

ASIAN DEVELOPMENT BANK

TAR: REG 35062

**TECHNICAL ASSISTANCE
(Financed from the Japan Special Fund)**

FOR

REGIONAL CONSULTATIONS

FOR THE

THIRD WORLD WATER FORUM

October 2001

ABBREVIATIONS

ADB	—	Asian Development Bank
DMC	—	developing member country
GWP	—	Global Water Partnership
IWRM	—	integrated water resources management
JICA	—	Japan International Cooperation Agency
PRC	—	People's Republic of China
TA	—	technical assistance
TAC	—	Technical Advisory Committee
WWC	—	World Water Council
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. This followed extensive consultations with stakeholders over a number of years.¹ In addition to promoting national water sector reforms, integrated water resources management, and better water services for the poor, the policy commits ADB to promote regional and subregional cooperation by assisting with water sector assessments and exchange of data, enhancing awareness and understanding of water sector issues and needs of each country, and supporting water partnerships in its developing member countries (DMCs). The policy also emphasizes the need to promote bilateral and multilateral cooperation and understanding in the water sector, through international and regional agreements, in consultation with other international and multilateral agencies and other development partners. In accordance with this policy, ADB agreed to the Japanese Government's request to collaborate in preparing the Third World Water Forum to be held in Kyoto, Japan, in March 2003 under the aegis of the Japanese Government and the World Water Council (WWC), through a regional technical assistance (TA) to conduct a series of regional consultations on important water sector themes.² The TA framework is in Appendix 1.

II. BACKGROUND AND RATIONALE

2. The critical state of water resources and the need to improve water services in the Asia and Pacific region are set out in ADB's water policy paper. Freshwater endowments in Asia are among the world's lowest. South Asia, home to over a sixth of the world's population, has the lowest level of water resources per capita. Between 1950 and 1995, per capita availability of freshwater dropped by almost 70 percent in South and Central Asia, by about 60 percent in North Asia, and by about 55 percent in Southeast Asia. In contrast, industrial water use in Asia is expected to increase significantly between 1995 and 2025, with associated serious increases in water pollution. Currently, one in three Asians does not have access to a safe drinking water source within 200 meters of the home, and one in two Asians does not have access to adequate sanitation. Of those without access to safe drinking water, more than 700 million live in rural areas and more than 90 million in urban areas. Access to adequate sanitation is denied to 1.7 billion people in rural areas and about 300 million in urban areas. Water scarcity impacts on health, and the conditions and quality of life. The poor are particularly vulnerable to water scarcity, pollution, and flooding.

3. The DMCs and the international community are becoming increasingly aware of the looming water crisis, and generally agree on the principles of integrated water resources management (IWRM). These principles recognize freshwater as a finite and vulnerable resource, essential to sustain life, development, and the environment. Water is recognized as a basic need; access to the minimum amount of freshwater necessary to sustain life and meet basic sanitation needs is recognized as a fundamental right. Several international conferences have promoted the concept of IWRM based on the perception of water as an integral part of the ecosystem, a critical natural resource, and an economic good. Consensus has also developed among governments, experts, and civil society on a set of initiatives to operationalize and implement these principles and concepts. These initiatives are aimed at increasing global awareness of water needs and solutions, and at forging partnerships to catalyze and finance appropriate action. To increase global awareness, the WWC was established in 1996 as an international think tank on water through the initiative of water planners and specialists, the

¹ ADB, 2001. *Water for All: The Water Policy of the Asian Development Bank*, Manila.

² This TA appeared in *ADB Business Opportunities* in April 2001.

academic community, and international organizations. The WWC has taken on the responsibility to convene regular world water forums (WWF) to (i) increase the global awareness of water issues, (ii) debate solutions to water problems by the global community, and (iii) formulate a water vision for the 21st century. The WWFs are being held every three years, around World Water Day on March 22.

