



# OECD Initiative on Water Governance

Scoping Note

21 December 2012

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This note aims to frame the scope, objectives, and expected contribution of an Initiative on Water Governance, to be hosted by the OECD Public Governance and territorial development directorate.<sup>1</sup> The Initiative will build on the process of the 6<sup>th</sup> World Water Forum (Marseille, 12-17 March 2012) and the outcomes of the OECD-led Good Governance Core Group.

The OECD Initiative on Water Governance is intended as a **multi-stakeholder network** and **policy platform** to advance on the global water governance agenda, and bridge the gap between two World Water Fora. It will encompass the establishment of a **Policy Forum** with members meeting twice year, the creation of an **International Observatory** on good water governance practices, and a **Web Portal** aimed at stimulating discussions across a wide range of public, private and not-for-profit actors at different levels, within and outside the water community.

The **OECD Secretariat** will host the Initiative on Water Governance and carry out operational activities. A **Steering Committee** composed of the founding institutions from the 6<sup>th</sup> WWF Good Governance Core Group (see table below) will define strategic orientations and sustain the activities through thematic and regional working groups.

## Background and rationale

The OECD 2011 Report “Water Governance in OECD Countries: a Multi-level Approach” underlines the extent to which the current water crisis is largely a governance crisis. It also stresses that often, the technical, financial and even institutional “solutions” to the crisis are well-known. The main challenges concern their implementation on the ground – overcoming the governance gaps hindering water policy, monitoring social, environmental and economic outcomes and engaging stakeholders at all level to design and implement place-based policies, tailored to local contexts. Hence, the importance of sharing practices, tools and methodologies across countries and institutions to take stock of both what exists and works well, as well as lessons learnt from failures. In a word, how water governance “solutions” can work.

The 6<sup>th</sup> WWF offered the opportunity to launch and open such a dialogue. As part of this solution-oriented Forum, held in Marseille on 12-17 March 2012, a large community of stakeholders from different backgrounds worked together in the “Good Governance” Core Group led by the OECD to develop concrete, measurable and achievable solutions in terms of (i) effective public governance; (ii) integrated water resources management; and (iii) integrity and transparency.







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<sup>1</sup> The **OECD Initiative on Water Governance** may not be considered under any circumstance as an OECD body. The Initiative will be hosted within the OECD, the Secretariat of which will be assumed by the Public Governance and Territorial Development Directorate.

From February 2011 to March 2012, six task forces gathering 300 contributors and led by six target solution group coordinators worked together in order to:

- define and agree upon **six good governance targets** to be achieved in the next decade, regarding stakeholders' engagement, service performance, improved integrated water resources management, groundwater governance, corruption alleviation and transparent budgetary processes (see table below);
- design realistic **action plans**, based on good practices worldwide; and
- collect **pragmatic responses** to overcome governance challenges in the water sector

#### Good Governance Targets defined for the 6<sup>th</sup> WWF, Marseille 12-17 2012

Effective public governance	<b>Target 1</b> 	By 2015, 50% of countries will have adopted <b>consultation, participation and co-ordination mechanisms allowing stakeholders at local, regional, national and international levels to effectively contribute to decision-making</b> in a coherent, holistic and integrated way. By 2021, 100% will have done so.
	<b>Target 2</b> 	By 2015, 50% countries will have strengthened <b>regulatory frameworks</b> and adopted <b>performance indicators</b> (service delivery) to monitor and evaluate water policies; and all countries will have put in place <b>capacity-building processes</b> at national and local level to foster good governance in service delivery. By 2018, all countries will have done so.
Integrated water resources management	<b>Target 3</b> 	By 2021, increase by 30% the number of <b>river basin management plans</b> (analysis of initial status and main issues).
	<b>Target 4</b> 	By 2015, increase the number of countries with <b>water security diagnoses and governance tools</b> , based on existing (local, national, international) regulatory and legislative frameworks and integrated water resources management mechanisms.
Better integrity and transparency	<b>Target 5</b> 	By 2018, 30 countries will have committed to promote <b>integrity</b> in the water sector, diagnose/map existing or potential <b>corruption risks</b> , and ensure that <b>anti-corruption policies</b> are well implemented and effective.
	<b>Target 6</b> 	By 2018, 30 countries will be implementing: <b>transparent water budget processes</b> , including information about <b>water infrastructure investment planning and implementation</b> (financial, technical, and socioeconomic impacts); and methods and tools for improving <b>transparency and accountability</b> within the water sector.

