

# Municipal finance for sanitation in three African cities

Ben Edwards, Tanvi Nagpal, Rachel Rose,  
Abdul Nash Mohammed, André Uandela, Mark  
Wolfsbauer, Guy Norman

## Contents

Executive Summary	3
1. Introduction	5
2. Municipal finance for sanitation in Maputo (Mozambique)	5
2.1 Maputo: chief stakeholders and decision-makers	6
2.2 Maputo: current municipal finance situation	8
2.3 Maputo: current sanitation advocacy situation	9
2.4 Maputo: opportunities for change	10
3. Municipal finance for sanitation in Nakuru (Kenya)	12
3.1 Nakuru: chief stakeholders and decision-makers	12
3.2 Nakuru: current municipal finance situation	14
3.3 Nakuru: current sanitation advocacy situation	15
3.4 Nakuru: opportunities for change	16
4. Municipal finance for sanitation in Ga West (Ghana)	19
4.1 Ga West: chief stakeholders and decision-makers	20
4.2 Ga West: current municipal finance situation	21
4.3 Ga West: current sanitation advocacy situation	22
4.4 Ga West: opportunities for change	22
5. Patterns emerging: current budget situation	26
6. Ways forward...	28
6.1 Tracking sanitation finance	28
6.2 Mechanisms of sanitation finance	29
6.3 Advocacy for sanitation finance	30
References	32

## Executive summary

Cities throughout the developing world face daunting challenges in providing adequate sanitation services, particularly for low-income communities. Any 21st-century solution to this problem must include market-driven approaches: people (including poor people) paying directly for goods or services received. At the same time, it is clear that the market alone is not sufficient to provide sanitation services to all: the money that low-income people are able and willing to pay directly for sanitation services (tariffs) must be supplemented by international transfers (donor funds) and –critically important for sustainability– by taxes (public funds).

At the city level, public finance for sanitation may be derived from local taxes or tariffs, or from transfers from central government. [Throughout this paper, “public finance” is used to mean money derived from domestic (in-country) taxes and tax-like charges, whether raised nationally or locally.] In the great majority of African and South Asian cities, the amount of public finance allocated to sanitation at the local level is typically both very small, and very difficult to accurately assess. The present Discussion Paper reports data on municipal public finance for sanitation in three African cities, based on in-country examination of available budget records: Ga West Municipality, part of the Greater Accra conglomeration in Ghana; Maputo, capital of Mozambique; and Nakuru County in Kenya, including the city of Nakuru. Alongside previous data on Temeke (Dar es Salaam) from Trémolet & Binder (2013), this begins to provide a more complete understanding of municipal public finance for sanitation in African cities. We look at each city one by one, in each case considering a) the nature of the sanitation sector, b) the current state of municipal finance for sanitation, c) the current state of advocacy around sanitation, and d) opportunities for advocacy to increase municipal public finance for sanitation.

Current municipal budget allocations to sanitation are estimated at around 3% of municipal budget in Ga West, 2% of county budget in Nakuru, and 0.3% of municipal budget in Dar es Salaam. In terms of investment per capita, this amounts to about \$0.20 per person per year in Ga West, \$1.60 per person per year in Nakuru, and \$0.03 per person per year in Temeke (Dar es Salaam). We have no data for Maputo, but we suspect that the numbers are currently very low. Even in the cities for which relatively good data is available (Ga West, Nakuru, Temeke), there are major data gaps and deficiencies: there is a clear need for more systematic tracking of city-level sanitation finance flows, for example using the TrackFin methodology. In no city is there a single budget line for sanitation services, nor any attempt to systematically disaggregate sanitation expenditures. For example, we currently have no clear data on municipal staff and office costs associated with sanitation.

In all three cities for which reasonable data is available, around 20–30% of revenues are own-source revenues, i.e. from taxes and tariffs raised locally. In none of these cities is there currently any revenue source that is earmarked (hypothecated) for sanitation. Funds invested by the municipalities in sanitation are largely spent on public toilets, though in Temeke there is reported expenditure on demand promotion and inspection activities. Apart from public toilets, there is very little city-level public investment in other sanitation improvements (e.g. toilet subsidies, support for faecal sludge management, support for sewerage in low-income communities).

Available models for local revenue generation to provide funds for sanitation are briefly reviewed. These models include a) sanitation levies collected via water bills (currently under serious consideration in both Maputo and Nakuru); b) sanitation levies collected via property taxes (currently being explored in Ga West); c) general municipal budget allocations to sanitation; and d) earmarked transfers from central government.

This research has identified a number of ways forward for advocacy around municipal public finance in the different cities. In all three cities, civil society lobbying is currently very limited in scope and ambition. Advocacy on budget transparency is particularly weak; in Nakuru, for example, there is a clear process for seeking community input to budgeting processes, but typically only a few community members participate in local forums. Absence of political will was widely recognised as a real obstacle to increased public funding for sanitation, but there are few avenues or opportunities to hold political officials accountable through media reports: journalists tend to have little interest in sanitation issues (“sanitation doesn’t sell newspapers”), and at the same time NGOs and civil society groups have weak understanding of how to use conventional and new media for promoting key messages and supporting citizen voice. Furthermore, this study has found a widespread perception among WASH/development professionals that attempting to influence politicians and political processes may be unhelpful to your career: it’s better to keep a low profile, not get a reputation as a troublemaker. This perhaps suggests that there is a need to identify ways in which sanitation improvements can be presented to politicians as a positive opportunity: for example, by convincing them that public health benefits can win votes, and/or focusing on the commercial and economic advantages for the city of improving sanitation.

Notwithstanding these challenges, there is clear space and opportunity for carefully targeted advocacy in all three cities. Perhaps the most fundamental need in all three cities is for more detailed and transparent public reporting of sanitation expenditures: this is critical for any effort to increase revenue generation and sanitation spending in low-income urban communities.

Cities throughout the developing world face daunting challenges in providing adequate sanitation services, particularly for informal and low-income communities. Any 21st-century solution to this problem must include market-driven approaches: people (including poor people) paying directly for goods or services received. At the same time, it is clear that the market alone is not sufficient to provide sanitation services to all: the money that low-income people are able and willing to pay directly for sanitation services (tariffs) must be supplemented by international transfers (donor funds) and –critically important for sustainability– by taxes (public funds).

## 1. Introduction

<sup>1</sup> Throughout this paper, “public finance” is understood to mean money derived from domestic (in-country) taxes and tax-like charges, whether raised nationally or locally. Public finance can be used in a broader sense, to mean any source of revenue for public institutions (including for example tariffs raised on a commercial get-what-you-pay-for basis by publicly owned service providers): but here we use “public finance” in the more restrictive sense to refer to taxes only.

At the city level, public finance<sup>1</sup> for sanitation may be derived from local taxes or tariffs, or from transfers from central government. In the great majority of African and South Asian cities, the amount of finance allocated to sanitation at the local level (whether by local governments or by other local-level actors), is typically both a) very small and b) very difficult to accurately assess. We are aware of only two previous reports giving detailed information on municipal sanitation budgets: Fjeldstad et al. (2005), who report data for two Namibian small towns, Odangwa and Outapi, and Trémolet & Binder (2013), who report data for Dar es Salaam in Tanzania. Trémolet et al. (2013) carried out a desk review of municipal finance for sanitation, aiming to collect basic data on 18 major African cities. Despite a concerted effort, however, they were unable to obtain data for any of these cities, except for some South African cities (eThekweni, Cape Town) and for Dar es Salaam as already indicated. The authors note that “municipal officials themselves, when contacted, were not able to provide figures on financing allocated to sanitation, reflecting the fact that public spending on sanitation is not actively tracked in most cities”. Further to this, they state that “in the absence of tracking systems at municipal (or national) levels, evaluating how much cities are currently spending on sanitation is difficult, as financing usually comes from a variety of sources and is channeled through different entities; it is therefore usually necessary to reconstruct sanitation spending from a variety of sources, which [typically requires] detailed field work”. As discussed in Section 6.1 below, Trémolet et al. (2013) make a number of proposals for better city-level tracking of sanitation finance flows, using the methodologies of the UN-Water GLAAS TrackFin initiative.

The present Discussion Paper reports data on municipal public finance for sanitation in three African cities, based on in-country examination of available budget records. Alongside the previous data on Dar es Salaam from Trémolet & Binder (2013), this begins to provide a more complete understanding of municipal public finance for sanitation in African cities.

This data on municipal public finance has been collected by a research team (from the Urban Institute in Washington DC, and John Hopkins University in Baltimore) as part of a wider research study looking at how organisations like WSUP can successfully influence municipal government to raise and allocate more public finance to sanitation in low-income urban communities. In what follows, we look at each city one by one, in each case considering a) the nature of the sanitation sector, b) the current state of municipal finance for sanitation, c) the current state of advocacy around sanitation, and d) opportunities for advocacy to increase municipal public finance for sanitation. In Section 4, we compare municipal finance for sanitation in the four cities for which good data is available (Nakuru, Maputo, Ga West and Dar es Salaam). In Section 5, we briefly consider ways forwards in terms of i) mechanisms of municipal public finance for sanitation, ii) improved tracking of municipal public finance for sanitation, and iii) advocacy to increase municipal public finance for sanitation.

## 2. Municipal finance for sanitation in Maputo (Mozambique)

According to the Joint Monitoring Program (JMP) and Mozambican National Institute of Statistics (INE), improved sanitation coverage in Mozambique stands at 14% and 44% for rural and urban areas respectively. It is likely that this number actually overstates the percentage of the urban population with access to safe sanitation. The sanitation sector in Maputo is characterized by a profusion of actors and stakeholders, with few clear and widely agreed-upon roles, and broadly overlapping mandates. Importantly, we found that while each stakeholder was relatively clear about their own scope, no stakeholder was able to identify who, if anyone is primarily responsible for the provision of sanitation services to the urban poor.

Though the current situation may seem daunting, there is a strong movement underway to clarify sanitation responsibilities, and a strong sector stakeholder community is well-situated to conduct effective advocacy for clearer lines of responsibility, increased city-level finance for sanitation, and improved service delivery. Moving forward to advocate for these changes will require sector stakeholders to identify additional champions for the poor among the various municipal and semi-autonomous entities described below, and to make a concerted effort to move beyond information sharing as the primary method of advocacy. Because Maputo's local government structure does not naturally incentivize pro-poor service delivery on the part of the municipal council, sector advocates interested in increasing municipal finance for pro-poor sanitation will need to find creative ways to make this a "win-win" issue for the various political and administrative actors involved.

