

Water Issues in the Asia-Pacific Region

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Stark Realities

- **1 in 3 Asians does not have access to safe drinking water**
- **1 in 2 Asians does not have adequate sanitation facilities**

A Water Crisis?

- Competition for scarce water
- Increasing water pollution
- More floods and droughts
- Degraded watersheds
- Depleted groundwater
- Disappearing ecosystems

Will our rivers...

keep flowing into the sea?



Presentation Outline

- Policy and institutional framework
- Water as a resource
- Water as a service
- ADB's Water Policy 'Water for All'
- Valuation of ecosystem services, watershed markets, and private sector participation
- Discussion



Policy and Institutional Framework

- Stakeholder participation
- Water sector coordination
- Effective national water policy
- Updated water legislation
- National water action agenda
- Capable institutions



Water as a Resource

- Decentralization to river basin
- Planning and management
- Water rights
- Water quality control
- Conserve watersheds and ecosystems
- Vulnerability to disasters



Water as a Service

- Autonomous and accountable service providers
- Community and private sector participation
- Regulatory framework and cost recovery
- Public awareness

**To invest in better
water management...**

**focus on people and
governance first!**



ADB's Policy 'Water for All'

Principles

- *Socially vital economic good* that needs careful management to sustain equitable economic growth and reduce poverty
- *Participatory approach* needed to meet the challenges of water conservation and protection

Focus

Investing to

- Improve water governance
- Manage water resources
- Deliver water services

Sector Approach

- Policy and institutional reform
- River basin management
- Improving water services
- Catalyzing investments
- Capacity building
- Regional cooperation



**Ecosystems,
Markets,
Private Sector**

Valuing Ecosystems

- Part of river basin approach to water resource management
- Lack of practical examples
- Muthurajawela wetlands in Sri Lanka
- Hai river basin study in PRC

Watershed Management

- Investing in watershed management: India, PRC, Sri Lanka, Laos, Viet Nam
- Nam Ngum watershed in Laos: link to poverty reduction
- Cost sharing needed: by users downstream or from hydropower revenues

Watershed Markets

- Downstream water users pay for watershed protection and land management upstream
- IIED study reviewed 61 efforts in 22 countries
- Intermediaries mostly NGOs and government, little PSP

Watershed Market Study

*Watershed Markets – Linking
Land Managers and Water Users
to Raise Welfare*

Paper presented by Natasha Landell-
Mills of IIED at the International Water
Conference 14-16 October 2002
Hanoi, Viet Nam

Private Sector Participation

- Concern: is water 'privatized'?
- More \$ and higher efficiencies
- Needs policy, regulation, cost recovery, and public awareness
- Roles: WRM versus WSD
- 'Water for All' needs better water governance

WATER for ALL

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