Water policy development and governance in the Caribbean: an overview of regional progress

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Abstract

Water management institutions and arrangements in many Caribbean states have not, until recently, altered substantially for some sixty years with the current arrangements reflecting the predominant governance paradigm of a transitional colonial era. This is most obvious in the continuance of a sectoral approach to what might be referred to as the business of government. This, however, is beginning to change such that the water sector in the Caribbean region exhibits varying stages of institutional re-ordering as it seeks to respond to challenges of increasing demand on and for water. This paper reviews the institutional status of water management and water policy developments in the Caribbean through examples from fifteen English-speaking Caribbean states. The trends and influences that are contributing to policy change and governance responses are examined and critiqued, in order to explore where and what potential tensions the re-ordering might give rise to.

Keywords: Caribbean; Governance; Institutional change; Water policy reform

1. Introduction

At the 2002 Johannesburg World Summit on Sustainable Development and at the Johannesburg Plan of Implementation (JPoI), Caribbean states, along with the rest of the world, agreed to have Integrated Water Resources Management (IWRM) plans and Water Use Efficiency (WUE) plans in place by 2005. JPoI recognised that the limitations of existing water management arrangements are imposing obstacles on national development, as well as having an increasing impact on the integrity of ecosystems. At the Caribbean Ministers of Environment Meeting in April 2008, CARICOM’s Council for Trade and Economic Development (COTED) recognised that there was a need for a common approach to water resources management and to develop and/or strengthen national water policies, IWRM and WUE plans. The COTED meeting expressed the concern that the majority of Caribbean states had not been able to achieve the JPOI goals and that the need for policy and governance reform was not being met.


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Although there are concerns over the current status of water management in the Caribbean region, especially with respect to the JPoI, there has been no overview of water policy developments in the region. This paper seeks to fill that gap by summarising the current standing of national water policies. In the first section, the background and policy considerations pertaining to the Caribbean are discussed. In the following two sections, some policy change drivers and sector changes are outlined, especially those of relevance to the Caribbean. Section 5 outlines the information collection process and presents the current status of water policy development and governance in 15 English-speaking countries across the Caribbean, from Guyana on the continent of South America, through the islands of the Caribbean, to Belize on the mainland of Central America. The final two sections discuss some of the particular features and challenges facing the restructuring of the water policy environment and governance structures across the region, and attempt to draw some general conclusions as to how the process might move forward and be supported.

2. Background

Globally, over the past decade, institutional arrangements with respect to water management have undergone significant changes (Saleth, 2006). However, in many Caribbean states, water management institutions and arrangements have not altered substantially for some 60 years. This is most obvious in the continuance of a sectoral approach to what might be referred to as the water business of government. Hence we see the vertical organisation and the functional grouping together of distinct sector-based government ministries, such as forestry and fisheries, with little cross-sectoral linkage. In respect of the water sector, the dominant institutionalised facets of water management can be characterised as follows: all aspects of water management are the direct business of government public service; there is an emphasis on the provision through government of water service agencies (primarily supply), whilst resource management is subsumed within (and junior to) service provision; self regulation by the agencies of aspects such as quality, customer service and price setting; and a lack of transparency and accountability to stakeholders such as citizens and customers. This has given rise to overlapping and, often, to duplication and conflicting functions in certain areas such as public health, pollution control and management of watershed areas (McIntosh & Leotaud, 2007).

As water becomes ever scarcer and as the competing demands arising from different uses and users intensify, the need for the better management of water becomes ever greater. In this respect the Caribbean is no different from other continents or regions. But it is also true that the situation with respect to water management in Caribbean Small Island Developing States (SIDS) calls for particular attention, made more so by the potential impact of climate change (Bates et al., 2008; Cashman et al., 2010). Given such challenges, many states have sought to adopt water resources legislation to address the array of issues in the water sector (Salman & Bradlow, 2006), though many have yet to adopt effective policies to guide and regulate water management. However, as noted above, it is only recently that water matters have started to receive political support (CARICOM, 2008).

3. The policy challenge

The Mar del Plata United Nations Water Conference in 1977 and subsequent conferences (e.g. the International Conference on Water and the Environment in Dublin, 1992) recommended that national
water policy should be conceived and carried out within the framework of an interdisciplinary national economic, social, and environmental development policy. Furthermore, national water policy should recognise water development and management as essential to a country’s development plans, and put in place the basis for integrating land and water management. A water policy should therefore set out the goals for different sectors of water use, ensuring that use is compatible with both the available resources and the characteristics of the uses. It explicitly sets priorities and provides a framework of duties, responsibilities and means that are to be used to achieve the water policy goals and objectives.

