

## UNCDF Statement

### 18<sup>th</sup> Meeting of the Parties to the Convention on the Protection and Use of Transboundary Watercourses and International Lakes / Working Group on IWRM

20 June 2023

- We at UNCDF, we believe that Financing for Water Cooperation requires actions in 3 key areas:
  - 1) We need **strengthen multistakeholder cooperation frameworks around water resources.**
  - 2) We need to **strengthen the governance and institutional capacities of River Basin Organizations**
  - 3) we need to **join forces to create innovative financing mechanisms** for water cooperation.
- Through its Global Blue Peace Financing Program UNCDF is addressing these areas by **unlocking public and private capital for water-related projects, while contributing to IWRM, water cooperation and peace.** The program does so through technical assistance and capacity building for RBOs as well as through innovative financing mechanisms.
- This blended finance initiative has **been co-created by UNCDF and the Swiss government is currently being implemented in West Africa with the Gambia River Basin Development Organization (OMVG).**
- As of today, the **OMVG masterplan with over 180 projects that can benefit more than 6 Mio people** is about to be finalized and the projects for the first joint investment plan have been identified, including projects for energy, agriculture and drinking water and more.
- The **underlying financing structure aims at supporting OMVG to get access to capital for these projects through the issuance of a Blue Peace Bond.** Both, the OMVG Council of Ministers as well representatives of the MoF's of the four member states expressed their strong support for this initiative, which is why we are currently working on the implementation of the underlying financing structure.
- We are all aware of the fact that many transboundary basins world-wide still do not have any cooperation framework or agreement in place. This initiative is **providing a financial incentive for transboundary water cooperation while creating a new market in the sustainable finance field,** and it does so by transforming such cooperation frameworks into investment platforms.
- But we can only implement such innovative financing mechanisms where cooperation frameworks or at least agreements around shared water resources are in place and **this is why the Water Convention is so crucial: through the application of its principles, drawing on the benefits of cooperation, it paves the way for these type financing mechanisms.**