

Getting to boiling point

Turning up the heat on water and sanitation



Executive summary

“When the water starts boiling it is foolish to turn off the heat”.

Nelson Mandela

The world’s poorest people are still waiting for the water itself, let alone for it to boil. Since the 1980’s Water Decade failed to secure water and sanitation for all the world’s population, a procession of international reports and conferences has called for universal access to these services. But constant repetition of the fact that “water is life” has proved not to be enough. The performance of the water sector remains brutally inadequate: more than a billion people are still without safe water and 2.6 billion lack any way to dispose of their excrement in safety and with dignity.

These failures are undermining development: keeping children out of school, stopping adults pursuing their livelihoods, and denying many people good health and in some cases even life. This is the silent emergency affecting the world today. Unless the delivery of water and sanitation improves significantly the Millennium Development Goal (MDG) to halve world poverty by 2015 will be undermined.

To assist in moving from the “what” of policy to the “how” of action, WaterAid has sought the views of practitioners in the 14 countries where it works. Their perspectives on the day-to-day blockages actually preventing them from delivering new water and sanitation services have confirmed that much better use could and should be made of the money in the sector.

At the same time calculations of the numbers of people to be reached, the costs of the most basic approaches for doing so and current available resources have confirmed that most countries – 12 out of the 14 examined – need to invest more money if they are to have any chance of reaching their MDG targets for water and sanitation (to halve by 2015 the proportions of people without access to water and sanitation).

Better spending of all the money and bringing in new money are political common sense: for communities without safe water, getting access to such water is – almost without exception – their first priority. It is also development common sense: children and women in particular need to be free of the burdens of hauling water and of water-related diseases if they are to pursue their education and livelihoods. Where political and development agendas have come together, the power of politics to deliver new water and sanitation services has been clearly seen. How to improve the performance and resourcing of the water sector therefore comes down in the end to the question of whether there is the political will to do so.

Prioritisation – putting water and sanitation at the heart of poverty reduction

Water Ministry officials are the poor relations of Government, lacking any attention to what they are achieving and last in the queue for resources. But there are two compelling arguments why water supply and sanitation should be a priority of government.

Where poor people have a voice, they themselves assert the human right to safe water which governments have a duty to deliver. This was seen at its most effective in Uganda. Communities highlighted water as a top priority when they were consulted about their needs during the national poverty reduction planning process. Energetic civil society advocacy ensured that water was prioritised in the final plan. An additional 2.2 million people gained access to safe water in just three years.

The second key reason to prioritise water supply and sanitation is that without them people simply cannot escape poverty. Not having safe water and basic sanitation results in disease and increased infant mortality, while also holding back economic growth. The time spent collecting water keeps women from paid work and children from school. In Tanzania, 12% more children were found to attend school when safe water was available within 15 minutes rather than one hour from their home. In Nigeria, the government started to eradicate guinea worm when it realised that spending \$2m could recoup 30 million working days every year. Water and sanitation underpin development and without them the MDGs will not be met.

Becoming a priority of government is currently a challenge. However, the bigger challenge to financing basic water supply and sanitation provision is how to make the money perform better. Our research identifies a number of key concerns.

Transparency – be open about what’s going on

Many citizens, even those working in the water sector, cannot gauge the full extent and effectiveness of their government’s efforts to finance and provide water and sanitation services. Information on spending and its impact is often hard to get hold of, long out of date or inconsistent. In Madagascar even the ministry responsible for water supply finds it difficult to get hold of budget data from the Ministry of Finance. In Ethiopia the latest official expenditure data is for 1996/7. And coverage data in countries is disparate; for example in India and Tanzania coverage rates vary considerably between government reports. The weaknesses in data consistency and accuracy can lead to under-estimation of the scale of need and level of investments required.

A lack of transparency can also lead to unequal distribution of services, because it is not clear which areas have the greatest need. Some areas see repeated investment while others are ignored. Attention to monitoring performance and levels of investment in the sector and making this information more readily available enables civil society and parliaments to analyse such inequities and exert pressure to correct them.

