

# **Background note**

Operationalising the innovation acceleration under the SDG 6 Global Acceleration Framework

August 2023



# Background note on operationalising the innovation acceleration under the SDG 6 Global Acceleration Framework

#### By the Global Water Partnership

#### Objective

This note aims to support operationalisation of the innovation accelerator under the <u>SDG 6 Global</u> <u>Acceleration Framework</u> (GAF), as a means of boosting progress towards SDG 6. To do so, it will attempt to generate a broader and more consensual understanding among UN-Water Members and Partners of what innovation might mean in the context of SDG 6, spurring an action-oriented and thought-provoking debate on the subject at the 38<sup>th</sup> UN-Water meeting. It is hoped that this debate might lead to the broader adoption of innovative practices and generate greater momentum towards innovation, in a visible shift in the way UN-Water approaches the topic, both individually and collectively. It is hoped that volunteers may come forward during and/or after that meeting to together work on the operationalisation of the innovation accelerator, presenting a more coherent and consensual set of recommendations at the 39<sup>th</sup> meeting of UN-Water Members and Partners.

This note will deliberately <u>not</u> aim to present the need for innovation in terms of the world's water problems, which are very well defined and understood by the target audience. It takes as a given that progress towards SDG 6 is not on track, and that innovation is one means of accelerating progress, but it contends that innovation should not be viewed as a stand-alone, nor as a magic bullet. The note calls out the diverse nature of innovation, highlighting that no single organisation or body holds the "mandate" for innovation; while UN-Water can play an important coordinating role to "unify the international community's support to countries to rapidly accelerate towards national targets for SDG 6"<sup>1</sup>, each and every UN-Water member and partner must also look inwards to see how they could integrate innovation into their everyday practices, and with their other partnerships.

#### Background

In 2020, given the perceived need to accelerate progress towards the achievement of SDG 6, UN-Water launched the GAF, "to deliver fast results at an increased scale as part of the Decade of Action to deliver the SDGs by 2030". Since then, some of the GAF's five accelerators<sup>2</sup> have gained more traction than others, taking the shape of formal UN-Water initiatives and commitments to the <u>Water</u> <u>Action Agenda</u>, such as the <u>Capacity Development Initiative</u> and the <u>Global Water Data Portal</u>. While it is too early to evaluate the success of the GAF in terms of boosting progress towards SDG 6, it has clearly been effective in mobilising stakeholders to increase commitment towards achieving SDG 6.

However, the innovation accelerator of the GAF has not yet taken off in a meaningful way. Innovation was included, along with the other accelerators, in the background notes for the interactive dialogues at this year's UN Water Conference (UNWC), and references were made to the potential for greater innovation on the themes of the five interactive roundtables. A GWP analysis of the references made to innovation in these background notes reveals that, while innovation was mentioned, there was not a clear or consensual vision of how innovation could help boost progress in these five priority areas.

Furthermore, a large number of commitments to the Water Action Agenda (WAA) mention innovation, or even in some cases focus mainly on innovation, including a wide use of buzzwords like "game-changers", "transformative", and so on. A GWP analysis has revealed that innovation in the

<sup>&</sup>lt;sup>1</sup> UN-Water, 2020. The Sustainable Development Goal 6 Global Acceleration Framework.

<sup>&</sup>lt;sup>2</sup> Namely Data and information; Financing; Capacity development; Governance; and Innovation

WAA took many forms, although with a strong focus on WASH, water utilities, smart water management, the private sector and technology. This is consistent with external sources of analysis which place innovation within that context<sup>3</sup>. However, the analysis of the WAA reveals a limited focus on public sector innovation, innovative governance arrangements or innovations within the multilateral development system, all of which could be opportunities for UN-Water.

Existing water-related indicators, both those from the SDGs and beyond, clearly highlight the need to go beyond business-as-usual (BAU) to achieve SDG 6. It is clear that this will not be possible unless there is a radical and innovative acceleration in the way we as society go about achieving them. Innovation can be defined in its simplest terms as an attempt to go beyond BAU. Given the significant needs, one might think that necessity would be the mother of invention, leading to greater adoption of creative or innovative approaches. However, that does not appear to be happening at a significant scale. There is thus a risk that only lip service might be paid to innovation, while BAU continues and we miss the water-related goals of the 2030 Agenda by some distance. This background note posits that, while innovation does not in and of itself guarantee success, *not* innovating is clearly likely to see the global community fail to reach the water-related goals of the 2030 Agenda by some distance.



