

## 23<sup>rd</sup> ECONOMIC AND ENVIRONMENTAL FORUM

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

FIRST PREPARATORY MEETING

Vienna, 26-27 January 2015

## CONSOLIDATED SUMMARY

Conference documents can be retrieved from the Website: [http://www.osce.org/event/23rd\\_eef\\_prep1](http://www.osce.org/event/23rd_eef_prep1)

## Table of Content

<b>EXECUTIVE SUMMARY .....</b>	<b>4</b>
<b>REPORTS OF THE RAPPORTEURS .....</b>	<b>5</b>
<i>Opening Session:.....</i>	5
<i>Session I: Water governance – approaches, elements, actors .....</i>	11
<i>Session II: Water governance across sectors: Fostering food and energy security.....</i>	14
<i>Session III: Water governance and the environment: Protecting ecosystems and increasing water efficiency .....</i>	18
<i>Session IV: Water governance at different levels.....</i>	22
<i>Session V: Good water governance and transparency.....</i>	26
<i>Session VI: Opportunities for exchange of knowledge and experience in water governance .....</i>	29
<i>Concluding Session:.....</i>	33
<b>ANNEX I.....</b>	<b>37</b>
Decision No. 1131 Theme, Agenda and Modalities for the Twenty-Third Economic and Environmental Forum.....	37
<b>ANNEX II: OPENING REMARKS .....</b>	<b>40</b>
Opening address of Ambassador Vuk Žugić, Chairperson of the Permanent Council, Permanent Representative of Serbia to the OSCE, 2015 OSCE Serbian Chairmanship.....	40
Opening address of Ambassador Secretary General, Lamberto Zannier .....	42
Opening address of Dr. Halil Yurdakul Yiğitgüden, Co-ordinator of OSCE Economic and Environmental Activities .....	45
<b>ANNEX III: KEYNOTE SPEECHES .....</b>	<b>48</b>
Keynote speech by Ms. Stana Božović, State Secretary, Ministry of Agriculture and Environmental Protection, Republic of Serbia .....	48
<b>ANNEX IV: CLOSING REMARKS .....</b>	<b>51</b>
Closing Statement of Dr. Halil Yurdakul Yiğitgüden, Co-ordinator of OSCE Economic and Environmental Activities .....	51
Closing Statement of the Permanent Representative of Switzerland, Ambassador Thomas Greminger....	54
Closing Statement of Ms. Christine Weil, Deputy Permanent Representative, Permanent Mission of Germany to the OSCE.....	58
<b>ANNEX V: ANNOTATED AGENDA .....</b>	<b>61</b>

**PLEASE NOTE:**

All documents and speakers' presentations are available on the OSCE Forum website:

[http://www.osce.org/event/23rd\\_eef\\_prep1](http://www.osce.org/event/23rd_eef_prep1)

# **EXECUTIVE SUMMARY**

## **23<sup>rd</sup> ECONOMIC AND ENVIRONMENTAL FORUM**

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

#### **FIRST PREPARATORY MEETING**

**Vienna, 26 - 27 January 2015**

The First Preparatory Meeting of the 23<sup>rd</sup> OSCE Economic and Environmental Forum (EEF) on “Water governance in the OSCE area – increasing security and stability through co-operation” took place in Vienna on 26-27 January 2015. Six thematic areas were addressed during the two-day meeting:

- Water governance – approaches, elements, actors;
- Water governance across sectors: Fostering food and energy security;
- Water governance and the environment: Protecting ecosystems and increasing water efficiency;
- Water governance at different levels;
- Good water governance and transparency;
- Opportunities for exchange of knowledge and experience in water governance.

Around 250 participants, including official representatives of OSCE participating States and Field Operations, as well as experts from international, regional and non-governmental organizations and academia attended the Economic and Environmental Forum and engaged in discussions about various aspects of good water governance, including basin-wide coordination and co-operation across sectors, exchange of information, stakeholder involvement and protection of the environment.

Furthermore, they discussed how to deepen the OSCE’s political commitments and engagement in supporting water reforms, water diplomacy, good water governance and sustainable water management.

A number of concrete recommendations concerning responses to challenges regarding water governance in the OSCE area were made. They can be found at the end of each Session’s report of this Consolidated Summary.

## REPORTS OF THE RAPPORTEURS

### *Opening Session:*

#### **Welcoming Remarks**

- **Ambassador Vuk Žugić**, Chairperson of the Permanent Council, Permanent Representative of Serbia to the OSCE, 2015 OSCE Serbian Chairmanship
- **Ambassador Lamberto Zannier**, OSCE Secretary General
- **Dr. Halil Yurdakul Yiğitgüden**, Co-ordinator of OSCE Economic and Environmental Activities

#### **Keynote speeches**

- **Ms. Stana Božović**, State Secretary, Ministry of Agriculture and Environmental Protection, Republic of Serbia
- **Prof. John Anthony Allan**, Professor of Geography, King's College, London
- **Dr. Mohamed Ait Kadi, Chair**, Global Water Partnership Technical Committee, Ministry of Agriculture and Marine Fisheries, Kingdom of Morocco

**Rapporteur: Mr. Andrew Peebles**, EU Delegation to the International Organizations in Vienna

*Ambassador Vuk Žugić, Chairperson of the Permanent Council*, welcomed all participants to the First Preparatory Meeting of the 23<sup>rd</sup> OSCE Economic and Environmental Forum (EEF). He expressed that during the course of this year the CiO will strive to determine and specify how water governance can better contribute to the increased security and stability in the OSCE region. Ambassador Žugić emphasized that the devastating floods in the Western Balkans in May 2014 have illustrated how co-operation on the transboundary, national and local levels, can be of utmost importance. He outlined that the meeting would see the deliberation of improving integrated and cross-sectoral approaches to water resource management, fostering food and energy security, the protection of ecosystems and increasing water productivity, reducing pollution and the treatment and re-use of water. He reiterated that it is one of the tasks of the Serbian Chairmanship to promote synergies between the OSCE's three dimensions and use the ongoing "Helsinki +40" process to tackle the issue of good water governance.

*OSCE Secretary General Lamberto Zannier* stated that the 1975 *Helsinki Act*, the 2003 *Maastricht Strategy Document*, the 2007 *Madrid Declaration on Environment and Security* and the 2014 *Ministerial Council Decision No.6/14 on Enhancing Disaster Risk Reduction*, have all committed OSCE participating States to improve environmental governance by,

among other things, strengthening the sustainable water management. The Secretary General underlined water has a two-way security aspect – water as a source of conflict and water co-operation as a tool for conflict prevention. He took note that in its yearly Global Risk Report, the World Economic Forum listed water as one of the highest global risks in terms of possible impacts to humanity. Ambassador Zannier underscored that in 2014, the OSCE held the *Workshop on Environment and Security Issues in the Southern Mediterranean Region and the Security Days Event on Water Diplomacy* which both stressed that the OSCE needs to focus on policy and not politics as well as a multi-sectoral and multi-disciplinary approach to water security. He reiterated that when discussing water we should be mindful of climate change and negotiations that continue under UN guidance and that will culminate at the Paris Climate Change Conference in December. He concluded by stating that the OSCE will discuss ways to further develop its role in water governance in close concert with its international partners, in particular the Environment and Security Initiative (ENVSEC).

*Dr. Halil Yurdakul Yiğitgüden, Co-ordinator of OSCE Economic and Environmental Activities (CoEEA)*, noted that in the absence of good water governance, water might become a source of conflict. Dr. Yiğitgüden illustrated some key examples of how his office and the Field Operations have been actively engaged in water governance, mainly through the Environment and Security Initiative (ENVSEC). He expressed that in South-Eastern Europe (SEE), the OSCE has been involved in the *Framework Agreement on the Sava River Basin* and that the OSCE field operations in the region support disaster risk reduction with various activities, including through the Aarhus Centres network. In Eastern Europe, the OSCE has continued to support activities targeting the Dniester Basin through several projects within the framework of the ENVSEC initiative. He mentioned that one of the most recent results has been a draft basin-wide strategic framework for climate change adaptation developed within an OSCE-led ENVSEC project on climate change and security. In the South Caucasus, together with the UNECE, the OSCE has facilitated negotiations between Azerbaijan and Georgia on a co-operation agreement on the management of the Kura River Basin, which in turn envisages the establishment of a joint commission for protection and rational use of water resources in the basin. In Central Asia, the OSCE has been engaged in facilitating transboundary water co-operation along the Upper Amu Darya River between Tajikistan and Afghanistan and has helped establish a bilateral water commission between Kazakhstan and Kyrgyzstan in the basins of Chu and Talas Rivers.

*Ms. Stana Božović, State Secretary of the Ministry of Agriculture and Environmental Protection of the Republic of Serbia*, underlined the importance of regional co-operation concerning the issues of environmental protection and good water governance. The State Secretary highlighted that Serbia gives high priority to the protection of the Danube River, the sustainable use of natural resources and mitigation of the impact of water-related disasters, ensuring the quick and efficient exchange of information between all countries in the region. Although these priorities have been complemented by the ratification of the Danube River Protection Convention, the ongoing European Union accession process stipulates and will entail the full compliance with the *EU Water Framework Directive*, the *EU Nitrates Directive* and the *Urban Waste Water Treatment Directive*. Within the OSCE context, Ms. Božović placed special emphasis on the five following issues important for achieving progress: 1) the implementation of the principles of good water governance, which includes the reduction of the impact of pollution caused by urban waste water; 2) giving priority to the security dimension of sustainable management of aquatic ecosystems, as well as considering the impact of climate change; 3) providing an opportunity for establishing a partnership framework for environmental protection and the efficient use of water at local, national and transboundary level; 4) maximizing the use of economic instruments for greater

efficiency in the field of water protection; 5) focusing on transparency in the water sector at local, regional and national levels.

*Prof. John Anthony Allan, Professor of Geography at King's College London*, stated that it is necessary to understand not only the hydrology, but also the political economy of water. As 90 per cent of water is used for food and fiber production, trade in food is an important element in the "Virtual Water Trade". This concept (also known as trade in embedded or embodied water) refers to the hidden flow of water if food or other commodities are traded from one place to another. For example, when a country imports one ton of wheat instead of producing it domestically, it is saving about 1,300 cubic meters of real indigenous water. If this country is water-scarce, the water that is "saved" can be used towards other ends. He emphasized that as 15 per cent of food in the world is traded and 50 countries out of the 210 countries in the world are net importers. The need to maintain trade and co-operation is crucial in preventing conflict. On the other hand, if food trade was disrupted by conflicts, the real danger of water conflicts would emerge. Prof. Allan reminded that water governance needs government (.gov), private sector (.com) and civil society (.org) involvement. Professor Allan also highlighted that although we place a high emphasis on co-operation as a means to prevent conflict, co-operation can be risky if it is highly asymmetrical and some partners feel powerless. He concluded by stating that ultimately, development and political stability is not determined by water availability but by the political economy.

*Dr. Mohamed Ait Kadi, Chair of the Global Water Partnership (GWP) Technical Committee* posed two questions: 1) Why is water security a global concern? 2) What actions do we need to enable effective governance and sustainable use of water resources? In addressing his first question, he raised the issue that, at present, water-scarce regions account for 36 per cent of the global population (2.5 billion) and 22 per cent of global GDP (\$9.4 trillion). He noted that if we continue with a "business-as-usual" approach, then by 2050, half of the world's population, half of the grain production and 45 per cent of GDP will be in regions at risk of water stress. He stressed that the effects of the financial crisis on capital markets and recurrent spikes in food prices have exposed the vulnerability of national food security and constrained investment in water security in many countries. He argued that in the long-run, the ecological crisis and the economic crisis are intrinsically part of the same problem. In response to his second question, he called for: 1) major shifts in conceptual approaches to water governance to limit calamities that can otherwise be foreseen: 2) OSCE participating States to recognize that poorer countries often suffer from the curse of variability in their hydrology and limited capacities to deal with climate change; 3) creating an enabling environment based on an adequate set of mutually supportive policies and a comprehensive legal framework that contains a coherent set of incentives and regulatory framework; 4) strengthening or creating institutions and mechanisms that can transcend the geographical boundaries between countries as well as boundaries between sectors. In conclusion, he stated that knowledge can stimulate behavioural changes towards creating a new "water culture".

Then the floor was opened for discussion.

*Latvia on behalf of the European Union* (aligned by the former Yugoslav Republic of Macedonia, Albania, Bosnia and Herzegovina, as well as Ukraine, Georgia, Andorra and Monaco) stated that reconciling different uses of water resources such as drinking water and sanitation, agriculture, food production, industry and energy are major water security challenges. According to the EU, its water policy has successfully contributed to water protection over the past three decades, for example, in the Rhine and Danube river basins. However, some challenges remain because of a lack of transboundary river basin agreements with some EU neighbouring countries. The EU referred to the Council Conclusions on Water

Diplomacy of 2013 and stated that the *UNECE Convention on the Protection and Use of Transboundary Watercourses and International Lakes (Helsinki 1992)* and *United Nations Convention on the Law of the Non-Navigational Uses of International Watercourses* are important instruments in promoting equitable, sustainable and integrated management of transboundary water resources. The European Union noted that the OSCE has only two documents specifically relating to water, *Ministerial Council Decision 7/07 on Follow-Up to the Fifteenth Economic and Environmental Forum: Water Management* and *Ministerial Council Decision 9/08 on the Follow-up to the Sixteenth Economic and Environmental Forum on Maritime and Inland Waterways Co-operation*. He added that perhaps there are possibilities of finding new areas of co-operation. Since environmental challenges often are of transboundary nature, the OSCE is well placed in responding to these and implementing confidence-building measures.

*The representative of Switzerland* pointed out that increasing competition and stress on water resources pose a significant security risk that the OSCE, with its comprehensive security approach, must address. The Swiss representative expressed that Switzerland is looking forward to deliberating the water-security-climate nexus at the Second Preparatory Meeting in Belgrade. In conclusion, Switzerland referred to the Security Days Event on Water Diplomacy organized last year and called to build upon its outcomes and recommendations in order to reinforce the role of the OSCE in water diplomacy.

*The representative of the Russian Federation* noted that water resources affect the socio-economic and political conditions of every country. In Russia alone, 17 of its important and heavily populated river basins are transboundary. In addition, to ensure that its river basins are kept unpolluted, Russia is actively participating in the Global Water Partnership, and has ratified international legal instruments such as the 1992 Helsinki Convention, as well as signed 10 international agreements with its neighbours to be able to respond to and deal with emergencies as well as strengthen good governance. The representative stressed that the OSCE should promote good examples of sharing hydrological and meteorological information. The Russian Federation believed that the OSCE should continue to promote the sharing of information, best practices. This would provide added value without duplicating activities of other international organizations and participating States.

*The representative of Uzbekistan* highlighted that good water governance is an important field of ecological security and is being increasingly raised on the global agenda. In particular, food security is of growing concern due to population growth, climate change and environmental degradation. The representative conveyed that Uzbekistan has implemented comprehensive agrarian reforms, including Integrated Water Resources Management (IWRM) and new systems of water distribution. He warned that the drying out of the Aral Sea is having a profound effect on the region, and informed that the recent conference “Development of Co-operation on Mitigation of Ecological Disaster’s Consequences in the Aral Sea Basin” in October 2014 in Urgench raised 3 billion USD for local and regional projects. He stressed that in Central Asia, proper water management is the basis for the well-being of 60 million people, the lack of it can create security risks and negative effects in particular for the downstream areas.

*The representative of Turkey* indicated that OSCE’s work on transboundary water issues should be in tune with that of principal fora, and be very cautiously crafted in light of the nature of some of the issues that cause divergence among countries, including some participating States. The representative highlighted climate change as one of the biggest obstacles in water efficiency and added that water-impacting climate change is already present in the form of severe, frequent droughts and that higher temperatures and changes in



extremes are creating uncertainties in availability and distribution of water resources necessitating development of appropriate climate change adaptation strategies. The representative indicated that the underpinning principle of the Turkish transboundary water policy is the utilization of the transboundary rivers in an equitable, reasonable and optimal manner in the interest of riparian States. Turkey considers water as a source of co-operation and believes that riparian States should adopt a comprehensive approach to water issues. It considers that since transboundary waters have their own specific characteristics and peculiarities, transboundary water issues should be handled first and foremost among the riparian countries. In this regard, possible contributions by third parties and entities may be envisaged once such a process is complete.

*The representative of Armenia* raised the issue that access to water is an individual human right and as such it should be protected by human rights covenants. The OSCE can bring added value by identifying needs and assessing gaps. To identify the current needs, it is essential that the OSCE can engage in processes in which there is an absence of bilateral and multilateral negotiations. Additionally, it was highlighted that the OSCE's involvement in ENVSEC provides a good framework for such discussions on good water governance, to which the work of the field operations brings a significant added value. Furthermore, the representative of the Armenian Delegation mentioned the support provided by the Aarhus Centres on the ground and by projects addressing the grassroots level, such as the Civic Action for Security and Environment (CASE)-Small Grants Initiative. In summarizing, the representative expressed that water diplomacy cannot be a zero-sum game and that confidence building measures are one of the most important tools of water diplomacy.

