa; and contributes to the other High 5s towards sustainable development of Africa’s water resources.

**Areas of Intervention**

1: **WATER COORDINATION AND PARTNERSHIPS**

1.1 Intra-Bank sector coordination and monitoring & evaluation
1.2 Strategic partnerships with regional & global stakeholders
1.3 Coordination of Trust Funds & Initiatives: RWSSI & Water Partnership Programme
1.4 Non-traditional financing modalities and economic solutions

2: **WATER SECURITY & SANITATION BEST PRACTICE AND INNOVATIONS**

2.1 Strategic work, new knowledge, tools on water supply, sanitation, water resources etc.
2.2 Support regional hubs on: complex projects; and on strategies
2.3 Promotes innovative technologies; efficient managerial approaches; and good governance

3: **FACILITATION OF RESOURCE MOBILIZATION FOR INVESTMENTS (AWF)**

3.1 Project and program preparation and facilitation of follow-on investments
3.2 Catalytic investments for pilots and to mobilize private sector financing
3.3 Water & sanitation investment promotion
The Three Regional Water Initiatives: AWF, MDWPP and the RWSSI

AWF
- AWF is primary water instrument in Africa that supports and facilitates resource mobilization for water infrastructure development towards AWV and SDGs
- Portfolio covers all water related sectors (water supply, sanitation, water for agriculture; hydropower; water resources management; …)
- Voted “Project Preparation Facility of the year” in 2015
- On average, each €1 contributed by AWF has attracted €34 in follow-on investments. Nearly €1 billion leveraged to-date.

RWSSI
- RWSSI is pan-African initiative to promote more water supply and sanitation investments for rural Africa to support achievement of AWV and SDGs
- Through 53 projects in 35 countries, RWSSI has to date provided 135 million people with clean water and 90 million people with sanitation.
- RWSSI has a leveraging factor of 1:30

MDWPP
- MDWPP conceived to support Bank capacity for operationalizing its IWRM policy
- MDWPP has generated useful water sector knowledge and greatly contributed to advancement of cross sectoral cooperation and water security in in Africa.

- Activities cut across all High 5s; and are aligned with SDGs and Africa Water Vision
- About USD 400 M mobilized to date under the three initiatives
Some Achievements – A strong portfolio to deliver sustainable access to WSS

<table>
<thead>
<tr>
<th>Region</th>
<th>Value (UA)</th>
<th>%</th>
<th>No. of Operations</th>
<th>%</th>
<th>No. of RMCs</th>
</tr>
</thead>
<tbody>
<tr>
<td>North</td>
<td>540,987,437</td>
<td>20%</td>
<td>11</td>
<td>16%</td>
<td>5</td>
</tr>
<tr>
<td>East</td>
<td>854,016,774</td>
<td>32%</td>
<td>17</td>
<td>25%</td>
<td>10</td>
</tr>
<tr>
<td>Central</td>
<td>211,153,782</td>
<td>6%</td>
<td>8</td>
<td>12%</td>
<td>4</td>
</tr>
<tr>
<td>West</td>
<td>624,485,851</td>
<td>23%</td>
<td>15</td>
<td>22%</td>
<td>10</td>
</tr>
<tr>
<td>South</td>
<td>393,305,641</td>
<td>15%</td>
<td>16</td>
<td>24%</td>
<td>9</td>
</tr>
<tr>
<td>Multi-region</td>
<td>72,980,000</td>
<td>3%</td>
<td>1</td>
<td>1%</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total WSS</strong></td>
<td><strong>2,696,929,486</strong></td>
<td><strong>100%</strong></td>
<td><strong>68</strong></td>
<td><strong>100%</strong></td>
<td><strong>38</strong></td>
</tr>
<tr>
<td>AWF</td>
<td>34,870,403</td>
<td>78%</td>
<td>30</td>
<td>100%</td>
<td>26</td>
</tr>
<tr>
<td>AWF multi region</td>
<td>9,969,518</td>
<td>22%</td>
<td>8</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total AWF</strong></td>
<td><strong>44,839,921</strong></td>
<td><strong>100%</strong></td>
<td><strong>38</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

At end of 2016:
- **68 projects amounting to UA 2.7 billion**
- **Mainly infrastructure investments** but also Project Preparation, Studies/ESWs, Capacity Building &TA
- **Plus 38 projects under AWF**
3. Selected Projects and Activities

3a. A Business Approach for Improved Sanitation in Ghana – Organic Fertilisers and Energy as Drivers (ASHAIMAN –GHANA)

**Partners:** Safi Sana Ghana Ltd, ASHMA

**Project funding** by AWF/AfDB, The Dutch Gov’t and Safi Sana

**Treatment** FS & SW: 12,600 T/yr

**Outputs (at full operation)**

- Bio-fertiliser: **640 tonnes/yr**
- Electricity: **585,000 kWh/yr**
- 125,000 beneficiaries

