

## **The Global Public Policy Network on Water Management: Obstacles, Constraints and Next Steps: A synthesis report of stakeholder input to the GPPN on the key challenges for the water and sanitation agenda.**

**The Global Public Policy Network on Water Management**<sup>1</sup> was established by Stockholm International Water Institute (SIWI) and Stakeholder Forum for a Sustainable Future at the World Water Week in 2006. It was conceived in consultation with a wide range of international water management stakeholders to enable a successful review of water management at the 16<sup>th</sup> session of the Commission on Sustainable Development, in May 2008.

At CSD-16, the water management commitments outlined in the CSD-13 decision will be reviewed. The review will take place on 12th-13<sup>th</sup> May (the first two days of the second week). The GPPN aims to enhance the review process by providing a space ahead of CSD-16 where all water management stakeholders – including governments, civil society and international agencies – can provide their inputs and exchange knowledge on how far CSD-13 commitments on water management have been met. As a parallel process the GPPN is also seeking inputs from stakeholders on water management as a cross-cutting issue in relation to Agriculture and Africa – two of the thematic issues under discussion at CSD-16 to which water management is most relevant.

Whilst governments are already reporting on water management commitments to the CSD secretariat, the GPPN is open to all stakeholders and provides room for discussion, exchange and interaction ahead of CSD-16. Such wide stakeholder input has so far been lacking from the CSD process. Additionally, the GPPN will have a longer-term perspective, co-ordinating a process of continuous stakeholder feedback that will not only provide input to the CSD but also, for example, to the ECOSOC Annual Ministerial Review on sustainable development and in July 2008. Thus, it is envisaged that GPPN will evolve into a strategic stakeholder reporting mechanism where CSD16 represents the first step.

The GPPN has compiled its findings from stakeholders into the synthesis document below, outlining *Obstacles and Constraints* to meeting international commitments on water and sanitation, and suggesting *Next Steps for the CSD* – these findings relate primarily to the water management review, and papers on water and sanitation as a cross-cutting issue to Africa and Agriculture have been drafted separately. The enclosed paper is not Stakeholder Forum's or SIWIs position but rather reflects a collection of the views submitted.

The GPPN will use stakeholder inputs to the water management review in the following ways:

- Produce a preliminary synthesis report of stakeholder inputs, outlining key areas of consensus, to be made available to all stakeholders ahead of the CSD-16 (below)

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<sup>1</sup> Water Management in this context refers to the five themes covered by the CSD-13 decision: Access to basic water services; Integrated water resources management (IWRM); Access to basic sanitation; Sanitation and hygiene education; Wastewater collection, treatment and reuse

- Use the findings as the basis to enable governments to prepare for the review
- Facilitate a series of side events at CSD-16 with stakeholders that reflect the findings from the GPPN and inform the water review.
- Use GPPN findings to contribute to the ECOSOC Annual Ministerial Review on MDG-7 in July 2008.
- Use the GPPN findings to contribute to the MDG+8 Heads of State meeting in September 2008
- Input GPPN findings into the CSD 2009 policy discussions on Agriculture and Africa
- Utilise the GPPN for preparations for the MDG+10 review in 2010

## **Process**

The inputs from water and sanitation stakeholders have been synthesised below, following the format provided by the guidelines sent out by the GPPN Secretariat. The GPPN has called for water and sanitation stakeholders to provide inputs on:

- i. Progress towards CSD-13 commitments, including examples of best practice and lessons learnt.
- ii. Obstacles and constraints in implementation.
- iii. Recommendations or 'next steps' for the CSD
- iv. Emerging issues not covered by CSD-13 Decision

The guidelines have directed stakeholders to particular aspects of the CSD-13 decision, focussing on the means of implementation, including:

- Governance and Capacity Building
  - Monitoring
  - Technology Transfer
  - Education, Training, Information and Knowledge
  - Research
- Stakeholder and Major Groups Engagement
  - Stakeholder Engagement
  - Indigenous Knowledge
  - Gender
- Finance
  - Development assistance

- Commercial Incentives
- Cost-recovery and Subsidies

The GPPN has received inputs from the following stakeholders:

#### **Women**

- Gender and Water Alliance

#### **Business and Industry**

- World Business Council for Sustainable Development
- Aquafed
- Coca Cola, Hellenic

