



Priority for Action 2.4: Promote Green Growth and Value Ecosystem Services

Water is integral to the environmental and social systems that underpin the global economy. Yet, sustainable and equitable management of water is too often overlooked, and its benefits underestimated, in economic development decisions. The Priority for Action of “Promote Green Growth and Value Ecosystem Services” is aiming to find solutions, through building bridges among the economic, social and environmental dimensions of water.

Water resource management and the sustainable delivery of water services must be addressed through collaborative, holistic and integrated strategies. Without these, given cross-sectoral demands and multiple uses for water, sustainable development has been understood as untenable. ‘Green growth’ or development of green economies is not proposed as a replacement for sustainable development, but rather as a way to operationalise it. Green growth and green economy are becoming the new currency for speaking about sustainable development. Just as equitable and sustainable management of water is intrinsic to sustainable development, therefore, there will be no green growth without water. Water and the water community globally have a critical role to play in the emerging debate on green growth.

The Priority for Action offers a bridge to the green economy focus in the Rio+20 Summit and hence, significantly, to raising the political and investment priority given to targets and solutions that will bring ecosystem benefits into the mainstream of economic decision making over water.

Core Group members

Mark Smith (IUCN), Karin Krchnak (TNC), Ick Hwan Ko (Korea Water Resources Corporation)

Targets and Solutions Groups

1. Policies, laws, institutions and markets to enable transition to green economies
(Callum Clench (WWC) – coordinator)
2. Investment in innovative, efficient technologies and building natural capital for benefits including private returns, jobs growth and poverty reduction
(Béatrice Arbelot (FP2E) – coordinator)
3. Sustainable financing of equitable water services and water resource protection
(Anthony Cox (OECD) – coordinator)
4. How to value natural assets and account for them in making better development decisions (Olivier Bommelaer (French Min of Ecology) – coordinator)
5. Accounting by governments to incorporate natural assets
(Engin Koncagul (WWAP) – coordinator)

Priority for Action 2.4 is focused around **two overall aims**:

- Value water and ecosystem services and make efficient and innovative uses of water a trigger for green growth and development
- In the water sector, to promote economic tools fostering green growth

Thematic priority 2.4 Core Group

Summary

Priority for Action 2.4 will mobilize knowledge, evidence, action on solutions and policy recommendations that specifically address how water can contribute to green growth. With the high priority being given to low-carbon economic models, large investments will be made in infrastructure and technology. If these do not adequately take into account the role ecosystem services play in providing adequate quantities of water, of sufficient quality, then green growth will be undermined. Growth strategies that fail to invest in the natural capital underpinning water resources risk undercutting jobs and income growth. Taking advantage of the role of ecosystem services in water management could and should therefore play a role in triggering economic growth in developing as well as developed countries, as the global population grows and countries struggle with the ongoing global financial crisis.

The five targets are designed to bring stakeholders together to build solutions that will help ensure that sound water management will be factored into economic growth plans from national to local levels. The business sector will be integral to advancing the necessary new approaches and technologies in their operations and development plans.

Target 1: Policies & enabling conditions

Coordinator: Callum Clench, World Water Council

Target 1

By 2012, propose a framework for action on water in green growth, in support of the MDGs and implementation of Rio+20 agreements that addresses local, national and regional action and could be included in the Forum's political declarations.

Summary

Of the 5 proposed targets for Thematic Priority 2.4, Target 1 is the most cross-cutting and will bring together the work of the other targets and link to the regional and political processes for the Forum. In this way, Target 1 will mobilize knowledge and evidence, develop action on solutions and ultimately support policy makers with recommendations that specifically address how water can contribute to green growth.

Target 1 is closely aligned with an on-going project of the World Water Council and the Korean Government focusing specifically on water and green growth. The project aims to develop and promote a framework clarifying the role and importance of water and green growth, including policy options and mid-and long-term roadmaps, for presentation at the Forum and in other international meetings, and to ensure that water features a high priority on the international agenda for green growth.

Target 2: Returns on investment for technologies and natural capital

Coordinator: Beatrice Arbelot, FP2E

Target 2

Returns are quantified for public and private investment in innovative, eco-efficient technologies and (re-) building of natural capital to supply ecosystem services, to create the evidence needed for xx% growth in these investments by 20xx based on outcomes for poverty reduction and jobs growth.

