

German statement - Ninth session of the Meeting of the Parties to the Water Convention

Item 8: Water-food-energy-ecosystems nexus in transboundary basins

- I am delighted to attend the 9th MoP and to see all of you – at least virtually.
- I have the pleasure to announce that the German Federal Environment Ministry will soon launch a new International Climate Initiative (IKI) nexus project. The project will support Central Asian (CA) states in operationalizing the Energy-Water-Land NEXUS in particular at the transboundary and regional level. It will be implemented by the Organisation for Economic Co-operation and Development (OECD), UNECE, the European Bank of Reconstruction and Development (EBRD) and the Scientific Information Center of Interstate Commission for Water Coordination (SIC-ICWC). The project will be set up for 4 years, starting in early 2022 and will be funded with 20 Mio. EUR from IKI as well as additional loans provided by EBRD.
- Transboundary cooperation is key in tackling current challenges. I will just cite three of them, especially important to the region of CA, from our point of view:
 1. Uneven distribution of resources (water, energy, arable land) combined with not efficient use of resources that create strong interdependencies between upstream and downstream CA states and sectors
 2. Climate change expected to increase water stress in the region (glacier melting, changes in precipitation, decreased/uneven water supply for agriculture and energy)
 3. Low connectivity of the region combined with not enough investment in infrastructure, which is not always up to date.
- To cope with the challenges and with regard to mentioned interdependencies of states and sectors, CA would benefit from stronger intersectoral approaches and regional cooperation mechanisms. I will give you two examples:
 1. Regional Environmental Centre for Central Asia (CAREC) and the consultancy Adelphi estimate the costs of insufficient cooperation in CA

at 4.5bn USD (~1.6% of regional GDP) just taking into account losses in insufficient regional energy trade, agriculture and lack of access to finance.

2. Cross-sectoral gains in a Water-energy- land NEXUS approach at regional level include improved resource security and infrastructure functionality. A study published by UNECE shows a larger uptake of non-hydro renewable energy technologies in the Syr Darya Basin would lower hydropower contribution to national energy mix by 25% by 2030 compared to the business-as-usual scenario, which would also significantly reduce water demand in the region.
- With a strong ambition for the project to operationalise the NEXUS at a larger scale, we have included a financing mechanism to demonstrate the “art of the possible” for nexus project development and financing. The project leverages in cooperation with the EBRD additional funding to provide concrete demonstrations of investments at the nexus.
 - Political support is particularly important for this project as it envisages cooperation between different line ministries and sectors and within the countries of the region. Therefore, we plan together with the OECD a High Level Dialogue on the Nexus on the 15 October this year in Tashkent together with representative from all five CAS.
 - We look forward to collaborate between UNECE Environment and Sustainable Energy, in particular between the Water Convention and the Group of Experts on Renewable Energy on the theme of sustainable renewable energy deployment (taking into account water, environment and transboundary impacts). In this regard, we followed with great interest the publication of the toolkit on renewables and nexus!