

Defining the Challenges: Where Change is Needed

WE HAVE SEEN THAT in many parts of the Asia and Pacific region, and for the region as a whole, the prospects for reaching at least the MDG target for water supply are good. The situation for sanitation is less positive, though even here there are a number of countries where it can be expected that the target will be achieved. Many of the countries likely to reach all of Target 10 are ones where the situation is already relatively good and where the prospects for continued development and growth suggest that the needed resources and institutions will ensure continuing progress. Several of these countries are large, including the big two—the PRC and India, implying that their achievement will also push for the accomplishment of Target 10 at the global level. Attaining the MDG targets will be an important milestone in the process of socioeconomic and environmental development in these countries, but continuing commitment will be necessary to maintain the momentum of the achievement of the MDGs.

Achieving the MDG targets is still not the end of the story, including the end of the need for significant investments in water supply and sanitation. Even in countries where Target 10 and the MDGs are met, there will often be communities and areas that will still face problems. Target 10, like most other targets, only aims to halve the number of people without access to water and sanitation. In most countries, many millions of people will not have their needs met despite the MDG targets being achieved. Given that it is likely to be the poorest people, often living in the most challenging locations and whose needs are unmet, the challenges of providing improved water supply and sanitation for *all* of the people of Asia and the Pacific will still be significant. Other countries in the region face a variety of challenges in reaching the MDGs. As we have seen, for some countries in Asia and the Pacific, the prospects of attaining Target 10 are remote unless major changes are made in the ways water supply and sanitation ser-

vices are delivered. This is particularly true for sanitation, where current trends suggest that there is little or no prospect of the 2015 target being reached without these changes.

What changes need to take place to address these challenges? Clearly and now widely accepted is the understanding that the principal challenges will not be technological—the hardware of water supplies and sanitation—but rather the soft issues: How can water supply and sanitation programs be organized and financed? How can people be trained, organized, and motivated to install, use, and maintain the facilities? How can institutions develop more and better incentives and make improvements more sustainable? These questions are not new, and indeed have been recognized as pivotal since the Water Supply and Sanitation Decade in the 1980s. That they are familiar does not negate their relevance or importance, for the challenges the questions present are still to be met in many parts of the Asia and Pacific region.

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Priority Action Areas

Box 7 sets out the 10 priority action areas identified by the UN Water and Sanitation Task Force in their final report for the Millennium Project. These 10 recommendations provide a framework for adapting to the specific situations of different countries and to identify their priorities for action. For Asia and the Pacific, the analysis of trends demonstrates that the first valid action for most countries is to put sanitation on the top of the agenda. This includes the need to identify different modalities for extending access to sanitation services. The existing tendency to link sanitation provision to water supply, while attractive on a number of levels, has meant that insufficient attention has been paid to sanitation. In particular, the needs of the many millions who do have adequate water but lack sanitation tend to be neglected. Different approaches are needed to address the problems.

The remaining recommendations emphasize institutional reforms and strengthening at all levels, but with a particular focus on decentralized government institutions, community organizations, and the private sector. The implications of these recommendations, along with experiences from other sources, are clear: the key is to provide people, including the poor, with increased choices over what investments to make, how they are organized and paid for, and how services are run once access to facilities is improved.

The focus on increasing choices for people as consumers of services implies a different role for governments. Instead of seeing their main task as building more facilities, government agencies should concentrate on creating an effective policy, legal and regulatory environment in which *all* sections of the community, including local communities and the private sector, can play an active role in improving access to safe water and improved sanitation.

In defining the trajectory of and pri-

orities for change, decision makers need to address a range of issues in the following four core areas that reflect the key constraints identified in the UN MDG Task Force report:

1. **Policy, legal, and regulatory reform** is an essential pre-condition for sustainable and effective change in Asia and the Pacific. Governments are the central actors because they are responsible for defining the framework within which water supply and sanitation provision takes place. This framework houses the set of laws and regulations that determine the responsibilities and rights of different sections of society to access these services, as well as determine the quality of standards these services must maintain to protect users and environments. These laws and regulations are further prioritized by the policy framework for the sector and for related sectors such as health, education, ecosystems conservation, and household-based livelihood activities that use domestic water. Special attention to defining policies that target the specific needs and opportunities of the poor for improved access to water supply and sanitation is needed. This is particularly true for targeting government and donor resources for investments, awareness raising and community mobilization.

