



GUATEMALA

High-Priority Country Plan

GLOBAL WATER STRATEGY | 2022-2027

In 2021, Guatemala was designated as a High-Priority Country under the U.S. government Global Water Strategy (the GWS or “Strategy”). Over the next five years of the Strategy period, USAID/Guatemala will continue to work with the Government of Guatemala (GOG) and other stakeholders to strengthen water sector governance. The key focus areas are: coordination among the national, municipal, and local levels; expanding safely managed drinking water and sanitation services through municipal, community, and private sector providers, especially in Indigenous communities; and increasing these services’ resilience to climate-related shocks and stressors through holistic water resources planning for drinking water, agricultural production, and the environment. USAID/Guatemala’s assistance will increase access to safely managed drinking water for 500,000 Guatemalans and to safely managed sanitation services for over 100,000 Guatemalans; mobilize at least \$800,000 for water, sanitation, and hygiene (WASH) products and services and for climate-resilient water resources management (WRM); and strengthen 125 water and sanitation sector institutions to manage water resources and/or improve water supply and sanitation services.

CONTEXT

Safe and reliable drinking water, sanitation, and hygiene (WASH) services and well-managed water resources are critical for the economic growth and public health of Guatemala. The country has several advantages it can build on to achieve these goals. Guatemala has a well-established decentralized governance structure in which service delivery is delegated to municipal governments. It has relatively abundant water resources for agricultural, industrial, public, and domestic uses. Baseline access to drinking water services is high: 94 percent of households have at least basic drinking water access and 95 percent have a drinking water supply on premises, including 79 percent of rural households.¹ Two-thirds of drinking water systems run entirely by gravity, obviating costly pumping. In relation to hygiene, awareness of the importance of handwashing is high because of the COVID-19 pandemic.

Despite these advantages, Guatemala faces several pressing challenges in the WASH and WRM sector, including:

Low-quality services. Although basic water access is extensive, the safety and reliability of many water systems are poor. Only 56 percent of Guatemalans have access to safely managed water and the country is off-track to achieve Sustainable Development Goal 6. Microbial contamination is the most common cause of water supply service not attaining safely managed status.² Even where piped water supplies exist, unreliable, intermittent service increases microbial contamination and makes handwashing difficult. Sanitation access lags behind water access, especially in rural areas. Sixty-eight percent of Guatemalans use at least basic sanitation and 3 percent continue to practice open defecation. Data on access to safely managed sanitation that include the status of safe treatment are unavailable.

Threatened and polluted water resources. The country’s water resources are under increasing pressure from land use changes, pollution from urbanization, encroachment on water-producing areas, extreme flooding and drought due to climate change, and overexploitation. Uncertain land tenure in watersheds translates to unregulated

land use, soil degradation, and erosion. As urban areas expand, runoff, untreated wastewater, and landfill leachate are contaminating groundwater and surface waters and flood risk is increasing. A distressing outcome of these trends is that every body of water in Guatemala is moderately, if not critically, contaminated based on established biological and chemical standards.

Inequity. WASH and WRM are highly inequitable across the rural-urban divide, wealth status, and between Indigenous and non-Indigenous Guatemalans. Forty-six percent of rural households have safely managed water compared to 65 percent of urban households. Fifty-six percent of rural households have at least basic sanitation compared to 79 percent of urban households. Yet the most pronounced differences in sanitation access occur across socioeconomic groups.³ Only 36 percent of households in the lowest wealth quintile have basic sanitation, while 94 percent of those in the highest wealth quintile do; only 33 percent of Indigenous people have improved sanitation facilities compared to 70 percent of non-Indigenous people.⁴ Most of Guatemala's water resources also fail to reach rural and economically disadvantaged populations who depend on water to sustain their livelihood practices.

Weak governance and public investment. Water management and governance policies are dispersed across public institutions focused on health, environment, food security, and rural development, leaving gaps in coordination, enforcement, and legal clarity. The GOG has central regulations and policies for local institutions, which affect and limit decision-making at the local level. Government jurisdiction is not technically decentralized, and local institutions cannot react to local contexts without adhering to central-level guidance and protocols. A general water law, which does not yet exist, could define a national water authority, provide unifying guidelines, and align efforts between water governance and conservation entities. Public investment in the WASH sector has favored urban areas, which has contributed to rural-urban inequality, especially low sanitation access in rural areas. Service delivery monitoring by the central government is virtually nonexistent, which contributes to poor service delivery accountability and low trust in public institutions.

