BUDAPEST WATER SUMMIT

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A SUSTAINABLE WORLD IS A WATER-SECURE WORLD

THE BUDAPEST WATER SUMMIT STATEMENT

11 October 2013, Budapest, Hungary

Under the patronage of

MR JÁNOS ÁDER,
PRESIDENT OF THE REPUBLIC OF HUNGARY

Organised by

HUNGARIAN GOVERNMENT

In connection to

In cooperation with

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PREFACE

2013 has been an important year for water. The international community celebrated the International Year of Water Cooperation with a series of events from New York, The Hague through Geneva, Stockholm and Dushanbe. In this process the Budapest Water Summit, held between 8 and 11 October 2013, aimed to take stock of the international discussions thus far and to provide a synthesis of the most important water-related challenges and their possible solutions with a view towards helping the definition of a water-related Sustainable Development Goal with potential target areas. The conference was convened by the Hungarian Government under the patronage of Mr János Áder, President of the Republic, in cooperation with the UNESCO and the World Water Council.

Water is fundamental for sustainability. Water is everybody's business. No section or actor of society is an outsider when it comes to water for it connects. Therefore, the Budapest Water Summit was built on the parallel work of all relevant major stakeholder groups. Governments, international organisations, academics, civil society and youth representatives worked alongside business leaders, private philanthropists and development institutions were invited to find common ground for the main components of a future water-related Sustainable Development Goal.

Discussions centred along five subjects: access to water, sanitation and hygiene, integrated water resources management, governance, green economy and finance. Deliberations took place in parallel at the Summit Plenary Sessions as well as five stakeholder groups: the Science Forum, the Civil Forum, the Youth Forum, the Business Leaders Forum and the Philanthropy Roundtable.

So what was achieved then by the Summit?

First of all, over 1400 registered participants from 104 countries came together to discuss in depth the role of water in the global sustainable development agenda. The conference was attended by the top ranks of the UN system, including Secretary-General Ban Ki-moon, heads of major UN agencies, dozens of ministers of water from all over the world, eminent scientists, leaders of NGOs as well as those of business associations and the philanthropic world.

Second, following three days of intense deliberations the Budapest Water Summit adopted by consensus the Budapest Statement entitled "A Sustainable World is a Water-Secure World". The Statement reflects what was summarised by Secretary-General Ban Ki-moon at the opening of the Summit as follows: "Water and sanitation are obviously central to our efforts to achieve the Millennium Development goals and must feature prominently in the post-2015 development agenda".

This booklet contains the official Budapest Statement that comprises a political declaration, the policy recommendations in support of a stand-alone Sustainable Development Goal on water, the conclusions of the Summit Plenary sessions and of the various forums.

We do hope that the Budapest Statement will live up to the expectations of the participants and will become a key reference document in shaping a progressive new development vision that our Planet deserves.

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A Sustainable World is a Water-Secure World

The Budapest Water Summit Statement

11 October 2013, Budapest, Hungary

The Budapest Water Summit was initiated at the United Nations Conference for Sustainable Development by the Hungarian Government with the principal objective to take stock of the various developments in preparing the water-related goal for the post-2015 development agenda. The Budapest Water Summit Statement reflects the outcomes of the thematic sessions and the deliberations of the civil society, science, youth and business fora that took place during the Summit.

1. **Water is fundamental.** Water has brought civilizations livelihood, sustenance and well-being. Water has been a central factor shaping both earth system history and human history. Therefore, water carries the collective memory of humanity. Water has been instrumental in our past development. It is equally the key to our future development, and safeguarding our life support on Earth, which is increasingly under pressure from global changes.

2. **Water unites.** It unites people among and across generations, nations and cultures and is a source of cooperation. However, its uneven temporal and spatial distribution worldwide, in addition to numerous challenges such as demographic and climatic changes, renders water management essential and critical as our entry point for sustainable development and poverty eradication. All basic planetary and ecosystem functions will be endangered if water is not governed properly, jeopardizing the human right to safe and clean drinking water and sanitation.

3. **Water connects.** Tapping the power of water for our era to meet the water challenge requires new, innovative policy approaches, both within the water sector and in concert with other social and economic sectors, especially, health, food and energy. Human-centered development, based on human rights approaches, and

environmental stewardship, including preserving the function of ecosystems and protecting biodiversity must reinforce any modern paradigm of water management.

4. **Water and ecosystems.** Safeguarding and rehabilitating ecosystems in 21st Century water resources development approaches will be an important shift towards sustainability. Unintended impacts to ecosystems in the name of water uses are contrary to the aspirations of a sustainable water future.

5. **A dedicated water goal.** To achieve the agreed upon Millennium Development Goal targets related to water and sanitation and to move towards the new set of Sustainable Development Goals, as well as to create new approaches to water management, the Budapest Water Summit, in consideration of the many ideas and discussions preceding to and over the course of the Summit preparation process, recommends the development of a dedicated and comprehensive Sustainable Development Goal on Water, a "Water-Secure World" while clearly addressing the inter-linkages to other Sustainable Development Goals.

   This proposal is supported by additional outcome policy recommendations presented in the Annex I of this document. This Goal would be accompanied by SMART(ER)[1] targets addressing the following main water-related issues:

   a) Achieve universal access to safe drinking water and sanitation: Achieve universal access to sustainable and safe drinking water as well as gender-responsive sanitation and hygiene services as part of human rights in all households, schools, health facilities, workplaces and emergency contexts including refugee camps;

   b) Improve integrated and cross-sectoral approaches to water resources management: Manage freshwater resources in an integrated way at the basin level, including in transboundary river basins and aquifers, so to maximise benefits across sectors in an equitable, efficient and sustainable way, foster food and energy security, protect ecosystems and enhance the services they provide, and increase water productivity;

   c) Reduce pollution and increase collection, treatment and re-use of water: Protect human health and the environment from municipal, agricultural and industrial water pollution, by reducing pollution, collecting and treating wastewaters and maximising their re-use; and

   d) Increase resilience against the water-related impacts of global changes: Improve resilience to water-related disasters by enhancing preparedness against, and adaptation capabilities to, the impacts of on-going and future global changes such as growing water insecurity, climate change, population growth, land use change and the frequency of natural extreme hydrological events, through wise use and development of resilient water infrastructure and appropriate non-structural measures and timely exchange of information. Reduce impact on access to water and sanitation of man-made or natural disasters through risk reduction programs.

