

2030 Water Resources Group Steering Board Meeting Minutes – December 15, 2017

Washington DC, 8.30 am – 3.50 pm

Participants

Jyoti Shukla (WB Water GP) Co-Chair, Dominic Waughray (World Economic Forum) Co-Chair

Anders Berntell (2030 WRG), Guang Chen (Water GP), Roberta Barbieri (PepsiCo), Michael Goltzman (Coca Cola), Isabella Pagotto (SDC), Morten Riis (Grundfos), Milagros Rivas Saiz (IFC), Lisa Schroeter (DOW), Tara Varghese (PepsiCo), Ghislaine Weder (Nestlé)

On the phone

Ana Gren (Sida), Gergely Karbuczky (Government of Hungary), Jennifer Sarah (WB Water GP), Mark Smith (IUCN), Mariann Kurtz-Weber (IFC)

Regrets

Rudolph Cleveringa (GWP)

Practice Managers WB

Richard Damania, Maitreyi Das, Carmen Nonay

Observers & secretariat

Karin Krchnak (new Program Manager), Cesar Fonseca (2030 WRG), Dainty Ignacio (Water GP), Alex Mung (World Economic Forum), Alida Pham (2030 WRG), Noosha Tayebi (Water GP)

Agenda

1. Welcome and introduction
2. Approval of minutes from last meeting
3. Introduction to Water GP
4. Reflections on the story of the 2030 WRG; background, purpose, approach, current modalities for work and results, possibly based on the Kennedy Business School evaluation
5. Forward-looking open discussion on strategic fit of 2030 WRG within the WB and potential future synergies
6. Preparations for GC meeting in Davos, high-level water session
7. Update on transition progress
8. Approval Annual Report by SB members
9. Planning of telecall for SB in January
10. Revision of results framework
11. Revision of charter
12. Budgets FY18 and FY 19
13. Closing meeting

1. Welcome and introduction

Dominic Waughray, Co-Chair, opened the meeting and welcomed all participants.

Karin Krchnak, new Program Manager, was briefly introduced and will join for part of the meeting. It was said that she will start mid-January, before the Davos meeting.

2. Approval of minutes from last meeting

With no objections the minutes were approved.

3. Introduction to Water GP

Guang Chen, Senior Director of the World Bank Water Global Practice, gave a brief introduction of the Water GP. This was followed by presentations from Richard Damania, Lead Economist, and Maitreyi Das, Lead Social Development Specialist. There was keen interest from the Steering Board members to learn more about the work of the World Bank Water Global Practice.

Action: Dominic requested the Water GP general presentation to be updated to include 2030 WRG in the org chart so that we can all use the same language to communicate externally to our partners and networks.

4. Reflections on the story of the 2030 WRG; background, purpose, approach, current modalities for work and results, possibly based on the Kennedy Business School evaluation

Reflecting on brief history

Dominic acknowledged newcomer Michael Goltzman, who replaced Greg Koch at this SB meeting. He mentioned other partners around the table and said that the platform brings together competitors to collaborate towards a common goal. He recalled early in the establishment of 2030 WRG, having worked with Dan Bena who was Steering Board member representing PepsiCo. He acknowledged collaborating with IFC, during the time of Lars Thunell and Usha Rao-Monari, together working on the Charting our Water Future report by McKinsey.

He remembered on the government side, SDC in Davos in 2005 talking about the need for a cross-section collaboration between private sector and water. A lot of the conversations with SIWI in Stockholm were about IWRM at the time. Corporate partners also mentioned the need to find ways where public and private work together. WWF, BRAC, IUCN, GWP were part of the discussions from the start. It was an open source mentality as water represents a common resource, and shared property. It has been a very interesting journey over several years. But at the national level, how does this transfer into national country platforms? He mentioned a recent meeting he had with the Minister of Environment in Peru Elsa Galarza who turned up with a 2030 WRG notebook, held it up and said this is the future of development model that we need.

