

**HIGH LEVEL PANEL ON WATER (HLPW)
VALUING WATER INITIATIVE
PERU CONSULTATION**

Monday, 16 August 2017
Lima, Peru

WELCOME AND PRESENTATION

The Regional Consultation of the “Valuing Water Initiative” (VWI) in Peru was presented by the Netherlands Ambassador in Peru, Mr. Wiebe de Boer, with welcoming remarks from Ms. Mercedes Castro, the High Level Panel on Water (HLPW) Sherpa from Peru, who introduced Mr. Joshua Newton, from the Global Water Partnership (GWP).

Ms. Castro pointed out to the Panel the importance of sound water stewardship for the economy and for the wellbeing of peoples, advocating for more sustainable water management and a commitment for investment in socially oriented infrastructure. The Panel is committed to the Sustainable Development Goals, considering climate change and gender. Peru makes up the Panel with 10 other heads of state that delegate to Sherpas for implementation. The panel will submit a report for the UN Secretary General and the UNGA, with recommendations for all countries based on case studies showing best practices and successful initiatives, in a systemic approach. This work is assisted by the former Prime Minister of South Korea. Peru is leading three initiatives of the HLPW including domestic governance that includes coordination among all government agencies and stakeholders; access for all humanity to water and sanitation and partnerships to share experiences. She stressed that *“All of you are engaged in different strategies for this purpose. Today we will engage on the Valuing Water Initiative, a key initiative led by The Netherlands. Today we are going to address the Bellagio principles, to get your feedback as part of a global process of enriching and validating the Principles”*.

On behalf of the Dutch Prime Minister, Ambassador de Boer welcomed participants and highlighted the Netherlands’ decision to lead the initiative on Valuing Water. On behalf of the appointed Dutch Water Ambassador, who recently visited Peru, Ambassador de Boer stressed that Peru is a relevant country to discuss the initiative, given the challenges that the country faces, especially in the coastal region and highlands. He proposed three key messages:

First, the value of water needs to be explicit, including consciousness on social, economic and environmental values and it needs to have a common language.

Second, strong political leadership is needed and it is more difficult to put a price on human dignity and the right to access water and natural water related ecosystem services. This needs more work and we welcome the support of the World Bank to approach this.

Third, the support to continuing revision of the Principles to enrich commitments that are already made by different stakeholders, both locally and globally to support the broad objectives. The question now is if these principles can be operational and if they make a difference, if they are results-oriented in a practical way. Ambassador de Boer requested participants to guide and help all institutions in creating a common perspective on the water value chain, requesting the integration of natural differences that coexist between all stakeholders.

Mr. Gustavo Saltiel, from the World Bank, stressed the context and connections of the introductions by Ms. Mercedes Castro and Ambassador de Boer. There are other initiatives directly related to the VWI; one is financing of water, climate change and natural disasters, and another is on information, led by several countries. A full picture is needed to better understand the initiative, where Peru is leading 3 objectives, and pointing out the crosscutting nature of the VWI. The World Bank is in charge of the secretariat with the United Nations. The World Bank facilitates workshops, knowledge management, and support on governance issues. Peru supports the new regulatory framework for water and sanitation, watershed management and other fields. The World Bank motivates countries through examples to design their own policies. Mr. Saltiel mentioned the leadership of Peru in the initiative that can be seen in the priority assigned to water access for people. Mr. Saltiel thanked the Sherpa for her commitment in the HLPW and the leadership of the Netherlands.

INTRODUCTION TO THE ACTIVITIES

Mr. Joshua Newton, representing GWP, but speaking on behalf of the Netherlands government and country partners, Australia, Bangladesh, Tajikistan and Mexico, explained the role of the VWI in the consultation process worldwide. He pointed out that the subject of “Valuing Water” incorporates a number of social, cultural, economic and environmental criteria and the need to focus on positive aspects, including dimensions easily forgotten to incorporate all the different visions in a common language. Trade-offs are present in decision making processes and management of investments need to be balanced, and valuing water can assist with these processes. As has emerged in different consultations, the value goes beyond price, and privatization of services is not the only way to improve water value and management.

The process for the consultations included workshops, meetings and platforms. The upcoming World Water Week in Stockholm will address the result of all workshops and recommendations emerging on the VWI. This session is organized in three participatory phases. The main purpose was to catalyze the exchange of knowledge and the construction 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 catalyse a change in the status quo.
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, civil society and the economic market around the value of water.

BEGINNING OF THE EXERCISES

Session 1: General Framework

Interactive Discussion on the general framework paper, the concept of the value of water and the initiative, followed by a plenary discussion of the contributions.

