

PART II

Chapter 7

Building awareness of water's vital role

by

Michel Camdessus

Member of the Africa Progress Panel and Member of the UN Secretary General's
Advisory Board on Water and Sanitation

Gérard Payen

Member of the United Nations Secretary General's Advisory Board on Water and Sanitation
and President of Aquafed

Pierre-Frédéric Ténière-Buchot

Governor of the World Water Council (Marseilles) and Board Member and Treasurer
of the French Water Academy

The world is waking up to the fact that water is key to sustainable development. Previously seen as the Cinderella among the United Nations' many preoccupations, 2010 finally saw access to clean water and sanitation recognised by the UN as a human right. Not a moment too soon – OECD modelling suggests that if we continue current trends, by 2050, 2.3 billion additional people will be living in river basins that are under extreme water stress. Despite some good progress driven by the Millennium Development Goals, water statistics continue to alarm: every year, for instance, dirty water causes the death of more than 2.2 million children under the age of 14. This chapter, written by three senior water policy makers, calls for a profound rethink of how we tackle the water crisis, including:

- *seeing water as one of the key elements of future growth;*
- *using innovative methods to fund the water challenge to the tune of 1-2% of individual countries' GDP over the next 20 years;*
- *taking an integrated approach to water resources management;*
- *bringing together multiple partners and stakeholders to manage water in the context of decentralised and transparent governance; and*
- *including such innovative water policy in the overall context of other development.*

We live in a world that is increasingly discovering its limitations. Water, which every culture on Earth recognises as the source of life itself, is no exception. For this reason, it is increasingly moving to centre stage whenever and wherever people meet to discuss humanity's response to the major conundrum of how to match growing needs to insufficient or dwindling resources.

Today, the international community is striving to put all of the key components of a sustainable development strategy on the table to analyse their interactions, substituting a systemic vision for the "silo" approach that has prevailed until now. This is driven by the realisation – albeit a bit late in the game – that a fragmented approach can only lead to sub-optimal solutions.

By 2050, water demand is expected to increase by 50%.

The central role of water policies must, therefore, be acknowledged, and we must also take stock of the insufficient progress made to date to meet the Millennium Development Goals (MDGs). Only after recognising water as a human right and its role at the heart of the great challenges of our time (climate, food, health care, energy, security, etc.) will we be able to devise appropriate measures.

The comments that follow are intended as food for thought in the search for a new development model, focusing particularly on the special case of Africa where water-related problems are most acute.

Is water rising up the development agenda?

A great deal was done in the first decade of the 21st century to incorporate concerns for drinking water and sanitation into development strategies. The context significantly changed for the better with two fundamental actions: the inclusion of access to drinking water and, subsequently, basic sanitation in the MDGs; and the confirmation by the United Nations, in 2010, of access to water as a universal human right.

Today, water is acknowledged as a central concern of the United Nations system, whereas at the end of the past century it was considered to be merely of secondary interest. At the same time, ideological quarrels over water – regarding, for instance, the respective roles of the state and the private sector in water management and pricing, or the advisability of large dams – are gradually being resolved. This is creating favourable conditions for bolder investment strategies, enlisting all players. It is about time.

Work by the Intergovernmental Panel on Climate Change (IPCC) has revealed, in fact, the urgent need to increase the scale of efforts to date, especially in Africa and in central and southern Asia. OECD projections show that by 2050, 2.3 billion additional people will be living in river basin areas suffering from severe water stress (OECD, 2012a). By mid-century, aggregate demand for water is expected to rise by approximately 50% as a result of population growth, industrial activity, thermal energy production and household and

agricultural uses. In Africa, the situation is expected to be extremely tense, involving a variety of risks such as groundwater depletion, brakes on growth in certain sectors and the destruction of ecosystems.