The Final Synthesis Report on Good Governance from the 6<sup>th</sup> World Water Forum can be accessed at [http://www.oecd.org/gov/Report\\_CG\\_CS1\\_Good\\_Governance\\_EN.pdf](http://www.oecd.org/gov/Report_CG_CS1_Good_Governance_EN.pdf)

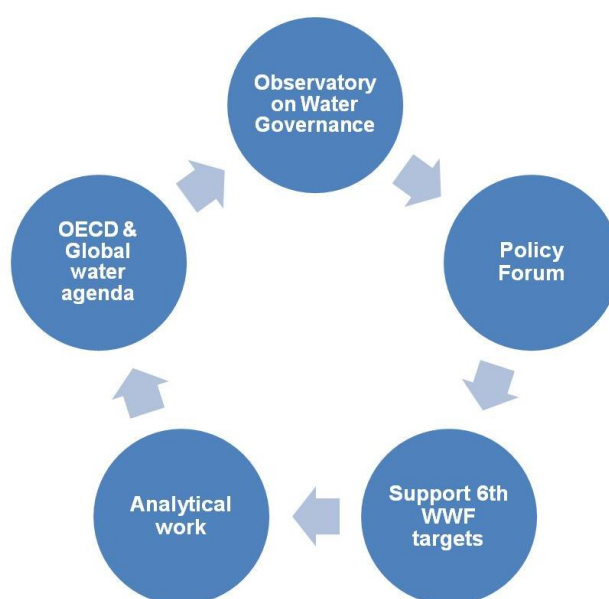
During the [conclusion of governance discussions](#) in Marseille, institutions gathered under the Good Governance Core Group agreed to set up a platform that will maintain continuous links and cooperation across stakeholders between World Water Fora. The Mediterranean and America regional processes of the 6<sup>th</sup> WWF reached a similar conclusion on the necessity to go beyond Marseille 2012 in co-operation with the OECD.

### Scope and objectives

The OECD Initiative on Water Governance will provide a platform to convene key stakeholders within and outside the water sector in order to share experiences and lessons learnt in improving water governance. The objectives include the following:

- Provide a **Policy Forum across decision-makers** committed to improve water governance via policy dialogue, policy-driven analyses, scientific data, bench-learning and exchanges of experience at basin, local, regional, national and international levels (community of practice);
- Contribute to the design of **Water Governance Guidelines or Principles**, to be endorsed by the Initiative's members, building on parallel efforts in other institutions;
- Set-up an **Observatory on water governance** in order to:
  - Collect existing solutions, tools, methodologies, initiatives and programmes in support to effective governance in the water sector;
  - serve as a one-stop shop for water governance related information and projects; and
  - create the interface between existing information and communities of practices (e.g. web platforms, water governance related information systems etc.)
- Maintain continuity between two World Water Fora, by supporting users-oriented and needs-driven **implementation of the 6<sup>th</sup> WWF solutions and commitments on water governance** through the sharing of good practices and experiences across countries and institutions;
- Contribute to the **Global Water Agenda**, including the Calendar of activities for the International Water Cooperation Year, discussions on Sustainable Development Goals etc.

#### Objectives of the OECD Initiative on Water Governance



#### Stakeholders to be engaged in the OECD Initiative on Water Governance

The Initiative on Water Governance will have an **open membership** and a wide **geographic, economic and institutional representation** of key water governance players at local, national and global levels. The members of the Initiative will represent national governments, basin and local authorities (and their networks), regulators (and their networks), donors and international financial institutions, NGOs, international organisations and institutions, service providers (both public and private, and their networks), as well as academics and independent experts.

