

COMMISSION ON SUSTAINABLE DEVELOPMENT- 12th SESSION

Review of thematic issues

CHAIR'S SUMMARY PART I

Opening Statements

1. The review of implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the Johannesburg Plan of Implementation opened with a number of introductory statements, focusing on the thematic cluster for 2004-2005: water, sanitation and human settlements.

2. The Chairman of the Commission, H.E. Mr. Børge Brende, Minister of the Environment of Norway, highlighted that this was the Commission's first session under its new post-WSSD work programme and was the first "non-negotiating" session. The purpose of the session, as agreed by CSD-11, was to take a hard, honest look at how we are doing, explore successes and failures, and analyze the reasons why; to identify best practices, obstacles and constraints; and to discuss where and how we must strengthen our efforts. He linked achievement of the thematic targets with other crucial goals in the areas of poverty eradication, education, child mortality, health and environmental sustainability. The challenges are daunting but they can and must be met. He was sure the session would benefit from the Commission's tradition of integrated approaches, cross-cutting issues and the involvement of major groups in interactive dialogues.

3. As honorary guest speaker, His Royal Highness the Prince of Orange of the Kingdom of the Netherlands pointed out that water was the crucial factor in achieving most of the Millennium Development Goals (MDGs) and was linked to issues of human settlements, health, food and nutrition, sanitation, human rights, industrial processes, energy and environment. Integrated water resources management was therefore the key to success for reaching the WSSD targets, and could also serve as a model for the other sectors to be addressed in the Commission's future work programme. Four key challenges were mentioned: increasing multidisciplinary knowledge exchange among a broad range of specialists, improving legislation, capacity building for those involved in implementation, and mobilizing new sources of investment for the water sector. The success of this session would be measured next year, when a blueprint for a better, more equitable global environment with respect to water, sanitation and human settlements should be agreed. We must keep in mind: No water, no future.

4. The UN Under-Secretary-General for Economic and Social Affairs (UNDESA), Mr. José Antonio Ocampo, introduced the Reports of the Secretary-General on water, sanitation and human settlements and briefly summarized their findings. He noted that, while some progress has been achieved in meeting the internationally-agreed goals and targets in these areas, such gains varied among regions and major challenges remain. A lack of political will at both international and national levels had hampered progress, notably in resource mobilization, tariff and subsidy reform, and enforcement of water pollution laws and regulations. He also cited a serious underinvestment in rural infrastructure, in particular for sanitation, and called for additional financial resources to meet the costs of achieving the 2005 and 2015 targets. He stressed the importance of ensuring affordability of water, sanitation, and shelter to the poor. He

estimated that, even with the lowest-cost solutions, halving the number of people without access to clean drinking water and sanitation would require about \$33 billion annually, roughly double the current rate of investment. Provision for municipal wastewater treatment would require a tripling of current spending, to approximately \$50 billion a year.

5. The Executive Director of UNEP, Mr. Klaus Töpfer, addressed implementation, regionalization, and partnerships and highlighted the importance of monitoring and assessment. He welcomed the Commission's decision at its 11th session to start the multi-year programme of work with the thematic cluster of water, sanitation and human settlements. These issues are addressed under goal 7 of the MDGs, but they are also closely linked to other goals such as eradicating poverty, promoting gender equality, reducing child mortality and combating malaria and other diseases. He also emphasized the importance of partnerships and the Commission's partnership fair as a showcase for success stories and information exchange. He stated that the Jeju Initiative and other outcomes of the recent UNEP eighth special session of the Governing Council/Global Ministerial Environmental Forum (GC/GMEF) could contribute to the Commission's discussions, as they considered the environmental aspects of water, sanitation and human settlements. Preparatory work for the 10 year review meeting on Small island developing States (SIDS) was another important element of the Commission's agenda which UNEP supported.

6. The Executive Director of UN/HABITAT, Mrs. Anna Kajumulo Tibaijuka, stated that the core concern of the MDGs and the Johannesburg Plan of Implementation (JPOI) was to bring the vast majority of the world's population out of a poverty trap. She highlighted the linkages between the water goals and other MDGs, including target 11 of MDG 7, concerning improvement of the lives of slum dwellers. She stressed the need for commitment from policy makers, in particular, to prioritize water, sanitation, and slum upgrading in United Nations Development Assistance Frameworks (UNDAFs) and Poverty Reduction Strategy Papers (PRSPs) at country level. She also highlighted the importance of recognizing water as a right and one of the most fundamental conditions for survival. Lastly, she pointed out the huge financial gap that exists in addressing water, sanitation and slum upgrading, which would require close partnership of UN agencies with the international financial institutions to supplement domestic resources. She expressed her wishes that the Commission could become a global springboard for local action.

7. Mr. Zéphirin Diabre, Associate Administrator of UNDP, expressed his appreciation for the strong focus on implementation. He indicated that the existence of well-functioning institutions and relevant legislation was a precondition for improving access for the poor to clean water and basic sanitation. Appropriate technologies were available to achieve internationally agreed goals on water and sanitation, but there was a lack of political commitment and financial resources to implement these. Stakeholder participation, capacity development, knowledge management, good governance, and information sharing, as well as partnerships between the public and private sectors and civil society organizations were crucial. He called for the integrated implementation, monitoring and reporting of the MDGs and WSSD targets.

Reports on Intersessional Events

8. Following the introductory statements, a number of delegations reported on the outcomes of seven intersessional events held in preparation for the Commission's twelfth session.

9. The representative of Morocco reported on the outcome of the International Expert Meeting on the 10-Year Framework of Programmes on Sustainable Consumption and Production, held in Marrakech, from 16 – 19 June 2003. The Expert Meeting emphasized the need to integrate the three pillars of sustainable development into strategies and programmes for sustainable production and consumption. The meeting launched the "Marrakech Process," recognizing the importance of international cooperation towards promoting sustainable consumption and production patterns. The conclusions of the meeting are contained in document E/CN.17/2004/11.

10. The Ambassador of Tajikistan reported on the outcome of the International Water Forum, held in Dushanbe, from 29 August – 1 September 2003. With the aim of achieving the water targets of the Millennium Declaration and the JPOI and reducing poverty, Forum participants focused on sustainable water resource management, including strengthening water partnerships, developing economic mechanisms for water usage, and choosing optimal technologies for water conservation. Water management for transboundary water courses was also discussed. The outcome of the Forum is contained in document A/58/362, which served as a basis for General Assembly resolution A/58/485 on the International Decade for Action: "Water for Life, 2005-2015".

11. The representative of Turkey reported on the Workshop on Governance for WSSD Implementation in Countries with Economies in Transition, held in Istanbul from 16 - 18 September 2003. The recommendations of the Workshop addressed the need to raise awareness on the part of major groups on sustainable development, to provide incentives for the protection of environment, to increase transparency in decision making, to engage civil society in the implementation process at all levels, and to establish partnerships involving governments, civil society and the private sector to implement the commitments made in Johannesburg and at the Earth Summit. The report of the meeting is contained in document E/CN.17/2004/13.

12. The Deputy Secretary-General of the Ministry of Foreign Affairs of Norway reported on the International Conference, "Water for the Poorest", held in Stavanger from 4 - 5 November 2003. The key messages from the Conference were: the MDGs on water and sanitation were achievable; national governments have the main, but not the sole, responsibility; people have the right to safe water supplies to satisfy their basic needs at a price they can afford; and halving the proportion of the poor by 2015 is an internationally agreed priority, but the remaining half are equally important. The recommendations of the Conference were: to improve water governance; to increase financing for water infrastructure, to ensure targeted financing schemes for the poorest; and to support empowerment and capacity building.

13. The Under-Secretary for Regional Affairs of Italy reported on the outcome of the International Forum on Partnerships for Sustainable Development, held in Rome from 4 - 6 March 2004. The Forum focused on results achieved and on lessons for the future on major

issues of sustainable development, ranging from protection and conservation of water resources to oceans and small island developing states. The Forum recognized that traditional approaches to funding sustainable development were now mixed with new approaches, and partners were encouraged to mobilize resources from all sources, including Official Development Assistance (ODA), other development assistance and private sources. The Forum also recognized that the public sector should facilitate and strengthen local capacities and, to this end, should develop appropriate legal frameworks, increase transparency and affordability, and encourage private sector participation.

14. The Deputy Permanent Representative of China reported on the United Nations Asia-Pacific Leadership Forum: Sustainable Development for Cities, held in Hong Kong SAR from 25 – 26 February 2004. The Forum discussed issues including economic growth, job creation, infrastructure, urban housing and land use, meeting basic social needs, improving mobility and sustainable tourism. The Forum adopted the Hong Kong Declaration on Sustainable Development for Cities. The Forum emphasized that each city should develop its own strategies, policies and measures for economic development and ecological and environmental protection. The Forum also highlighted the importance of public education and public health for sustainable development.

15. The President of the UNEP Governing Council, the Minister of State in charge of the Environment of the United Republic of Tanzania, reported on the 8th Special Session of the UNEP Governing Council and the Global Ministerial Environment Forum, held in Jeju, Republic of Korea, from 29 - 31 March 2004, and the “Jeju Initiative” on water, sanitation and human settlements from the perspectives of the environment and poverty eradication. The Jeju Initiative emphasized that integrated water resources management should incorporate an ecosystem approach to meet the MDG and WSSD targets. It also emphasized that water and sanitation problems could not be addressed in isolation and that environmentally sustainable sanitation services required eco-technology and appropriate waste water treatment systems. These issues were also considered relevant to the question of human settlements. The meeting also adopted a number of decisions, in particular on waste management, SIDS and international environmental governance.

16. Following all these introductory statements, the Commission held an interactive discussion including general statements and the general overview of progress in the implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21, and the Johannesburg Plan of Implementation.

OVERALL REVIEW

Overall review of progress

17. In their statements on the overall review of the implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the Johannesburg Plan of Implementation (JPOI), speakers supported many of the conclusions contained in the Reports of the Secretary-General. Many delegations expressed appreciation for the well balanced

integration of the three pillars of sustainable development in the Secretary-General's reports. While progress has been achieved in some areas and in some regions in the short period since the WSSD, the challenges facing developing countries in particular are still immense. Efforts to date are still far below what is needed to reach the MDGs and the goals and targets agreed to in the JPOI.

18. Many delegations expressed satisfaction that water, sanitation and human settlements were being addressed during this first cycle of the Commission in its new work programme after WSSD as these three themes are crucial in achieving the MDGs and the JPOI goals, and in particular for combating poverty.

19. Participants noted that the persistence of poverty continues to hinder efforts to achieve sustainable development. Poverty as a cross-cutting issue must be addressed in an integrated manner, incorporating the issues of water, sanitation and human settlements. Some delegations and major groups expressed concern that, in certain regions, poverty levels have increased in recent years. Food insecurity and undernutrition, especially in these regions, was a continuing problem. The impact of HIV/AIDS was also of tremendous concern.

20. The majority of countries—developed and developing—cited the lack of financial resources, technology transfer and capacity as the major challenges and constraints for developing countries in meeting the JPOI and MDG goals and targets. Developing countries saw the shortfall in financial resources as largely due to the failure of the international community to fulfil its commitments in the area of means of implementation, including the Monterrey commitments, and for the least developed countries, in particular, ODA flows need to be increased and made more effective. Some delegations pointed out the importance of raising capital in local markets. One major group indicated that there was sufficiently mature science and technology available to combat poverty. Some delegations stressed the importance of advances in science and technology for achieving the long term goals of sustainable development.

21. Concern was expressed that there had been no progress on market access for agricultural products nor on the reduction of agricultural tariffs and subsidies. The importance of trade liberalization was highlighted as was the fact that increasing global trade as well as fair trade initiatives were creating new opportunities.

22. Developing countries called on the international community to support their efforts to improve the infrastructure needed to provide water, sanitation and shelter to their citizens, both in rural and urban areas. Technical and financial support was also needed to deal with the adverse impacts of natural disasters and to develop sustainable waste management capabilities. Increasing land degradation also contributed to these problems. South-South cooperation and sharing of best (and worst) practices in these areas were also emphasized by a few participants.

23. Several delegations as well as major groups highlighted the importance of decentralizing decision-making processes and shifting attention from global to local levels. For this purpose there is a need to reinforce the capacities of local authorities and communities, including through education and training opportunities.

24. Several delegations noted that their national sustainable development strategies were serving as the basic policy framework for the implementation of WSSD targets. Delegations recalled the commitment in the JPOI for countries to be in the process of implementing national sustainable development strategies by 2005 and called on developed countries to take the lead in meeting the commitment,

25. A number of countries emphasized the importance of reducing commercial and political risks, particularly in developing countries, and establishing an enabling environment and good governance in order to attract additional finance, especially foreign direct investment. Many other delegations emphasized that governance at all levels, including at the international level, should be given due consideration. The use of innovative financial mechanisms for risk sharing mechanisms was suggested. Some delegations supported a market approach as a good mechanism for allocating resources and attracting private investment. A few delegations and a major group noted that there was increasing interest on the part of large companies in adopting corporate social responsibility policies.

