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CSD INTERSESSIONAL AD HOC WORKING GROUP ON STRATEGIC APPROACHES TO FRESHWATER MANAGEMENT 23-27 FEBRUARY 1998

The Commission on Sustainable Development's Intersessional *Ad Hoc* Working Group on Strategic Approaches to Freshwater Management met from 23-27 February 1998 at UN Headquarters in New York. Delegates exchanged views on freshwater issues and offered comments on two iterations of the Co-Chairs' draft report. The report will be revised to include remarks on the second iteration and will provide the basis for negotiation at CSD-6. Many speakers highlighted the numerous existing agreements and plans for freshwater and said the time has come for action and implementation. Central debates focused on the economic and social values of water and accompanying governmental responses as well as cooperation among riparian States on transboundary or international watercourses. Delegates and NGOs believed there was a degree of convergence of positions during the week and left upbeat about the prospects for agreement at CSD-6.

A BRIEF HISTORY OF THE CSD

The Commission on Sustainable Development (CSD) was envisioned in Agenda 21, the programme of action adopted by the 1992 UN Conference on Environment and Development (UNCED). Agenda 21 called for the creation of the CSD to: ensure effective follow-up of UNCED; enhance international cooperation and rationalize intergovernmental decision-making capacity; and examine progress in the implementation of Agenda 21 at the local, national, regional and international levels. In 1992, the 47th session of the UN General Assembly set out, in Resolution 47/191, the terms of reference for the Commission, its composition, guidelines for the participation of NGOs, the organization of work, the CSD's relationship with other UN bodies and Secretariat arrangements. The CSD held its first substantive session in June 1993 and has met annually since then.

In June 1997, five years after UNCED, the General Assembly held a special session to review implementation of Agenda 21 (UNGASS). Negotiations held in a Committee of the Whole, as well as several ministerial groups, produced a Programme for the Further Implementation of Agenda 21. Among the decisions adopted at UNGASS was the CSD work programme for the next five years, which identifies sectoral, cross-sectoral and economic sector/major group themes for each of the next four sessions of the Commission. Overriding issues for each year will be poverty and consumption and production patterns. The sectoral theme for the 1998 session is "strategic approaches to freshwater management." Additional themes and sectors for 1998 are transfer of technology, capacity building, educa-

tion, science, awareness-raising and industry. UNGASS also agreed that the 1998 CSD Intersessional Working Groups would address freshwater and industry.

EXPERT GROUP MEETING ON STRATEGIC APPROACHES TO FRESHWATER MANAGEMENT: In preparation for the *Ad Hoc* Intersessional Working Group and CSD-6's consideration of strategic approaches to freshwater management, an Expert Group met in Harare, Zimbabwe from 27-30 January 1998. The Co-Chairs' summary of the meeting notes that integrated water resources management, within a national economic framework, is essential for achieving efficient and equitable allocation of water resources and for promoting sustainable economic development and poverty alleviation. The summary includes several recommendations for action on capacity building, information management, environment and development, economics and finance, participation and institutions and international cooperation.

REPORT OF THE CSD INTERSESSIONAL WORKING GROUP

The CSD Intersessional Working Group (ISWG) opened on Monday morning, 23 February, 1998. Delegates elected Rogatien Biao (Benin) and JoAnne DiSano (Australia) as Co-Chairs. They also adopted the agenda and other organizational matters (E/CN.17/ISWG.I/1998/1) and invited the Convention on Wetlands of International Importance (Ramsar Convention) to attend as an intergovernmental organization (E/CN.17/ISWG.I/1998/L.1). In his opening statement, Co-Chair Biao said delegates are in an excellent position to recognize the importance of freshwater, particularly in developing countries and especially in Africa. Co-Chair DiSano said the present

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task was to identify processes for taking forward the basic principles of freshwater management, identify problems in implementation and analyze difficulties.

Delegates then proceeded to offer statements on the Secretary-General's background documentation during the first two days of the meeting. The Netherlands and the Russian Federation made presentations on their national water plans on Wednesday, 25 February. Also on Wednesday, the Co-Chairs distributed a draft report, which delegates discussed Thursday. Delegates discussed a revised version on Friday, and authorized the Co-Chairs to incorporate these comments into a second revision, which will be sent to CSD-6 to serve as a basis for its deliberations on freshwater resources when it meets in April 1998.

GENERAL DISCUSSION

Delegates exchanged views on the Secretary-General's background documents on Monday and Tuesday, 23-24 February. The Secretariat first introduced the Secretary-General's reports (E/CN.17/1998/2 and 3) as well as the report of the Harare Expert Group Meeting on Strategic Approaches to Freshwater Management (E/CN.17/1998/11 and 2/Add.1). He also called attention to the Report of the High-Level Advisory Board on Sustainable Development regarding energy, transport and water. (E/CN.17/1997/17/Add.1).

A central theme of the discussion was the question of emphasis on the social and economic values of water and roles for the public and private sectors. INDONESIA, on behalf of the G-77/CHINA, expressed concern about elevating the economic function of water over other important functions, including food security and poverty alleviation. He stated that the concept of adopting pricing policies geared toward cost recovery may be premature and requires further study. He emphasized that governments should continue to play a major role in freshwater management in the future. COLOMBIA called for a recognition and fundamental understanding of the social dimensions of freshwater issues and warned against the error of adopting an economic or narrow environmental approach.

