



An AMCOW Country Status Overview

Water Supply and Sanitation in Central African Republic

Turning Finance into
Services for 2015
and Beyond



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Strategic Overview

Over the course of the last few years, the water supply and sanitation sector in the Central African Republic has seen intense reforms; however, the country is progressing from a very challenging baseline.

Comparison of the historic access trends with set targets shows that the current pace of infrastructure development is insufficient. To reach these targets, annual investment will need to increase nine-fold compared to the sum invested in 2008.

The prospects for this are unlikely: only 44 percent of the investment required to meet the country's water supply and sanitation targets has so far been committed. There are also challenges in utilizing this investment effectively, exacerbated by inadequate road and transport infrastructure, geographic inaccessibility, and instability. Nevertheless, the sector, which has long benefited from emergency aid, is in transition: it is slowly gaining in structure and long-term development activities are now starting to be put in place.

The greatest challenges are found in rural areas, which are severely neglected, particularly in the case of sanitation for which levels of anticipated investment are still very low. Implementation of water supply and sanitation interventions are hampered by very low population density and limited access to parts of the country. Though the political situation has stabilized some areas remain insecure.

The urban water supply subsector has gone from one crisis situation to the next. The water tariff structure combined with underfinancing in the subsector has led to financial instability of services, feeding a vicious cycle of deteriorating service standards, and low cost recovery.

More generally, criteria for allocating finance need to be clarified urgently and capacity building is required to ensure improved operation and maintenance of services.

This second AMCOW Country Status Overview (CSO2) has been produced in collaboration with the Government of the Central African Republic and other stakeholders.

Agreed priority actions to tackle these challenges, and ensure finance is effectively turned into services, are:

Sectorwide

- Develop a coherent framework for managing the sector (policies, technical standards and implementation guidelines for state and non-state actors).
- Ensure improved coordination of activities: improve communication between stakeholders, systematize coordination meetings and agree targets and priorities.
- Improve the quantity and reliability of the information produced by sector stakeholders (aid flows and project activities) and set up a sector review.
- Build the capacities of sector stakeholders.
- Consolidate the role of communes within the decentralization framework: ensure they act systematically as local contracting authority and increase their resources.
- Promote community ownership of facilities by increasing community involvement in project planning, design and capacity-building programs.
- Increase financing, both domestic and donor, and optimize the financial resources available by increasing the percentage of budget utilized.
- Define and strengthen cost recovery mechanisms to ensure facilities remain sustainable.

Rural water supply

- In coordination with the private sector, put in place a sustainable system for the maintenance of water supply facilities (boreholes and pumps) and for the provision of spare parts.
- Build the capacity of the private sector to ensure the development of a functional market for borehole drilling.
- Improve the capacity of committees to manage water points through better supervision and monitoring.
- Develop a national program based on actual requirements that includes clearly defined long-term targets.

Urban water supply

- Clarify the institutional framework for management of the subsector, which has been in transition since the asset-holding company was dissolved and the Interface Unit was temporarily put in place.
- Remedy the funding deficit of the Water Distribution Company of the Central African Republic (Société de Distribution d'Eau de Centrafrique): define a pricing structure that is both socially acceptable and enables operation and maintenance (O&M) cost recovery, and increase efforts to raise funds to rehabilitate and extend water supply facilities.
- Bring services in secondary urban centers up to the same standard as those in Bangui.
- Increase pro-poor measures and, in particular, social connection campaigns that better target disadvantaged populations and secondary towns.

Rural sanitation and hygiene

- Agree on tools to promote the construction of latrines and implement these.
- Address the very low levels of improved hygiene behavior.
- Align financing mechanisms to changes in behavior: improvements in hygiene practices are only observed in the medium-term, whereas donor funding mechanisms usually cover a shorter period.

Urban sanitation and hygiene

- As in rural areas, define and implement tools to promote and develop latrines.
- Address the very low levels of improved hygiene behavior.
- Promote pit-emptying services: organize the private sector currently active in the market (if appropriate, through a license system that would improve regulation of the sector); resolve the issue of sludge treatment.



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Acronyms and Abbreviations

AfDB	African Development Bank	MDG	Millennium Development Goals
AMCOW	African Ministers' Council on Water	M&E	Monitoring and evaluation
ANEA	National Water Supply and Sanitation Agency (<i>Agence Nationale de l'Eau et de l'Assainissement</i>)	MMEH	Ministry of Mines, Energy and Water (<i>Ministère des Mines, de l'Energie et de l'Hydraulique</i>)
ARSEA	Regulatory Agency for the Water Supply and Sanitation Sector (<i>Agence de Régulation du Secteur de l'Eau et de l'Assainissement</i>)	NGO	Nongovernmental organization
CAPEX	Capital expenditure	O&M	Operation and maintenance
CAR	Central African Republic	OPEX	Operations expenditure
CLTS	Community-Led Total Sanitation	PASEA	National Sector Plan (<i>Plan d'Action Sectoriel Eau et Assainissement</i>)
CSO2	Country Status Overview (second round)	PSNEA	National Water Supply and Sanitation Policy and Strategies (<i>Politique et Stratégies Nationales en matière d'Eau et d'Assainissement</i>)
DAD	Development Assistance Database	PTI	Triennial Investment Plan (<i>Plan Triennal d'Investissement</i>)
DGH	General Directorate of Water (<i>Direction Générale de l'Hydraulique</i>)	RSH	Rural sanitation and hygiene
DP	Development partner	RWS	Rural water supply
EU	European Union	SNE	National Water Company (<i>Société nationale des Eaux</i>)
GNI	Gross national income	SODECA	Central African Water Distribution Company (<i>Société de Distribution d'Eau de Centrafrique</i>)
PRSP	Poverty Reduction Strategy Paper	UNICEF	United Nations Children's Fund
ICASEES	Central African Institute for Statistics and Economic and Social Studies (<i>Institut Centrafricain des Statistiques, des Études Économiques et Sociales</i>)	USH	Urban sanitation and hygiene
JMP	Joint Monitoring Programme (UNICEF/WHO)	UWS	Urban water supply
KABP	Knowledge, Attitudes, Behavior, and Practice survey (household survey conducted in 2009)	WHO	World Health Organization
LIC	Low-income country	WSP	Water and Sanitation Program
MICS3	Multiple Indicator Cluster Survey (third generation)	WSS	Water supply and sanitation

Exchange rate: US\$1= 472.1863 CFA Francs.¹

1. Introduction

The African Ministers' Council on Water (AMCOW) commissioned the production of a second round of Country Status Overviews (CSOs) to better understand what underpins progress in water supply and sanitation and what its member governments can do to accelerate that progress across countries in Sub-Saharan Africa (SSA).² AMCOW delegated this task to the World Bank's Water and Sanitation Program and the African Development Bank (AfDB) which are implementing it in close partnership with the UNICEF and WHO in over 30 countries across SSA. This CSO2 report has been produced in collaboration with the Government of the Central African Republic and other stakeholders during 2009/10.

The analysis aims to help countries assess their own service delivery pathways for turning finance into water supply and sanitation services in each of four subsectors: rural and urban water supply, and rural and urban sanitation and hygiene. The CSO2 analysis has three main components: a review of past coverage; a costing model to assess the adequacy of future investments; and a scorecard which allows diagnosis of particular bottlenecks along the service delivery pathway. The CSO2's contribution is to answer not only whether past trends and future finance are sufficient to meet sector targets, but what specific issues need to be addressed to ensure finance is effectively turned into accelerated coverage in water supply and sanitation. In this spirit, specific priority actions have been identified through consultation. A synthesis report, available separately, presents best practice and shared learning to help realize these priority actions.

2. Sector Overview: Coverage and Finance Trends

Coverage: Assessing Past Progress

Coverage estimates for the Central African Republic (CAR) vary widely depending on their source. The data used within this report comes mainly from the Joint Monitoring Programme (JMP)³ and the General Directorate of Water (DGH: *Direction Générale de l'Hydraulique*) of the Ministry of Mines, Energy, and Water (MMEH: *Ministère des Mines, de l'Énergie et de l'Hydraulique*). For sanitation, both sets of figures are based on the same study, the Multiple Indicator Cluster Survey (third generation) (MICS3) household survey conducted in the CAR in 2006; however, the DGH definition of 'improved' access is different than that of the JMP. For water supply, whilst the JMP estimates are based on the MICS3, the DGH access rate estimates are taken from an inventory of existing facilities (see Table 1).