NATIONAL PRIORITIES

This plan will contribute to achieving the GOG's WASH and WRM goals, which were established in the National Development Priorities and the National Development Plan—K'atun 2032:⁵

- By 2032, public institutions and society will have a consensus on a General Water Law, with a focus on integrated water resources management.
- Achieve 90 percent access to improved water and sanitation services.
- By 2030, achieve universal and equitable access to safe and affordable drinking water.

Municipal governments are constitutionally responsible for delivering public services, including financing, constructing, and operating drinking water and sanitation systems. They typically have a Municipal Water and Sanitation Office (Oficina Municipal de Agua y Saneamiento, OMAS) to deliver these services in urban areas and coordinate with community water committees (Comités Administradores de Agua Potable, CAAPs)^{6,7} that manage small water systems in rural communities. In practice, other public, private, and community entities also provide drinking water and sanitation services. Multiple neighboring municipalities can pool their resources to provide services in affiliations known as mancomunidades. Public water utilities serve most of the two largest cities, Guatemala City and Quetzaltenango (Xela). Private piped water and tanker truck businesses also serve a substantial proportion of the urban population.

At the national level, the Ministry of Public Health and Social Assistance (MSPAS) is responsible for compliance with water and sanitation laws and promotes improvements in infrastructure. Several other government entities are involved in planning, financing, and regulating WASH and WRM, though they have overlapping mandates. The National Institute for Municipal Development (INFOM) supports municipal governments and operates two rural water initiatives. The Ministry of Environment and Natural Resources (MARN) is the lead entity for water resources and environmental quality. In the executive branch, the Secretariat of Planning and Programming of the Presidency (SEGEPLAN) provides technical and planning assistance to public institutions, sets national development goals, and coordinates non-loan official development assistance.⁸

From 2010 to 2015, Guatemala invested approximately \$48 million per year in WASH, or 0.23 percent of GDP, with an execution rate of 74.3 percent. The national WASH budget increased to \$433 million per year by 2021, or 0.56 percent of GDP, with 83 percent of funding dedicated to drinking water and 17 percent to sanitation.⁹ Spending is

channeled through the municipal governments. Under the Peace Accords of 1996 and the Decentralization Law of 2002, municipal governments receive a “central government transfer” of 10 percent of government ordinary revenue, plus 1.5 percent of the 10 percent value added tax. Municipalities are required to spend at least 90 percent of the central government transfer on infrastructure, including—but not limited to—potable water and sanitation.

USAID APPROACH AND RESULTS FRAMEWORK

Over the next five years of the GWS, USAID/Guatemala will continue to work with the GOG and other stakeholders to strengthen water sector governance, with a focus on coordination among the national, municipal, and local levels; expand safely managed drinking water and sanitation services through municipal, community, and private sector providers, especially in indigenous communities; and increase these services’ resilience to climate-related shocks and stressors through holistic water resources planning for drinking water, agricultural production, and the environment.

USAID/Guatemala has various mechanisms with WASH and WRM investments. To improve coordination, the Integrating WASH (I-WASH) Activity will serve as a hub to coordinate partners, incorporate evidence-based approaches, and provide technical assistance to other mechanisms in service of USAID/Guatemala’s WASH and WRM objectives. I-WASH will focus local implementation in two departments in western Guatemala, Quiché and Huehuetenango.



STRATEGIC OBJECTIVE I

Strengthen Water and Sanitation Sector Governance, Financing, Institutions, and Markets

Intermediate Results (IRs):

IR 1.1 Develop, strengthen, and implement inclusive laws, policies, and regulations: USAID/Guatemala’s governance work will advocate for and support the creation of a General Water Law to improve the effectiveness of governance and public investment in the sector; the passage of which is a priority of the National Development Plan. At the national and departmental levels, USAID will focus on advocating for and addressing key regulatory and procedural bottlenecks that are impeding the quality of services and WRM. At the national level, the Mission will work directly with relevant Ministries, Commissions, and other government bodies to provide technical assistance to strengthen agencies’ and departmental representatives’ capacity to improve service delivery, reduce redundancies, and streamline implementation of regulations and oversight WASH mechanisms.

