

GHANA

High-Priority Country Plan

GLOBAL WATER STRATEGY | 2022-2027

In 2022, Ghana was re-designated as a High-Priority Country under the new U.S. government Global Water Strategy (the GWS or "Strategy"). Over the course of this five-year High-Priority Country Plan (2022–2027), USAID/Ghana will continue to work with the Government of Ghana (GOG) and other stakeholders to strengthen sector governance; address key financing gaps; and increase access to sustainable, equitable, and resilient water and sanitation services. USAID/Ghana's investments over the next five years will provide access to basic drinking water services for an estimated 500,000 people; provide basic sanitation to an estimated 500,000 people; expand WASH access for an estimated 200 health facilities and schools; improve the governance of and strengthen 40 national, sub-national, parastatal, and local level institutions; and mobilize \$20 million in public and private financing for the sector.

CONTEXT

Ghana is politically stable and has had consistent economic growth over the past 20 years, marked by multiple peaceful transfers of power between major political parties. Ghana is currently a lower-middle income country with an estimated population of 32.8 million, and it ranks 133rd out of 191 in the United Nations Development Program's (UNDP) 2021–22 Human Development Index.^{1,2} Ghana's gross domestic product (GDP) growth rate has improved since the beginning of the COVID-19 pandemic, increasing from a low of 0.5 percent in 2020 to 5.4 percent in 2021 and 3.2 percent in 2022.³ However, economic growth is projected to slow to 1.6 percent in 2023, partly due to the GOG's 2023 debt default and related economic uncertainty. Compounding these challenges, inflation has increased dramatically in recent years, with the annualized inflation rate rising from 13 percent in January 2022 to over 40 percent in June 2023, leading to further challenges for infrastructure and services investment.⁴

Despite these challenges, improving water and sanitation services in households, health care facilities, and schools is a joint priority for the GOG and USAID. The Joint Monitoring Program (JMP) estimates that Ghana's overall access to basic drinking water rose from 80 percent of households in 2015 to 86 percent in 2020, and access to basic sanitation increased from 19 percent to 24 percent during the same period. While Ghana has made progress in expanding access to safely managed water services to 60 percent of urban households, access in rural settings is much lower—only 17 percent. This inequality is also seen in sanitation indicators, which show that 32 percent of the rural population still defecates in the open compared to 9 percent in urban settings. Overall, Ghana ranks 8th (of 47) among Sub-Saharan African countries in overall household rates of basic water access but 32nd in sanitation access, indicating a need for increased prioritization of sanitation investments.

WASH in health care facilities and schools is an important component of the WASH context. A 2021 WaterAID assessment in two districts and 29 health care facilities in Ghana found serious limitations in basic WASH access that threaten the quality of patient care. Just 31 percent of maternity wards have access to piped water and water quality had not been tested in the past year in 79 percent of observed facilities. Less than half of health facilities had toilets available for outpatients and less than 15 percent had sex-segregated toilets for staff. UNICEF's most recent data

indicate that 78 percent of schools have access to basic drinking water, 59 percent have access to basic sanitation, and 54 percent have access to basic handwashing facilities.⁷

Ghana's water resources are not currently classified as stressed, but do face increasing challenges. The growth of the gold mining and cocoa sectors contribute to surface water contamination, threatening downstream drinking water quality. Groundwater resources are less abundant than surface water, limiting the country's ability to rely on this source in the event of prolonged drought. Climate change is expected to exacerbate the risks of droughts and floods, which may limit economic growth and the expansion of sustainable WASH services. Addressing these risks to Ghana's water security hinges on improving governance of its water resources.

Table 1: Summary of water and sanitation services in Ghana, 2020

	At least basic Total	At least basic Urban	At least basic Rural	Safely managed Total	Safely managed Urban	Safely managed Rural
Water	86%	96%	72%	41%	60%	16%
Sanitation	24%	28%	17%	13%	15%	12%

Ghana has a strong policy framework for water and sanitation, which provides a firm basis for effective enforcement. Looking ahead, the following are challenges and opportunities in the water security, sanitation and hygiene sector in Ghana:

Increasing domestic resource mobilization: Engaging the public and private sectors to increase WASH investment is key to improving access. A majority of the current WASH funding comes from users (69 percent), followed by donors (22 percent) and the national government (5 percent). It is estimated that WASH expenditures will need to increase from \$130 million per year to over \$340 million, representing a substantial financing gap. The Ghana WASH Sector DEvelopment Program (GWASHSDP) estimates that \$1.7 billion is needed annually for program investment if Ghana should reach the SDG 6. This includes investment requirements for urban water supply estimated at \$420 million and rural/community water supply at \$350 million annually. Hence increasing public spending and mobilizing private finance are critical to bridge the funding gap for WASH.

