

Estimating the Willingness to Pay for Water Services in Nsukka Area of South-Eastern Nigeria Using Contingent Valuation Method (CVM): Implications for Sustainable Development

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ABSTRACT The importance of water in human environment cannot be over emphasized. Water cleanses the environment and contributes in keeping it clean. This has positive impact on human health and longevity. This establishes relationship between the availability of water and sustainable development. This notwithstanding water as a natural resource is not readily available in most Nigerian communities. This has resulted in degraded environment with its consequent health hazards and economic poverty. Nsukka in Enugu State of Nigeria is one of the communities where potable water is non-existent. Using the Contingent Valuation Method (CVM) as analytical tool, this study sought to identify the determinants of the peoples' Willingness to Pay (WTP) for improved water supply in Nsukka, ascertain what they would pay to support government, and determine the amount of revenue that government could generate. The study made use of primary and secondary data. The estimation of the Tobit (censored) model showed that most of the variables included in the model individually and collectively provided basic information on the nature of household utilization of water. Findings also showed that the willingness to pay for water was sensitive to the level of education and occupation of the household head, prices charged by water vendors, expenditure on water vending and the average monthly income of the households. Given these facts, the study recommended that government policies and programmes should revolve around the core issues of environmental development, such as engaging in public private partnership to ensure regular supply of potable water to rural dwellers.