The results of the sector analysis and dialogue carried out during the Monitoring Country Progress in Drinking Water and Sanitation (MAPAS) regional initiative in Honduras show that it is essential complete the institutional reform process started in 2003 with the Framework Law for the Drinking Water and Sanitation Sector.

All sector institutions and decision makers in Honduras emphasized the need for an effective sector governing body and an autonomous regulatory authority to:

- Apply sector policies and promote coordination between sector institutions and municipalities.
- Shift from annual institutional planning to a sector-wide programmatic planning approach.
- Use equity criteria to direct investment toward populations that do not have access to drinking water and sanitation services.
- Grant water supply and sanitation (WSS) utilities autonomy to recover costs and improve the sustainability of the service.
- Control the quality of drinking water and provision of WSS service.
- Incorporate climate change adaptation and disaster risk management measures into efforts to protect water resources.

The financial assessment also revealed the need to ensure sufficient funds to rehabilitate and replace systems that are approaching the end of their lifespan—this will sustain the results already achieved and help meet the national targets set by the Government.

WHAT IS MAPAS?
Monitoring Country Progress in Water and Sanitation is a regional initiative aimed at providing governments with a systematic framework for assessing and monitoring their performance in delivering national water supply and sanitation targets.

MAPAS reveals the major bottlenecks hindering the achievement of the national targets and the reform actions required to efficiently convert funding into quality, sustainable WSS services for the population.

HIGHLIGHTS
Address the Unserved Population
Statistics mask significant inequalities and disparities between urban and rural areas. Over 2.2 million people lacked access to improved sanitation services, and 1 million lacked access to improved drinking water services in 2010. Of these, 66 percent and 80 percent, respectively, live in rural areas (UNICEF 2011).

Mind the Investment Gaps
There is an estimated annual deficit of US$350 million in funds needed to attain the Government’s targets for water and sanitation by 2022. The investment gap in sanitation is US$193 million per year and in water US$157 million per year.

Improve Poor Service Delivery
The limited quality and performance of existing services translate into low user satisfaction and compromises the sustainability of results already achieved.

Strengthen Service Providers
It is essential to continue advancing the institutional reform process by:

- Decentralizing the urban services to the municipalities and creating autonomous municipal utilities.
- Strengthening local postconstruction support mechanisms to improve the sustainability of rural services.

Use Better Information for Better Services
It is critical to compile information from all sector agencies systematically to inform investment planning and improve the quality and sustainability of WSS services.
HONDURAS AT A GLANCE

<table>
<thead>
<tr>
<th></th>
<th>Urban</th>
<th>Rural</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population: 7.8 million</td>
<td>52%</td>
<td>48%</td>
</tr>
<tr>
<td>Sanitation Coverage: 81%</td>
<td>86%</td>
<td>74%</td>
</tr>
<tr>
<td>Drinking Water Coverage: 89%</td>
<td>96%</td>
<td>81%</td>
</tr>
</tbody>
</table>

Source: WHO/UNICEF Joint Monitoring Program Update 2013 (Data 2011)

ANALYSIS RESULTS

WSS coverage levels are increasing but remain unequal. Looking only at the national averages of drinking water and sanitation coverage, according to the access definition and data of the WHO/UNICEF Joint Monitoring Program, Honduras already has achieved the Millennium Development Goal (MDG) targets.1

The population without access to improved drinking water services decreased from 24 percent in 1990 to 13 percent in 2010, and the population without access to improved sanitation services decreased from 50 percent in 1990 to 23 percent in 2010 (WHO/UNICEF JMP Update 2012).

However, this apparent success masks significant inequalities and disparities between urban and rural areas. In 2010, over 1 million people lacked access to improved drinking water services and about 2.2 million lacked access to improved sanitation services. Of these, 80 percent and 66 percent, respectively, live in rural areas (UNICEF 2011).

