

WATER AND SANITATION IN AN URBANIZING WORLD

UN-HABITAT's Water and Sanitation Trust Fund

UN-HABITAT
FOR A BETTER URBAN FUTURE

The urban perspective

Today, just over half the global population lives in towns and cities, and it is projected that by 2050, over 70 per cent of us will reside in urban areas. At the same time, around 884 million people globally are without access to safe drinking water, while more than 2.6 billion lack access to toilets and other sanitation facilities. Every year, more than two million people die due to a lack of safe drinking water and diseases caused by polluted water.

Cities are facing serious problems in the provision of basic infrastructure and services for their rapidly growing populations, the pressures and demands ever greater because of the growing numbers of urban poor around the world.

> "Safe and clean drinking water and sanitation is a human right that is essential for the full enjoyment of life and all human rights"
>
> **UN Resolution 64/292**
> The human right to water and sanitation, 2010

The number of city dwellers without access to water and basic services increased by 20 per cent between 2000 and 2008. In urban sub-Saharan Africa, for example, as many as 50 per cent of the population do not have access to adequate water supplies, while 60 per cent lack adequate sanitation. Providing access to sufficient quantities of safe water, the provision of facilities for a the safe treatment of human waste, and introducing sound hygiene practices are of capital importance to reduce the burden of many diseases, support education and human well-being.

Who is connected to drinking water in the cities?

Percentage of urban households connected to improved drinking water in selected countries



Uganda 11%
Myanmar16%
Haiti21%
Fiji32%
Kenya47%
Bhutan54%
Moldova79%
Brazil88%
USA97%

> "If the growth of cities is planned at scale, in advance, fast-growing cities particularly those in developing countries will be successful in transforming the very real threat of poverty into an opportunity for national economic growth."
>
> **Dr. Joan Clos,** UN-HABITAT Executive Director

Among the almost seven billion of today's global population, around one billion is living in slums and poor inner city neighbourhoods, their numbers growing nearly 10 per cent every year.

UN-HABITAT established its Water and Sanitation Trust Fund in 2003 to contribute to the Millennium Development Goal water target which stipulates that we must: "Halve by 2015 the proportion of the population without sustainable access to safe drinking water and sanitation." The Trust Fund currently works in 27 countries and supports a wide range of work with many partners, including families, communities, governments and like-minded organizations. Besides the Trust Fund, UN-HABITAT also works in water and sanitation in humanitarian emergencies and since 2009 it hosts the secretariat of the Global Water Operators Partnerships Alliance.

> "Whereas most other actors in the sector work mainly to achieve immediate contributions to coverage, the Trust Fund seeks to concentrate on models and tools that may be replicated in pursuing long term achievement of the Millennium Development Goals."
>
> 2011 External Evaluation of the Trust Fund

Aid Effectiveness and Donor Coordination: The Trust Fund

With only four years to the 2015 deadline set by world leaders, the target related to water and sanitation remains an enormous challenge.

There is a general agreement that the traditional donor-by-donor, country-by-country, project-by-project approach is not going to support the achievement of the Goals.

The Water and Sanitation Trust Fund provides a well-coordinated programmatic approach, enabling donors to improve their aid-effectiveness by contributing to a consolidated fund dedicated to a clear set of objectives. It has also facilitated reporting of programme activities to a group of donors rather than to each single donor. The Trust Fund provides a fast-track mechanism to cities and small towns to enable them to reach out to the urban poor.

Delivering Knowledge and Infrastructure Pilots since 2003:

01. Planning an Urbanizing World: 36 Countries Adopted Pro-poor Policies

Through the *Water for Cities* programmes in Africa, Asia and Latin America and the Caribbean, much headway is being made in the adoption of policies and institutional frameworks to expand access to environmentally sound urban infrastructure and services, with particular focus on the poor.

A good example is the development of *Solid Waste Management Act* and related *Technical Guidelines* in Nepal. The Act has recently been adopted by Parliament and guidelines are progressively being adopted by the country's 58 municipalities. Based on UN-HABITAT demonstration, the Government of Nepal has also adopted a policy to undertake *"poverty mapping"* in all urban areas. This will lead to gender responsive and pro-poor urban governance. Another example can be found in Ghana where as a result of UN-HABITAT advocacy, gender concerns have been included in the recently adopted National Environmental Sanitation Policy of Ghana.