4. The Global Water Partnership (GWP) was simultaneously established on the initiative of the international community and developing countries as a network to (i) operationalize the principles of IWRM; (ii) transform visions into water action programs in regions and countries; (iii) promote cross-sectoral dialogue on key issues at global, regional, and national levels; and (iii) help to match priority needs with available resources for water resource management programs. With their complementary mandates, the WWC and GWP have collaborated effectively to organize the WWFs, especially the second WWF. ADB has collaborated with GWP since 1997 to establish regional water partnerships in Southeast and South Asia, and in the People's Republic of China, to catalyze water sector reforms with the participation of water sector stakeholders.³

5. In March 1997, the first WWF, held in Marrakech, Morocco, commissioned a long-term vision for water, life, and environment in the 21st century. This World Water Vision was prepared in collaboration with the private sector, academe and government and nongovernment institutions, and was presented at the second WWF together with the Framework for Action developed by GWP through extensive worldwide consultations. The second WWF, held in The Hague in March 2000, was attended by about 5,700 participants. The Southeast Asian Water Vision and Framework for Action presented during the forum was formulated under a TA administered by ADB in collaboration with GWP.⁴ The ministerial conference held simultaneously with the second WWF was attended by 180 delegations comprising about 1,000 participants from 130 countries. The conference identified the main challenges to water security, and resolved to further the process of collaboration in order to turn agreed principles into action plans, based on partnerships and synergies among governments, citizens, and other stakeholders. The WWC decided that the Third World Water Forum would be convened in March 2003 in Kyoto, hosted by the Japanese Government.

6. ADB Vice Presidents participated in both the first and the second WWF. During the second WWF, collaboration was initiated with the Government of Japan to prepare and organize the third WWF, as it offers an excellent opportunity to highlight critical water and poverty issues and their solutions in the Asia and Pacific region, and to catalyze the implementation of ADB's newly adopted water policy. Subsequently, the Secretariat for the third WWF established by the Japanese Government formally requested ADB to support the preparation and organization of the forum by providing regional TA. ADB is to take a lead role in organizing several theme sessions of the forum, in close collaboration with development partners. Key determinants in selecting the themes were ADB's poverty reduction strategy, water policy, mandate for regional cooperation, and prior accomplishments in the sector. Other organizations will organize and present several other theme sessions; consultations on these are ongoing with the Secretariat. ADB will also help the Secretariat to focus on poverty reduction issues related to all themes.

³ TA 5730-REG: *Third Meeting of the Global Water Partnership's Technical Advisory Committee*, for \$100,000, approved on 12 March 1997; and TA 5831 REG: *Water Resources Management in Southeast Asia*, for \$149,000, approved on 10 February 1999.

⁴ TA 5867-REG: *Water Resources Management in Southeast Asia—Phase 2*, for \$250,000, approved on 17 November 1999.

7. In follow-up to the World Water Vision and Framework of Action presented at the second WWF, the third WWF will focus on actions taken around the world to implement the World Water Vision. The main output of the third WWF will be a global water action report. In focusing on actions around the world, the third WWF aims to (i) raise awareness among decision makers, media, and public at large about critical water issues and initiatives; (ii) present and exchange information, knowledge, and views on actions taken to implement the World Water Vision; and (iii) promote effective water policies and investments. The objectives of the third WWF are highly relevant to ADB's water sector operations, and ADB's collaboration with the Japanese Government to organize the third WWF will enable ADB to catalyze the implementation of its water policy in the region by (i) disseminating its policy and water sector operations to a wide audience, (ii) raising global awareness of regional water issues with poverty reduction as an overarching concern, (iii) consulting with the DMCs on the selected themes and facilitating the exchange of relevant experience, (iv) building ADB's knowledge base through thematic studies and regional consultations, (v) developing subregional cooperation strategies in the water sector, and (vi) strengthening collaboration in the water sector with development partners in the region, including the World Bank, bilateral funding agencies, research institutions, and nongovernment organizations.

