ANNUAL REPORT 2021

SECUTION FUND Cooperation Fund for Water and Sanitation



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Cooperación Española



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Av. Reyes Católicos, 4 28040 Madrid, Spain Tlf. +34 915 838 100

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Management and coordination:

Natalia Gullón Muñoz-Repiso Department for the Cooperation Fund for Water and Sanitation. AECID. Email: dfcas@aecid.es

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Beneficiaries of the Water and Sanitation Programme with a basin approach in the upper part of the Cuilco River sub-basin, Guatemala. © FCAS/ADIMAM



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List of abbreviations and acronyms

- ADIMAM: Association for the Integrated Development of Municipalities of the Altiplano Marquense (Guatemala)
- AECID: Spanish International Development Cooperation Agency.
- ANDA: National Aqueduct and Sewage Authority. (El Salvador)
- ASADAS: Managing Associations of Communal Water Supply and Sanitation Systems (Costa Rica).
- W and S: Water and Sanitation.
- EIB: European Investment Bank.
- IADB: Inter-American Development Bank.
- CODIA: Conference of Ibero-American Water Directors.
- CORAASAN: Santiago Aqueduct and Sewage Corporation (Dominican Republic).
- FCAS: Cooperation Fund for Water and Sanitation.
- DINEPA: National Directorate of Drinking Water and Sanitation (Haiti).
- WPS: Wastewater Pumping Station.
- MT: Management Team
- EIS: Environmental Impact Statement
- NWSS: National Drinking Water and Sanitation Strategy (Ecuador).
- SP: Service Providers.
- FCAS: Cooperation Fund for Water and Sanitation.
- FONPRODE: Development Promotion Fund.
- GADM: Decentralised Municipal Autonomous Government (Portoviejo, Ecuador)
- IWRM: Integrated Water Resources Management.
- INAPA: National Drinking Water and Sewage Institute (Dominican Republic).
- INDRHI: National Institute of Water Resources (Dominican Republic)
- INFOM: Municipal Development Institute (Guatemala).
- INRH: National Institute of Water Resources (Cuba).
- JAAPS: Drinking Water and Sanitation Management Boards.
- JASS: Service and Sanitation Management Boards (Peru).
- JICA: Japanese International Cooperation Agency.

- LAIF: Latin American Investment Facility.
- MAFRON: Commonwealth of Border Municipalities (Honduras).
- MAMSURPAZ: Commonwealth of Municipalities of Southern La Paz (Honduras).
- CPF: Country Partnership Framework.
- MARN: Ministry of Environment and Natural Resources (El Salvador).
- SDG: Sustainable Development Goals.
- PORTOAGUAS: Portoviejo Public Water and Sewage Company (Ecuador).
- DWTP: Drinking Water Treatment Plant.
- WWTP: Wastewater Treatment Plant.
- RALCEA: Latin American Network of Water Resources Management Knowledge Centres.
- ESSAP: Paraguayan Sanitation Services Company.
- RIOCC: Ibero-American Network of Climate Change Offices.
- SENAGUA: National Water Secretariat (Ecuador).
- CEDEX: Hydrographic Studies Centre (Spain)
- IGME: Spanish Geographic Mining Institute (Spain)
- CENTA: New Water Technologies Centre (Spain)
- SWA: "Sanitation and Water for All" initiative.

Introduction

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The economic and social consequences provoked by the global coronavirus pandemic continued throughout 2021, with a significant impact on Latin America and the Caribbean. Despite this, the Cooperation Fund for Water and Sanitation pushed ahead with active programmes -that had been slowed down by the health situation- and began planning and implementing projects that were approved in 2020 to address the pandemic.

Strategically, the Fund continued working on the lines related to **institutional strengthening** in partner countries, **sectoral planning** and the **Integrated Water Resources Management approach** to promote the sustainability of water and sanitation systems and **improve global water governance**.



The new programmes launched in 2021 work along these lines, such as the one aimed at *Ensuring the human right to water by reducing vulnerability in Pedro García* (Dominican Republic): an initiative that will increase the capacities of the Santiago Aqueduct and Sewage Corporation (CORAASAN, according to its initials in Spanish); or the one that will focus on *Institutional and Technical Strengthening for water and sanitation providers to improve resilience in communities in the municipality of Sololá,* in Guatemala. This programme will commence in early 2022, implemented by the NGO Action Against Hunger Guatemala.

In 2021, progress has also been made on **preliminary studies to launch other programmes already approved** in 2020, which will focus on institutional strengthening. They are listed below:

- The programme in El Salvador to promote the Creation of a public policy that guarantees the sustainability of the drinking water and sanitation sub-sector in rural areas - Phase II (SLV-060-B).
- The programme that will take place in Honduras Improvement of water resources management in water-producing microwatersheds and improvement of drinking water and sanitation services in peri-urban and rural areas in the municipality of Siguatepeque, Comayagua (HND-020-B).

In Ecuador, Drinking water and sanitation in rural communities in the San Lorenzo district in light of the COVID-19 health crisis (ECU-052-B).

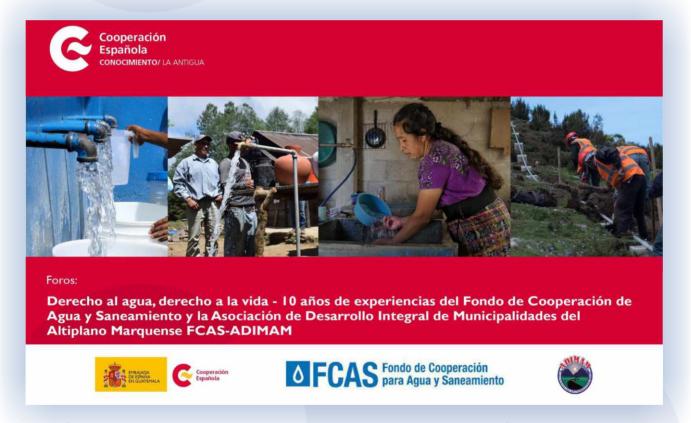
From an Integrated Water Resources Management (IWRM) approach, which implies care and conservation of the environment, over the past few years the Fund has worked on the design and implementation of specific indicators to measure the relationship between the programmes and environmental care from an IWRM perspective. Thanks to these new indicators, which are incorporated into the results matrix of the Fund and the programmes, it can be said that, until 2021, 541 specific actions have been undertaken to protect the resource and 376 technical documents, or guides and procedures have been drawn up using the Integrated Water Resources Management approach. In addition, more than 63,000 people have received workshops and awareness-raising on this issue.

The **gender-sensitive approach** is another of the aspects on which greater emphasis has been placed. In 2021, the indicators have also been revised to better reflect the specific impact of the programmes on women and work has been carried out to develop a series of guidelines and basic working tools to easily incorporate and measure the gender-sensitive approach in the programmes.

In 2021, the Cooperation Fund for Water and Sanitation, one of the most ambitious instruments of the Spanish Cooperation in the water and sanitation sector, continued to work towards the fulfilment of human rights to water and sanitation (HRWS), prioritising the most fragile countries and the most vulnerable populations

Completed programmes:

2021 also marked the end of other projects, which commenced years ago. In September the *Water and Sanitation Programme with a basin approach in the upper part of the Cuilco River sub-basin (GTM-014-B)* came to an end in Guatemala. It was a successful experience working with the Integral Development Association for the Integrated Development of Municipalities of the Altiplano Marquense (ADIMAM) and it had a significant positive impact on the area. Among other achievements, the programme has improved or facilitated access to safe water and/or sanitation for more than 75,000 people. In total, 44 drinking water and sanitation systems were built, 30 were rehabilitated, 14 municipal offices were strengthened, and more than 70 hectares were reforested, with an emphasis on environmental protection. It also contributed to a 97% reduction in water carrying and 72% reduction in acute diarrhoeal diseases in children under 5 years of age. To mark the end of the programme, the Right to Water, Right to Life campaign was held in Guatemala, which served to celebrate and raise awareness of the Fund's 10 years of experience in the Central American country.



As part of this campaign, an exhibition, round tables and the recording of several videos explaining how the project has changed the lives of the beneficiaries were held.

In **El Salvador**, also in September, the *Integrated Water*, *Sanitation and Environment Project (SLV-056-B)* came to an end. Its goal was to increase the coverage, quality and sustainability of drinking water and sanitation services, as well as to strengthen the Integrated Water Resources Management in the sector, providing tools for water governance and strengthening institutional capacities. The programme provided more than 19,000 people





with access to both drinking water and sanitation in their homes and contributed to raising the awareness of more than 4,000 people. It also had a significant impact on environmental protection, promoting the implementation of agro-ecological practices for the protection of water recharge areas - through the establishment of a tree nursery and the delivery of trees to families in the communities, among other activities.

On the other hand, in December, the implementation of the programme Support for the reduction of the deficit in drinking water and sanitation coverage in the framework of the Millennium Development Goals targets for Chile (CHL-001-B) was completed. The intervention benefited more than 18,000 people in total (14,050 with access to drinking water and 4,930 with basic sanitation) and provided training to local organisations and awareness-raising on water and sanitation to 800 people, reducing inequalities and improving the quality of life of the population in dispersed rural areas of Araucanía, where lives a large part of the country's most vulnerable population of Mapuche ethnicity.

Moreover, in Honduras the programme Increase of water and sanitation coverage and integrated management of the lower and middle Goascorán river basin (HND-015-B) was completed. This intervention successfully supplied drinking water to more than 11,000 people and sanitation services to 7,000 people, improving the living conditions of the inhabitants of the Goascorán river basin, from an Integrated Water Resources Management approach, supporting the strengthening of institutions and with a significant component of adaptation to climate change. The intervention focused on 11 municipalities in the area, grouped into two commonwealths: the Commonwealth of Municipalities of Southern La Paz (MAMSURPAZ) and the Commonwealth of Municipalities of the Border (MAFRON).

In Nicaragua, the Programme for the improvement and expansion of drinking water services in 7 cities, was completed between 2015 and 2021. This programme was implemented with the collaboration of the Inter-American Development Bank (IADB) with a total amount of 25 million euros donated by the Water Fund. During 2021, the construction of the Drinking Water Treatment Plant (DWTP) and the distribution network, including house connections, was completed. The system was commissioned at the end of 2021, guaranteeing drinking water to more than 65,000 people, including the inhabitants of the city of Bilwi and the indigenous Miskito communities of Sinsin, Kuakuil, Boom Sirpi and Yulu Tingni. In Nicaragua, the Programme for the improvement and extension of drinking water and sewage services in Nicaraguan localities was completed within the framework of Phase I of PISASH (Integral Sectoral Programme for Water and Human Sanitation), which provided 27,000 people with access to drinking water and more than 22,000 with access to basic sanitation and treated wastewater.

Finally, it should be noted that an extensive programme carried out in **Colombia** called *Expansion of El Bosque water treatment plant and supply to the neighbourhoods in the south-western area of Cartagena de Indias (COL-036-B)* is nearing completion (by the end of January 2022). This has become a comprehensive initiative to improve living conditions in the neighbourhood in addition to improving water and sanitation services, it included training initiatives, creating community productive initiatives, awareness-raising and high local participation. In this country, it was also completed the programme named **COL-037-B**, a programme funded by the AECID, with similar objectives and arising from the synergies promoted by the Fund, which is described in more detail in Section 4.3 of this report.



Actions against COVID-19

During 2021, COVID-19 continued to have a significant impact on communities in Latin America, the Caribbean and around the world. In response, in 2021, the Water Fund began implementing **programmes approved the previous year**, such as the *Drinking Water and Sanitation programme in rural communities in San Lorenzo district (Ecuador) in response to the COVID-19 health crisis*,

Work also continued in coordination with partner countries to continue to promote

hygiene and hand-washing measures, identify the most vulnerable population, support safe water supply, provide localised emergency responses - installation of emergency water points and water trucks -, promote water disinfection measures, strengthen service operators and collaborate with water boards. In addition, basic virus protection materials, such as chlorine and soap, continued to be delivered to the most vulnerable areas.

Partnerships and Institutional Coordination

2021 was a busy year for the Water Fund, which has allowed it to continue working closely with other key development actors in Latin America and the Caribbean. Among other events, the Fund participated in the organisation and implementation of the **1st edition of the Ibero-American Environmental Week**, organised in conjunction with the SEGIB (Ibero-American General Secretariat) and in which it was incorporated a thematic axis on water resourcescoordinated by the Water Fund and the Directorate General for Water (DGA), belonging to the Spanish Ministry of Ecological Transition and Demographic Challenge (MITERD).

AThe Fund also attended World Water Week, organised by the Stockholm International Water Institute (SIWI), with a session on the importance of public toilets, and actively participated in the <u>22nd Conference of Ibero-</u> <u>American Water Directors (CODIA)</u>, which is supported with Spanish funding and technical assistance.

Furthermore, in March, the Fund received the iAgua LATAM 2021 award, which recognises entities that contribute the most to water safety, wastewater treatment and improvements in water and sanitation in Latin America.

Knowledge Management

In order to contribute to the development of the water and sanitation sector in Latin America and to promote the progressive fulfilment of Human Rights to Water and Sanitation (HRWS), the Fund has worked to gather experiences and



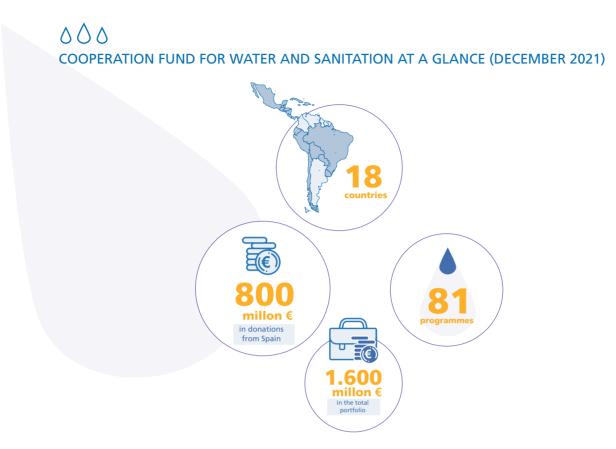
carry out studies that could be useful for partner countries and for the implementation of new programmes. Thus, among other actions, with the support of CEDEX, various guides were published in the last quarter of the year to support the development of the water and sanitation sector in Latin America:

- Analysis of Latin American Regulations on <u>Population Spills.</u>
- <u>Methodologies for Wastewater Treatment</u> <u>Cost Estimation in Sectoral Planning.</u>
- Treatment Plant Performance Test Protocols

A publication focusing on Human Rights to Water and Sanitation was also issued in 2021, under the title:<u>Lessons Learned from the</u> <u>Experience of the Cooperation Fund for Water</u> and Sanitation. Human Rights to Water and <u>Sanitation.</u>This is the first in a series of papers that will later address other aspects of the Fund's work, such as gender, work with indigenous peoples, innovation and governance.



2 FCAS at a Glance



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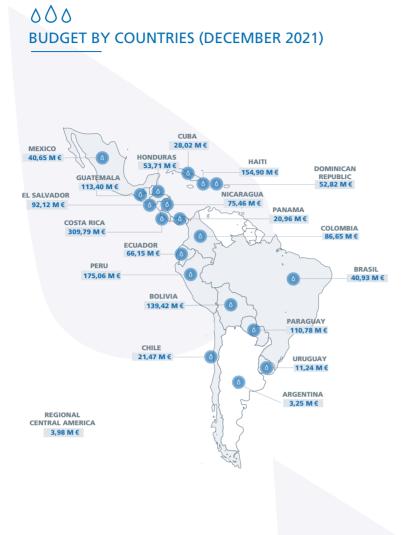
 $\Diamond \Diamond \Diamond$ BENEFICIARIES OF THE WATER FUND PROGRAMS (DECEMBER 2021)







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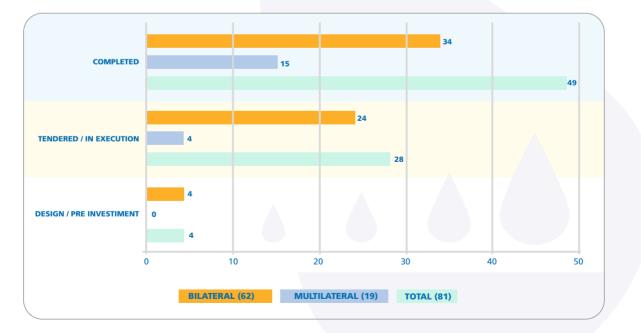
COUNTRY	FCAS IBUTION	LOCAL CONTRIBUTION	TOTAL*
ARGENTINA	1,62 M €	1,62 M €	3,25 M €
BOLIVIA (1)	95,72 M €	43,7 M €	139,42 M €
BRASIL	20,47 M €	20,47	40,93 M €
REGIONAL CENTRAL AMERICA (2)	3,31 M €	0,67 M €	3,98 M €
CHILE	6,77 M €	14,7 M €	21,47 M €
COLOMBIA	58,96 M €	27,69 M €	86,65 M €
COSTA RICA (3)	13,91 M €	295,88 M €	309,79 M €
CUBA	11,74 M €	16,28 M €	28,02 M €
ECUADOR	28,57 M €	37,58 M €	66,15 M €
EL SALVADOR	66,22 M €	25,9 M €	92,12 M €
GUATEMALA	67,89 M €	45,5 M €	113,40 M €
HAITI	119,65 M €	35,26 M €	154,90 M €
HONDURAS	49,03 M €	4,67 M €	53,71 M €
MEXICO	20,33 M €	20,33 M €	40,65 M €
NICARAGUA (3)	62,68 M €	12,78 M €	75,46 M €
PANAMA	10,48 M €	10,48 M €	20,96 M €
PARAGUAY	71,33 M €	39,45 M €	110,78 M €
PERU (4)	58,89 M €	116,18 M €	175,06 M €
DOMINICAN REPUBLIC	26,36 M €	26,46 M €	52,82 M €
URUGUAY	5,52 M €	5,73 M €	11,24 M €
TOTAL	799,44 M €	801,31 M €	1600,76 M €

e in the local contribution with 2020 data, due to misprint in th

BOLUNA: Difference in the local contribution with suce data, use to imaginary mean provent. REGIONAL CENTRAL AMERICA: This data relates to regional programmes implemented in different countries in Central America PERU: Budget reduction due to the reinburstemport of the programme PERU: 38 and the PERU: Budget reduction due to the reinburstemport of the programs PERU: 38 and the PERU: Budget reduction due to the reinburstemport of the programs PERU: 38 and the PERU: Budget reduction due to the reinburstemport of the programs PERU: 38 and the PERU: Budget reduction due to the reinburstemport of the programs PERU: 38 and the PERU: Budget reduction due to the reinburstemport of the programs PERU: 38 and the PERU: Budget reduction due to the reinburstemport of the programs PERU: 38 and the COSTA RICA AND NICARAGUA: Slight increase in the local contribution compared to 2020. Minor differences in the sum of both contributions due to non-visible decimals

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EVOLUTION OF THE FCAS BUDGET. FUNDS COMMITTED BY YEAR (MILLION EUROS). DECEMBER 2021

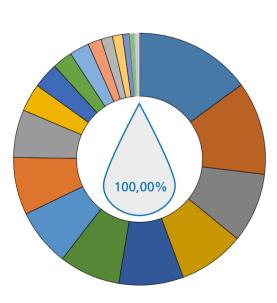
AWARD	BILATERAL million euros	MULTILATERAL million euros	TOTAL FCAS million euros				
Budget 2017	382,85	396,97	779,82				
December 2017	284,55	333,08	617,62				
%	74,32%	83,90%	79,20%				
Budget 2018	403,60	396,97	800,57				
December 2018	304,06	358,17	662,24				
%	75,34%	90,23%	82,72%				
Budget 2019	403,65	397,68	801,33				
December 2019	316,43	379,75	696,18				
%	78,39%	95,49%	86,88%				
Budget 2020	403,65	395,73	799,38				
December 2020	332,88	390,97	723,85				
%	82,47%	98,80%	90,55%				
Budget 2021	403,71	395,73	799,44				
December 2021	349,35	395,04	744,39				
%	86,53%	99,83%	93,11%				

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EVOLUTION OF THE FCAS BUDGET, FUNDS PAID BY YEAR (MILLION EUROS). DECEMBER 2021

AWARD	BILATERAL million euros	MULTILATERAL million euros	TOTAL FCAS million euros				
Budget 2017	382,85	396,97	779,82				
December 2017	234,89	299,10	533,99				
%	61,35%	75,35%	68,48%				
Budget 2018	403,60	396,97	800,57				
December 2018	272,38	319,48	591,86				
%	67,49%	80,48%	73,93%				
Budget 2019	403,65	397,68	801,33				
December 2019	292,15	346,01	638,15				
%	72,38%	87,01%	79,64%				
Budget 2020	403,65	395,73	799,38				
December 2020	298,71	356,06	654,76				
%	74,00%	89,97%	81,91%				
Budget 2021	403,71	395,73	799,44				
December 2021	323,15	376,66	699,81				
%	80,04%	95,18%	87,54%				

۵۵۵ WATER AND SANITATION COOPERATION FUND BUDGET (DECEMBER 2021)



HAITI	14,97%
BOLIVIA	11,97%
■ PARAGUAY	8,92%
GUATEMALA	8,49%
EL SALVADOR	8,28%
■ NICARAGUA	7,84%
COLOMBIA	7,37%
PERU	7,37%
HONDURAS	6,13%
ECUADOR	3,57%
DOMINICAN REPUBLIC	3,30%
BRASIL	2,56%
MEXICO	2,54%
COSTA RICA	1,74%
CUBA	1,47%
PANAMA	1,31%
CHILE	0,85%
URUGUAY	0,69%
REGIONAL C. AMERICA	0,41%
ARGENTINA	0,20%

Distribution of FCAS Budget:
Least developed countries:
Development in Transition countries:74,71% BOLIVIA PARAGUAY GUATEMALA EL SALVADOR NICARAGUA COLOMBIA PERU HONDURAS ECUADOR DOMINICAN REPUBLIC CUBA
Countries of Advanced Cooperation:
The FCAS allocates 89.96% of its funds to Least Developed Countries and Development in Transition countries

The work of the Cooperation Fund for Water and Sanitation has an important impact on progress towards the 2030 Agenda and the achievement of the Sustainable Development Goals. In relation to SDG6, "Water and Sanitation for All", the Fund works on all of its targets, and this interacts with many other Goals, acting as a lever to drive their realisation. Thus, improved drinking water and sanitation services have a direct impact on the health of the population (SDG3), have a huge impact on promoting gender equality (SDG5), are essential for the proper functioning of schools (SDG4) and are essential for building sustainable cities (SDG11). Furthermore, access to water and sanitation in rural and peri-urban areas contributes to reducing inequalities (SDG 10); joint and adequate management of water resources contributes to peace (SDG 16); and Integrated Water Resources Management (including adequate river basin management) and water purification are essential for a healthy environment and adaptation to climate change (SDG 13). Finally, the chosen working formula of the Fund, whereby the implementation of programmes is initiated by partner countries, and the networking actions with other organisations are key to fostering partnerships for development (SDG 17). Therefore, the work of the Cooperation Fund for Water and Sanitation to support the achievement of SDG 6 contributes directly to the achievement of the majority of the 2030 Agenda.



SDG 1:

End poverty in all its forms everywhere.

Access to drinking water and sanitation is closely linked to a decrease in poverty levels. Firstly, the need to carry water to households entails a significant expenditure of time that could be spent on other more productive tasks. Secondly, where drinking water is not available, it must be purchased, usually through distribution trucks, which tend to be more expensive and not always of the right quality. The Water Fund works to provide water and sanitation to the most disadvantaged populations, focusing its programmes on rural or peri-urban areas, where the needs are often greatest.



SDG 3:

Ensure healthy lives and promote well-being at all ages.

Water Fund actions contribute directly to improving people's health, preventing intestinal or diarrheal diseases such as cholera, and reducing the possible transmission of viruses, for which hygiene is essential, as seen with COVID-19. The programs are usually accompanied by awareness campaigns on hygiene and proper use of the resource.

SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

For education to be equitable, children must have enough time to attend classes and spend hours studying. Having running water at home facilitates school attendance, as they do not have to spend time fetching water to help their families; it prevents illnesses that prevent school attendance and improves and facilitates pupils' personal hygiene. For girls and teenage girls, it is also essential to have a private space in schools for menstrual hygiene. This simple action helps prevent the early abandonment of adolescent girls.

5 EQUALITY

SDG 5:

Achieve gender equality and empower all women and girls.

Making progress on SDG 5 is one of the priorities of Spanish cooperation policy and one of the cross-cutting themes of the Cooperation Fund for Water and Sanitation's work. Access to safe water and sanitation makes life easier for women, who are the main providers of water and food in families. In addition, all our projects incorporate a gender focus to support the empowerment of women, to promote their presence in senior positions in the Water Boards and their effective participation in decision-making.

In this respect, work is being carried out in three areas: 1) training and incorporation of women into senior management positions; 2) gender mainstreaming in institutional strengthening, improving the legal frameworks of our partner countries to strengthen the water sector and governance in a gender-sensitive way and 3) gender mainstreaming in programmes in a cross-cutting manner and from the beginning of the programmes.

SDG 6: Ensure availability and sustainable management of water and sanitation for all.

