

A study on willingness to pay for improved water supply scheme

Water is a scarce resource in some parts of Sri Lanka. Even in some very urban areas, safe drinking water is a very scarce resource. Especially the poorer sections of the communities in these areas are severely affected by this problem. Government policy, addressing this problem, has been geared to implement wider spread water supply schemes covering the affected areas in all 25 districts of the island. However, the schemes have been planned to be self-financing in terms of their recurrent costs.

Proposed water supply schemes will bring safe drinking water by tapping springs and rivers, feeding it into piped distribution systems and delivering it into common stand pipes and house connections. Other technologies like tube wells and shallow wells with hand

pumps have been planned for smaller isolated villages where a centralized water supply scheme is not viable due to lesser number of consumers. Improved water supply schemes have been planned assuming extensive community participation in the construction and management. These schemes will be owned by the communities to which they serve, and thereby ensuring long-term sustainability of the systems.

Proper maintenance of the water supply system provides the perpetual and efficient service for household users. Therefore it is worthwhile to investigate the factors which relate the users' willingness to pay for constructing and maintaining the improved water supply systems.

The main objective of this paper is to investigate the factors that influence the willingness to pay for the maintenance/ construction of the proposed water supply schemes.

Linear logistic modeling approach is used to assess the relative importance of a set of selected factors and the extent of effect of each factor on the willingness to pay. The analysis is based on a set of data collected by the Co-water International Inc., an international research agency.