



## International Year of Freshwater, water as the big issue at the beginning of the 21st century



WaterYear2003

Scary figures have been quoted at the World Summit on Sustainable Development (WSSD) in Johannesburg August/September 2002: 1.1 billion people lack access to safe drinking water and 2.4 billion people have no access to adequate sanitation. 5000-6000 people in developing countries - most of them are children under five - die every day from diarrhoea closely linked to inadequate access to safe water and sanitation. Water table has fallen by 50 metres in parts of North-China plain during recent decades. Many rivers no longer reach the sea several months in a year. On top of that it is estimated that human water use will increase by 40% in the next two decades because of population growth and the increasing demand of food production. At the same time the inappropriate use of fertilisers and pesticides results in pollution of surface and ground water many parts of the world.

Industrialised countries are not except from water related disasters. Examples include disastrous floods in USA, France, Germany, UK, The Netherlands. The record floods of 2002 in Central Europe are still fresh memory of the people living there. Baia Mare (a Rumanian city) has become a frequently used term by the international water community since the cyanide spill of 2000, poisoning Szamos and Tisza rivers.

Since many felt that the looming water crisis is rather due to bad water governance than the lack of resources the issue has become increasingly prominent in the international debate on water in recent years. The recommendations from the Bonn Conference on Freshwater (December 2001) singled out Actions in the field of Governance as one of three major themes. At the World Summit on Sustainable Development in Johannesburg governance was highlighted and the Plan of Implementation states explicitly: Good governance within each country and at the international level is essential for sustainable development.

Regarding all these no wonder that the United Nations General Assembly (in resolution 55/196) proclaimed the year 2003 as the International Year of Freshwater (IYFW). The UN resolution was initiated by the Government of Tajikistan and supported by 148 other countries. It calls upon governments, national and international organizations, NGOs and the private sector to make voluntary contributions and to lend other forms of support to the initiative. The Year provides an opportunity to accelerate the implementation of the principles of integrated water resources management.

The IYFW received its official launch at a ceremony at the United Nations in New York on December 12, 2002. In a message issued at the ceremony, UNESCO Director-General Koïchiro Matsuura said that "water can be an agent of peace, rather than conflicts, and UNESCO is looking at ways that will allow this century to be one of 'water peace' rather than 'water wars'. By developing principles and methods to manage this resource efficiently and ethically, while respecting related ecosystems, we move a step closer to the goal of sustainable development."

One of the main events of the International Year of Freshwater will be the 3rd World Water Forum, to take place in Kyoto, Osaka and Shiga (Japan), March 16-23.

The Forum will not be a platform for presenting technical papers, defining theoretical concepts, or discussing research results. Instead it invites participants to share their experience with proven actions and best practices that have facilitated sustainable solutions to water problems. Sessions will comprise major themes, controversial topics, special programs and major groups' discussions. Regional days for Africa, the Americas, Asia and Pacific, Europe (see the programme separately), the Middle East and Mediterranean will highlight critical water issues, drawing global attention to local, national and regional perspectives on problems and best practices. The central theme of the Europe day is the EU Water Framework Directive which will reshape water protection and water management of the continent, based on comparable principles and objectives.

One of the prioritised themes discussed in the Forum is the interrelationship among "Water, Food and Environment" (WFE). The Dialogue on WFE launched two years ago will reach a milestone event in Kyoto in the pursuit of finding satisfactory tradeoffs between two imperatives: to feed present and future generations and to preserve the natural resources of our planet.

As stated before effective water governance is necessary to solve the water crisis. The results of the Water Governance Dialogue (established by GWP, UNDP and ICLEI) will be presented and global and local governance issues will be further explored in order to share knowledge and experience.

GWP-CEE contributed to both dialogues mentioned above with commendable results and the relevant reports will be published for the Forum. Summary of the CEE findings can be seen on the posters published in this issue of Water Talk.

Although originally the flood session of the WWF3 has not been given priority it will probably receive marked interest after the disastrous events of the last year.

During the Forum the GWP will be further involved in the Action through Partnership and the IWRM ToolBox sessions, and the World Panel on Financing Water Infrastructure. The latter issue has been also addressed by GWP-CEE last years and the results are also presented in a poster below.

The first edition of the World Water Development Report (WWDR) is scheduled for submission to the 3rd World Water Forum. The Report will be a periodic review, updated every third year, to give an authoritative picture of the state of the world's freshwater resources and our stewardship of them. The WWDR will be the major component of the UN World Water Assessment Programme. It will contain indicators and analysis that will identify, diagnose and assess:

- the effectiveness of societal stewardship of global freshwater resources;
- the supply, demand and uses for water and the challenges of extreme events;
- current critical problems and emerging threats to freshwater ecosystems and their management.

Ministers in charge of water (expectedly more than 120) will meet the last two days of the Forum to discuss solutions to global water issues. Senior officials of the interested countries are already busy with the preparation of the Ministerial Declaration.

The Water Fair and Festival (Mizu-En in Japanese) will be organized in Osaka, as a commercial exhibition open to all visitors, focussing on such topics as water and cities, industry and technology, and lifestyle.

World Water Day is celebrated every year on 22 March and the celebration is one of the main attractions of the Forum. The theme for this year's event is "Water for the Future", calling on one and all to observe sustainable approaches to water use for the benefit of future generations. The goal for World Water Day 2003 is to inspire worldwide political and community action and encourage greater global understanding of the need for more responsible water use and conservation.

