

UN 2023 Water Conference Side Event

Localising the Blue Economy: A City-Basin Approach

Towards a Resilient, Inclusive, Sustainable and Circular (RISC-proof) blue economy in cities and regions 24 March 2023, New York City

HIGHLIGHTS



Led by the <u>OECD Water Governance Programme</u> in collaboration with 17 partners (Annex A) the side event <u>Localising the Blue Economy: A City-Basin Approach</u> aimed to take stock of initiatives, concrete actions and commitments to foster resilient, inclusive, sustainable and circular blue economies while enhancing water security in cities, regions and basins (see description and agenda in Annex B). The event gathered 50+ participants and speakers from local, regional and national governments (Chile, Brazil, France, Finland, Portugal, the Netherlands, Spain), networks of cities and regions (ICLEI, INBO, Resilient Cities Network, UCLG-Africa), multilateral banks (CAF, World Bank), academia (TU Delft) and international organisations (SIWI, United Nations Development Program).

During the event, the OECD launched 30 <u>city, region and basin profiles</u> as part of the OECD <u>Cities and</u> <u>Regions for a Blue Economy</u> project. The event concluded with the launch of the <u>New York City Multi-</u> <u>Stakeholder Pledge on Localising the Blue Economy</u> by the OECD and partners (International Association of Cities and Ports (AIVP), Atlantic Cities, ICLEI – Local Governments for Sustainability, International Network of Basin Organisations (INBO), Ocean & Climate Platform, Resilient Cities Network (R-Cities) and United Cities and Local Governments (UCLG) Africa).

Main takeaways

Key issues

- The blue economy can be a significant driver of economic and territorial development. In South Africa, the blue economy accounts for 4% of gross domestic product (GDP), and this share could grow to 5% with additional policies. In the State of Rio de Janeiro, Brazil, the marine-based economy represents 44% of GDP, with direct economic benefits to 10 million people.
- The risks of "too much", "too little" and "too polluted" water threaten the freshwater and marine ecosystems the blue economy depends on [OECD]. Water access, quality and management are key factors to consider: for example, changes in water access upstream imply changes in water access downstream, which can affect the health of estuaries and related ecosystems (wetlands, marshes, etc.) [UNDP].
- These water risks culminate in cities [OECD], which can both put pressure on source-to-sea systems (i.e. connected land, freshwater, coastal and marine ecosystems) and experience negative impacts from their degradation [SIWI, INBO]. Port cities are on the forefront of climate change, as they tend to have vulnerable ecologic systems while hosting environmentally impactful blue economic activities [TU Delft].
- As the places where blue economy activities take place, create value and provide jobs, local governments play a fundamental role in the blue economy [OECD]. Their policy competences (e.g. waste management) and investment responsibilities (e.g. infrastructure, NbS) make them a strategic level for policy implementation and action [UCLG-Africa].
- As with many societal challenges, the sustainable blue economy is a governance rather than a
 technical challenge [OECD, R-CITIESR-Cities]. Governance frameworks for water and blue economy
 are fragmented across institutions, sectors and places [OECD, SIWI, World Bank]. Continuing to
 work in silos and ignoring upstream-downstream links means that economic development in one part
 of the source-to-sea system may occur at the detriment of elsewhere.
- Both traditional sectors (e.g. fisheries) and emerging sectors (e.g. water-based renewable energy and blue bioeconomy) hold great potential for environmentally sustainable economic development, provided the right policies are in place [South Africa, Portugal].

Key recommendations for action

- Coordinate blue economy and water policies across levels of government, as most SDGs, including 6 on water, 11 on cities and 14 on oceans, will not be achieved without local action [OECD]. National blue economy policies should be "localised" [South Africa], recognising the unique economic, social, environmental and governance characteristics of different places for effective implementation [TU Delft]. Local governments should be in the "driving seat" for policy implementation, and the subsidiarity principle applied wherever relevant [UCLG-Africa].
- Strengthen city-basin connections within source-to-sea approaches to better manage water and unlock the potential of sustainable blue economies. In Chile, cities are working with new river basin councils set up across the country's 16 regions to improve water efficiency and conservation. Decision-makers and practitioners can obtain guidance from platforms and tools such as the SIWI Action Platform for Source-to-Sea Management and the IWA-INBO Handbook on Basin-Connected Cities.
- Connect sectoral policies (e.g. water, climate, biodiversity, waste, urban planning) towards water security and sustainable blue economy in cities. Portugal connects freshwater and ocean

policies with sanitation, from a 28% connection rate 30 years ago to 85% today, with positive impacts on beach water quality signalled by the Blue Flag Programme. In Chile, the water scarcity crisis is seen as an opportunity to tackle the triple challenge of water, biodiversity and climate. France is tackling issues related to the blue, green and circular economy through the lens of plastic pollution by implementing new regulatory measures and hosting the second session of the Intergovernmental Negotiating Committee on the Plastics Treaty in May 2023. Because cities are the engines of economic growth but are increasingly vulnerable to water-related risks, CAF has redesigned its internal organisation to jointly tackle water security and urban challenges.

