

#### HIGH LEVEL PANEL ON WATER (HLPW) VALUING WATER INITIATIVE REGIONAL CONSULTATION MEXICO

Monday, 24 June 2017 Mexico City, Mexico

#### WELCOME AND PRESENTATION

The Regional Consultation of the "Valuing Water Initiative" in Mexico, was presented by the Netherlands Ambassador in Mexico, Mrs. Margriet Nieske Leemhuis; Fernando Gonzalez Canez, head of the Valley of Mexico's Watersheds Organization of the National Water Commission; Diego Rodriguez, Senior Economist at the Water Global Practice of The World Bank Group (WB); Damaso Luna, Deputy General Director for Sustainable Development in the Ministry of Foreign Affairs Mexico, and Joshua Newton, from the Global Water Partnership.

At the beginning of the session, Fernando Gonzalez pointed out that the exercise of this activity represents a laudable and unique effort, for this was the first time a small group of a very high level, with a vast expertise on water management, was gathered to share their opinions with the purpose to arrive to fruitful conclusions that will be noted in the result package of this Regional Consultation.

On her behalf, ambassador Leemhuis mentioned that in many regards water is not being properly esteemed, and that the exercise of this Consultation was the beginning to set in motion the Bellagio Principles on the valuation of water; that is, **recognize the multiple values of water, generate trust, protect the sources, invest**, and **educate to empower**. Mrs. Leemhuis also made emphasis on the opportunity this initiative represented to help promote the conscious use of water and its sustainable value amongst the different groups. She concluded her intervention celebrating the cooperation of the Netherlands, Mexico and the World Bank in this unique Panel that will continue to be working to achieve results.

Diego Rodriguez mentioned that the World Bank coordinates the Panel's Secretariat worldwide, where several initiatives are being launched, amongst which the Consultation on the "Valuing Water Initiative" is one of the most important. He also stressed this Consultation is one of the first exercises that has provided input to influence the elaboration of principles in a worldwide level, with a bottom-up perspective, where ideas are obtained from the users. Later, he exhorted the participants to take advantage of the space to negotiate their thoughts and arrive to agreements that will lead to the key messages that will be presented for the global agenda on water.

Damaso Luna, on his behalf, recognized the importance of the initiative in order to value water from every point, and find joint visions that will set the example to move forward in the



Sustainable Development Goals. He added that water cannot be conceived in isolation, for it is an element we must attend from every sector represented in each one of the participants.

Finally, Joshua Newton closed the interventions by welcoming each and everyone of the participants on behalf of the Global Water Partnership, and mentioned that this was the third Consultation; the two previous ones where held in South Africa and Tajikistan, and the next two will be held in Bangladesh and Peru. He also noted that GWP is coordinating the execution of five of the Consultation on "Valuing Water Initiative" around the world. He pointed out that the subject of "Valuing Water" is not always easy to discuss, a reason why he celebrated this type of forum and the successful participation of the interested parts.

#### **INTRODUCTION TO THE ACTIVITIES**

Fernando Gonzalez offered an introduction on the High Level Panel on Water, which covers five thematic aspects developed for the United Nations:

- 1. Resilient Communities and Economies.
- 2. Water, Infrastructure and Investment.
- 3. Universal Access to Water and Sanitation.
- 4. Water and Environment.
- 5. Cities and Towns with Capacity for Development.

The main purpose in these aspects was to catalyze the exchange of knowledge and the constructions of associations around water, for which three strategies were developed about the worldwide necessities of water:

- 1. We need better data, monitoring and exchange of information.
- 2. We must reach sufficient political relevance around the subject of the value of water in order to detonate a change or a status of preponderance.
- 3. We must have efficient governance with the goal of a long-lasting economic, social and institutional development, promoting a healthy balance amongst the State, the civil society and the economic market around the value of water.

#### **BEGINNING OF THE EXERCISES**

The room was divided in seven worktables, formed by approximately seven participants per table.

For the **first exercise** the participants were invited to reflect individually on the following questions:

- 1. What is your opinion about the valuing water exercises?
- 2. What do you think is the potential of the "Valuing Water Initiative" in order to achieve a better management of the resource?



Next, the participants were invited to establish a dialogue, debate and exchange ideas with their table partners in order to select a spokesman to present their conclusions to the rest of the room.

