



Join the **GrEEn Webinar series**

No.4: Presentation and Validation of Findings from the 2020 WASH Market Scan

Tues, 14 July 2020 11:00AM - 12:30PM GMT



Register here: <https://bit.ly/greenwashwebinar>



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Find out more about the GrEEn project here: <https://bit.ly/SNV-GrEEn>



Presentation outline:

- Objectives of the webinar
- Brief overview of the GrEEEn project
- WASH situation and national coverage
- National policies/strategies/institutional arrangement
- Overview of MSME operations and household demand in the sector
- Value chain and enterprise opportunities
- What GrEEEn project offer?
- Questions for reflection/plenary



Objectives of the webinar

- To **validate the findings of the WASH market scan**
- **Introduce and receive feedback** on GrEEn's **planned interventions** in the WASH sector
- Seek your **input and feedback** on:
 - Have the right sub-sectors been considered? What additional sub-sectors can be useful for job and enterprise development in the WASH sector?
 - How do we deal with the perception and attitudes to create viable green WASH businesses?
 - Are there local WASH companies that can offer internships and job placements? What will be the value proposition to offer?
 - What are best practices in demand creation?

Boosting Green Employment and Enterprise Opportunities in Ghana

Sustainable and climate resilient local economies,
green jobs and development

Green and climate
resilient local economic
development

Improved employability
and entrepreneurship
capabilities

Local ecosystem that
supports youth
employment & MSMEs

Result 1: Local economies are stimulated and short-term job opportunities for **youth, women and returnees** are created through green and climate resilient investments



Result 2: Employability and entrepreneurship capabilities of **youth, women and returnees** are improved in sectors of economic opportunities, for the benefit of green and climate resilient local economies



Result 3: Increased access and usage of financial services, leveraging remittances, adapted to the needs of (i) **youth, women and returnees** benefiting from cash for work schemes and (ii) local communities and MSMEs



Result 4: SMEs, offering decent and sustainable jobs to **youth, women and returnees**, are incubated and/or accelerated and contribute to green and climate resilient local economies



Project duration: 11/2019 – 11/2023

Target regions: Ashanti & Western

Target sectors:



GrEEn
Giving GrEEn for a sustainable future

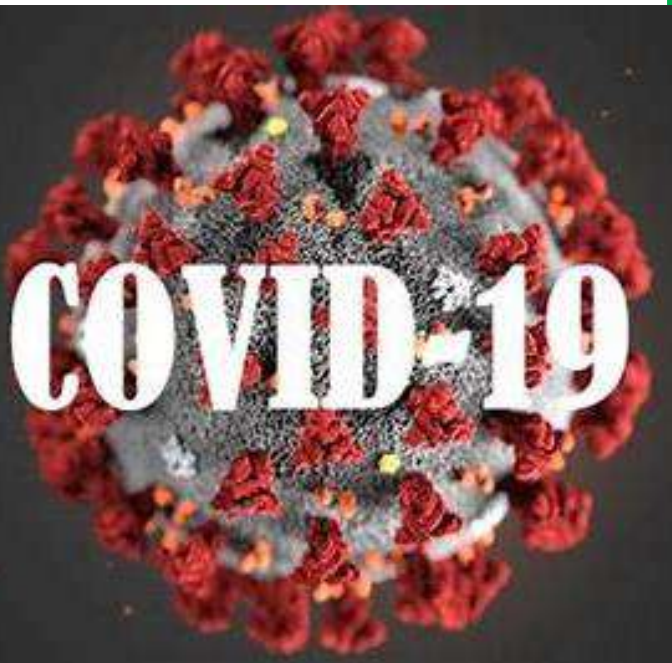


GrEEn

Market Scan for WASH Sector

Enoch Cudjoe, Senior Skills Advisor, GrEEn Project

14th of July 2020



- ❑ Secure safe and accessible/affordable water, sanitation and hygiene services to prevent further spread
- ❑ Scout for innovative but accessible and affordable WASH technologies for all
- ❑ The capacity of young entrepreneurs should be developed within the WASH value chain; to clearly define a market and customer-focused product for the Ghanaian market
- ❑ Tailored BDS to businesses allowing them to continue operations, e.g. revised marketing strategies, financial restructuring etc
- ❑ Ensure access to affordable finance to overcome liquidity problems; capacity on online marketing and payment platforms as well as mobile money initiatives

Source: SNV and Coronavirus

Water & Sanitation Situation

- ❑ Access to safe drinking water and improved environmental sanitation is essential for achieving wider outcome in the economy (livelihood, education, health etc).
- ❑ There is still lack of safe water, sanitation and hygiene facilities
- ❑ Percentage of the population with access to safe drinking water (basic level) nationally increased from 64% in 2000 to 78% in 2015)
- ❑ National access to basic sanitation increased from 11% in 2000 to 14% in 2015
- ❑ Sustainable Development Goal 6: **Clean water and sanitation**
 - Safely managed sanitation
 - Safely managed water services



National WASH coverage

Geographical Area	% Coverage of improved water supply	% Coverage of improved sanitation	% Coverage of handwashing facilities with soap & water	Open defecation	% Basic drinking water, sanitation & hygiene
National	86	65.2	48.5	21.7	12
Urban	95.8	80.7	56.3	11.4	17.8
Rural	77.5	52	41.8	30.6	7.1
Western region	82.1	66.3	58.1	15.5	11.5
Ashanti region	92.5	77	51.7	10.9	14.1

Ghana Multiple Indicator Cluster Survey (MICS) 2017/18

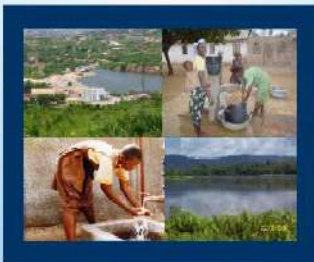
National Policies/strategies



GOVERNMENT OF GHANA

MINISTRY OF WATER RESOURCES, WORKS AND HOUSING

NATIONAL WATER POLICY



JUNE 2007

Government of Ghana



Ministry of Local Government and Rural Development

Environmental Sanitation Policy (Revised 2009)



April 2010



Government of Ghana

Ministry of Local Government and Rural Development

ENVIRONMENTAL HEALTH AND SANITATION DIRECTORATE

National Environmental Sanitation Strategy and Action Plan NESSAP



Materials in Transition

March 2010



Republic of Ghana

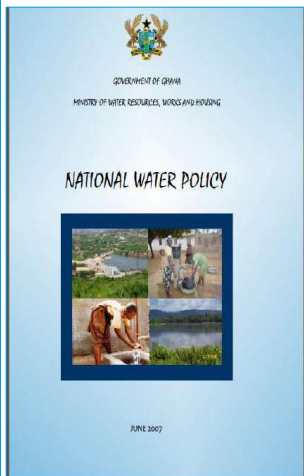
MINISTRY OF WATER RESOURCES, WORKS AND HOUSING

WATER SECTOR STRATEGIC DEVELOPMENT PLAN (2012-2025)

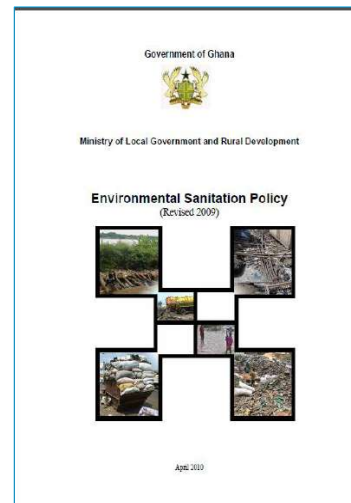
Sustainable Water and Basic Sanitation for All by 2025



