

## HIGHLIGHTS: TUESDAY, 29 NOVEMBER 2016

The Budapest Water Summit resumed discussions in four plenary sessions on Tuesday, covering: water-use efficiency; integrated water resources management (IWRM); water quality; and water-related ecosystems. In the evening, delegates continued their deliberations on a draft outcome statement and attended a function titled “Water Connects – Wine Unites.”

### SESSION 3: HOW TO ACHIEVE INCREASED WATER-USE EFFICIENCY

Mohammed Bushehri, Undersecretary, Ministry of Electricity and Water, Kuwait, chaired the session. Chen Lei, Minister of Water Resources, China, highlighted successful examples of China’s IWRM policies. He reported on nationwide water saving and pollution reduction actions involving, *inter alia*, technology implementation, recycling, wastewater management, and efficient irrigation. He advocated, among



**Hazim El Naser,**  
Minister of Water Resources, Jordan

other measures: intersectoral cooperation on water, food and energy security; leverage of investments in water technology; government-led multi-stakeholder participation; strengthened monitoring systems; and inclusiveness, mutual learning and win-win approaches.

Hazim El-Naser, Minister of Water Resources, Jordan, emphasized the urgent need for a long-term perspective in the face of regional instability and global strategic changes. He said that Jordan: is the third water-poorest country in the world; has been hosting 1.4 million Syrian refugees; is surrounded by regional conflict; shares 40% of its water resources with other countries; and is already affected by

climate change. He identified useful strategies, including: technology and knowledge transfer; energy efficiency and renewable energy policies; public-private partnerships; and public awareness and education campaigns.

Vladimir Rakhmanin, Assistant Director-General, Regional Representative for Europe and Central Asia, Food and Agriculture Organization of the UN (FAO), outlined FAO efforts toward achieving water efficiency by improving water productivity in the “thirsty” agriculture sector, which accounts for 70% of global water withdrawals. He noted the food sector had doubled its overall productivity in the last half century through modernization and innovation but must do more to meet demand from the expected 9 - 10 billion global population by 2050 – including working to reduce food waste.

**HIGH-LEVEL PANEL DISCUSSION 3: HOW TO MANAGE EVERY DROP:** Jerome Delli Priscoll, Chair, Technical Committee, Global Water Partnership, moderated the panel discussion. The panel included: Olcay Ünver, Deputy Director, Land & Water Division, FAO; Regina Kuzmina, Managing Director Hungary & Adria, Unilever; Jonathan Taylor, Vice-President, European Investment Bank; Bruno Tisserand, Research Program Director at Veolia and President of EurEau; and Batbayar Zeneemyadar, Ambassador of Mongolia to Hungary.

Panelists observed that water-use efficiency has multiple meanings, presents human capacity challenges, and will require long-term investments and behavioral change. They emphasized that long-term investments make sense from a business perspective, but the challenge is to attract investors. Taylor suggested innovative means of investing in the necessary water infrastructure, such as through blended finance



**Regina Kuzmina,**  
Managing Director Hungary & the Adriatic Region, Unilever

and through governments offering to “take the first loss,” so as to reduce risk to private investors. Kuzmina highlighted that Unilever seeks to source its products from water-efficient, sustainable agriculture, noting that this has potential to prompt a positive chain reaction in related industries.

Participants and panelists discussed the need to price water accurately so as to influence consumer behavior, while building in public support for the most vulnerable consumers, and Ünver suggested engaging the expertise of behavioral scientists. They agreed that water “doesn’t stay within SDG 6,” but has many linkages to other SDG targets, including those on agriculture, land use, land degradation, sustainable consumption and production, and many others. They observed that water-use efficiency can be advanced not only through macro approaches but also through micro-solutions such as smart metering that has the potential to change water-use behaviors, and through joint efforts on a wide range of interventions, including education and advocacy.

#### **SESSION 4: HOW TO DO IWRM**

Shammy Puri, former Secretary General, International Association of Hydrogeologists, moderated the session.

Mansour Faye, Minister for Water Resources and Sanitation, Senegal, presented national experiences with IWRM in the areas of: knowledge management; creating an institutional framework for IWRM; and communication, education and information, highlighting successful action in managing water supply to the capital Dakar.

Sirodjidin Mukhrudinovich Aslov, Minister of Foreign Affairs, Tajikistan, said transboundary cooperation among central Asian countries is transitioning from primarily national-level IWRM actions to a river basin approach. He presented Tajikistan’s efforts in promoting IWRM at the regional scale, based on: strengthening the legal basis for IWRM; capacity building; and improving the financial incentives for infrastructure cooperation.

