



*Financing the One WASH program  
ETHIOPIA*



*By Abiy Girma  
National WASH Program Coordinator*



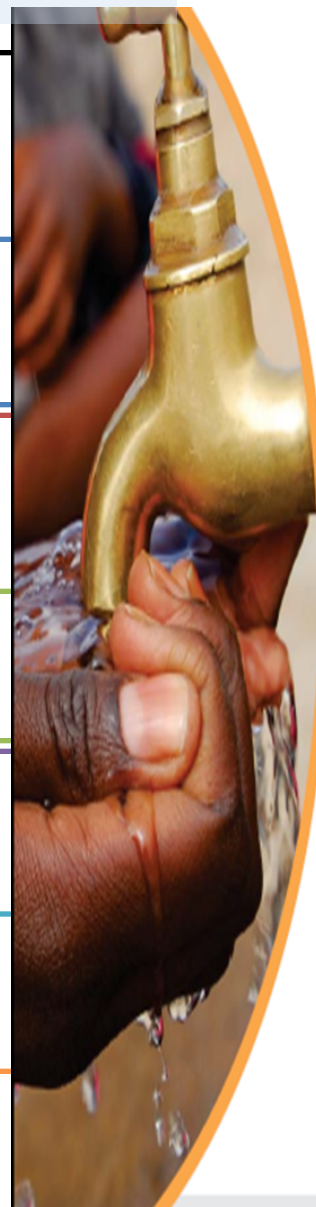
## **OWNP:-**

- Road to sector wide approach
- Government led
- Instrument for achieving the goals set in