

2014 ANNUAL REPORT

BUILDING PARTNERSHIPS FOR

Water Security

**WATER SECURITY
PARTNERSHIPS FOR
PEOPLE, GROWTH,
AND THE ENVIRONMENT**



**2030
Water
Resources
Group**

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FOREWORD CHAIR

Joint efforts to coordinate appropriate measures are a joint responsibility



When we give value to water, we use it more carefully. Our governments have a fundamental role to play in managing this resource for our communities, environment and industry. Financial resources for public spending are shrinking and authorities tasked with the water portfolio often lack the necessary and relevant skills to deal with water in an

integrated, holistic and cost-effective manner.

Those who will suffer most from this are the marginalized poor. They are becoming increasingly concentrated in Sub-Saharan Africa and South Asia. Poverty and widespread hunger remain even in regions that have experienced rapid economic growth and substantial reductions in poverty. Whereas the number of urban poor is increasing rapidly, the poor are still predominantly rural. We are already struggling to feed a world population that will soon reach nine billion. If we do not change the way we use water, feeding these nine billion people will be a tremendous challenge.

Governments in water-stressed regions are confronted with choices between competing freshwater demands from the agricultural, energy and industrial sectors. Reshaping the management of our water resources is a daunting task. We need to develop the ability to bring new, non-traditional and relevant stakeholders to the discussions we are having on how to sustainably manage this scarce resource for future generations.

Our governments have an instrumental role to play in managing water resources but today the resources available to the relevant administrations for public spending is shrinking rapidly. Making the right choices then becomes very difficult when taking into account all social, environmental and economical impacts. At Nestlé, we know that our consumers need access to clean, safe water and decent sanitation, wherever they are in the world. This is no different for our hundreds of thousands of employees, their families and friends.

Joint efforts to coordinate appropriate measures to face these immense challenges are a joint responsibility, not only of the government, but also that of private sector players and civil society. This growing interest in the water crisis has sparked a multiplicity of efforts engaged in coordinating a response. 2030 WRG has the unique capability to bring about programmatic change and help reshape water resources management through its aptitude to interest new categories of private sector leaders and government actors in the search for solutions to the water crisis. Through various high-level multi-stakeholder dialogues, actionable solutions were agreed upon jointly in many countries of engagement around the world.

This report presents some exciting results in 2030 WRG countries, where a lot of progress has been made in the past year. The team has worked hard to facilitate the process and discussions that were needed to identify focus areas where projects and programs will soon take shape. I am certain that strong local ownership by our partners in the field will ensure a sustained change process.

A recent evaluation by Dalberg, commissioned by the Governing Council members, shed light on many key lessons to be internalized and adapted to make 2030 WRG's work more effective and efficient, but also proved that the clients we serve fortunately think the efforts we make are an essential part of their economic, social and environmental progress. The decision by the Governing Council in June last year, to approve the new Strategic Plan and Budget for this second phase, is another important milestone in our work. I would like to commend my fellow Governing Council and Steering Board members for their support and engagement to implementing this strategy, and thank the staff of 2030 WRG for their excellent work. I very much look forward to our continued collaboration as we move into the New Year.

Peter Brabeck-Letmathe
*Chair, 2030 Water Resources Group
Chairman of the Board of Directors, Nestlé*

FOREWORD VICE CHAIR

Partnering to confront water scarcity

There are no easy solutions to the challenge of water scarcity. Meeting the world's increasing thirst will require ingenuity and resources from many actors—governments, international financial institutions, non-governmental organizations and the private sector. The 2030 Water Resources Group is a new kind of partnership, designed to unite groups with a common interest in the sustainable management of water resources.



Nearly 800 million people lack access to clean water, and the demand for fresh water to produce food and energy will soar as the globe's population expands to 9 billion by 2050. The challenge is most acute in developing countries,

which will shoulder almost all of the population growth in the decades to come. Water scarcity and inadequate sanitation already cost the world at least \$260 billion a year—roughly double the size of the economy of Bangladesh or six times Kenya.

Water shortages exacerbate the risks of conflict and instability, undermining global growth and security.

IFC, a member of the World Bank Group and the largest global development institution focused on the private sector, helps developing countries find the best solutions to manage their water resources sustainably and provide their citizens with reliable access to clean water.

We know from our investments and our advisory work that innovations spurred by the private sector—such as public-private partnerships for municipal services, reuse of wastewater between industry and municipalities and investments in micro-irrigation systems—can help ensure that water is used more effectively, and provide families with access to clean and affordable water. The Financial Times recently reported that companies have spent \$84 billion since 2011 to improve the way they conserve, manage, or obtain water.

By identifying risks and opportunities, sponsoring platforms for dialogue between stakeholders, and helping close the gap between long-term water-resources needs and water availability, the 2030 Water Resources Group allows governments to create an enabling environment for the private sector, civil society and others to contribute to sustainable water resources management. Analysis, best practices, and partnerships created by the 2030 Water Resources Group can inspire real change, including more investment.

Its work is generating support in areas most affected by water scarcity. This report delivers key insights into its progress in partner countries. It shows, for example, how the 2030 Water Resources Group can support India's efforts to clean the heavily polluted Ganges. The 2,500-kilometer-long waterway is polluted with large quantities of untreated sewage and industrial waste. It suffers from a reduced flow and extensive underground water withdrawals. This affects millions of people, who depend on the Ganges for their daily needs.

Through its work in India and elsewhere, the 2030 Water Resources Group is developing replicable models for public-private-civil society engagement on water sustainability.

We have an opportunity to confront the water challenge. I am confident that initiatives like the 2030 Water Resources Group can help avoid a water crisis—for the sake of the world's welfare and security.

Jin-Yong Cai
Vice-Chair, 2030 Water Resources Group
Executive Vice President and CEO of IFC, World Bank Group

Executive Summary

Building partnerships for water security

The 2030 Water Resources Group (2030 WRG), now operating in its second phase, continues to build and foster valuable partnerships amongst relevant key stakeholders to achieve a more water secure future. Bringing transformative change to water resources planning is a complex process. By facilitating open, trust-based dialogue processes with public, private, and civil society stakeholders, key priorities have been collectively identified and agreed upon in many of our countries of engagement.

Results to date in our countries of engagement include improved collaboration between stakeholders, open communication, sharing of data and resources, shared best practices, joint projects, policy reforms, and public-private partnerships. The active participation and commitment of our clients and the networks they have jointly established sustains the actions on the ground.

Dalberg evaluation

A critical self-reflection is necessary for increased efficiency, effectiveness, impact and sustainability for the benefit of our clients. This necessity to reflect on our relevance and determine our performance to meet expectations, led to an independent, external evaluation. This report was commissioned by the 2030 WRG Governing Council during its January, 2014 annual meeting to inform the future direction of 2030 WRG and serve as input to the preparation of the FY15-17 Strategic Plan and Budget. Dalberg Global Development Advisors, a leading management consulting firm specialized in the development sector, was selected to conduct this evaluation with the Swiss Agency for Development and Cooperation as the contracting authority. The evaluation delivered valuable insights and arguments towards optimizing quality and accountability of our work and deliverables. The recommendations were much welcomed and proved to be a great source to promote organizational learning and evidence-based decision-making. It gave the 2030 WRG team positive guidance towards enhanced strategic and operational management and results orientation of our work. Some of the main recommendations were already addressed in the new Strategic Plan and Budget (July 2014-June 2017), which was approved by the Governing Council in its 27 June 2014 meeting.

New engagements

The past year Bangladesh, Kenya and the State of Maharashtra have been added as new clients to the 2030 WRG portfolio. According to recent analytical work in Bangladesh, growth forecast predicts doubling of domestic demand by 2030, a 200 percent increase in industrial water demand, and over 46 percent increase in irrigation water demand. The Bangladesh Ministry of Water Resources aspires to work closely with the 2030 WRG to address those challenges. Kenya is home to some of the great "water towers" of East Africa. Yet 90 percent of the country is either arid or semi-arid, resulting in annual renewable freshwater supply of only 650 cubic meters per capita, well below the threshold for chronic water scarcity. Although less than a year old, the Kenya 2030 WRG partnership has made good progress: a preliminary hydro-economic analysis has been undertaken and far-reaching stakeholder consultations have been held. At the start of the new partnership with Maharashtra, the 2030 WRG commissioned a hydro-economic study with a focus on the agri-water sector. The study analyzes, amongst others, how the state can continue to expand its agricultural sector by a target of 6 percent per annum, yet with an overall decreasing water footprint. This is a critical equation if we want to address water sustainability across all future societal demands.

2014 Achievements and Results

7

national multi-stakeholder platforms operational

21

working groups developing proposals together

177

*active partners in steering boards and working groups**

*101 private sector partners

Analytical work implemented

Hydro-economic studies were commissioned in Bangladesh, Karnataka (India), Kenya, Maharashtra (India), Peru and Tanzania. In Kenya, for example, the analysis helped build a case for multi-stakeholders to take an active role in improving water resources management. In Maharashtra (India), we were able to jointly launch a collaborative platform with the private sector and civil society in collaboration with the Department of Agriculture. In this first phase, the platform focuses on catalyzing agricultural water transformation across the state, particularly in rain-fed agriculture. In Peru, we managed to prioritize projects in key water scarce coastal catchments, developing a new tool that takes into account political, social and environmental issues in addition to hydrological and economical considerations.

Contributing to the twin goals

A key element of our success is our extensive network that collectively brings together high-level representatives from the private sector, donors, development banks, NGOs, intergovernmental organizations, the United Nations, academia and individual governments. Our partners help us connect and work with key stakeholders to achieve goals within our country work. We honor the World Bank's commitment to achieving sustainable economic development through its two major twin goals: ending extreme poverty and promoting shared prosperity by 2030.

The International Finance Corporation (IFC) continues to provide significant in-kind administrative support including office space, legal, financial, procurement, and trust fund management at the IFC headquarters in Washington, D.C. 2030 WRG remains deeply appreciative of this support, because it encourages collaboration and provides an opportunity to collaborate and draw upon the expertise of colleagues from the entire World Bank Group. Our efforts to establish a stronger and structured interaction within IFC and the World Bank Group's newly established Water Global Practice has begun to take shape. This collaboration will be intensified over the course of 2015 as we deliver on our work program for the benefit of our clients. In 2014, several previous part time or cross-support staff moved to 2030 WRG as full time staff taking the overall count to 20, including local representatives in countries. The New Year will also see an increase in the number of human resources in order to be able to scale and intensify our activities on the ground and deliver results. 2030 WRG is now ideally positioned, more than ever before, to take on the daunting challenges ahead and create the much-needed sustainable impact.



1.1 BACKGROUND

85 percent of the world population lives in the driest half of the planet. 783 million people do not have access to clean water and almost 2.5 billion do not have access to adequate sanitation. 6 to 8 million people die annually from the consequences of disasters and water-related diseases. More than 70 percent of global abstraction of water occurs in the food value chain. Closing the gap between water supply and demand has never been so pressing. The scale of the water security problem makes it an interconnected global issue, not just a series of local challenges.

Over the past 50 years the world's population has doubled and global GDP has grown tenfold, agricultural and industrial output has boomed, and cities have burgeoned. This growth, and these competing uses, puts global water resources under ever-increasing strain. If we persist with our current business-as-usual approach to water management, we can expect a 40 percent gap in fresh water supply globally by 2030.* The economic, environmental, social, and political challenges that this gap will present to governments are very real.

Isolation

We are missing a way of integrating decisions on water management into the full set of economic choices a country needs to make. Governments, as well as businesses in sectors as diverse as agriculture, power generation, and manufacturing, know that water is central to their economic activities, and yet management of the resource is generally undertaken in isolation from overall economic strategy. Today, many countries typically plan for development and growth assuming that water will be available when and where it is needed—and that the water sector will simply catch up with the rest of the economy.

True financial costs

Many voices call attention to the fact that the water sector is severely under-funded, with especially serious financing gaps in developing countries. While under-investment in the water sector represents a looming problem for many economies, it is not a surprising outcome: investors, both private and public, lack a consistent basis from which to make economically rational investment decisions and therefore the will to invest in the sector. The lack of clarity on the true financial cost of water exacerbates the problem in a further, important way: businesses, farmers, and households lack sufficiently strong signals and incentives to prompt them to use water more efficiently and productively.

