

# **1998 Petersberg Declaration on Cooperation for Transboundary Water Management**

1st Petersberg Round Table - International Dialogue Forum

Global Water Politics: Cooperation for Transboundary Water Management

Petersberg/Bonn, 3 - 5 March, 1998

Federal Ministry for Economic Cooperation and Development (BMZ); Federal Foreign Office (AA); Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU); The World Bank; Development Policy Forum/DSE

## **Overview**

### **1. Introduction.**

The Development Policy Forum (EF) of the German Foundation for International Development (DSE) initiated an International Dialogue Forum on "Global Water Politics - Cooperation for Transboundary Water Management" at Petersberg, near Bonn, from 3 to 5 March 1998. The Forum was a collaborative effort of the Federal Ministry for Economic Cooperation and Development (BMZ); the Federal Foreign Office (AA); the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU); the World Bank; and the EF/DSE. The meeting noted the importance of Bonn as a center for international cooperation in development and environment issues. The Forum included the participation of a small distinguished group, comprising Ministers from various spheres; high ranking policy makers; experts from research institutions; and representatives of international organizations, the private sector and non-governmental organizations from all over the world. The recommendations of the Forum will be used as a reference document for German Government participation in international and European activities. It is also planned to present the recommendations at the International Conference on Water and Sustainable Development which will take place in France later this month, and at the 6th Meeting of the Commission on Sustainable Development in April 1998.

### **2. Water - A Catalyst for Cooperation.**

Recognizing that water is a key natural resource for future prosperity and stability, the Forum focused on review of mechanisms and instruments to support the use of water as a catalyst for regional cooperation rather than a source of potential conflict. This is especially important since the need for cooperative management of shared water resources will increase significantly with the demands from expanding populations and economic growth. It was recognized that the availability of water and access to its utilization, is crucial to the economic well being not only of individuals, but also of entire regions. In

this context the Forum examined the potential contributions to the cooperation process that could be provided through complementary measures to address the security, development, environment and public-private partnership aspects of international water resources management. The participants at the Forum agreed that water alone is not a source of conflict, rather that it contains the potential for conflict in conjunction and in interaction with other causes.

### **3. Approach.**

The Forum provided an opportunity for informal policy dialogue and discussion of international experience in the cooperative management of internationally shared surface and groundwater resources. Special attention was given to the provisions of the United Nations "Convention on the Law of the Non-navigational Uses of International Watercourses" which defines international watercourses, and in the European context, the United Nations Economic Commission for Europe (UN/ECE) "Convention on the Protection and Use of Transboundary Watercourses and International Lakes." The Forum was opened by addresses from the Ministers of the three cooperating German ministries, the Managing Director of the World Bank, Director of the Development Policy Forum and the Director General of the DSE. Four representative regional case studies examined the experience with river basin management of the Rhine and Danube Rivers in Europe; emerging water resources management issues in the Southern Africa Region; progress in cooperative management of the Mekong River in Southeast Asia; and current issues in international water management in the Middle East with a focus on the Jordan River basin. The case studies provided an opportunity for the exchange of experience by participants from a variety of regions. Four consultative groups reviewed key issues related to water and security; water and development; water and environment; and water and public-private partnerships. The groups developed an integrative view of current conditions and emerging trends in these areas. The Minister for Water Affairs and Forestry of the Republic of South Africa, who serves as the Chairman of the World Commission on Dams, also addressed the Forum.

### **Recommendations for Further Actions**

#### **4. Complementary Actions.**

The participants in the Forum identified a series of complementary actions which should be taken by a range of cooperating parties to promote the improved management of shared water resources, including their environmental aspects. The Forum focused on evaluation of how principles and plans could be more effectively used to provide the basis for implementable actions resulting in improved water resources management at the regional level.

#### **5. Critical Factors.**

The Forum identified a number of critical factors which need to be addressed for the effective development and implementation of cooperative water resources management programs between countries:

**a) Shared Vision.** A common understanding of cooperative management objectives or a "shared vision" is critical for effective management of international water resources. Priority should be given to supporting measures, including the development of regional conventions and strategic action programs, which facilitate the development of shared goals and approaches by cooperating countries. The importance of trust between parties, willingness to share information and the need for transparency were observed to be critical elements in the development of a shared vision.

**b) Political Commitment and Public Support.** The Forum noted that sustained political commitment and broad based public support are crucial to achieve success in the development and implementation of cooperative management programs. Measures should be taken to support interested governments to develop political commitment and to work through non-governmental organizations and other parties to create public support.

**c) Broad Based Partnerships.** The development of broad based partnerships that include the participation of riparian countries, international organizations, international financial institutions, bilateral development institutions and non-governmental organizations has often proven to expedite the move from planning to implementation. The development of such partnerships should be facilitated by direct participation of a diversity of parties at the earliest possible stage in cooperative programs.

**d) Environmental Management.** It was recognized that environmental management concerns should be integrated into cooperative programs for the management of shared water resources. In this regard support should be provided for the use of environmental management tools such as environmental impact assessments, evaluation of water quantity and quality issues, and actions for the maintenance of ecosystems and the conservation of biological diversity.

## **6. Integrated Approach.**

The Forum emphasized the importance of using an integrated approach to water resources management. The integrated approach provides a framework for linking policy dialogue, legislation, structural reforms, use of economic instruments, technical interventions, environmental management and social concerns at a variety of levels. The application of the integrated approach to the management of shared water resources should include:

**a) Focus on Cooperation at the Regional Level.** Consideration should be given to supporting a selected number of regional initiatives for integrated water resources management which might take the form of roundtables or other cooperative mechanisms. In supporting cooperation at the regional level, emphasis should be placed on increasing inter-ministerial cooperation

and strengthening linkages between parties with responsibilities for policy, investment and technical issues. Assistance should be provided to support the development and implementation of programs which incorporate both preventive and curative measures. In this context, priority should be given to the development and implementation of regional projects, including investments, which provide an opportunity to start field based cooperation.

