

# Water and Poverty

Fighting Poverty through Water Management



WATER for ALL

© Asian Development Bank 2003  
All rights reserved

The findings, interpretations, and conclusions expressed in this document do not necessarily represent the views of ADB, its member governments, or those of the Water and Poverty Initiative (WPI). This working document was prepared by the WPI for the 3rd World Water Forum held in Kyoto, Shiga, and Osaka, Japan, 16-23 March 2003. ADB does not guarantee the accuracy of the data included in the publication and accepts no responsibility for any consequences of their use.

The Water and Poverty Initiative is a partnership of organizations with shared interests and commitment to poverty reduction through better water management. The partnership was formed in March 2002 with 13 collaborating partners to support the 3rd World Water Forum's "Water and Poverty" theme. The members of the WPI are: African Development Bank, Asian Development Bank, Gender and Water Alliance, Global Water Partnership, Government of the Netherlands, Inter-American Development Bank, International Water Management Institute, Japan Bank for International Cooperation, Japan International Cooperation Agency, World Conservation Union, United Nations Children's Fund, WaterAid, and the Water Supply and Sanitation Collaborative Council. ADB is the coordinator of the initiative.

More information on the WPI and other poverty reduction initiatives from ADB can be found on <http://www.adb.org/water/theme/poverty.asp>

## Abbreviations

ADB	Asian Development Bank
AfDB	African Development Bank
GWA	Gender and Water Alliance
GWP	Global Water Partnership
IADB	Inter-American Development Bank
IWMI	International Water Management Institute
IWRM	Integrated Water Resource Management
IUCN	World Conservation Union
JBIC	Japan Bank for International Cooperation
JICA	Japan International Cooperation Agency
UNICEF	United Nations Children's Fund
WSSCC	Water Supply and Sanitation Collaborative Council

# Water and Poverty

## Fighting Poverty through Water Management

### Introduction

The world has united to combat the scourge of poverty. The UN Millennium Declaration and the consensus reached at the World Summit on Sustainable Development (WSSD) place poverty reduction at the top of the international development agenda, presenting a challenge to all sectors to define how they can contribute to this goal. For those interested in water, it raises the key issue of what contribution the management of water resources can make to poverty reduction. This paper sets out the ideas and experiences of the Water and Poverty Initiative, an initiative in which many partners have participated and that was set up to bring some coherence to discussions on this issue in the 3<sup>rd</sup> World Water Forum in Kyoto.

Problems with water security are part of the overall experience of poverty that so many face, including limited opportunities to develop one's potential and little access to life's necessities. Meeting the needs of the poor has too often been seen as simply providing drinking water. Important as this is, it is far from being the only challenge faced by poor women, men, and children around the world. They also need access to water for productive use to provide a livelihood, and water is critical to the ecological services on which many of the poor depend. Poverty is now recognized to be complex, multidimensional, and varied in both its causes and forms. Conventional measures of poverty, such as level of nutrition or daily income (usually expressed in dollar terms), are important indicators, but offer few insights into the real nature of poverty or the potentials that exist to lift people out of poverty.

The Millennium Development Goals (MDGs) are important in defining a clear international agenda for focusing poverty reduction. One of the goals, to stop the unsustainable exploitation of natural resources and to halve, by 2015, the proportion of people who cannot access or afford safe drinking water, clearly relates to water and must be a focus of efforts to improve the role of water in poverty reduction. Halving by the same date the proportion of people without access to sanitation was also agreed upon at the WSSD. The role of water in achieving the MDGs is not confined to these issues, however, as water management can

contribute to realizing all of the MDGs and is of particular significance for MDGs related to promoting health, reducing hunger, increasing income, and improving the living conditions of the urban poor. Any strategy to maximize the role of water management in poverty reduction must consequently identify which actions can make sure that water contributes to realizing all of the MDGs.

A multidimensional view of poverty will provide a basis for the development of integrated approaches that have poverty reduction as an explicit goal. This reflects the perspective that poverty reduction is not something that happens indirectly or coincidentally. It is something that must be directly targeted, with specific and focused steps to address particular aspects of poverty. The need to target the needs of the poor more effectively is one of the central themes that emerged from the Water and Poverty Initiative which runs through this report. We must not assume that actions that are good for water management or economic development, in general, will necessarily contribute to poverty reduction. We must be clear and explicit on how they will contribute, and where necessary, adapt our actions to maximize their poverty impact. Poverty reduction should not just be the general but vague goal of water management; it should be the explicit and targeted purpose of these actions. This paper aims to set out some ideas on how this can be achieved.

## A Framework for Action

The need to improve the contribution of water management to poverty reduction means that there is a need for actions that make water more accessible to poor people. Six key areas have been identified as a framework for action to improve water security for the poor:

- ***Pro-Poor Water Governance.*** Strengthen pro-poor water governance through water policies, laws, action agendas, and better information management. Introduce pro-poor safeguards in integrated water resources management, improve stakeholder consultation and participation, mainstream gender, and empower political support for women to improve water management. Increase public awareness and political support for the water security needs of the poor.
- ***Improved Access to Quality Water Services.*** Increase the access of the poor to water services: drinking water supply (with hygiene and sanitation), irrigation and drainage, and other areas. Put people at the center of viable and affordable services, mobilize funds from all sources, increase public awareness, and improve the accountability of service providers.
- ***Pro-poor Economic Growth and Livelihood Improvement.*** Increase investments in agriculture, rural development, and other water-using sectors that generate direct income for poor communities. Strengthen the

asset base of the poor and help develop sustainable livelihood diversification opportunities.

- **Community Capacity Building and Empowerment.** Invest in capacity building in poor communities to help them improve the management of their water resources, negotiate better access to water services, and improve their livelihoods through income-generating activities. Ensure gender equity in water management.
- **Disaster Prevention and Mitigation.** Improve the resilience of the poor to water-related disasters through better forecasting, as well as relief and recovery systems, including both structural and nonstructural investments in prevention, adaptation, and mitigation interventions.
- **Management of the Environment.** Introduce sustainable natural resource management arrangements with the participation of the poor, particularly in the upper watersheds, wetlands, and other common property resources.

