



Konrad
Adenauer
Stiftung



SOUTH ASIA
DEMOCRATIC
FORUM

REPORT

International Conference

THE SUSTAINABLE USE OF NATURAL RESOURCES IN SOUTH ASIA: THE POTENTIAL FOR REGIONAL CO-OPERATION

Date: 19 September 2013

Venue: Konrad Adenauer Stiftung, Brussels Office

Organisers: Konrad Adenauer Stiftung, Brussels & South Asia Democratic Forum



Welcome remarks by the organisers SADF and KAS

Mrs Andrea Ostheimer de Sosa, Programme Director of the Multinational Development Policy Dialogue, Konrad Adenauer Stiftung, European Office in Brussels

When we are speaking about sustainable development in South Asia, integrated water management is a key factor. Regional cooperation in this context means creating and enabling a legal framework. Water resources management underpins and interacts with essential elements for sustainable development, environmental protection, food, and energy. It is also the foundation to establish a clean economy and it is an essential ingredient for inclusive growth. Support in water management is particularly needed for countries with a low human development index such as Afghanistan, Bangladesh, Nepal and Pakistan. These countries need continuous support to establish governance and institutional frameworks, but they also need financial

support to allow for ecosystem friendly water usage. Europe certainly has many experiences to share and should also become a partner in sustainable and integrated water management in the SAARC Region.

Opening address by:

H.E. Alejo Vidal-Quadras, Vice-President of the European Parliament

Water policy starts with the recognition that this resource is both finite and fragile. In 2000 the European Union has passed the Water Framework Directive, but we are still far from achieving the general objective for 2015, namely to get all water in Europe into a healthy state. Meanwhile, South Asia faces challenges of its own. Besides water scarcity, other relevant issues are contamination of drinking water, leakages and its over usage. Water does not flow in line with national boundaries, and as we all know and that leads to some disputes. Mistrust and suspicion can block regional cooperation and that this can be overcome through open dialogue, clear explanations and sharing of expertise. Dialogue and knowledge sharing can be the European Union's guidelines in cooperating with South Asia on this issue. The demand for water is set to rise in both the European Union and South Asia, and since the issues at stake affect us all, there is no substitute for cooperation through dialogue.

Mr Tomas Sikorskis, First Secretary, Permanent Representation of Lithuania to the Council of the European Union, on behalf of H.E. Ambassador Darius Pranckevicius, Lithuanian Presidency of the Council of the European Union

Mindful of an existing water security challenge, the European Union in July adopted the Council conclusions on European Union Water Diplomacy with a number of important suggestions. Firstly, the water challenges around the world must be tackled for comprehensive responses taking into account the close links with energy, climate change and food security, and bring together a range of actions. Equitable, efficient and collaborative management of trans-boundary water resources is an essential element to sustainable development, security and stability. Secondly, the European Union has a long and substantive commitment to address the root causes of water challenges around the world as part of the United Nations Millennium Development Goals. Thirdly, the European Union should also stay engaged on trans-boundary challenges and actively promote water cooperation initiatives as the European Union Water Initiative. Last but not least, the European Union encourages the promotion of international agreements on water cooperation. It is our collective goal to bring more water security for close dialogue and cooperation.

Panel I: Challenges and opportunities of water cooperation in South Asia

Moderation: Dr. Faramarz Tamanna, Director General, Centre for Strategic Studies of the Afghan Ministry for Foreign Affairs, Kabul, Afghanistan

Mr Paulo Casaca, Executive Director, South Asia Democratic Forum

The main problem is, I sense whenever I am working with South Asian colleagues, the fact that we Europeans tend to ignore the reality of Asia and dismiss their culture and tend to not treat them as our equals. We Europeans have shown arrogance in our ways of dealing with these issues and we must acknowledge we have a lot to learn from South Asia which does not undermine the fact that it is also

important to look at European experiences – regarding resources management – and adapt it to regions such as South Asia. Even though Europe has seen awful things less than a century ago, and the European construction provided instruments that enabled the different nations to overcome a history of good things. Cooperation was the way to move forward, first through the management of natural resources with the European Community was exactly on Coal and Steel. Europe's founding fathers realized they should start this construction by issues that people would understand and where the cooperation would be easy, and that it should be done step after step.

