



Presentation from
**2016 World Water
Week in Stockholm**

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HOW CAN PRIVATE SECTOR DEVELOPMENT BOOST
MORE SUSTAINABLE WASH SERVICES IN ETHIOPIA?
THE ROLE OF **LOCAL COMMUNITIES AND NEW INNOVATIONS**

WHAT PRIVATE SECTOR?



Local developing private sector

- Essential part of the local supply chain (spare parts, equipment, materials, services)
- Ensures the sustainability of the WASH services
- These entrepreneurs are part of the community

International private sector

- Mapping, monitoring, design, water management systems, software solutions, water purification, material production, pumps, wastewater treatment technologies
- New technologies and products
- Looking for sustainable business

THE CASE OF ETHIOPIA – STORY OF CMP

- Continuous cooperation between Government of Finland and Ethiopia since 1994
 - Amhara – Benishangul-Gumuz – COWASH Project

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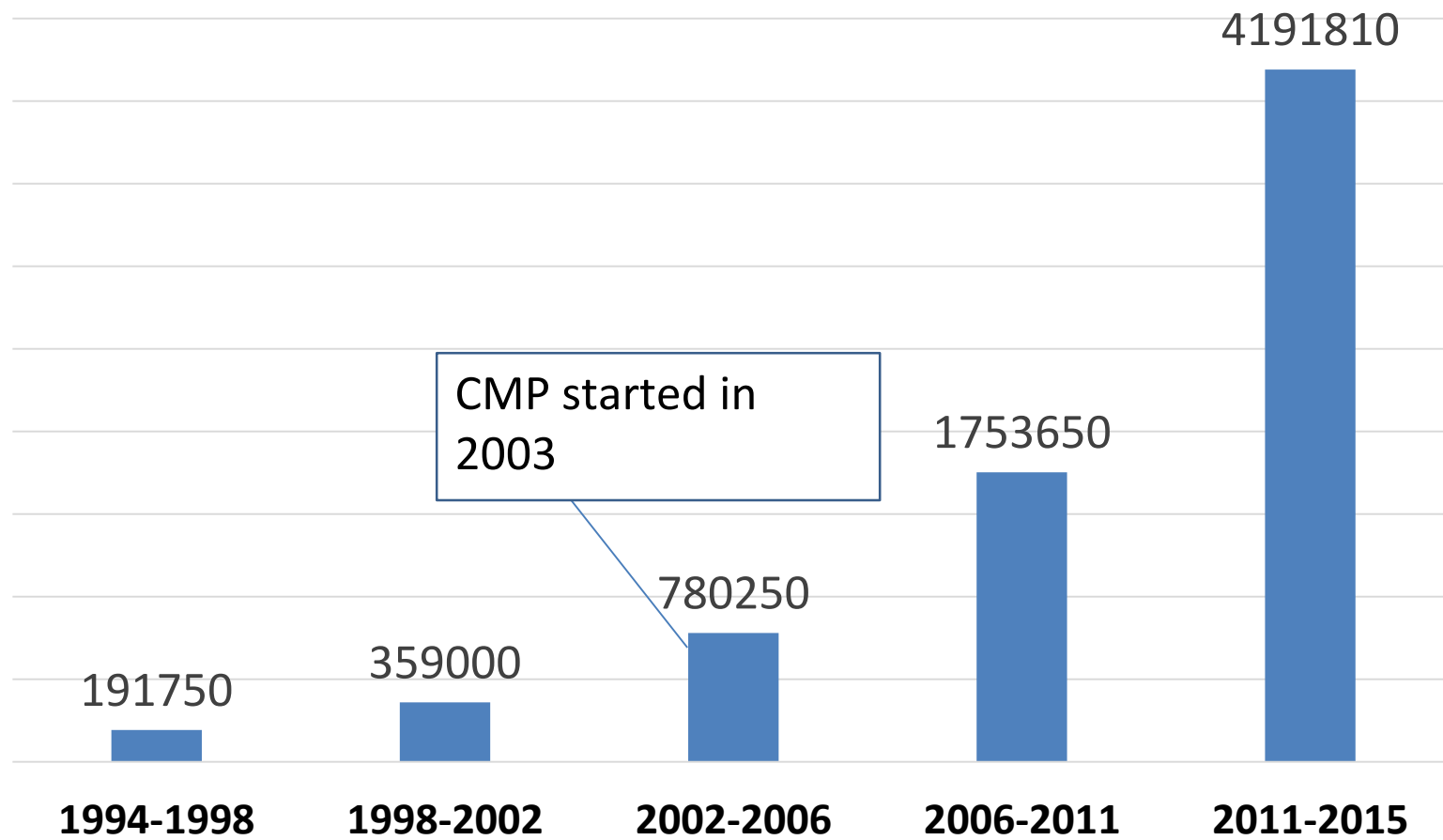
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- Communities commit to contribute at least 15% of the investment costs and the O&M
- Extensive capacity building provided for **the community and the local private sector**
- The role of districts is changing **from being the implementors to being facilitators and supervisors**

