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**STATEMENT BY  
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PERMANENT REPRESENTATIVE OF FRANCE TO THE OSCE,  
AT THE CONCLUDING MEETING OF THE 23rd OSCE  
ECONOMIC AND ENVIRONMENTAL FORUM**

Prague, 14 to 16 September 2015

**Water governance in the OSCE area – increasing security and stability  
through co-operation**

**Concluding plenary session – Follow-up to the 23rd OSCE Economic and  
Environmental Forum**

Mr. Chairperson,  
Mr. Co-ordinator of OSCE Economic and Environmental Activities,  
Excellencies,  
Ladies and gentlemen,

Water governance and its implications for security and stability is a key issue both in the OSCE area and globally. France welcomes this topic being the centre of focus of the Forum in Prague and of the OSCE's second dimension.

While the global population quadrupled between 1900 and 2010, water consumption has increased more than sixfold. Although the Millennium Development Goal regarding access to water, which aimed to halve the proportion of the people without access to improved drinking water, was achieved in 2010, more than 750 million people do not have access to water protected from contamination. One third of the global population lives under widely contrasting water-stressed conditions.

Asia, which houses 60 per cent of the world population, has only 30 per cent of the freshwater sources, while the Amazon, which contains 0.3 per cent of the global population, has 15 per cent of the water reserves. There is a particularly structural lack of water in already fragile regions in North Africa and the Middle East (less than 1,000 cubic metres of fresh water per year per inhabitant).

Water is an issue that cuts across the priorities of security, co-operation and economic relations, and the negotiations within the 2015 United Nations Climate Change Conference (COP 21) on food security, health, environment and energy. In both cases, strengthening governance and the capacity of partners at the local, national and regional levels is a priority:

- In terms of co-operation, France has genuine experience. On World Water Day (22 March 2014), it called for the adoption of a Sustainable Development Goal on Water and Sanitation. United under the French Water Partnership, public and private stakeholders are calling for water to be a key element of the agreement reached during COP 21.
- In terms of economy, the French water sector is involved in every stage of the chain: from the “little water cycle” (activities which involve boring and catching water, producing drinking water, and distributing, collecting and treating used water before releasing it into the natural environment) to the “big water cycle”, upstream as part of preserving natural resources and downstream to protect receiving environments.

Given the anxiety around natural resources, the needs of developing countries increasingly favour solutions that enable better preservation and management of water resources.

At the time of COP 21, businesses in the sector are seeking to put forward more economical technical solutions, distinguish themselves by mastering innovative technologies and secure their position in key, rapidly expanding areas: desalination of sea water (97 per cent of the planet’s water); services for a wider range of manufacturers beyond the hydrocarbon sector, for example in mines, pharmacy and aeronautics; and “smart”, a cross-cutting approach which aims to integrate new technologies in different sectors to increase efficiency.

Ladies and gentlemen,

Water governance and its impact on the security and stability of our region is one of the areas in which the Paris Climate Change Conference, COP 21, must encourage progress to be made. The fact that the OSCE included water governance in its agenda shows that the climate dimension is being recognized within the second dimension and is testament to the OSCE’s relevance in terms of sharing practices between participating States in this area.

Climate change is not just an environmental problem, but above all and at the same time an extremely serious threat to the development, health and security of populations, and ultimately, to peace in the world.

Let us now turn to the matter of “environmental or climate displaced persons”. Today in Europe, we are facing what is referred to as a migrant crisis, which is not solely linked to conflicts, and we are seeing the consequences, problems and all sorts of questions that this entails. Yet this affects some hundreds of thousands of refugees. If we do not act, or if we do not act fast enough, against climate change – which, as we know, results in droughts, famines and worldwide flooding, and has an impact on security – it will be not hundreds of thousands of people, but far more who will be affected by migratory movements. Hence the need, on the one hand, to take action in terms of mitigation and adaptation, and, on the other, to show solidarity in finding solutions for people who are forced to leave their homes because of natural disasters or other climate-related incidents. There is an initiative that was launched in 2011 following the Cancun Conference and continues to unite a number of countries, including France. It could result in working proposals both to better predict migration and to define a kind of charter of common principles regarding future migrants.

The Paris Conference is important because what is at stake is the life of the planet and the lives of species, including our own. As Minister Fabius said, there is so much at stake. Because whether or not this problem is solved depends on most other problems being solved. Because no region of the world is spared. Because time is running out. It is the question of development, of security, of life itself that is posed.

The four components of the Paris Alliance complement one another and are mutually reinforcing:

- A legally binding agreement with rules and mechanisms capable of gradually raising ambition;
- National taxes that each country is encouraged to introduce as soon as possible in accordance with national circumstances;
- A funding component in order to finance the transition to low-carbon and resilient economies;
- Multi-partnership initiatives on the agenda of solutions and the collaboration of non-State stakeholders in the implementation of concrete action.

It is in light of these four elements that the success of COP 21 will be measured.

The objective of the Paris Alliance is to propose not just an energy transition, but a complete transformation of our economies and societies.