#### **Workers and Trade Unions**

- UNISON/PSI

#### **NGOs**

- Freshwater Action Network (FAN)
- Instituto Ipanema (Brazil)
- Water Research and Planning Organisation (Bangladesh)
- WWF
- SWITCH (Sustainable Water Management Improves Tomorrow's Cities' Health)
- Water and Sanitation for the Urban Poor (WSUP)
- Tearfund
- WaterAid
- Freshwater Action Network (FAN)
- Stockholm International Water Institute
- Centre for Rural Studies and Development (CRSD) – FAN South Asia
- NGO Forum for Drinking Water Supply and Sanitation – FAN South Asia
- CONIWAS – African Civil Society Network on Water and Sanitation (ANEW)
- Mexican Institute of Water Technology (IMTA) – FAN- Mexico
- Centre for Rural Studies and Development (CRSD) – FAN South Asia

- NGO Forum for Drinking Water Supply and Sanitation – FAN South Asia
- CONIWAS – African Civil Society Network on Water and Sanitation (ANEW)
- Mexican Institute of Water Technology (IMTA) – FAN- Mexico

### **Scientific and Technological Communities**

- International Council for Science | CSU, Global Water System Project
- Centro de Estudios Ambientales, CEDEA (Argentina)

### **Farmers**

- International Federation for Agricultural Producers (IFAP)

Although, seen from a global perspective, this only represents a fraction of the stakeholders involved with global water issues, it is felt that it is a representative mix and thus can provide an important input to the CSD process. In the first round of consultations, the focus has been on non-governmental stakeholders as there are already specific processes in place to gather inputs from governments. However, it is the intention of the GPPN to share its findings with governments, and invite inputs from governmental stakeholders in response to the findings.

## GPPN Findings

<b>CSD Water and Sanitation Commitment</b>	<b>Governance and Capacity Building: Strengthening Monitoring, Reporting and Evaluation</b>
<b>Obstacles and Constraints</b>	<p><b><u>Inadequate data</u></b></p> <p>Stakeholders stress the inadequacy of data in the following areas:</p> <ol style="list-style-type: none"><li>i. Hydrological data is insufficient – technology is often lacking to effectively assess the availability and sustainability of water resources. This is becoming an increasing problem with climate change increasing the number of water stressed areas.</li><li>ii. Data is lacking on the amount of embedded water in products, services and industries in a country in relation to the total amount available i.e. the water footprint. Industrial agriculture most often uses a majority of water resources available, yet inadequate data on its water footprint can lead to water-stressed areas farming inefficiently and unsustainably,</li><li>iii. Capacity is lacking to map out water and sanitation coverage rates, so it is difficult to identify areas of greatest need.</li><li>iv. Local, city and municipal data is lacking, so variability in access is not always identified. This is in part due to both low human and technological resources, as well as a lack of involvement of local government and community allies</li><li>v. Lack of universal standards for verifying data provided by countries</li><li>vi. Transparency deficit in collection and use of data</li></ol> <p>The inadequacy of data is compounded by a tendency by governments to extrapolate statistics to imply wider coverage than actually exists. At present there is no mechanism for verifying data provided by governments to the Joint Monitoring Programme – the absence of universal statistical standards means that figures are often unreliable.</p> <p><b><u>Inadequate indicators</u></b></p> <p>Universal indicators on standards for water and sanitation are lacking, thus making the practical situation difficult to monitor. Assessment of the effectiveness of water and sanitation provision often fails to take into account the following:</p>

