

TC Document

I. Basic Information for TC

▪ Country/Region:	MEXICO
▪ TC Name:	Promoting behavioral change in water, sanitation and hygiene to prevent COVID-19 in Guanajuato, Mexico
▪ TC Number:	ME-T1443
▪ Team Leader/Members:	Sturzenegger, German (INE/WSA) Team Leader; Riquelme, Rodrigo (INE/WSA) Alternate Team Leader; Arguello, Marlene Zoraida (VPC/FMP); Champi Ticona, Diana Carla (INE/WSA); Gordon, Paola Lisette (INE/WSA); Nunez Zelaya, Anamaria (KIC/DCC); Sanmartin Baez, Alvaro Luis (LEG/SGO); Sasaki, Keisuke (INE/WSA); Velasquez Rodriguez, Manuela (INE/WSA)
▪ Taxonomy:	Client Support
▪ Operation Supported by the TC:	.
▪ Date of TC Abstract authorization:	04 Mar 2022.
▪ Beneficiary:	Mexico's National Water Commission and Guanajuato's Water Agency
▪ Executing Agency:	Inter-American Development Bank, One Drop Foundation
▪ Donors providing funding:	OC SDP Window 2 - Infrastructure(W2B)
▪ IDB Funding Requested:	OC SDP Window 2 - Infrastructure (W2B): US\$300,000.00 Total: US\$300,000.00
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period:	24 months (execution: 24 months)
▪ Required start date:	June, 2022
▪ Types of consultants:	Firm and individual consultants
▪ Prepared by Unit:	INE/WSA-Water & Sanitation
▪ Unit of Disbursement Responsibility:	INE/WSA-Water & Sanitation
▪ TC included in Country Strategy:	No
▪ TC included in CPD:	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Social inclusion and equality; Productivity and innovation; Institutional capacity and rule of law; Environmental sustainability; Gender equality

II. Objectives and Justification of the TC

2.1 México has been hardly hit by the coronavirus pandemic. As of March 2021, the country had 5.65 million confirmed cases and 322.000 deaths. The State of Guanajuato, one of the country's economic engines¹, has also been affected by the pandemic with 280.000 confirmed cases and 14.835 deaths. Access to water and sanitation in Guanajuato's rural areas is 87% and 75%, respectively². These numbers do not factor service quality. In many rural communities, services are discontinuous

¹ Over the course of the last two decades, Guanajuato has ranked 7th in Mexico in the attraction of foreign direct investment (FDI). Guanajuato is home to 25 industrial parks that have been of critical importance in the attraction of foreign direct investment to the state. The Guanajuato Secretariat for Economic and Sustainable Development has also stated that much progress has been made in integrating local businesses into the state' automotive industry supply chain. Current figures show that 20% of inputs to the sector have their origin in the investment of local capital.

² Fuente Comisión Nacional del Agua (CONAGUA).

and does not meet the quality parameters for human consumption. In areas with low coverage and low service quality COVID-19 could quickly spread.

