



THE STATUS OF THE WATER SUPPLY AND SANITATION REGULATORY LANDSCAPE ACROSS AFRICA

CENTRAL AFRICA – REGIONAL REPORT



REGIONAL FINDINGS OVERVIEW

Evidence suggests that a well-functioning regulatory system and the application of a robust set of regulatory mechanisms can play a crucial role in delivering and managing safe and reliable water supply and sanitation (WSS) services. Effective regulation demands alignment with country specific reforms, governance systems, political economy and development objectives. However, there has been limited reference material on the setup of these frameworks across Africa that can serve as replication points for countries intending to institute effective regulation.

This report provides an overview of WSS regulation across the Central African region in nine countries: Burundi, Cameroon, Central African Republic (CAR), Chad, Congo Republic, the Democratic Republic of the Congo, Equatorial Guinea, Gabon, and Sao Tome and Principe.

Key findings and overviews are based on a study initiated by ESAWAS and cover: the WSS context, policy and legal backing for WSS regulation, regulatory arrangements, different spheres of regulation (regulated service providers, regulated service delivery types), regulatory mechanisms, and the regulatory environment.


Water Supply and Sanitation Context: The Central African region has very low access rates to water supply and sanitation (WSS) services and has made comparably slow progress in improving WSS services. All Central African countries are expected to miss the Sustainable Development Goal (SDG) Six targets of universal safe and reliable WASH services by 2030 by a considerable margin (United Nations, 2018). Indeed, over the last two decades, less progress has been made in expanding WSS services in the Central African region than in any other African region. Across Central Africa's nine countries, average coverage rates for at least 'basic' water supply and sanitation services are 62% and 35%, respectively.¹ Water supply coverage rates are the lowest of Africa's five regions, while sanitation coverage rates are second lowest. Various systemic weaknesses have impeded progress toward universal WSS.

Policy and Legal backing: Three of the nine Central African countries have not developed national policy documents for WSS. Of the countries that have developed national WSS policy documents, there are considerable variations in the extent to which these address WSS regulation. Four of the nine Central African countries (44%) have a strong legal backing for water regulation, while three have a limited legal backing (33%). Five Central African countries (56%) have not developed legal instruments that provide the required legal backing for regulating sanitation services, and Burundi is the only Central African country with a strong legal backing for regulating sanitation services.

Regulatory Models: A diversity of regulatory frameworks exist for WSS service delivery. Four main regulatory models are utilised to regulate WSS service delivery:

- I. **Regulation by Agency.** A regulatory body (semi-) autonomous from the government has discretionary powers to regulate WSS or aspects of WSS.
- II. **Regulation by Contract.** A public entity other than an (semi-) autonomous regulatory agency and a service provider agree on contractual clauses that determine how key aspects of WSS service provision are defined and controlled, such as tariffs and service standards.
- III. **Ministerial Regulation.** A ministry performs some or all regulatory responsibilities for WSS and does not use contracts as a core regulatory tool for WSS service provision.
- IV. **Self-Regulation.** A service provider is legally mandated to perform key regulatory activities upon itself (i.e., setting tariffs and performance standards, performance reporting).

WSS service delivery regulation is primarily based on ministerial regulation and regulation by contract.

Table A presents an overview of the countries in Central Africa and the regulatory models applied per country and in total across the Central Africa Region, highlighting the predominant² ones (marked as ). It shows that

¹ A basic water supply service refers to drinking water from an improved source, provided collection time is not more than 30 minutes for a roundtrip including queuing. A basic sanitation service is the use of improved facilities which are not shared with other households.

² The predominant regulatory form refers to the regulatory form under which the primary service provider in each country is regulated. In most cases, this refers to how a national or regional utility is regulated.

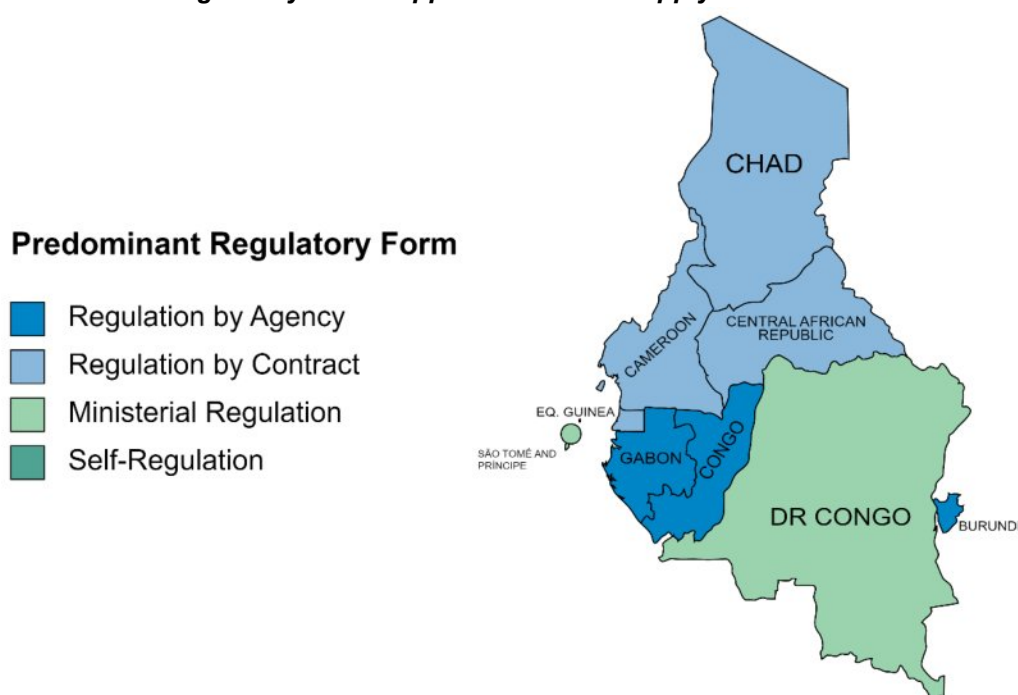
most countries have mixed regulatory arrangements based on multiple regulatory models applied across the four WSS sub-sectors (urban water supply, rural water supply, urban sanitation, rural sanitation) and different WSS service providers. Ministerial regulation and regulation by contract are the most commonly utilised regulatory models, with regulation by agency only applied in a few countries (Burundi, Congo Republic, Gabon). Many service providers in Central Africa practice self-regulation because of a lack of regulatory oversight; however, this regulatory model is not designed into any Central African country’s regulatory arrangement for a substantive set of regulatory functions (i.e., tariff setting, standard development).

Table A: Regulatory models Applied for Water Supply and Sanitation Service Provision

Country	Regulatory model			
	Regulation by Agency	Ministerial Regulation	Regulation by Contract	Self-Regulation
Burundi	✓	✓	✗	✗
Cameroon	✗	✓	✓	✗
CAR	✗	✓	✓	✗
Chad	✗	✓	✓	✗
Congo Republic	✓	✓	✓	✗
DRC	✗	✓	✗	✗
Equatorial Guinea	✗	✗	✓	✗
Gabon	✓	✓	✓	✗
Sao Tome & Principe	✗	✓	✗	✗
Total – Regulatory model Applied	3 (33%)	8 (89%)	6 (67%)	0 (0%)
Total – Predominant Regulatory model	2 (22%)	2 (22%)	4 (44%)	0 (0%)

The use of multiple regulatory models and the variations in their application, make it is useful to note the primary regulatory model applied in each country.³ Figure A presents this.

Figure A: Predominant Regulatory Model Applied for Water Supply and Sanitation Service Provision



In some Central African countries, WSS regulation is starting to receive increased attention; however, the focus on WSS regulation varies significantly. Over the last 20 years, WSS service delivery regulation has undergone varying degrees of development. In countries such as the Congo Republic, Burundi, and Cameroon, steps have been taken to establish dedicated regulatory actors responsible for overseeing the primary WSS service providers or ensuring contract compliance. Conversely, in Equatorial Guinea, only very

³ The predominant regulatory model refers to the regulatory model under which the primary service provider in each country is regulated. In most cases, this refers to how a national or regional utility is regulated.

limited steps have been taken to regulate WSS services. Infrastructure construction and expanding first time access have been prioritised. Chad, the Central African Republic, and the Democratic Republic of the Congo have each taken steps to establish dedicated regulatory actors, at least semi-autonomous from government, but struggled to move forward with reforms in these areas.

Spheres of Regulation: The limited regulatory activities undertaken principally focus on the main WSS service providers in each country and their piped water supply services. In each country, the primary regulatory actors (i.e., a ministry, dedicated governmental actor, regulatory agency) overwhelmingly focus their activities on the largest formal WSS service providers (i.e., national or regional utilities, large private operators) that serve urban and peri-urban areas with networked piped water supply services. Limited attention has been given to smaller, deconcentrated service providers or other service delivery types such as point water sources or sewerage and onsite sanitation. Moreover, while several African countries have taken meaningful steps to strengthen the regulation of onsite sanitation services, this is not a development that has occurred in any Central African country, with very limited focus given to regulating sanitation services.

Regulatory Mechanisms: A regulatory mechanism is an intervention or process used by a regulatory actor to guide and influence the behaviour and performance of key stakeholders within the WSS sector, including particularly service providers. Insufficient progress has been made in developing and applying regulatory mechanisms. The existence of 16 individual regulatory mechanisms were investigated across four areas: (i) standards and guidelines;⁴ (ii) monitoring and performance reporting;⁵ (iii) incentives;⁶ and (iv) sanctions.⁷ Figure B presents a summary of each country's performance developing and applying regulatory mechanisms across these four areas. It highlights very weak to moderate performance across the Central African region, with no country having developed or applied more than 11 of the 16 regulatory mechanisms investigated. This represents by far the lowest performance across Africa's five regions (Northern, Western, Central, Eastern, Southern). Of note, the greatest challenges are evident in regard to developing standards and guidelines for quality of service, citizen involvement and pro-poor aspects, monitoring and inspecting service provider performance, producing reports on service provider performance, tracking economic efficiency and operational sustainability indicators, and applying financial and reputational incentives. Moreover, while most regulatory actors across Central Africa hold powerful sanctioning powers, these are only very rarely utilised.

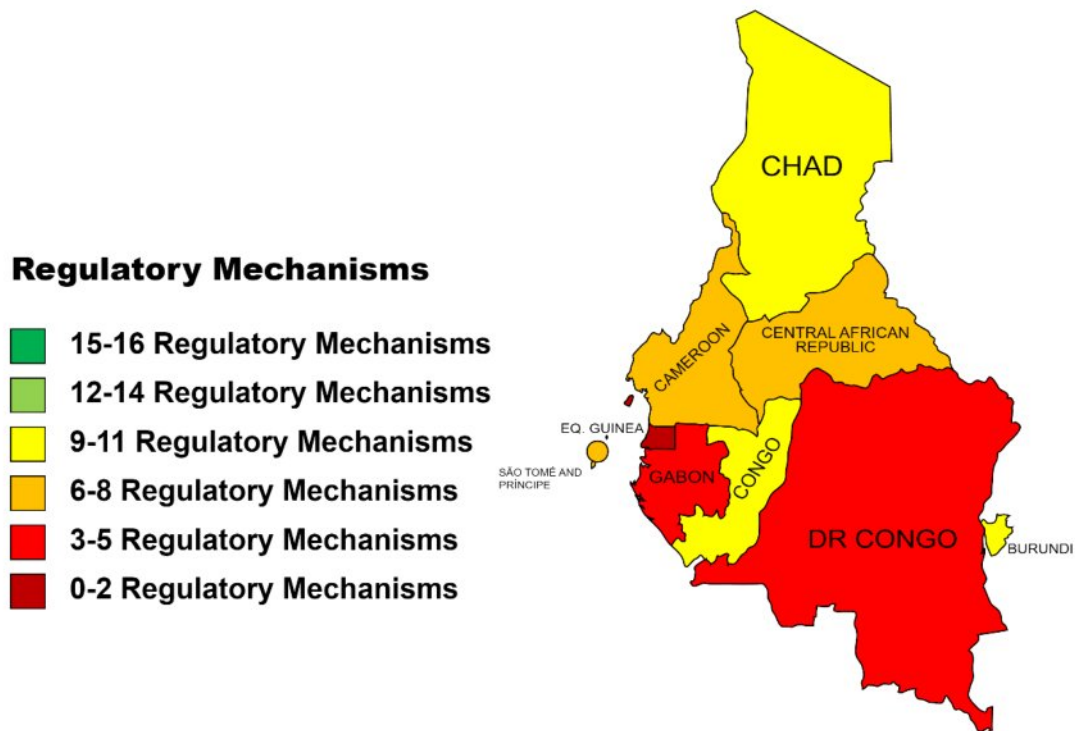
⁴ Six regulatory mechanisms were investigated in relation to standards and guidelines. These were: (i) Whether standards and guidelines exist for service levels and water quality; (ii) Whether standards and guidelines exist for tariff rates, tariff setting and tariff adjustments; (iii) Whether standards and guidelines exist for the planning activities of WSS service providers (i.e., business planning, financial projections, accounting, annual reporting); (iv) Whether standards and guidelines exist for citizen involvement and complaints mechanisms; (v) Whether standards and guidelines are designed to help ensure poorer and potentially marginalised populations receive affordable services; and (vi) Whether standards and / or guidelines exist for environmental protection.

