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Country Sector Assessments UNDP GoAL WaSH Programme

Governance, Advocacy and Leadership for Water, Sanitation and Hygiene

Volume 2 | El Salvador



GoAL WaSH

Achieving the MDGs

UNDP Water Governance Programme – Adaptive Water Governance

UNDP's Water Governance Programme (UNDP-WGP) works in over 150 countries, providing policy support, capacity building and advisory services in three major strategic areas:

- Water Supply and Sanitation (\$170 m, 34%)
- Integrated Water Resources Management (\$111 m, 22%)
- Regional and Global Cooperation (\$216 m, 44%)

The Water Governance Programme also integrates four 'cross cutting' areas into its broader thematic work:

- Climate Change Adaptation and Water
- Human Rights Based Approaches (HRBA)
- Mainstreaming Gender into Water
- Capacity Development and Knowledge Management

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The Global Water and Sanitation Crisis

Globally, almost 1bn people lack clean drinking water. 2.4bn people have no access to hygienic sanitation facilities; 1.2bn lack any sanitation facilities at all. Each day, an average of 5,000 children die due to preventable water and sanitation related diseases. In 2000, through the Millennium Development Goals (MDGs), the international community committed to halving the proportion of people without access to clean water and basic sanitation by 2015. Overall, the world is on track to meet the water supply MDG, but there are major gaps in many regions and countries, particularly in Sub-Saharan Africa. On current trends, the world will miss the sanitation target by a staggering 1bn people.

Meeting the MDG water and sanitation targets is more than a health and dignity issue. The evidence is compelling that achieving the water and sanitation goals would trigger a major leap forward in human development:

- Water and sanitation are essential to achieving all of the MDGs.
- Investment in water supply yields an average economic return of \$4.4 to \$1.
- Investment in sanitation yields an average economic return of \$9.1 to \$1.
- Human development is more closely linked to access to water and sanitation than any other development driver, including spending on health or education, and access to energy services.

The crisis in water and sanitation overwhelmingly affects the poor. Availability of water is certainly a concern for some countries. But the global water and sanitation crisis is mainly rooted in poverty, power and inequality, not in physical availability. It is, first and foremost, a crisis of governance and thus governance reform must be a key pillar of any strategic approach to addressing the crisis.

UNDP's Response

UNDP promotes and facilitates equitable access to water and sanitation services as a fundamental contribution to enhancing human development. UNDP works together with government, civil society, private sector and other development partners to bring about the necessary improvements in water governance to scale-up water and sanitation services for the poor.

UNDP Supports:

- Coordination of country assistance by UN and other development partners.
- Incorporation of water and sanitation into national development planning.
- Governance and policy reform for enhanced water supply and sanitation access.
- Capacity building of institutions and practitioners.
- Special attention to fragile states, where water and sanitation challenges are greatest.

The GoAL WaSH Programme

GoAL WaSH is an innovative new UNDP programme that aims to accelerate achievement of the water and sanitation MDGs through strategically targeted interventions that strengthen governance of the water and sanitation sectors at appropriate levels. Specifically, GoAL WaSH focuses on:

- Countries with low water and sanitation coverage projected not to achieve the water, sanitation or both MDGs.
- Identifying gaps, needs, constraints and opportunities in national water and sanitation plans, strategies and capacities.
- Governance reform, leadership and policy advocacy.
- Incorporation of water and sanitation into national MDG and related poverty reduction strategies.
- Close coordination with governments and key development partners active in water and sanitation at country level.

This volume is the second in a series of national assessments of governance in the water and sanitation sectors in target MDG GoAL WaSH countries. These sector assessments are in turn informing the design and implementation of a series of UNDP capacity building and technical assistance projects to strengthen water governance and advance national progress on the water supply and sanitation MDGs (see inside back cover).

Sincerely,

A handwritten signature in black ink that reads 'Andrew Hudson'.

Andrew Hudson
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Country Sector Assessments: Volume 2
UNDP GoAL WaSH Programme

Governance, Advocacy and Leadership for Water, Sanitation and Hygiene

El Salvador

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MDG Outlook

Is El Salvador on the Right Track to Reach Water and Sanitation MDGs?

