Engaging national public development banks in financing WASH and WEFE nexus projects

Union for the Mediterranean 6th Annual Conference on Water and Investmetn
Regional Priorities and the Role of Banks
13th October 2025

Sophie Trémolet, OECD ENV Water Team Lead

OECD Finance in Common

Session objectives

- Explore how **national public development banks (NPDBs) are supporting water resilience investments** in the Mediterranean region with focus on Egypt, Türkiye, Tunisia and France
- Introduce the newly launched **Public Development Banks for Water initiative,** led by the OECD
- **Discuss what is needed to accelerate investments in water resilience,** at national level and through cross-learning and the development of regional collaboration

Our speakers today

Moderator and presenter

Sophie Trémolet, Water Team Lead, OECD Environment Directorate

Speakers

- **Amir Nashed**, Head of Sustainability, National Bank of Egypt
- **Şevket Altuğ Taşdemir,** Head of International Relations Department, İlbank, Turkiye
- **Nejia Gharbi**, General Director, CDC, Tunisia
- **Lucrétia Letourneur**, Project Manager, Water Community, Banque des Territoires, CDG Group, France (*online*)
- **Hicham Bouziane**, Director of Regional Planning and Development, Regional Council Tanger-Tetouan-Al Hoceima, Morocco

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Public Development Banks for Water Initiative

- Launched in September 2025
- Led by the OECD
- Inviting PDBs to join as participants - encouraging active participation

Mind the Water Financing Gap

According to United Nations recent reports, in 2024:

2B people lack safely managed drinking water

3.4B people lack safely managed sanitation

10% of the global population live under high or critical water stress

$140.8B/year needed to achieve SDG 6.1 & 6.2 (World Bank, 2024)

What is investing in water resilience?

- Water and sanitation infrastructure
- Supporting economic actors (industry, agriculture, local governments) with improving water use efficiency, reducing pollution or adopting water reuse.
- Protecting and restoring freshwater ecosystems
- Green and grey infrastructure to manage water scarcity and flood risks.

Calls for greater Domestic Resource Mobilisation – including in “water circles”

2025 Sevilla Commitment

..We will support enhancing the ability of multilateral development banks and other public development banks to work better as a system..

Key objectives of the PDB4 Water Initiative

- **Community of Practice**: Raise awareness re. water sector investment needs and innovative financing schemes among public development banks and water sector actors through regular outreach
- **Analytics:** Develop analytical work to help PDBs increase the scale and quality of water financing
- **Country-level work:** Support national PDBs scale up their water investments through national policy dialogues on water and peer-to-peer learning

Specific focus on encouraging national and sub-national PDBs to invest in water, as they have unique attributes

- Social mandates
- Consistency through political and economic cycles
- Can strengthen enabling environments at local and subnational levels
- Can offer long-term finance
- Access to national savings (for some)
- Provide domestic currency lending
- Expertise and knowledge in infrastructure
- Can invest in project pipeline preparation and provide technical assistance

This initiative builds on earlier efforts

Finance
in Common

Finance in Common is the global movement bringing together all 536+ public development banks (PDBs) in the world – international, regional, national and subnational – to align their agenda with the United Nations' SDGs and the Paris Agreement. It holds a regular Finance in Common Summit (FiCS) – next Q1 2027

Water Finance
Coalition

Launched in 2021 under Finance in Common, the **Water Finance Coalition** was launched as a community of practice for PDBs committed to increasing water sector financing. Its mission was to strengthen PDBs' capacity to invest in water, sanitation and water security, close the sector's financing gap, and position water at the center of global sustainable development and climate action.

