

## 10<sup>th</sup> MEETING OF THE OECD WATER GOVERNANCE INITIATIVE

20-21 November 2017, City Hall of Vienna, Austria

### HIGHLIGHTS



The [OECD Water Governance Initiative](#) (WGI) is an international multi-stakeholder network of around 130 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. Ten 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; and, 20-21 November 2017, Vienna).

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 scaling up best practices and contributing to the development of indicators; and
5. **Foster continuity** on governance discussions between two World Water Fora (every 3 years), in particular by supporting the Governance Implementation Roadmap of the 7<sup>th</sup> World Water Forum (Korea, 2015) up to the 8<sup>th</sup> World Water Forum (Brazil, 2018).

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## 1. Highlights

1. On 20-21 November 2017, the [OECD Water Governance Initiative](#) held its 10<sup>th</sup> meeting at the City Hall of Vienna, Austria. The meeting gathered 70+ practitioners, policymakers and representatives from major stakeholder groups within and outside the water sector (see the [list of participants](#)). The 10<sup>th</sup> meeting of the WGI had the following objectives (see the [agenda](#) , [slides](#) and [pictures](#)):

- Launch the report “Water Charges in Brazil: The Ways Forward” and the Special Issue of the Journal Water International on the OECD Principles on Water Governance.
- Discuss Global Agendas, including the Sustainable Development Goals, COP23 and the 8<sup>th</sup> World Water Forum
- Discuss the results of the 2<sup>nd</sup> phase of the pilot-tests of the water governance indicators
- Discuss the highlights from the water governance stories’ webinars and meta-analyses
- Share knowledge and experience on recent water governance reforms, research and recent events
- Discuss challenges and opportunities of Austria’s water governance system.

2. Delegates were [UPDATED](#) on WGI contribution to the **Water Action Day of COP 23** which discussed short and long-term water-related actions towards the achievement of the Paris Agreement. The National Water Agency of Brazil (ANA) and World Water Council (WWC) presented the state of play of the **8<sup>th</sup> World Water Forum** process. The Secretariat introduced the starting project on “A Territorial Approach to the **Sustainable Development Goals**” and called upon interested cities, regions and countries to participate.

3. The OECD report “[Water charges in Brazil](#)”: [The Ways Forward](#)” was [LAUNCHED](#) in the presence of Mr. Ricardo Andrade, Director, ANA (Brazil). A [special issue on the OECD Principles on Water Governance](#) of the journal Water International was also presented as a joint OECD/IWRA initiative to help bridge the science-policy gap through a series of articles co-authored by WGI members.

4. Delegates [PEER-REVIEWED](#) the draft assessment and recommendations from the case study “**Decentralised Development Cooperation (DDC) to promote access to water supply and sanitation in France**”, as part of a broader OECD/EU DEVCO project reviewing financial flows, recent trends and emerging paradigms in DDC across EU countries.

5. Delegates [WELCOMED](#) the outcomes of the 2<sup>nd</sup> phase of the **12 pilot-tests of the OECD Water Governance Indicators** (Peru, Morocco, Spain, Colombia, Malaysia, Netherlands, Scotland, Austria, Cabo Verde and Kinshasa) and supported them as a valuable self-assessment tool for multi-stakeholder learning and dialogue. Next steps

include complementing data and information and finalising the OECD report on “Water Governance Indicators” to be launched at the 8<sup>th</sup> World Water Forum (March 2018).

6. Delegates [DISCUSSED](#) the results of the four **peer-learning webinars on “water governance stories”** hosted by the Flanders Knowledge Centre Water, Suez, Israel Water Authority, and the Austrian Association of Public Services and Enterprises as well as the findings of the meta-analysis of the 55 stories conducted by AgroParisTech, The Open University, and The University of Dundee in cooperation with the Secretariat. Delegates discussed possible outputs, such as a publication on “water governance stories” and an “online portal” to be released at the World Water Forum.

7. Delegates [SHARED](#) key messages from **latest research and reforms** related to water including a policy brief on land for flood risk management (Utrecht University), a handbook on women and corruption in the water sector (SIWI) as well as water pricing reforms in Israel. The outcomes from key water events were also discussed, in particular the 26<sup>th</sup> Stockholm World Water Week, EURO-INBO 2017 Conference, the Lisbon University Workshop on the OECD Principles on Water Governance and the forthcoming 3<sup>rd</sup> Asia-Pacific Water Summit.

8. A [KNOWLEDGE SHARING](#) session was devoted to **water governance in Austria** to discuss key issues and ways forward on how to manage water at the right scale through institutions that are not catchment-based but catchment-oriented, and how to enhance the water governance performance of water services.

## 2. Next steps

- January 2018: Secretariat will share with WGI and RDPC delegates for comments and approval the draft reports on water governance indicators and water governance stories
- March 2018: Launch of the draft reports on water governance indicators and water governance stories at the [8<sup>th</sup> World Water Forum in Brasilia](#) (Brazil)
- September-October 2018: 11<sup>th</sup> Meeting of the WGI (date and venue tbc).

## 3. Summary Record

### 3.1. Welcoming Remarks

#### *3.1.1. Welcoming Remarks by the Chair*

9. Mr Peter Glas, Chair of the OECD Water Governance Initiative, expressed his satisfaction to be gathered today for the 10<sup>th</sup> Meeting of the OECD Water Governance Initiative, at the Festsaal, Vienna City Hall. The Chair expressed his gratitude to Mr. Thomas Weninger, Secretary General of the Austrian Association of Cities and Towns, Ms. Maria Patek, Director General for Water in the Austrian of the Federal Ministry of Agriculture, Forestry, Environment and Water Management, Mr. Guido Dernbauer, Association of Cities and Towns, and the city of Vienna for the great support in the preparation of the meeting as well as for the magnificent Venue and the warm welcome provided by the hosts. The Chair recalled that Austria is an active member of the WGI, which and has mobilised tremendous energy and resources in the past months to make the 10<sup>th</sup> WGI meeting happen. Lastly, the Chair expressed his enthusiasm ahead of the exciting discussions set out in the ambitious agenda for the 2 days.

#### *3.1.2. Welcoming Remarks by the Austrian hosts*

10. Mr. Thomas Weninger, Secretary General, Austrian Association of Cities and Towns, welcomed delegates to Vienna's City Hall on behalf of the Mr. Michael Häupl, Mayor of Vienna and President of the Austrian Association of Cities and Towns, who is proud to host the 10<sup>th</sup> meeting of the OECD Water Governance Initiative. Mr. Weninger also apologised the absence of Mr. Häupl and other authorities of the municipality, since there were on-going discussions on the 2018 city's budget. Mr. Weninger emphasised the importance of water for Vienna since more than 100 years ago the city built the first water pipeline from the mountains to the city to supply clean drinking water to the citizens. The pipeline is still in use. Another relevant milestone occurred in 2001, when water featured into Vienna's constitution (Chartra) and where it was awarded a high importance as a resource that must be protected now and in the future. Not only in Vienna, but also in Austria, water has been a central topic for cooperation across all levels of government (federal, provincial, and local) with the objective to supply clean drinking water as well as provide quality sanitation services to the population. Mr. Weninger presented some of the results of the survey that the Association of Cities and Towns has conducted during the last ten years on the quality of water services. The survey shows that most people are very satisfied with drinking water supply services in Austrian cities and more than 90% are in favour of this service remaining of public domain. He also informed delegates about Austria's commitment in achieving the SDGs. In this sense, in November 2017, the Austrian Association of Cities and Towns organised a workshop on the SDGs in Innsbruck (Austria) that clearly showed that cities in Austria are working towards the implementation of the SDGs. It is also revealed that some Austrian cities are working with other cities in developing

countries to help them achieve the SDGs. For instance, Salzburg is working with a city in Tanzania to support access to clean drinking water supply. Finally, Mr. Weninger underlined the important role of the Austrian Association of Cities and Towns in the country's water governance system. The Association was founded in 1915 by a group of 68 mayors to help ensure safe drinking water supply in Austrian cities. Since then, the Association has expanded and now it has 253 members (cities and towns with over 10000 inhabitants), where two thirds of Austrian population lives. The Association meets once a year and has forty committees that deal with urban issues, such as public services, but also other topics such as the European Union or SDGs. Mr. Weninger apologised for not being able to stay for the discussions, thanked Mr. Guido Dernbauer for his involvement in the organisation of the meeting and wished delegates fruitful discussions.

11. Ms. Maria Patek, Director General for Water in the Austrian, Federal Ministry of Agriculture, Forestry, Environment and Water Management, welcomed delegates to Vienna for the 10<sup>th</sup> OECD WGI meeting, a key milestone for the initiative on the road to World Water Forum in Brasilia. At the Forum the WGI will present the results of the work conducted during the last three years to help improve water governance worldwide. Ms. Patek underlined the importance of the OECD work on water governance to understand the socioeconomic impacts of water quality and quantity. Ms. Patek recalled that the Federal Ministry of Agriculture, Forestry, Environment and Water Management is the main competent authority for water management in Austria, as stated in the Water Act (1959). Austria water governance system is based on the principle of cooperation, both nationally and internationally. Austria is developing river basin management plans and flood risk management plans together with the 9 provinces ("Bundesländer"), water users, NGOs and other relevant stakeholders. It was a priority for the Austrian government to conduct a transparent and participatory process for the development of these plans and, for this reason, the roundtable for water was set up. The roundtable has gathered all relevant water-related sectors in Austria since the very early stages of the process. At international level, good examples of Austria's capacity to cooperate are the international river basin protection commissions for the Danube, Rhine and Elbe, or the bilateral river commission with all neighbouring countries. All these commissions follow a cooperative approach among countries with a strong willingness to reach solutions. Thus, the Austrian government believes that the country can be a role model for certain aspects of water governance particularly looking at the 12 OECD Principles on Water Governance. Ms. Patek shared that Austria sees a great value-added for being part of the WGI, since the diversity of stakeholders, organisations, and countries and their willingness to share their know-how can provide solutions to improve water governance. In this sense, the Directorate for Water in Austria is aligning governmental action to future challenges such as climate change or achieving the SDGs. The outcomes of the OECD WGI work are a valuable input in this process. For instance, Ms. Patek mentioned that the Austrian pilot-test of the water governance indicators already showed some of the weaknesses of the Austrian water governance system. Finally, Ms. Maria Patek expressed that, for all the above reasons, Austria is a great supporter of the OECD WGI work and will continue to be an active and engaged member. She finished her intervention by thanking the delegates for their participation in the meeting and wished them fruitful and enriching discussions in the next two days.

### *3.1.3. Update by the Chair and Secretariat on recent WGI activities and developments*

12. **The Chair** shared recent developments since the [9<sup>th</sup> Water Governance Initiative meeting](#) in Paris, 3-4 July 2017. First, the Chair mentioned that the working groups have delivered two draft notes summarising the results of the following activities conducted throughout the past four months:

- The Best Practices Working Group met virtually through 4 webinars, chaired and organised respectively by the Flanders Knowledge Centre Water (16 October), Suez (24 October), Austria (24 October) and Israel Water Authority (30 October). In the meanwhile, three lead institutions (Open University, University of Dundee and Agro Paris Tech) carried out a meta-analysis of all stories to highlight cross-cutting messages and lessons learned.
- The Indicators Working Group completed the second phase of the pilot-test consisting in collecting data and share feedback on challenges and lessons learnt for future applications.

13. Second, the WGI concluded two important reports launched at the 10<sup>th</sup> WGI meeting:

- The OECD report “Water charges in Brazil: The Ways Forward”. The Chair thanked Ricardo Andrade, Director at the Brazilian National Water Agency (ANA), for coming to Vienna for the launch of this important piece of work. The Chair recalled during the 9th WGI the findings and recommendations of the draft report were presented by the OECD Secretariat and discussed by João Lotufo, Director of ANA.
- The special issue of Water International on the Principles on Water Governance, to which many WGI members have contributed either as authors or being part of the editorial board.

14. **Ms. Aziza Akhmouch**, from the Secretariat, thanked the Austrian authorities for the active engagement and commitment with the work done by the OECD WGI as well as for the excellent organisation of the 10<sup>th</sup> WGI meeting. The Secretariat updated delegates on staffing and broader reorganisation change. The water governance programme used to be located in a division called the Regional Development Policy Division (RDP), which worked mainly on subnational and local issues, within the Public Governance and Territorial Development Directorate (GOV). In April 2017, RDP was moved from GOV to be merged with the [Centre for Entrepreneurship, SMEs, Regions and Cities](#) (CFE) led by Ms. Lamia Kamal-Chaoui, who attended the 9<sup>th</sup> WGI meeting in Paris. The rationale of this move was to have a one-stop-shop department at the OECD working on subnational issues and local development, and to foster synergies and strengthen this stream of work. The water governance programme is now part of a new division on Cities, Urban Policies, and Sustainable Development, which was created to raise the profile of cities within the OECD and give greater visibility of this work in the broader international context. Ms. Akhmouch informed that she has been appointed Acting Head of the Cities, Urban Policies, and Sustainable Development division, and that the unit that used to encompass the water work now has a broader portfolio and a new name - Unit for Climate, Water, and Sustainable Development Goals. In parallel, the OECD had opened a job vacancy back in June to hire a new Head of the Water Governance Programme. After a competitive process with over 250 applications, the OECD selected Mr. Håkan Tropp to take over this

responsibility starting 1 December 2017. Ms. Akhmouch highlighted that Mr. Tropp has been part of the WGI Steering Committee as representative for the Stockholm International Water Institute (SIWI) since 2013 and she expects the continuing success of the network and programme of work under his new leadership. Ms. Akhmouch recalled that the work done by the WGI has expanded the evidence-base on water governance and has changed the way water is looked at in the OECD and the broader community. Finally, Ms. Akhmouch thanked the delegates for their active involvement throughout the years and the OECD water governance team for their efforts in making all this possible.

