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WATER MANAGEMENT IN DEVELOPING COUNTRIES POLICY AND PRIORITIES FOR EU DEVELOPMENT COOPERATION

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Annex 1 : Acronyms and Glossary

Acronyms

ACP	Africa - Caribbean - Pacific countries
EC	European Commission
EIB	European Investment Bank
EU	European Union
GWP	Global Water Partnership
INCO	International Cooperation - Research programme of the EC
IWRM	Integrated Water Resources Management
NGO	Non-Governmental Organisation
RELEX	External Relations - Directorate General of EC
TACIS	Technical assistance to Community of Independent States

Glossary

Ecological sanitation involves the circulation of water and nutrients for a productive reuse. At household level, this means that urine and faecal material is sanitised and returned to the soil as nutrients.

Integrated water resources management (IWRM) is a process which promotes the co-ordinated development and management of water, land and related resources, in order to maximize the resultant economic and social welfare in an equitable manner without compromising the sustainability of vital ecosystems (Global Water Partnership).

IWRM is best applied at the level of the *river basin,* defined as 'the area of land from which all surface run-off flows through a sequence of streams, rivers and possibly lakes into the sea at a single river mouth, estuary or delta' (from EU Water Framework Directive).

Pollution abatement will secure continued use of water sources. Society is to return used water of at least the same quality as it originally had. Industries may recycle water and use it more efficiently. Leakage of nutrients and pesticides from agricultural fields can be reduced dramatically by changed agriculture methods etc. The precautionary and polluters pay principles should be applied. Legal frameworks should institute incentives that make the environmental degradation costs or debts visible (Discussions at Stockholm Water Symposium, 2000) .

Virtual water : Water that is virtually imported or exported through the import or export of goods that have required water in their production process. For example, feeding one country's population with highly water-intensive agricultural products could be better achieved from a water perspective through the import of such products (thus of virtual water, i.e. of the water that would have been required for producing such products in the country) as compared to the possible cheaper option of growing the relevant crops in the country but that would increase pressure on water resources.

Water security : At the 2nd World Water Forum, “Water security” was identified as “at any level from the household to the global, means that every person has access to enough water at affordable cost to lead a clean healthy and productive life, while ensuring that the natural environment is protected and enhanced.”

Annex 2 : Sustainable water resources management : the EC's strategic approach

1. Focal areas for current EC support

In 1998, the EC published a set of Guidelines for water resources development co-operation, whose centrepiece is a 'strategic approach for the equitable, efficient and sustainable management of water resources'. These Guidelines are to be used by EC staff and partner governments, institutions and other professionals associated with the Commission in water-related activities1. They were developed in consultation with EU Member States.

The Guidelines, whose content has made an important contribution to this Communication, illustrate how the focus of EC support to water in developing countries has recently evolved, mainly as a consequence of changes in international thinking and in approaches adopted by partner developing countries. The projects in which the EC is co-operating today have stronger social and environmental concerns. Support to large technical supply-based projects is balanced by support for approaches based on managing demand and improved management of the river basin or groundwater resource, in particular in areas of water scarcity where rivers and aquifers are shared. There is also increased support for education, training, capacity building and institutional strengthening.

The Guidelines defined four Focus Areas for EC-supported water-related activities: Water resources assessment and planning; Basic water supply and sanitation services; Municipal water and waste water services; and Agricultural water use and management. Within these focus areas some priorities have become more prominent and these are described below.

- **Water supply and sanitation services**

Activities dealing with the provision of water supply and sanitation services may be divided in two categories, allowing programming and activities with similar social, economic and technological characteristics to be grouped together.

