

BWS Bulletin

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BWS 2019 Highlights: Tuesday, 15 October 2019

The third Budapest Water Summit (BWS) opened on Tuesday morning in Budapest, Hungary to a live water-themed dance performance by Recirquel, a Budapest-based, world-world-renowned modern circus company.

Hungarian president, János Áder and Cambodian Prime Minister Samdech Hun Sen, addressed participants at the inauguration session.

In the morning and afternoon, three sessions convened on: preventing water crises, the value of water versus cost of crises, and economically rational behavior in water crises. In each session, participants heard keynotes, followed by high-level panel discussions.

A series of side events took place in parallel with the BWS. In the evening, participants attended a cultural programme and reception at the Palace of the Arts.

Inauguration Session

Opening the Summit, Zsófia Tomaj, Master of Ceremonies, framed discussion for the 2019 BWS, noting the intricate link between water and the sustainable development goals (SDGs).

In his keynote address, János Áder, President of Hungary, described the three water “dramas” of “too little, too much and too polluted,” highlighted in the 2018 report of the UN High-Level Panel on Water (HLPW). Emphasizing that humanity can



Budapest-based modern circus company, Recirquel, opened BWS 2019 with a mesmerizing water-themed performance.

no longer take water availability for granted, he stated the 2019 Summit would explore scientific and technological innovations to manage water challenges and adapt to emerging water crises, as well as the financial resources required to scale up these solutions.

In a video message, UN Secretary-General António Guterres, stressed that scaling up solutions for water challenges is critical to achieving the SDGs, citing that 40% of the world is already affected by water scarcity, while more than 90% of disasters are water related. He expressed support for the Summit, noting the UN’s commitment to pursue the human right to water.



János Áder, President of Hungary

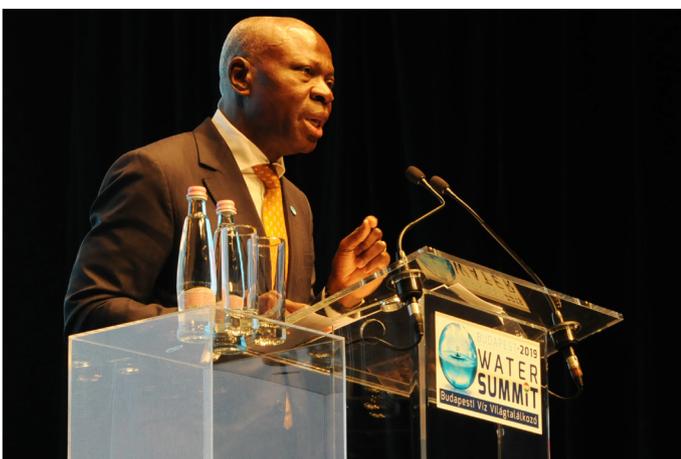


António Guterres, UN Secretary-General, addressed participants via a video message.

Samdech Hun Sen, Prime Minister of Cambodia, called for joint approaches and an implementation mechanism to promote regional and global cooperation, and improved water security. For governance and financing, he prioritized, *inter alia*: building a global, transparent, and harmonized political architecture to mobilize all stakeholders; enhancing coordination under the 2030 Agenda for Sustainable Development and the Paris Agreement; and increasing public investments and incentives for innovative business models.

Gilbert Houngbo, UN-Water Chair and International Fund for Agricultural Development (IFAD) President, reflected on the quote “if climate change is a shark, then water is its teeth,” emphasizing that climate and water emergencies pose serious risks to the most vulnerable populations. He called for a transformational shift in how we value water, suggesting that water be promoted as an instrument for peace. Referencing the action agenda of the HLPW, he emphasized the need for data to inform decision making and integrated governance approaches.

Jin Liqun, President, Asian Infrastructure Investment Bank (AIIB), called water crucial to economic growth and food security. Annually in Asia, he said, millions suffer from floods, costing the Asian economy US\$360 billion per year. He noted that poverty is linked to water shortage, contributing a “tremendous” loss in labor productivity. He reported that AIIB contributes US\$1.4 billion to address water security challenges but a financing gap of 100’s of billions exists. He said AIIB is developing a water strategy to guide the investment sector.