6. **Capacity development for water.** Lessons of the water and sanitation related Millennium Development Goals show the critical need for a sound scientific underpinning, socio-economic, institutional, technical, financial and engineering capacity. To support the development of broader and more inclusive Sustainable Development Goals provides an even greater challenge to sciences. In this context, the lack of trained professionals and delivery capacities is a recognized limitation toward attaining meaningful goals.

7. **A robust intergovernmental institutional mechanism.** The critical nature of water for human populations and the planet, conditioning any future sustainable development agenda, requires a robust intergovernmental process to regularly monitor, review and assess progress of the implementation of the future water goal. It is recommended that appropriate institutional mechanisms are soon put in place to regularly review and assess progress in an integrated manner.

[1] Specific, Measureable, Attainable, Relevant and Time-bound (Evaluated and Re-evaluated)

Policy Recommendations of the Budapest Water Summit to Reinforce a Sustainable Development Goal on Water

1. The Budapest Water Summit was driven by five important issues for robust water policy approaches:

   a. Well defined, globally, regionally and nationally meaningful SMART(ER) targets to ensure universal and sustainable access to safe water and sanitation and hygiene;

   b. Improved methods of integrating technical, environmental, social and political aspects into water, including waste water, management;

   c. Good and effective water governance, that applies the principles of transparency, accountability, access to information, participation and cooperation, relevant for any political system, with due consideration of stakeholder engagement, integrity and local circumstances when developing and implementing policies;

   d. Effective incentives for using water to create and support green economies, ensuring prioritization of water resource management in national plans;

   e. New micro and macro, private, public and innovative funding mechanisms to finance the implementation of (a) through (d) and for the management of water within a sustainable development framework.

Creating SMART(ER) targets to ensure universal access to safe, gender-responsive and sustainable water and sanitation and hygiene

2. Access to sustainable, gender-responsive safe drinking water and sanitation are fundamental to health, well-being and poverty eradication. Commitments are required at global, regional and national levels to accelerate the achievement of universal access and the progressive realization of the human right to safe drinking water and basic sanitation that are essential for dignified human life. Narrowing the water and sanitation deficiency gap will protect and improve human health, advance gender equality and human dignity, create education and development opportunities, especially for vulnerable groups, and facilitate economic development and poverty reduction.

3. It is imperative to achieve universal sustainable access to safe drinking water and sanitation services in all homes, schools, health centres, workplaces and in places of humanitarian assistance such as emergency contexts, post-conflict situations and refugee camps. The sustainability and quality of drinking water and sanitation services must be improved for all while giving priority to the most vulnerable, pursuing non-discrimination, affordability, addressing inequalities and increasing equity. This involves on-site training of the local population during the initial planning, construction and operation phases as well as using locally sourced materials and knowledge for lasting water and sanitation solutions.

4. Drinking water supply and sanitation should be fully integrated into water resources management policies with the recognition that water use and sanitation not only consume the resource, but also pollute water and, therefore, negatively influence the water cycle as a whole, if countermeasures are not applied.

5. Hygiene is often overlooked in the water and sanitation discourse. It is therefore important to identify realistic, monitorable and enforceable approaches that improve hygiene especially for women and adolescent girls.

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6. The protection of human and ecosystem health from inadequate sanitation as well as municipal, agricultural and industrial pollution requires precaution, prevention, implementation and rehabilitation. The collection and treatment of wastewater and solid waste as well as closing material cycles to maximize their re-use in order to reduce environmental pollution is a prerequisite for prevention of water system deterioration that is and will continue to be a more cost-effective approach than post-damage remediation.

7. To achieve these objectives new partnerships, non-conventional approaches to old and new technologies and behavioural dimensions of drinking water and sanitation must be promoted and developed. Successful approaches to ensure access to poor and disadvantaged populations should be identified. This should include appropriate financing mechanisms and funding that are accessible for local actors for operation and maintenance, minimisation of hurdle costs related to accessing new or improved facilities and services, improved accountability and transparency among sector actors, encouragement of utilities to extend coverage and improve quality of services, while addressing rural backlog and urban population growth.

Integrated consideration of water within its management context and in all basic services sectors

8. The connective power of water, whether surface waters or groundwater, should be reflected in its management at the basin level. Reconciling water uses among competing needs is a political as well as technical process. Different stakeholders often claim the same water. Water, however, is the vehicle that connects social demands and can encourage new and productive political, technical and social solutions to meet them. Due to population growth and economic development, such as for growing energy needs, food production and changes in diet, water demand is growing fast. What have been perceived as regional or local scarcity and resource allocation problems are already accumulating to the global scale. Hence, water resources management should avoid spatial and thematic fragmentation and instead promote consolidation and integration. Beyond the

water domain, full integration must involve other sectors relying on water. A cross-sectoral or "Nexus" perspective integrating water, energy, agriculture and other sectors, as well as ecosystems, should be applied. In this case trade-offs will be identified, synergies seized and resources used more efficiently. This could also be achieved by fostering links within universities and educating new generations in interdisciplinary sciences so as to increase the visibility of interdisciplinary solutions and joint benefits in the future.

9. Domestic water supply, sanitation, agricultural and industrial use, navigation, energy generation, recreation and also ecosystem health considerations are as much part of water resources management as addressing urban – rural issues, links to poverty eradication, adaptation to climate change and preventing, through disaster risk reduction, and mitigating the impacts of extreme events that seem to have an ever increasing frequency.

10. Most of the water assessment and management tools are based on the assumption of stationarity. Our design tools are based on the assumption that the statistical characters of the processes involved remain the same. Yet, our world displays strong non-stationarity. The signs are all around us in terms of sudden changes, such as a perceptibly increasing frequency of hydrological disasters that cannot be explained by our earlier concepts and current methodologies. New appropriate tools to adapt to non-stationarity are to be developed with a sense of urgency. Otherwise humans will be subject to growing risks, which can undermine sustainability.

