

SWA Finance Ministers' Meetings Sparking Economic Growth: The Case for Investing in Water, Sanitation and Hygiene

Ideas and suggestions for follow-up at country level by governments, civil society and development partners

About the SWA 2020 Finance Ministers' Meetings

FINANCE

MEETING

MINISTERS'

The Africa, Latin America and the Caribbean, and Asia and the Pacific <u>2020 Finance Ministers'</u> <u>Meetings (FMM)</u> were held virtually in November and December 2020. The FMMs were organized by the Sanitation and Water for All and co-convened by two SWA global partners - UNICEF and the World Bank Water Global Practice – as well as key regional partners for each of the three regions, including regional development banks and political institutions. About 70 Finance Ministers and their counterparts responsible for water, sanitation and hygiene, as well as dozens of heads of UN agencies, development banks, bilateral and multilateral institutions and leaders from civil society, private sector and research and learning agencies attended the meetings.

The objective of the FMMs was to develop and strengthen partnerships with finance ministers for smart investments in water, sanitation and hygiene. These partnerships are especially important in the context of the COVID-19 pandemic given the central role water, sanitation and hygiene plays in national economic and health recovery; delivering improved resilience against climate change, employment opportunities, health benefits, and access to innovative finance, including climate resources – allowing countries to build forward better. Evidence and practical experiences of successful investments in the sector were presented and ministers engaged in active dialogues on initiatives that are relevant to their context. The FMM also used examples from the recent SWA publication: Water & Sanitation: How to Make Public Investment Work - A Handbook for Finance Ministers. The Handbook provides practical financing approaches to achieve the water, sanitation and hygiene targets of the sustainable development goals.

The FMMs were preceded by a preparatory process including national sector analyses, dialogues and advocacy and communications activities. There is a higher chance of progress if the momentum, outcomes and results of the FMMs are incorporated and taken forward by ministers, other leaders and all partners through their collaboration at all levels.

SIx suggestions for follow-up to the FMMs

1. Organize a **post-FMM ministerial briefing** involving the finance and sector minister(s) to identify priorities or areas where ministers are interested to undertake action to improve financing for the sector. The FMM provided opportunities for ministers to hear multiple



experiences, which may be applicable to the national context. Specific areas of interest expressed by ministers can be discussed in the national water, sanitation and hygiene processes. The Secretariat can also be contacted to provide additional support and link countries to others for peer to peer exchanges. SWA Secretariat gathered the questions which emerged during the FMMs. These questions can be used to further engage ministers.

- Through government-led processes involving senior leaders and partner agencies, identify and follow-up on relevant best practices that were shared during the FMM and about which the government wants more information about. These interests can be discussed in national dialogues and also shared with the secretariat for more support.
- 3. Identify specific bottlenecks to address in order to improve sector finance, such as developing investment plans, reforming subsidy and tariff structures and improving national budget allocations.
- 4. Identify FMM topics for inclusion in ongoing national dialogues, such as the economic opportunities offered by the sector to improve economic recovery, attracting additional finance, climate finance, incentive-based finance, targeting national resources to eliminate inequalities. The examples provided by the Finance Handbook can be used in these dialogues. Outcomes of these national processes can be linked to the <u>Mutual Accountability Mechanism</u> through tabling, reviewing and reporting on commitments, including those focused on finance.
- 5. Use the national and sub-national budgeting cycle to present the financing needs of the sector in order to mobilize additional support, including policy measures to the implementation of any initiative identified as a result of the FMM process. This could relate to taxes, tariffs, transfers, incentive-based financing and climate finance for water, sanitation and hygiene. It is important to develop clear, costed proposals demonstrating how additional resources can be used and the measures in place to effectively utilize existing resources.
- 6. **Involve the media** in the post-FMM discussions including through programs such as the dialogues involving finance and sector ministers. It will be important to start developing a long-term relationship with selected media on issues of financing water, sanitation and hygiene.

Seven ways the Secretariat and other partners can support national follow-up processes

- Helpdesk on the use of the ministerial Finance Handbook and WASH costing tool: the Secretariat provides dedicated support to national partners around the various SWA resources and processes related to WASH financing, including the Finance Handbook, the newly updated <u>SDG WASH costing tool</u> and the Mutual Accountability Mechanism.
- 2. Systems and finance platform/working group: in 2020 SWA mobilized partners to support the delivery of the partnership's <u>strategic objective</u> on systems strengthening and finance. The Work Group is supported by a Senior Finance Adviser who, together with the working group, will provide support to partners. To date, the group has held discussions with about 6 countries to better understand the bottlenecks they face in mobilizing and using WASH Finance. Some of the areas of support include building relationships between sector and finance ministries; providing advice on sector reforms needed to unlock resources; and creating an ongoing platform for exchange of lessons and technical expertise for partners.



- 3. Peer-to-peer exchanges involving political leaders: SWA is dedicated to building the political will of decision makers, as well as providing them with evidence and the opportunity for exchange that will support sector reforms. The Secretariat will link political leaders who want to implement a specific initiative with others with the experience to do so. SWA's unique mandate is to create these linkages among political leaders across geographical, language and economic barriers. If your political leaders are interested in using this resource, please get in touch with the secretariat clearly outlining the area of interest, and if possible, the countries or agencies which you would like to engage with.
- 4. High-level political engagement involving SWA leaders: SWA has a <u>Global Leadership</u> <u>Council</u> comprized of highly-respected leaders, including former heads of government and state. Partner countries can request SWA for the engagement of these leaders. For example, the <u>SWA High-level Chair</u>, who is a former head of state, can write to ministers or other heads of government to encourage them to undertake an action related to financing water, sanitation and hygiene. SWA's CEO can hold virtual meetings with ministers or make a country visit in support of an initiative identified during the FMM. These resources can help raise the political visibility and prioritization of water, sanitation and hygiene.
- 5. Mutual Accountability Mechanism (MAM): The MAM is a process for governments and other stakeholders to make commitments together on concrete actions each actor will take to achieve the SDGs. You can use the outcomes of the preparatory process and the FMM to table new commitments. Partners are also encouraged to periodically review the progress made towards the tabled commitments, even if they have not been fully achieved yet. Contact the Secretariat if you need more information on where to upload an update on your commitments.
- 6. In-country multi-stakeholder setup and support: SWA includes partners from a multitude of areas such as UN agencies, development banks, bilateral and multilateral institutions and leaders from civil society, private sector and research and learning agencies. The SWA serves as an enabler for multi-stakeholder collaborative work at country level. SWA partners can help establish and nurture the dialogue between your political leaders and representatives from constituencies such as Civil Society Organizations, External Support Agencies, Private Sector, Research & Learning, and Utilities & Regulators.
- 7. Media and communications support: SWA is a platform for reaching audiences inside and outside the sector, as well as the media. Partners can use the platform to share their national progress and stories. SWA also develops materials around different topics that partners can adapt and use in their own channels (videos, infographics, etc) to communicate their FMM follow-up. Please explore <u>SWA's website</u> for different toolkits.

In addition to the support above, the Secretariat will also do the following:

• **2021 Webinar series:** The Secretariat will organize post-FMM webinars linked to the WASH Finance Handbook. The schedule and topics will be available <u>here</u>

For more information: contact your respective secretariat liaison person or send an email to: <u>info@sanitationandwaterforall.org</u>.