

*Interview with Jorge Gavidia  
Director of UN-HABITAT Regional Office for  
Latin America and the Caribbean*

*By Mario Osava*



*Inappropriate locations, unrestricted growth and increasing waste explain why many Latin American and Caribbean cities are suffering from water shortage and high service rates.*

*In 2003, designated the International Year of Fresh Water by the United Nations, a large portion of the region's population lived without potable water or sanitation.*

*The UN campaign is designed to encourage sustainable use and appropriate management of water resources.*

*Water and sanitation are the central issues of the latest United Nations Human Settlements Programme (UN-Habitat) report.*

*"The state should only intervene to subsidise consumers who have no access to water and sanitation services," Jorge Gavidia, the Latin American and Caribbean regional director for Habitat told Milenio Ambiental.*

*"If it begins to subsidise supply it will create distortions," says Gavidia, a Peruvian engineer who has worked for the agency since 1982.*

- Why an International Year for Fresh Water?

*The 1980s were named the Decade of Potable Water, with great goals that were never achieved. At the end of the decade, there was major concern over global environmental issues, and water lost some of its importance. However, three years ago, with the Millennium Declaration (September 2000), this importance was rediscovered. The Declaration set goals regarding health, education and improved living standards, in which water and housing are fundamental. That is why Habitat is focussing this year on water and sanitation.*

- What are Latin America and the Caribbean's biggest problems in this area?

*A little less than one-third of the population still does not have adequate access to potable water. For sanitation, latrines and sewerage, the proportion is greater, with a direct impact on health and quality of life. There is a second problem that isn't talked about much: only 15 percent of liquid waste is treated. A huge volume of wastewater is discharged into rivers, lakes and coastal zones, contaminating them.*

- But how do you explain cities with water shortages in regions rich in water?

*Waste. In some Latin American cities, water losses stand at 40 or 45 percent.*

- You are referring to leaks?

*Not only leaks. Water losses include leaks and waste. With privatisation, companies are trying to optimise operations, by reducing the volume of water loss, by setting service rates that allow them to recover costs. However, in some cases they're creating more problems. Investment to improve and expand services is insufficient and excludes poor areas where people who cannot pay live.*

- It's a market problem.

*Also there are issues of efficiency, of company management. However, there is a need to combine efficiency with social policy. Rates have to reflect costs, but we must not pay for the cost of inefficiency. The state ought only to intervene to subsidise consumers so that they can have access to these services. If it begins to subsidise the entire supply it will create distortions.*

- Where in Latin America are there examples of effective water management?

*Bogotá's recent municipal administrations have considerably improved its water supply system. Public companies in Chile also operate quite well, despite the fact that they need to improve water treatment. In general, there is a movement toward private sector-like management of public services such as water and sanitation. We are in a learning process and many adjustments will have to be made.*

