



Water

what's happening
2015-16

Improving water policy

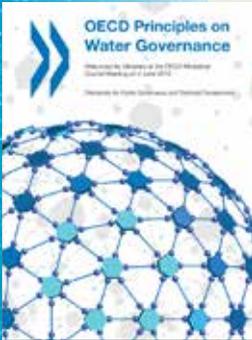
Better water management is needed to ensure there is sufficient water of adequate quality to meet the needs of all users, including the environment. The OECD is continuing its strong commitment to provide guidance on improving water policy through its work on economic and governance issues. Working with a multi-disciplinary team drawn from across the organisation, the OECD provides a forum for the exchange of country experiences and the identification of good practice, and helps to improve the economic and governance information base for meeting the challenge of securing water for sustainable growth, and human and environmental well-being.

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“Investing in water security will drive sustainable growth. These investments must be well-planned, fit in with broader development agendas, benefit local communities and the environment, and be flexible enough to adapt to changing circumstances.”

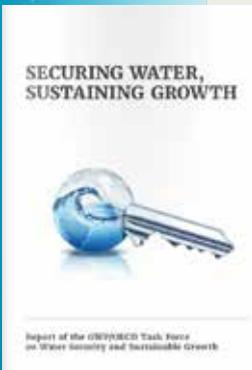
OECD Secretary-General Angel Gurría

Global initiatives



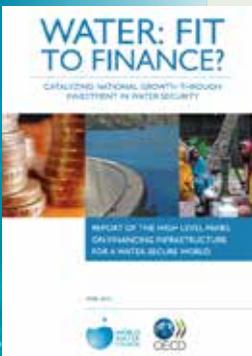
The **OECD Water Governance Initiative (WGI)** is an international multi-stakeholder network of around 100 members from the public, private and non-for-profit sectors gathering twice a year to share good practices in support of better governance in the water sector. The WGI has met four times since its creation in March 2013 and relies on four working groups to carry out its activities. It has developed a set of 12 Principles on Water Governance to assist decision-makers at all levels, within and outside the water sector, to strengthen water governance to fit current and future water challenges.

(Contact: Aziza.Akhmouch@oecd.org)



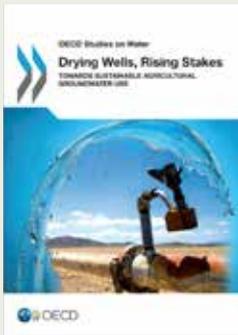
The **Global Dialogue on Water Security for Sustainable Growth** is a joint initiative of the OECD and the Global Water Partnership to promote and accelerate a transition to water security, by connecting policy makers and practitioners through research and policy guidance. A milestone report *Securing Water, Sustaining Growth* provides evidence of the defining role water resources play in economic development. A Policy Statement to promote policies and initiatives that contribute to water security was released at the 2015 World Water Forum, South Korea. The Dialogue will continue to bring new priority and urgency to water security and sustainable growth on the global agenda.

(Contact: Xavier.Leflaive@oecd.org)



The **High-Level Panel on Financing Infrastructure for a Water Secure World** is a joint initiative of the OECD and the World Water Council to provide guidance to policy makers, the private sector, civil society and the international water community about how to finance water infrastructure and build the institutions necessary for maximising the social return from such investments. The work of the panel covers all types of water infrastructures, including water supply and sanitation, reservoirs, irrigation and protection against floods and droughts. (Contact: Xavier.Leflaive@oecd.org)

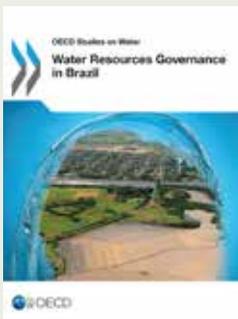
Recently published



Drying Wells, Rising Stakes: Towards the Sustainable Management of Agricultural Groundwater Use.

The report provides a characterisation of the diversity of groundwater systems, reviews policies in OECD countries, and proposes a package of recommendations to ensure that groundwater can sustain its services to agriculture and contribute to climate change adaptation.

(Contact: Guillaume.Gruere@oecd.org)



Water Resources Governance in Brazil.

