



**UNRISD**

UNITED NATIONS RESEARCH INSTITUTE FOR SOCIAL DEVELOPMENT

---

**“Social policies and private sector participation in water supply – the case of  
Burkina Faso”**

**Issaka Kouanda, University Paris XII, France**

**Mouhamad Moudassir, Independent Researcher**

prepared for the UNRISD project on  
**“Social Policy, Regulation and Private Sector Involvement in Water Supply”**

DRAFT WORKING DOCUMENT  
Do not cite without the authors' approval



The **United Nations Research Institute for Social Development (UNRISD)** is an autonomous agency engaging in multidisciplinary research on the social dimensions of contemporary problems affecting development. Its work is guided by the conviction that, for effective development policies to be formulated, an understanding of the social and political context is crucial. The Institute attempts to provide governments, development agencies, grassroots organizations and scholars with a better understanding of how development policies and processes of economic, social and environmental change affect different social groups. Working through an extensive network of national research centres, UNRISD aims to promote original research and strengthen research capacity in developing countries.

Research programmes include: Civil Society and Social Movements; Democracy, Governance and Well-Being; Gender and Development; Identities, Conflict and Cohesion; Markets, Business and Regulation; and Social Policy and Development.

A list of the Institute's free and priced publications can be obtained by contacting the Reference Centre.

UNRISD, Palais des Nations  
1211 Geneva 10, Switzerland

Tel: (41 22) 9173020  
Fax: (41 22) 9170650  
E-mail: [info@unrisd.org](mailto:info@unrisd.org)  
Web: <http://www.unrisd.org>

Copyright © United Nations Research Institute for Social Development (UNRISD).

This is not a formal UNRISD publication. The responsibility for opinions expressed in signed studies rests solely with their author(s), and availability on the UNRISD Web site (<http://www.unrisd.org>) does not constitute an endorsement by UNRISD of the opinions expressed in them. No publication or distribution of these papers is permitted without the prior authorization of the author(s), except for personal use.

## Contents

### **1. Introduction**

### **2. Water production and supply in Burkina Faso – an overview**

#### 2.1. Organisation of the Burkinabe water sector

##### 2.1.1. Water - a fundamental scarce resource

##### 2.1.2. Access to water in Burkina Faso

##### 2.1.3. Institutional complexity

#### 2.2. Performance of the water sector

### **3. Intervention of private actors in the water sector**

#### 3.1. Typology of the actors and rationalism for their involvement

#### 3.2. Juridical arrangements

##### 3.2.1. Partnership between ONEA and the fountain managers

##### 3.2.2. Service contract between Veolia and ONEA

#### 3.3. Stakes of the private sector

##### 3.3.1. Informal actors and prices

##### 3.3.2. Veolia: efficiency versus social welfare

### **4. Regulation and social policies**

#### 4.1. Previous system of subsidies

#### 4.2. A progressive dismantling of social policies

##### 4.2.1. Price increase

##### 4.2.2. Increase of the water expenses for small consumers

##### 4.2.3. Reduction of the size of the social bracket

##### 4.2.4. A rise in the connection tax

#### 4.3. The new institutional extensions of the social policy

##### 4.3.1. Evaluation and perspectives of the public-private partnership

##### 4.3.2. The search of new institutional ways

### **5. Results from the statistical analysis of access to drinking water and water affordability in Burkina Faso**

#### 5.1. Data

##### 5.1.1. Access to safe water

##### 5.1.2. The water-poor

##### 5.1.3. Distance to drinking water sources

### **6. Conclusions and policy implications**

### **References**

## **1. Introduction**

As discussed in the introductory chapter, there was a worldwide trend towards privatisation of state owned companies in the water sector during the past two decades. Africa was not an exception where many countries, under the aegis of the World Bank (WB) and the International Monetary Fund (IMF), privatised their water sector. The justification for this change was primarily the inefficiency and mismanagement of public establishments, which was a consequence of a strong state interference (mainly in the form of excessive subsidies). It was argued that such the *statue quo* would not be able achieve the Millennium Development Goals (MDGs), which aim, among others, to halve the number of people not having access to drinkable water.

In order to solve water problems, commercialisation and private sector participation (PSP) is encouraged. The intention is to increase efficiency of the public companies, increase investment and coverage to the population. In other words, commercialisation through PSP would bring a better organisation and functioning of the companies, a positive impact on the global environment and an increase of water supply.

Commercialisation and privatisation of the water sector has taken different forms in different countries. The situation is extremely complex in the African context (especially in the Sahelian), where the problematic of access to safe water is characterised from a geo-climatic point of view by the scarcity of water resources and from a socio-economic perspective, by a majority of its population living below the poverty level. The main difficulty is how to provide access?