11. The process of developing integrated water resources management and water stewardship principles and practice for a sustainable future that maintains ecosystems should be accepted by all stakeholders with adequate levels of accessible information and data, a shared and open knowledge base, capacity development, partnerships and conducive institutional-legal frameworks. Integration in national development plans, appropriate capacities, ranging from data collection services to scientific research, are pre-requisites to sound integrated water management. Water management, however, should go beyond the focus of the water cycle and competing uses and involve socio-economic, environmental, legal and governance-related elements in a collaborative spirit that ensure effective and meaningful participation. Responsibilities and processes should be clearly outlined in governance schemes at all levels.

12. Most of the impacts of climate change are expressed through the water cycle. These include long term shifts in the amount and frequency of precipitation as well as increased variability, which may lead to increased floods and droughts, challenges to food and energy production, groundwater resources, and difficulties in maintaining ecosystem sustainability, infrastructure development and water dependant manufacturing. Gradual sea level rise poses an additional real threat to coastal communities, cities and mega cities, as well to many vulnerable coastal groundwater and food production. The role of water in climate change adaptation strategies and mitigation needs to be thus specifically and urgently addressed.

13. Risks and uncertainties are unavoidable. However, innovative and alternative approaches should be tested and, when deemed successful, applied broadly as this can help mitigate risks. This includes methods that rely on ecosystems services, adaptation strategies that enhance the resilience of water resources management systems through structural and non-structural measures. Adequate monitoring, data-sharing, improved forecasting capabilities but also risk-sharing mechanisms further contribute to a more sustainable and water-secure world.

14. Providing comprehensive monitoring and early warning of emerging water problems will be critical to the success of the future SDGs. International and multilateral agreements on timely sharing of information and data are crucial; existing international conventions can be instrumental in achieving this. Enormous progress achieved over the past decade goes largely untapped, yet the technical and data resources are growing in their availability and sophistication while ground truthing is diminishing. The free availability of much of these big data streams should be marshalled specifically to the task of monitoring progress on the SDGs. Further synthesis by the science community may be necessary to interpret and track progress, or lack thereof, on the goals.

15. Developing education and capacities at all levels must be encouraged and supported, focusing on ensuring a secure number of water professionals and knowledge passed on to subsequent generations. Educating and training the next generation of water leaders, as well as reinforcing the capacities of stakeholders such as local authorities, NGOs and CSOs (individual and institutional), will be critical to achieving the water and sanitation related SDG. It is recommended to renew and reinforce the dialogue between researchers and practitioners, to speed up the uptake of research results, and to support innovation best practices to bridge the still existing gap between science and policy.

16. Capacity development, as part of both private and public projects, has to be encouraged and its social return on investment should be made aware to decision-makers. It is also critical to identify effective approaches to small communities, including community-based management, demand management, especially at higher levels of service, adapt existing and new systems, particularly water storage, to manage hydrological uncertainties and risks with a view toward ensuring and increasing resilience to the impacts of water scarcity and climate change.

Fostering good water governance

17. Achieving universal, sustainable access to water and sanitation and managing water in an efficient manner requires good governance. This requires adaptive, agile and resilient institutions at local, national and transboundary levels, based on a basin approach, that can identify and solve today's water problems and cope with those of tomorrow. Good governance relies on building accountability and inter-sectoral complementarities at the right scale.

18. Good water governance is context-dependent and implies addressing nexus issues. A set of overarching principles and place-based policies, aiming to better articulate who does what, should be developed to enable the management of water at the appropriate spatial and time scales and levels. This should include innovative partnerships across sectors, monitoring and evaluation of progress and effectiveness, allocation of human and financial resources in line with responsibilities and enforcement of regulatory frameworks.

19. Greater attention needs to be paid to enhancing governance arrangements for more sustained service delivery based on adequate new infrastructure along with rehabilitation and renewal of ageing infrastructure. This requires improving the investment climate for catalysing funds needed, and strengthening the absorptive capacity at all levels to manage networks, projects and resources as needed.

20. Water governance effectiveness depends on the institutional quality of authorities at all levels, sectoral and territorial integration, the performance of utilities, the level and diversity of stakeholder engagement, social inclusion, transparency, and disclosure quality and consistent data and information, public awareness, the quality and consistency of data disclosed, capacity development and anti-corruption practices. Together, all of these provide good water governance that is required for both a sustainable and a water-secure world.

21. When it comes to transboundary watersheds and aquifers, which contain most of the available freshwater on Earth, water governance must go beyond national boundaries through a basin approach in management of shared resources. Strong and long-term transboundary cooperation can be assured by joint basin governing institutions, work programmes, joint monitoring and wide international stakeholder participation based on sound (international) legal and institutional principles and arrangements.

22. Economic benefits of good water governance should be clearly stated. In the world driven by economic factors it is very important to stress the positive trade-offs of good water governance. An analysis of good water governance practices that contributed to economic growth and increased effectiveness should be widely distributed among stakeholders. Public-public partnerships should be encouraged and collaboration with all categories of users including business and private sector at large is critical for fair water allocation.

Using water to create growth and "green economies"

23. There are different approaches, visions, models and tools available to each country, in accordance with its national circumstances and priorities, to achieve sustainable development and the green economy is one of the important tools in this regard. Green economies are to feature both new and old technologies and tools, incorporate the socio-economic value of natural systems and ecological flow needs to water management, use new accounting for natural capital in cost-benefits assessments and emphasize water-use efficiencies. Green economies are to employ realistic behaviour change among users of water, integrate indigenous with modern methods of adaptively managing water, create explicit criteria for ecosystems health for design of water investments, treating wastewater and solid waste for use and adopting rehabilitation and asset management of built and natural water infrastructure, respectively.

24. Achieving green economies will identify trade-offs and synergies between different water uses and adequate setting of priorities. The provision of the world population with basic goods and services, while allowing for economic development within planetary boundaries should be a guiding principle. Water priorities will have to balance the three aspects of sustainable development and integrate socio-cultural, economic and environmental dimensions into national accounting systems and development policies. Such priority setting should include legislation, monitoring, financing, subsidies for affordable green technologies, markets, pricing, user pay along with polluter pay principles, paying for ecosystem services, green labelling of projects and products and broadened risk benefit assessments. Water policies are to promote the use of acceptable and affordable technology and needed infrastructure such as water storage that also benefits sustainable development, poverty eradication, growth and green job creation.