## 2.1 Maputo: chief stakeholders and decision-makers

At the national level, policymaking for water and sanitation is the responsibility of the National Directorate of Water (DNA), which is housed in the Ministry of Public Works and Housing, and of the Environmental Health Department within the Ministry of Health. The DNA sets national targets for access and resource needs, and is instrumental in creating long-term strategic plans including urban sanitation strategy plans. The Environmental Health Department sets drinking water and sanitation standards following WHO standards.

An independent water regulator, Conselho de Regulação de Aguas (CRA), is also a key player at the national level. CRA sets service delivery standards and approves tariffs and water charges. CRA's annual report on service provision is seen as a powerful instrument for improving transparency and benchmarking delivery, and is widely shared with media and non-government organizations. At the time of writing, CRA does not have the authority to levy fines on providers who do not meet standards. Sanitation has traditionally not fallen under its purview, because no national-level agency or autonomous provider has been responsible for sanitation; furthermore, CRA's powers to regulate sanitation provision in Maputo are limited because the municipal government –which is formally responsible for sanitation provision– is perhaps sufficiently politically powerful to be "immune" to regulation. Since 2009, however, CRA has had responsibility for regulating sanitation, and it is currently developing a regulatory framework to be applied to the municipality. Furthermore, CRA is in the process of revising its statutory laws including powers of sanction and fines. CRA provides an annual audit of the water service providers in the country, and this audit is widely shared and used as a benchmark for service provision in the water sector; however, sanitation services are not currently covered in this audit.



CRA and WSUP staff

In 2009, the central government, with funding from the Millennium Challenge Corporation and the World Bank, created AIAS (Administração de Infra-estruturas de Agua e Saneamento), a semi-autonomous asset owner, responsible for capital investment in water supply and sanitation in small and medium-sized cities, and for urban sanitation. AIAS is a new agency and its effective role in sanitation remains unclear. Interviewed AIAS officials indicated that while AIAS would be responsible for improving sewerage networks in town and cities, non-sewered populations would remain the responsibility of municipalities. The citywide sanitation strategy (preliminary elements of which were prepared in partnership with WSUP in 2011) will be implemented in part through AIAS.

The main water utility in the city is Aguas Da Região de Maputo (AdeM), which was previously called Aguas de Moçambique. AdeM was created in 1999 through a public-private partnership led by SAUR, a French private operator, and local investors. In 2001, SAUR pulled out of the partnership and Aguas de Portugal renegotiated

contracts for provision with the remaining investors. In 2010, the government of Mozambique ended a private contract with Aguas de Portugal, four years prior to its official expiration. Through the water asset holding company FIPAG, the government purchased Aguas de Portugal's assets and turned them over to the re-branded AdeM for management. AdeM serves a little over half the population of Maputo through a piped network, and it is unclear whether it covers more than just operation and maintenance expenses and operates at a profit. There are some concerns that the percentage of non-revenue water has been rising under AdeM's management. The population that is not served by AdeM relies on hundreds of unlicensed small network operators and providers. AdeM is the likely administrator of the proposed sanitation surcharge discussed in greater detail below.

The division of responsibilities for water and sanitation at the municipal level is confusing, with overlapping authorities for the two main trunk sewers, municipal drains and the poorly functioning treatment ponds at Infulene. The CMM's Infrastructure Directorate is responsible for overall development, operation and maintenance of roads, parks, gardens, and provision of water and sanitation through its five departments. It is supposed to take the lead in providing strategic direction for investments and coordinating with CRA, FIPAG, AdeM and AIAS. The directorate also oversees the water and sanitation department (DAS-CMM), which has overall day-to-day responsibility for urban water and sanitation provision. The Directorate provides input into the budget-making process at the municipal level, but it cannot design or propose projects.

Specifically, DAS-CMM is responsible for stormwater drainage, wastewater management, and desludging of septic tanks (though this latter responsibility is in practice limited to government buildings). Recently the responsibility for the managing one of the main sewer trunk lines, and for the poorly functioning treatment site at Infulene, was also transferred from the Maputo Drainage Office (under DNA) to CMM's DAS. According to officials at both the Infrastructure Directorate and in DAS, this additional responsibility has come with no additional funds. The water and sanitation department is generally under-funded, and it is unclear whether this is because the budget requested by the municipal council does not include expenditure on sanitation, or because the budget allocated falls short of what is requested, or both. It is clear, however, that DAS currently conducts no major activities to improve on-site sanitation.

Non-government organizations active in the WASH space often work with local leaders and community-based organizations to implement their projects. For example, WSUP has worked closely with such groups in two low-income districts in Maputo to increase the number of household connections to the water network. It has also worked in seven neighbourhoods to construct improved communal and shared toilets. While engaging community leaders (chefes de bairro) is not always a smooth or easy process, they can be instrumental in the success and failure of investments. The system of political representation in Maputo makes political accountability problematic. The Mayor appoints a cabinet and several senior staff in the municipal technical departments. Since these members of the staff are not elected, they are not accountable to a certain community or district. The Municipal Assembly is elected, and has a formal oversight role with respect to the city budget; but assembly members are selected from party lists, and have no direct ties to any geographic area within the city, a system which breaks key accountability links and erects barriers to collective action on the part of residents of low-income and unplanned areas.

The World Bank's Water and Sanitation Program continues to be a major actor in the sanitation space in Maputo. The program provides both research and policy guidance for the government and works closely with NGO partners through the WASH working group. However, WSP is somewhat independent of the World Bank's operation and

lending arms, and its research resources can be used for advocacy both within the Bank and with government. WSP has been a leader in piloting new approaches for community mapping and monitoring of sanitation, and in creating new advocacy tools that focus on the health and economic costs of poor sanitation.

Other international financing agencies with a presence in Maputo include DFID and previously AUSAID (now DFAT) and MCC. However, the majority of their investments have focused on extending and improving water provision and on rural sanitation. In general, there are few donors who work at the municipal level on sanitation, and the municipal government has almost no partnerships with donor-funded NGOs in this sector. WaterAid has been working in other towns but has a limited presence in Maputo, though they may now be beginning to work in Matola and Boane (part of the Maputo agglomeration). UNICEF advocacy has not been specific to urban sanitation, although it has played an important role through the Sanitation and Water for All declaration. In recent years, UNICEF has focused more on smaller towns and on rural areas to scale up CLTS.

## 2.2 Maputo: current municipal finance situation

Determining the precise extent of municipal own-source finance for sanitation in Maputo has proven exceptionally difficult. Currently, no major sanitation-specific revenues are collected, and the overlapping division of responsibility for sanitation service provision makes it difficult to identify how much money is spent on any given aspect of sanitation, or by whom.

In terms of the budget structure, it was not possible to determine total spending on sanitation-related services from documents made available to the research team, or from public documents accessed via the Maputo Municipal Council website. While internal documents may or may not contain references to sanitation-specific expenditure codes, no publicly available documents contain such information. During interviews, municipal officials explained that it is not possible to determine the source of funding for sanitation investments, as all revenues (taxes, fees, and central government and donor transfers) are shunted to the general fund. However, budget documents provided by the Municipal Directorate of Infrastructure seem to show “Source of Funds” for various capital investments in roads and potentially drainage: specifically, 10,678,776 meticaís (about \$350,000) was budgeted in 2014 for “acquisition of goods for the maintenance of streets and the sanitation network”, from the source “Maputo Municipal Council/R. Consig.”.

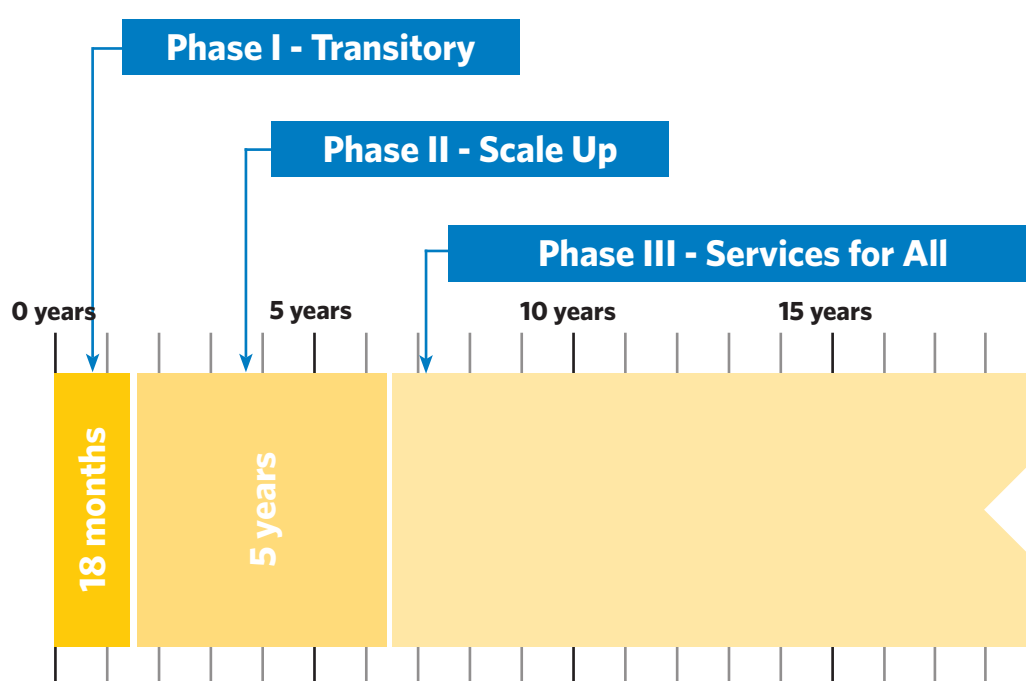
While essentially no information is available on city-wide sanitation expenditures in Maputo, some information is available on revenues. The municipality collects two small revenue streams associated with sanitation: an emptying fee for use of the municipally-owned exhauster truck, and a nominal tipping fee at the treatment plant at Infulene. The fee for emptying by the single municipal exhauster truck is 1,500 meticaís per 6 m<sup>3</sup> tank emptied; however, the truck is approximately two decades old, and is only functional about one month in three. Municipal officials were unable to indicate the charge for emptying an exhauster truck at the Infulene treatment plant, and respondents gave conflicting information about whether the fee is currently collected. Regardless, there is no legal framework for collection of this fee, and municipality respondents indicated that setting up such a framework is a priority. These two revenue streams do not comprise a significant source of funds for the municipality.

