

UN 2023 Water Conference Side Event

Roundtable on Supplementary Urban Water Service Providers – A Game Changer for Meeting the SDGs $\,$

March 23, 2023 | 10:30 am - 12:30 pm Riverview Room, Hilton Millennium

> Organized by: World Bank Group World Bank Focal Point:

Smita Misra, Senior Water Supply and Sanitation Specialist, World Bank Water World Bank Guest Speaker:

Richard Damania, Chief Economist, World Bank Sustainable Development

Background on the event (one paragraph)

The recently published World Bank report on 'Citywide inclusive water supply – Role of Supplementary Urban Water Service Providers' (2022) identifies the increasing role of supplementary (non-utility) service providers (SSPs) in addressing the challenges of universal access to piped supplies and achieving the SDG 6.1. The global lack of access to safely managed water supplies is projected to increase to one billion by 2030, based on the revealed inability of utilities to keep up with rapid urban growth predominantly affecting the poorest and most vulnerable in society. There is a need for innovative SDG 6.1 compliant solutions, including significant opportunities for existing SSPs to help customers in moving to a higher quality of service in the urban and the periurban areas.

Water Action Agenda (one paragraph, if possible, please include the link to your commitment in the Water Action Agenda database)

Key Issues discussed (5-8 bullet points)

The panel discussion focused on the following three questions:

1. How can current supplementary service providers become a valued and professional component in a portfolio of different service delivery arrangements in a city?

- 2. What business and regulatory models could be considered to reduce transaction costs, and facilitate scale up, when working with supplementary service providers?
- 3. How could subsidies, which currently flow only to pipe-based utilities, be made available to supplementary service providers to facilitate investment and professionalization, while addressing customer charges?

Key recommendations for action (5 - 6 bullet points)

This session provided insights on how safely managed Supplementary Service Providers (SSPs) can contribute to attaining the ambitious SDG 6.1 Universal Coverage target. Formalizing the role and regulating these SSPs can lower costs, expand coverage, and improve water supply services.

Following are the key recommendations for the existing SSPs:

- Need for formalizing and professionalizing these entities.
- Need for licensing and regulation.
- Need for appropriate institutional models Regionalization / Aggregation, corporatization, etc.
- Need for financing, including commercial financing for supporting these SSPs.
- Need for private sector participation, including performance-based contracts and results-based financing.
- Need for rigorous monitoring and evaluation.