SYRIA said assigning an economic value to water would increase the number of individuals lacking access to water and would contravene principles of international law. EGYPT noted that cost recovery approach could be introduced once countries reach a certain level of development. GUYANA said pricing policies will place an undue burden on the poor. BRAZIL said the Secretary-General's reports include conclusions that pass judgements on the role of government in providing resources. ZIMBABWE said private sector funding is relevant in only a few cases and governments and donor funds should be mobilized where cost recovery is not possible. RUSSIA highlighted several controversial elements in the Secretary-General's report, including an overemphasis on economic parameters and total commercialization of the water sector. DENMARK and GUYANA said efficiency must be balanced with issues of equity.

AUSTRALIA supported the use of economic instruments and encouraged an examination of public-private partnerships. The US emphasized the need to forge partnerships between the public and private sectors to mobilize resources to meet water needs and to recognize all the values of water – economic, social and environmental. He said cost recovery can attract investment in the water sector and subsidies should be transparent. POLAND highlighted its experience with improving water management, including efforts to introduce market principles. The WORLD BUSINESS COUNCIL FOR SUSTAINABLE DEVELOPMENT (WBCSD) said governments must ensure legislative standards and regulatory frameworks so the private sector can contribute.

Many delegates made proposals regarding the next steps to address freshwater management. The G-77/CHINA said the CSD should take stock of progress in implementing existing plans of action and identify constraints, such as finance and technology. The EU called for a strategic approach with five features: a common appreciation of the importance of water and desired goals; agreement on key elements of

necessary local, national and international action programmes; recognition that the main efforts for developing sustainable uses of water must occur at the local and national levels; international collaboration and support, including capacity building and mobilization of financial resources; and follow-up to CSD recommendations. Regarding the EU's proposed objectives, INDIA said it is difficult to develop a single solution because solutions need to be found for each country.

COLOMBIA called for effective mechanisms for cooperation with developing countries. JAPAN called for analysis of conditions in each country and region, sharing of hydrological information, and emphasis on such areas as cooperation among riparian countries, transfer of technology and know-how and close cooperation with international organizations with experience in water aid. IRAN proposed paying attention to water catchment and national and international agreements to prevent pollution, among others. The REPUBLIC OF KOREA, supported by PAPUA NEW GUINEA, suggested that establishing a multilateral forum among public entities to promote cooperative initiatives in information sharing, capacity building and technology transfer might be useful. The NGO FRESHWATER CAUCUS said UNEP should convene a meeting of UN convention secretariats to examine overlaps and gaps, expand its freshwater work plan to address the CSD outcome and conduct a study of present legal provisions on trans-boundary watercourses.

CANADA stressed partnerships, using best practices based on ecosystems, and integrating scientific and social knowledge into projects. He said key areas for an integrated approach include institutional and legal capacity building and improved cooperation. MEXICO recommended follow-through on progress already made, including the need to take advantage of existing UN infrastructure, such as the Committee on Natural Resources. He also called for strengthening the concept of integrated management to include long-term planning, strengthening water centers and a network of users and operators, and transferring environmentally sound technologies (ESTs). FINLAND said the Secretary-General's report does not adequately reflect the need for an integrated strategy and institutional development. The US supported the use of an integrated approach and emphasized the need to better coordinate existing efforts, strengthen institutions to address freshwater and redouble efforts in sanitation. The RAMSAR CONVENTION said the most important task is to define the concepts of integrated water resource management.

Many speakers emphasized the need for participation at all levels. COLOMBIA called for local group participation in defining and solving problems related to freshwater management. SAMOA, on behalf of the Alliance of Small Island States (AOSIS), highlighted issues of poor design, lack of maintenance, technical incapacity and lack of community ownership of facilities. SWEDEN noted the importance of listening to poor people when designing environmental projects. DENMARK said the need for all stakeholders to participate in and benefit from water management must be balanced with the need to implement a catchment area approach. The REPUBLIC OF KOREA called for coordination between governments and local communities to address shared water resources. The NGO FRESHWATER CAUCUS emphasized the participatory approach, integrating traditional knowledge and giving priority to gender concerns.

Other speakers also emphasized gender issues. CANADA said a key area for an integrated approach includes enhancing the role of women. The US called for fostering greater public participation in decision making, emphasizing the key role of women. SWEDEN said successful integrated water management must account for how gender differences affect access, priorities for development, bargaining power, decision making and household responsibilities. IRELAND said all users, particularly women, should be involved in water management. NAMIBIA called for gender management in water management structures and equal sharing of benefits. She noted that, in many developing countries, women are responsible for ensuring their household's water supply.



Improved information gathering, analysis and sharing was proposed by several speakers. MEXICO, for example, recommended systematization of information provided by governments to the Secretariat to ensure direct and consistent freshwater management and information centers to clearly determine, qualitatively and quantitatively, available water resources. The WORLD METEOROLOGICAL ORGANIZATION (WMO) called for improved knowledge bases for water resources and nationally harmonized information systems. GUYANA proposed building capacity for water resources assessment and establishing or strengthening regional centers for data collection and analysis.

