

# Osun State Environmental Protection Agency (OSEPA)

Review of Organisational, Technical, Financial And Commercial  
Structures including PSP assessment.

*(September 2008)*

This report was prepared by the **Bread of Life Development Foundation**, under a contract financed by the **European Union Water and Sanitation Reform Programme, (EU-WSSSRP)** State Technical Unit, Osun State



**WATER SUPPLY & SANITATION  
SECTOR REFORM PROGRAMME  
OSUN STATE TECHNICAL UNIT**

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## Acronyms

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|        |  |
|--------|--|
| BLF    | Bread of Life Dev. Foundation                            |
| CSO    | Civil Society Organization                               |
| EIA    | Environmental Impact Assessment                          |
| ESA    | External Support Agencies                                |
| FGN    | Federal Government of Nigeria                            |
| FPIU   | Federal Project Implementation Unit                      |
| FMAWR  | Federal Ministry of Agriculture and Water Resources      |
| PSP    | Private Sector Participation                             |
| PPP    | Public-Private Partnership                               |
| LGA    | Local Government Authority                               |
| NUWSRP | National Urban Water Sector Reform Project               |
| NWSSP  | National Water Supply and Sanitation Policy              |
| NEEDS  | National Economic Empowerment and Development Strategy.  |
| NGO    | Non governmental Organization                            |
| NUWSRP | National Urban Water Sector Reform Project               |
| MDG    | Millennium Development Goal                              |
| OSEPA  | Osun State Environmental Protection Agency               |
| STU    | State Technical Unit                                     |
| SWAs   | State Water Agencies                                     |
| TOR    | Terms of Reference                                       |
| WIMAG  | Water Investment Mobilization and Application Guidelines |
| WSS    | Water Supply and Sanitation                              |
| WSSSRP | Water Supply and Sanitation Sector Reform Programme      |

## Chapter 1: Introduction

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### 1.1. Purpose of this study/Terms of Reference

The European Union is implementing a Water Supply and Sanitation Sector Reform Programme which has the specific objective of increasing access to safe, adequate and sustainable water and sanitation services in Osun State. This consultancy study was awarded by the Osun State Technical Unit of the European Union- Water Supply and Sanitation Sector reform Programme (EU-WSSSRP) with the following objectives:

- a. To support the State Ministry of Water Resources and Rural development to review the organisational, financial, commercial and technical structure including PSP assessment of OSEPA and make recommendations for improvement as considered appropriate with a view to making its operations more efficient and effective leading to sustainability.*
- b. To recommend and develop restructuring plan for Osun State Environmental Protection Agency to improve efficiency and effectiveness of its services delivery for sustainability of its operations.*

### 1.2. Executive Summary

This document contains the Review of Organisational, Technical, Financial And Commercial Structures including PSP assessment for the Osun State Environmental Protection Agency (OSEPA) based on outcome of a six week study undertaken by the Bread of Life Development Foundation, using methodologies such as field visits, consumer surveys, participatory meetings, and desk stop review of secondary data, key information interviews, and a financial audit of the OSEPA.

The document is divided into seven chapters. The first chapter introduces the study outlining its purpose, the terms of reference, the Executive Summary, methodology adopted to carry out the study, and acknowledgments

The second chapter is a brief review of literatures that highlights the economic cost of poor sanitation facilities, and also the effect of this on child mortality.

Chapter three outlines the current operational status of OSEPA as it relates to its organisational, technical, commercial, and financial operations; Chapter four contains an assessment of this current situation; while Chapter five reviews the organisational, technical, commercial, and financial operations OSEPA discussing policies and programmes that needs to be introduced towards turning around the fortunes of the utility. This chapter also contains an overview of stakeholder's views initiatives envisaged by this study to restructure the OSEPA.

Chapter six discusses the restructuring plan of the OSEPA under four headings-organisational, technical, commercial, and financial operations; and the concluding chapter seven outlines the way forward for the OSEPA.

### **1.3. Study Methodology**

The following methodologies were employed for the purposes of carrying out this study:

#### **Desk stop review of Secondary data**

The study undertook the review of relevant reports and document including *“Assessing the Institutional Framework for Water Supply and Sanitation in Osun State”*, and the *“Report on Key problems and Policy issues on WSS in Osun state”*.

#### **Surveys**

Two forms of survey questionnaire were administered. The first was a total of 88 consumers administered on users of sanitation facilities within 16 Local government areas (LGA) where the OSEPA renders its services. Each of the 88 consumers was requested to respond to 37 questions.

(A copy of the questionnaire is attached as Appendix I)

The second form of questionnaire was administered on a total on Management/Engineering/Accounting staff of the Osun state Environmental Agency (OSEPA).

(A copy of the questionnaire is attached as Appendix II; Graphical Analysis of the two surveys is attached as Annex III)

#### **Focus Group Discussions**

Focus Group Discussions were held the management, technical/engineering and the financial/commercial staff of OSEPA on July 16, 2008 with a view of eliciting their inputs and views on restructuring of the agency

#### **Participatory meetings**

A sensitisation workshop was held on Tuesday 29<sup>th</sup> July 2008, Osogbo City hall, Igbona, Osogbo, in order to citizens participation in the and generate inputs into the restructuring plans for OSEPA, The Sensitisation workshop featured a presentation and group discussions on the *“Need to Review/Restructure OSEPA”*.

Like wise, a 3-day residential workshop was held in MicCom Golf Resort, Ada, Osun State between Wednesday 3<sup>rd</sup> to Friday 5<sup>th</sup> September to discuss the draft report on the

review of OSEPA's organizational, technical, financial and commercial structures, with relevant WSS stakeholders.

About 60 participants attended the workshop which was sponsored by UNICEF and organized by the EU-WSSSRP, Osun state STU.

#### **Key Informant Interviews**

Interviews were held with the Hon. Commissioner, of the Ministry of Environment, Alhaji Kazeem Adio, and with key management and middle staff of the OSEPA to further gather inputs.

#### **Financial Audit**

A financial review of OSEPA was conducted.

#### **Focus Group Discussions**

This was held with management, technical, and engineering staff of OSEPA on July 15, 2008 with the aim of getting information on their institutional and financial/commercial dealings as they affect management restructuring options.

### **1.4.**

#### **Acknowledgments**

This Review of the Organisational, Technical, Financial and Commercial Structures including PSP assessment for the Osun State Environmental Agency (OSEPA) was prepared by the **Bread of Life Development Foundation (BLF)**, under a consultancy on financed by the European Union Water Supply and Sanitation Sector Reform Programme (EU-WSSSRP) State Technical Unit, Osun State.

