

# **ANNUAL REPORT TO CONGRESS**

Senator Paul Simon Water for the Poor Act  
P.L. 109-121; Sec. 6 (g)(2)



**June 2013**

Office of Conservation and Water  
Bureau of Oceans and International Environmental and Scientific Affairs

Report to Congress on Strategy for Safe Water and Sanitation  
Senator Paul Simon Water for the Poor Act  
P.L. 109-121; Sec. 6 (g)(2)

Highlights for FY2012

- United States government bilateral investment for all water sector activities world-wide totaled \$958.3 million.
- As a result of United States government bilateral investments, more than three million people gained improved access to drinking water and almost one million gained improved access to sanitation in FY2012.

**Introduction**

The Senator Paul Simon Water for the Poor Act of 2005 (WfP) requires the Secretary of State, in consultation with the U.S. Agency for International Development (USAID) and other U.S. Government agencies, to develop and implement a strategy “to provide affordable and equitable access to safe water and sanitation in developing countries”. It also requires the Secretary of State in consultation with the USAID Administrator to submit an annual report to Congress describing changes in the U.S. strategy and progress in achieving the objectives of the WfP Act. This is the eighth report to Congress since the Act was passed, and like previous reports, represents one point in an evolving process to strengthen the United States’ response to these issues. The basic strategy (as described in previous reports to Congress) remained unchanged throughout 2012.

**Bilateral Assistance**

In FY2012, USAID invested \$655 million for drinking water and sanitation, water resources management, water productivity, and water-related disaster risk reduction activities in 58 countries (see table). In FY2012, the Millennium Challenge Corporation (MCC) invested more than \$290 million in water-related projects in 6 partner countries (see table). MCC projects supporting improved drinking water and sanitation represent 93 percent or \$269 million of the Corporation’s FY2012 water investments. More than 20 other U.S. government agencies and departments continued to make major contributions to address water and sanitation challenges. For example, the National Aeronautics and Space Administration invested \$4.2 million to support projects that examined the connections between climate change and water availability, that provided global Early Warning Systems for floods, rains, and landslides, and that monitored aquifers and forecasted hydrological drought on regional and global scales. Additionally, the Department of State invested \$9.2 million to address water quality and sanitation issues in the Middle East.

## **Multilateral Assistance**

The United States contributes substantially to several of the international financial institutions (e.g., the World Bank, Asian Development Bank, and African Development Bank) which in turn provided over \$8.9 billion for programmatic work related to water and sanitation. The United States also contributes to a number of international organizations, including the Food and Agriculture Organization, the United Nations Environment Program, the United Nations Development Program, and the World Health Organization, which in 2012 funded \$36.4 million in water and sanitation projects worldwide. At \$1.48 billion in FY2012, the United States was the single largest individual country donor to international humanitarian organizations such as the UN High Commission for Refugees, the International Committee of the Red Cross and the UN Works and Relief Agency for Palestine Refugees in the Near East, providing life-saving assistance, including water, sanitation, and hygiene related services to refugees and conflict victims around the globe.

### Delivering Results: Selected Bilateral Aid Accomplishments in FY2012

- As a result of USAID assistance, approximately 263,635 Indonesians and more than 154,855 Kenyans have obtained access to a safe water supply, and an estimated 20,181 Indonesians and 113,485 Kenyans now have access to improved sanitation facilities.
- MCC's compact with Jordan included a Private-Public Partnership project to expand the As-Samra wastewater treatment plant, allowing higher-quality treated wastewater to be reused. The PPP project succeeded in mobilizing \$110 million of private debt and equity, and is projected to benefit 2,023,000 people.
- In Afghanistan, USAID-supported agricultural programs brought 27,387 hectares under improved irrigation.
- In 2012 the U.S. Water Partnership (USWP) was launched to mobilize U.S. knowledge, expertise, and resources to improve water security, especially in developing countries. USWP Partners committed over \$600 million for water related activities at the Rio +20 UN Conference on Sustainable Development.
- USAID supported projects in Malawi that trained some 42,055 people (of whom 21,663 are women) in watershed management tools that conserve soil and water.
- More than 1.7 million people in Jordan received improved water service through USAID-funded construction of pumping stations and water conveyance systems. An additional 8,750 plus people now receive improved access to drinking water.