Many delegations discussed financing needs. The G-77/CHINA called on the international community to intensify efforts in providing technical and financial cooperation to developing countries for freshwater management. The EU called for international collaboration and support for capacity building, exchange of information and know-how and mobilization of financial resources. COLOMBIA, supported by VENEZUELA, called for a special fund to promote the efforts of developing countries. BRAZIL added that a feasible financial mechanism would involve a comprehensive work programme. AUSTRALIA questioned the need for a new freshwater fund. The US said the creation of a new independent funding mechanism is not feasible. ECUADOR said the scope of the GEF should be extended to water management. CHINA, among others, called for new and additional financial resources.

Some speakers noted specific problems or areas needing assistance. SAMOA, on behalf of AOSIS, underlined the impact of climate change and noted that island communities have already experienced water shortage and saline intrusion. KAZAKSTAN called attention to the environmental problems of the Aral Sea.

Several speakers addressed the issue of sovereignty over water sources. COLOMBIA called for recognition of state sovereignty over management of freshwater resources. AUSTRALIA noted that some of the language in the Secretary-General's report regarding proposed action was too strong. He said no country would willingly cede control over its water sources. UGANDA said a holistic and integrated approach should be based on universally accepted norms and principles of international law, particularly the sovereign right of States to use their resources as they see fit.

Additional issues addressed included: the important role that irrigation plays and efforts to make it sustainable (FAO); the need for greater water efficiency by the agricultural and industrial sectors (EGYPT); the need for sustainable development of mountainous regions (SWITZERLAND and PERU); areas in which the CONVENTION ON BIOLOGICAL DIVERSITY can contribute to the CSD; UNEP's High-Level Committee of Ministers and Officials upcoming consideration of proposals for a UNEP freshwater strategy and plan of action; elements in the WORLD HEALTH ORGANIZATION's work programme that support the conclusions of the meeting in Harare; TURKEY and EGYPT's efforts to manage their riparian resources; the African Ministers' Cape Town Declaration (ZIMBABWE and NORWAY); the possibility for linkages between a strategic freshwater approach and the 20/20 concept (NORWAY and NAMIBIA); and drought-related issues (NAMIBIA).

TECHNOLOGY TRANSFER: Delegations discussed transfer of technology in relation to freshwater on Tuesday afternoon, 24 February. The CSD Secretariat discussed the sectors where water technologies are needed and the sources of these technologies. He also highlighted: availability of relevant technologies in the public sector; demand for soft as well as hard technologies; requirements for databases to accelerate transfers; the need for focused research to develop low-cost technologies; and the need for policy frameworks to generate incentives for users and suppliers to seek out and use new technologies.

Delegates shared national and international experiences related to technology transfer: the UNEP-sponsored International Environmental Technology Center (JAPAN); agricultural technology (the NETHERLANDS); and water quality improvements and decreased pollution (the US). The NETHERLANDS and the REPUBLIC OF KOREA discussed publicly-owned technology and possibilities for transfer to developing countries. The REPUBLIC OF KOREA noted its recent hosting of a conference on EST transfer. CHINA said water technology transfers should be central to international cooperation on water resources management. PAPUA NEW GUINEA described the management of water resources as an excellent example of the public sector working in alliance with private interests.

Delegates also proposed a number of possible actions: conducting comprehensive needs assessments and long-term training (EGYPT); considering low-, traditional- and no-technology options (AUSTRALIA); calling on industry to present proposals for implementation of codes of conduct on the positive role of industry (the EU); and developing practical suggestions for transferring publicly owned technology to developing countries (the NETHERLANDS).

CO-CHAIRS' REPORT OF THE WORKING GROUP

The Co-Chairs compiled delegates' general comments into a draft report, which they circulated on Wednesday, 25 February. Delegates commented on the draft on Thursday, 26 February. Based on these comments, the Co-Chairs produced a new draft report, which delegates discussed on Friday, 27 February. The following discussion highlights general comments and specific amendments and summarizes the draft report distributed on Friday, 27 February.

GENERAL COMMENTS: Several delegations suggested that the text be more concise. The G-77/CHINA noted an absence of linkage with Agenda 21 and UNGASS. He said CSD-6 should review progress achieved toward the implementation of Chapter 18 of Agenda 21 and then identify additional implementation measures. He also suggested that references to "freshwater management" include references to "freshwater development and use" as well. The US said management encompasses these concepts. MEXICO questioned the need to create a new programme to address the sustainable development of water resources given that water issues have been addressed for twenty years and a series of instruments and agreements have already been established. He warned that the CSD could fall into inertia in attempting to reinvent the wheel without taking account of lessons learned.

COLOMBIA advised against making hasty recommendations to establish programmes and plans when the purpose is to speed up implementation of Agenda 21. The report should thus recommend measures such as mobilizing financial resources, strengthening institutions and transferring technology. EGYPT, INDIA and SYRIA said the report should concentrate on implementation measures and avoid going into detail. INDIA cautioned against bringing controversial elements into the report. GHANA said the document enters into prescriptions on a number of issues that are not yet mature enough for decisions. With EGYPT, he also stated that the report does not adequately emphasize the important role of international cooperation and support. The US said too much emphasis was placed on financial institutions and resources. UGANDA said the draft contained too many sticks and not enough carrots. The NGO STEERING COMMITTEE called for greater emphasis on ecosystems and local participation, including through Local Agenda 21s. CANADA said the report is a well-balanced document that provides a good basis for negotiation at CSD-6.

