The 3RD ASEM Sustainable Development Seminar on Water Management – Fostering Prosperity and Stability Through (Inter)Regional Cooperation Tulcea, 2-3 June 2014

Session 5 : EUROPE- ASIA DIALOGUE ON WATER MANAGEMENT POLICIES – OVERVIEW OF POSSIBLE FUTURE COMMON ACTIONS

Keynote speech

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Ladies and gentlemen,

It is with great pleasure that I stand here before you today to talk about how we can foster our water cooperation in the context of the Europe-Asia dialogue.

As you know this is the third ASEM seminar on water management following a Seminar in 2012 in Hungary and last year in Vietnam. Continuity of these Seminars demonstrates the high, and these days very pertinent, interest of ASEM partners on water management. I am particularly happy that the EU was able to contribute to organization of this meeting through the ASEM Dialogue Facility.

Water is life, energy, food. But water creates challenges. Water can at the same time mean death, floods, or drought.

The challenges that water creates in terms of economic and social development as well as on security are well-known.

Given urbanisation and population growth, water use is projected to increase by 50% by 2025, by which time roughly 5.5 billion people around the world – two thirds of the projected global population – will live in areas facing moderate to severe water stress.

The impact of climate change only further aggravates these risks acting as a multiplier for water shortages, poor water quality, droughts or floods.

And also water security is most often a regional and transboundary issue.

Water resources are limited and unequally distributed across countries and regions and this can also be a source of tensions and instability threatening regional and international peace and security.

Approximately 60 percent of world freshwater resources are transboundary and some 40 percent of the world's population lives in river and lake basins that cross national borders. Over 260 international river basins cross the political boundaries of two or more countries, but only a third is covered by collaborative and sustainable water management mechanisms.

Water cooperation is therefore an essential element for sustainable management of transboundary water resources.

As water is likely to become one of the most contested resources in the future, we need to to **establish rules** for managing it.

Therefore, we support relevant water conventions and instruments which promote sustainable management of transboundary river basins.

The EU is part of and fully supports the 1992 UNECE water convention, which asks the parties to the Convention bordering the same transboundary waters to cooperate by entering into specific agreements establishing joint bodies.

We also fully support the 1997 United Nations Convention on the law of the Non-Navigational Uses of International Watercourses ('UN Convention'), which provides a framework of principles and rules that may be applied and adjusted to suit the characteristics of particular international watercourses.

This UN Convention is open to all States and regional economic integration organisations, 35 parties being required for the Convention to enter into force. We welcome the fact that, on 21 May 2014, <u>Vietnam</u> became the 35th party to ratify the Convention and thus the convention is now scheduled to come into force on 17 August 2014. This is a milestone in the history of water cooperation.

Let me now give you some EU perspectives on water cooperation and on responses we gave up to now to the water challenges I mentioned earlier.

The EU has significant experience in transboundary water cooperation.

60 percent of the EU's territory lies in trans-boundary river basins, some of which are shared with third countries. Joint management of Europe's international rivers has a long history – obvious examples are the Rhine and Danube Rivers.

Perhaps the greatest value of the EU is that it can act as a model for reconciliation and co-operative rules-based regional integration. Not because we in Europe are perfect; on the contrary; because we have had to learn a lot of lessons on the road to our integration, and perhaps others do not need to make the mistakes that we made again. We can offer our lessons learned and best practices, which can lead to innovative strategies of regional cooperation and integration.

I can give you some examples of our experiences.

Created in 1816, the *Central Commission for the Navigation of the Rhine* (*Rhine Commission*) is the oldest international organisation. It is dedicated to promoting a high degree of safety for navigation and the environment.

In 1856 a *European Danube River Commission* was established to control the navigation and trade on Danube, seated in Romania, followed in 1948 by the *Danube Commission*, concerned with maintenance and improvement of navigation conditions of the Danube River.

The International Commission for the Protection of the Danube River (ICPDR) became active in 1998, an international body dealing with the Danube river basin management.

And since 2010, when EU heads of states and governments approved the EU Strategy for the Danube region, riparian countries are tackling together transboundary issues as environment, water management, floods, improving connectivity, climate change, energy security, ensuring synergies and cooperation with the international bodies active within the Danube basin.

We think that International Commission for the Protection of Rhine, the International Commission for the Protection of the Danube River and the Danube Commission could play a significant role in the cooperation within Mekong river states.

We believe that equitable, efficient and collaborative management of transboundary water resources is an essential element for sustainable development, security and stability.

And as I said earlier, we stand ready to share our experience and expertise.

The EU has a substantive commitment to address the water challenges around the world, particularly through our work on development and the environment. For example, for the period 2007-2012 more than €2,2 billion in EU aid was committed on water and sanitation programmes as part of our contribution to the Millenium Development Goals. And this on top of EU member states individual support.

Regarding the Mekong River, the EU and its Member States are the largest development aid providers to the countries of the Lower Mekong and contribute to over 65% of the budget to the Mekong River Commission Strategic Plan 2011-2015

The EU is also actively engaged in **concrete ways** in promoting water cooperation. Through the EU Water Initiative we are already engaged in projects in many areas around the world, including Asia, in promoting transboundary and regional cooperation. The EU is also engaged in support of other specific initiatives and partnerships to promote water cooperation such as in Central Asia, in the Nile basin, the Mekong and elsewhere.

