

United States (USAID)

AID PRIORITIES

The U.S. Agency for International Development (USAID) leads the U.S. Government's efforts to end extreme poverty and promote resilient, democratic societies. USAID carries out U.S. foreign policy by promoting broad-scale human progress, expanding stable and free societies, creating markets and trade partners for the United States, and fostering good will abroad.

USAID's top aid priorities for 2016 were health, education, governance, agriculture and food security, democracy, disaster relief, conflict prevention/recovery, and human rights.

Financial assistance to countries is provided in the form of bilateral and multilateral aid. In 2016, USAID's foreign assistance obligations totaled US\$ 19.3 billion, of which US\$ 400 million was directed to water or WASH-related activities. Similarly, of USAID's 11 840 staff members, 63 were engaged in WASH-related activities in some capacity.

The USAID Water and Development Strategy (2013–2018) outlines the need for geographic focus and it is further solidified by the designation of priority countries for assistance. The Strategy seeks to enhance the development impact of the Agency's resources by concentrating programs in countries based on a combination of factors that relate to country needs and opportunities for water and sanitation assistance.

WASH PROGRAMME OUTCOMES

USAID and its partners have made significant strides towards achieving the targets set out in its Water and Development Strategy. From 2014 to 2016, more than 10.6 million people have received improved access to drinking water supply; more than 6.7 million people have received improved access to sanitation facilities; and more than 3.1 million people have benefited from improved agricultural water management.

WASH STRATEGY/ACTIVITIES

As outlined in the current USAID Water and Development Strategy (2013–2018), USAID's goal for water and sanitation sector assistance is to save lives and advance development through improvements in water, sanitation and hygiene (WASH) services, and through sound management and use of water for food security.

This strategy emphasizes WASH as a strategic objective, but specific decisions on where to focus resources are based on local context, needs, and opportunities at the country level.

The *Water for the World Act* requires that the designation of a high-priority country be based on a set of criteria laid out in the Act. These fall into three areas: the level of need; the opportunity to leverage U.S. Government's efforts; and the level of country commitment.

Need is assessed using global data sets on the number and proportion of people with access to safe drinking water and sanitation, and rates of under-five child mortality due to diarrheal disease. These are combined and countries ranked into a "WASH Needs Index".

Specific targets

The USAID Water and Development Strategy sets targets to provide:

- First time and improved access to sustainable drinking-water to 10 million people (2013–2018);
- First time and improved access to sustainable sanitation to six million people (2013–2018);
- Two million people benefiting from improved water management for agriculture to enhance food security by 2018.

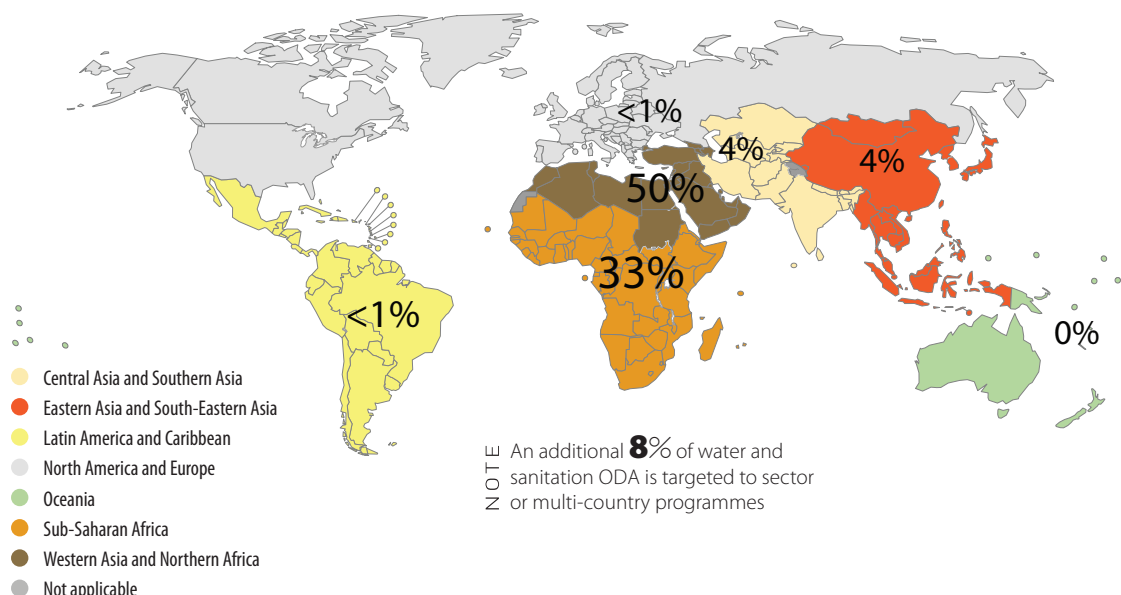
As of 2016, USAID and its partners efforts have exceeded the strategy's target for the number of people receiving first time and improved access to sustainable drinking water, and the number of people benefiting from improved agricultural water management. Also, the Agency is on-track to reach its goal for improved sanitation access by FY 2018.

