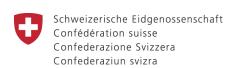
#### Key takeaways from the Global Workshop on Funding and Financing Transboundary Water Cooperation and Basin Development (5-6 December 2023)

**Dimka Stantchev Skeie** 

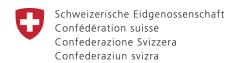
Program Manager, Section Water Swiss Development and Cooperation Agency









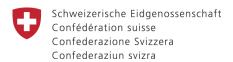






# Insights from a stocktaking of experience in transboundary basins (2020)

- Solutions and investments in the water-food-energy-ecosystems nexus A synthesis of experiences in transboundary basins
- A survey, a literature review, inputs from expert consultations and a review of regional nexus dialogues.
- Knowledge base for designing and operationalizing "nexus solutions and investments", including consideration of factors that contributed to their successful implementation and the challenges encountered.
- Nexus solutions and investments to tackle issues of: water quantity, water quality and environment.
- The survey involved stakeholders from different countries and river basins.
- 36 case studies analysed to find: common features and trends related to problems and solutions, financing sources and schemes, obstacles to implementation and enabling factors, perceived added value and benefits.





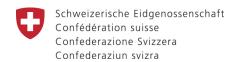


Affairs of Finland



# What the 2020 survey found out about nexus investment and financing:

- In principle, the nexus approach could help catalyse co-financing for water and environment services from other sectors and private actors; however, there is a lack of evidence that this is happening.
- Cooperation is particularly important to **reduce the risks around investments** of regional importance and in transboundary contexts. Ultimately, the political will [...] will reassure investors, especially private ones who need structured financing schemes and can help closing financial gaps.
- Where they exist, **river basin organizations** play a key role in facilitating or even catalysing nexus solutions and investments.
- Energy and agriculture are the main water users and need to adopt a more proactive role in proposing solutions and investments that integrate water and environmental considerations. Beyond water, energy and agriculture, nexus solutions and investments should be promoted by finance, economy and other non-line ministries.
- Innovative financing solutions involving private funding have a major role to play in upscaling nexus
  solutions in transboundary basins [...] Furthermore, cross-sectoral cooperation can be crucial to access
  climate and environmental funds.

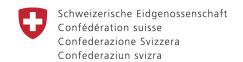






# Insights from the Global Workshop on Financing (5-6 December 2023)

- More than **150 participants** from countries, river basins organization, international development finance institutions, bilateral donor agencies, private finance actors from all over the world;
- Some amazing presentations, energizing and inspiring discussions, and dynamic market places
- Building some communities of practice
- Main highlights:
- Minimum core staff of institutions/RBOs need to be sustainable through public funds
- Domestic finance should be the **core financial sources** to support transboundary water cooperation and shared water resources management
- Public finance (domestic and international/concessional loans/ first-loss capital) lay the ground to derisk projects and attract private finance

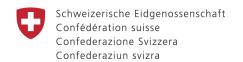






# Insights from the Global Workshop on Financing (5-6 December 2023) – cont'd

- Blended finance (combining public funding and private finance) needs to be done in a smart way, so that the **use of the public funds can be maximized**, considering that its importance is currently far too high to reach the scale that we need
- Private capital is there, but **investment flows** in the water sector need to go to scale through the creation of **more opportunities** to invest in water and transboundary water cooperation projects
- Investors are looking for **standardized solutions in terms of risk** assessment, and risk management/mitigation
- Transboundary water cooperation issue should be further included in private companies' risks assessment tools, this requires **more data and disclosure of information, incl.to RBOs**
- Trust building is key, we need more collaboration between sectors, as well as more intermediaries, banks can play a role in bridging the knowledge and distance gap between projects and investors



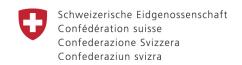




# Insights from the Global Workshop on Financing (5-6 December 2023) – cont'd

- More efforts need to be done to mobilize the variety of private sector financial resources (understand better how they function, **have a common language**, work on a narrative)
- More capacity building to prepare high quality/ bankable investment projects is needed
- The Water Convention is a hub which needs to be further exploited to **build bridges** between the different communities (water and sustainable finance), more efforts needs to be done to continue the conversation with the private sector/investors
- Regional workshops could provide good platforms complementary to global workshops

An **outcome document** will be made available to all participants with conclusions and key messages from the workshop







### Insights from the Global Workshop on Financing (5-6 December 2023) – cont'd . Key messages on multi-benefit invest

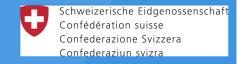
GLOBAL WORKSHOP ON
FUNDING AND FINANCING
TRANSBOUNDARY WATER COOPERATION
AND BASIN DEVELOPMENT
5-6 DECEMBER 2023 | GENEVA

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- Key messages on multi-benefit investments and multi-source financing:
- Cross-sectoral investment gives the opportunity to diversify sources for financial support
- A portfolio of bankable projects can allow to realise the multisectorial potential of a river basin
- Improved governance to attract private investors matters
- Revenues generated by energy production from shared hydropower infrastructures can be used to financially support transboundary water cooperation and management
- Political buy-in at the highest level can help to mobilize different financing sources
- Improved donor coordination mechanism, eg. at the basin level, in order to support entire programmes and not chary picking can also help to mobilize finance, incl. climate funds and nature-based solutions

(Blue Peace Financing initiative; Itaipu; Trifnio transboundary water fund; Okacom CORB Fund,..)





#### Thank you!

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NECE

Special session to celebrate Chad's at the Water Convention



