



WORKING PAPER Burkina Faso

Mapping Public Finance for WASH

Working Paper Burkina Faso

Elena Humphreys



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Abstract

To achieve Sustainable Development Goal 6, universal access to safe drinking water and sanitation by 2030, the government of Burkina Faso will need to make a significant financial commitment, mobilise the funding and deploy it effectively. However, allocations from the Burkinabé government for water and sanitation have decreased annually since 2011. Also external aid for water and sanitation has been reduced. In addition, the distribution of finance did not follow the official criteria policy to address areas of greatest need.

In the municipality of Houndé, public finance at the local level is minimal and transfers of centralized sources of public finance and external aid are limited and unpredictable. This constrains Houndé's ability to finance the development, maintenance, and operations of water and sanitation infrastructure.

Municipalities often rely on financing from short-term and long-term partners. These other sources of financing replace rather than augment public finance at the municipal level and challenge the effectiveness of external aid. Without significant attention by the Burkinabé government to address the reductions and allocations of public finance, Burkina Faso will be challenged to achieve Sustainable Development Goal 6 in both urban and rural settings.

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Acronyms and abbreviations

ADAE	Association for the Development of Drinking Water Supplies (Association pour le Développement des Adductions d'Eau)
DANIDA	Danish International Development Agency
DREA	Regional Directorate for Water and Sanitation (Direction Regionale de l'Eau et de l'Assainissement)
FCFA	West African CFA franc (currency used in Burkina Faso)
GDP	Gross Domestic Product
GIZ	German Development Agency
MDGs	Millennium Development Goals, 2000-2015
NGO	Non-governmental organisation
ONEA	National Office for Water and Sanitation (Office National de l'Eau et de l'Assainissement)
SDGs	Sustainable Development Goals, 2016-2030
SIDA	Swedish International Development Cooperation Agency
USD	United States dollar
WASH	Water, Sanitation and Hygiene

1 Introduction

This working paper reviews the institutional setup and financial flows for water supply and sanitation in Burkina Faso. To highlight the specific challenges of funding for water and sanitation, we focus on the municipality of Houndé and seek a better understanding about who is paying for what in water and sanitation services. This paper was developed through a desk study of government-issued documents, budget documents and interviews with stakeholders at both the municipal and central government levels in November and December 2016 (see Appendix).



¹ In Burkina Faso, municipalities are called communes.

2 Burkina Faso context

Burkina Faso is divided into 13 administrative regions that comprise 45 provinces and 351 municipalities.² This working paper focuses on one municipality, Houndé, which is in the region of Hauts-Bassins. In 2014 (Figure 1b), this region ranked among the nation's lowest for rates of access to potable water and sanitation in rural areas. In Hauts-Bassins, only 48.8% of the rural population has access to potable water³ and only 11.9% of the rural population has access to sanitation.⁴

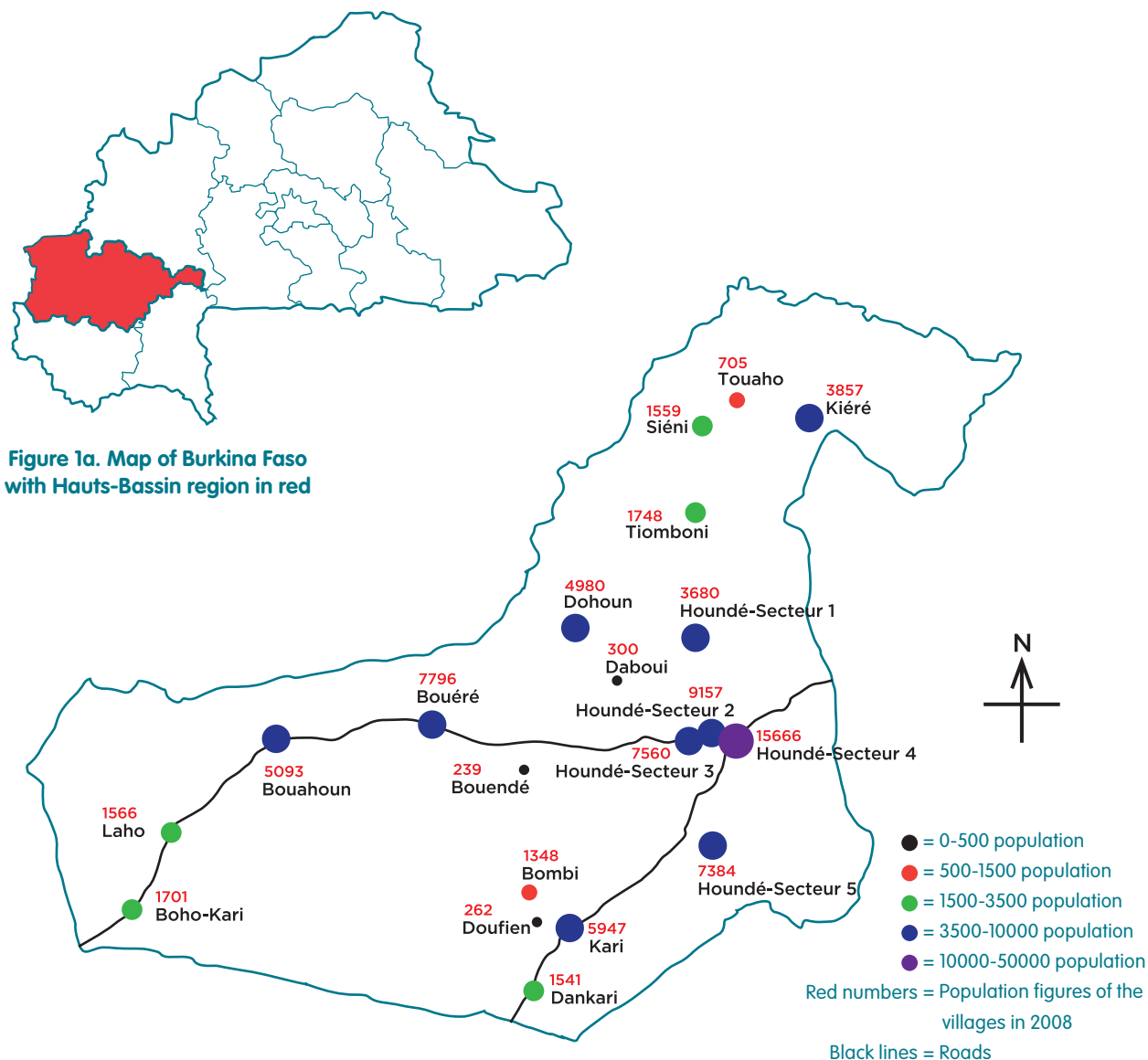


Figure 1b. Map of Houndé

Source: Commune de Houndé and GIZ, Plan Communal de Développement Sectoriel d'Approvisionnement en Eau Potable et Assainissement 2010–2015 de Houndé (2009).

