

AFRICA'S WATER CRISIS AND THE U.S. RESPONSE

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AFRICA'S WATER CRISIS AND THE U.S. RESPONSE

WEDNESDAY, MAY 16, 2007

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON AFRICA AND GLOBAL HEALTH,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

[NOTE: The briefing that immediately preceded this hearing entitled "Africa's Water Crisis and the 2006 UNDP Human Development Report" was not transcribed. Following are the prepared statements submitted for that briefing:]

PREPARED STATEMENT OF THE HONORABLE DONALD M. PAYNE, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF NEW JERSEY, AND CHAIRMAN, SUBCOMMITTEE
ON AFRICA AND GLOBAL HEALTH

Good afternoon and thank you for joining the Subcommittee on Africa and Global Health. We will begin with a special briefing on the United Nations Development Program (UNDP) 2006 Human Development Report. This report discusses the global water crisis and the relationship between access to safe water and achieving broader human development and security goals. The briefing will be followed by a hearing on Africa's water crisis and the U.S. response.

The subject of today's hearing is tasteless, odorless, and colorless. Or at least, it should be. It is a naturally occurring compound, which we in the West often take for granted. Civilization flourished around it, yet it is the source of conflict and disease and the cause of many thousands of deaths each day. We are talking about water.

More people die due to lack of water globally than due to armed conflicts. This is a global crisis.

The U.S. is fortunate to have one of the best supplies of drinking water in the world and, per capita, Americans consume most of the world's water. Some have predicted that water will become the next oil. It is more precious now than ever in our history.

In contrast, more than half of the developing world's population lacks access to sanitation and 1.1 billion people lack access to improved drinking water. The water crisis leads directly to deepening poverty and it undermines development. More than half of all people in the developing world suffer from one or more water-borne diseases leading to more deaths than Malaria and HIV/AIDS. The rural poor have less access to water than those living in urban areas.

The lack of clean water claims the lives of 4,900 children every day, 440 children in Uganda each week, and 250,000 children in Ethiopia each year.

Africa is one of the most water-impoveryished regions where the access to safe drinking water increased by 7% between 1990 and 2004, yet since then, the total number of people without access to improved drinking water sources actually increased by 60 million.

Africa's water supply is dwindling because of desertification, population growth, uneven distribution of rainfall, diminishing natural humidity due to climate change, depletion of groundwater, and pollution of surface and groundwater sources. Together these factors are contributing to environment-related security problems and the limited capacity of African governments to reduce poverty.

The relationship between water and conflict is rapidly growing as countries compete for critical water sources. There have been warnings that the next generation of wars will be over water. Cooperation has been moving forward in the case of the

Nile river basin dispute between Egypt, DRC, Burundi, Eritrea, Ethiopia, Kenya, Rwanda, Sudan, Tanzania, and Uganda. There is no doubt that more and more regions will be threatened by lack of water particularly as populations continue to grow, as current fresh water sources are degraded, and as environmental and climatologic conditions change.

Part of our hearing today is therefore to review U.S. water programs especially through the Water for the Poor Act and other programs. I want to thank Congressman Blumenauer for his leadership in confronting this issue and introducing the "Water for the Poor Act of 2005". It was signed into law by President Bush on November 30, 2005 and amends the Foreign Assistance Act to make increasing access to safe water and sanitation a major purpose of United States foreign assistance efforts. Mr. Blumenauer, I look forward to your testimony today.

I have many concerns about the implementation of this Act. A huge proportion of the resources goes to disaster relief war-torn regions of Iraq and Afghanistan. While the focus in Iraq is on large infrastructure projects, in Africa it is concentrated on digging wells and technologies for water treatment. We did not pass the Water for the War Act. We passed the Water for the Poor Act.

On top of that, the President's request for Fiscal Year 2008 suggests a cut in water programs for Sub-Saharan Africa. We will not meet the Millennium Development Goal of cutting in half the number of people without access to safe drinking water and sanitation by 2015 at the rate we are going. Africa's water crisis demands immediate action and drastically increased resources from the US and all donor nations.

This global crisis poses a threat to our own national security, to global development, and to all of humanity.

In our briefing we are honored to have Ms. Cecilia Ugaz from the Human Development Report Office of the United Nations Development Program and Ambassador Ali Representative of the African Union to the U.S.

This will be followed by three distinguished panels before us today starting with Representative Blumenauer, Ms. Claudia McMurray, Assistant Secretary of the Bureau of Oceans and International Environmental and Scientific Affairs of the U.S. Department of State and Walter North, Senior Deputy Assistant Administrator of the Bureau for Africa of USAID; topped off by two water experts from the NGO water community Peter Lochery from Care and Malcolm Morris from Millennium Water Alliance. I look forward to hearing from our distinguished experts and witnesses.

PREPARED STATEMENT OF THE HONORABLE CHRISTOPHER H. SMITH, A
REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW JERSEY

Thank you, Mr. Chairman, for calling this briefing and hearing on the important issue of Africa's water crisis. We tend to take for granted this basic necessity for human existence, and yet we are told by the United Nations Development Programme that over 1.1 billion people in developing countries do not have adequate access to safe water. Access to water is closely correlated to basic sanitation, and there too the world is facing a crisis. Some 2.6 billion people live without this second essential aspect of good health.

In its Human Development Report for 2006, the UNDP presents a heavy indictment against the international community, noting that every year 1.8 million children die from causes related to unclean water and poor sanitation. This is equivalent to 4,900 deaths every day, and diarrheal disease is the second highest cause of death in the world for children under 5, despite the fact that we now have oral rehydration therapy. These numbers dwarf the number of deaths resulting from violent conflict, and yet the UNDP points out that water and sanitation are rarely highlighted as an international concern.

In sub-Saharan Africa—the focus of this hearing—over 300 million people lack access to safe water, and some 460 million do not have access to proper sanitation. These overwhelming numbers hide the even deeper tragedy that it is the poor, both poor individuals and poor countries, who carry the greatest burden. Sub-Saharan Africa loses about 5% of its GDP, or about \$28.4 billion each year, to the water and sanitation deficit. This figure exceeds the total amount of aid and debt relief provided to the region in 2003. And most of this loss is suffered by those households that are below the poverty line, those who can least afford to pay the cost. The lack of water also unduly affects women and girls, who in many societies have the responsibility of collecting and transporting water, which can occupy their energy and time for several hours each day.

Beyond the apparent costs in human suffering and loss of life, there are broader social and economic costs as well. Improper water management impacts agricultural and industrial development, economic growth, and the preservation of land, coastal and marine ecosystems. Equitable access to sufficient quantities of safe water is necessary for a secure, peaceful society, and threats to such access can become a source of conflict and even violence.

It is worthwhile to note that, according to the UNDP, the scarcity of water worldwide is not the result of physical availability. The Human Development Report states that household water requirements represent a very small fraction of water use, often less than 5% of the total. Instead the UNDP asserts that the source of the problem lies in power, poverty and inequality. Households in high-income urban areas of Asia, Latin America and Sub-Saharan Africa have access to several hundred litres of water each day through public utilities, while slum dwellers and poor households in the rural areas of those same countries have access to far less than the 20 litres a day per person required to meet the most basic human needs. The same analysis is said to apply to the areas of agriculture and industry. Income levels and access to water and sanitation systems are key elements. UNDP explicitly rejects the notion that the global water shortage is due to population increases.

Fortunately, the United States Government is acting to provide more safe water and proper sanitation to the poor of the world. Thanks to the Senator Paul Simon Water for the Poor Act of 2005, authored by our good friend Congressman Earl Blumenauer who we welcome as a witness today, the provision of affordable and equitable access to safe water and sanitation in developing countries is a legislative component of our country's foreign assistance programs. I look forward to hearing from our distinguished Administration witnesses as to the progress we are making in developing and implementing a strategy towards the accomplishment of the goals of the Water for the Poor Act.

I have learned that the lack of access can be addressed by relatively simple means by an amazingly few but deeply committed people. I learned this first-hand when I was in Uganda last year and met Robert Wright from Living Waters International. As you know, Mr. Chairman, I have emphasized the importance of faith-based organizations in meeting the global health needs of the world, and Living Waters is a Christian ministry that implements water development through training, equipping and consulting. Robert was living a comfortable life in yours and my home state of New Jersey when he decided to move himself and his family to the remote regions of Uganda to assist the poor. He went to a school operated by Living Waters to learn how to drill a well to provide water for the hospital he was building. Although he was suffering from a bout of malaria, he drove several hours to Kampala to inform our delegation of the work of Living Waters and to press the need for water for the peoples of Africa. Therefore, I am particularly pleased to welcome Mr. Malcolm Morris, the chairman of Millennium Water Alliance, which represents a number of partners including Living Water International, to inform us of the work being done by faith-based organizations on this issue.

I look forward to hearing from our other distinguished witnesses as well, and thank you once again, Mr. Chairman, for calling this hearing.

PREPARED BRIEFING STATEMENT OF MS. CECILIA UGAZ, DEPUTY DIRECTOR, HUMAN DEVELOPMENT REPORT OFFICE, UNITED NATIONS DEVELOPMENT PROGRAMME

Chairman Payne, Ranking Member Smith, distinguished members of the House Committee on Foreign Affairs, Subcommittee on Africa and Global Health, I would like to thank you for your invitation to brief you on the important issues of access to clean water and adequate sanitation addressed in UNDP's Human Development Report 2006, *Beyond scarcity: Power, poverty and the global water crisis*. I welcome this opportunity to share the findings of the report with you.

On the ground in 166 countries, UNDP is the UN's global development network, advocating for change and connecting countries to knowledge, experience, and resources to help people build a better life. The annual Human Development Report is an editorially independent publication commissioned by UNDP. It focuses global debate on key development issues, providing new measurement tools, innovative analysis, and policy proposals.

The Human Development Report 2006 underscored the human development dimension to the lack of access to clean water and adequate sanitation faced by the world's poor.

The consequences of the water crisis in terms of human costs are manifested in lost lives, lost productivity and disease. Almost 50 per cent of all people in developing countries are suffering at any given time from a health problem caused by

water and sanitation deficits. Every year, 1.8 million children die as a result. In 2004 alone, deaths from diarrhoea were about six times greater than the average number of deaths a year due to armed conflict for the 1990s. Some 40 billion hours a year are spent collecting water in sub-Saharan Africa. This is equivalent to a year's labour for the entire workforce in France. The costs of diseases and productivity losses linked to water and sanitation in least developed countries amount to 2% of GDP. In sub-Saharan Africa that figure rises to 5%—more than what the region gets in aid. This is only part of the picture.

Mr. Chairman, we are aware that the US Congress has already moved to improve work in this area. We hope that the recommendations made by the Human Development Report 2006 will provide helpful insight as you continue this important work.

Today, 1.1 billion people lack access to water worldwide; 2.6 billion lack access to sanitation. The reasons for these deficiencies are rooted in inequalities. This is a crisis that affects the poor above all. The implications for human development are diminished opportunities to realize people's capabilities and human potential.

Water for human consumption fulfils a basic survival need. Yet the divide between the access available to the wealthiest 20% of any population, versus the poorest 20% is striking. Not only is the disparity in the amount of water that can be accessed significant, so is the price paid for that water. And it is the poorest in society who are paying by far the highest prices for this precious commodity.

In cities in sub-Saharan Africa, an estimated 10% to 30% of low-income households purchase water from neighbours and water kiosks. In countries such as Benin, Kenya and Uganda fees to connect to piped water exceed \$100. Such fees represent six months of income for a family in the poorest fifth of the population in Kenya and more than a year's income for a poor family in Uganda.

The vast deficit in sanitation affects half the developing world's population—2.6 billion people. On average, only about 1 person in 3 in South Asia and in sub-Saharan Africa has access to sanitation. In Ethiopia it is 1 in 7 people. Access to sanitation is one of the strongest determinants of child survival: the transition from unimproved to improved sanitation reduces child mortality by a third. Without it, increased child mortality is unavoidable.

Once again, the price paid by the poorest 20% of the population is significantly higher than what the richest 20% pay for access to sanitation. The increased risks to health affect all members of poor communities, with the most vulnerable—children—suffering the greatest impacts. But the infrastructure and policies needed for improved sanitation lag far behind even those of water. The reasons are many: a combination of institutional fragmentation, weak national planning and the low political status of the issue.

In summary, the Human Development Report 2006 found that inequalities based on wealth, and location, play a central role in structuring water markets. Water pricing reflects a simple perverse principle: the poorer you are, the more you pay. The debate over the relative merits of public and private sector has been a distraction from the inadequate performance of both public and private water providers to overcome the global water deficit. Finally, regulation is critical to the progressive realization of the human right to water.

The implications for the Millennium Development Goals along current trends mean that we will miss the MDG of halving the proportion of people without access to water by 235 million people. The sanitation target will be missed by 431 million people. Sub-Saharan Africa will reach the water target in 2040 and the sanitation target in 2076. For Sub-Saharan Africa to get on track, connections to access water will have to increase from 10 million a year in the past decade to 23 million a year in the next decade. Connections for sanitation will have to increase from 7 million a year for the past decade to 28 million a year by 2015.

Mr. Chairman, can we afford not to make the investments? The investment required to achieve the Millennium Development Goals is an additional 10 billion USD per year. The estimated for sub-Saharan Africa is 2 billion. The economic benefits of meeting the Millennium Development Goals would amount to \$38 billion, \$15 billion of that in sub-Saharan Africa. Universal access to basic water and sanitation facilities would reduce the burden on health systems in least developed countries by \$1.6 billion annually and \$610 million in sub-Saharan Africa, which represents about 7% of the region's health budget. Water and sanitation, however, suffer from chronic under-funding. Public spending is typically less than 0.5% of GDP—0.3% in sub-Saharan Africa. Water and sanitation constitute only 5% of total official development assistance (ODA). If we take action and meet the Millennium Development Goal targets, more than 1 million lives could be saved over the next decade.

In conclusion, putting an end to the global water crisis requires four pillars for success:

1. Make water a human right—and mean it. Every person should have access to at least 20 litres of clean water a day.
2. Governments need to draw up national strategies for water and sanitation.
3. Increase the amount of international aid for water and sanitation.
4. International leadership for water and sanitation through a Global Action Plan to address the inequalities currently inherent in access issues.

I would like to end by noting that UNDP is helping catalyze efforts toward achievement of the Millennium Development Goals through its Water Governance Program, and stands ready to work with all partners in advancing the Human Development Report's recommendations.

Thank you for permitting me to brief the Committee and I look forward to your questions.

The subcommittee met, pursuant to notice, at 4:15 p.m. in room 2172, Rayburn House Office Building, Hon. Donald M. Payne (chairman of the subcommittee) presiding.

Mr. PAYNE. At this time, we would like to ask our hearing panel to come forward, and on this panel we have Congressman Earl Blumenauer. Congressman Blumenauer is, I believe, in his sixth term. He is a member of the House Ways and Means Committee, a leading congressional champion for honest trade and sustainable international development but also one of the leading water experts in the Congress, and he is very energy-conservation oriented.

In 2005, he offered and successfully passed the Senator Paul Simon Water for the Poor Act which we have been talking about here. This act makes access to safe drinking water and sanitation in developing countries a major goal of U.S. foreign policy. Mr. Blumenauer received his academic training at the Lewis & Clark College in Portland, Oregon. It is my pleasure to have you, Congressman Blumenauer. Thank you.

STATEMENT OF THE HONORABLE EARL BLUMENAUER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OREGON

Mr. BLUMENAUER. Thank you, Mr. Chairman, Ranking Member Smith, Ms. Woolsey. I deeply appreciate your taking this time today dealing with an area that frankly Congress has not focused enough attention on. As you know, we as a committee passed in the last Congress the legislation that you referenced. At that time, it was called landmark legislation, as we attempted to give substance to our international commitment to cut in half the percentage of people without access to safe drinking water and sanitation.

You have already heard the nature of the problem, and I will not bore you for lack of time with the statistics but even in the few minutes that I am in front of you this afternoon, 25 more children will die needlessly from water borne disease. But you are in a position to help us do something about it. Our legislation was supposed to be the first step to elevate the role of water and sanitation policy in the development of U.S. foreign policy and improve the effectiveness of United States official programs. That is what we voted on, and it passed overwhelmingly with bipartisan support.