**TARGET => 7 Factories in 2023**
3b. Ethiopia - Harar Water Supply and Sanitation Project - Improving Livelihoods and Enhancing Water Security

The AfDB provided USD 33 million to provide water supply to 4 towns in distress

- Water production; 75 km transmission line and 115 km distribution network
- 4 booster pump stations to lift water over 1000 m in elevation
- Several storage reservoirs
- Sanitation and hygiene promotion
- Sustainability measures including capacity building

250,000 beneficiaries
- Water revenue collection > 90%, enhancing sustainability;
- Water-borne disease reduced by 75%;
- Time spent by women reduced by 50
- Commercial enterprises such as hotels flourished again, providing jobs.
3c. Cameroon - Rural Drinking Water Supply and Sanitation Project

To improve the living conditions of rural populations

22,000 water points
6,000 rehabilitated water points
150,000 modern latrines

Financing:
- African Development Fund: 10,000,000 UA
- RWSSSI Trust Fund: 5,000,000 UA
- Government: 1,500,000 UA
- Beneficiaries: 750,000 UA

668,000 persons access safe drinking water
750,000 persons access improved sanitation
Creation of 300 jobs during implementation
154 permanent jobs at completion
3d. Malawi - Sustainable Rural Water and Sanitation Infrastructure for Improved Health and Livelihoods Project

To improve health and livelihoods of marginalized rural population and thus spur socio-economic growth

- 2,925 communal water points
- 450 new boreholes
- Storage reservoirs and stations
- 166 sanitation facilities

Financing:

- African Development Fund: 15,000,000 UA
- Nigerian Trust Fund: 5,000,000 UA
- RWSSI Trust Fund: 3,100,000 UA
- Government: 2,510,000 UA

- 516,000 people access improved water supply
- 575,000 with improved sanitation
- 6,760 jobs created
- Improved water resources mgmt. and resilience to CC
3e. Delegation of Water and Sanitation O&M to Private Sector (Morocco)

Pilot for 3 rural areas totalling 390 000 inhabitants
- OBA approach
- Capacity building
- Close M&E and knowledge management
- Preparation of Replication on 10 other areas

Financing plan (€ 3 m):
AWF: € 0.8 m
RWSSI-TF: € 0.5 m
FAPA: € 0.4 m
ONEE: € 1.3 m

Upscaling
Beneficiaries: 2m
Jobs: 2000
3f. **Kikonge multipurpose dam (Tanzania) – to be prepared by AWF**

**African Water Facility Involvement**

- Prefeasibility Study: **1.750.000 €** secured
- SSEA: **250.000 €** secured
- Full Feasibility Study: **2.500.000 €** not secured

**Hydropower:** 300 MW

**Irrigation:** 4000 Ha irrigated land, 14.000 direct beneficiaries

**W & S:** Improved Water Supply and Sanitation to 14.000 beneficiaries

**Down Stream Investment**

- Dam: **500 m €**
- Hydropower Generation: **250 m €**
- Irrigation and W & S: **25 m €**

**Leverage factor:** 200 upon investment, after completing full design
## 4. Two-Tiered Business Opportunities

<table>
<thead>
<tr>
<th>Category</th>
<th>Potential Opportunities</th>
<th>Tier 1: At Bank</th>
<th>Tier 2: With RMCs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services</td>
<td>Consultancy Firms: specialized studies, project design, evaluation, development of tools and guidelines and capacity building for staff</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>Consultancy Firms: feasibility studies and detailed design; construction supervision, institutional support</td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>Individual Consultants: services to Bank/RMCs for directly managed activities; project preparation, evaluation, supervision, Technical Assistance</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>Audit companies</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>Operation of Water and Sanitation Infrastructure/service provision</td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>Goods</td>
<td>Office supplies and equipment; vehicles; specialized equipment</td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>Works</td>
<td>Water supply, sanitation, water resources infrastructure</td>
<td></td>
<td>Yes</td>
</tr>
</tbody>
</table>
### 2017 AWF Pipeline of Projects
project preparation pillar; available for implementation from 2018

<table>
<thead>
<tr>
<th>Country</th>
<th>Project</th>
<th>Proposed Amount (Euro)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mali</td>
<td>Elaboration du Plan de gestion des R. E de la plaine du delta 2</td>
<td>1,900,000</td>
</tr>
<tr>
<td>Multinational</td>
<td>Projet d'appui à la création de l'organisme des bassin Ogoue, Nyanga, Ntem et Komo</td>
<td>1,082,298</td>
</tr>
<tr>
<td>Sierra Leone</td>
<td>Greater Freetown Water Supply and Sanitation Master Plan and Investment Studies</td>
<td>1,620,000</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>Improving Climate resilience of communities</td>
<td>1,700,000</td>
</tr>
<tr>
<td>Multinational</td>
<td>Preparation of WRD Plan</td>
<td>700,000</td>
</tr>
<tr>
<td><strong>TOTAL PROJECTS 2017</strong></td>
<td></td>
<td><strong>7,002,298</strong></td>
</tr>
</tbody>
</table>
2017-2018 AHWS Proposed Pipeline of Projects  
(potential PPPs - available from 2018)

