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***23<sup>rd</sup> OSCE Economic and Environmental Forum***  
***“Water governance in the OSCE area – increasing security and  
stability through co-operation”***  
***First Preparatory Meeting, Session 1***

*Eileen Hofstetter on:*

***Best Practices in Implementing Good Water Governance***

**Vienna, 26 January, 2015**

## **The global water crisis: one of the biggest challenges of the 21<sup>st</sup> century**

- Water Governance is the poor cousin of Water. And water is the poor cousin of power. Let me give you one example: water represents only 15% to 18% of total global investment in infrastructure (Source: IFC, verbal statement, Davos 2015, 22.01.2015). And only a few percentage of all financing dedicated to the water sector is focused on water governance.
- Let me give you an example on its implication:
- By 2050, over 50% of the global population may be living under water stress and 45% of the world GDP may originate in water-stressed regions. This has tremendous implication as we are moving dangerously towards a world without enough fresh water.
- This was just confirmed in Davos last week: for the first time, the World Economic Forum (WEF) Global Risk Reports have identified water as the top risk in terms of impact.
- The global water crisis is not just a threat but a threat multiplier, with implications for food and energy security, as well as political and social stability. This is illustrated by increased competition between water uses, growing controversy around large dams, and tensions over land and water at local and international levels.

### **Response: Good Water Governance**

- How can the global community respond? The overarching prescription is for a package of investments in information, institutions and infrastructure.

- Effective water governance seeks to balance these investments between its four essential dimensions: social, environmental, economic and political
- To achieve good water governance, it is imperative to provide better information for planning, management and policy making, it is imperative to strengthen institutions, and to ensure sustainable infrastructure measures.
- (Now let me give you a few examples of best practices in implementing good water governance from a Swiss perspective)

### **Water in Switzerland**

- Worldwide, SDCs water portfolio amounts to about 100 million CHF annually spanning over various sub sectors: rural drinking water supply and sanitation services, water for small agriculture, watershed management programs to ensure an equitable and sustainable access to Water for all.

### **Best practices in implementation good water governance from a Swiss perspective**

#### **INFORMATION: iMoMo Central Asia: (Innovation in Monitoring, Modeling and Managing Water)**

- Good water governance depends on reliable data for water resources planning and management.
- But the reality is different in many places in the world, and so in Central Asia:
  - o Lack of coordination at national level (too many organizations involved in an uncoordinated manner)
  - o Information is fragmented, incomplete and not easily accessible by the users.

- With our project we intend to enhance sustainable, decentralized, low-cost and people-centered data systems that are used by stakeholders such as river basin agencies and water user associations. We intend to design open frameworks to make water information and management advice available across a wide range of users. It motivates a paradigm shift in water governance based on improved knowledge and user involvement.
- Concretely, we are working with stakeholders from Kyrgyzstan and Kazakhstan at the local level with the goal to improve water accounting in WUAs. Portable sensors, including smart sticks for water level measurements and smartphone-based discharge measurements enable an effective and transparent control as well as accounting of water allocation inside WUAs.

**INSTITUTIONS: Ferghana Valley (Map of Aral Sea Basin), Central Asia**

- The Ferghana Valley is home to 12 million people, approximately one fifth of the population of Central Asia, living on just 1% of its surface areas, and it produces about a third of Central Asia's irrigated agricultural output.
- In 2002, SDC started the Integrated Water Resources Management in Ferghana Valley project. The goal of the long-term project was to improve water management in the Ferghana Valley through IWRM-driven institutional changes.
- The project established and piloted grassroots transboundary institutions, also called Water User Associations in different Ferghana Valley countries.
- The SDC water program has helped establish an institutional water management framework that delivers improved water services to farmers, with the significant engagement of local

stakeholders not only in a country but also along cross-border canals. This has led to reduced water use, enhanced productivity at the plot level and fewer conflicts. The access to water resources and services has improved on 430,000 ha of irrigated land in the Ferghana Valley.

## **INFRASTRUCTURE**

- Example is taken from SDC Moldova Water and Sanitation Project:
- Project started as a Water & Sanitation Humanitarian Aid program in 2001 and resulted in building water points, water distribution systems with yard connections, septic toilets and blocks of Ecosan toilets for schools in numerous rural villages.
- In 2008 SDC decided to adopt a longer-term development approach and converted the HA intervention into the “Swiss Water and Sanitation Project in Moldova”. The project followed a multilevel approach aiming at the empowerment of relevant Moldavian sector actors and achieving a clear understanding about their roles and responsibilities in the service delivery models.
- The idea was to implement water and environmental sanitation systems in a way that it was considered as a facility for learning processes, capacity building, institutional development, policy dialogue and financial mobilization efforts.

## **Conclusion**

The projections are dire, but we can resolve the challenge of the water crisis and its main cause: bad water governance.

Business as usual is not an option. The costs of inaction are disproportionately higher (it will undermine the human development, economic growth, and national security in many hot spots of the region) than the costs of action. And the longer we wait, the more expensive it will get.

The application of IWRM principles through stakeholder dialogue is key to resolving disputes and ensuring that benefits are shared equitably. In light of this, it is a great first achievement that the water goal as adopted by the Open Working Group calls for “the implementation by 2030 of integrated water resources management at all levels, including through transboundary cooperation as appropriate”. Let’s hope, and work hard, so this target will be part of the final post-2015 agenda.

As the “Water Castle” of Europe, Switzerland has gained solid technical, scientific and political expertise in the area of water management, and is aware of its responsibility to share this experience.