"We only have two demands! Why don't people just give us what we want?"

# How is innovation defined in the GAF?

The GAF employs a deliberately broad reference to innovation, as one of its five accelerators for SDG 6, which should be advanced through the four action pillars of the GAF, as described below (key terms from the document selected by the author and put in graphic form, as potentially the most relevant for this note):

<sup>&</sup>lt;sup>3</sup> See for example UNCTAD, 2023. Ensuring Safe Water and Sanitation for All: A Solution through Science, Technology and Innovation; and WIPO, 2020. Innovative Technology in the Water, Sanitation and Hygiene (WASH) Sector



While the five accelerators of the GAF are described independently, it is suggested that they would be more robust and tangible, with a greater multiplier effect, if dealt with in combination. In that way, innovation could be grounded in the other four accelerators, so that innovative data, governance, finance and capacity development could be promoted at all levels. For example innovative capacity development could increase the outreach and impact of such efforts<sup>4</sup>, just as innovative data schemes (artificial intelligence, machine learning, etc.) could enhance the quality of water data<sup>5</sup>, and so on.

# Let's get more granular on this. What could that actually MEAN?

To summarise what innovation could be for the GAF, it is perhaps relevant to start with what it is NOT:

- Clearly innovation in this context cannot be considered to have a single, narrow definition.
- Nor can it be a single approach, a box-ticking exercise or a one-off, where innovation is ever "concluded".
- Innovation is also not an objective in itself, but is rather a means to an end (in this case, the achievement of SDG 6). In other words, it is not a "what", but a "how".
- Finally, it is not up to a single sector or stakeholder to "take care" of innovation, and it should be a broad effort from all sectors and stakeholders, embracing open innovation through collaboration among and across sectors.

In that sense, a more all-encompassing, simpler and easier-to-recall definition of innovation could be around both *doing different things*, and *doing things differently*, to solve a given problem or improve a product, process, service or output in a quicker, more efficient, more effective or more sustainable way. Doing things differently often implies <u>combinations</u>, of something "new" with something

<sup>4</sup> Supported by academic analyses such as <u>https://www.mdpi.com/2071-1050/12/3/757</u> and <u>https://www.awa.asn.au/resources/latest-news/technology/innovation/introducing-virtual-reality-training-solutions-to-the-water-sector-where-do-we-go-from-here</u>

<sup>&</sup>lt;sup>5</sup> See <u>https://www.sciencedirect.com/science/article/pii/S2772985022000163</u> and https://www.nature.com/articles/s41612-023-00388-1 for two examples from academic literature.

existing. "New" in that sense is relative, as new for one organisation or unit may not be new in the absolute, and may be about replicating in a new context what has worked well elsewhere.

It is also suggested that innovation in the context of SDG 6 should be viewed from a broad perspective, which includes but is not limited to technology. Technological innovations are very much needed and must indeed be accelerated to ensure that we "leave no-one behind". However, given the broad focus of all SDG 6 indicators, social and governance innovations may be just as relevant for the "change we want to see in the world". That should include indigenous and traditional knowledge, which may provide inspiration for "new" innovations by re-creating traditional social and governance modalities at a greater scale and in other contexts. Technological innovations on their own, without the accompanying social conditions, will not lead to the achievement of the 2030 Goals.

In a similar vein, looking further into the literature on the subject, two types of innovation stand out<sup>6</sup>:

- 1. *Entrepreneurship*, meaning developing, organising and running a new business, often with a new technology, product or service; and
- 2. *Intrapreneurship*, meaning individuals or units who act much like an entrepreneur within an existing organisation, focusing on new business models, products or approaches.

Clearly both types of innovation are relevant for the GAF, although currently the emphasis, as evidenced by the background notes for the interactive dialogues and the WAA in particular, has been placed more on the former. A significant opportunity exists however for UN-Water to advance through the latter. Some ideas on both fronts are proposed below.