	<ul style="list-style-type: none"> <li>i. Measurable improvements in health</li> <li>ii. Actual utilization of facilities by communities</li> <li>iii. The quality of water being delivered</li> <li>iv. Whether the outputs that add up to the MDG and other water and sanitation targets are equitably distributed geographically across all administrative regions and ecological zones of the country</li> <li>v. Which segments of society are benefiting equitably from the investments</li> <li>vi. How the achievement of specific water and sanitation targets translate into poverty reduction</li> <li>vii. Whether achievement of water and sanitation targets are sustainable over time</li> <li>viii. Environmental impact of water and sanitation provision</li> <li>ix. Sustainability of supply - how much water is being used for other products, services and industries as a percentage of the total amount of water available</li> <li>x. Involvement of stakeholders and in particular Community Based Organisations in the achievement of targets</li> <li>xi. Dispersal of toilets on a local, sub regional as well as national level – simply counting the number of toilets on a national level does not give an accurate picture of equitable coverage</li> <li>xii. Gender-suitability of water and sanitation provision.</li> </ul> <p><b><u>Finance and Funding</u></b></p> <p>Underpinning the shortfalls in monitoring and evaluation is a lack of funding to create robust and sustainable systems. A number of problems were identified by stakeholders, including:</p> <ul style="list-style-type: none"> <li>i. Low prioritisation of spending on monitoring and evaluation by national and local governments.</li> <li>ii. Low, unpredictable and unstable budget allocation and disbursement systems</li> <li>iii. Low human resources for data collection</li> <li>iv. Monitoring is not a funding priority and projects with more immediate benefits and short-term outcomes are favoured.</li> </ul>
<p><b><i>Next Steps for the CSD</i></b></p>	<p><b><u>Data</u></b></p> <p>The collection of data could be improved in the following ways:</p> <ul style="list-style-type: none"> <li>i. The UN Water Global Annual Assessment on Sanitation and Drinking Water (GLAAS) should serve as a model for other regional monitoring actors (e.g. OECD, EUWI) who should work with UN Water to develop a common template for collecting annual data. Long-term financial support for the production of the GLAAS report should be secured.</li> <li>ii. Governments should build capacity within government departments to collect, disseminate and use data – UN Water should be supported to aid this process through the development of a capacity building network among government focal points to ensure knowledge exchange and management</li> </ul>

- iii. Bi-lateral donors and IFIs should supporting the building of local decentralised (though integrated) capacity for information, monitoring and communication systems.
- iv. The International Council for Local Environmental Initiatives (ICLEI) and the Network for Regional Government for Sustainable Development could be asked to work with UN-Water to pilot reporting at the city, municipal and sub national level. Where a National Water Plan exists this should be done under the framework of such a plan.
- v. WBCSD should be asked to report in 2012 on the use of the Global Water Tool and how it has changed private sector approaches to water use and water management.
- vi. Tools for measuring the water footprints of goods, products and services within a country should be developed so that their long-term sustainability or potential threat to the delivery of water for domestic use can be assessed. This is especially important for assessing the impact of
- vii. UN DSD could facilitate a workshop to bring together for 2012 the other processes focusing on private sector linkages to water such as UNEP Finance Initiative, World Economic Forum Water Initiative, and the Global Compact CEO Water Mandate initiative in order to demonstrate how more detailed and effective monitoring has an impact on practice.

#### **Indicators**

A number of initiatives should be encouraged to push forward the development of indicators, including:

- i. Governments should support a process under UN Water to establish a set of key indicators for water and sanitation provision, supported by an appropriate monitoring framework and taking into account social, health, gender, environment and sustainability impacts
- ii. UN-Water could organise workshops with stakeholders and government experts at all levels to suggest to the 2012 CSD review a set of indicators on water services and management which could be mainstreamed post 2015. This could include developing a Gender Equity Gauge
- iii. Governments should ensure that monitoring of water and sanitation provision also includes an indicator relating to the pollution of water sources, so that piped water is not by default considered safe water.

#### **Finance and Funding**

To increase the finance and funding available for water and sanitation, the following initiatives could be undertaken:

- i. The Secretary General could through the Chief Executive Board discuss how to increase resource allocation to the Joint Monitoring Programme (JMP) of WHO-UNICEF and other monitoring and reporting mechanisms through UN-Water such as the World Water Development Report and the newly initiated Global Annual Assessment on Sanitation and Drinking Water

	<p>(GLAAS).</p> <ul style="list-style-type: none"> <li>ii. UN-Water with the World Bank could be asked to coordinate financial institutions to develop better understanding of all water expenditures and make recommendations to CSD in 2012 on how to increase overall spending and maximise the benefits of these expenditures.</li> <li>iii. Government should commit themselves to develop concrete, monitorable targets that can be evaluated for water supply and sanitation in financial plans and poverty reduction strategies.</li> </ul>
<p><b><i>CSD Water and Sanitation Commitment</i></b></p>	<p><b>Governance and Capacity Building: Technology Development</b></p>
<p><b><i>Obstacles and Constraints</i></b></p>	<p><b><u>Processes for Planning, Governance and Implementation</u></b></p> <p>Effective development of new and often low-cost technologies is hindered by:</p> <ul style="list-style-type: none"> <li>i. Lack of regulatory and management systems to support new technologies for water efficiency</li> <li>ii. Unwillingness to adopt non-traditional approaches to water and sanitation</li> <li>iii. Lack of demonstrations of new technologies</li> </ul> <p><b><u>Low-income urban areas</u></b></p> <p>Technology often fails to meet the areas where the need is greatest. This is partly due to problems of land tenure as no investments will be done as long as the legal rights of those living in a settlement are not recognized.</p> <p><b><u>South-South Co-operation</u></b></p>

