Achievement of SDG6 and Role of People-First PPPs
Human Rights-Based Approach to SDG6

Human Right 2 Water
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Achieving SDG6: Status Quo is not an option!

- Financing gap is still huge
- Foundational issues undermine achievement:
  - Technical and Financial Viability
  - Policies, Institutions, and Regulations
  - Weak pipeline of projects

The road to universal safely managed WASH services is full of challenges

- No borrowing powers of most WSP
- Low operational efficiency
- Weak Capacities
- Expenditure too High
- Revenue too low
- NRW too high
- Transfers from central government too low
- Tariff increases are needed – affordability issues
- Lack of creditworthiness
Joining forces to support achievement of SDG6: Guaranteeing the human right to water will mean effectively crowding in private sector resources and solutions

- Technical assistance and capacity-building
  - Sector reform
  - Utility performance and creditworthiness
  - Partnering with private sector (PPPs)

- Grants, Concessional and IFI Lending
- Blended Finance
- Risk mgmt Instruments
- Commercial Finance

Less Commercial

More commercial
Guayaquil, Ecuador: Successful PPP combining public and private resources

- **Long-term (30 yrs) concession** with private operator ongoing since 2001
  - Mature partnership that nurtures a climate of cooperation between three main parties:
    - Municipal government
    - Control and regulatory body (EMAPAG-EP), in a dual role as asset holding company and “de-facto” regulator of the contract,
    - Interagua, the private concessionaire

- **Mix of public and private financing**
  - Private Operator through concession contract: US$ 520 million
  - Municipality (fiscal budget and borrowing through EMAPAG) US$ 1 bill
  - Central Government: Sovereign guarantees

- **Results to date**
  - 24/7 water supply in all consolidated settlements in the service area, adequate pressure and water quality compliant with mandated standards
  - Almost universal coverage of sewerage services
  - Self-sustainable operation with affordable tariff and introduction of social tariff following national government audit
Guayaquil: When you have the pipes but you don’t have the people

Plans to get connected to a new sewer line - Guayaquil

- Sewer piping and septic tank sealing
- 21,000 households (80,000 people) connected to existing sewers between 2014-2015 (USD 643 per household)
Full-cycle Community Involvement

Structuring the program
- Selecting localities
- Targeting the beneficiaries
- Surveying and costing

Socializing the Program
- Household inspection
- Beneficiary Adhesion
- Procuring the services

Works execution
- Acceptance certificate
- Beneficiary Training
Setting the team, understanding and costing the needs

Social team
- Community women
- Selection & training
- Remuneration

Throughout the process
- Communication
- Adhesion
- Broker with the construction team
- Acceptance certificate
- Georeferencing

LOCAL BROKERS
Communication and citizen engagement

**Communications**
- Inform the community about the program, eligibility criteria, beneficiaries’ obligations, etc.

**Citizen engagement**
- Incentivize citizen feedback and involvement in the management of the program and supervision of the works.

**Training**
- Promote the adoption of improved hygiene practices, use and maintenance of devices and responsible use practices.
Guayaquil low income households connectivity program – all about incentives

- Legal obligation to get connected
- Charging for sewer services despite not being connected
- Reduced sewer tariffs
- Financed connection fee (repayment in 15 years)
- Free design
- Certified contractors
- One stop shop

information, communication, change of social norms
Durban, South Africa: Creating value from wastewater also put people first
People-First PPPs – What are they?

- “UNECE’s People first PPP” criteria (equity and social inclusion, environmental and economic sustainability, replicability and stakeholder engagement)
- “PPPs” could also stand for Policies and Partnerships for People
- Innovate and go beyond traditional models involving international and/or domestic private sector and engaging citizens and the community, under a lens of social inclusion of vulnerable and poor households
- Two daunting challenges with possible solution through PPPs: ensuring “last-mile” delivery, and financing of large “public good” investments (e.g. wastewater treatment).
Thank you!

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