Risk to global economic stability

Climate change will further challenge water and energy management by causing greater water variability and intensified weather events, such as severe floods and droughts. Consequently, the water resource challenge is a very real

*2030 WRG Charting Our Water Future report.

economic issue for the governments of many developing and fast-growing countries, and a key risk to global economic stability. As governments in water-stressed regions seek to deliver on economic growth plans, they need to decide how to best manage competing demands for freshwater by their agricultural, energy, and urban sectors. Governments also need to address how freshwater should be protected to ensure sustainability of freshwater resource bases and adequate environmental flows. Increased climatic variability and demographic pressures such as urbanization will add extra stress on the system.

Help governments work with partners

2030 WRG works solely at the invitation of governments to undertake in-country activities. It promotes partnerships among different stakeholders to ensure sustainable water resources management for the long-term development and economic growth of their countries. 2030 WRG facilitates a multi-stakeholder engagement process in countries to help governments work with relevant partners in open, inclusive and

transparent dialogue. Such a convening platform, enabled by trust, will assess and prioritize key water issues and develop solutions that achieve measurable and sustainable results.

Our foundation

2030 WRG's initial phase was financed and nurtured from 2008 to 2011 through an informal collaboration between the International Finance Corporation (IFC), the World Economic Forum (WEF), and multilateral and bilateral agencies (Swiss Development Corporation), private sector companies (Nestlé, PepsiCo, The Coca-Cola Company), and other organizations such as the World Wildlife Fund (WWF). It was initially hosted at the WEF, but following the decision of the Governing Council at Davos 2011 to transition the 2030 WRG program into a scalable operation, IFC and various partners agreed to develop a more formal structure for the group, to be hosted within the IFC. After the transfer period, 2030 WRG started its second phase in July 2012. At Davos 2014, the Steering Board endorsed the third phase of its operations for the current three-year period (2014-2017).



1.2 THE WAY FORWARD

“Collective and less siloed efforts a necessity”

“We believe that 2030 WRG has a unique ability to bring new, non-traditional and important stakeholders to the table and help identify actionable solutions. The growing interest in the water crisis has fueled a multiplicity of efforts engaged in coordinating a response. Governments in water-stressed regions are confronted with hard choices between competing freshwater demands from: agricultural, energy and industrial sectors. This makes collective and less siloed efforts like those supported by 2030 WRG a necessity.” This was stated in a recent evaluation by Dalberg Global Development Advisors.

2030 WRG commissioned Dalberg to undertake an evaluation in early 2014 that delivered valuable insights and arguments towards optimizing quality and accountability of our work and deliverables. The objective was to reflect on our relevance, determine our performance to meet expectations and capture the efficiency, effectiveness, impact and sustainability of our country engagements. The evaluation was based on a desk review, three country visits and close to 60 interviews with a diverse group of stakeholders and experts. The interviewees included 2030 WRG staff, Steering Board and Governing Council members, sector experts, and representatives from the public sector, private sector, and civil society organizations in those countries.

Organizational learning

The recommendations were much welcomed and have already

proved to be a great source to promote organizational learning and evidence-based decision-making. It gave the 2030 WRG team positive guidance towards enhanced strategic and operational management and results orientation of our work. Some of the main recommendations were already addressed in the new Strategic Plan and Budget (July 2014–June 2017), which was approved by the Governing Council in its 27 June 2014 meeting.

Recommendations

Main recommendations that were addressed immediately included articulating a better definition of our unique value-addition to minimize divergent views on individual activities and stakeholder groups. Secondly, a more comprehensive approach for engagement, including the explicit reference to the flexibility and modular approach by which the ACT process is currently

implemented. Thirdly, a tiered approach to geographic expansion to more effectively adapt our role on a country-by-country basis. A clearer definition of targets and indicators to better measure our outcomes, and finally, the team size and staffing model was addressed.

Effective partnerships

Other conclusions and recommendations as addressed in the Strategic Plan and Budget will continue to develop as 2030 WRG commits to develop those aspects of our work in the near future. Many of those recommendations focused on the need for 2030 WRG to develop effective partnerships with various actors at the global and local level. We find this a very important aspect of our work, particularly since we ourselves are one such partnership. Working with other partners will be

one main focus area for this year, as well as building on other recommendations in the evaluation:

- The development of a Theory of Change
- Structured approach for stakeholder mapping and engagement
- Partnerships with other international organizations
- Working with our global partners in the countries we work in
- Involvement of civil society in the governance of 2030 WRG
- Strengthening of fundraising capabilities and attracting more private sector actors

The complete evaluation report can be downloaded from the 2030 WRG website www.2030wrg.org.



1.3 SHARE OUR VISION

We see a world with water for growth, people and the environment

Why we do what we do

Our vision is to see a world with sufficient and safe water to support economic growth and the needs of people and ecosystems. Water underpins all aspects of development and a coordinated approach to managing and allocating water is critical. A joint effort is needed to reach the Sustainable Development Goals: ending extreme poverty, growing strong, inclusive and transformative economies and protecting our ecosystems, among others. No entity has the ability to solve such daunting challenges alone. By working together in developing and implementing the right strategies, policies, plans and programs much more can be achieved and sustained.

What we need to do

Our mission is to help secure a basis for sustainable economic growth, for the environment and for society by closing the growing gap between water supply and water demand by 2030. We understand the complex situations many governments find themselves in, having to make complex decision between different uses of water, and the various trade-offs that are sometimes necessary when water is not used in a sustainable way.

How we do it

2030 WRG brings transformative change to water resources planning by bringing together public, private, and civil society stakeholders in open, trust-based dialogue processes. This is a neutral place where stakeholders collectively identify and agree on key priorities and activities to improve water resources management in their countries. Results lead to improved collaboration between stakeholders, open communication, sharing of data and resources, shared best practices, joint projects, policy reforms, and public-private partnerships. Their active participation and commitment sustains the actions on the ground.



1.4 OUR APPROACH

Time to ACT

The three pillars to our country engagement is based on our call to ACT: Analyze, Convene and Transform. After four years of practical experience applying the model in nine countries across Asia, Africa and Latin America, this framework is still very flexible, can be undertaken in a non-linear sequence and is iterative, allowing for a tailored engagement to meet the needs of each country and its stakeholders.



Analyze

Building on data and water resource information, the 2030 WRG works with existing actors to jointly develop analytics that enhance the understanding of the scale and urgency of the water challenge to support better decision-making. The analytics can take various forms depending on the needs of the country, and are used to underpin the discussions during the convening stage. The analytics are packaged in an actionable and compelling manner to mobilize new actors – in particular major water users, and the private sector – to engage in the structured dialogue processes, and to trigger action. Critically important is the process of building on existing work, and engaging local stakeholders in the development of the analytics to ensure local ownership takes root.

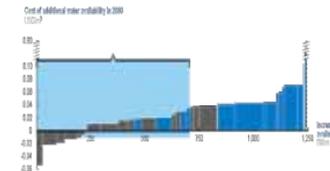
Convene

Our convening initiatives are a central component of the engagement process, bringing together public, private, and civil society stakeholders to help create broader awareness, gain momentum and trigger actions. It is through these assemblies and dialogue processes that stakeholders identify and agree

on key priorities and activities, and to help forge trust-based partnerships towards transformation. The 2030 WRG recognizes that a structured and sustained multi-stakeholder dialogue process that has the commitment of government is a significant step forward in countries in which 2030 WRG engages.

Transform

Our ambition is to develop concrete proposals on projects and programs, or new policies to improve water use efficiency or reduce pollution, prioritization of various investment opportunities, or innovative financial solutions for investments, etc. Each country is unique, and the needs are different, so the solutions need to be tailored to the local situation. At this stage, the multi-stakeholder dialogue process needs to be sustained by its local champions and taken forward by long-term development partners and other water sector professionals for transformation to take place. 2030 WRG will then be able to end its active involvement in the partner country, but will engage to track progress and harvest lessons that could be shared with others and applied elsewhere.



Analyze



Convene



Transform

1.5 GUIDING PRINCIPLES

Inclusive, transparent and accountable

We recognize that our core values—inclusivity, transparency, accountability—are essential to the development process and central to achieving our mission. Our commitment to uphold these principles is motivated by our aspiration to public ownership, partnership and participation from a wide range of stakeholders. Our due diligence is thorough and involves many of our partners in the process to fully understand the risks, opportunities and potential for a successful outcome of our engagement in the country.

Inclusivity

We identify legitimate stakeholders in policy discussions over water resources and ensure that their interests are represented through a fair and transparent process. We ensure that the dialogue platforms are inclusive in their composition and functioning so that they encourage adequate participation by groups often excluded due to their gender, income class or ethnicity. To establish the credibility and legitimacy of multi-stakeholder platforms, we need to involve all relevant actors at the national level to ensure everyone has an equal say around the table, especially those representing minorities and vulnerable groups.

Transparency

Sometimes access to information can be suppressed, which can adversely affect outcomes, especially if discussions take place

behind closed doors without a record of what was shared. To avoid this we need to ensure that our work remains absolutely transparent. Broader access to data allows policymakers and advocacy groups to make better-informed decisions and measure improvements more accurately. They are also valuable tools to support research by journalists, academia and others, broadening understanding of global issues. We adhere to the CEO Water Mandate's "Guidelines for Responsible Business Engagement in Water Policy," and encourage our partners to follow suit. We believe that individuals and groups perform differently, and more effectively, if they know that their words will be heard and their actions are visible. We provide clear and accessible ways for our stakeholders and the general public to view and download any of our material from our website. This includes providing access to our data: analyses, workshop conclusions and recommendations, minutes from Steering Board meetings, lists of participants and agenda topics, including detailed information about our work in various countries.

Accountability

When we make decisions about water security, accountability rests on many shoulders. The recently developed 2030 WRG Code of Conduct includes our secretariat, multi-stakeholder platform chairs, personnel on temporary assignment and corporate and non-corporate members. These parties, the 2030 WRG actors, share this code with everyone we engage with at the country level. This way, we can share the principles and rules governing our actions and encourage similar behavior when contractual or other relationships do not allow us to require such processes.

Integrity

We have established a framework of governance for when we engage in water security discussions. We hold ourselves to the highest standards of integrity, ethical behavior and good business practices and expect our counterparties to meet these standards. Our due diligence process will identify, examine, and document integrity risks in potential and existing engagements and evaluate them in order to decide whether to proceed or instead to report suspected fraud or corruption. For this we rely on our World Bank Group partners where issues can be reported directly to 800-831-0463 or investigations_hotline@worldbank.org.



Country Engagement

Finding solutions through common challenges

Every country is unique with a multitude of water challenges. To ensure that the work we do to address some of these challenges will be successful and sustainable, we focus significantly on building partnerships that have local ownership and autonomy. A fully committed and active leadership from government is vital as the political and economic climate surrounding water resources management varies greatly.



2030 WRG engages in countries upon invitation of national or state governments. Subsequently, we assess the potential partner country against a thorough review to determine whether a country is ready for intervention. This includes having the support, commitment and involvement from a Head of State, or Minister carrying a relevant water-related portfolio, as well as critical mass of functional staff within the government. In addition, a significant number of private sector and civil society actors need to be identified that can help catalyze action from within the country.

Critical actors

A comprehensive stakeholder mapping, in order to better understand whom the country's critical actors are and what roles they play, are key starting points. This enables us to set up an active and inclusive multi-stakeholder platform with all relevant stakeholders from the country of engagement. Effective participation will require not only a seat at the table but also the capacity of the groups to articulate their views and positions in the dialogues.

Recent engagements

2030 WRG will continue to explore other countries in the coming year where our work contributes to significant development impact. An example of this is our recent engagement in India, where 2030 WRG was requested to play a transformative role in engaging key stakeholders for the Clean Ganga Initiative.

Since its inception, 2030 WRG has worked in Jordan, India (National level and the State of Karnataka), Mexico, Mongolia, and South Africa. For the second phase, our engagement has already expanded to countries such as Peru, Tanzania, the State of Maharashtra (India), Kenya and Bangladesh.