These six action areas are developed in more detail below, drawing on experiences from a range of case studies and defining key actions that should be promoted in each of the areas.

## Linking Poverty and Water Security

The concept of **water security** was highlighted in the Framework for Action and in the Ministerial Declaration of The Hague in March 2000 and is seen as the key to addressing the water crisis in the 21<sup>st</sup> century. It means that people and communities have reliable and adequate access to water for their different needs, are able to take advantage of the different opportunities that water resources present, are protected from water-related hazards, and have fair recourse when conflicts over water arise. The concept of water security is based on the creation of mechanisms that ensure that the poor have **secure and sustainable access** to water resources, which in turn means strong links to participation and the governance conditions that dictate this access.

Central to this is the recognition of the needs of **all users**, as well as the value and potentials of **all uses** of water resources in decisions about their future. Water resources (including aquatic plants and animals, and hydropower, aesthetic, and other services) come from many sources (including surface water and groundwater) and have many uses: domestic needs, irrigation, fishing, industry, waste disposal, etc. Where scarcity exists, conflicts emerge and the poor and powerless in particular are likely to be marginalized. The idea of water security means that there are mechanisms in place to ensure that this does not happen.

**Gender** is a key issue in any analysis of poverty and water. Women disproportionately make up the poor and are the main managers of many water resources. Women face the burdens of fetching water for use in the home, of coping when there is not

enough water for domestic needs, and of caring for those made sick by poor-quality water. Women are also often the main actors in productive activities around the home that rely on water—vegetable gardens, livestock, handicrafts, and services. Empowering women is critical to more focused and effective water management and will create an improved social and institutional environment for women that benefits other aspects of life.

The basic assumption is that water resources are important to the poor. Is this the case? The extent to which it is varies from place to place, but poor people depend upon water resources in four ways:

- Water resources are direct inputs to **production**. Agriculture is the most obvious, and the viability of agriculture is closely linked to reliable access to water. However, there are many other areas of production including fishing; tree and garden cultivation around homesteads; livestock raising; small-scale manufacturing such as pottery, brick making, and tanning; services such as laundering; and others. Water is also vital for many types of manufacturing and other larger economic activities that provide employment for poor people, particularly in cities. The poor often rely on these non-land-based production activities to give essential diversity to their livelihoods and to overcome their lack of assets, such as land.
- Water resources are a basis for the **health and welfare** of the poor, especially of vulnerable groups such as children, the elderly, and women in general. Both the quality and the quantity of water greatly matter in this, and safe and adequate quantities of water are recognized as a precondition for an acceptable standard of development. The UN Millennium Declaration defines a target of halving, by 2015, the proportion of people living in extreme poverty and halving the proportion of people who suffer from hunger and cannot access or afford safe drinking water. A similar target has been agreed upon for sanitation. This is one of the most obvious areas where gender perspectives are of particular importance, as women are the providers of water in the home.
- Water resources are critical to the viability of the **ecosystems** through which the poor gain access to the natural resources that are the basis of many aspects of their livelihoods. Even where water is not a direct input into production, other natural resources (such as forestry, fishing, or grazing) that are contingent on the viability of ecosystem processes depend on the flows of water through these systems. For example, naturally occurring annual floods provide low-cost protein, an important input into the livelihoods of the poor.
- Water, when there is too much or too little, may also affect the poor, as they are the most vulnerable to **water-related hazards**, such as extreme floods, droughts, major storms, landslides, and pollution. This vulnerability can undermine any effort to break the poverty trap and can even cast the not-so-poor into poverty and destroy the basis of their livelihoods through a cataclysm. Low resilience to these water-related vulnerabilities is a defining characteristic of poverty where these threats exist.

## Pro-poor Water Governance

Governance has been stressed as a key issue throughout the discussions on water and poverty. Good governance will depend upon stakeholders (particularly local communities) having the knowledge and skills needed in areas such as water management, infrastructure maintenance, and administration, if they are to fulfill the roles assigned to them. There is a need to make laws and policies more coherent and consistent to ensure that state agencies in particular are better equipped to respond and meet the needs of poor people, and to ensure that intentions of more transparent and participatory approaches are carried through into practice. Three main elements of the governance context can be identified:

- The **wider economy and society**, including the structure of society and the nature of participation and strength of civil society; the strength of institutions at different levels of society from the local to the national; the form and effectiveness of government institutions and political participation; the structure and dynamism of the economy (including the private sector); the availability of different skills, services (such as health), and infrastructure (for example, transport, power supply and communications) and education and media services.
- **Water laws, policies, and institutions** that set the context within which water management takes place and the poor have access to water resources. This can be seen as the immediate national-level governance context for water, and its character will reflect the wider economy and society. This should include the *de jure* system (the framework of rights, policies, and institutional mandates that exists on paper) and the *de facto* situation (what actually happens on the ground, which can be very different from the system on paper, including customary rights that are often not formally recognized but are of key importance in the management of water). One key goal here is to mainstream gender issues as a central feature of the decision-making process at different levels within the sector.
- The **local social and institutional structure**, both directly related to water management and in the wider setting of social, gender, and political relations at the local level. These are critical in three senses: they in many ways define (and limit) the extent to which the poor can be empowered, they are the existing capacities on which new institutional processes for participation and management should be built, and they are the channel through which the poor interact with the external world including policymakers and institutions seeking to improve their water security and their livelihoods.

Any approach to improving water management must understand all three components of the governance context. Too many approaches concentrate on just one (improving government institutions or mobilizing local-level participation) or, at best, two. The wider economy and society is rarely acknowledged, but

will be of critical importance in defining the basic approach and potentials for change at the local and institutional level.

Effective actions to improve governance conditions are extremely challenging, not least because key decisions are often beyond the authority of water managers to take and reflect much wider political and societal forces. Actively engaging with politicians and politics is essential if these governance issues are to receive the attention they deserve. Despite such caveats, a number of successful actions on improving governance was found in the case studies.