² Institut National de la Statistique et de la Démographie, Annuaire Statistique 2015 (2016).

³ Ministère de l'Agriculture, de l'Hydraulique et des Ressources Halieutiques, Programme National d'Approvisionnement en Eau Potable à l'Horizon 2030 (2015).

⁴ Ministère de l'Eau et de l'Assainissement, Programme National d'Assainissement des Eaux Usées et Excreta 2016–2030 (2015)

⁵ <http://data.worldbank.org/country/burkina-faso> (accessed March 2017).

⁶ Ibid.

⁷ Commune de Houndé and GIZ, Plan Communal de Développement Sectoriel d'Approvisionnement en Eau Potable et Assainissement 2010–2015 de Houndé (2009).

⁸ Institut National de la Statistique et de la Démographie, Rapport Enquête Multisectorielle Continue (EMC), Phase 1 (2015).

⁹ Ibid., data for 2014.

¹⁰ Ibid.

The primary economic activity in Burkina Faso is agriculture, which employs about 80% of the population.⁵ Resource exploitation, such as gold mining, is of growing importance for Burkina Faso's economy.⁶ Nevertheless, the economy of Houndé is still primarily agricultural.⁷ As elsewhere in Burkina Faso, groundwater is the primary source of water.⁸ The most common type of water service in the country is a closed borehole with handpump (serving 44% of the population), followed by closed well with handpump (16.4%) and standpipes (12.1%). Other types include internal taps, shared taps and surface water.⁹ For sanitation, more than 50% of people in Burkina Faso use open defecation, followed by latrines on slabs (20.8 %) and latrines without slabs (10%).¹⁰ Table 1 summarises the WASH landscape in Burkina Faso.

Table 1. Burkina Faso WASH at a glance

Population without access to water (2016)	3.2 million (17.7%)
Population without access to sanitation (2016)	14.5 million (80.3%)
GDP (GDP per capita) (2015)	\$10.68 billion (\$590 per capita)
Tax revenues as percentage of GDP (2015)	15.5%
Open Budget Survey ranking** (2015)	43/100
Taxation for water and sanitation	No taxation specifically for water and sanitation
Budget allocation for rural water and sanitation (percentage of GDP)*¹¹ (2014)	\$65.37 million (0.5%)
Budget allocation for water and sanitation from centrally generated tax revenue (percentage of tax revenue) (2014)	\$18.51 million (0.97%)
Expenditure on water and sanitation (percentage of GDP) (2014)	\$132.6 million (1.11%)
Capital expenditure (percentage of total expenditure)	Information available only for self-generated resources and for ONEA, not for total expenditure on WASH
Expenditure on capital maintenance (percentage of total expenditure)	Information not available
Expenditure on direct support (percentage of total expenditure and per capita)	Information not available

* This includes sector budget support and external aid. It does not include ONEA's budget.

**Measure of public access of budget information, participation and engagement with budget process.

Sources:

International Budget Partnership, Open Budget Survey (2015);

Ministère de l'Eau et de l'Assainissement and European Union, Revue des Dépenses Publiques de 2007 à 2015 dans le Secteur Eau et Assainissement (2016);

World Bank, Burkina Faso data (2016), retrieved from <http://data.worldbank.org/country/burkina-faso>;

World Health Organization, Global Health Observatory data repository: Drinking water and sanitation exposure (2015), retrieved from <http://apps.who.int/gho/data/node.main.46?lang=en>

3 Policy priorities and institutional setting

The Ministry of Water and Sanitation developed objectives, priorities and programmes for water and sanitation in Burkina Faso. From 2007 to 2015, the ministry administered the National Programme for Water and Sanitation (Programme National d'Approvisionnement en Eau Potable et Assainissement), which was established to achieve the UN Millennium Development Goals (MDGs).¹² For the Sustainable Development Goals (SDGs), the ministry has two new programmes that focus on WASH. Water and sanitation are now addressed separately:

- 2016–2030 National Programme for Potable Water (Programme National d'Approvisionnement en Eau Potable à l'Horizon 2030), with an estimated cost of about 2.2 billion USD (1,325 billion FCFA).¹³ It aims to achieve universal access to potable water by 2030 through the following strategic objectives:
 - a. Sustainably meeting the drinking water needs of the population, in quantity and quality, by applying a human rights-based approach; and
 - b. Contributing to the sustainable management of drinking water supply infrastructure and improving the steering and management of the subsector.¹⁴
- 2016–2030 National Programme for Sanitation, Used Water and Excreta (Programme National d'Assainissement des Eaux Usées et Excreta 2016–2030), with an estimated cost of about 2 billion USD (1,215 billion FCFA).¹⁵ Among this programme's objectives are eradicating open defecation, ensuring universal and continuous access to sanitation services and improving the financing capacity of the sanitation sub-sector.¹⁶

As of March 2017, neither programme is fully implemented. Financial commitments from external aid partners have not been secured and commitments are weak, with aid partners proposing to limit their commitments to five years.¹⁷

As was the case for the 2007–2015 National Programme for Water and Sanitation, responsibility for the two 2016–2030 programmes has been largely devolved to regional authorities, the regional directorates for water and sanitation (directions regionale de l'eau et de l'assainissement, DREAs) (Figure.2).¹⁸ In the 2007–2015 programme, DREAs were responsible for (1) coordinating implementation, (2) supporting the municipalities in developing their municipal development plans for water and sanitation, (3) measuring progress towards the objectives, and (4) distributing funding.

