

**ASIAN DEVELOPMENT BANK**

**TAR: OTH 35494**

**PROPOSED**

**TECHNICAL ASSISTANCE**

(Financed from the Cooperation Fund for the Water Sector)

**FOR**

**PROMOTING EFFECTIVE WATER MANAGEMENT POLICIES AND  
PRACTICES**

**April 2002**

## ABBREVIATIONS

ADB	–	Asian Development Bank
DMC	–	developing member country
GWP	–	Global Water Partnership
NGO	–	nongovernment organization
RSAN	–	Agriculture, Natural Resources, and Social Sectors Division
RSDD	–	Regional and Sustainable Development Department
TA	–	technical assistance
WAP	–	water awareness program
WWF	–	World Water Forum

## NOTE

In this report, “\$” refers to US dollars.

## I. INTRODUCTION

1. On 16 January 2001, the Board of Directors of the Asian Development Bank (ADB) approved its policy on water.<sup>1</sup> This followed extensive consultations with stakeholders over several years. In addition to promoting national water sector reforms, integrated water resources management, and better water services for the poor, the policy commits ADB to regional and subregional cooperation by assisting with water sector assessments and exchange of data, enhancing awareness and understanding of the water sector issues and needs of each country, and supporting water partnerships in its developing member countries (DMCs). On 10 December 2001, ADB's Board approved the establishment of the Cooperation Fund for the Water Sector (the Fund). The Fund is a multi-agency umbrella facility to promote effective water management policies and practices at the regional, subregional, and country levels and thereby to catalyze the implementation of ADB's water policy in the Asia and Pacific region. The Fund will finance a coherent program of activities (the Program) designed to add value to the water projects carried out by ADB's regional departments. The activities will increase the synergy in ADB's water sector operations as a whole through better awareness, knowledge management, capacity building to support generic sector reforms, pilot demonstration, regional cooperation, and monitoring and coordination. The Government of the Netherlands has made an initial contribution of \$4 million to the Fund to start the Program in 2002. Program activities to be financed from this contribution have been identified by ADB staff in consultation with water sector officials and experts in the region, and have been prioritized for inclusion in the Program by the concerned water sector directors in ADB's regional departments and in the Regional and Sustainable Development Department (RSDD). The technical assistance (TA) framework is in Appendix 1.<sup>2</sup>

## II. ISSUES

2. ADB's water policy is premised on the Asia and Pacific region's urgent need to formulate and implement integrated, cross-sector approaches to water management and development. It seeks to promote the concept of water as a socially vital economic good that needs increasingly careful management to sustain equitable economic growth and to reduce poverty. Improving water services for the poor and conserving water resources in the region through a participatory approach are at the heart of the policy. The water policy focuses on seven priorities that are consistent with those adopted by the second World Water Forum: (i) promoting a national focus on water sector reform, (ii) fostering the integrated management of water resources in river basins, (iii) improving and expanding the delivery of water services, (iv) fostering the conservation of water and increasing water efficiencies, (v) promoting regional cooperation and increasing the mutually beneficial use of shared water resources within and between countries, (vi) facilitating the exchange of water sector information and experience, and (vii) improving water governance.

3. The Board paper establishing the Fund identified three areas of priority assistance in the implementation of ADB's water policy and the national water policies in the Asia and Pacific region. First, DMCs need support in (i) undertaking or updating water sector assessments with the participation of stakeholders, as the basis for national water action agendas; (ii) designing and implementing critical water sector reforms; and (iii) demonstrating these reforms through pilot initiatives at the appropriate levels. The establishment of national and regional water partnerships and river basin organizations can help to broaden stakeholder participation and catalyze these water reform activities. Second, ADB needs to revise its business processes and strengthen its internal capacity to target the water sector more holistically in its operations with

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<sup>1</sup> ADB. 2001. *Water for All: The Water Policy of the Asian Development Bank*. Manila.

