Although water and Rural Development have not been focal areas in the cooperation between the European Union (EU) and Ghana under the 10th EDF, a number of projects have been funded under global calls for proposals in these sectors – Water and Energy Facilities, Environment and Sustainable Management of Natural Resources including Energy (ENRTP) among others – or under other financing instruments. Additionally, the EU has since 2012 brought an important political and financial support to the UN initiative for Sustainable Energy for All (SE4ALL). Finally, the largest financial component for Ghana in the framework of the 11th EDF will be dedicated to investments in rural infrastructure for the agriculture sector in the most disinherited regions of Ghana and will have a significant impact on the different dimensions of rural development.
**WATER AND SANITATION INSTITUTIONAL CONTEXT**

In 2007, the Government of Ghana launched the Ghana National Water Policy (2007) which focuses on integrated water resources management with the aim to facilitate improved access to safe water and sanitation in rural and urban areas. This policy set out some core principles and actions such as the strengthening of District Assemblies in the management of water and sanitation facilities, the promotion of partnerships between the public and private sectors in the provision of water supply and a focus on sustainability through cost recovery.

In order to make external assistance more effective, GoG through its various agencies, has committed to develop a Sector-Wide Approach Programme (SWAP) to implement policies, plans and programmes in the water sector. Hence, a Water Strategic Sector Development Plan (WSSDP) has been designed in order to frame a coordinated vision, policy objectives, goals and targets for the various public agencies and the private sector.

Following the poor performance with regards to MDG on access to basic sanitation, GoG has developed a National Environmental Sanitation Strategy and Action Plan Policy (2010) and Strategic Environmental Sanitation Investment Plan (SESP).

Furthermore, the Community-Led Total Sanitation (CLTS) approach launched in 2011 and targeting rural areas focuses on improving living conditions at household level through a set of actions tackling basic sanitation issues. Finally, the Government has developed an Action Plan entitled “Go Sanitation Go!” impart of the MDG Acceleration Framework (MAF).

Even though progresses have been realised at policy level, the sectors of water and sanitation still present significant bottlenecks both on the demand (population) and supply sides (public agencies and private sector) to improve the daily life of urban and rural dwellers.

**PROJECTS/PROGRAMMES IN THE WATER & SANITATION SECTORS**

To support these efforts, the EU, using 9th EDF resources, has funded a series of projects\(^1\) which were completed between 2008 and 2012. The total envelope allocated to the sector reached EUR 40.7 million of which more than 90% was disbursed. Nearly half a million of rural Ghanaians have benefited from safe access to water and sanitation facilities including hygiene promotion. All these actions were assessed and lessons learned were capitalized in close collaboration with Government agencies and other Development Partners.

Under the Water Facility instrument, two Water Governance projects have also been implemented by European water companies (Vitens-Evidens in Netherlands and ENAS in Italy). Both projects were focusing on the Ghana Water Company and local communities to ensure delivery of safe water and sanitation facilities including hygiene promotion.

The Energy institutional context

Although Ghana is an example in Africa in terms of access to modern

---

\(^1\) The projects are the following: \(i\) Small Towns and Sanitation Project in Central and Western Region; \(ii\) Supports to the Water Resource Commission; \(iii\) Supports to the Water Directorate of Ministry of Water, Works and Housing; \(iv\) Guinea Worm Eradication project in the Northern region (implemented by UNICEF).
energy supply and grid extension (75% access to electricity), this number hides wide disparities and many challenges. Those include low access in rural areas (around 25%), high consumption of traditional biomass for cooking — which is in turn an important contributor to deforestation — and like most African countries an economy presenting very low level of energy intensity due to a lack of generation and important distribution issues.

The Government, supported by developing partners, has shown great political will to tackle those bottlenecks. This has translated into the Renewable Energy Act signed in 2011 which aims at increasing the share of renewables (outside hydropower) to 10% of the energy mix but also into real efforts to improve the management of the energy sector and in particular of the different utilities. Finally, as early as June 2012, Ghana has been the first country worldwide to present a clear Action Plan in the context of the UN Sustainable Energy for All (SE4ALL) initiative. This plan proposes three main ambitious objectives: Energy access for all by 2020, widespread use of modern energy for cooking and of modern energy for productive uses.

