

ANNUAL REPORT TO CONGRESS

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



June 2014

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

Highlights for FY 2013

- U.S. government investment for all international water sector activities exceeded \$783.6¹ million.
- As a result of direct U.S. government investments, some 3.5 million people gained new or improved access to safe drinking water and about 1.3 million gained improved access to sanitation in FY 2013².
- USAID launched its Water and Development Strategy, focusing USAID's investments on improving health outcomes through provision of sustainable access to safe water, sanitation and hygiene, and managing water in agriculture more sustainably and productively to enhance food security.

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 ninth 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.

Bilateral Assistance

USAID and the Millennium Challenge Corporation (MCC) continue to be the largest United States contributors to water and sanitation activities internationally. In FY 2013, USAID invested \$523.8 million for drinking water, sanitation and hygiene (WASH), water resources management, water productivity, and water-related disaster risk reduction activities in 63 countries³. More than half of USAID's investment (\$304.8 million) went towards WASH programs, of which \$164.8 million (54 percent) was obligated in Africa. In FY 2013, the MCC obligated \$95.5 million for water-related activities worldwide. Nearly all of the \$40.2 million the MCC obligated for WASH activities in FY 2013 was in Africa.

¹ Total of USAID, MCC, Department of State, NASA, and Defense Department funding, and does not include U.S. support for international financial institutions and international organizations.

² Reflects USAID and MCC-provided results.

³ This includes countries supported through regional missions but not reported individually in the tables.

Some 20 other U.S. government agencies and departments continued to make major contributions to address water and sanitation challenges internationally. In partnership with USAID and the U.S. Geological Survey (USGS), the National Aeronautics and Space Administration invested \$4.3 million in FY 2013 to support improved water management around the world. The USGS contributed hydrologic and other earth science to monitor and analyze stream flow, and aquifers to support water resource management decisions in Ethiopia, India, Indonesia, Pakistan, and other developing countries. The Environmental Protection Agency promoted water quality monitoring in Kenya, water safety plans in East Africa, and funded water infrastructure projects in Mexico. The Department of Defense obligated \$161 million in Afghanistan through the U.S. Army Corps of Engineers (USACE) to repair and rehabilitate two Afghan irrigation-related dams and irrigation canals, to conduct a watershed study, and to carry out deep well drilling.

Multilateral Assistance

The United States also makes significant contributions to international financial institutions (i.e., World Bank, Asian Development Bank, African Development Bank, and others), which grant and loan money for water projects and sanitation work. Collectively, the international financial institutions provided more than \$8.35 billion for water and sanitation activities in FY 2013. The United States also funds many international organizations such as UNICEF, United Nations Development Program, UN-HABITAT, etc., which in turn finance water and sanitation projects worldwide. Last year, these international organizations spent about \$33.16 million. In FY 2013, the United States remained the single largest bilateral donor (\$1.9 billion in FY 2013) to international humanitarian organizations including the UN High Commission for Refugees, the International Committee of the Red Cross, and the UN Relief and Works Agency for Palestine Refugees in the Near East, providing life-saving assistance, including water, sanitation, and hygiene-related services to refugees and other conflict-affected populations around the globe.

Delivering Results: Selected Accomplishments in FY 2013

- (USAID) Provided first-time access to improved drinking water supply to 446,989 people and first-time access to improved sanitation facilities to 320,924 people in the Democratic Republic of Congo.
- (USAID) 280,385 Zambians (134,841 male and 145,544 female) gained access to clean drinking water, and 168,823 students and teachers (86,053 male and

82,770 female) gained access to improved sanitation facilities, such as latrines, toilets, and washrooms. Sanitation facilities ensured convenient access for girls; some were equipped so girls could bathe and maintain menstrual hygiene.

- (USAID) In Liberia, 47,124 people gained access (including 2,845 with first-time access) to an improved water supply through construction of new water points and rehabilitation of non-functional water points.
- (USAID) The Indonesia Urban Water, Sanitation & Hygiene program (IUWASH) worked with government agencies, water utilities, water associations, and local NGOs in 54 municipalities to increase access to water and sanitation services. The project is now in its third year and has reached 1,163,855 people with water services and 77,655 with sanitation services.
- (USAID) In partnership with the Swedish International Development Cooperation Agency (SIDA) and the Netherlands Ministry of Foreign Affairs (MFA-NL), USAID launched “Securing Water for Food: A Grand Challenge for Development” at the 2013 World Water Week in Stockholm. Through this initiative, USAID, SIDA, and MFA-NL are contributing \$32 million (\$11 million from USAID) to source and accelerate innovations that will enable the production of more food with less water and/or make more water available for food production, processing, and distribution.
- (MCC) The Cabo Verde II Compact includes a \$41.1 million Water, Sanitation, and Hygiene Project designed to establish financially-sound and accountable delivery of water and sanitation services through national-level policy reforms, the transformation of inefficient utilities into independent corporate entities operating on a commercial basis, and funding to promote capital investment.
- (MCC) Malawi investments include a \$27.8 million market-based watershed management improvement activity that includes funding for a payment for ecosystem services partnership. Sustained financing from downstream private and public companies will go to support improved land management and food security projects with upstream communities, and improving water quality and flows for both hydropower generation as well as the communities that depend on water for their livelihoods.
- (State) In partnership with the International Union for the Conservation of Nature and the International Water Association, the Department of State