MARCH 2014

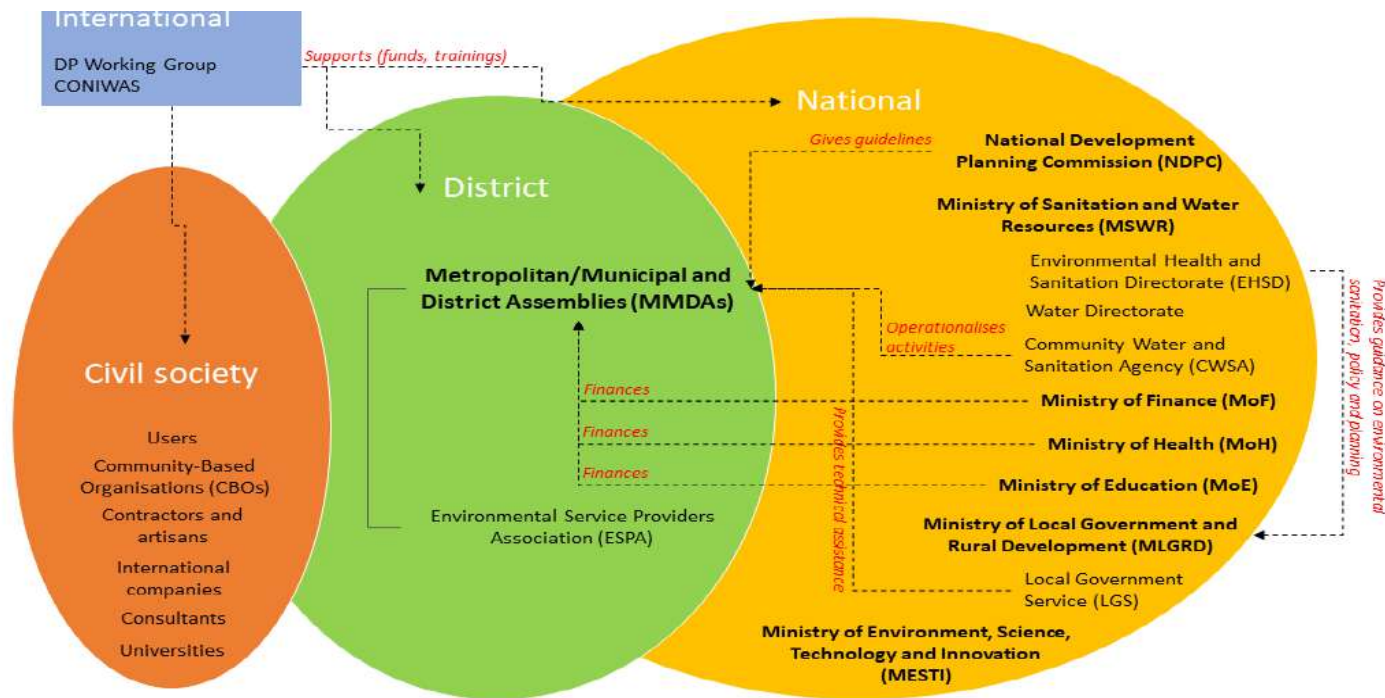


- ❑ It pursues private sector engagement by applying a Market-based approach to WASH service delivery.
- ❑ It addresses all IWRM related issues and provided the impetus for the development of the National IWRM Plan in 2012 and the National Climate Change Policy in 2013.

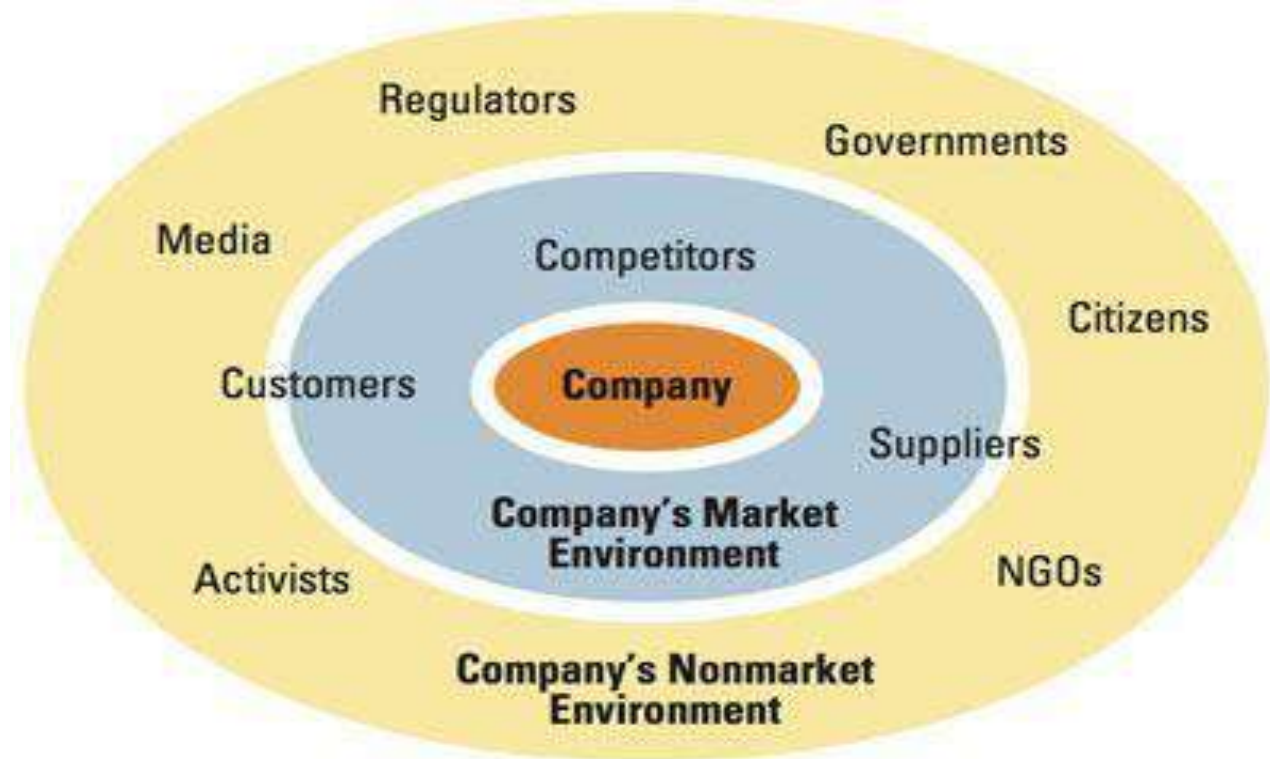


- ❑ It highlights Public Private Partnership at various levels
- ❑ Rural Sanitation model & strategy: emphasis on developing a sanitation marketing (SanMark)
- ❑ Polluter pays principle (bear the cost)

WASH Sector Institutional Arrangements



The Market & non-Market environment



Barriers to operation

Operation

- Obsolete tools/technology
- Lack of access to start up capital
- Lack of access to banking services
- Perception/attractiveness
- Inadequate business support services
- Land tenure challenges
- Late payments of public procurement
- Skilled labour (transferable & technical)
- Poor enforcement

