

Sustainable Sanitation: the Engine of the Blue Economy

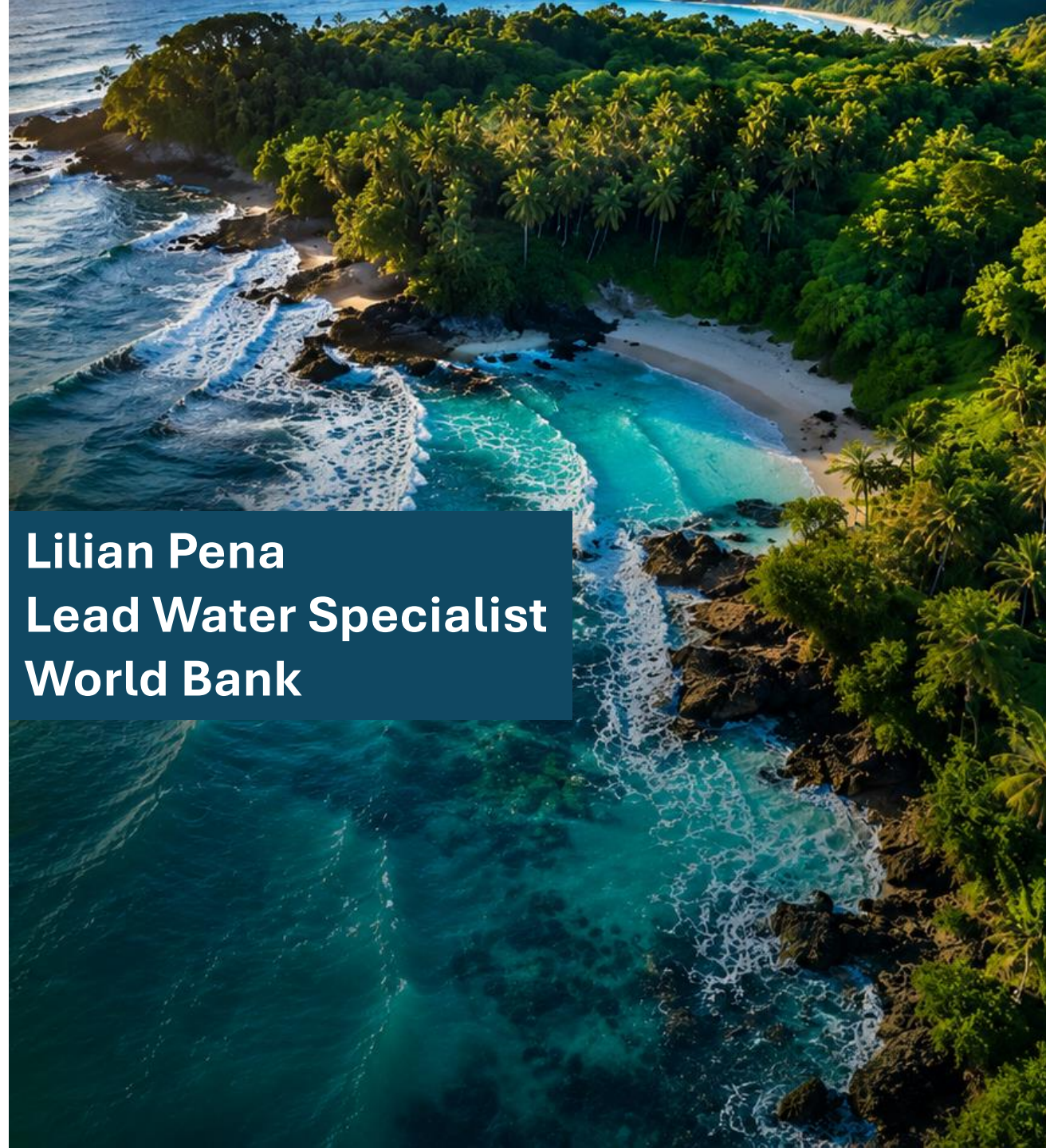


WORLD BANK GROUP



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World Bank



Let's test our knowledge....



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Question

Given the current rate of sewerage expansion in the Caribbean, how many years will it take for the region to achieve 100% sewerage coverage?

- A) 7 years
- B) 23 years
- C) 88 years
- D) 462 years**

(calculations made based on a sample of 11 Caribbean countries)

Question

What is the biggest bottleneck preventing Caribbean countries from expanding coverage of safely-managed sanitation?

