

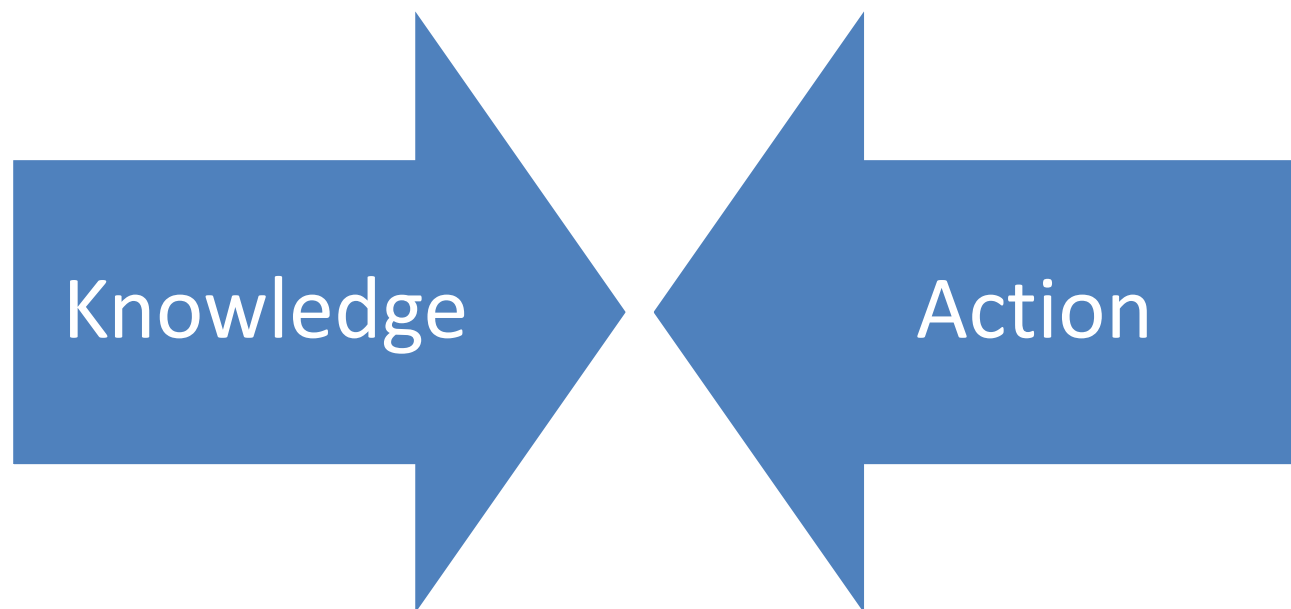
From knowledge to action

Xavier Leflaive

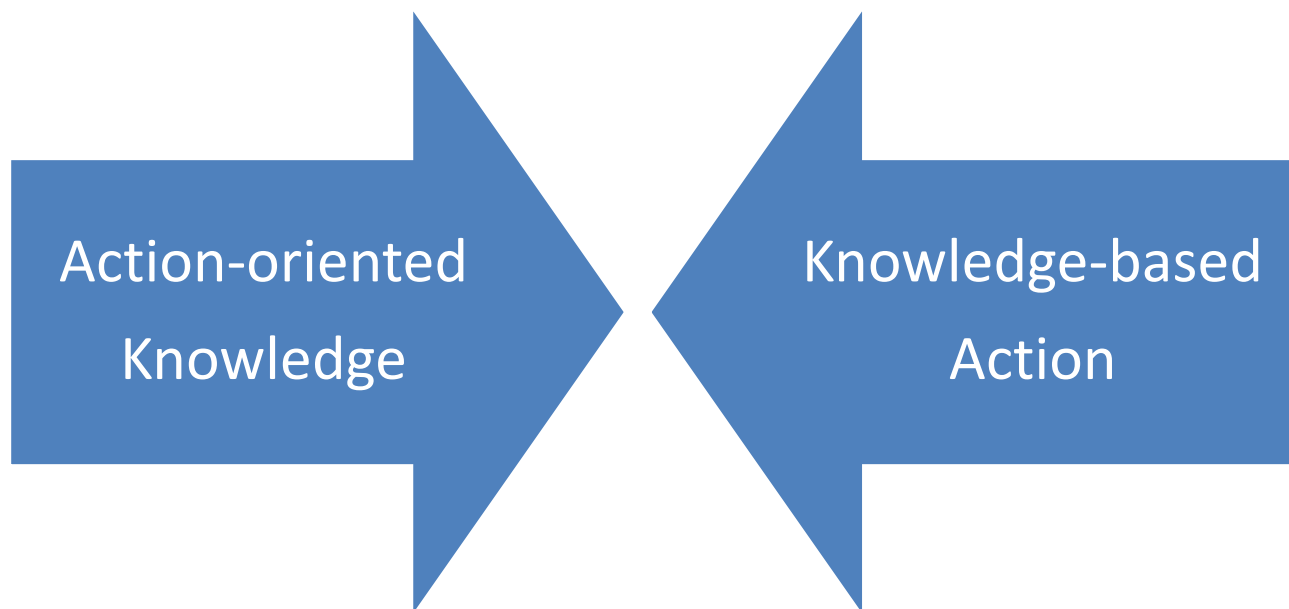
Water Team leader

OECD Environment Directorate

Recast the ambition



Recast the ambition



The OECD, on water

- A forum
 - 35 members
 - Economic organisation
 - *Better policies for better lives*