Actions to ensure greater equity through the inclusion of a strong gender perspective are increasingly recognized as essential if good governance is to develop in the water sector. This is challenging, but several positive experiences were identified in the case studies including those for Gujarat, India, Pakistani Punjab (see box 1), and Nepal. The need to approach gender as a core element of water management, rather than something that is added on to existing approaches, is a lesson that these case studies illustrate. This is particularly important for the effective targeting of water management to the

specific needs and capabilities of the poor, as women make up a disproportionate amount of the poor and generally have needs, capabilities, and priorities that differ from those of men.

Legal and policy provisions, as well as institutional reforms, are needed to protect the rights of poor people to access water resources. This is true in all circumstances, but is particularly important where actions taken affect multiple stakeholders over a larger area, as this opens up the potential for conflict that is unlikely to be resolved by existing community regulatory systems. Hussein, et al. (2003) established the importance of effective governance conditions for ensuring good poverty impact in irrigation systems, with cases having positive and sustainable benefits for the poor in large irrigation schemes, where this was found, such as in the Walawe River Basin in Sri Lanka.

Institutional fragmentation, or different agencies having jurisdiction over various aspects of water management, and having little or no coordination between them, is extremely common. There are a number of cases where active steps are being taken to address such problems and ensure that all aspects of water management for the poor are included in the initiatives. These should cover all aspects of water resources and their relationship to poverty in forms that reflect the specifics of local circumstances. For example, the development of coastal policies in Bangladesh is focused on the multiple vulnerabilities that coastal communities face, including the threat of natural disasters, the need to

### Box 1

#### Ladies First: Accessible Water for Entrepreneurial Women in Pakistan

In Punjab, women and children bear the brunt of inadequate access to water. The Government of Pakistan implemented the ADB-funded Punjab Rural Water Supply and Sanitation Sector Project, which has provided safe drinking water and drainage facilities to about 800,000 people. The project used a community-based, demand-driven approach, wherein the local people participated from planning through construction, and eventually became fully responsible for operation and maintenance (O&M) work. Men and women formed community-based organizations to implement the water-related activities as well as promote other development and livelihood activities. The main impact of the project has been to free women and children from having to carry water 2–6 hours a day. Also, people's income has gone up, as 45% of the time saved is spent on income-generating activities. A survey found a more than 90% reduction in water-related diseases, an average increase in household income of 24%, and as much as 80% increase in the enrollment of schoolchildren. The Punjab Project demonstrates that it is possible to combine an efficient and large-scale extension of services with actions to improve governance.

maintain the resource base, and the intention to support and extend livelihood opportunities that benefit the poor. The establishment of more effective governance conditions in the coastal areas is seen as a precondition for success.

## Improved Access to Quality Water Services

In all but the most exceptional circumstances there is enough water, but the main problem facing the poor is that they do not have access to the services that these resources can provide. These include water for all the needs of the poor, particularly domestic water and sanitation as well as water for food production. The quality of service provision includes both sufficient quantities and good quality of water (with the latter being especially important for domestic water). Access is determined by a wide range of factors:

- The **rights and entitlements** of poor communities to use the resources. These reflect laws, policies, traditional rights, as well as social customs and barriers. These are part of the wider fabric of legal rights and social relations that are recognized as part of the poverty experience. It is necessary to ensure that specific steps to guarantee the rights of women are included within the legal and policy framework.
- The availability of **infrastructure** and technology: whether the poor can afford and have access to hand pumps, nets, irrigation canals, tube wells, latrines, storage facilities, or any other devices needed to harness the potential services that can be provided by the water resources available to them.
- **Ability to pay.** If the poor have the rights and the infrastructure, or if technology is available, can the poor afford to pay for the initial investments and operation and maintenance, as well as other water charges?
- The poor possessing the **knowledge and skills** needed to make use of the water services available to them. For example, are they aware of hygienic practices, of effective irrigation, or of the places where they can fish?
- **Institutions** must exist that are accessible to the poor and that can efficiently manage water resources, operate services, develop infrastructure where needed, and manage conflicts.

There can be little doubt that many poor people around the world have little access to these services, and instead have poor-quality water that directly affects their health and welfare. Investments in improved services, such as more reliable, better quality, and better located domestic water, or more reliable and higher-flow irrigation, can quickly and significantly improve the lives of the poor. These improvements in water services are frequently identified by

poor people as one of their highest-priority needs, and indeed their development can act as an effective “entry point” to catalyze wider community participation in water management or other activities. The process can also provide a basis for developing better institutional links between government agencies and local communities.

One of the key challenges is to ensure that the investments made can be operated and maintained by the direct stakeholders in an effective and sustainable manner. This can require levels of skill development and organization within communities that are challenging but that, again, can catalyze wider processes of community development. Equity, especially gender equity, is a central issue in all aspects of increasing the access of poor people to good-quality water services.

### Box 2

#### Allocating Water for Home-Based Productive Activities in Bushbuckridge, South Africa

The case study highlights how water-dependent productive activities are vital to the livelihoods of many poor people, including female-headed households, and how improvements in access to reliable water services can contribute to poverty reduction. The institutional context in South Africa is one of dynamic changes in water laws, policies, and institutional responsibilities, most of them pro-poor. Productive uses of domestic water are recognized in the water use category known as Schedule 1. While no license is required for this use, water-dependent productive activities that take place in the household have yet to be recognized in planning and allocation.

The importance of water for productive activities leads to a reassessment of the concept of water for basic needs. This has traditionally been seen as being about health and hygiene only. However, for many in South Africa and across the developing world, the definition should be extended to include water needs for livelihood activities. A key implication of this is that domestic water needs are likely to occupy a far higher level than that assumed by conventional approaches to basic needs. Different households will have different needs, as the scale and nature of use of domestic water for productive activities vary greatly within any community. This means that current norms-based allocation systems (so many liters per person per day) are a hindrance to poor households trying to work their way out of poverty.

Many examples of improvements in water services that brought major benefits to poor people, including improved health and livelihoods, were found. Such improvements are not just a matter of how many people are connected to water supplies or how much land is irrigated. The quality of the water provided, the reliability and cost of the services, and the extent to which all aspects of water needs are taken into account, are equally important. Improved sanitation is also increasingly recognized as an essential, if much neglected, service that has major impact on poverty.

