



## 41 Jamaica Montego Bay Water Supply Project

Contributing to the improvement of residents' living conditions by developing water supply facilities

**Loan Amount/Disbursed Amount** 4.720 billion yen/4.3 billion yen  
**Loan Agreement** November 1988  
**Terms & Conditions** Interest rate 3.75% (consulting service portion 3.25%),  
 Repayment period 30 year (grace period 10 years), Partially untied  
**Final Disbursement Date** January 1997  
**Executing Agency** National Water Commission (<http://www.nwcjamaica.com>)



### Project Objectives

The objective of this project was to develop water supply facilities (water purification, intake, and delivery facilities, etc.) in Jamaica's largest tourist destination of Montego Bay, increasing water supply capabilities, and thereby contributing to the improvement of residents' living conditions and the development of the region's economy.

### Effectiveness & Impact

Rating **a**

Through the implementation of this project, the supply of purified water, which was initially planned at 10.0imgd\* (approximately 46,000 tons/day) six years after project completion, was observed at 9.3imgd (approximately 42,200 tons/day) in 2004, a result generally according to plan. From 1992 to 2001, the water-supplied population grew 37% from 88,900 people to 121,500 people. The coverage of the water supply system also showed steady growth, with an increase from 56.7% to 69.4%. The non-revenue water rate was 74.7% in 2004, higher than the national average (66.2%). Causes of this include water theft by people residing illegally in central Montego Bay, uninstalled meter equipment, and unpaid bills. In a beneficiary survey, 77% of residents responded that the project was effective, and it was observed that convenience had improved due to stable water pressure, as well as reduction of water-drawing labor. In addition, the general direction of tourism revenue in areas covered by the project was towards growth. It is considered that the realization of a stable water supply through this project has supported the tourism industry and contributed to the regional economy. Therefore, implementation of this project has largely achieved its objectives, and effectiveness was highly satisfactory.

\* 1 imgd (imperial million gallon per day) = 4,546 tons/day



Water intake facilities (left) and sedimentation tanks (bottom) developed by this project

### Relevance

Rating **a**

Both at the time of appraisal and the time of ex-post evaluation, the implementation of this project has been highly relevant with national policies. During ex-post evaluation, achieving a stable water supply was still being raised as an important issue in the Montego Bay area, where tourists are increasing in number.

### Efficiency

Rating **b**

The project was given a middle rating for efficiency because, although project costs were lower than planned (approximately 88% of planned expenses), the project period was much longer than the planned (approximately 371% of planned period). The main causes of project delays include delays in design changes and construction work for the expansion of the water distribution network.

### Sustainability

Rating **b**

The executing agency in charge of operation and maintenance has posted a deficit for the past two years and financial problems have been noted. However, it replaces faulty equipment (pumps, etc.) and procures spare parts in a timely manner. The maintenance system for water intake and purification facilities, as well as for the water distribution network, is also satisfactory. Generally, sustainability of this project is moderate.

### Conclusion, Lessons Learned, Recommendation

In light of the above, the rating for this project is high. As a recommendation, policy should be adopted in the management improvement program designed by the executing agency to reduce the still elevated non-revenue water rate.

### Third-Party Opinion

Residents in areas covered by this project are aware that the project improved standards of living and contributed to the support of the tourism industry through the project's development of an effective and stable water supply system.

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