The Initiative will also rely on regional components (or sub-networks) in the Mediterranean region (to be led by GWP-Med and IME), in Africa (to be led by WIN/SIWI and AMCOW), in Latin America (to be led by the CODIA network, CONAGUA and the Americas' Forum) and Asia.

A tentative list (to be complemented) of members to be represented in the OECD Initiative on Water Governance includes:

- **Co-founding institutions** (6<sup>th</sup> WWF Good governance target coordinators) : ASTEE, Suez, OECD, UNESCO, WIN, TI, SIWI and INBO
- **National governments representatives**: mainly OECD and BRICS countries, as there will be regional networks for MENA, LAC, Africa and Asia
- **Basin and local authorities** (and their networks): a selection of river basin organisations, OIEAU/INBO, UCLG, Dutch association of Water Boards, etc.
- **NGOs**: Coalition Eau, Action against Hunger, Butterfly effect etc.
- **Municipalities**: selected Mayors/Deputy Mayors in charge of water in small, medium and large cities.
- **Donors and IFIs**: EIB, WB, IDB, ADB, AFD, SIDA, etc.
- **Regulators** (and their networks): OFWAT, ANA-Brazil, EPA-United States, ERSAR-Portugal, etc.
- **Service providers** (public, private and their networks): Eau de Paris, Suez, Veolia, EPM-Medellin, Acqua Publica Europa, etc.
- **International organisations and institutions**: different UN Agencies, GWP, UfM, World Water Council, IWA, AMCOW, etc.
- **Academics, research centres and think tanks.**

## Potential outputs

Outputs, to be further developed after the kick off of the OECD Initiative on Water Governance, include the following:

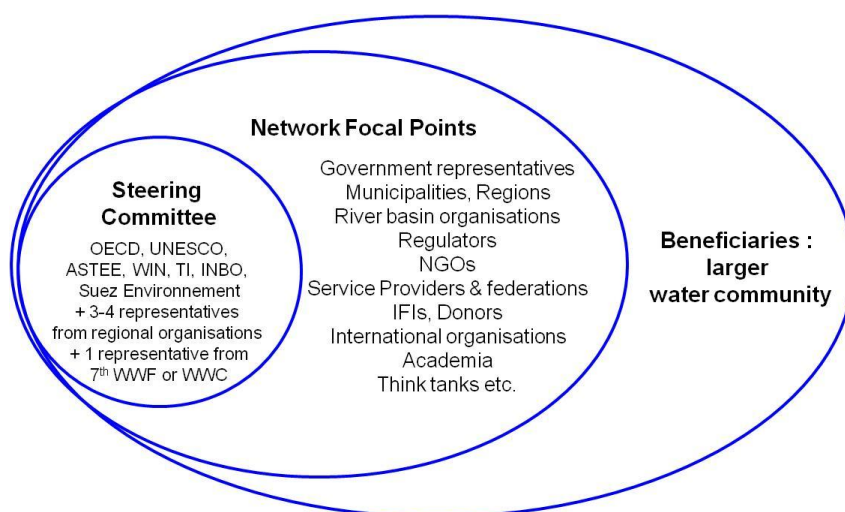
- **A Water Governance Portal to collect existing tools, methodologies, initiatives and programmes** in support of good governance in the water sector and update/complement this information on a regular basis; This platform will be complementary and mutually reinforcing with existing tool space in the field (e.g. WIN, UNESCO, INBO, UNDP/SIWI forthcoming water governance guide etc.)
- **A water governance Newsletter to disseminate relevant up-to-date information** on events/conferences, outcomes of reforms, publications, etc.;
- **Monitoring of the implementation of the 6<sup>th</sup> WWF governance targets**: this could take the form of annual progress reports, a matrix of key obstacles to targets' implementation in different countries, institutional partnerships across members (MoUs, cooperation framework) to support specific target implementation, collection of good practices on the ground etc.
- **Principles or Guidelines on Water Governance** to be endorsed by founding institutions/members (to be submitted to OECD relevant bodies and committees, and/or become an international voluntary instrument);
- **Mapping of the levers for improving water governance across members** : e.g. analytical work, policy guidance, technical assistance, loans/grants, enactment of laws/regulations, measure of performance, data sharing, dissemination of good practices, soft law etc.;
- **Identification of synergies and foster partnerships** (i) across existing actors and potential stakeholders to engage in the OECD Initiative on Water Governance, and (ii) across countries water reform agendas to match needs with available expertise/competence related to effective public governance, improved integrated water resources management and better integrity and transparency;