The multiple benefits that improved services even where they were not specifically designed as objectives, have been demonstrated by WaterAid, which assessed the impact of older water supply and sanitation projects in Ethiopia, Ghana, India, and Tanzania. The results were remarkable. Although the initial justification for the projects was usually based on health objectives, the assessment identified a wide range of positive effects on many dimensions of life, including major savings in collection time, improvements in health, new income opportunities around the house (a result mirrored by those found by AWARD in South Africa; see box), new skills, and more effective local institutions.

In Andhra Pradesh, the successful implementation of watershed management in some drought-prone areas has led to substantial improvements in income, better health, reduced out-migration, and stronger social organization—an experience mirrored by the communities in Gujarat, where the Self-employed Women’s Association (SEWA), a non-government organization (NGO), has introduced

similar schemes that are linked to income-generating activities and social organization for women.

Most water sector interventions are implemented by government agencies. For better-quality services to materialize where such agencies continue to play a leading role in service provision, a number of improvements are required. Among them are capacity building of those agencies, increased supervision, and demand for better facilities by organized stakeholders. Water services should not aim at a “final solution,” but instead at a step-by-step approach. Starting with the needs and existing capacity of the poor, the services should allow expansion and upgrading toward internationally accepted standards of water and sanitation services. Many of the case studies demonstrate that this is both possible, and, where it does happen, effective in the long term, in improving the position of the poor. This places a burden on governments, donors, and others to accept the need to avoid quick-fix solutions and unrealistic targets and to engage with the poor as a long-term process.

The poor are almost always willing and able to pay for water services, as long as the services are relevant and secure. Such payments are necessary to improve supply and reduce misuse. Special arrangements, such as payment in weekly or monthly installments, and at different rates for different types of usage, are necessary to give the poor access to the services. The Punjab Water Supply and Sanitation Project demonstrates that poor communities are both willing and able to pay for both the initial investments and the running costs of improved water supply and sanitation where the costs are kept reasonable, the communities are involved, and the services are reliable and provide good-quality water.

Water quality, particularly of domestic water, must receive much more attention. The geological pollution of groundwater with arsenic and fluorides in India, Bangladesh, and other countries, is an example of how a focus on quantities alone is insufficient, as is the widespread pollution from industry and other sources found in many low-income urban areas in particular. Improving service provision in the poorest urban areas, especially where many settlements are themselves illegal, is particularly challenging. The examples from Manila, where a large utility is extending services with private sector involvement, and Dhaka, where an NGO is actively and effectively working with poor communities to improve water supply and sanitation, show that there are different routes to achieving this goal with significant levels of success.

## Improved Livelihoods and Pro-poor Economic Growth

Eradicating poverty is ultimately about creating an environment that will allow the poor to use their potentials to develop better and more secure livelihoods, which is in turn contingent on the wider process of economic development and on focused measures to support and develop the livelihoods of the poor. There is not enough space here to go into a detailed discussion on livelihood analysis, but three essential components of livelihoods need to be considered if improved water management is to contribute to sustainable livelihood development:

- People draw on a set of capital **assets** as a basis for their livelihoods. We can identify five: human, natural, financial, physical, and social (including political). The capital available to individual households reflects their ability to gain access to systems (the resource base, the financial system, society) through which the capital is produced.
- On the basis of the choices made, members of the household will undertake a series of **livelihood activities** such as growing crops, fishing in a lake, working for someone else, or making pots. Some activities may be dominant, but a poor household will rarely rely exclusively on one source of livelihood, and most combine complex sets of activities.
- The **livelihood outcome** covers the set of material and non-material conditions that define the specific forms of poverty of individuals and communities. This ultimately is what any pro-poor strategy is trying to improve, and therefore the nature of poverty in different settings needs to be better understood.

Water management plays an important part in many aspects of these livelihood processes, and in particular is essential to many livelihood activities, both productive, such as agriculture and manufacturing, and household maintenance activities. Focused efforts to meet the needs of the poor need to understand the different roles that water security plays in their livelihoods. These vary from community to community and prescriptive assumptions need to be avoided here.

### Box 3

#### Livelihood Impact of Small-scale Irrigation: Treadle Pumps in the Indian Subcontinent

Micro-irrigation is a simple, practical, and widely applicable technology for utilizing agricultural potential and increasing the income-generating capacity of smallholders. More than a million pumps have been sold in Bangladesh since the 1980s, and more than 200,000 in eastern India and the Nepal Terai since the 1990s. Treadle pumps and other forms of micro-irrigation have had a widespread impact on poverty alleviation. For an initial investment of about \$30, smallholder families can increase their net income by an average of \$100 a year. The innovative distribution of treadle pumps at affordable and unsubsidized prices through the private sector has resulted in widespread poverty alleviation with minimal donor resources. Micro-irrigation could potentially benefit up to 30 million smallholder households in South Asia alone in the next 15 years. This, first of all, requires a focus on pro-poor economic growth and on poverty alleviation, linked to ensuring for smallholders a range of product choices, effective distribution systems, and an end to subsidies, including the uneconomic pricing of electricity, for mechanical pumps.

Water management is also a key to ensuring the sustainability of many types of new economic ventures that provide investment or employment opportunities for poor people, and that contribute to the wider process of national economic development. Ensuring that water is available in the right quantities and quality for these pro-poor forms of economic growth is itself a key focus for water investments and management activities. To achieve this, poverty reduction will have to be the top priority, even when that means accepting lower initial economic cost-benefit ratios.

Hussain, et al. (2003) demonstrate the link between the secure availability of widespread irrigation and the overall development of countries and regions. There can be little doubt that sustained agricultural development is critical to economic growth and development in poor countries. Not all places are suitable for the development of large irrigation systems in hydrological terms, while the economics militate against their development in other places, but where such systems are viable they can make a major contribution to levels of growth that are essential for the sustained reduction of widespread poverty.

