



Date:	19 April 2024
Time:	8:00 – 9:30 am EST (light breakfast as of 7:30 am)
Co-convenors:	Sanitation and Water for All (SWA), UNICEF and Inter-American Development Bank (IDB)
Place	Headquarters of the Inter-American Development Bank, Washington

Overview

In a global and regional context characterized by widening inequalities, economic instability and enduring debt crises, continuing and unpredictable climate change and public health risks, water and sanitation are consistent themes. For Latin America and the Caribbean, these realities influence how countries are able to reduce poverty while increasing access to safely-managed services, which demands a 16-fold increase in current rates of progress for water and a 7-fold increase for sanitation.¹

In this regard, it has never been more important for governments in the LAC region to take the lead in ensuring access to inclusive, reliable, safe, and resilient water and sanitation services, particularly for the most vulnerable and marginalized communities and strengthening community water management organizations existing in the region. The region has been very committed to the recognition of the human rights to water and sanitation, and this is reflected in many constitutions and in regional commitments,² although implementation still needs improvement. Sanitation and Water for All (SWA), a UNICEF hosted global partnership, is devoted to securing the political will needed to make this happen, nationally, regionally and globally. Finance ministers and the institutions they lead are critical partners in achieving this.

The 2024 LAC Finance Ministers' Meeting, co-organized by SWA, UNICEF, and IDB will focus on how ministers of finance, together with other government and development partners, are transforming access to water and sanitation in their countries, leading to economic, health and social benefits that ensure the necessary resilience in the face of a changing climate and complex global context. The ministers will discuss the strategic importance of investing in water and sanitation as catalysts for economic impact and long-term development. Particular attention will be devoted to solutions aimed at eliminating inequalities within and between countries, which hinder efforts to deliver on the SDGs' promise to leave no one behind. These inequalities in access to water and sanitation, which also traverse multiple other development indicators, are exacerbated by water pollution, deforestation and climate change, causing devastating impacts on those who are least able to protect themselves.

Discussions at the Meeting will centre on inspiring and practical solutions as well as aspirational examples of countries that are working towards achieving development and climate goals and are securing inclusive finance for a resilient future. Supported by a robust preparatory process at

¹ JMP 2022 Progress on drinking water, sanitation and hygiene in Latin America and the Caribbean: 2000-2020 5 years into the SDGs.

² https://www.cepal.org/sites/default/files/events/files/report_on_the_latino_american_and_caribbean_regional_process_to_accelerate_the_achievement_of_sd_g_6.pdf

country level, Ministers will have the opportunity to present their good practices, and dialogue with their peers about progress and challenges.

Links will be made with the Political and Regional Processes for the Americas for the 10th World Water Forum, coordinated by the IDB, as well as the Finance in Common 2023 Summit that took place in Cartagena in August 2023, and to the 2025 LatinoSan is being hosted by the Dominican Republic. Taking place in the margins of the World Bank's Spring Meetings, the World Bank has confirmed its interest to collaborate on this agenda. It will also integrate the work of SWA's recently launched Heads of State Initiatives together with UNICEF, IRC-WASH, and the Netherlands' Directorate-General for International Cooperation (DGIS).

This ninety-minute meeting will be held at the Headquarters of the Inter-American Development Bank in Washington DC and will be conducted in Spanish, English, French, and Portuguese.

Background

Since its founding in 2010, the SWA partnership is the only organization to regularly convene High-level Meetings (HLMs) of finance and sector ministers, as well as other high-level representatives on the topic of water and sanitation, fostering on-going high-level political dialogue. These discussions are especially important now, when governments need solutions to address widening inequalities, protect public health, transform access to water, sanitation and hygiene for all and strengthen economies in the face of a changing climate, ecological devastation and ongoing debt crises.

