

MAPPING PUBLIC FINANCE FOR WASH IN BURKINA FASO

Burkina Faso was unable to generate full funding for its previous national programme to achieve the Millennium Development Goals (MDGs), falling short by more than a quarter. If the newly designed programmes for water and sanitation are similarly underfunded, the potential funding gap would be an estimated USD 1.1 billion.

WATER AND SANITATION IN BURKINA FASO

The Ministry of Water and Sanitation has recently initiated two new programmes to meet the Sustainable Development Goals for water and sanitation: the National Programme for Potable Water and the National Programme for Sanitation, Used Water and Excreta. Regional Directorates for Water and Sanitation (DREAs) are responsible for water and sanitation infrastructure construction, implementing CLTS campaigns, supporting municipalities and promoting public-private partnerships. Since 2009, municipalities have taken the lead in water and sanitation service provision and delegate this responsibility to water user associations in rural villages. In urban areas (defined as towns and cities with more than 10,000 residents), the state-run National Office for Water and Sanitation (ONEA) provides water and sanitation services.

Water access in Burkina Faso has improved a great deal over the last few decades, but more than half of Burkinabes still defecate in the open, although national-level data obscure rural-urban discrepancies. Urban water and sanitation coverage is much higher than in rural areas.

WHO PAYS FOR WHAT?

In theory, financing for WASH services is shared between municipalities and the national government (see Figure 1 for financial flows for water supply). In rural areas, water user associations collect annual fees from constituents and pay a small annual fee to the municipality for preventative maintenance. Large repairs can be paid for by the associations, or could be covered by municipal resources or the DREA. In the urban areas covered by ONEA, infrastructure development and operations and maintenance are all supported by user fees.

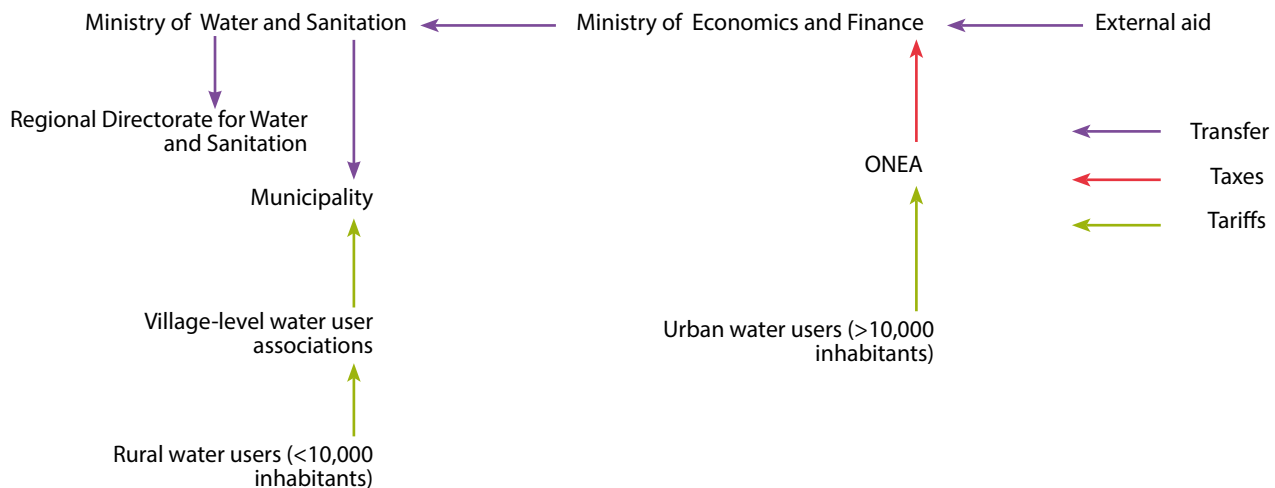
Basic water consumption (up to 8m³ per month) is subsidised through higher tariffs for 'excessive' consumption (i.e. above 30m³ per month). The tariff for the lowest amount of water consumed is only 20% of the tariff for those using more than 30m³ - USD 0.39 per m³ vs USD 2.16. Standpipe users also benefit from the tariff charged for basic consumption, which is cross-subsidised by non-residential tariffs (the non-residential tariff is set at USD 2.16 regardless of the amount of water consumed).¹

Major revenue sources for the new water and sanitation programmes will most likely be central revenues, external aid, NGOs, matching funds from municipalities, the private sector and user tariffs. Despite Burkina Faso's reliance on aid, ONEA operates with a degree of financial self-sufficiency because it collects user fees, so rural areas have the largest aid dependency. At the local level, ONEA reports that all operations and maintenance work is financed by these fees, and has developed tariff structures to expand urban water access to low-income residents (although this has not eliminated inequitable access).²

FUNDING GAPS

The previous water and sanitation programme (2007-2015) mobilised approximately USD 978 million from external aid and internal resources. This was approximately USD 357 million short of the funding needed to achieve the MDGs. This was partly due to reductions in external aid, but the national government did not increase allocations of its own resources to cover these gaps despite annual GDP growth over that time. Under the new programmes, the government is allocating funding for potable water; while it is official Ministerial policy to prioritise transfers to regions with poor water access and without project partners, this does not appear to be happening in practice (this could be because short-term project partners are not tracked by the central government).

Figure 1. Public financial flows for water supply in Burkina Faso



Central revenues are distributed to municipalities and earmarked to WASH objectives, channelled through the Regional Directorate for Water and Sanitation (DREA).

However, many municipalities are unable to generate sufficient local revenue to construct and maintain water and sanitation infrastructure. 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. Municipalities therefore seek funding from short-term partners (e.g. NGOs) and/or long-term partners (e.g. German Development Agency - GIZ). But these multiple funding sources have different schedules and requirements, and are difficult for municipalities to manage.

CONCLUSION

A robust national framework for WASH must be supported by adequate financing. Allocations per capita for WASH have been decreasing annually since 2011, and Burkina Faso still relies heavily on external aid. To achieve SDG6 by 2030, the government will need to mobilise more funding from its own revenues and in partnership with external agencies.

¹ Van den Berg C & Danilenko A (2017) Performance of Water Utilities in Africa. The World Bank Group, Washington DC.

² Newborne P, Tucker J & Bayliss K (2012) Strengthening pro-poor targeting of investments by African utilities in urban water and sanitation: the role of the International Development Association of the World Bank. ODI, SOAS, WaterAid; Newborne P & Tucker J (2015) The urban-rural water interface: a preliminary study in Burkina Faso. ODI

Table 1. Burkina Faso WASH financing data

	2010	2011	2012	2013	2014
Total public expenditure on WASH for '07-'15 WASH programme (USD)	133 million	172 million	150 million	155 million	133 million
% of total public expenditure on WASH from gov't resources (and external aid)	47% (53%)	34% (66%)	43% (57%)	46% (54%)	53% (47%)
WASH public expenditure as % of GDP	1.5%	1.6%	1.3%	1.3%	1.1%
Public WASH expenditure per capita (USD)	8.52	10.66	9.06	9.05	7.54

Source: Humphreys E (2017) Mapping Public Finance for WASH: Working Paper Burkina Faso. IRC

PUBLIC FINANCE for WASH

The Public Finance for WASH initiative is grounded on two principles: i) that sustainable universal provision of high-quality water and sanitation services is fundamentally dependent on progressive domestic taxation systems, and that consequently ii) WASH-sector donors, donor-funded NGOs and in-country actors need to pay greater attention to ensuring that ODA is delivered in ways which support the development of effective and equitable domestic public finance systems.

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