Equity – some for all not all for some

Not enough money is going to the places that need it most. This is happening at each level of decision making. Internationally, less than 40% of aid for water goes to those countries which are home to nearly 90% of the 1.1 billion people who don't have access to clean water. At national level, in Bangladesh for example, Dhaka's water utility has proposed spending \$1.5bn on its sewage system. That could be enough to meet water supply and sanitation targets for the whole country. Such inequitable distribution is evident in other countries too, and not just because data is lacking: political agendas also come into play. In Malawi, areas which are already well-served receive more resources while areas which are still unserved remain that way. Even the choice of technology can make a difference. In Tanzania investments in low cost technologies such as shallow-wells and springs are more equitable than investments in piped water supplies which disproportionately benefit the better off. Yet, donor assistance favours spending on pipes.

Coordination – don't duplicate

District water officers and other local government officials get trapped in a maze of overlapping water and sanitation projects. Multiple funding and reporting streams – some channelled through central government, others going through provincial administrations or directly to communities – leave people tied to their desks writing applications and reports. This uncoordinated and unwieldy network of funding results in inequities and drains the capacity of public servants. Without unified reporting systems, breakdowns can go unnoticed for years in official data and so fail to have resources allocated for repairs.

Capacity – give local government the money as well as the responsibility

Local administrative bodies are increasingly expected to shoulder newly decentralised responsibilities for water and sanitation without having the staff they need. The problem is made worse when the responsibilities are decentralised without simultaneous decentralisation of finances.

In Tanzania, for example, less than 10% of the total approved water expenditure in 2004/5 was spent through local authorities who have the responsibility for water supplies.

Sustainability – the difference between success and failure

Installing the infrastructure is only the first step. Once built the water and sanitation systems have to keep working. Money has to be raised from users to finance repairs and routine maintenance. The bigger the system the greater the management challenge. Many big urban systems have suffered years of neglect, starved of investments. Bringing them back from the brink of collapse is now a huge challenge. Many past rural investments have completely collapsed. Spending on infrastructure must go hand in hand with building capacity for managing systems and sustaining them financially. It must involve women as they have strong interests in keeping systems working. Maintaining systems is a balancing act between keeping water affordable and meeting the running costs. Installing overly-sophisticated infrastructure which costs users a disproportionate amount of their cash income is a non-starter. It is equally a recipe for disaster to suppress charges below the costs of production. Getting this balance right is greatly influenced by the choice of technology.

Privatisation – a pointless condition

Water sector officials at both national and local levels are wrestling with demands to draw in private sector participation. This has been put forward in the past decade by World Bank-led donors as a solution for developing countries' water needs. Results however have been mixed and international private companies themselves are now seeking alternative approaches. But some donors perversely still champion privatisation, making it a condition of aid. A more sensitive, context-determined approach is required. For example in Uganda the short-term contracting-out of the management of Kampala's ailing water utility dramatically improved coverage, collection and productivity. Public sector managers were then able to take these lessons to other urban areas as well as to make further improvements to Kampala's water supply.

Spending, aid and debt – willing the means as well as the ends

Even where there is the political will to do so, governments can find their ability to act is constrained. Critical to Uganda's success was the fact that it had debt relief funds available to invest. But generally the water sector's share of available funds from national governments and donors is in decline:

dropping from 2.6% to 1.9% of direct UK aid between 1998/9 and 2002/3, for example and overall accounting for only 1% or so of developing country spending. In many countries debt relief has been slow to kick in and trivial in relation to overall debt with repayments still far outstripping the additional finance required for water and sanitation.

The money for water and sanitation is not going to come from the international capital markets either. Financial markets are now uninterested in water for the poorest countries many of which do not even have credit ratings. It is public finance that has to lead investment in these basic building blocks of development. The recent global falls in public finance going to water and sanitation have to be reversed.

The world's richest countries therefore need to do much more to deliver on their commitment to Millennium Development Goal 8 for a global partnership for development, addressing the special trade, debt and aid needs of the least developed countries.

Conclusion – turning up the heat

The water sector needs to deliver much more and more quickly if the poverty reduction benefits of access to safe water and sanitation are to be secured by the target deadline of 2015. The sector needs to feel the heat of public scrutiny. That heat, allied with a better appreciation of water's role in reducing poverty, must generate the political will both to demand that the sector deliver and also to resource it to do so.