Karin brief remarks

Karin said the efforts of 2030 WRG are critical to helping meet the SDG agenda and she is pleased to join in this role as Program Manager. 2030 WRG illustrates how the strategic capacity and capabilities of governments, companies and NGOs, combined can help shape the agenda we need to make this all happen. We have now taken a step forward, having moved from IFC to the World Bank Water GP. We are part of a larger development agenda and because of the impact we are having, it will be interesting to have an open discussion about how we can draw in further actors, particularly different industry sectors. She said that this would not have been possible without the ability to take on the challenge by Anders and the team.

She continued to say that she is excited to take on this new challenge. There will be a lot of opportunities that the WB can bring, that will be amplified by the institutions around the table. She intends to follow-up with everyone, as she transitions into her new role in January. She is eager to hear everyone's perspectives from the SB to the GC and in-country work as she takes the lead in pushing forward. Where 2030 WRG has been with innovation, is pushing the realms of how we look at water issues. So much has been accomplished but so much more needs to be realized. It is great to do this within the Bank, and with 2030 WRG.

Reflections by SB members

Jennifer mentioned having learned about some of the country work in especially South Africa, Tanzania, Ethiopia, Mexico, Peru. She is excited to work with Karin going forward.

Nestle

Ghislaine said that there is a proof of concept. She said that we can now bring this to the World Bank and make it work at scale. She also mentioned that it will be great to add interesting World Bank work and analytics to broaden the scope in a multitude of ways to have an even greater impact.

SDC

Isabella said that the Harvard Kennedy study was a great reflection of this program, an initiative that was ahead of its time. We propose a different method of working. Not many people know this. This is an incredible story. It could enable another proof of concept or anticipate other developments. In 2030 people will look back and will say it was ahead of its time. This could be one of the tools or ways of working for everyone. How we can get there. We need to discuss what this means at the country level. We need to continue with water security diagnostics, follow up on the work on WASH Poverty Diagnostics now too. There are incredible synergies and there is so much potential to go one step further.

Dominic added that not many people know about 2030 WRG and asked whether the SB members now feel confident that we can communicate about it more widely. We deliberately did not oversell and overcommunicated this because we felt that we wanted to wait until we had something to communicate about. The material we have here is very strong. In year 1, we asked ourselves whether it was working. Then we had examples. The Theory of Change gave more evidence on the storylines. The Dalberg review that followed gave great insights. Now it feels like we have impact stories to tell as we move forward. For WWF it was hard to be the one CSO on the GC and SB. The switch to IUCN makes more sense as we have an extended network of scientists and more NGOs to draw learnings from to find that balance.

Coca Cola

Michael said that it truly is an innovative model/platform. The platform has done such a good job to engage a broad set of stakeholders. As multinationals we have a challenge to get local partners but also large companies and actors in local markets. Most PPP models are traditional, state models. We hear all the time the need to replicate this type of model. We need to share that it is innovative and brings people together. Early on we did this, but we can leverage our CEOs and senior leaders, who are committed to this collaboration to draw in media attention.

World Bank

Jyoti said that access to CEOs who influence multinational policies, would be great to partner with, to develop equator policies, and have dialogue on transformative actions that can really shift the needle. It makes sense for the Bank to welcome 2030 WRG and leverage its partners. Collaborating is possible on the Fourth Industrial Revolution as well; the possibilities are endless.

WRG

Anders said that we are well-known in the water bucket. The attention we receive in Stockholm, we have reached out to that crowd, and are increasingly seen as a leader in the space. Outside of the water bucket we are not that well-known yet. Reports such as the Harvard Kennedy School case study will serve us quite well.

Grundfos

Morten said that we have had a lot of successes. He wonders whether we can exchange best practices, approaches in different countries, think beyond Davos and look at what the next big thing is.