Improving WASH sector coordination: Harmonizing the efforts of the national and subnational governments, the private sector, self-suppliers, and nongovernmental organizations is critical for system strengthening. Multiple WASH sector government organizations currently exist, and there is an opportunity to clarify institutional roles to maximize efficiency and impact.

Enhancing water resources management: The Water Resources Commission has seven Basin Boards that manage water resources across Ghana, including regulations for water use, drilling licensing, dam safety, and integrated water resources management. There is an opportunity to improve the enforcement of regulations, data availability, and ecosystem conservation, leading to improved water quality and quantity.

NATIONAL PRIORITIES

The Government of Ghana has set ambitious targets to boost the overall coverage of basic water and sanitation services and meet Sustainable Development Goal (SDG 6). The water security, sanitation, and hygiene (WSSH) sector Ministries, Departments, and Agencies have specific legal mandates under which they execute their functions. The key WSSH partners for USAID/Ghana include Ghana Water Company Limited (GWCL), Community Water and Sanitation Agency (CWSA), and the Water Resources Commission, which provide support to urban, rural, and water resource management (WRM) services, respectively. The Ministry of Health/Ghana Health Service and Ministry of Education/Ghana Education Service support institutional WASH. The Public Utilities Regulatory Commission (PURC), National Development Planning Commission (NDPC), and the Office of the Head of Local Government Service (OHLGS) also play important roles in the sector's legal, regulatory, and governance frameworks.

The Ghana WASH Sector Development Program (2021–2030) provides a framework for inclusive sector planning and reflects updated policies and strategies. This program is a comprehensive strategy outlining key GOG priorities, including water resources management and quality, sanitation, WASH in institutions, capacity-building and sector strengthening, and finance mobilization. The plan recognizes that sanitation access is lagging behind water access, resulting in the need to scale up investment in sanitation services. The estimated cost of this program is \$1.7 billion per year, which reflects a substantial increase from current funding levels.

USAID APPROACH AND RESULTS FRAMEWORK

USAID/Ghana works with the government, communities, and the private sector to expand WSSH services, improve governance and institutions, and strengthen water and sanitation service providers to improve their performance and help them become creditworthy. USAID's WSSH portfolio aligns with both the GWS and the Country Development Cooperation Strategy (CDCS), and incorporates Agency-wide priorities such as localization, climate change, gender, and inclusive development. Currently, WSSH programming is geographically co-located with the Feed the Future Zone of Influence (Northern, North East, Upper West, and Upper East regions) and covers the Savannah and Oti regions. Other WSSH initiatives and future programming may expand to other regions (the URBAN WASH Implementation Research Activity is being implemented in Tamale, Kumasi, and Accra).

Currently, the portfolio centers around three main activities (with the potential for others in the future):

- **Enhancing WASH** works to increase access to sustainable WASH services by strengthening governance and finance; expanding WASH services to health facilities, communities, and households; improving private sector engagement; and accelerating the adoption of key WASH behaviors.
- URBAN WASH focuses on water quality management, water equity, and non-revenue water to
 understand and reduce water contamination risk and improve quality through the implementation of
 water safety plans.
- **WASH-FIN 2** focuses on domestic resource mobilization and strategic initiatives for WASH advocacy, policy influence, and building the capacity of key national and subnational institutions.



STRATEGIC OBJECTIVE I

Strengthen Water and Sanitation Sector Governance, Financing, Institutions, and Markets

Addressing governance and the underlying enabling environment is central to achieving sustainable results in WSSH programming. USAID/Ghana will partner with the GOG to strengthen sector policies and regulations to increase transparency and effectiveness in balancing sustainability and equity across the sector. These activities will support an architecture that is accountable to all stakeholders and uses improved data and information management systems for decision-making.

Intermediate Results (IRs):

IR 1.1 Develop, strengthen, and implement inclusive laws, policies, and regulations: USAID/Ghana and its implementing partners will work with the government to improve the regulatory environment, especially to professionalize informal service providers. It is also important to address gaps in the policies that govern water and sanitation in health facilities and schools. Doing so will improve services in these environments, leading to better patient safety and student learning. Support for UNICEF will contribute to improving regulations around the inclusion of sanitation facilities in housing and advocating for urban residents whose landlords currently deny them these services.

