

Official development aid in wastewater management: quantitative and qualitative analysis

SMALLWAT

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Why is this study useful for you...?

Thanks to this System

YOU can find data and development cooperation projects that, *for instance*,

- ✓ Each OECD donor has
 - ✓ in Peru,
 - ✓ in water and sanitation policies (14010)
 - ✓ And the description, quantity and characteristics of them

www.oecd.org/dac/stats

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graph TD; A[SECRETARY OF STATE OF INTERNATIONAL COOPERATION (SECI-MAEC)] --- B[DIRECTORATE-GENERAL FOR PLANNING AND EVALUATION OF DEVELOPMENT POLICIES (DGPOLDE)]; A --- C[SPANISH AGENCY FOR DEVELOPMENT COOPERATION (AECID)]; B --- D[FILAPP]; C --- D;
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FILAPP

Some FIGURES about a little chaos...

- In 2005, Vietnam welcomed **790 missions** of donors... almost 3 per working day
- Tanzania Government made 2.400 reports every three months for answering questions from donors
- A OECD report showed that every recipient country had more than **25 donors**.
- According to the World Bank, in 1997, there were **20.000** cooperation projects of about 2.5 millions dollars.



AID EFFECTIVENESS AGENDA

Not only more aid, but better aid

- Management oriented to the achievement of development results
- Fragmented aid does not strengthen national institutions and recipient countries, and it is not sustainable
- Accounting system has to be more effective and similar between donors, to facilitate data, accountability and information

The accounting standard system

OECD – DAC - CRS

- The **Development Assistance Committee (DAC)** is an OECD institution that gives consensus and coordination regarding development policies and data
- DAC collects aid flows and data through the **Creditor Reporting System (CRS)**. The CRS is a standard methodology and a set of common definitions.



ODA in water supply and sanitation

- **WHAT IS Official Development Assistance (ODA) for DAC?**


Financial flows to countries or multilateral institutions that are on the DAC list which are:

- Provided by official agencies** and governments (including local governments)
- Promote** the welfare of developing countries
- Grant of** at least 25 per cent



ODA in water supply and sanitation

- **WHAT IS WATER SUPPLY AND SANITATION FOR DAC?**
 - Water resources policy
 - Water legislation and management
 - Water resources protection
 - Water supply and use
 - Sanitation (including solid waste management)
 - Education and training in water supply and sanitation
- **WHAT is NOT?**
 - Productive activities (agriculture, energy...)
 - Humanitarian Aid

- 
- **ODA in water supply and sanitation is counted through the Creditor Reporting System (CRS)**
 - **There are 7 different codes for water supply and sanitation**
 - **All these codes could contain flows for wastewater management**

CRS sectors – codes (I)

- **CODE 14010: WATER RESOURCES POLICY AND ADMINISTRATIVE MANAGEMENT**
(the activities that are marked with this code can contain “*wastewater management policies, water quality and watershed studies*”, for instance)
- **CODE 14015: WATER RESOURCES PROTECTION**
(includes prevention of water contamination, rehabilitation of water...)
- **CODE 14040: RIVER DEVELOPMENT**
(includes integrated river basin projects!!)

CRS sectors – codes (II)

- CODE **14020**: WATER SUPPLY AND SANITATION – LARGE SYSTEMS (this code includes treatment and wastewater management in large systems)
- CODE **14030**: BASIC DRINKING WATER SUPPLY AND BASIC SANITATION (includes low-cost technologies for wastewater treatment)
- CODE **14050**: WASTE MANAGEMENT /DISPOSAL (barely includes water but solid waste management)
- CODE **14081**: EDUCATION AND TRAINING IN WATER SUPPLY AND SANITATION (includes training in wastewater management)

CONCLUSIONS: set 1

- ❖ There is not an specific code for counting ODA in *wastewater treatment*. Thus, you can not have direct and comparable results between donors.
- ❖ There is not a short and comparable way to answer the question:
“How much money your country gives to partner countries for projects of wastewater management?”
- ❖ *The CRS (Creditor Reporting System) has limitations.*

CRS limitations

- This system is not representative of integrated projects, which combine various sectors, in addition to water and sanitation. Also, in ENVIRONMENT or HOUSING “CRS codes”, you can find water or sanitation lines.

These integrated activities are associated to ONE sector, although they have parts of different sectors. Thus, you are missing statistical information in the process

- There are some areas (as wastewater treatment) that do not have CRS, so the analysis and the comparison between donors became complicated.
- Water and sanitation are areas that are mixed in the same CRS codes.

Proposed Solutions

- Some countries suggest the **analysis project by project**, trying to separate different lines in every project or activity.

*Problem: the ODA of Spain has more than **17.000 projects every year**, due to the Spanish cooperation has several actors (Ministries, Autonomous Communities, Local Governments...)*

- From ODA 2011, there are **NEW CRS**, which separate WATER and SANITATION. In 2012, we will see if donors use new CRS or still the old ones.