Basic water supply and sanitation services*:* This Focus Area covers programmes and projects which entail the extension of basic water supply and excreta disposal services to underserved populations in low-income communities. These include both rural and poor urban settings where small-scale installations are managed and operated on a local basis. The importance of gaining community participation and ownership to ensure operation and maintenance via cost recovery has led to innovatory approaches for managing community-based service schemes. Activities launched during and since the 1980s International Water Decade have significantly improved rural coverage rates, at least as far as drinking water supplies are concerned. However, sanitation coverage has declined and as a result more attention is now being given to waste disposal, especially in densely-settled areas. Special attention needs to be given to the urban poor, the fastest growing population group in the world. The risks of a crowded insanitary habitat to their own health, and of the spread of communicable disease to other neighbourhoods, are high. Provision of services to peri-urban areas also needs to be considered under the municipal context, see below.

Municipal water and wastewater services*:* The phenomenon of rapid urbanisation is common to all developing regions; thus the provision of adequate and reliable water supplies and sanitation services in municipal areas is a growing challenge. However in many developing countries, only the better-off urban population as well as major urban and industrial installations are provided with water supplies, wastewater treatment and sewerage under municipal schemes. Public works for water, sewerage and urban drainage rarely provide service outreach to slum and shanty town areas. Since these communities are often illegal or unrecognised, urban coverage figures often mask the fact that coverage in marginal communities is inadequate or non-existent. Municipal schemes should be encouraged to do more for the urban poor.

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[1] The EC Guidelines for water resources development co-operation: Towards sustainable water resources management. A Strategic Approach. Published 1998 by DG Development and DG External Relations.

- **Integrated water resources management**

If a truly integrated approach to the management of water resources and related services is to be developed, many *cross-sectoral* considerations have to be taken into account; In the face of competing demands on the resource by different users and sectors – domestic, agriculture, industry, energy, etc. – an integrated approach is needed to decide policy priorities. Decisions concerning allocations are particularly sensitive in areas where overall availability is poor. Such decisions must be handled by consultation between sectors, with the aid of regulatory measures and managing principles. Attaching values to water uses may be necessary in order to balance economic efficiency concerns against social equity or environmental conservation. Suitable pricing systems are needed for water services that do not disadvantage the poor.

Water-related implications for the conservation and sustainable management of the environment and the protection of ecological needs, often remote from project locations, need to be integrated in this overall perspective.

Competition over shared water resources can create social, economic and political tension, especially in water short areas. The river basin provides a sound geographical basis for water resources management, which offers many advantages for strategic planning, though difficulties cannot be underestimated. River basin management can be a means for both regional co-operation and conflict management between different user groups and upstream and downstream communities, both within the same country and across boundaries. The management of groundwater aquifers must also be addressed. Whilst securing a universally acceptable international agreement has so far proved elusive[2] many bilateral and multilateral agreements have been made between concerned riparian states. Work to develop a legal basis for sharing water must continue as a means to overcome disputes, but meanwhile confidence building through river basin management presents a way forward for conflict management.

Two of the Focus Areas defined in the Guidelines are addressing cross-sectoral coordination :

Water resources assessment and planning*:* Special attention needs to be given to macro-planning of water resources management taking into account the needs and capacities of all sectors, including in a transboundary context. Co-operation activities are designed to develop the capacity for developing policies and planning and implementing a co-ordinated strategy on the use of water resources which meets the objective of sustainable and equitable development while reducing the potential for water-related conflict at local, national and regional levels.

Agricultural water use and management*:* Given that agriculture accounts for 80% of all water withdrawals, cross-sectoral coordination between the agriculture sector and other water uses is particularly important. Decisions about land use have implications for water use, and management systems therefore need to integrate land and water management. Since assuring household food security is a vital ingredient of any poverty production strategy, the importance of this element of integrated water resources management cannot be over-stated.

2. Guiding Principles

The "Guidelines for water resources development cooperation" also established policy principles for water resources and water services management. These principles were based on the core principles already established by international consensus at the Dublin and Rio Conferences, but provide more direct guidance and tools for resolving the dilemmas contained in their practical implementation at the programming and project level. They are already guiding water-related projects in countries and regions where the EC is providing cooperation.