Dow Chemical

Lisa said that in 2008 at the World Economic Forum Water Initiative, a communications platform was created. She suggested to elevate our success stories and focus on what we have accomplished. The model is great and it is great for people to see the value and something tangible on the ground. For instance, sustainable sanitation practices are not just about removing waste, but about water reuse. Adding the concept of a lifecycle will be a challenge, especially tied to investment principles. How much of a difference would it make if in India the Ministry of Commerce would require different manufacturing?

Value chains and tech innovations

Dominic said that the interest from the Bank to get to know company dimensions and push the message of global value chains means that we need to know what tech and innovations we can tap into. We have a market for a best-practice handbook. It will be interesting to work with the World Bank Water Global Practice on strategic work streams. Jennifer mentioned the Fourth Industrial Revolution technologies and applying them at the country-level. Ideas of having tangible results on the ground will be great. The Tanzania Prime Minister's office asked us to help. The 2030 WRG partnership platform can crowd in partners to look at water allocation, help them on the data-side and concrete actions and policy advice. It will be great to work with 2030 WRG, and companies on the ground, together with The Forum, WB analytical support and financing support. Other opportunities to think about is block chain technology.

Dominic said that this offers opportunities to bring in other partners as well: Water Tech, Wired Magazine, AI. We need tangible solutions on the ground. This is a new stewardship opportunity for the World Bank to further develop bloc chain technology.

Lisa said that Dow Chemical works a lot on analytics and the issue of water in stem education. It would be great to create a pipeline for them to also work in the water and tech sector as well.

5. Forward-looking open discussion on strategic fit of 2030 WRG within the WB and potential future synergies

Ana shared that she was recently at a WHO meeting on the new upcoming water sanitation hygiene strategy. She reflected there with Johan Gely on planetary health and the impact in the water sector/environment as an emerging issue. The role that the private sector can play needs to be considered as new areas that might spin-off from that work. Health is one of the sectors that can be explored.

Dominic said there could there be a WRG for oceans, energy etc. It is the strength at the local level, see the SA and Peru examples. Now we are transitioning to the Water GP there is more learning to do and to look at a process approach more than before. Areas of counsel or advice: from minister to minister, mapping exercise, regional practitioners?

Anders shared that the MSPs we have in different countries look different in each country. Tanzania is one of the least successful countries we are working in now: there is a functional MSP at national level, the work at the region and river-basin level is good, but nationally it is rather weak. It is hard to get away from the grip of the Ministry of Water. Another way to get around this is through our Hydro Economic Analyses to get attention from people outside of the water domain, e.g. the Prime Minister's office or the President's Office. In Ethiopia for instance, we are doing some analytical work there together with the Bank. We can work there with the Planning Office/Ministry. They realized water was not part of their planning.

Dominic responded that we need to look at the journey of water as a cross-cutter. A way around this could be the partnership element. Big employers provide different dynamic, pieces of the jigsaw. Next phase of positive disruption and innovation is important. Communicative outreach, lessons distilled.

Jyoti mentioned scale and sustainability – disruption and innovation. She asked what are entry points? This is a learning process with the range of examples we have. Great to discuss at the next SB, with new Program Manager.

6. Preparations for GC meeting in Davos, high-level water session

Dominic said that the 2018 meeting will be very interesting. In the GC, some have been close to this story, and now there is something that can be told. Looking forward to new opportunities with the WB. We need to frame it well: improve and increase collaboration in a fractured world. We can finally see the results now and the urgency with involuntary migration, and widespread economic issues. We will have 50 heads of state present. Last year Xi Jinping, President of the People's

Republic of China was the keynote speaker, this year the Forum has invited Narendra Modi, Prime Minister of India.

Davos meeting details

Alex Mung informed the SB members that the upcoming Governing Council meeting will be held on Thursday, January 25 at the Hotel Derby and will be from 7.30 – 8.45 am. The meeting will be followed by the high-level session on water. He urged all SB members to encourage their principles to come to both meetings as it will be a significant moment for 2030 WRG.