IR 1.2 Effectively mobilize and target public and private financing: Through the WASH-FIN 2 and Enhancing WASH Activities, USAID/Ghana will increase the availability of public and private financing in the WASH sector and provide transaction advisory support to service providers. The Mission will also work to mobilize and target public and private financing for climate-resilient water and sanitation services, including through the use of innovative financing mechanisms such as blended finance along supply chains for WSSH products and services.

IR 1.3 Improve the capacity and performance of national and subnational institutions: Enhancing WASH and buy-ins to URBAN WASH and WASH-FIN 2, will allow USAID/Ghana to build the capacity of major government partners, including Ghana Water Company Limited, Community Water and Sanitation Agency, the Ministry of Sanitation and Water Resources, Water Directorate, and the Sanitation and Environmental Health Directorate. These efforts will enable a variety of government partners to improve water quality, reduce non-revenue water, and leverage financing for service expansion.

IR 1.4 Advance transparency, accountability, equity, and efficiency through participatory, data-driven decision-making: A number of Mission-funded activities will integrate primary data into important decision-making processes. Enhancing WASH will support national data collection systems, such as the Sector Information System (SIS) and Basic Sanitation Information System (BASIS), to improve data-driven decision-making. WASH-FIN 2 will leverage and support information from Track-FIN/WASH Accounts to assess the financial health of the WASH sector. REAL Water's Washington-funded research will publish information on the life cycle costs of small piped water systems and inform data-driven approaches to improve drinking water quality.



STRATEGIC OBJECTIVE 2

Increase Equitable Access to Safe, Sustainable, and Climate-Resilient Drinking Water and Sanitation Services and Adoption of Key Behaviors

USAID/Ghana's current WASH portfolio is focused on working with the GOG to build a more sustainable and climate-resilient service delivery model for water and sanitation service provision. This includes efforts to improve the enabling environment for private sector participation in rural sanitation, and to promote the construction of climate-resilient water and sanitation infrastructure. The Mission will closely coordinate with World Bank–funded activities nationwide, including the upcoming Water Security and Rural Development Program in Northern Ghana, the ongoing World Bank Greater Accra Metropolitan Area Sanitation and Water Project, and the Greater Kumasi Metropolitan Area Sanitation and Water Project, which focuses on improving urban water and sanitation access for low-income customers.

Intermediate Results (IRs):

IR 2.1 Increase area-wide access to safe, equitable, and affordable sanitation services: USAID/Ghana will use a variety of strategies to improve access to quality sanitation services, including market-based approaches and community-led total sanitation. Enhancing WASH will implement market-based sanitation interventions in Northern districts of Ghana to improve access to climate-resilient sanitation systems, using innovations such as the DigniLoo, SATO pans, and interlocking bricks for flood-resilient superstructures. At the regulatory level, USAID and UNICEF will partner to integrate sanitation into housing regulations and improve sanitation services at health facilities and schools.

IR 2.2 Increase access to equitable, safe, reliable, and affordable drinking water services: The Mission's Activities will increase access to basic and safely managed drinking water services in both urban and rural areas. In areas served by large utilities, Activities will enable climate-resilient, durable water pipeline improvements and expand services to low-income residents. This work will be carried out by WASH-FIN 2 and URBAN WASH. In rural areas, Enhancing WASH will introduce sustainable operations and maintenance models to rural water service providers, increasing their financial and operational viability and allowing them to expand their services. Future Activities will increase investment in drinking water and sanitation, and hygiene services in health clinics and schools.

IR 2.3 Improve performance and climate resilience of water and sanitation service providers: USAID/ Ghana will work closely with service providers to build their capacity and improve performance. Mission Activities will provide training for utility operators on non-revenue water reduction, implement subsidized water connection policies, and help utilities transition from thermal energy to solar power.WASH-FIN 2 and URBAN WASH will lead these initiatives. Enhancing WASH will lead Mission sanitation interventions, working with sanitation enterprises to use latrine-building innovations to increase the climate resilience of latrines, reducing the need to rebuild toilets on a regular basis. Future programs will increase investment in sanitation services in health clinics and schools.