All countries' water sectors need to spend their money more effectively. Governments need to open up planning and monitoring processes to civil society

and development partners to ensure that expenditure is proportional to need; both in terms of geography and relative poverty. Responsibilities for water and sanitation should only be devolved to local government where associated budgets are also devolved. Water supply systems must be self-sustaining, balancing running and maintenance costs with affordability. Where the private sector offers real advantages in maintaining this balance they may have a role. However, it is public finance that has to lead investment in the sector. For most countries studied, this means doubling spending on water supply and sanitation.

Specifically in 2005 national governments and donors need to produce the plans for managing national water resources and to finance increases in access to safe water and sanitation. They must also agree coordination arrangements which avoid duplication of reporting systems and ensure efficient targeting of funds. From 2006/7 onwards water sector budgets must be fully disbursed and spent with the results then publicly reported.

These are not demands for new promises, they are simply what is required for water sector investments to conform with existing commitments – to the Millennium Development Goals or to donors' Rome Declaration on Harmonisation.

This report sets a baseline against which progress on these issues can be measured. Unless the sector's performance reaches higher standards in this way, the world's poorest people will remain trapped in poverty for want of their rights to safe water and sanitation.



CASE STUDY

“Since the project we have had lots of changes,” says Sophie Zongo from Bayandi Palogo in Burkina Faso. “Without safe water the children were often ill which stopped them going to school. We took them to the clinic but sometimes didn’t have the money to pay. We were so anxious that we sometimes felt ill ourselves. Now I hope that my children will grow up in good health, do well at school and get a job.

Before everyone had to go to the toilet in nature. The flies used to go into the faeces and come in the houses. They brought dirtiness and illness. Now the latrines are so close to our houses that even if you are ill you can use them. We feel better because our dignity is preserved, especially the women. We have learnt a lot about hygiene. We keep soap next to the latrine and wash our hands.”



Poverty-reducing improvements in health, education and livelihoods rely on increases in access to safe water and sanitation.

To achieve the water and sanitation MDGs:

Governments of developing countries need to:

- **By the end of 2005, produce an investment and delivery plan for managing their water resources and achieving their water and sanitation targets, with a separate budget for sanitation.**

This must be produced in partnership with the donor community and other water supply and sanitation stakeholders and reviewed annually. It should provide the means for greater co-ordination within the water and sanitation sector as well as delineate a separate sanitation budget.

- **From 2006/7, devolve budgets to local governments with responsibility for water and sanitation where appropriate.**

This can, for example, be achieved by setting up special purpose water and sanitation grants to local governments. Spending should be allocated proportionately to need to redress disparities in both geographic coverage and relative wealth.

- **From 2006/7 publish an annual report on the performance of the water and sanitation sector.**
- **From 2005, enable and strengthen the participation of the principal stakeholders of the sector – the users and providers – in the planning, monitoring and review of the water and sanitation services.**

This must include the establishment of consultative multi-stakeholder mechanisms and greater attention to the collection and use of information on sector performance. It will also require improvements in the transparency and accessibility of this information to the public.

Governments giving aid need to:

- **By the end of 2005, agree a mechanism for eradicating wasteful duplication in planning, funding and reporting systems between donors and recipient governments.**

As a result there will be one monitoring system for water supply and sanitation outputs.

- **From 2006/7, align their water supply and sanitation support with the government-led sector investment and delivery plans.**

This will include harmonising their procurement and other operating practices with government policies in the sector.

- **Ensure that they are meeting their millennium goal commitment of a partnership for development including providing 0.7% of GDP in aid by 2010 and closing finance gaps for water and sanitation especially in the least developed countries.**

This will mean spending 70% of their water supply and sanitation aid on the countries with the greatest water and sanitation needs. These are most countries in sub-Saharan Africa, plus some in South and South-East Asia.