In the new 2016–2030 National Programme for Potable Water, DREAs are responsible for constructing new water tower systems and multi-village water distribution systems, while continuing their support for municipalities and promoting private-public partnerships. In the new 2016–2030 National Programme for Sanitation, Used Water and Excreta, DREAs are responsible for (1) constructing new sanitation infrastructure, (2) implementing community-led total sanitation, and (3) training, monitoring and evaluating progress.¹⁹ Since 2009, water and sanitation service provision responsibilities have been decentralised to the municipalities.²⁰

¹² <http://www.unmillenniumproject.org/goals/> (accessed March 2017)

¹³ Ministère de l'Agriculture, Programme National d'Approvisionnement en Eau Potable.

¹⁴ Ibid.

¹⁵ Ibid.

¹⁶ Ministère de l'Eau et de l'Assainissement, Programme National d'Assainissement; by Decree n°2009-107.

¹⁷ Personal communication, Juste Hermann Nansi, IRC (December 2016).

¹⁸ Juste Hermann Nansi, Koalga P. Saïdou, and C. Pezon, Efficacité de l'Aide Publique au Développement dans le secteur AEPHA Etude de Cas du Burkina Faso de 2007 à 2013 (2014), retrieved from <http://fr.ircwash.org/resources/efficacit%C3%A9-de-l%E2%80%99aide-publique-au-d%C3%A9veloppement-dans-le-secteur-aepha-etude-de-cas-du>; Ministère de l'Eau et de l'Assainissement, Programme National d'Assainissement; Ministère de l'Agriculture, Programme National d'Approvisionnement en Eau Potable.

¹⁹ Ministère de l'Eau et de l'Assainissement, Programme National d'Assainissement, 52.

²⁰ <http://www.wsp.org/sites/wsp.org/files/publications/CSO-burkina-faso.pdf> (accessed March 2017).

Municipalities with more than 10,000 people are classified as urban; all others are rural. In urban areas, water and sanitation services are provided by the state-run National Office for Water and Sanitation (Office Nationale d'Eau et d'Assainissement, ONEA) (Figure 2).²¹

In rural areas, water and sanitation service provision is the responsibility of the municipality, which also has the authority to contract with private water and sanitation service operators.²² In rural villages, management and operation of water services are further delegated to **water users associations** (associations des usagers de l'eau).

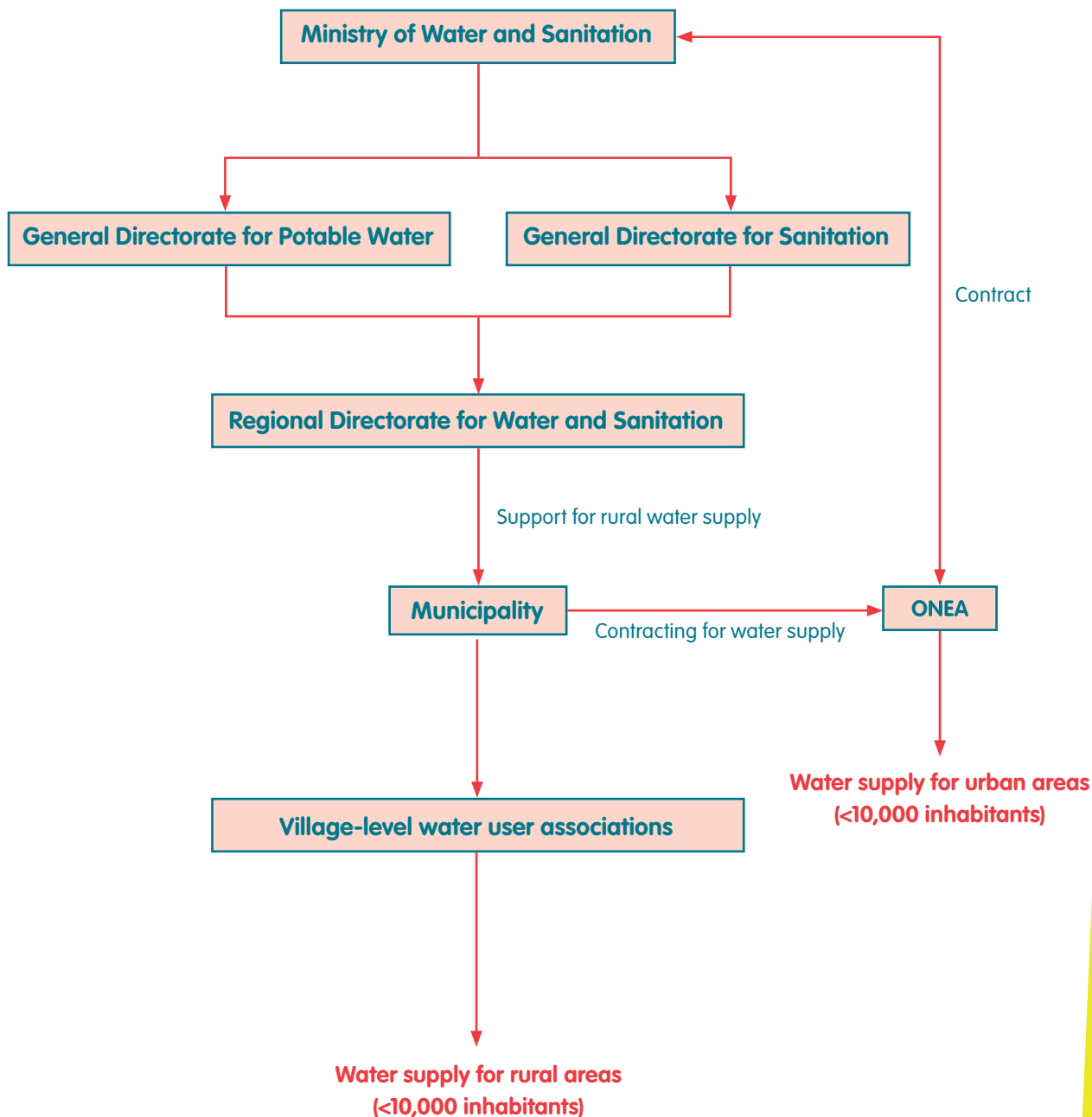


Figure 2. Institutional arrangements (modified based on input from Klaas Schwartz, UNESCO-IHE)

²¹ Nansi et al., Efficacité de l'Aide Publique; personal communication, Yasseya Ganame, DGEF (December 2016).

²² Ministère de l'Eau et de l'Assainissement, Programme National d'Assainissement.

4 Who pays for what?

Table 2. Responsibility for municipal WASH services

Rural areas (non-ONEA)	Municipalities are responsible for financing operations and maintenance of water and sanitation (mainly through water users associations). National government is responsible for financing infrastructure investments. ²⁴
ONEA service areas (urban)	ONEA finances infrastructures and operations and maintenance of water and sanitation.