INTRODUCTION: The three-paragraph introduction was presented on Friday afternoon. Delegates did not offer any amendments. It notes that the ISWG based their discussions on the reports of the Secretary-General and the January 1998 Harare Expert Group Meeting. It states that the March 1998 Ministerial Meeting on Water and Sustainable Development in Paris will provide a further opportu-



nity to consider strategic approaches to freshwater management. It notes that the ISWG's outcome is not a negotiated text but focuses on key issues and suggests policy options for further consideration and negotiation during CSD-6.

BACKGROUND: Delegates offered a number of comments on the background section. The US added maintenance and restoration of ecosystems to a list of the various functions of water and noted the predominance of agriculture over other uses of freshwater. The G-77/CHINA proposed language on the social dimension of freshwater, food security and agricultural production and flood and drought control. SYRIA recommended deleting calls for subregional and regional cooperation to support local and national action. UGANDA, ETHIOPIA and KENYA deleted a specific reference to paragraph 35 (on pricing regimes) of the Programme for the Further Implementation of Agenda 21.

This section of the draft report contains six paragraphs that: outline the various functions of water; highlight the importance of integrated planning of water resources development and management; call for prioritization of the social dimension of freshwater; state that Chapter 18 of Agenda 21 continues to be a basis for action; highlight insufficient progress to reduce trends toward deteriorating water quality, increasing stress on freshwater ecosystems and water shortages; emphasize that potential crises can be averted if action is taken toward an integrated approach to freshwater resources development, management and use; note increasing competition for freshwater between agriculture and other uses; highlight UNGASS's recognition of the need to strengthen international cooperation to support local and national action; and state that the dialogue on freshwater will be fruitful only if there is a proven commitment by the international community to provide new and additional financial resources.

KEY ISSUES AND CHALLENGES: Delegates made several comments on this section. In the text outlining gaps in the path toward integrated water management, the G-77/CHINA proposed deleting a reference to adopting sound economic policies for equitable and efficient freshwater allocation and use. The US added the need for balance between structural and non-structural approaches.

The G-77/CHINA and MEXICO suggested deleting text emphasizing the predominant importance of local and national action. JAPAN supported the recognition of differing conditions in different geographical areas. The EU suggested implementing the preventive approach and land-use planning. The US, supported by NORWAY, proposed that integrated water resources management activities incorporate river basin, catchment, watershed and ecosystem approaches.

The G-77/CHINA, supported by MOROCCO, deleted language on the need to take into account the economic value of ecosystems and added language on reducing potential losses from natural disasters. SWITZERLAND highlighted the need to minimize impacts in mountainous areas. AUSTRALIA proposed a reference to groundwater. The EU called for improved sanitation and wastewater treatment.

Regarding a paragraph encouraging riparian States to cooperate on matters related to transboundary water resources, SYRIA, JORDAN, IRAQ, TUNISIA and EGYPT recommended replacing "transboundary" with "international" water resources. BRAZIL preferred "transboundary" as consistent with Agenda 21. SYRIA said the use of "international" is more general, avoids critical legal issues and is consistent with what was agreed at UNGASS. The EU suggested adding the need to build on existing international law. The US proposed encouraging the use of consensus building and conflict management processes. KENYA, ETHIOPIA, UGANDA and INDIA proposed deleting the entire paragraph. TURKEY and JORDAN preferred its retention. UGANDA, supported by ETHIOPIA, called for specific recognition of the sovereign right of States to exploit their own natural resources.

The draft report contains six paragraphs in this section. It states that the CSD process on water should focus on: fostering and supporting national and international action; identifying gaps and emerging

issues; building global consensus; and promoting greater cooperation. It identifies areas that require further attention and international cooperation and action, including: awareness of the scope and function of freshwater resources; human resource development and participatory approaches; the role of ecosystems in providing goods and services; balance between structural and non-structural approaches; explicit links with socio-economic development; conservation of freshwater ecosystem biodiversity; capacity to assess water resource availability and variability; and mobilization of financial resources.

The section further states that implementation of integrated water management strategies requires action at all levels, but most decisions and actions must occur at the local and national levels and be closely related to other areas of natural resource management. Effective integrated water resources management should incorporate river basin, catchment, watershed and ecosystem approaches. It emphasizes the need to: ensure that local and national management plans can generate productive and sustainable interactions between human activities and the ecological functioning of freshwater systems; minimize impacts from human activities; reduce potential losses from droughts, floods, erosion, desertification and natural disasters; and address pollution prevention, sanitation and wastewater treatment. Riparian States are encouraged to cooperate on matters related to "international water-courses," and this important issue requires further consideration in the CSD and other relevant fora.