- A) A lack of sewer connections
- B) A lack of wastewater treatment plants
- C) A lack of septage management and septage treatment plants



Sewerage expansion has barely increased over last 10 years

Sewer connections remain low: 10%
Very modest increase since 2015: ~ 0.5%

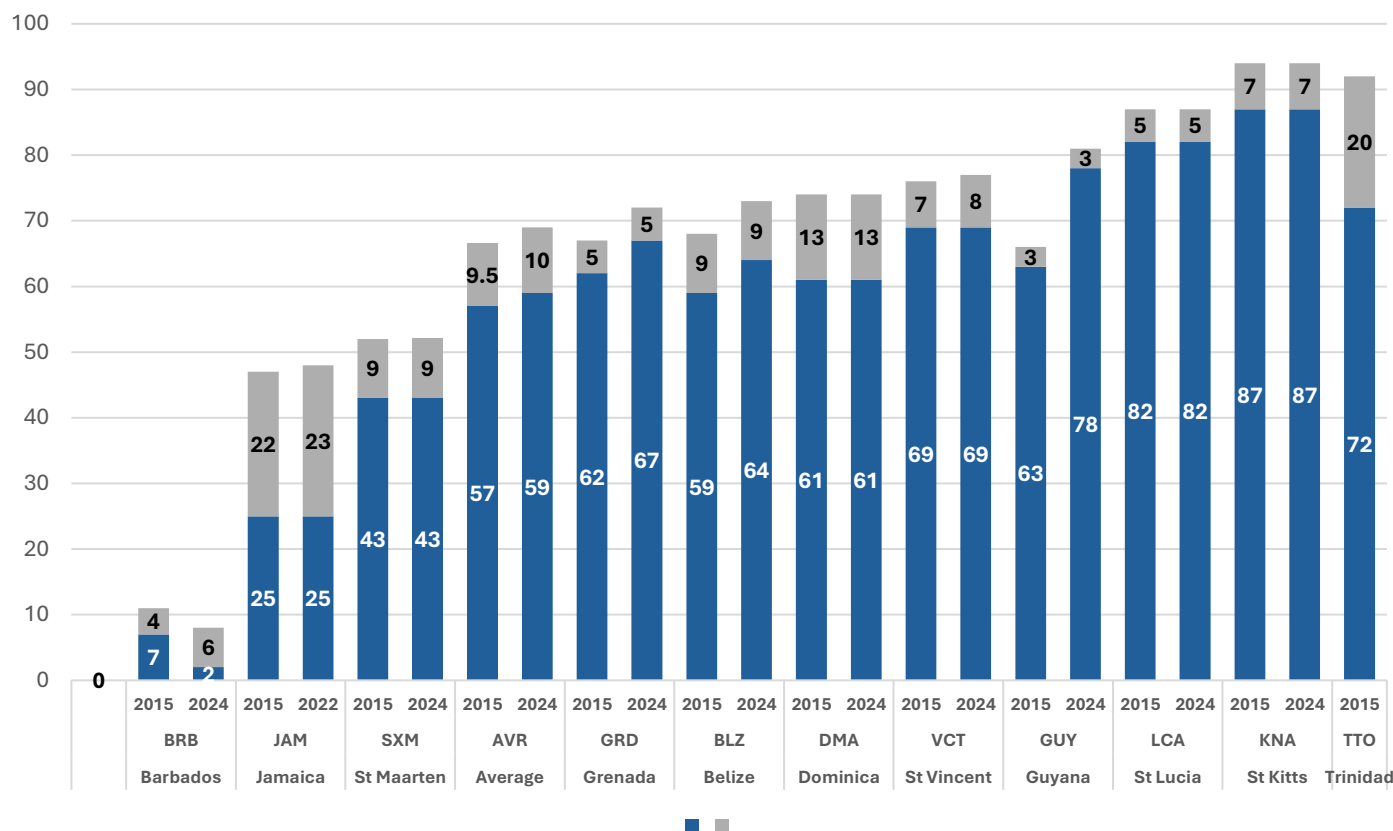
Wastewater treatment levels also low: 12%
Modest increase since 2015: ~ 2%

Access to septic tanks is relatively high at 60% ...