The 19 principles are grouped into six categories, as follows :

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[2] the 1997 Convention on the Non-navigational International Water Courses has not been ratified

- **Institutional and management:**
  - Roles of government and official bodies at all levels should be clearly defined and areas of responsibility officially established.
  - The structure and systems of management should be designed in such a way as to facilitate involvement by the responsible authorities at different levels.
  - Involvement of user organisations and the private sector should be encouraged.
  - Ongoing capacity building is needed within institutions and for the participant groups at all levels.
  - Management systems should be transparent and accountable and appropriate management information systems should be established.

- **Social:**
  - A sufficient supply of water and an adequate means of sanitation are basic human needs to which everyone should have access.
  - Users have an important role to play and their involvement should be fostered via a participatory approach.
  - Gender implications should be examined and taken into account at all stages of the planning and implementation process.

- **Economic and financial:**
  - Water has an economic value and should be recognised as an economic good.
  - Charging tariffs for water services is an important component of any strategy for sustainability.
  - 'Demand management' should be used in conjunction with supply provision.

- **Environmental:**
  - Water-related activities should aim to enhance or to cause least detrimental effect on the natural environment and its health and life-giving properties.
  - The allocation and consumption of water for environmental purposes should be recognised and given appropriate emphasis.
  - Environmental change should be monitored so that improvements can be encouraged and detrimental impacts minimised.

- **Information, education and communication:**
  - A sound information and knowledge base is needed for effective actions within all water-related activities.
  - Education is a vital component of water-related schemes if health and life enhancement are to be achieved and sustained.
  - Communication and awareness building are essential ingredients in all forms of water resources management.

- **Technological:**
  - A balanced approach towards 'hardware' and 'software' components of projects should be adopted.
  - Choice of technology should be governed by considerations of its efficiency, appropriateness, cost, and sustainability for local conditions.

A number of actions are implied by adopting this strategic approach. Priority themes for action were identified as follows: institutional development and capacity building; building participatory structures and gender equity; natural resource management; expansion of the knowledge base; demand management and pricing; awareness-building and communications. Some themes have since been accorded a higher level of importance in EC policies, such as conflict prevention in a transboundary context.

Annex 3 : EC and EIB water-related cooperation

1. EC water-related cooperation in the different regions

The European Commission operates its programme of development co-operation alongside those of EU Member States and with their support. The EC is the major single donor in grant financing, which is provided on the basis of partnership agreements with recipient countries. Resources are allocated from the European Development Fund and from the EC budget; loans are also funded by the European Investment Bank. EC Cooperation is organised on a regional basis, whose pattern is mainly derived from historical linkages. These regions are Africa, Caribbean and Pacific (ACP); Southern Mediterranean, Middle and Near East; Latin America; South and South-east Asia; Eastern Europe and the former USSR. Within the various regional programmes, there are some commonalties between water-related policies and activities - for instance a general focus on poverty reduction - but there are also differences, depending on regional conditions and legal agreements

ACP countries

Water is an important component of cooperation programmes in ACP countries, amounting to 3 to 5% of funding under the successive European Development Funds. Water supply and sanitation projects remain the major activity supported by EC in rural and urban areas, including small towns. EC support is more frequently taking the form of 'sector support' in association with other donors, as is the case in South Africa. Support is also given on a regional basis, as in the case of water provision via solar energy throughout the Sahel. There has been a shift from technical projects towards more management-oriented support programmes with a capacity building component. These may also assist countries in adopting an integrated approach to water resources management, as in the case of the establishment of the Zambezi Water Authority in Mozambique, and the installation of the Hydrological Cycle Observing System in Southern and Eastern Africa. Water-related activities are also carried out in the framework of NGO co-financing, micro-projects and decentralised cooperation as well as within humanitarian aid.

