



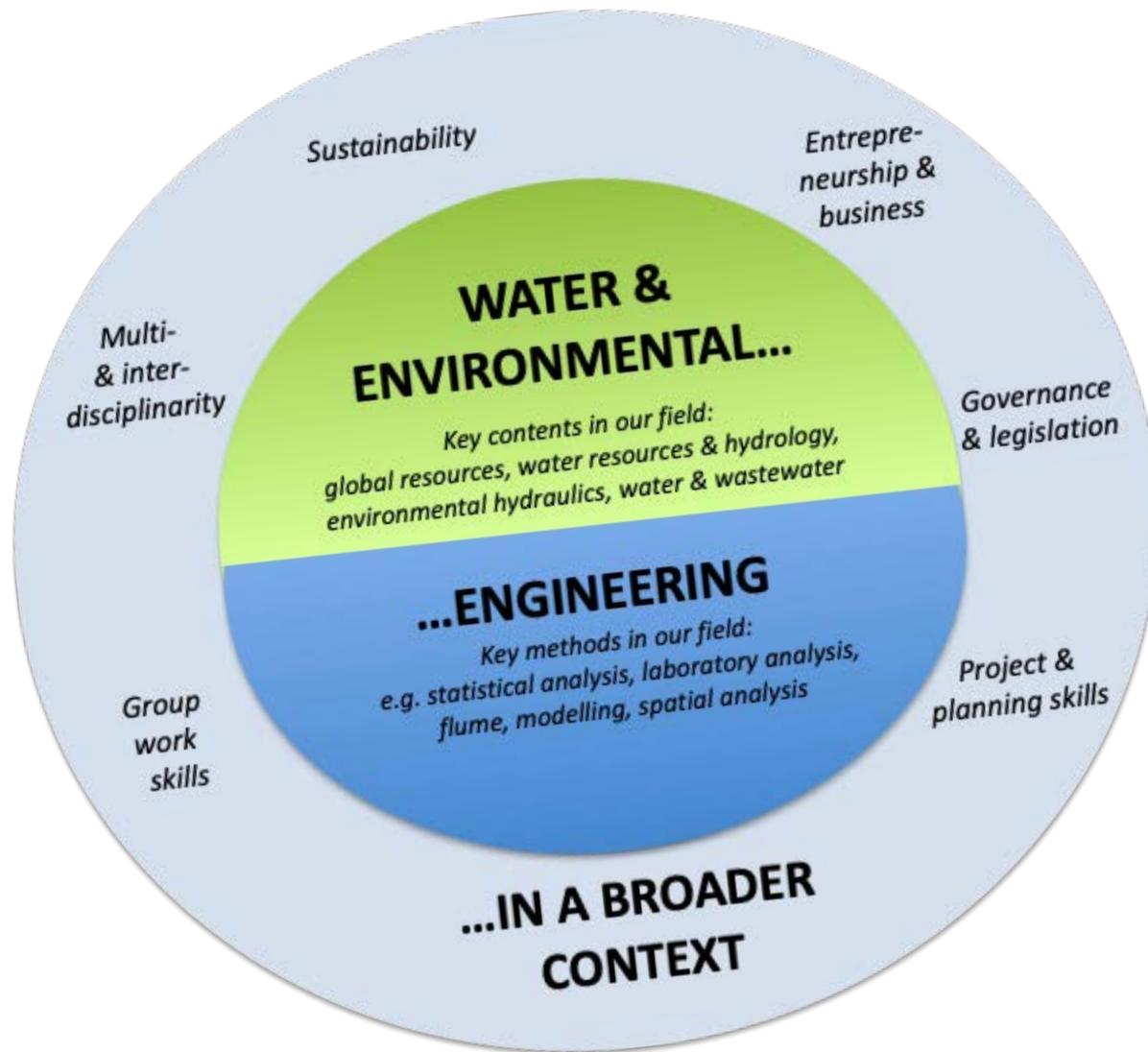
WAT overnance?

Context Session on water governance & legislation

Marko Keskinen - 19.10.2010 @ WAT-E1100 course

Slides based on discussions with Juho Haapala, Suvi Sojamo, Lauri Ahopelto & Amy Fallon: thanks!





WAT COURSE'S
CONTEXT
SESSIONS =
understanding
the outer sphere

AGENDA FOR TODAY

Form also the key learning objectives

1) What is governance?

→ First by you, then by me

Note: kind of 'governance
for dummies session
→ For details, see the
literature in MyCourses

2) What is water governance?

→ Characteristics and key definitions

3) Short intro on key principles of legislation

→ Legislation typically sets the (water) governance context

EXTRA) Some approaches for governance analysis

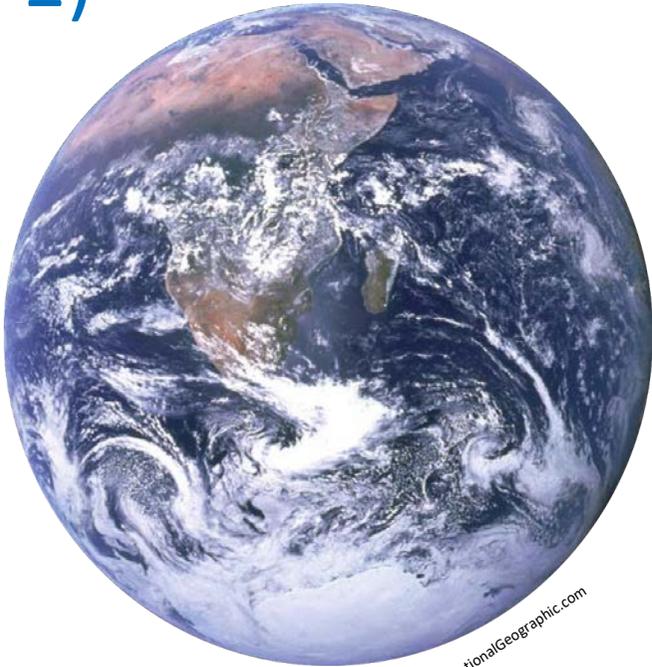
→ General frameworks + specific methods for stakeholder analysis

NOTE: Plenty of information and concepts = idea is that the session & its slides provide you with a 'Small Governance Handbook' that you can refer to later on when needed

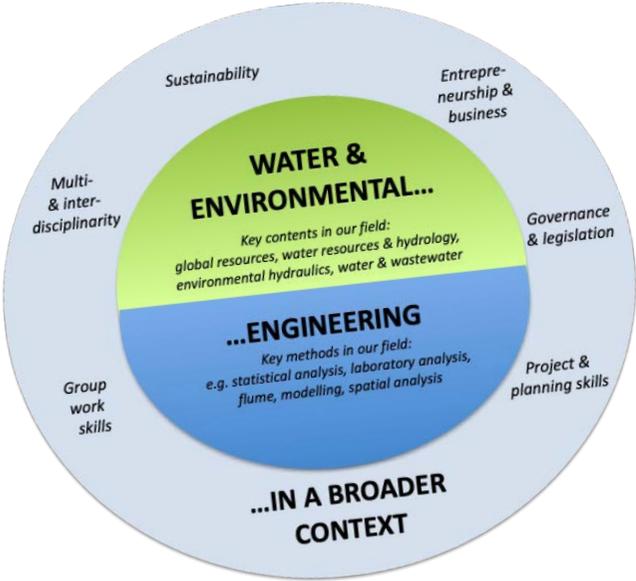


WHY DOES GOVERNANCE MATTER?

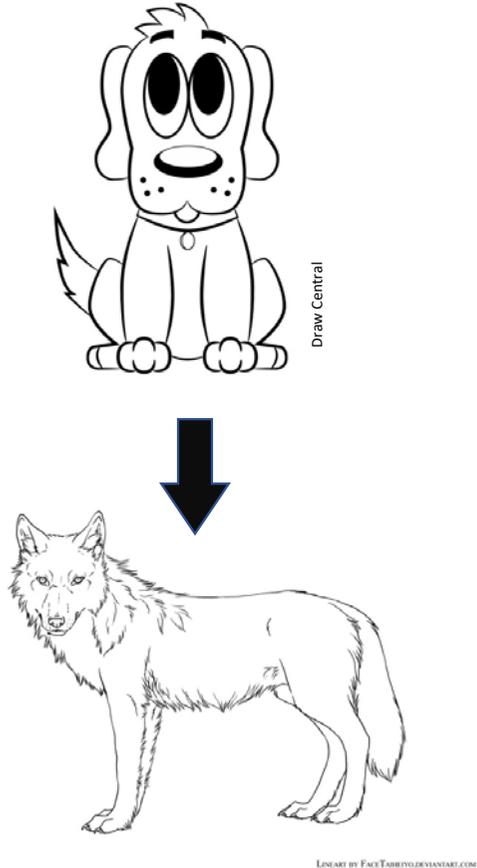
1)



2)



3)



WHY DOES GOVERNANCE MATTER?

1) Because it is the underlying cause for our global challenges

“The scarcity at the heart of the global water crisis is **rooted in power, poverty and inequality**, not [only] in physical availability.” The water crisis is a **crisis of governance.**”

UN World Water Development Report 2006

...and because our challenges can thus be solved only through governance

2) Because it forms The Context for water and environmental engineering

→ Governance contexts dictate where our field is going and what problems we solve

3) Because engineers must participate in governance

→ If we neglect governance processes (such as new legislation), we let others to define our work = engineers become just dogs fetching the sticks that someone else throws!

1) What is
governance?



WHAT IS GOVERNANCE?

What kind of elements, themes & diagrams can be used to define it?

ME: Write down your own view
+ also possible questions & concerns

WE: Share your views with a pair
and agree a common definition

→ Write it to Jamboard post-it:
<http://bit.ly/GovernanceJam>

US: Discussing it together with all

*Btw, this
method is called
'me-we-us'*

*Also, any guesses why
we start like this?
(Hint: links to learning)*



Write your one sentence definition for governance here
(Try to fit it into one post-it note!) -> Possible questions to next page

Governance is
???