**FY 2012 USAID Programming for the Water Sector - Overview with Account Detail for Sector Water Supply, Sanitation & Hygiene \***

FY 2012 Number of People with Improved Access to Drinking Water Supply and Sanitation Facilities by Countries and Operating Units\*\*\*

*Millions of Dollars*

	All Water Supply, Sanitation & Hygiene (WASH) **							All Accounts					Grand Total	Number of People with Improved Access to Drinking Water Supply	Number of People with Improved Access to Sanitation Facilities *
	All Sustainable WASH					Humanitarian Assistance	All Water Supply, Sanitation & Hygiene Total	Watershed / Water Resources Management	Water Productivity	Disaster Risk Reduction					
	AECCA	DA	ESF	GHP - USAID	FFP II										
<b>GRAND TOTAL</b>	<b>4.150</b>	<b>107.531</b>	<b>222.939</b>	<b>39.617</b>	<b>26.917</b>	<b>401.154</b>	<b>52.647</b>	<b>453.801</b>	<b>94.031</b>	<b>70.333</b>	<b>38.233</b>	<b>656.398</b>	<b>2,770,213</b>	<b>891,011</b>	
<b>Africa</b>		<b>62.701</b>	<b>30.000</b>	<b>23.578</b>	<b>23.337</b>	<b>139.616</b>	<b>45.866</b>	<b>185.482</b>	<b>43.175</b>	<b>19.018</b>	<b>21.240</b>	<b>268.915</b>	<b>585,498</b>	<b>455,463</b>	
Angola		1.000		-		1.000		1.000				1.000			
Benin				0.500		0.500		0.500				0.500			
Burundi		-		0.108	1.000	1.108		1.108	-			1.108			
Chad					1.860	1.860	0.718	2.578		0.490		3.068			
Democratic Republic of the Congo			8.000	1.500	1.250	10.750	1.219	11.969				11.969			
Ethiopia		7.771		4.550	5.256	17.577	2.199	19.776	36.650	13.028	3.420	72.874			
Ghana		5.070		1.400	-	6.470		6.470	-			6.470	54,900	47,888	
Kenya		6.300		2.500	-	8.800	6.491	15.291	-	-		15.291	154,855	113,485	
Liberia		-	13.000	0.500	3.500	17.000		17.000	-	-		17.000	46,258		
Madagascar		-		0.900	4.505	5.405		5.405	-		6.486	11.891			
Malawi		-		0.705	0.450	1.155		1.155	-			1.155	35,750		
Mali *****		2.000		1.520	4.000	7.520		7.520	3.750	3.750	0.200	15.220			
Mauritania							0.397	0.397				0.397			
Mozambique		1.230		1.250		2.480	1.000	3.480	-	-	3.200	6.680			
Niger					0.898	0.898		0.898				0.898			
Nigeria		2.020		1.500		3.520		3.520				3.520	22,990	29,040	
Rwanda		4.000		0.800		4.800		4.800	-			4.800	5,399	590	
Senegal		8.100		0.500	-	8.600		8.600	1.275	-		9.875	17,190	17,400	
Sierra Leone					0.618	0.618		0.618				0.618			
Somalia							10.470	10.470				10.470			
South Sudan			9.000	1.500		10.500	11.836	22.336				22.336			
Sudan													1,800	775	
Tanzania		5.000				5.000		5.000	-	-		5.000	53,594	11,544	
Uganda		2.000		1.750		3.750		3.750			0.499	4.249			
Zambia		4.600		2.095		6.695		6.695		0.250		6.945	82,606	53,043	
Zimbabwe							5.619	5.619				5.619			
Sahel Regional *****									1.500	1.500		3.000			
USAID Africa Regional (AFR)		4.080				4.080		4.080				4.080	2,500		
USAID East Africa Regional		2.000				2.000		2.000				2.000	19,138	11,180	
USAID Southern Africa Regional		1.530				1.530	5.917	7.447			7.435	14.882			
USAID West Africa Regional		6.000				6.000		6.000				6.000	88,518	170,518	
<b>Asia</b>	<b>1.950</b>	<b>23.823</b>	<b>40.000</b>	<b>6.640</b>	<b>3.580</b>	<b>75.993</b>	<b>1.400</b>	<b>77.393</b>	<b>21.500</b>	<b>27.150</b>	<b>10.281</b>	<b>136.324</b>	<b>1,079,159</b>	<b>32,829</b>	
Afghanistan			40.000			40.000	0.637	40.637	10.000	11.150		61.787	361,079		
Bangladesh		2.000		1.600	3.580	7.180		7.180			2.783	9.963			
Burma											0.150	0.150			
Cambodia		1.350		1.000		2.350	0.206	2.556				2.556			
FSM and RMI ****											0.100	0.100			
India				1.000		1.000		1.000		2.000		3.000	73,702	12,648	
Indonesia		6.333		1.000		7.333		7.333	10.300		1.620	19.253	263,635	20,181	
Kyrgyz Republic	0.300					0.300		0.300				0.300			
Nepal		2.100		2.040		4.140		4.140		1.800	0.250	6.190	7,181		
Pakistan										11.000		11.000			
Philippines		3.447				3.447		3.447			2.847	6.294	373,562		
Sri Lanka							0.557	0.557				0.557			
Tajikistan	1.650					1.650		1.650				1.650			
Thailand											0.426	0.426			