Review regulatory frameworks and economic incentives for circular economy and naturebased solutions.

- Circular economy approaches to wastewater and plastics are crucial to avoid water pollution. For instance, the city of Paris is investing EUR 1.4 billion in wastewater treatment to make the Seine swimmable; South Africa's Plastic Bag Levy has minimised single-use plastics; and France is hosting negotiations on the elimination of plastic pollution in May 2023, as well as implementing domestic regulatory measures to curb single-use plastics. In partnership with Ocean Conservancy and The Circulate Initiative, R-CITIES has set up Urban Ocean as a capacity building and accelerator platform for cities to reduce plastic leakage and boost the circular economy towards enhanced urban resilience.
- Nature-based solutions and payments for ecosystem services can help build urban resilience to water risks. To protect rivers from silting, flooding and landslides, the state of Rio de Janeiro aims to recover 441 000 hectares of Atlantic Forest by 2050 through public-private partnerships. The city of Paris is helping to fund the ecological transition of farms upstream of the city to avoid water pollution downstream in the city and towards the sea.
- Catalyse investments in innovation and capacity for sustainable, inclusive, resilient and circular blue economies. For instance, R-CITIES's Resilient Community Impact Funds (RCIFunds) gather public and private partners to support projects and catalyse innovation, scaling and project preparation for larger financing. CAF has pledged up to USD 4 billion in new approvals for water security projects; USD 1.25 billion to invest in sustainable city-basin projects; and a new project facility for oceans of up to USD 1 million annually. The World Bank is working with partners to achieve the vision of "A Water-Secure World for All" by prioritising the sustainability of water investments and supporting financing mechanisms that mobilise private capital.
- Engage with stakeholders across the board. As highlighted by UNDP, "people don't have an ocean problem the ocean has a people problem!". For instance, as part of Finland's International Water Strategy, the government supports companies that take "water stewardship" action. Rio de Janeiro sees dialogue as one of the key elements needed for a resilient and sustainable blue economy.

Highlights

Ms. Aziza Akhmouch, Head of the Cities, Urban Policies and Sustainable Development Division, OECD Centre for Entrepreneurship, SMEs, Regions and Cities (CFE) welcomed participants and provided some background on the OECD <u>Cities and Regions for a Blue Economy</u> project. The initiative aims to create a positive narrative around water, from a cost to a resource issue, by recognising that the blue economy takes place, creates value and provides jobs at local level, and that cities and regions have competences and responsibilities in areas affecting blue economy and water security (e.g. water, sanitation, waste, land use planning, etc.). Ms. Akhmouch introduced the event, aiming to take stock of i) initiatives to foster resilient, inclusive, sustainable and circular (RISC-proof) blue economies at national and subnational level, ii) measures and tools to accelerate progress towards RISC-proof blue economies, and iii) current and future commitments to RISC-proof blue economies in cities, regions and basins.

"The OECD Cities and Regions for a Blue Economy project aims to develop a positive narrative around water, from a cost issue to a resource issue."

Ms. Barbara Pompili, Chair of the OECD Water Governance Initiative (WGI); Member of Parliament and former Minister for the Ecological Transition of France raised that cities, regions and basins across the world are facing the consequences of increasing floods and droughts. At the same time, local economies depend on water from oceans, rivers and lakes that are becoming more and more polluted. Water is a vector for sustainable development, and investments in water security are investments in sustainable economic growth. However, under business as usual, economic, environmental and social considerations remain in individual silos. It is therefore essential to connect the water community and the ocean community, foster water security and go local to achieve the Sustainable Development Goals (SDGs), in particular 6 (clean water and sanitation), 11(sustainable cities and communities) and 14 (life below water). Solving these challenges requires good water governance, more holistic institutional mechanisms and stronger coordination across policies. Cities have an important role as the places where people live and will continue to live in the future, where the blue economy takes place, creates value and provides jobs.

"There can be no healthy oceans without healthy freshwater; no economic resilience without water resilience, and no SDG achievement without local action."

