

OECD PROGRAMME PROPOSAL
6th KING HASSAN II GREAT WORLD WATER PRIZE

The Governance and Economics of Water Security for Sustainable Development in Africa

This draft is based on consultations within the OECD Secretariat as well as with the members, Chair and Steering Committee of the OECD Water Governance Initiative. It will be further revised to reflect comments by the World Water Council, the Secretariat for Water of Morocco, potential sponsors that could join the programme as well as the outcomes of the discussion at the 11th meeting of the Water Governance Initiative (12-13 November, Zaragoza). This draft will also be discussed with select stakeholders on the margins of some water-related events such as the 7th Africa Water Week (29 October – 2 November, Libreville) and the 18th International Anti-corruption Conference (23 October, Copenhagen).

Background

On 21 March 2018, the OECD Secretary-General received the **King Hassan II Great World Water Prize**, a world-renowned and prestigious tribute paid every 3 years to strategic leaders on water security.

- This year's edition of the Prize was awarded under the theme "Working towards greater solidarity and inclusion in order to ensure water security and climate justice"
- It provided an excellent recognition of OECD's last decade of work to raise the profile of water in national policy agendas and support countries around the world on the issue.
- The Prize also gives credit to OECD's multi-stakeholder engagement in advising governments on how to design better water policies for better lives, notably within the *OECD Water Governance Initiative*.

The Prize offers a unique opportunity to sustain integrated and multi-stakeholder efforts and international exposure thanks to a check of **USD 100,000** awarded to the OECD. It is herein proposed to leverage this amount and catalyse more funds through partnerships with 5-10 stakeholder groups or institutions to implement an ambitious programme that could be reported on at the 9th **World Water Forum in Dakar, Senegal in 2021**.

Based on consultations within and outside the OECD, it is proposed to design a programme that:

- Focuses on **water security** in the context of climate change, in line with the 6th Prize edition;
- Targets **Africa**, a strategic region where the OECD has done little work on water; and
- Delivers **innovative outputs** with evidence, guidance, capacity development, awareness raising.

Proposed Thematic Scope

It is proposed to develop a programme on “**The Governance and Economics of Water Security for Sustainable Development in Africa**” given the African continent’s exposure to water and to climate risks, and the opportunity to broaden the geographical scope of OECD’s work on water. The upcoming Dakar World Water Forum in 2021 presents an excellent opportunity for presenting progress of the programme. The programme would contribute to support the implementation of the Paris Agreement and Sustainable Development Goals in that region, notably goals n°6 on Clean Water and Sanitation, n°13 on Climate Action, n°16 on Peace, Justice and Strong Institutions and n°17 on Partnerships. It would also help support regional strategies or initiatives such as: the African Union’s Agenda 2063 which sets out a fifty-year strategic framework based on seven aspirations, the first of which - A prosperous Africa based on inclusive growth and sustainable development - features water security as a key priority; the objectives on Water and Sanitation included in the Agenda 2063’s First Ten Years Implementation Plan 2013-2023; and the African Minister’s Council on Water’s 2018-2030 Strategy which will be launched on 29 October, the first day of the 7th Africa Water Week.

The scientific evidence of the impacts of climate change on freshwater resources is compelling and growing, and poor and marginalised groups are often those most adversely affected in both urban and rural areas. According to the World Resources Institute, up to 250 million Africans are expected to live in areas of high water stress by 2030. However, although water demand is expected to at least double by 2030, further exacerbating the region’s scarcity, the projected water risks are expected to be very high only in North Africa and South Africa, while other regions and countries are expected to be less affected. The Intergovernmental Panel on Climate Change also projects that climate change will amplify existing stress on water availability in Africa, together with other megatrends such as urbanisation or population growth. Low income countries that have lower resources and capacity to cope with climate change may be the hardest hit, particularly in rural areas. While some small-holder farmers may be able to adapt to climate change, the vast majority will be restricted by a suite of overlapping barriers, including poor infrastructure, lack of financing, and information gaps. Industrialisation may exert additional pressures on water resources management. Demographic, economic and urbanisation trends in Africa will exacerbate the pressure on water resources, which is why adaptation to climate change is an urgent priority for the region, which emphasizes the need to follow an inclusive growth approach both in rural and urban areas. Currently home to more than 1.2 billion (up from just 477 million in 1980), namely 17% of the world population, Africa will see its total population double to 2.5 billion in 2050, and reach 2.9 billion in 2060 (under the medium variant scenario).. The share of Africans living in urban areas is projected to grow from 36% in 2010 to 50% by 2030 and reach 60% in 2050. Moreover, these trends highlight the importance of rural-urban linkages. Products produced in rural areas are mostly consumed by urban centres but access to services and decent employment opportunities are usually found in cities. Thus, sustainable models of development need to be mutually supportive for cities and rural areas.