⁵ Six regulatory mechanisms were investigated for monitoring and performance reporting: (i) Whether appropriate quality of service indicators are periodically tracked by the regulator; (ii) Whether appropriate economic efficiency indicators are periodically tracked by the regulator; (iii) Whether appropriate operational sustainability indicators are periodically tracked by the regulator; (iv) Whether regulated service providers regularly (i.e., annually) submit reports and data to regulatory actors; (v) Whether regulatory actors annually inspect and audit regulated service providers; and (vi) Whether annual reports produced on sector and regulated service provider performance.

⁶ Two regulatory mechanisms were investigated for incentives: (i) Whether regulatory actors use financial incentives to promote improved service provider performance; and (ii) whether regulatory actors use reputational incentives to promote improved service provider performance.

⁷ Two regulatory mechanisms were investigated for sanctioning: (i) Whether regulatory actors have the ability to issue fines to service providers; and (ii) Whether regulatory actors have the ability to suspend, remove, or transfer service provider licenses.

Figure B: Top-Level Overview of Regulatory Mechanisms for WSS Service Provision



Regulatory environment: Wide-ranging limitations exist in the regulatory environment for WSS service delivery across Central Africa regarding autonomy, participation, and transparency. Of note, even in countries where regulatory agencies have been established, these actors are largely financially dependent on the government and not financed through sustainable channels (i.e., a levy on service providers’ turnovers or tariffs charged). Moreover, formal measures beyond typical consultation processes are not being applied in a structured or consistent manner to ensure public participation in the development and application of regulations across Central Africa, representing an especially pressing challenge. Additionally, in none of the nine Central African countries do regulatory actors regularly or consistently produce reports on the performance of WSS service providers and make these publicly available (i.e., on their websites). In most Central African countries, significant challenges also exist in accessing other key regulatory documents such as policies and legal instruments, standards and guidelines, and contracts that are restricted by design.

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ACRONYMS

CAR	Central African Republic
DRC	Democratic Republic of the Congo
ESAWAS	Eastern and Southern Africa Water and Sanitation Regulators Association
GNI	Gross National Income
WSS	Water Supply and Sanitation

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1

INTRODUCTION

1. INTRODUCTION

The attainment of Sustainable Development Goal (SDG) 6 on ensuring the ‘availability and sustainable management of water and sanitation for all’ is a crucial target for most countries. Across Africa, many systemic weaknesses undermine WSS service provision, contributing to the failure to expand access at the required rate and deliver sustainable and equitable services over time. A well-functioning regulatory system is a key-driver in delivering safe, equitable and reliable water supply and sanitation (WSS) services. Regulators ensure that service providers are accountable and supported to perform effectively, provide services equitably, that the tariffs and other financing tools help achieve sustainability while meeting the needs of the urban poor, and that key performance indicators are available for purposes of service provider benchmarking and sector performance reporting.

There is no single ‘best-practice’ or one-size-fits-all approach to regulating WSS service delivery. Various arrangements exist for regulating WSS service delivery, including regulation by agency, regulation by contract, ministerial regulation, and self-regulation. However, there has been limited up-to-date reference material on the different regulatory setups across Africa. This lack of insight limits the understanding of common challenges and trends as well as the determination of good practices to serve as models for replication in countries looking to improve WSS regulation or institute necessary reforms. Within this context, the Eastern and Southern African Water and Sanitation Regulators Association (ESAWAS) commissioned a study to map the status of WSS regulatory arrangements in all 55 African countries.⁸

This report provides an overview of WSS regulation across the Central African region in nine countries: Burundi, Cameroon, Central African Republic (CAR), Chad, Congo Republic, the Democratic Republic of the Congo, Equatorial Guinea, Gabon, and Sao Tome and Principe. It includes a top-level summary of the regulatory arrangements for WSS in rural and urban areas, and the closely related sub-sectors of environmental protection and water resources. Information is also provided on the legal and policy backing for WSS regulation, different spheres of regulation (regulated service providers, regulated service delivery types), regulatory mechanisms, and the state of the regulatory environment. This region report is drawn from country reports which provide more detailed country-specific information, while a separate continent-wide report presents a top-level overview of the status of WSS regulation across Africa.

1.1. STRUCTURE

The remainder of this report is structured into the following sections:

- **Section Two** presents an overview of the socio-economic and WSS context of the region.
- **Section Three** details the legal and policy frameworks for WSS regulation, providing key information on whether legal instruments sufficiently support WSS regulation.
- **Section Four** outlines the different regulatory models and regulatory arrangements for WSS regulation.
- **Section Five** presents the extent to which different service providers and service delivery types are regulated.
- **Section Six** presents the regulatory mechanisms that have been developed – and applied – across four aspects: (i) standards and guidelines; (ii) monitoring and performance reporting; (iii) incentives; (iv) sanctions.
- **Section Seven** focuses on the regulatory environment for WSS regulation.

A few case study boxes are used across these sections. Because of the largely limited progress made in WSS regulation across Central, these principally focus on highlighting illustrative examples of common challenges rather than spotlighting good practices.

⁸ The full list of 55 countries is based on the African Union’s Member States. See: https://au.int/en/member_states/countryprofiles2

2

WATER SUPPLY AND SANITATION CONTEXT

2. WATER SUPPLY AND SANITATION CONTEXT

Central Africa is a highly diverse context for WSS, with substantial variations in WSS services among and within countries. Figures 1 and Figure 2 detail coverage rates for at least ‘basic’ water supply services and sanitation services and plot these against per capita gross national income (GNI).⁹ ¹⁰These figures highlight highly variable levels of coverage for WSS services across Central Africa, with two broad groups of countries being evident: (i) the DRC, CAR and Chad with very low levels of access; and (ii) the Congo Republic, Burundi, Cameroon, Sao Tome and Principe, Equatorial Guinea, and Gabon with higher levels. A broad trend is evident concerning WSS coverage rates and the level of economic development. However, several positive (i.e., water supply coverage in Congo Republic and Sao Tome and Principe) and negative (i.e., sanitation coverage in the DRC, CAR, Chad and Congo Republic) outliers are evident.

Figure 1: At Least ‘Basic’ Water Supply Coverage and GNI per Capita (PPP)

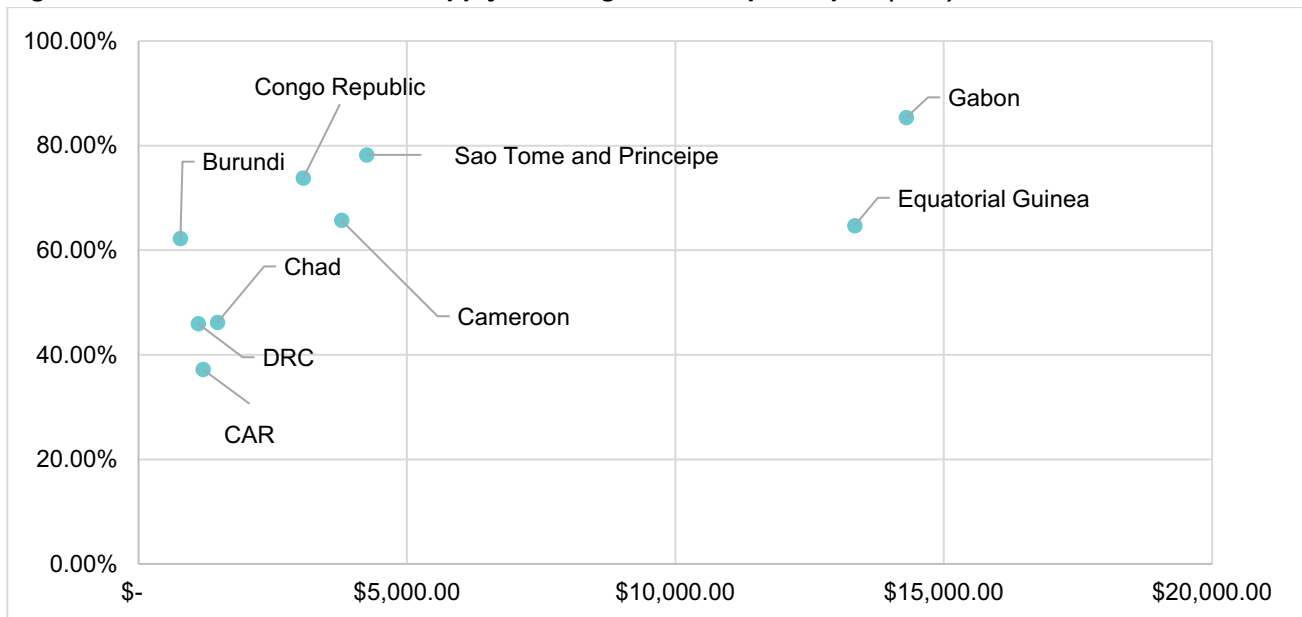
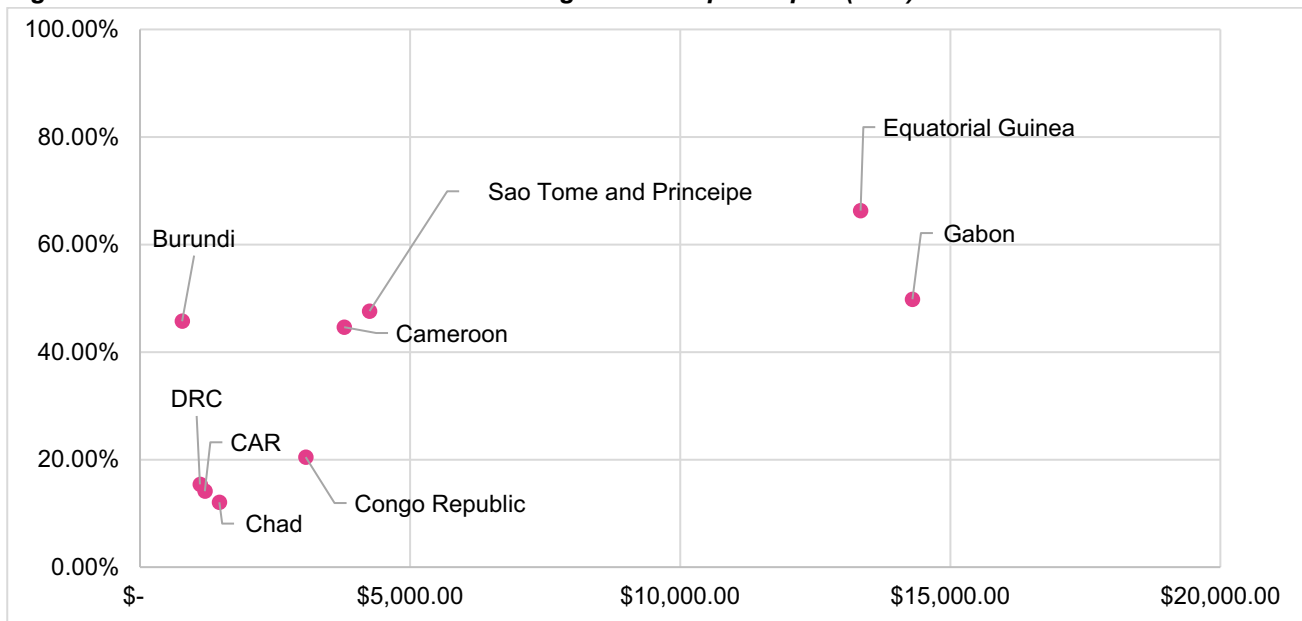


Figure 2: At Least ‘Basic’ Sanitation Coverage and GNI per Capita (PPP)



⁹ Data presented in this section is predominantly sourced from the Joint Monitoring Program to aid analysis among countries based on a comparable methodology. However, Table One also includes country reported data on four key indicators.

¹⁰ A basic water supply service refers to drinking water from an improved source, provided collection time is not more than 30 minutes for a roundtrip including queuing. A basic sanitation service is the use of improved facilities which are not shared with other households.

Central African countries have largely made comparatively slow progress in improving WSS services.

Figures 3 and 4 present trends in WSS coverage rates over the last two decades. Each Central African country has improved WSS coverage rates over the last 20 years, except for water supply services in CAR and sanitation services in the DRC. Progress has, however, largely been slower than the average improvements across Sub-Saharan Africa. This is especially true regarding water supply services in the DRC and Chad, and sanitation services in Chad and the Congo Republic. The most impressive progress in expanding services has occurred for water supply services in the Congo Republic and sanitation services in CAR.