WASH AID PRIORITIES: DISTRIBUTION OF AID DISBURSEMENTS

By activity type

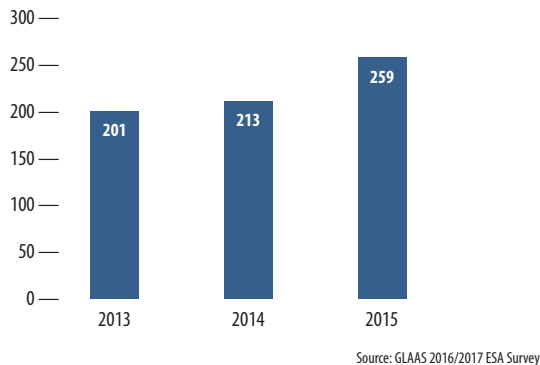
USAID's Water Strategy and WASH programs emphasize sustainably improving service delivery. Strengthening policy and institutions is also a core component of USAID WASH programs.

By region in 2015



WASH AID DISBURSEMENTS

Constant 2014 US\$ millions



WASH SECTOR TARGETING

The *Water for the World Act* requires that the designation of a high-priority country be based on a set of criteria laid out in the Act. These fall into three areas: the level of need; the opportunity to leverage U.S. Government's efforts; and the level of country commitment. As of FY2017, these include:

- Afghanistan
- Democratic Republic of the Congo
- Ethiopia
- Haiti
- India
- Indonesia
- Jordan
- Kenya
- Lebanon
- Liberia
- Mozambique
- Nigeria
- South Sudan
- Uganda
- West Bank/Gaza Strip
- Zambia

LESSONS/IMPACTS

In Embu, Kenya, a partnership between a bank, a utility company, USAID and the World Bank's Water and Sanitation Programme (WSP) helped expand access to water services.

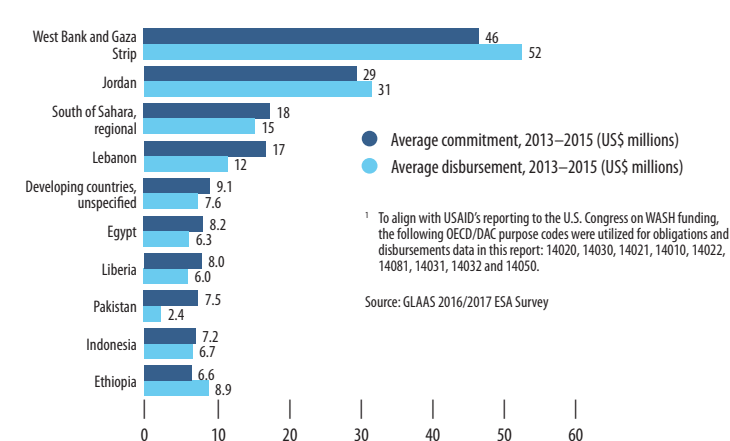
In 2012, as part of a strategy to connect local utilities to local financial markets and reduce their reliance on central government transfers and donor support, USAID provided a loan guarantee through its Development Credit Authority to Kenya Housing Finance (KHF), a local financial institution. Under the terms of the agreement, USAID agreed to take 50 per cent of the repayment risk on each loan KHF made to water companies. This support helped make the Embu water utility more attractive as a potential borrower to Kenyan lenders.