To date, the Water for the Poor Act that required the creation of a strategy with specific goals, timetables and benchmarks to cut in half the percentage of the people who did not have safe drinking water and sanitation, there has not been a strategy developed and no high priority countries have been designated. In fact, the seven

broad requirements in the act that we passed, only one—an assessment of planned and current activities for the provision of safe drinking water and sanitation—has been even partially met.

While our legislation was specifically written in order to improve aid quality at any quantity, there was also a call to increase the level of resources devoted to increasing equitable and sustainable access to safe drinking water and sanitation yet we are abysmally short in reaching that goal. Only by adding in all sorts of things outside the purview of the legislation do we come even close. All told, only \$70 million was spent on nonemergency water supply and sanitation, and of this less than \$10 million was spent in sub-Saharan Africa, the area of greatest need, and that is not even the worst news.

Because in fiscal 2008 the State Department's budget proposes further cuts to less than \$60 million, and proposes ending our water and sanitation assistance programs in a number of key sub-Saharan African countries. I find it shocking. I find it incomprehensible.

Mr. Chairman, members, this is legislation that should be quintessentially nonpartisan, broadly inclusive. It is not that we do not know what to do. It is not that we cannot do it. I urge you to help us as we make requests for a reasonable modest amount, and further I ask that this subcommittee and through you the full committee insists upon a reasonable response from the State Department. It was crafted in a way that they ought to have been able to be able to help us with those objectives.

In January I sent to Secretary Rice a letter that laid out our expectations for the progress and implementation of the Water for the Poor, and leading up to the next report to Congress due in June. I would ask to make that report a part of your record. However, I have not been led to expect that this report will include the strategy that we put into law.

Now I would suggest, respectfully, that when we pass a law it is not an option or a recommendation. It is a requirement. It is unacceptable that the administration continues to behave as if this committee and Congress have no role in foreign assistance and to violate the law that we passed with such broad, bipartisan support and with such broad expectation.

If, 1½ years after President Bush signed this bill into law, the State Department continues to ignore not only the intent of Congress but its legal requirements, then I suppose we have no option but to come back and to draw up new legislation in such a way that there is less discretion. I deeply appreciate the leadership and personal commitment that you all have evidenced, and I implore you to be able to work with me and with the men and women here who want to save these millions of lives and to build relationships with our country around the world.

This ought to be the easiest thing we do as a Congress with the administration and with people who care from the bottom of their heart. Thank you for permitting me the courtesy to share some thoughts with you, and I look forward to working with you to make sure the vision in that law that we passed last Congress becomes a reality and millions of lives are saved and hundreds of millions of lives are transformed.

[The prepared statement of Mr. Blumenauer follows:]

PREPARED STATEMENT OF THE HONORABLE EARL BLUMENAUER, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF OREGON

Thank you, Chairman Payne and Ranking Member Smith, for the opportunity to testify and for your important and bipartisan leadership on behalf of safe drinking water and the people of Africa. It is a pleasure to return to this subcommittee on which I was proud to serve in the previous Congress.

Two years ago, Congress passed the "Senator Paul Simon Water for the Poor Act" with broad bipartisan support. At the time, it was called "landmark legislation," as we attempted to give substance to the international commitment to cut in half the percentage of people without access to safe drinking water and sanitation. Unfortunately, today it is clear that the intent and many of the legal requirements in the Water for the Poor Act are not being met by the State Department and USAID.

Across the world, too many poor people are paying the price for nature's failure to put the water exactly where they live. They are paying the price for pollution from inadequate or nonexistent sanitation. Many poor people are paying far more for water than they can afford because of a lack of water infrastructure. Some people are paying by slowly going blind because of arsenic poisoning in the water system.

I used to think those pictures in the National Geographic of women with water jugs on their heads were sort of exotic. Now, I recognize that they represent the face of poverty and a tragic scene. Young women, particularly, are paying the price. Girls spending hours a day getting water are much less likely to be in school and, in fact, many of them are at risk in terms of personal safety.

Every 15 seconds, a child dies from lack of access to safe water and sanitation. By the time I finish a few minutes from now, up to 20 additional children will have died unnecessarily. In fact, lack of access to water and sanitation is the number one preventable killer in the world.

That 1.1 billion people are without access to safe drinking water and 2.3 billion people are without access to basic sanitation means that \$380 billion of activity for economic growth are lost because half of the developing world is sick from a water-related disease. United Nations reports show that increasing access to water and sanitation is necessary to meet any of our development objectives from fighting HIV/AIDS and reducing global poverty to preventing conflict. This tragedy is compounded because, not only is it happening, but we're not doing enough to stop it.

We know that progress is possible, as 2 billion additional people have gotten access to safe drinking water and sanitation over the last 20 years. Experts estimate that we could solve this global water crisis for less than the cost of a takeout pizza per American.

Our legislation was supposed to be a first step to "elevate the role of water and sanitation policy in the development of U.S. foreign policy and improve the effectiveness of U.S. official programs," as the Committee report stated. The Water for the Poor Act required the creation of a strategy, with specific goals, timetables and benchmarks, to halve the percentage of people in the world without access to safe drinking water and adequate sanitation, consistent with specific statements of policy, as well as the designation of high-priority countries on the basis of statutory criteria. To date, there has not been a strategy developed and no high priority countries designated. In fact, of the seven broad requirements in the Act only one—an assessment of planned and current activities for the provision of safe drinking water and sanitation—has been partially met.

None of this should be read as a criticism of the work being done by the State Department's water team in the Bureau of Oceans and International Environment and Scientific Affairs for whom I have great respect. These experts and professionals have been tasked with this major undertaking and not given the resources or the high-level political support necessary from the Secretary of State, Undersecretary of State for Global Affairs, or the former Director of Foreign Assistance.

While our legislation was specifically written so that it would provide a strategy and coordination among the 14 U.S. government agencies involved in international water issues in order to improve aid quality at any quantity, there was also a call to increase the level of resources devoted to increasing equitable and sustainable access to safe drinking water and sanitation for the very poor. The law required an increase in the percentage of assistance going to high-priority countries, defined as countries with the greatest need and countries in which assistance would be expected to make the greatest different. Many, if not most of these countries, would be in sub-Saharan Africa.

One misconception to clarify: there is no Paul Simon Water for the Poor program that has or hasn't been funded. Our legislation was designed to authorize and guide U.S. water supply and sanitation programs, but also to integrate them into other appropriate development sectors, such as health, education, and governance, not to segregate out water and sanitation. As such, to evaluate funding, you have to look at all U.S. government water supply and sanitation programs, not any specific "Water for the Poor Act" program.

In past years, Congress has generously provided funding for international water programs, including an earmark of \$200 million in Fiscal Year 2006 from accounts across the Foreign Operations appropriations bill. However, the State Department, in implementing that requirement, has used an overly broad definition of "water" in order to report expenditures above the \$200 million level.

According to State Department figures, in 2005 (the most recent figures available), USAID spent almost \$400 million on water. Of that total, only \$275 million was for water supply and sanitation. Of that \$275 million, \$100 million was for Iraq, Afghanistan, West Bank/Gaza and tsunami impacted countries through an emergency supplemental, while approximately another \$100 million was disaster assistance, which falls outside the scope of the Water for the Poor Act. All told, only \$70 million was spent on non-emergency water supply and sanitation. Of this, less than \$10 million went to sub-Saharan Africa, the region with the greatest need. For fiscal year 2008, however, the State Department's budget proposes further cuts to less than \$60 million and proposes ending our water and sanitation assistance programs in a number of key sub-Saharan African countries.

I understand that the new budget process put in place by the Director of Foreign Assistance is at the center of much of these budgetary issues, as their indicators of success may not demonstrate the true value of efforts to save lives, improve governance, and promote economic growth through access to safe drinking water and sanitation. If the Foreign Assistance reform process, known as "F," misses the fact that Africa, in particular, is in the midst of a water crisis, I think the solution is fixing or ending the "F" process, not cutting back on our water programs in Africa.

One bit of leverage that Congress has is the power of the purse. For fiscal year 2008, I and 28 other Members, including the Chair and Ranking Member of this Subcommittee, have requested \$300 million be specifically allocated for assistance to increase sustainable and equitable access to safe drinking water and sanitation for the poor, as opposed to emergency or political assistance, pursuant to the Senator Paul Simon Water for the Poor Act. We have asked for this modest, yet still significant increase and that funds be explicitly expended under the authorization in the Water for the Poor Act, as a way to demonstrate the continued intent of Congress that drinking water and sanitation assistance be focused on the countries, people, and places of greatest need, and provide additional opportunities for Congressional oversight by both the authorizing and appropriating committees.

In January, I sent a letter to Secretary Rice that laid out my expectations for progress in implementation of the Water for the Poor Act leading up to the next report to Congress, due in June and I would ask to make that part of the record. However, I have not been led to expect that it will include the strategy required by the law.

When Congress passes a law, it is not an option or a recommendation, but a requirement. It is entirely unacceptable that the administration continues to behave as if Congress has no role in foreign assistance and feels free to openly violate laws which this body passes. If, one and a half years after President Bush signed this bill into law, the State Department continues to ignore not only the intent of Congress but its legal requirements, we will have no option other than to return to the legislative drawing board and limit the flexibility we provided the Department in seeking to deal with the global water crisis. I would welcome the cooperation of and input from this Subcommittee as to how best we do that. It is not a first best option, but it is much better than another broken commitment from the United States.

I appreciate the leadership of both the Chairman and Ranking Member of the Subcommittee, as well as the Chairman of the Full Committee, who was an original cosponsor of the legislation, in ensuring that appropriate oversight and follow-up take place. I very much appreciate the chance to appear before you today and the opportunity to continue to push our government to meet this grave challenge.

January 2, 2007

The Honorable Condoleezza Rice
U.S. Department of State
 2201 C Street NW
 Washington, DC 20520

DEAR SECRETARY RICE, I very much appreciate the continued willingness of the State Department and USAID to brief our staffs and engage with them on the implementation of the Senator Paul Simon Water for the Poor Act (P.L. 109–121). Closer cooperation between the executive and Congress is key to achieving our shared aims of fighting poverty, oppression, and insecurity around the globe. I also appreciate the seriousness with which both agencies are working to strengthen our international water and sanitation programs as called for by the Act, as well as the prominent and appropriate role water has been given in the new Foreign Assistance Standardized Program Structure.

At this time of transition for both Congress and United States foreign assistance, I wanted to lay out my expectations for progress in implementation of the Act leading up to the next report to Congress, due prior to June 6, 2007.

It is my understanding that the inter-agency “water team” is currently soliciting information about opportunities in the water and sanitation sector from approximately 60–70 field missions with the intention of using this information to develop a number of regional strategies, concurrently with the new foreign assistance budgeting process being run by the Office of the Director of Foreign Assistance (F). I expect that these regional strategies, when integrated into a global strategy, will include programs of sufficient magnitude and ambition so as to reflect a contribution towards the objective contained in the Act of halving by 2015 the percentage of people without access to safe drinking water and sanitation that reflects both the United States’ leadership role and the extent of our political and economic power. I further expect these strategies will include specific goals, benchmarks, timetables, and an assessment of funding needs by year to meet these goals, benchmarks, and timetables, as required by the Act, and that these goals, benchmarks, timetables, and funding needs be reflected in the budget submission for Fiscal Year 2008 and future years. I am sympathetic to the challenge of developing appropriate metrics, but believe that significant progress can be made on these before the next report.

The Water for the Poor Act also requires the designation of high-priority countries for U.S. water and sanitation assistance based on two specific criteria: countries in which the need for increased access to safe water and sanitation is greatest and countries in which assistance under such section can be expected to make the greatest difference in promoting good health, economic development, poverty reduction, women’s empowerment, conflict prevention, and environmental sustainability. The designation of these countries, as part of the “F process,” is the first step in, as the Act requires, “increase[ing] the percentage of water and sanitation assistance targeted toward countries designated as high priority countries.” Congress’ intent, of course, was to move towards a greater alignment of U.S. water and sanitation assistance with global needs, given an understanding of country-specific challenges. It is my expectation that the next report will include a list of specifically-designated high priority countries and that U.S. water and sanitation sector assistance in these countries will increase in the coming years.

In addition, I also understand that additional progress is needed on four issues, identified by the State Department and USAID: sanitation and wastewater management, access for the poor, urban and periurban issues, and climate variability. I further understand that it will take months to a year for a thorough exploration of these issues. These are all critical issues to U.S. water and sanitation programs, particularly the question of increasing access for the very poor, which was the central Congressional intent behind the Water for the Poor Act. I urge you to make this issue a higher priority and to include in the next report to Congress a discussion of methods to ensure that U.S. water and sanitation assistance is targeted towards increasing sustainable, affordable, and equitable access for the very poor and ways in which those methods are being implemented.

I also note that the report on water and sanitation expenditures includes humanitarian and disaster assistance. While these forms of assistance are

critical for saving lives, they do not provide permanent or sustainable access to safe drinking water and sanitation and were not included in the Water for the Poor Act authorization. For this reason, I would urge you to exclude, or at least segregate, these funds from the other expenditures authorized pursuant to the Water for the Poor Act in future reports in order to give a more accurate picture.

Finally, the initial report to Congress did not include information on coordinating and integrating water and sanitation assistance across the U.S. government and with other U.S. assistance programs, coordinating U.S. water and sanitation assistance programs with those of other donor countries and entities, and an assessment of the commitment of recipient nations to policies that support affordable and equitable access to safe drinking water, as required by the Act. I very much hope that these issues are addressed in the next report.

Thank you in advance for your prompt attention to this letter. I look forward to continuing to work together to ensure the full and successful implementation of the Water for the Poor Act.

Sincerely,

EARL BLUMENAUER, *Member of Congress*

cc: Director of Foreign Assistance Randall Tobias
OMB Director Rob Portman

Mr. PAYNE. Thank you very much. I appreciate that. I appreciate all the work that you have done, and let me pledge that this committee will do everything within our authority and power to see that the enacted legislation comes to fruition. Thank you very much. I will dismiss the members of the committee but I will continue the hearing. I feel it is more important that we have this hearing. So I will excuse you, and I will simply miss the votes. We will call our next panel up.

Mr. BLUMENAUER. Thank you, Mr. Chairman.

[Pause.]

Mr. PAYNE. We have with us Mrs. Claudia McMurray and Mr. Walter North. If you would come forward please.

[Pause.]

Mr. PAYNE. We have with us the Honorable Claudia McMurray, Assistant Secretary for the Bureau of Oceans and International Environmental and Scientific Affairs from the United States Department of State. From 2003 to 2006, Ms. McMurray served as Deputy Assistant Secretary of State for Environment. Prior to her appointment as Deputy Assistant Secretary, Ms. McMurray served as Associate Deputy Administrator and Chief of Staff to the Deputy Administrator of the U.S. Environmental Protection Agency from August 2001 to 2003. Ms. McMurray received her juris doctorate from Georgetown University.

We have with us Mr. Walter North, Senior Deputy Assistant Administrator, Bureau of Africa, U.S. Agency for International Development. Mr. North is currently leading the Africa Bureau's Agency at USAID. In that role he oversees USAID's programs in Africa. Prior to this assignment, he was the Senior Deputy Assistant Administrator for Policy and Program Coordination. From 1996 to 2000, Mr. North was the Mission Director of USAID in Zambia. Other overseas postings with USAID were in Ethiopia and Indonesia.

Prior to joining USAID in 1980, Mr. North was a project manager for CARE in India and Bangladesh, and initially a Peace Corp volunteer in Ethiopia. Mr. North has an MBA in public administra-

tion from Harvard University and a law degree from George Washington University. We will start with you, Ms. McMurray.

STATEMENT OF THE HONORABLE CLAUDIA McMURRAY, ASSISTANT SECRETARY, BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS, U.S. DEPARTMENT OF STATE

Ms. MCMURRAY. Thank you, Mr. Chairman, and Congresswoman Woolsey. I appreciate the opportunity to appear before you today to discuss the water and sanitation challenges in Africa and the United States response to them. I have a longer statement that I would like to submit for the record with your permission.