- 2.2 Handwashing with water and soap is one of the most effective measures to prevent the spread of COVID-19. Handwashing requires reliable access to water and hygiene facilities at the household level well as in health and education centers ([WHO,2020](#)). Increasing access to quality water services can meaningfully contribute to the prevention of COVID-19. For water and hygiene infrastructure projects to be effective, it is key that they include interventions that target behaviors that could help prevent the spread of the disease. Namely, handwashing, water storage, water disinfection and chlorination. Behavior change is critical to maximize the effectiveness and sustainability of Water, Sanitation and Hygiene (WASH) infrastructure projects (Sigler et al 2014; Whaley & Webster, 2011). However, most water access programs financed by governments in rural areas do not prioritize behavior change interventions. This is the case of Guanajuato. The state government has been financing water infrastructure in rural areas, which have been key to increase access to this service³. However, these projects typically lack a behavioral change component, and do not systematically target behaviors such as handwashing, hygiene practices or water disinfection.
- 2.3 Under this context, the goal of this Technical Cooperation (TC) is to prevent the spread of COVID-19 in Guanajuato's rural communities by improving access to safe drinking water and hygiene, and by promoting key behaviors such as handwashing and water disinfection. The TC will also support the institutional strengthening of sector agencies, namely Mexico's National Water Commission (CONAGUA) and Guanajuato's Water State Commission (CEAG), to mainstream behavior change interventions in rural water projects, thus contributing to the scaling up of this innovative approach and the sustainability of rural projects.
- 2.4 All interventions and activities financed under this TC will follow the A•B•C for Sustainability approach developed by One Drop Foundation for the [Lazos de Agua](#) program. Since 2017, Lazos de Agua has been supporting Guanajuato's efforts to increase access to WASH services. Lazos is a multi-stakeholder partnership between One Drop Foundation™, the Inter-American Development Bank (IDB), The Coca-Cola Foundation and Fundación FEMSA that seeks to provide sustainable access to WASH. Lazos de Agua is implemented through the A•B•C for Sustainability model and the Social Art for Behavior Change (SABC) approach, both developed by One Drop: (i) improving **A**ccess to water and sanitation services; (ii) changing WASH **B**ehaviors through social arts; and (iii) providing access to **C**apital and strengthening income-creating activities linked to water and sanitation access. The A•B•C model makes

³ A significant percentage of those investments have been supported by a federal rural water project financed by the Inter-America Development Bank (IDB). Namely, project ME-L1050 executed by the National Water Commission (CONAGUA).

behavior change a critical component to maximize the effectiveness and sustainability of WASH interventions.

- 2.5 The focus of the A•B•C model is to understand the reality of the community that will benefit from WASH interventions to design a program tailored to its social, cultural, and economic characteristics, demands, and expectations. The A component finances water and sanitation infrastructure. Once access is provided, component B focuses on the inspiration, activation, and sustainability of specific WASH-related behaviors. Finally, to support the sustainability of both the infrastructure and behavioral interventions, component C promotes income generating activities around water and sanitation. The model is designed to empower local agents to guarantee that new behaviors are not only activated but sustained in time. There is evidence that the A•B•C model has contributed to changing behavior among targeted beneficiaries, especially in terms of handwashing, water storage, and water disinfection, key elements to prevent the spreading of COVID-19.
- 2.6 The Lazos de Agua program has been active in the state of Guanajuato since October 2017, working in coordination with CONAGUA and Guanajuato's CEAG. In the case of [Guanajuato's project](#), CONAGUA and the CEAG finance the Access (A) Component (infrastructure works). Lazos de Agua finances activities related to behavioral change and access to capital (B and C components of the Lazos' approach). The project, implemented by One Drop in partnership with the non-governmental organization (NGO) Living Water International (LWI) and with the support of the IDB through TC [RG-T2712](#) (Promoting Behavioral Change in Water and Sanitation), has already benefited 70 rural communities with behavioral change interventions, including more than twenty-three art-related activities that have been replicated more than 368 times, reaching a total of 33,989 people. Under component C, 130 people have benefited from microloans for the improvement of their WASH infrastructure, and five rural Water Committees have been strengthened in the operation, maintenance, and administration of the water systems issues, and in the construction of demonstrative sanitation units and the articulation of local actors in their communities.
- 2.7 In 2019, a mid-term evaluation for the Lazos program was developed. Some of the most relevant results obtained for the Mexico project were: (i) the percentage of people washing their hands with soap and water at key moments (before eating, before preparing food and after using the toilet) increased from 26% (11,700 people) to 50% (31,460 people) in the benefitted rural communities; and (ii) the percentage of people drinking water that is properly treated at home, increased from 18% (8,100 people) to 32% (20,135 people). Some of the lessons learned were: (i) government agencies have different processes and timeframes than those of Lazos' projects, so it is important to consider a hybrid (traditional-agile) management model for project implementation; and (ii) with the arrival of COVID-19 and the consequent preventive restriction measures (mobility and meetings), the use of virtual and online strategies was critical in terms of project implementation.

