



WATER AND DEVELOPMENT STRATEGY

Frequently Asked Questions

1. How were the priority countries selected? What methodology was utilized and who within the Agency provided input and/or clearance?

The Strategic Objective 1 (SO1) priority countries were identified through an analysis that took into account: 1) the country's need and vulnerability as evidenced by the proportion of the population without access to improved water supply, sanitation, and hygiene (WASH) services and key health indicators; and 2) the host country's opportunity and potential to achieve significant impact (a qualitative analysis by water specialists familiar with the Missions' programs). The Strategy Implementation Working Group agreed upon an initial list that was then circulated within the Regional and Pillar Bureaus. Ultimately, the Water Sector Council (composed of Senior Management/DAA's from relevant bureaus) reviewed and approved the draft list. The countries on the list represent a diverse spectrum of the current level of development in the sector, as well as potential opportunity to make significant headway. It is recognized that the Strategy will be applicable to each in a distinct way.

The SO2 countries were selected by assessing Feed the Future (FTF) country prioritization and the extent to which FTF priority countries have significant water issues (large scale irrigation schemes, significant arid/semi-arid zones, increasing variability of rainfall).

2. When will the list of priority countries be finalized?

Washington is currently engaging with individual Missions regarding their proposed priority status. Currently, Kenya, Ethiopia, Indonesia, South Sudan, Nigeria and Liberia have committed to Tier 1 status. Note that the list is not meant to be fixed for the life of the Strategy. Based on regular assessment and discussion with Missions, countries may shift between tiers based on country contexts and Mission and Agency priorities.

3. If an SO1 priority country is also a SO2/FTF country, what does this mean for its work in relation to both SO1 and SO2?

Designation as a SO1 priority country does not preclude a Mission from focusing on SO2. The Strategy envisions increased integration and holistic attention to the various uses of water, as appropriate to the country and Mission priorities. The SO1 country priority ranking process and the three tiers specified help us prioritize work on water for health and specifically to help direct earmarked funds in a more concentrated manner. There is no directive or earmark for SO2/water for food, but we anticipate that SO2 efforts will focus on

agricultural resilience and productivity elements that would primarily be funded with food security funding or climate adaptation funding.

- 4. The criteria for Tier 1 countries notes that there should be pre-existing conditions which include an "opportunity which would enable additional USAID resources and focused programming to result in WASH development impacts at national scale." Does this imply that Tier 1 countries are intended to work throughout the country, as opposed to within select geographies?**

No country will have sufficient resources to support direct field activities (i.e., service delivery investments, infrastructure construction) across the entire country. However, it is expected that Tier 1 countries will identify specific geographies or "zones of influence" that are of strategic significance and have potential for significant impact. It is also expected that the primary means of achieving impact at the national scale will be through improved policies that promote a national enabling environment and/or improved sustainability (in terms of service delivery, environmental management, or climate resilience). It is expected that Tier 1 countries will combine direct investments in infrastructure with complementary enabling environment efforts to have broader impact outside the targeted geographies receiving direct field support. We would also expect Mission participation in country-led donor coordination exercises related to water and sanitation programming.

- 5. The criteria for priority countries note that, "countries should expect that WASH earmark funding will increase." What does this mean in practice? Does increased earmark also imply increased discretionary funds?**

Based on Mission feedback and consultations with the Office of Budget and Resource Management (BRM) and the Regional Bureaus, priority countries will no longer be expected to program at specific dollar thresholds. Given the current budget climate, an increased water earmark does not imply increased discretionary funding. Recognizing programming constraints across the Agency, the Strategy Implementation Working Group will work individually with each country to determine their potential and interest in taking on additional water earmark. This may be a step-wise process for some countries depending on their programming cycle and the degree of flexibility they have given current directives. Through the 653(a) process, representatives from all relevant bureaus will participate in discussions and decisions for allocating water earmark allocations across priority countries.

- 6. The criteria for priority countries notes that, "water/WASH must be explicit in the results framework" of the Country Development Cooperation Strategy (CDCS). If a country has previously finalized its CDCS without explicit inclusion of Water/WASH, what process has been identified for amendments?**

If a priority Mission's CDCS does not currently include recognition of water/WASH, we have identified the following process, through ADS 201.3.7 (Changes to the CDCS), to ensure that the Mission's intent is documented for existing and incoming staff, auditors, other personnel, and new partners. If changes are needed to the development hypothesis or the Results Framework at the Intermediate or Sub-Intermediate Results (IR/Sub-IR) level, the Mission must capture those changes within its own documentation. We anticipate that

changes related to water/WASH will typically be made at this level. If substantive changes at the Development Objective (DO) or Goal level are made, Missions are required to prepare and submit a short justification memorandum to Washington for Regional Bureau approval and Bureau for Policy, Planning, and Learning (PPL) and BRM clearance. If the substantive changes at the DO or Goal level have significant resource implications, the Mission must also submit an updated “program resources and priorities” section, including updated budget scenarios, in addition to a short justification.

