Blue Peace

# Blue Peace Financing

**Region**
West Africa

**Partners**
United Nations Capital Development Fund (UNCDF), Gambia River Basin Development Organization (OMVG), Freetown City Council (FCC)

**Background information**
The Blue Peace Financing Initiative was launched by Switzerland with UNCDF as implementing partner in 2019 to mobilize finance for water.

**Project objectives**
To unlock public and private capital for better access to water-related services for all, while contributing to sustainable and integrated water resource management, transboundary water cooperation and peace.

**Beneficiaries:**
River basin organizations (RBOs), national authorities, local governments, people living in the target river basins and municipalities.

**Coordination/synergies**

**Costs:**
CHF 14.6 million.

**Duration**
2019 - 2027

**Contact**
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Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

**Swiss Agency for Development and Cooperation SDC**

## Summary/Introduction

The Blue Peace Financing Initiative was launched in response to a recommendation by the Global High-Level Panel on Water and Peace to develop innovative financing for water. BPFI promotes the access to public and private capital for regional and local non-sovereign entities by using water as an entry point for transboundary, multisectoral cooperation frameworks and investment plans, creating new opportunities for transboundary and local infrastructure investments.

## Main text (context, objectives etc.)
## 2'500 – 3'000 characters (with spaces)
## Max. 1 – 2 pictures/graphics

Since the first Financing for Development conference in 2002, the essential role of innovative finance and multistakeholder cooperation in achieving the Sustainable Development Goals has been consistently underscored. Current estimations show that the world needs to mobilize up to USD 7 trillion by 2030 for water-related infrastructure and investments to meet global water and sanitation commitments and address decades of underinvestment.

Against this backdrop, the Blue Peace Financing Initiative (BPFI) addresses a deep structural misalignment in the global financial architecture: while water resources are inherently transboundary, multisectoral and local, existing governance and financing systems are predominantly sovereign-centric and sector-siloed.

This mismatch leaves the actors closest to communities, such as River Basin Organizations (RBOs) and municipalities, without the legal standing, technical capacity or direct access to capital markets needed to provide essential services. Furthermore, less than 20% of global climate finance currently reaches subnational actors.

BPFI focuses in this phase on two contexts: a transboundary RBO, through its pilot with the Gambia
River Basin Development Organization (OMVG), and a municipal authority, through its pilot with the
Freetown City Council (FCC).

Through the partnerships, BPI aims to achieve the following:

- Capital is mobilised and directed towards river-basin and municipal portfolios or masterplans leading to an upgrade of livelihood assets.
- A pipeline of investment projects based on multi-sectoral negotiated masterplans or investment plans is established.
- Local communities have better and more affordable access to water-related services, such as drinking water, sanitation and hygiene, irrigation, and energy.
- The enabling environment for sustainable sub-national finance, including blended finance, is enhanced.
- The legal and financial capacity of non-sovereign entities to manage access to capital sustainably is strengthened (upgrade of creditworthiness).
- Innovative approaches to measure sustainable development and peace impact are analysed and identified.
- Ownership and legitimacy are increased through inclusive policy dialogue, involving populations, local governments, countries, regional institutions.
- Awareness is raised around the connection of municipalities to the source of water and river basin via innovative approaches of impact monitoring, reporting and communication.

In the long-run, Blue Peace Financing seeks to transform water scarcity from a source of potential conflict into a "strategic entry point" for cooperation and investments to improve human well-being, using innovative financial instruments, whilst building sustainable capacity and fostering new partnerships.



*Aerial view of Gambia river, © Dennis Jacobsen / Shutterstock.*

Additional information:

https://www.uncdf.org/mif/blue-peace-financing-initiative

https://thebluepeaceinitiative.org