Governance is defining rules and regulations to citizens and their actions according to mutual benefits.

Governance is a process that sets (hopefully) commonly accepted boundaries for actions.

The implementation of joint rules and principles that are presented transparently and responsibly by an authority to guide the operations of an organization.

Governance = trying to organize society through laws for the protection and well-being of citizens, and taking into account different interests (economic, social, etc) and compromise.

International, national and municipal decision making to ensure equal guidelines and practices for different sectors.

Governance is a set of rules or legislation set by a group of people/ society/ government is improve on certain things

Governance is a diplomatic and fair way to manage a community (such as a country) by using methods such as rules, regulations and targets

Governance have large and various aspects and it is different from one place to another

Governance is setting limits based on values



Write down your questions and concerns regarding governance to this Jamboard page (again, try to fit it into one post-it note)

**How to define what people really want in long term and how to set policies that support this?
Many policies support quite short-sided goals**

How can we decide on what is a good governance ?

How to take everything into account? research of consequences?

How do governance bodies make the right decisions?

How to apply sanctions for someone not respecting the law? and what is fair?



governance



environmental governance



Kaikki **Kuvahaku** Teokset Videot Lisää Asetukset Työkalut

Näytä tallennetut SafeSearch

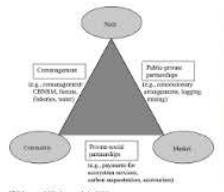


water governance



Kaikki **Kuvahaku** Videot Kartat Lisää Asetukset Työkalut

Näytä tallennetut SafeSearch



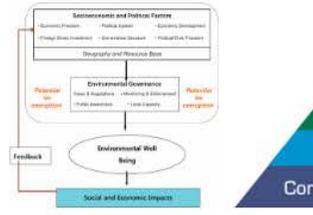
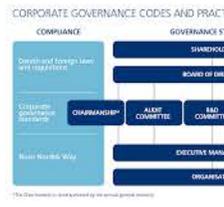
Lenon, M.C., Agrawal, A. 2006. Annu. Rev. Resour. Manag. 31:297-325



A "mod...

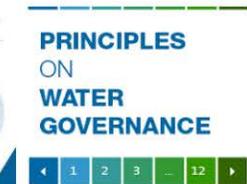


Environment and Sustainable Participation, Multi-level... and Global Risk...

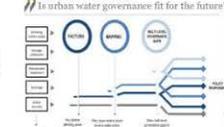


Sustainable Development, Good Governance, Rule of Law, Compliance & Ethics

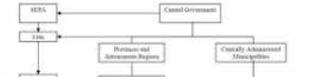
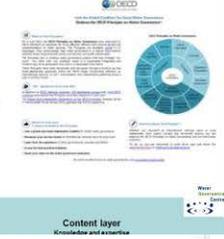
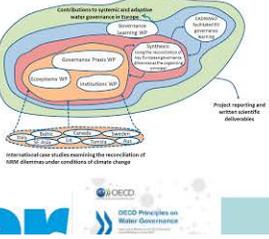
Google search results for 'water governance' with navigation tabs: Kaikki, Kuvahaku, Videot, Kartat, Lisää, Asetukset, Työkalut.



Large central text overlay: 'Many different visualisations -> Common to most that there are many elements, and that they are connected'.



OECD logo and 'OECD Principles on Water Governance' text.



Environmental Protection, European Law and Governance



GOVERNANCE? Definitions

GENERALLY: "**processes of interaction and decision-making** among the **actors** involved in a collective problem that lead to the creation, reinforcement, or reproduction of social norms and **institutions**" (Hufty 2011: 405)

SPECIFICALLY: **a response to a certain collective problem by certain actor-networks within a certain normative and institutional context**

→ “[Earth system governance] is the interrelated and increasingly integrated system of formal and informal rules, rule-making systems, and actor-networks at all levels of human society that are set up to steer societies towards preventing, mitigating, and adapting to global and local environmental change ... within the normative context of sustainable development” (Biermann et al. 2010: 279)

FEEW! Not easy!

One way to make sense of governance (for engineers, at least) is to divide it into key elements:

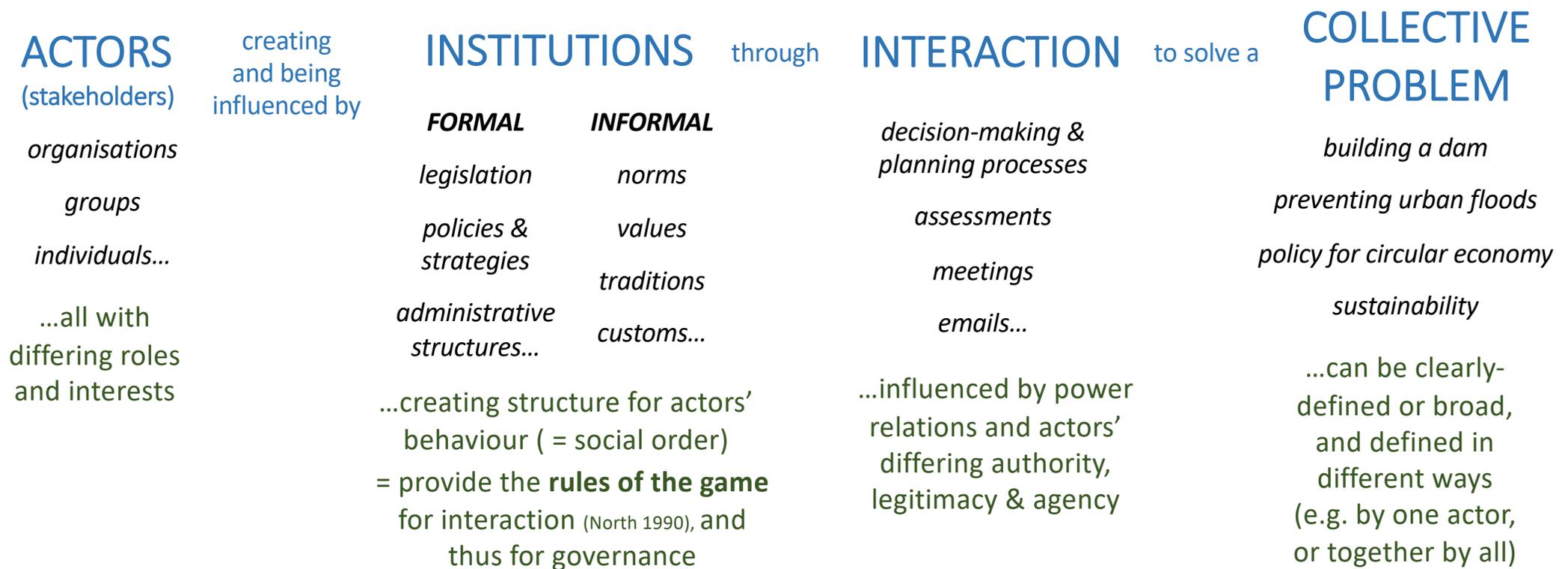
- Actors / Stakeholders
 - Institutions
 - Interactions
- These all then in a certain context that links to so-called Collective Problem



GOVERNANCE? Elements

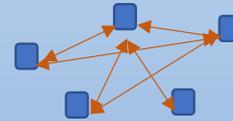
"...processes of **interaction** and decision-making among the **actors** involved in a **collective problem** that lead to the creation, reinforcement, or reproduction of social norms and **institutions**" (Hufty 2011: 405)

So governance is about:



Institutions = social arrangements that shape & regulate behaviour and persists
→ Form the 'rules of the game' for the actors

INSTITUTIONS



- Formal (laws, agreements, admin structures...)
- Informal (norms, values, customs...)

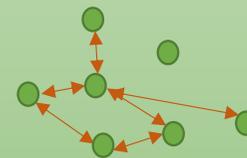


INTERACTIONS

Within and between institutions and actors
→ e.g. planning processes, meetings...

Actor = someone having an interest in and/or taking action on a collective problem
→ Can also be called a **stakeholder**

ACTORS



Organisations, groups & individuals:
all with differing roles and interests

GOVERNANCE?

→ Visualising three key elements + a context

COLLECTIVE PROBLEM FORMING THE GOVERNANCE CONTEXT
(e.g. preventing urban flooding, policy for circular economy, sustainability)

GOVERNANCE: examples

GOVERNANCE CONTEXT

Can be small-scale and clearly defined such as building a dam,
or large-scale and broad such as energy policy

→ Collective problem sets the context = defines the elements below!

ACTORS (stakeholders)

DAM: power company, environmental authority, riparian inhabitants...

POLICY: different ministries, energy companies, key NGOs, EU...

INSTITUTIONS

DAM: existing laws, impact assessment guidelines, fishing practices...

POLICY: legislation (EU & FIN), SDGs, current policies, 'kolmikanta'...

INTERACTION

DAM: planning meetings, stakeholder workshops, IA process...

POLICY: strategy processes, interest group dialogues...

GOVERNANCE: scales

Governance context links to Collective Problem we aim to solve

→ Governance is thus not dependent on scales,
but can essentially occur in any scale

All these governance
scales looked at in our
WAT-E2080 Water &
Governance course!

- **Local governance:** e.g. a small river system
- **National governance** i.e. state: e.g. implementing water law
→ Important also for other scales due to legislation
- **Regional and global governance:** e.g. EU Water Framework Directive or UN Sustainable Development Goals

GOVERNANCE ≠ management

WHY?

VS.

HOW?

THREE MANAGEMENT DIMENSIONS

Operational management = most practical management dimension: focus on predefined technical day-to-day routines, commonly at the project level.

Tactical management = broad, long-term view to the existing management context: focus on expected pressures and trends affecting management routines, commonly at the program and policy level.

Strategic management = most strategic management dimension, often with little technical focus and strong political nature: focus on long-term planning and decisions including radical changes –externally and internally induced– in the management context, commonly at the policy level.

