Five Building Blocks

**Sector Policy / Strategy**
- Sector policies and strategies that identify sector goals and pathways, giving direction to sector investments
- Strategies for implementation, including agreement on implementation models / sustainable service delivery approaches
- Policies/strategies covering:
  - All sub-sectors (urban, rural, drinking water and sanitation)
  - National and subnational levels

**Institutional arrangements**
- Identification and allocation of institutional roles and responsibilities, including decentralization commitments
- Country driven and inclusive coordination mechanisms that allow for participation of a broad range of stakeholders in dialogue, communication, and identification of mutual interest around service delivery and sector learning
- Legal and regulatory frameworks to underpin the desired targets and reinforce roles and allocation of resources

**Sector Financing**
- Medium Term Expenditure Framework which matches government priorities with available resources
- Realistic and transparent sector budget with identifiable funding streams
- Availability and use of data on financing streams including the 3Ts (taxes, tariffs and transfers) and comparable, realistic estimates for all sector cost categories for sustainable service delivery.

**Planning, monitoring, and review**
- Effective, inclusive and systematic planning, monitoring and evaluation of sector performance to ensure the most effective route to achieve goals
- Mid- and longer- term review of sector performance through multi-stakeholder platforms and mechanisms for sector dialogue and learning
- Clearly defined accountability mechanisms
- Data transparency and public access to information

**Capacity development**
- Capacity building and development plans addressing:
  - The capacity of institutions to fulfill sector roles and responsibilities for sustainable service delivery at scale, including the availability of necessary structures, tools, training, and incentives
  - The capacity of individuals to effectively engage in the sector through sector institutions or as educated consumers
  - The capacity of sector stakeholders to adapt and innovate by engaging in (collective) sector learning