The Cotonou Agreement provides the legal framework for a comprehensive twenty year partnership between 77 ACP countries, the 15 EU Member States and the Commission, encompassing trade, political relations and development cooperation. This ACP-EU Partnership Agreement, signed in Cotonou in June 2000 has as its main objective to eradicate poverty within a framework of sustainable development, and the gradual integration of the ACP countries in the world economy. Within the Cotonou Agreement, there are several specific contexts in which water management is emphasised:

- Economic development : Sustainable development of water resources and fisheries;
- Social and human development : Increasing the security of household water and improving access to safe water and adequate sanitation;
- Regional integration : Water resources management is an area of regional cooperation and of conflict prevention and resolution; and
- Links with thematic and cross-cutting issues : gender, environment and natural resources, and institutional development and capacity building, as well as human rights and good governance.

Decentralised cooperation; cooperation with non-state actors and NGOs. The EC has identified a need to involve non-state stakeholders more closely in the development cooperation process by giving them a role in decision-making and implementation, thereby applying a bottom-up approach. The

ACP-EU Agreement emphasises the complementary roles of State and non-state actors, in particular their contribution to poverty reduction strategies. The private sector, NGOs, popular movements and associations, especially those concerned with women and the environment, are very active in water-related programmes, particularly in the promotion of community-based water supply and sanitation services. This form of EC cooperation is therefore especially important in the context of water.

Southern Mediterranean and Middle East Countries

In the 1990s EC co-operation with the southern Mediterranean countries and the Middle East increased significantly. A new regional Mediterranean Policy was adopted and the level of co-operation increased. Co-operation in municipal water and wastewater treatment is essential in this region, and projects imply either support at a technical level or on a political level or both.

In a recent paper[3] it is suggested that EC at technical level in the region should: assist the countries in analysing their own needs and water resources concerning surface water, groundwater and aquifers, and wastewater; involve the partners in finding solutions to address the shortfall (in association with EIB and the World Bank); promote wastewater treatment and water recycling techniques; finance research on desalination and wastewater recycling; train decision making personnel; raise public awareness, including of wastewater treatment and recycling; create networks of know-how; finance water actions in individual Mediterranean countries in accordance with specific conditions; promote involvement of the private sector and assist transition management.

On a political level, reconciliation of divergences between countries in specific regions (North Africa, Middle East, Mesopotamia, etc) on the use of water resources, water supply, on aquifer sharing and desalination. It is also suggested to maintain a Euro-Mediterranean Water Forum involving the Water Directors of the countries of the Euro-Mediterranean Partnership. To meet these goals a long term co-ordination and cooperation is needed.

Asia and Latin America

In Asia and Latin America, addressing water-related issues depends on priorities defined within the Framework Agreements negotiated on an annual basis between the EC and partner countries, and activities are carried out within specific projects.

Water projects in Asia have a different focus in each country; in Bangladesh, Indonesia, India and Sri-Lanka, water has always been a priority sector, with a focus having evolved over time from traditional irrigating agriculture to watershed management. In the rest of Asian countries, the water component is traditionally part of rural development projects.

In Latin American, interventions fall under the two main social and economic areas (including regional co-operation and integration). In the social area the EC finances water supply and sanitation projects, aiming to support the poorest populations (in Bolivia, Nicaragua, Paraguay, Salvador, Colombia and Honduras). These projects include infrastructure, institutional strengthening and training, with an emphasis towards water management. Pricing of water as part of the policy framework is sometimes difficult to apply in some poor areas where people live in a daily income of less than 1 € (for instance in Bolivia). New projects are in preparation in Bolivia aiming at a sectoral approach in water and sanitation.

In the economic area, there are projects addressing the interface transport/water/development, at national (Bolivia, Paraguay, Uruguay, Brazil and Argentina) and regional level including the main transboundary rivers (Uruguay, Paraguay, Parana, Pilcomayo) aiming to improve river navigability and flood control. Establishment of river and lake management plans has been supported in Peru and

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[3] Internal Working Policy Document. Water policy in the Mediterranean/ Middle East/North Africa region .

Bolivia, and in Costa Rica, as well as flood protection works in Bolivia. New projects are prepared to improve river basin management, with the main emphasis on flood protection and rural production.