	South-South and regional co-operation on technology development is often lacking
<p><b>Next Steps for CSD</b></p>	<p><b><u>Processes for Planning, Governance and Implementation</u></b></p> <p>A better enabling framework for effective technology development for water management could be established through the following initiatives:</p> <ul style="list-style-type: none"> <li>i. Increased demonstrations - CSD could request the Division for Sustainable Development (DSD) to set up a multi-stakeholder advisory board to establish a database of efficient water and sanitation technologies. This would acknowledge the range of new technologies that can meet the requirements of different places and circumstances.</li> <li>ii. Governments in water stressed areas should be encouraged to change their building regulations to ensure that no new-builds are authorised without integrating water efficiency technology such rainwater harvesting.</li> <li>iii. Governments in water stressed areas should do ecosystem services assessments of any new developments that require a water and sanitation supply to identify the most appropriate water efficiency</li> </ul> <p><b><u>Low Income urban areas</u></b></p> <p>More emphasis should be given to low income urban areas in the international water and sanitation agenda through the following initiatives:</p> <ul style="list-style-type: none"> <li>i. UN Habitat could be asked to develop with ICLEI, NRG4SD and other relevant stakeholders a database of appropriate water and sanitation technologies for rapidly urbanizing low-income areas</li> <li>ii. Governments should commit further funding for the development and use of new technologies in these areas.</li> <li>iii. Land tenure issues in low income urban areas and slums should be addressed by governments so that the fundamentals for development are guaranteed.</li> <li>iv. Focus on participatory processes and education</li> </ul> <p><b><u>South-South Co-operation:</u></b></p> <p>UN-Water could work with Regional Commissions and the UN resident representatives to stimulate further focus on the development of regional knowledge management systems to help facilitate South-South technology and knowledge transfer. A Clearing House of cases of best practice could aid the linking of areas with similar problems.</p>

<p><b><i>CSD Water and Sanitation Commitment</i></b></p>	<p><b>Governance and Capacity Building: Education, Training and Knowledge Transfer</b></p>
<p><b><i>Obstacles and Constraints</i></b></p>	<p><b><u>Dissemination of Information</u></b></p> <p>The effective dissemination of information on water and sanitation provision is hindered by:</p> <ul style="list-style-type: none"> <li>i. Language – the sharing of best practice can be hindered by language and cultural contexts, Training on technical aspects of water and sanitation provision is not always conducted in the local language</li> <li>ii. Online Resources – access to online resources for water and sanitation still remains limited</li> </ul> <p><b><u>Funding for new approaches</u></b></p> <p>There exist new models for water provision especially to urban areas, providing incentives for local service providers. Yet there is reluctance to risk investing in new models that tackle the lack of capacity of local service providers to extend into slums sustainably.</p> <p><b><u>Engagement with private sector</u></b></p> <p>It has been noted by some stakeholders that there is a reluctance to build on the expertise of the private sector. In some areas where public authorities have chosen to partner with the private sector for water delivery, the expansion rate of access to water is even higher than in similar areas where no private expertise has been brought in.</p>
<p><b><i>Next Steps for CSD</i></b></p>	<p><b><u>Dissemination of Information</u></b></p> <p>To improve the effectiveness of information dissemination, governments should:</p> <ul style="list-style-type: none"> <li>i. Provide training material in local languages</li> <li>ii. Earmark funds for online capacity building on water management</li> <li>iii. Integrate education in hygiene and sanitation in primary schools education</li> </ul>