We wish to acknowledge the contribution of other stakeholders and development agencies in and outside Osun State, towards the preparation of this restructuring plan.

The "*Osun State Water Supply and Sanitation Institution Assessment Study, 2007*" earlier prepared by a Consultant, as well as the inputs of the State level stakeholders that participated in the sensitisation workshop was very valuable in enriching this study.

Special thanks goes to all staff of the **Water Supply and Sanitation Reform Programme (EU-WSSSRP), State Technical Unit**, Osun State for providing all required support to carry out this study.

Lastly, it is pertinent to state that without the political commitment of the Osun State Ministry of Water Resources and Rural development, the State would not have been able to address the challenge of writing its Water policy, which was the first part of our engagement as consultants.

We appreciate the personal commitment and drive of the Honourable Commissioner, MWRRD, and the General Manager, OSEPA and staff of OSEPA for their support towards the consultancy.



## Chapter 2: Literature review

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Nigeria has the 2<sup>nd</sup> highest number of under-5 deaths in the world (834,000). The infant mortality rate is 184/1000, worse than Ethiopia (174) or Haiti (125); two-thirds of childhood disease is attributable to inadequate access to safe drinking water. <sup>1</sup>

Improved sanitation is included in the Millennium Development Goals (MDGs) adopted by the United Nations. Millennium Development Goal (MDG) 7 addresses environmental sustainability, with a target (target 10) to “*halve by 2015 the proportion of people without sustainable access to safe drinking water and basic sanitation*”.

The greatest impact of poor sanitation facilities is on children. More than 10 million children under the age of 5 die each year, most from preventable causes. 316 out of every 1,000 children die before they are five. Almost all these deaths are in poor countries, three-quarters of them in sub-Saharan Africa and south Asia. Diarrhoea and pneumonia are the biggest two killers, each responsible for over 2 million deaths per year.

**Table 1: Causes of death of children under 5, globally<sup>2</sup>**

|                  | Millions of child deaths, annually |
|------------------|------------------------------------|
| Neonatal         | 3.9                                |
| Pneumonia        | 2.0                                |
| <b>Diarrhoea</b> | <b>1.9</b>                         |
| Malaria          | 0.8                                |
| Measles          | 0.4                                |
| HIV/Aids         | 0.3                                |
| Injuries         | 0.3                                |
| Other            | 1.0                                |
| Total            | 10.6                               |

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<sup>1</sup> Black RE, Morris SS, Bryce J. **Where and why are 10 million children dying each year?** Lancet 2003;361:2226-34.

<sup>2</sup> Source: Bryce et al 2005

The risk of dying from these diseases is strongly increased by the absence of water and sanitation: *“Unhygienic and unsafe environments place children at risk of death.”*<sup>3</sup> Simply because of its effectiveness in curbing diarrhoeal diseases, universal water and sanitation provision could save 326,000 infant lives per year. **This is the equivalent of eliminating all infant deaths from AIDS.**<sup>4</sup>

**Table 2: Under-5 deaths that could be prevented by universal coverage of most effective preventative interventions**

|                                   | Number of under-5 deaths preventable |
|-----------------------------------|--------------------------------------|
| Breastfeeding                     | 1,301,000                            |
| Insecticide-treated materials     | 691,000                              |
| Complementary feeding             | 587,000                              |
| Zinc                              | 459,000                              |
| Clean delivery                    | 411,000                              |
| Hib vaccine                       | 403,000                              |
| <b>Water, sanitation, hygiene</b> | <b>326,000</b>                       |

Source: Jones et al. 2003<sup>5</sup>

A World Bank study of 92 major cities demonstrated the clear relationship between sewerage connections and child mortality, holding other factors such as income constant.<sup>6</sup> As the household sewerage connection increases, the infant mortality rate drops. If the level of sewerage connection is as low as 15 percent, the average level for most African countries, infant mortality is 95 per 1,000; if sewerage connections rise to 80%, infant mortality falls to 65 per 1000.

<sup>3</sup> Black RE, Morris SS, Bryce J. Where and why are 10 million children dying each year? Lancet 2003;361:2226-34.

<sup>4</sup> Jones G, Steketee RW, Black RE, Bhutta ZA, Morris S Sand the Bellagio Child Survival Study Group. How many child deaths can we prevent this year?. Lancet 2003; 362: 65-71. <http://www.thelancet.com/journals/lancet/article/PIIS0140673603138111/abstract>

<sup>5</sup> Jones G, Steketee RW, Black RE, Bhutta ZA, Morris S Sand the Bellagio Child Survival Study Group. How many child deaths can we prevent this year?. Lancet 2003; 362: 65-71. <http://www.thelancet.com/journals/lancet/article/PIIS0140673603138111/abstract>

<sup>6</sup> Shi, Anqing, "How Access to Urban Potable Water and Sewerage Connections Affects Child Mortality" (January 2000). World Bank Policy Research Working Paper No. 2274. [http://wbi018.worldbank.org/Research/workpapers.nsf/2b412592eac839e2852567e50050df1c/deb83a3c607e359c8525686600521ddd/\\$FILE/wps2274.prn.pdf](http://wbi018.worldbank.org/Research/workpapers.nsf/2b412592eac839e2852567e50050df1c/deb83a3c607e359c8525686600521ddd/$FILE/wps2274.prn.pdf)

These massive health gains from sewers in cities have been demonstrated in the city of Salvador, Brazil, where diarrhoeal diseases fell by over 20% as a result of installing sewers

*“Urban poverty is not merely a simple problem brought on by low incomes: it is more of a matter of poor quality of life as characterized by very limited access to clean water and sanitation, health care, education, and economic activities.”*

Cost-benefit analysis attempts to decide whether the costs of a policy such as universal water and sanitation are greater than the benefits. The results of such analyses of spending on water and sanitation have been invariably positive. A detailed cost-benefit analysis published by the WHO in 2004<sup>7</sup> analysed the benefits under the following headings:

- a. *Health sector benefit due to avoided illness*
- b. *Patient expenses avoided due to avoided illness*
- c. *Value of deaths avoided*
- d. *Value of time savings due to access to water and sanitation*
- e. *Value of productive days gained of those with avoided illness*
- f. *Value of days of school attendance gained of those with avoided illness*
- g. *Value of child days gained of those with avoided illness*

It concluded that in all regions studied, and for all levels of investment - including the most expensive form, which includes sewerage connections, the cost-benefit ratio (CBR) is positive.<sup>8</sup> More recent reviews have confirmed this assessment. A Wateraid study estimates the economic value of the health benefits alone to be of the order of \$

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<sup>7</sup> Hutton, G., Haller, L., and Bartram, J. (2006). Economic and health effects of increasing coverage of low cost water and sanitation interventions. (Human Development Report Office occasional paper).