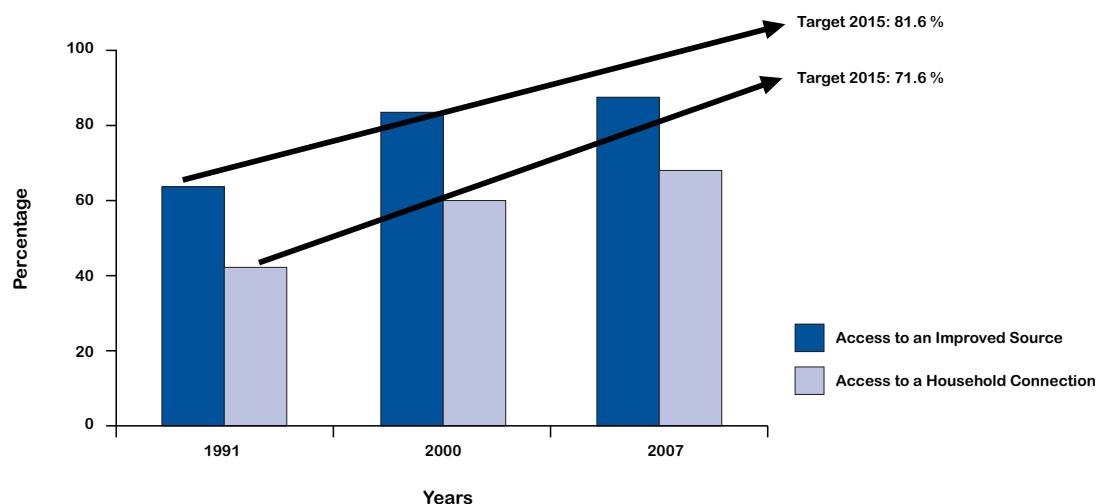
El Salvador’s second MDG report, released in 2009, shows that in the past 18 years good progress has been made to reach many of the MDGs¹. In the case of water, access to an improved source has increased from 63.6% in 1991 to 83.9% in 2007, (the original goal was to attain 81.6% by 2015). In the case of sanitation, the proportion of the population with access to improved sanitation in 1991 was 76.7%, which rose to 92% in 2007.



However, the sector is still perceived to be underperforming. National expectations for water access are to achieve universal household access, yet household connection access has only increased from 42.2% in 1991 to 67.5% in 2007, with the original goal of 71.6% to be reached by 2015. Reports from agencies in the sector, including the Water and Sanitation Network of El Salvador (RASES), show that despite good progress in new investment projects, many existing services are irregular and have serious water quality and sustainability problems.

¹ El Salvador second country report: “No Excuses We achieve the Millennium Development Goals by 2015”. El Salvador. Gobierno de El Salvador-PNUD. 2009

Figure 1: Percentage of homes with access to an improved water source. El Salvador 1991–2007



Despite the progress in overall sanitation coverage, distribution is skewed between rural and urban areas: in 1991 rural areas had 59.8% coverage and urban coverage was 95.3%. In 2007 rural coverage (at 83%) is still behind urban (97.31%). The service quality is poor and 94% of sewage is discharged untreated into rivers and creeks, affecting the quality of the water sources. This has serious environmental and health consequences. According to the Salvadoran Foundation for Economic and Social Development (FUSADES) 2004, 61% of the samples in rural drinking water systems showed contamination by fecal coliform.

Key civil society organisations consider that the country does not have an adequate plan in place to sustain services to meet the MDGs for 2015. Previous administrations did not design specific programmes to focus on water and sanitation and in recent years the strategy has rested primarily on external sources for investment. El Salvador’s new government has committed itself to prioritizing the extended coverage of water and sanitation in the country, with an emphasis on rural areas. However, no explicit strategy or targets have yet been articulated.

The following table shows El Salvador’s institutional progress in relation to water (W) and sanitation (S). Note the difference between urban and rural areas.

Table 1: Progress Towards a MDG Road Map

Description of the step	Rural		Urban	
	W	S	W	S
Institutional leader identified	●	○	●	●
Stakeholder consultation	◐	○	◐	◐
MDG action plan	◐	○	◐	◐
Resources mobilized	◐	○	◐	○
Implementation on track to reach MDGs	◐	○	◐	○

○ Not started ◐ In progress ● Completed

So while El Salvador has made good progress in achieving the formal access goals of the MDGs, the quality of services remains low and key indicators, such as gastrointestinal diseases (due to poor water quality), are at unacceptable levels.

The table below shows the investment required to achieve and sustain the goals set for 2015. This investment is only for the rehabilitation of already outdated systems. It neither considers the institutional and legal reform measures necessary nor the financial requirements for development and the strengthening of the service providers at local and/or municipal levels.

Table 2: Investment Requirements

Source: RASES 2008. Proposal of investments in water and sanitation in El Salvador.

Indicator		Population Covered by WSS (%)					Total Investment Required in WSS	
		1991	2002	2006	2015	Progress	New Services Investment US\$	Rehabilitation Investment US\$
Water	Rural	56.7	73.7	72.5	78.3	5.81 %	\$98.9m.	\$45.0m.
	Urban	91.8	96.6	94.0	95.9	1.90 %	\$157.2m.	\$57.4m.
	Total	76.1	88.1	85.9	88.1	2.24 %	\$256.1m.	\$102.4m.
Sanitation	Rural	59.1	84.3	80.3	79.6		\$40.7m.	\$17.1m.
	Urban	95.4	98.1	94.9	97.7		\$159.4m.	\$25.7m.
	Total	78.1	93.0	90.7	89.0		\$200.1m.	\$42.8m.
TOTAL INVESTMENT							\$456.2m.	\$145.2m.