Governance frameworks and practices have improved in many African countries during the last decade; but important challenges remain in implementation and enforcement and more specifically for areas such as integrity, transparency or public procurement. The Mo Ibrahim Foundation’s 2017 Index of African Governance found that the majority of African countries (40) had improved in Overall Governance over the last ten years. However, over half of these countries show this progress either slackening, or that positive trends are showing signs of reversing in the last five years. Lack of integrity and transparency is one of the factors that are hampering democracy, development and the ability to bring people out of poverty. Africa ranks lowest amongst global regions in the Corruption Perceptions Index (CPI), Transparency International’s ranking of 180 countries by their perceived levels of public sector corruption. However, it is important to note that there is variability within the continent, where countries such as Botswana, Seychelles, Cabo Verde, Rwanda and Namibia are all scoring better on the CPI compared event to some OECD countries. , According to a report by the African Union (2002), corruption costs African economies in excess of US \$148 billion per annum. It represented 25% of Africa's GDP and considered to increase the cost of goods by as much as 20%.This is particularly relevant for the infrastructure-heavy

water sector, which is capital intensive and requires large sunk investments to be recovered over the long run.

Proposed vision and modalities

- **Vision.** To support ambitious policies, strategies, governance and investment to improve water security and contribute to achieving the Sustainable Development Goals in Africa.
- **Mission.** Central to the approach is the engagement of multi-level and multi-stakeholder policy dialogues to build consensus on critical water issues and policy responses to be implemented.
- **Outputs.** They should be tangible and innovative, and ideally combine cutting-edge data, research and evidence, capacity development, infrastructure financing and delivery, and awareness-raising.
- **Partnerships.** It is proposed to set up a partnership with 5-10 stakeholders to support the implementation. In addition to the World Water Council and Morocco, the taskforce could include a foundation, a donor, a company, an NGO, and a regional partner in Africa.
- **Funding.** It is proposed to use the funding from the Prize at hand (USD 100,000) as a means to leverage from 5 to 10 times more funding, for an overall budget of USD 500,000 to 1 million.
- **Communication.** The results should contribute to raising awareness at local, national and global levels, and communication channels should be tailored to different audiences, from higher-level decision-makers, to other stakeholders and the general public. If appropriate and as implementation progresses, the programme could also develop its own “branding” to improve the visibility and ultimately to increase its leverage potential.

Figure: Programme Overview



A modular approach: Evidence, Capacity and Awareness

1. Provide the evidence and guidance for water-related decisions and policies in Africa

The programme would produce place-based evidence and tailored policy recommendations that can guide decisions and policies related to the economics and governance of water security in Africa. Selected examples of activities that could be pursued under this umbrella are herein suggested.

