

The Water Crisis is Now

By Oliver Griffith

By the time you finish reading this article at least five children will have died because of diseases borne by dirty water. Studies show that by 2025 half the world's population will not have enough water to meet its needs. Already a billion people do not have access to clean water, and more than two billion lack adequate sanitation. And as scarcity increases, farmers are finding it more difficult to feed the world's growing population, which could reach nine billion by 2050. A water crisis is happening now, and it compromises our efforts to reduce poverty and promote economic development.

In recent years China, has experienced the worst droughts in half a century, affecting millions of acres of farmland and causing power shortages. In northern Africa, the encroaching desert has been forcing people to resettle and has exacerbated tensions between farmers and herders. And famine in the Horn of Africa has served as a horrific reminder of the effects of drought and poor water management.

It does not have to be this way, there are solutions

The **OECD** estimates that by 2015 average annual investment of over USD200 billion will be necessary for water and wastewater services worldwide. Since public resources are becoming scarcer, the bulk of this must come from the private sector. Fortunately, investors are showing interest. Pension funds are embracing water stocks because they involve secure, multi-year contracts, and investment managers are looking to water because it offers steady, low-volatility returns for their clients. These incentives will continue to grow as pricing for water becomes more aligned with its true cost, and as innovation and new technologies create lower-cost ways of managing water.

Governments must also take action. Water and sanitation infrastructure projects generally require large, up-front capital investments, with costs recouped over the long term. While private investors can supply some of the funding, governments have to assure the right regulatory framework and cooperation to support them. At the **World Bank Group**, we have worked with governments and private companies to structure concession agreements so that they are attractive to investors and fairly distribute risks.

Aside from increasing water supply, there is also a need to increase efficiency to address the issue of scarcity. **IFC** partnered with private companies to start the **Water Resources Group**, which is a public-private collaboration that looks at the issue of sustainable water



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management between its different uses. The WRG's activities will help policymakers make the right choices and plan for the future. One promising conclusion of the group's work is that investments in efficiency can make a huge difference at a reasonable cost. In some countries the greatest room for increased efficiency is in the industrial sector.

However, most countries should focus first on the agricultural sector, since it uses 70 percent of water worldwide – with half of it wasted. Investment in more efficient irrigation makes a big difference. IFC has helped **Jain Irrigation** expand its operations in India, where its micro-irrigation products have resulted in water savings equal to the annual consumption of about 15 million households. Jain is now expanding to Africa, a promising initiative in South-South cooperation. This is only one of many examples of innovations that can help contain the water crisis. Investors, governments and international organizations can and must work together, and they must do so now. Since water is a common good, its use and conservation require common solutions. ■

Source:

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تشير الدراسات إلى أن نصف سكان العالم لن يكون لديهم ما يكفي من المياه لتلبية احتياجاتهم بحلول العام ٢٠٢٥. هناك مليار شخص حالياً لا يحصلون على مياه نظيفة، ويعاني أكثر من مليار شخص من نقص في خدمات الصرف الصحي الملائمة. ومع ازدياد ندرة المياه، يجد المزارعون صعوبة أكبر في إطعام سكان العالم الذين يزداد عددهم بوتيرة سريعة، والذي قد يصل إلى تسعة مليارات بحلول العام ٢٠٥٠. هناك أزمة مياه في الوقت الراهن، وتحتاج جهود الجميع لمواجهتها والحد من الفقر وتعزيز التنمية الاقتصادية. يتوجب على المستثمرين والحكومات والمنظمات الدولية أن يتعاونوا بأسرع وقت ممكن. بشكل رئيسي، ينبغي أن تركز معظم البلدان على القطاع الزراعي، نظراً لأنه يستهلك ٧٠ في المئة من المياه في جميع أنحاء العالم، ويضيع نصف هذه النسبة هباءً، لذلك فإن الإستثمار الأكثر كفاءةً في الري سيحدث فرقاً كبيراً.