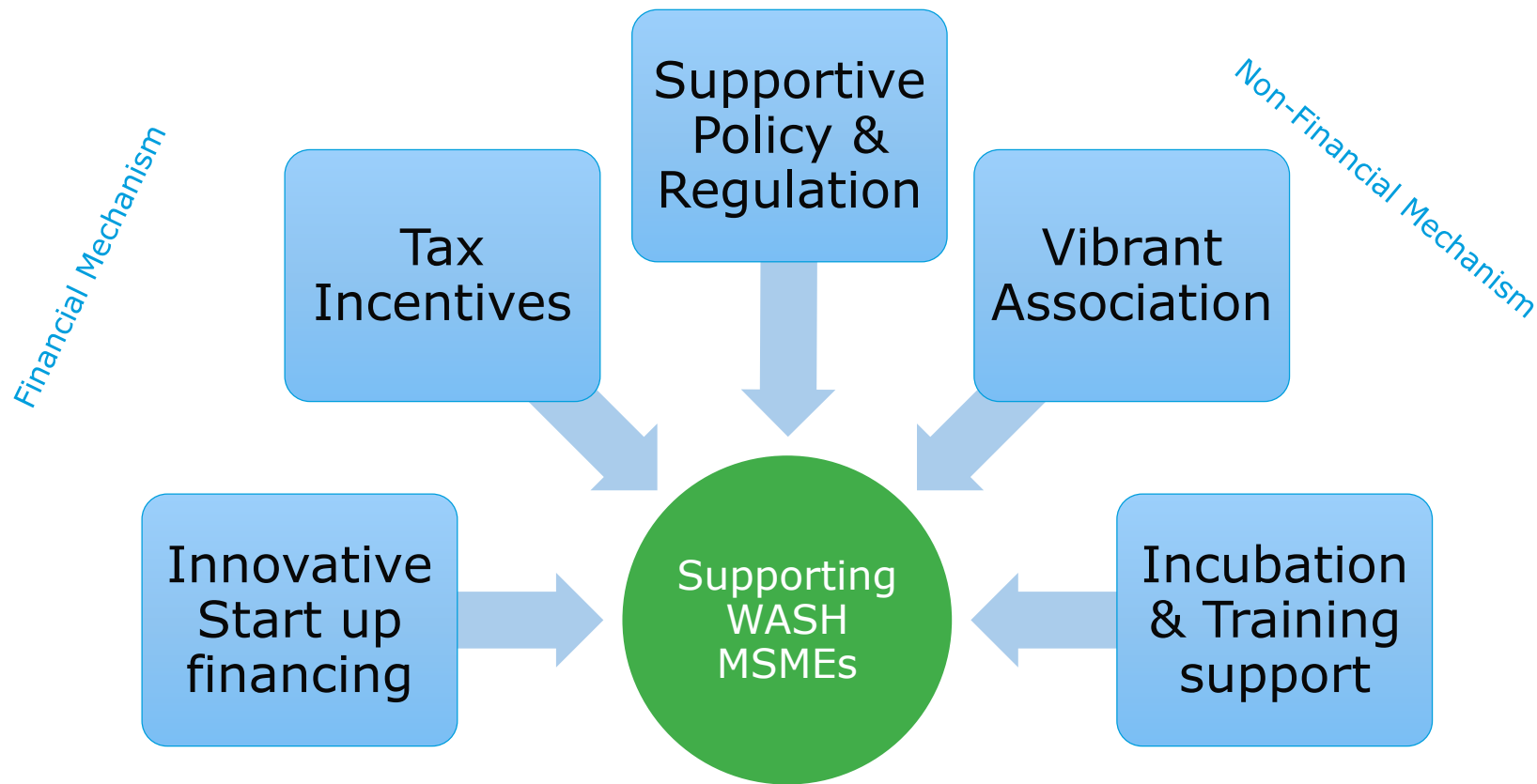
Tough macro-economic Environment

- High interest rate
- High cost of utility
- Currency depreciation



- Limit cash flow
- Limit technology uptake
- Affect efficiency
- Limit growth

Support Mechanism Available



Innovative Financing (start-up) opportunities

Subsidized credit

NBSSI loans @ 5%
1-3yrs (\$3-10K), manufacturing,
agri-business & Service

Microfinance and micro credit

Fidelity Bank, HFC Bofo

Equity Financing

Available within &
outside the sub-sector

Tax Incentives

Income Tax Holidays

Young entrepreneurs up to 35 years

- Located at regional capital
Ashanti & Western 12.5% rebate
- Outside regional capital 10%

Tax Holidays

- Waste processing (including plastics and polythene)
7 years tax holiday but reduced to 1%
- Cocoa by product businesses
5 years tax holiday but reduced to 1%

Import tax exemption

Reduction of up to 25% of import
duties on Parties, products and machinery

Incubating, training and support for sanitation start-ups

Government Initiatives

- National Board for Small Scale Industries (NBSSI)
- National Entrepreneurship and Innovation Plan (NEIP)

Incubators in Ghana

- Ghana Innovation Hub
- Kumasi Hives
- NBU
- I-Code etc
- Ghana Start-Up capital fund

International Incubators

- Toilet accelerators/ Toilet Board coalition
- Aqua for All
- CEWAS
- Toilet for All
- Waterpreneurs
- Young Water Solutions

Association and Networks

- Association of Plastic Recyclers (APR)
- Association of Contract Cleaners
- Association of Ghana Industries (AGI)
- Environmental Service Providers Association (ESPA)
- Private Water Tanker Owners Association
- Toilet Board Coalition (International)
- Coalition of NGOs in WASH (CONIWAS)

Business Opportunities

Solid waste	<ul style="list-style-type: none">• recycling to compost - briquettes)• plastic/metal/paper up/recycling• waste to energy from landfills,• biogas• Abattoir waste into feed (need eco model• collection and transportation• Biodigesters-constr/maintenance• Recycling of (E)-Waste
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Waste water/liquid waste/faecal sludge	<ul style="list-style-type: none">• sludge to fuel (biodiesel, briquettes)• sludge to compost• collection and transportation - equipment quality control, testing
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Toilets facilities	<ul style="list-style-type: none">• Design, manufacturing, marketing, maintenance• rental of mobile toilets• construction and management of toilet blocks for schools, markets or communities
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Business Opportunities

Hygiene services

- Production/marketing of hand sanitizers or soap
- Production/marketing of solar powered Veronica buckets
- Janitorial services
- Laundry services
- Handwipes









Financial services (micro/meso credit to various target groups):

- Manufacturers of hardware (toilets, pipes, digesters etc...)
- Transporters
- waste collectors/pickers
- toilet operators –
- processors/recyclers of waste
- mobile payment system