- **Produce a user-friendly and innovative Web-Explorer (i.e. interactive online platform) displaying the state of water governance in select countries of Africa.** This data-driven tool would seek to help decision-makers understand to what extent current policy and institutional frameworks in the region are fit to ensure water security now and in the future. Taking the form of an application or web-based platform, this tool would provide a visual representation of select cities', basins' or countries' assessments against the [*OECD Principles on Water Governance*](#), to reflect the diversity of water challenges in order to design place-based action plans. The tool could place a special emphasis on integrity and transparency in the water sector, potentially on issues such as public procurement and the delivery of services in water supply and sanitation.
- **Carry out one or several national policy dialogue(s) on how to integrate water, climate and development.** In too many countries of Africa, adaptation plans and policies tend to be developed in isolation from national sectoral and development plans addressing fundamental issues like poverty, health, energy, food insecurity and demography. A pilot *National Policy Dialogue* in a selected African country could provide specific, practical and tailored guidance on how to strengthen integrated planning and policy across relevant ministries/sectors including treasury and finance and other levels of government. The case of Morocco would be particularly relevant for such an exercise given the recent reforms in the country and the high priority therein given to climate adaptation. It would also be advisable to consider another case in an Anglophone country in sub-Saharan Africa with a medium-sized economy with an active civil society and a vibrant media. The SDGs would provide a valuable lens to identify trade-offs and synergies across water-related goals, while aligning policies, strategies and investments to the overall country's ambition for the 2030 Agenda.
- **Support a shift towards a landscape approach to basin financing.** Catalysing the needed investments for water-related infrastructure in Africa is a challenge for implementing adaptation policy and related measures. The OECD has been arguing that to finance basin infrastructure a programmatic long-term approach is more efficient and effective than a project-to-project approach. It is proposed to carry out a case study in a selected country. This could potentially be in Zambia as discussions between OECD and WWF to work in this country are well-advanced to raise awareness among donors that they should look beyond project financing when awarding grants or loans.
- **Develop policy guidance on irrigation to sustain agriculture production under climate change.** Irrigation plays a key role for agriculture under arid and semi-arid areas, enabling farmers to be more productive and less dependent on rainfalls. It can also play a complementary role in regions with varying rainfalls, and is likely to be an increasingly important practice under climate change. While irrigation is used in Northern and Southern Africa, a number of sub-Saharan African countries are in the process of developing irrigation, often in partnership with the private sector, as a means to increase local agriculture productivity and income. Changes in rainfall pattern affect agricultural production and where people wish to settle. International experience shows that irrigation needs to be supported by a robust policy framework to ensure that it can be used in the long run without depleting surface or ground-water resources, impacting other water users or the environment. The programme would facilitate a dialogue among a range of national, regional and international stakeholders, with the aim to develop policy guidance for irrigation

investments and management in the African context to ensure that irrigation effectively contributes to a more sustainable, productive and resilient African agriculture under climate change.

2. **Foster capacity development at different levels to strengthen skills for robust policy design and implementation**

The underlying process and tools of the programme would also support national, regional and local actors' access to international best practice and lessons learned from other countries, basins and cities. It is proposed to partner with organisations experienced working in the region to organise and conduct a series of **technical/policy workshops**. Building on the range of OECD tools, standards and methodologies such as the *OECD Council Recommendation on Water* and the *OECD Principles on Water Governance*, such workshops would be targeted at:

- **High-level decision-makers.** Given that water policies cut across sectors and policy domains, it is key to sensitising decision-makers about needed trade-offs and policy complementarities. These activities could be carried out in partnership with relevant regional and international platforms to create a political arena and momentum in pioneer countries of Africa. For these exercises to have an impact on decision-making at national or regional level, it will be crucial to follow a demand-driven approach to involve countries that have willingness to drive change.
- **Officials.** It is expected that the workshops provide avenues for public sector institutions, civil society and private sector entities to engage in informal inter-ministerial discussions, co-ordination of cross-sectoral policy reforms, and effective strategies for local policy implementation.
- **Practitioners.** Service providers would also have the opportunity to share their practical experience and to engage in dialogues with public officials on best practices and prospective water policy reforms. Partnerships with umbrella organisations of water utilities in Africa could be foreseen to maximise synergies.
- **Regulators.** The workshops could also shed light on the diversity of policy options to regulate water services and resources worldwide and in Africa, and sensitise economic and environmental regulators about framework conditions, tools and best practices that can support more effective regulation, inspection, enforcement and compliance of water-related policies.
- **Citizens.** Most workshops could also incorporate sessions open to the public, civil society organisations and media to foster multi-stakeholder dialogue at all levels on innovative and bottom-up ideas based on water users voicing their experiences on different aspects of water and climate policies.

3. **Promote the uptake of advocacy tools to raise awareness globally and foster collective action at local and community levels**

To improve water policy outcomes, the programme would rely on multi-stakeholder partnerships and innovative communication channels and awareness-raising tools.

