# Partenariat Public-Prive Cas de la Senegalaise des Eaux by Mamadou Dia

## Full Description

<u>Mamadou Dia</u> illustrated the case of Senegal as a model that can be adapted to other countries willing to engage in institutial reform. Mr. Dia, the Chief Executive Officer of the Sénégalaise des Eaux, stated that the water sector is financially self-sustainable and has improved the access for peri-urban areas as well as the quality of service improved.

#### Session 1: Partenariat Public-Prive, Cas de la Senegalaise des Eaux

#### Notes of the presentation of Mamadou Dia, from Cas de la Senegalaise des Eaux:

- Good example of PPPs in a difficult sector and fragile country.
- Introduction: Private company with the following ownership composition: 57 percent French group, 30 percent local-private capital, 5 percent employee-owned, 5 percent Senegalese state.
- Constraints: insufficient production capacity, need for capacity-building.
- 1995 reforms: introduced international call for tenders, clear definition of roles for each party, autonomy of the operator, possibility of dialogue, sustainable tariffs.
- Concession contract: model contract (contrat plan); affermage contract, performance contract.
- Institutional structure: state, Senegalese des Eaux (water authority), societe de patrimoine. Parties involved: Monitoring committee, finance ministry, ministry of hydraulics.
- Performance contract: 19 performance indicators on technical and financial aspects. Financial model-remuneration of private operator. Financial model in charge of economic regulation.
- Need for financial equilibrium in the water sector: debt service, revenues for sector. Within this scheme, keep in mind fight against poverty and need to increase in coverage. Senegal developed a social tariff system.
- Improvement in performance: introduction of certain technological innovations, such as increase in number of computers. In addition, Senegalese des Eaux is the only company that is environmentally-certified. Performance has evolved a lot (see slide re indicators 1996-2011).
- Key issues: testing, successive affermage models, will to involve private operators, look for economic equilibrium of the sector, need for revenue collection.
- Delegation requires: clear conditions, well-defined fiscal regime, well-defined capital investments, avoids a transition that is too long, and creates conditions for permanent dialogue with society.
- Today, the sector is financially self-sustainable, access for peri-urban areas is better, quality of service improved, better customer service (24-hr complaints system)
- Conclusion: Senegal is a model that can be adapted to other countries in their context; there is no universal scheme, political will is essential to engage in institutional reform, better management for clients' satisfaction will translate on positive effects for women and children.

### Mamadou Dia:

Mr. Dia is the Chief Executive Officer (CEO) of Sénégalaise Des Eaux, Senegal national champion in water distribution. Mamadou Dia graduated with an hydro engeneering degree in 1977 and a Management degree from HEC Paris. Mamadou Dia joined SDE in 1977 and held several management positions from Operations Director to Deputy Chief Executive Officer until his appointment as Chief Executive Officer in November

2006. Mamadou Dia was President of the African Water Society, the leading water society in Africa. Mamadou Dia is also Mayor of Demette since March 2009.