Rural Water Supply and Sanitation

Challenges in Latin America for the next Decade (2011-2020)

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Contents

1. Overview of the region
2. Basic Rural Services in 1990 and 2000
3. Trends from 2000 to 2010
4. Challenges for the next Decade (2011–2020)
Overview
Latin America and the Caribbean

Countries by Income

Diversity
- From Middle Income to Small, Fragile and Vulnerable Countries
- The most urbanized: 78%

Source: WB
Overview
Latin America and the Caribbean

Population
(Thousand of Inhabitants)

Source: CEPAL

YEAR

Population

Total
Urban
Rural

584 Mm

43%
22%
Overview
Latin America and the Caribbean

Evolution of the Poverty (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>18.6</td>
</tr>
<tr>
<td>1990</td>
<td>22.5</td>
</tr>
<tr>
<td>1999</td>
<td>18.5</td>
</tr>
<tr>
<td>2002</td>
<td>19.4</td>
</tr>
<tr>
<td>2007</td>
<td>12.6</td>
</tr>
<tr>
<td>2008</td>
<td>12.9</td>
</tr>
<tr>
<td>2009</td>
<td>15.3</td>
</tr>
<tr>
<td>2010</td>
<td>12.9</td>
</tr>
</tbody>
</table>

Poverty > 50%
- Bolivia
- Guatemala
- Honduras
- Nicaragua
- Paraguay

Source: WB
Inequity

Overview
Latin America and the Caribbean

No LAC Country Below .40
16 out of 30 Highest Inequity Countries are from LAC

Gini Coefficient (2000 - 2010)

Source: WDI, World Bank – Most recent data available.
Basic Rural Services in 1990 and 2000

Access to Water and Sanitation in Latin America (1990 and 2000)

- Focused on improving coverage, especially access to water
- No information on quality of services
- Investment Social Funds by Governments

- Coverage improved…but not enough
- Large rural population without access to improved drinking water or basic sanitation
- Sustainability problems

Source: Unicef/WHO
<table>
<thead>
<tr>
<th></th>
<th>Recommendation to the Governments in 1999</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Not just works, need for comprehensive &amp; multidisciplinary approach</td>
</tr>
<tr>
<td>2</td>
<td>National policy including financial policy</td>
</tr>
<tr>
<td>3</td>
<td>Community participation</td>
</tr>
<tr>
<td>4</td>
<td>Goods and Services Providers and their role throughout project cycle</td>
</tr>
<tr>
<td>5</td>
<td>Pre investment model: include demand and technical viability</td>
</tr>
<tr>
<td>6</td>
<td>Efficient management : Long term operation</td>
</tr>
</tbody>
</table>

Source: International Event "Improving the Sustainability of Water and Sanitation Projects in the Rural Area" (1999)
Trends from 2000 to 2010

Four Developments

1. The Demand Based Approach has been Validated

2. Long-Term Outlook

3. Comprehensive Water Management

4. Access to Sanitation Based on Equity

Access to Water & Sanitation Latin America (2010)

Source: Unicef/WHO 2012

Source: International Event "Improving the Sustainability of Water & Sanitation Projects in the Rural Area" (1999)
Access to safe water and improved sanitation 1990-2010
Percentage of rural population in Latin America and the Caribbean

<table>
<thead>
<tr>
<th></th>
<th>1990</th>
<th>2000</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drinking Water</td>
<td>64%</td>
<td>73%</td>
<td>81%</td>
</tr>
<tr>
<td>Improved Sanitation</td>
<td>38%</td>
<td>49%</td>
<td>60%</td>
</tr>
</tbody>
</table>

Source: JMP 2012
Five main challenges

- Sustainability of rural sanitation
- The demand-based approach beyond the project cycle
- Long-term sustainability
- Sector Policy and financial policy
- Decentralization and municipalities
Challenges for the Decade 2011-2020

Five main challenges

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In 2010, rural sanitation coverage in the region is 60%.

Technology accompanied by software.

Flexible approaches: give families chance to choose among different solutions.