I know you have heard many statistics already today about water. You have heard them before. I would like to start out with a few just because they are stark and bear repeating. Today more than 1.1 billion people lack access to safe drinking water, 2.6 billion people—almost half the total population in developing countries—lack access to proper sanitation. Globally, diarrhea kills at least as many people as tuberculosis or malaria and five times more children than HIV/AIDS.

There are implications for economic growth and stability as well. Many agrarian based economies are dependent on water. When it rains, economies can grow. When it does not, those countries that lack the capacity to store and save water face economic decline and food insecurity, in some cases even famine. Countries also in many cases must share water with their neighbors.

More than 260 watersheds worldwide are shared by two or more countries. As water becomes scarce, tensions over shared resources are likely to rise. For these reasons and more, water and sanitation are important parts of the United States' foreign assistance framework and for achieving Secretary Rice's goal of transformational diplomacy. For these same reasons I personally have made my Bureau's work on these issues a priority.

Turning to the water challenge in Africa, while much of the world is on track to meet the millennium development goals on water and sanitation, most of Africa is not. In some countries the proportion of people with access to safe drinking water and sanitation is actually declining. To meet the MDGs in sub-Saharan Africa, more than 23 million people a year will need to gain access to an improved water source. Nearly 28 million per year to basic sanitation.

The challenge in some countries is particularly daunting. For example, Ethiopia will need to provide access to sanitation for 30 million people, four times the current population with coverage. To reach the MDGs in Ghana, the current rate of coverage will have to increase nine times. Kenya will have to reach an additional 11.6 million people with safe drinking water and an additional 16.5 million people with sanitation to achieve the MDGs.

With regard to the U.S. water strategy, the Paul Simon Water for the Poor Act of 2005 requires the Secretary of State in consultation with USAID and other government agencies to develop and implement a strategy to provide sustainable access to safe drinking water and sanitation in developing countries. The first report on the development and implementation of this strategy was pre-

sented to Congress last June, and we are now in the process of preparing our second report.

The U.S. strategy on water and sanitation is organized around three goals: First, to increase access to safe water and sanitation; second, to improve the management and productivity of water resources; and third, to improve water security which includes strengthening the institutions and mechanisms that support co-operation on water sources that are shared.

We have focused on six policy areas to achieve those three broad goals I just outlined: One, strengthening governance at all levels to improve management of water resources and to develop a supportive environment for private sector participation; two, mobilizing domestic resources within individual countries by promoting sound management of infrastructure and cost recovery and by supporting investment by the private sector; three, investing in both large and small scale infrastructure to increase access to basic services and to improve water management; four, protecting public health by improving hygiene activities including disinfecting water in the household, safe water storage, hand washing and household sanitation; five, advancing the state-of-the-art knowledge in areas related to water management including pollution prevention, satellite remote sensing, global information systems and modeling; and finally, providing basic services in response to natural disasters and human caused catastrophes.

It is within this framework that we are directing our efforts. The Water for the Poor strategy is still a work in progress, and I want to underline that point. However, the strategy is also serving as an important tool in helping us develop the most effective response to this daunting global problem, and I particularly want to congratulate Congressman Blumenauer and former Senate Majority Leader Frist for their dedication and hard work in bringing this legislation to fruition.

Even with a comprehensive U.S. water strategy though, we must all keep in mind that the United States alone cannot solve the global water problem. Therefore, a key part of our strategy has to be working with other donors, nongovernmental organizations, foundations, and faith-based organizations to identify where the United States can make the most effective contribution. In some cases there are others who can provide more meaningful support. In these situations we will continue to develop and strengthen partnerships which deliver more by working together.

At the same time local and national governments in developing countries will need to take primary responsibility for water and sanitation policy. In their national development plans and strategies, they need to create an environment supportive of public/private partnerships. Where the United States can contribute most is by building capacity and demonstrating new and effective approaches that can be scaled up to meet these critical needs.

Thank you for this opportunity to testify before the subcommittee on behalf of the State Department. We look forward to continuing our work with the members of this committee and other interested stakeholders to improve management of water resources and to get safe drinking water and basic sanitation to the billions who are

currently without. Thank you, Mr. Chairman. I would be happy to answer any questions you have.

[The prepared statement of Ms. McMurray follows:]

PREPARED STATEMENT OF THE HONORABLE CLAUDIA MCMURRAY, ASSISTANT SECRETARY, BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS, U.S. DEPARTMENT OF STATE

Chairman Payne, Ranking Member Smith and other Members of the House Committee on Foreign Affairs Subcommittee on Africa and Global Health, I appreciate the opportunity to appear before you today to discuss the growing water and sanitation challenges in Africa and the U.S. response. I will start with an outline of the global water challenge, discuss the situation in Africa, and describe how the United States is responding to these issues.

THE WATER AND SANITATION CHALLENGE

Today, more than 1.1 billion people lack access to safe drinking water; 2.6 billion people—almost half the total population in developing countries—lack access to proper sanitation.

On any given day, approximately 50% of the world's hospital beds are filled with patients suffering from water and sanitation related diseases. Each year 1.8 million children in developing countries die from diarrheal disease—the second leading cause of death after pneumonia. Globally, diarrhea kills at least as many people as tuberculosis or malaria, and five times more children than HIV/AIDS.

Beyond their direct public health consequences, inadequate water supply and sanitation are especially important issues for women and girls. Women and girls who lack access to sanitation facilities must often wait until dark to relieve themselves or do so in public and risk harassment and/or abuse. Young girls are less likely to attend classes if the school does not have suitable hygiene facilities. This is particularly true after puberty and in areas where girls have access to adequate sanitation at home. One United Nations study estimates that half the girls in Sub-Saharan Africa who drop out of primary school do so because of poor water and sanitation facilities.

The United States supports the two internationally agreed targets related to water and sanitation. These goals are commonly referred to as the Millennium Development Goals (MDGs) on water and sanitation:

- “To halve, by the year 2015 . . . the of proportion people who are unable to reach or afford safe drinking water.”—*The United Nations Millennium Declaration (Adopted by the UN General Assembly, New York, 2000)*
- “. . . to halve, by the year 2015, . . . the proportion of people without access to basic sanitation . . .”—*The Johannesburg Plan of Implementation (Adopted at the World Summit for Sustainable Development, Johannesburg, 2002)*

In Mozambique, rural Senegal, and eastern Uganda, the UN reports that women spend on average 15–17 hours per week collecting water—often walking 6 miles or more in the dry season. Each dollar spent on water and sanitation yields \$8 dollars of benefits in saved time, increased productivity, and reduced health costs. Beyond the numbers, increased access to water and sanitation would improve education, empower women, promote human dignity and reduce the pain and suffering associated with high child mortality rates.

The economic benefits of water go beyond the health impacts. Many agrarian-based economies are dependent on water—when it rains, economies can grow; when it does not, those countries that lack the capacity to store and save water face economic decline and food insecurity, even famine. In many African countries, there is a strong correlation between annual rainfall and the percentage change in GDP. We have seen cases where water mismanagement and water pollution can reduce GDP by more than 2%—that's enough to keep a country in poverty, or if remedied, set it on a path towards economic growth. Hurricane Katrina reminded us all of the tremendous economic damage that floods can bring to a region.

Finally, more than 260 watersheds worldwide are shared by two or more countries. As water becomes scarce, tensions over shared resources are likely to rise—both within countries and among countries. Promoting joint management and using water to build trust and cooperation in conflict-prone regions are important tools in reducing the risks of future conflicts.

In addition to building trust and cooperation, water can also be an important tool in building democracies. Everyone wants reliable access to safe water. People want to be invested in decisions that affect their well-being. They welcome participatory

decision making, transparency and accountability associated with water use at the local, national and regional levels. We have heard cases where the first time a person has voted, it has been to elect a member to their local water board. Therefore, working on water may also be a means of addressing an array of broader governance and sustainable development challenges.

THE WATER CHALLENGE IN AFRICA

The situation in Africa is particularly bleak. In 27 African countries, greater than 30% of the population does not have access to safe water. In nine of those countries, more than 50% of the people lack access to safe water. There are 36 African countries where more than 50% of the population lacks access to sanitation. 40% of all child deaths from diarrhea are in Sub-Saharan Africa. Water and sanitation in schools is also critical problem—in some areas more than 150 children must share one latrine.

While much of the world is on track to meet the MDGs on water and sanitation, most of Africa is not. Not only is progress slow, in some countries the proportion of people with access to safe water and sanitation is actually decreasing. To meet the MDGs in Sub-Saharan Africa, more than 23 million people a year will need to gain access to an improved water source; nearly 28 million per year to basic sanitation. The challenge in some countries is particularly daunting: Ethiopia will need to provide access to sanitation for 30 million people—four times the current population with coverage. Ghana will have to increase the rate at which coverage is being increased by a factor of 9. Kenya will have to reach 11.6 million people with safe water, and 16.5 million people with sanitation.

There are a number of challenges to overcome in addressing the water and sanitation issues in Africa. While the proportion of people who lack access is significantly higher in rural populations, urbanization is increasing rapidly (nearly 9% per year) and there is greater pressure on larger scale municipal services. Governance is generally poor and civil strife (and the concomitant displacement of peoples) strain resources and slow progress. The region also suffers from extreme climate variability—improved planning, basin-wide management, and large scale infrastructure and water storage will be critical to meeting long-term needs. Recent predictions suggest that long term climate trends will exacerbate the situation.

Finally, political commitment is low. Many governments in Africa do not prioritize water and sanitation in national development plans and strategies. Fewer provide budgetary support for water and sanitation services, and often that support does not find its way to the local service providers. Without national budgeting sustainable progress is difficult. There are some exceptions: South Africa and Uganda have made access to water and sanitation political priorities and both have achieved significant gains in service provision.

THE U.S. WATER STRATEGY

So what is the U.S. doing to address these challenges? I'm going to let my U.S. Agency for International Development (USAID) colleague discuss specific activities that are happening on-the-ground. What I will do is to give you a sense of our overall approach on water and some specifics on how these might be applied to Africa.

The Senator Paul Simon Water for the Poor Act of 2005 emphasizes the provision of affordable and equitable access to safe water and sanitation in developing countries as a component of U.S. foreign assistance programs. It also requires the Secretary of State, in consultation with the USAID and other U.S. Government (USG) agencies, to develop a strategy "to provide affordable and equitable access to safe water and sanitation in developing countries" within the context of sound water management.

We have been working to develop this strategy over the past few years and have made considerable progress in laying out a framework for how the U.S. will approach the issue of providing access to safe water and sanitation in developing countries, consistent with the Secretary's goal of transformational diplomacy. (We delivered the first Report to Congress on the development and implementation of this strategy last June. A second Report will be available June 1st of this year.) In the strategy, we have defined three goals for U.S. efforts on water:

- *First, to increase access to, and the effective use of, safe water and sanitation to improve human health.* This includes both short and long-term sustainable access to safe water and adequate sanitation, as well as education activities to improve hygiene.
- *Second, to improve the management, and increase the productivity, of water resources.* This includes optimizing the benefits of water among competing

uses, while ensuring human needs are met and environmental resources are protected. It also includes minimizing the use of, and increasing the productivity of, water used in industrial, agricultural and consumptive sectors, as well as supporting pollution prevention programs that reduce water losses in domestic water systems.

- Finally, our third goal is *to improve water security by strengthening cooperation on shared waters*. This includes strengthening the institutions and processes to improve basin-level watershed management and public participation in planning and service delivery.

To achieve these goals, we are working diplomatically and through projects and programs to address critical needs, build capacity, and demonstrate innovative approaches that can be scaled up to the levels necessary to meet the tremendous demands. *We are focusing our efforts on six areas: governance, mobilization of domestic resources, infrastructure, protection of public health, science and technology cooperation, and humanitarian assistance.* Each area addresses a portion of the global water challenge, so I will spend some time describing each.

GOVERNANCE:

By governance, we are really talking about two things: The first is managing water properly at the local, national, and regional levels. This means developing the institutional framework and building the capacity to manage water across its multiple uses. Decisions need to be made about how water is allocated and used. The idea is to ensure that people, ministries, and governments are working together to manage shared resources in a fair and equitable manner while optimizing benefits for all. This includes the development of basin or nationwide plans and strategies, as well as promoting policies, processes and institutions to encourage and protect the public's involvement in decision making. Examples in the Africa region would include our work with Nile Basin countries to reach a regional agreement on shared water management, and our work with Ethiopia to implement integrated water resource management plans.

The second aspect of governance is strengthening domestic utility management and regulation. Countries can not rely on development assistance to meet their water and sanitation needs. Resources will have to flow from the private sector—particularly the domestic private sector. Water utility reform and sustainable capital market financing will play a key role in meeting future needs. Many water and sewerage utilities do not recover even basic operations and maintenance costs. Significant reforms are needed in how these utilities are run, how they are regulated, and in the pricing and tariffs charged by these service providers if we are to attract private capital. Corporate governance also needs to be addressed, including the issues of increasing transparency and fighting corruption. Addressing these issues will encourage public and private investment in the water sector.

MOBILIZATION OF DOMESTIC RESOURCES:

Development assistance alone will not meet these needs—we will need private investment. We have found that even when you have utilities that are being operated in a sound manner in a supportive regulatory environment, the risks involved in the water sector often discourage private investors. Thus we need to develop mechanisms that encourage private investment by reducing the risks. We have been exploring a number of tools that we have used successfully here in the United States including:

- Partial loan guarantees—that use the faith and credit of the United States to support private, local capital investments;
- Revolving funds—which lend repayments from previous loans to new borrowers, creating a cycle of investment; and
- Pooled financing—which allow several communities or municipalities to pool their debt, which reduces risks to the investor. This allows communities which need small amounts of capital and often fail to attract investor interest an opportunity to receive financing. We have had great success using these approaches in places like India, Egypt and South Africa. We are now exploring the possibility of using some of these approaches in other countries—like Uganda.

INFRASTRUCTURE INVESTMENT:

The third focal area for U.S. activities is infrastructure investment. Infrastructure at all levels is required to meet basic needs and to ensure water is available for mul-

tiple uses. These projects range from large-scale water systems and wastewater treatment, to small-scale community projects providing access to water and sanitation services and managing long-term water needs for agriculture and other purposes. A good example is our West Africa Water Initiative, where we are working with a number of partners, including the Hilton Foundation, to provide potable water and sanitation to rural villages in Ghana, Mali, and Niger.

PROTECTING PUBLIC HEALTH:

The fourth focal area is protecting public health. While increasing access to infrastructure is critical, improved hygiene and household-level interventions are important complementary activities to maximize the positive public health impact of improved hardware, and to protect public health in the case that hardware isn't sufficient—such as contaminated wells. One approach that has proven effective in Africa has been our work with a number of partners to develop distribution networks and provide education and social marketing for technologies to disinfect and safely store water at the household level. Programs like this are currently underway in six African countries.

SCIENCE AND TECHNOLOGY COOPERATION:

A fifth focal area for the U.S. work on water is science and technology cooperation. There are a number of places where science and technology cooperation in areas like pollution prevention, remote sensing, and global information systems can improve water management and environmental protection. We will continue to seek opportunities to work with others in these areas.

HUMANITARIAN ASSISTANCE:

The sixth and final focal area is humanitarian assistance. The U.S. will continue to respond to natural disasters and human-caused catastrophes abroad. Conflict and natural disasters can damage water systems and destroy access to water, reducing the supply required to meet the basic needs of affected populations. Many of these situations represent an important opportunity to address key needs in many critical regions—especially in Africa. A key focus of these activities is to ensure transition from what is often seen as short-term solutions to long-term sustainable service provision. Historically, humanitarian assistance has been a key part of our efforts on water and sanitation in Africa.

CONCLUSION:

The development and implementation of this strategy is still a work in progress. These are challenges that are well beyond what the U.S. alone can address. We have been working closely with intergovernmental organizations, other governments, international financial organizations, non-governmental organizations, the private sector, foundations, and faith-based groups to raise increase national level commitment to address these issues and to catalyze global action. A key part of this strategy is working to identify where we can fit in, and where we can make the most effective contribution. In some cases, there are others who can provide more meaningful support. In these situations, we have been working to develop and strengthen partnerships where by working together we can deliver more.