Decentralisation of financial and managerial responsibility of WASH project implementation to community level



ACCELERATED IMPLEMENTATION SPEED

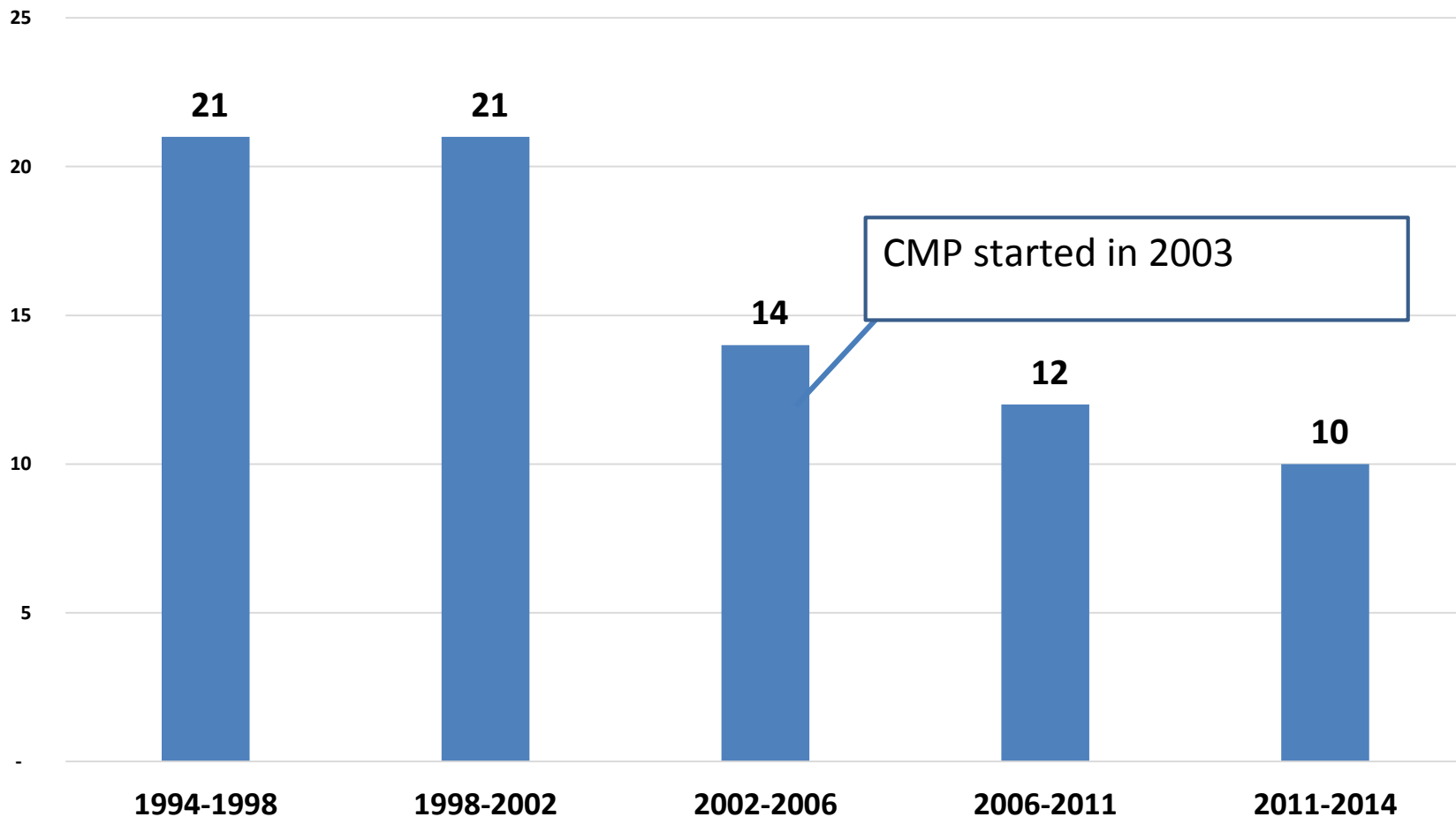
Number of water supply beneficiaries through Finland WASH sector support between 1994-2015