In theory, financing for WASH services is shared between municipalities and the national government²³ (Table 2).

In rural areas, financing for operations and maintenance is the responsibility of the municipality, mainly through water users associations. The associations collect annual fees from constituents and pay a small fee to the municipality each year for semi-annual preventive maintenance.²⁵ Large repairs are expected to be financed through the water users association but can also be financed from resources generated by the municipality, or through financing mobilised through the DREAs.²⁶ In areas served by ONEA, infrastructure development, operations and maintenance are all supported by user fees.

The 2016–2030 programmes for water and sanitation have only recently begun. This paper therefore draws on the lessons learned from the 2007–2015 programme and the implications for the new initiatives.

The 2007–2015 water and sanitation programme was mainly funded through external aid and tax and non-tax revenues (mainly sourced from central taxation and user fees from ONEA).²⁷ External aid provided 55% of the total public expenditure for water and sanitation from 2008 to 2014.²⁸

The largest donors at the central government level for water and sanitation were the Danish International Development Agency (DANIDA), the World Bank, and the African Development Bank; these donors provided support through various programmes and projects.²⁹ Some donors, including DANIDA, Swedish International Development Cooperation Agency (SIDA), and the European Union, provide sectoral budget support, which mobilises funding for WASH. These funds are not earmarked for specific interventions or programmes, but their renewal is conditional on the achievement of certain WASH indicators each year.³⁰ The indicators, jointly determined by the external aid organisations, are used to measure progress towards universal access to water and sanitation.³¹

Funding sources for the 2016–2030 programmes have been identified as central revenues, external aid, NGOs, matching funds from municipalities, the private sector and water and sanitation users.³² The main sources of financing are central resources and external aid; NGOs and the private sector are expected to provide support for specific projects.³³

Despite Burkina Faso's reliance on aid at the central level, ONEA operates with some degree of financial self-sufficiency because it finances investments from user fees collected in urban areas.³⁴ At the central level, ONEA receives some national transfers and external aid (typically in the form of loans) for infrastructure development but largely operates independently. ONEA reports that at the local level, all operations and maintenance are financed by user fees.

²³ Personal communication, Juste Nansi (December 2016).

²⁴ Ibid.

²⁵ Personal communication, Siani Water Users Association, Siani, Houndé (December 2016).

²⁶ Ibid.

²⁷ Ministère de l'Eau et de l'Assainissement and European Union, *Revue des Dépenses Publiques*.

²⁸ Ibid.

²⁹ <http://www.wsp.org/sites/wsp.org/files/publications/CSO-burkina-faso.pdf> (accessed March 2017).

³⁰ Ibid.

³¹ Personal communication, Ganame (December 2016).

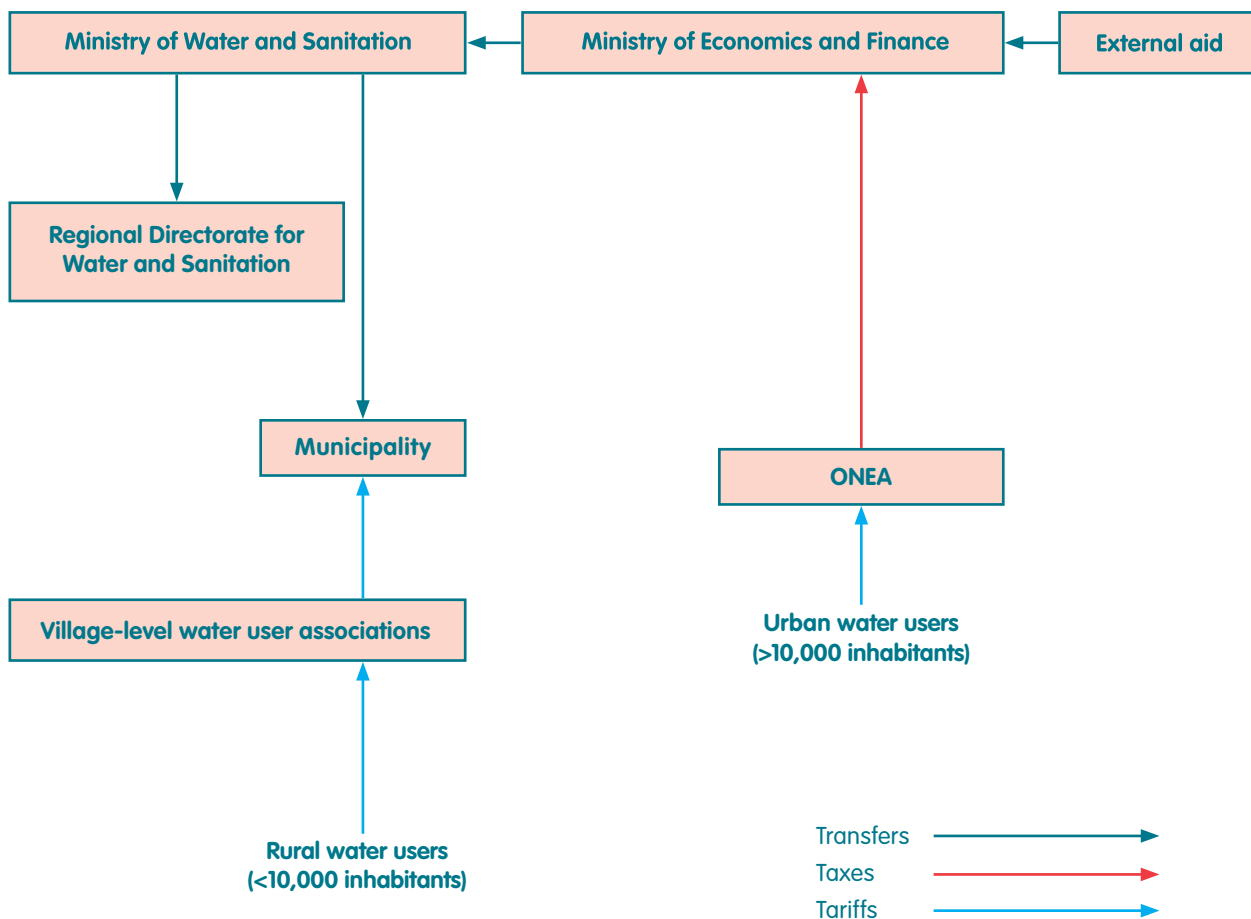


Figure 3: Financial flows for water supply



³² Ministère de l'Eau et de l'Assainissement, Programme National d'Assainissement; Ministère de l'Agriculture, Programme National d'Approvisionnement en Eau Potable.