A policy should present a broad, integrative vision of the contribution that good water management can make to national development. The development of master plans for sectors and for water resources and services, providing a long-term national planning perspective, should be the expression of how water policy goals are to be translated into action. Whilst such an approach may be common in developed and some developing countries (e.g. South Africa, Brazil and India) such a level of integration of policy and planning is not that common, especially in the Caribbean. There are few examples of a comprehensive approach being adopted in the Caribbean, as illustrated by Trinidad and Tobago’s Public Utilities Minister saying: ‘For the first time in the history of WASA (Water and Sewerage Authority), we are working with a master plan – a comprehensive plan’ (Trinidad Guardian, 2008). Policies and pronouncements like this are usually made in response to pressures, opportunities and constraints that arise from either a need or demand to respond to pressures and problems, or requirements and actions needed to maintain a degree of support for governments, or a need to harness resources for the state (Roberts, 2004).

3.1. Climate change

In addition to the typical issues on water management, climate change introduces new uncertainties into the water resources management and decision-making. Caribbean states are especially vulnerable to the effects of climate change, sea-level rise and extreme events (Bates et al., 2008) with wide-ranging implications potentially affecting their sustainability. Changes in precipitation patterns and temperature regimes are likely to increase the frequency of droughts and floods (Farrell et al., 2007; Cashman et al., 2010), affecting crop production and other economic activities. The economic and social impacts including health status (Moreno, 2006), have the potential to affect other areas and sectors through extensive and complex linkages. Major changes in ecosystem structure and function, species’ ecological interactions, and species’ geographical ranges, with predominantly negative consequences for biodiversity, and for ecosystem goods and services, are likely to exceed the resilience of many ecosystems. And, as much of the economic activity in the region is located on coastal and river floodplain areas, closely linked with climate-sensitive resources, these too will be affected. Climate change poses new challenges and exacerbates old ones (CEHI, 2002) which have only recently begun to receive attention (Farrell et al., 2007).

The implementation of policies and adaptation measures will have an important role to play in mitigating the impacts of climate change on water resources. However, changes to the existing institutional arrangements are likely to be influenced by the perceived degree of uncertainty (and speculation) regarding the materialisation of the impacts. The perception of the costs associated with undertaking many of the proposed water use and management adaptation strategies, and the difficulties associated with financing them, will act as a deterrent to change. In addition, there are formidable informational, social, attitudinal and behavioural barriers to adaptation for which programmes must be developed to permit their reversal.
3.2. Policy and IWRM

For many in the international community, the International Conference on Water and the Environment in Dublin, 1992 and the subsequent Dublin Statement on Water and Sustainable Development forms the bedrock of principles that should guide water resources management and development. There can be little doubt that over the last two decades the four Dublin Principles have served to guide policies, strategies and legislation as well as to influenced thinking about how water should be used, managed and developed (Biswas, 2004; Jønch-Clausen, 2004). The four Principles have been taken up by a whole range of organisations and have been influential with regards to the development of water legislation (Salman & Bradlow, 2006). Furthermore, the Dublin Principles have, for some, formed the basis of IWRM and the promotion of the idea that water policies should operationalise the precepts of IWRM (Solanes & Gonzalez-Villareal, 1999; UN Water, 2008).

IWRM has been conceptualised as providing a framework for strengthening water governance and adaptation, and by doing so fostering good decision-making (Rogers & Hall, 2003). A key requirement is the involvement of other economic and social sectors that would not normally deal directly with water issues but whose activities either impact on water or water has an impact on them. In other words, it seeks to move away from a purely sector based to a cross-sectoral based water management approach. It is argued that water issues need to be mainstreamed into the business of ministries of finance and national planning (GWP, 2008). The implication is that water management cannot be solely the preserve of engineers and technocrats. However, unless the precepts of IWRM are reflected in water policies and enabled through appropriate institutional frameworks that give effect to policies, then attempts to foster a cross-sectoral approach will be correspondingly more difficult to achieve.

As well as a cross-sectoral approach, IWRM also seeks to promote participatory approaches. In other words, IWRM seeks the promotion of ways in which stakeholders co-ordinate and interact with each other to achieve specific economic, social, political or environmental objectives and practices. Thus IWRM is not about the government but the governance of the water sector, and hence water policy has to be more than the role of government. The last two decades have seen the significant impact of macroeconomic policies on patterns of sustainability in the use of natural resources and the provision of public services. However, it is also true that it has been difficult to harmonise macroeconomic and sectoral policies (ECLAC, 2005).