2. **Planning and technology** choices must ensure that the national legal and policy framework is put into practice. Governments need to ensure that the planning systems surrounding their programs, including programs supported by donors, reflect the policy priorities. They do this by having explicit poverty targets and providing options that reflect the needs and capabilities of the poor. Above all, the goal should be to make the full range of technology and management choices available to poor people and to planners. This should include developing innovative and, where possible, low cost technical choices that can be afforded and implemented by poor communities. For water supply, this should include approaches such as small piped networks for, in par-

BOX 7: UN Water Supply and Sanitation Task Force Recommendations

Action 1: Governments and other stakeholders need to move the sanitation crisis to the top of the agenda.

Action 2: Countries must ensure that policies and institutions for water supply and sanitation service delivery, as well as for water resources management and development, respond equally to the different roles, needs, and priorities of women and men.

Action 3: Governments and donor agencies must simultaneously pursue investment and reforms for improved water supply, sanitation, and water management.

Action 4: A focus on sustainable service delivery, rather than construction of facilities alone, must be at the center of efforts to reach Target 10.

Action 5: Governments and donor agencies must empower local authorities and communities with the authority, resources, and professional capacity required to manage water supply and sanitation service delivery.

Action 6: Governments and utilities must ensure that users who can pay do pay in order to

fund the maintenance and expansion of services – but they must also ensure that the needs of poor households are met.

Action 7: Within the context of national MDG-based poverty reduction strategies, countries should elaborate coherent water resources development and management plans that will support the achievement of the MDGs.

Action 8: Governments and their civil society and private sector partners must support a wide range of water and sanitation technologies and service levels that are technically, socially, environmentally, and financially appropriate.

Action 9: Institutional, financial and technological innovation must be promoted in strategic areas.

Action 10: The United Nations system organizations and their Member States must ensure that the UN system and its international partners provide strong and effective support for the achievement of the water supply and sanitation target and for water resources management and development.

Source: United Nations. 2004. *What will it take? Water, Sanitation, and the Millennium Development Goals*. UN, New York.

ticular, areas of urban fringes and densely settled rural areas, as well as innovative technologies to ensure adequate water quality. For sanitation, ideas for approaches that accomplish both safe use of wastewater and excreta and ecologically sustainable sanitation need to be scaled up to a level where they make a real impact at a national level.

3. **Financing mechanisms**²⁶, including supportive investment environments (especially ones that encourage small private sector investments) and effective cost recovery mechanisms are approaches that will address major challenges in many places. Two aspects of this issue are particularly important:

a) The establishment of more effec-

tive and diverse credit and financial management systems that are accessible to and affordable by the poor. This is essential to generate as high a level of cost recovery as possible. In many cases, the poor are willing to pay for better water and sanitation. The appropriate financial mechanisms are needed to deliver the improved access to them.

b) The development of a regulatory regime in which investments by the private sector, and especially by local small-scale entrepreneurs, are encouraged. A key aspect of this is the reform of government regulations in order to enable private sector's engagement in the water sector. This should be accompanied by the development of targeted programs to encour-

age entrepreneurial development.

4. **Institutional reform** is needed to build capacity, introduce more appropriate management systems, and bring more effective coordination among government agencies. There is also the need to build better links between government and civil society and to establish a supportive environment for the further development of private sector, civil society, and community level organizations. This issue covers a wide range of different aspects of institutional processes, but, in many places, three critical gaps need to be addressed:

a) Strengthening decentralization processes and building the capacity of local government agencies. These activities are crucial to implementing key policies that promote water supply and sanitation development. This is true for both urban areas (through the strengthening of mu-

nicipal authorities) and for rural areas.

b) Supporting the development of local private sector providers. This is accomplished by developing effective market systems, which should include the production and distribution of materials, the construction of appropriate facilities, and the provision of services (which absolutely requires operation and maintenance of these facilities).

c) Reducing the fragmentation and clarifying the uncertainties over mandates that often characterize the water supply and sanitation sector. It is not unusual for multiple government agencies to have responsibilities that overlap and subsequently cause gaps (especially for sanitation). An urgent priority of government should be to ensure their operations are coherent for them to be effective.