26. Gender equality should be integrated into all aspects of the Commission's review process, according to several countries and major group representatives. The heavy burden that women bear in collecting water and fuelwood, their crucial role in family hygiene and health, and the particular role they play in ensuring sustainable development was highlighted by a number of speakers. The key role of stakeholders, including all the major groups, was also highlighted.

27. Continued work on formulating a ten-year framework of programmes for sustainable consumption and production, as called for in the JPOI, was also urged by a number of countries. Sustainable consumption and production was stressed as particularly important for the themes of the current cycle of the Commission as well as those of the next cycle. Many delegations noted the importance of adequately addressing the cross-cutting issues, such as poverty eradication, means of implementation, and changing unsustainable patterns of consumption and production.

28. Another cross-cutting issue identified as requiring particular attention is Africa, which lags behind in the implementation of the three goals under review. Many delegations called for support for the New Partnership for Africa's Development (NEPAD) initiative, the sustainable development framework for Africa. The particular problems of least developed countries and land-locked developing countries were also referred to.

29. SIDS were highlighted as a special concern by many, as the Commission was conducting the preparatory work for the Mauritius review meeting in August-September 2004. For many SIDS, for which tourism was the major source of revenue, sustainable development of tourism was identified as a priority.

30. Progress regarding multilateral environmental agreements such as the Rotterdam Convention and the Stockholm Convention was noted. Some delegations emphasized the importance of agreements such as the Framework Convention on Climate Change and the Convention on Biological Diversity. Concern was also expressed that the Kyoto Protocol had not yet entered into force.

31. The linkages between clean water, sanitation and health were stressed by several delegations and major groups, and the significance of the UN International Decade for Action, “Water for Life”, 2005-2015, was highlighted. Several delegations noted the importance of effective global monitoring systems for meeting the internationally agreed goals related to the environment.

32. In welcoming the new multi-year work programme for the Commission and its focus on implementation, speakers generally expressed their full commitment to the innovative process underway. Many delegations also stressed the important catalytic role that the Commission plays in monitoring the implementation of Agenda 21, the Programme for Further Implementation of Agenda 21 and JPOI. Developing countries, in particular, emphasized the primary role of the Commission on Sustainable Development in monitoring the implementation of the JPOI, highlighting the JPOI as a unique intergovernmental framework to advance the implementation of Agenda 21 and other international commitments. They expressed their strong view that new elements must not be brought into the discussions which go beyond what was agreed in the JPOI. Developing countries emphasized the need to maintain the balance of the three pillars of sustainable development—economic, social and environmental—in the current and future work of the Commission. Several delegations also stressed the importance of involving the entire UN system in the Commission’s efforts and called for enhanced interagency coordination to assist countries in achieving the MDGs and implementing the JPOI.

33. Participants noted that the outcome of this review session would be a Chairman’s Summary focusing on obstacles, constraints and challenges, as well as best practices, in accordance with the decisions of the Commission at its eleventh session. This was not the year for policy interpretation. In underlining the focus of the current cycle on water, sanitation and human settlements, developing countries stated that all three themes should be considered as equally important. A number of delegations looked forward to the final output from the policy session next year – CSD-13 – initiating a series of structured actions leading to the achievement of the relevant targets, which should also provide a significant input to the General Assembly’s major event in 2005 to review implementation of the Millennium Declaration and other internationally-agreed development goals.

Inter-agency cooperation and coordination

34. There was wide agreement on the importance of collective and cooperative work among UN agencies to implement the MDGs and JPOI commitments at the global, regional, sub-regional, and field levels, based on their mandates and comparative advantages. Such cooperation should help to avoid inter-agency duplication while ensuring synergies and complementarities, and enhancing capacity building in developing countries. Modalities of involving non-UN actors need to be carefully worked out.

35. The importance of having inter-agency work on sustainable development derive from and closely follow the inter-governmental mandates reflected in the JPOI and broadly the MDGs was noted by a number of delegations. The JPOI clearly identified areas where inter-agency cooperation and coordination are needed. Delegations also noted the importance of coordinating

such work with the international financial institutions. In future it would be important to report on interagency activities in the areas under review. The critical role of the CSD in monitoring the implementation of the JPOI needs to be highlighted in addition to the role of other agencies which also have mandates given by their respective governing bodies. Several delegations emphasized that the work of the coordination bodies on sustainable development under the Chief Executives Board for Coordination (CEB) should be aligned with the work programme of the CSD adopted at CSD-11. The specific examples of sanitation and human settlements as well as cross-cutting issues were cited.

36. The CEB is in the process of creating coordinating mechanisms, as explained by the secretariat, but has not yet finalized specific work programmes. The views expressed by the CSD at this session will help guide the formulation of such work programmes.

National Reporting

37. While recognizing its voluntary nature, some delegations stressed the importance of national reports (and indicators) in monitoring implementation. Some shared the view expressed in the Secretary-General's reports that a greater response would be useful in order to know "where we stand and where we are going". They noted that the lack of coherent information constitutes a major obstacle for the implementation of sustainable development. The national reporting framework needs to be carefully developed so as to augment the value of national reporting as an input into the Secretary-General's reports.

38. There was general support for continuous work towards streamlining within the UN system requests for national reporting and making more effective use of national reports, while lessening the burden on member countries. Some delegations noted that inter-agency cooperation could be further enhanced to contribute to this end. The UNDP's pilot exercise of developing a single, integrated country report was noted with interest.

Indicators

39. Many delegations emphasized the lack of basic data and statistics, both qualitative and quantitative, and considered this as the most fundamental challenge to the development of indicators. Others noted that developing and using indicators of sustainable development should be tailored to national conditions and priorities.

40. The need for more training and methodological guidance to develop and implement country-level indicators was stressed and, in this context, it was noted that greater cooperation should be encouraged among UN agencies at the regional level. There was a suggestion that an inventory of national-level efforts in the development and implementation of indicators be prepared to promote exchange of experiences. Another delegation proposed that timetables be established for monitoring progress in implementation.

41. The importance of having a coherent and consistent system of information across ministries for national decision-making was stressed. Information, statistics and indicators are considered important decision-making tools but have only been used to a limited extent to date.

42. More efforts at the country level are required to collect gender-disaggregated data in order to develop gender-related indicators. This was strongly supported by the Major Groups.

43. It was noted that the use of indicators of sustainable development to monitor the implementation of national sustainable development strategies should be promoted. The view was expressed that the lack of a clear vision on sustainable development at the national level has been part of the challenge in making progress in this regard.

Partnerships

44. There was general support for the view that partnerships for sustainable development can make a contribution to implementation of internationally agreed goals of sustainable development, however, the importance of achieving concrete results was underlined. Some delegations noted their positive experience with partnerships. A number of delegations emphasized that partnerships for sustainable development should complement but not replace the crucial role and responsibility of governments in implementation.

45. Developing countries, referring to the data in the report of the Secretary-General on partnerships (E/CN.17/2004/16), noted that funding for partnerships was coming mainly from governments and emphasized the need for mobilization of new resources for funding of partnerships. Concern was expressed that, to date, partnership initiatives had not brought needed additional resources to the implementation challenge. The view was expressed that greater private-sector involvement was needed in partnerships for sustainable development. Also mentioned was the usefulness of assessing the level of involvement of the UN agencies in the partnerships, including the level of funding. It was noted that partnerships have so far been generally “donor-driven” and the need for more “demand-driven” partnerships was thus underlined. The view was expressed that the supply of partnerships did not meet the demand, and there was a need for better geographical as well as thematic distribution of partnerships. Efforts should be made to fill the gap in “under-represented” areas such as biotechnology and desertification.

46. Some delegations expressed concerns that partnerships had been slow to take off, while others maintained that it was too early to draw such conclusions. It was noted that there were both successful and unsuccessful partnerships and there is a need to learn from both successes and failures to understand better the ingredients of a successful partnership. Lessons learned from one country’s experience with partnerships included the following: building partnerships requires time and patience to define basic objectives and build trust; true partnerships involve shared definition of problems and joint design of solutions; comprehensive and clear communication is essential; and that flexibility is vital. Some ingredients of successful partnerships were also cited.

47. It was suggested that future reports would benefit from the addition of a qualitative review of the concrete impact of partnerships for sustainable development in relation to specific JPOI targets. The view was expressed that the Partnerships Fair has been very valuable for its awareness raising and the concrete examples of implementation and lessons learned. The need

for transparent, participatory and credible information on partnerships registered with the Commission was noted and in this regard, the web-enabled CSD Partnerships database was welcomed. The view was expressed that tools were needed to further help monitor and encourage partnerships at a country-level.

Interactive Discussion with Major Groups

48. The Commission devoted a morning to an interactive discussion among major groups and governments on the issue of major groups' contributions in the thematic areas of water, sanitation and human settlements, including cross-cutting issues.¹ The nine major groups were called upon to present key aspects outlined in their discussion papers and report on their results-oriented activities concerning implementation. They also presented case studies and best practices to illustrate both progress and lessons learned.

49. The discussion revolved around issues of: gender mainstreaming; privatization; pros and cons of partnership initiatives in water resources management within the context of governance, participation and finance; water ethics and cultural values; decentralization of decision-making processes including local leadership; and scientific, institutional and human resource capacity building, knowledge sharing, and education. Overall, most major groups stressed the value of an integrated, human rights-based approach to water, sanitation and human settlements, and emphasized that inclusion of all stakeholders in participatory and transparent decision-making processes is essential if relevant goals and targets are to be achieved. They also stressed the importance of legal frameworks and social development. One major group highlighted the value of using the ecosystems approach to improve management of water resources.

50. **Gender mainstreaming:** Positive examples of women's empowerment included the case of a women's water network in the South Asia region that succeeded in increasing representation of women in all decision-making levels in water resources planning and management by 50 percent, and the case of an African country's use of the Convention on the Elimination of all Forms of Discrimination against Women (CEDAW) to link elimination of discrimination with expansion of constitutional guarantees on equal access to land and other natural resources. There was agreement among major group representatives and delegations that gender mainstreaming in the formulation and implementation of water resources and sanitation policies at all levels is essential to success in implementation. It was noted that improved use of gender-disaggregated data is needed to accurately assess progress, and urged incorporation of women's perspectives in the Secretary-General's Advisory Board on Water and Sanitation.

51. **Partnerships:** The social dimension of sustainable development was highlighted in discussions on the shared responsibility of implementation through partnerships. Several affirmed that clear-cut corporate social responsibility principles and adherence to ILO core labour standards would strengthen partnerships among industry and other societal groups. Others pointed to the need for a more precise definition, clear criteria for, and monitoring of partnerships, in particular since the World Summit on Sustainable Development endorsed partnerships as a supplement for sustainable development cooperation.

¹ *The obstacles, constraints, lessons learned and continuing challenges identified by major groups on the thematic areas are included in the relevant sections of this report.*

52. **Means of implementation:** Support was expressed for the increased use of economic instruments for efficient water allocation and improved access to water, and positive examples with water audits and water accounting in the European region were noted. Several case studies from the Africa region were cited as positive examples of socially-balanced privatization. A number of major groups expressed the view that water should not be treated solely as an economic commodity. They stressed the social dimension, particularly water as a fundamental right, and emphasized that guaranteed access to water by the poor and disadvantaged in an affordable way would require sufficient financial and human resources, as well as regulatory legal frameworks and government ownership of water resources. It was pointed out that in some countries the State has responsibility for ensuring access to water. Devolution of authority to the local level might provide several advantages. One delegation noted that its national legislation provided for permanent water access and land entitlements to its indigenous populations. The lack of clear international leadership guiding the debate on rules for privatization of water resources management was highlighted by some major groups as a challenge.

53. Some major groups identified the need for new financial resources for local communities, as well as reallocation of existing resources, to implement their sustainable development projects and processes.

54. **Governance and stakeholder involvement:** Most major groups and some delegations agreed that decentralization of decision-making processes in water resources management, accompanied by comprehensive stakeholder involvement and democratization of participation at all levels, is a prerequisite for successful implementation of water resources policies. Several delegations supported this view by sharing positive experiences with various models of community participation and involvement of youth groups committed to water quality monitoring, as well as national policies on stakeholder participation with local and indigenous communities. The conclusions on participatory approaches found in the report of the World Commission on Dams were praised by some major groups as a successful model for community empowerment in international, national and water-basin decision-making on water issues.

55. **Capacity-building:** The need to pursue an interdisciplinary approach to finding solutions to the complexity of water and sanitation as well as human settlements problems was stressed by most participants. Many delegations and major groups agreed on the value of supporting youth participation in awareness-raising campaigns, capacity-building and in government delegations. There was strong support for the view that capacity-building, education and awareness-raising efforts must be increased to achieve the MDGs on water and sanitation. Some participants highlighted the paucity of resources in developing countries committed to research and development, including for industrial research. Others noted a decrease of monitoring capacities at the national and international level on water resources at a time when more reliable data is needed. Regarding the sharing of knowledge and technology transfer given differing social and economic conditions among countries, many speakers recognized that a clear differentiation and categorization of needs and possible solutions for each would be required to achieve implementation goals.

