



# RESILIENT WATER ACCELERATOR

## A CASE FOR INVESTMENT



# THE PROBLEM

- ◆ Climate change is happening now, leaving vulnerable communities such as those who don't have access to clean water close to home struggling to cope with its effects.
- ◆ Water is how people and nature mostly experience climate change--through droughts, floods and extreme weather--but ensuring water security is the best way to address climate vulnerability and inequalities.
- ◆ However, to create the holistic and resilient water systems necessary to create water security requires climate financing that still needs to be unlocked.
- ◆ This challenge stems from three major barriers: a lack of localised data required for climate proposals; the absence of comprehensive cross-sectoral water programmes; and a complex climate funding landscape.

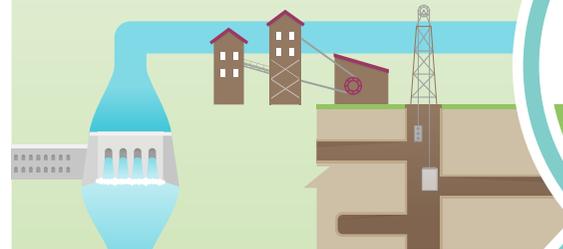
## DOMESTIC WATER AND HUMAN WELL-BEING

(1) Inclusive and reliable access to sufficient quantities of good quality water for basic human needs, (2) safely managed sanitation and (3) good hygiene, to fulfil basic human rights and ensure social-economic inclusion.



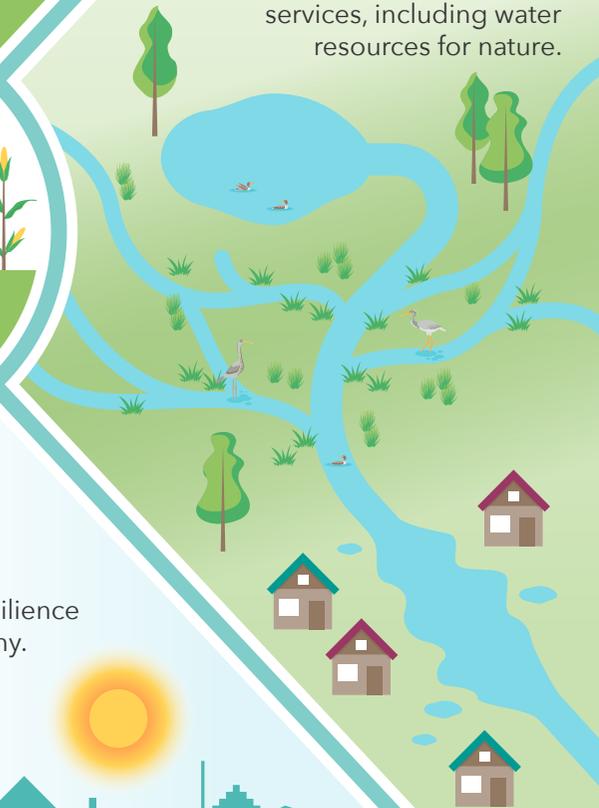
## ECONOMIC SECTORS AND PROSPERITY

Good water resources management to alleviate pressure from water uses and impacts from urbanisation and the economy (such as agriculture, energy, and industry) and to protect the economy from water-related risks to growth.



## NATURE & FRESHWATER RESOURCES

Protection and restoration of freshwater ecosystems for continued provision of ecosystem services, including water resources for nature.



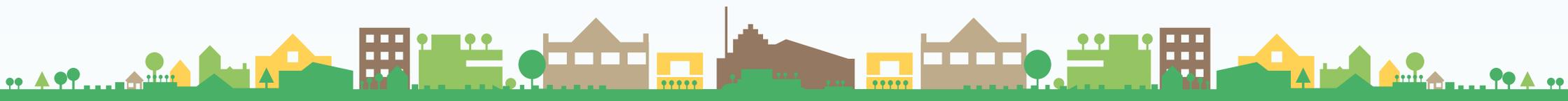
## CLIMATE RISK MANAGEMENT

Well managed risks of water-related disasters, and resilience for nature, people, economy.