*Problem: However, there is not a way to make comparable the ODA that does not have specific CODE, as **wastewater management ODA**.*

	SPANISH ODA that could be related to WASTEWATER				
	2005	2006	2007	2008	2009
14010 - WATER RESOURCES POLICY AND ADMINISTRATIVE MANAGEMENT	26.741.219 €	74.007.244 €	88.175.675 €	72.364.502 €	25.141.552 €
14015 - WATER RESOURCES PROTECTION	91.286 €	1.323.814 €	1.284.628 €	30.910.959 €	3.137.431 €
14020 - WATER SUPPLY AND SANITATION - LARGE SYSTEMS	20.283.961 €	23.458.789 €	34.639.452 €	116.796.796 €	97.187.588 €
14081 - EDUCATION AND TRAINING IN WATER SUPPLY AND SANITATION	314.574 €	337.392 €	156.632 €	1.880.318 €	3.574.525 €
WASTEWATER RELATED ODA	47.431.039 €	99.127.240 €	124.256.388 €	221.952.575 €	129.041.095 €

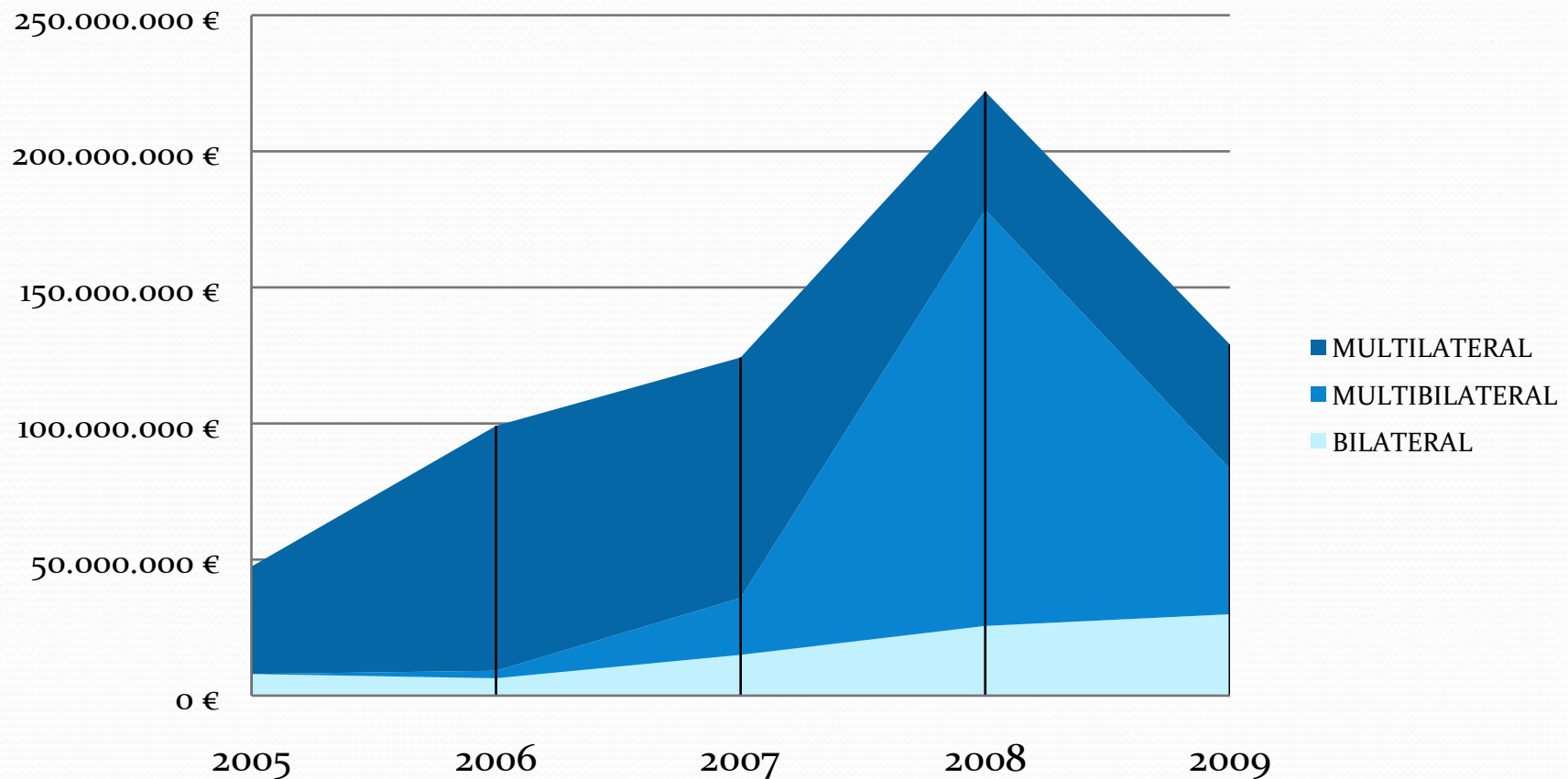
- ❖ Four are the main CRS in which we could find wastewater management activities.
- ❖ In OECD words, the ODA in these CRS is “related to” wastewater, but not 100% wastewater treatment/management.
- ❖ The Spanish ODA has increased the importance of these CRS, increasing from almost 50 millions € to more than 200 in 2008.

