

CONCEPT NOTE

Roundtable on Financing Water: Regional meeting on Africa 22-23 November 2023, Abidjan

The Roundtable on Financing Water

The Roundtable on Financing Water is a global public-private platform established by the OECD, the government of the Netherlands, the World Water Council and the World Bank. It draws upon political leadership and technical expertise, with the ambition of facilitating increased financing of investments that contribute to water security and sustainable growth. It brings together the finance and water communities to share information on recent and future developments of common interest. Specifically, the Roundtable aims to:

- Raise the profile of financing water on the international political agenda and within the investment community;
- Identify and overcome the barriers to further investment in water security and growth;
- Push the boundaries of traditional thinking about financing water-related investment; and
- Promote impactful ways of financing water-related investment;

The Roundtable engages a diversity of actors – governments and regulators in the Global North and the Global South, private financiers (e.g. institutional investors, commercial banks, asset managers, impact investors), development financing institutions, bi-lateral donors, international organisations, academia and civil society organisations – focused on finding novel ideas and solutions.

Since its creation in 2017, the Roundtable has met about ten times, around themes (agricultural water; water and climate) or regions:

- [Europe, co-organised by the European Investment Bank \(virtual meeting, December 2020\)](#);
- [Asia, co-organised by the Asian Development Bank \(Manila, November 2019\)](#) and
- [America, co-organised by the US government and the Inter-American Development Bank \(Washington, June 2019\)](#).

The regional meetings provide an opportunity to refine and share knowledge of water financing needs and capacities in the region. They also enable the characterisation of regional issues (e.g., infrastructure resilience in the Americas; mobilising commercial banks in Asia; developing a taxonomy of green investments in Europe). They are an opportunity to mobilise regional actors around shared issues or lines of action.

The [ninth meeting of the Roundtable on Financing Water](#) – co-convened by the OECD and UN-Water – was a stepping-stone towards the UN 2023 Water Conference and helped define the role of financing for the Water Action Agenda.

The regional meeting on Africa (Abidjan, 22-23 November 2023)

Water is a driver for growth and sustainable development globally, and most specifically in Africa. Only 58% of the continent's population has access to quality drinking water and 72% has no access to basic sanitation¹. The amount of foregone output incurred by the continent due to lack of access to safe water, polluted water or poor sanitation is estimated at 5% of its GDP each year, while the amount lost due to droughts and floods can range between 5-25%². While there is a strong economic case to invest in water in the continent, investments are lagging. Meeting the Africa Water Vision 2025 and the Sustainable Development Goals would require an additional \$43-56 billion in annual investment in the water sector, over and above current investment levels³, estimated at \$10-19 billion per year.

The challenging macroeconomic context (increased difficulty in accessing financial markets, burgeoning public debt and liquidity problem) and the decline in ODA to Africa have reduced the capacity of African countries to invest in crucial sectors, including water and sanitation.

In this context, the 10th meeting of the Roundtable on Financing Water will focus on Africa and will be co-convened by the OECD and the African Development Bank, in partnership with the government of the Netherlands, the World Water Council and the World Bank. It is scheduled to take place in Abidjan (and online) from 22-23 November 2023.

The Roundtable meeting is part of the international agenda on water and contributes to the debate on financing global public goods (UN 2023 Water Conference, summit for a new global financing pact, COP 28...). The work of the [Global Commission on the Economics of Water](#) will inform the roundtable deliberations, and vice versa.

The regional meeting of the Roundtable on Financing Water in Africa in 2023 aims to:

- Promote a regional perspective on financing water challenges and opportunities;
- Engage with public and private actors, in particular financial institutions and investors on solutions to scale up investments for water in Africa. The focus will be on enabling policy and institutional frameworks, innovative financing approaches, arrangements that improve the risk/return profiles of water investments, and the financial sustainability of water utilities;
- Engage with water-intensive sectors (such as agriculture, energy, urban development...) so that they better measure and mitigate their impact on water resources and realise how investing in water makes sense for them;
- Explore practical ways to deliver on commitments made at the UN 2023 Water Conference.

¹ AfDB (2021), *Policy on Water*, <https://www.afdb.org/en/documents/policy-water>

² UN Water (2014), *A Post-2015 Global Goal for Water: Synthesis of key findings and recommendations from UN-Water*, https://www.un.org/waterforlifedecade/pdf/27_01_2014_un-water_paper_on_a_post2015_global_goal_for_water.pdf

³ AfDB (2021), *Policy on Water*, <https://www.afdb.org/en/documents/policy-water>

The themes of the 10th meeting will include the following:

Post UN 2023 Water Conference	<ul style="list-style-type: none"> • Address issues related to public debt, allocation of ODA flows, and the global financial architecture • Coordinate multiple stakeholders to finance water • Follow up on commitments made in NYC on financing water in Africa
Harnessing regional and private finance	<ul style="list-style-type: none"> • Unlock the potential of private finance (international, regional, domestic) • Mobilise regional and national development banks • Invest in water for growth (energy, agriculture, urban development) • Understand water risks and their impact on financial institutions in Africa
Enabling environment	<ul style="list-style-type: none"> • Strengthen the enabling environment for water investments in Africa • Enhance the creditworthiness of utilities: the role of independent economic regulation
Sanitation	<ul style="list-style-type: none"> • Finance universal access to sanitation in urban and rural areas

Expected outputs include:

- Consolidated data and knowledge on water-related investment needs and financing capacities in Africa;
- Good practices on how to make a better use of existing public and private finance, including at the national and regional level;
- Practical options to attract more finance that contribute to water security in Africa, including exploring innovative arrangements (debt-for-water swaps, risk mitigation instruments...);
- Key features of the enabling conditions for investments in water in Africa and a roadmap to enhance them;
- Policies, business models and incentives by which water-intensive sectors (such as agriculture, energy, urban development) can measure and mitigate their impact on water resources.

The Roundtable will aim to ensure that the voice of national and regional stakeholders in Africa, including public and private financiers, is central in the discussions. It will also aim to give a voice to diverse stakeholders in the water value chain, including the Youth and Women.

Modalities

The event will be co-convened by the OECD and the African Development Bank, in partnership with the government of the Netherlands, the World Water Council and the World Bank. The International High-Level Panel on Water Investments in Africa, the African Union Development Agency (AUDA-NEPAD), and the Global Water Intelligence will organise side events. Other regional partners are most welcome, such as regional economic communities, regional and national development banks in Africa, commercial banks and other financiers active on water-related issues in the continent, corporates, and civil society organisations.

Thematic background notes will inform and support the discussions. A summary of the results of the Roundtable will be published soon after the event.