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Creating new micro and macro, private and public, financing methods

25. There is unfinished business to attain the MDG targets on water and sanitation and this will require innovative, inclusive, equitable, adapted, ear-marked and sustainable financing mechanisms at all levels, especially for the benefit of the poor and most vulnerable populations. Drinking water and sanitation are not alone in this regard and while their needs are different, funding requirements of adaptive water resources management should be addressed as well, especially with the expected impacts of global changes that confront humanity.

26. Often, financial resources are already there, but are difficult to access. An efficient use of existing financial resources, for both small- and large-scale projects, for water would significantly help us achieve the water-related goals as would ease the barriers to access resources that already do exist. Water underpins many of the other future SDGs. Without safe drinking water and sanitation and well-managed water resources, food, health, energy and environmental sustainability will not be sustainably achieved for all, if at all. It is a matter of urgency, therefore, to show the importance of water in budget prioritization and allocation. It is also one of the best social returns on investments since it improves equity, health, education and nutrition and, consequently, enhances economic activities.

27. Financial resources are not the only critical resources. Improvements are needed to deliver on investments and financing the capacity of human resources in cost recovery and revenue spending. Transition from aid to sustainable service delivery is essential. Diversified, affordable, realistic and accessible financial management systems that correspond to locally available resources, both in terms of human capital and material, will ensure long-term success of projects.

28. Sustainable development is about addressing future and intergenerational equity. Infrastructure degradation and asset management are to be addressed in this context by equally taking into account the maintenance and restoration of ecosystem services as well as the deterioration costs of those services.

Environmental degradation that destroys ecosystems and their services will, by definition, also destroy water services and are thus against the concept of sustainability.

29. Water is a means to many ends. Investments into water and sanitation will also have multiple benefits outside of water and beyond it, and should integrate sectoral benefits across sectors. One of the most effective ways to improve sustainable development and address poverty eradication, food security, energy security and improved well-being, therefore, is applying and implementing the nexus perspective, where the benefits are multi-sectoral and intergenerational. Ultimately, if one invests into water, one invests into peace.

ANNEX II

Summary Reports and Recommendations of the Budapest Water Summit Plenary Sessions and the Summit Stakeholder Fora

Session 1: Striving for universal access to water and sanitation

Context/Setting the scene

Tremendous progress has been made in achieving the MDG target on water and sanitation, but billions still lack access to the most basic drinking water supply and sanitation services. Finishing the "unfinished business" in WASH must remain a top priority. Access to safe sanitation is critical and urgent with over one billion people still practising open defecation.

A heightened focus should be on the poorest populations, the "bottom billion", reaching out to informal settlements, communities in civil strife or displaced and in disasters, marginalised and vulnerable groups. A systematic effort towards equity should address lack of sustainable WASH services. "Prevention is the heart of public health, equity is its soul and access to WASH is the life-blood of good health for all".

Consensus/main message

Achieving universal and sustainable access to safe drinking water as well as gender-responsive sanitation and hygiene (WASH) services in all households, schools, health facilities, workplaces and emergency contexts such as refugee camps must be part of the basic human right on water and sanitation.

The session advocated for a Specific, Measurable, Attainable, Realistic and Time-bound SDG that takes WASH as a human right into account and integrating issues of equality, accessibility and affordability. Overall the session affirmed the contents of the draft Budapest Water Summit Statement.

Narrowing the water and sanitation deficiency gap will protect and improve human health, advance gender equality, create education and development opportunities, especially for vulnerable groups, and facilitate economic development and poverty reduction.

Challenges

- Sustaining access to services remains a huge challenge. How can we ensure water safety i.e. ensuring good quality water and reliable WASH services?
- How can we implement WASH within integrated water resources management (IWRM) for the 21st century?
- How can we serve a growing population in the face of water challenges characterised by interdependence and complexity in a changing climate?
- Is it necessary to recognise tradeoffs and interactions between interventions in WASH, which can cause unintended future consequences?

Recommendations

- To sustain access to services, which underscore the need to urgently build a global mechanism for monitoring water safety and pollution prevention.
- Water re-use and water recycling, the collection and treatment of wastewater and solid waste, as well as closing material cycles to maximise their re-use in order to reduce environmental pollution are necessary for a water-secure world.
- WASH services have to be seen in the "bigger" water picture.
- Political leaders, the public and private sector, investors and commerce should give priority to WASH. The evidence is there and compelling that sustainable WASH services have a great return on the socio-economic well-being of humans.

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Session 2: Integrated water resources management for the 21st century

Context/Setting the scene

The session on IWRM provided an overview of scientific and technical approaches and of the status and trends affecting water resources from the local to the global level. Current drivers of change will continue to push water demand, with major increases in water consumption expected until 2050.

There is political momentum as leaders from government, business and other key actors have placed water high on the development agenda. While there is an emerging shared vision on what is necessary to achieve, there is still a diversity of perspectives related to policies and actions.
"Water Security" is gaining more political traction, and is increasingly linked with "security dimensions" such as energy and food security as well as domestic political security.

Consensus/main message

The scientific community needs to provide more integrated analysis to better serve water policy development and management. A dedicated Sustainable Development Goal on water resources management must be politically attractive and encompass and address aspects related both to quality/quantity as well as to efficiency.
Political will must be coupled with firm investments, where the benefits of taking action are made clear also in economic terms.

Challenges

- Current drivers of change will continue to push water demand. The rise of the new middle class represents a development that benefits billions of people, but also increases water insecurity.
- Degrading water quality from water pollution derived from agriculture, industries and municipal areas to salinity challenges in coastal areas due to sea-level rise and/or over extraction of groundwater resources is increasingly a challenge and therefore, a range of economic and legal instruments to address these issues need to be considered.

- Water management tends to be based on a reactive rather than proactive mentality. This has consequences that may be irreversible.
- Management responses are inclined to provide immediate and tangible human benefits, but may be counterproductive in terms of sustainability. Concrete and strong return on long-term investments in watershed protection, flood risk management, health and related issues must be communicated.

