



Third Meeting of the OECD DAC/EPOC Water Task Team

Maurice Bernard
Chair

The OECD DAC/EPOC Water Task Team Origins

- Formed as a follow-up to the 2006 Meeting of OECD Development and Environment Ministers
- Together with two other Task Teams on
 - Climate Change
 - Governance and Capacity Development for Environment and Natural Resource Management
- We have to report back to Ministers in 2009. (Possible Ministerial meeting in May 2009)
- Not an official body of the OECD – an “expert body” that reports to the DAC/ENVIRONET and to EPOC/WPGSP.

The OECD DAC/EPOC Water Task Team

Working methods

- Participation of OECD governments on a voluntary basis
- Participation open to relevant experts not representing OECD governments
- More flexible, less formal procedures (e.g. no interpretation,...)
- Task Team members to contribute on the basis of their experience
- Secretariat support provided by Environment Directorate and Development Cooperation Directorate
- Outputs will need to go through to the “OECD committee system” to be formally endorsed by OECD

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Objective, Focus, Context

- **OBJECTIVE:** To support the achievement of the Water MDGs by helping developing countries to enhance the financial sustainability of the WSS sector
- **NARROW FOCUS:** To identify and develop approaches that support the efforts of developing countries to develop strategic financial plans for the WSS sector
- **DEVELOPMENT CONTEXT:** By helping to structure sector-wide policy dialogues, such approaches will support the broader development efforts described in the Paris Declaration on Aid Effectiveness

The OECD DAC/EPOC Water Task Team Work programme

1. To gather relevant experience in OECD member countries
 - Domestic experiences
 - Development co-operation experiences
2. To adapt FEASIBLE to the African context
 - FEASIBLE is an existing modelling tool developed within the OECD that supports strategic financial planning
 - A joint workshop with EUWI-FWG and WSP was held in April 2007 to review and compare FEASIBLE and other methodologies
3. To support the development of at least 2 new experiences in Africa
4. To prepare a final report (« Financing Strategies report »)
 - To showcase good practices and identify lessons learned in the development and implementation of financing strategies for WSS
 - To offer recommendations on how donors can support the development and implementation of financing strategies

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Previous meetings

- FIRST MEETING (March 2007)
 - Election of France as Chair
 - Definition of focus of work, and adoption of work programme
 - Approval to support work in Egypt, led by Greece
 - Approval to support work in a Sub-Saharan country, led by the EUWI-FWG

- SECOND MEETING (October 2007)
 - Discussion of existing experiences in Africa
 - Discussion of draft outline “Financing Strategies report”
 - Decision to focus immediate work on gathering and analysing existing experiences, to support “Financing Strategies report”

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This meeting

- OBJECTIVES:

- To review progress in implementing our Work Programme
- To start developing the main messages of the “Financing Strategies report”
- To discuss how to move forward (finalisation of “Financing Strategies report”, dissemination of the report, ideas for a possible Work Programme in 2009-2010)

- AGENDA:

- Three blocks, as above
- Focus on developing main messages: plenary, break-out groups, plenary

What is a “financing strategy”?

- **An approach** that attempts to develop a national consensus on what water supply and sanitation services the country can or should afford in the next 20-30 years and how will it pay for them
- **A methodology** that suggests to structure the process of consensus-building in the following steps
 - (i) development of accepted baseline and assessment of financing gap
 - (ii) discussion of policy options that could help to close the financing gap
 - (iii) development of alternative scenarios
 - (iv) identification of most appropriate scenario and associated policy mix.
- **A product**, a strategic financial plan documented in a report