How water utilities respond in crisis and conflict

Dr Anders Jägerskog
Senior Water Resources Management Specialist
Global Water Practice, MENA Unit/CMI
World Bank

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WORLD BANK GROUP
Water

Background to the initiative

- Partnering between Development and Humanitarian actors – World Bank, ICRC and UNICEF

- The session aims to discuss the challenges related to water in moving from a humanitarian to a development situation, recognizing that the lines between a humanitarian situation and a development situation is increasingly overlapping.

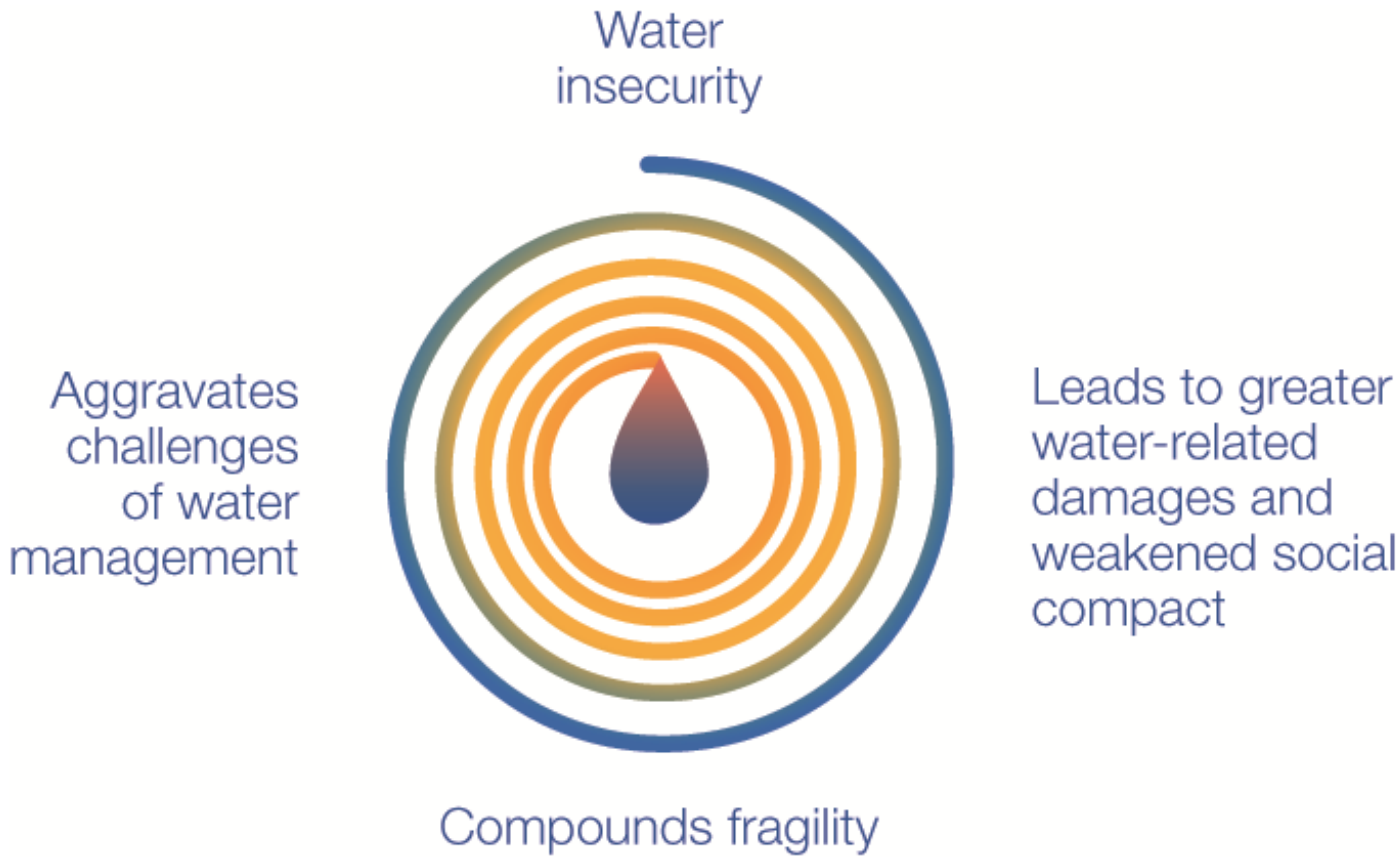
- Work as part of a process: Seminar at the Centre for Mediterranean Integration (CMI) in 2017; World Water Week 2017, World Water Week 2018; Arab Water Week 2019