We need to invest in the certainty of availability of water. Technical expertise should also be put to work: to reuse water, to purify it and use it in agriculture after it is used domestically. Also the use of energy on the sea should be considered. In South Asia there is a tremendous differential of temperature when you go down the water which is a major potential source of energy that can be used to desalinize water and give it to the populations that live in land. Similarly, there are other techniques that enable water to be reused, while creating at the same time new forms of energy.

Prof. Delwar Hossain, Director of the East Asia Study Centre (EASC), Dhaka University (DUIR), Dhaka, Bangladesh

As the history of cooperation regarding water between India and Bangladesh show us, even when the relations between countries are good, it is always a sensitive subject and it is difficult, even though necessary, to establish a long-term cooperation partnership on this issue. Given its vital importance, serious attempts of cooperation should be undertaken not only to be consumed but also as a source of energy which is very important to promote economic growth. Therefore, there is a clear demand for regional cooperation in South Asia, but we don't do enough of it. The problem is that we still haven't been able to develop strong institutional bases for cooperation. SAARC hasn't dealt with this issue, there is not enough trust to approach and cooperate on this water issue although it should be included in this regional framework. On one hand, this uncertainty also comes from the long lasting conflicts in South Asia. Sadly, water has been politicized and securitized in the past decades, for domestic politics. On the other hand, the pursuing of unilateralism and bilateralism in South Asia, as well as the low level of integration, also presents a serious challenge to this regional cooperation. The main perspective is still nationalist, with state centred decisions and top-down negotiation approaches even though local actors and stakeholders should be engaged in the negotiations.

Ultimately there is no alternative but to construct a strong multilateralism in South Asia. Despite its existence, water diplomacy has to be strengthened. Water governance is another fundamental pillar of this approach. And regarding water democracy, neglected actors or local actors should be included in the process. We should stop and end the politics of water, because it is simply too dangerous in South Asia. The problem is that there is a lack of political will and a serious engagement of stakeholders, leading to less cooperation and more conflict.

Dr D. Suba Chandran, Director, Institute of Peace and Conflict Studies (IPCS), New Delhi, India

In India the political boundaries at the national level, and between two states or between two provinces within a country, imposed an extra stress in water sharing. As long as the society managed the water there was no problem.

A big part of the problem nowadays is the difference between the letter and the spirit of the treaties. Most people tend to only pay attention to the letter. Treaties are not about dividing waters, but about sharing it – it is this due to this perception that problem arises. The only way to prevent conflict and assure a smart management of the water lays on the need to allow society to be the manager of this same water. Besides, we have a hard time explaining treaties to the people. Every state considers water to be its own property and does not see why it should be shared with. The institutions that have been dealing with water are not capable of understanding the problem and dealing with it properly therefore, one can wonder about how efficient these institutions can be. There is also a huge governance deficit in South Asia with corrupt institutions that have no capacity to meet the rising demands of the population. The legal institutions similarly do not work properly and there has to be an effort on the national state and non-state level to come together and project conclusions and guidelines on how to deal with the issues.

The water debate should be de-securitized especially due to this recent idea of “water wars”. This is very dangerous and one should tackle the problem before it is far too late. India is unlikely to renegotiate or cut any of its bilateral treaties, because it would have a bad effect on the internal water sharing. That presents an opportunity for the rest of the Region to work with India, rather than seeing it as a problem. Indian believes in bilateralism, but there is also an opportunity to make use in South Asia.

Panel II: Sharing best practices of European and international experiences

Moderation: MEP Mr Jo Leinen, Former President of the Environment Committee in the EP

Best practices in water management can be a catalyst for the regional cooperation or even integration. To what extent can regional bodies provide necessary framework or impulses for cross border water management? There is an example in the EU: the Water Framework Directive, a basic law for water management that brought a concept of the river basin and helped to create billions of investments in the water sector.