achieving middle income level country status
- WASH MoU and WIF are major building blocks
- Better integration, alignment, partnership and harmonization



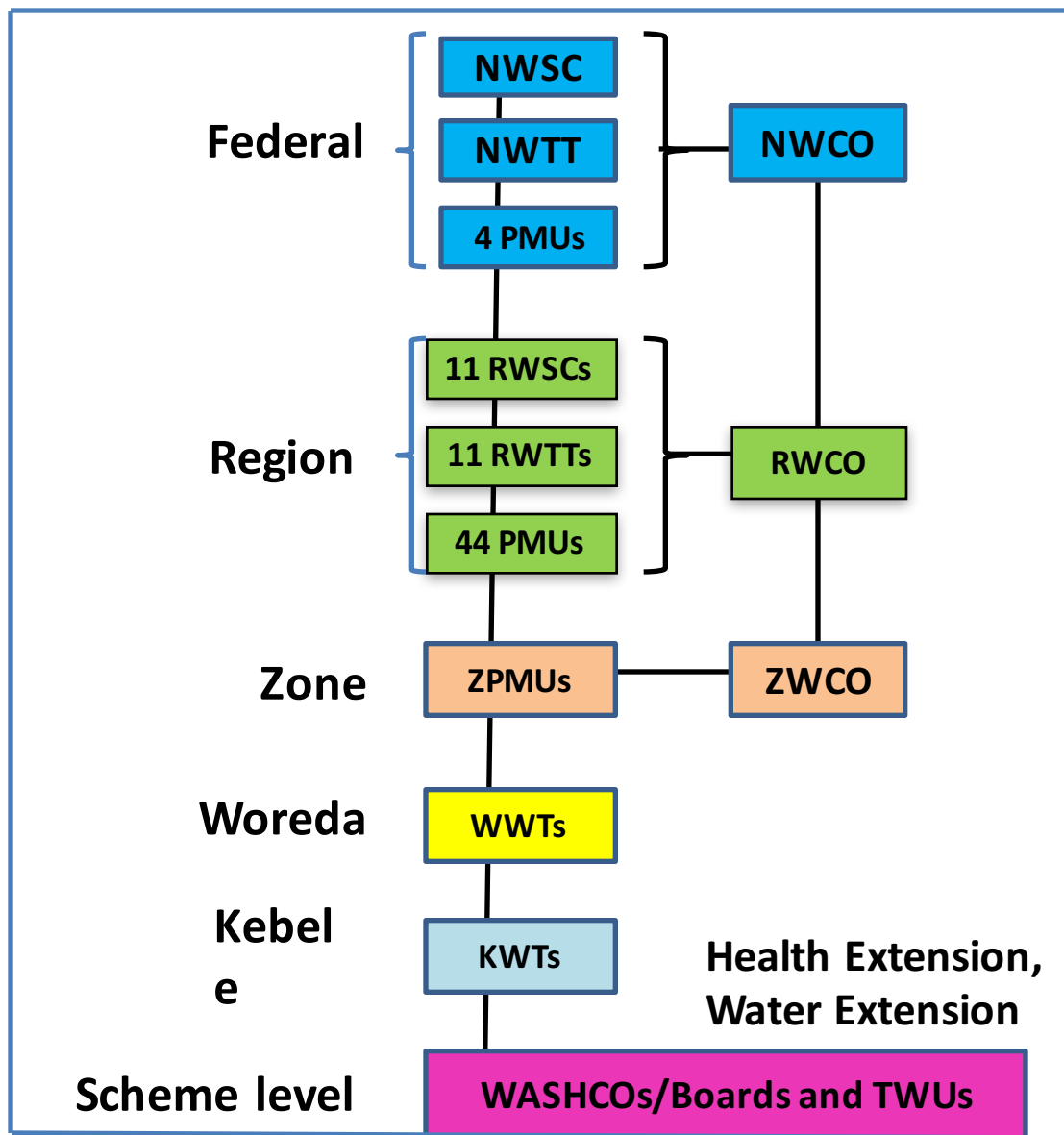
# Here are **7 reasons** for why this programme is exceptional

