



A boy cools off in Embu, Kenya. Photo credit: Bobby Neptune Photography LLC

Changing the Landscape for Africa's Urban Water Services

March 16, 2016

Urban growth across much of sub-Saharan Africa is generating considerable pressure on public and private utilities to provide safe and reliable water and sanitation services. The municipal water infrastructure of many African cities also faces daunting challenges from age, lack of maintenance or connecting communities without water and sanitation access.

To assist partner countries with these challenges, USAID launched the Sustainable Urban Water and Sanitation in Africa (SUWASA) program in 2009. SUWASA sought to catalyze commercially viable partnerships in the water sector that extend utilities' reach into underserved, low-income communities in sub-Saharan Africa's growing cities and suburbs.

Overall, SUWASA's multiple projects covered nine countries including Ethiopia, Kenya, Liberia, Mozambique, Nigeria, South Sudan, Senegal, Uganda and Zambia. SUWASA's activities varied in each country depending on the context, and ranged from encouraging institutional reforms and helping bring women into the water workforce, to improving regulatory frameworks for water. The project's legacy also includes creating knowledge-sharing networks across the region on urban water issues.

With an eye to the future, several SUWASA partner countries are now capitalizing on SUWASA's successes and building on its momentum.

Improved Bottom Lines, Uplifted Communities

More often than not, water utilities' shaky financial, operational, and governance foundations prevent them from achieving and maintaining an acceptable level of service. This lack of service quality also makes utilities less attractive to potential investors.

"African water utilities commonly struggle to cover operations and maintenance costs, which results in cash flow problems, leading directly to service interruptions and ultimately to failures in water provision," said Sam Huston, SUWASA's former Deputy Chief of Party. "SUWASA worked in a wide range of countries, from those that were struggling to provide reliable services, to those that were more advanced and seeking to improve their regulatory oversight structures and access commercial financing to expand services."

In Kenya, SUWASA helped improve the commercial viability of water service providers such as the [Embu Water and Sanitation Company](#) (EWASCO). Embu, a city situated near several rivers in the shadow of Mount Kenya, had long struggled to bring water to its residents and neighboring villages via an aging network of leaky pipes dating back to the 1970s.

To improve and expand its water services, EWASCO, with the help of SUWASA advisors, developed a proposal for commercial financing and a business plan to support loan repayment. The World Bank's International Finance Corporation also worked with EWASCO to undertake an audit that led to improvements in the company's business processes, financial management, and planning. This support helped make the Embu water utility more attractive to Kenyan commercial lenders.

As part of a strategy to connect utilities to local financial markets, USAID provided a loan guarantee through its Development Credit Authority to Kenya Housing Finance (KHF), a local financial institution. Under the terms of the agreement, USAID agreed to take 50 percent of the repayment risk on each loan KHF made to water companies.

In May 2014, KHF approved a nearly \$1 million loan to EWASCO — the largest commercial loan ever made to a Kenyan water utility. Over the following year, the utility used the loan to install a new pipeline network in peri-urban areas of Embu County, significantly improving water supply for 100 schools, 15 clinics, and 50,000 community members.

Other Kenyan water utilities benefited from similar SUWASA capacity-building efforts, USAID credit guarantees, and new partnerships forged with Kenyan banks.

Training a Water Workforce for the Next Generation

SUWASA placed significant emphasis on training a water sector workforce. Importantly, they brought women into the mix.

“Water is really a women’s issue,” said Annabell Waititu, a gender and water specialist who recently promoted the successful gender integration of EWASCO’s workforce. “Women have a different understanding than men about how households access water,” she said, noting that females are typically in charge of household water management. “Female perspectives add value in terms of their approaches to dealing with water service provision.”

“Bringing women into leadership positions at water utilities allows them to inform policymaking in terms of how utilities respond to the needs of their customers, allowing utilities to offer more effective and efficient service,” said Waititu.

“Before SUWASA, you would see there were very few women in decision-making positions in the Embu water company in Kenya,” said Dennis Mwanza, SUWASA’s former Chief of Party. “Now, because of SUWASA’s involvement, the company has changed its employment policies, hiring women to fill positions at the technical, operational, and management levels.”

The implications of such interventions might ultimately extend beyond the water sector. “Gender mainstreaming is now part and parcel of the activities the USAID Mission in Kenya undertakes,” said Martin Mulongo, Senior WASH Specialist for USAID Kenya. “Involving and consulting women at all stages of the WASH project cycle has been shown to increase women’s opportunities to be involved in leadership and decision-making more broadly,” he noted. Even with the conclusion of SUWASA programming, Mulongo said, “we will continue to advocate for a greater role for women in water management.”

A gender mainstreaming strategy for water utilities developed under SUWASA is being rolled out in Kenya, providing a model for utility companies across the continent.

Laying the Groundwork for Regulatory Reforms

Many households in Maputo, Mozambique’s capital, and the city’s largest suburbs, go unserved by public water utilities and instead receive water from informal, private providers called Fornecedores Privados de Agua (FPAs).

In 2013, SUWASA conducted a geo-referenced inventory that mapped informal private water providers operating in the Maputo metropolitan area. The analysis found that FPAs managed half the total water connections in the Maputo area. However, they were not being recognized by the Government of the Republic of Mozambique, and had not been consolidated into a formal framework for planning and delivering water services.

SUWASA developed a clear licensing and regulatory framework for the FPAs — an essential process for the sustainability of alternate service providers. SUWASA also helped attain consensus for the framework among all stakeholders, including other government bodies and non-governmental organizations.

SUWASA’s assessment of government procedures to inform the regulatory process led to the discovery that without a formal decree from the Council of Ministers recognizing the FPAs, no licensing scheme could be put in place. As a result, the Council of Ministers approved the requisite decree in October 2015, paving the way for a

properly established regulatory authority for FPAs.

Leaving a Sustainable Legacy

Part of SUWASA's ultimate success was tailoring its reform activities according to each country's needs, and focusing on results that will endure beyond the program's five-year implementation period. SUWASA leveraged more than \$68 million from multilateral, bilateral, and private sector sources, while helping more than 64,000 people gain access to an improved source of drinking water, and enabling more than 117,000 people to receive higher service quality from an improved source of drinking water.

"All SUWASA interventions were focused on improving existing local systems to ensure long-term sustainability," said Huston. But he knows that building on SUWASA's gains will require hard work. "Improving and reforming water and sanitation services is often a continuous struggle, complicated by competing priorities and local politics," he added.

By investing in communications and knowledge-sharing efforts, SUWASA's impact extended beyond participant countries. Gatherings like the May 2015 SUWASA Knowledge Forum attracted some 120 water stakeholders from 22 countries to discuss and share best practices for urban water sector reform. Meanwhile, regular SUWASA newsletters kept some 2,200 water practitioners and stakeholders across sub-Saharan Africa up to date on the program's work.

Lessons learned from SUWASA's success are already influencing new USAID water programs. For example, certain components of the Kenya Integrated Water Sanitation and Hygiene (KIWASH) program — launched in November 2015 — are modeled specifically on SUWASA. KIWASH is designed to work with water and sanitation service providers to develop bankable business plans, improve operations, and facilitate access to financing.

These types of initiatives illustrate how "people can now continue to build on the many accomplishments of SUWASA's programming," said Mwanza.

By Russell Sticklor



Additional Resources:

- [Sustainable Water and Sanitation in Africa \(SUWASA\)](#)
- [USAID Bureau for Africa](#)

This article appears in Global Waters, Vol. 7, Issue 1; for past issues of the magazine, visit Global Waters' homepage on Globalwaters.org.