Mr Paulo Canelas de Castro, Associate Professor, Jean Monnet Program at the University of Macau, Board of Directors, Association of Studies on the European Union – Macau, President, European Union Studies Association - Asia Pacific

The Portuguese-Spanish case is an example of the difficult negotiations between upstream and downstream States that managed to go beyond the traditional reciprocal approach. The two countries as well as other stakeholders involved in the negotiations introduced a basin approach and an integrated water resources management which includes quality in environmental perspective, sustainable development, ecosystem context, etc. This experience showed that the treaty is the starting point while the institutions and procedures should make it viable; the representation and the expectations of the people should be taken into consideration as well as future generations.

Mr Eric Tilman, Founder and Administrator of riversnetwork.org

Another example of the river basin approach was shown by Mr Tilman in his presentation on the Mekong River basin. Particularities of Mekong are its rich biodiversity, its vulnerability to the Climate Change and the big amount of people that is dependent on this river in rural regions. The Mekong basin includes 6 countries and each of them has a different level of dependence and approach to the benefits of the river. Hydropower

development, mainly supported by China and Laos, is one of the hottest topics for the Mekong basin due to the fact that its potential negative effects on the fish production equal its benefits. In terms of regional economic integration, three established frameworks can play a role: the Greater Mekong Sub-region, ASEAN and the Mekong River Commission. All of them, however, show a slow progress in developing Water Governance and Regional Cooperation due to a number of weaknesses which include a lack of representation of certain countries, disharmonised legal frameworks between the members, hardly operational institutional framework, lack of transparency and sharing of the data and information between the parties, weak involvement of the stakeholders, civil society and youth in particular.

Dr. Mallika Joseph, Executive Director, Centre for Strategic Studies (RCSS), Colombo, Sri Lanka

Progress in cooperation on shared river management in South Asia can enable and catalyse benefits ‘beyond the river’, more directly through forward linkages in the economy, for example in food and energy production and trade, and less directly through diminished tensions and improved relationships. However, the increasing scarcity of water, the degradation of existing water sources throughout the region (climate change and human activity as main factors) as well as a threat of exploration of the water resources by China are posing grave security challenges. South Asia as a whole being one of the least integrated regions in the world faces a drastic imperative to build up regional institutional frameworks for water management – this indicates that cooperation on water management, including maritime resources might just be the first effective foundation for greater South Asian regionalism. Access to data, effective decision-making tools, involvement of the society, incorporation of the methods of water sharing among local bodies have been regularly named as critical to building institutional capacity.

Dr. Nishchal Nath Pandey, Director, Centre for Strategic Studies (CSAS), Kathmandu, Nepal

Nepal can benefit from its surplus of water and to generate the hydropower not only for its internal use but also for the export to other neighbouring countries as it does Bhutan. Even if the answer is yes, there is a number of problems preventing Nepal from replicating a “Bhutanese model”: ‘hydro-dollar philosophy’ of the political elite, crucial role of the transmission corridors which are not in place, lack of investments, political instability, environmental concerns (flood control and irrigation) and the attitude of the local population, absence of the elected authorities and an independent electricity regulatory commission, as well as a lack of attention to the water management in general. While SAARC should play an important role being the only regional organisation in South Asia where all the countries are members, it deliberately avoids bilateral issues and has no political or security rule. Another important issue is the role of the civil society and the think-tanks in South Asia which, are now more vibrant than perhaps in Europe and ASEAN.

Panel III: Smart use and management of water resources

Moderation: Dr Siegfried Wolf, South Asia Institute, Director of Research, South Asia Democratic Forum

H.E. Joao Cravinho: EU Ambassador to India

The prospect of water sharing on its own is not sufficient to lead to peace but the creation of positive dynamics in South Asia is something that can lead to water sharing arrangements, which can create optimal conditions for consolidating peace. Unfortunately, the cooperation in South Asia is rather limited and will probably not see a big evolution soon as we would wish given the limits of SAARC. Cooperation on disaster

management should be prepared and the EU has worked with South Asia in water management and supports a number of projects along with several countries of the region as well as with neighbouring countries to promote the usage of natural resources in a more sustainable and efficient way.