15. **Mr. Tropp** congratulated Ms. Akhmouch for the success of the water governance programme and for her new appointment as Acting Head of Division. Mr. Tropp expressed that he is looking forward to work for the OECD and even more with the members of the WGI. Mr. Tropp underlined the importance of 2018 for the initiative, since there are important milestones coming up, such as the 8<sup>th</sup> World Water Forum, as well as developing the new 3-year programme of work for the WGI.

## 3.2. Official launch of reports and publications

### 3.2.1. *Water charges in Brazil: The Ways Forward*

16. The OECD report “[Water Charges in Brazil: The Ways Forward](#)” was pre-launched at the 10th OECD Water Governance Initiative Meeting by Ricardo Andrade, Director at the **National Water Agency** (ANA), Brazil. The report is a follow-up of the OECD (2015) report on “[Water Resources Governance in Brazil](#)” and was discussed at the [9th Water Governance Initiative Meeting](#) in Paris (July, 2017), in the presence of Mr Joao Lotufo, Director at ANA. The official launch of the report took place on 28 November at the [XII Brazilian Symposium of Water Resources](#), Florianopolis, Brazil (speech by Mr. Joaquim Oliveira Martins from the OECD Secretariat in [English](#) and [Portuguese](#)). This is the sixth Water Policy Dialogue carried out by the OECD in collaboration with member and non-member countries.

17. **Mr Ricardo Andrade** thanked the Chair for the opportunity to share the Brazilian experience with the WGI, the OECD and ANA’s teams and the 150 + Brazilian Institutions that were involved in the Policy Dialogue. Director Andrade recalled the creation of ANA in 2000 as a central institution for the implementation of the National Water Resources Policy in Brazil. The country is facing several water challenges concerning quality losses, deficit in sanitation, conflicting water uses and extreme hydrological events. From 2014 to the beginning of 2016, the South-east area of Brazil (e.g. Sao Paulo and Rio de Janeiro) experienced a severe water crisis. The Northeast region has been facing severe droughts for more than six years. These crises have been also an opportunity for learning: for example, in the Piancó-Piranhas-Açu River Basin, one of the case studies of the report, major progress have been achieved in the implementation of integrated water management tools and in terms of coordination across institutions and levels of government. In general, although the water management system in Brazil has made progress throughout the last 20 years, there is still room for improvement, especially with regard to water governance. The ANA has established international partnerships, such as that with the OECD, to learn from international experiences and to move from crisis to risk management. Through this second policy dialogue, the OECD addressed the issue of economic instruments in a consistent and innovative way. The report strengthens the perception that water charges in Brazil can contribute to the achievement of the National Water Resources

Management Policy, as they are a means to an end. However, effective charges are those that can show benefits to the water users. In order to make water charges more relevant, there is the need to improve water resources planning. Some of the OECD key recommendations have been recently incorporated in the “Legacy” project, one of the most important projects launched by the ANA in 2017 and that will be shared at the [8<sup>th</sup> World Water Forum](#) in Brasilia in March 2018. Director Andrade invited members to use this important document, as some of the recommendations can also be of inspiration for other member countries and partners. Brazil has formally requested access to the OECD. This work on water will be certainly relevant within the political and technical on-going accession process.

### ***3.2.2. A Special Issue of “Water International” on the OECD Principles on Water Governance***

18. Mr James Nickum from the **International Water Resources Association (IWRA)** presented the [Special Issue of “Water International” on the OECD Principles on Water Governance](#). “Water International” is the official journal of the IWRA, published in cooperation with Taylor & Francis (Routledge). One of the missions of the Journal is to bridge the gap between science and policy. WGI members contributed to the Special Issue as editors and authors (five research papers). Hard copies are available since mid-December 2017 and [online](#) since January 2018. IWRA members have free access to the Special Issue. OECD is exploring ways of making it publically available.

## **3.3. Global Agenda**

### ***3.3.1. Outcomes of COP 23, Bonn, 6-17 November 2017***

19. **OIEAU** updated delegates on the main outcomes of the [COP 23](#), and particularly on the [3<sup>rd</sup> Water Action Day](#) that took place on November 10<sup>th</sup>. This dedicated day to water was organised and coordinated by the Water Action Day Content Group, which reports directly to the Climate Champions and UNFCCC. The overarching objective was to provide short term and long term priority actions that deliver concrete results in mitigating the effects of climate change in the water sector. These actions are aligned with the long term goals of the Paris Climate Agreement and the [Facilitative Dialogue 2018](#). The Water Action Day was organised around two technical events: i) High level panel on water and climate finance; ii) Three parallel sessions dedicated to: water knowledge, water for urban resilience, and water for sustainable agriculture and food security. These events fed the [Marrakech Partnership for Global Climate Action](#) and the overall UNFCCC process by showcasing how wise water management can support the delivery of the Paris Agreement. In a nutshell, the 3<sup>rd</sup> Water Action Day called to: i) Enhance collaboration between water and climate communities through transparency mechanisms, more consistent dialogue and by using the Nationally Determined Contributions (NDC) reports. Raising awareness, leveraging partnerships and collaborations between both communities could be achieved through the organisation of high level panels, workshops, etc; ii) Support the actions carried out by the different water alliances. For instance, the [Megacities Alliance for Water and Climate](#) will launch an open source geographic information system (GIS) database on megacities including data on water, urban, climate. The [Business Alliance for Water and Climate Change](#) will launch an online platform to facilitate peer-learning, exchange of experiences, and best practices on water and climate; iii) Unlock finance and increase funds dedicated to climate change actions in the field of water management. The [Global](#)

[Alliances for Water and Climate](#) will continue to develop support water adaptation projects, including those dealing with soft infrastructure and governance issues in transboundary and national basins. The support to NDC will be improved through different mechanisms, such as Water for Africa, NDC partnership, the Global Climate Fund, etc.

20. **OIEAU** informed that during the 3<sup>rd</sup> Water Action Day, the “[International Declaration on Nature-Based Solutions for Water Management Under Climate Change](#)” was proposed to signature of all interested parties. This Declaration seeks to work together with state and non-state actors to set mechanisms to ensure that ecological issues are included in water resources management by taking into account the benefits of nature-based solutions. Nature-based solutions can be defined as actions to protect, to sustainably manage and restore the ecosystems that address water challenges effectively, while increasing human well-being and biodiversity outcomes. The declaration supports complementing grey infrastructure with green solutions that increase the resilience of territories to climate change risks and protect biodiversity. The declaration is still open for adherence. Other announcements made at the 3<sup>rd</sup> Water Action Day, include:

- The [Megacities Alliance for Water and Climate](#) will organise the 2<sup>nd</sup> edition of the international conference on water, megacities and climate change in 2019 (called EauMEGA 2019).
- The [Business Alliance for Water and Climate Change](#) announced that the objective is to achieve up to 200 companies by 2020 (representing USD 1 trillion of revenues) which are committed to reduce their footprint.
- The [Global Clean Water Desalination Alliance](#) will do an inventory of all desalination plants. It will also investigate how to accelerate the transition towards clean desalination and identify barriers that hinder this process.

### **3.3.2. On the road to the 8<sup>th</sup> World Water Forum, Brasilia, 18-23 March**

The **National Water Agency (ANA) Brazil** shared the key features of the 8<sup>th</sup> World Water Forum in Brasilia, Brazil. The Brazilians proposed “sharing water” as the overarching theme to favour the exchange of solutions and good practices and promote cooperation between different nations and institutions. It will be the first time the World Water Forum is held in the Southern Hemisphere. Also for the first time there will be a [Sustainability Focus Group](#) that will cut across the four processes ([Political Process](#), [Regional Process](#), [Citizen Process](#), [Thematic process](#)). The ultimate objectives of these processes are interlinked. The [Political Process](#) aims at establishing goals and commitments based on the place-based considerations and regional political commitments defined at the [Regional Process](#); the civil society’s views and opinions shared at the [Citizen Process](#); and, the links to the international processes (e.g. SDGs, Habitat III, etc.), the outcomes of the discussions on the 6 main topics (climate, development, people, urban, finance, ecosystems) and 3 cross cutting themes (sharing, capacity, and governance) during the [Thematic process](#). Finally, the aim of the [Sustainability Focus Group](#) is to mainstream and integrate sustainability across all processes so that the Forum’s outcomes can effectively contribute to the development and adoption of more sustainable water management models and practices. All this will occur in 262 sessions, 10 high level panels, 30 special sessions, 68 regional ordinary sessions, 17 sustainability focus group sessions, 32 citizen forum sessions, 105 thematic sessions. The forum will promote dialogue across all sectors of the society, including national governments, parliamentarians, local authorities, private and public enterprises,

civil society, NGOs, practitioners, prosecutors and judges, etc. Brazil is highly committed to the Forum at federal and state level and will have a rich representation of over 70 institutions related to the water sector, ranging from big institutions, such as the Banco de Brazil, to small local NGOs.

21. The **World Water Council (WWC)** updated delegates on the preparatory process of the [8<sup>th</sup> World Water Forum](#) in Brasilia, Brazil. There are still on-going discussions to define the content and the final number of sessions, but approximately 222 ordinary sessions, 262 sessions in total, will take place from Tuesday 20 to Thursday 22. In the [Thematic process](#) the Governance theme (Theme 9), which is led by OECD, INBO, Women for Water Partnership, CONAGUA and ANA, counts 3 topics on IWRM, transboundary water management, and effective governance, and each topic consists of three sessions. The WGI is the lead coordinator of the effective governance topic (Topic 9.c) and will play a major role as the leader of Session 9.a.3 (The New Policy Agenda for IWRM), and Session 9.c.1 (How to Enhance Multi-Level Water Governance?). The final session agendas are expected to be ready by the mid-February. With regards to the [Regional Process](#), there are five session proposals (one regional and four inter-regional) on governance. Moreover, the WWC taskforce on IWRM, from which the OECD WGI is a member, submitted a proposal for a High Level Panel on IWRM. The OECD and IUCN have been proposed as lead coordinators of this High Level Panel. Regarding the [Political Process](#), there will be two preparatory meetings ahead of the Forum, the [first](#) one on 13-14 December at UNESCO's headquarters in Paris to discuss the zero draft of the ministerial declaration, and the second in February 2018 (date TBC) to continue the discussion on the declaration. Local and Regional Authorities (LRA) will issue a declaration during the Forum, and there will also be two preparatory meetings. The first on 8 December during the [UCLG \(United Cities and Local Governments\) World Council in Hangzhou](#), China, and the second in the [World Urban Forum in Kuala Lumpur](#) that will take place on 7-13 February 2018. Besides, the preparatory meeting, there is a LRA partnership formed by the WWC, UCLG, ICLEI, UOPLA, and the Brazilian National Confederation of Municipalities that cooperate closely with the cabinet of the President of Brazil. The LRA partnership has set up a group of 6 mayors that should serve as an advisory panel for the declaration. The LRA partnership is also developing a practical guide to support the implementation of water measures that help reach the commitments of the new urban agenda. Finally, the Forum will have for the first time representatives for judges and prosecutors. A moot court and a declaration of judges and prosecutors is foreseen, however further details are still to be provided.

### *3.3.3. A Territorial Approach to the Sustainable Development Goals*

22. The **OECD Secretariat** announced the launch of a new project: "A Territorial Approach to the Sustainable Development Goals (SDGs)". The Secretariat explained the rationale of the [OECD Action Plan on SDGs](#) that was endorsed by the OECD Council on 13 December 2016. A great achievement of the Action Plan was to acknowledge the universality of the Agenda 2030, which applies to developing and OECD countries. The work on water at the OECD has helped demonstrate to member countries that it is not only about access, because even when there is universal coverage, if there are no proper investments universal coverage cannot be taken for granted in the future. For a number of other SDGs, such as health or education, the same idea applied. However, OECD countries still had the perception that the Agenda 2030 is linked to supporting non-OECD countries through Official Development

Assistance (ODA). Thus, the ministerial statement was important to emphasize that there is still a lot of work to do in OECD countries and that the Agenda 2030 is broader than ODA. The rationale behind the project is that, first, national aggregates mask territorial disparities. One of the lessons learned of the MDGs is that the lack of disaggregated data at regional level led to misleading conclusions about the achievement of the MDGs. Second, there is a low level of awareness of subnational governments on the role they have to play to achieve the SDGs. This is striking in OECD countries where two thirds of public investments are carried out by local and regional governments. Moreover, it is documented that 60-65 % of SDGs targets cannot be achieved without the involvement of cities and regions. In most public policies, this is a shared responsibility across levels of governments. Lastly, the Agenda 2030 was designed by and for central governments. In cities and regions that are aware of the need to achieve the SDGs, these are considered a top-down implementation challenge. Thus, there is a need to rethink how to mainstream the SDGs in the design and implementation of local and regional policies.