Operated with a rotating chair, including **AFD**, **CAF** and **BANOBRAS** (Mexico)

Brought together **70+ PDBs** to provide:

- Peer learning and exchange of experiences
- Advocacy
- Knowledge generation
- Technical support to PDBs integrating water into their projects

Mapping out the PDBs and DFIs universe

http://www.dfidatabase.pku.edu.cn

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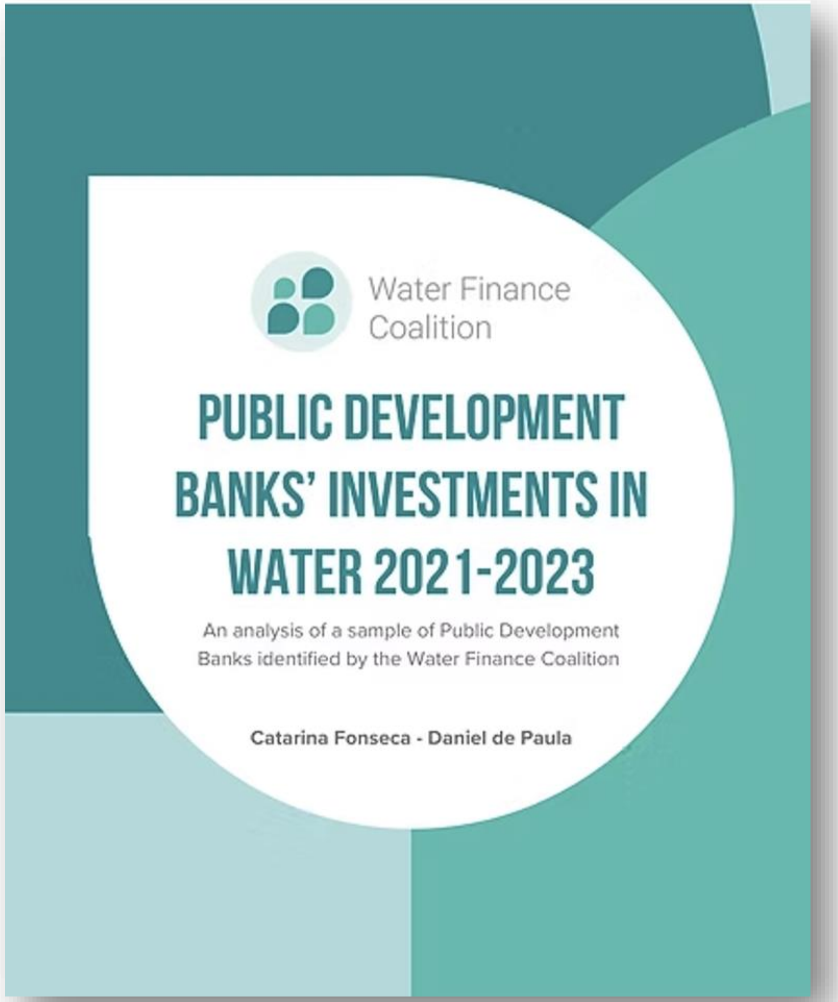
Investments by PDBs in water

37 PDBs (accounting for 29% of total assets reported in 2022 by all PDBs) declared more than **$108Bn** of investments in the water sector between 2021 and 2023 (including China Development Bank with $44.9B of investments).

Removing the China Development Bank from the sample, the average of the investments made by MDBs is around **$2.1B** while NPDB average is **$1.4B** during that period

Many PDBs are not tracking their water investments even although SDG6 features prominently in their annual reports



***Note:** water and sewerage investments, stormwater and drainage, flood protection, water resources conservation, treatment, distribution, water security and coastal protection were considered. Policy, institutional and capacity building investments in the sector were also included. Efforts were made to exclude investments that were specifically tagged under irrigation/agriculture and solid waste management.*

