

Ghana Water Sector

Opportunities for the Dutch Water Sector

Dutch Government asked Aidenvironment to advise on potential Product Market Combinations for the Dutch Water Sector in 12 developing countries, Ghana being one of them, and how the Dutch Water Sector can position itself in order to get a better access to the market.

These reports describe the physical 'water situation', how the water sector is being organized, the legal and policy framework, trends and entry barriers in a simple way as well. Finance and climate change are special topics in each report. These reports are available on the [aidenvironment](http://aidenvironment.nl) website.

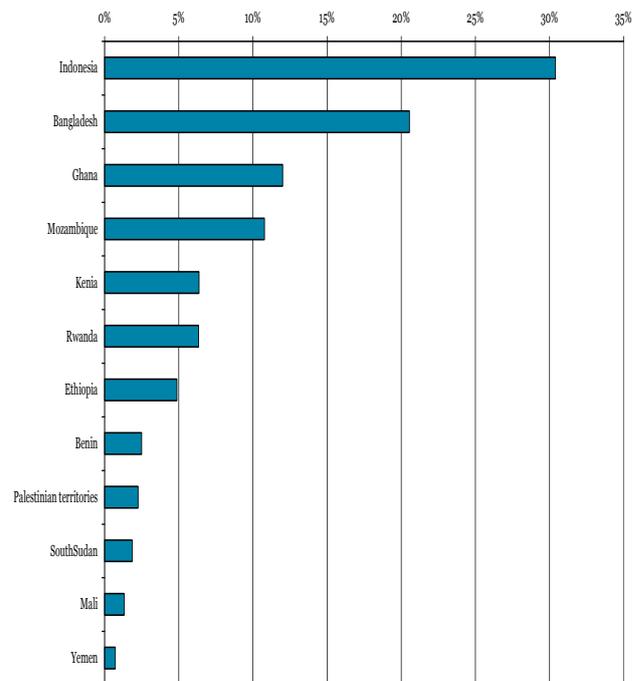
Demand:

The impacts of climate change in Ghana are expected to significantly aggravate water stress. Sustainable and secured water provision will in addition to water availability, depend on the effectiveness of water governance. There is a need to increase institutional capacity in order to ensure effective management of local water resources and create the connection between information flow, knowledge acquisition and decision making. For WASH service delivery, although institutional improvements have been made, quality and sustainability of services need to be improved. Large investments are needed for waste water treatment, as urban areas are rapidly growing. There is a high inequality in coverage between urban, peri-urban, low-income urban and rural areas and, with the economy developing, solid waste problems have increased.

Current interest and activities of Dutch organizations:

There are many Dutch organizations active in Ghana, which is also related directly to the regional hub function of the Dutch embassy, the fact that Ghana is a fast-track country and funding opportunities (like the Ghana WASH Window Program (GNWP)). Dutch activities at the moment include WASH (and to a more limited extend on waste treatment), irrigation and port development. There are also projects in the field early warning systems and flood prevention (dredging). Dutch organizations are interested in the areas of water for food production, water management and in WASH

service delivery.



Breakdown of Dutch exports in the water sector to the 12 OS-countries, in % of turnover, source: Web survey Panteia, 2014/2015

Potential product market combinations:

Product market combinations are seen in climate resilient planning to ensure sustainable access to water resources and food security, as well as flood management and improving institutional capacity on (local) water governance. These relate to the large need for building capacity on water governance and water management. Innovative waste management solutions have a large potential.

Suggestions on positioning strategies for future activities:

Dutch organizations could work jointly through a business platform or hub, through the Dutch embassy, in order to gain access to programs, partners and funds related to EU joint programming, World Bank or governmental budgets. Organizations can make use of the GNWP- Ghana WASH Window through RVO and the Dutch embassy. However, the GNWP has become a popular instrument and it is therefore not clear if this

offers opportunities for “new-comers”. Last but not less important, local capacity and strong partners are seen as key for starting up activities in Ghana.

Successes and lessons learnt: examples

Significant investment in local capacity of partners is needed in order to be prepared and identify strong partners for consortium building. Organizations should have a partnership policy with criteria to select both local and international partners. Another crucial success factor is the investment in relations with local and national governments in order to be a known ‘player’, create awareness and ensure budget for activities.

The team interviewed a company mentioning their activities first started with a pilot project. The company worked together with a local representative in order to gain better understanding of the local market and players. The project started with funding from Partners for Water, which ensured that initial activities could take place. The process to come from a pilot to a larger program was long and could only be continued with help of a private investor, who supported the project. The company learned that they should have done a more in-depth market assessment in the pilot phase in order to identify qualified local partners instead of setting-up their own company.

Another company developed a positioning strategy which is focusing on large complicated projects that require high end technology in order to minimize competition. The company focused on broadening the range of services in order to realize growth in a stagnating market, working through local and regional representatives who are responsible for business development and acquisition.

An evaluation was done on the business cases financed under the GNWP. The evaluation concluded investments financed through a loan component need to be clearly identified and better defined, with clear revenue streams associated to them. This is a key justification for engaging in a “Master Planning/preparatory phase”, which will enable defining in more detail the nature of the hardware investment projects that can be financed through the proposed commercial loan.

Facts and Figures

Government type:	Constitutional Democracy
Language:	The national language is English. Other languages are Asante (15%), Ewe (13%) Fante (10%), and many other local languages
Population:	25,758,108 (2014 est.)
Population growth:	2.19% (2014)
Economic growth (GDP growth in %):	7.9% (2013), which ranks 13 th on the world list
Expected growth (GDP growth in % till 2016):	2015: 7.3%, 2016: 7.5%
GDP (PPP):	USD 90.41 billion (2013 est.)
GDP (PPP) per capita:	USD 3,500 (2013 est.)
Unemployment rate:	10% (2000)
Inflation rate (in %):	17% (2014), 2015: 18%, 2020: 17%
Foreign direct investments (in % GDP):	6.7% (2013)
ODA in % of GNI:	4.6% (2010-2014)
Imports:	USD 18.49 billion (2013 est.)
Import partners:	China (25.6%), Nigeria (11%), Netherlands (6.2%), Singapore (4.5%), UK (4.1%), India (4%) (2012 est.)
Doing business index:	70 out of 189
WEF Global competitive index:	111 out of 148

Trade and Aid strategies

Aidenvironment advises Water Sector players how to combine goals on Trade and Aid. Our advice strengthens the reputation and license to operate of businesses, opens new windows for finance, and enhances growth while contributing to development goals.

Our team performs market research and advices on effective Public Private Partnerships and engagement strategies, and facilitates organizations in tapping into local networks and finance.

Interested?

Contact Frederik Claasen to find out what we can do for you.

Aidenvironment, Barentszplein 7
1013 NJ Amsterdam, The Netherlands
+31 (0)20 686 81 11
claasen@aidenvironment.org
www.aidenvironment.org