Main Issues to be Addressed

I. Legal and regulatory framework reform:

A key issue to be addressed in El Salvador is to develop an appropriate legal framework that can put in place clear laws on roles and responsibilities for all the stakeholders in the water supply and sanitation sector (WSS). A ‘General Law of Waters’ and a ‘Drinking Water and Sanitation Law’ should be established, with an entity responsible for WSS enforcement. This is especially important because Salvadoran water and sanitation service providers do not have an institution to regulate them and to ensure efficiency and quality of service. A monitoring body is required to expand coverage at the local level.

The legal and regulatory framework reform should include:

- **Creating and strengthening a governing body:** A governing body should be created to apply and enforce rules and regulations regarding water and sanitation. The body should be involved in identifying challenges and priorities and transforming these into goals, objectives and strategies as part of a national plan of sectoral development. At present, the National Administration of Aqueducts and Drainage Systems (ANDA) perform this role to a certain extent.
- **Sectoral coordination among different actors in the sector:** Sector coordination of the different actors within WSS needs strengthening. The dominant service provider at present is ANDA. Other service providers include municipalities, decentralized service providers, housing developers and rural cooperatives. Coordination is necessary to ensure that approaches are coordinated and consistent and built to scale.

II. Sustainable management of water and sanitation services:

The second major sector challenge is to achieve sustainable service management in the sector. The capacity and policies of small municipalities, as well as urban areas, require strengthening. Investment in new systems should take place under the approach of Integrated Water Resources Management. This will enable users and other key social figures to participate in the identification, prioritisation, planning, implementation and management of systems.

Some measures in this regard include:

- **WSS information:** Insufficient public information on WSS in El Salvador is currently provided by ANDA. Although the organization reports information based on the services that it manages, it does not collect information from other service providers. This limited information system does not facilitate proper planning or strategy in the sector. Technological modernization is necessary for the capture and analysis of relevant information, including data about the availability and conditions of water sources, coverage levels for drinking water, service quality, investment needs and other information related to the development of the sector.
- **Capacity building for municipal and rural systems operators:** Many of the rural water systems administered by the municipalities have serious deficiencies and limited sustainability. Deficiencies include insufficient pipe capacity and distribution networks, inadequate security systems, deficient monitoring data, and limited administrative and financial capacity. In rural areas, most service providers are community-based organisations that are not recognized as providers by the national institutional and legal frameworks. As such, they do not benefit from any capacity building. These rural operators should adopt consistent policies so that they receive fair subsidies, technical support, financial aid to expand water systems, and strategies for the conservation of water.
- **Financial systems for sustainability of services:** Many WASH services are not financially viable. Financial arrangements for water and sanitation require review and methods need to be developed to enable local service providers and ANDA to generate adequate revenue streams to cover costs. Financing mechanisms are needed that generate funds to improve existing systems and to expand the coverage across the country. At present, the fee that applies to systems administered by ANDA does not cover operation and system maintenance costs. Furthermore, rural boards and municipalities that administer systems have their own fees that are not regulated by the state.
- **Sanitation, treatment and disposal of sewage and excreta water:** Adequate treatment, purification and disposal of residual waters in the metropolitan and municipal zones of the country could eliminate the high levels of contamination of surface and underground sources of water. However, at present there is little compliance with the treatment standards for wastewater and excreta disposal. In order to increase compliance rates, coordination between institutions at central and local levels, including the Ministry of Public Health and Social Assistance (MSPAS), is required.

Distinctive Achievements

Briefly, this section highlights informative, instructive and distinctive features of the WSS in El Salvador.

Solidarity Network Programme

The Solidarity Network Programme is a social programme created by the government of El Salvador to alleviate extreme poverty. One of its components seeks to strengthen basic services in education, health and nutrition by developing infrastructure for the provision of drinking water, rural basic sanitation and the electrification of schools and health centres. Between 2005 and 2008, the Solidarity Network Programme invested US\$38m. in drinking water and sanitation in areas of extreme poverty.

Water Agenda

A water agenda has been developed by diverse social organisations, including networks such as RASES, CND, FUNDE and UNDP. The agenda addresses strategic water management issues in El Salvador. One of the components of the water agenda emphasizes the need for an institutional and regulatory framework, and highlights cost recovery challenges in the sector.

Hydrogeological Map

A national water map (on the scale of 1:100,000) was drawn up by ANDA with the financial cooperation of the Swiss Agency for Development Cooperation (SDC). The map is a valuable tool for sustainable management of water resources in the medium and long term. It will contribute to sector development and planning by providing detailed information about the extent, water quality and sustainability of aquifers.