The Fund's work has a direct impact on SDG 6, addressing all of its targets together: universal access to water and sanitation, improving quality, implementing integrated water resources management, protecting ecosystems, etc. In addition, it works very specifically on the two cross-cutting targets of SDG 6:

6.a: Management capacity-building: Through the Fund's programmes, the goal is to create capacities that favour the progressive maturation of the water and sanitation sector in Latin America and the Caribbean, promoting the clarification and assignment

of competencies and responsibilities at the different territorial levels, the development of institutional and organisational regulatory frameworks and inter-institutional coordination. This line of action is materialised in all of the Fund's programmes through institutional strengthening and community development components, creating capacities for the management of large programmes through constant and close accompaniment, promoting the use of national contracting procedures and creating technical capacities for the management of services. For capacity-building of water and sanitation operators, twinning and knowledge transfer between Spanish and Latin American providers are being promoted-. It also supports the CODIA Training Programme - promoted by the AECID for more than 20 years - and the capacity-building activities promoted by RALCEA, the Latin American Network of Water Resources Management Knowledge Centres.

6.b Support and strengthen the participation of localcommunities in improving water and sanitation management. The Fund strengthens the participation of local communities in the design and implementation of projects in order to ensure the sustainability of services, and promotes the involvement of communities in the management of services, sometimes by supporting the creation of water boards and associations of water boards. Numerous training and awareness-raising activities arealso carried out in the communities in different areas related to water and sanitation.

SDG 7: Affordable and clean energy.

Goal 7.a aims to "enhance international cooperation to facilitate access to clean energy research and technologies, including renewable energy, energy efficiency, and advanced and cleaner fossil fuel technologies, and promote investment in energy infrastructure and clean energy technologies". In this regard, it is worth highlighting some of the Water Fund's specific initiatives, such as that carried out in Guatemala to promote the generation of electricity through microturbines. The energy generated is used for pumping and electrical systems, thus reducing the operation and maintenance costs of the systems, which is a key issue for the sustainability of the services. Studies have also been conducted in Colombia and Nicaragua in order to include them in other systems that are being funded by the Fund. Moreover, the use **ofsolar energy to obtain water from the sub-soil by means of a pump** was promoted in Honduras, **thus reducing the systems' operation costs**.

SDG 10: Reduced inequalities

The gap in access to water and sanitation is still very large between urban areas and rural or dispersed areas, and the differences widen when it comes to indigenous or Afro-descendant populations.

Therefore, throughout its 13 years of existence, the Cooperation Fund for Water and Sanitation's projects have targeted the most vulnerable populations, in particular those living in rural areas, peri-urban areas of cities and indigenous communities. This does not only mean that they are the beneficiaries of the projects, but rather that the projects have been adapted to the needs, customs and specificities of the communities themselves, with the aim of making the programmes sustainable over time. This has involved, for example, the translation of materials into local languages, and the adaptation of some solutions, whether in terms of infrastructure or methods of implementation. Thus, for example, the construction of **dry toilets in Bolivia** (sanitation solutions that take into account the specificities of the population and the availability of water to adapt to them) or projects through **executing nuclei** (núcleosejecutores) in Peru (a modality whereby the community, not the municipal governments or other authorities, is responsible for hiring the necessary professionals, and the rest of the non-specialised staff is hired from within the community itself, that is involved in the construction of the water and sanitation systems).

SDG 11:

Sustainable cities and communities

SDG 11 seeks to make cities more inclusive, safe, resilient and sustainable. In a rapidly urbanising world, with informal settlements growing by the day and environmental disasters causing widespread damage, adequate sanitation and safe drinking water are essential. The Water Fund's programmes therefore focus on peri-urban areas (in addition to rural areas), with the aim of providing them with access to water purification, sewage systems and drinking water in order to avoid increasing precariousness and inequality in the provision of services. In this sense, work is mainly done in intermediate cities, improving people's living conditions and thus helping them to stay there, preventing the exodus to big cities and the over-concentration of population.



The Fund's programmes emphasise environmental issues, promoting adaptation to climate change through solutions adapted to the needs and capacities of the population, taking an integrated water resources management approach.

Work has been carried out on the protection of river basins and on the diagnosis and study of environmentally affected areas. Many of these projects have been implemented through the Delegated Cooperation by the European Union, within the programme to **Promote adaptation to climate change and integrated water resources management in the water and sanitation sector in Latin America within the framework of the Cooperation Fund for Water and Sanitation(FCAS).** Furthermore, the entire sanitation and wastewater treatment sector has a direct and immediate effect on the environment.



SDG 16:

Peace, justice and strong institutions

Water is a scarce commodity that can lead to conflicts over its use and management, especially where transboundary basins are involved, which can lead to water wars. For this reason, good water management and governance is key, something that is emphasised in the Fund's projects. In this sense, the Fund has worked with a regional vision, through a Technical Cooperation called "Transboundary Water Resources: A Water Safety Framework for Transboundary Basins in Latin America and the Caribbean", implemented by the IADB and supported by the Regional LAIF. The aim is to support the transboundary water management model using tools that make it possible to carry out diagnoses and establish shared management scenarios, minimising conflicts and planning management in a resilient and sustainable manner. This approach has a direct impact on peace-building in the region. The Fund also worked specifically in Colombia, contributing to peace-building.

17 Internet SDG 17: Image: Specific condition of the state of the state

Within the framework of SDG 17, which aims to foster a global partnership for development, the Fund works in two ways. On the one hand, by weaving a network of accompaniment and joint work with the partner countries which, over the years, has made it possible to create a close and trusting dialogue at the highest level. On the other hand, working hand in hand with numerous key national

and international actors and networks within the sector in Latin America and the Caribbean. In this regard, the Fund counts on the Inter-American Development Bank as a strategic partner in the region. Another of the strengths of Spanish Cooperation and the Fund's programmes is that they take advantage of the experience and excellence of Spain's leading institutions in the water sector to cooperate through studies, field visits, technical reports and training in Latin America, within the framework of SDG 17 to promote a global partnership for development.

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B Current situation

3.1 Context

With the ultimate goal of advancing the achievement of human rights to water and sanitation, the Fund has been working in Latin America and the Caribbean for thirteen years, where it has established itself as a leading donor. To date, the FCAS has implemented **81 programmes in 18 countries,** maintaining a privileged dialogue with partner countries and other local, regional and international actors. The interventions carried out by the FCAS respond to the **proposals made by the partner countries themselves,** are aligned with their development goals and the implementation of the programmes is carried out by local institutions, always with the technical support of the Water Fund.

The programmes carried out with the Water Fund's funding are of different types.

- Initially, programmes were fully funded by the Fund and the recipient country (where the local contribution depended on the country's level of development and could be between 20% and 50% of the total programme budget, except in some exceptional cases, where the FCAS funded the entire programme). These are further divided into two types:
 - Those managed directly by the Fund, which are referred to as Bilateral Programmes (identified by the letter "B" throughout this Report). They account for 50.5% of the total portfolio, have been allocated 403.713 million euros in funding and are **divided into 62 programmes, of which 34 were completed by December 2021.** Another 24 are currently under implementation and 4 more are in the design process.
 - Programmes that are carried out in collaboration with the Inter-American Development Bank (IADB) and are referred to as Multilateral Programmes (identified as "M"). They account for 49.5% of the Fund's total donation and cover **19 programmes (15 of them completed by December 2021).** In addition to these programmes, a percentage of the funding managed by the IADB was implemented in the form of "technical cooperation", which are smaller projects, executed by the IADB and without an infrastructure component, which were subsequently implemented to influence various technical aspects of the programmes and help make them sustainable (see Section 4.4.B of this Report).
- In recent years, a number of Delegated Cooperation programmes were also initiated, which rely on donations that the European Union entrusts to its member countries to carry out cooperation actions. This participation takes place through two instruments: the Latin America Investment Facility (LAIF) and the Development Cooperation Instrument (DCI). In these programmes, the FCAS often provides additional funding to focus on very specific aspects, for example, extending programmes to the most remote populations or strengthening the human rights approach.

OVERALL DATA

Until 2021, the Cooperation Fund for Water and Sanitation (Water Fund) has donated 799 million euros, attracting 801 million euros from local and other funders as a counterpart to implement the programmes. This amounts to a total portfolio of 1.6 billion euros.

The portfolio has preferentially targeted **rural or peri-urban areas in the most fragile countries or regions with high vulnerability.** By country, Haiti has received the most donations (almost 120 million euros), followed by Bolivia (95.7 million euros) and Paraguay (71.3 million euros). In addition to this, the European Union has provided funds: the FCAS programmes were used to **raise delegated cooperation funds amounting to 130 millioneuros** which, in turn, promote global programmes for **a total amount of more than 705 million euros**.

The Fund's actions cover several lines of action:

- a) Supporting the provision of services and infrastructure to ensure access to water and sanitation.
- b) Contributing to the **establishment of efficient**, **transparent and participatory management systems**.
- c) Promoting **institutional strengthening** in recipient countries to encourage the implementation of public policies that ensure the sustainability of water resources..
- d) Promoting the **generation and management of knowledge** by collecting experiences and lessons learned to generate resources to improve integrated water management that can be useful both in other Fund programmes and in external projects managed directly by the countries.

Originally, the Fund's interventions were mainly focused on promoting access to water and sanitation; however, it now focuses on broader operations, with a **greater emphasis on strengthening** and assisting in the **development of public policies** to improve water planning and the performance of water operators. In this regard, in 2021, the Fund has worked intensively on four aspects: a) institutional strengthening and support to service operators; b) boosting the sanitation sector and wastewater policy through institutional strengthening tools; c) developing strategic actions in the framework of hydrological planning and Integrated Water Resources Management, favouring adaptation to climate change, and d) the human rights approach.

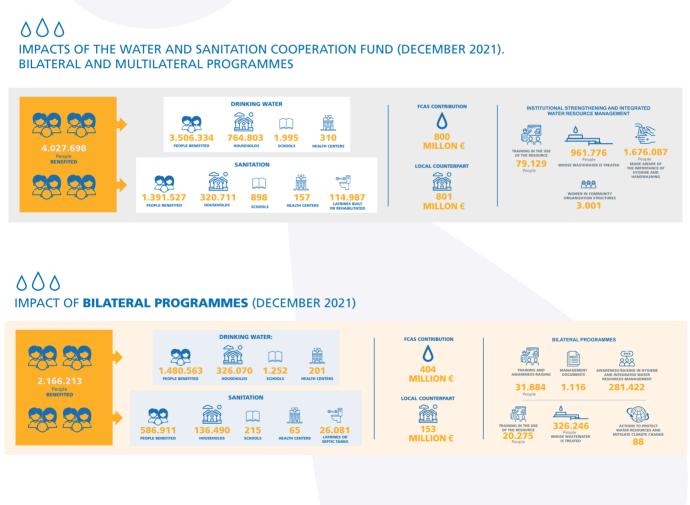
On the other hand, the Water Fund has gone from carrying out individual actions to becoming an intermediary of other actors, articulating the intervention of different funding instruments, incorporating the technical cooperation of Spanish public institutions and fostering the leveraging of funds to prioritise the water agenda.

3.2 Results

3.2.1 Beneficiaries

Throughout 2021, the cumulative work of the Water Fund and partner countries reached a new milestone, surpassing four million beneficiaries. Specifically, 4,027,698 people, according to the activity reports of each of the programmes. Of these, 3.5 million have gained access to drinking water and 1.3 million to sanitation services, with families able to enjoy both.In addition, work has been done to adequately treat the wastewater of 961,776 people.

In order to ensure the sustainability of these actions over time and to help foster community development, the Water Fund has also focused on other vital aspects, such as training for the staff of local, regional and national institutions and raising awareness about the use of the resource.



3.2.2. Impacts on Public Policies

In addition to the quantitative impacts in terms of the number of people benefited or the number of water or sanitation systems built, it is essential to note the work done in

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strengthening the sector and the impact on public policies in the respective countries with which the Water Fund works. This is key to ensuring the sustainability of programmes and guaranteeing that the impact of the actions is sustained over time. For the Water Fund, **this line of work is of strategic importance** due to its contribution to the achievement of the SDGs in the region and the fulfilment of Human Rights to Water and Sanitation.

The issues addressed in this line of work include support to partner countries in adopting **specific measures to improve their water governance policies.**This has involved specialised support for the development of the legal and institutional framework of countries with an Integrated Water Resources Management (IWRM) approach, both in terms of strategic and hydrological planning and institutional capacity-building.

In this regard, some specific actions carried out in 2021 in different countries of the region can be highlighted, such as:

- Accompanying the National Institute of Water Resources of the Dominican Republic in the drafting of the National Plan for the Development of the country's Water Resources, within the framework of the DOM-17-B programme.
- Development of different works for the creation of the Technical Guide for Hydrological Planning in the framework of Integrated Water Resources Management aimed at the Ibero-American sphere, in coordination with CODIA:
 - Work on the characterisation of the legal and institutional framework in Latin America in terms of resources management and hydrological planning, as a starting point for the development of a guide adapted to the countries in the region.
 - Work to define the conceptual framework: objectives and results of water planning, water planning instruments and relationship with other sectoral planning and criteria for the definition of horizons and period of revision of the plan.
- Support to the Bolivian Ministry of Environment and Water in the development of Drought Management Plans to provide drinking water service operators with a tool to support and inform decision-making in the event of drought.
- Support to the National Institute of Water Resources of Cuba in the definition of training programmes and practices for technicians and managers of the institution in the use of technologies to facilitate the management of water resources and the use of decision-making support tools.
- Support to the General Directorate of Water Resources of Honduras (DGRH-H) in the public information phase of the Regulation of the National Water Law, to respond to

the allegations presented. Previously, the Water Fund supported the drafting of this regulation, which is essential for the country to make progress in the regulation of water resources management and in the consolidation of institutions related to water management.

3.3. Progress in Financial Performance

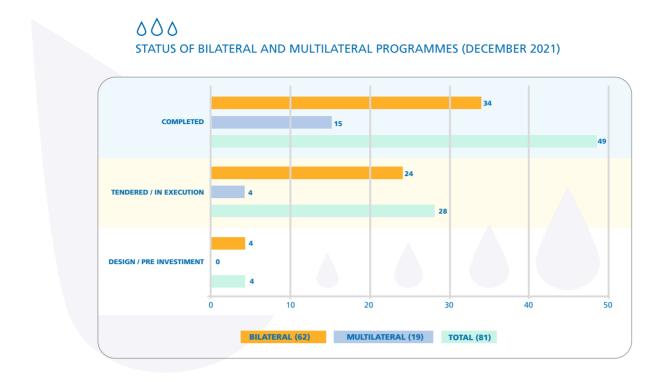
Financial performance figures have reached **93% of the budget in terms of funds pledged** and 87.5% of funds paid as of December 2021. After a slight decline in both indicators in 2020, due to the COVID-19 pandemic and the reinvestment of refunds from already funded programmes, the data for 2021 indicate a recovery in the pace of the programmes.

The difference in the percentage of funds "awarded" and "paid" corresponds to the normal functioning of the programmes, in which the tenders and awards for each project are made first (funds awarded) and only once the contracts have been executed are payments made.

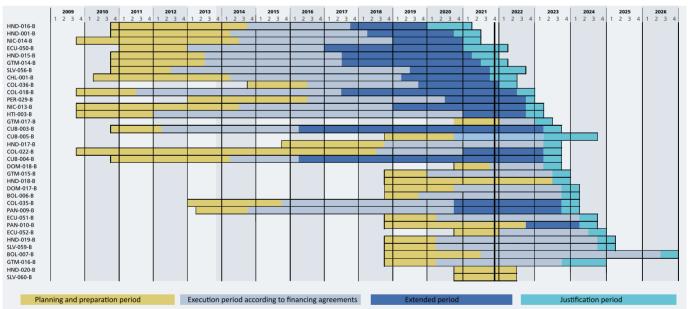
AWARD	BILATERAL million euros	MULTILATERAL million euros	TOTAL FCAS million euros	AWARD	BILATERAL million euros	MULTILATERAL million euros	TOTAL FCAS million euro
Budget 2017	382,85	396,97	779,82	Budget 2017	382,85	396,97	779,82
December 2017	284,55	333,08	617,62	December 2017	234,89	299,10	533,99
%	74,32%	83,90%	79,20%	%	61,35%	75,35%	68,48%
Budget 2018	403,60	396,97	800,57	Budget 2018	403,60	396,97	800,57
December 2018	304,06	358,17	662,24	December 2018	272,38	319,48	591,86
%	75,34%	90,23%	82,72%	%	67,49%	80,48%	73,93%
Budget 2019	403,65	397,68	801,33	Budget 2019	403,65	397,68	801,33
December 2019	316,43	379,75	696,18	December 2019	292,15	346,01	638,15
%	78,39%	95,49%	86,88%	%	72,38%	87,01%	79,64%
Budget 2020	403,65	395,73	799,38	Budget 2020	403,65	395,73	799,38
December 2020	332,88	390,97	723,85	December 2020	298,71	356,06	654,76
%	82,47%	98,80%	90,55%	%	74,00%	89,97%	81,91%
Budget 2021	403,71	395,73	799,44	Budget 2021	403,71	395,73	799,44
December 2021	349,35	395,04	744,39	December 2021	323,15	376,66	699,81
%	86,53%	99,83%	93,11%	%	80,04%	95,18%	87,54%

3.4 Programme Status

As of December 2021, the Fund has 32 active programmes. Of these, **28 are in the implementation phase** (24 of them in the bilateral portfolio and 4 in the multilateral portfolio) and **four other programmes are in the design phase** and are expected to start implementation in the course of 2022. In addition, since the start of the FCAS, 49 programmes have already been fully completed.



δ δ δ forecast for bilateral programmes in execution. Water and sanitation cooperation fund (december 2021)



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FORECAST FOR MULTILATERAL PROGRAMMES IN EXECUTION. WATER AND SANITATION COOPERATION FUND (DECEMBER 2021).

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"The Great Fund"

Water and Sanitation Collection -

The Cooperation Fund for Water and Sanitation is an instrument endowed with budgets from the State Secretary for International Cooperation (SECI). Its extensive work experience and the wide network of interconnections that it has built up over the years have enabled it to bring together the work of other funding bodies, achieving a multiplier effect that has meant that the impact of the programmes has gone far beyond the initial 800 million in donations. Until December 2021, the programmes created accounted for a total value of more than 1,600 million euros. To this, the Delegated Cooperation funds entrusted to Spain by the European Union and the interventions leveraged by these must be added, in addition to the reimbursable cooperation operations of FONPRODE and funds from the AECID.

The combination of all these water and sanitation initiatives established around the FCAS is referred to as The Great Fund and allows the original Water Fund's impact to be multiplied by means of associated instruments, such as technical cooperation, the delegation of EU funds or the coordination of other Spanish Cooperation instruments (reimbursable cooperation, bilateral grants, etc...).

Not only does this suppose a portfolio expansion in economic terms, but it also implies an evolution in the type of actions. It has therefore been possible to set up large-scale operations involving various national and international actors, including contributions from local, regional or national governments, the European Union, financial institutions or cooperation agencies. This maximises their impact, has a truly significant impact on the transformation of the sector, and also simplifies management for the countries involved.

These actions are structured around three main lines of action

- The articulation of actors through partnerships, in line with SDG 17, which aims to create a Global Partnership for Development. The Fund has been a bridge and catalyst for joint initiatives in the sector.
- Support for the drafting of public policies aimed at the implementation of Human Rights to Water and Sanitation (HRWS) and Integrated Water Resources Management (IWRM).
- Knowledge management and the promotion of capacity development, through the AECID's own tools, such as the Intercoonecta programme (Plan for Knowledge Transfer, Exchange and Management) and the network of Spanish Cooperation training centres.

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This Great Fund combines the work carried out in five main areas: 1) delegated cooperation by the European Union, 2) reimbursable cooperation, 3) AECID bilateral cooperation, 4) technical cooperation and 5) major partnerships. The following sections detail the actions carried out in each of these areas.

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4.1 Delegated Cooperation

Delegated Cooperation is a type of cooperation in which one entity entrusts one or more other entities to act on its behalf. In this case, the Cooperation Fund for Water and Sanitation coordinates different water programmes in Latin America and the Caribbean thanks to the EU's trust, some of them through blending instruments (mixed donation and credit funding) channelled through LAIF (Latin America Investment Facility) funds, or through the Development Cooperation Instrument (DCI). In these joint operations, the contribution of the FCAS is usually aimed at including the most remote and vulnerable populations in rural and peri-urban areas in the interventions, ensuring adequate conditions for the effective fulfilment of Human Rights to Water and Sanitation, and the development of public policies. In 2021, eight Delegated Cooperation programmes are in progress, although one of them is still awaiting the formalisation of the remaining funders.

Country	Programme Name	Туре	EU Funds	FCAS Funds	Others*	Total
Bolivia	Integral Urban Water Management	DCI	15 <mark>.0</mark> 0	3	111.1	129.1
Bolivia	Support for the Programme for Water and Sanitation in Urban and Peri-Urban Areas	LAIF	15.00	5	105.55	125.55
Ecuador	Water and Sanitation in scattered rural communities in the Municipality of Portoviejo	LAIF	10	2.3	102.85	113.99
Haiti	URBAYITI:Water and Sanitation	DCI	3	1	0	4
Nicaragua	Integrated Sectoral Water and Human Sanitation Programme (PISASH)	LAIF	50	65.1	198.9	314
Nicaragua	Drinking Water Service in the Altamira - Managua Area.	DCI	10	0	8.9	18.9
Paraguay	Water and Sanitation for the Metropolitan Area of Asunción (AMA) - Lambaré River Basin	LAIF	10	1	Pending formalisation	-
Regional	Adaptation to climate change and integrated water resources management in the water and sanitation sector within the framework of the FCAS	LAIF	15.00	-	-	(The EU contribution leveraged Water Fund programmes worth 367 million and IADB programmes worth 640 million).
Total			128.00			705.54

Delegated CooperationDetails 2021

*Other funders include loans and grants from other entities such as FONPRODE, IADB, local governments, other international development banks.

REGIONAL LAIF: Promoting investment in climate change adaptation and integrated water resources management for the water sector in Latin America in the framework of the Spanish Cooperation Fund for Water and Sanitation (FCAS) - DCI-ALA/2013/319-515

This programme, launched in 2013, aims to increase the impact of the Fund's programmes in the sector and addresses key challenges that are common to several countries in the region, such as Adaptation to Climate Change (ACC) and Integrated Water Resources Management (IWRM). Since its inception, it has enabled the development of innovative knowledge products and platforms, increased the institutional capacity of local governments and provided support for local modernisation and strengthening. It also has an important role to play in supporting the pre-investment and post-investment processes necessary to carry out other projects.

The programme has two components:

Component I: Adaptation to Climate Change (ACC): The aim is to support the inclusion of adaptation measures, especially those related to water safety and extreme events - such as droughts or floods - in both policies and investments related to the water and sanitation sector.

Component II: Integrated Water Resources Management (IWRM): This aims to influence the development of policies and investments in the sector through the promotion of solutions adapted to the needs and capacities of the populations.

The Regional LAIF Programmehas projects in Brazil (Ipojuca Basin), Paraguay (Ypacarai Basin and Patiño and Guarania quifers), Guatemala (Guatemala City), Honduras, El Salvador, Ecuador (Quito), Nicaragua (Managua), Uruguay (Rio de la Plata) and Bolivia (La Paz and El Alto). One of the aims of the programme is to link technical cooperation to investments in the region, under one of the following schemes:

- Advocacy in the FCAS portfolio, to support both the pre-investment phase (through studies and designs) and the post-investment phase (strengthening service management) in the Water and Sanitation Cooperation Fund programmes.
- Impact on new investments, mostly associated with IADB reimbursable cooperation, which mainly supports pre-investment in water and sanitation programmes of relevance to the region.
- The development of knowledge products (review of regulations, development of methodologies, tools and manuals...) that will have a clear impact on future investments in a more strategic way. The aim is that these products, jointly developed with partner countries, will be useful for future investment plans, strategies and policies.

Until December 2021, 37 projects have been implemented under the programme, of which 23 have already been completed. These projects are associated with an investment portfolio of more than 1 billion euros.

Within the framework of the Regional LAIF, **three specific programmes**, approved in 2020, **were implemented** in 2021 **to strengthen coronavirus prevention in the most vulnerable rural communities** in Ecuador and El Salvador.

Ecuador: Support for public drinking water and sanitation services in the provinces of Manabí and Esmeraldas in the context of the health emergency caused by the COVID-19 pandemic, (ECU-LAIF-083): The programme, implemented by the NGO PROTOS, supported public drinking water and sanitation services in Montubio, indigenous and Afro-Ecuadorian populations in the provinces of Manabí and Esmeraldas, promoting the rehabilitation of water and sanitation systems that are operating irregularly or are of poor quality. It also included products for water disinfection in households and communities, as well as actions to strengthen the capacity of communities and municipal services.



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- Two programmes were implemented in El Salvador:
 - SLV-LAIF-114. COVID-19 emergency response supporting drinking water systems in rural communities - PROVIDA.
 - SLV-LAIF-115. COVID-19 emergency response supporting drinking water systems in rural communities - ADES.

