



Ministry of Finance and Economic Development

Water Financing in Mauritius

Presented By:

Namrata D Jory (Ms)
Analyst

Introduction

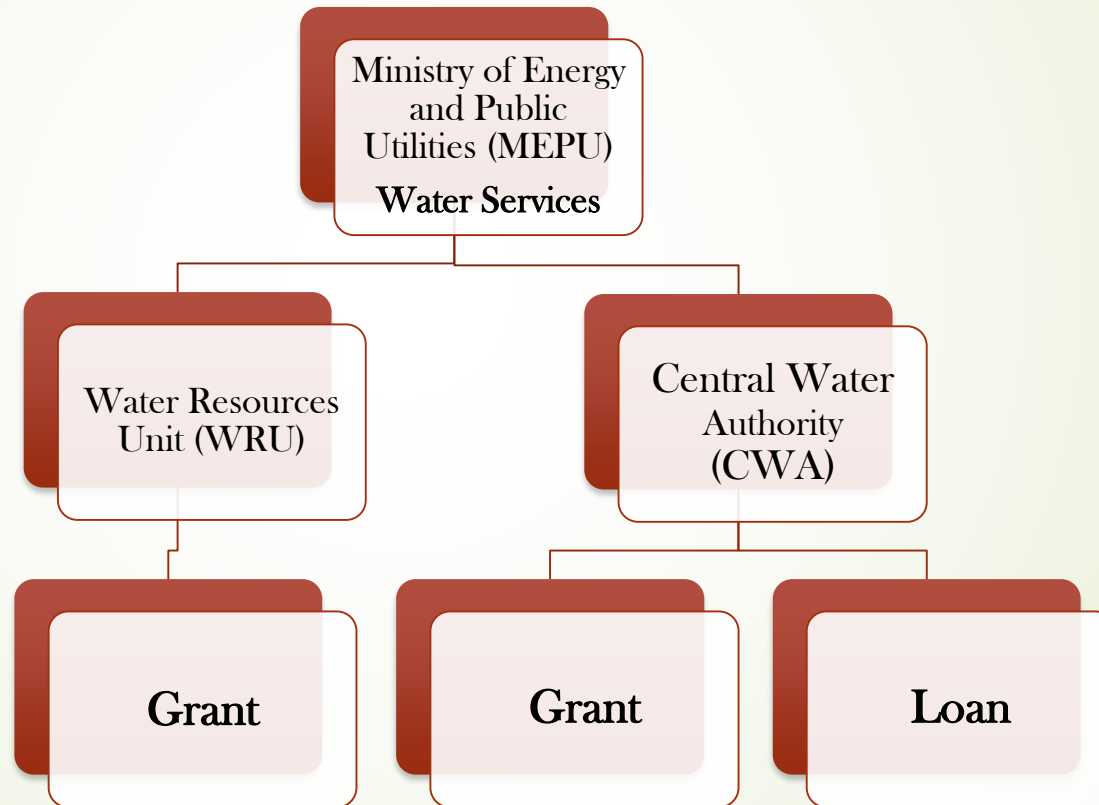
- ▶ According to the Government Programme 2015-2019, one of the main priority of Government is to address the long standing problem of water supply in the country.
- ▶ Government is investing in the water infrastructure to:
 - i. mobilise additional water resources;
 - ii. improve the water quality; and
 - iii. improve water supply.



Financing Challenges

- Implementing water requires heavy investments. For e.g. A new dam, with storage capacity of 14Mm³, has been constructed at a cost of around Rs 7.1 billion (approx. USD 200M);
- Also, to improve water distribution, there is need to-
 - construct new and upgrade existing water treatment plants;
 - replacement old and defective pipes.
- According to the Central Water Authority, Mauritius has approximately 1,600 km of old and defective pipes. Replacing those old and defective pipes would require an investment of around Rs 20 billion.
- The major challenges is our fiscal space and debt constraint.
- Balance investment across different sectors.
- No cost reflective tariff.

