

Water Projects in German Development Cooperation – Finance matters!



KfW Entwicklungsbank - Who we are

KfW Entwicklungsbank and R&D in the water sector

Finance as core challenge



- **Promotional bank** of the Federal Republic of Germany
- Founded in **1948** as Kreditanstalt für Wiederaufbau
- Shareholders: **80% Federal Republic, 20% federal states**
- Headquarters: **Frankfurt am Main**
Branches: **Berlin and Bonn**
- Representative offices: **about 70 offices** and representations worldwide
- Balance sheet total at end-2010: **EUR 441,8 billion**
- **4,530** employees (2010)
- Best rating: AAA/Aaa/AAA



Domestic promotion

We promote Germany

Business Area Mittelstandsbank

Promotion SMEs,
business founders,
start-ups

Business Area Privatkundenbank

Promotion
construction
of new housing
and modernisation
as well as education

Business Area Kommunalbank

Financing municipal
infrastructure
projects and
global loans
Germany/Europe
agency business for
Federal Government

International business

We ensure internationalisation

Business Area Export and Project Finance

International
project and
export finance

We promote development

Business Area Promotion of Developing and Transition Countries

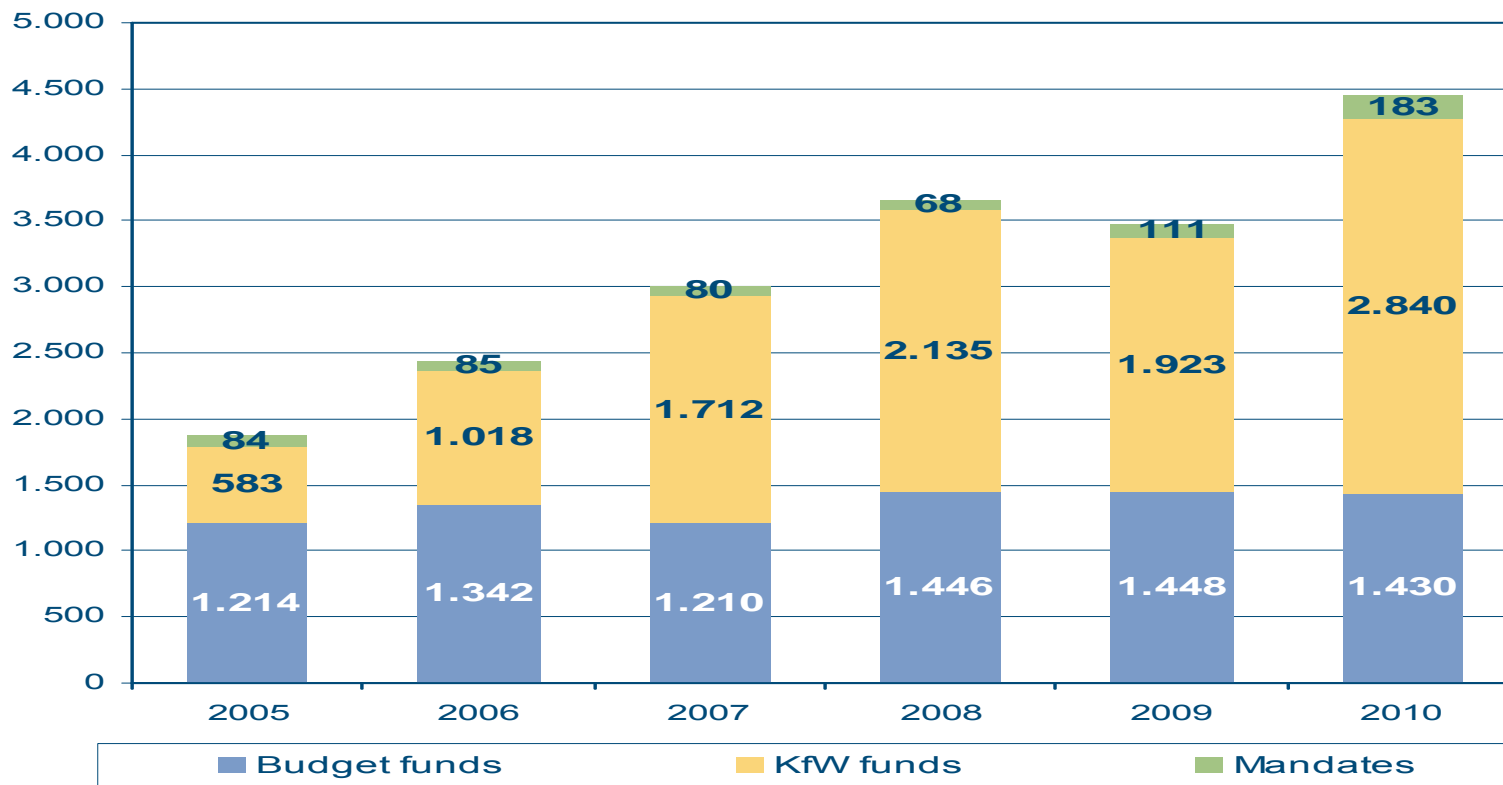
Promotion of
developing and
transition countries