	<p><b><u>Funding for New Approaches</u></b></p> <p>To support innovative approaches to water and sanitation provision that provide incentives to local providers, the following initiatives should be supported:</p> <ol style="list-style-type: none"> <li>i. Bi-lateral donors and IFIs should support the training of small scale providers</li> <li>ii. Donors and governments could with industry associations set up a network for business to be able to share its expertise with local stakeholders</li> <li>iii. The Division for Sustainable Development, in conjunction with relevant stakeholders, could commission research into examples of best practice where business has been involved in water provision, and a report should be submitted or CSD in 2012.</li> </ol>
<p><b><i>CSD Water and Sanitation Commitment</i></b></p>	<p><b>Governance and Capacity Building: Research</b></p>
<p><b><i>Obstacles and Constraints</i></b></p>	<p><b><u>Research into new technologies</u></b></p> <p>A new generation of research is required to meet the mounting water and sanitation challenge. Research is currently lacking in the following areas in relation to water and sanitation provision:</p> <ol style="list-style-type: none"> <li>i. Arsenic contamination in the groundwater, salinity intrusion and degradation of groundwater</li> <li>ii. Local area research in order to apply the IWRM principle in a diversity of watersheds – there currently exists a lack of co-ordinated research into</li> </ol> <p><b><u>Interdisciplinary research</u></b></p> <p>Water management research is compromised through a lack of consideration of other disciplines and areas of study and knowledge, including:</p> <ol style="list-style-type: none"> <li>i. Climate adaptation research and strategy</li> <li>ii. Water and agriculture interlinkages</li> <li>iii. Water and energy interlinkages</li> </ol>

	<ul style="list-style-type: none"> <li>iv. Socio-economic trends</li> <li>v. Traditional and indigenous knowledge</li> <li>vi. WatSan and gender</li> <li>vii. Water and Trade</li> </ul>
<p><b><i>Next steps for CSD</i></b></p>	<p><b><u>Research into New Technologies</u></b></p> <p>A shift away from a traditional approach to water management requires the back-up of robust research. The following steps could be taken to encourage research into new technologies:  The SWITCH research school on Integrated Urban Water Management could serve as a model for other water management research institutions.  The United Nations University in collaboration with UN could administer a fund for water management research and co-ordinate Learning Alliances through which research could be disseminated globally.</p> <p><b><u>Interdisciplinary Research</u></b></p> <p>Bi-lateral donors should give special attention to water management research partnerships that focus on the following:</p> <ul style="list-style-type: none"> <li>i. Climate Change Adaptation, especially in relation to Water Resource Management.</li> <li>ii. The impact of agriculture on water resources and the development of water efficiency technologies to mitigate impact.</li> <li>iii. The impact of energy generation on water usage.</li> <li>iv. Assessing the socio-economic impact of water and sanitation provision</li> <li>v. Implications of social and cultural traditions for water management</li> <li>vi. Documenting traditional and indigenous knowledge in relation to water management</li> <li>vii. Assessing the gender impact of water and sanitation provision</li> <li>viii. Implications of the recognition of access to water for domestic use and sanitation as a human right</li> <li>ix. Virtual water trading and the role of consumers</li> </ul>
<p><b><i>CSD Water and</i></b></p>	<p><b>Stakeholder Engagement</b></p>

<p><b>Sanitation Commitment</b></p>	
<p><b>Obstacles and Constraints</b></p>	<p><b><u>National and Regional Engagement</u></b></p> <p>Government actions often lack co-ordination across national, regional and municipal levels, due to the following reasons:</p> <ul style="list-style-type: none"> <li>i. The intended beneficiaries of water and sanitation provision are not always consulted before government proposals are written</li> <li>ii. Local knowledge and considerations are not incorporated into the decision-making process.</li> </ul> <p><b><u>Gender</u></b></p> <p>Water and sanitation provision often fails to reflect women's needs for the following reasons:</p> <ul style="list-style-type: none"> <li>i. Policy decisions in relation to water and sanitation provision are most often made by men</li> <li>ii. Training and capacity building around water and sanitation often does not include women</li> <li>iii. Separate toilet facilities are not always provided for girls/women in schools.</li> <li>iv. Toilets are often in conspicuous areas so women are reluctant to use them.</li> <li>v. Fundamentalist attitudes towards women in certain countries prevent them accessing education around hygiene issues.</li> <li>vi. Gender is not mainstreamed into many political and governmental institutions, so therefore remains a low priority regarding water and sanitation policy</li> </ul> <p><b><u>Marginalized Social Groups</u></b></p> <p>Stakeholder engagement mostly excludes those who aren't recognised as official citizens, including:</p> <ul style="list-style-type: none"> <li>i. Refugees</li> <li>ii. Slum dwellers</li> <li>iii. Those living on illegal settlements.</li> </ul> <p>Such groups are often the most poor and vulnerable, and are have no access to safe water and sanitation.</p> <p><b><u>Indigenous Peoples</u></b></p> <p>Indigenous peoples are often marginalized regarding water and sanitation provision for the following reasons:</p>

