

# Multistakeholder Dialogue on Water Services for the Urban Poor: Observations from Field Visits [Maynilad Water Services Area]

## Group A

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# Sequence

- Area profile
- Poverty situation
- Access to water
- Cost of water
- Community participation
- Community satisfaction
- Concluding remarks
- Issues and questions for discussion

# Parola Tondo: Area Profile

- Located near Pasig River
- Area: 9.6 ha
- Population: 48,000
- No. of families: 8000
  
- Occupation: Dock workers, laborers and construction workers

# Parola Tondo: Poverty

- Housing quality is very low
- Family size seems relatively large
- Overall, incomes are low and living conditions are poor
- Entire community may be considered as extremely poor (unemployment, school drop out.....)

# Parola Tondo: Access to Water

- Large part of the community has access to piped water since November 2000
- Those having no connection buy from neighbors
- Affordability of connection fee (US\$80) appears to be a problem for some households
- Most of the households have opted for installment payments.
- As per secondary data, there are 4541 accounts.
- Water supply is from 4 am to 10 pm

# Parola Tondo: Cost of Water

- Before November 2000, average cost of water (bought from vendors) to a household was P20/day or P600/month (roughly 10-12 percent of total monthly income).
- Opportunity cost of time spent in fetching water.
- After obtaining individual connections, average cost of water to a household reduced to roughly P400/month

# Parola Tondo: Community Participation

- Active community organization/association.
- Association performs several functions
- Leader/representative chosen through elections (12 leaders/associations in the area)
- Water bill collection is done by the leader or his/her nominee.
- Water bill collector retains P7/bill/month (with P4 for him/her in compensation for the services and P3 for association fund).

# Parola Tondo

## Community Satisfaction

- Overall, the people we interviewed seem to be happy with access to water and water services.
- However, there are other problems:
  - Lack of land titles
  - Poor sanitation
  - Flooding during rainy season (causing water borne diseases)
  - Un-employment

# Happyland (Hapilan)

- Located at the north end portion of North Pier Harbor
- Community settled in this area in 1984
- Area: 2 ha
- Population: approximately 2000
- No. of families: over 300
- Occupation: Dock workers, laborers and construction workers

# Happyland: Poverty

- Housing quality is very low
- Family size seems relatively large
- Overall, incomes are low and living conditions are poor
- Entire community may be considered as extremely poor (unemployment, school drop out.....)

# Happyland: Access to Water

- Classified as “un-served” area....and work on provision of facilities is underway.
- Presently water is being provided to the community through few main connections, where a community leader/his nominee (middle man/ intermediary) is selling water on behalf of the company.

# Happyland: Cost of Water

- Prior to this arrangement, households were buying water from venders @P1-1.5/20 liters at the point of collection (and @P5/20 liters with home delivery).....not satisfied with the quality of water.
- Now they are paying @P1.5/20 liters, with average monthly cost of water to a household of P 600 (roughly 10-12 percent of total monthly income).
- While the cost of water is still high, buyers feel relatively better off than before (when they have to spend few hours to fetch water).
- Households want individual connections (however, the middleman is very happy with the present arrangement), and are willing to pay for the services.

# Happyland: Community Participation

- Community organization/association,
- Association is multi-purpose and performs several functions.
- Leader/representative chosen through elections
- Presently leader/representative is performing a water retailer in the community

# Happyland: Community Satisfaction

- People we interviewed want individual connections...they are willing to pay for connection fee and for monthly water service charges.
- Other issues:
  - On-site development
  - Lack of land titles
  - Extremely poor sanitation
    - Public toilet P 1/user
    - Public bath P5/adult and P2/child

# Concluding Remarks

- Cost of water to a poor household constitute a considerable part of its monthly budget.
- Poor people are willing to pay for water services (they have been and, in some cases, are already incurring high costs).
- Option for paying connection fee in installments is very helpful to the poor
- Some sort of formal/informal organizations are already in place, which can be used for mobilizing communities, and for performing several functions related to provision of water services. Presence of this social infrastructure may be seen as an opportunity.
- Along with water services, sanitation services for the poor need to be seen equally important
- Geographical concentration of the poor in certain localities and communities can help in direct targeting of services, subsidies...

# Issues and Questions for Discussion

- Has private sector participation in water service provision been helpful in extending services to the poor?
- Given the companies financial situation, are these services to the poor sustainable?
- How will further increases in tariff rates affect the poor households?

# Issues and Questions for Discussion

- Models of water supply provision
  - Providing only few main connections for a community  
....sell water in bulk to community and let community organizations/associations to retail to individual households
  - Providing connections for individual households
  - Other models
- What are the socio-economic and financial implications of these alternative models for companies and for poor consumers?

Thank You

# Need for Research

- How much additional water supplies are needed to extend coverage to all poor communities?
- What are the pro-poor approaches for providing/improving water services to the poor? [technological, institutional, legal, and economic/financial]