2.8 The TC is consistent with the Update of the [Institutional Strategy \(UIS\)](#) (AB-3190-2) and is aligned with the development challenges of Social Inclusion and Equality and Productivity and Innovation, as it expected to support an innovative approach to promote behavior change around WASH. Likewise, the TC is aligned with the following cross-cutting themes: (i) Climate Change and Environmental Sustainability, as it will contribute to develop healthy environments in Mexico's rural areas; (ii) Gender Equality and Diversity, by targeting rural populations and promoting the participation of women and vulnerable groups in trainings and decision-making such as rural water committees; and (iii) Institutional Capacity and the Rule of Law, as it will strengthen the capacity of federal and state agencies to manage WASH projects. The operation is aligned with the Ordinary Capital Strategic Development Program (OC SDP). Namely, with its Priority Area 2 (Sustainable and Resilient Infrastructure) as the support given to Mexican public sector agencies will improve the design and monitoring of public policies and the mainstreaming of lessons learned in the water infrastructure sector; and with Priority Area 3 (Inclusive Social Development) as it will contribute to the reduction of poverty and inequality by contributing to the sustainable access to water services in Mexico's rural areas. The TC is also aligned with Mexico's Country Strategy for 2019-2024, by supporting equitable and sustainable access to social services (WASH), one of the Strategy's priority areas. Finally, this operation also aligns with two medium-term strategic goals of the Bank's 2025 Vision. Namely, (i) promote social progress by contributing to the sustainable access to water services; and (ii) strengthen good governance and institutions by improving institutional frameworks in the water sector. The TC also supports the Vision's efforts to prevent and mitigate the effects of the COVID-19 pandemic. As it is the case for other respiratory and diarrheal diseases, one of the most cost-effective measures to combat the expansion of COVID-19 is handwashing with soap and water. To this end, it is essential to ensure reliable and sustainable access to basic hygiene facilities both at home and in health and educational centers, as well as the regular practice of handwashing and other hygiene habits.

III. Description of activities/components and budget

3.1 The TC is structured in three components:

3.2 **Component 1. Sustainable Access to WASH Services.** The goals of this component are: (i) to improve sustainable access to safe drinking water and hygiene services in the State of Guanajuato; and (ii) to promote behavior change through innovative social arts tools built on local traditions and cultures. This component will finance: (i) the training of local water committees in charge of managing water services on infrastructure and service management (administration, operation, and maintenance); and (ii) the implementation of social arts training programs to promote the adoption of new behaviors with focus on those that can play a role in preventing the spread of Covid-19, such as: (a) handwashing, targeting key moments such as

pre-cooking; (b) water disinfection at home using methods such as chlorination, boiling, or mixed methods; (c) water storage and handling at home; and (d) proper management of sanitation and hygiene facilities. Activities will target different group populations such as children, adult women, and adult men. Behavior-change interventions aimed at inspiring, activating, and sustaining new WASH behaviors, will be deployed at the community level but also digitally.

- 3.3 Component 2. Knowledge Development & Monitoring.** The goal of this component is to design and pilot the Spanish version of One Drop's online SABC course (currently available in French and English) which will contribute to systematizing and scaling up the approach in Mexico and to minimizing the costs of knowledge transfer. This component will finance: (i) the design of the Spanish version of the online course; (ii) the piloting of the course with a first cohort of Spanish speaking users, which will include a promotion strategy with special focus on women; (iii) integrate feedback based on the results of the pilot; and (iv) conduct a post-mortem evaluation of the pilot. This component will also finance all monitoring activities needed to properly implement and supervise the implementation of Components 1 and 2.
- 3.4 Component 3. Institutional Strengthening of Mexico's Water Sector.** The goal of this component is to strengthen the capacity of CONAGUA to mainstream behavioral change interventions by integrating elements of the A•B•C for Sustainability model and SABC approach developed by Lazos de Agua in their existing WASH programs. By doing this, CONAGUA is looking to institutionalize an innovative approach that could be scaled up to other states and communities throughout Mexico. This component will finance: (i) the development of a methodology (including tools) to integrate the SABC approach into CONAGUA's water programs, namely its Water, Drainage and Sanitation Program (PROAGUA); and (ii) a normative proposal to integrate the methodology and tools in PROAGUA's rules of operation and documents.
- 3.5** The total funding for this TC is US\$ 300,000, which will be financed by the "Strategic Program for the Development of Infrastructure financed with Ordinary Capital Window 2 - Infrastructure (W2B)". An indicative budget is presented below:

Indicative Budget (US\$)

Activity/Component	Description	IDB/Fund Funding	Total Funding	
Component 1	Access & Behavior Change	90,000.00	90,000.00	<i>Executed by One Drop</i>
Component 2	Knowledge Development & Monitoring	110,000.00	110,000.00	<i>Executed by One Drop</i>

Component 3	Institutional Strengthening of Mexico's Water Sector	90,000.00	90,000.00	<i>Executed by IDB</i>
Audit & Evaluation See ¶4.5		10,000.00	10,000.00	<i>Executed by One Drop</i>
Total		300,000.00	300,000.00	

IV. Executing agency and execution structure

- 4.1 **Executing Agency:** [One Drop Foundation](#) (One Drop), an international water and sanitation non-profit organization created by Guy Laliberté, Cirque du Soleil founder, will execute Components 1 and 2 of this TC. One Drop's focus is the promotion of behavioral change in the WASH sector through a unique know-how on social arts inherited from Cirque du Soleil. One Drop successfully implemented regional TC RG-T2712, and is currently executing PR-T1224, financed by the JPO Fund. Given its experience in supporting the institutional strengthening of public sector entities responsible for rural water projects, Mexico requested the Inter-American Development Bank, through its Water and Sanitation Division, to execute Component 3 in coordination with CONAGUA (See [Request from the Client](#)).
- 4.2 **Execution Structure:** The disbursement period, which includes the implementation period, shall be 24 months. For the execution of Components 1 and 2, the IDB and One Drop will sign a non-reimbursable technical cooperation agreement. One Drop will be responsible for the administration of the resources provided by the Bank, in accordance with the Bank's policies and procedures. For project implementation, One Drop will: i) contract products and services in accordance with a procurement plan, and ii) sign agreements with local implementing partners such as Living Water International, which has been the local implementing partner of Lazos de Agua in Mexico since 2017. These agreements will be consistent with the agreement signed between One Drop and the IDB. Local implementing partners will follow all relevant IDB policies and procedures. For execution purposes, One Drop will appoint a Project Coordinator (PC) and a Financial Specialist (FS). The appointment of the PC and FS will be a condition for first disbursement. Using resources from this operation, the Bank could retroactively finance expenses incurred by One Drop, as Executing Agency for Components 1 and 2, before the date of approval of the TC, up to the amount of US\$100,000 (33.3% of the TC amount), provided it has complied with requirements substantially similar to those set forth in the TC agreement. Such expenses must have been incurred after resources have been declared eligible by the Bank (March 14th, 2022) and in no case expenses made more than 18 months before the date of approval of the TC will be included; and must be aligned with the project's objectives and comply with the Bank's relevant policies.
- 4.3 **Intellectual Property Rights and License Agreement.** One Drop, as the Executing Agency for components 1 and 2, will own any and all intellectual property rights, including but not limited to copyright, in relation to the knowledge products developed

by the Executing Agency and approved by the Bank under Components 1 and 2. Namely, SABC materials developed under Component 1 and the Spanish version of One Drop's online SABC course to be developed under Component 2. Notwithstanding, One Drop will take appropriate measures to ensure that the Bank's Contribution to this product is widely recognized by its beneficiaries and the international community and will clearly indicate so in all publication and dissemination materials. The IDB will also have right of use to the said course. One Drop and the IDB will specify in more detail all intellectual property rights of such product in the TC agreement.