During the International Year of Freshwater the World Wetlands Day has received particular attention. It marks the date of the signing of the Convention on Wetlands on 2 February 1971, in the Iranian city of Ramsar. The theme chosen this year is 'No wetlands-no water!', in support to the IYFW initiative. Wetlands cover 6% of the Earth's land surface and are found in all countries and in all climates. They include swamps, marshes, mangrove forests and wet prairies. Wetlands are a main component in helping to maintain the water cycle, capturing and holding rainfall and snowmelt, retaining sediments, and purifying water. Around the world 50% of the world's wetlands have been lost since 1900 and more than 80% of the wetlands along the Danube River have been destroyed since that date. Initiatives need to be taken in order to reverse the destruction of these essential ecosystems.

A global water movement has gradually gathered pace since the 1990s especially since the 1992 Rio Earth Summit and through milestone events like the First and Second World Water Forum in Marrakesh 1997 and The Hague 2000, the Bonn conference in 2001 and the WSSD in 2002 it raised awareness worldwide and helped put water high on the political agenda. It became generally accepted that water is a key for sustainable development. The present year 2003 as the International Year of Freshwater and the 3rd World Water Forum in Japan might further help find the right direction to solving the looming global water crisis. The Year is expected to follow up on agreements reached at the WSSD and should have an impact far beyond the year 2003.

József Gayer

World Water Council  
3rd World Water Forum

### 3rd World Water Forum

#### "Day of Europe"

**MARCH 21, 2003 (FRIDAY)****8.45 - 15.45**Kyoto, Takaragaike Prince Hotel,  
Prince Hall

#### Coordination Group of the Day of Europe:

**EU Commission, DG Environment (Friedrich.Barth@cec.eu.int) and Global Water Partnership (CEE and Med)**

#### Preliminary Agenda

Arrival of participants  
Opening  
Overview of the Water Framework Directive (EU Commission)

#### Presentation on crosscutting themes:

River Basin Management  
Flooding  
Ecology  
Water Pricing

#### Enlarging the impact of the EU Water Framework Directive

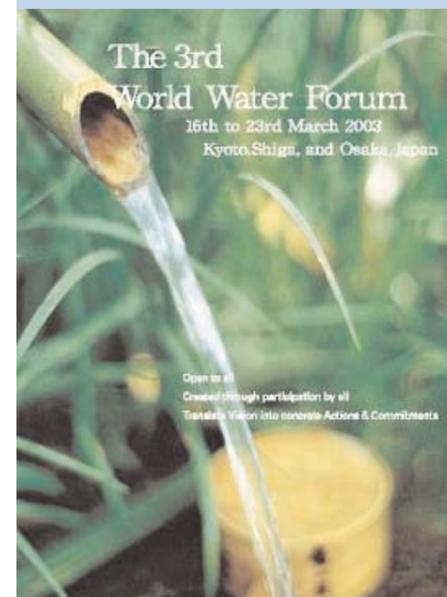
##### GWP-CEE part

River Basin Management and public participation (keynote speech)  
3 short statements  
Short Debate: Panel discussion with the audience

##### GWP-Med part

River Basin Management and Water pricing (keynote speech)  
3 short statements  
Short Debate: Panel discussion with the audience

#### 13.30 Ministerial Panel on the EU Water Initiative



# Dialogue on water governance in CEE

One of the principal challenges recognised in the CEE region after the Hague World Water Forum was to work towards effective water governance. Water governance is the framework of political, social, economic and legal structures within which societies choose and accept to manage their water-related affairs. It includes governments, the market forces that help to allocate resources, and any other mechanism that regulates human interaction.

The efficient water governance cannot be achieved by governmental or intergovernmental activity alone. It requires co-operation or even better partnership between government and civil society, including NGOs which represent the broad diversity of interests in any given society. Equally key is the network of links between civil society and economic system prevailing in a given country. The efficient governance requires transparency and accountability, participatory mechanisms appropriate to local realities, needs and wishes, and respect for the law and contractual obligations. Water governance encompasses many interlinked social players and must be responsive to citizen's needs and to the long-term sustainability of the natural resource base of the country and region.

Within this context, the GWP Country Water Partnerships of the CEE region, in response of the initiative of the global GWP, embarked in the spring of 2002 on the dialogue how to make water governance more effective in their countries and in the entire region. To take properly into account all national and basin-wise similarities and differences, it was decided that the dialogue must have a solid base in the national consultations through workshops, roundtables, seminars, meetings - whatever is appropriate in each country. To evaluate the present status of governance a questionnaire based survey was made.

The national dialogues performed in 2002 have shown that numerous similarities exist between the countries in the region. They all have long histories and an ability to adjust to changes; there is a high level of knowledge and competence among water professionals; river basin authorities are already established in several countries; all the GWP-CEE countries are prepared to join the European Union (and they recognise that getting all the policies and legislation in place is an expensive process); there are vibrant although generally underfinanced local (municipal) government structures and there is fairly good level of understanding what the main water problems are. But some important dissimilarities were also identified. There are large differences between the CEE countries in size, population, climate, hydrologic conditions, and economy. Institutional arrangements at the local (municipal) level are often quite different because of large differences in the municipality size.

The transboundary water issues are quite characteristic for the region. In all countries an assessment of current water governance systems was made as initial phase of consultations. At the same time it was recognised that one of the principal questions for the dialogue consultations is how to measure the efficiency of governance arrangements and structures.

## Towards Efficient Water Governance and EU Accession

**GOVERNANCE is the framework of political, economic and legal structures.**

Efficient water governance is a main goal of 10 EU accession countries in Central and Eastern Europe.

**Central and Eastern Europe (CEE)**  
Area 1.1 million km<sup>2</sup>  
Population over 100 million

Long water management history: river basin authorities exist for a long time in many CEE countries.

Knowledge and motivation are there for EU accession.

Lots of positive political, administrative and legal developments during the past 12 years.