	2005	2006	2007	2008	2009
Spanish ODA related to wastewater	47.431.039 €	99.127.240 €	124.256.388 €	221.952.575 €	129.041.095 €
Spanish Total ODA	2.428.360.000 €	3.038.350.000 €	3.754.620.000 €	4.761.690.000 €	4.728.048.651 €
% Water ODA in relation to Total ODA	1,95%	3,26%	3,31%	4,66%	2,73%

The **percentage of Spanish ODA devoted to this sector has been increasing** over the years, specially in 2008, thanks to the Spanish Fund for Water and Sanitation in Latin America.

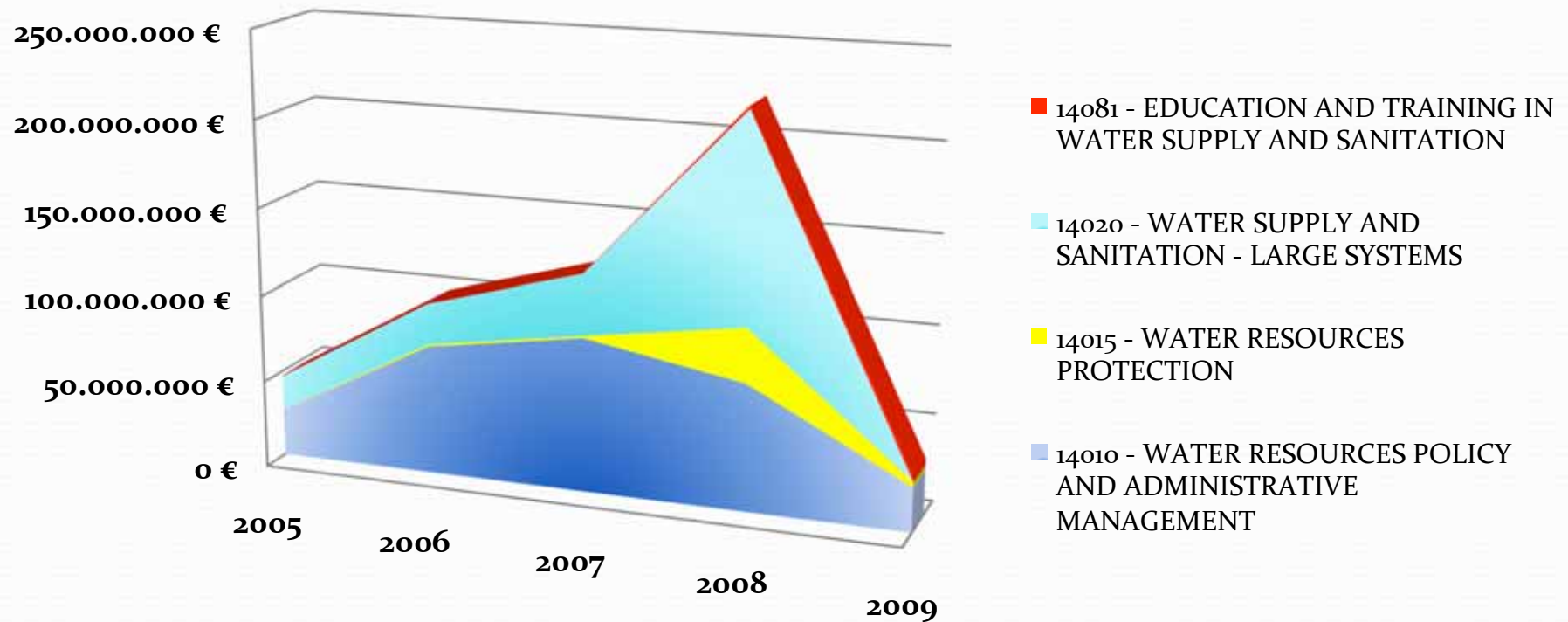
In 2008 was almost 5% of the total ODA

Bilateral or multilateral?



❖ The main flows are managed through Multilateral institutions, both specific water funds (Multilateral) and general budget to specialized agencies (Multilateral)

Spanish ODA that may be related to wastewater management ODA



These figures are similar to other OECD countries

Some more data... about Spanish ODA in water and sanitation

- 93% of Spanish ODA comes from **Ministries** (Central Government). Only 7% from local governments.
- 11% of Spanish ODA in 2009 went to **UN**. More than 60% was managed by **Financial Institutions** (as IADB or World Bank)
- From 2007, thanks to the Spanish Fund for water and sanitation in **Latin America**, more than 80% of the ODA in this sector is devoted to this region, specially Haiti.

CONCLUSION 2

- ❖ The Spanish figures for ODA (*Seguimientos PACI*) are similar to other donors' figures (see www.oecd.org/dac/stats/water)
- ❖ The importance of UN and multilateral institutions in this sector is crucial.
- ❖ We can speak about sectors that take into account wastewater management (“ODA related to wastewater”) but with a degree of uncertainty.

THANK YOU!!

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