3.3. Emerging concerns

With continuing economic growth and the use of natural resources to support growth, the challenges for water management are becoming more apparent (Madramootoo, 2001; Mycoo, 2007; Greene, 2009). There are concerns about the management of water in the environment as well as on the environment, encompassing issues such as water for the maintenance of ecosystem services, abstraction licensing, pollution prevention and control, erosion and sedimentation, and impacts on the coastal and marine environments. There are also concerns over the provision of water services which include poor operation and management, economic and financial constraints, a lack of investment and cost recovery, and political interference. Over-arching issues include ineffective legislative and institutional arrangements, lack of regulatory oversight and weak enforcement capabilities, minimal stakeholder involvement, and lack of accountability and poor inter-sectoral coordination – all of these being aspects of poor water governance (K’Akumu & Appida, 2006).
Of particular concern for SIDS is the highly constrained freshwater resource base, the patterns of
development on the limited land space available and intensification of sectoral demands. Recently, con-
cerns have begun to be raised about water scarcity issues in the Caribbean (Farrell et al., 2007), the
effective management and provision of water infrastructure and services, and the impact that lack of
water security might have on development, investment and food security (Greene, 2009) which will
all require policy considerations.

4. Water sector change

One of the tasks of government is to facilitate and encourage economic development by providing an
enabling environment and access to infrastructure. However, such investments place burdens on govern-
ments such as increasing financial commitments, rising levels of indebtedness, and faltering public
services. Water supply, sewerage and waste treatment require some of the highest capital investments
of all public utilities: about 25 times their annual revenue (ECLAC, 2005). In the water sector, the con-
sequences of a failure to keep pace organisationally and economically with a changing operational
environment are becoming ever more apparent from one Caribbean country to another (ECLAC,
2005). This is becoming manifest in a number of ways, such as the level of bad debts, excessive
amount of over-time being worked, poor customer service and increasing reliance on self-supply by
commercial undertakings such as hotels (Daily Nation, 2009).

There are critical problems being experienced in the provision of public services related to under-
funding, increasingly expensive supply and tariff adjustments restricted by low payment capacity and
political sensitivities (ECLAC, 2005). These in turn have led to inefficient management and to a lack
of investment in infrastructure and management systems. As a result of the problems being experienced,
governments have turned their attention outwards to the international sphere for solutions and, simul-
taneously, international agencies have turned their attention to the Caribbean as a region requiring
assistance. One of the objectives of these moves has been to try to increase efficiency in the manage-
ment of natural resources and the provision of water services, in order to overcome state failure to
provide adequate water services and the misallocation of scarce resources (K’Akumu, 2007; Schwartz
& Schouten, 2007; Tropp, 2007).

This has brought to the region alternative ways of thinking about the role of government and the pro-
vision of services. There is an emerging consensus in some quarters that there is a need for the
separation of the business of government from service provision as a business (K’Akumu, 2007). This
implies a shift from government as a service provider to government being involved as part of the govern-
ance arrangements. Governance in this sense was previously characterised by the effectiveness of
government bureaucracies and the execution of political decisions that shaped service provision (Tropp,
2007). Over time, this set of arrangements which privileged the state over markets and society increasingly
came to be characterised as poor governance (Tropp, 2007). Under pressure from liberal capitalists and
institutions such as the World Bank and IMF, this configuration began to break down and, from the
1980s, this approach and division of responsibilities began to change. In the Caribbean, this has been ham-
pered by institutional inertia and weakness, prejudices, fears and ideological notions concerning the role of
the state, the balance of power in societies, and economic stability (ECLAC, 2005).

Whilst water service provision was still seen as the responsibility of government, it was no longer
seen as necessary for it to be a departmental responsibility but could rather be undertaken by a
government-sponsored statutory body. Around the Caribbean, many of the water service providers have followed this model. The function of water supply and sewerage services are carried out by a government-sponsored statutory authority, established in legislation under a government-appointed Board. This arrangement is still premised on a governmental rather than a governance-centred approach.

However, experience indicates that decision-makers and managers within the water sector are reluctant, for a number of reasons, to engage with new forms of governance including stakeholder dialogue and participation (Tropp, 2007). Partly this is due to the water sector still being technology and water supply driven, whereby knowledge and capacity focuses on managing things such as infrastructure rather than managing natural and societal forms of resources. These latter are aspects which form the particular focus of IWRM and are important in creating the ability to adapt to challenges such as climate change, the mediation of conflicting water uses and equitable provision of services.

Achieving a sustainable water sector depends on investment in not just infrastructure but also in complementary institutions for water management. Too often there has been a focus on the provision of water infrastructure without appropriate water institutions; badly managed infrastructure will not support economic and social growth (Grey & Sadoff, 2007). The growing challenge of the interactions between water–economy–environment is likely to further advance the need to re-evaluate policy approaches. Hellegers et al. (2008) have suggested that the economic and political consequences of water and energy scarcities will further create conditions for reform of water sector governance and institutional change. As the following sections will indicate, there is support for this contention in the Caribbean.