Recommendations

- Uncertainties associated with demographic changes, land use changes, economic development, climate change and other environmental changes should not prevent action, as science will not be able to provide all answers with certainty. Decision-makers must build adaptive capacity and resilience as a response.
- Increase in storage capacity (reservoirs) is essential in many regions of the world. Water infrastructure must include sustainability perspectives (capacity and training, economic, environmental and social sustainability).
- Water diplomacy can serve as a tool to build trust and harness opportunities for shared benefits (upstream-downstream). "People-centered" management approaches need to be complemented with more technical elements.
- Groundwater management must improve. Policies and management strategies should consider the role of groundwater for water and food security.
- Sustainable information and monitoring systems are essential and need to be seen in light of deteriorating meteorological and hydrological monitoring systems.
- Rapid urban development requires major water resources investments, including the development and refurbishment of water infrastructure combined with an increasing public awareness on water saving, water pricing and active measures to prevent water leakages.
- Reconciling competing uses of water, energy and food as well as focusing on benefits from regional and national water management cooperation is key.
- The Global Framework for Climate Services will provide better services related to water resources management.
- Disaster Risk Reduction strategies should be integrated aspects of water resources management.

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Session 3: Good water governance

Context/Setting the scene

Good water governance is necessary to achieve sustainable development, as water is key to the economy, society and environment. At the global level, science-based justification for common goals and policies to guide all countries to achieve sustainable development is needed. At the transboundary level, it is vital to ensure that transboundary agreements and organizations are effective and focus on optimal and equitable sharing as well as management of the ecosystem services that water provides. At the national level, integrated water resource management is key although there may need to be prioritization of specific issues based on the contextual setting.

Consensus/main message

It is vital that there will be a dedicated SDG on water. A dedicated SDG should focus on:

- Integrating the water and sanitation goals within the context of an integrated water management approach, taking into account the nexus of water, energy and food
- Reducing water waste/leakages in infrastructure;
- The role of different actors in implementing the SDGs;
- Appropriate forms of water and sanitation services – e.g. in situ sanitation services or alternatives to piped water in remote areas;
- Affordable innovative technologies to make access to water and sanitation viable;
- The need to have indicators on capacity building and research and training for implementing these goals in developing and developed countries, knowledge networks and water leadership; and
- The need for global solidarity in the water sector.

Challenges

- While transboundary issues have been on the agenda for a very long time, countries are increasingly worried about prioritizing this as a global issue and that has led to its untimely disappearance in the Rio+20 Conference.

- Some are worried about the security implications of the water issues while others call for globalizing transboundary issues as a way to acquire global consistence.
- A warning was issued about not mainstreaming water in other sectors as this often implies a poor emphasis on water and no budget line.

Recommendations

- It is imperative that all countries ratify the 1997 UN Watercourses Convention and the 1992 UNECE Water Convention.
- A water and sanitation SDG should focus on water quality as well and the social return on investment in water.
- Climate change impacts society mainly via water, which needs to be incorporated into water policies.
- At the urban level, a focus on urban integrated water resource management is one way to try and take all relevant water-related issues into account.
- At the professional level, it is necessary to promote personal integrity through a code of conduct, informed and broad engagement, better engagement of women and the promotion of communities of practice.
- The rural level often does not get enough attention, but greater investment in the rural area may reduce the demographic shift from rural to urban.
- Furthermore, agricultural and energy policies also need to be linked with water policy, because of their impact due to their high water requirements.

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Session 4: Green Economy for blue water

Context/Setting the scene

Three national experiences were presented at the session: (1) one by Tajikistan on the need to transition to a green economy in Central Asia, focusing on agriculture, the Aral Sea and the potential of the hydropower sector; (2) one by Sweden focusing on national efforts to mainstream green economy concepts in their policymaking and decision-making processes, and the positive results from the restoration of the Baltic Sea; and (3) one by India, focusing on a differentiated approach for green economy between developed and developing countries.

OECD made a case to reform the water sector using green growth policies and tools, as well as assessing and managing risks.

Consensus/main message

There must be a dedicated SDG on water that must take into account nature, as it is part of the solution to sustainable development.

There was consensus that water was at the heart of green growth. Without water there could be no green growth, especially considering energy provisions, efficient use of natural resources and inclusive and equitable solutions. Business as usual is no longer acceptable; the new approach should be business as needed as well as doing more with less.

Systemic thinking was emphasized. Good water governance and participatory, transparent decision-making was highlighted as the basis of an inclusive green economy. It was stressed that society is part of the solution to improve water management.

Recommendations

- Solutions to water management require both soft and hard infrastructure. Examples were given where natural infrastructure solutions were less costly and more efficient than built infrastructure; and where many years later built

infrastructure was reversed to give way to natural infrastructure.

- There is need to value ecosystems and ecosystem services in order to inform decision-makers of the value of water. These values should be included in national accounting so as to go beyond GDP when estimating a country's wealth.
- Work under The Economics of Ecosystems and Biodiversity (TEEB) is an option, which has provided an overview of how to value nature, both in monetary and non-monetary terms, and that it is time to implement the existing valuation methodologies.
- Dialogue on water management by different stakeholders is recommended. More could be done to involve the private sector.
- Hungary should consider taking forward the idea to organize an intergovernmental meeting on water in order to address global water issues, building on the outcomes of the World Water Forums and this Water Summit.
- There is a need to respect the rights of nature while enjoying the high rate of return on investment in nature.

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Session 5: Investment in and financing to address the global water and sanitation crisis and related SDG

Context/Setting the scene

There is need for investment in water worldwide. Estimates indicate that global water investment needs are in the trillions of USD over the next several decades. At the same time we know that USD$15 billion per year are lost in non-revenue water from leaking pipes, for instance.

Given that when discussing financial issues, most of the focus tends to be on acquiring additional investments, an appropriate question to pose is: "How much can we get for the money already available"?

Consensus/main message

One of the main elements to solve water problems worldwide is to change the behaviour of people. Part of this is to transform the rhetoric to focus on water as a part of the solution instead of part of the problem.

In many cases, consumers are prepared to pay for improved services. The return on improved services often outweighs the costs without them.

Challenges

- In Africa, in order to provide safe drinking water to the 40 percent of the population still lacking access, investments would need to be raised from USD$7.6 billion/year to USD$14 billion annually. Seventy-five percent of the countries in Asia are under water stress and USD$59 billion is needed annually in water supply investments.
- Financing in the water sector is complex. There are very long time frames (70-100 years) and large upfront investments beyond what the private sector is accustomed to.
- A main issue when attracting private capital is how to build bankable projects.