IR 2.4 Increase adoption of key hygiene practices: Enhancing WASH is working in both schools and health care facilities on programs that include key hygiene practices. The improvements in service reliability that Enhancing WASH, URBAN WASH, and WASH-FIN 2 encourage across households, schools, and health facilities will enable frequent handwashing with soap, safe child feces disposal, and food hygiene practices. The Accelerating Social and Behavior Change program will use mass media and community engagement strategies to increase the practice of key hygiene and sanitation behaviors, especially in northern Ghana.

ODD

STRATEGIC OBJECTIVE 3

Improve Climate-Resilient Conservation and Management of Freshwater Resources and Associated Ecosystems

Climate change poses significant risks to water resource systems in Ghana and the people that depend on them. These risks, including temperature and precipitation changes, introduce significant decision-making uncertainty in the management of water resources. USAID/Ghana will work with the GOG to incorporate climate-change planning and the protection and efficient management of critical water basins into its strategy documents.

Intermediate Results (IRs):

IR 3.1 Allocate and use water resources more equitably and efficiently: USAID/Ghana's work under this objective will contribute to sustainable approaches to equitable and climate-resilient management of water resources. Enhancing WASH will work with municipal governments to ensure WASH Plans incorporate the climate impact on water resources. This includes providing technical assistance to ensure the equitable allocation of water resources for domestic water services, agricultural water uses, and environmental conservation.

IR 3.2 Enhance reliability and quality of water resources through watershed management, including protection, restoration, and nature-based solutions: USAID/Ghana will take a holistic approach to water security, including watershed management across all WSSH-related Activities. The Mission will explore opportunities to collaborate with the Ghana Water Resource Commission and other GOG partners to evaluate if and how additional funding can be leveraged for watershed conservation based on its potential to improve water quality and reduce treatment costs.

IR 3.3 Improve the climate resilience of water resources management: Regional water stress is a concern, especially for northern Ghana. USAID/Ghana will partner with the Ghana Water Resource Commission to analyze the sustainability of groundwater resources in northern Ghana. Groundwater data, paired with technical assistance, will be leveraged to support transparent and accountable planning processes.



STRATEGIC OBJECTIVE 4

Anticipate and Reduce Conflict and Fragility Related to Water

USAID/Ghana's portfolio will account for conflict mitigation and fragility with effective targeting of programs and enhanced coordination with regional partners. The coastal West Africa region is a priority region under the U.S. Government's Global Fragility Act, emphasizing the need for focused support to build effective service delivery and mitigate the potential of water and sanitation services, or lack thereof, to be exploited as a source of conflict.

Intermediate Results (IRs):

IR 4.3 Strengthen cooperation and reduce conflict over water: Enhancing WASH uses a holistic approach to ensure transparent and accountable water services and water resources allocation. These and other actions by USAID will help mitigate the risks of localized conflict between Chieftaincies and among pastoral populations. Additionally, USAID/Ghana will collaborate with the USAID/West Africa Regional Mission on broader transboundary issues related to water and rising conflict, seeking opportunities to strengthen collaboration and data sharing among each Mission's Activities.

PRINCIPLES

Fundamental to USAID/Ghana's approach is strengthening national and local systems for sustainable water and sanitation services. USAID will work directly with ministries, utilities, government offices, civil society organizations, and the private sector to improve the enabling environment for these essential services. This support will be targeted toward marginalized and underserved populations, especially in northern Ghana, and includes working in urban low-income communities, supporting woman-owned enterprises, and engaging with neglected rural communities that are critical for protecting watersheds. Climate and shock-responsive resilience will be essential for equitable water resources allocation and the sustainability of public works. The Mission will fully leverage current and future innovations in resilient design, such as supplying basic latrine products, upgrading pipe materials, and moving to solar-powered water pumping. Finally, each approach above will require strong data, research, and learning, which are being generated by the Enhancing WASH program as well as multiple central USAID research mechanisms.

MISSION RESULTS FRAMEWORK

The Mission's WASH work is a part of a larger, integrated set of projects that contribute to the USAID/Ghana 2020–2025 Country Development Cooperation Strategy. The WASH portfolio is managed by the Health, Population, and Nutrition Office, which focuses on reducing preventable deaths among mothers, newborns, and young children. These goals align with the WASH portfolio because water and sanitation access have been associated with strong impacts on child mortality and maternal health. Together, Activities in the WASH portfolio specifically contribute to the development objectives listed below.

Development Objectives (DOs):

DO I: Broad-based Economic Growth Accelerated and Sustained: USAID/Ghana's WASH portfolio focuses on improving government capacity in water utility regulation and human resources support in relevant ministries. Enhancing WASH will partner with the GOG to improve WASH sector governance and management, as well as encourage community participation and ownership of WASH services. WASH-FIN 2 will also work to build capacity at key national and subnational institutions to establish greater accountability and anti-corruption practices in the WASH sector.