ACTIONS AND MEANS OF IMPLEMENTATION: Delegates suggested adding to this section a number of references to relevant conventions, action programmes and recent meetings to be taken into account when developing policies. They proposed adding: the Programme of Action on the Sustainable Development of Small Island Developing States (SIDS) (G-77/CHINA), the World Food Summit (US and FAO), Habitat II (US and EU) and the Social Summit (EU). POLAND referenced regional arrangements. ETHIOPIA proposed limiting the text to conventions "in force."

On text inviting governments to consider the recommendations of the Harare Expert Group meeting, the G-77/CHINA proposed noting the importance of holding meetings in developing countries. He stressed that recommendations resulting from the Harare meeting are not conclusive and the CSD's recommendations should be based on discussions at CSD-6 and the ISWG. Delegates said governments should "promote" (US), "regard as integral" (EU) or be "invited to apply" (MEXICO) Harare's recommendations. The EU proposed stronger references to national and local programmes and public reporting mechanisms.

This section of the draft report contains three paragraphs. Governments are invited to intensify efforts to develop integrated water resources development programmes and set target dates for adopting or updating implementation plans. The section also lists many multi-lateral conventions, including those on climate change, desertification and biodiversity, and plans of actions, such as those emanating from Habitat II, the Conference on SIDS, the Mar del Plata Action Plan and Fourth World Conference on Women. The section specifically calls on governments to address the need to achieve universal access to water supply and sanitation, as called for in the 1994 Noordwijk Action Programme. A paragraph notes the report of the Harare Expert Group meeting and invites governments to consider its key recommendations in formulating policies.

Information for decision making: Comments on this section included objections by ETHIOPIA, KENYA and UGANDA to language encouraging governments to maintain international information and harmonize data collection. NORWAY called for gender-differentiated data, in addition to socio-economic and environmental data. The US, CANADA and the EU included water "quantity" in paragraphs on national water-related indicators and inventories. ETHIOPIA proposed deleting a paragraph on indicators. The G-77/CHINA



supported "inviting" rather than "urging" governments to carry out national inventories and establishing regional consultations on drought and flood preparedness and emergency funds.

This section of the draft report contains five paragraphs outlining the different types of information governments should maintain for policy formation, planning and investment decisions and management. Governments are encouraged to, *inter alia*: establish and maintain monitoring networks; encourage harmonization of data collection at the basin/aquifer level; facilitate public access; and improve the understanding of hydrology and the function of ecosystems. Governments are also encouraged to: implement national water-related indicators; conduct water quality and quantity inventories for surface and groundwater; and establish consultation mechanisms on drought and flood preparedness. The international community should support national efforts and the UN should play a central coordinating role.

Institutions, capacity building and participation: Comments on this section included the G-77/CHINA's call for "consultation" rather than "involvement" of major groups in reference to national coordination mechanisms. Regarding legislative and regulatory frameworks, the US called for encouraging a strong scientific basis for decision making and capacity building. The EU called for devolving decision making to the lowest appropriate level, educating and training users of water and noting the pivotal role of women. The G-77/CHINA added references to least developed countries and SIDS to text calling for capacity building programmes.

This section of the draft report contains five paragraphs describing the actions governments could take to strengthen institutions and build capacity. Governments are urged to establish national coordination mechanisms, providing for the involvement of all relevant parts of governments and public authorities, as well as major groups. They are also urged to: establish legislative and regulatory frameworks to facilitate integrated water resources management strategies; strengthen institutional and human capacities at national and local levels; and facilitate partnerships between public and private sectors and NGOs. The section calls upon the international community, particularly UN organizations, to strengthen capacity building programmes.

Technology transfer and research cooperation: Delegates offered a number of changes to this section. The G-77/CHINA proposed deleting a reference to soft technology. The US added references to technologies to promote sustainable agriculture and food production systems and to technology transfer on concessional terms, "as mutually agreed" and taking into account the need to protect intellectual property rights. The EU stressed that implementation of best practice should involve the agricultural as well as the business and industrial sectors. The G-77/CHINA proposed deletion of a paragraph encouraging governments to use EST centers. NORWAY supported this text, and JAPAN proposed adding a reference to UNEP's International Environmental Technology Center. The G-77/CHINA altered text urging enhanced technical assistance programmes to urge intensified efforts to facilitate EST transfer. Additional proposals addressed enlargement of usable water supplies (JORDAN) and research and technology transfer for agricultural water use efficiency (US).

This section of the draft report contains seven paragraphs. Governments are encouraged to stimulate and remove impediments to research and development cooperation. Along with industry and international organizations, they are encouraged to promote technology transfer and research cooperation to foster sustainable agriculture. Efforts to help increase the supplies of freshwater, partnerships between the public and private sectors, and best use of national, regional and international EST centers are also encouraged. The CSD should call on relevant parties to implement best practices and appropriate technologies. Donor countries and international organizations are urged to intensify their efforts to facilitate EST transfer.

Financial resources and mechanisms: Delegates proposed numerous changes to this section of the draft report. The G-77/CHINA proposed: adding a paragraph stressing the importance of ODA;

replacing "increased" with "new and additional" financial resources "to developing countries, in particular to SIDS and least developed countries;" deleting text noting that evidence that external resources are used optimally will help mobilize additional finance; deleting text calling for strengthened consultative mechanisms; and calling for cost recovery to be gradually phased in, taking into account specific conditions in each country. The EU said the paragraph regarding new and additional resources should consider all financial resources.

