

Investing in Asia's River Basins: What Lies Ahead?

A collage image featuring a child drinking water from a fountain, a city skyline, a river, and agricultural fields.

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***ADB's Water for All* policy**

- Manage water as a resource
- Deliver water as a service
- National focus on water reforms
- Help introduce IWRM in 25 river basins

ADB Basin Water Investments

- \$2.5 billion planned basin water investments over 2007-2009 -- and increasing
- Planned regional study to chart progress and facilitate investments:
 - basin assessments
 - knowledge and advisory services
 - training and performance improvement
 - project development facility
- ADB's Water Community of Practice has good river basin expertise



New ADB Financing Modalities

- Multi-tranche financing facility
 - *relevant for basin investments
- Sub-sovereign lending
- Refinancing
- Local currency lending



Upcoming Challenges in the Asia-Pacific Region

- 1. Adaptation to climate change in river basins**
- 2. Need for environmental reserves and flows**
 - rapid hydropower development in Mekong sub-region
- 3. River clean-up towards healthy rivers**
 - Australia and People's Republic of China experience
- 4. Changes in governance and capacity development**
 - RBO role: from implementers to facilitators
 - water rights and allocation

Key Initiatives in the Region

1. ADB Water Financing Program (2006-2010)
2. Water Financing Partnership Facility
3. Asia Pacific Water Forum
4. Network of Asian River Basin Organizations



Water Financing Program 2006-2010

ADB to double water investments and results

- Water as core “business” in ADB’s operations
- 3 key investment areas:

Rural water – improve health and livelihoods

Urban water – sustain economic growth in cities

Basin water – promote IWRM and healthy rivers

See <http://adb.org/Water/Operations/WFP/default.asp>



Water Financing Program 2006-2010 cont'd

- Basin water targeted outcomes:
 - reduced risks to flooding for 100 million people
 - IWRM introduced in 25 river basins
 - improved water governance
- Ongoing basin projects
 - Cambodia
 - Central Asia
 - Indonesia
 - Lao PDR
 - People's Republic of China
 - Viet Nam
- **Guide** to IWRM elements and generic roadmap
See <http://adb.org/Water/Operations/WFP/basin.asp>



Water Financing Partnership Facility

- Brings additional funds and expertise to projects
- Project support window (70%)
 - rural, urban, basin
- Program quality support window (30%)
 - knowledge, capacity and innovation services
 - empowering civil society
 - regional cooperation

See <http://adb.org/Water/WFPF/default.asp>



Asia Pacific Water Forum

- **Regional network**, platform and voice on water, showcasing leadership in decision-making, and excellence in practice and innovation
- **3 Priority themes**
 - Water Financing
 - Disaster Management
 - Water for Development and Ecosystems
- **5 Key Result Areas**
 - developing knowledge and lessons
 - increasing local capacity
 - increasing public outreach
 - monitoring investments and results
 - supporting forum and summit
- 1st Asia Pacific Water Summit, Japan, 3-4 Dec

See <http://www.apwf.org/>



Network of Asian River Basin Organizations

- Established in 2004
- 56 member organizations
- Chaired by Indonesia
- Builds capacity of RBOs for IWRM
 - training on IWRM
 - thematic workshops
 - twinning programs
 - benchmarking and peer review
- Knowledge partners include: WWF, IUCN, IWMI, Brisbane's International Water Centre
- Secretariat: Japan Water Agency, ADB, ADB Institute

See <http://www.narbo.jp/> or <http://adb.org/Water/NARBO/default.asp>



NARBO Performance Benchmarking and Peer Review

Pilot RBOs

- Perum Jasa Tirta 2 (Citarum Basin, Indonesia)
- Mahaweli Authority (Sri Lanka)
- Laguna Lake Development Authority (Philippines)
- Red River Basin Organization (Viet Nam)

See

http://www.iwmi.cgiar.org/pubs/Newsletters/WaterFigures/WF_ASIA-%20Issue1_2007.pdf

<http://adb.org/Water/NARBO/benchmarking.asp>

<http://www.narbo.jp/>



NARBO Performance

Benchmarking and Peer Review

Indicators

	<p>Stakeholders</p> <p>Customer Involvement Customer Feedback Environmental Audits Basin Livelihood</p>	
<p>Internal Business Process</p> <p>Planning Maturity Water Allocation Data Sharing</p>	<p>MISSION</p> <p>RBO Status Governance</p>	<p>Learning and Growth</p> <p>HRD Technical Development Organization Development</p>
	<p>Finance</p> <p>Cost Recovery Financial Efficiency</p>	

Building a Water Partnership with Australia

- AusAID to contribute to the Water Financing Partnership Facility
- Australian partners contribute to projects through parallel co-financing using AusAID and other sources
- Contribute expertise through a partnership agreement
- Partnering for capacity development, e.g. through twinning RBOs under NARBO
- Partnering in key regional water events
- Partnering in national water reforms and governance



Take Away:

New Thinking in River Business

1. **Developing capacity:** facilitating and adding value
 - a new paradigm for basin organizations
2. **Financing action:** unblocking resources
 - streamlining regulations for local governments, communities, and private sector
3. **Increasing accountability:** involving all sectors
 - expecting results from all stakeholders (including the private sector)

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