supported the “Nexus Dialogue on Water Infrastructure Solutions,” a project to improve the economic, social, and environmental benefits of physical infrastructure and natural systems. Regional workshops in Africa, South America, and Asia provided stakeholders and decisionmakers an opportunity to identify problems and solutions.

USAID FY 2013 Water Sector Programming - Overview with Account Detail for Sector Water Supply, Sanitation & Hygiene *

Millions of Dollars

FY 2013 Indicators for Drinking Water Supply and Sanitation Facilities & Services by Operating Unit *****

	Account Detail								Grand Total	Number of people gaining access to an improved drinking water source*****	Number of people gaining access to an improved sanitation facility				
	DA	ESF	GHP - State	GHP - USAID	IDA ***	WRM Attributions to WASH****	WP Attributions to WASH****	FFP II *****							
								AS WASH Total	Watershed / Water Resources Management (WRM)	Water Productivity (WP)	Disaster Risk Reduction (DRR)				
Grand Total	113.373	100.804	-	37.759	24.530	18.553	7.795	18.891	320.727	92.803	78.860	31.693	523.783	3,509,090	1,299,023
Africa	79.541	38.780	-	19.281	22.833	-	-	12.681	164.816	54.249	35.817	7.855	262.737	1,545,316	1,135,165
Angola	-	-	-	-	-	-	-	-	-	-	-	-	-	-	958
Benin	-	-	-	0.300	-	-	-	-	0.300	-	-	-	0.300	-	-
Burundi	-	-	-	0.101	-	-	-	-	0.101	-	-	-	0.101	-	-
Chad	-	-	-	-	0.169	-	-	0.153	0.322	-	0.097	-	0.419	-	-
Democratic Republic of the Congo	-	6.269	-	2.500	0.626	-	-	3.050	12.445	-	-	-	12.445	446,989	320,924
Ethiopia	10.510	-	-	3.800	0.786	-	-	0.673	15.769	52.939	27.890	3.956	100.554	-	-
Ghana	4.777	-	-	1.000	-	-	-	-	5.777	0.750	1.450	-	7.977	37,700	28,784
Kenya	8.122	-	-	2.500	1.964	-	-	-	12.588	-	-	-	12.588	368,762	242,893
Liberia	-	13.020	-	-	-	-	-	2.000	15.020	-	-	-	15.020	47,124	25,710
Madagascar	-	-	-	0.750	-	-	-	1.540	2.290	-	-	1.100	3.390	91,223	53,152
Malawi	1.911	-	-	0.500	0.102	-	-	2.050	4.563	-	-	-	4.563	15,860	-
Mali	5.220	-	-	-	-	-	-	-	5.220	-	2.070	-	7.290	-	-
Mozambique	2.627	-	-	2.250	-	-	-	-	4.877	-	-	-	4.877	186,106	29,938
Niger	-	-	-	-	-	-	-	1.749	1.749	-	2.799	-	4.548	-	-
Nigeria	4.777	-	-	-	-	-	-	-	4.777	-	-	-	4.777	26,800	31,970
Rwanda	2.097	-	-	0.730	-	-	-	-	2.827	-	-	-	2.827	160	3,138
Senegal	8.121	-	-	0.500	-	-	-	-	8.621	0.500	1.850	-	10.971	19,860	8,090
Sierra Leone	-	-	-	-	-	-	-	0.500	0.500	-	-	-	0.500	-	-
Somalia	1.911	-	-	-	2.046	-	-	-	3.957	-	-	-	3.957	-	-
South Africa	0.232	-	-	-	-	-	-	-	0.232	-	-	-	0.232	-	-