- Aims to produce a resource book focusing on key practical issues such as managing:
  - water tankers;
  - emergency energy for water treatment and pumping;
  - waste water spills;
  - managing services to host/refugee communities;
  - managing cash-flow in crisis.

The urban water crisis in MENA

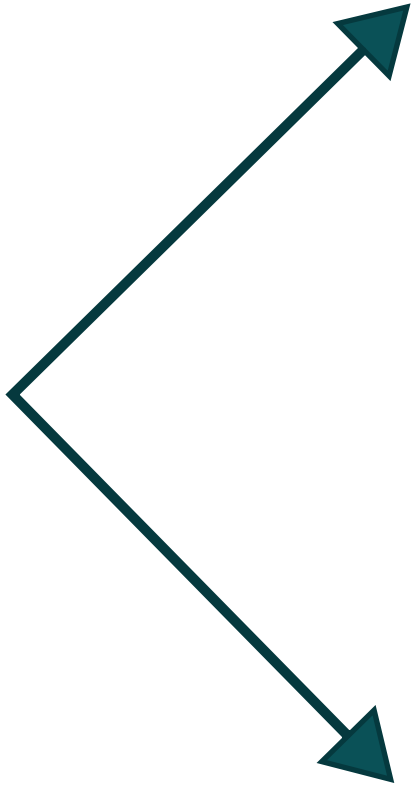
- Protracted crises in urban contexts present a growing challenge for governments and international agencies (humanitarian and development)