The G-77/CHINA, JAPAN and the US proposed deleting text specifying how to apply subsidies. The EU proposed a reformulation calling for transparent subsidies for low-income households. The EU and US proposed deleting text calling for consideration of a special financial mechanism and added text calling for: donors to continue support for water sector projects and to meet aid targets (EU); and efficient, effective and innovative use of existing funds (US). AUSTRALIA altered the call for a mechanism to call for an enabling environment, efficiency gains, and developing countries to make freshwater a priority during consultations with partner/donor countries. BRAZIL called for stronger language on the creation of a financial mechanism, and, supported by GUYANA, for a reference to multilateral institutions such as the World Bank. NEW ZEALAND called for using ODA as a leveraging tool for attracting private sector finance. The EU proposed adding a reference to support for structural reform measures.

The G-77/CHINA emphasized that for many developing countries, ODA remains the main source of investment and cannot be replaced by private capital flows. BRAZIL preferred stating that the private sector "can" rather than "will" represent an important new source of investment in the water sector, and said governments, not the international community, should promote and conduct research and analysis on the economic, social and environmental values of ecosystems. The WBCSD proposed noting that the introduction of enabling financial framework conditions is of paramount importance for mobilizing private sector finance. SYRIA said the balance struck at UNGASS between the role of ODA and private investment is not reflected.

The draft report contains ten paragraphs in this section. It notes that new and additional financial resources for developing countries, in particular least developed countries, will need to be mobilized, and existing resources currently allocated to the freshwater sector should be used effectively. ODA should complement and focus on programmes aimed at meeting basic human needs, and donors should support programmes to reduce poverty and try to meet international development targets. Private sector involvement should be encouraged through public/private partnerships and enabling financial framework conditions. Governments are urged to strengthen consultative mechanisms. Cost recovery should be phased in gradually. Governments, when using economic instruments for guiding the allocation of water, are invited to consider environmental, efficiency, transparency and equity issues. Finally, the international community could give consideration to the possibility of creating a financial mechanism for water resources.

FOLLOW-UP AND ASSESSMENT: Delegates offered several amendments to this section of the draft report. SYRIA said general aspects of freshwater and objectives should be discussed prior to specific institutional arrangements. COLOMBIA expressed doubt as to which institution should be selected to take responsibility for freshwater. INDIA suggested it is premature to propose an institutional arrangement. The NGO STEERING COMMITTEE called for a meeting in 1999 to review indicators on freshwater and an intersessional meeting in 2002 to review implementation of existing agreements. The US did not support a call for the use of the Committee on Natural Resources to support the CSD dialogue on freshwater. The G-77/CHINA said the idea was very important.

Regarding an invitation to the UN system, through the ACC Subcommittee on Water Resources, to elaborate an International Action Programme on freshwater, the US proposed, *inter alia*, that: the



ACC instead coordinate activities among UN agencies; UN agencies identify possibilities for joint water missions; and the CSD facilitate information exchange between the national and local levels. The G-77/CHINA questioned the aim of discussing the ACC Subcommittee on Water Resources, suggested deleting the call to elaborate an Action Programme, added enhancement of coordination to accelerate realization of objectives identified in Chapter 18 of Agenda 21, and, supported by NORWAY, called for intensifying technical assistance and cooperation in human health and sanitation, among others. The EU proposed language on: ensuring dialogue and cooperation between governments and the UN and organizing existing activities of UN agencies and other international institutions to promote such dialogue; promoting efforts to develop indicators on freshwater management; and reviewing progress demonstrated by such indicators.

BRAZIL said UNEP should cooperate with other members of the ACC Subcommittee on Freshwater, and other implementing agencies should fully utilize the Global Environment Monitoring System (GEMS). UNESCO suggested replacing the reference to GEMS with a general reference to global monitoring systems. The G-77/CHINA and INDIA said the text should not single out one UN organization. KENYA supported the reference to UNEP.

The draft report contains seven paragraphs in this section. It invites governments to report to the CSD in 2002 regarding national integrated water resources development and management policies and to organize meetings to exchange experiences and best practices. It calls on the CSD to consider possible specific modalities of an intergovernmental dialogue on freshwater to take stock of progress and give further guidance, and outlines possible options: addressing freshwater during a CSD *ad hoc* intersessional group in 2000; subject to ongoing reform discussions, using the Committee on Natural Resources to assist the CSD; and organizing a special intersessional meeting in 2000.

The UN system, acting through the ACC Subcommittee on Water Resources and working in collaboration with international institutions, is invited to elaborate an International Implementation Programme on freshwater outlining ways and means for international support for national action, for consideration by the CSD in 2000. Such a programme should: systematize objectives identified for the UN system in Agenda 21 and other international action programmes; suggest ways to enhance coordination to improve support for implementation of Chapter 18; define division of responsibilities and how to increase efficiency in programme delivery; explore the potential of basin-level arrangements where appropriate; identify benchmarks and time frames for implementation; and identify all possible sources of finance for its implementation.