23. The **OECD Secretariat** informed that the project will be launched early 2018; it will feature 10-12 pilots in cities and regions, and will have three main objectives. First, to localise at regional and local level the indicator framework to monitor the implementation of the SDGs provided by United Nation. There will be discussions with each of the pilots to define the indicators that are relevant for them and how they can be tailored to address the concerns and priorities of cities and regions. It will also explore how to use OECD data at subnational level to assess where do cities and regions stand vis-à-vis the national average, and the distance to the SDGs targets. Second, explore the multilevel governance challenges faced in the case studies for the achievement of the SDGs and scale-up some of the good practices observed. Lastly, to set up a community of practice whereby cities and regions and central governments can share their experiences and learn from each other. The outputs of the project will be a localised indicator framework to monitor the implementation of the SDGs and a final report, to be launched in a year and a half, and that will be used as a milestone in the High Level Political Forum with a particular focus on SDG 6 and 11. In between, a series of intermediary workshops will take place to gather around the table case study promoters and other relevant stakeholders. Some of the regions and cities that have showed interest in participating in the project thus far include, Tuscany (Italy), the Basque Country (Spain), Flanders (Belgium), Quitachiyu (Japan), Buenos Aires (Argentina), or Medellin (Colombia).

#### **3.3.4. Group discussion**

24. **WIN** mentioned the event [Conference Adaptation Futures](#), June 2018 in South Africa. Adaptation to the future is not only about water but there is a strong water element in adaptation. The event will be an opportunity to liaise with African organisations and governments. WIN will coordinate a session in this event.

25. **SUEZ** clarified a remark by OIEAU on the Business Alliance for Water and Climate. SUEZ funds the alliance and the web platform is already online. This platform includes the results of the [carbon disclosure and water](#) consumption project (CDP). The result of this project was launched in November (2017) in India. The project is an interesting avenue to bridge the gap between the industry and the objectives of the global agenda.

26. **Germany** highlighted that at the [COP23](#) there were other important water-related events besides the Water Action Day. For instance, a side event organised by SIWI and the French Water Partnership on the [+4 degree scenario](#). Also Germany organised a side event on how to make water more relevant in the NDCs to strengthen the links between the work on water and climate. With regards to the Water Action Day, the finance roundtable was particularly inspiring. One of the main outcomes of this roundtable was the need to build a better understanding on what is relevant in a water project concerning the climate goals. There is still a gap between the water and climate actors in terms of which projects and measures should be funded. Water was not on the negotiating table of the climate conference and this should be a goal for next year's conference. Upstream thinking and coordination among the water community regarding [COP24](#) could help make this happen. Germany emphasised that one of the most important events in 2018 will be the [High Level Political Forum](#) (HLPF) that will take place in July 2018.

27. **GWP** informed delegates that they are contributing actively to the achievement of the global agenda. On the one side, GWP is working with UNEP's Global Horizontal Initiative (GHI) by organising some of the workshops in 30 countries. This initiative aims at drawing the state of implementation of IWRM approaches. GWP is also in the process of becoming an accredited member of the [Green Climate Fund](#). At the 8<sup>th</sup> World Water Forum, GWP/UWH are coordinators of the urban theme, and GWP is also very engaged in the regional process and starting to be involved in the political process. GWP called for further synergies between the urban and governance themes.

28. **Butterfly Effect** informed delegates about the [Climate is Water](#) campaign and encouraged them to join. Around 60 organisations, including NGOs and academic institutions, have already joined the campaign. The campaign stresses the link between climate change and its impact on water resources regimes. The main objective of the campaign is to strengthen the link between climate change and water in the climate negotiation process. Butterfly Effect informed on the upcoming HLPF that will evaluate, among others, the implementation process of SDG 6 and called for collective thinking and upstream coordination on how the WGI can contribute to the discussion on water (2 hours will be dedicated to SDG 6). With regards to the World Water Forum, Butterfly Effect alerted on the outcomes of a survey conducted in Europe in the frame of the Regional Process: 100% of respondents (namely, governments and NGOs across 52 European countries) said that the level of awareness on the SDG on water was low or very low among their citizens. As a response, the European region together with other regions has proposed a session in Brasilia on Aqua awareness.

29. The **Austrian Association of Cities and Towns** informed that they are an active member of the Council of European Municipalities and Regions (CEMR). CEMR was involved in COP23, in particular in the [Bonn-Fiji commitment](#), adopted on 12 November that calls for local and regional governments to deliver the Paris Agreement at all levels. The Austrian Association of Cities and Towns organised a workshop on the SDGs in Innsbruck (Austria) that showed that cities in Austria are often working towards the implementation of the SDGs, but in some occasion cities are not aware that they are doing so. The Association will work to raise awareness among cities. The Association posed a question to OIEAU: When you discussed the resilience of cities, was rain water management part of the discussion?

30. **OIEAU** replied that rainwater was one of the issues discussed at the urban water resilience session, and that it was looked through the lens of governance.

31. **Netherlands** reacted to Germany's remark about bridging the gap between climate finance and water. For instance, Egypt has received funds from the Green Climate Fund for integrating coastal management in adaptation projects. The latter shows that adaptation measures in the water sector are starting to be financed by climate funds, although there is still a lot of work to be done to bridge that gap. With regards to finance, the Netherlands together with the WWC, OECD, and Israel, will be involved in a roundtable on climate finance and water that aims at bridging the gap between public and private investors.

32. The **WWC** stressed the Butterfly Effect call for delegates to join the Climate is Water Campaign. Delegates wishing to engage should send an email to the WWC and instructions and logo packages will be shared.

### 3.4. Decentralised Development Cooperation and Water in France

33. The **OECD Secretariat** introduced the [OECD/EU decentralised development cooperation project](#) (DDC) that includes the water case study in France. The rationale of the project is to update a piece of work the OECD did back in 2005, which mapped ODA flows extended through Local and Regional Governments (LRGs). At the OECD, the Development Assistance Committee has been using ODA flows as a proxy to quantify DDC. However, in practice DDC is much broader than just financial flows and the objective of the project is to shed light on the wider range of mechanisms to foster city-to-city and/or region-to-region technical assistance or cooperation. The project will not be prescriptive in terms of DDC (not all OECD countries use this mechanism), but it will lay down some framework conditions that can guide these activities. In particular, the project: i) Updates financial flows extended and channelled through subnational governments, and assesses whether the 2008 financial crisis or the rise of populism has had an impact on the volumes of DDC flows; ii) Sheds light on the diversity of situations and modalities across and within countries for DDC (there is currently no standard EU definition or typology); iii) Takes stock of the emerging paradigms that are shaping DDC activities, in particular territorial reforms, the need to localise the Global Agenda, or the shift from top-down to triangular cooperation; and, iv) Upscale identified success stories of DDC activities, in particular 4 case studies: Localisation of the SDGs and DDC in Tuscany (Italy), Healthcare and Agriculture in Flanders (Belgium), DDC and Gender in the Basque Country (Spain), and Promoting access to drinking water and sanitation (France). The project started in January 2017 the final report will be launched in March/April 2018.

#### 3.4.1. Presentation of the case study

34. The **Secretariat** presented the main findings of the case study on decentralised development cooperation for water in France. The case study argues that France possesses legal frameworks clearly defining the parameters of DDC. The two laws that set the legal framework for Water DDC are the decentralised cooperation law (1992) and the "Oudin-Santini" law (2005). The latter allowed LRGs of all sizes and basin agencies in charge of drinking water and sanitation service delivery to mobilise up to 1% of the resources allocated to the budgets of these services to carry out cooperation actions with foreign territorial authorities. The case study argues that LRGs and basin agencies have increased their involvement in DDC activities since the adoption of the 1% mechanism. Since 2006, around 400 LRGs and 6 water agencies have engaged in DDC related to water and have extended in total around €250 Million ODA grants,

which represents 1.5% of French ODA targeting the water sector. LRGs and basin agencies have supported more than 300 projects per year through three main modalities: i) Partnership modality, which refers to the creation of solid and structured bi- and multilateral relationships between individual LRGs or basin agencies; ii) Network modality, which has emerged recently as an innovative way to channel DDC, bringing together LRGs, their associations, other stakeholders (CSO, universities, research centre, private companies) and multilateral actors; and, iii) Direct financial support modality to local or regional counterparts in the partner country, and/or to an NGO working in the field. The impacts of the 1% mechanism have been both quantitative, it is estimated that the 1% mechanism has promoted access to drinking water supply and sanitation services to around 4.6 million and 400,000 people, respectively; and qualitative, since there is now stronger financial stability to implement projects, projects do not focus exclusively on hard infrastructure, the capacities of French civil servants have increased, and some of the local solutions for water services have helped develop larger scale approaches.

35. The **Secretariat** presented emerging paradigms that will shape DDC activities in France during the coming years, as well as a set of preliminary recommendations. First, the territorial reform, which started in June 2014, will lead to a merger of municipalities (36 700, at present), and service providers, which could be a great opportunity to pool resources among LRGs (administrative and technical skills, as well as financial resources). Second, the 1% solid waste mechanism opens the room to foster synergies among different public services. Third, DDC activities could help achieve the Global Agenda commitments. In this sense, the French national government developed guidelines (in November 2016) to design development cooperation activities, including DDC, around the Global Agenda goals. Lastly, the Secretariat concluded by presenting the policy recommendations that feature in the case study: 1) Encourage mutual learning and cooperation among French DDC actors by increasing the use of data collected through the [Decentralised Cooperation Portal on France Diplomatie](#) and the Atlas of Water and Sanitation; 2) Encourage a greater focus on DDC activities that aim to develop “soft” rather than “hard” infrastructure; 3) Encourage the culture of monitoring and evaluation of Water DDC projects by moving towards a common monitoring and evaluation framework (including indicators) for all projects; 4) Foster the use of transparency mechanisms that increase accountability of Water DDC activities; 5) Make the most of the territorial reform in terms of financial resources, human capital, and skills for DDC activities; and, 6) Feature water DDC activities into local policies and foster coordination among local public services (drinking water supply, sanitation, solid waste, energy, etc.) to make the most of DDC flows.

#### ***3.4.2. Highlights from case study promoters, pS-Eau and INBO***

36. **pS-Eau** thanked the Secretariat for the quality of the work, and expressed they are in line with the majority of the messages conveyed in the draft. pS-Eau claimed that there are some key aspects that should be considered when analysing DDC. First, DDC activities are decentralised by nature, focus on small and medium project (20 000 to 300 000 €), and are implemented by LRGs or syndicates from any size. Although the biggest contributors which are the largest cities, such as Paris, Lyon, or basin agencies, get most of the attention, there is also an important bulk of small cities that implement these types of projects. Second, DDC is a political choice usually with a long term perspective. Third, DDC is a complementary mechanism to national ODA, and should therefore not replace national financial flows. Fourth, pS-Eau suggested to simplify the

modalities of water DDC into two types: i) Direct decentralised cooperation partnerships of one or more French LRGs and their partners in developing countries; ii) Provision of financial and/or technical support to an NGO or another local authority in France to support their DDC activities. Fifth, drinking water supply and sanitation constitutes the first sector of French DDC in terms of financial flows. Sixth, DDC has a strong leverage effect: 1€ invested in DDC is able to mobilise 5 to 10€ from other actors, such as EU or the private sector. Seventh, the 1% mechanism is not fully mobilised mainly due to gaps in terms of human resources who can monitor partnership agreements or manage contracts. Lastly, there is a need to have an integrated approach between the activities developed to promote access water services and other local public services such as solid waste and energy. pS-Eau agreed with the OECD policy recommendations and indicated that they have been working in this direction in the past. For instance, pS-Eau already collects and publishes data reported by LRGs and water basin agencies and has also been raising awareness among French LRGs on the need to prioritise projects that aim to strengthen policy frameworks, local planning and capacities. Finally, pS-Eau issued a call to expand the 1% solidarity mechanism “between water users, between services”, to other OECD countries LRGs and private operators.

37. **OIEAU** underlined that the 1% mechanism goes beyond the financial engagement to also encompass long-standing territorial partnerships, as it allows French LRGs, NGOs and partner countries’ local authorities and communities, among others, to work together and implement projects. The 1% mechanism also helps address challenges related to governance, monitoring and evaluation, or capacity, faced by partner countries. OIEAU expressed their explicit support to the recommendation no. 2 on encouraging a greater focus on DDC activities that aim to develop “soft” rather than “hard” infrastructure. OIEAU claimed that the 1% mechanism makes this possible at different levels of government. OIEAU also emphasised the need to ensure the stability of the budget line to which the 1% mechanism is associated. This is because, in France, monetary resources dedicated to water and waste are in constant competition with other public policy areas. A clear example is the ongoing debate on the budget of water agencies. If the budget of French water agencies is reduced, the water agencies might be forced to cut the expenditure of the 1% mechanism to adjust to the new constraints (the 1% mechanism is not mandatory, but a political choice).