5. Policy developments

This section provides an overview of the current status of water policy developments and implementation. It is based on a survey of water sector professionals, utility managers and government officials from fifteen states in the English-speaking Caribbean: Anguilla, Antigua and Barbuda, Bahamas, Barbados, Belize, British Virgin Islands, Dominica, Grenada, Guyana, Jamaica, Montserrat, St Kitts and Nevis, St Lucia, St Vincent and the Grenadines and, Trinidad and Tobago. The information gathered from the interviews has been supplemented by reviewing available documentation from sources such as government ministries and presentations by regional organisations such as the Caribbean Development Bank, Inter American Development Bank, the Caribbean Environmental Health Institute and others.

Reviewing the available information indicates that there is a continuum of evolutionary forms of water policies and institutions. At one end of the continuum there are examples of situations where, for several decades, very little has changed in terms of policy and governance. At the other end, there are a few examples where there have been substantial changes in institutional frameworks and governance, in line with the prevailing thinking as advocated by such bodies as UN Water and the Global Water Partnership (GWP). Placing states on such a continuum though should not be taken as implying any judgement of the relative merit, success or failure of the functioning of the respective water sectors. Each of them has their own peculiarities. The fact that no change has taken place may be due to either a lack of drivers for change or a lack of the conditions for change. Nor does the absence of substantive change in governance arrangements necessarily imply that such arrangements are functionally better than other forms or arrangements present in the Caribbean region.

Out of the fifteen countries surveyed, only four have approved and adopted sector water policies: Grenada (2007), Trinidad & Tobago (2005), Jamaica (2004) and St Lucia (2004). In the case of Jamaica,
issues such as climate change, stakeholder participation and IWRM are being considered and there may in the future be policy revisions. In respect of Trinidad and Tobago, although the policy was accepted by the government, there has subsequently been little progress with its implementation and enacting of the necessary legislation. A number of other countries have policies that deal with parts of their water sector, or have what they regard as a water policy. However, in most cases, these have not received any formal endorsement or implementation by their respective governments. In one case, the Commonwealth of the Bahamas, climate change is considered to be such an overarching issue that water policy has been subsumed into the country’s climate change policy.

In six of the countries, the development of a national water policy is being considered or pursued. These countries include Anguilla, Antigua and Barbuda, Barbados, Belize, British Virgin Islands and, Guyana. St Vincent and the Grenadines has been engaged in a process of looking at water resources and services, one of whose outputs will be a draft water resources management policy, but not a sector-wide water policy. Belize and Guyana are quite far advanced with the development of their policies. Belize adopted their draft policy in August 2010 whilst Guyana has yet to do so. These drafts are accompanied by legislation to give effect to the proposed policies. Grenada also provides an example of the adoption of a water policy being followed by the drafting of the necessary legislation to give effect to the provisions of the water sector policy. The British Virgin Islands is an interesting case, in that the proposed revision of the current legislation governing water utility services will require the preparation of a water policy document; policy follows legislation.

Antigua and Barbuda, Barbados, Dominica, and St Kitts and Nevis have embarked upon processes that might at some point in the future result in the development of water policies. Each has received support from the Global Environmental Facility-Integrated Watershed and Coastal Areas Management (GEF-IWCAM) project to develop IWRM roadmaps. One of the potential outcomes of the roadmap process will be the development of national water policies. Within this group, Dominica is perhaps the furthest behind in this whilst Barbados is, relatively speaking, the more advanced. Support from the GEF-IWCAM project contributed to the formulation of Grenada’s water policy and it should also be noted that Cuba, Haiti and the Dominican Republic are also being assisted with their own evaluation of their respective water sectors. One of the differences between the roadmap process (in Antigua and Barbuda, Barbados, Dominica, and St Kitts and Nevis) and the other countries mentioned as developing water policies is that, so far, the efforts ‘in the roadmap process countries’ are not that well integrated into their respective government’s policymaking frameworks.

Montserrat appears to be the only country in which water policy is not considered as an issue.

Some examples of the current status of water policy and governance in the Caribbean are presented in the following sections.

5.1. Anguilla

The Anguillan water sector is experiencing a period of transition. In 2006 an Environment Department was established and an Environmental Protection Bill drafted, which covers water and regulatory issues but, as yet, there is no consensus as to where responsibility for regulation would be vested. In 2008, the Anguilla Water Corporation was established. The impetus for the development of environmental protection legislation has been directly linked to the signing of the Cartagena Convention’s Protocol for the Control of Land Based Sources of Marine Pollution (LBS Protocol), as prior to this there was no comprehensive environmental legislation. The management of water resources is
governed under the 2007 Water and Wells Act, though the regulations have still to be drafted. As yet there is no Water Policy for Anguilla, though a draft policy is being developed by consultants.