Perhaps most important, the local and national governments in developing countries are going to have to take primary responsibility. Governments will need to prioritize water and sanitation in national development plans and strategies and create an environment supportive of public-private partnerships. The reality is that domestic investment is going to be necessary to ensure the sustainability of these services. Where we can contribute most is by building capacity and demonstrating new and effective approaches that can be scaled up to meet these critical needs.

Thank you for this opportunity to testify before this subcommittee on behalf of the Department of State. We look forward to continuing our work with Members of the Committee, USAID, other U.S. government agencies, and other interested stakeholders to improve water resources management and get safe water and basic sanitation to the billions who are currently without.

Mr. PAYNE. Thank you very much. Mr. North.

STATEMENT OF WALTER NORTH, J.D., SENIOR DEPUTY ASSISTANT ADMINISTRATOR, BUREAU FOR AFRICA, U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Mr. NORTH. Thank you very much, Congressman Payne, Congressman Woolsey. It is a pleasure to appear today before the House Committee on Foreign Affairs, Subcommittee on Africa and Global Health. I have a statement for the record which I would like to submit, and I would like to make some comments if I may.

Mr. PAYNE. Without objection.

Mr. NORTH. Thank you. My testimony today will add to that of Assistant Secretary McMurray who has provided the subcommittee with the description of the global challenge to increase access to clean water and sanitation, the United States Government response to this challenge and some specifics about the water and sanitation situation in Africa. I will provide more detail about United States water supply and sanitation activities in sub-Saharan Africa, and explain how USAID prioritizes clean water and sanitation programming.

Sub-Saharan Africa is struggling to meet the millennium development goal targets on water with consequences for health, education and economic development. Based upon population numbers alone, the rural problem of inadequate water supply and sanitation continues to loom large, and urbanization presents some particularly challenging trends for water supply and sanitation. Africa has experienced an annual growth rate in urban populations of 5 percent a year over the past two decades, one of the highest percentage rate increases in the world.

Unfortunately much of that growth has occurred in slums where there is no access to basic services. The growing population and limited financing and capacity at the national and local levels, combined with conflicts throughout the region, are stressing already weak systems.

USAID has steadily increased funding for water activities in Africa over the last 5 years. Our water programs continue to focus primarily upon increasing access to safe water and sanitation, although important programs are also being implemented in water resource management and productivity improvements.

One particular strength of USAID's water programs in fiscal year 2006 was—as the Assistant Secretary was noticing—a leveraging of significant private charitable funding. USAID invested in regional partnerships with the Hilton Foundation, the Coca Cola Company, and the Case Foundations. All of these partnerships brought at least one-to-one matching resources in addition to helping to raise the profile of water issues.

Three promising areas of increased focus for USAID's 2007 water activities include: One, programs that will include and improve water utility governance and regulation at local, national and regional levels; two, programs that will mobilize more private domestic financing for bankable water supply projects; and three, programs that improve household practices for safe water storage, hygiene and sanitation.

The water problem in Africa is a difficult one with no easy answers. The challenge is about much more than drilling bore holes.

I want to highlight a few of the critical elements that must be in place for the water challenge in Africa to be surmounted.

Commitment. African governments often do not make water a priority. Meeting the basic water and human needs of people must become a high priority in national development and poverty reduction plans. Without national leadership, these issues cannot be addressed effectively.

Good governance. Good governance is key to ensuring basic human needs are met. The proper legal and regulatory frameworks, along with reduced corruption, are critical for creating a healthy investment climate and promoting economic growth.

Money and resources. Some experts predict that the developing world will need anywhere from \$80 billion to \$170 billion annually to meet its water needs. The total official development assistance budget for the world is about \$100 billion. Even if all the official development assistance from all over all of the developed countries went only to water, that means there would be no resources left for health, for energy, for agriculture, and a long list of other equally urgent requirements.

Ensuring sustainable water supply cannot be achieved through development assistance alone but must be accomplished through cost recovery and sustained investment from both the public and the private sectors. This takes us back to sound water management, good leadership and good governance. Cooperation. Governments must work together to manage shared water sources, many of which cross boundaries and create special challenges for management. We need to work to strengthen regional institutions like the African Union, improve their capacity to manage water resources, facilitate joint planning, and resolve disputes.

Integrated water resource management. We need to work toward integrated water resource management in which local communities, civil societies, national governments, and all stakeholders participate fully in water management to ensure equity and water use and sustainability of water resources for the benefit of all. These elements of a long-term solution to water issues in Africa are hard to come by but there are signs of progress and hope for the future.

For example, strong political commitment in South Africa and Uganda at the national level has led to increased water supply and sanitation, and I am proud to say that USAID has been a partner in helping the governments in both countries do that. This is critical. Host country governments in Africa must make water a higher priority. That said, at USAID we are committed to a sustained effort and partnership with host governments and communities, the private sector, other donors and intergovernmental organizations to promote increased access by Africans to water supply, sanitation and hygiene to improve water resource management and to strengthen and cooperation between African nations on shared waters.

Thank you again for this opportunity to testify before this subcommittee on behalf of USAID. I would be pleased to answer any questions that you might have.

[The prepared statement of Mr. North follows:]

PREPARED STATEMENT OF WALTER NORTH, J.D., SENIOR DEPUTY ASSISTANT ADMINISTRATOR, BUREAU FOR AFRICA, U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Chairman Payne, Ranking Member Smith and other Members of the House Committee on Foreign Affairs Subcommittee on Africa and Global Health, I appreciate the opportunity to appear before you today to discuss the growing water and sanitation challenges in Africa and the U.S. response.

My testimony today will add to that of Assistant Secretary McMurray, who has provided the subcommittee with a description of the global challenge to increase access to clean water and sanitation, the U.S. Government response to this challenge, and some specifics about the water and sanitation situation in Africa. I will provide more detail about U.S. water supply and sanitation activities in sub-Saharan Africa, describe how closely the United States Agency for International Development (USAID) and the State Department collaborate in developing a water strategy and in planning and implementing water activities in Africa, address the relationship of activities promoting access to clean water and those that promote improved water management in general, and finally, explain how USAID prioritizes clean water and sanitation programming.

THE U.S. GOVERNMENT RESPONSE TO THE WATER CRISIS IN SUB-SAHARAN AFRICA

Sub-Saharan Africa is struggling to meet the Millennium Development Goal (MDG) targets to halve the proportion of people living without sustainable access to safe drinking water and basic sanitation by 2015, with consequences for health, education, and economic development, among other sectors. More than one child in sub-Saharan Africa dies every minute from diarrheal disease, a direct result of inadequate water supply, sanitation, and hygiene. USAID has responded with humanitarian measures for emergencies, health activities that address, over the medium-term, some of the most dire consequences of inadequate water supply and sanitation, and programs that are laying the groundwork for sustainable and scaleable investment in water supply and sanitation over the longer term.

Based on population numbers alone, the rural problem of inadequate water supply and sanitation continues to loom large. However, urbanization presents some particularly challenging and worrisome trends for water supply and sanitation in sub-Saharan Africa. Access to improved water supply in urban areas dropped by 2% between 1990 and 2004¹, and access to basic sanitation has been roughly constant at 50% of the urban population over the same time frame. Africa has experienced an annual growth rate in urban populations of almost 5% per year over the past two decades², one of the highest rates in the world. Most of that growth has occurred in slums with no access to basic services. A growing population and limited financing and capacity at the national and local levels, combined with conflicts throughout the region, are stressing already weak systems.

Assistant Secretary McMurray outlined three overarching goals being pursued by the U.S. Government's water strategy:

- *Increase access to, and the effective use of, safe water and sanitation to improve human health.* This includes both short- and long-term sustainable access to safe water and adequate sanitation, as well as education activities to improve hygiene.
- *Improve water resources management and increase the productivity of water resources.* This includes optimizing the benefits of water among competing uses while ensuring human needs are met and environmental resources are protected. It also includes minimizing the use of and increasing the productivity of water used in industrial, agricultural and consumptive sectors, as well as supporting pollution prevention programs that reduce water losses in domestic water systems.
- *Improve water security by strengthening cooperation on shared waters.* This includes strengthening the institutions and processes to improve basin-level watershed management and public participation in planning and service delivery.

The U.S. Government's water programming is also guided by its overall Foreign Assistance Framework. Over the past year, the U.S. foreign assistance process has been reformed to:

¹ WHO-UNICEF Joint Monitoring Program, 2004 data. Available online at www.wssinfo.org.

² Cities Alliance, 2006. Urban Transition in Sub-Saharan Africa: Implications for Economic Growth and Poverty Reduction. Washington, D.C.

- Ensure better coherence in the planning, allocation, and monitoring of U.S. foreign assistance funds; and
- Strengthen the focus of U.S. foreign assistance on achieving a single shared goal—to help build and sustain democratic, well-governed states that respond to the needs of their people, reduce widespread poverty, and conduct themselves responsibly in the international system.

This process does not highlight specific sectors, but rather works to prioritize resources to those areas that the U.S. believes will promote and sustain long-term country progress. The new foreign assistance framework is organized to support five objectives: Peace and Security, Governing Justly and Democratically, Investing in People, Economic Growth, and Humanitarian Assistance. Each of these objectives is divided into several thematic areas through which the objective is to be achieved, and in turn, each area is composed of several “elements,” or types of activities that will be implemented in pursuit of the thematic area.

Most water and sanitation activities fall under the “Investing in People” and “Economic Growth” objectives. Within the “Investing in People” objective, the area of health contains activities to increase access to safe water and basic sanitation and to improve hygiene and safe water handling at the household level. Specific activities include:

- Direct support of community and municipal-level infrastructure for water supply and sanitation;
- Support of institutions, governance, and financing arrangements that strengthen the delivery of water supply and sanitation infrastructure services, such as utilities, water users associations, municipal or other local credit, revolving funds, and public-private partnerships; and
- Household-level water quality interventions, as well as improvement of personal and domestic hygiene and sanitation, such as point-of-use water treatment, hand washing, and sanitation promotion, including support of institutions and institutional relationships to strengthen and sustain such activities.

Within the “Economic Growth” objective, the area of environment includes the following activities:

- Watershed management activities to protect drinking water supplies, or large-scale infrastructure development to divert or store water;
- Activities to reduce, mitigate, and prevent municipal and industrial water pollution; and
- Solid waste management and related activities that ensure effective management of water resources in urban areas.

In addition, meeting basic water and sanitation needs as well as water needs for food security is fundamental in disaster or conflict situations to the “Humanitarian Assistance” objective. Activities that use water as a means of building trust and promoting cooperation among countries are included under the “Peace and Security” objective. Finally, water activities such as the formation of user groups and mechanisms that strengthen public participation in decision-making support the “Governing Justly and Democratically” objective.

USAID’s total FY 2006 funding for water activities in Africa was \$91.6 million, of which \$82.3 million was for water supply and sanitation activities. Of the water supply and sanitation funding, \$59.7 million was from the International Disaster and Famine Assistance (IDFA) account. Details of USAID funding levels for different water activities in sub-Saharan Africa over the last five years are provided in the following table.

Table 1: Estimated FY 2002–2006 USAID Water Obligations in Africa
(in \$ millions)

	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Drinking Water Supply and Sanitation (non-IDFA)	8.758	9.785	15.385	19.444	22.544
Drinking Water Supply & Sanitation (IDFA-funded)	12.383	29.449	35.230	63.926	59.738
Sub-Total: Water Supply Projects & Related Activities	21.141	39.234	50.615	83.370	82.282
Water Resources Management	6.151	14.227	14.452	9.615	4.227
Water Productivity	3.790	11.056	14.640	12.912	5.119
Grand Total—All Water Funding Categories	31.082	64.517	79.707	105.897	91.628

As shown, USAID’s water program in Africa has focused and continues to focus primarily upon increase access to, and the effective use of, safe water and sanitation to improve human health—although important programs are being implemented in water resources management and productivity improvement. In addition, funding invested by USAID in FY 2006 in sub-Saharan Africa for “drinking water supply projects and related activities” was the most of any USAID region, amounting to 41% of the Agency’s total worldwide obligations in this sector.

More detail about the distribution of these activities by type and country in FY 2006 is provided in the attached Table 2, “Estimated Actual FY 2006 USAID Obligations for “Water Supply Projects and Related Activities” by Country and Region.” As shown in that table, approximately \$60 million of the regional total came from the International Disaster and Famine Assistance (IDFA) account. These IDFA-funded disaster response activities were obligated in response to humanitarian crises in 13 countries, with the majority of those funds utilized in Sudan. The non-IDFA-funded activities were implemented in 26 countries, through 10 regional and 2 bilateral programs. Their primary emphasis was on the provision of mostly rural water supply and sanitation infrastructure—boreholes and pumps—as well as hygiene education.

One particular strength of USAID’s water programs in FY 2006 was its leveraging of significant private charitable funding. USAID invested in regional partnerships with the Hilton Foundation (West Africa Water Initiative), the Coca Cola Company (Community Watershed Partnerships Program), and the Case Foundation, together with the Office of the Global AIDS Coordinator (the PlayPumps Alliance). All of these partnerships brought at least 1:1 matching resources, in addition to ingenuity and other assets. I’d like to elaborate on the last and newest of these three alliances, by way of illustrating the tremendous promise that such partnerships hold.

The PlayPumps Global Development Alliance is a \$60 million public-private partnership between USAID, the Case Foundation, the Office of the Global AIDS Coordinator, the South African company, PlayPumps International, and other public and private, local and international partners to provide clean water in 10 sub-Saharan countries by installing 4,000 PlayPumps in schools and other community locations by 2010. The PlayPump water system includes innovative pumping technology—a merry-go-round that pumps water as children play, and a water tower with billboards for public service announcements and private advertising space. Innovative cost recovery and sustainability is achieved by selling advertising space on the PlayPump water tower, allowing PlayPumps International to offer a 10-year operational guarantee on each PlayPump water system. Additionally, the system promotes improved sanitation and hygiene behaviors and a reduction in the spread of HIV/AIDS through public awareness campaigns; provides valued play equipment; and spurs economic progress through the development of manufacturing, distribution, and parts supply and maintenance services associated with the pump technology.

More details about USAID’s FY 2006 water activities in Africa and other regions will be provided shortly in the Agency’s annual report to Congress, “USAID Invest-

ments in Drinking Water Supply Projects and Related Water Resources Activities, FY 2006.” This report is scheduled for submission before the end of May.

USAID’s FY 2007 water program demonstrates the Agency’s continued high prioritization of water supply and sanitation activities, with approximately \$30 million in non-IDFA-funded water supply and sanitation activities planned—almost \$8 million more than in FY 2006. This program will continue its investments in regional partnerships, and will maintain a heavy emphasis upon the provision of community water supply and sanitation infrastructure and hygiene education.

Three promising areas of increased focus of USAID’s FY 2007 water activities include: 1) programs that will improve water utility governance and regulation at local, national and regional levels; 2) programs that will mobilize private domestic financing to bankable water supply projects; and 3) programs that improve household practices and the household dimensions of water quality, personal hygiene, and sanitation.

Utility governance and reform efforts will build on experiences developed through USAID activities in Asia and the Near East. USAID’s focus in sub-Saharan Africa is on developing pilot projects that demonstrate solutions to key water and sanitation issues, and on spearheading a regional learning network to share lessons learned among the leaders of water utilities. While there have been fewer opportunities to work on sanitation services to date, USAID seeks to expand the role of utilities in providing sanitation services to cities and towns.

In many developing and transforming countries, domestic capital is available to invest in public goods such as water and sanitation; the challenge is finding good “bankable” projects and connecting these with sources of financing. There are a range of innovative financing tools developed in the United States, Europe and elsewhere which can reduce risks and create incentives for the investment of local capital into the water and sanitation sectors. These activities not only increase cash flows for infrastructure, they also help strengthen and build local capital markets. One such proposed pilot project is in Uganda, building on the success of Uganda’s National Water and Sewerage Corporation (NWSC). The NWSC has been contracting for municipal services for over six years. The Ugandan government has now requested USAID’s help in developing a water revolving fund to help both private contractors and potentially small municipalities make capital investments to improve and expand water services.