Figure 3: At Least 'Basic' Water Supply Coverage (2000-2020) – Central African Countries

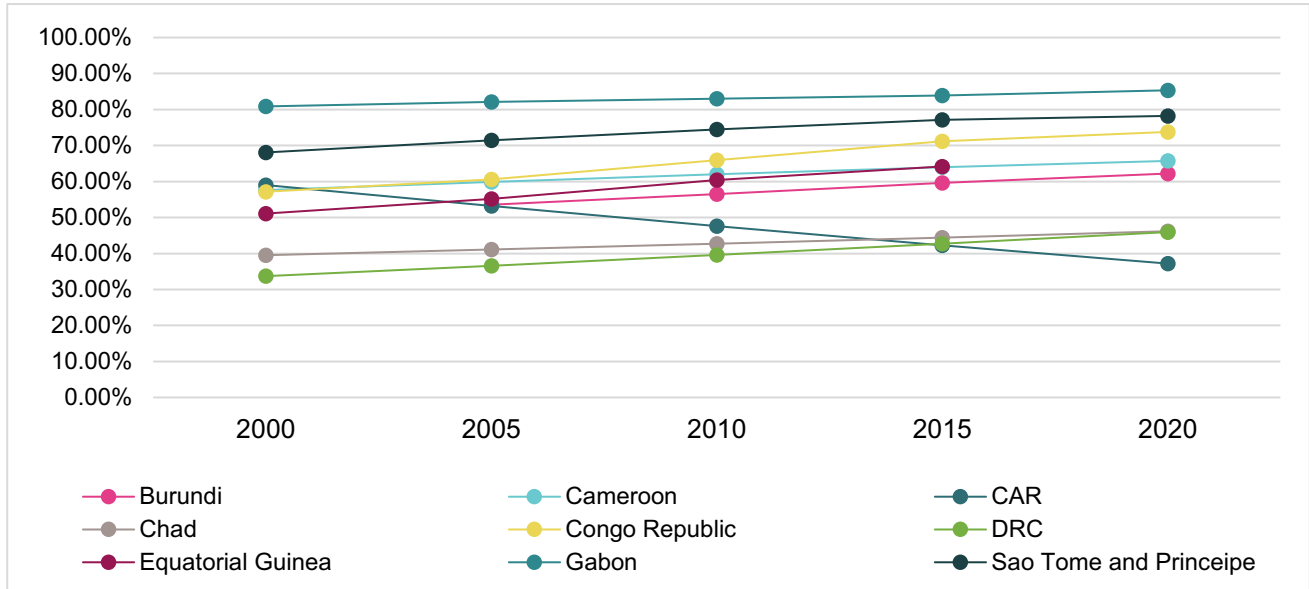
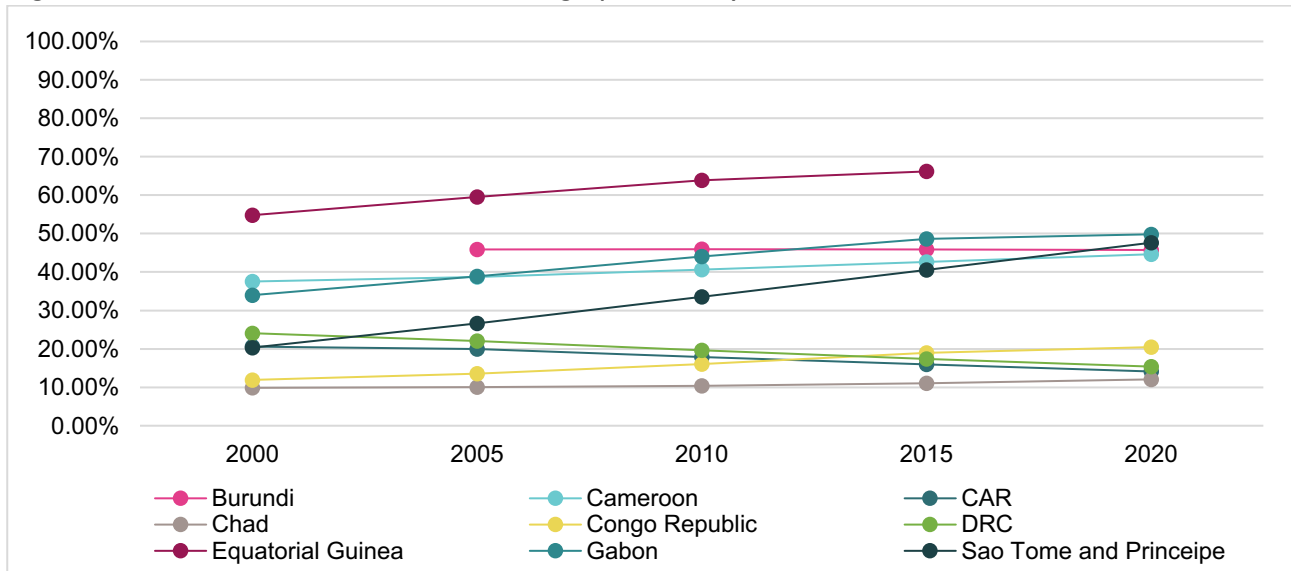


Figure 4: At Least 'Basic' Sanitation Coverage (2000-2020) – Central African Countries



Central Africa also represents a highly diverse context in terms of key economic and developmental dimensions. Table 1 presents data for each of the nine Central African countries across a range of indicators, covering economic, developmental, demographic, climatic, fragility, and WSS aspects. For each indicator detailed, Table 1 highlights a high degree of variance in the performance or conditions for delivering WSS services and illustrates that Central Africa encompasses a broad spectrum of contexts.

Table 1: Eastern Africa Socio-Economic and Water Supply and Sanitation Indicators

Country	Income Classification ¹¹	GNI per Capita (PPP)	Population (Millions)	Rural Population (%)	Human Development Index (Rank, Max. 189)	Fragile States Index (Rank, Max. 179)	Climate Vulnerability and Readiness Index (Rank, Max. 182)	At Least 'Basic' Water coverage (%) (JMP)	Water coverage (%) (Country Reported)	At Least 'Basic' Sanitation Coverage (%) (JMP)	Sanitation coverage (%) (Country Reported)	Non-Revenue Water	Cost Coverage of WSS Service Providers
Burundi ¹²	LIC	\$780	11.89	86.29%	185	16 th	169 th	62.21%	82.9%	45.73%	52.5%	Not reported	Not reported
Cameroon ¹³	LMIC	\$3,780	26.54	42.44%	153	15 th	143 rd	65.72%	74.9%	44.63%	57.9%	Not reported	Not reported
CAR ¹⁴	LIC	\$1,200	4.83	57.80%	188	6 th	181 st	37.20%	58.7%	14.12%	Not reported	10.6%	Not reported
Chad ¹⁵	LIC	\$1,470	16.43	76.48%	187	7 th	182 nd	46.19%	62%	12.06%	79%	18%	Not reported
Congo Republic ¹⁶	LMIC	\$3,068	5.52	32.17%	149	26 th	165 th	73.78%	56.5%	20.46%	Not reported	Not reported	Not reported
DRC ¹⁷	LIC	\$1,110	89.56	54.36%	175	5 th	178 th	45.95%	33%	15.39%	14%	Not reported	Not reported
Equatorial Guinea	UMIC	\$13,340	1.40	26.90%	145	44 th	142 nd	64.67%	Not reported	66.31%	Not reported	Not reported	Not reported
Gabon ¹⁸	UMIC	\$14,300	2.23	9.91%	119	101 st	116 th	85.34%	81.4%	49.82%	79%	Not reported	Not reported
Sao Tome and Principe ¹⁹	LMIC	\$4,250	0.22	25.65%	135	83 rd	123 rd	78.23%	89.2%	47.62%	44.7%	Not reported	Not reported

¹¹

Indicator	Income Classification	GNI per Capita, PPP (US\$)	Population	Rural Population	Human Development Index	Climate Vulnerability and Readiness Index	At Least 'Basic' Water coverage (%)	At Least 'Basic' Sanitation Coverage (%)
Source	World Bank Open Data. Available at: https://data.worldbank.org/				Human Development Data Centre. Available at: https://hdr.undp.org/en/data	Notre Dame Global Adaptation Initiative. Available at: https://gain.nd.edu/our-work/country-index/	Joint Monitoring Programme. Available at: https://washdata.org/	

¹² Country reported WSS data for Burundi is based on a 2016-2017 Demographic and Health Survey.

¹³ Country reported WSS data for Cameroon is based on a 2016-2017 Demographic and Health Survey.

¹⁴ Country reported WSS data for the Central Africa Republic is based on 2018-19 ICASEES. 2021. MICS6-RCA Enquête par grappes à indicateurs multiples 2018-2019, Rapport final des résultats de l'enquête.

¹⁵ Country reported WSS data for Chad is based on 2021 figures reported by the Ministry of Urban and Rural Hydraulics.

¹⁶ Country reported WSS data for the Congo Republic was sourced from the [National Development Plan](#) for the period 2018-2022.

¹⁷ Country reported WSS data for the Democratic Republic of the Congo was sourced from National Statistics Institute (2018) DRC Multiple Indicator Cluster Survey.

¹⁸ Country reported WSS data for Gabon is based on 2017 Enquête Gabonaise pour l'Evaluation de la Pauvreté data.

¹⁹ Country reported WSS data for Sao Tome and Principe is based on a 2019 Multiple Indicator Cluster Survey.

3

POLICY AND LEGAL FRAMEWORKS FOR WATER AND SANITATION REGULATION

3. POLICY AND LEGAL FRAMEWORKS FOR WATER AND SANITATION REGULATION

The policy and legal framework provide an enabling environment for regulation. The political, institutional, and legal setup of the market to be regulated are the foundations for effective regulation of the water supply and sanitation services sector. It is critical that the context, powers and boundaries of regulation are clearly and objectively defined, ensuring proper segregation of functions, and avoiding gaps or overlapping of functions among the various sector players. Under this section, policies, strategies and plans, laws and decrees were reviewed.

3.1. POLICIES AND FRAMEWORKS

National policy documents often state the importance of strengthening WSS regulation but usually fail to detail tangible measures to bring about the desired improvements. Three Central African countries have not developed national policy documents for WSS: (i) The Congo Republic (Brazzaville); (ii) Equatorial Guinea; and (iii) Sao Tome and Principe. While the Congo Republic is on track to adopt a National Water and Sanitation Policy, there are currently no guiding policy documents for WSS. Strategy documents explicitly focused on improving WSS regulation or aspects of WSS regulation have not been developed in any Central African countries. Of the countries that have developed national WSS policy documents, there are considerable variations in the extent to which these address WSS regulation. In Chad, for example, the National Water and Sanitation Policy Framework specifies the desire to create a Regulation Agency (*l'Agence pour la Régulation du Secteur de l'Eau*) for the water sub-sector. However, significant challenges have impeded steps being taken in this area. Conversely, in Cameroon, the 2007 Rural Water Supply and Sanitation Policy is the main WSS policy document, and it pays limited attention to WSS regulation, for example, not detailing the regulatory responsibilities of different actors.

3.2. LEGAL INSTRUMENTS

Legal instruments exist for aspects of WSS but vary in the extent to which they address regulation. Legal instruments have been developed for aspects of WSS in all Central African countries. However, there are considerable variations in the extent to which they specify regulatory mandates and powers. In Burundi, Congo Republic, the DRC, and Gabon, legal instruments specify regulatory mandates and set out the regulatory functions and powers held – or to be held – by key regulatory actors. Conversely, in some instances, legal instruments do not provide for WSS regulation. Equatorial Guinea and Sao Tome and Principe are the most extreme example of this. In Equatorial Guinea, for example, legal instruments have been developed that address or touch on aspects of WSS service delivery, but these neither detail regulatory mandates nor assign regulatory responsibilities. Additionally, in Cameroon, Congo Republic, and Gabon, legal instruments either have not been developed for sanitation or make no mention of regulatory responsibilities for sanitation.

In most Central African countries, legal instruments do not provide a sufficiently detailed or explicit legal backing for regulating WSS service delivery. Figures 5 and 6 use a simple colour-coded traffic light system to show the extent to which legal instruments provide the required legal backing for WSS regulation:

0 = No Legal Backing. Legal instruments either do not exist or make no mention of regulatory mandates or functions for water supply or sanitation.