Throughout 2021, personal protection kits and drinking water supplies were delivered to reduce the likelihood of contamination and ensure the proper functioning of rural water systems in 60 water boards located in San Miguel, Morazán, Cabañas and La Libertad. This project provided water supply to 4,000 families in the communities and prevented the spread of COVID-19 and other diseases.

Furthermore, it is worth mentioning other activities, such as:

- Pre-investment work for the development of a future programme in the Pilcomayo Basin (located between Bolivia, Argentinaand Paraguay) and support for the advancement of transboundary management of shared water resources. In 2021, a cycle of workshops was held to promote the exchange between public and private actors, social and academic organisations to guide the updating of the Master Plan for the river basin.
- Support for the development of strategies to encourage optimal wastewater treatment. The project, which ended in 2021, has led to wastewater diagnostics and inventories in Ecuador, Uruguay and Bolivia; support for planning processes, project reviews and the design of an experimental wastewater treatment centre in Bolivia.
- Groundwater monitoring platform for Latin America (PASAL) This platform draws data from satellite information and a regional network of local professionals who support data collection and processing. The aim is to develop base lines on the current situation of the main aquifers in Latin America.

DELEGATED COOPERATION IN BOLIVIA

LAIF Bolivia- LA/2017/390-223 Support for the Water and Sanitation for Urban and Peri-Urban Areas Programme.

This is an ambitious programme which aims to provide water and sanitation services to 200,000 people, and is a **clear example of the interaction of actors** and the integration of very diverse instruments for the same objective, **coordinating actions and thus multiplying impacts.** The project has a total of 125.5 million euros to invest in various cities and peri-urban areas in Bolivia and was made possible thanks to funding from various actors. On the one hand, the European Union, through the LAIF Funds delegated to Spain, contributed 15 million euros, which are implemented through two subsidies (BOL-LAIF-019 and BOL-LAIF-103). The FCAS donated 5 million euros (BOL-006-B), in addition to Bolivia's national contribution (22 million euros), an IADB credit of 55 million euros and complementary funds from the Spain-Bolivia debt exchange programme amounting to 27 million euros. The global programme commenced implementation in December 2017 and is scheduled to end in 2024.

Support for the Water and Sanitation in Urban and Peri - Urban Areas Programme	Funding (in euros)
FCAS	5,000,000 (from BOL-006-B)
LAIF Funds	15,000,000 euros (14,700,000 from BOL-LAIF-019 + 300,000 from BOL-LAIF 103).
IADB BlendingCredit	55,555,556 (60 million dollars)
National counterpart	22,222,222 (24 million dollars)
Bolivia-Spain exchange programme	27,777,778 (30 million dollars)
Total	125,555,556

The programme mainly involves strategic investments in infrastructure, support for improved service delivery and management of water resources and strengthening resilience to droughts and floods in urban populations.

The EU funds managed by the FCAS are divided into two grants: a) the 14.7 million euro BOL-LAIF-019, which will cover aspects such as planning (water, sanitation and sustainable urban drainage plans), investments in drinking water and sanitation infrastructure services, water resources management and water and sanitation services, as well as strategic investments aimed at introducing innovative solutions in the sector; and b) 300,000 euros from BOL-LAIF-013, to support the final design of the International Centre for Research and Development in Wastewater (CIIDAR) that can promote solutions adapted to the Bolivian context. The intervention has received technical assistance from the New Water Technologies Centre (CENTA) to support the process of the Pre-investment Technical Design Study that was carried out in 2019. In 2021, the Technical University of Oruro found that the location of CIIDAR on the land belonging to its campus was not the most appropriate, so different locations were studied until a new site was defined, also in Oruro, on land transferred by the Autonomous Municipal Government.

As part of the programme, the first course on <u>Human Rights to Water and Sanitation for</u> <u>Bolivian Journalists and Communicators</u> was held in 2021.

Integrated Water Management in Urban Areas Programme. (DCI/LA/2019/410-047)

The Integrated Water Management in Urban Areas Programme (GIAAU) encompasses Delegated Cooperation funding donated by the European Union amounting to 15 million euros (BOL-CDEL-002) and 3 million euros donated by the FCAS (BOL-007-B), which have been combined with other funders, such as the IADB with a credit of 85.5 million euros, and FONPRODE, with 25.6 million euros. Together, they will generate a programme with a total of129.1 million euros in funding.

This initiative will help the population in peri-urban areas to gain new or improved access to basic sanitation services and promote Integrated Water Resources Management (IWRM) in urban areas, with the aim, among others, of reducing the impact of climate change on the most disadvantaged population. The programme commenced implementation in July 2021, therefore an outline of its progress cannot yet be given. Completion is scheduled for 2026.

DELEGATED COOPERATION IN ECUADOR

LAIF Ecuador. LA/2020/417-023 Sustainable drinking water and sanitation for the rural population of Portoviejo District, Province of Manabí, Ecuador. (ECU-LAIF-083)

This is a 114-million-euro operation involving a combination of funding and donations. On the one hand, there is the so-called "base project", based on credits, and on the other hand, the specific programme to extend the benefits to the most remote populations, which is funded by the FCAS and the EU.

The funds for the overall programme are distributed as follows:

- A donation consisting of FCAS-AECID funds, the LAIF project and the Autonomous Decentralised Municipal Government (GADM) of Portoviejo, which aims to provide drinking water and sanitation to dispersed rural communities and to provide comprehensive support for the implementation of the basic project.
- Credit co-funding between the EIB, FONPRODE, the IADB and Portoviejo's own GADM, known as the "base project".

Ecuador					
Water and Sanitation in Dispersed Rural Communities in the Municipality of Portoviejo					
Programme					
European Investment Bank (EIB)	€54.44 M				
Reimbursable cooperation AECID-FONPRODE:	€15.45 M				
Inter-American Development Bank (IADB)	€25.0 M				
European Union:	€10.4 M				
Water Fund:	€2.31 M				
Portoviejo Government:	€6.39 M. (This amount does not include the VAT contributed by GADM Portoviejo which, as it is reimbursable, is not included in the total amount).				

This amount does not include the VAT contributed by GADM Portoviejo which, as it is reimbursable, is not included in the total amount

Among other actions, the programme envisages a 47km drinking water and sanitation system along the Chico River, projects to serve dispersed rural areas that cannot be connected to the water and sanitation system, and to strengthen the Public Municipal Water and Sanitation Company of Portoviejo (Portoaguas) to reinforce the service, in which the Public Metropolitan Water Supply and Sanitation Company of Seville (EMASESA) participates.

The project has numerous positive impacts, both social and environmental, and aims to ensure the participation of the beneficiary population through the socialisation of the programme in all its phases, in order to achieve sustainable systems.

Throughout 2021, the programme was affected by the health crisis generated by COVID-19 and the inherent restrictions, coupled with the sub-national elections and the consequent change of municipal authorities in May 2021. However, the programme has continued to make progress, especially in the area of social development and work with women.

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DELEGATED COOPERATION IN HAITI

DCI Haiti. FED/2018/398-762 URBAYITI Access to Basic Water and Sanitation Services.

The **URBAYITI:** Access to Basic Water and Sanitation Services programme is ongoing in Haiti, which has 4 million euros in funding, 1 million euros of which corresponds to a donation from Spain, within the framework of the Water Fund's programme, and 3 million euros correspond to funds delegated by the EU.

This action aims to improve access to basic services in the cities of Puerto Príncipe, Jérémieand Les Cayes. 7,350 people are expected to benefit from new access to drinking water and approximately 2,000 from new access to sanitation. Furthermore, the intervention includes planning and rehabilitation works and the construction of sanitary blocks in collective facilities, such as schools, markets, health centres and other public facilities.

DELEGATED COOPERATION IN NICARAGUA

LAIF Nicaragua: Integral Sectoral Programme for Water and Human Sanitation (PISASH)

Nicaragua's Integrated Sectoral Programme for Water and Human Sanitation (PISASH) aims to improve and expand drinking water, sanitation and wastewater treatment services in 19 cities, as

well as to improve capacities for the operation, maintenance and integrated management of water resources with a view to improving the sustainability of these basic social services for the population. The first phase took place between 2014 and 2021.

It has been a meeting point for the efforts of different financial and international development cooperation organisations. The European Union has participated in the implementation of the project (with non-reimbursable resources through the LAIF Initiative); the Spain-Nicaragua Debt Exchange Programme, the Cooperation Fund for Water and Sanitation (FCAS), and the German Development Cooperation. In turn, these grants have been combined with credits from the Central American Bank for Economic Integration (CABEI) and the European Investment Bank (EIB).In addition, the Inter-American Development Bank (IADB) manages some of the investment resources provided by the AECID. The Nicaraguan government's own resources, which is leading the operation, also contribute to this. The first phase has been a huge challenge, not only due to the budget, but also due to the complexity of the actors and the technical difficulties.

Overall, the programme has mobilised more than **314 million euros** in investments and will benefit more than half a million people by the end of the programme.

Three specific FCAS programmes are incorporated into Phase I of PISAH:

- The bilateral Water Fund programme, NIC-014-B, which was initiated prior to the formulation of PISASH and had to be reformulated in order to be integrated into it. This programme was completed in January 2021 and served to improve access to drinking water in the cities of Acoyapa, Santo Tomás and Bluefields, and sanitation in the first two, providing a total of 76,000 people with drinking water and more than 21,000 with sanitation services. It also provided funding for technical support to the public water company ENACAL, both in terms of water management and in improving the operation and maintenance of the new systems installed. The intervention has also improved the sanitation systems of nine public schools in Acoyapa and Santo Tomás and funded a plan to connect 1,100 vulnerable families in both towns to sanitation systems. Extensive awareness-raising work has also been carried out on hygiene, connectivity and payment culture, among other issues, to ensure the programme's sustainability over time.
- The Water Fund's bilateral programme, NIC-013-B (Improvement and Expansion of the Sanitation System of the City of Masaya), which is being implemented and funds the sanitation works in Masaya and the construction of a WWTP. The programme is due to be completed in October 2022.

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The Fund's multilateral programme NIC-056-M, carried out in conjunction with the Inter-American Development Bank (IADB), due to be completed by June 2021. Thanks to this programme, which was specifically funded to facilitate access for the most vulnerable population, 60,000 people belonging to the Miskito communities in the city of Bilwi have access to safe water, with 13,600 household connections installed.

Overall, the first phase of PISASH covered the period 2014-2021 and improved drinking water services for 550,000 people, of which approximately 200,000 received this service for the first time. In addition, improved sanitation coverage reached 170,000 new users.

LAIF Nicaragua-Altamira: Programme for the Improvement of the Drinking Water Service in the Altamira - Managua Sector With a Focus on Sustainability and Equity.

In December 2019, the AECID and the European Union signed the Contribution Agreement LA/2019/411-582 to fund the project "Improvement of the Drinking Water Service in the Altamira - Managua Sector With a Focus on Sustainability and Equity", for a total of 10 million euros, to be implemented by the Nicaraguan public water and sewage company, ENACAL, over a period of 42 months. This project will help to ensure that approximately 40,000 homes will receive a 24-hour drinking water service, reducing the amount of water not billed by 15.15%, increasing revenue to 90% by 2023, **thus ensuring the sustainability of the service. By the end of the project, it is expected that 30,257 families will have made changes concerning hygienic and sanitary behaviour and efficient water use.** The overall goal is to improve the living conditions of the population and to contribute to the effective fulfilment of human rights to water and sanitation. The programme was formally launched in May 2020 and the first tenders to start the planned activities were called throughout 2021.

DELEGATED COOPERATION IN PARAGUAY

Water and Sanitation Project for the Metropolitan Area of Asunción (MAA) - Lambaré River Basin.

Ein 2021, it was formalised the contribution agreement for the Drinking Water and Sanitation programme for the Metropolitan Area of Asunción, Lambaré River Basin, for which the EU had already approved a donation of 10 million euros and to which a credit from the IADB, reimbursable cooperation from the Development Promotion Fund (FONPRODE) and funding from the Water Fund's multilateral portfolio were added. This project will operate in the Lambaré river basin by

Water and Sanitation Collection -

extending the sanitation network, building a Wastewater Treatment Plant (WWTP) and connecting other areas already served by sanitation services to it, thus promoting an overall improvement of the service. The project will also include pilot interventions to reduce unaccounted-for water (UFW), with the aim of achieving efficient water management.

The specific contribution of the LAIF funds will allow the extension of the project scope to include other aspects not contemplated in the credit proposal, such as reviewing and monitoring the Master Plan for the Metropolitan Area of Asunción, preparing a contingency plan for the Paraguayan Sanitation Services Company (ESSAP) and carrying out feasibility studies, preliminary projects and designs. This is in addition to water and sanitation infrastructure in vulnerable households and facilities, high-impact measures to reduce unaccounted-for water losses, water infrastructure for decentralised systems in peri-urban areas. This is also included in activities aimed at developing institutional and social conditions and capacities to develop the sector.

Therefore, the EU contribution aims to improve the environmental and health conditions in the Metropolitan Area of Asunción (AMA) directly benefiting more than 480,000 people, and indirectly benefiting the more than two million people living in the Metropolitan Area of Asunción, by improving their sanitary and environmental conditions. It is expected that during 2022 the operational documents will be put in place so that implementation can then begin.

4.2 Reimbursable Cooperation

Reimbursable cooperation is the modality by which a state or financial entity provides credits to other states with special financial conditions and with the objective of funding projects that promote the development of the countries. In the case of Spanish Cooperation, this type of action is carried out through FONPRODE, the Development Promotion Fund.

In the water and sanitation sector, FONPRODE complements the FCAS portfolio by funding new projects or second phases of Water Fund programmes. At present, the Water Fund and FONPRODE have been making progress in the joint work of identifying reimbursable cooperation programmes in the water and sanitation sector that could be co-funded by the Inter-American Development Bank (IADB) or the LAIF tool and FONPRODE, following the same guidelines and approaches as the Fund.

Currently, 70% of FONPRODE's sovereign guarantee operations in Latin America and the Caribbean are in Water and Sanitation. These include those in Bolivia, Ecuador, Panama and Paraguay, which are detailed below. In all of them, the contributions are recorded in dollars, as this is how credit operations of this type are accounted for:

Bolivia:

In Bolivia, a credit operation is underway to co-fund the Integrated Water Management in Urban Areas Programme (GIAAU). This operation is supported by a 3-million-euro Water Fund donation (through the BOL-007-B programme) and a donation of 15 million euros from the European Union. In addition, a combined operation is being prepared in which FONPRODE would provide approximately 25.6 million euros (30 million US dollars) and the IADB will contribute a further 85.5 million euros (100 million US dollars) in credit. The programme commenced implementation in July 2021 and is expected to directly benefit approximately 515,000 households with new or improved access to safe drinking water and approximately 16,000 households with access to sanitation.

Ecuador:

Two major projects are underway in Ecuador:

- Credit operation to the Autonomous Decentralised Municipal Government of the Portoviejo District (GADMCP) to co-fund the Drinking Water and Sewage Programme of the Portoviejo District. A number of international actors are involved in this 114-million-euro operation: FONPRODE is providing 15.45 million euros in credit, the IADB is contributing 25 million euros, the European Investment Bank is contributing 55.4 million euros and local contributions amount to 6.39 million US dollars. To ensure coverage in rural areas, the programme will be complemented by a LAIF (European Commission's Latin America Investment Facility) donation of 10 million euros, a donation of 2.3 million euros from the local government of Portoviejo.
- Drinking Water and Sanitation Project in Quito. This initiative consists of a joint credit operation to the Quito Metropolitan Public Company for Drinking Water and Sanitation. It represents a total programme of 217.1 million US dollars, of which FONPRODE contributes 40 million US dollars, the Inter-American Development Bank contributes 87 million US dollars and local contributions amount to 90.1 million US dollars.

Panama

Sanitation Programme for the Arraiján and La Chorrera Districts. This initiative is part of a large project with loans from the Inter-American Development Bank (IADB), the CAF-Development Bank of Latin America, the Central American Integration Bank (CABEI) and the European Investment Bank (EIB). Initially, FONPRODE is providing a loan of up to 50 million US dollars, which would exclusively fund the wastewater treatment plant planned under the project; the IADB is providing 25 million US dollars and the other entities are contributing 200 million US dollars. The Water Fund does not provide funding for this operation, but the Spanish Technical Cooperation Office in Panama and the Water Fund itself are doing important work to support and promote the project due to their experience in water and sanitation in the region

Paraguay

- Since 2020, a reimbursable cooperation has been in place with the IADB to co-fund the Drinking Water and Sanitation Project for Small Towns and Rural and Indigenous Communities. The programme has a total budget of 60 million US dollars, of which 20 million US dollars is provided by FONPRODE by means of a credit. This operation does not receive funding from the Water Fund, but is closely related to it as it is a continuation of the PRY-011-M programme (Drinking Water and Sanitation Programme for Rural and Indigenous Communities (PAYSRI)), which ended in 2018, and the funding is focused on rural areas. The programme is estimated to benefit a total of 131,500 people in eight small towns (53,000 inhabitants), 85 rural communities (75,000 inhabitants) and 30 indigenous communities (3,500 inhabitants).
- Drinking Water and Sanitation Project for the Metropolitan Area of Asunción, Lambaré River Basin. This programme does receive a specific donation from the FCAS, in the form of Technical Cooperation by FECASALC, and another 10.5 million euros from the European Union, as well as contributions from other international funders. FONPRODE is providing a loan of 60 million US dollars, and the IADB is expected to provide 105 million US dollars. As of December 2021, the FONPRODE and IADB credits were pending approval by the Paraguayan Congress. The programme is in the design phase and will be implemented in the coming years.

4.3 Bilateral Cooperation from the AECID (State-to-State Cooperation)

In addition to the programmes promoted by the Cooperation Fund for Water and Sanitation, whose budget comes from the State Secretariat for International Cooperation, the Spanish Agency for International Development Cooperation (AECID) carries out bilateral programmes with its own funds aimed at strengthening the water and sanitation sector. Many of them, of course, are carried out in coordination with the Water Fund, and incorporate the same guidelines and approaches.

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Thus, two bilateral programmes are being developed in **Cuba** to complement and expand the Fund's impact. One of them, developed with the National Institute of Water Resources, seeks to strengthen water management capacities through technical cooperation activities aimed at the sector's main institutions and operators. The other, in coordination with the Havana Bay Working Group, focuses on the treatment of industrial discharges. These programmes open up new areas of collaboration aimed at improving the technical and management capacities of the State institutions with competencies in the water sector.

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In **Colombia**, a bilateral programme called **Methodological Proposal to Identify Citizens** in a State of Social Vulnerability, in order to make them beneficiaries of the vital minimum water subsidy (COL-037-B), consists of an AECID grant of 96,000 euros awarded to the District Secretariat of Habitat of the Mayor's Office of Bogota, which provides 24,000 euros as a counterpart. The programme, which was completed in 2021, has allowed to characterise the beneficiaries of the "Vital Minimum" programme based on different variables, and to establish a map of the vulnerable population of the Capital District, which will allow us to extend coverage to citizens in a state of disconnection or new conditions of vulnerability. This mapping will allow the establishment of a roadmap for the implementation of the vital minimum water subsidy for the city of Bogotá. This project has a small budget but can have a high impact, not only because it will help guarantee the human right to water for the most vulnerable population in the city of Bogotá, but also because it can become a benchmark for extending this type of practice to other municipalities in the country.



4.4. Technical Cooperation

Technical cooperation is a type of collaboration focused on the exchange of technical and management knowledge, with the aim of strengthening the capacities of water institutions in Latin America and the Caribbean. It is characterised by the provision of know-how in the form of staff, training, research or consultancy to contribute to the achievement of the partner countries' development objectives.

Generally, there is no specific country as a beneficiary, but rather consultancies are developed for different purposes: a) to carry out a situation diagnosis to enable countries to work on their national plans, sectoral policies or investment programmes; b) to reinforce the results of actions already carried out or c) to focus on systematising knowledge products. Therefore, in this case, no beneficiary country receives the approved amount, but rather they are contracted by the AECID or the IADB directly - according to their policies of competence and transparency - and the results and products are socialised and made available to the countries or the regionin order to maximise their impact.





A) Carried out by the Water Fund in conjunction with Spanish organisations and companies

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Spain gives special priority to technical cooperation in the field of water, sanitation and treatment, and shares its experience, knowledge and innovations in the sector, given our hydrological and climatological situation. Within the framework of the Fund, the technical cooperation of public institutions in the sector, which are internationally recognised and whose added value is widely acknowledged by our partners, has been intensified.

In this regard, in 2021, work continued with the public company Tragsatec to offer technical support for water and sanitation to the AECID Technical Cooperation Offices in more than 10 countries in Latin America and the Caribbean, as well as collaboration in knowledge management, institutional strengthening, hydrological planning and accountability. As an example of this collaboration, in December 2021, Tragsatec technicians participated in <u>several meetings and planning sessions with the National Institute of Water Resources of Cuba (INRH).</u>



Water and Sanitation Collection -

In the area of sanitation and wastewater treatment, the Fund has worked in collaboration with the **Hydrographic Studies Centre (CEDEX)** to provide technical support to the programmes, particularly concerning sanitation and wastewater treatment. To this purpose, several guides on water and sanitation and recommendations for sectoral planning and regulations have been drafted. Work has also been carried out on various specific guides for the implementation of wastewater treatment systems in Bolivia, sanitation alternatives in the Bays of Havana and Santiago de Cuba, a training programme in Paraguay, and support for various actions in Panama.

This year also saw continued collaboration with the **Spanish Geographic Mining Institute** (IGME) in the framework of the Water Fund's support to seek feasibility solutions for Guatemala City's water supply, as part of one of the Fund's programmes.

With regard to work with water and sanitation service operators, in 2020 a collaboration agreement was signed between the AECID and the public company **EMASESA** to promote activities to support and strengthen the operators with which it works. Within this framework, an initial twinning arrangement was made between EMASESA and the Honduran operator Aguas de la Sierra de Montecillos, which was reinforced in 2021 with the first trip by EMASESA technicians to the Caribbean country, a visit that the local operator's technicians will later return to Spain. Likewise, in 2021, work began with the Portoviejo (Ecuador) operator, with EMASEA making a first trip there in November.

On the other hand, in February 2021, the AECID and the University of A Coruña (UDC) signed an agreement for the "Management, technical support and training in sustainable sanitation and drainage planning in the plurinational state of Bolivia", with the aim of carrying out various activities within the framework of the LAIF programme "Support for the Water and Sanitation Programme in peri-urban areas of Bolivia", and with funding from the same.

The main objective is to contribute to the development of sustainable urban water, sanitation and drainage plans in Bolivia. For this purpose, a series of technical supervision and training activities were carried out, mainly aimed at the Bolivian Ministry of Environment and Water (MMAYA), with the objective of ensuring that the country's urban water cycle management strategy and policies include adequate stormwater management.

Specifically, the following activities were carried out:

- 1) Virtual seminar on Water Sensitive Urban Development (WSUD), attended by 60 people, summoned and selected by the MMAYA
- 2) Review of the state of urban drainage in the cities of Oruro and Sucre, Bolivia, for which a two-week field visit was carried out between November and December.



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- 3) Review of Latin American regulations on urban drainage planning and dimensioning.
- 4) Course on flood risk management in urban environments with "Iber": comprehensive training on flood risk management, including an analysis of all its components, but with a strong focus on risk assessment and adapted to the reality of Bolivian cities, using the modelling tool Iber.
- 5) Course on the design of urban sanitation and drainage systems with SWMM, held over two weeks in September. The objective was to provide comprehensive training on the application of the SWMM tool for the design of drainage and sanitation systems for flood control and the management of pollution discharged into natural aquatic environments during rainfall.

B) Carried out through the IADB

B.1 – With funds from the Cooperation Fund for Water and Sanitation

As well as the programmes that the Cooperation Fund for Water and Sanitation has implemented through the IADB, various technical cooperation projects have also been carried out with the aim of supporting the sustainability of the actions that are already underway, or to take advantage of the knowledge generated for the development of future projects in the areas of Human Rights to Water and Sanitation, Gender, IWRM and governance of the sector.

Three new Technical Cooperations were approved in 2021 (to begin implementation in 2022), in addition to the eight already being implemented, bringing the total portfolio to 11 interventions. In addition, work is underway on two more, with the aim of approving them in 2022.

Firstly, the new partnerships approved in 2021 are described. This is followed by those already in place in 2020, noting specific progress made in 2021.

1.- Desalination as a Water Resource Alternative in the LAC Region (300,000 US dollars). Approved in 2021

The objective is to identify opportunities and keys for the development of desalination alternatives in the LAC region, within a context of water stress and climate change. The possibilities will be analysed to determine where the region stands and to propose possible uses, taking into account the analysis of other Community options and alternatives and emphasising aspects relating to the sustainability of the systems and environmental commitments. The intervention will reinforce the IWRM issue and will focus on a line of great potential for development, in which Spain can have an important added value.