³³ Ibid.

³⁴ Ministère de l'Eau et de l'Assainissement and European Union, Revue des Dépenses Publiques.

5 Trends and challenges in WASH finance

The 2007–2015 programme mobilised approximately 977.6 million USD³⁵ (467.8 B FCFA)³⁶ for water and sanitation from 2008 to 2014 from both external aid and own resources. This was approximately 357 million USD (26%) short of the funding needed to achieve the MDGs, estimated at 1,085 million USD for water supply and 250 million USD for sanitation.³⁷

The underfunding of the 2007–2015 programme can be partially attributed to reductions in external aid.³⁸ However, the national government did not sufficiently increase allocations of own resources to cover the reductions in external aid, despite the annual GDP growth over that period. What is more, public WASH expenditure per capita has been decreasing annually since 2011 (Table 3).

Table 3. Burkina Faso WASH data, 2010–2015 (USD)

	2010	2011	2012	2013	2014	2015
Total public expenditure on WASH for 2007–2015 National Programme for Portable Water and Sanitation*	\$133 million	\$172 million	\$150 million	\$155 million	\$133 million**	
Percentage of total public expenditure on WASH from own government resources	47%	34%	43%	46%	53%	
Percentage of total public expenditure on WASH from external aid	53%	66%	57%	54%	47%	
GDP	\$8.99 billion	\$10.75 billion	\$11.17 billion	\$11.93 billion	\$12.26 billion	\$10.68 billion
Population	15.6 million	16.1 million	16.6 million	17.1 million	17.6 million	18.1 million
GDP per capita	\$575	\$667	\$673	\$698	\$697	\$590
WASH public expenditure as percentage of GDP	1.5%	1.6%	1.3%	1.3%	1.1%	
Public WASH expenditure per capita	\$8.52	\$10.66	\$9.06	\$9.05	\$7.54	

* The total public expenditure for the 2007–2015 National Programme for Potable Water and Sanitation was 977.6 million USD (467.8 B FCFA), the table only shows the expenditure in the years 2010–2014. The figures include contributions from ONEA.

** Despite reductions in external aid since 2011 and annual increases in GDP, the national government has not reallocated its own resources to cover these reductions.

Sources:

Ministère de l'Eau et de l'Assainissement and European Union, *Revue des Dépenses Publiques de 2007 à 2015 dans le Secteur Eau et Assainissement* (2016).

Ministère de l'Eau et de l'Assainissement and European Union, *Revue des Dépenses Publiques de 2007 à 2015 dans le Secteur Eau et Assainissement: Annexes* (2016).

<http://data.worldbank.org/country/burkina-faso> (accessed March 2017).

³⁵ Currency conversions are calculated using the average exchange rate for the year.

³⁶ Ministère de l'Eau et de l'Assainissement and European Union, *Revue des Dépenses Publiques: Annexes*.

³⁷ <http://www.wsp.org/sites/wsp.org/files/publications/CSO-burkina-faso.pdf> (accessed March 2017)

³⁸ Ministère de l'Eau et de l'Assainissement and European Union, *Revue des Dépenses Publiques*.

The programme was also criticised for lack of transparency in its allocation decisions in funding for water points, which seemingly did not address those regions with the lowest level of access to water.³⁹ For example, Hauts-Bassins, where Houndé is located, received very few water points despite having one of the country’s lowest rates of access to potable water. This was attributed to the high costs of drilling due to the geology of the region: the geologic characteristics of the different regions were not accounted for in the allocation criteria.⁴⁰ In addition, the calculations of access to potable water did not account for population density.⁴¹ Population density is important because in sparsely settled areas, people have to travel long distances to a water point, and high density creates crowding at water points.

Allocation decisions for potable water in the new programme are being made by the national government, which is prioritising transfers to those regions with poor access to water and giving preference to areas without project partners.⁴² These decisions are further delegated to DREAs, which support the municipalities in using the funds to build infrastructure. In addition, centrally generated revenues are distributed directly to municipalities and are earmarked to achieve WASH objectives. Given the limited capacity of the municipalities, national transfers are typically channelled through a DREA. The national government also makes transfers to the municipalities through ministries associated with the decentralisation reforms; these funds can be used for water and sanitation.⁴³

The Open Budget Survey,⁴⁴ an independent organisation, has developed a 1-to-100 index of budget transparency, participation and oversight to allow comparisons across countries. It ranked Burkina Faso 43 out of 100 (Table 4). This low score is partially attributed to very low public participation, likely due to the low capacity of the municipal councils charged with budgeting and the widespread illiteracy of residents. Only 34.5% of the population over 15 years old can read,⁴⁵ and therefore many people cannot fully participate in civic life or contribute to budget negotiations.⁴⁶

Table 4. Open Budget Survey: Burkina Faso results

Open budget ranking	Limited	43/100
Oversight by legislature	Weak	39/100
Oversight by supreme auditor	Limited	50/100
Public participation	Weak	10/100

³⁹ Ibid.

⁴⁰ Ibid.

⁴¹ Ibid.

⁴² Personal communication, Ganame (December 2016).

⁴³ Ibid.

⁴⁴ <http://www.internationalbudget.org/opening-budgets/open-budget-initiative/open-budget-survey/country-info/?country=bf> (accessed March 2017).

⁴⁵ Institut National de la Statistique et de la Démographie, Annuaire Statistique 2015.

⁴⁶ Personal communication, Nansi (December 2016).

6 WASH at the municipal level: A case study

Municipalities are unable to generate sufficient local revenue to construct and maintain water and sanitation infrastructure. Accordingly, they rely on a mix of sources and must have the administrative capacity to manage the different schedules and requirements for use of the funds. To illustrate the challenges, this working paper uses the case of Houndé (Table 5). Although classified as an urban municipality, Houndé is responsible for water and sanitation service provision in surrounding semi-urban areas and rural villages. Houndé is served by both a piped water scheme and hand pumps and relies primarily on groundwater for drinking water.