This new awareness has mobilised most stakeholders. In 2003, the G8 summit in Evian adopted a global action plan for water.¹ An international consensus on official development assistance has also taken shape within the framework of various multi-stakeholder meetings on effective aid hosted by the Development Assistance Committee (DAC) in Paris in 2005, Accra in 2008 and Busan in 2011.² This consensus enshrines four principles of particular relevance to the water sector: ownership of development priorities by the beneficiary countries; a focus on results; development partnerships open to all; and transparency and mutual accountability.

All of this has resulted in a significant increase in water's share in aid allocations; according to DAC's Creditor Reporting System, the sector's share rose from less than 4% in 1980 to 7% in 2009-10 (i.e. from USD 2 billion in 1980 to USD 8 billion in 2009-10). Forty per cent of this assistance was allocated to the poorest countries, with close to one-third of the resources going to Africa. With this it can be said that water has finally found its role in international strategies.

In 1990, 23% of the world's population lacked access to improved water – today the figure is 11%.

By the end of 2010, access to improved water sources had been provided to a billion more people than in the previous decade. Today, the number of people still thought to lack access to improved water is only 780 million, or 11% of the world population, compared to 23% in 1990. Progress has also been made on improving sanitation. The proportion of the population with no basic sanitation (hygienic toilets in the household) has been reduced from 51% in 1990 to 37% today, although the MDG is far from being achieved.³ As efforts to pursue the MDGs have gathered pace, there have also been innovations and advances – sometimes modest but in a variety of areas – thanks to exchanges of experience.

No development without water

Although real progress has been made with these renewed efforts, can we really be satisfied with what we have achieved to date? The answer to that question is “no”.

While the recognition of access to drinking water and sanitation as a basic human right is fundamental, viewed from another perspective the picture is, in fact, tragic. The definition of “access to improved water” is quite minimalist – i.e. water that is not shared with animals! A more stringent definition reveals that 2 billion human beings continue to have access only to unhealthy water, and between 3 and 4 billion – roughly half the human race – continue to drink water of dubious quality. In addition, as urban environments expand, the supply of water and sanitation infrastructure will not be able to keep up with population growth.

Every year, 2.2 million children die from drinking unhealthy water.

The result is a cruel form of injustice, suffered in silence, in which:

- Women are exhausted by having to fetch water.

- Girls are deprived of schooling because they want to help their mothers with household chores such as fetching water or because they have to put up with a lack of privacy in school toilets.
- Unhealthy water kills 2.2 million children under 14 years of age each year.
- Half of Africa's hospital beds are filled with people suffering from a water-related disease.
- Slum-dwellers pay up to 20 times as much for water as their neighbours who are connected to a drinking-water supply network.

Box 7.1. Gender and water-smart policies in Kenya

In spite of its importance in development and poverty reduction, the water sector has had one of the largest gaps between what women do and the influence they actually have. In Kenya, women are still underrepresented in water governance structures at all levels, yet they are the most negatively affected by unavailability of water. The World Bank, the Kenyan Ministry of Water and Irrigation, the global Water and Sanitation Program, and local NGOs came together to radically improve the integration of gender into water-sector operations and policies. Through this partnership, gender-mainstreaming skills were substantially strengthened and gender-smart water sector reforms are emerging, for example: disaggregation of project-monitoring process to measure the percentage of women and men rating water-access services as satisfactory and integrating gender within the water-services regulatory-board framework.

Strengthening gender-smart capacities. A capacity building model to strengthen the capacities of Gender Focal Points in the water sector was developed and widely replicated: instances include urban water utility companies; rural areas; the Italian development co-operation offices; and district officers in arid areas. Exchange visits also have been used to promote south-south learning on gender practice in the water and sanitation sector. A similar capacity building initiative is also being conducted in the energy sector, with support from the World Bank's Gender and Energy Program.

Showing results. Today, rapid and sustained increase in women's access to water is being registered thanks to: the removal of requirements to present title deeds as collateral for a water connection; a reduction in the connection fee; and the introduction of an arrangement for meter repayment. Women's participation in planning services and their access to paid work in water and sanitation infrastructure development has also increased. Led by the Ministry of Water and Irrigation, the emerging community of practice on gender and water has been using these experiences to integrate a gender perspective into current water sector reforms.