UNEP should effectively contribute to the CSD and ACC by providing policy, technical and scientific advice on environmental aspects of sustainable development of freshwater resources, fully utilizing the potential of GEMS. At the country level, the UN system should enhance coordinated efforts in freshwater. UN organizations, through the ACC Subcommittee on Water Resources, are urged to develop and submit to the CSD in 2002 a consolidated UN Guidebook on Integrated Water Resources Management to replace existing sectoral guidelines.

EXCHANGE OF NATIONAL EXPERIENCES ON INTEGRATED WATER MANAGEMENT

On Wednesday morning, delegates heard presentations on national experiences in Russia and the Netherlands.

RUSSIAN FEDERATION: Georgi S. Volovik discussed sustainable water management in the Russian Federation. He explained that water resources in Russia are exhausted, watersheds are degrading, most rivers and lakes are highly contaminated by biological and economic activities, the quality of surface waters rarely meet sanitary requirements, and groundwater sources are becoming increasingly polluted. Several laws have been issued recently, indicating that a new

legislative and legal basis for regulating water relations is under development. He emphasized that the new governmental policy in the field of water use and protection focuses on the protection of human life and health and favorable environmental conditions.

He underscored that sustainable water use must feature a correspondence of social, environmental and economic factors. The objectives of Russia's policy are: continuous provision of the necessary amount of quality potable water to the population; provision to the various economic sectors of adequate quality water; protection from hazardous effects of floods, water erosion and droughts; and gradual rehabilitation of water bodies to ensure favorable conditions for aquatic organisms. Sustainable water use is a strategic goal of the policy; however, there is a large disparity between the proclaimed objectives and the actual situation.

Priority directions of the policy include, *inter alia*: rehabilitating and protecting water bodies and augmenting water resources; rehabilitating and maintaining stable environmental conditions of basins; protecting and efficiently using water resources; improving the management regime of reservoirs and water management systems; reducing enterprises' water consumption and water losses; improving drinking water quality; and establishing economic water use mechanisms. He concluded that the major shortfall in water management was a lack of comprehensive federal policy aimed at specific results.

NETHERLANDS: Albert van der Beesen described how he used marketing techniques when developing the Netherlands' fourth water management plan, including a market plan to identify target groups and consumption patterns. Consideration was given to social, political and organizational questions. Two minimum conditions were recognized: the need for a win-win situation and a fair choice. The preparation process included an initial discussion paper followed by meetings with stakeholder groups and publication of the new water management strategy.

The main objective of the strategy is a safe and habitable country with resilient water systems working with nature and not against it. The document advocates living with water in a natural way, demanding behavioral change and preparedness to undertake cooperative problem solving. The strategy emphasizes the relations between water, physical planning, the environment and nature protection. An area approach is adopted, incorporating water in urban areas via regional water systems and oceans. Themes that receive special attention include flood protection, water depletion, emissions and polluted aquatic soil. The annual costs for flood protection, water quantity and quality management amounts to almost six billion Guilders, funded by self-governing water boards who receive monies from people in their areas. For water quality, the polluter pays principle is used.

ADOPTION OF THE REPORT

Delegates authorized the Co-Chairs to revise the draft report, based on their comments on Friday, and to include this in the final report of the meeting. They adopted E/CN.17/ISWG.1/1998/L.2 without further comment. The Co-Chairs thanked the delegates and Secretariat for their hard work and brought the meeting to a close at 5:00 pm on Friday, 27 February 1998.

A BRIEF ANALYSIS – TESTING THE WATER AT THE CSD

After a not-so-special General Assembly (UNGASS) to review implementation of Agenda 21 last year, the CSD's attempt to harness the international community's political will to act on strategic approaches to freshwater and sustainable development has a special significance. The jury is still out on the CSD's effectiveness in mobilizing political will for sustainable development. With a committed issue sponsor in the form of the European Union and a growing recog-



dition of the importance of regional approaches to affect global implementation, the prospects for a transition to an action-oriented phase in the freshwater agenda are good.

The immediate history of the CSD's initiative on freshwater goes back to its inclusion in a three-point agenda tabled by the EU at UNGASS. Together with their energy initiative, the EU proposed a programme on freshwater. A British NGO described the CSD-6 process as the "earliest opportunity for this unfinished business to be resolved" after the EU's headline agenda was somewhat frustrated at UNGASS.

The issue has lost none of its momentum in Europe. The UK Presidency of the EU is very conscious of its pioneering and historical role on the issue, a history that stretches back to Britain's 1848 Public Health Act, the first of its kind. The more recent history is rich with texts and dialogue on what needs to be done at the international level to bring clean water, sanitation and the associated services and conservation measures to all parts of the world on a sustainable basis. Principles and themes for strategic, equitable and sustainable approaches to freshwater management have been articulated since the 1977 UN Water Conference at Mar del Plata, Argentina, and through ensuing international conferences, including the 1990 New Delhi Global Consultation on Safe Water and Sanitation and the landmark 1992 Dublin International Conference on Water and the Environment and subsequent elaboration of Chapter 18 of Agenda 21. More recently, there was the Expert Group Meeting on Strategic Approaches to Freshwater Management in Harare earlier this year.