This report is based on the national statistics provided by the DGH, and targets in the national sector plan, PASEA (*Plan d'Action Sectoriel Eau et Assainissement*). Based on these estimates, to reach the PASEA target for water supply the CAR needs to provide 65 percent of the population with access to improved drinking water in 2015, compared to an access rate of 30 percent in 2008. For sanitation, the PASEA target is to provide improved access

to 60 percent of the population; in 2008, the access rate stood at 5 percent. There are, therefore, huge challenges to be overcome. The current pace of development is not encouraging, however, and will not enable the targets to be met unless there is a dramatic acceleration in the pace of construction (see Figure 1). Since 1990, an additional 44,000 people per year, on average, have obtained access to drinking water. To ensure the PASEA target is met this will have to rise to 267,000 people per year up to 2015, which is a six-fold increase on the historic rate. For sanitation, the situation is even more acute as fewer than 9,000 additional people gained access to improved sanitation each year compared to the 390,000 required (which means multiplying the rate at which facilities have been constructed by a factor of 44).

Investment Requirements: Testing the Sufficiency of Finance

A calculation of annual capital investment requirements made using the CSO2 costing model, based on the above national coverage data and targets, puts the total at US\$58 million per year up to 2015, which breaks down as US\$47 million per year for water supply and US\$11 million per year for sanitation.

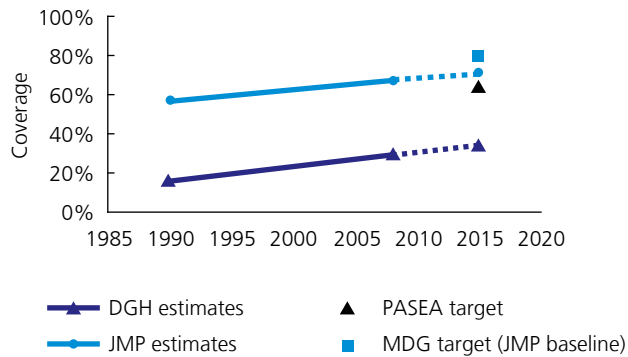
Table 1
Current WSS coverage and targets in the Central African Republic

	2008 coverage		2015 targets		
	JMP	DGH	Calculated from JMP baseline	Calculated from DGH baseline ⁴	PASEA
Rural water supply	51%	31.8%	74%	59%	67%
Urban water supply	92%	27.6%	89%	59%	61%
Water supply total	67%	30.2%	79%	59%	65%
Rural sanitation	28%	1.7%	53%	51%	60%
Urban sanitation	43%	11.1%	61%	53%	60%
Sanitation total	34%	5.3%	56%	51%	60%

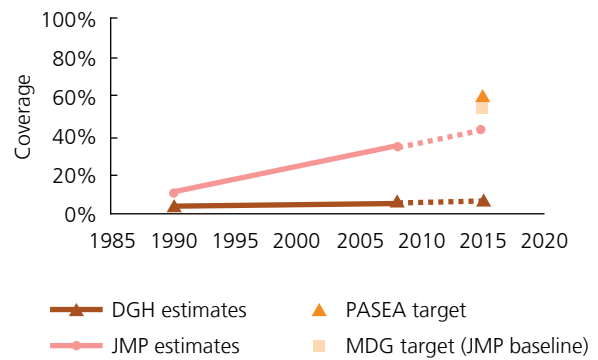
Source: JMP, DGH, and PASEA (Water Supply and Sanitation Sector Action Plan: *Plan d'Action Sectoriel Eau et Assainissement*).

Figure 1
Progress in water supply and sanitation coverage

Water supply



Sanitation



Source: JMP 2010 Report and DGH.

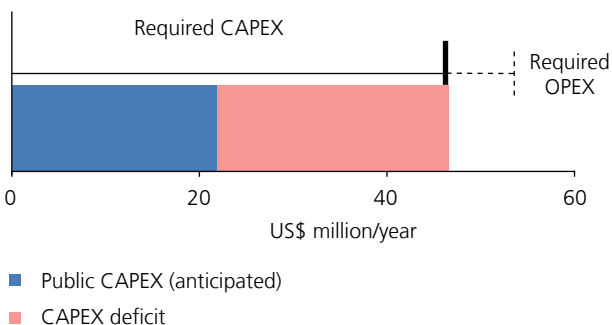
As far as expansion of water supply coverage is concerned, all investment expenditure will have to be met from the national budget and development partner (DP) funds. Financing of around US\$22 million per year has been forecast for the next few years (see Figure 2 and Table 2); this is just under half (47 percent) of the estimated requirement, with the significant majority of the deficit found in the rural water supply (RWS) subsector.

defined for the main sanitation technology used in the CAR. Around US\$3 million have been committed to sanitation by external support agencies and nongovernmental organizations (NGOs), meaning that a further US\$8 million still needs to be mobilized each year (see Figure 2 and Table 2). Although it is assumed that households will meet part of this requirement, by encouraging them to invest in the construction of their own latrines, the sector ministries consider it unrealistic to expect households to fund these costs in full. The costs for the sanitation subsectors (urban and rural) should be met, at least in part, by the public

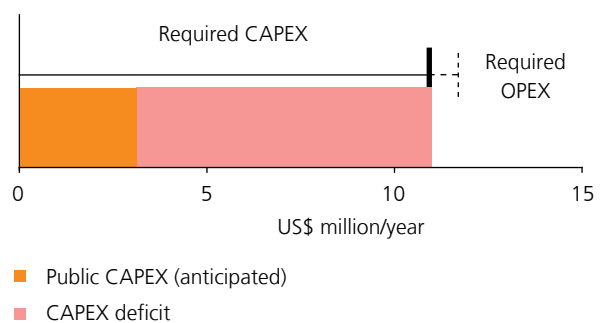
For sanitation, the financing policy is unclear. The national policy on subsidizing household latrines has yet to be

Figure 2
Required vs. anticipated (public) and assumed (household) expenditure

Water supply



Sanitation



Source: CSO2 estimates based on national coverage data.

Table 2
Coverage and investment figures⁵

	Coverage			Target	Population requiring access	CAPEX requirements		Anticipated public CAPEX			Assumed HH CAPEX	Total deficit
	1990	2008	2015			Total	Public	Domestic	External	Total		
	%					'000/year	US\$ million/year					
Rural water supply	18%	32%	67%	160	32	32	0	8	8	0	24	
Urban water supply	17%	28%	61%	108	15	15	0	14	14	0	1	
Water supply total	18%	30%	65%	267	47	47	1	22	22	0	25	
Rural sanitation	1%	2%	60%	245	9	9	0	1	1	0	7	
Urban sanitation	5%	11%	60%	144	2	2	0	1	2	0	1	
Sanitation total	2%	5%	60%	389	11	11	0	3	3	0	8	

Source: DGH, PASEA and CSO2 costing.

authorities, regardless of the approach taken: contributing materials, mobilizing awareness-raising teams, using Community-Led Total Sanitation (CLTS) techniques, etc.

If the JMP coverage estimates and MDG targets were accepted, in place of the DGH/PASEA figures, the financial deficit would be lower (although the MDG target for water supply is higher than the PASEA target, this is offset by the considerably higher JMP coverage estimates compared to those from DGH, for both water supply and sanitation).

The investment requirements identified in Figure 2 and Table 2 relate to the construction and rehabilitation of infrastructure and do not include social intermediation activities ('software', that is, training, awareness-raising and hygiene promotion, and so on).⁶ Nor do the requirements include operation and maintenance costs (O&M)/OPEX—separate estimates are shown in Table 3. As in many countries, in the CAR there is an implicit assumption that O&M costs will be recovered from users through the tariff, though in practice this is not always achieved. If any of the annual OPEX has to be subsidized from the public purse, it reduces the amount available for capital investment.