The EU and over 10 Member States are financing individual water management and cooperation projects in the Lower Mekong region. And we are also actively participating and support related meetings and activities in the region; and this meeting is a major example.

We believe that EU shall also support water cooperation in the Ganges Bramaputra Mehgda basin, which covers the whole of South Asia. As I mentioned earlier, we also believe that transboundary water cooperation can be strengthened by supporting relevant water conventions and instruments which promote sustainable management of transboundary river basins.

Let me now give you the EU perspectives **on possible future steps to enhance further our common water cooperation. I will start with** few considerations about the wider context of Europe-Asia dialogue on water cooperation.

The July 2013 Foreign Affairs Council Conclusions have set the EU roadmap to engage on water diplomacy /cooperation. EU water diplomacy aims at proactively engage in trans-boundary water security challenges in order to promote sustainable water management arrangements and to support regional and international cooperation. At stake is to achieve sustainable river basin management by using water as instrument to foster prosperity and stability.

We firmly believe that a sustainable and secure world is also a watersecured world.

Asia faces similar problems as the EU in relation to energy, food security and water needs and it is clear that **joint initiatives** will have the potential to benefit both regions, its environment and its population. Water cooperation is a key issue of Europe - Asia cooperation within ASEM and ASEAN.

Mekong River Basin is a key asset for the socio-economic development of riparian countries (Laos, Cambodia, Vietnam, Thailand, Myanmar and China) and its management impacts in many ways on South East Asia and the wider region.

The Mekong River Commission (MRC) is of critical importance for a sustainable, joint management of the river. A good coordination as foreseen under the 1995 Mekong agreement is essential. We welcome the outcome of the MRC Summit in April 2014 and the reforms foreseen at that Summit.

Identifying **cooperation mechanisms** between experts from Danube and Mekong regions regarding water-related challenges can bring added value to both regions. More than that, water cooperation can make a meaningful and

concrete contribution, through common projects, to the consolidation of **Danube and Mekong regions as hubs of cooperation within Europe and Asia**.

Cooperation around water and water-related challenges, such as connectivity, energy security and food, within Danube and Mekong regions, is likely to open up *a new silk route* – a Europe - Asia axis of trade and travel, bringing economic development to both regions.

As an example of concrete actions I would like to mention that:

The EU is committed to help ASEAN to close the development gap. The EU will **increase its bilateral aid to Mekong countries** from 590 million € (2007-2013) to 1,705million €(2014-2020).

The EU is engaging with ASEAN on how to ensure that the region is better connected. We have therefore launched an **EU-ASEAN** connectivity **dialogue**; the Mekong region will receive special attention.

As **concrete results** of this seminar, we support the establishing of a **network of experts/a Working Group on flood management**, with the aim to share and expertise and to consolidate water cooperation.

We also support the **exchange of good practices between provinces and towns** from countries within the Danube and Mekong regions on issues of mutual interest. We welcome the steps already took in this direction by Tulcea (Romania) and Ben Tre (Vietnam) province.

Exchanging experiences between Danube and Mekong on the macroregional approach — countries cooperating on transboundary issues - and on involvement of local actors in the development of transboundary projects while maintaining the engagement of governments are also possible areas of cooperation.

In June 2014 the European External Action Service (EEAS), together with EU Member States Foreign Ministers, will launch a joint EU demarche in selected third countries (**Thailand, Vietnam, Myanmar, Lao, Cambodia**) to promote the international agreements on water co-operation, and in particular to encourage the ratification and implementation of the UNECE

and/or UN Convention, in line with the Foreign Affairs Council Conclusions.

Being party to UN relevant water conventions entails certain advantages:

- political advantages, such as the potential contribution to international peace and security;
- being part of international agreements/conventions for promoting international cooperation is important for fostering dialogue and consensus-building among states sharing water resources;
- the advantage to being part of solid international legal frameworks;
 - practical advantages of being party to international water agreements, such as sharing experience through multilateral mechanisms.

We count on your engagement.

Next month, on 23 July, the EU will host the **20th EU-ASEAN Ministerial** Meeting in Brussels. This is an important meeting which should confirm the excellent momentum in EU-ASEAN relations. Cooperation in the Mekong will be very much part of this discussion and we aim for an ambitious outcome.

Later this year, on 16 and 17 October in Milan, ASEM leaders will meet at the 10th ASEM Summit to discuss various aspects of Europe – Asia cooperation, including connectivity in its widest sense. Water is connectivity and therefore I am sure it will feature high in the Summit deliberations. As the EU side and the EEAS are leading the preparatory work for the Summit, I can assure you that the topic of water management will be properly reflected in the Chair's Statement of the Summit.

Water cooperation calls for collective, proactive and comprehensive engagement. And regular and intense policy dialogue is essential to achieve these objectives. I am looking forward to the continuation of this highly relevant dialogue between Asia and Europe and encourage other ASEM partners to engage and host forthcoming meetings next year.

Thank you