Paul Bulcke has already confirmed his participation. Kristalina Georgieva, World Bank CEO, will also be in Davos. The Forum will continue to reach out to her to ask for her participation in the meeting. Guang will be representing the Water GP, which will be a good way to transition into this new phase. Dominic reiterated that this will be a pivotal moment in time for the principles to agree on what they want to see next.

Elsa Galarza, Minister of Environment of Peru, who has also been invited to attend the GC meeting and give brief remarks. GWP, and Frank Rijsberman should also be confirmed.

Ana said that if there is a possibility to participate also in the high-level water meeting afterwards, Sida would consider joining. Dominic and Alex to discuss bilaterally next week.

Karin will be introduced as the new Program Manager. She already had a conversation with Paul Bulcke on the phone and will now be introduced to the group in Davos.

Presentation

It was agreed that a general presentation will be prepared with a brief update on the previous year, with a couple of concrete stories/examples of our country work and a few slides on the coming year, what the potential is to scale up, what the synergies and alignment can entail now that the program is moving to the Bank.

Coca Cola said that it would be good to develop specific talking points on the success and uniqueness of the model, so that the principles can have a role in advocating for 2030 WRG in their daily communications about the program. Jennifer said that we need the CEOs leadership to advance on specific issues: not only through partnerships, but we need to create messages on the price or value of water as well. Guidance on focusing on solutions and 2030 WRG.

The SB members agreed that a healthy debate on CSR, the quality of water, innovation, reuse, sustainable water management practices is very important. Dominic and Alex mentioned that the Harvard Case Study is very useful and can be used as a recruitment vehicle to get others on board.

Action: Follow up on the save-the-date invite.

7. Update on transition progress

Mariann explained that all extensions have been finalized. We will draw on these funds in the summer.

Call of funds

Jyoti said that the call of funds has gone out. Coca Cola was the first to sign. Grundfos is currently in the process of signing. PepsiCo needs clarifications on the due diligence form. She said that these partnerships are important because they make us change as well as the WB also wants to work more with private sector partners.

Anders mentioned that Davos can be useful to reach out bilaterally. He said Paul Bulcke is interested in doing this, but also GC meeting can be used as a tool. The Dutch are interest as well. They could be invited to the meeting to address that.

Dominic stressed funding possibility at the country level. SAB Miller is a good example as they were interested in country markets, not to support the program at the global level. Maybe nationally we can absorb \$300,000 US to support the hiring of a local company, secondments or research projects. There can be guidance from the central office, and innovations may be a part of this business model.

Dow Chemical

Michael said that Dow merged with Dupont and suggested that a follow-up might be good. The company will be dealing with the continuation of 2030 WRG, but after the merger they will be split into 3 parts. He indicated that he has no personal contacts with the Dupont part.

Sida

Ana said that Sida will start an assessment process that requires approval the head of the department. She thinks it will take 3-6 months. We are positively assessing this going forward. She said that her team sees the transition as a very positive move and wants to continue working with the Water GP and that Sida wants to continue funding the program.

Hiring

Jyoti said that she cannot offer contracts outside of the admin budget. The Bank will offer 3-year contracts if the money is in the bank. We will go ahead with Karin, and we can go ahead with the international recruitments, but it needs to match the other side of the business. There is sufficient funding for her to get started. She needs to rapidly do some more outreach to get more resources and develop a funding plan.

IFC graciously extended contracts through the end of June. Two positions that have not yet been advertised: LAC coordinator and Operations Officer, internal support function to Karin: someone who has knowledge on WB systems (not fulltime but 50%).

Jyoti said that these resources already exist within the practice so that there is efficiency within. She mentioned that Cesar is with us until June. New Program Manager will decide whether he can be placed in DC. Finding partnerships in-country is important, 2030 WRG should be catalytic vs implementers. As we expand, it would not be realistic to hire staff in every country.

Anders called upon the attention of the SB members that there is a limitation on the number of days for Short Term Consultants (STCs).