Sustaining gender-smart approaches. Kenya's Gender Sector Coordination Group brings together all of the country's key development partners under the leadership of the government of Kenya, ensuring alignment and complementarity with gender-sector activities. The lessons learned from these activities have been widely shared through a knowledge strategy, creating important opportunities for replication, spin-offs and further partnerships.

In addition, delays in improving access to drinking water and sanitation have consequences far beyond considerations of the human condition. Delays in capital investment to improve access to water in rural areas of Africa can almost be viewed as tantamount to delays in Africa's adaptation to climate change. The international

community, increasingly mindful of the need for fairness in its strategies, cannot accept such a situation.

How can we dream of green pastures and a new model of growth for the coming decade if our failure to take the necessary action today to achieve straightforward MDG water goals is undermining broad development? How can we speak of green growth if our failure to adapt to climate change now results in hordes of “climate migrants” being forced to leave their ancestral lands and swell the populations of coastal slums or embark on perilous journeys to countries in the north? Action must be taken now.

Key steps for putting water back into sustainable development

There will be no “green” without “blue”: water is fundamental to growth.

The assessment outlined above suggests that a “green economy” is inconceivable without a strong emphasis on water policies; there will be no green without blue. The following vital avenues of work – by no means exhaustive – must be explored if water resources and access to such resources are to be matched to the demands of sustainable global development:

- We need new targets, beyond the MDGs, for water and sanitation.
- We need new funding methods.
- We need to take a new, catchment-area approach.

New targets for fulfilling the human right to water

The kinds of water targets being created raise the question of the delicate balance between the short and long term. The long-term objective (which, nonetheless, needs to be attained as quickly as possible) must be access for all, as a human right, to truly drinkable water and suitable sanitation under satisfactory conditions. The African Ministers’ Council on Water (AMCOW) set the objective of providing universal access to drinking water by 2025.⁴ While this deadline will probably have to be extended, the objective recognises that what is needed is not simply improved water, but rather healthy water, including parallel measures to link access to water with sanitation. Clearly, meeting this goal will entail stepping up the pace of short-term efforts to achieve the Millennium Development Goals as they are defined today.

Once the initial target has been reached, heightened efforts will need to be made to achieve universal access as soon as possible. This is a necessary prerequisite to full implementation of a green and sustainable economic model, in terms both of social inclusion and of economic development.

New funding methods

Africa could save USD 2.7 billion every year from more efficient water use.

The funds that will need to be harnessed could as much as triple, or even quadruple, the amounts mobilised today (Box 7.4). Consequently, it would not be USD 1.6 billion in grants that would have to be harnessed for Africa, but at least some 6 billion. This will very probably

entail harnessing approximately 1 to 2% of the GDP of all countries over the next 20 years. However, there are also savings to be made by prompt action in the following areas:

- Reducing all sources of waste and inefficiency could save significant amounts of money. Throughout the world, the amount currently wasted in the water sector through lack of efficiency was evaluated in a 2010 report by the World Bank and the French Development Agency at around USD 2.7 billion.
- Launching new partnerships for innovative financing schemes (such as adding a 1% voluntary contribution to the price of water in developed countries, with the proceeds going to water projects in developing countries). Such funding schemes should be encouraged as supplements to (and not substitutes for) the aid mechanisms discussed above. They also provide opportunities for increasing public awareness and enabling local communities to work together in a spirit of reciprocal accountability to implement decentralised co-operation programmes.
- Seeking north-south and south-south “triangular” funding arrangements as recommended at the recent Busan conference on aid effectiveness.⁵ This means supplementing DAC donor aid with internal African solidarity, where high-growth African countries help out those whose economies are still shaky (Box 7.2).