Peer-to-peer exchange

Much of the analytical work and research conducted provides valuable information and knowledge to substantiate a peer-to-peer learning exchange between 2030 WRG countries. In our main sectors of operation, such as mining, agri-business and municipalities, much of the experiences are enriched through dialogue between our partners. The Peruvian country colleagues will join the Mongolian and South African partners in an exchange on mining and water resources management in early 2015. We also encourage such dialogue through regular partnership exchanges and calls. One face-to-face meeting, recently held in Stockholm during the World Water Week, provided very useful insights into lessons learned and finding solutions to common challenges through cross-sectoral and multi-regional roundtable discussions, with an active participation from representatives of all our partners.

BANGLADESH

“We face immense challenges in the water sector”

“In Bangladesh we live with extremes. Too much water during the monsoons and too little during the dry season,” said Dr. Zafar Ahmed Khan, Secretary for the Ministry of Water Resources in Bangladesh. He explains: “Managing water resources is crucial and of high priority because of seasonal variations and the ever-increasing demand-supply gap in the agricultural, industrial, domestic and other sectors. We have immense challenges to face in the water sector due to population increase, land use changes, economic development and climate change. The Ministry of Water Resources aspires to work closely with the 2030 WRG to address those challenges.”

Bangladesh is located downstream of three large basins, the Ganges, the Brahmaputra, and the Meghna. Surface water pollution, seasonal variability of surface water, and the largely flat geography of the country have resulted in a major dependence on groundwater resources. Only 0.4 percent of surface water runoff is stored for effective use. However, groundwater resources are not viable no-risk options. On the one hand, arsenic, salinity, and pollution levels pose challenges related to water quality. On the other hand, the groundwater table is going down by 2 to 5 meters every year in some parts of the country. This poses a threat to sustainability and reliability of groundwater use.





Doubling domestic demand

According to recent analytical work commissioned by 2030 WRG, the country's growth forecast predicts doubling of domestic demand by 2030, a 200 percent increase in industrial water demand, and over 46 percent increase in irrigation water demand. The demand for water will exceed available groundwater resources, the main source of water supply, by 40 percent in the dry seasons in a business-as-usual scenario by 2030. Dr. Khan continues: "Through issuance of the National Water Policy (1999), the National Water Management Plan (2001) and very recently the Bangladesh Water Act (2013), the Ministry of Water Resources and its allied organizations are constantly trying to improve the situation by learning from the past."

Economy-wide information analyses

2030 WRG started work in Bangladesh due to interest shown by stakeholders in the government, industry, and research institutes during an initial scoping mission in 2013. Activities officially started with two analytical studies in August 2014: an economy-wide information analysis of water issues and challenges, and research on water security issues in the textile and leather sectors. Government officials and key decision makers in the Planning Commission and the Ministry of Water Resources showed a keen interest to collaborate with 2030 WRG. Momentum for action was created after a high-level dialogue on October 18, 2014, attended by representatives from the government, private sector, and civil society organizations. The Planning Commission requested the 2030 WRG to submit a concept note as a prelude to signing an agreement in early 2015.

Start of the journey

"To see the start of this journey in Bangladesh through the October high-level dialogue, where renowned water specialists and high-profile personalities from all the relevant sectors shared their thoughts, I believe that the 2030 Water Resources Group will continue to bring pivotal stakeholders together to achieve real and sustainable progress towards greater water security." Stéphane Nordé, Managing Director of Nestlé Bangladesh elaborated. "I am honored to be a part of this initiative as it brings the desired positive change in the long term for ultimate economic, public, and environmental benefits of the country."



Water gap (percentage)—country analysis

- 40 percent potential gap between demand and available ground water resources in the dry seasons in the current business-as-usual scenario by 2030. No gap if surface water is used.

Baseline water stress score (1-5)*

0.6

Severe water stress°

22.1

Thematic areas of intervention

- Enhancing wastewater treatment and surface water quality
- Improving agricultural efficiency and water productivity
- Improving water management and cleaner production practices in the textile and leather industries
- Identification of incentives for more efficient water use and pollution reduction in textile and leather industries

Sectors



* World Resources Institute Aqueduct Water Risk Indicator (country and river basin rankings)
 Water risk score (1 = low, 5 = extremely high) <http://ow.ly/GC5Iy>
 ° World Wildlife Fund's Severe Water Stress Index (percentage of country's territory under severe water stress) <http://ow.ly/GC61m>

Impact through partnership

2030 WRG is in the early stages of partnering with the Planning Commission and the Ministry of Water Resources. Different government agencies are involved in the analytical studies, including the Ministry of Agriculture, the Ministry of LGRD and Cooperatives, and the Ministry of Environment. 2030 WRG is engaged in dialogue with key development partners in the water sector, such as the World Bank, The Netherlands (Delta Plan 2100) and BRAC as well as different private sector entities including Bangladesh Garments Manufacturers and Exporters Association (BGMEA), H&M, Nestlé, and Cola-Cola. More partners have expressed an interest to join, and will do so when we develop the multi-stakeholder platform in Bangladesh.

Design and implementation

2030 WRG has proposed a road map to the Planning Commission and the Ministry of Water Resources to formally establish the partnership in 2015. The signing of the MoU will be a significant milestone in the Bangladesh engagement. Recommendations from the analytical studies will be addressed through a multi-stakeholder process including representatives from different government agencies, leading businesses, industry associations, and national/international experts. A high-level steering board composed of key policy-makers, civil servants, distinguished business leaders, and other relevant experts will guide the multi-stakeholder process.

The resulting multi-stakeholder dialogue could focus on design and implementation of “transformative projects.” This can include enhancing wastewater treatment and surface water quality; improving agricultural efficiency and water productivity; improving water management and cleaner production practices; as well as identification of incentives to use water more efficiently and reduce pollution for the textile and leather sectors. The transformative projects will make significant contributions to improve water security, reduce demand-supply gap, and foster industrial and economic growth.

Publications

- Consolidation and analysis of information on the Water Resources Management in Bangladesh, by PricewaterhouseCoopers.
- Impact of industrialization on water security in Bangladesh with a focus on the textile and leather industries, by Ove Arup and Partners International Ltd.



INDIA NATIONAL

“Water is too serious a matter to be left to the government alone”

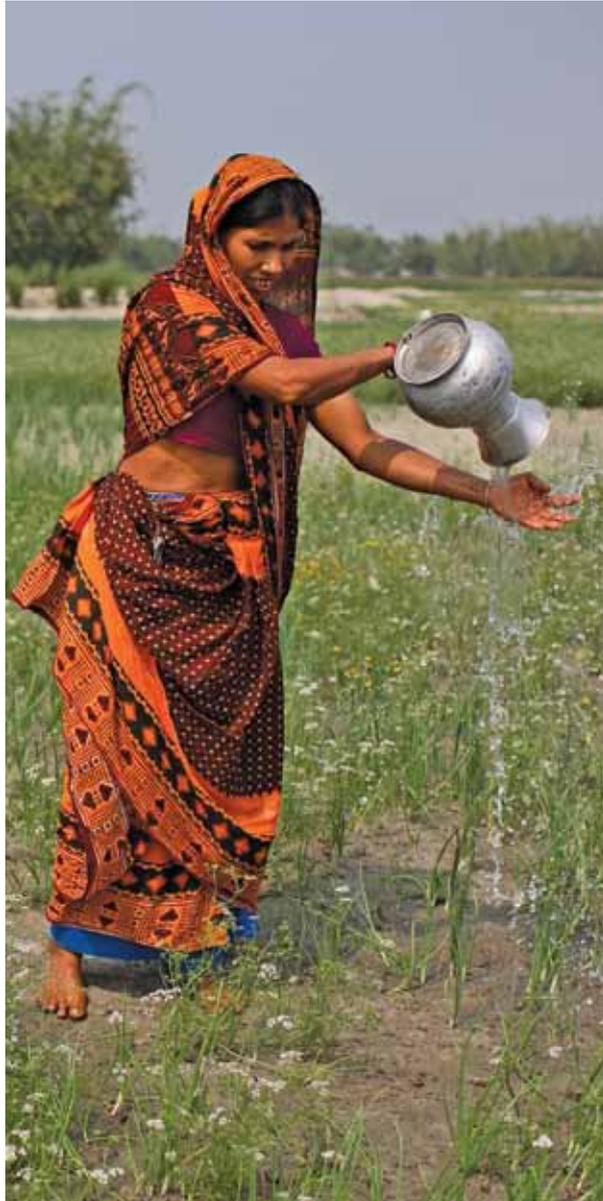
India experiences seasonal and longer-term water shortages in select sub-basins and watersheds. This is caused by unprecedented stress on limited water resources due to population growth, rapid urbanization, increasing industrialization, changing lifestyle patterns, and climate change. The enormity of the challenge necessitates coordinated and collaborative action by key stakeholder groups to develop replicable solutions, grounded in sound analytics, and guided by an enabling environment and policy framework.

This is particularly true to rejuvenate the Ganga basin, the country's largest river basin, covering more than 10 million square kilometers and affecting more than 300 million people. Dr. Amarjit Singh, Additional Secretary, Ministry for Water Resources, River Development and Ganga Rejuvenation, Government of India elaborates: “Water is too serious a matter to be left to the government alone. We are keen to involve the private sector and create synergies. The sheer opportunities in the Ganga basin are immense.



300m

The Ganga basin, India's largest river basin, affects more than 300 million people.



Large-scale solutions

2030 WRG’s engagement in India began in 2010 with a national-level hydro-economic analysis that paved the way for a partnership with the Government of Karnataka in 2010 and with the National Planning Commission in 2011. The new national government has put a strong focus on developing innovative, cost-effective, and decentralized demand-side driven solutions for water use efficiency and effluent treatment in the Ganga river basin.

Ravi Singh, Secretary-General and CEO of WWF-India elaborates: “Building on the belief that collective action is essential to rejuvenate the Ganga, WWF-India’s Rivers for Life-Life for Rivers program has engaged various partners, including religious leaders, Government, NGOs and riparian communities for water stewardship. Our hope is that this model is replicated at scale by Government and other agencies such as 2030 WRG.”

Replicable models

Our national engagement, with a specific emphasis on the Ganga, is expected to lead to the development and demonstration of replicable water sustainability models for public-private-civil society engagement within the urban, industrial and agricultural sectors. Focus areas include the industrial reuse of treated municipal waste water, as well as energy recovery technologies, bringing together a broad variety of stakeholders to create economic incentives for enhanced long-term sustainability of waste-treatment plant operations.

Our work in agribusiness is gaining significance across the sugar supply chain, where 2030 WRG currently engages multiple stakeholders in the supply chain. This includes technological and financial solutions providers, for the participatory development of concepts and, ultimately, large-scale implementation programs, towards greater agri-water use efficiency and reduced non-point source pollution. The work of 2030 WRG will support the implementation of the National Water Policy, the National Mission for Clean Ganga, and the National Water Mission, including its focus on driving water use efficiency across all water users.

Collective action

To assess critical factors catalyzing collaborative water action initiatives, a study was commissioned in 2014 by 2030 WRG and the Council on Environment, Energy and Water (CEEW). The report *Collective Action for Water Security and Sustainability* sought inputs from various stakeholders including SABMiller, WWF-India, Columbia Water Center, Center for Responsible Business, and Alliance for Water Stewardship. The report was presented at an international seminar co-organized by 2030 WRG, OECD, Asian Development Bank, and Federation of Indian Chambers of Commerce and Industry.

Furthermore, 2030 WRG has engaged with the Ministry for Water Resources, River Development and Ganga Rejuvenation, and the World Bank to facilitate a structured dialogue in the Ganga river basin, in line with the national government’s priority to rejuvenate the Ganga. This platform will work in alignment with the World Bank’s National Ganga River Basin Project, WWF’s Living Ganga Program and other transformative initiatives.

Publications

- Collective action for water security and sustainability— Preliminary investigations. Council on Environment, Energy and Water and 2030 WRG India, August 2014.