Recognizing that it is important to address the near- to medium-term direct health consequences of inadequate service, USAID’s health programs have been working to expand the emphasis on household hygiene measures to ensure the safety of drinking water, promote handwashing, and increase the use of effective sanitation within the context of maternal and child health as well as care and support activities for people living with HIV/AIDS. For household water safety, USAID has worked to expand programs for point-of-use (POU) water disinfection, most often chlorination, in collaboration with public and private sector partners, such as Procter & Gamble and the social marketing firm PSI. USAID has long supported such efforts in Zambia and Madagascar, with more recent initiation of work in Nigeria and Mozambique. Over the past year, these efforts have expanded to also include Ethiopia, Kenya, Malawi, Burundi and Rwanda, and we soon anticipate beginning support of POU programs in the Democratic Republic of the Congo and Benin. USAID also provided support for a POU response to the cholera outbreak in Angola last year. Successful household water disinfection programs typically reduce diarrheal disease rates by 30–50%, definitely a quick win from the health perspective.

COORDINATION WITHIN THE U.S. GOVERNMENT

Under the current U.S. Foreign Assistance Framework, USAID and the State Department collaborate closely in the planning and implementation of all foreign assistance activities in Africa and worldwide, including water programs. Programming decisions are made on a country-by-country basis, with both USAID and State Department funding sources programmed together. Washington-based staff at the State Department and USAID, as well as the USAID missions and U.S. Embassies in the field, represent views from multiple programs and technical sectors, with each organizational part playing its appropriate role in making programming decisions that best meet overall U.S. foreign policy objectives.

In addition, the Senator Paul Simon Water for the Poor Act has created the opportunity for still closer collaboration between USAID and the Department of State on water programming, under the umbrella of a common U.S. water strategy. The development of this strategy was a process coordinated by the State Department, but conducted in close collaboration with USAID, and with the support of other federal agencies involved in the international water sector.

LINKING ACCESS TO WATER WITH WATER MANAGEMENT

As stated in the Senator Paul Simon Water for the Poor Report to Congress, June 2006, USAID strongly supports internationally endorsed principles of sound and sustainable water resources management as well as water supply, sanitation, and hygiene programming for human health outcomes. Improving water resources management includes optimizing the benefits of water among competing uses while ensuring human needs are met and environmental resources are protected. It also includes minimizing the use of and increasing the productivity of water used in industrial, agricultural and consumptive sectors, as well as supporting pollution prevention programs that reduce water losses in domestic water systems.

Clearly, effective water resources management increases the likelihood of long-term success from interventions in the water sector, and the water resources management environment is therefore one element evaluated in prioritizing the funding of activities to promote increase access to clean water. All other factors being equal, including need, a country with a better water resources management policy framework would in theory be a higher priority for funding.

PRIORITIZATION OF CLEAN WATER AND SANITATION PROGRAMMING

As noted above, USAID has steadily increased funding for water activities in Africa over the last five years. Within a constrained budget, however, expenditures for water activities must be balanced with critical needs in other sectors.

The new Foreign Assistance Framework has focused U.S. foreign assistance planning on a single goal: to help build and sustain democratic, well-governed states *that respond to the needs of their people*. Access to clean water and sanitation is a critical need of all people, and one which, over the long term, must be met by well-governed states. The programming of water activities within the Foreign Assistance Framework relates, therefore, to the extent to which such activities can contribute to achieving U.S. goals and objectives in any given country compared to other interventions.

Luckily, the United States is not the only donor focusing on Africa and water issues. The African Development Bank, UN Agencies and other bilateral donors have been focusing greater priority on African development needs over the past several years, and water and sanitation has been an area of particular focus. For example, in 2005, the United Kingdom pledged to increase development assistance to Africa by \$3.870 billion annually by 2010, from \$3.260 billion in 2004 to \$7.130 billion. In the area of water supply and sanitation, the United Kingdom will double its support for improved access to water and sanitation in Africa to £95 million (US\$174 million) over the next three years.

The water problem in Africa is a difficult one, with no easy answers. As one looks deeper into the water problem, it becomes clear that the challenge is much more than drilling boreholes. I want to highlight a few some of the critical elements that must be in place for the water challenges in Africa to be surmounted:

Commitment. African governments often don't make water a priority; meeting the basic water and sanitation needs of people must become a high priority in national development and poverty reduction plans; without national leadership, these issues cannot be addressed effectively.

Good governance. Good governance is the key to ensuring basic human needs are met; the proper legal and regulatory frameworks, along with reduced corruption, are critical for creating a healthy investment climate and promoting economic growth.

Money. Some experts predict that the developing world will need anywhere from \$80 to \$170 billion annually to meet its water needs. The total Official Development Assistance (ODA) is less than \$100 billion. Even if all the official development assistance from all the developed countries went only to water—that means none for health, none for energy, none for agriculture—it wouldn't be enough.

Ensuring sustainable water supply cannot be achieved through ODA but must be achieved through cost recovery and sustained investment from both the public and private sectors—this takes us back to sound water management, good leadership and good governance.

Cooperation. Governments must work together to manage shared water resources. We need to work to strengthen regional institutions, improve their capacity to manage water resources, facilitate joint planning and resolve disputes.

Integrated Water Resources Management (IWRM). We need to work towards integrated water resources management (IWRM), in which local communities,

civil societies, national governments and all stakeholders participate fully in water management and in water allocation decisions among competing sectors (domestic water users, industry, agriculture, ecosystems and others) to ensure equity in water use and sustainability of water resources for the benefit of all.

These elements of a long-term solution to water issues in Africa are hard to come by, but there are signs of progress, and hope for the future. For example, strong political commitment in South Africa and Uganda at the national level has led to increased access to water supply and sanitation, and USAID has been a partner in helping the government in both countries develop sustainable water service provision.

This is critical: host country governments in Africa must make water a higher priority. When USAID and the State Department meet with African government representatives to receive their input into our planning, water is not often near the top of their priority list. It is up to the host country partners to establish the enabling conditions for the water activities that we support to be successful, and to create the policy conditions for water service provision to be sustained in the long run and to assure that water resources are well managed.

That said, we at USAID are committed to a sustained effort, in partnership with host governments and communities, the private sector, other donors, and intergovernmental organizations, to promote increased access by Africans to water supply, sanitation and hygiene, to improved water resources management, and to strengthening cooperation between African nations on shared waters.

Thank you for this opportunity to testify before this subcommittee on behalf of USAID. I would be pleased to answer any questions you may have.

Table 2: Estimated Actual FY 2006 USAID Obligations for “Water Supply Projects and Related Activities” by Country and Region
(Dollars Millions)

Region/Bureau	Country or Operating Unit	Water Supply	Sanitation	IDFA Water & Sanitation	Grand Total
Africa	Burundi	0.138	0.087		0.225
	Central African Republic			0.050	0.050
	Chad			0.539	0.539
	Congo Dr			0.976	0.976
	Eritrea			0.900	0.900
	Ethiopia	0.907	0.443	6.050	7.700
	Ghana	0.935	0.505		1.440
	Kenya	4.172		4.276	8.448
	Liberia			0.386	0.386
	Madagascar	0.420	0.377		0.797
	Mozambique	0.392		0.402	0.794
	Sao Tome & Principe			0.013	0.013
	Senegal			0.050	0.050
	Somalia	1.250	1.250	2.946	5.446
	South Africa	0.375	0.375		0.750
	Sudan			37.378	37.378
	Uganda	1.075	0.075	5.772	6.922
	Zambia	0.400	0.400		0.800
	WARP	1.715	1.714		3.429
	Africa Regional Bureau	4.420	1.119		5.539
	—CWPP Alliance with Coca Cola (Angola, Ethiopia, Ghana, Cote d'Ivoire, Mozambique, Nigeria, Tanzania, Uganda)				
	—PlayPumps Alliance (Ethiopia, Kenya, Lesotho, Malawi, Mozambique, South Africa, Swaziland, Tanzania, Uganda, Zambia)				
	—Hygiene Improvement Project (Madagascar, Uganda, Ethiopia)				
	Africa Total	15.199	6.345	59.738	82.282

Mr. PAYNE. Thank you very much both of you for your testimony, and I will start the questioning with my colleague, Ms. Woolsey.

Ms. WOOLSEY. Thank you, Mr. Chairman. So I am curious, how are USAID and the State Department staff members in the field being trained on water issues? Are they water specialists? Do not nod because they have got to get you in the record. Do you want to talk about that?

Ms. McMURRAY. We were just trying to decide who was going to answer first. My people are not in the field. So I think as far as field information, I would like to turn to my colleague at USAID. The people that work in the State Department are primarily coordinating the strategy that is required under the Paul Simon Water for the Poor Act.

Ms. WOOLSEY. Okay. I will be back to you in a minute then, Ms. McMurray, on something else. Mr. North.

Mr. NORTH. Thank you, Congressman, for your question. We do have staff in the field who are trained in these issues. We also have staff in Washington with a variety of backgrounds because it

is not just an engineering question as you will understand from some of the comments that we have been making. You really need to think about this from a variety of perspectives and weave it into different elements of our overall approach.

As you know, when we look at a situation, a development situation in Africa, as we do in other developing parts of the world, we look at the country's situation. We try to make an assessment of what the most urgent requirements are and what the deepest constraints are to accelerating the pace of development. We draw on a lot of different technical expertises to help us to craft the strategy that is effective and one which is congruent with the Secretary's vision of transformational diplomacy.

Ms. WOOLSEY. So you are a great straight man because I was going to ask Ms. McMurray about Secretary Rice's transformational diplomacy. How does that fit in with the water policy?

Ms. MCMURRAY. Well I do not know how much time you have spent hearing about transformational diplomacy already but I am assuming because of your membership on this committee this is not an unfamiliar concept to you. I think what we are looking at in the overall transformational diplomacy concept that guides our foreign assistance spending is sustainable economic growth, promotion of democracy, investing in people and concepts of that nature, and frankly water policy fits into all of those areas.

I think in particular obviously it is promotion of public health and investing in people where it has its most logical home but also economic growth is obviously important to promoting the goodwill and growth of prosperity for people. So it is a factor in an overall scheme for foreign assistance, and that is what makes it challenging for us to take the factors that are in the Water for the Poor Act and try to filter them into a broader foreign assistance scheme.

Ms. WOOLSEY. So, Mr. Chairman, may I ask one more question? I am also a member of the Science Committee, and we are having hearings on global warming, and does the subject of global warming come up when you are talking about environmental changes and drought and floods? What part is that playing in your planning and the future of these poor nations particularly? All nations actually?

Ms. MCMURRAY. Well there are a number of ways we look at this issue. First of all, Congresswoman Woolsey, we plan in this next report to do more of an analysis of the impacts of climate change, not just on Africa but in other vulnerable areas of the world and how it feeds into the overall strategy that we have to pursue on water. But certainly already you are seeing the effects of drought and famine and perhaps sea level rise that countries are having to take into account and do something about. So we are trying to have these two challenges come together in a way where we can think strategically about how to help solve them.

Ms. WOOLSEY. Well thank you. It is going to be the poorest of the poor that get affected the hardest if we do not step up to this. So thank you very much.

Mr. PAYNE. Thank you very much. Just looking at the 2008 congressional budget justification, the State Department requested \$71 million for water and sanitation, Ms. McMurray, which is less than the 2006 request. So I am wondering if you can really hope to ad-

dress the global water and sanitation needs with \$71 million a year.

Now we have heard about how much it would cost to clear it all up and that is the optimum but we are just talking about a minimum. We can forget what the optimum is. But \$71 million that was recommended for 2006, although in the Foreign Operations bill that the Congress passed we suggested that not less than \$200 million should be made available for drinking water supply projects and related activities of which no less than \$50 million should be made available for programs in Africa. So I just wondered if you could explain the substantial decrease in the administration's funding request.

Now we know that it is the Congress that appropriates. However, you also know that the budget comes from the White House, and we have to work within the framework. So I am just wondering, am I missing something? Either one of you could try to give us a justification of why your department decided to reduce the request for this particular item.

Ms. McMURRAY. Mr. Chairman, I would like to give you a broad answer and then ask Mr. North to answer more specifically since it has an impact on his programs. I think the biggest point I would like to make and one that I tried to make in my testimony is that the Water for the Poor Act came into play and also came into the Department as a strategic imperative for us at the same time that the Secretary was trying to reform the foreign assistance system, and so we had two competing notions coming in at the same time, and not a lot of time in the 2008 budget preparation to assimilate all of it. So I want to make you aware of that challenge.

So part of that number that you are looking at reflects the way we are looking at foreign assistance overall. Water is an important factor but it is not the only factor that we have to look at in judging what countries we send funding to that deal with water but then I would like to ask Walter North to give a more specific answer if I could.

Mr. NORTH. Ms. McMurray, thank you very much. Congressman, I strongly suspect that you are neither uninformed nor misinformed but perhaps you do not have all of the information. It is my understanding that even with the rejiggering of the way that we made the presentation, that at the end of the day it is our expectation that actually the resources available for support for water will not be declining. They probably will show a modest increase, when you look at all of the different parts of the framework.

I think what you may be capturing most is the investments that show up in investing in people, those categories and where actually some of the water resources come from other accounts like the famine assistance account, and that may not be fully captured in what you have. It is our expectation that the report that we will be presenting to you shortly will show that in fact in 2006 we exceeded the \$200 million target as an agency which I am very happy about and that actual resources going to Africa represent I think it is 46 percent of the total. So that is good news too because it means it is just about under \$100 million.

And we should not forget when we talk about assistance for this sector about the dramatic increases in assistance that the United

States has been providing to Africa during this administration. You well know that the debt relief that we have helped to support is freeing up a tremendous amount of resources which are meant—through the poverty reduction strategy programs that are in place in most of the countries benefiting from the debt relief—the resources are meant to go to help with these kinds of investments. So that is one huge new opportunity for African leadership to step up and use those resources for smart investments.

The other where the United States has been a significant contributor is in the creation of the Millennium Challenge Corporation, and we are seeing in fact that African countries that are going to be benefiting from compacts are choosing to use some of those resources to support investments in water infrastructure. So I think the story is not a disappointing one. In fact, it is a very promising one.

Mr. PAYNE. I think it is important.—

[Microphone goes out briefly.]

Mr. PAYNE [continuing]. Agency then. If you could somehow—and I know you have a lot of things to do—but number one, the Congress is serious about water, and we want to make that clear. The new Congress is extremely serious about water, and extremely serious about—

[Microphone goes out briefly.]

Mr. PAYNE. I know the State Department does not want to hear it but we will figure out a way to let you hear it anyway. So we really want to have a breakdown of what clean water programs are in other programs. How we can come up with what we are doing in a comprehensive approach. I think that we know how the bureau works, and it does impact in a number of different areas.

However, we are concerned about what is being allocated to water in general. We know that in order to move forward, water is a very basic essential like food, and without water the whole question of HIV and AIDS, tuberculosis, other areas that we need to work on we are going to find that we are missing the boat if we do not have clean water. Now we are also aware that it is not something that can be handled totally by the United States. As a matter of fact, several years ago the Dutch wanted to work with a project with us in Africa but we found stumbling blocks and were unable to do it. They know how to deal with water that is for sure.

We think that there are definitely ways that we can, if we show the leadership, convince other western European and other countries that clean water and sanitation really is the key. To be honest, I will look forward to seeing that report because when I see \$71 million and you tell me it is over \$200 million, I could see us being off a few million but that is a long stretch, and so we would hope that some of that could be clarified before we go into our next hearing.

What would you recommend? You were indicating that in your opinion, Mr. North, that the African countries in general were not doing enough. What would you suggest is happening there and do you think the U.S. Congress could be of any assistance in that?

Mr. NORTH. Thank you very much Congressman Payne. Well one thing I would recommend if you allow me to is that I know that you have a deep interest in Africa and that you make a point of

regularly traveling, visiting and talking to African leaders. Oftentimes you receive them here in the United States, and I know that other members follow your good example. I hope that those are opportunities for you to suggest your understanding of the situation, your concern, and to encourage them to use the resources that are being made available through the international community and other partnerships to step up to the plate.

And as we said in our testimony, there are some countries that are already demonstrating best practices. South Africa since majority rule came has connected something like 10 million users to water systems in a very relatively short period of time. Uganda has a very good track record of responding. So perhaps we can also work to do a better job in our dialogue with the AU to get best practices and modeling of best behavior shared with other African countries. We do try to do that.