- Water economics and governance
 - Water as a driver for sustainable growth
 - Water and agriculture
 - Water governance
- www.oecd.org/water



Outline

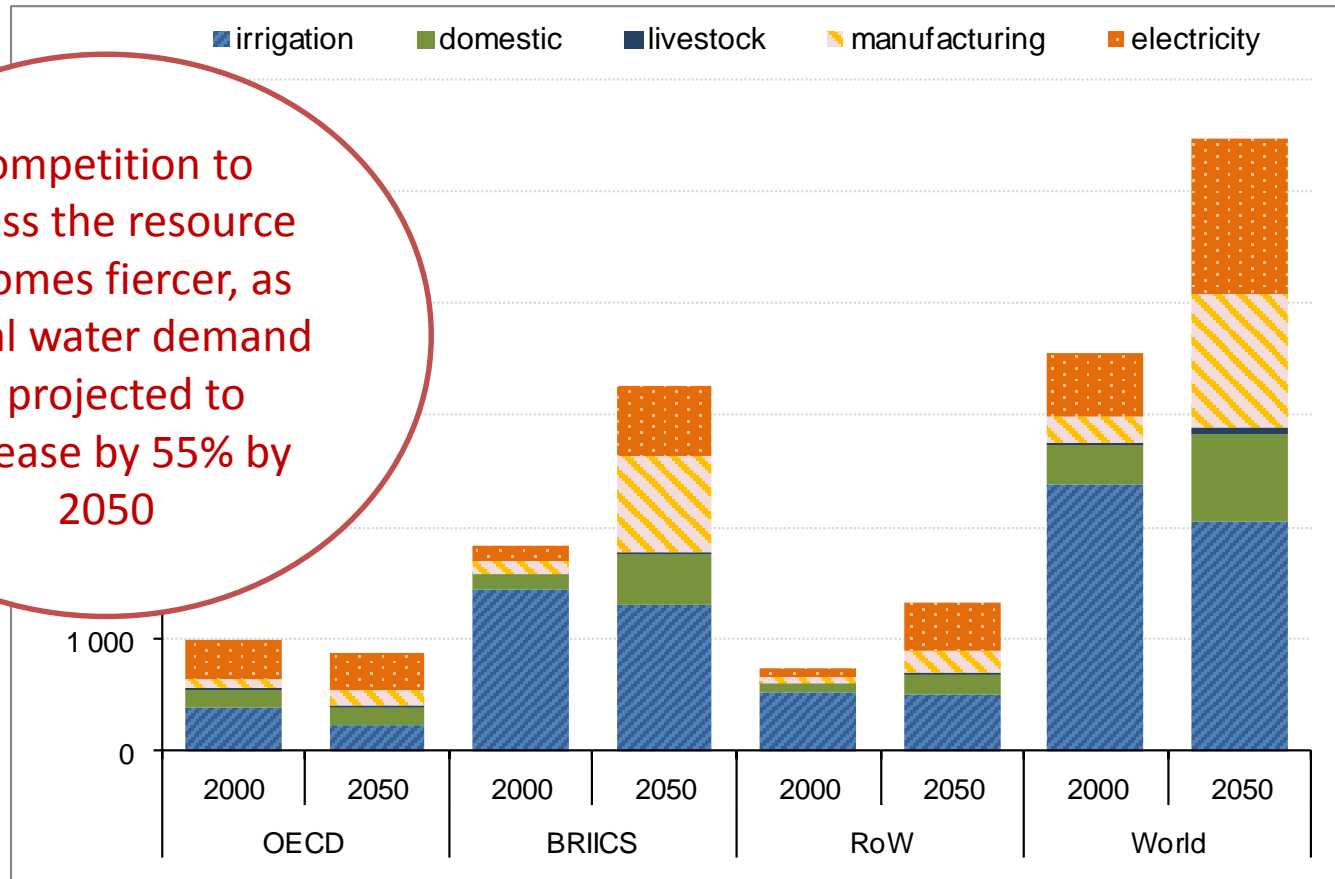
- From knowledge to action
 - Water allocation reform
 - Investment in water security
- A call for new knowledge
- Towards a theory of change



