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Towards Improved and Inclusive Water and Sanitation Service Delivery

Christopher C. Ancheta

Sr. Sanitary Engineer

Water Global Practice

Revisiting the Sector

“Shift from conventional approach of project development, implementation and operations of WSS service delivery”

Drivers towards decentralized program implementation:

- Lessons from past experiences
- Maturing and strengthened institutions
- Introduction and rise of new technologies
- Innovation of adaptable and applicable options that are economically efficient and effective

Retrospect: Features and Key Lessons from Past WB Projects (1)

Outside Metro Manila:

- **Water District Development Project (1997-2004)**
 - ❑ strengthening ownership and sustainability through “bottom-up-approach”
 - ❑ transition from central gov’t to LGU on procurement & implementation
- **LGU Urban Water Supply and Sanitation Project (1998-2008)**
 - ❑ professionalizing operations through private sector participation (PSP)
 - ❑ PPP procurement modalities were introduced (i.e. pilot DBL and management contracts)
- **Strategic Support for Local Dev’t and Improvement Project (2008-2016)**
 - ❑ Ramping-up “demand-driven WSS investments” of LGUs/water service providers

Retrospect: Features and Key Lessons from Past WB Projects (2)

Metro Manila:

- **Manila Second Sewerage Project (2002-2008) through MWSS**
 - ❑ transition intervention through septage wastewater treatment facility
- **Manila Third Sewerage Project (2006-2012) through LBP**
 - ❑ decentralized (small) wastewater treatment facilities
 - ❑ design-built contracts
 - ❑ procurement through commercial practice (within threshold) recognized
- **Manila Wastewater Management Project (2012-2017) through LBP**
 - ❑ catchment area (bigger) treatment facilities
 - ❑ scaling-up design-built contracts
 - ❑ threshold for commercial practice procurement increased

However, the challenge on “*Universal access to improved WSS*” still remains.

WB intermediate interventions:

- **Poor Household Access to Improved Water Services - a pilot project (2008-2013)**
 - ❑ Incentives provided to connect poor HHs through output-based aid (OBA)
 - ❑ 28,562 poor HH connections (benefitting 142,810 people)
 - ❑ Payment through reimbursement
- **Rural Water Supply Manuals (2012)**
 - ❑ Updated RWS Manuals- Design (Vol.1); Construction Supervision (Vol.2); & Operation & Maintenance (Vol.3)
- **Unified Financing Framework (2015)**
 - ❑ Viability Gap Financing (VGF)
 - ❑ Mainstreamed poor household's access to improved WSS (scaling-up pilot OBA as a national program)

Innovations comes along with New WB Procurement Framework effective June 1, 2016

Features:

- more choices for different situations and contexts
- flexibility to adopt fit-for-purpose procurement approaches
- value for money

Implications:

- Management (CPO, PIO and APMs) are empowered to take most decisions; Board waivers are minimized
- Prior Reviews streamlined to
 - allow task teams to focus on large value or high risk and complex procurement and
 - assist clients with Contract Management and hands-on expanded implementation support

The Future of Procurement in World Bank Investment Project Financing

Modern

**Fit for
purpose**

Tailored

**Responds to
client needs**

**Risk-
based**

Core Procurement Principles

- **Value for Money**
- **Economy**
- **Integrity**
- **Fit-for-Purpose**
- **Efficiency**
- **Transparency**
- **Fairness**

These principles also apply for APA, PPP, Commercial Practices etc.

Now...the major Challenge to meeting MDG:

How do we accelerate access to sustainable & improved WSS service delivery?

- Mainstreaming the UFF and new procurement framework into a
National Water Supply and Sanitation Program



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Thank you

World Bank Group
26th Floor, One Global Place
5th Ave., corner 25th St.
Bonifacio Global City, Taguig
Philippines