



## URBAN WATER SUPPLY PROJECT

### Improving Access to Clean Water and Sanitation

#### Overview

Two International Development Association (IDA)-financed water supply projects have helped provide 90 percent of Phnom Penh's residents with a reliable water supply, expanded the water supply network in Phnom Penh to 1,966 kilometers (km) with 192,000 connections, provided subsidized connections to 3,827 poor households in the city, and built 11 water plants around the country. The capacity of the Phnom Penh Water Supply Authority (PPWSA) has been enhanced to meet commercial and industrial purposes. In recognition of its world-class performance in water supply and self-sufficiency, the PPWSA was named the winner of the Stockholm Industry Water Award 2010.

#### Challenge

In 2001, Cambodia had a population of some 12.3 million, with 20 percent of people living in urban areas (including 1.3 million in the capital city of Phnom Penh). Coverage of improved water supply was extremely low (averaging 15 to 20 percent of urban populations), financing was minimal (funds from donor or government sources were grossly inadequate compared to the needs), and institutional capacity in the utilities was virtually non-existent.

Urban sanitation was even more under-served than urban water supply. There are no modern sewerage systems in Phnom Penh or other cities, and this is becoming a key constraint for urbanization in the country as a whole. For rural water supply and sanitation, low coverage, low efficiency and the lack of a clear development strategy remain key challenges.

The government's target under its Millennium Development Goals (MDGs) was to have 80 percent urban coverage of improved water supplies by 2015. To achieve this, the government needed to make about US\$30 million in investments per year. The achievement of the MDGs in water supply and sanitation in the whole country was estimated to require the investment of at least US\$600 million between 2002 and 2010. Annual sectoral investments (funded entirely by donors) averaged less than US\$20 million a year. The challenge was to design a project that addressed these issues for the provision of water supply and

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# 90%

of Phnom Penh residents now have access to a reliable water supply

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sanitation at the provincial and district level.

## Approach

The Urban Water Supply Project supported the government to expand access to a clean and reliable water supply. This IDA-financed project was implemented by the Phnom Penh Water Supply Authority (PPWSA) and is an example of what can be achieved through enhanced autonomy and clearer accountability for public utilities. Drawing on this experience, IDA continues its support with the Cambodia Provincial and Peri-Urban Water Supply and Sanitation Project (PPUWSSP). The goals of this project are to support the PPWSA to expand its water network to target areas while supporting low-income communities in urban centers through access to clean water and sanitation.

### Provincial and Peri-Urban Water Supply Project

- » Feature: Clean Water on Tap Saves Time and Improves Health
- » Feature: Phnom Penh Poor Gets Access to City's Clean Water

The government has also built on the entrepreneurship of its citizens and pursued innovative ways of involving domestic private service providers to provide clean water by adopting a laissez-faire approach. The government is working on formalizing these service providers and has more recently experimented with a range of contracting approaches. This approach enables the government to evaluate how the different models have worked in the Cambodian context and to combine the strengths of the individual models.

“ I cannot compare my happiness at having clean water to anything else. Before, we used water that a private supplier pumped directly from the river. Sometimes, we smelled disposal waste such as foamy mud. I am really, really happy now because I have clean water...and it's much cheaper. ”

— *Nov Som, 75 years old, Phnom Penh resident*

## Results

Together the Urban Water Supply Project and the Provincial and Peri-Urban Water Supply and Sanitation Project (PPUWSSP) have achieved the following results:

- Ninety percent of Phnom Penh's residents will have access to a reliable and permanent water supply by the end of 2010 (with 100 percent coverage anticipated by 2020).
- Expanded water network to 1,966 km with 192,000 connections.
- A total of 3,827 poor households in Phnom Penh received subsidized connections ranging from 30 percent to 100 percent subsidy. This subsidy has helped the poor to save between US\$30 and US\$90 per year.
- Eleven water plants built around the country.
- In recognition of its world-class performance in water supply and self-sufficiency, the PPWSA was named the winner of the Stockholm Industry Water Award 2010.

## Bank Contribution

- IDA provided US\$35 million to the Urban Water Supply Project, which was implemented by PPWSA and completed in 2004.
- IDA is providing a US\$16.9 million credit and a US\$3 million grant support to the

PPUWSSP, which will be completed in June 2011.

## Partners

In addition to IDA, the Asian Development Bank, the Agence Française de Développement, the Japan International Cooperation Agency and the International Association of French-Speaking Mayors are active in Cambodia's water sector.

## Moving Forward

The PPUWSSP will help the government to:

- Develop a clear sector strategy for water and sanitation as part of its next Five-Year Development Plan;
- Expedite the expansion of water and sanitation coverage in both urban (provincial and lower cities/towns) and rural areas;
- Increase the efficiency of existing public and private water utilities in terms of capacity, efficiency and service quality;
- Tap PPWSA's experience and capacity for provincial and lower-level utilities for wider dissemination and application as the starting point of sector reform; and
- Support the development of wastewater treatment plants in Phnom Penh and other major cities.

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“ Before, when there was baby delivery, we asked their husbands or relatives to collect water from the public well to put in the jar at the center. But now we just turn on the tap. It's far much easier for our nurses, and saves a lot of time. ”

— *Phum Kosal, Director of Chopvary Health Center,  
Banteay Meanchey province*

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