WATER

Review of progress

56. The Commission reviewed progress in the implementation of Agenda 21, the Programme for Further Implementation of Agenda 21 and the Johannesburg Plan of Implementation (JPOI) with regard to freshwater development and management. Delegations generally supported the conclusions contained in the Secretary-General's report on freshwater management.

57. **Drinking Water Supply:** There was general agreement on the importance of access to safe water for poverty alleviation and for meeting other MDGs. Delegations noted that while substantial progress has been made in expanding access to safe drinking water, progress varies greatly between countries and between rural and urban areas within countries. If progress continues at the current rate, many countries will fail to meet the goals. The poorest countries have the lowest rates of access, and many of the countries that are not on track to meet the targets will require increased external support. The MDG can only be met if efforts are scaled up. Delegations shared the view that poverty reduction would not be achieved without improving water services to poor people. It was stressed that countries should ensure the inclusion of their water agenda in their PRSPs and other national development strategies.

58. In some countries with economies in transition, the water and sanitation infrastructure is collapsing and in serious disrepair because of deferred operation and maintenance. Some SIDS delegations noted that providing adequate water and sanitation has been hampered by the lack of trained staff, basic data and information, as well as inadequate funds to upgrade or rehabilitate deteriorating infrastructure.

59. **Decentralization of Services:** Several countries emphasized the importance of decentralizing water supply services and of improved operation and maintenance of water supply systems as conditions for long-term sustainability of water sector investments. Some delegations stressed the principle that decisions should be taken at the lowest appropriate level and that the involvement of local communities and municipalities is a mean of raising awareness and creating local ownership among beneficiaries. Many delegations shared the view that transferring responsibility to the local level could strengthen water sector governance, but a number emphasized that the limited institutional capacity of local governments and limited command over financial resources would need to be adequately addressed. An important lesson from the experiences of federally structured countries was that clear mandates and decision-making focal points are indispensable for successful policy and institutional reforms.

60. **Partnerships and Private Sector Involvement:** Some delegations, particularly from developed countries, stressed the importance of public-private-partnerships for mobilizing investment finance, technical and managerial expertise. Other delegations, particularly from developing countries, called for caution concerning such partnerships. Some expressed concern that partnerships were being promoted to cover a lack of political commitment by governments. While many delegations recognized the emerging role of public-private partnerships in the water sector as a means to generate additional funding, it was noted that – in the partnerships surveyed in the report of the Secretary-General (E/CN.17/2004/16) – private partners have thus far

contributed only a small share of total funding. Other delegations and major groups expressed the view that it is not in financing that the private sector would make a major contribution, but in providing managerial skills, technical support and technology transfer. Many delegations called for further study and dissemination of information on successes and failures of partnerships, and for a transparent accounting of total resource mobilization and the uses to which funds are put.

61. Some delegations emphasized that enabling environments in terms of policy and regulatory frameworks were a key challenge to encourage private sector investors. It was noted that encouraging private investment does not mean privatizing water. There was widespread agreement, including from the business sector, that it was up to communities to decide to what degree and in what way they want to involve the private sector in the provision of public services. It was noted that, given the complex and difficult process of negotiating effective public-private arrangements, local authorities may need capacity building assistance in this area, among others. Some delegations expressed the view that it was too early to conclude that partnerships are not working.

62. **Integrated Water Resources Management (IWRM):** While reviewing progress in the preparation of water resources management and efficiency plans by year 2005, as called for in the JPOI, delegations generally reaffirmed their commitment to IWRM as an appropriate holistic approach and guiding principle for implementing water sector reforms and balancing water use among competing uses, including ecosystem services. A widely shared view was that IWRM should be considered as a process leading to sustainable development and management of water resources with active stakeholder involvement and participation. Several countries noted that there is no single generally agreed approach to IWRM, and that different countries are at different stages of the process. Considering the progress that has been made to date in developing strategies and legal frameworks for water management, a considerable number of countries are expected to meet the 2005 target. However, a number of developing countries indicated the need for further technical assistance to achieve the target. Several delegations noted a need for more refined indicators to determine trends and progress in IWRM. However, it was emphasized that the Commission's work on IWRM should not go beyond the scope of the JPOI.

63. Some delegations considered integrated water resources management to be a development goal related to poverty alleviation, and thus to be included in PRSPs. This could be done through the health chapter of the PRSPs, given the water-health nexus. Some delegations expressed the view that the social and economic costs of not achieving the water-related targets provided the necessary rationale for assigning high priority to water in national development agendas. Others pointed to the difficult tradeoffs governments face, particularly in Africa, as they struggle to address the heavy costs of treating and caring for those suffering from HIV/AIDS while maintaining other basic services.

64. Delegations from disaster-prone countries highlighted the interactions among climate change patterns, water supplies, forests and agriculture, and the limited understanding of those interactions as a constraint on effective strategies for long-term water management. Some delegations suggested that there was a need for improved access to research and data in this field, others called for greater use of scientific and educational tools for capacity building and mainstreaming holistic concepts such as IWRM. It was also noted that there was a need for a

comprehensive approach to natural disasters, addressing preparedness, management and recovery.

65. Some delegations stressed that strengthening international river basin management at all levels based on existing legal instruments and pragmatic measures and programmes was an important avenue for meeting the MDGs. Other delegations noted the need for progress in international law for the efficient management of international watercourses to promote peace and development. The view was expressed that bilateral agreements for dealing with international waters were preferable to the notion of international river basin management at all levels.

66. **Water as a social and/or economic good:** Several delegations and major groups stressed the need for pro-poor cost recovery policies and targeted water subsidies to extend coverage to the unserved poor. Some countries supported the view that the costs of providing water supply services, water infrastructure and wastewater disposal should be borne by users through general tax revenues and/or user tariffs. Other delegations considered water as a basic human right and were against treating it as an economic good and charging for its use. It was also pointed out that while water in nature may be free, bringing safe water to users requires investments that must be paid for. Some delegations distinguished between water for basic human needs and water for economic uses, supporting a socially balanced pricing scheme that addressed the economic and social dimensions of water together.

67. **Balancing Competing Uses:** It was noted that after meeting basic needs, the major competition for water was between agricultural use and environmental requirements. It was noted that healthy ecosystems are a prerequisite for clean water and that the value of ecosystems has to be appreciated in the planning process. Since agriculture, forests and the environment all provide important services and contribute to poverty reduction in their own ways, balanced and judicious allocation between them is required. Many participants shared their experiences in using various policy options, demand management measures, and technological solutions in balancing competing demands.

68. **Water Resources Management Units:** The issue of the basic unit for water management was the subject of lively discussion, and there was no agreement as to whether a “basin approach” or “ecosystems approach” was best. Chapter 18 of Agenda 21 calls for IWRM at the level of catchment basin or sub-basin. Many countries have been undertaking water management reforms using this approach and have demonstrated its usefulness, and have established River basin committees and organizations. Other delegations expressed the view that using the ecosystems approach to IWRM had led to better management of water resources. Some countries referred to their comparatively advanced environmental legislation today as the end result of long experience with industrialization and intensive agriculture and the often disastrous consequences for water quantity and quality, health and the environment. Both approaches call for active stakeholder participation and are useful for avoiding water-related disasters, including floods and droughts.

69. **Policies, Laws and Institutions:** Many delegations and major groups emphasized the need to design and adopt water policies and reforms to make the use and governance of water

resources more effective and sustainable, contributing to pro-poor development. A number of delegations mentioned innovative reforms undertaken by their countries to ensure equitable and sustainable provision and distribution of water, including institutional reforms (separation of policy and regulatory functions from resource development and management functions), legislation to protect water resources, and pro-poor water management policies. Empowerment of the poor and broad public participation was also held up as a key to success.

70. **Financing Water Sector Needs:** Inadequate financial resources were cited by many delegations as the major obstacle to meeting the internationally agreed goals and targets. The majority of poor people live in rural areas, and attracting finance to rural areas, particularly from the private sector, has proven difficult. Many delegations stated that water services for the poor should be supported through transparent and targeted subsidies, including cross subsidies, and that developing countries would need continuing external assistance. Many delegations agreed that ODA grants should be used to support national efforts to create an enabling environment and to support programmes targeted at financing safe drinking water for the poorest, while loans and cost-recovery instruments were more appropriate for financing economic uses of water.

71. Some delegations called for implementation of the commitments made in Monterrey, which could make an important contribution to overcoming financial constraints. It was noted by some delegations that ODA in the water sector could be more productive if directed to programme budget support and a sectorwide approach (SWAp) rather than to specific projects. It was noted that countries could use economic instruments such as tax incentives to encourage investment by domestic companies rather than relying solely on foreign firms. The need for better donor coordination was stressed, particularly at country level. Positive examples were mentioned that this can reduce transaction costs and enhance sustainability.

72. A number of delegations highlighted the need for exploring multiple avenues of financial resource mobilization nationally and internationally, including partial loan guarantees, revolving funds, and micro-credit schemes. Some distinguished among three approaches: raising private capital for public utilities; seeking private sector involvement in operation and maintenance; and transferring ownership out of the public sector. The limits of private financing for the water sector first need to be tested in order to be able to gauge better the magnitude of ODA requirements. It was also noted that the complex administrative requirements of some international lending agencies, combined with limited technical capacities in recipient countries to meet the requirements, discouraged countries from using those sources.

73. **Capacity Building:** There was general agreement that capacity building for national and local institutions, notably for staff of local water authorities, was vital for ensuring sustainability of water supply systems, and thus for meeting the international goals and targets. One major group mentioned that capacity in science and technology to address the problems of freshwater remains woefully inadequate because of extremely low levels of funding for research and extension. Most delegations viewed capacity building as a continuous challenge because of the dynamic nature of the water sector. Another major group called for improving the working environment in the water sector. The interrelationship of agricultural and food policies with water resources management, and the mutual interdependence of those policies with trade policies was highlighted by a number of delegations, who noted that unfavourable trade policies

restrained investments in improved water resources management. Addressing such issues and making sound choices require careful analysis, for which many countries lack capacities. Several participants noted the need for scientific and educational tools for capacity building.

74. **Technology Transfer:** Many delegations stressed the importance of appropriate low-cost technologies for meeting the MDGs and the need for transferring innovative technological solutions from developed to developing countries. The reuse of treated wastewater for agricultural purposes (irrigation), including the use in household gardens, and household use (flushing toilets) was supported by many participants as a technological solution for a more efficient use of water. Rainwater harvesting was mentioned as another option for water-scarce countries, as was desalination of saltwater, at least for those who could afford it. It was noted that civil society can play an important role in mobilizing local communities to participate in water governance structures and in the implementation of innovative low-cost technical solutions.

75. **Gender Mainstreaming:** It was generally recognized that women bear most of the burden of securing water supplies for household needs and have an important role in water resources management. Their role as ‘active water managers’ and agents of change includes a broad range of daily tasks that benefit the whole community, such as hygiene education, provision of water, monitoring and maintenance of water infrastructure, and conservation. One major group called for changing conventional thinking in favour of recognizing women as active citizens with full rights, including land tenure rights and equal access to credit for business.

Constraints and obstacles

76. Many developed countries supported the view that lack of reforms and good governance, together with inadequate funding and inefficient use of available financial resources, are the critical factors impeding progress. However, a number of developing countries stated that they had demonstrated political will through concrete actions in terms of policy and institutional reforms, but limited means of implementation including finance and technology have constrained their abilities to make progress. They emphasized that both ODA and private sector investment in the water sector have been declining, and domestic resource mobilization policies remain weak.

77. Other constraints on water sector development include fragmented institutional structures, limited technical capacities, and inadequate policy frameworks. Low levels of community involvement and empowerment in water resources management and governance were also widely noted, although more participatory processes are gradually progressing in many countries.

78. Many countries noted the lack of reliable and easily accessible data on water resources as a major obstacle to meaningful reform efforts and to assessment of needs, demands and supplies. The need for improved international cooperation was stressed, including through the United Nations system, for strengthening information systems and developing capacity building tools. The importance of strengthening databases and developing performance indicators for measuring progress on goals and targets was also stressed.

79. Water demand management was acknowledged as a promising solution for bridging the growing gap between water supply and demand by using easily available and well-established technologies. It was also noted that demand management to change the water-use behaviour of households and enterprises is a long-term process, and governments often opt for short-term solutions to increase water supply. A large amount of water is wasted because of poor operation and maintenance of water infrastructure, resulting in revenue loss. Furthermore, weak enforcement of demand management measures and limited public awareness further inhibit water management efforts.

Lessons learned

80. Participants identified a number of lessons learned relating to expanding access to safe drinking water and integrated water resources management:

(a) Meeting the water and sanitation MDGs is crucial to achieving progress towards poverty reduction and towards a number of other MDGs – e.g., on infant mortality, gender equality, and education. Development of the water sector therefore needs to be integrated into the PRSP process and national sustainable development plans;

(b) Providing water and sanitation services to unserved people is a shared responsibility. The challenge is too big to be met by any party alone, but Governments have a primary responsibility to create a framework that ensures affordable access. Governments will need strong political will and commitment if the challenges are to be addressed;

(c) A flexible approach, with simultaneous and complementary actions on all fronts (technical, institutional, financial) and “learning by doing”, would not only facilitate progress but would help countries define their priorities and seek support for means of implementation.