MSMES Delivering WASH Products and Services

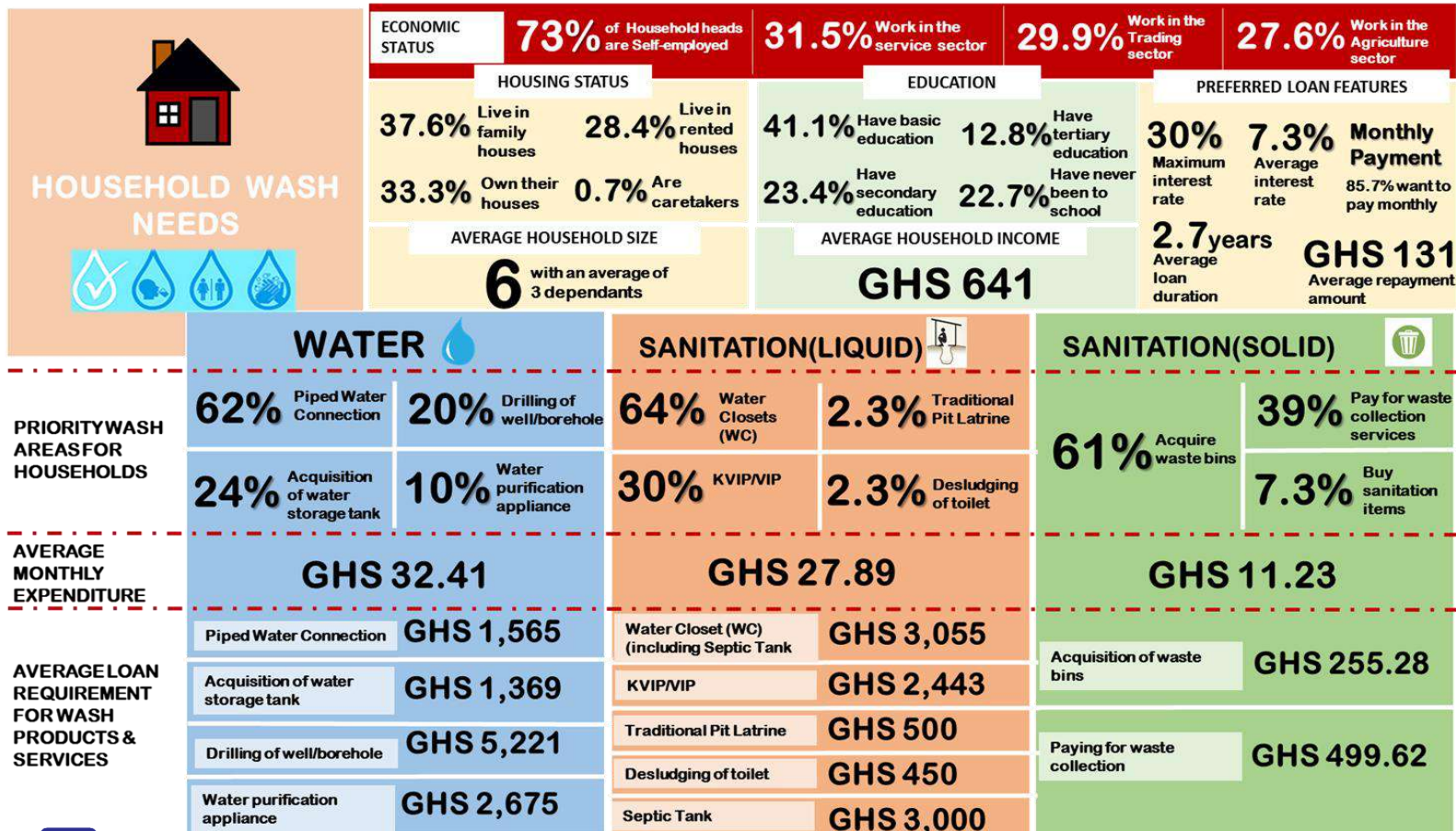


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		Business Needs		Preferred Loan Features	
Micro Enterprises	34% Sole Proprietorships	9 Average age of business years	1. Retooling (replacing equipment) 2. Acquiring additional facilities 3. Upgrading existing facilities 4. Working capital 5. Repairing facilities/equipment	28% Maximum Interest rate	
				8.3% Average Interest rate	
Small Enterprises	55.6% Sole Proprietorships	8 Average age of business years		GHS 1,191 Average Repayment amount	
				2.8 years Average Repayment period	
WATER	SANITATION (LIQUID)	SANITATION (SOLID)	HYGIENE	HYBRID	
1. Local water vendors 2. Operators of water tanker services. 3. Borehole Drilling Companies 4. Vendors of Borehole water 5. Small to Medium Scale sachet/package water producers	1. Desludging services 2. Spare parts supplies 3. Plumbing services 4. Construction of manholes and KVIPs 5. Provision of mobile toilets 6. Privately operated public toilets	1. Solid Waste Management Entities 2. Motor King Solid Waste Collectors 3. Scrap Dealers 4. Waste Recycling Companies 5. Scavengers of used water plastics (sachets and bottles)	1. Laundry 2. Office space cleaning 3. Pest control and fumigation services 4. Street cleaning 5. Distilling of drains 6. Operating of Public bath complex	A combination of products services offered by producers of water, sanitation (liquid and solid) and hygiene.	
 GHS 2,414 monthly	 GHS 3,392 monthly	 GHS 3,293 monthly	****	 GHS 1,355 monthly	
 GHS 4,391 monthly	 GHS 5,283 monthly	****	 GHS 5,000 monthly	 GHS 2,900 monthly	
GHS 18,830	GHS 26,857	GHS 42,260	****	GHS 11,700	
GHS 18,000	GHS 296,400	****	GHS 510,500	GHS 22,750	