The room was divided in eight worktables, formed by approximately seven participants per table. For the **first exercise**, the participants were invited to reflect individually on the following questions, acknowledging the context of all ongoing initiatives where stakeholders are engaged, as well as the Sustainable Development Goals.

1. What is the usefulness about the valuing water exercise and the initiative?
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 and exchange ideas with their table members, selecting a spokesman in order to present their conclusions to the rest of the room.

The conclusions of the room were as following:

On question 1:

- Increased consciousness and awareness produced by the discussion on the initiative and the dimensions of water value can lead to commitments and collaborative actions.
- A shared vision and common conceptual framework of water value can be achieved in order to make it “measurable”
- The exercise enriches perspectives on the needs and opportunities seen by all stakeholders
- Help to give transparency on the implicit cost assumed for water pricing. Opportunity cost should be applied in decision making process.
- Water is sub valued. A new way of valuing will help in designing a water security strategy.

On question 2:

- The initiative harvests in an inclusive manner the diversity of perspectives on how to address the growing challenges of sustainable water management.
- From conservation of water sources to safely recycling and reuse, the understanding of the value chain, commitment to an efficient and cleaner utilization and trade-offs are needed in defining roles and responsibilities to ensure a virtuous life cycle.
- Highlight the need for a cross-sector approach in IWRM, fostering articulation among users.
- The inventory of best practices, gaps and challenges will serve awareness campaigns and policy making, responding to water value principles.
- Benchmarking and transparency on consumption to pursue a paradigm shift and to promote behavioral and cultural changes and for public-private binding commitments.
- The initiative opens space for a UN Water Convention.

Additional comments were stressed by participants:

- Remember that water and sanitation comes together and all users may engage.
- In Peru, the agrarian vision persists and criteria for sharing valuation need paradigm shifts, where education at basic level in schools is a must, especially where scarcity and knowledge of where water comes from is a must.
- Innovation matters and the consultation is an opportunity to highlight it. Complexity and gaps need to be a focus in Peru to reach inclusion of everyone in our country.
- Public policy means active public participation. A number of commissions launched are lost in their way. Public Participation needs to be reinforced in order to have meaningful participation and the right people involved.

Session II

Interactive Discussion on the Preamble and the Principles:

- *Key Messages to the HLPW*
- *Proposed changes in the text (new ideas, subtraction of ideas, additions).*
- *Discussion in plenary on contributions and messages*
- *Prioritization of key messages*

For the **second exercise**, the facilitator explained the methodology. The text was briefly presented by Joshua Newton and time was given to participants to read and analyse before proceeding with the exercise. Participants were asked to: 1) write individual messages about the Preamble and the Principles for the High Level Panel on Water; 2) discuss with participants to get agreement on three main messages; 3) share these messages in a Plenary Session.

The question for this exercise was: Is there anything you would like to add/modify to the Preambles and Principles?

All the tables organized their messages in flipcharts. To facilitate the task Principles were also numbered. In plenary, each table presented their work. After ending the exchange of ideas, the panels were discussed and used as inputs for the next exercise.

As an example, one participant reflected that only continental water was considered in the text, and suggested that sea water should also be included.

After that, the **third exercise** started. Participants were called on to select and vote on the proposals for the Preamble and the Principles from the panels, using 3 stickers for each sub set in order to prioritize the messages that would be presented to the High Level Panel about the Preambles and Principles. The results are shown in the following tables:

Preamble

Paragraph	Comments	Votes
1	"Water is a vital and dangerous resource": It is dangerous if it is not managed properly	12
	The management of water and its sources must be efficient and sustainable because if neglected it can harm	1
	Water is a precious, fragile and a resource at risk, which affects the survival of species	0
2	Explain all the values of the water to know them and to avoid that they go unnoticed	2
3	Incorporate the concept of "duties" regarding the use and management of the resource	6
	Access to water supply services is necessary for equitable and inclusive human development	3
	Withdrawal reference to "Rights to Nature"	2
4	Water is an essential and finite resource and is under multiple pressures	5
	Water is threatened by pollution, excessive use and climate change	1
5	Change "ecology" to "environmental" Instead of "poor", more excluded	2
	Unify No. 2 and No. 5	0
6	Valuing water can help to rationalize its multiple uses in an equitable way and to guide its allocation and management	5
	Specify "brown infrastructure"	3
	Be it green or grey infrastructure. There is a human responsibility regarding dumping	2