Following the catastrophic floods that damaged a number of Venezuelan states in December 1999, the Commission decided to allocate an amount of 30M€ from the EU-Latin America cooperation budget to the reconstruction effort. Furthermore, 25 M€ was added, under the budget line "Actions to rehabilitate developing countries in Latin America". The action is twofold : a component to support reconstruction and ensure a sufficient degree of protection against future floods; a prevention component to define and adopt programmes to manage natural risks.

Eastern Europe and Central Asia

Water is an important component of environmental-related activities in the New Independent States (NIS), at national and regional levels. The Tacis Programme has been supporting several projects in this domain. Although some water management and waste water projects were financed under the Tacis national programmes, the bulk of Tacis assistance in this field has been provided by the Regional Cooperation Programme (previously Interstate Programme) and the Cross-Border Cooperation Programme.

Under the Regional Cooperation Programme almost €40 million have been allocated since 1992 to support the Black Sea and Caspian Sea Environmental Programmes, and the Aral Sea Basin Programme (through the Water Resources Management & Agricultural Production in Central Asia-WARMAP), as well as transboundary rivers projects. The assistance to the three Regional Seas has been key for the promoting regional co-operation between the concerned countries as well as contributing to conflict prevention, especially in the case of the Aral Sea. It addressed not just the environmental pollution and degradation of the seas but also the broader impacts on the eco-system, biodiversity and economic activities including agriculture, fisheries and tourism. The focus is on the sustainable management of natural resources, including monitoring, reduction and prevention of pollution, better management of water and fish resources and development of the policy and regulatory frameworks to facilitate the implementation of regional or international agreements and commitments. Support to the Regional Seas will be pursued during the next years together with other projects concerning water management, supply and sanitation in the NIS.

As far as the Cross-Border Cooperation Programme is concerned, more than €10 million have been allocated to projects related to water management, water quality, waste water and river basins management located in NIS regions that have a border with accession or EU countries.

2. EC-supported research in the field of water management

The management and quality of water has been identified as a key action in the 5th Framework Programme, within the Environment and Sustainable Development programme. The Key Water Action encourages international co-operation in multidisciplinary research for the development of strategies and tools for integrated management and sustainable use of water resources at catchment/river basin scale and for arid and semi-arid areas. It also provides contributions to various international programmes and initiatives in the field of water. The activities of the Water Key Action provide important scientific and technological insights and contributions for policy implementation, which are relevant for water management in developing countries.

EC-supported research, under the INCO (International Cooperation) component of the 5th Framework Programme, is based on the principles of scientific partnerships between research institutions in Europe and partner countries accompanied by policy dialogue on Science and Technology priorities. Joint research projects fostering an inter-disciplinary approach to policy analysis and understanding and to the management of water systems are particularly relevant, but technology research can also be required to solve more specific problems. Such research supports intra- and inter-regional co-operation targeted towards long-range sustainable development and is firmly oriented towards problem-solving. It seeks actively to promote uptake of research results, including through networking. Its effectiveness

can be significantly enhanced by concerted efforts into capacity building through the main development instruments.

3. Role of the European Investment Bank in LDC's water management[4]

The purpose of the Bank's participation in the water and sanitation sector in developing countries is to contribute to a reliable and sustainable provision of water and sanitation services for the benefiting population. In the view of the Bank, water supply should not go without sound wastewater services. However, there is a clear need to prioritise investments in order to improve water and sanitation services in a cost-effective and affordable manner while complying with environmental concerns. This plays a major role in determining the size and phasing of specific schemes. In addition, the Bank's assessment is that with regard to many developing countries, the creation of a sound institutional framework with sufficient managerial capacities is a pre-requisite for ensuring the long-term sustainability of water and sanitation services.

The Bank's core activity is to finance sound investments under favourable conditions. During the 1995-1999 period the Bank approved funding for some 56 water and sanitation projects in Africa, Asia and Latin America. This amounts to a lending volume of about EUR 1.6bn. The partnership with the EU-Commission and EU member countries as well as with other bi-lateral and multi-lateral aid institutions offers the opportunity to co-finance jointly developed projects.

