



Implications of the Budapest Water Summit 2016 for water governance and democracy

Report

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Summary

The theme of the Budapest Water Summit 2016 was that *Water Connects* across all aspects of sustainable development and across geographies. But to ensure against future conflict and scarcity, the messages and recommendations from the event also highlighted how we need to rethink and create governance models within and across countries. There are some profound implications for how democracies, as well as other political approaches, manage and negotiate these interconnections.

The main areas for governance and policy challenges are:

- Ensuring effective transboundary arrangements to avoid conflict and ensure water sustainability;
- Increasing policy coherence to avoid water availability, ecosystems and sanitation being treated in isolation;
- Enabling multi-level governance to co-ordinate between local, national and international action and frameworks;
- Engaging multiple stakeholders, including young people, the most vulnerable and local people, in all decisions and implementation.

About the Budapest Water Summit

The [Budapest Water Summit 2016](#) – *Water Connects* – was organized by the Hungarian Government in co-operation with the [World Water Council](#) with the aim: “that instead of conflicts and global risks water shall be the source of cooperation, peace and development for all the countries committed to sustainable development”. It followed the Budapest Water Summit 2013 whose closing document successfully ensured that water became a standalone UN Sustainable Development Goal (SDG 6 – *Ensure availability and sustainable management of water and sanitation for all*).

This report focuses on the implications of the summit for water governance and democracy. It covers material from the main plenary sessions as well as from the [Civil Forum](#) co-organised by FSDS Trustee János Zlinksy, Director, Sustainable Development Academy of the Regional Environmental Center in Hungary. The Civil Forum produced a final statement, as did the other stakeholder forums – Youth Forum, Science-technology Forum and Women’s Forum – which all fed into the final [Messages and Policy Recommendations from the Summit](#).

Setting the scene

Alongside opening presentations from, for example, János Áder, President of the Republic, Hungary, and Mrs Ameenah-Gurib-Fakim, President of the Republic of Mauritius, and Co-Chair of the High Level Panel on Water, as well as a wonderful [sand animation](#) by renowned Hungarian animator Ferenc Cakó, the [first plenary session](#) set the scene for the rest of the conference.

Danilo Türk, Chairman of the Global High Level Panel on Water and Peace, pointed out that the UN Security Council was now focusing on water and its importance for peace as well as sustainability. He argued that there were not enough transborder river basin arrangements, and that more needed to be created.

Joachim von Amsberg, Vice President, Asian Infrastructure Investment Bank (AIIB), raised the important role of investment in bringing stakeholders together. More generally, he said that any water infrastructure built from now on needs to be sensitive to multiple issues such as energy, and not seen in isolation.

Pavel Kabat, Director General and CEO, International Institute of Applied Systems Analysis, noted the importance of systems analysis, and engaging science for appropriate solutions.

The chair summarised the session by saying that there was a need to move straight to solutions away from analysis, widen the agenda beyond water, incorporate all stakeholders (including crucially government finance ministers), and recognise that science stands ready to be involved in policy-making.

Final messages and policy recommendations

The document [Messages and Policy Recommendations](#) spells out the main points of discussion from the plenary sessions as well as the four Forums.

An overall message was that water is the “the most critical natural asset” and needs to be embedded throughout the entire UN SDG 2030 agenda, as an “enabler and interconnector”.

Water connects across sectors, places and people, as well as geographic and temporal scales. In most cases, hydrological boundaries and administrative perimeters do not coincide. Freshwater management (surface and groundwater) is both a global and local concern, and involves a plethora of public, private and other stakeholders in the decision-making, policy and project cycles.

It was also stressed that water is a human right, and that national governments should adopt national human rights roadmaps to achieve this.

One of the main concerns was the increasing role of water availability and quality as an actual and increasing source of conflict.

Only by recognizing an integrative approach to water resources management based on the acknowledgement of the central nature of water makes it possible to achieve the objectives set forth in this transformative agenda and ensure peace. Through such integration, the ways in which water is governed and managed can reconcile the competing uses of water and safeguard this limited and fragile resource for present and future generations.