Christian Friis Bach, Executive Secretary, UN Economic Commission for Europe (UNECE), observed that six out of 10 transboundary river basins have not yet put in place transboundary cooperation arrangements. He welcomed progress in the international space, including the adoption of SDG target 6.5 on transboundary cooperation. Noting that the High-Level Political Forum on sustainable development (HLPF) will be reviewing progress on SDG 6 in 2018, he urged countries to submit their national reports by March 2017. Friis Bach highlighted the success of the UNECE Water Convention in promoting good practice and securing financial resources for projects, and noted interest in the concept of an intergovernmental platform for long-term political cooperation on water issues.

In the ensuing discussion, participants addressed water as a source of engagement and cooperation. Some expressed concern about the potential for water conflict, and others stressed the need to create structures to promote engagement and political will. Aslov concluded that water cooperation and partnerships contribute to peace.



**Betsy Otto,**  
Global Director, Water Programme, World Resources Institute

**HIGH-LEVEL PANEL DISCUSSION 4: IWRM – DOES IT REALLY EXIST?** Tom Soo, Executive Director, World Water Council, moderated this session. The panel included: Peter Joo Hee Ng, Chief Executive, Public Utilities Board, Singapore; Betsy Otto, Global Director, Water Program, World Resources Institute; Daene C. McKinney, University of Texas, US; Alexandros Yannis, Senior Expert, European External Action Service; Sami Faruqi, Water and Environment Division, Islamic Development Bank; Ivan Zavadsky, Executive Secretary, International Commission for the Protection of the Danube River; and Torkil Jønych Clausen, Board of Governors, World Water Council.

Panelists agreed that IWRM is “not an if, it’s a how.” Jønych Clausen remarked that IWRM should not be seen as a cathedral, high up and unattainable, but as a bazaar, a



**Christian Friis Bach,**  
Executive Secretary, UNECE

place where people work and live every day. Panelists also agreed that IWRM is a multi-sectoral issue that cuts across various SDGs. Otto said that many countries formulate their development goals without taking into account IWRM, noting a role for the private sector in this regard. Faruqi drew attention to varying IWRM needs even within countries, and Zavadsky added that actions should be tailored to the basic hydrological unit, the basin.

In response to participants' comments, panelists suggested that: the W should be taken out of IWRM because truly integrated resource management will include water management; and failure to price water prevents private sector involvement and harms the poor through underinvestment. They proposed that IWRM transboundary treaties should be flexible in responding to increasingly severe climate impacts, and noted that applications for project funding are now required to take into account their associated water footprints, just as they do for carbon footprints.

#### **SESSION 5: HOW TO IMPROVE WATER QUALITY**

Le Duc Trung, Director-General, Ministry of Natural Resources, Viet Nam, moderated the session.

Sommad Pholsena, Minister of Natural Resources and Environment, Lao PDR, highlighted his country's Action Plan for 2016-2020 including the aim to: formulate, update and implement legislation; develop river basin management plans in 10 priority basins; and enhance regional cooperation.

Helge Wendenburg, Director-General, Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety, Germany, on behalf of his Minister Barbara Hendricks, said that despite significant improvements, water quality in the developed world faces challenges from industrialization and climate change. He stressed the need for: comprehensive national and international assessments of water quality challenges, such as the UNEP-initiated World Water Quality Assessment; and favored having a UN-based governance framework for water.

Philip Gichuki, Managing Director, Nairobi City Water and Sewerage Company, Kenya, described how his organization is increasing citizens' access to safe water through legal provisions including the 2016 Water Act, which established a regulator to oversee water services, and introduction of a programme to test water quality at the source, treatment and consumption endpoints. He also highlighted a microfinance programme, which is supporting poorer rural communities in gaining access to water.

**HIGH-LEVEL PANEL DISCUSSION 5: HOW TO IMPROVE WATER QUALITY FOR PEOPLE AND THE PLANET:** Mark Smith, Director, Global Water Programme, International Union for Conservation of Nature, moderated

the panel discussion. On the panel were: Jennifer Haverkamp, Special Representative for Environment and Water Resources, US State Department; Jeremy Bird, Director- General, International Water Management Institute; Alvaro Umaña-Quesada, former Minister of Energy and Environment, Costa Rica and Vice-Chair of the Global High Level Panel on Water and Peace; Frank Rijsberman, Director-General, Global Green Growth Institute; Debra Kertzman, European Representative Office, Asian Development Bank; and Alex Mung, Head of Water Initiative, World Economic Forum.