When supporting projects, the EIB aims at an integrated approach in the funding of water and sanitation investments in collaboration with promoters, national authorities and local stakeholders. In light of substantial investment needs in developing countries, financial limitations and affordability constraints require the development of least-cost solutions, the choice of appropriate technologies and the optimal phasing of water and sanitation investment. Sector development then consists of a clearly prioritised sequencing and linking of individual projects. In the view of the Bank, the individual project becomes an instrument to implement sector strategies and drive water and sanitation investments towards sustainability. All in all, the Bank intends to bring efficiency to the sector, thereby contributing to a sound provision of water and sanitation services in developing countries.

Annex 4 : Water policies and activities of EU Member States, International organisations and partnerships

1. EU Member States

Austria. The new Austrian water policy is applying an holistic approach but is mainly focusing on water supply and sanitation with the following goals: water supply and sanitation in adequate quantity, quality and availability for all people in the region; protection of the water sources in the region; ensuring that the supply is secure; and that the water supply and sanitation is affordable and cost effective. The Austrian policy is also favouring Private-Public-Partnership and new and alternative technologies such as solar energy for water supply, rain-water harvesting and ecological sanitation.

Denmark. The new Danish development policy approved in year 2000 has a strong focus on poverty alleviation.[5] Danish bilateral assistance is mainly provided as sector programme support to 20 programme countries, two-thirds of them in Sub-Saharan Africa. In 9 countries Danida is presently

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[4] The European Investment (EIB) Bank was established by the Treaty of Rome in 1998 as the long-term financial institution of the European Union. Its primary mission is to support the implementation of EU policies and promote the balanced development of the Union. The EIB operates on a non-profit basis and provides long-term finance for capital investment projects under favourable conditions. The main focus of the EIB's operations is with the member states of the EU. The EIB also operates in support of the Union's external co-operation policies outside the EU including Africa, Asia and Latin America.

[5] "Partnership 2000", Danish Development Policy. "Water Supply and Sanitation, Danida Sector Policy", 2000. "Water Resources Management, Danida Sector Policies", 2000.

engaged in providing assistance in water supply and sanitation. Water resources management complements in most cases the engagement in water supply and sanitation. The sector water policy includes assistance to both rural and urban areas "with a focus on meeting basic demands of the un-served and under-served poor people living in rural communities, small towns and slum areas". Fast growing urbanisation has become a priority. Links to health and education are mostly parts of the project unit.

From a management perspective issues such as user ownership, functioning of public and private sectors and of organisations and institutions, the participatory approach and the question of full cost recovery are important issues.

France. France over-all water policy has a broad approach as the Ministries of Agriculture and Environment have a strong influence on water policies. Focus is therefor on; management of water, especially on institution building at watershed level; water use in agriculture; links with health and with environment; and on training, information and research. Bilaterally, France is focussing on the poorest countries with a traditional relationship to France, mainly in West Africa. The bilateral cooperation is to be reoriented and concentrated on fewer items and larger projects. France also wants to strengthen the co-ordination between French stakeholders in the development assistance as well as multilateral co-operation. The do support the Global Water Partnership, as a global water network.

Germany. Germany is the world's second largest donor in the water sector and is applying a global approach to the water development policy. The focal areas for German water development cooperation are: Water sector reforms; Conflict prevention at transboundary water courses; International sector dialogue; Urban water supply and sanitation; Rural water supply and sanitation; and Irrigated agriculture. All German supported water projects should be socially and environmentally appropriate and sustainable. They need to alert to the following principles: that water should be considered a scarce economic good; that the country should confine itself to economic policy and framework planning of the sector; that Integrated Water Resources Management should take place within the watershed and not within customary administrative boundaries; and that the ones operating the water supply and sanitation facilities must be accountable first and foremost to their customers and owners. The functionality and cost-recovery aspects of the projects are important.

Germany is also focussing on water conflict prevention within the framework of a combination of development policy instruments with both security and foreign policy and with environment policy measures. This has been demonstrated in the "Petersberg process" which is promoting, through a coordinated dialogue, shared waters as a catalyst for regional co-operation rather than potential conflict[6].