This case study shows how commercialisation and PSP deals with issues of access and affordability in Burkina Faso. Currently there is no such study done on this topic. It also investigates the role of social policies in addressing issues of access and affordability. This case study is representative of other African countries. Burkina Faso is a landlocked country that suffers from extreme climatic conditions and it is also one among the poorest countries in the world. Its public water policy has for a long time been marked by a strong state presence in charge of water production in urban and rural areas, and where private actors intervene in the urban water distribution.

The first wave of public reforms in the water policy took place in the 1990s, which resulted in an overhaul of the status of the water offices and in some cases by their suppression. To cope with the rapid population growth in urban areas, especially Ouagadougou (the capital), the government tried to increase the water supply by building additional infrastructure with the help of external funds. One of the conditions for such assistance was to involve private sector. And this was executed through a service contract between a group of service providers led by the multinational Veolia and the National Office of Water and Sewerage Purification (ONEA).

This chapter is composed of 5 sections: the first one (chapter two) gives an overview of the water sector in Burkina Faso, tackling the question of the natural scarcity of its water resources, the structure of water production and industry's performance over the last fifteen years. Chapter three describes the involvement of the private actors, their successes and failures. The fourth section describes institutional and social policies and their outcomes. The fifth part presents the results of our econometric analysis of the issues of access and affordability. It concentrates on how the situation changed since Veolia entered the market. Finally, the last chapter concludes and offers some policy recommendations.

## **2. Water production and supply in Burkina Faso – an overview**

### **2.1. Organisation of the Burkinabe water sector**

The water sector in Burkina Faso is organised to manage a rare but valuable good in a specific social and political context, with the elites living in the cities and the majority of the population living in the countryside. The water policy concentrates on three major goals, including the

improvement of the quality of the supply for connected population, the expansion of coverage for the growing urban population, and increasing access to the rural population.

### 2.1.1. Water - a fundamental scarce resource

In order to understand the water policy, it would be important to study it through the specific country context. The scarcity of potable water in Burkina Faso is intrinsically linked to the climatic and hydrographical characteristics of the country:

- Insufficient rainfall: Burkina Faso has a Soudanese-Sahelian climate characterised by an alternation of dry and rainy seasons. Rainfalls in Burkina Faso are insufficient in regard to their cycles (concentrated on average over a 4 months period) and the prevailing high temperatures. This phenomenon respectively leads to a rapid subterranean infiltration and a rapid evaporation of the rainwater. The rainfall situation seems to have worsened since the 1976 drought, as a decrease of 10-20% of the rainfall has been observed since then.
- Scarcity of inbound water resources: the hydrographical network is composed of many streams and rivers, located mainly in the southern zone of the country, but they are no inbound sources. The hydrographical network is composed of three main basins, where main rivers of neighbouring countries take their source. A survey by the Ministry of Environment and Water in 2001 concluded that, according to the fluctuation of the aquifers over the last 20 years, there is nearly no renewable subterranean water in Burkina Faso. The scarcity of water is worsened by its difficult exploitation. Due to the geological conditions, the subterranean extraction of water is extremely expensive in areas suffering from lack of rains. In the North East of the country, which is a very dry region, the necessary drillings range from 10 to 60 meters (Groen et Al, 1988). A possible solution offers construction of dams but here as well, climatic conditions hamper the expected results.

### 2.1.2. Access to water in Burkina Faso

In 2001<sup>1</sup> the World Bank noted that in Ouagadougou, only 30% of the city's population was connected to the public distribution network and had a direct access to drinkable water. During the hottest three months of the year, when the water resources drop by a third<sup>2</sup>, 60% of the population was suffering frequent water cuts. In general, access to potable water has improved over the last decade but the coverage remains insufficient.

**Table 1: Access rates to potable water.**

	1994	1998	2003
Access rate in urban centres	-	82,9	85,8
Access rate in rural areas	-	44,7	53,9
Global population	43,1	51,9	60,7
ONEA's coverage rate in the existing centres	54	67	78
Number of litres per person per day	68	55	-

*Sources:* INSD (1994, 1998, and 2003) for the access rate and ONEA (1990 and 2004) for the coverage rate and volume consumed.

<sup>1</sup> The data was collected before the launch of a huge project aiming to improve access to potable water for the population of Burkina Faso. See: World Bank (2001, p.5).

<sup>2</sup> The water resources drop from 15 millions m<sup>3</sup> in a normal year, to 10 millions m<sup>3</sup> in a dry year, as estimated in 1999. See: World Bank (2001, p.5).