<http://hdr.undp.org/en/reports/global/hdr2006/papers/who.pdf>; and Guy Hutton and Laurence Haller 2004. Evaluation of the Costs and Benefits of Water and Sanitation Improvements at the Global Level WHO/SDE/WSH/04.04. World Health Organization Geneva 2004

<sup>8</sup> Hutton, G., Haller, L., and Bartram, J. (2006). Economic and health effects of increasing coverage of low cost water and sanitation interventions. (Human Development Report Office occasional paper).

<http://hdr.undp.org/en/reports/global/hdr2006/papers/who.pdf>; and Guy Hutton and Laurence Haller 2004. Evaluation of the Costs and Benefits of Water and Sanitation Improvements at the Global Level WHO/SDE/WSH/04.04. World Health Organization Geneva 2004

9 for every \$ 1 spent, with higher returns for universal coverage.<sup>9</sup> A recent WHO editorial quotes benefits falling between \$3 to \$34 dollars per dollar invested.<sup>10</sup>

Another economic benefit of a systematic development of sewerage systems, not included in the above calculations, would be the creation of large-scale employment in developing countries for the necessary construction, maintenance and operations. This in itself is a major contribution to pro-poor development: “Employment generation is a particularly salient linchpin between economic growth on the one hand, and poverty reduction and development on the other. Policies that augment the demand for labour are therefore likely to produce desirable social-impact outcomes for developing economies.”<sup>11</sup>

The health benefits are substantial, whether or not they are reduced to economic terms. The WWDR 2006 notes that the greatest benefits for health are derived from sewerage connections: “*The scenario scoring highest in actually reducing the burden of water-related disease to nearly zero is that where universal access to piped water and sewerage connections is provided*”.<sup>12</sup>

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<sup>9</sup> Kemeny, T. (2007). Sanitation and economic development: making the case for the MDG orphan. London, UK, WaterAid. [http://www.wateraid.org/documents/sanitation\\_and\\_economic\\_development.pdf](http://www.wateraid.org/documents/sanitation_and_economic_development.pdf)

<sup>10</sup> Jamie Bartram Flowing away: water and health opportunities Bulletin of the World Health Organization | January 2008, 86 (1) [www.who.int/bulletin/volumes/86/1/07-049619/en/index.html](http://www.who.int/bulletin/volumes/86/1/07-049619/en/index.html)

<sup>11</sup> Augustin Kwasi Fosu. **Poverty and development**. Bulletin

of the World Health Organization October 2007, 85 (10) <http://www.who.int/bulletin/volumes/85/10/07-045955.pdf>

<sup>12</sup> **WWDR 2006. Water – a shared responsibility**. The UN World Water Development Report 2. p.419. 2006 <http://www.unesco.org/water/wwap/wwdr2/index.shtml>

## Chapter 3: OSEPA current operational status

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### 3.1. Organisational structure of OSEPA

#### History

The Osun State Environmental Protection Agency was established through an act enacted into law in October 1, 1997 and revised in 2002.<sup>13</sup>

#### Vision

The Agency's vision as published in the Osun State SERVICOM is to ensure a sustainable clean and safe environment for the people of Osun State.

#### Mission

The mission of this Agency is to initiate, formulate, enforce and coordinate the implementation of environmental policies of the state and to implement environmental programmes that are directed towards improving our environment.

The functions and powers of OSEPA are specified in the OSEPA Act (para 10, a- t and para 11, a- u). The Law states that the agency shall have responsibility for the protection and development of the environment and biodiversity conservation and sustainable development of the State's natural resources in general and environmental technology including initiation of policy in relation to environmental research and technology. The following are some of the functions of the agency according to the law setting it up:

- a. Advise the State Government on State environmental policies and priorities and on scientific and technological activities affecting the environment.
- b. Formulate and enforce policies: statutory rules and regulations on waste collections and disposal, general environmental protection control and regulation of the ecological system and all activities related therewith.
- c. To monitor and survey water including underground water and all potable water distributed in the State for the purposes of controlling its quality.
- d. Conduct public enlightenment campaigns and disseminate vital information on environment and ecological matters.
- e. Render advisory services and support to all LGs in the State in areas of flood control, SWM, ecological and sanitation matters.
- f. Take measure to guarantee consistent effectiveness of environmental structures throughout the State for flood control, solid waste collection and general sanitation.
- g. Co-ordinate the activities of all agencies in the State connected with environmental and ecological matters

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<sup>13</sup> Osun State Environmental Protection Agency Act

- h. To monitor and control all types of erosion in the State and liaise with appropriate Federal Government agencies charged with erosion control.*
- i. To conduct environmental impact assessment of new and existing projects, and make recommendations for effective measures.*
- j. To monitor, regulate and approve the installation of any pollution control, waste treatment and disposal system.*

OSEPA is also involved in monitoring of environmental sanitation issues in communities, visits to abattoirs, markets and schools. The agency collects data on prevalence of diseases in the abattoirs that are transferable from animals to human.

Other activities of OSEPA includes: house to house inspection for unsanitary conditions in collaboration with LGA WES departments, advise on disposal methods for household wastes, construction of borehole in some communities that have acute shortage of water in order to curtail the spread of water related and water borne diseases. The agency operates a dumpsite located at km.5 Iwo-Ibadan road, Osogbo

### **Governance**

The OSEPA is governed by a Council appointed by the Governor, comprising of a Chairman and 11 other members from various Ministries such as Agriculture and Natural Resources, Health, Land and Housing, Works and Transport, Justice and Finance.

The functions of the Council are:

- a. Formulate policies on environmental conservation matters;
- b. Formulate Environmental sanitation and Pollution Control Programmes peculiar to the state;
- c. Formulate guidelines on the implementation and execution of policies and programmes on Environmental programmes in the state.