III. THE TECHNICAL ASSISTANCE

A. Objectives

8. The TA will promote IWRM, improved water services for the poor, and subregional water cooperation, by supporting the preparation and organization of the third WWF, to be held in Kyoto, Japan, in March 2003. Regional consultations will be held on selected themes, and the findings and recommendations for follow-up actions will be documented and presented for discussion at the third WWF.

B. Scope

9. The TA scope includes four thematic areas (i) water and poverty, (ii) water and small island countries, (iii) regional cooperation for shared water resources, and (iv) flood management. A fifth theme, water in cities, will be prepared through a parallel activity. Each of the theme sessions at the third WWF will be designed by a regional consultation workshop that will be organized in collaboration with development partners, supported by an Internet conference using the Virtual World Water Forum Facility that was established by the third WWF Secretariat to broaden stakeholder participation. The regional consultation workshops will receive direct inputs from poor people through the Water Voices Project established by the third WWF Secretariat to bridge the digital divide. The findings and recommendations in each thematic area will be compiled in succinct reports for presentation at the third WWF. ADB is expected to participate in the ministerial meeting to be organized in conjunction with the third WWF, and in a panel discussion between external assistance agencies and representatives of the main stakeholder groups. The TA outputs will include the proceedings of the regional consultation workshops; reports and multimedia presentations on each theme for dissemination at the third WWF; proceedings of the third WWF theme sessions, including recommendations for follow-up actions; and consultants' final reports for each theme, including a list of key indicators to benchmark status and monitor progress with achievements.

10. ADB will promote the theme of water and poverty as a central theme of the third WWF. The report on water and poverty is expected to focus global attention on the need for investments that meet poor people's needs. The focus will be on water needs from a community

perspective, including water supply, sanitation, hygiene, water quality, water for domestic and agricultural uses, watersheds, and flood protection. Lessons learned from successes and failures in project implementation at the local level will be presented, together with the roles of water users, nongovernment organizations, the private sector, government, and external support agencies. Emphasis will be given to equitable distribution of benefits for the poor, including women, and on resource mobilization for investments that have a direct poverty reduction impact. The report will also promote excellence by focusing on incentives for people and systems to deliver better water services at the community level.

11. The report on water issues in small island countries will focus attention on specific needs and constraints faced by small island countries in the Pacific and the Maldives, including the overuse of limited groundwater resources, pollution of surface water and groundwater, contamination due to inadequate sanitation and waste management, inefficient water utilities, and the effects on water resources caused by tourism and sea level rise.

12. The report on regional cooperation for shared water resources is expected to highlight recent examples of effective cooperation in transboundary water management, and to set out directions for regional cooperation among the Central Asian republics, with due attention to linkages with energy and environmental management in the Aral Sea basin, together with a strategy for ADB to support such cooperation through its operations.

13. The report on flood management will contribute to a regional consultation on river basin management that will be organized by the Japan International Cooperation Agency. It will highlight recent trends in the occurrence of floods in the region and the resulting economic losses, and assess alternative approaches to prevent and reduce future losses. Special emphasis will be given to recent ADB experience in Bangladesh, Cambodia, People's Republic of China, Indonesia, and Viet Nam.

C. Cost Estimates and Financing Plan

14. The total cost of the TA is estimated at \$1.65 million. ADB will finance \$1,000,000 for consulting services, workshops, participation in the third WWF, computer equipment, publications, and administrative and support costs in connection with ADB's water focal point. The estimate for the workshops includes the costs of travel and per diem of the participants, as well as supporting surveys, studies, resource persons, logistics, and reports. The Government of Japan will contribute \$650,000 through parallel cofinancing, through the Japan International Cooperation Agency, the Japan Bank for International Cooperation, and the third WWF Secretariat. ADB's financing will be provided on a grant basis from the Japan Special Fund, funded by the Government of Japan. The DMCs hosting regional workshops will provide some logistical facilities. The venues of the regional consultation workshops will be finalized during TA implementation. Parallel activities financed by other collaborating partners will add further value to the regional consultation workshops. Detailed cost estimates are presented in Appendix 2.

