The policy framework of the water and sanitation sector

The water sector as a whole falls under the responsibility of the Ministry of Mining, Energy and Water, of which the operational structure is the National Water Directorate (Direction Nationale de l’Hydraulique, DNH). Sanitation, on the other hand, is the joint responsibility of the DNH and the ministries that are in charge of environment and health.

In the rural areas and the small towns, the reference entity is the DNH, through its regional (the DRHE) and sub-regional branches (the SSRHE, a substantial number of which are not operational yet). The water users’ associations (AUE) also play an important role: these represent the users of a water point or of a small water supply system, and in most cases also take care of the day-to-day management of the water service.

In certain large towns (only 16) the reference entity is Energie du Mali (which is also responsible for the distribution of energy, but over a much larger area - 36 towns). EDM, the former public water company, was privatized at the end of 2000, and a 20 year concession contract was signed with the Government of Mali. EDM (whose main shareholder is today the French group Bouygues) is currently faced with substantial investments that need to be made, but also with two tariff reductions that were decided upon unilaterally by the Government of Mali. These two issues are a threat to the contract and to the good governance of the urban water sector.

At local level, the new actor of reference is the municipality. In Mali the issue of decentralization has not remained only in the plans of the government but has become a reality that is firmly rooted in the institutional framework (the mayors are currently undertaking their second mandate). Even if their capacity still needs to be further built up, the municipalities (which cover the entire territory of Mali) are responsible for public water and sanitation services, and they have the obligation to delegate the management of these services to third parties (the municipalities in Mali are not authorized to set up municipal departments).

The Commission de Régulation de l’Eau et l’Electricité (CREE) is the formal regulatory body which was established in the course of the privatization of EDM in 2000. The CREE is only dealing with big cities, and its role still needs to be further defined and a more open culture of dialogue still has to be promoted.

With respect to the small towns, Mali distinguishes itself by one of the most innovative initiatives in Western Africa: an independent entity that monitors the AEP which is financed through the sale of water and which has brought about spectacular improvements in the quality of the water service in over 60 centers for more than 10 years.

Since the return to democracy in 1991 Mali has a dynamic civil society, a fact which facilitated the establishment in 1999 of the Union des Exploitants d’AEP1 (Association of water supply system managers) that has improved the conditions under which water users’ associations work on some crucial issues (exoneration of VAT, non-payment of its bills by the administration). Many consumers'
Mali and its inhabitants

According to the most recent study\(^2\), availability of water is not in itself a problem in Mali. In spite of the fact that a large part of the country has desert characteristics, the country is crossed by two of Western Africa’s main rivers, the River Niger and the River Senegal. The distribution of water resources is, however, very unequal and some regions (particularly the region of Kayes, situated in a primary rock formation) have a very low success rates for drilling campaigns which has a direct consequence on the cost of access to water.

In 2004 Mali had approximately 11 million inhabitants (extrapolating the results of the last census which took place in 1998). The national growth rate is expected to be 2.2% in the coming years, with a growth rate of approximately 4% for Bamako which in 2015 will have over 2 million inhabitants, making it by then one of the largest urban centers in Western Africa. The semi-urban centers (or small towns\(^3\)) are also expected to grow substantially: by 2015, over 250 new centers will go beyond the threshold of 2,000 inhabitants.


\(^3\) Population between 2,000 and 50,000 inhabitants.

Who has access to the water and sanitation services?

In the framework of the preparation of the PNAE, the “SIGMA” water points data base was updated in 2003, which makes it possible to obtain a reasonably reliable overview of the situation in the country with respect to water supply facilities. Mali has seen large scale investment efforts over the last years, but the existing water assets are still insufficient, particularly as concerns the small water supply systems that are supposed to be constructed in all towns with over 2,000 inhabitants. In geographical terms, the coverage rate is also very unequal, and some regions have been disadvantaged as a result of severe constraints (isolation, very low population density) which make the organization of supply chains for maintenance extremely problematic (both for hand pumps and for small water supply systems).