(d) Partnerships do not free Governments from their responsibilities and should be sought not only for funding purposes, but also for sharing technical knowledge, technology transfer and managerial skills;

(e) Promoting private sector participation should be based on corporate social responsibility. Strong regulatory frameworks have helped to attract private sector investment and to ensure consistency of their practices with social policy objectives.

(f) IWRM, with strong stakeholder participation, was considered a useful concept for developing and promoting more sustainable patterns of water consumption and production.

Continuing challenges

81. There was general agreement among delegations on the huge needs and challenges ahead, particularly with respect to finance, technology, and institutional capacity building. Participants identified a number of continuing challenges relating to expanding access to safe drinking water and integrated water resources management:

(a) Scaling up of efforts is needed on all fronts to reach the international goals and targets, with a focus on service delivery, for which infrastructure development plays an indispensable role, as does effective water sector management;

(b) Improved regulatory frameworks and effective enforcement mechanisms are critical to protect water resources from pollution and minimize threats to human health and ecosystems, as well as to overcome water scarcity;

(c) Effective local governance and empowerment are essential to extend access to safe drinking water, with the active participation of major groups and women, especially the poorest and most vulnerable. Local and traditional knowledge also needs to be more effectively tapped. Local communities including indigenous people can often provide low-cost solutions that are more sustainable in the long run;

(d) The role of women in water policy-making, planning and decision-making needs to be enhanced;

(e) Science and technology have not been fully harnessed. In particular, linkages between science and farmers should be strengthened to improve water management. There is a need to bridge the North-South gap in technological and scientific research and to promote the transfer of knowledge;

(f) Innovative resource mobilization approaches, such as debt-swap arrangements, taxes on pollution, loan guarantees and other means of financial leveraging, strengthening of sub-sovereign capacity to access domestic capital markets, as well as general budgetary support rather than project-based support, could help to overcome financial constraints;

(g) Strengthened international cooperation is required on water, including more coordinated work by UN agencies and international financial institutions in delivering country level support to meet the above challenges.

SANITATION

Review of progress

82. The Commission reviewed progress in the implementation of Agenda 21, the Programme for Further Implementation of Agenda 21 and the Johannesburg Plan of Implementation (JPOI) with regard to sanitation. Delegations generally supported the conclusions contained in the Secretary-General's report on sanitation and noted with appreciation that sanitation was for the first time being considered as a specific item on the agenda by an intergovernmental body such as the Commission on Sustainable Development.

83. Many delegations called for a more integrated approach to water, sanitation and human settlements, including integrated water resource management and efficiency plans at the national and local levels. Most delegations noted that access to sanitation facilities is an issue of critical concern, especially for women. Several delegations stated that their countries had a national sanitation policy. It was also stressed that the provision of sanitation had significant health benefits, leading to a decline in disease and improvement of health indicators. Many delegations expressed the view that water supply, sanitation and health are interlinked and must be addressed

in a holistic manner. The view was also expressed that water and sanitation should be addressed in an integrated manner with human settlements, in particular as accessible and affordable sanitation services are crucial to improving the lives of slum dwellers.

84. Many speakers felt that the target of halving the proportion of people without access to basic sanitation by 2015 would not be met, either in rural or urban areas, unless substantial additional resources were raised. It was also noted that, even if the target were met, some 1.7 billion people would still be left without access to basic sanitation. Nonetheless, many delegations pointed out that there was clear political will to meet sanitation targets, and that it would be possible to reach them, if countries learned from each other's successes and failures to develop sound policies and practices.

85. Several delegations indicated that much progress had been made in some parts of Asia and Africa in providing adequate sanitation services to rural and peri-urban communities, and that some countries were on track to meet the MDG for sanitation. Nonetheless, in many countries, much more work needed to be done, as many delegations reported that large parts of their populations were still not properly served by sanitation services.

86. Several delegations noted that while urbanization was posing major challenges for sanitation, it was also important to address the situation in rural or peri-urban areas. Different strategies and approaches were needed to address these two demographics. A major group observed that a high proportion of the ODA going to the sector was invested in high cost structures which left poor communities without increased access.

Constraints and obstacles

87. **Political commitment.** Some delegations observed that a major constraint to implementation was that sanitation was often not listed as a national development priority. A number of delegations noted that sanitation had not been given priority in their PRSPs and that programmes and responses lacked coordination and focus. The central role of government in the implementation of sanitation programmes was stressed by many countries, and it was noted that in most countries sanitation lacks an institutional home. The need for setting clear policies and for coordination and cohesion within government, including at the regional and local level, was emphasized. Another difficulty was to move an issue of personal hygiene into the public debate, especially the aspects of privacy, dignity and security of women. Highlighting the issue of sanitation in the Commission could contribute to greater recognition of its importance. Other related constraints included: lack of finance; inadequate oversight, governance and regulations for disposal of waste; limited capacity building and technology transfer. Lack of secure tenure was mentioned as a deterrent to household and community investments in sanitation.

88. **Financial resources.** The need for support and finance for implementing national plans of action was highlighted. Developing country efforts had been limited by inadequate financial investment for infrastructure for the environmentally sound disposal or recycling of wastewater and sewage. The inability of developing countries to improve the provision of sanitation had huge economic costs, as it affected many other sectors. However, it was also noted that access to bilateral and multilateral finance mechanisms was limited. A number of delegations drew

attention to the very high costs of wastewater treatment, which required additional funds, whereas, others stressed the need for low-cost technologies and small-scale solutions involving local communities.

89. Linked to the issue of insufficient funds, some delegations identified competing national priorities as a constraint facing governments in relation to the sanitation targets. The cost of servicing external debt was further compounding the financial constraints experienced by many developing countries. A request was made for financial assistance to be provided on a grant or concessional basis and an appeal was made for debt relief.

90. **Cultural and social considerations.** It was recognized that there are important cultural sensitivities regarding the issues of sanitation and hygiene, especially those that relate to women's dignity and security. Several delegations pointed out, for example, that obstacles to ecological sanitation were to a large extent of a social and cultural nature. There could be room for social acceptance of making the best use of human excreta, if they are treated in a sanitary and environmentally sound manner, and using indigenous knowledge for protection of water sources.

91. **Decentralization of services.** Some participants called for the devolution of sanitation management to the household or community level. The view was also expressed that decentralization of government activities could lead to an emphasis on construction over education and hygiene promotion. Many delegations underlined the importance of involving multiple stakeholders and of community ownership of integrated water and sanitation plans and management.

92. **Capacity development.** Many delegations acknowledged that capacity development was an essential component in efforts to implement Agenda 21 and the targets outlined in the JPOI and MDGs. Capacity building was needed not only for engineers and policy makers, but also for operation and maintenance technicians, artisans and masons, and small-scale entrepreneurs to build proper facilities.

93. **Data and information.** It was noted by many delegations that the lack of meaningful data impaired decision-making and that there was a need for a more concerted effort to oversee, monitor and report on actual use of facilities, not just on numbers of latrines installed, in order to gauge progress on the implementation of agreed targets and goals.

94. **Public awareness.** Many delegations acknowledged that the lack of demand for sanitation was in itself an obstacle. Communities do not tend to embrace technologies or products that they do not feel they need. The lack of public awareness of linkages between sanitation, hygiene and disease, especially in rural areas, was identified as a constraint. Many delegations stressed the need for Governments to raise awareness of the benefits of sanitation and to act as facilitators for communities and small-scale providers, rather than primarily as infrastructure providers. Several delegations suggested that a shift in attitude was needed to view wastewater and sewage as a resource, rather than as waste.

95. **Other constraints.** It was stated that SIDS were particularly vulnerable to lack of sanitation and safe water supplies and suffered from wastewater discharges into surface waters and the marine environment. It was noted that SIDS had specific needs with regard to technology, research and financial support. Three priority areas of intervention were identified for SIDS: on-site sanitation facilities, off-site sanitation systems, and hygiene assessment and promotion.

Lessons learned

96. **Political commitment.** Several delegations emphasized that governments have to shoulder their social responsibilities to their populace and the poor among them when it comes to providing services, including water and sanitation services. Many delegates stressed that there was no one solution to fit all countries or locations. There are specific environmental, economic, social and cultural dimensions that need to be taken into account so that the most appropriate, cost-effective and affordable technology and methods can be used.

97. **Best practices.** Delegates mentioned that successful community-based sanitation projects generally had the following characteristics: a strong long-term government commitment; demand-responsive approaches; affordable appropriate technologies; sanitation and hygiene education; capacity building and community involvement; provision for proper maintenance; and sustainable financial management, including micro-credit and cost sharing. Several delegations mentioned innovative approaches that had stimulated sanitation coverage, including demand-driven schemes, school sanitation, hand washing campaigns, promotion of 'Ecosan' toilets, promotion of rainwater harvesting, and awards to villages in which 100% of the houses and schools have latrines. One major group called for improving the working conditions and training of workers in proper handling of waste products.

98. **Finance and subsidies.** The view was expressed that financing for sanitation and hygiene should go hand-in-hand with financing for water projects, reinforcing the point made by many delegations that water and sanitation issues are interrelated and should be approached in a holistic manner.

99. There was a divergence of opinion over the best use of subsidies. Some delegations stated that the supply-driven approach, focusing on the subsidised provision of facilities, had not succeeded in stimulating demand for sanitation. Others were of the view that subsidies were necessary, but should be targeted at the poorest. The view was also expressed that since the MDGs and the JPOI had set concrete targets, resources needed to be made available to meet them. It was noted that while subsidies could contribute to access to sanitation, they could also undermine private provision or community efforts. Some delegations pointed out that subsidies should be used sparingly and in conjunction with a range of responses, including measures to encourage market development.

100. **Education and awareness.** Delegations repeatedly underlined the important role of education and awareness raising in advancing hygiene and sanitation practices, such as hand washing. Introducing water and sanitary facilities in schools has become a major focus of programmes in several countries. Such programmes, especially where separate facilities were

available for boys and girls, have raised school enrolment and increased attendance of adolescent girls. Examples were given of schools having played a major role in educating children about the linkages between water, sanitation, hygiene and health.

101. It was also mentioned that media campaigns can be an effective means of raising awareness of the linkages between sanitation, hygiene and disease. Innovative public awareness techniques, such as street theatre, and video and audio tapes in local languages, were seen as particularly useful tools. Several delegations were of the view that the successful examples had all used a bottom-up approach involving communities and women and youth as agents of change, while some emphasized that middle class people should be targeted to ensure that sanitation benefited from a “trickle down effect”. It was also noted that the need for comfort, dignity, privacy and cleanliness may be much more important motivating factors for demanding access to sanitation than the health impact.

102. **Technology.** High-tech solutions and conventional sewerage networks may not necessarily be the best or most cost-effective solutions, but should be considered on a site-specific basis. The high cost of conventional water-borne sewerage and the adverse effect of waste water on the environment were noted by a number of delegations. Many delegations expressed the need for utilizing low-cost technology, including on-site sanitation solutions as alternatives to water-borne sewerages, whenever appropriate. Delegations cited several examples of lower-cost effective solutions, including the use of wetlands to clean water, wet and dry composting toilets, ecological sanitation and sanitary disposal of excreta. Technologies such as biogas digesters can be adapted so as to be accessible and understandable to local entrepreneurs. Decentralized sewerage systems and the establishment of cooperatives to involve communities were also mentioned. Examples were cited of slum community organisations that have taken the initiative to design, build and manage their own sanitation facilities at low cost. Several delegations reported local and village initiatives, such as ‘total sanitation’ campaigns, which had been launched with the support of national governments, as well as international partners. Advances in science and technology, together with technology transfer, were critical for achieving the long-term goals of sustainable development.

103. Many delegations stated that ecological sanitation should be promoted and supported. Some delegates noted that ecological sanitation practices have met with success in places where employment opportunities and additional income were generated. The scope for South-South cooperation was also highlighted by some delegates.

104. **Private sector and markets.** A number of representatives of major groups were critical of the involvement of the private sector in the provision of water and sanitation services, as they said it impacted negatively on access to water and sanitation, particularly for the poor. Some delegations highlighted successful examples of engagement with the private sector, particularly with small-scale service providers (SSSPs) at the local level. Many participants stated that SSSPs had an important role to play. A number of delegations and major groups stated that the way forward should involve markets, including by treating waste products as economic goods, especially for agriculture and energy.

105. **Partnerships.** A number of delegations pointed out that partnerships, such as the Water Supply and Sanitation Collaborative Council (WSSCC) and its WASH campaign, were essential if sanitation programmes were to be realized, especially in urban areas.

Continuing challenges

106. **Political commitment.** Many delegations underlined the importance of including sanitation in national development plans, PRSPs and IWRM plans. Some delegations emphasized that in developing national sanitation strategies and action plans, there was a need for separate strategies to address urban and rural areas. It was pointed out that sanitation strategies should be tailored to fit specific circumstances and that a one-size-fits-all approach was not feasible. The importance of ensuring that strategies are cost-effective was also emphasized. Regulation and enforcement of sanitary standards was seen as crucial for improving health conditions.