02. Directly Supported over 200 Utilities and Municipal Governments to Deliver Water and Sanitation to the Urban Poor

The Water and Sanitation Trust Fund has supported over 200 service providers (water and sanitation utilities and municipal governments) in 36 countries serving the water and sanitation needs of over one million people.

Through training workshops, coaching and peer-to-peer exchanges, UN-HABITAT has provided knowledge and skills to the service providers in the development of strategic business plans, preparation and implementation of performance improvement plans, water demand management, billing and revenue collection, customer care, block mapping, gender mainstreaming and women empowerment and solid waste management.



UN-HABITAT improved household sanitation with infrastructure pilots in Cochabamba, Bolivia (2011). In 2010, the UN General Assembly called to "redouble efforts to close the sanitation gap" and made history by calling for an end to open defecation, the most dangerous sanitation practice to public health. © UN-HABITAT

Since 2003, the 200 service providers have, on average, reduced wastage (water lost before it reaches the customer) from 60 per cent to 39 per cent. Public utilities have recovered up to 95 per cent of their costs in some cases, and municipal governments have been able to double the amount of waste collected. All of this contributes to a cleaner environment and healthier citizens.

03. Addressing the Needs of Urban Poor in Large Infrastructure Investments of the Development Banks

The Trust Fund has supported cities with large infrastructure investments by development banks ensuring that the services reach the poor. It has been instrumental in leveraging over USD 135 million from development banks, other development partners, NGOs and the private sector.

For example, in central Africa's Lake Victoria region, the Trust Fund has provided 200,000 people with safe and sustainable drinking water and 90,000 persons with improved sanitation since 2004. Based on these results, the African Development Bank has given a grant of USD 110 million to bring the programme to 15 additional towns. In this new phase, UN-HABITAT will implement the capacity building component.

UN-HABITAT has also catalyzed reforms in the water and sanitation sector in Asia, including policy directives and guidelines issued by governments (as in Madhya Pradesh in India). This has helped institutionalise door-to-door collection of solid waste and provided assessments which have served as a basis for the development banks to initiate investment projects in the cities. Since 2003, UN-HABITAT has also partnered with the Asian Development Bank. And two years ago, a similar strategic partnership was enjoined with the Inter-American Development Bank.

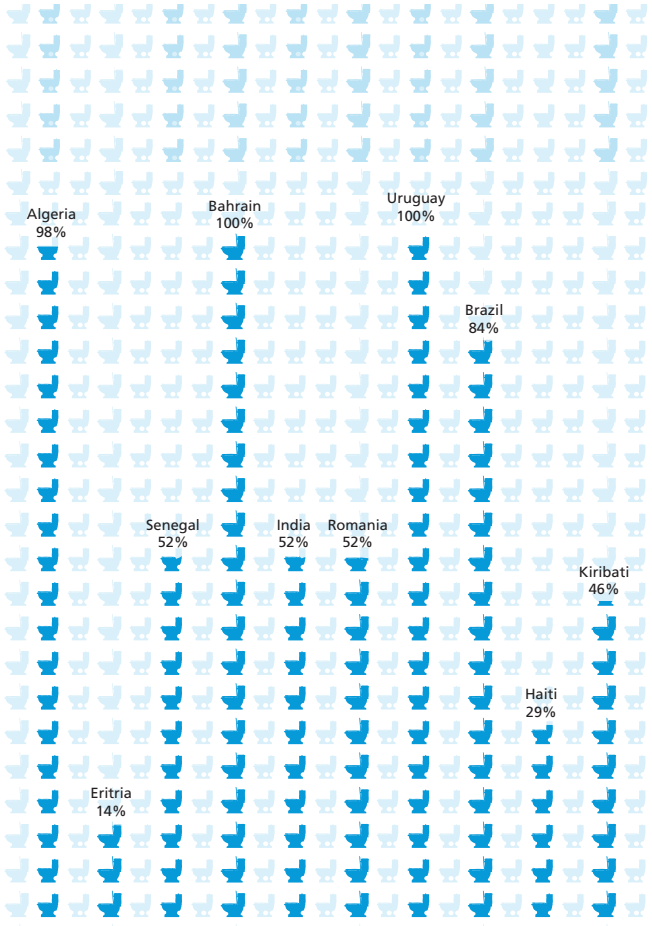
04. Assessed Globally the State of Urban Water and Sanitation

