

11th MEETING OF THE OECD WATER GOVERNANCE INITIATIVE

12-13 November 2018, Palacio de Congresos, Zaragoza, Spain

HIGHLIGHTS



The [OECD Water Governance Initiative](#) (WGI) is an international multi-stakeholder network of 100+ members from public, private and not-for-profit sectors gathering twice a year in a Policy Forum to share on-going policy reforms, projects, lessons and good practices in support of better governance in the water sector. Eleven meetings have been held since its creation (27-28 March 2013, Paris; 7-8 November 2013, Paris; 28-29 April 2014, Madrid; 24-25 November 2014, Paris; 26 May 2015, Edinburgh; 2-3 November 2015, Paris; 23-24 June 2016, The Hague; 12-13 January, Rabat; 3-4 July 2017, Paris; 20-21 November 2017, Vienna; and, 12-13 November 2018, Zaragoza).

The OECD WGI aims to:

1. Provide a **multi-stakeholder technical platform** to share knowledge, experience and best practices on water governance across levels of government;
2. **Advise governments** in taking the needed steps for effective water reforms through peer-to-peer dialogue and stakeholder engagement across public, private and non-profit sectors;
3. Provide a **consultation mechanism** to raise the profile of governance in the Global Water Agenda (Sustainable Development Goals, World Water Forum, Habitat III, COP etc.);
4. Support the **implementation** of the *OECD Principles on Water Governance* in interested member and non-member countries by promoting the uptake of the Water Governance Indicator Framework and peer-to-peer exchanges; and
5. **Foster continuity** on governance discussions between two World Water Fora (every 3 years), currently between the 8th World Water Forum (Brazil, 2018) and the 9th World Water Forum (Senegal, 2021).

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Summary of outcomes

On 12-13 November 2018, the OECD Water Governance Initiative held its 11th meeting at the Palacio de Congresos, Zaragoza, Spain. The meeting gathered 80+ practitioners, policymakers and representatives from major stakeholder groups (see the [list of participants](#)). The 11th meeting of the WGI had the following objectives (see the [agenda](#), [presentations](#) and [pictures](#)):

- Update delegates on WGI contribution to Global Agendas;
- Discuss the 2019-2021 WGI Programme of Work and the objectives, content and outputs of the Working Groups;
- Share knowledge and experience on recent water governance reforms, research and events;
- Discuss the role of water governance in circular economy;
- Learn from Spain's water governance.

Delegates were updated on WGI contributions to global agendas. The National Water Agency (ANA), Brazil and the World Water Council presented the main outcomes of the [8th World Water Forum](#) (Brasilia, 18-23 March 2018) where the WGI led the governance theme. OECD Secretariat reported on the [2018 High Level Political Forum](#) (New York, 9-18 July 2018), where the OECD programme on “[A Territorial Approach to the SDGs](#)” was launched. The International Network of Basin Organisations (INBO) updated delegates on the preparatory process of [COP 24](#) (3-14 December 2018, Katowice, Poland), the key themes of which include technology, solidarity and nature.

Delegates peer-reviewed the draft paper “An application of the OECD Principles on Water Governance to Floods”. This paper provides a Checklist for policy-makers and practitioners to assess whether governance systems are fit to manage floods in an effective, efficient and inclusive way. WGI delegates stressed the importance of this tool and issued a call to expand the exercise to other sub-sectors such as droughts or groundwater governance. The Japanese Ministry of Land, Infrastructure, Transport and Tourism, presented the Principles on Investment and Financing for Water-related Disaster Risk Reduction developed by the [High-level Experts and Leaders Panel on Water and Disasters](#).

Delegates discussed and endorsed the draft WGI 2019-2021 Strategy and Programme of Work. Breakout sessions shaped the objectives, outputs and timeline of the two Working Groups on Indicators and Capacity Development. Delegates agreed to upscale the promotion of the use of existing tools such as the [Water Governance Indicator Framework](#).

Delegates shared key messages from latest research and reforms: Water governance in Brazil (ANA); water governance in a humanitarian context (Action Contre la Faim); the City Water Resilience Framework (Arup); coastal zone groundwater management (BMZ); and the role of women in the governance of shared waters (Women for Water Partnership).

Delegates welcomed the programme proposal “The Governance and Economics of Water Security for Sustainable Development in Africa”, which aims to leverage the [King Hassan II Great World Water Prize](#) awarded to the OECD in the 8th World Water Forum, and provided suggestions for contributions.

The session “Water Governance and Circular Economy” discussed how to transition from linear to innovative circular practices based on the methodology and indicators to be developed by the

OECD's new programme in this area. Experiences from Spain, Belgium and Chile were shared by local and national representatives, as well as by service providers and their umbrella organisations.

Delegates shared key messages from the latest water governance events including [Adaptation Futures 2018](#) (18-21 June, Cape Town, South Africa); [26th Stockholm World Water Week](#) (26-31 August, Stockholm, Sweden); Water Education Indicator under SDG6.a (4 September, 2018, Delft, The Netherlands); [8th Water Economics Forum](#) (27 September, Madrid, Spain); [EUROPE-INBO 2018 Conference](#) (17-20 October, Seville, Spain); [18th International Anticorruption Conference](#) (22-24 October, 2018, Copenhagen, Denmark); [7th Africa Water Week](#) (29 October - 2 November, Libreville, Gabon).

A knowledge sharing session was devoted to water governance in Spain during which Manuel Menéndez, General Water Director for the Ministry for the Ecological Transition, presented key challenges and opportunities for the country through the lens of the OECD Principles on Water Governance. Other presentations provided EU, national, and urban perspectives.

Next Steps

Next steps to the 12th WGI meeting (20-21 June 2019, Berlin, Germany):

- Following comments from WGI delegates, the OECD Secretariat will submit in January 2019 the OECD WGI Strategic Paper and OECD WGI Terms of Reference 2019-2021 to the OECD Regional Development Policy Committee.
- The Working Group on Indicators will produce a scoping note (what it will do and how to get there) and draft inventory of impact indicators to complement the existing OECD Water Governance Indicator Framework.
- The Working Group on Capacity Development will develop a scoping note (what it will do and how to get there) and a draft inventory of existing initiatives and activities on water governance capacity development. Inventory can include mapping of WGI member initiatives and networks to better determine how to reach out to different audiences (for example geographically across regions and from practitioners to higher-level decision makers at various scales).

1. Day 1: 12 November 2018

1.1. Opening Remarks

1.1.1. Opening Remarks by the Chair

Mr Peter Glas, Chair of the OECD Water Governance Initiative, expressed his gratitude to the Spanish organisers and satisfaction to be gathered for the 11th Meeting of the OECD Water Governance Initiative (WGI) in Zaragoza, Spain. The Chair welcomed the meeting participants and thanked for the support of the Ministry of Ecological Transition, the Ebro River Basin Authority, the Government of Aragon, the President of Feria de Zaragoza and the Spanish Association of Water Supply and Sanitation Services. Lastly, the Chair expressed his enthusiasm ahead of the exciting discussions set out in the ambitious agenda.

1.1.2. Opening Remarks by the Spanish Hosts

Mr Manuel Teruel, President of Feria de Zaragoza, officially opened the event by welcoming delegates to the 11th WGI meeting in the Palacio de Congresos (the Convention Centre) of Zaragoza, sponsored by Smagua. Mr. Teruel expressed his pleasure to host the multistakeholder WGI meeting and whose conclusions are important for water policies and directives. He emphasised the importance of water for the citizens' wellbeing, as well as for Zaragoza that hosted the Water Expo in 2008, a high-level event whose main topic was water and sustainable development. The impressive mark left by the Water Expo 2008 in the area and beyond was a result of three months of in-depth discussions to compare views and experiences on water. Ten years after the event, the region has not only committed to more water efficiency and sustainability, but is also celebrating the 11th WGI Meeting. Moreover, this meeting represents a great opportunity for Feria de Zaragoza, the entity that manages the Palacio de Congresos. Mr. Teruel informed that the next edition of [Smagua](#) will be held in the facilities of Feria Zaragoza on 5-7 February 2019. Smagua will offer a complete programme containing technical and water-related sessions, as well as it will count on speakers of great international renown. He thanked the support provided by the Directorate for Water, under the Ministry of Ecological Transition. He concluded by expressing his willingness to offer support for a better and more sustainable tomorrow that generates more opportunities for innovation.

Ms María Dolores Pascual, President of the Ebro River Basin Authority, thanked the delegates and the OECD, on behalf of the Ministry of Ecological Transition of the Government of Spain and on behalf of the Ebro Water Authorities. Ms. Pascual emphasised that conventional governance models are no longer sufficient to cope with the complexity of world challenges. The complexity is even more salient when it comes to water, an essential resource for life and for economic and social development. The OECD Principles on Water Governance offer an entry point and provide a framework of reference to address climate change, the challenges of the 21st century and water needs. Ms. Pascual referred to the Declaration of Water Management, a document used by the Ebro Basin Authority to mainstream international commitments and actions in its day-to-day activities. Ms. Pascual emphasised that the Authority has over 100 years of experience in managing water. Moreover, she reiterated her gratitude to the OECD for promoting water management from a whole-of-government and multi-stakeholder approach. She advised that the concept of river basin management needs to be better integrated and specified. Ms. Pascual then stressed three areas in which the Ebro River Basin Authority shows value added. First, the entity is very aware of the essential role of rivers, including the cultural and symbolic value they entail for communities. There

is an inherent diversity of the natural environment as well as social networks of river basins that gives adequate room to adapt enabling measures to face the great challenges of the 21st century. Second, even though integrated water resources management (IWRM) has been consolidated at the international level and has shown improvement in its implementation, there is a need to improve the accountability and transparency of institutions. For this purpose, a whole-of-river approach for decision-making is crucial. Third, the Ebro River Basin authority has been very keen on recognising the needs of the community, as well as in creating local alliances for water management. Furthermore, Ms. Pascual explained that the work done by the OECD and the WGI was very useful in helping to consolidate the processes of the Ebro River Basin Authority and making progress towards greater efficiency and sustainability. Moving forward, Ms. Pascual stated that the river basin authorities are of primary importance as they will be at the forefront to respond to new developments and concerns. Improving the 12 dimensions of water governance is not only fundamental to face extreme events, but also for ensuring enduring water management structures. In addition, she expressed the intention of the Ebro Basin Water Authority to further collaborate with international organisations such as the OECD. Finally, she thanked the OECD for the creation of the initiative and reiterated that the principles are a way forward for all the institutions working on water in order to achieve progress.

Mr Javier Lambán Montañés, President of the Government of Aragon, gave a warm welcome to the head of the WGI, the head of Water Development of Aragon and to the representatives of the administrations and colleagues of the Autonomous community of Aragon. He also thanked the OECD for choosing the city of Zaragoza to host this renowned event. Mr. Lambán opened his speech by stressing that Zaragoza is an ideal place to discuss these issues, as it has been a discussion forum on water-related topics. Additionally, the history of the city closely linked by its history of water. In fact, the first document that refers to conflict resolution around water distribution between municipalities was found in Zaragoza and dates from the 1st century BC. Water has always been a resource in shortage in Aragón and thus, required good water administration. Aragon has shown a good performance over time. For instance, the first modern administration and modern management of water was the Ebro River Basin Authority, created in 1927. Since then, the government of Aragon and the town councils across the region aim to coordinate with the river basin authority to ensure good water governance and water policy coherence, as well as that water is managed at the right scale. Furthermore, Mr. Lambán stressed that nowadays the government is aware and trying to tackle mounting challenges related to climate change, but also to supply and purification networks. The government catalysed efforts to improve river management and regulation through the Water Pact in 1992, which lasted until 2007. Immediately, there was a common agreement on the need to update and adapt agreements and pacts on an ongoing basis. In addition, the President of the Government of Aragon mentioned the relevance of the Expo 2008 and highlighted the role of the Water Tribune, which prepared the event and contributed to leave a legacy that was hampered by the economic downturn. Mr. Lambán stated that the government is ready to resume many of the initiatives and projects that were suspended. One of the priorities is to stimulate stronger synergies with the WGI and the OECD. In line with the legacy, the Government is planning many international events related to water, as well as to implement a project called Ebro 2030. Finally, he stressed that the work of the WGI and the OECD, as well as the outcomes of the WGI meeting will be of primary importance to provide policy guidance for governments.

1.2. Update on WGI contributions to Global Agendas

The **Chair** shared recent developments since the 10th WGI meeting in Vienna, 20-21 November 2017. First, the Chair mentioned the 8th World Water Forum, where important milestones were achieved. The OECD Secretary General Angel Gurría launched the report “[Implementing the](#)

[OECD Principles on Water Governance](#)”, the [OECD Water Governance Indicator Framework](#) and the +50 [evolving water governance practices](#). The Chair also handed over to the Secretary-General the [Brasilia Multi-stakeholder Pledge to implement the OECD Principles](#), which reflects a commitment by 170+ stakeholders to further engage with the OECD to raise the profile of water as a critical driver to inclusive growth. The Pledge sheds light on the WGI’s commitment to strengthen the implementation of the principles through the development and promotion of indicators and capacity building activities. In addition, the Secretary-General received the 6th [King Hassan II Great World Water Prize](#), in recognition of his work to elevate water security as a crucial global issue and the policy guidance it has provided to countries around the world. In order to leverage the amount received and catalyse more funds, the OECD Secretariat has prepared a proposal that aims at implementing an ambitious programme focusing on water security in Africa that will be reported at the 9th World Water Forum in Dakar, Senegal in 2021. Following the 8th World Water Forum, a satisfaction survey –with 70% response rate- amongst WGI members was conducted by the Secretariat: 100% of respondents encouraged to continue WGI activities. The result of the Survey points to a very high degree of satisfaction, above 95% for the Secretariat, the Chair, and WGI, and of 87% for the Steering Committee. The results were essential to shape the OECD WGI Strategy Paper and the Terms of Reference for the period 2019-21.

The **Chair** informed the delegates that the OECD Principles on Water Governance have been translated into two more languages and are now available in 18 languages. He thanked Baton Begoli from the Republic of Kosovo and the Inter-ministerial Council of Water for the [Albanian translation](#), as well as Anna Tsvietkova from Global Water Partnership Central-Eastern Europe for the [Ukrainian translation](#). In addition, the OECD Water Governance Indicator Framework is now available in five languages, [English](#), [Spanish](#), [French](#), Japanese and German. A version in Portuguese is currently being prepared. The Chair thanked Gari Villa-Landa Sokolova, Edouard Boinet, Tadashige Kawasaki, Guido Dernbauer and Francisco Nunes Correia for their contributions towards the translations. Finally, the Chair warmly welcomed 10 new members of the WGI: Fundación Aquae, Sanitation and Water for All (SWA), Waterpreneurs, University of New South Wales/ Global Water Initiative, the Lincoln Institute of Land Policy, Eurocities, International Water Management Institute, UNDP Cap-Net, the 2030 Water Resources Group, Argentina’s Secretariat for Infrastructure and Water Policy from the Ministry of the Interior.

1.2.1. Outcomes of the 8th World Water Forum (Brasilia, 18-23 March 2018), ANA and WWC

Mr Oscar de Moraes Cordero Nieto, Director of Brazil National Water Agency (ANA), apologised for the absence of Ms Christianne Dias Ferreira, the president director of ANA. He thanked his colleagues **Ms Aline Machado da Matta, Advisor and Coordinator** and **Mr Thiago Silva Serrat De Oliveira, Chief of Staff**. Mr. Moraes gave an overview of the [8th World Water Forum](#) that was held in Brasilia, Brazil in March 2018. It was the first time the World Water Forum was held in the Southern Hemisphere. The overarching theme was “sharing water” and there were five concomitant processes: [Political Process](#), [Regional Process](#), [Citizen Process](#), [Thematic process](#) and [Sustainability Focus Group](#). Additionally, a platform entitled «Your Voice» was launched in February 2017 aiming at fostering open debate around six themes: climate, people, development, urban, ecosystem, financing. Twelve heads of state as well as high-level participants from international organisations attended the opening ceremony. More than 12 000 people from 172 countries participated in different activities, in particular over 10 600 people participated in 350 sessions and events, while more than 100 000 visited the citizens’ village and the fair. The extent to which water was discussed during that week was unprecedented: there were over 16 000 mentions in the printed media in Brazil and it resonated in radio, TV and the world media.