Gilbert Houngbo, UN-Water Chair and IFAD President



Jin Liqun, AIIB President

Gajendra Singh Shekhawat, Ministry of Water Resources, River Development and Drinking Water and Sanitation, India, drew attention to the 17 countries facing high risks of water stress, saying this is creating shock waves across the globe. Pointing to increasing conflicts, migration, threatened food supplies and vulnerability of water-dependent industries, he described water crises as an unstable and dangerous situation. He reported that water security is at the center of India’s development agenda, underlining efforts to decentralize water governance and a campaign to “make water everyone’s business.”

Session 1: Can Water Crises be Prevented?

Opening the session, moderator Bai-Mass Taal, Former Executive Secretary, African Ministers’ Council on Water, stressed that the water crisis “is already here,” focusing discussions on how to lessen its impact.

Cecilia Abema Dapaah, Minister of Sanitation and Water Resources, Ghana, underlined that the water crisis is real, stressing that the fundamental action needed is to start with local solutions to “fix the basics.” She outlined her country’s efforts to, *inter alia*: introduce tiered water pricing mechanisms and smart meters in water supply systems to reduce losses and enhance water use efficiency, and “build bridges” with highly polluting sectors such as small-scale mining.

Raed Abu Al-Saud, Minister of Water and Irrigation, Jordan, shared the experience of living in a country without surface water, rivers, or lakes, requiring dependence on aquifers for water supply. Despite water supply challenges, he shared



Cecilia Abema Dapaah, Minister of Sanitation and Water Resources, Ghana



Raed Abu Al-Saud, Minister of Water and Irrigation, Jordan

successful initiatives to treat wastewater for agriculture. Warning that “a thirsty nation is an aggressive nation,” he reiterated the need to promote water for peace to prevent water crises. He noted the value of education for young populations to influence water behavior towards preservation.

High-level Panel Discussion: Rodolfo Lacy, Director for Environment, Organisation for Economic Co-operation and Development (OECD), discussed recommendations to manage risks, control disasters and recover economies after extreme weather events. He underscored building resilience via, among others: eliminating activities that cause damage to water assets; increasing investment for resilient infrastructures; mainstreaming water challenges throughout all productive sectors; building on existing commitments such as the SDGs and the Paris Agreement; and improving early warning systems.

On financing for water management, Li Yong, Director General, UN Industrial Development Organization (UNIDO), said economic signals are vital in driving reforms by the sector, highlighting how China introduced tiered pricing systems with safeguards for the poorest users in its reform process. Dapaah noted that water is a priority area in Ghana’s budget, which, she stated, allocated US\$1 billion for water management in 2019.

Youssef Filali-Meknassi, UN Educational, Scientific and Cultural Organization (UNESCO), highlighted the importance of transboundary collaboration on water management, noting nearly half of the world’s population lives in one of the 310 transboundary rivers or lakes, or 592 aquifers. He highlighted



Li Yong, UNIDO Director General

UNESCO’s efforts to establish an intergovernmental observatory on transboundary water systems and water diplomacy to, *inter alia*, contribute to a common understanding of shared water, facilitate information sharing and monitoring and help prevent water-based conflicts.

Norbert Kurilla, Ministry of Environment, Slovakia, underscored putting water at the core of sustainable development for security and prosperity. Reflecting on existing multilateral commitments, he opined that the “governance crisis” is making water crises more complex and challenging to address. He emphasized the need to work together to manage water policies in a different way, sharing national efforts to mobilize actions.

Session 2: Value of Water vs. Costs of a Water Crisis - Are we Talking About the Same?

In the afternoon, Aaron Salzberg, Director, Water Institute, University of North Carolina, US, moderated discussions on operationalizing solutions for water.

Lindiwe Sisulu, Minister of Human Settlements, Water and Sanitation, South Africa, discussed how the country averted the recent drought crisis through, such actions as: effective management, communication campaigns, and alignment with the private sector. She underscored the need to arrive at a shared understanding of the inherent cultural, spiritual, economic, and environmental value of water, noting challenges to reconcile these values with budgets to cover the costs of drought.

Ahmat Awad Sakine, Permanent Representative of the African Union to the EU, posed to all participants whether each individual has personally valued water. He explained the potential impact of limiting water consumption to one liter per day. He highlighted the responsibility of governments to provide access to clean water as a basic human right.

High-Level Panel Discussion: Olcay Ünver, Vice Chair, UN-Water, discussed the four dimensions of water, as: an environmental resource; a service for water, sanitation and hygiene; a cultural and spiritual element; and an input to economic sectors. He drew attention to the role that global and regional legal instruments, such as the UN Convention on the Protection and Use of Transboundary Watercourses and International Lakes can play in “leveling the playing field.”

