



# Session III – Policy framework for financing water resources management

## Setting the scene

**Pierre Strosser**

# The hypothesis

**A sound policy framework for financing water resource management is a pre-requisite to...**

**... effective policy making (and implementation)**

**...**

**... towards sustainable management of water resources**

# Two questions

**Do policy frameworks for financing water resource management exist?**

**If yes, what are their main features?**

**And how to ensure they support sustainability?**

# Basic policy principles



## Financial flows:

Polluter pays

User pays

Beneficiary pays

water-pays-for-water

Equity

Transparency

....

# Integration



## **Within the water sector**

- Financing to water and sanitation
- Financing water resource managements

## **Between water and other sectors**

- Direct financing to the water sector
- Sector-based financing (agriculture, climate change/kyoto, renewable energy)

# Priority setting



**Allocating budget to different alternatives**

**Adapting available budget**

# Institutions and governance



**Mechanisms, institutions, rules....  
established to ensure « it works in  
practice»**

From legal frameworks to...

... mechanisms, rules, responsibilities, and  
institutions

# Building on practical experience

- ✓ **Fausto Medel (CONAGUA, Mexico)**
- ✓ **Ricardo Segura (Ministry of Environment, Spain)**
- ✓ **Guy Pegram (Pegasys, South Africa)**
- ✓ **A. K. Bajaj (Central Water Commission, India)**