### 3.4.3. *Group discussion*

38. The **Dutch Water Authorities** informed about the current state of DDC activities in the Netherlands. In the Netherlands, there is a similar 1% mechanism for the annual budget of water companies, which can raise funds worth 14 million € per year. The 21 Regional Water Authorities have no legal mechanism to raise funds for international cooperation activities. The Regional Water Authorities have an overall annual budget of 2.7 billion € and could therefore spend about 27 million € per year on development cooperation activities. However, even without a legal mechanism, the Regional Water Authorities implement projects in developing countries and present these projects to users and tax-payers in the water boards. It is estimated that the current expenditure in development cooperation by water authorities is around 8-9 million € per year. These funds are not invested in infrastructure but rather they are dedicated to knowledge sharing, exchange of experience, trainings on water governance, water education, etc.

39. **Suez** spotted a minor error in the case study draft regarding the composition of the Lyon water fund. The current draft only considered Veolia as part of this fund, but

Suez as a service operator in the metropole of Lyon, was part of the fund up to 2012. Suez drew attention to a missing actor in the draft which is the office that leads the legal process undertaken by municipalities when delegating water services to private operators. It is during this process when the municipality can set the requirements in the legal agreement that delegates the services to the private operator for the allocation of 1% of the budget to DDC activities. Suez also agrees with pS-Eau that these projects consume a lot of human resources, such as contract managers, which can be a limitation when implementing the 1% mechanism. Lastly, DDC and the 1% mechanism is an excellent opportunity to engage citizens of different territories.

40. **NARBO** fully agreed with the OECD policy recommendations but also argued that decentralised approaches can be counter-effective if they are not done properly. For instance, in some countries in Asia decentralisation has been done too fast, and this has had an impact in the implementation, including engineering, and financing of IWRM approaches. Due to the excessive decentralisation, the capacity of the administration did not match their responsibilities and this hinders the implementation of water policies and IWRM approaches at large. Thus, NARBO considered very relevant the OECD recommendation on promoting mutual learning among local and regional authorities through existing networks, as it can help strengthen the implementation capacities of these local entities. In Asian countries, a similar type of network has been established by making use of NARBO's benchmarking tools. The Japan Water Agency manages 7 major river basins through deconcentrated offices of the agency, to which human, engineering or financial resources are allocated according to the needs. The lesson learned that can be extracted from decentralisation processes in Asia is that too rapid and excessive decentralisation can be a problem rather than a solution. Narbo recognises the need for some decentralisation in water management but this has to be done at the right moment and with the needed capacities.

41. **Germany** also expressed their support to the work done by the OECD on the DDC report and the water case study. The Federal Ministry of Economic Cooperation and Development water strategy launched in July 2017 calls for strengthening stakeholder approaches also through subnational governments, such as the water stewardship program that Germany is supporting in many countries. The German Association of Cities, Engagement Global and GIZ launch 'Connective Cities', where all German NGOs are involved. This programme seeks to connect international urban actors to politics, public administration, business, academia and civil society, to foster development and exchange of solutions. In Germany, unlike in France or the Netherlands, water utilities are not allowed to use any revenues for cooperation activities in developing countries. This is because they respond to the tariff-payers and all the resources must be invested to improve the service. There are on-going discussions within the ministry and with water utilities to change the law that would allow for a part of the revenues to be devoted to development cooperation activities.

42. The **Ministry of Water Works and Infrastructure of the Netherlands** on behalf of the Ministry of Foreign Affairs echoed PS-Eau's recommendation on the need to expand in other countries the use of mechanisms that raise funds for DDC activities. The Netherlands is keen to cooperate with other countries to make this happen.

43. The **Chair** informed delegates about the preparation of a "blue deal" in the Netherlands in which the central government, the three ministries (Water Works and Infrastructure, Foreign Affairs, and Economic Affairs) recognise the importance of

decentralised cooperation. The Netherlands is establishing a fund that will double the amount that the water boards are spending, currently in the order of 8 million €.

44. **INBO** made two observations on the existing framework for decentralised cooperation in France. First that the 1% mechanism is working because there is a national political willingness to decentralise that started in 1982 but that it is still present. This political willingness implies that basin agencies have a total autonomy, both budgetary and financial, to decide whether to engage in DDC activities or not, prior approval of the basin committee. Without this autonomy, basin agencies could not carry out DDC activities. Second, the leverage effect that the 1% mechanism has. INBO and pS-Eau observed this trend clearly in a project called “twinning basins” developed between 2007 and 2009. The project engaged river basins around the world, and more specifically French, Latin American and African river basin organizations. The actions carried out in this project were financed by French basin agencies in the framework of the 1% mechanism, but they also attracted funds from French LRGs and the EU.

45. The **Secretariat** clarified that the OECD cannot issue recommendations that call for earmarking public funds for French basin agencies. However, the OECD has for long-time suggested that water revenues should be reinvested in water-related projects. In the Brazil report on water charges, the OECD claims that reinvesting resources in the basin can increase the water users’ willingness to pay. However, In Brazil, the revenues raised in cities and basins are invested in sanitation infrastructure. For example in Rio de Janeiro the law requested that 80% of the revenues were invested in this type of infrastructures. The OECD message here is that it does not make a difference because the gap related to sanitation infrastructure in Brazil is too big to be bridged with revenues funds, and therefore goes much beyond what water charges can do. The same applies to DDC. The funds dedicated by LRGs in DDC, although it might make a difference in terms of the leverage effect, it will not close the infrastructure gap. Thus, the OECD Secretariat stressed that there is a need to shift from investing in infrastructure to other softer measures, such as policy frameworks, institutions, or capacity building.

46. The **Chair** ended the session with concluding remarks to stress the need of political willingness to establish a DDC framework, as in the case of France, the capacity and financial gaps that LRGs find when engaging in DDC, the legal constraints that limit the development of DDC as in Germany, the multiplier effect that DDC mechanism has, the impact of these activities in hard infrastructure and the importance of also including governance aspect in these activities. The Chair called for peer-to-peer exchange with LRGs that have foot-on-the-ground experience in development cooperation.

### 3.5. OECD Water Governance Indicators : Results and Lessons from the Pilot-tests

#### 3.5.1. Presentation of the Indicator Framework and Pilot-tests results

47. The **Secretariat** provided an overview of the indicator framework and discussed some key messages from the second pilot test. It was highlighted that indicators are part of the implementation strategy of the OECD Principles on Water Governance. As such they are a self-assessment tool to be used by countries, regions, basins or cities on a voluntary basis to evaluate their water governance systems both in a static ( current framework conditions) and dynamic way (expected changes in three year time). The essential aspect of the self-assessment is that it is supposed to be conducted within a

multi-stakeholder setting that would allow for dialogues for better policies. The indicator framework is not an OECD monitoring tool; data provision is not compulsory and it is not intended to be used as benchmarking across countries. The Secretariat illustrated the case of Morocco as an example of how results will be showed for each pilot tester. Results include: the existence and level of implementation of governance dimensions divided in three clusters (policy framework, institutions and instruments) and 36 indicators; a checklist related to each Principles and a set of key data on water governance and water management (optional). Finally, the Secretariat shared some observations from the pilot tests: it was recognised that not all stakeholders had a good knowledge and understating of the Principles; that if the process is not enough inclusive, results can be questioned, and that support is needed in terms of mentoring and guide for end users. Some pilot testers highlighted that the objective and the use of both principles and indicators should be clear since the beginning of the evaluation process, also to incentivise participation and that the exercise required time and resources. In most of the cases, pilots would have needed more time to organise the workshop, convene stakeholders and supply the information. The Secretariat opened the discussion, concerning the framework conditions needed for the exercise to deliver its intended goal as a tool for dialogue and improvement and the incentives to enlarge the base of potential users.

### *3.5.2. Testimonies from the pilot-testers*

48. Seven pilot testers shared their experience:

49. The **Jucar River Basin** welcomed the second phase of the pilot test as a fruitful experience. Several stakeholders were involved: public governments, private entities, non-profit organisations, trade unions, universities, research institutes, etc. One critical aspect was the selection of the group to foster a multi-stakeholder dialogue. The exercise gave raise to important water governance questions in Spain, such as the need of an independent observatory for water governance, the fact that some jobs depend on the political cycle, the need of more data on water, especially with reference to water rights. It was noted that environmental organisations have a little representativeness in participation bodies and that stakeholders should be involved in the administration of the budget for water; there is no regulator for water supply and sanitation and it is difficult in some cases to articulate the participation of civil society. In conclusion, the experience helped to assess the water governance system, also beyond the basin level. The self-assessment certainly requires time and it is not supposed to be seen as an exam, but as an evaluation tool for improvement.

50. The **ANA Peru** expressed its enthusiasm for the exercise, through which, unexpectedly, some aspects of the existing water governance system were questioned by the stakeholders that were involved. The ANA carried out 14 workshops at regional level and one at national level. It was enlightening to see different reactions to the same questions in different areas. In total there were more than 330 people participating representing 230 organisations. The ANA trained a professional for each workshop.

51. The **Selagon River Basin**, Malaysia, used the opportunity to carry out the pilot test to evaluate its water governance system and have a clear picture on how advanced is the status and if and where improvements are needed. In Malaysia water is a state responsibility, but a federal law is under definition.

52. **Austria** highlighted that the multi-stakeholder dialogue is not a novelty in Austria, since stakeholders are involved in decision making. The quality of the

document increased from the 1st to the 2nd pilot. A new challenge for Austria was to evaluate its water governance framework from an international perspective. The problem was the lack of time to discuss more in depth some dimensions of the indicator framework. The Action plan will be filled with the National River Basin Management Plan, which is a legal requirement that foresees concrete actions.

53. **Deltares** organised a half day workshop together with the University of Utrecht for the Province of North Brabant. A total of five stakeholders participated: 2 municipalities, 1 province, 1 water authority and the Union of Water Authorities. Discussing the future expectations was the most stimulating part of the dialogue. For the indicators for which there was a weaker consensus (Principles 3,8,10,12), the questions from the checklist were also discussed. The rest was not discussed because of lack of time.

54. **AEAS** carried out the pilot test concerning the Segura River Basin. Out of the 25 stakeholders mapped and invited, 8 of them participated in the workshop. The lack of stakeholders not only challenged the dialogue, but made difficult the data collection given the lack of knowledge on specific aspects. The material was sent to the stakeholders three weeks in advance. Written comments were required in order to discuss the main issues during the workshop. However, stakeholders did not respond to this request. AEAS decided to not to pre-fill the table to avoid condition the answers. Some conclusions from this experience are: i) an adequate representation of categories of stakeholders is needed to stimulate the dialogue and to gather data and information; ii) having some mentoring is important to discuss doubts and questions; iii) sufficient time is needed to carry out the workshop and analyse the results (ideally 3 days would suffice for the workshop); iv) the indicators and checklist are a tool not only for promoting dialogue, but also for analysing current status of water governance; v) the action plan provides a sound basis to agree on who does what.

55. **GWP** carried out a workshop in Kinshasa (Democratic Republic of Congo) a city with 12 million inhabitants. The pilot test was carried out in presence of 55 participants, who in 3 days discussed the OECD Water Governance Indicator framework, the GLASS questionnaire and the SDG 6.5 on IWRM. Difficulties raised in evaluating the level of implementation through the colour system (Also because the material was printed in black and white due to limited funding). Percentages or numbers were thought to be more effective tools for discussion. Also in some cases, the language was very complex and difficult to understand.

### 3.5.3. *Group discussion*

56. **Flanders Knowledge Centre Water** asked about the link of the work on water governance indicators and water governance stories.

57. **BDEW** encouraged to improve the dissemination of the OECD Principles on Water Governance and related indicators.

58. **Open University** emphasised the fact that the water governance indicators should be seen as a learning process, whereby different stakeholders can share their views with regards to the current state of water governance. Thus, it should not be seen as a measurement tool but rather as an opportunity for learning and facing water challenges.

59. **The University of Dundee** argued that the Scottish pilot-test had pushed to score well despite the fact that there is no benchmarking foreseen with regards to the results of the water governance indicators. The University of Dundee stressed that a large

amount of time was dedicated to the interpretation of the definitions of the terms used in the indicator framework. The stakeholders that participated in the pilot-test were those that are part of the National Hydro Nation Strategy, and there should be an effort to involve other categories of stakeholders. It was also flagged that time was an issue for the completion of the exercise.

60. **Turkey** welcomed that the water governance indicators are a self-assessment tool rather than a benchmarking or monitoring tool. The latter entails that the water governance indicators will give a different perspective to those used to monitor the implementation of the SDGs. Lastly, Turkey expressed interest in conducting the exercise in the future.

61. **SIWI** did not lead such an exercise in Sweden due to the lack of resources and the large amount of time that is required to have meaningful outputs. However, if the necessary resources are in place, SIWI expressed the firm belief that the exercise is very useful to assess water governance systems

62. **NARBO** supports the work on indicator in South East Asia. In particular, it was directly involved in the pilot test carried out by the Selagon River Basin in Malaysia.

63. **Austria** expressed their remaining doubts on the applicability of the water governance indicator framework at city scale.

64. **WIN** alerted that it is important to check the integrity of the indicator pilot-tests, since from the results it looks like there were gaps in some categories of stakeholders and also a capture of the consultation by more powerful groups. Specifically, there is a need to define a process for selecting participants, facilitation and the set-up of the workshops to ensure the participation and voice of all stakeholders. WIN has been conducting participatory assessment workshops using a tool called Annotated Water Integrity Scan, which can serve as an example of such a process. WIN also expressed that it would be interested to know what did pilot-testers learn during the exercise that could improve water governance. For instance, where could investments add more value or where are they needed (building-capacity, planning, monitoring)? How much would these cost and who could bear the costs?