	<ul style="list-style-type: none"> <li>i. Indigenous knowledge in the area of water and sanitation is not properly documented, so it is difficult to consider it in the decision-making process, despite the fact that indigenous peoples' knowledge of historical changes in the land can be extremely valuable for water management plans.</li> <li>ii. The customs and culture of indigenous peoples are not always taken into account to provide appropriate water and sanitation facilities</li> <li>iii. Lack of co-ordination of government actions at the national, local and municipal level means that dialogue on water and sanitation does not reach a diverse range of social actors</li> <li>iv. Lack of budget for engagement of indigenous peoples in decision making</li> <li>v. Indigenous people rarely have the finances or capacity to participate in international meetings which means their voices are not heard at a high level</li> </ul>
<p><b><i>Next Steps for CSD</i></b></p>	<p><b><u>National and Regional Engagement</u></b></p> <p>Governments should ensure that needs of both national and regional stakeholders are reflected through:</p> <ul style="list-style-type: none"> <li>i. Targeted decentralised stakeholder engagement strategies as part of National Water Policy plans.</li> </ul> <p><b><u>Gender</u></b></p> <p>The inclusion of women in decision making and education around water and sanitation could be improved in the following ways:</p> <ul style="list-style-type: none"> <li>i. Indicators on gender in relation to water and sanitation should be established within the proposed work by UN Water to ensure gender equity of provision. Indicators that should be considered include: involvement of women in decision making processes on water and sanitation; number of national training and education programmes around water and sanitation focussing on women; access to water and specifically sanitation in places that are safe and appropriate for women; the usage of facilities by women.</li> <li>ii. Development of more training programmes involving women in water management</li> </ul> <p><b><u>Indigenous Peoples</u></b></p> <p>The role of indigenous peoples in national and international decision-making on water and sanitation could be improved in the following ways: UN Division for Sustainable Development could support networks of indigenous peoples to better document traditional knowledge on water and sanitation in a way accessible for policy makers.</p>

	<p>I. DSD Major Groups section could work with networks for Indigenous Peoples to build capacity for them to be involved in all CSD issues more effectively.</p> <p>The International Council for Local Environmental Initiatives (ICLEI) and Network of Regional Governments for Sustainable Development could also work with Indigenous Networks to help ensure that at the local and sub-national levels water management decision-making takes into account the views of indigenous peoples.</p> <p><b><u>Marginalized Groups</u></b></p> <p>The following steps could be taken to consider the water and sanitation needs of those not recognised as official citizens.</p> <ol style="list-style-type: none"> <li>i. UN Agencies and Programmes involved with the provision of water and sanitation to people displaced by war or conflict should ensure that they are involved in the decisions on that provision where possible.</li> <li>ii. Governments at all levels should engage with the thousands of people living in 'illegal' slums to ensure that water and sanitation needs are addressed.</li> <li>iii. The CSD should urge governments to recognise the access to safe water and sanitation as a human right in their policy and legal development.</li> </ol>
<p><b><i>CSD Water and Sanitation Commitment</i></b></p>	<p><b>Finance: Development Assistance</b></p>
<p><b><i>Obstacles and Constraints</i></b></p>	<p><b><u>ODA Priorities</u></b></p> <p>ODA effectiveness is limited due to misplaced priorities, including:</p> <ol style="list-style-type: none"> <li>i. Too small a percentage of ODA is earmarked specifically for water and sanitation projects.</li> <li>ii. Only one in ten of the countries receiving the highest amount of aid for water and sanitation are in Sub-Saharan Africa; only three in ten are low income or Least Developed Countries.</li> <li>iii. ODA often does not have a pro-poor approach – substantial funds continue to go to Middle Income Countries.</li> <li>iv. Donor funds do not always prioritise water management.</li> <li>v. Only a small percentage of funding is available for budget support in the area of water and sanitation</li> </ol> <p><b><u>ODA Administration and Management</u></b></p>

