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LUWASH

USAID Lagos Urban Water,
Sanitation and Hygiene Activity

A Presentation

April 5, 2023



The Project



- Name: USAID Nigeria/LUWASH
- Duration: 2023 - 2028
- Implementing Partners Consortium:
 - Chemonics (Lead)
 - Sheladia
 - Athena
 - WSUP
 - FEI
 - Local-National STTAs, SME/CBOs/CSOs
- Approach
 - Technical Assistance and Advisory Services
 - Infrastructure Development
 - Small Grant Program for Local Actors

Key Project Components

Goal: Increase availability and sustainable management of safe and climate-resilient water and sanitation services in Lagos

**Component 1:
Governance and
Institutional
Arrangements**

**Component 2:
Public and Private
Service Provider
Performance**

**Component 3:
Access to Safe and
Sustainable Water
Service**

**Component 4: Access
to Safe and
Sustainable
Sanitation and
Improve the Quality
of Source Water**

Results Expected by 2028

- At least 4 million in low-income communities with access to improved water and sanitation services
- Improved performance of public and private service providers (non-revenue water, improved cost recovery, customer orientation, etc.)
- Over \$100 m mobilized from public and private financing sources to improve services

Component 1: Governance and Institutional Arrangements - Key Tasks and Illustrative Activities

Task 1.1: Improve the Policy, Legal, and Regulatory Environments of Both Public and Alternative Private Providers

Task 1.2: Enhance Capacity of Sector Institutions to Improve Sector Accountability, Equity, and Transparency

- **Assessments**

- Systematic Policy, Institutional and legal framework review and gap analysis
- Organizational Capacity Assessment of LWC, Regulator, and WWMO
- City-wide household survey on WASH service levels, etc.

- **Institutional Strengthening**

- Develop and support LWC unbundling Road Map
- Facilitate the creation of a Pro poor Unit in LWC
- Develop a Social Charter and its implementation strategy

- **Sector Performance Improvement**

- Design a monitoring system to benchmark performance
 - Develop accountability and transparency tools for LAWARCO, CSOs & Private Sector Providers (PSPs)
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Component 2: Public and Private Service Provider Performance- Key Tasks and Illustrative Activities

Task 2.1: Improve Management and Operational Efficiencies of Service Providers

- **Assessments**

- Utility assessment using the World Bank's Utility Turnaround Framework
- Staff and Organizational Capacity, Gap and Needs Analysis of unbundled entities
- Private sector landscape assessment

Task 2.2: Strengthen the Financial and Technical Viability of Service Providers

- **Institutional Strengthening**

- Develop Commercial Operations Business Processes, Manuals and Policies
- Strengthening of accountability and transparency Mechanism (Budgeting, Procurement, Financial Management & Auditing)
- Technical Support of Private sector service delivery

Task 2.3: Enhance Private Sector Business Models for Decentralized WASH Services to Improve Service Quality and Affordability

Component 3: Access to Safe and Sustainable Water Services - Key Tasks and Illustrative Activities

Task 3.1: Support the Rehabilitation of Some Critical Infrastructure to Improve the Availability and Access of Water and Services in LICs

Task 3.2: Design & Operationalize Rehabilitation Fund

Task 3.3: Technical Assistance to Service Providers

- **Assessments and Plans**

- Asset inventory and condition survey of Mini and Micro WTPs
- Identify quick win interventions for target Mini and Micro WTPs
- Develop a robust and sustainable preventative maintenance plan and asset management system
- Develop strategies for mobilizing funds for capital rehabilitation of Major Water Works

- **Infrastructure (Procurement, Rehabilitation, etc.)**

- Rehabilitation of schemes to increase access, procure water quality control and surveillance equipment and instrumentation

- **Service Provider Strengthening**

- Develop and implement NRW Reduction Strategies
 - Metering of pilot high value customers
 - Develop an internal delegated Performance Improvement Plan (Production & Commercial/Sales).
 - Design and Implement an effective ERP Solution
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Component 4: Access to Safe and Sustainable Sanitation and Quality of Source Water - Key Tasks and Illustrative Activities

Task 4.1: Support government Policy and Programming for Household On-Site Sanitation Systems and Provision of Public Latrines

Task 4.2: Support Government Efforts to Develop, Operate, and Maintain FSM Capacity

Task 4.3: Support Government Planning Efforts to Manage Water Resources and Incorporate the Risks Associated with Climate Change

- **Assessments and Plans**

- City Wide Sanitation Mapping and Analysis using CWIS Services Assessment and Planning (CWIS SAP) tool
- Faecal Sludge Treatment Feasibility Study
- Capital investment requirements
- Climate risk assessment
- 30 yr IWRM Plan

- **Service Provider Performance Improvement**

- Develop processes for implementing standards, guidelines and the systematic tracking of service provider compliance
 - Business models for private sector participation
 - Review or develop new standards and guidelines around on-site sanitation and faecal sludge management (FSM)
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Enabling conditions for successful implementation of LUWASH project

Near-Term Actions

- Establishing the Lagos Water Asset Company and two water utilities
- Providing an operational subsidy to the Lagos Water Asset Company and the two Service Provider Utilities
- Ensuring that the asset company and the two Water Service Provider Utilities are overseen by an autonomous Board of Directors appointed by the Governor of Lagos State
- Establishment of a performance contract with financing and service agreements between state government and LWC's Board of Directors

Longer-Term Actions

- Staffing the Lagos Water Asset Company and the two Service Provider Utilities with experienced technical staff
- Mobilizing around \$400 million in financing for the rehabilitation of major water and sanitation infrastructure over the next five years
- Exploring options for private sector participation for the development and management of waterworks, and the management of viable micro waterworks

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