**HOW to IMPROVE GOVERNANCE in Central and Eastern Europe?**  
The conclusions on the basis of national consultations, background documents, questionnaire and continuous communication, response from 4 Baltic countries (EE, LV, LT, P) and 4 Danube countries (BG, H, RO, SK)

- > Country sizes and number of municipalities
- > Structure of country administration and water responsible institutions
- > Levels of transition to market economy and to EU accession
- > Types of water problems and role of transboundary issues

**Do you know the EU WFD?**

**EU WFD is not yet widely known in the practice**

**Any dialogue between decision makers and public?**

**Shortcomings**

- Water is not a top priority issue in politics
- Not fully harmonized laws
- Poor coordination in the complex institutional hierarchy
- Unclear responsibilities in planning, operation, ownership, licenses, fees, collection etc.
- Often poor financial plans
- Dominating role of the state budget
- Progress and positive trends in water saving and floods responses
- Inefficient communication between decision makers and public

**We know how to resolve our problems**  
Knowledge, competence and planning experiences are there  
Lots of experiences gathered in the past decade  
Increasing awareness and willingness - lessons learnt  
Advanced legal harmonization with EU  
Clear ownership and property rights

**CONCLUSIONS**

ALL CONDITIONS ARE GIVEN TO IMPLEMENT IWRM AND THE EU WFD

FURTHER SUSTAINED ECONOMIC DEVELOPMENT IS A PRECONDITION OF IMPROVED WATER GOVERNANCE

MANSIDED INTEGRATION IS NEEDED AT LOCAL, REGIONAL AND GLOBAL LEVEL

For detailed information see [www.gwpcee.org](http://www.gwpcee.org)

The document published for the WWF3 presents the main themes and highlights of the national dialogues. By doing so the document takes stock and identifies a number of critical issues that can take the discussion on effective governance for integrated water resources management forward. The last 12 years of political, economic and social transition in the CEE countries clearly demonstrated that governance arrangements keep changing and this process certainly will continue after the 3rd World Water Forum.

**TASK FORCE LEADER: LÁSZLÓ SOMLYÓDY**

*Participating countries:*

- |          |           |         |
|----------|-----------|---------|
| Bulgaria | Estonia   | Hungary |
| Latvia   | Lithuania | Poland  |
| Romania  | Slovakia  |         |

Regional report can be downloaded from: [www.gwpcee.org](http://www.gwpcee.org)

# Dialogue on Water, Food and Environment in the CEE countries

In the CEE countries of economical transition one of the most critical issues is how to develop the weak agricultural sector in an environment-friendly way, while building market economy and preparing to join the European Union. It has become evident that the CEE countries need to develop a science-based consensus between all stakeholders - including governments, NGO's, research specialists and farmers' organizations - which will help enhance agricultural production and environmental security, through sustainable water management. In short there is a need for a Dialogue on Water, Food and Environment, which follows most directly from:

- the utmost necessity to help the agriculture get modernised and stabilized,
- the danger of further environmental degradation.

The main focus of the Dialogue in the CEE region is the implementation of the Water Framework Directive (WFD) in the hope that by achieving good ecological status of waters the objectives of the Dialogue process will be reached in the agricultural regions as well.

A Knowledge Base for the country dialogues has been compiled including:

- EU Water Framework Directive
- Common EU and National Strategies on the Implementation of WFD
- Draft Guidelines for WFD implementation in EU – CIRCA network (approx. 900 documents)
- Other international and national documents.

The National Dialogue processes in the ten GWP-CEE countries (all candidates to the EU) were based on the outputs of the National Dialogues Design Workshop in Bonn and the CEE WFE Dialogue Kick-off Meeting held in Bled April 2002.

For a successful Dialogue committed partners are needed from both ends of the political palette. In CEE the unique political situation of historic reunification of the European continent helps to gain political support for the Dialogue process.

To meet WFD requirements is not enough. A delicate balance has to be reached by meeting EU water and common agricultural policies and by being competitive without increasing the burden on the environment under harsh conditions of limited subsidy (average 15% compared with 40-60% in EU). To raise the relatively low living standards typical in agriculture in all CEE countries reconsideration of subsidiary policy is needed.

The CEE Dialogue Project is foreseen as a decentralised, multi-year process, with milestones at the 3rd and 4th World Water Forum in Kyoto and Montreal. The CEE Dialogue Project is co-ordinated with other relevant activities of the GWP CEE, ERWG ICID, WWF Danube Carpathian Programme and WWF Europe.

## Dialogue on Water, Food and Environment in Central and Eastern Europe

### Dialogue on the Implementation of EU Water Framework Directive in Agricultural Water Management

#### First phase 2001-2003 – From the Hague to Kyoto

**Objectives of the Dialogue**

- **General objective:**  
Ensure that all waters meet at least „good status“ by 2015 and ensure the sustainable agriculture development
- **Specific objective:**  
The successful implementation of EU WFD in agricultural water management

by involving all stakeholders to the planning and execution process – CEE WFE Dialogue

**Partners**

- GWP CEE – Global Water Partnership Central and Eastern Europe – NGO – representing the general stakeholders
- ICID ERWG – International Commission on Irrigation and Drainage (ICID) European Regional Working Group (ERWG) – NGO – representing the professionals
- WWF – World Wide Fund for Nature Danube-Carpathian Programme (WWF DCP) – NGO – representing the environmentalists

**Development of Knowledge Base**

- EU Water Framework Directive
- EU Common Implementation Strategy
- National Strategies for the Implementation
- Draft Guidelines for implementation EU CIS CIRCA network/ICPDR Danubis
- Other documents: EU CAP, issue papers on EU enlargement etc.