## Organisation and sustainability of the OECD Initiative on Water Governance

Subject to appropriate funding through voluntary contributions and in-kind contributions, the day-to-day operational activities of the Initiative and the bi-annual meetings will be hosted and carried out by the **OECD Secretariat**.

It is proposed that maintenance and operation of the Initiative be **funded exclusively through voluntary contributions and in-kind contributions**. **Voluntary contributions could take the form of a basket of donors** from the Steering Committee Members and other sponsors, and in-kind **contributions** could take such forms as hosting some regional and thematic working groups meetings, sharing available knowledge and information, convening joint activities of the Initiative etc.

### Three-tier structure of the OECD Initiative on Water Governance



A **Steering Committee** will define strategic orientations and sustain the activities through thematic and regional working groups. The Steering Committee could have a rotating membership with half of the steering committee being renewed (for example) after each World Water Forum.

The Steering committee will be composed of 8 to 12 core members including:

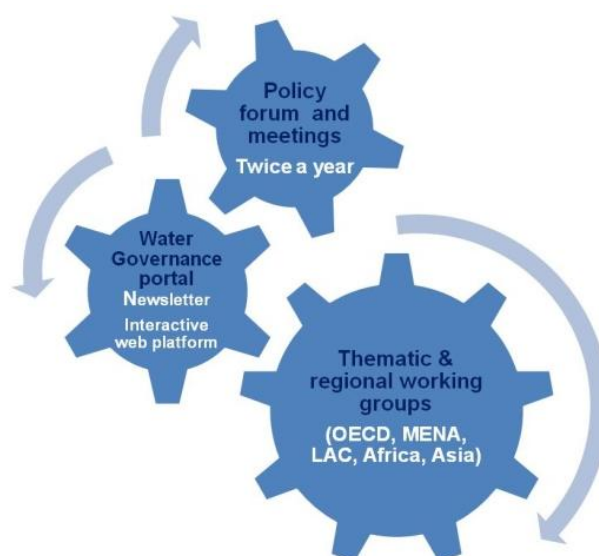
- Target solution groups coordinators of the 6<sup>th</sup> WWF Governance Group (OECD, Suez Environment, UNESCO, ASTEE, INBO, SIWI, Transparency international and the Water Integrity Network);
- A representative from the 7<sup>th</sup> WWF or from the World Water Council (to ensure continuity across two World Water Fora)
- 3-4 regional representatives for Africa (e.g. AMCOW), MENA (GWP-Med / Institut Méditerranéen de l'Eau) Latin America and Asia

The OECD Initiative on Water Governance could be maintained through:

- A **Charter** presenting the mandate, prerogatives and contributions of the Initiative and agreed upon by the members;
- **Two meetings per year** convening stakeholders, back to back with important water-related events. Such a meeting could also be hosted by regional governance initiatives which could play the role of liaison within their respective geographic areas, or thematic coordinators depending on their respective water agendas and events;