Another message was that of policy incoherence, with issues of water management, accessibility or sanitation often dealt with separately to other policy agendas.

Policy responses to meet water-related SDGs will only be viable if they are coherent, if stakeholders are properly engaged, if well-designed regulatory frameworks are in place, if there is adequate and accessible information, and if there is sufficient capacity, integrity and transparency.

Overall, the main points and recommendations relating to governance and democracy concerned the following areas:

- ensure effective transboundary arrangements
- increase policy coherence
- enable multi-level governance
- engage multiple stakeholders in all decisions and implementation

Transboundary arrangements

One of the strongest areas of governance addressed at the conference was that of the importance of transboundary arrangements between nations in order to avoid conflict and ensure water sustainability.

In many watersheds of the world, the amount of shared water between riparian states that have been agreed today will not be there in the future due to increased water scarcity. Climate change may exacerbate the situation.

The majority of transboundary basins are not governed by any form of treaty or cooperative agreement at all yet 40% of the world population lives on transboundary water bodies.

This may be the biggest challenge of our generation. The costs of failing to manage them are counted in terms of poverty, conflict, impaired growth and loss of biodiversity.

Recommendations and messages included:

- *Use water that crosses sovereign or jurisdictional boundaries to build cooperation versus generating conflicts.*
- *Frame negotiations through transboundary water infrastructure investment and management to jointly create benefits versus fighting over allocations of water, achieving joint basin operating rules, planning and management of transboundary waters.*
- *Link IWRM [Integrated Water Resource Management] to water diplomacy for prosperity and peace.*

More specifically:

- *Create stronger transboundary water management/governance institutions and strengthen existing institutions, and implement instruments for improved joint management of transboundary waters on the basis of mutual benefit and consensus.*
- *Employ, by all states, their best efforts to promote UN international watercourses conventions (accession, acceptance and ratification) and effective implementation.*
- *Build water cooperation across boundaries and consider the use of the soft power of water investment to promote cooperation.*
- *Use joint water resources planning and environmental management to prevent negative cross-sectorial and transboundary impacts and create additional opportunities for equitable and sustainable sharing of benefits from water use.*

Increase policy coherence

Since water was seen as too important to “remain within the confines of water policies”, it needed to be addressed across all policy areas, such as health or employment creation.

The overall message was to:

Increase coherence across water-related policies through sound legislation, regulation, institutional arrangements, enforcement, integrity and transparency.

And more specifically to:

Encourage policy coherence through effective cross-sectoral co-ordination and harmonization, especially between policies for water and the environment, health, energy, agriculture, forest, fisheries, industry and land use.

Multi-level governance

There was concern that while water policy is critical to sustainable development:

To varying degrees, countries have decentralized and allocated increasingly complex and resource-intensive responsibilities to sub-national governments, resulting in interdependencies across levels of government that require co-ordination to mitigate fragmentation and lack capacity, responsibility allocation and finances.

And that:

Coping with future water challenges raises not only the question of “what to do?” but also “who does what?”, “why?”, “at which level of government?” and “how?”

There was therefore a need to:

Manage water at the appropriate scale(s) within integrated basin governance systems to reflect local conditions, and foster co-ordination between the different scales.

At the international level there were also calls for a new global architecture to recognise and integrate water challenges across the UN system.

Engaging multiple stakeholders

The Summit argued for wide stakeholder engagement to ensure the best design and implementation of solutions. There was a particular need to:

- *Bring together the different stakeholders around water, energy and food security strategies by decision makers in governments and private sector.*
- *Inform stakeholder dialogue by evidence-based analysis of nexus interactions and the development of scenarios, strategic visions and response.*

More generally, it was felt important to:

Manage freshwater resources in an integrated way in transboundary river basins and aquifers, so to maximise benefits across sectors in an equitable, efficient and sustainable way, foster food and energy security, protect ecosystems and enhance the services they provide, and increase water productivity.