... but management of septage is largely unregulated, unmonitored, outside purview of WSS service providers

Source: JMP 2015 - 2025

Coverage of Sewer Connections and Septic Tanks; 2015 & 2024 (% Population)



Embrace **combined approaches** to achieve universal safely-managed sanitation to reach **full collection and treatment of septage and of wastewater**

Question

How much MORE than current expenditures is needed annually to achieve SDGs 6.1 and 6.2?

- A) US\$ 50 million
- B) US\$ 150 million
- C) US\$ 200 million
- D) US\$ 500 million

(based on data for 7 countries in the Caribbean)



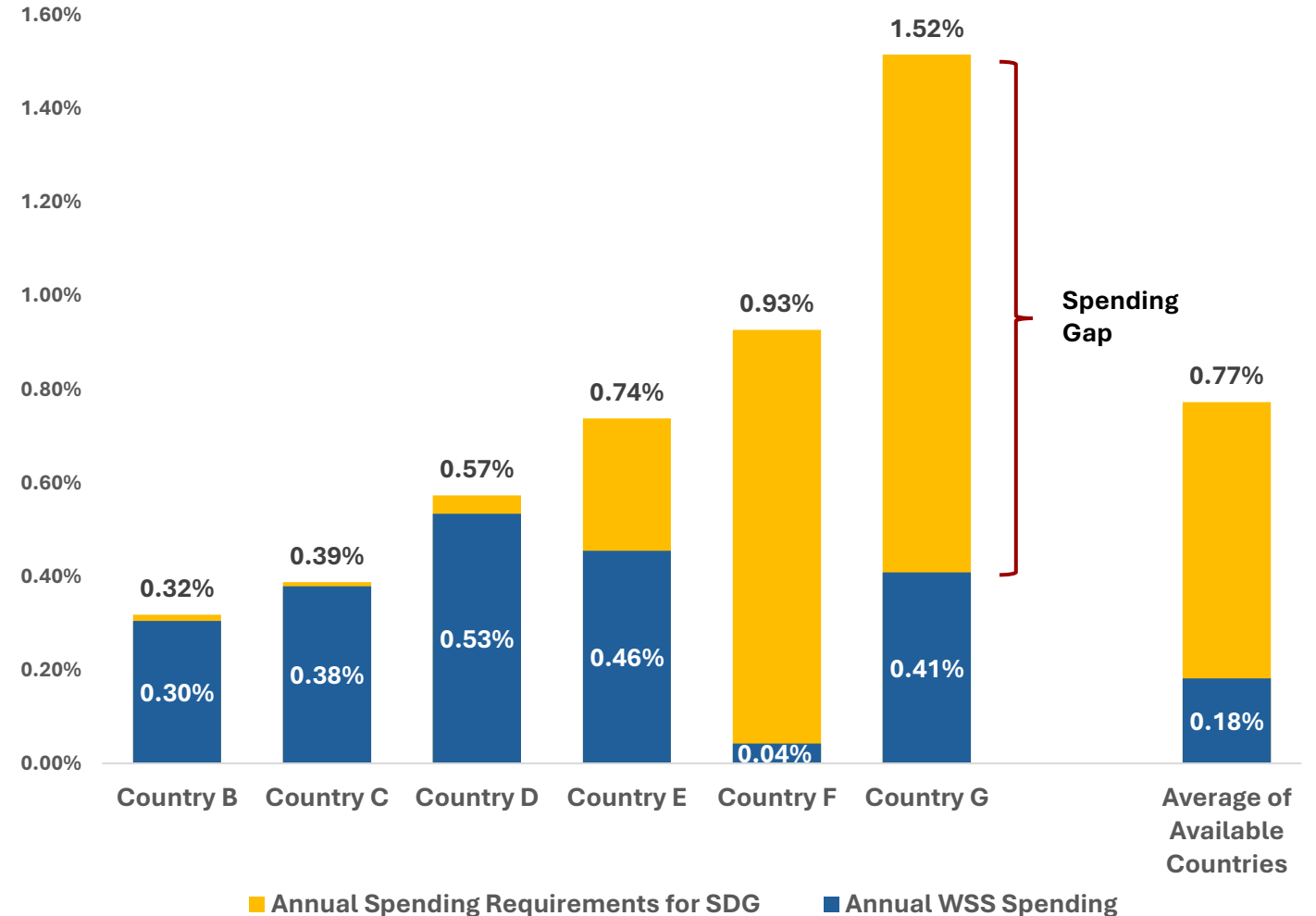
Significant spending gaps to achieve SDG 6.1 and 6.2

An additional **0.6%** of GDP or **~US\$ 200 million (2017 dollars)** is required *annually* to achieve SDGs 6.1 and 6.2 by 2030.