Supporting facilities such as credit, skills training, and markets are necessary if water is to be used for productive purposes and lead to poverty alleviation. The results can be spectacular where this is the case, as illustrated by the experiences of communities in Gujarat involved with SEWA's programs and in many other watershed programs across India. Scaling up such successful local experiences is perhaps one of the main challenges to be faced if such successful experiences are to be built on and replicated.

Low-cost and appropriate improvements in water provision for food production by the poor can yield extremely encouraging results. For example, (International Development Enterprises) demonstrates that innovations such as the treadle pump and low-cost drip irrigation can yield an annual income of \$100 from a small plot of land for an initial investment of about \$30 (see box 3). As this case study argues:

the distribution of micro-irrigation technologies through the private sector at affordable, sustainable, and unsubsidized prices has proven to be an effective and efficient means of achieving widespread impact with minimal donor resources (IDE 2002, page 1).

There are, consequently, many ways that water can and does contribute to improving the livelihoods of poor people. These efforts need to continue to be supported and extended, through such means as ensuring that politicians and policymakers are aware of the many poverty and economic benefits that investments in water can bring. The potential of water management as a motor for economic growth and a basis for sustainable livelihoods is often not realized, and indeed the focus on health and hygiene issues has, to an extent, been to the detriment of this issue. The compelling evidence that is found needs to be more widely presented, and the case for water, more effectively argued in discussions on development and economic strategies.

## Empowerment and Capacity Development

The importance of ensuring the participation of poor people in water management has been stressed throughout this paper, and indeed is hardly a contentious issue. There are three key issues in turning this principle into practice:

- Is the participation based on a process that gives poor people clear rights and the means to access these rights? Participation can all too often be a token gesture in which there is no real strengthening of the position of poor people. Full participation is found where poor communities have a real voice in all aspects of the planning and management process.
- Do the poor have the capacity to undertake their new roles? In particular, are there effective and representative organizations at the community level, and do the individuals involved have the appropriate skills and knowledge and other means (including transport, buildings) to un-

dertake the new tasks in the water management process that is the purpose of engendering participation?

- Do the donors and implementing agencies, government as well as non-government organizations, have the procedures and capacity to facilitate participatory, pro-poor interventions? Far-reaching changes will be needed in procedures, as well as in staff composition, attitudes, and skills, for these agencies to effectively implement pro-poor water resource interventions.

Where these capacities do not exist, then actions to create or improve them are an essential precondition for improving the water security of the poor. These actions need to ensure that all sections of society are represented on a fair and equal basis, and this in turn means targeting the participation of the excluded. These are typically women, the young and (in some places) the old, and social or ethnic minorities. Participation is essentially about the redistribution of power toward the powerless, giving it a political dimension that cannot and should not be avoided.

#### Box 4

##### The Demand Response Approach in Practice

The Demand Response Approach (DRA) being developed in Mozambique in partnership with WaterAid offers considerable advantages over previous supply-driven approaches. Projects are being maintained better and communities have a greater sense of ownership of their water points. District and provincial capacity to monitor and promote the Government's policy has been secured through a funding arrangement that creates security and confidence. Health improvements are possible if not yet proven, and new community management models that seem to enhance community control are being developed and tested. In addition, costs have come down, meaning that more communities can be served than was possible in the past. Although there are many potential improvements in the present approach, it is one that means a radical change in the relationship between poor communities and outside agencies, giving these communities real control over the decision-making process for the first time. It is one that brings benefits for all concerned and should be widely replicated once improvements to ensure greater sustainability are made.

A strong theme that ran through most of the case studies was the recognition of the importance of empowerment and capacity development at the community level. In most cases, this was something that was central to the approach adopted, something that represented a radical break from the past (see box 4). There were varying degrees of success with this challenging issue, and many different approaches were adopted, but overall, the case studies demonstrate that this is possible and does lead to significant improvements in the water security of the poor.

Empowerment of direct stakeholders requires that the time and effort they invest be matched by increases to their decision-making power, with implementing agencies and donors combining to devolve real authority to poor communities. There has been some reluctance to do so in many cases, but there are also clear signs of success in this in the Punjab in Pakistan, Mozambique, and Gujarat, Tamil Nadu, and Andhra Pradesh in India. Empowerment and enhanced participation of the poor in decision-making should not just be confined to actions at the immediate community level. Examples of the effective representation and consultation of the ultimate target beneficiaries at more macro levels were also found. In Bangladesh, this included the process of policy formation, with extensive consultations among coastal communities being an integral part of the process through which the new coastal development policy is being formulated.

The devolution of authority needs to be complemented by capacity building at the community level so that poor people can carry out their new responsibilities. The case studies demonstrate clearly that all water sector interventions must include sufficient time and financial resources to enable direct stakeholders to organize and to voice their opinions. Project design, including disbursement and other schedules, should be flexible enough to allow direct stakeholders to be involved at their own speed and in ways that are appropriate to their capacities. The importance of this issue is now reflected in project design, with almost all the more recent projects containing specific objectives and activities related to the development of skills and institutional capacities at the community level.

Capacity building and change should also cover implementing agencies if these indirect stakeholders are to support direct stakeholders in demand-driven development. New attitudes, skills, procedures, monitoring and evaluation criteria, etc., are needed. Change is particularly needed at the field level, where the interaction between agencies and direct stakeholders takes place. Without such change, community capacity building would only lead to greater frustration among the poor.

Major changes in social relations and improvements in the cost and sustainability of water investments occur where these changes do take place, and real authority is devolved to poor communities. This is not just significant for water, for such changes can be the basis for a wider process of empowerment and development at the community level. The experiences of women involved in SEWA schemes in Gujarat, India (box 5), are mirrored in many places around the world. They are a cause for real optimism and a pointer to the types of actions that should be integral to all pro-poor water management schemes.