- This is particularly the case in MENA due to the upsurge of conflict over the past decade
- Traditional humanitarian response mechanisms are not well suited to urban locations and protracted crises
- The traditional model of isolating people forcibly displaced under a 'camp model' has limited relevance

The Vicious Cycle



Two types of **‘looting’** problem

Value of water



Captured by the private sector

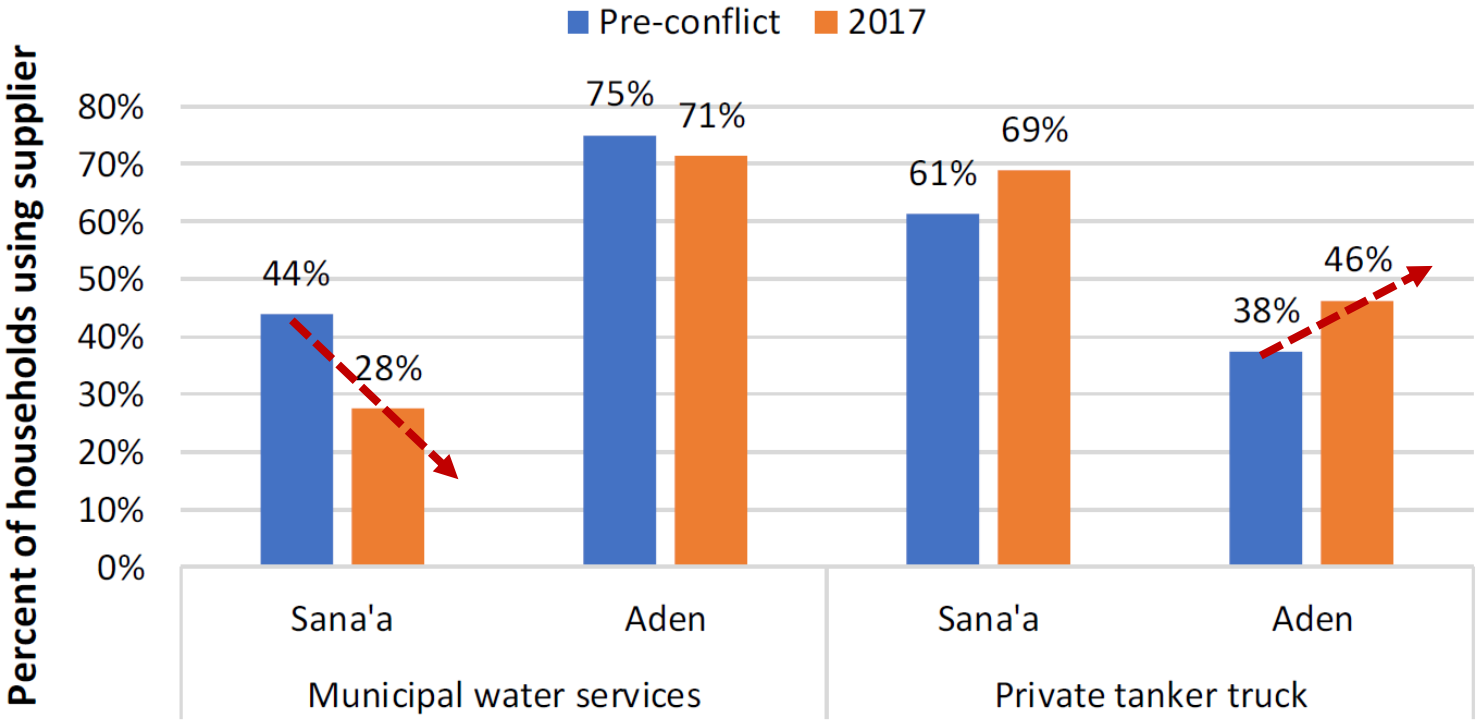
‘balkanization of supply’

