

Editorial: Bridging the funding gap in rural community water services

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These days, with the exception of sewered urban sanitation, it is taken for granted that households will meet the full cost of first providing, then maintaining and upgrading, their sanitation services. Whether the sanitation approach is community-led total sanitation (CLTS) or sanitation marketing (SM), or some combination of the two, the user pays. Similarly, households are expected to provide themselves with facilities for personal and home hygiene, to maintain, and, as necessary, upgrade them.

A similar approach is taken with water service improvements achieved through the self-supply model, and this is one of the strengths of the approach. However, in the case of community water services provided by governments and NGOs, a number of realities collide to create a sustainability conundrum. It is judged that the (capital) investment costs are too high for communities to afford; at the same time, once constructed, such systems are 'handed over' to communities to undertake their management and financing. Management is commonly arduous, and beyond the realistic capacity of communities; while financing of the full (so-called) life cycle costs – in other words the permanent service costs – is widely recognized to be only partially affordable by low-income rural and urban households. There is a funding gap, between what is needed to keep the water flowing and the revenue which can be raised from user tariffs alone.

So far, so much common knowledge. But what can be done to bridge this critical funding gap?

As I write this I am spending time with one of Uganda's oldest and most successful water and sanitation programmes. Their success is judged in large part by the fact that every one of the 57 piped gravity flow water systems they have constructed to date (ranging in age up to about 25 years) is working. They have found a model which others might justifiably envy; it contains some counter-intuitive aspects, as well as others which make more sense. The least intuitive aspect is the post-construction financing arrangement. Households pay up to about US\$10,000 per year (less than US\$3), a tariff which is demonstrably insufficient to cover the full service costs. However, two key messages are deeply imparted into the communities using these systems.

First, they know that responsibility for repairs and maintenance is theirs alone. If they should come to the programme office asking for help, the first response they receive is '*... and what do you have?*' In a recent major repair, for which the cost was about US\$100 m (about \$27,000), the community raised an impressive 70 per cent of the cash cost. In a study (Carter and Rwamwanja, 2006) undertaken more than 10 years ago of this programme's sustainability 'secret', the key factor appeared to be the refusal to merely pay lip service to the principles of community participation and management.

But second, while being well-aware that the annual tariff is set low, the community are made cognizant of other funding options. Some are themselves a little wealthier than the rest of the community and can chip in on an ad hoc basis; some have family members with city jobs who can be called upon to help; some can call in promises made by politicians and representatives. So in addition to regular and ad hoc contributions from water users (tariff revenue), transfers through remittances from family members, and (occasionally) allocations from local level public sector budgets (originating in taxes), all three of the ‘three Ts’ (Lago et al., 2011) are blended in an informal manner to keep the service working.

In a few weeks’ time I will be working with another programme, this time in Malawi, which is trying in a different way to address the sustainability challenge – in this case with services provided by hand pumps. On paper at least, the programme appears strong in terms of its capacity development of water user communities, and in the use of sensor technology to learn of, and respond to, handpump breakdowns. Some key aspects of community management are being addressed, but one of the key issues for discussion will be the financing arrangements. How to simultaneously achieve low levels of down-time while also bridging the funding gap when major repairs are (inevitably) needed will no doubt dominate our conversations.

As work continues to shorten down-times and keep water services working and improving indefinitely (see for example the Uptime initiative, McNicholl et al., 2019), the determination to find ways to bridge this critical funding gap must only grow.

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References

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