Roundtable on Financing Water

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3rd meeting, 12 November 2018

OECD Headquarters, Paris Conference Centre Room CC15

Agenda

8h30-9h00	Registration
9h00 – 9h15	Opening remarks
	Mr. Masamichi Kono, Deputy Secretary-General, OECD Dr. N.J. Vlaanderen, Coordinator International Water Affairs, Ministry of Infrastructure and Water Management, Government of the Netherlands Ms. Danielle Gaillard Picher, Director, World Water Council
9h15 – 10h30	Setting the scene: Recent developments related to financing water
	 Chair: Mr. Anthony Cox, Deputy Director, Environment Directorate, OECD Keynote address (12'): EU's Action Plan on Sustainable Finance: Key developments for water Ms. Joanna Drake, Deputy Director-General, DG Environment, European Commission Keynote address (12'): Institutional investors' engagement on water Mr. Peter Damgaard Jensen, CEO, PKA, Chair of the Institutional Investors Group on Climate Change Recent trends and outlook for financing water: Dr. Christopher Kaminker, Senior Advisor, Head of Climate and Sustainable Finance Research, SEB (10') Q&A
10h30-10h50	Coffee break





Ministry of Infrastructure and Water Management



	 Water-related investments have traditionally been financed by the public sector, with concessional donor finance playing an important role in developing countries. According to OECD analysis, official development finance flows to water and sanitation have increased by 3.5% year on year since 2005-06 reaching USD 12.5 billion on average in 2015-16. This represents only a fraction of the estimated investment required to meet the water-related SDGs. At the same time, developing country governments are fiscally constrained. Private financing flows for water investments have also been limited to date. Blended finance, defined as the strategic use of development finance for the mobilisation of additional finance towards sustainable development in developing countries, offers a promising approach to harnessing additional resources for water. While blending finance is gaining traction in different sectors, developments remain modest when it comes to water-related investment. This session builds on the outcomes of the recent GIZ-OECD <u>Conference</u> <i>Closing the Financing Gap for Water in Line with SDG Ambitions: The Role of Blended Finance.</i> The session will discuss good practices and examine challenges in applying blended finance to specific geographies and types of water and sanitation investments. Chair: Ms. Susanne Dorasil, Head of Division, Water, Urban Development, Mobility (BMZ) Lead discussants: Ms. Alyse Schrecongost, Program Officer, Bill and Melinda Gates Foundation Mr. Dick van Ginhoven, Senior Advisor, Water Finance Facility Mr. Thomas van Gilst, Head, Water Security and Resilience Division, EIB Ms. Pritha Hariram, Senior Business Development Officer, FMO Moderated discussion Concluding remarks: Ms. Karin Lindblad, Program Manager/ Specialist, Guarantee Unit, Swedish International Development Cooperation Agency (Sida)
12h15-13h30	Buffet lunch reception OECD Château, room Roger Ockrent
13h30-15h00	Session 2. Mapping Financing Flows: Estimating investment needs and financing capacities

Session 1. Blended finance for water-related investments

10h50-12h15

A substantial financing gap for water-related investments globally is widely acknowledged. Lack of data and information about investment needs and comparable indicators of financing capacities at country level impede the effective and efficient allocation of resources for water investments. Estimating investment needs and financing capacities at country level is an important building block to guide strategic thinking about countries' investment planning and financing strategies. Further, data that are comparable at a regional or global level can help to inform decisions of actors allocating resources across multiple countries as well as promote cross-country co-operation and learning.

This session will share preliminary results for ongoing work with the European Commission to estimate investment needs and financing capacities for the 28 EU member states. It will also discuss how this work could inform strategic investment planning and resource allocation in other regions.

Chair: Mr. Anthony Cox, Deputy Director, Environment Directorate, OECD

- Projecting investment needs and estimating financing capacities for water supply, sanitation and flood protection in the 28 EU member states
 Mr. Michel Sponar, Deputy Head, DG Environment, European Commission
 Dr. Xavier Leflaive, Water Team Leader, Environment Directorate, OECD
- Lead discussants: Mr. Almotaz Abadi, Managing Director, Union for the Mediterranean Ms. Ambika Jindal, Vice President Sustainable Development, ING Wholesale Banking Mr. Philippe Rohner, Senior Investment Manager, Pictet Asset Management
- Moderated discussion

15h00-15h20 Coffee break

15h20-17h00 Session 3. Strategic investment pathways

Water-related investments can generate substantial benefits from a social welfare perspective. Government authorities, development finance institutions and project developers would benefit from situating project pipelines within broader investment pathways, which sequence projects in a way that maximises benefits for communities. Strategic investment pathways should also be designed with a basin-wide perspective that recognises the positive or negative externalities that investments can have on other users of a shared resource, and the benefits generated by a combination of investments that are mutually reinforcing. Better reflecting the value of water and the natural capital that supports water security can enable more cost-effective and resilient infrastructure investment decisions.

Chair: Mr. Martin Baker, Of Counsel, Dentons

- Lead discussants: Mr. Amaury de Roujoux, Business Development Water and Finance Director, Danone Communities Mr. Peter Wheeler, Executive Director, The Nature Conservancy Ms. Lisa Hubert, Director, Sustainable Agriculture, Althelia Funds
- Moderated discussion
- Concluding remarks: **Professor Charles Vörösmarty**, Founding Director, Environmental Sciences Initiative, City University of New York

17h00-17h45	Financing water: Recent developments
	Chair: Ms. Claire Lyons, Senior Strategist, International Programs, Water.org
	• <i>Tour de Table</i> for Roundtable participants to provide brief updates on recent developments related to financing water.
17h45-18h00	Conclusions
	Closing remarks and next steps for the Roundtable Ms. Kathleen Dominique, Coordinator, Roundtable on Financing Water, OECD
18h00-19h30	Networking cocktail Conference Centre Atrium

For further information on the Roundtable, please our <u>website</u> or Contact us: <u>Kathleen Dominique</u> or <u>Xavier Leflaive</u>.