107. Some delegations pointed out that, while partnerships with various stakeholders are an essential component in realizing sanitation programmes and projects, the coordinating and oversight role of governments should not be overlooked. The view was also expressed that the role of government in protecting water sources and maintaining public goods was a very important factor that needed to be addressed.

108. **Mobilizing financial resources.** Several delegations stressed that, because of competing national needs and priorities and the heavy investment involved, ODA from development partners was needed for sanitation infrastructure. They felt that the international community should support developing countries in strengthening investments in sanitation. The transfer of technology was also considered critical. Some delegations expressed support for directing grants and subsidies toward promoting and marketing sanitation and contributing to the creation of markets for small-scale service providers. Such an approach can leverage resources from households, communities and local governments. The view was also expressed that such market support should come only from new and additional sources, not from ODA.

109. Many delegations emphasized the positive impacts on the health and economy of communities resulting from investments in sanitation, and noted that the benefits of such investment generally far outweighed the costs, up to six-fold. Delegations mentioned a number of mechanisms to support implementation, including a consumption tax on water to fund sanitation.

110. **Decentralization of services.** Many delegations emphasized the need to strengthen local government authorities to assist in implementation efforts. The continued need for governmental support, oversight and financing, including through ODA, was also emphasized. There was also wide recognition of the need to focus on women and children and to enable women to participate in water and sanitation policy development and decision making processes.

111. **Capacity building.** Several delegations highlighted the need for capacity building in the area of sanitation, particularly since capacity building is more often concentrated in the water resources area. It was considered important for the SSSPs to be recognised by governments and

utilities and for them to receive proper training and appropriate technology. Several delegations highlighted the need for regulation to ensure that SSSPs meet minimum standards.

112. **Scaling up of programmes.** The need for pilot demonstration projects in different types of localities was noted as a means for promoting best practices. Several participants emphasized the need for a scaling-up of successful models and experiences. Leadership at all levels was seen as essential for progress. There is also a need to utilize new and existing networks to promote an array of possible solutions and best practices.

113. **Information and monitoring.** It was noted that there were problems relating to the measurement of access to basic or improved sanitation. While it is important to fulfil the goals in the JPOI, the measurement of access is not simply about “taps and toilets”. A more workable approach would be to set sector-specific targets that countries could adapt to their own conditions and then report on their progress.

114. **Partnerships.** Several major groups voiced concerns regarding the structure and results of some partnerships, and it was suggested that a code of conduct may be needed for public-private partnerships in provision of basic water and sanitation services. An example of an initiative towards that end was cited.

115. **Employment opportunities.** Many delegations and major groups considered that sanitation efforts could also result in job-creation opportunities for communities, for example in latrine building and soap production, or through using excreta as a resource for energy or agriculture. Public-private partnerships were considered important by many delegations in this regard.

HUMAN SETTLEMENTS

Review of progress

116. The Commission reviewed the progress made in achieving the implementation of Agenda 21, the Programme for Further Implementation of Agenda 21 and the Johannesburg Plan of Implementation (JPOI) with regard to Human Settlements. The Secretary-General’s report on the thematic area of human settlements was considered as a useful and balanced overview of the status of implementation. The findings contained in the report were generally supported.

117. Delegations noted that rapid urbanization had changed the pattern of human settlements development. The relationships between urban and rural areas are changing, with urban areas becoming more agricultural and rural areas becoming more urbanized. Urban slums are growing in number and size, and poverty has become increasingly urbanized. As stated in the Secretary-General’s report, more than 900 million people currently live in slum settlements, and the number of slum dwellers worldwide is projected to rise over the next 30 years to about 2 billion.

118. There was general recognition among delegations that the goal of improving the lives of at least 100 million slum dwellers addressed only the tip of the iceberg. Even with ongoing activities towards meeting the MDG target 11, the population living in slums will increase at an alarming rate because of continuing rapid urbanization and persistent poverty. Some countries are close to achieving MDG target 11 in relative terms, but several delegations indicated that their countries were not on track for achieving the target. Some countries have shown impressive results in reducing slum populations, and others have comprehensive and ambitious slum upgrading programmes in place. Still, in many countries, slums are mushrooming. This re-confirms the conclusion in the Secretary-General's report that "the target of achieving a significant improvement in the lives of 100 million slum dwellers by 2020, however commendable, is patently inadequate." Several delegations stressed that the focus on slum dwellers ought not to exclude attention to the needs of poor people living outside slums, while recognizing that not every slum inhabitant lives in absolute poverty. It was also emphasized that there are examples of countries where poverty has been reduced, while slums are continuing to grow.

119. Slum upgrading programs have taken centre stage in the fight against slums and urban poverty. Several examples were cited that yielded concrete results in slum upgrading, which could be replicated. The most powerful examples of slum upgrading were at the community level, where organizations of the urban poor were showing increased capacity to build their own homes and improve their own environment. Those activities are actively contributing to slum reduction and ensuring that the vision of "cities without slums" could become a reality.

120. Delegations and major groups noted that slum inhabitants often face eviction and sometimes become inhabitants of other slum areas after an upgrading of their previous abodes. In contrast, some delegations described resettlement plans made in cooperation with the slum dwellers. It was emphasized that, in cases of re-settlement, slum dwellers should not be resettled to areas far away from the city centres and employment, especially where public transport links are weak.

121. Several countries made interventions regarding their national experience in reconstruction and recovery following conflicts and a growing number of natural disasters. It was noted that efficient and effective institutions and sound reforms are prerequisites of success. The active participation of the poor must be an integral part of the reconstruction and recovery process. It was also observed that the aftermath of disasters had seen some positive outcomes, such as the development of a vulnerability atlas and improvement of construction standards and building codes.

122. Many countries cited specific examples of successful partnerships that yielded positive results at community level. It was noted that the private sector's main role is in the building, developing, and financing of housing projects, while the public sector's main role is in creating an enabling institutional environment. Several delegations and one major group, however, noted that there is a tendency to place responsibility for implementation of public-private partnerships in a disproportionate manner on the private partner, often in the absence of a regulatory framework to monitor the effects of deregulated service delivery and ensure accountability of private partners.

Constraints and obstacles

123. Delegations noted a number of major constraints to the implementation of the goals and targets for sustainable human settlements development contained in the JPOI. Many delegations noted that developing countries are still facing serious challenges and difficulties due to severe lack of financial resources, appropriate technology and capacity. These constraints, as well as the pandemic of HIV/AIDS and other communicable diseases, have negatively affected developing countries with regard to the provision of shelter and improvement in the conditions in slum settlements. It was also noted that high debt burdens limit available finance for the provision of housing, infrastructure and services.

124. Other key constraints mentioned by many delegations and major groups were limited access of the poor to land and insecurity of land tenure in informal settlements as well as problems related to good governance. Some delegations noted that land speculation makes the cost of acquiring land exorbitant, excluding the poor from land and housing markets.

125. There was widespread recognition of the need for greater coherence among relevant policies; water, sanitation and human settlements must be dealt with in a way that recognizes the strong inter-linkages between them, and addresses the cross-cutting issues in an integrated manner. Delegations pointed to the lack of a stable policy environment and legislative frameworks as constraints for sustainable human settlements development.

126. Weak local governance was cited by some delegates as an important contributory factor to slum conditions, including violence. While there exists no common recipe for good governance, it was emphasized that good governance builds on the three key principles of decentralization, partnership and inclusion. Decentralization of functions to the local level has proceeded in many countries in all regions, though it has not always been accompanied by commensurate decentralization of the resources needed to meet the new functions. Some delegations and one major group noted that a considerable amount of progress had been made in relation to the working conditions in human settlements due to the greater involvement of trade unions in decision-making.

127. The needs and concerns of women are still inadequately addressed. Examples cited by delegations gave evidence of the fact that conditions in poor urban areas and slums have a disproportionate impact on women, including with regard to social exclusion, entrepreneurial opportunities, health problems, access to land and credit, and victimization by crime and domestic violence. Restrictions on women's access to land and inheritance rights have often precluded their access to credit. The HIV/AIDS pandemic has heightened the urgency of addressing the inheritance rights of female household members in many countries.

128. The lack of a reliable system to monitor the implementation of MDG 7 was highlighted by several delegations. Such system could also be important in the context of nation- and citywide slum eradication efforts.

Lessons learned

129. New approaches to the planning and development of cities and urban areas are required that integrate local economic development, job creation and enterprise development, social integration, the delivery of housing and basic infrastructure services, health and education services, and transportation. Cornerstones of an improved framework for human settlements development are investments, tenure security and good governance. Some delegations and major groups stressed that community-based pro-poor strategies must be designed and realistic time frames for targeted policy interventions defined. It was also noted that there is a need to protect and improve the assets of poor households and transform them into productive capital through, for example, creating secure tenure and property rights.

130. It was noted by several delegations that, in informal settlements, dwellings of the poor are also frequently places of business. Thus, home improvement loan programmes – e.g., through micro-credit institutions – can also foster entrepreneurship and income generation. Women in particular tend to operate businesses out of their homes.

131. Slum upgrading programmes work best if they are rooted in grass-roots strategies and become part of national development plans and strategies. Improving the lives of slum dwellers depends largely on the ability of local actors to plan, manage and maintain their own communities.

132. The self-reliance of poor people was stressed by some delegations and major groups. The poor, for example, mostly build their own homes, and most low-cost housing construction occurs in the informal sector. It was suggested, therefore, that partnerships for human settlements development need to encompass the informal sector. Associations of slum dwellers have in many instances taken the initiative in slum upgrading activities. Traditional informal savings institutions have proven effective in mobilizing community resources for upgrading. Examples were cited of cases where such institutions had given rise to urban poor funds that attracted additional financial resources from development partners. It was also noted that up-scaling of microfinance schemes is essential in order to achieve slum upgrading.

133. Many delegations noted that the increase in slum dwellers will be accelerated by immigration from poorer rural areas. A number urged that action in slum areas therefore be combined with policies to support the sustainable development of rural areas. At the same time, it was noted that there is a reverse link, as urban migrants are often an important source of financial remittances to rural areas.

134. It was noted that two key problems have emerged as a result of disaster and conflict, one being of a material and the other of a psychological nature. People experienced greater difficulty in recovering from a conflict than from a natural disaster. It was also noted that the short-term approach to disaster relief did not necessarily lead to the long-term development activities needed by cities, such as re-building communities and promoting businesses. Campaigns to inform the public about evacuation plans and early warning systems were important for disaster preparedness. The view was expressed that the discussions in the Commission should serve as inputs to other relevant events, including the World Conference on Disaster Reduction. The need

for enhancing cooperation at all levels was stressed, including the possibility of establishing regional collaborative centres for natural disaster management.

Continuing challenges

135. **Political commitment:** There was general recognition among delegations on the need to give more attention to human settlements development in the context of sustainable development. The Commission could add value to the human settlements agenda by clearly identifying the constraints to and options for achieving goals and targets in sustainable human settlements development, with a focus on finance, governance, technology transfer and capacity-building. It was noted that human settlement development strategies should be linked to Poverty Reduction Strategy Papers and other national sustainable development strategies. The usefulness of aligning PRSPs with the MDGs was also stressed.

136. **Housing and tenure security:** Several delegations advocated the right of all to adequate housing supported by regularization of land and housing tenure. Other delegations advocated a development-based approach. Support was also expressed for a sustainable development-based approach combining the responsibility of national governments and that of the international community. It was recognized that ensuring security of property tenure is a prerequisite for people to have access to formal credit to invest in their homes. While there has been some positive movement on security of tenure, land registration, titling and allocation remain high priority concerns of central and local governments. A particular problem exists with regard to legal recognition of women's rights to both tenure and inheritance.

137. **Land use and urban planning:** Some delegations emphasized the importance of reassessing national housing standards and adopting adequate house-building regulations. The notion of proactive land use management and urban planning received strong support from many delegations. It was stated that effective land management facilitated the resolution of economic, social and environmental conflict and suggested that geographic information systems would facilitate sustainable city planning.

138. **Empowerment of the poor:** Empowerment of the poor was highlighted by many delegations as essential so that they could emerge from the vicious cycle that traps them in slums. A number of delegations and major groups insisted that slum dwellers be regarded as full members of society and agents of change, and that partnerships be forged with the poor in implementing pro-poor, community-based strategies. Examples put forth by delegations underlined the importance of close cooperation between local authorities and slum communities in the successful upgrading of existing slums.

139. **Gender mainstreaming:** There was general support among delegations for mainstreaming the gender perspective in human settlement policies, programmes and projects, and the need for gender sensitive monitoring. Ensuring equal participation of women in decision-making remains a continuing challenge in most countries. Though women are the main actors in households and play a vital role in slum upgrading, they continue to face various constraints to becoming effectively involved. Creating nuclei of strong women in small towns and cities who could

network with other women to exchange learning experiences was cited as a good practice of empowering women that could be replicated.

