



Australian Government  
Aid Program



## Sanitation in Small Towns- Context and Challenge

# Mozambique

### Background and Context

- The population of Mozambique is about 20.4 million inhabitants of which about 60% live in rural areas;
- The sanitation situation in the country is critical. In major urban areas, about 50% have no sanitation facilities. The population in small towns is about 3 million, in 2010, and less than 10% are served by improved on-site solutions. In rural areas, over 60% of population uses open defecation while the remaining population uses traditional pit latrines (which regularly need to be rebuilt);
- The recent Water Policy (October 2007) emphasize actions on decentralization, community participation, integrated approach, private sector and NGO participation, integrated hygiene promotion and sanitation, with Central Government responsible in a facilitating and guiding role;
- There is increased decentralization in the Water Sector with District Government (Local Authorities) being responsible and empowered for leadership promotion of sanitation and hygiene and for facilitating the establishment of appropriate sanitation services;
- The Mozambican Government has set for 2015 the MDG for sanitation for urban population the target of 67% and for 2025 to reach gradually the universal coverage. For rural areas the targets is 60% for 2015. However, those targets are a big challenge to meet.

### Main Constraints, Challenges and Opportunities for Sanitation

#### The Constraints:

- Limited institutional capacity;
- Insufficient financial resources and inadequate information;
- Weak private sector to cover national needs;
- Low willingness to pay because of poverty;

- On-site sanitation initiatives are driven to increase access but not conceived as a continuous service under the local authorities and with support from Central Government;

### **The Challenges:**

- To accelerate the coverage increase by improved pit latrines and upgrade the conditions of traditional pit latrines in rural areas;
- Adoption of safe and good practices of hygiene and sanitation;
- Creation of sustainable processes;
- Decentralisation and improving quality of services;
- Private sector involvement on service delivery;
- Development of sanitation services “business package” for small towns and peri urban areas;

### **The opportunities**

- The recent institutional reforms initiatives in water sector, led the creation of AIAS, are specifically targeted for water supply in small towns, and sanitation issues in all urban areas;
- A new draft *Urban Water and Sanitation Strategy*, addressing the goal of Universal service in 2025 and giving high priority to sanitation and service to small towns;
- The sector policy and strategy promotes the separation of roles also for small towns, namely by autonomous service provision under and independent regulators;
- For sanitation on the main cities, the national policy recommends the setting of autonomous municipal services and private sector participation, and the setting of sanitation charges to cover operation and maintenance costs, namely through a surcharge on the water bill;

## **The Role of the Regulator**

- The mandate of CRA was extended, in May 2009, to regulate all urban water supply and sanitation systems. The Water and Sanitation and Infrastructure Administration (AIAS) was also created and given the mandate to develop secondary systems and engage private operators- in collaboration with Local and Provincial Authorities. In December 2010 all secondary urban water supply systems and all sewerage systems were transferred to AIAS, as an asset holder, on behalf of the State.
- Since 2009 from Regulation’s perspective, not much has been done in sanitation. The idea is to leverage the reforms taking place in water supply.
- A regulatory framework for secondary urban water supply systems was designed to be piloted soon. CRA as the regulator will sign with AIAS a Regulatory Agreement setting all conditions, and standards for service provision. CRA will be responsible, namely, for:

- Regulation of Tariffs and Service Quality;
- Customer Protection;
- CRA regulatory framework includes a strategy to decentralize part of regulatory functions to local agents' commissions to be near the consumers and more effective to monitor the operators;
- AIAS will have the following role:
  - To establish service objectives and specific annual targets;
  - To Plan, mobilize finance for and implement investments in secondary towns;
  - To contract the management of secondary systems to autonomous operators and private sector;
  - To Ensure its own compliance and of the Operators performance as well.
- For sanitation in small towns, CRA can hardly be an added value by now, at this stage, the sanitation in small towns is not treated as a service but as a program were the government promote the construction of improved pit latrines. The challenge is to treat sanitation in small towns as a service according to the draft *Urban Water and Sanitation Strategy* (May 2011) that states:
  - To develop business packages, for local agents, to provide integrated services of promoting, construction and emptying the pit latrines, collection of residual solids, and maintenance of local drainage systems and protection against erosion;
  - To implement capacity programs in a large scale to local private sector to provide sanitation services;
  - To establish a program to strengthen and to frame the emptying of pit latrines and septic tanks services by private sector and community based organizations.
  - To implement a research and construction program of residual solid treatment plants in main cities;

**The Role of the Regulator** (*Urban Water and Sanitation Strategy* (May 2011))

- To develop legal necessary instruments to guarantee a more effective regulation in peri-urban areas served by primary systems and on the secondary systems through delegation of powers of CRA to local Agents;
- To re-enforce the development of technological solution, adequate level of services and tariffs that are affordable to low income groups, in collaboration with the asset holder and local Governments;