*The representative of Slovenia* noted that the country is actively striving to enhance cross-border co-operation and consensus for planning and implementing coordinated measures to reduce the negative effects of climate change by: 1) drafting the Sustainable Development Strategy for the Adriatic; 2) heading the drafting of the EU Strategy for the Adriatic and Ionian Region; 3) enhancing co-operation in the Sava river basin at a sub-regional level, with the implementation of the Danube River Protection Convention and the adoption of the Sava River Basin Management Plan (December 2015); 4) drafting the Flood Risk Management Plan in the Western Balkans; 5) drafting an initiative to enhance co-operation on the preservation of biodiversity in the Dinaric Arc.

*The representative of the United States of America* expressed his strong support for the focus on water governance and outlined three key points: 1) Water scarcity and poor water quality will increase disease, undermine economic growth, limit food productions, and become a threat to peace and security in many regions of the world. Climate change will exacerbate these issues; 2) Good governance plays a key role in meeting water demands, and there is a need to push the tools and capacities of the OSCE to their highest potential; 3) One should not shy away from the potential of the OSCE as a platform for dialogue on these issues.

*The representative of Spain* welcomed the topic and outlined three main areas of importance to Spain: (1) a holistic approach to river basin management, (2) the fight against extreme events, and (3) transboundary co-operation. Regarding the last point, he recalled that Portugal and Spain signed the Albufeira Convention in 1998. He underlined that Spain is fully engaged in the promotion of access to water and sanitation as a basic human right. Noting Spain's joint engagement with Germany in the UN in this respect, he expressed his wish for continuity on this topic with the incoming Chairmanship.

*The representative of the OSCE Parliamentary Assembly* reiterated that the Vilnius, Monaco, Istanbul, and Baku Declarations have raised the issue of water security and have provided an extensive list of recommendations.

The following conclusions and recommendations can be drawn from the discussion:

- The multiple water challenges related to global growth and climate change can threaten social and political stability.
- Good water governance is key in meeting water demands and preventing conflict.
- The OSCE needs to focus upon a multi-sectoral and multi-disciplinary approach to water security;
- The need to maintain trade and co-operation is crucial in preventing conflict;
- The need to create and enable an environment based on an adequate set of mutually supportive policies and a comprehensive legal framework;
- The OSCE should enforce its engagement in water diplomacy through interdisciplinary co-operation and confidence building measures;
- The OSCE should promote good examples of best sharing practices on hydrological and meteorological information;
- Climate change remains one of the biggest obstacles in water efficiency;
- Water scarcity and poor water quality will increase diseases, undermine economic growth, limit food productions, and become a threat to peace and security.

*Session I: Water governance – approaches, elements, actors*

**Moderator:** Ambassador Tomislav Leko, Permanent Representative of Bosnia and Herzegovina to the International Organizations in Vienna, Chairperson of the Economic and Environmental Committee

**Rapporteur:** Ms. Jenniver Sehring, Environmental Affairs Adviser, Office of the Co-ordinator of OSCE Economic and Environmental Activities

**Speakers:**

- **Mr. Håkan Tropp**, Managing Director, Knowledge Services Department, Stockholm International Water Institute
- **Mr. Peter Glas**, President, Netherlands Association of Regional Water Authorities, Chair of OECD Water Governance Initiative
- **Dr. Benjamin Pohl**, Senior Project Manager, Adelphi
- **Ms. Eileen Hofstetter**, Water Policy Advisor, Global Programme Water Initiatives, Swiss Agency for Development and Co-operation

*Ambassador Tomislav Leko* introduced the session by stressing that water governance is about joint decision making and identifying values, which requires public discourse and rule of law.

*Mr. Håkan Tropp, Stockholm International Water Institute*, introduced the general concept of water governance, which UNDP defines as the range of political, social, economic and administrative systems that are in place to develop and manage water resources and the delivery of water services, at different levels of society. The insight that the water crisis is a governance crisis reversed the focus and entry point to address water challenges. He stressed the role and importance of politics, the quality of institutions and interaction between organizations, as well as that water governance should be neutral and forward looking.. Water governance approaches moved from state-centric to polycentric governance, which advocates for shared responsibility between government, civil society and private sector. While water reforms were often successful in terms of legislation, there are still many challenges in implementation. This shows that stronger governance is needed, in particular transparency, accountability, and integrity. He pointed to corruption as a relatively new issue in water governance, which needs more attention. Mr. Tropp recommended following a practical approach to water governance with concrete tools, looking more closely into water integrity, social equity and anti-corruption matters and strengthen research on the nexus between water governance and security in broad sense.

*Mr. Peter Glas, Chair of the OECD Water Governance Initiative (WGI)*, stressed the importance of water governance for security, stability and welfare. The OECD, through its Water Governance Initiative (WGI) as a multi-stakeholder platform, is aiming to advise governments on the design and implementation of water policies. He gave an overview of the draft OECD Water Governance Principles, which are currently being developed in a bottom-up fashion within WGI and extensively discussed with OECD members in the relevant subsidiary bodies. These 12 principles aim to increase efficiency, effectiveness, and

engagement and trust, and include concrete indicators. They are expected to be endorsed by the OECD Ministerial Council in June 2015. The draft principles are currently under consultation and OSCE participating States are invited to comment on them. Mr. Glas highly welcomed that the OSCE has already established connections with the OECD WGI and considers a membership.

*Mr. Benjamin Pohl, Adelphi*, focused on how foreign policy could better address transboundary water co-operation and water policy. Based on a recent report commissioned by the German Federal Foreign Office, he argued that there was a trend to support technical co-operation but this would not automatically translate into political collaboration. Foreign policy makers need to come in as they have the mandate and skills to address political issues. Instead of only using technical co-operation and keep politics out, strategies for water co-operation should reflect and harness political realities in basins. In general, the political opportunities of co-operation are bigger than risks. He called to persuade foreign policy makers that transboundary water issues are worth their attention. He identified the following as three main challenges: the need for facilitating agency, improving co-ordination among and within countries, as well as enabling actors and developing institutional capacities.

*Ms. Eileen Hofstetter, Swiss Agency for Development and Co-operation (SDC)*, stressed that only a small percentage of all financing dedicated to the water sector is focused on water governance. This could have adverse implications as the global water crisis is not just a threat but a threat multiplier, with implications for food and energy security, as well as political and social stability. In order to achieve good water governance, it is imperative to provide better information for planning, management and policy making, to strengthen institutions, and to ensure sustainable infrastructure measures. She gave examples of three SDC projects that support best practices in the implementation of good water governance: The iMoMo Central Asia project which focuses on access to information and transparent monitoring in Kyrgyzstan and Kazakhstan; the Integrated Water Resources Management in the Ferghana Valley project (Central Asia) to improve water management through IWRM-driven institutional changes; and the Water and Sanitation Project Moldova with a multi-level approach focusing on investment and infrastructure. In a reference to the Sustainable Development Goals, she also welcomed that the water goal as adopted by the Open Working Group calls for “the implementation by 2030 of integrated water resources management at all levels, including through transboundary co-operation as appropriate”.

Then the floor was opened for discussion.

*A representative of Albania* asked for mechanisms for stronger international pressure on governments that do not follow sustainable water policies, referring to the example of contracts of the previous Albanian government with private companies to construct 600 small hydro-power plants without taking environmental impacts into account.

*A representative of the European Union (EU)* commended River Basin Management (water management according to hydrological unit) as best model for water management. Criteria for successful water governance are clear objectives, meaningful sectoral and stakeholder involvement, resource allocation, and effective institutional setting at river basin level. He stressed that adequate governance and co-operation at regional and transboundary level ensure peace and security.

*A representative of the Regional Environmental Centre for Central and Eastern Europe (REC)* informed the participants about a recent project funded by Switzerland in MENA

region, which aimed to support capacities for IWRM, dialogue on water issues, and adaptation to climate change in the water sector at national and regional levels.

*Mr. Tropp* reminded that the River Basin Management approach is often difficult to implement, for example due to resistance from government to devolution of power, or insufficient transfer of finances and capacities. He urged to view water reform as an iterative process, and to be realistic about human and financial capacities and resources.

*A representative of the Republic of Serbia* welcomed the clear link of water governance and security in all presentations.

*A representative of UNECE* welcomed the Swiss engagement in Moldova and informed about ongoing work on a policy-guidance on benefits of water co-operation in the framework of the *UNECE Water Convention*. An upcoming workshop will focus on geopolitical and regional economic benefits. He would welcome co-operation with the OSCE to test these benefits in different basins.

*A representative of UNISDR* expressed his appreciation of last year's Ministerial Decision on Enhancing Disaster Risk Reduction (MC.DEC/6/14), which will be considered in further discussions of the post HFA framework. He requested guidance how UNISDR could work closely with the OSCE on implementation and reporting.

In the speakers' concluding remarks, *Mr. Tropp* reminded about the importance to not only develop policies, but also take care of their proper implementation.

*Mr. Glas* supported this by adding that policies have to be formulated in a pragmatic way. He stressed that the WGI process with its wide array of stakeholders was rather unique and new for the OECD. Finally, he pointed to the role of the current OECD Secretary General Angel Gurría, who chose water as one of his three priorities.

*Mr. Pohl* reiterated that a focus on the technical level alone is often insufficient, and politics have to be targeted.

*Ms. Hofstetter* added that apart from implementation and pragmatism, long term commitment and flexibility in approaches are key for effective water governance.

The following conclusions and recommendations can be drawn from the discussion:

- Pursue a pragmatic approach to water governance with concrete tools;
- Strengthen research and application on the nexus between water governance and security as well as critical governance elements;
- Bring water issues to the agenda of foreign policy-makers;
- Contribute to the work of the OECD WGI in developing draft Water Governance Principles;
- Combine support for technical co-operation with a political engagement reflecting and harnessing political realities in basins;
- Co-operate with UNECE on case studies on the geopolitical and regional economic benefits of transboundary water co-operation;
- Co-operate with UNISDR in the implementation and follow-up of the Ministerial Decision on Enhancing Disaster Risk Reduction (MC.DEC/6/14).

*Session II: Water governance across sectors: Fostering food and energy security*

**Moderator:** Mr. David Wiberg, Acting Director of the Water Programme, International Institute for Applied Systems Analysis

**Rapporteur:** Mr. Manav Sachdeva, Environmental and Economic Officer, OSCE Centre in Bishkek/Osh Field Office

**Speakers:**

- Mr. Gheorghe Constantin, Director, Ministry of Environment, Romania, Chair of the EU Water Initiative's Working Group on Eastern Europe, Caucasus and Central Asia
- Mr. Cameron Ironside, Programme Director, Sustainability, International Hydropower Association
- Mr. Nicholas Bonvoisin, Secretary, UNECE Convention on the Protection and Use of Transboundary Watercourses and International Lakes
- Mr. Tom Mollenkopf, Senior Vice-President, International Water Association

The moderator Mr. David Wiberg, Acting Director of the Water Programme, International Institute for Applied Systems Analysis (IASA), welcomed the participants to the second session and presented IASA's mandate which is to conduct policy-oriented research into problems that are too complex to be handled by a single country or discipline. He noted that water falls under this scope as water needs to be managed across different scales. He added that water would become a globally scarce good which is why we must work together to manage water security as solutions cannot be reached locally anymore. He recognized the challenge of bringing all stakeholders together would not always be easy.

Mr. Gheorghe Constantin, Director at the Ministry of Environment of Romania and Chair of the EU Water Initiative's Working Group on Eastern Europe, Caucasus and Central Asia stated that the EU Water Initiative (EUWI) has two main objectives: a) to promote water and sanitation in order to meet the Millennium Development Goals (MDGs), and b) to promote the implementation of Integrated Water Resources Management (IWRM). The main operational instrument of the EUWI are the "National Policy Dialogues (NPDs)" at senior political level, which serve as a cross-sectoral platform for negotiating water management and result in the preparation and implementation of "policy packages". The NPDs on IWRM have addressed water legislation, issues of drinking water quality, national policies for management of transboundary waters, and adaptation of water sector to climate change. Several projects with successful results have been mentioned focusing on different areas of water management, such as water quality, water supply and sanitation, and water and health.

Mr. Cameron Ironside, Programme Director for Sustainability, International Hydropower Association (IHA), highlighted two main elements of sustainable hydropower: (1) build the right dams, and (2) build dams the right way. To achieve this, the IHA has developed the *Hydropower Sustainability Assessment Protocol*. He stressed that sustainability is not a question of size, as the effects of many small hydro-power plants can cumulate to larger impacts. The sustainability in hydropower projects is more of a concern than the size of a project. In view of climate change, storage of water is of key importance. 'Building the right

dams the right way' involves using the right tools to look at alternatives, and long-term costs to the country and holistic environmental costs rather than construction-of-project costs only. He added "the true cost of a dam never shows up on the balance sheet". Societal costs and social/environmental costs must also be considered. The *Hydropower Sustainability Assessment Protocol* took ten years to develop and encompasses all aspects of sustainability: It helps to address the concerns highlighted above so that stakeholders, having refined the tool, may look at integrated topics including benefits, gender issues, displacement, feasibility, labour conditions and other comprehensive assessments such as cultural heritage etc.

*Mr. Nicholas Bonvoisin, Secretary of the UNECE Convention on the Protection and Use of Transboundary Watercourses and International Lakes*, stressed the nexus between water, food security, energy security, climate change and ecosystems that required co-ordination and co-operation between water management agencies and other sectors. Mr. Bonvoisin, underlined the importance of transboundary co-operation and presented various examples of UNECE activities in this respect. He commended the immense support of the Environment and Security Initiative (ENVSEC) on these processes. Climate change adaptation also remains important to address these concerns. This approach of nexus helps to bring people together in workshop-type programs with representatives from the agriculture and energy sector, water and environment administrations, state companies, the private sector as well as civil society, to tackle challenges and look at inter-sector linkages to address these concerns. Finally there are more benefits of looking at the basin as a whole that is achievable only through joint action. He requested the OSCE to promote the Water Convention with a view to encouraging its participating States to become parties to the Water Convention. He also underlined the role that the Aarhus Centres could play in providing impetus at national level to the implementation of the Convention.

*Mr. Tom Mollenkopf, Senior Vice-President of the International Water Association*, contributed a perspective from the OSCE's Partner for Co-operation, Australia, that faces huge challenges of water scarcity and climate change impacts and which at the same time needs a good co-ordination between the federal states. He stressed that, as technical efficiency is already well developed and technical innovation is marginal at best, efforts have to focus improving allocative efficiency. Mr. Mollenkopf introduced different approaches such as the building of water markets with their ability to negotiate and allocate remaining water to market forces with the governments playing a regulatory framework role. Australia's National Water Initiative of 2004 committed federal and state governments to economically efficient water use and improved environmental outcomes. For urban water supply, "security through diversity" helped Australian cities to not rely on one single source of water supply. Valuing and pricing water may be helpful to address water scarcity. Water efficiency, measurement, and tradable entitlements have been improving in rural and agricultural water management. Moving away from central control to an area of mix of control, regulation, and markets to address water markets via a "cap and trade" approach while needing to be looked at critically, may be instructive. He concluded by reiterating that allocative efficiency, although still less understood, offers greater potential gains than technical efficiency and that markets are key to allocate scarce water resources for its highest and best use.

The *moderator Mr. Wiberg*, stated that water does not respect political boundaries and water, energy and food security must be managed together in order to address this challenge. Improved frameworks for water management are vital. Implementation is critical and widest possible consortiums are needed to arrive at wide political consensus.

Then the floor was opened for discussion.

*A representative from Lithuania* stated that transboundary water co-operation has the potential to create significant benefits; it can enhance economic growth, human development, political stability and human security. This should be based on international legal agreements and transboundary environmental impact assessments. She noted that the implementation of *UNECE Convention on the Protection and Use of Trans-boundary Watercourses* is of crucial importance for the OSCE area. The representative regretted that some countries still have no agreements despite long-term negotiations, as it is the case with the Neman River Basin. She stressed that no country should implement large-scale projects without consulting neighbouring countries and expressed Lithuania's concern about nuclear power projects in the Russian Federation and Belarus, on locations close to Lithuania's borders.

*A representative from Italy* expressed support to the co-operation in the field of water governance and OSCE work in this respect. Social, economic and holistic approaches to water at regional level will be extremely helpful. The representative informed about a nexus case study on the Isonzo/Soca River shared by Italy and Slovenia, which is conducted in the context of the Alpine Convention and will be presented at the 7<sup>th</sup> Meeting of the Parties of the UNECE Water Convention in Budapest in November this year. This could be seen as a good practice example of co-operation through international treaties and transboundary conventions, and may serve as a starting point for a wider application in other regions of the world.

