

## TECHNICAL COOPERATION DOCUMENT

### I. BASIC INFORMATION FOR TC

▪ Country/Region:	Regional
▪ TC Name:	Eye on Latin America and The Caribbean at World Water Week 2017
▪ TC Number:	RG-T2982
▪ Team Leader/Members:	Germán Sturzenegger (INE/WSA), Team Leader; Team Members: Yara Vasquez Puerto and Irene Cartin (INE/WSA); Anamaria Nunez (EXR/CMG); Margie-Lys Jaime Ramirez (LEG/SGO); and Heleno Gouvea (ORP/ORP)
▪ Taxonomy:	Research & Dissemination
▪ Date of TC Abstract authorization:	February 15, 2017
▪ Beneficiary:	Inter-American Development Bank borrower members
▪ Executing Agency and contact name:	Inter-American Development Bank (IDB) through Water and Sanitation Division (INE/WSA)
▪ Donors providing funding:	OC-SDP for Infrastructure (INF)
▪ IDB Funding Requested:	US\$237,000
▪ Local counterpart funding, if any:	US\$35,000 (FEMSA Foundation)
▪ Disbursement period (which includes Execution period):	Disbursement: 18 months Execution: 15 months
▪ Required start date:	I Semester 2017
▪ Types of consultants (firm or individual consultants):	Firms and individual consultants
▪ Prepared by Unit:	INE/WSA
▪ Unit of Disbursement Responsibility:	INE
▪ TC Included in Country Strategy (y/n):	No
▪ TC included in CPD (y/n):	No
▪ Sector Priority -UIS:	UIS (ii) Productivity and innovation

### II. OBJECTIVES AND JUSTIFICATION

- 2.1 [World Water Week](#) (WWW), the leading global event for water and sanitation, and the [IDB-FEMSA Water and Sanitation Prize](#), the most important sector award in Latin America and the Caribbean (LAC), have played a significant role in positioning the Bank as one of the most relevant and innovative water and sanitation actors in the region.
- 2.2 World Water Week is organized every year by the [Stockholm International Water Institute](#) (SIWI), a policy institution that stimulates the development of innovative policies and scientifically-based solutions to water-related challenges through applied research, policy consultation, capacity-building, and connecting key actors across sectors. Founded in 1991, SIWI conducts research, builds institutional capacity and provides advisory services in five thematic areas: water governance, trans-boundary water management, climate change and water, the water-energy-food nexus, and water economics. WWW is the leading global event

for setting the water-related agenda at the global and regional levels. Every year, it gathers over 3,000 sector specialists and around 300 convening organizations from more than 100 countries around the world. All LAC countries typically have representatives in the event.

- 2.3 Dedicated sessions to address regional issues are convened every year. Sessions related to LAC are grouped in what SIWI denominates “Eye on LAC”. In October 2014, SIWI requested the Bank’s Water and Sanitation Division to coordinate WWW’s Eye on LAC for the 2015-2017 period. This collaboration with SIWI has been formalized through a Letter of Intent signed by both entities in October, 2014 (Annex 1).
- 2.4 Coordinating Eye on LAC at WWW represents an opportunity to advance the Bank’s leadership in the sector. The two previous editions of Eye on LAC (2015 and 2016) allowed the Bank to reposition itself as the leading multilateral agency for technical discussions and agenda setting processes in LAC, something that had previously been driven by other multilaterals agencies. In 2015, 578 individuals participated in five sessions organized under Eye on LAC and 1060 virtually participated through livestream. Two technical notes were published before and after the sessions. The first publications touched on the challenges faced by water utilities in LAC (see [link](#)). The second one summarized the conclusions reached at the sessions and the challenges the sector faces to achieve the new development agenda (see [link](#)). In 2016, a total of 430 individuals participated in the four sessions organized under Eye on LAC and 564 through livestream. One technical note was published before the sessions on how to foster businesses around water and sanitation (see [link](#)). A second technical note is being developed which will summarize the conclusions reached at the convened sessions and describe the challenges the region faces to advance a circular economy model. In both editions (2015 and 2016), Eye on LAC brought together twenty convening organizations (Nonprofit organizations, Associations, Private Sector, Research Centers, UN Agencies, Foundations, Multilateral Organizations, and International Cooperation Agencies). In both editions, about twenty regional clients from LAC countries (Colombia, Guyana, Trinidad and Tobago, Ecuador, Panama, Dominican Republic, Peru, Costa Rica, Brazil and Bahamas) participated. One of the main lessons learned from both editions is the importance of having a leadership role in this strategic international event. This leadership allowed the IDB to struck a US\$25 million partnership with One Drop, the Coca Cola Company and FEMSA Foundation, to provide sustainable access to water, sanitation and hygiene services in LAC (ATN/OC-15404-RG). It has also launched several technical discussions and pipeline opportunities for the Bank given the high participation of IDB clients in the event. The 2017 edition represents an excellent opportunity to keep consolidating the Bank’s role as the main water and sanitation financial institution in the region and to keep opening opportunities for more and better collaboration.
- 2.5 The thematic scope of 2017 WWW is [Water and Waste – Reduce and Reuse](#), a relevant topic for LAC given the wastewater management challenges the region faces. It is estimated that only 28% of collected wastewater receives treatment and 18% overall. The new Sustainable Development Goals (SDG) have set ambitious targets on wastewater. SDG 6 (Target 3) aims at improving water quality by halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse by 2030. Under this framework, WWW will serve as a timely opportunity to discuss how LAC develops a comprehensive wastewater management agenda. For the 2017 edition of Eye on LAC, the IDB will partner with key partners such as the Spanish Cooperation Development Agency (AECID), the Swiss Agency for Development and Cooperation (SDC) and the Swiss Secretariat for Economic Affairs (SECO), and PepsiCo Foundation (all Aqua Fund partners), FEMSA Foundation, the World Bank Group, the World

