

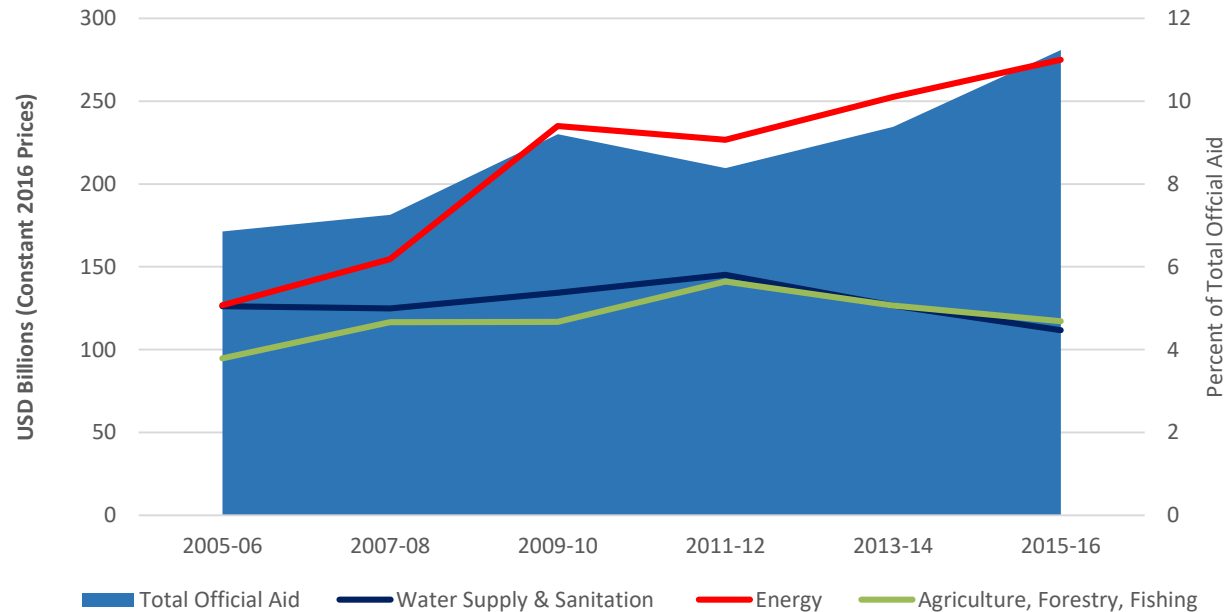


# **BLENDED FINANCE for WATER INVESTMENTS**

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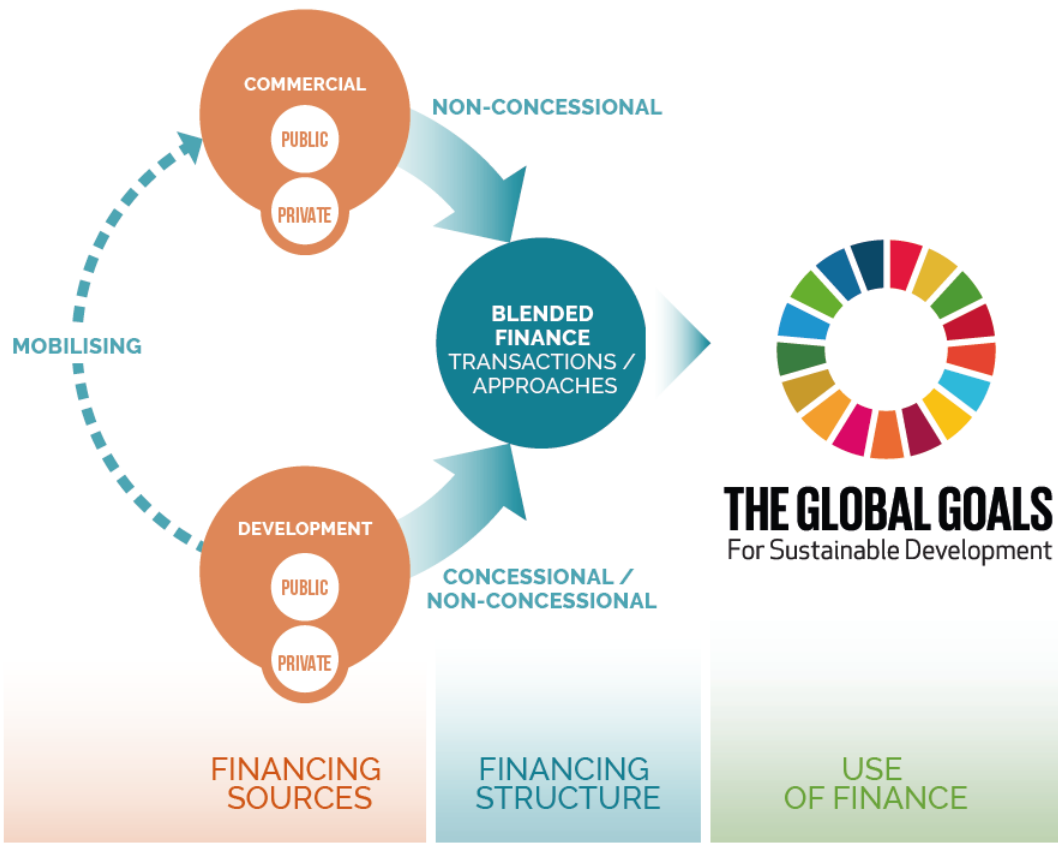
## Official aid to water is reducing in relative terms