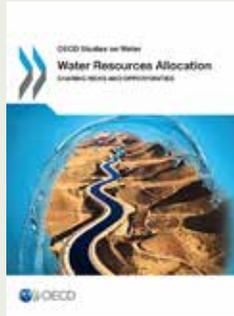
The report focuses on water allocation and multi-level governance, while supporting the implementation of the National Water Pact, for better articulating federal and state government's priorities and improving capacity. More than 100 stakeholders were involved in the year-long OECD/ National Water Agency (ANA) Policy Dialogue. *(Contacts:*

Aziza.Akhmouch@oecd.org;

Xavier.Leflaive@oecd.org)



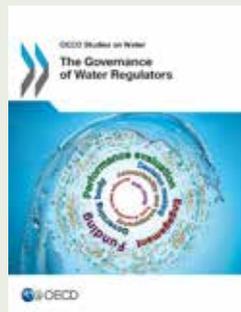
Decision makers will be forced to make tough choices about how to manage water for inclusive growth and environmental stability



Water Resources Allocation: Sharing Risks and Opportunities.

Competition for water is intensifying and water is already over-allocated in many countries. This report reviews the current allocation policies in OECD and key partner countries and provides policy guidance on how to improve the performance of allocation regimes. The report provides a “Health Check for Water Resources Allocation” to help countries assess whether their institutional arrangements have the core elements of well-designed regimes.

(Contact: Kathleen.Dominique@oecd.org;
Xavier.Leflaive@oecd.org)



The Governance of Water

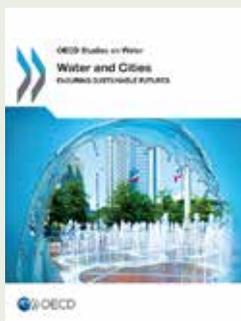
Regulators. The establishment of bodies responsible for regulating the provision of drinking water and wastewater services is both a recent and a consistent trend among OECD and non-OECD countries. This report describes the governance arrangements, operational modalities and use of regulatory tools across a sample of 34 water regulators, based on the OECD Best Practice Principles for Regulatory Policy: The Governance of Regulators.

(Contact: Celine.Kauffmann@oecd.org)

Recently published (ctd...)



Water and Innovation for Green Growth. Well-managed water systems can be important drivers for growth, equity and environmental performance. This working paper provides guidance on how water policies can better contribute to green growth objectives. It includes a toolbox to allocate water, catalyse investment and innovation, and facilitate and monitor green growth investment. (Contact: Xavier.Leflaive@oecd.org; Hannah.Leckie@oecd.org)



Water and Cities: Ensuring Sustainable Futures. This report provides guidance on how governments and cities can cooperate to ensure the financial sustainability of urban water systems, improve governance and regulatory frameworks to better implement water policies at different territorial scales, reduce barriers to the use of innovative techniques and approaches, and better link urban and rural water policies. (Contact: Xavier.Leflaive@oecd.org)





Stakeholder Engagement for Inclusive

Water Governance. This report assesses the current trends, drivers, obstacles, mechanisms, impacts, costs and benefits of stakeholder engagement in the water sector. It provides pragmatic policy guidance to decision makers and practitioners in the form of key principles and a Checklist for Public Action with indicators, international references and self-assessment questions.

(Contact: Aziza.Akhmouch@oecd.org)



Priorities for action need to reflect a sense of urgency at places and seize opportunities for change, which may unfold from a particular crisis, or a reform agenda in a related area

Upcoming publications



Towards sustainable sanitation

in Armenia. The report provides recommendations for the development of a national strategy on sustainable sanitation in Armenia. This work builds on an assessment of the state of wastewater collection and treatment services in Armenia and a review of the level of ambition of the Armenian government.

(Contact: Tatiana.Efimova@oecd.org)



Policy Approaches to Droughts and

Floods in Agriculture. The agriculture sector is particularly exposed to risks of floods and droughts, which are expected to become more frequent and severe due to climate change in a context of increased demands for food and urban space. This report proposes a framework to identify and analyse the appropriate policy responses to improve the management of drought and flood risks in the agriculture sector. The framework is applied to the following five OECD countries: Australia, Canada, France, Spain and United Kingdom.

(Contact: Guillaume.Gruere@oecd.org)





Reforming Economic Instruments for Water Management in Kyrgyzstan.