*A representative from Tajikistan* stated the Republic of Tajikistan occupies the eighth place in the world in terms of water resources with a huge hydropower potential, of which it uses only less than 4 per cent. Tajikistan could provide cheap and clean energy to Central Asia to cover growing demands and reduce oil and coal consumption and emissions. He concluded that stability and development in the region would improve if the countries would co-operate to cope with challenges and manage water jointly.

*A representative of the International University of Development Studies* stated the importance of safe deactivation of chemical weapons at the bottom of the Baltic and North Seas and suggested to establish a group of specialists with OSCE mandate for this purpose.

*A representative from the Czech Republic* asked Mr. Mollenkopf whether Australia was able to achieve water security merely by demand management without any new water storage capacities.

*Mr. Mollenkopf*, in his reply, mentioned that, depending on the region, water efficiency might not be sufficient for ensuring water supply. In West Australia, it is complemented by desalination plants and groundwater recharge with recycled water.

*A representative of the Regional Environmental Centre (REC)* expressed appreciation that water governance is being discussed and commended the contribution of Aarhus Centres. She informed about an ongoing project on transboundary water co-operation in SEE, stating that the main driving process in SEE is the SEE 2020 strategy which is very important for the region. The REC representative further stated that the nexus approach is clearly the approach for SEE 2020. The main conclusions of SEE 2020 discussions are that the nexus approach can assist sustainable development, but it should be implemented in a practical and pragmatic way.

*A representative from the Russian Federation* objected that Russia would impede an agreement on the Neman River and referred to a number of agreements Russia has on other



transboundary rivers. With reference to the nuclear power plant in Kaliningrad, he stated that construction has been stopped and if continued it will be based on IAEA standards.

In the speakers' concluding remarks, *Mr. Bonvoisin* reiterated the importance of transboundary water co-operation and dialogue. While the nexus approach will not solve all problems, it is a useful additional tool.

*Mr. Ironside* echoed this by pointing to beneficial role transboundary water issues can play in regional integration discussions.

*Mr. Constantin* reiterated the importance of dialogue among different sectors and reminded that all actions have costs – if not financial than other.

*Mr Mollenkopf* stressed that solutions have to be multidimensional.

The following conclusions and recommendations can be drawn from the discussion:

- Transboundary water issues offer more opportunity for co-operation in the region rather than source of conflict;
- Energy, food, and water ultimately should be looked at comprehensively in a nexus approach and co-ordination between different sectors and stakeholders is paramount;
- Water efficiency is a key strategy to ensure water security and has to involve multiple instruments beyond technical measures;
- Sustainability of hydropower has to include financial, economic, social, environmental aspects;
- Promising tools are existing for ensuring water, food and energy security and taking cross-sectoral needs into account, for example the EUWI National Policy Dialogues, the UNECE Nexus Assessments, the IHA Hydropower Sustainability Assessment Protocol, or the ENVSEC Initiative.

*Session III: Water governance and the environment: Protecting ecosystems and increasing water efficiency*

**Moderator:** Mr. Walter Kling, Secretary General, International Association of Waterworks in the Danube Catchment Area

**Rapporteur:** Mr. Leonid Kalashnyk, Environmental Programme Officer, Office of the Co-ordinator of OSCE Economic and Environmental Activities

**Speakers:**

- **Dr. Dejan Komatina**, Secretary, International Sava River Basin Commission
- **Mr. Rolf Olsen**, Senior Technical Lead, Institute for Water Resources, U.S. Army Corps of Engineers, Alliance for Global Water Adaption
- **Ms. Ekaterina Strikeleva**, Head, Water Initiatives Support Programme, the Regional Environmental Centre for Central Asia
- **Ms. Jovana Husemann**, Research Associate, Institute for Sanitary Engineering, University of Stuttgart

*The moderator Mr. Walter Kling, Secretary General, International Association of Waterworks in the Danube Catchment Area, explained that the third session will focus on security-related benefits of sustainable management of water ecosystems, climate change and water governance as well as partnership frameworks for environmental protection and efficient use of water at local, national and transboundary level. Furthermore the speaker would present technological innovations for efficient collection, treatment and re-use of water.*

*Mr. Dejan Komatina, Secretary, International Sava River Basin Commission, commenced his presentation by providing a historical background on the co-operation in the Sava River basin which was the largest national river of the former Yugoslavia and is currently an international watercourse. He underlined that the need for economic development of the riparian countries became a strong driver for co-operation in the river basin and presented the existing legal and institutional framework, including the Framework Agreement on the Sava River Basin and the International Sava River Basin Commission. The scope of co-operation includes both management plans and economic activities (navigation and river tourism) coupled with endeavours to harmonize relevant national legislation with EU requirements. The Commission co-ordinates a wide range of activities and most of them are implemented through projects agreed by all the riparian countries. A broad spectrum of stakeholders is involved horizontally and across all sectors of society, while the Commission ensures inter-sectoral co-ordination. Mr. Komatina noted the importance of developing a wide range of tools to involve stakeholders and the public at large in decision-making processes. He also pointed out that the co-operation in the basin is aligned with the processes under the UNECE Water Convention and the EU Directives. The benefits of this on-going co-operation include not only harmonization of regulations, methodologies and procedures and enhancement of cross-sectoral co-operation at national level but also increased level of mutual trust among the countries, which is a security-related benefit. Mr. Komatina also encouraged making best*

use of basin organizations and providing them with necessary support to further increase benefits of such co-operation. Mr. Komatina also referred to the relevance of the OSCE's possible support to activities implemented by basin organizations.

*Mr. Rolf Olsen* gave a brief overview about the mission of the Alliance for Global Water Adaptation (AGWA) and elaborated on the linkages between management of water resources and security, particularly in the context of future climate uncertainty. He then outlined top-down and bottom-up approaches for climate adaptation decision making and presented two case studies of such decision making: International Upper Great Lakes Study (U.S. and Canada) and management of reservoirs in the Dniester river basin (Moldova and Ukraine). Mr. Olsen presented an AGWA-supported development of a risk framework for reservoir management to more effectively adapt to climate change in the Dniester basin, which is part of the climate change adaptation measures supported through the OSCE-UNECE joint work in this river basin. He underlined the relevance of bottom-up process for decision-making related to climate change adaptation, the capacity to meet regulation objectives under a broad range of possible future conditions, and flexible and adaptive management.

*Ms. Ekaterina Strikeleva* outlined a range of environmental challenges faced by countries in Central Asia, including demographic and economic pressures, resource intensiveness, aging infrastructure and climate change. Ms. Strikeleva then detailed the work of small basin councils (SBC) supported by the Regional Environmental Centre for Central Asia to involve local communities in Central Asia in the management of water. She stressed the importance of a bottom-up approach coupled with involvement of all relevant stakeholders to be responsive to local needs and to develop basin plans together with water and other relevant authorities. The small basin council model also makes it possible for transboundary co-operation between communities in neighbouring countries. Ms. Strikeleva listed a number of good practices including the development of IWRM basin plans, implementation of specific projects, reduction of water losses during irrigation, and the use of more advanced irrigation techniques, as well as the reduction of the risk for conflict through local decisions to install water-measuring equipment. While financial sustainability and insufficient legal knowledge remain a challenge, the success of the small basin councils depends on the involvement of interested people and the willingness of leaders to promote basin councils and plans. Ms. Strikeleva noted the role of the OSCE field operations as a catalyst for developing such basin councils.

*Ms. Jovana Husemann* presented traditional and optimized models for wastewater management. While traditional approaches may fall short of ensuring sustainable application, new models facilitate reduction of energy demand and address the growing scarcity of phosphorus, which is lost with wastewater. She referred to the existing potential for the optimization of wastewater management practices at two levels – wastewater treatment plant and local level (households). Ms. Husemann noted the need for an integrative nexus approach allowing water, waste and energy sectors to operate jointly with each other. An example of energy and material flows generation potential at municipal level was also presented to the audience. Ms. Husemann concluded by stressing the importance of sanitation both for rural and urban areas and need for local level-based innovation.

The floor was opened for discussion.

*A representative of the EU* referred to the importance the EU attaches to Central Asia, which it also identified as one of the priority areas in terms of water security in the July 2013 Council Conclusions on EU Water Diplomacy. Reference was also made to the associated financial resources the EU allocates for water and sanitation projects in the region. He noted

the European Water Initiative as a policy framework for several projects at national level to provide support in this region and gave examples of some concrete projects in Central Asia. Water and sanitation is another important area for the EU and these issues should be reflected in designing the future Sustainable Development Goals. Security impacts of climate change are an important topic for the EU. He noted the OSCE as a security organization has a role to play in this regard, and the EU would welcome further deliberations in this context.

*A representative of Italy* highlighted the importance of the adaptation of water governance to climate change, particularly in the mountainous regions. He noted the local authorities' important role in responding to natural hazards, but also their limited knowledge to deal with climate change at local level. He drew attention to the guidelines on local adaptation to climate change for water management and natural hazards in the Alps, adopted during the 2013-2014 Italian Presidency of the Alpine Convention and underlined their relevance for other mountainous areas.

*A representative of Kazakhstan* thanked for citing Kazakhstan as a positive example in the area of water governance and referred to a recent forecast of water situation in Kazakhstan through 2040. He highlighted the most pressing issues and measures already taken by Kazakhstan to address an anticipated deficit of water. He underlined the need to tackle pollution of both local and transboundary water resources coupled with long-term planning. He also noted the active co-operation with the OSCE regarding safety of hydrologic installations as a successful example of disaster risk reduction activities.

*A representative of Belarus* noted that Belarus's new water code will enter into force in April 2015. The code takes into account the provisions of the EU Water Framework Directive, including environmental status of surface waters, basin principle, and involvement of civil society and basin councils with the involvement of different stakeholders. He gave examples of projects with which Belarus strives to expand transboundary water co-operation with its neighbours, in particular with the Baltic countries. He drew attention to the importance of planning next steps as the International Decade for Action "Water for Life" ends in 2015.

*The representative of Azerbaijan* referred to measures taken to strengthen water governance in Azerbaijan, development of a roadmap on IWRM and national programme for groundwater resources. He noted the challenge of water pollution as result of economic, household and other activities by the upstream countries in the context of the trans-boundary Kura-Araz basin and the wider implications of such pollution for Azerbaijan as a downstream country as well as the Caspian Sea. The representative noted the efforts by UNECE, GWP and other actors to support international principles related to water and called upon the OSCE and other relevant international organizations to promote the soonest accession of upstream countries to international legal instruments in the area of water protection including The Convention on the Protection and Use of Transboundary Watercourses and International Lakes.

*A representative of the Chairmanship* thanked the speakers for their in-depth presentations. He underlined the security-related benefits of transboundary water co-operation and role of OSCE field operations in water governance. He inquired about the challenges in the implementation of new advanced solutions to wastewater management.

*A representative of Moldova* highlighted the importance of having a partnership framework at transboundary level. She referred to the Dniester Treaty signed by Moldova and Ukraine in 2012 and encouraged the completion of ratification procedures by Ukraine in the nearest

future. She also noted the importance of support by international organizations in strengthening transboundary water co-operation, in particular for the economies in transition.

*A representative of IFAS* informed that he would make a statement on the second day.

In response to the question by the Chairmanship, *Ms. Husemann* noted institutional capacity and the quality of data, along with the availability of state-of-the-art technology. Lessons learnt are specifically important to ensure context-sensitive application of new approaches and methodologies.

*Mr. Glas* highlighted the importance of treating wastewater as a valuable asset. He also noted the value of coupling the concept of small basin councils with a decentralized local finance system.

The following conclusions and recommendations can be drawn from the discussion:

- Importance of developing a wide range of tools to involve stakeholders and the public at large in decision-making processes;
- Make best use of basin organizations and provide them with necessary support to further increase benefits of such co-operation;
- A bottom-up approach coupled with involvement of all relevant stakeholders to be responsive to local needs and to develop basin plans together with water and other relevant authorities is extremely relevant;
- The success of the small basin councils depends on the involvement of interested people and the willingness of leaders to promote basin councils and plans;
- OSCE field operations play a role as a catalyst for developing basin councils;
- There is the need for an integrative nexus approach allowing water, waste and energy sectors to operate jointly with each other;
- The sanitation for rural and urban areas is essential and local level-based innovation is needed;
- International agreements with due regard to the interests of riparian states have to be implemented more effectively.

*Session IV: Water governance at different levels*

**Moderator:** Mr. Marco Keiner, Director, Environment Division, UNECE

**Rapporteur:** Ms. Dilara Abdullayeva, Third Secretary, Permanent Mission of the Republic of Azerbaijan to the OSCE

**Speakers:**

- **Dr. Aslihan Kerç,** Project Development and Implementation Co-ordinator, Turkish Water Institute
- **Mr. Andre Matoso,** Regional Director, Alentejo River Basin District Administration, Portuguese Environment Agency
- **Mr. José Anguel Rodrigues Cabellos,** Head of Planning Office, Guadiana River Basin Authority, Spain
- **Ms. Biljana Filipović,** Head, Department of International Co-operation, Ministry of Agriculture and Environmental Protection, Republic of Serbia

*The representatives of France and Spain* raised a point of order on the language regime used in the meeting.

*The moderator,* suspended the session and called for informal consultations. Once the session was resumed, he suggested that the session would continue by following the language regime in use.

*The representative of the Chairmanship* informed that the language regime of the Economic and Environmental Forum would be addressed at the Economic and Environmental Committee meeting on 25 February 2015.

*The moderator, Mr. Marco Keiner, Director of Environment Division at UNECE* stressed the importance that UNECE attaches to water governance. Referring to the co-operation between UNECE and OSCE on water governance issues, he said that both organizations use their strengths in a complementary way and do their best to ensure that their activities do not overlap. As one of the examples of co-operation between the two organizations he mentioned the co-operation in the Dniester river basin shared by Moldova and Ukraine. He referred to a centralized approach in water governance as being not so successful and suggested that decentralization was more promising. He also referred to many challenges and opportunities in implementing water sector reforms. He then gave the floor to the representative of Ukraine who wished to address the request of the representative of Moldova made on the first day of the Preparatory Meeting.

*The representative of Ukraine* noted that all internal procedures preceding ratification of the agreement between Ukraine and Moldova on Dniester river basin had been agreed and he expressed hope that draft law on ratification of Dniester river basin agreement will be properly considered by the Ukrainian parliament in due course.

*Dr. Aslihan Kerç, the Project Development and Implementation Co-ordinator at the Turkish Water Institute, noted involvement of stakeholders at local level and collaborative decision-making process as elements of efficient community-based water governance which in turn leads to increasing transparency, affordability of operation and maintenance costs, and provision of better services. Participation of local actors creates a stronger sense of ownership of infrastructure. Thus, government acts more as a regulatory body and faces less financial burden. Dr. Kerç informed participants about the establishment of River Basin Commissions and their composition, as well as operation of Water Users Associations (WUAs) in Turkey. She said that establishment of WUAs across Turkey allowed for significant decrease in use of water for irrigation and consequently resulted in protection of water resources with a positive impact on soil and water quality. In conclusion, she underlined the importance of involvement of local stakeholders in water governance process for ensuring efficient water use within countries' water management policies and noted that increased interaction among stakeholders results in better and rapid decision making.*

*Mr. André Matoso, Regional Director at the Alentejo River Basin District Administration, Portuguese Environment Agency, spoke about centennial co-operation between Spain and Portugal in management of Iberian transboundary watercourses. He elaborated on the Albufeira Convention on Co-operation for the Protection and Sustainable Use of Waters of the Spanish-Portuguese River Basins, which was signed in 1998, and presented the structure of the River Basin Commission. He underscored that, unlike previous agreements, issues of sustainability and environmental protection were addressed in this Convention. He outlined co-operation, co-ordination, environmental protection, sustainable development, exchange of information, consultation, impact mitigation and flow guarantees as key issues envisaged in the Convention. Water demand versus water allocation, water quality versus biodiversity, and water scarcity were mentioned as key challenges. Furthermore, he outlined the elements of co-operation between Spain and Portugal such as: legal framework including bilateral frameworks and EU directives, institutions for co-operation, information exchange and monitoring, incentives for co-operation, benefit sharing and mediation, and resolution of disputes arising from use of transboundary watercourses, confidence building and good relationship. In conclusion, he defined the following lessons learned: importance of engaging diplomats and experts on International Public Law in the negotiations, involvement of skilled multidisciplinary team of experts for the preparation of technical documents, efforts to accommodate all relevant issues raised during negotiation process and avoidance of ambiguous formulations during drafting, since ambiguities will eventually create difficulties in implementation of agreements. Furthermore, Mr. Matoso mentioned the need to avoid, as much as possible, postponements in the negotiation process.*

*Mr. José Anguel Rodrigues Cabellos, Head of Planning Office of the Guadiana River Basin Authority in Spain, spoke on the development of co-operation between Spain and Portugal in the field of water management. He noted that the Albufeira Convention established a political, legal, and technical framework to solve common problems and that this Agreement was developed under an environmental perspective according to the EU Water Framework Directive. He further noted that the essential guiding principles of the Convention were: achieving a balance between environmental protection and exploitation of water resources for economic activities by both countries; co-ordination of efforts of both countries for water management and improving knowledge of shared basins. He outlined four main elements of co-operation according to the Albufeira Convention. Underlining the importance of establishing institutions to ensure operability of an international agreement, he referred to two organs established under the Albufeira Convention: a) Conference of the Parties, and b) the Commission for the Application and Development of the Agreement. In his concluding remarks, Mr. Cabellos elaborated on the requirements due to the EU Water Framework*

Directive for international co-operation and the need to define international river basin districts and elaboration of river basin management plans. He separately elaborated on the Guadiana river basin and specific issues related to its management.