D. Implementation Arrangements

15. ADB will be the Executing Agency of the TA. All of the DMCs have been invited to participate in the TA, which will be implemented by the water focal point in ADB's Forestry and Natural Resources Division (Region East) in close coordination with the third WWF Secretariat in Tokyo. A theme leader will be appointed for each of the four themes, and the concerned resident missions will be involved during TA implementation. Within ADB, an interdepartmental working group will be established to involve all relevant ADB departments and offices in

coordinating TA implementation. The TA will be implemented over approximately 21 months, starting in October 2001 or soon thereafter. An indicative schedule of activities under the TA is presented in Appendix 3. The TA will require approximately 26 person-months of international consulting, with expertise in each of the thematic subjects of the TA (para. 10), a web content writer to support the dissemination of ADB's water operations and the preparation of the themes through the Internet, a domestic consultant policy specialist to support the water sector focal point at ADB headquarters for a total of approximately 20 person-months, as well as resource persons and workshop organizers for the regional consultation workshops. Consultants will be recruited on an individual basis, as their work for the thematic analysis, regional consultation workshops, Internet conferencing, and reporting will be carried out separately in four different subregions. ADB will recruit the consultants in accordance with its *Guidelines on the Use of Consultants*. Outline terms of reference are shown in Appendix 4.

IV. THE PRESIDENT'S DECISION

16. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance, on a grant basis, in an amount not exceeding the equivalent of \$1,000,000 for the purpose of Regional Consultations for the Third World Water Forum and hereby reports such action to the Board.

TECHNICAL ASSISTANCE FRAMEWORK

Design Summary	Targets	Monitoring Mechanisms	Assumptions/Risks
<p>Sector Goal</p> <p>Sustainable water management in the Asia-Pacific region, by applying integrated, cross-sectoral approaches to water management and development</p>	<p>Implementation of national and regional water action agendas, and targets set by the water action report that is to be prepared for the third World Water Forum (WWF)</p>	<p>Review of national and regional water action plans in accordance with indicators to be established by the water action report presented at the third WWF.</p>	<p>National and regional water action plans carried out with political support and participation of governments, nongovernment stakeholders, private sector, and external support agencies</p>
<p>Purpose</p> <p>Promote integrated water resources management, better water services for the poor, and regional cooperation among developing member countries</p>	<p>Reports on the five thematic consultation workshops, by end 2002</p> <p>Support for the third WWF, by March 2003</p> <p>Follow-up action plans at the end of the third WWF</p>	<p>Technical assistant (TA) progress reports, TA completion report, and the water action report</p>	<p>Commitment to water sector reforms, action plans, and exchange of experience by government and nongovernment stakeholders</p>
<p>Outputs</p> <p>a. Consultations on five themes: (i) water and poverty, (ii) water in small island countries, (iii) regional cooperation for shared water resources, and (iv) flood management</p> <p>b. Information exchange and dissemination through the Internet</p>	<p>Theme reports with analysis and recommended strategy for addressing the issues, including the results of the Internet conferences on each theme, by end 2002</p> <p>Multimedia presentations to increase public awareness on the issues by early 2003</p> <p>A water site as part of the Asian Development Bank (ADB) web site, by end 2001</p>	<p>TA progress reports</p>	<p>Timely conduct and effective participation in the consultation and regional workshops</p>
<p>Activities</p> <p>a. Regional consultation workshops for each of the five themes, including preparatory studies, Internet conferencing, and reporting</p> <p>b. Strengthening of ADB's water focal point</p>	<p>Five regional consultation workshops completed by end 2002</p> <p>Presentations at the third WWF in March 2003</p>	<p>TA progress reports</p>	<p>Timely availability of TA funds and recruitment of consultants</p>

COST ESTIMATE AND FINANCING PLAN
(\$'000)

Item	ADB	Japan/ 3WWF	Total
1. Consultants			
a. Remuneration and Per Diem			
i. International Consultants	550	0	550
ii. Domestic Consultants	60	0	60
b. International and Local Travel	90	0	90
c. Reports and Communication	8	0	8
2. Workshops, Surveys, Studies, and Reports			
a. Water and Poverty	50	100	150
b. Water and Small Island Countries	0	150	150
c. Regional Cooperation for Shared Water Resources	0	150	150
d. Flood Management	0	150	150
3. Participants to the 3WWF	50	50	100
4. Computer Equipment	6	0	6
5. Publications	50	50	100
6. Administration and Support Costs	5	0	5
Subtotal	869	650	1,519
7. Contingencies	131	0	131
TOTAL	1,000	650	1,650

ADB - Asian Development Bank; 3WWF - Third World Water Forum.

