

1 Introduction

This chapter sets the context and provides background for the following chapters of the report. It summarises the activities of the Roundtable on Financing Water since its establishment in 2017 and the related analytical work on financing water-related investment.

Finance has long been recognised as a central driver towards the achievement of universal access to water supply and sanitation, the sustainable management of water resources and the management of water-related risks (floods, droughts and pollution) (Winpenny, 2015^[1]; OECD, 2018^[2]; OECD, 2019^[3]). Since its establishment by the OECD and partners in 2017, the Roundtable on Financing Water¹ has provided a unique forum for action-oriented engagement between the water and the finance communities to promote the strengthening of enabling policies and the acceleration of investment that contributes to water security and sustainable development. An initiative of the OECD, the Government of the Netherlands, the World Water Council and the World Bank, the Roundtable draws upon political leadership and technical expertise, with discussions substantiated by robust analytical work. The substantive work undertaken has helped to characterise the scale of the financing challenge and explore options to address it through improved enabling environments and tailored financing approaches.

The scope of the Roundtable is global and focusses on water-related investments broadly defined. These include the diverse range of investments that contribute to water security through the delivery of water and sanitation services, the management of water resources and water-related risks (“too much”, “too little” and “too polluted”). This can include a range of infrastructure types (including conventional “grey”, and nature-based solutions, or a combination thereof) as well as large, centralised infrastructures and small-scale, decentralised systems. Water-related investments may also include investments designed for other purposes, which contribute to water management (e.g. green roofs or permeable surfaces that limit rainwater runoff). Beyond investments in the water sector, water-related investments connect multiple sectors and policy agendas, including agriculture, energy, urban development, public health and education, among others.

Since 2017, Roundtable meetings have engaged several hundred participants representing governments and regulators in developed, emerging and developing economies, as well as private financiers (e.g. institutional investors, commercial banks, asset managers, and impact investors), development financing institutions, bi-lateral donors, international organisations, academia and civil society organisations. A wide range of experience and good practices have been shared. Yet, ultimately, many of the fundamental challenges remain.

Through partnerships with member countries (Israel, the Netherlands and the United States), key regional players (Inter-American Development Bank, Asian Development Bank, European Investment Bank) and other key actors (the United Nations Food and Agriculture Organization), the Roundtable’s meetings have allowed for a deeper exploration of the contextual factors that influence financing approaches in different regions and themes. The list of Roundtable meetings to date follow, with links to meeting summaries provided:

- [First meeting of the Roundtable on Financing Water](#), Global meeting, April 2017, Paris (OECD, 2017^[4]);
- [Second meeting of the Roundtable on Financing Water](#), Global meeting, co-convened with the Government of Israel, September 2017, Tel Aviv (OECD, 2017^[5]);
- [Third meeting of the Roundtable on Financing Water](#), Global meeting, November 2018, Paris (OECD, 2018^[6]);
- [Fourth meeting of the Roundtable on Financing Water](#), Regional meeting focused on the Americas, co-convened with the U.S. Government and the Inter-American Development Bank, June 2019, Washington, D.C. (OECD, 2019^[7]);
- [Fifth meeting of the Roundtable on Financing Water](#), Regional meeting focused on Asia, co-convened with the Asian Development Bank, November 2019, Manila (OECD, 2019^[8]);
- [Sixth meeting of the Roundtable on Financing Water](#), Regional meeting focused on Europe, co-convened with the European Investment Bank, December 2020 (virtual) (OECD, 2021^[9]);

- [Seventh meeting of the Roundtable on Financing Water](#), Thematic meeting on Financing Agricultural Water, co-convened with the U.N. FAO, January 2021 (virtual) (OECD, 2021^[10]).
- [Eighth meeting of the Roundtable on Financing Water](#), Thematic meeting on Climate Action, co-convened with the U.S. Department of State and the U.S. Environmental Protection Agency, September 2021 (virtual) (OECD, 2021^[11])

Working in partnership is a key feature of the Roundtable, in recognition that a focus on water security alone will not be sufficient to manifest the action required to finance a water secure future. This requires going beyond policymakers responsible for water to engage with policymakers from sectors impacting water security (agriculture, energy, urban planning, among others), and the range of financiers (institutional investors, commercial banks, asset managers, impact investors, development financing institutions and bilateral donors), corporates, NGOs and experts who can help to drive action. The Roundtable strives to build on and collaborate with key international initiatives, such as the Dutch Valuing Water Initiative, the Water Data Initiative of the Australian Water Partnership and the UN-Water Global Acceleration Framework for SDG 6.

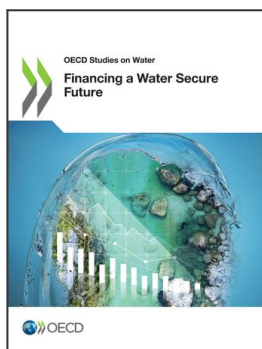
This report distils the key messages and lessons learned from the Roundtable discussions and related analytical work. It provides an up-to-date summary of the key challenges and opportunities in the water financing landscape and sets out a vision for future OECD work on financing water and for the Roundtable. The report represents an important milestone in the development of the OECD programme of work with key new initiatives being developed (see further details on forthcoming initiatives in Chapter 5).

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- OECD (2021), *7th meeting of the Roundtable on Financing Water, Thematic meeting on Agricultural water, 27-28 January. Summary and discussion highlights*, <https://www.oecd.org/water/Summary-Roundtable-Financing-Agricultural-Water.pdf> (accessed on 28 June 2021). [10]
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Notes

- ¹ Further information on the Roundtable on Financing Water is available [here](#).



From:
Financing a Water Secure Future

Access the complete publication at:

<https://doi.org/10.1787/a2ecb261-en>

Please cite this chapter as:

OECD (2022), "Introduction", in *Financing a Water Secure Future*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/cf9f5905-en>

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