GOVERNANCE is fundamental & critical

- Maintains a critical view = tries to understand 'the basics' i.e. why things are as they are, and also thinks how they could be improved
- Don't take e.g. laws as granted, but critically view them and their implementation (+ lack of)
- Includes a broader set of actors than those included in actual management

MANAGEMENT is about operationalisation

- Takes a certain governance contexts and its actors and institutions as given: starting point for operationalising the governance
- Management is thus often quite technical task, and the realm for engineers: 'making things happen' (and not asking questions why we do this)
- Yet, successful management should be based on a deep understanding of the governance context

THREE MANAGEMENT DIMENSIONS

Operational management = most practical management dimension: focus on predefined technical day-to-day routines, commonly at the project level.

Tactical management = broad, longer-term view to the existing management context: focus on expected pressures and trends affecting management routines, commonly at the program and policy level.

Strategic management = most strategic management dimension, often with little technical focus and strong political nature: focus on long-term planning and decisions including radical changes –externally and internally induced– in the management context, commonly at the policy level.

Source: Keskinen 2010

Management and governance are thus closely linked

→ One way to look at management is through different dimensions

→ Strategic management can even be considered synonym for governance

For more, see e.g. Sutherland 1983; Varis 1996; Keskinen 2010.

Questions?
Comments?



AGENDA FOR TODAY

1) What is governance?

→ First by you, then by me

2) What is water governance?

→ Characteristics and key definitions

3) Short intro on key principles of legislation

→ Legislation typically sets the (water) governance context

EXTRA) Some approaches for governance analysis

→ General frameworks + specific methods for stakeholder analysis



2) What is water governance?

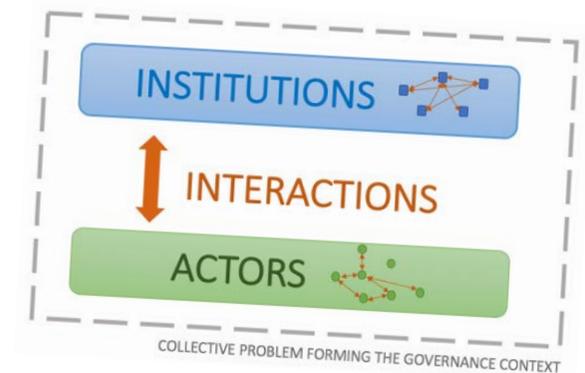


WAT GOVERNANCE?

WAT governance deals with water and other natural resources
= the environment that supports our society

→ In this way the only thing different to general governance is its context = always related to water and natural resources

→ The context then dictates the key elements i.e. key actors, institutions and interactions



Hence, important to understand the specific characteristics that water and natural resources have

WAT GOVERNANCE: characteristics (1/2)

Physical characteristics and socio-economic role:

- Natural resources (incl. water) are **not static**, but vary over time and space
- Water is often **scarce** and unevenly distributed – yet has no substitute
- Water and natural resources are **critical** for almost all sectors of society

Various scales and contexts:

- **Water crosses scales:** local, regional, national, international, transnational, global
→ Complex global interdependencies but predominantly local issue
- Various **governance arrangements:** public, private, hybrid; formal, informal
- Multitude of **different contexts:** communities, cities, river basins, nations...

WAT GOVERNANCE: characteristics (2/2)

Water & natural resources = typically **common pool resources**

- Difficult to exclude beneficiaries to it (problem of excludability) + exploitation by one user reduces its availability for others (problem of subtractability)
 - *“People following their short term interests produce outcomes that are in no one’s interest”*
- Access and ownership often unclear and/or contested
- Small communities with shared principles may succeed in sustainable & equitable use
 - But when the complexity of systems grow, accountability relations get blurred

Ostrom et al. 1999

Water & natural resources often **governed by public sector actors**

- Water particularly often publicly owned, land areas less so
- Public sector’s capacity and willingness to manage competing demands and power-asymmetries may be limited: **politics** play often big role

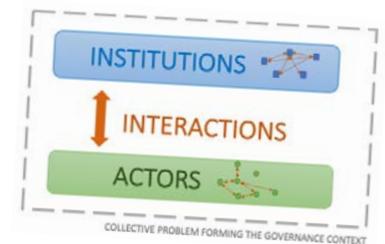
WATER GOVERNANCE: UNDP definition

AIM: “Water governance refers to the political, social, economic and administrative systems in place that **influence water use and management**”

→ Essentially, who gets what water, when and how
= who has the right to water and related benefits

HOW: “Water governance determines the **equity and efficiency** in water resource and services allocation and distribution, and **balances water use** between socio-economic activities and ecosystems”

→ Governing water includes the formulation, establishment and implementation of **water policies, legislation and institutions**, and clarification of the roles and responsibilities of government, civil society and the private sector in relation water resources & services.

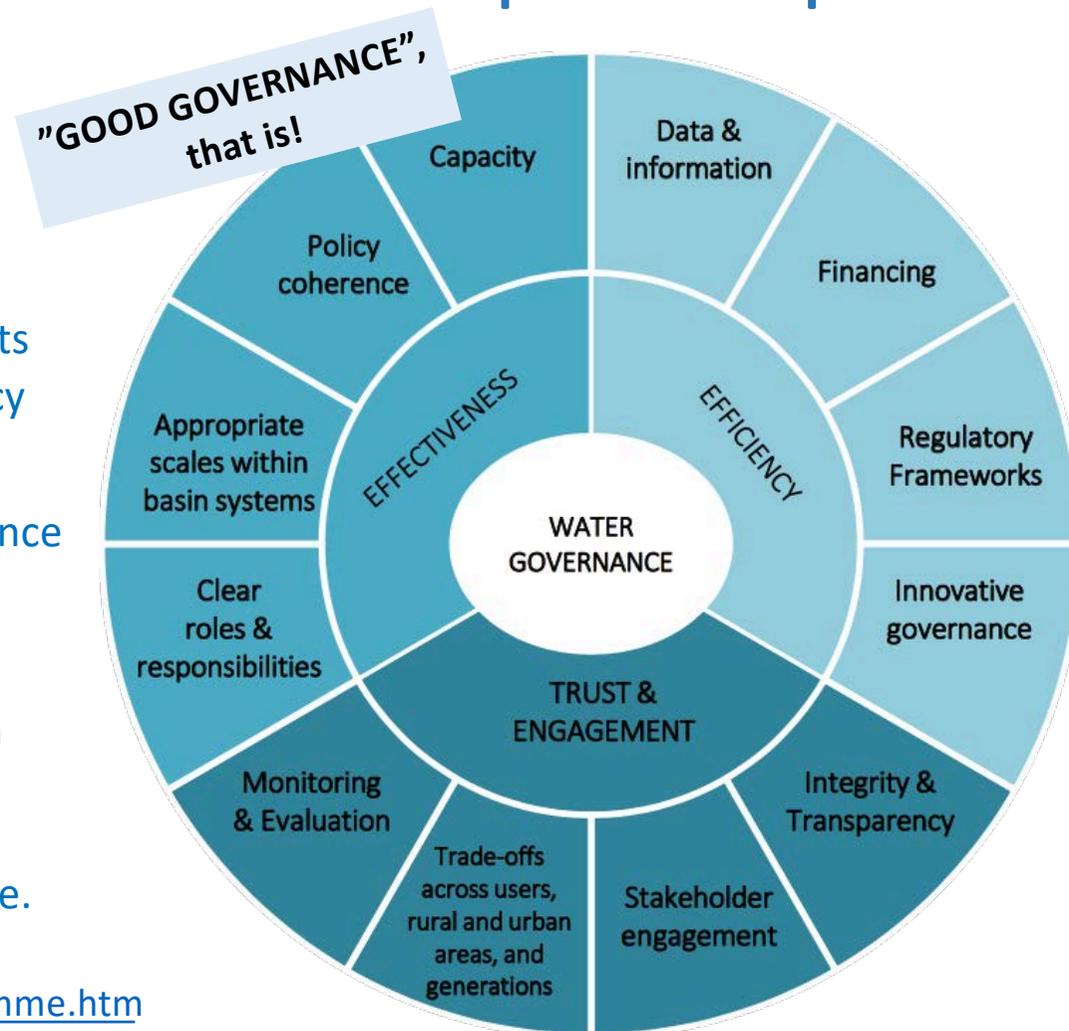


WATER GOVERNANCE: principles

OECD has recognised three categories and 12 principles for water governance

- 1) **EFFECTIVENESS**: contribution of governance to define clear sustainable water policy goals and targets at all levels of government, to implement those policy goals, and to meet expected targets
- 2) **EFFICIENCY**: relates to the contribution of governance to maximise the benefits of sustainable water management and welfare at the least cost to society
- 3) **TRUST & ENGAGEMENT**: relate to the contribution of governance to building public confidence and ensuring inclusiveness of stakeholders through democratic legitimacy and fairness for society at large.

OECD: <http://www.oecd.org/env/watergovernanceprogramme.htm>



WATER GOVERNANCE: frameworks

In practice water governance is carried out with the help of different governance and management frameworks = provide focus and common terms

→ Currently the most dominant such framework is Integrated Water Resources Management (IWRM)

*Recognised also by the SDGs' Target 6.5:
"By 2030, implement integrated water resources management at all levels, including through transboundary cooperation as appropriate"*

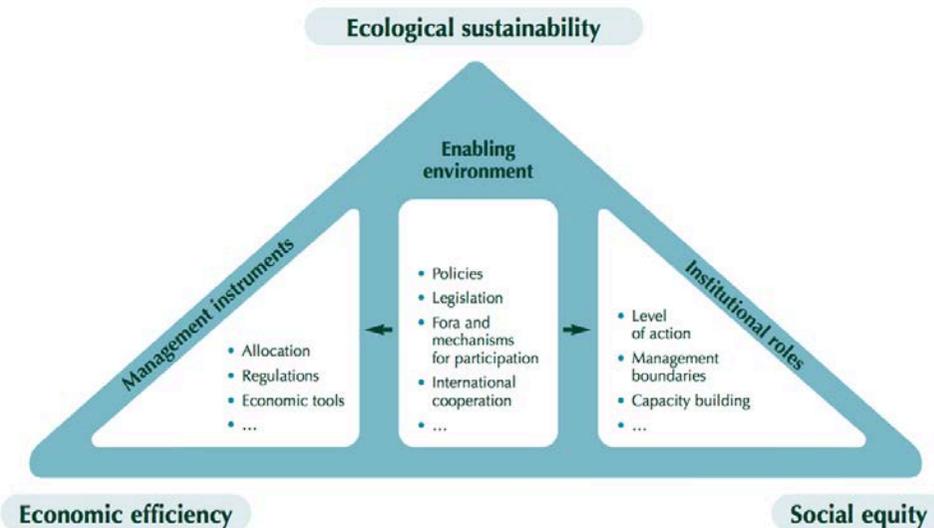


Fig. 4: General framework for IWRM (GWP 2000)

*"a process which promotes the coordinated development and management
...of water, land and related resources,
...in order to maximize the resultant economic and social welfare in an equitable manner
...without compromising the sustainability of vital ecosystems"*

GWP 2000

→ We have done plenty of research on IWRM: wdrg.aalto.fi

WAT GOVERNANCE in Finland?