Ms Teresa Liguori, Project Officer at the World Water Council (WWC), thanked the Director of ANA and reported on the key outcomes of the 8th World Water Forum and follow-up actions. During the forum week, 172 Ordinary Sessions took place. In parallel, there were 80 special sessions, 16 of which were high-level panels and 64 special focus sessions. Concerning the outcomes of the political process, there were various sub-processes: National Governments, Local and Regional Authorities, Judges and Prosecutors and Parliamentarians. Each of these led to a specific declaration. The thematic process included 95 sessions, addressing 32 topics, identified across nine themes, coordinated by 430 organisations. All the levels of coordinators (theme, topic and session coordinators) of the thematic process were mobilised to establish and identify key political and strategic messages. In particular, coordinators and participants who took part in the thematic process were invited to activate a multi-stakeholder platform and build multiple partnerships to develop actions contributing to the achievement of the Sustainable Development Goals (SDGs).

Governance was one of the themes of the thematic framework and was a crosscutting issue. It included 3 topics: i) smart implementation of IWRM, ii) cooperation for reducing conflict and improving transboundary water management and iii) effective governance - enhanced political decisions, stakeholder participation and technical information. The OECD led the theme coordination group, as well as W played a major role as a topic coordinator of topic C on “effective governance” and was the session leader of topic 3 session A and session 1 topic C. As it was aforementioned, a particular approach was adopted for the thematic process to deliver a concise set of outcomes and to engage all the coordinators of the forum at all levels. All session coordinators identified key outcomes of each session as a basis for a list of key political messages. The key messages on governance were: 1) Modern legislation and regulation is essential; 2) There is a need for financial support to institutions that are responsible for governance; 3) There is a need to build capacity at different levels; and 4) Inclusive collaboration is essential to reach the SDGs. In addition, each theme had to identify a forward-looking plan for mid and long-term action in order to achieve the SDGs. More concrete information about the current state of affairs and outcomes of sessions and mid/long term goals can be found in the forum report that will be published soon. However, a selection of major outcomes can be found on the [forum highlights](#).

Ms Liguori explained that concerning the [regional process](#), a declaration containing key political and strategic messages was issued. The [citizens’ process](#) drafted a legacy document entitled “10 Citizens Forum Principles”. The main outcomes of the [sustainability focus group](#) were the Sustainability Declaration and Brazilian Business Commitment for Water Security. Ms. Liguori, stated that linking substantive outcomes from one forum to another forum is a major concern for the WWC. The implementation of roadmaps has proven to be a successful example on change and positive action at a scale, although it was not without challenges. Thus, the Council and its Brazilian partners are currently discussing how to improve the follow-up process.

Ms. Liguori updated the delegates on the preparation of the 9th World Water Forum in Dakar, Senegal in March 2021. The overarching theme will be “water security for peace and sustainable development”. The next forum will be organised around four main priorities: water security, cooperation, rural development, and tools and measures. These priorities will be nourished by thematic, political, regional and citizen perspectives through multi-stakeholder engagement. The second innovative dimension is the Dakar 2021 Initiative, aimed at generating commitment and actions to accelerate processes towards the achievement of the SDGs. It also seeks to label projects in order to encourage the access to safe drinking water and decent sanitation by 2021.

1.2.2. Outcomes of the 2018 High Level Political Forum (New York, 9-18 July 2018), OECD

Ms Aziza Akhmouch, Acting Head of the Cities, Urban Policies, and Sustainable Development Division, OECD, shared the outcomes of the [2018 High Level Political Forum](#) on Sustainable Development held in New York, 9 - 18 July 2018. This event provided an opportunity for countries and stakeholders to report on where they stand in meeting the SDGs. The event gave room for the presentation of 46 Voluntary National Reviews as well as side events, special events, thematic sessions organised by different delegations and stakeholders. Many of these were closely related to water, as SDG 6 on clean water and sanitation for all, together with five other SDGs, were under review.

The forum acknowledged progress and widespread adoption of the SDGs in different countries, demonstrated by an increasing number of national development plans that integrate the goals and strategies and propose innovative approaches for implementation of the goals. One of the primary messages was that there is a long way to go to reach the SDGs by 2030 and there is an uneven progress in SDG achievements across countries. When it comes to water-related megatrends, there was a strong emphasis on climate change-related disasters and vulnerable groups. Ms. Akhmouch updated the delegates on each of the SDGs under review:

- SDG 6 - Ensure availability and sustainable management of water and sanitation for all: two reports were launched by the World Water Assessment programme and UN Water: [Synthesis Report on Water and Sanitation](#) and [Nature-Based Solutions for Water](#). One of the key messages is that the world is not on track to meet SDG 6, as only 27% of the population in the least developed countries have basic hand washing facilities and more than 890 million people continue to practice open defecation. Water scarcity is increasing, water quality is deteriorating and water ecosystems are under threat. These trends are exacerbated by climate change, and vulnerable groups in urban and rural areas, especially in rapidly expanding small towns, are among the most affected. In 22 countries, mostly North Africa, western Asia and central and southern Asia water stress is estimated to affect 70% of the population. Governance and IWRM, technical and non-technical innovation, and the role of the private sector were repeatedly signalled as critical drivers to achieve SDG 6. The HLPF announced to establish a blue fund to provide support for investment in the sector.
- SDG 7 - Ensure access to affordable, reliable, sustainable and modern energy for all: The discussions around this goal also reflected that the world is not on track yet. The hope lies in sustaining an uptake of renewable energy. Many of the presentations highlighted municipal policy plans as a useful starting point to foster alignment across urban policy and energy.
- SDG 11 - Make cities and human settlements inclusive, safe, resilient and sustainable: Major progress has been demonstrated when it comes to subnational governments' involvement in designing National Voluntary Reviews (NVRs). The city of Kitakyushu in Japan and New York in the United States have already begun producing their own local Voluntary Reviews and producing their own localised indicators to assess where do they stand vis-a-vis the SDGs and notably against their national average.
- SDG 12 - Ensure sustainable consumption and production patterns: There was a strong emphasis on the gap in domestic material consumption and the material footprint since 2000. There was a call for a paradigm shift rather than an

incremental change and for holistic thinking fuelled by integrated and inclusive institutions.

- SDG 15 - Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss: Governments were called to better monitor, assess and report progress on the integration of ecosystem and biodiversity into national planning and development strategies. The ability and effectiveness in which biodiversity communities convey strong messages were highlighted.
- SDG 17 - Strengthen the means of implementation and revitalize the global partnership for sustainable development: There is a need to guarantee a big set up to initiate policy dialogues, exchange of experiences and promote best practices among development banks to facilitate their constructive role in financing the achievement of the SDGs.

1.2.3. On the road to COP 24 (Katowice, 3-14 December 2018), INBO

Mr Daniel Valensuela, WGI Steering Committee member and Technical Advisor for the International Network of Basin Organisations (INBO), provided information on the preparations for the COP24 to be held in December 2018 in Katowice, Poland. Mr. Valensuela described the recent introduction of water into the COP discussions, formerly focused exclusively on climate change. During COP21 in 2015, over 300 organisations coming from 94 countries signed the “[Pact of Paris](#) on water and adaptation to climate change in the basins of rivers, lakes and aquifers”. The pact included a dimension concerning water governance. During COP22 in Marrakesh, the [Global Alliances for Water and Climate](#) was launched. It was structured around four alliances (Business Alliance for Water and Climate Change, Alliance of Megacities for Water and Climate, Global Clean Water Desalination Alliance, and Alliance of Basins). Mr. Valensuela stressed the importance of water for adaptation to climate change adaptation and its links to water governance. In order to be able to face the impact and risks that climate change poses to various sectors, water management needs to be tailored to the relevant scale. In this sense, he urged the WGI to play a stronger role in these international meetings (e.g. COP).

INBO and other members of the WGI will be involved in COP 24 through three events: 1) an official event called “event water”, co-organised by INBO and SIWI on December 7 and in the framework of the Marrakesh Partnership of Global Climate Action; 2) a side event called “Water and Climate Action, time to finance actions”, that will be carried out with the Sahara and Sahel Observatory; 3) a side event on “ensuring water security in climate change contexts” particularly focused on Morocco and Senegal. Mr. Valensuela stressed that the outcomes of the WGI will be used and cited to enrich these events. Finally, he mentioned the three main topics of COP 24: 1) Technology - development of climate-friendly modern solutions; 2) Humanity - solidarity in the transition process; 3) Nature - achieving climate neutrality by absorbing CO₂ by forests and land, or by water management.

1.2.4. Group Discussion

ANA Brazil suggested inviting African countries to join the WGI in preparation for the next WGI meeting, notably Senegal.

Mr Pierre-Alain Roche, WGI Steering Committee member and Honorary President at The Scientific and Technical Association for Water and the Environment (ASTEE) advised to look at governance when producing the voluntary national reports (VNRs). This could allow to strengthening the consultation processes in countries and improve the consensus on the assessments.

Ms Joannie Leclerc, WGI Steering Committee member and Dialogue and Social Impact Director at SUEZ highlighted the nomination of Jean-Louis Chaussade, the CEO of Suez, as a UN Global Compact SDG pioneer for his action on climate change. This reflects an emerging recognition of the water community within the climate community.

Mr François Brikké, Senior Network Officer at Global Water Partnership (GWP) mentioned the launch of a report on SDG 6.5.1 called “Progress on Integrated Water Resources Management”. The indicators used to track progress are similar to the OECD water governance indicators. GWP wondered how the OECD and UN could link their indicators and avoid contradiction or competition. Second, GWP stated that together with other UN agencies, there is an ongoing shift from the baseline survey done in 2017 to roadmaps to trigger action. Pilot studies are carried out in Ghana, Guatemala, Viet Nam and Kazakhstan to come up with a strategy to allow countries to work based on the identified baseline gaps.

Ms Oriana Romano, Policy Analyst for the Water Governance Programme, OECD Secretariat, recognised the importance of linking the UN-OECD work-streams. Nonetheless, she explained that their functions are different. The OECD WGI Indicators represent a way to self-assess gaps and improvements on water governance systems, as well as they can work as a tool that countries can use to achieve the SDGs. Ms. Romano stated that coordination efforts were and are being carried out with UN entities, such as UN-Water, UNESCO, WHO and UNEP. There is also ongoing collaboration with UNEP and WHO to produce a joint paper on the use of indicators for water governance. In contrast, UN learns from monitoring IWRM through the 6.5 target. She concluded by illustrating the existing and increasing collaboration with the pilot test of the OECD Indicator Framework. For instance, the representatives of different organisations based in Kinshasa had the chance to compare the two instruments and provide comments on the methodology helping to shape the [10-step assessment methodology](#).

Ms Lesha Witmer, Butterfly Effect, stressed some of the weaknesses of the HLPF in relation to water. During the official sessions, water was only discussed for 3 hours. Besides, 12 countries that have official UN delegations could not speak because of lack of time. As a result, the evaluation was insufficient. In addition, out of the 46 countries that had promised a VNR, only 43 submitted one and most of them elaborated summaries instead of full national reports. Even though water was under-review, it was only mentioned in five summaries. Therefore, she urged members to take the necessary steps to make water more prominent in the next voluntary reports. The OECD could play a primary role by looking at the voluntary guidelines and ensure more guidance on governance issues. Finally, a resolution will be sent to the UN General Assembly in November 2018 in order to: 1) request a global UN Water Conference in 2020; and 2) advise to restructure the way in which the HLPF is operating.

Mr Marcus Winter, Water Supply Expert at the Austrian Association of Public Services and Enterprises (VÖWG) emphasised the need to better align ongoing global water initiatives (e.g. World Water Forums and HLPF) and supported the upcoming resolution. A better global partnership can help align the UN SDG indicators and the WGI indicators work. Moreover, he mentioned the UNECE Eighth session of the Meeting of the Parties to the Water Convention held in Astana, Kazakhstan in October 2018, as it is a practical example of further involvement of African states. Senegal and Chad were the first countries that joined the UNECE water convention and many other African states are interested in joining in the coming years.

1.3. Peer-review “An application of the OECD Principles on Water Governance to Flood Management”

Antonio Cañamas Catala, Policy Analyst for the OECD Water Governance Programme, OECD Secretariat, presented the draft paper prepared by the Secretariat: “Flood Governance: A Shared Responsibility”. The paper is part of a broader project aiming to support the implementation of the OECD Principles on Water Governance in interested countries, through more specific guidance in the different sub-sectors of water management. The paper has several objectives and benefits. Firstly, one of the initial objectives of this project, which began in 2016, was to feed on the ongoing WGI work on indicators and complement the OECD Water Governance Indicator Framework. Moreover, this paper focuses on the multi-level governance of “too much water”, as flood management is an emblematic case for stakeholders’ shared responsibilities across levels of government. Finally, this paper also contributes to the collection of inspiring practices on flood governance.

As part of this effort, the Secretariat developed a checklist to assess whether framework conditions are in place to manage identified risks against the 12 OECD Principles on Water Governance. Between October and November 2016, the checklist served to collect 27 case studies on flood governance. Previous versions of this report were discussed at the STAR-FLOOD Conference, “Towards more resilient flood risk governance”, held in Brussels on 4-5 February 2016, at the Dutch Water Governance Centre Sunset Symposium in Amersfoort, the Netherlands on 10 March 2016, among others.

The OECD predicts that by 2050 1.6 billion people will be at risk from floods, affecting nearly 20% of the world’s population. Interrelated megatrends will have a high impact on the frequency and the intensity of floods. For example, rapid urbanisation causes land use changes, which can contribute to increased floods in urban areas, as well as climate change has an effect on rising sea levels and rainfall patterns.

There is broad consensus amongst the flood community that traditional approaches are no longer sufficient for decision-making and that there is a need to improve flood governance. First, there is tendency to overlook the perceptions of risk, which various stakeholders may hold. Second, conventional flood risk assessment and management fail to capture the complex interconnections between various policy instruments. Third, traditional physical flood mitigation infrastructure encourages greater development of flood prone areas. Moreover, most cost-benefit analysis methodologies discount the future and long-term negative externalities of some measures that manifest decades later. Finally, non-structural flood mitigation measures offer a window of opportunity to bridge inconsistencies between water and land management.

Consequently, a Checklist, containing 100+ questions, was conceived as a self-assessment tool to be used as a guiding framework to share views and discuss on how a water governance system is performing at a given scale against the OECD Principles. The checklist includes three main clusters: diagnostics, impacts and mechanisms. The 27 case studies collected in the framework of the project represent a diversity of geographic location, management scale and thematic focus. Flood governance practices are set at different scales, according to different administrative (such as national, regional, local) or functional boundaries (floodplain, sub-basin, basin, transboundary basin, etc.). The 27 case studies are spread out across Asia, Africa, Europe, Latin and North America. The thematic scope is very wide, ranging from transboundary strategic plans to research projects, as well as from national policy/programmes, among others.

The exercise revealed three main common challenges in flood governance: i) There is a high fragmentation of flood (but also water) related responsibilities across different institutions, ministries and levels of government; ii) there is lack of coordination between water policies and

land management; iii) place-based approaches are insufficient, as its impacts can spread across geographical and temporal scales; and iv) there is no widespread systemic and comprehensive approach for flood governance.

Ways forward were identified and organised around the 3Ps coordination framework (policy, people and places) (OECD, 2016). Water governance needs to be tailored to the place that policies and investments aim to serve. Furthermore, it is crucial to reflect upon how each policy areas' strategy contributes to reducing flood risk. Finally, flood governance needs to be oriented towards people, which are the ones who suffer the consequences of flood. Moreover, there is a need to pay special attention to capacity, monitoring and evaluation and innovation in horizontal to the 3Ps approach. To conclude, Mr Cañamas informed that the Secretariat has produced 27 case study profiles that have already been shared with the case study providers and are currently under review.

1.3.1. Principles on Investment and Financing for Water-related Disaster Risk Reduction - Tomoyuki OKADA (MLIT)

Mr. Tomoyuki Okada, Director for International Coordination of River Engineering, Japan Ministry of Land, Infrastructure, Transport and Tourism, presented the work undertaken by the [High-level Experts and Leaders Panel on Water and Disasters](#) (HELP), which was established to assist the international community, governments and stakeholders in mobilising political will and resources, and take effective measures to address the issues of water and disasters. Under this mandate, the panel developed draft principles on Investment and Financing for Water-related Disaster Risk Reduction with a view to doubling the investment and finance for water-related disaster risk reduction, as well as to shift international assistance from disaster response to preparedness. There is a need to reverse the current situation as at present 90% of international assistance is spent for emergency response and only 10% for disaster risk reduction and preparedness.