## Disaster Prevention and Mitigation

Disasters, whether natural or man-made, can devastate long-term efforts to reduce poverty and build sustainable improvements in the livelihoods of the poor. The number of poor people affected by such disasters is increasing rapidly, and trends such as increased pressure on resources and climate change suggest that these risks will continue to grow. It is now widely recognized that disaster prevention and mitigation needs to be established as a mainstream component of water management systems. In most cases, a range of both structural and nonstructural

### Box 5

#### Gender and Economic Benefits from Domestic Water Supply in Semi-Arid Areas: A Case Study in Banaskantha District, Gujarat, Western India

Combining improved water supply with microenterprise development has much potential for alleviating poverty in semi-arid areas. This case study, implemented by the Self-Employed Women's Association (SEWA) in Gujarat (India), combined the rehabilitation of piped water supply and traditional water sources with a microenterprise development program for female entrepreneurs. These actions were based on community-level organization among the women that substantially changed their place in their local societies. Research revealed that the time released by improved water supply enabled women entrepreneurs to make a substantial contribution to the household income. This income was especially useful in times of lack of employment, such as during a drought. In addition, gender relations have changed in favor of these women. One of the main conclusions of the SEWA experience is the potential for using the development of women's enterprises combined with the improvement of domestic water supply as an entry point for rural poverty alleviation programs.

measures will be needed. The point of departure will be to understand and strengthen the coping and adaptation strategies of poor and vulnerable communities. On its own, however, this will rarely be enough, and concerted actions by government agencies and others to improve forecasting systems, disaster relief capabilities, and post-disaster recovery systems should be an integral part of any pro-poor strategy for water management.

We have seen that one of the key dimensions of poverty is vulnerability to a wide range of forces that disrupt livelihoods and undermine the integrity of the resource base. For water, this is a two-way street:

### Box 6

#### Pro-poor Water Harvesting Systems in Drought Prone Areas: A Case Study of Karez in Balochistan, Pakistan

Balochistan, in Pakistan, has been severely affected by droughts, as have similar areas in eastern Iran and southwestern Afghanistan. The *karez* is an ancient water system that has made survival and even prosperity possible in these perennially arid areas. It has reduced the impact of drought on crop productivity, livestock productivity, incomes, health and nutrition, and the sustainability of groundwater resources. The community and the government should use this potential to develop a strategy for integrated water resource management that is aimed at doing more with less water. For this the following measures are suggested:

- Integrated water conservation strategies must be devised, to enhance the benefits of available water supplies and to optimize water use efficiency once the rainfall resumes.
- Water conservation, through awareness raising and supporting policies, is the key to a stable and sustainable effort to ensure that future droughts have less devastating effects.
- Introducing water delivery mechanisms such as modern irrigation techniques (trickle, sprinkle, etc.) would lead to more efficient use of water.
- Research must be done on the possibility of growing crops that do not require large amounts of water, hold the soil in place, and are appropriate for subsistence and marketing in southern Balochistan.

- The poor are directly vulnerable to water-related hazards (floods, droughts, pollution, etc), the reduced availability of resources (quantity and quality of water, fish and aquatic plants, etc.) as a result of environmental degradation, the influence of shocks and trends in market prices that reduce the value of water-based production, social and political developments that further oppress them, and many other forms of vulnerability that directly and indirectly affect their access to water resources and their livelihoods.

- Conversely, better water management can reduce vulnerabilities. It can do so directly, by decreasing the impact of variability in water availability (for example, through better water storage) or providing protection against hazards (for example, through flood protection or pollution control). It can also work indirectly, by providing more secure livelihoods and helping build social institutions that are important in creating resilience to wider vulnerabilities.

Understanding and working effectively to reduce these vulnerabilities through interventions that improve water management, secure livelihoods, establish more effective governance, and build direct stakeholder capacities, among other improvements, is a key component of a pro-poor approach to water security.

Vulnerability to disasters is as yet not as effectively integrated into water management. In particular, there is still too often a failure to integrate disaster prevention and mitigation as a central element of water policies and programs. This is a critical issue for poor people, who are the most vulnerable to such hazards. There are serious gaps in our understanding of how such hazards relate to the live-

lihoods of the poor, the types of coping and adaptation strategies that they adopt, and long-term increases in their vulnerabilities that stem from both climate change and increased exposure to hazardous environments. Further research and analysis on all of these issues is needed.

The case studies offered limited examples of successful approaches to reducing the vulnerabilities of the poor, but some positive experiences were found, particularly in relation to drought hazards. The watershed management programs in Andhra Pradesh and the SEWA program in Gujarat, both in India, provide examples of where improvements in rainwater harvesting and water management have been succeeded in mitigating at least some of the worst effects of droughts that have hit these semi-arid areas in recent years. Similarly, the rehabilitation of traditional water harvesting structures in Balochistan, Pakistan, demonstrates the potential of approaches that build on long-established methods of water management and conservation at the community level (see box 6).

Coastal policy development in Bangladesh is specifically focused on reducing the vulnerability of poor people in an area where they face the threat of cyclones, floods, and (in some areas) droughts, along with hazards such as salinization and the presence of arsenic in groundwater, and the decline of ecosystems such as mangroves and wetlands. It is an innovative approach that seeks to integrate the existing (and effective) disaster relief system into the overall process of coastal development. Actions to increase the resilience of coastal communities are central to the approach, with many of these actions focused on enhancing water security. Overall, while still under development, this example demonstrates that disaster management and mitigation can be an integral part of enhancing the water security of poor and vulnerable people.

## Sustainable Management of Ecosystems and Water Resources

The management of water resources takes place within ecosystems, and actions at any one place should be based on understanding the flows of water resources within river basins. This should take account of all aspects of water resources (such as surface water and groundwater; soil moisture; water quality and waste absorption capacities; fish, plants, and other aquatic animals; and recreational, power, aesthetic, and transport potentials). It should also take account of all water uses, including actual and potential conflicts between different uses. There is an emerging consensus that the basis for this should be, as far as possible, integrated water resources management (IWRM) within river basins, although how these interface with political and administrative boundaries is still a challenging issue.

Sustainability is the key, as the availability of future flows of resource values and water services is severely compromised in settings where unsustainable management damages the quantity or quality of water flowing through the

system, increasing scarcities and vulnerabilities, eroding the position of the poor, and threatening the integrity of the ecosystems through which the water flows. Sustainability should be an objective of water resources management, and for this an understanding of what levels of exploitation are or are not sustainable is needed.