General	Add paragraphs about: <ul style="list-style-type: none"> - Education, information and communication - Transparency and accountability - Climate change - Institutionalility - Financing 	12
General	Text handling and narrative form <ol style="list-style-type: none"> 1. Conceptual framework (Par. 1 + 4) 2. Water valorisation (Par. 2,3, 5, 6, 7, 8) 3. The initiative (themes: gender, equity, refugees, consumption, etc.) 	5
General	Uniformize the use of the concept of water	4
General	Improve articulation between both documents. The methodology must work in the country where it is applied, taking into account the current regulations (water resources law among others)	3
General	Integrate point 1 and point 4 of the Preamble into one	2
General	Include the topic of education in the Preamble	1
General	The Preamble should mention SDG No. 6	1

Principles

Principle	Comment	Votes
1	Recognize the multiple values of water. Consider the multiple values for the different stakeholders in all decisions concerning water. There are deep interconnections between human needs, economic well-being, culture, spirituality and the viability of water ecosystems that everyone should keep in mind.	11
	Instead of considering "freshwater ecosystems", consider ecosystems that generate fresh water and wastewater receptors	5
	Change "freshwater" to "aquatic" and upload the last paragraph from "5" to "1"	3
	... in all social, economic and environmental dimensions	2

	Water contains / considers multiple values (eco, socio-cultural, environmental) of the different stakeholders	0
	Generalize principle 1 for water in general change economic welfare by development	0
2	Undertake all the processes so that water governance incorporates multiple values in an equitable, transparent manner, as well as generating trust between stakeholders. Sacrifices will be inevitable, especially when water is scarce. Inaction can also entail costs that involve even more drastic sacrifices; it is necessary that these processes are adaptive to local and global changes. "The National Water Authority, ANA, must be independent and exercise authority."	15
	Statements: - water: Multidimensional and inter-relational - Governance and participation - Protection of the watershed - Educate for empowerment - Investment, research and innovation	11
	"Trade-off" ≠ sacrifice; re phrase to remove negative charge	7
	Build trust in decision making	5
	The processes to reconcile the multiple values of water are equitable, transparent and accountable.	1
	Conduct processes to reconcile values in an equitable, transparent manner that includes all values	1
	Delete the phrase "The sacrifices ... water scarcity."	1
	Legally, it is a guideline for making decisions	0
3	Complement the protection of sources with sustainable use	8
	Water conservation (instead of protecting the sources)	6
	... to guarantee water availability	5
	Value, manage and protect all water sources. The shortage of water is increasing. To achieve sustainable development, it is necessary to know natural and artificial sources, measuring the quantities of the resource and preventing pollution.	5
	Among the "water sources", specify marine coastal ecosystems	3
	Include mechanisms for treatment and reuse of various wastewater, domestic wastewater in particular	2

	The protection and conservation of natural water sources considers all its components (rivers, aquifers, etc.)	1
	Rename: protect sources, by: conservation and sustainability	0
4	Educate and communicate to empower. Promote education, public awareness about the multiple values of water. This will bring improvements in informed decision-making processes and efficient and sustainable consumption patterns	20
	... to strengthen the culture of water	5
	Train leaders to make informed decisions	1
	Rename: "Sensitize, educate, inform"	0
	Education. Raising private and public awareness of the functions of water and its intrinsic value	0
5	Intensify investment to improve human capacities, institutions, infrastructure, information and innovation in order to maximize the potential and values of water. The complexity of the challenges posed by water should be a stimulus for concerted action, innovation, institutional strengthening and management. The new ideas, tools and solutions must be taken advantage of, while at the same time using traditional knowledge and practices with a view to forming the leaders of tomorrow.	13
	Include: research; create a mechanism to exchange best practices; train today's leaders	7
	The maximum potential and value of water occurs with the intensification of investment in / of institutions, infrastructure, information and innovation in the medium and long term in a sustainable manner	6
	... for the sustainable use of water resources	2
General	Water as a human right should be included as a principle	12
General	Add a 6th principle: Access and equity	9
General	Add: Empowerment and governance	8

General	Translation generates confusion. The principles must have mandatory wording	5+3
General	It should be included leadership and governance as principles	3
General	Add: Correlation with local livelihoods	2
General	Order in the ideas	1

After voting it was asked in plenary whether any other messages should be added. The general recommendation was to review the language and translation, as well as a revision to clarify the connection between the Preamble and the Principles.

To facilitate preparation, all text should be sent in advance to participants.

During lunch participants got together by stakeholder group and proceeded with the **fourth exercise**, which was focused on actions. Dialogue was centered around the following question: How to implement the Preamble and the Bellagio Principles?

The results were presented in the last plenary session.

