

USAID's Role in Finance for Water & Sanitation

Finance & the USAID Role

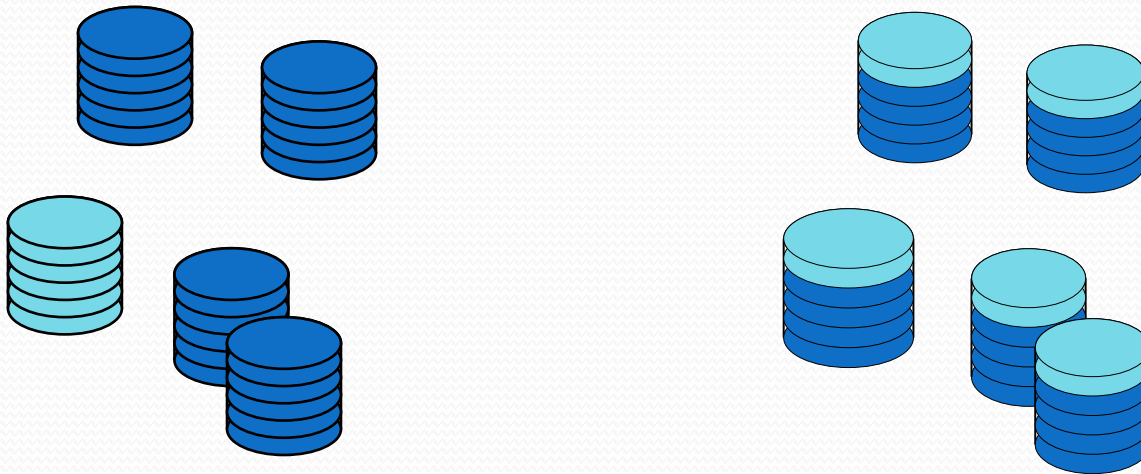
- Capital for Construction: Necessary, but Not Sufficient
- USAID's Role Is Almost Always Facilitation
- Other People's Money
- Mobilizing Domestic Capital

Sources of WASH Finance: The Three T's

- Tariffs (users)
- Taxes (local to national)
- Transfers (international grants)

Uses of WASH Finance

- OPEX v CAPEX
- CAPEX + Capacity Building
- Deep Impact v Staged Investment



Institutions Making It Happen

- Ministries of Finance
- Multi-Lateral Banks
- Project Development Facilities
- Revolving Funds

Pooled Finance & Revolving Funds

- USG Experience with Construction Grants v SRFs
- Taxes, Tariffs and Transfers
- Simple Revolving Funds and Bond Funds (Czech Republic; New York)
- Pooled Finance (Manila)

Project Development Facilities (PDFs)

- Need for Infrastructure PDFs
- International Experience with PDFs
- USAID/S Africa MIIU
- USAID/EE: PEP for SE Europe
- European Union