- 1 UNITED-** 4 Ministries have agreed to implement
- 2 INCLUSIVE-** rural or urban WASH infrastructure and technical assistance
- 3 COMPREHENSIVE-** rolled out nationwide in all the regions of Ethiopia
- 4 INNOVATIVE-** first sector wide approach in the WASH sector
- 5 EFFECTIVE-** Partners' and Gov funds are pooled into One account
- 6 PROGRESS ORIENTED-** leads towards achieving national results faster.
- 7 SUPPORTIVE** - stakeholders work together to move the sector forward.





# One WASH coordination and implementation structure



- Governance & Guidance- **National WaSH Steering Committee (NWSC)**
- Oversight & Management, **National WaSH Technical Team (NWTT)**
- Program Implementation- **WaSH Program Management Units (In Each sector Bureaus)**
- Program Coordination - **National WaSH Coordination Office (NWCO).**



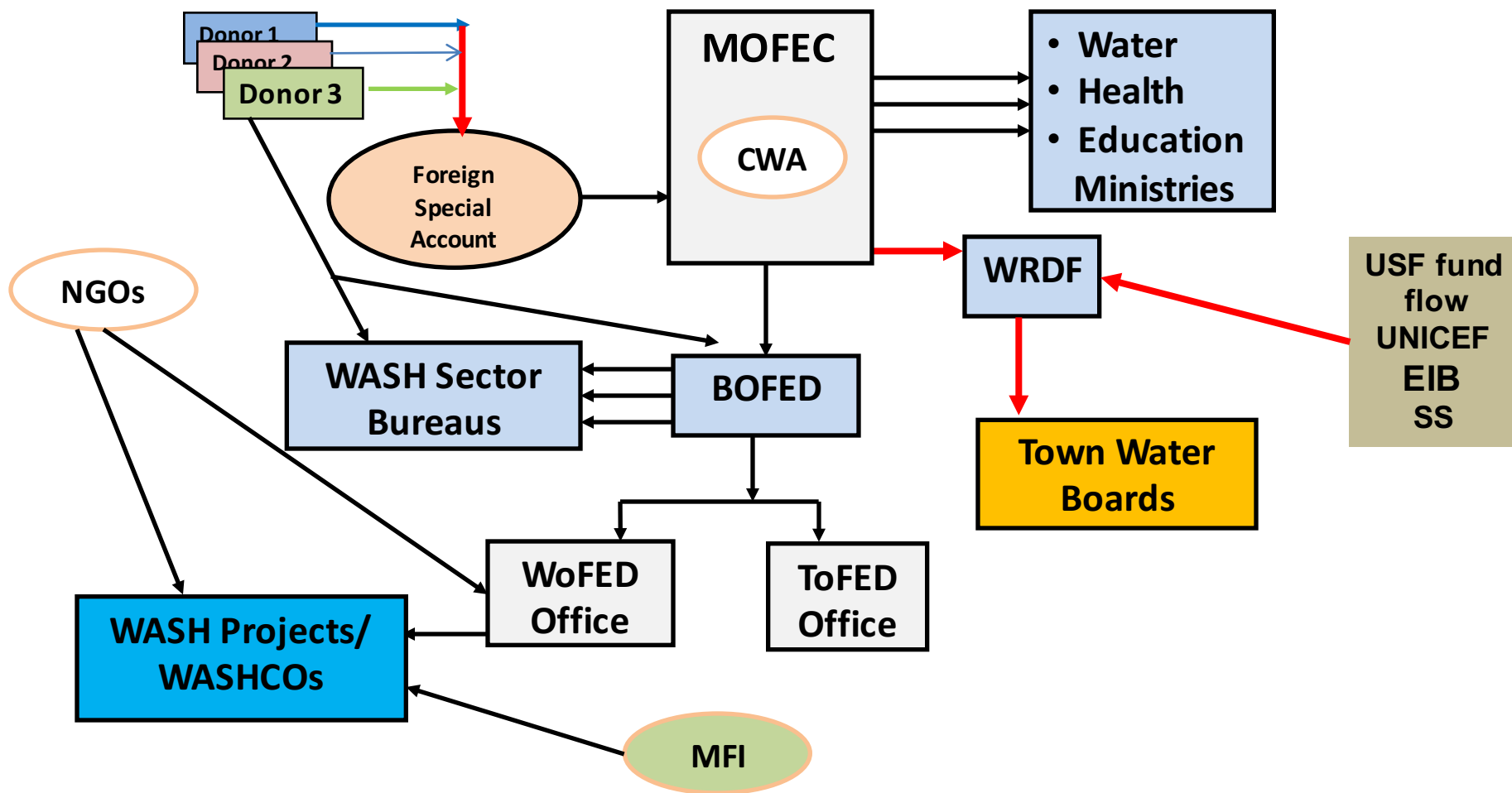
- **WASH: Economic and social goods**
- **Cost Recovery** principles
- **No subsidies** or grants for household sanitation -
- **Specific Tariff Setting**
- **Water Resource Development Fund** established for investment on urban WSS
- **Micro finance institutions** for CMP and household level financing of WASH