The conclusions of the room were as following:

On question 1:

- These exercises are very useful to know the different perspectives, the economic solutions, and the measurement of availability and social inclusion.
- These exercises should not only be carried out in these High Level Panels. They also have to be carried out in a multispectral and multilevel manner, placing collective interests over individuals.
- These exercises help the integration of people interested in water issues to improve public policies around this resource and generate efficient and effective actions in this area.

On question 2:

- Water has a value, and what has a value has a cost; thus, it must be taken into consideration and discussion the cost of the management of water.
- The value of water is contextual and to value it we must take into consideration the cultural characteristics, which will define the main component of its valuation, according to its own cultural characteristics.

For the **second exercise**, Fernando Gonzalez encouraged the room emphasizing that the initiative to valuing water not only lies in one day or in a single region, but it aims to grow the water agenda to a high level so that the results have a world-level influence. He also stressed that this was not the only Consultation, and that the issue will continue to be addressed and the visions unified.

After the second exercise was described, the participants were encouraged to: 1) write individual messages about the Preamble and the Principles for the High Level Panel on Water; 2) per table, discuss and arrive at agreements on the three main messages; 3) through a spokesman, share these messages in a Plenary Session. The core question for this exercise was:

1. Is there anything you would like to add/modify to the Preambles and Principles?

After 30 minutes, all the participants shared their messages and organized them as inputs for the next exercise.



The **third exercise** began later, when the proposals and thoughts of exercise two were exhibited in written form so that the participants as a group, through votes, could prioritize the messages that would be presented to the High Level Panel about the Preambles and Principles. Each participant counted three votes for the Preamble, and three more for the Principles. The results were the following:

Preamble	Votes
Establish a strong water governance, regardless of its use and management.	24
Planning the water resource should be a defining element for land use.	17
There should be efficiency in the use and management of water. Innovation and technology are needed for this.	15
Include in the first preamble the phrase "Water is essential for human health, food safety, energy supply, the maintenance of the cities, and the environment." Include in the fourth preamble: "Hydrological resources are threaten by the overuse, pollution, climate change, and ecosystem degradation."	15
State explicitly that the culture of water, as well as the perception people have of this resource, are determined by the different values given by the cultures themselves.	12
Elaborate new institutional arrangements for a correct water governance.	6
There should be more emphasis placed on the implementation of watersheds and	
geo-hydrologic systems in order to determine the limits of water availability.	4
Ensure the development of information systems that promote an effective decision-making process.	3
Understand that climate change is affecting the time-line and availability of the resource.	0
Add a variable on the changes and demographic trends and their relation to the spatial concentrations of people as a world trend.	0
A suggestion is made to re prioritize the preamble according to the following:	
1. Open with the importance of this resource and then acknowledge we are	
currently in a stage of crisis.	Added
2. There is a need to involve actors and provide an affective participation to	after the
the management of the water resources.	voting
3. Call to action.	session.



Principles	Votes
Promote the Integrated Water Resource Management (IWRM) in watersheds	
management.	25
Make explicit in the fifth principle the cost of water management, as well as its	
availability in order to invest and innovate.	21
Reconcile the multiple uses of water in matters of time, space and availability.	20
Simplify the language in order to turn the principles into something that can be	
adapted first to the international and then to the national legislations	
("Constitution").	17
Sensitize, raise awareness, and promote a culture of water.	14
Make explicit in the first principle the human right to water access.	11
Add a principle: To guaranty water safety.	8
In the third principle, make more emphasis on making the source management	
sustainable in order to protect and guaranty the resource of water to future	
generations.	6
Add a principle: "Public policies and water management must take responsibility	
for water scarce." This principle should begin in a watershed level, and from there	
assign water its uses according to its values. Add to the second principle:	
"Decisions must be based on the best science available." Add to the third	
principle: "Degradation of ecosystems increases the vulnerability of hydrological	
resources and communities." Add to the fourth principle: "Promote awareness	
from basic levels; this must include the values of water, taking into consideration	
as well the value of ecosystems in the water cycle."	6
Favor principle five: "It is necessary to ensure investment."	5
The fourth principle is transcendental for paradigm changes; this message should	
be incorporated beyond ensuring any decision-making processes.	5
Add principle five: "Green infrastructure must grow in tandem with gray	
infrastructure."	3
Investment matters must be clear on what is a green or a gray investment.	
Emphasis should be made on the treatment of sewage waters.	2
The title of the fourth principle "educate to empower" is not related to the initial	
text of the principles.	2
The fourth principle must be adapted to consider the stage of implementation,	
showing the arrangements of cooperation or the vehicles that the society carries	
out or promotes.	1
In addition to protect the sources, the importance of water discharges should be	
mentioned.	1
Every principle is important, regardless of how their redaction has no sequence.	0
The Principles must be clear and open to be evaluated by Civil Society on an	
"Evaluation and Results Base Managed" approach.	0
Make explicit in the second principle that the different values of water may	<u> </u>
present a trade- off situation, but to build trust among all users is necessary to	
consider them all and establish processes of negotiation.	0
	0



