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THE PROTOCOL ON WATER AND HEALTH
TO THE CONVENTION ON THE PROTECTION
AND USE OF TRANSBOUNDARY
WATERCOURSES AND INTERNATIONAL LAKES

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Proposal for a PPPs International Specialist Centre on Water

**Note prepared by the UNECE PPPs International Centre of
Excellence Secretariat for the third session of the Meeting of the
Parties to the Protocol on Water and Health
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1. Safe water as a fundamental right – state of play

Water for all as a fundamental right has still to be achieved. The global water distribution is uneven and 240 million people worldwide are expected to remain without reliable access to safe water by 2050. According to the 2012 MDGs Report, 783 million people – 11% of the global population – lack access to an improved source of drinking water. In addition, access to water does not translate in access to safe water for human consumption: 1.7 million people die annually because of unsafe water, lack of sanitation and unhygienic practices (World Bank estimates). Finally several countries are facing the challenge to rehabilitate and adjust capacity of existing infrastructures in urban areas and to extend service provision to rural areas.

Despite this reality, the gap between water needs and investments is still considerably wide, with only 4% of annual investment needs covered (WHO). In the current economic circumstances characterised by budgetary constraints and fiscal austerity, the private sector has an important role to play in mobilising the investments needed to achieve the water Millennium Development Goal and post-2015 Sustainable Development Goals.

2. The need for water PPPs

Public Private Partnerships (PPPs) in the water sector can provide both the needed investments as well as deliver an efficient and accessible water service to all.

In the late 2000s interest in water PPPs grew and is now establishing a new positive trend. The largest benefits of the partnership come from improved service quality and operational efficiency rather than from accessing private financing for investments. A PPPs approach brings in also clear and monitored deliverables which allow for water projects to become bankable or financially sustainable. PPPs are therefore instrumental to improve the planning and management of water resources as well as to improve the quality of water supply and sanitation services.

However, water PPPs has historically been a politicized issue that raised ideological battles and political nervousness. It is now important to support a less ideological approach, address sociological barriers and rectify wrong beliefs such as that PPPs stand for privatisation of water services. Expectations of public and private partners need to be made more realistic. Best practices in water PPPs need to be collected and disseminated to highlight national experiences where PPPs in water were successful as well as to improve the understanding of cases of failure and the reasons behind it. Finally, to guarantee the good quality and sustainability of water services, the governance of water PPPs needs to be carefully designed and aligned with the targets for the implementation of sustainable development goals, e.g. the targets of the Protocol on Water and Health.

3. An International PPPs Specialist Centre on water

To this extent, the UNECE PPPs International Centre of Excellence (ICoE) is proposing the establishment of a Specialist Centre on water under its auspices. The overall goal of the Specialist Centre will be to identify and to share best practices among new national/regional models on water PPPs with the final aim to translate them in agreed international standards through the ICoE.

The Specialist Centre on water will be established under the auspices of the ICoE in Geneva to ensure neutrality and provide the best venue to federate initiatives from a variety of stakeholders and countries. The Centre will have a flexible structure, with a small hub located in Geneva, coordinating initiatives on water PPPs taken by thematic clusters led by countries or by international financial institutions (IFIs). This approach fully leverages on the diversity of water PPPs around the world but it also maintains a strong connection with the relevant countries. Thematic clusters could be established on an ad hoc basis under the lead of a country or regional/international organizations, to steer the debate and to identify best practices in specific areas of water PPPs. The Specialist Centre on water will also build capacity for water PPPs through, for example, offering extensive training and advisory services to public administrators.

4. Function and Responsibilities of the Specialist Centre on water

The Specialist Centre will have the following function and responsibilities:

(a) Establish an international platform to foster debate on water PPPs, involving all stakeholders – governments, NGOs, private sector and academia - in order to look at lessons learned and find solutions to both urban and rural water and sanitation needs. The platform will be organised around thematic clusters under the leadership of one country / IFI¹.

¹ A tentative selection of possible countries leaders include Brazil, China, Denmark, France, Japan, the Philippines, the Republic of Korea, Russian Federation, Spain, South Africa, the United Kingdom and regional initiatives such as those of the Asian Development Bank.

- (b) Maintain a network of all interested stakeholders, and act as a forum for exchanges through at least one yearly global conference.
- (c) Identify, compile and disseminate best practices in water PPPs, through a dedicated website and a web-based platform.
- (d) Through the UNECE PPPs ICoE, contribute to the development and agreement of international standards in water PPPs.
- (e) Assist governments in the implementation of the standards through the help of the services of the water sector experts of the Business Advisory Board.
- (f) Organise training sessions and Master Classes in water PPPs in Geneva or/and in partner countries.

5. Next Steps and follow up:

Following the finalisation of the concept paper for a Specialist Centre on water PPPs by the end of November 2013, a first conference on water PPPs will be organised in January / February 2014 to endorse the proposal.

The Parties to the Protocol on Water and Health are kindly invited to provide feedback on the proposal and express their interest in participating in a conference on water PPPs, jointly organised by the ICoE and the UNECE Environment Division.

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