Resources Institute (WRI), One Drop, the Development Bank of Latin America (CAF), the Latin American Center for Water and Sanitation, the Nature Conservancy, and the *Commission Nacional del Agua of Mexico* (CONAGUA), among others.

- 2.6 Eye on LAC will be structured in four 90-minute sessions:
- a. **Halving the proportion of untreated wastewater by 2030.** This session will address questions such as: What are the major challenges the region faces for achieving target 6.3? What are the existing strategies already addressing it? What governance structures and financial instruments are needed to achieve it?
  - b. **What is new on wastewater reuse financing in LAC?** This session will present innovative cases of wastewater reuse projects and financing in LAC, focusing on the instruments and incentives used to address these barriers across the investment cycle (from river basin planning to engineering, normative/regulatory, procurement, construction and operational issues). By identifying these innovative cases, the session will provoke a lively discussion (based on short presentations of the most representative reuse projects) on the status of wastewater development in LAC and the potential for a circular economy agenda around wastewater reuse.
  - c. **Before & After the Toilet: Sewer Connectivity and Fecal Sludge Management.** This session will focus on: (i) identifying strategies to promote connectivity to the sewer network through information and economic incentives; (ii) finding solutions to the FSM challenges the region faces; and (iii) showcasing good examples/practices on how the public and private sector are overcoming these problems.
  - d. **Green Infrastructure and the Circular Economy of Water.** This session will present cases from the Latin America region on the use of nature-based solutions by public and private stakeholders to address water-waste challenges and move towards a more comprehensive water cycle approach.
- 2.7 Every year, the IDB awards the [IDB-FEMSA Water and Sanitation Prize](#). The award was established by the Bank and FEMSA Foundation in 2009 to recognize innovative and effective solutions for the water and sanitation sector in the region. The awardees are selected through annual open calls that provide candidates an opportunity to showcase their innovations. The open call process preselects six finalists who present their innovations at an award ceremony. Out of the six finalists, a jury selects three winners, who receive the IDB-FEMSA Water and Sanitation Prize. This year, the awardees will participate and discuss their solutions and projects at World Water Week 2017, contributing to the Bank's special interest in encouraging innovation and entrepreneurship in LAC.
- 2.8 The goal of this TC is to ensure knowledge creation and dissemination on the water and sanitation challenges in LAC. This goal will be achieved by leading the coordination of Eye on LAC at WWW 2017 and the organization of the IDB-FEMSA Water and Sanitation Prize 2017. Both activities will be developed by partnering with key regional clients and stakeholders, and disseminating the results of the discussions held at the events.
- 2.9 The TC is consistent with the Update to the Institutional Strategy (UIS) 2010-2020 (GN-2788-5) included in document AB-3008, and is aligned with the development challenges of: (i) productivity and innovation. This TC is also aligned with the Proposal for the Creation of the Aqua Fund (GN-2487) by contributing to knowledge production (one policy brief and two

technical notes) and dissemination. Finally, the TC is also aligned with the cross-cutting theme of (ii) climate change and environmental sustainability by organizing four sessions that will address critical themes such as how to increase wastewater treatment, how to promote wastewater reuse and the associated financing challenges; how to increase sewer connectivity and improve fecal sludge management and how to advance a green infrastructure agenda and circular economy model in the region. .

### III. DESCRIPTION OF ACTIVITIES/COMPONENTS AND BUDGET

#### A. COMPONENTS AND ACTIVITIES:

3.1 The TC will finance the following four components:

**1. Knowledge Development.** This component will finance the development of knowledge products. Namely: two technical notes, one on connectivity and the other one on the circular economy of water; and one policy note, which will inform discussions during Eye on LAC as well as decision-making throughout the region after the sessions. These knowledge products will be highly valuable for governments throughout the region to assess challenges and priorities associated to the wastewater management agenda. They will be distributed and disseminated among IDB clients and partners before the event (technical notes) and after the event (policy brief). Dissemination will follow a communication plan based on social media, distribution lists and blog posts.

**2. Client Outreach.** The goal of this component is to secure the participation of key regional decision-makers and stakeholders, such as government officials and staff from water utilities, among others, at WWW 2017. Through this component, the Bank will finance travel and lodging expenses for keynote speakers, panelists and special invitees to the Stockholm-based event. The participation of regional decision makers and stakeholders from all over the region has a twofold objective: (i) facilitate integrating regional challenges and priorities into the international agenda, and promote knowledge exchange among regions, and (ii) hold discussions that will serve as inputs for facilitating the fulfilment of the new water related SDG.