2. Support for the Development of National Drinking Water and Rainwater Drainage Plans in Uruguay (200,000 US dollars). Approved in 2021

This operation aimed to support the Government of Uruguay in the drafting of the National Drinking Water Plan (PNAP) and the National Stormwater Drainage Plan (PNDP) by carrying out sectoral studies that contribute to the improvement and universalisation of drinking water, stormwater drainage and sanitation services. In the drinking water component, an estimate will be made of the economic and financial costs of the infrastructure necessary to universalise access to drinking water for the rural population, with emphasis on rural schools, as well as other studies necessary to universalise the service. In the drainage component, DINAGUA will be assisted in the development of the National Rainwater Drainage Plan (PNDP). In the sanitation component, assistance will be provided to DINAGUA in the development of the Strategies for Adequate Sanitation in Coastal Areas.

The TC arises from the need to give continuity to the programme "Adaptation Plan for Integrated Water Resources Management". It has just been approved and is being prepared for implementation.

3. . Promotion of Policies and Mechanisms for the Fostering of Innovation in the Water, Sanitation and Solid Waste Sector in LAC (125,000 US dollars). Approved in 2021.

It aims to foster sectoral innovation through the identification of possible improvements in policy and governance mechanisms and the development of tools to facilitate the strategic management of innovation and foster an innovative culture in the water and sanitation sector. It is hoped that by publishing these methodologies and tools, knowledge will be produced to benefit central and municipal governments in the region. The scope of this cooperation goes beyond the purely technological aspect, focusing on the identification of issues related to strategic management and social innovation. This intervention will promote institutional strengthening and focus on a key aspect for the development of the sector -innovation- from a perspective of great interest to Spanish Cooperation: public policy. The proposal was approved at the end of 2021 and is being prepared for implementation.

4. Support for the Implementation of Reforms and Institutional Strengthening of the Water and Sanitation Sector in Paraguay (1 million US dollars). (PR-T1268)

This Technical Cooperation began implementation in October 2019 with the aim of supporting the design of the necessary actions to carry out the reforms and the strengthening of the sector's governing authority. During 2021, the preliminary engineering projects for the Drinking Water and Sanitation Programme for the Metropolitan Area of Asunción - Lambaré River Basin (joint operation with FONPRODE) were completed. Within the planning support



line, the Ministry of Public Works and Communications of Paraguay is being accompanied in a methodology for prioritising investments and has supported the preparation of performancebased contracts that include construction and operation support. A review of the Regulatory and Tariff Framework was conducted and improvements to the regulations and their application are being defined. With regard to service provision, work is underway on a Service Development Plan that includes goals and strategies for the development and sustainability of the sector. Progress has been made in the policy framework on sewage connectivity strategies.

The Programme also includes the promotion of long-term investment planning and the development of efficient projects for the metropolitan areas of Asunción and Ciudad del Este.

5.- Local Strengthening for the Use of Dry Ecological Toilets - Bolivia (100,000 US dollars). T1353

The aim is to promote the use of ecological toilets in rural areas of Bolivia by developing a social strategy. In addition, it is intended to serve to consolidate a line of work that will serve as a model for new rural operations being developed in Bolivia.

It was approved by the AECID in December 2019, and suffered several delays throughout 2020 due to COVID-19, which prevented field visits. In 2021, initial activities began with coordination meetings involving technicians from the Vice-Ministry of Drinking Water and Basic Sanitation (VASPB) and supervision. A consensus has been reached on the 24 communities where the study will be implemented, which include communities from the AECID's **BOL-003-M Drinking Water Supply and Sanitation in Small Rural Communities Programme** in Bolivia.

6. Systematisation of Experiences and Support to the Development of Strategies in the Rural Water and Sanitation Sector - REGIONAL (200,000 US dollars). RG-T3422.

Improving services in rural areas is one of the Fund's priorities and the objective of this TC is to contribute to promoting access to safe water and sanitation services in the rural sector in Latin America and the Caribbean through the development of strategies based on the analysis of experiences and in the framework of the SDGs and Human Rights to Water and Sanitation (HRWS), with a special emphasis on service sustainability schemes. These resources complement 300,000 US dollars from the Regional LAIF. In 2021, support to the operation HO-L1213 - Honduran Rural Water and Sanitation Programme was completed by defining a sustainability strategy. Regional cost analysis of rural projects and support to SENASA in Paraguay for the development of a project monitoring tool are being finalised.

7. Capacity-Building of Small Water and Sanitation Service Operators in the Region -REGIONAL (500,000 US dollars). RG-T3915.

This regional cooperation aims to promote the sustainability of water and sanitation services by supporting small operators. This support will be carried out by developing tools and assisting specific operators.

These resources complement 250,000 US dollars from the Regional LAIF programme and come from a previous Technical Cooperation (RG-T3507 –Capacity-Building of Operators as a Key Aspect for the Sustainability of Water and Sanitation Services in the Region - Regional), which had to be cancelled due to difficulties in its execution as a result of COVID. However, the resources have been earmarked for this new operation, which continues the actions that were not carried out.

The preparation of the free online course "Water 2.0: Efficient Companies for the 21st Century", which aims to strengthen knowledge and capacities for the management of water companies, has also been supported, and the diagnosis of some small operators has been carried out in order to prepare their improvement plan.

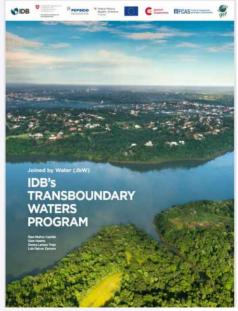
In 2021, work was carried out to contract consultancies in order to support the improvement plans, the diagnosis of the training offer and support for coordination.

8.-RG-T3489 - Transboundary Water Resources: A Water Safety Framework for Transboundary Basins in LAC - Regional (500,000 US dollars). RG-T3489.

This initiative aims to support the development of transboundary water management models by means of tools that enable diagnoses and scenarios for shared water resources management and

hydrological planning that minimise conflicts over the use of the resource and allow for resilient and sustainable management planning.

Transboundary issues are a fundamental aspect for the implementation of integrated water resources management in the region, and this is one particular aspect that the Fund wants to focus on. These resources complement a further 800,000 US dollars from the Regional LAIF. Up to now work has been carried out to prepare the analyses to be conducted in the Pantanal, the Amazon and the Trifinio and progress has been made in the development of the scenario model of the Water-Energy-Food Nexus in the Amazon Basin.



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9. Promoting Gender Equality in the Water and Sanitation Sector - Regional (500,000 US dollars). RG-T3596.

This initiative aims to define and develop lines of action that promote gender equity in the water and sanitation sector through specific approaches and tools. In 2021, we supported the development of a Gender and Diversity Module for the Aquarating tool (the rating agency for the evaluation of water and sanitation utilities), which is being tested in two operators, EPMAPS (Quito) and AySA (Buenos Aires). Based on this, the tool will be scaled up with at least five other operators.

10. -Support for Actions Developed in the Framework of the Regional Codia (100,000 US dollars). RG-T3711

This cooperation was launched to support the Conference of Ibero-American Water Directors (CODIA) in the development of strategic actions for the sector in the field of hydrological planning, integrated water resources management and capacity-building.

Among other activities, the virtual course "Natural Water Management Solutions" was held in June 2021; the <u>High Level Seminar on Transboundary Water Management in the Countries of the CODIA area</u> and the Technical Dialogues "Progress and Challenges in Transboundary Water Management Cooperation within the Framework of SDG6 Fast-Tracking Applied to SDG Target 6.5 and Its Indicator 6.5.2" held at the XXII CODIA from 3rd to 5th November 2021 were supported. The Analysis of Indicator 6.5.1 - *Degree of Implementation of Integrated Water Resources Management in Ibero-American Countries* - was also published with a second

ANÁLISIS DEL INDICADOR 6.5.1. GRADO DE APLICACIÓN DE LA GESTIÓN INTEGRADA DE LOS RECURSOS HÍDRICOS EN LOS PAÍSES DEL ÁMBITO IBEROAMERICANO





Direct access to the Indicator Analysis 6.5.1. <u>here.</u>

cycle update, and coordination with RALCEA was reinforced to promote training.

11.- Development of Strategies to Provide Water, Sanitation and Hygiene Services in Informal Settlements. Regional. 1,000,000 US dollars

This intervention aims to support partner countries in defining strategies to ensure essential services in informal urban areas with high health vulnerability. For this porpose, diagnoses, action plans and pilot projects will be developed, taking into account urban conditions, alternatives for providing water and sanitation services, the legal and regulatory framework, and successful experiences. These guidelines will help define policies and programmes aimed at guaranteeing services in these areas and closing the gaps in coverage. The proposal includes the COVID-19 perspective and will reinforce the Human Rights aspect of Water and Sanitation.

In 2021, the contracting process for the regional diagnosis began, preparations began for an e-hackathon (a programmers' meeting) to offer solutions to informal settlements; the diagnosis of the provision of water, sanitation and hygiene services in the informal settlements of the Metropolitan Area of Asunción began and the actions to be developed in Colombia are being defined.

B.2 – Technical Co-operations carried out through LAIF REGIONAL

Under the European Union's delegated cooperation programme LAIF Regional, the Water Fund has carried out various technical cooperation projects, implemented in collaboration with the IADB:

In 2021, the following were completed:

- RG-RG- T2955 Support for the Development of Strategies to Encourage Optimal Wastewater Treatment.
- RG-T3449 Groundwater Monitoring Platform for Latin America (PASAL).
- RG T3489 Integrated Management of Transboundary Water Resources in Latin America.
- RG T3507 Capacity-Building of Operators as a Key Aspect for the Sustainability of Water and Sanitation Services in the Region.

Technical co-operations which started in 2021 and will continue in 2022 include:

- RG-T3294 Water Resources Management in the Pilcomayo River Basin.
- RG-T3448 -Analysis and Consolidation of Hydro-Climatic Information Management Systems in Latin America and the Caribbean to Support Water Resources Management.
- RG-T3375 Urban Water Management and Sustainable Urban Drainage Systems.
- RG-T3477 Water Safety, Circular Economy and Wastewater Resources (WW2R) in Latin America and the Caribbean: Analytical Research and Case Study Implementation.
- RG-T3478 Wastewater Treatment and Reuse in Latin America and the Caribbean.
- RG-T3422 Systematisation of Experiences and Support for the Development of Strategies in the Rural Water and Sanitation Sector.

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- ▶ RG T3476 Drafting of Water Safety and Drought Plans in LAC Countries.
- RG-T3508 Development of Training and Knowledge Exchange in Water and Sanitation through the RALCEA Network.
- RG T3524 Strengthening the Optimal Sanitation Initiative.

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- RG T3911 Integrated Water Resources Management in the Upper Paraguay-Pantanal River Basin and in the Lempa River Basin.
- RG-T3915 Capacity-Building of Small Water and Sanitation Service Operators in the Region.

C) Technical Cooperations carried out through Aquafund

AquaFund is a multi-donor fund created by the Inter-American Development Bank (IADB) to develop knowledge products and platforms and replicable pilot projects, increasing the capacity of water institutions and providing support for various technical studies. In 2021, AquaFund has approved **19 new projects amounting to a total of 7.62 US million dollars.** Since 2008, the Fund's portfolio has approved 258 projects amounting to a total of 125.33 US million dollars, of which 37.8 US million dollars comes from the MultidonorAquaFund (MAF), in which Spain participates, and 87.53 US million dollars from the IADB's contribution to its Infrastructure Ordinary Capital Strategic Development Programme (INF).

In 2021, Spain donated 450,000 euros to the AquaFund. This year, projects continued to be implemented and 16 operations were concluded. Most technical cooperation projects promote studies and reports that can develop future water programmes in line with the needs of each of the countries, which will improve their development and effectiveness. In 2021, AquaFund's active portfolio consists of 91 ongoing operations including 16 projects that were completed at the end of the year.

Performance of the 2021 portfolio was satisfactory, with completed projects achieving most of the anticipated outcomes and outputs. The Fund continues to support investments in water and sanitation services, adaptation to climate change, water safety measures and a gender-sensitive approach.

In 2021, AquaFund provided support to address the water challenges caused as result of the COVID-19 pandemic. In addition, it further developed the implementation of the action plan agreed with donors following the AquaFund's external evaluation in 2017. The Fund's progress was guided by the updated Results Framework for 2018-2021, along with the prioritisation of climate change mitigation and adaptation activities, resulting in a large and

rapid increase in climate funding. In addition to this work, the communication and visibility protocol developed in 2019 was also strengthened. A further revision of the Results Framework will be undertaken to align it with the SDGs, including, for example, aspects related to service quality.

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It is estimated that a new external evaluation can be prepared during 2022 with the aim of being implemented in 2023 and allowing the Fund to be defined beyond 2024, including the assessment of aspects such as its financial sustainability, relevance and efficiency.





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Partnerships

SDG 17 aims to foster a global partnership for development that will help to achieve all the Goals proposed in the 2030 Agenda. To achieve this, partnerships must be created with the different actors involved in the water sector, integrating public and private actors, mobilising both financial resources and technical expertise and capacities, using various means and instruments such as technical cooperation. One of the strengths of the Spanish Cooperation and the FCAS programmes is that they take advantage of the experience and excellence of the leading Spanish institutions in the water sector to cooperate through studies, field visits, technical reports and training in Latin America.

Since its inception, the FCAS has worked to create strategic partnerships with key national, regional and international actors and networks within the sector, including:

- Strategic partnership with the Inter-American Development Bank (IADB), which combines the AECID's development agency approach with the IADB's technical and management experience in large infrastructure programmes, which also has an important presence and dialogue in the region's development and water agenda.
- Support for Spanish public companies such as Tragsatec, the public water company EMASESA (Seville) or NILSA, the company responsible for water treatment in Navarre.
- Collaboration with research organisations such as the Hydrographic Studies Centre (CEDEX), the Spanish Geographic Mining Institute (IGME) and the New Water Technologies Centre (CENTA), as well as with universities and study centres such as the universities of Alcalá, A Coruña and Alicante, among others.
- Interaction with Ibero-American water institutions, and especially with the three main regional networks: the Ibero-American Water Directors Conference (CODIA), the Climate Change Offices Network (RIOCC) and the Ibero-American Meteorological and Hydrological Service Directors Conference (CIMHET), with which the Central American Lightning Detection Network is operated, with the assistance of the Spanish State Meteorological Agency (AEMET)
- Participation from civil society, through Non-Governmental Organisations such as Action Against Hunger, or ONGAWA, with whom various diagnoses on the human rights approach to water and sanitation have been carried out. In 2021, work has been carried out on the development of a self-diagnosis tool that will allow municipalities to review their degree of compliance with Human Rights to Water and Sanitation and to establish a roadmap to gradually achieve them.
- Co-participation in international initiatives such as Sanitation and Water for All (SWA), led by former water rapporteur Catarina de Alburquerque, which drives the political agenda in the region; or the launch of the Latin American Water Observatory (OLAS), which will

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provide a tool for monitoring SDG Goal 6, an initiative in collaboration with the Swiss Agency for Development and Cooperation (SDC), Sanitation and Water for All (SWA), the United Nations Children's Fund (UNICEF) and the Inter-American Development Bank (IADB).

The work carried out with each of these actors is detailed below.

5.1. Inter-American Development Bank

The Inter-American Development Bank (IADB) is a financial institution that promotes development projects to reduce poverty in Latin America and the Caribbean. Due to its extensive experience, the IADB is in charge of promoting the Water Fund's multilateral portfolio, in collaboration with the AECID. Contributions are channelled through the Spanish Cooperation Fund for Water and Sanitation in Latin America and the Caribbean (FECASALC), a trust fund established between the Spanish Government and the IADB. The multilateral portfolio is endowed with 397 million euros in donations from Spain which, combined with the IADB's activity, broadens and multiplies the impact.

Multilateral programmes are implemented following an operational regulation and a coordination guide that establishes the joint management mechanisms for FECASALC operations. This has enabled certain spaces and processes of specific coordination between AECID technical cooperation offices (TCOs), IADB representations and national authorities to be established in countries in which joint actions are carried out, seeking synergies and multiplying the impact on development. **Throughout 2021, telematic meetings were held in each of the countries in which multilateral programmes are in place** to establish a joint working strategy and foster coordination between actors.

The partnership with the IADB is strategic, and has added great value thanks to the integration of the AECID's vision as a development agency (the defence of water as a human right and emphasis on the importance of citizen participation and gender relations) and the extensive experience and technical qualifications of the IADB in project management.

5.2 CEDEX

The Centre for Studies and Experimentation of Public Works (CEDEX) is an autonomous body that depends organically on the Ministry of Public Works, and functionally on this Ministry and on the Ministry of Ecological Transition and Demographic Challenge (MITECO). It aims to

provide highly specialised technical assistance in the field of civil engineering and the environment.

Among the centres that make up the CEDEX is the Hydrographic Studies Centre, a leading institution for studies on hydrological planning, water treatment technologies and hydraulic works, with many years of experience working in Latin America and the Caribbean.

Since 2012, CEDEX has been involved in the Water Fund through different collaboration instruments. In 2021, it worked within the framework of an order from the Secretary of State for Cooperation signed in January of the previous year, and extended for 2021.

ACTIVITIES

Following with the joint activities carried out in previous years, throughout 2021, CEDEX provided technical assistance in a series of projects and actions, among which the following can be highlighted:

Cross-cutting or regional actions: CEDEX supports different regional works with the aim of systematising the knowledge generated from different projects over the last decade. This enables regional experiences to be brought together in the specific context and their experience in the field of sanitation and wastewater treatment in particular. Specifically, work has been carried out on:

- Drafting Water and Sanitation Guidelines:
 - Publication of the Guide for Performance Test Protocols for Treatment Plants.
- Drafting recommendations for sectoral wastewater treatment planning:
 - A collaborative effort to draft this basic guide, of which two versions have already been presented and comments and proposals from various institutions in the region are being collected.
 - Holding a workshop on sectoral planning in sanitation and wastewater treatment.
 - Publishing the document "Methodologies for the Estimation of Wastewater Treatment Costs in Sectoral Planning".
- Support for the FCAS regional strategy on sectoral standards
 - Promoting the creation of a guide to support the revision of landfill standards, in order to generate proposals that are adapted to national contexts and to the technologies available in the countries and that are not merely a transfer of other international standards that are difficult to comply with.

In addition to generic collaborations, CEDEX has also worked specifically in some of the countries in which the Fund operates. Some of the activities carried out are listed below.



In Bolivia:

Assisting in the preparation of a guide on the implementation of wastewater treatment systems, which was finally published in October 2021 by the country's Vice-Ministry of Drinking Water and Sanitation.

In Cuba:

Analysing the hydrodynamic performance of the rehabilitation design of the Casablanca Wastewater Pumping Station (WWPS) in Havana. In 2021, CEDEX collaborated in the study of two alternative designs of flow calming systems, tested the hydrodynamic performance of both systems, and implemented a number of design improvements.

Assisting in the drafting of the Havana Sanitation Plan and reviewing and developing sectoral regulations.

Revising the sanitation and purification alternatives for the Bays of Havana and Santiago de Cuba.

Actions in Guatemala:

Assisting in COVID's environmental monitoring project on wastewater in Guatemala, specifically in the Lake Atitlán basin.

Assisting in the revision of Guatemala's discharge regulations and collaborating in the development of new environmental quality regulations.

In Paraguay:

Assisting the sanitation activities of Asunción in the review of the Lambaré wastewater treatment plant (WWTP) project in Asunción.

Assisting in the development of a water and sanitation training programme. Work was undertaken to shape the sectoral policy and planning course, to be held in March 2022.

In El Salvador:

Assisting in the review and development of El Salvador's sectoral regulations.

In Panama:

Preliminary actions for the drafting of the "National Guide for the Selection of Wastewater Treatment Technologies" within the framework of the implementation of the National Drinking Water and Sanitation Policy 2017-2030.

Revising documentation on the restructuring of the Reimbursable Cooperation Programme for Sanitation in West Arraiján and La Chorrera (PSACH).

5.3 TRAGSATEC

Tragsatec is a public engineering company that forms part of the TRAGSA group, included in the corporations of the State Industrial Ownership Corporation (SEPI). Tragsatec's support to the Water Fund at its headquarters and on-site is key, given that the size of the portfolio, the degree of specialisation and the close monitoring of the programmes require a specific technical qualification that Tragsatec can offer.

Since 2014, a contract has been in place with Tragsatec to provide support activities for the management, monitoring and coordination of the programmes. This aims to support the improvement of processes, procedures and harmonisation of content between programmes, support for programme management, as well as the maintenance of monitoring tools. It also includes support for the measurement of indicators, as well as communication support for the Fund's accountability.

The support service offered by Tragsatec has a high level of technical specialisation which, combined with the institutional work of the AECID, significantly increases the quality of the implementation and monitoring of the interventions, thus enhancing the sustainability of the systems. Tragsatec provides expertise in planning, monitoring and technical advice for infrastructure projects, as well as technical assistance for the implementation of policies and regulatory frameworks for the sector, and contributes to merge the knowledge management and communication work of the Water Fund.

5.4 Spanish Geological Mining Institute

In 2021, collaboration continued with the Spanish Geographic Mining Institute (IGME), Spain's leading organisation for information, technical-scientific assistance and advice to public administrations regarding geology and hydrogeology, with the aim of finding viable solutions for Guatemala City's water supply. The joint work is the result of a Management Assignment signed on 17th September 2019, between the Ministry of Foreign Affairs, the European Union and Cooperation and the Spanish Geological Mining Institute for the diagnosis and action plan for the sustainable exploitation of the Guatemala City Valley Aquifer, within the framework of one of the FCAS programmes in the country. In this context, the IGME was commissioned to carry out studies and technical services as part of an overall programme aimed at promoting a water safety strategy for the reliable provision of quantitatively and

qualitatively acceptable water for the populations of the Guatemala City valley, with the collaboration of the International Union for Nature Conservation (IUCN) and the Spanish public company TRAGSA group.

The programme is articulated around three components. Firstly, to generate quality technical information that serves as a basis for integrated water resources management. Secondly, to strengthen the technical capacities of institutions for integrated sustainable water resources management. And finally, to strengthen the municipal policy framework for sustainable water resources management. The studies and technical services detailed in this agreement fall within the first of the components and the results are expected in 2022.

5.5 EMASESA

In 2021, within the framework of the agreement signed between the AECID and EMASEA (Empresa Municipal de Abastecimiento y Saneamiento de Aguas de Sevilla, S.A.) for the exchange of good practices and twinning in supply and sanitation, twinning began between the Sevillian company and the Honduran operator Aguas de la Sierra de Montecillos (AMS, created in 2019 with support from the Water and Sanitation Programme in the Comayagua Valley, funded by the Fund). The twinning, which will last for three years, began with a first visit by the Sevillian operator to Honduras to complete the operator's diagnosis. The meeting allowed the parties to begin exchanging experiences and advice, as well as to identify the areas to be strengthened, which include upgrading network management, counting unaccounted-for water, improving the institution's governance and promoting service sustainability through an effective communication strategy to educate and raise awareness among the population on the correct use of water resources.

5.6 Official Credit Institute

In accordance with current legislation, the Official Credit Institute (ICO) is responsible for formalising, in the name and on behalf of the Spanish Government, the corresponding funding agreements that the FCAS establishes with the Fund's beneficiary entities. It also provides technical instrumentation, accounting, cash management, control, collection and recovery services and, in general, all other services of a financial nature relating to the operations authorised under the Fund.

In accordance with the Royal Decree on the organisation and operation of the Cooperation Fund for Water and Sanitation, the ICO is entitled to be compensated from the FCAS for the expenses it incurs during the development and execution of the functions entrusted to it. This compensation is proposed each year by the Executive Committee of the FCAS for approval by the Council of Ministers.

The Fund's Activity Report prepared by ICO can be found here.

5.7 University of A Coruña

As part of the Agreement on "Management, Technical Support and Training in the field of Sustainable Sanitation and Drainage Planning in the Plurinational State of Bolivia", signed in February 2021 by the AECID and the University of A Coruña (UDC), the latter has carried out extensive work supporting the Water Fund to contribute to the development of sustainable urban water, sanitation and drainage plans in Bolivia, carrying out a large number of activities.



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6 Countries

Since 2009, the Cooperation Fund for Water and Sanitation has worked in a total of 18 countries in Latin America and the Caribbean. As of 2021, the programmes implemented in Brazil, Mexico and Uruguay have been completed, and the programme initiated in Argentina was cancelled, so they are not included in this 2021 Report.

In addition to the programmes implemented directly by the Water Fund, it works with other donors and funders to contribute to larger programmes, as explained in Section 4 (The Great Fund) of this report. In some cases, the Fund's specific programmes have been configured as the origin of large multi-donor projects; in others, they have served as an additional tool to ensure that water and sanitation reach the most disadvantaged populations or that certain distinctive aspects of Spanish Cooperation in Water and Sanitation, such as the gender-sensitive approach or support for institutional strengthening, are reinforced.



6.1- Bolivia

Active programmes in 2021:

- **BOL-006-B:** Support for the Urban Water and Sewage Programme (APAAP)
- BOL-007-B: Integrated Water Management in Urban Areas Programme (GIAAU).



Bolivia is one of the countries in which the Water Fund's own programmes are currently integrated into multi-donor projects in which various instruments are articulated and funding from various actors is combined; in this case, delegated cooperation funds from the European Union, loans from the IADB and the Contravalor programme (Spanish debt exchange programme).

