

'Blue Gold' – The forgotten rationale for climate action

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As world leaders strive to conclude an international climate agreement to limit global warming at the United Nations Climate Change Conference (COP21) in Paris and look for reasons to start implementing their national mitigation targets, there is a strong, although often ignored, rationale for action: water.

Water is an essential factor in all aspects of human life, from health to sanitation, from agriculture to industrial production. It is central to the functioning of ecosystems, which are in turn vital for the provision of water. Water contributes to sustaining human development and prosperity across the globe. It is a key factor influencing local political and socio-economic dynamics and relations. It can be a source of cooperation or a source for destabilisation and conflict, both within or between states.

Unfortunately, all is not well with this vital resource. The functioning of ecosystems and, thus, existing water supplies are increasingly under stress due to agricultural production, industrial activities, energy production, urban development, population growth, unsustainable consumption and insufficient waste and pollution management. The situation is further aggravated by changes in climate, which are already influencing both the quality and quantity of available water, within Europe and across the world.

While it is difficult to connect singular extreme weather events with climate change, scientists agree that human activities contribute to rising temperatures and the intensification of extreme precipitations. The resulting increase in floods and droughts has negative impacts on water supplies, which has implications, for instance, for food and energy production, water management in cities and human activities in general. This is not just a local challenge: the repercussions are felt across borders. The EU has already experienced how extreme weather events outside its borders – be it in the Middle East, Sub-Saharan Africa, Asia or in the Caribbean – have increased third country requests for development aid and humanitarian assistance. A dramatic illustration of the cross-border impacts is the Syrian crisis – partly caused by years of droughts resulting in internal pressures, and intensifying the political and security catastrophe in the country – which has turned into an enormous migration challenge for regional neighbours and Europe alike.

The situation is only about to get worse. It has been estimated that global water demand could already be up to 40% higher than the current supply in 2030, which could lead to a wide range of risks, from rising food prices to disruptions in energy production, from dysfunctioning cities to new migratory emergencies, among others. The World Economic Forum has identified water crises as one of the most likely and impactful global risks in the world today. Indeed, water is emerging as an increasingly significant factor shaping political and security relations across the world. Competition over access to, or the use of, water resources between communities and sovereign countries remains a key challenge for regional stability and good neighbourly relations in areas such as the Middle East, North Africa, as well as Central, Southern and Southeastern Asia. Many of these regions are already unstable and fragile, and the added pressure of a water crisis could have far-reaching and unwanted security, economic and social consequences.

As the world is not prepared, and cannot prepare, for all the unknown and undesirable impacts of climate change, this should provide a solid rationale for both local and global action. Securing access to safe water for the world population should, in its own merit, provide a strong incentive for the international community to unite and take ambitious action to mitigate the impact of human activities on climate and the environment. As the EU and its members continue the negotiations with other global players, the disastrous impacts of climate change on water resources, and the local and global implications of water-related challenges on economies, societies, the environment, human security and geopolitics alike should be fully recognised. No country, city or an economic actor can afford to ignore the unknown and unwanted consequences.

While the EU should do more to ensure smarter water management in Europe, it should also share its experience with other players, including the economic, social and environmental benefits of action. Smarter water management starts with integrating water considerations across policies and sectors, from agriculture to energy. Water management should support climate mitigation and adaptation efforts and vice versa. For example, further efforts are needed to ensure that the agricultural sector contributes to both reducing emissions and smarter water usage. Water management in general must become more energy efficient. On the other hand, as a country's choice of energy mix has significant impacts on existing water resources, recognising this in policy and investment decisions would arguably provide a further push for renewables such as wind and solar, especially in countries with growing water challenges. It should be noted that the market for climate- and water-friendly innovations is growing, and it is in the interest of the EU and its partners to support the development and deployment of these solutions.

In addition, the EU should encourage that the recognition of water-related risks would be better incorporated in the global climate and financing framework, but also in political, diplomatic and security dialogues, and in development aid strategies. The potential impacts of climate change on the water-energy-food-health nexus must be assessed and considered when making investments and policy decisions. Adaptation, risk prevention, and management – with the objective of ensuring sustainable water management at all times – must be integrated in decisions on all political levels and across sectors. Strengthening the resilience of societies that are most vulnerable to the effects of climate and water-related challenges is essential.

The EU should also build on its own achievements in the area of transboundary water cooperation between states sharing international river basins. This includes sharing its 'lessons learnt' and the demonstrated benefits of joint action and common institutions at basin or sub-basin level, with priority regions such as the Nile, Northern Africa and the Middle East, Central Asia, the Mekong, and the Sahel. Effective water cooperation is a key opportunity for the international community to minimise security risks in many geographic 'hotspots' around the world, while increasing the capacities of societies and states to counter the widespread effects of the water challenge.

The Paris climate summit has offered the EU an opportunity to strengthen its long-standing and widely recognised international activism in the fight against climate change, but the work continues. In the process, the EU should embed the 'water factor' in its internal and external policies and initiatives, including climate change diplomacy, and ensure it is recognised as a *reason* but also as an *area* for action. Recognising the importance of 'Blue Gold' would help sustain and further legitimise the EU's call for climate action, both within Europe and across the world.

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They are the authors, along with Romain Pardo and Toutia Daryoush, of a recent EPC Issue Paper on ['REACHING FOR BLUE GOLD - How the EU can rise to the water challenge while reaping the rewards'](#).