*Ms. Biljana Filipović, Head of the Department of International Co-operation at the Ministry of Agriculture and Environmental Protection of the Republic of Serbia*, noted that Serbia's priority is EU accession and harmonization of its legislation in line with EU directives. She mentioned that planned water management and its careful preservation is one of main priorities of Serbia. She mentioned that by ratifying the UNECE-WHO Protocol on Water and Health in 2013, Serbia raised the priority of water and sanitation at national and local level. She spoke about the current institutional set-up and competencies at national, regional and local level, key stakeholders and legislative framework in water sector in Serbia. She mentioned that the 2010 water law largely aligned the water sector in Serbia with EU legislation and noted that the new water law to be drafted in 2017, will be fully harmonized with EU directives. She referred to several public outreach campaigns aimed at promotion of newly adopted regulations on water quality issues that were conducted in Serbia with the support of the OSCE Mission in Serbia and in co-operation with Aarhus Centres. She underlined that the main strategic goal is to achieve holistic and synchronised water regime throughout Serbia so as to ensure such water management that maximizes economic and social benefits in an equitable and sustainable manner with regard to international agreements. To achieve this goal, she added, it is necessary to set-up an appropriate water management system and ensure legislative, institutional, financial and other capacities and conditions for the development of the water sector. She concluded by saying that achievement of long term objectives will only be possible with efficient organization of the water sector and appropriate institutional set-up, engaging multi-disciplinary teams of experts for the preparation of all technical documents and ensuring long-term financing from stable sources. She added that strengthening of human resources at all levels is one of the main priorities to be addressed for effective water management.

The floor was opened for discussions.

*The representative of Armenia* expressed the view that the OSCE provides an opportunity to address issues through engaging in dialogue in particular in circumstances due to absence of multilateral agreements or lack of formalized relations. Noting that Turkey is currently constructing a water dam in the immediate vicinity of Armenia without prior consultations with Armenia, he requested clarifications on the project. He noted that in view of Armenia, the dam would have a negative impact on an area which is already affected by climate change and would increase disaster risks. He asked representatives of Turkey for ideas on how and in which framework this issue should be addressed.

*The representative of Tajikistan* informed about the water sector reforms in the country. He took the opportunity to thank the United Nations and the European Union for assistance in the elaboration of the water sector development strategy and elaboration of irrigation and melioration sector development strategies. He also thanked the World Bank, Asian Development Bank and the OSCE for their projects in this field. He also informed participants that, according to the United Nations General Assembly resolution, a High Level International Conference on the implementation of the International Decade for Action "Water for Life" is planned to be held in June 2015 in Tajikistan, and invited all interested parties to take part.

*A representative of the International Fund of Ecological Safety of the Baltic Sea, "Clean Baltic"*, commented that 70 years have passed since chemical weapons were first dumped in



the Baltic Sea and mentioned that the dumping has adverse health effects among the population of European countries.

*The representative of Moldova* noted that Moldova attaches great importance to water management related issues. He referred to good co-operation between Moldova and Romania on the Prut river and expressed hope that similar co-operation will develop between Moldova and Ukraine. He also raised concerns that part of the Dniester river basin lies in the territories which are not under the control of Moldova. He expressed gratitude to OECD, OSCE, the Swiss Agency for Development and Co-operation and the Austrian Development Agency for their assistance in promoting water management projects in Moldova. He also drew attention to the project implemented with financial assistance of the United States of America, which, along with rehabilitating irrigation systems in Moldova, aims at capacity-building and reforming the irrigation system in the country. He concluded by noting that Moldova was open to discuss and develop new projects in this field.

*Dr. Aslihan Kerç* noted that she did not have any technical details on the project referred to by the representative of Armenia, but assured that Turkey would take all necessary precautions not to harm its neighbouring country in such a project, and informed that concerns raised by the representative of Armenia would be conveyed to the relevant departments in the Ministry of Forestry and Water Affairs of Turkey.

*The representative of Turkey* added that one of the important principles of Turkey's transboundary water policy is the utilization of transboundary rivers in an equitable, reasonable and optimal manner in the interest of all riparian states. She noted that the dam is constructed as an irrigation project for Igdir city in order to alleviate drought-related problems and concluded by assuring that Turkey takes all the necessary precautions into account in its projects.

The following conclusions and recommendations can be drawn from the discussion:

- Centralized approaches in water governance seem to be less successful compared to decentralized approaches;
- The involvement of stakeholders at local level and collaborative decision-making processes are an element of efficient community based water governance, which in turn leads to increasing transparency, affordability of operation and maintenance costs and provision of better services;
- Importance of engaging diplomats and experts on International Public Law in the negotiations, involvement of skilled multidisciplinary team of experts for the preparation of technical documents, efforts to accommodate all relevant issues raised during negotiation process and avoidance of ambiguous formulations during drafting, since ambiguities will eventually create difficulties in implementation of agreements;
- Importance of establishing institutions to ensure operability of an international agreement;
- It is necessary to set-up an appropriate water management system and ensure legislative, institutional, financial and other capacities and conditions for the development of the water sector;
- The OSCE provides an opportunity to address issues through engaging in dialogue in particular circumstances due to absence of multilateral agreements or lack of formalized relations.

*Session V: Good water governance and transparency*

**Moderator:** Mr. Jan van de Venis, Director of Legal Desk, Waterlex

**Rapporteur:** Ms. Magdalena Stankowska, Second Secretary, Permanent Mission of the Republic of Poland to the OSCE

**Speakers:**

- Mr. Teun Bastemeijer, Chief Adviser, Water Integrity Network
- Dr. Carlos Mario Gómez Gómez, University of Alcalá, Spain
- Ms. Susanne Brandstetter, Chair, Public Participation Expert Group, International Commission for the Protection of the Danube River
- Ms. Sabina Jukan, Manager, Aarhus Centre Sarajevo, Bosnia and Herzegovina

*The moderator Mr. Jan van de Venis, Director of Legal Desk at Waterlex, welcomed the participants to the fifth session and explained that it would focus on transparency in the water sector and the fight against corruption in this field and promoting integrity.*

*Mr. Teun Bastemeijer, Chief Adviser of the Water Integrity Network (WIN), stated that the WIN is aiming to fight corruption in the water sector worldwide in order to reduce poverty. WIN's vision is a world with equitable and sustainable access to water and clean environment, which is no longer threatened by corruption, greed, and dishonest and wilful malpractice. Mr. Bastemeijer stressed that promoting integrity for good water governance is not just about fighting corruption but also about (re)building trust. The water sector is essential for human beings and life. That is why there is a need for equitable and sustained access to water. But, he noted, any solution in this regard requires adequate legislation. Mr. Bastemeijer emphasized that it is of utmost importance to increase the integrity level for sector's performance in all countries. Specifically, we need to: 1) increase awareness about corruption in its different forms while considering specific cultural contexts and languages; 2) build alliances and coalitions among stakeholders in public and private sectors as well civil society. There are various tools that can help address integrity issues. The core values for the good water governance should be: transparency, accountability, integrity and participation.. Mr. Bastemeijer formulated some recommendations for the OSCE, namely: 1) OSCE participating States should undertake water integrity scans and studies; 2) identify knowledge and capacity building network and educational institutions that can support multi-stakeholder processes; 3) promote water integrity tools and methodologies to diagnose corruption and to improve integrity and governance in the water section; 4) promote the development of code of conduct among stakeholders.*

*Dr. Carlos Mario Gómez Gómez, Professor of Economics at the University of Alcalá, Spain, informed that he is currently leading the research team of EPI Water Project approved in 2010 under the 7<sup>th</sup> Framework Program of the European Union. Mr. Gómez Gómez emphasized that most of the water challenges are driven by nature and very often by economic activities. The economic incentives lead to increased consumption of water in regions where water resources are limited or scarce. The speaker also drew a link between*

managing conflicts and managing water. Mr. Gómez Gómez stressed as well that there are still significant opportunities to build a secure future in the water sector within our knowledge and capacity. We shall start from: bridging the efficiency gap, building green infrastructures by using natural processes, making the best use of wastewater for the circular economy, reallocate water to its more productive uses, make non-conventional sources available, take advantage of synergies between flood and drought management as well as exploit synergies in the water energy/food/climate change adaptation nexus. In this regard there is a huge implementation challenge ahead. He also named economic instruments (effective co-operation agreements, adaptation to current risk or management of conflicts) which could help to improve water governance. At the same time, Mr. Gómez Gómez stressed that there are few real economic instruments available within the EU and beyond to deal with it. Economic instruments can bring an added value to the water governance but these are not panaceas, they do not work in isolation, they cannot perform better than the institutional set-up in place.

*Ms. Susanne Brandstetter, Chair of the Public Participation Expert Group at the International Commission for the Protection of the Danube River (ICPDR), presented the unique structure of the ICPDR and its mechanisms for engagement of civil society. She referred particularly to ICPDR events such as the Danube Day that brought together over 500 partner organizations and the Danube Art Master Competition. Ms. Brandstetter emphasized that communication is important in the field of water. The speaker also referred to challenges associated with raising awareness about water; activating and motivating the public, creating interest, preparing public participation, and finding solutions for problems and addressing risk. The most important channels of communications in this regard are social media, internet, events and printed materials. She elaborated on the water awareness projects in Austria such as “Generation Blue” and “River Dialog”. Communications and involvement of young people played a key role in both.*

*Ms. Sabina Jukan, Manager of the Aarhus Centre Sarajevo in Bosnia and Herzegovina, presented the role of civil society in good water governance. BiH is a unique country where environmental issues are decentralized. In her point of view, civil society is a key component of the democratic state. At the same time, there is a need to ensure participation of civil society in the decision making process. The OSCE Mission to BiH, through establishment of the Aarhus Centres, has significantly increased the understanding of the Aarhus Convention, which provides a framework for public participation. A positive example for the engagement of civil society is the organization of a public consultation for the new Law on Environment Protection of the Federation of BiH. She presented an example where the civil society, supported by the Aarhus Centre in Sarajevo, undertook steps to stop the construction of a mini hydro-power plant on the river Ljuta. Aarhus Centre, in co-operation with municipal bodies, educates and supports the affected population, advocates for implementation of legal measures, partners with authorities and other NGOs in implementation of activities as well as maintains a database related to emergency situations. In the future, the Aarhus Centre Sarajevo will concentrate on the education of citizens in local communities and children in schools on prevention and reducing the risk of natural disasters, on public participation in the design of flood protection plans and the development of risk reduction plans. In conclusion, Ms. Jukan stressed that every citizen has the right to be informed about the state of environment. This is why it is essential to involve the civil society at the earliest stage of the decision making process.*

Then the floor was opened for discussion.

*A representative of the Executive Committee of International Fund for Saving the Aral Sea (EC IFAS) informed about water use in Central Asia and problems deriving from the drying of the Aral Sea. The representative called for co-operation on water resources in Central Asia and sustainable development to reduce negative impacts on the Aral Sea.*

*The representative of Latvia on behalf of the EU stressed that good governance plays a key role in water governance and there is an interest for further engagement in this field.*

*The representative of Lithuania emphasized that involvement of civil society plays a key role in access to information. The speaker elaborated on the shared water resources with Belarus and the lack of co-operation, appealing to Belarus to ensure free access to information regarding shared water resources.*

*A representative of the International University of Development Studies stated the importance of safe deactivation of chemical weapons at the bottom of the Baltic and North Seas.*

*The representative of Serbia emphasized the importance of fighting corruption in water governance and stressed that raising awareness will help counter corruption. He asked about some concrete examples of how the involvement of civil society can contribute to building trust in the country. This question was answered by Ms. Jukan by presenting examples from coal mining activities.*

The following conclusions and recommendations can be drawn from the discussion:

- There is no sustainability in water sector without integrity and transparency; water integrity tools and methodologies to diagnose corruption and to improve integrity and governance in the water section should therefore be promoted;
- There is a need to increase awareness about corruption in its different forms in the sector of water governance – a code of conduct among stakeholders should be developed;
- Participation of all stakeholders at all levels is of utmost importance;
- Economic institutions can help build water security;
- There is a need to increase awareness of young people about the water sector, especially through social media;
- There is a need to include civil society in water governance;
- OSCE participating States should undertake water integrity scans and studies;
- Knowledge and capacity building networks and educational institutions that can support multi-stakeholder processes should be identified.

*Session VI: Opportunities for exchange of knowledge and experience in water governance*

**Moderator:** Ambassador Slavica Milačić, Permanent Representative of Montenegro to the OSCE

**Rapporteur:** Mr. Elton Qendro, Project Assistant, Governance, Economy and Environmental Issues Department, OSCE Presence in Albania

**Speakers:**

- **Mr. Soontak Lee**, Co-chair, International Steering Committee, 7th World Water Forum, Republic of Korea
- **Professor András Szöllösi-Nagy**, Co-Chair of the Political Processes Commission 7th World Water Forum, World Water Council
- **Mr. Martin Krause**, Practice Leader, Environment and Energy, Regional Centre for Europe and the Commonwealth of Independent States, UNDP
- **Ms. Dragana Milovanović**, Head, Department for Participation in Strategic Planning, Management and International Water Co-operation, Water Directorate of the Republic of Serbia

*The moderator Ambassador Slavica Milačić, Permanent Representative of Montenegro to the OSCE, introduced the speakers and highlighted the importance of exchanging knowledge and experience in the field of water governance. She explained that this session would focus on the opportunities that global and regional platforms for knowledge and information sharing on water provide and that examples of sharing of technology and innovative methods of water management, including through private sector investments, will be presented in this session.*

*Mr. Soontak Lee, Co-chair of the International Steering Committee, 7th World Water Forum (WWF), Republic of Korea, informed about the upcoming 7<sup>th</sup> WWF on 12-17 April 2015 in Korea under the topic “Water is our Future”. The 7<sup>th</sup> WWF consists of thematic, political, regional, sciences and technology processes and a citizens’ forum, with 300 sessions in total. Mr. Lee mentioned that the organizers expect over 35,000 participants at the WWF in April 2015, bringing together heads of state, parliamentarians, ministers, regional and local authorities, CSOs, experts, academia and business community. Such diverse mix demonstrates the importance of WWF as a platform where global community could share related knowledge and solutions for implementation. The Forum will be held in two main locations Daegu and Gyengju.*

*Professor András Szöllösi-Nagy, Co-Chair of the Political Processes Commission 7<sup>th</sup> World Water Forum, World Water Council, listed the key changes (increase of population, increase of water use for crops, reduction of forests and increase of dams) since the 1900s which are all contributing to a looming crisis on water. He highlighted the importance of governance in addressing water problems and drew the attention to the major difference between governance and management. He underlined that while governance is about doing the right things, management focuses on doing things right. Professor Szöllösi-Nagy also spoke about*

increasing probability of hydrological extremes associated with the acceleration of the hydrological cycle. It is likely that the frequency of natural hazards, including devastating floods and droughts, will increase in future. There is a need to raise awareness of this change and to generate the response in order to increase resilience of our society. Rio+20 called for SMART indicators in Sustainable Development Goals (SDG) in water in order to achieve a Water Sanitation and Hygiene Strategy (WASH). Professor *Szöllösi-Nagy* highlighted that climate change adaptation measures also necessitate proper governance. Speaker also referred to the water-food-energy nexus as an important factor to consider in designing solutions. He stressed the importance of co-operation and pointed out to the increasing number of transboundary treaties as a positive development over the last decades. Many indicators show that risks of water conflict exist, but they are not prevailing. The speaker also spoke about the importance of capacity development and the need to adopt an interdisciplinary approach. Mr. *Szöllösi-Nagy* highlighted that while there would be enough water for OSCE participating States in the 21<sup>st</sup> century, it was important to act now through political will, putting enough resources and the capacity to do it right. A political process was important for political order in water resource management. In the end Mr. *Szöllösi-Nagy* called for co-operation between OSCE and UNESCO-IHE Institute for Water Education that offers several specialized Master Programmes.