The credit guarantee was complemented by capacity building efforts provided through USAID and the International Finance Corporation. This guarantee led KHF to approve a nearly one million (US\$) loan to Embu Water and Sanitation Company Limited (EWASCO) in May 2014—the largest commercial loan ever made to a Kenyan water utility.

Over the following year, the utility used the loan proceeds to install 18 miles of new pipe in peri-urban areas of Embu county, significantly improving the water supply for 100 schools, 15 clinics and 50 000 community members.

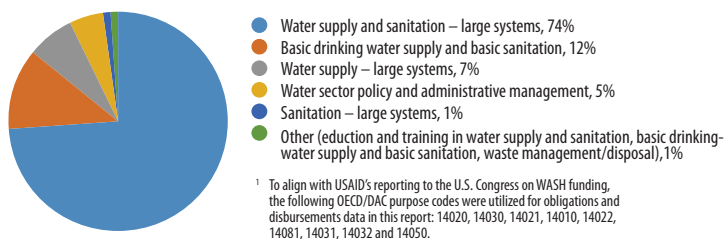
TOP TEN AID RECIPIENTS (2013–2015)

Average disbursements 2013–2015 US\$ millions¹



FUNDING ACTIVITIES

A breakdown of aid disbursement for 2015 is provided below¹:



FUNDING CHANNELS

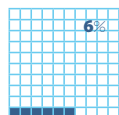
A breakdown of funding channels for 2015 disbursements of grants and in-kind services is provided below:



COLLABORATIVE BEHAVIOURS FOR MORE EFFECTIVE DEVELOPMENT COOPERATION

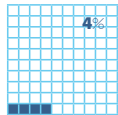
Enhance government leadership of sector planning processes:

Proportion of water and sanitation ODA allocated to water and sanitation policy and administration and education and training (%)



Strengthen and use country systems:

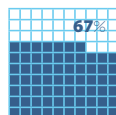
Percentage of WASH ODA spending using country procurement systems (%)¹



¹ Out of the 16 countries reported by USAID in the GLAAS 2016/2017 ESA Survey, the % of WASH ODA spending using country procurement systems was applicable for two countries. This may not include all countries in which USAID works.

Use one information and mutual accountability platform:

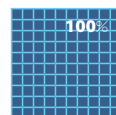
Participation (at least moderately) in mutual assessment exercises/reviews (% of countries)¹



¹ Out of the 16 countries reported by USAID in the GLAAS 2016/2017 ESA Survey, the extent of participation in mutual assessment exercises was known and applicable for three countries. This may not include all countries in which USAID works.

Build sustainable WASH sector financing strategies:

Percentage of WASH funding published/information shared with Ministry of Finance (%)¹



¹ Out of the 16 countries reported by USAID in the GLAAS 2016/2017 ESA Survey, the % of WASH funding published/information shared with Ministry of Finance was known for three countries. This may not include all countries in which USAID works.

FUTURE OUTLOOK

The *Water for the World Act* was signed into law in 2014. The Act serves as authorizing legislation for future programming directed to the implementation of WASH assistance. The Act also reinforces key components of USAID's Water and Development Strategy of 2013, including the requirements that the Agency: i) annually designate at least 10 priority WASH countries to receive WASH directive funding; ii) communicate the criteria used to select priority WASH countries; and iii) develop measurable goals, metrics and timetables related to the Agency's provision of WASH assistance. In addition, the Water for the World Act calls for the development of a new U.S. Government Global Water Strategy by October 1, 2017. USAID and the U.S. Department of State are currently leading the development of the Strategy.

Developed and coordinated by the Water, Sanitation, Hygiene and Health (WSH) Unit at the World Health Organization (WHO).

Results contained in the ESA Highlights have been compiled by the ESA and GLAAS using data from the Organisation for Economic Development and Cooperation (OECD) Creditor Reporting System (CRS), estimates and text provided in the responses to the GLAAS 2016/2017 ESA survey.

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