65. **Utrecht** University argued that it is important to engage stakeholders also outside the water sector for inputs on land use, energy, etc. Although their engagement can be difficult.

66. The **Butterfly Effect** argued that the word “indicator” might not be the most appropriate term given the nature of the exercise. It was not surprising to see high levels of consensus among stakeholders given that in some of the pilots only the usual suspects participated in the discussions. The difference between the water governance indicators and the monitoring framework of the SDGs is that the latter were only designed to measure the achievement of the SDGs targets. Hence the SDGs indicators do not encourage countries to improve, whereas the water governance indicator framework does.

67. **GWP** asked to seek complementarities between the SDGs and OECD indicators.

#### **3.5.4. Coordinators comments**

68. **INBO** affirmed that it is very important to disseminate the work done on the indicators. The working group needs to think how to disseminate the work at the 8<sup>th</sup> World Water Forum. There is an opportunity to arrive to the Forum with a tool that

helps drive discussions on what works and what doesn't in a water governance system, at different scales. With regards to the pilot-tests, several institutions have argued that one of the challenges was the lack of time to complete the exercise. It is important to take into account that the exercises conducted were part of a pilot-test and that it is challenging to conduct this type of exercise in 3-4 months (or even less for some of the pilot-tests considering the translated documents into Spanish and French were prepared at a later stage). Thus, the results should be taken as the results of the pilot, but not necessarily the results of an in-depth evaluation. The two main differences between the OECD indicators and the SDGs is that the water governance indicators are not mandatory and that they are focused on encouraging improvements and learning. As shown by the different pilots, there is the need of strong political willingness to improve water governance.

69. **OIEAU** suggested that three conditions should be in place to consider the results of the self-assessment as valid: i) Include a third party to provide expertise: the expert could help guarantee that the evaluation is conducted under the right framework conditions, including the categories of stakeholders involved (i.e. based on the minimum requirements of stakeholders provided by the framework); ii) Find the right balance between water services, water resources management and other water functions. It is important to ensure that the self-assessment focuses in the integral cycle of water, and not only in one specific function. A way forward would be to ensure that parties with interests in all water functions are involved in the exercise (i.e. private sector, agriculture, third sector, etc.); iii) Action oriented exercise. The self-assessment should be done to assess existing governance gaps and to identify ways forward for improvement.

70. **OECD Secretariat** thanked the working group coordinators and the pilot-testers for their efforts. The Secretariat explained that the self-assessment through the water governance indicators is also posing challenges in-house since it is difficult to ensure the quality of the data as these data have not been produced by the OECD. There is still work to do in terms of clarifying the language and definitions, but the indicator framework is clear as it stands. The purpose of the indicators is to provide a tool for dialogue among different stakeholders, however there are risks of consultation capture and fatigue. There is a need to guarantee an inclusive participation in the use of the water governance indicators to avoid undermining the credibility of the exercise. The results of the pilot-tests reveal the importance of having an institution with political leadership to lead the process. The latter helps engaging a wider range of stakeholders and ensuring the results of the exercise will have an impact in policy-making and governance reforms. Lastly, the Secretariat will conduct a survey to all the members of the Global Coalition on Good Water Governance, including the OECD-WGI members to ask for feedback in terms of how they have been using the OECD Principles since their adoption.

### 3.6. Lessons from Water Governance Stories

71. The **Chair's** opening remarks explained that the objective of the session is to discuss the highlights from the 60+ water governance stories collected by the Secretariat to illustrate the implementation of the OECD Principles on Water Governance across city, basin and national scales. In particular, to discuss the common challenges and promising solutions from the stories peer-reviewed at the four webinars

hosted in October 2017. Also, the session should present the meta-analysis of all cases at hand.

72. The **Secretariat** recalled that the working groups have the rationale to support peer-to-peer learning and to contribute to the practical implementation of the Principles. The working groups have been running in parallel for two and a half years, and the Secretariat argued that it the time has now arrived to converge the pathways of both of them. The Secretariat recalled the early discussions on what were the expectations for the collection of concrete examples, both in terms of identifying governance deficits and success stories. The work upstream served to scope these expectations and as a result the term used changed from “best practices” to “water governance stories”. There were also many efforts invested upstream to map what there was already there in terms of datasets on best practices. The common conclusion from this work was that there was a need to go beyond collecting and gathering best practices, to also provide the mechanisms through which there could be a peer-to-peer dialogue around specific stories. The latter not necessarily for a large audience, but rather in an atmosphere where story providers could express sincerely the challenges faced and also pitfalls to avoid. Lastly, the Secretariat thanked all the institutions involved in the two work streams developed since the 9<sup>th</sup> WGI meeting, namely the webinars to share experiences and lessons-learned around a concrete theme and the meta-analysis that aimed to provide a helicopter view by stepping back and looking at all the stories. Lastly, the Secretariat expressed that, as argued in the indicators session, the knowledge of the OECD Principles should not be taken for granted, also within the WGI.

### *3.6.1. Testimonies by the host institutions*

73. **Flanders Knowledge Centre Water** presented the key messages of the webinar on The New Role of Cities in Urban Water governance. The goal of the webinar was to share experiences in tackling water-related challenges in cities, with a focus on water governance and to draw lessons that help foster replicability of practices. The webinar drew a number of lessons that could be replicated elsewhere. First, better water governance outcomes can be achieved by ensuring ownership. To achieve the latter it is important to inform and engage stakeholders since the initial steps of policy design and project implementation. Capacity building at local level and co-designing solutions can also create ownership and drive behavioural change. Second, mobilising financial resources is a key factor to achieve policy objectives. It is crucial to bridge the gap between project developers and investors, for instance by implementing climate bonds that include water specific criteria. Third, adopting a step-by-step approach can help cities experience the benefits of low threshold actions. There is a need to drive behavioural changes in the short term to reduce water demand and protect urban areas against flooding. Fourth, developing multi-purpose infrastructure, sharing planning and also investment costs, can contribute to achieve policy objectives in a more efficient way. Participants agreed that the more functions that can be combined in a project the more sustainable and cost-efficient the solution is. These benefits have to be explained to the different stakeholders and there is also a need to share knowledge on the different technological solutions that exist. Lastly, better data and information can help adjust water governance frameworks to achieve policy objectives. Flanders Knowledge Centre Water finalised by thanking the Secretariat for the support on the organisation of the webinar and encouraged other WGI members to host webinars.

74. **Suez** started by thanking the Secretariat for the help on the organisation of the webinar. Suez explained that their interest in organising a webinar on engaging

stakeholders around water projects came from the importance of this topic for realising their projects and also to follow-up on the work the WGI has been doing on this topic and particularly the OECD Stakeholder Engagement report (2014). The webinar was structured around three main issues: i) how to manage trade-offs among different categories of stakeholders; ii) cost-benefit analysis of stakeholder engagement; and, iii) the issue of under-represented categories of stakeholders. The stories presented addressed these issues. A common feature of all stories was the transition from conflict to cooperation through managing trade off across stakeholders involved in the story. The stories argued that a key factor to find a solution was to have a fact-based dialogue around a common objective. The stories also agreed that it is complicated to finance stakeholder engagement processes, and that there should be cost-benefit analysis of these processes. However, costs are difficult to evaluate, particularly the hidden costs of participants. For example, the story of the floods in The Netherlands illustrates this pitfall experimented also in the best engagement stories: there is no report of the resources invested to support the engagement process, which hinders the capacity of ex-post evaluation (i.e. incomplete cost/ benefits evaluation). The webinar illustrated 3 different ways of using the principles: i) as standards, this is a “common language” for bottom up engagement process towards good water governance (Fitzroy story); ii) as checklist when assessing an engagement process related to water management (De Dommel story); and, iii) as assessment grid to trigger attention and resources on existing governance gaps of a major water project (Samra WWTP).

75. **Israel Water Authority** started by thanking the Secretariat for the help on the organisation of the webinar on “Governance of wastewater and water reuse, and the role for innovation”. The focus of this webinar was put into wastewater due to its increasing importance in the recent times. Wastewater is important for health and environmental reasons, but also as an additional source of water when there is shortage. Today, 20% of water supply comes from wastewater. It was reported that the discussion was challenging since each of the stories dealt with a different phase of the wastewater management cycle. However, some conclusions were clear across the four selected stories. First, strong political support is key to enhance the management of wastewater, for instance in Portugal and Israel this was very clear as the government was highly committed to improve the performance of the sector. Second, clear policies and governance structures must be in place to allow for continuity of policies which ultimately improve the performance of the water sector. If this is the case, each stakeholder knows the policy objectives and their role in achieving them, thus working towards common objectives and avoiding overlapping of functions. Lastly, involving the private and public sectors, at all levels, supports reform processes and can drive innovation. For instance, in the case of Vienna’s wastewater treatment plant, the initiative to introduce a new system that produces energy for self-consumption came directly from the company.

76. The **Association of Public Services and Enterprises** (Austria) hosted the webinar on “Water Governance in river basins” in cooperation with the Federal Ministry of Agriculture, Forestry, Environment and Water Management, and thanked the Working Group coordinator Teun Bastemeijer and the OECD Secretariat for the support throughout the process. The webinar shed light on different cross cutting lessons. A key factor for success in all stories presented was the need to have strong institutions and solid financing, as well as to find a balance between functioning regulation and stakeholder cooperation in river basins. A common challenge identified was coordination both at horizontal and vertical level, and also data harmonisation

across levels of government. The main conclusion was that every watershed is different and there is no one-size-fits-all type of solutions. It is worth highlighting the different approaches for river basin governance in Austria and Spain. Actors agreed that the existence of river basin organisations is helpful when implementing a classical approach to river basin governance. However, an alternative approach for river basin governance by using existing institutional structures can be a valid solution if strong institutions and governance frameworks are in place. During the webinar other participants also identified concrete bilateral follow-up with other participants. For instance, the Brazilian and Vienna Water example were very similar in terms of the challenges faced, but with a different timeline. Also, the Japanese story seemed interesting to different participants, including Spain. Mr. Heiss explained that the webinar worked well because the presentation of the stories focused on showcasing the factors of the stories that could foster peer to peer learning. Also, because the discussion was centred on how could the different stories be useful to overcome future challenges in other contexts. The participants agreed that it is more relevant to focus on some water governance principles, rather than all of them, that are clearly showcased in the story, particularly when trying to link the stories to the work on indicators. This webinar introduced an innovative aspect which was that each story provider was allocated a story from another story provider, and had to give a brief feedback of that story. The latter could be introduced in future webinars. Finally, some topic suggestions for future webinars are stories on transboundary river basins, and corruption in the context of water and food scarcity.

### *3.6.2. Presentation of the Meta-analysis, and feedback from the lead institutions*

77. Dr Sarah Hendry, **University of Dundee**, and Dr Kevin Collins, **Open University**, presented the results of the meta-analysis which was done together with Dr Sophie Richard, **AgroParisTech**. About the process, the Dr. Hendry explained that the objective of the meta-analysis was to do a qualitative narrative around the 55 selected water governance stories. The analysis aimed at responding to an overarching question “To what extent did the water governance stories achieve transformation?” The meta-analysis focused on highlighting enabling and hindering factors, identifying common points and cross-cutting messages across stories, and upscaling experiences and lessons learned. Each of the three institutions analysed a different set of 18 – 19 stories (the 55 stories were equally assigned across the three institutions). To ensure consistency across the different analyses, three stories were analysed as a pilot. This exercise helped ensure that the lens through which the stories were looked at were similar. The three institutions were given flexibility to apply the guidance note according to their perception of relevance for their assigned set of stories. Thus, the results presented at the 10th WGI meeting were the individual analysis of each of the volunteering institutions.

78. Prior to presenting the results, Dr. Hendry guided delegates through the caveats of the meta-analysis, namely: i) Water Governance stories were taken at ‘face value’, and any bias or errors in the original text of the case study were not reviewed; ii) Some sections of the templates could have been misunderstood; iii) case studies vary from individual projects to national systemic reforms of water governance covering multiple sectors and regions in a 20 or 30 year period, thus, comparability is difficult and lessons-learned reported in the meta-analysis should be taken with caution; iv) The assessment of the OECD principles within the stories was difficult since some of the

stories are retrospective evaluations by providers which tend to demonstrate adherence to as many principles as possible, and other cases are in their infancy, with aspirations/future expectations which do not yet demonstrate the principles in use; v) there was variation of the language in the different water governance stories; and, vi) More time and more iteration would have helped to have better consistency in the analysis.

79. Dr. Collins explained that they found a great diversity of contexts and situations within the stories, but also some common points. The analyses identified four types of impacts in the stories which can be clustered around improvements in water services, in the environment and ecological status, reinforcement of participation and capacity-building, and stronger institutions and organisational change. The length of time in the stories was relevant. Stories dating back several decades had built up a more complete evidence-based. Also there were differences between the focus of the cases, e.g. there were stories looking at tariffs for drinking water supply while others had a broader scope. The narrower stories found it easier to demonstrate excellent progress and transformation. The Principles were a valid framework for narrow and broader cases and in different aspects of water governance. Apart from looking at who provided the story, the authors also looked at which of the stakeholders engaged were leading the changes and actions in the stories. Here again, there was a great variety of stakeholder categories.