At the current time, the municipal authorities, CRA and other stakeholders are discussing the possibility of imposing a sanitation-earmarked surcharge on water bills (the *taxa de saneamento*), which will be used to improve sanitation throughout the city including in low-income communities. One proposal is that households using



less than 10 m<sup>3</sup> of water per month will not be required to pay the surcharge, but WSUP and other WASH sector stakeholders have raised concerns about this charging model, since poor households tend to have more residents living in the same domicile, so that the household's total water consumption is not a good proxy for wealth. WSUP has recently proposed alternative charging models which are more equitable than simply charging in proportion to water consumption<sup>2</sup>, together with an implementation schedule and plan for the tariff, presented in Figure 1. It is important to note that while this surcharge would increase sanitation funding in Maputo, it is not currently clear how exactly the additional funds would be spent to increase sanitation service provision, nor who would be responsible for that service provision, or whether the services provided would include on-site sanitation.

**Figure 1.** Implementation schedule and plan for the sanitation tariff



## 2.3 Maputo: current sanitation advocacy situation

Advocacy efforts can be grouped into four categories, in terms of the underlying source of the problem they seek to address: information gap approaches, political will approaches, absence of demand approaches, and power imbalance approaches. These underlying problem categories call for different advocacy methods, different target audiences, and different core tools.

There is an active sector group (Grupo de Agua e Saneamento, GAS) which brings together stakeholders involved nationally in WASH planning. Participants include government, donors, UN agencies, international NGOs, local CBOs, etc. It is chaired by DNA with support from UNICEF. There is also a WASH donor's coordination group, currently chaired by AfDB: this brings together not only donors but also the major NGOs active in WASH.

GAS meetings are well attended and perceived as critical for influencing WASH policy at the national level, predominantly by attempting to close information gaps. But the meetings are not attended by non-WASH actors from sectors such as education, health, or transport, who may be competitors for the same basket of funds from the center. Neither are the meetings a forum to hear from community members who may have water or sanitation concerns, or even grassroots leaders. Private sector

actors, who typically provide most sanitation services, are also not part of these meetings. Local media are invited to the most important events but there is no regular interaction between journalists and major NGOs/donors.

The most commonly undertaken advocacy activities carried out by NGOs within communities take place in the context of triggering behavior change via increasing demand for services: ending open defecation, or upgrading toilets, or building support for an NGO-funded program that may encourage households to contribute labor or cash toward the construction of toilets, cleaning of drains, etc. These activities typically do not involve local bureaucrats or elected officials and have no impact on local government budgets and expenditures on sanitation.

Media outreach by NGOs and community groups has been limited. The government provides funding to most major media outlets, and there is a high level of self-censorship due to real or perceived power relations. There are two main newspapers in Maputo, but their readership is somewhat limited to the educated and affluent population. One main radio station, Radio Mozambique, reaches the greatest number of people, followed by Radio Cidade, which is state-funded and appeals to a younger audience. There are ten open TV channels in Maputo, including the two channels of the national public broadcaster Televisão de Moçambique (TVM), the international channel of the Portuguese public broadcaster RTP, plus other channels mainly owned by Mozambican entities and companies (STV, TIM, TOPTV, GunguTV and ECOTV) and churches (MIRAMAR, MANÁ, ITV). TVM receives 60 percent of its funding from the Mozambican government. A growing number of urban youth also gets news from social media such as Facebook and Twitter, but there is little understanding of earned media among WASH NGOs. Coverage of water and sanitation is typically limited to articles or news reports about new loans, grants, or inaugurations of new toilet blocks.

The absence of political will was widely recognised by our respondents as being a real obstacle to increasing funding for sanitation, but there are few avenues or opportunities to hold political officials accountable through media reports. Non-government organizations and donors must remain apolitical, and there is no history of civil society groups using political voice. To the extent that lobbying is seen as influencing central decision-makers to change budgetary allocations, it may be associated with corruption and graft, and sector actors are hesitant to use the word, preferring the term “advocacy”.

## 2.4 Maputo: opportunities for change

There are many opportunities for information sharing, social marketing, lobbying and networking in the Maputo sanitation sector. Based on interviews and observations, it appears that NGOs active in the water and sanitation sector have had limited success in raising the profile of sanitation relative to water within the national government. There is little to no discussion or understanding of the sanitation service delivery chain. In urban areas, the construction and management of toilets is viewed as a private matter. Even at the senior-most levels sanitation and solid waste management are often bundled together, although there is an acknowledgement that both these services are problematic. The only officials who claimed any responsibility for sanitation for the poor were in DAS.

Donors continue to fund the bulk of sanitation-related activities both at the community and at the national level, and government officials seldom mention urban sanitation when referring to service delivery problems (though rural sanitation comes up routinely). While national level decision-makers have acknowledged the need to fund certain sanitation-related expenditures such as sewage treatment through the national budget, the actual amounts available at the municipal level remain very small and

insufficient to undertake any substantial improvements in collection or treatment.

The lack of attention paid to sanitation is sustained by a general wariness on the part of sector stakeholders to get involved in sanitation finance from the political side. Despite the fact that the CMM budget is necessarily a political document, no representative of any NGO expressed interest in lobbying or even educating politicians on the importance of sanitation and its relationship to key health outcomes. This reticence is driven at least in part by the understandable belief that politics in Maputo can be dangerous, both to relationships and to careers. However, effective political advocacy for sanitation need not be framed as adversarial to politicians' interests. To the extent that sanitation service delivery has strong positive externalities, both in terms of public health, and, especially along the coast north of downtown Maputo, in terms of tourism, more effective waste collection and treatment could be framed as a political opportunity for all participating politicians.

Maputo has a vibrant and growing economy, with widespread construction both in the downtown core and along the coast north of the city center. In this context, it makes sense to frame sanitation as a city-wide opportunity for growth, attracting international investment and tourism. Such a campaign would be attractive to the private sector, which is heavily investing in tourism and the provision of consumer goods in the capital area. It appears that previous attempts at creating small-scale businesses to manufacture toilets did not go to scale once donors withdrew support. However, little has been done to engage existing medium and large businesses in sanitation campaigns. Coupled with the proposed sanitation surcharge on water bills, or some other sort of "betterment levy", a tourism and public health-oriented advocacy campaign could enlist new supporters for the cause of pro-poor sanitation.

Non-government organizations can also do more to link grassroots voices with officials at the national level in ways that are constructive. The Youth Parliament is already active at the local level and has members from both political parties, and could be a good partner. While it appears that the agenda of the Youth Parliament has thus far focused on increasing transparency and accountability in the government, the leadership of the organization may be open to widening their agenda to include pressing service delivery challenges.

At the municipal level, individual councillors, especially those who serve on the executive council, can be important supporters for sanitation. They are responsible for proposing budgets to the Municipal Assembly, which in turn determines how local resources will be allocated. The Finance Councillor is an especially key player in this regard.

Finally, there is an opportunity to strengthen media actors as effective advocates for pro-poor service delivery. Interaction with the media chiefly takes place when NGOs invite members of the press, TV or radio to cover events; members of the media are typically paid a per diem to cover these events. There is no understanding of earned media, which is essentially online coverage through re-posting, sharing or tweeting of news and information. This sort of viral coverage can reach many more people than one-off news articles, especially in urban areas. A good media strategy could use a combination of advertising (paid media), earned media and owned media such as websites. This would enable effective advocacy in the near term, but also favour longer-term strengthening of media relationships, a key ingredient in promoting government accountability.

### 3. Municipal finance for sanitation in Nakuru (Kenya)

<sup>3</sup> Making the budget year beginning 1 July 2013 the first full budget year for all Kenyan counties.

In 2010, Kenya promulgated a new national constitution, replacing more than 100 local authorities of various types with 47 counties, the sole level of government below the national government. Though the constitution was adopted in 2010, county-level governance was not implemented until March 2013,<sup>3</sup> in order to provide for a smooth transition. The counties have been allocated responsibility for many aspects of public financial management and service provision, including the provision of sanitation services in both rural and urban areas. There are widespread expectations that devolution will bring development and improved service delivery, and the sanitation sector is no exception.

<sup>4</sup> WHO/UNICEF Joint Monitoring Program, 2014. Progress on Sanitation and Drinking Water - 2014 Update. Geneva, World Health Organization, p. 60.

According to the 2014 Joint Monitoring Program (JMP) report on water and sanitation, approximately 30% of Kenyans have access to improved sanitation. In effect this means that the majority of the population is relying on shared facilities (26%) or a basic pit latrine (31%). In urban areas Kenyan residents are most likely to use a shared facility (48%), with only 31% of people living in a town or city having access to improved sanitation.<sup>4</sup> The state of sanitation coverage in Nakuru's low-income urban areas is not known in detail, but interviews with Nakuru County officials suggest that the level of access to improved facilities is extremely low.

Sanitation provision in Nakuru is split between the public and private sector. Within the public sector, county ministries play a role in providing some public toilet facilities, building sewer networks, and public hygiene education. A publicly owned water and sanitation utility maintains sewer systems and two wastewater treatment plants. The private sector maintains and operates many public toilet facilities. Septage emptying services are entirely privatized. Households are responsible for toilet construction and on-site liquid waste management, and households located within 50 feet of a sewer line are in theory required to connect to that line.

#### 3.1 Nakuru: chief stakeholders and decision-makers

**Government:** As noted, Kenya's 2010 constitution assigns responsibility for the provision of sanitation services to the county level of government. The governing legislation in the combined water and sanitation sector is the 2002 Water Bill, which is currently undergoing revision to reflect changes brought about by the new constitution. Both the 2002 Water Bill and the version currently under revision allow for the creation of high-level water and sanitation service boards, which are intended to monitor and regulate county-level water and sanitation utilities. The 2013 legislation (in its current form) proposes combining several such regional boards into a single national board. Local utilities are, and have been, managed as semi-autonomous publicly-owned companies, governed by a board of directors which includes representatives from the various communities served.

Under the new institutional arrangement (as of March 2013), there are a variety of county-level actors who also participate in providing sanitation services:

- The Ministry of Environment, Natural Resources, Energy, and Water is responsible for urban drainage systems.
- The Ministry of Health is responsible for toilet blocks in schools and clinics, as well as for sanitation and hygiene education.
- The Ministry of Roads, Public Works, and Transport plays a role in providing sewerage (assisting in procurement and surveying/construction management).
- The Ministry of Trade is responsible for providing toilet blocks in markets.