*Mr. Martin Krause, Practice Leader, Environment and Energy, Regional Centre for Europe and the Commonwealth of Independent States, UNDP*, explained the four main dimensions of water governance: social dimension, economic dimension, political and sustainable dimensions. Within the UNDP Water Governance Programme, the three main water areas were:

- Water, Sanitation, Hygiene;
- Integrated Water Resource Management;
- Transboundary water.

*Mr. Krause* highlighted that UNDP is present in 150 countries with a total financing of \$50 million from GEF focused on these priority areas. He outlined several examples of UNDP's activities: 1) GoAl WASH in Tajikistan focused on water rights and responsibilities campaign. Only 52 per cent of population had access to safe drinking water hence the project was concentrated on: i) physical infrastructure to enable service delivery; ii) institutional strengthening with local municipalities; iii) awareness of water rights and responsibilities of households; 2) Reversing Eutrophication & Hypoxia in Danube and Black Sea Region supported 17 countries on policy, legislation and infrastructure investment. The root cause of the problem lied on lack of waste water treatment plants, livestock sectors, agriculture fertilizers etc. The co-operation between private sector and public bodies enabled the recovery of hypoxic area and ecosystem recovery in Danube; 3) Ocean Degradation caused by market and policy failures such as coastal hypoxia, eutrophication, marine invasive species, loss of coastal habitats, overfishing ocean acidification. All these causes have impacted the cycle of rain regimes and we see 45per cent of this change is due to human activity. The value of blue oceans to green economy is immense such as tourism, food, energy, poverty reduction and ecosystem services. Sharing the important knowledge and capacities is crucial and the role of private sector is very important if you want to achieve results.

*Ms. Dragana Milovanović, Head of the Department for Participation in Strategic Planning, Management and International Water Co-operation, Water Directorate of the Republic of Serbia*, gave an overview of river network in Serbia. She highlighted that 90 per cent of Serbia's territory lies within the Danube river basin. The main tributaries of Danube in Serbia

are Tisa river (shared by 5 states), Sava river shared by 6 countries, Drina shared by 4 and a couple of small rivers. At the bilateral level, Serbia has an agreement with Hungary and Romania dating back to 1955, and a bilateral agreement with Bulgaria signed in 1958 but not currently active. Currently, there is no bilateral agreement with Croatia, Bosnia and Herzegovina, Montenegro and Macedonia. On a multilateral level, Serbia has signed the Helsinki Water Convention (1992) in 2010, and the Sofia Convention (1994) in 2003. However, the first functional development oriented multilateral agreement after the geopolitical changes in Balkans was the Framework Agreement of Sava River Basin (FASRB) of 2002. Ms. Milovanović highlighted that in the framework of the European ECRAN project regional co-operation has been explored on water co-operation and management such as the transboundary water management plans for Sava River.

Then the floor was opened for discussion.

*The representative from Azerbaijan* stated that his country has invested in Integrated Water Resource Management through a project which provides potable water and water efficiency by building a Water Reservoir next to Baku. Another aspect was the investment done with the support of Asia Development Bank in preparing a Water Management Strategy. Now work remains to be done on the evaluation of water management in the country.

*The representative from Serbia* took the floor to thank the speakers and particularly Mr. Szöllösi-Nagy for highlighting a clear link between water governance and security related issues, having in mind that the OSCE is primarily a security organization.

*A representative from UNISDR* took the floor to stress the importance of water related disasters and the need to continue this discussion after the Third World Conference on Disaster Risk Reduction which will be held in March 2015. He stressed the importance of following a holistic approach towards disaster risk reduction and multi-stakeholders contribution on the topic of water governance.

The speakers highlighted the importance of sharing information related to water governance and the forthcoming 7<sup>th</sup> World Water Forum was the best place to do so. *Mr. Szöllösi-Nagy* stressed the importance of “redesigning the floods models” in the face of unpredictability of floods, adding the climate change variability. *Mr. Krause* highlighted the need to address the contribution of the private sector in leveraging resources to invest in infrastructure and agriculture as it is vital for resolving water crises. Lastly, *Ms. Milovanović* appealed to keep water issues on the agenda and provide support for bilateral and multilateral co-operation as a tool for water safety in the region.

The following conclusions and recommendations can be drawn from the discussion:

- The WWF is a very important platform to share related knowledge and solutions for implementation with the global community
- There are pressing issues such as ecosystems, climate, hydrological extremes and transboundary issues which call for a pressing need to develop advanced risk management on water hazard to secure human life and socio-economic development
- Water-energy-food nexus is an area that requires further attention;
- Interdisciplinary approach must be applied in education and professional training of water specialists to adequately reflect the importance of all aspects including the water governance;
- OSCE could co-operate with UNESCO-IHE Institute’s programme on water;

- It is vital to address the contribution of the private sector in leveraging resources to invest in infrastructure and agriculture so to resolve water crises.



### *Concluding Session:*

**Moderator:** Ambassador Sanja Milinković, Deputy Permanent Representative of Serbia to the OSCE, 2015 OSCE Serbian Chairmanship

**Rapporteur:** Mr. Bernhard Romstorfer, Intern, Office of the Co-ordinator of OSCE Economic and Environmental Activities

#### **Speakers:**

- **Dr. Halil Yurdakul Yigitgüden**, Co-ordinator of OSCE Economic and Environmental Activities
- **Ambassador Thomas Greminger**, Permanent Representative of Switzerland to the OSCE
- **Ms. Christine Weil**, Deputy Permanent Representative, Permanent Mission of Germany to the OSCE

In her introduction, the *moderator, Ambassador Sanja Milinković, Deputy Permanent Representative of Serbia to the OSCE*, summarized the discussions during the two-day Preparatory Meeting. She stated that the presentations confirmed how vital good water governance is for security and stability in the OSCE region. The common understanding of a water crisis as a governance crisis would provide us with new entry points to address water challenges. She stressed the Chairmanship's commitment to advance this topic on the OSCE agenda and to deepen engagement in this field. Amb. Milinković concluded by explaining that the next preparatory meeting in May in Belgrade will focus on water governance in the context of disaster risk reduction to build upon last year's Ministerial Decision in Basel on "Enhancing Disaster Risk Reduction".

*Dr. Halil Yurdakul Yigitgüden, Co-ordinator of OSCE Economic and Environmental Activities*, emphasized the importance of this year's Forum topic as water resources in the OSCE area are facing increased risks from climate change. A comprehensive governance approach to protect, use and share water in a responsible and equitable way would be needed. He declared that the OSCE will strive to build on the recommendations that were generated at this First Preparatory Meeting. Dr. Yigitgüden highlighted the main discussions and best practice examples over the last two days which underlined the important role of well governed water to protect the environment and to strengthen security. He explained that a lack of transparency and corruption are both a cause and a result of poor water governance. This is why transparency, access to information, and integrity would build a sustainable foundation for good water governance and reduce the potential for conflict. Regarding next steps, he mentioned that all suggestions and recommendations will be thoroughly considered with a view to identifying possible follow-up activities. Finally, he expressed his hope that the discussions in the Forum process will contribute to the global processes like the 3<sup>rd</sup> UN World Conference on Disaster Risk Reduction and the Paris Climate Change Conference.

*Ambassador Thomas Greminger, Permanent Representative of Switzerland to the OSCE*, stressed the importance of water co-operation for stability and security and the need for states, the private sector, civil society and the OSCE to further engage in this field. Numerous

positive examples during these two days showed that we can cope with water related challenges if we give them sufficient weight on the political agenda and further co-operate. He stressed that fostering water co-operation and security has been already an area of work for the OSCE since 1989. Furthermore, the Environment and Security Initiative (ENVSEC) is an excellent instrument for co-ordinated international action in this field.

*Ambassador Greminger* highlighted the following five key elements of the discussion during the First Preparatory Meeting:

- Water governance is not only a relevant issue between states, but also one between different stakeholders within a state. Cross-sectoral dialogue is therefore needed;
- In water governance, there is no one size fits all. So, different political realities have to be better reflected and addresses in each river basin;
- Implementation is the key. The OSCE could be used as a platform of dialogue to encourage full implementation of the commitments taken by participating States;
- Local environmental governance is very important and Aarhus Centres are particularly well suited to be partners in this field;
- Transparency, integrity and good governance are the key to address water-related challenges.

*Ambassador Greminger* added that the two priority areas that the OSCE should further discuss during the Prague Forum Cycle are the risks of water-related disasters and the adaption to climate change as well as the role the OSCE should play in water governance to strengthen transboundary water co-operation and water diplomacy as an effective tool to enhance security and stability in the OSCE area. He explained that it is necessary to discuss the concrete steps the OSCE has to undertake. He finished by expressing his personal wish that water becomes a strategic priority to the OSCE as it is for the OECD.

*Ms. Christine Weil, Deputy Permanent Representative, Permanent Mission of Germany to the OSCE*, emphasized the willingness of Germany as a future chair to build on the work of the previous chairmanships, taking into account the decisions of previous Ministerial Councils. One of Germany's priorities will be to bring implementation forward. She explained that a consultation process will be started after the spring recess to achieve consensus on priorities for next year's EEf so that it is ready for submission to the Permanent Council before the summer recess. She invited all participants to bring in their expertise to this process.

*Ms. Weil* stressed the importance of water governance and cross border co-operation in this regard. She referred to last year's EEf Meeting in Prague which showed that a cross-border project (the detection and safe removal of left over mines from the Balkan wars) can function as a role model. She highlighted the many facets of water governance such as food and energy security, protection of the environment, technological innovation, transparency and fighting corruption, local and national administration and transboundary co-operation, and the role of civil society.

She explained that the German government has initiated the "Water Initiative Central Asia" in 2008 which is now entering the third phase and which focuses on regional co-operation in water governance and on the regional institutions. She pointed out that European cross-border initiatives such as the Danube Commission or the International Commission for the protection of the Rhine-river are great examples for successful water governance. She stated that the key to success is political will as we could also see with the Sava River Basin Commission. *Ms. Weil* concluded by saying that the OSCE can certainly make meaningful

contributions to the improvement of water management in its region and hence to the reduction of security risks.

*The representative of the United States* highlighted that the discussions showed clearly the importance of water governance for security. He added that there is a need to discuss more deeply the role of the OSCE in this context.

*The representative of Uzbekistan* emphasized that transboundary co-operation and the nexus between food, energy, environment and water are highly important. He stated that Uzbekistan is confident that the principles of the UNECE and UN Water Conventions are important for preventing conflicts. He noted that water is an important resource and that political solutions to ensure water security are not sufficient as it is crucial to resolve all technical issues with regards to effective management of water resources. The OSCE should draw the attention to ensuring flaws in investments into technologies that can help to develop water infrastructure and to better monitor the use of water.

*The representative of Azerbaijan* thanked for the organization of the Preparatory Meeting and noted that it provided a good forum for discussions. She mentioned that participants were informed about national experience of Azerbaijan in the field of water governance, as well as challenges faced by the country due to cross-boundary nature of watercourses in the region. She added that in some cases challenges are further aggravated by existing threats to security. Referring to cooperation in the field of water governance, she reiterated support for co-operation which is based on respect for the relevant norms and principles of Helsinki Final Act. With reference to confidence-building potential of cooperation among countries sharing water resources, she noted that in case of conflicts caused by other factors cooperation could only be considered after security concerns have been addressed and impediments to regional cooperation have been eliminated. She closed by stressing the importance of taking measures at national level to ensure responsible management of transboundary watercourses.

*The representative of Armenia* noted that water governance means security for all but it does not mean unilateral decisions. The 2<sup>nd</sup> Preparatory Meeting will identify what challenges can be addressed by the OSCE. He referred to the behaviour of participants at the meeting who were offering water to the person sitting next to them before getting a glass of water themselves, and that this same principle may be applied among countries.

*The representative of Tajikistan* stated that the meeting demonstrated that water governance is one of the OSCE's priorities. He explained how Tajikistan faces many challenges regarding water issues and natural disasters, and that it is a lengthy process that requires funds and time to improve the situation.

*A representative of the Regional Environment Centre (REC)* said that water governance shows significant challenges but also opportunities for policy makers to prevent conflicts and enable greater regional co-operation. This would become even more important as water quality deteriorates and as demographic and socio-economic developments increase the demand for water resources. Environmental changes would be likely to intensify existing, and trigger new, social and political conflicts over water, in particular in regions that lack robust institutions for co-operation. The representative therefore welcomed the theme of the 23<sup>rd</sup> OSCE Economic and Environmental Forum and wished to acknowledge its relevance in the context of the Sustainable Development Goals for the post-2015 agenda. The REC is committed to continue co-operating with the Republic of Serbia, the OSCE, the participating States and the Partners for Co-operation in the 23<sup>rd</sup> Economic and Environmental Forum. She concluded that the REC will actively engage in the forthcoming discussions in order to build,

together with the OSCE, a partnership for sustainable development that contributes to security and stability through co-operation.

*Mr. Glas, Chair of OECD Water Governance Initiative*, reiterated that world crises on water are governance crises. He commended the additional dimension of water governance discussed in the OSCE framework, which he will feed into the OECD WGI discussions. He repeated his offer to the OSCE participating States to comment on the OECD Water Governance Principles.

*Ambassador Sanja Milinković, Deputy Permanent Representative of Serbia to the OSCE*, stated that the different opinions about the number of languages that need to be interpreted during the Preparatory Meetings will be discussed and closed the meeting by inviting all participants to the next Preparatory Meeting in Belgrade.

The following conclusions and recommendations can be drawn from the discussion:

- A comprehensive governance approach to protect, use and share water in a responsible and equitable way would be needed;
- There is the need to discuss the concrete steps the OSCE has to undertake;
- European cross-border initiatives and projects are great examples for successful water governance;
- Cross-sectorial dialogue is necessary as water governance is not only a relevant issue between states, but also one between different stakeholders within a state;
- Different political realities have to be dealt individually. There is no “one size fits all”;
- The OSCE could be used as a platform of dialogue to encourage the full implementation of the commitments taken by participating States;
- Local environmental governance is very important (good examples are Aarhus Centres);
- Transparency, integrity and good governance are the key to address water-related challenges.

# Annex I



**Organization for Security and Co-operation in Europe  
Permanent Council**

PC.DEC/1131  
24 July 2014

Original: ENGLISH

---

## **1012<sup>nd</sup> Plenary Meeting**

PC Journal No. 1012, Agenda item 4

### **Decision No. 1131**

#### **Theme, Agenda and Modalities for the Twenty-Third Economic and Environmental Forum**

The Permanent Council,

Pursuant to Chapter VII, paragraphs 21 to 32, of the Helsinki Document 1992; Chapter IX, paragraph 20, of the Budapest Document 1994; Ministerial Council Decision No. 10/04 of 7 December 2004; Ministerial Council Decision No. 4/06 of 26 July 2006; Permanent Council Decision No. 743 of 19 October 2006; Permanent Council Decision No. 958 of 11 November 2010; and Permanent Council Decision No. 1011 of 7 December 2011,

Relying on the OSCE Strategy Document for the Economic and Environmental Dimension (MC(11).JOUR/2) and Ministerial Council decisions related to the environment, energy and water management,

Building on the outcomes of past Economic and Environmental Forums, as well as on the results of relevant OSCE activities, including follow-up activities,

Decides that:

1. The theme of the Twenty-Third Economic and Environmental Forum will be: “Water governance in the OSCE area – increasing security and stability through co-operation”;
2. The Twenty-Third Economic and Environmental Forum will consist of three meetings, including two preparatory meetings, one of which will take place outside of Vienna. The concluding meeting will be held from 14 to 16 September 2015 in Prague. These arrangements shall not set a precedent for future meetings of the Economic and Environmental Forum. The Office of the Co-ordinator of OSCE Economic and Environmental Activities, under the guidance of the OSCE Chairmanship for 2015, will organize the above-mentioned meetings;
3. The agenda of the Forum will focus on the impact of the following topics on the comprehensive security of the OSCE area:
  - Water governance as a prerequisite for environmental sustainability and for economic and social prosperity and stability;