	Added
	after the
	voting
Declare governments as actors in order to put in motion these ideas.	session.
	Added
	after the
Accomplish a better integration of the Preamble and Principles in only one	voting
chapter.	session.

At the end of the voting session it was asked in plenary whether any other messages should be added. In the case of the Preamble it was suggested to organize the ideas according to a logic of establishing the problem, the needs and then the call to action. In the case of the Principles, one of the messages that arouse debate was to declare governments as main actors because co-responsibility is everyone's. Therefore, the "main" part was eliminated, emphasizing that governments are only one of the actors that should be present to set in motion what is established in the Principles. In this regard, it was mentioned that the initiative "Valuing Water" aims to raise the level of decision-making and water policy to heads of state. It was added that the interlocutor who will read and adopt these principles would be a political actor, driven by the value society gives to water. In addition, it was said that the principles are made for its adoption by heads of state and their political corps; reason why it is essential to declare governments as triggers for change.

After a recess for lunch, we continued with the **fourth exercise**, which was focused on the actions; that is to say, how to bring to life the Preamble and the Principles. The question that triggered this exercise was:

1. How to implement the Preamble and the Bellagio Principles?

The results of the room were the following:

There must be sustainable economic viability and projects must count with sufficient inputs and supplies based on current and future political and economic objectives.

- It is necessary to define the financing that all actions must have in favor of the valuation of water, starting from the particular towards the general.
- It is proposed that water should be free of payment and tariffs. This means that the human right to water must be operated by establishing a minimum amount (36 liters was suggested) and billed according to the income of the people in a transparent and equitable way.



- There is a proposal to legislate on the valuation of water for its effective use, for defining the resources of its management and for its own control. This must transcend the public sector and the six-year political changes (in Mexico, federal government changes every six years) in order to allow effective governance.
- Coordination and planning must be based on science.
- A correct communication is necessary; it must be didactic and easy to understand for every sector and level.
- It is imperative to promote qualitative studies on the values of water; only with this can we focus efforts to implement effective strategies in each region.
- We must promote the exchange of information and knowledge.
- Promote the payment for environmental services in the regions.

This Consultation added a **fifth innovative exercise**, where participants were invited to answer within their own sector's perspective the next question:

1. What is the most important message discussed in the Preambles and Principles, and what is the impact of this initiative in your sector?

#### ENERGY SECTOR:

- The preambles are well stated.
- In Mexico water has a high representation for the production of energy, up to 40% of its production depends on this resource.
- This initiative can improve strategies on the use of wastewater and care programs.

#### WATER AND SANITATION SECTOR:

- This is an initiative in which the deficiency of existing water systems due to a structural problem can be evidenced.
- It is essential to recognize that responsibility has to be shared with all government leaders.
- We must separate the right to water access and water services and have the basis to be able to talk about water services and, above all, to trust that there is a global movement born precisely out of initiatives based on participation, discussions and debates in panels like this one, and that later will appear before the plenary of United Nations.
- We must seek that heads of state review infrastructure investments, laws and all that improves the revenue collection.

#### AGRICULTURAL AND RURAL SECTORS:

• We have to be co-responsible in both the infrastructure and service management.



- Although our sector is the main user–76% of water is used in agriculture and livestock in Mexico– this is the sector that least contributes to its sustainability. However, we can be efficient thanks to the infrastructure Mexico has.
- In Mexico we have the infrastructure to produce food, but not the conditions. Therefore, it is necessary to invest in infrastructure where water re-utilization for irrigation has been proved.

#### BUSINESS SECTOR:

- The planning exercise has to be the core for investing and obtaining the expected results.
- It is necessary to have an applicable legal certainty that ensures the returns of investments.
- We must encourage the generation of studies and clear mechanisms of public consultation on the environmental and social risks associated with the construction of dams.