These considerations are only part of the picture. Bottlenecks can in fact occur throughout the service delivery pathway—all the institutions, processes, and actors that translate sector funding into sustainable services. Where the pathway is well developed, sector funding should turn into services at the

Table 3
Annual OPEX requirements

Subsector	OPEX US\$ million/year
Rural water supply	4
Urban water supply	4
Water supply total	7
Rural sanitation	1
Urban sanitation	0
Sanitation total	1

Source: CSO2 estimates.

estimated unit costs. Where it is not, the above investment requirements may be gross underestimates. The rest of this report evaluates the service delivery pathway in its entirety, locating the bottlenecks and presenting the agreed priority actions to help address them.

The main bottlenecks that concern the whole of the sector are:

- Underfunding of the sector: Budget forecasts are well below requirements and the budget utilization rates are relatively low.
- Lack of transparency when allocating funds: The lack of a programmatic framework and, in particular, the need for urgent response to emergency situations means it is currently impossible to allocate finance based on predefined criteria.

- Limited private sector capacity: Maintenance is undermined by a lack of spare parts and by management problems encountered by the communities.
- Lack of funds for O&M of services: The precarious nature of the pricing structure combined with underfinancing in the sector leads to financial instability in services, feeding a vicious cycle of deteriorating service standards and low cost recovery.
- In the broader context, the effectiveness of interventions is hampered by an atypical geographical situation (very low population density, with difficulty in accessing parts of the country); by a political situation that has recently stabilized but where some areas remain insecure, thereby preventing countrywide interventions; and by a chronic emergency situation that means all activity falls somewhere between humanitarian and development approaches.

3. Reform Context: Introducing the CSO2 Scorecard

Management of the public water supply service has undergone several reforms that attest to the existence of political will for improving the population's access to drinking water. The creation of national agencies for water supply and sanitation is a recent phenomenon and reflects the current trend whereby mechanisms born out of emergency response are being set aside in favor of approaches to ensure the sector's long-term development.

The reforms have followed the country's transition to increased democracy and its opening up to international institutions: the foundations of the sector policy were laid in 2006 with the promulgation of the Water Law, then with the adoption by the government of the National Water Supply and Sanitation Policy and Strategies document (PSNEA: *Politique et Stratégies Nationales en matière d'Eau et d'Assainissement*). The year 2007 saw the creation on paper of the institutions charged with implementing the water supply and sanitation policy: the National Water Supply and Sanitation Agency (ANEA: *Agence Nationale de l'Eau et de l'Assainissement*), which is the implementation agency in charge of infrastructure construction activities in rural areas, created by the Water Law; and the ad hoc Committee charged with setting up the Regulatory Agency for the Water Supply and Sanitation Sector (ARSEA: *Agence de Régulation du Secteur de l'Eau et de l'Assainissement*). These two agencies are still not yet operational, however.

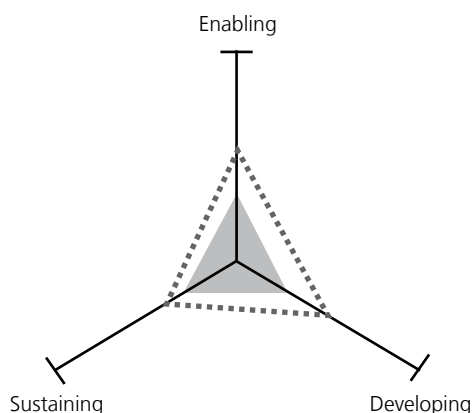
The reforms required to ensure proper functioning of the sector are currently ongoing. The creation in 2009 of the Water Supply and Sanitation Sector Committee (*Comité Sectoriel Eau et Assainissement*) and the Sector Round Table (*Table Ronde Sectorielle*) are further steps in an overall process to establish monitoring mechanisms.

This brief introduction puts the service delivery pathway in context, which can then be explored in detail using the CSO2 scorecard, an assessment tool providing a snapshot of reform progress along the service delivery

pathway. This scorecard looks at nine building blocks of the service delivery pathway, which correspond to specific functions classified in three categories: three functions that refer to **enabling** conditions for putting services in place (policy development, planning new undertakings, budgeting); three functions that relate to **developing** the service (expenditure of funds, equity in the use of these funds, service output); and three functions that relate to **sustaining** these services (facility maintenance, extension of infrastructure, use of the service).⁷ Each building block is assessed against specific indicators and scored from 1 (poor) to 3 (excellent) accordingly.

The scorecard results for the CAR show that, despite recent efforts, the WSS sector scores below the average of the poorest low-income countries participating in the CSO2 (that is, those with a GNI below US\$500 per capita, World Bank Atlas Method). As depicted in Figure

Figure 3
Average scorecard results for enabling, developing, and sustaining service delivery, and peer-group comparison



■ Central African Republic average scores
 ∴ Averages, LICs, GNI p.p. <=\$500

Source: CSO2 scorecard.

3 the scores are lowest, on average, for building blocks related to developing new services. As far as conditions for enabling and sustaining services are concerned, the country's results are still below the average, though nearer those of its peer group countries.

Table 4 provides a summary of the main steps taken as part of the WSS sector reform process in the CAR. Sections

4 to 6 highlight progress and challenges across three thematic areas—the institutional framework, finance and monitoring and evaluation (M&E)—benchmarking the CAR against its peer countries based on a grouping by gross national income. The related indicators are extracted from the scorecard and presented in charts at the beginning of each section. The scorecards for each subsector are presented in their entirety in Sections 7 to 10.

Table 4
Key dates in the reform of the sector in the Central African Republic

Year	Event
1975	Management by the state through the National Water Company (<i>SNE: Société Nationale des Eaux</i>), created to ensure management autonomy for the public water service.
1991	Creation of the Central African Water Distribution Company (<i>SODECA: Société de Distribution d'Eau de Centrafrique</i>). SNE subsequently becomes an asset-holding company that delegates management through an indirect lease on behalf of the state. The French firm SAUR is the majority stakeholder.
1999	Due to the company's financial difficulties, SAUR international withdraws and its stake in SODECA is reduced from 75 percent to 10 percent, then 0 percent in 2003. The Central African state thus becomes majority stakeholder with 97.41 percent of shares.
1999–2000	Dissolution of SNE (Law 005.99) and creation of the Interface Unit (<i>Cellule d'Interface</i>) attached to the General Directorate of Water (<i>DGH: Direction Générale de l'Hydraulique</i>) with responsibility for monitoring SODECA contractual requirements (Order n°57/2000/MME/CAB).
2006	Promulgation of the Law pertaining to the Water Code. The government adopts the National Water Supply and Sanitation Policy and Strategies document (<i>PSNEA: Politique et Stratégies Nationales en matière d'Eau et d'Assainissement</i>).
2007	Government drafts the Poverty Reduction Strategy Paper (PRSP) 2008–10 as a frame of reference for government policy and cooperation.
10/07	Creation of the large national sector institutions: <ul style="list-style-type: none"> • Organization and operation of the National Water Supply and Sanitation Agency (<i>ANEA: Agence Nationale de l'Eau et de l'Assainissement</i>); • Creation of an ad hoc committee charged with implementing ANEA; and • Creation of an ad hoc committee charged with implementing the Regulatory Agency for the Water Supply and Sanitation Sector (<i>ARSEA: Agence de Régulation du Secteur de l'Eau et l'Assainissement</i>). Unfortunately, these institutions are still not yet operational.
05/08	As part of PRSP implementation, creation of the Water Supply and Sanitation Sector Committee (Order N° 011 of 14 May 2008).
10/09	Organization of the Water Supply and Sanitation Round Table (<i>Table Ronde Sectorielle Eau et Assainissement</i>).

Source: CSO2.