Captured by the public sector

‘municipalization of supply’

Yemen

Private Tanker Trucks Fill the Water Service Gap



Sana'a (2m people)

- HHs pay 3.8x more for tanker vs utility water

Aden (0.5m people)

- HHs pay more for tanker vs utility
- Non-desalinated 18x
- Desalinated 45xwater

Sana'a Water Utility

- Cost: YER130-374/m3
- Produces 50,000 m3/day
- $0.5m monthly deficit

Sana'a Water Tankers

- Cost: YER226-1,000/m3.
- 75% of private well owners registered
- 25% HH payment on account
- More mature trucking market

Aden Water Utility

- Cost: YER 31-120/m3
- Produces 100,000 m3/day
- $0.8m monthly deficit

Aden Water Tankers

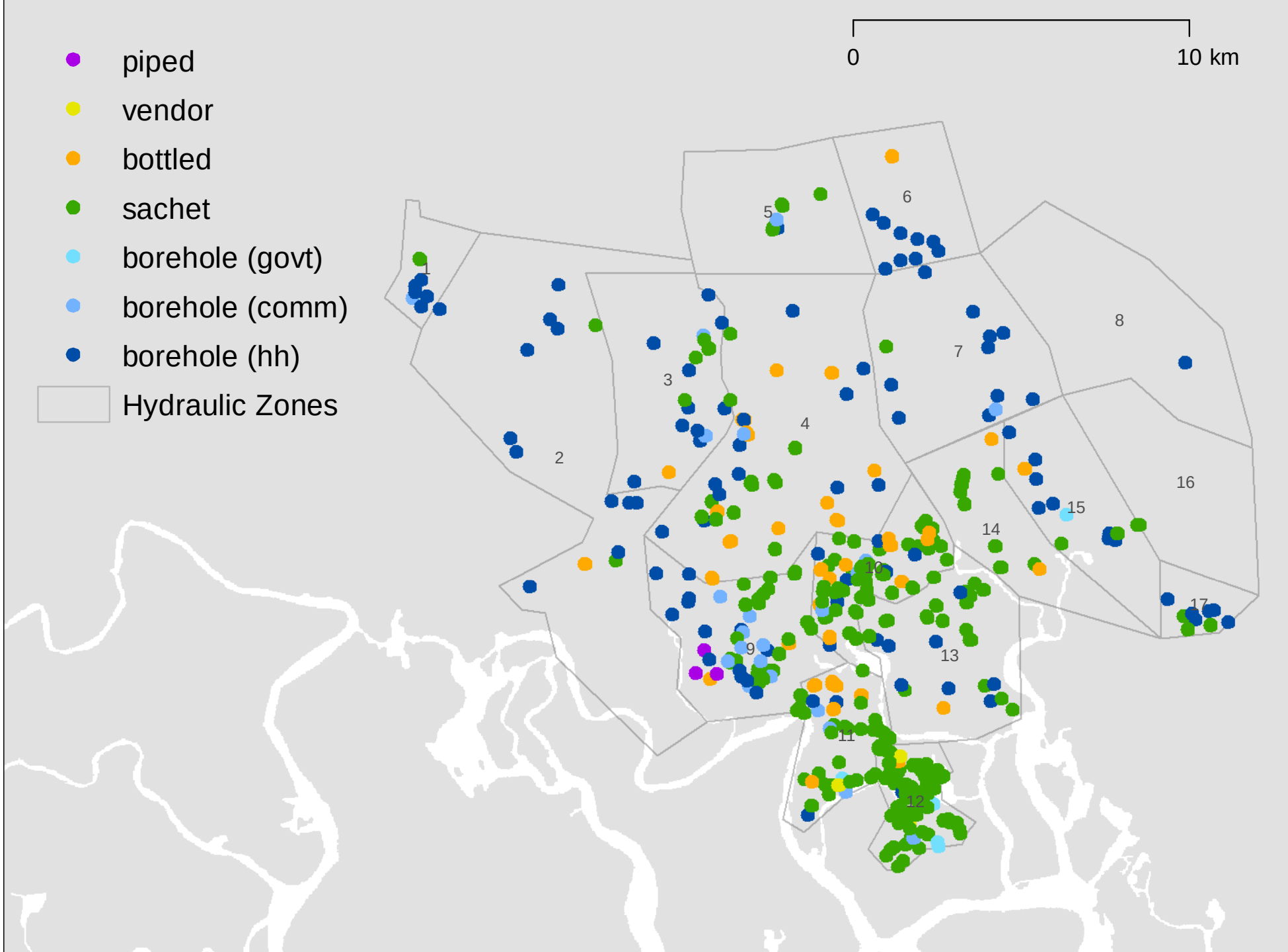
- Cost:
- Non desalinated YER1,832/m3
- Desalinated YER 4,000-5,000/m3
- No well owners registered
- Less mature trucking market

If capture by private sector continues what is the endgame?