Financially, it may take up to the **late 2070s** for selected Caribbean countries to achieve the WSS SDGs.

Calculations based on average 2009-2020 spending

Estimated Annual WSS Spending vs Annual Spending Requirements to Achieve SDGs 2017-2030 (%GDP)





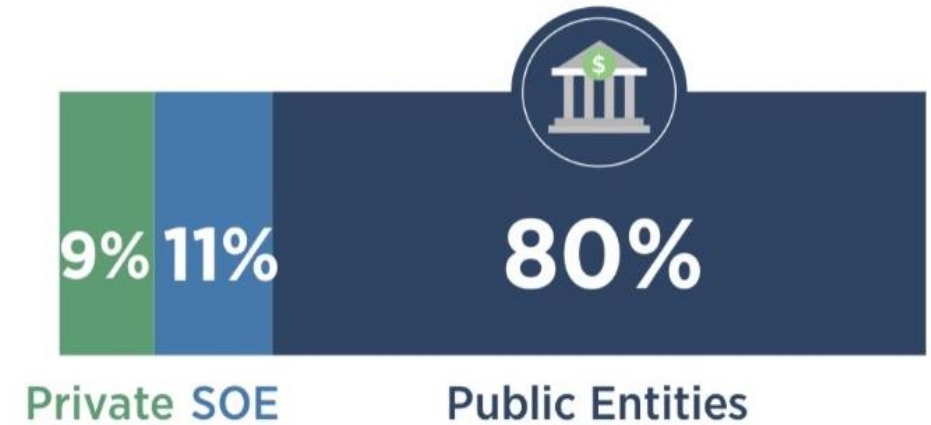
Private participation in water/wastewater is low

Private sector infrastructure investments by sectors (2009-2020)



**Based on available project level database.*

Infrastructure investments in WSS (2017)



Annual infrastructure investments in WSS are around \$20 billion in 2017. The private sector only contributed about 9%

**The BAU is not
working !**



Why Does Wastewater / Sanitation Management Lag So Badly?

- Utilities tend to see only single, traditional (high cost) wastewater management solutions
- Engineers & consultants generally pursue 'BAU': conventional engineering



- Limited full sanitation service chain view → utilities manage just part of it, unclear who manages the rest?
- Infrastructure delivery focus Vs. service delivery focus
- Tariffs not even covering O&M costs → willingness to pay (& willingness to charge) is especially low for sanitation

**Why these things
matter ?**

Impacts of poor wastewater/sanitation management in the Caribbean

Natural assets such as beaches, reefs and mangroves power tourism, fisheries, and growth: the region's core for blue economy.



Water Resources

Nitrate contamination from sewage pollutes groundwater and coastal waters.

In Jamaica, **up to 30%** of **surface & groundwater** are polluted by untreated sewage.



Marine Environment

Nutrient discharges promote excessive macroalgae growth and blocks sunlight to coral.

This negatively impacts fisheries, mangrove swamps, sea grasses, and causes coral reefs to be vulnerable to bleaching - **corals declined 50-80%** over 40 years.



Economies

With **2.75 million tourism jobs** at stake in the region by deteriorating beaches, coastal waters & reefs threaten livelihoods.



Health & Climate Impacts

Water- and excreta-related diseases remain a critical burden for Caribbean communities, particularly during **disaster emergencies**.

**What are we doing to
change the BAU?**

Beyond the Pipe & changing the BAU: WBG Integrated approach

Integrated Approaches: “Country-Wide” Inclusive Sanitation

Recognize onsite sanitation, simplified sewerage, and decentralized management as legitimate, effective solutions

Changing mindset: Regional advocacy, CB and TA

Leverage regional synergies to promote change

Regional partnerships: Unicef, CWWA, CCCCC

P.I.R. reforms: building the enabling conditions

Promote PIR reforms: recognizing FSM as a service, formally; setting up national SMS policies; promoting results-focus & accountability

Capitalize on Financial incentives

FFI: To bridge the financing gap, generate incentives;
PforR to focus on results;
TA, Grants to initiate pilots

*Caribbean regional
Water/WW program
(IBRD/IDA funds)*

*Policy reforms through
Budget support
operations*

IFC integrated with IBRD