

ACCELERATING ACCESS TO WATER AND
SANITATION IN **SUB-SAHARAN AFRICA**
SCALING UP PRIVATE SECTOR PARTICIPATION



PUBLIC-PRIVATE PARTNERSHIPS CONFERENCE
JUNE 5-8, 2012 | DAKAR, SENEGAL
PRELIMINARY PROGRAM



FOREWORD

The link between a reliable supply of safe drinking water, adequate sanitation and poverty reduction is well documented. A high burden of disease and mortality, combined with loss of work time due to poor water and sanitation, takes both a human and economic toll on the development of any country.

Great strides have been made in increasing access to water and sanitation in Sub-Saharan Africa. In the last 20 years, more than 230 million people gained access to water and 110 million to sanitation. Yet with rapid urbanization and a population exceeding 800 million, water provision in Sub-Saharan Africa has struggled to keep pace. Coverage rates for safe water and adequate sanitation only increased by 11% and 4%, respectively, over the same period. In addition, piped water in urban areas declined from 43% in 1990 to 35% in 2008. Similarly, piped water coverage in rural areas remained stubbornly low, at approximately 4-5% during the same period.

In many countries, the private sector not only plays a role in increasing access to water and sanitation,

but also helps improve the efficiency and sustainability of such services. Private sector engagement takes many forms, from the concession of urban utilities to the organic growth of a domestic private sector in small towns and rural areas.

Within this context, the objective of this workshop is to revisit progress made in engaging private sector participation in the African water and sanitation sector, and to share lessons learned from successful African and global models. Panel discussions and case studies will help participants to better understand the opportunities and challenges of public-private partnerships (PPP), and to appreciate the perspective of government, practitioners and financiers.

Prior to the conference, an optional Pre-conference Training Day has been developed to reinforce participants' understanding of PPP concepts and their application to the water sector.

THE PARTNERS

This event is co-funded by:

IFC Advisory Services in Public-Private Partnerships (IFC) provides advice on designing and implementing public-private partnership (PPP) transactions to national and municipal governments to improve infrastructure and access to basic services such as water, power, health and education. For more information, visit www.ifc.org.

The **Public-Private Infrastructure Advisory Facility** (PPIAF), a multi-donor technical assistance facility aimed at helping developing countries improve the quality of their infrastructure through private sector involvement. For more information, visit www.ppiaf.org.

The **Water and Sanitation Program** (WSP), a multi-donor partnership administered by the World Bank to support poor people in obtaining affordable, safe and sustainable access to water and sanitation services. Visit www.wsp.org for details.

The **Infrastructure Consortium for Africa** (ICA), a G8 initiative to help improve the lives and economic well-being of Africa's people by promoting increased investment and development of infrastructure in Africa, from public and private sources. Learn more: www.icafrica.org.

This pre-conference training is designed to reinforce participants' understanding of PPP concepts and their application to the water sector. The sessions cover PPP fundamentals, such as risk allocation and common contract types in the water sector. They also outline best practice in PPP procurement and approaches to regulation, highlighting challenges in implementing and enforcing PPP contracts.

8:00-9:00 REGISTRATION & BREAKFAST

9:00-9:15 INTRODUCTION TO TRAINING DAY

9:30-10:45 TRAINING I. PPP FUNDAMENTALS

- Definition
- Key success factors
- Risks and issues
- Regulation experience in Africa

10:45-11:00 COFFEE BREAK

11:00-12:30 TRAINING II. TYPES OF PPP CONTRACTS

- Service Contract
- Management Contract
- Lease
- Affermage
- Concession (Build Own Transfer [BOT], Build Own Operate [BOO])

12:30-14:00 LUNCH

14:15-15:45 TRAINING III. FINDING THE RIGHT PARTNER

- PPP transaction implementation (from due diligence to financial close)
- Case study

15:45-16:00 COFFEE BREAK

16:00-17:00 TRAINING IV. CONTRACT MANAGEMENT AND REGULATION

- Institutional regulation
 - Regulation by contract: management contract case study
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8:30-9:00 **REGISTRATION & BREAKFAST**

9:00-10:30 **OFFICIAL OPENING CEREMONY**

Opening remarks by senior officials from our host: the Ministry of Water, Senegal, followed by the sponsoring organisations: IFC, WSP, PPIAF and ICA.

10:30-11:00 **COFFEE BREAK**

11:00-12:30 **SESSION I. OVERVIEW OF CURRENT PPP PRACTICE**

This session presents an overview of current PPP experience in the African and global water sector. Presentations draw on in-depth performance analysis of PPP arrangements and current trends, from urban water utility PPPs to developing PPPs for small towns and rural areas. Presentations will also draw out lessons for the future of PPPs in the sector.

- Current status of PPPs
- Urban water utility experience
- Rural and small town PPPs
- Water PPPs and investment climate

12:30-14:00 **LUNCH**

14:00-15:30 **SESSION II. PROGRESS IN ENGAGING THE PRIVATE SECTOR**

African governments share different approaches to engaging the private sector in water activities, along with their progress and challenges to date. Discussion focuses on reform needs, lessons learned and ideas for accelerating progress.

15:30-15:45 **COFFEE BREAK**

15:45-17:00 **SESSION III. INCREASING CAPACITY**

This session presents case studies, from Africa and other regions, with different approaches in engaging the private sector to increase sustainable water and sanitation services.

Learn how the private sector can help increase water production and wastewater treatment capacity by developing new infrastructure assets via a combination of design, build, finance and operate arrangements. Case studies from Egypt, Africa and India.

19:00 **COCKTAILS AND DINNER WITH GUEST SPEAKER**

8:00-9:00 **REGISTRATION & BREAKFAST**

9:00-10:30 **SESSION IV. INCREASING REACH**

This session demonstrates how the private sector can be involved in increasing coverage and expanding services to the poor. It includes lessons from Uganda on how the private sector has developed for small towns; how targeted subsidies, such as output-based aid in Morocco, can be used to expand services to the poor; and how urban utilities, like those in Côte d'Ivoire, have successfully increased access.

10:30-10:45 **COFFEE BREAK**

10:45-12:30 **SESSION V. INCREASING EFFICIENCY**

This session demonstrates how concession arrangements can improve a utility's quality of services, efficiency and sustainability. It includes case studies, such as the Senegal affermage and the Yerevan Management Contract in Armenia.

This session also examines innovative ways in which public sector utilities engage the private sector to improve areas of utility performance through performance-based contracts. Includes a Vietnamese case study on the Ho Chi Minh City Non Revenue Water Reduction contract.

12:30-14:00 **LUNCH**

14:00-15:30 **SESSION VI. WATER SECTOR FINANCING**

Active local, regional and international investors in the water sector discuss opportunities and challenges for private water finance, and share views on what makes a PPP bankable. Discussion includes financiers of large infrastructure investment and also studies the specific challenges faced in financing small-scale operators through local financial markets.

15:30-15:45 **COFFEE BREAK**

15:45-17:00 **SESSION VII. WHAT PRIVATE OPERATORS LOOK FOR IN A PPP**

International and African domestic private sector operators outline what makes the water sector an attractive business proposition, along with key building blocks of a successful PPP arrangement, and the challenges they face.

17:00-17:30 **CLOSING REMARKS**

8:00-8:30	BREAKFAST
8:45	DEPARTURE FOR SITE VISITS
9:15-10:45	VISIT: SENEGALAISE DES EAUX CONTROL AND CALL CENTRE - Dakar
11:30-12:45	VISIT: CAMBERENE WATER TREATMENT PLANT - Dakar
13:00-14:30	FAREWELL LUNCH

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