



# NIP WATER SUPPLY

## WATER SUPPLY IN RURAL NIGERIA

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Responsibility of water supply in Nigeria is shared between three levels of government – federal, state and local. The federal government is in charge of water resources management; state governments have the primary responsibility for urban water supply; and local governments together with communities are responsible for rural water supply. The responsibility for sanitation is not clearly defined.

Water supply service quality and cost recovery are low. Water tariffs are low and many water users do not pay their bills. Service providers thus rely mostly on occasional subsidies to cover their operating costs.

Access In 2015, 67% of the total population had access to "at least basic water supply". This was 82% of the urban population and 54% of the rural population. In 2015, around 60 million people lacked access to "at least basic" water. As for sanitation, only 33% of the total population had access to "at least basic" sanitation. This was 39% of the urban population and 27% of the rural population. Approximately 122 million people still lacked access to "at least basic" sanitation. In urban areas, access to standpipes substituted to a large extent to piped water access.

Adequate sanitation is typically in the form of septic tanks, as there is no central sewerage system, except for Abuja and some areas of Lagos. A 2006 study estimated that only 1% of Lagos households were connected to sewers. Lagos has four wastewater treatment plants which have been rehabilitated around 2010. As of 2011, the state planned to build ten new "mega wastewater treatment plants" over the next five years with the help of private investors. These have not yet been completed.

The statistics on access to water and sanitation are conflicting, due to divergent definitions, indicators and methodologies applied by different agencies. There is hardly any sector monitoring.

According to a report published by Amnesty International in September, the oil company Shell and government of Rivers State, in southern Nigeria are not doing enough to provide clean water in Ogale, an area outside of the state capital. The right to drink clean water is long violated in the Niger Delta region of Nigeria. Residents are either forced to buy water at unaffordable prices or drink from wells contaminated with benzene.

### **Service Quality**

According to the World Bank, in 2010 water production facilities in Nigeria were “rarely operated to capacity due to broken down equipment, or lack of power or fuel for pumping.” The operating cost of water agencies is increased by the need to rely on diesel generators or even having to build their own power plants, since power supply is erratic. Equipment and pipes are poorly maintained, leading to intermittent supply and high levels of non-revenue water.

As of 2000, about 80% of all government-owned water systems in small towns were non-operational. Through investments and capacity building for communities, the functionality of water points can be increased in the short term. For example, in focus communities supported by UNICEF in Kwara State, functionality has improved from 53% to 98%, and in Kebbi State the functionality of boreholes has improved from 12% to 88%. However, it is not clear how well these facilities will continue to function in the long term, after international intervention has ended.

## **Efficiency**

Water supply and sanitation are not provided efficiently in Nigeria. For example, State Water Agencies are massively overstaffed. In 2000, there were about 70 staff per 1,000 customers in State Water Agencies, compared to a best practice ratio of 3.5. Non-revenue water often exceeds 50 percent.

## **National policies and initiatives**

Nigeria's National Water Supply and Sanitation Policy, approved in 2000, encourages private-sector participation and envisages institutional and policy reforms at the state level. However, little has happened in both respects. As of 2007, only four of the 37 states – Lagos, Cross River, Kaduna and Ogun States – began to introduce public-private partnerships (PPP) in the form of service contracts, a form of PPP where the responsibility of the private sector is limited to operating infrastructure without performance incentives. While the government has a decentralization policy, little actual decentralization has happened. The capacity of local governments to plan and carry out investments, or to operate and maintain systems, remains low despite efforts at capacity development. Furthermore, the national policy focuses on water supply and neglects sanitation.

In 2003 a "Presidential Water Initiative (PWI): Water for People, Water for Life" was launched by then-President Olusegun Obasanjo. The initiative had ambitious targets to increase access, including a 100 percent water access target in state capitals, 75 percent access in other urban areas, and 66 percent access in rural areas. Little has been done to implement the initiative and targets have not been met.

In 2011 the government voted in the United Nations in favor of a resolution making water and sanitation a human right. However, it has not passed legislation to enshrine the human right to water and sanitation in national law. The country

is not on track to reach the Millennium Development Goal for water and sanitation.

Since 2008 community-led total sanitation has been introduced in six states, with the support of UNICEF and the EU. While not being a national policy, apparently this grass-roots initiative has met with some success. More than 17,000 latrines have been built in 836 communities, and more than 100 of these communities have attained the goal of being declared free of open defecation.

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### **Responsibilities.**

Three levels of government share responsibility for the delivery of water supply services. The responsibility for sanitation is not always clear, but urban sanitation is a responsibility of state governments.

### **Federal Government**

The Federal Ministry of Water Resources, which had been part of the Ministry of Agriculture for a period until 2010, is responsible for large water resources development projects and water allocation between states. There are 12 River Basin Development Authorities under the Ministry, responsible for planning and developing water resources, irrigation work and the collection of hydrological, hydro-geological data. They also provide water in bulk to cities from dams. A

Utilities Charges Commission was established in 1992 to monitor and regulate utility tariffs, including those of State Water Agencies.