The principles are organised around six pillars. 1) Water-related disaster risk reduction as indispensable for socio-economic development. 2) Pre-disaster prevention measures should be prioritised; 3) Governments should improve their fiscal systems and secure sufficient budget in order to continue decreasing the number of fatalities by floods; 4) Various funding sources should be mobilised; 5) International community should expand financing for disaster risk reduction; 6) Science and technology should support decision making on better investment. The HELP panel introduced the principles in various international conferences in 2017. Moreover, consultation workshops are being conducted together with GWP. Moving forward, the importance of the effect and prevention measures should be more clearly explained in the draft principles.

1.3.2. Peer-review Discussion

WGI members were invited to react to content of “Flood Governance: A Shared Responsibility”, the checklist, and the methodology proposed. They were also invited to comment on the extent to which this experience could inspire the assessment of other sub-sectors, such as droughts and groundwater.

Mr Teun Bastemeijer, WGI Steering Committee member and Chief Advisor at Water Integrity Network (WIN) acknowledged the complementarity of the presentation of Mr. Cañamas and Mr. Okada. As the questionnaire did not specifically link to the purpose of the draft paper prepared by the OECD secretariat, he suggested to re-think the methodology and the questionnaire in relation to the purpose of the work. Secondly, WIN requested more clarity concerning the distinction between flood management, flood risk management and floodwater trade-offs. The links between the process of adaptive governance or water governance in relation to adaptation to climate change adaptation as well as management of risks in general could be more clearly

distinguished. Finally, the need to look at this working paper from a programmatic approach was pointed out.

Mr Donal O’Leary, WGI Steering Committee member and Senior Advisor at Transparency International (TI) reflected on the challenges that South Carolina is facing to deal with flood and disaster management as science is not being taken into account in the dissemination of climate change information. TI also asked about the potential linkages between flood management and disaster management in the Japanese case.

MLIT stressed that in Japan a committee has been established to develop climate change adaptation policies in water and disaster management issues.

Mr Francisco Nunes Correia, President of the General Assembly at Portuguese Water Partnership (PWP) congratulated the OECD for the robustness and continuity of the work on the principles. Second, PWP mentioned the European Regional Report presented during the 8th World Water Forum in Brazil. In particular, chapter 9 uses the 12 Principles on Water Governance to analyse the Water Framework Directive and applies the principles to assess the evolution of water policies in specific countries. The Principles have proven very useful and valuable, not only to inspire new policies, but also to assess existing ones. Finally, PWP suggested applying the methodology and the checklist to droughts.

Mr Tadashige Kawasaki, Deputy Director at Network of Asian River Basin Organisations (NARBO) / Japan Water Agency, suggested that the OECD Secretariat put more emphasis on disaster prevention measures and maintenance. Specifically, NARBO requested the inclusion of information about recent Asian commitments and actions regarding investments in infrastructure to address water-related disasters and enhancement of water security in the region (e.g. the Yangon Declaration).

Ms Elena Lopez Gunn, Director at Icatelist, expressed interest in using the Principles to analyse the nine case studies that are part of the [NAIAD](#) research project, which is focused on the role of green infrastructure for disaster risk reduction. Icatelist inquired about the way in which the issue of scale has been considered.

Mr Rob Uijterlinde, Strategic Advisor at Dutch Water Authorities, pointed out two comments. First, the paper attempts to encompass two different goals: describe the flood governance situation based on the case studies and to offer a questionnaire as a tool for water governance. Dutch water Authorities suggested to choose one of the two to improve clarity. Second, he stated that the value of the checklist as a tool, to map in a very robust way the actors, activities and areas taken into account for decision- making, was demonstrated through its application by Dutch contributors. In parallel, the tool is useful to be applied on a regular basis. However, there is a need to make it more concrete and comprehensive and, for that purpose, Dutch Water Authorities proposed to finalise the document as a working paper and to engage the capacity development working group in the coming times in order to make it more appealing for decision-makers.

GWP congratulated the Secretariat for the title chosen for the paper “flood governance: a shared responsibility”. GWP suggested to take stock of the recent work done by several organizations to enrich and update the paper with information on urban flood management and flood management in general (elaborated by the World Meteorological Organisation and the World Bank). GWP also reiterated the clear linkages between climate change and water management. Moreover, there was a reference to the need to improve project proposals and thus, to connect them to climate change resilience in order to access funding from the Global Climate Fund (GCF) and the Adaptation Fund. Finally, GWP pointed out that they are already working with several actors in Japan to improve project financing from the GCF.

Mr Dirk Van der Stede, CEO at Flanders Knowledge Centre Water (VLAKWA) mentioned the recently launched initiative to carry out a full water system analysis. In this sense, the checklist and the document were very useful as they forced them to look at forgotten governance dimensions and allowed them to trace financial resources. Finally, VLAKWA insisted on the necessity of a system approach to undertake a good assessment.

Butterfly Effect suggested asking “why” whenever there is the option “none” for the cluster on “impacts” of the checklist in order to stimulate users to tackle the question at hand. Butterfly Effect suggested shedding light on the contradictions underlying insurance. Frequently, original rebuilding conditions are imposed, which interfere with new good prevention policies. Moreover, there is no explanation of how awareness-raising strategies can help actors to prepare against floods. Finally, the Butterfly Effect wondered about the willingness of people to accept proposed solutions if not consulted and about the limitations of behaviour (“go back to what we know”).

SUEZ congratulated the OECD Secretariat and stressed that the piece of work can be useful to attract new WGI members. Suez highlighted that the value-added of the paper lies in signalling what are the trade-offs and what should be managed or not. Moreover, Suez pointed out that this document could be used to assess certain flood-related evolving practices collected for the OECD report “Implementing the OECD Principles on Water Governance” launched in 2018.

Mr Peter Gammeltoft, Independent Expert, suggested including more information about reallocation policies. He recognised the tool as a powerful means to carry out a scoping exercise. Moreover, he shared references to update the literature review. Mr. Gammeltoft reiterated the importance of paying further attention to climate finance and suggested to give more prominence to payments of ecosystem services. Finally, he agreed with Portuguese Water Partnership on applying the methodology to droughts.

OECD Secretariat thanked WGI members for their feedback on the draft paper. Comments by delegates will be addressed in the next version of the paper. These include notably:

- Including a glossary that explains the difference between flood governance and flood management including the functions
- The authors welcomed the proposition of adapting the checklist to assess droughts management and considered the WGI as a space to discuss a potential questionnaire.
- Regarding the question on scale, the checklist contains a breakdown of flood functions by scale. The case studies collected report having shared responsibilities across all scales. Furthermore, each flood governance profile will show the results of their own stakeholder mapping and the paper will reflect the information extracted from the case studies.
- The ways forward of the Capacity Development group will be further discussed during the session “Shaping the objectives, content and outputs of WGI Working Groups”.
- The authors will update the literature review, while keeping the focus on the lessons learnt and conclusion that were extracted from the case studies. The spirit of the paper is to evaluate whether the tool is useful to assess each different governance systems.
- The Secretariat welcomed the proposition to include more information on relocation policies under Principle 12 on monitoring and evaluation and on awareness under Principles 10 on stakeholder engagement.

Ms Aziza Akhmouch, OECD Secretariat, thanked WGI members for their comments and suggestions. She informed that the deadline to provide comments is November 26 and that the

paper is intended to be fine-tuned in December and peer-reviewed for the subsequent 2-3 months. Ms. Akhmouch concluded by pointing out three comments. First, she expressed her satisfaction for the success of two concomitant processes: the development of the Principles on Water Governance on the one hand and its application to specific subsectors such as floods or groundwater on the other hand. Second, this initiative is very much in line with the WGI effort to facilitate the uptake of the Principles by applying them to different circumstances and providing further (and more detailed) guidance to use them. This contributes to more granular information and to better dissemination and capacity building across institutions. The next version of the document will address the comments made on climate change, costs and linkages with land, among others.

1.4. Tour de table on latest water governance research and policy reforms

1.4.1. Update on Water Governance in Brazil (National Water Agency, Brazil)

ANA Brazil provided an overview of the relations between ANA and the OECD, from 2012. Brazil has been able to learn lessons from the OECD guidance on water multi-level governance, allocation and finance, as well as it has improved the water resource legal and institutional framework. Mr. Moraes highlighted two reports that supported these processes: [Water Resources Governance in Brazil](#) (2015) and [Water Charges in Brazil: The Ways Forward](#) (2017). Mr. Moraes also pointed out two critical dimensions needed to improve water governance in Brazil: 1) the importance of a coordination framework to integrate urban water management between federal and state policies, given that Brazil is a decentralised country in which water resources management is both under federal responsibility and of the 26 states and federal districts. 2) The need to establish clear and good water allocation regimes in order to cope better with conflict and shortage risks, especially in a context of climate change. These inputs enriched and fed the discussions during the 8th World Water Forum, as well as it served as a reference for reviewing the agency's strategic planning. Mr. Moraes also highlighted some of the challenges that ANA is committed to tackle: raise the profile of the water resource agenda as a requirement to ensure national development; strengthen the integration of plans and other resource management instruments in national states, local and basin levels; implement economic instruments that combine efficiency and flexibility in the use of water; upgrade water qualitative monitoring and the definition of availability of water resources; and upgrade the decentralised water management process. In this context, water infrastructure planning and sustainability deserves more attention. Finally, he concluded by reiterating that the recent request for the accession of Brazil to the OECD and the Brazilian water policy alignment to OECD's water governance recommendations, show the opportunities that the linkages between the agendas can have for triggering action and helping advance solutions. He wrapped-up by stating that Brazil has plans to further engage with national and international entities in order to achieve the 2030 Agenda, with a special focus on water access and sanitation.

1.4.2. Water governance in a humanitarian context: Case Studies in Uganda, Sierra Leone, Pakistan (ACF)

Mr Andrea Angioletti, WASH Technical Advisor for Action against Hunger/Action Contre la Faim (ACF), presented a number of case studies that ACF carried out regarding water governance in humanitarian contexts in 2017. He explained that there is common agreement that the OECD Principles on Water Governance can and should apply to emergency and crisis contexts and responses. WASH NGOs need a governance approach to position their action into a legal, ethical, inclusive and long-lasting framework. Mr. Angioletti also stressed the gap between the legal framework, the rights recognised by the government and what is the actual implementation on the field. This, he explained, happens for different reasons: lack of strategy, coordination, capacities or funding. Tailoring the OECD Principles to crisis contexts can enable an analysis of

the water governance system. Moreover, he highlighted that ACF has been working with governance since 2006, although it was only in 2013 that the organization decided to focus on studies regarding the humanitarian contexts and water governance applied to field studies. In 2016, an internal manual was elaborated to guide field staff in integrating the water governance approach into the field programmes. Finally, he presented three case studies:

- The first study was carried out in two provinces of Pakistan: Khyber Pakhtunkhwa and Sindh. The goal was to provide a comprehensive analysis on water governance including policies, implementation, and institutions and provide recommendations to their field staff to better integrate governance in their activities. The team worked on three axis: Legal and institutional framework; Access to Water, Sanitation and Hygiene services; Opportunities and challenges. They used some of the OECD Principles to identify opportunities and challenges.
- The second study focused on the city of Freetown in Sierra Leone, which has a much-decentralised system of different water sources. Thus, the objective of this study was the elaboration of a new governance model for the decentralised water services in urban and peri-urban areas, which is in accordance with legal and institutional framework and financially sustainable. Various institutions and community members were engaged to identify the most suitable governance model out of the four models proposed.
- Finally, in the Arua and Kiryandongo districts, Uganda, the goal of the study was to develop a comprehensive model for sustainability in refugees and hosts contexts considering the whole life-cycle costs of water infrastructure (capital expenditure, O&M, capital maintenance expenditure).

Moving forward, the plan is to carry out a water governance study in Nigeria and in Mali in 2019 and the elaboration of a thesis with WEDC on sanitation governance in urban and peri-urban contexts.

1.4.3. Towards a City Water Resilience Framework (ARUP)

Due to travel circumstances delaying Arup's arrival to the meeting, **Mr Alejandro Jimenez, WGI Steering Committee member and Programme Director at Stockholm International Water Institute (SIWI)**, presented the [City Water Resilience Framework](#). The City Water Resilience Framework is a joint programme that begun in 2017 and aims at developing a framework for resilience of urban water. Supported by the Rockefeller Foundation and the Resilience Shift, it adopted a collaborative approach. The first phase involved doing a literature review on the existing frameworks, methodologies and tools on water resilience, which was followed by a co-creation process with five cities: Amman, Mexico city, Miami, Cape Town and Hull. As part of these efforts, city water resilience was defined as the “capacity of the urban water system to anticipate, absorb, adapt, respond to, and learn from shocks and stresses, in order to protect public health and wellbeing, the natural environment and minimize economic disruption”. Thus, the goal, although challenging, became to achieve a comprehensive view of the different shocks and stresses that can affect a particular city and make available instruments that could help to anticipate and address them. Hereafter, a database containing the factors that contributed to or inhibited resilience was elaborated. It distilled a set of goals and sub-goals that resulted in the first version of the City Water Resilience framework. The process involved a number of events including the Global Knowledge Exchange held in London in 2018, where various cities came together to discuss the provisional framework and how to integrate different perspectives into it. Mr. Jimenez highlighted that the city water resilience framework is thus considered as a multi-step process that allows developing knowledge that can trigger action and the design and implementation of action plans to improve resilience at the city level. The city water resilience framework is now organised around four

clusters: leadership and strategy; planning, strategy and finance; infrastructure and ecosystems; and health and wellbeing. Each includes goals and sub-goals. He concluded by thanking the institutions and cities involved and welcomed interested cities to join the process.

1.4.4. Groundwater Management in Coastal Zones (BGR-BMZ)

Mr Michael Eichholz, Political Advisor at the German Federal Ministry for Geosciences and Natural Resources (BGR) and Representative of the German Federal Ministry for Economic Cooperation and Development of Germany (BMZ), presented the recently published handbook entitled “[Groundwater Management in Coastal Zones](#)”. This document offers a scientific point of view but it is aimed at the broader audience of decision-makers and practitioners in order to help them address the complexity behind groundwater governance and management in coastal zones. He began by explaining the importance of dealing with coastal zones. Coastal zones are the home of many people and of an increasing share of the world population. Hotspots are mainly located in Africa (e.g. Dar es Salaam) and in Asia, (e.g. China is expected to have 200 million living in coastal zones by 2030). In addition, great parts of the population generally depends on groundwater for water supply for the cities and agriculture, among others. Apart from the human processes, Mr. Eichholz referred to the natural processes affecting groundwater. In places like Indonesia, coastal areas are in danger as saline water tends to infiltrate fresh water aquifers and provokes the salinization of water resources. Therefore, groundwater is not only much required in coastal zones, but also a source of vulnerability. For instance, the process of seawater intrusion is a very slow process, hard to forecast and affects many actors, as it can hamper urban water supply, food security, the economy of agriculture and coastal regions. Additionally, considering that groundwater is a “hidden resource”, there is no common knowledge base on groundwater resources. Mr. Eichholz stressed that one of the key governance problems is the absence and fragmentation of monitoring of groundwater in coastal areas. As a result, in many regions there is a big gap between the regulation on groundwater and the implementation. The lack of awareness and data makes it hard to regulate the abstraction of ground water. Mr Eichholz concluded by giving an overview of the outline of the document, which describes fresh and salt-water dynamics, presents the water challenges in coastal zones, provides useful insights on groundwater governance and management in coastal zones and summarises strategies and innovative solutions.

1.4.5. Women as change-makers in the governance of shared waters (Butterfly Effect/WfWP)

Butterfly Effect/Women for Water Partnership presented the report “[Women as change-makers in the governance of shared waters](#)”. This publication stands out, not only because it is only the second publication done in 20 years on the topic, but also because it collects and records evidence. The publication compiles case studies describing how women in Asia, Latin America, Eastern Europe and Africa are leading change on the ground in governing shared waters. Ms. Witmer explained that the interest in studying the topic emerged from the lack of attention on issues of women’s participation and gender equality in the governance of shared waters, yet action is happening on the ground. Women play key roles in generating change in the way water is used, shared, and allocated, from local to transnational levels and in spite of legal, regulatory and institutional frameworks that provide little space for their participation in planning and decision-making. She pointed out that the publication aims at orienting action to drive gender equality, allow the participation of women in formal water governance processes and trigger water governance frameworks doing justice to the work that is being carried out by women. Ms. Witmer also highlighted the lack of institutions and governance structures working on shared basins that involve local communities living near rivers, lakes, aquifers. These tend to be based on state-to-state communication.

