

All systems go  
Africa

## National Sanitation Revolving Fund

All systems go Africa  
19-21 October 2022



**1. Government of Ghana, Financing Strategy for Sanitation**  
**Charlotte Akwaah Adjei, Programme Manager, EHSD,**  
**MSWR**



# Access to Sanitation Services



## Ghana sanitation needs are vast

25% access to  
basic sanitation

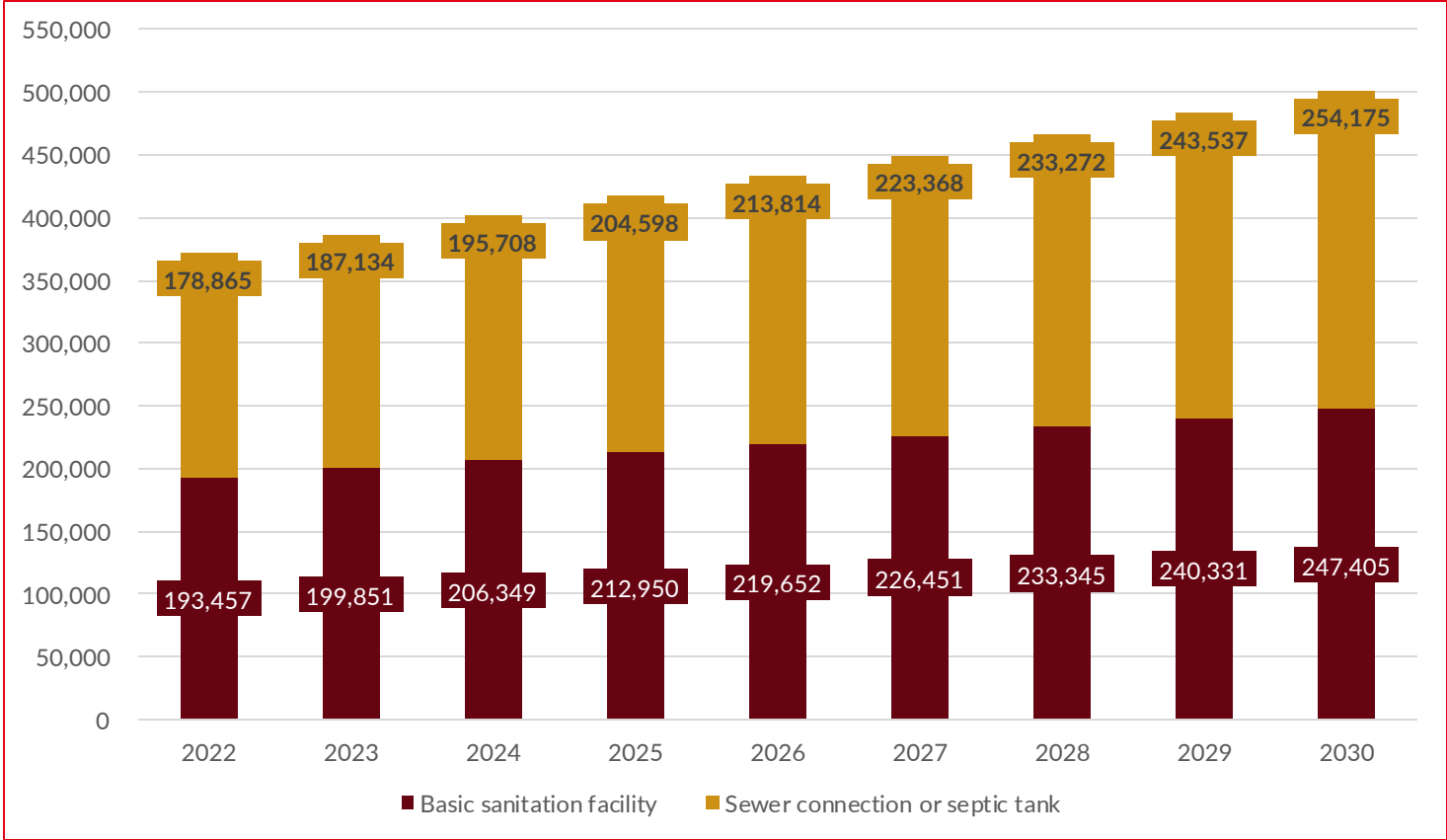
47% using  
shared facilities

18% practicing  
open defecation

