

# Brazil National Water Management Pact

In partnership with the OECD Studies on Water: Stakeholder Engagement for Inclusive Water Governance

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**Organisation:** Agência Nacional de Águas - ANA (Brazil National Water Agency)

**Country:** Brazil

**Level of government:** Central government

**Sector:** Environmental protection

**Type:**

**Launched in:** 2015

**Overall development time:** 5 year(s)

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# Description

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In Brazil, the growing territorial diversity in terms of water availability, economic, social and environmental aspects have been a challenge to create and to keep stable institutional models adapted to the regional reality. Water-rich regions adjacent to the Amazon basin are neighbors to regions chronically affected by water shortage.

To foster an integrated vision between the federal and state water resources management, a National Water Management Pact was recently launched by the National Water Agency, in co-operation with water managers at the state level; it proposes a co-operation strategy across government levels.

The National Water Agency (ANA) organises multi-stakeholder workshops to support each state in identifying future challenges and in defining a management typology to address them. Following this prospective phase, stakeholders at state level (i.e. state and council authorities, representatives from civil society, water user sectors, river basin committees, etc.) are expected to develop management targets, coherently with state water resource policy in place.

Upon signature of a bilateral contract with the ANA, states then receive a dedicated fund to reach these targets aiming to better water governance. The process has greatly contributed to capacity development among participants involved in developing the targets. States have also requested the ANA to train teachers to help formulate their own capacity-building programmes.

The pact has also contributed to closer co-operation between stakeholders at state-level and within the ANA across the various technical areas responsible for monitoring states' compliance with the pact's goals. To date, 24 of the 27 Brazilian states have signed the pact, while the remaining states have declared, formal or informally, an interest in signing it.

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## Why the innovation was developed

- In Brazil, we are faced with the paradox of having, adjacent to the abundantly-watered Amazon basin, a region chronically afflicted by water shortages. Approaches for dealing with these extreme situations must entail integration of public policy instruments, articulation among all governmental policies affecting water resources, and enhancements in mechanisms for fostering social participation in decision making, in deployment of actions, in supervision, and in permanent evaluation activities.
- The growing territorial diversity in terms of water availability, economic, social and environmental aspects have been a challenge to create and to keep stable institutional models adapted to the regional reality.
- Since the Federal Constitution created 28 water domains and the water law (9.433/1997) was created based on the Dublin Principles, the water resource management implementation has been a challenge.
- As a consequence, the Water Law established the Brazilian water resources management system – SINGREH, which is based upon three fundamental pillars of the water resources management: decentralization, participation and integration.
- The PROGESTÃO objective is to strengthen the SEGREHS and to foster the integration of SINGREH with SEGREHS, the latter being structured and equipped, will be a determining factor to promote an effective water governance model in Brazil.
- The strategy to reach this goal starts with a structured model of institutional evaluation of each SEGREH and, after that, the State chooses its desired management level (typology) and defines - oriented by ANA - a set of targets to be reached in the next 5 years. So, after each year, ANA will evaluate the States according to the criteria and procedures for accreditation of targets.
- The procedures for determining the percentage of achieved goals and values to be transferred to the states as awards for achieving those goals were defined by Technical Note nº 002/AG-ANA, of 2013. These definitions have direct impact on the whole process of institutional coordination for the success of the Pact and PROGESTÃO. A fundamental aspect of this process has been the technical and material support given by ANA to help the States to reach their goals and targets.
- Governments
- Water institutions at sub-national level
- Regulators (economic, environmental)
- Civil society
- Water Councils and river basins

# Results

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## Efficiency

- Cost-saving: the PROGESTÃO is a structured Program which propitiates to know the set of necessities of each State as well the strategies, approaches and procedures for the States to reach their goals. On the other hand, ANA's national knowledge along the country has been used to avoid duplicity of efforts, which means less time and expenses consumed in each State in the benefit of all country.
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## Effectiveness

- Capacity-development: the PROGESTÃO has an important capacity building component that has been largely used and accepted by all participants. Moreover, the State Water Resources Agencies have requested ANA to train its own teachers and to help formulating their own Capacity Building Programs.
  - Sustainability/resilience: ANA's national view about real problems States have related with their Water Resource Policies and possible solutions has been a good way to show possible ways to solve them and this approach has propitiated trade-offs and consensus building in the participative fora.
  - Broader economic development: at some States where the World Bank have worked with in terms of water resources infrastructure improvement and institutional strengthening a potentially profitable partnership has occurred (e.g. Santa Catarina, Ceará, Sergipe).
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## Service quality

### Responsiveness:

- Acceptability/ownership of stakeholders involved (e.g. support to the policy process, commitment to implementing the project, etc.): the acceptability has been very good because most of the PROGESTÃO targets have, in some degree, adherence with the State Water Resource Policy. When the State Councils discuss the PROGESTÃO targets they are deepening the discussion about the State Water Resource Policy, including implementation aspects.