Box 7.2. Africans helping Africans

At the 6th World Water Forum in Marseilles (12-17 March in 2012) eight African countries agreed for the first time to contribute as donors to less fortunate neighbouring countries. This contribution, part of the ongoing reform of the African Development Bank's Rural Water and Sanitation Initiative and the African Water Facility Two Water facilities, aims to substitute a demand-based funding approach for the supply-based approach that has prevailed until now. The new approach is geared towards demand from projects in the field. Any local and national support will be added to by the African Development Bank and then topped up by external donations from DAC members, multilateral agencies as well as a number of African countries. This eliminates the substantial drawbacks of top-down approaches, which are largely driven by donor country agendas and leave little room for local priorities. This change in strategy in no way weakens the role of the central government.

Thanks to income from oil, mining commodities, farm products and timber, many African countries have been experiencing sustained economic growth over recent years. While their need for external aid may, therefore, become less acute, these countries should not lose sight of water as a priority.

- Maximising the revenue-raising power of the “three Ts”: tariffs, taxes and transfers. This could offer an opportunity for incentivising the sustainable management of water resources.
- Developing a financial market in Africa; this has been neglected for too long. This should be pursued without further delay, especially now that a phase of intense investment in infrastructure is beginning.

New integrated approaches to water management

It is a well-known fact that any national water policy includes at least two complementary components: drinking water and sanitation; and water resources management. Co-ordinating projects within an integrated water resources policy could

lend relevance to national or, in the case of a shared basin, cross-border water policies. This would override distinctions between “urban water” and “rural water”, which make little sense hydrologically. A more comprehensive approach, associating the development of large cities with the modernisation of rural areas, would allow the transfer of incentives for both urban and rural areas.

Around 50 African countries share a water basin with another country.

Sub-Saharan Africa contains a very large number of countries (nearly 50) that share about a dozen river and lake basins. It is, therefore, essential to apply as systematically as possible the principles of integrated water resource management (IWRM), rather than managing these resources from the narrow national standpoint of each country’s hydrological situation. From this perspective, cross-border management, and the bodies responsible for it, are vital. For this, we need greater commitment by governments and the mechanisms to transcend national frameworks. Water does not stop at a country’s borders, whether it is surface water or groundwater. Solidarity between the upstream and downstream areas of a catchment basin, with regard to either the quantities of water available or control over effluents, requires co-ordinated management by the relevant national stakeholders (see Chapter 8 for an example from Ethiopia). The same is true of access to water from a cross-border aquifer.

Legislative and financial consequences must be calculated at the regional and local levels (Box 7.3), as well as in relation to international aid. The signature of a Pact for Better Basins Management at the end of the Marseilles World Water Forum, following the initiative of the International Network of Basin Organisations (INBO), is one positive step. The same can be said of the 1997 Convention on the Law of the Non-navigational Uses of International Watercourses and the long awaited ratification of this convention by enough countries to enable it to become a standard within national legislations.

Box 7.3. An African institution for water and sanitation

Run by Africans, the Pan-African Intergovernmental Agency Water and Sanitation for Africa (WSA) is developing sustainable and innovative water and sanitation solutions to improve the lives of Africans. With 22 African member countries, Water and Sanitation for Africa (WSA)¹ contributes to the development of African countries by promoting initiatives in the water and sanitation sector and mobilising international financing.

Why is this important? Although access to clean water and sanitation is recognised as a fundamental human right, over one-third of the African population still lacks access to these basic services. This situation has serious adverse consequences for African countries, not only in terms of public health and education but also from ethical, productive, economic and environmental points of view. The impact on poor populations living in peri-urban and rural areas – especially children, women and the elderly – is particularly devastating. Without a doubt, many African countries will fail to meet the seventh Millennium Development Goal by 2015.

WSA recognises that new practices and knowledge are needed. Technological and methodological choices must, more than ever before, be based on equity and inclusion. Innovative approaches, such as community-led total sanitation (CLTS),² must be leveraged

Box 7.3. An African institution for water and sanitation (cont.)

to change people's behaviour. Economic models of sanitation must be redesigned to cover the entire value chain, managing waste, protecting the environment and living conditions, while generating business and jobs for private operators.