- **Pre-listed activities building on key water governance events and commitments** from Initiative's partners (e.g. International year on water cooperation, e.g. WIN-UNESCO Integrity Conference etc., Water and Diplomacy Conference etc.)
- **Thematic and regional working groups** around the six targets defined up to Marseille, and/or geographical areas, with cross-fertilisation mechanisms to foster exchanges, building on specialisation of communities of practice and linking with relevant network organisations;
- The establishment of an International **Observatory on water governance** good practices, on the basis of analytical inputs/outputs, self-reporting mechanisms, quantitative/qualitative surveys and in-depth case studies; and
- The launch of a dedicated **website**, quarterly **newsletters** and interactive **platforms** of dialogue for a wide dissemination and visibility;

#### Organisation of the OECD Initiative on Water Governance



#### Duration and Tentative calendar 2013-2014

The Initiative would be set up for an initial duration of two years starting the official launch (27-28 March 2013), and may be renewed, subject to the results and conclusions of the 7th World Water Forum in Korea.

- **Q4 2012 : Finalisation of the scoping note and identification of key stakeholders to be engaged**
- **27-28 March 2013 : Official kick off of the OECD Initiative on Water Governance in OECD Headquarters, Paris**
- **Q3-Q4 : Organisation of thematic, regional working groups and definition of their respective program of work**
- **2013-2014 : Activities** (to be detailed at a later stage)
- **Q4 2014 : Second meeting of the Initiative on Water Governance**
  - Launch of the Web Portal / Observatory
  - Discussions of partners water governance initiative
  - Evaluation of the work carried out in the first year of operation
- **Q1 2015 : Inputs to the 7th World Water Forum, Korea**

## Contact



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## Acronyms

<b>ADB</b>	Asian Development Bank
<b>AFD</b>	French Development Agency ( <i>Agence Française de Développement</i> )
<b>AMCOW</b>	African Ministerial Conference on Water
<b>ANA-Brazil</b>	National Water Agency– Brazil ( <i>Agência Nacional de Águas</i> )
<b>ASTEE</b>	Scientific and Technical Association for Water and the Environment ( <i>Association Scientifique et Technique pour l'Eau et l'Environnement</i> )
<b>BRICS</b>	Brazil-Russia-India-China-South Africa
<b>CODIA</b>	Conference of Ibero-American Water Directors ( <i>Conferencia de Directores Iberoamericanos del Agua</i> )
<b>CONAGUA</b>	National Water Commission - Mexico ( <i>Comisión Nacional del Agua</i> )
<b>EIB</b>	European Investment Bank
<b>EPA-United States</b>	Environmental Protection Agency – United States
<b>EPM-Medellin</b>	Medellin Public Utilities ( <i>Empresas Publicas de Medellin</i> )
<b>ERSAR-Portugal</b>	Regulation Authority for Water and Sanitation Services - Portugal ( <i>Entidade Reguladora dos Serviços de Águas e Resíduos</i> )
<b>GWP</b>	Global Water Partnership
<b>IDB</b>	Inter-American Development Bank
<b>LAC</b>	Latin America and the Caribbean
<b>IME</b>	Mediterranean Institute of Water ( <i>Institut Méditerranéen de l'Eau</i> )
<b>INBO</b>	International Network of Basin Organisations
<b>IWA</b>	International Water Association
<b>MENA</b>	Middle East North Africa
<b>NGO</b>	Non-Governmental Organisation
<b>OECD</b>	Organisation for Economic Cooperation and Development
<b>OFWAT</b>	Regulatory Authority for Water Services – England and Wales
<b>OIEau</b>	International Office for Water ( <i>Office International de l'Eau</i> )
<b>SIDA</b>	Swedish International Development Cooperation Agency
<b>SIWI</b>	Stockholm International Water Institute
<b>TI</b>	Transparency International
<b>UCLG</b>	United Cities and Local Governments
<b>UfM</b>	Union for the Mediterranean
<b>UNDP</b>	United National Development Program
<b>UNESCO</b>	United Nations Educational, Scientific and Cultural Organisation
<b>WB</b>	World Bank
<b>WIN</b>	Water Integrity Network
<b>WWF</b>	World Water Forum