Mr Peter Gammeltoft intervened at the end of the presentation to mention two ongoing European Commission reviews: one is the evaluation of the [Urban Wastewater Treatment Directive](#) and the other is an ongoing public consultation to carry out a “[fitness check](#)” of the [Water Framework Directive](#) and associated directives: Floods Directive, Nitrates Directive, the Groundwater Directive and the Priority Substances Directive.

1.5. WGI 2019-2021 Strategy and Programme of Work

The **Chair** introduced the session, which discussed the WGI 2019-2021 Strategy and Programme of Work prepared by the OECD Secretariat. The paper is based on a Satisfaction and Forward-looking Survey extended to WGI members (May 2018), the conclusions of a Steering Committee workshop held on 17 May, and the proposed actions in the [Brasilia Multi-stakeholder Pledge to Implement the OECD Principles on Water Governance](#) launched at the 8th World Water Forum in Brasilia. The Strategy Paper takes stock of the results produced by the OECD Water Governance Initiative (WGI) over the period 2016-18. It also looks forward and introduces the proposed programme of work for the WGI over the next 3 years, 2019-21.

1.5.1. Presentation of 2019-2021 Strategy and Programme of Work by OECD Secretariat

Mr Håkan Tropp, Head of Water Governance Programme, OECD Secretariat, opened the session by informing delegates that the draft OECD WGI Strategic Paper and OECD WGI Terms of Reference 2019-2021 were shaped by several rounds of consultations with the WGI Steering Committee, which Mr Tropp thanked for their input. Delegates were reminded of the 26 November 2018 deadline to provide written comments on the documents, after which they will be finalised and submitted for approval to the OECD’s Regional Development Policy Committee in December 2019. Mr Tropp stressed the relevance and results of the WGI, as acknowledged in international circles such as the High Level Panel on Water (convened by the United Nations and the World Bank) which described the WGI as “being especially valuable to states and stakeholders seeking to implement our [HLPW’s] recommendations”. At the technical level, the second phase of the WGI Programme of Work (2015-18) has delivered an [Indicator Framework](#) and facilitated peer-learning across a set of [50+ evolving water governance practices](#) worldwide, in addition to several reports providing guidance on specific countries (e.g. Brazil, Korea) or specific topics (water governance in cities). There have also been research-oriented reports such as Water International’s special issue, [The OECD Principles on Water Governance: from policy standards to practice](#), which engaged many members from the WGI.

[The OECD WGI Satisfaction Survey 2018](#) was sent out to all WGI members in May 2018, with a response rate of 70%, where all of those who were surveyed answered that the WGI should pursue its activities. The level of satisfaction was very high for the OECD Secretariat (96%), Chair (97%), WGI Steering Committee (87%), and the overall WGI network (95%) and was around 80% for the Working Groups on Indicators and Best Practices. These results illustrate the WGI’s high quality work and its success in delivering on its work programme. WGI Members also consider that the main benefits of the network include “learning from countries’ policy reforms and experiences” and “accessing and contributing to cutting-edge evidence-based analysis and research”, among other benefits, and so the WGI will continue to work on providing space and opportunities for members to present their ongoing work on water governance in future meetings. The survey also revealed the way in which member see their main contributions: “co-production of analytical work”; “commenting on WGI documents and reports”, and providing guidance as appropriate”; “leading some of the activities / mobilising your own internal resources”; “disseminating WGI results”; “presenting your research, reports, analysis at WGI meeting for discussion/peer-review”.

As indicated in part by these results, the WGI will thus continue to work on providing space and opportunities for members to present their ongoing work on water governance in future meetings. These results also highlight the inclusive, collective nature of the WGI, which will be maintained in the future. A particularly important figure from the survey also demonstrates that almost 70% of respondents say that they contribute with other activities in addition to the WGI meetings, demonstrating that in fact most of the work happens between the meetings, which are used as springboards and as opportunities to advance work.

The survey also posed a question on strategic orientation: which strategic activities should the WGI prioritise to support the implementation of the OECD Principles on Water Governance? The responses to this question revealed that members considered it of high importance especially to: 1) facilitate the uptake and use of the OECD water governance indicator framework (ranked “very important” or “important” by 84% of members); 2) to develop capacity-building modules and train mentors/facilitators (ranked “very important” or “important” by 70% of members); as well as 3) to promote peer-learning from water governance practices (ranked “very important” or “important” by 70% of members). The enriching work on peer learning of the WGI’s former Working Group on Best Practices will be integrated into, and continued in, the new Working Group on Capacity Development. Furthermore, for the report, [*Implementing the OECD Principles on Water Governance*](#), a survey was conducted in January 2018 among WGI members and members of the Global Coalition for Good Water Governance, for which 80% of respondents stated that they were actively using the principles in their daily work. These results clearly demonstrates that the principles are considered to be of high relevance both within and outside of the WGI.

Mr Tropp highlighted that several lessons have been learned and he welcomed further suggestions from WGI members to improve the network. Namely, the network could broaden its scope to have further engagement with actors outside of the traditional water network (e.g. city networks, agricultural and energy sectors, etc.) as well as outside of OECD countries. In this regard, it was proposed to invite more members for example from Africa and Asia in order to enrich discussions at the WGI and increase the network’s impact. Furthermore, there is also room to be made to create greater mutual scope for learning across the WGI, such as through, social media which the WGI intends to explore. Finally, it would be important to broaden the funding base to enhance the WGI’s work. The OECD Secretariat can leverage voluntary contributions (financial resources) from governments, members and stakeholders, but the WGI also relies on in-kind contributions from these actors, which are very important. Therefore, in order to scale up further, a fundraising strategy needs to be developed and acted upon.

Mr Tropp sketched a brief history of the key phases of the WGI’s three programmes of work (detailed in the strategy paper), which have gone from vision and action to implementation. The OECD Principles served as the vision phase (2013-2015). The development of the indicator framework as well as 50+ water stories served as the action phase (2016-2018) and implementing the principles and the indicator framework will serve as the implementation phase (2019-2021). As detailed earlier, it is proposed to maintain the Working Group on Indicators, which would promote the existing framework and develop impact indicators, and to create a new Working Group on Capacity Development, which will use the principles and indicator framework as a foundation to develop different capacity development activities. Both Working Groups will take stock of existing work to define scope, target and audiences. Specifically, the Working Group on Capacity Development may work to produce an online tool and a flagship report to launch during the 9th World Water Forum in Dakar, Senegal in 2021. Practically speaking, aside from the new Working Group, the structure of the WGI will not change. Mr Tropp underscored that this third phase of work centred on implementation will likely require more resources as opposed to the first two phases of work. In order to make bigger use of the tools already developed, the WGI will need resource mobilisation strategies in which the entire WGI network will need to play an important

role. Mr Tropp explained that different possibilities for funding might include basket funding, where funding can flow in different directions within WGI itself, or other innovative opportunities such as leveraging the King Hassan II Great World Water Prize.

Mr Tropp concluded by discussing the timeline of the programme of work: By the 12th WGI meeting (June 2019), draft inventories will be produced; by the 13th WGI meeting, scoping notes will be drafted; by the 14th WGI meeting (June/July 2020), piloting and testing will be conducted to gauge effectiveness; by the 15th WGI meeting (November/December 2020), programme of work outputs will be finalised; and by the 9th World Water Forum in Dakar, Senegal (March 2021), the outputs will be launched. Mr Tropp reminded delegates that in addition to comments received at the meeting, further detailed written comments should be sent by 26 November 2018.

1.5.2. Group Discussion

Mr Teodoro Estrela Monreal, Head of Hydrological Planning Office at the Jucar River Basin Authority, acknowledged the importance of the work conducted by the WGI to date and agreed that a concrete strategy on implementation must be formulated. Delegates were reminded that Spain has participated and collaborated closely with the OECD, but that there remains a strong need to disseminate these principles within Spain, which has not been done to a great extent in other river authorities and in regional and local communities. Therefore, both working groups have important roles to play. The Jucar River Basin Authority recalled the morning's presentation on floods to point to the importance of using the principles in several different contexts and sectors, which should be further developed. Finally, climate change impact was indicated as a key topic that worries many countries and water stakeholders. How can governance practices be improved to reduce the negative impacts of climate change? The Jucar River Basin Authority stressed that this theme should be introduced to the WGI's agenda for the coming years.

Ms Susana Neto, Researcher at University of Lisbon Instituto Superior Técnico, Civil Engineering Research and Innovation for Sustainability (CERIS), thanked Mr Tropp for the detailed presentation and pointed out that it is of great importance to develop solid understanding before proceeding to implementation. CERIS acknowledged the difficulty of developing good understanding on these topics but that the varied institutions that make up the WGI can offer important help. Perhaps performance indicators need to be further developed prior to impact indicators. CERIS also stated that it is very important for learning to be conducted from within (e.g. starting with a self-assessment) rather than as a result of external training. With its extensive experience, the WGI can promote a common methodology. For instance, this morning floods were discussed and so a consistent approach for other extreme events such as droughts could be developed, as stated earlier. Finally, there needs to be a clear understanding and definition of what is meant by the terms "diagnostic", "impacts" and "measures", and how the experiences in each community affected by these events are collected. Ms Neto highlighted that the OECD has a very good repository of such experiences and any work would be welcome around improving learning processes and understanding how capacity will evolve in the future.

Mr Peter Gammeltoft agreed with the key points in Mr Tropp's presentation, particularly the need to consider other sectors such as agriculture and energy, which place significant stress on water resources. SDG 6 on water has an impact on all other SDGs, and as such, water needs to be incorporated into many other sectors or else the SDGs will not be achieved. Thus, it is imperative, and perhaps more so than creating indicators and developing capacity, to work with these water-intensive sectors. As concerns indicators, other institutions working on assessing water management should be considered. For instance, has the WGI spoken to the European Environment Agency or to the Joint Research Centre of the European Commission? In order to engage them, the WGI must persuade them of the relevance for them as the success of their activities also depends

on good implementation of the governance principles. Mr. Gammeltoft raised a question about inviting non-water stakeholders to join the WGI, asking what the WGI will specifically do with members from the energy and agriculture sectors if they join. He expressed the importance of having a conversation between the WGI and such stakeholders regarding sustainable development in these sectors going forward.

EuroCities expressed their gratitude for having been invited to join the WGI as a new member and briefly described the organisation, which is the largest network of European cities, comprising more than 130 million Europeans across the continent. Eurocities is currently working on the [Urban Water Agenda 2030](#) that will include measures to guarantee water supply to populations in cities. Eurocities offered to share more about this project with the WGI, and pointed to EuroCities' water task force, which shares best practices for water management in northern and southern cities affected by drought. EuroCities also offered to collect opinions, concerns and questions that might arise within the WGI and relay them to the European Commission and other stakeholders in Brussels.

Portuguese Water Partnership thanked Mr Tropp for the presentation and agreed with the WGI Programme of Work 2019-2021 but stressed that the twelve principles should continue to be applied to specific water topics such as floods (and droughts, as suggested this morning) and to be disseminated more widely. Other relevant areas of work concern transboundary water management, which is of great importance all around the world, including in Portugal and Spain for example which share five rivers. Therefore, in addition to the new frontier of work presented, it would be important to apply the principles to transboundary water management.

1.5.3. Reflections from the WGI Steering Committee

The **Chair** thanked delegates for their input and opened the floor for the WGI Steering Committee to provide comments.

ASTE reflected that several comments made in the morning should be taken into account during the breakout session. First, effectively involving stakeholders in national reviews will be discussed in the breakout session. Second, within the context of the SDGs, it will have to be considered how the WGI can bridge the gap for [Target 6.5 on Water Resources Management](#).

OIEau/INBO agreed with Jucar River Basin Authority about the importance of implementing the indicators that have been developed. The WGI should ensure that basins, cities, transboundary regions and other actors actually want to implement the indicators to improve their water management and governance. It was also stressed that although the working groups are split into two groups (for practical reasons) their work is interconnected. In other words, since it is somewhat artificial to split these groups, the WGI should ensure that the groups merge their results.

The **Chair** voiced agreement that there should be no watertight divisions between the working group activities, since all the WGI does is a means to an end and not a means in itself or an end in itself.

Ms Gari Villa-Landa Sokolova, WGI Steering Committee member and Head of International Affairs at the Spanish Water Association of Water Supply and Sanitation (AEAS), reminded delegates that when work on the indicator framework commenced, there had always been discussion of finalising it with impact indicators, so this final process completes the whole framework. As concerns linking the WGI indicators with SDG indicators, this can be a good opportunity to assess the impact on sustainable development and to consider other topics the WGI wants to work on such as climate change and circular economy, which will allow for a more cross-sectoral point of view.

SUEZ highlighted the common support for the two working groups and the future programme of work. As mentioned, the WGI faces a few challenges, which include recruiting non-OECD members, going beyond traditional water stakeholders, leveraging funds, and linking to climate change, which is why it is important to focus on interfaces such as presented this morning on floods. This can be a good way also to test indicators on specific issues, and as mentioned, the topic of droughts would be an important area where new members could be recruited. SUEZ agreed with CERIS that it is important to learn, which can be difficult even for active WGI members, but stated that the Working Group on Capacity Development is in fact an important path to learn from peers and should not be considered as distinct from learning. The WGI has an opportunity to follow up on certain stories collected during the last programme of work by monitoring innovative governance practices over the long-term. The Working Group on Capacity Development in particular should to build on WGI members' agendas and resources to avoid stakeholder engagement fatigue.

WIN expressed that water governance cannot be improved without data, evidence and different streams of knowledge. Effectiveness and efficiency are required to do so, and as explained in the Terms of Reference it is important to think about a broader type of coalition. Therefore, similarly to what Mr Gammeltoft expressed, it is important to reach out to platforms that actually have capacity. The two working groups should consider other streams of knowledge and work in order to be more effective and efficient.

SIWI agreed with CERIS regarding the need for learning, expressing that the previous Working Group on Best Practices performed good work on the subject but that the WGI must continue to focus on learning. The Working Group on Capacity Development in particular should further explore the topic, while also developing materials that would help to increase understanding and implementation of the principles.

The **Chair** thanked the Steering Committee for its comments and opened the floor to Mr Tropp.

Mr Tropp thanked the Steering Committee and the delegates, assured them their comments would be considered, and provided a few quick responses. As concerns the need for learning, Mr Tropp agreed that capacity development should not consist in gathering stakeholders and instructing them what to do, but to draw on cross learning among participants. Both working groups should consider this. Mr Tropp expressed his appreciation for the intervention of Eurocities, a new WGI member, pointed to how it is a good example of a non-conventional water actor and stated that it would be important to work with similar types of actors going forward. Mr Tropp pointed to the fact that as an intergovernmental organisation the OECD may face limitations regarding whether it can work at the transboundary level, but that this should not impede other members from working at the transboundary level, which the WGI encourages.

1.6. Shaping the objectives, content and outputs of the WGI Working Groups

The **Chair** introduced the next session in which delegates gathered in parallel breakout groups (1 hour 30 minutes), facilitated by their respective coordinators, to discuss the scope, content and results of the two proposed WGI working groups on “Indicators” and “Capacity Development” for 2019-2021. Each group discussed: 1) priorities and content; 2) methodology; and 3) expected outcomes for the 9th World Water Forum (2021).

1.6.1. Working Group on Indicators

The Working Group on Indicators gathered 30 WGI members. The OECD Secretariat led the discussion together with ASTEE, TI, INBO and AEAS. Participants discussed three main issues: objectives, challenges and methodology of impact indicators. Regarding the objectives, it was

highlighted that impact indicators should be outcome-oriented. As such, it was suggested to link indicators: i) to water issues related to climate change, which affect all countries at all scale; ii) to the cost of good governance (such as coastal regulation) to attract possible donors ; iii) to the SDG targets on water. It was recognised that developing impact indicators would not be an easy task for a number of reasons: the causality link between governance dimensions and results (in terms of improved water governance; impact on climate change, etc.) is not straightforward given the existence of other variables (not governance related) that can affect the actual results.

