



Global Summit on  
**Smart, Secure &  
Sustainable Cities**  
OPPORTUNITIES AND CHALLENGES IN INDIA

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## Water – Challenges & Opportunities

The world has experienced unprecedented urban growth in recent decades. More than half of the world's population now lives in towns and cities, and by 2030 this percentage will increase to about 60%. Much of this urbanization will occur in Africa and Asia requiring, huge economic, social and environmental changes. These changes will provide significant opportunities and challenges to governments, city planners, and citizens throughout the world. Indeed, in 2015 the World Economic Forum ranked the risk of water crises as highly likely to happen and with the greatest impact on humanity.

Managing and improving water resources is one of the biggest challenges of our time. This is due to inadequate provision currently but with greater demand in the future against a background of greater uncertainty over water supplies due to climate change.

Currently water provision is inadequate globally with almost 10% of the world's population (2 billion people) not having access to clean water and 33% of the population do not have access to adequate sanitation services. This is a significant issue as all the indicators of increasing demand worldwide are apparent – additional demands for water by agriculture and industry worldwide to meet our increasing needs and the significant requirements for additional water driven by an growing world population that is moving to the cities. If the current usage trends don't change it is predicted the world will have only 60% of the water it needs in 2030.

However, future supplies may also be more uncertain than today. Many underground reserves are already running low, while rainfall pattern are predicted to become more erratic with climate change. Even where there is sufficient water the annual cycle may be unbalanced causing droughts and floods.

Looking specifically at India. By 2030, demand for water in India is projected to have overtaken the available water supply. In some regions of the country, it has already happened. The Indian Government is forecasting an increase in demand in water of 20% and is linking this directly to the rapid increase in population, increased urbanization and industrialization.

The forecast for growth in the water sector, especially in India, provides significant business opportunities. Companies working in the water industry have emerged as one of the most compelling investment themes as the various problems troubling the global water supply require equipment and solutions to meet these challenges. Globally, the research organisation, Global Water Intelligence expects a compound annual growth rate of 7% for capital expenditure in

municipal and industrial water supply between 2015 and 2019. The Indian market is expected to grow from US \$8.6 billion to US \$14.2 billion over the same period, with the waste water sector seeing the fastest growth.