**Key issues discussed**

- environmental impacts caused by agriculture
- Nitrate Directive, Good Agricultural Practice
- loss of wetlands
- climate change
- privatisation, land use changes
- financial difficulties of farmers
- competitiveness of CEE agriculture
- rural development and WFD
- EU Common Agricultural Policy
- new flood management policy
- possible EU funds
- education and training

**Conclusions**

- Continuous information exchange on the implementation of WFD is necessary
- Professional guidelines should be presented for the stakeholders in simplified form
- Capacity building for the implementation is a key issue (education and training programs)
- The information management structure should be developed
- Planning of measures to achieve the social and economic objectives should be considered

**Next steps 2003 – 2004**

- Dialogue on EU CIS guidance documents
- Dialogue on
- Analysis of pressures and impacts
- Economic analysis of water uses
- First identification of heavily modified water bodies
- Identification of environmental objectives
- Establishment of "baseline scenarios"
- Action Programme - Nitrate Directive
- Testing of guidance documents in Pilot River Basins etc.



**Participants of the dialogue**  
stakeholders – farmers, local governments, NGOs, environment and nature protection organisations, scientific organisations, universities etc, in all the ten CEE countries.

**RBMP under WFD**

- Designation of RBM units and competent authorities
- Designation of protected areas
- Analysis of pressures and impacts
- Economic analyses
- Preparation of monitoring programmes
- Identification of status of water
- Identification of environmental objectives
- Identification of programmes of measures





For detailed information see [www.gwpcee.org](http://www.gwpcee.org)

**TASK FORCE LEADER: ISTVÁN IJJAS**

*Participating countries:*

- |          |                |           |
|----------|----------------|-----------|
| Bulgaria | Czech Republic | Estonia   |
| Hungary  | Latvia         | Lithuania |
| Poland   | Romania        | Slovakia  |
| Slovenia |                |           |

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# Financial Flows Study in CEE

In the past ten years the countries of Central and Eastern Europe continued their efforts to address water management problems in the very unique context of a transition from the centrally planned to market economies. Although the problems, which need to be dealt with, are still many, there are clear signs of a rethinking of water policies in the region. Countries are at differing stages of the EU accession process and are studying on how to implement the freshly issued EU Water Framework Directive (WFD). To understand better the key financial issues and opportunities in water resources management a consultation process with key stakeholders at regional, national and local levels was carried out across the region with the objectives:

- To estimate investment outlays, OMR costs and total financial needs to meet objectives of the EU accession and objectives of the Water Vision presented at the WWF2;
- To analyze different, existing financial flows (payments from and to public sources, payments from and to private sector, activities of banks and international financial institutions, impact of the pre-accession and cohesion funds, and selected forms of financing investments in the water sector - own sources, subsidies and commercial loans);
- To analyze overall affordability of the society
- Develop strategies and tools on how to close the gap during the extended period of implementation of EU directives.

The study considered three time horizons, namely the present situation, 2015 for which the implementation of the EU WFD and associated directives should be completed for most of the CEE countries and 2025 being the target of realizing the Water Vision. The study relied upon a classification of cost and source categories, questionnaire type of additional data collection and a unified evaluation of data obtained. The study incorporated the evaluation of the present situation and analysis of past trends, estimation of time flow of costs for the period considered, estimation of sources, analysis of gaps and affordability via scenarios and a discussion on options to handle gaps.

Major findings can be briefly summarized as follows:

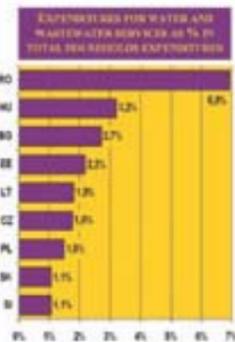
- Integration of the water cycle and financial flows is still missing and requires an integrated approach;
- Financial flow related information are poorly available (even reliable OMR costs are missing for most of the countries) and this situation should be improved;
- EU accession: trends are positive and plans exist. Their efficient implementation is a must;
- Future expenditures should be significantly higher than today
- In principle financial sources are there. However, closing the gap will require significant EU funds as well as the involvement of private capital;
- Growth of economy plays a crucial role;
- Affordability can be handled, but it will not be easy.

## Affordability and Financial Flows in the Water Sector in the CEE region

**OBJECTIVES**

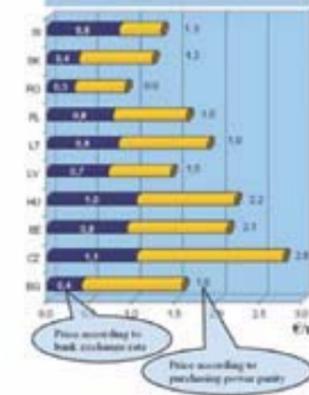
- ✓ PRESENT EXPENDITURES AND FINANCIAL FLOWS, WATER RELATED OBJECTIVES WITH SPECIAL REGARD TO THE EU WFD (2015),
- ✓ FUTURE NEEDS AND SOURCES, AFFORDABILITY.

WATER AND WASTE WATER SERVICES NECESSARY INVESTMENT OUTLAYS AT € PER CAPITA OVER THE PERIOD OF IMPLEMENTATION (UNTIL 2015)



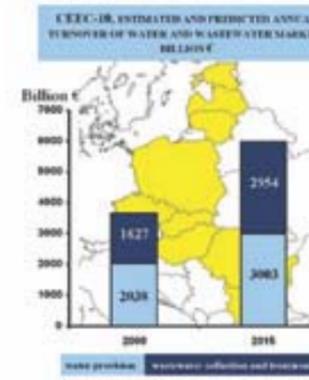
BACKGROUND DATA	CEEC-10	EU-15
Population (millions)	104	376
Unemployment rate %	11.9	8.2
Household monthly expenditure per capita, €	114	1093
GDP total, billion €	303	8510
GDP, € per head	2764	22633
GDP at PPS*, billion €	912	8510
GDP at PPS per head, €	8735	22500
GDP percentage change rate (1999-2009)	5.0%	1.3%

\* PPS - Purchasing Power Standard. It is an effort of using Purchasing Power Parity (the rate of currency conversion, which eliminates the differences in price levels between countries).