For more than two decades WSA has been recognised as the benchmark institution for water and sanitation issues on the continent, working to promote lasting and sustainable access to water and sanitation for the poorest members of the population in Africa's peri-urban and rural areas.

Note: For more information, see www.usafrica.org.

1. Its official name is French: *Organisation Eau et Assainissement pour l'Afrique* (EAA).
2. See www.communityledtotalsanitation.org/page/clts-approach.

The way forward

Action in the three realms described above will be essential to create the healthy and productive water base on which green growth and sustainable development depend. These agree with the recommendations made by the OECD in its study *Meeting the Water Reform Challenge* (OECD, 2012b). Coherence in governance and strategic directions will also be fundamental:

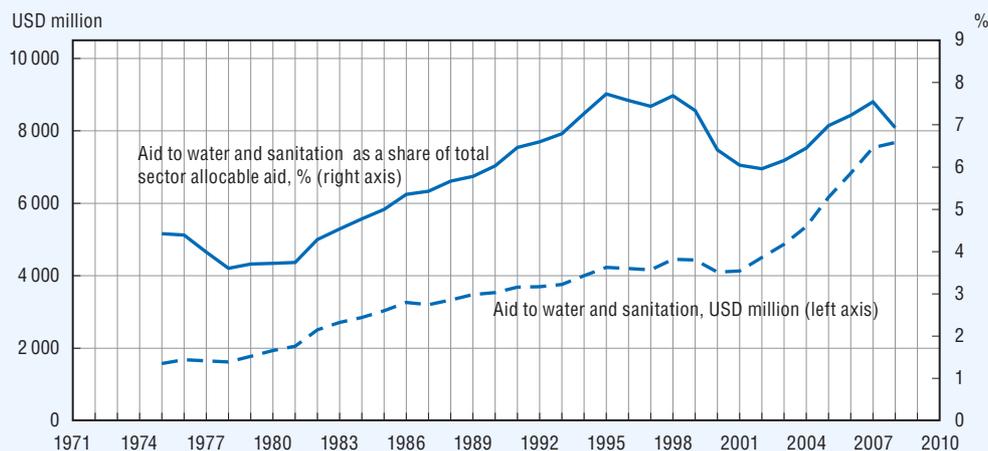
- **Consider water as one of the keystones of future growth.** In 2015, water and sanitation should no longer be a modest component of the seventh Millennium Development Goal but rather a fully fledged priority.
- **Expand decentralised and transparent governance.** Multiple partners and water management stakeholders should be brought together in an atmosphere conducive to trust.
- **Include innovative water policy in the overall context of other policies.** This is vital to the success of policies for energy, food, health care and environment, as well as for water policy. By taking into account the numerous systemic links among these realms while seeking to shape their future, it will be possible to achieve reasoned and coherent growth (see Box 7.1).
- **Align public, private and civil society institutions.** Aligning these institutions to the search for coherence will help achieve the best possible governance in all countries wishing to take this important step forward.

Box 7.4. Trends in aid: Water supply and sanitation

After a temporary decline in the 1990's, aid for water and sanitation has risen since 2001, at an average annual rate of 5% in real terms, with bilateral aid rising at 7% p.a. and multilateral aid at 3% p.a. (Figure 7.1). In 2009-10, total annual average aid commitments to water and sanitation amounted to USD 8.3 billion, representing 7% of total sector allocable aid. The largest bilateral providers of development assistance in 2009-10 were Japan (on average USD 2.4 billion per year), Germany (USD 768 million) and France (USD 624 million). While aid to water supply and sanitation has increased in recent years, these contributions still seem insufficient considering the funding needs.

Figure 7.1. Trends in aid to water and sanitation

1971-2010, 5-year moving average commitments, constant 2010 prices



Note: Five-year moving averages, e.g. 2008 = average of 2006-10.