Water gap (percentage)—country analysis

- 50 percent potential demand-supply gap across all basins by 2030

Baseline water stress score (1-5)*

3.6

Severe water stress°

80.2

Thematic areas of intervention

- Water use efficiency
- Wastewater Treatment

Sectors



* World Resources Institute Aqueduct Water Risk Indicator (country and river basin rankings)
 Water risk score (1 = low, 5 = extremely high) <http://ow.ly/GC5ly>
 ° World Wildlife Fund’s Severe Water Stress Index (percentage of country’s territory under severe water stress) <http://ow.ly/GC61m>

KARNATAKA

Unlocking key bottlenecks hindering agri-tech adoption and wastewater reuse

India's southwestern state of Karnataka is a significant contributor to the national growth agenda. As India's 9th largest state, it contributes 6 percent of the country's GDP, and clocks a growth rate of 8 percent per annum.* However, agricultural and industrial growth and urbanization in the state contribute to Karnataka's water stress, leading to spatial and temporal variations in water availability. Effective water management in the state needs inter-departmental coordination and engagement, partnerships for best practice technology promotion and financing, efficient service delivery, and data-driven systems approaches.

* Central Statistical Organization, Government of India, and Census of India, 2011.





Operationalizing an MSP

At the request of the state's government, 2030 WRG has been involved in Karnataka since 2010 to tackle its growing water problems, which are impacting the Krishna and Cauvery river basins. These river basins are the state's largest and most economically significant basins. Concluding analytical studies of the agricultural, urban and industrial sectors, 2030 WRG is in the process of operationalizing a multi-stakeholder platform in collaboration with the Chief Secretary, Government of Karnataka. This platform is expected to accelerate water security in agriculture, urban, and industrial applications. "2030 WRG's partnership with the Government of Karnataka is driving multi-sectoral innovation to advance and showcase the state's leadership in water resources management. The state is setting a global example for effective, results-driven partnerships with local actors by targeting best practice knowledge, systems approaches, and private sector-driven solutions," elaborated Satya Murty, Additional Chief Secretary, Urban Development Department.

Benefiting 700,000 sugarcane farmers through inclusive, market-based approaches

Premised on shared prosperity and water as a driver for growth, the 2030 WRG-Karnataka partnership is creating a win-win model for water-efficient agricultural development. This is particularly true for the current work stream supporting the statewide introduction of micro-irrigation systems for the sugarcane industry. This has the potential of resulting in productivity enhancements benefiting a community of 700,000 sugarcane farmers, dozens of sugar mills, and reduced water consumption, leading to more sustainable and equitable water distribution in canal command areas.

Aravind Galagali, Director, Krishna Bhagya Jala Nigam Limited (KBJNL), Water Resources Department, Government of Karnataka elaborated: "As a neutral catalyst with a global presence and strong networks across the private sector, 2030 WRG offers an inclusive yet market-based approach by mobilizing large-scale funding for drip irrigation for sugarcane in Karnataka. Facilitating the interaction between the sugar industry, financial institutions and technology solution providers, the engagement will unlock one of the key bottlenecks hindering agri-technology adoption in the state and nationally, namely, finance."

Meeting rising water demands through cost-effective reuse

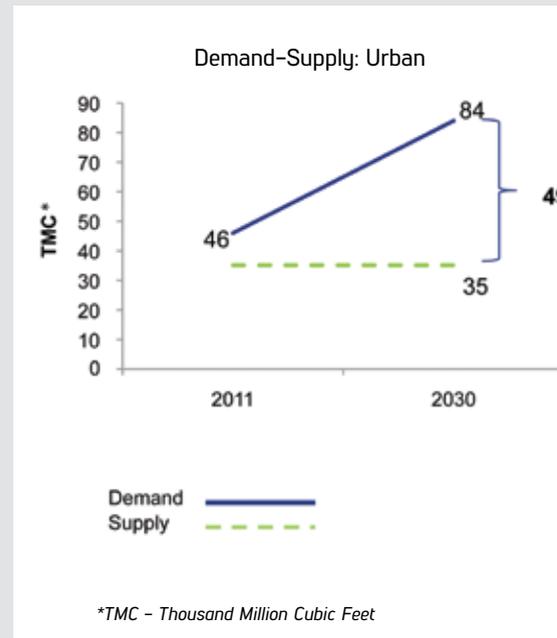
Population growth and increasing urbanization and industrialization are placing unprecedented strain on Karnataka's water resources, as highlighted by 2030 WRG's analysis for the urban and industrial sectors in Karnataka. 2030 WRG estimates project a rise in the urban water demand-supply gap in Karnataka from 24 percent in 2011 to 58 percent in 2030, two-thirds of which

is expected to be contributed by the Greater Bangalore region (see Graph 1).

On the other hand, the total annual demand of water in the industrial sector is projected to increase more than three times from about 26 TMC in 2011 to 85 TMC by 2030, resulting in a 69 percent water demand-supply gap in 2030. Half the additional water demand is expected to come from the power sector (see Graph 2).

Graph 1:

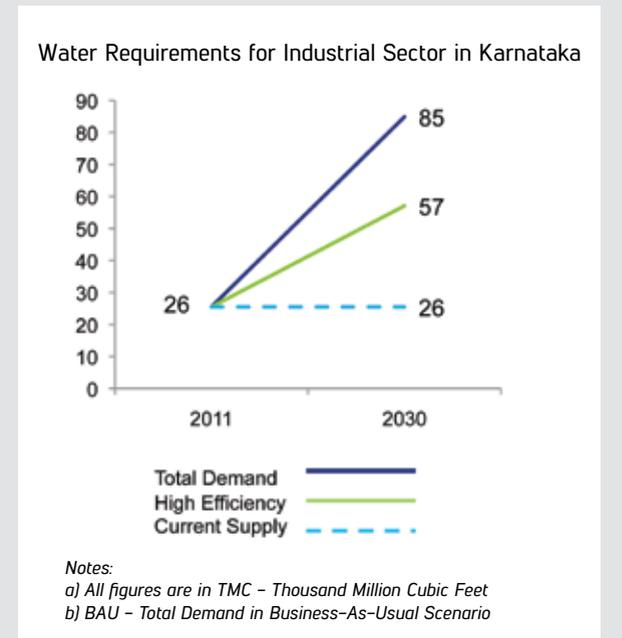
Understanding the demand-supply gap in the urban sector



- More than two-thirds of additional demand in Greater Bangalore Region
- Actual growth in consumptive demand—about 10 TMC instead of 49 TMC

Graph 2:

Understanding the demand-supply gap in the industrial sector



- Thermal power production consumes about 50 percent of water demand in industrial sector
- With focus on water use efficiency, total demand for water can be moderated to a large extent



KARNATAKA (INDIA)

Tackling the growing water requirements within the urban-industrial sectors through primary supply augmentation measures presents limitations, both financial and physical. In a thrust towards promoting cost-effective solutions, 2030 WRG is partnering with the Urban Development Department to identify concrete opportunities for wastewater treatment and reuse within the urban and industrial sectors, and to develop a policy framework incentivizing reuse. These solutions would serve the dual purpose of pollution reduction and sustainable water resources management to meet rising water demands, benefiting both urban communities and industries.

Impact through partnership

2030 WRG collaborates with various key partners in the analytical phase of its work. They include government departments for water resources (WRD), industry and commerce (DIC), and urban development (UDD); knowledge and research institutes such as CGIAR, International Crop Research Institute (ICRISAT), and International Water Management Institute (IWMI); and industry associations such as Confederation of Indian Industries (CII). 2030 WRG is moving into the consultative phase of stakeholder engagement. It is broadening stakeholder engagement with participation of government departments (WRD, DIC, UDD), as well as Karnataka Urban Water Supply and Drainage Board (KUWSDB), Directorate of Municipal Administration, Karnataka Urban Infrastructure Development and Finance Corporation (KUIDFC), private sector agribusiness companies, financial institutions, technology service providers, civil society organizations, Karnataka State Water Network, research institutes, and international organizations.

Publications

- Creating a Sustainable Water Future for Karnataka—Urban and Industrial Sectors (Deloitte and 2030 WRG, to be published in 2015).

Water gap (percentage)—country analysis

- 50 percent demand-supply gap by 2030 mainly due to high demand from agriculture and municipal sectors
- 69 percent projected water demand-supply gap in 2030 in the industrial sector based on current allocations

Thematic areas of intervention

- Water-efficient agriculture (focus on sugar cane, technology and financing solutions)
- Wastewater reuse

Sectors



Agriculture

Industry

Municipal

MAHARASHTRA

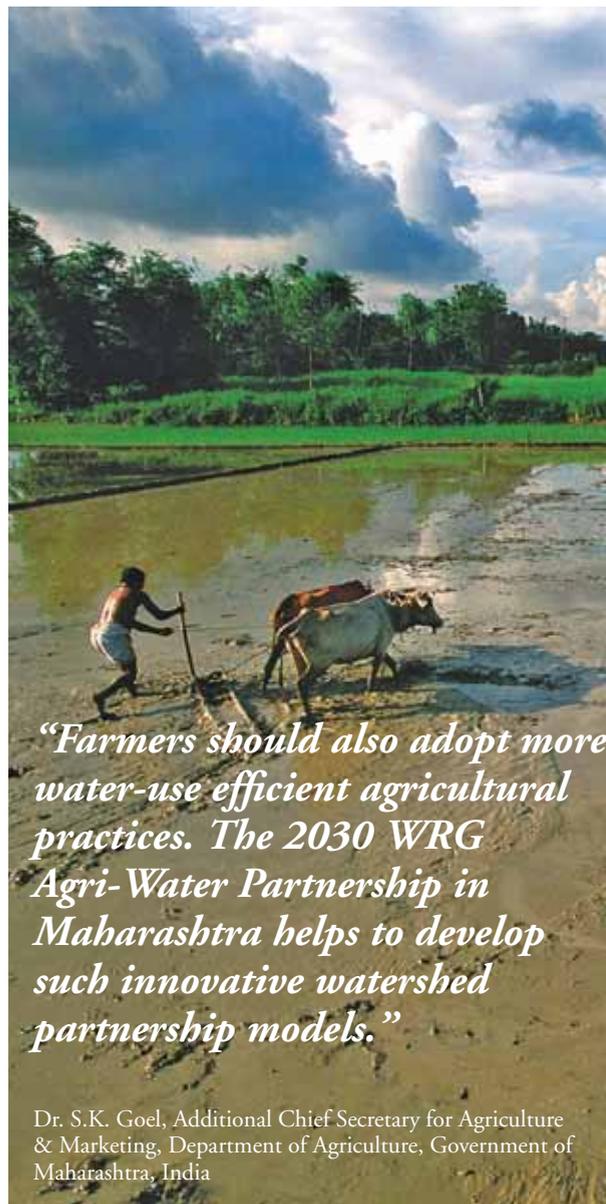
“Collective action for water security has become a necessity for business continuity”

Maharashtra is the second most populous state in India and third largest in the area. It is also the second most populous sub-national entity in the world. It is one of the most developed, industrial states in India, contributing 16 percent of the national GDP. Urbanization rate in the state is over 45 percent compared with a national average of 30 percent. The state ranks sixth in per capita GDP among Indian states. Agriculture and industries are the largest parts of the state's economy.

Launching agri-water partnership

“The government, agri-business companies, and farmers need to cooperate across the value chain to achieve soil moisture security for farmers across the state. This needs innovative Public-Private Partnership (PPP) constructions to match government and private sector funds for watershed development. Farmers should also adopt more water-use efficient agricultural practices. The 2030 WRG Agri-Water Partnership in Maharashtra helps to develop such innovative watershed partnership models,” explained Dr. S.K. Goel, Additional Chief Secretary for Agriculture & Marketing, Department of Agriculture, Government of Maharashtra, India.





“Farmers should also adopt more water-use efficient agricultural practices. The 2030 WRG Agri-Water Partnership in Maharashtra helps to develop such innovative watershed partnership models.”

Dr. S.K. Goel, Additional Chief Secretary for Agriculture & Marketing, Department of Agriculture, Government of Maharashtra, India

Expand agricultural sector

At the start of this new partnership, the 2030 WRG commissioned a hydro-economic study with a focus on the agri-water sector. The study analyzes, amongst others, how the state can continue to expand its agricultural sector by a target of 6 percent per annum, yet with an overall decreasing water footprint. This is a critical equation if we want to address water sustainability across all future societal demands, specifically in the socio-political context of India where farming consumes an estimated 80-85 percent of overall water supply. The study will create a common knowledge, build and demonstrate the business case for more private sector and local community involvement, and develop a roadmap with recommendations to achieve more PPPs working towards water-efficient agricultural development. The preliminary findings of the study are currently being reviewed.