Port Harcourt, Nigeria

1% of households supplied by the utility

99% supplied from private sources



Mogadishu, Somalia

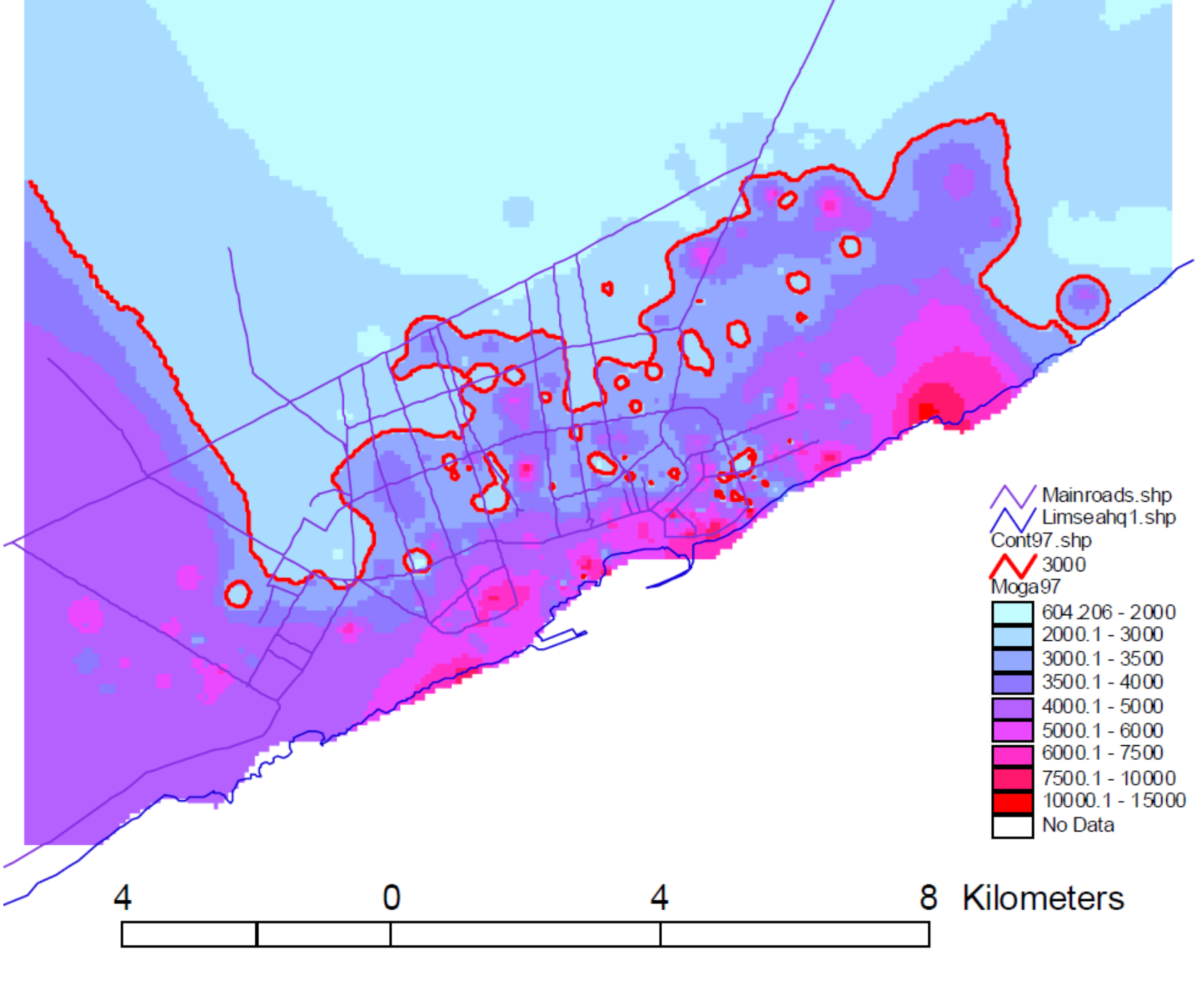
1963 to 1991: Development of municipal water supply system produced ~45,000 m3/day.

1992: well fields closed down due to poor condition of boreholes, pumps & generators. Later the plants looted.

1997: 25,000 m3/day from >700 individually owned wells in Mogadishu

2006: Attempt to restore municipal system sabotaged despite saline intrusion & twice the 1990 population

Sector restructuring needed to restore municipal services?



If capture by public sector continues what is the endgame?

Zimbabwe

2000-2005: MDC gains base in municipalities by delivering services including water

2005: ZANU-PF take water services into national SOE

2008: Cholera outbreak with over 100,000 cases

2009: Dollarization, GNU forms, water services returned to municipalities - Harare water revenues $1m a month