Despite the remarkable increase in access between 1994-2003, 40% of the total population still lacks access to potable water. We also observe that water consumption decreased over the same period.

### 1) Urban centres

ONEA is in charge of producing, distributing and purifying water in the main cities of Burkina Faso. In fact, its work concentrates essentially in the capital (Ouagadougou), the second biggest town of the country (Bobo Dioulasso), and some smaller urban centres. The structure and organisation of the office reflects the priority given to the larger cities. ONEA has 36 centres that are in charge of 36 urban communes of more than 10'000 inhabitants each and has a regional directorate for Ouagadougou, one for Bobo Dioulasso and one for auxiliary centres. The allocation of means reflects the priority given to the biggest cities. For example, in terms of human resources allocated to the connection of potable water, 37% of the office employees work for the Ouagadougou centre which accounts for 44% of the total population covered by ONEA.

**Table 2: Means and results of different centres of ONEA, 2004**

	ONEA	Regional Directorate for Ouagadougou	Regional Directorate for Bobo Dioulasso	Directorate for Auxiliary Centers	Ratio Ouagadougou/ONEA (%)
Number of employees working for water adduction in 2004	477	179	131	167	37 %
Population of supplied centres 2004 (estimation)	2 639 671	1 187 429	731 870	720 372	44 %
Number of private active connections in 2004	76 039	45 345	19 576	8 584	59,6 %
Population supplied by a private connection	760390	454350	195760	85840	59,6 %
Population supplied by a hand pump	1 349 285	724 873	310 124	314 288	53,7%
Number of autonomous water posts	8	0	5	3	
Population supplied by autonomous water posts	5118	0	941	4177	-
Total population supplied with water	2 114 794	1 178 323	506 825	404 305	55,7%
Coverage rate	80 %	99%	69%	56%	

Source: ONEA (2004 and 2005)

Similarly, comparing the data from different centres, it appears that efforts are concentrated in Ouagadougou (which covers 55% of the total population covered by ONEA). It has a better quality of access with 59% of private connections and a satisfactory coverage of the demand (99%). 35% of ONEA's personnel work in the auxiliary centres, covering more than 30 communes in which, only 19% of the population is connected to the network.

From the industrial point of view, the water production is fundamentally different in the two main directorates (Ouagadougou and Bobo) and in the auxiliary centres. For example, in Ouagadougou, the water is supplied through private connections (38%) and fountains (62%) whereas in auxiliary centres, most of the water is supplied by fountains (77%) and a small quantity by private connection (21%). In Bobo, and to some extent in the secondary zones, ONEA uses autonomous water posts (units of production working independently of the main network) to deliver

water to the population. The organisation of the water supply is not uniform in all urban centres as the means are concentrated in the main urban sectors and the residues are left to the auxiliary centres. The level of urbanisation is a factor determining the water supply in Burkina Faso. It is also important to remember that the conditions and cost of production of water varies from one place to another according to the availability of the resources and to the cost of the inputs. For example, the average costs of production of a cubic meter of water was of 549 CFA in 2001 but it ranged from 425 CFA in Bobo Dioulasso, 590 CFA in Ouagadougou, to 941 CFA in Reo<sup>3</sup>. This huge disparity in the cost of production prohibits in having a unified national price and calls for the application of specific institutional arrangements.

## 2) Rural areas

It is after the 1974 drought, that access to drinking water in rural areas became an important issue and international cooperation (mainly NGOs) became active outside the main cities. Wells were drilled in collaboration with the state owned ONPF (The National Office for Wells and Boreholes). But the latter met various difficulties and was dissolved by 1995, thus letting private companies to operate in the countryside. The involvement of private sector might have contributed to the increase in access to safe water from 31% in 1994 to 49.7% in 2003. However, the potable water sector still lacks organisation in the rural areas. Despite the MDG leitmotiv, the state budget remains too small to significantly improve the access to water for the rural population and the external funds continue to be unpredictable to initiate any structured policy. The unpredictability of funds might also discourage private companies to invest in the rural water sector. A report from the Danish cooperation shows that in 2002, 211 companies were involved in the rural sector<sup>4</sup>. These actors have to compete for an instable and irregular market, which is unattractive, as it generally offers insufficient financial resources and does not allow a continuous development. In addition, the procedures of granting market shares lacks rigour.<sup>5</sup> Together with the weak control, it leads to the creation of a “*jungle environment*” in the water sector and a bad quality of service. As a result, the Ministry of Water classified 25% of the drillings in rural areas as faulty.<sup>6</sup>

### 2.1.3. Institutional complexity

As we discussed earlier, the organization of the water supply is extremely complex because of the scarcity of the resource as well as due to the diversity of the actors involved. The law on water management 002-2001/AN of 8th February 2001 confirms the state’s key role in the conduct of the national water policy.<sup>7</sup> The laws 40-42 of August 1998 on the territorial organisation mention that the management of the water resources depends on the local authorities, but does not specify the precise role that the decentralised authorities have to play in the water supply.