StatLink <http://dx.doi.org/10.1787/888932700086>

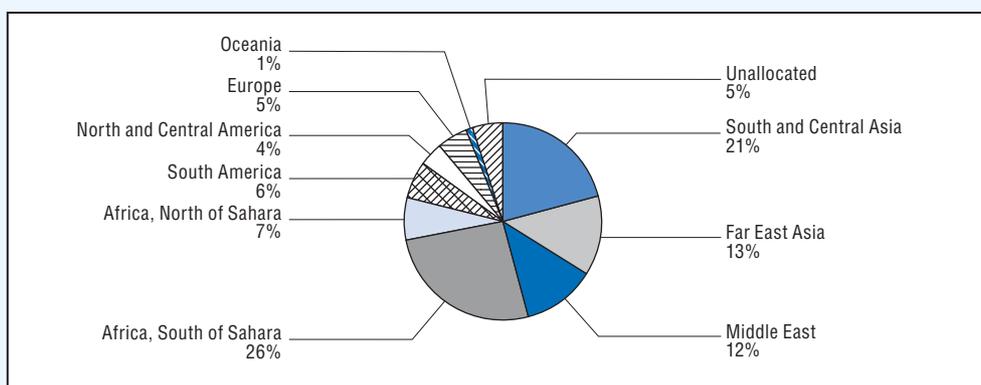
Geographical targeting of resources

Aid to water and sanitation is of course directed to poor countries in arid regions: **Sub-Saharan Africa received 26% of total aid to the sector, and South and Central Asia 21%**. The poorest income groups (LDCs and other LICs) received **41%** of total aid.

According to the 2011 MDG Report, every region has made progress in improving access to clean drinking water. In Sub-Saharan Africa, the proportion of the population with access to

Figure 7.2. Distribution of aid to water and sanitation by region

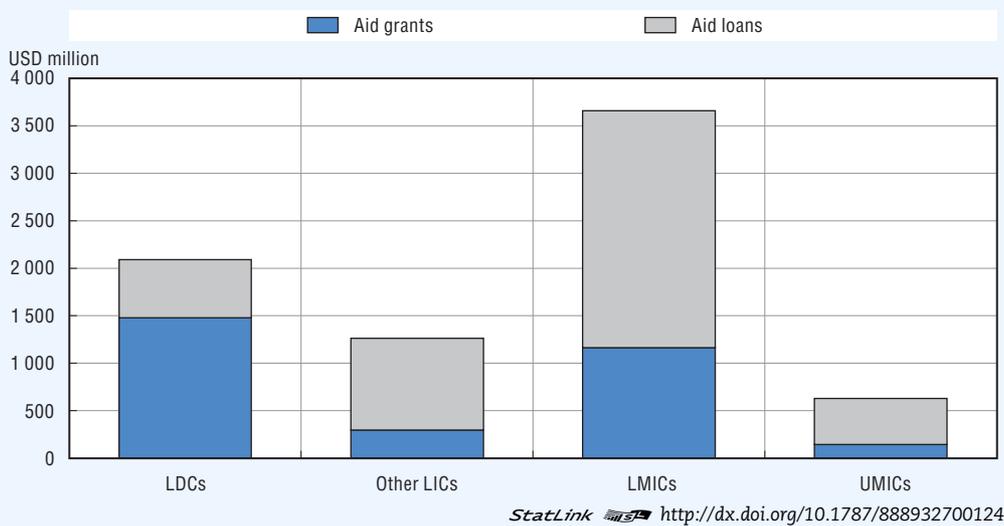
2009-10, commitments, constant 2010 prices



StatLink <http://dx.doi.org/10.1787/888932700105>

Box 7.4. Trends in aid: Water supply and sanitation (cont.)