The real coverage rate is estimated at around 60% outside of the EDM perimeter (rural areas and small towns), based on the SIGMA data base and the real functioning rate of the equipments. In towns that are served by the EDM the coverage rate is estimated to be 65%, and should stagnate in the coming years, given that urban growth is very strong and that the EDM is already incapable of meeting the demand in Bamako and in about one third of the other towns where...
it manages the water service. Unless sufficient investments are made, the public water service will face a chronic deficit in Bamako in the years to come, particularly in the new periurban districts.

The coverage rate is thus around 61% at national level, which currently leaves 4.3 million inhabitants without access to services.

With respect to sanitation the coverage rate continues to be weak except in the largest towns. The data collected by the JMP1 (93% of coverage in the urban area and 58% in the rural area in 2000) should be used with caution, while the 93% may be plausible (although high) in the urban areas (all types of sanitation facilities included), 58% in the rural areas seems too optimistic, and contradicts the results of most surveys carried out in the field. In Bamako and in the large towns only a small percentage of families are connected to the sewer network. The bulk of urban sanitation is thus on-site, and the main actors in the sanitation supply chain are currently the trucks which remove the faecal sludge from the pits of the latrines.

How much will the MDGs cost?

The PNAE proposes relatively high unit costs of equipment per user, especially if one considers that scaling up in order to attain the MDGs should, in principle, make it possible to reduce these costs. It appears more reasonable to base the estimates on lower costs and which have already been observed in some existing projects (these are still relatively high when compared to other countries in the sub-region): 125 US dollars on average per urban user, and 80 US dollars per user living in the rural areas or in a small town. Taking into account the above mentioned currently un-served population, the costing of the MDGs leads to the results summarized in the table.

It is difficult to say to what extent the financing needed to reach the MDGs in Mali has been “secured”. The prevailing lack of clarity regarding the institutional framework for urban water supply is currently preventing all investments, even if certain donors would be ready to release their funds. The government is relying heavily on the PNAE and on the project implementation capacity of the future AMEPA to attract financing in the sector.

Outside of those projects implemented by the DNH with international financing, there are not many decentralized financing tools in Mali, with the exception of some NGOs and national associations (in the region of Kayes, the migrants from Mali who have moved to Europe often massively invest in access to water to the benefit of the village they are coming from). The municipalities have access to financing from the ANICT (National Agency for Investment of Local Authorities), which uses approximately 10% of its funds for water and sanitation projects, but with limited drawing rights which currently prevent the municipalities from financing anything apart from hand pumps and modern wells.

1 Joint Monitoring Program - OMS/UNICEF
2 This can be a simple or double pit latrine, VIP (Ventilated Improved Pit Latrine) or not, waterproof or not, connected to a well or not, etc.
In order to attain the millennium development goals for water and sanitation, Mali needs to meet seven major challenges. Each challenge corresponds to one or more endeavors to be rapidly addressed (these endeavors are presented in detail on pages 6 and 7). The challenges are formulated in such a way that they can be objectively monitored, and are based on measurable and verifiable indicators.

1. **Continuing to transfer competence to the municipalities**

Mali is one of a handful of countries in Western Africa that has made true progress in transferring water and sanitation competence to the municipalities. This process should continue and should receive concrete support (practical tools, improved access to decentralized financing).

**Indicators**
- Number of municipalities to which competence over water has been transferred
- Number of municipalities that are receiving direct financing
- Number of practical tools available.

2. **Accelerating the implementation procedures of projects**

The time taken to prepare and implement projects in Mali is a threat to the achievement of the millennium development goals. The same goes for the procedures, quality control and to a lesser degree the methods used. It is thus the totality of the project cycle that must become more flexible and reactive.

**Indicators**
- Average delay between the feasibility study and the project start-up
- Average duration of the project from the moment it effectively starts
- Average duration of the bidding process.

3. **Reducing unit costs and putting in place a monitoring framework**

The unit costs for access to water and sanitation are relatively high in the sector today, in particular because of the delay in effectively starting up projects. The millennium development goals will not be achieved unless these unit costs are reduced and rigorous monitoring is put in place.

**Indicator**
- Real average cost (all included) of the access to water or sanitation for a rural or urban user, as a function of the level of service (wells, PMH, individual connection to a network, standpipe, improved latrine).