In the municipal development plan for water and sanitation, the level of access to water and sanitation was recorded separately for the urban and rural areas of the municipality. Access to water in Houndé remains low, as in 2015 only 51.5 percent of the urban population has access to improved water, whereas 63.8 percent of rural population has access to improved water. Access to sanitation is an even grimmer picture, as in 2008 only one percent of the urban population and 0.6 percent of the rural population had access to sanitation (Table 5). Nationwide, the level of service provision is much higher: in 2015, 82 percent of Burkinabé had access to potable water, and 19.7 percent had access to sanitation.⁴⁷

In Houndé, the financing of water and sanitation is complex, with multiple sources. Some funds are part of the municipal budget, while others are held in separate accounts or are managed by NGOs or other project partners working in the municipality. Managing the different accounts stretches the municipal council's limited capacity.

Table 5. WASH statistics for Houndé

		Percentage of population with	
		Access to potable water (2015)	Access to sanitation (2008)
Houndé population, total	114,774		
Urban population	67,232	51.5%	1.0%
Rural population	47,542	63.8%	0.6%

Source:

- Institut National de la Statistique et de la Démographie, *Resultats INO 2015 Fevrier (2015)*.
- Commune de Houndé and GIZ, *Plan Communal de Développement Sectoriel (2009)*.

⁴⁷ <http://apps.who.int/gho/data/node.main.46?lang=en> (accessed March 2017).

⁴⁸ <https://www.oanda.com/currency/average> (accessed March 2017); 603.6 average exchange rate for 2016.