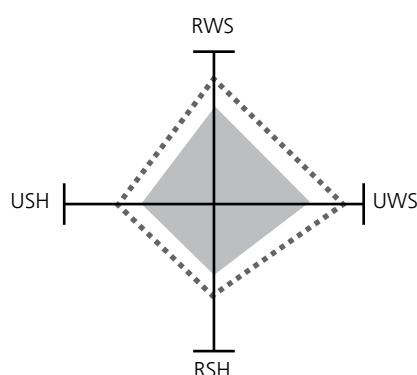
4. Institutional Framework

Priority actions for institutional framework

- Develop a coherent framework for managing sector (policies, technical standards, and implementation guidelines for state and non-state actors).
- Ensure improved coordination of activities: improve communication between stakeholders, systematize coordination meetings and agree on targets and priorities.
- Build the capacities of the sector stakeholders.
- Consolidate the role of communes within the decentralization framework: ensure they act systematically as local contracting authority and increase their resources.
- Promote community ownership of facilities by increasing community involvement in project planning, design, and capacity-building programs.

Reform of the WSS sector has started very recently, with the adoption of the Water Law in 2006 to supplement the existing Hygiene and Environment Laws and the National Water Supply and Sanitation Policy and Strategies document (PSNEA), which constitutes the sector's orientation framework and sets water supply and sanitation access targets for 2015, aligned to the Millennium Development Goals (MDGs).

Figure 4
Scorecard indicator scores relating to institutional framework compared to peer group⁸



■ Central African Republic average scores
 :: Averages, LICs, GNI p.p. <=\$500

Source: CSO2 scorecard.

However, the reform process is still ongoing: the implementing provisions of the Water Law are yet to be established, the different sector agencies (ANEA, ARSEA) need to be made operational, the terms of SODECA⁹ need to be redefined, and a national sanitation policy needs to be developed. The majority of these activities will be included in the project to provide institutional support for the development of the water supply sector in the CAR (*'Appui institutionnel pour le développement du secteur de l'eau en République centrafricaine'*), which is financed by the AfDB and which commenced in the third quarter of 2010. A national hygiene and sanitation policy is due to be developed with the support of UNICEF. Although the CAR scorecard results for indicators related to the institutional framework are below those of its economic peer group, the country is nonetheless introducing effective reforms (see Figure 4).

An important step is the sector's inclusion in the Poverty Reduction Strategy Paper (PRSP) 2008–10. Adopted in 2007, the main points pertaining to WSS sector development are included as part of Pillar 3 of the PRSP: 'Rebuild and Diversify the Economy'. As part of the PRSP implementation framework, a Water Supply and Sanitation Sector Committee (*Comité Sectoriel Eau et Assainissement*) was put in place, charged with defining an action plan for the sector.¹⁰ Facilitated by a Permanent Technical Secretary, the Committee has

created the PASEA, accompanied by a Finance Plan that groups together all the initiatives undertaken across the country within the sector, identifying those for which seeking finance is a priority. These documents formed the basis of a round table discussion in October 2009, which brought together all the main stakeholders with a view to directing their activities towards the defined priorities.

Notwithstanding the round table, the division of responsibilities between the water supply and sanitation stakeholders in the CAR is yet to be formally established. The PSNEA document adopted in 2006 does not include a clear outline of the institutional structure of the sector, nor is this mentioned elsewhere. There is very little collaboration between DGH (responsible for building latrines) and the Ministry of Health (tasked with providing hygiene education).

In addition to the (lack of) allocation of roles at central level, the local authorities—urban communes and rural communities—have local responsibility for planning and take on the role of contracting authority for small and medium scale water and sanitation projects, in collaboration with central and regional state technical departments. As far as their meager resources allow, they ensure interventions in their territory are aligned and conform to local planning requirements.

Infrastructure management and the construction of larger scale facilities (such as boreholes or treatment plants) are not decentralized. It is important to highlight the fact that decentralization in the CAR is still in its infancy. The lack of autonomy of the 174 communes, including Bangui which benefits from special status, is the result of a lack of resources which further impedes them from developing water supply and sanitation activities.

5. Financing and its Implementation

Priority actions for financing and its implementation

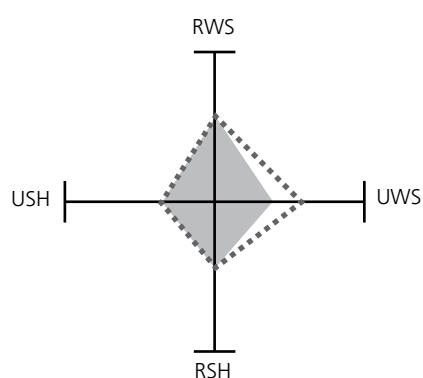
- Remedy the lack of financing, both domestic and donor.
- Optimize the financial resources available by increasing the percentage of budget utilized: improve the collection, processing, and transparency of financial information; overcome administrative bottlenecks and issues of financial governance.
- Define and strengthen cost recovery mechanisms to ensure facilities remain sustainable.

The overall framework used for investment planning in the CAR is the PRSP 2008–10, coordinated by the Ministry of Planning. It is supplemented by the rolling Triennial Investment Plan (PTI: *Plan Triennal d'Investissement*) that serves as a form of operational annex to the PRSP, and the aid flow information management system—the Development Assistance Database (DAD)—which aims to track at least 85 percent of the donor aid provided to the CAR.

Within the WSS sector, the main planning tool used is the PASEA. It is supported by an Investment Plan that serves

as a guide to any new stakeholder wishing to become involved in the sector. For the 2008–15 period, 25 projects were registered with an estimated overall cost of 108.66 billion CFA Francs (around US\$22 million). These projects were developed as part of the process for preparing the sector round table that was held in October 2009. This event initiated the organization of the sector around common priorities; as one of the first sectors to hold its own round table, the WSS sector has also shown it can be proactive. The scorecard results of the CAR for indicators relating to finance are similar to those of the economic peer group, with the exception of the urban water supply (UWS) subsector (Figure 5).

Figure 5
Scorecard indicator scores relating to financing and its implementation, compared to peer group¹¹



■ Central African Republic average scores

⋯ Averages, LICs, GNI p.p. <=\$500

Source: CSO2 scorecard.

As can be seen in Table 5, the proportion of domestic finance committed to the WSS sector is on a downward trend, whilst the proportion of donor finance is increasing: this can be explained by the progressive stabilization of the political and security situation in the CAR which, in turn, means DPs are returning to the country. This phenomenon also explains why the NGO share of donor funding, and of all sector funding, is decreasing in relative terms: with official donors returning NGOs, the main providers of emergency aid, are becoming less central. Although the long-term prospects are uncertain, the balance is shifting from humanitarian to development aid, which is leading to increased amounts of finance being allocated to the sector.

In general, the financial information for the sector presented in the budget is still not comprehensive. This weakness has, however, been offset by the work carried out by the unit in charge of implementing and monitoring

Table 5
Allocation of WSS sector financing in the CAR

WSS Sector finance (US\$)	2006	2007	2008
Domestic funding			
Central government (state budget)	626,132	684,862	1,117,721
National operator (SODECA)	140,753	241,821	49,258
Local communes/communities	133,130	62,408	67,539
Total domestic finance	900,015	989,091	1,234,518
Domestic finance as a percentage of total state budget	0.4%	0.4%	0.4%
External funding			
Institutional donors	1,492,733	903,448	4,032,477
NGOs (estimate)	0	1,271,632	1,472,167
Total external finance	1,492,733	2,175,080	5,504,644
Total			
Total resources allocated to the sector	2,392,748	3,164,171	6,739,162
Percentage of which internal	38%	31%	18%
Percentage of which external	62%	69%	82%

Source: CSO2 estimates.

the PRSP within the Ministry of Planning. This unit lists the majority of agreements signed with partners and, since 2008, has been publishing an annual aid-monitoring document.

No criteria to direct the allocation of resources have been agreed at national level. As a result, the DGH prioritizes those areas with the lowest coverage and highest number of beneficiaries. As far as UWS is concerned, SODECA prioritizes 'profitable' centers to avoid a repetition of past experiences whereby large amounts of finance were injected into centers where the challenges were so great that activities led to virtually no improvement in service.

As far as utilization of finance is concerned, the initial analyses only took place in 2009, based on 2008 data. The process is still in a start-up phase and poor communication with the Treasury means that is not yet possible to track the whole cycle, from allocation through to actual payment. For this reason, the information needs to be treated with caution. Based on information provided by the Budget Directorate, 92 percent of finance was utilized in the WSS sector from the state's 2008 domestic budget.