Promotion of environmental and climate protection



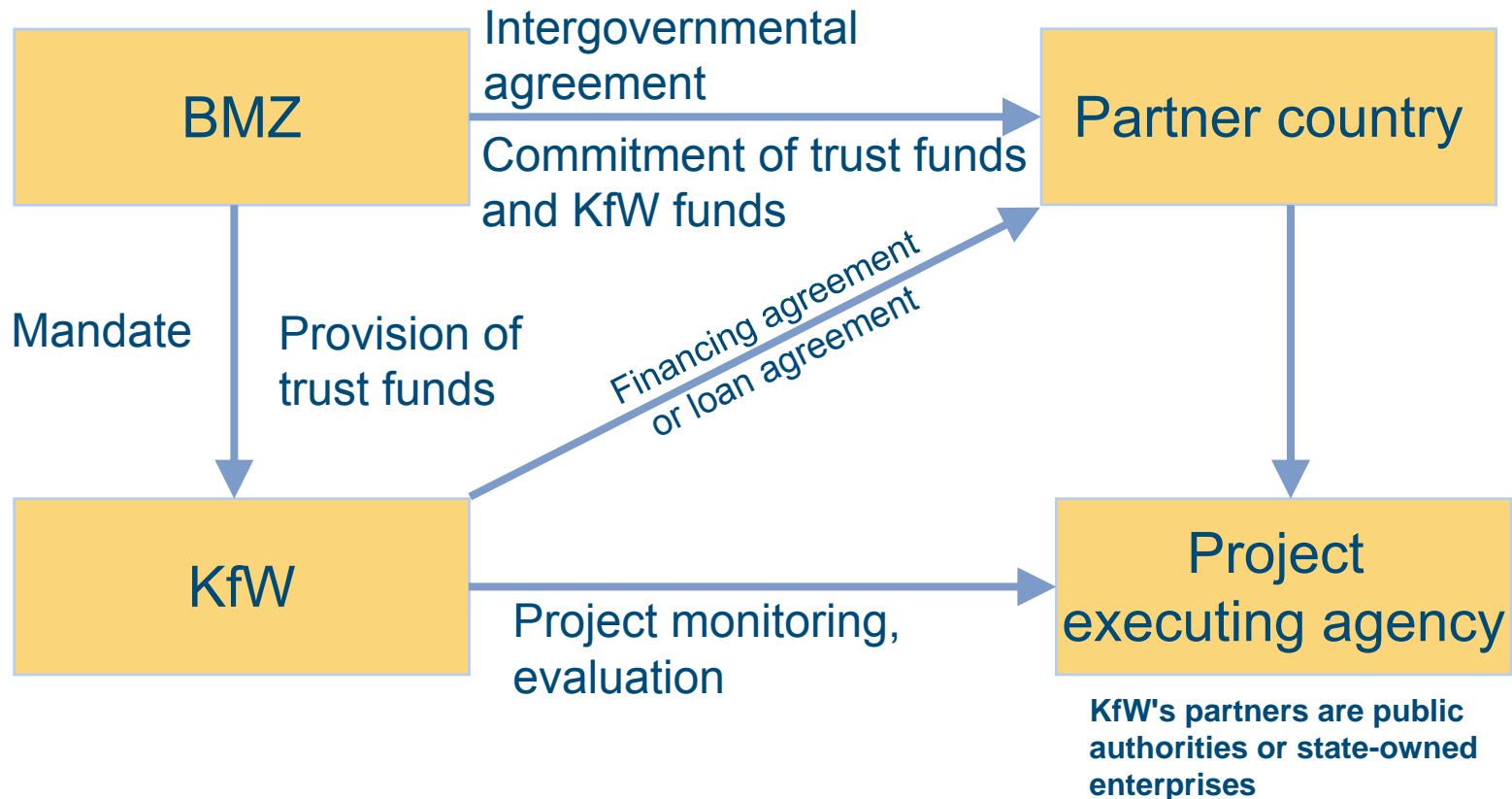
KfW Entwicklungsbank

(EUR in millions)



KfW EB mandates: Excluding intermediary funds in 2010 (EUR 10 million), in 2009 (EUR 233 million) and in 2008 (EUR 33 million)

The Role of KfW in Financial Cooperation Projects From the Intergovernmental Agreement to the Financing Agreement



KfW Entwicklungsbank - Who we are

KfW Entwicklungsbank and R&D in the water sector

Finance as core challenge

Challenges of Water Projects in Financial Cooperation

Room for R&D Activities - Examples



Water Supply Systems

- Water Supply Systems - Criteria for decision makers
- Adequate water storage systems at the household level
- Water Loss Reduction Strategies

Waste Water Treatment

- Sanitation in poor urban areas (de-, semi- or centralized)
- Adequate sludge management systems
- Integrated solutions (incl. waste management)

Adaptation to Climate Change

- Reliable regional and local models
- Integration of climate change into decision making tools
- How to measure the impacts of adaptation projects?

Energy efficiency

- Adequate systems of energy efficiency measures
- Water supply / Waste water treatment / Solid Waste

KfW Entwicklungsbank - Who we are

KfW Entwicklungsbank and R&D in the water sector

Finance as core challenge

R&D needs

Developing countries need important advances in R&D in order to overcome the multiple challenges in the water sector.

Finance matters!

Access to finance for investment and operation & maintenance are core challenges faced by many water and sanitation projects, especially in low income areas of developing countries.

Financial issues have to be addressed as integral part of R&D projects in order to assure implementation beyond pilot projects (partner countries, financial institutions).

Stefan Zeeb
Head of Division
Strategy and Policy Division
Water and Solid Waste

KfW Bankengruppe
Palmengartenstraße 5–9
60325 Frankfurt am Main

Fon +49 69 7431 2584

Fax +49 69 7431 3279

stefan.zeeb@kfw.de

Thank You for Your Attention!