80. The authors faced difficulties to determine whether the story had achieved transformation, given the comparability challenges, however, some enabling factors could be identified across a number of stories: i) Context: transformation was achieved depending on the context since the intrinsic nature of the problem and the attempted solution could make it possible; ii) Shared understanding of the problem was absolutely critical in many stories to achieve transformation; iii) Institutional cultures, capacity and skills were also factors that helped implement water governance solutions; iv) Leadership of certain actors, such as political will, and willingness to seek partnership was also important to drive institutional cooperation, operational support, and manage trade-offs that ultimately improved water governance systems; v) Stakeholder engagement, when understood as a means to an end, helped achieve water policies objectives and address complex situations; and, vi) Key facilitators such as sufficient finance, accurate data and information, and time were also critical. The analysis concluded that there is a need to think about water governance in a systemic way. Some of the relevant factors identified (time, institutions, context, complexity, stakeholders, etc.) must be seen as subsystems within a system (i.e. water governance).

81. Dr. Collins wrapped-up by explaining that next steps will include the integration of the three analyses, link the meta-analysis with the outcomes of the webinars, and lastly to reconnect the OECD Principles to the analysis. The authors expressed their interest in the exercise conducted and thanked the Secretariat for the support.

### **3.6.3. Group discussion**

82. The **Chair** opened the floor and three questions were put forward for discussion: i) How do we want to present the products of the Working Group at the World Water Forum?; ii) Which are the priorities for the WGI to move forward after Brasilia?; and, iii) How to enhance stakeholder capacity to improve water governance through the OECD Principles and its implementation tools (i.e. Indicators and Stories)?

83. **GWP** argued that it will also be interesting to address in the meta-analysis what is the key element that puts transformation into motion, e.g. the benefits and interests of the different actors that induce change and movement. GWP insisted on their interest in hosting an online platform for stories. This platform could go beyond the initial idea of a database to also be a platform for water governance as a whole. GWP updated delegates on the progress of the Urban Waters Hubs which was presented at the Habitat III conference in Quito, Ecuador. The initiative had to slow-down due to outstanding governance issues regarding host arrangements. It is expected that these issues will be clarified and resolved in early 2018 to move on with the initiative. The focus of the Urban Waters Hub is to help implement the New Urban Agenda. Finally, the next World Water Week in Stockholm (Sweden) will be focusing on water and ecosystems, and GWP encouraged delegates to use their networks to promote the call for paper in order to raise the quality of the presenters.

84. **Germany** thanked delegates for the presentations of the webinars outcomes and meta-analysis. Germany argued that collecting water governance stories and evaluating them against the OECD Principles provide inspiration and guidance for different stakeholders and regions that are facing water governance challenges. Germany posed an open question which relates to how to institutionalise and perpetuate the exchanges among actors. Germany was pleased with the findings of the meta-analysis regarding the enabling and hindering factors, and argued that these findings could be linked to the work on indicators.

85. The **Murcia Water Agency** highlighted the participation of the Region of Murcia and the Segura River Basin Authority in the pilot-test of the indicators and one of the webinars on water governance stories. The Agency stressed that the OECD Principles and indicators are excellent tools to improve governance even considering that they might not always show the good elements of the water governance system in place. In the case of Murcia, the governance system has adapted to the structural water scarcity and droughts faced by the region. Lastly, the Agency highlighted the fitness of the stories, indicators and Principles to improve water governance in a variety of situations. For instance, they are applying the Principles to assess the performance of the tourism sector regarding water efficiency.

86. **Flanders Knowledge Centre Water** (Vlakwa) was pleased with the results of the meta-analysis, particularly given the coincidence between the outcomes of the webinars and those from the meta-analysis. Vlakwa expressed that their major concern is whether someone will read the water governance stories. In a time where media is very important to promote the work, Vlakwa argued that there is a need to place the work on stories very high on the list of searchable solutions. Besides the content and quality of the stories, it is as important to have a supporting initiative that promotes the work.

87. **SIWI** expressed their commitment with the work developed by the water governance story working group. SIWI argued that it is important to explain the OECD Water Governance Principles in a not too technical language, to facilitate their use for story-telling and peer-learning.

88. **Butterfly Effect** posed two questions, first, if there was a Principle that was not addressed, or at least in a lesser manner, and that should therefore receive further attention ; and second, it would be interesting to know not only if there were stakeholders involved but also who the stakeholders were.

89. **Suez** replied that looking at the water governance stories the integrity principle is misrepresented, the innovative governance principle is misunderstood by a large number of stakeholders, and the stakeholder engagement principle featured in nearly every template but when evaluating with the evidence provided it is difficult to assess whether it was really implemented. Suez also replied to the question by Vlakwa by explaining that the on-going discussions among coordinators is to have an online “google map” of stories with the contact details of story providers in case interested actors want to know more. The latter would help disseminating the stories and promote peer-to-peer learning.

90. **SIWI** thanked delegates for their hard work on the organisation of the webinars and also the authors of the meta-analysis. Both streams of work are clearly converging, and also replicate the key messages heard in the indicators working group. SIWI agrees that there is a need to build a better knowledge of the OECD Principles within the WGI, and this is something that also came up in the meta-analysis and webinars. SIWI expected the Working Group breakout session to serve as an excellent opportunity to discuss the expected outputs of the 8<sup>th</sup> World Water Forum, but also what will come next after Brasilia and how the outputs achieved at the forum will be used in the future.

91. **WIN** agreed with the Butterfly Effect that one of the missing angles in the stories is the meaningful involvement of civil society in the situations described. WIN highlighted that it is important to note that the way the stories were provided is a huge simplification of what occurred, and even so, they were a useful tool to foster peer-to-peer learning and exchange of experiences. Regarding the dissemination of the stories, WIN stressed that water governance when looked from an academic perspective can seem very complex. However, when looking at water governance definitions and at the reality on the ground, it is not that it is complex but rather that it is difficult to implement the right factors to improve water governance. Thus, WIN stressed that the communication of the concepts should be as easy to understand as possible, and that it is important to invest time and efforts on building capacity. WIN issued a call for also looking forward during the breakout session to see which the priorities are after the Forum.

92. Lastly, the **Open University** explained that it is difficult to identify the Principles that were most ignored or under-used, and also the different use of the term stakeholder engagement and who was involved in the stories. The University of Dundee explained that in fact the three authors had deliberately avoided to identify the weakest Principles as it was very difficult to do so from the information and evidence provided in the templates. Some stories had plenty of evidence and information and others were weaker in that sense. On stakeholder engagement, there is a need to make a distinction between involving many stakeholders and working with the right stakeholders. For instance, working together with a group of farmers to implement a financial mechanism that drives behavioural change and spares money and water, might achieve the objective but not involve all the stakeholder categories.

93. The **Butterfly Effect** replied that the objective of the working group was to have all Principles showcased through stories, and therefore, there might be a need to look out there for stories that can complete the picture. If the issue is that the Principles are not well understood and this is why there are missing stories showcasing them, there is a need to socialise them better.

94. Finally, the **OECD Secretariat** wrapped-up the session by explaining that some of the water governance stories will be disseminated at the sessions of the Forum. Other

stories, if not all, will also feature within the report that will be presented at the Forum. With regards to the online platform, as explained by Suez, there are on-going discussions to have a portal that helps with the dissemination.

95. The **Chair** ended with a final reflection and a call to look for other modalities, besides written, to disseminate the stories, including videos, infographics, social media, artists, etc. The latter will help connecting with the outside world, also from other sectors, and younger generations.

### 3.7. Sharing knowledge and messages on recent water governance events, research and reforms

96. The Chair introduced the session by reminding delegates that the objective is to coordinate initiatives among WGI members, join advocacy and outreach forces, and foster collaborative action.

#### 3.7.1. A policy brief on Land for Flood Risk Management

97. **Utrecht University** presented “A policy brief on Land for Flood Risk Management” an on-going work within the EU initiative “Lands for Floods” and that focuses on the governance aspects to coordinate land and flood risk management policies. In particular, the policy brief develops recommendations for three aspects: hinterland retention (NWRM), flood storage, and sustainable cities. NWRM implies measures that favour retaining water before it reaches the streams and rivers (i.e. reforestation, decentralised collection of rainwater, wetlands and moorland, etc.). The retention of water tends to take place in private land; however private owners are reluctant to accept flooding in their properties for retention. A proposed policy recommendation is to rethink the way retention is communicated, thus arguing it is an ecosystem issue, and not only an engineering problem. The traditional approach to flood storage was to build up dikes, but now the approach is to recover the river’s natural flood plain. The latter is being implemented in the Netherlands, but other countries struggle with land owners and property rights. The recommendation would be to start by setting up a land policy whereby flood retention levels are not only a negotiated between administrative bodies but also involve land owners. The concept “flood resilient cities” refers to the capacity of cities to be flooded with minimal damage, and it relies heavily on resilient buildings. Most of the programmes implemented on this field focus on public land leaving aside private land. Private owners should therefore be considered when designing strategies to reinforce the resiliency of cities. Some financial instruments, such as flood insurance schemes, could contribute to this end. Lastly, Utrecht University informed delegates that they are going to prepare a policy brief with IWRA on the importance of land for flood risk management.

#### 3.7.2. 25<sup>th</sup> and 26<sup>th</sup> Stockholm World Water Week

98. **SIWI** informed delegates that the [Overarching Conclusions](#) of the 25<sup>th</sup> Stockholm World Water Week are now available online. SIWI also updated delegates on the preparatory process of the [26<sup>th</sup> Stockholm World Water Week](#) (SWWW) which will take place from 26 to 31 August, 2018. The main theme of the 26<sup>th</sup> SWWW is water, ecosystem and human development. There will be a focus on the system perspective (water and ecosystems from source to sea), development perspective (balancing green and grey solutions), economic perspective (rethinking ecosystems values), and

governance perspective (towards integrated water and ecosystems management). The [call for engagement](#) is now open and deadlines depend on the modality of engagement.

### ***3.7.3. Launch of the Human-Rights Based Approach to IWRM: Training Manual and Facilitator's Guide and the Women and corruption in the water sector report***

99. **SIWI** informed of the recent launch of two new reports of the UNDP-SIWI Water Governance Facility (WGF): [Human-Rights Based Approach to IWRM: Training Manual and Facilitator's Guide](#) and [Women and corruption in the water sector](#). The former responds to the need to marry HRBA and IWRM. SIWI noticed that HRBA principles were overlapping with some of the OECD Water Governance Principles (e.g. transparency, accountability, integrity, etc). Thus, the report introduces that human rights-based minimum standards for justice into IWRM is an important starting point in securing a 'just' allocation of scarce freshwater resources. SIWI has already conducted two virtual courses based on this manual. The latter stems from the idea that to achieve good water governance, there is a need to understand water corruption better and the role that the gender perspective plays in this. The report argues that women are exposed to and engaged with corruption to different degrees and in different ways than men. Women have fewer opportunities to engage in corrupt behaviour because of lower participation in the labour force but women are often in contact with water meter readers. The latter implies women can be under pressures to pay bribes, and also sometimes to participate in sextortion (abuse of power where the currency of the bribe is partly or wholly sexual favours). However, being in contact with water meter readers also provide opportunities to engage in corruption. The question the report attempts to answer: Is it need or greed the rationale/motivation for participation and engagement in corrupt behaviour? The report includes empirical data from Bogotá and Johannesburg to support the findings.

### ***3.7.4. EURO-INBO 2017 Conference***

100. **INBO** recalled that it is not only a global network but also has regional branches, and therefore organises regional conferences such as the [15<sup>th</sup> EURO-INBO Conference](#) that took place on 20-23 September 2017, in Dublin, Ireland, gathering, more than 100 participants. The primary objective of the conference was to examine, together with all the partners in the EU the implementation of the Water Framework Directive and other directives related to water. The conference was organised around four topics: i) Water Framework Directive and its upcoming milestones; ii) Adaptation to Climate Change in river basins (there was a side event on the OIEAU Latin-American project: ECOCUENCAS); iii) Public Participation; and, iv) New Threats to Aquatic Environments. The Conference finalised with the [EUROPE-INBO Declaration of Malahide](#). The next conference will take place in 2018 in Seville, Spain.

### ***3.7.5. University of Lisbon Workshop on the OECD Principles***

101. The **University of Lisbon** informed the delegates on the OECD Principles Workshop held on 22 September 2017, in Lisbon, Portugal. The workshop gathered a group of experts from diverse backgrounds including university, ministry of environment, experts from other Portuguese-speaking countries as well as other visiting professors. The motivation for organising the workshop emerged from an assessment that the University of Lisbon carried out on the evolution of governance in Portugal

during the period of crisis. The conclusion of this study was that Portugal has gone a step backwards in governance. The study evaluates the period from 2010 to 2015-16 and uses the OECD Principles on Water Governance as an evaluation framework. For each of the 12 principles, the University of Lisbon analysed the situation before the crisis and compared it to the current state of play. The assessment shows that in eight principles the progress has been negative, regarding Principle 6 the evolution was positive, and in the other four principles the situation was the same. Based on the lessons learned in this workshop, the University of Lisbon is planning to organise a conference in Portugal right after the 8<sup>th</sup> World Water Forum. The university believes this exercise was a concrete and useful example of the use of the OECD Principles as an assessment framework.