## Government has set objectives to scale-up safely managed services

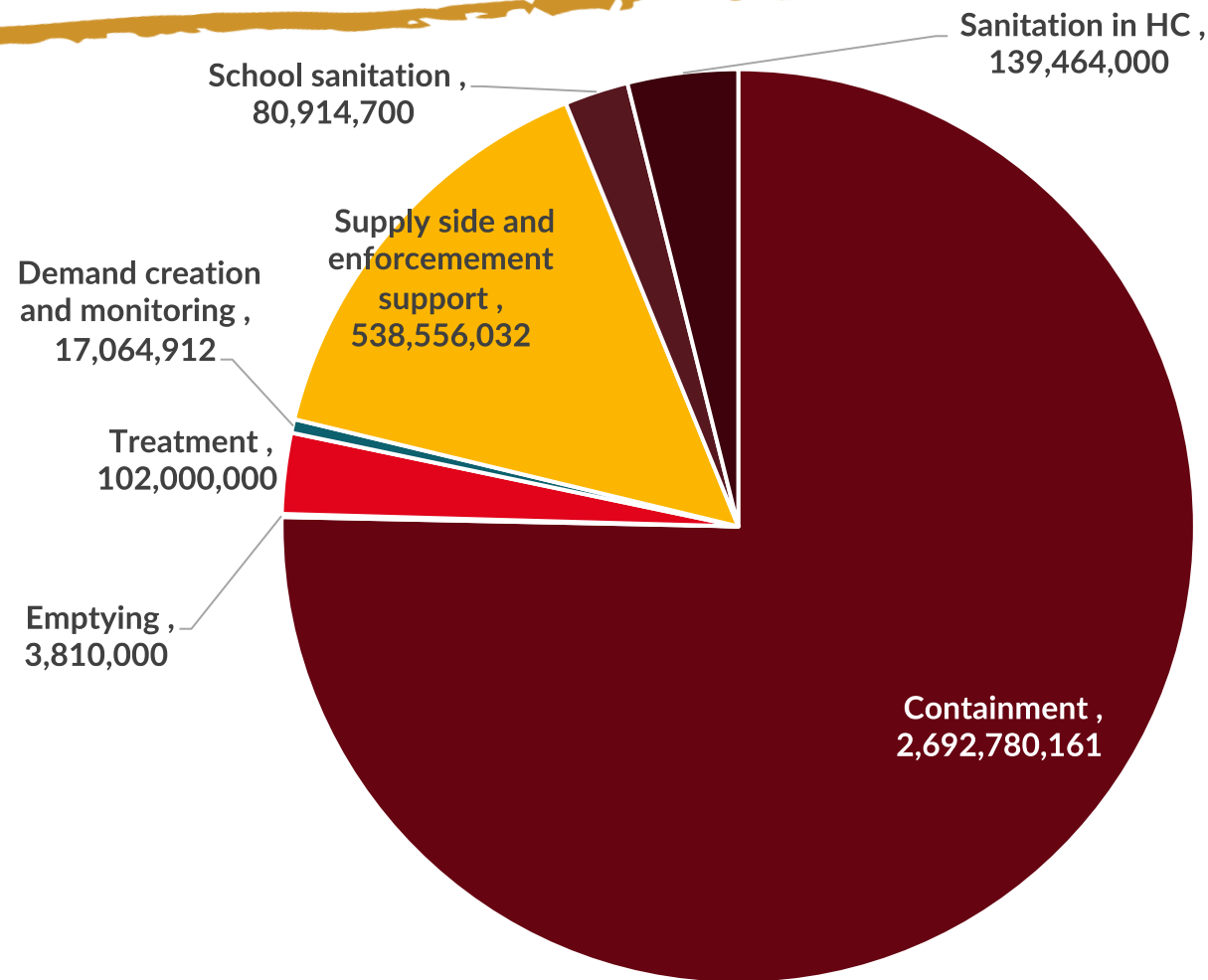
At least 24 million additional people will need to access at least basic sanitation services, for universal access by 2030 - **3 Million people per year**

# Estimated Number of Toilets Required for Universal Access by 2030



Every year, up to 2030, between **370,000** and **500,000** new toilet facilities should be constructed