The County Department of Public Health and Sanitation is mandated to finance health promotion and education, maintain public toilets in the city and oversee them in schools, and monitor septage exhausters to ensure that they comply with the Public Health Act of 2013. The County Public Health Officer and his team of sub-county health officers and 3000 public health volunteers are responsible for disease surveillance, and have concluded that the top ten causes for morbidity in the county are water-related. The Public Health Department is therefore a vociferous supporter of investment in both water and sanitation. The Department is also attempting to organize a cross-ministry working group on WASH, which may offer a useful forum within which to focus attention on pro-poor strategies and programs.

It is important to note, however, that after a little more than one year following devolution, the county-level institutional hierarchy remains unclear: not all elements of sanitation service provision are covered by county-level institutions, and many institutions are only peripherally aware of other actors in the sector.

**Utility:** Nakuru Water and Sanitation Supply Corporation (NAWASSCO) is a publicly owned utility responsible for water and sanitation services, including maintaining and extending household access to water and sewers, and the management of a water treatment plant and the two local wastewater plants. The utility contracts some septage exhaustion services to private operators.

According to senior management, the utility currently supplies piped water to 33,000 households and also services 14,000 sewer connections. Given that the total population of Nakuru was estimated at 326,000 in 2009, and according to unofficial estimates is much higher at around 650,000, there is a large unserved population that does not receive services through NAWASSCO. Households that are not connected to pipes generally get water from either NAWASSCO supplied and subsidized kiosks, or from bulk water tankers.

The vast majority of the population in Nakuru relies on some form of on-site sanitation. The Public Health Law states that households within fifty meters of a sewer are obligated to connect to it and must not continue to use a septic tank, pit or cesspool, which are the most commonly used options. The water utility is authorized (under both the proposed and the existing Water Law) to levy a "sanitation charge" on the water bill to all customers. The precise current and planned nature of this charge is unclear. In Nakuru City, sewered customers are certainly charged for sewerage services. Some respondents indicate that NAWASSCO is interested in extending this charge to non-sewered customers, to pay for FSM services. It is not currently clear whether this charge might include any tax-like cross-subsidy component. Furthermore, other respondents have indicated that WASREB is looking at the possibility of a sanitation levy used to finance public toilets. It is worth noting that WASREB's current KPI set for utilities covers wastewater but not FSM. We (the authors) certainly consider that FSM services for low-income consumers require partial subsidy.

NAWASSCO currently raises revenues that are sufficient to cover its own operation and maintenance expenditures and maintain capital. Households in County-owned estates currently do not pay a water tariff, as the property itself is owned by the city. Officials estimate that 48% of NAWASSCO-supplied water is non-revenue water and that this percentage would fall by approximately 10% if estates began to pay their bills. While on paper the utility has sufficient revenues for operation and maintenance, the Old Town wastewater treatment plant has not been fully functional for at least six months. The primary treatment tanks are unused and wastewater is being sent directly to ponds.

While NAWASSCO may be able to cover most costs it does not have significant reserves, nor is it permitted to raise capital independently for extending

infrastructure. Resources for capital expenditure come from a number of potential sources including the multi-donor Water Trust Fund, the County Office for Environment, Water and Natural Resources, and the Rift Valley Water Board.



Wastewater treatment facility, Nakuru  
Photo: Rachel Rose

**Private Sector:** In Nakuru the private sector provides septage exhaustion services (i.e. pit emptying services) in both rural and urban areas. Nakuru currently has two wastewater treatment facilities (one handles exclusively industrial waste). Private operators may empty at the facility that handles non-industrial waste for a moderate fee (15000 Ksh for an annual license, about US\$170; changed from 150 Ksh per tip, as of July 2014). NAWASSCO owns one exhauster truck, but it has not been operational for several months. The primary wastewater treatment facility for domestic wastewater is only semi-functional, as the primary and secondary clarifiers appear not to be functioning and the wastewater is flowing directly into a series of anaerobic ponds. Private operators currently empty septage directly into the topmost of a series of several treatment ponds, the outflow of which empties into Lake Nakuru.

**Donors:** Several major donors and implementing agencies are active in Nakuru County, including the World Bank, UNICEF, European Union, and WSUP.

### 3.2 Nakuru: current municipal finance situation

Municipal own-source finance for sanitation in Nakuru is very limited. As described above, the situation is currently in flux as the County government works to define roles and responsibilities for the various entities with a stake in the sector. While not strictly a municipal entity, NAWASSCO has the largest presence in the sanitation sector; though with the County Ministry of Health entering sanitation service provision, this situation may change in the near future.

The County's budget is made publicly available in reasonable detail, making it possible to determine total spending on sanitation-related services, but this requires a labour-intensive scanning of the full 258-page budget document. Recurrent expenses related to sanitation have their own codes (e.g. 2220205 "Maintenance of Public Toilets", 2210102 "Water and Sewerage Charges"), but there is no function-specific or programme budget code related to sanitation. Sanitation (specifically sewerage services) is combined with water provision and management under budget vote 0104.02 (Water resources and sewerage services). These funds are described in the program portion of the budget document as being targeted at increasing the number of households connected to sewerage systems. Capital expenditures related to sanitation were not attached to any particular expenditure code in the documents seen by the research team, and were calculated based on the capital project names available in the budget.

Nakuru City does not have a separate budget, and city-specific expenditures are unfortunately indistinguishable from county expenditures, which of course include rural components.

In 2013/2014, the Nakuru County budget allocated approximately 49,942,200 Kenya shillings (about US\$ 530,000) to new sanitation capital investments (approximately 2% of the total County capital budget of 2,729,209,390 Ksh). The funds cover 17 projects split between 5 Ministries. However, it is not possible to determine the source of this funding: it may come from central government transfers, from own-source revenues, or from on-budget donor finance. In 2014/2015, capital budgeting has increased to approximately 53 million Ksh (about US\$ 595,000, again 2% of the total capital budget), split between the same 5 Ministries, though approximately 60% of these funds are to be administered by the Ministry of Health's Primary Health department.

In terms of operation and maintenance of existing urban sanitation facilities, Nakuru County budgeted 6,100,000 Ksh (about US\$ 68,000) for the maintenance of public toilets in 2013/2014. These expenditures are split between the Ministry of Health (5,900,000 Ksh) and the Ministry of Roads (200,000 Ksh). In 2014/2015 the County has budgeted an increase in O&M for public toilets to 11.5 million Ksh, again split between Health (2 million) and Roads (9.5 million).

In terms of sanitation-specific municipal revenue, Nakuru County previously collected a tipping fee from private exhauster trucks, which (as noted above) has recently been changed to an annual licensing structure. Nakuru does not currently earmark any general or specific revenues towards sanitation expenditures. More generally, municipal revenue comprises 20.4% of Nakuru's 2014 budgeted revenue. The most important revenue items are land rates (910 million Ksh), Single Business Permits (300 million Ksh), Parking Fees (235 million Ksh), and Plot Rents (210 million Ksh).<sup>5</sup> As a portion of municipally generated revenue, these categories represent 36%, 12%, 9%, and 8%, respectively.

While Nakuru County is just beginning to get involved in sanitation provision, NAWASSCO has a long track record of providing and financing sewerage services. While it does not fund new capital investments, the utility does collect revenues equal to the cost of operation and maintenance of the sewerage assets that it operates, as well as the costs of capital depreciation.

NAWASSCO budgeted 6,781,200 Ksh for operation and maintenance of sewerage and treatment facilities in 2013/2014 (funded via NAWASSCO's water revenue collections). This represented 2% of NAWASSCO's total budget for operations and maintenance; however, this may overstate the amount spent on sanitation, as the budget documents available combine maintenance for "water and sewerage ponds". These funds are drawn from the utility's operating revenues, which are composed entirely of water fees (assessed per cubic meter via a transparent formula available online) and a sanitation levy (75% of the water charge, and combined and presented in the same billing document).

### 3.3 Nakuru: current sanitation advocacy situation

There is a small group of NGOs and CBOs active in water and sanitation in Nakuru city, with a somewhat limited understanding of how to design and implement advocacy plans targeting sanitation for the urban poor. In general, WASH-sector NGOs have concentrated on raising awareness of the problems of inadequate sanitation (an information gap approach), focusing primarily on rural areas where community-led total sanitation (CLTS) campaigns are being implemented. Some NGOs have helped households or schools build toilets, or have provided resources to improve public toilets, but have not engaged with the county government to change regulations, laws and funding priorities that determine sanitation investments for the large and growing population of poor households relying on communal or public on-site sanitation. Advocacy on budget transparency (a power imbalance approach) is also limited in Nakuru. Although there is a clear process for seeking community input in the budget process at the ward level, it is rare for more than a handful of community members to participate in local forums. Meetings are not widely advertised and citizens typically find out about the budget when it has been approved by the County Assembly and is published in the newspaper.<sup>6</sup>

Advocacy activities have been limited to sporadic information sharing with government partners and community leaders. An important exception to this is the work of

<sup>5</sup> It is important to note that these are budgeted figures for 2014, rather than actual figures from 2013. No data is currently available on revenue performance in Nakuru, and so it is unclear how close the county will come to achieving these revenue targets. A report by the National Office of the Controller of the Budget found that Nakuru had achieved only 14% of targeted revenue performance by the middle of FY13/14, casting doubt that the county would achieve its goal by year-end.

<sup>6</sup> It is important to note that Nakuru County has only gone through two budget cycles since it was created as a government body.

<sup>7</sup> Many of these toilets are covered pits, which are not recognized by the government as legal. As these are not legal, no government entity wants to acknowledge their presence or improve their management. On the other hand, because the provision of toilets in households is a private matter, toilets cannot be closed just because they are illegal.

Practical Action, which shows a more sophisticated understanding of advocacy, and operates using political will and information gap approaches. Practical Action staff are trained in carrying out advocacy and lobbying, and the organization clearly articulated that the goals of its advocacy activities were to influence the county government to change policies, practices and programs for the poor. Practical Action has previously worked to directly influence the (pre-devolution) government to pressure landowners to improve the toilets that they provide on their rental properties.<sup>7</sup> The group has also piloted the use of the gulper (a simple low-cost pit emptying device) in low-income neighbourhoods, and has proposed that the county create provisions to protect workers who empty septic tanks, often manually and at great risk to their health and safety.

