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UN 2023 Water Conference Side Event

Turning the Tide: A Call to Collective Action by the Global Commission on the Economics of Water

March 22nd, 13.15-14.30, UNHQ Conference Room 4

Organized by: Kingdom of the Netherlands and the Global Commission on the Economics of Water

Webcast recording: [here](#)

Background on the event

At this Side Event the Global Commission on the Economics of Water (GCEW) set out a seven-point transformative agenda: for how we govern, value and use water, from the local to the global, and open up major opportunities for innovation and investment, to enable more efficient, inclusive and sustainable use of water.

Water Action Agenda (one paragraph, if possible, please include the link to your commitment in the [Water Action Agenda database](#))

We still have a chance to convert the water crisis into a global opportunity for economy-wide progress, whereby the farmers, women, indigenous peoples, and consumers who are at the frontlines of water conservation are protected. We can live up to the promise of sustainable water futures by operationalising a set of strategic systems transitions and by positioning justice and equity at the centre of a new social contract.

To this particular end, the GCEW will engage in Phase 2 of its two-year publishing process, with societal dialogues and calls for evidence, whereby the evidence can be collected and the pathways for changes in policy, business approaches and global collaboration to support climate and water justice, sustainability, and food-energy-water security can be imagined and designed in partnership with networks, non-state actors, and coalitions, to support and grow both agency and constituency of water. This will ensure a wider audience is reached and the supporting materials to work with are robust and up to date, and the coalitions for action genuinely global. The work combines three pillars: analytics, societal dialogues, an action agenda. Phase 3 of the GCEW work, will seek to unlock the potential of the local implementation capacities and to generate traction.

Commitment: [Global Commission on the Economics of Water | Department of Economic and Social Affairs \(un.org\)](#)

Key Issues discussed (5- 8 bullet points)

We are facing a local to global systemic crisis around water that affects all people, all societies, and ecosystems and hence the global economy. Four billion people experience water scarcity for at least one month in a year. Whole countries and regions in the Global South have been pushed into severe food insecurity. And floods, droughts, heatwaves, and wildfires are inflicting an unprecedented toll in virtually every region of the world.

Dangerously too, the water crisis is increasingly intertwined with global warming and the loss of biodiversity and natural capital, with each reinforcing the other. Without urgent actions, the water crisis will endanger not only our ability to deliver on the human right to clean and safe water and sanitation, but virtually all the SDGs, most particularly food security, gender equality, ending poverty and inequalities, and achieving peace within and across boundaries. We must work together to break the vicious cycle and put water back on a sustainable trajectory, thereby resolving the multiple local and regional crises of too little, too much, or too dirty water.

Science and evidence now tell us that the global hydrological cycle is a global common good, and ought to be protected collectively and in the interests of all. With nations being interconnected in ways more profound than was previously recognized, with landscape changes altering water supplies in regions downwind, as well as changing local climates and stream flows, we must marshal a response that is bolder, more integrated across sectors, more networked at the national and global levels, and more equitable than previous efforts.

A sustainable and just water future can be achieved, and it requires transforming the economics and restructuring the governance of water, with local to global transformative actions and goals, and with water connecting the economy, all of society and nature.

Key recommendations for action (5 - 6 bullet points)

At the UN 2023 Water Conference, the GCEW succeeded in establishing a new narrative which combined different areas, pushed the frontier of economics and highlighted the extent to which water is a pivot of connectedness (space and time, as well as human and natural systems) intrinsically linked to climate and land use changes. It has also pointed towards the elements of global governance that are impeding progress. The key messages of the Turning the Tide report stood out and included the following key insights:

- First, we must manage the global water cycle as a global common good, to be protected collectively and in the interests of all. It means recognising that communities and nations are connected regionally and globally; that water is increasingly intertwined with climate change and the depletion of the planet's natural capital; that water is critical to food security as well as all the SDGs; and that water cannot be put back on a sustainable trajectory without justice and equity in every corner of the globe.
- Second, we must adopt an outcomes-focused, mission-driven approach to water encompassing all the key roles it plays in human well-being. We must deliver on the human right to safe water. We must act collectively to stabilise the global water cycle. It means mobilising multiple stakeholders, public, private, civil society and local community; utilising innovation policy to catalyse solutions to concrete problems; and scaling up investments in water through new

modalities of public-private partnerships. And we must ensure that the value that is created collectively gets shared widely.

- Third, we must cease under-pricing water. Proper pricing along with targeted support for the poor will enable water to be used more efficiently in every sector, more equitably in every population and more sustainably both locally and globally. We must also account for water's non-economic value in decision-making to ensure we protect nature, on which the planet and all life depend.
- Fourth, we must phase out some USD 700 billion of subsidies in agriculture and water each year, which tend to generate excessive water consumption and other environmentally damaging practices. We must drastically reduce leakages in water systems ("non-revenue water") that cost billions annually, by prioritising sustained maintenance efforts. We must accelerate efforts to require disclosure of water footprints, which are key to steering capital and consumer preferences in favour of sustainable practices. Each of these steps will allow us to re-direct resources towards incentivising water conservation and universal access.
- Fifth, we should establish Just Water Partnerships (JWPs) to enable investments in water access, resilience and sustainability in low- and middle-income countries, using approaches that contribute to both national development goals and the global common good. JWPs should drive down the cost of capital by using the complementary strengths of every stream of finance—rechannelling today's inefficient domestic subsidies, leveraging on the multilateral development banks and development finance institutions, and crowding in private companies, banks and institutional investors, and philanthropic money. The economic returns on these investments will vastly exceed their costs. The JWPs should also maximise synergies with climate change strategies and national programs to achieve inclusive growth.
- Sixth, we must move ahead on the opportunities that can move the needle significantly in the current decade. Fortifying freshwater storage systems, especially the natural assets such as wetlands and groundwater, which have been dangerously depleted. Developing the urban circular water economy especially by recycling industrial and urban wastewater, which remains largely untreated. Reducing water footprints in manufacturing, including the reuse of water in producing critical materials such as the lithium we need for electrification. Shifting agriculture to precision irrigation, less water-intensive crops and drought-resilient farming that can also raise incomes. We must drive down the costs of technologies in each case by adopting them at scale.
- Seventh, underpinning all our efforts, we must reshape multilateral governance of water, which is currently fragmented and not fit for purpose. Trade policy must be used as a tool for more sustainable use of water, by incorporating water conservation standards in trade agreements, highlighting wasteful water subsidies and ensuring that trade policies do not exacerbate water scarcity in water-stressed regions. Multilateralism should also support capacity building for all, prioritise gender equality in water decision-making, and empower farmers, women, youth, Indigenous Peoples and local communities, and consumers who are at the frontlines of water conservation.