Taking stock of initiatives towards resilient, inclusive, sustainable and circular blue economies

Ms. Aziza Akhmouch, Head of the Cities, Urban Policies and Sustainable Development Division, OECD Centre for Entrepreneurship, SMEs, Regions and Cities (CFE) introduced the speakers (Ms. Maisa Rojas, Mr. Hugo Polido Pires, Mr. Eric Tardieu and Ms. Mary Matthews).

Ms. Maisa Rojas, Minister of the Environment of Chile presented an overview of the challenges of water resources management in the country. Chile has been facing a profound water crisis for more than 13 years due to increasing water demand under drought conditions. In this context, it is urgent to improve water governance as part of a just transition. Thus, Chile is starting the implementation of basin councils for integrated water management and planning, which will soon begin preparing strategic basin management plans. This new measure is also an opportunity to learn from others and harness the <u>OECD Principles on Water Governance</u>.

"Chile will face the water crisis in a systemic way, recognising water as a vector to deal with the triple crisis of water, biodiversity and climate."

Mr. Eduardo Ramos, Deputy Permanent Representative of Portugal to the United Nations, emphasised that both emerging and traditional blue economy sectors are drivers of economic development in Portugal. Emerging and innovative sectors such as renewable energy and blue bioeconomy hold great potential for sustainable economic development. Beyond technology, good governance, planning (including marine spatial planning), regulation and financing are needed to unlock innovation in the blue economy for sustainability. He insisted that governments at all levels should engage with the complex web of stakeholders involved in the blue economy, focusing on the subnational scale where freshwater and marine environments connect. After hosting the <u>2022 UN Ocean Conference</u>, Lisbon will welcome a Blue Economy Investment Forum in 2023.

"Effective multi-level governance, freshwater and marine spatial planning, regulation, stakeholder engagement and finance are key to unlock the potential of innovative blue economy sectors for environmentally sustainable economic development."

Mr. Eric Tardieu, Secretary-General of INBO underlined the need for city-basin cooperation and upstreamdownstream solidarity mechanisms to face rising water challenges. He highlighted the need for "city-basin" dialogues, focusing on effective multi-level governance, data management and nature-based solutions (NBS), to face challenges in terms of water use and impacts (pollution, floods, etc.). The <u>IWA-INBO Handbook on</u> <u>Basin-Connected Cities</u> supports decision making for city connections and integrations with river basins.

"In a context of growing populations, urbanisation, water use and climate change impacts on water, citybasin cooperation and upstream-downstream solidarity mechanisms are needed."

Ms. Mary Matthews, Senior Technical Advisor, Water and Ocean Program, United Nations Development Program (UNDP) emphasised that water access, quality and management affect the health of water, oceans, estuaries and related ecosystems, with ripple effects on the blue economy. Changes in water access upstream imply changes in water access downstream, affecting aquatic ecosystems (e.g. wetlands, marshes, etc.) on which the blue economy depends. Water scarcity and sea level rise can break the link between marine and freshwater environments, with dire consequences such as salinisation and marine intrusion of freshwater aquifers. Government silos should be overcome with upstream and downstream innovation, and coordination and strategic thinking across organisations and countries.

"People don't have an ocean problem - the ocean has a people problem!"

Accelerating the transition to resilient, inclusive, sustainable and circular blue economies

Ms. Aziza Akhmouch, Head of the Cities, Urban Policies and Sustainable Development Division, OECD Centre for Entrepreneurship, SMEs, Regions and Cities (CFE) introduced the speakers (Ms. Jennifer Molwantwa, Mr. Jean-Pierre Elong Mbassi, Mr. Torgny Holmgren, Ms. Eileen Burke, Ms. Lauren Sorkin, Mr. Angel Cardenas, and Ms. Carola Hein).

Ms. Jennifer Molwantwa, CEO of the Water Research Commission, Department of Water and Sanitation, South Africa shared that the blue economy accounts for around 4% of South Africa's GDP. A <u>national study</u> on blue economy opportunities indicates that this could increase to 5% with the right initiatives, but it has to be done in an environmentally sustainable way. South Africa has a clear national blue economy policy as well as water policies, but these policies are insufficiently "localised" to ensure their sustainable local implementation.

"The localisation of national plans is needed to ensure sustainable and effective local implementation."

According Ms. Molwantwa, three key areas can enhance the sustainability of the blue economy:

- Treating water adequately at the source to avoid the pollution of freshwater and marine environments.
- Boosting the circular economy to ensure waste is used more than once. For instance, South Africa's levy on plastic bags has significantly minimised single-use plastics and promoted circularity.
- Supporting both large-scale and traditional fisheries to ensure sustainable livelihoods.