The analysis of disaggregated coverage figures in rural and urban areas reveals troubling trends. The proportion of urban dwellers with access to improved water has actually decreased since 1990, and poor people have significantly lower levels of access to services since then. This is largely due to rapid urban population growth that has made Honduras predominantly urban since 2008. In 2012, about 52 percent of Honduras’s population lived in urban areas (INE 2012). However, the level of investment in urban water and sanitation has been insufficient to maintain existing coverage and extend urban service, especially to poor people.

Figure 1 | Required versus Planned Annual Investments to Attain National WSS Targets by 2022 (Public and Private)

Source: Data from Central Government, Municipal Service Providers and Donor Agencies, processed by MAPAS.

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1 The MDG WSS targets for Honduras is to ensure access to improved drinking water and sanitation services for 88 percent and 75 percent of the population, respectively, by 2015.
In order to estimate the investment needed to provide drinking water and sanitation services to both urban and rural populations who do not have access, the MAPAS financial tool uses as a reference the WSS sector targets set in Honduras’s National Plan/Country Vision: ensuring 95 percent coverage by improved water and sanitation services by 2022. The estimate also takes into account the limited performance of existing services, which prevents the service providers from improving and expanding by using their own financial resources.

Figure 1 illustrates the gap between planned annual investment of US$75 million and the annual investment (public and private) of US$425 million required to attain the Government’s targets for water and sanitation by 2022. The investment gap in sanitation is US$193 million per year and in water US$157 million per year, resulting in a total annual deficit of US$350 million. Figure 2 breaks down the same required investment of US$425 million into new and replacement/rehabilitation investment needs in water and sanitation by rural and urban areas. Figure 3 shows the gap between the planned annual investments and the annual public-only requirements by subsector.

The required investments are significantly higher than the amounts considered in planning exercises for the WSS sector, and the gaps between planned and required investment are larger than the budgetary resources available. Considering the tight budget and limited fiscal space in Honduras, it seems unlikely that the investments can be increased to the required levels to achieve the water and sanitation goals.

It is therefore crucial for the Honduran water sector to adopt financial policy alternatives that (1) promote new tariff schemes that allow service providers to recover cost and improve their efficiency, (2) define subsidies to allow affordable services for poorer citizens, and (3) strengthen the financing capacity of utilities so they can afford to make a portion of the needed investments.
THE MAPAS SCORECARD
The scorecard evaluates the service delivery pathway through which the country transforms sector funding into sustainable water and sanitation services for each of four subsectors: rural water, urban water, rural sanitation and hygiene, and urban sanitation and hygiene (table 1).

The service delivery pathway is evaluated through nine building blocks, which are grouped in three main pillars, to look at: (1) the effectiveness of the institutional framework, (2) the concrete results obtained through sector activities, and (3) the sustainability of the results and services provided.

Each building block is scored from a minimum of 0 up to 3, depending on three to five indicators per dimension.

The scorecard uses a traffic-light color code. A green block means a highly satisfactory score (higher than 2); a yellow block means a neutral score (between 1 and 2); and a red block means an unsatisfactory score (below 1).

Table 1 | Drinking Water and Sanitation Scorecard for Honduras

<table>
<thead>
<tr>
<th>Subsector</th>
<th>Institutional framework</th>
<th>Development in the sector</th>
<th>Sustainability</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Average score</td>
<td>Policies</td>
<td>Planning</td>
</tr>
<tr>
<td>Rural Water</td>
<td>1</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Urban Water</td>
<td>0.9</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Rural Sanitation and Hygiene</td>
<td>0.7</td>
<td>1.5</td>
<td>0</td>
</tr>
<tr>
<td>Urban Sanitation and Hygiene</td>
<td>0.6</td>
<td>1.5</td>
<td>0</td>
</tr>
<tr>
<td>Average score</td>
<td>0.8</td>
<td>1.5</td>
<td>0</td>
</tr>
</tbody>
</table>

Legend:  Low: <1  Medium: From 1 to 2  High: >2

SCORECARD RESULTS AND PRIORITIES
The scorecard reveals the major barriers that prevent the delivery of quality, sustainable services, and these become the priorities for reform:

1. Establish an effective sector governing body to apply policies and coordinate the sector.
2. Implement a sector-wide programmatic planning approach aligned with the national planning system.
3. Use equity criteria to direct investment toward populations without access to WSS services.
4. Complete the decentralization of the WSS services to the municipalities and create autonomous utilities.
5. Promote tariff schemes that enable service providers to recover cost and improve their efficiency in the large and intermediate-sized cities.
6. Strengthen local postconstruction support mechanisms to improve the sustainability of rural services.
7. Provide funds to extend, rehabilitate, and replace the existing systems.
8. Promote users’ participation in service management.

Addressing these challenges will lead to a greater probability of sustaining the results achieved and meeting the Government’s targets set in the National Plan/Country Vision by 2022.
• Raise the profile of the sector within the Government’s national priorities.
• Ensure sound political and technical functioning of governance so the sector can operate efficiently and effectively, spearheading the process of sector reform.
• Ensure effective regulation of services and establish a mechanism for technical assistance to providers to improve the efficiency and quality of service provision.
• Establish a sector-wide, programmatic, needs-based planning approach aligned with the national planning system to attain the Government’s targets for water and sanitation by 2022.
• Have the Government assign sufficient annual budget allocations to make the work of the sector’s institutions feasible, and leverage those funds to implement the sector plan.
• Develop and validate programs to strengthen provider capacities, competencies, and monitoring.
• Implement clear, applicable standards in quality surveillance and service control.
• Develop and apply tariffs that account for the real costs of providing urban and rural water services and ensure the financial and social sustainability of the services.
• Establish funds to invest in the replacement, rehabilitation, or extension of the systems.
• Implement an information system to measure sector progress and support planning.
• Include risk management and water sources protection measures in sector policy and practice.
• Consider the users in service planning and management processes.
• Ensure technical, financial, and environmental sustainability of systems and service providers.
• Increase citizen participation in service management, supervision, and control.
• Improve user satisfaction with drinking water and sanitation services.
**PRIORITY ACTIONS**

### SUBSECTOR

#### URBAN DRINKING WATER SUPPLY

| Institutional framework | • Establish clear, practical regulations that facilitate universal access to drinking water in urban areas.  
|                        | • Strengthen the municipal and community management models for service provision.  
|                        | • Design and implement comprehensive individual programs and plans consistent with sector-wide policy and planning. |

| Sector development | • Allocate investments to the rehabilitation or reconstruction of drinking water systems.  
|                    | • Create and apply urban development regulations specific to municipal drinking water supply (for drinking water and sanitation in general).  
|                    | • Create mechanisms for financing the cost of transferring systems from the National Autonomous Water and Sewage Service (SANAA) to municipalities or specialized agencies with administrative and financial autonomy.  
|                    | • Create a mechanism for financial and institutional support to providers. |

| Sustainability | • Strengthen the capacity of providers to ensure continuous, high quality, and efficient services by including citizen participation in planning.  
|               | • Ensure that services will be provided with efficiency, quality, and continuity as well as with citizen participation.  
|               | • Prioritize the creation and strengthening of service providers with administrative and financial autonomy.  
|               | • Cover the costs of services with the tariffs.  
|               | • Guarantee that the funds collected for service delivery are nontransferable and are used in the subsector or sector.  
|               | • Improve the efficiency of service management, developing a culture of public company efficiency with elements of citizen participation.  
|               | • Develop a mechanism for financial and institutional support for service providers.  
|               | • Ensure drinking water quality and suitability for healthy human consumption.  
|               | • Implement micrometering as a mechanism to reduce loss and promote rational use of water. |

