WATER SECTOR

2025

Water supply project for Port Loko, Lunsar, Mile 9 and Yele

Project description

This water supply project aims to provide safe, reliable, and sustainable pipe-borne water and sanitation services to four rapidly growing towns in the north and northwest regions of Sierra Leone: Port Loko, Lunsar, Mile 91, and Yele with a population of about 208,000. These towns have been without safe drinking water and sanitation facilities for over 30 years, leading to persistent outbreaks of severe waterborne diseases. Their rapid urbanisation and increased population growth further intensifies their water usage and creates additional stress on ecosystem services.

Although initially framed as a social project, the investment potential of this project is promising. The estimated cost per person served is US$365, which aligns with successful water projects in Freetown and the Western Area. Previous projects have demonstrated the viability of private sector participation, underpinned by effective tariff systems that make commercial investment feasible.

This project is SALWACO's highest priority due to its exceptional value for money and potential for significant social and economic impact.

Key project highlights

- **Population impact:** This project will provide safe drinking water and sanitation to thousands of residents across four key towns, improving public health, reducing waterborne diseases, and fostering economic development.
- **Cost-effectiveness:** With an investment of US$365 per person, this project aligns with successful precedents, offering excellent value for both social impact and return on investment.
- **Private sector potential:** The project is structured to attract private sector involvement, with opportunities for long-term concessions and commercial operations supported by a sustainable tariff structure.
- **Renewable energy:** The power sources for pumping systems in towns are expected to be predominantly solar photovoltaic power systems with minimal use of fossil fuels and emission of greenhouse gasses.

Feasibility study and path to investment

The first phase will require a design and feasibility study. This study will confirm the total investment cost, evaluate operating expenses, and explore management options. It will also investigate the integration of prepayment metering and revenue collection systems, assess tariff levels, and explore the possibility of private sector involvement through a concession model.

The feasibility study is estimated to cost US$2 million, and efforts are underway to secure donor grants to support this phase.

Total project cost and investment proposition:

- Feasibility study: US$2 million (seeking donor grants)
- Total project cost: US$76 million (potential private sector investment)

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Reasons to invest

- This project offers a distinctive investment opportunity for private sector partners who are interested in participating in essential infrastructure with promising growth prospects.
- Getting involved early in the feasibility study phase provides the opportunity to influence the commercial framework, laying the groundwork for a future concession.
- The project is designed with long-term sustainability in mind, aiming to strike a balance between social impact and commercial viability.

Investors will benefit from:

- Early mover advantage in a high-priority, government-backed initiative.
- The potential for long-term, stable returns through a concession model.
- A proven track record of successful water projects in Sierra Leone, supported by robust tariff systems.

Figure 1. Locations map for Port Loko, Lunsar, Mile 9 and Yele



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Water source of Port Loko



Water treatment plant at Lunsar