### **State Governments**

Responsibility for potable water supply is entrusted to State Water Agencies (SWAs) or state water departments in the 36 Nigerian states. The SWAs are responsible to their state governments, generally through a State Ministry of Water Resources. SWAs are responsible for urban water supply, and in some states also for rural water supply. As of 2000, 22 states had separate state rural water and sanitation agencies, mostly set up to implement a UNICEF program. In 2010, Lagos state set up a State Wastewater Management Office under the Lagos State Water Corporation. It took the responsibility for sanitation over from the State Ministry of Environment.

### **Local Governments**

The Local Government Authorities (LGAs), of which there are 774, are responsible for the provision of rural water supplies and sanitation facilities in their areas although only a few have the resources and skills to address the problem. Only few LGAs have rural water supply divisions.

### **Communities**

In some communities in rural areas, water and sanitation committees (WASCOs) have been formed to operate and maintain water facilities. These committees are supposed to collect their own water tariffs. Donors such as the African Development Bank have set a requirement that at least 30% of members of WASCOs must be women. In 1993 the Government committed itself to

strengthen community participation in rural water supply in a policy document. As of 2000, the policy had not been disseminated or implemented in all government- or donor-financed programs.

Nigeria's Water and Sanitation sector has a vibrant and dynamic civil society implementing several initiatives to address sectoral crisis. The Society for Water and Sanitation (NEWSAN) is the umbrella network of WASH NGOs, while the Water and Sanitation Media Network [www.wash-jn.net](http://www.wash-jn.net) comprises Journalists reporting the sector. A leading non governmental organisation in the sector is Bread of Life Development Foundation which manages the eWASH webblog [www.assemblyonline.info](http://www.assemblyonline.info) on water and sanitation news in Nigeria.

## **Financial Aspects**

### **Tariffs and Cost Recovery**

Flat rates for unmetered connections. Most Nigerian water supply connections are not metered. The metering ratio varies from 7% in Katsina to 16% in Kaduna and 24% in Lagos in 2007. Unmetered customers are charged a flat rate independent of consumption. For unmetered residential customers the monthly flat rate was US\$3 in Lagos, US\$5 in Katsina and US\$11 in Kaduna. In Yobe state it was only Naira 100 (US\$0.60) per month, the lowest level in the country according to the Yobe State Water Corporation. The tariff revenues covered only 2% of the costs of supplying water.

### **External Cooperation**

Tariffs for metered connections. Metered customers are either charged a linear tariff, as it is the case in Lagos, or an increasing-block tariff, as it is the case in Katsina and Kaduna. Under the increasing-block tariff, the tariff per cubic meter

increases stepwise with consumption beginning at a consumption of 30m<sup>3</sup> per month with a total of 3 to 6 blocks. The residential tariff for the first block of consumption is US\$0.19 per m<sup>3</sup> in Kaduna and US\$0.44 per m<sup>3</sup> in Katsina. Tariffs for commercial and industrial users are higher. The average water tariff for metered customers was Naira 50 per m<sup>3</sup> (US\$0.30) in Oyo state and Naira 16 per m<sup>3</sup> (US\$0.10) in Taraba state in 2009.

**Tariff collection.** Outdated information systems and inconsistent billing practices cause additional revenue losses. The revenue collection rate is very low. In some areas it is less than 10% of billed amounts. There are significant arrears, particularly from government agencies.

**Tariff adjustments.** Each state sets its own water tariff. Tariff adjustments need to be approved by the State Executive Council through a lengthy procedure. Being unable to cover their operating costs, and unable to secure regular revisions of the tariff, the State Water Agencies receive financial assistance from the state governments.

**Vendor prices.** Surveys of street vendors in Lagos, Kaduna and Katsina show that they charge as much as 20 times more than the State Water Agencies. The amount paid, for a very limited volume of supply from private water vendors, can be four to ten times that of one month's much larger volume of tap supply.

## **Investment**

For Nigeria to meet the Millennium Development Goal for water supply by 2015, the country needs to invest approximately N215 billion (US\$1.3 billion) annually. Nigeria is currently investing not more than N82.5 billion (US\$0.5 billion) into the sector.[3] Much of these investments are needed to rehabilitate infrastructure

that has not been properly maintained. It is not clear if the estimate includes sanitation or not.

## **Financing**

While all three government levels are supposed to participate in financing water and sanitation investments, local governments often do not have the resources to do so. State and federal levels also provide only limited funding. Thus, most public water and sanitation investments in Nigeria are financed by donors. The sharing of oil and tax revenues between different levels of government is a politically sensitive issue in Nigeria, which is divided between a Muslim North and a mostly Christian South and where one region in the South accounts for all oil revenues. Between 1948 and 2001, nine commissions, six military decrees, one Act of the legislature and two Supreme Court judgements have attempted to define fiscal interrelationships among the component parts of the federation without resolving the issue. Federal revenues include about 90 percent of government revenues, including oil royalties and import duties. These are pooled with the more limited state and local revenues, and the pooled resources are then shared by the three levels of government according to an agreed formula. After independence the federal government received 40% of revenues and the states 60%, an arrangement that would benefit the oil-producing region in the Niger Delta. Local governments had no share. After the Biafra War the share of federal government was increased to 80% in 1968, but was subsequently decreased again. Since the 1976 Local Government Reform, local government receives its own share of revenues. As of 1999, the share of local government was 20%, the state share was 24% and the share of the federal government and for special projects was 56%.