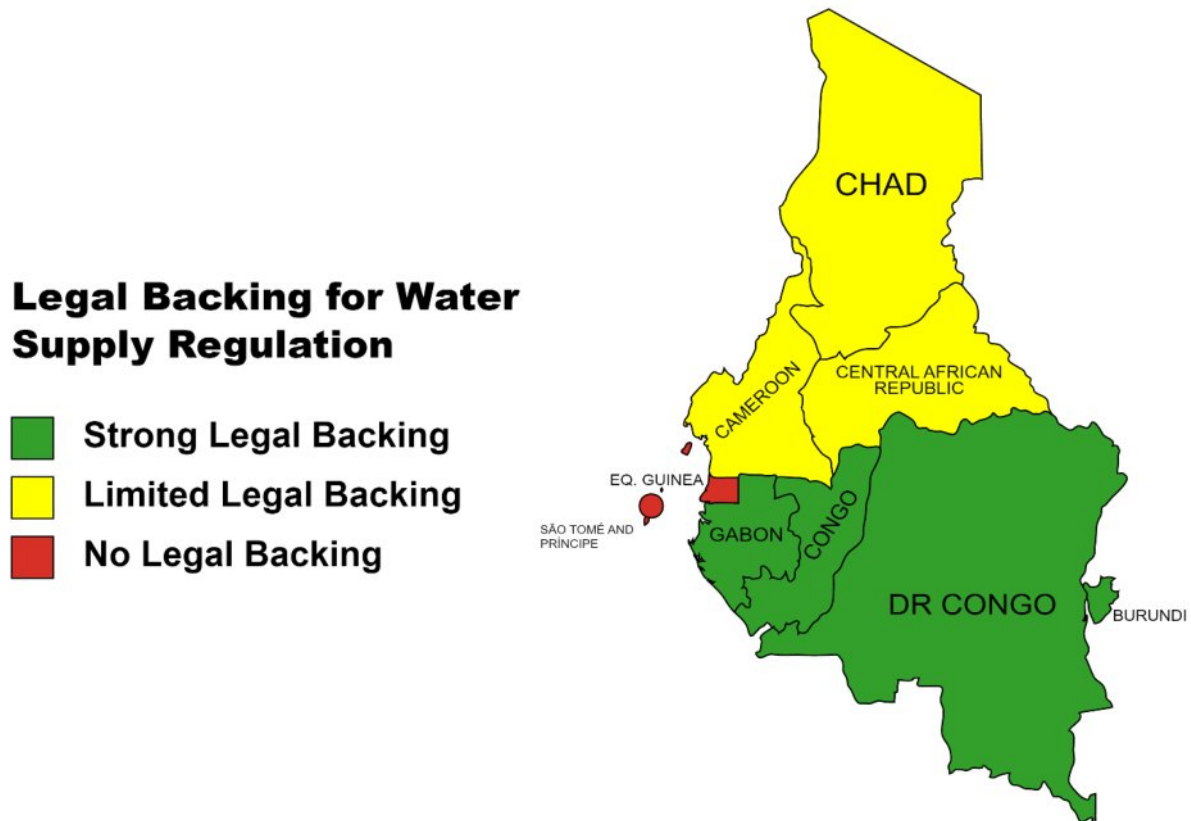
1 = Limited Legal Backing. Legal instruments support the regulation of water supply or sanitation services but do not provide sufficient legal backing. This usually occurs where legal instruments exist and specify regulatory mandates and responsibilities but fail to detail the specific regulatory functions and powers or consider the sub-sectors and types of service providers to be regulated.

2 = Strong Legal Backing. Legal instruments address water supply or sanitation regulation, setting out regulatory mandates and functions.

On the water supply side, Figure 5 highlights that four of the nine Central African countries (44%) have a strong legal backing for water regulation, while three have a limited legal backing (33%). Equatorial Guinea and Sao Tome and Principe are the two countries that do not have a legal backing for regulating water supply. It is

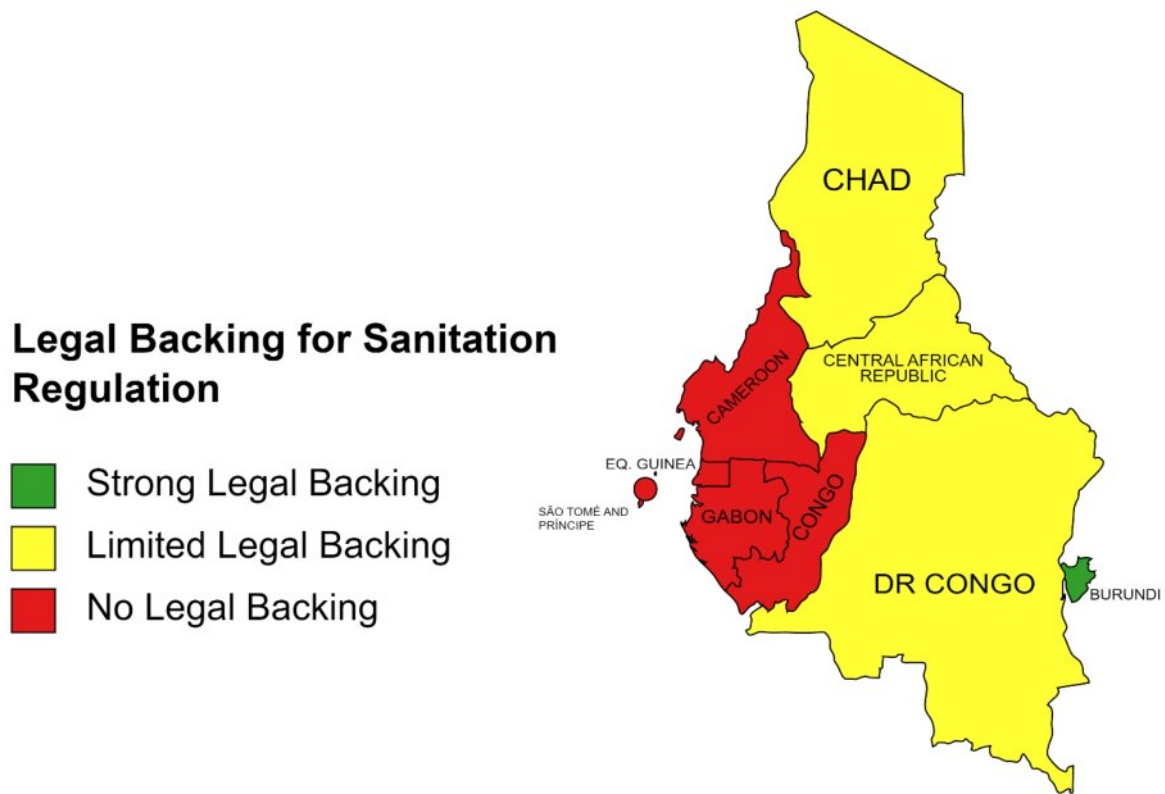
important to note that several countries have struggled to operationalise key provisions of legal instruments related to regulating WSS services. This is most notably seen in the Democratic Republic of the Congo (see Box 1) and the Central African Republic, where the autonomous Regulatory Agency for the WASH sector was created in 2007 but not properly funded and, consequently, largely only existed on paper before recently being dissolved.

Figure 5: Legal Instruments for Regulating Water Supply Services



As Figure 6 indicates, five Central African countries (56%) have not developed legal instruments that provide the required legal backing for regulating sanitation services, and Burundi is the only Central African country with a strong legal backing for regulating sanitation services. This is a common challenge across Africa, but one that is especially pronounced in Central Africa. In Central Africa, weaknesses in this area are most commonly caused by the failure to develop legal instruments that address sanitation or to develop legal instruments that only indirectly touch on the regulation of sanitation services in public health or environmental management acts. Challenges in this area are also, in some instances, linked to the existence – or planned creation – of dedicated regulatory agencies with responsibilities for water supply. This is the case in the Congo Republic, Gabon, and the DRC. In Gabon, for example, the law establishing the Regulatory Agency for Drinking Water and Electric Energy establishes its regulatory functions, including issuing licenses and monitoring and enforcing compliance with contracts. However, these functions only relate to urban water supply and there is no equivalent legislation defining responsibilities or powers for regulating sanitation service provision.

Figure 6: Legal Instruments for Regulating Sanitation Services



Box 1: Democratic Republic of the Congo – Comprehensive Water Code Requiring Further Implementation

The DRC’s WSS sector is undergoing fundamental reforms principally initiated by a new Water Code enacted in 2015 that provides legal backing to various aspects of WSS service provision and water resources management. Among several key provisions, this Water Code specifies that the Government shall establish a regulatory authority for public water services by decree deliberated in the Council of Ministers. The Water Code also specifies the comparatively wide-ranging regulatory functions of this *to-be-created* entity:

- I. Ensuring compliance by water supply operators and service providers with specified conditions of concession contracts, declarations and authorisations.
- II. Monitoring the adherence to standards and norms by WSS operators and service providers.
- III. Establishing specifications for awarding concessions and any normative document within the public water supply services framework.
- IV. Aiding dispute resolution between operators and between consumers and public water supply service providers.
- V. Determining the rules and procedures for fixing the elements of the tariff structure.
- VI. Ensuring that rates and tariffs do not exceed the permitted maximums.

The implementation of the Water Code has not proceeded at the pace required or expected due to various governance and financial factors, as well as insufficient progress decentralising a wide range of functions. In particular, Decree No. 22/04 on the creation, organisation, and operation of a Public Water Service Regulatory Authority (ARPSE) was only recently passed (March 2022). This delay has, for the time being, resulted in regulatory functions for WSS being split across a wide range of ministries in a fragmented regulatory arrangement that is not effectively regulating WSS service providers or services.

4

REGULATORY ARRANGEMENTS

4. REGULATORY ARRANGEMENTS

Any regulatory model must be fit-for-purpose and custom designed for a specific country's institutional context and political economy. Regulation tends to be incremental, with a focus on what is possible to be regulated. To ensure the effectiveness of its regulatory actions, the regulator may adopt a variety of regulatory strategies to suit the sector context. There are four main models by which regulation is instituted. These are:

- I. **Regulation by Agency.** A regulatory body (semi-)autonomous from the government has discretionary powers to regulate WSS or aspects of WSS. This regulatory agency can be mandated to perform a specific set of functions (i.e., economic regulation) or hold a more comprehensive set of powers for regulating WSS service delivery.
- II. **Regulation by Contract.** An approach whereby a public entity (other than an autonomous regulatory agency) and a service provider agree on contractual clauses that determine how key aspects of WSS service provision are defined and controlled, such as tariffs and service standards. In these cases, the contract represents the key document establishing or defining the provisions to be abided by rather than existing regulations or standards.
- III. **Ministerial Regulation.** A ministry responsible for WSS – or an aspect of WSS – is tasked with performing some or all regulatory responsibilities for WSS. For example, where a ministry is responsible for developing standards and guidelines, as well as overseeing some WSS service providers and applying regulatory tools (i.e., standard enforcement, monitoring, performance reporting).
- IV. **Self-Regulation.** A service provider (typically a public utility or unit of local government) provides WSS services and is legally mandated to perform regulatory activities upon itself. This usually includes setting tariffs and performance standards and carrying out performance monitoring and reporting.






































Several different regulatory models are utilised across Central Africa for WSS service provision. Table 2 outlines the main regulatory models applied per country and in total across the Central Africa Region, with the predominant regulatory model marked as .²⁰ It does not consider regulatory responsibilities for water resources or environmental protection (see Table 3). Table 2 highlights that most countries have mixed regulatory arrangements based on multiple regulatory models applied across the four WSS sub-sectors (urban water supply, rural water supply, urban sanitation, rural sanitation) and for different service providers.

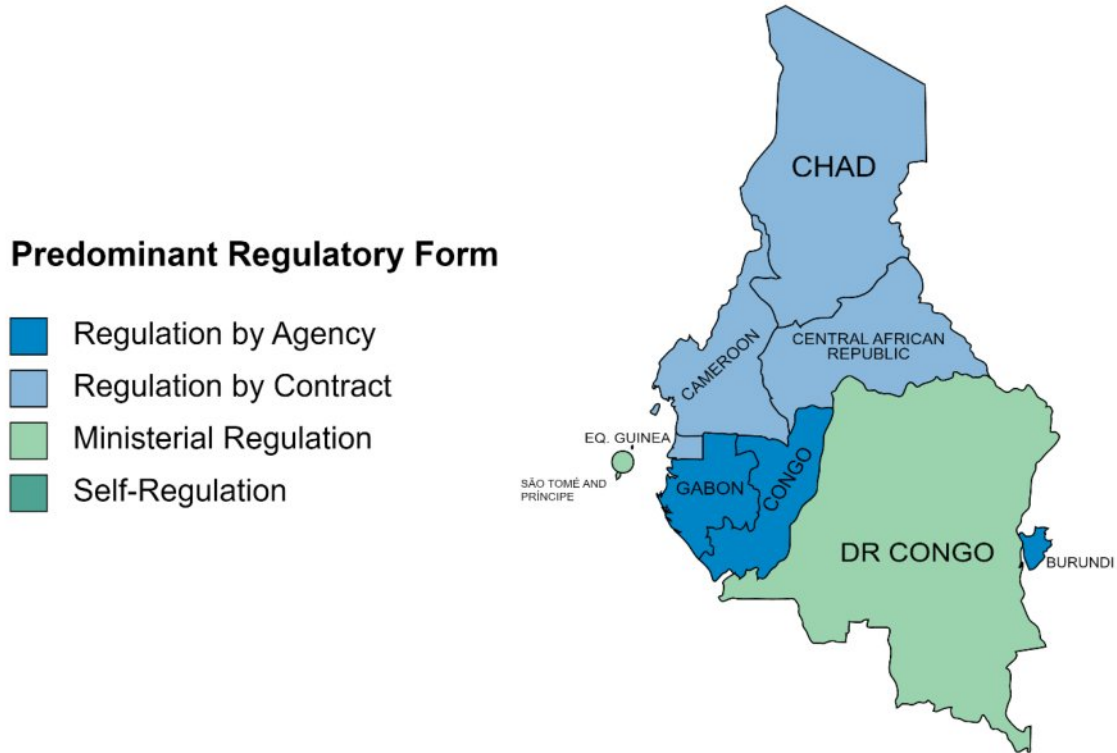
Table 2: Regulatory models Applied for Water Supply and Sanitation Service Provision

Country	Regulatory model			
	Regulation by Agency	Ministerial Regulation	Regulation by Contract	Self-Regulation
Burundi				
Cameroon				
CAR				
Chad				
Congo Republic				
DRC				
Equatorial Guinea				
Gabon				
Sao Tome & Principe				
Total – Regulatory model Applied	3 (33%)	8 (89%)	6 (67%)	0 (0%)
Total – Predominant Regulatory model	2 (22%)	3 (3%)	4 (44%)	0 (0%)

²⁰ The predominant regulatory model refers to the regulatory model under which the primary service provider in each country is regulated. In most cases, this refers to how a national or regional utility is regulated.