# THE SOLUTION

- ◆ **VISION:** The Resilient Water Accelerator aims to enable climate-vulnerable communities to secure clean and reliable water resources and services.
- ◆ **MISSION:** The Accelerator will assist these communities in securing clean and reliable water resources and services by helping them design comprehensive climate-resilient water security programmes and unlock new levels of financing.
- ◆ **The Accelerator aims to reach at least 50 million climate-vulnerable, water-stressed people to boost their resilience to climate change by 2030.**



## THE ACCELERATOR WILL DO THIS BY...



Providing countries with the required funding and multi-sectoral expertise to design strong climate-resilient water security programmes and to generate attractive funding proposals using the Optimal Design Approach.



Advocate on behalf of in-country partnerships and work with them to identify funding opportunities from a range of public and private sources.



Working through these multi-sectoral partnerships to strengthen the enabling environment necessary to ensure these ambitious programmes support vulnerable communities, including women and girls, and build on this experience and capacity to enhance long-term resilience for all.



## THE JOURNEY

- ◆ The initiative is a multi-sector partnership which to date has convened governments, multilaterals, private sector, and NGO/civil society stakeholders from across the sectors of environment, water, WASH, finance, climate and development.
- ◆ Global experts from all these fields came together to create a critical framework to guide countries' work on resilient water security - the Optimal Design Approach (OpDA).
- ◆ The Accelerator is led by a Task Team that includes African Development Bank, Global

Water Partnership, Sustainable Markets Initiative, UK Government, WaterAid, and World Resources Institute.

- ◆ Now the operationalizing phase begins, and we are looking to identify where the Accelerator will begin working in 5-6 countries.
- ◆ To achieve this, the Accelerator needs seed funding in the immediate term (USD 1-2 million) and start-up funding over the next two years to the scale of USD 15-20 million to move to the start-up phase.

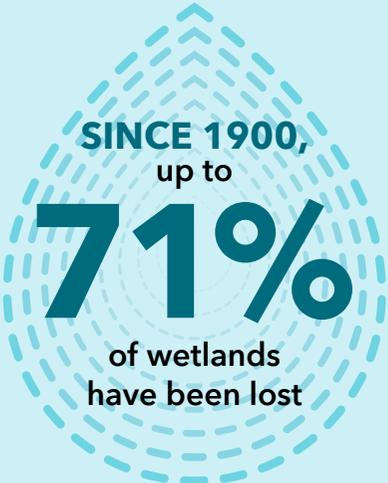
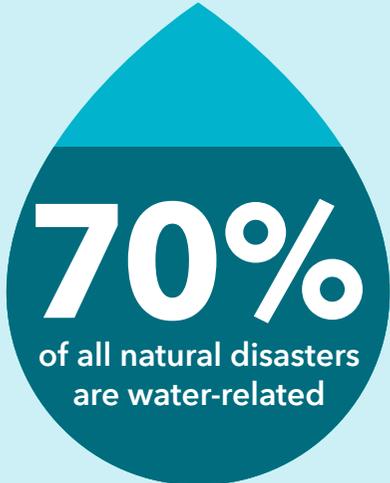
# CLIMATE CHANGE IS JEOPARDISING ALL WATER SECURITY

FUNDING IS DESPERATELY NEEDED TO MAKE A DIFFERENCE

Global water security is facing overlapping crises and climate change is making these worse

More than **2Bn** people lack access to safely managed water now and are already struggling to cope

**4Bn** people face water stress for part of the year



Despite their potential to help the most vulnerable, water and adaptation get little climate funding