Financing



Projects financing

WRU

Estimates FY2017/2018	
Details	Total
	Rs Million
Construction of Dams	487

CWA

Estimates FY2017/2018	
Details	Total
	Rs Million
Replacement of old and defective pipes	993
Water Treatment Plant and Associated Works	1,255
Other Distribution Works	395
Total	2,643



Availability of Funds

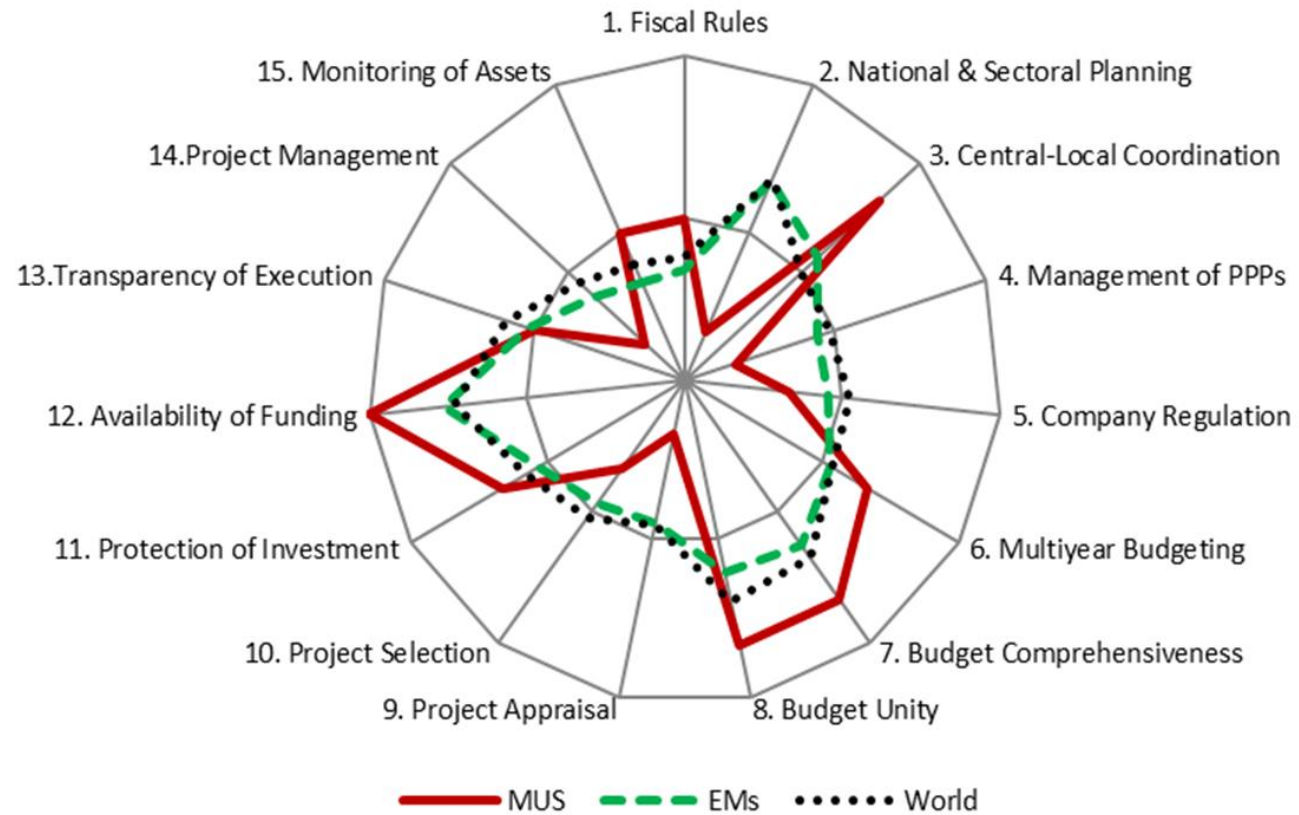
- ▶ The water sector is not under funded as fund is being provided according to –
 - ▶ Readiness of project;
 - ▶ Implementation capacity of the implementing agency



Project Appraisal and Implementation

- Investment in water is a priority of Government and water is essential to the population. The projects being submitted by the Ministry of Energy and Public Utilities is in line with the policy of government to provide round the clock supply of water.
- Since 2015, disbursement has been relatively low as project preparation up to award of contracts has been a lengthy process.
- As per the statistics from the CWA, the number of households receiving 24hrs of supply of water has increased from 164,000 in 2014 to 220,000 in 2018.
- The Bagatelle Dam has already been impounded and thus mobilising 14Mm³

Our strength and weaknesses in the project cycle



Budget under-execution

- On average the Ministry of Energy and Public Utilities has a Capital Budget execution of about 60% and this is due to issues during:
 - Project Preparation
 - Project Management
- What has been done so far:
 - A two-stage financial clearance has been introduced for project preparation and implementation
 - A fast track committee chaired by the Financial Secretary has been set up to speed up the appraisal and selection of projects
 - An online monitoring system, closely administered by the Prime Minister's Office and the Ministry of Finance, has been set up
 - An e-Public Sector Investment Programme platform has been introduced which links project management to our Treasury Accounting System automatically.
 - Project Implementation Units have been set up at the level of Line Ministries for project management.



THANK YOU