

Sub-Theme: Innovative Financing Model for Water Infrastructure

Topic: Public Private partnerships for water finance

Background:

Traditionally, Water resources projects, predominantly irrigation projects have been financed by States / Central Govt. as water being considered as a social commodity due to it being fundamental to life be it public health, food security, economic growth or sanitation. Investment by private sector in water resources projects (irrigation projects), except for hydropower projects, have remained elusive due their scale, long gestation periods and large investment requirement. In recent times, with initiative of Central Govt. through its PMKSY scheme, softer loans have been arranged to State Govts. for completion of priority projects, but liability for repayment of the same ultimately falls on the borrowing Government. This puts fiscal pressure on the Governments or such projects are implemented at the cost of other developmental needs. The topic of the session is therefore relevant to discuss possibilities of private sector investment in water resources / irrigation projects and in modernisation of existing projects for their efficient functioning and rationale water pricing.

Objective:

- The session will provide forum for sharing perspectives, experiences, and case study based PPP models in implementation / management of irrigation projects.
- Exploration of possibilities of management of existing large WR projects by private agencies for their efficient functioning (increase in water use efficiency) and generate revenue (water pricing/ tourism/ pisciculture etc.) to make them self-sufficient in extension/ renovation/ modernisation of projects.
- Case studies based presentations on possibility of private sector investments in waste water management (by giving ownership of treated waste water for revenue generation).

Expected Outcome:

- Enhanced understanding of water resources financing approaches, including public funding mechanisms and PPP models.
- Identification of key considerations in planning, financing, implementation, and O&M of water sector projects, with emphasis on risk allocation, contractual arrangements and lifecycle management.