The importance of the environment is critical in defining the limits of water resources exploitation. Water management needs to consider the variability of water flows through ecosystems and the minimum flows needed to maintain the integrity of these ecosystems to avoid disrupting service flows and to maintain the sustainability of the ecosystems and the availability of water.

Water management, consequently, cannot be separated from the wider process of natural resource management, and has particularly strong and important links to land management. Critical tradeoffs have to be made where ecosystems are sensitive to variations in water flows (wetlands, mangroves, etc.) or where they have biodiversity values and are under stress. In these cases, water management needs to meet the needs of poor people, but must do so in ways that do not further degrade ecosystems viability. These include actions to reverse unsustainable management practices by poor people where they are found.

#### Box 9

##### **Policies for Ecosystems Integrity: The Wetlands Sector Strategic Plan in Uganda**

The Wetland Sector Strategic Plan was launched in early 2001 to build on the 12-year experience with the National Wetlands Program, a collaboration between the Government of Uganda and IUCN supported by The Netherlands. Wetlands cover 13% of Uganda's territory, and many are of international biodiversity significance. The program is innovative in that it integrates wetlands management and poverty alleviation. It funds local community efforts to develop sustainable management initiatives that improve their livelihoods and maintain the integrity of the wetlands. These initiatives are based on locally developed management plans that identify areas where all exploitation is prohibited and areas where specific types of management (such as cultivation, fishing, livestock, and papyrus collection) are allowed. The Uganda experience demonstrates the importance of a sustained effort, supported over many years, both financially and technically, by external development partners.

Poor sanitation can have particularly severe effects on the local environment, particularly in urban areas with far higher concentrations of people. The successful sanitation programs in areas such as Dhaka and Niassa Province, Mozambique, demonstrate that actions to disseminate improved sanitation are possible. They contribute to the health of both people and the environment, and assist countries in meeting their new international obligations associated with halving by 2015 the proportion of people without access to improved sanitation.

There were a few cases where the actions taken had explicit environmental conservation objectives. For example, the Kiribati Sanitation, Public Health, and Environment Improvement Project included specific activities to reduce solid waste pollution, encourage water conservation and protection, and improve environmental health. Similarly, the Mountain-River-Lake Integrated Water Resources Development Program in Jiangxi, People's Republic of China, has specific objectives and activities related to soil conservation, ecosystems protection, and the reduction of pollution through integrated water resources management.

The ecological resource base should be strengthened, and the carrying capacity of fragile environments improved, in the context of broad-based wa-

tershed development. The poor who live in these degraded areas would benefit from such initiatives. These cases demonstrate that environmental conservation to improve water security is not just a local issue. This message is reinforced by the example of wetlands conservation in Uganda (box 9), where a successful partnership between an NGO (World Conservation Union [IUCN]) and government agencies has been scaled up to cover sensitive wetland ecosystems (on which many poor people depend).

## Poverty and Water Security Initiative

Taken together, the foregoing issues interact to determine the character of the relationship between poverty and water security. They define the conditions through which the poor can access water resources and services, and they determine the vulnerabilities of the poor. They provide a structure through which the specifics of different people and places can be understood and the steps to be taken at different levels to improve the water security of the poor can be identified.

The partners in the Water and Poverty Initiative have identified many case studies where positive actions are improving the position of poor people and helping to reduce poverty. Such actions take all forms and have implications for all aspects of water resources management. Although many are at present confined to relatively small areas, all contain elements that could be scaled up, and a number are large enough to benefit many thousands of very poor and vulnerable people. In many cases, the actions did not require huge investments or the radical and rapid restructuring of institutional responsibilities and capabilities. Indeed, the most successful and sustainable actions evolved gradually and were based on the development of strong partnerships between a range of stakeholders. They were based on and enhanced the capacities of the poor, but also involved external actors—governments, NGOs, and the international community working with and supporting local communities. In all cases, these different actors were willing and able to innovate and work together to ensure that their efforts were more effectively targeted to the needs and capabilities of the poor.

The analysis presented in this paper provides a framework, rooted in strong ideas and on-the-ground experiences, for understanding the complexity of poverty-water security relationships. This in itself is useful, but these ideas need to be fleshed out in relation to real places and real policies. Indeed, meeting the challenges that poor people and poor nations face in reducing vulnerabilities and improving access to water resources and services needs to be based on clear and prioritized steps. There is no blueprint for this, but there is a need for a process that catalyzes awareness of the issues and focuses attention on them, and leads to immediate and long-term improvements in water security for the poor.

The Water and Poverty Initiative will be taken forward from these starting points. It is coordinated by the Asian Development Bank with the aim of mak-

ing sure that Water and Poverty is a major theme at the 3rd World Water Forum in Kyoto in March 2003. The idea of developing new water and poverty partnerships emerged during the Initiative, particularly in response to the strong calls to stop talking and start acting, that came out of the WSSD in Johannesburg. These partnerships will focus on developing water and poverty action programs that would improve the water security of poor people, and thus help reduce poverty, by improving access to water, promoting pro-poor water governance, reducing vulnerabilities, and sustaining the resource base.

The objective will be to create partnerships that will help to increase pro-poor water investments and make them more effective. The partnerships will help to achieve the Millennium Development Goals through a participatory and demand-led approach that combines capacity building, community empowerment, and investment. These programs will be poverty-targeted, demand-led, action-oriented, and based on partnerships with common, but differentiated responsibilities. They will be implemented through national-level programs in which partnerships between governments, civil society, and national-level knowledge institutions will work together toward pro-poor actions to enhance the water security of poor people.

The idea of these new partnerships reflects the theme that runs through this paper: that “business as usual” and conventional approaches are by themselves not enough to reach the poor, and especially the poorest of the poor (Frans and Soussan 2003). Something different is needed. It is hoped that this paper has outlined a conceptual framework on which these innovations can be based. There are no easy prescriptions, no panaceas or universally applicable solutions. But there are some fundamentals that apply everywhere, including the need to create fair and representative governance conditions and means of participation for all and ensure efficient and sustainable levels of service provision. There is also the need to ensure that water is mainstreamed into wider national and international development approaches such as the Poverty Reduction Strategy Programs. Water can (and often does) make a major contribution to poverty reduction, but water management alone—without improved water security—will not solve poverty problems or reduce poverty.

