



European  
Commission



## TRANSFORMING LIVES IN URBAN AREAS

EU SUPPORT FOR  
URBAN DEVELOPMENT

### WATER ACCESS AND SANITATION INFRASTRUCTURE

INTEGRATED SECTOR PROGRAMME FOR HUMAN WATER AND SANITATION  
IN NICARAGUA

REGION  
**LATIN AMERICA**

COUNTRY  
**NICARAGUA**

FOCUS  
**IMPROVEMENT OF DRINKING WATER SUPPLY AND SANITATION SYSTEM  
IN 19 CITIES**

### CONTEXT



The EU and its Member States consider that a holistic, integrated and place-based approach to urban development, together with a long term vision, is necessary in order to promote well-managed, liveable, socially inclusive and safe, resilient, resource-efficient and environmentally sustainable as well as economically prosperous cities of all sizes, as well as developing the capability to achieve them.

Promoting green and resilient cities is a key pillar of this approach.

### BACKGROUND



Phase I of the Integral Water and Human Sanitation Sector Programme in Nicaragua (PISASH) represents an investment of 259.6 million Euros. Works started in 2014 by the Nicaraguan Company for Aqueducts and Sewers (ENACAL), a state company set up to operate the drinking water and sanitation systems in urban areas of Nicaragua (166 drinking water and 33 sanitary sewer systems) and will continue until 2019.

Although coverage of the drinking water system in the cities where ENACAL administers the system was 89.4 %, reaching 2.8 million people directly through 541,825 domestic connections in 2011, only 52% of all service connections had water pipelines in good condition. Household connection to the sewerage system has only 38.8% coverage, for 1.2 million inhabitants that use 235.126 service connections in 28 systems.

Due to lack of investment, in the cities that have a sewage system, the network for charging generally covers less than 50% of urban area.

### EXPECTED RESULTS



- Construction, expansion and improvement to drinking water and sewerage systems in 19 cities of Nicaragua.
- Increase in the coverage of drinking water systems from the current 67% to 95% by 2019.
- Increase in the coverage of sanitation services from the current 18% to 55% by 2019.

## APPROACH

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This collaborative effort proposes the expansion and improvement of coverage of services in 19 cities of Nicaragua and the systems management in a quality, efficient and sustainable way, so that the population is able to access clean drinking water and sanitation.

EU funding, provided through the EU's Latin America Investment Facility (LAIF), focuses on Results 1.1 and 1.2.

### Result 1.1 Drinking water storage system are improved in 14 cities.

The construction, expansion, and rehabilitation will be done in 14 Nicaraguan localities – population of these cities is around 490,000 people. Besides improving aspects of quality and continuity of service, this project includes installation of almost 40.000 new household connections (250.000 people), going from an average coverage of 72.1% in 2011 to a 95.7% target. **LAIF funds up to EUR 18.963.600 will be used to finance rehabilitation works in the cities of Bilwi and Bluefields.**

Result 1.2 Sanitary sewer system and residual water treatment are improved in 14 cities.

Investments in the sanitary sewer and wastewater treatment system will concern 14 localities, 11 of which do not have this service at the moment. **LAIF funds of up to EUR 26.816.900 will be used for investments in the cities of Santo Tomás, Bilwi and Bluefields.**

## LESSONS LEARNED

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The EU LAIF mechanism has managed to impulse a technical and financial large- scale operation supported by other financial institutions, which will have a significant impact on improving access to water and sanitation in Nicaragua.

The operation is fully in line with national priorities.  
For the implementation of the programme it has been necessary to establish a management model with a high level of coordination, in which international organizations have harmonized their procedures, have agreed unified management tools and have established a joint dialogue with the Government of Nicaragua, contributing to the efficiency of the programme.

“PISASH is financially the most important project of the EU in Nicaragua. European citizens increasingly demand more from development cooperation and we are meeting that demand with this project, focusing on the populations most in need.”

Kenny Bell - Ambassador of EU in Nicaragua



## MOVING FORWARD

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A pre-investment stage will be addressed in another 17 cities in Nicaragua in preparation for Phase II of PISASH. These cities are: Santo Domingo, El Viejo, Mateare, Chichigalpa, Camoapa, Juigalpa, San Jorge-Buenos Aires, Somotillo, El Sauce, Villanueva, Telica, La Paz Centro, Nagarote, San Benito, San Rafael del Sur, Chinandega and León; a total population of 470,000 people.

TOTAL PROJECT VALUE  
**EUR 259.6 MILLION (INCLUDING EU CONTRIBUTION OF EUR 50.75 MILLION)**

FUNDING SOURCE  
**DEVELOPMENT COOPERATION INSTRUMENT (DCI) THROUGH THE LAIF PROGRAMME**

TIMEFRAME  
**2014 – 2019**

CONTACT  
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### PARTNERS

NICARAGUAN GOVERNMENT, EUROPEAN UNION THROUGH THE LATIN AMERICAN INVESTMENT FACILITY (LAIF) INITIATIVE; SPANISH-NICARAGUAN DEBT CONVERSION PROGRAMME; THE SPANISH AGENCY FOR INTERNATIONAL DEVELOPMENT COOPERATION (AECID) THROUGH ITS WATER AND SANITATION COOPERATION FUND (FCAS).CENTRAL AMERICAN BANK OF ECONOMIC INTEGRATION (CABIE) AND THE EUROPEAN INVESTMENT BANK (EIB) AND THE INTER-AMERICAN DEVELOPMENT BANK (IDB).



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