- Promotion of dialogue in good water governance within the OSCE area through sharing best practices and lessons learned;
  - Raising awareness of the importance of water governance at all levels;
  - Water governance within the context of disaster risk reduction.
4. The agendas of the Forum meetings, including timetables and themes of the working sessions, will be proposed and determined by the OSCE Chairmanship for 2015, after being agreed upon by the participating States in the Economic and Environmental Committee;
  5. Moreover, having a view to its tasks, the Economic and Environmental Forum will review the implementation of OSCE commitments in the economic and environmental dimension. The review, to be integrated into the agenda of the Forum, will address OSCE commitments relevant to the theme of the Twenty-Third Economic and Environmental Forum;
  6. The discussions at the Forum should benefit from cross-dimensional input provided by other OSCE bodies and relevant meetings organized by the Office of the Co-ordinator of OSCE Economic and Environmental Activities, under the guidance of the OSCE Chairmanship for 2015, and from deliberations in various international organizations;
  7. Moreover, having a view to its tasks, the Economic and Environmental Forum will discuss current and future activities for the economic and environmental dimension, in particular the work in implementation of the OSCE Strategy Document for the Economic and Environmental Dimension;
  8. The participating States are encouraged to be represented at a high level by senior officials responsible for shaping international economic and environmental policy in the OSCE area. Participation in their delegations of representatives from the business and scientific communities and of other relevant actors of civil society would be welcome;
  9. As in previous years, the format of the Economic and Environmental Forum should provide for the active involvement of relevant international organizations and encourage open discussions;
  10. The following international organizations, international organs, regional groupings and conferences of States are invited to participate in the Twenty-Third Economic and Environmental Forum: Asian Development Bank; Barents Euro-Arctic Council; Organization of the Black Sea Economic Co-operation; Central European Initiative; Collective Security Treaty Organization; Commonwealth of Independent States; Conference on Interaction and Confidence-Building Measures in Asia; Council of Europe; Council of the Baltic Sea States; Economic Co-operation Organization; Energy Community; Eurasian Economic Commission; Eurasian Economic Community; European Bank for Reconstruction and Development; European Environment Agency; European Investment Bank; Food and Agriculture Organization of the United Nations; Green Cross International; European Investment Bank; International Atomic Energy Agency; International Energy Agency; International Institute for Applied Systems Analysis (IIASA); International Fund for Saving the Aral Sea; International Maritime Organization; International Monetary Fund; International Red Cross and Red Crescent Movement; International Committee of the Red Cross; North Atlantic Treaty Organization; Organization of the Petroleum Exporting Countries (OPEC); OPEC Fund for

International Development (OFID); Organization for Economic Co-operation and Development; Organization for Democracy and Economic Development – GUAM; Organization of Islamic Co-operation; Regional Co-operation Council; Secretariat of the United Nations Convention to Combat Desertification; Southeast European Cooperative Initiative; Secretariat of the United Nations Framework Convention on Climate Change; Shanghai Co-operation Organization; United Nations Development Programme; United Nations Economic Commission for Europe; United Nations Economic and Social Commission for Asia and the Pacific; United Nations Commission on Sustainable Development; United Nations Environment Programme; United Nations Human Settlements Programme; United Nations Industrial Development Organization; United Nations Office for the Coordination of Humanitarian Affairs; United Nations Office for Disaster Risk Reduction; United Nations Office of the High Commissioner for Refugees; UN Women; United Nations Special Programme for the Economies of Central Asia; World Bank Group; World Health Organization; World Meteorological Organization; World Trade Organization; Advisory Group on Environmental Emergencies; Joint UNEP/OCHA Environment Unit; International Strategy for Disaster Reduction; United Nations Children’s Fund; Capacity for Disaster Reduction Initiative (CADRI); United Nations Disaster Assessment and Coordination; International Civil Defence Organization; World Food Programme; Global Facility for Disaster Reduction and Recovery; Inter-Parliamentary Union; Caucasus Environmental NGO Network (CENN); Regional Environmental Centre for Central and Eastern Europe (REC); and Regional Environmental Centre for Central Asia (CAREC); and other relevant organizations;

11. The OSCE Partners for Co-operation are invited to participate in the Twenty-Third Economic and Environmental Forum;

12. Upon request by a delegation of an OSCE participating State, regional groupings or expert academics and business representatives may also be invited, as appropriate, to participate in the Twenty-Third Economic and Environmental Forum;

13. Subject to the provisions contained in Chapter IV, paragraphs 15 and 16, of the Helsinki Document 1992, the representatives of non-governmental organizations with relevant experience in the area under discussion are also invited to participate in the Twenty-Third Economic and Environmental Forum;

14. In line with the practices established over past years with regard to meetings of the Economic and Environmental Forum, the outcomes of the preparatory meetings will be reviewed at the concluding meeting of the Twenty-Third Economic and Environmental Forum. The Economic and Environmental Committee will further include the conclusions and policy recommendations of the Twenty-Third Economic and Environmental Forum and the reports of the rapporteurs in its discussions so that the Permanent Council can take the decisions required for appropriate policy translation and follow-up activities.

## **Annex II: Opening Remarks**

*Check against delivery*

### **23<sup>rd</sup> ECONOMIC AND ENVIRONMENTAL FORUM**

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

#### **FIRST PREPARATORY MEETING**

**Vienna, 26 - 27 January 2015**

**Opening address of Ambassador Vuk Žugić, Chairperson of the Permanent Council, Permanent Representative of Serbia to the OSCE, 2015 OSCE Serbian Chairmanship**

Excellences,  
Ladies and Gentlemen,

On behalf of the Chairmanship in Office of Serbia, it is my sincere pleasure to welcome all of you to the First Preparatory Meeting of the 23<sup>rd</sup> OSCE Economic and Environmental Forum.

I would like to thank the Office of the Coordinator of OSCE Economic and Environmental Activities for their efforts in organizing the first major OSCE event in 2015, dedicated to the topic “Water governance in the OSCE area – increasing of security and stability through co-operation”.

I warmly welcome Ms. Stana Božović, State Secretary of the Ministry of Agriculture and Environmental Protection of the Republic of Serbia, Prof. John Anthony Allan, Professor of Geography from the King’s College in London and Dr. Mohamed Ait Kadi, from the Ministry of Agriculture and Marine Fisheries of the Kingdom of Morocco and thank them for addressing us here today, as key-note speakers.

I would also like to welcome all representatives of the OSCE participating States and Partners for Co-operation, high-level officials from ministries and agencies, representatives of international, regional and non-governmental organizations as well as experts from the business sector and academia and last, but not least, the officers from the OSCE field Missions in charge of economic and environmental activities.

We are pleased to have you all here and we hope that we will have fruitful discussions on this important matter at hand. With regard to this, and in light of the motto of the Forum – “water is fundamental, water unites, and water connects”, I encourage all participants to actively and freely engage in the deliberations and to provide their views and ideas on the security aspects of Water Governance in the OSCE area.

During this year, we will strive to determine and specify how better water governance can contribute to the increase of security and stability in the OSCE. As we have seen last year, the devastating floods in the Western Balkans proved to be a good example on how



transboundary co-operation can be of importance in addressing negative impacts of disasters. Our vision is to promote dialogue on good water governance within the OSCE area, through the sharing of best practices and lessons learned, and raise awareness of the importance of water governance at all levels – transboundary, national, and local. With this regard, we would like to point out that, within the OSCE area, there is a number of transboundary water agreements which can serve as excellent examples on how to deal with contemporary and future challenges.

We have envisaged that the First Preparatory Meeting will also have an introductory purpose, where we will have the opportunity to learn about the very principles and basics of Water Governance. During the course of our discussions, we will deliberate on improving integrated and cross-sectorial approaches to water resource management, fostering food and energy security, protecting ecosystems and increasing water productivity, reducing pollution and increasing collection, treatment and re-use of water. We will also consider the opportunities for providing mutual assistance and exchange of information, particularly in the area of sharing of technology and know-how.

We believe that one of the tasks of the country chairing the OSCE is to promote the broader capacity of economic and environmental dimension in strengthening the synergy between OSCE's dimensions and its potential in contributing to the general OSCE's agenda. Even though there has certainly been some positive progress in this Dimension, we consider that the second dimension of the OSCE has remained underutilized, despite its essential role in the comprehensive approach to security. Having in mind that the OSCE is, first and foremost, a security oriented organization, there needs to be a clear link to security in our discussions, and I hope that in the next two days we will hear concrete examples on how the OSCE can contribute in this ever more important matter. Therefore, we once again reiterate our position that the ongoing "Helsinki +40" process is a good opportunity to tackle this issue.

The OSCE Chairmanship of Serbia will continue to support the strengthening of this dimension in order to provide the participating States with assistance and expertise needed for responding to the new economic and environmental challenges.

I thank you all for your attention and wish you a successful and productive Meeting.

## **23<sup>rd</sup> ECONOMIC AND ENVIRONMENTAL FORUM**

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

#### **FIRST PREPARATORY MEETING**

**Vienna, 26 - 27 January 2015**

#### **Opening address of Ambassador Secretary General, Lamberto Zannier**

Excellencies,

Ladies and Gentlemen,

I warmly welcome all of you to Vienna to the First Preparatory Meeting of the 23rd OSCE Economic and Environmental Forum devoted to water governance in the OSCE area.

Water is not a new topic for the OSCE, but one that calls for more political attention, more co-operation, and more understanding of its complex inter-linkages with security and the related future challenges.

I just came back from the World Economic Forum in Davos, where I participated in a panel discussion on climate change and extreme weather events. The economic community is well aware that climate change, natural disasters and water crises are major threats to sustainable development and prosperity. In its yearly Global Risk Reports, the World Economic Forum lists water crises constantly as one of the highest global risks. In this year's report - released very recently - water crisis is identified as the top 1 global risk in terms of possible impacts. Also the security and defense communities of many states are increasingly aware of the challenges posed by the nexus of food, water, energy and climate change.

Being such an essential element of national and regional security, water has been on the OSCE's agenda since the 1975 adoption of the Helsinki Final Act. Let me mention some of the key documents in this respect.

The 2003 Maastricht Strategy Document for the OSCE Economic and Environmental Dimension refers to the need for co-operation for sustainable management of shared natural resources, including water.

In the 2007 Madrid Declaration on Environment and Security, participating States reaffirmed their commitment to improve environmental governance by, inter alia, strengthening the sustainable management of water. They also adopted a Ministerial Decision on Water Management that emphasized closer collaboration with the UNECE and other international organizations in the sphere of water management, and called upon participating States to enhance co-operation on water management

Also the OSCE Economic and Environmental Forum process has focused on water issues already several times, including in 2002, 2007 and 2008.

These decisions and discussions have been translated into many concrete project activities to support participating States in their efforts for sustainable water management. Nevertheless, in light of the increasing pressures on water, the OSCE, as the world's largest regional security

organization, has to give even more attention to water and increase its co-ordination and co-operation with its partners on that matter.

It is meanwhile a widely acknowledged fact that the water crisis is mainly a crisis of governance. The water challenges demand a broad understanding of water resources as a common good that we have to protect, use and share responsibly. We need a comprehensive approach; we need to talk not only about water management, but about its governance and all its different aspects.

Effective water governance requires involvement of all concerned stakeholders, including civil society, the private sector and academia. Transparency and access to information are the primary prerequisites for this.

Good water governance also requires horizontal co-ordination between different sectors and in case of transboundary basins – between different states. It also necessitates mainstreaming of the gender perspective. Only then, we are able to maximize environmental, social and economic benefits and contribute to increased security in the OSCE region.

The two-way relationship between water and security - water as a source of conflict and water co-operation as a tool for conflict prevention - makes “water” an important topic for the OSCE. This security perspective is what the OSCE can add to the international water discourse.

We are grateful to the Swiss and Serbian Chairmanships who identified sustainable water management as one of the priorities of their joint work plan for 2014-2015. During last year’s Economic and Environmental Forum, water-related disasters were high on the agenda. It was just before the Second Preparatory Meeting, that Bosnia and Herzegovina, Croatia and Serbia were hit by the most devastating floods since 120 years. This tragedy reminded us on the urgency of the topic. On the other hand, the impressive joint response by the affected states and people revealed the benefits of co-operation and solidarity in case of such a large-scale disaster.

Last year in Basel, the 57 OSCE participating States agreed on a Ministerial Decision on Enhancing Disaster Risk Reduction. They recognized that sustainable use and management of water, along with other natural resources, is essential for the prevention of disasters. The participating States also committed to further expand the OSCE’s good practices gained particularly in the field of water management and flood risk management. This year’s Forum will build upon these results.

In July last year, we organized a Security Day devoted to Water Diplomacy. We had the privilege to have His Royal Highness Prince El Hassan bin Talal of Jordan with us as a key note speaker along with many other distinguished speakers and experts. One of the key messages from the Security Day discussions was that in the area of water, we have to focus on policy instead of politics and we need to have a multi-sectoral and multi-disciplinary approach. During this Forum, we will hear examples for such approaches in the OSCE participating States. At the same time, there is a need to put water high on the political agenda, particularly within security and foreign policies. The OSCE is well placed to follow both these tracks: support practical efforts for good water governance through project activities in our participating States, and at the same time raise water on the political agenda.

I am also delighted to note that the interest in good practices related to water governance in the OSCE area goes beyond our region. To give you an example, a Workshop on Environment and Security Issues in the Southern Mediterranean Region held in Vienna in December provided the opportunities for experts from both the OSCE region and Mediterranean Partners for Co-operation to actively discuss a range of pressing environment and security issues, including transboundary water co-operation.

This year is very timely to concentrate on water. In March, the Third UN World Conference on Disaster Risk Reduction will be held in Sendai, Japan. In April, the 7<sup>th</sup> World Water Forum will take place in South Korea. In August, the World Water Week in Stockholm will celebrate its 25<sup>th</sup> anniversary. In September, the Sustainable Development Goals are expected to be adopted by the UN General Assembly – including a dedicated goal on availability and sustainable management of water and sanitation for all.

Finally, in December, the 21st session of the Conference of the Parties to the UN Framework Convention on Climate Change in Paris will hopefully bring the world a step forward towards mitigating and adapting to climate change. I am sure that climate change will accompany us steadily during our deliberations throughout the Forum this year. Water is one of the resources most affected by climate change, and dealing with these effects poses additional challenges to water governance.

Water crises manifest themselves in different ways: floods in one place, scarcity and droughts in another, severe pollution problems in yet other locations. Everywhere, however, changed or reduced availability of clean freshwater has far-reaching effects on society, economy and security. Let me reiterate once again: If we want to be serious about conflict prevention, we have to address water-related challenges to security.

This year's Forum process will give us ample opportunity to discuss ways to further develop the OSCE's role in this important area. We will do this in close concert with other international actors, foremost our partners in the Environment and Security – ENVSEC - Initiative with whom we have a long-standing co-operation on water projects. I wish to express my gratitude to the speakers and to all participants for joining us here in Vienna to take an active part in our deliberations.

Thank you.

## **23<sup>rd</sup> ECONOMIC AND ENVIRONMENTAL FORUM**

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

### **FIRST PREPARATORY MEETING**

**Vienna, 26 - 27 January 2015**

**Opening address of Dr. Halil Yurdakul Yiğitgüden, Co-ordinator of OSCE Economic and Environmental Activities**

Excellencies,

Distinguished participants,

It is an honour to address this opening session of the First Preparatory Meeting of the 23rd OSCE Economic and Environmental Forum. The focus of this year’s Forum is linked to security in a profound way: in the absence of good water governance, water might become a source of conflict. At the same time, well governed water provides opportunities to build confidence and help prevent conflict between those sharing water resources.

I am very pleased to welcome so many reputed experts who joined us to share their in-depth knowledge on different aspects of water governance. Today, we have with us many government officials from the OSCE participating States and Partners for Co-operation, representatives of international and bilateral organizations, of international NGOs, academia and the private sector.

Within the Economic and Environmental Dimension, water has always been high on our agenda. Over the years, we have built a strong record of projects supporting participating States in strengthening water governance at national level as well as in a transboundary context. The United Nations Economic Commission for Europe – also as the holder of the UNECE Water Convention- has always been one of our main partners in this endeavour.

I would like to use this opportunity to give you a few examples of what my Office and our colleagues in the Field Operations have been doing in the field of water governance:

In South-Eastern Europe, we have been involved in the International Framework Agreement on the Sava River Basin since its early stages and also contributed to the work of the International Sava River Basin Commission. Currently, our engagement in the region is more targeting community-based disaster risk reduction, particularly through the network of Aarhus Centres. At this point, I would also like to refer to the OSCE Mission to Serbia which has a long track record in supporting participative flood risk management. They have done so already long before the May 2014 floods. The Mission has invested significant efforts towards capacity building and community engagement in flood risk reduction, often together with the Aarhus Centres network. Similarly, the OSCE Mission to Bosnia and Herzegovina continues to support policy makers in addressing disaster risk reduction plans from a regional perspective, as well as the Aarhus Centres network in their work with local communities to increase their engagement in shaping local flood response plans.

Let me now turn to Eastern Europe, where eight years of our joint work with Moldova and Ukraine has led to the signing of the Treaty on the Dniester River Basin in 2012. This is a crucial step towards establishing a sound legal framework for good water governance at transboundary level. The Treaty broadens the existing co-operation to cover the entire river basin and all sectors that are important for the management and protection of shared waters. We continue our support to the Dniester Basin through several projects within the framework of the Environment and Security (ENVSEC) Initiative. One of the most recent results is a draft basin-wide strategic framework for climate change adaptation developed within the framework of an OSCE-led ENVSEC project on climate change and security. The project is financed mainly by the European Union's Instrument for Stability and the Austrian Development Agency and implemented together with UNECE, UNEP, UNDP and REC.