As you know, we have just nominated and had confirmed by the Senate our first ever Ambassador to the African Union. This is the kind of issue that is on her agenda. So that is another way that we do it. We also do it through our ongoing dialogue at the country level through our country teams led by our ambassadors and members of the country team. They reach out to talk about these issues as part of country led poverty reduction strategy programs. So those are some of the ways that we already, I think, are being responsive and hope to continue to build on that.

Mr. PAYNE. Yes.

Ms. McMURRAY. I just wanted to add, Mr. Chairman, I think Walter's advice is right on target as far as having someone like you come in and make suggestions on looking at other countries and making this a priority. I would also suggest that what really needs to happen in a lot of these countries is better management, and I think that is something where the U.S. Government could make a major contribution as far as capacity building is concerned because really what we need to do is create an atmosphere where private investors want to come in and take risks on infrastructure and all the things that go with it so that we can actually improve conditions. So I would encourage you to stress management when you have those discussions in your future travels.

Mr. PAYNE. Well let me thank you very much. Let me just ask is there any coordination between—it was mentioned about the global warming and some of the other projects—does State coordinate those activities with a project like Water for the Poor? And secondly, let me just say there were allocations made in this 2006 budget that went to Iraq and Jordan and other countries as it relate to their water problems to your knowledge?

Ms. McMURRAY. Well you had two questions there. If I could take the climate one and then maybe Walter can take the other. I mentioned just briefly previously that in our next report which you will have very soon we do talk about climate change and how the African continent in particular is more vulnerable than any other part of the world to this phenomenon, and that it has a direct impact on the issues that we are talking about, water and sanitation, and there will be some effort to incorporate into the strategy those factors but I should also say that there are other people in my office who attend the multilateral meetings that deal specifi-

cally with climate change and, on the issue of so-called adaptation, it is quite high on the agenda of the U.N. framework on climate change.

And what that means is, what can you do in the near term to adjust your life and your behavior to the changing conditions in your country? This is something that the African countries are obviously very interested in, and we are working with them on it in those fora.

Mr. PAYNE. Mr. North.

Mr. NORTH. Thank you, Congressman. Unfortunately I am not officially empowered to talk to you about an affiliated bureau of USAID. I can talk to you about Africa and what we are spending in Africa but I do not know the details of Iraq and Afghanistan. We would be very, very glad to get you that information and provide it for the record.

WRITTEN RESPONSE RECEIVED FROM WALTER NORTH, J.D. TO QUESTION ASKED DURING THE HEARING BY THE HONORABLE DONALD M. PAYNE

To support the Paul Simon Water for the Poor Act, the Bureau for Asia and the Near East (ANE) is implementing a Blue Revolution Initiative for water. The initiative focuses on expanding access to and effective use of safe water supplies and improved sanitation; improving environmental management and economic productivity of water resources; and mitigating tensions associated with the use of shared water.

In FY 06, USAID obligated over \$200 million for water supply projects, of which 60% came from the ANE Bureau. This included allocation of funding for water supply and sanitation programs in Iraq, Jordan, Egypt, Lebanon, and other priority countries in ANE region.

Through the Blue Revolution Initiative, ANE seeks to tackle some of the most challenging water issues facing the region: transboundary river basin management, inefficient and nonproductive water use, and lack of access by the poor to improved water and sanitation services. The goal is the transformation of the culture and governance of water across the ANE region.

Mr. PAYNE. Okay. I would appreciate it because we were looking at dollars spent, and we saw some numbers that did not pertain necessarily to the poor countries. In Iraq and Afghanistan and Jordan, the program that I thought was Water for the Poor was going into that area. I was very disappointed, as I mentioned. I thought they had given it a misnomer, and as I indicated in my opening remarks, it seemed like it was Water for the War.

We need to get Water for the Poor. We are pleased that you have an overview. We really would like to get some more specifics because we are going to try to value this report but it does leave us a little bit in the dark about what is going on. Incidentally, the Water for the Poor, although as you know this legislation was only passed last year, President Bush spoke about Water for the Poor back in 2002. So it was not a new initiative that you mentioned in the reorganization or Secretary Rice's foreign assistance reforms which kind of complicated the way that they address water in fiscal year 2007 and 2008.

This has been something that we have been making a priority since the President mentioned it in 2002. We appreciate your testimony. We will be looking for some more concise figures so that we can move forward.

I just want to once again reiterate that this is an issue that we are taking as a very high priority in the Congress, and we look forward to working closely with you so that we can perhaps get the appropriations that we like. We will be meeting with European

Union countries regarding Africa, and this will be an issue that I will raise with them when we have our meeting with EU representatives and those from the African Union. And so I will certainly be following up. Once again, let me thank you for your testimony.

We will now go to the next panel, panel three. We will ask Mr. Peter Lochery and Mr. Malcolm Stewart Morris if they would come forward. Mr. Peter Lochery is the director of CARE's Water Team. He is an environmental engineer with more than 30 years experience in water and sanitation programs. Peter is responsible for developing the strategies that enabled CARE to move its program on sustainable impact that water has on poor people's health and their social and economic well-being.

Mr. Lochery is a board member of Water Advocates. Prior to joining CARE, he worked for a consulting firm in the Middle East, and then the World Bank's water and sanitation program in West Africa and South Asia. Peter Lochery was educated in Great Britain, holds a master's in public health engineering, and a bachelor's in civil engineering.

He will be joined by Malcolm Stewart Morris. Mr. Morris is currently executive vice president of Living Water International. We heard Congressman Smith mention about his visit with Mr. Morris in Kenya recently. Mr. Morris founded and serves as chairman of the Millennium Water Alliance, an American nonprofit organization that includes Living Water International, Africare, Catholic Release Services, Emanuel International Food for the Hungry, Life Water International, Water for People, Water Missions International, Water Partners International and World Vision.

And so it is a pleasure for us to have you gentlemen before us, and we will start with you, Mr. Lochery.

STATEMENT OF MR. PETER LOCHERY, DIRECTOR OF THE WATER TEAM, CARE

Mr. LOCHERY. First I would like to thank Chairman Payne, Ranking Member Smith, and the other members of both the House Foreign Affairs Committee and the Subcommittee on Africa and Global Health for holding this important hearing. In the interest of time, I will summarize my remarks but would like to bring your attention to my full submitted testimony which goes into greater detail.

I was asked to present what the situation is on the ground in Africa from the perspective of an operational organization engaged on a daily basis in combating the African water crisis. The first theme I would like to talk about is prioritization. In needs assessments when poor people are surveyed, they consistently name lack of water among the main causes of their poverty and give it first priority in their visions of a better future.

However, national governments frequently do not reflect this public priority in their policies nor do they provide adequate resources to make significant change. Political will and getting priorities straight are key ingredients in progress forward.

Lack of transparency is also a constraint. It is often difficult to identify the extent to which a government has prioritized water and sanitation funding and service improvement. This lack of

transparency makes it hard to determine how efficiently and effectively funds are being used.

It is necessary to increase the equity of services and target funding and programs where the need is greatest and will have the highest impact. Only 40 percent of external funding for water and sanitation is directed to the countries where 90 percent of the people who need it live.

Through our programmatic experience, CARE has found sustainable water and sanitation programs are those in which community members are partners in the project, where communities are involved in the design, implementation, management, maintenance, and monitoring and evaluation of results.

Our experience has also taught that resources should be concentrated at the local level. This not only encourages efficiencies but often results in local level capacity building, the development of improved local governance, and the fostering of local civil society.

The Water for the Poor Act makes the provision of safe water, sanitation and hygiene an explicit objective of U.S. foreign assistance. The act calls for the State Department to develop a comprehensive strategy outlining how the U.S. would go about expanding equitable access to water and sanitation in countries where the need is greatest and addressing the constraints I have already identified.

However, implementation of the act has been limited, and it has not been backed by the increased appropriations required to realize the goals encompassed in it as other witnesses have pointed out. The first State Department Water for the Poor Act report, which was released in June 2006, was extremely useful in understanding where and how U.S. resources are being spent in the water and sanitation sector. However, it only met one of the seven broad requirements of the act and focused on water resources as a whole rather than exclusively on safe drinking water and sanitation as outlined in the legislation.

The report also provided a summary of current U.S. water programming, rather than laying forth a comprehensive strategy. The information presented in the report revealed that in fiscal year 2005, the bulk of United States funding went to countries and regions of strategic interest while only roughly \$15 million in sustainable water supply and sanitation funding went to sub-Saharan Africa, indisputably one of the areas of greatest need.

Compounding these funding gaps is the issue of where water assistance lies within U.S. foreign assistance agencies. The water sector continues to be fragmented amongst various U.S. agencies. Recognizing that water and sanitation falls under several key objectives like peace and security, economic development and improved governance but not determining provision of it to be an objective in its own right, contributes to the phenomenon of water being everywhere and nowhere at the same time.

Furthermore, the water and sanitation sector has no dedicated staff except at OFDA. The designation of a full-time, high level staff member would help give the sector the attention that it so desperately needs. The low level priority given to water is exacerbated by the current funding process in which there is no accountability mechanism to ensure that the appropriations made for non

line item areas like water are spent in accordance with congressional report language.

In order for the vision of the Water for the Poor Act to be realized, we must ensure that additional resources, ones that can be tracked and accounted for, are provided to fund developmental approaches to expanding access to water and sanitation services. A good start to this would be making sure that water and sanitation are given a specific line item within the Development Assistance account.

The Office of the Director of Foreign Assistance must move forward in fulfilling the Water for the Poor Act requirements of strategically prioritizing water and sanitation in areas of greatest need, like sub-Saharan Africa, and developing a method for coordinating and integrating assistance for safe water and sanitation with other United States foreign assistance efforts. The U.S. Government must make bolder additional investments in a sector that has been sidelined for far too long.

Thank you for this opportunity to testify before the subcommittee. I am ready to answer any questions that you may have. [The prepared statement of Mr. Lochery follows:]

PREPARED STATEMENT OF MR. PETER LOCHERY, DIRECTOR OF THE WATER TEAM,
CARE

First, I would like to thank Chairman Payne, Ranking Member Smith and the other Members of both the House Foreign Affairs committee and the subcommittee on Africa and Global Health for holding this important hearing. It is an honor to be asked to share CARE's perspective on the African water crisis based on our sixty plus years of working with communities in some of the world's poorest countries.

THE SITUATION ON THE GROUND

Access to safe water and sanitation is as fundamental to life as food or air, yet an alarming number of people in the world's poorest countries remain without it. Worldwide, 1.1 billion people lack access to a sufficient amount of clean water and more than double that amount—2.6 billion people—lack access to adequate sanitation services, forcing them to live in degrading and unhealthy environments. The problem is global in scope, but is particularly acute in sub-Saharan Africa, where the percentage of people without access to an improved water source is over 50 percent and almost 70 percent of the population lacks access to improved sanitation¹. The absence of these most basic of services has devastating ramifications on all other aspects of life—including basic health, education and livelihoods to name a few—and has undoubtedly proven a barrier to unlocking Africa's developmental potential.

Beyond running through these disturbing statistics, I was asked to present what the situation is on the ground in Africa from the perspective of an operational organization engaged on a daily basis in combating the African water crisis. In their paper, "Getting to boiling point: Turning up the heat on water and sanitation,"² one of our widely-respected colleague organizations, WaterAid, surveyed development practitioners in 14 countries in sub-Saharan Africa and South Asia regarding challenges to expanding access to water and sanitation³. The survey asked about the "the day-to-day blockages" actually preventing them from being able to deliver these services and found several common themes arose across the countries in question. I would like to echo and expand upon some of these themes.

¹United Nations Human Development Report 2006.*Beyond Scarcity: Power, poverty and the global water crisis*. p. 33.

²Redhouse, David. *Getting to boiling point: Turning up the heat on water and sanitation*. WaterAid, London.

³Bangladesh, Burkina Faso, Ethiopia, Ghana, India, Madagascar, Malawi, Mali, Mozambique, Nepal Nigeria, Tanzania, Uganda, Zambia.

Prioritization—putting water and sanitation at the heart of poverty reduction

In needs assessments, when poor people are surveyed, they consistently name lack of water among the main causes of their poverty, and give it first priority in their visions of a better future. Where they have a voice, poor people call on their governments to provide water and try to hold them accountable where possible when services are not forthcoming. However, national governments frequently do not reflect this public priority in their policies, nor do they provide adequate resources to make significant change. In countries where water has been given priority on the national stage and adequate resources are provided to back it, greater improvements in the expansion of service delivery have been seen. Political will and getting priorities straight are key ingredients in progress forward.

Transparency—be open about what’s going on

It is often difficult to identify the extent to which a government has prioritized water and sanitation funding and service improvement. This lack of transparency makes it hard to determine how efficiently and effectively funds are being used. In some cases, funds may be used to build and improve water supply, however, if and when documents are made public, they sometimes show that water and sanitation improvements were not concentrated among the areas and populations experiencing the greatest need. Frequently, it is difficult to even track with any precision what the government in question has actually done in the sector.

Equity—some for all, not all for some

It is necessary to increase the equity of services and target funding and programs where the need is greatest and will have the highest impact. As WaterAid writes, “poor targeting of available resources exacerbates the problem of shortfalls in those resources.”⁴ An analysis by NGOs, including CARE, for the UN Commission on Sustainable Development in 2004 also found that less than 40% of water resources are directed to the countries where 90% of the people who need them live.⁵ While additional and more robust funding is desperately needed, access to water and sanitation could be greatly increased by simply redirecting funds that are already available, to areas where each dollar would go further.

Coordination—don’t duplicate

Similarly, access to water and sanitation could be improved if funds that are currently available were better coordinated. Lack of coordination often results in a variety of duplicative interventions, sometimes resulting in contradictory approaches and messages. Furthermore, lack of coordination prevents the complementarity and synergy that is so desperately needed to leverage the precious resources directed toward water and sanitation initiatives.

Capacity—sustainable results depend on it

Sometimes recipient governments have difficulty utilizing aid funds for water and sanitation because they simply do not have the right staff to implement the resources that have been provided by donors. In this case, countries providing aid should focus on not only the numbers of wells drilled into the ground, but also on building the capacity of water sectors in developing countries so that they can use aid funds appropriately and develop the institutional know-how that will yield benefits long after donor funds have been utilized.

Community Control—partners, not beneficiaries bring sustainability

Through our programmatic experience, CARE has found that sustainable water and sanitation programs are those in which communities are involved in the design, implementation, management, maintenance, and monitoring and evaluation of results. This should be no mystery, as no one knows their needs better or has a greater stake in ensuring the sustainability of safe water and sanitation systems than the communities that rely upon them.

Our experience has also taught us that to the degree possible, resources should be concentrated at the local level. This not only encourages efficiencies, but often results in positive spill over effects like local level capacity building, the development of improved local governance and the fostering of local civil society, which has potential for a broader impact on governance.

Sustainability—the end goal

Ultimately, no effort to extend safe water and sanitation services will be effective unless it is sustainable in the long run. This entails making sure that the mainte-

⁴*Ibid.*

⁵A scorecard assessment of developing countries and donor progress. April 2004.

nance, management, and decision-making around water and sanitation projects can be executed by local actors. Capacity building at both the national and local levels and community involvement are key components in achieving sustainability.

I'd like to provide an example of what this looks like in practice. In 2004 CARE began a project in Mozambique to improve health and reduce poverty amongst 520,000 people in the Cabo Delgado and Nampula provinces by increasing their access to safe water and sanitation. This project was designed not only to respond to the day-to-day needs of poor people but also to address some of the barriers that prevent wider and sustainable access to safe water supply and sanitation. These barriers were identified through a dialogue involving a number of stakeholders including community members, donors, the private sector, and government at different levels.

The project engages poor communities in the management of their water resources, including financial management; promotes water use for small scale agriculture as well as domestic use; encourages the development and endorsement of a wider range of technologies so that communities have more choice; and works with government to improve the efficiency of contracting for construction of boreholes. The learning from these various activities is fed back to the stakeholders. The results and impacts of this project are expected to go beyond simple service provision and are designed to have a wider influence on the way the water sector operates in Mozambique.

