

## The state of water and sanitation in Mexico

- Half of Mexico's 120 million people do not have reliable access to safely managed drinking water or sanitation.
- Even for households that do have existing piped services, water quality remains low, with tap water not safe for drinking in many areas.
- Service reliability is a constant challenge, with water often flowing only a few times each week in many areas.
- Mexico is experiencing its worst drought in three decades, depleting the main water sources for millions of families. In Guadalajara, the second largest metropolitan area in Mexico, 500,000 people have been without any water since March 2021.

## The opportunity for impact in Mexico

- Water.org has the capacity to implement programs in 25 of 32 states in Mexico has proven methods that are ready to scale quickly.
- With funding, we can reach at least 1.5 million people by 2025.
- Post-intervention groundwater benefit is estimated to be five billion liters per year in high-stressed basins and areas facing water scarcity and climate challenges.

## Sustainable, scalable solutions

- Off-grid solutions like rainwater harvesting and composting toilets serve rural households and reduce reliance on the grid for urban households.
- Water storage tanks, pumps, pipes, filters, and purifiers enable reliable systems that ensure water availability, access, and quality.
- Safe sanitation, including self-cleaning and composting toilets, bio-digestors, septic and sewage connections protect groundwater and ecosystem health.



## Critical funding need for rainwater harvesting project in Mexico

- Opportunity to install 65,000 rainwater harvesting and storage systems.
- These are local, autonomous, sustainable solutions that will last ten years or more.
- This project will provide one million people with a reliable source of water by 2025.
- The volume benefit will be 20 billion liters in watersheds facing scarcity by 2030.
- We are seeking donations now totaling \$15 million (\$15 cost per person) that will mobilize an additional \$65 million in capital towards this project.

### Overview of the need

Mexico is currently experiencing its worst draught in three decades. Water access is a critical problem in parts of Mexico. Decreasing water resources and growing demand is resulting in the deterioration of water quality and quantity for vast, mainly low-income populations. About ten million people in Mexico now have no water services reaching their homes at all, with small, rural, and indigenous communities starkly overrepresented. In larger towns and cities, the trend is a widening gap between demand and supply, punctuated by increasingly frequent, acute episodes of extreme shortage.

The simultaneous water crises seen in Mexico City and Guadalajara this year are clear examples of this tendency, with Mexico City's reservoirs at historic lows, and one of Guadalajara's principal reservoirs falling to below-useable levels, which resulted in some 500,000 people there being left entirely without grid water for four months in the spring of 2021. These trends are driven by the deep depletion of underground and surface water resources and complicated by dysfunctional governance. They are likely to prove very difficult to reverse in the short term, and they are happening all over Mexico.

The result from this situation is the emergence of huge areas in which the population faces impoverished and decreasing access to water. Where decades ago, people expected to see urban public water services improve over time, they now line up for water from trucks, in neighborhoods that until recently had received their water from a tap. It is a slow-motion crisis that is leaving millions increasingly vulnerable and subject to being suddenly left without water.

### A sustainable, reliable solution

Rainwater harvesting systems are a perfect solution to this problem. They are local, autonomous, sustainable systems that generally cost less than 1,000 USD. This includes everything necessary to harvest rainwater, storage tanks, filters, pipes, gutters, and labor. Although the systems provide a great benefit, providers face limitations in demand from direct end-users from lower income populations because they cannot afford them.





For this reason, providers often work with local governments, which hire them to install rainwater harvesters in areas that are particularly difficult or expensive to supply with conventional water systems. These programs however come with operational limitations. Government budgets are limited, and many of the most water-scarce communities are also highly politically marginalized. This means that not all people who need a solution get the chance to obtain one, and despite best efforts, a huge unmet and increasing demand remains for long-term solutions to the water crisis faced by millions of Mexicans.

Water.org bridges the gap between demand and access to available capital to finance these systems. Using our WaterCredit model that has successfully helped more than 36 million people through eight million microloans around the world, we are able to make these systems available to people in need. Historically, these loans have been repaid at a rate over 99%. Females account for 88% of borrowers, and 87% live on household income of less than \$6 per day. We have established partnerships with financial institutions in Mexico in which we have helped developed appropriate water and sanitation lending products. These institutions serve millions of clients located predominantly in rural and peri-urban areas with significant water access issues.

## Scaling a proven model

This project expands on a proven evidence base of 21,000 systems installed in both urban and rural communities. Water.org’s in-country staff works alongside local partners to provide financing, technical expertise, and market development to enable installation of systems developed by Isla Urbana. Once systems are installed, education and support are provided to encourage high adoption and long-term appropriation. We intend to deploy 65,000 family and school systems that will benefit an estimated 1,133,000 people with sustainable, long-term, cost-free access to clean water by year-end 2024.

