



The Challenges of Financing Sanitation

Follow-up Conference on the
International Year of Sanitation

Organised by

Government of Japan, ADB, and the United Nations
University, with partners UNSGAB and UNICEF

Dr Graham Alabaster Chief of Section, Water Sanitation and Infrastructure
Branch,
UN-Habitat

27 January 2010



Was the IYS a success: What did we learn ?

- In raising the profile of sanitation on the international development agenda
- In understanding that without achieving the MDG for sanitation, it will be difficult to achieve other MDGs
- Need to go beyond the MDGs look to universal coverage
- Without effective monitoring mechanisms, tracking sanitation (in particular urban) will be difficult to do
- Right combination of financing instruments and hard/software interventions is context specific
- Understanding the urban/rural differences impacts on all aspects of sanitation provision

Progress towards the MDG target 2006

Most countries that are not on track to meet the MDG sanitation target are in sub-Saharan Africa and in Southern Asia

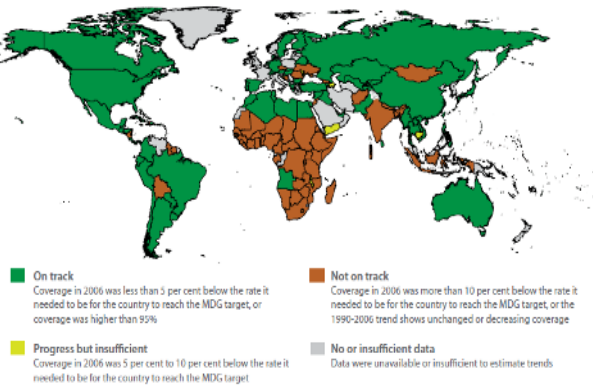


Figure 4 Progress towards the MDG sanitation target, 2006

Recommendations from recent studies

- look at the entire sanitation chain
- include all inhabited areas of cities in the planning process, and
- think about the long-term operation of services and how to make them sustainable.

Sources of financing: making the most of limited resources

- Where do we put ODA to achieve the best effect ?
- How best to mobilise government resources
- Mobilising local capital from end users
- Benefiting from links to other sectors (slum upgrading and housing)

Some Answers

- ODA funds are effective to catalyse significant increases in access to sanitation by triggering further investments from the private sector and individuals
- There is nothing wrong with subsidies but the strategy and how they are applied in different contexts matters
- We need to know if we are achieving are the MDG estimates useful

New strategies for ODA

- Differentiated models for different situations needs complicated management models
- Mix of approaches with unified management
- Selecting the correct combination of grants and loans.
- Redesigning project preparation facilities with a greater emphasis on micro-finance planning
- Co-financing with other sectors

Promoting resource mobilisation at the local level

- Lead with institutional change
 - Multi-stakeholder forums institutionalized
 - Local capacity to manage investments (grants then loans)
 - Borrow ideas from the water sector
 - Minimal contributions from end users
 - Invest in capacity
 - Local regulatory environment

New models

- Kibera WATSAN Programme
- Micro-finance in Lake Victoria & Africa

Background information

Location & Size

- Kibera is situated 7 Km Southwest of the city of Nairobi, within the city boundaries.
- One of the largest informal settlement in Africa.
- Its current dimensions are 3.5 X 1.5 km with a total area of approximately 250ha with densities > 2,000 / Ha².
- Soweto East is one of the 13 villages in Kibera

Population Size & Structure

- Estimates of total population in Kibera ranges from 500,000 to 700,000 inhabitants with densities of over 2000 / ha

Basic Urban Services

Roads:

- There exists no motorable link between Soweto East and the rest of Kibera,
- This directly hinders, economic development of the area

Background information contd:

Water & Sanitation.

- Majority of Kibera residents lack access to clean water and sanitation facilities
- Water kiosks and stand pipes are the major sources of water
- The pipelines are usually ruptured exposing water to contamination
- Pit latrines, albeit few compared to the number of users, constitute the primary mode of excreta disposal
- Most of these toilet facilities are commercialized - the poor people generally pay a high premium to access them

Solid Waste.

- Kibera slums do not receive waste collection services from City Council of Nairobi
- Poor nature and lack of access roads in most parts of the slum prohibits conventional waste collection practices.
- The waste gets swept into drains which empty into Nairobi Dam during heavy rains - pollution of natural water bodies.

Key achievements

- 7 sanitation facilities now accessible to 21,000 residents of Soweto East (showers and toilets) with their respective Facility Management Groups formed and operational
- Each Facility Management Group collects on average – Ksh 46,800 (US \$ 600) per month cost: US\$ 8 p/cap
- Construction of the tarmac ring road across Soweto East now well underway
- Approx. 600m of improved drains constructed
- The youth have been able to carry out door to door garbage collection for 400 homesteads
- Waste recycling has become a source of income with the youth recycling waste paper for resale

Key achievements Cont.

- The capacities of Soweto East residents have been built especially in the areas of entrepreneurship and construction
- The Soweto Youth are now making fabricated bricks for sale and supplying the ongoing road construction in Soweto East
- Most of the women who initially engaged in prostitution are now able to open small businesses (grocery shops) through skills gained during the project period
- Fabrication of the non motorized bicycles for use in transportation by the youth

Challenges

- Building of social capital a lengthy and gruelling process
- Land unavailability and lack of space
- Congestion which leads to high project implementation cost e.g. women have to be hired to ferry construction materials – narrow alleys
- Self interests of various community leaders/gate keepers at times overriding community interests
- Ingrained dependency syndrome within slums
- Insecure land tenure, high unemployment rates, poor service and social infrastructure and poor allocation of government resources.
- Uncertainty of slum upgrading though now reducing after first batch of people recently relocated to decanting site







Fig7: Men and women at the Soweto site office





UN HABITAT
FOR A BETTER URBAN FUTURE