The Umande Trust, like Practical Action, also has a history of WASH activities in Nakuru and is a current project partner of WSUP. The Catholic Diocese has been engaged in medium- to large-scale education and awareness-raising campaigns around defluoridization of drinking water. WSUP and Catholic Diocese have worked together in Naivasha on this campaign. According to a senior staff member, sanitation had not been a priority, but it currently attracts more donor funds than drinking water. In this connection, the majority of donor funds are spent on rural sanitation, within the county but not in the city.

NGOs and CBOs have generally not created lasting relationships with media outlets in Nakuru and, as sanitation rarely sells newspapers, reporters have to be pursued to create stories that will engage the readership. Typically, journalists are provided with a small honorarium to attend forums and other events. NGOs have not engaged media to help amplify public demand or generate support for their activities in creative ways. There is no understanding of earned media and NGOs do not use social media tools and sites to their advantage.

### 3.4 Nakuru: opportunities for change

As noted, NAWASSCO already charges a sanitation levy. The levy is charged at 75% of the water bill amount to all water bill payers regardless of whether they are connected to a sewer system, with the understanding that the wastewater treatment plant is also treating septage from onsite systems. We suggest that there is a clear equity issue here: to be equitable, we would expect the sanitation levy to be charged at a higher rate to sewered customers than to non-sewered customers; we would also expect spending on services benefitting non-sewered customers to be at least equal to the revenues raised from those customers. Though we do not have full data, we suspect that this is not currently the case, with a minority of non-poor sewer-connected customers benefitting from this levy. There are opportunities here for lobbying and detailed technical support to NAWASSCO to help them make the sanitation levy a more equitable charge that supports pro-poor sanitation; there are diverse ways in which this might be done, beyond the scope of the present report (for example, a proportion of the sanitation levy might be used to part-subsidize pit-emptying services in low-income communities, or to support connection to the sewer network by low-income households). Changes of this type are complex in terms of both political economy constraints and organisational capacity: so, realistically, we would not expect these changes to happen overnight.

In fact, the wastewater treatment plant has faced many problems, some having to do with the safety of the workers who have been attacked by wild animals from the neighbouring national park, others with neglect of the infrastructure. There are no clear answers from the wastewater treatment plant managers as to why the equipment is not working and how long it has been out of operation. If the maintenance issues can be separated from the larger problem of creating a security fence, the wastewater treatment plant could once again begin operating as designed. It is not clear that



the senior managers of NAWASSCO or the Public Health Officer are aware that the primary and secondary clarifiers in the plant are not operational; they are aware that the workers at the plant need to be protected. Expenditure on maintenance of the plant comes from the NAWASSCO budget and the budget for the security fence from the County budget for capital improvement, and these two problems have been conflated in a way that has led to a gridlock. Wastewater and septage treatment are neglected because they are not visible and neither citizens nor officials visit treatment sites. Increasing the visibility of the problem in the media and among citizens might not only generate greater concern for the environment (since the discharge goes into the lake) but also prompt the County to provide the needed resources to NAWASSCO.

Non-revenue water could be significantly reduced if County estates and government offices were required to pay their bills. One option would be to enlist the Ministry of Health and the Ministry of Public Works to help pressure the County to pay its outstanding water bills for publicly owned housing, but with the requirement that the resulting increase in revenue be utilized to fund pro-poor investment in sanitation service provision.

The County Public Health Office should be a key ally of any advocacy strategy targeted at increasing pro-poor sanitation finance. The Ministry of Health receives the largest part of the municipal budget, and high-ranking Ministry officials already understand the importance of sanitation and its role in county-wide health outcomes. Given the fragmented state of responsibility for sanitation service provision (split between up to five County Ministries), a cross-sector working group with representatives from each ministry, NAWASSCO, County Governor's office, County Assembly, CBOs and NGOs, would be a useful forum for the coordination of sanitation service provision efforts across stakeholders. Including CBOs in particular would help strengthen the link between citizen needs and Assembly funding priorities.

Local NGO leaders categorically cite knowledge gaps as the number-one issue preventing the improvement of pro-poor sanitation services, with lack of political will as a product of knowledge gaps following close behind. The experience of Practical Action in first educating politicians and then lobbying directly for increased finance is instructive. A successful advocacy strategy should seek to draw links between poor sanitation coverage, the day-to-day reality of the health effects of poor sanitation, and the relatively low cost of improving sanitation in comparison with the cost of treatment for water-borne illnesses.

Finally, as political pressures are in large part driven by electoral pressures, and as the next county elections are not until 2018, another key advocacy strategy will be to strengthen the feedback loop between citizens and policy-makers between election periods. WSUP and other stakeholders should consider cultivating relationships with newspaper and radio journalists, with community groups, and with other collective action entities to raise the general profile of sanitation, and its link to county budget priorities.

Some specific goals that advocacy campaigns might target may include:

1. Revising laws on sewer connections to permit septic tanks when they are more feasible.
2. Lobbying and technical support to ensure that the sanitation levy is raised and disbursed in an equitable manner.
3. Introducing a sanitation surcharge on property tax, perhaps by framing it as a betterment levy or public health levy.

4. Pushing the county to pay its estate water bills, while working with NAWASSCO to allocate those funds towards pro-poor sanitation service delivery; or negotiating with NAWASSCO to formally write off those debts, in exchange for the establishment of a county-controlled earmarked fund for improvement of pro-poor sanitation provision (as NAWASSCO does not fund its own capital improvement projects).
5. Advocating for a dialogue with county officials on the use of pit latrines by households is critical because these latrines are a reality in un-served and very poor areas. By deeming them illegal, both the county and NAWASSCO are absolved of the responsibility of overseeing their maintenance, including emptying or transport of waste.

#### 4. Municipal finance for sanitation in Ga West (Ghana)

<sup>8</sup> Public toilets are the primary sanitation facilities in peri-urban and urban areas, in part because space constraints incentivize landlords to convert toilets into rooms.

The state of sanitation coverage in Ghana's urban areas is very poor, and the municipalities comprising Greater Accra are no exception. While the Joint Monitoring Programme (JMP) reports show significant improvement in the water sector, improved sanitation provision in urban areas remains exceedingly low, with JMP reporting urban coverage at 18 percent in 2008, a gain of only 7 percentage points since 1990. Over 70 percent of urban populations use shared facilities, primarily attributed to the tradition of compound housing shared by multiple households.<sup>8</sup> Disaggregated coverage data for the Ga West Municipality are not available, but interviews with municipal officials suggest that the municipality does not differ significantly from the picture seen in the national JMP reports.

Nationally, sanitation policy is established through the Revised Environmental Sanitation Policy 2010 (ESP), and by the corresponding National Environmental Sanitation Strategy and Action Plan (NESSAP) and Strategic Environmental Sanitation Investment Plan (SESIP), which are efforts to translate the objectives of the ESP into actionable targets and implementation packages. Local governance units – Metropolitan, Municipal and District Assemblies (MMDAs) – are expected to use District-level Environmental Sanitation Strategy and Action Plans (DESSAPs) in their development plans. Within these policy documents, human excreta management is considered part of the larger environmental sanitation picture, which the Government of Ghana defines as including: “collection and sanitary disposal of wastes (including solid waste); stormwater drainage; cleansing of thoroughfares, markets and other public spaces; control of pests and vectors of disease; food hygiene; environmental sanitation education; inspection and enforcement of sanitary regulations; disposal of the dead; control of rearing and straying of animals; and monitoring the observance of environmental standards” (ESP 2010). Here we focus solely on urban sanitation services understood as human excreta management.

At the MMDA level (in Ga West the municipality level), sanitation management is the responsibility of Waste Management Departments and Environmental Health and Sanitation Directorates, which may opt to provide services directly, or, more commonly, indirectly through private contractors or franchisees. While the ESP requires MMDAs to “maintain an in-house capacity to provide at least twenty (20) per cent of the services directly,” the exact implementation of this provision is left unclear. In the area governed by Ga West Municipal Assembly (GWMA) there is no sewerage, and all sanitation services are privately operated: the municipality has no capacity to provide services directly. Along the sanitation value chain, responsibility is split between the household and private operators, with GWMA providing chiefly education and outreach on the importance of having a private toilet facility. The household is responsible for toilet construction and on-site management (i.e. emptying of pits or septic tanks). Households are required to include toilet facilities in building plans per the regulations of the building code, but there is little capacity or will for enforcement of this regulation.

GWMA does finance construction of some public toilets, though the toilets are universally operated and maintained by private entities. The municipality has set a goal of achieving full private-sector construction and maintenance by 2015. Collection, transportation and transfer of faecal waste is done entirely by unregulated private-sector operators. Treatment of faecal waste is non-existent and disposal is unregulated, with private trucks openly dumping into the bush or bodies of water. The problem is widely acknowledged, but no progress has been made in resolving the lack of treatment and disposal options.

## 4.1 Ga West: chief stakeholders and decision-makers

**Government:** The ESP states that waste management is to be managed by the MMDAs through their respective Waste Management Departments and Environmental Health and Sanitation Departments. In Ga West, service provision is fully privatized and any municipally constructed public toilets are transferred to the private sector for operation and maintenance. The role of GWMA in sanitation service provision to the urban poor lies primarily with the promotion of sanitation, hygiene education programs, and monitoring of school and public toilets. The Public Works Department of GWMA handles new drainage investments, which serve as de facto household waste disposal facilities, but this department is not involved in the construction or maintenance of other pro-poor sanitation service facilities. Nationally, sanitation policy decisions fall under the Ministry of Local Government and Rural Development and Environment within the Environmental Health and Sanitation Directorate.



Exhauster trucks waiting to dump waste  
at Lavender Hill, Accra  
Photo: Rachel Rose

**Private Sector:** In Ga West the private sector provides and manages septage tankers for emptying pits or septic tanks. GWMA currently has no transfer stations, waste treatment facilities or disposal facilities, and as noted private operators either dump septage directly into the bush, nearby open bodies of water, or at an untreated ocean site managed by the Accra Metropolitan Assembly known as “Lavender Hill”. Despite legal action from the Environmental Protection Agency and outcry from advocacy groups, Lavender Hill remains in operation. It is unclear how much of the septage waste ends up in Lavender Hill and how much ends up in neighboring water bodies including freshwater streams, some of which supply water tankers.