# OWNP Fund Flow and Channelling of Funds

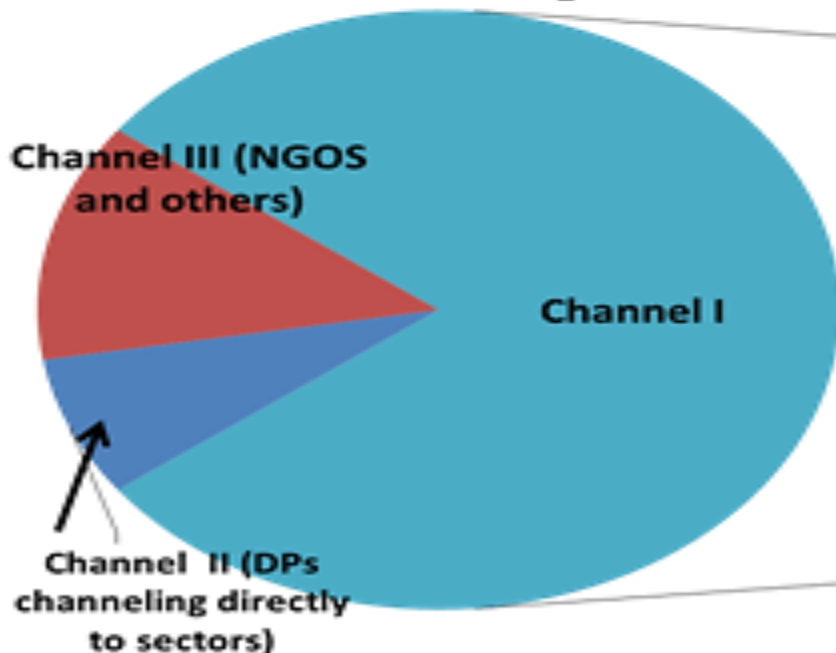


## Fund Flow



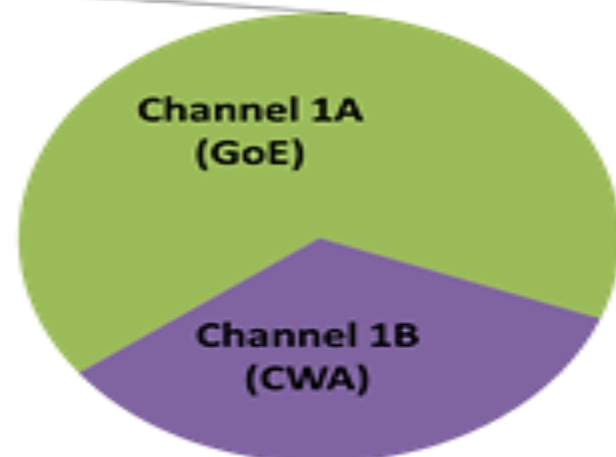
# OWNP Components, Modalities and Channelling of Funds