The Trust Fund has supported the development and dissemination of a variety of global publications. Key among them are:

- *Water and Sanitation in the World's Cities: Local Action for Global Goals* (2003)
- *Water and Sanitation in the World's Cities: Meeting Development Goals in Small Urban Centres* (2006), and
- *Water and Sanitation in the World's Cities: Solid Waste Management in the World's Cities* (2010) which won the International Solid Waste Association Publication Award 2010.



Local residents collecting water from a spring in Kyotera, Uganda. © UN-HABITAT



How many people living in cities have access to improved sanitation?

One toilet represents 10% of the urban population with access to improved sanitation

05. Innovative Monitoring of the MDG Targets and Beyond: Gathering Data for Decision-Making

A major weakness in the water and sanitation sector is the absence of reliable data which can help our understanding of service provision for the poor, especially in urban areas, and provide information to enable consumers, service providers, policy makers and donors to act more decisively and to monitor the impact of their interventions.

UN-HABITAT has developed a methodology (Urban Inequities Survey) which provides geo-referenced, ground-level data disaggregated by gender and socio-economic group and supported by information on health, the environment and socio-economic status. It has been used to collect baseline data in the Lake Victoria and southeast Asia's Mekong River regions.

In collaboration with Google.org, UN-HABITAT has also developed an online platform (www.h20initiative.org) to share data on water and sanitation provision and consumer satisfaction worldwide. This platform combines the Urban Inequities Survey methodology with utility benchmarking and citizen-based participatory monitoring techniques to support and empower communities in seven cities in the Lake Victoria region.

In addition, a Geo-Referenced Utility Benchmarking System was launched in 2010 by the Global Water Operators Partnerships Alliance to help water operators, regulators, and financial institutions visualize and analyse utility benchmarking data. It is serving, for example, 135 utilities in Africa (visit http://www.gwopa.org/grubs.html).



President Luiz Inácio Lula da Silva, addressing the fifth session of the World Urban Forum, Rio de Janeiro, Brazil 2010 © J. Mwelu/UN-HABITAT



Children drinking water from the from a newly built community water facility in India. © UN-HABITAT

A Personal Highlight: Bringing water to eight villages in Lao PDR while building their capacity

"We are grateful for the USD 250,000 contributed by UN-HABITAT which has leveraged funding from our government," said Mr. Somdy Douangpasith, District Governor. In 2009, the UN-HABITAT project brought water and sanitation to 7,200 people in eight villages in the Laotian Xieng Ngeun in the Luang Prabang.

It was not always like this. Mr. Douangpasith recalls the time when there was no formal water supply. "It was really hard for women and children," he says. "Since they had to go down the steep banks of the Nam Khan River, some of them often got injured, including pregnant ladies".

"After completion of this project we saw a large number of businesses springing up here," remarks Mr. Douangpasith. "Bottling factories, ice-making factories, guest houses, fuel stations – none of these were here before and now they are so many!" he exclaims.

Building local capacity was also well appreciated by local utilities: "Instead of hiring expensive consultants from abroad as we see in the projects funded by others, we used local resources," said Mr. Soulith Chindamany, General Manager of the water supply utility at Luang Prabang. "By participating in these projects, the capacity of our professionals got built," he added. "Besides, now they know the complexities of our work and the need for conserving water as well as the need to pay their bills."

"Now that we have round-the-clock water on tap, we have not visited the river in a long time," said a smiling resident of Xieng Nguen. The project has improved the lives of the villagers strengthening basic services and building the capacities of their communities.

