


Are the MDGs a useful tool to structure partnerships in WSS sector?

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Are the MDGs a useful tool to structure partnerships in WSS sector?

- Why do the MDGs Matter?
- Status and Prospects of the ECA region
- MDGs: unique problems of ECA
- MDGs and ECA: What matters?
- Doing what matters: Global experience



Why do the WSS MDGs Matter?

- Deteriorating water quality - serious health risk
- Untreated wastewater - environmental threat
- Unreliable water supply - impediment to economic development and education
- Utilities can drive up quasi-fiscal deficits and/or are not able to maintain or invest in systems – fiscal policy and municipal finance

→ Important factor in meeting MDGs in other areas, which requires a multi-sectoral approach



Status of the ECA region

ECA target:

Improved water supply – 94%

Basic Sanitation – 95%

Region-wide current situation:

Population with access to improved water source – 91%

Population with access to improved sanitation facility – 93%

Comparison:

Eastern Asia – Water 78%, Sanitation 45% (2001/2002)

Latin America – Water 89%, Sanitation 75% (2001/2002)

Prospects of the ECA countries

But disparity between high income and low income countries...


Prospects of ECA countries for achieving the global MDGs	
EU8	Middle-income CIS
Slovenia	Russian Federation
Czech Republic	Kazakhstan
Hungary	Belarus
Estonia	Ukraine
Poland	Lower-income CIS
Slovak Republic	Armenia
Lithuania	Azerbaijan
Latvia	Georgia
Southeastern Europe	Moldova
Croatia	Uzbekistan
Turkey	Kyrgyz Republic
Romania	Tajikistan
Bulgaria	
Macedonia, FYR	
Serbia and Montenegro	
Albania	
Bosnia and Herzegovina	

Legend:	
	L i k e l y
	M a y b e
	U n l i k e l y
	N o d a t a

Source: MDG: Progress and Prospects in Europe and Central Asia, World Bank

MDGs and Unique Problems of ECA

- Highly developed urban systems and high network service coverage in rural areas, costs of which are sometimes beyond current income levels
- Until very recently, declining provision and safety of water in many countries
- MDG problems concentrated in Caucasus and Central Asia, particularly in secondary cities and rural
- Estimated annual investment of US\$ 1.1 billion required to achieve WSS MDGs for all CIS countries (2000 – 2015)



MDGs and ECA countries: What matters?

- Quality of water and sanitation services
- Sustainability
- Disparities between urban and rural



Doing what matters: global experience

- Upfront sector reform, and corporatization (urban) and community mobilization (rural) essential
- Focus
 - rehabilitation for efficiency improvements and financial sustainability
 - secondary cities & rural (essential for MDG)
 - scale-up to nationwide or regional coverage (use programmatic approach)
- No immediate full cost recovery in IDA countries but:
 - No subsidy on O&M costs
 - Disciplined and transparent capital cost support
- Lessons learned from using PSP
 - Build up local operator