The OSEPA law also provided for the establishment of Osun State Environmental Protection Agency Technical Committee. The committee, chaired by the General Manager of OSEPA, is made up of 14 members constituted as follows:

- a) Three distinguished persons having wide knowledge and possessing such skill and expertise in environmental matters
- b) One representative each of the following Ministries/Departments not below the rank of a Director:
  - Agriculture and Natural Resources (Forestry Department)
  - Justice

- Health
  - Physical or Town Planning Department of the Ministry of Works, Land and Physical Planning
  - Osun State Capital Development Authority
  - Osun State Mining Company
  - Education
- c) A representative each of:
- the Manufacturer`s Association of Nigeria (MAN)
  - 
  - the registered Environmental NGOs based in the State
- d) The Secretary to the Technical Committee shall be one of the professional staff of OSEPA not below Grade Level 10.

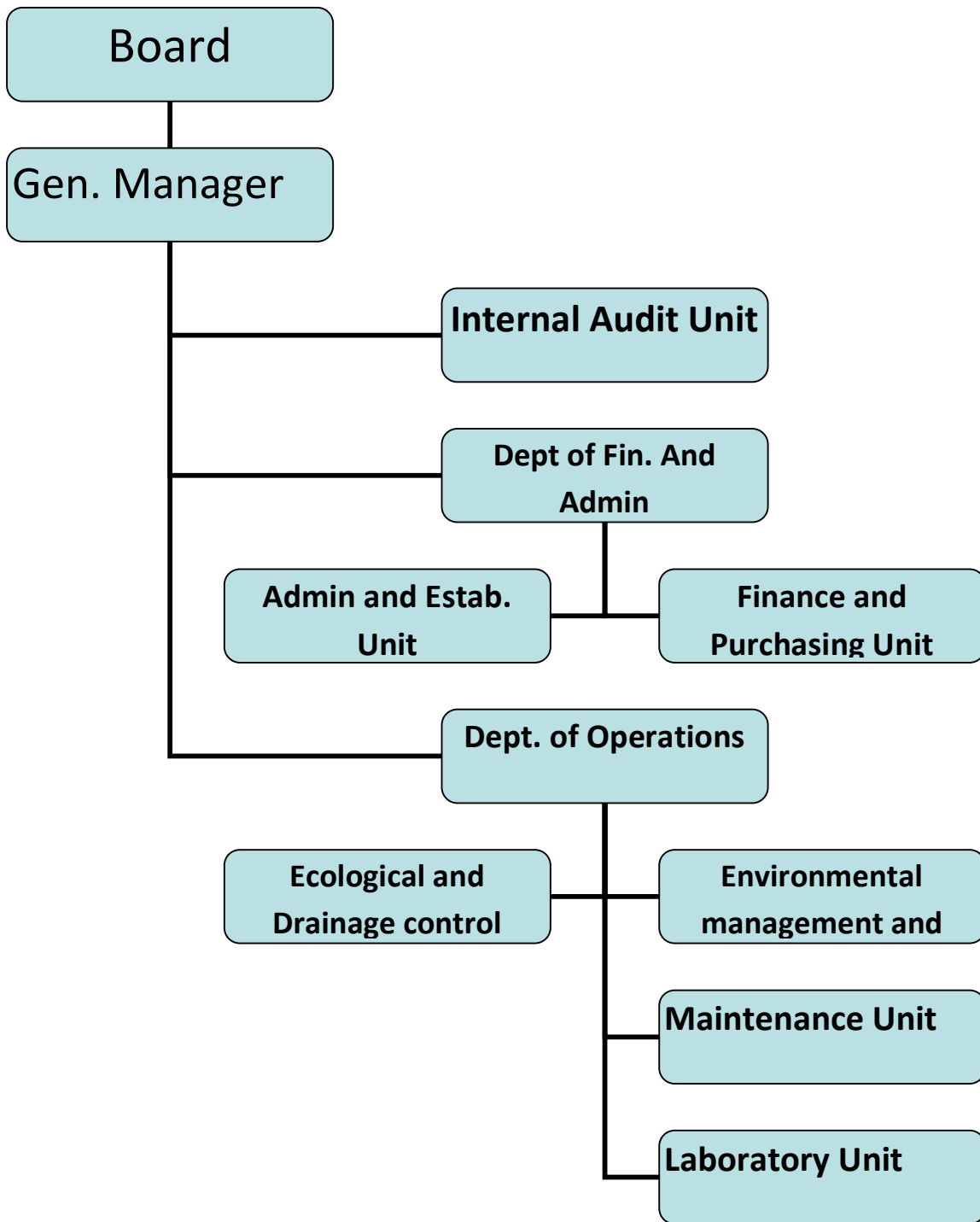
OSEPA is headed by a General Manager, who is appointed by the Governor, is responsible to the council of which he/she is also a member. The General Manager is responsible to the Governor through the Head of Service of the State.

The agency has two major departments namely: Finance and Administration and Operation:

- a. *Finance and Establishment department which oversees the general administration of the Agency, and*
- b. *Operations department, comprising of*
  - i. *Ecological section, which is in charge of ecological matters*
  - ii. *Environmental Sanitation section in charge of environmental sanitation, and*
  - iii. *Laboratory unit, which focuses on environmental research and technology.*

The staff of OSEPA is made up of civil servants transferred from other Ministries/Agencies of the State Government.

### **OSEPA'S ORGANOGRAM**





### OSEPA Performance targets

The Agency sets a Performance target for its departments as stated below:

#### FINANCE AND ESTABLISHMENT DEPARTMENT

| S/N | ACTIVITIES  | TARGETS                             |
|-----|---|-------------------------------------|
| 1.  | Preparation of monthly report of activities of the Agency   | Every month                         |
| 2.  | Preparation of the Agency's Annual Draft estimate for presentation to Treasury Board                                      | July every year                     |
| 3.  | Conduct of Annual Staff Audit   | January & July                      |
| 4.  | Conduct of Promotion for Staff of the Agency  | every year                          |
| 5.  | Preparation and submission of salary request to Bureau of computer  | 8 <sup>th</sup> day of every month  |
| 6.  | Preparation and submission of Bank reconciliation to Inspectorate Management services of the Office Of Accountant General | Every month                         |
| 7.  | Submission/defence of Draft Estimate of the Agency to the House of Assembly   | Nov – December                      |
| 8.  | Collection of Agency's revenue  | Every week                          |
| 9.  | Revenue returns are forwarded to the Accountant General's Office  | 1 <sup>st</sup> week of every month |
| 10. | Preparation of monthly returns on expenditure to Accountant General   | Every Month                         |
| 11. | Submission of Revenue receipts to Treasury Cash Office.   | Every month                         |
| 12. | Payment of Revenue generated to Bank  | Within 24 hours of receipt          |
| 13. | Issuance of circular letters within the Agency  | As at when due                      |
| 14. | Coordinator of management meeting   | Every Month                         |
| 15. | Coordination of general staff meeting   | Quarterly                           |
| 16. | Payment of salary/allowances to staff Road manager and Board members  | Every month                         |
| 17. | Coordination of Board meetings  | Bi – monthly                        |
| 18. | Regular maintenance of office utility vehicles equipments, furniture etc  | Every month                         |

