



Organization for Security and Co-operation in Europe

**Office of the Co-ordinator of OSCE
Economic and Environmental Activities**

Zaragoza, 13 March 2007

**Second Preparatory Conference
to the 15th OSCE Economic and Environmental Forum**

**“Key challenges to ensure environmental security and sustainable
development in the OSCE area: Water Management”**

Zaragoza, Spain, 12-13 March 2007

CLOSING STATEMENT

by Bernard Snoy

Coordinator of OSCE Economic and Environmental Activities

Ladies and gentlemen,

When embarking in such a complex exercise as the Economic and Environmental Forum, when trying to address such a complex topic as water management and water cooperation, it is of utmost importance to clearly define medium and long-term goals. Our goal is to ensure meaningful and concrete follow-up to our deliberations. In doing so, emphasis should be placed on sharing both benefits and costs of water cooperation. As was rightly pointed out, more emphasis needs to be placed on the benefit sharing potential of water cooperation and effort should be made to build a sense of water as a source of cooperation, not conflict.

In order to ensure adequate water management, a number of elements have to be taken into account. First, there is a need to establish a legal framework that promotes cooperation. Then, this legal framework, which can be a piece of national legislation, a bilateral agreement or an international convention, has to be enforced. Dispute mechanisms should also be foreseen. In order to ensure enforcement, functioning institutions – at the local, national and regional level - have to be put in place. As well, the involvement of multiple stakeholders in the decision making process is extremely important as it reinforces ownership. Finally, we should be all aware that this is not a static endeavor. Therefore there is a need to constantly adapt such mechanisms of cooperation to new circumstances and new challenges. I should probably also add to this list, in particular due to this constant need to adapt, a concept used by one of the speakers earlier today – creative thinking.

So far, and ever since the 2002 Forum under the Portuguese Chairmanship, the OSCE has been involved in a way or another at all these levels. Our diverse experiences in promoting cooperation on the Chu and Talas, Dniester, Sava, or Kura Arax rivers have

been extensively presented and discussed yesterday and today. It is indeed the right time to analyze our past experience and decide what and how can we do better. I think there is no doubt that there is still much to be done and that we can and have to do a lot. There are still gaps, there are still good initiatives in need of support. The OSCE should continuously focus on ensuring long term sustainability of the projects it develops and helps to implement. I was encouraged by the positive messages received from those with whom we cooperated so far, such as the UNECE, the UNDP, etc., as well as from the representatives of the countries where we operate.

Another important conclusion that we can draw from this meeting is that water management is very much linked with good governance. In particular, economic governance structures should be put in place and appropriate pricing policies need to be designed. Water pricing is an important incentive for economic efficiency. In the agricultural sector a proper pricing structure is essential and, in particular where water is scarce, good governance policies to improve the efficiency of water use and its allocation are required to ensure sustained growth. Establishment of water centers to manage water resources and payment for ecosystem services schemes are tools to promote sustainability and multi-sector cooperation. Working with local governments, supporting participative planning, increasing accountability at the local level, improving the technologies used, better prioritization, are all important elements for sustainable water management. Similarly, public-private partnerships can help finance future investments in the water sector. The role of the OSCE in preventing corruption in water related projects was also stressed.

Ladies and gentlemen,

I think this conference clearly demonstrated that the OSCE has a clear role to play in promoting water cooperation at various levels. The OSCE can be useful in local capacity building as it can enable civil society contributions to water management. The OSCE can also provide a political impetus to inter and intrastate cooperation and policy integration. As a neutral actor, the OSCE can work to create political will to manage water resources when the political momentum to fully address problems is lacking.

I very much welcome the statements made by representatives of various regional organizations, in particular those operating in Central Asia, such as the EURASEC and the ICWC (Interstate Coordination Water Commission). They expressed their willingness to co-operate with the OSCE and their strong belief that the OSCE can support regional activities and provide assistance to capacity building projects. We stand ready to do so. The OSCE can work with other organizations in promoting intra and international water cooperation by examining what is not currently working well and complementing and coordinating its work with existing actors to fill such gaps. We can facilitate training and capacity building on specific water related topics as well as elaborating and establishing cooperation mechanisms such as intergovernmental agreements.

I also welcome the suggestions made by a number of participants, in particular those who said that deeper cooperation with international organizations including the OSCE in areas of common concern, for example in the framework of the EU Water Initiative, should be envisioned. We stand ready to further discuss how to develop such co-operation.

Many concrete suggestions were made as well by our Economic and Environmental Officers from the OSCE field presences, either here in the plenary or during corridor

discussions with my colleagues. We will carefully study them and we will stay in close touch with our field presences in the process of designing and implementing follow-up activities. I take note in particular of the statement of the OSCE Project Coordinator in Uzbekistan, Ambassador Jenca, regarding the possibility of hosting a regional event.

There are many good examples of co-operation and best practices across the OSCE region. Cooperation in the Danube River Basin is one of them. Such an example is also the water cooperation between Spain and Portugal. As it was emphasized during the conference, this partnership between Spain and Portugal succeeds, *inter alia*, due to transparency, public participation, joint management and responsibility. These are all invaluable for water cooperation. Our Organization has a role in collecting and disseminating such best practices. The OSCE can also be instrumental in sharing practical experiences and information as well as in the transfer of new, efficient technologies.

All the recommendations emerging from the Zaragoza Conference will be duly analyzed in Vienna by my Office together with the Chairmanship and presented to Delegations. They will lead us, I am convinced, to a successful Economic and Environmental Forum in May in Prague and to useful follow-up activities later on.

Thank you everybody for your contribution.