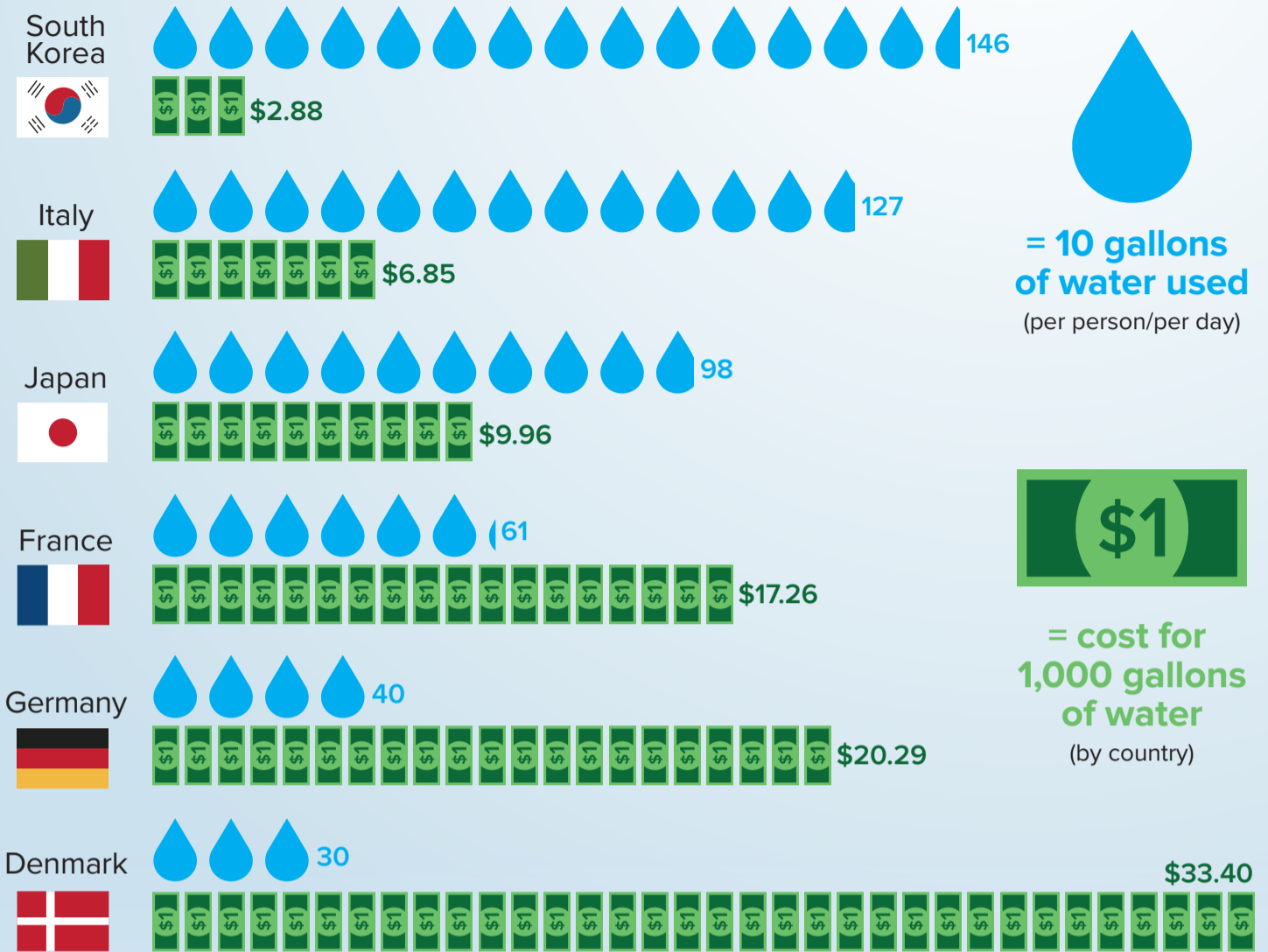


WATER USE AND COST

Managing water resources is complex, and properly pricing water is challenging, often complicated by insufficient data and sociopolitical considerations. Data reveal that those countries that price water more cheaply can also be the ones that consume it more freely and often less sustainably.



WATER CRISES AND ECONOMIC POLICIES

Water challenges derail health and economic stability for millions of people. Future population growth, urbanization, and economic expansion will further necessitate a holistic approach to water management that should include better macroeconomic policies as a complement to environmental ones.



WORLD WATER CHALLENGES



MACROECONOMIC POLICIES FOR BETTER WATER MANAGEMENT

1 in 6

People worldwide living in areas with inadequate water supply

ADOPT APPROPRIATE PRICING

to remove inefficient water and energy subsidies while protecting the poor

1 in 9

People lacking access to safe drinking water

ENSURE FISCAL SUSTAINABILITY

to promote water infrastructure investment and financing

one every minute

Number of children who die from water-related disease

STRENGTHEN PUBLIC INVESTMENT SYSTEMS

to support adequate maintenance spending and better prioritize future initiatives

36

Number of countries facing high water stress

IMPROVE ANALYSES OF ECONOMIC IMPACT

to cultivate the political and social resolve to reform policy

Source: IMF Staff Discussion Note *Is the Glass Half Empty or Half Full? Issues in Managing Water Challenges and Policy Instruments* and the related article in the June 2015 *Finance & Development* magazine.