Impact through partnership

To generate early stakeholder buy-in, provide overall guidance to the partnership approach and support preparation and implementation of the hydro-economic study, the 2030 WRG and the Government of Maharashtra invited a number of key stakeholders to join a Sounding Board. The Sounding Board is chaired by the Additional Chief Secretary for Agriculture, Government of Maharashtra, and includes representatives from the state’s Water Conservation Department, Tata Chemicals, Jain Irrigation, Mahindra & Mahindra, National Bank of Agriculture and Rural Development, Syngenta Foundation, SABMiller, Hindustan Unilever Foundation, FICCI, Confederation of Horticultural Farmers, WWF India, and United Phosphorus Limited (representative of WEF Maharashtra PPP-IAD initiative). Others will be invited to join as we expand the platform. Four formal Sounding Board meetings were held in April, July, August and November.

Unlock cooperation

“Watershed development and sustainable adaptive agriculture cannot be achieved only through more investments on the water augmentation or supply side alone. Building capacities of farmers, promoting water budgeting and water use efficiency, supporting robust market-linked livelihoods, women’s empowerment, gender equity and social inclusion are other aspects to consider. The 2030 WRG champions a systems-based, multi-stakeholder approach.

This is essential to unlock cooperation at the local level.” said Crispino Lobo, Co-founder and Managing Trustee, Watershed Organisation Trust (WOTR), Pune, India.

Work streams identified

Following presentation of the preliminary study results, the Sounding Board identified three thematic work-streams: access to affordable technology and smart financing, market linkages for watershed development, and area-based integrated water solutions in Aurangabad District by convening local stakeholders from across the user segments, local government, and civil society. Under the technology and finance work stream, 2030 WRG already facilitated the approval of one agri-water PPP between the Government of Maharashtra and Olam, supporting an expansion in the sugarcane industry as well as introducing water use efficiency measures and investments, with an overall reduction in water footprint of the company’s Maharashtra sugar supply chain.

Shared responsibility

The project will serve as a model for the expansion of agri-water PPP solutions in the sugarcane sector. Regarding the Aurangabad area-based work stream, the 2030 WRG is convening a group of six locally operating beverage companies, local business leaders, government authorities and partners, including WBCSD, WWF-India and CII. “Collective action for water security and sustainability has become a necessity for business continuity,” said Meenakshi Sharma, Vice President Sustainability and Communications, SABMiller, India. “We proactively support the multi-stakeholder approach to unlock joint projects on the ground, particularly in Aurangabad, Maharashtra. As water is a shared risk it is also a shared responsibility to ensure water security at the (sub-)basin level for regional economic growth.” The state has a new government in place effective November 2014, and this partnership is likely to be further expanded and formalized soon beyond the agricultural sector.

Publications

- The *Maharashtra Preliminary Agri-Water Analysis—with Focus on Rain-fed Agriculture*, December 2014

Water gap (percentage)—country analysis

- 16 percent demand-supply gap by 2020, primarily caused by increasing demands in agriculture and industry

Thematic areas of intervention

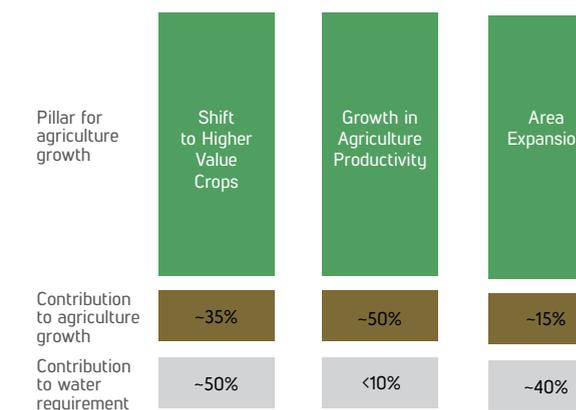
- Access to affordable technology and smart financing
- Market linkages for watershed development
- Area-based integrated water solutions in Aurangabad District

Sector



Agriculture

Revisiting the three pillars of agriculture growth



KENYA

Setting a strong foundation for new partnerships

Kenya is an exciting new addition to this year's 2030 WRG annual report. Although the idea for a partnership in Kenya was only first discussed with the Cabinet Secretary for Environment, Water, and Natural Resources in March of 2014, strong progress has been made in a very short period of time. Both the Analytical and Convening stages are well underway, setting a strong foundation for the partnership as we move towards the goal of transformation in 2015 and beyond.

Kenya represents a paradox: it is both water-rich and water-poor. It is home to some of the great "water towers" of East Africa. Yet 90 percent of the country is either arid or semi-arid, resulting in annual renewable freshwater supply of only 650 cubic meters per capita, well below the threshold for chronic water scarcity. Rainfall patterns are highly variable both annually and across seasons, a challenge that could be further exacerbated by climate change. At an aggregate level, the country does possess sufficient water to meet current demand, but this disguises local stress, not only in the arid areas but also in more water-rich regions, where water-intensive economic activity has grown rapidly (Naivasha, Greater Nairobi, and Northern Mt. Kenya).



Substantial gap

Looking forward, water demand is also expected to grow rapidly, especially in the context of ambitious irrigation plans. This could create a substantial water gap by 2030, given the backdrop of low levels of water storage infrastructure. Sustainable management and development of water resources is therefore recognized as a critical challenge by the government, including in its Vision 2030. The same is true for Kenya's development partners, civil society, and the country's vibrant private sector, especially those in leading water dependent sectors such as horticulture, food and beverages, tourism, and the growing oil and mining sectors.

Formal commitment made

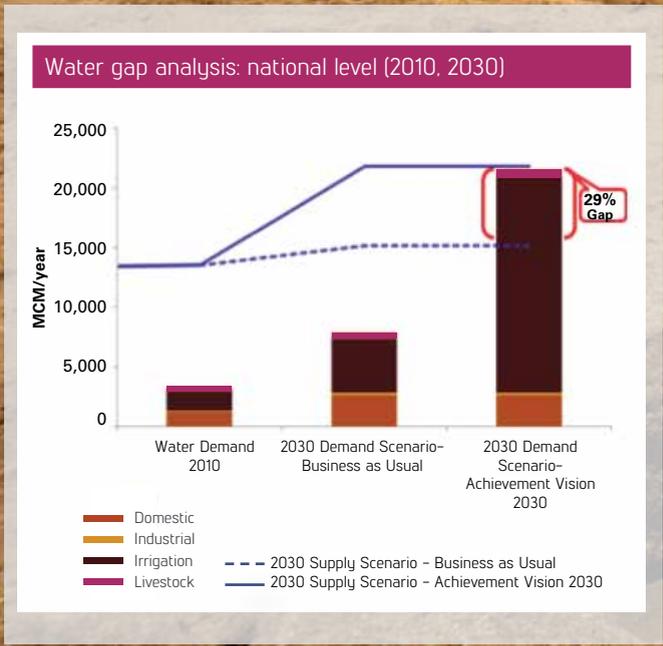
Although less than a year old, the Kenya 2030 WRG partnership has made good progress: a preliminary hydro-economic analysis has been undertaken; far-reaching stakeholder consultations have been held, culminating in a multi-stakeholder workshop in October attended by over 30 organizations from across the public sector, private sector, and civil society. A formal commitment to launch the partnership was made by the Government of Kenya at the Global Green Growth Forum in Copenhagen at the end of 2014. Key next steps will be to put in place the formal structure for the partnership and identify the most critical issues around which multi-stakeholder working groups can be established. Another priority will be to ensure that the partnership strengthens and reinforces existing multi-stakeholder collaboration efforts at a basin level, especially in the context of the country's devolution agenda. "Whatever happens in the water sector has a ripple effect into other sectors," said Sareen Malik, Programme Coordinator of the Kenya Water and Sanitation CSOs Network.

Recognition

A wide range of organizations have expressed interest in the Kenya partnership. The formal structure of the partnership and working groups will take shape in early 2015. At this stage, 2030 WRG would like to recognize the leading role of the Ministry of Environment, Water and Natural Resources in helping achieve the progress to date; Nestlé for its help in convening various early stakeholder consultations; the Kenya Private Sector Alliance (KEPSA) for its role in representing the private sector, and the Kenya Water and Sanitation Network (KEWASNET) for a similar role in representing civil society.

"Whatever happens in the water sector has a ripple effect into other sectors."

Sareen Malik, Programme Coordinator of the Kenya Water and Sanitation CSOs Network



Water gap (percentage)—country analysis

- 29 percent gap between water demand and available supply by 2030*

Baseline water stress score (1-5)*

3.2 *Inter annual variability*

Thematic areas of intervention

- Water efficiency in irrigation and industry—the objective is to scale up water efficiency practices and technologies resulting in sustainable water use
- Wastewater treatment and pollution
- Data management and sharing

Sectors



* This estimate is based on preliminary 2030 WRG analysis. It assumes demand growth in line with national targets and business-as-usual trends in practically available supply.

* World Resources Institute Aqueduct Water Risk Indicator (country and river basin rankings)

Water risk score (1 = low, 5 = extremely high) <http://ow.ly/GC5ly>

MONGOLIA

Water demand is expected to triple as supplies shrink

Mongolia appears to have enough water to meet the needs of its cities, industries, and farms, yet it faces a complicated water future. Extremes in seasonal runoff, local stress, and chronic deficits threaten economic development in key sectors. Rainfall varies widely across the country, leading to dangerously high groundwater dependence. The steppes make cross-country water conveyance difficult and costly. Climate change multiplies stress, with an 18 percent increase in heavy rainfall in humid areas and shrinking ice cover elsewhere.

Groundwater is no longer recharging and flows are deteriorating in the Khurkh and Onon rivers. The capital city, Ulaanbaatar, runs short during winter months and suffers from pollution. Strong water demand by mining industries in the water-scarce Gobi region is another complication, while urban water supplies and rural food production security are becoming vulnerable. In the coming two decades, water demand is expected to triple even as supplies are shrinking.



15%

Around 15 percent of the country's fresh water comes from unsustainable sources.



Participants in workshop held in UB.

Engaging 'new' actors

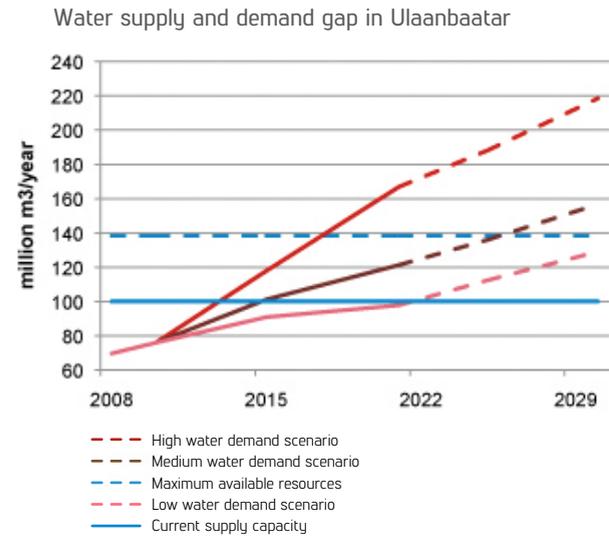
An agreement with the Ministry of Environment and Green Development, signed in 2013, paved the way for an initial hydro-economic analysis to further examine the water supply and demand in the capital, Ulaanbaatar, but also shed light on ways to improve water management in the urban, mining and agriculture sectors in the South Gobi Desert. The results of the report, commissioned by 2030 WRG and undertaken by PwC and Deltares, were presented at a 2030 WRG Mongolia Partnership workshop in April. The study analyzed Mongolia's water challenges as well as opportunities to subsequently raise awareness, mobilize, and engage 'new actors' from the private sector and civil society in sustainable water activities. This resulted in the creation of a multi-stakeholder platform that had its first Steering Board committee meeting in September. Consequently, the first work stream meetings were held and a work plan was approved.

