

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 focuses 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.