Ireland. The Irish water development cooperation is directed mainly towards 8 countries in Sub-Saharan Africa. The programme is focused towards supporting the development of water supply and sanitation in a manner that conforms to national policies and that facilities access to those resources by those who are disadvantaged. The assistance should promote the development of structure processes, strengthen the capacity within the government to support communities in water supply and sanitation development; strengthen the awareness on the environmental impact of water supply and sanitation and waste water; support communities in establishing priorities; promote changes in hygiene behaviour; and promote operation and maintenance systems.

The Netherlands. The Netherlands attaches a strong priority towards water and water-related projects. Achieving water security is a key priority in Dutch development cooperation. The cooperation is focused on securing availability of adequate water of good quality "not only for health (drinking water supply and sanitation) but also for productive activities such as agriculture, fishing, industry, shipping

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[6] International dialogues on Transboundary Water Management : 1st Petersberg Round Table: Global Water Politics. Cooperation for Transboundary Water Management, March 1998; Transboundary Water Management. Experience of International River and Lake Commissions, Berlin, September 1998.

and energy… and for the preservation of ecosystems and biological diversity."[7] The water supply and sanitation sector, particularly to the poor is important but programmes do also include projects within sustainable irrigated agriculture[8], and the preservation of Freshwater wetlands[9]. A strong importance is attached to Integrated Water Resources Management[10]. Women's participation in water-related issues[11] is another key priority. The approach is shifting from project directed towards sector directed. The regional coverage includes also Asian countries although the tendency is to concentrate to fewer countries. As a consequence of the attention resulting from the 2nd World Water Forum in The Hague, March 2000, the budget for the water sector has increased.

Sweden. Water is a priority issue within the Swedish Development Policy. The overall objective is support within the Integrated Water Resources Management framework; "to promote a sustainable management and equitable use of water resources to benefit people, especially resource poor women, men and children, while safeguarding the environment"[12]. Within the framework of IWRM Sida will attach high priority to interventions such as cooperation on shared water resources to prevent conflicts and promote security; application of demand management principles; measures to prevent and control pollution of water resources; rural and urban water supply integrated with health perspectives and environmental sanitation; ecological sanitation in rural and peri-urban areas; measures to conserve water in agriculture; and conservation and sustainable use of wetlands and coastal environments. Sweden attaches high priority to the strengthening of capacity in all the areas mentioned and to the ensuring that women as well as men have increased potential to influence, participate in and benefit from water sector development.

United Kingdom. The United Kingdom has just released a strategy "Addressing the Water Crisis - Healthier and More Productive Lives for Poor People"[13]. This is the UK water strategy within the framework of the development policy targeting to reduce poverty, provide basic health care and universal access to primary education. The main challenges to be address through this strategy are to improve the management of water resources and the environment; to avoid conflicts over water resources; to improve the allocation of water between different users; to deliver sustainable water services and sanitation services to meet needs; and to improve co-ordination among the international players. In doing this DFID sees it important to put the people at the centre, to respond to demand, and to recognise water as an economic good. Activities to meet the challenges will be in form of activities to transform institutions for them to be able to meet with the challenges; to promote best practices such as support the integration of hygiene promotion into water and sanitation programmes or support governments to plan prevention and mitigation of disasters from flooding and drought; and activities to generate and share knowledge such as appropriate ideas relating to the water sector or ensure that information is provided to those who need it.

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7 NEDA, Ministry of Foreign Affairs, the Netherlands: Water Supply and Sanitation in Developing Countries. Sector Policy Document of Development Cooperation no 12. March 1998.

8 NEDA, Ministry of Foreign Affairs, the Netherlands: Sustainable Irrigated Agriculture, Policy and best practice document of Development Cooperation no 1, February 1998.

9 Ministry of Foreign Affairs, Development Cooperation, the Netherlands: Freshwater wetlands. Policy and best practice document of Development Cooperation no 6. September 2000.