## FY 2012 USAID Programming for the Water Sector - Overview with Account Detail for Sector Water Supply, Sanitation & Hygiene \*

FY 2012 Number of People with Improved Access to Drinking Water Supply and Sanitation Facilities by Countries and Operating Units\*\*\*

Millions of Dollars

	All Water Supply, Sanitation & Hygiene (WASH) **							All Accounts				Grand Total	Number of People with Improved Access to Drinking Water Supply	Number of People with Improved Access to Sanitation Facilities *
	All Sustainable WASH					All Sustainable WASH	Humanitarian Assistance	All Water Supply, Sanitation & Hygiene Total	Watershed / Water Resources Management	Water Productivity	Disaster Risk Reduction			
	AEECA	DA	ESF	GHP - USAID	FFP II									
Vietnam											1.222	1.222		
Asia Middle East Regional		6.993	-	-		6.993		6.993	1.200	1.200		9.393		
Central Asia Regional											0.883	0.883		
USAID Regional Development Mission-Asia (RDM/A)		1.600				1.600		1.600	-			1.600		
<b>Middle East</b>			142.366	0.100		142.466	3.912	146.378	18.680	-	-	165.058	1,090,556	402,719
Egypt			-			-		-	0.500			0.500	900,482	393,899
Jordan			20.000			20.000		20.000	7.000	-	-	27.000	8,754	4,820
Lebanon			10.056			10.056		10.056	-	-		10.056		
Morocco									6.610	-	-	6.610		
West Bank and Gaza			110.200			110.200		110.200				110.200	161,518	4,000
Yemen			1.660	0.100		1.760	3.912	5.672	0.970			6.642	19,802	
USAID Middle East Regional (OMEPA)			0.450			0.450		0.450	3.600	-		4.050		
<b>Central Programs</b>		18.207		5.750		23.957		23.957	1.900	19.649	5.102	50.608		
USAID Bureau For Food Security (BFS)										19.150		19.150		
USAID Democracy, Conflict and Humanitarian Assistance (DCHA)											3.898	3.898		
USAID Economic Growth, Education and Environment (E3)		8.207				8.207		8.207	1.900	0.499	-	10.606		
USAID Global Health (GH)				5.750		5.750		5.750				5.750		
USAID Office of Innovation and Development Alliances (IDEA)		10.000				10.000		10.000				10.000		
USAID Public Health and Nutrition											1.204	1.204		
<b>Latin America &amp; the Caribbean</b>		2.800	9.600	3.549	-	15.949	1.469	17.418	4.174	3.500	0.035	25.127		
Bolivia		0.200	-	1.100	-	1.300		1.300	-			1.300		
Colombia			0.200			0.200		0.200				0.200		
Ecuador		1.400		-		1.400		1.400	1.200	-		2.600		
Guatemala		1.000		0.425	-	1.425		1.425	-	-		1.425		
Haiti			9.400	1.337		10.737		10.737	2.974	3.500		17.211		
Nicaragua		0.200		0.487	-	0.687		0.687		-		0.687		
Peru		-		0.200		0.200		0.200				0.200		
USAID Latin America and Caribbean Regional (LAC)						-	1.469	1.469	-		0.035	1.504		
<b>Europe &amp; Eurasia</b>	2.200					2.200		2.200	0.140	-	0.375	2.715	15,000	
Armenia	1.000					1.000		1.000		-		1.000	15,000	
Moldova	0.200					0.200		0.200				0.200		
Russia	-					-		-	0.140			0.140		
Ukraine	-					-		-			0.070	0.070		
Eurasia Regional	1.000					1.000		1.000	-	-		1.000		
USAID Balkans Regional											0.305	0.305		
<b>Other</b>			0.973			0.973		0.973	4.462	1.016	1.200	7.651		
Middle East Multilaterals (MEM)			-			-		-	0.650	0.650		1.300		
State East Asia and Pacific Regional											1.200	1.200		
State Oceans and International Environment and Scientific Affairs (OES)			0.973			0.973		0.973	2.844	0.366		4.183		
State South and Central Asia Regional (SCA)									0.968		-	0.968		