140. **Enterprise and employment promotion:** Delegations stressed that local economic activities need to be stimulated and supported to enable the often vibrant informal businesses to develop into formal companies with reduced transaction costs and greater employment opportunities. It was felt by some delegations that the informal economy, often the most important source of livelihoods for the urban poor, should be seen as an asset, not as a liability. There is an important role for local authorities to facilitate the development of local entrepreneurship, in particular among the many poor women who are engaged in the informal sector, but lack entrepreneurial opportunities. Several delegations observed that urban poor communities need to be integrated not only with the broader urban economy but, if possible, with the global economy through, e.g., the creation of local zones for enterprises employing slum dwellers to produce goods and services for world markets.

141. **Finance and investment:** Provision of housing and basic services and infrastructure for rapidly growing numbers of slum dwellers and other urban and rural inhabitants will entail large capital investments. Many delegations emphasized that current ODA and foreign investment flows are not sufficient to meet the need. Neither are national government resources, especially in countries where heavy fiscal demands are being made by the health cost of the HIV/AIDS pandemic and other pressing problems. Thus, many delegations insisted that new sources of financing need to be tapped. ODA could be used to catalyze other financial resources. Debt swap schemes could be used to address sustainable development of human settlements in developing countries, as illustrated by some delegations.

142. Other innovative financing approaches mentioned by delegations included: building capacity for municipal governments to tap domestic and international capital markets; community mortgage lending; housing development and urban poor funds, possibly financed by earmarked excise tax revenue; securitization of micro credit finance; secondary mortgage markets; and debt swaps, e.g., for land to be made available for settlements. It was also noted that, in a number of countries, traditional mortgage lenders are going down-market to serve lower income households. It was stressed that long-term financing is needed to support the lending of domestic financial institutions to serve the habitat needs of the poor.

143. Many delegations emphasized that the poor are bankable and should be considered small-scale investors in their own right – though one major group noted that this may not be true of the desperately poor and those who are terminally ill, e.g., with HIV/AIDS. A number of examples were provided of the role slum dwellers can play to improve their communities when financially empowered.

144. **Technology:** Several delegations highlighted that the access of developing countries to technologies for the provision of housing, infrastructure and services, and the capacities to adapt and use these technologies, is critical to developing countries. Collaborative research (North-South and South-South) needs to be enhanced to strengthen the scientific-technological basis in developing countries and build the skill for technology application.

145. **Capacity building and stakeholder participation:** Many delegates stressed that strengthening the capacities of local governments and maximizing the potential of major groups in implementation at local level remains a continuing challenge. They indicated that governments need to establish enabling policies and legislation to harness better the potential of the private sector, including through public-private partnerships, with regard to investment, technology transfer and capacity-building. The view was expressed that local governments must create the right conditions for the development of private financial institutions able and willing to lend to the poor.

RELATIONSHIP AMONG WATER, SANITATION AND HUMAN SETTLEMENTS

146. It was generally recognized that water, sanitation and human settlements were strongly interlinked and should be addressed in an integrated fashion. Many delegations and major groups noted that issues, problems and inter-linkages were locally specific and that local authorities played a key role in addressing them. It was also noted that local policies and legal frameworks were most effective when aligned with national policies and targets. PRSPs provide a mechanism for prioritizing and integrating action on water, sanitation and human settlements to meet the needs of poor people.

147. Several delegations and major groups noted that community organizations could play an important role in the sustainable development of human settlements, including water and sanitation services, particularly in low-income communities and slum settlements. Involvement of women and youth were seen as especially important. There have been particular successes where slum dwellers were organized and working in partnership with local and national authorities. Local authorities could assist in scaling up successful pilot and community initiatives.

148. Many delegations emphasized the central role of women in water, sanitation and human settlements and the particular vulnerability of children and youth to lack of safe water and sanitation and to unhealthy cities. They stressed that women need to be included in planning and policy-making in these areas, and that women, youth and children can serve as leading agents of change.

149. It was noted that the growth of sustainable cities required integrated planning for land use, water supplies, sanitation and transportation. Developing infrastructure is more expensive and difficult when settlements are already established. It was also noted that title to property and security of tenure were important for household investment in housing and sanitation.

150. Some delegations and a major group expressed the view that efforts to address problems of water, sanitation and human settlements had tended to focus on cities. They stressed the interdependence of rural and urban development and called for greater efforts to address the needs of rural people, who include a large majority of poor people and those without access to safe drinking water and sanitation. It was also noted that sustainable rural development could reduce migration to the cities and reduce the scale of urban problems.

151. Some delegations and major groups expressed the view that access to water and housing were basic human rights. The view was also expressed that there is no internationally agreed human right to water.

152. Many delegations stressed the importance of the MDGs and the JPOI commitments in the areas of water, sanitation and human settlements. International commitment to the achievement of those goals and targets would represent a major advance in sustainable development and poverty reduction. They noted, however, that greater resources would need to be committed at both national and international levels if the goals and targets are to be met.

153. Some delegations noted that an integrated approach to water, sanitation and human settlements was also important at the international level, including among agencies of the UN system.

REGIONAL SESSIONS

Economic Commission for Africa (ECA)

154. The interactive discussions were based on the presentation of the outcome of the Regional Implementation Meeting (RIM) on water, sanitation and human settlements for Africa by its Chairman, Hon. Capt. E. Francis Babu, Minister of Works, Housing and Communication, Uganda, as well as on a number of presentations by invited panellists. The Minister mentioned that the meeting affirmed NEPAD as the framework for actions to be taken in Africa in water, sanitation and human settlements and addressed achievements, constraints and lessons learned in these areas in the region. The meeting particularly noted the need to ensure the translation of international recommendations into national actions. The Minister outlined a number of specific recommendations made at the meeting to help expedite actions towards meeting the specific MDG and JPOI targets and goals. The African RIM was held in conjunction with the Pan-African Water Conference.

155. There was a general concern that some African countries would be unable to meet the MDG and JPOI goals and targets in the areas of water, sanitation and human settlements due to a range of constraints. These included the negative impacts of globalization and of macroeconomic policies of some developed countries on Africa, particularly in the area of trade and market access. The continued degradation of the environment was also mentioned, notably the problem of drought and desertification. In addition, post-conflict and natural disaster-affected countries experience particular constraints related to displaced populations living in unplanned settlements with poor access to water and sanitation services. Many African countries emphasized the challenges of rapid urbanization and the prevalence of slums and squatter settlements with unsanitary conditions and the lack of infrastructure.

156. Some delegations pointed out institutional weaknesses at the national level and the need for key ministries in governments to ensure adequate financial allocations and integrated responses. With respect to mobilization of financial resources, there is a general lack of adequate domestic funding for programmes in the three thematic clusters. The lack of international

financing also continues to be a serious constraint and some delegations pointed to the underfunded status of the Global Shelter Facility and the World Solidarity Fund.

157. Another problem noted was the high proportion of Gross Domestic Product (GDP) that African countries spend on external debt service. Some progress was reported in launching innovative financing mechanisms such as the debt swap for sustainable development and the EU's special Water Facility for Africa, the Caribbean and the Pacific. The Water Facility is designed to catalyze additional funding and attract new partners for the water sector of Africa. The EU's Water Initiative in Africa has initial activities that include the development of an integrated approach to river basin management, involving a number of African countries, civil society and financial institutions. The African Development Bank has launched a Rural Water Supply and Sanitation Initiative that aims to accelerate access to water and sanitation services in Africa to reach 80% coverage by 2015. The West African Water Initiative is another example of a new partnership improving water and sanitation services in that sub-region.

158. Despite concern for slow progress in the implementation of the JPOI in Africa, some delegations saw pockets of hope and progress. The African Ministerial Council on Water (AMCOW) under the overall framework of NEPAD, for example, is strengthening intergovernmental and sub-regional cooperation on water supply and sanitation, monitoring progress of regional initiatives, analyzing financial and technological investments, and assessing best practices. It was suggested that the role of the African Commission on Sustainable Development under ECA should be clarified and linked with actions taken at the national and sub-regional levels.

159. The need for more partnerships among governments, the private sector and civil society was expressed. Some governments have taken steps to combat poverty and address problems of access to water, sanitation and human settlements by developing policies, establishing legislative instruments, making institutional arrangements at both the central and local government levels, and initiating national programmes to empower civil society. To support these national efforts, however, many delegations advocated the need for increased international support in terms of financial resources, capacity building and technology transfer.

Economic Commission for Europe (ECE)

160. The results of the ECE Regional Implementation Forum were presented by H.E. Margaret Beckett, Secretary of State, United Kingdom, providing a basis for discussion. The Minister pointed out that there had been positive steps in the UNECE region to meet the commitments on human settlements – mostly urban settlements – and, in water and sanitation, there had been important steps towards integrated water resources management and treatment of wastewater. She also noted that, as with other regions, there exist great disparities within the region, and much can be learned from exchange of experiences. Delegations appreciated the focus of the Forum on the major challenges, obstacles and best practices. Many participants also emphasized the importance of the cross-cutting issues considered in the Forum such as education and capacity-building.

161. The need for action-oriented regional cooperation to speed up efforts to meet the MDGs and JPOI commitments was emphasized. The Eastern European, Caucasus and Central Asia (EECCA) strategy will serve as the principal instrument to reach these goals in their sub-region. It was stressed that there is a need to meet the IWRM target in order to reach the water target and other MDGs. Several countries noted that in developing integrated water resources management plans, the river basin or ecosystem approach should be applied. Sustainable use of transboundary waters calls for enhanced cooperation between countries that share the same watershed. The importance of involving major groups in water projects as active partners rather than target groups was emphasized by representatives of major groups.

162. A strong concern for problems related to adequate and affordable housing was expressed by several countries. Some participants expressed support for planning for compact cities, noting for example, the efficiency and social inclusiveness of public transportation systems, and problems related to urban sprawl. The need to raise the profile of sanitation by raising awareness of the inter-linkages among water, sanitation and human settlements was also stressed.

163. Several general policy issues were raised, including decentralization, privatization of water services, and public/private partnerships. Concern was expressed that the prevalent short-term project approach might pose risks for the achievement of long-term sustainability targets.

164. A number of suggestions were made concerning the future role and organization of the Regional Implementation Forum, including enhanced interaction through the organization of break-out sessions and thematic round tables, and improved focus and timing of the meetings so as to provide effective inputs to the Commission, including for the policy year sessions. Other suggested activities included a regional gap analysis and making a “Learning Centre” like that of the Commission part of future regional forums.

165. The heterogeneity of the ECE region was noted. Despite some progress achieved in some areas, urgent problems remain, in particular for certain vulnerable countries with economies in transition, which require special attention. A sub-regional approach is needed to address those problems.

166. It was noted that the regional discussions during the Commission’s sessions benefit not only countries within the regions concerned but also those of other regions through the sharing of experiences and lessons learnt. The importance of further inter-regional cooperation and cooperation among Regional Commissions was also mentioned.

Economic Commission for Latin America and the Caribbean (ECLAC)

167. The interactive discussions were based on the presentation of the outcomes of the regional meetings on water, sanitation and human settlement by Mr. Joseluis Samaniego, Chief, Sustainable Development and Human Settlements Division, UN ECLAC, followed by a number of panel presentations.

168. Many delegations agreed that although the MDGs have raised the level of awareness of the integrated nature of issues related to water, sanitation and human settlements, there is a general

lack of progress in the region in meeting the MDG and JPOI goals and targets. New kinds of alliances are needed among central ministries, local authorities, the private sector, NGOs and civil society to promote the integrative approaches needed.

169. Several delegations mentioned important challenges faced by the region regarding water supply services. One key issue is that water utilities regulation and privatization had not kept pace with the increasing demand for water in an efficient manner. In many countries the water sector had already been restructured, separating the functions of planning, regulation, provision of services and system management. Some delegations noted a need for the consolidation of fragmented institutional structures to provide a basis for sustainable management of water resources. In some countries, changes in water legislation had not adequately taken into consideration the needs of traditional users such as indigenous people. In many countries, the legal framework needed to be strengthened and better balanced, while promoting public participation. The view was expressed that a better balance was needed, including through a new conceptual framework, between the profitability sought by the private sector and the development needs of societies to ensure that investments in water supply are also directed toward the needs of the poor and socially marginalized.

170. Many delegations stressed the need to implement the principles of integrated water resources management based on the river basin approach. It was important to establish economic, social and environmental criteria for water projects and to conduct impact assessments based on these criteria. Also emphasized was the importance of an integrated planning approach to land use and watershed and coastal zone management.

171. A major group expressed the view that rainwater harvesting, which had been marginalized in many countries' policies, could be a priority non-conventional and low-cost option for overcoming water scarcity, particularly in SIDS, high plateau areas, or areas where internal conflict had produced a large number of displaced people.

172. It was noted that only 15% of the region's municipal wastewater was treated, resulting in highly polluted water resources. The principal constraints to wastewater treatment included lack of infrastructure, weak institutions and poor management. The practice of wastewater reuse was still at an initial stage, and governments were beginning to regulate water quality.