In the South Caucasus, together with UNECE, we have facilitated negotiations between Azerbaijan and Georgia on a co-operation agreement on the management of the Kura River Basin. We organized six rounds of bilateral consultations to develop a legal framework for co-operation on water pollution, biodiversity, emergency situations, information sharing and public participation. The draft Agreement also envisages the establishment of a joint commission for protection and rational use of water resources of the Kura River Basin. The Agreement is currently under consideration by Azerbaijani and Georgian Ministries of Foreign Affairs. The OSCE stands ready to continue its support and facilitate the finalization of the agreement.

In Central Asia, thanks to our Office in Tajikistan, the OSCE has long been engaged in facilitating transboundary water co-operation along the Upper Amu Darja River - also known as the Panj River - between Tajikistan and Afghanistan. I would also like to mention our support, together with UNECE, to the establishment and operation of a bilateral water Commission between Kazakhstan and Kyrgyzstan in the basins of the Chu and Talas Rivers. A new follow-up project on the Chu and Talas Rivers is currently under preparation. At this point, let me underline the support and commitment of particularly the Centre in Astana. Their support to basin councils and to capacity building for Integrated Water Resources Management requires special recognition. Efficient irrigation is another area where several OSCE Field Operations in Central Asia are actively engaged.

Let me underline that most of our activities related to water governance are taking place in the framework of the Environment and Security Initiative. For over a decade now, ENVSEC has been a unique mechanism to create synergies and jointly address environmental challenges, inter alia, related to water.

Excellencies,

Good water governance based on the principles of co-operation has an essential role to play for building trust and strengthening security. The fundamental importance of good and co-operative water governance for security and stability within and across borders calls for continuous dialogue and involvement of a broad spectrum of stakeholders at different levels. Our agenda for the next two days will provide an opportunity for this. Allow me a few words on the specific sessions of this meeting:

Water is a medium that links air and land through the hydrological cycle. Water is also a vital link between people, communities and countries that are sharing it. Well governed water is essential to maintain public health and sound environment as well as to foster stability. In the first session, we will discuss the water governance concept, principles underlying good water governance, as well as best practices in implementing it.

Energy and food production heavily depend on freshwater supply. Pressure on water and land resources in the OSCE area is increasing due to population growth, changing consumption patterns and climate change. Responding to these challenges requires more effective accommodation of future energy and food demands as well as environmental considerations. The second session today will be dedicated to water governance across sectors with a focus on fostering food and energy security. The session's deliberations will in particular touch on the water-energy-food nexus and new approaches to sustainable hydropower and efficient irrigation.

Freshwater ecosystems are among the most extensively altered systems on Earth. Rivers, streams, and lakes have experienced various changes as a result of large-scale water diversions, introduction of invasive species, overharvesting, pollution, and climate change. The third session will discuss protection of ecosystems and increasing of water efficiency. The session will also look at climate change in the context of water governance.

Governing water resources involves a range of stakeholders at local, national, regional, and international levels. While water often appears to be a local issue, even local water challenges may have implications transcending boundaries and national borders. In the fourth session, we will take a closer look at water governance at different levels with a focus on community-based water governance and basin management.

Lack of transparency and corruption are both a cause and a result of poor water governance. Transparency, access to information, and integrity build a sustainable foundation for good water governance and reduce the potential for conflict. The fifth session will focus on transparency as the vital prerequisite of good water governance including the roles of economic instruments, civil society and the business sector.

Exchange of knowledge and experience is crucial to develop evidence-based policy, make informed decisions, raise awareness and build trust and confidence between different stakeholders, including at transboundary and regional level. Sharing of technology and innovation on water management has a valuable role to play in this process. The sixth session will enable us to have a lively discussion on these aspects.

In concluding, I would like to welcome you all once again and I strongly encourage you to actively participate and contribute to our Forum's deliberations. I am looking forward to fruitful discussions.

Thank you for your attention.

## **Annex III: KEYNOTE SPEECHES**

### **Keynote speech by Ms. Stana Božović, State Secretary, Ministry of Agriculture and Environmental Protection, Republic of Serbia**

Ladies and gentlemen,

Distinguished members of the Forum,

Please allow me to greet you on behalf of the Ministry of Agriculture and Environmental Protection as well as on my own behalf, and to thank you for giving Serbia the honor to chair the OSCE in 2015.

This is an extremely important year both for the Republic of Serbia and the whole region.

Through joint work, we will realize the importance of regional co-operation, especially in activities concerning the protection of the environment, especially water protection.

We have been entrusted with a great responsibility and obligation, but this is also an opportunity for Serbia to contribute greatly to the progress of the whole region.

We particularly point out water governance in the member countries of the OSCE – increasing security and stability through co-operation.

My commitment as a person responsible for environmental protection in the Republic of Serbia in 2015 will be focused primarily on the protection of River Danube and its tributaries, sustainable use of natural resources, as well as increasing security and stability of the countries in the region.

I also wish to point out that I will advocate for a quick and efficient exchange of information between all countries in the region, concerning environmental protection with particular emphasis on water protection.

A timely exchange of information is of great importance since it is the main instrument for the prevention of damage and accidents caused by significant water pollution and pollution of the environment.

Pollution represents a serious problem, especially pollution by organic matter and nutrients.

It is also necessary to work on the education and raising public awareness regarding the protection and management of waters in the region.

From the aspect of human safety and security we have to put special emphasis on climate change, which have greatly affected huge floods in the region and represent main threat to Danube River Basin and all its tributaries.

I would particularly stress the importance of good regional co-operation during catastrophic floods in May 2014.



On this occasion I also wish to express our strong support and commitment to regional co-operation, the intention to continue maximum engagement on further improvement of co-operation as well as my gratitude for the financial support that has so far been provided to the Republic of Serbia by the European Union and other donors.

The political will of the Danube River basin countries and the EU was necessary for the signing and ratification of the Danube River Protection Convention.

In this way the necessary framework or mechanism for sustainable environmental management of the Danube River basin was created.

This agreement legally binds countries to cooperate on the issues and fundamental problems related to the water management of the Danube River and of the waters in its catchment area, with the inclusion of all available legal, administrative and technical measures with respect to conservation and environmental protection.

All Danube River Basin countries that have already become members of the EU, as well as those that have started their accession process, are required to comply with the EU directives related to water management and the environment, in particular the EU Water Framework Directive, the EU Nitrates Directive and the Urban Waste Water Treatment Directive.

In joint efforts for the protection of river Danube a significant role belongs to the International Commission for the Protection of the Danube River.

It is important to note that the Republic of Serbia shares the interest with other countries in the region and actively participates in the work of the International Sava River Basin Commission.

Since one of the priorities of the Government of the Republic of Serbia is the EU accession, we must be aware that the realization of this priority requires hard work on the implementation of the requirements stipulated by EU directives in the field of water management, protection from adverse effects of water and navigation issues.

The tasks that are before us call for serious work and investment of large financial resources, especially at the local level.

I put special emphasis on the following priorities and goals that throughout 2015 will be significant for addressing issues concerning the protection and water governance in OSCE participating states:

- Implementing the principles of good water governance through the application of best practices in implementation, which includes the reduction of the impact of pollution caused by urban wastewater in the whole region, then the development of local projects that will address the issue of wastewater treatment;
- Giving priority to security of sustainable management of aquatic ecosystems, as well as consider the impact of climate change on this resource;
- Providing an opportunity for establishing partnership framework for environmental protection and efficient use of water at local, national and transboundary levels;

- Maximizing the use of economic instruments for greater efficiency in the field of water protection;
- Focusing on the transparency in the water sector at regional, national and local levels, etc.

I sincerely hope that our joint efforts and the involvement of professional institutions of all countries in the region, as well as other international bodies and organizations will continue towards completion of all planned activities for improvement of the legal framework, as well as our friendly relations and co-operation of mutual interest, related to the conservation and sustainable use of water resources in OSCE participating states.

I wish you successful work and thank you for your attention.

## **Annex IV: Closing Remarks**

*Check against delivery*

### **23<sup>rd</sup> ECONOMIC AND ENVIRONMENTAL FORUM**

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

#### **FIRST PREPARATORY MEETING**

**Vienna, 26-27 January 2015**

**Closing Statement of Dr. Halil Yurdakul Yiğitgüden, Co-ordinator of OSCE Economic and Environmental Activities**

Dear Ambassadors,

Dear Participants,

Ladies and Gentlemen,

As we conclude the First Preparatory Meeting of the 23<sup>rd</sup> OSCE Economic and Environmental Forum on “Water governance in the OSCE area – increasing security and stability through co-operation”, I would like to express my gratitude for the constructive discussions, the insightful and thought-provoking presentations, the competent moderation as well as a range of ideas generated over the last two days.

The theme of this year’s Forum is highly relevant for all 57 participating States of the Organization and Partners for Co-operation as water is increasingly becoming an essential element of national and regional security, especially at a time when water resources in the OSCE area are facing increased risks from climate change. Discussions over the last two days suggest that addressing the water challenges across the OSCE area requires a comprehensive governance approach to protect, use and share water in a responsible and equitable way. Implementing good water governance has an important role to play in strengthening security and stability in the OSCE area and beyond.

We in the OSCE will strive to build on the recommendations generated at this First Preparatory Meeting, also by bringing our extensive experience and by further advancing partnerships with relevant national agencies, UN organizations, the private sector and non-governmental organizations in the area of water governance. ENVSEC will continue to

provide us with a framework for translating such recommendations into practice, including the implementation of the Basel Ministerial Council Decision on Enhancing Disaster Risk Reduction.

Ladies and Gentlemen,

Let me briefly highlight the main discussions over the last two days. The opening session, including three outstanding keynote speeches by State Secretary Božović, Professor Allan and Dr. Ait Kadi, has underlined the important role of well governed water in helping create opportunities for strengthening security and protecting the environment.

We have learned about the conceptual elements of water governance, including governance models. It was emphasized that water governance is about politics, the quality of institutions and interaction between organizations. The results of the on-going work in the framework of the OECD Water Governance Initiative were presented along with a number of valuable insights from a foreign policy perspective, including the need for more extensive interaction between water and foreign policy agendas. We also had an opportunity to hear of several examples of implementing good water governance at regional level.

An extensive and in-depth discussion was dedicated to the issues related to water governance across sectors along with food and energy security and water efficiency. These deliberations showcased National Policy Dialogues and water-energy-food nexus assessments undertaken by UNECE in the framework of the Water Convention as effective tools to help assess and address water-related issues across different sectors.

Water efficiency was also one of the issues that several interventions placed a focus on. In particular, technological innovations for re-use of waste water and Australia's experience in ensuring allocative water efficiency provided interesting examples that are worth further consideration in the OSCE area.

Furthermore, over the last two days we have looked at the two important dimensions of water governance: different levels of governance, and the role of transparency in promoting good water governance. In particular, it was emphasized that promoting integrity for good water governance goes beyond anti-corruption measures, and also includes building trust. Transparency can only be achieved in the context of public participation and access to information. The outreach capacity through the OSCE-supported network of Aarhus Centres was highlighted as an effective tool in this regard.

Dynamic discussions in all of the sessions led to a number of suggestions and recommendations about the possible areas where the OSCE as the regional security organization could provide its support in the field of water governance. These recommendations will be thoroughly considered with a view to identifying possible follow-up activities.

Ladies and Gentlemen,

There are still a range of important aspects of water governance that merit discussion. The Second Preparatory Meeting, which will take place in Belgrade in May, will provide a forum for such an exchange.

I also hope that our discussions in the Forum process will contribute to the global processes, including the Third UN World Conference on Disaster Risk Reduction in Sendai, discussions on the Sustainable Development Goals and the Paris Climate Change Conference. And we are also thankful to the Co-Chair of the International Steering Committee of the 7th World Water Forum for today's comprehensive presentation on the preparations.

Thanks to the rapporteurs, a Consolidated Summary including the main key suggestions and recommendations made by the participants during the deliberations will be compiled by my Office and shared with all of you in the coming weeks.

I would like to thank the Serbian Chairmanship, the moderators, speakers and rapporteurs, the interpreters, the conference service staff, as well as the colleagues from my Office for their joint contribution to the success of this event.

I also want to thank all of you, dear participants, for your active contribution, and wish you a safe trip back home.

**23<sup>rd</sup> ECONOMIC AND ENVIRONMENTAL FORUM**

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

**FIRST PREPARATORY MEETING**

**Vienna, 26-27 January 2015**

**Closing Statement of the Permanent Representative of Switzerland,  
Ambassador Thomas Greminger**

Excellencies,

Ladies and Gentlemen,

Let me first thank Ambassador Vuk Žugić and Sanja Milinković of the Serbian Chairmanship, Secretary General Lamberto Zannier and the Coordinator of Economic and Environmental Activities, Yurdakul Yiğitgüden, and his team for having organized this first Preparatory Meeting of the 23<sup>rd</sup> Economic and Environmental Forum and for having brought together so many experts here.

Ladies and Gentlemen,

Let me start with a quote: “Any two countries engaged in active water co-operation do not go to war for any reason whatsoever”. This sentence is from the Strategic Foresight Group, an Indian Think tank that Switzerland actively supported. It is taken from a study on water diplomacy based on 148 countries and called “Water co-operation for a secure World”.

I very much like this sentence, because it is not only a strong call for water co-operation but also a call for stability and security. One could even say a clear call for the OSCE to become more active in the field of water governance! Water is not only about development, health and food. Water is also about the security of people and nations. The lively discussions that we have had during the last two days are clearly a proof of it.

By choosing water governance as its main topic in the second dimension, the Serbian Chairmanship is shedding light on what we can do to address the multitude of water challenges and the diverse nature of their effects. The good news is that everyone has a role to play in ensuring water governance: not only States, but private sector, civil society and communities, as it was repeatedly mentioned yesterday and today. We heard numerous positive examples of how we can cope with water related challenges if we

give them sufficient weight on the political agenda, if we invest in means to address them and if we go forward in a spirit of co-operation and partnership at all levels. That is the positive message I would retain from this 1<sup>st</sup> Preparatory meeting.

What does this mean for the OSCE?

The OSCE, as the largest regional security organization, can and must address the challenges of water which are now firmly established on the global security agenda. Water is not a new issue for the OSCE, but one that calls for renewed attention. Let us remind that the 1989 Sofia Meeting on the Protection of the Environment organized by the Conference on Security and Co-operation in Europe (CSCE) paved the way for the major international legal instrument on water - the “UNECE Convention on the Protection and Use of Transboundary Watercourses and International Lakes”, also known as the Water Convention. Since then, fostering water co-operation and security has been an area of work of the OSCE. The Environment and Security Initiative (ENVSEC) for instance, has been an excellent instrument for co-ordinated international action in this field.

By putting sustainable water management and water scarcity on our Joint Work plan, Serbia and Switzerland intended to place water issues high on the OSCE agenda again and increase the sense of urgency for a comprehensive approach.

From our discussions during the past 2 days, I would like to highlight the following five key elements:

1) First, water governance is not only a relevant issue between states, but also one between different stakeholders within a State. Cross-sectorial dialogue is needed to ensure an appropriate use of water resources. Therefore, integrating all stakeholders – of which women are an important group – in water-related decision-making processes is a key issue in water governance. I believe the OSCE can play a meaningful role in strengthening national processes based on its vast expertise.

2) Second, in water governance, there is no one size fits all. We have heard, among others, from Dr. Pohl, the Adelphi representative, that we should better reflect and address the different political realities in each river basin. Examples of good functioning transboundary water co-operation were presented: the work done under the Albufeira Convention between Portugal and Spain, for instance. But we have also heard - and felt here in the room - existing tensions where there is a lack of dialogue between OSCE participating States. We must strive to apply the OSCE tools and assets also in the field of water governance, in order to rebuild trust and confidence.

3) Third, as in many fields, implementation is key. Several speakers pointed out the challenges posed by weak implementation of national or international agreements and illustrated them with some concrete cases. There also, the OSCE has a role to play: our Organization can be used as platform of dialogue and should encourage full implementation of the commitments taken by participating States.

4) Fourth, the importance of local environmental governance was highlighted several times during our discussions. When we look at most of the cases of water disputes, we can see that these situations usually arise when local stakeholders and communities are insufficiently included in decision making. The Aarhus Centres, as it was illustrated with the case of Bosnia-Herzegovina, are particularly well suited to be partners in inclusive approaches to water management and could also link water policies to general environmental policies.

5) Finally, transparency, integrity and good governance are keys if we are to address the water-related challenges in a comprehensive manner. The “Water Integrity Network” put forward some concrete ideas this morning. There again, I am convinced that the OSCE, with its comprehensive approach of security and its solid experience in good governance, can support country efforts to become more transparent in water related issues.