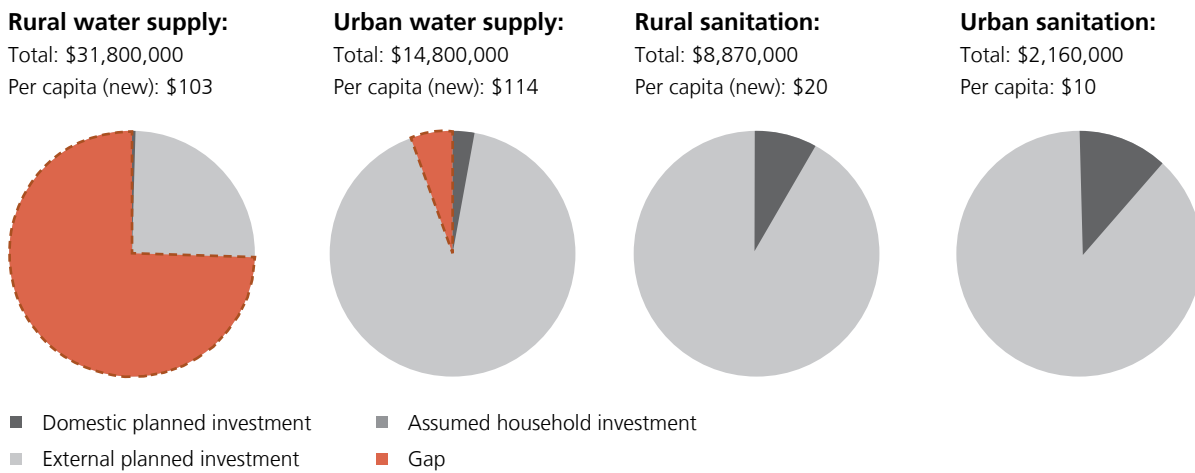
The percentage of donor finance utilized is lower: only 39 percent of the DP financial commitment. From preliminary findings it is, however, notable that utilization by the implementing agencies is not the main bottleneck, but rather disbursement: whereas 79 percent of financing received by the implementation agencies is utilized, only 49 percent of the commitments made by donors as part of their agreements are actually transferred to the agencies charged with implementing the projects.

These poor results can be explained by a number of factors. At the national level, the 2009 report on implementation of the PRSP in 2008 and prospects for 2009 (*Rapport de mise en œuvre du DSRP en 2008 et perspectives pour 2009*) lists the main issues as being: the low project management capacities of government and international agencies; the frequent delays in utilizing annual budgets; and, failings in the public procurement procedures. Added to these obstacles are more general difficulties, such as poor understanding of, and conformity with, funding application procedures, and the long delays related to the fact that some donors have no official representation in the country.

Figure 6 illustrates the investment requirements and the contribution of anticipated funding by source. Whereas UWS seems relatively well-financed thanks to DP and NGO commitments, there is a significant funding deficit within

the RWS subsector. As far as sanitation is concerned, the figure shows the likely situation if mechanisms to leverage household finance are not devised and effectively put in place.

Figure 6
Overall annual and per capita investment requirements and contribution of anticipated financing by source



Source: CSO2 estimates.

6. Sector Monitoring and Evaluation

Priority actions for sector monitoring and evaluation

- Improve the quality of information relating to budget availability and utilization.
- Improve the quantity and reliability of the information produced by the different service providers and stakeholders.
- Organize the collection and analysis of data pertaining to the sector.
- Define monitoring and evaluation tools, resources, and targets.
- Set up a sector review.

As illustrated in Figure 7, the M&E systems in place in the CAR are underdeveloped. Whilst the overall annual evaluation of PRSP implementation, common to all sectors, has already been set up (the first evaluation took place in June 2009), there is no sector-specific annual review as yet. These come under the responsibility of the Water Supply and Sanitation Sector Committee (*Comité Sectoriel de l'Eau et de l'Assainissement*) which, since its creation, has concentrated its efforts on drafting the main documents required for organizing the sector (PASEA and the finance plan) and on setting up the round table. In 2011, this Committee is due to organize the first sector

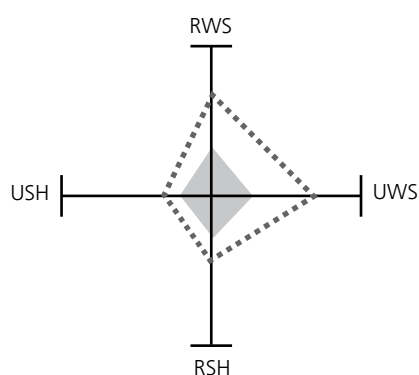
review of the WSS sector as part of its PASEA monitoring and evaluation role.

However, while the information required for such a review is sparse and in need of analysis, it nonetheless exists. The Central African Institute for Statistics and Economic and Social Studies (ICASEES: *Institut Centrafricain des Statistiques, des Études Économiques et Sociales*) conducts regular household surveys at the national level (MICS3 in 2006, KABP in 2009), which partially compensates for the inability of the DGH to carry out specific sector studies and inventories due to lack of resources.

The DGH does, however, publish an annual report on progress within the sector that includes those activities directly undertaken or supervised by its departments (number of new boreholes, wells and, latrines constructed) and those undertaken by the SODECA (number of new household connections and standpipes). The report lists the majority of operations carried out in the sector, to which need to be added those activities conducted by the Ministry of Health's statistics unit, the Ministry of Finance's Directorate of Budget Utilization (*Direction de l'Exécution*), and NGOs. Nevertheless, the format of the paper version and the virtually nonexistent communication of the findings are far from ideal.

Enough useable data is therefore available for a periodic sector review to be set up. This process should run in parallel to the implementation, within the DGH, of an information management system and database as set out in the 'institutional support' section of the aforementioned project financed by the AfDB.

Figure 7
Scorecard indicator scores relating to sector M&E, compared to peer group¹²



■ Central African Republic average scores
 :: Averages, LICs, GNI p.p. <=\$500

Source: CSO2 scorecard.

7. Subsector: Rural Water Supply

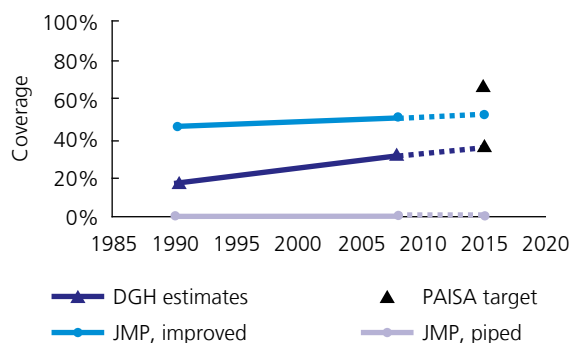
Priority actions for rural water supply

- In coordination with the private sector, put in place a sustainable system for the maintenance of water supply facilities (boreholes and pumps) and for the provision of spare parts.
- Build the capacity of the private sector to ensure the development of a functional market for borehole drilling.
- Improve the capacity of committees to manage water points through better supervision and monitoring.
- Develop a national program based on actual requirements that includes clearly defined long-term targets.

According to the JMP, the access rate to drinking water in rural areas stood at 51 percent in 2008, a figure that is contested by the main sector stakeholders. The DGH figure for 2008 is 31.8 percent (see Figure 8), whereas the access rate given by other sources falls somewhere in between. All sources, however, agree that the pace at which the access is increasing is barely sufficient to offset population growth. As a result, the subsector is clearly not in a position to meet the PASEA target for rural water supply, which would require a six-fold increase in the historic pace of development.