Countries with less than 50% rural access to improved sanitation*

Rural & urban disparities

Bolivia (10%)
Brazil (44%)
Haiti (10%)
Nicaragua (37%)
Paraguay (40%)
Peru (37%)

*Unicef/WHO 2012
**Challenges for the Decade 2011-2020**

**Ecuador: Compact Sanitary Unit (CSU)**

**PRAGUAS Program**

- Seven years later: 98% are still functioning and 76% are performing satisfactorily
- Beneficiaries invested to maintain and improve their CSU
- Adoption of the solution has been quick and massive
- Higher levels of service + financing policy + beneficiary participation = Reduced additional costs to the Government
Challenges for the Decade 2011-2020

Seeking sustainability for rural sanitation

Recommendations

1. Develop a regulatory framework with a comprehensive vision
2. Prepare a menu options
3. Promote the adoption of low water use sanitation technologies
4. Promote supply & demand for sanitation services with PSP
5. Include environmental protection topics
6. Relate the investment in sanitation to the local economy
Challenges for the Decade 2011-2020

Five main challenges

- Sustainability of rural sanitation
- Long-term sustainability
- The demand-based approach beyond the project cycle
- Sector Policy and financial policy
- Decentralization and municipalities
Demand-based approach: thinking beyond the project cycle

Demand-based approach has taken hold in most Latin America and the Caribbean countries to facilitate access to sustainable water and sanitation services.

Limitations

- Training and education for decision making
- Government & Policies not aligned with communities’ needs
- Political cycles and interrupted processes
- Co financing by different & disconnected stakeholders
- Sustainability depends on local capacities
- Lack of efficient communication mechanisms
Challenges for the Decade 2011-2020

Brazil: Integrated System of Rural Sanitation (SISAR)

SISAR is a consortium of organizations:

- Non-governmental & non-profit, support by state water utility (CAGECE)
- Brings together a platform of rural systems of the same water basin (or surrounding)
- Supported by state gov., local gov., communities, development partners
Challenges for the Decade 2011-2020

Demand-based approach: thinking beyond the project cycle

Recommendations

1. Enhance participation during the project cycle
2. Go beyond the project cycle
3. Promote local partnerships
4. Synchronize timeframes
Challenges for the Decade 2011-2020

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Challenges for the Decade 2011-2020

Decentralization and municipalities

Three areas of intervention

Technical assistance

Promotion

Follow up and monitoring

Advantages
- Direct contact with population
- Identification of cultural elements
- Know about local needs and the state of the services

Challenges
- Sustained commitment
- Resources to finance
- Develop and retain local capacities
Challenges for the Decade 2011-2020

Decentralization and municipalities

Recommendations

1. Budget for technical assistance
2. Ensure monitoring and follow-up
3. Foster closer alignment between local and national stakeholders
4. Improve water resource management
Challenges for the Decade 2011-2020

Five main challenges

- Sustainability of rural sanitation
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Challenges for the Decade 2011-2020

Sector Policy and Financial Policy

Appropriate and efficient investment

Incentives
- New management models
- Care of the environment
- Coordination of water and sanitation programs and projects at National and sub national level
- Adoption of a scale of tax incentives

Challenges
- Investments
- Sector policies
- Transformation of resources into services
The New FISE Strategy:
• Strengthening: sector’s approach, local capacities and decentralization, social and technical sustainability of projects, and integration of the W&S, and hygiene promotion components.
• Emphasizes the importance of community driven projects.

Before:
• Execution of the work was all done by consultants.
• Efforts to achieve social participation were not oriented toward sustainability.
• Priority was given to rapid execution of the work, without ensuring the installation of local capacity.
Challenges for the Decade 2011-2020

Sector Policy and Financial Policy Recommendations

1. Promoting dialogue and generating a national debate on rural sector policy

2. Formulating proposals for specific policies

3. Seeking the support of technical and financial assistance organizations

1 out of 5 people in Latin America lives in rural areas
Challenges for the Decade 2011-2020

Five main challenges

- Sustainability of rural sanitation
- The demand-based approach beyond the project cycle
- Decentralization and municipalities
- Sector Policy and financial policy
- Long-term sustainability

Challenges
Challenges for the Decade 2011-2020

Long –Term sustainability

Sustainability of the services in rural areas is a multidimensional issue

1. Quality of the natural resources
2. Quality of the service delivered
3. The financial models (O&M&R)
Challenges for the Decade 2011-2020

Long–Term sustainability
Recommendations

1. Financial management for replacement and expansions
2. Environment sustainability
3. Monitoring systems
Burden of equity in WSS is rich/poor, urban/rural

As other regions improve access, will need to focus on hardest-to-reach

Sustained, quality service
¡Gracias!