

Water finance: a checklist for government planners in the SADC region

As a government economic planner, you allocate taxes to achieve developmental goals. You address financial support and the use of government guarantees for water resources investment.

Here are some important things to think about.

- Investing in water.** Water is a limited resource. Developing and managing water resources for sustainability is a crucial investment in the future and a vital step in ensuring that national and social goals are achieved. Inform yourself about how water affects important sectors in your country, and become an advocate for water investment.
- Kick-starting development through financial support.** Countries with limited development of water resources need financial support for water resource infrastructure to achieve their goals. As their economies evolve, opportunities for recovering costs from water users arise, which allows financing of further development. Be aware of how you can help your country move forward.
- Using appropriate sources of funding.** Financing for water resource development

and management comes from three main sources, which may be used in different ways. Water users should pay for the basic delivery of water and operational costs that benefit them directly. Issues of public interest, such as catchment management and conservation of aquatic ecosystems, should be financed by taxpayers at local and national levels. Development assistance is best used to support the construction of new infrastructure or similar one-off initiatives. Match these resources to the right kind of activity.

- Ensuring adequate governance.** Fully accounting for the use of funds through these three channels is critical. Transparent and accountable governance is essential. Build trust by making sure that your management and financial systems deliver accurate and current information, and respond to requests for information willingly and promptly.

*When we invest in water,
water pays us back*

The source of this advice is the report, *Financing Water Resources Management and Development*, SADC Water Division, February 2014.

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