2011: GNU begin to ring-fence water revenues at municipal level

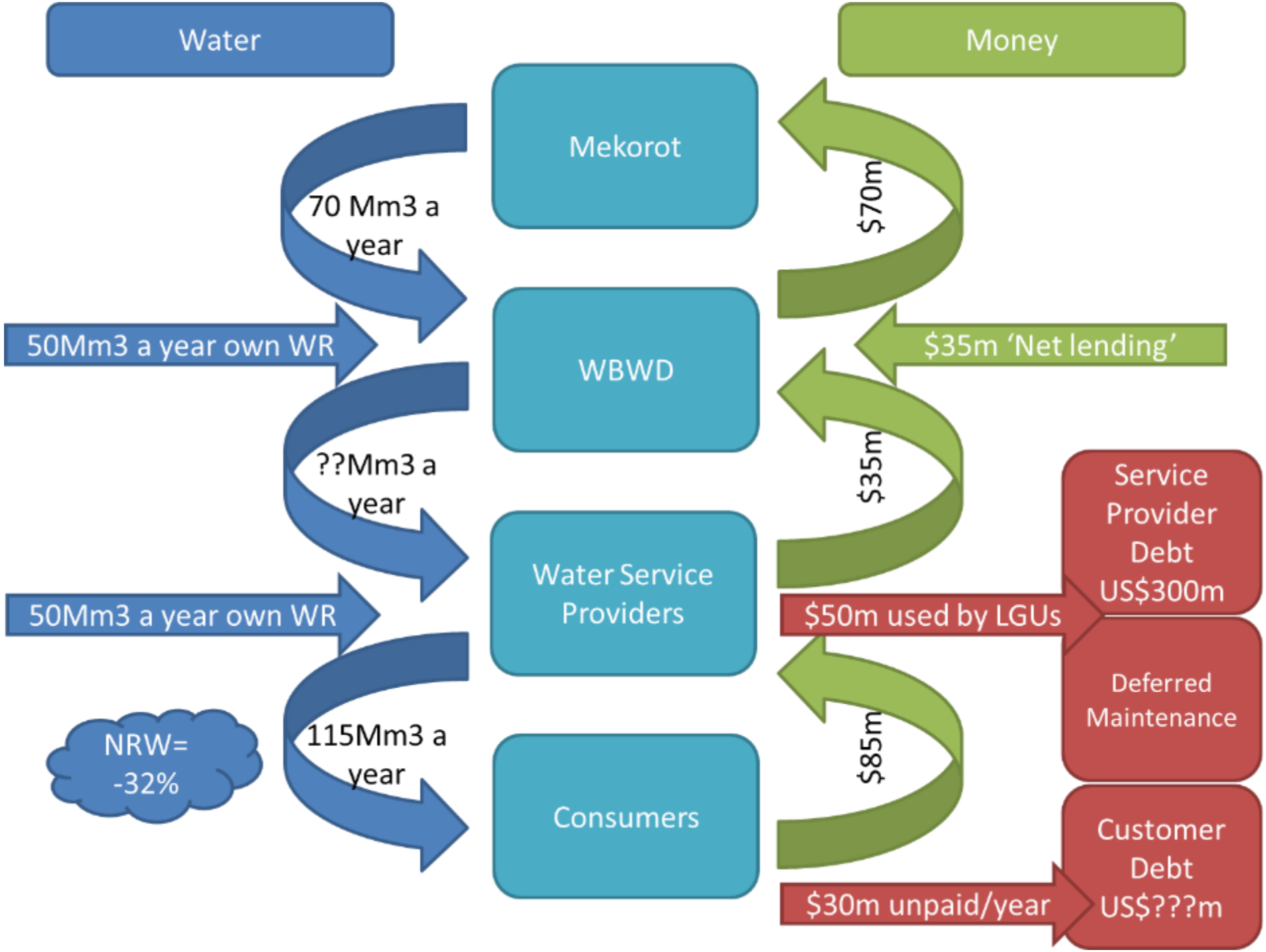
2013: End of GNU and ringfencing

West Bank and Gaza

Easier to tax water than to raise revenue from general taxation.

Reforming the water sector into regional utilities would take away cash municipalities are using to pay for other essential services (e.g health)