|     |   |                                      |
|-----|---|--------------------------------------|
| 19. | Carryout discipline action on erring officers       | As at when due                       |
| 20. | Appointment of staff on GL 1-6 subject to vacancy   | Subject to approval                  |
| 21. | Holding of in-house workshop                        | Quarterly                            |
| 22. | Receipt of running cost                             | Every month                          |
| 23. | Issuance of revenue collectors receipt to the payer | When payment is made                 |
| 24. | Collection of Bank statement from Banks             | 1 <sup>st</sup> week of every month. |

OPERATIONS DEPARTMENT

| S/N   | ACTIVITIES   | TARGETS                     |
|-------|--|-----------------------------|
| i.    | Inspection of streams, flood plains erosion prone sites  | Jan-December every year     |
| ii.   | Carry out engineering studies of streams causing ecological problem in the State   | Jan – December              |
| iii.  | Design of hydraulic structures for flood/erosion control   | Jan – December              |
| iv.   | Protection and reclamation of Gully erosion sites  | November – May              |
| v.    | Construction of hydraulic structures to curb Flood / Erosion and other Ecological problems                                       | October – June              |
| vi    | Surveillance on illegal dumping of refuse especially in urban Cities   | January - December          |
| vii   | Registration of refuse Contractors   | January – August            |
| viii  | Dredging and desilting of concreted stream channels  | November – April every year |
| ix    | Re-roofing of Rainstorm damage schools   | January – December          |
| x     | Design, construction, operation and maintenance of sewerage, waste water and solid waste treatment plants                        | January – December          |
| xi    | Carry out engineering studies and Environmental impact Assessment on waste management treatment plant                            | January – December          |
| xii   | Appraisal of Environmental impact, Assessment, Environmental impact statement and Environmental audit of developmental projects. | January – December          |
| xiii  | Public Health education and Community mobilization   | Throughout the year         |
| xiv   | Sensitization on Environmental Matters o the Media e.g. Radio and Television   | Quarterly                   |
| xv    | Inspection of premises, factories. Abbatoir, markets, hospitals, school for domestic and industrial health issues                | Throughout the year         |
| xvi   | Carryout Environment Cleanliness activities on major roads in the state  | Throughout the year         |
| xvii  | Collection of refuse at Government house secretariat   | Regularly                   |
| xviii | Collection of Revenue on Environmental Development Charge on   | Throughout the year         |

|        |   |                                     |
|--------|---|-------------------------------------|
| xix    | Industrial concerns and related outfits   |                                     |
|        | Collection of Revenue on Environmental Development Charge on Industrial concerns and related outfits  | Throughout the year                 |
| xx     | Conduct laboratory tests and analysis on water soil, air, industrial effluents  | January – December                  |
| xxi    | Prosecution of Environmental offenders in the law court   | Regularly                           |
| xxii   | Coordination of State Technical Committee meeting on Environmental sanitation   | Monthly                             |
| xxiii  | Monitoring and supervision of OROMAS activities In the state  | Regularly                           |
| xxiv   | Liaise with WES, Town Planning and PHC Departments I the Local Government   | Regularly                           |
| xxv    | Meetings with organized private sectors e.g. market women, community leaders, NURTW, RTEAN, NGOs, Association of private Medical practitioners etc. | Regularly                           |
| xxvi   | Representation on Inter-ministerial Committees e.g. Home Grown, RUWESA, Fadama III project, etc.  | Regularly                           |
| xxvii  | Observation of national Environmental Sanitation  | June 28 <sup>th</sup> of every year |
| xxviii | Observation of world Environmental Day (WED)  | June 5 <sup>th</sup> of every year  |

### 3.2. Commercial structure of OSEPA

The agency provides social service in area of environmental sanitation and ecological matters to the generality of the people, while specialized services are also being rendered to corporate bodies and individual as may be requested. However, the OSEPA law of 1991 gave the Agency Amended law N0.5, 2001 the power to generate fund from members of the pubic while rendering environmental protection services to corporate organisation, groups and individuals.

The Agency has four main sources of revenue generation

- a. *From payments on collection of waste*
- b. *Payments on renewal of refuse collection license*
- c. *Income from rental of skip pitters (Refuse compactors)*
- d. *Income from environmental Impact Assessment*

The customers of Osun state Environment Protection Agency include the following:

- a. *Government House*

- b. *Government Ministries and Agencies that require services on environment related matters*
- c. *Towns and communities that are believed with Ecological, erosion, flood, sanitation matters etc.,*
- d. *All the public, particularly the organization private sector (OPS) the Non Governmental Organization's (NGO), the Community based organizations (CBOs) religion based organization that may have one thing or the other to do with Environment al issues*
- e. *The local government especially, the Water and Sanitation Department, Town Planning Department etc*

#### **OSEPA's tariffs**

Management of the agency is responsible for fixing its tariff structure. The present tariff rate of the agency for its various services is stated as follows:-

**Table 4: OSEPA's Tariffs**

| <b>Source</b>  | <b>Rate</b>  |
|--|--------------|
| <i>Refuse collection</i>                                     | <i>7,500</i> |
| <i>Renewal and Registration of civil contractors</i>         | <i>1,500</i> |
| <i>Renewal and Registration of Refuse contractors</i>        | <i>500</i>   |
| <i>Renewal and Registration of Refuse Collectors License</i> | <i>500</i>   |
| <i>Rent age of skip eaters</i>                               | <i>500</i>   |
| <i>Environmental Impact Assessment</i>                       | <i>1,100</i> |
| <i>Environmental Development charges</i>                     | <i>5,000</i> |

#### **Internally generated funds**

The Agency generates about #400,000 monthly from its operations The sources of revenue for the OSEPA include the following:

- a. Refuse collection
- b. Tender fees
- c. Registration and renewal of refuse contractors
- d. Registration and renewal of refuse collectors
- e. Billboards
- f. Rent age of skip eaters
- g. Environmental Audit Assessments
- h. Environmental Development charges
- i. Sales of scraps

**Table 4: OSEPA's Internally Generated Revenue**

|           | 2005      | 2006      | 2007      |
|-----------|-----------|-----------|-----------|
|           | ₦         | ₦         | ₦         |
| Turn over | 1,796,626 | 2,089,100 | 2,646,665 |

The expected revenues from these sources for the year 2008 is itemised below:

**Table 5 : OSEPA's tariffs and charges**

| Source   | Rate         |
|--|--------------|
| <i>Refuse collection</i>                                     | <i>7,500</i> |
| <i>Renewal and Registration of civil contractors</i>         | <i>1,500</i> |
| <i>Renewal and Registration of Refuse contractors</i>        | <i>500</i>   |
| <i>Renewal and Registration of Refuse Collectors License</i> | <i>500</i>   |
| <i>Rent age of skip eaters</i>                               | <i>500</i>   |
| <i>Environmental Impact Assessment</i>                       | <i>1,100</i> |
| <i>Environmental Development charges</i>                     | <i>5,000</i> |

### Customer Service

Agency does not have a Customer Service department, but provides the phone number of its key staff to the public for the purposes of lodging complaints or passing across information:

| S/N  | NAME                   | DESIGNATION                        | GSM           | E-MAIL ADDRESS   |
|------|------------------------|------------------------------------|---------------|--|
| i    |                        | Chairman                           | 0803 4547 187 | <a href="mailto:bsnadegbo@yahoo.com">bsnadegbo@yahoo.com</a>         |
| li   | Engr. N. O. Adegbo     | General Manager                    | 0805 2030 329 |  |
| lii  | Mrs. A.A. Bolaji       | Director (F&E)                     | 0803 3763 442 | <a href="mailto:Engrdipoalani@yahoo.com">Engrdipoalani@yahoo.com</a> |
| Iv   | Engr. D.T Alani        | Director (operation)               | 0803 3793 997 |  |
| V    | Alh G.O. Oyeladun      | Deputy Director<br>(Sanitation)    | 0803 3978 291 |  |
| Vi   | Engr R. O. Olagoke     | DD (Ecology)                       | 0803 3978 291 |  |
| Vii  | Mr. H.F.<br>Ogunbamiwo | Assistant Director<br>(Sanitation) |               | <a href="mailto:femibayemi@yahoo.com">femibayemi@yahoo.com</a>       |
| Viii | Mr. Adegoke            | Servicom Office                    | 0803 3554 452 | <a href="mailto:adeboyeng@yahoo.com">adeboyeng@yahoo.com</a>         |
| Ix   | Hot line               | Director (F&E)                     | 0805 2030 329 |  |

### 3.3. Technical structure of OSEPA

- a. The agency has only three compactors for its waste management operations.
- b. There are only three Engineers in the agency and only one technical officer. There is no junior staff to assist the Engineers perform needed functions.

- c. There is shortage of data to assist the agency in its operations. No database to access for information, the agency has to source its own data or use estimates for its work.
- d. There is no functional laboratory for analysis.
- e. There is only one vehicle.

### 3.4. Financial structure of OSEPA

Funding of OSEPA's activities, is through budgetary allocation from the State Government. In the 2007 budget, OSEPA is allocated Naira150, 000.00 per month. This amounts to Naira1.8million per year. When this amount is added to the fund allocated for the management of dump sites, OSEPA's total allocation is about Naira3.0million per year.

The yearly budgetary allocation of the agency in the last three years is stated as follows:-

**Table 5 : OSEPA Budgetary allocation**

|                   | 2005  | 2006  | 2007 | Total |
|-------------------|-------|-------|------|-------|
|                   | ₦     | ₦     | ₦    | ₦     |
| Budget Allocation | 41m   | 41m   | 45m  | 127m  |
| Amount Released   | 15.6m | 3.4m  | 34m  | 53.m  |
| Short fall        | 25.4m | 37.4m | 11m  | 74m   |

The budgeted expenditure pattern of OSEPA is shown below:

**Table 6 : OSEPA Budget for 2008**

| Overheads                                   | Amount                 |
|---|------------------------|
| Overhead Expenditure – Budgeted             | 12,555,000             |
| Capital Expenditure – Budgeted              | 40,725,000             |
| Distribution Overhead                       |                        |
| Leave Bonus                                 | 800,000.00             |
| Travel & Others                             | 300,000.00             |
| Utility Services                            | 20,000.00              |
| Telephone & Postal Services                 | 280,000.00             |
| Stationary                                  | 80,000.00              |
| Maintenance of Office Equipment & Furniture | 200,000.00             |
| Maintenance of vehicle & capital Assets     | 420,000.00             |
| Training & Staff Development                | 300,000.00             |
| Entertainment & Hospitality                 | 155,000.00             |
| Miscellaneous Expenses                      | 10,000,000.00          |
|   | <b>N12, 555,000.00</b> |

|   |                        |
|---|------------------------|
|   |                        |
| <b>Capital</b>  |                        |
| Purchase of spare parts/New equipment                                     | 900,000.00             |
| Refurbishment of old plants / equipment                                   | 450,000.00             |
| Installation & procurement of monitoring Laboratory equipment and reagent | 2,700,000.00           |
| Purchase / Refurbishment of monitoring Vehicles                           | 675,000.00             |
| Flood/Erosion Control works in selected Township                          | 31,500,000.00          |
| Development of central dumpsite for Osogbo metropolis                     | 1,800,000.00           |
| Renovation of Office Complex  | 2,700,000.00           |
|   | <b>N44, 750,000.00</b> |

A cursory look at the funding position of the agency in the last three years shows that it has been operating under serious constrains. Out of the total of N127m budgeted in the last three years only N53m was released giving rise to a short fall of N74m. This accounts for the inability of the organization to maintain or service its equipment or acquiring modern equipment to facilitate an efficient service delivery.