South Sudan	-	11.491	-	0.850	11.291	-	-	-	23.632	-	-	-	23.632	140	-
Sudan	-	-	-	-	-	-	-	-	-	-	-	-	-	20,195	475
Tanzania	6.688	-	-	-	-	-	-	-	6.688	0.060	2.360	-	9.108	48,694	12,799
Uganda	4.299	-	-	1.500	-	-	0.200	-	5.999	-	-	-	5.999	-	-
Zambia	4.777	-	-	2.000	-	-	-	-	6.777	-	0.100	-	6.877	62,098	110,737
Zimbabwe	-	-	-	-	-	-	-	0.766	0.766	-	-	-	0.766	-	-
USAID East Africa Regional	1.911	-	-	-	-	-	-	-	1.911	-	-	-	1.911	-	-
USAID Sahel Regional Program	3.917	-	-	-	-	-	-	-	3.917	-	-	-	3.917	-	-
USAID Southern Africa Regional	1.911	-	-	-	3.047	-	-	-	4.958	-	-	-	4.958	-	-
USAID West Africa Regional	5.733	-	-	-	2.500	-	-	-	8.233	-	-	-	8.233	173,605	265,617
Asia	13.548	43.504	-	10.173	1.759	-	2.829	3.210	75.023	8.442	17.338	17.774	118.577	928,994	51,306
Afghanistan	-	38.578	-	-	-	-	-	-	38.578	6.105	6.105	-	50.788	197,788	-
Bangladesh	0.478	-	-	1.924	-	-	-	3.210	5.612	-	0.625	3.000	9.237	-	-
Burma	-	1.000	-	-	-	-	-	-	1.000	-	0.550	-	1.550	-	-
Cambodia	1.150	-	-	2.509	-	-	-	-	3.659	-	-	-	3.659	-	-
India	-	-	-	1.000	-	-	-	-	1.000	-	-	-	1.000	36,238	15,226
Indonesia	5.710	-	-	1.000	-	-	0.500	-	7.210	1.700	0.500	-	9.410	595,670	36,080
Kyrgyz Republic	-	0.289	-	-	-	-	-	-	0.289	-	-	-	0.289	-	-
Laos	-	-	-	-	-	-	-	-	-	-	-	0.319	0.319	-	-
Maldives	0.955	-	-	-	-	-	-	-	0.955	0.637	0.212	-	1.804	-	-
Marshall Islands	-	-	-	-	-	-	-	-	-	-	-	0.227	0.227	-	-
Micronesia	-	-	-	-	-	-	-	-	-	-	-	0.977	0.977	-	-
Nepal	1.433	0.250	-	3.388	0.130	-	-	-	5.201	-	0.978	0.775	6.954	21,320	-
Pakistan	-	2.905	-	-	-	-	2.329	-	5.234	-	6.000	4.249	15.483	-	-
Philippines	3.822	-	-	-	-	-	-	-	3.822	-	-	5.955	9.777	77,978	-
Solomon Islands	-	-	-	0.500	-	-	-	-	0.500	-	-	-	0.500	-	-
Sri Lanka	-	-	-	0.429	-	-	-	-	0.429	-	-	-	0.429	-	-
Tajikistan	-	0.482	-	0.352	-	-	-	-	0.834	-	2.918	-	3.752	-	-
Thailand	-	-	-	-	-	-	-	-	-	-	-	0.322	0.322	-	-
Vanuatu	-	-	-	-	0.500	-	-	-	0.500	-	-	-	0.500	-	-
Vietnam	-	-	-	-	-	-	-	-	-	-	-	0.900	0.900	-	-
USAID East Asia and Pacific Regional	-	-	-	-	0.200	-	-	-	0.200	-	-	-	0.200	-	-
USAID South Asia Regional	-	-	-	-	-	-	-	-	-	-	-	0.500	0.500	-	-
Middle East	3.344	25.312	-	0.500	2.255	-	-	-	42.083	13.791	2.900	-	57.874	1,014,162	105,050
Egypt	-	-	-	-	-	-	-	-	-	-	-	-	-	540,000	34,000
Jordan	-	11.000	-	-	-	-	-	-	20.222	10.221	2.000	-	32.443	-	-

USAID FY 2013 Water Sector Programming - Overview with Account Detail for Sector Water Supply, Sanitation & Hygiene *

Millions of Dollars

FY 2013 Indicators for Drinking Water Supply and Sanitation Facilities & Services by Operating Unit *****