Thus, the intervention of the Support for the Water and Sewage in Urban and Peri-urban Areas Programme (BOL-006-B) is part of a broader initiative of the same name, which has been funded by multiple sources from various agencies. The Fund's own intervention amounts to 5 million euros and has two basic lines of action: improving access to sustainable water and sanitation services and strengthening Integrated Water Resources Management in National Policies, with the aim of reducing the impacts of climate change on the most vulnerable sectors of society.

This programme will operate specifically in the city of Cobija (where the drinking water system intake will be rehabilitated) and the communities of Chicani-Chinchaya (where both drinking water and sanitation systems will be built). It is hoped that it will provide over 2,700 people with access to sanitation and at least two health centres and a school in the area. At the same time, the programme will assist in the creation of warning systems and response plans for exceptional

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situations related to droughts and floods in the cities of Tarija and Cochabamba (Cercado province), Sucre (Oropeza) and Yacuiga (Gran Chaco), for which terms of reference were developed in 2021. It will also address the updating of the Master Plans for drinking water, sanitation and storm drainage in La Paz, Trinidad and El Alto (including their metropolitan area). It is expected that by 2022 work will begin on the Chicani-Chincaya project and progress will be made on the master plans. The Fund programme is currently scheduled to be completed in October 2023, although it is expected that an extension may be necessary to complete some actions.

This intervention is part of the overall operation, in which the Water Fund is also involved, with 15 million euros from the European Union, through the LAIF programme. These donations are part of a blending operation involving the IADB, with a credit of 55.5 million euros, the country's own funds - with a contribution of 22.2 million euros - and Spain's Contravalor programme, which contributes 27.7 million euros. In total, they make up an **overall operation of more than 125 million euros**. The following table shows how the funds provided by each funder are distributed:

	1	PARTICIPAT	ING ENTITIES			
Beneficiary entity	Ministry of Environment and Water (MMAyA)					
Implementing entity	Programme Coordinating Unit - Peri-Urban Water and Sewage Programme					
		AMO	OUNTS			
	Source of fu	unding			Euros	
Support for the Peri- Urban Water and Sewage Programme and	FCAS Funds		BOL-006-B		5,000,000	
	Delegated cooperation (LAIF Funds)		2018/SPE/000004000019		147,000,000	
			2018/SPE/00	000400103	300,000	
	Subtotal				20,000,000	
Other funders of the overall operation	IADB Contribution				55,555,556	
	National Counterpart				22,222,222	
	Spain-Bolivia Contravalor				27,777,778	
	Subtotal				105,555,556	
Total					125,555,556	

MULTI-DONOR PERI-URBAN WATER AND SEWAGE PROGRAMME IN BOLIVIA



Among the activities foreseen in the LAIF programme, the final design of the International Wastewater Research and Development Centre (CIIDAR) has been completed. Throughout 2021, progress has been made in the pre-investment studies for several works (Cobija, Khaluyo-Achachicala, Tumpeka, Cobija sanitary sewage), and the participatory diagnosis of the integrated urban water cycle, tasks that will be carried out in the coming years.

In addition, projects will be launched to seek experimental and demonstrative solutions associated with water, sanitation and sustainable drainage; community development activities will be implemented; and support will be given to the institutional development of water and sanitation service providers (WSSP). The global programme will end its intervention in September 2024.

On the other hand, the *Integrated Water Management in Urban Areas Programme (BOL-007-B)* received a 3-million-euro donation from the Water Fund and is also part of a larger project in which the AECID participates through the Delegated cooperation to it by the European Union, as well as other funders, such as the IADB and FONPRODE.

The Fund's specific intervention commenced in July 2021 and is therefore in its very early stages. However, work has already begun on the development of sewage connectivity strategies, pre-investment studies and hydrometeorological monitoring systems. It has also started supporting the National Drought Strategy by generating and systematising information on water supply and demand and risk assessment processes in vulnerable areas in the context of the National Drought Monitor - Tarija, Sucre and Chiquitania.

Together, all actors generate a total amount of 129.1 million euros, divided as follows: 15 million euros donated by the European Union through LAIF - managed by the FCAS - and 3 million euros donated by the Fund itself. In addition, a credit of 85 million euros from the IADB and another 25 million euros from FONPRODE will be added. The following table shows how the funds provided by each funder are distributed:

	Beneficiary entity Ministry of Environme		nent and Water (M MAyA)		
Programme's coordinating entity		Programme's coordinating entity - Peri urban Water and Sewa Programme			
	Amo	ounts			
Sources of funding		Euros			
FCAS AECID BOL -007-		3,000,00			
Delegated Cooperation				15,000,000	
Subtotal				18,000,000	
IADB credit				85,470,085	
ONPRODE AECID credit	t			25,641,026	
Subtotal				111,111,112	
	Sources of funding CAS AECID BOL -007-B Delegated Cooperation Subtotal ADB credit	Programme Sources of funding CAS AECID BOL -007-B funds Delegated Cooperation Subtotal ADB credit ONPRODE AECID credit	Programme Amounts Sources of funding CAS AECID BOL -007-B funds Delegated Cooperation Subtotal ADB credit ONPRODE AECID credit	Programme Amounts Sources of funding Euros CAS AECID BOL -007-B funds Euros Delegated Cooperation Euros Subtotal Euros ADB credit ONPRODE AECID credit	

The final objective is to contribute to improving integrated water resources management in urban areas of Bolivia, and is expected to reach a total of 217,500 beneficiaries. The Programme will fund interventions for the extension and improvement of drinking water and sanitation services, especially those to mitigate water supply crises caused by droughts. In the long term, it will also contribute to improving the management of water supply and demand in a comprehensive manner, through actions aimed at improving the efficiency and operational management of providers, the resilience of systems and the proper management of wastewater, which will be enhanced by the increased availability of water in the systems.

COUNTRY CONTEXT

In Bolivia, there are still major difficulties in terms of access to water and sanitation for some of the population. It is also one of the most vulnerable countries in terms of climate change, which causes cyclical water crises with recurrent droughts and floods. However, water and sanitation are a top priority on the national agenda, and relevant actions are being developed in this sector. As a result, there are initiatives for the elaboration of national strategies and plans in which most of the institutions and actors of the sector participate.

The Water Fund has extensive experience in the country, which has facilitated a smooth institutional dialogue that has enabled it to

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work on strengthening the sector and accompanying the development of public policies.

In the beginning, the Fund's programmes were more focused on implementing water and sanitation access programmes in rural areas. Today, they have been expanded to support improved governance and to ensure sustainability and quality of services in periurban areas. In the lines of work, an approach to Integrated Water Resources Management is provided through the strengthening of water information management systems, drought management and urban drainage in the planning of the country's main operators. Consistent with the sanitation coverage gap, improving wastewater treatment is another priority, and the Fund is supporting the establishment of a centre for experimental treatment solutions, the International Wastewater Research and Development Centre in the Altiplano - CIIDAR.

In addition, Bolivia is a good example of how, under the leadership of partner countries, the Fund is committed to promoting the coordination of actors and articulating large, combined operations between different instruments from an initial grant from the FCAS to maximise impacts to benefit the Bolivian population.



6.2- Chile

Active programmes in 2021:

• **CHL-001-B:** Support for the Reduction of the Drinking Water and Sanitation Coverage Deficit in the Framework of the Millennium Development Goals Targets for Chile.



On 31st December 2021, the implementation of the Fund's only active programme in Chile came to an end, *CHL-001-B: Support* for the Reduction of the Drinking Water and Sanitation Coverage Deficit in the Framework of the Millennium Development Goals Targets for Chile.

The programme, which received 6.7-millioneuro donation from the Fund and a local contribution of 14.6 million euros, has benefited 18,900 people in total. According to the beneficiary's report, 2,800 households now have access to water and 986 to individual sanitation systems. Sanitary huts (enclosures with a bathroom and kitchen) and eight rural drinking water systems (RWS) have been built in 14 rural communities.The intervention included a training programme for communities, schools and water committee operators to promote the sustainable use of infrastructure and the drafting of sustainability plans.

The programme has contributed to the reduction of the urban-rural gap in access to water and sanitation, **reducing inequalities and thus improving the quality of life of the population in dispersed rural areas of Araucanía,** where a large part of the country's most vulnerable population, of Mapuche ethnicity, is concentrated. It has also strengthened community leaders and promoted awareness in schools regarding hygiene and the rational use of resources.

COUNTRY CONTEXT

Chile's population already has high levels of drinking water and sanitation services; however, there is still a significant gap between rural and urban areas. Thus, while in urban areas almost 100% of the population has access to safely managed water, in rural areas the population can only access basic water services.

In terms of sanitation, 78% of the population has access to safe systems in cities (the rest have access to basic services),

while in rural areas, the population can only access basic services. The aim of the intervention launched by the FCAS in 2012 is therefore focused on achieving the SDG 6 standard for as much of the population as possible.

Chile, considered an "advanced cooperation country" for Spanish Cooperation, is a traditional partner of Spain with which it maintains an advanced dialogue on sectoral policies and technical and institutional cooperation schemes.



6.3- Colombia

Active programmes in 2021:

- COL-018-B: Investment Plan "Todos por el Pacífico" (All for the Pacific) Chocó, Antioquia, Cauca, Nariño
- **COL-022-B**: Comprehensive Pacific Multi-Veredal Project in the Population Centres of la Guayacana, Llorente, Espriella and Tangareal in the Municipality of Tumaco, Province of Nariño.
- **COL-035-B** Rural Water and Sanitation Programme.
- **COL-036-B** Expansion of the El Bosque Water Treatment Plant and Supply to the Neighbourhoods in the South-Western Area of Cartagena de Indias (Completion 31st January 2022).

Associated programmes:

• **COL-037-B:** Methodological Proposal to Identify the Population in a State of Social Vulnerability in Order to Make Them Beneficiaries of the Minimum Vital Water Subsidy in Bogotá D.C.



Throughout 2021 four programmes have been implemented in Colombia, although one of them (COL-036-B) is almost complete and will end in January 2022. This programme, called *Expansion of El Bosque Water Treatment Plant and Supply of Neighbourhoods in the Southwest of Cartagena de Indias,* has been a large-scale initiative of the Fund. The project, implemented in conjunction with the Mayor's Office of Cartagena, has ensured the provision of water services to more than 160,000 inhabitants of the south-western outskirts of the city, an area where many people affected by the conflict in Colombia have settled. With more than 13 million euros in funding (7.3 million euros donated by the Cooperation Fund for Water and Sanitation), the project has ended with major achievements such as providing access to drinking water and sanitation in the Villahermosa neighbourhood where 1,366 connections have been installed. Other activities have been the construction of a

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module of El Bosque Drinking Water Treatment Plant; the installation of 2,100 linear metres of drinking water pipelines and the execution of complementary works, such as the construction of storage tanks for raw water and drinking water, pumping stations, electrical substations and the sludge treatment plant.

It is important to note that the Programme has carried out a very special project in the Villahermosa neighbourhood (6,400 inhabitants and one of the most vulnerable in Cartagena). As well as drinking water and sanitation services, the project has gone much further, becoming a comprehensive initiative to improve living conditions in the neighbourhood. It has thus promoted the construction of children's playgrounds and toilets for schools, supported community development and provided awareness raising on the rational use of resources, environmental protection and health. In addition, 17 community productive initiatives were strengthened in the neighbourhoods of Villahermosa, Policarpa and Pasacaballos.

The following **three programmes remain active** in 2021:

The Investment Plan "Todos por el Pacífico" - Chocó, Antioquia, Cauca, Nariño (COL-018-B), which aims to improve water and sanitation services in 10 municipalities and one population centre in Chocó, an area of great complexity. This programme has been running since 2011 and has accumulated somedelays in recent years due to low implementation levels. As of September 2021, the works on the projects still to be carried out (Novita, Medio Baudó and Istmina) are at a standstill and the execution deadline had to be extended to September 2022. Of the remaining planned interventions, those in Atrato, Bahía Solano, Tadó, Acandí, Capurganá and Río Quito have been carried out.

The objective of the Comprehensive Pacific Multi-Veredal Project (COL-022-B) is to construct a water and sanitation system in the town of Espriella, which will benefit 2,300 people, as well as to support the design and viability of the Multi-Vedal Aqueduct, which would serve other towns in the area (Guayacana, Caunapí, Llorente and Espriella). This programme is implemented in the municipality of Tumaco (Nariño), a priority area for Spanish Cooperation in Colombia, and the beneficiary of the grant is the Government of Nariño. The complex social context and the programme's own weaknesses have delayed implementation. An extension has been granted in 2021, subject to the concessionary entity obtaining the land for the construction of the water system in Espriella and to the achievement of the financial viability of the project and all the administrative documentation that allows the publication of the bidding processes for the works. The new estimated completion date for the works is 31st May 2023.

Finally, the *Rural Water Supply and Wastewater Management Programme (COL-035-B)* aims to contribute to increasing the coverage of drinking water and sanitation services in the rural communities of Fonseca (in La Guajira), San Onofre (in Sucre) and Totoró (in Cauca). This programme has accumulated long delays in implementation due to the approval of the technical designs of the works, as well as economic, administrative and organisational problems experienced by the executing agency. Due to these difficulties, in April 2021 a decision was made to reduce the scope of the programme to the San Onofre and Fonseca projects only, with a partial repayment of funds. The new deadline for the completion of the programme is November 2023.

OTHER PROGRAMMES ASSOCIATED WITH THE FUND

In 2021, Colombia has also carried out the Methodological Proposal to Identify the Population in a State of Social Vulnerability, to Make Them **Beneficiaries of the Minimum Vital** Water Subsidy in Bogotá D.C. (COL-SECT-037). This programme has bilateral funding from the AECID (with a donation of 96,000 euros) and arises from the synergies fostered by the Water Fund. The objective is to improve the distribution of subsidies offered by the Mayor's Office of Bogotá in order to guarantee the minimum vital water supply in the city. The results of this programme are far-reaching because they have a significant impact on guaranteeing the human right to water for the city's most vulnerable population (approximately 800,000 beneficiaries) and because the working methodology can be easily transferred to

other cities and become a reference point. Its implementation ended in October 2021 and its dissemination and socialisation will be carried out throughout 2022.

COUNTRY CONTEXT

Colombia is considered a "partnership country", and the presence of Spanish Cooperation responds to the years of conflict that the country has been experiencing and to which it is committed to overcoming.

Since its inception, the Fund has implemented nine programmes in Colombia, amounting to a total donation of 59 million euros. Most of the water and sanitation actions have focused on areas of displacement due to the conflict in the country, such as Chocó and Nariño, areas where displaced populations have settled (mainly on the outskirts of Cartagena de Indias), and rural areas and indigenous communities in the Sierra Nevada de Santa Marta, Guajira, Sucre and Cauca.



6.4- Costa Rica

Active programmes in 2021:

CRI-001-M: Drinking Water and Sanitation Programme



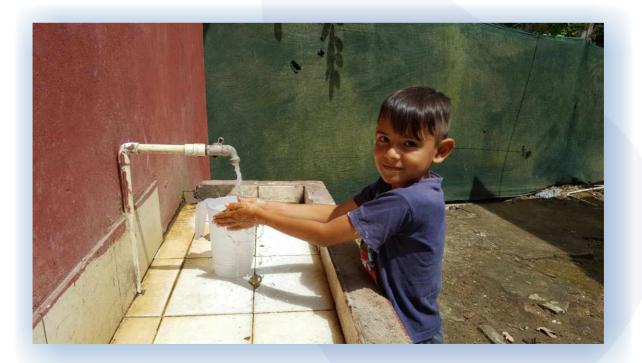
In 2021, the Water Fund only has one active programme in Costa Rica. This programme is called the **Drinking Water and Sanitation Programme (CRI-001-M)**, which is part of a larger multi-donor project. In this case, the Water Fund is donating 20 million US dollars (13.6 million euros), in addition to funds from the IADB (through a 73 million US dollars loan), a local contribution, which has increased from the previous year to 223.4 million US dollars, and a contribution of 134.7 million US dollars from the Japanese International Cooperation Agency (JICA).

The FCAS donation, implemented through the IADB, focuses on rural and indigenous areas and it is worth highlighting the intercultural approach being implemented with the Managing Associations of Communal Water Supply and Sanitation Systems (ASADAS). The programme has 98% of the funds pledged and 87% of them have been delivered. The works in Malecu, Santa Rosa de Pocosol and Santa Fe de los Chiles have been completed, and the first phase of San José de Upala and the Sarapiquí system is nearing completion. The second phase of the San José de Upala project has not yet been able to start and alternatives are being studied, which could imply an extension for its completion. At the end of 2021, the programme has successfully provided almost 49,000 people with access to water and sanitation, and has provided awarenessraising to more than 23,000 people. The estimated end date for implementation is currently November 2022.

COUNTRY CONTEXT

A high percentage of the Costa Rican population has access to safe and properly managed water (80%), but 20% of the population still only has access to "basic" water (water that comes from an improved water source but is far from their home). In terms of sanitation, the figures are not so positive: only 30% of the population has properly managed facilities (not shared with other households and where excreta are disposed of safely) and there is a significant gap in some rural areas.





6.5- Cuba

Active programmes in 2021:

- CUB-003-B: Improvement of Integrated Water Management in the Tributary Basins of Havana and Santiago de Cuba Bays
- CUB-004-B: Improvement and Expansion of Drinking Water and Sanitation Services in Cuba's Small Towns (Second Phase).
- CUB-005-B: Improvement and Sustainable Management of the Water Service in the Municipalities of Cueto and La Palma.



The CUB-003-B programme, funded with 8.6 million euros (2.8 million from Fund donations), was created with the aim of intervening in four communities in the Havana Bay tributary basin (Matilla, San Matías, La Prosperidad and Monterrey), in addition to carrying out institutional strengthening and training activities in the Havana and Santiago de Cuba Bay accounts. However, some modifications have been made since its inception and one of the planned actions, Monterrey, has been replaced by other actions, such as the rehabilitation of the main Wastewater Pumping Station (WWPS) in Havana, as well as other secondary stations and improvements in the sewage system

collectors, which serves a daily population of more than 860,000 people.

The other three planned interventions to build wastewater treatment plants in Matilla (already in operation); San Matías (civil works completed and working on commissioning) and La Prosperidad (finishing construction) have been carried out. Throughout 2021, the programme has progressed at a faster pace than in previous years, particularly compared to 2020 when there were significant delays as both fuel and travel between municipalities were severely restricted due to the pandemic. A final extension was granted in 2021 and completion is scheduled for June 2023.

CUB-004-B, with 9 million euros in funding, of which 4.5 million euros granted by Spain, aims to extend and improve drinking water supply systems in small towns (La Palma, Jatibonico, Cueto, Guisa, Báguanos, Guantánamo), as well as rehabilitating the INRH technical training centre in Granma. Specifically, the programme has already carried out the planned works in the aqueducts of Báguanos and Sur de Guantánamo and has carried out training actions. There are works pending in La Palma, Jatibonico, Cueto and Guisa, but over the course of 2021, work has accelerated in Guisa and Jatibonico, and civil works have begun on the drinking water treatment plant (DWTP) in Cueto. The provisional pumping station for chlorinated raw water in Cueto has also been brought into service, and the construction of the Guisa DWTP is progressing well.

Lastly, it is the **Programme for the** Improvement and Sustainable Management of the Water Service in the Municipalities of Cueto and La Palma, CUB-005-B (with 650,000 euros of funding). This programme started in November 2020 and complements CUB-004-B to support the rehabilitation and construction of new water supply infrastructures that will supply quality water to the towns of Marcané and Alto Cedro, both in the municipality of Cueto. The programme also includes the rehabilitation of the header tank in the town of La Palma, a key element in the city's supply system, which will allow the system to be managed more efficiently and to ensure a more stable service to the population.

OTHER PROGRAMMES ASSOCIATED WITH THE FUND

In addition to the aforementioned interventions, the FCAS also supports the development of two bilateral Technical Cooperation programmes that the AECID has been carrying out in Cuba since the end of



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2019. The total budget for both is close to one million euros, and each is divided into a cash contribution and a contribution in kind.

These programmes are:

- Technical Solutions for the Treatment of Industrial Wastewater in Havana Bay, CUB-SECT-101, which has received a donation of 140,000 euros and is accompanied by a grant in kind (CUB-SECT-257).
- Support for Sustainable Water Resources Management in Cuba (CUB-SECT 102): It has received a 500,000 euro donation and a grant in kind from the Fund, CUB-SECT-237.

These funds are not directly provided by the FCAS, but have an impact on the water and sanitation sector and are complementary to the Water Fund's operations, promoting its sustainability. These programmes have opened up new avenues of collaboration to strengthen the technical capacities of Cuban state institutions, as they mainly carry out technical activities that allow for the exchange of experiences and knowledge and institutional strengthening.

Both are implemented by the National Institute of Water Resources of Cuba (INRH) and are aimed at strengthening water management capacities. Thus, work is being done to review and update the sector's regulatory framework, draft the Sanitation Master Plan for the province of Havana and train municipal operators in order to optimise their services. Within the framework of this support, a number of meetings were held with the INRH in December 2021, for which several technicians travelled from Spain to Havana to attend. The aim was to facilitate the exchange of experiences between specialists from both institutions in order to define the scope of future training, with emphasis on technologies and tools for water resources management, according to the needs identified by the INRH. This meetings will



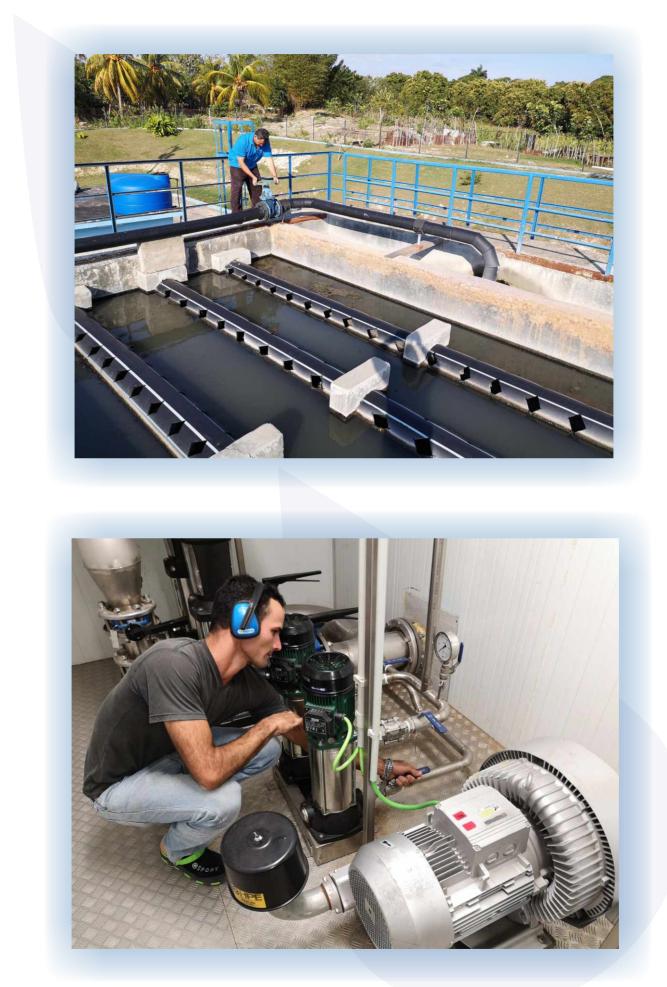
continue throughout 2022 with a visit from Cuban specialists to Spain, and the subsequent organisation of various training sessions.

COUNTRY CONTEXT

The majority of the Cuban population (97%) only has access to basic water services, and nearly 3% still do not even reach this standard, according to data from the UN-UNICEF Joint Monitoring Programme (JMP). In January 2021, Cuba unified its dual currency system, whereby the Cuban convertible peso (equivalent to the dollar) and the Cuban peso coexisted, leaving only the latter active. This has entailed modifying all general programme documentation to fit the new parameters and the need to devote extensive efforts to various management tasks.

The Fund's programmes are part of the Climate Change and Habitat action area of the Partnership Framework (MAP) between Spain and Cuba in the field of cooperation.





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6.6- Ecuador

Active programmes in 2021:

- ECU-050-B: Drinking Water and Sanitation in Rural Communities and Small Municipalities Programme.
- **ECU-051-B:** Drinking Water and Sanitation in Dispersed Rural Communities in the Portoviejo District, Manabí Province.
- **ECU-052-B:** Drinking Water and Sanitation in Rural Communities in the San Lorenzo District in response to the the COVID-19 Health Crisis.



In 2021, finished the Fund's main bilateral programme in Ecuador. Drinking Water and Sanitation in Rural Communities and Small Municipalities (ECU-050-B), which initially received a 13-million-euro contribution from the FCAS and a threemillion-euro local contribution, and was implemented by the National Water Secretariat (SENAGUA). As part of the programme, and in conjunction with another Fund intervention implemented by the IADB (ECU-005-M), it was published in 2018 the document "Guidelines for Social Management in Drinking Water and Sanitation Projects in Rural Communities". It is a tool from which the Water

Secretariat of Ecuador (SENAGUA) will work to ensure adequate and simultaneous application of social and technical processes in the implementation of the projects. In total, six projects were successfully implemented, but the rest of the planned project portfolio could not be implemented due to administrative reasons at SENAGUA, the health emergency caused by COVID-19 and changes in the sector's institutions. All of the foregoing has resulted in numerous delays and a succession of extensions, until it was finally decided to conclude the programme in March 2021, failing to achieve all of its objectives. The beneficiary

entity proceeded to repay 12,064,157 million euros, which was paid on 30th July of the same year. In 2022, after passing through the Fund's Advisory Board and Executive Board, a decision will be made as to how to reuse the reimbursed amount. The Spanish Cooperation's commitment is, however, that a significant part of the funds will return to the country and to the communities that have not yet been able to improve their living conditions.