4. **Moving from master plans to a programmatic approach**

In facing up to the challenge of the millennium goals for water and sanitation, everything must be done to preserve the progress made through the (user) demand based approach and to not exceed the investment and management capacity of municipalities. The users and the municipalities should therefore participate in the choice of technology and of management models.

**Indicators**
- Number of municipal development plans which include access to water and sanitation
- Quality of the articulation between central level and municipalities.

5. **Defining municipal sanitation strategies**

In addition to clarifying the institutional situation at national level (which can take the form of a national policy), it is important that immediate support be provided to the municipalities in the definition of their strategy with respect to sanitation. This should take the form of municipal action-oriented plans.

**Indicator**
- Number of municipal sanitation action plans.

6. **Scaling up of technical and financial monitoring of small water supply systems**

The technical and financial monitoring of the management of the small water supply systems by an independent structure which cost is included in the price of water has demonstrated its effectiveness, but has only been applied to less than 30% of the existing systems. This experience should thus be extended to the totality of small water supply systems in Mali, in accordance with the national strategy approved in 1997.

**Indicator**
- Number of small water supply systems that benefit from technical and financial monitoring.

7. **Expanding service coverage in the periurban districts of Bamako**

In Bamako, following years of under-investment, priority needs to be placed on developing production capacity, which means that the distribution itself will not be significantly improved for a number of years to come. The periurban districts of Bamako, which are the least well served but where all the new arrivals to the city settle, should be officially recognized and integrated in the expansion plans for the service with specific and non-conventional solutions (no monopoly).

**Indicators**
- Availability of information about the periurban districts
- Specific service coverage rate
- Proportion of financing allocated to improving the service in these districts.
The millennium endeavor

Strengthening the role and capacity of municipalities

- Transfer the competence for water and sanitation to all municipalities by 2008. By the end of 2004, transfer of competence to just over a hundred municipalities in Mali had become a reality. The formula used by the DNH for undertaking this transfer is very interesting since it contributes to holding municipalities accountable and provides them with the tools they need to carry out their new mandate, while also ensuring a minimum level of training. The Malian authorities should continue this process and establish a deadline for it (our proposal is 2008).

- Develop specific tools for sanitation. Competence in the area of solid and liquid sanitation was automatically transferred to the municipalities but without having a national strategy and the capacity at municipal level to develop local level action plans. Specific tools for sanitation should be developed for the municipalities (in particular the more urban ones), based on the model that was already develop for water supply.

- Improve access by municipalities to bank credit for renewing and extending the network. It is without doubt highly unrealistic to imagine that municipalities will be able to carry the investment costs related to the construction of new infrastructure. On the other hand, access to credit may make it possible to help municipalities finance the development of the service, and in particular the extension of existing networks and the renewal of pumping equipment (in addition, the conditions for accessing credit will give the operators incentives to make their financial management more professional).

- Scale-up the technical and financial monitoring of the small water supply systems. In order to correctly carry out their mission of organizing the public water and sanitation services, municipalities which are expected to delegate the management of these services, should have the means to control the entities to which they delegate.

An important endeavor is thus to scale-up the technical and financial monitoring framework which has been applied with success in sixty or so small water supply systems.

Developing a programmatic approach

- Continue to promote a demand-driven approach. The programmatic approach should be based on the demand-driven approach, the promotion of which is an endeavor in itself. This involves simultaneously a better understanding of the demand (disseminating demand assessment tools), informing local authorities and users about the range of options available and engaging in a true dialogue with users throughout the project cycle so as to allow them to express their choice and their willingness to contribute financially to the service.

- Develop the human resource base of decentralized services. The decentralized services of the DNH (particularly at regional level) provide a very interesting opportunity for aligning the strategy and the programming that was defined at national level with the needs of the municipalities. The DRH are just starting up their coordination and support-advisory function, but are expected to play a key role in this area, and their human resources should be developed accordingly.
• **Intelligently define the mission of AMEPA.** The decision to establish an implementation agency which is specialized in water and sanitation was taken at a political level. AMEPA offers undeniable advantages, particularly if it makes it possible to escape from the weighty procedures of the public market. On the other hand, it is important that its mission be defined so as to solve existing problems and to ensure that it does not substitute existing institutions and competences.