Moreover, water affects and is affected by other sectors. However, there is not a clear way to assess impacts of water on other sectors and vice versa. Finally, while on the one hand it is expected that water governance decisions will produce results in the long term, on the other hand when governance is not correctly in place, negative results are visible also in the short term. Therefore, it would be needed to find a balance and distinguish between short- and long-term impacts. Regarding the methodology, it was suggested to proceed with a step by step approach consisting in studying the impacts of a specific governance dimension (e.g. policy framework, institution such as River Basin Committees) to pursue a more realistic approach within the assigned timeframe. The Working Group concluded to move forward in three directions: 1) Develop impact indicators to complement the existing OECD Water Governance Indicator Framework; 2) Carry out actual country, basins, cities assessments using the OECD Water Governance Indicator Framework, expanding the geographical scope; 3) Support countries with the SDGs monitoring process by using the multi-stakeholder methodology developed within the OECD Water Governance Indicator Framework.

1.6.2. Working Group on Capacity Development

The Working Group on Capacity Development gathered 28 WGI members. The OECD Secretariat led the discussion together with SIWI, SUEZ and WIN. Regarding the objectives, a key priority that emerged is that the term “training” needs to be clearly defined and that information is vital since capacity development consists first in understanding context and key factors. The Working Group agreed that a self-assessment tool is crucial since it has the benefit of being participatory, can be conducted with peer accountability, can foster coherence and coordination among authorities, and can allow for comparison with other cases. It was highlighted that the indicator framework can be used for self-assessment to identify capacity gaps, especially as concerns sensitive issues such as corruption. The Working Group also raised the possibility of simplifying certain aspects of the principles and of developing indicators according to local contexts. It was established that although it is a difficult task, it would be important to further analyse figures on the water governance stories (e.g., how many readers have accessed the stories on the internet, which topics attract the most attention). Materials need to be produced to involve development banks and other actors in order to raise awareness about the principles to a broad range of stakeholders. It was also pointed out that pooling resources across international organisations might help to address capacity gaps. The Working Group agreed that in order to bring different actors together, it is necessary to effectively convey what benefits stakeholders will draw from water governance. It was also highlighted that in order to engage a community, the principles need to be presented in an interactive manner. The Working Group agreed to focus on how to support the promotion of skills for stakeholders to understand and use the principles, which will require a tailored approach for different groups of stakeholders. The working group will develop: 1) capacity development methodology on water governance and a set of basic capacity development modules that can be adapted to different contexts and audiences; 2) provide pilot trainings in different contexts to test methodology and content. It was stressed that it is important that the WGI develops a methodology of water governance capacity development. Many members were keen to make contributions towards the content of modules of capacity development.

Regarding the methodology, the Working Group agreed to develop co-learning methodologies with elements that can facilitate exchange, peer-to-peer learning, and twinning communities of practices. It was proposed that it is important to keep learning from stories already collected, for instance by returning to stakeholders and asking them about the difficulties encountered on the tools they developed; such feedback could inform future capacity development activities. The Working Group also suggested that journalists should be further engaged on water governance topics. In order to reach out to different constituencies and in different languages, it was proposed to tap into WGI's international connections to utilise WGI member platforms such as the CODIA (La Conferencia de Directores Iberoamericanos del Agua), the Community of Portuguese Language Countries and the Portuguese Association of Water Resources. It was agreed that an inventory on existing water governance capacity development should be developed. Such an inventory should also include a mapping of WGI members' ongoing activities, partnerships and networks in order to determine how to access different audiences. It was discussed that one starting point might be to collect frequently asked questions (FAQs) about the Principles and to formulate answers to them as a basis for developing material related to the capacity development working stream. Moreover, it was suggested that it might be useful to have a survey among WGI members and partners to assess the level of current understanding of the principles in order to evaluate the needs and demands for differing capacity elements. Finally, it was discussed that the fact that the 9th World Water Forum will occur in Senegal should push the WGI to consider how to reach out to different constituencies and how to best pursue capacity development in different contexts.

1.7. Implementing the WGI Strategy and Programme of Work: Ways Forward

The **Chair** thanked delegates for their active engagement during the breakout sessions and opened the floor for the final session of the day devoted to the OECD Programme Proposal, "The Governance and Economics of Water Security for Sustainable Development in Africa".

1.7.1. A contribution of the King Hassan II Great World Water Prize

Ms Aziza Akhmouch, OECD Secretariat, provided context for the programme proposal, reminding delegates that discussions with WGI members started in June 2018 when 25-30 members participated in a dedicated Webinar and provided valuable suggestions. The King Hassan II Great World Water Prize was awarded to the OECD during the 8th World Water Forum in March 2018. Ms Akhmouch sincerely thanked the WGI, commenting that the prize is very much a recognition of the collective work of the WGI dating back to 2012. Therefore, it was important for the OECD to co-design the programme proposal with the WGI in order to maintain the collective dynamics. Three key areas were deemed to be of great importance, which the Steering Committee approved:

1. Since the 9th World Water Forum will be held in Dakar, Senegal, in 2021, it was considered a unique opportunity to work on water governance in the Africa Region. OECD Colleagues from the Development Centre (the Centre has a strong partnership with the African Union), the Environment Directorate, the Trade and Agriculture Directorate and the Public Governance Directorate have been brought on board in order to craft a multi-disciplinary team.
2. The thematic topic of the sixth edition of the prize was "water security for climate justice", and so after multiple iterations, the programme focuses on water security for sustainable development in Africa, which is a good way to link to issues of climate, water and sustainable development. From a thematic point of view the idea was not to go into specific subsectors but to cover the issue of water security at large which means looking at too much, too little and too polluted water as well as universal coverage of drinking water and sanitation.

3. It was important to also produce something in addition to policy analysis reports that can promote policy uptake and implementation. It is clear that the OECD has expertise on the subject and will conduct policy analysis within the context of the programme but the idea is also to be more innovative in terms of the output and the processes to implement the programme.

Although much can be done with the USD 100 000 awarded by the prize, in order to accomplish bolder objectives, it will be necessary to leverage more funding. The proposal was thus constructed with the idea to multiply this sum to reach up to USD 1 000 000. Therefore, approximately five sponsors will be sought out to match the funding and commit to the programme of work. In addition to these five sponsors, perhaps five more can provide in-kind contributions so that it will be possible to work with organisations that cannot provide funding but have strong legitimacy in the region and powerful networks. The timeline is to catalyse a pool of resources in the coming six months, followed by approximately two years to deliver the outputs in time for the 9th World Water Forum.

The content of the programme has been organised around three main pillars, which are in line with the WGI's work.

- The first pillar is based on **evidence and guidance**. It will consist of substantive analytic work for water governance in Africa. There are several proposals in this pillar, including the possibility of a “web explorer” on the state of play of water governance in different African countries. Other proposals include national water dialogues in African countries, as has been done in the Netherlands, Mexico, Brazil, Korea and others. It is also important to acknowledge that Africa is a diverse continent and that any assessment of a specific country needs to reflect diversity to the extent possible. Therefore, it was considered to conduct dialogues in a country with a high level of development, a country with a medium level of development and country with a low level of development. It was also proposed to conduct analytical work around landscape financing in basins. For instance, on this subject there is a lot of ongoing work in Zambia with the WWF and the OECD, which may represent opportunities. Irrigation will also be a key theme, on which the OECD already works and which can link to the water and rural development thematic cluster foreseen for the 9th World Water Forum. Of course, future discussions between the OECD Secretariat and the working groups concerning either the expansion of the geographical outreach of the self-assessment tool in African countries or further support for the greater uptake of tools and principles would be integrated in this pillar of work.
- The second pillar falls under the category of **capacity development**. The prerequisite here is to have partnerships with institutions that are already working on capacity development in Africa
- The third pillar concerns **awareness raising**. Several innovative options have been raised which include more user-friendly types of outputs such as short videos, which can reach out to a different type of constituency than those that are traditionally engaged.

Strong champions are required within the WGI, including from Africa, such as AMCOW and the African Development Bank. Further, the WGI acknowledged the presence of WGI member Water Research Commission (South Africa) at this meeting, and notes that Morocco is also a WGI member but could not make it to this meeting. It will thus be important to build these partnerships to make powerful bridges with the continent and to ensure that the programme will be relevant. It would of course not be possible to include all the necessary African partner institutions as part of WGI. Hence, it is proposed to set up a **stakeholder platform** that would be intrinsically linked to the WGI to have more place-based discussions with these constituencies without having to

necessarily represent all the countries and lead institutions. Therefore, WGI members' thoughts on who should be brought on board would complement the preliminary stakeholder mapping that has been conducted.

As concerns funding, several different modalities are proposed and it is very important to stress that the funding may not necessarily be channelled through the OECD. A collective solution must be considered regarding how each WGI member, including from Africa, may be able to catalyse additional resources. Further, the financial and in-kind resources that can be leveraged must be mapped. To this end, WGI members working closely with African utilities, African basin organisations, or other institutions conducting capacity development in the region can provide useful insight and resources in order to reach the objectives of the programme.

Ms Akhmouch concluded with a series of questions for delegates: Is the programme well formulated? What should, or should not, be done? How can WGI members contribute? During the coming six months the OECD Secretariat will organise some webinars, for which WGI members were invited to signal their interest.

1.7.2. Group Discussion

The **Chair** thanked Ms Akhmouch for the comprehensive presentation and opened the floor to delegates for their comments on the programme, available for written comments until 26 November.

TI congratulated the OECD on the prize and on the programme's focus on Africa. TI voiced that consideration must be taken for how donors will view the programme and that a format with which potential donors (especially bilateral supporters) would be familiar would be developed. In other words, the format could include objectives, scope of work, outputs and outcomes; it would focus on the management of the initiative, the schedule, a budget and a logical framework. Such a format is essential for donors and so TI suggested that the WGI agree on a format for different projects that would link to the programme, which would make it easier to approach the various donors working in Africa to support the programme.

GWP agreed with TI on the need to facilitate access to finance and to design effective proposals that convince donors of the importance of investing. Development finance relies heavily on traditional donor bilateral financing, but there is an increasing transition to multi-lateral loans, equities, insurance, and the mix of blended and impact finance. In other words, there are many types of financing to consider and the OECD should be well positioned to know how to access such finance.

WIN expressed interest in the programme, commenting that there seems to be little that combines the themes of water and climate change together. WIN suggested that it might be interesting to consider the capacities of countries to access funds, like the Global Climate Fund (only accredited organisations can access the funding), or adaptation funds that are being developed. It would also be important to decide whether the focus will be on climate change adaptation or mitigation, as this would impact the objectives of the proposal. WIN asked delegates if any WGI members are accredited to the Global Climate Fund.

GWP responded to WIN's question and said that GWP is in the process of becoming accredited but that there are several UN agencies, banks and development agencies, which are already accredited. Accreditation is a somewhat laborious process. This topic could be further discussed at the next WGI meeting.

Butterfly Effect/Women for Water Partnership opened by asking whether the OECD had spoken to African countries about the programme beforehand. It was expressed that it is vital to

speak to the necessary stakeholders in order to ensure that there is no overlap with existing processes. Butterfly Effect/Women for Water Partnership asked for clarification about the word “partnership” as it can have a number of different meanings (e.g. service, cooperation, financial contract) depending on the context. Butterfly Effect/Women for Water Partnership shared that it has been working with many European organisations (but also around the world) to create more awareness about water, which can be dubbed “aquawareness”. Specifically, the idea would be to reach out to citizens to ensure that politicians are willing to implement effective action. Butterfly Effect/Women for Water Partnership would thus be interested in further discussing this idea as it fits well into the awareness-raising pillar of the programme, and would likely not be too difficult to duplicate in different parts of the world and at different levels.

Mr John Dini, Research Manager at the South Africa Water Research Commission, expressed strong interest in the programme but stressed that it will not attempt to speak on behalf of the African continent since it is a highly diverse continent with the whole spectrum of capacities, resources, constraints and governance models, as Ms Akhmouch explained. It is important to recognise this diversity from the beginning, as this programme has done quite successfully. The programme’s mix of proposing region-wide initiatives that fit within formalised frameworks (AMCOW and the African Union), and of going deeper at the national scale are of great relevance as they will allow for a broad understanding of key issues and will work to reduce duplication. Moreover, it was expressed that the relationship that already exists between the OECD and the African Union can help to avoid duplication. Finally, in addition to the outcomes of the programme such as a report, it is very important to have a well-defined process on the use of report.

Ms Akhmouch thanked delegates for their enthusiasm and support, echoed the reminder that the deadline for comments is 26 November and offered several reactions to the comments.

- As concerns finance, in parallel to this WGI meeting, [the Third Meeting of the Roundtable on Financing Water](#) is currently taking place at the OECD Headquarters in Paris, at which several WGI members are present. There are several project-level cases being discussed at this meeting, some of which are related to Africa such as the pilot project in Zambia mentioned earlier. It is clear that an objective of the programme should be to catalyse further finance. One of the objectives of the programme proposal will be to assess how to combine the governance frameworks conditions to catalyse needed finance.
- The OECD Secretariat started discussions with African countries such as Morocco or Ethiopia. Further, the WGI also used other opportunities to speak with African stakeholders, for example when WIN attended the [7th Africa Water Week](#) (29 October – 2 November, 2018, Libreville, Gabon) and when TI and the OECD attended the [18th International Anti-Corruption Conference](#) (22-24 October, 2018, Copenhagen, Denmark) during which bilateral discussions with water directors in African countries were conducted. These discussions confirmed interest from many countries in strengthening the evidence base in a more bottom-up type of process.
- As concerns partnerships, the programme seeks to minimise bureaucratic processes. The idea would be to perform a scan of who is currently working on economics and governance of water security in Africa and then reach out to these institutions, some of which are research institutions or partnerships, regional basin organisations, or capacity development institutes. “Building partnerships,” means a joint responsibility for implementing the programme. The goal is to develop an understanding of the region before conducting the analytical work. Ms Akhmouch stressed that further work must be done in the coming months to fine-tune the programme, to perform the stakeholder mapping, and to identify specific objectives, after which there will be another consultation round with the WGI. Ms

Akhmouch agreed with TI's point about developing a consistent format, and asked WIN if they had anything to add about the 7th Africa Water Week.

WIN agreed with the South Africa Water Research Commission that Africa is a large and diverse continent where a one-size-fits-all approach would be ill adapted. WIN explained that at the 7th Africa Water Week there was a document authored by AMCOW's technical committee (and supported by USAID) entitled *Strategy 2018-2030*. Importantly, there is already a good deal of support for this strategy from several agencies such as the African Development Bank and the African Water Facility (in combination with their own high five set of priorities in their portfolio and practices). Therefore, it would be very important to align and to find synergies with this type of strategy.

1.7.3. Concluding Remarks

The **Chair** thanked delegates for their comments and questions before introducing Mr Rogelio Cuairán, representing Feria de Zaragoza (the 11th WGI Meeting Venue Host) to inform delegates about the [24th Smagua fair](#) which will be held in Zaragoza on 5-7 February 2019.

Mr Rogelio Cuairán, General Manager at Feria de Zaragoza, thanked the chair and presented Smagua, Feria de Zaragoza's international water and irrigation exhibition. Smagua started in 1974 at the request of companies in the water sector that asked Feria de Zaragoza to create a fair. The 24th Smagua fair will celebrate 45 years of experience, during which about half a million professionals from around the world have visited Smagua. The international component of Smagua is one of its key points. More than 750 business-to-business agendas will be organised with more than 350 participants in commercial networks that include 64 countries worldwide. Mr Rogelio Cuairán explained that Smagua is not only an exhibition, but also an occasion to increase and share knowledge thanks to an extensive programme prepared for the 24th fair on relevant topics such as water, irrigation, big data and energy. Its prestigious innovation award exemplifies Smagua's commitment to technology and innovation. Mr Rogelio Cuairán invited all delegates to join the 24th Smagua fair and played a short video about the event. Mr Rogelio Cuairán concluded by thanking all delegates for their attention and for their presence in Zaragoza for the 11th WGI meeting.

The **Chair** thanked for Mr Rogelio Cuairán for advertising this wonderful event with such a long legacy and for the wonderful venue, which has been perfect, and invited delegates to applaud the Feria de Zaragoza. The Chair also thanked the interpreters. The Chair concluded by recapitulating sessions of the day and by briefly introducing the next day's topics on circular economy, international water governance events and water governance in Spain.