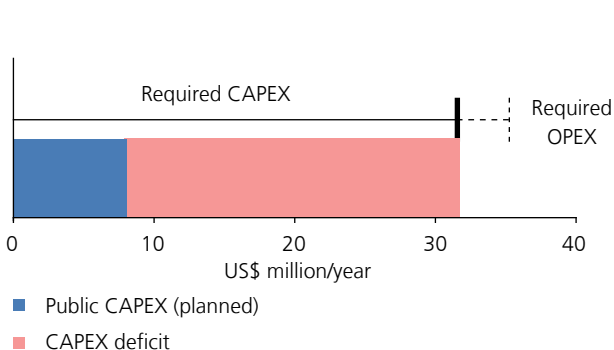
The capital investment requirements for rural water supply alone account for 55 percent of the total requirements of the WSS sector, with only one quarter of this investment anticipated for the foreseeable (see Figure 9). According to the CSO2 costing and based on the DGH figures, US\$32 million per year will be required in capital investments to meet the RWS PASEA target: a total of US\$223 million. Once O&M costs, estimated to be around US\$4 million per year (see Table 2) are added to this, the total investment requirements for the subsector up to 2015 come to around US\$250 million.

Figure 8
Rural water supply coverage



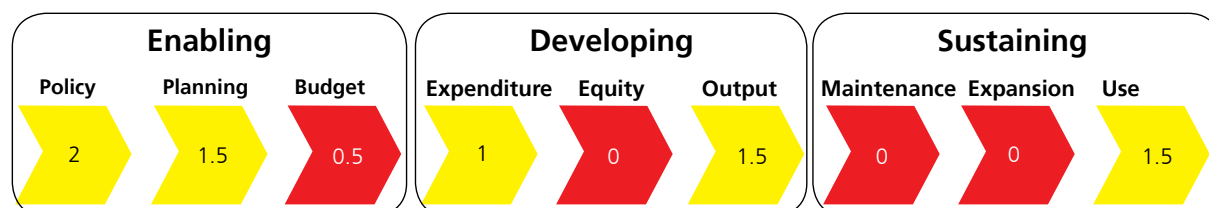
Sources: DGH, PASEA, and JMP 2010 Report.

Figure 9
Rural water supply investment requirements



Source: CSO2.

Figure 10
Rural water supply scorecard



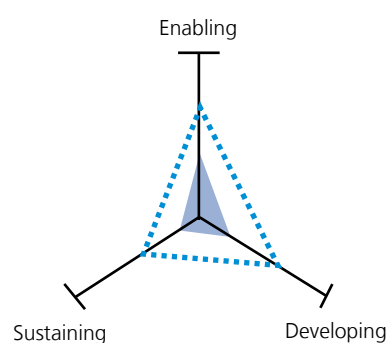
Source: CSO2 scorecard.

Figure 10 shows the rural water supply scorecard. The scorecard uses a simple color code to indicate: building blocks that are largely in place, acting as a driver on service delivery (score >2, green); building blocks that are a drag on service delivery and require attention (score 1–2, yellow); and building blocks that are inadequate, constituting a barrier to service delivery and a priority for reform (score <1, red).

The scorecard indicates that the greatest challenges within the RWS subsector relate to developing new services and sustaining facilities (Figures 10 and 11). In addition to the problems common to all sectors (accessibility, logistics, security conditions), the development of new infrastructure is being hampered by factors such as lack of equipment (there are only four drilling machines in the whole country) and the technical and financial shortcomings of the DGH. These issues are reflected in the low percentage of budget utilized; this stands at 26 percent for donor financing, which makes up the majority of funding. Sustaining services is also hampered by difficulties in obtaining spare parts and in local management of facilities. It is to be hoped that, once ANEA is in place, the link between ad hoc project interventions and ongoing maintenance can be restored: activities are currently highly dependent upon donor finance and are often suspended between projects.

The current severe failings in water supply services in rural areas are not only quantitative and qualitative, but also relate to service management: the population has very

Figure 11
Average RWS scorecard scores for enabling, developing, and sustaining service delivery, and peer group comparison



■ Central African Republic average scores
 ■ Averages, LICs, GNI p.p. <=\$500

Source: CSO2 scorecard.

little sense of ownership of facilities due, in part, to lack of involvement during the project design phase, as well as the paucity of local skills and a prevailing short-term perspective. It is for all these reasons that the results for the subsector are significantly below those of the CAR's peer group countries (see Figure 11). The subsector is, however, keeping up with the pace of population growth and, based on recent DGH data, the number of facilities built over the last 18 months means the outlook is relatively encouraging.

8. Subsector: Urban Water Supply

Priority actions for urban water supply

- Clarify the institutional framework for management of the subsector, which has been in transition since the asset-holding company was dissolved and the Interface Unit was temporarily put in place.
- Remedy SODECA's funding deficit: define a pricing structure that is both socially acceptable and enables O&M cost recovery, and increase efforts to raise funds to rehabilitate and extend water supply facilities.
- Bring services in secondary urban centers up to the same standard as those in Bangui.
- Increase pro-poor measures and, in particular, social connection campaigns that better target disadvantaged populations and secondary towns.

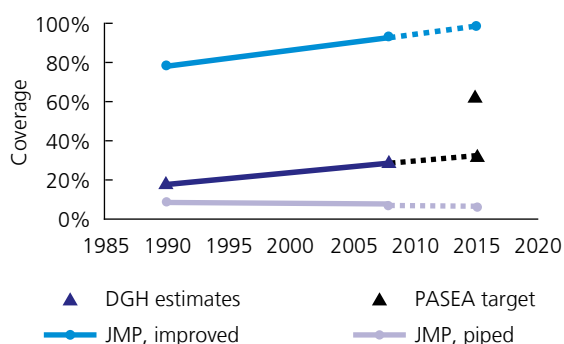
The access rate data for the UWS subsector also differs depending on the source: according to the JMP, the access rate stood at 92 percent in 2008, starkly contrasting with the DGH figure of 27.6 percent (see Figure 12). To reach the PASEA target for the urban water supply subsector, the current pace of construction needs to increase seven-fold.

Based on the DGH figures and PASEA target, between 2009 and 2015, therefore, over US\$103 million will be required for investment (US\$15 million per year, see Figure 13), as well as US\$28 million for O&M, giving a total of almost US\$130 million.

Nevertheless, it would appear that the majority of finance required for UWS (95 percent, or US\$14.8 million per year) has been obtained. This is attributable to recent commitments made by some DPs, but assumes that this is sustained through to 2015 (Figure 13).

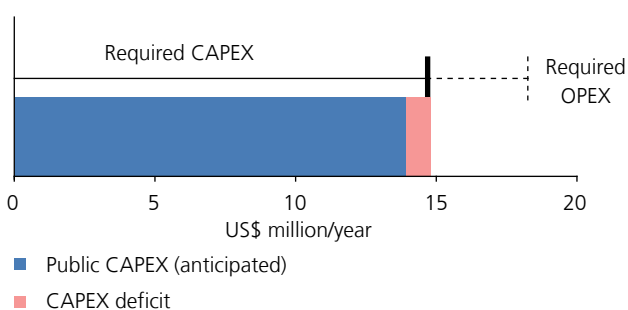
It will, therefore, be necessary to translate these commitments into results by ensuring that the operational teams are able to manage the influx of funding and have the resources to ensure it is utilized effectively. However, in spite of this promising financial outlook, the challenges of budget utilization the teams will encounter when having to considerably and abruptly increase the pace of

Figure 12
Urban water supply coverage



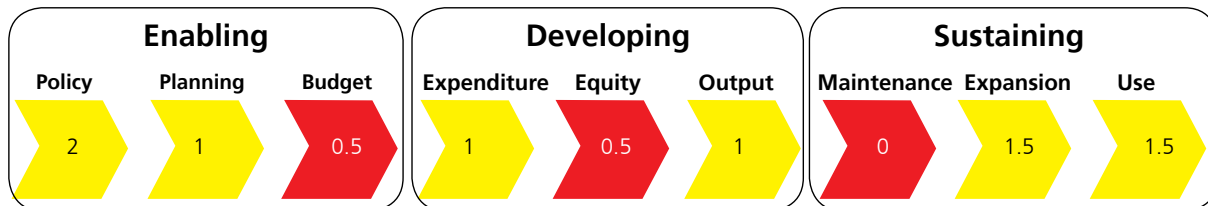
Sources: DGH, PASEA, and JMP 2010 Report.