Handover and communications

Anders mentioned the transition plan and the communications to partners. He mentioned having visited several countries, where he has met with the National MSP steering board members, often

accompanied by a Water GP Country Director or Senior Officer. In the coming months more visits have been planned to which Karin will be invited as soon as she comes on board.

Jyoti mentioned that the November 2030 WRG newsletter went out. Early January, another email blast can be sent around.

Announcement new Program Manager

Jyoti mentioned that on Monday she and Dominic as 2030 WRG Co-Chairs will send around a message to the GC members stating that they seek formal approval (and no objection) to the hiring of Karin Krchnak as the new program manager.

Action: Email from Dominic and Jyoti to GC on approval of hiring Karin Krchnak.

8. Approval Annual Report by SB members

Anders shared an overall outline of the Annual Report and mentioned that a glossy version will be finalized in draft and printed only for the Davos meeting. Also, an electronic version will be sent ahead of the meeting.

Anders also mentioned that the team has prepared a photobook for Peter Brabeck to thank him for his guidance and leadership over the years. It will be distributed at the Davos GC meeting as well.

He added that the Harvard Kennedy School case study would also be presented in Davos. The SB members agreed it would be powerful if it could come from Jane Nelson herself. And then used as a powerful marketing tool to market the program.

Action: Dominic to send contacts to Beth to follow up. A communications plan has been developed about how the report will now be disseminated further.

9. Planning of telecall for SB in January

A tentative meeting will be scheduled towards the end of January 8, 2018. If not needed, it can be cancelled.

10. Revision of results framework

Jyoti worked with Anders under the assumption that the Strategic Plan was approved in principle. Changes were made in the margins. Gender issues were incorporated as well as edits in the results and impact indicators.

Specific mentions include:

- The indicator water champion has been taken out as it is not a good methodology to measure effectiveness.
- Measuring improved water resource management. In the Transformation phase we don't want to be held accountable for anything we cannot influence. Various indicators that will

measure water resources management (block c) such as inclusive MSPs and better alignment with the Water GP.

Dominic said there is an improvement on the previous with questions about attribution. The stories are very powerful. There is origination and clear storylines on bridging the water gap between supply and demand. There will need to be a way to frame the stories, the results as well as the contribution.

Michael agreed that those stories will also resonate with corporate leadership.

Jyoti commented that people need to feel comfortable that there are also concrete results. From an empirical point of view, it will be harder to achieve results and show them through our case studies. Double counting will also be hard. The Bank's accountability framework is very narrow. There are differences in methodology.

Anders said we need to show figures on how much we are contributing to closing the gap. CEOs in Davos also want to know this. The approach whereby we have real impact on the ground, e.g. in wastewater treatment and it is a program that has been developed through our MSP and approved by the Steering Board of that MSP then we do claim attribution. Parallel processes may have supported this development, but if our MSP has taken a decision about it, then we say we have contributed to it.

Guang said that part of the MSP combined with WB intervention in the sector in country X is data that we can aggregate. We must quantify this, but we can do a qualitative assessment of contribution in different interventions. It will not be measured in percentages.

Dominic said we can sample the difference in countries that face water stress now and 5 years later after our intervention. We need to accelerate on reform, that could also be an interesting data point.

Jyoti said we need a field-level research program. Leadership in the institution will make a difference and then the results are off the charts. One example is a project the Bank is doing in Tanzania. Leadership development will help at three levels. A Tamil Nadu project at village level also as example involves 7 or 8 government departments but convergence never happened due to major obstacles. We have data on 2 or 3 projects to support the hypothesis. State-level project and an MSPs in certain areas, they could be the control group. Dominic said it would justify the intervention. One can adjust the development model based on this data.

All SB members agreed it would not be resubmitted for GC approval again.

11. Revision of charter

A final version has been attached with 'tracked' changes highlighted for discussion. Jyoti said it will be good to make the changes that reflect the reality we work in. For minimum disruption it can be a simple 2-pager, not a very detailed operating manual.

