

Third Party Evaluator's Opinion on Ujung Pandang Water Supply Development Project (Stage 1)

Firdaus Ali, PhD
Dept, Civil & Environmental engineering
University of Indonesia-Indonesia

Relevance

As outlined in the national development plan REPELITA, which was then continued in PROPENAS, and in the framework to achieve the goals and targets of the Millennium Development Goals (MDGs), particularly in fields relating to the efforts of the fight against poverty and improvement of public health through the improvement of access to clean water and sanitation, efforts to increase the capacity of clean water service in urban areas has become a strategic policy in encouraging social and economic growth.

As one of the growth centers for the eastern part of Indonesia, the city of Makassar (Ujung Pandang) has determined that the availability of basic infrastructure such as clean water distribution is a compulsory. With all the financial constraints facing the government of Indonesia to finance basic infrastructure investment, a loan from Japan through Japan's ODA Loan is of great importance for the city of Makassar and its vicinity. The challenges in providing quality of service being faced by the City of Makassar is relatively a typical situation faced by other big cities in Indonesia, which is the limited supply of clean water to cope with the dynamic growth of demand.

The Makassar Water Supply Development Project (Stage I) includes the development of Somba Opu Water Treatment Plant with a total capacity of 1,000 liters/sec that will provide 61,000 new service connections, which is in line with the national development program and strategies. The project provides significant benefits to the city of 1.25 million people in which most of them rely on PDAM Makassar for clean water supply. This is reflected by the growth of production capacity and the service coverage to 127,464 connections as of year 2003, in which it grew more than double the total customers before the implementation of the project.

Sustainability

The serious problem being faced by PDAM Makassar in the last few years is the threat to availability and quality of raw water, which has sharply degenerated. The situation worsened particularly after the occurrence of repeated landslides at the water source of the Bili-Bili multi-purpose dam from the Bawakaraeng Mountain, which has reached a critical level in January 2005. This has caused PDAM Makassar to stop its production from Somba Opu WTP for a few weeks as the turbidity of water went up to over 200,000 NTU.

For the sustainability of the project as a whole, as obstacles to the water source have repeatedly occurred, an immediate action plan is needed to rehabilitate and protect water resources originating from Bawakaraeng Mt. from further risks of landslides. Conservatory efforts and supervision toward the ecosystem and catchments area of Bili-Bili dam must be the first priority for PDAM Makassar and can be achieved by utilizing the technical assistance and financial resources from the central government.

In addition, support from the local authorities as the regulators for water supply policies is also required to ensure that PDAM Makassar will be able to operate efficiently and effectively. Also equally important is helping the poor gain access to the service, which can be done through tariff policy. A form of educative and fair water pricing policy should be set using cost recovery and cross-subsidy tariff policies. And finally, all efforts to reduce NRW, which is still relatively high (49%), is also required for the sustainability of the investment.