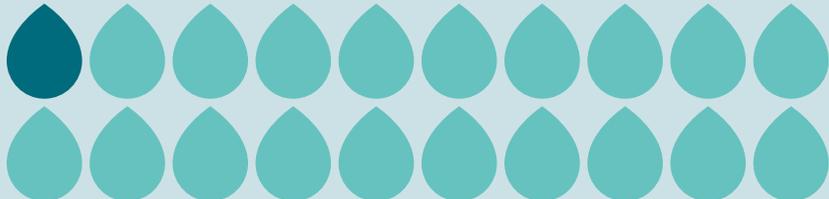
Of all global climate finance valued at USD 681 billion:

**4.4%** goes to adaptation

**2%** to water-related projects

**0.1%** to basic water and sanitation

1 in 20 of the top recipients of adaptation financing is a least developed country



# GIVING MILLIONS OF PEOPLE CLIMATE RESILIENCE MEANS OVERCOMING THESE BARRIERS

Lack of data needed to generate high-quality proposals

- ◆ Lack of localised data on climate and water vulnerabilities.
- ◆ Absence of required technical capabilities to generate said data and analysis and to generate a strong climate rationale for climate funding.

Absence of a comprehensive approach to addressing systemic water issues

- ◆ Traditional siloed approach to water challenges results in fragmented responses, focusing on specific symptoms and not the holistic system required to deliver impactful results.
- ◆ Difficulty aligning multi-sector approach to tackle the complexity of climate change and water security.

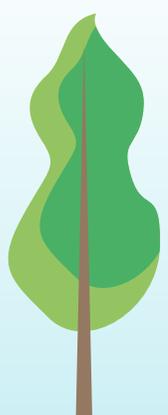
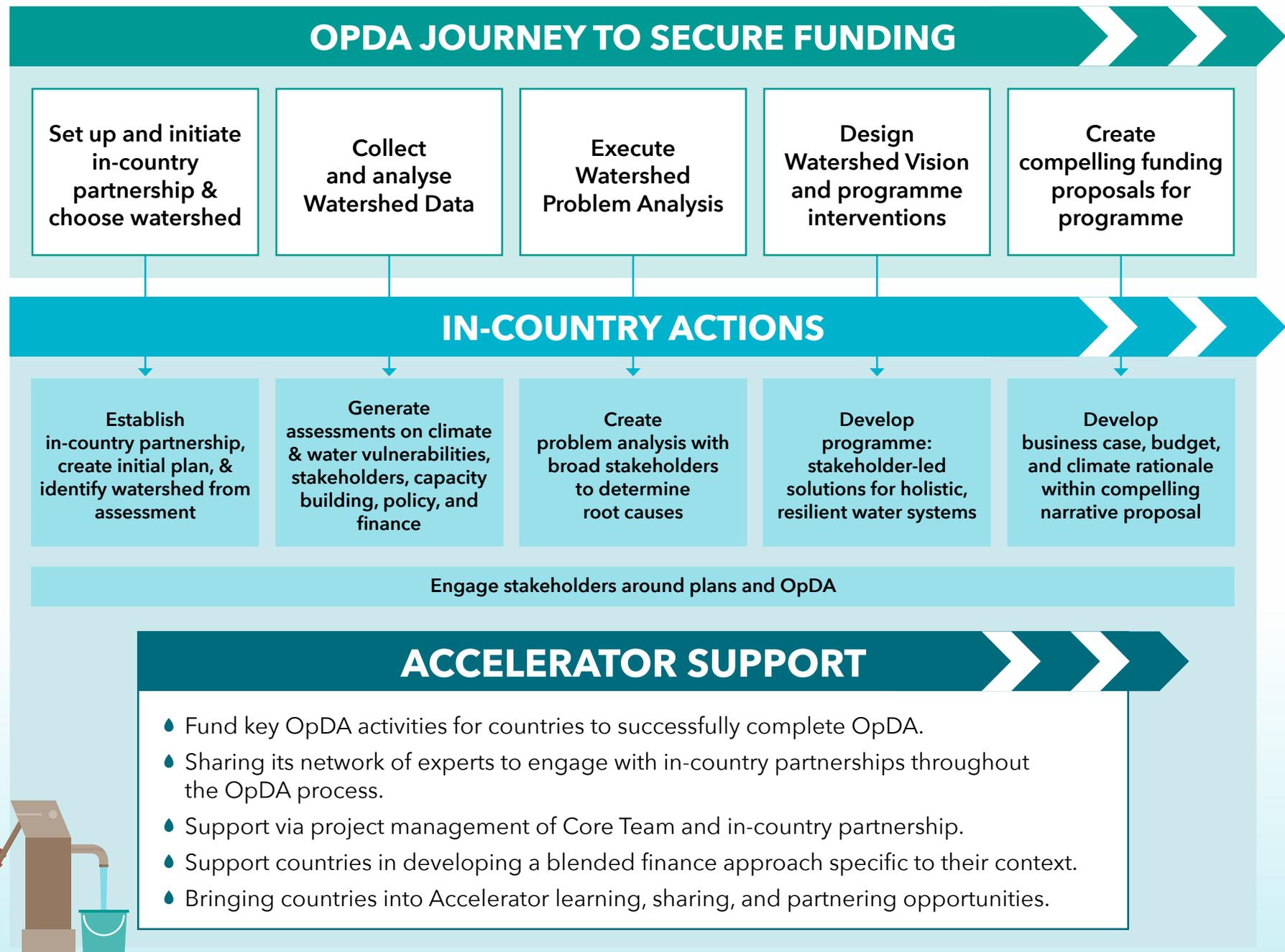
Difficulty in navigating a complex climate funding landscape

