

MCC's Commitment to Sustainable Clean Water, Sanitation and Improved Water Infrastructure

Water, sanitation and irrigated agriculture are priorities for MCC partner countries as fundamental pillars to improving the livelihoods and well-being of the poor. Water and sanitation investments help reduce illness from water-borne diseases, and irrigation investments support increased agricultural productivity and farmer incomes. Issues such as climate change and food security have added urgency to the need for clean, reliable water sources. MCC is committed to supporting MCC partner countries' priorities in water and sanitation as part of these countries' efforts to sustainably reduce poverty and stimulate economic growth. MCC has funded approximately \$780 million in water and sanitation projects in seven compact countries, in addition to approximately \$805 million in irrigation and water management projects to support the agriculture sector in nine countries.¹

MCC water and sanitation infrastructure investments include:

El Salvador



The rural water and sanitation activity, under the Human Development Project in the El Salvador Compact, is investing over \$23 million to provide improved access to potable water and sanitation systems. The MCC Compact in El Salvador is focused on the Northern Zone of the country, where over 100,000 people are not connected to water systems and nearly 200,000 people are without private sanitation systems.

Georgia



Georgia's MCC Compact includes a Regional Infrastructure Development Project to provide approximately \$53 million for regional and municipal physical infrastructure for water supply and sanitation. This project is designed to help targeted municipal utilities deliver safe, reliable, affordable and accessible utility services. At the time of compact signing, it was estimated that more than half the water and sewage systems are beyond their service lives in target regions; the MCC Compact will improve this infrastructure.

Ghana



Ghana's MCC Compact includes a Rural Development Project designed to support priority investments identified by participating farm communities and local district assemblies. Projects include an approximately \$16.2 million program to improve access to potable water through the construction and

1. Values are cumulative to December 31, 2010, and are based on definitions from the Water for the Poor Act, which reflect technical assistance, water resource management and other activities related to improved water productivity. Values include a variety of necessary project costs such as design, management consultancies, construction, construction supervision, and environmental and resettlement related activities.

rehabilitation of small town water systems and boreholes. MCC is also partnering with the Carter Center to help prevent recurrence of Guinea worm disease by extending an existing water urban system to previously infected farming areas in the northern region as part of the Tamale Water Extension project.

Jordan



Jordan's MCC Compact includes approximately \$254 million to improve the efficiency of network water delivery, the volume of wastewater collection and the capacity of wastewater treatment in the Zarqa Governorate through three integrated projects. The Water Network Restructuring and Rehabilitation Project is designed to improve water delivery services by addressing physical losses and improving network management. Additionally, the project will provide funding for poor households to receive upgrades to household plumbing works. The Wastewater Network Reinforcement and Expansion Project is designed to increase the amount of wastewater collected for treatment through extending the services area and will reduce the incidents of sewage overflow by increasing conveyance capacity. The increased wastewater flows will be conveyed to the expanded As-Samra Wastewater Treatment Plant and the treated effluent made available for agricultural purposes. The As-Samra Expansion Project is being implemented through a build-operate-transfer arrangement, allowing MCC to leverage its investment with private-sector funds to cover the project's cost of the expansion.

Lesotho



Lesotho's MCC Compact provides \$164 million for a water sector project to improve the water supply for industrial and domestic use that will provide essential infrastructure to deliver water to local businesses and homes. The compact will fund portions of the multi-donor funded Metolong Project, including a water treatment plant and portions of the downstream conveyance system serving Lesotho's capital and other major cities in the lowlands. Domestic users in selected urban and rural areas will benefit from water system upgrades and expansions providing a reliable supply of water and better sanitation. The project is designed to enhance rural livelihoods through improved watershed management.

Mozambique



The water and sanitation project, the largest of the components in Mozambique's MCC Compact, is designed to provide access to safe, reliable water supply and sanitation in order to increase productivity and reduce water-borne diseases. The \$204 million water and sanitation project is intended to provide for water, sanitation and drainage services to multiple cities and mid-sized towns; rehabilitation of a critical water supply dam; rural water supply services in the two provinces; and capacity building of local institutions and policy development. MCC's investments are part of a \$240 million multi-donor funding package that includes funds from MCC, the World Bank/International Development Association, the Africa Catalytic Growth Fund, and the Global Partnership on Output-Based Aid.