Areas of focus

Within the framework of the work plan, the main areas of focus

in the work streams will be identifying cost-effective solutions to optimize water supply alternatives, creating the right incentives for sustainable water resources management, increasing collaboration between stakeholders, building their capacities in the water sector, and finally developing robust data systems and water governance structures. Another important activity supported by 2030 WRG was the Tuul Forum, co-organized in June 2014, to identify the main water resources challenges that Ulaanbaatar faces. The meeting sought to establish a Tuul River Basin Council to improve coordination amongst actors and determine necessary measures to be taken by the Mongolian Government to ensure Ulaanbaatar's sustainable economic development.

"The Government of Mongolia is excited to partner with the 2030 Water Resources Group in Mongolia. Its expertise and experience is helping to develop new insight and ideas to manage and address water challenges related to urbanization and mining development for the continued sustainable development of Mongolia," said former Minister of Environment and Green Development, S. Ogun.



Source: Tuul Water Basin Integrated Water Management Plan, New Ulaanbaatar City Master Plan, PwC/Deltares calculations
 In all scenarios, Ulaanbaatar's water demand will exceed the current water supply capacity before the year 2021, with high water demand exceeding the maximum available resources within seven years. Existing water resources are vulnerable to pollution, while the water supply and wastewater infrastructure is in need of a major overhaul.

Impact through partnership

Our government partners include Mongolia's Ministry of Environment and Green Development, President's Office, National Water Committee, the Tuul River Basin Authority, the Governor's Office (Ulaanbaatar), Water Sewerage and Supply Authority, and the Governor's office in the Umnu-Gobi province. Among private sector business partners, 2030 WRG collaborates with Oyu-Tolgoi Mining LLC, Erdenes-Mongol, MCS Coca Cola LLC, Newcom Group, Loro Piana, Boroo Gold and Energy Resources LLC. Our civil society partners include the World Wildlife Fund in Mongolia (WWF), Mongolian United Herders' Association, Mongolian Environmental Civil Counsel, TNC Mongolia, ACF, GWP and the Institute of Geo-ecology, Mongolian Academy of Science (MAS).

Publications

- Targeted Analysis on Water Resources Management Issues in Mongolia, PwC and Deltares, March 2014.

Water gap (percentage)—country analysis

- Water scarcity is regional. High risk of water scarcity in Ulaanbaatar and Southern Gobi region
- Between 118 percent and 29 percent gap by 2030 depending on which growth scenario is used (in Ulaanbaatar)

Baseline water stress score (1-5)*

4

Severe water stress°

8.1

Thematic areas of intervention

- Identifying cost-effective solutions to optimize water demand supply alternatives
- Creating the right incentives for sustainable water resources management
- Supporting the development of robust data systems and water governance structures
- Improve coordination in the water industry in the capital

Sectors



* World Resources Institute Aqueduct Water Risk Indicator (country and river basin rankings)
 Water risk score (1 = low, 5 = extremely high) <http://ow.ly/GC5ly>
 ° World Wildlife Fund's Severe Water Stress Index (percentage of country's territory under severe water stress) <http://ow.ly/GC61m>

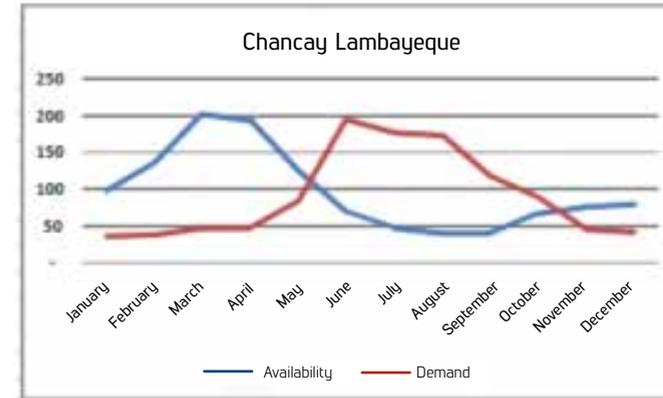
PERU

“New instruments for an integrated water management system”

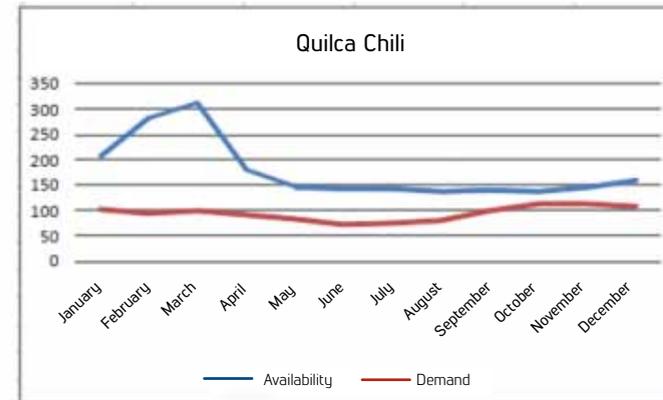
“Efficient water management in Peru is an urgent challenge; the state needs private sector support to meet the demands,” stated Mercedes Castro from the NGO Agualimpia. The capitol of Peru, Lima, is the second largest desert city in the world. It is located in the Chillón, Rímac and Lurín catchments, in the central coastal part of the country, overlooking the Pacific Ocean. Around 70 percent of the country’s population lives on the arid Pacific coast, on the opposite side of the Andes, from 97 percent of the country’s fresh water supply. The rivers suffer from pollution, poor sanitation, unmanaged industrial discharges, and unregulated informal mining. Moreover, the flow from the three rivers is insufficient to meet the needs of a rapidly growing and developing city.

“This country has had robust economic growth for many years. Now it will also have new instruments to identify, analyze, and evaluate risks and opportunities for an integrated water management system,” said Francisco Dumler, Vice Minister of Construction and Sanitation, Government of Peru. In 2014, 2030 WRG assumed the role of facilitator to tackle Perú’s water challenges. Since then, it has held over 75 bilateral meetings with key influential stakeholders. “We have just launched our National Plan for Investments in Water and Sanitation until 2021 (Bicentennial Anniversary of Peru). Tools like the hydro-economic analysis, promoted by 2030 WRG, are indispensable to support investment decisions that our sector promotes,” he added.





Average monthly water resource availability and demand in the basin over the course of the year under current conditions for the Chancay Lambayeque Basin (hm³ is equal to m³x10⁶)



Average monthly water resource availability and demand in the basin over the course of the year under current conditions for the Quilca Chili Basin (hm³ is equal to m³x10⁶)

Prioritizing investments

The first focused private sector meeting was organized in April to discuss 2030 WRG's role and mission in Peru with key actors. A high-level steering committee with government, private sector and civil society representatives was set up and met for the first time at the end of September. This month also marked the successful completion of the first analytical study that prioritized investments to close the water gap in coastal catchments, taking into account political, social, and environmental (PSEIA) risks and opportunities. The study was carried out in close coordination with the Peruvian National Water Authority (ANA) by consultancy firms, AMEC and INCLAM. It included interviews with key stakeholders, who validated the study and the PSEIA approach at a workshop in September. Juan Sevilla, the Head of ANA, is keen to use the results of 2030 WRG's analysis to focus and accelerate the water investments of Peru's incoming subnational authorities. Other investors will use our analysis for their investment decisions from 2015 onwards. Many workshop participants confirmed their interest in joining the 2030 WRG multi-stakeholder platform in the New Year.

Innovative financial solutions

2030 WRG will continue to support the Peruvian National Water Authority (ANA)'s activities together with our partners, the Global Green Growth Institute (GGGI). The Institute will finance a second study on innovative financial instruments in the first quarter of 2015 to develop and promote investment mechanisms to attract funds to the water sector.

Building strategic sector alliances

Despite a multiplicity of actors, and historical water conflicts, 2030 WRG established a multi-stakeholder platform in 2014. Working groups are being set up for key thematic areas; one of which will be on water and communities. The International Finance Corporation, 2030 WRG, and the Water Committee of the National Society of Energy, Petroleum, and Mines jointly hosted a workshop for mining company representatives in October that discussed 2030 WRG's new role, its potential contribution, and the results of the first analytical study.



Focus on south-south learning

2030 WRG Peru presented the impacts of climate change and water scarcity at the UN Climate Change Conference in Lima (COP20) in December 2014, together with our partners, the Mongolian Minister of Environment, and the South African Department of Water Affairs. Future south-south learning in key areas, such as mining and water, are planned next year. 2015 will also be an important political year for the country as new regional presidents will take over in 25 regions. Presidential elections will take place in April 2016. There are high expectations that the current economic model will sustain growth rates of 6 percent or more. But sustainable economic growth will depend on a sustainable water supply.

Impact through partnership

2030 WRG will continue to strengthen its relations with the government through ANA, the Ministry of Housing, Construction and Sanitation, Ministry of Agriculture and Irrigation and the Ministry of Energy and Mines. Other industry confederations include the Water Committee of the National Society of Energy, Petroleum and Mines and the Peruvian Society of Hydrocarbons. Additional bilateral/multilateral agencies include the Swiss Agency for Development and Cooperation (SDC), the World Bank Water and Sanitation Program (WSP) and the Inter-American Development Bank (IDB). Our partnership is proud of our engagement with a large representation from civil society organizations including WWF, Agualimpia, Ciudad Saludable, GWP, The Nature Conservancy and Innovación Rural. Private sector partners include Grupo Huamani, Compañía Minera Buenaventura, Southern Copper, Backus, Nestlé, PepsiCo and Coca Cola.

Publications

- *Targeted Analysis on Water Resources Management Issues in Peru*, AMEC. To be published in 2015.

Water gap (percentage)—country analysis

- Existing gap in most of Peru's coastal catchments
- Some of the ground water aquifers in key agriculture regions may run dry in less than 9 years

Baseline water stress score (1-5)*

3.2

Severe water stress°

23.6

Thematic areas of intervention

- Prioritizing investments in coastal catchments
- Mining-water nexus
- Innovative financial instruments

Sectors



* World Resources Institute Aqueduct Water Risk Indicator (country and river basin rankings)

Water risk score (1 = low, 5 = extremely high) <http://ow.ly/GC5ly>

° World Wildlife Fund's Severe Water Stress Index (percentage of country's territory under severe water stress) <http://ow.ly/GC61m>

SOUTH AFRICA

“Open, long lasting and robust relationship with private sector essential”

South Africa continues to set the pace when it comes to multi-stakeholder collaboration on water resources management. In late 2011, 2030 WRG supported the establishment of the Strategic Water Partners Network–South Africa (SWPN–SA), which rapidly became an established forum for collaboration between stakeholders, on the country’s most pressing water resource issues. Most importantly, the SWPN–SA has developed a high degree of local ownership, helping it to become a substantive forum for practical, action-oriented dialogue in the South African water sector. Active working groups are already generating practical water saving initiatives and proposals in three areas under the SWPN umbrella: water efficiency and leakage reduction, effluent and wastewater management and agricultural and supply chain water.

SWPN–SA’s main aim is to develop and bring to scale projects that will close the 17 percent national gap between water supply and demand projected for the year 2030. Driven by rising population, economic growth projections, and current efficiency levels, this represents a 2.7 to 3.8 billion cubic meter water deficit. Certain policy and structural changes can assure success—fixing municipal supply leaks could alone save an estimated 32 percent—but change does not happen alone or in a vacuum. How effectively government can work with different stakeholders in the water sector should be part of the strategy. “I see great potential in the Strategic Water Partners Network (SWPN). An open, long lasting, and robust relationship between the private sector and our department is essential to address water security and national development goals,” stated Ms. Nomvula Mokonyane, Minister of Water and Sanitation.





No Drop incentive program

Although only three years old, SWPN is already catalyzing a wide range of practical projects and initiatives. Under the water efficiency focus area, SWPN developed the No Drop incentive program to reduce municipal leakages. This was adopted by the government in 2013, and is already starting to influence municipal plans and targets. Eight of the major metropolitan municipalities, which account for over 90 percent of total municipal losses, have responded to the new incentives by launching non-revenue water assessments to develop of baselines, targets, and plans.

Performance-based contracting toolkit

The water efficiency group has also expanded its focus to performance-based contracts. While the No Drop program provides a regulatory environment that incentivizes leakage reduction, performance contracts provide a potential tool for municipalities to achieve that goal. Traditionally, contracts to reduce losses have been ones that “buy time.” Performance contracts offer municipalities the opportunity to “buy results.” To support this shift, SWPN has assisted in the development of a performance-based contracting toolkit. This toolkit is currently under review by all stakeholders before formal release and dissemination.