\* FY 2012 budget data represent best estimates from USAID analysis of information as of May 2013 and OFDA information as of November 2012.

\*\* All Water Supply, Sanitation & Hygiene (WASH) includes Household WASH.

\*\*\* FY 2012 Improved Access Indicator data represent best estimates from USAID analysis of information as of May 2013.

\*\*\*\* FSM and RMI = Operating Unit for Federated States of Micronesia and Republic of the Marshall Islands.

\*\*\*\*\* Sahel Regional: \$3.000 Million of Account DA in WASH in the process of being reprogrammed from Mali to Sahel Regional, due to Mali's coup. The funds are currently pending Congressional approval.

Water Sector Funding includes the following Accounts:

Assistance for Eastern Europe and Baltic States (AEEBS); Assistance for Europe, Eurasia and Central Asia (AECA); Development Assistance (DA); Economic Support Fund (ESF); Food for Peace Title II (FFP II); Global Health Programs - USAID (GHP - USAID); Global Health Programs - State (GHP - State); International Disaster Assistance (IDA); International Narcotics Control and Law Enforcement (INCLE); Migration and Refugee Assistance (MRA).

Note: a dash (-) within a cell represents that activities were allocated within that category, but funds for the activities had been allocated during a previous fiscal year. Cells that contain no data represent that there was no activity taking place for that particular category during FY 2012.

