

## Quantifying the Cost of Delivering Safe Water, Sanitation and Hygiene Services

***The WASHCost Project researches the life-cycle costs of water, sanitation and hygiene (WASH) services in rural and peri-urban areas in four countries. The rationale is that WASH governance will improve at all levels, as decision makers and stakeholders analyse the costs of sustainable, equitable and efficient services and put their knowledge to use.***

### WASHCost project

Water, sanitation and hygiene (WASH) services are central to addressing poverty, economic development, livelihoods and health. They are critical in addressing the needs of poor communities and in achieving the Millennium Development Goals (MDGs).

Lack of accurate information, especially on and in rural and peri-urban areas in the developing world, makes it impossible to estimate the true cost of extending sustainable and good quality water and sanitation services to the poor.

The five-year WASHCost project (from 2008-2012) will collect and collate information relating to the real disaggregated costs in the life-cycle of water, sanitation and hygiene service delivery to poor people in rural and peri-urban areas. It will involve decision makers and stakeholders in analysing this information and support them to use it in the planning and governance of WASH service delivery. WASHCost will embed improved pro-poor decision-making processes in lead WASH organisations.

***“The most interesting aspect is exposing the hidden costs of keeping systems running”***

Kristin Komives (ISS),  
External Advisory Committee WASHCost

### Four countries

Building on local partnerships and working in four developing countries, a range of statistical and modelling techniques will establish the relative importance of factors that influence the costs of developing and sustaining different levels of service delivery. Benchmark criteria will be developed for rural and peri-urban areas, applicable in similar circumstances globally. Research partners in Burkina Faso, Ghana, Mozambique and the Indian State of Andhra Pradesh will take the lead in the data collection. IRC coordinates the process and will share the results globally.

The learning and sharing strategies will include action research, the development of Learning Alliances at country level, and the development of an internet tool for WASHCost information worldwide. Unit cost information will become readily available for the first time for national and intermediate level planning and for budgeting, monitoring and integrity assessments.

***“If we can get data and it is used, it will help people to think about a sustainable service”***

Kwabena Nyarko (KNUST),  
Country Director WASHCost Ghana

### Action research

- After decades of work, most stakeholders in the water and sanitation sector still do not know how much their interventions actually cost and will cost in the future.



Initial work developed in this area has provided very broad costing ranges that need to be better understood, contextualised and narrowed down. It is also recognised that cost information that is available tends to relate primarily to engineering and hardware.

- For proper planning and budgeting by governments, donors and other agencies it is essential to have reliable disaggregated data to support – and even drive – these processes.
- In the context of decentralisation, local governments, utilities, NGOs and other service providers need strategies for improved cost recovery and increased service coverage, particularly for the poorest. These strategies must be supported by quantitative data which analyse the volume and adequacy of finance made available.
- Improving the understanding of real demand (willingness to pay) and existing levels of ability to pay when looking at users' contributions. This will allow finding out what it costs society to deliver existing service levels. If operation and maintenance contributions are much lower than expected then a more pragmatic approach concerning service levels is needed.



## Added value

- Building the capacity of local researchers (resource centres and universities) who work in tandem with relevant government departments will encourage and maximise their participation and ownership on data collection and analysis beyond the five years' action-research.
- Making recurrent expenditures more explicit will help improve the adequacy of finance. On the basis of this information stakeholders are more likely to maintain the required expenditure level, on operation and capital maintenance, until the benefits from the service have reached a level where people can support the service themselves.
- Working at the district level with existing projects and programmes in targeted countries will contribute to enriching the learning process and to inform policy debate on the one hand and requirements for budget allocations on the other. The research can inform country dialogues and multi-stakeholder coordination platforms.
- The lack of information of financial data, cost estimates and other basic indicators, is a crucial shortcoming in the sector, not allowing an analysis of the efficiency of funds being spent. It is expected that by making the ranges of expenditures more transparent and explicit, the minimum ranges are made more realistic and the higher ranges are not accepted by service providers/donors/communities.

### ***“Decisions on sustainable use of water resources are made without counting the cost”***

Charles Batchelor (Water Resources Management),  
*WASH Governance Specialist for India*

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