Figure 13
Urban water investment requirements



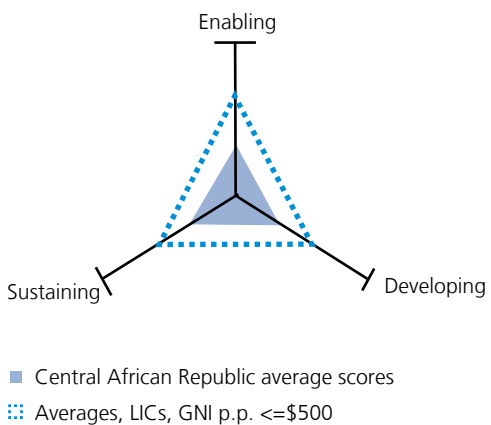
Source: CSO2 costing.

Figure 14
Urban water supply scorecard



Source: CSO2 scorecard.

Figure 15
Average UWS scorecard scores for enabling, developing, and sustaining service delivery, and peer-group comparison



Source: CSO2 scorecard.

construction mean it is unlikely that the 2015 target will be met.

The UWS subsector has gone from one crisis situation to another without any real sustainable management policy ever having been put in place. As a result, the subsector is today in a precarious situation, as illustrated in the scorecard results (Figures 14 and 15). According to the SODECA, the access rate in Bangui in 2008 stood at around 28 percent; the majority of the population use other sources to obtain their water with no guarantee that these are fit for consumption. In the seven other towns in which the SODECA operates, the amount of water available fluctuates between 3 and 12 liters per capita per day; there are also 28 urban centers of more than 10,000 inhabitants where there is no water supply network at all. The financial performance of the SODECA is weak and characterized by cash-flow problems. The company is heavily in debt and billing revenue is insufficient to maintain infrastructure.

9. Subsector: Rural Sanitation and Hygiene

Priority actions for rural sanitation and hygiene

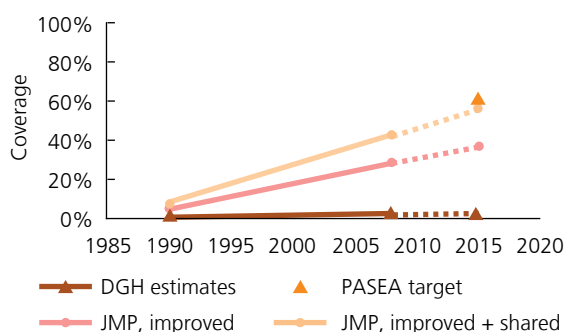
- Agree on tools to promote the construction of latrines and implement these.
- Address the very low levels of improved hygiene behavior.
- Align financing mechanisms to changes in behavior: improvements in hygiene practices are only observed in the medium-term, whereas donor funding mechanisms usually cover a shorter period.

The disparity in access rate figures for the rural sanitation and hygiene (RSH) subsector can be explained by the different methodologies and definitions used in the calculations: 1.7 percent of the rural population has access to improved sanitation according to the DGH; 7.7 percent according to a Census conducted in 2003; 28 percent according to the JMP, and 43.1 percent according the 2006 MIC3 survey. Any debate as to which figures are the most accurate should not be allowed to overshadow the fact that, regardless of the source, the access rate is extremely low. At the current rate of progress, and based on DGH data, only 1.9 percent of the CAR's rural population will have access to improved sanitation in 2015, against the target set out in the PASEA of 60 percent (see Figure 16).

Capital investment requirements, using the CSO2 costing model, are estimated to be US\$8.9 million per year, with around US\$1 million per year in additional maintenance and upkeep costs. Around 83 percent of the finance required between 2009 and 2015 (over US\$51 million) is yet to be mobilized: RSH attracts the least funding from DPs. It, therefore, appears extremely unlikely that the CAR will attain its target for access to sanitation in rural areas.

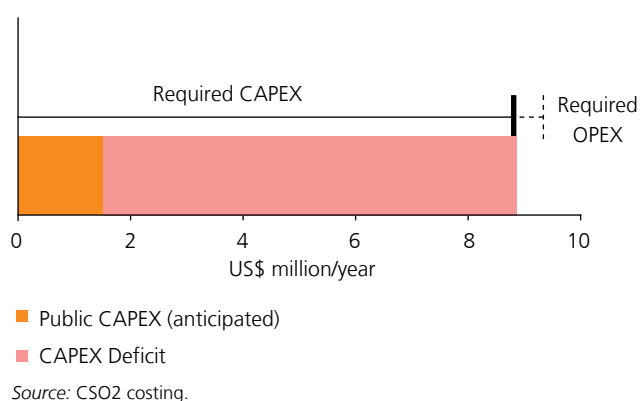
On-site sanitation is not considered a priority either by households or by the majority of institutional stakeholders, who, faced with a crisis situation and implementation issues, tend to favor the water supply sector. Government agency activity is, therefore, limited to supporting a few NGO programs, when possible.

Figure 16
Rural sanitation coverage



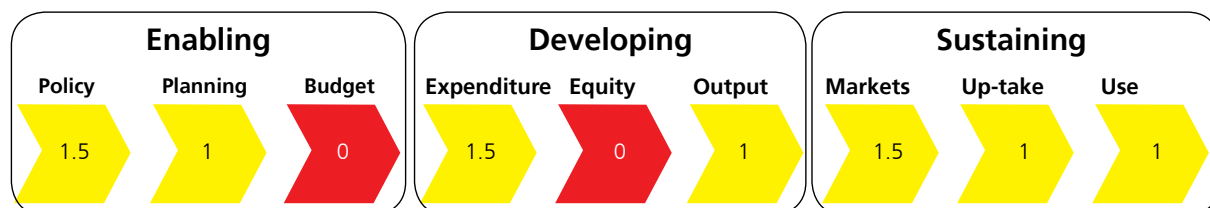
Sources: DGH, PASEA, and JMP 2010 Report.

Figure 17
Rural sanitation investment requirements



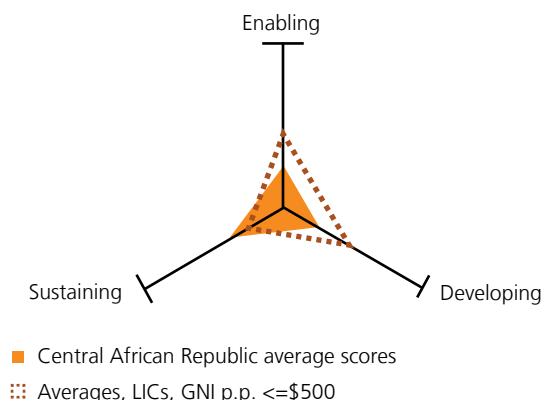
Source: CSO2 costing.

Figure 18
Rural sanitation and hygiene scorecard



Source: CSO2 scorecard.

Figure 19
Average RSH scorecard scores for enabling, developing, and sustaining service delivery, and peer-group comparison



Source: CSO2 scorecard.

As a result, the number of household latrines is very low: there is neither a public subsidy policy for the construction of latrines nor any particular promotional activity for sanitation, so households don't take the initiative to build these facilities themselves.

Progress appears equally disappointing for hygiene education, a conventional indicator for which is hand washing: based on the KABP survey conducted in 2009, only 28.8 percent of women wash their hands with water and soap at recommended times (rural and urban areas combined).

As a result, it is unsurprising that the CAR's scorecard results for the subsector are below those of its economic peer group countries, particularly as regards enabling conditions and developing the new service (see Figure 19).

10. Subsector: Urban Sanitation and Hygiene

Priority actions for urban sanitation and hygiene

- As in rural areas, define and implement tools to promote and develop latrines.
- Address the very low levels of improved hygiene behavior.
- Improve pit-emptying services: organize the private sector currently active in the market (if appropriate, through a license system that would improve regulation of the sector); resolve the issue of sludge treatment.

The JMP estimate of sanitation coverage in urban areas stood at 43 percent in 2008, whereas the DGH estimate was 11.1 percent for the same year (Figure 20). Notwithstanding these differences, coverage also needs to be considered in light of the fact that most of the infrastructure is concentrated in Bangui, with other urban centers virtually overlooked.

