

USAID's Water, Sanitation, and Hygiene Finance 2 Activity

- 5-year program from October 2022 to September 2027
- Focus on Kenya, India, and Ghana with potential for another 7 countries
- Builds upon the successes of USAID's WASH-FIN activity (2016-2022) across 10 countries in Africa, Asia, and Latin America
- Works with service providers to improve climate resilience in support of the Presidents Emergency Plan for Adaptation and Resilience (PREPARE)
- Goal is to leverage partnerships to mobilize \$375 million for climateresilient water and sanitation services by 2027

WASH-FIN 2 Team

Tetra Tech: A leading provider of higher consulting and engineering services with 40 years of experience working with USAID to expand access to water and sanitation services.

Castalia: Experience strengthening sector financing strategies, designing regulatory frameworks, leading utility reform, providing transaction advisory services, and securing access to climate finance.

Environmental Incentive S: Leaders in communications and knowledge management, adaptive management, and global learning.

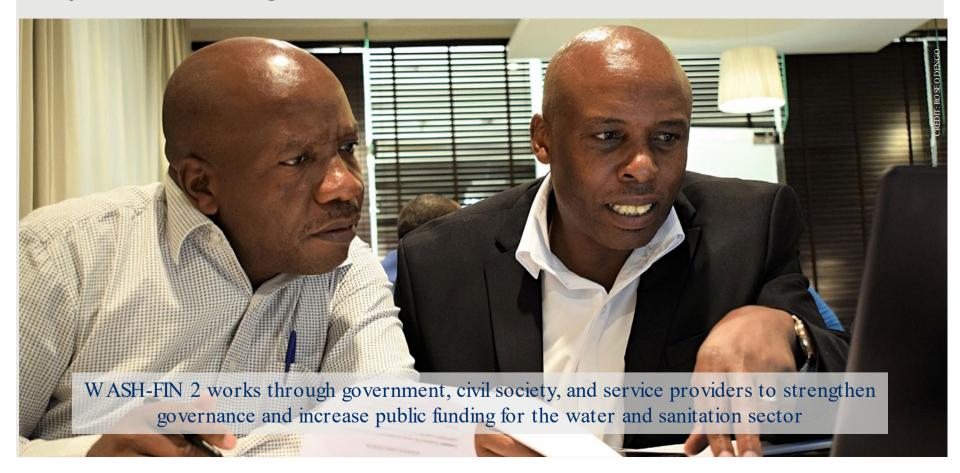
Planet Partnerships: Expertise improving WASH public-private partnership (PPPs) policies and designing viable PPP investments.

SEGURA: Skilled in legal and regulatory support, capacity building, and improving WSSP governance, budgeting, and financial performance.

USAID's WASH-FIN 2 will:

- Work with government and local stakeholders on legal, regulatory, and other governance structures to improve the enabling environment for service provider performance
- Work with select water service providers on performance improvements to increase profitability, creditworthiness, and customer satisfaction
- Work with financial institutions and service providers to increase access to sustainable sources of capital for climate-resilient WASH infrastructure

Objective 1: Strengthen Governance



Strengthening Governance

WASH-FIN 2 will provide targeted technical assistance in:

- Carrying out an Enabling Environment Assessment (EEA)
- Supporting operationalization of the Intergovernmental Water Sector Coordination Framework (IGWACF) for improved coordination
- Defining framework for MOWS&I to strengthen sanitation management for greater private sector engagement
- Streamlining tariff application process to enable improved revenue collection and WSP financial resilience

Objective 2: Improve Performance of Service Providers

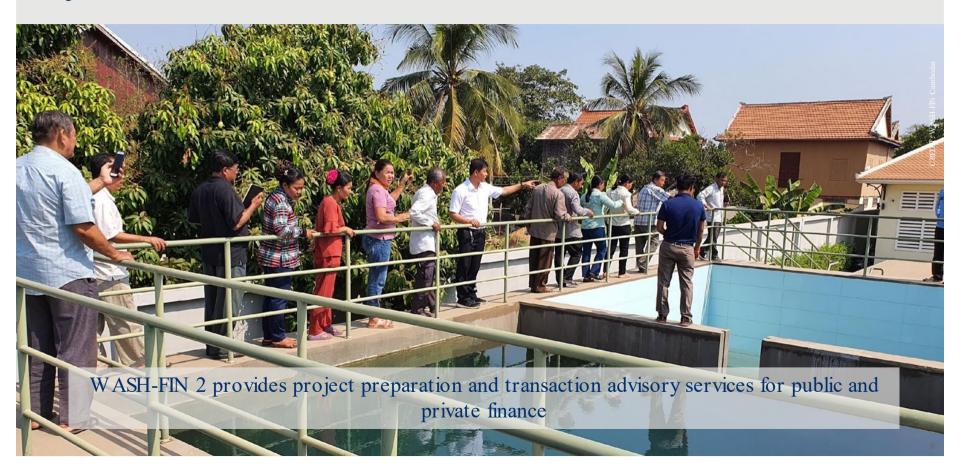


Improving Performance of Service Providers

W ASH-FIN 2 will assess select utilities on willingness to reform, existing baseline indicators, and set realistic performance improvement targets for a two- to three-year engagement.

- Support service providers to design improvement measures customer management software, billing and revenue collection, energy cost reduction activities.
- Provide limited catalytic grant funding to selected service providers to help optimize funds and maximize impact.
- Provide hands-on training and coaching to implement performance improvements and data management.

Objective 3: Mobilize Finance



Mobilizing Finance

WASH-FIN 2 will...

- Provide on-demand transaction advisory services to water and sanitation service providers for investment-ready projects.
- Partner with counties to identify opportunities to access climate targeted and other sources of finance, such as the Financing Locally Led Climate Action (FLLoCA).
- Explore the feasibility of bundling multiple projects to create necessary scale for public-private partnerships for small dams.
- Support finalization of the Water Sector Trust Fund feasibility study for a revolving loan facility and develop an operationalization plan.

Mobilizing Finance: A focus on sanitation

WASH-FIN 2 will build on WASH-FIN's work to continue the success around sanitation and expand impact to more stakeholders.

- Continue the design and implementation of sanitation fees and connection policies.
- Continue supporting improvement of private sanitation service providers' businesses.
- Assist investor-ready sanitation service providers to access finance and funding.

Objective 4: Advance Global Learning and Partnerships



Advancing Global Learning and Partnerships

Through the development of working partnerships, WASH-FIN 2 will...

- Collaborate with stakeholders across Kenya to explore how to help sector actors strengthen governance, improve service provider performance, and mobilize finance.
- Document progress and results and share practical tools and guidance with stakeholders in Kenya and globally to enable adoption and scale up of good practices.

WASH-FIN 2 Intermediate Results

- 1. Improved governance and management capacity of national and since institutions
- 1. Improved service provider operational performance, financial management and climate resilience at national and/or county levels
- 1. Public and private financing effectively mobilized
- 1. Increased dissemination and communication of actionable findings, experiences and lessons learned



THANK YOU

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