Mr. Jean-Pierre Elong Mbassi, Secretary General of United Cities and Local Governments (UCLG) Africa welcomed the side event, insisting that a city-basin dialogue was long overdue. UCLG-Africa supports leveraging the blue economy as a way to link climate and biodiversity agendas. Going forward, the subsidiarity principle should be a guiding principle, and local governments should be recognised as the strategic level for action and transformation on these issues, with local authorities in the driving seat for policy implementation.

"The local level of government should be recognised as strategic for action and transformation, with local authorities in the driving seat for policy implementation."

Mr. Torgny Holmgren, Executive Director of Stockholm International Water Institute (SIWI) emphasised that benefits deriving from oceans are highly dependent on upstream activities. He argued that land, freshwater, coastal and marine ecosystems are connected source-to-sea systems. Cities can both exert pressure on them and experience negative impacts from their degradation. By ignoring upstream-downstream linkages, economic development in one part of the source-to-sea system may occur at the detriment of another. A holistic source-to-sea approach can help overcome silos across sectors and places and develop a blue economy that creates benefits in all parts of the source-to-sea system, across the whole water cycle.

"The health of our oceans and the benefits we derive from them depend on upstream activities."

Through the <u>Action Platform for Source-to-Sea Management</u>, SIWI champions the source-to-sea approach. To accelerate progress toward SDG 6 that underpins a sustainable blue economy, the Action Platform recommends taking the following steps.

- 1. Invest in science, education, and data to understand linkages across the source-to-sea continuum and safeguard marine ecosystems and livelihoods.
- 2. Incentivise holistic management of all ecosystems to prevent biodiversity loss, ocean health deterioration, and climate change impacts.
- 3. Catalyse source-to-sea action by mainstreaming thinking in projects, plans, governance, and investments.

- 4. Include all stakeholders, especially marginalised communities, in decision-making and equitable benefit sharing.
- 5. Accelerate sustainable consumption and circular economy transition with financial and regulatory tools for cross-sectoral cooperation.
- 6. Innovate transformative and scalable solutions to address source-to-sea challenges while enhancing livelihoods and sustaining ecosystems.

Ms. Eileen Burke, Global Lead for Water Resources Management, World Bank indicated that the World Bank is the world's largest multilateral source of financing for water in developing countries. The institution is committed to working closely with partners to achieve the vision of "A Water-Secure World for All." To this end, the Bank prioritises the sustainability of water investment and supports financing mechanisms that mobilise private capital. The Bank is applying the source-to-sea approach in China to help the government establish environmental flows, define national and local targets, engage in pilots as well as create information and incentives.

"The World Bank is committed to working closely with partners to achieve the vision of "A Water-Secure World for All."

Ms. Lauren Sorkin, Executive Director, Resilient Cities Network (R-CITIES) started by highlighting that like many societal challenges, the sustainable blue economy is a governance rather than a technical challenge. She explained that the R-CITIES advances holistic and equitable resilience by empowering cities, mobilising resources and implementing projects on the ground. Making progress on a sustainable blue economy and tying cities to the health of the ocean, while breaking silos of themes, sectors, funding and even SDGs, is a strategic direction supported by the R-CITIES, since 80% of the network's cities are coastal, lacustrine or riverine.

"Like many of our societal challenges, the sustainable blue economy is not a technical challenge but a governance one."

R-CITIES has two key initiatives in this vein. First, <u>Urban Ocean</u> is a capacity building and accelerator platform for cities that champions circular economy principles through a holistic resilience lens. It co-develops strategies and projects with cities to address interrelated challenges of ocean plastic and community resilience. Launched in 2019 with Ocean Conservancy and The Circulate Initiative, Urban Ocean is being implemented in 9 cities in Asia and Latin America, with mentoring support from 5 champion cities. Second, the <u>Resilient Community</u> Impact Funds (RCIFunds) gather public and private partners to make projects a reality and catalyse innovation, scaling and project preparation for larger financing. In the same vein, and with the Ocean and Climate Platform, the UN Climate Champions and ICLEI, R-CITIES launched at COP 27 an <u>Investment Protocol for Coastal</u> Resilience and a <u>Blue-Tinted White Paper</u>, highlighting the specific needs of coastal cities across seven key levers under blue economy and resilience and informing investment decisions. The Protocol includes the establishment of a Coastal Resilience Fund under the RCIFunds platform and a project opportunity booklet underway, starting with cities in Africa.