**3. Communication and Dissemination.** The goal of this component is to disseminate Eye on LAC throughout the region and share the conclusions reached at the sessions. It will finance external communication consultants (firms or individuals) who will: (i) edit and design the knowledge products developed for each of the sessions; (ii) help prepare presentations for each session; (iii) design and print the Eye on LAC Regional stand; and (iv) design communication materials to be distributed before, during, and after the event, including potential regional day logo, design of invitations, design of promotional materials, design of program for regional day, visual capsules, and a strategy to disseminate the sessions and results in social media and through traditional media. It will also finance external communication consultants to develop a virtual platform to submit electronic profiles, manage the content and the knowledge generated by the IDB-FEMSA Prize and to create communication and promotional materials that will be disseminated through social media, distribution lists and blog posts. This component will be supported by IDB's External Relations Department.

3.2 **4. Logistics.** This component will finance the logistical costs of organizing Eye on LAC and the IDB-and the IDB-FEMSA Water and Sanitation Prize. It includes translation services, room space at the venue, and other expenses associated with the organization of the sessions the Bank will host. Additionally, it will finance logistical costs for organizing the award ceremony,

travel and lodging expenses to participate in the award ceremony and WWW. High level panelists will be invited to participate in the sessions. In addition to the four Eye on LAC sessions, the Bank will organize and co-organize two other side events and participate as convener in at least two other sessions.

- 3.3 The total cost of the project is US\$272,000, of which US\$237,000, will be financed by the IDB through the OC-SDP for Infrastructure - INF, and US\$35,000 through a Project Specific Grant (RG-X1279), which will be recapitalized to receive a donation from FEMSA Foundation that will cover part of costs associated with the organization of the IDB-FEMSA Water and Sanitation. The distribution of resources is as follows:

**Table 3. Budget (US\$)**

Component	Activity/Product	IDB (INF)	Counterpart (RG-X1279)	Total Project Cost
1. Knowledge Products	Policy Note	20,000		20,000
	Technical Notes	20,000		20,000
2. Client Outreach	Participants WWW	70,000		70,000
	Participants IDB-FEMSA Awards	6,000	6,000	12,000
	Awards	15,000	15,000	30,000
3. Communication and Dissemination	Communication/dissemination strategy for WWW	30,000		30,000
	Virtual platform for IDB-FEMSA Awards	5,000	5,000	10,000
	Communication/dissemination strategy Awards	3,000	3,000	6,000
4. Logistics	WWW Seminars	20,000		20,000
	WWW Exhibits	2,000		2,000
	Logistics contract for WWW	40,000		40,000
	IDB-FEMSA Awards Ceremony	6,000	6,000	12,000
<b>Total</b>		<b>237,000</b>	<b>35,000</b>	<b>272,000</b>

[Detailed Budget](#)

- 3.4 Convening partners of Eye on LAC, such as CAF, FEMSA Foundation, and AECID will co-finance some of the costs associated with the organization of the sessions, such as travel expenses for panelists and special invitees and logistic costs for US\$82,000.

**IV. EXECUTING AGENCY AND EXECUTION STRUCTURE**

- 4.1 Since this is a Research & Dissemination (RD) the TC it will be executed by the Inter-American Development Bank through the Water and Sanitation Division (INE/WSA). Following the operational guidelines for technical cooperation operations (GN-2629-1), the Bank is the Executing Agency and has no counterpart.
- 4.2 The execution and disbursement period is fifteen and eighteen months respectively. The procurement process for consulting firms will follow the Bank’s new Policy for the Selection and Contracting of Consulting Firms for Bank-executed Operational Work (GN-2765-1) and related Operational Guidelines (OP-1155-4). For Component 1, the IDB will hire individual consultants who will develop the knowledge products. In addition, contracting of goods and services for organizing the sessions, such as rooms, translation services and others, will be directly hired to SIWI, as the event host and only entity providing these services for WWW. The justifications for these single-source selections are in line with the criteria set forth in the respective policies (paragraph 3.10 of policy GN-2350-9 and paragraph 5.13.A of policy GN-2303-20).

## V. EXCEPTIONS TO BANK POLICY

5.1 This TC does not involve any exceptions to the Bank's Policies.

## VI. MAIN RISKS

6.1 There are no main risks associated with this TC. There is a minor risk associated with the timely recapitalization of the Project Specific Grant (RG-X1279). The project team will coordinate with FEMSA Foundation to receive the resources when needed.

## VII. ENVIRONMENTAL AND SOCIAL STRATEGY

7.1 The components financed by this Technical Cooperation will not have negative environmental and social impacts, therefore the environmental and social classification category is " C ", in accordance to the Bank's Environmental Policy ([see link](#)).

### Required Annexes:

Annex I: [SIWI-IDB Letter of Intent](#)

Annex II: [Procurement Plan](#)

Annex III: [Terms of Reference](#)

Annex IV: [Results Matrix](#)