Key points about our (public) environmental governance

1) Builds on 'trias politica' i.e. separation of powers

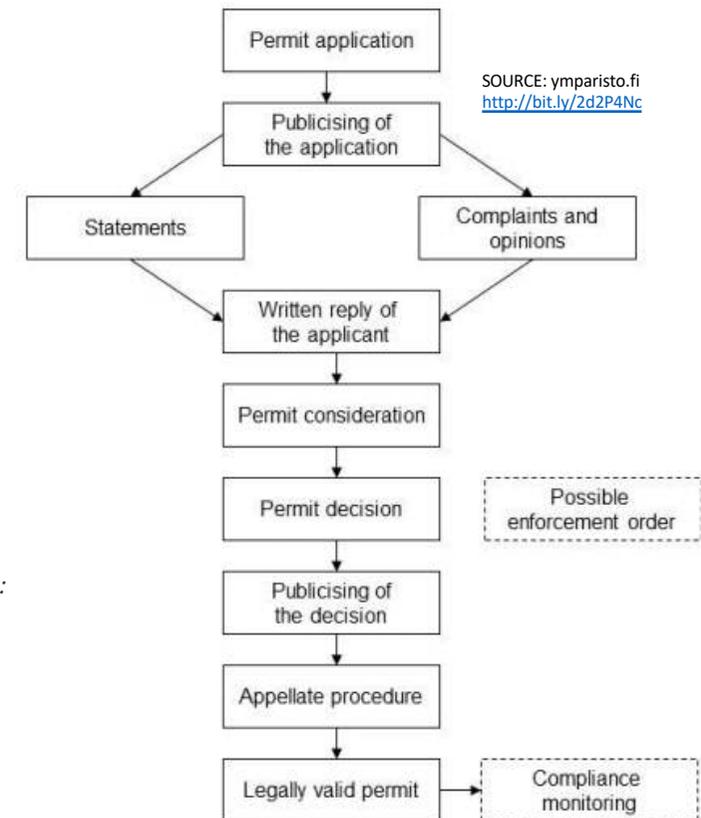
- Legislation: EU & national
- Execution: based on hierarchy }
 - Central government
 - Ministries
 - ELY centers
 - Municipalities
- Judiciary: Administrative courts

2) Regulation-based = built on water and environmental permitting system and related assessments

3) Environmental governance generally good

- Transparency, accountability, clarity
- Public-private roles clear, while relations often close
- Makes use of (scientific) information

*But could be better:
e.g. Talvivaara*



Questions?



AGENDA FOR TODAY

1) What is governance?

→ First by you, then by me

2) What is water governance?

→ Characteristics and key definitions

3) Short intro on key principles of legislation

→ Legislation typically sets the (water) governance context

EXTRA) Some approaches for governance analysis

→ General frameworks + specific methods for stakeholder analysis



3) Key principles of legislation

Slides based partly on material and ideas by Ari Ekroos, Antti Belinskij, Antton Keto & Niko Soininen: thanks!



SEPARATION OF POWERS

- Legal systems ensures justice = a foundation for the governance of state
- **Separation of powers i.e. trias politica principle** = a basis for the justice system in Finland and other democracies
 - **Legislative powers**
 - *The parliament as the supreme decision-making authority = decides on our laws*
 - **Executive powers**
 - *Centralized administration i.e. the government and ministries implement the laws*
 - **Judiciary powers**
 - *The courts ensure that the laws are followed*

More: <http://bit.ly/2DO1XJi>

COMMON vs. CIVIL LAW

- Two key legal traditions globally (can also be mixed)
- **Common law** = uncodified i.e. no comprehensive set of laws but based on judicial decisions
 - Judges have thus a very strong role
 - The legal system present in e.g. UK and USA
- **Civil law** = codified i.e. building on a comprehensive and continuously updated laws
 - Judges' role to establish the facts of the case and to apply the applicable code
 - The system in continental Europe, incl. Finland

More: <http://bit.ly/1XiiBau>

SOURCES OF LAW (Finland)

- Legislation is the strongest, factual source of law, but also other, 'softer' forms exist
 - **Legislation** = Acts (parliament sets) & decrees (government)
 - All Finnish laws i.e. Acts and decrees available in Finlex, many translated in English (<https://www.finlex.fi/en/>)
 - **Proposal** of new legislation = bill given to the Parliament: gives information on background for the law
 - **Case law** i.e. jurisprudence = decisions of the highest courts may sometimes be useful (not so strong in civil law system)
 - **Legal literature** = providing broader explanations and interpretations of legislation (weakest source)

JUDICIAL SYSTEM (courts)

- The independence of the courts is guaranteed by our Constitution: bound only by the law in force
 - Guarantees the separation of powers, as no outside party (not even a president or prime minister) can intervene in the decision-making of the courts
- Two key courts in Finland (plus some special courts)
 - **General Courts** deal with criminal and civil cases:
District Courts (*käräjäoikeudet*), Courts of Appeal (*hovioikeudet*) + Supreme Court (*korkein oikeus*)
 - *If you mess up with law personally, this is your court 😊*
 - **Administrative Courts** review the decisions of the authorities
 - *Water and environmental issues here!*

More: <https://oikeus.fi/tuomioistuimet/en/>

ADMINISTRATIVE COURTS

- Any use of public powers must be based on law
 - Anyone dissatisfied with an administrative decision can challenge the decision in an administrative court
- Administrative courts: two levels
 - Administrative Courts (hallinto-oikeudet)
 - Supreme Administrative Court (korkein hallinto-oikeus KHO)
- Vaasa administrative court deals with water and environmental issues (except for Åland)
 - Thus e.g. the legal process concerning the environmental permits of Talvivaara mine originally dealt here
 - If one party appeals, case is taken to Supreme Admin. Court

More: <https://oikeus.fi/tuomioistuimet/en/>

ENVIRONMENTAL LAW

- Both EU and Finnish legislation to the environment (including water) is not under one code, but divided into several separate themes
 - PRO: corresponds the crosscutting nature of the environment = part of many different sectors and their respective legislation
 - CONS: can lead to fragmentation, as the same case may be interpreted differently depending on the specific law applied

ENVIRONMENTAL LAW: EU

- Finnish environmental law greatly guided by the legislation of the European Union (EU)
 - Primary legislation = founding treaties of the EU
 - Secondary legislation = EU regulations, directive, decisions, recommendations and opinions
 - **Regulation** has general application and it is binding and directly applicable in the EU countries
 - **Directive** sets out a goal that all EU countries must achieve (thus also binding), but leaves to the national authorities the choice of form and methods

ENVIRONMENTAL LAW SECTORS: EU

Environmental legislation in EU through various sectors:

- Nature and biodiversity (e.g. Natura 2000 network)
- Pollution prevention & control (e.g. air, emissions, transport)
- Chemicals (e.g. REACH)
- Environmental Assessment
 - Environmental Impact Assessment Directive
- Waste
 - Waste Framework Directive
- Emission trading

Based on slides by Antti Belinskij

WATER LAW: EU

- **Water Protection and Water Resources Management**

- Water Framework Directive (2000/60/EC)
- Urban Waste Water Directive (91/271/EEC)
- Industrial Emissions Directive (2010/75/EU)
- Nitrates Directive (91/676/EEC)
- Groundwater Directive (2006/118/EC)

