

TOPIC SYNTHESIS SESSION DESCRIPTION FORM

10TH WORLD WATER FORUM

Please complete this form no later than 22nd of March 2024.

Session Code and Title (e.g. Topic Synthesis Session 3A):

Topic Synthesis Session 5D

Topic Coordinators (Name, Position, Organization, email, mobile number):

Name: **Sri Bagus Guritno** Position: Senior Auditor Organization: Ministry of National Development Planning, Government of Indonesia Email: <u>sbguritno@bappenas.go.id</u> Telephone: +62-816-1898-905

Session Description (300 words):

Financing the water sector through the capital market and banking (loans) with a green approach has been widely used in various countries around the world. Clean water supply and wastewater treatment, albeit not limited to these areas, are the main fields within the water sector where financial innovation is needed to overcome development challenges and service difficulties. However, implementing green financing instruments in the water sector is much affected by political commitments, sectoral governance, business models and macro-fiscal situations. This has been widely studied and reviewed by various parties, including the global banking sector. This topic will discuss the application of innovative financing instruments in the water sector, emphasizing the use of green financing as an alternative method. The sessions of this topic will discuss the obstacles experienced in implementing green financing in the water sector and how to overcome them. In the sessions on this topic, methods for transformation and on-hand experiences will be revisited to create the water portfolio as a sustainable and financially secure business. This topic will identify and strengthen strategy that improves regulations and governance, adaptation to the size and level of country income and the macro-fiscal situation, as well as the involvement of the banking sector and capital markets.

Key messages (2 maximum)

1. To **overcome development challenges** and service difficulties within the water sector, implementing innovative financial approaches, including green financing instruments requires political commitments, improvement in sectoral governance and sound-secured business models.

2. Development of **joint strategies for countries** with an interest in implementing green financing based on the experience of financial and banking institutions, which includes strengthening political commitment, improving governance, and creating sustainable business models in the water sector.



Concrete outcomes (2 maximum)

1. **Inventory on strategic matters** in the aspects of forming political commitment, improving governance and strengthening business models in the water sector, which can be followed up jointly by countries interested in implementing green financing.

2. **Commitment to build cooperation protocol and working path** between countries with financing and banking institutions to implement and managing green financing for the water sector.

Detailed Session plan:

ESTIMATED TIMING	ITEM DESCRIPTION / ROLE	SPEAKERS	SPEAKERS STATUS (OK OR TBC)
30 minutes	Informing the development challenges and service difficulties within the water sector, as well as the challenges implementing innovative financial approaches, including green financing instruments.	 PT Penjaminan Infrastruktur Indonesia (Indonesian Infrastructure Guarantee Company) AquaFed (Private Water Companies Association) 	 PT Penjaminan Infrastruktur Indonesia, the Indonesian Infrastructure Guarantee Company (confirmed, Andre Permana) AquaFed, Alejandra Suarez.
10 minutes	Experiences of a strengthening political commitment, improving governance, and creating sustainable business models in the water sector, regarding the opportunity to explore green financing instruments.	• World Bank	ТВС
10 minutes	Insight on the opportunity to build cooperation between countries with financing and banking institutions to implement and managing green financing for the water sector.	 Indonesian Ministry of National Development Planning. 	Sri Bagus Guritno
20 minutes	Discussion	Development Funding Advancement, Indonesian Ministry of National Development Planning	Novie Andriani,
10 minutes	Summary by the rapporteur		