This report recommends a draft action plan for the reform of economic instruments for water management in Kyrgyzstan, including an introduction of surface water abstraction fees, the shift to two-part tariffs for the use of water in irrigation, increasing pollution fees and an introduction of product taxes for products significantly contributing to diffuse water pollution. (Contact: Alexandre.Martoussevitch@oecd.org)



Modernising Business Models for Water Supply and Sanitation in Small Towns and Rural Settlements in Kazakhstan.

This report analyses the effectiveness and efficiency of existing business models applied in Kazakhstan and compares them with approaches in the OECD countries. The report recommends a wide range of reforms to ensure sustainability of operations and financing of water supply and sanitation in rural areas of Kazakhstan. (Contact: Alexandre.Martoussevitch@oecd.org)



Upcoming publications (ctd...)



Strengthening Domestic Financial Support Mechanisms for Water Supply and Sanitation in Moldova. This report assesses the existing mechanisms vis-à-vis good international practice and recommends specific measures for strengthening domestic financial support mechanisms, including support to mobilise capital investment and to ensure targeted support to vulnerable households to address affordability constraints. (Contact: Alexandre.Martoussevitch@oecd.org)



Water Governance in Cities. This report will aim to provide policy recommendations on how to foster integrated urban water management in cities and their hinterlands, with a focus on the governance “dimension” for overcoming fragmentation and building intersectoral complementarities. (Contacts: Aziza.Akhmouch@oecd.org)



Work happening 2015-16

OECD work on water will address a number of key areas of current and emerging policy priorities. These include:

- **The economics of water quality.** This project will inventory the various policy instruments used to manage water quality in OECD and key partner countries. It will identify requisites for successful approaches to be scaled up or replicated, with particular attention to the costs of urban water pollution. Options for the improved management of wastewater, storm water runoff and sewage sludge will be specifically discussed. (Contact: Xavier.Leflaive@oecd.org; Hannah.Leckie@oecd.org)
- **Water allocation – groundwater.** The work on water allocation will continue in 2015-16. This project will focus on the allocation of groundwater, a major issue that affects the sustainability of cities and agriculture in a number of OECD and partner countries. (Contact: Xavier.Leflaive@oecd.org)
- **Identify and manage future water risk hotspots for agriculture.** There are increasing concerns about the future availability of usable water resources in a number of areas with possible consequences for agriculture and food production. The overall objective of the project is to propose policy responses to mitigate the effects of acute future water risks in localised identified productive agricultural regions (hotspots) for agro-food systems at the global level. (Contact: Guillaume.Gruere@oecd.org)
- **Towards an OECD Council Recommendation on water.** The OECD Council Recommendation, the highest legal instrument in OECD, aims to bring together the OECD acquis on water in a single consistent document. (Contact: Anthony.Cox@oecd.org; Xavier.Leflaive@oecd.org)

Improving water quality is consistently ranked as a top environmental concern in public opinion surveys across most OECD countries



- **Human Impacts on the Nitrogen Cycle.** This project promotes a holistic approach to nitrogen management, assessing the scientific and economic aspects of the human and environmental impacts from the modified nitrogen cycle. (Contact: Gerard.Bonnis@oecd.org)
- **Measuring and strengthening water governance.** The Water Governance Initiative is developing an ambitious agenda to develop metrics and indicators that can help assess water governance frameworks and foster peer-to-peer dialogue among countries facing similar challenges. The objective is to support and monitor reforms in this area. (Contact: Aziza.Akhmouch@oecd.org)
- **The National Policy Dialogues (NPDs) in Eastern Europe, the Caucasus and Central Asia.** Projects implemented in 2015-16 facilitate the reform of economic instruments for water management, strengthen financing for water supply and sanitation, and support transboundary water management. The NPDs help OECD member states coordinate their assistance on water to beneficiary countries in the region. (Contact: Tatiana.Efimova@oecd.org)
- **Better understand how water affects growth.** The CIRCLE project aims to identify how feedback from poor environmental quality, climatic change and resource scarcity affect economic growth, and how policies may alter this. Water is a case in point, and affects the economy in different ways. (Contact: Rob.Dellink@oecd.org)

The looming water crisis could actually become a growth opportunity, since reallocating water to higher value uses could bring significant aggregate benefits