- While official aid has **increased overall**, the share of water as a percentage of all aid flows has **declined from 5% in 2005-06 to 4.5% in 2015-16**



# Blended finance can help bridge the investment gap for agricultural water management



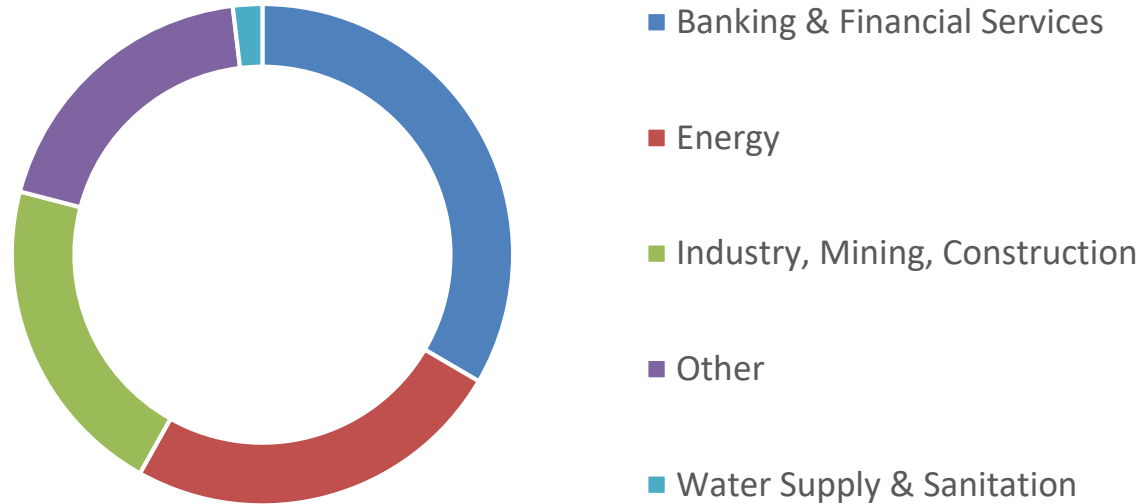
## What is blended finance?

Blended finance is the strategic use of development finance for the mobilisation of additional finance towards sustainable development in developing countries.





# Sector-wise overview of blended finance: water a small slice of the pie



- A 2016 OECD Survey showed that, in 2012-15, **USD 81.1 billion was mobilised from the private sector** by official development finance interventions, however only **1.9% was for the water sector**



# Case example: As-Samra Wastewater Treatment Plant, Jordan

- Expansion of WWT plant
- Millennium Challenge Corporation (MCC): advisory and viability gap funding of USD 93 million (grant) -> secured BOT contract
- Diverse blend of financing: USD 20 million grant from Government of Jordan; USD 110 million in private finance (loan syndication process)
- Increased availability of water for agriculture, freeing up freshwater for high value use in municipalities





## Thank you

More on OECD's work on blended finance:

<http://oe.cd/blended>

More on the Roundtable on Financing Water:

<http://oe.cd/water-roundtable>