<sup>2</sup> The TA first appeared in *ADB Business Opportunities* (Internet edition) on 23 January 2002.

greater synergy. This requires (i) raising awareness and building capacity among ADB staff at headquarters and in resident missions; (ii) developing ADB's water focal point; (iii) establishing systematic knowledge management about water policies, trends, and reforms in the region; (iv) strengthening water sector collaboration with development partners; and (v) supporting policy dialogue and the preparation and implementation of TA and loan projects reflecting the water policies of ADB and its DMCs. Third, regional cooperation needs to be strengthened to (i) raise awareness of important water issues, trends, and policies; (ii) increase the understanding of critical themes in water sector reform through research and capacity building; (iii) optimize the use of available resources among DMCs and development partners in the sector; and (iv) catalyze investments in integrated water resources management and in better water services, particularly for the poor. Private sector investment needs to be facilitated, and networking stimulated among women's groups, nongovernment organizations (NGOs), media, the professional and research community, and other water sector initiatives.

4. In strengthening regional cooperation among DMCs and ADB in the water sector, the initial activities under the Program will take full advantage of the ongoing preparations for the third World Water Forum (WWF), which will be held in Kyoto, Japan, in March 2003. ADB's water sector operations are highly relevant to the themes of the third WWF, and ADB has already taken a leading role in organizing several thematic sessions in close collaboration with its development partners. These themes include (i) water and poverty, (ii) water in cities, (iii) water in small island countries, (iv) regional cooperation for shared water resources management, and (v) flood management. Concurrently, the WWF preparations offer ADB an excellent opportunity to focus on critical water and poverty issues and their solutions in the Asia and Pacific region, and to incorporate lessons learned into ADB's water projects. ADB will use the opportunity of the third WWF to raise awareness among water sector decision makers, the media, and the public at large, including youth and children, about critical water issues and initiatives, and to promote effective water policies, practices, and investments. The preparations for the third WWF will also help ADB to consult with its DMCs on the selected themes, facilitate the exchange of sector reform experience, and build ADB's knowledge base through comparative and thematic studies and regional consultations. Collaboration with development partners will be strengthened in the process, including with other multilateral development banks, bilateral funding agencies, research institutions, NGOs, and the media.

### **III. THE PROPOSED TECHNICAL ASSISTANCE**

#### **A. Purpose and Output**

5. The proposed TA will start the Program to promote effective water management policies and practices at regional, subregional, and country levels and thereby catalyze the implementation of ADB's water policy in the Asia and Pacific region, including within ADB itself. The activities under the Program aim to add value to, and increase the synergy, in ADB's water sector operations through better awareness, knowledge management, capacity building to support generic sector reforms, pilot demonstration, regional cooperation, and monitoring and coordination. Poverty reduction is an objective crosscutting the proposed activities. The proposed Program activities are targeted at a range of stakeholders in the region, including policy makers, planners, ADB's decision makers, civil society organizations, the media, the public at large, ADB staff, and development partners.

#### **B. Methodology and Key Activities**

6. The proposed TA comprises the following activities under the six approved categories of the Program, to increase synergy in ADB's water sector operations.

7. **Promotion and Public Awareness.** A water awareness program will be developed to disseminate ADB's water policy, increase public awareness and stakeholder dialogue on water reform issues, educate youth about the water crisis, improve press coverage of water issues, and support community-level water education pilot projects. The program will develop specific messages for each target audience (para. 4) and will use a variety of media including a water website, multimedia productions, publicity materials, public service announcements, a quarterly newsletter, print publications, media relations, water goodwill ambassadors, exhibitions, and pilot community water education activities implemented through NGOs. The first phase of the water awareness program will include support for ADB's contributions to the third WWF.

8. **Knowledge Base and Capacity Building.** A water information system will be designed and developed for use by ADB and DMC staff to support ADB's water operations. The system will provide water sector statistics by DMC, including national water sector profiles for selected DMCs, a compilation of useful practices in key water sector reform topics, and links to other water knowledge centers outside ADB. The system will be developed using both the internet as well as an intranet for ADB and DMC staff use. Comparative analysis of water sector reforms in the region will be initiated with (i) the analysis of water issues in 20 cities in the region, building on the findings of ADB's water utility data books, and in preparation for the Water in Cities theme of the third WWF; and (ii) a study on water governance, involving the establishment and performance of water sector apex bodies, water policies, water laws, water sector action agendas, river basin organizations, and methodologies to assess the capacity and performance of water sector agencies.

