DISCUSSION PAPER

INFORMAL MEETING OF THE ENVIRONMENT MINISTERS

WORKING SESSION II – RESILIENT WATER MANAGEMENT

11 - 12 JULY 2024, IN BUDAPEST

The water crisis is spreading worldwide; the main driving forces are climate change and human activities that have modified the global water cycle. Addressing the water related public interest is becoming increasingly valued and coming to the forefront of the multi-sector public policy planning.

The term resilience is being used more frequently in relation to water and more broadly to water management, in the context of the adaptive capacity to respond effectively both to hydrological and global environmental changes related to the triple planetary challenge of biodiversity loss, pollution and climate change.

Resilient water management refers to strategic planning, management and activities that determine the framework of sustainable water management, taking into account the water related needs, challenges and opportunities of a specific region, community or economic activity. In order to ensure that the often conflicting interests are in line with the public interest, "sustainable water management" must deliver multiple environmental, social and economic objectives, and requires coordination among sectoral policies, so that adaptive, flexible and sustainable water management is (also) reflected in the policies of other sectors.

Climate change is already affecting terrestrial, freshwater and marine ecosystems, also endangering the freshwater resources worldwide. Most identifiable climate risks have already reached critical levels and could become catastrophic levels unless decisive action to adapt and build resilience is taken now. It is also important that resilient water management contributes to enhancing the biodiversity of terrestrial and aquatic habitats and the resilience of ecosystem services in the catchment areas.

Europe and other continents are experiencing an increasing frequency of extreme hydrological events, with record floods, flash floods, more frequent and longer heat waves and periods of low precipitation. The challenges to water management are increasing. Recent droughts across Europe have highlighted the fact that water is not an unlimited natural resource and that the damage caused by water scarcity is a major economic risk. Pollution, climate change and increasing human activity all pose challenges to the conservation and sustainable use of water resources and to meeting water needs. Pressures on water resources also pose risks to the development of society, ecosystems and the economy.

As outlined in the European Environment Agency's State of European Water report, the bulk of the pressure on water resources is linked to changes in physical characteristics of freshwater ecosystems and water flows, pollution from diffuse sources, particularly agriculture and wastewater discharges, as well as abstraction for agricultural production, water supply for population and industry, and tourism.

Effective policy and action are needed at European, regional, national and local level to significantly reduce these pressures and water-related risks. The extent to which we can avoid damage and adapt to it also largely depends on how quickly and efficiently we can prepare water related sectors (agriculture, nature conservation, industry, energy production, recreation, spatial development, etc.) and society to a more sustainable water management.

The EU and its Member States have made significant progress in this respect, but the level of preparedness of the society is still low and policy implementation is significantly behind the intended targets. The implementation of individual water management adaptation strategies may conflict with other environmental, social and economic policy objectives. Therefore, an integrated policy approach that takes into account multiple policy objectives is essential to ensure resilient water management.

Resilient water management should be put into the centre of the policy making, which takes into account hydrological, natural, social and economic aspects while

creating a holistic approach that can fulfil all water uses and while maintaining sustainability.

In addition to further integrating the protection of water quantity and quality into the policy making, promoting the effectiveness of the implementation of existing legislation and addressing the potential legislative gaps, it is also important to reflect about the social and economic role and value of water. Aligning available water resources and water demands, assessing water recharge (especially groundwater), avoiding over-use, applying water and energy efficient technologies, reducing water losses, promoting sectoral innovation and up-to-date information systems to support decision-making, and extensive use of artificial intelligence can all contribute to the development of a resilient water management.

The social aspects of water should also be taken into account, given that the right to clean water and sanitation is a fundamental human right and that water uses should be affordable.

The importance of the topic is demonstrated by the fact that many stakeholders, business sector and institutions, have recently expressed the need for a comprehensive approach to the water management which takes into account the needs of the different sectors, and called for European action. To this end, stakeholders urge the European Commission to consider how it can support the restoration of the water cycle, the provision of water for the economy and society, efficient and smart water use and innovation through a strategy or legislative proposal in the new institutional cycle.

The Water Framework Directive defines water protection requirements and the measures to improve the condition of integrated water management. Yet integrated mechanisms covering all sectors and factors that take into account both socio-economic needs and the opportunities provided by ecosystem services should be enhanced. This is supported by the increasing water demands in the EU (e.g. agriculture, industry, hydrogen economy, etc.) and the decreasing water resources, which at the same time raises the issues of water use and cross-border water sharing. Given the new challenges, a more strategic approach at EU

level could facilitate the strengthened integration of water security in sectoral strategies and policies. Within this framework, water security must be managed together with preservation and restoration of the water cycle, food and energy security, as well as the improvement of social well-being and ecosystem services. It is also necessary to promote the integration of water and climate policies, both at international, national and local levels. Water-related measures should be more strongly integrated into national climate policy strategies and plans, and cross-border and regional cooperation on water and climate policy issues should be given greater emphasis.

One of the most important challenges of the EU water policy today is how to support the strengthening of the global water policy and the creation of its enabling conditions in a unified manner while maintaining its leading role.

Water shortage is an important trigger of global conflicts. Therefore, the promotion of sustainable and resilient water management should be treated as an integral part of conflict prevention and conflict resolution, as well as stabilization and migration prevention.

With regard to the abovementioned aspects of the water management and water policy and recalling our collective call for an initiative on Water Resilience in the recent Council conclusion on the 8EAP, we invite the Ministers to address the following questions. (Interventions in 3 minutes.)

Questions for discussion:

1) What should be the priorities for a future EU Water Resilience initiative? What further action is needed at EU, regional and national level?

2) What are the most pressing water policy challenges in your State from a hydrological, social, economic and environmental point of view? What further action is needed at EU, regional and national/local level on both the demand and the supply side?

3) How can we improve cooperation between different economic sectors (agriculture, industry, energy production, spatial development, etc.) in order to achieve the resilient water management, and what kind of instruments are needed?