THE US RESPONSE TO THE AFRICAN WATER CRISIS

Tackling the constraints to the expansion of water and sanitation services that I have outlined will require the US government to increase the level of funding devoted toward these sectors. Funding must be targeted where it will have the greatest impact in dealing with the constraints. Doing so must include addressing underlying accountability and capacity issues and coordinating with other donor entities.

The Water for the Poor Act made the provision of safe water, sanitation, and hygiene an explicit objective of US foreign assistance and called for the State Department to develop a comprehensive strategy outlining how the US would go about expanding equitable access to water and sanitation in countries where the need is greatest. However, implementation of the Act has been limited and has not been backed by the increased appropriations required to realize the goals encompassed in it.

The passage of the Water for the Poor Act presents an opportunity around which the US can bring expertise gained through programs in other regions of the world and significantly expanded funding to bear in sub-Saharan Africa. The strategy required by the Act also helps address gaps in responding to the African water crisis. These include: designating high priority recipient countries toward which funding should be targeted; determining which of those countries are truly committed to instituting the necessary reforms and enhancing accountability to their citizens; developing a system of measurable goals, benchmarks and timetables for monitoring US foreign assistance; and coordinating assistance with other donor countries.

The US Government should also focus on complementary activities to strengthen civil societies', governments', and the media's capacity to scrutinize their water and sanitation sector and demand that money be used appropriately and effectively. This capacity building will benefit not only the country receiving aid by ensuring that water and sanitation services are being delivered as they should be, but also the US as it will encourage the careful use of foreign assistance funds.

The US response to the African water crisis to date has been inadequate in relation to the scope of the problem and the impact that expanding access to water and sanitation services would have in addressing many other developmental challenges. Although the US government took an important step by passing of the visionary Senator Paul Simon Water for the Poor Act of 2005, the current system of policies and institutions in place is not conducive to the US developing and implementing a shared, prominent and responsive agenda adequate to the task of making meaningful change in the water and sanitation sector in Africa.

The first State Department Water for the Poor Act Report, which was released in June of 2006, was extremely useful in understanding where and how US resources are being spent in the water and sanitation sector. However, it only met one of the seven broad requirements of the Act and focused on water resources as a whole, rather than exclusively on safe drinking water and sanitation as outlined in the legislation. The Report also provided a summary of current US water programming, rather than laying forth a comprehensive strategy.

The information presented in the Report revealed that in FY 2005, a bulk of US funding went to countries and regions of strategic interest (like Afghanistan, Iraq,

and the West Bank and Gaza), while only roughly \$15 million in sustainable water supply and sanitation funding went to sub-Saharan Africa, indisputably one of the areas of greatest need. The Report also counted the amount spent in the emergency sector—which, depending on how you count, receives over 50% of total funding—toward what the US is spending on water and sanitation.

While funding relief efforts is essential to saving lives, and an activity that the US should continue to invest in, emergency spending will only go so far in addressing the issue of sustainable access to safe water and sanitation, particularly when there are limited funds for the transition from relief to development. There is no substitute to increasing funding for developmental water and sanitation, which is why the Water for the Poor Act explicitly called for the US to help “expand access to safe water and sanitation in an affordable, equitable, and sustainable manner.”

The facts that have come to light with the release of the first State Department Water for the Poor Act Report indicate that US funding must be significantly increased to fill the gaps in addressing the water and sanitation needs of Africa and other under-served areas. Furthermore, they underscore the need to elevate water and sanitation as an explicit priority in order to truly realize the vision incorporated in the legislation.

Compounding these funding gaps is the issue of where water assistance lies within US foreign assistance agencies. The water sector continues to be fractured among various US agencies, and even within those agencies themselves. USAID is the lead US government entity for the provision of assistance for safe water and sanitation globally. The USAID responsibility for water and sanitation is shared between the Bureaus for Global Health and Economic Growth, Agriculture, & Trade (EGAT), meaning that safe water and sanitation has no dedicated staff (except in OFDA) and must compete with other priorities within those bureaus for funding and attention. While continued engagement on the part of the Department of State in convening an interagency working group on water and sanitation is highly welcome, the designation of a full-time, high-level staff member—like the Global AIDS Coordinator—would help resolve the issue of water being “lumped in” with other sectoral issues and give the sector the attention that it so desperately needs.

The new Foreign Assistance Framework developed over the course of the last year, which is the basis for developing country operational plans, includes water merely as a program level goal under the Investing in People objective. Recognizing that water and sanitation falls under several key objectives like Peace and Security, Economic Development and Improved Governance, but not determining provision of it to be an objective in its own right, contributes to the phenomenon of “water being everywhere and nowhere at the same time.”

The low-level priority given to water, as reflected by the fact that it has no “home” within the US policy and administrative hierarchy, is exacerbated by the current funding process, in which there is no accountability mechanism to ensure that the appropriations made for non-line item areas, like water, are spent in accordance with Congressional report language. In order for the vision of the Water for the Poor Act to be realized, we must ensure that *additional* resources—ones that can be tracked and accounted for—are being provided to fund developmental approaches to expanding access to water and sanitation services. A good start to this would be making sure that water and sanitation are given a specific line item within the Development Assistance account.

An integrated and robust approach to providing access to water and sanitation will enhance the impact of all US foreign assistance to Africa, including programs in education, HIV/AIDS, economic development and livelihood security. This fact reinforces the need to go beyond simply passing a landmark piece of legislation, like the Water for the Poor Act, to following through with its implementation. The Office of the Director of Foreign Assistance must move forward in fulfilling the Water for the Poor Act requirements of strategically prioritizing water and sanitation in areas of great need, like sub-Saharan Africa, and developing a method for coordinating and integrating assistance for safe water and sanitation with other US foreign assistance efforts. It is equally as important to the implementation of the Water for the Poor Act, that the US government make bolder, additional investments in a sector that has been sidelined for far too long.

Mr. PAYNE. Thank you very much. Mr. Morris.

**STATEMENT OF MR. MALCOLM S. MORRIS, CHAIRMAN,
MILLENNIUM WATER ALLIANCE**

Mr. MORRIS. Chairman Payne and distinguished members of the committee, thank you very much. There is a new flashlight being

sold in the world. It is called BOGO, buy one give one. There are 300 million people in America today and 300 million people in Africa without access to clean water. It is important that the United States practice the diplomacy of deeds in development, building long lasting relationships at the grassroots level in the under-developed world.

Picture a baseball diamond. First base is life. No water, no life. Second base health. Safe water prevents disease and empties 50 percent of the hospital beds. Third base is education. Bad water in your body is like bad gas in your car, and the brain cannot learn without adequate supplies of clean water yet tens of thousands of schools all over the developing world lack clean water. Home plate is economic development. It takes three glasses of water to make a soda, a gallon for a hamburger, and 39,000 gallons to make a car but manufacture of each of these things are dependent on adequate supplies of clean water and each provides jobs which are important to the world.

The P on the pitcher's mound stands for peace. A strong military is a necessity in this world but our State Department's function is to promote a sustainable peace. Please open the next slide. This was presented by a water minister of Egypt. Go to the next slide.

Money cannot buy happiness but the total lack of it does produce severe unhappiness. People are living in extreme poverty—on less than \$2 a day—because of the lack of access to clean water and sanitation. Dignity is lost and hope nonexistent. The lack of clean water leads to stagnant economies and failed states, leaving uneducated and jobless young men with no other opportunities who are prime for recruitment into terrorist cells. Two leading causes of frustration leading to terrorism in the world are shown on this slide as the lack of clean water and the lack of sanitation.

The lack of clean water most severely impacts women though. I ask the question: Can only half of the people develop a nation? A Valentine's Day clash over water—if we can go to the next slide—in drought torn Kenya claimed 20 lives, mostly children. Living Water International provided two peace wells. President Kibaki stated that all over the world struggles over water have been the trigger for war and clashes over water costs the lives of our own children but the President proclaimed that henceforth the provision of water shall become a trigger for peace in Kenya.

Since this initiative, the Government of Kenya in 2 years has quadrupled the number of water projects by contracting out water projects to the private sector and NGO community. It is important that we take this concept of water for peace and expand it across Africa. Annual peace well dedications by the head of state in each country where the U.S. is funding efforts on potable water will be a powerful reminder of the importance of water to all for peace.

The provision of clean water empowers indigenous people to become productive and lowers the overall cost of development. Nobel Laureate economist project an addition to the world's economy of up to \$34 for every \$1 invested in clean water projects. What a business opportunity for America to improve our global world.

We face a global emergency now. We need a decade-long commitment to increase funding each year until access to adequate supplies of clean water are available to all communities. We must not

delay to stem the rise of uneducated people living in squalor without the economic opportunities afforded by this liquid of life.

I was honored to visit a Samburu village. We came upon a little girl who had fallen into the fire, suffering third degree burns on her hand. Hiking to a lodge we commandeered a safari vehicle and the lodge's medical doctor. We went back to pick up the little girl. I carried her in my arms, along with her little brother who was suffering five degrees temperature from malaria.

We took them to the hospital and remembering the story of the good Samaritan also provided funds for their treatment and their stay. Afterwards, the lodge's doctor said she had never experienced a guest making an effort to care for somebody in their village. She said, these are my people, and today I have observed what I must do, and I make a pledge to you to go and return to the village that we visited each week to tend to their medical needs. If we can go to the next slide.

It was then that she took me into her office and showed me this picture on her wall which had haunted her. Kevin Carter photographed this child, nearly lifeless, from the lack of water and food, fallen on the ground face down less than a kilometer from a U.N. food camp. The child was stalked by a vulture waiting for its next meal. He left the child as he found her. His picture stunned the world and won the Pulitzer Prize. Two months after receiving the Pulitzer Prize, photographer Carter took his own life.

We cannot abandon a thirsty child. It is time to put fuel into the Water for Poor Act to enable our State Department to cost effectively implement its provisions, working with and through our NGO community. Though we are delinquent in implementation of the Water for Poor Act, we can still meet its goals if we will make the commitment and continue increasing and not decreasing our annual budget to accomplish the task.

Water is life. America can provide no greater gift to earn its place, its trust in the world than to give the poorest of the poor access to clean water. Thank you, Mr. Payne.

[The prepared statement of Mr. Morris follows:]

PREPARED STATEMENT OF MR. MALCOLM S. MORRIS, CHAIRMAN, MILLENNIUM WATER ALLIANCE

Chairman Payne and distinguished members of the House Africa Subcommittee, I commend you for scheduling this hearing on Africa's Water Crisis and the U.S. Response.

The United States leads the nations of the world in response to global natural disasters. Yet, as soon as the emergency needs have been met and our money delivered, we are often no longer welcome guests. It is important that the United States focus its diplomacy of deeds on longer term development strategy.

The recent passage of the Paul Simon Water for the Poor Act makes the provision of clean water a tenet of US foreign policy and a tool to build long-term positive relationships working with communities at the grassroots level in the developing world.

Think of a baseball diamond. First base is life. No water—no life. The greatest way to show a person in the developing world that America cares for them is to demonstrate that we literally value their life.

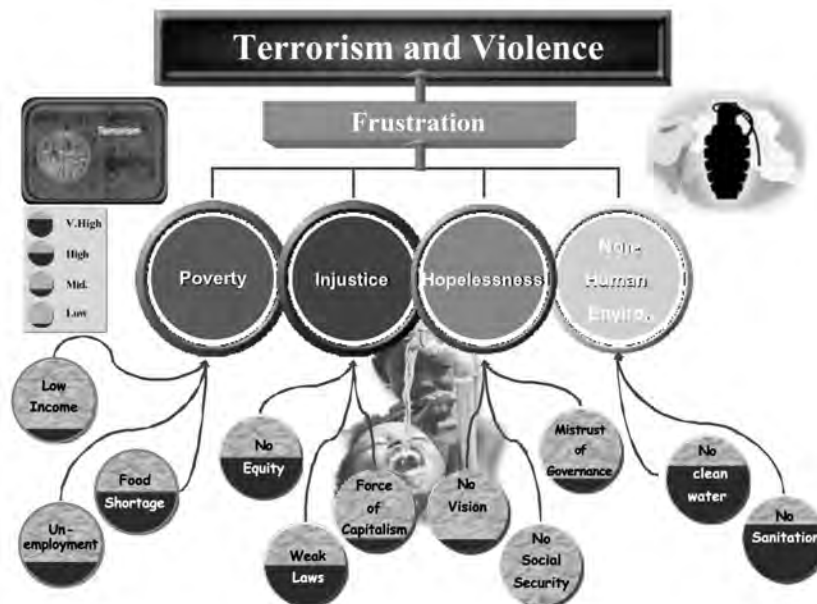
Second base is health. 80% of sickness in the developing world is due to bad water. With safe drinking water, we can empty 50% of the hospital beds of the world. There is no cure for the AIDS patient without access to clean water. Yet all over the developing world are hospitals and clinics with limited or no access to clean water.

Third base is education. One hundred trillion cells in your body all run on water. Bad water in your body is like bad gas in your car. The brain cannot learn without adequate supplies of clean water. It is vital that we retrofit thousands of schools with the provision of safe water.

Home plate is economic development. It takes 3 glasses of water to make one soda; a gallon to make a hamburger; and thirty-nine thousand gallons to make a car. Making these products provides jobs, each of which are dependent on adequate supplies of clean water.

The “P” on the pitcher’s mound stands for “Peace.” People who are alive, healthy, educated and employed are more drawn to peace.

Though it is important for the United States to maintain a strong military, it is the role of the State Department to promote sustainable peace and avoid or settle conflicts. This slide was presented by the water ministry of Egypt.



Though money cannot buy happiness, the total lack of it does produce severe unhappiness. People living in extreme poverty on less than \$2 a day are in that posture because of the lack of access to clean water and sanitation. Human dignity is lost and hope is non-existent. Lack of clean water leads to stagnant economies and failed states. Population growth can be a positive unless education and job opportunities are lacking as a result of lack of access to water. Uneducated and/or jobless young men with no other opportunities are primed for recruitment into terrorist cells.

The lack of access to adequate supplies of clean water most severely impacts women and girls, as well. The late President Nyerere of Tanzania discussed the impact on women in this way: “A person does not walk very far or very fast on one leg. How then can we expect half of the people to develop a nation? Yet the reality is that women are usually left aside when development needs are discussed.”



In Kenya, a Valentine's Day clash over water claimed the lives of twenty people, mostly children. Living Water International provided two Peace Wells. At their dedication, President Kibaki stated that: "All over the world, struggles over water have been the trigger for war. Clashes over water cost the lives of our own children." The President concluded the dedication with a proclamation: "That henceforth, the provision of water shall become the trigger for Peace in Kenya."

We have the opportunity to emphasize staged development over welfare in the way the US does foreign aid. By beginning our interventions with the provision of clean water, we empower indigenous people to become productive and lower the cost of long-term development, reducing the demands on repetitive intervention of US assistance. Nobel Laureate economists project an addition to the world's economy of up to \$34 for every \$1 invested in clean water projects.

We cannot delay in the provision of clean water if we are going to stem the rise of uneducated people living in squalor without the opportunity that adequate supplies of clean water provide to help create economic opportunities for them. We can do this without investing huge sums of money, but we must be consistent in doubling funding annually until access to adequate supplies of clean water is available for all. We cannot continue to start-up and stop. We need a decade-long, consistent plan. Other nations are committing over 5% of foreign assistance to projects for potable water. The Water for Poor Act must be similarly funded and implemented.

Clean water always becomes the focus of initial intervention in any emergency. We are facing a global emergency now. The lesson to us is that no person and no country can function without their own supply of this liquid of life. We either decide to do this or bear the consequences of failed states at costs that will include further military intervention that will drown us in red ink. Thank you.

Mr. PAYNE. Well thank you very much, and I certainly remember that photo and the history that followed it, and let me thank you for reminding us about what we have got a world that is shattered by unshared bread, this is for sure. Let me ask you, Mr. Lochery, overall in your opinion just as an outside observer, how do you assess the United States response to the water crisis in Africa?

In your opinion, do you feel that the U.S. program has a high visibility and flexibility in responding to the needs on the ground? And what are your views on the level of attention given to humanitarian assistance versus this question of development assistance? And if you have any recommendations about how to reform this.

There is a lot on the table. First, of course, how do you assess the overall U.S. response to the water crisis?