Projects/Programmes in the Energy Sector

Although energy has not been a direct focus of the EU in Ghana, it has always supported the Government in its efforts to develop a modern energy sector. This has been done through different financing instruments and through a high level support to the SE4ALL initiative in Ghana and at regional level.

Three different programs and instruments have played a role in Ghana:

- The EU ACP energy facility funded several interconnection projects with Togo and Burkina Faso under the WAPP (West African Power Pool) for a total amount of EUR 10 million.
- The Environment and Sustainable Management of Natural Resources including Energy (ENRT) program has financed several projects currently under implementation. Two are led by the University of Sassari and Spallanzani Technology in Italy, in partnership with the Kwame Nkrumah University, Savannah Agriculture Research Institute (SARI) and New Energy, a local Ghanaian NGO. Focusing on biofuels (jatropha), they aim at improving access to sustainable, affordable and efficient energy options for rural communities in northern Ghana (total amount: EUR 3.5 million). Another project deals with biomass energy through bamboo production. Jointly implemented in Ethiopia and in Ghana by the International Network of Bamboo and Rattan (INBAR) and the respective Government entities in charge of renewable energy, this project focuses on modern usage of bamboo for domestic energy consumption through production at community level. The effective marketing of the bamboo products has contributed to creating a specific economic sector which promotes alternative source of biomass energy (amount: EUR 1.6 million).
- The European Infrastructure Trust Fund, a blending facility targeting large scale infrastructure investments in Africa, is supporting several projects led by European partner donors (AFD and KFW): A high voltage transmission line between Ghana and Burkina Faso and different activities targeting the development of a local LPG market in Ghana and two other promising countries, Cameroon and Kenya.

The EU has also been a major support to the global UN Initiative on Sustainable Energy for All since its inception. This has translated into important funds dedicated to this issue mostly in Africa with a Technical Assistance Facility focusing on supporting the operationalization of the SE4ALL initiative in the continent and whose work in Ghana is about to start; and two blending facilities aim at combining grants with loans for energy projects in Africa. In Ghana, the EU has also been supporting the operationalization of the SE4ALL initiative through the funding of a study and a continuous support to the efforts of the government.
Finally, in the framework of the 11th EDF, the EU will provide significant funding to the development of infrastructure in support of the agriculture sector in the Savannah ecological regions. These investments will include support to productive uses of energy for agricultural development (irrigation, agro processing, storage and conservation etc.) and will look into the potential of energy generation from agro processing.

**PROJECTS/PROGRAMMES IN RURAL DEVELOPMENT AND FOOD SECURITY**

Several projects have contributed over the past few years to improve resilience of marginal households. The following actions were funded by the EU:

Thanks to the EU Food facility, three projects were implemented in Northern Ghana:

- The Northern Ghana Food Security Resilient Project (NGFSRP) implemented by ADRA (amount: EUR 1.1 million)
- The Sustainable livelihoods programme for vulnerable households in the Upper West Region implemented by CARE (amount: EUR 2 million)
- The Food and Agriculture Recovery Management (FARM-Plus) implemented by Plan Ireland (amount: EUR 2.2 million)

Moreover, under the 9th EDF, the EU has financed the Cocoa Sector Support Project II (CSSP-II) which aimed at contributing to sustaining and increasing the yields of the cocoa production in Ghana. The programme was jointly implemented by two Institutions, the International Institute for Tropical Agriculture (IITA), and the Ghana Cocoa Board (COCOBOD) for a total amount of EUR 4.5 million.

Last but not least, through its investments in the Agriculture sector under the 11th EDF, the EU will become a major contributor to rural development in Ghana. Several regions will receive support through a hard (investment in water, energy, and road infrastructure) and a soft component (capacity building, institutional strengthening, support to communities etc.). Finally, the 11th EDF will have an entire pillar of activities dedicated to environmental sustainability to support the efforts of the government of Ghana in favour of green growth and to help the most affected regions of the country to adapt to a changing climate and environment.