Mr. Angel Cardenas, Head of Urban Development, Water and Creative Economies, Latin American Development Bank (CAF) emphasised that water security and sustainable blue economy development require governance at multiple levels and across various sectors. He indicated that the internal structure of CAF has been redesigned to better tackle the twin challenges of water security and urbanisation, recognising cities as engines of economic growth that are increasingly vulnerable to water-related risks. In this vein, CAF developed a Water Strategy (2023-2026) aligned with the source-to-sea approach, with a special chapter on the relation between water and resilient cities.

"Multisectoral and multi-level governance is needed to ensure water security and sustainable blue economy development."

CAF brought three pledges to the UN 2023 Water Conference:

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- To work upstream for ocean health, CAF has committed to significantly increase funding for Water Security Projects by approving up to USD 4 billion during the 2023-2026 period. The fund will contribute to promote IWRM for flood control, drought management and improved water governance. It will support cities to become more resilient to climate change, as well as supporting the reduction of untreated wastewater and urban solid waste pollution that are often discharged into rivers and oceans.
- 2. To accelerate progress towards SDG 14, CAF launched a <u>Decalogue of Blue Commitments</u> and committed to invest around USD 1.25 billion over the 2022-2026 period. It will support conservation and sustainable use of the ocean and maritime coasts in LAC, as a catalyst to attract more funds through co-financing agreements.
- CAF is also considering launching a Project Acceleration Facility to support countries in the sustainable use of marine-coastal areas. As partners of the voluntary coalition <u>Ocean Action 2030</u> and coordinators of the Permanent Secretariat of the signatory countries of the <u>Ocean Declaration of the Americas</u>, CAF aims to contribute to the goals of the <u>Biodiversity Global Framework</u> agreed at <u>COP15 Global</u> <u>Biodiversity Conference</u> in December 2022 in Montreal (Canada).

Ms. Carola Hein, Professor and Head, History of Architecture and Urban Planning at Delft University of Technology, Netherlands and UNESCO Chair Water, Ports and Historic Cities; underlined that "localising" the blue economy means acknowledging the distinct geographical, political, economic, social, institutional, and historical circumstances of each area. As the places where sea, rivers and land meet, port cities on coasts and rivers have attracted economic development and people for millennia. They are places of creativity, culture, and heritage where powerful actors, such as port authorities, meet dense urban communities, at the forefront of climate change and related water impacts. As such, coastal and fluvial port city territories must be recognised as test beds for the blue economy. Sustainable economic development that protects natural, cultural, tangible and intangible heritage is needed for "localised" blue economies.

"Localising the blue economy means recognising the unique geographic conditions of each location, including their political, economic, social, institutional and historical conditions."

The <u>UNESCO Chair Water Ports and Historic Cities</u> and the <u>PortCityFutures Center of the Leiden-Delft-Erasmus Universities</u> undertake research and educational activities related to the blue economy. The <u>Port City</u> <u>Atlas</u> of 100 port city territories helps to visualise the challenges of spatialising the blue economy: for instance, it shows that 13 of the 25 leading port city territories are home to UNESCO World Heritage sites, raising the question of how to ensure the blue economy does not develop at the expense of natural and cultural capital. Other examples include the <u>Bauhaus of the Sea Sails Project</u> aiming to develop new approaches to reconnect sea and land; the <u>Blue Papers</u> journal, and the <u>Water Values</u> board game.

Ms. Vera Eiro, President of the Board, Water and Waste Services Regulation Authority (ERSAR) Portugal intervened from the floor to underline the urgent need to link (waste)water and marine policies. Over the last three decades, Portugal's integrated and consistent water policy has resulted in the water quality of coastal beaches improving from 55% to 99%, with a positive impact on health, wellbeing and tourism. All beaches in Portugal are flagged in terms of bathing water quality. These <u>blue flags</u> on beaches have tripled over the past 30 years, conveying a safety message to the population and tourists. From the governance perspective, Portugal is still striving to overcome institutional fragmentation.

Commitments towards resilient, inclusive, sustainable and circular blue economies

Ms. Aziza Akhmouch, Head of the Cities, Urban Policies and Sustainable Development Division, OECD Centre for Entrepreneurship, SMEs, Regions and Cities (CFE) introduced the speakers (Ms. Bérangère Couillard, Mr. Juhani Damski, Mr. Thiago Pampolha and Mr. Dan Lert).