The use of multiple regulatory models and the variations in their application make it useful to note the primary regulatory model applied in each country. Figure 7 presents this. The predominant regulatory model refers to the regulatory model under which the primary service provider in each country is regulated. In most cases, this refers to how a national or regional utility is regulated.

Figure 7: Predominant Regulatory model Applied for Water Supply and Sanitation Service Provision



Regulation by contract and ministerial regulation are the most common regulatory models. Table 3 details the regulatory actors and regulatory models for each Central African country across several WSS sub-sectors. It highlights that in most Central African countries, multiple actors hold key regulatory responsibilities for WSS service delivery and that multiple regulatory models are applied. As Table 2 highlights, regulation by contract is the most common predominant regulatory model in Central Africa (44% of Central countries). Nevertheless, ministerial regulation is the most commonly implemented regulatory model – it is utilised in eight countries (89%) and is the predominant regulatory model in three countries (33%). Regulation by contract is the next most frequently used regulatory model, with six countries (67%) using this regulatory model for at least a portion of WSS regulation. Many service providers in Central Africa practice self-regulation because of a lack of or very limited oversight from legally mandated regulatory actors. However, unlike other African regions (i.e., Eastern, Western, Southern), self-regulation is not designed into any Central African country’s regulatory arrangement for a substantive set of regulatory functions (i.e., tariff setting, standard development).

Table 3: Regulatory model

Key						
Regulation by Agency	Ministerial Regulation		Regulation by Contract		Self-Regulation	
Country	Urban Water	Rural Water	Urban Sanitation	Rural Sanitation	Water Resources	Environmental Protection
Burundi	Authority for the Drinking Water and Energy Sectors				Ministry of the Environment, Agriculture and Livestock	
	Ministry of Hydraulics Energy and Mines					
Cameroon	Ministry of Energy and Water				Ministry of Environment, Nature Protection, and Development	
	Ministry of Territorial Administration and Decentralisation					
	Local Governments					
	Performance Contract Monitoring Committee					
CAR	Ministry of Energy and Hydraulic Resource Development (MDERH)					Ministry of the Environment and Sustainable Development
	MDERH through General Directorate of Hydraulic Resources		MDERH through General Directorate of Hydraulic Resources			
Chad	Ministry of Urban and Rural Hydraulics					Ministry of Environment, Fishing and Sustainable Development
	Ministry of Urban and Rural Hydraulics	Ministry of Public Health and National Solidarity	Ministry of Urban and Rural Hydraulics			
Congo Republic	The Ministry of Energy and Hydraulics					
	The Water Regulatory Body		The Ministry of Energy and Hydraulics			
	Ministry of Energy and Hydraulics					
	Ministry of Health				Ministry of Health	
DRC	Ministry of Energy and Hydraulics Resources		Ministry of Environment and Sustainable Development			
	Ministry of Health and Public Hygiene					
		Ministry of Rural Development	Ministry of Infrastructure and Public Works			
Equatorial Guinea	G-Proyectos (Semi-Private Company)				Ministry of Fishing and the Water Resources	
Gabon	Ministry of Energy and Hydraulic Resources (MEH)					Ministry of Water, Forests, the Sea and Environment
	Regulatory Agency for Drinking Water and Electric Energy					
Sao Tome and Principe	Ministry of Public Works, Infrastructure, Natural Resources and Environment					
	Ministry of Health					
	Ministry of Planning, Finance, and the Blue Economy					

In several Central African countries, regulatory arrangements are, by design, biased towards water supply services. Burundi, Congo Republic, and Gabon have established regulatory agencies for aspects of WSS service delivery, while CAR and Chad have each unsuccessfully sought to establish and operationalise regulatory agencies. In the Congo Republic and Gabon (see Box 2), these regulatory agencies only focus on water supply services, illustrating the emphasis on regulating water supply services over sanitation (see Sub-Section 5.2.). Moreover, in Cameroon, the Performance Monitoring Contract Committee only oversees contracts for urban and peri-urban water supply, with ministerial regulation used for urban and rural sanitation and rural water supply.

Box 2: Gabon’s Regulatory Arrangement Skewed Towards Urban Water Supply

Gabon has a relatively underdeveloped regulatory arrangement for WSS services, with minimal regulation of the WSS sub-sectors other than urban water supply. **Ministerial regulation**, conducted by various directorates within the Ministry of Energy and Hydraulic Resources, is the predominant regulatory model. Nevertheless, regulation by agency is applied on a modest scale, with the Regulatory Agency for Drinking Water and Electric Energy responsible for overseeing and ensuring compliance of the contracts entered into by the Ministry of Energy and Hydraulic Resources and the Energy and Water Company of Gabon. Despite having a dedicated regulatory agency, only a comparatively limited set of regulatory mechanisms have been developed and applied, with pressing gaps evident across the four investigated areas: (i) standards and guidelines, (ii) monitoring and reporting; (iii) incentives; and (iv) sanctions (see Section 6).

The rural water sector is loosely regulated by the Directorate of Rural Hydraulics within MEH, while the Directorate of Sanitation is in the very early stages of developing a regulatory framework for sanitation. The Ministry of Water, Forests, the Sea and Environment is responsible regulating environmental issues and water resource management.

5

SPHERES OF REGULATION

5. SPHERES OF REGULATION

WSS service delivery is mainly comprised of network infrastructures which create natural monopolies that need to be regulated. The extent and diversity of the scope of the regulator's mandate and the specificities of the country's political-administrative governance model may require adoption of different regulatory regimes for different service providers. In this section, who and what is regulated was examined.

5.1. REGULATED SERVICE PROVIDERS

Different forms of regulation are applied to different types of WSS service providers. Section Four detailed how, in all Central African countries, several actors hold regulatory responsibilities for WSS service provision, and, in most countries, multiple regulatory models are applied. This variation is often explained by the existence of many types of WSS service providers in each country, and that varying regulatory arrangements have often been developed for each of these. This partially reflects the markedly different challenges in – and requirements for – regulating national or regional utilities, private operators of varying sizes and formality, and community-based organisations (i.e., water committees). However, it also reflects the fragmented nature of WSS mandates in many Central African countries and the limited attention given to regulating smaller, deconcentrated WSS service providers. Table 4 details the main WSS service providers for each Central African country, the services they provide, the primary actors responsible for their regulation and the regulatory model applied.

The comparatively limited regulatory activities performed overwhelmingly focus on the primary WSS service providers in each country. Each country's primary regulatory actors (i.e., a ministry or regulatory agency) principally centre on the main WSS service provider (i.e., national utility) and the urban water supply and sometimes sewered sanitation services they provide. Considerably less attention is given to smaller, deconcentrated service providers such as water committees and private vacuum tanker operators, with regulatory mechanisms often having not even been developed for these service providers.

Table 4: Regulatory Responsibilities – Water Supply and Sanitation Service Providers

Country	Service Provider	Service Provider Type	Services Provided	Regulatory Actor	Regulatory model
Burundi	Burundi Water and Electricity Production and Distribution Company (REGIDESO)	National Utility	Urban Water Supply and Sanitation	Regulatory Authority of the Drinking Water and Energy Sectors	Regulation by Agency
	Private Water Supply Vendors	Private Operators	Urban Water and Rural Water	Regulatory Authority of the Drinking Water and Energy Sectors via REGIDESO	
	Private Sanitation Service Providers		Urban Sanitation (Onsite – Emptying and Transport)		
	Water User Associations	Community-Based Organisations	Rural Water Supply	Commune	Ministerial Regulation
	Burundian Agency of Rural Hydraulics and Basic Sanitation	Government Agency	Rural Water Supply	Ministry of Hydraulics, Energy and Mines	
Cameroon	Cameroon Water Utilities Corporation	National Utility	Urban Water Supply	Performance Contract Monitoring Committee	Regulation by Contract
	Decentralised Territorial Committee	Sub-National Government	Urban and Rural Water Supply; Urban Sanitation	Ministry of Decentralisation and Local Government	Ministerial Regulation

	Private Water Operators	Private Operators	Urban and Rural Water Supply	Ministry of Energy and Water	
	Formalised Private Operators		Urban Sanitation (Onsite – Emptying and Transport)	Decentralised Territorial Committee	
	Various Ministries	Ministries	Rural Sanitation	Various Corresponding Ministries	
	Water Committees	Community-Based Organisations	Rural Water Supply	Decentralised Local Authorities	
	Informal Manual Pit Emptiers	Private Operators	Urban Sanitation (Onsite – Emptying and Transport)	No Regulatory Arrangement Specified	
CAR	Central African Water Company	National Utility	Urban Water Supply and Sanitation	Ministry of Energy and Hydraulic Resources Development	Regulation by Contract
	Private Water Supply Vendors	Private Operators	Urban and Rural Water Supply		Ministerial Regulation
	Private Sanitation Service Providers		Urban Sanitation (Onsite – Emptying and Transport)		
	Water User Associations	Community-Based Organisations	Rural Water Supply		
Chad	Chadian Water Company	National Utility	Urban Water	Ministry of Urban and Rural Hydraulics	Regulation by Contract
	Private Water Supply Operators	Private Operators Private Operators			
	Private Sanitation Service Providers		Urban Sanitation		
	Private Water Supply Operators		Rural Water		
	Water User Associations	Community-Based Organisations			Ministerial Regulation
Congo Republic	The Congolese Waters	Parastatal Company	Urban Water Supply	The Water Regulatory Body	Regulation by Agency
	National Agency for Rural Hydraulics	Government Agency	Rural Water Supply		
	Averda Waste Management	Private Operators	Urban Sanitation	Ministry of Energy and Hydraulics	Regulation by Contract
	Vacuum Tanker Operators		Urban and Rural Onsite Sanitation	Local Government	Ministerial Regulation
	Manual Pit Emptiers				
	Local NGOs	Non-Governmental Organisations	Rural Water Supply and Urban and Rural Sanitation		
DRC	Water Distribution Board	National Publicly Owned Utility	Urban Water Supply	Several Ministries	Ministerial Regulation

	National Rural Hydraulic Service		Urban Sanitation		
	Private Water Operators	Private Operators	Urban and Rural Water Supply	National, Provincial and Local/ETD – Decentralized Territorial Entity	Regulation by Contract
	Private Vacuum Tanker Operators		Urban and Rural Onsite Sanitation	Several Ministries	Ministerial Regulation
	Private Manual Pit Emptiers				
	Water Committees	Community-Based Organisations	Rural Water Supply		
Equatorial Guinea	Private Service Providers	Private Operator	Urban and Rural Water Supply; Urban Sanitation	G proyectos (Semi-Private Entity)	Regulation by Contract
	Local Government	Local Government	Urban Onsite Sanitation (Emptying and Transport)	No Regulatory Arrangement Specified	
Gabon	Energy and Water Company of Gabon	National Utility	Urban Water Supply	Regulatory Agency for Drinking Water and Electric Energy	Regulation by Agency
	Directorate of Rural Hydraulics of the Ministry of Energy and Hydraulic Resources	Ministry	Rural Water Supply	Ministry of Energy and Hydraulic Resources	Ministerial Regulation
	Private Vacuum Truck Operators	Private Operators	Urban Sanitation	Directorate of Sanitation of the Ministry of Energy and Hydraulic Resources	
	Manual Emptiers				
Sao Tome and Principe	Water and Energy Company	National Publicly Owned Utility	Urban and Rural Water Supply	Several Ministries	Ministerial Regulation
	Water Trucks	Private Operators	Rural Water Delivery	No Regulatory Arrangement Specified	
	Vacuum Tanker Operators	Private Operators	Urban and Rural Onsite Sanitation (Emptying, Transport)		
	Manual Pit Emptiers				

5.2. REGULATED SERVICE DELIVERY TYPES

The limited regulatory activities performed focus on piped water supply services, with other service delivery types largely receiving very little attention. Table 5 uses a simple colour-coded traffic light system to present an overview of the extent to which regulations and regulatory mechanisms have been developed for six core WSS service delivery types and whether these are regulated at scale.²¹ This represents a simplification of the situation within individual countries. For example, substantial variations exist between countries and service delivery types in the breadth and depth of regulations and standards developed for water supply services. However, at the top-level, Table 5 illustrates how the limited regulatory activities performed are focused on networked piped water supply services, with sanitation services and other water supply service delivery types largely being neglected. These networked piped water supply services are mainly found in urban

²¹ Scoring: 0 = There are no regulations for this type of service provision; 1 = Regulations developed but rarely applied or only applied on a limited basis; 2 = Regulations developed and applied at scale.

and peri-urban areas and principally managed by the large, formalised service providers (i.e., national utilities) that are the focus of regulatory activities in most countries.