2. Day 2: 13 November 2018

2.1. Water Governance for Circular Economy

The **Chair's** opening remarks stressed that one of the strong outcomes of the WGI Satisfaction Survey was to promote thematic work in innovative and crosscutting areas, such as SDGs, land, energy, etc. For that purpose, the Steering Committee and the OECD Secretariat decided to touch upon one of these topics in each meeting. Thus, this 11th WGI meeting has a dedicated session on circular economy, which is high on the agenda in many countries including Spain and the Netherlands. There will be six panellists from different levels of government, including the national and local levels, and sectors: Ms Oriana Romano (OECD Secretariat), Mr Martin Shouler (Arup), Mr Manuel Menéndez (Spanish Ministry for Ecological Transition), Rosa Huertas González (City of Valladolid, Spain), Gari Villa-Landa Sokolova (AEAS), and Joannie Leclerc (SUEZ).

2.1.1. Cities and Circular Economy, OECD

The **OECD Secretariat** stressed that this session responds to the demand of over 78% of WGI members who signalled in the 2019-21 Satisfaction Survey that Circular Economy (CE) is an “important” or “very important” topic. The OECD Secretariat informed delegates that the OECD has recently launched the project “Governance and Economics of Circular Economy in Cities”. Key features of the project are: i) why circular Economy is becoming important and the opportunities related to megatrends, ii) what is the role of cities, and, iii) how can Circular Economy be implemented in practice. First, it was mentioned that there is no unique definition of Circular Economy, but rather it is an approach to rethink business models and service provision, and key actions to achieve this are: reduce, reuse, recycle, and recover.

CE is an interesting topic for cities for various reasons. First, there are certain megatrends that affect cities and that will continue to do so in the future: i) population growth – there will be 9.7 billion people by 2050 that will imply 60% more food to address the needs of these population and 50% more demand for water; ii) urbanisation – also by 2050 roughly 70% of the world population will be urban; iii) investment – it is estimated that by 2030 approximately 6.7 \$ trillion per year of investment is required in water related infrastructure. Second, CE can emerge as a policy response to these challenges that are socioeconomic and environmental opportunities. For instance, studies show that CE has a potential for generating 4.5 trillion dollars in economic growth by 2030. Lastly, the question is how to implement this socioeconomic paradigm. From the OECD, it was proposed to use the 3Ps framework (People, Policies and Places) as a tool to implement CE. It will be required to involve different actors that have a role to play (national, regional and local governments, businesses, citizens, etc.), to coordinate policies that have the potential to foster circular economy approaches (water, waste, land, etc.), and to coordinate across different places including the urban-rural dimension.

The OECD Secretariat stressed that there is now a momentum for CE. SDG 12 on “sustainable production and consumption patterns” is strictly related to CE but the topic is also transversal to other SDGs, such as SDG 6 on water. It has a prominent role in global regional and urban agendas (Habitat III or the EU Urban Agenda), national agendas are starting to emerge in countries such as Slovenia, Spain, the Netherlands, etc., and many cities are developing their strategies at the local level (London, Amsterdam, Brussels, Paris, etc.). All these agendas are incorporating water as a key element, for instance by stressing the link between soil conservation and water quality or reuse of wastewater as a key element of resource efficiency.

Cities have a key role to play for the implementation of circular economy approaches and to be a laboratory for innovation. In OECD countries, subnational governments are responsible for 64% of climate and environmental investment, and cities have key responsibilities for services such as waste and water. In the process of developing the scope of the project, the OECD interviewed cities and determined that they can have three different roles to foster circular economy approaches: i) promoters, by defining circular economy strategies and priorities; ii) facilitators, through connecting different stakeholders (for example, matching initiatives); and, iii) enablers, cities can provide funding, soft and hard infrastructure, etc. There are different levels of maturity of circular economy strategies. The project thus makes a distinction between: a) pioneers (cities that started working towards this approach some time ago), b) sector specialists (cities that are cutting-edge in some sectors such as water reuse, waste management, and are willing to transition to a more holistic approach), and c) newcomers (cities that are just starting to take into account this approach).

The OECD Secretariat presented the three components (Measuring, Learning and Sharing) of the project. First, it will be necessary to develop a set of indicators to measure how circular a city is, but also indicators that help understand whether the governance conditions are in place to go more circular. The latter will build on the work developed by the OECD WGI on Water Governance Indicators. Second, an important aspect will be to learn from the experiences already made in the EU, Australia, Japan, and the US or even in Latin American region. Third, the project will promote city-to-city learning among the cities that will be part of the case studies, but also between central –subnational governments. Regarding the timeline of the project: the kick-off of the project will be in December 2018 with cities that will be part of the case studies. During January and May 2019, OECD will carry out the diagnostic socio-economic and environmental trends, experiences on circular economy, and develop tailored recommendations of those cities. In May to September 2019, together with the case-study cities, the OECD will develop an Action Plan for implementation of the policy recommendations.

2.1.2. Water and Circular Economy, Arup

Mr. Martin Shouler, Global Skills Leader for Environmental Services Engineering at Arup, presented the results of the water and circular economy project convened by the Ellen MacArthur foundation and that has built on the experience of Arup in working with this topic from an engineering perspective. It is important to mention that the key feature of CE is its systems thinking approach that must be transformational. Arup developed three principles on water and circular economy: Principle 1: Design out waste externalities, Principle 2: Keep Resources in Use, Principle 3: Regenerate Natural Capital. Principle 1 is about optimising the amount of energy, minerals, and chemicals use in operation of water systems, and to use measures or solutions that can deliver the same outcome without using water. Principle 2 is about optimising resource yields within water systems (water use & reuse, energy, minerals, and chemicals), energy or resource extraction (organics, minerals, etc.) from the water system and maximise their reuse, and the value generated where water systems connect with other systems, such as ‘water and energy’ and ‘water and food’. Lastly, Principle 3 is about maximising environmental flows by reducing consumptive and non-consumptive uses of water, preserving and enhancing the natural capital by river restoration, pollution prevention, and ensuring quality of effluent, and ensuring the minimum disruption to natural water systems from human interactions.

There is a new paradigm where cities are transitioning from mere “Water Supply City”, to “Waterways City”, “Water Sensitive City”, to lastly “Water Circular City”. This implies transitioning from service functions that just focus on the delivery of the services, to cities that conceive these functions for the design of the waste externalities, to keep resources in use, and to enhance natural capital. Thus, cities must think of water use beyond as a simple service, to also think of it as a carrier of nutrients, chemicals and minerals, and as a source of energy. To transition

from a linear water use to a circular use, there are many opportunities within the three Principles. For instance, using hand sanitizer rather than water, reusing water for watering gardens, use nutrients to replenish landscape, or even replenish natural sources where required. Mr. Shouler also presented some of the projects that Arup has implemented and that relate to those opportunities. For instance, the extraction of cellulose from wastewater streams, which implemented a process of separation, purification, hygienisation, and drying. The latter would be directly linked to the dimension of water as a carrier of resources. Mr. Shouler mentioned that next steps of the project include developing a Circular Economy Assessment Framework, in which the OECD will be involved. The project will also look into Circular Economy Maturity Assessments where the objective will be to identify areas for improvement. Mr. Shouler invited WGI delegates to involve in the project by contacting him.

2.1.3. Spain's National Circular Economy Strategy, Ministry for Ecological Transition (Spain)

Mr Manuel Menéndez, General Water Director for the Spanish Ministry for the Ecological Transition, provided a brief overview of Spain's National Circular Economy Strategy and its implications for water management. As a first step, the Spanish government worked on developing a national pact. The key objective of the pact was to raise awareness among stakeholders of the implications of a Circular Economy approach. The pact on Circular Economy was signed in September 2017 by more than 300 stakeholders (including public administration, universities, companies, and more). The pact acknowledged a series of measures, such as reduction of the use of non-renewable resources, promotion of the analysis of the entire life cycle of products. It also promoted the three "Rs" (reduction, reuse and recycle), eco-innovation and efficiency as key elements in production activities. Moreover did it promote consumption based on sustainability and, as far as possible, based in the digital economy, transparency in consumption (i.e. ecolabels), better coordination between administrations, scientists, consumers and the public and also developing specific indicators for assessing the success in the transition to a circular economy. Taking the pact as a starting point, the Spanish government developed the Strategy on Circular Economy, which is now in its final steps after public consultation. The Strategy has a long-term vision to the year 2030, and will be implemented in "Short term action Plans" the first of which will be for the 2018-2020 period. The first plan has five priority areas (Building, Agriculture, Industry, Consumer goods and Tourism), five Action Lines (Production, Consumption, Waste Management, Secondary Raw Materials and Water Reuse), and which realise in about 70 specific measures with a total budget of about €800 million. The strategy has a strong component on water reuse - in Spain around 1% of water consumption is reused (300 – 400 Mm³/year). Although it is a small amount, it has become a strategic resource in water-stressed basins in the country, and in many water shortage situations, it is the only resource available. Currently, reused water can only serve agricultural purposes, but there is a need to strengthen legislative frameworks to be able to expand the uses and preserve the general interest. Another issue is the price of that water, which in many occasions makes it lose its strategic advantage. In the EU, the new regulation for water reuse will also be a game changer that will require adapting national legislations. Mr. Menéndez concluded with a strong message that called for respecting the water cycle.

2.1.4. Circular Economy and Water in Valladolid, Valladolid City Council

Ms Rosa Huertas González, Director of Economic Department at Valladolid City Council, thanked the OECD Secretariat for giving a voice in this session to local governments and stressed their importance to achieve global agendas, such as the Paris Pact. The latter has been acknowledged in Spain with the signature of the Seville Declaration in March 2017. Moreover, the city of Valladolid will be one of the case studies of the OECD project on circular economy. Ms.

Huertas used the OECD definition of the role of cities to map the initiatives carried out by the local government. As a promoter, the city of Valladolid has developed a roadmap based on three pillars: political support, technical cooperation, and crosscutting approach. First, the city of Valladolid was one of the first signatories of the Seville Declaration, and the city council provided budget to promote circular economy. Second, an interdepartmental working group led by the innovation agency was set up to lead the circular economy initiative. Lastly, the approach followed by the city is to mainstream circular economy practices into waste, energy, water and other areas.

Ms. Huertas provided some examples of the way circular economy has been mainstreamed into the water sector. Together with the public service provider AQUAVALL, the city has reduced citizen use in the last decades from 450 to 230 l/day, and one of the key factors was the awareness raising campaigns. The city has also upgraded water infrastructure to control losses and consumption, recover waste resources, such as fertilizers from sewage sludge, to extend the life cycle of assets. The city of Valladolid also acts as an enabler through a system of municipal grants for circular economy projects. In 2017, the budget for this grant was €400 000 and in 2018 it was €600 000. Beneficiaries of these grants have been private companies, associations of private companies, non-profit entities and research centre, with a fiscal domicile, social domicile or an activity centre in the city of Valladolid. Twenty-three projects were selected in 2017, covering a wide range of areas including waste, water, citizen participation, economy, food, or energy; and some of them were crosscutting to more than one area. Concrete examples included a rainwater collection system in buildings in a flood-prone area of Valladolid that has reduced the need for water in the building up to 50%, or a project that organised a circular economy weekend to promote entrepreneurship. Ms. Huertas concluded by conveying how the OECD project will help Valladolid to achieve a more circular economy through better planning tools, indicators and peer-learning.

2.1.5. Water Governance for Circular Economy – Opportunities and Challenges for Water Utilities

AEAS thanked the OECD Secretariat for the opportunity to provide the views of utilities on circular economy. From the perspective of AEAS, the transition to a more circular economy is an essential contribution to achieve a sustainable, low-carbon, and competitive economy, based on an efficient use of the resources and energy. Water has a transversal role in circular economy, and is a key factor to achieve the circular economy. Water service providers have been putting in practice circular economy approaches for decades. Wastewater treatment plants have become resource factories that can generate energy, recover nutrients, such as phosphorus and nitrates, and produce biogas, bioplastic, fertilisers and water. It is possible to generate energy not only within wastewater treatment plants but also with the turbines used for water supply. Highlighting some of the figures for the Spanish water sector, energy consumption of the whole water cycle is 117 KWh/household (10 times lower than the energy needed to heat the water used in household). Energy generation by the water sector is 456 GWh/year which is the energy needed for providing electricity for one year to a population of 150 000 inhabitants. It is worth mentioning that 72% of water operators calculate their carbon footprint and 62% of them have a plan to mitigate or compensate these emissions. The technology to foster reuse of water for different uses, such as agricultural irrigation, urban use, etc. exist, but there is a need to develop a solid legal framework that allows for having the quality parameters that make water reuse safe. In conclusion, circular economy should be considered a means to an end to achieve sustainable development. For increased use of circular economy practices there has to be a change of mind-set through strong efforts to raise awareness. Ms. Villalanda mentioned some of the factors that will be key to achieve this: involvement of stakeholders through more transparency; innovative technologies, partnerships, communication strategies, and governance models; coordination mechanisms to engage governments at different levels; new

business and financing models to build better public-private partnership; establishing the right prices for water; and evolving from water management to water governance.

2.1.6. Water and Circular Economy, SUEZ

SUEZ shared two concrete examples of water and circular economy that are among SUEZ's best practices. SUEZ is one of few global players on water and waste management services that has been exploring the interface between the two services. The first example entails transforming wastewater treatment plants into bio factories. It includes three dimensions: i) reduce consumption of materials to reuse water to recover materials (cellulose, etc.), and finding new uses of biogas (e.g. inject electricity produced from biogas into the grid or use it for vehicles); ii) zero percent of waste to landfill, recover fractions of high-value added materials; and iii) green energy for the plant, either through self-consumption or green energies. Two plants will shortly achieve the 100% energy self-sufficiency, 100% wastewater reuse, and 100% recovery of sludge, grease and sand. One case in Granada's bio factory (Spain), featured in the European Circular Economy Stakeholders Platform, and in Santiago's bio factory (Chile) announced on 27 September 2018 as winners of the United Nations "Momentum for Change Climate Action Award", and committed by 2022 to be: Carbon neutral, Energy positive, Zero waste. Another example is the West Basin case in California, where a plant operated by SUEZ since 1994 produces five different types of water for re-use: irrigation, three industrial uses, and replenishment of aquifers. This is a good example of how scarcity is a trigger to reuse water. Governments have a key role to promote reuse, to map the loops to become circular, and to help create innovative business models that make circular economy attractive.

2.1.7. Group Discussion

VLAKWA informed delegates that the government of Flanders has a strategic plan to 2050, which is organised around nine teams: one on Circular Economy, one on Robust Water Systems, and seven on transition areas, one of which is on water and circular economy. Water is often considered as a resource and not as the whole system, and the OECD Principles should help avoid this view. VLAKWA also shared information about two European projects. First, NEREUS, which is about closing the wastewater circle and where the cities of Antwerp and Gent are involved. It is interesting that this project will collect the nitrates and phosphorus of 400 apartments, which will imply that these resources will not arrive to wastewater treatment plants where the investments were made. The latter calls for looking for new business models. The second project example is IQUA, which looks at recovery of resources and water supply in rural areas.

GWP stressed the rapid evolution that the water sector is experiencing since circular economy was not a topic 10 years ago. There is also a silent revolution, since society is rethinking the way it consumes and produces, and is changing cities. The political aspect of circular economy is also crucial for success. For instance, in Kinshasa (Democratic Republic of Congo), a city of 11 million inhabitants, GWP is trying to introduce the circular economy concept through cost-benefit concepts. The political discourse should be geared towards the benefits that circular economy can bring in terms of water, energy, and food security (e.g., 40% of food consumed in Dakar is produced with wastewater), income generation, health, and other policy areas).

Mr Gonzalo Delacámara, Senior Research Fellow and Head of the Water Economics Department at the Madrid Institute of Advanced Studies (IMDEA) highlighted that the OECD project is an excellent opportunity to discuss the ideal scale to promote circular economy. The latter relates to the difficulty to upscale the benefits of a specific circular economy project to the city, region, catchment or national level. Moreover, there is a need to make a distinction between

funding, financing and pricing. To bridge the funding gap to incorporate the technology into specific projects is not usually a problem, but the challenge is to foster the governance conditions that allow for that (e.g. coordination of sector policies, redesigning incentives, etc.). For instance, for pricing there is a need to redirect the incentives to reuse water for irrigation. Pricing schemes should progress towards pricing water security. Lastly, there are also good practices beyond European cities. For instance, Chile has tackled urban wastewater treatment for the past 10-15 years (as compared to almost a century for some European countries) and now has the opportunity to go beyond these efforts. Another example is Peru, where thinking of circular economy is still today somehow unrealistic given the deficits for wastewater treatment, unless circular economy is used as a vector for development, it is unlikely that these countries will go circular.