- ◆ Inability to access complex climate finance landscape, which can lack transparency.
- ◆ Difficulty in navigating and coordinating funding from multiple sources with varying requirements.

“Global adaptation action needs more effort given the scale of the devastation being caused by the impacts of climate change... **We must come together as an international community to ensure finance and investment reaches these vulnerable communities as quickly as possible, something the Resilient Water Accelerator will help us to do**”.

*Mr. Md Tazul Islam, Minister of Local Government, Rural Development and Co-operatives, The People's Republic of Bangladesh*

# THE OPTIMAL DESIGN APPROACH'S 5 PHASES GUIDE COUNTRIES



# THE OPTIMAL DESIGN APPROACH HAS THREE KEY THEMES THROUGHOUT

# 1

## Enabling Environment

A strong Enabling Environment is a critical step to engaging the right investors and relies on active engagement from governments from the national to local level. The OpDA provides critical steps to build the Enabling Environment at the national and watershed level.

# 2

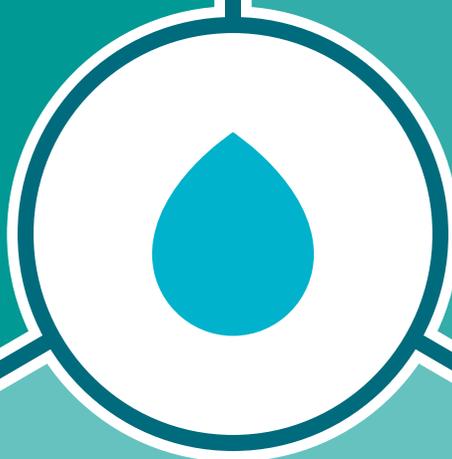
## Blended Finance Approach

More than just public finance or even climate finance will be required to meet these water security challenges, which is why the OpDA initiates an approach of assessing and blending public and private finance options for a bespoke result based on the selected location.