External Evaluation of the Water and Sanitation Trust Fund (2011) – Synthesis Report Extracts:

The independent evaluation on the Trust Fund carried out in 2011 was generally positive. Key conclusions were:

Policy and Strategy – "The Trust Fund strategy and activities are highly relevant […] by targeting the vulnerable and often neglected populations in small urban centres and poverty pockets in larger cities, forging a wide range of partnerships, focusing on innovation, learning and replicable models for dissemination and use and operating at global, regional and country level with combined operational and normative interventions." (p.vi)

Processes and Resources – "The Trust Fund has helped establish a strategic programmatic approach with agreed and simplified planning and reporting procedures. The Trust Fund has secured significant contributions from bilateral donors since 2004 (approx USD 120 million)." However, in 2011 only Norway provided core resources to the Fund. (p.vi)

Partnerships – "The Trust Fund has successfully established a broad range of partnerships with governments, civil society, private sector, development banks and other donors." (p.vii)

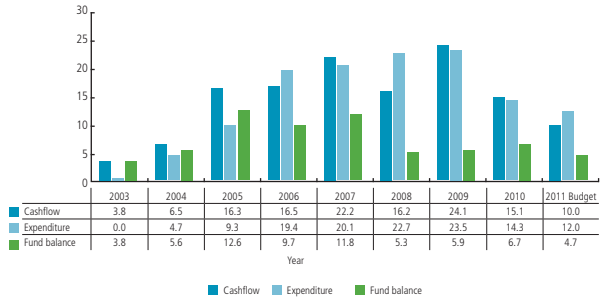
Achievements and Results – "Major stakeholders rate the Trust Fund's performance as very high. A general response is that projects are making a substantial and direct impact from a relatively small investment. The projects are considered as good value for money and a leverage effect on follow-up and complementary investments." (p.vii)

The Added-Value of UN-HABITAT – "UN-HABITAT's added value is its mix of operational and normative work, coupled with the focus on urbanisation of poverty, and small and intermediate towns." "Whereas most other actors in the sector […] mainly work to achieve immediate contributions to coverage, the Trust Fund seeks to concentrate on models and tools that may be replicated by various actors engaged in pursuing long term achievement of the Millennium Development Goals." (p.21)

Trust Fund Resources

Since 2003, contributions have steadily increased except since 2009 when the impact of the financial crisis hit.

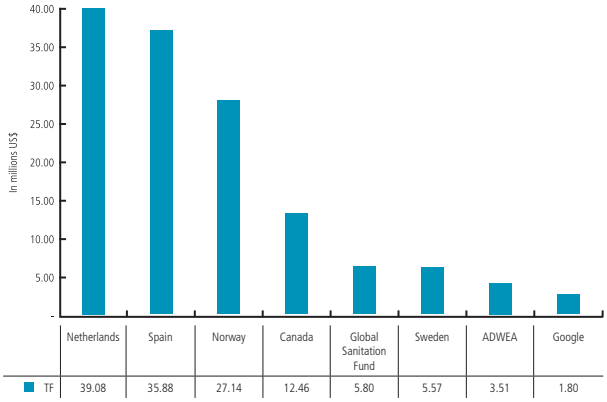
FIGURE 1: **Overall Water and Sanitation Trust Fund financial overview (US$ millions)**



	2003	2004	2005	2006	2007	2008	2009	2010	2011 Budget
Cashflow	3.8	6.5	16.3	16.5	22.2	16.2	24.1	15.1	10.0
Expenditure	0.0	4.7	9.3	19.4	20.1	22.7	23.5	14.3	12.0
Fund balance	3.8	5.6	12.6	9.7	11.8	5.3	5.9	6.7	4.7

At the same, partnerships with other governments, foundations and private companies have expanded.

