

Water Challenges in Latin America: Costs of Inaction

Socioeconomic impacts of water pollution and sanitation gaps

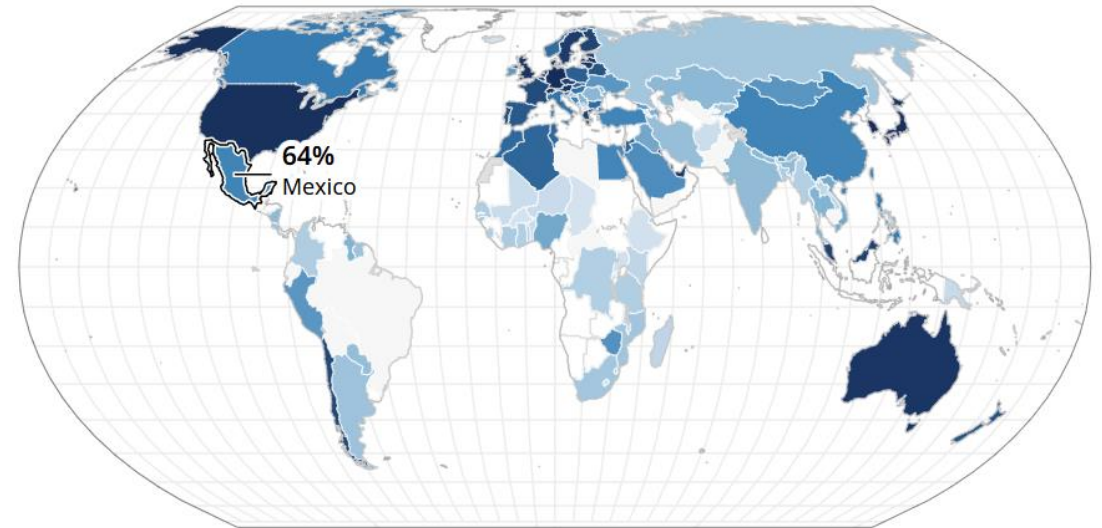
- Large infrastructure and sanitation gap
- High economic and health costs
- Strong investment returns potential

A Structural Gap in Water & Sanitation

- **50.8%** lack safely managed sanitation
- Only **56%** of wastewater treated globally
- Treatment rates:
 - US: **98%**
 - Chile: **88%**
 - Mexico: **64%**
 - Peru: **52%**
 - Brazil: **43%**
- Water losses: **24%–69%**

World

2024



% of wastewater flows

Min

Max

1%

100%

Domestic Wastewater Safely Treated (%)

Source: WHO (2025)

Inaction Has a High Economic Cost

- **1%–4% of GDP lost** (World Bank)
- **11,000–18,000 child deaths/year** (LATAM)
- **1.7 billion diarrheal cases globally**
- ROI:
 - **\$1 → \$4.3 (WHO)**
 - **Up to \$46 return** (studies)



Key Barriers to Investment



INSTITUTIONAL
FRAGMENTATION



LOW TARIFFS →
FINANCIAL
UNSUSTAINABILITY



POLITICAL CYCLES &
LOW VISIBILITY



LIMITED TECHNICAL
CAPACITY



LOW PRIVATE
SECTOR
PARTICIPATION

A High-Impact Investment Opportunity

Decentralized treatment systems

Nature-based solutions (up to **99% bacteria removal**)

Circular water economy

ESG + climate benefits

CO₂ value: **~\$25/ton**