9. A water sector capacity building program will be developed to develop core competencies in DMCs and ADB to implement water policy reforms. Based on the outcome of assessments of capacity and training needs, a training program will be designed involving training workshops, training courses, exchange visits between DMCs on priority water sector reform topics, support for ADB's water focal point, and the development of a regional research and capacity building network in accordance with the water policy. The Fund will support needs assessments and preparation of the capacity building program, and the implementation of selected cross-cutting and regional training activities, while the capacity building activities within DMCs will generally be implemented by ADB's regional departments through regular country assistance operations.

10. **Pilot Demonstration.** Water project teams in ADB's regional departments will be supported to develop new approaches in water policy and sector reform during country strategy formulation and project preparation and implementation. Innovative local initiatives implemented by NGOs will also be supported on a selective basis, where possible through the Global Water Partnership's (GWP) regional technical advisory committees. The design will also be initiated of a more systematic water sector policy dialogue process between ADB and the DMCs, supported by first trials in selected DMCs, and training for ADB and DMC staff concerned.

11. **Water Partnerships.** Several activities will be undertaken to initiate or strengthen national and regional water partnerships. The comparative study on water issues in 20 cities in the region (para. 8) will help to establish a regional partnership of water utilities. The countries of the lower Mekong River basin will be assisted in the development of a flood management partnership in collaboration with the Mekong River Commission and the Royal Netherlands Embassy in Hanoi. In the Pacific subregion, an existing partnership of atoll island countries affected by climate change and the rise in sea level, chaired by the President of Kiribati, will be supported through a pilot study on national water resources assessment and coastal zone planning. The establishment of national water partnerships will be supported in selected DMCs, including Indonesia and Philippines, through subregional water partnerships including GWP's regional technical advisory committees. The development of new subregional water

partnerships will be supported in collaboration with GWP, in the Pacific subregion and in Central Asia in connection with the preparations for the third WWF and ADB's institutional framework for regional cooperation in Central Asia.

12. **Regional Events and Initiatives.** Support will be provided for the organization of the third WWF, including financing selected participants from DMCs to the WWF and its preparatory regional consultations; support for the ministerial meeting, the funding agencies panel, and the high-level working group on water sector financing; and associated media events. A stakeholder forum will be organized at ADB headquarters, tentatively at the end of May 2002, on water services for the poor to improve the dialogue on this subject among the private sector, NGOs, trade unions, and other interested stakeholders. A water week will be organized at ADB headquarters, tentatively in early December 2002, to convene ADB water staff and interested water staff from DMCs and development partners to review policies, collaboration, and innovative practices, and to exchange information and experience.

13. **Program Coordination, Monitoring, and Evaluation.** A monitoring system will be established for the Program of activities financed from the Fund, covering inputs, outputs, outcomes, and financial management. An evaluation system for the Program and ADB's water policy implementation will also be designed, to assess development impact. An annual review of the Program's activities will also be organized. The water sector focal point in RSDD will be supported to undertake the coordination and monitoring of the Program. Exchange visits will be undertaken with the World Bank's water partnership program and with similar initiatives of other development partners to ensure coordination and to facilitate joint activities.

### C. Cost and Financing

14. The total cost of the TA, estimated at \$4.00 million, will be financed by the Fund through the channel financing facility of the Government of the Netherlands, and administered by ADB.<sup>3</sup> The cost estimates and financing plan are in Appendix 2.