Sector Preparedness Overview

National Strategies

The Salvadoran government does not have a structured national strategy focusing on the MDGs. A Solidarity Network Program aims to extend water coverage to all municipalities (up from the current rate of 68 out of 100 municipalities). MSPAS' Environment Unit has regulations for environmental sanitation and water quality monitoring, but does not have an effective plan for addressing and promoting environmental sanitation.

As a response to this, civil society organisations, led by the Forum on Potable Water and Sanitation for Central America and the Dominican Republic (FOCARD-APS), designed a sanitation roadmap aiming for 100% improved sanitation coverage. This roadmap includes promoting safe excreta disposal solutions and managing wastewater and sewage, through participatory processes. The roadmap notes that the main challenges of sanitation are institutional coordination, and getting a realistic budget in place. MSPAS is seeking to incorporate these components within its comprehensive health care approach, including: building the capacity of sanitation artisans and inspectors; strengthening sector coordination; and encouraging financial support from donors.

Since 2000, ANDA has tried to promote decentralisation but so far it has only delegated some of its administrative functions and a mere 6% of its local service provision. The decentralisation process has lacked legal and institutional clarity, thereby limiting its impact and sustainability. ANDA created a Decentralisation Unit (UNES) to promote decentralised forms of management of water and sanitation systems. The aim is to encourage delegation of administrative responsibilities from ANDA to local operators. This has led to investments of nearly US\$37m., benefiting over 227,000 Salvadorans.

In a follow-up to the water agenda (see above), the National Foundation for Development and the Corporation (FUNDE) and USAID have developed programmes to encourage political water management dialogues. These have centered around three themes: i) a strategy for decentralised WSS management; ii) extended coverage of WSS; and iii) an institutional framework to pay for environmental services.

These proposals have been discussed and presented to civil society actors. Then they will be submitted to policy makers in the water and sanitation sector. The proposals have resulted in the creation of a Water Fund (FOAGUA) to generate resources to expand rural coverage and sustainability. This fund has benefited from economic studies on tariff setting, local government fund generation, and community contribution scenarios.