Actions

NGO
Strengthen processes of accountability in a participatory manner
Strengthen processes oriented towards water security
Enrich and refocus on the implementation
Cooperation
The implementation of the principles requires a new Institutionality and governance of the sector
Incorporate the principles into the water security initiative
Transversalize the principles in the 6 working groups and the board of directors of 2030 WRG
Greater visibility and positioning of the water theme
Know and articulate the different actions in progress; create synergies between them
Prevent conflicts on water resource management
Incorporate the principles in the preparation of projects with World Bank financing and other sources
Government
Multi-sectoral coordination to value the resource and services
Strengthen the communication and participatory approach
Companies
Protect water sources and encourage:

<ul style="list-style-type: none"> - Stewardship - Payment for environmental services - Adaptation to climate change - Circular economy
Governance and trust <ul style="list-style-type: none"> - Productive companies adopt a basin-vision and this framework guide their investments and contributions - Build trust through transparent participatory processes to improve governance
Education and communication <ul style="list-style-type: none"> - Instruments to raise awareness among decision makers, population and youth with a focus on sustainability

Some coincidences and complementary ideas regarding the implementation of the Bellagio Principles emerged among stakeholders, as well as the need to relate with the water security initiative. Strengthening communication for awareness and participation is cross-sector to build trust, transparency and governance. Comments also raised the question about the need for a new institutionality to implement the Principles, the possibility of their adoption in investing and lending institutions, and in the Peruvian context, to include the principles in all ongoing 2030 Water Resources Group (WRG) working groups. Highly innovative ideas were also included by companies, as the adoption of a basin-vision to orientate investments and a circular economy.

Closing the meeting, Ms. Mercedes Castro and Mr. Joshua Newton, thanked all participants for their contributions and explained the following steps of the initiative, including the systematization of all workshops, the preparation of a new version and a global consultation process via internet. Final documents will be edited and presented to UNGA.

Appendix 1. Consultation Agenda

Panel de Alto Nivel sobre Agua (High Level Panel on Water HLPW) CONSULTA NACIONAL DE LA INICIATIVA VALORACIÓN DEL AGUA

16 de agosto de 2017

Swissotel - Salas Inka 2 y 3

Av. Santo Toribio 173 Vía Central 150, Centro Empresarial Real, San Isidro

Programa

Hora	Descripción de la Sesión	Responsable
08:00-08:15	Registro de Participantes	Todos
08:15-08:30	<ul style="list-style-type: none"> • Bienvenida e Introducción 	Sherpa PERU
08:30-08:40	<ul style="list-style-type: none"> • Facilitación de la auto-introducción de los participantes 	Moderador/Todos
08:40-09:00	<ul style="list-style-type: none"> • Presentación del propósito, las expectativas y los contenidos del ejercicio elaborado por la Iniciativa de Valoración del Agua 	Banco Mundial/ Holanda
09:00-10:20	<p style="text-align: center;">Iniciativa Valorización del Agua: Marco General</p> <ul style="list-style-type: none"> • <i>Introducción de la Sesión</i> • <i>Discusión interactiva sobre reacciones al marco general del concepto valoración del agua y de la iniciativa: Discusión plenaria de las contribuciones</i> 	Facilitadores
10:20-10:40	Receso	
10:40-12:30	<p style="text-align: center;">Iniciativa Valorización del Agua: Preámbulo y Principios</p> <ul style="list-style-type: none"> • <i>Introducción de la Sesión</i> • <i>Mesa de Discusión Interactiva sobre el Preámbulo y los Principios:</i> <i>-Mensajes de los actores al HLPW sobre el Preámbulo y los Principios</i> 	Facilitadores

	<p><i>-Incorporaciones, sustracciones y modificaciones</i></p> <ul style="list-style-type: none"> • <i>Discusión plenaria de las contribuciones y mensajes</i> <p><i>Priorización de Mensajes clave</i></p>	
12:30-13:45	Almuerzo en Hotel	
13:45-15:15	<p style="text-align: center;">Iniciativa Valorización del Agua: Acciones</p> <ul style="list-style-type: none"> • <i>Introducción de la Sesión</i> • <i>Mesa de Discusión Interactiva sobre como operar los Principios</i> <p><i>Discusión plenaria con contribuciones y mensajes por grupo</i></p>	Facilitadores
15:15-15:40	Discusión entre los participantes sobre los resultados de las opiniones y reacciones	Moderador/Todos
15:40-16:00	Resumen de lo que se escuchó y cómo se utilizará la información	Facilitadores
16:00-16:10	<ul style="list-style-type: none"> • Cierre <ul style="list-style-type: none"> ○ Mensaje de Anfitrión ○ Mensaje de Representante del HLPW 	Cancillería / Sherpa PERU