The specific mandate for the CSD's discussion of the freshwater issue is contained in paragraph 35 of the Programme for the Further Implementation of Agenda 21 adopted by UNGASS. The paragraph calls for a dialogue under the aegis of the CSD, beginning at its sixth session, aimed at: "Building a consensus on the necessary actions, and in particular, on the means of implementation and on tangible results, in order to consider initiating a strategic approach for the implementation of all aspects of the sustainable use of freshwater for social and economic purposes."

So delegations arrived at the ISWG well informed and with little doubt that the challenge at CSD-6 will be a test of political will to agree on the who and the how of the international freshwater agenda as opposed to the questions of what needs to be done and why. Much emphasis will have to be placed on institutional questions and follow-up measures.

WATER UNDER THE BRIDGE: For some of the most vigorous proponents of the freshwater agenda, the ISWG formed a "bridge" between all that has gone before to create a wealth of ideas and principles to choose from and the current lead-up to CSD-6. At the end of the week's proceedings they were confident that the bridge could well take governments towards an action-oriented phase, given that the bulk of the text agreed at the ISWG deals with implementation issues and follow-up.

If the bridge builders at the ISWG faltered, it was due to a personnel problem. At Harare, the delegations were made up of water specialists with immediate experience with contemporary developments in the water sector. At the ISWG delegations were dominated by representatives from Foreign Ministries. So, not for the first time at a CSD meeting, issues became unnecessarily politicized. One example was the debate on public-private partnerships, which have become a common feature in the water sector. At the ISWG, however, a residual ideological resistance to water pricing was apparent.

One delegate expressed the hope that an opportunity to bridge this gap between what is happening in the real world and the residual lapses into rhetoric will come in March at the Paris Conference on Water and Sustainable Development. During the ISWG it was reported that a Ministerial session on institutional follow-up is being planned for the Paris event.

REGIONS HOLD THE KEY: The remainder of the Intersessional period will see a number of initiatives taking shape, notably at UNEP's High-Level Committee of Ministers and Officials meeting from March 2-4 March. This is expected to provide an opportunity for the EU to advance its proposals to have UNEP design a regional initiative on freshwater along the lines of its regional seas programme. It is expected that their advocacy of this approach has been coordinated with the recently appointed UNEP Executive Director, Klaus Töpfer.

The desire to build in accommodation for regional sensitivities was also apparent to G-77/China observers. A particularly sensitive issue is that of shared watercourses. While some within the G-77/China would have preferred that the CSD avoid this legal debate, those with clear and present interests in the question ensured that the Co-Chairs' text reflected the language of the recently agreed Convention on the Law of the Non-Navigational Uses of International Watercourses, which seeks to ensure an equitable sharing of resources and cooperation.

There appeared to be some convergence of views from the G-77 and other delegations, including the EU and the US. The convergence was evident on issues like the economic valuation of water (water pricing) – a concept that caused some nervousness within the G-77/China. Members of the G-77/China welcomed the fact that the EU, the US and Japan appeared to meet them half-way and acknowledge that water is also a social good, and indicated a preparedness to take account of country and regional specificities.

CONCLUSIONS: After a number of false starts, the international community is now presented with an opportunity to lift the countless words, ideas and principles from the pages of reports agreed at diverse intergovernmental deliberations over the course of the past twenty years. The outcome of the freshwater debate will have a special significance for the Commission, as it is the first post-UNGASS test of the body's ability to mobilize political will for action on a vital dimension of sustainable development.

THINGS TO LOOK FOR BEFORE CSD-6

UNEP HIGH-LEVEL COMMITTEE OF MINISTERS AND OFFICIALS: The second meeting of the High-Level Committee will meet in Nairobi, Kenya from 2-4 March, 1998. Delegates will review UNEP's freshwater strategy, among others. Contact: Tore J. Brevik, Director, Information and Public Affairs, UNEP, P.O. Box 30552, Nairobi, Kenya; tel: +254-2-62-3292; fax: +254-2-62-3927; e-mail: Tore.Brevik@unep.org.

GLOBAL WATER POLITICS – COOPERATION FOR TRANS-BOUNDARY WATER MANAGEMENT: The German Government will sponsor this international forum, which will convene in Petersburg (near Bonn) from 3-5 March 1998. The roundtable has been coordinated with the World Bank and will bring together approximately 50 high-ranking decision makers and experts. Contact: German Mission to the UN, tel: +1-212-856-6200; fax: +1-212-856-6280.

INTERNATIONAL CONFERENCE ON WATER AND SUSTAINABLE DEVELOPMENT: The French Government will sponsor this conference, which will meet in Paris from 19-21 March 1998. Eighty-four countries have been invited. The Conference hopes to contribute to the preparation of a strategic approach to water for CSD-6. Contact: General Secretariat of the Conference, Centre for International Conferences, 19 avenue Kléber, 75016 Paris, France; tel: +33-1-43-17-77-34; fax: +33-1-43-17-78-83; e-mail: ciedd@oieau.fr; Internet: <http://www.eaudd.com>.

CSD-6: The CSD will hold its sixth session (CSD-6) in New York from 20 April - 1 May 1998. For more information contact the Division for Sustainable Development, United Nations Plaza, Room DC2-2270, New York, NY 10017 USA; tel: +1-212-963 3170; fax: +1-212-963 4260; e-mail: dpcsd@un.org; Internet: <http://www.un.org/esa/sustdev/>.