	<p>The administration and management of funding is hindered by the following factors:</p> <ol style="list-style-type: none"> <li>i. Lack of predictability and clarity of funding, including lack of publicity of the terms and conditions and the speed of funding flows.</li> <li>ii. Ineffective co-ordination funds often slow down the process: delays in funding streams lead to the cancellation of valuable water and sanitation programmes,</li> <li>iii. Local stakeholders do not always understand how to access funds as training is lacking</li> </ol>
<p><b>Next Steps for CSD</b></p>	<p><b><u>ODA Priorities</u></b></p> <p>The following initiatives could help to realign ODA priorities:</p> <ol style="list-style-type: none"> <li>i. Donor governments should encourage recipients of ODA to earmark separate funds for water and sanitation</li> <li>ii. Governments should support further the activities of the UN mandated Water Supply and Sanitation Collaborative Council (WSSCC) and UN Water.</li> <li>iii. Developing country governments should report to UN Water every year on the percentage of funds allocated to water and sanitation. UN Water should produce a League Table of countries based on the percentage of ODA and overall GDP earmarked for water and sanitation.</li> <li>iv. Bilateral donors and IFIs should review their ODA practices to assess the extent to which they prioritise funding for countries not on track for achieving the Millennium Development Goals, and report to the CSD in 2012 on the funding provided.</li> </ol> <p><b><u>ODA Administration and Management</u></b></p> <p>Donor Governments and IFIs should provide funding for::</p> <ol style="list-style-type: none"> <li>i. Building capacity in recipient government's particularly lowest income countries on how to access funding streams.</li> <li>ii. Building capacity within recipient governments to enable them to administer funding received</li> <li>iii. Addressing the issue of corruption</li> </ol>

<b><i>CSD Water and Sanitation Commitment</i></b>	<b>Finance: National Financial Plans</b>
<b><i>Obstacles and Constraints</i></b>	<p><b><u>Financial Priorities</u></b></p> <p>Progress on achieving commitments on water and sanitation is also hindered by a lack of financial prioritising on a developing country level. Obstacles include:</p> <ul style="list-style-type: none"> <li>i. Lack of concrete targets for water and sanitation supply in national and local government financial plans</li> <li>ii. Lack of national implementation plans relating to water and sanitation</li> <li>iii. Lack of integration of water and sanitation into Poverty Reduction Strategy Papers</li> </ul> <p><b><u>Finance Flows</u></b></p> <p>The 2003 'Camdessus report' on 'Financing water for all' recommended a doubling of all financing flows, including local budget finance and micro financing. Some stakeholders feel that since that time the international community has focussed too much on increasing ODA, and neglected the also important role of local finance flows, which are imperative as ODA alone is not enough to finance universal access to water and sanitation.</p>
<b><i>Next Steps for CSD</i></b>	<p><b><u>Financial Priorities</u></b></p> <p>CSD should call on governments to ensure the following:</p> <ul style="list-style-type: none"> <li>i. National Implementation and Financial plans should be drawn up relating to water and sanitation specifically</li> <li>ii. Components of Poverty Reduction Strategy Papers should be dedicated to water and sanitation</li> <li>iii. 1 % of GDP should be allocated to water and sanitation through public spending</li> </ul> <p><b><u>Financial Flows</u></b></p> <p>CSD should:</p> <ul style="list-style-type: none"> <li>i. Draw attention to the strategies outlined in the 'Gurria Task Force' on Financing Water for All in 2006.</li> </ul>

	<ul style="list-style-type: none"> <li>ii. Urge donor governments to support developing country governments in drawing on local capital markets.</li> </ul>
<b><i>CSD Water and Sanitation Commitment</i></b>	<b>Finance: Commercial Incentives</b>
<b><i>Obstacles and Constraints</i></b>	<p><b><u>Private Involvement in Water and Sanitation Provision</u></b></p> <p>The engagement of the private sector with water provision entails the following risks:</p> <ul style="list-style-type: none"> <li>i. Lack of clear and fair policies for ensuring universal access</li> <li>ii. Lack of standards for quality and price</li> <li>iii. Lack of state regulation of water management services</li> </ul> <p>These factors have led to serious public concern to privatisation or private sector involvement in water and sanitation provision.</p> <p><b><u>Small Scale and Local Service Providers</u></b></p> <p>The ability of local service providers to operate in the poorest areas is hindered by:</p> <ul style="list-style-type: none"> <li>i. Lack of commercially viable options</li> <li>ii. A reluctance of donors to engage with new approaches to water provision aimed at incentivising small scale providers</li> </ul> <p><b><u>Sustainable Practice</u></b></p> <p>Limited incentives exist in many countries for water and sanitation providers to engage in sustainable practice</p>
<b><i>Next Steps for CSD</i></b>	<p><b><u>Private Sector Involvement</u></b></p> <p>CSD should reaffirm the commitments made at WSSD to engage positively the private sector to the mounting water and sanitation challenges, whilst also emphasising that:</p> <ul style="list-style-type: none"> <li>i. Governments should enshrine in law the right to access to water and sanitation for domestic use. Governments should safeguard that clean water and sanitation is accessible for all, developing transparent systems and accountable</li> </ul>