- **Marine Protection: Marine Strategy Directive (2008/56/EC)**

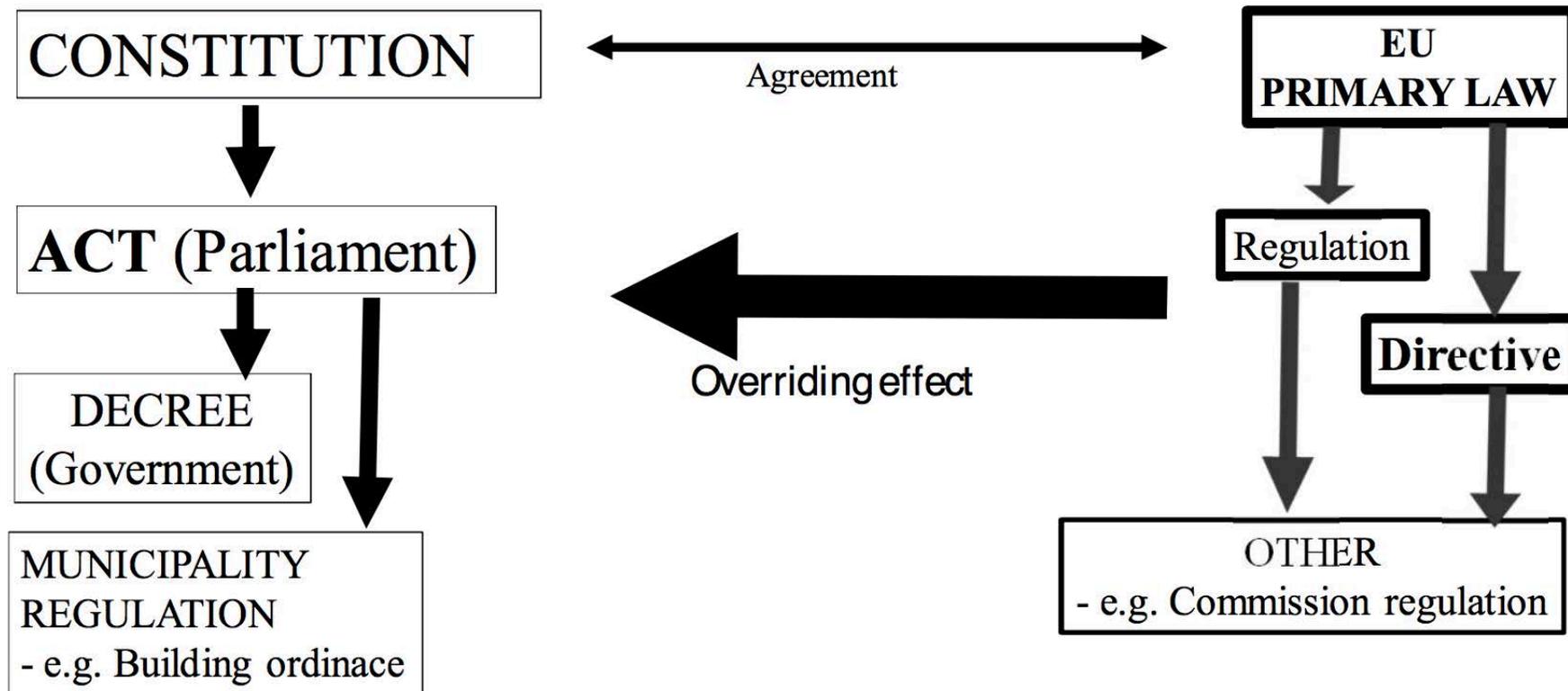
- **Floods: Floods Directive (2007/60/EC)**

- **Water and health**

- Drinking water directive (98/83/EC)
- Bathing water directive (2006/7/EY)

All these directives together set a range of goals for Finland and other EU countries that they must meet

LEGAL SYSTEM: EU vs. national



SOURCE: slides by Ari Ekroos

ENV. LEGISLATION: Finland

Finland has no single environmental code, but instead almost 15 separate acts related to environment:

- Environmental protection
- Environmental impact assessment
- Nature conservation
- Land use planning and building
- Natural Resources
- Infrastructure
- Chemicals
- Environmental crimes (Criminal Act)
- Water

For actual acts and decrees,
check Finlex Data Bank:
<https://www.finlex.fi/en/>

WATER LEGISLATION: Finland

Environmental Protection Act 2014

Water pollution

- UWWT
- Industry
- Peat production
- Agriculture etc.

Water Services Act 2001

Ensuring water supply and sewerage / sanitation for household use

Water Act 2011

Use of water resources

- Water abstraction
- Water regulation
- Hydropower
- Water related construction etc.

Specific Acts and degrees on

- River Basin Management and Marine Strategy
- Flood risk management
- Water services
- Discharge of nitrates
- Waste water on rural areas etc.

Based on slides by Antton Keto

OTHER POLICY INSTRUMENTS

- Legislation provides clear command & control for governance
 - Builds on a set of permits, plans, prohibitions as well as their supervision & enforcement
- But also other policy instruments that can (strongly) guide the use of water and the environment, including:
 - Economic instruments
 - *Taxes, charges, subsidies, liability (compensations)...*
 - Informative instruments
 - *Voluntary and obligatory instruments to e.g. reduce the environmental impact of products (different labels, ISO standards etc.)*

Questions?
Comments



GOVERNANCE: SUMMARY (1/3)

Governance is important – and not so complex as it may seem

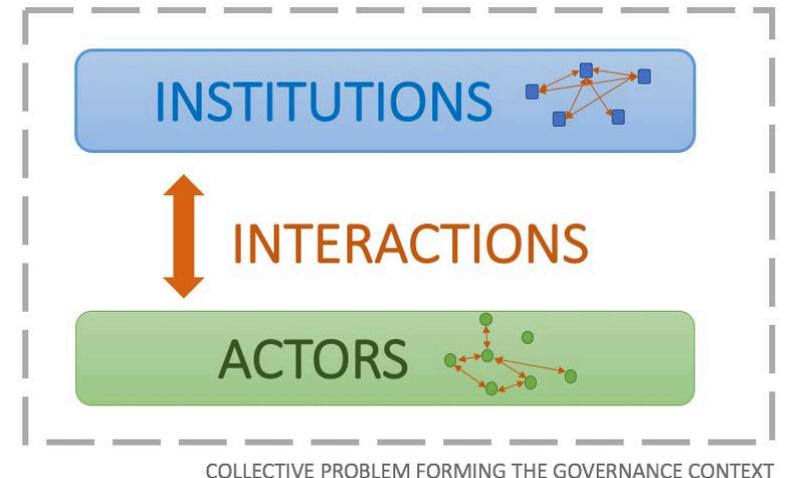
1) Start by defining the context for governance

→ Essentially similar to defining your system and its boundaries

→ Often links closely to existing **legislation**
(that can e.g. require EIA)

2) Then define the key elements i.e.
actors, institutions and their interaction

→ Already these help you to see key
aspects of a governance context

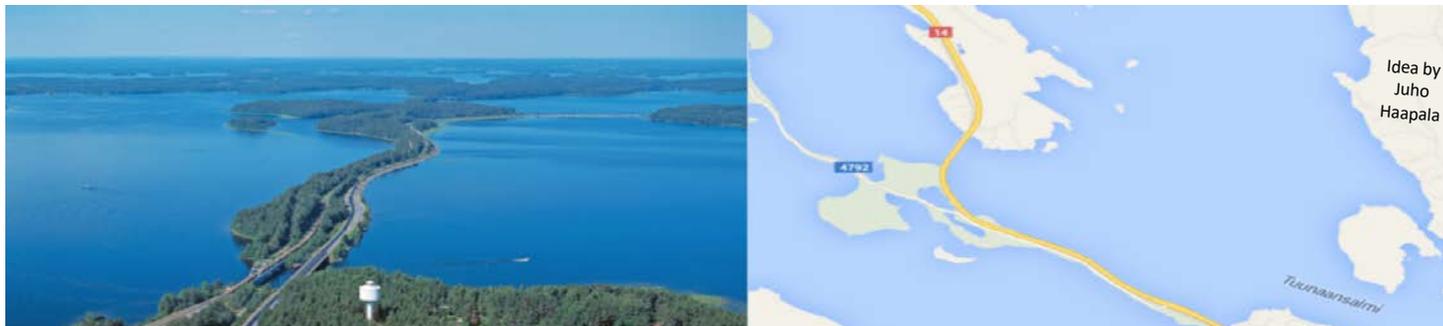


SUMMARY (2/3)

Several good approaches & methods for governance analysis

- Frameworks help to understand the context (+ provide link to governance theories), while actual methods help e.g. to recognise your stakeholders
- **More details on these in WAT-E2080 Water & Governance course!**

NOTE: Good analysis enhances understanding by simplifying complex things, while keeping in mind what is essential for that context



SUMMARY (3/3)

Governance may sound complicated and fuzzy, but ultimately engineering & governance are essentially about the same thing:

getting things done

...the key difference is that engineers easily 'just do it' (i.e. focus just on management aspect), while governance also asks why and with whom we actually want to get things done

→ Hence, using just 1% of your time to ask 'why' makes sense

Our WAT
Alumni &
Stakeholder
Surveys also
support this!

WANT TO KNOW MORE?

1) Several researchers at our Water & Development Research Group work with governance: wdrg.aalto.fi

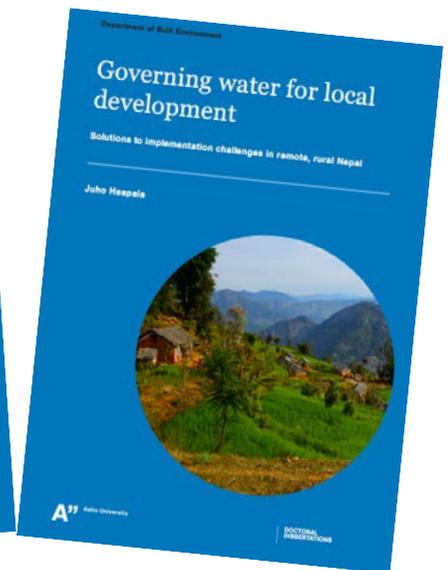
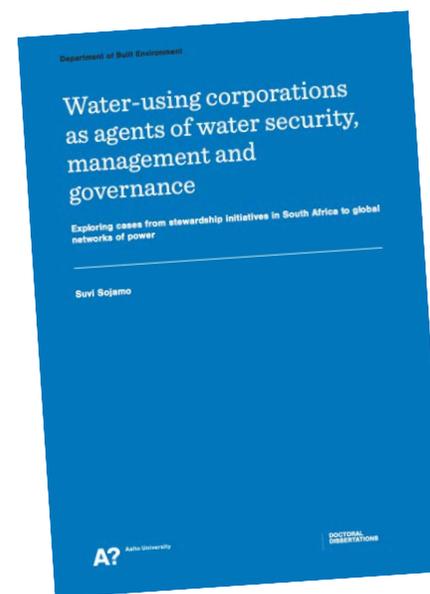
→ Check e.g. excellent Doctoral Theses by Suvi Sojamo (<http://bit.ly/2dgAR06>) and Juho Haapala (<https://bit.ly/2wsrzco>)

2) Key literature available in MyCourses

(e.g. Biermann et al 2010, Biermann 2012, Reed et al. 2009)

3) Welcome to our WAT-E2080 Water & Governance course in Period III

→ More practical view, with cases





WAT overnance?

THANK YOU! COMMENTS?

EXTRA)

Some approaches
for governance
analysis



ANALYSING GOVERNANCE

Ok, now we know what governance is

→ But how to analyse and make sense of it?