- 4.4 **Procurement:** All activities implemented under this TC have been included in the Procurement Plan (Hyperlink to [Annex](#)). For the execution of Components 1 and 2, One Drop will follow IDB's procurement policies and methods, namely GN-2349-15 and GN-2350-15. The activities to be executed under component 3 will be executed in accordance with the procurement methods established by the Bank, namely: (a) Hiring of individual consultants, as established in the AM650 standards; (b) Contracting of consulting firms for services of an intellectual nature according to GN-2765-4 and its associated operational guidelines (OP-1155-4); and (c) Contracting of logistics services and other services other than consulting, in accordance with policy GN-2303-28. The TC shall not finance any administrative expenditure of the Bank. For the development and piloting of the Spanish version of One Drop's online SABC course (under Component 2), the NGO [IRC WASH](#) will be contracted directly considering the unique expertise and previous experience of this organization in the development of the French and English versions of the course. No other organization in the market has the specific expertise and experience needed for the development of that product.
- 4.5 **Financial supervision, audit, and evaluation:** Technical and fiduciary supervision will be carried out by requesting One Drop the following: i) a semi-annual progress report that must contain at least: (i) the physical and financial progress of the operation; (ii) outputs and outcomes achieved during that period and on a consolidated basis; (iii) a summary of the activities carried out during that period; and (iv) a workplan for the following period. These reports will be submitted to the Bank within 60 days of the close of each semester. Financial supervision will require, prior to each advance of funds (except the first one), a justification of expenses of at least 80% of the total accumulated balance, accompanied by the corresponding bank reconciliation, and the financial reports established in the Financial Management Guide for Projects Financed by the IDB (OP-273-12). A dedicated bank account for the use of the TC's resources must be created. The creation of this account will be a condition for first disbursement. One Drop will conduct a final evaluation of the operation, which must be submitted within 90 days after the date of last disbursement to be developed by an independent firm or consultant. As part of the Project Closing Report, One Drop will submit, within 90 days of the date of last disbursement, the Audited Financial Statements of the operation, which will be prepared according to Terms of Reference

(ToRs) previously agreed between the Bank and One Drop and carried out by an independent audit firm acceptable to the Bank. The ToRs will include the ex-post review of the project's procurement processes. An independent final evaluation of Components 1 and 2 will be conducted by One Drop using resources from the Lazos de Agua Program.

V. Major issues

- 5.1 The major risk during the execution of this TC is the coordination between One Drop, Living Water International and Guanajuato's Water State Commission. As this project has been in implementation since 2017, specific coordination and monitoring protocols have been developed and improved during the years mitigating this risk. Several lessons learned about the executing structure were highlighted in the mid-term review of the platform and have been incorporated in the design of this TC (such as improving monitoring and evaluation support to sub-executing agencies).
- 5.2 Another risk is the implementation of social arts activities during the Covid-19 pandemic. To mitigate this risk as well as lesson learned iii, the project will include the development of new digital products that will reduce the need of face-to-face activities and trainings.

VI. Exceptions to Bank policy

- 6.1. There are no exceptions to the Bank's policies.

VII. Environmental and Social Strategy

- 7.1 It is anticipated that, overall, the program will produce a positive environmental and social impact in the area of influence, since it will improve the living conditions of the population by providing drinking water and sanitation. This TC is not intended to finance pre-feasibility or feasibility studies of specific investment projects or environmental and social studies associated with them; therefore, it does not have applicable requirements of the Bank's Environmental and Social Policy Framework (MPAS).

Required Annexes:

[Request from the Client - ME-T1443](#)

[Results Matrix - ME-T1443](#)

[Terms of Reference - ME-T1443](#)

[Procurement Plan - ME-T1443](#)