

GROW – Cross Cutting Topics

Incentive Mechanisms in the Context of Governance

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with invited comments from

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Timeline

- 1st Steering Panel 13 Sep 2017: 3 CCTs are CCT1=SDG, CCT2=Incentives, CCT3=WaterFootprint
- 22Nov17 questionnaire CCT „Incentives“ is of interest to ViWa, InnoCotton, WELLE, STIER, WANDEL, iWaGSS
- 22 March 18 :1st CCT2-Workshop participants vote for 3 Working groups. WP1 = Digitalisation; WG2 = Irrigation; WG3 = Measuring Governance
- 19Apr18: 2nd Steering Panel
- 17June18: *Incentives* discussed at WSA Conf Capetown
- 12July18: WG2-Meeting (irrigation) addressing „local innovations“
- 2Aug18 WG1-Meeting (digitalisation) dealing with data standards, interoperability, verification etc.
- 4Oct18: GIZ / OECD Seminar on „Blended Finance“
- 22Oct18 2nd CCT-Workshop discussing local business opp., suggestion to invite intl. lawyer to analyse governance effectivity (et al.)
- 12Nov18 BMBF Africa-Strategy Conference
- 25Jan19: CCT3 presented at AquaFed Meeting for professional water industry

1. Water crisis is a crisis of governance

- „The fundamental problem is not engineering: it is the economic incentives and disincentives that accompany excessive political interference in commercial utility actions.“ (ECLAC, 2013: 10)



The bottleneck factor for success is rarely scarce financial resources, not even the missing technology (although much more can be developed, improved and improved - a task not least for research and development cooperation). Bottleneck is the ongoing operation and maintenance !

Water infrastructure operations is often not functioning, under-performing due to poor governance, without effective economic and other incentive mechanisms for day-to-day operations.

(Taking Cape Town: The global climate change is not responsible for everything!)

**Micro-Governance
(Water Utility Governance)
on the local level
is the key to success, with
performance monitoring
„sticks & carrots“
(??? Who wins what when???)**

II.2: RTO Monitoring, a pre-condition of ICT Water Governance

...technologies are available for those who decide to supervise law enforcement



...you can make it if you really want



Activities, researchers at the "macro level" should explain how their insights and ideas work on the "micro level" (eg WFP).

Conversely, micro-level actors should be encouraged to relate to strategic, global policy goals (eg. SDGs).

The bridges between the micro and the macro could be documented in a GroW-Governance thesis, documenting that macro without micro is of limited value, and that micro without macro can not survive for long.

What is the view, your expectation

from international technical,

from international financial

development co-operation agencies,

from liable water business enterprises ?