Access to Potable Water

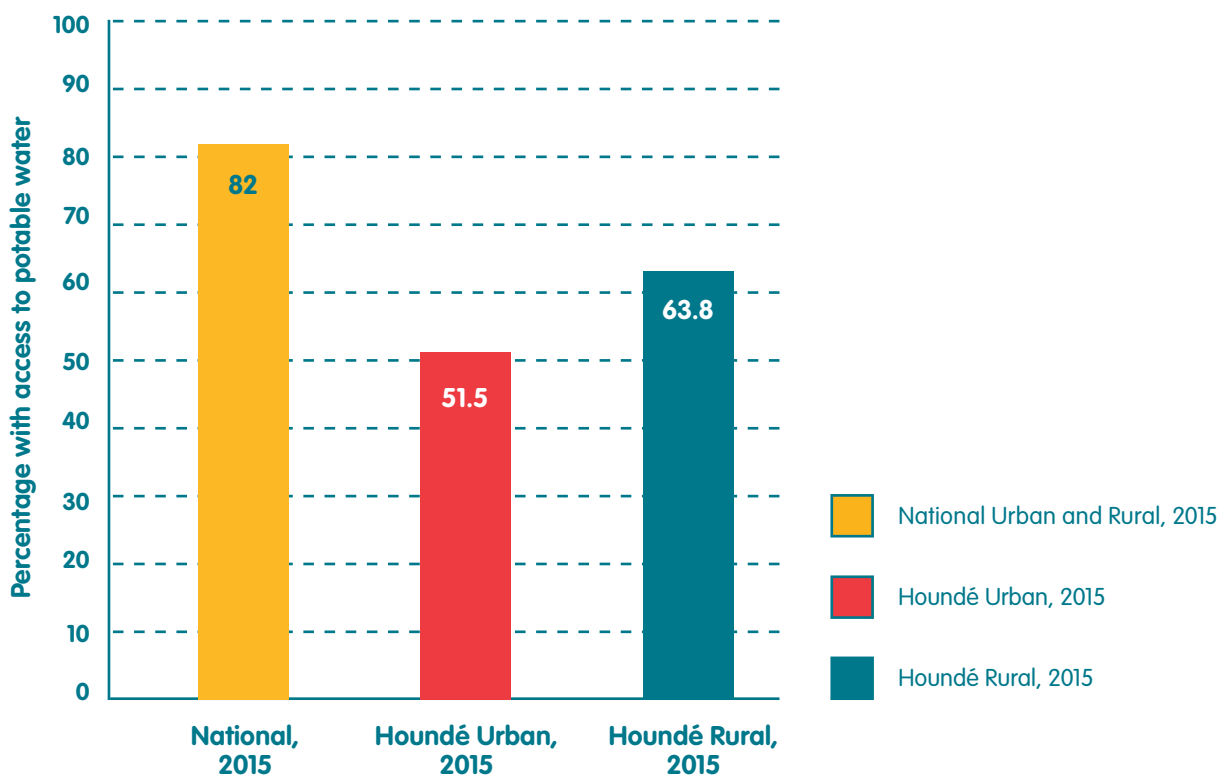


Figure 4a: Percentage with access to potable water

Access to Sanitation

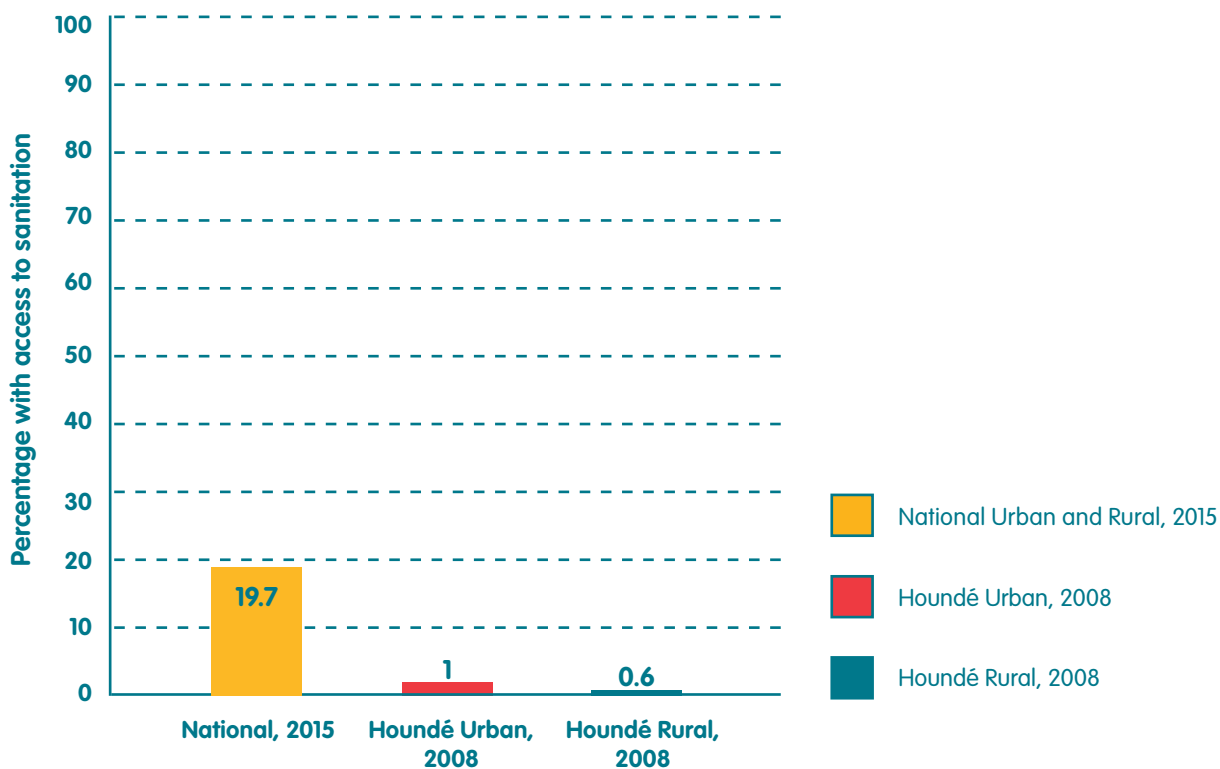


Figure 4b: Percentage with access to sanitation

Source:

- Institut National de la Statistique et de la Démographie, Resultats INO 2015 Février, Annuaire Statistique 2015;
 - <http://apps.who.int/gho/data/node.main.46?lang=en> (accessed March 2017)

The tables below give an overview of the different sources of financing in Houndé for infrastructure development (Table 6) and for maintenance and operations (Table 7). The implications of the use of these various sources are further discussed in the conclusion section.

Table 6. Funding for infrastructure in Houndé

National transfer to municipality	National transfers are made directly to the municipality and appear in the municipal budget. For 2016, the national government transferred 35.6 million FCFA, or 59,021 USD , ⁴⁸ for five new wells in Houndé. ⁴⁹ This can be considered the financial resources available for capital expenditure in the municipality. Decisions about the location of new infrastructure are made by the municipal council, in accordance with the municipal development plan for water and sanitation
National transfer of DREA	National transfers are also made to the regional authority. In theory, the DREA decides jointly with the municipality where to build new infrastructure, typically in accordance with the municipal development plan. The procurement process and construction are the responsibility of the DREA. Interviews with municipal staff indicate that the DREA often minimally involves the municipality; however, DREAs in other regions may take a different approach. No data exist on transfers to the DREA for Houndé specifically. However, in 2015, the Hauts-Bassins DREA received 102 million FCFA, or 181,324 USD, for the construction of new wells and water towers in the region. ⁵⁰
Self-generated finance	Municipalities collect local revenue on certain activities and industries: use of forest, residency tax, land transfer, corporations, weapons, formal and informal markets. ⁵¹ Revenue generated from these local sources is low, however, and some of the taxes are difficult to collect (e.g., the tax on informal activities). In Houndé's 2016 budget, 132 million FCFA, or 218,509 USD , came from such taxes; this equates to 1.90 USD per capita . ⁵² None of this revenue was allocated for water and sanitation in the budget. ⁵³
Project-based finance	NGOs and other organisations implement some infrastructure projects. The organisations discuss their projects with the municipality, but the decisions about the infrastructure are made by the NGOs. No data are available on their expenditures.
Financial partners finance	The German Development Agency (GIZ), ⁵⁴ formed a partnership with Houndé in 2009 and is Houndé's primary external partner. Its funds are held in a separate account and are not part of the municipal budget. Expenditures are determined jointly by GIZ and the municipal council and typically support long-term financial and technical partnerships rather than one-off projects. Currently, the priorities for Houndé's partnership with GIZ are (1) behavioural change activities and (2) the development of a new municipal plan for water and sanitation. GIZ has provided resources for a water tower and 26 kiosks. ⁵⁵
National Office for Water and Sanitation	ONEA is a state-run company that serves urban areas. It is primarily supported by revenue generated by the sale of water. ONEA extends services according to need, which may be based on requests from households or recommendations from its own local staff; investment decisions must be approved by the central ONEA office.

⁴⁹ Commune de Houndé, Budget Primitif Gestion 2016 (2016).

⁵⁰ Ministère de l'Eau et de l'Assainissement and European Union, Revue des Dépenses Publiques: Annexes.

⁵¹ P. Englebert and N. Sangare, Comparative Assessment of Decentralization in Africa: Burkina Faso Desk Study (2010), retrieved from http://pdf.usaid.gov/pdf_docs/PNADX214.pdf.

⁵² Calculated using 114,774 in 2015 from Commune de Houndé and GIZ, Plan Communal de Développement Sectoriel; Institut National de la Statistique et de la Démographie, Resultats INO 2015 Février (2015).

