

# Exploring financial and performance-based funding to improve piped water supply in rural Ghana.

The Enhancing WASH (EnWASH) program seeks to support consortium partners, and Ghana's WASH sector at large, to implement evidence-based activities that can extend the coverage of sustainable WASH services. One element of the EnWASH research agenda is to fill knowledge gaps related to the **economics of rural water supply** and the **required investments to improve service delivery**.



Study intervention areas.



## Problem

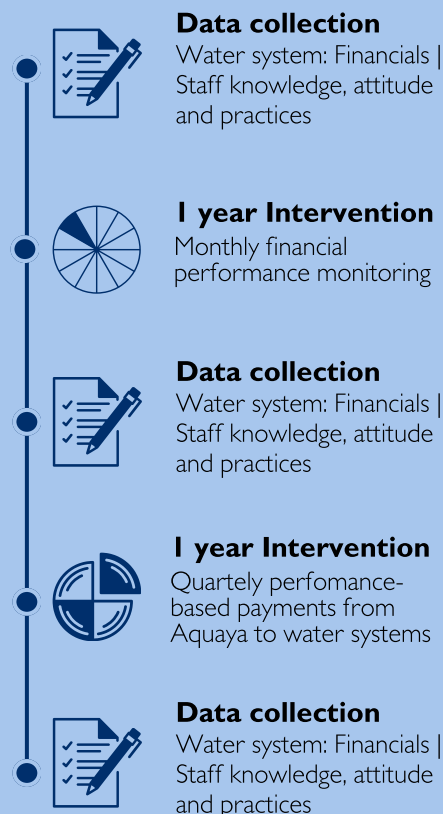
Limited planning and financing for the ongoing operation and maintenance (O&M) of rural water systems leaves many communities with inadequate access to safe water. For example, in rural Ghana, piped water systems often supply water intermittently and without consistent treatment.

## Research

Can benchmarking and performance-based funding improve financial management and operation and maintenance of rural water systems?

## Methods

- 1 Monthly financial **performance monitoring and benchmarking** by conducting a retrospective financial analysis at up to **54 public and private water systems**.
  - Revenue collection efficiency
  - Operating cost recovery
  - Cost-effectiveness
- 2 Pilot monthly performance monitoring, benchmarking, and **performance-based funding** at up to **40 public water systems**.  
Do the following factors promote performance improvements?
  - External reporting
  - Access to performance indicators data
  - Stimulation from comparing performance and competing for rewards
  - Peer learning
  - Financial incentives
- 3 **Pilot a performance-based funding model** in **20 public water systems**.



## Impact