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MDBs Investing in Water

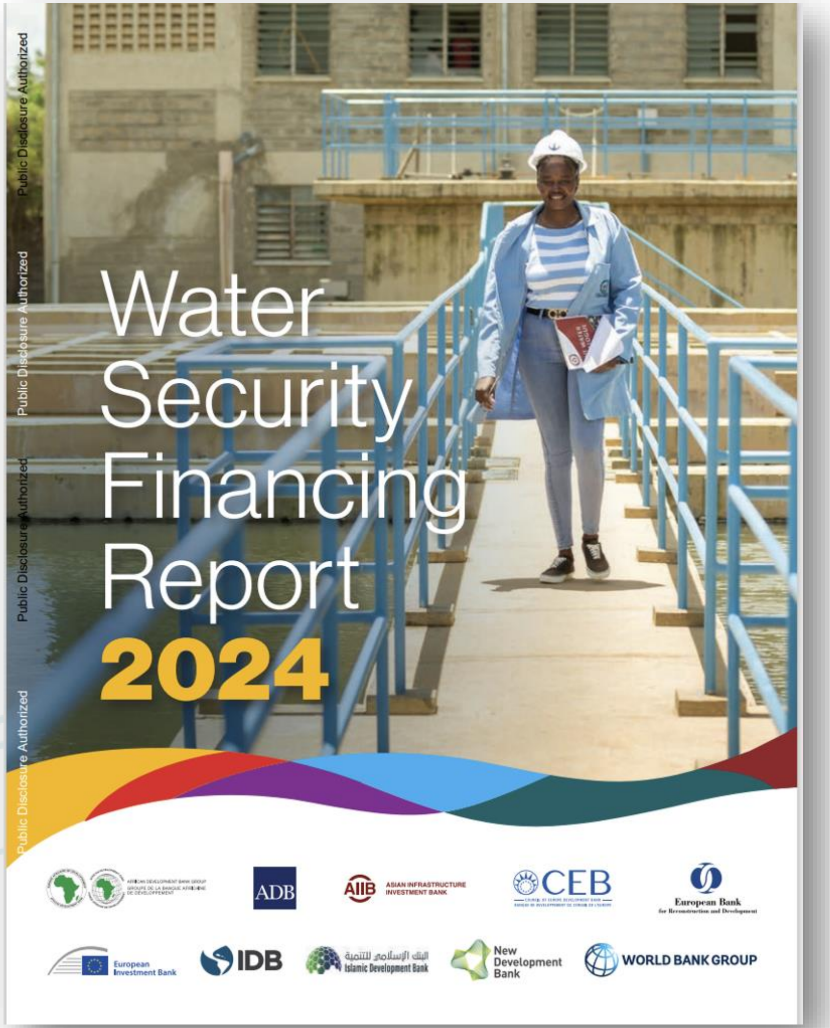
10 MDBs approved **$19.6Bn of investment in water in 2024**

Investments by subsector (% of total)

- Water supply & sanitation: 71%
- Water for agriculture: 13%
- Water resources management: 12%
- Policy-based loans: 4%

Share of water in MDB portfolios

- World Bank Group: 6%
- Asian Development Bank: 19.6%
- Islamic Development Bank: 25%
- New Development Bank: 11%



How the PDB4Water initiative will work

- Led and coordinated by the OECD to foster active participation
- **Participants:** PDBs (with emphasis on growing National PDBs participation), other stakeholders (Governments, NGOs, academia)

- **Regular engagement**
  - Follow Showcase page on LinkedIn and highlight own content to Initiative
  - Complete survey to indicate existing experience, ability to contribute and needs for support, interest in joint analytical work
  - Engage with quarterly meetings to report on progress (by PDBs & by the initiative itself, such as presence at international fora and analytical work)

- **Governance and results framework still to be defined**
  - Looking for active participants to come forward and define roles: define research topics and modes of engagement for more active engagement

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The Initiative will benefit from and contribute to OECD's work on water financing

Analytical work

- Report on the financial materiality of water-related risks for central banks released last week