10 NEDA, Ministry of Foreign Affairs, the Netherlands: Water for the Future, Integrated Water Resources Management. Policy and best practice document of Development Cooperation no 2, July 1998.

11 Ministry of Foreign Affairs, Directorate General for International Cooperation, the Netherlands: Women, Water and Sanitation; Sector Papers Women and Development, March 1989.

12 Management and Use of Water Resources. A Summary of Sida's Experiences and Priorities. Sida, May 1999.

13 Strategies for Achieving the International Development Targets. DFID, UK March 2001.

2. International organisations

Several UN agencies are active in water-related fields[14] :

- UNDP carries out strategic work in linking water issues with poverty reduction, good governance, environment and gender as well as in capacity building.
- UNICEF and WHO are both working in water supply and environmental sanitation.
- Within the agriculture sector, FAO has a water division whose goal is to promote efficient use and conservation of water resources to achieve food security, sustainable agriculture and rural development.
- UNCHS (Habitat) is a key organisation in Urban Management. Their programme Managing Water for African Cities is directed to large cities and their peri-urban areas .
- WMO (managing HYCOS - Hydrological Cycle Observing System), and UNEP are other UN organisations dealing with water issues.

The UN Commission on Sustainable Development, the follow-up body for the Agenda 21 process, is also concerned with water issues, mainly from an environmental perspective.

Two UN Regional Commissions, the UN Economic Commission for Europe (UNECE) and the UN Economic and Social Commission for Asia and the Pacific (UNESCAP) are co-operating on a Special Economic Programme for Central Asia (SPECA) which, inter alia, looks at issues related to effective use of water resources in region.

The World Bank has redirected its focus towards poverty eradication. Co-operation between EC and World Bank is mainly based on the country-owned Poverty Reduction Strategy Papers (PRSPs), where water should in many cases be a major issue. The World Bank is also active in dealing with international, transboundary waters from the perspective of conflict prevention. A regional example is the Nile Basin Initiative. The Global Environment Facility, GEF, is a World Bank/UNDP/UNEP supported facility, where one of the focal areas is International Waters. And example of a large GEF-project where EC is a co-operating partner is the Aral Sea project.

On the basis of the economic commitments in the CSCE Helsinki Final Act of August 1975, the Organisation for Security and Co-operation in Europe (OSCE) considered water and energy issues affecting economic security, in Central Asia, in the context of economic aspects of post-conflict rehabilitation at its 2000 Economic Forum and continued to follow the issue, including by supporting the final adoption of agreements negotiated under the EU WARMAP programme. The main theme for the May 2002 Economic Forum, with its three Preparatory seminars, is "The Co-operation for the Sustainable Use and the Protection of the Quality of Water in the context of the OSCE". The aim is to further co-operation in water management throughout the OSCE region by comparing practices in use, eg. in the Duerro/Douro river basin, and to look at their potential as confidence and security-building measures in the Balkans (Sava river) and the South Caucasus (Nagorno Karabakh conflict). Some follow-up activity is likely, possibly using OSCE field missions.

3. Networks and Partnerships

The Water Supply and Sanitation Collaborative Council, within which several EU members states are active, is the main international forum addressing issues of water, sanitation and hygiene and the primary context for international coordination in these areas. The UNDP-World Bank Water Supply and Sanitation Programme is also a key partner in this context.

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[14] See compilation by G. Björklund: UN and freshwater resources, a brief survey of facts and links. (http://www.gwpforum.org/UNSYNOPSIS.htm) 1999. Published by the Global Water Partnership.

The Global Water Partnership, GWP, was initiated in 1996 to respond to the need for coordination in applying an integrated approach to water resources management. The GWP is an international network open to all organisations involved in water resources management. It has progressively taken a prominent role in international collaboration on cross-sectoral water resources management issues, particularly in its networking activity in developing regions, and with civil society and the private sector. The World Water Council is another body which acts as a think-tank to promote awareness of water issues at the highest decision-making levels. It has organised the successive World Water Fora.