Figure 7.3. Distribution of aid to water and sanitation by income group
2009-10, commitments, constant 2010 prices

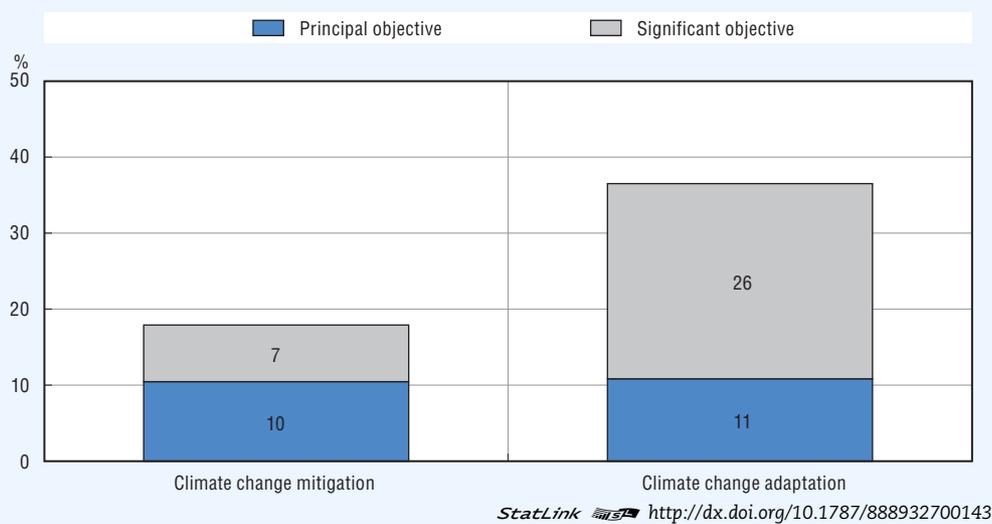


an improved drinking water source rose from 49% in 1990 to 60% in 2008. For sanitation, progress has been much slower, and the sanitation target is unlikely to be met by 2015.

Aid to water supply and climate change

Climate change might increase developing countries' vulnerability in the field of water by affecting water availability and consumption needs. It is, therefore, important to monitor how providers of development assistance take climate change concerns into account in their programmes for water and sanitation. Since 1998, the OECD/DAC has monitored aid flows targeting climate change mitigation, and since 2010 climate change adaptation. The marker methodology used in the monitoring of these flows was established in close collaboration with the Secretariat of the United Nations Framework Convention on Climate Change (UNFCCC). In brief, aid activities marked as having a "principal" climate objective (mitigation

Figure 7.4. Climate change-related aid in the water supply and sanitation sector
Share in DAC members' 2010 commitments



Box 7.4. Trends in aid: Water supply and sanitation (cont.)

or adaptation) would not have been funded but for that objective; activities marked “significant” have other prime objectives but have been formulated or adjusted to help meet climate concerns. For more details see www.oecd.org/dac/stats/riiconventions.

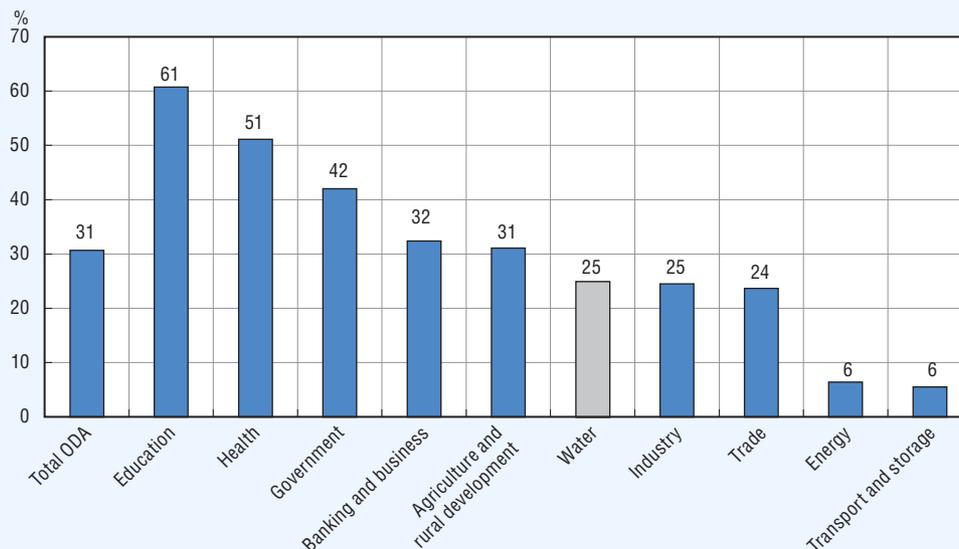
In 2010, more than a third (37%) of DAC members’ activities in the water sector addressed climate adaptation concerns, e.g. reuse of treated waste water. A smaller share (17%) aimed at mitigation e.g. reducing greenhouse gas emissions through low-methane waste management systems. Some activities (10%) targeted both mitigation and adaptation; overall, 44% of aid to water-targeted climate change concerns – mitigation or adaptation – to some extent.