COST EFFICIENT MODALITY WITH FOCUS ON EXTENSIVE CAPACITY BUILDING



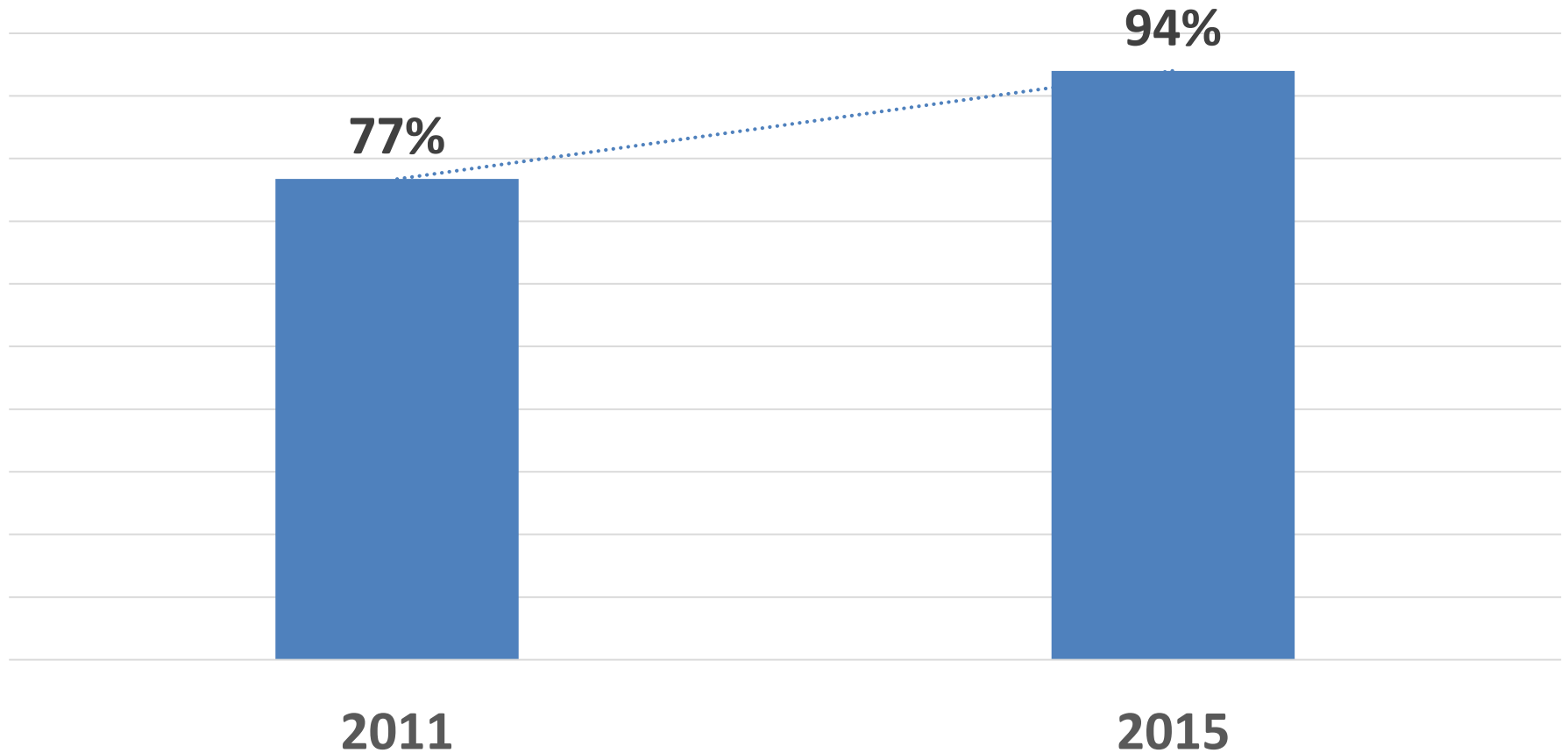
EUR/capita for water supply in Finland support including capacity building and operational costs