### D. Implementation Arrangements

15. The TA will be implemented by ADB. The Agriculture, Natural Resources, and Social Sector Division (RSAN) of RSDD, in association with concerned divisions in the regional departments, will be responsible for all TA activities. The water sector committee established under ADB's revised business processes will serve as the TA team. The lead water resources specialist of RSAN will coordinate the team's activities. The implementation of TA activities may be delegated to operational divisions concerned as appropriate. ADB's water sector network will be the main internal target group and consultation forum for the TA's activities. A steering committee comprising directors of the concerned divisions in ADB's regional departments and RSDD will provide overall guidance and supervision to the TA activities, and will approve the detailed design and implementation arrangements of major components of the TA prior to their commencement.<sup>4</sup>

16. A TA office will be established in RSAN. Approximately 75 person-months of international and 130 person-months of domestic consultants will be needed for the implementation of the activities of the TA by either RSAN or the regional departments

<sup>3</sup> The governments of the DMCs that will participate in the TA are expected to provide in-kind contributions to facilitate implementation of TA activities taking place in them, such as consultation and training workshops and pilot demonstration activities.

<sup>4</sup> The steering committee may invite representatives of other ADB departments/divisions, e.g., the office of external relations, private sector department, evaluation divisions, and economics and research divisions, to participate in its meetings as appropriate. Major components are defined as having a cost estimate of more than \$400,000, and these components are indicated in the outline terms of reference in Appendix 3.

concerned. The required areas of expertise include water policy, institutional development, water law, training needs assessment, knowledge management, information systems, water resources assessment, coastal zone management, water supply and utility management, natural resources economics, multimedia production, public awareness, urban social research, and community water education. Two full-time administrator-research assistants, financed by the TA, will support the TA team and steering committee in overall coordination and implementation of the TA. Further short-term international and domestic consultants may be recruited if required to fill gaps in the TA team's expertise. Most of the required consultants will be recruited as individuals.<sup>5</sup> ADB will recruit the consultants in accordance with its *Guidelines on the Use of Consultants* and other arrangements satisfactory to ADB for the recruitment of consultants. Outline terms of reference are shown in Appendix 3. Equipment and materials to be financed by the TA will be procured by the consultants or ADB in accordance with ADB's *Guidelines for Procurement* or other procedures acceptable to ADB.<sup>6</sup>

17. ADB staff in headquarters and resident missions will be encouraged to participate in the regional and national workshops and other activities to strengthen ADB's capacity to implement its water policy at the country level. The TA consultants will, on a selective basis, be involved in supporting ADB's project team missions to ensure the incorporation of new water policy approaches and practices in water sector operations. Each participating DMC will designate the water sector apex body, or agency assigned to coordinate water sector activities, as the national counterpart agency; this agency will coordinate the country's participation in the TA activities, drawing on the interest and expertise of relevant water stakeholders in the country, including those from central and provincial agencies, river basins, the private sector, NGOs, the academe, research and professional organizations, and other interested parties.

18. The TA will be implemented over a period of 15 months, commencing in April 2002, and ending in June 2003. Several workshops will be held during TA implementation. An inception report will be prepared by the TA team after two months of implementation, with assistance from the consultants. An interim report and a final report will be prepared in December 2002 and June 2003, respectively. All reports will be published in ADB website.

#### **IV. THE PRESIDENT'S RECOMMENDATION**

19. The President recommends that the Board approve ADB administering technical assistance in an amount not exceeding the equivalent of \$4,000,000 to be financed by the Cooperation Fund for the Water Sector on a grant basis for the purpose of Promoting Effective Water Management Policies and Practices.

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<sup>5</sup> The required expertise is highly diverse and is simultaneously needed in several regional departments.

<sup>6</sup> Equipment may include computers, software, multimedia instruments, and equipment for demonstration projects.