- **From 2005, provide strategic assistance to the strengthening of civil society, media and parliamentary scrutiny of water and sanitation sector performance and financing.**



Baseline assessment of position on calls to action

Call to action	WaterAid countries		Comment
	With	Without	
National water sector investment and delivery plan	1	13	Some of the 13 have plans but, since they were not produced in partnership, donors are not aligned with them
Separate budget for sanitation	2	12	India and Uganda both have separate sanitation budget lines but both are considerably less than is needed
100% utilisation of water sector budgets	0	14	
Annual reports published on water sector performance	1	13	Uganda has a separate sector report. Other countries such as Zambia have only broader reports on PRSP progress covering water issues or one-off audit reports on the sector as in the 1998 Review by India's Accountant Generals of the States

Major donor behaviour in WaterAid Countries

	With	Without	
Unified single interaction with Government	3	11	This is broadly the case in Uganda. Some other countries – eg Ethiopia – have some donors working together but others remain outside the coordination mechanisms. NGOs are also likely to work “off-line”
Alignment with national water plans	2	12	Again this is broadly the case in Uganda
Partnership for development – providing 0.7% in ODA	0	7	For G7 countries only – overall they provided 0.21% of their wealth as ODA in 2003

CASE STUDY

“I have no school. I would like to go but I am the only child at home so if I go to school there will be no one to help my parents. I have to fetch the water. I use the water here for drinking, bathing and washing my clothes. My parents always get sick with diarrhoea – I don't know why – but they have to go to hospital. I'm not happy using this water. Some people use it like a toilet.”

Ten year old **Bundaa Joseph**, Tanzania



Summary of key statistics

- All World Governments signed up to the Millennium Development Goals of halving world poverty by 2015. Included in these are targets to halve the proportions of people without safe water and adequate sanitation by 2015
- In many regions these targets are off track, especially in Africa and for sanitation. Over 2.6 billion people – two-fifths of the world's population – do not have access to sanitation
- 384,000 people need to gain access to sanitation every single day to reach the Millennium Development targets – a 90% increase on performance since 1990
- 1.1 billion people – one person out of every six in the world – do not have access to safe water. 280,000 people need to gain access to safe water every single day to reach the Millennium Development target. This requires a 25% increase on performance since 1990
- 2.1 million children die every year from diarrhoea¹. This is one in five of all child deaths under the age of five and means a child dies every 15 seconds from water-related diseases²
- 5.6 billion productive days are lost annually around the world due to diarrhoeal diseases³
- 443 million school days are lost annually worldwide due to diarrhoeal diseases
- Water and sanitation are prioritised in the poverty reduction plans and budgets of just two of the 30 countries where nearly 90% of the 1.1 billion people without safe water live^{3a}
- Aid for water more than halved from 1995 to 2002 by when it was at its lowest in real terms since 1985
- Information on national water sector spending and performance may be non-existent or inconsistent, take years to emerge, be published only in foreign languages or in a very limited number of copies
- Spending is also not well-targeted within countries: projects may aid just 0.3% of the population, use technologies nearly 10 times more expensive than necessary, or improve services for a few rather than extending them to all
- Only one half or even fewer of water systems continue to work where the wrong technologies are used or where participation in projects is insufficient to ensure long-term community management capacity
- Lack of coordination in a country's water sector means there may be as many as nine different routes for funds to reach communities
- Funds made available by central government to the local authorities with the responsibility to provide water and sanitation services are usually worth less than \$1 per person per year
- Sub-Saharan Africa got just 0.001% of international private sector water investments between 1990 and 1997⁴. By contrast the local private sector may have constructed nearly 90% of waterpoints
- Water budgets are hardly ever fully spent. Utilisation rates range from 9-65% often because of delays in disbursements. Local authorities in the last month of the financial year can still be waiting for half of their budget to be released
- Annual spending on water and sanitation needs to double, from around \$14 billion to \$30 billion⁵
- This means there is a financing gap of \$16 billion a year. This amount is the equivalent to 15% of Europe's annual alcohol bill or only 0.002% of the world's \$1 trillion yearly military expenditures
- Less than 40% of aid for water goes to the 30 countries where nearly 90% of the 1.1 billion people without access to safe water live
- The total debt⁶ of 52 indebted poor countries is \$375 billion. Poor countries spend less than 0.25% of their income on water supply and sanitation⁷





WaterAid – water for life

The international NGO dedicated exclusively to the provision of safe domestic water, sanitation and hygiene education to the world's poorest people