"Come on, Bob – didn't you hear the CEO? we all need to **embrace** change!.. "

Finally, adopting innovation implies taking some risks, and water management and water supply are traditionally risk-averse domains, understandably so, given the essential nature of water to various human rights, and the dire consequences in case of failure. Risk taking in water is not rewarded unless it comes with the guarantee of success – at which point it ceases to be a risk. Given this context, it is clear that risk taking to achieve SDG 6 should be promoted at multiple levels, with the acceptance that

<sup>&</sup>lt;sup>6</sup> See for example <u>https://www.entrepreneursdata.com/similarities-between-entrepreneur-and-intrapreneur/</u>

failure will inevitably occur sometimes, and with an openness to learn from the failures. With that in mind, it is proposed that innovation should be introduced in a calculated manner that allows the risks to be clearly identified and mitigated, using the logic of the innovation continuum (see below<sup>7</sup>). This implies following a creative process with controlled experiments focused on coming up with possible solutions to given problems, prototyping and testing those solutions, documenting the results, and only taking to greater scale those solutions that have proven to be particularly effective. This is a standard business practice in entrepreneurship, but is not as common in the non-profit world.



#### Innovation in the context of the GAF and WAA: a proposal

Based on the above reflections, below are four proposed action pathways that UN-Water may like to consider, both as a coordination mechanism, and through its Members and Partners. Indeed, each of the organisations that are part of UN-Water has an opportunity to further promote innovation within their own structures, mandates and strategies, in support of the GAF. It should be noted that these action pathways are mutually supportive, and may therefore be combined to increase their potential impact.

# 1. Making proactive use of the Water Action Agenda to identify and support gamechangers

One major source of information that UN-Water and its Members and Partners could use to boost innovation would be the **Water Action Agenda**, which is an untapped resource that could also serve multiple other purposes. A <u>WRI analysis</u> of the WAA stated that only 28% of commitments made as of March 28<sup>th</sup> identified a clear source of funding, whereas it reported that only 12% of commitments in the WAA included cooperation with other entities. Thus there is clearly a need to "match" the supply and demand for potential funding sources and cooperation opportunities. In that sense, mining the WAA for good actions that may be supported financially and/or in-kind, combining commitments in the same country/ies or on similar themes, would be a great starting point for enhanced innovations. This might focus on innovations in the broad sense, both technological and social/governance-related ones, and might help turn more of these commitments into potential game-changers. This could result in some unusual partnerships for mutual objectives around SDG 6, always aligning with the public good, beyond individual stakeholder interest. This could potentially be a low-cost activity which could generate huge dividends in terms of progress towards SDG 6 through greater innovative cooperation.

The commitments in the WAA could be "matched" either against other commitments in the WAA or with other efforts that have aimed to produce commitments to SDG 6. Some examples of the latter, in an illustrative list which could of course be added to, include the needs identified in the <u>Common</u> <u>Country Analyses</u>, the IWRM Action Plans defined by countries assisted by the <u>SDG 6 IWRM Support</u> <u>Programme<sup>8</sup></u>, Water Investment Programmes defined for African countries under the <u>Continental</u>

<sup>&</sup>lt;sup>7</sup> Stanford Social Innovation Review, 2018. Why Proven Solutions Struggle to Scale Up.

https://ssir.org/articles/entry/why proven solutions struggle to scale up

<sup>&</sup>lt;sup>8</sup> The Action Plan Searcher currently contains 254 actions defined by 15 countries, and continues to grow.

<u>Africa Water Investment Programme</u>, and the companies that have committed to the 100 priority basins of the <u>Water Resilience Coalition</u>.

Presenting and promoting some successful examples of "matched" commitments to the international community as part of ongoing efforts to report to the High-Level Political Forum and other platforms could help to "plant the seed" of innovation more broadly, turning the WAA into an active resource.

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"We need to innovate! Buck the status quo! Blaze a new trail! Here's how everyone else is doing it..."

# 2. Setting up a Water Innovation Hub

The establishment of a Water Innovation Hub could allow for innovative practices aiming to achieve multiple water-related benefits<sup>9</sup> to be promoted, supported and therefore replicated and scaled up, be those innovations social, governance or technologically focused. This should generate more cohesion and momentum across stakeholders to boost accelerated progress towards SDG 6. Among the key functions of the Hub could be the following:

- To act as a clearing house for external water innovations by conducting robust analyses and reviews of potential or actual innovations and their water-related benefits;
- To serve as a laboratory for the development, piloting and upscaling of new innovations, conducting controlled experiments in solving particular water-related challenges and documenting the process;
- To promote existing water-related innovations through an online interactive catalogue that allows such innovations to reach a broader audience, including uptakers from the public and private sectors;
- To de-risk the adoption of innovations by public sector partners by catalysing existing funding mechanisms<sup>10</sup> that serve to co-fund the deployment of innovations in particular localities;

<sup>&</sup>lt;sup>9</sup> While water is the main benefit, the multiple benefits should clearly go beyond water and focus very much on the intersection of water with other SDG targets, which implies new innovative partnership modalities beyond the "water box".

