

UN 2023 Water Conference Side Event

Results-based funding to secure corporate resources for SDG 6.1

Thursday, 23 March | 3:30 - 5pm UN Global Compact, New York, New York

Organized by: Uptime Global, University of Oxford Smith School of Enterprise and the Environment, Conrad N. Hilton Foundation

Background on the event (one paragraph)

This session explored how results-based models for rural drinking water are attracting corporate funding and discussed the action agenda for scaling up corporate engagement to deliver SDG 6.1. The purpose of the session was to 1) illustrate how results-based models for rural drinking water can attract corporate funding; 2) present case studies from Africa and Asia 3) discuss the agenda for action for scaling up corporate engagement to deliver SDG 6.1.

Water Action Agenda (one paragraph, if possible, please include the link to your commitment in the Water Action Agenda database)

"Keeping rural drinking water flowing for over 4 million people through results-based funding"

Uptime Global and the Uptime Catalyst Facility announced the global expansion of results-based contracts to support reliable rural water services in 12 different countries across Africa, Asia and Latin America, serving over 4 million people. The initiative convenes twelve rural water service providers and a consortium of funders to link resources to sustainable drinking water services at scale.

Key Issues discussed (5-8 bullet points)

• Provocative proposition: there has never been a better time for corporate water commitments to deliver drinking water results at scale.

- There is an urgent and timely need to support ongoing operation and maintenance of rural drinking water infrastructure that corporates can directly respond to through ESG and SDG commitments.
- Results-based funding can keep rural drinking water flowing by delivering:
 - o transparent results for vulnerable people at scale;
 - o reduced cost by co-funding with water users;
 - o minimized risk by paying only for results.
- Companies can link consumer demand for social outcomes to fund drinking water services through results-based models. The partnership between the Germany company share and the Kenya Water Services Maintenance Trust Fund and FundiFix illustrated how this arrangement is working in practice.
- Results-based funding has been developed and scaled by the Uptime project to provide a clear mechanism for corporate engagement serving over 4 million rural people today.

Key recommendations for action (5 - 6 bullet points)

- Ongoing services to keep drinking water flowing significantly reduce infrastructure failure and should be supported by corporate funding commitments at scale.
- Companies funding drinking water outcomes can shift from the traditional approach of 'pay your money, take your chances' to payment for transparent and verifiable results to ensure water keeps flowing.
- Transparent, comparable and verifiable data should continue to drive strategic decision-making in corporate resource allocation.
- Clear performance metrics should be linked to payment mechanisms to reward performance and reduce risk to funders.
- Intermediaries can be used to aggregate a portfolio of results-based contracts to simplify transactions and reduce costs for corporate funders. Examples include Uptime Global, the Uptime Catalyst Facility and the Kenya Water Services Maintenance Trust Fund.