**NGOs:** CONIWAS is a coalition of NGOs operating in the WASH sector that was established in 2003 in an effort to develop a body with the ability to influence policies, remove barriers and promote access to potable water, sanitation and improved hygiene for the poor and vulnerable. CONIWAS’ work is supported or endorsed by most of the donor agencies active in the sector, in addition to government partners including the Ministry of Water Resources, Works and Housing (MWR), the Ministry of Local Government, Rural Development and Environment (MLG), the Community Water and Sanitation Agency (CWSA), and other key players in the water and sanitation sectors. With respect to public financial management, ISODEC is a leading Ghanaian NGO committed to improving budget transparency and political accountability to citizens. ISODEC is piloting a budget monitoring tool in one or two municipalities, and conducts media training and releases reports on budgets.

**Donors:** The donor community strongly influences the direction and scope of sanitation services: one estimate finds that 90% of the WASH sector’s budget is donor-driven (African Development Fund 2005). Prominent donor and implementing agencies in the WASH sector include the World Bank, the European Union, Commonwealth Foundation, The Royal Netherlands Embassy, DANIDA, CIDA, EVORAP-GTZ, WaterAid Ghana, and UNICEF. Donors also have great influence at the local level, as the vast majority of local sanitation finance is derived from donor-funded transfer programs such as the Urban Development Grant (UDG), as discussed in more detail in the next section.

**Utilities:** Ghana Water Company Limited is a national-level water utility, but there are no national or local utilities for urban sanitation service provision. The Community Water and Sanitation Agency provides some sanitation services to rural regions, typically through Community Led Total Sanitation (CLTS) efforts.

## 4.2 Ga West: current municipal finance situation

The municipality makes budget allocations to sanitation, but this derives entirely from central government transfers and donor support: there are currently local taxes or tariffs contributing to municipal sanitation expenditures. As described above, the primary municipal entities involved in sanitation service delivery are the Public Works Department (non-school-based capital investments) and the Environmental Health and Safety Department (supervision of school sanitation facilities; implementation of CLTS in rural areas).

There appears to be significant budget transparency: it is possible to determine total spending on sanitation-related services (though the task involves significant effort, and requires examining all budgeted expenditures for a given year to determine whether they are sanitation-related). There is no overall functional category for sanitation-related spending, though infrastructure elements such as toilet blocks do have individual expenditure codes. The budget is publicly released in PDF format to a significant level of detail; however, no easily analysable format (e.g. Excel or Access) is made available.

Based on our analyses of published budgets, in 2014, the Ga West Municipality allocated 158,975 Ghana Cedi (GHC) to new sanitation capital investments (approximately US\$ 50,000, which is approximately 5% of the total municipal capital budget of 3.5 million GHC). The sole source of these funds was on-budget donor funding, via the Urban Development Grant program. These funds covered the completion of two projects begun in 2013: the construction of public latrine facilities in the Amasaman Market, and the installation of a toilet block at St. Sylvanus School. It is unclear from the data available whether the funds allocated in 2013 were carried over to 2014, or whether the budgeted amount represents additional funding for these two investments.

In terms of operation and maintenance of existing facilities, there is no indication of any municipal expenditure. The Water unit of the Works Department (responsible for the above-mentioned new construction) budgeted 10,000 GHC (about US\$ 3,100) for “goods and services” in 2014, the entirety of which is allocated to training and seminars for Works Department employees. Of the 80,000 GHC (about US\$ 25,000) budgeted for capital assets (and potentially maintenance of these assets), the full amount is allocated to the construction of new borehole pumps. The source of these funds is central government transfers.

As noted, the municipality collects no explicitly sanitation-related tariffs or taxes, and does not currently earmark any general revenues for sanitation. More generally, municipal revenue performance varies by revenue type, but is generally poor. For example, property tax performance in 2013 was only 27% (109,000 GHC collected of 403,000 budgeted); income generated by municipal property, however, exceeded projections by 9.2% (806,000 GHC collected against 738,000 budgeted). The main revenue components of the total 2014 projected municipal budget is 6% from property taxes, 9% income from property (including parking and business permits), and 7% from sales of goods and services (7%); most of the remainder (76%) is expected to come from intergovernmental transfers. Looking solely at locally generated funds, income from property (37%), sales of goods and services (31%), and property taxes (23%) are the major revenue categories.

Given the total lack of municipal own-source expenditures on sanitation, any earmarking or other commitment of funds to sanitation would represent a significant improvement. A challenge is whether these funds would be well used. This issue is discussed in greater detail in the next section.

### 4.3 Ga West: current sanitation advocacy situation

Desk research and interviews did not identify any current advocacy campaigns targeting GWMA. There are some small-scale public education campaigns primarily aiming to increase demand for improved water and sanitation, but these cannot be considered advocacy targeted at the municipal authorities. GWMA itself has provided some basic trainings on how to build and maintain latrines within its communities, the majority within on rural CLTS programs. The GWMA employees dedicated to sanitation and water issues are under-resourced, and primarily function as community liaison agents for donor-funded projects.

Sanitation-sector advocacy efforts in Ghana generally are primarily targeted at the central government, often focusing on the state of public toilets and septage disposal. Several local NGOs indicated that weak political will was the primary barrier to sanitation funding and service provision, and there has been some movement towards elevating the importance of sanitation at the national level. For example, according to the National Environmental Sanitation Strategy and Action Plan (NESSAP), in 2006, under the Ministry of Local Government and Rural Development, the Environmental Health and Sanitation Directorate was elevated from a position of a unit to a directorate, to provide a “more visible home for environmental sanitation” and also give the directorate “space” at high-level management meetings. This national-level prioritization of sanitation has yet to appear at the local level, however.

To the extent that sector advocates seek to address information gaps, sector news and key information is primarily disseminated through print, television and radio media. There are numerous national and local radio stations, with local stations potentially serving as a strong avenue to reach community members, as they are broadcast in the local languages. Given that GWMA is located adjacent to Accra, advocacy efforts in national newspapers may result in local spill-over. There is an active WASH journalists network, which could be more routinely tapped for interesting stories focused on sanitation-related topics such as disease and sanitation, schools and sanitation, and so on. It is important to remember that the network is composed of both freelancers and staff journalists working full-time for radio, TV and print media, and they have very different needs; specifically, there is a general expectation that staff journalists will be paid to attend or cover events.

In terms of the audience for strategic advocacy, past efforts have focused on information-sharing within the WASH community. For example, the Mole Conference is an annual conference series that began in 1989 to bring together civil society, policy makers, local government and development partners to discuss current policy objectives and critical issues facing the sector. While the Mole Series has evolved since its inception as an NGO forum to become a multi-stakeholder platform, advocacy efforts are not targeted beyond already-engaged participants. CONIWAS briefly tried to advocate through celebrity endorsements but was unable to pursue this option as celebrities demanded unaffordable payment for their work.

### 4.4 Ga West: opportunities for change

WSUP Ghana and other actors aspire to support and influence the Municipality of Ga West to raise and allocate more funds to pro-poor sanitation. Achieving this requires a clear concept of what is realistically possible. So what are the near-term prospects for municipal financing of sanitation services in Ga West?

From one perspective, the current complete lack of municipal own-source investment in sanitation makes sense: the municipality does not own or operate any sanitation facilities, and does not subsidize or otherwise facilitate private provision of



Ga West Municipal Chief Executive and Deputy Regional Minister for Greater Accra launch a new strategy promoting compound sanitation

sanitation services. The city does not monitor or regulate private-sector service providers, either, nor any aspect of the sanitation service delivery chain beyond CLTS. In light of the total privatization of these services, one might ask, what would Ga West Municipal Assembly spend its resources on doing?

The critical challenge is that no one views local government as a provider of sanitation services. At every level, from the top of local government to the level of individual private citizens, household sanitation and, ultimately, the entire sanitation value chain are viewed as services to be provided by the private sector, at the discretion of the individual household. The role of local government in the sanitation sector, if any role is perceived at all, is to establish conditions under which private-sector operators can provide services, and to promote household-level sanitation as well as hygiene education in schools.

Despite recent efforts to move away from communal and public facilities and promote household sanitation, many stakeholders recognize that public toilets will remain the predominant type of sanitation services for the urban poor. As both public and private facilities are developed, it is clear that additional future challenges will come from excreta management (faecal sludge management, FSM). Sanitation access levels may increase in the coming years due to recent efforts to promote household toilet construction, but long-term sustainability will be compromised unless the government at least introduces and enforces regulation of the private sector in providing FSM services, most notably in collection, transfer and treatment.

According to the NESSAP, MMDAs should derive their sanitation finance from three primary sources: locally raised revenues, transfers from central government, and donor support. As stated, the GWMA has no locally raised revenues for sanitation. As such, advocacy efforts might focus on allocating more of the general budget to sanitation (which implies spending less on current priorities), or alternatively on developing new local revenues for sanitation. Of course, each municipal department has a stake in maintaining its budget, and given the fragmented and weak support for public provision of sanitation services, we consider it unlikely that any effort to allocate more of the general fund to sanitation would be successful: advocating for new sources of revenue may be an easier target, despite its lack of fiscal neutrality. The upcoming project between WSUP and GWMA will take this approach (by improving property tax collection), and advocacy efforts that build on this project might involve developing a municipal constituency for sanitation service delivery such as a cross sector working group, or a strengthened focus on sanitation within one of the municipal departments that already works in the sector.

Unsurprisingly, weak political will was identified by several sector stakeholders as a barrier to increasing sanitation financing for the urban poor, particularly in combination with the power imbalance between citizens and policy makers. In particular, the lack of an organized civil society and restricted access to policy makers constrain the poor in expressing demand for services. Organizations such as WaterAid and Isodec are working to increase access to those in power (and to key PFM information) on the part of poor citizens, and to increase political accountability, particularly through budget accountability mechanisms. Any advocacy effort in Ghana would certainly need to work closely with WaterAid, Isodec, and other public accountability-oriented groups.

Local Chiefs and Assembly Members are important players for community-level interventions funded by donors. Working with sector stakeholders to increase access to these policy makers would expose policy makers to the needs of their constituents. Similarly, educating community groups about current levels of finance for sanitation in GWMA could stimulate increased community demand for effective service provision.

Information-sharing campaigns from CONIWAS have successfully reached politicians on the importance of sanitation services, but have not translated into increased funds or higher prioritization. As such, advocacy efforts could instead use the strength of CONIWAS and the WASH journalist network to reframe the sanitation conversation and tie it to issues that receive greater attention, such as malaria and cholera outbreaks. Focusing on the downstream impacts of poor access to sanitation may be a successful strategy for raising the profile of the sector in GWMA.

To address local revenue generation, WSUP is currently starting a programme which includes support for GWMA to improve their property rate collection and subsequently ring-fence a portion of the revenue for sanitation financing. However, fundamental to the efficacy of this proposal are several key issues that need to be addressed.