## Chapter four: Assessment of OSEPA current operational status

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### 4.5 OSEPA Organisational Assessment

The major organisation challenges facing the Agency are:

- a. *Inadequate technical manpower*
- b. *There's low level of environmental and sanitation awareness among the public. The public do not largely comply with the agency's procedures. There is shortage of data to assist the agency in its operations. No database to access for information, the agency has to source its own data or use estimates for its work.*
- c. *The culture and traditional orientation of the citizens is a challenge. The people do not comply with environmental sanitation laws and regulations. Instead, they prefer their own way of waste disposal.*
- d. *Low government support for OSEPA's services*
- e. *No clear cut policy. The agency has a large scope of operation; sanitation service, rescue, flood management, drainage, building regulation, billboard/outdoor advertising control, etc.*
- f. *No enforcement mechanism to effectively carry out its functions.*
- g. *Government/political interference. The major source of fund, is from government so their operation has to be in line with government regulations.*
- h. *People do not respond to the use of sanitary provisions. People do not see the need for proper refuse disposal.*

A critical look at the objectives of the newly created Ministry of Environment and the functions of OSEPA, revealed some areas of overlap. This include: erosion control and flooding problems; cooperation with Federal, LGs, NGOs and the private sector on environmental matters etc.

Also, the law establishing OSEPA gave it power to monitor and survey water including underground water and all potable water distributed in the State for the purposes of controlling its quality. This function gives OSEPA a monitoring responsibility over all providing potable water for domestic consumption in the State including OSWC, RUWESA and PID. It is however not clear how OSEPA carryout this particular responsibility as there is no indication from these service provision agencies that they have any collaborative relationships with OSEPA

### 4.2. OSEPA Technical Assessment

The major challenges facing the agency are:

- a. *Lack of technical manpower. There are only three engineers in the agency and only one technical officer. There is no junior staff to assist the engineers perform needed functions.*
- b. *Inadequate refuse collection vehicles*
- c. *Inadequate dump sites and its development*
- d. *Lack of equipment to manage the existing dumpsites*

- e. There is no data on waste generated or handled by the agency*
- f. Lack of sanitary equipment and plants*
- g. No functional laboratory for analysis.*
- h. The Agency lacks the required machinery and equipment to carry out its activities. Equipment are obsolete and there is little fund released to maintain and repair.*
- i. No vehicles for officers to move out to undertake their duties. Only one vehicle is available.*

#### **4.3. OSEPA Commercial Assessment**

OSEPA currently generates some revenue from its corporate customers and its drop-and-pay operations which charge the sum of N20 for refuse picked up by its trucks from individuals. Staff of OSEPA claimed that customers are reluctant to pay this token charge, emphasising the need for an enabling law to enforce people to pay.

All revenues collected by OSEPA are remitted to the government. They are not empowered to spend from it, even though they generate it.

The government contracted a Private sector firm to work as a Revenue collector, whose task is to collect all government revenue and is paid 20% of total revenue generated. But staff of the OSEPA claimed that in reality, the revenue generated by OSEPA is being generated by OSEPA staff, but because of the authority given to the revenue collector as the official revenue collector of the government, the credit goes to the firm, who gets 20% commission on revenues generated.

#### **4.4. OSEPA Financial Assessment**

- a. The major source of funding to the agency is from the government*
- b. The agency has a control figure set by the government above which it cannot budget.*
- c. The release of money budgeted for is not always sufficient. Sometimes, the fund is approved, but money is not released to the agency.*
- d. Apart from basic personnel cost, e.g. salaries and some basic running costs that is released regularly monthly, other request for funds in the budget are not readily granted.*
- e. Funds allocated to the agency from the budget submitted to the government are not sufficient.*
- f. The major source of funding to the agency is from the government. It is what the government releases that it can spend. If no money is released for capital expenditures, no capital driven activities is carried out.*
- g. Funds allocated to the agency from the budget submitted to the government are not sufficient. Sometimes, the fund is approved, but money is not released to the agency*

- h. Apart from basic personnel cost, e.g. salaries and some basic running costs that is released regularly monthly, other request for funds in the budget are not readily granted.*
- i. OSEPA is not empowered to spend money except as approved and released by the government. This scenario remains so even when they are able to generate much revenue. All revenues collected by OSEPA are remitted to the government. OSEPA is not empowered to spend from it, even though they generate it.*
- j. The agency's cost structure is routed in the civil service scheme. Capital cost is for the purchase of motor vehicles and equipment while personnel cost and maintenance constitute the recurrent expenditure of the agency. The present personnel cost of the agency is average about N1m every month.*
- k. OSEPA's sources of fund are from the state government. It is what the government releases that it can spend. If no money is released for capital expenditures, no capital driven activities is carried out.*
- l. OSEPA is not empowered to spend money except as approved and released by the government. This scenario remains so even when they are able to generate much revenue.*

## Chapter five: Review of OSEPA operational status

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### 5.1\_ OSEPA Organisational Review

- a. OSEPA's operations are all encompassing and include flood management, pollution control, waste management etc.
- b. There is political interference as the management cannot take decisions except by the approval of the board. Decisions by the board are guarded by constituency and geo-political zones. Projects of the agency must of a necessity be implemented along constituency lines. If a project is in a zone that majority of board members want, it is encouraged and funds are released, if otherwise, it is frustrated.
- c. The organizational structure of the agency is the civil service structure with the General Manager as head.
- d. A cursory analysis of the functions of the OSEPA shows that it is statutorily mandated to offer social services such as environmental management, biodiversity conservation, ecological managements; as well as commercial services such as some aspects of environmental sanitation.
- e. A review of the functions of its Operations departments shows that two of the units (Ecological and Laboratory units) are handling services that are social in nature; while most of the services of the Environmental sanitation unit, it should be commercial.
- f. It is in appropriate for the OSEPA to be saddled with discharging both social and commercial services. The Osun State Government seems to be treating OSEPA more as a service oriented Government department, whereas some of its services are commercial in nature. This policy adversely accounts for the failure of the Government to adequately equip OSEPA to discharge its commercial oriented services.
- g. The way forward for OSEPA is therefore a delineation and separation of its social and commercial services, whereby the social services such as Environmental conservation, research and ecological management can be handled by the OSEPA, whereas the waste management should be handled by a new created Government corporation operating along commercial and autonomous line.
- h. A public relations and enlightenment department should be created to sensitize people about OSEPA.

- i. The OSEPA's act needs to be reviewed to enforce its activities.
- j. OSEPA does not have a training programme for its staff. The total allocation to OSEPA for training is N150,000.00 per year. This situation is inconsistent with the power of the agency to "establish, encourage and promote training programmes for its staff and other appropriate individuals from public or private organizations".

