



CSD-13 IPM HIGHLIGHTS: THURSDAY, 3 MARCH 2005

In the morning, delegates convened in parallel sessions to address human settlements, and to discuss integration between water and sanitation. In the afternoon, delegates discussed the inter-linkages and cross-cutting aspects of the policy options and possible actions for the three themes.

PARALLEL SESSIONS

HUMAN SETTLEMENTS: This session, chaired by CSD-13 Vice-Chair Shin, focused on financing to meet the needs of the urban poor.

On financing options, the EU urged: promoting co-financing; focusing on domestic financial markets; and stimulating domestic funding to enable development projects to leverage additional finances. The G-77/CHINA urged seed money for revolving funds and other schemes that mobilize local resources. CANADA discussed mortgage guarantee systems. UN-HABITAT stressed the need for pre-investment financing, as well as project financing, and called for a move from project-cycle to life-cycle funding. BRAZIL said cost recovery should not be the guiding principle for servicing the poor, and noted that results should be based on social indicators.

On enabling conditions, many delegates stressed the importance of institutional capacity building and involvement of local entities, including NGOs and community-based organizations. SWEDEN supported a coherent macro-economic policy framework. The EU said the private sector should be involved as a risk-sharing partner. UN-HABITAT urged support for developing regulatory and other enabling frameworks that address risk. He highlighted the role of re-financing and credit enhancement, and stressed the need to reduce the cost of borrowing to the poor, which the US said can be alleviated by reducing the risk of lending through loan guarantees, simultaneously leveraging additional private capital.

The EU, SWEDEN and FINLAND stressed the importance of good local governance. BENIN said good governance is a mutual commitment undertaken by donors and recipients, and should not be imposed as a condition that impedes implementation.

Many delegates underscored the need to empower local authorities. The EU stressed the importance of enabling local governments to access national and international capital markets. Several delegations highlighted the need to encourage micro-credit, micro-loans and micro-savings schemes, especially schemes targeted at women and youth. SWEDEN called attention to the link between women's credit access and security of tenure, and stressed the need to link rural and urban financing.

On resource mobilization and means of implementation, the G-77/CHINA underscored the need to finance technical assistance and training. UN-HABITAT stressed the role of debt relief in

freeing resources. Several developing countries stressed the need for developed countries to meet their ODA commitments. TANZANIA urged support for vocational training institutions. CHILDREN AND YOUTH highlighted their role in slum upgrading, noting its potential to reduce urban crime.

UN-HABITAT called on CSD to recommend a mechanism for experience-sharing, and the US highlighted sharing lessons learned via the internet. The UK and others urged support for UN-HABITAT's Slum Upgrading Facility.

WATER AND SANITATION: This session, chaired by CSD-13 Vice-Chair Berbalk, focused on integration, synergies and linkages between water and sanitation. Several delegations elaborated on their national experiences and programmes.

Many delegates underscored the vital linkage between water and sanitation. EGYPT stressed the importance of integrating water and sanitation needs at the outset of the planning process. The RUSSIAN FEDERATION underscored the role of central government in integration. MAURITANIA said special attention should be given to slums, rural and semi-urban areas. FARMERS proposed water supply cooperatives as a model for water provision in rural areas. NGOs called for the scaling-up of rainwater harvesting and micro-dams to meet the water and sanitation targets, and WOMEN urged the CSD to take decisions that reflect the needs of the poor.

Stressing the importance of hygiene education, NORWAY urged the provision of water for drinking and hygiene in schools, hygiene outreach, low-cost community-owned solutions, and cooperation between the education and environment sectors.

On finance, the EU said ODA could be used to leverage private investments. MARSHALL ISLANDS emphasized the need for co-financing, training and appropriate technology transfer. KENYA called for equal investments in water supply, wastewater, sewerage and solid waste management and treatment. The UK said new investments should target un-serviced areas, rather than upkeep costs of existing services. SWITZERLAND noted that revolving funds and other payment schemes can lower upfront and connection costs. EGYPT said financial assistance should not be linked to private sector involvement.

On the role of the private sector and partnerships, BUSINESS AND INDUSTRY said water and sanitation are public goods, and noted the need to address their role in the management of services. TRADE UNIONS said monopoly concessions to utilities are not partnerships, but constitute a "take-over," and cautioned that private finance is highly mobile and seeks the highest rate of return. FARMERS highlighted that private sector involvement differed from privatization of water. SOUTH AFRICA noted a shift in the World Bank's policy on the role of the private sector as the solution to service delivery. The EU said partnerships should demonstrate value, and be based on CSD-11 guidelines and the Bali Guiding Principles. The SCIENTIFIC AND TECHNOLOGICAL



COMMUNITY, supported by many, noted that the knowledge base on the integration of water and sanitation is inadequate. He called for building enhanced regional scientific and technological capacities, particularly in developing countries, and developing strong partnerships between scientists, engineers, educators and decision-makers.

On disasters, the ISDR SECRETARIAT emphasized that the WCDR outcomes stressed disaster risk reduction as an integral part of sustainable development and water policies. IRAN underscored the need to protect wetlands and address water and sanitation needs in arid and semi-arid areas. ITALY and others underscored the links between water supply, sanitation and groundwater management.

On linkages with other processes, WOMEN said the UN Decade on Education for Sustainable Development offers an opportunity to advance the links between education, water and sanitation, and the ISDR SECRETARIAT urged consideration of the linkages between CSD's work and the WCDR's outcomes.