5.2. Antigua and Barbuda

Very little institutional change has taken place with respect to water management since 1973 when the Public Utilities Act was passed. Responsibility for various aspects that impact on water management is dispersed across a number of agencies within government, including a Water Division within the Antigua Public Utilities Authority. Regulatory measures are minimal to non-existent (ECLAC, 2007). The Ministry of Agriculture, Lands and Fisheries, with the support of the GEF-IWCAM project, has engaged a consultant to develop an IWRM roadmap as a first step towards developing a water policy and re-orientating the governance of the water sector. However, it has been indicated that the level of political support is uncertain, with the drivers behind the development being technocrats within government agencies responding to issues of increasing water scarcity, competition from agriculture, as well as the increasing exploitation of groundwater.

5.3. Bahamas

There is no water policy for the Bahamas and no discussions of whether one is needed or not, though the requirement for a national water management plan is contained within the Bahamas Climate Change Policy. Water management broadly falls under the duties of the Water and Sewerage Corporation which has a Water Resources Management Unit. It appears that many of the regulations governing the management of water resources have not been enacted and that, rather than enacting new legislation, attention is being focused on activating existing regulatory provisions. There is a Public Utilities Commission but this has so far not been able to consider the economic regulation of water services.

5.4. Barbados

Barbados is one of the most water scarce of all the Caribbean states and at the same time is one of the more successful in terms of economic and social development. However, the institutional arrangements in the water sector have not changed significantly since the 1980s when the Barbados Water Authority (BWA) was incorporated as a statutory body. BWA, like a number of other water authorities in the region, combines water resources management functions with water services provision, and with similar results. The institutional challenges facing the water sector in Barbados are known and acknowledged: no clear demarcation of regulatory powers and a need to separate regulatory powers; the need to facilitate consultation with stakeholders; no dispute resolution mechanisms; a lack of clarity over ownership of water; the need to harmonise legislation (Brewster & Mwansa, 2001; GOB, 2003). An attempt was made in 1997 to develop a National Water Resources and Development policy, which was taken to Cabinet in 2000 but was shelved, though the document was amended in 2002. There are no current plans to resubmit such a document.

The National Strategic Plan (GOB, 2007) set out a vision that, by the end of 2007, an IWRM plan for the country would be in place. The Strategic Plan also envisaged that there would be enhanced regulatory and enforcement mechanisms, aspects that are part of the 2002 amended draft National Water Resources and Development policy. An attempt in 2008 to bring the economic regulation of BWA
under the auspices of the Fair Trade Commission did not make it onto parliament’s order of business. In 2008, the BWA with the assistance of the GEF-IWCAM embarked on the preparation of an IWRM roadmap which should ultimately lead to the formulation of a national water policy and a reorganisation of water sector governance. The formation of a Ministry of Environment, Water Resources and Drainage at the end of 2008 gives some promise that water issues might be treated with more urgency. However, at this stage, support among water sector professionals has not quite been matched by political support.

5.5. Belize

Belize is an example of where internal pressures, in this case concerns over the effect of extreme weather conditions on the agricultural sector, have not been complemented by pressure from external agencies for policy reform. A process of water policy development and legislative change was commenced in 1993 with technical and financial assistance from the FAO. That process stalled, though there were several attempts to revive it, for example in 1998, 2003 and 2005. In 2007 a policy was presented, based on IWRM principles, accompanied by a draft Act. However, this again stalled because it was held that it did not address climate change issues and, although there was a re-write of the document, the policy was not accepted by the water stakeholders. In late 2008 a conjunction of circumstances served to re-energise efforts. A series of flood events in the country, concerns over the future availability of water for agriculture, together with efforts from water professionals in Belize, environmental organisations and support from the Caribbean Community Climate Change Centre managed to reactivates the process and secure political support. Disaster management and water security issues specifically linked to climate change have been important drivers in this respect. Legislation governing water resources management was passed in August 2010; the next challenge facing the country is to develop the supporting regulations.

5.6. British Virgin Islands

The water sector has been primarily governed by a Water and Sewerage Act which has been in the process of being revised and updated since 2007. Although the revisions were passed on to the Minister responsible before they could be adopted by the National Assembly, there was a change of government. However, it is anticipated that the Bill will eventually be adopted and one of the first tasks required under the Act will be to draft a water policy.

5.7. Dominica

A limited amount of information on the water policy situation in Dominica is available but some indication can be gleaned from a recent study of institutional capacities (ECLAC, 2007). In Dominica, the Dominican Water and Sewerage Company (DOWASCO) is responsible for both water service provision and water resources management, even though the focus on water resources is minimal with poor monitoring and data collection (ECLAC, 2007). There is no recent water policy, though it has been reported that the development of an IWRM policy might be being initiated (ECLAC, 2007). Regulatory controls are said to be minimal with a lack of political will and commitment being identified as key issues.
5.8. Grenada

Grenada in many ways typified the institutional arrangements established in the years after the era of independence. Water services were undertaken by a water authority, the National Water and Sewerage Authority (NAWASA) as a statutory government agency. It had included in its mandate responsibility for water resources management but, for a variety of reasons, did not choose to exercise that function, the focus of activities being on water service provision. There is almost no independent regulatory oversight other than of drinking water quality, and it is the Minister and Cabinet that have the real power over economic and financial matters.