# Development

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## Design

The National Water Agency - ANA is the promoter of the PROGESTÃO. The coordination of the evolved activities, goals and targets of the SINGREH entities is a challenge because of their autonomy and due to the number of entities that belong to the System, such as: National Water Resources Council, Secretariat of Water Resources and Urban Environment, 27 States and Federal District Management Government Agencies, 27 State and Federal District Water Resources Councils, more than 200 River Basin Committees, Water Agencies etc.

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## Testing

- In 2013 the rules of the PROGESTÃO were approved, defining the expenditures expected following certification of water resources management targets (Resolutions ANA 379/2013 and 512/2013).
  - At first, it is up to ANA to support the states in identifying their future challenges and in defining the management typology that is more adequate to face these challenges.
  - In order to do that, a workshop is conducted at each state that signs the Program prior to the opening Pact meeting, with the objective of improving the evaluation of the water resources management system and presenting the various management typologies to select the one that is more adequate to the state's reality, as well as its challenges.
  - After this prospective exercise, it is up to the states to approve a framework of management targets with the respective State Water Resources Councils, when they will be able to receive the first lot of Progestão funds. After the approval of the framework of management targets by the Council, the contract between ANA and the State is signed.
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## Implementation

### Tools used:

- The PROGESTÃO contract is signed after a Workshop motivated by ANA and accomplished by each State Water Resources Council with the purpose to analyse and approve the management targets framework.
- An important aspect is that the State Councils have representatives from civil society, water users sectors, public powers and river basin committees. And, additionally, if necessary, these instances have the opportunity to deepen the discussion in these instances (like technical cameras, work groups etc.).

### Resources used:

- The source of funding of engagement process is ANA's budget. Its origin is the Financial Compensation for the use of water resources.
  - The Financial Compensation is a value paid by the hydropower plants due to the use of water to generate electricity. The amount paid by concessionaires corresponds to 6,75% of the electric energy produced by each hydropower plant. ANA receives a share that corresponds to the 0,75% from the 6,75%.
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## Challenges and solutions

- Conception/design: although the PROGESTÃO has been implemented a short time ago, it seems that an important conceptual bottleneck is the necessity of the methodology to better reach the most advanced State systems, specifically those that have more complex reality and where the water allocation can be a limiting factor to the industrial development and to guarantee the water supply in big cities (like São Paulo or Rio de Janeiro).
- Development/deliberation: the lack of ANA's procedures to evaluate the PROGESTÃO targets and results in general has been an important aspect to be improved.
- Implementation/operation: the PROGESTÃO follow-through in States has been accomplished every semester, but in some State Water Resources Agencies, which have an important institutional and economical fragility, the direct operational support given by ANA's staff probably won't be enough.
- Evaluation/monitoring: according to the PROGESTÃO contract, each State Water Resources System will be annually evaluated and the monitoring will occur permanently along the contract.
- Throughout the process: The most significant challenge to ANA's staff is to coordinate internally and externally (ANA-State Agency or ANA-State Government) the appropriate efforts to build the correct actions and procedures in order to help the States to reach their goals and targets.
- In a broad sense, the solution to overcome these bottlenecks will probably pass by integrated institutional efforts of ANA to harmonize its procedures and improve its general capacity to give technical, material and political support to the States.

# Lessons Learned

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## Lessons Learned

- It's important to involve the state water council and the main committees since the beginning of the process, so that the main actors have the chance to participate in all different stages of the Program.
  - It's also very important that ANA is able to follow the progress and closely monitor the whole process, identifying the difficulties and challenges to be overcome by each state.
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## Conditions for success

- The PROGESTÃO allows favourable conditions for a better and more efficient management of water resources in the state. The state entity responsible for the Program should coordinate actions in order to achieving goals in the state that are in fact developed by several other entities.
  - Considering the funds will allow the purchase of equipment or furniture and even the hiring of key personnel needed for achievement the goals, the various institutions will be more likely to cooperate.
  - Another interesting aspect of the Program, considering the dimensions and diversity of Brazil, is to enable the exchange of successful experiences among states. We also have the expectation that throughout the process the goals achieved become consolidated and so enable significant and irreversible advances in the state water resources management.
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## Other information

The practice of awarding public institutions by results, i.e., for fulfilment of contractual targets, can surely be replicated by other programs or projects. This is a new conception of agreement between public entities that seek to achieve common goals and has been well accepted by partners.

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