However, despite the difficulties, some significant results can be highlighted, such as the fact that 40% of the Water Boards' Boards of Directors were made up of women and more than 5,400 people received training on participation and gender issues, according to the beneficiary's final report.

The second bilateral programme is Drinking Water and Sanitation in Dispersed Rural Communities in the Portoviejo District (ECU-051-B), which received a donation of 2.3 million euros from the Water Fund. The intervention began implementation in 2020 and throughout 2021 various community development initiatives were launched, including the creation of Agrupación Hermanas de Tierra (Sisters of the Earth), an association made up of women from the 16 dispersed rural communities that are benefiting from the programme, who have received training and empowerment through the programme's own training school. Socialisation and awareness-raising projects have also been carried out, such as 'La Historia de mi Fuente' (The Story of my Fountain) campaign, an initiative implemented for International Water Day to build the stories of the water source in selected communities. In addition, seven drinking water and sanitation systems are planned, which will benefit 2,061 people.

This programme is a good example of the Fund's main lines of work, since its objective is to achieve the effective fulfilment of human rights to water and sanitation among the population of rural communities who, without the intervention of the Fund, will not be able to benefit from the systems to be built under the overall programme.

This overall programme is the Water and Sewage Programme for Portoviejo, (also known as the "base project") in which FONPRODE, the European Investment Bank (EIB) and the Inter-American Development Bank (IADB) are participating, mobilising a total of 115 million euros. The extensive programme also includes 10 million euros of funds from the EU's LAIF initiative, managed by the AECID as delegated cooperation. The objective of LAIF is to strengthen actions through technical assistance and housing improvements, as well as to complete access to water and sanitation for the dispersed rural population.

In this sense, through the LAIF programme, progress has been made in the area of institutional strengthening, working in conjunction with the Portoaguas company. In this line, a twinning agreement has been established with EMASESA, the Metropolitan Public Water Supply and Sanitation Company of Seville, to facilitate the exchange of knowledge and learning between the two companies. Likewise, in November 2021, EMASESA technicians travelled to Portoviejo with the aim of carrying out a diagnosis of the Ecuadorian company's strengthening needs.

Portoviejo's "base project" foresees the implementation of a 47-kilometre drinking water and sewage system along the Chico River; a project to serve scattered rural areas that cannot collect water from the river or connect to the sewage system; and the strengthening of the Portoviejo Municipal Public Company for Drinking Water and Sanitation (Portoaguas). Among other actions, a treatment plant will be built in Cuatro Esquinas.

Lastly, the most recent programme is **Drinking Water and Sanitation in Rural** Communities in the San Lorenzo District in Response to the COVID-19 Health Crisis, ECU-052-B, which is still in the preparation phase and will be complementary to the delegated cooperation programme Northern Border: Territory of Development and Peace, which operates in the area of Esmeraldas, on the Colombian border. It is one of the provinces with the highest poverty rates in Ecuador and was one of the most affected by the 2016 earthquake, which hit the province of Manabí hard. The programme will fund the improvement of rural water and sanitation services as well as the city's urban network and strengthen municipal water management and response capacity to

health emergencies such as COVID-19, benefiting around 3,400 people, mostly Afro-descendants and indigenous people. Implementation is expected to begin in the first quarter of 2022.

OTHER PROGRAMMES ASSOCIATED WITH THE FUND

Complementary to the FCAS initiatives, a programme was launched in 2020, with European Union funding, to *support* public drinking water and sanitation services in the Montubio, indigenous and Afro-Ecuadorian populations in the provinces of Manabí and Esmeraldas in the context of the health emergency caused by the COVID-19 pandemic. This project is worth more than 200,000 euros and is funded by the LAIF Regional Delegated Cooperation Programme and implemented by the specialised NGO PROTOS. The programme was completed in November 2021, directly benefiting 30,675 people thanks to the implementation of small interventions (improvement of the sanitary conditions of wells; replacement of piping networks; installation of sanitation tanks...) and the implementation of institutional and social foundations to ensure adequate planning and resource allocation processes in rural water and sanitation services.

COUNTRY CONTEXT

The Ecuador-Spain Country Partnership Framework establishes four specific areas of work: sustainable economic development,

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innovation and research, gender and social inclusion, and habitat. The latter includes improving access to water and sanitation services, as only 66% of the population has access to safe water and 41% to safe sanitation services. The Water Fund has

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implemented a total of four interventions in the country, with a total grant of 28.5 million euros, in addition to LAIF-funded programmes and global interventions involving various international institutions.



6.7- El Salvador

Active programmes in 2021:

- **SLV-056-B:** Integrated Water, Sanitation and Environment Project (ended September 2021).
- **SLV-059-B:** Drafting a Public Policy That Guarantees the Sustainability of the Drinking Water and Sanitation Sub-Sector in Rural Areas. Phase 1.
- **SLV-060-B:** Drafting a Public Policy That Guarantees the Sustainability of the Drinking Water and Sanitation Sub-Sector in Rural Areas. Phase 2. [In design phase].



There are currently three active programmes in El Salvador: one is under implementation; one was finished in September 2021 and a third one is still in the design phase.

The IntegratedWater, Sanitation and Environment Project (SLV-056-B), which ended in September 2021, had a budget of 21 million euros, of which more than 17 million euros (80%) corresponded to a contribution made by the Fund. The programme aimed to increase the coverage, quality and sustainability of drinking water and sanitation services, as well as to strengthen Integrated Water Resources Management (IWRM) in the sector, offering tools for the governance of the resource and strengthening the institutional capacities of the executing entities.

As part of the programme, it is worth mentioning the installation of the drinking water treatment plant in the Isla Madresal district (which is in need of some work by the National Aqueduct and Sewage Authority) and the rehabilitation of the <u>wastewater</u> <u>treatment plant in the urban area of</u> <u>Suchitoto.</u> In the last quarter of 2021, several consultancies were completed regarding the expansion of the Water Quality Laboratory; the characterisation of discharges in some towns; the Promotion of Water Culture; the drafting of guidelines on environmental flows and the study of Lake Coatepeque, among others. Specific activities have also been carried out in Ciudad Barrios aimed at training families in hygiene and good water use in order to reduce disease and promote sustainable consumption.

The most recent is the *SLV-059-B* programme: Drafting a Public Policy that guarantees the sustainability of the drinking water and sanitation subsector in rural areas, which commenced implementation in June 2020 and is expected to run until December 2024. This programme is being carried out by the National Aqueduct and Sewage Authority (ANDA) and the Ministry of Environment and Natural Resources (MARN), with an FCAS investment of 4.8 million euros. Its objective is to extend access to sustainable drinking water and sanitation services to the most vulnerable population in El Salvador. Throughout 2021, eight projects for the rehabilitation and improvement of water systems in rural communities in the Central region began implementation, and progress has been made in the selection process for a further eight projects in the Western region. In addition, work is being done with the executing entities and the beneficiary to adjust the actions to the new Water Resources Law approved in the country in December 2021 with the support of the programme.

In addition, a **second phase** of this same Programme *(SLV-060-B)* was approved in 2020, with 600,000 euros of funding, which is currently in the planning process.

OTHER PROGRAMMES ASSOCIATED WITH THE FUND

In addition to those already mentioned, other programmes have been implemented in El Salvador thanks to the EU's LAIF funding.



At the end of 2020, two programmes were launched: SLV-LAIF-114 and SLAV-LAIF-115, both with the objective of responding to the COVID-19 emergency by supporting drinking water systems in rural communities. The first one was implemented through the humanitarian association PROVIDA, with a budget of 119,000 euros provided by the FCAS. It has enabled the improvement of 22 water systems benefiting 167,612 people and the installation of 8 chlorination systems in the region of Chalatenango, as well as the delivery of 200 protection and biosafety kits and 200 drinking water kits for rural water systems. In addition, the project has been socialised with members of water boards, system administrators and community leaders in order to encourage ownership of the project.

The second of the programmes approved to mitigate the effects of the pandemic was implemented by the Association for Social Economic Development of Santa Marta (ADES). It received a donation of 93,000 euros from the Fund, and enabled various improvements and repairs to be carried out in 63 water systems throughout the country (construction of storage tanks, cleaning of wells and pipes, repair of electrical panels, water quality analysis, etc.). These actions have been carried out in rural and isolated areas, working together with the Association Foundation for Cooperation and Community Development of El Salvador (CORDES), the Federation of Agrarian Reform Cooperatives of the Central Region and the Salvadoran Health Promotion Association.

COUNTRY CONTEXT

Despite being considered a middle-income country, El Salvador faces high levels of poverty, and it is estimated that only 80% of households have piped water (only 66% in rural areas).

The Fund's actions in El Salvador focus on two lines of work:

1) Increasing water and sanitation coverage in rural areas of extreme poverty (rural systems supply more than 1,200,000 people, but less than half have some form of chlorination) and in peri-urban and precarious urban areas, promoting social participation and community development.

2) Accompanying the process of strengthening the public policy for the management of rural systems, which has not yet been fully defined. In total, the FCAS has allocated 66.2 million euros to various programmes in El Salvador, which, in addition to improving access to water and sanitation services for rural populations, have contributed to the development of the National Integrated Water Resources Management Plan and the National Drinking Water and Sanitation Plan.



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6.8- Guatemala

Active programmes in 2021:

- **GTM-014-B:** Water and Sanitation Programme with a basin approach in the upper part of the Cuilco River Sub-Basin.
- GTM-015-B: RU K'UX YA'.Contributing to health and the reduction of incidences of acute diarrhoeal diseases among families in 12 municipalities in the province of Sololá, by improving the management of and sustainable access to water and sanitation in the community, municipal and basic public health services and primary schools.
- **GTM-016-B:** Technical bases for the establishment of a water safety strategy for the Metropolitan Area of Guatemala City and Municipalities of the Greater South City Commonwealth, compatible with a sustainable exploitation of the aquifer.
- GTM-017-B: Institutional and technical strengthening in the provision of water and sanitation services to improve resilience in communities in the municipality of Sololá, Province of Sololá, Guatemala.
- **GTM-001-M:** Drinking Water and Sanitation for Human Development programme. Phase I



In 2021, the Cooperation Fund for Water and Sanitation completed the *Water and Sanitation Programme with a basin approach in the Upper Part of the Cuilco River Sub-basin (GTM -014 B)* in Guatemala, putting an end to a joint work of more than 10 years with the Association for the Integrated Development of Municipalities of the Altiplano Marquense (ADIMAM). Throughout this programme, the FCAS has provided technical support with a gender-sensitive approach to actions related to Integrated Water Resources Management (IWRM), environmental protection and cultural diversity to improve coverage, access and management of drinking water and sanitation services, especially in rural indigenous communities. This collaboration has had an impact on the lives of thousands of people by guaranteeing access to their rights to safe water and basic sanitation, especially in communities largely inhabited by indigenous populations historically affected by poverty, social exclusion and lack of access to basic services.

Among the most outstanding results is the 15.25% increase in drinking water coverage and 4.5% increase in basic sanitation coverage in the territory covered by ADIMAM, which involves improving the service and providing access to drinking water and/or sanitation to more than 70,000 people. In total, 44 water and sanitation projects have been built, 30 systems have been rehabilitated post-earthquake, 14 municipal offices have been strengthened and more than 70 hectares have been reforested. In addition, it has achieved a 97% reduction in water carrying and has contributed to a 72% reduction in acute diarrhoeal diseases. In 2021, in particular, it is worth highlighting the completion of water supply projects in six communities, through interventions that worked not only on infrastructure development but also on capacitybuilding for community management and municipal monitoring, as well as environmental activities.

In September 2021, specific actions were carried out to conclude the programme,

organised around the campaign "Right to Water, Right to Life", which served to celebrate and raise awareness of the Fund's 10 years of experience in Guatemala. As part of this initiative, meetings, round tables and multi-sectoral dialogues were held in order to publicise the actions implemented in the Central American region and to explain how the project has changed the lives of its beneficiaries.

In addition, three other programmes are being implemented:

GTM-015-B, Project RU K'UX YA, ("Water Heart"), an initiative that aims to contribute to health and the reduction of incidences of diarrhoeal diseases in 12 municipalities in the province of Sololá, by improving management and sustainable access to water and sanitation. It is expected to be completed in 2023 and has a budget of 7.5 million euros, 6 million of which have been donated by the FCAS. It is worth highlighting some of the actions carried out under this programme, such as the implementation of 30 conservation plans for Water Recharge Zones; the certification of 22 communities as "FIDAL zones" (End to Open-Air Defecation); training courses for municipal technicians and local authorities, and the fact that 12 municipalities now have a specific unit for the management of water and sanitation (Municipal Water and Sanitation Office).

The programme titled **Technical Bases for** the Establishment of a Water Safety Strategy for the Metropolitan Area of Guatemala City and Municipalities of the Greater South City Community of Municipalities (GTM-016-B) is also underway, with a cash grant of 656,000 euros, of which the International Union for the Conservation of Nature is the beneficiary and executor, and a part of the grant in kind - valued at 2.2 million euros of which the municipality of Guatemala City is the beneficiary. The objective is to promote a water safety strategy for the reliable provision of water to the populations of the Guatemala City valley. To this end, the programme is studying the state and degree of exploitation of the aguifer and other sources of resources from which the populations of the Guatemala City valley are supplied and analysing other possible resource alternatives.

Within this programme, a specific initiative has been launched, the Water Safety Programme of the Metropolitan Region of Guatemala (PROSEHIGUA), which launched a campaign in March 2021, with support from the Fund, to value the importance of water for humanity and ecosystems.

Also in the province of Sololá, the Institutional and **technical strengthening** programme for the provision of water and sanitation services to improve resilience in communities in the *municipality of Sololá (GTM-017-B)*, is in the design phase. It has a budget of 875,000 euros and will begin to be implemented by Acción Contra el Hambre Guatemala in January 2022. A programme designed to alleviate the consequences of the health crisis caused by COVID-19 and that stresses the strategic line of the FCAS, which is committed to strengthening partner organisations and improving global water governance.

On the other hand, within the multilateral portfolio managed together with the IADB, the Drinking Water and Sanitation Programme for Human Development, phase I (GTM-001-M) is being carried out in conjunction with the Municipal Development Institute (INFOM) and has a total budget of 68 million euros, of which 34 million euros are a direct donation from the Water Fund. This programme has focused on vulnerable rural areas to guarantee water and sanitation services and has strengthened INFOM, municipalities and water boards. In addition, technical cooperation resources have been used to design a sanitation strategy for the Greater Southern Commonwealth. The programme also promoted the creation of the Directorate of Drinking Water and Sanitation (lead agency) and developed an intervention strategy and a procurement plan to strengthen water quality control. Among the actions carried out, it is worth

mentioning the design of 43 systems in rural localities and 17 in small towns, as well as the construction of 53 drinking water systems and 74 sanitation solutions in rural localities. It has also enabled the training of 59,031 people in health and environmental education. So far, the programme has benefited 70,600 people out of the 130,000 expected to benefit by the end of its implementation in October 2022.

COUNTRY CONTEXT

One of the greatest difficulties in Guatemala is that there is no specific

legislation to regulate the use and development of water, in addition to institutional weakness, which does not facilitate the fulfilment of obligations related to human rights to water and sanitation.

The institutions in charge of water management are mainly the municipalities and, in rural areas, the communities themselves, which usually do not have sufficient capacity and resources to adequately manage and plan the provision of drinking water and sanitation services.



6.9- Haiti

Active programmes in 2021:

• HTI-003-B: Water and Sanitation Sector Reform and Investment Programme.



There is currently one programme being implemented in Haiti. This programme is called the Water and Sanitation Sector **Reform and Investment Programme** (WSSIP), which received a donation of 70 million euros from the FCAS. It aims to contribute sustainably to increasing access to appropriate, equitable and socially accessible drinking water and sanitation services. Its implementation began in 2012 and is still ongoing today, with completion scheduled for December 2022. The programme is being implemented nationwide, in all ten provinces of the country. As of December 2021, the programme has already benefited more than 644,000 people and it is expected that, upon its completion, the number will exceed one million inhabitants directly and reach the whole country indirectly, thanks to the institutional strengthening of the sector. To achieve all of the above, in addition to the **civil works**, which carry considerable weight from the budgetary point of view, the FCAS **develops institutional strengthening actions for the National Directorate of Drinking Water and Sanitation (DINEPA)** and its decentralised bodies, mainly in intermediate cities, as well as in the capital. This means that work is also being done to ensure that the Haitian institutions themselves are trained to maintain the systems installed once the Programme's interventions come to an end.

In terms of infrastructure construction or improvement, the Fund is working in cities such as Hinche, where the first phase is underway, Arcahaie, Cabaret, Cap-Haïtien and Jérémie, where the second phase of water systems is already underway. Work had already been completed in the towns of Mirebalais and Aquin and will soon begin in the towns of Saint Louis du Nord, Petit Goâve, Miragoâne, Fort Liberté and Kenscoff.

OTHER PROGRAMMES ASSOCIATED WITH THE FUND

In addition to the initiatives directly funded through the Fund, another project managed by the Spanish Cooperation with European Union funding is underway in Haiti. The programme is the URBAYITI Delegated Cooperation Programme: Water and Sanitation (HTI-URBAYITI), which has a total of 4 million euros in funding, of which one million is donated by Spain, within the framework of the Water Fund Programme, and three million corresponds to funds delegated by the EU. This action aims to further improve access to basic services in the cities of Port-au-Prince, Jérémie and Les Cayes. It is expected that 7,350 people will benefit from new access to drinking water and approximately 2,000 from new access to sanitation. In addition, the intervention includes planning and rehabilitation works and construction of sanitary blocks in collective facilities (schools, markets, health centres and others).

In addition, the intervention has an important social component, aimed at the participation of the programme's beneficiary population. For this reason, communication and dissemination actions have been carried out for the programme, as well as numerous meetings with local agents, neighbourhood committees, etc.

COUNTRY CONTEXT

Haiti is one of the most disadvantaged countries in the world. The poverty of much of the population is compounded by political instability, which is particularly complicated following the assassination of the country's president, Jovenel Moïse, in



July 2021, and the 7.2 earthquake registered in August 2021. Furthermore, there is a serious shortage of access to water and sanitation for the population. According to JMP data, only 66.7% of the total population has improved water systems, a proportion that decreases to 42% for the rural population.

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Haiti has therefore received the most funds so far from the FCAS, amounting to almost 120 million euros, and the actions carried out are always implemented nationwide. The National Directorate of Water and Sanitation (DINEPA), an institution under the Ministry of Public Works, Transport and Communications, is the counterpart of all programmes. The general lines of action of its interventions are: (1) promoting access to drinking water by improving infrastructure and service conditions, (2) promoting sanitation, and (3) supporting the creation and strengthening of institutions to manage the resource, focusing on decentralisation, providing technical training and instruments for monitoring and control.



6.10- Honduras

Active programmes in 2021:

- HND-015-B: Increased Water and Sanitation Coverage and Integrated Management of the Lower and Middle Goascorán River Basin (Completed in 2021)
- HND-017-B: Improved Access to Drinking Water and Water Resources Management in the City of Santa Rosa de Copán, Phase II.
- **HND-018-B:** Water and Sanitation Project in the Comayagua Valley. Additional phase.
- **HND-019-B:** Optimisation of Drinking Water and Sanitation Systems in the City of Choluteca.
- HND-020-B: Improvement of Water Resources Management in Water-Producing Micro-Watersheds and Improvement of Drinking Water and Sanitation Services in Peri-Urban and Rural Areas of the Municipality of Siguatepeque, Comayagua, Honduras. (The agreement was signed in December 2020; the Programme is still in the design and pre-investment phase).



In 2021, the programme *Increased Water* and Sanitation Coverage and *Integrated Management of the Lower* and Middle Goascorán River Basin (HND-015-B) was completed in Honduras. With a budget of 5.4 million euros (4.5 million granted by the FCAS), the programme aimed to improve the living conditions of the inhabitants of the Goascorán river basin, increasing water and sanitation coverage based on sustainability criteria and an integrated water resources management approach, and supporting the strengthening of local and regional institutions.

The intervention focused on 11 municipalities in the area, all of them with a large rural and dispersed area, far from the urban centres, also very rural, grouped into two commonwealths of municipalities: the Commonwealth of Municipalities of Southern La Paz (MAMSURPAZ), and the Commonwealth of Municipalities of the Border (MAFRON). A high percentage of the population in these municipalities

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faced a lack of drinking water and basic sanitation in their homes, which led to the contamination of surface and groundwater, as household waste was not properly managed.

Therefore, the project was designed around four components: A) Increased coverage of drinking water services: 11 drinking water systems were installed, six of which were newly constructed and five of which were major improvements to existing ones. This benefited at least 2,419 families and several schools, health centres and community spaces. B) Increased coverage of sanitation services: Access to sanitation increased by 13.37% thanks to the project, benefiting a direct population of 706 families with sewage systems, as well as improving those of schools, health centres, churches and community centres. Within this component, four sanitary sewage systems were constructed and four additional wastewater treatment plants were built. In total, 1,302 toilets and a 15.19 km sewage network were built. C) Municipal and community strengthening: In order to support sustainable and communitybased water management, 14 water management boards were created, and one municipal department and 7 water boards were restructured to provide drinking water services. Furthermore, two commonwealths of municipalities and 11 municipalities were strengthened, promoting the updating of strategic development plans, incorporating water

and sanitation as an instrument of local development, and including integrated water resources management as a binding resource for development. D) Integrated management of the Goascorán River **basin** to adapt to climate change. The last aspect focused on the river which, covering 130 kilometres, is an important source of water for human consumption. Actions were mainly directed towards the sustainable management of drinking water sources and their recharge areas. To this end, seven micro-watershed management plans were drawn up, the declaration of a micro-watershed as a protected forest area was promoted, and strategies were established to pay for environmental services and two joint nurseries to restore 12 hectares of forest.

In Santa Rosa de Copán, the Programme for Improved Access to Drinking Water and Water Resources Management in the City of Santa Rosa de Copán, Phase II (HND-017) is being implemented, the main objective of which is to improve the collection of drinking water in the area by constructing a dam. In 2021, considerable progress has been made in the approval of the final designs of La Hondura dam, the contract for the implementation of the communication plan and the development of talks and events with the population has been awarded, and several working meetings have been held to form the Microbasin Council, with a gendersensitive approach.

Throughout 2021, work also continued on the second phase of the Water and Sanitation Project in the Comayagua Valley (HND-018-B), which is scheduled for completion in 2023 and which will build the drinking water distribution networks for the municipalities of Ajuterique and Lejamaní. In 2021, progress has been made in the preparation of an operation and maintenance manual for the drinking water treatment plant; progress has been made in updating the user register and the design of improvements for five educational centres included in the programme's area of influence has been completed. Furthermore, an Environmental Education Plan has been drawn up, based on which around twenty workshops have already been held. The programme has a strong institutional strengthening component for the supplier Aquas de la Sierra de Montecillos, created in the previous phase of the programme. Within this framework, a delegation from the Municipal Water Company of Seville (EMASESA) visited in December 2021 to start exchanging experiences and advice, as well as to identify the areas to be strengthened, and work is underway to improve the supplier's offices.

The programme *HND-019, Optimisation of Drinking Water and Sanitation Systems in the City of Choluteca* is also underway, which aims to improve the living conditions of the population of the city of Choluteca by boosting inclusive and sustainable coverage of the integrated drinking water and sanitation system. The programme began its implementation in June 2020 and since then has started contracting consultancies and preliminary studies to determine the most viable option for the rehabilitation of the water systems, and a call for tender has been initiated for the design of the sanitation works in Choluteca, among other actions.

Finally, in 2021, progress was made in the design of the programme for *Improvement* of Water Resources Management in Water-Producing Micro-Watersheds and Improvement of Drinking Water and Sanitation Services in Peri-Urban and Rural Areas of the Municipality of Siguatepeque, Comayagua, which was approved the previous year and can begin to be implemented in 2022. This intervention has received a 3.2 million euro donation from the Fund and aims to improve the conditions of the peri-urban and rural areas of the municipality of Siguatepeque by implementing a comprehensive project that guarantees a quality drinking water and sanitation service, environmental protection of micro-basins, aquifers and the watercourses where wastewater is discharged.

COUNTRY CONTEXT

70% of the Honduran population has access to water, but it is not always safe for human consumption. Due to the country's conditions of poverty and high indebtedness, Honduras is considered one of the priority countries in the region for Spanish Cooperation, and therefore numerous interventions have been carried out in order to contribute to improving access to drinking water and sanitation, as well as to optimise the integrated management of water resources by promoting actions aimed at the sustainable management of water sources for human consumption and their recharge areas.