The adoption of a water policy was made a condition for Grenada to receive substantial funding to upgrade part of its water infrastructure from the European Union. Grenada has also been supported by World Bank funding for a Public Sector Modernization Project. The potential loss of grant aid added political will to the already acknowledged need to restructure the water sector, identified in 1988 and acknowledged by many government officials. As a result, in 2007 the Government of Grenada embarked in earnest on a process of overhauling the governance and institutional framework of its water sector. The resulting draft National Water Policy and Implementation Plan was drawn up under the auspices of the government ministry with responsibility for utilities. This was presented to and accepted by the then cabinet in December 2007.

In May 2008 there was a change of government and the opposition came into power. This could have derailed the take-up of the water policy provisions but, in a large part due to the persistence of those who had had a hand in developing the water policy, it was subsequently endorsed by the new cabinet. As a result, steady progress has been made with the reform of the governance arrangements of the Grenadian water sector, including provision for independent economic oversight of the water services and separation of water resources management.

5.9. Guyana

In 2000, with the assistance of foreign donors, the water sector was re-organised leading to the 2002 Water and Sewerage Act which set up Guyana Water Inc. Water services are regulated through the Public Utilities Commission and policy falls under the Ministry of Housing and Water. The cancellation of a water services management contract in 2007 appears to have created policy opportunities and, under the National Water Council, work has been taking place on the preparation of a water policy. One of the main drivers cited has been the need to solve administrative weaknesses and treat water in an integrated way.

5.10. Jamaica

Of all countries within the region, the water sector in Jamaica has probably undergone the most organisational change away from the centralised government service provision model. Whilst service provision for domestic, rural and irrigation activities is still undertaken by various government agencies, these are separate from economic and environmental regulatory functions. The current institutional framework was set up in the late 1990s and, although the need for a water policy had been identified in the early 1990s, it wasn’t until 1999, with the assistance of the Inter-American Development Bank, that a draft water policy was drawn up. The policy was adopted by the Jamaican Cabinet in 2000 and revised
in 2004. In 2001, the National Water Commission Act was amended to allow private sector participation in the water services business through the granting of licences and, at present, there are eight such undertakings.

There is an acknowledgement that the current policy requires revisions to address issues such as global warming and climate change. However, having the policy and action plans has led to increased cooperation among the water sector agencies and has led to improved consideration of Jamaica’s water sector by international agencies, especially funding agencies (pers. com., Mr B. Fernandez, 2009). That said, there are concerns over how well the institutional framework functions, especially with respect to the coordination of the activities of the various agencies mentioned above. One of the biggest challenges though, is the loss of skilled water sector professionals.

5.11. Montserrat

In 2007, a Utilities Act provided for the merger of water and electricity services with the water utility being responsible for water resources management, though the Environment Department has overarching responsibility and oversees environmental issues. From the interviews conducted, the issue of water policy does not appear to be on the agenda of either water sector professionals or the political class.

5.12. St Kitts and Nevis

Water management is governed by the 1956 Water Courses and Water Works Act which, by the admission of the water utility, is outdated. The need for a water policy and the revamping of the institutional arrangements has been identified as a priority by the water services department. A GEF-IWCAM Roadmapping project has been initiated and is seen as a stepping stone to developing a national water policy and IWRM plan, with the process being driven by water sector practitioners, supported by regional technocrats.

5.13. St Lucia

St Lucia represents a situation where a National Water Policy has been developed and the necessary legislative actions have been taken to give effect to the policy (GSL, 2004). A contributory factor in bringing about the changes was the role of extra-national agencies (the EU Water Resources Management Project and the Organisation of American States (OAS)) in supporting the process. As is the case of the other examples of water policy development examined, the formulation of the water policy and its provisions involved both consultancy and national consultations at various stages of the process.

In 2005, the Saint Lucia Water and Sewerage Act was passed giving effect to many of the provisions of the Water Policy document. The Act established a Water Management Agency (WMA) as well as the National Water and Sewerage Commission (NWSC) to regulate the delivery of water supplies and sewerage services. The Act does not mention the Water and Sewerage Company (WASCO) except in as much as they would be a water service licensee. In 2008, there were moves to transform WASCO into a shareholder company, with a majority of shares to be held by St Lucian institutions and citizens and a minority interest to be held by an external company, taking over the running and management of WASCO. However, as a result of legal difficulties with the tendering process the partial privatisation
was stopped, though it is still the Government’s intention to proceed once the legal obstacles have been overcome.

5.14. St Vincent and the Grenadines

The management of water resources and water service provision is currently governed by the 1991 Water and Sewerage Act. In 2008, a European Union funded project looked at the management of water resources in St Vincent, at tariffs, monitoring and (at the request of the government) at the issue of the development of a water policy. This project ended in 2009 with one of its outputs being a draft policy document on water resources management.