OWNP Financing Channels



OWNP is much bigger than CWA

CWA is a sub set of OOWNP

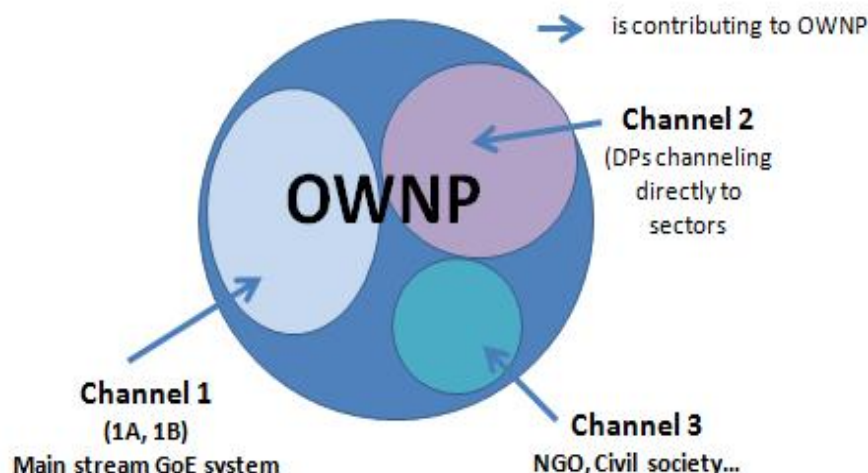


Channel 1(1A, 1B)  
Main stream GoE system

CWA,COWASH, UNICEF

## Program Implementation Modalities

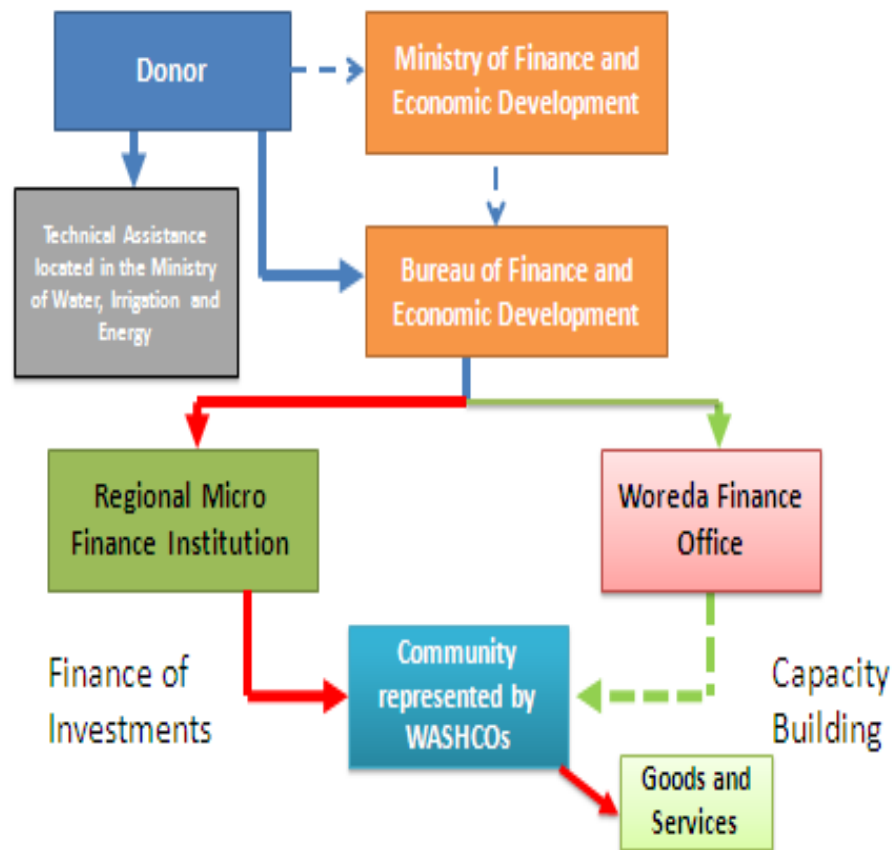
- **Woreda Managed Project**
  - Fund flow: Federal-Region-District Office
- **Community Managed Project**
  - Fund flow: Federal-Region finance offices- Micro Finance Institutions - community
- **NGO Managed Project**
  - Fund flow: NGO
- **Self Supply**
  - Fund flow: Household