The agreement's impact on the real economy and companies will come from the active and growing participation of millions of people who share the same vision, through converging and self-fulfilling expectations. If governments, economic stakeholders and citizens believe in taking an irreversible turn towards development that is sustainable, resilient and low in carbon, fossil fuels will become a thing of the past. We want to show that the transformation of our society is feasible, inevitable and, above all, already under way.

Paris should be a point of arrival and a point of departure. A tipping point.

With so much at stake, the Paris agreement must be:

- Universal, concluded for all and by all countries, and involving non-governmental stakeholders;
- Ambitious, with the aim of limiting the rise in temperature to 1.5 or 2°C;
- Sustainable and dynamic, in order to guide and strengthen action against climate change, based on a long-term goal;
- Flexible, in order to account for the respective needs and capacities of developing countries and guarantee that they have the necessary means for its implementation;
- Balanced between mitigation and adaptation, responding in particular to the needs of vulnerable countries in terms of financing and access to technology;

- Meaningful, in order to send economic stakeholders the necessary signals to commit to the transition to a low-carbon economy.

The Paris agreement is being developed ahead of the Paris Conference and we should address – and settle in advance – as many issues as possible. The goal is to finalize a first draft of the agreement in October.

Our exchanges have confirmed that all parties wish to see a universal and ambitious agreement reached in Paris. However, many of the key points still need to be determined, including differentiation, cycles, transparency, the legal nature of the agreement and even adaptation.

Following on from our debates over these three days, I welcome the focus on climate and security of the “security day” of 27 October.

Thank you for your attention.

1. The water market: a rapidly growing strategic sector.
2. The French bid benefits from age-old know-how and global renown:
  - Engineering firms that design and oversee the building of water production/treatment plants, storage basins and related piping systems (Egis, Artelia, Burgeap, Suez Environnement (Safège), Veolia (Seureca), Bayard, BRLi, G2C, Nantaise des Eaux Ingénierie, etc.);
  - Construction industry groups that build these facilities (the three global giants are Bouygues Construction, Vinci and Eiffage and they can involve small-scale subcontractors);
  - Manufacturers of equipment needed to build and operate these plants (physical, chemical or biological treatment products and facilities, etc.);
  - Companies specializing in exploitation, boring and piping construction (Saint-Gobain PAM, La SADE, etc.);
  - Companies offering services to manage, operate and maintain these facilities (large groups: Veolia Eau, Suez Environnement and SAUR; and also small- and medium-size enterprises and mid-cap companies: Hydroconseil, ASPA Utilities, Lysa, etc.).

Their geographical coverage is vast and cannot be easily mapped owing to the diversity of professions and the number of companies. The most visible large groups, such as Suez, Veolia and SAUR, are located in a wide range of countries (Suez is in more than 70). In terms of permanent presence, China, Morocco, the United States of America and Australia are key for Suez, while SAUR is predominantly present in Europe and Saudi Arabia. These groups wish to expand in high potential countries, such as Central and Eastern Europe, the Gulf States and North Asia, as well as India, Canada and North Africa for Suez, and Latin America for Veolia.

3. Hoping to export a driver of growth, our companies are proposing innovative solutions to enable better preservation of resources:
  - Desalination of sea water (97 per cent of the planet's water) is a fast growing market. Suez Environnement and Veolia are well positioned thanks to their research and development efforts. In January 2015, Engie and Suez Environnement signed a research contract with Abu Dhabi Future Energy Company and the Masdar Institute of Science and Technology to study the possibility of removing salt from sea water through a unit powered 100 per cent by solar energy, which would be a world first.<sup>1</sup>
  - Services to manufacturers: this branch of activity is not new, but until recently was limited to a small number of sectors, such as petrol and gas. It is now booming thanks to growing demand from new industrial sectors (mining, pharmacy, aeronautics, etc.).

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1 This project is part of the contract won by Degrémont, a subsidiary of Suez Environnement, in June 2014 for the construction of a pilot sea-water desalination plant with low environmental impact and potentially powered by 100 per cent renewable energy.

Veolia and Seuz Environnement have notably made selling services to mining businesses a strategic priority. In April 2015, Suez announced a deal to buy Mining and Industrial Labour Services (Mails), an Australian expert in industrial waste treatment, while Veolia is aiming for a turnover of 1.5 billion dollars in the mining sector in 2020.

- “Smart”, a cross-cutting approach which aims to integrate new technologies in different sectors in order to increase efficiency. For example, the mid-cap company Itron manufactures smart water meters that enable consumption to be measured and leaks to be detected remotely.
4. The network could contribute to the sector’s visibility and success.

Above all, this is about making the French bid and its capacity for innovation and adaptation known among local decision makers. This note was written for this purpose.

State networks abroad involved with Business France are designed to support manufacturers in identifying relevant decision makers and potential markets. To this end, the actions of special representatives of the Minister and the Federator “Live better in the city – Vivapolis”, Michèle Pappalardo, can be usefully combined to ensure relay to the companies in the network upon request. Local dialogue in advance with backers and the French Development Agency can only be recommended.

Principal stakeholders’ contacts, as well as examples of joint initiatives between institutional stakeholders and posts, that may serve as examples of “good practices”, can be found in the annex.