5.15. Trinidad and Tobago

In spite of being a relatively water abundant country, Trinidad and Tobago has its fair share of water sector problems. Supplies are intermittent, leakage levels are high and demand is suppressed due to restricted supplies. All this has led to a high degree of frustration among Trinidadians which sometimes boils over into direct action e.g., the reported high-jacking of a water truck by angry rural residents (Trinidad Guardian, 2008). A degree of impetus for water sector reform arose out of a World Bank public sector institutional strengthening exercise in the 1990s. One of the outcomes was a Water Resources Management Strategy Study completed in 2000. This recommended the adoption of IWRM and the need to establish an effective and financially autonomous institutional framework (GOTT, 2005).

In order to address these problems, the Ministry of Public Utilities and the Environment drafted a National Water Resources Management Policy in 2003 with the support of the Inter-American Development Bank. Accordingly, there should be a separation of water resources management from water services but this has yet to be implemented. One reason given for this is the lack of consensus over the jurisdiction of such a body, its responsibility for the management of watersheds and its relationship with the Environmental Management Authority. Anecdotal evidence suggests that this policy process was driven by the then Minister responsible and that, shortly after 2003, the Minister was transferred to another ministry; as a result, the process lacked the necessary political patronage to progress.

Since the National Water Resources Management Policy was adopted in 2005, there has been a change of government. It would appear that the new government is aware of the problems of the water sector but prefers a supply-driven approach e.g., the decision to build 5 desalination plants to solve the country’s water supply problems by 2010 (Trinidad Guardian, 2008). In spite of embarking on the preparation of a water master plan for the country to complement its National Strategic Plan, ‘Vision 2020’, which is to guide future developments, the institutional arrangements for the country’s water sector are in a state of flux.

6. Discussion

It is interesting to consider what have been the driving forces behind some of the changes in water governance in the region. Two predominant drivers of change can be identified: internally induced and externally driven change. Internally drive change has been championed largely by water sector professionals, whilst technocrats from government agencies within countries have also played an important role. These players have been sensitized to the need for their respective water sectors to evolve to meet
the challenges of their countries. In this, they have been supported by regional bodies, working in partnership with national sector personnel. Examples of this are the GEF-IWCAM project, the UN Food and Agricultural Organization (FAO) in Belize and Grenada, and the European Union which provided sector support in Grenada and St Vincent and the Grenadines.

The principal drivers of externally driven change have been international funding agencies such as the World Bank, the European Union and the Inter-American Development Bank, or financing mechanisms such as the GEF. Though the exact role of these agencies can be debated, they have proved to be influential. A case in point has been their overall support for public sector reform programmes which were then instrumental in focusing attention on the need to address the water sector e.g., in Grenada, Jamaica, and in Trinidad and Tobago. In other cases, conditionalities attached to project funding have required changes to be made to institutional arrangements e.g., in Grenada and St Lucia (European Union funds) and Montserrat (CDB conditions for repayment).

Other internal drivers/champions have been regional NGOs in their advocacy and professional development roles (e.g. GWP Caribbean, CWWA and others). In addition, the compact nature and interconnectedness of the water sector community has provided the basis for cohesive water sector reform initiatives. However, in spite of the presence of champions and advocates, the progress of change has been erratic, attracting only sporadic support from decision-makers and politicians. Support for institutional change appears to be given when a crisis in the water sector arises, especially if its impacts go beyond the water sector.

Throughout the region, water is seen predominantly as a social good whose price is to be kept low in the interests of public health, equity and political sensibilities. Consequently, most water utilities do not cover their operating costs and are often saddled with low levels of bill collection and high levels of corporate debt, though there are some exception such as St Vincent’s Central Water and Sewerage Company. Equally, the management and allocation of the water resource base has been immune from progressive reform that recognizes competition among economic sectors and provides transparent means of reconciling that competition. Complicit in this is a reluctance to engage with other economic sectors and negotiate the relative levels of efficiency with which water is used as a factor of production, the fear being that the contribution of sectors such as tourism and industry might be adversely affected by more robust regulation.

Water for agriculture tends to be treated as a separate issue from water resources management and water service provisions, so that even in those countries which do have a water policy for irrigation, allocation and charging mechanisms are not related to service provision in the same way. Indeed, agriculture’s governance within IWRM tends to be vague. Given the increasing importance of food security, there is a clear need to develop appropriate approaches to water allocation mechanisms and levels of service provision for all agriculture related activities. Few of the policies developed to date specifically include provision for disaster mitigation or climate change, with the exception of the Bahamas, the opinion being that adopting an IWRM approach provides for disaster management and climate change.