First, it is assumed that the low current levels of property rate collection are largely due to technical barriers (such as incomplete or inaccurate address information), rather than political barriers such as low willingness to collect. WSUP Ghana considers that this assumption is correct for Ga West (i.e. authorities want to raise more revenue), but it will be important to conduct revenue-raising activities in an open and transparent manner, to ensure that new revenue is not collected in an ad hoc or politically motivated fashion.

Second, given that sanitation service provision has been privatized by the local assembly, it is unclear exactly what services the ring-fenced revenues would fund. WSUP is proposing to build faecal sludge drying beds, on the premise that privately operated exhauster trucks will use the new drying beds rather than the current, low-cost, unregulated dumping site at Lavender Hill. One component of an advocacy programme could be to target the truck operators on the individual benefits to be gained from registering with the municipality under WSUP's proposed call-centre scheme (i.e. increased customer base, closer emptying site, more efficient business practices); and indeed on the social benefit of utilizing the drying beds. However, persuading truck operators to use the new sludge treatment facility is perhaps more effectively achieved by attractive pricing and/or enforced regulation, than by trying to appeal to the social conscience of the truck operators; and of course allocation of municipal funds to support attractive pricing and/or regulatory enforcement are both valid options for advocacy. In establishing the most efficient level of pricing and enforcement it will be important to keep in mind GWMA's limited capacity to collect revenue and enforce regulations in the absence of outside assistance; finding an institutional champion for these administrative changes will be critical to ensuring their long-term sustainability.

Third, if increased revenues are spent within the current scope of GWMA sanitation service provision, it is unclear what those funds would procure. GWMA essentially only provides monitoring of public and school sanitation facilities, and encourages household latrine construction through education campaigns. The municipality also procures some public toilet blocks prior to transferring them to private management, though municipal officials offer conflicting visions of the future of these procurements. GWMA education efforts are built on the premise that information sharing is enough to create demand for household latrines. However, stakeholders have suggested that household demand is low due to other reasons, most notably nonexistent enforcement of building codes requiring latrine construction. Advocacy efforts to improve the enforcement of such building codes and resources dedicated to enforcement, particularly through empowering EHSD staff and collaborating with Rent Control and other appropriate bodies may improve sanitation services for the urban poor more effectively than the expansion of GWMA service provision, per se. There is an opportunity for synergy, too, in enhancing both general revenue collection and regulatory enforcement.



Finally, we have here focused on local revenue generation at the Ga West level. Another potential source of revenue is, as stated, transfers from central government. The authors of this paper certainly consider that central-to-local transfers will be essential for achieving at-scale urban sanitation: but we also consider that it would be very difficult to lobby for increased transfers “from the municipality level upwards”. The district assemblies have little upwards-facing political power. Relevant decision-makers at the district assembly level are all appointed by higher levels of government, which means they’re generally disinclined to rock the boat, and this in turn makes it difficult to build broad local-level demand for such transfers. Perhaps the most effective advocacy strategy would be to target national-level decision-makers who have a voice in what conditions are layered on to grant transfers. Alternatively, another approach might be to lobby the national parliament to establish a national-level pro-poor sanitation basket fund to which district assemblies could apply. But these are certainly challenging advocacy goals in the current Ghanaian context.

## 5. Patterns emerging: current budget situation

As shown in the table below, current municipal budget allocations to sanitation are estimated at around 3% of municipal budget in Ga West, 2% of municipal budget in Nakuru, and 0.3% of municipal budget in Dar es Salaam. In terms of investment per capita, this amounts to about \$0.20 per person per year in Ga West, \$1.60 per person per year in Nakuru, and \$0.03 per person per year in Temeke (Dar es Salaam). We have no data for Maputo, but we suspect that the numbers are currently very low.

Even in the cities for which we have relatively good data (Ga West, Nakuru, Temeke), we must note data gaps and deficiencies: as discussed in Section 6.2, there is a clear need for more systematic tracking of city-level sanitation finance flows. In no city is there a single budget line for sanitation services, nor any attempt to systematically disaggregate sanitation expenditures. For example, we currently have no clear data on municipal staff and office costs associated with sanitation. Furthermore, it is important to consider not just municipal revenues and expenditures, but also other city-level revenues and expenditures (via for example utilities and asset holders, and city-level expenditures by other levels of government including national and subnational e.g. county level).

In all three cities for which we have reasonable data, around 20–30% of revenues are own-source revenues, i.e. from taxes and tariffs raised locally. In none of these cities is there currently any revenue source that is earmarked (hypothecated) for sanitation.

Funds invested by the municipalities in sanitation are largely spent on public toilets, though in Temeke there is reported expenditure on demand promotion and inspection activities.

**Table 1:** Current municipal budget allocations to sanitation in Ga West, Maputo, Nakuru and Dar es Salaam

	Ga West municipality, Accra	Maputo Municipality	Nakuru Municipality	Temeke Municipality, Dar es Salaam (Trémolet & Binder 2013)
<b>Population</b>	263,000 (2010 census)	1,766,000 (2007 census)	326,000 (2009 census)	1,368,000 (2012 census)
<b>Municipality's annual expenditure on sanitation, capital costs</b>	158,975 GHC (2013) = US\$ 50,000 = 3% of municipal budget ≈ \$0.20 per person per year	[no data, probably small]	46,942,200 KSh (2013) = US\$ 530,000 = 2% of municipal capital budget ≈ \$1.60 per person per year	[data only for capital + recurrent combined, see below] <sup>a</sup>
<b>Municipality's annual O&amp;M expenditure on sanitation, recurrent costs</b>	none	[no data, probably small]	6,100,000 KSh (2014/2014) <sup>b, c</sup> = US\$ 68,000 [This is data for Nakuru County, not Nakuru Municipality]	[data only for capital + recurrent combined, see below]

<b>Municipality's annual O&amp;M expenditure on sanitation (capital + recurrent)</b>	US\$ 50,000 (2013) ≈ \$0.20 per person per year	[no data, probably small]	6,698,000 KSh = US\$ 598,000 ≈ \$1.80 per person per year	72.7 million TZS (2009) = US\$ 43000 = 0.3% of municipal budget ≈ \$0.30 per person per year
<b>Expenditure on sanitation, source</b>	On-budget donor funding (Urban Development Grant program)	Not possible to determine source, as all revenues (own-source fees and taxes, central government transfers, donor funding) are shunted to the general fund	Not possible to determine source: it may come from own-source fees and taxes, central government transfers, or from on-budget donor funding	Central government transfer
<b>Expenditure on sanitation, main uses</b>	On-budget donor funding (Urban Development Grant program)	[no data]	Public toilets and their maintenance	Mostly software activities (demand promotion, inspections)
<b>General municipal revenues</b>	Own-source revenues: 41% from property revenues (including parking and business permits), 32% from sales of goods and services, 27% from property taxes. Own-source revenues account for about 22% of total revenue: remainder (78%) largely central government transfers	[no data]	Own-source revenues: 36% from land rates, 12% from business permits, 9% from parking fees, 8% from plot rents. Own-source revenues account for about 20% of total revenue.	Own-source revenues (mainly from fees, charges and service levies) account for about 30% of total revenue
<b>Municipal revenues earmarked for sanitation</b>	none	No quantitative data. Very small revenue from pit-emptying by single municipal exhauster truck	Tipping fee from exhauster trucks: total revenue not known. Otherwise, Nakuru County does not currently earmark any general or specific revenues towards sanitation expenditures. NAWASSCO collects a sewerage levy on water bills (75% of water bill): total collection amount not known	[no data, probably none]

- <sup>a</sup> 2008/2009 sanitation investment by DAWASA (the water and sanitation asset holder) was TZS 6723 million, basically on sewerage serving <10% of population.
- <sup>b</sup> This is reportedly due to increase to 11.5 million in 2014/15.
- <sup>c</sup> The water and sewerage utility NAWASSCO also budgeted 6,781,200 Ksh for operation and maintenance of sewerage and treatment facilities in 2013/2014 (funded from NAWASSCO's water revenue collections).

## 6. Ways forward

### 6.1 Tracking sanitation finance

As noted above, data on financing flows to sanitation is weak, even for cities like Ga West and Nakuru, which maintain and transparently publish relatively detailed information on municipal budgets. Better tracking of domestic public finance flows, at both the national and local government levels, is critical for a whole range of reasons, including: a) to support improved budget management by government; b) to support improved WASH planning by government and partners; c) to provide a better basis for decisions based on cost-effectiveness evaluations; d) to encourage fiscal transparency and accountability to citizens; and e) to support advocacy based on comparative tracking of progress, both at national level (as currently seen with SWA and AfricaSan processes) and potentially at city level. Without adequate tracking, it is difficult or impossible to manage public finance flows effectively. Trémolet et al. (2013) highlighted diverse specific issues in tracking sanitation spending at the city level, and discuss ways in which these might be resolved using methodologies developed under the UN-Water GLAAS TrackFin initiative.

#### **Box 1: Methodological issues with estimating sanitation spending at city-level (adapted from Trémolet et al. 2013).**

The UN-Water GLAAS TrackFin initiative is developing a methodology to identify and track financing to the WASH sector in a coherent and consistent manner across several countries. It is designed to help countries track financing to the WASH sector on a regular and comparable basis and analyse this information to support evidence-based policymaking based on useful indicators. This methodology identified that there are potentially three methods to track financing in the water, sanitation and hygiene (WASH) sector.

**Financing Source Approach:** The Financing Source Approach aims at estimating “what is being spent”. In most cases, it is likely to be the most straightforward approach to track public financing flows, based on budget allocations of public agencies involved in the sector. For city-level sanitation, applying this approach would consist of identifying which institutions are financing sanitation and gathering data on their budgets. However, this might be complicated by the fact that “sanitation” [...] is seldom ring-fenced in public actors’ budgets. For example, it typically does not appear as an identified budget line in most municipalities’ budgets in sub-Saharan Africa. As a result, such an approach is likely to be insufficient when seeking to track how the money is spent (i.e. whether it is spent on household subsidies or investments in transfer stations). For this reason, it is often necessary to combine this analysis with a Service Provider Approach.

**Service Provider approach:** The Service Provider Approach aims to evaluate “how much it costs to provide the services”. This needs to be done based on a commonly agreed typology of costs, which would at least distinguish between capital expenditure (including large maintenance costs, which could be accounted for as a separate item), operating costs and minor maintenance expenditure.