Recommendations

- Water users need to be differentiated. While for people it should be a human right, but this is not the case for other users such as agriculture and industry.
- There is need for strong governments in order to create conducive environment for the private sector. Countries with stronger institutional frameworks mobilize more public funding than to those with weaker governance structures.
- The private sector makes most of its decisions based on the expected return of investments. There has to be a right balance for subsidies and proper incentives (such as frameworks, regulations and tariffs).
- Civil society organizations offer examples for solutions and by learning from successes, as well as failures, there is a huge potential for scaling up.
- As the Millennium Development Goals are mainly built on public funding, a more holistic approach is needed when formulating the Sustainable Development Goals by also including the private sector.
- A reversed incentive structure is needed where results are measured rather than input and resources used.
- A combination of incentives and disincentives is needed to attract private funding, as well an appropriate pricing policy.
- Private sector investors should calculate not only the financial rate of return on investments, but also the social rate of return.

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High Level Panel: Water-Energy-Food Nexus

Context/Setting the scene

Global scenarios and outlooks clearly signal increasing demands for food and energy, which will result in higher demands on water. Demographic growth, urbanization and changing consumption patterns are the main drivers behind these challenging developments. Climate change impacts are aggravating the situation in many parts of the world.

The underlying question is how a nexus approach could help solve growing problems associated with increasing resource scarcity, degradation and climate change. Panel members provided insights and drew conclusions from their respective region or sector on how a nexus approach could help solve these problems.

Regional examples included:

- The key role of (currently heavily subsidized) energy for changing towards more sustainable practices in agriculture and water sectors (Gulf countries)
- Energy pricing instead of subsidizing heavily leads to energy and water efficiency (India)
- Combining energy and water to sustain food production (the "lifeblood of the state" of Nebraska)
- Micro- and macro-transformations in food production and energy supply to alleviate poverty together with mega-projects and foreign direct investment (Nicaragua)

Consensus/main message

There is a clear need for new approaches to address the interconnections between the three resources: water, energy and land. Ensuring water, energy and food security while safeguarding ecosystems cannot be reached with a business-as-usual approach, due to the scarcity of resources.

Challenges

Scarcities in water, energy and food will likely result in substantial risks for economic and social development as well as the environment. This requires consistently

integrating the interaction and interdependencies among these areas in developing policies and strategies and decision-making at all levels, including private sector and consumers.

There are different views on the potential integration of the nexus approach into the post-2015 agenda:

- Keep issues of access ("security") separate from resources, their availability, and management.
- Develop specific sectoral goals such as a water goal that are easy to communicate, whereas the nexus should be taken into account as far as possible in implementing the goals.
- Focus could be on consumption and production patterns as a cross-cutting goal including water, energy and food and appropriate financing.

Recommendations

- A new way of thinking, a new mindset is called for. Water, energy and food systems should be planned in an integrated way: legal frameworks, institutional arrangements, support instruments and subsidies need to be closely scrutinised worldwide. Inter alia, resource pricing and improved allocation of funds among sectors are central for any nexus approach.
- "The ability to connect" – across scientific disciplines, economic sectors and levels of political decision-making is key. There is a need for targeted analysis of trade-offs and synergies to make them transparent for decision-makers and stakeholders.
- Science and multidisciplinary research need to help better understand how water, energy, food and climate impact each other. Evolving scientific knowledge must inform decision-makers in an interactive process of adaptive management.
- Investing in education and individual, as well as institutional, capacity building is key for enabling people and institutions to connect across sectors and disciplines.
- Awareness-raising of the general public as well as transparency was also seen as essential for moving towards more integrated management and governance.

Science Forum

Context/Setting the scene

Water is much more than just drinking water and sanitation: a broader approach is recommended. An innovative, integrative framework is needed which covers many issues from floods and droughts to transboundary water management, as well as various nexus elements.

It must be reinforced how important a science-based approach is to the universal and holistic freshwater agenda of all our societies and the planet.

Consensus/main message

Considering the instrumental role of water in our past and anticipated future development, current trends and the need for a new policy approach, the development of a dedicated, SMART(ER), comprehensive Water SDG is strongly recommended. This would bring coherence and greatly reinforce the current "fuzzy" global water governance framework.

Challenges

- Monitoring progress in integrated water resources management (IWRM) is difficult to measure and monitoring is expensive. Science is needed for developing effective indicators to monitor the achievement of targets. The setting of concrete, time-bound targets may not be compatible with achieving long-term sustainability. This apparent contradiction must be resolved.
- The probability of extreme events has been changing over the past several decades and appropriate design methods are needed for future development.

Recommendations

- Bring water quality, pollution prevention and monitoring higher on the water agenda. Globally, water quality deterioration and ecosystem decline continues at an alarming rate and the water community should pay urgent attention to this.
- Science should be allowed to develop freely from political pressures and provide independent and reliable knowledge. At the same time, science and policymaking

should interface and provide mutual input on each other such that knowledge transfer becomes faster than today and the gap between science and policy closes. Actions should involve creating better methods of integrating technical, political and social sectors, as well as the proper guidance of social sciences in practice. Education as well as enhancement of universal appreciation of water should also be more emphasized more.

- Communicating in simple language and using effective tools is critical to making the link between science and policy in all water-related issues. This is equally important for better public awareness in this context. It will lead to a shared understanding of IWRM and success in implementing solutions. This will be most acute in urban areas since the majority of population growth takes place there.
- IWRM can enhance a society's level of resilience to change through either proactive or reactive responses. Non-climate stressors are central to the assessment to improve IWRM and their impact can often overwhelm the impact of climate stressors. Groundwater, including conjunctive use of ground and surface water, is an important aspect of IWRM.
- Rapid societal transformation requires more coherent, flexible, adaptive and transparent governance and structures since global governance in sectors such as environment, energy and food present a host of similar mechanisms with a dense yet incoherent set of rules and processes.
- More efforts are needed on the core of green economy: to internalize the indirect costs and benefits due to ecosystem services to various sectors and socioeconomic activities. Good water sector solutions are critical in keeping ecosystems healthy and restoring them if they have been deteriorated. Analogue benefits are due to well performing water services to economic and social functions within a society.