Water allocation reform

Making the case

Competition to access the resource becomes fiercer, as global water demand is projected to increase by 55% by 2050



Water allocation reform

Looking for solutions

- Economics 101
 - Allocate water where it maximises value for society, the economy and the environment
 - Preferred instruments
 - Markets
 - Pricing
 - Administration
- A survey



Water allocation reform

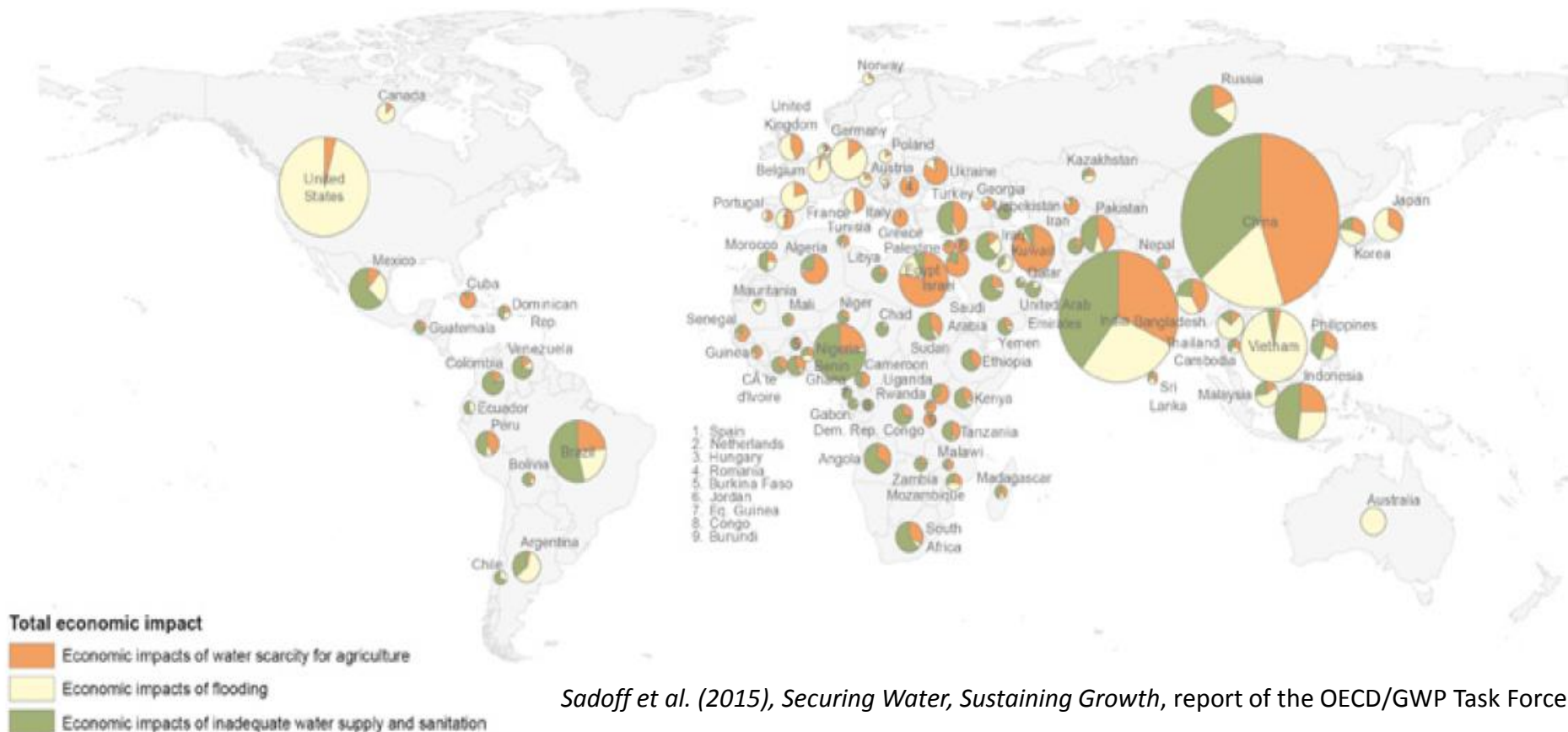
The real issue is...

