



AU-AIP AFRICA WATER INVESTMENT SUMMIT 2025

13 - 15 August 2025
Cape Town, South Africa



AU AIP WATER INVESTMENT SUMMIT: PROJECT SHOWCASE

PROGRAMME/ PROJECT OVERVIEW	
Project name	Climate-Resilient SDG6 Water System Utilization – “Connecting the Unconnected” (CR- Water Ghana)
Location (Country, Region, Coordinates)	Ghana – nine regions with surplus treatment capacity (Volta, Ashanti N & S, Brong Ahafo, Western, Central, Upper East, Upper West, Eastern). National centroid $\approx 7.95^{\circ}$ N, 1.02° W.
Involved countries (if regional)	Not applicable – single-country project
Sub-Sector (Water Supply, Sanitation, Irrigation, Flood Management..)	Urban Water Supply – small-scale network extensions & subsidised household connections
Project description (Goals and expected outcomes)	<ul style="list-style-type: none"> Extend ± 300 km of climate-resilient distribution mains and provide 17 000 subsidised connections to low-income urban communities (LIUCs). Unlock under-used treatment capacity in 20–25 existing systems, supplying safe water to ≈ 250 000 people by 2027. Embed climate-smart design (HDPE pipes, trenchless laying, AMI smart meters) to cut losses, energy use and GHG emissions. Strengthen Ghana Water Ltd. (GWL) finances through new revenue (\sim GHS 5.4 m/yr) and improve household welfare (cash savings + time released for women & girls).
Technological details/ innovation	<ul style="list-style-type: none"> Advanced Metering Infrastructure (AMI) for leakage detection & demand management. Drought-resistant HDPE / PE100 piping rated for extreme temperature swings. Trenchless installation to minimise surface disruption and avoid involuntary resettlement.
Governance improvements / innovation	<ul style="list-style-type: none"> Project delivered through GWL's Low-Income Customer Support Department (LICSD) – upgraded from a unit in 2021 to mainstream pro-poor service. Establish community Water User Associations (WUAs) for oversight and grievance redress. In consultation with IRC and the Ministry of Works, Housing and Water Resources, create a replicable “social connection policy” model for other African utilities.
IMPLEMENTATION & KEY PLAYERS	
Lead institution	Ghana Water Ltd. (GWL)
Implementing agent(s)	LICSD (technical lead) with GWL Project Planning & Development Dept.; learning and innovation led by IRC, oversight by Ministry Works, Housing & Water Resources
Sponsors / Investors / Contractors / Advisors	African Development Bank (AfDB loan), AfDB Climate Action Window (grant), Danish Embassy / MoFA, VEI B.V. (WaterWorX), Ghana Red Cross Society; IRC, local & int'l contractors selected via AfDB procurement rules.
PROJECT TIMELINE & DEVELOPMENT STAGE	
Year of preparation, estimated start & end dates	2025(PCN complete); Q1 2026 - Q4 2028 (3-year implementation)
Current development stage	Concept Note approved; Environmental & Social Impact Assessment (ESIA) & ESMP underway (due Aug 2025); AfDB



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	appraisal mission scheduled Q4 2025.
PROJECT RATIONALE & STRATEGIC IMPORTANCE	
Alignment with national/regional plans, SDGs, Agenda 2063	National / regional alignment: Delivers Ghana MTNDP 2022-25, National WASH Policy 2021, and AfDB High-5 “Improve quality of life”. Supports SDG 6, 13, 3, 5, 11 and AU Agenda 2063 Goal 7 (environmentally sustainable planet).
Contribution to NDC’s and alignment with NAPs / Adaptation and Mitigation measures	NDC / NAP contribution: Adaptation—shifts demand from vulnerable raw-water sources; Mitigation—AMI driven efficiency cuts pumping energy.
Paradigm shift potential (scalability, replicability, policy or behaviour change)	Paradigm-shift potential: Low-cost, climate-smart infill model scalable across 91 Ghanaian systems and regionally replicable for utilities with idle treatment capacity.
FINANCIAL & INVESTMENT DETAILS	
Total project cost, currency	USD 17.0 million
Funding already raised (amount & sources)	AfDB loan & grant USD 7.86 m; Danish Embassy USD 6.05 m; GWL & partners USD 2.5 m (in-kind & cash) – 100 % of current envelope financed.
Proposed revenue model	Standard GWCL tariff (\approx GHS 8/m ³); each new connection yields avg. GHS 80/month revenue & GHS 27/month operating surplus.
Financial metrics (IRR, Payback Period, DSCR, NPV) available? Y/N, date	Internal Rate of Return (EIRR) > 25 % ; simple pay- back \approx 4 years; DSCR > 1.4 (utility level).
Economic performance (Benefit-Cost Ratio) Y/N, date	Annual household cash & time benefits \approx GHS 44.8 m \rightarrow Benefit- Cost ratio > 3 : 1.
INVESTMENT ASK & WAY FORWARD	
Remaining investment required: project component & type (Loan/Equity/Grant/Guarantee/insurance)	<i>No gap for pilot</i> – however the team seeks additional grant / concessional finance to scale from 17 000 to 50 000 connections (\approx USD 30 m) ; instruments: grant or sovereign-backed loan guarantees.
Opportunity for bundling with other projects (Y/N, date)	Yes – programme can bundle with Embassy of Denmark “Water Access for LIUCs”.
Next steps	<ul style="list-style-type: none"> Finalise ESIA/ESMP & gender study (Aug 2025) Complete AfDB appraisal & Board approval (Q1 2026) Launch ICB works contracts (mid-2026).
TARGET GROUPS & SOCIAL IMPACT	
<u>Direct beneficiary</u> population per project component (if available, please provide estimated by	\sim 250 000 people (\approx 41 400 households) – at least 50 % women & girls; plus 50 schools & 20 health posts.



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income status, gender, ethnicity and/or other status, and numbers of each)	
Social & gender impact assessment (Y/N, date)	Yes – full gender study to be completed during appraisal, building on > 17 000-household baseline (2025).
Job creation estimate / local economic benefit assessment (Y/N, date)	~ 800 person-years of direct employment over first decade; increased SME activity in water-dependent trades.
SUSTAINABILITY & ENVIRONMENTAL ANALYSIS	
Environmental compliance & climate assessment (Y/N, date)	Yes, AfDB ISS Category 2; Climate Category 1 (high adaptation relevance). Aug 2025.
Environmental impact assessment (Y/N, date)	Yes, ESIA/ESMP/SEP in preparation (completion August 2025).
ESG performance (Y/N, date)	Yes, Governance plan includes PIU safeguards specialist, quarterly reporting & transparent grievance redress.
Safeguards & community engagement (Y/N, date)	Yes, Continuous stakeholder dialogues and WUA formation; no involuntary resettlement required.
RISK MANAGEMENT	
Main risks & mitigation measures (Political, Legal, etc)	<ul style="list-style-type: none"> • Political / Regulatory: Tariff-adjustment inertia → mitigate via regulator engagement. • Procurement delays: Address with early tender packaging & AfDB prior-review. • Foreign-exchange / inflation: Split contracts in local & hard currency; maintain contingency (4 %). • Climate shocks (floods / drought): Infrastructure designed for 1-in-50-year events; emergency response protocols.
Constraints or bottlenecks to finance	The project team has identified the need for timely financial support for technical assistance as crucial for the preparation phase (e.g., feasibility studies, detailed designs). Strengthening the institutional capacity of the implementing teams is also highlighted as a key requirement to ensure the project is bankable and ready for implementation.
CONTACT INFORMATION	
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