<table>
<thead>
<tr>
<th>Project</th>
<th>Amount (Euro)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Botswana North South CARA Water Corporation</td>
<td>100,000,000</td>
</tr>
<tr>
<td>Kenya NYERI Water and Sewerage Company</td>
<td>1,345,757</td>
</tr>
<tr>
<td>Kenya Murang’a South Water and Sanitation Company</td>
<td>5,513,867</td>
</tr>
<tr>
<td>Lilongwe Water Board</td>
<td>50,000,000</td>
</tr>
<tr>
<td>Uganda National Water and Sewerage Corporation</td>
<td></td>
</tr>
<tr>
<td>Togo RWL Water (Private Enterprise) Minisitere de Finances</td>
<td>21,000 000</td>
</tr>
</tbody>
</table>
## 2017/8 Indicative Pipeline of Projects

(available for implementation from 2018)

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>PROJECT_NAME</th>
<th>Cost (mUA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sierra Leone</td>
<td>Freetown water supply and sanitation project</td>
<td>20</td>
</tr>
<tr>
<td>Burkina Faso</td>
<td>Projet ass. de Ouagadougou, phase 2</td>
<td>30</td>
</tr>
<tr>
<td>Côte d'Ivoire</td>
<td>Projet d'AEPA en milieu rural</td>
<td>45</td>
</tr>
<tr>
<td>Côte d'Ivoire</td>
<td>Projet Gestion Intégrée Bassin Du Gourou</td>
<td>100</td>
</tr>
<tr>
<td>Guinea-Bissau</td>
<td>Rural water supply &amp; sanitation project</td>
<td>1</td>
</tr>
<tr>
<td>Liberia</td>
<td>Water supply and sanitation program</td>
<td>30</td>
</tr>
<tr>
<td>Gambia</td>
<td>Rural Peri-urban water supply and sanitation</td>
<td>3</td>
</tr>
<tr>
<td>Gambia</td>
<td>Support to the water and electricity utility NAWEC</td>
<td>10</td>
</tr>
<tr>
<td>Madagascar</td>
<td>Projet d'AEPA en milieu rural, phase 2</td>
<td>20</td>
</tr>
<tr>
<td>Gabon</td>
<td>Programme intégré d alimentation en eau potable et assainissement de Libreville</td>
<td>0</td>
</tr>
<tr>
<td>Gabon</td>
<td>Etude du schema directeur d assainissement des eaux usees et pluviales de pog</td>
<td>1</td>
</tr>
<tr>
<td>Nigeria</td>
<td>Abuja City integrated infrastructure development project</td>
<td>287</td>
</tr>
<tr>
<td>Angola</td>
<td>Water Resources Mgmnt Study</td>
<td>0.8</td>
</tr>
<tr>
<td>Namibia</td>
<td>Windhoek managed aquifer recharge</td>
<td>50</td>
</tr>
<tr>
<td>Mozambique</td>
<td>Pemba City sewerage project</td>
<td>45</td>
</tr>
<tr>
<td>Mozambique</td>
<td>Nampula sewerage rehabilitation project</td>
<td>35</td>
</tr>
<tr>
<td>Mozambique</td>
<td>Niassa Provincial Towns water supply and sanitation project –2</td>
<td>60</td>
</tr>
<tr>
<td>Sudan</td>
<td>Water and sanitation project</td>
<td>18</td>
</tr>
<tr>
<td>Egypt</td>
<td>Abu Rawash Sludge Facility</td>
<td>46</td>
</tr>
<tr>
<td>Tunisia</td>
<td>Programme d assainissement de 80 communes de moins de 10 000 habitants</td>
<td>90</td>
</tr>
<tr>
<td>Rwanda</td>
<td>Water supply and sanitation in the secondary cities</td>
<td>115</td>
</tr>
</tbody>
</table>
Opportunities from Portfolio of Active Projects

Detailed information on all ongoing projects can be found at http://www.afdb.org/en/documents/project-operations/project-appraisal-reports/#c

More information on the portfolio of AWF projects can be found at www.africanwaterfacility.org
THANK YOU

Quality of life

Food Security

Regional Cooperation

Industrialisation

Power & Electricity

& the H5s

Source: Adapted from WSP