

Thank you Mr. Chair.

I have the honor of speaking in the name of the European Union.

As pointed out in the Secretary General's report report, 1.8 billion people will be living in countries or regions with absolute water scarcity by 2025. The challenge will be to satisfy the needs for water of these people, and to balance water use across all sectors, including ecosystems.

To address these challenges, the EU believes that Integrated Water Resource Management at the basin level, including in a transboundary context, based on an ecosystem approach, is the only way forward. Indeed, IWRM allows to reconcile the conflicting needs for water between ecosystems and humans, both relying on shared water resources for their subsistence, while highlighting the dependence of human society on healthy ecosystems and the services they provide.

The EU underlines that global commitments towards the delivery of the 2005 target on national IWRM and Water Efficiency Plans need to be met, recognizing that implementation is uneven and that a number of countries will not achieve this target without substantial support.

Nevertheless, countries should thrive, with the assistance of donor countries, UN agencies, and IWRM experts to develop IWRM and water efficiency plans, which, as a first step, should provide a description of how they envisage changing and improving water management in an IWRM context, towards achieving full scale sustainable water resource management and launching IWRM at the basin level.

This will require:

- Securing political and budgetary support at the highest level,
- Setting up a high level national mechanism, such as an inter-ministerial committee for the preparation of the plan, capable of aligning national water management objectives with national socio-economic development plans and sustainable development strategies.
- Mobilizing adequate financial and human resources for effective basin management, and seeking external assistance for training
- Strong stakeholder participation, a pro-poor emphasis, and gender sensitivity

Concerning the issue of enhancing water use efficiency and the management of conflicting uses, the Secretary-General's report rightly puts the emphasis on agriculture as the biggest water consumer and the sector where the potential for water productivity gains is highest. As such, the EU supports UN Secretary-General Kofi Annan who stated in the UN Millennium Summit in September 2000, that "we need a 'Blue Revolution' in agriculture that focuses on increasing productivity per unit of water—'more crop per drop'."

The EU believes that national governments and funding agencies need to make strategic choices and show strong political will in favor of agricultural water management, and put

into practice existing technical solutions towards improved rainfed production and modernized irrigation in response to the needs of people in rural areas.

It is therefore essential:

- to accept that all sources of water (rain, surface water, groundwater and wastewater) are important to achieve food security and that these sources need to be managed in an integrated and sustainable manner,
- to create the right policy, institutions and market incentives to increase water-use productivity in agriculture, secure tenure rights, conserve soil and water quality, and reduce chemical runoff from agriculture and industrial discharge to protect water quality
- to move from supply- to demand-driven and service-oriented water management,
- to put in place sustainable cost recovery mechanisms for water infrastructure to ensure quality, reliability and expansion of services