Ms. Bérangère Couillard, Secretary of State for Ecology, Ministry of Ecological Transition and Territorial Cohesion, France confirmed France's commitment to a blue, green and circular economy insisting

that reducing pollution is key. In this sense, France is hosting the <u>second session of the Intergovernmental</u> <u>Negotiating Committee on the Plastics Treaty</u> (29 May-2 June 2023, UNESCO, Paris), as well as implementing national regulatory measures. As the blue economy requires strong coordination from source to sea, good governance across levels is needed. France will host the next <u>UN Ocean Conference</u> in Nice in May 2025 and dedicate a large space to freshwater and its connections with the ocean.

"France is committed to a blue, green and circular economy that protects the environment."

Mr. Juhani Damski, Permanent Secretary, Ministry of Environment, Finland insisted that new modes of action to promote resilient, inclusive, sustainable and circular blue economies are needed. Multi-stakeholder and multi-disciplinary cooperation together with technical, financial, and institutional solutions, and followed by coordinated cross-sectoral implementation are critical for Integrated Water Resources Management (IWRM). The source-to-sea approach to sustainable blue economy should consider the water footprint of such activities throughout their whole value chain.

"Water stewardship and partnerships with the public sector can be effective ways for the private sector to contribute to water management objectives."

The <u>Finnish Water Way - International Water Strategy</u>, which aims for responsible and equitable water security, supports business-led water stewardship through commitments and partnerships. An action plan has been created to see how the government can promote fair water footprints and support companies on their water stewardship journey.

Mr. Thiago Pampolha, Vice-Governor and Secretary of Environment and Sustainability, State of Rio de Janeiro, Brazil underscored that water is at the center of the State's economic development. Rio de Janeiro aims to become a "blue metropolis" within the next 10 years. This concept is related to resilience and social and economic inclusion, due to its implications for health, food security, sustainable economic growth and green jobs as well as protecting and recovering aquatic ecosystems. To this end, the government of the state of Rio de Janeiro has established the <u>WATER 2030 initiative</u> on water security for climate ambition, as well as a <u>Water Security and Safety State Plan to 2043</u>. As part of these policies, with the aim of increasing access to basic sanitation services from 45% of the metropolitan area to 90% by 2033, the State started the concession of these services.

"With planning, patience and dialogue we will be able to deliver better blue economies."

The marine economy accounts for 44% of the State's GDP and provides direct economic benefits to 10 million people. To further develop the blue economy, the State is taking action on nature-based solutions, innovation and governance by:

- Protecting rivers from silting and flooding to prevent landslides by recovering 441 000 hectares of Atlantic Forest by 2050. To do so, the State has been developing a tool for public-private partnerships with Nasdaq technology to bring private sector green investment to the State. The State is also taking blue carbon initiatives focusing on the State's extensive mangroves of more than 18 000 hectares.
- Setting up the first <u>Blue Tech Hub</u> in Latin America, an open innovation project for the development of the blue economy and an important step in bringing new solutions to Rio.
- Approving a programme for the management of the blue economy, aiming to foster good governance and policies and boost the blue bioeconomy, water-based renewable energy, and a coastal management and recovery plan. The State intends to apply for an OECD Deep Dive Case Study on the Blue Economy in the metropolitan area of Rio de Janeiro.

Mr. Dan Lert, Deputy Mayor, Paris, France outlined three key measures the City of Paris is taking to reconnect with water. First, the city is undertaking a major clean-up operation of the Seine River to improve water quality and allow Parisians to swim in it, a major technical challenge in terms of water treatment and a significant investment of more than EUR 1.4 billion. Second, the city is promoting an ambitious strategy on

plastics to "make water care for Parisians and Parisians care for water". Lastly, the city is applying the prevention principle by supporting the funding of the ecological transition of farms upstream of Paris to avoid water pollution downstream.

"The City of Paris aims to make water care for Parisians and Parisians care for water."

Ms. Julia Manning, Associate Director, Senior Environmental Adviser, Lead for Blue Economy, European Bank for Reconstruction and Development (EBRD) intervened from the floor to mention that EBRD has been managing environmental partnerships to improve water quality, with significant reductions in nutrient discharges to the Baltic Sea, for instance. The EBRD and the Union for the Mediterranean (UfM) are now replicating this partnership in the Mediterranean area, especially where the share of treated wastewater is low, with consequences in terms of water pollution. The project starts with wastewater but extends to other blue economy sectors, with Algeria, Jordan and Morocco as beneficiaries.

Derek Vollmer, Senior Freshwater Science Director, Conservation International also intervened from the floor to stress that although water footprints are appealing concepts, water cannot be measured with the same level of accuracy as carbon. Water footprints should be recognised as a useful awareness-raising tool rather than a reliable metric for policy guidance.