SUSTAINABILITY AND FUNCTIONALITY



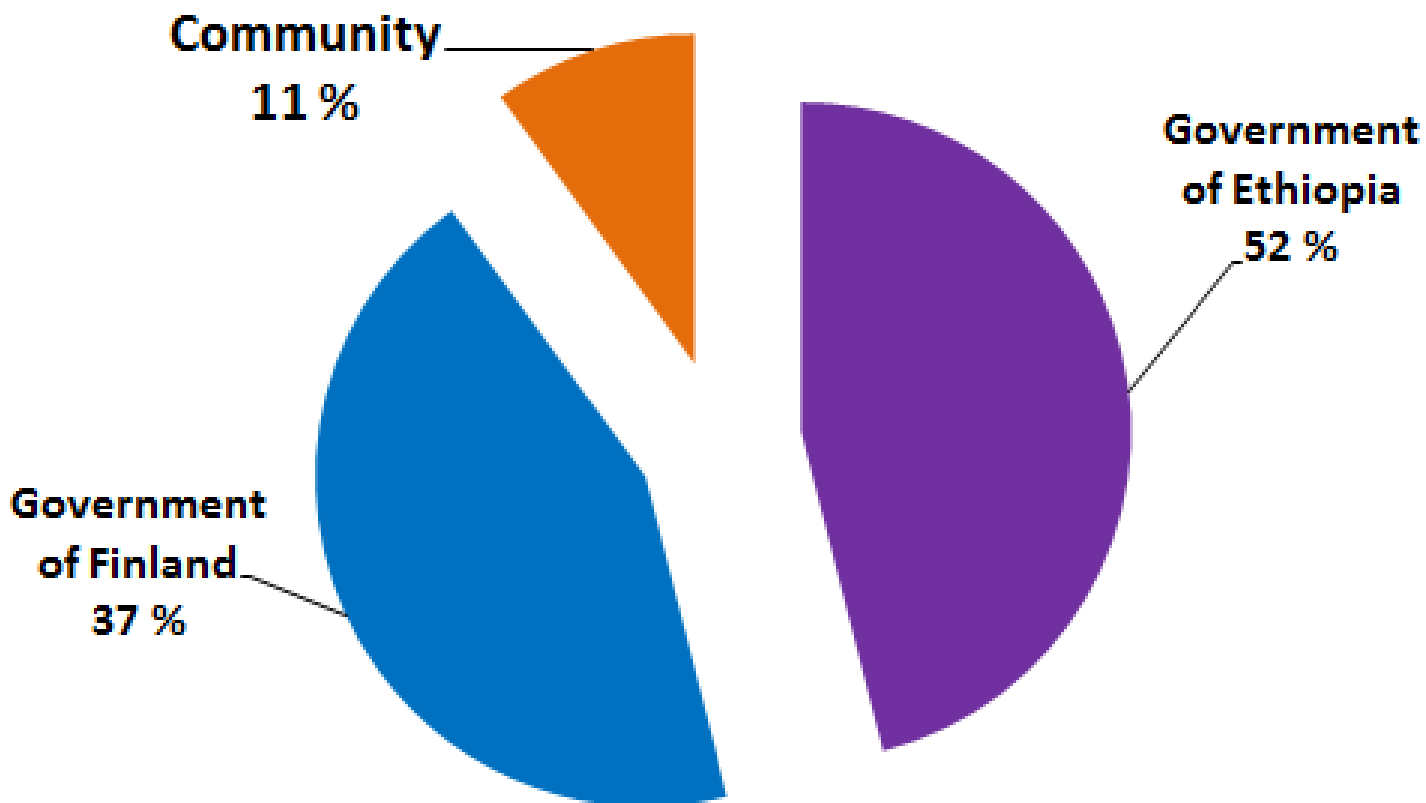
Functionality improvement in project areas
by July 2015 in four years of implementation