Number of different frameworks and methods for governance analysis

→ OECD's inventory lists over 100 approaches: <http://www.oecd.org/gov/regional-policy/Inventory.pdf>

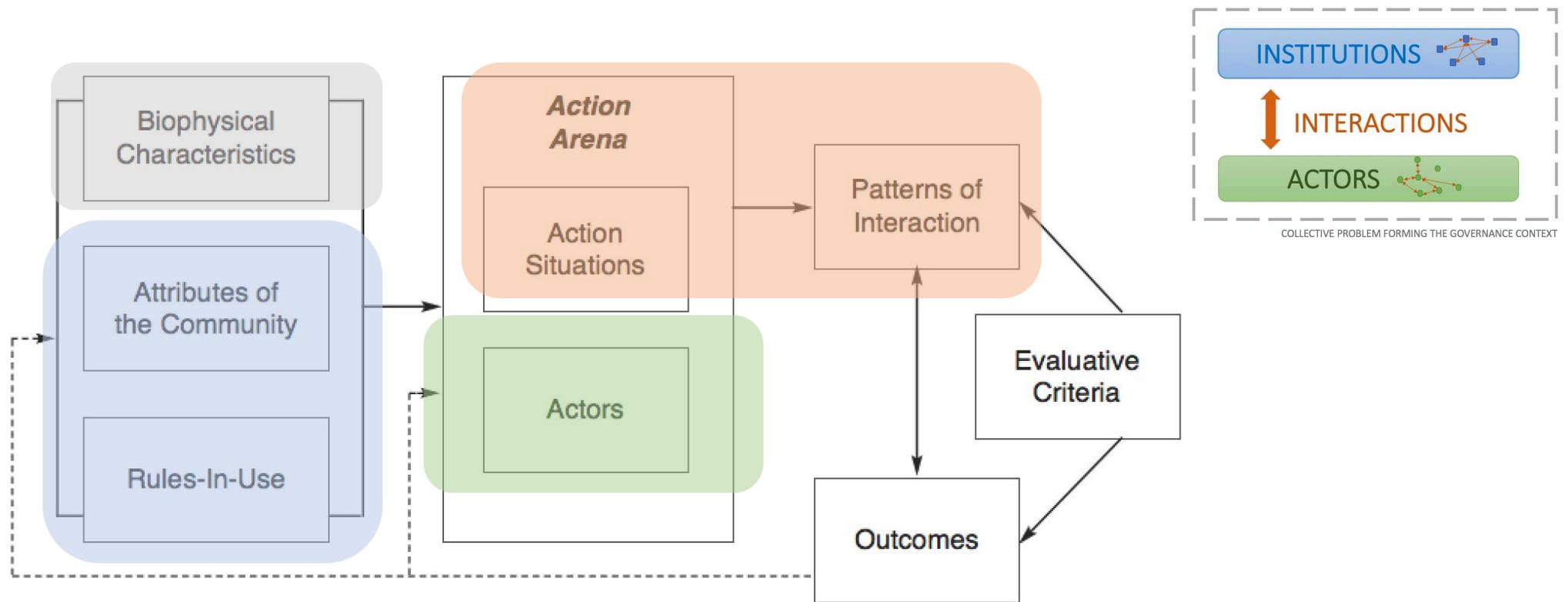
Finding the most appropriate methods depends on:

- 1) Purpose of your analysis: **why you do it?**
- 2) Context of your analysis: **where you do it and what kind of information you have?**
- 3) Your preferences: **how you like to do it?**

*Sounds complicated? Not so!
→ Similar e.g. for doing EIA or flood
management plan: you can do them
in many ways as well*

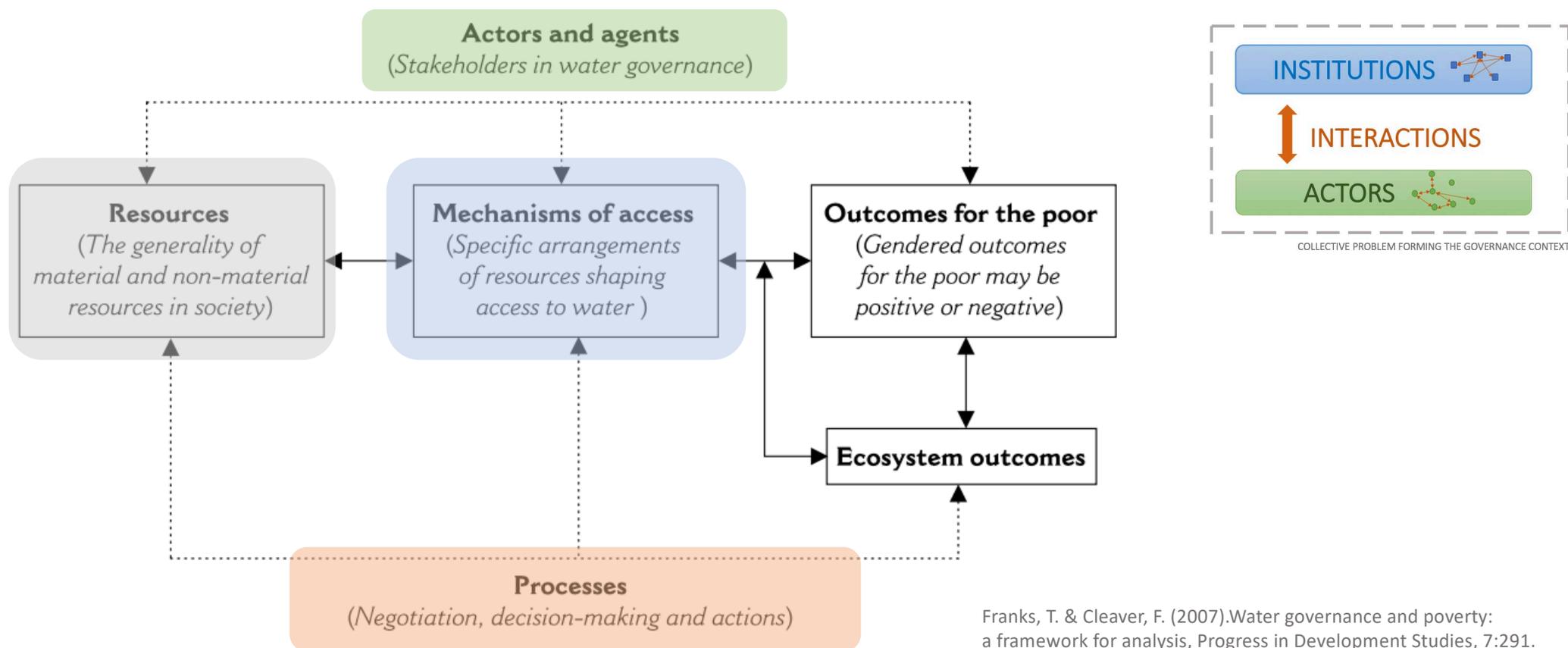
EXAMPLE OF A FRAMEWORK: IAD

Institutional analysis and development framework i.e. IAD by Elinor Ostrom



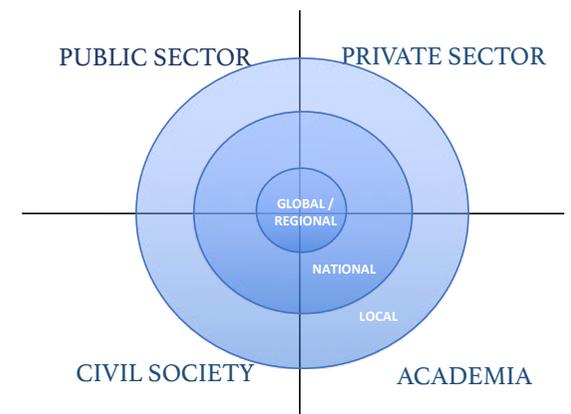
EXAMPLE OF A FRAMEWORK: WGF

Water governance framework by Franks & Cleaver (2007)



DEFINING ACTORS/STAKEHOLDERS

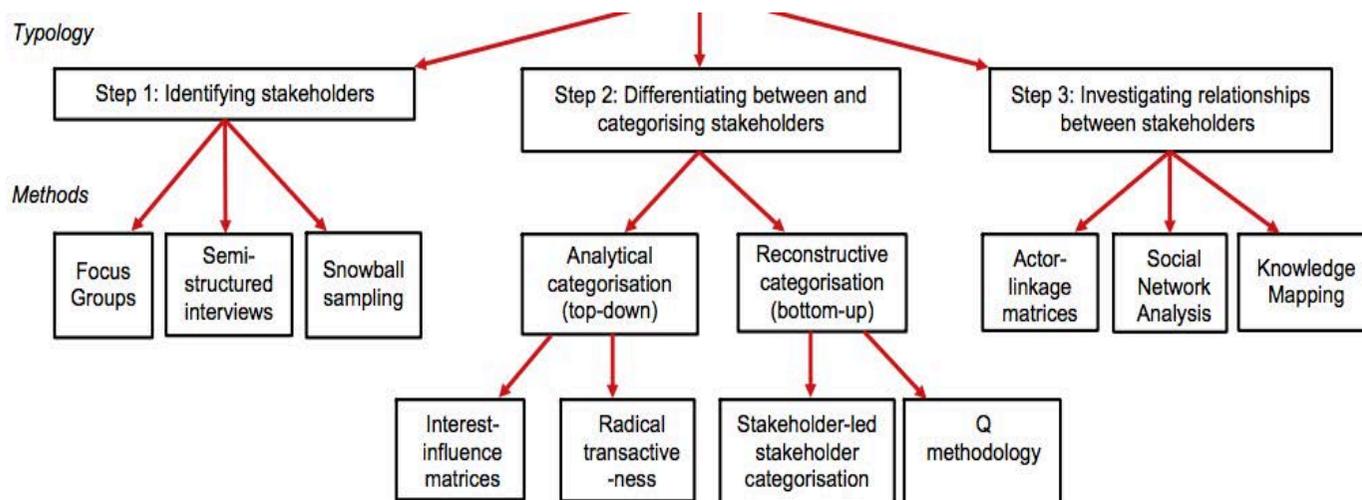
- How to recognise who are the key actors in your governance context?
 - Plenty of good stakeholder analysis methods for this!
- Stakeholders defined as actors (organisation, group, individual) having a 'stake' on a given **collective problem**
 - Thus essentially the same as 'Actor' discussed above
 - Stakeholders can come from different sectors of society, and work at + influence in different scales



STAKEHOLDER ANALYSIS

Recognising your stakeholders often one of the main parts or even purposes of governance analysis

→ Luckily good approaches exist for stakeholder analysis
 Article by Reed et al. (2009) worth reading!