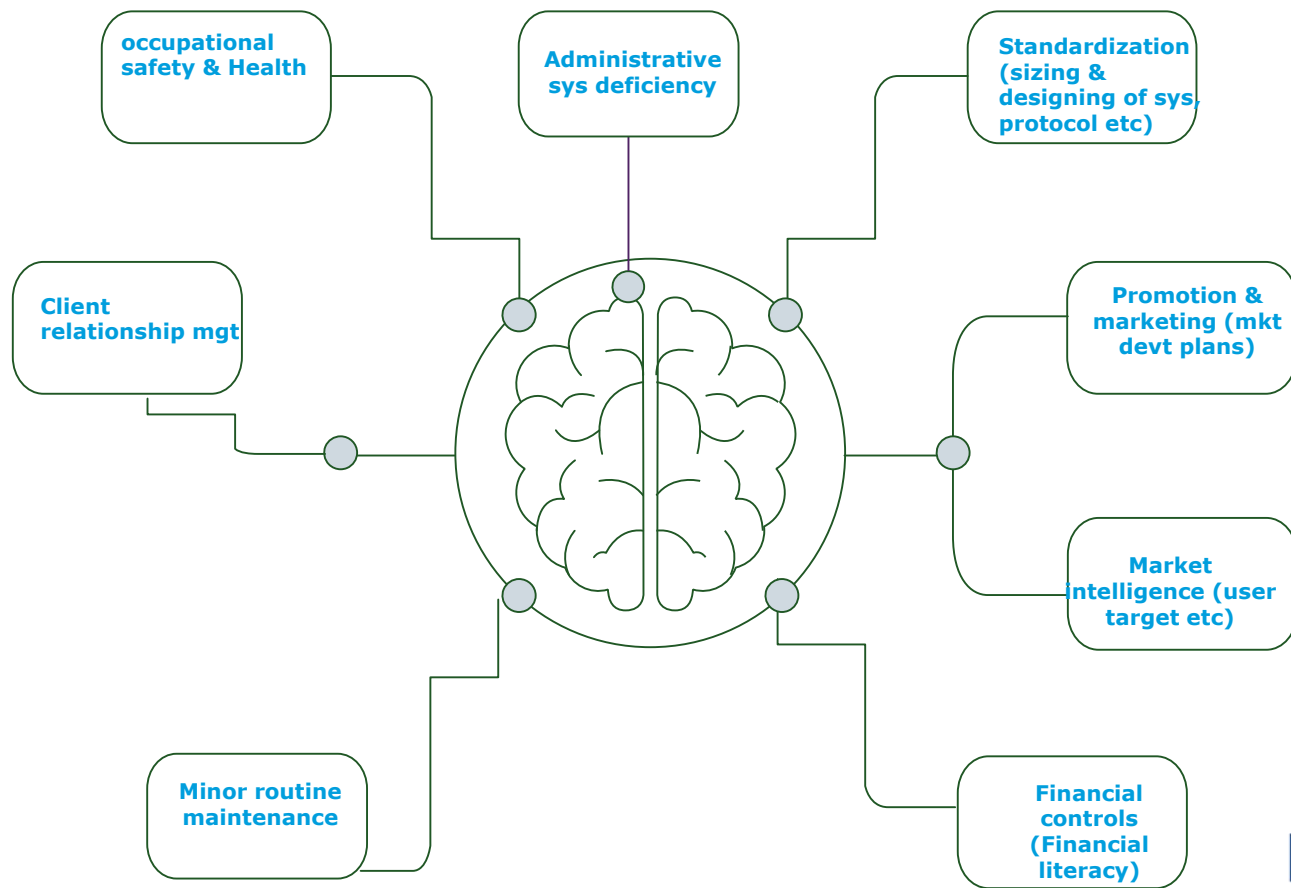
Source: SNV P2P , 2017

Household WASH Needs



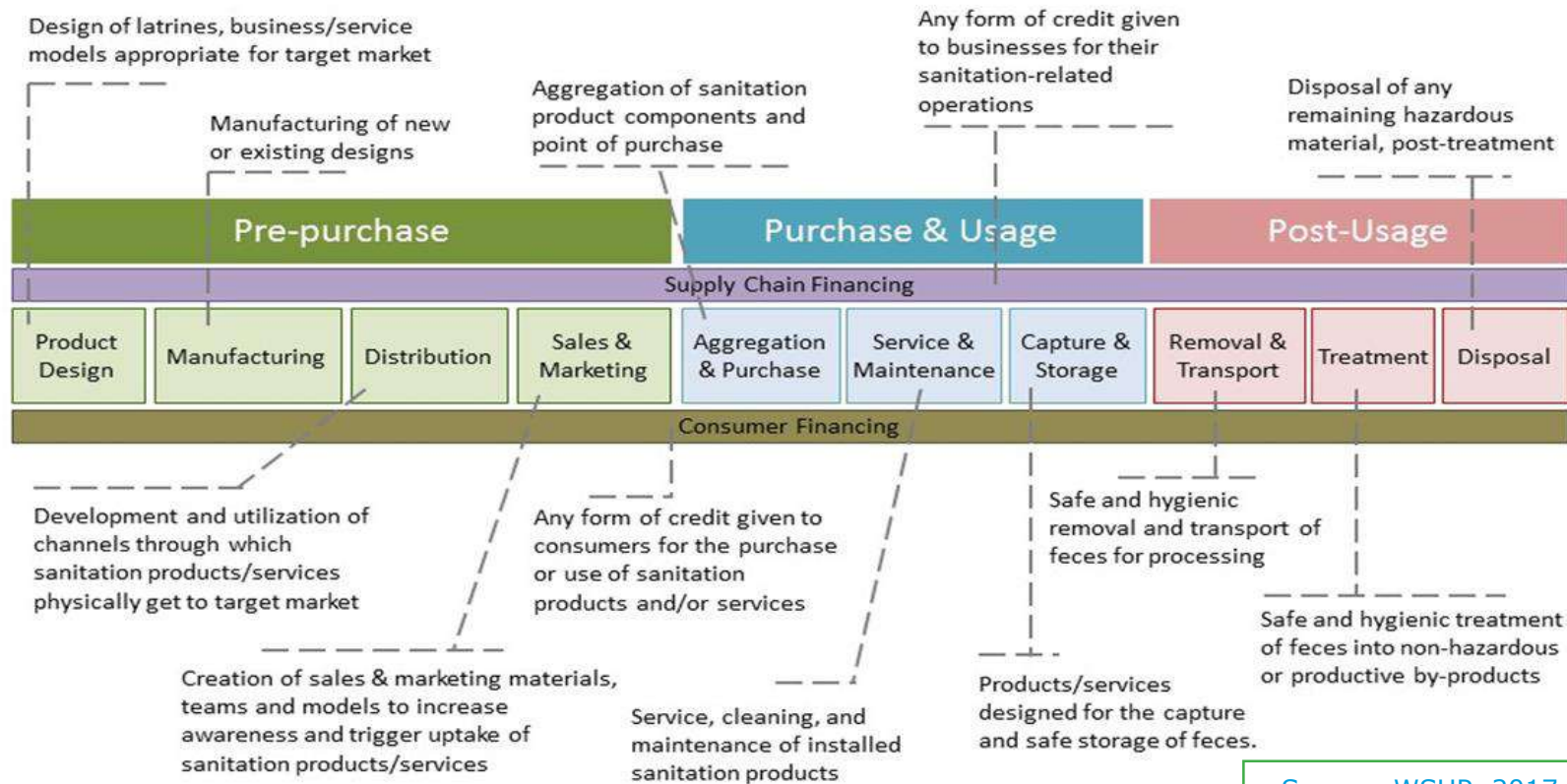
Source: SNV P2P, 2017

What are the Skills Set Gaps?