## **External Cooperation**

The most important external partners in the Nigerian water supply and sanitation sector are the African Development Bank, the European Union, Japanese JICA, UNICEF, USAID, the NGO WaterAid, Action Against Hunger (NGO) and the World Bank. The African Development Bank and the World Bank provide loans to the government; the European Union, JICA and USAID provide grants to the government; UNICEF and WaterAid receive grants from governments and donations from the public to implement their projects in cooperation with, but not through the government.

## **African Development Bank**

In February 2012 the African Development Bank approved a US\$100 million soft loan to improve water and sanitation in the northern city of Zaria. The project will be implemented by the Kaduna State Water Board. It also approved an Urban Water Supply and Sanitation Project in the cities of Ibadan and Jalingo in Oyo and Taraba States in 2009. Both urban projects include the installation of water meters, hygiene promotion as well as the construction of toilets at schools, health clinics, market places and parks. Unlike the newer project in Zaria, the older project supports reforms at the state level to separate regulatory from operational functions, and the introduction of public-private partnerships. The AfDB also finances a Rural Water and Sanitation projects in Yobe and Osun States approved in 2007. The project aimed to increase the functionality of rural water supply and sanitation facilities in the two states, estimated to be below 50% in 2006, to 100% in 2012. The sanitation facilities built are sanplat latrines and Ventilated Improved Pit Latrines.

The AfDB finances the entire costs of these projects without requiring a contribution by the Nigerian state. The AfDB has invested US\$905 million in the sector since 1971.

In 2005 China signed a grant agreement with Nigeria to drill 598 boreholes in 18 states and the FCT. The amount of the grant and the implementing agency were not specified.

The EU supports a Water Supply and Sanitation Sector Reform Programme in six states (Anambra, Cross River, Jigawa, Kano, Osun and Yobe) with 87 million Euros grant funding. The Nigerian state, at all three levels of government, and local communities are expected to contribute another 31 million Euros. JICA provides grants for rural water supply and sanitation in three states, Oyo, Kano and Yobe.

UNICEF has supported rural water supply, sanitation and hygiene in communities and schools across the country since 2002. Its interventions have been financed by DFID and the European Commission. A total of 6,960 new safe water sources (boreholes, dug wells and protected springs) and over 19,100 household latrines have been constructed. Over 400 schools have been provided with latrines with separate provision for boys and girls and hand washing facilities, USAID supports rural water supply, sanitation and hygiene education in Northern Nigeria, in 46 communities in Bauchi, Kano and Sokoto States. USAID is partnering with Nigerian non-governmental agency Women Farmers Advancement Network (WOFAN), Action Against Hunger (NGO) and WaterAid.

WaterAid, a British NGO, promoted the integration of sanitation, water supply and hygiene education using a community-based approach and low cost appropriate technologies. It works closely with Nigerian NGOs, including the

Benue NGO Network (BENGONET), Society for Water and Sanitation in Nigeria (NEWSAN), Justice Development and Peace Initiative (JDPI), Community Based Development – NGO (CBD-NGO), Women Empowerment In Nigeria (WEIN) and the Bol Development Association (BOLDA). It works in over 100 communities in the states of Bauchi, Benue and Plateau. It has developed a vulnerability ranking, based on criteria suggested by communities themselves, to help communities in selecting themselves where resources should be allocated. Such a participatory and transparent decision-making process is of particular importance in a context of low trust and poor governance.

In January 2012 it has been tasked by the government with the task of facilitating monitoring and evaluation of government water, sanitation and hygiene projects in Nigeria. According to the Minister of Water Resources, President Goodluck Jonathan is interested in an independent assessment of sector performance and NGOs are well placed to undertake this task.

The World Bank has completed seven water projects since 1985 and had three on-going projects in 2010. Total investment for the 10 projects is about US\$1.4 billion. The First Urban Water Reform Project (US\$120 million) targets 13 towns in the states of Kaduna, Ogun and Enugu. The project also aims to establish state water policies, and to foster the engagement with the private sector. The second Urban Water Reform Project worth US\$200 million, supports the extension of the piped network in Calabar, and the rehabilitation of water treatment plants and distribution systems in Lagos as well as another three towns in Cross River State. Under a Privatization Project, the Federal Capital Territory (FCT) Water Board is being assisted with US\$25 million. In 2012 the World Bank approved a US\$400 million National Urban Water Sector Reform Project for Lagos, Kaduna, Ogun, Enugu and Cross River States.