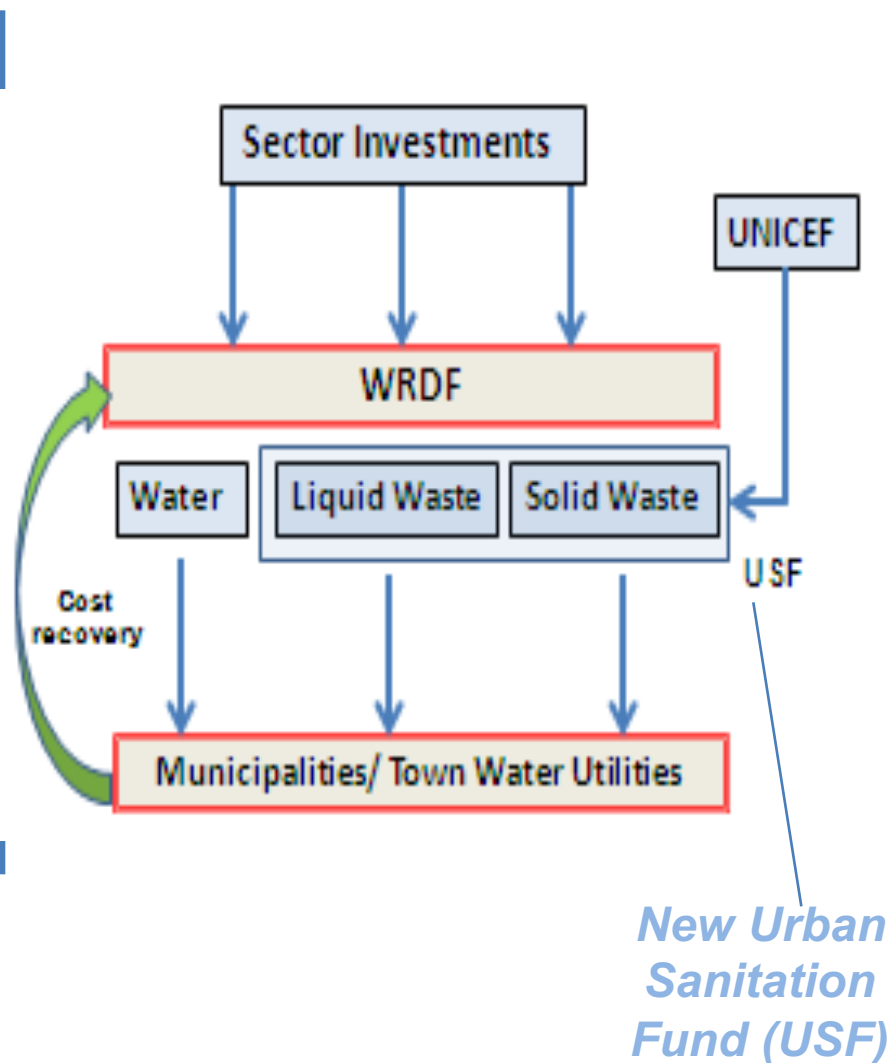
CWA,COWASH, UNICEF



## CMP Fund Flows (Channel !b)



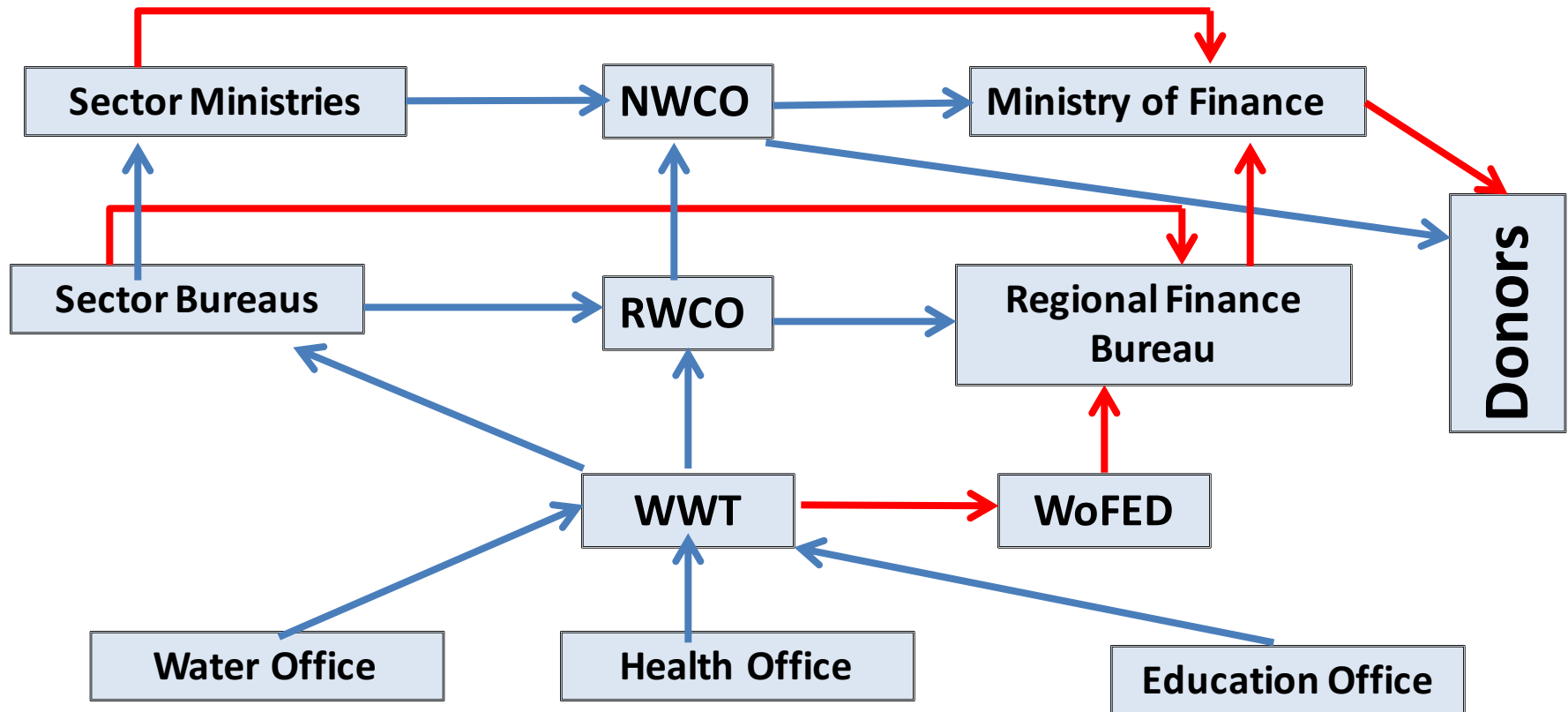
## Urban WSS Fund Flows







# *Financial Reporting Flow*



**Financial Reporting**



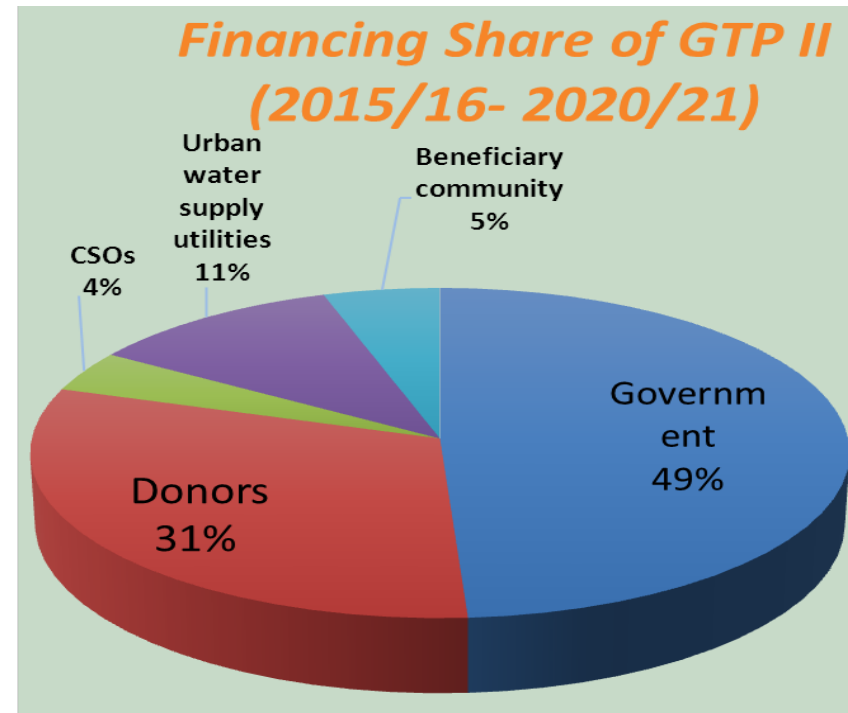
**Physical Report**



# Resource Flow to WSS Sector



- **Resource Flow:** Increasing but inadequate to achieve targets.
- **Resource Gap:** GTP I: out of \$2.41 billion only 68 % of total cost was available. (2011-2015)
- **Source of Finance:** 76 % of the total budget allocated from National treasury and rest from donors.
- **Composition:** Capital budget accounting for about 80% of total budget
- **Utilization:** Budget execution relatively high, but in sub-categories such as hygiene and sanitation, execution rates are low
- **Resource Required:** GTP II: more than \$ 4.5 billion is required(2016-2020)



