

## World Water Council and OECD call for global action on financing water infrastructure

**7<sup>th</sup> World Water Forum, Daegu, Monday 13 April 2015** – Today during the High Level Panel ‘Infrastructure Financing for a Water-Secure World’, the World Water Council and The Organisation for Economic Co-operation and Development (OECD) are calling on policy makers and business leaders to address financing water infrastructure to provide water security for the demands of the global population and global economy.

Financing and infrastructure are key themes at the 7<sup>th</sup> World Water Forum, the largest water-related event in the world which takes place in Daegu-Gyeongbuk (Republic of Korea) from April 12-17, 2015.

### Financing infrastructure for a water-secure world

In ‘Water: Fit to Finance?’ - a report launched at the 7<sup>th</sup> World Water Forum – the World Water Council and OECD set out the increasing need for public and private partnerships to drive the construction of major water infrastructure schemes. They point towards a ‘risk and reward’ rationality among financiers as a barrier, which has resulted in water infrastructure projects being marginalized compared to other branches of infrastructure investment.

With the increasing use of water for all kinds of activities – agriculture, industry, energy – water infrastructure needs to be multi-purpose. But multi-purpose water infrastructure presents specific financing problems, in addition to those generic to water. The sums involved are typically large, some components are not financially profitable, many different stakeholders are affected and conflicts over priorities often arise between them.

However, evidence shows that existing financial sources are available alongside newer sources of funds, such as pension funds, insurance companies, water funds and Sovereign Wealth Funds, climate funds and Green bonds to finance the full range of products, services and functions needed for global water security. The investment is necessary today, since water supply and sanitation alone are expected to require USD 6.7 trillion by 2050.

*“In the last decade water has gained increased attention in the global political agenda. Yet despite the fact that financing for the water sector can easily be justified by the pressing need to adapt to global changes including climate, population growth and urbanization, investment in water infrastructure is under-developed. Globally we are simply not doing enough”,* says Mr. Benedito Braga, President of the World Water Council. *“We must grasp the big picture connected to water and bring together investors, bankers, economic players and public officials to tackle the infrastructure deficit in new and creative ways.”*

*“It’s important that we get water infrastructure right”,* said OECD Secretary-General Angel Gurría. *“Governments need to think harder about coordinating the timing of different water investments, maximising their efficiency and being ready to exploit new sources of financing.”*

The report sets out seven proposals for action all convened around achieving water security for human needs, water security for economic development and water security for environmental sustainability, among governments and financial regulators, water regulators, international financing institutions, banks, commercial financing and investment institutions, industry and individual water users, water utilities, international and regional agencies.

## **Infrastructure Financing for a Water-Secure World High Level Panel - 13 April, 2:40 PM.**

This report was launched in a High Level Panel of the 7<sup>th</sup> World Water Forum on 13 April 2015 from 2:40 to 4:40 PM at EXCO, 5F Auditorium in Daegu, Republic of Korea, in the presence of WWC President Benedito Braga and Angel Gurría, Secretary General of OECD.

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### **Notes to Editors**

**The 'Water: Fit to Finance?' Report** has been developed by the High Level Panel on Financing for a Water-Secure World, which is co-sponsored by the World Water Council (WWC) and the Organisation for Economic Co-operation and Development (OECD). Supported by a small Task Force chaired by Prof Dogan Altinbilek, the report has also drawn on the expertise of a larger Advisory Group.

WWC representatives and consultants gathered evidence through regional consultation meetings in Mexico City, Washington DC, Sao Paulo, Brasilia, Abidjan and Beijing, with additional working sessions held with OECD officials.

Having convened in Paris in 2014, the HLP will meet again at the 7th World Water Forum in Korea, when the Report will be formally launched.

### **About the World Water Council (WWC)**

The World Water Council is an international multi-stakeholder platform organization, founder and co-organizer of the World Water Forum. The World Water Council's mission is to promote awareness, build political commitment and trigger action on critical water issues at all levels, including the highest decision making level, to facilitate the efficient conservation, protection, development, planning, management and use of water in all its dimensions on an environmentally sustainable basis for the benefit of all life on earth. The World Water Council, headquartered in Marseille, France, was created in 1996. It brings together over 300 member organizations from more than 50 different countries. More information at: [www.worldwatercouncil.org](http://www.worldwatercouncil.org)

### **About OECD**

The OECD is a global economic policy forum. It provides analysis and advice to its 34 member governments and other countries worldwide, promoting better policies for better lives. [www.oecd.org](http://www.oecd.org)

### **About the 7th World Water Forum**

Necessitating two years of collaborative preparation with stakeholders from around the world, the 7th World Water Forum consists of 4 preparatory processes: Regional, Political, Thematic and Science and Technology, within a common framework, so as to catalyze collective action and positive change.

The 7th World Water Forum will also be composed of cultural events, side events, a water exhibition, and a Citizen's Forum, including a Youth and Children's Forum, to raise awareness around water issues. The 7th World Water Forum is jointly organized by the World Water Council and the Republic of Korea together with the city of Daegu and the Province of Gyeongbuk.

More information and updates are available online at: <http://eng.worldwaterforum7.org/introduce/program/political.asp>