Table 5: Extent of Regulation of Different Service Delivery Types

Country	Water Supply			Sanitation		
	Networked Piped Water Supply	Point Water Sources	Household Water Supply Sources	Sewered Sanitation	On-Site Sanitation	Communal Sanitation
Burundi	1	1	1	1	0	0
Cameroon	1	0	0	0	1	0
CAR	0	0	0	0	0	0
Chad	1	1	1	0	0	0
Congo Republic	2	1	1	0	0	0
DRC	1	1	1	0	0	0
Equatorial Guinea	0	0	0	0	0	0
Gabon	2	0	0	0	0	0
Sao Tome and Principe	1	0	0	0	0	0

The regulation of water supply services is focused on networked piped water supply services. Table 5 highlights comparatively poor performance across the Central Africa region in regulating water supply services and that the regulatory activities conducted across Central Africa predominantly centre on piped water supply, with no countries regulating other service delivery types (point water sources, household water supply) at scale. Important progress has been made in countries such as the DRC and Congo Republic in developing some standards and regulations for point water sources and household water supply. However, as is generally the case across Africa, considerable further work is required to properly apply these at scale.

Little progress has been made regulating sanitation services. Table 5 highlights that very little progress has been made in regulating sanitation service provision and that considerable weaknesses are evident in this area, with Central Africa performing notably worse than Northern, Western, Eastern and Southern Africa. This situation is partially explained by the very low coverage rates of sewered sanitation services in Central Africa, which are the main regulated service delivery type for sanitation across the continent. However, in countries like Gabon (33% of the population use sewered sanitation) and Equatorial Guinea (10%), these services are used by noteworthy proportions of the population but remain largely unregulated. The concerning situation presented in Table 5 is also highly illustrative of the very limited attention and prioritisation of regulating sanitation services that has been given across the region. For example, while several African countries have taken meaningful steps to strengthen the regulation of onsite sanitation services, this is not a development that has occurred in any Central African country.

6

REGULATORY MECHANISMS

6. REGULATORY MECHANISMS

A regulatory mechanism is an intervention or process used by a regulatory actor to guide and influence the behaviour and performance of key stakeholders within the WSS sector, including particularly service providers. The existence of 16 individual regulatory mechanisms was examined across four areas:

- I. **Standards and Guidelines.** Whether standards and guidelines have been developed for quality of service, tariff setting, planning and reporting, citizen involvement, and environmental protection, and whether developed standards and guidelines adequately consider pro-poor aspects.
- II. **Monitoring and Performance Reporting.** Whether there is adequate monitoring and reporting by service providers and the regulatory authority, and whether an appropriate set of service quality, economic efficiency and operational sustainability indicators are tracked.
- III. **Incentives.** Whether regulatory authorities are applying financial and reputational incentives to WSS service providers.
- IV. **Sanctions.** Whether regulatory authorities can suspend or remove the license of WSS service providers and apply fines to WSS service providers for breaching regulations.

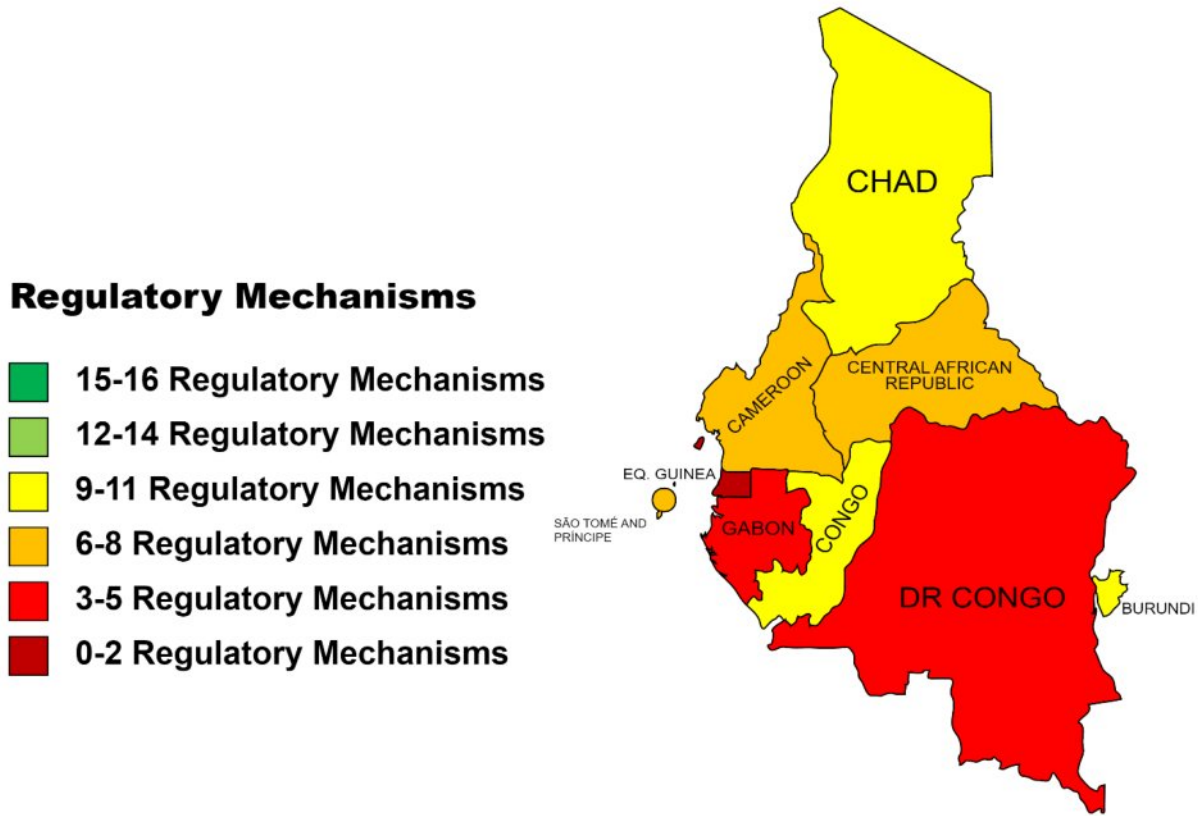
Table 6 details the 16 regulatory mechanisms investigated across these four areas. For each of these, a simple Yes or No grading was utilised to enable the aggregation of country findings to the regional and continent-wide levels. Consequently, noteworthy variations do exist in the performance against each of these aspects for countries that have received the same score. It is critical to note that this assessment principally focused on the existence of these regulatory mechanisms in relation to the primary regulated WSS service providers in each country (i.e., national utilities, large private operators) rather than for smaller, deconcentrated and sometimes informal service providers such as water committees or private vacuum tanker operators and pit emptiers. As is highlighted throughout this section, a considerably less developed set of regulatory mechanisms have been formulated for these types of service providers and the services they provide.

Table 6: Regulatory Mechanisms Examined

Regulatory Mechanism	Aspect
Standards and Guidelines	Whether standards and guidelines exist for service levels and water quality .
	Whether standards and guidelines exist for tariff rates, tariff setting and tariff adjustments .
	Whether standards and guidelines exist for the planning activities of WSS service providers (i.e., business planning, financial projections, accounting, annual reporting).
	Whether standards and guidelines exist for citizen involvement and complaints mechanisms .
	Whether standards and guidelines are designed to help ensure poorer and potentially marginalised populations receive affordable services.
	Whether standards and / or guidelines exist for environmental protection .
Monitoring and Performance Reporting	Whether appropriate quality of service indicators are periodically tracked by the regulator.
	Whether appropriate economic efficiency indicators are periodically tracked by the regulator.
	Whether appropriate operational sustainability indicators are periodically tracked by the regulator.
	Whether regulated service providers regularly (i.e., annually) submit reports and data to regulatory actors.
	Whether regulatory actors annually inspect and audit regulated service providers .
	Whether annual reports are produced on sector and regulated service provider performance .
Incentives	Whether regulatory actors use financial incentives to promote improved service provider performance.
	Whether regulatory actors use reputational incentives to promote improved service provider performance.
Sanctioning	Whether regulatory actors have the ability to issue fines to service providers.
	Whether regulatory actors have the ability to suspend, remove, or transfer service provider licenses.

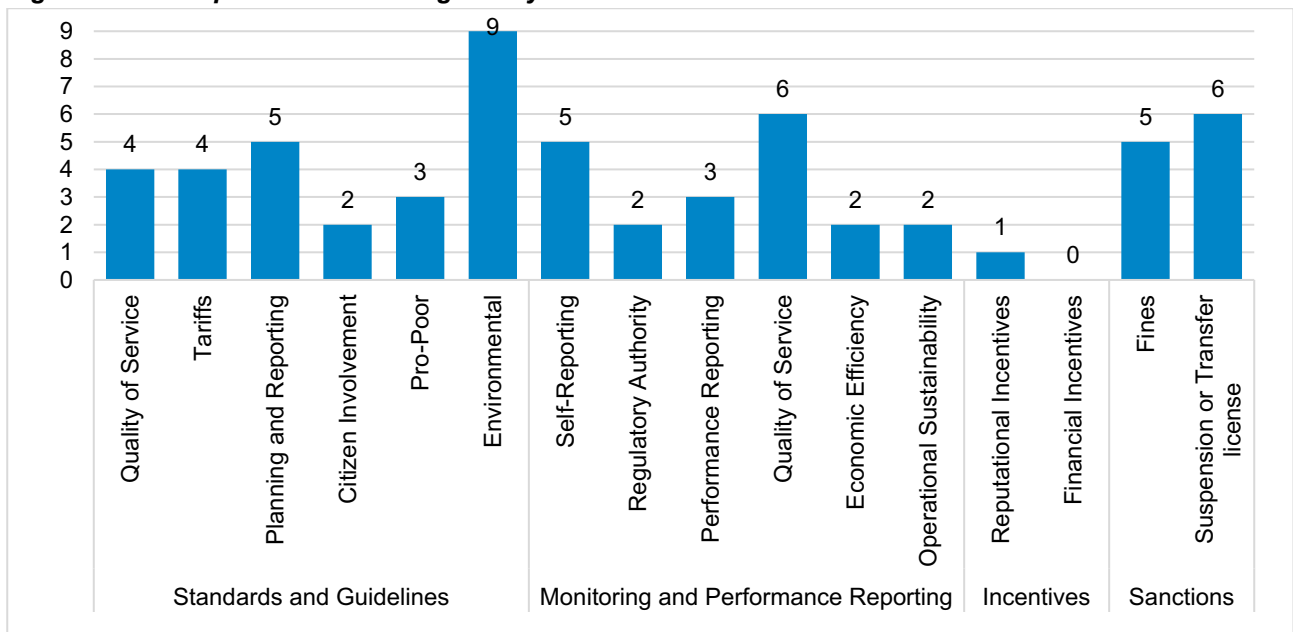
Comparatively limited progress has been made across Central in developing and applying regulatory mechanisms for WSS service provision. Figure 8 provides a top-level overview of each country's performance concerning the development of 16 regulatory mechanisms across these four areas. It highlights moderate to poor performance, with no Central African country performing especially well. Especially concerning levels of performance are evident in the DRC, Equatorial Guinea, and Gabon.

Figure 8: Top-Level Overview of Regulatory Mechanisms for WSS Service Provision



Considerable challenges exist across each of the four groupings of regulatory mechanisms investigated. Figure 9 details the number of the nine Central African countries that have developed each of the 16 regulatory mechanisms investigated. It highlights considerable weaknesses across the areas of standard and guideline development, monitoring and performance reporting, regulation by incentives, and sanctioning, with none of these areas performing well. Of note, the greatest challenges are evident in regard to developing standards and guidelines for quality of service, citizen involvement and pro-poor aspects, monitoring and inspecting service provider performance, producing reports on service provider performance, tracking economic efficiency and operational sustainability indicators, and applying financial and reputational incentives.