Historically, the water policy has always been attributed to a particular Ministry that was in charge of defining the trends to be followed as well as their application.<sup>8</sup> The National Council of Water manages the water used for any purpose other than agriculture, but the Ministry of Agriculture remains in charge of the integrated management of water resources for the country. However, this management depends on three other Ministries: The Ministry of Agriculture, Hydrographical and Fishing Resources with a minimum of 6 directorates, including the General

---

<sup>3</sup> GKW CONSULT GmbH (2001, pp.2-3)

<sup>4</sup> DANIDA (2003)

<sup>5</sup> The World Bank, for example, would like to see the contracts granted on the base of the production costs, the European Union, on the other hand, would like the technical skills and know how to be taken in account.

<sup>6</sup> Bingboure (2005, p.8)

<sup>7</sup> Ministère de l’environnement et de l’eau (2001)

<sup>8</sup> Up to 2001, Ministère de l’environnement et de l’eau (the Ministry of Water of Environment and Water) was in charge but in July 2002, it was taken over by Ministère de l’agriculture, de l’hydraulique et des ressources halieutiques (the Ministry of Agriculture, Hydraulic and Fishing Resources).

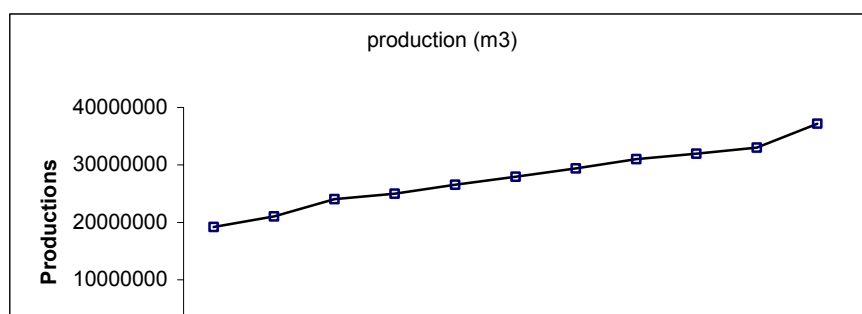
Directorate for Potable Water, the Ministry of Animal Resources, and the Ministry of Environment and Living Environment.

The multitude of different actors involved in this sector renders the organisation opaque. The General Directorate of drinkable water supply controls ONEA, advises and coordinates the interventions of NGO's in rural areas and, with the assistance of external funds, builds up hydrographical infrastructures. Water supply in urban centres is even more complex, despite ONEA being the only competent authority. ONEA was functioning under the umbrella of EPIC (Public Enterprise of Industrial and Commercial Nature) and thus was dependent directly on the Ministry of Water for its operations as well as for its means of activities. As it was stipulated in its status, ONEA was following the instructions set by the Ministry of Water, when dealing with the water supply of the urban centres. Prices were fixed by the Council of Ministers and state subsidies were paid to ONEA to compensate for the losses, as prices did not include all production costs. In 1994, under the framework of the World Bank's reform process, ONEA received the status of a Corporate Statutory Body and thus benefits from autonomy of management. However, the relations between ONEA and the state have remained nearly unchanged. ONEA is still under the control of the General Directorate for Potable Water. Its activities and modalities of work are fixed by the state in an agreement between the two actors. As a result, the state still influences the pricing decisions: ONEA proposes a price based on the results of surveys and the final prices are debated and fixed at the Council of Ministers, by the different Ministries concerned.<sup>9</sup> Prices are published by the Ministry of Trade and thus take effect nationwide.

## 2.2. Performance of the water sector

As mentioned above, water supply and access to safe water has improved in Burkina Faso. These improvements have mainly benefited the major urban centres rather than the semi-urban and rural areas. The production of water significantly increased, as it is indicated in the graph below. It has nearly doubled between 1990 and 2004.

**Figure 1: Evolution of ONEA's production of potable water from 1990 to 2003, (volume)**



预览已结束，完整报告链接和二维码如下：

[https://www.yunbaogao.cn/report/index/report?reportId=5\\_21224](https://www.yunbaogao.cn/report/index/report?reportId=5_21224)