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In total, the Water Fund has implemented nine programmes in the country, which has received a total of 49.03 million euros in grants. The actions have been implemented in places such as Comayagua, Choluteca, Santa Rosa de Copán, Gracias, Siguatepeque and in the provinces of Valle and La Paz. All programmes focus on three components: infrastructure, integrated water resources management and institutional strengthening.



6.11- Nicaragua

Active programmes in 2021:

- NIC-013-B: Improvement and Expansion of the Sanitary Sewage System in the City of Masaya.
- NIC-014-B: Programme for the Improvement and Expansion of Drinking Water and Sewage Services in Nicaraguan Localities Within the Framework of Phase 1 of the Integrated Sectoral Programme for Water and Human Sanitation (PISASH). (Completed in January 2021).
- NIC-056-M: Programme for the Improvement and Expansion of Drinking Water Services in 7 Cities in Nicaragua. (Completed in June 2021).



In 2021 there have been three active programmes in Nicaragua, two of which have been completed during this period. All of them are aimed at improving the living conditions of the Nicaraguan population and are part of the so-called Integrated Sectoral Programme for Water and Human Sanitation (PISASH): a sector development plan launched in 2013 with the aim of providing drinking water services to 95% of the population in urban and peri-urban areas and 56.5% of the population in rural areas by 2023. Likewise, sanitation coverage is expected to increase to 80% in urban areas and 52% in rural areas. This intervention has a direct impact on 19 cities and will fund the implementation of pre-investment projects in 17 additional cities, which will be carried out in Phase II of PISASH.

With regard to the Fund's programmes, the **Programme for the Improvement and Expansion of Drinking Water and Sewage Services in Nicaraguan Localities Within the Framework of**

Phase 1 of the Integrated Sectoral **Programme for Water and Human** Sanitation (NIC-014-B) ended in January 2021. The programme achieved a high level of compliance with its objectives, increasing access to water and sanitation in the cities of Acoyapa, Santo Tomás and Bluefields, as well as strengthening the management capacities and financial sustainability of the systems to improve service to citizens. The quality and continuity of the water service was also substantially improved (to 24 hours a day), which has had a beneficial impact on health. The population was also involved and actively participated in the construction of sanitation systems (through the Connectivity Plan), as well as subsidy policies in accordance with the principles of non-discrimination of vulnerable groups, in order to guarantee access to water and especially to sanitation.

056-M) also ended in 2021. The programme was implemented in collaboration with the Inter-American Development Bank and received a total donation of 25 million euros from the Water Fund. In 2021, the construction of the Drinking Water Treatment Plant (DWTP) and the distribution network, including household connections, was completed. The system was commissioned at the end of 2021, guaranteeing drinking water to more than 65,000 Miskito people, including the inhabitants of the city of Bilwi and the indigenous communities of Sinsin, Kuakuil, Boom Sirpi and YuluTingni. Overall, this programme has boosted the institutional strengthening and financial sustainability of Water and Sanitation Committees (CAPS). It has also contributed to reducing inequalities in drinking water coverage between rural and urban areas, working with a social and intercultural approach.

The Programme for the Improvement and Expansion of Drinking Water Services in 7 Cities in Nicaragua (NIC- Finally, the NIC-013-B Programme, Improvement and Expansion of the Sanitary Sewage System in the City of



Masaya, which aims to improve the hygienic, sanitary and environmental conditions of the city, remains active. To this end, one of the keys was the construction of the Masaya Wastewater Treatment Plant, which began construction in 2017 and is expected to operate throughout 2022. The objectives of the programme were also to expand sanitary sewage service coverage in neighbourhoods around the central urban area that did not yet have sewage collection networks; improve treatment efficiency and infrastructure; eliminate treated sewage discharges into the Masaya lagoon; and promote the reuse of treated sewage in agricultural irrigation activities outside the lagoon basin, without affecting Managua's regional aquifer. As of December 2021, the programme has benefited more than 68,000 people.

COUNTRY CONTEXT

In the rural areas of Nicaragua, only 38% of the rural population has access to safe water and 40% of the population still does not enjoy basic sanitation services (according to JMP statistics, 2020). Similarly, water and sanitation coverage in urban and peri-urban areas is also insufficient and many families suffer recurrent water cuts and limitedservice hours.

Spain is one of the main donors to promote essential services in the water and sanitation sector, with the aim of improving the lives of citizens, especially in rural and peri-urban areas. The country has received a contribution of 62 million euros from the Water Fund.



6.12- Panama

Active programmes in 2021:

- **PAN-008-M:** Drinking Water and Sanitation in Rural and Indigenous Areas of Panama with an Emphasis on Sector Governance (Completed in June 2021).
- PAN-009-B: Drinking Water and Sanitation in Rural and Indigenous Areas of Panama with an Emphasis on Local Management.
- PAN-010-B: Participatory Elaboration and Dissemination of the National Guide for the Selection of Wastewater Treatment Technologies.



The programme Drinking Water and Sanitation in Rural and Indigenous Areas of Panama With an Emphasis on Sector Governance (PAN-008-M) was completed in 2021. It is part of the Fund's multilateral portfolio, implemented in collaboration with the Inter-American Development Bank (IADB), and the results include the completion of 23 water projects in rural and indigenous communities in the Emberá-Wounaan, Guna de Madugandí and Guna Yala regions. In addition, the Rural Aqueduct Management Boards (JAAR) were strengthened, as well as the Ministry of Health (MINSA) through the Directorate of the Drinking Water and

Sewage Sub-Sector (DISAPAS) and through the creation of the Drinking Water and Regional Sanitation Works Departments (DAPOS-R). The intervention focused particularly on an intercultural approach that integrated participatory planning into the development of the programme itself, considering the indigenous worldview of water. Contributions to the sector include strategic dialogue with the country to prioritise indigenous communities within sectoral policies, gender mainstreaming and institutional strengthening.

On the other hand, the programme **Drinking Water and Sanitation in Rural**

and Indigenous Areas of Panama With an Emphasis on Local Management (PAN-009-B) is still underway and is scheduled to end in December 2023. This action is being carried out by DISAPAS, part of the Ministry of Health, and is expected to improve water and sanitation coverage in the area and help strengthen the management capacity of the Rural Aqueduct Administration Boards (JAAR), indigenous Regional Committees and Local Development processes.

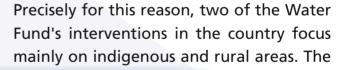
These two programmes were implemented in indigenous regions and isolated rural areas where project implementation is highly complex, and both have served to target these underserved communities. As a challenge to continue the work, it is worth highlighting the strengthening of the institutional framework in charge of water and sanitation in rural areas, which is currently the Ministry of Health (MINSA).

On the other hand, the Programme for the **Participatory Elaboration and Dissemination of the National Guide**

for the Selection of Wastewater Treatment Technologies (PAN-010-B) is underway, with a donation of 125,000 euros from the Fund, the main objective of which is to contribute to the implementation of the National Drinking Water and Sanitary Sewage Policy of the Republic of Panama 2017-2030. This programme reflects the Fund's efforts to support the institutional strengthening of our partner countries.

COUNTRY CONTEXT

A high percentage of Panama's population has access to improved water (94%). However, there are significant differences between rural and urban areas in the country (86% access rate), and this is particularly noticeable in some indigenous regions. This is the case for the population of the Ngäbe-Buglé region, where 91% of the population suffers from high levels of poverty.



aim is to improve access to water and sanitation by constructing water and sanitation systems, community management of these systems and promoting local development plans with the strengthening of water and sanitation institutions.

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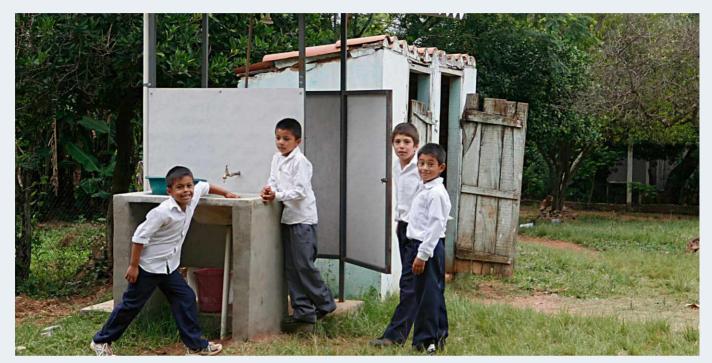
These programmes include strategic components for the sustainability of the services implemented and pay special attention to gender, incorporating strategies for the improvement and empowerment of women in the community. An example of the work carried out is the creation of the School for Female Leaders, focused on the training and empowerment of indigenous women in the Ngäbe-Buglé region, with the aim of promoting female participation in the Water and Sanitation Boards, as well as in other community decision-making spaces. In 2021, this initiative was awarded by the Global Water Operators' Partnerships Alliance (GWOPA) and UN Habitat in the category of "Successful Practices for Gender Inclusion in Water and Sanitation Programmes."



6.13- Paraguay

Active programmes in 2021:

PRY-014-M: Solutions for the Supply of Drinking Water and Sanitation in the Western Region or Chaco and Intermediate Cities of the Eastern Region of Paraguay.



At present, only one action is being implemented in Paraguay, located at the Chaco region, in collaboration with the IADB as part of the multilateral programme portfolio. This programme is titled Solutions for the Supply of Drinking Water and Sanitation in the Western Region or Chaco and Intermediate Cities of the Eastern Region of Paraguay (PRY-014-M). This programme has received 58 million euros in funding (almost 44 million euros donated by the Fund) and has already executed 75% of its grant resources. Work has been proceeding at a slow pace over the past two years due to COVID-19 but has picked up momentum towards the end of 2021. The works in the Chaco region are more advanced (priority is

being given to the optimisation of Section 1 of the aqueduct, which is essential in order to guarantee the service), but those in the eastern zone (mainly the wastewater treatment plants in the intermediate cities) are experiencing more problems in terms of execution.

In this action, it is worth highlighting the indigenous approach and the consultation process to establish the **free**, **prior and informed consent of the populations**, which has allowed for greater ownership and acceptance of the proposed interventions. In addition, within the framework of the intervention, mechanisms have been developed to prevent issues such as violence against women.

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OTHER PROGRAMMES ASSOCIATED WITH THE FUND

In addition to its own programmes, the Water Fund plays an important role in other programmes in Paraguay.

On the one hand, an ambitious programme of reimbursable cooperation is underway to cofund, in conjunction with the IADB, the Drinking Water and Sanitation Project for Small Towns and Rural and Indigenous Communities.

This is a global programme in which FONPRODE is providing a loan of up to 20 million US dollars out of a total of 60 million US dollars. The operation is planned as a continuation of the fund programme *PRY-011-M: Drinking Water and Sanitation for Rural and Indigenous Communities (PAYSRI),* which ended in 2018, with the funding targeting rural areas. Among other activities, in 2021, work has started on the construction of water supply systems in 31 rural localities, various contracting processes have been initiated and sanitary sewage works are underway in three small towns (Fram, Capitán Miranda and Yhú), out of the eight planned.

On the other hand, the programme **Drinking Water and Sanitation Project for the Metropolitan Area of Asunción - Lambaré Basin** is still in the design and formalisation phase. This is a large multi-donor project with a 1.2-million-euro donation from the Water Fund² and a 10-million-euro donation from the European Union. In addition, FONPRODE will provide a credit of 60 million dollars and the IADB will provide another credit of approximately 105 million dollars. As of December 2021, approval by the Paraguayan Congress of the FONPRODE credit and the IADB credit is pending. The programme is in the design phase and will be developed over



²Through a Technical Cooperation executed by the IADB and titled Support for the implementation of reforms, institutional strengthening and the formulation of long-term investment plans for the water and sanitation sector in Paraguay



the next few years, benefiting around 450,000 people in the south-western part of the Metropolitan Area of Asunción. It is worth highlighting the multiplier effect produced through the Water Fund as an axis that generates trust and alliances between the different institutions involved in this programme. The Lambaré programme is therefore a flagship of the Spanish Cooperation's commitment to achieve SDG 6 in Paraguay, given the alliances that have been generated and that have allowed its impact to be maximised in order to advance towards the achievement of the 2030 agenda.

Lastly, various technical cooperation projects have been launched under the LAIF Regional programme, which is managed by Spain through the Fund (see Section 4.1 Delegated Cooperation). These initiatives are related to adaptation to climate change and will help to design the Sanitation Plan for the Ypacaraí Lake Basin, to carry out the analysis of the Patino aquifer, to design the Bella Vista plant, and to establish a plan for the Pilcomayo basin.

COUNTRY CONTEXT

In the last years, Paraguay has gradually improved its level of access to basic water and, especially, sanitation services (now reaching 60% of the entire population). However, there are still significant gaps to achieve full coverage, especially in rural areas, where only 50% of the population has access to safe water (JMP, 2020).

Paraguay is one of the countries that have received the most support from the Cooperation Fund for Water and Sanitation (FCAS), with a contribution of 71 million euros in grants that have promoted programs worth more than 100 million euros.



6.14- Peru

Active programmes in 2021:

• **PER-029-B:** Project to expand and improve water, sanitation and solid waste management services and strengthen water supply basins in rural communities and districts. AMSAT-CUSCO-APURIMAC.



In 2021, just one programme remains active in Peru. This intervention has a total budget of more than 10 million euros (8.6 million donated by the Fund) and focuses primarily on remote and dispersed populations. In many cases, these are rural communities with a specific approach to their needs and their own worldview.

In the second half of 2021, work was completed on six projects: Colca, Chillhuani, Ccocharara, Tinyaripa and Tunyo, improving access to water and basic sanitation services for 1,113 inhabitants belonging to these five rural localities. Moreover, progress has been made in capacity-building in sanitation education, as well as in strengthening the Sanitation and Service Administration Boards (JASS) with regard to system management, operation and maintenance.

In total, the programmes carried out by the Cooperation Fund for Water and Sanitation in Peru (two bilateral and one multilateral managed in collaboration with the IADB) have had a combined budget of more than 175 million euros, of which 58.8 million were granted by Spain. With this portfolio, the needs of more than 95,000 inhabitants of the most underprivileged rural areas have been met so far.

COUNTRY CONTEXT

Peru is one of the richest countries in terms of water resources, but it is unevenly distributed across the territory: the majority of the population (62.5%) lives in the dry coastal desert area of the Pacific basin, with only 2.5% of the country's available water.

The gaps in access to water and sanitation services also reflect the inequality between urban and rural areas. Despite the efforts made by the country in recent years, it is estimated that in rural areas 25.3% of the population does not have access to public water networks and 76.3% does not have access to public sewage networks. This urban-rural inequality also extends to water quality, with only 2.2% of the population in rural areas having access to chlorinated water.





6.15-Dominican Republic

Active programmes in 2021:

- **DOM-017-B:** Supporting the Drafting of the National Plan for the Sustainable Use of Water Resources in the Dominican Republic. Phase 1.
- **DOM-018-B:** Ensuring the Human Right to Water by Reducing Vulnerability in the Municipal District of Pedro García, Santiago Province.
- **DOM-001-M:** Drinking Water and Sanitation Investment Programme.



The Fund is currently working on three programmes in the Dominican Republic. The largest of the three is the Drinking Water and Sanitation Investment Programme (DOM-001-M), which is being implemented in several provinces of the country with a total budget of 47.8 million euros (half of which is donated by the FCAS). It is part of the Fund's multilateral portfolio, so management is carried out by the Inter-American Development Bank (IADB) in conjunction with the National Institute of Drinking Water and Sewage (INAPA). This programme is now in the final phase of implementation and is expected to be completed in May 2022. To date, 94% of the grant has been executed and 99% of the resources have been committed. Work is currently focused on the San Cristóbal area. In 2021, the design of the remaining works was completed, which will enable improvements in water production, distribution and operation for the province as a whole through the reinforcement of the commercial policy. There has been significant progress in the number of water and sanitation customers, as well as in the amounts billed and collected, which is essential for sustainability. Progress has been made in the areas of commercial management and user awareness. The work was carried out in accordance with strict safety protocols, which ensured the water supply during the pandemic.

On the other hand, and very much focused on the aspect of Integrated Water Resources Management and institutional strengthening, the Programme for Supporting the Drafting of the National Plan for the Sustainable Use of Water Resources in the Dominican Republic, Phase I (DOM-017-B), which received a donation of 893,700 euros, is underway. It began implementation in October 2020 and aims to support the drafting of the National Hydrological Plan of the Dominican Republic, oriented under the IWRM approach, and to generate the necessary technological tools for its management, as well as to develop capacities and provide training regarding its use. Among the activities carried out in 2021, it is worth mentioning that a delegation from the National Institute of Hydraulic Resources (INDRHI) and representatives of other Dominican entities visited Spain to meet with representatives of various

organisations in the sector and to promote the exchange of experiences. During this time, the Programme's progress is being shared with the "Water Resource Coordination Board", an inter-sectoral coordination body that unites the various water-related bodies and strategies to achieve unified management, and with civil society through public consultations, so that the products are validated as they are generated.

Finally, at the end of December 2021, the implementation of the programme Ensuring the Human Right to Water by Reducing Vulnerability in the Municipal District of Pedro García, Santiago Province (DOM-018-B) began, a project which was approved at the end of 2020 and proposes to work in rural areas by implementing mitigation measures and strengthening the capacities of the Santiago Aqueduct and Sewage Corporation (CORAASAN) to ensure human rights to water and sanitation in the face of contingencies such as that arising from COVID-19. It is expected to be completed in June 2023.



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COUNTRY CONTEXT

The drinking water and sanitation situation still faces many challenges in the Dominican Republic, where there is still no legal or regulatory framework and the institutional framework needs to be strengthened. The level of fulfilment of human rights to safe drinking water and sanitation is progressively advancing but is still deficient and maintains large gaps between urban, peripheral urban and rural populations. **Continuous access to quality water and effective sanitation in the country remains a challenge.** On the other hand, the country does not have complete, updated and organised information on its water resources, which makes it very difficult to achieve an **orchestrated planning of all water uses** or to guarantee the viability of the proposed actions.

The Fund's lines of action in the Dominican Republic are related to governance, the implementation of human rights to water and sanitation and rural and peri-urban development, as well as the **strengthening of the sustainability of water and sanitation systems.**





How we work

7.1 Human Rights to Water and Sanitation

The Cooperation Fund for Water and Sanitation was established with a **strong commitment to rights,** which has been further developed since its inception in 2009. Among the principles guiding its action, human rights to water and sanitation are recognised as the guiding principles for the Fund's interventions, promoting sound water management: sustainable, participatory and transparent, promoting universal access and paying special attention to those who, for various reasons, may be excluded from access to water. Programmes therefore give special priority to the most fragile countries and the most vulnerable populations.

In this sense, throughout 2021, work was carried out to draft a document that would compile the lessons learned, experiences and proposals for the future of the Fund's work in this area. The text was published in December 2021 under the title *Learning from the Cooperation Fund for Water and Sanitation. Human Rights to Water and Sanitation.*



It compiles **examples of the Fund's good practices related to the fulfilment of human rights to water and sanitation** and reviews the history of the recent recognition of both rights as such by the United Nations. Spanish Cooperation has played an important role in this work, promoting, along with Germany, successive resolutions on the subject, both in the United Nations General Assembly and in the Human Rights Council, and supporting the figure of the UN Special Rapporteur for Human Rights. This has helped to shape the content of both rights, reinforcing their recognition and shedding light on how they are implemented. This has also been achieved thanks to the fact that both countries have supported the creation of the mandate of the UN Special Rapporteur on HRWS, which since 2020 has been entrusted to Spaniard Pedro Arrojo, with whom the Fund maintains a close collaboration. Arrojo participated in the meeting 'Right to Water, Right to Life', held in Guatemala in September 2021 to celebrate 10 years of the Fund in the country.

Throughout 2021 we have also worked with the NGO ONGAWA to create a self-diagnosis tool for the incorporation of the perspective of human rights to water and sanitation (HRWS) in the municipal management of water and sanitation services in Latin America. The project is part of the line of support to local governments to advance in the progressive incorporation of Human Rights to Water and Sanitation in the public water and sanitation services provided to their citizens. The aim is to strengthen their capacity to plan, regulate and provide these services, favouring participation and social auditing by the beneficiary population. The tool will allow municipalities to self-assess their situation in terms of access to the HRWS, as well as to establish a line of work based on the aspects on which further work is required. It will be a completely anonymous, accessible and free tool for all municipalities wishing to carry out the diagnosis.

Other related events:

Human Rights to Water and Sanitation Seminar:

In February, the Water Fund participated in the Human Rights Seminar organised by the Human Rights Office and the Diplomatic School, with a specific module on Human Rights to Water and Sanitation (HRWS), which was also attended by Rapporteur Pedro Arrojo.

Journalism and Human Rights to Water and Sanitation:

In September 2021, a course on Journalism with a Human Rights Perspective on Water and Sanitation was held in Bolivia, aimed at journalists and communicators in the country interested in the sector. The online training was offered free of charge thanks to the scholarships granted by the AECID, and focused on journalism as an agent of change for the full exercise of Human Rights to Water and Sanitation, the water crises in the country and the impact of climate change. In addition, the students then visited various projects implemented in Bolivia by the FCAS in order to write reports.



Furthermore, the Fund has some specific tools to analyse and advance the rights approach, such as the <u>Checklist for the Fulfilment of Human Rights in Water and Sanitation Programmes</u>, a tool that allows project managers to thoroughly analyse the content of human rights to water and sanitation and thus facilitate their incorporation in each of the phases, as well as to assess whether they have taken into account human rights to water and sanitation.

Throughout 2021, this self-diagnostic tool has continued to be applied to a number of the Fund's projects and has proven to be a very useful practical tool for advancing the effective fulfilment of HRWS.

2030 Agenda

The 2030 Agenda is the strategic framework and benchmark for the Cooperation Fund for Water and Sanitation to contribute to achieving the Sustainable Development Goals (SDGs). In relation to SDG 6, "Ensure availability and sustainable management of water and sanitation", the Spanish Cooperation is working on most of the goal's targets, such as improving safe access to water and sanitation, capacity-building, fostering the participation of local communities, promoting research, protecting ecosystems and integrated water resources management. SDG 6 is configured as a lever goal because it facilitates the achievement of other goals related to health, education, reducing inequality, sustainable cities, gender equality and climate emergency, among others. [See Section 2.1. SDGs impacted by the Fund].

7.2 Gender-Sensitive Approach

Gender equality is key to ensuring that water and sanitation services are sustainable over time and that human rights are enforced. The gender-sensitive approach is therefore present in all of the Cooperation Fund for Water and Sanitation's programmes from their conception and is maintained throughout their implementation. This means that programmes have specific indicators on women's participation and involvement, gender diagnostics are carried out and training activities for women are established. In addition, outcomes are measured by taking into account aspects such as women's participation in management organisations, such as community water boards.



Throughout 2021, progress has been made in the development of these indicators and work is being done to obtain disaggregated data on the number of women and men who have participated in each of the training and awareness-raising activities developed by the programmes. With regard to the data already available, it should be noted that a total of **3,001 women form part of the community structures created or strengthened by law.**

The Water Fund works specifically along five lines, related to the gender-sensitive approach:

- Participation and empowerment
- Institutional strengthening
- Economic profit sharing



- Transformation of gender roles
- Mitigation of negative impacts

Over the years, a number of lessons have been learned that allow for further elaboration of the gender-sensitive approach. Among the lessons learned, it is worth highlighting the need to support an adequate institutional legal framework in partner countries for the incorporation of equality plans; to materialise the economic empowerment of women by including the gender-sensitive approach in the terms of reference of programmes, the obligation to include clauses indicating that the training and hiring of women must be carried out under the same conditions as men, etc... Furthermore, information must be collected, the processes carried out must be systematised and the results obtained must be measured.

The following specific actions can be highlighted for 2021:

7.2.1 Guatemala:

As part of the meeting "10 Years of Experience of the Cooperation Fund for Water and Sanitation and the Association for the Integral Development of Municipalities of the Altiplano Marquense FCAS/ADIMAM", the Forum on "Women, Indigenous People and the Right to Water and Sanitation" was held In Guatemala, in which the work of gender mainstreaming in the FCAS in some of the projects carried out in Panama, Honduras and Guatemala itself was explained.



7.2.2 Ecuador:

In Ecuador, the programme *Water and Sanitation in Dispersed Rural Communities in the Portoviejo District* has enabled the implementation of the **Women's Community Training School**, which is structured around three main axes: strengthening of self-esteem, decision-making and development of technical capacities and skills for the management and maintenance of drinking water and sanitation systems. This school is articulated as a living process, in which women share experiences and knowledge to deepen their realities and transform them through their own participation.

The programme has also formed the *Agrupación Hermanas de la Tierra* (Sisters of the Earth Group) which, in September 2021, launched the **District Meeting of Sisters of the Earth**, **Justice and Equity**, which served as a starting point for the construction of the rural women's agenda in the Portoviejo district.



7.2.3 Haiti

In 2020, a consultancy was launched in Haiti to analyse the role of women in the field of water, hygiene and sanitation in two intervention areas (one urban - Aquin - and one rural - Pilate). The initial analysis will serve as a basis for a future gender action plan.

7.2.4 Participation in Meetings and Conferences

Sharing experiences and lessons learned with other actors in the sector is essential to further progress in mainstreaming gender equality in programmes.

