

Statement of the
Under-Secretary-General Jose Antonio Ocampo
to the 13th Session of the Commission on Sustainable Development
11 April 2005

Distinguished delegates,

I would like to welcome you to this, the first Policy Session of the Commission on Sustainable Development since the Johannesburg World Summit in 2002. I would like to thank the Chair, Ambassador John Ashe, and commend him for the skill with which he has managed the work of the Commission. This session builds on the outcomes of the 12th session of the Commission and the Intergovernmental Preparatory Meeting held in February, as well as the Secretary-General's reports on Water, Sanitation and Human Settlements prepared for both. The task at this 13th session is to agree on policies and practical measures that countries could adopt to accelerate progress towards the internationally agreed goals and targets on safe drinking water, basic sanitation, and improving the lives of slum dwellers – issues that are closely inter-related. We also face the challenge of ensuring the sound management of the earth's freshwater resources for the many uses essential to life and to an improved quality of life.

A moment's reflection should persuade us that the goals and targets before us in this Commission session are closely linked to the other Millennium Development Goals (MDGs). Without adequate water, agriculture cannot feed the world's growing population. Water-poor, agriculture-dependent societies are among the poorest in terms of income per person. Along with other major killers like HIV/AIDS, tuberculosis and malaria, water-related diseases cause millions of deaths each year in poor countries, mostly of young children. Girls' time and energy devoted to hauling water for family needs can detract from their schooling; inadequate school sanitation facilities also discourage their school attendance. As a consequence, girls grow up with too little education and both their families and the larger society pay a heavy price. The circle of poverty is closed.

In his recent report "In Larger Freedom", the Secretary-General has called for a big push by the international community to enable poor countries and their citizens to break out of their poverty traps. While the concept is an old one, what is new is the historical moment. The September meeting of the General Assembly presents the international community with the opportunity to rise to the challenge of doing what it takes to put all countries on track to meet the commitments made in the United Nations Summits and Conferences of the 1990s and early 2000s, particularly the MDGs. In a sense, the outcome of this Commission meeting will provide a litmus test of international political will to tackle global poverty and the broader United Nations Development Agenda.

Since 1990, more than one billion people have gained access to improved water sources and sanitation facilities. That represents genuine and impressive progress. We would do well to internalize the lessons of how this has been achieved, to benefit from one another's experience and know how. Still, if we are to meet the water and sanitation targets, we will need to ensure over the next decade that:

- safe drinking water reaches an additional 1.5 billion people, and
- basic sanitation becomes available to an additional 1.9 billion people.

Measured against these water and sanitation targets, as well as against the scale of the slum problem, the target of significantly improving the lives of 100 million slum dwellers by 2020 is not nearly ambitious enough.

While achieving the targets is feasible, it will require strong political resolve, translated into sizeable additional resource flows to poor countries, together with enhanced domestic resource mobilization. The estimated cost of meeting the water, sanitation and slum targets are in the range of \$30 to \$40 billion a year. Even in the best of all possible worlds, capital will remain scarce in most poor countries, so its effective investment will be critical.

Developing country Governments need detailed strategies and investment plans for meeting the water, sanitation and human settlement targets, clearly indicating what resources can be mobilized domestically and how to bridge the remaining financing gap. Donors will need to come forward with supplemental financing for well-conceived investment plans. Coordination is crucial. All Governments need integrated water resource management plans that tackle actual and looming water scarcities. Tackling the most serious inefficiencies in the biggest water user sectors would free up sizeable resources for other uses.

Progressive fiscal policy and tariff structures for public services like water and sanitation can help finance access by the poor. Getting enough water for basic consumption needs should not have to compete with putting enough food on the table or being able to buy essential medicines to treat sick family members. The rich will need to subsidize the provision of essential services like water and sewerage for the poor, both within countries and between countries. For poor countries that are heavily burdened by debt, debt relief is needed. In some cases, debt swaps for water and sanitation could be effective.

Over the next quarter century, all population growth will be urban. This is one of the biggest challenges facing the developing world, whose cities will have to absorb an additional 1.6 billion people by 2030, an increase of almost three-quarters over the current urban population. (By comparison, during the quarter century 1950-1975 post-war boom in Europe, urban population rose by roughly 60%, and the absolute increase was 165 million, or only one-tenth of the projected increase in developing country city dwellers.) Building decent housing, providing basic infrastructure and services, and creating well-paying jobs are both a tremendous economic opportunity and a tremendous policy challenge.

The challenge is all the more daunting in view of the huge backlog of unmet demand for decent housing, infrastructure, services and jobs in the world's slums and informal settlements. Getting the growth engine turning over – and keeping it from stalling – is a major priority in most developing countries. Once a steady stream of quality jobs is being created, other pieces of the puzzle tend to fall into place. Still, Governments need to take explicit measures to ensure that the growth generated is inclusive, that the interests of the poor are protected. Progressive real estate taxation can provide revenue to finance low-

cost housing, for example, through capitalizing housing and infrastructure funds for poor neighbourhoods. Measures to control land speculation may be needed, as may measures to ensure that poor communities have access to financial services. Promotion of inclusive finance is an overriding priority. Housing loans to low-income households, including facilities that allow them to buy construction materials to gradually upgrade their housing, and financial schemes to facilitate access by the poor to sanitation facilities play a crucial role in the sectors under consideration in this CSD. They may include public sector subsidies and government-supported loan guarantee or insurance schemes. Setting aside or reclaiming land for low-cost housing development can also be a useful pro-poor policy.

Local authorities bear much of the responsibility for making sure that human settlements are liveable – through urban planning, land administration and zoning, infrastructure planning and investment, and provision of social services like health and education. Often they lack the fiscal powers needed to execute those responsibilities effectively. They may also lack adequate human resource and institutional capacities. These are deficiencies that need to be addressed.

Already, poor communities around the world are making the best of difficult circumstances, making do with acutely limited resources, drawing on a vast reservoir of human creativity to solve basic problems of survival. In our efforts to craft effective policy responses to the challenges before this Commission, we would do well to remind ourselves of the need to engage fully with the poor themselves, to learn from and build on their experience, to help them mobilize the resources to invest in their own communities, and to provide them with the public services of which they are too often deprived.

Governments would also do well to engage all civil society actors in the tasks at hand, from local authorities to organizations of women, farmers, workers, and indigenous peoples, to NGOs and community-based organizations, to the private sector and the scientific and technical community, each of whom has its own experience and expertise to contribute to finding and implementing solutions.

Distinguished delegates, you have set for yourselves the task of making decisions on how to accelerate progress on a number of specific goals and targets whose attainment is critical to the lives of poor people – people without safe drinking water, basic sanitation, decent housing, and secure and sustainable communities. You will need to decide in the coming days on concrete, effective actions that the international community can take to support developing countries in their efforts to provide these to all their citizens. As Deng Xiao Ping once said: “It doesn’t matter whether the cat is black or white, as long as it catches mice”.