• **Put in place a piloting mechanism for the MDGs.** In parallel to the on-going institutional developments, it may be interesting to equip Mali with a control tower that makes it possible to regularly measure the progress toward the millennium development goals. This control tower can take the form of a “tri-annual program budget”, reviewed and improved on a yearly basis, which is the frame of reference for monitoring the indicators (budgets, unit costs, service coverage rate) and the programming of investments.

• **Professionalize the water service providers.** In a large number of small towns, users' associations are directly managing the water service, but often with human resources that are inadequate because of poor training. A major endeavor is thus to professionalize these users' associations, and the managers of the small water systems in general, and to support them in better managing and meeting the users' demand.

• **Improve the performance of the administration.** The administration, and in particular the DNH, are today in a difficult situation, in part because of insufficient resources, but also especially because of the discrepancy between the staff profile and the new mission that has been assigned to it: support-advisory services, demand assessment, integrated management of water resources, sectorial coordination, etc. The improvement of the performance of the administration will thus require a strengthening of its capacity in accordance with this new mission.

• **Attract private operators.** The emergence of private operators is a relatively recent phenomenon, given that it has taken place in parallel with the disengagement process which the Government initiated fifteen or so years ago. In spite of encouraging examples, the sector is still not very dynamic. These operators still require specific support.

### Developing the service in disadvantaged districts of large towns

• **Improve the understanding of unplanned disadvantaged districts.** Because they are not official, the disadvantaged districts of large towns (in particular Bamako) are not taken into account in the master plans or the urban plans. The first endeavor is thus to get to better know these urban areas, their geographical scope, their demographic importance, their social structures, their level of equipment and finally the operators that are already providing water or sanitation services.

• **Develop non-conventional solutions.** In order to compensate for the production problems that EDM currently faces, it appears to be necessary to adopt non-conventional approaches for these districts, through the development of independent networks (including in the unserved areas within the EDM perimeter), and by delegating the management of services (particularly customer care) to small independent local operators.

• **Develop specific financing tools.** Supporting these districts may be an opportunity for fine-tuning new financing tools, in particular output-based aid, which can make it possible to rapidly and at a low cost, increase the service rate, avoiding the heavy conventional projects and guaranteeing an optimal use of public funds provided through international aid.

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Véronique Verdeil
The publication of the Blue Book: water - life - people is the result of a commitment made in Kyoto (March 2003) by the World Assembly of Water Wisdom (Assemblée Mondiale des Sages de l’Eau - AMSE). The Blue Book aims at reporting on the progress made in the water and sanitation sector towards reaching the millennium development goals (MDGs).

It is directed to all the stakeholders of the water and sanitation sector in the country, as well as to the technical and financial international partners. It reports, among other issues, on the place of civil society, on policies for decentralization and on locally available financing tools.

Each Blue Book offers a different, and more critical, vision of the water and sanitation sector in a given country, by independently and at regular intervals (every three or five years) measuring the progress made and by striving to put forward the opinion of the users and citizens whenever possible. Three Blue Books - covering three countries: Burkina Faso, Mali and Niger - were published simultaneously in March 2005.

In the long run, the World Assembly of Water Wisdom hopes that the process of preparing and publishing the Blue Books will provide an independent vision of the water and sanitation sector, which is capable of developing its own analysis methods, of regularly measuring agreed upon indicators, and which offers a non-conventional vision of policy and public strategy, without taking ideological sides or trying to disguise reality.

**What is the added value of the Blue Book?**

- It is a participatory process that started on the basis of the reality in the field, and is based on a critical analysis of observed situations in the area of water and sanitation.
- It is a tool that promotes exchange, dialogue and mobilization of all actors in the area of water management, in order to promote large scale project portfolios from the civil society.
- At country level, and in the framework of making a choice between priorities for sustainable development, the Blue Book strengthens local initiatives, the right to water and poverty reduction.
- At regional level, the Blue Book contributes to building a vision, and engages the international community in promoting more innovative and effective means of cooperation.

**Collaborators.** The Blue Book is an initiative of the International Secretariat for Water (ISW). It is supported by partners which have all been involved at one moment or the other in the process based on their competence and their knowledge of the field.

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