### CONCLUSIONS

- INTEGRATION OF THE WATER CYCLE AND FINANCIAL FLOWS IS STILL MISSING AND REQUIRES A HOLISTIC APPROACH
- FINANCIAL FLOW RELATED INFORMATION SHOULD BE IMPROVED
- EU ACCESSION: TRENDS ARE POSITIVE AND PLANS EXIST. THEIR EFFICIENT IMPLEMENTATION IS A MUST
- FUTURE EXPENDITURES SHOULD BE SIGNIFICANTLY HIGHER THAN TODAY
- IN PRINCIPLE, FINANCIAL SOURCES ARE THERE. HOWEVER, CLOSING THE GAP WILL REQUIRE SIGNIFICANT EU FUNDS AS WELL AS THE INVOLVEMENT OF PRIVATE CAPITAL BY CREATING FRIENDLY LEGAL ENVIRONMENT, UNDERSTANDING THE NEEDS OF STAKEHOLDERS AND END-USERS
- GROWTH OF THE ECONOMY PLAYS A CRUCIAL ROLE
- AFFORDABILITY CAN BE HANDLED, BUT IT WILL NOT BE EASY



For detailed information see [www.gwpcee.org](http://www.gwpcee.org)

### TASK FORCE LEADER: LÁSZLÓ SOMLYÓDY

Participating countries:

- Bulgaria
- Estonia
- Hungary
- Latvia
- Lithuania
- Poland
- Romania
- Slovakia

Regional report can be ordered from GWP-CEE Secretariat

[gwpceetac@vituki.hu](mailto:gwpceetac@vituki.hu) but it will not be available before May 2003.

# GWP-CEE Regional Water Forum

Prague, 10 November 2002



The Forum brought together some 60 participants from the ten countries of the region and invitees from GWP regions Central America and South East Asia, WWC-Water Action Unit, GTZ of Germany, France and the GWP SEC and Wallingford Resource Centre including also two GWP Steering Committee members.

The event was opened by Pavel Puncochar, head of department of Ministry of Agriculture of the host country, Czech Republic. The Forum was attended by Árpád Göncz former president of Hungary, the patron of GWP-CEE who addressed the audience. In his speech he emphasised the importance of regional cooperation in the field of water management to ensure sustainability.

The progress of the region was reported by Janusz Kindler, chair of GWP-CEE, who highlighted the major programmes and milestone events of the last one and half years with reference to the long term water vision and framework for action of the region. As he stated most of the foreseen actions had been started or completed and the region is on the right track to achieve the vision statement for 2025.

The programme of the RWF focussed on the presently running dialogues in the light of the preparations for the third World Water Forum. Presentations on financing water infrastructure, water governance and dialogue on water food and environment outlined the present situation, trends, priorities, comments from grass-root stakeholders in the different CEE countries, likely scenarios, implications etc. in the context of the imminent accession to the European Union, the major driving force in the region.

The regional reports will be completed in the near future, considering the Forum feedback and experiences and delivered to contribute to the Kyoto process.



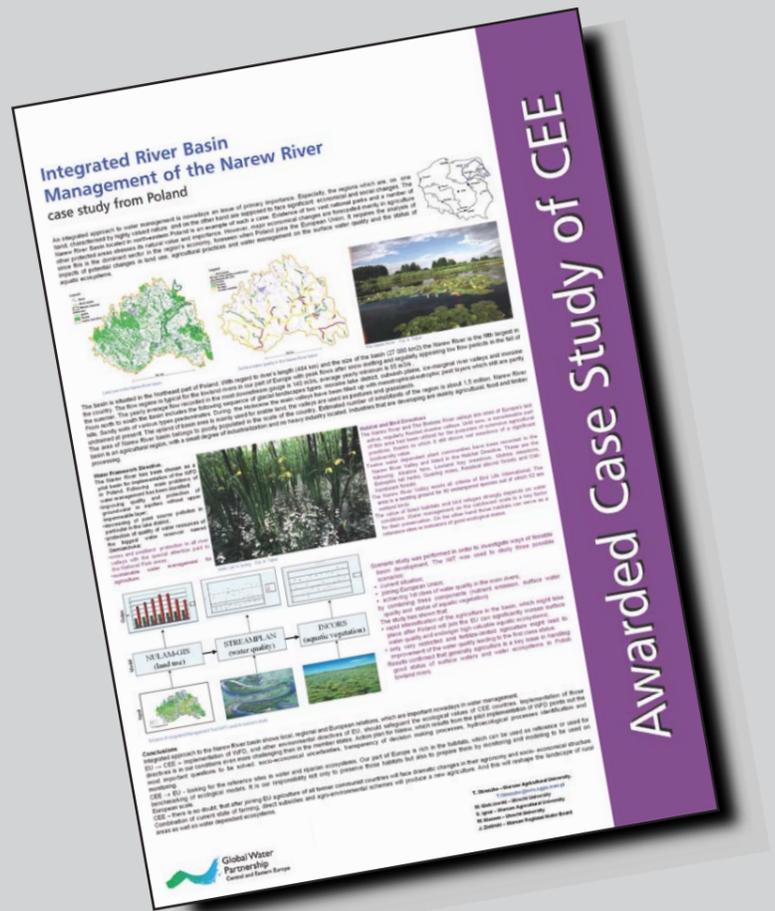
A special session was devoted to a case study competition. After a pre-selection process six have been presented to the Forum participants, who voted for the best three with the understanding that they would be considered for the CEE sub-session at WWF3. Winners are:

- Tomasz Okruszko: The Narew River basin - national level case study from Poland
- János Fehér: Tisza River Basin Environmental Programme Initiative
- Margit Sare: Transfer of experience on East-East cooperation of transboundary lakes /Strategies for Public Participation in Management of Transboundary Waters in Countries in Transition: Lake Peipsi (Estonia-Russia) and Lake Ohrid (Macedonia-Albania) Case Study

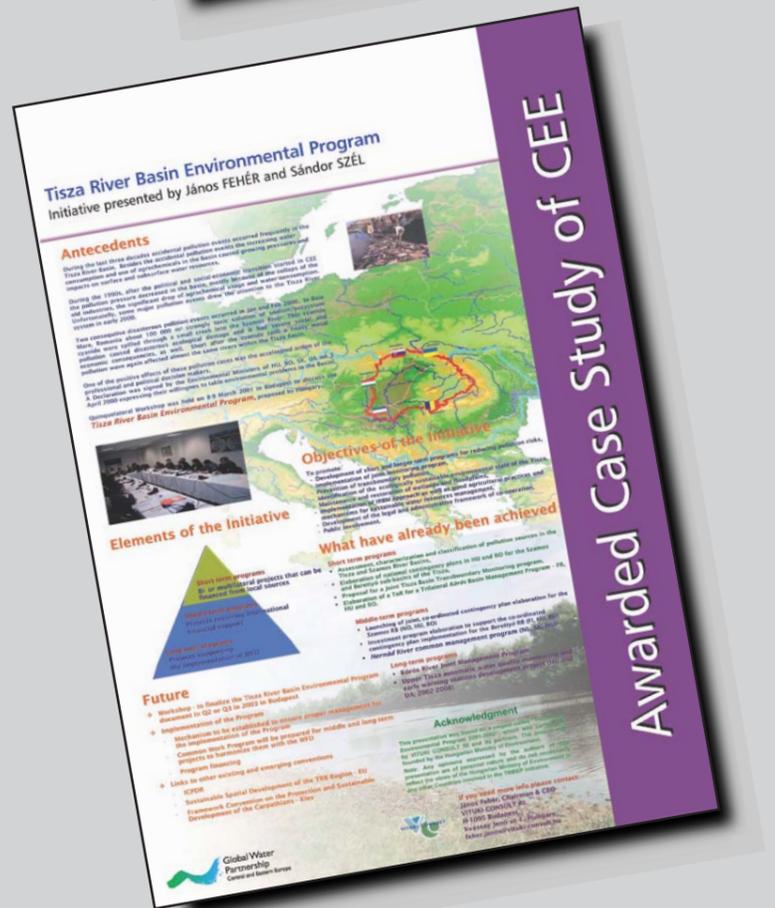
The major success of the competition was the high interest and the involvement of new stakeholders into the water movement of GWP-CEE. All cases have been offered to IWRM ToolBox as well as to the Water Action Unit of WWC.

The Forum was ended by a slide show indicating different aspects of EU Water Framework Directive the requirements of which are to be met by the countries. The slide show serves as a template for the CEE countries preparing a regional film to be presented at the WWF3.

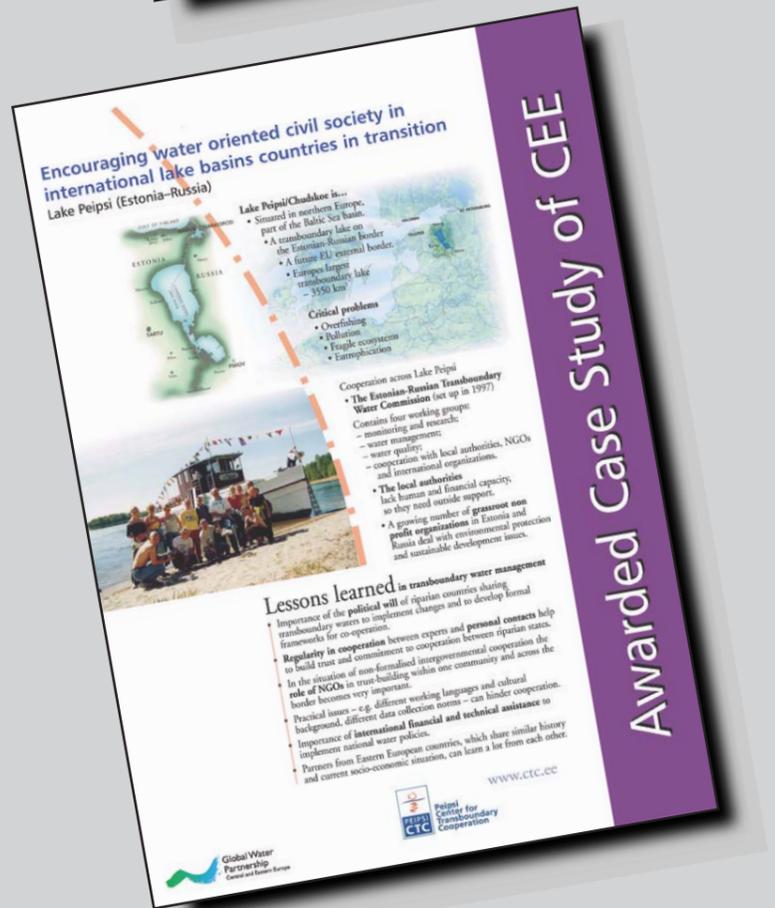
The Forum proved to be a successful stock-taking event with clear indications on the role GWP-CEE is playing in the promotion of IWRM.



