



CONFERENCE 2006

MEDIA RELEASE

WATER FOR IRRIGATED AGRICULTURE & THE ENVIRONMENT

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Finding a Flow for All

WHEN WILL THE PRICE OF WATER HIT \$80/BARREL?

WILL WATER BE TOO PRECIOUS TO EXPORT?

To keep agriculture competitive and sustainable as the price of water inevitably grows, we will need to grow fifty percent more food with the same amount of water over the next two decades, according to Dr Frank Rijsberman, Director General of the International Water Management Institute, the world's pre-eminent research institution on management of water for food and agriculture. But he says the good news is that this is feasible.

However, Dr Rijsberman warns that with increasing competition for water and without increased water productivity in agriculture, Australians may decide they would prefer to reduce food exports that use massive amounts of water, and keep water for their own use.

Rijsberman is the keynote speaker at *Water for Irrigated Agriculture and the Environment: Finding a Flow For All*, the Crawford Fund's annual development conference in Parliament House, Canberra on 16 August, before departing to participate in Stockholm Water Week. The event will be opened at 9am by The Hon Alexander Downer, Minister for Foreign Affairs, followed by Dr Rijsberman. A range of speakers will be at a press conference at 12pm in the Theatre. The Hon Malcolm Turnbull will make an address at 3.35pm.

Water has been referred to as the "blue gold", and with droughts that appear to worsen year by year, some scientists having predicted that water would soon be more expensive than oil, Dr Rijsberman queried whether the price of water will spike to US\$80 per cubic metre, similar to what has happened for oil.

"Tap water already costs as much as US\$10 for a cubic metre in some countries (including treatment of waste) and people pay hundreds of dollars for a cubic metre of bottled water," he said.

Rijsberman explained that despite the debate raging in many wealthy countries, the real water issue is not its availability for domestic use, but for growing food; and the impact on nature of the growing demand for water to produce more food.

"People need some 20 cubic metres of water per year for their domestic needs (50 litres per day), a tiny fraction of the water available even in very water scarce countries that have something like 500-1000 cubic metres of water per inhabitant per year," he said.

"Depending on diet, however, people need as much as seventy times more water (1400 cubic metres) to grow food than for domestic use."

"We will not run out of bottled water any time soon but some countries have already run out of water to produce their own food."

The ATSE Crawford Fund wishes to thank the sponsors for this event, including:

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“Egypt, for example, imports over half of its food,” he said, “from countries like Brazil that have plenty of water to export, and Australia that may decide it cannot afford to export water at such a rate when there are droughts at home.”

Rijsberman explained that the current debate in Australia over recycling of water for drinking and the cost of water infrastructure projects is repeated throughout Africa and Asia.

“Access to reliable, safe and affordable water for life, for food and for livelihoods is a key step in the escape from poverty for 70% of the world’s poor people, the 800 million poor people that live in the rural areas” he said.

“Without improvements in water productivity, we will have a 50% increase in the global demand for water in agriculture to meet the expected 50% increase in the demand for food by 2025. For rich and poor alike, the consequences of this will be even more widespread water scarcity and rapidly increasing water prices,” Rijsberman warned.

“The value of water in agriculture today - its productivity - is measured in cents while the value of water for domestic use or industry is measured in dollars,” says Rijsberman.

“The consequence is that urban people out-compete farmers for water everywhere, in rich and poor countries alike, and water is moving out of agriculture to satisfy rapidly growing urban and industrial demand. Yet most of the world’s poor live in rural areas and rely on water for their livelihoods.”

“The really tough water decisions are to balance water for agriculture with water for nature, as has become clear in Australia,” he said.

“With dams and irrigation, many rivers barely reach the sea anymore. People have discovered, however, that all water that falls as rain serves a purpose in nature. Every drop taken and diverted to other purposes is a trade-off.”

“As long as the value of water for nature is not recognized, and water for agriculture is subsidized, the chances are nature will come out the loser.”

“Rivers are drying up, groundwater levels are falling drastically in key aquifers, and water pollution is rampant downstream of virtually every city in Asia. In Australia the response has been to cap the use of water in the Murray-Darling, make water tradable, and start buying back water from agriculture to return it to nature.”

He explained that with good government policy, water scarcity increases should be matched with increases in the price of water and a move from lower to higher value water uses.

Rijsberman says the good news is that agricultural research can help determine the value of water in alternative uses, such as nature. And it also works to increase the value of water in agriculture and so help the rural poor.

“A combination of smart agronomic/farm management, driven by incentives, for example, can drive the water needed to produce 1kg of rice down from 2000 to as little as 500 litres.”

“Water prices are still going to go up – possibly double or treble – but not up to 80 dollars a barrel – except for designer water like Perrier,” concluded Dr Rijsberman. ”

Further information, photos, additional press releases, the program, abstracts and bios available at www.crawfordfund.org or contact Cathy Reade, 0413 575 934 creade@squirrel.com.au for interviews