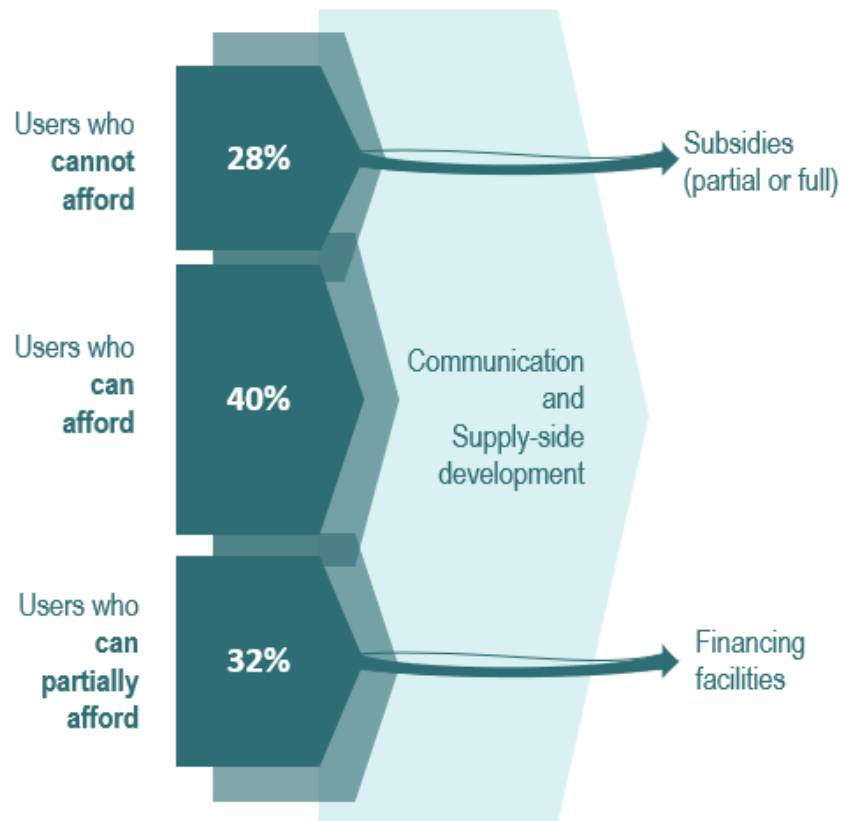
# Investment requirements - minimum costs in US\$



Achieving Ghana's sanitation objectives requires, at the minimum, **US\$ 3.5 billion** in capital investments alone up to 2030

# Strategy for Household Sanitation

## Approaches adapted to service users' socio-economic categories



## Examples

- Implementing projects with World Bank support to develop sanitation infrastructure (including treatment services)
  - ✓ Provision of subsidies for the poorest (up to 70% of toilet costs)
  - ✓ Communication and market building
- Working with UNICEF on Innovative Approaches to mobilise resources from the private sector and households
  - ✓ Working to generate demand and household own investments and build markets
  - ✓ Piloting the Revolving Fund Schemes to Provide Credit Facility to HHs and SMEs

## **2. A Revolving Fund to Address the Needs of the “missing middle”**

**Ramesh Bhusal, Chief WASH, UNICEF in Ghana**



# Number of Household Toilets to Build Every Year & Socio-Economic Categories Reached



**Estimated 150,000**

- (a). Private Sectors (users) – 100,000
- (b). Public Sector – 50,000

		Toilets Need/Year	Toilets Built /Year	Approaches Required
Users who cannot afford	28%	125,000	30,000 (24%)	Pro-poor subsidy & Demand and SanMark (public financing)
Users who can afford	40%	175,000	100,000 (67%)	Demand and SanMark & Law-enforcement (private / users investing)
Users who can partially afford	32%	150,000	20,000 (13%)	Demand and SanMark & Law-enforcement (Financing is at the Nascent Stage)
		450,000	150,000	