### APPENDIX 1: TECHNICAL ASSISTANCE FRAMEWORK

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions And Risks
<p><b>Goal</b> Promote effective water management policies and practices and catalyze the implementation of the Asian Development Bank's (ADB) water policy.</p>	Achieving the international water development goals	World Water Forum (WWF) and associated global water sector reviews	Sustained commitment of developing member countries (DMCs) to water sector reforms, and effective regional cooperation
<p><b>Purpose</b> Increase the synergy in ADB's water sector operations</p>	Effective implementation of ADB's water policy	Review and evaluation of ADB's water policy	<p>Sustained commitment of DMCs to water sector reforms, and effective regional cooperation</p> <p>Adequate resource allocation and sector coordination in ADB</p>
<p><b>Components</b> Promotion and public awareness</p> <p>Knowledge base and capacity building</p> <p>Pilot demonstration</p> <p>Water partnerships</p> <p>Regional events and initiatives</p> <p>Coordination, monitoring and evaluation</p>	<p>Water awareness program targets for the third WWF</p> <p>Website, databases, needs assessment, training workshops</p> <p>Better design of ADB water projects, demonstration in selected DMCs</p> <p>Stronger regional water networks</p> <p>ADB's contribution to the third WWF</p> <p>Monitoring system and annual review of ADB water sector operations</p>	<p>Technical assistance (TA) review and progress reports, water sector network and committee meetings</p>	<p>Effective dissemination of materials and messages</p> <p>Effective use of knowledge base by water staff</p> <p>Timely availability of consultants</p> <p>Sustained DMC commitment and contributions to regional cooperation</p>
<p><b>Activities</b> Details as per terms of reference (TOR)</p>	Details as per TOR	Progress reports	Timely consultant inputs
<p><b>Inputs</b> Consulting services Workshops Administrative support</p>	\$4.00 million from Water Sector Cooperation Fund	TA team, water sector committee, network, and steering committee	Effective internal cooperation among departments concerned

(Reference in text: page 1, para. 1)

**APPENDIX 2: COST ESTIMATES AND FINANCING PLAN**  
(\$'000)

<b>Item</b>	<b>Total Cost</b>
<b>Cooperation Fund for the Water Sector Financing</b> (through the contribution by the Government of the Netherlands)	
1. Consultants	
a. Remuneration and Per Diem	
i. International Consultants	1,088.0
ii. Domestic Consultants	530.0
b. International and Local Travel	245.0
c. Reports and Communications	26.0
d. Surveys	40.0
e. Support for demonstration projects	120.0
f. Support for regional water partnerships	157.0
2. Equipment	20.0
3. Training, Seminars, Conferences, and Events	
a. In-house training seminars	30.0
b. Private sector-nongovernment organization poverty dialogue	50.0
c. Water in cities regional workshop	150.0
d. Support for ministerial meeting for third World Water Forum (WWF)	50.0
e. Support for third WWF	150.0
f. Asian Development Bank water week	30.0
g. Media relations/visits	30.0
h. Water exhibitions	200.0
i. Water goodwill ambassador support	30.0
j. Staff travel as speakers/resource persons	50.0
4. Publications	
a. Print publications and newsletter	55.0
b. Video series on themes for third WWF	225.0
c. Public service announcements	40.0
d. Television documentary	40.0
e. Exhibitions, distribution, and support	30.0
5. Miscellaneous Administration and Support Costs	85.0
6. Contingencies <sup>a</sup>	529.0
<b>Total</b>	<b>4,000.0</b>

<sup>a</sup> ADB's fee to administer the contribution by the Government of the Netherlands is included in the contingencies allocation.

Source: Asian Development Bank estimates.

### APPENDIX 3: OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

1. These outline terms of reference for consultants describes the main tasks in each of the six categories of the program of activities to promote effective water management policies and practices in the region and thereby catalyze the implementation of the Asian Development Bank's (ADB) water policy in the Asia and Pacific region. The six categories are promotion and public awareness; knowledge base and capacity building; pilot demonstration; water partnerships; regional events and initiatives; and program coordination, monitoring, and evaluation. Poverty reduction is a crosscutting priority in all tasks. The water sector committee established under ADB's revised business processes will coordinate the program of activities.