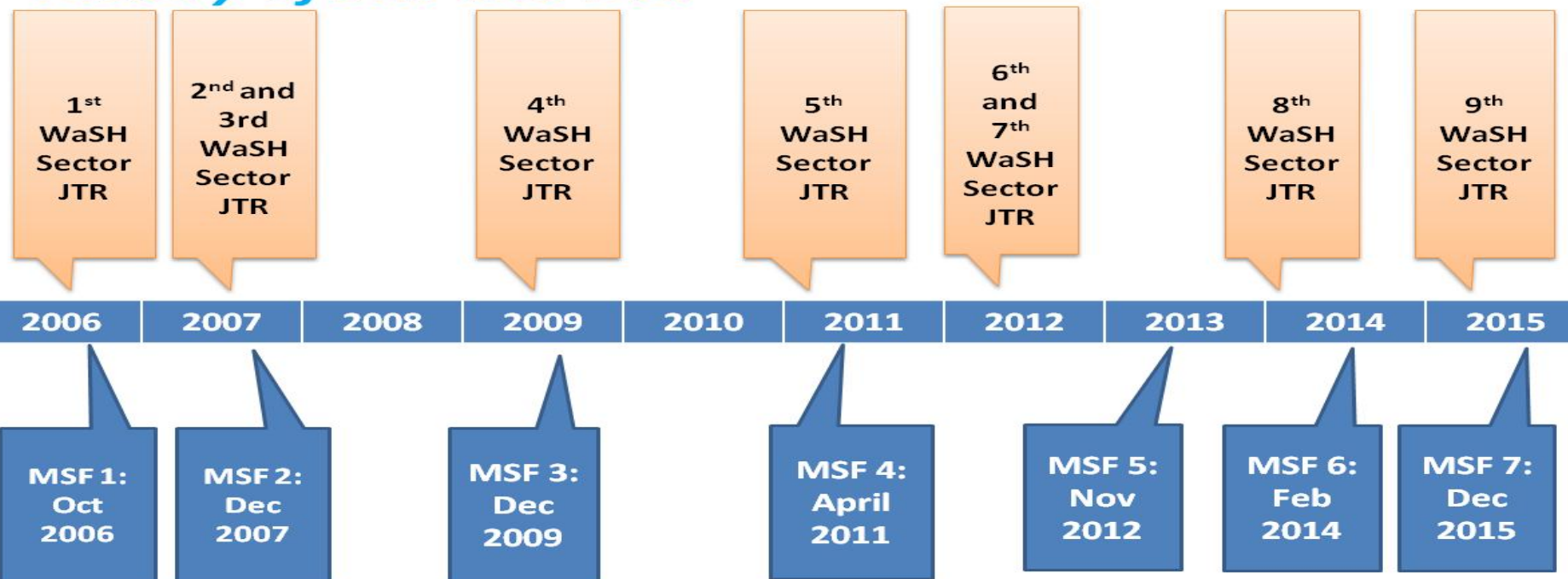
# WaSH Stakeholders' Joint Technical Review and MSF Timing



## JTR and MSF timing



## History of JTR and MSF





## Some Features of Financing WASH in Ethiopia

- **Allocative Efficiency:** public expenditure focuses on narrowing infrastructure gap.
- **Cost recovery:** water utilities do not cover beyond O&M.
- **Effectiveness:** Finance tracking system
- **Inefficiency:** in urban water utilities largely due to under pricing have significantly undermined the service levels
- **PPP:** - involvement is limited to small works, goods and service contracts.



## Recommendations

- **Improve resource flow to WSS** mobilizing more internal and external resources
- **Improve efficiency:** budget allocation to areas with more returns and improve budget utilization
- **Promote participation:** promoting NGOs/CSOs and private sector participation



MINISTRY FOR FOREIGN  
AFFAIRS OF FINLAND

**ONE WASH Partners**



World Health  
Organization



**USAID**  
FROM THE AMERICAN PEOPLE



MINISTÈRE  
DES  
AFFAIRES ÉTRANGÈRES

**THANK YOU**



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Canada



Ministry of Foreign Affairs of the  
Netherlands



COOPERAZIONE  
ITALIANA

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