IR 1.2 Effectively mobilize and target public and private financing: USAID/Guatemala will advocate and provide technical support for increased public financing through tariffs, taxes, subsidies, and the development of water and sanitation markets. One focus will be mobilizing municipal-level domestic resources to enhance water service delivery. The I-WASH Activity will work to improve national and local public budget processes and oversight, and to increase the participation of youth, women, and Indigenous communities in decision-making entities. USAID/Guatemala will also promote an enabling environment for private sector investment, public-private partnerships, and the development of market-based approaches to service delivery. The I-WASH Activity will assess state financing for private sanitation services such as septic tank emptiers and toilet masons, engage with microfinance institutions to extend financial products for WASH, and build service providers’ capacity to access repayable finance.

IR 1.3 Improve the capacity and performance of regional, national, and subnational institutions: USAID/Guatemala will provide technical assistance to strengthen institutions and collaborations across the national, municipal, and community levels including the MSPCA, MARN, OMAS, mancomunidades, and CAAPs. At the national level, MSPCA regulatory capacity will be strengthened to ensure that water and sanitation quality requirements are upheld by the OMAS. MSPCA’s capacity to adopt watershed and water resources management practices will also be strengthened. I-WASH will specifically address sector workforce development and inclusivity in Huehuetenango and Quiché by, for example, identifying training institutions that could offer WASH and WRM curricula, professionalizing and legally registering CAAPs, creating employment opportunities for Indigenous youth and women in WASH businesses, and strengthening OMAS’ technical, administrative, and financial management skills.



STRATEGIC OBJECTIVE 2

Increase Equitable Access to Safe, Sustainable, and Climate-Resilient Drinking Water and Sanitation Services and Adoption of Key Behaviors

Guatemala is positioned to transition from providing basic WASH services to safely managed services both technically and in alignment with the National Development Plan and Sustainable Development Goal 6. USAID/Guatemala will make significant investments in WASH services and WRM to support this transition.

Intermediate Results (IRs):

IR 2.1 Increase area-wide access to safe, equitable, and affordable sanitation services: USAID/Guatemala will support municipal governments and communities to improve equitable access to sanitation. The I-WASH Activity will focus sanitation investments in Huehuetenango and Quiché, which may include establishing area-wide fecal sludge management plans, awarding grants to rehabilitate sanitation infrastructure, and strengthening the capacity of small and medium sanitation enterprises owned by Indigenous entrepreneurs. Social behavior change interventions that incorporate Mayan perspectives and cosmovision will be implemented to promote the appropriate use of latrines and end open defecation.

IR 2.2 Increase access to equitable, safe, reliable, and affordable drinking water services: USAID/Guatemala will provide technical assistance to municipal governments to improve access to safe drinking water in rural areas, including baseline studies to evaluate access and quality for the most vulnerable populations and communities. It also will build the capacities of select mancomunidades as consolidated service providers. Because most Guatemalans have piped, but not safe, water, a focus will be technical assistance for drinking water disinfection through the installation of chlorination systems, management of residual chlorine in pipe networks, and microbial testing to support the transition to and maintain a safely managed level of service. Other illustrative projects include the construction, upgrade, or rehabilitation of small-scale water systems.

IR 2.3 Improve performance and climate resilience of water and sanitation service providers: USAID/Guatemala has various activities working to support this IR. For example, I-WASH aims to increase the professionalization and capacity of water, sanitation, and hygiene services and the management of water resources. Specifically, this IR will include technical assistance to strengthen WASH service providers' and basin authorities' capacity, support business development activities for water and sanitation businesses owned by Indigenous women and youth, improve data collection platforms for relevant I-WASH municipal and departmental stakeholders and train them on platform use. Support will also include conducting a study of and evaluating the current state of water resources across municipalities; the effects of climate change and opportunities to improve resource management; and relevant national, departmental, municipal, and rural stakeholders to engage across work.

IR 2.4 Increase adoption of key hygiene practices: USAID/Guatemala will promote healthy WASH behaviors and improve hygiene by implementing community-level social behavior change interventions using communications campaigns and reinforcing messaging around positive sanitation behaviors. These interventions will include menstrual health and hygiene management, taking into account Mayan cosmovision and cultural differences among departments and municipalities within the country. Other health programs, such as the Health and Nutrition Project (PSN) and Breakthrough Action (BA), include interventions to promote improved WASH behaviors at the household and community levels to improve health and nutrition outcomes. Various programs in the agricultural portfolio promote improved WASH behaviors, including the agricultural development activities in Quiché and Huehuetenango.



