



Key messages

- **Water and sanitation have a transformative impact on economic prosperity:** When people have reliable access to clean water, they are less likely to fall ill due to waterborne diseases. A healthier workforce and student body has domino effects across the economy: reducing healthcare expenses, increasing workforce and school productivity, saving time, and reducing absenteeism. But this sector also creates jobs and enhances the productivity of other sectors, such as agriculture, industry, and tourism
- **Water and sanitation cut social costs and healthcare burdens:** Adequate water and sanitation can lead to lower social costs associated with disease outbreaks and environmental degradation, freeing up resources for other critical investments.
- **Water and sanitation investments boost investor confidence:** Demonstrating a commitment to improving basic infrastructure can enhance a country's image and attract foreign investment, which benefits overall economic development. Adequate water and sanitation infrastructure is conducive to business operations and investors are more likely to consider a country or region with reliable water supply and proper sanitation facilities.
- **Water and sanitation reduce poverty:** Access to clean water and sanitation can directly impact poverty reduction by improving living conditions and health. Eliminating inequalities in access to water and sanitation reduces other social and economic inequalities.
- **Water and sanitation investments enhance political stability:** Investing in essential infrastructure like water and sanitation demonstrates a government's commitment to the well-being of its citizens. This commitment can lead to improved public perception and increased trust in the government. Ensuring secure water and sanitation services also reduces the likelihood of civic strife over availability of water.
- **Political will is the basis of all transformative change:** While funding needs to be at least three times higher to meet the water and sanitation targets of the SDGs, a lack of money alone is not the root cause of the water and sanitation sector's problems. Political decisions and policies made by Heads of State or Government, as well as ministers of finance and of water and sanitation, can have a considerable positive impact on ensuring access to these basic services.
- **Water and sanitation are basic human rights.** All human beings – no matter their race, gender, language, national or social origin, property, birth, or other status – have equal rights to water and sanitation services. Governments are the duty-bearers of these rights.



- **Water and sanitation are the key to Africa's future.** Africa has the youngest population in the world, and its future hinges on its children. Safe WASH is fundamental to children's survival and development – without safe WASH, children's health, development and survival are compromised. By investing in safe WASH, we can prevent 1000 child deaths a day.
- **Climate-resilient water and sanitation services build resilience and prosperity.** As the continent most affected by the impacts of climate change, adapted water and sanitation services present a crucial opportunity to meet social and economic needs as climate impacts worsen.

Facts and figures

- Every dollar invested in climate-resilient water and sanitation in Africa **returns at least US\$7** (AFDB 2022).
- Sub-Saharan Africa **loses 5% of its GDP annually** (estimated at US\$170 billion per year) because of a lack of water, contaminated water, or poor sanitation. (AIP)
- Water pollution significantly degrades available freshwater and ground water resources, further exacerbating water insecurity. **One-third of potential economic growth is forgone** in heavily polluted water and threatening human and environmental well-being (AIP).
- By 2050, climate impacts, largely driven by water-related hazards, could cost African nations US\$50 billion annually. Unpredictable floods and droughts aggravate displacement, migration, and food insecurity; they inflict costly damage to infrastructure, devastate livelihoods, and biodiversity (AIP).
- On average, basic WASH services cost just \$0.6 per person each year in the least developed countries, or just 6% of current annual least developed government health spending. (WHO/UNICEF)
- Improved sanitation provides gains in quality of life including increased school attendance amongst girls, greater privacy, and safety – especially for women, children, and the elderly – and a greater sense of dignity for all (WHO/UNICEF).

Asks

- Closing a large portion of the investment gap in water and sanitation is feasible through increasing the **availability of domestic resources, and improving sector efficiencies**
 - Raising the percentage of the national budget spent on water and sanitation to meet the commitments made for 5% on water and 0.5% on sanitation
 - Monitoring how much public finance is budgeted for and currently being spent on water, sanitation, and hygiene, including through assessing what budgets are



- dedicated to water and sanitation through education, health, and other budgets, making use of tools such as WASH accounts.
- With political will, governments can move away from project-based funding and enact more comprehensive approaches to strengthen systems, paying attention to transparency, anti-corruption, and accountability.
 - Increased engagement with **national and regional development banks** to secure long-term finance options that are aligned with government obligations, such as universal access to water and sanitation. National and regional development banks also offer finance with a reduced risk and the possibility of leveraging finance from private sector and elsewhere.
 - Ensuring that sufficient finance is available for universal access to safely managed **sanitation** – to reach the low-income households. Sanitation requires a different funding model from water, and long-term finance opportunities will be necessary. Access to sanitation is a key development indicator that significantly reduces other development costs, such as public and maternal health.
 - Investment in **climate adaptation and mitigation** related to water and sanitation in planning phases reduces longer-term cost, provides job opportunities, and supports the green economy. Climate finance is available through national climate funds, multilateral funds (e.g. Green Climate Fund and Investments Banks), bilateral donors (that can report ODA as green investment), philanthropists, and also from the private sector, indeed most climate finance for mitigation is coming from the private sector (e.g. solarization)
 - Addressing the current debt crisis that many countries are suffering from requires focussed **debt reduction strategies**. Additionally, this FMM is an opportunity for constructive conversations about the existing global financial architecture and how to make it more fit-for-purpose for countries with high need in terms of public services, high risk from climate change, and low access to affordable finance. African countries need to be able to access a fair share of the Special Drawing Rights made available in the wake of the current financial crisis, predominantly to European countries.
 - Through this FMM, finance ministers and other speakers can counteract the prevailing narrative of a problem of corruption specific to Africa, or of an Africa that needs constant hand-outs. This does not reflect the **reality of a continent rich in human, mineral and green energy resources**.