# 3

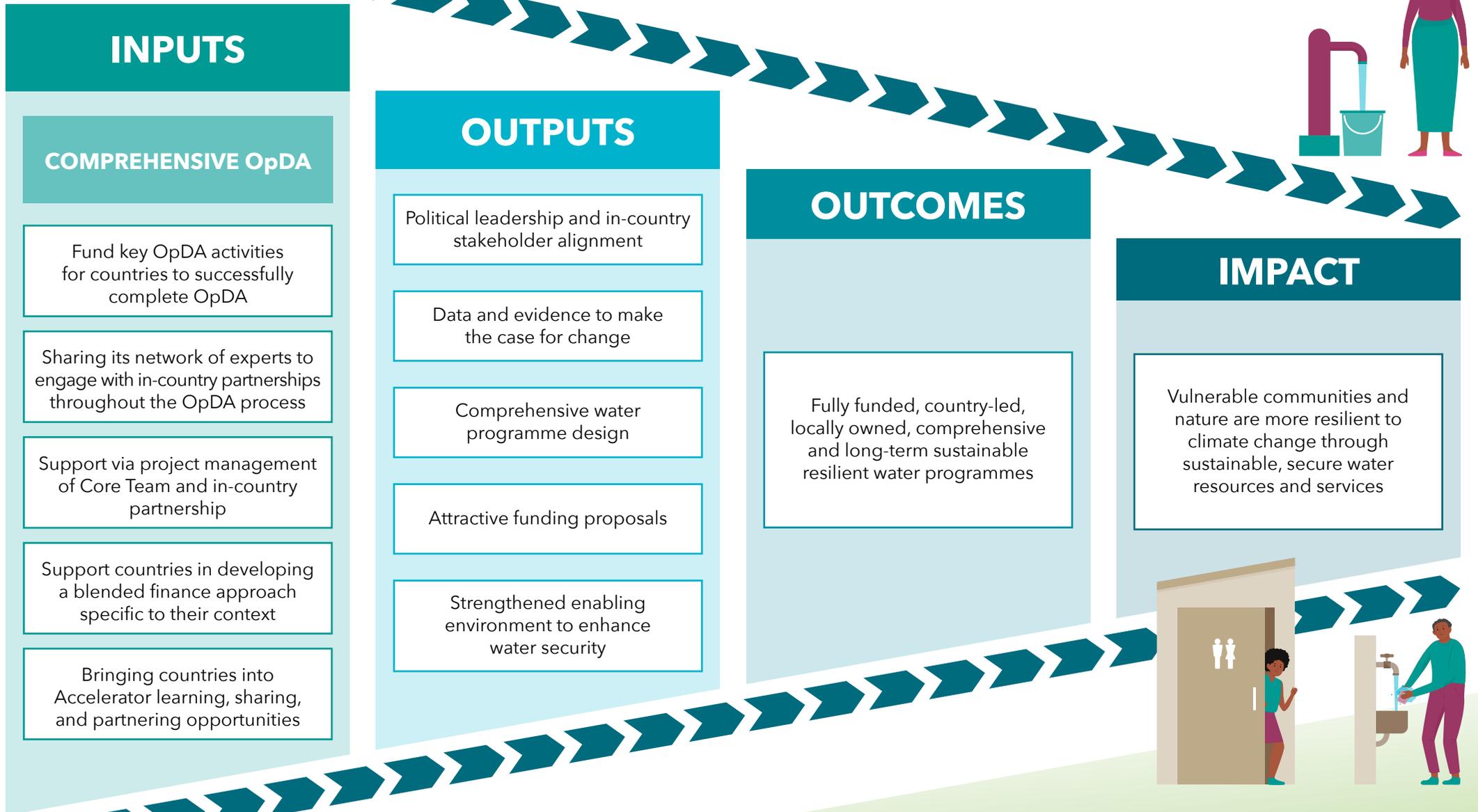
## Engaging Vulnerable Communities from the start

This work is to benefit vulnerable communities – which are often women and girls – so all vulnerable communities must be at the table and engaged in problem solving from Day 1 of the watershed work to ensure resilient, locally-owned solutions. Gender equality plays a key role in a successful OpDA journey.