Frank Rijsberman, Director General, Global Green Growth Institute, discussed the challenge of applying an economic value to water resources, which is also considered a human right. While noting the Dutch saying “never waste the value of a good crisis,” he emphasized that proactive policy can enable synergies, for example in addressing the water-energy-climate change nexus.

Elisabeth van Duin, Ministry of Infrastructure and Water Management, the Netherlands, shared how effective water authorities have organized around the concept of collectivity and accountability.

Pio Wennubst, Permanent Representative of Switzerland to the Food and Agriculture Organization of the UN (FAO), IFAD and World Food Programme, suggested looking at needs across different actors, from energy to tourism, and negotiating plans so that each stakeholder is also a shareholder.

Rochi Khemka, 2030 Water Resources Group, noted that valuing water is not only about cost-benefit analysis, emphasizing the importance of arriving at a common understanding of this concept and building strong institutions in order to bring relevant stakeholders to the table.

Panelists highlighted promising multi-stakeholder initiatives, such as the introduction of polluter pays models to address water pollution in Mongolia, and the development of tradeable permits for wastewater reuse in India. Commenting on civil society's role in driving change, Sisulu described a lawsuit brought against her ministry by the South African Human Rights Council due to pollution in one of the major rivers in the country.

Session 3: Water Crises - What is the Economically Rational Behavior?

In the afternoon, Maria Concepcion Donoso, Institute of Water and Environment, Florida International University moderated this session.

In his keynote address, Martin Frick, UN Framework Convention on Climate Change (UNFCCC) Secretariat, discussed the evolution of multilateral decision making, noting the current challenge to create the necessary governance tools that can handle complexity and "radical cooperation." He shared how the "failure" of the Copenhagen Summit opened the way for the bottom-up, voluntary approach that led to the Paris Agreement, reflecting an overall growing recognition of the critical role of non-state actors, as embodied in the UN Secretary-General's Climate Action Summit in September 2019.

Jennifer Sara, World Bank, discussed how decisions are made along the "economic water cycle," from the watershed to final end use. She stressed that adopting a circular economy approach for water, with supportive policies such as tariffs to signal water scarcity, can help manage demand and ensure fair and equitable allocation among competing uses.

High-Level Panel Discussion: Karine Méasson, European Investment Bank (EIB), described the Bank's commitment to mobilize new funding for environmental sustainability and climate action, noting this currently constitutes 50% of all its investments. She stressed the importance of innovative financial products, such as research and development loans for the private sector.

Ciarán Ó Cuinn, Director, Middle East Desalination Research Centre, highlighted using gap analysis research to inform decision making and create a portfolio of intervention options ranging from desalination to cheaper alternatives. He stressed that there are tools and pathways for sustainable water management, but achieving scale requires building the capacity of states to understand pricing mechanisms.

Joseph Siaw Agyepong, Executive Chairman, The Jospong Group, shared the view that financing wastewater is considered risky because it requires long-term commitments, and called for innovation and integrated approaches.

Monika Weber-Fahr, Executive Secretary, Global Water Partnership (GWP), discussed work with the World Bank and World Health Organization to help build economic arguments for drought management. Sara proposed that in order to help attract financing, there could be a shift from discussing risks to discussing benefits.

Simon Zajc, Minister of the Environment and Spatial Planning, Slovenia, shared a flood forecasting system used by four countries, formerly at war with one another, that has decreased damages by floods by 30%.

Weber-Fahr underlined how engagement with affected groups, such as farmers, could stimulate water behavior changes. Sara concluded that climate resilience requires awareness-raising, noting that there is a need to understand people, and their behavior, in order to influence the private and public sectors with successful examples of adaptation and nature-based solutions.



L-R: **Martin Frick**, Senior Director, Policy and Programme Coordination, UNFCCC Secretariat; **Jennifer Sara**, Global Director, Water Global Practice, World Bank Group; **Simon Zajc**, Minister of the Environment and Spatial Planning, Slovenia; **Monika Weber-Fahr**, Executive Secretary, GWP; **Joseph Siaw Agyepong**, Executive Chairman, The Jospong Group; **Ciarán Ó Cuinn**, Director, Middle East Desalination Research Center; **Karine Méasson**, EIB; and Moderator **María Concepción Donoso**, Institute for Water and Environment, Florida International University, US