BWS 2013

Civil Society Forum

Context/setting the scene

The Forum emphasized that the availability of water is a tipping factor for ecosystem health, human dignity and peace; therefore water deserves an ambitious, dedicated Sustainable Development Goal, and should be taken into account, where appropriate, when establishing targets related to health, food and energy.

Consensus/Main message

Expected results from an SDG on water are:

- Access to water and sanitation based on a human-rights and gender-sensitive approaches;
- Sustainable, catchment-based, participatory management of all freshwater resource systems, including at national and transboundary levels;
- Protection of human health and the environment from pollutants; efficient water use and re-use with waste turned into resources in both urban and rural settings; and
- Social resilience through soft, innovative and resilient water infrastructure and appropriate social programmes.

Recommendations

- Universal and sustainable access to safe water and sanitation: Universal access to water supply and sanitation requires commitments, leadership, a proper legal framework and capacity building. The SDGs should address all issues pertaining to access to water and sanitation. Special consideration on WASH policies should be given to indigenous people and focus on rural and slum areas, as well as schools and educational institutions.
- Integrating water resource management: Water resources need to be managed in an integrated way where dialogue and cooperation is key. The establishment of appropriate basin organizations between riparian countries should be considered where transboundary rivers and aquifers are concerned. A precautionary approach is needed. Sustainable management and utilization of precipitation as a water resource should be included in national development plans.

- Good and efficient water governance: Powerful institutions and public authorities with reinforced capacity are needed to provide good water resources management to attain change in behavior and attitudes. Transparent, participatory decision-making processes and responsible, accountable stakeholder participation must go hand in hand. Measuring and sharing data and information is necessary for monitoring purposes and providing universal access to water information systems. New institutions i.e., for monitoring, could play a key role in promoting progress. Water governance processes should be inclusiveness with a specific focus on women Training and capacity-building is of special urgency and the use of media could be a tool to further these aims.
- Green economies: There is a need for appropriate technologies and the dissemination of sanitation and water treatment-related technologies. Commitments for centralised and decentralised management systems should be strengthened. Accurate accounting is needed to measure the impact of resource extraction to protect water resources, especially groundwater. Green labelling and water footprint indicators should be introduced to promote water stewardship.
- Funding mechanism: The ultimate financial obligations and responsibilities to provide for adequate water and sanitation lie at the national level. Clean drinking water should be fair and affordable, so water pricing and water-related tax rates should be elaborated with this in mind. A diverse range of financing modalities, accounting methods and investments in the water sector are needed. Support is needed for data-collection systems to achieve results-based monitoring and assessment of investment needs.

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Business Leaders Forum

Context/Setting the scene/Challenges

The increasing and competing demands for water use—for example, from agriculture, households, energy generation and industrial use, as well as from the ecosystems that provide direct value to societies—create new risks to businesses, governments, communities and the environment. These risks are broad ranging, from conflicts, natural disaster and food security to financial, reputational, regulatory and operational. All stakeholders need to shift gears to address these challenges.

Consensus/main message

Businesses support the development of SMART Water goals.

Recommendations

Governments must show strong leadership in overcoming silos, ensure adequate funding, predictability and accountability towards political commitments, strengthen institutions, act as impartial regulators and set incentives to ensure cost-effective solutions and good water management.

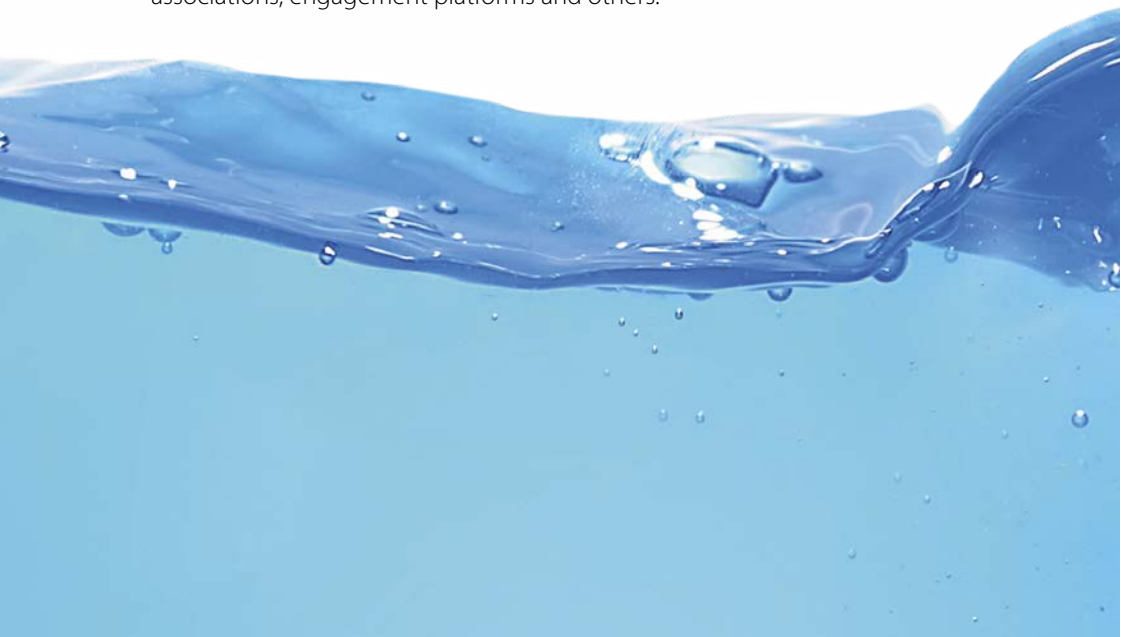
Businesses must drive sustainable solutions at scale while linking development goals to core business interests, identifying and managing their impact and collaborating with governments and civil society.

This can translate into immediate business actions, in particular in the following areas:

- Increase water use efficiency, especially in water stressed areas, across key points of the agricultural value chain, higher blue water productivity rather than tapping into new sources will be key in the coming decades. A more productive irrigated agriculture will 'free' water for other uses.
- Eliminate direct untreated industrial wastewater discharge across direct operations and strongly reduce it across supply chains. Environmental conditions arising from inadequate or non-existing wastewater management pose significant risks to human health, well-being and economic activity. The damage done to ecosystems

and biodiversity is dire. Treating used water before it is discharged can prevent this damage as well as providing water that is usable for other purposes.