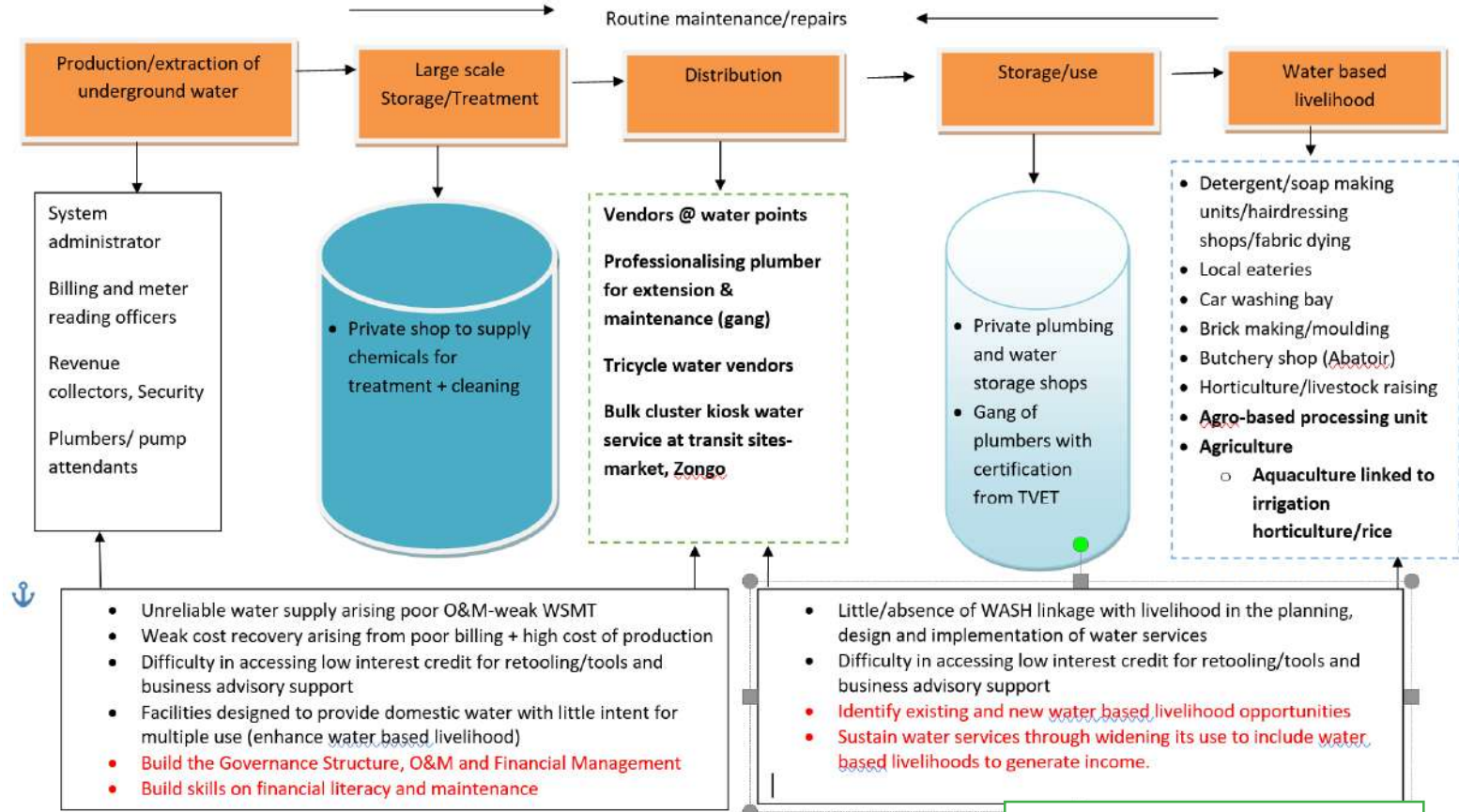
Value chains and enterprise solutions

Sanitation Business Models



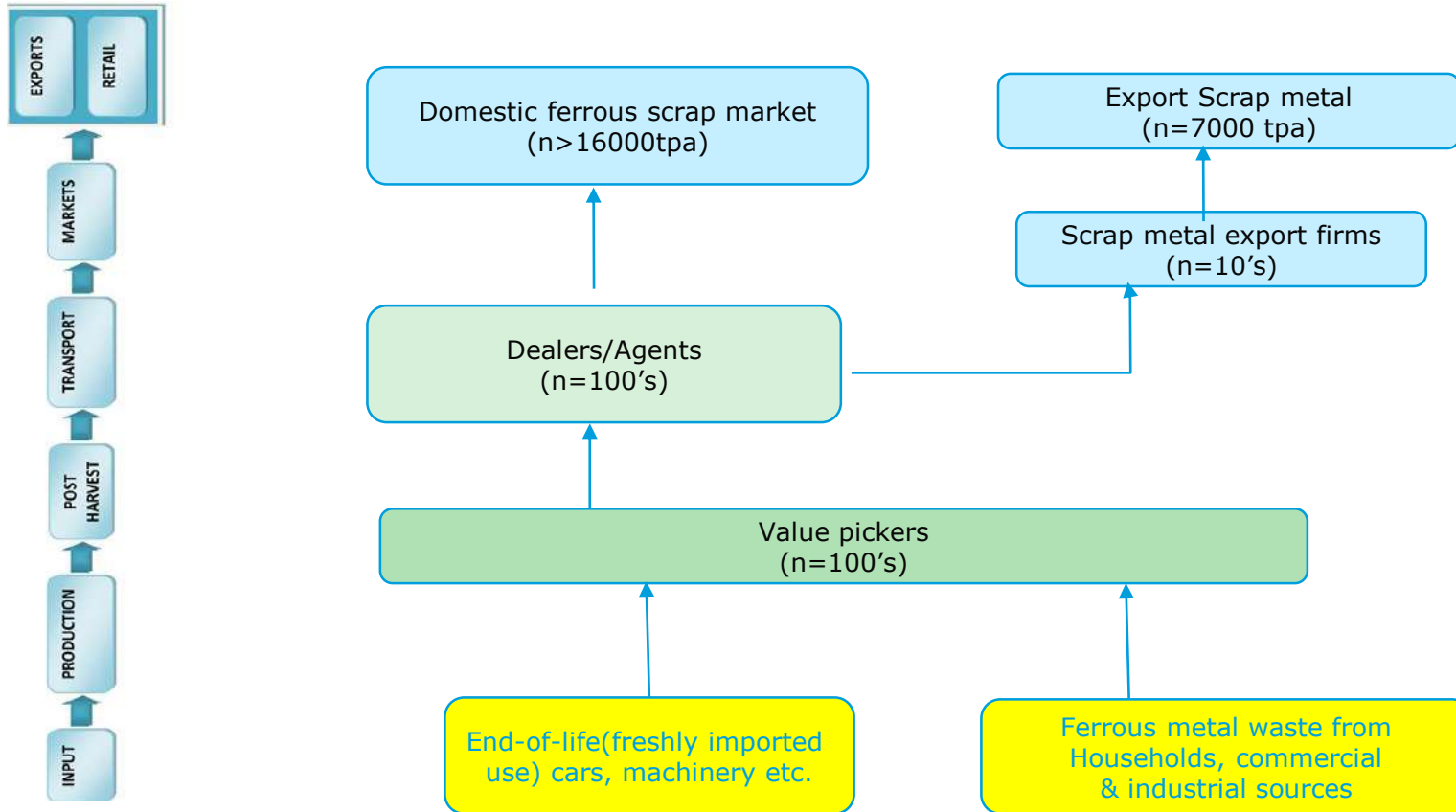
Source: WSUP, 2017

Water Business Model



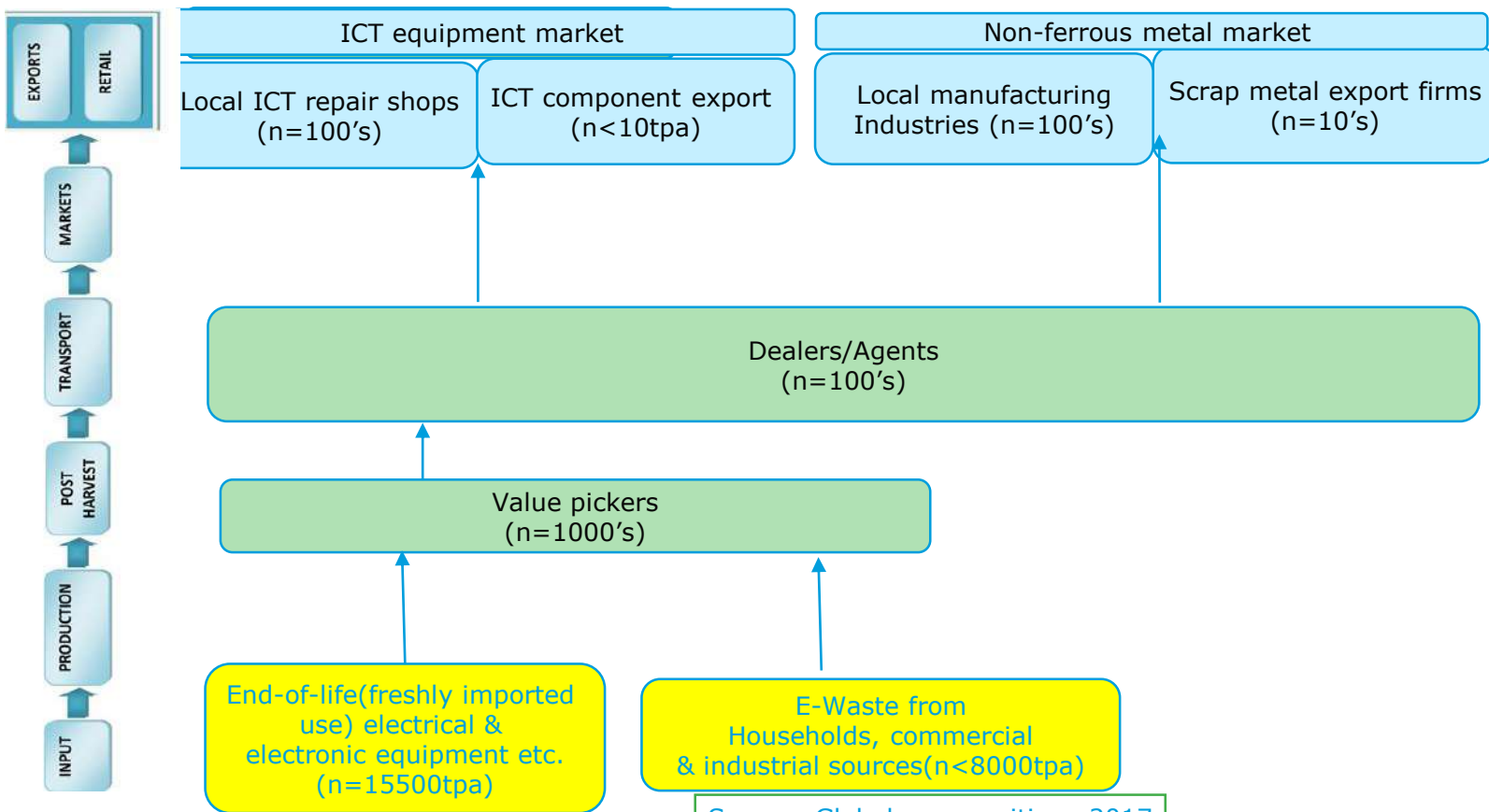
Source: bridgeway consult, 2018

Ferrous Metal Scrap Value Chain



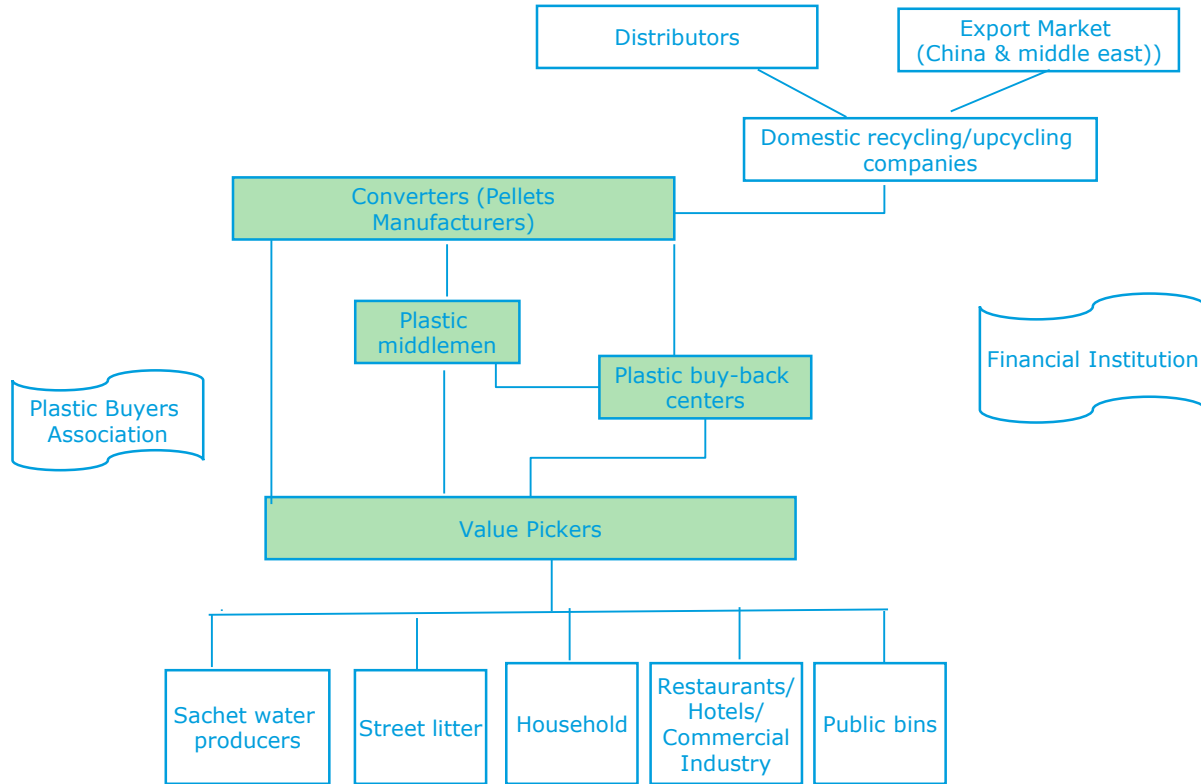
Source: Global communities , 2017

E-waste value chain

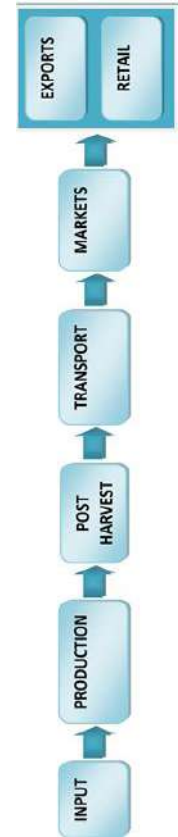


Source: Global communities , 2017

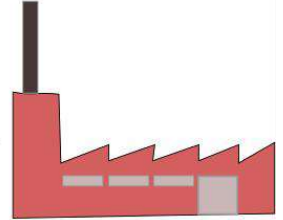
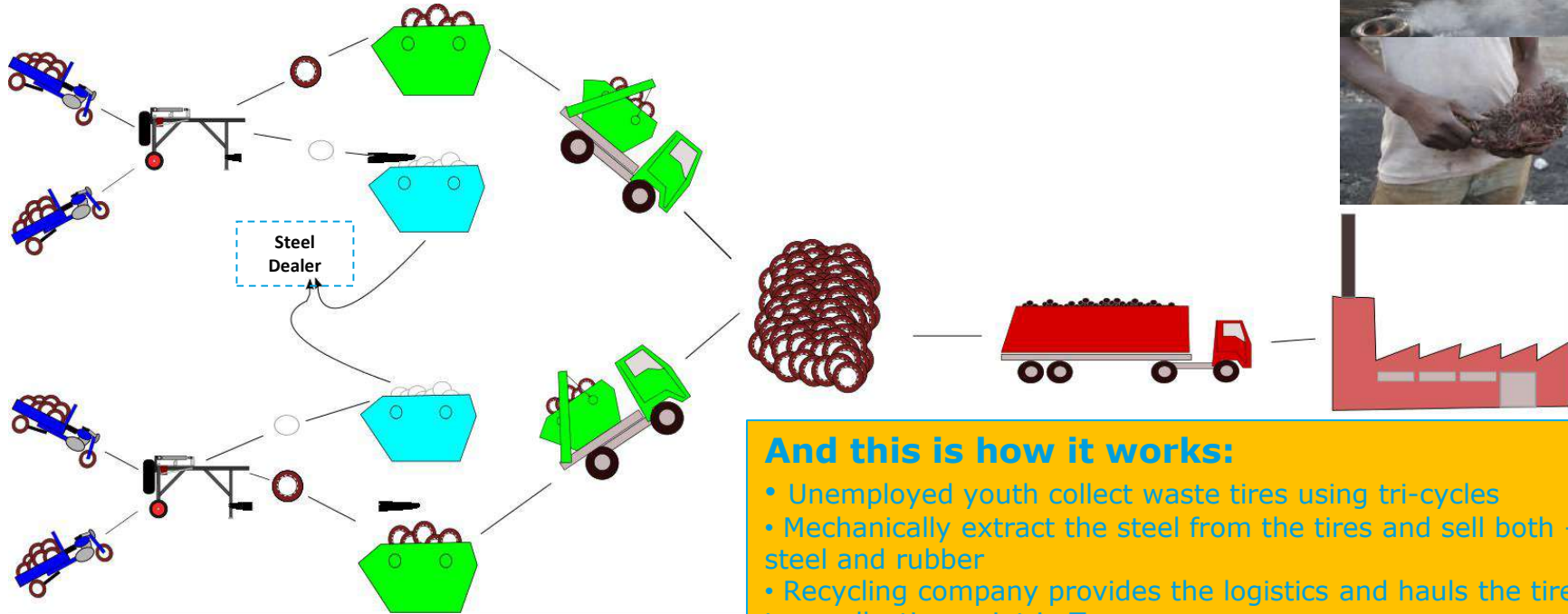