# Households are the Biggest Investor in WASH in Ghana

## A. Public Funding for Liquid Waste Management

Estimated to be around \$18 M in 2022

### B1. Cost for Using Public Toilet

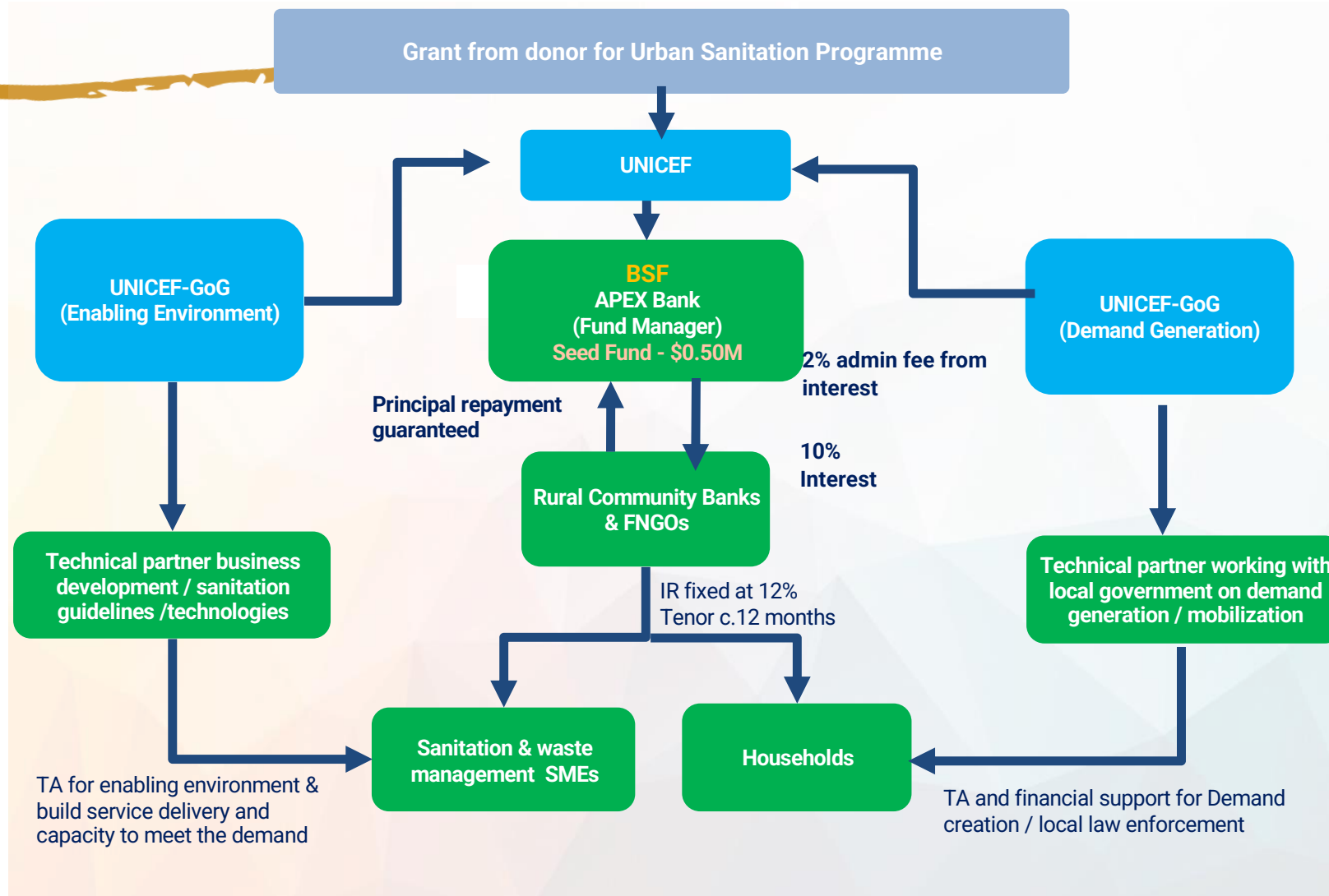
Households Expenditure in Public Toilet Use		
Description	Unit	Amount
Number of households (HHs) in Ghana	No HHs	6,200,000
23% of H/H use public toilet (PT) - 2021	No HHs	1.43M
Unit cost of per use (0.5 GHC/visit) 3 *1.5	GHC/HH	2.25
Annual Expenditure per HH	GHC	820
Annual Expenditure per HH	(\$1/8 GHS)	\$82
<b>Total expenditure / year by HHs in Ghana</b>	<b>USD</b>	<b>\$117,000,000</b>