PLENARY

WATER, SANITATION AND HUMAN SETTLEMENTS:

The afternoon session, chaired by CSD-13 Chair Ashe, focused on inter-linkages and cross-cutting aspects. Several delegates stressed integrated approaches in addressing the three themes, and outlined the need to integrate the themes into urban planning. The EU and G-77/CHINA recommended balancing urban and rural planning. Highlighting the detrimental impacts of sprawl, FINLAND supported macro-level policies and actions that promote sustainable urban structures and settlements patterns. SOUTH AFRICA stressed the need for integrated development planning to ensure that housing is delivered with water and sanitation. Argentina, for the RIO GROUP, highlighted the role of ecosystems in disaster prevention. Underscoring that the poor suffer the most from poor environmental quality, LOCAL AUTHORITIES supported national policies focusing on environmental aspects of establishing sustainable communities.

MAURITANIA underscored the links between the themes, while UN-HABITAT said human settlements is the integrating element between water and sanitation. INDIA said addressing poverty is the overarching theme of sustainable development, and with the RIO GROUP stressed the need to address unsustainable production and consumption patterns.

On gender mainstreaming, many delegations called for women's involvement in decision-making and implementation. SWITZERLAND recommended going beyond projects targeting women as an isolated group, stressed the need for improved understanding of the effects of policies on gender roles and power relations, and discussed innovative tools such as gender-budgets and -audits. SOUTH AFRICA said the promotion of gender equality should be part of poverty reduction strategies, and urged prioritizing the needs of vulnerable and marginalized groups in the delivery of basic services. UN-HABITAT highlighted the need for women's empowerment through property and inheritance rights, and MARSHALL ISLANDS urged the development of guidelines to foster women's involvement in decision-making.

The AFRICAN GROUP underscored the need to focus on sustainable development of Africa, noting that this is also a cross-cutting issue in CSD's work programme. MAURITIUS underscored that: SIDS continue to face serious water problems; water issues in SIDS need to be integrated with coastal management; and in the case of small islands, decentralization can be counterproductive.

On enabling environments and stakeholder involvement, CANADA stressed the importance of good governance, sound legal and regulatory frameworks, and stakeholder participation. The US highlighted the role of partnerships, noting that they complement bilateral programmes. NIGERIA and INDIA said partnerships can complement but not substitute government action. BUSINESS AND INDUSTRY stressed the need to rebuild trust in the private sector's involvement, and called attention to the importance of strengthening the responsibility and good governance of local authorities.

Many delegates emphasized the role of local government and community participation. LOCAL AUTHORITIES welcomed calls for, and urged specific commitments on, decentralization and local-level capacity building. UN-HABITAT called for the devolution of fiscal power to local authorities to address the mismatch between their fiscal power and their competencies. Several countries, including the RUSSIAN FEDERATION and EGYPT, stressed the role of central government.

On resource mobilization, financing and other means of implementation, the G-77/CHINA advocated prioritizing the three themes in national budgets, and recommended increasing the proportion of ODA allocated to the themes, noting the possibility of leveraging internal funds with ODA. He urged debt relief and stressed the importance of the participation of Bretton Woods Institutions at CSD-13. EGYPT said ODA should not be linked to conditionalities and highlighted the challenge of achieving full cost recovery in developing countries. SOUTH AFRICA noted limited progress on the provision of the means of implementation agreed to at the WSSD, stressing, *inter alia*, reform of international economic and trading systems, and market access for developing countries. IRAN urged the CSD to call on the GEF to consider increasing resources for land degradation in its next replenishment. The RIO GROUP discussed payment for environmental services as a mechanism for resource redistribution. INDIGENOUS PEOPLES noted the need to recognize their right to self-determination and expressed concerns about market-based approaches to water.

On monitoring and reporting, NIGERIA stressed the need for a follow-up mechanism for monitoring water and sanitation implementation, and UN-HABITAT proposed strengthening existing mechanisms. Many delegations expressed support for global level monitoring to be undertaken by the CSD, with IRAN noting that CSD was the only UN institution that accounted for all three pillars of sustainable development. IRAN recommended that more time be allocated to reviewing implementation of the themes of previous cycles in future Review Years.

On UN bodies and interagency coordination, EU highlighted the role of UN-Water in informing intergovernmental consultations and suggested reinforcing this role to include producing comprehensive reports. IRAN advocated strengthening UN-Water's terms of reference with regards to sanitation issues. SOUTH AFRICA recommended that CSD call upon UN bodies to enhance the alignment of their work programmes with the JPOI targets and to coordinate their work on the three themes.

IN THE CORRIDORS

While participants are eagerly awaiting the release of the Chair's text, a number of CSD veterans are already predicting that the text will be organized along the lines of how Chair Ashe structured Thursday's discussion on inter-linkages and cross-cutting aspects. Several participants observed that following three days of discussions, it was apparent that in addition to the specific options and actions for implementation, delegations are also highly concerned about what global frameworks and means of implementation the Chair's text will focus on. Given the wide range of views on these issues, some delegates are anticipating that Chair Ashe will utilize the intersessional period to identify areas of divergence, seek points of convergence and build bridges among key delegations.

THINGS TO LOOK FOR

CHAIR'S TEXT: The Chair's text will be circulated to delegates on Friday afternoon. The text will contain policy options and possible actions discussed at the IPM and will serve as the basis for discussions at CSD-13.

ENB SUMMARY AND ANALYSIS: The *Earth Negotiations Bulletin* summary and analysis of the IPM will be available on Monday, 7 March 2005 at: <http://www.iisd.ca/csd/csd13prep/>