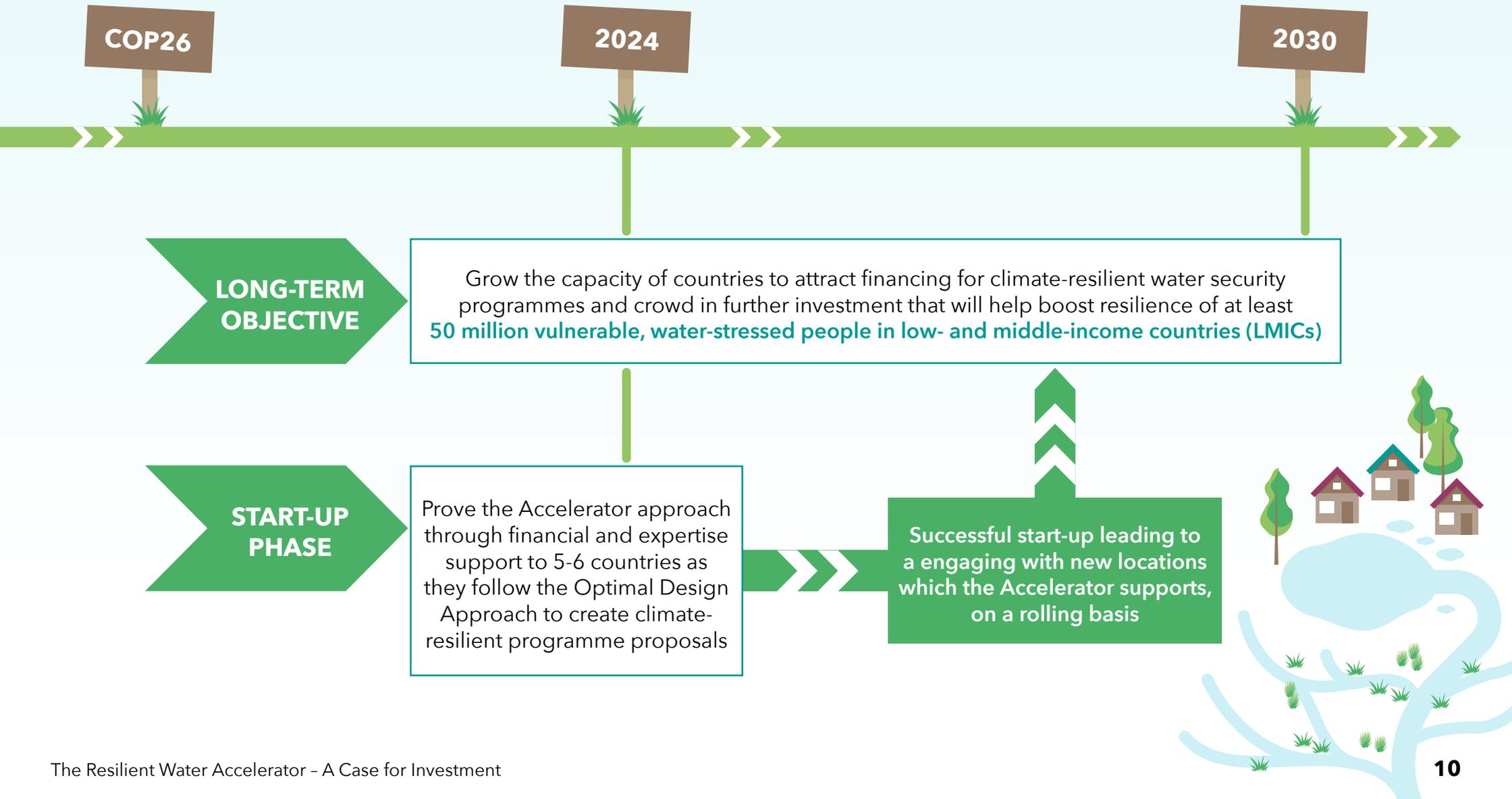


# OUR THEORY OF CHANGE:

WITH FINANCIAL AND TECHNICAL SUPPORT, COUNTRIES CAN BECOME MORE RESILIENT



# TO ENHANCE WATER SECURITY FOR 50 MILLION VULNERABLE PEOPLE BY 2030, THE ACCELERATOR WILL INITIALLY SUPPORT DEVELOPMENT OF RESILIENT WATER PROGRAMMES IN 5-6 LOCATIONS