Tackling the challenge

A second working group on effluent and wastewater management is tackling the complex water challenges facing the South African mining sector. The initial focus is on the mining-intensive and water-scarce Olifants region. Aggregate potential water savings from improved mine water management in this region alone is estimated at 52.2 million cubic meters per year by 2020. Having identified key barriers, SWPN partners are now prioritizing and developing projects at a pre-feasibility stage.

Water for Food

Lastly, the agriculture sector in South Africa accounts for 60 percent of water demand, of which losses in the river and canal conveyance system account for a huge 35 percent. To address this challenge, South Africa has developed a National Water

Administration System. This is an integrated irrigation water management tool to improve the efficiency of irrigation water delivery, which has saved over 81 million cubic meters of water across 13 irrigation systems since 2009. SWPN is planning to assist in expanding the reach and impact of the system, including via enhanced automation of the scheduling mechanism, with potential for over 16 million cubic meters in additional short term savings. This will be a focus area in 2015 and beyond.

Greater understanding

“The SWPN partnership has increased the level of awareness of water issues within for instance mining companies such as Exxaro, and has also moved the discussion up to a senior management level. Prior to this collaboration, discussions used to just end at the technical level. It is a leap forward that there is greater understanding at different levels. Another intangible benefit of the SWPN has been education and capacities built,” said Mongezi Vetu from Exxaro. Translating the range of current initiatives into practical results that contribute towards reducing the water supply-demand gap will remain the key focus for 2015. A further priority will be to expand the level of collaboration and engagement between sectors, including mining-water and agribusiness. This will be critical to achieving the ambitious objectives of the partnership in the years ahead.

Impact through partnership

In South Africa, 2030 WRG works with the following partners: ABSA Capital, AgriSA, Anglo American, AngloGold Ashanti, Aveng Water, BHP Billiton, City of Johannesburg, Development Bank of Southern Africa, Department of Water Affairs of South Africa, Endangered Wildlife Trust, Eskom, Extrata Coal, Exxaro, General Electric, GIZ, Industrial Development Corporation, International Finance Corporation (IFC), Johannesburg Water, Mondi, National Planning Commission, National Treasury, Nestlé, Obaro, Randwater, Rio Tinto, SABI, Sanlam, Sasol, South African Breweries, South African Local Government Association, Trans-Caledon Tunnel Authority, The Coca-Cola Company, Tshwane Metro, Vaalhaarts Water Board, Water Research Commission, and World Wildlife Fund (WWF).

Water gap (percentage)—country analysis

- 17 percent national gap between water supply and demand projected for the year 2030

Baseline water stress score (1-5)*

3

Severe water stress^o

68.5

Thematic areas of intervention

- Water efficiency and leakage reduction
- Effluent and waste water management
- Agriculture and supply chain

Sectors



* World Resources Institute Aqueduct Water Risk Indicator (country and river basin rankings)
 Water risk score (1 = low, 5 = extremely high) <http://ow.ly/GC5ly>
^o World Wildlife Fund's Severe Water Stress Index (percentage of country's territory under severe water stress) <http://ow.ly/GC61m>

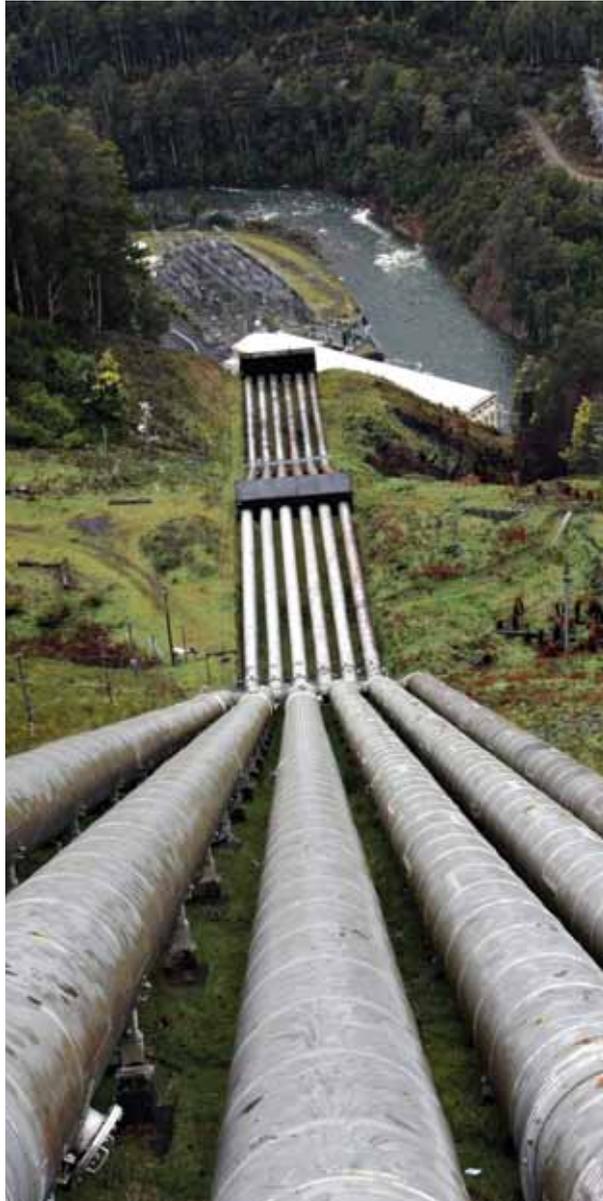
TANZANIA

Translating a strong foundation into practical results

Tanzania represents a microcosm of the water resource challenges facing much of Africa. The country must meet and balance the increasing water demands of a growing population of almost 40 million people with water needed for food security, economic growth, and energy production while maintaining some of the most important ecosystems on the planet. With 2,300 cubic meters of water per capita, Tanzania has a relative abundance of water resources at an aggregate level. However, with extremely low level of water storage capacity, and water availability that is highly variable in space and time, the country faces major constraints in securing enough water for its environmental, social and economic needs.

In the country's largest water basin, Rufiji, for example, irrigation is already causing seriously depleted water flows and new irrigation schemes will lead to zero river flow in some sub-basins in the dry season unless water management interventions are implemented. The potential for hydroelectric power in the basin is five to ten times current levels of generation. But considerable irrigation is practiced upstream of hydropower facilities which reduces flows and generation levels. Well-chosen water management interventions are needed, that mitigate the tradeoffs and choices required between new agricultural development and hydropower, while also maintaining the water needed for the environment and tourism.





Translate foundation into results

After an intensive period of consultations, this is the year that the Tanzania 2030 WRG partnership took shape. The three priority areas that stakeholders have identified for the partnership—water efficiency, water security and source protection, and cross-sector collaboration—is now translated into active multi-stakeholder working groups. A management board is also established, composed of representatives of a range of government ministries, private sector, and civil society. The current priority is to translate this strong foundation into practical results before Tanzania’s pressing water resource challenges further constrain growth.

Priority areas

With the establishment of the governance structure for the partnership and completion of the first phase of analytical work, the priority for the year was to get the working groups up and running to identify and develop activities for the partnership. Within the working groups, considerable interest has converged around the issue of water efficiency for agribusiness. This is to be expected, given the importance of agriculture for the Tanzanian economy and its high water demand. Other priority areas now being developed include expansion of water storage options, including expansion of technologies and new approaches for small-scale storage; and strengthening incentives and mechanisms for efficient cross-sector water management in critical watersheds such as Rufiji, Pangani, and Wami-Ruvu.

Strong partnership structure

2030 WRG has put in place a partnership structure with a strong level of cross-sector engagement from government, including the prime minister’s office and the ministries of water, energy and agriculture. Organizations actively involved in partnership consultations include Anglo Gold Ashanti, African Barrick Gold, Care International, Catholic Relief Services, CEO Roundtable of Tanzania, Coca Cola Kwanza Ltd, EWURA, GIZ, Jambo Plastics, Jain Irrigation, the Ministries of Water, Energy and Minerals, Agriculture, Foreign Affairs, Lands and Settlement Development, Nestlé, Prime Minister’s Office, Basin Water Boards (Pangani, Wami

Ruvu and Rufiji), National Water Board, Rivercare, Sokoine University of Agriculture, Tanzania Breweries/SABMiller, Serengeti Breweries, Tanzania Private Sector Forum, TAWASNET, Water Witness, Yara, Eco Energy, TAWASNET, WWF, Wateraid, TANESCO, Bakhresa Food Products Ltd., WEPMO, LEAT, Energio Verda Africa, Export Trading Group, Tanzania Chamber of Commerce Industry and Agriculture (TCCIA), TPC Limited, Olam, CTI.

Publications

- Tanzania Hydro-Economic Overview: An Initial Analysis, June 2014
- Kenya Basin Prioritization Report, December 2014.

Water gap (percentage)—country analysis

- Water demand will exceed available supply by 2035
- A number of catchments already suffer from dry season demand that exceeds available supply

Baseline water stress score (1-5)*

3.2 *Seasonal variability*

Thematic areas of intervention

- Water efficiency
- Water sources protection and water security
- Inter-sectoral collaboration

Sectors



Agriculture Industry Municipal

* World Resources Institute Aqueduct Water Risk Indicator (country and river basin rankings)
Water risk score (1 = low, 5 = extremely high) <http://ow.ly/GC5ly>

OUTREACH & COMMUNICATION

In order to extend our reach beyond the current scope, and ensure uptake of our work in the countries of engagement, 2030 WRG will expand its existing communications strategy with the development of regional and national outreach strategies. The focus of these strategies will be on people-centered storytelling whereby our partners will be given opportunities to share their views and issues more prominently and visibly, thus shifting the narrative more to the 'why' rather than the 'how'. The strategy will also combine an increased steady stream of news about our in-country progress with the strategic use of existing and new social media channels to enable a wider audience to engage with us and our stakeholders.

Improved access

Our newly designed website, launched at the Stockholm International Water Week, has improved accessibility of the information, research and knowledge tools we have made available with a more user-friendly search function. The website will continue to provide more country-specific information, including materials and outcomes from the multi-stakeholder platforms. This also includes publications and lessons learned, workshop conclusions/recommendations, minutes from the various in-country Steering Board meetings, and related lists of participants and agenda topics.

To keep everyone informed about our work, the progress we make and some of the issues we face, our quarterly newsletter is gaining subscribers on a weekly basis, adding up to just under 3,000 subscribers. We appreciate the interest

shown by our readers and hope that the small content and design transformation will better align with the 2030 WRG website stories allowing for an improved informative update on our events and activities.

Transparency

2030 WRG is committed to ensure that our work remains absolutely transparent. Our outreach and communications strategy will encompass this principle by providing clear and accessible ways for our stakeholders and the general public to view and download any of our material from our website, including detailed information about our work in various countries.

Sign up for our quarterly newsletter on the new website. We appreciate your feedback.

www.2030wrg.org.

DONORS AND PARTNERS

We acknowledge our partners and thank them for their generosity and continued support. Without their help our programs and activities would not have been possible.

Companies



Bilateral donors



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra



Development banks



INGOs and IGOs



Incubated within



Since 2012 hosted by



EVENTS

2030 WRG takes part in (water related) events to contribute to raising awareness of the water resources challenges ahead of us. The emphasis we place on the future gap between water demand and available supply in countries around the world has opened valuable discussions, and enabled meaningful dialogue with a multitude of stakeholders, including those outside of the traditional water sector. Connecting with our partners and forming new allies is important to us as we build lasting partnerships and networks for our future water security.

INTERNATIONAL

January 22–24, 2014

Davos, Switzerland

World Economic Forum

The 2030 WRG held its Governing Council meeting and hosted a meeting with a wider audience in Davos to review the achievements of the 2030 WRG to date and discuss the outlook for the year ahead, including potential new country partnerships and global activities. The participants also discussed wider issues in global, regional and industry water agendas. The Governing Council endorsed 2030 WRG for three more years until 2017. The event was followed by a session on water for development where 2030 WRG was able to present our work to a wider WEF audience.

March 5–8, 2014

Chapel Hill, NC, USA

Water, Food, Climate, Energy Nexus Conference

An international conference on the Nexus was organized by the University of North Carolina at Chapel Hill. 2030 WRG participated with a presentation and in panel discussions on the nexus challenges based on the experiences from our work in Tanzania.