STRATEGIC OBJECTIVE 3

Improve Climate-Resilient Conservation and Management of Freshwater Resources and Associated Ecosystems

Intermediate Results (IRs):

IR 3.1 Allocate and use water resources more equitably and efficiently: USAID/Guatemala will employ elements of integrated watershed management as well as water efficiency practices to ensure a sufficient water supply for human consumption, agriculture, and biodiversity within the basins in the Western Highlands where its activities operate (Huehuetenango and Quiché Departments). Evidence-based technology will ensure that water for agricultural production and value chains meets export quality regulations. USAID/Guatemala will deliver these aspects of WRM through technical assistance to municipalities and river basin authorities.

IR 3.2 Enhance reliability and quality of water resources through watershed management, including protection, restoration, and nature-based solutions: USAID/Guatemala's WASH and agricultural activities will contribute to an integrated watershed management approach aimed at enhancing the reliability and quality of water for multiple uses. Activities will include developing watershed action plans that focus on agroforestry systems using local tree species for reforestation in water recharge zones. These plans engage with agroforestry crop producers and forest incentive program participants to develop participatory management plans. The plans are delivered to municipal government entities that promote sustainable watershed management and provide public environmental support services, such as water spring conservation and responsible water consumption promotion. Activities will also promote the establishment of forest nurseries that will allow local communities to participate in reforestation and agroforestry systems with products such as cacao, spices, cardamom, and coffee, as well as community water recharge infrastructure such as micro-dams.

IR 3.3 Improve the climate resilience of WRM: As part of climate-resilient conservation and water resources management, USAID/Guatemala will provide technical assistance to communities on water conservation, reforestation of water spring catchment areas, and social and behavior change communication (SBCC) to prevent animal presence around springs. Additionally, the Mission will work to prevent damage related to environmental hazards.



STRATEGIC OBJECTIVE 4

Anticipate and Reduce Conflict and Fragility Related to Water

Guatemala is vulnerable to some aspects of localized fragility and conflict. USAID/Guatemala will strengthen capacity and coordination related to water using a development-oriented approach, rather than focusing on humanitarian response preparedness.

Intermediate Results (IRs):

IR 4.1 Strengthen capacity to predict, prepare for, and adapt to shocks affecting water and sanitation systems in fragile settings: Due to the potential damage from climate change events and the fragility of WASH services and WRM, local governments are working to support community preparation for increased flooding during the rainy season and droughts during the dry season. These activities include pre-positioning hygiene kits in the most vulnerable communities, contributing to local emergency plan development, and supporting the development of contingency plans to continue basic community water and hygiene services.

IR 4.3 Strengthen cooperation and reduce conflict over water: USAID/Guatemala will support local authorities to identify potential causes of conflict related to water system ownership by coordinating with local government and civil society entities. To support Guatemalans in the eastern Dry Corridor and parts of Alta and Baja Verapaz who may be vulnerable to experiencing high food insecurity, the Mission will provide humanitarian assistance to protect food security, prevent malnutrition, and promote improved WASH and health practices. Activities will

help foster resilience to future shocks and stressors through economic development, such as supporting agricultural livelihoods through production of poultry, improving water management in drought-affected areas, increasing available resources through cash-based transfers (CBT), and tailoring SBCC to promote improved health and WASH practices.

PRINCIPLES

USAID/Guatemala will integrate the Global Water Strategy Operating Principles throughout its programming. The Mission's sector investments, including its central WASH activity, I-WASH, **work through and strengthen global, national, and local systems** for WASH and WRM governance. I-WASH's focus on two largely rural and underserved departments, as well as its goals of expanding sector workforce inclusivity and building relationships with Indigenous civil society organizations, underscore USAID/Guatemala's **focus on meeting the needs of marginalized and underserved people and communities, and those in vulnerable situations**. USAID's approach to water programming incorporates **resilience across all aspects** of natural, economic, and governance systems by holistically considering water resources for human consumption, agricultural production, and the environment in all its investments, as well as **leveraging data, research, learning, and innovation** to implement sustainable solutions.