### *3.7.6. 3rd Asia-Pacific Water Summit (3APWS)*

102. **NARBO** (Network of Asian River Basin Organisations) update delegates on the [3rd Asia-Pacific Water Summit](#) (3APWS) that took place on 11-12 December 2017, in Yangon, Myanmar. The event was organised by The Republic of the Union of Myanmar and Asia-Pacific Water Forum (APWF). There were approximately 700 participants, including heads of state, ministers, government officials, international organisations and NGOs. The theme of the summit was Water security for sustainable development: accelerating wellbeing for all. Based on the discussions at the summit, a [Yangon Declaration](#) was released at the end of the event. The results of the 3APWS will be part of the regional process at the 8<sup>th</sup> World Water Forum and HLPF in New York. The commitments of the Yangon Statement will be monitored by NARBO. The latter contributes to the dissemination of the OECD Principles.

103. During the summit, NARBO held a session together with the OECD and UNESCO on “Better Water Governance” in Asia through the lens of the OECD Principles on Water Governance. There were approximately 100 participants, including the Minister of Transport and Communications of Myanmar and the Secretary of Agriculture and Water Resources of Sri Lanka. The OECD Principles were well received by the participants, including high-level officials in the Asia-Pacific region. Presentations and summary of the session are available [here](#). There was direct follow-up session to prepare IWRM guidelines for practitioners based on the “OECD Principles on Water Governance”. Eleven speakers presented [case studies](#) that will feature into the guidelines. The final draft of these guidelines will be launched at the 8<sup>th</sup> World Water Forum and will support NARBO’s efforts to disseminate and implement the OECD Principles in the Asia-Pacific region.

### *3.7.7. Asia international Water Week (AIWW)*

104. **K-Water** shared the key outcomes of the 1<sup>st</sup> [Asia International Water Week](#) (AIWW) a triannual event that gathered participants from +70 countries from all sectors including governments, international organisations, academia, NGOs, or private sector to discuss the potential solutions to overcome water challenges in Asia. The event took place on 20-23 September 2017 in Gyeongju, Korea. The 2<sup>nd</sup> [Korean International Water Week](#) (KIWW) was held together with the AIWW, thus increasing the visibility and outreach of both events. The 1<sup>st</sup> AIWW and the 2<sup>nd</sup> KIWW were held together to share insights and to solve water problems more effectively. AIWW main theme was “Asian solutions for water”. The programme ran as follows, first, “Asia to World Statement” a programme to promote sharing experiences between governments, local governments and cities through high-level discussions. Second, “Asian water issues”

raised awareness on the different challenges faced water-related policy areas. Third, “Water Project Forum” presented water projects in Asian countries that provided relevant and practical solutions to the region’s water challenges. During the KIWW, the organisation successfully launched an annual document taking stock of pragmatic solutions as well as innovative methodologies and technologies used by different actors to address global water challenges. The outcomes of these two events will be communicated at the 8<sup>th</sup> World Water Forum. The 2<sup>nd</sup> AIWW will be held in Jakarta, Indonesia in 2020 and the 3<sup>rd</sup> KIWW in Korea, 2018.

### *3.7.8. Group discussion*

105. **Global Water Partnership** informed delegates about the [Regional Water Governance and Financing in the Mediterranean conference](#), 12-14 December in Barcelona, Spain. The Conference organised jointly by two relevant regional projects, the Governance & Financing for the Mediterranean Water Sector project, led by the Global Water Partnership - Mediterranean (GWP-Med), and the Water Integrity capacity-building programme for the MENA project, led by the UNDP-SIWI Water Governance Facility. The conference also sought to create synergies with the European Union-funded regional project Sustainable Water Integrated Management-Horizon 2020 Support Mechanism (SWIM-H2020 SM | 2016-2019). The Conference brought together for 3 days targeted MENA and Mediterranean stakeholders, including public authorities, civil society, donors and the private sector, with the overall purpose of sharing and disseminating good governance and financing experiences, contributing to the development of the UfM Water Agenda, and advocating among political leadership to enhance the support to good governance.

106. The **Israel Water Authority** updated delegates on the current status of a policy reform on the prices of water for agriculture implemented in July 2017. The Israel Water Authority shared their concerns since the reform is not working as expected and has created a debate within the country. In Israel, there are two different suppliers of water for agriculture: i) private suppliers (namely, farmers associations) that are geographically close to water sources and supply water to users at low price; and, ii) the national water company that is located farther from the water source and hence supplies more expensive water to users. The national water law was amended to reduce the differences in prices (lower prices were raised and higher prices were lowered). To compensate for losses, the government implemented a subsidy aiming at those farmers that now were paying a higher price. As a consequence of these measures, the farmers associations in Israel have become financially unsustainable and ultimately disappeared. On the other hand, those farmers for which the prices went down wanted to buy more water, but after the 4 year drought the country is going through there is no more water to supply. The Israel Water Authority claimed the reform has transformed a private sector that used to be very efficient into one that lacks incentives to be efficient.

107. **JUCAR** informed delegates about the upcoming Mediterranean Water Forum organised by the Mediterranean Institute for Water that will be held on 22 -24 January 2018 in Cairo, Egypt. The event will serve as a preparatory forum for the Mediterranean Regional Process of the 8<sup>th</sup> World Water Forum.

108. **Murcia Water Agency** announced the celebration of a 5+5 initiative workshop on alternative water resources, in particular desalination and water re-use, which will take place in Murcia, Spain. The 5+5 is a cooperation framework between Spain,

France, Italy, Portugal and the southern part of the Mediterranean (Algeria, Tunisia, Libya, Morocco).

### 3.8. Water Governance in Austria

#### 3.8.1. Overview of the Austrian water governance system

109. Mr. Ernst Überreiter, from the **Federal Ministry of Agriculture, Forestry, Environment and Water Management (BMLFUW)** gave an overview of Austria's water governance system. Austria clearly allocated roles and responsibilities (OECD Principle 1) through the constitution and the Water Act passed in 1959. In Austria, a federal state with 9 Länder (provinces), the federal level holds the mandate of policy making, coordinating, and financing whereas the provinces undertake mainly executive mandates. The BMLFUW is the mandated authority for water management and flood risk management in Austria. For other water functions, for instance water quality or navigation, there are other responsible authorities (Ministry of Health and Ministry of Transport, respectively). In other water-related sectors, such as spatial planning, mandates are shared between the federal and provincial level. Mr. Überreiter underlined that Austria follows a distinctive approach to river basin management, given that the country is part of three international river basin districts. River basin management is a competence of the federal level for the entire state, i.e. there are no specific catchment-based institutions. In the 2000s, in the implementation process of the EU WFD, Austria decided to strengthen existing administrative federal structures to enhance coordination between public entities to ensure an effective river basin management system. The decision to not create a new administrative layer of catchment-based institutions responded to various reasons: small size of the country, no national river basins (Austria is landlocked) but part of 3 big international river basins (Danube, Rhine and Elbe), and catchment-based institutions could have altered the existing institutional setting. To ensure effective and efficient vertical and horizontal coordination an amendment was introduced into the Water Act and a clear procedure was set on how to develop river basin management plans. Coordination between the federal and provincial level is key to deliver the basin management plan. Austria also participates in the International Commissions for the Protection of the Danube (ICPDR), Rhine (ICPR) and Elbe (IKSE). These commissions ensure technical and political cooperation among riparian states based on the principles of the UNECE Water Convention. All in all, Mr. Überreiter highlight that this is the approach followed by Austria to comply with OECD Principle 2, i.e. to manage water in the appropriate scale within integrated basin governance systems. He also claimed that Austria is committed with achieving full transparency and has actively involved stakeholders to do so. For instance, the discussions for the implementation of the WFD Austria started in 2001 and involved multiple sectoral meetings with relevant stakeholders. Austria also set up a "roundtable on water" with all the water-related sectors. Lastly, the self-assessment done with the OECD water governance indicators had a positive effect on stakeholder engagement, in particular in increasing trust and engagement in the water sector.

110. Mr. Überreiter explained that in Austria municipalities are responsible for drinking water supply and sanitation services. However, the state has supported financially the construction of water services infrastructure with public money. Since 1959, Austria has invested in total around 46, 3 billion euro in drinking water supply and wastewater treatment infrastructure. Investments in wastewater treatment started back in 1959, focusing on restoring the good ecological status of lakes. Then, these

investments geared towards urban areas and, starting in the 90s, they focused on rural areas. In 2005, Austria achieved the full implementation of the EU Urban Waste Water Treatment Directive. Nowadays around 500 million euros are invested every year in water infrastructure, and investments focus mainly in maintaining and restoring existing infrastructure.

### ***3.8.2. Governance of the water supply and sanitation sector: challenges, opportunities, and best practices***

111. Mr. Manfred Eisenhut, from the **Association of Gas & Water (OVGW)**, focused on the role played by OVGW in the governance framework of water services in Austria. Founded in 1881, OVGW represents the interests of 1500 water utilities covering 70% of the national population. OVGW is the united voice of its member when dealing with the government. The Association also does outreach with customers by informing them of diverse aspects such as water-related infrastructure works, drinking water supply services, or water quality. OVGW support its members also in diverse way, including by providing guidance on legal requirements, certification of persons, companies and products, or by supporting research and development projects. Education and training of personnel in water utilities is one of the main services offered to the Austrian water sector. Training is considered a central part of quality drinking water supply services. It is even a legal requirement for utilities in Austria to train their employees with regards to the existing standards and state of the art techniques. OVGW provides this type of training. The first water master course and water guard course provided by the association started in the 70s, and by 1999 OVGW was accredited to certify personnel according to EN ISO 17024. Three types of training are currently provided: water master, water guards, and basic training. Water master certifies personnel to work for utilities with a capacity higher than 100 m<sup>3</sup> per day. Water guards and basic training provide the knowledge to work for utilities smaller than 100 m<sup>3</sup> and 10 m<sup>3</sup> per day, respectively, but it is not accredited. These courses have to fulfil quality requirements (EN ISO 17024), which are audited every year by the Ministry. Focusing on the Water Master course, OVGW explained that trainers are mainly operators of water utilities, experts, microbiologists, and chemists. The personnel has to pass a written exam to receive the certification. The course hosts around 150 attendees per year and OVGW expects to reach 2200 valid certificates in Austria in 2018. The latter is a clear advantage for local authorities which have a high number of well-trained professionals to work in the water utilities. Since 2015, OVGW offers the digital master course script which is updated 3 times per year.

112. Mr. Guido Dernbauer, from the **Austrian Association of Cities and Towns (AACT)**, focused his presentation on giving an overview of the customer satisfaction of water services. AACT carries out the survey *Stadtebarometer* which pictures the well-being of people in Austrian cities. Since 2010, the survey is conducted to more than 1000 persons over 16 year's old, living in cities that are members of the AACT. Mr. Dernbauer provided an overview of the main results. In 2011, 74% of interviewees were very satisfied and 24% were fairly satisfied with the drinking water supply services. The rate of satisfaction remains very high for drinking water supply and sanitation services. Waste management services have a similar rate of satisfaction. For instance, in 2016, 80% of interviewees were very satisfied with drinking water supply services, 72% with sanitation services and 66% with waste management. The survey also asked Austrian customers whether they were in favour of privatising public services. More than 90% was against the privatisation of services. Mr. Dernbauer also

presented the main finding of the 2017 water report (*Wasserreport*) 2017. The report is based on the findings of a drinking water supply services survey that was conducted to 1000 people above 18 years old. The survey showed Austrians drink more tap water than what they used to do in the past (from 1.3 Litres in 2004 to 1.9 Litres in 2017). Moreover, 64% of interviewees rated the quality of tap water as very good. One of the reasons for this rate to be lower than expected is the calciferous water in some areas of Austria. The survey also showed that demand for information is increasing and, in 2017, only 27% of the population considered they were well informed. Lastly, in Austria, customers pay on average 90 euros per year for drinking water supply, and 58% think this is a fair price.

113. Mr. Marcus Heiss, **Association of Public Services and Enterprises**, presented to delegates the proactive resources protection strategy that the city of Vienna has implemented for more than 140 years. Vienna's strategy has focused on meeting water demand while ensuring the quality of the water supplied. Vienna drinking water supply comes from springs sources upstream of the city. In the 1850s, water supply level was insufficient to meet water demand both in terms of quantity and quality. To solve this situation, in 1864 the city decided to construct the 1<sup>st</sup> Vienna Spring Water Main (90 km long). The decision was based on a long term sustainability vision (the water main is still active nowadays), as it was not the cheapest option at the time. Other freshwater sources were also integrated into the supply system and a 2<sup>nd</sup> Spring Water Main was constructed. In 1893, the city passed a set of standards to ensure sustainable water quality. Mr. Heiss highlighted an important milestone that took place recently in 2001 when the City Council adopted the Water Charta, which captures different elements, amongst others: i) safeguard water for future generations; ii) protection of drinking water sources and forests; and, iii) quality assurance instead of profit maximisation. In addition to a solid legal framework, the city of Vienna is also actively investing in measures for resource protection in the higher parts of the watershed. For instance, erosion control or decentralised solutions for sewage disposal in the mountains. Mr. Heiss argued that although the higher parts of the watershed are not an intensive touristic area, Vienna is guiding hikers out of sensitive areas to avoid pollution. Vienna also controls the pasture areas to avoid cows entering areas with limited top soil. All these measures have been coupled with a stronger information system to improve monitoring and evaluation. A particular aspect of supply by spring water is the fluctuation of water quantity of the different springs, which requires proper management and sufficient reservoir capacity. Mr. Heiss claimed that the achievements since Vienna started resource protection policies over 100 years ago have been impressive. Since the construction of the first channel, there has been a large decrease of mortality due to reduced waterborne diseases and the gravity transport and distribution system produces energy. There is no physical or chemical treatment of water, and most of Vienna can be supplied without pumping. Nowadays, Vienna Water, the public enterprise in charge of water services in the city of Vienna, produces more energy than it consumes. Throughout this process, the city of Vienna has showcased some of the OECD principles, including the principle on clear roles and responsibilities, manage water at the appropriate scale, solid regulatory framework, ensuring policy coherence and cross-sectoral coordination, as well as stakeholder engagement.