### B2. Household Investment in Water paid to private business /vendors households in Ghana:

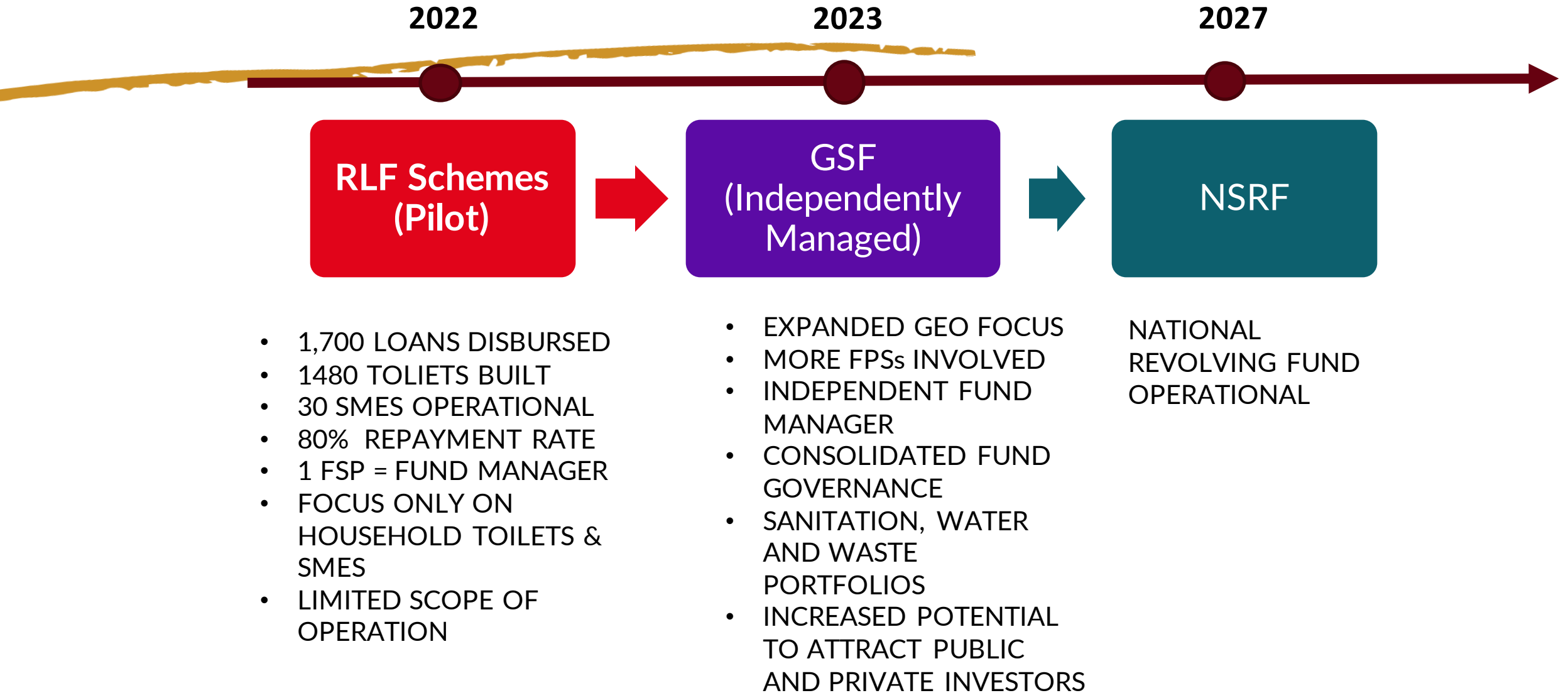
- 37% HHs use sachet for drinking (2.2 M HH) @ 10 sachet /HH @ 0.12 GHS/sachet = **\$ 98M**
- Estimated 15% households pay to private vendors /Kiosk for water (@3 Jar a day water (1 GHS/day) = **\$ 46 M**

**In Ghana, the poor pay much higher price for water and sanitation services compared to their richer counterparts**  
 HH with water connection = 5.5 GHS/1,000 Liters (0.55 P/Liter)  
 Collection at Kiosk; 40 - 50 Pesewas for 25 Liter (2 P/ liter)

