

Conference call

Strategies to strengthen water and sanitation delivery to the urban poor

In Indonesia, it is estimated that 8 million of the 9.6 million urban poor do not have access to piped water. Compared to other developing countries, this is a very high percentage. Why is this? And how can the service delivery to this group be improved in Indonesia and in other parts of the world?

On 6 September 2006, this question was tested in practice in a site visit to one of the lowest income residential areas of Jakarta. A group of 25 staff members and directors of various water companies and other water organizations from Indonesia, Surinam, Egypt, South Africa and the Netherlands visited the area as part of a workshop. The central focus of the workshop was to discuss good water governance with a focus on strategies to provide access to water for the poor in the areas under their responsibility.

The workshop was hosted by the Indonesian Association of Water Supply Companies (Perpamsi) in cooperation with VNG International and the international cooperation agency of the Association of Netherlands Municipalities (VNG), as part of the LOGO South programme (see Box).

Field visit findings

After visiting several Indonesian government institutions involved in the water sector a site visit was made to Penjaringan District in North Jakarta, to observe the water and sanitation services there. The district houses mainly fishermen and their families. A great part of the area lies below sea level, there is hardly any sanitation and very few house connections.

Speaking with local leaders and citizens on the current situation the participants looked for ways to improve services. In the households with a piped water connection, water pressure was low or no water was available at all. Instead, households bought their water from vendors who obtained it



Jerrycans are filled up to be sold by small-scale water vendors

from commercial hydrants in the main street, which were constantly functioning under high pressure. The experts concluded that there could be sufficient water pressure to supply the area if the commercial hydrants were disconnected. Water from the commercial hydrants costs €2.6 m³, while the price for tap water is only €0.07 per m³.

Citizens explained that various complaints were raised to the water supply company and the local government but to no avail. After a demonstration, some improvements were noticed; however, before long the pressure was reduced. During discussions with directors of water supply companies in Indonesia, one reason mentioned for sub-standard service to poor areas was the tariff structure. The tariff for the poor in Indonesia is below cost price, giving little incentive to water companies to invest in these areas.

A recent study from the World Bank in Indonesia concluded that despite their low income level, there is a willingness and ability from a large percentage of the urban poor to pay for public water services. Considering the fact that unconnected households are forced to buy their water from private vendors for much higher prices, they would actually be able to pay cost-covering tariffs. The current system of tariff setting in Indonesia is therefore one of the main obstacles to the improvement of water supply.¹

Recommendations

After the field visit, participants defined strategies to improve water service delivery to the urban poor.

Revise tariff structures. Cross subsidies are implemented in Surinam and are quite an effective instrument. The group concluded that cross subsidy as such is not the only solution, but water supply companies should receive incentives from government to deliver water to the poor areas under their responsibility.

Improve raw water quality

This issue needs to be addressed at the national or river basin level. Law enforcement, raising public awareness, clear division of responsibilities and a good cooperation between water supply companies and water management institutions are the main keys to success. Without proper sanitation, improvements in raw water quality will be hard to make, therefore the importance of improvements in sanitation systems was raised by the participants.

Involvement of stakeholders. Water companies should listen to their customers and not operate in isolation. Involving water

user associations, CBOs and NGOs would lead to a higher accountability of water companies, making it easier to attract private sector financing.

Final remarks

By combining group discussions, comparison of national policies and a field visit in one workshop, the participants could reflect on the situation in their own country and could put this into a broader perspective. Improving good water governance is only possible if all actors in Integrated Water Resource Management cooperate. This will continue to be the focus of the LOGO South programme in the next two years of implementation. Stimulating exchange between the partners in order to improve service provision to the citizens remains the ultimate goal. The method of twinning and exchanging between practitioners is proven to be an excellent instrument for this. A follow-up workshop will be organized in September 2007. Meanwhile, other facilities for exchanging information are under preparation.

Reference

1. World Bank (2006) *Indonesia: Enabling Water Utilities to Serve the Urban Poor*; The World Bank, Infrastructure Department, East Asia and Pacific Region.

Source: VNG International, Mr. M. Beks, MSc and Ms. E. Sprangers MA

What is LOGO South?

The workshop was implemented as a part of the overall Good Local Government Programme, LOGO South. The programme uses twinning to combine practical knowledge and develop human capacity in local government.

The programme 'Local Water Management' implemented under LOGO South is the largest co-financing programme in the Netherlands for partnerships between Dutch local governments, water boards and water companies with sister organizations abroad (twinning), and is financed by the Netherlands Ministry of Foreign Affairs. Within the programme 25 municipalities, water companies and water boards from Egypt, Indonesia, the Netherlands, South Africa, Sudan and Surinam work together on improving local water management.

Projects under the programme ensure local ownership, build on trust and understanding, use the colleague-to-colleague approach and are committed to Integrated Water Resource Management. For more information see www.vng-international.nl, under programmes.