Reed et al. (2009). Who's in and why? A typology of stakeholder analysis methods for natural resource management. *Journal of Environmental Management*.

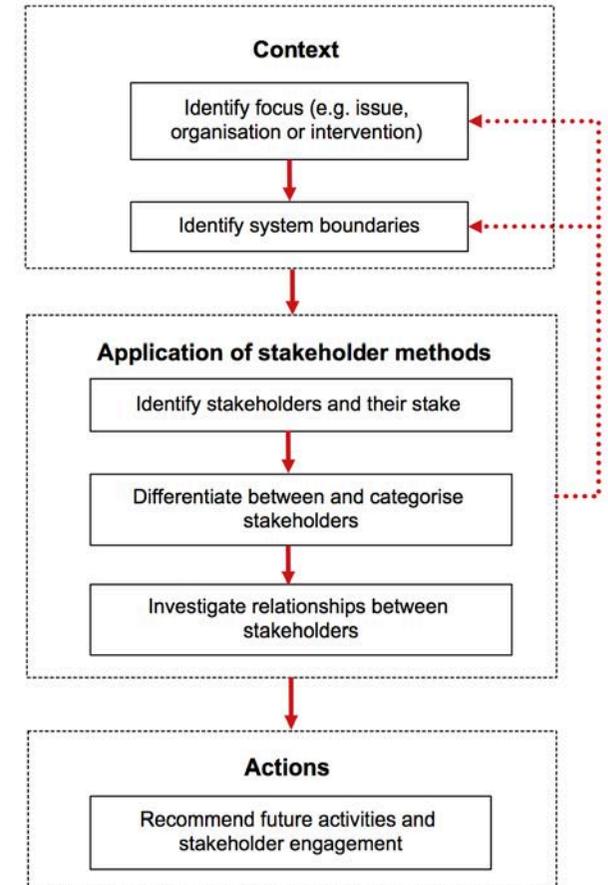
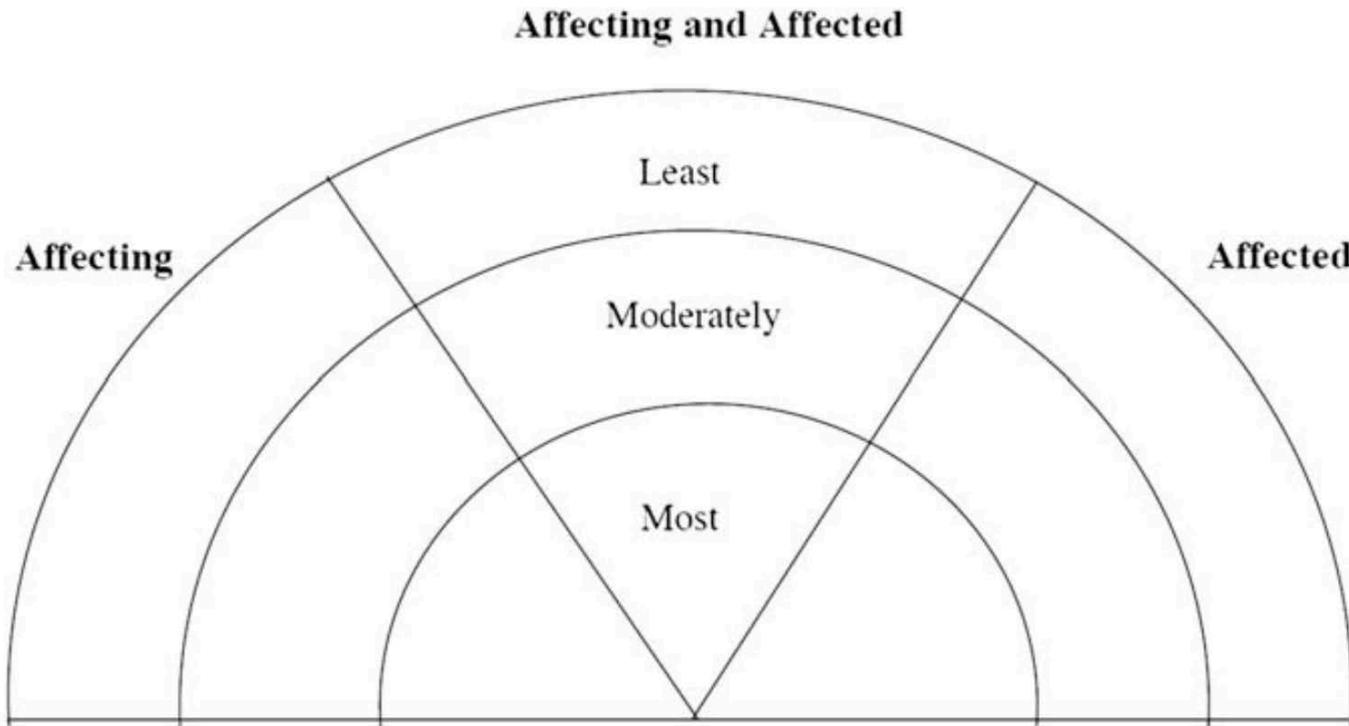


Fig. 5. Schematic representation of key methodological steps necessary for stakeholder analysis.

CLASSIFYING STAKEHOLDERS (1/2)

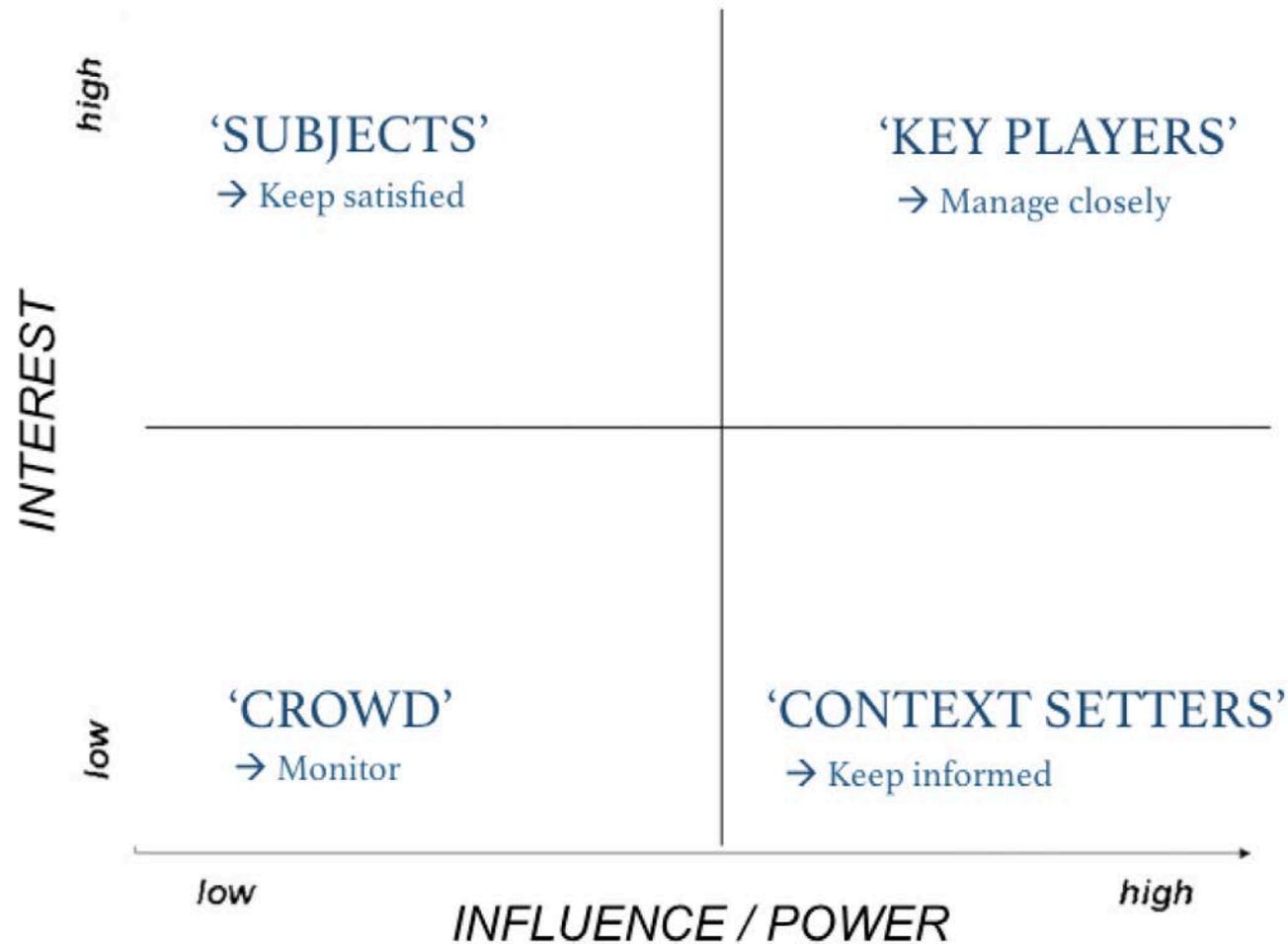


USEFUL METHOD¹ :
Rainbow diagram
with 3 categories
and 3 classes

→ Helps to understand
who is affecting and
affected by Collective
Problem (e.g. certain
activity or project)

Fig. 2. Rainbow diagram for classifying stakeholders according to the degree they can affect or be affected by a problem or action (from: Chevalier and Buckles, 2008).