The SB members agreed to not increase the number of partners now.

GWP repeatedly argues that the governance structure is heavy for a program such as the 2030 WRG. Anders pointed out that it is not a World Bank program and as such the governance structure needs to reflect the partnership nature of the program. Dominic pointed out that this needs to be discussed. He acknowledged that the frequency of meetings could be too time consuming as well. Anders shared a good experience working with GWP at the country-level that has worked very well. 2030 WRG contracted the team to do work in India.

Sida indicated that they have a few comments. Sida participates in many such councils, but not this hands-on and in this role. It has become an issue that has been questioned by senior leadership. As the Bank is taking the program over, it will be nice to indicate how the 2030 WRG report and outcomes feed into the Water GP overall results framework at large. Ana will send these questions by email. It was positive to have some additional funds that can be moved over to the WB Trust Fund this year. Under 'objectives' there is a small paragraph that links objectives to the overall objectives of 2030 and SDG 17.

SDC stressed that 2030 WRG has an independent element to it that was discussed when we started the transition. We specifically agreed to the role of the Steering Board. This draft will not make changes, except legal requirements.

Paragraph 3 on Contribution - Raise threshold to \$300,000 to make it less admin-heavy. But if someone wants to contribute at the local level \$200,000 this would be a problem. Dominic explained that this is not an issue now. The transaction cost for the Bank to set up a Trust Fund is immense. The minimum contribution is \$200,000. Local players can also contribute in kind. They can for instance fund a study locally. It would then not have to go through the Bank. It was agreed that this language needs to be clarified and amended to something like: actors are free to support local activities.

5.3

Seats on the GC. Need to increase funding of the program. Potential seats will also need to increase. Private sector from 6 up to 11. (10 private sector + the Forum).

5.3. B

Increase up to 8.

5.3. C

Mandatory contribution to other multilateral development banks (IFIs). It is expected but not mandatory. IDB puts money into local or regional, which is parallel funding.

5.8

Extension is not a negative vote
Take out supervise secretariat...

5.10 Role of the SB is more to oversee implementation rather than direct management.

5.10 B – Does this need to be changed to 'oversee overall'

5.14 A

Ana: we read the communications quite late. We need a longer period, more like 2 to 3 weeks, not 1 week. Also, quarterly vs bi-monthly meetings are preferred.

5.14 C

Ana: Can we change it to 2 weeks in advance instead of 1 week?

Dominic: can secretariat provide materials in timely manner. One week is reasonable.

We can discuss this going forward.

5.15 Extension is not a negative vote for SB

5.16 Program Manager instead of Executive Director

5.17 GC does not hire, the Bank in consultation with the Co-Chairs. Just the Co-Chairs.

The SB members will seek approval of this document at the upcoming GC meeting in Davos.

12. Budgets FY18 and FY 19

Anders explained that there will be a substantial carry-over from the year before. This was the result of staff cost savings during the transition period.

We will enter FY 19 with 3.9 million USD. Income will amount to \$5 million USD, which reflects contributions from IFC, SDC, Sida and 4 companies. The proposed FY19 budget of \$8.9 million is a bit lower proportionally because we do not have the same level of staff overlap. Overall there will be a similar level of ambition. In the coming years we aim to add more funding partners to expand on these figures.

Milagros explained that IFC will continue supporting the transition until the Bank has settled the trust fund. IFC will be prepared for post-implementation/closure. A small amount of funding will be retained to ensure this process is dealt with appropriately.

Expansion

The Co-Chairs discussed that the new team will need to consolidate and discuss how to select new country engagements. Fundraising will be necessary before we can expand to other countries. We need to make sure we have the right amount of staff and activities in the countries where we work first.

13. Closing meeting

Dominic thanked Jyoti for hosting the meeting and chairing and thanked all participants for coming to Washington DC and actively participating.