Water sanitation, recycling and food security are crosscutting issues related to the economy, energy, agriculture, environment and science sectors. The smart use and management of water needs to be considered in local, national and global dimensions. There are strong links and trade-offs between water security, food security and energy security. To address these challenges we need an interdisciplinary approach. No single water management topic alone can solve water related problems. Therefore, we need to emphasise a multidisciplinary approach and strategies. Smart use water and management of water resources must be a top priority for sustainable development. However, enormous efforts will be necessary to ensure this.

Mr Miroslav Marenc, Associate Professor, UNESCO-IHE Institute for Water Education

There is a big potential for hydropower production, including in South Asia. This is important because we know that our needs for energy will increase and hydropower should a part of this new energy business given its characteristics. From an environmental, financial and economical point of view, it is a very good option although it has rather high investment costs and local problems. There must be a dialogue among all interested parties to find solutions to the issues related to hydropower. A good option for when the needs are smaller is small hydropower stations which create fewer problems than the regular hydropower.

Mr Robert Fraser, Senior Officer, International Federation of Red Cross and Red Crescent Societies (IFRC)

Water and sanitation negative consequences for health and productivity are felt in South Asia more than in any other region, being probably the single largest cause of morbidity and mortality. Poor water and sanitation has an impact on nutrition, food is poorly absorbed and a major cause of child 'stunting'. Without access, developmental efforts are significantly reduced. The demand for human consumption represents only 8% but unless the human consumption number is achieved, the benefits in industry and food production will be greatly reduced. There are some solutions available such as greater advocacy, broader partnership and inter-government dialogue reflecting all needs for the sector separated from national priorities. Without a collective approach, everybody will lose. Small interventions are more likely to be sustained but we are not doing small scale interventions at volume.

Ms Hilary Motsiri, Senior Officer, International Federation of Red Cross and Red Crescent Societies (IFRC)

When it comes to food security in South Asia the numbers are high, especially regarding malnutrition and water related problems which are interlinked. This issue must be discussed from a regional political stand point and have a multisectorial approach. Regarding the main challenges of food insecurity, there is also the production process, which must be addressed by taking into consideration food quality, climate change, scarcity of water, droughts and floods. We must discuss a way to make the food available, address the challenges of malnutrition and improve the livelihoods of the people. We must think on a longer term perspective and plan for sustainable food production and use technology for that, looking at better irrigation systems, conservation of water.

Mr José Marques, CEO of INCBIO

There are challenges regarding recycling and we need to avoid the trade-off between creating a mandatory recycling program and supporting the costs associated with it. We must look for win-win solutions as some companies from the private sector have been doing and even generating profit. That is the case of Olleco, Neutral Fuels and Green Group Energy who manage to produce biodiesel from cooking oil or palm sludge and have created businesses with different approaches around it. Another interesting example of recycling is Platinum Energy that transforms bio-methane into grapheme, which can be used to filter water leaving behind all the impurities.

Ms Arshi Saleem Hashmi, Assistant Professor, Department of Peace and Conflict Studies, National Defense University (Islamabad, Pakistan)

Water is a common denominator of the global leading challenges of our time: energy food, health, peace and security. We need opportunities for cooperation in water management among all stakeholders, improving the comprehension of the challenges and building mutual understanding and trust at the local, national and at appropriate regional and global levels. It is essential that we consider innovative ways to approach local and regional international cooperation, including through technology sharing. South Asia's water insecurity related issues have been causing problems when it comes to politics of South Asia and regional cooperation.

Final closing remarks of the organisers

Mrs Andrea Ostheimer de Sosa (Konrad Adenauer Stiftung)

In South Asia, what should be is still far from realities on the ground. It is important to overcome bilateralism and move towards multilateral agreements. National forces and interests as well as the politicisation and securitisation of this natural resource come in the way of joint management which can be a catalyst for regional integration. The regional institutions are too weak to advocate a more comprehensive approach even though there is a need more information sharing.

Water sanitation remains the biggest problem in South Asia leading to human rights violations. We have seen the need to apply a long term perspective when it comes to smart use and management of water resources. The discussion of water management must take place at the local, national and regional levels.

Mr Paulo Casaca (South Asia Democratic Forum)

It would be important to translate what has been said by the speakers into an instrument to advise policy makers, especially the next SAARC summit as well as the European Union institutions which could help South Asia regarding these issues.

CMR/EKC/LQS/JPC