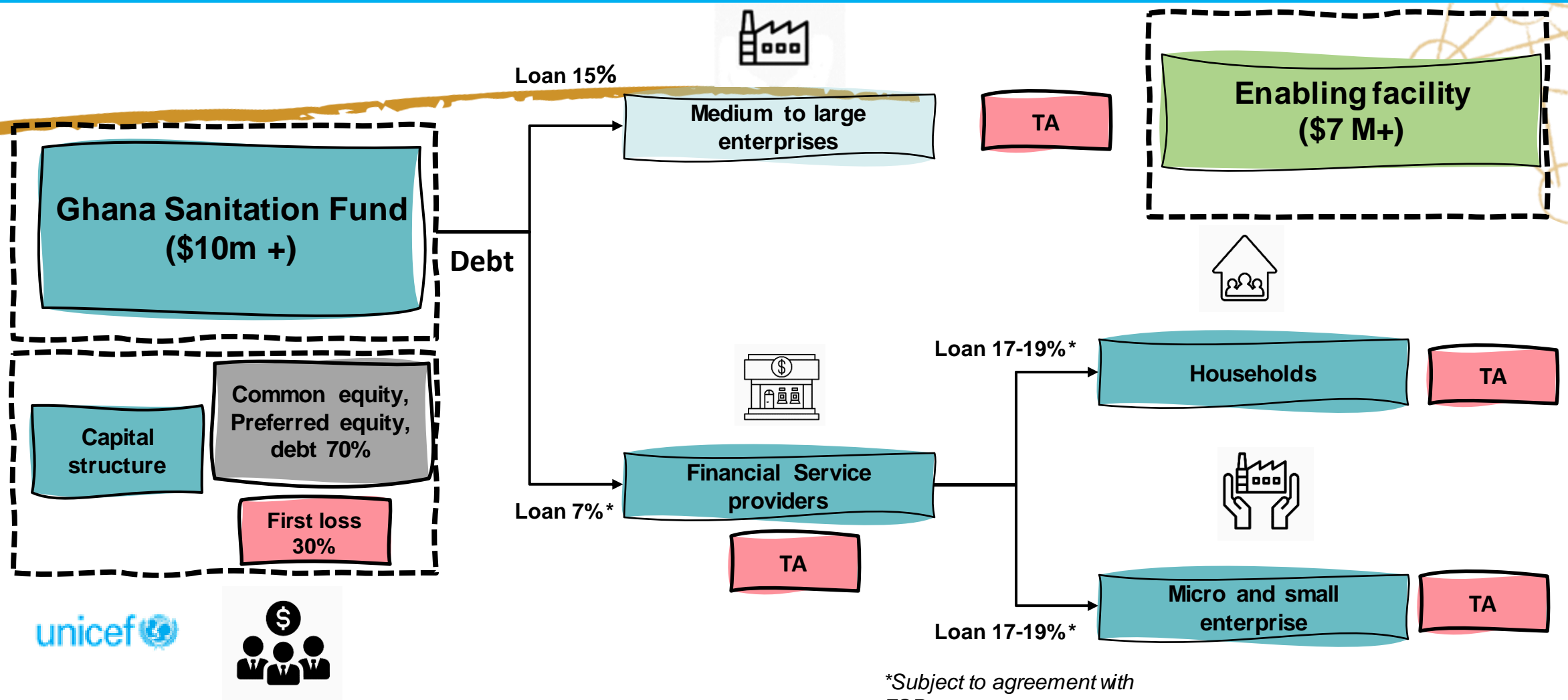
# Currently Implemented Innovative Financing Scheme (Basic Sanitation Fund – Revolving Loan)



# The Innovative Financing Roadmap of the WASH Sector in Ghana



# Ghana Sanitation Fund (GSF) - Proposed Financial Flows



\*Subject to agreement with FSPs

# Expected results

US\$ 10 Million in Loan Uptake

30,000 latrines  
constructed

6,000 latrines emptied per  
year

2,000 tons of waste  
recovered per year

3,000 Water Connections in  
towns / cities



# Governance Arrangements



## Secretariat

Performance monitoring, fundraising, investment pipeline, reporting

## Steering Committee

Sets overall strategic direction for the Programme  
Provides feedback to the Secretariat on operational matters  
Acts as guardian of the beneficiary and GoG interests

## Fund Manager (Independent)

Manages investments and investor and investee relations  
Raises capital  
Performs due diligence  
Manages financial performance and risks  
Reporting (impact and financial)

## Investment Committee

Makes final decision on matters related to investments and financial risks  
Acts as guardian of the investor interests

# Key Partners / Donor Commitments

- **\$3.5 M supported** by **EKN** to be invested in the revolving fund to be deployed in the form of loans to households and SMEs
- **\$1M supported by Denmark** to provide innovative financing TA for 3 years for overall coordination and set up the fund NSRF
- **\$1M to de-risking the first loss**, confirmed by Impact for Children Fund
- **A Joint Proposal of UN Agencies** on GSF approved and kept in pipeline for funding (top 7, selected among 159 proposal from over 100 countries)
- **Endorsement of key ministries** (MSWR, MLG, MoF, etc.)



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19 - 21 October 2022 | Accra, Ghana

Find out more

[www.ircwash.org/all-systems-go-africa](http://www.ircwash.org/all-systems-go-africa)