114. Mr. Heiss argued that the city of Vienna has faced challenges to reach high quality water services, but that these levels should not be taken for granted. The city of Vienna will face challenges that are common to many other cities, such as climate change, economic growth of water-intensive sectors, or population growth. Vienna's

authorities forecast an increase of 4% in demand until 2050. Moreover, climate change is having an impact on water availability, including in eastern Austria, which creates fluctuating conditions in terms of water quality and quantity. Thus, looking into the future, Mr. Heiss claimed that resource protection will be an ongoing challenge, and it will be necessary to explore new sources to meet peak demands. Finally, Mr. Heiss underlined that the OECD Principles on Water Governance will be a key tool to check if governance systems are fit to deal with all these future challenges.

### 3.8.3. *Group discussion*

115. The **University of Dundee** asked the Austrian authorities whether treated effluents from wastewater are reused.

116. **Jucar River Basin** asked about the responsible authority in Austria for regulating abstraction rights and protection zones.

117. The **Israel Water Authority** enquired about the requirements to join the 5-day training programme of the OVGW.

118. **Germany** was interested on the payments or compensations for private actors when implementing resource protection measures in their properties.

119. The **Secretariat** enquired about several aspects related to the water governance system in Austria. First, about how are trade-offs managed within the federal ministry since the portfolio includes both environment and agriculture. Second, the Secretariat underlined that Austria does not use economic instruments, but rather relies on strong regulation and enforcement. Thus, the Secretariat enquired whether this system is working and if Austria is considering the use of economic instruments to drive behavioural change on the use of water. Third, given that the price for water paid by each inhabitant is relatively low, whether Austria relies mainly on public investment and which has been the impact of fiscal consolidation due to the economic crisis. Finally, given the Austrian particular system to address the mismatch between hydrological and administrative boundaries, the Secretariat enquired about a hypothetical risk of a decrease of water investments if water stops being a political priority.

120. **WIN** asked to the Austrian authorities their opinion about possible links between a healthy environment and the happiness of the people. WIN asked the city of Vienna to give an approximation of the order of magnitude between the pollution caused by cows and that caused by tourists.

121. **OIEAU** enquired about the use of economic instruments based on the polluter-pays and user-pays principles in Austria.

122. **Water Research Commission** (South Africa) expressed that the nature-based solutions presented were impressive, and that the main challenge faced by South Africa to implement such approaches is financial. Thus, South Africa asked whether all these solutions are financed through user tariffs or other sources coming from outside the water sector, and similarly to Germany, whether there is any form of compensation to private land owners.

123. **Mr. Peter Gammeltoft** emphasised that Austria provides strong support for sanitation and drinking water infrastructure and it is the Federal government who manages the trade-offs between regions and sectors. However, he argued that when the situation cannot be compensated with money and there is a need to ask certain sectors

to stop doing what they are doing, it is more complicated to achieve policy objectives. Thus, Mr. Gammeltoft enquired about Austria's experience in asking actors to produce less hydropower, farmers to stop cultivating land, or drinking water suppliers to take less water.

124. Finally, the **Chair** enquired about the internal organisation of the ministry to deal with all the diverse functions, including maintenance of water channels and dams, hydropower, navigation in the Danube, etc.

125. Austrian representatives thanked the delegates for their constructive comments and complemented their remarks to address some of the questions raised.

126. **Mr. Überreiter** addressed questions concerning the national level:

- On water reuse, it is not a water management issue in Austria since only the industrial sector reuses water. Austria is water-rich country that only uses 3% of existing water resources. Although there are regional differences across the eastern and western parts of the country, these do not pose water stress challenges in those less water-rich regions.
- On payments for resource protection, this is included in the Austrian Water Act to ensure surface and groundwater quality. Provinces are responsible for protecting drinking water resources in small protection areas.
- On responsibilities for agriculture and environment, Mr. Überreiter acknowledged the challenge to deal with the different sectoral interests and objectives of agriculture, environment, water, forestry, etc. He emphasised that clear communication among directorates within the ministry is key to avoid policy incoherence. Moreover, the Minister himself is responsible to manage trade-offs across these policy areas according to the broader national policy objectives.
- On regulation and enforcement, Mr. Überreiter confirmed that there are no pollution or abstraction charges and that permits are granted for the use of water.
- On the cost of water services and financing: in Austria municipalities are responsible for wastewater treatment and drinking water supply and the costs for establishing the infrastructure for these services differ across regions and urban and rural areas. Austria is trying to address this challenge through subsidies.
- For the hydropower sector, 60% of Austria's electricity is produced through hydropower. While a relatively small number of big hydropower plants produces the greatest amount of electricity, there is also a large number of small plants that have an impact on the rivers. These plants have permits that need to be renewed regularly, and the Ministry is responsible for this. The Ministry is investing in engines/turbines to increase the efficiency of the plants and ensure they are ecologically sound.

127. **Mr. Eisenhut** replied that the basic requirement to participate in OVGW training programmes is to work in a water utility. Utilities have to hire professionals who have undergone training programmes offered by OVGW.

128. **Mr. Heiss** addressed questions related to Vienna's resource protection strategy:

- The Federal Ministry of Agriculture, Forestry, Environment and Water Management is the responsible authority in Austria for regulating abstraction rights and protection zones, as stated in the Water Act.
- On compensation measures for land-owners, Mr. Heiss argued that it is not an obvious question to answer since the city of Vienna bought land within the

catchment areas of the springs used for drinking water purposes, and has now direct decision-making power over these lands.

- On nature-based solutions and the issue of financing, Mr Heiss explained that no subsidies are paid, but other types of measures are financed by the city of Vienna through contracts with users. Mr. Heiss argued that one tourist is not a problem compared to pasture management measures for cows, but if tourism becomes intensive it could become a greater threat

129. **Mr. Dernbauer**, regarding the issue of financing and fiscal consolidation explained that two thirds of the money for subsidies comes from the national level and one third from provinces and municipalities. Every five years subsidies are renegotiated and last year it was agreed that 80 million euros per year would be dedicated to drinking water supply and wastewater treatment. For a municipality to be eligible to receive subsidies, it has to charge a minimum of one euro per cubic metre for drinking water supply, and two euros per cubic metre for the wastewater treatment.

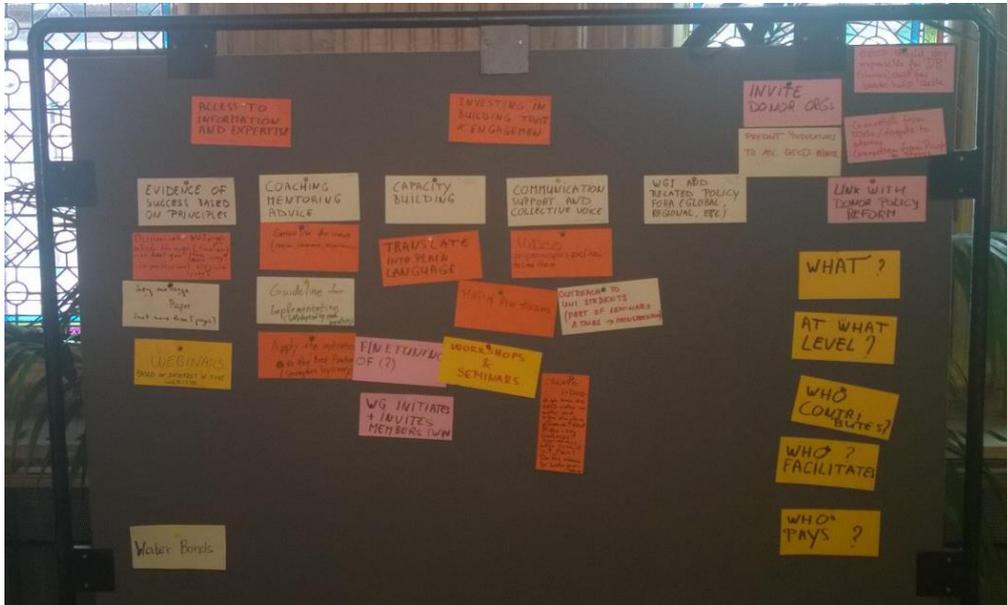
### 3.9. Working Groups' break-out discussion

130. Delegates gathered in parallel breakout groups (1h30 each) facilitated by their respective coordinators, to follow-up on the outcomes of plenary discussions addressing in particular i) how to fine-tune the indicator framework; and ii) how to cluster water governance stories in view of the peer-review/peer-learning discussions.

#### ***3.9.1. Report back to plenary – insights from the working group on best practices***

131. The Working Group on Best Practices first discussed what it wants to achieve on the road to the 8<sup>th</sup> World Water Forum. There was a wide agreement that the outputs for the Forum have to be clearly understandable and that there is a need to clarify who is the target audience. A publication on the lessons learned on water governance stories would help to this end, but also there is a need to develop an output that is very visual and easy to disseminate at the Forum. For instance, a video on the OECD Principles and how stakeholders can use them to improve water governance. It was also suggested to explore the idea of having “witnesses” at the water governance sessions during the Forum. The witnesses would then report back on what they have learned at the sessions. The Working Group agreed that it is not realistic to have a database on water governance stories for the Forum. As an alternative, it was proposed to develop an online dissemination tool, such as a “google map”, where the user could find short descriptions for each of the 54 stories as well as the contact details of the story provider. Several Working Group members claimed that it would be very beneficial to have these materials in different languages for dissemination purposes. Finally, the Working Group also agreed that it would be a good idea to produce some “goodies” to hand out during the Forum, for instance goggles with the wheel of the OECD Principles or pins. The Working Group discussed which could be the future steps beyond Brasilia. For this, the Working Group used a pin board (see image below) with five blocks of activities: i) Evidence of Success Based on the Principles; ii) Coaching, Mentoring, Advice; iii) Capacity Building; iv) Communication, support and collective voice; and, v) WGI and related policy fora. Members were asked to put up ideas that would contribute to develop these streams of work. For instance, one of the ideas was to give the option in the online “google map” for interested users to register for webinars.

Another idea was to prepare a list of moderators per region that can help with the implementation of the OECD Principles.



### 3.9.2. Report back to plenary – insights from the Working Group on indicators

132. The Working Group on Indicators brainstormed on the key conditions needed before and after the assessment for the exercise to deliver its intended goal as a tool for dialogue and improvement. It also discussed potential ways of communicating and disseminating the work towards the 8th World Water Forum in Brasilia (March, 2018). As key conditions, the Working Group discussed the importance of: ensuring a good understanding of Principles and indicators framework, through user manuals available in different language and trainings; make the process inclusive by engaging stakeholders beyond “usual suspects”; involving elected officials to enhance the political engagement; appointing a lead institution with convening power to gather stakeholders and organise the workshops; involving an external facilitator for greater neutrality of the process. The Working Group highlighted that great attention should be devoted in establishing the objectives of the self-assessment and identify actions for improving the governance system towards the implementation of the OECD Principles on Water Governance. For achieving the objectives, political willingness and availability of financial resources are key. As for the process, it was clarified that the self-assessment is not an OECD monitoring tool and that interested countries, regions, basins and cities willing to carry out the self-assessment are not obliged to share the results with the OECD. However in depth analyses and collaborations can be discussed.

133. Finally, the Working Group provided suggestions concerning the incentives that can be set to enlarge the base of potential users, as well as the marketing and dissemination strategy towards the 8th World Water Forum in Brasilia, Brazil (March 2018). Several members suggested that a more effective dissemination strategy should concern not only the indicators, but also the Principles. So far, the Principles have been translated in 16 languages. Over 200 stakeholders in the “Global Coalition” have individually endorsed the Principles and committed to use them in their daily practices.

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Moreover, WGI members are called upon endorsing the Principles, prior to join the network itself. Therefore, in order to have a better understanding how the Principles have been used and disseminated, the OECD Secretariat will send a short survey to the Global Coalition and WGI members.

134. The Working Group suggested to use more effectively all the social networks (Twitter, LinkedIn, etc.); do active dissemination, consisting in going beyond the mere dissemination of the electronic copy of the Principles, and organising workshops in countries to explain and discuss them; focus on a sectoral approach, getting in contact with unions and associations to disseminate Principles and Indicators; create a more user-friendly and flashy format for the Principles, such as in the form and size of credit cards to be distributed during the 8th World Water Forum; involve the European Commission as multiplier of dissemination; consider the role of the High-Level Panel on Water, as a political opportunity to share the Principles.