CLASSIFYING STAKEHOLDERS (2/2)



USEFUL METHOD²:
Interest/influence
matrix with four
different groups
for stakeholders
→ Helps to categorise
your stakeholders

Questions?
Comments



ADDITIONAL SLIDES



GOVERNANCE? Definitions

Governance is thus very much about different concepts

→ The challenge is that many of these concepts are multifaceted, and regularly used in different and even confusing ways

Three important clarifications on key concepts:

- 1) Governance vs. management
- 2) Governance vs. government
- 3) Institution vs. organisation

GOVERNANCE ≠ government

Shift in focus in political science (and in life generally):
from governing to governance

*From active verb to passive noun
= conceptually more challenging*

Govern = a process to maintain order through rules & regulations
and administrative structures; done e.g. by **governments**

→ Starting from emperors and kings, and their governments

→ Now often task of public sector, from governments to municipalities

Governance = mixed form of governing, with different actors
and their roles across different scales

*Close link
to power
and politics*

→ Public and private sector, civil society & academia;
local, national, regional, international scales

→ Governance has no clear owner or central point

IN SHORT:
Governance
> **government**

INSTITUTION ≠ organisation

Institutions and organisations are often used interchangeably, but very important to differentiate when talking about governance
→ Often closely related, but not the same as their aims are different

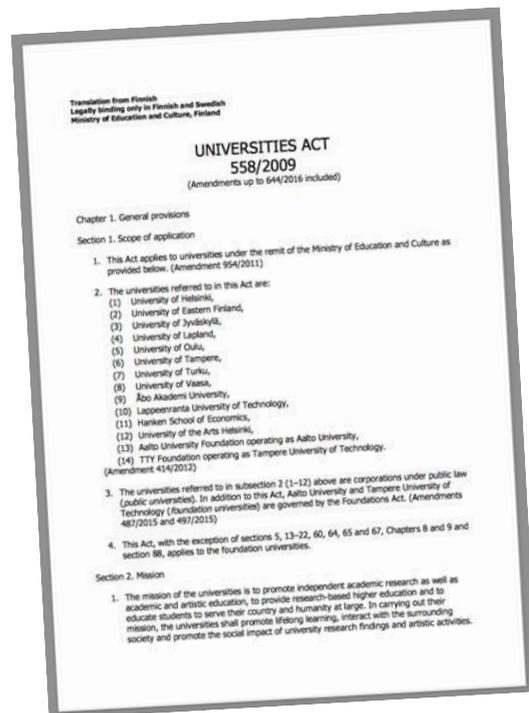
Organisation = "groups of people with shared goals and some level of formalised patterns of interaction defined in terms of roles"
e.g. Merrey et al. 2007
→ e.g. water user associations, companies, NGOs, government agencies, river basin organisations...

Institution = "social arrangements that shape and regulate behaviour and persist"
e.g. North, 1990; Ostrom, 1990, 1992
→ e.g. international law, national water policy, SDGs, market mechanisms, river basin plans – and Jari Litmanen!



INSTITUTIONS: formal and informal

Two type of institutions i.e. formal and informal: both very strong in shaping and regulating our behaviour – and thus to guide governance!



Law
(formal)

vs.

Social norm
(informal)



WAT GOVERNANCE: complex

Complexity of natural resources management (NRM) and governance thus due to many reasons (Mollinga 2010)

- 1) **Ontological complexity** due to heterogeneity in components (human, technical, physical, ecological...) and their relations
- 2) **Analytical complexity** due to difficulty to understand (i.e. being complicated with only partial information available)
- 3) **Societal complexity** due to different interests on NRM and hence due to its fundamentally contested nature

WHY?

WHAT?

FOR
WHOM?

→ These three questions are fundamental, yet often neglected by engineers (and others): ‘just doing it’

Who are the
stakeholders?



STAKEHOLDERS

- Stakeholders defined as actors (organisation, group, individual) having a 'stake' on a given **collective problem**
 - Thus basically same as the **'Actors'** discussed above:
but as stakeholders have different connotations, we prefer to use the term actors when talking about governance in general
- Stakeholders can be recognised in two main ways (Reed et al. 2009)
 - Top-down = stakeholders are defined based on the collective problem, typically by a key actor or 'problem owner' such as ministry or company
 - Bottom-up = i.e. stakeholders themselves define who are key stakeholders (and may in the process also re-define the collective problem)

Thus, not all actors see themselves as stakeholders

...WITH DIFFERING VIEWS

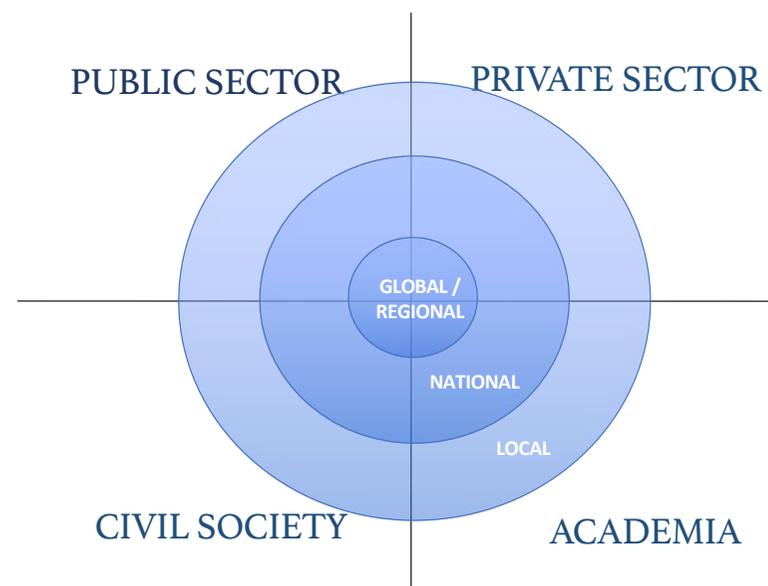
- Stakeholders related to natural resources management have often differing views and needs on the given resource (e.g. water body, wetland)
 - Who has the main access and/or ownership of the resource?
What kinds of uses and users are preferred?
 - What kinds of impacts are acceptable?
How to compare impacts that are not comparable
(e.g. economic benefits vs. loss of ecosystem)?
- Leads often to disagreements and conflicts

Conflicts are situations of competition and potential disagreement between two or more stakeholder groups over the use of one or more scarce resource.

*A **trade-off** is the process of balancing conflicting objectives: trade-offs thus imply a sacrifice or opportunity cost in terms of benefits foregone.*

DIFFERENT SOCIETAL SECTORS

- In natural resources management, the key stakeholder setting the context & even defining the other stakeholders comes often from the public sector (e.g. ministry, environmental authority, river basin commission)
 - Links to environmental law and regulations as well as permitting
- But stakeholders can come from all sectors of society
 - Public/private/civil society/academia matrix one way to group stakeholders
 - You can combine it with administrative and geographical scales, from local to highest appropriate scale



WHAT IS AT STAKE?

- Defining the exact stake (influence) is not always clear
 - Two-way influence: each stakeholder can affect and/or be affected by the common problem
 - The influence can be negative or positive

Rainbow diagram
one useful tool for this!

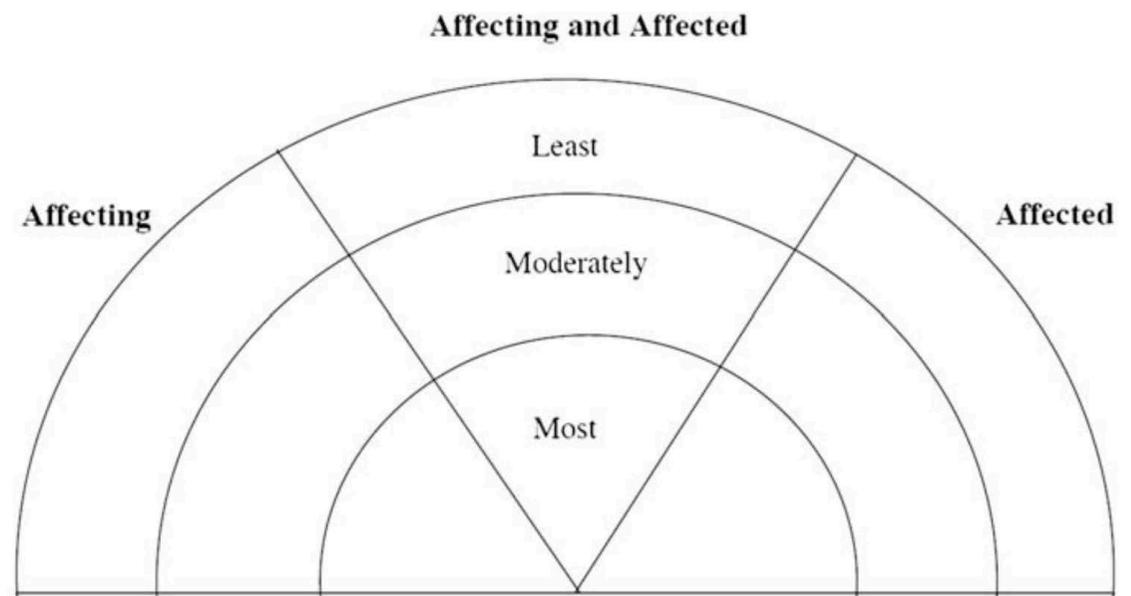


Fig. 2. Rainbow diagram for classifying stakeholders according to the degree they can affect or be affected by a problem or action (from: Chevalier and Buckles, 2008).

GOVERNANCE ANALYSIS: PURPOSE

Always start by defining and agreeing with the purpose of your analysis (and remember it while doing your analysis)

Many different purposes, including:

- 1) Enhancing understanding: e.g. identifying your stakeholders
- 2) Planning and assessment
 - Improving existing management practices
 - Finding your own niche and/or ways for impact
 - Organisational development: do we do the right thing?
- 3) Evaluation: looking back to learn and develop