Mr Peter Gammeltoft echoed IMDEA's comment on scale, where the difficulty is to go beyond the engineering approach of optimisation used in a specific plant or factory. The real issue to think of larger scales is governance. There will be 10-11 billion people in 20 years' time and there will be a need to promote resource efficiency beyond the utility or factory. Cities are an important hub to provide incentives, but cities have to go beyond their boundaries. For instance, improving resource efficiency by improving the water quality in the catchment will save investments to remove contaminants. Finally, underline the importance of natural capital, which is a key issue in irrigation since much of the water does not come back.

Dutch Water Authorities thanked all presenters for the inspiring messages. Dutch Water Authorities highlighted that there are many initiatives in circular economy in the Netherlands promoted by this institution. These initiatives have proven that governance issues like financing, scale, or intergovernmental cooperation, are more important than technical issues. Dutch Water Authorities explained that using the framework provided by the OECD Principles would be very helpful to look into these governance issues and a very appropriate link to the work conducted by the WGI.

TI stressed that human activities alter the water cycle but that with the right circular economy practices in place, there is an opportunity to satisfy the needs of the population while at the same time preserving a healthy water cycle. TI highlighted that there is an ethical aspect in governance where transparency issues play a key role. The latter is key for users payment where there is a need to be transparent in terms of who pays for what. For instance, in Singapore citizens drink bottled reused water and are aware of the costs of the process to purify that water. Lastly, TI-Spain informed that the institution is involved in a project in Valladolid where collected rainwater in just one building has served to satisfy 30% of the water needs of an urban garden.

The OECD Secretariat wrapped up by thanking all the presenters, speakers and discussants and conveying three key messages that emerged from the discussion. First, compared to sustainable approaches to water management, circular economy is transformative and is a vector for development and innovation. Second, all the interventions backed up the core principle of the OECD project, i.e. to transform cities and societies towards circular economy approaches is not primarily not a technical issue but a governance issue. Lastly, many governance questions remain to be answered on issues such as regulation, capacity needs and information gaps.

2.2. Tour de table on latest water governance events

The **Chair** introduced the next session, a tour de table on latest water governance events, which aims to coordinate initiatives among WGI members to join advocacy and outreach in order to foster collaborative action.

2.2.1. 7th Africa Water Week, WIN

Mr Binayak Das, Program Coordinator at WIN, presented the key outcomes of a dedicated session on water organised by WIN, Dutch Water Authorities, GWP West Africa, IWMI, and the OECD in the framework of the [Adaptation Futures 2018](#) conference (18 – 21 June, Cape Town, South Africa,). WIN highlighted that this was one of the few sessions dedicated specifically to water. The session focused on water governance to build resilience that benefits vulnerable populations. Concretely, the session emphasised that vulnerable groups are at the frontline of climate risks when it comes to handling climate related disasters like floods and droughts, when it is related to the security of their food and livelihoods, and when the natural environmental infrastructure which supports their lives are destroyed. All speakers were asked to link their case studies to the OECD Principles, which was enlightening to analyse the case studies from a different perspective. For instance, one of the case studies presented had a strong component related to OECD Principle 5 “Data and Information”: the Rain for Africa project presented by Dutch Water Authorities focused on information access for better water management and local food security in South Africa. The session concluded with a set of recommendations that called for ensuring timely decisions through more stakeholder engagement, to include vulnerable and other local communities and their traditional laws in the decision-making processes. Moreover, it was recommended to apply the OECD Principles as a supportive framework for water adaptation projects, to ensure a transparent and accountable process in financing and to share data and information.

2.2.2. 26th Stockholm World Water Week, SIWI

SIWI informed delegates about the outcomes of the [26th Stockholm World Water Week](#) (26 – 31 August) that had as an overarching topic “Water Ecosystems and Human Development”. The event counted with over 3 600 participants from 135 countries. There was a big effort to ensure more youth representation and gender balance – 70% of sessions met the criteria of at least 40% of presenters being females, at least one presenter under 35, and sessions designed to include the participation of the public. Key messages derived from the sessions were: i) investors will play an integral role in the shift towards a systems-based approach; ii) projects must transcend political cycles because benefits are more evident in the long-term; iii) more policy discussions across different sectors are needed from the beginning; iv) communication of policies should use a more digestible language; and v) thinking green first and not last. SIWI informed that next year the topic will be “Water for Society – Including All” and that there will be a new venue, the Tele2 Arena, with more exhibition space, side meetings, networking events, etc. Lastly, SIWI reminded delegates the deadlines for submission of events and sessions proposals (20 January 2019).

2.2.3. A New Indicator for Water Education under the SDGs, UNESCO-IHP

Mr Giuseppe Arduino, Chief of Section on Ecohydrology, Water Quality and Education at UNESCO-International Hydrological Programme (UNESCO-IHP), provided some background on the initiatives taken towards a new indicator for Water Education under the SDGs. As an introduction, the International Hydrological Programme (IHP) is UNESCO’s intergovernmental scientific cooperation program on water created in 1975. As per its Statutes and Rules of Procedure, the IHP Intergovernmental Council is composed of 36 UNESCO Member States. The Council ensures planning, defines priorities, and supervises the execution of IHP. IHP’s programme for 2014-2021 has four different objectives: Mobilise International Cooperation, Improve Knowledge and Innovation, Strengthen the Science-Policy Interface, and reach Water Security at all levels. Last February, during the 56th Bureau meeting of the IHP in the context of the 2030 Agenda, Member State representatives recognised the need for a new indicator on Water Education. Following this demand, IHP launched consultations with the Permanent Delegations at

UNESCO to confirm member states interest and with the OECD and WHO (co-custodian agencies of 6.a.1) to decide on the way forward for this proposal. IHP attended the plenary session of the UN Inter-agency and Expert Group on Sustainable Development Goal Indicators (IAEG-SDGs), from 10 to 12 April 2018 in Vienna where it was clarified that additional indicators could be developed by UN Agencies as simple contributions to the 2030 Agenda, without having to undergo IAEG-SDG's approval. After these consultations, the rationale for a new indicator on water education was clear. In many countries, the critical mass of adequately trained human resources able to study, sustainably manage, and develop freshwater systems is lacking. As a result, more funding and programmes on water education are needed. The conclusion is that SDG target 6.a. on International cooperation and capacity building would not be fully monitored without the addition of a specific indicator on water education. As a result, in the 23rd Session of the IHP, the Council requested the IHP Secretariat to start developing a methodology, in cooperation with OECD, WHO, and UNEP, for an effective indicator on water education. A meeting was co-organised between UNESCO-IHP, IHE Delft, OECD and UNDP-CAPNET at the IHE Delft Institute for water education in Delft (the Netherlands) on 4 September 2018 to launch a taskforce to develop this indicator. The taskforce will be organised in four groups: capacity building coordination framework; formal water education systems (tertiary, postgraduate); technical assistance; awareness raising of civil society. The taskforce is currently working on possible components of the indicator, and started developing a methodology. IHP will report on the progress of this taskforce in the 12th WGI meeting in Berlin (Germany), 20 -21 June.

2.2.4. 8th Water Economics Forum, IMDEA

IMDEA presented key messages that have emerged from the eighth edition of the Water Economics Forum (WEF). The WEF is an academic initiative to revamp and refresh ideas in the water community. Key speakers who attended the [8th WEF](#) conveyed very relevant messages:

- Michael Hanemann stressed the importance to think beyond crisis management to ensure water security in the future;
- Gro Harlem Brundtland advised that all the discussions around water should be placed within the context of climate change adaptation, because water is to climate change adaptation what energy is to climate change mitigation;
- Leo Heller explained the importance to discuss human rights in a meaningful way in developed economies to avoid an empty use of this term;
- George Akerlof questioned the water community since it has so strong evidence of the impact of climate change in the water system but it stills fails to convey compelling messages to citizens;
- Paula Kehoe conveyed the importance of diversifying water supply sources particularly in water-stressed areas;
- Mohan Munasinghe recalled that water security is a shared responsibility between policy-makers and citizens – the latter should create a clear demand on the former;
- Francisco Nunes-Correia called for the importance of the coordination of sectoral policies;
- Aziza Akhmouch and Catarina de Albuquerque agreed that low water tariffs may only benefit the wealthy, which is an important concept to keep in mind to gear the discussions towards the structure of tariffs and not in their levels;
- Victoria Camps stressed that integrity issues, corruption, lack of transparency, and accountability are systemic issues that have nothing to do with the management model; and
- Jean Tirole stressed, as in his acceptance of the Nobel Prize in Economics in 2014, that economists have a clear social responsibility not to be overlooked.

The 8th Water Economics Forum (27 September 2018), where Peter Glas (Chair of the WGI) and Manuel Menéndez (Director General for Water, Spain) participated, focused on the need to redraft the social contract on water. It was seen in the light of the number of uncertainties that surround the current context (climate change, digitalisation of the economy, debt levels in developed countries is changing the role of the public sector, citizens claim more rights because there is more environmental awareness). The 9th Water Economics Forum taking place on 19 November 2018 will discuss in a set of different sessions the value of water and water security; outcome-oriented innovative financing mechanisms; the need for technology as a means to an end duly balanced with sound governance; effective and efficient regulation of water services; and circular economy, cities, and water.

2.2.5. EURO-INBO Conference for the Implementation of the European Water Directives

INBO/OIEAU presented the key outcomes of the [EUROPE-INBO 2018 Conference](#) that took place in Seville (Spain) on 17-20 October 2018, and that had strong support from the Spanish authorities in particular the River Basin Authority of Guadalquivir. The EURO-INBO conference discussed four main topics: i) drought prevention, particularly looking at adaptation planning at the basin level through water reuse and desalination; ii) efficiency and benefits of combining hydraulic infrastructure and nature-based solutions to face challenges posed by climate change; iii) international cooperation, through twinning and peer-to-peer exchanges, particularly in transboundary waters; and iv) revision of the Water Framework Directive that will take place in 2019. It should help to improve coordination with other European directives such as those related to marine issues, floods, and renewable energy. The conclusions of the conference included the following: greater coordination among water and other policies (such as agriculture and energy) is needed; there is still a need to promote conjunctive management of surface and groundwater; knowledge, information, and data are important to improve basin management; climate change should be mainstreamed into all basin management plans; participants recommended that the European Commission build on the expertise that exists on the ground for the revision of the Water Framework Directive. The Declaration of Seville, presentations of the conference and reports are [available online](#). Next meeting will be the 11th INBO General Assembly and will take place from 30 September to 2 October 2019 in Marrakech, Morocco.

2.2.6. Report on the 18th International Anticorruption Conference, TI

TI reported on the session on the “OECD Water Governance Initiative: How OECD’s Principles on Water Governance Promote Accountability, Sustainable Development and Social Justice” that was held in the context of the [18th International Anticorruption Conference](#), Copenhagen, October 22-24, 2018. Christiaan Poortman (TI), moderated the session where Aziza Akhmouch (OECD), Joannie Leclerc (SUEZ), Gari Villa-Landa (AEAS), Samuel Kimeu (TI Kenya) participated as panellists and Umrbek Allakulov (WIN) was the rapporteur. The OECD conveyed in the keynote that the OECD Principles on Water Governance provide a framework to understand where water governance systems are performing optimally and help to adjust them where necessary; the Water Governance Indicator Framework is a self-assessment tool that helps in this respect. SUEZ highlighted some key data on evolving practices including that these were collected from OECD countries (75% of practices) and non-OECD countries (25%). SUEZ also stressed that civil society is underrepresented in the collected practices, and that the highest share of practices referenced Principle 3 on “Policy Coherence” and Principle 1 on “Clear Roles and Responsibilities”, whereas Principle 11 on “Trade-offs Across Users, Rural and Urban Areas, and Generations” as well as Principle 7 on “Regulatory Frameworks” were underrepresented. SUEZ highlighted that the meta-analysis of the 54 practices stressed that in order for governance to be transformative it requires

stakeholder engagement, existence of effective institutional frameworks, financing, more data, as well as leadership and political will. AEAS also stressed the need to evolve from water management to governance, as well as to think globally while acting locally. The latter requires change in stakeholder mind-sets, through an open dialogue on critical matters such as transparency, integrity, and accountability. TI Kenya highlighted the importance of the implementation and monitoring of Principle 9 in Kenya and other African countries, given the current levels of corruption. Finally, it is worth mentioning that while session attendance was limited, the participants (including a number of representatives from TI Chapters in Africa) were highly engaged. TI-Kenya has a strong interest to contribute to the programme on “The Governance and Economics of Water Security for Sustainable Development in Africa” with a focus on ethical procurement and use of anti-corruption tools.

2.2.7. 7th Africa Water Week, WIN

WIN informed delegates about the key outcomes of the [7th Africa Water Week](#), Libreville (Gabon) that had as its topic “Towards achieving water security and safely managed sanitation”. The conference contributed towards operationalising the four sub-themes in AMCOW’s strategic priorities for 2018-2030. AMCOW received core support from USAID, Gates Foundation and Sida for organising the 7th Africa Water Week, and these institutions committed to support the AMCOW Secretariat in the near future. WIN presented some of the key highlights of the conference. A key statement by Wambui Gichuri (AfDB) in relation to governance was “Africa needs to become more proactive if it wants to achieve the water-related SDGs”. The main issues debated at the conference were around investment. In particular, according to the World Bank’s 2016 Report, achieving SDG6 targets 1 and 2 in sub-Saharan Africa requires annual investments of US\$35.4 billion. Another report of the Infrastructure Consortium for Africa (ICA), states that over-all water and sanitation infrastructure financing for 2017 was US\$ 7,881 billion. The latter represents only 15.9% of the region’s investment needs, but it is even more important to address governance issues that are hampering the effectiveness of monetary resources. This is being recognised by some voices in Africa, for instance, the Water Minister from Sierra Leone stated during the closing session “We won’t achieve if not stopping corruption”. The final statement included in the Article 2: “Call upon governments to establish a conducive enabling environment including mechanisms to ensure citizens’ participation, transparency, integrity and accountability for well-targeted water and sanitation interventions”. It is worth mentioning that the AfDB and the Africa Water Facility co-convened sessions with a range of organizations including WIN and Waterpreneurs (in the sub-theme on financing). A session where WIN participated called for going “Beyond Political Declarations: What specific measures governments and stakeholders can put in place to ensure efficient use of financial allocations and infrastructures’ development in the sector”. Another session, presented an interesting report on the “State of IWRM in African Countries”, which can help in the implementation of the OECD Programme. Finally, it is worth mentioning some opportunities for partnerships with WGI: AMCOW, AfDB, African Water Association, GWP regional networks, IRC-WASH West Africa (Ouagadougou Office), ANEW, UN-Environment-DHI Centre on Water and Environment, Basin Networks, Kenya, Mali, Senegal, Benin etc.

2.2.8. Group Discussion

Mr Nicholas Lorne, President and co-founder of Waterpreneurs, asked whether UNICEF would be an interesting partner to approach.

WIN replied that it is trying to join some of UNICEF’s regional meetings to convey the message that governance matters. However, it was felt that integrity is not an issue of priority. It is for this reason the institution was not listed as an option for proactive water integrity engagement in the region.

Mr Tadashige Kawasaki, Network of Asian River Basin Organisations (NARBO), together with UNESCO and OECD, is finalising a publication on water governance for practitioners in the field. The publication focuses on the basin scale and addresses both structural and non-structural measures. The publication is a direct follow-up from the discussions held during the [3rd Asia-Pacific Water Summit](#) (Yangon, Myanmar, 11 December 2017) and is largely based on the OECD Principles on Water Governance. The publication will be launched early next year and will be available on NARBO's website.

SIWI stressed that the new [UNICEF WASH Strategy 2016-2030](#) has introduced accountability mechanisms to tackle integrity issues. Thus, it might be worth trying to engage with UNICEF to amplify the impact of WGI's work.

2.3. Water Governance in Spain: Challenges and opportunities for the future

The **Chair** introduced the session, which discussed the challenges and opportunities for the future regarding water governance in Spain.