173. It was noted that the scarcity of urbanized land and the speculative nature of land markets in the cities of the region had dramatically increased land prices and pushed poor groups to the outskirts of the cities, thus contributing to the socio-spatial exclusion of the poor. Some delegations identified a need for policies and actions to address the human settlement problems of people who remain in the rural areas, so as to discourage rural to urban migration.

174. To address the lack of technical and institutional capacity in the region, it was proposed that ECLAC, as part of the regional preparatory process for CSD-13, conduct a gap analysis or regional assessment of capacity-building needs at the local, national and regional levels. Such an analysis could assist international and bilateral agencies to address such needs in an integrated and coordinated manner.

Economic and Social Commission for Asia and the Pacific (ESCAP)

175. The outcome of the Regional Implementation Meeting on water, sanitation and human settlements for Asia and the Pacific was presented by Ms. Keiko Okaido, Deputy Executive Secretary of UNESCAP, followed by a number of panel presentations.

176. With regard to water supply, many delegations expressed the view that despite some progress, significant challenges remain. Approximately one third of the rural population of Asia is still without sustainable access to improved water supplies. Key problems to be addressed include: increasing water stress, weak capacities for integrated water resources planning and management, and inadequate financing for water supply infrastructure. One outcome of the 3rd World Water Forum was the Portfolio of Water Actions, for which there is now a website network that allows quick assessment of water situations in the world as well as promoting new partnerships and sharing of knowledge and experiences in dealing with water supply problems. In the view of some delegations, the new Decade for Action: Water for Life (2005 – 2015) offers a great opportunity to achieve coordinated actions towards achieving the MDG for water. The Regional Commissions are encouraged to develop specific programmes in this regard.

177. Many Pacific SIDS representatives underlined the unique challenges faced by these countries. Sustainable water supply management in SIDS is constrained by (a) fragile water resources, (b) weak capacities for sustainable water and wastewater management, and (c) highly complex water governance structures. Development of long-term sustainable water strategies is crucial for SIDS, and this requires integration of cross-cutting issues with an emphasis on community development. Methodologies such as rainwater harvesting and desalination, which are important to SIDS in particular, could be further developed with the help of bilateral and multilateral donors.

178. Sanitation was identified as a large and growing problem in the region as about one fourth of the urban population is living without access to basic sanitation, mostly in slums. Representatives of major groups noted that women bear the greatest burden when sanitation is lacking, in particular with respect to personal safety and lost productivity. Water and sanitation need to be looked upon in an integrated manner, and scientific and social data on water are needed, including data disaggregated by gender.

179. In the Asia and Pacific region, over 1 billion people live in urban areas and 45 per cent of those live in slums. Three critical issues were identified that need to be tackled in confronting the urban shelter problem including: (a) availability of low-cost urban land, (b) provision of affordable financing, and (c) participation of urban communities in planning and developing low-income housing.

180. There was general support for regional implementation meetings such as those that provided important contributions to the present session of the Commission, as these helped to

identify regional diversities and reflect on specific challenges and priorities faced by each region. Regional Commissions are also expected to continue to contribute to the Commission's work in the future, including for the policy session. It was suggested that the regional process might be used to identify gaps for capacity building in specific areas. It was also suggested that the Commission's "Learning Centre" might be replicated at the regional level to promote capacity building at regional, national and local levels.

181. A number of participants called for the strengthening of UNESCAP and suggested that the Asian Development Bank and other regional and sub-regional organizations should be encouraged to enhance further cooperation within the region, as well as promote south-south cooperation among different countries in the region. Given the diversity of the ESCAP region, one delegate cautioned against over-simplifying by generalizing issues at the regional level and emphasized the importance of a sub-regional approach.

Economic and Social Commission for Western Asia (ESCWA)

182. The interactive discussions were based on the presentation of the outcome of the Regional Implementation Meeting (RIM) on water, sanitation and human settlements by H.E. Dr. Mohammad El-Eryani, Minister of Water and Environment of Yemen, followed by a number of panel presentations. The Minister indicated that the region has witnessed strengthening of policy frameworks, adoption of water laws in line with Islamic law and bilateral agreements on surface water and shared water resources. Many utilities have been decentralized and are autonomous and independent from the central government. Standards for wastewater discharged have been set and are being monitored.

183. It was generally recognized that, given the severe water scarcity in much of the region, countries faced particular challenges and obstacles in efforts to meet the JPOI and MDG goals for water, sanitation and human settlements. While some progress was noted in improving institutions and decentralizing decision-making for water and sanitation, doubts were raised as to whether the region could meet the goals within the specified time frames, given the magnitude of the problem, the paucity of resources and population growth, which is relatively high at more than 3 per cent per year.

184. Delegations emphasized linkages to poverty and noted specific efforts by governments to mitigate the adverse social effects on the poor of high prices and globalization. In the area of human settlements, it was noted that some States provided free or subsidized land for housing for the poor, and housing loans were offered at preferential rates by special housing banks. In some cases, drinking water was subsidized for areas where the majority of people were poor so as to avoid adverse effects of increased prices and globalization on the poor. Another innovative financing mechanism mentioned as potentially effective was the exchange of debt for water projects. The view was expressed that good initiatives such as these to address needs for increased access to finance could be replicated by other countries.

185. Delegations viewed the private sector as having a role to play in the provision of water and sanitation services and housing, and some noted the special role of the private sector given that

governments alone cannot meet all the demands for services in these areas. Some delegations stressed the importance of an enabling environment, transparency, legal frameworks, good governance and stable economic policies when encouraging private sector investment. Private-public partnerships were also mentioned as an option that had been pursued in some countries. Some expressed the view that communities should choose the most appropriate arrangements taking into account local needs. The view was also expressed that in situations where private sector performance has been disappointing, the sector could be further challenged to live up to its promises and to be accountable for its actions.

186. Delegations mentioned a number of areas where there was a need for international cooperation to introduce new technologies, including for water purification, wastewater and sewage treatment, desalination, and water for highland farming. The use of new technologies needs to be expanded. International support was also seen as needed for capacity-building efforts.

187. Peace and security in the region were viewed as essential for achieving the JPOI and MDG goals related to water, sanitation and human settlements, particularly for enhancing coordination among countries sharing water resources at the river basin or aquifer level. It was noted that the political situation in the region has had great impacts on water access, allocation of water resources and efficiency of use.

PARTNERSHIPS FAIR HIGHLIGHTS

188. CSD-12 was the first to incorporate a Partnerships Fair in its official activities. The purpose of the Fair was to provide an opportunity for partnerships registered with the Commission to showcase progress, network, identify new partners and learn from each other's experiences.

189. Building on the experimental Partnerships Fair organized at the Commission's eleventh session, which contained only a presentation component, and on feedback from the report of the Commission on its eleventh session, this year's Fair contained a range of activities: interactive discussions, presentations, information desks, video displays and a poster exhibit.

190. This year's Fair featured 50 partnership presentations, 6 interactive discussion sessions, 28 information desks, 18 poster exhibits and 5 video displays, most focusing on one of the three themes of water, sanitation and human settlements. Three new partnerships were launched. The sessions were well-attended, averaging 42 people per session.

191. Interactive discussions included a session on human settlements partnerships and another on water and sanitation partnerships, as well as a series on practical issues related to partnerships: tools for management of partnerships information; partnership goals and structure; communication and coordination; and funding for partnerships.

192. A diverse range of participants – representing governments, major groups, the UN system, and other organizations, as well as partnerships – combined with a focus on implementation-

oriented dialogue created a positive working atmosphere. All sessions, particularly the interactive discussions, featured dynamic and fruitful exchanges.

193. There was general agreement about some of the elements of a successful partnership. Many participants underlined the importance of full commitment and engagement from all partners, and stressed the need for partnerships to be demand-driven. The importance and challenges of up-scaling partnership activities were also emphasized. Striking the right balance between time spent on organization of partnerships versus time spent on implementation was highlighted.

194. Efforts to secure sustainable financing were viewed as a major challenge. It was observed that partners had greater success when they engaged donors during the planning stage of their initiative. The importance of non-financial contributions in the form of technology, information resources, staff time and office space was also noted.

195. Presentations of operational partnerships highlighted a wide range of concrete outcomes, including: the number of experts trained in the past two years, the number of households with safer drinking water, rebuilt school buildings, the size of an information-sharing network, specific policy commitments made by governments, and number of new partnerships launched. While these partnerships generally received positive feedback, participants emphasized the need for, and challenges related to, replicating these and other initiatives.

196. The need for more in-depth analysis, monitoring and information on registered partnerships was stressed, and there was particular interest in lessons learned from both successes and failures. Participants noted that owing to the wide variety of CSD partnerships it was difficult to draw general conclusions about the contribution of these partnerships to sustainable development, as well as about broad lessons learned.

197. From participants' feedback, the Partnerships Fair was viewed to be a valuable forum for a constructive exchange of views on lessons learned and best practices; in particular, the interactive discussion sessions and information desks were well received. A number of suggestions were offered including the observation that provision of interpretation services would greatly enhance participation and exchange of views among all interested stakeholders and delegations.

LEARNING CENTRE

198. Eighteen courses were offered by the Learning Centre during the regular session of the Commission. Most were in English, while one was offered in French. The courses provided practical, hands-on knowledge to support implementation of Agenda 21 and the JPOI on water, sanitation and human settlements, as well as on cross-cutting issues aimed at building capacities and institutions and improving access to finance. Many course instructors incorporated case studies in their lectures, and most courses included question and answer periods and interactive discussions, which were particularly successful. Instructors represented a wide range of stakeholders and institutions including major universities, the private sector, NGOs and international institutions.

199. Subjects included incorporating water management learning in education systems, urban governance tools, ICT and networking for sustainable development, science and decision making, finance for water projects, gender and sanitation, transboundary waterways, and improving cities and the lives of the poor. Institutions offering instruction included Harvard University, Columbia University, University of Rome “La Sapienza”, Hokkaido University (Japan), CapNet, the Institute@ (UNDP and the Smithsonian Institute), the World Bank, the Environment Education Network (Norway), US Agency for International Development, Habitat, the Gender and Water Alliance, and the Global Environment Facility.

200. Courses were well-attended with an average of 25 to 30 participants per course. Some courses had particularly broad appeal and attracted many more participants, filling the conference room to capacity, including those on GEF funding, integrated water resources management, and national sustainable development strategies. Participants represented a cross-section of CSD participants from national delegations, NGOs and other institutions, as well as experts. Discussion sessions were often lively interactions among participants from different groups and between participants from developed and developing countries and were an important component of the learning experience. One course included presentations by secondary level students who had benefited from integrating sustainable development practices in their curriculum. Participants expressed enthusiasm for the Learning Centre and its inclusion in the regular session, and initial feedback on individual courses has been positive.

SIDE EVENTS

201. Side events are a valuable complementary part of the sessions of the Commission, generating informal opportunities for exchange of information, experience and non-standard views. More than 90 side events and related activities were organized by major groups, governments, UN agencies and other intergovernmental organizations in the margins of the official meetings. Most focused on the themes of the main thematic cluster of the session, i.e. water, sanitation and human settlements, as well as other relevant themes.

COMMISSION ON SUSTAINABLE DEVELOPMENT – 12th SESSION

High-level Segment

CHAIR'S SUMMARY PART II

I. INTRODUCTION

1. The participation of more than one hundred Ministers with Environment, Water, Housing, Development, Finance and Agriculture portfolios and of heads of a number of UN agencies and international organizations, and a broad-based participation of major groups, is indicative of the importance that these parties attach to their commitments to reach the Millennium Development Goals (MDGs) and the Johannesburg Plan of Implementation (JPOI) goals and targets on water, sanitation and human settlements, and to the work of the Commission. The role of the Commission on Sustainable Development as the high-level inter-governmental body on sustainable development and for monitoring progress towards implementation of Agenda 21, as well as achieving the goals and targets contained in the JPOI was highlighted. In his opening address to the Commission, UN Secretary-General Kofi Annan urged the Commission to keep a close eye on progress – to be a “watchdog”.

2. Ministers valued the richness of the discussions and the sharing of experiences and best practices on national and local implementation efforts as well as on the constraints, obstacles and challenges faced. They welcomed the active participation of major groups throughout the session. They also appreciated the outcome of the regional implementation fora, the diversity of activities at CSD-12 and opportunities for capacity building, including through partnership fairs, the learning centre and side-events. The Session was organized in a manner that encouraged interactive discussions and Ministers expressed satisfaction with these working methods and suggested that their example could be followed in subsequent review sessions of the CSD.

3. Ministers and heads of delegation who addressed the Commission during the special segment on SIDS underscored the importance of ensuring that the International Meeting to Review Implementation of the Programme of Action for the Sustainable Development of SIDS secures a renewed political commitment by all countries to the BPOA, and that the Meeting's outcome focus on practical and pragmatic actions for its further implementation. The unique characteristics that result in SIDS vulnerabilities were stressed, as were new and emerging issues such as HIV/AIDS and security concerns.