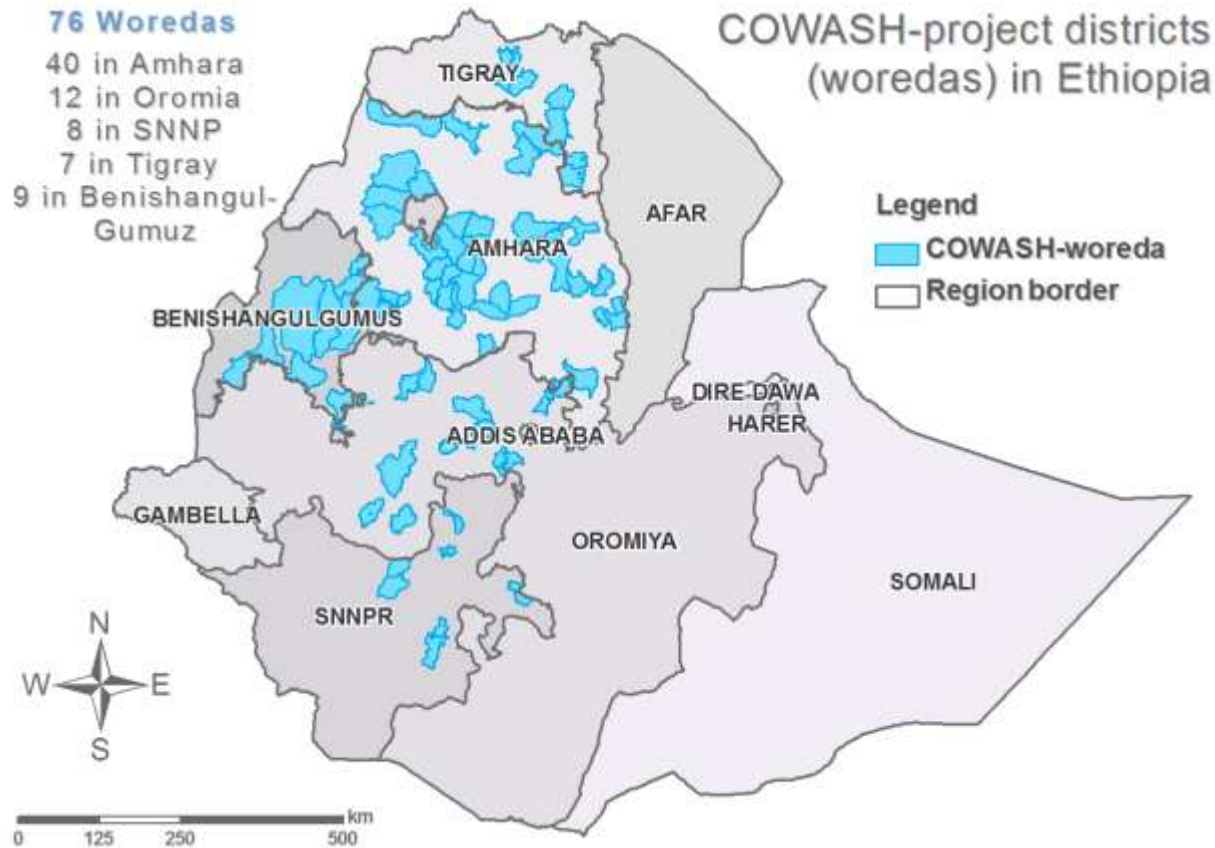
WIDELY ACCEPTED AND JOINTLY FINANCED MODALITY



COWASH Project Financing 2011-2019



WIDELY ACCEPTED AND JOINTLY FINANCED MODALITY



- In 2011, approach was scaled up from regional level to nation-wide implementation
- In 2013 Government of Ethiopia approved this financing modality to the national WASH strategy

CMP AND PRIVATE SECTOR



- **Local private sector**
 - construction services
 - materials needed
- **Local community**
 - hires the entrepreneurs
 - procures the materials
 - demands for additional services



Functional local private sector:

- improves the **sustainability of the water services**,
- strengthens the **supply chains** and **maintenance** service,
- **creates jobs** and
- brings down the unit costs of the water schemes

CMP AND PRIVATE SECTOR



Through extensive capacity building component:

- **In total 148 000 people (38,6% women)** have been trained in WASH management
- **1309 artisans** (individual entrepreneurs) of which **25% women** have been trained (60 day training course) in well and spring development and rehabilitation, latrine construction

EXAMPLE: LEMAT SANITATION MARKETING COOPERATIVE IN TIGRAY



- **Latrine slab production cooperative** of 10 women, start up capital of **1700 EUR** (including savings, private loan, in kind support from the local government)
- Trained in **slab production and business management** skills by COWASH

EXAMPLE: LEMAT SANITATION MARKETING COOPERATIVE IN TIGRAY



Achievements:

- Since 2015 produced and sold **750 slabs** for 8 EUR each
- **70 slabs** has been pre-ordered by their kebele
- The cooperative have paid back their loans (in total 590 EUR)

EXAMPLE: LEMAT SANITATION MARKETING COOPERATIVE IN TIGRAY

Future targets:

- New products: hand wash cans and vent pipes
- Increase production
- Increase profit
- Buy means of transport
- Expand sanitation promotion

Challenges:

- Business skills
- Profitability
- Limited demand (demand creation needed!)



WAY FORWARD?



Developing local private sector around the WASH project



Building synergies and cooperation with international private sector and local actors

Paving the way for the transition from aid towards trade while keeping development in the core of the cooperation

WAY FORWARD? CASE OF DEBRE BERHAN

- NIRAS, World Vision and Finnish Water Forum, are bringing together Finnish companies, interested in developing applications, technologies and project concepts with Ethiopian partners
- Initiative supported by BEAM (Business with Impact) program
- First potential project concept in Ethiopia: Debre Berhan Municipality Integrated Water Resource Development



Thank you!



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Come to meet us at the Finnish booth on Monday 29.8 and discuss more!