There are only a few instances of independent oversight of economic and service performance, and tariff approval, Belize, Jamaica, St Lucia, and Trinidad and Tobago being the exceptions. Grenada, though, is moving towards a system of oversight. In all other cases economic oversight is limited to ministerial/cabinet approval. Due to the sensitive nature of water tariffs and the narrow perception of water as a social good, the financial performance, standard of service, transparency and accountability of the regulation of the water utilities necessarily suffer. It is no surprise that most of the region’s water utilities operate at a loss and are reliant on government support.
In only two countries, Jamaica and St Lucia, has there been a separation of water resources management from service provision despite widespread recognition that this is necessary. A preferred model when institutional reform is in process is to have a water resources management unit within a ministry; this is the preference in Grenada and in Trinidad and Tobago, though in both cases this has yet to happen. Countries where the separation of water resource management is not being considered at present include Bahamas, Barbados, Dominica, Montserrat, St Vincent and the Grenadines. In these cases, the constraints cited were the existing legislation, set up costs and staffing, defining the role, status and institutional standing with respect to other bodies, and the independence of such bodies.

It is suggested that progressive water policy reform will have to be accelerated in the majority of Caribbean states in order to match the intent of the COTED decision. The starting points and the examples of sustained reform are already there, but the political commitment to advance the implementation of an integrated water resource management agenda has to be locked in.

Looking forward, there may be reasons for cautious optimism that change, though slow, is starting to happen. The potential drivers for change are not all directly linked to the water sector but rather to economic and climate change. There is starting to be a drive to promote a regional green economy, and Barbados (for example) is involved with the UNDP in undertaking a Green Economy Scoping Study as a pilot project. Within this, water along with energy has been identified as a cross-cutting economic issue and a key constraint. Promotion of a green economy is being seen as a way of diversifying and strengthening local economies. In this regard, the idea that present arrangements in the water sector constitute a break on development and a constraint on economic activity would be a strong incentive to address structural conditions and water sector policies.

Within the Strategic Climate Fund (SCF) set up under the World Bank there is an objective to integrate climate resilience into national development policies and planning. In the Caribbean this falls under the Pilot Programme for Climate Resilience project which is specifically targeting IWRM and seeks to improve understanding of the political and legislative concerns that affect water resource management, looking at the policy environment and institutional arrangements. The fact that there are external actors involved, as well as funding at a country level, provides an incentive and means to address some of the policy issues discussed above.

From within the regional water sector there is also some progress. The CARICOM Consortium of Water Institutions (which the 2008 COTED meeting called for) is working on the development of a Common Water Framework for the Caribbean, in conjunction with the GEF funded IWCAM Project. One of the elements of the Framework will be to prepare a strategic directions paper for ministers and, through it, address prevailing policies, strategies and governance arrangements. It is becoming clear that changes are necessary in order to ensure the sustainability of water resources, avoid adverse impacts on human health, promote economic development, and address the effects associated with climate change. Future policy directions need to address the sustainability of water resources as well as the sustainability of water services, and draw a clear distinction between the two. And there are positive indications that there are supporting conditions, at least at a high level, that would be conducive to changes to water governance.

7. Conclusions

The picture of water policy development and the reconfiguration of institutional frameworks presented in this paper contrasts with the more encouraging overview presented by UN Water (2008) in its Status
Report on IWRM and water efficiency plans. The reasons for this are not exactly clear but may have to do with the self-reporting and verification approach of that report which, as the report itself acknowledges, may have resulted in more ‘optimistic’ interpretation of situation and status by some countries. What emerges from the overview presented is that the process of developing water policies that reflect the changing circumstances of the water sector in the Caribbean region is long, slow and fraught with difficulties. It is clear that there is an acceptance among most professionals and some decision-makers that there is a real need for water policy development and a re-orientation of water sector governance. Often though this comes up against reluctance, especially at the political level, to buy into and champion change.

From the overview of the current state of water policy development in the Caribbean the following points merit further consideration:

- there is a need to establish political relevance and secure political support. This has proved to be the tipping point, though it does not guarantee change and there are a number of instances where institutional reform has been put on hold due to political changes;
- the costs of not adopting IWRM are high as physical water scarcity and economic competition intensify;
- the network of water sector professionals and the advocacy role that they have played is of prime importance in promoting required institutional reform;
- regionalised bodies have been more successful at working with national water sectors in encouraging and supporting institutional change than other extra-national bodies;
- issues of transparency and accountability need to be given more serious consideration as, without this, the credibility of any institutional changes will be open to challenge.

One conclusion that can be reached is that changes to water governance at present do not match the intent expressed in the COTED decision referred to at the beginning of the paper. There is a need for political commitment to advance the implementation of an IWRM agenda, and this can only come about by water sector professionals communicating more clearly and establishing the consequences of not doing so in terms that will resonate with politicians and policy-makers.

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