II. MEETING THE TARGETS

4. Ministers emphasized that achieving the targets for water, sanitation, and human settlements and achieving the poverty eradication target are inextricably linked and play a crucial role for sustaining economic growth. It was noted that the status of implementation of the goals and targets is as follows:

- A considerable number of countries are expected to reach the target of developing integrated water resources management and efficiency plans by 2005 but many countries would need further technical assistance to achieve the target;
- A considerable number of countries are on track to halve the population without access to safe drinking water by 2015 but progress is uneven among countries and continents and many countries will fail to meet the goal if progress continues at the current rate;
- A large number of countries are not on track to reach the target of halving the proportion of people without access to basic sanitation by 2015, either in rural or urban areas, unless substantial additional resources were raised; and
- Some countries are close to achieving the target of significantly improving the lives of slum dwellers by 2020 in relative terms, while several countries are not on track. In many countries slums are growing at an alarming pace.

5. Although many countries are not currently on track, the targets for water, sanitation and human settlements are achievable in the timeframe agreed. Achieving them, however, will require high level political commitment and strengthened governance at all levels, and substantial efforts at mobilizing and effectively using resources. Ministers stressed their commitment to implementation and to making this a decade of kept promises and emphasized the importance of proving safe drinking water, sanitation and shelter as a prerequisite for achieving other MDGs.

III. CREATING AN ENABLING ENVIRONMENT

6. Each country is responsible for its own progress towards implementing Agenda 21, the MDGs and the JPOI targets and commitments, taking into account that there are common but differentiated responsibilities. Ministers acknowledged that developing countries, as well as countries with economies in transition, continue to need support from donor countries, UN agencies and international financial institutions and other organizations, particularly in the areas of planning, finance, technology transfer, and capacity building. There was widespread support for integrating water, sanitation and human settlements into national sustainable development strategies (NSDSs), including poverty reduction strategy papers (PRSPs).

Capacity Building and Transfer of Technology

7. Ministers recognized that capacity building efforts had not kept pace with evolving needs, and that substantial technical and institutional gaps remain at all levels. Monitoring programmes for water, sanitation and human settlements need to be strengthened at national level if progress towards the MDGs and JPOI targets is to be measured.

8. National capacities could usefully be strengthened in scientific and technical know-how to conduct assessment and monitoring of water resources, water quality, and aspects of water vulnerability – including to natural disasters, particularly in Small island developing States (SIDS). Closer and more focused North-South, South-South and regional scientific and technical cooperation would facilitate this. Local communities, including indigenous peoples, organizations and individuals possess a wealth of knowledge and practical experience that could

be more effectively utilized and more widely shared with strengthened regional and international mechanisms for knowledge exchange in these areas.

Governance

9. Ministers stressed that strong institutions and good governance are essential to ensure proper and efficient use of scarce government resources and affordable service delivery to the poor and noted progress made in many countries. Democratic and inclusive participation of all stakeholders, the rule of law, conducive regulatory environments, accountability, transparency, and corporate social responsibility, including efforts to combat corruption, were recognized by Ministers as important dimensions of good governance. Political stability and security, and sound economic management were also recognized as particularly important for mobilizing investment and productive private-sector entrepreneurial initiatives. Strong local institutions are necessary for effective service delivery, especially to support decentralization and to make service provision demand-driven.

10. Whereas national leadership and authority for sustainable development policies rest with Governments, responsibility-sharing initiatives with local authorities and communities, non-governmental organizations, public-private partnerships and individual citizens, including indigenous peoples, are all important for effectively addressing sustainable development issues. Enhancing the participation of women in decision making at all levels is crucial to effective water, sanitation and human settlements planning and management.

11. Good governance at the international level is crucial to providing an enabling environment for sustainable development.

Finance

12. Ministers noted that the public sector remains the principal financier of water, sanitation and human settlements infrastructure investments. With decentralization of services, local governments bear a growing share of financial responsibility. Attention was drawn to the importance of measures to provide them with, and/or empower them to mobilize, the needed resources.

13. A broad-based appeal was made for development partners, in the spirit of mutual accountability, to move towards meeting the full Monterrey commitments, and to target an increased amount of funding specifically for investments in water, sanitation and human settlements. ODA could help to leverage private capital through a variety of financing schemes, including market-based financing models for small and medium enterprises (SMEs), with a potentially large multiplier effect on domestic resource mobilization. Ministers recalled the JPOI commitment to promote open, equitable, rules-based, predictable and non-discriminatory multilateral trading and financial systems that benefit all countries in the pursuit of sustainable development.

14. Mobilization of investments from the private sector for water and sanitation was considered of crucial importance although the view was expressed that investments by private companies

would be insufficient to fill the water and sanitation gap for the poor. With appropriate policy and institutional support, including the further development of supportive regulatory frameworks and innovative financing schemes, the role of small-scale entrepreneurs in providing affordable services to the poor could be strengthened.

15. Appropriate financing arrangements are needed to meet the housing requirements of the poor and, in particular, residents of informal settlements. It was noted that traditional mortgage lending institutions had begun to extend lending to low-income households, though generally not the poorest, and that this needed to be further encouraged through schemes like partial loan guarantees. Also, micro-credit finance can provide valuable support to home improvements of slum dwellers lacking access to formal credit markets. Scaling up micro-credit facilities to benefit more of the poor – and especially the poorest – remains a challenge.

16. It was recognized that the partnership approach taken at Johannesburg and beyond could be a valuable and important modality to leverage additional resources for sustainable development. It was noted that partnerships should respond to the needs of developing countries and not the priorities of donors and that they should complement and not substitute for inter-governmental efforts.

IV. WATER

17. **Integrated Water Resources Management:** Ministers stressed that meeting the target of developing integrated water resources management (IWRM) and efficiency plans by 2005, addressing water quantity and quality concerns, should be a political priority, and efforts at implementation need to be accelerated.

18. They acknowledged that governance of the water sector was often hampered by unclear division of responsibilities and accountability and limited coordination among various agencies. Integrated water resources management plans offer the opportunity to rationalize water management and break down sectoral compartmentalization. Agencies responsible for land management could usefully coordinate more closely with those responsible for water resources.

19. The experiences and the value of cooperation and the management of water resources on the basis of river basins were noted, particularly in the context of international watercourses. Further development and implementation of an ecosystem approach, including recognition of the services ecosystems provide, was recognized as one of several options that should be promoted, depending on priorities and circumstances. Ministers emphasized the importance of improving water efficiency, particularly in irrigated agriculture, and expressed concerns over water scarcity and depletion and pollution of ground water resources in many areas. The need to consider the inter-linkages between freshwater, coastal and marine ecosystems was recognized.

20. **Drinking Water Supply:** Ministers stressed that providing access to safe drinking water is essential to improve health, particularly for children, and alleviate poverty. They noted that financing investments in water supply systems required a mix of public investment and cost-recovery through user fees, combined with targeted subsidies to ensure access to affordable water for essential purposes by poor people.

21. Rehabilitation of water and sanitation infrastructure requires actions on several fronts. Funds must be available not only for construction of water facilities but also for long-term operation and maintenance. Some countries have moved towards fuller cost recovery to strengthen financing for maintaining, expanding and improving water supply. It was noted that targeted subsidies were an important means for ensuring access for poor people.

22. Ministers emphasized that governments retained responsibility for the provision of safe drinking water and that effective private sector involvement required a sound regulatory system. They noted the need for further assessment of the role of the private sector as a source of both investment and expertise in utility management, including operation and maintenance. However, water resources themselves are considered to be in the public domain.

23. The urgent need to improve water supply and sanitation in Africa was recognized and Ministers welcomed new initiatives to that effect.

V. SANITATION

24. Ministers emphasized the need to raise the visibility of sanitation and hygiene given its central importance to sustainable development. The high costs to societies of improper sanitation, and the significant economic, social and environmental benefits from investments in sanitation were recognized. They noted with appreciation that sanitation was for the first time being considered in a comprehensive way as a separate item on the agenda of the Commission.

25. Ministers emphasized that access to basic sanitation, coupled with hygienic behaviours such as hand-washing, can have significant positive impacts on privacy, dignity, security, health, education and economic growth. The importance of creating and maintaining public demand for sanitation services was noted. In view of the significant positive public health impacts, public subsidies for sanitation and awareness raising are justified. These subsidies need to be targeted to the poor.

26. Ministers acknowledged the importance of identifying and applying low-cost technologies well adapted to local social and physical environments in water supply, sanitation, and wastewater treatment, as alternative to water-borne sewerage. High-tech solutions and conventional sewerage networks may not necessarily be the best or most cost-effective solutions, but should be considered on a site-specific basis. Meeting the sanitation target would require particular attention to sanitation provision in rural areas.

27. Women and girls play an especially important role in household water supply, sanitation and hygiene and serve as agents of change. They are also particularly vulnerable to inadequate sanitation. Women should be involved in the planning, design and location of water supply and sanitation facilities. The importance of providing separate sanitation facilities for girls in schools was noted.

28. Ministers stressed the urgency of improving wastewater management, particularly in developing countries, to protect health and the environment, including both freshwater and marine ecosystems.

VI. HUMAN SETTLEMENTS

29. Ministers noted that in the coming years almost all population growth will take place in urban areas of developing countries, and in the form of informal settlements. To make real progress in addressing the slum problem, the international community would need to surpass significantly the MDG target for improving the lives of 100 million slum dwellers.

30. Ministers emphasized the importance of secure tenure, entitlement to land, and freedom from unlawful eviction. It was noted that by setting up formal systems for registry and titling of property and dwellings, governments could empower citizens to transform their assets into working capital and access to finance. The growing challenge of meeting poor people's need for employment and decent shelter in healthy and secure communities was acknowledged.

31. Empowering the poor was seen as critical for improving their livelihoods and their communities. The voices, priorities and capacities of civil society and local communities need to be recognized, and the energy of local entrepreneurs needs to be tapped.

32. Ministers stressed the crucial role of women and voiced support for mainstreaming the gender perspective in policies and programmes related to human settlements. The conditions in slum settlements have a disproportionate impact on women and children. The HIV/AIDS pandemic has heightened the urgency of addressing the inheritance rights of female household members.

33. Rapid urbanization poses a major challenge to urban planning and development. The development of policies that support rural development and positive interactions among rural and urban settlements has become increasingly important. Ministers noted that long-term integrated land-use planning and urban management, especially in the areas of transport and other services, is essential for developing sustainable cities.

34. The impacts of conflicts and natural disasters on human settlements infrastructure can be devastating. National disaster preparedness, including land-use planning, mitigation and recovery programs should be developed and can be strengthened through regional cooperation, for example in the context of specialized regional collaborative centres. It was noted that some SIDS and other countries are particularly vulnerable to natural disasters.

VII. RESPONDING TO CHALLENGES: THE WAY FORWARD

35. Ministers identified a number of challenges that need to be addressed in the course of the policy year in an effective follow-up of CSD-12 consistent with the programme of work adopted

at CSD-11 with a view to strengthening implementation to meet the agreed goals and targets in the areas of water, sanitation and human settlements, including:

(a) Mobilizing resources from all sources – international, regional, national and local, public and private – to meet the MDGs and JPOI goals and targets;

(b) Including water, sanitation and human settlements in NSDSs and PRSPs, and ensuring that NSSD and PRSP processes are inclusive and nationally driven and that their implementation is monitored;

(c) Strengthening governance at all levels to ensure proper and efficient use of scarce resources;

(d) Improving inter-agency cooperation and cross-sectoral coordination among international organizations in accordance with their mandates and JPOI, as well cross-sectoral cooperation and donor coordination at the national level contributing to JPOI implementation;

(e) Enhancing the role of partnerships in mobilizing new and additional resources, and encouraging those that effectively contribute to meeting national needs;

(f) Building capacity for water management, sanitation and human settlements planning and development in developing countries, with financial and technical assistance from developed countries and international organizations. Capacity building at the local level is particularly important in view of the trend toward decentralization of service provision;

(g) Increasing the transfer of appropriate technologies and scientific and technical cooperation;

(h) Disseminating knowledge and experience, particularly on low-cost and locally adapted approaches and technologies, and scaling up successful experiences;

(i) Strengthening monitoring, assessment and reporting mechanisms to improve decision making and to enable measurement of progress toward targets, while recognizing the need to reduce the reporting burden;

(j) Addressing the special needs of Africa, SIDS and land-locked developing countries;

(k) Enhancing the roles and status of women, as participants and agents of change, and mainstreaming gender in planning, decision making and management;

(l) Accelerating implementation of commitments to develop IWRM and water efficiency plans by 2005, addressing economic development, poverty reduction, environmental protection and sustainable consumption and production, including water efficiency in agriculture;

(m) Increasing recognition of the importance of sanitation and hygiene to health, poverty reduction and other aspects of sustainable development, as a basis for mobilizing public and private resources;

(n) Addressing the major challenges to urban planning and land-use management posed by rapid urbanization, and ensuring the effective participation of local authorities and communities, including the poor, in these processes;

(o) Improving the conditions in informal settlements, including through linking them to the broader urban and national economies, creating employment opportunities and promoting entrepreneurship among the poor, in particular for women.