

Policy brief: Rural water services and their financing

Why: Target 6.1 of Sustainable Development Goal 6 calls for universal, equitable and affordable access to safe drinking water¹. Yet most people in developing countries live in rural areas - in villages of fewer than 1,500 people, which are rarely prioritized by interventions.

Improving access to drinking water in rural areas means setting up sustainable monitoring, management and maintenance systems for new and existing infrastructures.

A recent policy brief, based on a case study in Kenya², argues that: " *Repairing rural water infrastructure quickly through professionalized maintenance can reduce costs and increase social and economic returns, with benefits for low income households and women (...). Without developing a long-term maintenance delivery model, donors or governments investing in new rural water infrastructure are likely to replicate past mistakes, waste scarce resources, and fail to contribute to sustainable WASH services*".

These observations are now widely shared by the main stakeholders in the field.

What services are needed to meet the challenges of remote rural areas? :

Although the management and maintenance of rural water supply facilities is generally the responsibility of decentralized or deconcentrated institutions (municipalities, district water services, etc.), it is rarely effective due to the lack of resources and capacities available within these institutions, or the absence of appropriate strategies or models for implementing national directives.

Community management, based mainly on volunteer village committees, has also shown its limits in terms of viability due to a lack of technical and/or financial professionalization³.

Professionalizing the management, monitoring and maintenance of small-scale rural facilities is a prerequisite for sustainable access to safe water for all.

But the isolation and low capacity and/or willingness to pay of rural populations also make it difficult to delegate a service to private managers, particularly in landlocked areas⁴.

In the different contexts of 6 countries, **Inter Aide** has developed **rural water services** involving a **combination of actors** organized at different scales to respond effectively to these challenges.

These not-for-profit **professional service providers** continuously deliver quality water at appropriate, inclusive rates to over **1.6 million users of 6,800 rural public water points**.

Characterisation of the main water service models supported by Inter Aide:

Water service models, in line with national guidelines and regulations, are developed according to local needs and for the benefit of families in isolated, densely populated rural areas. These services enable the management,



Maintenance of a Hand Pump by a Pump Technician, Bombali, Sierra Leone, 2022

monitoring and sustainable maintenance of public village water points (standpipes or wells equipped with hand pumps). Whether we're talking about corrective or preventive maintenance, or guaranteed prepaid water services (annual flat rate per water point), **revenue from user payments only covers part of the total costs** associated with professionalizing and implementing these services (27% to 6% depending on the context; generally corresponding to the costs of local operator-maintainers, spare parts and transport).



Service user at a kiosk, Analamanga region, Madagascar, 2023

¹ <https://www.agenda-2030.fr/17-objectifs-de-developpement-durable/article/odd6-garantir-l-acces-de-tous-a-l-eau-et-a-l-assainissement-et-assurer-une>

² https://www.smithschool.ox.ac.uk/sites/default/files/2022-02/Kitui-maintenance-policy-brief_0.pdf

³ This observation has now been taken up in a number of national policy documents, such as the [National Framework for the Operation and Maintenance of Rural Water Infrastructure](#) in Uganda (page 10).

⁴ While private operators are often effective in delegating the management of water supply facilities in small urban centers or towns (>3,000 inhabitants), they are reluctant to manage lots of small rural facilities and water points because of the lack of minimum profitability.

Models	Madagascar	Ethiopia	Sierra Leone	Malawi
Management models	Local authority (Municipality) as contracting authority with delegation of water services to local NGOs	Professional associative management of water services (Federations) reinforced by deconcentrated services	Maintenance services provided by private operators under contract	Maintenance services provided by private operators under contract
Main operators	Local professional management-maintenance NGOs (Soakoja and Tehyna)	User federations compensating one Water Agent per "kebele"	Pump Technicians (independent, contracted, certified), organized into associations.	Area Mechanics (independent, contracted,certified).
Other key stakeholders	Rural communities and user representatives	<i>Woreda Water Office:</i> focal persons (very involved)	<i>Water Departments:</i> focal person with increasing involvement	<i>Water Departments, Traditional Authorities, Area Development Committees</i>
Peripheral stakeholders	DREAH	Focal persons (Zones / Regions	Approved stores	Contract stores (ESS-ESS)
Inter Aide (professionalisation and service support activities)	Strategic support, monitoring-evaluation, awareness-raising	Strategic support, coordination, data analysis, training and monitoring & evaluation	Strategic and organizational support, data collection, training	Strategic and organizational support, data collection, training
Infrastructures	Standpipes and kiosks (gravity fed networks) and hand pumps	Standpipes (gravity fed systems)	Wells equipped with hand pumps (India Mark II)	Boreholes equipped with hand pumps (Afridev)
# public water points under management* (PE)	826	1 346	2 816	1 605
Population served (estimates)*	125 000	370 000	770 000	321 000
tariff	Annual flat rate / water point for guaranteed service	Annual flat rate / water point for guaranteed service	Fixed tariff per intervention	Fixed tariff per intervention + purchase of spare parts
Average annual tariff /water point*	50,30 €	78,80 €	4,70 €	58,50 €

*Inter Aide 2023 data

How can rural water services be financed to ensure universal access to drinking water at an affordable cost?

Inter Aide's field experience underlines the need to subsidise the professionalisation of rural drinking water services, as well as some of their functions, which cannot be financed in the short term by user tariffs alone.

The document mentioned above also argues that: *"In the rural water sector, governments and donors have traditionally invested in new infrastructure and assumed water users would fund subsequent operation and maintenance activities. The expectation that rural water users will cover most – if not all – operation and maintenance costs is embedded in policy across Africa; however in many cases this has proven to be unrealistic".*

While a document capitalising on the experience of several countries and proposing a global approach to setting up professionalized maintenance services⁵ states that *"a fundamental pillar is financing, recognizing that consumer revenues alone cannot fund maintenance services. Lessons from experience in rural areas suggest that subsidies will be needed, at least in the medium term, to support high-quality services (...) and bridge the gap between tariff revenues and the operational costs of professional maintenance players".*

The challenge of financing rural water services with a "3-T mix"⁶ is now recognized by various international studies and players.



Payment of the annual fee for 3 standpipes for the Soakoja service, CR Ankazodandy.

⁵ https://www.globalwaters.org/sites/default/files/a_roadmap_for_system_strengthening_final.pdf

⁶ Tariff (users)/ "Taxes" (contribution to the service by central or local government institutions) / Transfers (international subsidies).