

**Submit Written Statement/Input by the
Hungarian Water Partnership
as accredited stakeholder organization to the UN 2023 Water Conference**

Input to assess challenges and opportunities relating to, as well as support further action to implement, the objectives of the Decade and the water-related goals and targets of the 2030 Agenda for Sustainable Development.

Facing cost recovery constraints in water infrastructure development, apply bankable and sustainable WASH Solutions to overcome affordability barriers limiting the mobilization of private capital.

Even in Europe the water utility infrastructure management and development are facing profound financing gaps. The reconstruction of the aging water infrastructure is underfinanced and underperforming. Capital costs are not or just partly included into tariffs, nor covered by public spending. The yearly reconstruction rate of the existing infrastructure is less than 1%-0,1%, which is presuming an unrealistic life expectancy of up to over 1.000 years.

Detailed and large-scale investment and asset evaluation results shows that EU standard “nearly full scale” water and sanitation utility infrastructure investment/replacement costs are 1.500-7.500.-€ per capita. With the collection and distribution network fluctuating between 1.200-5.700.-€ per capita (75-80% of the total) depending on local conditions, but mainly on the size and type of the municipalities - the smaller/”rural like” the more expensive.

This numbers are reflected also in the UNEP City-Level Decoupling Urban resource flows and the governance of infrastructure transition Report. It estimates that the investment required to meet demand for urban water infrastructure (to refurbish the old and build new) is US\$ 22.6 trillion. over the next 25 years for all the cities of the world. [City-Level Decoupling: Urban Resource Flows and the Governance of Infrastructure Transitions \(unep.org\)](https://www.unep.org/city-level-decoupling-urban-resource-flows-and-the-governance-of-infrastructure-transitions)

The report suggests that by 2050 more than 6 billion people (almost 70% of the total world population) will live in urban areas. Calculating with US\$ 22.6 trillion (US\$ 22.600 Billion) for 6 billion people we are coming to EU standard investment value of 3.767.- USD/capita investment needs.

If, in case of the world's richest regions full scale and inclusive water infrastructure development is unbankable, then how do we expect it to be feasible worldwide?

With this alternative approach and “near to consumer” solutions with an investment cost for drinking water provision and liquid waste handling would be 70.- €/capita for communities where there is no adequate, or any water supply or sewerage network. Drinking water for an initial investment less than 25.-€/capita, and service of less than 5.-€/person/year, including initial capital costs. Liquid waste management, and purification for an initial investment less than 45.- €/capita, and service of less than 10.- €/person/year, including initial capital costs.

These technologies provide structural, innovative, and sustainable solutions which can also mobilize private capital to address the financial gap in the sector, supporting communities that are most left behind.

The alternative “near to consumer” solutions with an investment cost for drinking water provision and liquid waste handling would be 70.- €/capita, the total capital needed for 4 billion people living in less developed cities and rural areas will be only 280 billion USD

To accelerate SDG implementation in the field of drinking water purification and wastewater treatment and to avoid environmental and health problems, and without extra costs and extra work, using “near to consumer” drinking water units and the treatment of 100% liquid waste are the answers to solve the existing problem in a financially viable, sustainable and affordable way.

These investments, which offer a quick, almost immediate solution, pay off in the short term and can be attractive to private investors. Private capital is thus attracted to water infrastructure investments in addition to the often extended and difficult-to-finance public projects.

The Impact of implementation of the alternative “near the consumer” solution will be:

- reduction of required investment capital by nearly 99%,
- safe drinking water provision for less than 5.-€/person/year,
- Liquid waste management, and purification service of less than 10.- €/person/year,
- Affordable WASH services, with tariffs including initial capital costs.
- return on the invested capital >> involvement of private capital.

We call the relevant governance, policy, and decision-makers to facilitate and support the regulatory, financing and service providing institutions towards implementation of the “near the consumer” solutions.