

## **Virtual Water Trade and the potential gains for ACP countries**

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The purpose of the presentation will be to highlight many invisible and silent processes that enable most of the world's 200 economies, including the 79 ACP economies, to be water secure. Water security for the small volumes needed for municipal and industrial uses will be distinguished from water security for the food needs of society. The former is only a problem for the poor. Most of the world's economies are food water insecure. This insecurity is evident in that they are net virtual water 'importers'. Only France out of the 27 EU economies is a net food exporter.

*Farmers*, a small number of *transnational commodity traders* and *consumers* will be identified as the key agents in achieving global and local water and food security. These agents are all linked in market systems that do not have mechanisms to signal where water is being used efficiently or according to sound stewardship principles. It will be shown that there are a number of technologies, reforms and changes in behaviour that will be key to the sustainable intensification of water use in agriculture.

Society does not understand the true value of water, and we are at a point in our relationship with nature's vast but limited water resources where we simply can't afford to stay ignorant. Already, our over-consumption and mis-management of water has very seriously impacted our water environments and the essential services they provide. Our ignorance is immense.

What are the invisibles we need to know about so that we can do something about our water security? First we need to care about the farmers because they handle 90% of the water that we need each day or each lifetime. If they use it productively and at the same time they are good water resource stewards we shall all have sustainable water futures. Just as important are the food choices we ourselves make. Different diets require very different volumes of water. The food supply chain that brings food to the table from distant farms, via international trade, food manufacturers, and the supermarket makes us food secure. These transactions also make us water secure.

The ACP countries have the potential to address their water insecurity by helping their farmers improve the productivity of water. By diversifying their economies they will also make water security more possible by enhancing their family and national incomes and engaging in fair international trade.