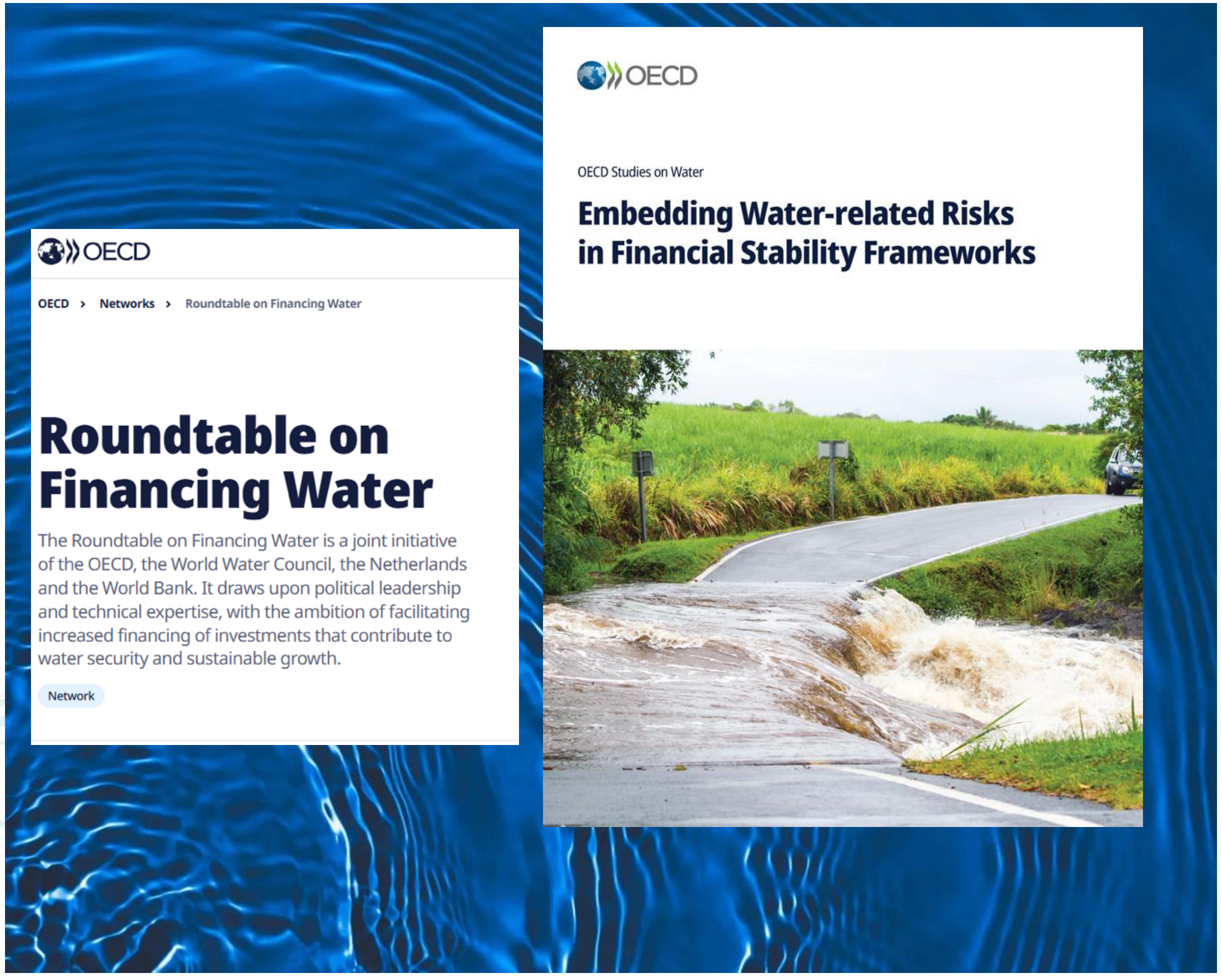
Roundtables on financing water

- On financing freshwater restoration
- On financial materiality of water related risks
- On equitable water financing

With background notes and follow-on publications

Policy dialogues at country level

- Water Demand Management in Mongolia, May 2025
- Ongoing or upcoming dialogues in Asia (Philippines, Uzbekistan, Cambodia, Vietnam, Kyrgyzstan) and Africa (Senegal, potentially Egypt)



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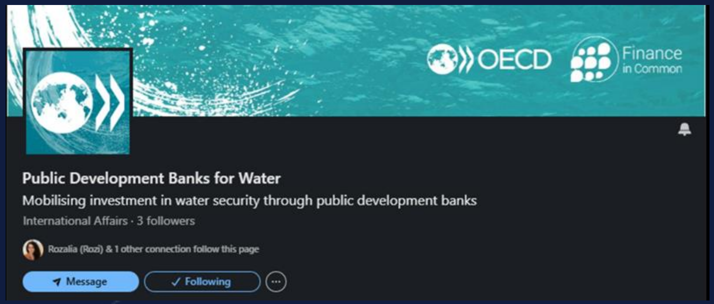
Ways to engage

- Complete the PDB survey to help us understand needs and ways to engage

- Follow us on LinkedIn and contribute content



https://www.linkedin.com/showcase/public-development-banks-for-water/about/

Fore more info, contact:

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Water Team Lead, OECD Environment Directorate

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