2.3.1. Spain's Water Governance System, Ministry for the Ecological Transition (Spain)

Mr Manuel Menéndez, General Water Director for the Spanish Ministry for the Ecological Transition, provided an overview of key challenges and opportunities of Spain's water governance system around the three blocks (effectiveness, efficiency, trust and engagement) of the 12 OECD Principles on Water Governance.

In the effectiveness pillar, one of the key challenges is who manages and operates which water infrastructure. To understand this, one has to look into the specific features of the country where water managers have to comply with environmental objectives, but also satisfy different water uses in very complicated hydrological and climate conditions. The latter implies that the country has very well developed water infrastructure, being one of the countries with large reservoirs and an extensive irrigation network. The legal framework that regulates these infrastructures is not clear, and there are sometimes uncertainties on who should do what in terms of management, operation, investments, etc. It is sometimes the users that should carry out these responsibilities, and when it is the role of public administration, there can be doubts whether it should be done at the national, regional, or local government levels. The current administration would like to clarify this issue and be more transparent about it. Another challenge in the effectiveness pillar is coordination across levels of government. In particular, environmental responsibilities are with the regions whereas water responsibilities fall under the river basin authorities, which depend directly on the national government. The latter requires sound coordination mechanisms. In Spain, there are opportunities to foster this coordination; one is the wide acceptance that water belongs to all the Spaniards (it has been in the legislation for over a century). Another opportunity concerns scale since river basin authorities are well established in Spain (some of them date back to the 1930s) and have greater authority to manage water at the basin scale. Moreover, since 1985 a regulation establishes the priority uses and helps satisfy environmental requirements.

In the efficiency pillar, the Director highlighted two key challenges related to the cost recovery system and the data and information system. The former is a particular challenge in terms of recovering the cost of irrigation use, since for the urban water supply and energy systems the levels of cost recovery are adequate. It is a sensitive topic since traditionally irrigation has not been subject to this requirement. There are two key objectives to increase cost recovery for irrigation, first, to increase revenues that can be re-invested in the water sector (e.g. to upgrade or maintain water infrastructure), and second to encourage water savings. Differently from revenues from

urban water supply and irrigation, revenues that come from the energy sector are not earmarked and therefore are not re-invested in environmental issues. In Spain, water managers are used to collect and use hydrological data and information, and there is a strong hydro-meteorological network to collect such data. The Director suggested that there is a need to produce and use socioeconomic data. Although in Spain there is a strong National Statistical Institute, it does not collect the data that water managers need to guide decisions in the water sector. New sources of data and technologies are an opportunity in the efficiency pillar. Remote sensing systems, or satellites, provide data that can help anticipate droughts and floods. To bridge the socioeconomic data gap, big data and new technologies, such as smartphones, offer an opportunity to collect socioeconomic data, for instance, on how consumers are using water.

Lastly, in the trust and engagement pillar, the Director highlighted as key challenges the way water managers communicate to the public and how to ensure citizen participation in an efficient way. The former probably stems from the fact that in the past it was not important to convey the messages to citizens. For instance, river basin management plans are long (1 000 pages per plan), very technical and difficult to communicate. The Spanish administration is starting to prepare more communicative documents that help inform the public on the content and implications of those plans. The challenge related to citizen participation is in terms of making this engagement efficient. In Spain, there are many formal mechanisms to involve citizens in the decision-making process, for instance, the water councils at national and basin levels. However, these mechanisms are not efficient because they do not encourage proactive participation of citizens. The opportunity in this efficiency pillar in Spain is that water is a sensitive topic and is in the agenda of all political parties. Thus, any communication on water can easily hit the headlines and have a great communication impact among citizens.

2.3.2. Water Governance in Spain - A Supranational Perspective

Mr Ramiro Martinez, General Coordinator at Mediterranean Network of Basin Organisations (MENBO), presented how the international experience of other river basin organisations can help identify strengths and areas for improvement in Spain. Mr. Martinez briefly introduced MENBO as a network whose mission is to promote Integrated Water Resources Management at the river basin level. MENBO's first assembly was held in 2003 in Valencia (Spain), where its Permanent Technical Secretariat is based. At the time, the Ministry of Environment, now the Ministry of Ecological Transition, supported the Secretariat. MENBO has a rotating presidency every 2-3 years, which is now in the hands of Malta where the 11th General Assembly took place (March 2017). The network has close to 40 members countries in the Mediterranean. MENBO is a regional network of the International Network of Basin Organisations (INBO).

Mr. Martinez presented the international water processes and initiatives in which MENBO has been involved in the Mediterranean region since 2003. In particular, these international processes have been proliferating since 1995, after the signature of the Convention of Barcelona. MENBO has been cooperating closely with the Union for the Mediterranean (UfM), and finally in 2017 both organisations managed to sign at ministerial level a new agenda for water in the Mediterranean. This agenda is a strategic document to face the water scarcity challenges of the region, but also the new challenges related to military conflicts and migration. MENBO was instrumental to achieve this signature, since it built consensus through different initiatives such as the 5+5 Dialogue. Algeria was the champion country of this initiative, which gathers the ten countries of the western Mediterranean: Portugal, Spain, France, Italy, Malta, Mauritania, Morocco, Algeria, and Tunisia. The 5+5 dialogue started in 2013, running in parallel to the WGI, which has been key to mainstream the governance angle into the 5+5 dialogue. In 2015, a strategy document was approved at the Ministerial level, and an Action Plan approved with specific project to realise the strategic

guidelines of the document was approved at the Ministerial level in Marrakech (Morocco), in November 2016 during the COP 22. MENBO is also engaged in the COPs, and is the lead institution to promote the Paris Agreement at the basin scale. Moreover, MENBO advocates the needs and challenges faced by the Mediterranean region in other fora, including the World Water Forums.

Mr. Martinez highlighted that some of the Mediterranean basins are very active in the WGI. For instance, three out of the 12 pilot tests of the water governance indicators, were led by river basin organisations located in the Mediterranean region: Jucar basin and Segura basin (Spain), and Sebou basin (Morocco). Mr. Ramirez pointed out that Spain has a strong basin management system that has been in place since the 1930s. The latter provides advantages, but also some challenges. On the one hand, water managers in Spain's Mediterranean basin have a great experience in managing water risks, particularly related to scarcity and flash floods. On the other hand, river basin organisations are traditional and are so well established that it is difficult to promote changes within their existing structures. These basin organisations should adapt to new paradigms, such as the need to promote greater participation of civil society, incorporate new elements to achieve climate change adaptation and the Paris agreement, preserve aquatic ecosystems and biodiversity, and the economic and financial sustainability of these organisations. Finally, Mr. Martinez offered MENBO's support for the implementation of the OECD programme "The Governance and Economics of Water Security for Sustainable Development in Africa".

2.3.3. Water Governance in Spain - Urban Water Sector, AEAS

Mr Fernando Morcillo, President of AEAS, started by thanking the Ministry of Ecological Transition, Government of Aragon, River Basin Authority of Ebro, and Feria de Zaragoza for a fantastic organisation of the 11th WGI meeting in Zaragoza. Mr. Morcillo provided an overview of the water services in Spain, which include both drinking water supply and sanitation. As established by the legislation, the first priority use of water is domestic drinking water supply. Water services are a municipal responsibility (there are 8 000+ municipalities in the country) and there are about 2 500 water services utilities. These utilities have diverse management models: regarding water supply, 35% of the population is served by a public entity, 33% by a private company, 22% by public-private companies, and 10% by local entities. Mr. Morcillo emphasised that the regulatory framework for water services in Spain is complex and that it might require greater and better coordination, as there are different levels of government involved: local authorities, provincial and regional authorities and institutions as well as the central government through river basin authorities and the Ministries of Ecological Transition and of Health.

In terms of the service providers, the market competition between private utilities in Spain is healthy and promotes better quality of the service. Moreover, the virtual competition with big public water companies, also promotes the transfer of knowledge and innovation between different entities. Mr. Morcillo informed delegates that water services infrastructure is aging, since 58% of the sewerage infrastructure and 39% of the water supply infrastructure are over 30 years old. The real issue is that the replacement of these assets is 0.6% and 0.4% for water supply and sewerage, respectively. This trend will imply that many assets will not be in their optimal technical condition in the future. The urban water supply comes 67% from surface water, 28% from groundwater, and 5% from desalination. Around 30% of treated waste water is reused after reclamation. Non-revenue water has decreased from 32% in 1992 to 22% in 2016. It is worth noting that during the economic crisis there was an increase to 25%, but technological advances have allowed bringing the levels down again. However, there are still efforts required to improve wastewater treatment services since 15% of the Spanish population does not receive an appropriate treatment according to the Urban Waste Water Treatment Directive, and to increase the investment capacity to ensure current levels of water services. In Spain tariffs are binominal (fix and variable part) and progressive

(increasing blocks of consumption), and are complemented with mechanisms of social action for low-income families. The average price of water in Spain in 2016 was 0.18 cents/litre, but strong variations can be found between municipalities (maximum difference is 5 times). Even for average prices between regions in Spain, wide variations are found.

Mr. Morcillo concluded by presenting key governance challenges of the urban water sector in Spain. First, a lack of investment for the renewal of water infrastructure and achieving full compliance with the Urban Waste Water Treatment Directive. Second, cost recovery is only sufficient to cover operational costs, but not the rest of costs. The financial contribution of users through tariffs is low compared to the costs, and for improving this situation there would be a need to work on social awareness and involvement. Third, regulatory harmonisation is much needed to cope with the challenges of the sector. For example, an independent Regulator or Observatory that could, without modifying current competencies across levels of government, harmonise the provision of water services and water tariffs. This entity should be independent, work with accurate and transparent technical criteria, and have as an objective optimising effectiveness, efficiency, sustainability and social sensitivity of water services. Lastly, encouraging innovation and reaching a national political agreement will be key for the future.

2.3.4. Water Governance in Spain - National Water Agreement

Mr Alberto Garrido, Vice-Rector for Quality and Efficiency at the Universidad Politécnica de Madrid and Director of the Observatory of Water at the Botín Foundation, presented a “traffic light” assessment of Spain’s water governance system against the 12 OECD Principles on Water Governance. According to Mr. Garrido’s assessment, roles and responsibilities are clearly allocated and the right scale for water management is well defined. However, coordination across levels of government could be improved, particularly for agricultural policy. Mr. Garrido also expressed his doubts on whether water management authorities have currently the right capacity, both technical and financial, to face the future challenges of the water sector. In terms of data and information, Mr. Garrido echoed previous messages stating that hydrological information is of high quality in Spain, but that there is a lack of socioeconomic data related to water. Regulatory frameworks and mobilising finance were two areas said to be under-performing in Spain’s water governance system, and that may require profound reforms. Mr. Garrido also stressed the many innovative water governance practices in Spain that could be further scaled-up. Integrity and transparency as well as stakeholder engagement seems to be performing well, whereas further efforts could be placed to improve the existing framework to manage trade-offs across different water users as well as improving the monitoring and evaluation of water policies.

Mr. Garrido then explained that there are some reasons to be optimistic. First, during the past years there has been political convergence across different political forces on water policies. Second, water is becoming scarcer due to the effect of climate change, and this crisis will stimulate creativity and action in the water sector. Third, technology and artificial intelligence (e.g. big data) will play a key role to improve the performance of the water sector. Fourth, the agricultural sector has become more efficient, has reduced consumption. Fifth, transparency of information has increased and citizens now are more aware about water scarcity. Lastly, there is very good technical capacity in the public administration, and an effective water law. Mr. Garrido also pointed out some reasons to be pessimistic. There is unbalanced political power across sectors and interests that jeopardises coordination across policy areas. Usually, economic sectors prevail over environmental, spatial planning or health issues. Mr. Garrido also insisted on the need to reform the regulatory framework to allow for mobilising resources from different sources (public, public-private, private) to finance water infrastructure. Mr. Garrido concluded by providing some ideas that can help improve the water governance system by combining pragmatism with a long-term vision. Mr. Garrido suggested to focus on a few problems with wide social impact and to find

solutions for them. This could be structured around the National Water Pact that would of course incorporate previous items discussed in the past attempts to agree on a Pact. Mr. Garrido also stated that pushing for institutional and governance innovation, more use of technological and information tools, fostering water education across the society, and ensuring the continuity of water policies will all be key elements to improve water governance in Spain.

2.3.5. Group Discussion

WIN asked about the status of the project to implement a Water Management Transparency Index in river basin organisations in Spain, where the Botin Foundation was a key partner.

Mr. Garrido answered that there were three evaluations done with this index and that a fourth one is underway.

Oriana Romano, OECD Secretariat, asked about the current state and content of the National Water Pact.

Mr Manuel Menéndez agreed with Mr. Garrido's assessment of the water governance system, particularly with the part that highlighted that there is political convergence in water policies. The Director stated that there are basic areas of agreement and that this leaves room to reach a real National Water Pact. The previous administration had already discussed and agreed with many stakeholders four key axes of the Pact: compliance with environmental goals; definition of ecological flows, and how to preserve ecosystems; satisfaction of water demands; flooding; and lastly governance. Since the government changed, there is a need to revise it before approving it. The most problematic consensus to be reached is not between political parties, but rather between territories (i.e. different regions in Spain) particularly regarding water transfers. Thus, although technologies and resources exist to transfer water from one basin to the other, the political dimension presents an obstacle.

Mr. Morcillo agreed with the Director that the elements for the Pact are there, and it is just a matter to solve small details. It is good news that this Pact arrives before there is a serious water crisis in Spain, which can happen overnight given the climatological conditions of the country. Spain is now in good shape to face current challenges but there is a need to make improvements for future generations.

Ms Aziza Akhmouch, OECD Secretariat, welcomed the fact that the OECD Principles are used to assess the water governance system. Ms. Akhmouch asked whether the Spanish authorities agree with the results of the water governance indicator framework pilot tests that were conducted in two river basins in Spain, Jucar and Segura. In particular, whether there was a willingness to follow-up on the action plan that resulted from the exercise.

Mr Manuel Menéndez answered that there is great value in the exercise conducted in these two basins, since they are the most complex ones in the country. In fact, the Director thinks that the results of the pilot-test could be replicated in other basins in Spain, and expressed his desire to conduct this exercise in other basins. For the Director, the governance challenges faced by the river basin authorities are less difficult to solve than the existing conflicts between territories. There is a tool to manage these conflicts: the National Water Plan, which regulates inter-basin aquifers, water transfers, among others.

Portuguese Water Partnership congratulated the excellent cooperation between Portugal and Spain concerning water. Portugal and Spain have a longstanding relation in water, with a first treaty signed in 1864, followed by other agreements in 1912, 1926, 1964, and 1968. The Convention, signed in 1998 and coming into force in 2001, encompasses all the other agreements and provides an excellent framework for cooperation between Portugal and Spain. Also taking into account that

Spain is an upstream country, whereas Portugal is strictly a downstream country, thus whatever is done in Spain has consequences in Portugal. However, Spanish and Portuguese authorities have always been willing to cooperate and that should make both countries very proud, and be an example for the international community.

Mr Manuel Menéndez informed delegates that this year is the 20th anniversary of the signature of the Albufeira Convention between the two countries. The Director agreed with PWP that the cooperation between the two countries has been excellent and that there are many good practices that could be exported to other contexts.

Mr. Martinez remarked that one of the greatest value of the pilot test of the water governance indicators was the process. MENBO also raised the attention that the more mature an institution is in terms of water governance, the more critical stakeholders are since excellence is expected.

2.4. Concluding Remarks

The **Chair** wrapped up the session by stating that 20 to 30 years ago water was considered a sector, then it became a factor for development, and now there is a trend to talk of water as a vector for change, for opportunities, for boosting the well-being of people and economic development. There are reasons for being optimistic and pessimistic, but as Johan Cruyff the famous Dutch football player stated, “every disadvantage has a distinct advantage”.

Mr. Hakan Tropp, OECD Secretariat, highlighted that he takes away that there is a great consensus on the WGI Programme of Work 2019-21. Mr. Tropp thanked all the WGI members, speakers and Chair for their strong commitment during the past two days. He also thanked all the organisers, and especially the Feria Zaragoza for their efforts with the logistics.

The **Chair** concluded the 11th WGI meeting by once again thanking all the organisers for the excellent work ahead and during the meeting. The Chair announced that the 12th WGI meeting will take place in Berlin, Germany, 20-21 June 2019, and thanked the BMZ, and especially Daniela Krahl at the BMZ, for making this happen.