

Application for Side Events and the UN 2023 Water Conference

1. **Name:** World Bank with Co-organizer Danish Water Forum
2. **Website:** www.worldbank.org and www.danishwaterforum.dk
3. **Type of Organization:** International development organization; Danish water organizations, Member States
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6. **Organizing Partners:** The World Bank; Danish Water Forum, The OECD; Member state, Ministry of Climate and Energy, Min. Foreign Affairs Denmark
7. **Preferred Date:** **March 22** but with flexibility for the other 2 days. – the earliest the better given the high-level event, enabling redirection to related side events.
8. **Title of Side Event:** **The Hidden Wealth of Nations: Groundwater in Times of Climate Change**
9. **Alignment with Interactive Dialogues:** 2. Water for Sustainable Development

10. Short Description of the Event:

Groundwater is a crucial component of the water cycle and is available (almost) everywhere on Earth in sufficient quantity and adequate quality to sustain water supply, particularly in countries where groundwater has been underused (low maturity of use, as in the case of sub-Saharan Africa). In countries where the maturity of use of groundwater is high, competing demands between water supply, agriculture and ecosystems are becoming more visible with important development implications – more so under climate change. A better understanding of groundwater and higher political prioritization can help improve its sustainable use.

While resource estimates may vary, its importance for water supply, irrigation, and environmental balance is widely recognized. Groundwater accounts for half of the drinking water and 38 percent of irrigated land globally. Some regions, such as South Asia and the Middle East, depend on the resource for most of their water needs. However, its invisible nature has further heightened the common pool resource issues of mismanagement and overexploitation typically faced by water. Groundwater data quality and interpretation are also often a concern and can lead to political manipulation of facts and maladaptation. Yet, groundwater is used and relied upon in many parts of the world, especially arid and semi-arid, often leading to resource depletion. The event will bring a forward-looking platform on the needed cross-sectoral actions, big items reforms, and groundwater investments to play a critical role in supporting and protecting sustainable socio-economic development and growth under climate change.

The side-event will set the stage by presenting for the first time the results of the global World Bank flagship on the economics of groundwater (The Hidden Wealth of Nations). This flagship provides a new systematic economic analysis of the value of groundwater, the costs of mismanaging it and the opportunities to leverage its potential. Groundwater is revealed to be critical for poverty reduction, resilient growth, and climate adaptation highlighting that its importance has been underestimated to date. The report provides a new perspective on the importance for policymakers at the highest political level to understand how groundwater can be used in both places that have underused and overused the resource.

The session will also feature interventions from representatives **two Member states** (one with extensive technical expertise and development support in groundwater, Denmark; and a second

member state where groundwater is known to be of critical importance for development and climate adaptation and mitigation, and the Global Commission on the Economics of Water. The second member states will depend on which session the UN accepts for the conference. This intervention will reflect on the experience of this country, the importance of high-level prioritization of groundwater and the importance of improved knowledge from the scientific to the political level.

Outcomes sought: 1. Raising the profile of groundwater as underpinning resilient growth and development; 2. mobilizing non-water audiences and high-level policymakers around the needed cross-sectoral reforms to ensure the sustainable and equitable use of the groundwater resource; 3. Promote how better knowledge of the resource and scientific and technical capacity to manage it is needed.

Format: Forum-like event: initial stage setting presentation followed by interventions from state members representatives and from one of the co-chairs of the GCEW.

Speakers: World Bank: Saroj Jha (Director, Water GP); State members: Danish Government, Magnus Heunicke, Minister of Environment; A high-level government official from a member state (speaker TBC); a high-level member (Co-Chair) from the Global Commission on the Economics of Water (GCEW).