Mr. LOCHERY. Let me just address the issue of humanitarian versus development assistance. Humanitarian assistance is essential, and the level of humanitarian assistance is often dictated by the number of disasters and emergencies, and clearly that funding is extremely important, and any pressure that organizations like myself and Malcolm Morris' organizations put on Congress to increase the levels of appropriation, they are not suggesting in any way that funding should be diverted from essential humanitarian assistance. So I would like to put that to one side.

In terms of the development assistance, I quoted a figure of \$15 million for sub-Saharan Africa in fiscal year 2005. I mean it just goes without saying that is insufficient to be able to do the job, and what is the job? The job is demonstrating leadership, and that does not mean to say that you necessarily have to invest huge sums of money and to deal with the crisis alone but, you know, I think that it is incumbent on the U.S. to shoulder its share of responsibilities which might in a very conservative estimate be something like 10 percent of the level of funding that is needed.

If we say that in Africa to meet the Millennium development goals we need to serve an additional 100 million people per annum and that we are working on the basis of \$30 to \$50 per capita, that means if the United States is going to pick up 10 percent of that 100 million person cost, then we need to be investing at the level globally of somewhere between \$300 million to \$500 million a year, and that is global, and you can draw conclusions about the level of funding required in Africa.

Mr. PAYNE. Thank you very much.

Mr. LOCHERY. Can I just add one further point? When you look at the Water for the Poor Act report that was issued on June 1, 2006, if you look at the annexes, there are some really excellent USAID activities cited as examples of the way USAID operates. There is a report I think on the FIRE Project in India. The development of a bond market for water and sanitation. There is a municipal bond market.

There is description of funding for the Middle East. I think it is called the Blue Revolution in the Middle East but there are no similar activities cited in sub-Saharan Africa. So it is not only a question of financial resources. It is a question of directing some of the intellectual energies and talent toward Africa which probably has some of the most intractable water problems in the world.

Mr. PAYNE. Thank you very much. That does cover a few of the real concerns and interests that I have in trying to get a picture on what financial commitment we ought to make, and I think that it is a number that to me seems to be doable. Actually I am a little disturbed that overall funding for Africa in the 2008 budget is—believe it or not—has been reduced overall, and I just wonder how we fight the war on terror by reducing our funding to Africa. It makes absolutely no sense at all. We could do the whole water thing for less than one of the planes cost but we do not look at it that way in some circles evidently.

Let us see. Mr. Morris, let me just ask you about the programs that you start. Do you feel that there is sustainability to your

projects once you do them? Is there a follow-up or a committee or a group that makes sure that they continue so that there is long-term maintenance and funding for the projects?

Mr. MORRIS. Yes, sir. The idea of the Millennium Water Alliance was to bring together the organizations of America doing the great work overseas in the developing world to put a business approach to it but basically work in-country with indigenous people so that what you create as we take care of the immediate needs are to create the future plumbers of the country. We want to leave behind the people who will fix things.

You may call a plumber here in America when something breaks in your home in the plumbing, and it is important that we do the same overseas. I would like to first just make a reference to the Kenya experience. I believe the Kenya Government's cost of doing wells internally by the government was about \$160,000 a piece on each project. The Kenyan Government began contracting it out. They have increased 400 percent while not increasing their cost again by contracting out to the more efficient NGO community and private sector, and so they have gotten four times the production for the same cost. You can see the savings there.

Secondly, what our Government here has done, they have put in about \$5 million into the Millennium Water Alliance, and yet because of that effort we have been able to raise about \$35 million from the private sector. We shot for one-for-one. I think you heard previously that the State Department and USAID look for that but we have done better than that, and I think the more emphasis that the United States will put on this project on water for the world will actually raise the public awareness.

I would lastly point out that we are to raise public awareness further. A movie is being produced now called *Running the Sahara*. If you saw it on the Jay Leno show, three runners have traversed through the Saharan desert from coast-to-coast in Africa a run, and through that calling attention to the need of water in the villages that are going through. The movie is coming up with I think some terrific work. Bono will be working on the music, the soundtrack.

Matt Damon will be—Academy Award winner—will be a vital part of this picture in making the announcements, and that will come out at the Toronto Film Festival this year. If we could couple the passage of fuel for the Water for Poor Act with an announcement that could be made at the Toronto Film Festival that hey, you know the United States is putting \$300 million, I think we could raise a lot of focus in the world because people want to do something, and they want to know how and where, and it is vital that the United States takes a leadership role in our Government and say, let us put fuel in the tank on water reform.

Mr. PAYNE. Well I really appreciate it. I know that when Hollywood gets involved it can highlight important issues, *Blood Diamond* is a good example of highlighting the illicit use of diamonds to fuel civil wars. I think that if we could, in a positive sense, show how good water can be it would be helpful, and as you have indicated it is just not a high priority. I do not know why it continues to slip by. We had the baby deaths back in the 1970s when you had the infant formula by Nestles.

The baby formulas was given to African countries, but the water was not clean, and so these children were taking the infant formula where they were saying that breastfeeding was not modern. Here, take this, and the water was unclean, and so children who would have normally lived died. That seemed to me—and that was 35 years ago—would have been enough to focus or highlight on the need for clean water but we are still wrestling with the question of clean water.

I am not satisfied with what we are doing as a country in the whole question of water. We are told we cannot do everything. We are not asking to do everything but we are certainly asking to do something. Right now in my opinion we are not doing enough. I thought you were going to mention that you were going to be running over the Sahara in the movie but I feel a little better that you are not going to be one of those real runners, the Roadrunner, but we certainly appreciate tremendously what you have done. I think it shows really what the private sector can do, what NGOs can do.

I know my colleague, Mr. Smith, continually mentions about religious organizations getting involved, and everywhere I go in Africa I just see nothing but religious organizations. So I have got to travel with him sometimes to find out where it is lacking but I see the Catholic Relief Services and the Lutheran, Irish, other church people and American religious organizations. I think that it is a real partnership that we can have with the private sector, with the NGOs, with the government so that we can really win this battle that we must win.

I wonder if—Ms. Woolsey is back—if she catches her breath if she has any final questions she would like to ask the panel.

Ms. WOOLSEY. Well, Mr. Chairman, Mr. Lochery, when you were talking about transparency, do we not have other countries, nations, African nations that compare one against the other's communities to compare against each other's, and do we not know when water is available and when sanitation is not? Are those not our comparisons?

Mr. LOCHERY. What I was referring to was the lack of transparency in the budgetary process and in the implementation process. So because governments do not produce their accounts in some cases for several years, it is very difficult to track just how much in the way of funding has gone to a particular part of the country and has been used for implementation of water and sanitation activities. So it is more a question of bureaucracy in many cases rather than other factors that prevent understanding exactly where the funds are going and how they are being used.

Ms. WOOLSEY. And they do not have to track U.S. and international contributions and funding?

Mr. LOCHERY. Well I was referring to the government's own funding.

Ms. WOOLSEY. Their own funding. Okay.

Mr. LOCHERY. As opposed to U.S. or other external funding.

Ms. WOOLSEY. So you also said some of the equities, some for all, not all for some. This was very nice. That was good, and it made me think of what Secretary McMurray had said at the earlier panel, adjust to the climate changes in your country. Like how do some adjust? What do they do take their pail of water and go get

it five miles further away? I mean how do you adjust when you do not have any resources in the first place?

Mr. LOCHERY. Well I think that if I understand your question correctly unfortunately through the impact of climate change is going to be that droughts are going to get more extensive and rainfall events are going to be more intense but shorter, and that is the trajectory we are moving along, and that is going to affect people who are living on the brink at the moment in terms of their water resources.

And it is trying to reach out to those very marginalized peoples, often for example pastoralists, agriculturalists in very dry areas, reaching out to them. They are the most marginalized and the most vulnerable populations, and if we are to be equitable in the way we work we need to look around and ask ourselves who is the most vulnerable, and it is particularly important in the coming years when climate change begins to bite and affect those populations.

Ms. WOOLSEY. Given the best of all opportunities, would we not be building holding facilities for those severe rainfalls so the water would be held some place and available later?

Mr. LOCHERY. That can be done to a certain extent, but the cost of providing storage facilities, particularly for very short duration rainfall which then has to be used over a long period, the costs are very high. So there is going to be a situation for some communities when you know their lifestyle is unsustainable from a water perspective.

Ms. WOOLSEY. Mr. Morris, do you want to respond to any of my great comments?

Mr. MORRIS. Well, there are people far more experienced, and I have only been involved for about 17 years. Dennis Warner of CRS is in the room. Peter Lochery. People who have given literally a lifetime of work. One thing that is important to capture the water of course is to rebuild the water table itself. Capture the water so it does not runoff but let it soak in and recharge the aquifer so that water that can be brought up at a sustainable way.

One thing I would love to dispel—and I hear it over and over again in talking with the various sectors of our Government—and that is: Is water more important or is something else more important? And it is not a question of either/or. It is a question of staged development. I do not know anybody that builds a house, a hospital or a school in America with out clean water, and yet I know that if you do not begin with clean water your costs are much higher. Beginning with clean water you actually lower the overall costs of a development.

You enable people to do for themselves in building the development. If we ask anybody instead of thinking in a think tank here in America, ask anybody in Africa, I am sure Chairman Payne has done so—75 percent all over name—the first thing that is asked for, “Please give me water. Please give me water.”

We gave water to a school. We put a well in a field, and \$5,000. People used the water to build their own school, two, three-story classrooms, over 300 students in the school within 4 years of the people having built their own school. Those children’s test scores

were the highest scores in the western district of Kenya, and we spent \$5,000 on one well.

So if you start with giving people schools with no water, you know number one your cost of construction is a lot higher. It is a lot harder, and then you just build boxes where people cannot learn.

Mr. PAYNE. I certainly appreciate both of you and your testimony. I certainly would like to commend you too, Mr. Morris, for the work that you have done and the lives that you have saved. I think if anyone feels that water and water-related issues are not important, just call a plumber in the states, and you see what it costs for the service. Evidently there is something to say about water. It is probably the most expensive service that you will get.

And also we minimize like we say and I agree with you, well what should we do? Should we do water or should we try to provide food or should we do schools or should we have something else pitting one against the other? We need to figure out how we can do more all around. Let the water be cut off for a day at your house, you will see about the complaints from the wife or the daughter, I could not take my shower, I could not get my coffee, yet and still we just assume that people who have none should just be able to like you said adjust to climate change.

We are going to have a hearing on climate change in June, our subcommittee, because once again the poorest people in the world are going to be hit the worst. As this climate change continues, reports are indicating that Africa will be amongst the hardest hit if we do not make some changes. I also think that, Mr. Morris, in regard to your point about water usage by private sectors, maybe we could have a campaign to see if we can get some of those profitable soda and automaker companies to think in terms of a fund for water.

As you are in the private sector, we certainly from a governmental sector would be not in our right area to be projecting that, but I think that private citizens ought to raise the issue with the companies. I do know that Coca Cola recently probated \$10 million for an educational program in Africa. It is a step in the right direction but I am sure that others ought to be able to do some of that. Yes, Mr. Lochery?

Mr. LOCHERY. I think we are at something of a unique moment in time at the moment with the water sector. Climate change is driving a lot of interest, and much of that interest is coming from private foundations, the so-called new philanthropy, and also there is significant interest from corporations, from a philanthropic point of view, yes, but also from the fact that you know water affects their bottom line.

We have never had this level of interest from various parts of the private sector and willingness to engage and partner and fund very significantly, some of the major foundations taking a very long hard look at water at the moment. So it is indeed a unique moment and it provides real opportunities for the government to take lead with not very significant investments because other investments will come from the private sector once that leadership has been taken.

Mr. PAYNE. Yes.

Mr. MORRIS. The creation of the Millennium Water Alliance work—and Mr. Lochery has done the yeoman's work on that—but in Ethiopia and Kenya has just fostered so many people wanting to help because there was a catcher's mitt. It was built, and our Government literally gave those first dollars in each of those countries to do that but there are lots of countries where we need a Millennium Water Alliance to work and be that liaison between that state and create. We can create for not much money a catcher's mitt that is ready to work with the local people, at the local level, and really begin an implementation of a water program for that country.

Our Government could just put some funds in that just to create the catcher's mitt in the many countries of our interest, and then private sector, foundations, others can come in. Right now if Gates wants to put in \$100 million, where does he put it? We have to create those.

Mr. PAYNE. We certainly will look forward to working with you, and we would like to be in touch with both of you. Perhaps we can create the forum where we can bring in some of these players that we might be able to lay out the game plan, and maybe right now the score is—since you have been using baseball—zero-zero but maybe we can get a homerun by the end of the day.

Mr. MORRIS. Amen.

Mr. PAYNE. So once again let me just thank both of you and all the panelists. The meeting now stands adjourned.

[Whereupon, at 5:40 p.m., the subcommittee was adjourned.]

A P P E N D I X

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PREPARED STATEMENT OF THE HONORABLE SHEILA JACKSON LEE, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF TEXAS

Thank you Mr. Chairman. I applaud you and Ranking Member Smith for holding today's hearing on this extremely important issue. I would also like to welcome the members of our two panels: our congressional colleague the Honorable Earl Blumenauer from Oregon; the Honorable Claudia McMurray, Assistant Secretary of the Bureau of Oceans and International Environmental and Scientific Affairs of the U.S. Department of State; Walter North, Senior Deputy Assistant Administrator of the Bureau for Africa at the U.S. Agency for International Development; Peter Lochery, Director of the Water Team from Care; and Malcolm S. Morris, Chairman of the Millennium Water Alliance. I look forward to hearing your testimony.

Mr. Chairman, water is one of the most fundamental human survival needs. A lack of safe and clean water resources carries grave health consequences, and at any given time over 50% of the world's hospital beds are occupied by individuals suffering from water-related illness. Children are particularly hard hit, and the World Health Organization (WHO) estimates that most of the 2 million people who die of diarrheal disease each year are children. As chair of the Congressional Children's Caucus, this is an issue of great concern to me.

I believe that "crisis" is truly the appropriate word to describe the lack of access to safe, adequate, and reliable water sources throughout the world. According to UNICEF estimates, 1.1 billion people world wide lack access to safe water, and 2.6 billion, or about 40% of the world's population, lack basic sanitation facilities. These are absolutely staggering figures. And though this is truly a global problem, sub-Saharan Africa bears the brunt of this crisis: in this region alone, at least 300 million people lack safe water, while over 463 million do not have access to adequate sanitation facilities.

Organizations such as WHO and UNICEF have had some significant success in providing improved sanitation to increasing numbers of individuals. Unfortunately, this growth has not been regionally uniform, particularly due to population growth in key regions. It is estimated that by 2015, sub-Saharan Africa will actually have 91 million more unserved people than it did in 2004. Estimates for improvements in drinking water access are equally dire, with UNICEF and WHO projecting that over 900 million will remain unserved in 2015. This is extremely worrying, and must be addressed immediately.

The United States, through the Agency for International Development (USAID), budgeted \$79 million for clean water and sanitation assistance to sub-Saharan Africa, out of a total of \$2 billion to the region in FY 2005. USAID has also pursued partnerships with private companies, such as Coca-Cola, to provide water in various parts of this region. Additionally, I understand that USAID is supporting research projects investigating new water filtration and treatment mechanisms. I believe that these innovative approaches are crucial to ensuring the availability of clean water in sub-Saharan Africa.

Mr. Chairman, while I certainly believe that our most pressing concern should be to provide safe supplies of water to as many people as possible, we also must consider long term solutions to Africa's water crisis. The United Nations Development Program has stated that Africa's water crisis is a result of poverty, instability, and lack of adequate institutions, rather than a lack of resources. I believe that we must look at water shortages in sub-Saharan Africa within the context of these other regional problems, examining how warfare compounds the lack of resources, and how scarcity of resources may fuel further warfare. Africa's water crisis is not an isolated

problem, and it will not be solved without attention to these other interrelated issues.

Additionally, we must work to develop infrastructures within sub-Saharan African nations to ensure an ongoing supply of safe drinking water and sanitation facilities. I believe this is where the research programs funded by USAID will be extremely valuable in their efforts to develop inexpensive ways to treat and filter water.

I look forward to the testimony of our two distinguished panels, and to further discussion of this issue with my colleagues. Thank you, Mr. Chairman, and I yield back the balance of my time.