According to the UNICEF/WHO Joint Monitoring Programme, achieving SDG water and sanitation targets in the LAC region requires a significant acceleration in current rates of progress, with particular attention paid to the elimination of inequalities, and ensuring services that are sustainable and resilient in the face of climate and other threats. In 2022, three quarters of the population used safely managed drinking water and nearly half used safely managed sanitation services. While the region is on track to eliminate open defecation and achieve universal access to basic drinking water and sanitation services, achieving the 2030 SDG targets of safely-managed services will require a 16-fold increase in current rates of progress for water and a 7-fold increase for sanitation.³

These figures hide inequalities both within and between countries, between urban and rural communities, as well as between formal and informal settlements within cities and towns. The 2022 JMP report on Latin America and the Caribbean provides analysis of these inequalities, where data is available.

The lack of data that is demonstrated in the JMP report is particularly concerning, as without an effective monitoring system of all aspects of service provision, including water quality, it is not possible to identify the communities lacking services nor plan for, or effectively finance, resilient,

³ JMP 2022 Progress on drinking water, sanitation and hygiene in Latin America and the Caribbean: 2000-2020 5 years into the SDGs.



inclusive services. In the LAC region, community-managed service provision is one important way that some authorities have put in place to help redress inequalities. These systems require government support both institutionally and financially to be resilient, inclusive, achieve human rights criteria and address sanitation issues, and to ensure effective monitoring.

IDB estimates indicate that the region requires an investment of 142 billion USD in water infrastructure, and 230 billion USD in sanitation infrastructure to ensure universal access to high-quality and environmentally sustainable standards for the LAC population in 2030. This is in a context of increasing public debt over the last decade, deepened by the Covid-19 pandemic.⁴ Therefore, there is a need for new political and finance approaches that open discussions on the economic realities of States to be able to both address the debt crises as well as ensure access to essential public services, to enable everyone in the region not only to survive but to thrive.

Objective: Building Strong, Inclusive and Resilient Economies through Ensuring Sanitation and Water for All

The LAC Finance Ministers' Meeting seeks to inspire finance ministers and their sector counterparts to devise financing solutions and strategies to reach universal access to water and sanitation services to include marginalized and vulnerable communities such that everyone can benefit from economic resilience, better health and wellbeing, and a sustainable and resilient environment.

The meeting will highlight the direct and indirect economic benefits including improved public health, the potential for job creation, increased productivity and how improved water and sanitation services can create a more favourable environment for business and investment. According to ECLAC, “An investment of 1.3% of the regional GDP annually until 2030 would make it possible to universalize access to safely managed drinking water and sanitation, which could generate up to 3.4 million green jobs a year.”⁵

Participants will also be encouraged to promote alignment across initiatives and commitments such as Agenda 2030, the Summit of the Future, the 2024 G20 summit to be hosted by Brazil, future COPs, **the Water Action Agenda**, the **SWA Mutual Accountability Mechanism and the 10th World Water Forum**. This meeting will also reflect recent recommendations, such as those of the OECD Global Commission on the Economics of Water.

Content

Finance ministers from across the LAC region will have an opportunity to share their successes in mobilizing finance for WASH and strategize how to leverage water and sanitation services within the climate conversation - as nations but also as a region. The meeting will highlight how water and

⁴ According to the Economic Commission for Latin America and the Caribbean, “Public debt rose sharply in the decade prior to the COVID-19 pandemic, and that trend was aggravated by record fiscal deficits in 2020” <https://repositorio.cepal.org/server/api/core/bitstreams/d84a5041-0a2c-4b8e-9b01-d91b187477ce/content>

⁵ https://www.cepal.org/sites/default/files/events/files/report_on_the_latino_american_and_caribbean_regional_process_to_accelerate_the_achievement_of_sdg_6.pdf

sanitation reinforces the development of other sectors such as education and health: every dollar spent on water and sanitation leads to greater economic and social development across all sectors.

The focus on finance for an inclusive and resilient future will examine:

- Government budgets and the availability of public finance, particularly to reduce inequalities, to improve access in schools and healthcare facilities to support community management of service provision and to improve monitoring processes;
- The role of public development banks, private capital and innovative long-term investment;
- Climate finance and investments to reduce energy consumption and emissions and other mitigation and adaptation strategies; and
- Debt reduction initiatives to create fiscal space for investment in water and sanitation.

