

The *POVERTY* Millennium Development Goal

What water, sanitation and hygiene can do
in Ghana

The Millennium Development Goals

In September 2000, the United Nations Millennium Summit agreed a set of time-bound and measurable goals aimed at combating poverty, hunger, illiteracy, environmental degradation and discrimination against women.

The first Millennium Development Goal (MDG) is to eradicate extreme poverty and hunger. The target is to halve the proportion of people living on less than a dollar a day and those who suffer hunger by the year 2015.

Why should Ghana worry about poverty?

Current statistics show that close to 27% of the population live in extreme poverty. Even though over the past 15 years, the overall incidence of poverty has reduced slightly, the depth of poverty for those who are poor has remained stable. This means the benefits of the government's poverty reduction efforts are not being enjoyed by the poorest people. If Ghana is to achieve its vision of middle income status, then the level of poverty has to be seriously addressed.



Headline facts

The MDGs are strongly inter-dependent and programme interventions must reflect this. *Water, sanitation and hygiene deliver outcomes across the MDGs.*

Why is water, sanitation and hygiene so important for the poor?

- *The Urban and Rural Poor*
The poor in both urban and rural areas are always the least served in the provision of potable water and sanitation facilities and hygiene education.
- *Willingness to Pay*
Setting differential tariffs and establishing pro-poor payment systems allows poorer households to pay for services.
- *Income Generation*
Appropriate provision of water and sanitation can lead to income generating opportunities for the poor.
- *Sustainability of Facilities*
Improving incomes for the poor allows them to sustain their facilities by ensuring their proper operation and regular maintenance.
- *Health and Poverty*
Access to safe water and appropriate sanitation and hygiene education leads to significant health benefits for the poor.



The Urban and Rural Poor

The facts

- In the last twenty years (1981-2001), it is only in sub-Saharan Africa that the number of people living in abject poverty has increased from 42% to 47% (UNIDO, 2004).
- Ghana has set the 'extreme poverty line' at ¢700,000 per year, (\$0.22 per day). Close to 27% of the population fall into this bracket (Ghana Statistical Service, 2000).
- In Ghana, a large majority of households in urban areas have access to potable water (defined as non-natural sources). Despite this, only 8% of people classified as very poor have access to pipe-borne water or inside water because of the cost involved in the provision of the facility.
- Though poverty in Ghana is visible in urban and peri-urban areas, it is excessively a rural phenomenon. The rural areas have always recorded the highest incidences of poverty with the rural savannah recording 70% occurrence (Ghana Statistical Service, 2000).

Why water, sanitation and hygiene?

- Water is essential to life and everybody deserves to have access to safe water. One of the cardinal principles of the Community Water and Sanitation Programme (CWSP) in Ghana is Community Ownership and Management (COM) of facilities. Under this, community members can determine that the very poor, the aged and children do not have to pay for water.
- The Government of Ghana has put in place the Public Utilities and Regulatory Commission (PURC) to ensure amongst others that utilities' tariffs, including water, are not pegged beyond the reach of people. The lifeline tariff for the urban poor is reassessed regularly to protect them.



Willingness to Pay

The facts

- Many urban poor in developing countries, who have been deprived of public service, presently pay very high rates to informal providers for water supply services. In Ghana, many urban poor households already pay more for water than middle and upper class households. People pay as much as ¢200 (2.8c) per 18 litre bucket of water.
- Though evidence shows that even the poorest communities are willing to make a substantial contribution towards improving their water supply, it is essential that pro-poor payment schemes are established so that the poor are not left out. Currently, installing a single borehole in Ghana costs approximately ¢70,000,000 (\$7,600). It is important that the poor are considered when contribution levels are being established.

Why water, sanitation and hygiene?

- As part of its objective of promoting good health and development towards reducing poverty, the Community Water and Sanitation Agency (CWSA) continuously solicits funds to support rural communities who are willing to contribute to capital cost. In a recent development, the government has obtained a credit facility of \$26 million for the CWSA to provide water to some 500,000 people in six regions (Daily Graphic).
- In Ghana, small towns and rural communities have to contribute 5% of the total capital cost of the facilities. In many communities, differential contributions are set for various segments of the community in raising the capital cost contribution; women pay less than men, children and elderly people do not contribute. These are all ways in which the community ensures that the poor also benefit.