# WHERE WE ARE ON OUR JOURNEY

WHAT WE HAVE ACHIEVED SO FAR

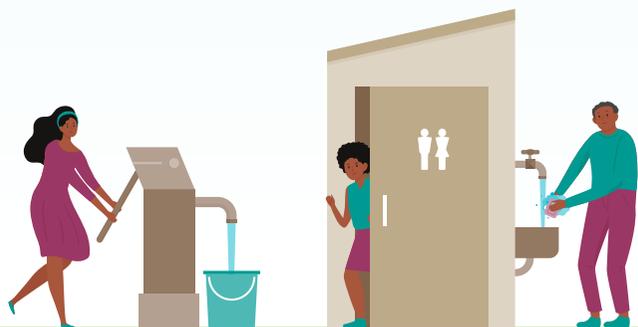
- HRH The Prince of Wales launched the Resilient Water Accelerator as part of his Sustainable Markets Initiative.
- Engaged with key stakeholders to develop the Optimal Design Approach.
- Arrived at key principles for how the Accelerator will conduct its work
- Explored interim options for the. governance, funding, and operating model.

WHAT WE AIM TO ACHIEVE BY DECEMBER 2021

- Build required partnerships and set interim structure to enable start-up.
- Announce the Accelerator's strategy and start-up phase at COP26.
- Raise the core funding required to initiate operations and secure funding commitments for 5-6 countries.
- Finalize governance and funding models.

WHAT WE AIM TO ACHIEVE BEYOND 2021

- Launch start-up phase (2022-2024) and prepare for country engagements in selected 5-6 locations, including MoU signing with governments and establishment of in-country partnerships.
- Test, refine, and prove the OpDA in 5-6 countries, with the aim of boosting resilience of at least 50 million vulnerable, water-stressed people in LMICs by 2030.



# WE ARE WORKING ON SEVERAL KEY AREAS TO RAPIDLY OPERATIONALISE THE ACCELERATOR



## GOVERNANCE AND OPERATING MODEL

- ◆ We have already setup an interim task team that will work with the secretariat to take key decisions, oversee and steer the work of the Accelerator during start-up phase.
- ◆ We have created an interim secretariat, which consists of a core team to deliver on the work of the Accelerator.
- ◆ We will establish an account or facility through which funding can be managed.

