

Through an international competitive bidding procedure, Vitens Evides International has been awarded a Private Sector Service Contract (PSSC) for the Blantyre and Lilongwe Water Boards in Malawi. The service contract forms part of a wider € 30.8 million project financed through the ACP-EU Water Facility and the European Investment Bank (EIB) with the aim to improve the supply of affordable, sustainable and reliable drinking water to approximately 1.5 million inhabitants. The service contract includes the extension of the drinking water services to 700,000 people in the low-income areas of both cities. The base fee of the service contract amounts to € 3.85 million.


International cooperation



Malawi

Vitens Evides International partners with the Dutch water company WML to strengthen both water service providers in Malawi in the areas of organisation, finances, planning, HRM, water loss control, network modelling, customer administration, delegated management and efficient operation and maintenance. The DHV Group is involved in the supervision of the € 22 million investment fund for extension and replacement of the existing water infrastructure, while the Dutch NGO Simavi will work on the establishment of sustainable water services within the low-income communities surrounding Lilongwe and Blantyre. By improving and extending the existing water infrastructure and the managerial capacity of the water boards, the reliability and cost effectiveness of water services may improve, allowing the boards to embark on financially sound operations. This will allow further investments in improved and extended water service provision for the long term.

Project description



The PSSC project aims to ensure and sustain the provision of reliable 24-hour water supply services to the people of Lilongwe and Blantyre, and to improve living conditions for people in low-income areas by extending safe water supply and basic sanitation services. The PSSC project objectives are to be achieved through a combination of (a) physical investments in upgrading infrastructures, (b) organisational development and efficiency improvement of the Water Boards, (c) reduction of non-revenue water (NRW), and (d) close cooperation with local organisations (NGOs and CBOs) to improve water supply services in low-income areas. The service contract aims:

- to improve the performance capacity of the Water Boards;
- to restructure and reinforce the Water Boards;
- to improve water production capacity;
- to reduce NRW; and
- to extend services to low-income areas.



The contract is performance based and includes a base remuneration and incentive scheme according to achievement of specific performance criteria. The overall budget of the PSSC contract comprises € 30.8 million.

Population

The inhabitants of Lilongwe (700,000) and Blantyre (750,000); a total of approximately 1.5 million people.

Financing

The European Union and the European Investment Bank (EIB), a 48% grant from the ACP-EU Water Facility, a 50% loan from the EIB and a 2% contribution from the Water Boards.

Type of contract

Service contract.

Contract value

€ 3.85 million (plus additional Investment Budget).

Contract period

November 2009 – November 2013.

Vitens Evides International

Vitens Evides International supports water companies in developing countries by helping them to improve their business processes in a sustainable way. This we do by sharing the extensive and prolonged experience of the two largest privately run public operators in the Netherlands: Vitens and Evides Water Company. Through technical, operational and management support, we enable local utilities to make progress in such areas as Water Quality and Safety, Non-Revenue Water, Asset Management, and Financial Planning & Control. By teaming up for better performance, we aim to generate the investments required to improve and expand water services in the world's most rapidly developing urban areas. This means that more people will enjoy reliable and safe drinking water and sanitary facilities, now and in the future. With its activities Vitens Evides International contributes to achieving the Millennium Development Goals set

by the United Nations. Over the past ten years, Vitens Evides International has already helped to improve water services to more than twenty million people in Asia, Africa and Latin-America.

Available funds

Vitens and Evides Waterbedrijf, the Netherlands two largest water utilities make € 3 million available for international projects each year. This internal budget is leveraged by contracting public-private partnerships and deploying the financing opportunities of the various parties, such as the Netherlands' Ministry of Development Cooperation and Economic Affairs, the World Bank, the European Bank for Reconstruction and Development (EBRD) and the Asian Development Bank. Vitens and Evides have also formed the independent charity foundation Water for Life, which enables clients to contribute to international water projects via their water bills.

Millennium Development Goals

The Dutch government actively supports the UN MDG target to halve the proportion of people without safe drinking water and sanitation (1.0 billion and 2.4 billion people respectively) by 2015. In this context, Vitens and Evides are doing all they can to share their professional expertise and experience in water utility management and operations with water companies in developing countries. Through the international alliance, Vitens and Evides are currently involved in providing safe drinking water to over 20 million people in various parts of the world where reliable services are not yet available.

Contact

Siemen Veenstra
project director
T +31 88 884 7994
M +31 (0)6 5117 5140
F +31 88 884 7995
E siemen.veenstra@vitens.nl

Address

Reactorweg 47
3542 AD Utrecht
The Netherlands

Postal address

P.O. Box 1090
8200 BB Lelystad
The Netherland