Based on the trend established using DGH data, it can be estimated that only 12.1 percent of the urban Central African population will have access to improved sanitation in 2015, against the PASEA target of 60 percent.

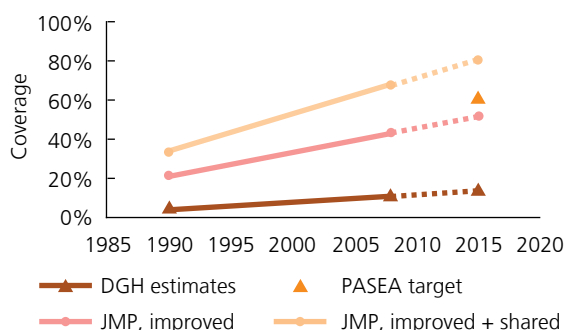
Since 1990, around 7,000 people have gained access to sanitation in urban areas each year, according to the DHS figures. The subsector would need to progress 20 times

faster to reach the PASEA target for access to sanitation in urban areas. There is no public subsidy policy in place. Construction is limited to the interventions of NGOs, who generally work on the basis of partial subsidies; these interventions, although positive, have a limited impact.

There is also no national strategy providing incentives for people to install their own facilities: promotional activities are rare and there is still no CLTS in the CAR (the first pilot projects are due to be launched in the near future).

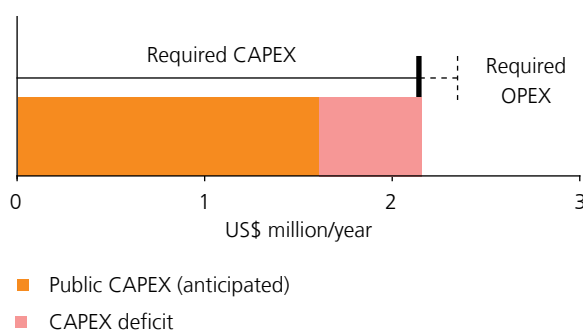
Despite the fact that urban sanitation is a cause of concern to the government, the subsector has not received the support necessary to ensure its dynamic development. Household drainage facilities are virtually nonexistent outside Bangui: domestic wastewater is usually disposed

Figure 20
Urban sanitation coverage



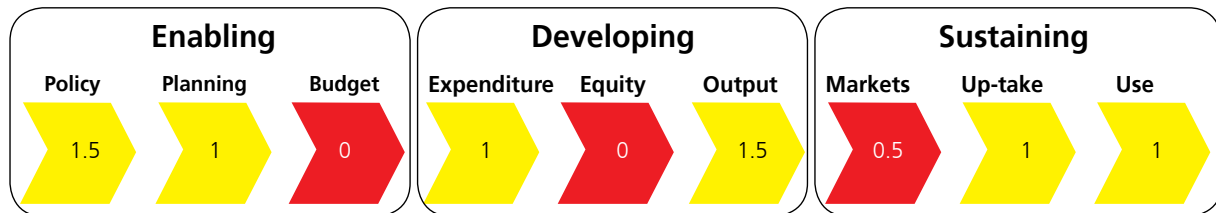
Sources: DGH, PASEA, and JMP 2010 Report.

Figure 21
Urban sanitation investment requirements



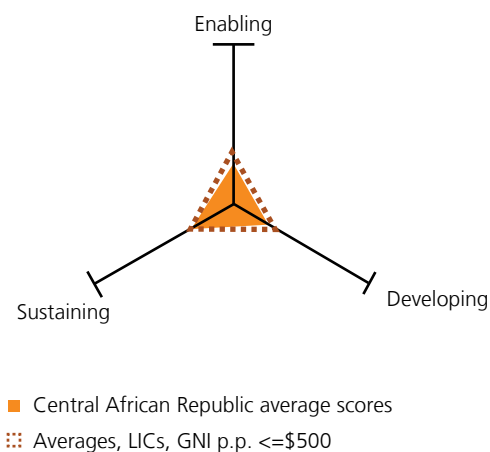
Source: CSO2 costing.

Figure 22
Urban sanitation and hygiene scorecard



Source: CSO2 scorecard.

Figure 23
Average USH scorecard scores for enabling, developing, and sustaining service delivery and peer group comparison



Source: CSO2 scorecard.

of in the street, into the environment or in the gutter. There is no sewerage system in the CAR; on-site sanitation is used exclusively, even in urban areas. Some activities have been initiated over the course of the last few years to improve this situation; their scale, however, remains limited

(hospitals, schools, health care centers). Pit emptying is not a widespread practice and only takes place in Bangui, where the country's two vacuum trucks are located; these belong to the town hall and are in very poor condition.

In addition, difficulties are experienced in utilizing the subsector budget: according to data from the Budget Directorate, the utilization rate of investment from the state's own funds (MMEH) stood at 95 percent in 2008, but the utilization rate of donor finance, which constitutes the majority of subsector funding, was only 46 percent (2008–09 average).

Lastly, on a more positive note, with regard to finance, the urban sanitation and hygiene subsector has already obtained the majority of the funding required to meet its investment requirements: 75 percent of the US\$2.2 million per year required—this is based on the assumption that the DPs maintain the same level of commitment made during the 2010–12 period up to 2015 (see Figure 21). It will, therefore, be necessary to devise a program to promote on-site sanitation to ensure this funding is effectively translated into services.

Overall, the scorecard performance of the subsector is in line with the average for other African low-income countries—though this is low (Figures 22 and 23).

Notes and References

- ¹ Source: Global Economic Monitor, The World Bank, 2009 average.
- ² The first round of CSOs was carried out in 2006 covering 16 countries and is summarized in the report, 'Getting Africa On-Track to Meet the MDGs on Water and Sanitation'.
- ³ UNICEF/WHO Joint Monitoring Programme for Water Supply and Sanitation. 2010. Progress on Sanitation and Drinking Water: 2010 Update. JMP estimates are based on a linear regression of nationally representative household surveys.
- ⁴ The Millennium Development Goal targets for water supply and sanitation are to halve, by 2015, the proportion of people without access to an improved service, relative to 1990 levels. As the 1990 baseline estimates differ between DGH and JMP, the resulting MDG targets differ also.
- ⁵ Due to rounding, subsector figures may not sum to totals.
- ⁶ The CSO2 excludes such costs due to the difficulty of estimating them on a per capita basis, relative to coverage targets and at national scale.
- ⁷ The CSO2 scorecard methodology is detailed in the regional synthesis report.
- ⁸ Scorecard indicators relating to the institutional framework section are: All subsectors: targets in national development plans/PRSP; subsector policy agreed and approved (gazetted as part of national policy or as standalone policy); RWS/UWS: institutional roles defined; RSH/USH: institutional lead appointed.
- ⁹ The Interface Unit, initially set up as a temporary measure to replace the former asset-holding company (SNE) and oversee the effective implementation of SODECA activities, as stipulated in its operating contract, has in fact been active since 2000. Its dissolution requires the definition of a formal framework for the management of UWS.
- ¹⁰ In total, nine Sector Committees were put in place to implement the subsectors selected in the four pillars of the PRSP.
- ¹¹ The relevant indicators are as follows. Scorecard indicators relating to the section on financing and its implementation are: All subsectors: programmatic Sector-Wide Approach; investment program based on MDG needs assessment; sufficient finance to meet MDG (subsidy policy for sanitation); percent of official donor commitments utilized; percent of domestic commitments utilized.
- ¹² Scorecard indicators relating to the M&E section are: All subsectors: annual review setting new undertakings; subsector spend identifiable in budget (UWS: inc. recurrent subsidies); budget comprehensively covers domestic/donor finance; RWS, RSH, and USH: domestic/donor expenditure reported; UWS: audited accounts and balance sheets from utilities; RWS, RSH, and USH: periodic analysis of equity criteria by CSOs and government; UWS: pro-poor plans developed and implemented by utilities; RWS/UWS: nationally consolidated reporting of output; RSH/USH: monitoring of quantity and quality of uptake relative to promotion and subsidy efforts; All subsectors: questions and choice options in household surveys consistent with MDG definitions.





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