There seemed to be overall support for Integrated Water Resource Management (IWRM) to achieve many of these aims:

- *IWRM is a conceptual water management process of integrating stakeholders and resources horizontally and vertically, an efficient driver of social and economic development, and an internationally accepted way for efficient, equitable, and sustainable water management.*
- *IWRM is necessary to integrate multiple water uses and to connect multiple water users and other social sectors*

Civil Forum conclusions

Whilst many of the suggestions made in the final Civil Forum statement were incorporated into the Summit *Messages and Policy Recommendations*, the issues of multi-stakeholder governance, particularly the needs and inputs of vulnerable and often under-represented local people, were stressed relatively more strongly. The strongest theme coming out of the civil forum discussions was to ensure wider stakeholder engagement including youth, women and local people, in decision-making and implementation.

Professor László Pintér, of the Central European University in Hungary, believed that this approach required possible consideration of a new 'social contract' alongside adaptive governance. He also thought that much of this activity is already beginning to happen at a city and municipal level (for example, in Netherlands and Germany) and that it needed broad social ownership and dialogue.

Overall, there was a belief across the participants that water was an enabler and connector; and an accelerator for the circular economy. However, for these goals to be achieved, there needs to be more policy coherence, transboundary institutions, new approaches to dispute and conflict resolution, new business models with long-term incentives, and the need for bottom-up stakeholder approaches with trusted brokers and appropriate ownership.

Sándor Fülöp, President, Environmental Management and Law Association, Hungary, and FDSD Trustee, argued that future generations need to have institutional representation. There was also widespread agreement about the need for much greater cross-sector collaboration, rather than just

discussions or implementation by government and experts. “Trusted intermediaries” were also felt to be important to enable difficult conversations or practical cross-sector solutions.

It was also agreed that citizens need to be educated and empowered to have the capacity and the will to take leadership and responsibility to manage their environmental resources.

The Forum reflected the main plenary’s concern with cross national boundary conflict, but adding more emphasis on the needs of local people. They agreed that water management:

“is an ideal platform for international cooperation and the establishment of respectful relations among groups with different cultural or religious background. Cooperation in water management is one of the most efficient ways to strengthen peace after conflicts. Both flood and drought management must also be part of these institutions. Youth need to be involved in these institutions and governance platforms in order to provide their perspective and to suggest new solutions”.

In order for this situation to be achieved, there was a need for “transparent and publicly accessible information” which should include: “local knowledge and the personal experience of traditional experts who have been managing the ecosystems for hundreds of years”.

Ilya Trombitsky, Executive Director, ECO-Tiras, Moldova also noted that in the absence of government agreement in Ukraine and Moldova, transboundary NGO associations had set up a Joint River Basin agreement in a scientific and professional way, avoiding political issues. He also believed that community resilience was also needed to organise across boundaries.

Jean-Francois Donzier, Executive Secretary, International Office of Water, France, cited the example of [Ecocuencas](#) which set out a different approach to financing River Basin Organisations, as well as the Senegal River Basin (Guinea, Mali, Mauritania, Senegal) which used joint investments and shared benefits, with international engagement as a way to gain agreement.

There was also concern about the need for multi-level governance, with national governments and local authorities working in close partnership to reflect vertical synergies and achieve development results at the local level, close to vulnerable groups.

Dimple Roy, Director, Water, IISD, summed up many of the participants’ desired approaches through setting out examples of integrated decision-making across the water-energy-food nexus. Through mapping the ecosystem and using supportive tools and wide stakeholder engagement, agreements can be made which in effect create a bioeconomy with new value chains. She also highlighted the role of the ‘trusted broker’ or ‘connector’ as a way to better enable innovation and multiple benefits, manage trade-offs, and engage all equally (See the [FDSD blog](#) by Dimple Roy which draws on her presentation for further details).

Water indeed connects across all of sustainable development and across geographies. It highlights how we need to rethink and create governance models within and across countries, with implications for how democracies, as well as other political approaches, manage these interconnections.

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