DO 2: Quality Services Delivered with Increased Accountability: WASH-funded Activities will invest in governance capacity to increase access to quality, sustainable WASH services. These actions will support the GOG in continuing to improve policy implementation for efficient and accountable service delivery. The implementation of Water Safety Plans as part of Enhancing WASH will also help service providers adhere to national quality standards for water, sanitation, and hygiene.

DO 3: Sustainable Development Accelerated in Northern Ghana: USAID/Ghana Activities will work to improve WASH service provision by both government and private sector service providers. Enhancing WASH and WASH-FIN 2 will also work with partners to mobilize sustainable financing and private sector engagement, increase access to sustainable WASH services, and help citizens adopt improved practices that advance their well-being and resilience.

KEY RISKS AND MITIGATION STRATEGIES

The main risks associated with the goals of USAID/Ghana's WASH portfolio Activities are climate change, macroeconomic conditions, and regional conflict and instability.

Climate change is expected to increase the frequency and severity of droughts, which will stress existing surface and groundwater water resources in Ghana. Addressing this risk will require investment in sustainable water resources management. Some of Ghana's economic sectors, including gold mining and cocoa production, require large amounts of water as an input and negatively impact surface water quality. There are limited data available on groundwater availability, depth, and quality, which limits the ability of households and governments to rely on groundwater as an alternative to existing surface water sources. The Enhancing WASH Activity has focused on rural water management in northern Ghana to account for climate risk management and ensure that interventions prioritize the provision of climate-resilient WASH services.

Macroeconomic conditions, including rising inflation, recent government debt default, and stringent debt repayment terms may affect Ghana's progress on key WASH indicators. Collaboration with the International Monetary Fund may provide short-term relief, but the continued fluctuation of foreign exchange rates threatens to devalue the Ghanaian Cedi, making it more expensive to import critical foreign goods. To mitigate the impact of vulnerabilities in the financial system, programs will continue to leverage and expand upon public and private sector partnerships, including domestic banks.

Regional conflict in the Sahel is a destabilizing concern in northern Ghana. The growing presence and influence of violent extremist organizations (VEOs) in neighboring countries (including Burkina Faso, Togo, Benin, and others) poses a threat of regional conflict, instability, and migration. Increasing migration from Burkina Faso and Mali to Ghana in response to the advances of VEOs can lead to crowded conditions in refugee camps and overload existing WASH systems. USAID/Ghana's WASH portfolio is focusing its investments in northern Ghana to better address these issues and will continue to use adaptive approaches for responding to shocks and stressors to support community and household resilience.

BUDGET

This plan is costed based on prior year resources that are still available for programming, the FY 2023 estimated allocation of \$14.8 million, and the FY 2024 President's Budget Request of \$15.1 million.

EXPECTED RESULTS

From 2022 to 2027, USAID Activities in Ghana are expected to result in:



500,000 people gaining access to basic water services or water services of improved quality, including 150,000 people gaining first-time access to at least basic services



500,000 people gaining access to basic sanitation services or sanitation services of improved quality, including 250,000 people gaining first-time access to at least basic services



\$20 million mobilized for the WASH sector through a combination of domestic resource mobilization and private capital



40 institutions strengthened through capacity-building activities at the national and subnational levels



200 health care facilities and schools gaining access to basic drinking water or sanitation services

Endnotes

- I Ghana Statistical Service, Ghana 2021 Population and Housing Census, 2021.
- 2 United Nations Development Programme (UNDP), <u>Human Development Reports</u>, 2021–22.
- 3 World Bank, GDP Growth—Ghana, n.d.
- 4 Trading Economics, Ghana Inflation Rate, 2023.
- 5 WHO/UNICEF Joint Monitoring Program, <u>Household Data—Ghana</u>, n.d.
- 6 WaterAid, Briefing Note on Situation Analysis of WASH in HCFs in Ghana, 2020.
- 7 UNICEF, <u>Drinking Water</u>, <u>Sanitation</u>, and <u>Hygiene in Schools</u>, 2020.
- 8 Winrock International, Sustainable Water Partnerships Ghana Country Profile, 2021.
- 9 Ministry of Sanitation and Water Resources. Ghana WASH Accounts: Track-FIN 3, 2022.