Tanzania



Tanzania's MCC Compact dedicates \$65 million to a water sector project designed to increase the quantity and reliability of potable water for domestic and commercial use. The project focuses on improving water supply infrastructure in two major cities, Dar es Salaam and Morogoro, and improving the system efficiencies of the Dar es Salaam Water and Sewerage Authority. By increasing the volume of the water supply, this project is expected to reduce the prevalence of water-related disease, increase time available for productive activities such as education, and promote greater investments in physical capital. MCC recently agreed to fund the design of a \$50 million water transmission main; construction of the main will be funded by the Tanzanian

Water Sector Development Group. This collaboration with the donor group will ensure a reliable supply of water from the expanded Lower Ruvu Water Treatment Plant.

Additional water and sanitation investments:

Numerous MCC-funded projects in partner countries include additional drinking water and sanitation programs as an integral part of public construction projects or resettlement efforts. For example, Mali's MCC Compact includes additional drinking water and sanitation investments of over \$5 million in the Bamako-Sénou Airport Improvement Project and close to \$4 million in resettlement of persons affected by the Alatona Irrigation Project.

MCC agricultural projects with irrigation and water resource management components include:

Armenia



Armenia's MCC Compact provides \$141 million to increase the area of land under irrigated production and to improve the overall reliability and efficiency of sourcing and delivering water to farmers. This support includes rehabilitating irrigation infrastructure, institutional strengthening and capacity building for water management entities, and training that will introduce farmers to on-farm water management, improved productivity practices, higher-value agriculture production, and marketing.

Burkina Faso



Burkina Faso's MCC Compact includes \$128 million to develop newly irrigated lands and, in already irrigated areas, improve productivity and enhance competitiveness. The Water Management and Irrigation Project Activity is designed to ensure adequate water availability, water delivery, flood control, and dam safety to support and protect investments in the Sourou Valley and Comoé Basin. The Diversified Agriculture Project Activity will build on the delivery of water in the project zones by supporting on-farm production and related activities throughout the value chain in order to improve the market competitiveness of farmers. These two activities are part of the larger Agricultural Development Project, which is designed to increase rural incomes and employment, and to enhance the competitiveness of the rural economy in the Sourou Valley and the Comoé Basin.

Mali



Mali's MCC Compact provides \$141 million to improve and expand irrigation systems to stimulate value-added agricultural production and economic growth. The project is complemented by integrated improvements in the technical approach to water management.

Moldova



Moldova's MCC Compact, and its Transition to High Value Agriculture Project, aims to increase rural incomes by stimulating growth and catalyzing future investments in high value agriculture by establishing a successful and sustainable model of irrigation systems and water resource management. The project also incorporates establishment of a conducive institutional and policy environment for irrigated agriculture. The project includes over \$87 million for rehabilitation of up to 11 irrigation systems, irrigation sector reform activities, and technical assistance to improve productive use, including on-farm water management.

Morocco



The Fruit Tree Productivity Project of the Morocco Compact aims to stimulate growth and reduce volatility in the agricultural sector by transitioning production from annual crops to more productive perennial tree crops. Within the project, \$106 million is dedicated to components that seek to increase the efficiency of water use and other crop practices to enhance the productivity of olive and date trees through improvements to irrigation infrastructure, rehabilitation of orchards, and assistance to water user associations.

Senegal



Senegal's MCC Compact includes \$166 million under the Irrigation and Water Resources Management Project to rehabilitate key components of the Senegal Valley's main irrigation and drainage system. These activities are designed to increase the reliability of irrigated water, eliminate the risk of abandonment of irrigable land, provide additional water for human and animal use, and improve crop yields, as well as to develop newly irrigated lands.

Additional irrigation-related investments:

MCC has undertaken additional investments in activities associated with improved water productivity linked to irrigation in MCC Compacts in Ghana, Cape Verde and Honduras. In Ghana, for example, MCC is investing \$21 million in irrigation infrastructure as part of the Agricultural Development Project, which seeks to increase the production and productivity of high value cash and staple food crops in the northern and southern regions. Similarly, there were approximately \$40 million in investments in irrigation-related projects in the recently-completed Cape Verde and Honduras Compacts.