## **EXECUTIVE SUMMARY**

Increasing people's access to sanitation and drinking-water brings large benefits to the development of individual countries through improvements in health outcomes and the economy. From recent World Health Organization (WHO) reports, we know that the impact of diarrhoeal disease on children is greater than the combined impact of human immunodeficiency virus/acquired immunodeficiency syndrome (HIV/AIDS), tuberculosis and malaria; we also know that the provision of improved sanitation and drinking-water could reduce diarrhoeal diseases by nearly 90%. Latest estimates indicate that improvements in sanitation and drinking-water could reduce the number of children who die each year by 2.2 million. Huge savings in health-care costs and gains in productive days can therefore be realized by improving access to safe water and basic sanitation. As well, investing in sanitation and drinking-water brings very large economic returns-estimated by the World Bank to average approximately 2% of gross domestic product (GDP), rising to over 7% in some specific country contexts. However, the current status-as described in the recently published report by the WHO/UNICEF Joint Monitoring Programme for Water Supply and Sanitation (JMP)-of over 2.6 billion people not using improved sanitation and nearly 900 million people not using an improved source of drinkingwater is surely unacceptable.

Despite these clear benefits for human development, many countries seem to allocate insufficient resources to meet the Millennium Development Goal (MDG) target for sanitation and drinking-water. When compared with other sectors, particularly the other major social sectors of education and health, sanitation and drinking-water receive a relatively low priority for both official development assistance (ODA) and domestic allocations. The total aid for all aspects of water, as measured by the Organisation for Economic Co-operation and Development (OECD), fell from 8% to 5% of total ODA between 1997 and 2008. During this same period, ODA for health increased from 7% to 12% of total ODA, while for education, the level remained at around 7%.

Furthermore, domestic and foreign aid resources for sanitation and drinking-water are not necessarily well targeted to where the needs are greatest (e.g. the poorest and unserved populations). In addition, less than half of the funding from external support agencies for water and sanitation goes to low-income countries, and a small proportion of these funds is allocated to the provision of basic services, where it would have the greatest impact on achieving the MDG target.

Although nearly all the countries surveyed have clearly defined policies for urban and rural drinking-water, this is not always the case for sanitation. Sound policies, allied to effective institutions, are important for optimizing service delivery. Establishing clear roles and responsibilities for the different institutions involved in sanitation and drinking-water is also important, if good progress is to be made. Although many countries are strengthening their plans to meet the MDG sanitation and drinking-water target, much more rapid progress on their implementation is required if there is any chance of meeting the target in all regions and globally.

## **Recommendation 1**

Developing countries and external support agencies to demonstrate greater political commitment to sanitation and drinking-water, given their central role in human and economic development

## **Recommendation 2**

External support agencies and developing countries to consider how to better target resources to accelerate progress towards meeting the sanitation and drinkingwater MDG target



Even though information on budget allocations and expenditures is not always available, especially at the subnational level, the general picture shows that some countries are unable to absorb the current level of aid for sanitation and/or drinkingwater. This needs to be addressed if donors are to be persuaded to commit more to these countries, which are often the ones with the greatest need. Funding from donors is, however, becoming more predictable, with more long-term projects and programmes being funded. Human resource capacity constraints also need to be considered by both external support agencies and developing countries, as the improvements required are likely to take a long time.

Spending on recurrent costs, as a percentage of the total spending for sanitation and drinking-water, varies considerably from country to country. There are also big variations in the proportion of recurrent costs allocated to salary and nonsalary expenditures for replacement parts and essential operating inputs (e.g. fuel, electricity, transport).

Donors are increasing their coordination efforts, which is important, considering the large number of donors that operate in some recipient countries. Developing countries, however, need to strengthen multistakeholder inputs to planning, budgeting, implementation and monitoring. Untying of aid is also increasing, and donor harmonizing and alignment behind government processes are making some progress. A relatively new development is that donors are increasingly making specific commitments to increasing coverage and appear to be good at translating commitments into disbursements.

The large number of country and external support agency initiatives and partnerships reflects an important level of fragmentation over various sectors, adding a layer of complexity. The new initiative Sanitation and Water for All: A Global Framework for Action is trying to strengthen the international architecture and bring stronger political commitment to bear on water and sanitation, given that this is seen by many development partners as one of the major constraints to accelerating progress towards achieving the MDG target.

This report contains a large number of data and analyses on sanitation and drinkingwater, making it a resource that can be used to strengthen policies and assist decision-makers. Recommendation 3 Developing countries and external support agencies to strengthen national and subnational systems to plan, implement and monitor the delivery of sanitation and drinking-water services, especially to unserved populations

## Recommendation 4

All stakeholders to work in partnership to support the development and implementation of national plans for sanitation and drinkingwater, using their particular skills and resources and aligning with national systems