May 26–31, 2014

Dakar, Senegal

Africa Water Week

Executive Director Anders Berntell and 2030 WRG's South Africa Representative Nick Tandi attended the Africa Water Week showcasing 2030 WRG's work in various countries and its strategic relevance as well as presenting 2030 WRG's South Africa engagement as an effective model for scaling up water stewardship. This was met with great interest from the forum participants who attended the business forum day that included African Ministers of Water.

August 30–September 5, 2014

Stockholm, Sweden

Stockholm World Water Week

2030 WRG attended the annual World Water Week with our partners. We convened a side-event on our work program, where our partners presented their work and progress made so far. We convened a seminar on Public Private Cooperation: The Key for Water and Energy Management and organized a number of partnership events to share lessons learned through cross-sectoral and multi-regional roundtable discussions.

October 20–21, 2014

Copenhagen, Denmark

Global Green Growth Forum

During the Global Green Growth Forum an announcement was made by the Kenyan government on a commitment to formally launch the Kenya 2030 WRG partnership.

December 9, 2014

Lima, Peru

Lima Climate Change Conference (COP 20)

2030 WRG participated in a joint WEF event organized at the COP 20.

REGIONAL AND NATIONAL EVENTS

October 18, 2014

Dhaka, Bangladesh

High-level dialogue moderated by 2030 WRG, involving government, industry, buyers, think tanks, water NGOs, and media to present preliminary findings of analytical studies conducted by PwC and ARUP.

August 20–21, 2014

New Delhi, India

2030 WRG–FICCI–ADB Seminar

Executive Director Anders Berntell attended the 2030 WRG–FICCI–ADB seminar Water Risk and Water Stewardship and gave a presentation on 2030 WRG's Approach to Water Stewardship. He also chaired a session on Policy framework and incentives for improved water stewardship. Arunabha Ghosh, CE of CEEW, presented the findings of the study on collective action.

November 4, 2014

New Delhi

World Economic Forum India Summit

2030 WRG showcased its work in multi-stakeholder dialogues at state level (Karnataka and Maharashtra) to leverage knowledge and experience of Forum members and generate new ideas as input for potential opportunities at the national level with the Cleaning of the Ganga Initiative.

May 2014

Ulaanbaatar, Mongolia

Tuul Forum

This event was organized to identify Ulaanbaatar's main challenges in water resources, water usage, water consumption, and potential for further development. The Forum further seeks to establish a Tuul River Basin Commission, choose its members, improve coordination in the water industry, and determine measures to be taken by the Mongolian Government to ensure sustainable economic development of the country. 2030 WRG was involved in financing the Forum.

June 26, 2014

Nairobi, Kenya

Kenya National 3GF Conference

The Danish Embassy along with 3GF's partners from the Kenyan government, private sector and other partners (including 2030 WRG) came together to convene the first Kenyan Global Green Growth Forum conference. 2030 WRG led the discussion on the role of public private partnerships in the area of water resources management.

April 8–9, 2014

Lima, Peru

CEO Water Mandate meetings

2030 WRG participated and presented its work globally but also in Peru to the conference participants.

April 9, 2014

Viña del Mar, Chile

International Association for Impact Assessment Conference

Session on 'Water Resources Management in a Changing Climate.'

June 26, 2014

Mexico City, Mexico

Latin America Water Week

2030 WRG representatives attended the Latin American Water Week where many bilateral meetings took place with representatives, international development organizations to foster synergies between 2030 WRG's work in Mexico and Peru.

GOVERNANCE

Governing Council

The 2030 Water Resources Group has a tripartite governance structure consisting of a Governing Council, Steering Board and Secretariat. The Governing Council currently consists of 15 members. They are senior executives of major 2030 WRG financial supporters and other institutions of influence drawn from a wide range of development partners. These individuals collectively provide management guidance and stewardship to the strategic direction of 2030 WRG.

2014 Governing Council members:

Peter Brabeck-Letmathe (Chair)
Chairman of the Board, Nestlé

Jin-Yong Cai (Vice-Chair)
Executive Vice President & CEO, International Finance Corporation (IFC), the World Bank Group

Yvo de Boer
Director-General, Global Green Growth Institute (GGGI)

Helen Clark
Administrator, United Nations Development Programme (UNDP)

Charlotte Petri Gornitzka
Director General, Swedish International Development Cooperation Agency (Sida)

Steering Board & Secretariat

The Steering Board, an equally balanced group of Council-appointed members, oversees management of 2030 WRG. The Board has the authority to review and submit annually to the Governing Council the Strategic Plan and Budget, supervise the Secretariat and approve its plan, the budget, and the proposed country programs, supervise funding and resource development within countries, and comment on 2030 WRG's annual performance reviews and impact assessments.

Donald Kaberuka
President, African Development Bank (AfDB)

Muhtar Kent
Chairman of the Board & CEO, The Coca-Cola Company

Junaid Kamal Ahmad
Senior Director for the World Bank Group's Water Global Practice, the World Bank Group

Marco Lambertini
Director-General, World Wildlife Fund (WWF)

Nomvula Mokonyane
Minister of Water Affairs and Sanitation, South Africa

Luis Moreno
President, Inter-American Development Bank, (IADB)

Indra K. Nooyi
Chairperson and CEO, PepsiCo

Richard Samans
Head of the Centre for the Global Water Agenda, Managing Director and Member of the Managing Board, World Economic Forum (WEF)

Ursula Schaefer-Preuss
Chairperson, Global Water Partnership (GWP)

Manuel Sager
Director, Swiss Agency for Development and Cooperation (SDC)

2014 Steering Board members:

Dominic Waughray (Chair)
Head, Public-Private Partnership, Member of the Management Committee, World Economic Forum (WEF)

Dan Bena
Senior Director of Sustainable Development, PepsiCo

Anders Berntell
Executive Director, the 2030 Water Resources Group (2030 WRG)

Ania Grobicki
Executive Secretary, Global Water Partnership (GWP)

Johan Gély
Senior Water Policy Advisor, Swiss Agency for Development and Cooperation (SDC)

Herbert Oberhaensli
Vice President, Economics and International Relations, Nestlé

Stuart Orr
Manager, Freshwater, World Wildlife Fund (WWF)

Greg Koch
Global Director of Water Stewardship, The Coca-Cola Company

Patrick Mullen
Principal Water and Sanitation Specialist, International Finance Corporation (IFC)

William Rex
Lead Water Resources Specialist, World Bank Group

FINANCIAL REPORT

The FY15–17 budget for the new strategy is estimated at \$24.6 million. The donors and their expected contributions for this strategy cycle are detailed below.

Global level contributions

Financial contributions from IFC, SDC, PepsiCo, Coca Cola, and Nestlé are confirmed with the first tranche of funding already received. The process is ongoing with respect to GGGI, SIDA and the identification of new partners/donors. In addition to the financial contributions, WEF, SDC and IFC continue to provide significant in-kind contributions. WEF provides logistical support as well as access to its network via the Annual Davos Forum event and the various regional or country specific events. Additionally, WEF supports 2030 WRG in the development and implementation of a private sector outreach strategy. SDC has committed to seconding a senior staff for the entire FY15-17 strategy cycle. SIDA will also provide the 2030 WRG team with a secondee, starting January 1, 2015.

Finally, IFC continues to provide significant in-kind administrative support including office space, legal, financial, procurement, and trust fund management at the IFC headquarters in Washington, D.C.

Annual expenses

The expenses (including some estimates) for the year are listed below. Compared

Contributions			FY15–17 (in '000s)	FY15 Expected Income (in '000s)
Donors (Contribution to 2030 WRG Trust Fund)	Bi- & Multilateral Donors	IFC	3,000	1,000
		SDC	3,000	1,000
		SIDA	3,000	1,000
		GGGI	900	300
		TBC	3,000	0
	Private Sector	PepsiCo	1,500	500
		Coca Cola	2,250	750
		Nestlé	1,500	500
		TBC	3,000	0
	Carry over from FY14		3,500	3,500
Cash Total		24,650	8,550	

to last year when total expenses were US\$3.7 million at this time, the expenses this year total US\$5.7 million. The utilization of funds accelerated starting the second quarter of the year owing to the maturity of our programs, the economic analysis that was commissioned for several countries and a significant increase in full time staff. Studies were commissioned in Bangladesh, Karnataka (India), Kenya, Maharashtra (India), Peru and Tanzania. With respect to staffing, several previous part time or cross-support staff moved to 2030 WRG as

full time staff taking the count to 20 (including country representatives).

Expenditures in the first half of the 2015 calendar year will continue to rise with new staff coming on board as well as intensified activities in several of our existing countries. The secretariat is in the process of hiring four additional staff who are expected to be on board in the next three to four months.

USD Expenses in '000 for CY2014		
Country Program Support by 2030 WRG Trust Fund		Expenses (in '000)
New Countries	Scoping	-
New/Existing Countries	Economic & other analysis	2,192
	Multi-stakeholder platform, workshops etc.	428
	WRG local staff	465
	WRG regional head	720
	Travel	415
Sub Total		4,220
Global Program by 2030 WRG Trust Fund		
	Knowledge products	45
	Communications	155
	Conference & Workshops	133
Sub Total		333
Secretariat		
	Staff salary and benefits	824
	Consultants	41
	Travel	232
	Others	123
Sub Total		1,220
Grand Total		5,773

Country level contributions

South Africa

Development of the SWPN-SA projects was supported by an annual USD 150,000 contribution from the 2030 WRG and a one-time contribution of USD 277,000 from GIZ. To further support partnership activities and the secretariat of the SWPN-SA, members of the SWPN-SA have offered their time and support services. SABMiller also made an upfront contribution of USD 250,000 to the partnership. More than USD 135,000 was raised so far this year from the private sector, as detailed in the accompanying table.*

Funder	Amount (USD)
SABMiller	50,000
Anglo American	15,000
BHP Billiton	15,000
Eskom	15,000
Sasol	15,000
Nestlé	10,000
Exxaro	15,000
Total	135,000

*Exchange rate of 10 was used to calculate these figures

Tanzania

In Tanzania, SABMiller contributed USD 250,000 in 2013 to be used for the multi-stakeholder platform. No expenditures were made from this contribution in 2013 but were used in 2014 to support the development of a multi-stakeholder platform and hiring a local representative.

India

In India, SABMiller contributed USD 250,000 to be used towards the development of a multi-stakeholder platform in the State of Maharashtra, India, with the possibility of additional contributions over the next two years. We are also expecting a contribution from Unilever to the work in Uttar Pradesh up to as much as USD 600,000.

Peru

The Peru Global Green Growth Institute is working with us and funding analytical work on the development of financial instruments for investments in the water sector.

Inter-American Development Bank (IDB)

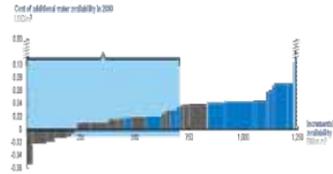
The 2030 WRG has a Memorandum of Understanding (MoU) with IDB for cooperation to help create wider conditions and momentum for actions that address the water scarcity issues. The 2030 WRG is discussing collaboration with specific funding arrangement with IDB when we identify such opportunities in the Latin-American and Caribbean countries.

Asian Development Bank (ADB) and African Development Bank (AfDB)

ADB and AfDB have expressed interest in working with the 2030 WRG, including possible joint funding of activities and assignments in countries of mutual interest.

ANNEX: RESULTS IN COUNTRIES

Results in countries to date



Timeline of country engagement



	Analyze	Convene	Transform
Indicator	Number of countries requesting economic analysis	Number of multi-stakeholder platforms established	Number of plans, programs and projects developed and/or implemented
Results	<i>In total 11</i>	<i>In total 8</i>	<i>In total 5</i>
	Bangladesh India National Jordan Karnataka state Kenya Maharashtra state Mexico Mongolia Peru South Africa Tanzania	Bangladesh Karnataka state Kenya Maharashtra state Mongolia Peru South Africa - Agriculture PPP - Mining PPP - Municipal leakage program Tanzania	 Maharashtra: - Irrigation PPPs Peru: - Prioritization of infrastructure investments South Africa: - Agriculture PPP - Mining PPP - Municipal leakage program

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