This in-person meeting will be a platform for short and succinct interventions that provide a foundation for exchange between participants. The opening session will be live-streamed, while the following discussions will be closed door. Shared experiences will foster cross-country learning, promoting conversation between ministers, rather than statements of achievements.

The event will contribute to SWA's global efforts to secure a "Triple A" rating for the sector – through Ambition, Action and Accountability.

Expected Outcomes

Development of key partnerships and commitments to strengthen investments

- Finance ministers identify and develop partnerships with key institutions and agencies to achieve smart investments which improve access to safely managed sanitation and water services in their countries.
- Finance ministers, global and regional development partners, as well as any other partners from civil society, private sector or research and learning community table/announce their own commitments including for increasing resource allocation, exploring innovative financing mechanisms and effective use of existing resources.
- In the months following the meeting, finance ministers seize opportunities to increase investments in access to water and sanitation as way to reduce social costs, increase tax revenues, and strengthen investor confidence.
- After the meeting, finance ministers engage with other partners, such as public and regional development banks and other potential investors to increase investments in water, sanitation, and hygiene.

Development and delivery of comprehensive national financing strategies

- Ministries of finance and development partners take stock of existing plans and strategies for financing water and sanitation and identify solutions for achieving their nationally agreed goals.

- Ministers and development partners agree to strengthen alignment of policies, regulations, and incentives to create the environment which supports growth and resilience with integrated water and sanitation services, including measures to ensure financial integrity.
- Participants utilize the preparatory and follow up process of the meeting in order to adopt, review or implement strong national financing strategies for water and sanitation, according to national context.

Strengthening of Regional Cooperation and High Level Political Will

- The Meeting creates a strong political momentum in Latin America and promotes the prioritization of investments and public policies in the region in the months to come and in the lead up to LatinoSan 2025 in the Dominican Republic and the Iberoamerican Summit in November 2024 which will focus on innovation, inclusion and sustainability.
- Finance Ministers understand, support and participate in initiatives such as the Heads of State Initiatives, using their authority and influence to improve sector performance and attract new investment.

These outcomes will translate the discussions and proceedings of the meeting into tangible actions that contribute to increased investment, improved policy frameworks and regional collaboration in the critical areas of water and sanitation.

Lines of Action

- Country Preparatory Process (pre-FMM) – Invited States from the region, together with partners will be engaged in a dedicated preparatory process to strengthen or catalyze in-country dialogue and action and prepare ministers of finance for their participation at the FMMs. The government leads the preparatory process including reviewing existing Mutual Accountability Mechanism commitments and making new ones, with the support of sector partners including the civil society, external support agencies, research and learning agencies and private sector.
- Preparatory Webinars (pre-FMM) – Invited States from the region as well as other partners discuss the regional challenges and identify opportunities to mobilize resources for the sector, share key lessons and ideas on the path to the regional FMM and get the latest information on the preparations for the in-person meeting.
- FMM: 90 minute in-person meeting on the side lines of the World Bank Spring Meetings taking place in Washington DC from 19-21 April 2024. The meeting will be on the 19th of April and will be attended by ministers of finance from LAC and key sector stakeholders. In order to increase awareness around finance for water, sanitation and hygiene, partners are also encouraged to announce and organize a “WASH Finance Week” ahead of the week of the LAC FMM. During this Week, partners can undertake communication and advocacy activities involving political leaders, the media and financing institutions.



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FINANCE MINISTERS' MEETING

WASHINGTON DC | 19 APR 2024

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- Follow-up (post- FMM) - a robust follow-up process to track commitments and agreements made by ministers and partners is important to ensure the impact of the FMM extends beyond the actual meeting itself. The FMMs is not standalone events but a part of an ongoing political dialogue.

For more information

Please contact the SWA Secretariat for more information: info@sanitationandwaterforall.org

#2024FMM

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www.swa-fmm.org



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