Ladies and Gentlemen,

Turning now to the priority areas that we should further discuss in the course of the next stages of the Prague Forum cycle, I would like to mention the following two:

1. We touched upon the risks of water-related disasters and the adaptation to climate change during the last two days. We are convinced that we should further discuss this important issue. As you know, flood and drought are the most frequent natural hazards affecting the OSCE participating States. You will all remember the horrendous floods that Western Balkans experienced last year in May. There were also many signs of solidarity across borders and dividing lines. Ambassador Žugić already mentioned that the second Preparatory meeting will give us a chance to better understand the role Disaster Risk Reduction can play in building confidence. This event will ensure continuity to last year’s main topic in the 2nd dimension and to the Ministerial Council Decision on Enhancing Disaster Risk Reduction adopted in Basel last December. Switzerland will closely work with Serbia in preparing for the second Preparatory meeting.

2. Second, we should build upon the Security Day on Water Diplomacy held in Vienna last year in July and look closer at the specific role of the OSCE. We heard a lot about the concept of water governance yesterday and today. Now, we should concentrate on the role the OSCE should play in water governance and further discuss the importance of strengthening transboundary water co-operation and water diplomacy as an effective tool to enhance security and stability in the OSCE area.

The OSCE could for instance engage more in the international discourse on water diplomacy, by being present at major events and by contributing its own approach to frame “water diplomacy” from a security perspective.

We should also discuss how to use the tools and capacities of our organization in the field of water governance. I would like to mention the following: our mediation capacities, the use of environmental fact finding missions in regions where the dialogue



is lacking, the OSCE capacities of connecting key actors, the exchange of best practices, the creation of a code of conduct in the field of water governance. We need to discuss the concrete steps our Organization should undertake. We need also to look at how we could develop and promote the valuable experience gained so far by the OSCE in water diplomacy.

Those are in my view the most important topics our Organization still needs to tackle in the next stages of this year's Forum.

Water is a common good, and we have to find equitable ways and mechanisms to share benefits as well as responsibilities in managing this unique resource. We have started the discussion during these two days. Let us all take the chance to continue it in the course of the year in order to find a common understanding around this topic within the OSCE.

Let me finish by expressing a personal wish. We have heard yesterday from the Chair of the OECD Water Governance Initiative that water has become a strategic priority of his organization. It is my strong wish that at the end of this Forum cycle, we can say that water is not only a strategic priority for the OECD, but also for the OSCE!

Thank you for your attention.

**23<sup>rd</sup> ECONOMIC AND ENVIRONMENTAL FORUM**

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

**FIRST PREPARATORY MEETING**

**Vienna, 26-27 January 2015**

**Closing Statement of Ms. Christine Weil, Deputy Permanent Representative,  
Permanent Mission of Germany to the OSCE**

Excellencies,

Ladies and Gentlemen,

Let me thank all those who have contributed to the success of this meeting. Let me also thank in this first month of the year Switzerland for its work in the previous year in organizing the two preparatory meetings and the EEF in Prague. Switzerland has set high standards for any chairmanship to come.

As a future chair, we shall build on the work previous chairmanships have done, taking into account the decisions of previous ministerial councils, especially the most recent in Basel, which has given us a number of tasks in the second dimension, especially in the area of good governance. One of our priorities will be to forward implementation.

As our work is based on consensus, we shall, like previous chairmanships, start a consultation process after the spring recess, with a view to achieving consensus on priorities for next year's EEF ready for submission to the PC before the summer recess. I invite you all to bring your expertise into this process.

Ladies and Gentlemen,

Let me turn to this meeting: I commend SRB for having chosen the guiding theme „water governance“.

The catastrophic floods in the Balkans last year have again shown how vulnerable to natural disasters we are and how easily they can cross national borders.

They have demonstrated that water governance is of utmost importance and can only be implemented successfully when we look and cooperate beyond national competences. They have also shown that cross border co-operation can work in regions where co-operation may seem difficult because of a difficult historical and political background.

For all of you who attended last year's EEF in Prague, it was certainly a heartening experience to see how a cross border project on the detection and safe removal of left over

mines from the Balkan wars that were unhinged and washed away by the floods, came successfully into being.

This example has certainly the quality of a role model and should be studied and followed further by us. This preparatory meeting has shown how many facets water governance has. It is about energy and food security, protection of the environment, technological innovation, local and national administration and trans-border co-operation, good governance, transparency and fighting corruption, the role of civil society, and it has also a global context.

Specifically, water and energy are closely interlinked. In both cases, the issue is the exploitation and distribution of a scarce resource. As the UN-World Water Report of 2014 states, global and regional crises that originate from poverty, insufficient food-supply and health problems are often linked together through water and energy. In the case of water, the problems are often more pressing, since it seems that energy has a greater lobby and can mobilize more capital than water.

Regions which have scarce water resources are especially vulnerable. My government has, in 2008, initiated the “Water Initiative Central Asia”. This initiative is now entering its third phase. The focus will be on regional co-operation in water governance and on the strengthening of regional institutions, exactly the theme of this meeting.

As the EU has pointed out in its opening statement, Europe has a long history of cross-border water governance, e.g. through the Danube Commission and the International Commission for the protection of the Rhine-river. The latter is a striking example: Only five years after the end of World War II in Europe, France and Germany, together with Switzerland, Luxembourg, and the Netherlands sat at the table to agree on measures to protect the water resource Rhine. At the beginning, many obstacles, which had their roots way back in Western Europe's history, had to be overcome. But the political will was there on all sides. Today, the ICPR serves as a model for cross-border water governance all over the world.

Ladies and Gentlemen,

At the closing of this meeting, I would like to share some observations with you.

First: The presentations of the past two days have clearly shown the close link between water governance and security: water is a scarce resource and at the same time cause and consequence of natural disasters. Hence, shortcomings in water government can easily lead to national and international tensions and insecurity. It has been rightly pointed out by several speakers that water is listed no. 1 in the most recent World Economic Forum World Risk Report.

Second: It was obvious, that the most often heard word these two days was “co-operation”. In fact, when shortcomings in water government were exemplified, the underlying reason for those shortcomings was usually a lack of co-operation among the stakeholders.

Third: Presentations in the last two days have made it clear: good governance is a condition for successful water governance. The many facets water governance has can only be integrated, if water governance is based on transparent, inclusive approaches that take all stakeholders on board.

Forth: Key to success is political will. Unlike in other areas of global concern, like energy or food, it seems the technology we need to cope with our task, is basically in place. We know

how to catch water and to build dams. For using these instruments, we need the political will to bring the stakeholders together, as the example of the ICPR shows.

It is a very positive step, that this example was followed in more recent times by the four countries which set up the Sava-River Commission. Presentations in our meeting referred to it on several occasions. For these four countries, it had certainly not been an easy decision, but the political will was there and the success proves, they were right.

The OSCE, which has “security” and “co-operation” in its name, can certainly make meaningful contributions to the improvement of water management in its region and hence reduce security risks. It has the mandate to do so and is the most experienced organization in Europe when it comes to mediation, facilitation of dialogue and bringing together stakeholders, nationally and across borders. It is up to us, the participating states, to use this asset we have at our disposal. It is also about making full use of the 2<sup>nd</sup> dimension.

In conclusion, let me thank the former Swiss chairmanship for bringing disaster risk reduction to the attention of the OSCE, the Serbian chairmanship for having taken up water governance for the topic of this year's EEF and the Co-ordinator of Economic and Environmental Activities and his staff for the support.

We stand ready to support the chairmanship as a Troika member and look forward to the next Preparatory Meeting in Belgrade in May.

I thank you for your attention.

# Annex V: Annotated Agenda



Organization for Security and Co-operation in Europe  
The Secretariat

Vienna, 23 January 2015

23<sup>rd</sup> OSCE Economic and Environmental Forum

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

FIRST PREPARATORY MEETING

Vienna, 26 - 27 January 2015  
OSCE Congress Centre, Hofburg, Heldenplatz, 1010 Vienna

## ANNOTATED AGENDA

Monday, 26 January 2015

09:30 – 11:00      **Opening Session** (*open to Press*)

### Welcoming Remarks

- **Ambassador Vuk Žugić**, Chairperson of the Permanent Council, Permanent Representative of Serbia to the OSCE, 2015 OSCE Serbian Chairmanship
- **Ambassador Lamberto Zannier**, OSCE Secretary General
- **Dr. Halil Yurdakul Yiğitgüden**, Co-ordinator of OSCE Economic and Environmental Activities

### Keynote speeches

- **Ms. Stana Božović**, State Secretary, Ministry of Agriculture and Environmental Protection, Republic of Serbia
- **Prof. John Anthony Allan**, Professor of Geography, King’s College, London
- **Dr. Mohamed Ait Kadi**, Chair, Global Water Partnership Technical Committee, Ministry of Agriculture and Marine Fisheries, Kingdom of Morocco

**Rapporteur: Mr. Andrew Peebles**, EU Delegation to the International Organizations in Vienna

## **Statements by Delegations / Discussion**

**11:00 – 11:30**            **Coffee Break**

**11:30 – 13:00**            **Session I: Water governance – approaches, elements, actors**

### **Selected topics:**

- The concept of water governance
- Principles of Good Water Governance
- Best practices in implementing good water governance
- Water diplomacy in the OSCE context

**Moderator: Ambassador Tomislav Leko**, Permanent Representative of Bosnia and Herzegovina to the International Organizations in Vienna, Chairperson of the Economic and Environmental Committee

**Rapporteur: Ms. Jenniver Sehring**, Environmental Affairs Adviser, Office of the Co-ordinator of OSCE Economic and Environmental Activities

### **Speakers:**

- **Mr. Håkan Tropp**, Managing Director, Knowledge Services Department, Stockholm International Water Institute
- **Mr. Peter Glas**, President, Netherlands Association of Regional Water Authorities, Chair of OECD Water Governance Initiative
- **Dr. Benjamin Pohl**, Senior Project Manager, Adelphi
- **Ms. Eileen Hofstetter**, Water Policy Advisor, Global Programme Water Initiatives, Swiss Agency for Development and Co-operation

## **Discussion**

**13:00 – 14:30**            **Buffet lunch hosted by the 2015 OSCE Serbian Chairmanship**  
(Neuersaal Foyer, 2<sup>nd</sup> floor)

**14:30 – 16:00**            **Session II: Water governance across sectors: Fostering food and energy security**

### **Selected topics:**

- Best practices in cross-sectoral dialogue and co-ordination of water policy
- The water-energy-food nexus
- New approaches to sustainable hydropower and efficient irrigation

**Moderator: Mr. David Wiberg**, Acting Director of the Water Programme, International Institute for Applied Systems Analysis

**Rapporteur: Mr. Manav Sachdeva**, Environmental and Economic Officer, OSCE Centre in Bishkek/Osh Field Office

**Speakers:**

- **Mr. Gheorghe Constantin**, Director, Ministry of Environment, Romania, Chair of the EU Water Initiative's Working Group on Eastern Europe, Caucasus and Central Asia
- **Mr. Cameron Ironside**, Programme Director, Sustainability, International Hydropower Association
- **Mr. Nicholas Bonvoisin**, Secretary, UNECE Convention on the Protection and Use of Transboundary Watercourses and International Lakes
- **Mr. Tom Mollenkopf**, Senior Vice-President, International Water Association

**Discussion**

**16:00 – 16:30            Coffee Break**

**16:30 – 18:00            Session III: Water governance and the environment: Protecting ecosystems and increasing water efficiency**

**Selected topics:**

- Security-related benefits of sustainable management of water ecosystems
- Climate change and water governance - adaptive capacity
- Partnership frameworks for environmental protection and efficient use of water at local, national and transboundary level
- Technological innovations for efficient collection, treatment and re-use of water

**Moderator: Mr. Walter Kling**, Secretary General, International Association of Waterworks in the Danube Catchment Area

**Rapporteur: Mr. Leonid Kalashnyk**, Environmental Programme Officer, Office of the Co-ordinator of OSCE Economic and Environmental Activities

**Speakers:**

- **Dr. Dejan Komatina**, Secretary, International Sava River Basin Commission
- **Mr. Rolf Olsen**, Senior Technical Lead, Institute for Water Resources, U.S. Army Corps of Engineers, Alliance for Global Water Adaptation
- **Ms. Ekaterina Strikeleva**, Head, Water Initiatives Support Programme, the Regional Environmental Centre for Central Asia
- **Ms. Jovana Husemann**, Research Associate, Institute for Sanitary Engineering, University of Stuttgart

## Discussion

**18:15**                      **Cocktail hosted by the Co-ordinator of OSCE Economic and Environmental Activities, Hofburg, Ratsaal Foyer (5<sup>th</sup> floor)**

## Tuesday, 27 January 2015

**09:30 – 11:00**              **Session IV: Water governance at different levels**

### **Selected topics:**

- Community-based water governance approaches at local level
- Basin management approaches across administrative boundaries
- Challenges and opportunities in implementing water sector reforms

**Moderator: Mr. Marco Keiner**, Director, Environment Division, UNECE

**Rapporteur: Ms. Dilara Abdullayeva**, Third Secretary, Permanent Mission of the Republic of Azerbaijan to the OSCE

### **Speakers:**

- **Dr. Aslihan Kerç**, Project Development and Implementation Co-ordinator, Turkish Water Institute
- **Mr. Andre Matoso**, Regional Director, Alentejo River Basin District Administration, Portuguese Environment Agency
- **Mr. José Anguel Rodrigues Cabellos**, Head of Planning Office, Guadiana River Basin Authority, Spain
- **Ms. Biljana Filipović**, Head, Department of International Co-operation, Ministry of Agriculture and Environmental Protection, Republic of Serbia

## Discussion

**11:00 – 11:30**              **Coffee Break**

**11:30 – 13:00**              **Session V: Good water governance and transparency**

### **Selected topics:**

- Transparency in the water sector at local and national level: security benefits
- Fighting corruption in the water sector and promoting integrity
- Economic instruments for increasing water efficiency



- The role of civil society and the business sector in good water governance

**Moderator: Mr. Jan van de Venis**, Director of Legal Desk, Waterlex

**Rapporteur: Ms. Magdalena Stankowska**, Second Secretary, Permanent Mission of the Republic of Poland to the OSCE

**Speakers:**

- **Mr. Teun Bastemeijer**, Chief Adviser, Water Integrity Network
- **Dr. Carlos Mario Gómez Gómez**, University of Alcalá, Spain
- **Ms. Susanne Brandstetter**, Chair, Public Participation Expert Group, International Commission for the Protection of the Danube River
- **Ms. Sabina Jukan**, Manager, Aarhus Centre Sarajevo, Bosnia and Herzegovina

**Discussion**

**13:00 – 14:30**            **Lunch Break**

**14:30 – 16:00**            **Session VI: Opportunities for exchange of knowledge and experience in water governance**

**Selected topics:**

- Global and regional platforms for knowledge and information sharing on water
- Water governance in the global context
- Examples of sharing of technology and innovative methods of water management, including through private sector investments

**Moderator: Ambassador Slavica Milačić**, Permanent Representative of Montenegro to the OSCE

**Rapporteur: Mr. Elton Qendro**, Project Assistant, Governance, Economy and Environmental Issues Department, OSCE Presence in Albania

**Speakers:**

- **Mr. Soontak Lee**, Co-chair, International Steering Committee, 7th World Water Forum, Republic of Korea
- **Professor András Szöllösi-Nagy**, Co-Chair of the Political Processes Commission 7th World Water Forum, World Water Council
- **Mr. Martin Krause**, Practice Leader, Environment and Energy, Regional Centre for Europe and the Commonwealth of Independent States, UNDP
- **Ms. Dragana Milovanović**, Head, Department for Participation in Strategic Planning, Management and International Water Co-operation, Water Directorate of the Republic of Serbia

**Discussion**

**16:00 – 16:30**            **Coffee/Tea break**

**16:30 – 18:00**            **Concluding Session**

- Wrap-up of the discussions, lessons learned and identifying priority areas for future discussion and increased co-operation.
- Outlook to the 2<sup>nd</sup> Preparatory Meeting in Serbia

**Moderator: Ambassador Vuk Žugić**, Chairperson of the Permanent Council, Permanent Representative of Serbia to the OSCE, 2015 OSCE Serbian Chairmanship

**Rapporteur: Mr. Bernhard Romstorfer**, Intern, Office of the Co-ordinator of OSCE Economic and Environmental Activities

**Speakers:**

- **Dr. Halil Yurdakul Yiğitgüden**, Co-ordinator of OSCE Economic and Environmental Activities
- **Ambassador Thomas Greminger**, Permanent Representative of Switzerland to the OSCE
- **Ms. Christine Weil**, Deputy Permanent Representative, Permanent Mission of Germany to the OSCE

**Closing Statements**