Summary

The objective of the target is to assess and stimulate private and public water sector investment in innovative, eco-efficient technologies and restoration of ecosystem services as a mechanism of promoting green and responsible growth and the circular economy. It is intended to promote business opportunities based on

quantified returns on investment for technologies and tools that conserve and restore ecosystem services, lead to lower carbon footprint and support poverty reduction and enhanced human well-being. It is also to stimulate investments in drinking water and sanitation infrastructures.

Target 3: Sustainable financing

Coordinator: Anthony Cox, OECD

Target 3

By 20xx, reviews of charging structures for all categories of water use, as well as strategic financial planning, tariffs, taxes and transfers, lead to adoption of action plans on sustainable financing of both equitable water services and watershed protection (including options for payments for ecosystem services) by local and/or national governments in xx countries.

Summary - TBC

Target 4: Ecosystem valuation

Coordinator: Olivier Bommelaer, French Ministry of Ecology

Target 4

By 20xx, a standard is adopted for use by business and farmers, governments and finance institutions in applying valuation of water-related ecosystem services in economic assessments of projects and plans for water infrastructure, food security and energy development.

Summary

Evidence shows that a lack of integration of water, agriculture and energy development during project conception and planning results in significant economic and natural capital losses, most often to the detriment of the poorest and most vulnerable populations. Economic assessment methods classically do not address the value of conserving water resources and ignore the economic services offered by aquatic ecosystems. Studies have revealed that if costs are anticipated at an early stage in the project cycle and integrated into planning then overall project expenses are lower. For water resources and water ecosystem services which could not be restored through financial investment, in-kind compensation can be provided to affected water users if this is anticipated in project planning and budgeting during project conception. More integrated planning processes and more consistent valuation methods appear necessary for ensuring food and energy security without compromising the sustainability of vital water resources and ecosystems both at local and global scales.

Target 5: Green accounting and data improvement

Coordinator: Engin Koncagul, World Water Assessment Programme, UNESCO

Target 5

By 20xx, green accounting methodologies fully incorporating the environmental, social and economic dimensions of water are demonstrated in national accounting case studies for xx countries.

Summary

It is widely recognised that, over the next few decades, global drivers such as climate change, population growth, changing diets of people, etc. will have a significant impact on the availability and distribution of water resources. The resultant pressures will require intelligent and innovative policy and management responses at many levels to sustain both human activities and the environment, as well as to support the poor communities

that will bear the brunt of the impacts. To guide and monitor these responses, a flow of reliable information is required which presently is weak, particularly at the national and regional levels. Information regarding the status of natural resources is largely incomplete or lacking altogether for some countries. Only limited disaggregated information exists and the data that is available shows deficiencies in validity and homogeneity and provides extremely poor information on trends.

While the quality of information systems varies with each country, there are common difficulties including estimated statistics rather than figures based on data collected in surveys and the inadequate historical datasets. These deficiencies in data are further exacerbated by the lack of agreed terminology that leads to discrepancies in data compilation and analyses. The dilemma that we are facing is that the existing data, in spite of its limitations, is not being used properly due to the fact that current practices/tools traditionally disregard the real value of water resources and the environment. Therefore, decision-makers need a revised model in the shape of “Green accounting” that incorporates environmental costs into the financial results of production. Green accounting and green economy are intrinsically linked as their implementation helps improve human well-being and social equity, as well as reduces environmental risks and ecological problems.

How to get involved

Having read this brief overview of the thematic priority and the list of targets, is there an area where you would like to be involved in? If so, then please see the contact points below for further assistance.

Contact points

For support with the Core Group:

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For support to the Targets please contact:

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We are happy to announce the launch of the online work space dedicated to the preparation of the thematic process of the 6th World Water Forum. This tool provides the space to share and discuss information on each target and enables the management of the deliverables of each Target working group. If you would like to access the workspace please contact Anna Dupont a.dupont@worldwaterforum6.org who will set you up with an account and provide you with log in details. Anna acts in a supporting role to the TSG coordinators and can help with general enquires about the thematic priority.

If you need support using the online workspace, need support in contacting the TSG coordinators or would like to find out more about the thematic priority 2.4, please contact rebecca.welling@iucn.org.

Finally, please check the 6WWF website for more information <http://www.worldwaterforum6.org>. Go to ‘Target’s List’ under ‘Documentation’ on the left hand side of the page and there you’ll find more information about thematic priority 2.4 and the targets.