	<p>mechanisms as well as pro poor approaches in the financial systems. Legislation should be developed to safeguard water as a public good.</p> <ul style="list-style-type: none"> <li>ii. Involvement of the private sector, including small-scale providers, should be supported only within a publically controlled and accountable framework that sets down standards for quality and price</li> <li>iii. Public water utilities need to be strengthened and made accountable for their delivery alongside capacity building of local service providers.</li> <li>iv. Governments should enact legislation that empowers people to hold providers to account</li> <li>v. Contracts for public-private partnerships should include clear benchmarks for equity in the extension of affordable access to poor households</li> </ul> <p><b><u>Small Scale and Local Service Providers</u></b></p> <p>The following initiatives should be undertaken to improve commercial incentives for small scale and local service providers:</p> <ul style="list-style-type: none"> <li>i. Bilateral donors, IFIs, could give higher priority to capacity improvements that will help local communities and water operators tap into capital markets, there should be support for the establishment of Water Operators Partnerships often supporting South-South utility to utility partnerships with UN Habitat taking a facilitating role.</li> <li>ii. Bi-lateral Donor and IFIs should pioneer new and innovative approaches to water and sanitation provision and fund pilot schemes and partnerships to empower local communities and local water and sanitation providers to serve the poorest communities. Such partnerships should be registered entities in target countries.</li> <li>iii. The UN through its Resident Coordinators or through the One Country Programme could with the help of relevant IFIs organise capacity building programmes on a national or basis level to improve water operators managerial capacity</li> </ul> <p><b><u>Sustainable Practice</u></b></p> <p>CSD should stress the necessity to institute the principle of Polluter=Payer, Protector=Receiver into the economic equation.</p>
<b><i>CSD Water and Sanitation Commitment</i></b>	<b>Finance: Cost Recovery</b>
<b><i>Obstacles and</i></b>	<b><u>Vulnerability</u></b>

<p><b>Constraints</b></p>	<p>Despite recognition of the real costs associated with water and sanitation provision, many stakeholders are hostile to the principle of cost recovery, especially from users, for the following reasons:</p> <ul style="list-style-type: none"> <li>i. The difficulty of reconciling access to water and sanitation for the most vulnerable with the principle of payment for that service</li> <li>ii. The right to water should be the right to <i>free</i> water for the most vulnerable.</li> </ul> <p><b><u>Value Perceptions</u></b></p> <p>Research shows that the perception of the value of water and sanitation provision informs people's willingness to pay it. Negative value perceptions of water and sanitation provision are caused by the following factors:</p> <ul style="list-style-type: none"> <li>i. Bad experiences of poor water and sanitation provision</li> <li>ii. Lack of trust in authorities to provide water and sanitation provision</li> <li>iii. Tendency to take the service for granted.</li> </ul> <p>Those without any access to water and sanitation services and without bad experiences of that provision will be more likely to be willing to pay for something they deem to be extremely valuable.</p> <p><b><u>Integrated Water Management</u></b></p> <p>Existing accounting systems are not appropriate to allow for cost recovery in relation to integrated urban water management e.g. recycled water can delay need for new water sources but this cost offset cannot be counted by the wastewater facility</p>
<p><b>Next Steps for CSD</b></p>	<p><b><u>Vulnerability</u></b></p> <p>Governments should prioritise cost recovery within their Poverty Reduction Strategies Papers (PRSP) and Sustainable Development Strategies sustainable cost recovery of water and sanitation service charges, ensuring it does not have a prohibitive effect on the poorest and most vulnerable accessing safe water and sanitation through the following measures:</p> <ul style="list-style-type: none"> <li>i. Instituting an efficient tariff system with cross subsidies for the poorest communities.</li> <li>ii. Collecting taxes for water and sanitation rather than user fees in more vulnerable and developing areas</li> </ul>

### **Value Perception**

To ascertain the willingness of communities to pay for water and sanitation provision, governments should:

- i. Promote stakeholder dialogues around value perceptions of water to ensure policies reflect local needs
- ii. Institute awareness raising campaigns to nurture positive perceptions of water and sanitation provision and the need for costs to be covered for decent services either through taxpayers or users.

### **Integrated Water Management**

Governments should support research into appropriate cost recovery systems for integrated water management where demand for services is reduced through the following technologies:

- i. Waste water recycling
- ii. Conversion of waste products for fertiliser or energy creation
- iii. Rainwater harvesting and water use efficiency