### SUBSECTOR

#### RURAL DRINKING WATER SUPPLY

| Institutional framework | • Develop and implement a national plan for rural drinking water consistent with national policy.  
|                        | • Develop strategies for the sector to serve both sparsely populated rural areas and rural areas with concentrated populations.  
|                        | • Strengthen local capabilities through principles of association and solidarity, working within municipalities for the improvement and rehabilitation of existing infrastructure (with an emphasis on rural areas with concentrated populations).  
|                        | • In sparsely populated rural areas, take advantage of the strengthening of local organizations such as municipalities, water boards, and NGOs; to stimulate actions to reach villages in each municipality that do not yet have access to drinking water. |

| Sector development | • Ensure budget allocations for rural drinking water, bearing in mind that this population is growing.  
|                    | • Create and execute plans for strengthening the water boards and rehabilitate infrastructures that are becoming obsolete, determining the real costs and a methodology for measuring these costs.  
|                    | • Allocate resources to rehabilitate and improve systems, and have those resources managed directly by water boards.  
|                    | • Consolidate the Rural Water and Sanitation Information System, SIASAR, as the official source of coverage data. |

| Sustainability | • Support programs that train operations and maintenance technicians to ensure the sustainability of the systems and programs that train environmental health technicians to improve water quality monitoring systems.  
|               | • Support the AJAMs, COMASs, and USCL.  
|               | • Strengthen rural water boards and national implementers of comprehensive rural drinking water programs and projects.  
|               | • Foster a culture of paying for service that recognizes water’s economic value and the need to conserve water resources. |
## PRIORITY ACTIONS

### SUBSECTOR

**RURAL SANITATION AND HYGIENE**

| Institutional framework | • Increase consistency across programs, subsector plans, and national policy.  
| | • Differentiate the sanitation plans and strategies for concentrated rural communities compared to scattered populated rural areas, whose characteristics demand different sanitation technologies.  
| | • Strengthen the capabilities of municipalities to design and implement basic sanitation projects in rural communities.  
| | • Make the local water board accountable for the sanitation services and the monitoring thereof.  
| Sector development | • Implement strategies to protect and preserve water sources and micro watersheds.  
| | • Execute direct support programs for the postconstruction phase of sanitation projects.  
| | • Approve programs for strengthening service providers’ capacities.  
| | • Improve relations between communities and local governments to jointly identify sanitation solutions, execute assessments, implement projects, and strengthen water boards and community organizations. These aspects must be reflected in sanitation policies and strategies.  
| Sustainability | • Design monitoring mechanisms to inform decision making on factors relevant to rural sanitation services sustainability (service quality, operation and maintenance, training needs, etc.).  
| | • Institutionalize the monitoring mechanism once it has been designed and approved.  

### SUBSECTOR

**URBAN SANITATION AND HYGIENE**

| Institutional framework | • Strengthen the capacity of the sector, with a focus on the local governments and service providers, creating the conditions necessary for effective management.  
| | • Promote the integration of municipal service providers, civil society organizations, and communities in order to provide urban sanitation services.  
| Sector development | • Create comprehensive urban sanitation plans (comprehensive urban development), for drinking water and sanitation, creating conditions for moving from basic to advanced services. Sanitation cannot be achieved without water service planning.  
| | • Strengthen surveillance, monitoring, and training processes.  
| Sustainability | • Reinforce the Drinking Water and Sanitation Services Regulatory Agency (ERSAPS) indicators for evaluating provider service with new indicators that consider basic sanitation solutions and the transformation from latrines to sanitary sewer technologies. These indicators must present a clear overview of a city’s status, including its evolution in terms of quality and coverage in urban sanitation.  
| | • Create a financing structure that will facilitate timely investments to provide quality services and prevent the collapse of sanitation systems.  
| | • Apply actual tariffs, not percentages, for sanitation payments.  

### REFERENCES


HONDURAS
Monitoring Country Progress on Drinking Water and Sanitation (MAPAS)

This initiative is promoted by the Central American and Dominican Republic Forum for Water and Sanitation (FOCARD-APS) through its Regional Technical Group on Information System with the support of the World Bank’s Water and Sanitation program (WSP).

The MAPAS initiative was implemented in Honduras at the request of the National Council for Drinking Water and Sanitation (CONASA) involving all sector institutions, stakeholders, and policy makers.

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