



The European Union (hitherto referred to as the EU) would like to thank the Forum for the 21st century for taking into account its previous statement and discussing its proposals, arguments and counter-arguments as well. The EU is, therefore, thankful for the opportunity to pronounce itself to the second draft. Bearing in mind the suggestions made by the Forum in the second draft, the EU would now like to present its position.

Funding and representation

- ✚ The EU realises that in order to create a fully functional body which would serve to enforce decisions made by the international committee, its member states would have to surrender a certain percentage of their GDP. However, the EU still sees 1.5% of GDP as an important share even for countries named as “developed” among which there can still be distinguished more levels of development. What the EU tries to explain is the fact that relinquishing 1.5% of GDP for the committee would not be a major obstacle for Scandinavian countries, but for the recently transformed eastern European countries even 0.8% of GDP would pose a problem. Thus, the EU insists on lowering the proposed percentage to 0.8 or 0.9% of GDP maximum.
- ✚ Even though the EU perceives the combination of actors (the World Bank being an international actor, state governments as public sector representants and the trans-national corporations - hitherto referred to as TNCs - representing the private sector) as appropriate, it would like to express following arguments:
- ✚ As far as the World Bank’s participation is taken into account, the EU sees it as a favourable solution to join committee’s efforts with ones made by other international organisations and/or bodies. However, the World Bank being a strong international institution, its influence in the committee should be regulated somehow not to grow too much given the significant financial support the World Bank is prepared to provide. The EU, therefore, underlines the importance of setting clear rules of cooperation between the committee and the World Bank. However, the EU strongly disagrees with the General Director being appointed by the World Bank. The EU thinks it is more democratic to elect him/her by voting in the General Assembly for the functional period of not more than 4 years.
- ✚ The EU would also like to point out to the problem related to how to persuade the TNCs in question (meaning the ones which contribute to the water pollution) to deliberately participate in the committee and paying 2% of their net earnings while being accorded voting rights only in case of the most important decision including the following year’s budget. Their advisory representation is also questionable as the TNCs’ “advice” may easily turn into strong lobbying (it could be lobbying concerning certain projects or lobbying for more influence in the committee). The EU will, therefore, be insisting upon setting clear rules for the TNCs’ participation, including their rights and duties.



Agenda and evaluating projects

- ✚ The main role of the committee being the support of NGOs working in the field of environmental protection and co-financing their projects related to water, its pollution and management, its objectives, tools and rules should be determined.
- ✚ It is noteworthy to state that the committee should agree on precise rules defining which NGOs would be supported and which ones not and what would be the conditions for obtaining finance from the planned-to-be-established fund. As a matter of fact, the committee should make sure that the NGOs receiving financial support have significant expertise in the given field. The condition which would assure this could be that only NGOs executing their activities in the field of water protection for more than 2 years could be provided with a grant by the committee. Moreover, what the body evaluating the projects would certainly have to take into account is the NGO's annual statement of accounts for the 2 preceding years (certified by a registered auditor, for example). The second condition would serve making sure about the financial situation of particular NGOs and their capability to manage its financial flows.
- ✚ It is equally important to stress that the volume of awarded grant should be proportionate to the importance of the project and to the benefits for the (not only) local people. Another aspect which the evaluating body of the committee should bear in mind is the urgency of certain projects, namely in the areas where conflict due to water scarcity can arise quickly. These projects should be awarded funds primarily and their rapid implementation should be supported as well.
- ✚ What should also be considered and fixed in advance is the number of projects and the maximum amount which may be requested and awarded. These data are crucial to be able to prepare next year's budget draft. As far as the budget approval is considered, the EU sees November as the right time to agree on it because in case of general disagreement the committee would have one more month to make inevitable changes to the budget proposal and to approve it before the end of the calendar year which in most cases corresponds with the financial year of governments and TNCs.
- ✚ The committee could also benefit from the EU experience in financing its non-governmental environmental organisations thanks to its Financial Instrument for the Environment (the program is known as LIFE+) which is prepared to co-finance European environmental NGOs up to € 9.000.000 next year. It is true that LIFE + aims at financing the operating costs of NGOs and the committee in question is going to co-fund projects, but they can share some characteristics either. In case of LIFE + the financial support targets the activities of various NGOs that contribute in some way to the implementation and/or development of EU environmental policy and legislation in Europe.




The Model Conference Global Environmental Issues

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Modelová konferencia Environmentálna sekcia

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 The EU proposes implementation of a similar mechanism between the committee and the NGOs it will fund. However, first a form of legislation dealing with environmental issues must be created by the committee (as suggested in the second draft) so that NGOs, TNCs and other local companies are given rules and limits aimed at preventing them from destroying the environment. Legislative documents issued at the EU level could serve as certain inspiration for the committee, citing the most crucial *EU Water Framework Directive (2000/60/E)*, *Directive 98/83/EC on the quality of water intended for human consumption*, *Directive 2002/91/EC on the energy performance of buildings*, or *Directive 2007/60/EC on the assessment and management of flood risks*. The EU realises that the ideas and recommendations in these sources of EU legislation are sometimes demanding and strict, therefore, the provisions of the legislation at the committee level should have the right strength, acceptable for all the members. As the EU expressed previously, it is a proponent of establishing a controlling body with sufficient competences to monitor not only the use of the resources and to avoid frauds, but also to enforce the respect of the newly created legislation.