#### A. Promotion and Public Awareness

2. An international public relations specialist will be engaged on an individual basis to develop and manage ADB's water awareness program (WAP). The WAP will (i) promote public understanding of water issues and disseminate ADB's water policy, (ii) facilitate dialogue among water stakeholders on the water reform agenda in the region, (iii) help to educate children and youth on water issues and their role in finding solutions, and (iv) support small pilot projects for community water education. The WAP will use a range of suitable tools and activities to communicate a range of messages effectively to different target audiences, including (i) the general public, especially in the Asia and Pacific region; (ii) water sector stakeholders and decision makers; (iii) children and youth; and (iv) poor communities. The WAP will also help to strengthen ADB's collaboration with the media in reaching these target audiences. The development messages will initially be derived from ADB's water policy, from the themes being prepared for the third World Water Forum (WWF), and from other key water themes in coordination with development partners. The tools and activities include ADB's water website, a regional quarterly water newsletter, publicity materials and photographs, video productions, public service announcements, media relations, water goodwill ambassadors, exhibitions, and pilot community education projects. The detailed design and implementation arrangements of the WAP will be approved by the TA steering committee prior to the start of implementation.

3. To help implement the WAP, international specialists with expertise in public and media relations, multimedia production, and information, education, and communication, will be engaged on an individual basis. They will be supported by domestic consultants including a video line producer, graphics designer, web copy writer, and a community water education specialist, who will also be engaged on an individual basis. The WAP consultants will work in the Agriculture, Natural Resources, and Social Sectors Division (RSAN) to undertake the following tasks, in close collaboration with ADB's Office of External Relations, and in regular consultation with ADB's water sector committee and network:

- (i) Develop a standard graphic design for ADB water publications and publicity materials, and produce print publications and publicity materials in consultation with ADB water sector staff.
- (ii) Assist ADB in launching a regional quarterly water newsletter to provide information on water sector reforms in the region and facilitate dialogue among water stakeholders on important water sector issues, and assist ADB in making arrangements for the publication and distribution of the newsletter by a regional publishing firm.
- (iii) Assist ADB water staff in developing a series of water publications drawing on experience in ADB-financed projects, the outcome of ADB-financed comparative studies, and a special issue of *ADB Review* dedicated to water projects.

- (iv) Produce six 12-minute video productions to support ADB's thematic and other contributions to the third WWF, including water and poverty, water in cities, water in small island countries, regional cooperation for shared water resources (focusing on Central Asia), water and children, and a compilation of these to support ADB's "water for all" policy. The videos will be produced in consultation with ADB's theme leaders for each theme.
- (v) Produce a one-hour television documentary, based on the 12-minute video productions, for regional broadcasters prior to and during the third WWF.
- (vi) Produce ADB public service announcements for regional and international broadcasters based on the video productions and television documentary.
- (vii) Assist ADB in developing a program of water goodwill ambassadors from the region to promote effective water policies and practices, in collaboration with suitable development partners such as the United Nations Children's Fund (UNICEF).
- (viii) Assist ADB in developing media relations with water journalists prior to the third WWF, including a media visit to ADB headquarters and selected ADB-financed water projects.
- (ix) Organize exhibitions at international events such as the World Summit on Sustainable Development and the third WWF.
- (ix) Assist ADB in supporting community water education pilot projects in collaboration with nongovernment organizations (NGOs), focusing on poor communities that have taken initiatives to improve water services for the poor and on the sustainable management of water resources.

## **B. Knowledge Base and Capacity Building**

4. An international water policy and institutional development specialist will be engaged on an individual basis to assist ADB's water sector committee and network in (i) developing information and knowledge management to support ADB's water sector operations, (ii) capacity building to support the implementation of ADB's water policy, and (iii) undertaking thematic and comparative analyses on priority water sector topics in the region. Short-term international and domestic information management and training specialists will be engaged as needed on an individual basis to help implement the information and knowledge management applications and to provide training inputs. The Governance and Regional Cooperation Division will provide guidance and assistance in the governance and capacity assessment work. The consultants will work in RSAN to undertake the following tasks, in close collaboration with ADB's water sector committee and network:

- (i) Develop existing ADB databases into an integrated water sector information system for use by ADB and developing member country (DMC) staff, through the intranet and Internet, to support ADB's water operations. The system will provide water sector statistics by DMC, including national water sector profiles for selected DMCs; a compilation of useful practices in key water sector reform topics and on poverty reduction in water sector operations; and links to water knowledge centers outside ADB.
- (ii) Develop and implement a water sector capacity building program that will instill core competencies in DMCs and ADB to implement ADB's water policy. The program will commence with capacity and training needs assessments. Based on the outcome of the assessment, a training program will be designed, involving training workshops, training courses, exchange visits between DMCs on priority water sector reform topics, support for ADB's water focal point, and the

development of a regional research and capacity building network in accordance with ADB's water policy. The training program will include activities financed from the Water Cooperation Fund and centrally implemented in ADB, and activities recommended for implementation by regional departments as part of their country water sector operations. The capacity and training needs of ADB resident missions will be included in the assessment, with a view to strengthening water sector partnerships with individual DMCs to promote effective water policies, strategies, and practices in collaboration with development partners.

- (iii) Support thematic and comparative analyses of water sector reforms in the region. This program will start with (i) analysis of water issues in 20 cities in the region, building on the findings of ADB's water utility data books, in preparation for the Water in Cities theme of the third WWF (for which separate consultants will be engaged, see below); and (ii) a study on water governance, involving the establishment and performance of water sector apex bodies, water policies, water laws, water sector action agendas, and river basin organizations.

5. A team of international and domestic consultants will be engaged for the preparation of the Water in Cities theme of the third WWF, including a comparative analysis of water in 20 cities in the region, and a survey of small-scale private water service providers in areas that are not covered by water utilities. The study aims to increase the awareness and understanding of water management issues in cities in the region and to provide policy and decision makers with better strategies to provide access to water for the urban poor. This will be achieved by analyzing the roles that water utilities and small-scale service providers play, and by exploring the policy and regulatory framework needed to improve water services for the poor. The long-term objective is to improve urban water services to poor households at affordable rates, and to facilitate sustainable water management in cities. The international consultants will include two water supply specialists, one for the analysis and one for the survey, and a regional water supply specialist to organize the regional consultation workshop. Two domestic consultants will be engaged for each city in the study, one water supply specialist and one urban social research specialist. The detailed design and implementation arrangements of the analysis and survey for the Water in Cities theme will be approved by the technical assistance (TA) steering committee prior to implementation.

### **C. Pilot Demonstration**

6. International and/or domestic short-term water sector specialists will be engaged to work in RSAN or the regional departments concerned to undertake the following tasks, in close collaboration ADB's water sector committee and network:

- (i) Support water project teams in ADB's regional departments to develop new approaches in water policy and sector reform during sector analysis, country strategy and program formulation, and project preparation and implementation, including studies on poverty impact resulting from water projects.
- (ii) Support and report on innovative local water reform initiatives implemented by NGOs in the region, to promote awareness and replication through ADB's water sector knowledge management work.<sup>1</sup>

<sup>1</sup> Wherever possible, these inputs will be arranged through existing regional water partnerships such as the regional technical advisory committees of the Global Water Partnership. Example topics include river basin and community organizations for integrated water resources management, benefit sharing between downstream and watershed communities in a river basin, participation of small-scale private service providers in urban water supply and sanitation for the poor, valuing water, and designing cost sharing and recovery systems.

- (iii) Help ADB and DMCs design a more comprehensive water sector policy dialogue process, supported by first trials in selected DMCs, and provide training for ADB and DMC staff concerned.

#### **D. Water Partnerships**

7. International and/or domestic short-term water sector specialists will be engaged to work in RSN or the regional departments concerned to undertake the following tasks, in close collaboration ADB's water sector committee and network:

- (i) Help initiate or strengthen, on a demand basis, national and regional water partnerships in collaboration with the Global Water Partnership's ongoing program of activities. The establishment of national water partnerships can be supported in selected DMCs, such as in Indonesia and Philippines, through the Global Water Partnership's existing regional technical advisory committees. The development of new subregional water partnerships can be supported on a demand basis and may focus on the Pacific subregion and Central Asia in connection with the preparations for the third WWF and ADB's institutional framework for regional cooperation in Central Asia. Efforts to increase the sustainability of the existing partnership for Southeast Asia by involving the Association of Southeast Asian Countries (ASEAN) can also be supported on a demand basis.
- (ii) Assist the countries of the lower Mekong River basin in the design and establishment of a subregional partnership for flood management, in collaboration with the Mekong River Commission and the Royal Netherlands Embassy in Hanoi.
- (iii) Help establish a regional partnership of water utilities based on the work in the Water in Cities theme of the third WWF.

