

# High Level Panel on Infrastructure Financing for a Water Secure World

## Background

Water security contributes to economic growth and development. It partly depends on infrastructure, to access drinking water and sanitation, to protect against floods and droughts, and to prevent or treat pollution.

This security is compromised. Currently, 748 million people lack access safe drinking water, 2.5 billion people lack access to basic sanitation, and 1 billion still practice open defecation. Water demand is projected to increase by 55% globally between 2000 and 2050. Furthermore, due to climate change and urbanisation, more people and greater assets will be at risk of more intensive and frequent floods and droughts.

There are many pathways towards achieving a water secure world, of which financing water infrastructure is a critical component. Investment for new water infrastructure, and rehabilitation and adaptation of existing assets, in all regions of the world, are required for economic, social, and environmental development at large, including for achieving the Human Right to Water and the Post-2015 Sustainable Development Goals.

## Rationale for the High-Level Panel

More than a decade ago, in 2003, the Camdessus Panel, an initiative supported by WWC and the Global Water Partnership, produced recommendations on how the flow of financing for water infrastructure could be improved. It was followed by the Gurria Task Force, which reported in 2006 on how national financial capacity, especially at municipal level, could be strengthened.

Since then, the context has changed significantly: we better understand the complex dependencies between water and other areas (e.g. food, energy, land use), and the need to manage demand and to tap alternative resources. Public finance has come under severe constraints in most developed economies; and business models of service providers are evolving, calling for new combinations of tariffs, taxes and transfers from the international community. To make the best use of available resources will require major reforms in water governance and policy frameworks.

The High Level Panel (HLP) on Infrastructure Financing for a Water Secure World is an opportunity to examine the issues afresh, and to use a high level of political influence to shape the international response. An advisory Taskforce has been set-up to support the process and collect evidence, through an extensive Delphi Survey of key informants and a series of regional consultations.

## Objective of the High-Level Panel

The objective of the HLP is to send a “wake-up call” for governments to commit to action, at different levels, to address the significant challenges to financing water infrastructure today and in the future. The work of the panel covers all types of water infrastructures, including water supply and sanitation, reservoirs, irrigation and protection against floods and droughts.







## Composition of the High-Level Panel

The HLP is an initiative launched by the World Water Council (WWC) and the Organisation for Economic Cooperation and Development (OECD). The panel is chaired by Angel Gurría, OECD Secretary-General. A variety of stakeholders are represented as members of the HLP, including ministers of water, infrastructure and economic development; Presidents or CEOs of international financing institutions and private financiers; CEOs of corporations who use water; Chairs of significant civil society organisations; and mayors of OECD cities.

## Specific topics of discussion of the High-Level Panel

- How to ensure the need for water infrastructure gets required attention?
- How to ensure the best possible use of existing financial flows?
- What can be done to increase investment in: multipurpose infrastructures; asset management and replacement of ageing infrastructure; and green infrastructure?
- How can governance arrangements help?
- How to access additional sources of finance?

## Next steps

The first meeting of the HLP takes place in Paris, on 26 November 2014. It provides an opportunity to review preliminary outcomes of the report *Financing Infrastructure for a Water-Secure World* prepared by the Advisory Taskforce, and to sketch the key messages from the HLP.

The HLP will meet again at the 7th World Water Forum in Daegu and Gyeongbuk, Korea, in April 2015 to present the report, and deliver its messages to the global water sector and beyond.

These meetings will be the first in what will be a committed and ongoing initiative to develop indicators and monitor trends in water infrastructure financing. The HLP is expected to report progress at subsequent World Water Forums and provide a lasting contribution towards the achievement of a water secure world.