

# **Establishment of a Water Fund at EBRD**

**UN/WHO Meeting Geneva  
Ad Hoc Project Facilitation  
Mechanism  
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# Water situation and related development instruments in wider Europe region

- Still 140 million people in wider European region are not connected to drinking water supply or have adequate sanitation
- UN Millennium Goal No 7 sets target to reduce by 2015 by half the proportion of the population without sustainable access to safe drinking water and basic sanitation
- UNECE / WHO Protocol on Water and Health is the underlying international agreement outlining the structure of support and coordination in this sector



## **UNECE/WHO Protocol on Water and Health – link to new Water Fund at EBRD**

- Protocol is the first legally binding international agreement linking national water management and health issues.
- Protocol is a unique, comprehensive and modern response to water and related health problems
- EBRD Water Fund would be an important tool to support national water objectives in EBRD's ODA countries of operations with its wealth of experience in financing municipal water projects



## Four Pillars of Protocol

- Establishment of “road maps/action programs” to set national targets with appropriate measurable indicators of progress, led by Switzerland
- Mechanism to measure and report on progress achieved, compliance control, led by Italy
- Enhance mutual assistance and international support to achieve targets, led currently by Norway (direct link to EBRD Water Fund)
- National target setting exercise recognizes EU Water Directive as overriding standard



## Advantages for Donors in supporting EBRD Water Fund

- The Water Fund offers a possibility to align international commitments by providing funding for investments into the water sector to work towards MDG
- Exchange of information and experiences between various stakeholders on a regular basis - increased donor co-ordination
- Direct link to EBRD investments provides increased accountability and oversight how donor funds are spent
- EBRD has proven itself as an efficient implementation agency for donor supported projects including in ODA countries.



## Main criteria of EBRD Water Fund

- ▶ Eligible Countries: ODA countries (i.e. no EU members and Russian Federation)
- ▶ Governance: Streamlined governance mechanism and yearly International Water Forum event with other stakeholders, either at EBRD or in contributing donor countries
- ▶ Fund shall allow for TC and investment grants
- ▶ Water Fund would be complementary with other funds



## Next Steps..

- EBRD is in discussions with numerous donors
- Fund design is under discussions
- Anticipated launch in second half of 2009



Thank you for your attention.