**MCC's FY12 WATER OBLIGATIONS<sup>1</sup>**  
*by signing date; with values for September 30, 2012*  
(in millions)

Country <sup>2</sup>	Total Compact Amount <sup>3</sup>	Compact Signed Date	Entry into Force Date	Compact Completion Date	Pre-Compact funding (609g) grant	Drinking Water Supply, Sanitation and Hygiene	Water Resources Management	Improved Water Productivity	Total Water	Improved Access to Drinking Water Supply <sup>4</sup>	Improved Access to Sanitation Facilities <sup>4</sup>
Honduras	\$ 205.00	June 2005	September 2005	September 2010	\$ -	\$ -	\$ -	\$ -	\$ -		
Cape Verde I	\$ 110.08	July 2005	October 2005	October 2010	\$ (0.09)	\$ (0.09)	\$ -	\$ -	\$ (0.09)		
Nicaragua	\$ 112.70	July 2005	May 2006	May 2011	\$ -	\$ -	\$ -	\$ -	\$ -		
Georgia	\$ 395.30	September 2005	April 2006	April 2011	\$ -	\$ -	\$ -	\$ -	\$ -		
Armenia	\$ 177.65	March 2006	September 2006	September 2011	\$ -	\$ -	\$ -	\$ (0.04)	\$ (0.04)		
Ghana	\$ 547.01	August 2006	February 2007	February 2012	\$ -	\$ -	\$ -	\$ (2.92)	\$ (2.92)	153,853	
El Salvador	\$ 460.94	November 2006	September 2007	September 2012	\$ -	\$ (1.60)	\$ -	\$ -	\$ (1.60)	26,063	24,930
Mali	\$ 460.81	November 2006	September 2007	August 2012	\$ -	\$ -	\$ -	\$ 19.90	\$ 19.90	1,958	1,958
Lesotho	\$ 362.55	July 2007	September 2008	September 2013	\$ -	\$ -	\$ -	\$ -	\$ -	43,098	63,684
Mozambique	\$ 506.92	July 2007	September 2008	September 2013	\$ -	\$ -	\$ -	\$ -	\$ -	120,000	
Morocco	\$ 697.50	August 2007	September 2008	September 2013	\$ -	\$ -	\$ -	\$ 4.14	\$ 4.14		
Mongolia	\$ 284.91	October 2007	September 2008	September 2013	\$ -	\$ -	\$ -	\$ -	\$ -		
Tanzania	\$ 698.14	February 2008	September 2008	September 2013	\$ -	\$ 0.00	\$ -	\$ -	\$ 0.00		
Burkina Faso	\$ 480.94	July 2008	July 2009	July 2014	\$ -	\$ -	\$ -	\$ 0.41	\$ 0.41		
Senegal	\$ 540.00	September 2009	September 2010	September 2015	\$ (0.82)	\$ -	\$ -	\$ (0.07)	\$ (0.07)		
Moldova	\$ 262.00	January 2010	September 2010	September 2015	\$ -	\$ -	\$ -	\$ -	\$ -		
Philippines	\$ 434.00	September 2010	May 2011	May 2016	\$ -	\$ -	\$ -	\$ -	\$ -		
Jordan	\$ 275.10	October 2010	December 2011	December 2016	\$ 0.02	\$ 253.76	\$ -	\$ -	\$ 253.76		
Malawi	\$ 350.70	April 2011	TBD	TBD	\$ -	\$ -	\$ -	\$ -	\$ -		
Cape Verde II	\$ 66.20	February 2012	November 2012	November 2017	\$ 0.85	\$ 3.10	\$ -	\$ -	\$ 3.10		
Zambia <sup>5</sup>	\$ 354.76	May 2012	TBD	TBD	\$ 2.98	\$ 13.54	\$ -	\$ -	\$ 13.54		
<b>TOTAL</b>	<b>\$ 7,783.22</b>				<b>\$ 2.94</b>	<b>\$ 268.71</b>	<b>\$ -</b>	<b>\$ 21.43</b>	<b>\$ 290.14</b>	<b>344,972</b>	<b>90,572</b>

- MCC funds are invested at the signing of the relevant 609(g) agreement for Compact Development Funds (609(g)), at the signing of the relevant compact for Compact Implementation Funds (CIF), and at entry into force for compact 605 funds and are pro-rated across the three water categories of "Drinking Water, Sanitation and Hygiene, Water Resources Management, and Improved Agricultural Productivity." These cumulative investment figures are subject to change. Changes result from a range of causes, including changes to projects, re-structuring as a natural part of ongoing project management, and, in rare cases, termination of the relevant compacts. Values include a variety of necessary project costs such as design, management consultancies, construction, construction supervision as well as environmental and resettlement related activities.
- The compacts included in this report represent open and closed compacts with budgeted and eligible Senator Paul Simon Water for the Poor Act water activities. Other non-water compact activities are included in this amount including transportation, power, and other sector investments. Many of these compacts obligated MCC funds to their water activities prior to FY 2012 and are in the disbursement phase while implementing activities. The full compact amount is provided, but after entry into force MCC records only new FY 2012 obligations or de-obligations (reallocations) to or from eligible water activities.
- Compact amounts as of September 30, 2012. Total cumulative investments as of December 2012 for all signed compacts is \$9.140 billion.
- Beneficiaries for eligible Senator Paul Simon Water for the Poor Act water activities are only listed for compacts in FY 2012.
- The Cape Verde II Compact entered into force in early FY13 with a \$41.1 million investment in water, sanitation and hygiene activities. In addition, the Coca-Cola Africa Foundation partnered with MCC to invest alongside MCC's activities to help up to 20,000 low-income households, including many women-led households, gain access to clean water and improved sanitation. Learn more about MCC's water partnerships at <http://www.mcc.gov/documents/press/factsheet-201002010806-water.pdf>.