FIGURE 2: **Major Contributions to the Water and Sanitation Trust Fund activities based on signed agreements (2003-2011)**



	Netherlands	Spain	Norway	Canada	Global Sanitation Fund	Sweden	ADWEA	Google
TF	39.08	35.88	27.14	12.46	5.80	5.57	3.51	1.80

* ADWEA: Abu Dhabi Water and Electricity Authority.
Source: UN-HABITAT WSTF

> "Major stakeholders rate the Trust Fund's performance as very high. A general response is that projects are making a substantial and direct impact from a relatively small investment."
>
> **2011 External Evaluation of the Trust Fund**

LIST OF TRUST FUND PARTNERS

Bilateral Donors

- Canada
- France
- Italy
- Netherlands
- Norway
- Poland
- Spain

Other contributing partners

- Abu Dhabi Water & Electricity Authority
- BASF Social Foundation
- Bentley University
- Catalan Agency for Development Cooperation (ACCD)
- Coca-Cola Co.
- Cadbury Kenya
- Fukuoka Habitat Institute
- Global Sanitation Fund
- Google.org
- Oxiana Limited
- UNDP/Spain MDG Achievement Fund
- United Nations Central Emergency Response Fund (UNCERF)

Development Banks

- African Development Bank
- Asian Development Bank
- Inter-American Development Bank
- European Investment Bank

Regional Intergovernmental Organizations

- Asia Pacific Ministerial Conference on Housing and Urban Development (APMCHUD)
- East African Community Secretariat
- Lake Victoria Basin Commission
- The African Ministers' Council on Water (AMCOW)
- South-East Asia Ministers of Education Organization (SEAMEO)
- American Water Forum (AWF)
- Foro CentroAmericano y de Republica Dominicana de Agua Potable y Saneamiento (FOCARD-APS)

Partner Countries

Africa - Ghana, Nigeria, Mali, Senegal, Ethiopia, Burkina Faso, Cameroon, Cote d'Ivoire, Tanzania (Zanzibar), Mozambique, Rwanda, Burundi, Kenya, Niger,

Asia - India, Pakistan, Nepal, PR China, Lao PDR, Vietnam, Cambodia, Indonesia, Bangladesh, Bhutan

Latin America and the Caribbean – Mexico, Bolivia, Peru, Ecuador, Colombia, El Salvador, Nicaragua

Other Partners

- Action Against Hunger – Spain
- Action for Development Society – Tanzania
- Africa Leadership Institute – Uganda
- African Water Association
- ANEAS (Mexican National Water Operator Association)
- Association of NGOs in Zanzibar (ANGOZA)
- CARE International
- CENCA (Institute of Urban Development)
- Consejo Consultivo del Agua, Mexico
- Council for Scientific and Industrial Research (CSIR)
- DINESVBI (Sectoral Spaces for Water and Sanitation)
- ENDA-RUP (Relais pour le Développement Urbain Participé)
- Environment Centre Costa Pacifica (Centro Ambiental Costa Pacifica)
- Federation of Canadian Municipalities
- Femsa Foundation
- French Institute for Research in Africa (IFRA)
- Gender and Water Alliance – GWA
- IMTA (Insituto Mexicano de Tecnologia del Agua)
- Latin American and Caribbean Water Center (CAALCA)
- Maji na Ufanisi – Kenya
- National Water and Sewerage Corporation – Uganda
- National Water Commission (CONAGUA) – Mexico
- Netwas – Kenya
- NGO Yaku
- Plan International
- Project Wet
- Regional Network for Water and Sanitation in Central America (RRAS-CA)
- SANA International
- SARAR Transformación
- SNV (The Netherlands Cooperation Agency)
- UNAM (National Autonomous University of Mexico)
- UNESCO-IHE Institute for Water Education
- WaterAid
- Water and Sanitation for the Urban Poor (WSUP)
- Water and Sanitation Regional Council, Cochabamba (CODESAB)
- Water for People
- Water Providers Association in Santa Cruz (FEDECAAS)
- Water Services Trust Fund – Kenya
- Water Research Center (CASA) –University of San Simon, Cochabamba
- World Wide Fund for Nature (WWF) - Pakistan



Countries were the Water and Sanitation Trust Fund is currently present.

UN-HABITAT

UN-HABITAT is the United Nations body mandated to promote socially and environmentally sustainable towns and cities and to provide adequate shelter for all.

For more information:
United Nations Human Settlements Programme
P.O. Box 30030, GPO Nairobi, 00100, Kenya
www.unhabitat.org

Contact us:
General Inquiries: Tel: +254 20 762 5420 / infohabitat@unhabitat.org
To contribute to the Trust Fund: info.rmu@unhabitat.org.

@UNHABITAT
www.facebook.com/UNHABITAT