								FFP II *****	All WASH Total	Watershed / Water Resources Management (WRM)	Water Productivity (WPP)	Disaster Risk Reduction (DRR)	Grand Total	Number of people gaining access to an improved drinking water source*****	Number of people gaining access to an improved sanitation facility
	DA	ESF	GHP - State	GHP - USAID	IDA ***	WRM Attributions to WASH****	WP Attributions to WASH****								
Grand Total	113.373	100.806	-	37.759	26.550	18.553	7.795	15.891	320.727	92.503	78.860	31.693	523.783	3,509,090	1,299,023
Lebanon		11.993							11.993				11.993		
West Bank and Gaza		1.929							1.929				1.929	104,162	71,050
Yemen	3.344	-		0.500	2.255				6.099	2.000			8.099	350,000	
USAID Middle East Regional (OMEPR)		0.390				1.450			1.840	1.570			3.410		
Central Programs	15.985	-		6.492		0.748	1.311		24.836	1.225	19.553	4.150	49.464	11,685	7,482
Asia Middle East Regional						0.675	1.236		1.911	0.675	1.235		3.821		
USAID Africa Regional (AFR)	4.777								4.777				4.777		
USAID Bureau For Food Security (BFS)										18.150			18.150		
USAID Democracy, Conflict and Humanitarian Assistance (DCHA)												4.150	4.150		
USAID Economic Growth, Education and Environment (E3)	7.543					0.073	0.075		7.691	0.550	0.168		8.409	11,685	7,482
USAID Global Health (GH)				6.492					6.492				6.492		
USAID Office of Innovation and Development Alliances (IDEA)	2.710								2.710				2.710		
USAID Policy, Planning and Learning (PPL)	0.955								0.955				0.955		
Latin America & the Caribbean	-	-		1.313	0.003	7.915	1.600	-	10.831	13.328	3.599	0.814	28.572		
Colombia										2.534			2.534		
Ecuador						0.449			0.449	3.053			3.502		
Guatemala				0.113					0.113				0.113		
Haiti				1.200		7.466	1.600		10.266	7.741	3.599		21.606		
USAID Caribbean Regional												0.750	0.750		
USAID Central America Regional					0.003				0.003			0.064	0.067		
Europe & Eurasia	-	0.693							0.693	0.420	-	0.250	1.363	8,933	
Armenia		0.500							0.500				0.500	8,933	
Georgia										0.420			0.420		
Moldova		0.193							0.193				0.193		
Ukraine												0.050	0.050		
USAID Balkans Regional												0.200	0.200		
Other	0.955	0.517				0.718	0.555		2.745	1.048	0.553	0.850	5.196		
Middle East Multilaterals (MEM)		0.450				0.300	0.137		0.887	0.300	0.136		1.323		
OST - Office of Science and Technology	0.955								0.955				0.955		
State East Asia and Pacific Regional												0.850	0.850		
State Oceans and International Environmental and Scientific Affairs (OES)		0.067				0.418	0.418		0.903	0.538	0.417		1.858		
State Office to Monitor and Combat Trafficking in Persons (JTIP)										0.210			0.210		

* FY 2013 budget data represent best estimates from USAID analysis of information as of January 2014, and IDA information as of December 2013.

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

*** These funds are a subset of overall IDA and have been attributed to the WASH earmark, as they contribute to the development of WASH improvements beyond immediate disaster response efforts.

**** Beginning FY2013, WP and WRM attributions to WASH are reported under the WASH Earmark, and WRM and WP only include non-earmarked activities.

***** FFP II funds are part of the Food For Peace Title II program (FFP II) and cannot be counted towards the 2013 Statutory Requirement.

***** FY 2013 Indicator data represent best estimates from USAID analysis of information as of April 2014.

***** Note indicators included in USAID's FY13 Annual Report track # of people gaining access to an improved drinking water source and # of people with improved service quality. This column tracks # of people gaining access.

Water Sector Funding includes the following Accounts:

Assistance for Eastern Europe and Baltic States (AEEBS); Assistance for Europe, Eurasia and Central Asia (AEECA); 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 2013.

MCC's FY13 WATER FOR THE POOR OBLIGATIONS

with values as of September 30, 2013

(in millions)