**b) Support for International River Basin Commissions.** Support should be provided, on a selective basis, for the development of international river basin commissions or similar organizations where clear political commitment exists and conditions are suitable for development and implementation of management programs. In some cases these organizations may be primarily facilitators of communications and a forum to establish shared goals and propose steps to achieve these goals. In other cases the body may be directed at monitoring, enforcing agreements, or coordination of action programs. Assistance should be broad in scope and include measures to address the important linkages between land use and water management at the regional level. These actions should be complemented by activities to support effective national water policies and strategies in the countries cooperating at the regional level.

## **7. Institutional Frameworks.**

The strengthening of institutional frameworks and development of human resources were viewed by the Forum as key areas which should receive support at the regional, national and local levels. In this regard, organizations such as the United Nations Environment Programme (UNEP) and other relevant United Nations organizations, the World Bank and the Global Water Partnership will have a major role to play in their respective fields of responsibility. Actions should include:

**a) Enhancing Confidence Building Measures.** Support should be provided for confidence building measures to assist countries working together on a sustained basis. This would include support for facilitation of dialogue as well as development and dissemination of improved information and data for use in cooperative management activities. Emphasis should be placed on the use of proactive measures to identify potential sources of conflict and assessment of mechanisms for taking early action to prevent possible problems.

**b) Strengthening Legal Instruments.** Given the recognized importance of international conventions, regional conventions, and other types of agreements to the long-term cooperative management of shared water resources, support should be provided to countries in economic transition and developing countries, to strengthen skills to more effectively participate in the development and implementation of these agreements. It is recommended that actions be taken to support supplementing the United Nations "Convention on the Non-navigational Use of International Water Courses" by regional and, where necessary, bilateral agreements based on the Convention. It is also recommended to support, as appropriate, the transfer of these principles into national legislation wherever necessary.

**c) Strengthening Capacity of Government.** Government has a central role to play in the management of water resources at all levels. Priority should be given to building the capacity of governments in water resources management in both countries in economic transition and developing countries. At the same time capacity imbalances between countries can greatly constrain negotiations and cooperative action; efforts to build capacity need to be taken to correct these imbalances. It is especially important that support be provided to develop required skills for governments to more equitably and effectively work with stakeholders including international partners, the private sector and local communities.

**d) Use of Economic Instruments.** Water should be regarded as an economic and social good. In applying economic instruments a balance needs to be maintained between economic, social and environmental goals. This mandates that economic instruments be carefully selected and applied with consideration for social equity and environmental policy goals while working to achieve cost recovery in water pricing. Their application should also take into account negative effects for households with low incomes. In addition, consideration should be given to supporting innovative approaches for more efficient allocation of available water resources including the allocation of user rights.

## **8. Facilitate Public-Private Partnerships.**

There was general agreement on the promise of public-private partnerships with private companies and community based organizations for better meeting the common objectives of water policy in countries in economic transition and developing countries. Anticipated benefits include provision of better quality water, sanitation and electricity and improved quality of services for a greater proportion of the population. Through partnerships these services can be delivered in a cost effective, equitable, accountable and environmentally sustainable manner. The Forum identified a series of actions to address important concerns which arise or become more apparent as the role of the private sector increases:

**a) Parity Among Cooperating Partners.** Partnerships work best when there is a general parity in information and skills among the concerned parties which allows for informed decisions and sound agreements. Assistance should be provided to strengthen these skills and to facilitate private sector investments through developing appropriate regulatory instruments, associated training and other capacity building instruments.

**b) Active Support from Donors.** Donors should take a more proactive stance towards stimulating a wider involvement of private actors to provide water related services. This could include extending the maturity of private financing; developing contract mechanisms for private contracts to serve all community members including the poor; and supporting the adoption of adjusted tariffs which reflect supply costs.

**c) World Commission on Dams.** Support should be provided for the work of the World Commission on Dams and its broad participatory approach towards developing consensus on standards to evaluate if, when and how large dams should be built, including full evaluation of their environmental and social implications.

## **9. Sharing Knowledge and Experience.**

The presentation of case studies and discussions highlighted the importance of sharing knowledge and experience:

### **a) Preparation of Case Studies of Cooperative Management Programs.**

The Forum identified the need for the preparation of a series of case studies on cooperative programs for the management of international water resources. These would provide an important source of information on the structure of programs, types of activities, and lessons learned. The development of these case studies could be undertaken in cooperation with existing river basin commissions or equivalent organizations in various parts of the world. These case studies would include examples of cooperation undertaken through formal and informal arrangements.

**b) Support for the Transfer of Experience.** The Forum clearly demonstrated the high level of experience in the cooperative management of shared water resources which exists around the world. It is recommended that emphasis be placed on supporting a variety of activities for the transfer of this important experience, drawing upon the diversity of parties who bring multiple perspectives to management efforts. Specific measures should be taken to assure that experts from countries in economic transition and developing countries play an active role in this process. In addition, the importance of involving a full range of water management specialists from both the public and private sectors to support the transfer of experience was emphasized, in order to ensure access to all required types of skills.

**Rapporteurs:** Stephen Lintner, World Bank; Manuel Schiffler, DIE, Berlin