#### SCHOOL OF ENGINEERS:

- The School does not do projects: it proposes, monitors and supervise projects. For this reason, rainwater harvesting should be promoted as well as the appropriate infrastructure to make it profitable; this must be both for the government and citizenship, in a small and large scale.
- Replacement of infrastructure: we need more green, domestic and industrial infrastructure.
- Green infrastructure and gray infrastructure must grow and be integrated into budgets at the same time.

NON-GOVERNMENTAL ORGANIZATIONS (NGO):

- Ecosystems must be integrated as part of the water chain of value.
- Filtration of water, regulation of flows, and improvement on the resilience of cities should be included as values.
- Mexico needs decentralized decisions because of its highly dispersed populations.
- Traditional knowledge needs to be retrieved and new information needs to be made accessible.

#### WATERSHED COUNCILS:

- The Watershed Councils are the mechanism that Mexico gave the world, within the law, to listen to users.
- In this process, the strength and empowerment of each region must be discussed to provide elements of negotiation.
- Transparency and accountability have to be the guidelines for any decision regarding water use.



#### COMMUNICATION:

- There must be a communication link between issues of resilience and those of disaster.
- No matter how many parts exist, each of them must be in communication; knowledge and information must always be shared.
- The information must be harmonized in a universal language, clear and simple so that all interested parts can acquire knowledge.

#### MEXICAN ASSOCIATION OF HYDRAULICS:

- The concept of scarcity is not due to the fact that there is less availability of water, but because water demand has increased.
- The idea that water is a *transverse element* has changed, because water is generated by nature, and is a vertical resource.
- Integration of a legal framework is essential.

#### DIPLOMATIC SECTOR:

In her closing message, Ambassador Nieske Leemhuis thanked the efforts of each of the parties. She positively emphasized how the participants integrated a wide debate, full of viable proposals. She also pointed out that there is a need to add a value to water that has not been mentioned before, which is to have a world without water conflicts; she stressed that avoiding wars and enmities over water is everyone's responsibility, but above all, human beings'.



#### Appendix 1 - Consultation's Agenda







# High Level Panel on Water (HLPW) REGIONAL QUERY OF THE INITIATIVE "WATER VALUATION" **Program**

Monday 24 July 2017 Auditorium of the National Commission of Water's Headquarters Mexico City

#### 08:30 **Registration of Participants**

#### 09:00 Welcome and Introduction

Eng. Fernando Gonzalez Canez, CONAGUA, Amb. Margriet Leemhuis, Damaso Luna, SRE, Joshua Newton, GWP

#### 09:20 Rules of the Consultation's development

**GWP** Handlers

#### 09:30 Habilitation of the participant's self-introduction

GWP Handlers / all

#### 09:50 **Presentation of the initiative "Water Valuation" and of the Preamble and Principles**

Dr. Diego Rodriguez, WB – HLPW representative

Amb. Margriet Leemhuis (Netherlands) WV initiative Champion representative

10:10 Recess

#### Initiative "Water Valuation": Preamble and Principles

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#### 10:30 Introduction to the Session

#### Interactive Discussion Table on the Preamble and Principles

-Actors' messages to the HLPW on the Preamble and Principles

-Incorporations, subtractions and modifications. Plenary discussion about the contribution and messages of the GWP Handlers

#### 12:30 Prioritization of Key Messages

**GWP** Handlers

#### **Initiative "Water Valuation": Actions**

#### 12:40 Introduction to the Session

Interactive Discussion Table on how to operate the Principles. Plenary discussion with the contributions and messages of the groups. Prioritization of Key Messages.

**GWP Handlers** 

#### 14:00 Recess for Lunch

# 15:30 Discussion amongst participants about the results of the opinions and reactions.

GWP Handlers / All

#### 16:00 Synthesis

Summary of inputs provided and next steps on behalf of GWP. Report and dissemination, including making it available to the HLPW

**GWP** Handlers

#### <u>Closing</u>

#### 16:30 Message from the HLPW representatives

Dr. Diego Rodriguez, WB

Message of the "Water Valuation" initiative Champion representative

Amb. Margriet Leemhuis (Netherlands)

#### Host's message

Ing. Fernando Gonzalez Canez, CONAGUA

#### 17:00 End of the Consultation



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