## SCOPE AND ACTIVITIES

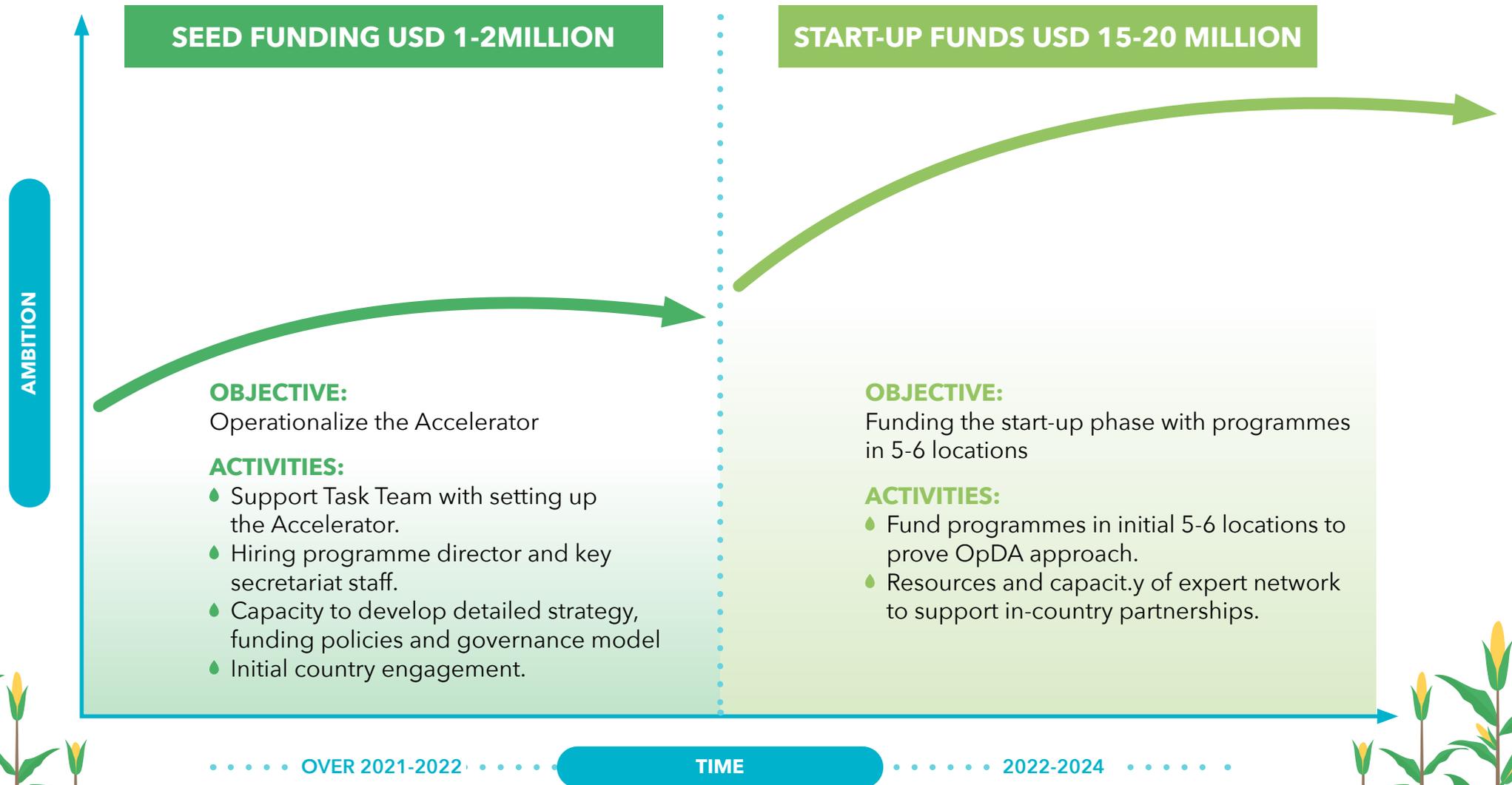
- ◆ We will agree with key stakeholders on the interim approach to key elements of our strategy (e.g., country support model, expert network).
- ◆ We will finalize list of 5-6 locations for the start-up phase with engagement and buy-in from those governments.

## FUNDING MODEL

- ◆ We will fundraise USD 15-20 million for the launch of the Accelerator's key activities in selected locations.
- ◆ We will finalize the Accelerator's long-term allocation and disbursement model.

# TO OPERATIONALISE, THE ACCELERATOR NEEDS INITIAL FUNDING NOW

## SEED FUNDING AND STARTUP FUNDS



**“To avert a water crisis, we must scale up water infrastructure to reach the most vulnerable communities, and do so in a way that is sustainable and resilient to climate change. We can only achieve this with innovation, increased investment, and partners across all sectors - and the Resilient Water Accelerator is part of the solution. As safe water becomes more scarce, our collective action becomes more urgent than ever.”**

*Henrietta Fore, UNICEF's Executive Director*

**“Climate change means more floods, more droughts and more severe storms and dramatically increases the risks to communities that already do not know from one day to the next whether they will get enough clean water for their basic needs. This initiative aims to reach 50 million people, in some of the world's most marginalised communities, with reliable and sustainable water services, by 2030.”**

*Tim Wainwright, WaterAid's Chief Executive*





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