Plastic Pellets value chain



Source: Global communities , 2017



Recycling of Tires



And this is how it works:

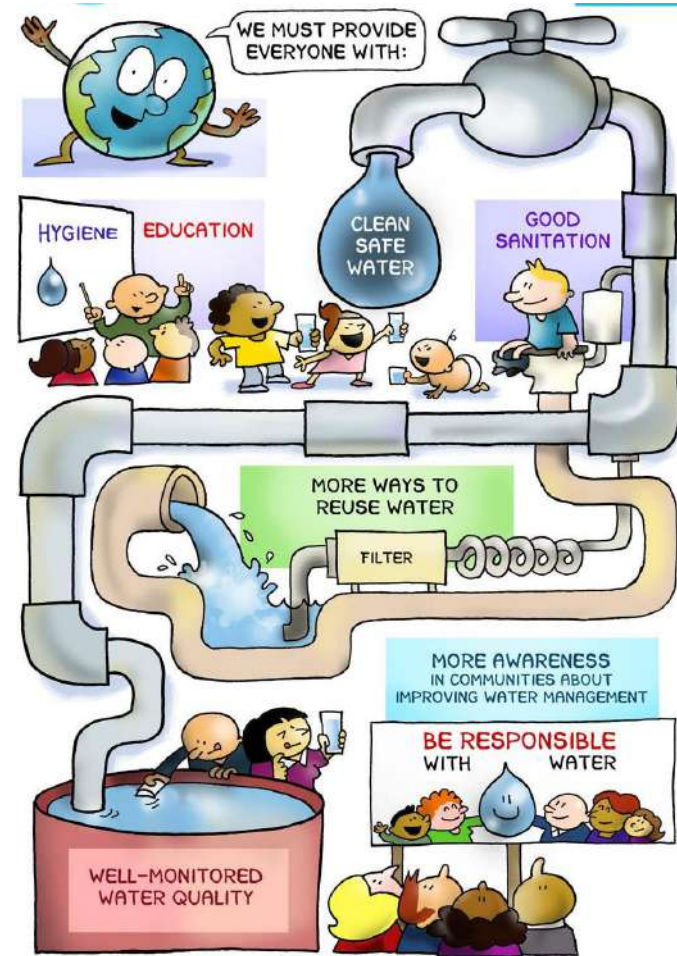
- Unemployed youth collect waste tires using tri-cycles
- Mechanically extract the steel from the tires and sell both – steel and rubber
- Recycling company provides the logistics and hauls the tires to a collection point in Tema
- Tires are exported to Togo on Heidelberg Cement trucks
- Cement factory burns tires as fuel supplement
- Diesel

Private sector Financing Opportunities.....

