



WATER FINANCE COALITION'S COLLECTIVE DECLARATION

AUGUST 2023

INTRODUCTION

Founded in response to the call for action during the first Finance in Common Summit in 2020, the Water Finance Coalition consists of prominent Public Development Banks (PDBs) that are dedicated to advancing sustainable water and sanitation financing. It acknowledges the pressing need for increased investments in the water sector. Building upon the principles outlined in the Rome Declaration launched in 2021 in the second edition of the Finance in Common Summit (FICS), the Coalition recognises the pivotal role that PDBs play in mobilising financial resources and is now committed to harnessing the collective strength of its members to drive transformative change for Water Security.

The mission of the Water Finance Coalition, as a network of PDBs, is to commit to strengthening water dialogue, collaboration, alliances and knowledge, with the ultimate goal of mobilising and catalysing more financial resources, both public and private, for the water and sanitation sector. The vision of the Coalition is to increase financing by means of alliances and cooperation between PDBs to foster Water Security for all.

In order to generate change in water sector financing, we, Public Development Banks (PDBs) and Associations of PDBs aim to achieve the following three goals:

GOAL 1 - STRENGTHEN THE WATER FINANCE COALITION COMMUNITY TO PROMOTE PEER LEARNING AND KNOWLEDGE SHARING FOR WATER AND SANITATION FINANCING

1. **Strengthening Stakeholder Engagement and Partnerships:** we actively engage with governments, local communities, civil society organisations, private sector and other key stakeholders to take into account national and regional circumstances. By fostering inclusive partnerships, we ensure that investments in the water sector align with local priorities, PDB's standards and principles, including respect human rights, promote gender equality, and deliver equitable and sustainable outcomes etc.

GOAL 2 - CONTRIBUTE TO ATTRACT FINANCING TOWARDS CLIMATE COMMITMENTS THROUGH INTERLINKAGES WITH WATER SECURITY.

2. **Measuring Progress:** Each institution will report on the progress of water sector financing. By establishing clear metrics and indicators, we track our collective efforts to enhance funding for water and sanitation projects worldwide. This systematic tracking enables us to gauge the effectiveness of our financing strategies in advancing both climate commitments and Water Security objectives. That way, we can strategically direct financing towards initiatives that promote Water Security and contribute to climate objectives.
3. **Increasing Co-Financing Opportunities:** Emphasising the importance of collaboration, we commit to doing more co-financing between PDBs within the next years. Through partnerships, we leverage additional funding sources to magnify the impact of our investments and enhance the sustainability of the water sector. This collaboration also enables us to align our financing strategies with climate commitments, ensuring that both Water Security and climate objectives are clearly addressed.

GOAL 3 - EXPAND DIALOGUE AND TECHNICAL SUPPORT TO PDBS TO INCREASE FINANCING IN WATER SECURITY.

4. **Enhancing Technical Assistance, coaching and mentoring:** Recognising the significance of technical assistance, coaching and mentoring tools, we will continue supporting partner countries. Our focus areas include PDBs water sector strategy and mandates, project design, implementation and monitoring, empowering local stakeholders to effectively manage water resources, improve service delivery, and drive sustainable development.



Water Finance Coalition

CONCLUSION

The Water Finance Coalition is steadfast in its goal to catalysing increased investments in the water sector for Water Security Projects. Through our collective actions and partnerships, we will drive positive change, strengthen the resilience of communities, and contribute to the achievement of the Sustainable Development Goals.

SIGNATORIES

- Agence Française de Développement, AFD
- Development Bank of Latin America and the Caribbean, CAF
- Banco Nacional de Obras y Servicios Públicos, BANOBRAS
- Carbon Disclosure Project, CDP
- Instituto de Crédito Oficial, ICO
- Kreditanstalt für Wiederaufbau, KfW
- North American Development Bank, NADBANK
- Plata Basin Financial Development Fund, FONPLATA
- Latin American Association of Development Financing Institutions, ALIDE
- PT Sarana Multi Infrastruktur, PT SMI
- Asian Development Bank, ADB