



Case Studies on Decentralization of Water Supply and Sanitation in Latin America

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Background

Over the past several years, the USAID-funded Environmental Health Project (EHP) has carried out a series of activities on the decentralization of water supply and sanitation (WS&S) services in Latin America. More than simply an improvement in the delivery of WS&S services, decentralization is also seen as a way to strengthen the role of local government and democracy in general and as an effective means to address environment and health concerns. The basic tenet is that local control, as opposed to centralized control, will result in more accountable service providers and better services. In fact, most central governments have not provided the financial resources, technical assistance, and regulatory framework that municipalities need to provide services effectively. The result is that, in many cases, local governments have been unprepared to assume these new responsibilities and services have not improved.

Despite the widespread interest in decentralization, it is evident that key people in many countries are unaware of the successes other countries have had in this area. As countries move from policy-level discussions to field-level implementation of decentralized schemes, they will benefit from a more complete understanding of successful examples of decentralization. The Latin America and Caribbean Bureau in USAID funded an activity to accomplish this goal. The centerpiece of this activity was the

development and dissemination of the case studies.

Key Themes

The case studies were developed around three themes that emerged from the previous activities. These themes, while distinct, represent three aspects of one overriding issue—the effect of reform and decentralization on the less advantaged elements of the population. The themes and the related case studies all focus on two of the more overlooked groups in the reform process—small towns and rural communities.

The three themes and the related case studies are the following:

1. *Role of small and medium-size municipalities in service provision.* Each case study under this theme describes a different management model for providing services.
 - *Municipal Company—San Julian, El Salvador.* This case study describes a successful approach to provide water supply services, using the model of an autonomous municipal company, in an urban center with a population of 5,000.
 - *Community Water Board—Itagua, Paraguay.* This case study describes a successful approach to provide water supply services, using a community-



based water board model, in a city of 25,000 people.

- *Management Contract—Marinilla, Colombia.* The successful management model presented in this case study uses a management contract for provision of water supply and wastewater services for a city of 26,000.
2. *Institutional arrangements to provide backup support to rural systems.* The case studies under this theme all address the question of what institutional models can provide backup support to rural communities after the systems are operational.
- *Municipal Promoter—Nicaragua.* This case study documents a model for providing backup support to community-managed rural water supply and sanitation systems. Covering the departments of Matagalpa and Jinotega, the model builds upon the existing structure of water committees and regional promoters of the National Water Supply and Sanitation Company (ENACAL) and adds a key link at the local level in the form of a municipal operations and maintenance promoter.
 - *SANAA Technician in Operation and Maintenance—Honduras.* This model is based on the circuit rider concept used in the United States by the National Rural Water Association. It was adapted in Honduras and renamed the Technician in Operation and Maintenance (TOM). TOMs are employees of SANAA, the National Water Supply and Sewerage Company.
- *Two alternative models in Honduras—PROSAR AND AHJASA.* Honduras has two other support mechanisms that are smaller in scale and offer operation and maintenance backup to the rural communities. Under PROSAR, technicians in environmental health are based in health centers in municipalities and are responsible for coordinating the construction of new projects, conducting training, and providing backup support to communities with existing systems. In the AHJASA model, circuit riders provide support to communities that are members of the association.
3. *Effective regulation of municipal services.* Unlike the previous two themes, no case studies are offered on the theme of regulation of municipal services because no country was considered to provide a successful example of regulation with applicability to the less developed countries in the region. The paper provides an overview of the regulatory trends, defines the issues that need to be addressed to establish a regulatory structure, and includes a brief summary of eight experiences with regulatory reform in the region.

These case studies will be ready for dissemination in English and Spanish by February 2001. To request a copy of the case studies when they are published, please contact info@ehproject.org.

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