Figure 9: Development of each Regulatory Mechanism for WSS Service Provision



6.1. STANDARDS AND GUIDELINES

Across central Africa, substantial gaps exist in the standards and guidelines developed for core aspects of WSS service provision. Table 6 details which Central African countries have developed standards and guidelines for quality of service, tariff setting, planning and reporting, citizen involvement, and environmental protection, and whether standards consider pro-poor aspects. The greatest progress has been formulating standards and guidelines focused on environmental protection. The least progress has been made developing standards and guidelines for planning and reporting by service providers, ensuring citizen involvement and the availability of complaints mechanisms, and pro-poor aspects (both through dedicated guidelines or as a cross-cutting issue). Chad and the Congo Republic have made the most progress in developing standards and guidelines across the areas investigated, while the least progress has been made by the DRC, Equatorial Guinea, Cameroon and the Central African Republic.

Table 6: Standards and Guidelines

Country	Quality of Service	Tariffs	Planning and Reporting	Citizen Involvement	Pro-Poor	Environmental
Burundi	✗	✓	✗	✗	✓	✓
Cameroon	✗	✗	✓	✗	✗	✓
CAR	✗	✗	✓	✗	✗	✓
Chad ²²	✓	✓	✓	✓	✓	✓
Congo Republic	✓	✓	✓	✓	✓	✓
DRC	✗	✗	✗	✗	✗	✓
Equatorial Guinea	✗	✗	✗	✗	✗	✓
Gabon	✓	✓	✗	✗	✗	✓
Sao Tome and Principe	✓	✗	✓	✗	✗	✓
Total	4	4	5	2	3	9

6.2. MONITORING AND PERFORMANCE REPORTING

Significant challenges exist in the monitoring and performance reporting of WSS service providers.

Table 7 details the self-reporting undertaken by WSS service providers to regulatory actors, inspections and audits of service providers conducted by regulatory actors, and the performance reporting (i.e., publishing of annual reports) conducted by regulatory actors and WSS service providers. This information focuses on the primary WSS services providers (i.e., national or regional utilities, large private operators) within each country rather than smaller service providers (i.e., informal pit emptiers or water committees). It highlights considerable challenges across the three aspects focused on. Overall, the following can be observed:

- I. **Self-Reporting.** The primary WSS service providers in each country are supposed to share data with regulatory actors on various quality of service, financial and operational indicators. However, in only four of the nine Central African countries (44%) are the primary WSS service providers regularly sharing required information with regulatory actors.
- II. **Monitoring and Inspections by Regulatory Authority.** Significant gaps exist in the monitoring and inspections conducted by regulatory actors in all Central African countries, with regulatory actors in only two countries (Central African Republic, Gabon) reported to be periodically performing structured activities in this area for the primary WSS service providers.
- III. **Performance Reporting.** There is very limited performance reporting being performed on Central African countries' primary WSS service providers. Of note, Burundi, Cameroon and the Central African Republic are the only countries where service providers (the Burundi Water Electricity Production and Distribution Company, the Cameroon Water Utilities Corporation, and the Central African Water Company) regularly produce reports detailing their performance for regulatory actors. In no Central African countries do regulatory actors regularly produce reports on the performance of WSS service providers.

²² Key governmental stakeholders in Chad specified that standards and guidelines had been developed across each of the six areas investigated but were unable to share these.

Table 7: Monitoring and Performance Reporting

Country	Service Provider Sharing of Performance Data	Regulatory Authority Monitoring / Data Validation	Production of Reports on Service Provider Performance
Burundi	Administrative Council of the Burundi Water and Electricity Production and Distribution Company	Regulatory Authority for the Drinking Water and Energy Sectors	Administrative Council of the Burundi Water and Electricity Production and Distribution Company
	Conducts annual reporting of key indicators to the Ministry of Hydraulics, Energy and Mines on key service quality, economic efficiency, and operational sustainability indicators.	Does not inspect and audit the Production and Distribution of Water and Electricity Company of Burundi on an annual basis.	Produces annual report on its water and electricity production and distribution. This report is shared with the Ministry of Hydraulics, Energy and Mines; however, regulatory actors do not consistently produce their own dedicated reports on WSS service provider performance.
Cameroon	Cameroon Water Utilities Corporation	Ministry of Energy and Water	Cameroon Water Utilities Corporation
	Submits reports to ministries that detail its performance against a series of service quality and economic efficiency indicators.	Is supposed to monitor the Cameroon Water Utilities Corporation's performance against contract provision; however, limited monitoring activities or inspections and audits are performed.	Produces reports for regulatory actors. These are not made publicly available and regulatory actors do not regularly produce reports on WSS service providers' performance.
CAR	Central African Water Company	Ministry of Energy and Hydraulic Resources Development	Central African Water Company
	Produces a report every quarter, with each department of the Central African Water Company called upon to share and prepare its report to the Council of Ministers.	Does not inspect or audit regulated service providers in a structured or consistent manner.	The only systematic reports on service provider performance are those produced by the Central African Water Company on a quarterly and annual basis. These are difficult to obtain.
Chad	Chadian Water Company	Ministry of Urban and Rural Hydraulics	Ministry of Urban and Rural Hydraulics
	Monitors and reports on a range of service quality and economic efficiency indicators.	Does not conduct comprehensive financial audits on an annual basis but inspections are conducted to determine key aspects of quality of service and communities' satisfaction with services delivered.	Annual reports are not produced on WSS service provider performance in a structured or consistent manner.
Congo Republic	The Congolese Waters; National Agency for Rural Hydraulics	Water Sector Regulatory Body; Various Ministries	Water Sector Regulatory Body; Various Ministries
	Do not regularly provide reports to supervising regulatory actors on WSS service provision.	There is no structured or consistent monitoring of the Congolese Waters or the National Agency for Rural Hydraulics.	Do not produce reports on the performance of WSS service providers on a consistent basis.
DRC	Water Distribution Board and National Rural Hydraulic Service	Various Ministries	Various Ministries

	The two public utilities are required to submit annual financial and technical reports to their supervising ministries, but this is not done in a structured or consistent manner.	There is no structured or consistent monitoring or inspections of Water Distribution Board and National Rural Hydraulic Service.	Do not produce reports on the performance of WSS service providers on a consistent basis.
Equatorial Guinea	Private Operators	G proyectos (Semi-Private Entity)	Ministry of Fishing and the Water Resources; Ministry of Health and Social Welfare
	Not required to report their performance to <i>G proyectos</i> on a regular basis.	Does not inspect or monitor the provision of services by contracted private operators, with oversight activities focused on initial infrastructure construction rather than service provision.	Do not produce reports on the performance of WSS service providers.
Gabon	Energy and Water Company of Gabon	Regulatory Agency for Drinking Water and Electric Energy	Regulatory Agency for Drinking Water and Electric Energy
	Do not periodically submit data and reports to the Regulatory Agency for Drinking Water and Electric Energy.	Inspects and audits the Energy and Water Company of Gabon.	Does not produce annual reports specifying the performance of the Energy and Water Company of Gabon.
Sao Tome and Principe	Water and Energy Company	Ministry of Public Works, Infrastructure, Natural Resources and Environment	Ministry of Public Works, Infrastructure, Natural Resources and Environment
	Submits data to the Ministry of Public Works, Infrastructure, Natural Resources and Environment on a comparatively broad set of indicators spanning key economic efficiency and operational sustainability dimensions.	Does not conduct inspections or audits to validate information provided by the state-owned Water and Energy Company.	Data reported by the state-owned Water and Energy Company is not made publicly available and reports are produced on the performance of the Water and Energy company or the wider sector.

Noteworthy variations exist in the scope of the quality of service, economic efficiency, and operational sustainability indicators tracked by regulatory actors. Figure 10 provides an overview of how many of the ten investigated indicators are tracked and reported on an ongoing basis (i.e., annually) by each country. This again focuses on the main regulated service providers for each country. It highlights significant differences in the performance of regulatory actors in this area, with countries falling into three broad groups. In the first instance, Cameroon is the one country tracking at least eight of the 10 assessed indicators. Secondly, Burundi, Chad, the Central African Republic and the Congo Republic are each tracking between five and seven of the investigated indicators. Finally, in the DRC, Equatorial Guinea and Gabon there is very limited (if any) tracking of indicators of primary WSS service provider performance on an ongoing basis.

Figure 10: Tracked and Reported WSS Indicators

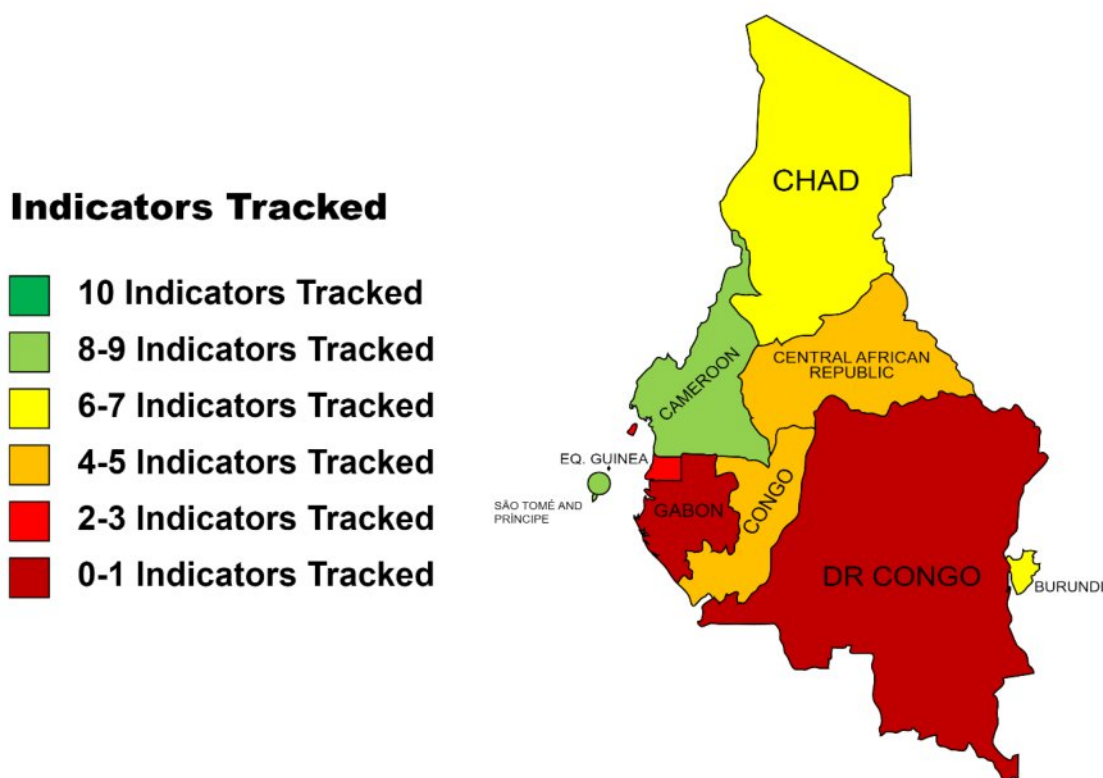


Table 8 details which indicators are tracked for the main WSS service providers. This includes indicators tracked and reported by WSS service providers themselves and indicators validated by a regulatory authority. It highlights overall moderate to poor performance across countries, as well as the notably better progress in tracking key quality of service indicators relative to economic efficiency and operational sustainability indicators. Cameroon has made the greatest progress tracking key WSS indicators, while the greatest challenges are evident in the DRC, Equatorial Guinea, and Gabon.

Table 8: Indicators Tracked / Reported

Country	Quality of Service				Economic Efficiency				Operational Sustainability	
	Water Coverage	Sanitation Coverage	Hours of Supply	Water Quality	Metering Ratio	Non-Revenue Water	O&M Cost Coverage by Revenue	Revenue Collection Efficiency	Staff cost as Proportion of O&M	Staff per 1000 Connections
Burundi	✓	✓	✗	✓	✓	✗	✗	✗	✓	✓
Cameroon	✓	✓	✓	✓	✓	✓	✓	✓	✗	✗
CAR	✓	✗	✓	✓	✓	✗	✗	✗	✗	✓
Chad	✓	✓	✓	✓	✗	✗	✓	✓	✗	✗
Congo Republic	✓	✓	✓	✓	✓	✗	✗	✗	✗	✗
DRC	✓	✓	✓	✓	✓	✗	✗	✗	✗	✗
Equatorial Guinea	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗
Guinea	✓	✓	✗	✗	✗	✗	✗	✗	✗	✗
Gabon	✓	✓	✗	✗	✗	✗	✗	✗	✗	✗
Sao Tome and Principe	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗
Total	8	5	4	6	5	2	3	3	2	3

There is limited monitoring and performance reporting of smaller, deconcentrated service providers. This sub-section has focused on presenting the monitoring and performance reporting conducted for each country's primary WSS service providers. While substantial challenges exist, it is important to note that across Central Africa the situation is even worse for smaller, deconcentrated service providers. Of note, there is no

consistent or regular monitoring of services provided by water committees, private vacuum tanker operators and manual pit emptiers in all Central African countries. Linked to this, these providers are not included in the very limited performance reporting conducted across the region.