- Water is already being allocated
- How to transition from one regime to another
- Managing the reform process
- National policy dialogues



Investment in water security

How water-related risks affect growth



Investment in water security

From economics to finance

- Financial flows are not at scale
- How to make the best use of existing assets
- How to identify the most beneficial investments
- How to increase financial flows



Investment in water security

How to make beneficial investments happen

- From investment in water infrastructure to water-wise investments
 - Mainstream water in the portfolio of financing institutions
 - Allocate risks and returns
- The Roundtable on water finance



A call for action-oriented knowledge

- There are good reasons why « optimal » solutions do not work
 - « global » and « average » are not real
 - Trade-offs
 - Path dependency
 - A genuine political dimension
 - Finance and budgetary decision making



Towards a theory of change

An implicit theory of change

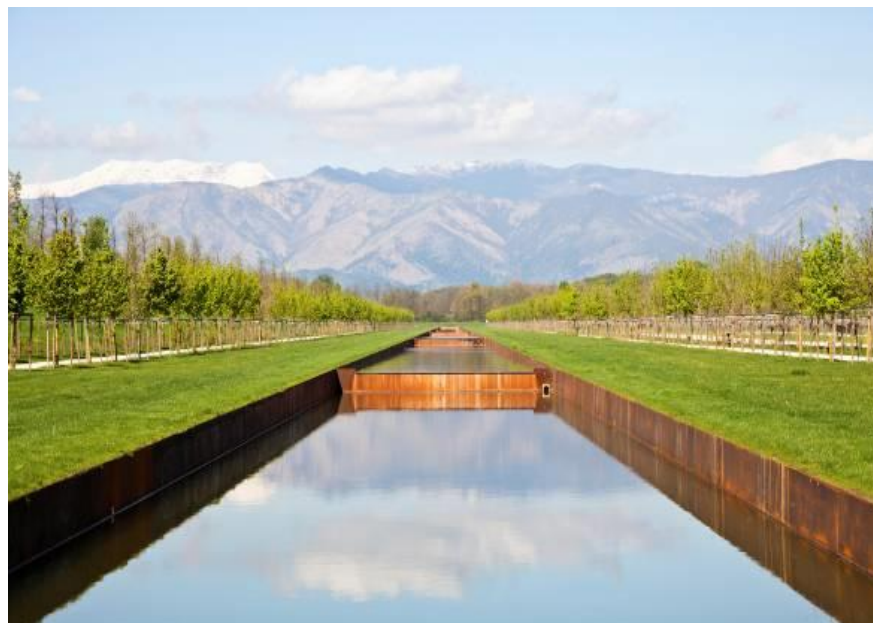
- We know what the solution is
- Governments are rational decision makers
- Implementation is lagging
- We need to build capacities
- Technocratic, unscientific, neo-colonialist

Towards a theory of change

A role for critical social theory

- TINA – « we know what the solution is »
- Political will: whose decision?
 - At what scale?
 - Water users, property developers, private equity?
- Implementation: gap or opportunity?
- Building capacities vs valuing know-how

Thank you!



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Multiple objectives - Pricing for WSS