Conclusion and launch of the New York City Multi-Stakeholder Pledge on Localising the Blue Economy

Ms. Aziza Akhmouch, Head of the Cities, Urban Policies and Sustainable Development Division, OECD Centre for Entrepreneurship, SMEs, Regions and Cities (CFE) introduced the concluding speakers, Ms. Oriana Romano and Mr. Henk Ovink.

Ms. Oriana Romano, Head of Unit, Water Governance and Circular Economy, OECD Centre for Entrepreneurship, SMEs, Regions and Cities (CFE) thanked the partners, the moderator, the speakers and the organisers for the richness of the session. She presented the OECD's commitment to localising the blue economy, the <u>New York City Multi-Stakeholder Pledge on Localising the Blue Economy</u>, developed in partnership with the International Association of Cities and Ports (AIVP), Atlantic Cities, ICLEI – Local Governments for Sustainability, International Network of Basin Organisations (INBO), Ocean & Climate Platform, Resilient Cities Network and United Cities and Local Governments (UCLG) Africa.

"The OECD and partner organisations of the Cities and Regions for a Blue Economy initiative are committed to fostering resilient, inclusive, sustainable and circular blue economies at local level."

Reflecting many of the interventions of the side event, the Pledge contains 10 guiding principles:

- 1. Acknowledge the role of cities, regions and basins in fostering RISC-proof blue economies.
- 2. Promote a "city-basin" approach to water resources management beyond administrative boundaries, and across relevant institutions, from source to sea.
- 3. Encourage greater coordination across local and national government departments in charge of oceans, freshwater and aquifers for coherent responses to current and emerging challenges.
- 4. Nurture a systems approach to the blue economy, involving all blue economy sectors and players
- 5. Call on national and subnational governments to set sound incentives and frameworks to catalyse investments needed for sustainable blue economies at local level.
- 6. Encourage meaningful engagement of local communities in knowledge-sharing and bottom-up learning, acknowledging local specificities, histories and heritage.
- 7. Explore the opportunities of a sustainable blue economy, particularly through emerging sectors (e.g. blue bioeconomy, biotechnology), while ensuring a just transition.

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- 8. Support the collection, analysis and disclosure of granular socio-economic and environmental data to inform blue economy decision-making.
- 9. Promote capacity development and ocean literacy (e.g. educational programmes).
- 10. Support governments at all levels to foster RISC-proof blue economies (e.g. guidance, data).

Mr. Henk Ovink, Special Envoy for Water, Netherlands thanked OECD and partners for championing the city-basin approach. Based on the past two days of the Conference, he outlined his "recipe for success" for global water security:

- 1. Recognise that humans disrupted the water cycle and mend it through a global pact for water.
- 2. Establish an action-oriented Task Force including cities, the private sector and UN member states to ensure it is global.
- 3. Have a UN Special Envoy on Water to lead the Task Force, with a capacity (and team) to couple a "stealth" approach with a formal approach.
- 4. Combine science and society through a science-based but societally grounded analysis of the water cycle.
- 5. Establish a clear roadmap with stepping stones. The <u>Biodiversity Beyond National Jurisdiction (BBNJ)</u> <u>Treaty</u> proved that this is achievable.
- 6. Highlight water as a safe space for people to come together.

"Water should be seen as a safe space for people to come together."

Ms. Aziza Akhmouch, Head of the Cities, Urban Policies and Sustainable Development Division, OECD Centre for Entrepreneurship, SMEs, Regions and Cities (CFE) thanked all the speakers and participants and closed the session.



Ms. Barbara Pompili, Chair of the OECD Water Governance Initiative, presents the Pledge. From left to right: Mr. Mohamed Nbou, Director, Climate Change, Biodiversity and Green Economy, UCLG-Africa; Mr. Dan Lert, Deputy Mayor of Paris, France; Mr. Henk Ovink, Special Envoy for Water, Netherlands; Ms. Jennifer Molwantwa, CEO of the Water Research Commission, Department of Water and Sanitation, South Africa; Ms. Oriana Romano, Head of Unit, Water Governance and Circular Economy, OECD CFE; Ms. Barbara Pompili, Chair of the OECD Water Governance Initiative (WGI); Ms. Aziza Akhmouch, Head of the Cities, Urban Policies and Sustainable Development Division, OECD CFE; Mr. Juhani Damski, Permanent Secretary, Ministry of Environment, Finland; Ms. Maisa Rojas, Minister for the Environment of Chile; Mr. Eric Tardieu, Secretary-General of INBO; Ms. Mary Matthews, Senior Technical Advisor, Water and Ocean Program, United Nations Development Program (UNDP); Ms. Vera Eiró, ERSAR Portugal; Ms. Eileen Burke, Global Lead for Water Resources Management, World Bank; Mr. Torgny Holmgren, Executive Director of Stockholm International Water Institute (SIWI).