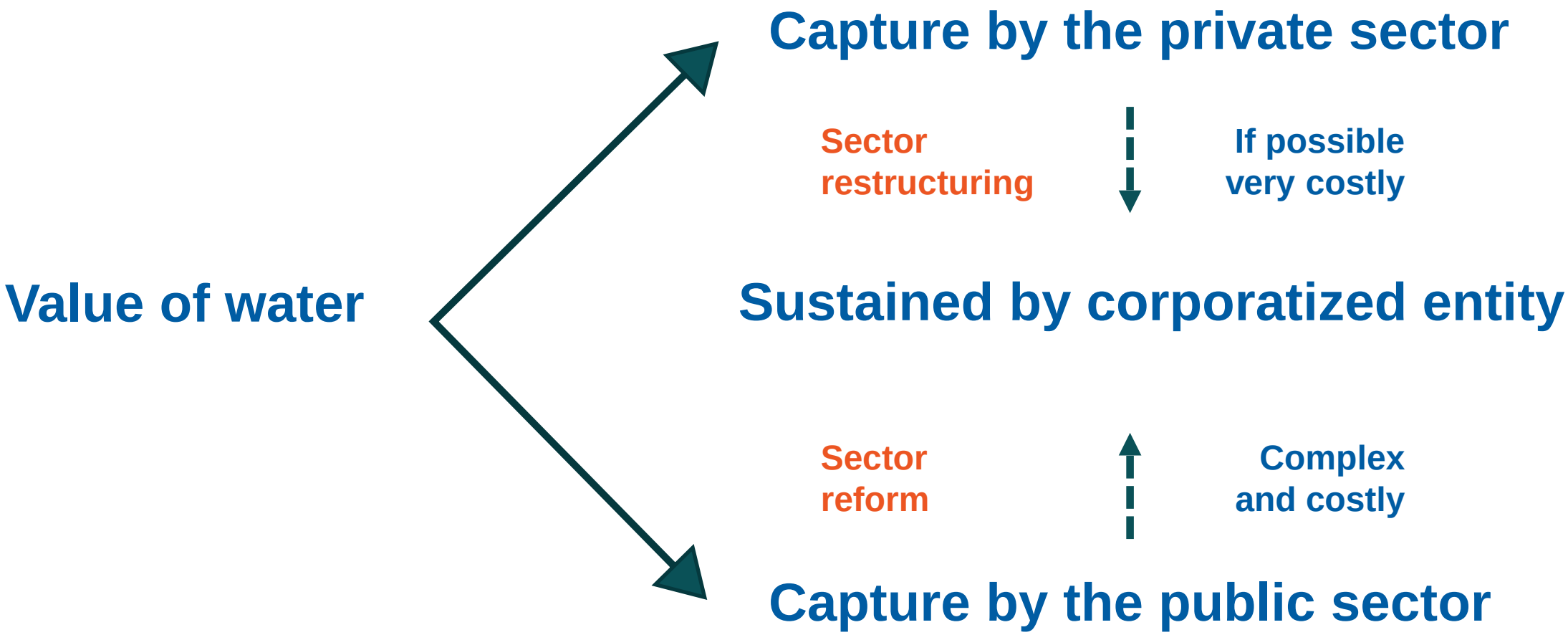
Broader reforms needed to replace water revenues with other revenues (e.g. property taxes) to match expenditure assignments



Desalinated Water
– an undesirable endgame

- An expensive and growing part of water service solutions
- Even in very poor counties …
- … and humanitarian situations
- Who will end up paying for it?

Returning the **value of water** to users



Crisis layered on top of Development challenges

New problem

Crises:

- Destruction of infrastructure
- Mass movements of people
- Tensions between communities (host/migrant)
- Energy shortages
- Staff leaving

Old problem

Development challenges:

- Growing urban populations
- Low cost recovery
- Increasing water scarcity
- High levels of non-revenue water
- Little or no infrastructure investment

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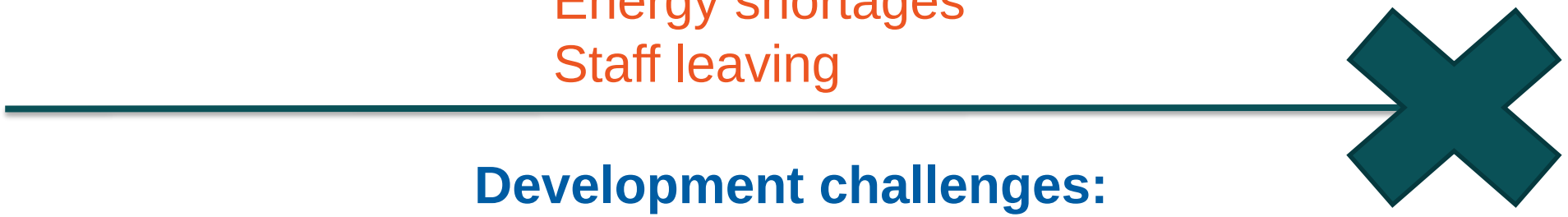

Not about transition from one to the other

Old problem

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Response needs to deal with both problems at once:
Old and New

- Humanitarian and development interventions directly and immediately influence each other

- Short-term emergency actions should be aligned with long-term actions, not undermine them