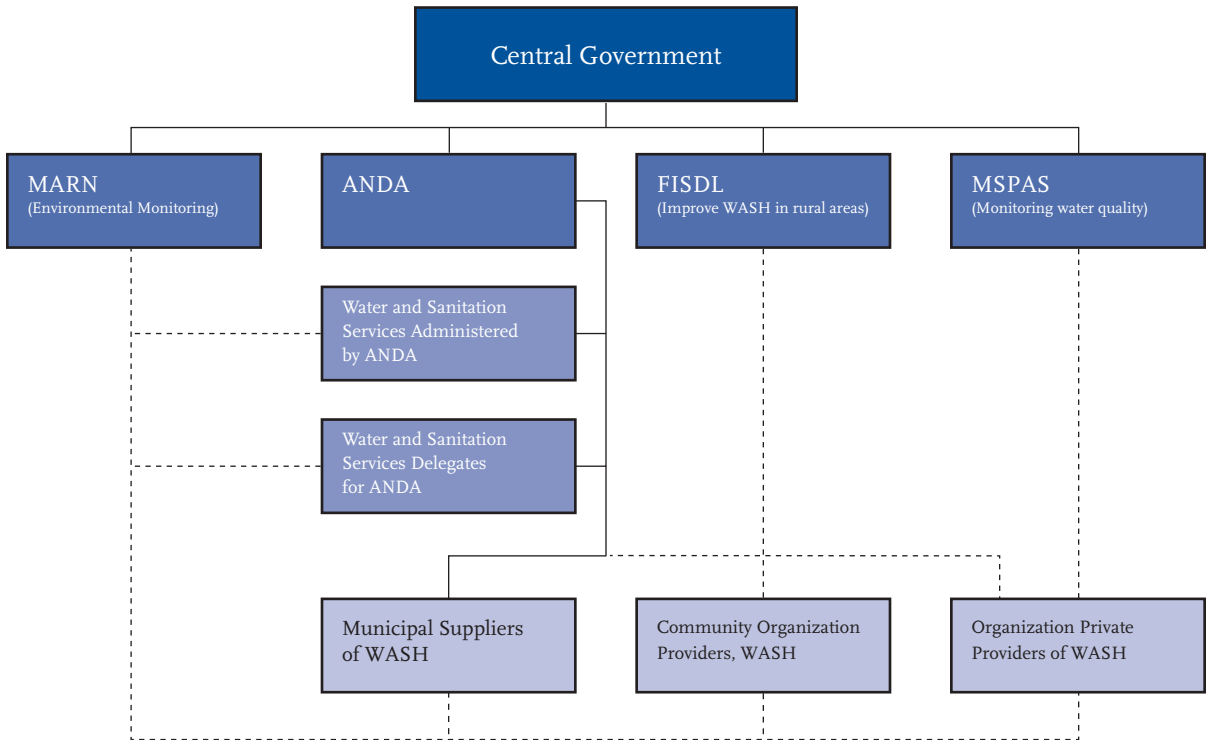
Measures to Improve National Strategies

1. Define a clear public water management policy for the country, particularly as regards water, sanitation and hygiene (WASH).
2. Clarify the institutional framework, defining the role of each organisation, and how citizens might participate in the management of water.
3. Develop a strategy to finance the water and sanitation sector to include an increase in public sector financing of new investments and setting tariff structures so that revenue streams cover the cost of system operation and maintenance.
4. Recognize the various informal providers in both urban and rural areas, and design and implement a capacity-building programme to enhance local water management.
5. Analyse the need for a legal and institutional reforms to enable the organisation of WSS.

Institutional Arrangements and Sector Co-ordination

The existing government institutional arrangements are described in the table below. The government has recently embarked upon a programme of regulatory and institutional reform of WSS. It has been agreed initially that FISDL, ANDA, the Ministry of Environment and Natural Resources (MARN), and the Technical Secretary of the Presidency (STP), manage resources for sector planning processes. The expectations on these entities are clearly defined as follows: assisting the competencies and operations of ANDA; supporting rural, private and community operators; and decentralisation of responsibility to the municipality level.

Figure 2



FISDL's mission is to negotiate and implement projects to supply drinking water in rural areas. In the last ten years, a considerable number of projects have been implemented through the Solidarity Network Programme, especially in municipalities with extreme poverty.

MSPAS is responsible for surveying the quality of drinking water for human needs. Even though there is a programme that analyses samples of water in urban and rural areas, resource limitations mean that the number and frequency of samples is low. As a result, the quality of the water is not adequately monitored. According to the Law of Environment and the Special Regulations of Wastewaters, MARN is responsible for monitoring wastewater discharge. However, the scarce allocation of resources for this ministry and the lack of political commitment from the executive have prohibited the elimination of the sources of contamination. Nevertheless, some solid waste disposal services have improved. This was considered one of the most important accomplishments of MARN in 2007. However, the sustainability of these improvements is uncertain because of poor cost recovery.

Regulations and controls regarding water and sanitation are inadequate in El Salvador. Most water systems are not audited. No supervisory body for service providers exists. A study carried out by CARE El Salvador in 87 municipalities showed that only 65.6% of the existing systems have judicial and administrative support². In rural areas, users spontaneously operate as observers of supply quality by reporting irregularities in service provision. Also, NGOs, including CARE and Project Concern International (PCI), have implemented a new body—the “surveillance council”. However, there is no specific institution regulating suppliers and guaranteeing quality and services for users.

In the absence of any regulatory body for the WASH sector, ANDA is responsible for providing nationwide drinking water and sanitation services. ANDA currently manages 70% of the urban systems and 11% of the rural systems. The rest of the rural zones are left with no support or technical/financial assistance from the state.

Since 2005, the Solidarity Network Programme has coordinated institutions such as ANDA, the Social Investment Fund for Local Development (FISDL) and Environment and Natural Resources Management (ENRM) at local levels. However, there has been no national level coordination. As a result, reforms have been driven by civil society organisations. This has resulted in many challenges for ANDA and other local WASH providers. To address this, a proposed law for the water and sanitation sub-sector was submitted to the Legislative Assembly in 2007.

For the period 2009-2014, the Salvadoran government is working on a strategy to improve coordination of both the rural and urban sector programmes, particularly between FISDL, ANDA and ENRM. For the 100 municipalities identified as experiencing severe, high and extreme poverty, the government has established a goal of 100% coverage in water and sanitation. These programmes also seek to facilitate cooperation with international banks and donors to leverage funding.

In order to overcome the challenges of the sector, El Salvador needs better coordination and clarity in institutional responsibilities. It is essential that a governing body is established and that institutions are able to support and supervise the administration of water resources and WASH services.

² Guidelines for a policy of development of the rural drinking water and sanitation sector.

Measures to Improve Institutional Arrangement and Reform Implementation

1. Clear roles for the various institutions must be defined.
2. Institutions should articulate a strategy to meet the demand for drinking water and sanitation.
3. The different water and sanitation service providers at the local level need to be mapped.
4. Community providers of water and sanitation must be legally and institutionally recognised.
5. Innovative regulatory mechanisms to achieve progress in local governance of water and sanitation must be promoted.
6. Water boards should be recognised as service providers.
7. An institution needs to be established that satisfies the needs and demands of the water boards by providing assistance and consultancy, aiding conflict resolution, and supporting efficiency in the provision of services.

Sector Financing

El Salvador faces two main challenges regarding the financing of WSS: the maintenance of existing infrastructure; and greater coverage to new users. According to estimates made by RASES, US\$373m. is needed to address both of these challenges.