**Frank Rijsberman**, Director-General, Global Green Growth Institute, and **Jeremy Bird**, Director-General, International Water Management Institute

Frank Rijsberman, Director-General, Global Green Growth Institute, said regulatory and "polluter pays" approaches of the 1980s had struggled to achieve environmentally friendly, pro-poor outcomes on their own. He expressed satisfaction that finance ministers currently see the potential of price signals for achieving inclusive green growth outcomes, and fund managers now increasingly see green bonds as part of mainstream finance.

Mung recognized increased sustainability awareness in the business community, but identified the need for a catalyst, such as a global framework on water, to "connect the dots." Haverkamp favored flexible approaches and finding platforms to share best practices. Umaña-Quesada said change requires a solid legal basis, and different stakeholder groups have to realize that water management is their responsibility.

Panelists anticipated that developing countries can leapfrog problems of pollution and waste, given sufficient foresight and political will. They believed that achieving the needed scale of financing is possible if multilateral development banks can use funds to help "crowd in" the private sector, and through innovative approaches such as Costa Rica's introduction of payment for ecosystem services.

Concluding the session, panelist called for: increasing capacity to develop bankable projects; targeting finance to the needs of the poorest; tailoring solutions to different countries; using the power of networks; working across silos and sectors; and redefining water quality to include whole ecosystems.

### **SESSION 6: HOW TO MANAGE WATER-RELATED ECOSYSTEMS BETTER**

Ger Bergkamp, Executive Director, International Water Association, chaired the session.



**Ney Maranhão**, Director, National Water Agency, Brazil

Ney Maranhão, Director, National Water Agency, Brazil, described the multiple functions of freshwater ecosystems in Brazil. He noted serious pollution problems from sewage discharge into rivers that cross São Paulo, and the collapse of a tailings dam on the Doce River Basin in Minas Gerais that had affected water supply to nearly two million people. He called for integrated data and an interdisciplinary approach to protecting water as a collective asset.



**Charles Vörösmarty**, City University of New York

Charles Vörösmarty, City University of New York, presented economic arguments for environmental stewardship, and the value of ecosystems for human water security. He suggested that mixing green approaches to water management alongside more traditional large-scale engineering, or “grey” approaches, would yield significant economic benefits.

Stuart Bunn, Director, Australian River Institute, Griffith University, and Sustainable Water Future Programme, Australia, stressed the critical connections among rivers, wetlands, floodplains and coastal zones. He said addressing point source pollution is not a technical issue, but one of political will, whereas diffuse or non-point source pollution, including from degraded riparian land and vegetation, is technically more challenging to address.

**HIGH-LEVEL PANEL DISCUSSION 6: HOW TO GET MORE GREEN:** Gábor Baranyai, Ministerial Commissioner, Ministry of Justice, Hungary, moderated this session.

Nikolay Kosov, Chairman of the Board, International Investment Bank, noted that banks currently have a low appetite for risk and start-ups. He suggested: creating a global water fund for projects; compiling a global portfolio of water-related projects in need of funding; and issuing water bonds that are guaranteed by countries.

Jean-François Donzier, International Network of Basin Organizations (INBO), highlighted INBO’s work on an inventory of natural water retention measures in Europe.

Karin Krchnak, Senior Director for Water, World Wildlife Fund, said many policymakers and funders now agree it is important to invest in both grey and green infrastructure, but the next challenge is to determine what is the right mix and to operationalize this approach at the river basin level. She mentioned WWF’s basin report cards, which can be used to inform private sector investment in basin-level water management, and said WWF is forming partnerships with large companies to help them put a value on their natural capital.

Ania Grobicki, Deputy Secretary General, Convention on Wetlands of International Importance (Ramsar Convention), said around two-thirds of the world’s wetlands had been destroyed over the last century, but the Convention protects around 25% of total remaining wetland areas. She called for “re-greening” catchments and basins, including for carbon restoration and flood prevention. She noted that lower runoff factors are very important to flood prevention.

Patrick Lavarde, Director, International Water Resources Association, described successful basin-level ecosystem management actions in France. He underlined the importance of reviewing national policies, involving key stakeholders such as farmers, and conducting reviews and actions at the basin scale and across sectors.

Concluding the session, panelists expressed the need to: prioritize financing for water management; recognize and quantify the role of environmental services; take into account the effects of climate change; seek concrete and ambitious commitments from all stakeholders; and make people understand that “this green and blue planet is a tremendous asset,” and that “the smartest solutions are green solutions.”