Table 7. Finance for operations and maintenance

National transfers	The DREA mobilises money for capital maintenance (major repairs) of water infrastructure. The municipality reports on the functioning of its wells and infrastructure; the DREA then prioritises and makes necessary repairs, independent of the municipality. No data are available on funds for repairs.																		
Local revenue sources	The municipality can budget for capital maintenance and use local taxes (see “Self-generated finance,” above) as the source of funding. Houndé also has added a small fee to the rates charged by ONEA (see “ONEA,” below). This money is collected by ONEA and sent to the municipality to cover the administrative costs of municipal water and sanitation activities.																		
Water users association	The water infrastructure in each rural village is managed by a water users association. Each association can have its own fee structure but typically collects 5.10 USD (3000 FCFA) per household each year. Assuming 30 households (300 people) per well, an association should collect 152.85 USD (90,000 FCFA) per well per year. From that, it pays 17 USD (10,000 FCFA) to the municipality for preventive maintenance (a technician comes semi-annually to do minor repairs and maintenance). The remaining funds are held in reserve for capital maintenance. Some association fees are higher than those charged by ONEA, which raises questions of equity in the level of payment for services. ⁵⁶																		
Association for the Development of Drinking Water Supply (ADAE)	<p>The ADAE⁵⁷ is an organisation of water users associations from various villages that are served by water towers. These associations have combined their resources for managing the water towers and standpipes. The ADAE assists the associations in selling water (see below).</p> <p>ADAE tariffs</p> <table border="1" data-bbox="448 1301 1278 1630"> <thead> <tr> <th>Volume</th> <th colspan="2">Tariff</th> </tr> </thead> <tbody> <tr> <td>10 litres</td> <td>5 FCFA</td> <td>0.01 USD</td> </tr> <tr> <td>20 litres</td> <td>10 FCFA</td> <td>0.02 USD</td> </tr> <tr> <td>30 litres</td> <td>15 FCFA</td> <td>0.03 USD</td> </tr> <tr> <td>220 litres</td> <td>125 FCFA</td> <td>0.21 USD</td> </tr> <tr> <td>Private connection</td> <td>500 FCFA/m³</td> <td>0.83 USD/m³</td> </tr> </tbody> </table> <p>The money collected from the sale of water supports the administrative costs of the water tower and distribution networks (staff, fuel). The remaining funds are combined with the revenue generated by other water users associations and used for preventive maintenance, capital maintenance and new infrastructure. The ADAE has a maintenance technician who makes minor repairs; requests for major repairs must be filed with the ADAE before the funds are made available.</p>	Volume	Tariff		10 litres	5 FCFA	0.01 USD	20 litres	10 FCFA	0.02 USD	30 litres	15 FCFA	0.03 USD	220 litres	125 FCFA	0.21 USD	Private connection	500 FCFA/m ³	0.83 USD/m ³
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⁵³ Commune de Houndé, Budget Primitif Gestion 2016.

⁵⁴ https://www.giz.de/en/html/about_giz.html (accessed March 2017).

⁵⁵ Personal communication, Famara Traore, Commune of Houndé (December 2016).

⁵⁶ Personal communication, Siani Water Users Association (December 2016).

⁵⁷ Personal communication, Zoungrana Khaime, Association pour le Développement des Adductions d’Eau Potable (December 2016).

⁵⁸ ONEA, Budget d’ONEA 2016 (2016).

ONEA

ONEA⁵⁸ finances operations and maintenance from water user fees (see below). The fee structure allows for cross-subsidisation.

ONEA water user fees

Private connections			Standpipes		
0–8 m ³	188 FCFA/m ³	0.31 USD/m ³	20 litres	5 FCFA	0.01 USD
9–15 m ³	445 FCFA/m ³	0.74 USD/m ³	40 litres	10 FCFA	0.02 USD
16–25 m ³	535 FCFA/m ³	0.89 USD/m ³	220 litres	60 FCFA	0.1 USD
>25 m ³	1070 FCFA/m ³	1.77 USD/m ³			
Service charge	1000 FCFA/bill	1.66 USD/bill			
Sanitation costs	21 FCFA/m ³	0.03 USD/m ³			

Because it has a leasing contract⁵⁹ with ONEA, Houndé⁶⁰ is permitted to add a small fee to these rates for the administration of its water and sanitation services (see below).

Houndé administrative fees

Sale of water	FCFA/m ³	USD/m ³
Private connections	10	0.02
Municipal and other government buildings	15	0.03
Large houses	15	0.03
ONEA buildings	15	0.03
State buildings	15	0.03



⁵⁹ Houndé has formed a separate contract with ONEA, similar to a public-private partnership, to provide water and sanitation to the urban centre. Under this contract, the commune can add fees to the tariff. Communes covered by the national government contract with ONEA are unable to add fees to the tariff structure. Personal communication, Moumouni Sawadogo, ONEA Centre (December 2016).

⁶⁰ Personal communication, Chef du centre, ONEA Houndé (December 2016).

⁶¹ Ministère de l'Eau et de l'Assainissement and European Union, *Revue des Dépenses Publiques*, 92.

7 Conclusion

Decentralisation reforms transferred the responsibility for water and sanitation service provision to municipalities in rural areas and to ONEA in urban areas. However, the national government retains a strong role in the WASH sector. For Burkina Faso to achieve the SDGs, more funding is needed for the development and maintenance of water and sanitation infrastructure.

Burkina Faso was unable to generate full funding for the previous national programme to achieve the MDGs, falling short by more than a quarter. If the two new programmes for water and sanitation are similarly underfunded, the gap would be an estimated 1.1 billion USD. This shortfall has major implications for the realisation of programme objectives and for achievement of the SDGs.

The allocation decisions for centrally generated funds and external aid are tightly controlled by the national government, which has been reducing per capita allocations over the past five years. In addition, transfers to the DREAs do not follow the stated allocation criteria, which the Ministry of Water and Sanitation partially attributes to the addition of “political” criteria.⁶¹ Thus, meeting the SDGs and programme objectives is going to be challenging.

Municipalities are unable to generate sufficient revenue from local sources, and transfers from the national government are infrequent and somewhat unpredictable—two factors that limit municipalities’ ability to fully fund water and sanitation at the local level, especially in terms of financing capital maintenance. Therefore they seek external sources of financing from short-term project partners (NGOs and other organisations) or long-term financing partners like GIZ. Yet these multiple sources of funds, with their different schedules and requirements, are difficult for municipal administrators to manage.

Key messages:

- Despite a robust national programme for WASH, allocations per capita have been decreasing annually since 2011 and still are highly dependent on external aid. To achieve SDG 6 by 2030, the Burkina Faso government will need to mobilise more funding, from both its own revenues and in partnership with external aid agencies, and target areas of greatest need.
- Public participation in the budget process is low, in part because of adult literacy rates of only 35%. Even the municipal council members, who are responsible for budgeting, have limited capacity.
- Cross-subsidisation in ONEA-served areas means that urban households often pay less for water than those served by the water users associations in rural areas of the country.



Appendix

Table A1. Stakeholders interviewed

Interviewee	Location
Service technician for water and sanitation	Houndé
Mayor	Houndé
Chief of centre, ONEA	Houndé
Water users association	Siani, Houndé
Association for the Development of Drinking Water Supplies	Bobo Dioulasso
Secretary general	Houndé
Municipal accountant	Houndé
Retired mayor	Houndé
Country director, IRC	Ouagadougou
Direction Générale de l'Eau Potable (DGEP)	Ouagadougou
Direction Générale de l'Assainissement (DGA)	Ouagadougou
Chief operating officer, ONEA	Ouagadougou
GIZ	Ouagadougou
DREA, Centre Region	Ouagadougou

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