

MARKET BASED MAINTENANCE FOR SUSTAINABLE WATER SUPPLY.

Location: Turkana, Kenya.

Timeframe: 2020-21

Project Status: Ongoing

1. PROBLEM/GAP BEING ADDRESSED:

Two thirds of rural water systems in Kenya's arid and semi-arid lands (ASALs) are severely dysfunctional within 3-5 years of construction, and about 1/3 are non-functional at any point in time (World Bank, 2015). A fundamental reason for this is the lack of an effective approach for Operation & Maintenance (O&M). Most rural water supply services are provided by voluntary community members, who are unable to provide reliable repair and maintenance services. While private sector actors with capacity to operate and maintain water systems do exist, there has not been sufficient demand amongst water service providers to provide the commercial incentive necessary to involve them and tap into this professional expertise. Furthermore, WASH stakeholders have consistently deprioritised and under estimated the actual cost of maintaining WASH services in the long run to the extent that there is very little documented information on the real costs involved in providing a viable, sustainable water service.

2. SOLUTION:

In 2018 Oxfam undertook a study to quantify and qualify the financial costs of contracting 3rd part private sector specialists to take on maintenance services. Initial financial modelling within this suggested that water systems could be financially viable and sustainable by outsourcing key components of the system to private sector professionals by clustering a minimum of 55-60 water supply schemes together in a single service level O&M agreement. The same financial analysis also indicated significant net savings could be achieved with such a model compared to the current situation and context of reactive and slow repairs performed by the public sector and NGOs.

This project aims to provide proof of concept. Oxfam in Kenya seeks to pilot the recommendations across 100+ water schemes by facilitating and establishing service level agreements between water service providers and private sector suppliers/technical specialists. Economies of scale can be achieved by forward planning to consolidate servicing and repairs of equipment in multiple villages in a single trip. This will improve cost efficiency for both supplier and recipient systems. If successful it will provide the government with a more cost-effective method to deliver reliable and sustainable water services to citizens.

3. RESULTS:

198 rural water schemes have been audited to examine the condition, characterise use, operational costs, repair and maintenance costs and tariffs.

Key performance indicators defined and estimated costs for maintaining 60 schemes calculated. 60 water schemes enrolled following public participation process and consultation meetings involving 240 community and local government representatives. Cashless mobile money (MPesa) tariff collection system set up for 60 schemes to improve financial management and accountability.

Service level agreements drafted and tendering process completed to identify a private sector service provider to provide ongoing maintenance. £130,000 commitment from Country Government secured towards roll out.

4. LEARNING/APPLICABILITY ELSEWHERE:

The project has achieved what it set out to do. Scheme is ready to be rolled out but too soon to critically assess its impact.

5. ADDITIONAL INFORMATION:

Project Documents [\[Box\]](#),

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