A) Targeted groups (who?): The programme's different outputs will be of interest to different target groups. For instance:

- **High-level decision-makers:** the analytical work is expected to deliver strong policy messages that can influence policy making at the highest level within and across countries of the region;
- **Sub-national authorities:** the findings of case studies or pilots conducted at city/basin level should be disseminated among other local authorities to foster bench-learning;
- **Service providers:** new technologies or other innovative solutions for water services should be communicated to practitioners in the sector and their access or uptake should be enhanced;

- **General public:** citizens, general public and civil society organisations should be sensitised about the concrete impacts of climate change on water resources for their livelihoods and what they can do individually to help.
- **Local communities:** the programme will also focus on developing advocacy tools for awareness raising at local levels for a snowball approach to multiply the impact of programme outcomes.

B) Channels (how?): the way of reaching each type of target group varies and the strategy should foresee different communication channels For instance:

- **Multilateral or Bilateral meetings:** high-level decision makers are often only reachable in closed face-to-face meeting. Such opportunities should be mapped and used throughout implementation.
- **Global events** (*sports, World Expos, etc.*): such events gather thousands or millions of people in a festivity atmosphere and provide excellent opportunity for communicating and engaging with the public. Awareness raising campaigns should be thought of accordingly;
- **Social and traditional Medias:** Throughout the programme, all relevant channels should be used to communicate on the programme, its progress and ultimately its outcomes.

C) Products (what?): each audience requires communication products that are tailored to their needs, interests, knowledge, and time to process such information. It is proposed that the programme delivers:

- **An OECD final synthesis report** summarising key findings from the programme, to be launched at the 9th World Water Forum (Dakar, 2021);
- **A series of synthetic strategic policy briefs** with key policy messages from the work that high-level policy makers can digest easily and quickly;
- **A celebrity video**, which could engage with a celebrity known (globally or in Africa) for his/her activism to broaden the uptake of the messages deriving from the work and raise awareness globally;
- **Informative videos** accessible via YouTube and easily digested by the broader public;
- **Infographics and user-friendly data** to be disseminated throughout the programme and at the Forum;
- **Programme branding** linking the outputs of the programme and recognisable to the public (e.g. logo)

Partnerships

The programme will rely on strategic partnerships with stakeholders at international, national, regional, and local levels and from across public, private, and not-for-profit sectors. Each partner can contribute in different ways based on their capacity, resources (monetary and non-monetary), and location. Partners may be selected among the following list, which is to be expanded after further consultations:

- **Donors:** African Development Bank, World Bank and French Development Agency, others tbc.
- **National Governments/ Inter-governmental:** China, Germany, Morocco, The Netherlands, EU/DEVCO, others tbc.
- **NGOs:** WWF, IUCN, World Water Council, Global Water Partnership, WaterAid, Transparency International, INBO, Water Integrity Network, others tbc
- **Philanthropy :** AQUAE foundation, Water.org, others tbc
- **UN Agencies:** UNESCO-IHP, UNEP, UNDP, others tbc
- **Private sector:** Service providers (public or private), Industry, also organisations that work with migrants, entrepreneurs, emergence groups, and/or related networks.

- **Regional organisations:** African Union, AMCOW, African Groundwater Network, Middle East and North Africa Network of Water Centres of Excellence, WaterNet, MENA Network of Water Centres of Excellence, Cap-Net.
- **Universities / Research centres**

Funding

To complement and leverage the initial Prize amount of USD 100 000 received by, funding for the programme is expected to be derived from multiple sources, including:

- **Direct financial contributions** can be provided to the OECD by donors or sponsors for a specific item/case study/component of the programme, or other dimensions aiming to support analytical staff costs, organise a related event etc.
- **Earmarked financial support** can be set by partner organisations within their own programme of work and activities (without transferring resources to the OECD) to support directly the implementation of a specific item/case study/component of the programme.
- **Indirect financial contributions** can be provided directly to a partner organisation, for instance an NGO active in the region that could support the implementation of a specific item/case study/component of the programme.
- **In-kind contributions** can also be provided by organisations to alleviate some logistical, operational and communication costs throughout the programme cycle.

To catalyse seed money and reduce red tape, the OECD will explore the possibility of setting up a multi-donor trust basket fund.

Timeline

The programme description will be finalised by mid-November after a second round of consultation of OECD relevant departments, the Ministry of Water of Morocco, the World Water Council and the OECD Water Governance Initiative. Co-funding is expected to be catalysed over the period September-December 2018 and the programme to be officially kicked-off in January 2019 for an implementation period of two years, which would conclude with a final delivery at the 9th World Water Forum in Dakar, Senegal.

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