Income Generation

The facts

- Among the four main occupations people in Ghana are engaged in, the majority are in agriculture (49.2%). People involved in farm crop farming record the highest incidence of poverty of 59% (Ghana Statistical Services, 2000). The provision of safe water and sanitation creates opportunities for families to earn extra income.
- In African cities, small scale independent providers are an important alternative to utilities when it comes to supplying the peri-urban and the poor with water and sanitation services. Many people earn a reasonable income from providing these services.
- The majority of the labour force, especially those in the rural areas are largely unskilled and only semi-literate. Therefore, they cannot earn high incomes for their services and are forced to live on a \$1 or even less a day.

Why water, sanitation and hygiene?

- The water and sanitation sector has provided a lot of work for both the middle and low-income groups all over Ghana, especially in the urban cities and small towns at the district level. Processing of water into sachets has created jobs for both manufacturers who are mostly middle-income people, and retailers who are mostly poor people, the majority of whom are women and children.
- Water board and WATSAN Committee members at the community level receive basic skills training for simple bookkeeping, tariff setting and record keeping among others. This skills training builds up their profile and opens up more opportunities for them in their personal development.
- In every district, the Community Water and Sanitation Agency (CWSA) and other organisations have selected and trained ordinary community members to become latrine artisans. These artisans are paid for providing the service. An artisan earns an estimate of between ₵800,000 and ₵1,000,000 (\$86 - \$108) per single-seater Kumasi Ventilated Improved Pit (KVIP) latrine.



- Under the Small Towns Water Project, water boards are formed in beneficiary communities to be in charge of the operation and maintenance of the water facility. Members of the board are paid a minimum allowance. Pipe attendants, who are employed to man the stand-pipes, are also paid for their services.

Sustainability of Facilities

The facts

- Essential maintenance of facilities is important to ensure their sustainability. Under the Community Water and Sanitation Programme (CWSP) in Ghana, beneficiary communities are required to fill in a Facilities Management Plan (FMP), which spells out clearly their financial contribution towards operation and maintenance of the facility.
- Cost of operation and maintenance of water and sanitation facilities can become an added burden on the rural poor if the appropriate levels of technologies are not selected for both water and sanitation facilities.

Why water, sanitation and hygiene?

- The CWSA has carefully selected four types of hand pumps for use in rural communities mainly because of their relatively low maintenance costs and ease of repair. These Village Level Operation and Maintenance (VLOM) pumps ensure that the cost of maintenance for the community is not high and the use of the facility is sustained over many years.
- Various fundraising approaches are used by the community to raise money for O&M of the community's water facility. In new Abirim in the Eastern Region, the Water Board, using the 'Pay as you fetch' approach has managed to raise over ₵100 million (\$10,753) for O&M over the past nine months.

Health and Poverty

- All over the world, the cost of health care is usually quite high. Poor families have worse health conditions than those with higher incomes. Health is paramount for poor people and in most instances, their very environment is a threat to them. Improving environmental conditions including providing water, sanitation and solid waste management services is basic to the creation of sustainable livelihoods and the elimination of poverty.
- Water-related diseases like guinea worm and trachoma still plague parts of West Africa. A person suffering from guinea worm loses a lot of productive farm time which reduces their income. Ghana is currently one of the leading guinea worm endemic countries in the world.

Why water, sanitation and hygiene?

- The Ghana Poverty Reduction Strategy (GPRS) has clear objectives towards increasing access to improved potable water and sanitation as key to achieving health outcomes and sustained poverty reduction. Some of the targets include:

	2000	2005
Rural population with access to safe water	40%	54%
Rural population with access to household latrine	15%	25%
Urban population with access to safe water	70%	78%
Urban population with access to household latrine	34%	45%

GPRS, 2003.

- As a way of moving towards the eradication of guinea worm, the government, as part of its poverty reduction strategy, is fully subsidising the provision of water facilities in guinea worm endemic communities.



This Country Note provides evidence for the impact of water supply, sanitation and improved hygiene on poverty in Ghana.

Key references

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DFID Resource Centre in Water, Sanitation & Environmental Health
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Country Note compiled by Vincent Tay

Editor: Frank Odhiambo, WEDC

Photographs: Frank Odhiambo

For further information, contact:

WELL
Water, Engineering and Development Centre (WEDC)
Loughborough University
Leicestershire LE11 3TU UK
 Email: WELL@Lboro.ac.uk
 Phone: 0 (44) 1509 228304
 Fax: 0 (44) 1509 211079
 Website: <http://www.Lboro.ac.uk/well/>



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