- Increase the provision of equitable and sustainable access to safe water, sanitation and hygiene (WASH) through cross-sectoral business action. Many businesses have operations, employees, contractors and customers in countries lacking access to safe WASH. Economic, social and environmental impacts can cause illness or fatalities, impair productivity, and restrict markets for some products and services. The business cost arising from preventable water-related diseases alone can be material.
- Increase business participation in reducing shared water risks. Sound water management allows companies to identify and manage water-related business risks and help communities and governments advance good water governance, sustainable water balance, good water quality and the protection of ecosystems, reducing overall shared risks.
- Increase sustainability and improve transparency of infrastructure investments by implementing cost efficiency calculations, and option analyses, indicating full life cycle cost (investment, operation, maintenance and partial replacement.
- All these business actions must be implemented in partnerships with all relevant watershed stakeholders including governments, communities, local business associations, engagement platforms and others.



BWS 2013

Youth Forum

Context/Setting the scene

The participants appealed to the international community to complete the Millennium Development Goals (MDGs) and adopt equally ambitious Sustainable Development Goals (SDGs) for a world in which every person's water and sanitation needs are met and ecosystem sustainability, cross-sectoral cooperation and effective institutionalism are fulfilled.

Consensus/main message

The participants expressed their engagement and commitment to making a dedicated water goal a success so everyone can reap the benefits of this in the future, especially vulnerable groups. To contribute to the realisation of the targets set for an SDG water goal (and beyond), building capacity among young people is important. Cooperation across borders, data sharing, interdisciplinary cooperation, capacity development, increased attention for vulnerable groups and youth and participatory processes are needed as foundation for successful SDGs.

The Youth Forum recognises that the "W" in WASH captures broader water issues beyond sanitation and health and links to other SDG targets like food, energy, education and poverty reduction. As water is connected to so many aspects of our lives, economies and societies, a water SDG goal should be connected to all other relevant SDG's.

Challenges (based on statements from the Youth Forum)

"In 2025, we want to shower, drink and pee in dignity in less than 15 minutes, wherever we are. And we hope you will be able to do this too."

"In 2025, people can swim in every river, as the water will be clean and accessible. People can enjoy the biodiversity and various functions of water everywhere."

"In 2025, children grow up healthy without the threat of waterborne diseases. People across the globe have a deep understanding and respect for global resources and the challenges at hand such as climate change."

"In 2025, young people should not have to spend the majority of their careers figuring out how the problems they face came into existence and how to address them."

"In 2025, waste is reused for environmental and economic benefits. Taboos about sanitation are broken; it is easier to discuss for instance issues concerning menstruation and toilets."

Recommendations

- Partnerships between young people and experienced professionals are needed to strengthen not only youth, but the whole water sector to face current and future challenges. Young people should be accepted as strong stakeholders in every part of the sector, from science to green economy, and they should have the possibility to learn and share thoughts with professionals. It is recommended to install permanent youth representation groups in decision-making processes such as in local water committees and river basin committees as this involvement can increase data sharing, new input and capacity development.
- Governments, civilians, businesses, water users, knowledge institutes and directly affected stakeholders in the water sector should work jointly together to reach current and future agreed-upon goals. The various actors should focus on action, implementation and building on existing experiences, while communicating across borders and recognising that they can strengthen each other to reach the goals.
- Governments play a strong role as well: we recommend that an intergovernmental process is established to monitor and regulate the implementation of progress on water-related SDGs. Young people have been helping their governments in this process by critically assessing what they do and by holding them accountable for their tasks.
- It is strongly recommended to strengthen cooperation and accept the principles of fair and equitable use and no harm in the transboundary context. Youth continues to bridge gaps and facilitate the cooperation needed for Integrated Water Resources Management (IWRM).

Young people can shake the world if given the space. Now, and in 2025. Give the future a chance.

Philanthropy Roundtable

Context/Setting the scene

For a truly holistic and effective integrated management of water it is key to understand the whole water cycle and its relationships with other natural and human processes. Water is an integral part of the natural environment that is under threat from multiple sources.

Some decades ago philanthropic organizations engaged in projects with expected outcomes and even out of context external solutions. Today, increasingly, these organizations are driven based on the needs of the people they wish to serve, the needs these people themselves describe and the solutions are from true understanding of the problems, supported by catalytic functions of their organizations.

Consensus/main message

Philanthropy is not about charity, but about empowering global citizenship.

A particular role of philanthropic organizations is to bring together different stakeholders, facilitate dialogue and encourage innovative solutions that address multiple issues and multiple beneficiaries.

The roles of individuals, whether they are a financing sources, a champion of a cause or a leader of a solution, are key for philanthropic organizations.

Sustainability of the interventions requires collaboration between donors and those in need, but also that recipient organizations include their own capacities and resources for a better buy-in.

Philanthropy does not equal non-profit. Different models exist. Philanthropic organizations need to be brave, explore and not be afraid to try different approaches. Failure is inevitable, but it is a collective learning process.

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Challenges

Philanthropic organizations need more information to assess their successes and failures. This requires useful data and consistent monitoring. The challenge is how to convert data into useful information to guide future action. Communication means, including the television and social media are to be utilized further.

Donors and recipients need to be connected better. This also requires useful information and effective communication – telling stories; using films and visuals.

Recommendations

- For better effectiveness, philanthropic organizations increasingly need to take calculated risks, go beyond their comfort zones, and innovate. Working in partnerships adaptively is key and monitoring progress and revising the course of action based on documented results is a means to achieve this. One should build on the experience of existing public, private and non-governmental cooperation.
- People have different paces in moving towards solutions, which organizations should respect.
- The particular focus on women and youth needs to be underscored.
- Philanthropic organizations, as they break out of their silos, are particularly well-suited to engage different communities and stakeholders, to address issues at various levels – from global to local, to be more daring in finding innovative solutions than their public counterparts, to create new spaces for dialogue and consequently for new ideas, visions and ultimately better solutions.
- The issues may be complex, but solutions need to be simple and robust for replication, so as to result in transformative change.

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