



Philippines - ADB Dialogue

HIGHLIGHTS

Group Leaders

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MAJOR BARRIERS TO WATER INVESTMENT (1)

- Water Districts, Local Governments: funds for capex available –problem is limited capacity for project development, i.e. lack of technical capacity; lack of understanding of the importance of FS for accessing funds;
- Lack of budget allocation – water appears not a priority in budget allocation both at national and local levels

MAJOR BARRIERS TO WATER INVESTMENT (2)

- Political climate; priority for highly visible projects; continuity at risk if project goes beyond election cycle
- Creditworthiness of local governments and small water districts
- Need for strategic planning for IWRM

Solution Strategies

- Develop LGU / Water District technical capacity for project preparation
- Roadmaps/master plan/business plan for water districts
- Enhance financial and managerial autonomy of LGU-operated water systems
- Enforcement of cost recovery policy

Joint Opportunities for Investment

- Urban WSS in Metro Manila, in Water Districts and Local Governments
- Irrigation
- Policy reform; IWRM strategic plans
- Rural WSS

Matching of ADB Products with Solution Strategies

- TA and/or TA loan for national strategic planning for IWRM
- Multitranche financing facility (MFF) / local currency lending (LCL) to LWUA for Water Districts under their mandate
- Sub-sovereign lending to selected Water Districts and Local Governments
- LCL and MFF modality to Government Financing Institutions (GFIs)
- Refinancing and restructuring modality