## Water and Poverty Papers and Case Studies

### Thematic Papers

- Black, N., and A. Hall. 2003. *Pro-poor Water Governance*.
- Calaguas, B., and J. Francis. 2003. *Empowerment and Community Development*.
- Gender and Water Alliance. 2003. *Understanding Gender and Water*.
- Howard, G., and A. Obika. 2003. *Poverty, Water, and Health*.
- Hussain, I., N. Regassa, and S. Madar. 2003. *Water for Food Security for the Poor*.
- Soussan, J. 2003. *Poverty and Water Security*.
- \_\_\_\_\_, and D. Frans. 2003. *Reaching the Poorest of the Poor*.
- \_\_\_\_\_. 2003. *The Role of Water in the Development of Sustainable Livelihoods of the Poor*.
- Water and Poverty Initiative. 2003. *Rural Water and Poverty Action Initiative*.

### Case Studies

- Appell, V., M. Saleem Baluch, and Intizar Hussain. 2003. *Pro-poor Water Harvesting Systems in Drought-Prone Areas: A Case Study of Karez in Balochistan*. Colombo: IWMI.
- Arcadis/Euroconsult. n.d. *Integrated Resources Management Programme in Wetlands: Managing the Muthurajawela Marsh and Negombo Lagoon Ecosystem Through Reducing Pollution of Ecosystem from Catchment*. Colombo: CEA.
- Asian Development Bank (ADB) 2003. *Bringing Potable Water to the Far-flung Islands of the Philippines*. Manila.
- \_\_\_\_\_. 2003. *Community Participation Helps Bring Water to Remote Parts of Nepal*. Manila.
- \_\_\_\_\_. 2003. *Development Communication Improves Water Project in Vietnamese Towns*. Manila.
- \_\_\_\_\_. 2003. *Drought Relief in Uzbekistan*. Manila.
- \_\_\_\_\_. 2003. *Kiribati: Water for a Thirsty Atoll*. Manila.
- \_\_\_\_\_. 2003. *Ladies First: Accessible Water for Entrepreneurial Women in Pakistan*. Manila.
- \_\_\_\_\_. 2003. *Let the River Run: Irrigating the Fields of Kabulnan, Philippines*. Manila.
- \_\_\_\_\_. 2003. *Partnership: Rebuilding a Nation by Bringing Clean Water to Timor Leste*. Manila.
- \_\_\_\_\_. 2003. *Software Enhances Hardware: Community Awareness Supports Water Infrastructure Project in Papua New Guinea*. Manila.
- \_\_\_\_\_. 2003. *Water for Slums: Private Sector Participation in Manila*. Manila.
- Breslin, Edward D. 2002. *Introducing Ecological Sanitation in Rural and Peri-Urban Areas of Northern Mozambique*. Lichinga: WaterAid.
- \_\_\_\_\_. 2003. *Demand Response Approach in Practice: Why Sustainability Remains Elusive*. Lichinga: WaterAid.
- Calaguas, B., and Mary O'Connell. 2002. *Poverty Reduction Strategy Papers and Water: Failing the Poor?* London: WaterAid.
- Datta, A., Dirk R. Frans, and John Soussan. 2002. *Coastal Zone Policies and Livelihoods in Bangladesh*. Dhaka.
- Frans, D., and J. Soussan. 2003. *Water and Poverty Initiative Case Study Papers: What We Can Learn and What We Must Do*.
- Hussain, I., Mark Giordano, and Munir A. Hanjra. 2003. *Agricultural Water and Poverty Linkages: Case Studies on Large and Small Systems*. Colombo: IWMI.

- International Development Enterprises (IDE). 2002. *Shapla Filter: Arsenic Removal from Contaminated Drinking Water*. Dhaka.
- World Conservation Union (IUCN). 2002. *Policies for Ecosystems Integrity: The Wetlands Sector Strategic Plan in Uganda*.
- Japan International Cooperation Agency (JICA). 2000. *Community Drinking Water Pumping System in East Sumba*. Jakarta.
- \_\_\_\_\_. 2001. *The Study of Rural Water Supply and Sanitation Improvement in North-West Region, Lao PDR*. Tokyo.
- Reddy, V. R., and Y. V. Malla Reddy. 2002. *Water and Poverty: A Case of Watershed Development in Andhra Pradesh, India*. Hyderabad: Centre for Economic and Social Studies.
- Self-Employed Women's Association (SEWA). 2002. *Gender and Economic Benefits from Domestic Water Supply in Semi-Arid Areas: A Case Study in Banaskantha District*. Ahmadabad.
- Shen, D. 2003. *Mountain-River-Lake Integrated Water Resources Development Program, Jiangxi, China*. Beijing: Institute of Water Resources and Hydropower Research.
- Shrestha, Ava. 2003. *Building Gender Responsive Water User Associations in Nepal*. Manila: ADB.
- Soussan, J., Sharon Pollard, Juan Carlos Perez de Mendiguren, and John Butterworth. 2002. *Allocating Water For Home-Based Productive Activities In Bushbuckridge, South Africa*. Johannesburg.
- Thapa, S., Dhruva Pant, Ashok Singh, and Madhusudhan Bhattarai. 2002. *Integrated Management of Water, Forest and Land Resources in Nepal: Opportunities for Improved Livelihood*. Kathmandu: IWMI, et al.
- Tushaar, S., M. Alam, M. Dinesh Kumar, R.K. Nagar, and Mahendra Singh. 2003. *Livelihood Impacts of Small-scale Irrigation: Treadle Pumps in India and Bangladesh*. Colombo: IWMI.
- WaterAid. 2001. *Looking Back: The Long-term Impacts of Water and Sanitation Projects*. London.
- \_\_\_\_\_. 2002. *DSK: A Model for Securing Access to Water for the Urban Poor*. London.
- \_\_\_\_\_. 2002. *The Soozhal Initiative: A Model for Achieving Total Sanitation in Low-income Rural Areas*. London.