



***Water and Waste Management in the Caribbean:
The Role of the Caribbean Development Bank***

Opening Remarks

by

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at the

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Caribbean Water and Wastewater Association*

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I am extremely pleased to be participating in today's Opening Ceremony for the 22nd Annual Conference of the Caribbean Water and Wastewater Association (CWWA).

I congratulate you on having reached this milestone. Your longevity and work can offer valuable lessons to other professional organisations also wishing to make their contribution to Caribbean economic and social development. That the Association has survived for 22 years is testament to members' belief and strong commitment to the ideals of this Association.

Managing and securing access to water and sanitation for all is, perhaps, the biggest challenge facing Caribbean leaders and, indeed, all world leaders today. Your ideals, therefore, offer hope that our children and our children's children can have a water-secure Caribbean future.

The United Nations declared 2013 as the International Year of Water Cooperation. By promoting an inter-disciplinary approach to water resource management, CWWA's conference-theme "Water and Waste Management in the Caribbean – Cooperation for Action" is, therefore, consistent with the United Nations' goal. Global resources are expected to come under increasing pressure over the next few decades. It is therefore very important that we evaluate all of the tradeoffs carefully and that we encourage cross-sectorial planning for sustainable management and development.

Let me thank the Association as well as the Barbados Water Authority for organising this year's conference and for inviting me to speak on the topic, "Water and Waste Management in the Caribbean: The Role of the Caribbean Development Bank (CDB)."

In 2012, CDB commissioned an assessment of the water sector in the Region. We engaged consultants to conduct initial assessments on the state of the water sector in the Region; and to evaluate the role of regional institutions and funding agencies. The draft final report is currently under-going internal review.

This evening, I want to share with you six of the key findings of that Report.

First, rainfall data for the last 40 decades point to a decline in freshwater availability. We note this trend especially in the northern Caribbean, where the decline was by as much as 50%, in some countries.

Second, when we compared per capita consumption in the Caribbean with that of similar regions of the world, it was 50% higher than expected.

Third, unaccounted-for water across this Region ranged from 17% to 66%.

Fourth, the percentage of population with connected sewerage systems varied from 0% to 30%.

Fifth, access to piped water is less than 90% in four of our borrowing member countries.

Finally, in ten (10) of the utilities in our eighteen borrowing member countries, operational costs exceed revenues being generated by the services provided.

If we accept that water is a key driver of economic and social development, then we cannot afford to ignore the signals that these findings are sending. Clearly, effective water management must be almost at the top, if not at the top, of the list of development priorities for every country in our region.

It is an imperative that **everyone** in this Region should have access to water and sanitation.

Water managers, therefore, must be leading the charge to find new and innovative approaches to addressing the formidable challenges facing the sector. Primary among these challenges are inadequate tariff structures; inefficient water supply networks; and inadequate access in rural communities. We can also add to this list inadequate wastewater management systems coverage; weak data management capacity for water resource management; high per capita usage; and a shortage of capacity, especially in the areas of planning and risk management.

The impact of climate change on water resources in the Caribbean is of particular concern. There is overwhelming evidence that the risks are significant, especially for small island developing states.

We are expecting, for example, that climate change will lead to longer dry spells in the upcoming years. Therefore, the availability of freshwater resources will come under threat, at the same time that demand, especially by the agriculture sector, will be increasing. Rising sea levels will also have a negative impact on the availability of groundwater resources.

With these daunting prospects, it becomes even more urgent that stakeholders in the sector work towards securing future water supply. Additionally, they must become much more efficient in providing water services to Caribbean people.

Why is the state of the water and sanitation sector of concern to CDB?

Our mission is to work *“in an efficient, responsive and collaborative manner with our Borrowing Members, towards the systematic reduction of poverty in their countries, through social and economic development.”*

All of the key development challenges that our Region faces, including energy generation and usage; food security; natural disaster management; and environmental protection are closely linked to effective water management.

Therefore, CDB has a vested interest in the well-being of the water and sanitation sector. It holds one of the keys to the achievement of our development mandate. In the past four decades, CDB has channelled an estimated USD120 million into the sector. Currently, we have ongoing interventions in Barbados, Belize, Dominica, Guyana, St. Kitts and Nevis and St. Lucia.

We have financed basic infrastructure, including water treatment plants and the expansion of transmission, distribution and storage facilities, across the Region. In addition, we have provided technical assistance to several countries to finance various pre-feasibility and feasibility studies as well as tariff studies for water utilities.

We have also worked closely with national and regional organisations to finance various institutional strengthening and capacity-building initiatives. We have been an ardent proponent of co-operation in the sector. Consequently, many of our training programmes in areas such as energy efficiency for water utilities, non-revenue water management, and policy development have been organised in conjunction with development partners, such as the Inter-American Development Bank and CWWA.

This access to the expertise of a multi-disciplinary team of professionals allows us to bring about a holistic approach to the development of water sector-related projects across the Region.

In the medium term, water and sanitation will continue to be a centrepiece of CDB's development assistance. Taking into account our own emphasis on managing for development results, we will be working much more closely with sector professionals and policy-makers to improve the overall management of the sector.

I mentioned earlier that CDB recently commissioned a comprehensive study of the Region's water sector. It is our intention that this study will serve as a guide to planning and policy development in the Region and, importantly, that it will inform CDB's strategic approach to water sector interventions.

In closing, Mr. Master of Ceremonies, let me extend best wishes for a successful Conference. We expect that the discussions will be rich and vibrant. We hope that the proceedings will produce some new insights into more effective water and sanitation management in the Region.

And we anticipate that CWWA will remain a valuable partner as CDB continues to work towards safeguarding water for future generations in this Region.

In the words of the famous environmentalist, David Brower, "*We don't inherit the earth from our ancestors; we borrow it from our children.*"

Thank you