In April 2021, the FCAS attended the webinar "Water, Sanitation and Gender", organised by FOCARD-APS (Central American and Dominican Republic Drinking Water and Sanitation Forum), where various entities shared their work and approach to promote gender equality.

In October 2021, the Fund participated in the Second Forum of Female Engineers and Architects of El Salvador: Successful Gender Mainstreaming Experiences in Infrastructure Projects. The meeting provided an opportunity for the FCAS to share its many experiences in incorporating a gender perspective into its programmes.

In the same month, a conference organised by UNESCO was held with a view to concrete actions to be taken to ensure gender equality: <u>"Accelerating Concrete Actions Towards</u> <u>Gender Equality in Water"</u>, in which the Fund took part by sharing its experiences and good practices.

7.2.5. School for Female Leaders, awarded by GWOPA (Escuela de Lideresas)

In November 2021, the project "School for Female Leaders" was awarded by the Global Water for Female Leaders was awarded by the Global Water Operators' Partnerships Alliance (GWOPA) -a UN-Habitat initiative. This initiative won second prize in the category "Successful Practices in Gender Mainstreaming in Water and Sanitation Programmes". The award highlighted the value of the School for Female Leaders in promoting the incorporation of women into management and decision-making positions in water and sanitation systems.

The Schools for Female Leaders have proven to be an efficient intervention for gender mainstreaming in participation, particularly in contexts in which women face unequal power relations and high technical knowledge constraints. They have also boosted women's individual self-esteem, ensuring their integration into community decision-making processes and spaces that were previously unattainable, providing them with access to information and technical knowledge.

7.3. Cultural diversity

The Cooperation Fund for Water and Sanitation intends to mainstream the **values and knowledge of indigenous people** in its actions and programmes, since respect for cultural diversity is a key element of sustainable development policies for all Spanish Cooperation. It aims to find ways to promote the participation of local indigenous communities, respecting and valuing their own cosmogonies, visions and values, taking into account that indigenous people are among the most vulnerable population groups and have historically been marginalised. The challenge is to address the specificities of indigenous people and their relationship with water and sanitation through articulation with local governments and the strengthening of institutions, interdisciplinary work and social and territorial management.

Most of the work has been carried out in Paraguay, Guatemala, Bolivia, Panama, Ecuador and Peru, using an intercultural approach and involving indigenous populations in project planning.

7.3.1 PARAGUAY

It is worth highlighting the work carried out in the Aqueduct Project in 2021, within the framework of the programme Sanitation and Drinking Water for El Chaco and Intermediate Cities in the Eastern Region of Paraguay (2012-21). The project aims to expand access to water in the Central Chaco region, for which purpose numerous activities have been carried out with the indigenous populations, including the development of several processes of free, prior and informed consultation.



Consultations were a fundamental opportunity for the indigenous communities and women in particular to participate. These have allowed the solutions to be implemented to be discussed, agreements to be reached and the work plans and progress of the projects to be reported on, with emphasis on aspects of interest to the communities. The Programme's communication area was also key, due to the need for permanent contact with the communities, in their languages, to inform them of the development of the actions. Between July 2020 and June 2021, a total of 87 meetings, talks, training and information sessions were held, with a total of 950 participants. Overall, the Aqueduct Project will benefit 36,000 people in 86 communities and villages made up of six ethnic groups in rural and peri-urban areas.

This year, Paraguay approved, with the support of Spain, its National Plan for Indigenous People, a regulatory framework that aims to establish public policies for the more than 700 indigenous communities living in Paraguay.

7.3.2 GUATEMALA

In Guatemala, work with indigenous communities has also been successful in several of the programmes implemented by the Fund. In 2021, the work carried out in the *Water and Sanitation Programme With a Basin Approach in the Upper Part of the Cuilco River Sub-Basin (GTM-014-B)* stands out. This intervention incorporated the multicultural and gender-sensitive approach, creating **a literacy school for indigenous women** to participate in the programme, which intervened in 17 communities. In addition to the literacy process for women, the initiative included the selection of bilingual teachers in indigenous languages, and training driven by a gender perspective, cultural relevance and the use of participate and socialise, which later facilitated their incorporation into assemblies, water committees, etc... All of this was accompanied by a broader process of community awareness-raising.

Guatemala has the largest indigenous population in the region (over 43%) and the Water Fund has developed a number of interventions here that have been enriched by working together with indigenous communities. Among other results, the programmes have generated specific products to promote the cultural adaptation of the projects, such as the "Methodological Guide of the Tzolojya Commonwealth for Facilitators: The Role of the Authorities and Indigenous People for the Integrated and Sustainable Management of Water and Sanitation". This guide, published in 2012, was the result of a process of dialogue with the protagonists of the programmes (mostly K'íchés and Kaqchikeles of the Tzolojyá people, specifically the municipalities of San José Chacayá, Santa Lucia Utatlán and Sololá), as well as taking into account the knowledge and experience of other people in the region with regard to water management and the rights of indigenous people.



Revaluing Ancestral Knowledge

In addition to the foregoing, the Water Fund has participated in the course "Ancestral Hydrotechnologies as a Response to Climate, Health and Food Emergencies", launched by UNESCO-IHP, the UNESCO Chair in Sustainability of the UPC and the AECID, and carried out through Intercoonecta, the platform for transfer, exchange and management of knowledge for the development of Spanish Cooperation in Latin America and the Caribbean. The aim of the course was to highlight the recovery of ancestral technologies as intangible cultural heritage linked to water management and their adaptation to the current context of climate and health emergencies.

7.4 Governance and Institutional Strengthening

Institutional Strengthening has always been one of the fundamental pillars of the Fund's work, which is committed to better water governance in its broadest sense. This is done in

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several ways. On the one hand, by promoting Integrated Water Resources Management (IWRM) to foster joint use and management of water resources and the adoption of basins and aquifers as planning and management units; on the other hand, by strengthening communities, institutions and public bodies in the recipient countries; and on the other hand, by strengthening the capacity of the public institutions and bodies in the recipient countries to manage water resources in a sustainable manner.

7.4.1) Promoting Water Governance and Integrated Water Resources Management

Work has been carried out to develop strategic actions within the framework of hydrological planning, Integrated Water ResourcesManagement and the model of basin organisations, always addressed to adaptation to climate change.

During 2021, the Fund has supported various studies, in collaboration with the Permanent Technical Secretariat of the Conference of Ibero-American Water Directors (CODIA) and the Inter-American Development Bank (IADB), on the degree of compliance with the SDG6 indicators in Ibero-American countries. In December, together with CODIA, an updated "Analysis of Indicator 6.5.1. Degree of Application of Integrated Water Resources Management in Ibero-American Countries. Second Cycle Update" was published. This study, initially conducted in 2019, was updated in 2021 to include the comparative progress, based on the results gathered by the Second Cycle of assessment of indicator 6.5.1, launched by UN-Water.

In addition, important work has been carried out to accompany partner countries, including the following actions in 2021 (further information in Section 3.2.2. "Impacts in public policies", in this Report): **Assisting the General Directorate of Water Resources of Honduras (DGRH-H)** in the public information phase of the Regulations of the General Water Law (response to allegations presented); assisting the **Ministry of Environment and Natural Resources of El Salvador** in the revision of the draft of the General Water Resources Law, which is expected to be approved in 2022; assisting the **National Institute of Water Resources of the Dominican Republic** in the drafting of the country's National Water Resources Development Plan; carrying out various tasks to draft the **Technical Guide for Hydrological Planning** within the framework of IWRM for Ibero-America and **assisting the Bolivian Ministry of the Environment and Water** in the drafting of Drought Management Plans and the **National Institute of Water Resources of Cuba** in the definition of training programmes and practices for the institution's technicians and managers.



7.4.2) Strengthening Operators

In order to promote greater sustainability of water and sanitation services, the Fund provides **support to service operators.** For this purpose, a number of activities are being promoted, which fall into the following typologies:

- Training and capacity-building for operators (including twinning activities between operators).
- Development of **tools adapted** to small operators to provide a quality service.
- Support for **diagnosis and improvement plans** for the management of services.

Some of these activities are being promoted through the technical cooperation programmes based on funds from the regional LAIF programme and the Fund: both have a strategic line focused on strengthening operators, which is managed in collaboration with the IADB. On the other hand, some activities are being promoted directly by the Directorate for Cooperation with Latin America (DCALC), some of a transversal nature and others of a local nature in specific countries.

a) Training and Capacity-Building for Operators

In November 2021, twinning between EMASESA and the Honduran operator Aguas de la Sierra de Montecillos began. The project will have an initial duration of three years and

includes two visits by a group of EMASESA technicians to Honduras and a visit by ASM technicians to Seville, Spain. Aguas de la Sierra de Montecillos is a joint operator formed by the municipalities of Comayagua, Ajuterique and Lejamaní. It was created in 2019 with support from the Water and Sanitation Programme in the Comayagua Valley, funded by the Cooperation Fund for Water and Sanitation, and provides water services to 18 communities in the aforementioned municipalities.

Twinning also continued between Portoaguas, the operator of Portoviejo (Ecuador) and Emasesa. The Memorandum of Understanding (MoU) between the two entities was signed on 29th September 2021, followed by the first technical visit of EMASESA's technical team to Portoaguas, in order to carry out a diagnosis of the company's situation and make a proposal of activities and pilot plans to improve the operation of Portoaguas' drinking water and sanitation systems. As a result of this mission, the document "status report and initial objectives to be established for the collaboration between Portoaguas EO and Emasesa, through the WOP" was drawn up.



b) Tools for Small Operators

This year, with the support of Tragsatec, work has begun on a **tool to diagnose operators** and draw up an improvement plan, focused on rural operators with few resources. This tool can be used both in capacity-building programmes for existing operators and in the identification phase of new programmes to design the capacity-building component.

c)) Support for Diagnosis and Improvement Plans

Work is being carried out to **promote the wastewater treatment and purification sector**, with special emphasis on environmental conservation. This line of action ranges from training and capacity-building activities to the development of instruments or guides for the region.

d) Support for Sectoral Planning

Key issues for the Fund include **sectoral planning and regulations.** The existence of an adequate regulatory framework and sectoral planning is fundamental and must include essential aspects that go beyond infrastructure planning, and incorporate elements such as service organisation, development of the appropriate regulatory framework, training, and public awareness.

In this sense, work has been carried out with CODIA on a regional strategy to help countries **revise their sectoral regulations**, so that both the legislation and the technologies used are adapted to the needs of each of the countries and are not merely a transfer of technologies from other contexts. A specific example is the collaboration with Guatemala on the revision of its regulations on landfills, and in El Salvador on its regulations on reuse and sludge.

Similarly, the Fund has promoted the drafting of **methodological guides for sectoral planning**, as well as regional recommendations or guidelines. In 2021, several publications were published in collaboration with CEDEX. One relating to the "Analysis of Latin American regulations on population discharges" and another on "Methodologies for the estimation of wastewater treatment costs in sectoral planning", with the aim of facilitating the estimation of treatment infrastructure costs, which will allow for the establishment of a realistic expenditure schedule. Both works have been promoted in collaboration and coordination with the Conference of Ibero-American Water Directors (CODIA). On the other hand, the document on Protocols for operational testing of treatment plants has been published.



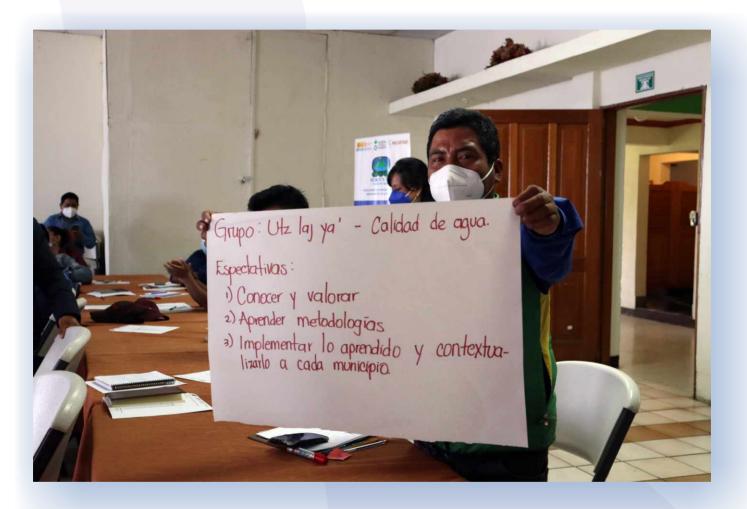
In addition, in 2021, the Water Fund promoted, also in coordination with CODIA and with the collaboration of CEDEX, a three-day regional (virtual) workshop focused on the regulation of urban wastewater discharges, within the framework of the AECID Intercoonecta programme. It took place from 21st to 23rd June and was attended by representatives of various institutions with an interest in the subject: the Conference of Ibero-American Water Directors (CODIA), the Centre for Studies and Experimentation of Public Works (CEDEX), the Mexican Institute of Water Technology (IMTA), the Inter-American Development Bank (IADB), the Latin American Development Bank (CAF), the National Institute of Water Resources of Cuba, the Ministry of Environment and Natural Resources of Guatemala, as well as the Ministry of Environment and Natural Resources of El Salvador.

On the other hand, work is being carried out on the **drafting of a Technical Guide to Hydrological Planning within the framework of IWRM**, aimed at Latin America. This was agreed during the 19th CODIA meeting, held in 2018. It established the need for a reference document to provide criteria and recommendations on the objectives and results of water planning: the minimum contents of a basin plan and the basic tasks to carry it out; the phases that can be established in the process of drawing up the plan; etc. It is intended to be a specific guide for Latin America, involving the countries and institutions of the region and offering an essentially practical and technical content, taking advantage of the experience acquired and responding to the difficulties encountered in the elaboration of IWRM plans.

7.4.3 Capacity-building

The Water Fund views capacity development holistically, as a way of helping all actors in the water and sanitation sector to achieve SDG 6 and the fulfilment of Human Rights to Water and Sanitation. This line of work therefore encompasses a wide range of activities aimed at broadening knowledge and improving both partner countries' practices and our own work. All of this, while always facilitating the partner country's leadership in its own development process.

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Within capacity-building, work is carried out through **multiple processes and using a** variety of tools:

Specific training activities within the programmes. On the one hand, there are awareness-raising activities on the use of the resource, the importance of hygiene, etc...And, on the other hand, capacity-building on technical issues such as the maintenance of water systems, regulation of the sector, human rights... both in the community and institutionally. These training activities are embedded in the cooperation programmes in order to promote the sustainability of the interventions over time.

- Creation of knowledge products: In recent years, the Fund has made a major effort to strengthen the area of creation and dissemination of the knowledge generated in the programmes carried out. To this end, experience must be gathered, systematised, analysed and the results published with the lessons learned. In this sense, the products published cover a wide range of issues: from the review of regulations in the countries in which we work to the development of methodologies, as well as the creation of tools and manuals that can have an impact on future cooperation projects. The aim is to guide and inform future investment decisions of partner countries in their water and sanitation sector strategies and policies.
- Technical assistance and twinning: Another way in which the Water Fund builds the capacity of partner countries is through Water Operator Partnerships (WOPS). So far, such twinning arrangements have been implemented in Bolivia, Honduras and Ecuador, and have proved to be a very useful tool to enhance exchanges and knowledge.Following the success of the WOPS, the Fund has also promoted other types of twinning: for example, between water management entities. An example of this was the joint work carried out between the Hydrographic Confederation of Júcar in Spain and the Ministry of Environment and Natural Resources (MARN) of El Salvador.

The work is also carried out at the **various levels** with which it interacts, so that the knowledge acquired permeates all the actors with whom it works, thus ensuring the sustainability of the programmes:

- Local: Actions to raise public awareness and train people in communities and municipalities. This is done through training for plumbers, schools for female leaders, literacy training for adult women, workshops in schools...
- **National:** work with national ministries and agencies, e.g. for the implementation of regulatory standards on water quality, management and governance.
- Regional: The Spanish Cooperation has a Knowledge Transfer, Exchange and Management Plan for the Development of Spanish Cooperation in Latin America and the Caribbean - Intercoonecta, which operates both online and through a wide network of knowledge and innovation nodes, located in Montevideo, Antigua, Cartagena and Santa Cruz (the latter focusing specifically on Water and Sanitation issues). In addition, thematic knowledge communities and planning are established and developed through different activities: face-to-face and online courses, workshops, creation of knowledge products, webinars, and other activities...

In addition, workshops to exchange of experiences between countries are also facilitated and funded regionally, and common recommendations are developed. In this line, the Fund maintains a close relationship with CODIA (Conference of Water Directors for Latin America) and supports the work of regional networks such as <u>RIOCC</u> (Ibero-American Network of Offices against Climate Change) or <u>CIMHET</u> (Ibero-American Meteorological and Hydrological Service Directors Conference). This networking is based on the conviction that **working together with our partners in the whole process will offer a better and more sustainable exchange of experiences and knowledge**, which will be useful both for the countries and for the cooperation policies themselves.

The ultimate goal is to work hand in hand with institutions and communities to strengthen institutions and promote human rights to water and sanitation, as well as public policies that favour resource sustainability.

7.5 Knowledge Management and Communication

Knowledge Management encompasses the broad set of activities carried out by the Water Fund to compile and systematise the work done, extracting good practices and lessons learned to improve the work done and to continue advancing in the progressive fulfilment of access to Human Rights to Water and Sanitation. It also has an important component of socialisation and dissemination, not only of the organisation's internal knowledge but also of any reports or studies of interest generated by other leading institutions in the sector. This area is one of the Fund's priorities, and throughout 2021 work has been carried out on a number of actions to further develop this area.

On the one hand, work has continued on the preparation of various monographs on the aspects on which the Fund has worked most over the years: governance, cultural diversity and interventions with indigenous people, innovation, gender, sustainable cities, among others. The objective of these analyses is to compile the Fund's accumulated experiences and to reflect the positioning and orientations for future work. The first of these documents addresses the human rights approach to water and sanitation and was published at the end of 2021.

On the other hand, the **Water Fund Knowledge Network** has been established, an internal AECID online space (headquarters and field) created as a meeting place to share and

disseminate events, activities, news and reports that may be of special interest to the professionals who make up or collaborate with the Cooperation Fund for Water and Sanitation.

Finally, another aspect on which most emphasis has been placed throughout 2021 has been on strengthening the relationship with our strategic partner, the Inter-American Development Bank, with whom numerous programmes are jointly executed. For this purpose, country-specific workshops have been held to address issues related to the systematisation of the products generated in the multilateral portfolio. On this basis, along with the Technical Cooperation Offices of each country, a line of knowledge products has been prioritised to be developed in the coming year.

COMMUNICATION

Communication has been highlighted as a particularly important element for the Water Fund in two respects. On the one hand, within the programmes carried out in the partner countries themselves. On the other hand, as a means of accountability to provide the public with all available information regarding the progress of the programmes.

For programmes on the ground, a guide of recommendations has been established for programmes to allocate a portion of funding and resources to raise awareness of the work being done and, especially, to document the actual changes made by the initiatives implemented.

With regard to accountability to the public, in 2021 an effort was made to compile and summarise the work carried out in each of the countries in which the Fund is present. This work was recorded in the "Country Fact Sheets" document, which allows you to consult, at a glance, the interventions carried out in each country, the beneficiaries, the entities we work with and and the main lines of action in each of them.



At the same time, in 2021, collaboration with the IADB on communication has been strengthened and the development of animated videos to communicate the impact of the programmes has been reinforced. The Fund also aims to take morephotos and record more videos on-site, although this has been hampered by the restrictions on movement that have remained in place for much of 2021.

49 articles on the Fund's work were published on the Fund's website and the newsletter is regularly sent to the more than 500 subscribers. In 2021, the website reached 13,000 unique users, an increase of almost 20% compared to the previous year. The majority of users came from Spain (36%), followed by Colombia (8%) and the United States (6%). The rest came from Latin America, particularly El Salvador, Guatemala, Ecuador and Bolivia.

As part of the Water Fund's dissemination work, and in an attempt to also raise awareness of the work carried out by all the entities that in one way or another contribute to making Spanish cooperation in the water and sanitation sector a reality, since 2020 the Spanish Cooperation Microsite has been up and running on the iAgua website where content is published weekly.

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In addition, the Water Fund has reached out to as many people as possible by participating in numerous national and international meetings and forums, as well as by sharing its experience on various media outlets.

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In February, a joint editorial was published by the FCAS and the Sanitation and Water for All (SWA) initiative, led by former UN rapporteur for water and sanitation, Caterina de Alburquerque, analysing the impacts of the pandemic on human rights to water and sanitation.



Meeting between representatives of the AECID and the FCAS with the former UN Rapporteur for Water and Sanitation, Catarina de Alburquerque, in December 2021

In March, the month of water par excellence due to International Water Day being celebrated on the 22nd, the Fund participated in <u>Water Week in the Dominican Republic</u> and was present in the Somos Cooperación programme on Spanish National Radio doing an interview with the then director for Latin America and the Caribbean of the Spanish Agency for International Development Cooperation, Carmen Castiella.

In April, <u>the Water Fund was awarded by iAgua withe the "iAgua Latam prize" in recognition</u> <u>to its work in the region.</u> On the other hand, the Spanish Cooperation participated in the event "INVESTAGUA, why you should invest in water", with a round table on investments in rural and peri-urban areas of Latin America to close the inequality gaps in access to the resource.

On 19th November, International Sanitation Day, the Fund was once again present on Spanish National Radio, where the Somos Cooperación programme interviewed an expert from the Fund's Department and one of the heads of the Municipal Water Company of Santa Rosa de Copán, in Honduras, who has been actively involved in the Fund's programmes.



The Fund also played an important role in the <u>1st Latin American Environmental Week</u>, organised by the Ibero-American General Secretariat (SEGIB) as a result of the commitment of the Ibero-American Heads of State and Government to tackle the environmental crisis through cooperation and joint work. The participation consisted of the organisation, with CODIA, of several sessions related to one of the themes addressed during the week: water resources.

Likewise, the FCAS was also present at **World Water Week**, organised by the Stockholm International Water Institute, with a session on the importance of public toilets to ensure citizens' rights to water and sanitation beyond the home, especially for highly vulnerable groups such as street vendors, the homeless, etc.

7.6 Governing Bodies

The Water Fund's organisation and operation are detailed in <u>Spanish Royal Decree 1460/2009</u>, on the organisation and operation of the Cooperation Fund for Water and Sanitation, approved on 29th September 2009. According to this decree, the Fund has two bodies of its own: the Executive Board and the Advisory Board. The <u>Royal Decree 1424/2012</u> modified certain aspects relating to the Advisory Board, establishing that it would be chaired by the person holding the post of Secretary of State for International Cooperation.

Advisory Board

The Advisory Board is composed of experts from various fields in the water and sanitation sector: non-governmental organisations and foundations; water and sanitation operators and managers; business organisations and specialised companies; universities and experts in the field from various backgrounds.

In 2021, the Advisory Board's working group met to review the progress of the programmes and to study the proposals presented by the FCAS Department. At the meeting, three new technical cooperations were presented to be included in the Action Plan of the work carried out by the FECASALC (Spanish Cooperation Fund for Water and Sanitation, managed by the IADB for the implementation of bilateral programmes), cooperations that would be carried out with funds already allocated by the IADB, not being new contributions. The three technical cooperation proposals were:

- Assisting in the drafting of the National Drinking Water and Rainwater Drainage Plans in Uruguay, a cooperation that will reinforce the previous work carried out by the Fund in the drafting of the Plan for the adaptation of integrated water resources management. The proposal was favourably considered by the entire Advisory Board.
- Promoting policies and mechanisms for the fostering of innovation in the water and sanitation sector in Latin America and the Caribbean. This proposal was also favourably received by the Advisory Board.
- Desalination as a water resource alternative in Latin America and the Caribbean. Following an interesting debate on sustainability and the relevance of using this type of technology, this proposal was approved by the members of the Advisory Board, with just one member voting against.

On the other hand, an additional initiative to incorporate a "component of reinforcement measures to ensure the sustainability of the actions" was discussed, a proposal that was very positively valued by the group and that will allow the funding of possible specific actions to influence aspects of improvement in the programmes already carried out that can be identified thanks to the final and "expost" evaluations (a few years after the programme has ended).

Executive Board

According to Royal Decree 1460/2009, "the Executive Board of the Cooperation Fund for Water and Sanitation will study and evaluate all funding proposals from the Fund submitted to it by the Office of the Cooperation Fund for Water and Sanitation, and will decide on their submission for authorisation by the Council of Ministers, through the Minister of Foreign Affairs and Cooperation, in accordance with the procedures established in Article 15 of this Royal Decree".

In 2021, the Executive Board held two meetings, in July and December. At the July meeting, the annual accounts were reviewed and approved, and the maximum allocation to meet the Fund's management costs was established. At the December meeting, the four proposals for

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new actions for the coming years were presented: three corresponding to specific technical cooperations to be carried out by the IADB - within the FECASALC action plan - and not involving new disbursements, and one relating to an additional initiative to incorporate reinforcement measures to improve the sustainability of the actions already carried out. After listening to the comments made by the Advisory Board on all of them, the Executive Board proceeded to approve them. Finally, the draft of the Protocol for the Prevention of Money Laundering (PBC), drawn up between the ICO and the AECID, was approved.

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