Drawing estimates of total annual spend would frequently require combining both Financing Source and Service Provider approaches. For example, to track a municipality’s staff costs for sanitation, it would be necessary to estimate the percentage of time spent by municipal employees working as environmental health officers (who might be involved in promoting sanitation or inspecting latrines but also making health promotion visits or inspecting hygiene in public markets). This could then be applied either to a staff budget for the entire department or multiplied by the individual staff costs, depending on what data is most easily obtainable.

**Balance Sheet Approach:** This is a complementary approach that could be developed to collect data on capital stocks, as opposed to annual financial flows. Information for this approach needs to be obtained at the level of service providers, by focusing on obtaining data on their assets (and liabilities) rather than on their revenues and expenditures. This approach would help with comparing how much has been invested by public actors as opposed to what has been invested by private actors (typically households investing in on-site sanitation solutions).

Subsequent to this report from Trémolet et al. (2013), the TrackFin initiative continues to develop. The methodology is now being piloted in three countries (Brazil, Morocco, Ghana), and a recent progress update (WHO/GLAAS 2014) confirms that there are very substantial gaps in our understanding and tracking of financing to the WASH sector: “financial reporting is often insufficient to make sound and evidence-based planning and budgeting decisions”. Data on transfers from central to local government were available, but in some cases public institutions could only provide budgeted amounts, not actual expenditures. Data on transfers from decentralized institutions (e.g. local government) is often difficult to obtain and needs to be estimated based on budget transfers from central government. There is a clear need for development and implementation of the TrackFin methodology at the city level; though, importantly, this needs to be done in a way that ensures strong local ownership (for example, by creating a system based on TrackFin methodologies but developed under the municipality’s or the regulator’s branding).

## 6.2 Mechanisms of sanitation finance

Current municipal budget allocations to sanitation are very small (0.3 - 3%). There are powerful arguments for increasing these allocations: a) governments, including local governments, have an obligation to provide adequate basic services for all citizens; b) there are clear net economic benefits to be achieved by city-wide sanitation improvement; and c) donor funding and the market (i.e. households paying cost-reflective tariffs for services received) are not likely to be sufficient to resolve the urban sanitation challenge facing cities and towns in Africa and Asia. For a more detailed discussion of why domestic public finance is necessary, for water and sanitation services generally, and for urban sanitation services in particular, see Norman et al. (2014).

<sup>9</sup> This brief outline in no sense aims to cover possible finance mechanisms in depth: this is not a central focus of the present paper, and possible mechanisms will be discussed in more depth in subsequent publications.

The research project of which this report forms part is looking at all possible sources of domestic public finance (i.e. taxation-derived finance) for urban sanitation, including locally raised taxes and transfers from central government, and including consideration of both municipal budgets and other quasi-public city-level expenditures. This paper has focused on the current municipal finance situation and opportunities for ongoing advocacy, but it is here worth very briefly summarising some of the public finance mechanisms that are being explored in the three study cities. We also refer the reader to another report (Boex & Edwards 2014) produced under the current research project.<sup>9</sup>

**Sanitation levies collected via water bills:** Sanitation levies (tax-like surcharges on water bills) are under serious consideration in both Maputo and Nakuru; in Maputo in particular, and now increasingly in Nakuru and in Kenya at the national level, WSUP is providing support to key stakeholders around how to design sanitation levy models that are both viable and equitable. Although collected through water bills, these are effectively local taxes. For an overview of sanitation levy models (including clarification of the important distinction between tax-like levies and “get-what-you-pay-for” service charges, which may also be collected through water bills), see Norman et al. (2012). Levies of this type can at least provide significant support for recurrent costs of sanitation, and potentially they might even provide a basis for loans to finance major capital investment; the construction of sewerage systems in the UK in the late 19th and early 20th century was in many cases largely financed through loans repaid by local taxation (see Szreter 2002).

**Sanitation levies collected via property taxes:** In Ga West, WSUP is supporting the municipality to develop a sanitation levy to be collected via the property tax; this parallels support to develop better systems for property tax collection. This work is currently at early stages, and it will be of interest to see how it progresses. The

Urban Institute team has also raised the possibility that this approach might be considered in Nakuru; as the utility already collects a sanitation surcharge on water bills, this approach will require clear differentiation between the uses of these two revenue streams, particularly as the institutional arrangements in Nakuru continue to shift as devolution-related changes continue.

**General municipal budget allocations to sanitation:** The possibility of increased allocations to sanitation from the general municipal budget can be considered for all three cities, and indeed in Nakuru such an increase appears to be happening. Such allocations may be particularly suited to municipal staffing costs, including for example sanitary inspectors. As noted by Boex & Edwards (2014), though, this approach often does not work well: as seen in Maputo, for example, the allocation is small and reportedly varies greatly from year to year, with no formal procedures enabling reliable longer-term budgeting.

**Earmarked transfers from central government:** As noted by Boex (2012), basic services like water and sanitation are almost necessarily managed by local not national government: “almost all pro-poor public services [...] are delivered at the local level, where the public sector interacts on a regular basis and in a localized manner with the people that it serves”. But at the same time, in developing countries “the bulk of public-sector funding [typically] remains stuck at the central government level, where these resources often finance bloated bureaucracies or inefficient development projects”. So better systems for transfer from central to local government are likely to be a part of any improved system of public financing for urban sanitation.

### 6.3 Advocacy for sanitation finance

This study has identified a number of ways forward for advocacy around municipal public finance in the different cities. Of course, appropriate advocacy approaches will vary from city to city, depending on city-specific factors; as this project develops, the Urban Institute team and WSUP will be rolling out targeted advocacy campaigns in the different cities. Future publications will discuss this in greater detail; see also Bisaga et al (2015). Meanwhile, we comment briefly on some of the findings and recommendations of the present report:

In all three cities, civil society lobbying in the political sphere is very limited in scope and ambition. With some exceptions (e.g. Practical Action in Kenya, WaterAid in a number of African countries), NGOs and local civil society organisations often have a rather weak understanding of advocacy approaches, and weak capacity to influence debate in the public and political spheres. Advocacy on budget transparency is particularly weak; in Nakuru, for example, there is a clear process for seeking community input to budgeting processes, but typically only a few community members participate in local forums. Absence of political will was widely recognised as a real obstacle to increased public funding for sanitation, but there are few avenues or opportunities to hold political officials accountable through media reports. Journalists tend to have little interest in sanitation issues (“sanitation doesn’t sell newspapers”), and at the same time NGOs and civil society groups have weak understanding of how to use conventional and new media for promoting key messages and supporting citizen voice.

This study has found that, particularly in Maputo, there is a widespread perception among WASH/development professionals that attempting to influence politicians and political processes may be unhelpful to your career: it’s better to keep a low profile, not get a reputation as a troublemaker. This perhaps suggests that there is a need to identify ways in which sanitation improvements can be presented to politicians as a positive opportunity for them: for example, by convincing them that public health benefits can win votes, and/or focusing on the commercial and economic advantages

for the city of improving sanitation.

Notwithstanding these challenges, there is clear space and opportunity for carefully targeted advocacy in all three cities. Perhaps the most fundamental need in all three cities is for more detailed and transparent public reporting of sanitation expenditures: this is critical for any effort to increase revenue generation and sanitation spending in low-income urban communities. This research project will continue to work with WSUP programme teams to roll out advocacy campaigns over the coming year and beyond: so watch this space!

## References

- African Development Fund (2005) Accra Sewerage Improvement Project (ASIP). Appraisal Report.
- Bisaga I, Norman G, Drabble S (2015) How can we influence municipal governments to allocate more money to sanitation? WSUP Practice Note.
- Boex J (2012) Improving public services and achieving sustainable, inclusive development: development assistance and the role of the local public sector. Policy Brief, Urban Institute Center on International Development and Governance.
- Boex J & Edwards B (2014) Triggering increased city-level public finance for pro-poor sanitation improvements: the role of political economy and fiscal instruments. Research Report, The Urban Institute.
- Fjeldstad OH, Geisler G, Nangulah S, Nygaard K, Pomuti A, Shifotoka A & van Rooy G (2005) Local Governance, Urban Poverty and Service Delivery in Namibia. CMI Report. Chr. Michelsen Institute, Norway.
- Norman GJ, Daryanani A & Peal A (2012) Sanitation surcharges collected through water bills: a way forward for financing pro-poor sanitation? WSUP Discussion Paper.
- Norman GJ, Trémolet S, Fonseca C & Moriarty P (2014) Mobilising Public Finance for WASH: a Call to Action. Unpublished Briefing Paper for workshop "Public Finance: Making it happen!" at the University of North Carolina, 14th October 2014.
- Szreter (2002) A central role for local government? The example of late Victorian Britain <http://www.historyandpolicy.org/policy-papers/papers/a-central-role-for-local-government-the-example-of-late-victorian-britain>
- Trémolet S & Binder D (2013) Evaluating the effectiveness of public finance for household sanitation in Dar es Salaam, Tanzania. Report for WaterAid and SHARE.
- Trémolet S, Mansour G & Gorelick J (2013) Public finance for city-wide sanitation in sub-Saharan Africa: situation review and potential problems. Unpublished report for WSUP.
- WHO/GLAAS (2014) TrackFin Initiative: Tracking financing to drinking-water, sanitation and hygiene.

**Credits:** This publication reports first-phase results from the research project "Triggering Increased City-Level Public Spending on Pro-Poor Sanitation", commissioned by WSUP with funding from UKaid from the Department for International Development. This research is being carried out by a team led by the Urban Institute in Washington D.C. (Jamie Boex, Ben Edwards) and researchers from Johns Hopkins University (Tanvi Nagpal, Rachel Rose), plus in-country research consultants (Abdul Nash Mohammed, Ghana; Andre Uandela, Mozambique; Mark Wolfsbauer, Kenya). The present paper is largely based on three individual City Briefs produced by the research team in 2014. There are also substantial inputs from work by Sophie Trémolet in Dar es Salaam. We also thank Carla Costa (WSUP Mozambique), Sam Drabble (WSUP UK) and Georges Mikhael (WSUP UK) for useful comments. A summary of the municipal budgets data has been published previously in a Finance Brief entitled "Municipal finance for sanitation in African cities", produced by the Public Finance for WASH initiative ([www.publicfinanceforwash.com](http://www.publicfinanceforwash.com)), a research and learning initiative coordinated by WSUP, IRC and Trémolet Consulting.