A RASES study found that the country requires US\$256m. in new water systems in order to increase coverage to 100%³. A further US\$102m. is needed for the rehabilitation and improvement of existing systems and nearly US\$15m. to plan new drinking supply systems. The amount required for the rehabilitation and improvement of systems is 40% of total investment.

ANDA financing policy does not recover the costs of operation and maintenance. The average fee is 26 c per m³ of water, but the actual cost of supply is nearer 69 c per m³, i.e., a shortfall of 43 c per m³. Government and civil society are developing proposals to update the fees and refocus ANDA's subsidy. At present, the subsidy only applies to systems operated by ANDA. Other rural systems managed by water boards set their own rates. The outcome of these skewed subsidies is that the rural poor end up paying the most for water. A recent study by FUNDE-ESAID showed that the cost of water for 60% of middle and high-income families is subsidized by rural Salvadorans who pay more than twice as much as middle and high-income families for water. According to the study, the current subsidy system fails to help 75% of the poorest families in the country.

Investment in WSS has been made with international cooperation funds, loans and equity. For the period 2003–2009 the invested amount, as reported by ANDA, was US\$110m. Of this, 33% is loans, 27% is international cooperation grants, 11% is from the general national budget, and 29% is ANDA's funds. In the period 2005–2008, FISDL invested approximately US\$27m. 15% of this came from loans and 85% from international cooperation grants. Fund contributors included the European Union, Luxembourg, Ministry of Foreign Affairs and Cooperation (AECID), and The Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ), among others.

³ RASES, 2008. Proposal of financing of investments for water and sanitation in El Salvador.

In 2008, the Spanish government created the Water Fund for Latin America. This US\$1,500 m. fund was designated for WSS projects and is open to proposals from countries in the region. El Salvador has prepared proposals in 2008 and 2009 for US\$25 m. each. The target of the 2008 proposal is investment in projects to extend rural water systems (US\$22 m.). The remaining US\$3 m. will be used for strengthening the operators—ANDA, FISDL and MARN.

The 2009 proposal aims to use at least US\$6 m. to support institutional reform of the WASH sector to support short, medium and long-term sector planning. Additionally, the proposal outlines an investment of at least US\$15 m. in rural WASH drinking water quality improvements.

Measures to Improve Sector Preparedness and Financing

Not started

1. Increase resource flows to improve and expand drinking water systems administered by water boards and municipal enterprises mechanisms.
2. Create a water fund to finance sanitation projects and new drinking water systems.
3. Establish a consistent policy of fees and subsidies for all drinking water and sanitation service providers that enables service providers to cover their costs and provides affordable services by the poor.
4. Establish a strategy to raise adequate funds for future investments in water and sanitation.

Table 3: Estimation of Investments in Water and Sanitation El Salvador (2008)

Source: Red de Agua y Saneamiento de El Salvador (RASES).

Estimation of Investments in Water and Sanitation El Salvador (2008)			
Population Censused (May-2008)	5,744,113		
No. of homes	1,372,854		
Urban Population	3,601,559		
Rural Population	2,142,554		
Rural population with piped water	1,114,128		
Rural population without piped water	1,028,426		
Urban population with piped water	3,385,465		
Urban population without piped water	216,094		
Rural population without sanitation	428,511		
Urban population without access to drainage	1,044,452		
	Total Investment US \$ (millions)	5 Year Investment US \$ (millions)	Per Capita Cost
Investment in rural sanitation	\$49.7	\$17.4	\$100 per capita
Investment in sanitation sewer	\$303.0	\$106.1	\$250 per capita
Investment in a metropolitan depuration zone	\$391.7	\$195.8	\$250 per capita
Investment in urban municipalities depuration zone	\$269.2	\$80.8	\$120 per capita
Investment in rural drinking water supply	\$328.2	\$114.9	\$275 per capita
Investment in urban drinking water supply	\$75.2	\$26.3	\$300 per capita
Investment to improve of existing drinking water systems	\$225.0	\$112.5	\$50 per capita
Investment in sewer rehabilitation	\$153.4	\$61.4	\$60 per capita
Investment to improve the disposal of household of excreta	\$52.5	\$21.0	\$35 per capita
Investment in protection and conservation of water resources	\$100.0	\$30.0	
TOTAL INVESTMENT ESTIMATE	\$1,948m.	\$766.1m.	
ANNUAL INVESTMENT ESTIMATE (15 yrs.)	\$129.9m.	\$153.2m.	

Sector Monitoring and Evaluation

Water supply coverage is monitored by the National Census of Health's (FESAL) household survey. This National Census includes questions on water supply and sanitation coverage and is carried out every two years. However, national survey indicators are different from the MDG achievement indicators and reconciling these different figures is complex and confusing. RASES has expressed the importance of having a public debate to clarify these issues. The official FESAL statistics include a regularly updated inventory of all water facilities in urban and rural areas, with no distinction between functioning and non-functioning facilities. Additional data gathering deficiencies are that unit cost and cost-effectiveness studies are not carried out systematically.