<sup>&</sup>lt;sup>10</sup> A mapping of such funding mechanisms would anyway be very useful, and could potentially include the Joint SDG Fund <u>https://jointsdgfund.org/</u>

- Organising targeted hackathons for young researchers to support the development of innovative solutions to a particular public water-related challenge, with mentoring support for the development of the most successful innovative solutions;
- To produce an annual publication on the status and new developments in the water innovation space, to raise awareness on and promote interest in the topic and in particular innovations;
- To serve as a "hub of hubs" to connect with and promote interaction with other SDG innovation accelerators, which go beyond water, such as the UN Global Compact's <u>SDG</u> <u>Innovation Accelerator for Young Professionals</u>, FAO's <u>SDG Acceleration</u>, UNDP's <u>SDG Accelerator</u>, the <u>SDG Innovation Lab</u> and the <u>SDG 9 Accelerator</u>, and potentially others.
- Organising an SDG 6 Co-Creation Innovation Prize with different categories (and potential private sponsors), as a relevant and low-cost means of promoting excellence in public sector innovation for water. The co-creation function would be around bringing together different proposed innovations to increase the collective impact.

This list is intended as a starting point for discussion, and may be added to (innovative ideas are very much welcome!). The feasibility of the aforementioned points should also be evaluated, in terms of them being housed within UN structures and/or externally operated in collaboration with the UN.



# 3. Fostering national-level innovation ecosystems through stronger enabling environments

National governments look to the UN system for recommendations and guidance in terms of achieving SDG 6. This gives UN-Water a strong position to recommend the adoption of deliberate policy levers that promote a more favourable enabling environment for public-private collaboration on innovation, by de-risking such endeavour for both sides. Clearly there is much to gain from breaking down silos, beyond the topic of innovation, including the generation of an all-of-society effort and increasing trust between stakeholders. Promoting the use by governments of tools such as the <u>Innovative Capacity</u> <u>Framework<sup>11</sup></u> and the <u>SDG 6 Policy Support System</u> may avoid governments starting from scratch

<sup>&</sup>lt;sup>11</sup> Organised by the OECD's Observatory of Public Sector Innovation, this framework "guides governments in leveraging innovation as an integral part of policymaking and administration and supports them to enhance their capacity to proactively adapt to the changing environment".

(which would in turn be an innovative partnership for UN-Water to pursue). This can lead to thriving water innovation ecosystems in countries supported, which could accelerate progress exponentially, including but also going beyond water. It is to be noted that this is consistent with the second point of the call to action of the <u>Global Commission on the Economics of Water</u>.

It is important to underline that the public sector's role should not be limited to providing a better enabling environment for innovation, but the public sector itself should be an innovator, with innovative policies, data arrangements, financial schemes (including working with the private sector) and inter-sectorial and multi-stakeholder governance mechanisms, among others. Even more mundane areas such as public procurement rules and budgeting exercises can be opportunities for the introduction of innovative practices. Mariana Mazzucato's <u>Mission Economy</u> is a good example of what national governments should aim to achieve in terms of solving today's most complex challenges.

# 4. Institutional setups

Each of the UN-Water Members and Partners has its own management structure, staff and objectives. Each of these is an opportunity for introducing innovation, as part of the organisational culture. These organisations might consider making innovation part of organisational management objectives, both collectively and individually, including as part of Key Performance Indicators. It could be made a category of personal development objective for all staff, to introduce an innovation into their own activities. Rather than having an individual innovation lead, each member of the organisation can be encouraged to become a champion for innovation, as part of an organisation-wide innovation ecosystem, highlighting that while individual innovations may be relevant, larger-scale innovative thinking can be transformative to the performance of organisations in both the public and private sectors.



For the final innovation exercise, the instructor asked everybody to practice pushing the envelope.