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Annex A. List of side event partners

Brazil, State Government of Rio de Janeiro, Undersecretary of Water Security and Sustainability France, Ministry of Europe and Foreign Affairs and Ministry for the Ecological Transition and **Territorial Cohesion** Portugal, Ministry of Environment and Climate Action South Africa, Water Research Commission, Department of Water and Sanitation Spain, Ministry of Ecological Transition and Demographic Challenge Delft University of Technology (TU Delft), Netherlands Deltares ICLEI - Local Governments for Sustainable Development International Association of Cities and Ports (AIVP) International Network of Basin Organisations (INBO) Latin American Development Bank (CAF) **Resilient Cities Network** Stockholm International Water Institute (SIWI) **UN-Habitat** United Cities and Local Governments (UCLG) Africa United Nations Development Program (UNDP) World Bank

Annex B. Agenda

Economic resilience requires water resilience: the risks of "too much", "too little" and "too polluted" water, magnified by climate change, are increasingly threatening water-related economic activities as well as human health and coastal, marine and freshwater ecosystems.

Against the backdrop of the Paris Agreement, the Sendai Framework and the UN 2030 Agenda for Sustainable Development, there is increasing momentum for developing a sustainable blue economy while strengthening the resilience of coastal, delta, fluvial and lacustrine cities. Yet decision-making for freshwater and oceans remains siloed and policy areas such as land use planning, climate mitigation and adaptation are often disconnected. There is scope for a localised approach to the blue economy that promotes place-based polices.

According to the <u>OECD Principles on Water Governance</u>, the mismatch between hydrological and administrative boundaries calls for a "city-basin" approach to water resources management, from source to sea, to tackle water risks and unlock the potential of the blue economy through stakeholder engagement across catchments, planning, coordination, data collection and monitoring.

This event will gather Ministers and executive leaders of international organisations to take stock of initiatives, accelerators and concrete actions and commitments to foster resilient, inclusive, sustainable and circular blue economies while enhancing water security in cities and basins.

Speakers

Moderator: Aziza Akhmouch, Head of Division, Cities, Urban Policies and Sustainable Development, OECD Centre for Entrepreneurship, SMEs, Regions and Cities (CFE)

Introduction

• Barbara Pompili, Chair, OECD Water Governance Initiative (WGI); Member of Parliament and former Minister for the Ecological Transition of France

Taking stock of initiatives towards resilient, inclusive, sustainable and circular blue economies

- Maisa Rojas, Minister of the Environment, Chile
- Hugo Polido Pires, Secretary of State of Environment, Portugal
- Eric Tardieu, Secretary-General, International Network of Basin Organisations (INBO)
- Mary Matthews, Senior Technical Advisor, Water and Ocean Program, United Nations Development Program (UNDP)

Accelerating the transition to resilient, inclusive, sustainable and circular blue economies

- Jennifer Molwantwa, CEO, Water Research Commission, Department of Water and Sanitation, South Africa
- Jean-Pierre Elong Mbassi, Secretary General, United Cities and Local Governments (UCLG) Africa

- Torgny Holmgren, Executive Director, Stockholm International Water Institute (SIWI)
- Eileen Burke, Global Lead for Water Resources Management, World Bank
- Lauren Sorkin, Executive Director, Resilient Cities Network
- Angel Cárdenas, Head of Urban Development, Water and Creative Economies, Latin American Development Bank (CAF)
- Carola Hein, UNESCO Chair Water, Ports and Historic Cities; Professor and Head, Chair History of Architecture and Urban Planning at Delft University of Technology, Netherlands

Commitments for resilient, inclusive, sustainable and circular blue economies

- Bérangère Couillard, Secretary of State for Ecology, Ministry of Ecological Transition and Territorial Cohesion, France
- Juhani Damski, Permanent Secretary, Ministry of Environment, Finland
- Thiago Pampolha, Vice-Governor and Secretary of Environment and Sustainability, State of Rio de Janeiro, Brazil
- Dan Lert, Deputy Mayor, Paris, France

Conclusion

- Oriana Romano, Head of Unit, Water Governance and Circular Economy, OECD Centre for Entrepreneurship, SMEs, Regions and Cities (CFE)
- Henk Ovink, Special Envoy for Water, Kingdom of the Netherlands