

**Recife Statement**  
**Issued at the Conclusion of the**  
**Workshop for Water Utility Managers of the Latin America**  
**and Caribbean Region**

We, senior managers (regulators and operators) of water utilities of the Latin America and Caribbean (LAC) Region, participated in a Capacity Building Workshop organized jointly by UN-DESA, the Federal Government of Brazil and the State Government of Pernambuco, and hosted by AIDIS in Recife, Brazil, from 11-13 June 2007.

We consider this workshop an important step in advancing the implementation of decisions taken during the 13<sup>th</sup> Session of the UN Commission on Sustainable Development (CSD) for achieving the water and sanitation MDGs, especially through improving the performance and effectiveness of utilities in provision of water and sanitation services.

We discussed issues and challenges that are currently facing the water utilities, operators and regulators; mechanisms to strengthen institutional governance and accountability; financing needs for expanding water and sanitation services, especially for the poor; and the role of partnerships in meeting the capacity building needs of water utilities.

We endorse the following summary of conclusions and recommendations emerging from the extensive discussions that took place during the course of above referred workshop.

1. The LAC region is reasonably on track to meet the MDG on water in urban areas, but lags behind in the rural areas. In the case of sanitation goal, the progress is slower than the warranted rate both in urban and rural areas. Therefore, current efforts need to be stepped up to provide water and sanitation services to all.
2. Strengthening technical, financial, managerial and institutional capacities of water utilities, including water operators and regulators, is imperative to meet the goal of water and sanitation for all in the region. For this purpose, capacity building programs should be targeted at educational training, monitoring of research and forecasting, legislation and regulation as well as sustainable financing of infrastructure.
3. Public water utilities should be provided with due autonomy in the design and implementation of strategies leading to efficiency, effectiveness, transparency, accountability, sustainability and combating corruption. The utilities should adopt effective communication strategies to enhance dialogue with government officials, on national, regional and local levels, as well as improve accountability of staff at all levels within the utilities, as well as awareness of various target groups about efficient water use and management practices.
4. Developing Global Water Operators Partnership (WOP) mechanism, such as the one recently initiated by the UN System, led by UN-HABITAT, will become more relevant, effective and successful if properly linked to the water operators' networks at regional, sub-regional and national levels. In this regard, the participants supported the idea of establishing a regional WOP mechanism so that less efficient utilities could benefit from the experiences of competent utilities on a regular but not-for-profit basis.
5. Welcoming the idea of AIDIS to host a WOP mechanism in the LAC region, learning from the experiences of similar mechanisms in other regions, with due support from

the UN system and other relevant institutions including IWA, participants requested the AIDIS to take further necessary steps in collaboration with its partners to operationalize this regional mechanism for promoting regional partnership, while ensuring due participation of already existing sub-regional and national networks and professional associations in the process.

6. The meeting emphasised that sustainability of infrastructure is vital to ensure provision of water and sanitation services to all, but additional resources will be needed for rehabilitation and proper O&M of existing infrastructure as well as to build new infrastructure. For this purpose, while all potential sources need to be explored and tapped, the Governments should increase their budgetary allocations to the utilities from national/state/municipal budgets. At the same time, the utilities are encouraged to build up on traditional revenue generation mechanisms (such as tariffs and subsidies), and also examine how domestic financial and capital markets can help in generating such resources. Additionally, improve the channelling of international financial resources to the water and sanitation sector. The need for managing existing budgets efficiently was viewed as critical to leverage additional resources.
7. Tariff structures should be set in line with the social, economic, and financial priorities of the country, with due consideration to poors' capacity to pay. Also, regulatory arrangements should take into account the interests of all stakeholders during the course of development and implementation of policies set by the Government.
8. Various management tools, including proper benchmarking and regulatory accounting could be used to enhance the performance and accountability of water utilities. Towards this aim, it is essential to implement actions such as: criteria for user's satisfaction, evaluating the performance of utility managers, water quality evaluation, serving the poor as well as creating gender balance in the utilities etc. The proposed regional WOP mechanism may initiate a dialogue with the utilities of the region on improving the existing benchmarking standards, adopted by ADERASA.
9. Small-scale informal providers emerge in response to deficient and unreliable water supply, and they can be important contributors to fill the gaps where no coverage or poor coverage persists. Therefore, their participation needs to be acknowledged [recognized] and appropriate policy actions should be taken, especially in areas not covered by the networks of main utilities.
10. Participants welcomed the offer of the Colombian delegation to host a follow-up meeting to advance the operationalization of the regional WOP mechanism in Santa Marta, Colombia on 10-11 September 2007.

We request the organizers of this workshop to take necessary steps in collaboration with the relevant partners both within and outside the UN system to implement the above recommendations, and keep us informed of subsequent developments and progress on follow-up actions.

We appreciate UN-DESA and the Government of Brazil for organizing this workshop, and AIDIS for hosting it, as well as other international institutions, especially UN-HABITAT, UNDP, SIWI, IWA, IADB, UNSGAB for their contributions to this workshop.

13 June 2007  
Recife, Brazil

## LIST OF ABBREVIATIONS

AIDIS	=	Inter-American Association of Water and Sanitation Engineering
CSD	=	Commission on Sustainable Development
IADB	=	Inter-American Development Bank
IWA	=	International Water Association
LAC	=	Latin America and Caribbean
MDG	=	Millennium Development Goals
SIWI	=	Stockholm International Water Institute
UN DESA	=	United Nations Department of Economic and Social Affairs
UNDP	=	United Nations Development Programme
UN-HABITAT	=	United Nations Human Settlement Programme
UNSGAB	=	United Nations Secretary General Advisory Board for Water and Sanitation
WOPs	=	Water Operators Partnerships