MISSION RESULTS FRAMEWORK

The approaches and objectives outlined in this plan advance USAID/Guatemala's existing priorities, which are laid out in its Country Development Cooperation Strategy (CDCS):

Development Objectives (DOs):

DO 1: Increased Economic Prosperity, Inclusion, and Stability in Areas with High Illegal Migration:

Investments in watershed planning and water resources management in western Guatemala will improve resilience to stressors related to water security and climate change (IR 1.2), and protected and sustainably managed critical natural resources (sub-IR 1.2.2). Improvements in WASH governance and service delivery along with a focus on inclusion of women, youth, and Indigenous communities and organizations will yield increased prosperity and inclusion.

DO 2: Partner with the GOG and Other Stakeholders to Strengthen Effective and Accountable Governance to Improve Quality of Life and Deter Illegal Immigration: This plan contributes to this objective by improving the quality of social services, including water and environment (IR 2.2). It will enhance national-level social service delivery processes (sub-IR 2.2.1) by strengthening laws, policy implementation, and regulatory capacity in national government entities, such as MSPCA's capability to regulate water and sanitation service quality and municipal governments' watershed management practices. It also will strengthen the decentralized delivery of quality social services in priority municipalities (sub-IR 2.2.2) through resource mobilization and improvement of water and sanitation service delivery by municipal governments, focusing on municipalities in the Huehuetenango and Quiché departments.

KEY RISKS AND MITIGATION STRATEGIES

Climate change is expected to have a severe impact on water security in Guatemala, especially for vulnerable populations. It will increase temperatures, the severity of dry periods, and rainfall variability, thus reducing water quality and availability for human consumption, productive uses, and the environment. Advancing deforestation compounds the effects of climate change on water security. To adapt to this risk, USAID/Guatemala's investments will prioritize water resources and watershed planning, strengthen governance to implement it, and provide technical assistance to municipalities and communities to protect their drinking water sources.

Rural to urban migration is another risk closely tied to climate change. Increased uncertainty regarding the rainy season has exacerbated challenges for small farmers and contributed to mass migration from rural to urban areas. The effects are twofold: urban areas struggle to provide WASH services to the influx of migrants, while rural areas become less productive. USAID/Guatemala will work to strengthen governance structures and municipal WASH service delivery for both rural and small urban areas. Its community interventions will focus on the relationship between climate change and WASH, promoting a green approach to relevant activities during WASH implementation.

Political will to ensure financial commitment and actions that can strengthen water governance and improve WASH

across sectors in Guatemala remains a challenge. To bolster political will, increase donor coordination, and strengthen domestic resource mobilization to improve water governance and WASH overall, USAID/Guatemala will continue to coordinate closely with and advocate to GOG on the importance of allocating sufficient resources, including through advocacy and coordination with other partners. USAID will advocate with presidential advisors to prioritize strengthening water governance and overall WASH services and practices, particularly in communities with the highest need.

BUDGET

This plan is costed based on prior year resources that are still available for programming, the FY 2022 estimated allocation of \$4.16 million, and the FY 2023 President's Budget Request of \$4 million.

EXPECTED RESULTS

Through the 2023 to 2028 period, USAID/Guatemala's activities are expected to achieve the following targets:



100,000 people gain access to at least basic sanitation service



500,000 people gain access to safely managed drinking water service



\$800,000 mobilized for water security, sanitation, and hygiene



Improved performance of **125 water security institutions**

Endnotes

- 1 WHO/UNICEF, [Progress on Household Drinking Water, Sanitation and Hygiene 2000–2020: Five Years into the SDGs](#), 2021.
- 2 WHO/UNICEF, [Progress on Household Drinking Water](#).
- 3 World Bank, [Guatemala's Water Supply, Sanitation, and Hygiene Poverty Diagnostic: Challenges and Opportunities](#), 2018.
- 4 World Bank, [Diagnóstico de Agua, Saneamiento e Higiene y su relación con la Pobreza y Nutrición en Guatemala](#), 2018.
- 5 Secretaría de Planificación y Programación de la Presidencia, Government of Guatemala, [Indicadores de metas PND— Disponibilidad y acceso al agua y gestión de los recursos naturales](#), n.d.
- 6 SEGEPLAN, [Política Nacional del Sector de Agua Potable y Saneamiento](#), n.d.
- 7 Acronyms for entities in Guatemala are in Spanish to match their official names.
- 8 SEGEPLAN, n.d.
- 9 WHO, [UN-Water Global Analysis and Assessment of Sanitation and Drinking-Water \(GLAAS\) Data Portal](#), 2021.