6.3. INCENTIVES

Very limited progress has been across Central Africa in developing and utilising reputational and financial incentives. Table 9 presents summary information on the financial and reputational incentives applied by regulatory actors. It highlights that very limited progress has been made across the region in developing financial and reputational incentives to promote improved WSS service provider performance. Of note, Burundi is the only country to apply reputational incentives in a structured and consistent manner, and no countries utilise formal financial incentives such as linking increased tariffs or longer contract period to improved performance in a structured manner.

Table 9: Financial and Regulatory Incentives

Country	Financial Incentives Applied	Note	Reputational Incentives Applied	Note
Burundi	✗	Regulatory Authority for the Drinking Water and Energy Sectors	✓	Regulatory Authority for the Drinking Water and Energy Sectors
		Financial incentives are not applied by regulatory actors to promote good performance by WSS service providers.		Exchange sessions are organised between stakeholders to congratulate and recognise operators for good performance.
Cameroon	✗	Ministry of Energy and Water	✗	Ministry of Energy and Water
		Financial incentives are not applied by regulatory actors to promote good performance by WSS service providers.		Reputational incentives are not applied by regulatory actors in a structured or consistent manner to promote good performance by WSS service providers.
CAR	✗	Ministry of Energy and Hydraulic Resources Development	✗	Ministry of Energy and Hydraulic Resources Development
		Financial incentives are not applied by regulatory actors to promote good performance by WSS service providers.		Reputational incentives are not applied by regulatory actors in a structured or consistent manner to promote good performance by WSS service providers.
Chad	✗	Ministry of Urban and Rural Hydraulics	✗	Ministry of Urban and Rural Hydraulics
		Financial incentives are not applied to promote good performance by WSS service providers.		Reputational incentives are not applied in a structured or consistent manner to promote good performance by WSS service providers.
Congo Republic	✗	Water Sector Regulatory Body; Various Ministries	✗	Water Sector Regulatory Body; Various Ministries
		Financial incentives are not applied by regulatory actors to promote good performance by WSS service providers.		Reputational incentives are not applied by regulatory actors in a structured or consistent manner to promote good performance by WSS service providers.
DRC	✗	Various Ministries	✗	Various Ministries
		Financial incentives are not applied by regulatory actors to promote good performance by WSS service providers.		Reputational incentives are not applied by regulatory actors in a structured or consistent manner to promote good performance by WSS service providers.

Equatorial Guinea	✗	G proyectos (Semi-Private Entity)	✗	G proyectos (Semi-Private Entity)
		Financial incentives are not applied to promote improved service provision by WSS service providers.		Reputational incentives are not applied to promote improved service provision by WSS service providers.
Gabon	✗	Regulatory Agency for Drinking Water and Electric Energy	✗	Regulatory Agency for Drinking Water and Electric Energy
		Financial incentives are not applied to promote good performance by WSS service providers.		Reputational incentives are not applied by regulatory actors in a structured or consistent manner to promote good performance by WSS service providers.
Sao Tome and Principe	✗	Ministry of Public Works, Infrastructure, Natural Resources and Environment	✗	Ministry of Public Works, Infrastructure, Natural Resources and Environment
		Financial incentives are not applied to promote good performance by WSS service providers.		Reputational incentives are not applied by regulatory actors in a structured or consistent manner to promote good performance by WSS service providers.

6.4. SANCTIONS

Most regulatory actors are empowered to use sanctions to influence WSS service providers' activities and performance; however, these powers are rarely utilised. Table 10 presents an overview of the Central African countries where regulatory authorities are mandated to issue fines to service providers and suspend or remove licenses. It highlights that in most Central African countries, regulatory actors are mandated to fine service providers and / or suspend or remove their license or terminate their contract. In total, in five countries (56%) the main service providers can be fined, and in six countries a regulatory actor can suspend or remove a service provider's license or terminate their contract (67%). Nevertheless, in the vast majority of instances, these powers are not being utilised. For example, in the Congo Republic, the Water Sector Regulatory Body is a regulatory agency that can fine service providers or terminate their contracts for various forms of non-compliance; however, there are no cited examples of either of these powers being utilised. Across Central Africa, a wide-ranging set of factors were noted for regulatory actors not utilising their sanctioning powers. These include a lack of alternative service providers, the reported limited impact of fines, a preference for a more light-touch approach based on collaborative dialogue, and political considerations.

Table 10: Sanctions

Country	Ability to Fine Service Providers	Note	Ability to Suspend / Remove Service Provider License	Note
Burundi	✗	Regulatory Authority for the Drinking Water and Energy Sectors	✓	Regulatory Authority for the Drinking Water and Energy Sectors
		Does not have the ability to issue fines to WSS service providers for aspects of poor performance or non-compliance.		Can suspend, remove or transfer service provider licenses.
Cameroon	✓	Ministry of Energy and Water; Ministry of Environment	✓	Ministry of Energy and Water
		Empowered to issue fines for non-compliance with issues such as environmental pollution and pollution of water sources. Fines		Can recommend the suspension or removal of a service providers license; however, this would require a

		are rarely issued because of poor monitoring.		presidential decree to transfer the license / cancel the contract.
CAR	✓	Ministry of Energy and Hydraulic Resources Development	✗	Ministry of Energy and Hydraulic Resources Development
		The Water Act empowers fines to be issued for aspects of WSS service delivery; however, this sanctioning power is rarely utilised.		No evidence of the ability to suspend / remove licenses of service providers or to terminate contracts.
Chad	✓	Ministry of Urban and Rural Hydraulics	✓	Municipalities
		Fines are detailed in the Water Act but largely not applied in practice.		If a mayor deems it necessary to suspend the contract with an operator, the municipality will create an ad hoc committee to oversee the supply of water for six months, while the Ministry of Urban and Rural Hydraulics announces a new call for tenders and identifies a replacement service provider.
Congo Republic	✓	Water Sector Regulatory Body	✓	Water Sector Regulatory Body
		Empowered to fine service providers for instances of non-compliance; however, no evidence of this sanctioning mechanisms has been applied.		Empowered to terminate the contracts of service providers for instances of non-compliance. This sanctioning mechanisms has not been applied.
DRC	✓	Various Ministries	✓	Various Ministries
		The Water Law states that Ministries responsible for each WSS sub-sector can fine WSS service providers and other stakeholders where they are found to have conducted an 'administrative failure' and infringed on the Water Law. These powers are largely not utilised.		The Water Law states that Ministries can suspend the right of WSS service providers to operate, cancel their contract, and prohibit their ability to practice in the WSS sector. These powers are largely not utilised.
Equatorial Guinea	✗	G proyectos (Semi-Private Entity)	✗	G proyectos (Semi-Private Entity)
		No evidence of fines being available for WSS service provision. The Ministry of Fishing and Water Resources can issue fines for transgressing environmental regulations. For example, if there is non-compliance with the terms of concession contracts or a discharge permit's provisions.		No evidence of the ability to terminate contracts for issues related to WSS service provision. However, the Ministry of Fishing and Water Resources can suspend or remove a discharge permit if an actor breaches the provisions of the permit.
Gabon	✗	Regulatory Agency for Drinking Water and Electric Energy; Ministry of Energy and Hydraulic Resources	✓	Ministry of Energy and Hydraulic Resources
		Cannot issue fines to WSS service providers for aspects of poor performance or non-compliance.		Can terminate contracts in the event of non-compliance with the contract provisions.
Sao Tome and Principe	✗	Ministry of Public Works, Infrastructure, Natural Resources and Environment	✗	Ministry of Public Works, Infrastructure, Natural Resources and Environment
		Cannot issue fines to WSS service providers for aspects of poor performance or non-compliance.		Cannot remove or suspend the licenses of service providers.

7

REGULATORY ENVIRONMENT

7. REGULATORY ENVIRONMENT

The regulator's legitimacy is more related with the regulator's decision-making process in terms of regulatory independence and accountability. The financial independence and economic sustainability of the regulator are a determining factor in its independence and legitimacy. To this end, the regulator must have access to adequate financing for the exercise of its regulatory mandate. Regulatory accountability requires that the regulator be accountable to the Parliament, the Government, regulated entities and to the public. Disclosure of information about the regulatory processes and public reporting of compliance and performance, as well as implementation of participatory models in decision-making processes are characteristics of good governance by regulators.

Wide-ranging limitations exist in the regulatory environment for WSS service delivery across Central Africa. Table 11 presents the status of different aspects related to three dimensions of the regulatory environment: (i) autonomy; (ii) participation; (iii) transparency. It highlights the following common challenges:

- **Autonomy.** In six of the nine countries, the main regulatory actors are Ministries dependent on wider government-driven budgeting processes to perform their regulatory activities. In the three countries where regulatory agencies have been established, some measures are in place to increase their autonomy; however, these actors are largely financially dependent on government and not financed through sustainable channels (i.e., a levy on service providers' turnovers or tariffs charged). For example, in Gabon, The Regulatory Agency for Drinking Water and Electric Energy is legally established as an autonomous entity and has operational autonomy and is authorised to review and set tariffs, but its budget depends substantially on government allocations, limiting financial autonomy in practice.
- **Participation.** Formal measures beyond typical consultation processes or complaints mechanisms organised by national utilities are not being applied in a structured or consistent manner to ensure public participation in the development and application of regulations across Central Africa, representing an especially pressing challenge.
- **Transparency.** In none of the nine Central African countries do regulatory actors regularly or consistently produce reports on the performance of WSS service providers and make these publicly available (i.e., on their websites). In most Central African countries, significant challenges also exist in accessing other key regulatory documents such as policies and legal instruments, standards and guidelines, and contracts.

Table 11: Regulatory Environment

Country	Autonomy			Participation	Transparency
	Whether Regulators can Adjust Tariffs without Government Approval	Whether Regulators are Financially Independent	Regulator's Funding Mechanism	Public Participation in Development and Application of WSS Regulations	Whether Regulatory Reports are Publicly Available
Burundi	✗	✓	Regulatory Authority for the Drinking Water and Energy Sectors is funded by the government in part and another part is financed by its own funds from the fees collected from operators.	Limited information is available on forms of public participation in developing and applying WSS regulations.	✗
Cameroon	✗	✗	Regulatory actors are financed through wider government-driven budgeting processes and are not financially independent.	Limited measures in place to ensure public participation in the development and application of regulations. The only available legal provision on this is a general mention that public participation should be encouraged in relation to environmental issues in the Law on Environmental Management.	✗
CAR	✗	✗	As ministries, the primary regulatory actors are not financially independent from government and dependent on wider government-driven budgeting processes to fund their regulatory activities.	There are limited measures available to the public to participate in the development and application of regulations for WSS.	✗
Chad	✗	✗	Ministries currently performing regulatory activities are dependent on wider government driven funding processes. Insufficient funding is an important constraint to more effective WSS regulation.	Comprehensive measures are not applied to ensure public participation in the development and application of regulations. Nevertheless, in large areas, water user associations can write to the Ministry of Urban and Rural Hydraulics to complain about what is not working with the main urban water supply service provider (Société Tchadienne des Eaux).	✗
Congo Republic	✓	✗	The Water Regulatory Body is not financially independent from government and dependent on wider government-driven budgeting process to perform its regulatory activities.	Sufficient measures are not being taken to ensure public participation in the development and application of WSS regulations and their application. Steps that are taken are largely done through the Water Advisory Council. Consultations have also been held with civil society and other	✗

				sector stakeholders as part of the development of the new Water and Sanitation Policy.	
DRC	×	×	Ministries currently performing regulatory activities are dependent on wider government driven funding processes. Insufficient funding is an important constraint to more effective WSS regulation.	Insufficient measures are taken to ensure public participation in the development and (especially) the application of regulations and regulatory mechanisms for WSS service delivery.	×
Equatorial Guinea	×	×	As ministries, funding for the Ministry of Fishing and Water Resources and the Ministry of Health and Social Welfare limited set of regulatory activities is linked to the wider governmental budgetary procedures.	Procedures for involving users in the development and application of regulations are not defined in laws and policies, and substantive actions are not utilised.	×
Gabon	✓	×	The Regulatory Agency for Drinking Water and Electric Energy is legally established as an autonomous entity and has operational autonomy and is authorised to review and set tariffs. However, its budget depends substantially on government allocations, limiting financial autonomy in practice.	There are no formal mechanisms to enable public participation, and provisions on participation are not included in the regulatory framework.	×
Sao Tome and Principe	×	×	The current regulatory actors are ministries and therefore reliant on national government budgets.	There are no formal mechanisms for citizen participation in the development or application of regulations, particularly given the limited state of regulation.	×