Most mitigation projects had mitigation as the principal objective, whereas most had adaptation as only a significant objective. In volume terms, **USD 2.6 billion** of aid to water-targeted climate change to some extent (USD 1.9 billion for adaptation; USD 1 billion for mitigation; and an overlap of USD 0.3 billion where both adaptation and mitigation were targeted).

Aid to water supply and gender equality

Figure 7.5. Gender equality focused aid

Share by sector, DAC members’ 2009-10 commitments, constant 2010 prices



StatLink  <http://dx.doi.org/10.1787/888932700162>

Initiatives that help women carry out everyday chores more efficiently, such as the supply of piped water, reduce the amount of time women spend on arduous tasks such as fetching water and free up time for educational opportunities, productive work, participation in community life and decision making (OECD, “Women’s Economic Empowerment”, *Issues Paper*, 2011). However, the gender dimensions of water programmes are often ignored: only a quarter of aid to water addressed gender equality concerns while the share is closer to one-third for total aid (31%). In social sectors other than water, the share is much higher: 61% for education, 51% for health, 42% for government and civil society. It is also higher for a number of productive sectors such as agriculture and rural development (31%). For further information, see www.oecd.org/dac/stats/gender.

* It is estimated that about USD 18 billion per year are needed to expand water services in developing countries to achieve the water and sanitation Millennium Development Goals. To maintain the existing water infrastructure, another USD 54 billion of investments per year are needed.

Source: OECD (2011), *Meeting the Challenge of Financing Water and Sanitation: Tools and Approaches*, OECD Publishing, Paris.

Notes

1. www.g8.fr/evian/english/navigation/2003_g8_summit/summit_documents/water_-_a_g8_action_plan.html.
2. www.oecd.org/document/32/0,3746,en_2649_3236398_46582624_1_1_1_1,00.html.
3. One of the sub-objectives of MDG 7 is: By 2015, reduce by half the proportion of people without sustainable access to safe drinking water and basic sanitation.
4. African Vision, AMCOW.
5. The Fourth High-Level Forum on Aid Effectiveness, Busan, Korea, November-December 2011, www.oecd.org/document/12/0,3746,en_2649_3236398_46057868_1_1_1_1,00.html.

References

- OECD (2011), *Meeting the Challenge of Financing Water and Sanitation: Tools and Approaches*, OECD Publishing, Paris.
- OECD (2012a), *OECD Environmental Outlook to 2050: The Consequences of Inaction*, OECD Publishing, Paris.
- OECD (2012b), *Meeting the Water Reform Challenge*, OECD, Paris, www.oecd.org/dataoecd/60/54/49839058.pdf.



From:
Development Co-operation Report 2012
Lessons in Linking Sustainability and Development

Access the complete publication at:

<https://doi.org/10.1787/dcr-2012-en>

Please cite this chapter as:

Camdessus, Michel, Gérard Payen and Pierre-Frédéric Ténière-Buchot (2012), "Building awareness of water's vital role", in OECD, *Development Co-operation Report 2012: Lessons in Linking Sustainability and Development*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/dcr-2012-14-en>

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgment of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to rights@oecd.org. Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at info@copyright.com or the Centre français d'exploitation du droit de copie (CFC) at contact@cfcopies.com.