Awarded Case Study of CEE



Awarded Case Study of CEE



Awarded Case Study of CEE

At the international conference on "Prevention of flood hazards by integrating socio-economic and environmental considerations" held in Budapest, 30 November - 1 December 2002 the heads of delegates including prime ministers, ministers and other high level decision makers from the Danube, Odra and Elbe basins adopted the statement below. As a follow up GWP-CEE has initiated a Task Force on flood management led by Katarina Hajtasova (Slovak Hydrometeorological Institute) with the mandate to start programs on general public flood awareness raising, historical floods with emphasis to antecedent synoptic situation and establishing a network of flood experts in the region.

## BUDAPEST INITIATIVE ON STRENGTHENING INTERNATIONAL COOPERATION ON SUSTAINABLE FLOOD MANAGEMENT

*Joint Statement by the Heads of Delegations*



The recent floods, in particular the floods of August 2002, caused casualties, made thousands of people homeless and caused a damage amounting to several thousand million Euros in many countries across Europe. These severe events called for immediate responses from the political leaders. High-level representatives of the most affected European countries and key representatives of the European Commission met in Berlin this August and agreed to strengthen the future efforts to cope with such hazards.

Apparently, this concern is shared by many European countries where such emergencies, especially, in relation to the major international watercourses are well-known and studied, and significant efforts have taken place to cope with these hazards. Relevant national mechanisms are in place in these countries, moreover, important multilateral and bilateral instruments have been developed for the past decades. But the recent extreme events clearly demonstrated that we should further improve our management systems, harmonize our actions, enhance our cooperation.

We are also aware that the causes and the implications of such natural disasters should be considered in a broader sustainable development framework by taking into account the interrelated environmental, social and economic dimensions, and the relevant scientific results. In this regard, we acknowledge the importance of the principles of sustainable development, precaution and prevention, partnership and solidarity.

Guided by these objectives and principles, and

*Bearing* in mind that these disasters do not respect national borders, and for their averting in an integrating Europe it is inevitable to take into consideration the regional coherence of preventive and mitigation actions,

*Recognizing* that only concerted actions can strengthen our abilities and opportunities to cope with these hazards,

*Acknowledging* the importance of international cooperation based on common responsibilities and mutual interests,

*Taking* into consideration the existing networks, programmes, initiatives and achievements in relevant bilateral and multilateral cooperative frameworks on these issues,

*We have agreed as follows*

1. Taking into account the recent severe floods devastating large areas of Europe and the environmental conditions influencing the frequency and severity of such extreme events, the international cooperation should be strengthened, in particular on flood management and combating adverse socio-economic and ecological impacts, especially in the most vulnerable regions.

2. We believe that understanding the necessity of reflecting the recent scientific and technological results and the changing requirements of the society in relation to the environment is the very first step. Also the potential, human-induced climate change and the socio-economic conditions affecting the management of freshwater resources raise new aspects, which will have to be considered when making and implementing new water management and land use policies.

3. The better understanding of the climatological, hydrological, ecological and landscape context of floods is also of utmost importance in flood management and especially in the flood prevention strategies. Consequently, a new comprehensive approach is needed to flood management at international level, implying better harmonization of the water policies and land-use practices, as well as, environmental protection and nature conservation.

4. Considering all these tendencies and requirements, it is necessary to promote changes in the concepts and practices in order to improve flood management in the frame of Integrated River Basin Management, which promotes the coordinated development, management and conservation actions regarding water, land and related resources.

5. We recognize that there are already effective regional and bilateral institutional mechanisms including multilateral co-operation platforms such as international river basin commissions. Our present initiative is built on these existing frameworks and it supports the preparations of action plans for sustainable flood protection, which are available or under preparation in particular river basins. We strongly believe that the enhanced overarching regional cooperation will be of substantial added value and will reinforce the present activities in this area for the benefit of all participating countries and organizations.

6. The cooperation in this field has substantially developed for the recent decades, inter alia, in the framework of the Convention on the Protection and Use of Transboundary Watercourses and International Lakes (Helsinki, 1992), the legal instruments or cooperative programmes on such watercourses and their river basins as the Danube, Elbe, Odra and Tisza, the UNECE Guidelines on Sustainable Flood Protection, Global Water Partnership, 2nd World Water Forum, Joint Ukraine-NATO Project on Flood Preparedness and Response in the Carpathian Region, International Hydrological Programme of UNESCO, UNDP/REC Sustainable Development Programme for the Tisza River Basin, Tisza River Basin Forum on Flood Control etc. Based on these broad mechanisms and instruments, multi- and bilateral agreements have been elaborated and particularly deal with water related risk management. The process of European integration will offer improved conditions for more effective concerted actions (e.g., the Water Framework Directive), likewise the broader pan-European cooperation in the area of sustainable development generally, and specific problems of environmental protection, nature conservation and sustainable use of natural resources. The Plan of Implementation adopted by the World Summit on Sustainable Development (Johannesburg, 2002) made also evident that an "integrated, multi-hazard, inclusive approach to address vulnerability, risk assessment and disaster management, including prevention, mitigation, preparedness, response and recovery, is an essential element of a safer world in the twenty-first century" and called for actions at all levels, among others, in order to reduce the risks of flooding in vulnerable zones.