Country ¹	Total Obligations for all Fund Types ^{2,3}	Compact Signed Date ⁴	Entry into Force Date	Compact Completion Date	Drinking Water Supply, Sanitation and Hygiene	Water Resources Management	Improved Water Productivity	Total Water	Beneficiaries with Improved Access to Drinking Water Supply ⁵	Beneficiaries with Improved Access to Sanitation Facilities ⁵
Armenia	\$ 176.6	March 2006	September 2006	September 2011	\$ -	\$ -	\$ (0.16)	\$ (0.16)		
Burkina Faso	\$ 488.4	July 2008	July 2009	July 2014	\$ -	\$ -	\$ 3.77	\$ 3.77		
Cabo Verde I	\$ 108.8	July 2005	October 2005	October 2010	\$ -	\$ -	\$ (0.26)	\$ (0.26)		
Cabo Verde II	\$ 67.6	February 2012	November 2012	November 2017	\$ 38.65	\$ -	\$ -	\$ 38.65		
El Salvador	\$ 449.6	November 2006	September 2007	September 2012	\$ (0.97)	\$ -	\$ -	\$ (0.97)		
Georgia	\$ 391.3	September 2005	April 2006	April 2011	\$ (2.85)	\$ -	\$ -	\$ (2.85)		
Ghana	\$ 539.6	August 2006	February 2007	February 2012	\$ -	\$ -	\$ (0.00)	\$ (0.00)		
Honduras	\$ 204.0	June 2005	September 2005	September 2010	\$ -	\$ -	\$ (0.01)	\$ (0.01)		
Jordan	\$ 288.4	October 2010	December 2011	December 2016	\$ 1.97	\$ -	\$ -	\$ 1.97		
Lesotho	\$ 363.6	July 2007	September 2008	September 2013	\$ (0.29)	\$ (8.55)	\$ -	\$ (8.84)	85,026	85,026
Malawi	\$ 365.5	April 2011	September 2013	September 2018	\$ -	\$ 27.82	\$ -	\$ 27.82		
Mali	\$ 445.3	November 2006	September 2007	September 2012	\$ 0.03	\$ -	\$ (0.46)	\$ (0.42)		
Moldova	\$ 277.1	January 2010	September 2010	September 2015	\$ -	\$ -	\$ 19.88	\$ 19.88		
Mongolia	\$ 284.9	October 2007	September 2008	September 2013	\$ -	\$ -	\$ (0.04)	\$ (0.04)		
Morocco	\$ 697.3	August 2007	September 2008	September 2013	\$ -	\$ -	\$ 14.03	\$ 14.03		
Mozambique	\$ 516.4	July 2007	September 2008	September 2013	\$ (0.00)	\$ -	\$ -	\$ (0.00)	107,000	
Nicaragua	\$ 112.7	July 2005	May 2006	May 2011	\$ -	\$ -	\$ -	\$ -		
Philippines	\$ 443.0	September 2010	May 2011	May 2016	\$ -	\$ -	\$ -	\$ -		
Senegal	\$ 558.1	September 2009	September 2010	September 2015	\$ -	\$ -	\$ (0.75)	\$ (0.75)		
Tanzania	\$ 707.9	February 2008	September 2008	September 2013	\$ (5.16)	\$ -	\$ -	\$ (5.16)		
Zambia	\$ 31.3	May 2012	November 2013	November 2018	\$ 8.80	\$ -	\$ -	\$ 8.80		
TOTAL	\$ 7,517.34				\$ 40.18	\$ 19.27	\$ 36.01	\$ 95.46	192,026	85,026

1. 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 through September 30, 2013. Many of these compacts obligated MCC funds to water activities prior to the end of Fiscal Year 2013 and have disbursed or are in the disbursement phase; any amounts listed for FY13 have not been reported or reflect adjustments made to previously inputs to the Senator Paul Simon Water for the Poor Act Reports to Congress.

2. MCC funds are obligated 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 "Compact" and are pro-rated across the three water categories of "Drinking Water, Sanitation and Hygiene, Water Resources Management, and Improved Agricultural Productivity." The figures in the column represent all grants for each compact (i.e. 609g, CIF, Compact). These cumulative obligations 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.

3. Total cumulative obligations as of September 30, 2013 were approximately \$8,907 billion; however, the total obligations provided in this table of \$7,517 billion reflect the total cumulative obligations for MCC compacts that include Water for the Poor eligible activities as well as other non-water related projects and activities such as transportation projects. Total cumulative obligations include amounts budgeted for program administration and monitoring and evaluation.

4. Although Compact signature dates are provided, earlier obligation of funds at the signing of Compact Development Funds or 609(g) agreements and Compact Implementation Funds (CIF) occur as described in Footnote 2 above.

5. Beneficiaries for eligible Senator Paul Simon Water for the Poor Act water activities are only listed for compacts in FY2013. Based on preliminary projections conducted at compact closeout, the Mozambique Urban and Rural Water Activity will benefit 179,985 and 184,800 beneficiaries respectively over the next 20 years. The Urban Drainage component is expected to deliver benefits for 514,525 beneficiaries over the same period. Final beneficiary numbers will be drawn from impact evaluations, with results expected in late 2014 and 2016. The Tanzania Water Sector Project will generate benefits for 2,801,856 beneficiaries over 20 years based on initial estimates. Final beneficiary numbers will be drawn from an impact evaluation, with results expected in December 2016. These final beneficiary numbers will update preliminary figures provided in current and past Senator Paul Simon Water for the Poor Act Reports to Congress.