

The EU Water Initiative (EUWI)

1. Description

At the World Summit on Sustainable Development (WSSD), the EU launched a Water Initiative. It aims to contribute to achieving:

- the Millennium Development Goals' specific target on water: to halve, by 2015, the proportion of people without sustainable access to safe drinking water,
- the WSSD target, adopted with strong EU support to halve by 2015 the number of people without access to sanitation,
- the WSSD target to develop national integrated water resources management plans by 2005.

The EU Water Initiative is designed to bring the Community and its Member States together with civil society, financial institutions, and the EU's water industry. The initiative is based on ownership by beneficiary countries and has adopted a bottom-up, demand-driven approach.

It is based on the principle that our objectives for drinking water and sanitation, should be achieved within the context of an integrated approach to river basin management, an area in which the EU is keen to share its extensive experience acquired notably through the EU Water Framework Directive.

The key elements of the Initiative are to:

- Reinforce political commitment to action and raise the profile of water and sanitation issues in the context of poverty reduction efforts;
- Promote better water governance arrangements. This includes encouraging the public and private sectors and local stakeholders to work together better. It also includes efforts to strengthen institutional capacity at the regional, national and local levels, by providing expertise and promoting good practice, improved partnerships for sharing technology, information, research and knowledge and awareness raising;
- Improve coordination and cooperation in the way that water-related interventions are developed and implemented. This includes a shift away from stand-alone projects towards sector-wide approaches. It also includes establishing multi-stakeholder processes to reinforce partnerships for action and promoting south-south collaboration and co-operation;
- Encourage regional and sub-regional cooperation on water management issues, using the integrated water resources management approach (IWRM). As part of the Initiative, the EU will be supporting the development of IWRM and water efficiency plans by 2005, including the adoption of policy, planning and management processes on a river-basin scale;
- Catalyse additional funding, through the development of new, flexible and innovative funding mechanisms to attract new partners, and through supporting the establishment of the enabling environment for increased investment.

The EU Water Initiative also includes a major assessment of financial requirements as well as a working group on the research contribution to addressing problems of water management. Finally, a multi-stakeholder subgroup has recently been set up to address the issues of monitoring, reporting and the information system of the Initiative.

The EU Water Initiative began with the launch of two Strategic Partnerships on water and sanitation at WSSD between the EU and Africa and the EU and Eastern Europe, Caucasus and Central Asia (EECCA). Since then, regional initiatives have been developed for Latin America and the Mediterranean.

2. Main challenges

• Good governance and beyond

The EU policy framework on water and development highlights that achieving results will require progress in many different areas. Good governance, political and sectoral reforms are necessary. Awareness raising, institutional strengthening and capacity building activities, and expanding the knowledge base are essential to support planning and decision-making, while ensuring participation of all stakeholders and ownership of policies and strategies. A pro-poor emphasis and gender sensitivity are also essential.

Partnerships between public, private and civil society actors have to be promoted, ensuring that those partnerships remain equitable and transparent, allow free and reversible choices on water services management, safeguard consumers' and investors' interests and maintain high standards of environmental protection.

• Financing

One of the key challenges for the initiative is to find proper and sufficient financing. The EU is already the largest provider of funding of water-development aid and scientific co-operation. In Johannesburg, recalling its commitments made at the international Financing for Development Conference in March 2002, the EU has indicated its readiness to increase and deliver resources, in response to countries prioritising water and sanitation in national sustainable development and poverty reduction strategies.

Therefore, the European Commission has proposed the creation of an ACP-EU Water Facility, to support the EUWI in the ACP region. The facility should act as a catalyst, attracting other sources of financing. The ACP-EU Water Facility will give a strong signal as to seriousness of the EU's commitment to deliver on the water-related MDGs. It will boost the implementation the EU-African Strategic partnership signed at Heads of State level in Johannesburg and increase chances of success.

3. Geographical focus

3.1. Africa an urgent priority

An "EU - African strategic partnership on water affairs and sanitation" was signed by the Presidents of the Commission and the EU Council and the Presidents of Nigeria and South Africa during WSSD. Two multistakeholder working groups were consequently set up, on the provision of water and sanitation and on integrated water resources management at national

and transboundary levels. These groups, which include all relevant stakeholders are now entering the implementation phase. On the Africa side, the African Ministerial Council on Water (AMCOW) and its technical advisory committee is the principal counterpart, in close collaboration with NEPAD. There were extensive technical exchanges between the European and African partners throughout 2003 culminating in the adoption of an outline strategy and work programme as a basis for the implementation of the Africa-EU Partnership on water affairs and sanitation in 2004-05 at the Panafrican Water Conference in Addis Ababa in December 2003. Drawing from this outline strategy and work programme, a fully fledged work programme will shortly be finalised.

3.2. Other regional Components in the EU Water Initiative

For the countries of Eastern Europe, Caucasus and Central Asia (EECCA), an EU-EECCA Strategic Partnership on Water for Sustainable Development was also launched during the WSSD in Johannesburg. As in African, a multi-stakeholder working group was set up to take the initiative forward, led on the EU side by Denmark, and by Russia on the EECCA side . This group has worked intensively with its EECCA partners and is now entering the implementation phase .

As a concrete illustration of its commitment to water issues in the EECCA region, the Commission has already earmarked €35 million under the 2004-06 TACIS Regional Programmes for integrated water resources management and water supply and sanitation as part of the EU Water Initiative. Another €3 million will be devoted to a Water Investment Support Facility for the region.

With regard to the Mediterranean region, a working group led by Greece is in the process of finalising the design for this regional component. Spain and Portugal in close cooperation with Mexico are developing a Latin American component.

While the priority remains to consolidate and deepen the Initiative in the regions where it has been developed up until now, expansion to other regions such as Asia may be explored in the future. In parallel, the Commission, working together with the Member States, partner countries and other stakeholders, and building on existing projects and programmes, is starting to also assess the challenges for drinking water and sanitation in the Caribbean and Pacific regions. This work will benefit from the launch in 2004 of an intra-ACP 'Programme on water governance in ACP countries'.

4. Replicating the initiative. Lessons learned

The EU Water Initiative has made good progress over the last 12 months. However, in light of the magnitude of the challenge, much remains to be done.

- Efforts should be continued and even intensified, notably to mobilise further financial resources.
- The methodology of the EUWI is key to efficiently contributing to the water-related MDGs (notably increasing the efficiency of water development aid through better coordination and harmonization of donor activities, as well as better governance

arrangements through a multistakeholder process; generating demand and priorities for IWRM and water supply and sanitation from partner countries; mobilizing more resources for water etc). In particular, the involvement in the EU Water Initiative of all the relevant actors both on the EU side and on the side of the partner countries brings energy and dynamism to the process as well as facilitates the development of a coherent and streamlined approach to the use of resources.

- Creating a level playing field for an effective dialogue with partner countries conditions concrete progress – e.g. in the case of the African component, the dialogue with AMCOW, the creation of AMCOW TAC, etc. are essential developments.