7. What resources (technical, financial, etc.) will be available to Missions?

The Agency is developing several support mechanisms and resources to help Missions to program in alignment with the Strategy. Specifically, all countries will have access to the following Washington-funded resources, among others:

- Water and Development Strategy Implementation Field Guide;
- Regional training events and webinars on operationalizing the Strategy;
- Opportunity to buy-in to the soon-to-be-awarded Water and Development IDIQ, which has a ceiling of \$1 billion and can apply to SO1, SO2, and water resource management;
- Opportunity to buy into the flagship Environmental Health Activity, WASHplus, through FY 2015;
- Water Point, the Agency's new central repository for water-related information (under development); and
- Technical Assistance (TA) from Washington for water program design and implementation efforts.

Priority countries will also have access to:

- Strategy-related briefing by USAID Global Water Coordinator Chris Holmes and Washington technical staff;
- Country assessments and sustainability analyses provided through USAID support (Tier 1 countries only); and
- Significant TA from Washington for water program design and implementation efforts, including TA for impact evaluation design with possible co-funding.

8. If a Mission has recently designed or begun implementation on a program prior to Strategy release, what are the expectations in terms of program modification to be in alignment with the Strategy?

Missions are in various stages of the program cycle and not all need to or are able to make immediate or substantive changes to their programs. In addition, many Missions have undertaken new project design efforts in recent months with the Strategy in mind. The Strategy and related resources are meant to serve as a guide towards more focused, strategic, and impactful water programs. TA will be made available for Missions that would like to modify existing programs to ensure stronger alignment with core elements of the strategy (e.g., increased focus on gender dimensions in the sector, heightened investments in sanitation, integration of sustainability elements, etc.).

9. What additional reporting requirements will be put in place for priority countries? How has Washington considered the Agency-wide streamlining of reporting and planning as part of this effort?

Washington has strongly considered streamlining of reporting and planning for priority countries under both SO1 and SO2. All priority countries will be expected to report planned programming via Operational Plans (OPs) and annual results via Performance Plan and Reports (PPRs) as in the past. For SO1 priority countries, Washington will review WASH programming as part of existing Mission portfolio review processes. Similarly, Washington will review SO2 water for food programming as part of existing FTF portfolio review processes.

10. How has the Agency defined “sustainability” or “sustainable” in terms of the Strategy? What are the expectations of Missions in terms of “sustainable water programs”?

The Agency is collaborating with other donors, research institutions, and PPL to develop a shared understanding of sustainability in the context of WASH services and water resources. A working paper has been developed that will be distilled into brief field guidance specific to WASH. The paper and guidance will be supplemented with additional information on Water Point. Guidance on definitions, ways to program for effectively sustained service, indicators, monitoring options, tools available in the sector, and relevant applications will be provided.

11. In light of the Strategy, are changes in the water earmark guidance expected in the near term?

The Congressional Directive for Water that originally emanated from the Senator Paul Simon Water for the Poor Act. Commonly referred to as the water “earmark,” the directive has not been consistently applied. The Strategy Implementation Working Group is currently finalizing guidance for the directive that will clarify how water funds should be programmed with an eye towards more consistent application of the directive across the Agency’s water investments. This guidance will be cleared by the Water Sector Council, comprised of DAAs from all Washington-based Regional and Bureaus, and will be applied during the FY 2014 OP process.

12. The Strategy notes that, “USAID will highlight scaling up and strengthening its sanitation programs as a special area of focus in the Strategy.” What are the expectations of the Missions in terms of programming in sanitation?

Due to low access statistics, most priority countries should include sanitation as a key element of their water, health, and nutrition activities. This means an increased emphasis and investment in sanitation in new or existing activities, especially if the Agency is to meet its 5-year target of reaching 6 million people with first-time access to sustainable sanitation services. Strategic investments are encouraged, including at-scale national or sub-national sanitation interventions to develop a strong enabling environment for sanitation improvement. Missions should seek to utilize communal approaches such as Community-led Total Sanitation (CLTS) and Sanitation Marketing (SanMark) rather than traditional

house-by-house or community-by-community interventions, avoiding direct household subsidies for sanitation hardware.

13. The Strategy acknowledges the importance of monitoring and evaluation. What are the expectations of Mission’s in regard to monitoring and evaluating their water programs?

Missions that have water programs should integrate evaluations into the design of projects, when applicable, for the purposes of accountability to stakeholders and learning to improve effectiveness. Evaluation requirements align with the Agency Evaluation Policy, which states that each operating unit is required to conduct at least one performance evaluation of each large project it implements. In addition, any activity within a project involving untested hypotheses or demonstrating new approaches anticipated to be expanded in scale or scope through U.S. Government foreign assistance or other funding sources will, if feasible, undergo an impact evaluation.

14. What role will partnerships have in the implementation of the Water and Development Strategy?

The Strategy emphasizes increasing partnerships to attain the targets of the two SOs. One of the eight operational principles is to leverage “solution holders” and partner strategically. The Strategy encourages coordination with non-governmental organizations, civil society, the private sector, local and national governments, and international donors. It supports a more concerted effort to encourage strategic relationships with bilateral and multilateral donors and to leverage support through multilateral development banks and credit authority mechanisms. The Strategy explains that, “partnerships will help develop innovative approaches to financing and should focus on promoting market-based models of service delivery.” Finally, programs will be more sustainable when partnering with local organizations.