- **SINAPI ABA WASH Loans/Credit Facility:** Rollout GHS 30 million on WASH initiatives for the next 5 years.
- **SIMAVI WASH Credit Scheme:** In collaboration with the Dutch Alliance supports communities to construct and own household toilets through the Community Life Improvement Programme (CLIP) with New Energy.
- **Safe Water Network Model:** Provides a market-based solution to water services delivery to peri urban/urban communities in Ghana.
- **The Clean Team Ghana Model:** It is a social enterprise model for providing safe, affordable in home toilets for low income communities at a fee. Customers pay a small weekly fee for the service and we provide the toilet - there's no up-front cost for you to pay. They collect the waste from your house every week in sealed containers and take it away for safe disposal.

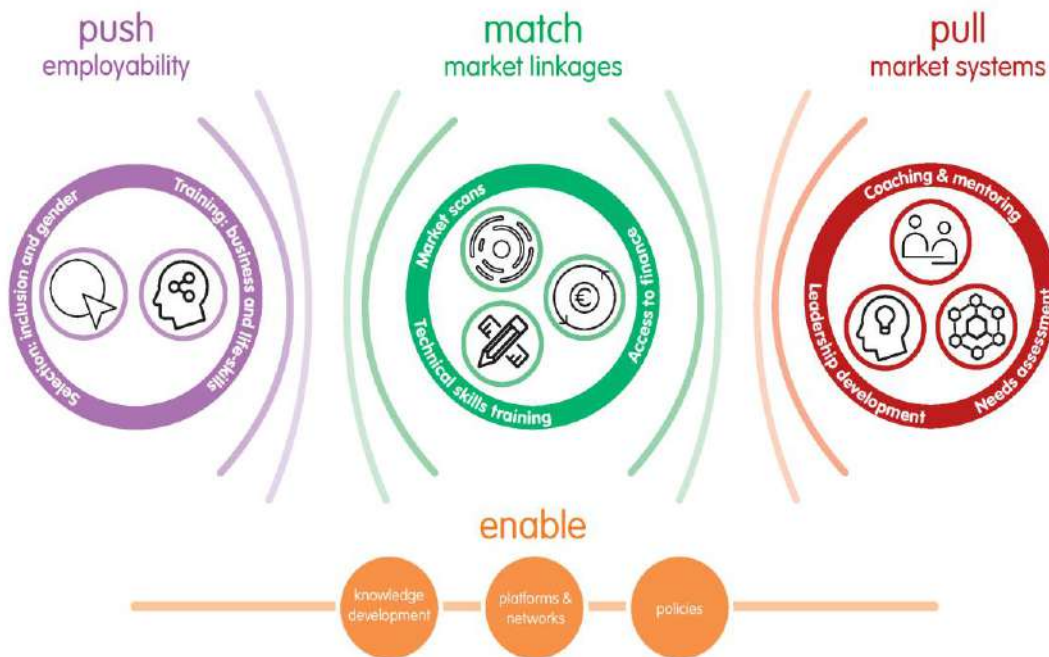
- **UNICEF Basic Sanitation Fund (Apex Bank):** UNICEF recently launched a credit scheme for sanitation with fund being managed ARB/APEX Bank. UNICEF was active in mainly rural, but also recently launched a major peri urban/urban WASH programme currently being implemented in partnership with GNWP Dutch Government in Ho, Tamale and Ashaiman, with an overall budget of USD 7 million.
- **SNV/Dutch Embassy P2P Initiative (USD 6m):** Targeting 3000hh and 500MSME (Fidelity Bank): In 2014, the Dutch Embassy initiated the Ghana-Netherlands WASH Programme (GNWP), which focuses on integrated urban water and sanitation in selected municipalities with an indicative budget of Euros 200 million up to 2020. The programmes support MMDAs to prepare master plans for sanitation (including solid waste), the conducting of urban CLTS and the promotion of Public-Private Partnerships.

What does the GrEEn project offer?



Employability & Entrepreneurships Skills

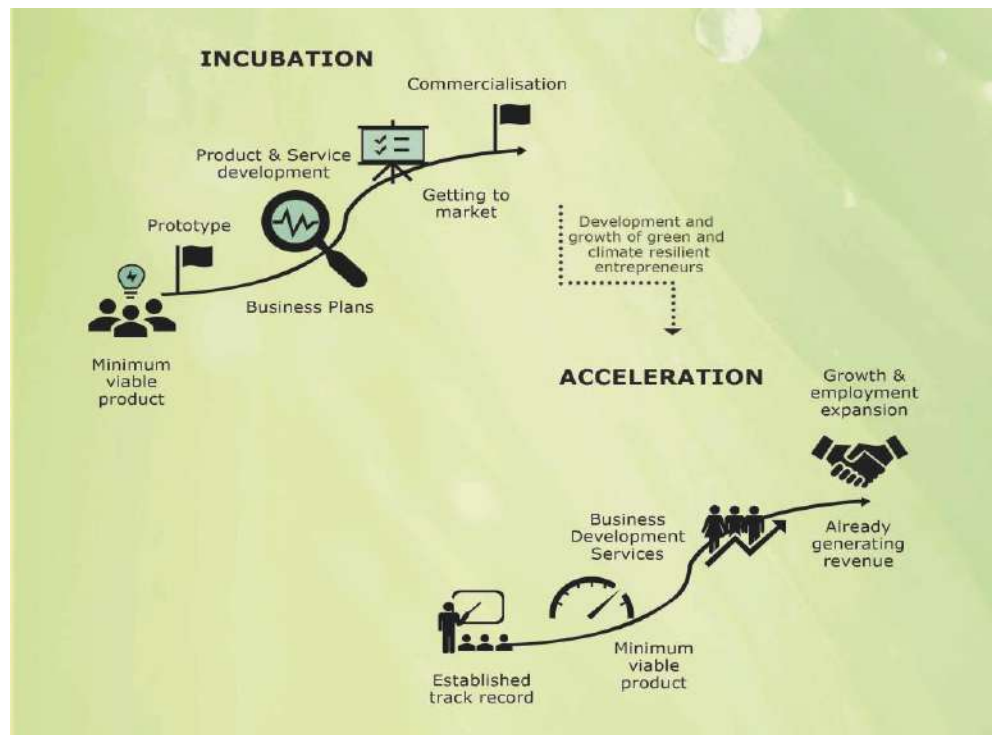
Opportunities for Youth Employment



Employability and entrepreneurship capabilities of Youth, Women and Returning Migrants

- ✓ Demand-driven employability and entrepreneurship training
- ✓ Web-based platform
 - Market linkages
 - B2B
 - Internships and job placement
- ✓ Support to practical solutions within specific value Chains
- ✓ Live market information (R&D)
- ✓ Networking and exchange
- ✓ Business Plan Competitions

Incubation and Acceleration



Incubation and Acceleration of SMEs led by Youth, Women and Returning Migrants

- ✓ Strengthen business hubs to incubate and accelerate inclusive SMEs
- ✓ Incubate and accelerate SMEs
- ✓ Support to access crowdfunding opportunities
- ✓ Networking and exchange
- ✓ Market Research
- ✓ "Green biz" Web based platform
 - Market linkages
 - B2B
- ✓ Challenge Fund (matching grants)

Questions for discussion:

- Have we considered the right sub-sectors?
- What additional sub-sectors can be useful for job and enterprise development in the WASH sector?
- How do we deal with the perception and attitudes towards green WASH businesses, particularly among youth and women?
- What role can platforms and NGOs play in promoting market based approach to WASH delivery and this project?



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