## **5.2. OSEPA Technical review**

- a. The Agency lacks the required machinery and equipment to carry out its activities. Equipment are obsolete and there is little fund released to maintain and repair.
- b. The organization need more fund to purchase essential equipment and repair some of the broken down vehicles in order to enhance its performance.
- c. About N585 million should be earmarked for pronouncement of tools and equipment i.e. 3 Excavators, 2 Pay loaders 2 Concrete-mixers, 2 Septic-tank empties, 4 refuse vans, 1Grader, 1Bulldozer, 3 Road sweepers and 2 Tippers.
- d. New vehicles should be provide for the Agency such as 2 Hillux pick-up (N10m) and 2 Saloon Toyota Cars
- e. OSEPA lack the necessary equipment and materials to effectively manage liquid wastes e.g. septic tank emptiers. There is also the need for an engineered liquid waste disposal site where the effluents from septic tanks can undergo treatment. Low cost disposal methods should be considered. e.g. Oxidation ditches, Waste Stabilization ponds etc
- f. OSEPA also suffers from lack of the necessary equipment to manage the existing dump sites. e.g. Buldozer, payloador, etc. OSEPA also does not have adequate refuse collection vehicles and
- g. Need for more computers. For instance, OSEPA's Accountant is using his personal computer for official work.

## **5.3. OSEPA Commercial review**

- a. OSEPA is set up to run as a social service agency, and this affects its capacity to deliver commercial services.
- b. Revenue generating capacity of the agency can be improved if it can extend its services to more urban and rural areas of the state.

- c. Public awareness Campaign on waste management should be increased. While PSP may also come in on refuse disposal, but there is actually not much refuse to dispose. The people have traditional ways of disposing refuse; burning, throwing in the bush, drainage and open dumping. The people must first be enlightened on proper refuse disposal.
- d. Though the existing law gives legal backing for the various activities of the Agency, there was also the need for the review of this Law to accommodate recent issues in environment Protection such as maintenance of G.S.M. masts, noise pollution regulation, industrial effluent regulation, low rating of levies and fines.

#### **5.4. OSEPA Financial review**

To make OSEPA more responsive and efficient, the institution has to be properly funded and its logistical support in terms of plants, equipment and office accommodation greatly improved.

## Chapter 6: Restructuring of OSEPA

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### 6.1 OSEPA Organisational Restructuring

- a. *The Osun State Government should create a body to be known as **Osun State Waste Management Company (OSWAMAC)** out of the existing OSEPA to manage the disposal of domestic and commercial wastes. The present staff of the Environmental management unit of the OSEPA should constitute the bulk of the new **Osun State Waste Management Company (OSWAMAC)***
- b. *The new **Osun State Waste Management Company (OSWAMAC)** should be granted operational autonomy along the lines of a corporatized utility which is a publicly owned corporation that operates like a enterprise under the direction of a board of management and with the government acting as the shareholder.*
- c. *The following personnel in the minimum should be recruited to boost the staff strength of the **new Osun State Waste Management Company (OSWAMAC)** : 2 Civil/Engineers, 1 Mechanical Engineer, 4 Environment Health Officers, 2 Technical Officers, 2 Laboratory Assistants and 2 Drivers/Mechanic should be recruited to facilitate effective operations.*
- d. *The new **OSWAMAC** should establish new departments including;*
  - i. *A customer service department that will facilitate interaction with its customers and other relevant stakeholders.*
  - ii. *Marketing Department that shall identify and engage with new customers for the Agency.*
  - iii. *A Public relations department that raise the level of environmental and sanitation awareness among the public.*
- e. *The Osun Government should encourage/mandate all Local Government s to collaborate with the **OSWAMAC** by providing suitable dumpsites and Cemetery while sanitary land fill and wasted recycling plant should be provided.*
- f. *More outstation offices should be provided as Zonal or local Government Offices for effective coordination of environmental issues.*

### 6.2 OSEPA Financial restructuring

- a. *In line with this recommendation, we propose that the **OSWAMAC** be allowed to have full control over its Internally Generated Revenues and with the approval of its Board work out what percentages of its revenue be used to cover part of its cost of operations and maintenance and what percentages to be utilised for capital projects.*

- b. Generally, Government should provide more financial support to the **OSWAMAC** for the purchase of vehicles to facilitate efficient revenue generation, new equipment for increased service efficiency, and more staff should be recruited*

### **6.3. Private Sector Participation**

- a. The law establishing **OSWAMAC** should contain provisions for the promotion of Private sector participation in the sanitation sector, particularly in the area of wastewater, waste to wealth recycling programme and solid waste management.*
- b. **OSWAMAC** should contract private firms to manage the disposal of solid waste in Urban towns in the state, under service contracts. Under this arrangement, Private sector waste disposal firms will be contracted to manage within specific urban areas in the state, and collect revenues from households and industrial users for this service*
- c. **OSWAMAC** should encourage the private sector to implement waste to set up waste water treatment plants.*
- d. The Osun State Environmental sanitation policy should spell out clearly the role of private sector operators and also the tariff structure. The policy should also spell out relationship between the various actors in environmental sanitation.*



## Chapter 7: Conclusion

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The identified challenges militating against the operations of OSEPA include the following-

- *Inadequate refuse collection vehicles*
- *Inadequate dump sites and its development*
- *Lack of equipment to manage the existing dumpsites*
- *Lack of sanitary equipment and plants*
- *OSEPA does not have any functional laboratory*
- *Inadequate technical manpower*
- *Lack of operational vehicles*

However, as its is presently structured is not able to overcome this challenges. The Osun State Government like most national and provincial governments world wide needs to realise the enormous social and economic benefits of investing in provision of sanitation services. Presently, OSEPA is treated like a charity organisation and subventions best described as grants are allocated to it, not according to its envisaged needs, seemingly with an intention to pay keep it afloat and pay the operation and its maintenance costs.

Whereas, OSEPA delivers social and commercial services, it is only not required to operate as a sustainable commercial entity.

The way forward is to create a distinction between the social and commercial responsibilities of OSEPA. The thrust of the restructuring plan of this study is the creation of a new semi autonomous, commercial enterprise (to be known as Osun State Waste Management Company) out of the present OSEPA to handle commercial operations, mainly waste management, while other non commercial functions such as ecological development and environmental research and development are handled by OSEPA under the existing arrangement.

We call on the political leadership in the state to surmount up the needed political will, particularly the Office of the Executive Governor, the Ministry of Environment, and the State House of Assembly to adopt this restructuring plan for OSEPA in the spirit of the International Year of Sanitation being marked in 2008.