

# Factsheet

**Country:** Peru

**Project:** Drinking Water and Sanitation Programme

**Term:** 2002 – 2012

**Total funding:**  
€ 7,127,487 for phase 2 (2004 – 2008)



## Drinking Water and Sanitation Programme

### Context

Many Peruvian towns lack of adequate supply of hygienic drinking water and sufficient sanitary facilities. The poor population in periurban areas are the ones that suffer most from this deficit. Many households in these areas are not connected to the public water and sewage grid. Having to fetch water every day as a result is costly and labour-intensive and the consequent hygienic conditions in the households pose a serious health hazard to the population.

The municipal water supply and sanitation utilities, public limited companies, that are owned by several municipalities, are frequently unable to provide basic sanitation services. The main problems are poor corporate management, inadequately qualified personnel, a run down water infrastructure and a serious shortage of finances in the municipalities and

towns. This in turn is detrimental to user payment discipline, which compounds the serious financial problems of the companies. Politically motivated influence by the owners curtails the managerial autonomy of the enterprises and hampers growth.

### Project

The advisory services of the Programme are based on an integral approach. The institutional and infrastructure improvements in the water utilities are linked with political, social and standardisation aspects.

One focus of the work with the water utilities is to develop an organisational and management culture, which meets the standards of modern social service providers. The overall objective of the Programme is to improve

water supply and waste water disposal in 13 small and medium-sized towns. Important indicators for the advisory and infrastructure measures are: drinking water quality and continuity of service, coverage rate of supply and sanitation facilities and the reduction of adverse effects on the environment.

The lines of action of the programme's advisory and upgrading activity at corporate level include enhancing management skills, raising operating cost effectiveness, reducing physical and commercial water losses, rationalising operating and maintenance procedures and introducing ISO 9000 quality standards. To complement this, KfW is financing rehabilitation and enlargement of water supply and sanitation infrastructure, and measures to broaden the scope of individual metering.

commissioned by:

gtz



Federal Ministry  
for Economic Cooperation  
and Development



Awareness raising for the importance of clean water

The Programme will mainstream these measures in the operational and management processes.

Besides the institutional, economic aspect, GTZ also addresses the social policy dimension of sustainable water supply and sanitation. This creates a higher awareness for sanitation and supports the transparency of economic and financial issues in modern water and sanitation management. Therefore the reliability and strategic planning abilities in local authorities are strengthened to assure the sustainable supply of basic social services to the people. Promoting thematic groups and inter-institutional committees with representatives from civil society and public administration, public hearings, the introduction of environmental and sanitation standards in curricula, information, and educational campaigns by the utilities are only some of the strategies applied to achieve this objective.

The work of GTZ fits in with the national sectoral strategies and makes a major contribution to attaining the aims of the national development plan for 2005 - 2015. Advice to the sectoral ministry, the regulatory authority and the association of the water utilities in issues to do with standards and regulatory provisions and enlarging upgrading facilities are also lines of action pursued by the Programme.

## Impact

Between 1996 and 2003, about 1 million people in the catchment area were provided with sustainable water supply and sanitation services by four medium-sized urban utilities. For the current project term, the number of people with access to sustainable water supply and sanitation through the joint efforts of the Peruvian partners, KfW and GTZ is to increase from

966,000 to 1,280,000. In all towns served by the Programme, Target 10 of MDG 7, reducing by half the proportion of people without sustainable access to safe drinking water and basic sanitation, is expected to be achieved pro rata or even exceeded by a large margin. At the same time, raising the number of connections to the water grid in 13 towns to 56,700 largely poor families will reduce the financial burden for water supply by an average of 40%.

The increasing participation of the local population in decision-making processes helps to reduce conflicts of interest. Additionally, more information and transparency rises the level of understanding and supports the acceptance of cost-recovering tariffs.



## Imprint

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