7. Further cooperative efforts to improve preparedness, preventive policies, operational and long-term risk management and restoration measures should be planned in various topics, including the following:

(a) Assessing factors influencing flood generation, propagation and spreading including climate change, land use, ecology, morphology and flood plain alterations;

(b) Enhancing the development of a holistic flood management strategy as a part of integrated river basin management planning with due regard to the improvement of the security of human life and to the mitigation of damages caused by floods on the one hand, but also to gain advantageous impacts of floods on biodiversity on the other hand;

(c) Increasing mutual efforts in the development and distribution of advanced technologies and methodologies applied in meteorological and hydrological monitoring, forecasting and warning, including international data exchange and information technology developments to disseminate early warnings by and for the organisations concerned, as well as, for the public,

(d) Development and dissemination of flood risk assessment and mapping combined with decision support tools, such as Strategic Environmental Assessment, for cost-benefit and scenario analysis as an essential tool in the formulation of appropriate policies and measures in relevant fields (such as land use and spatial planning; development of building code; determination of the level of services; design, appraisal and prioritisation of flood alleviation projects; preparation of effective insurance mechanisms);

(e) Fostering local, regional and international cooperation in the following fields: organisational and technological development of flood emergency measures; disaster management and civil emergency management planning, with special regard to decision support systems; methods of assessment and compensation of flood damages and the role of international assistance;

(f) Enhancing decentralised solutions and good practices in the field of local damage mitigation and management in improvement of preparedness;

(g) Raising public awareness and public participation in flood prevention and management decision-making, and supporting cooperation with all stakeholder groups;

(h) Assessing the economic tools and financial requirements to prevent and minimise impact of floods concerning construction and maintenance of defence structures, rehabilitation of natural ecosystems and recompensation of damages caused by flood by establishing an effective system of insurance mechanisms to reduce the burden to individual citizens and enterprises, as well as to national economies.

8. For the sake of further identification of the most promising areas of cooperation and specific coordinated actions, we welcome the joint initiative of the European Commission and water directors on management of flood protection and prevention (Copenhagen, 21-22 November 2002) to elaborate a best practice document on particular issues. Based on these outputs, decisions will be taken to organise thematic workshops on (i) long-term socio-economic and environmental tendencies and outlooks, (ii) strategic planning, technical and other innovative solutions to prevent and mitigate these hazards, and (iii) the relevant governance mechanisms, including institutional coherence, education, awareness raising and public participation. Further decisions will be taken at a policy-makers' meeting to be held at the end of 2003 or early 2004.

9. We agree to inform the various international organizations and bodies on this cooperation, in particular, the EU, NATO, OECD, UNDP, UNECE, UNEP, UNESCO, WMO, ISDR, CEUDIP, OCHA, standing bodies of the relevant conventions, regional and sub-regional organisations. We also underline the open character of our cooperation, thus inviting new partners to join our common endeavours.

Adopted in Budapest, on December 1, 2002



### GWP Slovak Water Club Workshop on PP Partnership in Water Sector

In November 21, 2002, a workshop on Public Private Partnership in Municipal Water Sector was held in Bratislava, Slovakia. The workshop was a contribution to series of the activities supported by GWP CEE (in February 2002, the Estonian Water Club conducted the same activity).

The Slovak Water Club followed this initiative due to the fact that the process of privatization of water services in Slovakia is in its final stage. The first phase, called transformation and decentralization of water works started in 1996. From that time, variety of proposals how to transfer responsibilities from central to local level were developed. However, only a limited attention is devoted to discuss, to maintain a dialogue or at least to prepare municipal representatives for a "new business" arrangements with private sector. The workshop was organized by GWP Water Club Slovakia with the aim to bring both private and public stakeholders to develop the discussion on several sensitive issues:

- will privatization improve the performance of water works companies
- are legal and administrative rules sufficient to provide for protection of water consumers and the environment
- will private involvement mean more investments for water infrastructure.

The workshop was facilitated by Ms. Danka Thalmeinerova from Academia Istitopolitana Nova, a post-graduate institution in environmental policy.



Water experts from Czech Republic were invited to the workshop. This was very important element, as a previous Czechoslovakia had the same history in the development of state owned water companies, centrally managed, controlled and financed. While the privatization in Czech Republic was launched ten years ago, in Slovakia the process was postponed due to political reasons. So, speakers from the Czech Republic brought the experience and several lessons learnt. In order to provide an independent platform, the organizer invited speakers who represented all variety of interests and views:

- J. Králik, Vivendi Water Slovakia
- J. Šverma, SÉVK Teplice (public-private water company in Czech Republic)
- I. Fekete, KVS Komárno (Slovak municipal water company)
- A. Pokorný, Ondeo, Slovakia (majority shares in Slovak water company)
- R. Havlíček, CEPA Ponická Huta (Slovak NGO with the main mission to promote and support public participation)
- D. Pech, Citizens for their rights, Plzeň (Czech NGO representing a high opposition to private companies entering the Czech water sector).

More than 50 participants attended at the workshop. They came from municipal sector, representatives of water companies, NGOs, and environmental departments of local authorities. All of them highly appreciated the opportunity to address this issue and shared the same concerns:

- too little information is available on this topic,
- unclear decisions taken on character and forms of private involvement,
- the situation with the privatization (or municipalisation) of water services is complicated by the approximation process of Slovakia to the EU,
- subsidies to water sector fallen to minimum, and
- the Slovak government (after painful discussion) agreed on liberalization of water prices.

Not all aspects could be discussed in details at the workshop, however, the feedback from participants showed that the workshop met its objectives. Unfortunately, neither speakers nor participants came from the Ministry of Soil Management or Ministry of Environment. Absence of Ministry of Soil Management is even more surprising as it is a responsible ministry for managing the transformation process of water works companies in Slovakia. All participants agreed that setting of legal rules for future PP partnerships and post-privatization regulatory regime will be the critical elements in order to protect public interests, to avoid the exploitation of water resources, and to secure sustainable development of water services.

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