8. A team of international and domestic water sector specialists will be engaged to carry out a pilot study on sustainable water management in atoll countries and to strengthen an existing partnership of atoll island DMCs in the Pacific subregion, chaired by the President of Kiribati. The atolls are at risk of severe impact by climate change and the resulting rise in sea level. A pilot study will be carried out in Kiribati, a country that is representative of similar atolls throughout the Pacific subregion. Kiribati is a remote string of coral atolls that is critically dependent on floating freshwater lenses and rainwater for its water supplies. These lenses are vulnerable to pollution by sewage and pesticides. Rising sea levels due to global warming threaten the water lenses with saltwater intrusion, as well as reducing the land area and thus increasing population densities. The consultants will carry out a pilot study on national water resources assessment and coastal zone planning in Kiribati to reduce vulnerability to climate change and promote sustainable water management in atoll countries. Potential solutions include accessing water from other (unpopulated) atolls, reclaiming land in lagoon areas, or redistributing population to outer islands. The TA will examine these and other options in the context of an overall water resources assessment in Kiribati and similar atoll countries in the Pacific subregion. The team of consultants will work in the Pacific Department. Cofinancing by development partners will be pursued to replicate the study in other Pacific DMCs. The detailed design and implementation arrangements of the pilot study will be approved by the TA steering committee prior to implementation.

## **E. Regional Events and Initiatives**

9. International and/or domestic short-term water sector specialists will be engaged to work in RSAN to undertake the following tasks, in close collaboration with ADB's water sector committee and network:

- (i) Support the participation by ADB and selected stakeholders from DMCs in the third WWF, including its preparatory regional consultations, the ministerial meeting, the funding agencies panel, the high-level working group on water sector financing, and associated media events.
- (ii) Organize a stakeholder forum at ADB headquarters, tentatively at the end of May 2002, on water services for the poor to improve the dialogue on this subject among the private sector, NGOs, trade unions, and other interested stakeholders.
- (iii) Organize a water week at ADB headquarters, tentatively in early December 2002, to convene ADB water staff and interested water staff and experts from DMCs and development partners to review policies, collaboration, and innovative practices, and to exchange information and experience.

## **F. Program Coordination, Monitoring, and Evaluation**

10. Short-term international and long- and short-term domestic specialists, including two full-time domestic consultant administrator/research assistants, will be engaged to carry out the following tasks in RSAN in support of the coordination, monitoring, and evaluation of the Program of activities financed by the Fund, and of ADB's water policy in a broader context:

- (i) Improve ADB's existing databases to monitor and coordinate water sector operations across departments and divisions concerned. The database will include water sector assessments, water sector road maps and action agendas, policy dialogue and sector reform work, development of water investment partnerships with DMCs, country strategy and program formulation and review based on sector work, and investment packages consisting of loans and TAs.
- (ii) Establish a monitoring system for the Program of activities financed from the Fund covering inputs, outputs, outcomes, and financial management.
- (iii) Design a checklist to assist ADB and DMC staff in water policy implementation, together with performance indicators for water policy implementation at the sector and project levels.
- (iv) Help develop subsector strategies as needed, including water supply and sanitation, irrigation and drainage, flood management, and others as appropriate.
- (v) Design an evaluation system for the Program and ADB's water policy implementation to assess development impact.
- (vi) Help monitor and organize an annual review of the Program's activities.
- (vii) Support the exchange of experience and coordination with other development partners to ensure coordination and to facilitate joint activities, as needed.
- (viii) Support the preparation of an annual report on ADB's water sector operations in 2002, including relevant statistics and lessons learned.