

Inter-American Development Bank



Water and Sanitation Initiative

April 2008



Great challenges persist in coverage in as much as quality...

- More than 219 million inhabitants in the region receive intermittent service.
- Only 24% of the region's urban population can rely on effective monitoring systems of the quality of water.
- Less than 15% of urban wastewater discharges receive any type of treatment



The region faces challenges to obtain universal access with acceptable quality levels...

- To attract investment resources.
- To strengthen institutions of planning, regulation and control.
- To improve the management and transparency of the operators.
- To guarantee the quality, quantity and reliability of water resources.

...in an evolving scenario

- 18 of the 26 countries of the region provide water and sanitation services in a decentralized form.
- 89% of the region's inhabitants receive their services from a decentralized utility.
- A large percentage of the rural water and sanitation systems are administered by community-based organizations.



The IDB can be a key partner for the development of the sector

- The Water and Sanitation Initiative is a response to these new sector challenges
- **Objective:** help the countries of LAC achieve universal access to sustainable, reliable, quality water and sanitation services, taking into account the population's ability to pay
- The Bank reaffirms its partnership with member countries in meeting the Millennium Development Goals for water and sanitation



The Initiative: will be implemented through four programs and proposes a medium-term action plan (2007-2011)

1. 100 Cities
2. 3,000 Rural communities
3. Water defenders
4. Efficient and transparent utilities



It will focus on the poorest in the urban centers...

100 Cities

- Financing and integral technical assistance for each city, giving priority to the cities with greater proportions of poor population unattended. It includes sewerage and sewage treatment
- **Goals:** To take care of 100 cities of 50,000 inhabitants or more before 2011.



...it will empower the population that lives in the rural areas...

3,000 Rural communities

- Financing and direct technical assistance to empower each community to resolve by its own account its water supply and sanitation necessities.
- **Goals:** To take care of 3,000 rural communities before 2011.



...foster sustainable management of water resources...

Water Defenders

- Technical assistance and financing to national and local governments for the protection of resources, the rational use of water and the elimination of water-related pollution.
- **Goals:** To take care of 20 priority micro river basins for water supply before 2011, prioritizing those with greater levels of “*water-stress*”.



...and it will support the efficiency and the transparency of the sector utilities.

Efficient and transparent utilities

- Financing programs and incentives to promote efficiency of the sector utilities. It includes the improvement of legal and regulatory frameworks.
- **Goals:** Program is compatible with the 100 cities program.



Implementing the Initiative: Financial and Non Financial Instruments

- **Sector Strategic Plans for each country**

- A road map for long-term sector development.
- The basic document for country dialogue.
- To match public and private agents inside and outside the countries to reach the objectives.



Implementing the Initiative: Financial and Non Financial Instruments

•Application of existing financial instruments

- Infrafund, local currency loans, guarantees, non-sovereign guarantee program for public utilities

•Development of new instruments

- Line of Credit Water Express for efficient water operators

- Creation of a multi-donor fund dedicated to the water and sanitation sector to provide technical assistance, finance pilot projects and knowledge dissemination activities



...that in the next 5 years the impact would be...

- Access to water supply and sanitation to more than 15 million urban inhabitants that today are otherwise unattended.
- Access to water supply and sanitation to more than 5 million rural inhabitants that today are otherwise unattended.
- Sanitation plans in 100 cities and sustainable development of at least **20** micro river basins that today are under “*water stress*” conditions.

IDB Water and Sanitation Projects

Ecuador: Potable Water and Sanitation for Cuenca

- **Total Project cost:** US\$ 97 million
- **Civil works:**
 - Potable water networks, reservoirs: approx. US\$20 million
 - Sewage works: approx. US\$20 million
- **Consulting services:**
 - Engineering and administration: US\$3-4 million
 - Improvement of water operator: US\$3-US\$4 million
 - Water loss control: approx. US\$1 million

Bolivia: Storm Drainage Program for La Paz

- **Total Project cost:** US\$ 20 million
- **Consulting services: 2009**
 - Environmental education plan: approx. US\$400,000
 - Maintenance plan for drainage system: US\$100,000
 - Audit firm: approx. US\$100,000
 - Program for disaster prevention and work supervision: approx. US\$ 500,000
 - Designs: approx.US\$500,000

Colombia: Pre-Investment for the Preparation of Environmental Management of the Bogota River Watershed

- **Total Project cost:** US\$ 4 million
- **Consulting services:** 2008 and 2009
 - Specific engineering Designs for priority water and sewage works: approx. US\$600,000
 - Socio-environmental studies (EIA on expansion of one district, strategic environmental evaluation of the program): approx. US\$300,000

Uruguay: Solid Waste Management Program for the Montevideo Metropolitan Area

- **Total Project cost:** US\$
- **Consulting services:** 2008 and 2009
 - Final design for the treatment and disposal infrastructure of solid waste: approx. US\$250,000
 - Strengthening and training of executing agency to execute the program: approx. US\$300,000
 - Communication program: approx. US\$200,000