The Ministry of Health monitors some indicators related to WSS, such as the prevalence of diarrhea and other water related diseases. Health monitoring programmes for urban water and sanitation systems are limited to analyzing water samples. Analyses focus on the bacteriological qualities of the water, but do not consider factors such as continuity of service, systems' pressure and conditions in rural systems. Monitoring of sanitation and hygiene is also poorly developed. Poverty is measured by the Unsatisfied Basic Needs (UBN) method, and sanitation is considered, with water, as a UBN. Water and sanitation are not differentiated and are measured as one unit.

While there is no countrywide system of monitoring and evaluation, several individual projects have effective monitoring approaches. ANDA engages in management planning encompassing some monitoring functions. Reports are communicated through annual bulletins. While MSPAS does monitor the quality of water, it does not cover the whole country. Indicators such as service quality, water pressure and continuity of supply are not monitored, nor evaluated.

Measures Identified to Improve Monitoring of Sector Performance Not started

1. Incorporate indicators that reveal the quality of service delivery.
2. Develop a data capturing system for the various water and sanitation service providers to collect and process information.
3. Develop an evaluation system that ensures that the decision makers' strategies meet the needs of the sector.

Sector Capacity

Institutional capacity is a serious sector constraint. ANDA does not have enough capacity to act as the principal water provider in El Salvador and respond to all the demands of the sector. In particular, the regional and district level departments of ANDA have low capacity and, as a result, most sector actions must be planned and executed by central government.

UNDP is initiating a national WASH capacity building programme together with the Spanish Cooperation Agency (AECI).

While local contractors do have sufficient capacity for civil and hydraulic work, supervision needs to be improved, and financial management of contracts is weak. Currently, most common materials (pumps, pipes, fixtures and meters) are locally available and several brands have dealers in El Salvador. Notable exceptions are sewage pumps and larger water supply pumps that have to be ordered from abroad.

Sanitation boards in rural areas, small towns, and municipalities operate and maintain their own water supply systems. These providers invariably lack capacity to manage their systems and central government support is necessary to sustain services.

Measures Identified to Improve Sector Capacity to Deliver the Sector Programme

1. Develop a strategy to strengthen capabilities in the regional offices of ANDA.
2. Implement a programme to strengthen drinking water supply by rural service providers.
3. Build capacity in the environmental units of the municipalities.

Sector Sustainability Overview




The sustainability outlook for the sector is low because a comprehensive vision of service provision has yet to be developed. Current public policies are aimed at increasing the supply of services without guaranteeing the availability of water quantity and quality. No clear public policies exist to ensure the sustainability of investments.

Sector scores are:

- Rural and Small Towns Water Supply – 24%
- Urban Water Supply – 45%
- Rural and Small Towns Sanitation and Hygiene – 26%
- Urban Sanitation and Hygiene – 35%
- Overall Sustainability – 37%

Sector Sustainability Scores⁴

Overall Sector Sustainability

Institutional										50
Financial										30
Overall										37

Key Issues to be Addressed for Improving Sustainability:

- Reform the legal framework.
- Define and strengthen the WASH sector lead institution.
- Strengthen the Ministry of Environmental and Natural Resources.
- Improve transparency of sector activities.

⁴ This section aims to succinctly describe and provide a quantitative assessment of sector sub-sector sustainability by assessing the status of 'success factors' in rural and urban WSS. Performance of 'success factors' is captured by specific questions on institutional and financial aspects of sustainability. A score out of 100 is presented for each aspect and an overall score weighted by 50% for institutional, and 30% for financial, factors.

Sustainability of Urban Sanitation

Institutional	■	■	■	■	■	■	■	■	■	■	30
Financial	■	■	■	■	■	■	■	■	■	■	25
Overall	■	■	■	■	■	■	■	■	■	■	35

Key Issues to be Addressed for Improving Sustainability:

- Reform the legal framework to involve key actors in the sector in investment and management.
- Improve ANDA's technical and financial capacities for sewerage management and expansion.
- Draw on community participation in the planning and development of low cost sanitation for deprived areas.
- Plan and implement investments in wastewater treatment systems.

Measures to Improve Sector Sustainability

1. Review public policy and incorporate new approaches to advance the sustainability of the water and sanitation sector.
2. Shape a sector work-team involving public institutions and civil society to promote a sector sustainability strategy and international cooperation.
3. Develop a strategy to meet co-ordinate of the various providers of drinking water, particularly in rural areas.
4. Identify and develop standards for the infrastructure required in rural and urban areas.
5. Encourage service providers to develop plans to conserve and protect water sources.
6. Emphasize local management of water with participation of citizens and local governments.
7. Establish a system of monitoring and evaluation indicators to ensure sustainability in the provision of drinking water and sanitation services.

Acronyms

El Salvador

AECI	Spanish Cooperation Agency
AECID	Ministry of Foreign Affairs and Cooperation
ANDA	National Administration of Aqueducts and Drainage Systems (Administración Nacional de Acueductos y Alcantarillados)
CARE	Cooperative for American Remittances to Europe
CND	National Development Commission
ENRM	Environment and Natural Resources Management
FISDL	Fondo de Inversión Social para el Desarrollo Local (see SIFLD)
FOAGUA	Water Fund
FOCARD-APS	Forum on Potable Water and Sanitation for Central America and the Dominican Republic
FUNDE	National Foundation for Development and the Corporation
FUSADES	Salvadoran Foundation for Economic and Social Development
GoAL WaSH	Governance, Advocacy and Leadership for Water, Sanitation and Hygiene
GTZ	The Deutsche Gesellschaft für Technische Zusammenarbeit
MARN	Ministry of Natural Resources
MDGs	Millennium Development Goals
MSPAS	Ministry of Public Health and Social Assistance
NGOs	Non-Government Organisations
PCI	Project Concern International
RASES	Water and Sanitation Network of El Salvador
SDC	Swiss Agency for Development Cooperation
SIFLD	Social Investment Fund for Local Development
UBN	Unsatisfied Basic Needs
UNDP	United Nations Development Programme
WASH	Water, Sanitation and Hygiene
WSS	Water Supply and Sanitation Sector

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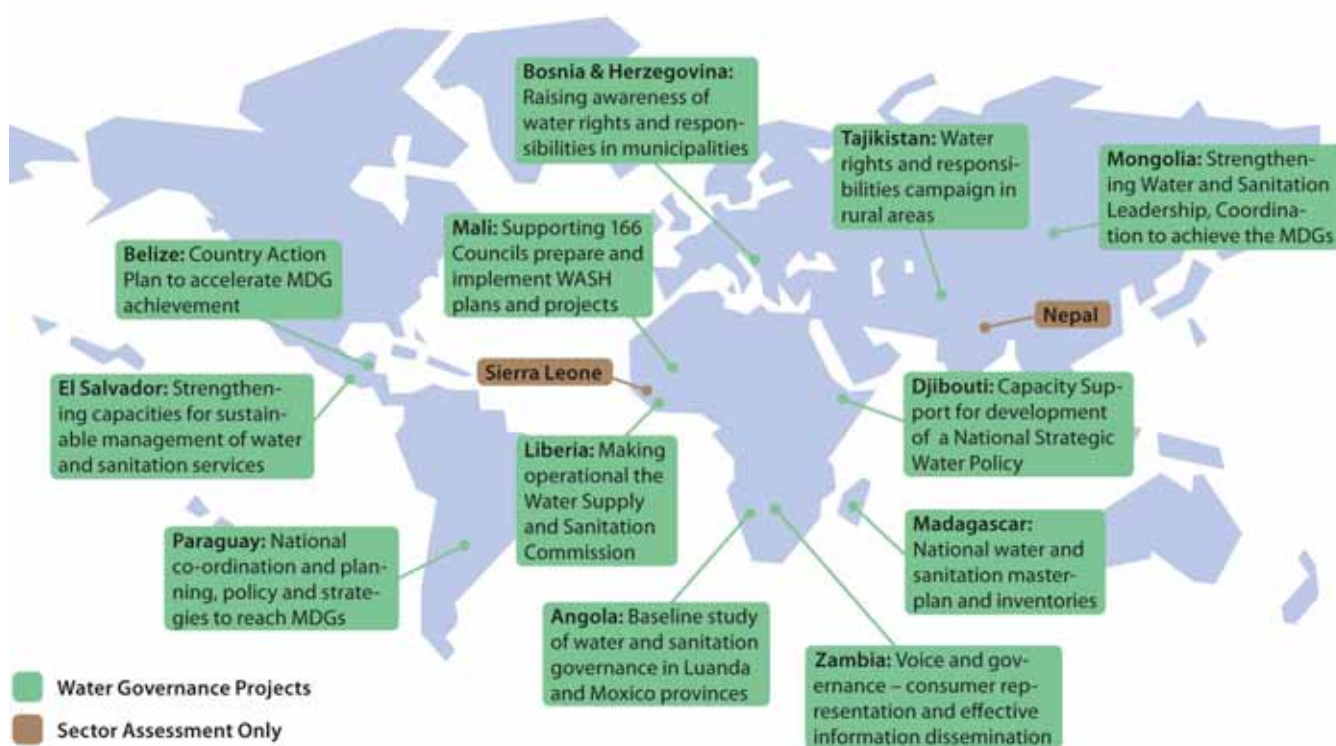
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