INDICATIVE IMPLEMENTATION SCHEDULE

Activities	2001		2002				2003	
	3	4	1	2	3	4	1	2
Start of TA work								
Regional consultation workshops								
Final reports for each theme								
Third World Water Forum								
Final consultants' reports								

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

1. The consultants will be responsible for developing, organizing, and reporting on the three themes for which the Asian Development Bank (ADB) will take a leading role in the preparation of the third World Water Forum (WWF): (i) water and poverty, (ii) water and small island countries, (iii) regional cooperation for shared water resources; and to contribute to the theme of flood management as part of the regional consultation workshop on river basin management, which will be organized by the Japan International Cooperation Agency (JICA). Four international consultants will be recruited, one for each of the themes, and the consultants will each organize their work in the following steps:

- (i) Analyze available information and experience for the theme, including Lessons Learned from operations evaluation, and prepare a proposal as a basis for developing collaborative arrangements with interested development partners.
- (ii) Assist ADB's theme leader in establishing collaborative arrangements with interested development partners to collect case studies, conduct surveys and thematic studies as needed, and organize the regional consultation workshop, supported with parallel-financed contributions in cash and kind from the development partners.
- (iii) Develop a draft theme paper for broad dissemination among expected participants of the regional consultation for the theme, and collect comments.
- (iv) Identify and visit case study areas that are illustrative of needs and innovative approaches to be recommended, and identify and implement surveys and thematic studies with assistance of resource persons to be subcontracted as needed.
- (v) Organize a web conference on the Virtual Water Forum Facility of the third WWF Secretariat and contribute to ADB's water web page on this theme.
- (vi) Assist ADB's theme leader in implementing the Water Voices Project of the third WWF Secretariat to obtain direct inputs from poor people.
- (vii) Organize the regional consultation workshop in collaboration with a host institution to be selected and with the collaborating development partners, assisted by a workshop logistics organizer to be subcontracted as needed.
- (viii) Lead the substantive proceedings of the regional consultation workshop and prepare the report of the workshop for publication by ADB and/or the Forum Secretariat as decided.
- (ix) Assist the ADB theme leader and the third WWF Secretariat to design and organize the forum theme sessions, including suitable participation from developing member countries, also drawing on the results from similar regional consultations held in Africa and South America, as appropriate, and participate in the Third World Water Forum and lead the theme sessions, and

- (x) Prepare a report on all the activities undertaken with conclusions and recommendations for follow-up activities under the themes, including indicators for benchmarking status and monitoring progress of achievements.

(xi)

2. The consultants for the four main themes will finalize the detailed agenda for their theme in consultation with the collaborating development partners, and will conduct their work in a participatory manner to encourage contributions from the collaborating partners and incorporate these contributions into the technical assistance (TA) outputs. They are expected to provide leadership in developing the theme analysis, discussions, reporting, and presentation at the third WWF, while catalyzing and facilitating the substantive inputs of the collaborating partners throughout TA implementation. The consultants will also liaise closely with the third WWF Secretariat in the preparation of each theme.

3. The outputs will include the proceedings of the regional consultation workshops; reports and multimedia presentations on each theme for dissemination at the third WWF; the proceedings of the third WWF theme sessions, including recommendations for follow-up actions; and the consultants' final reports for each theme, including a list of key indicators to benchmark status and monitor progress in achievements.

4. **Water and Poverty.** The consultant for the water and poverty theme will help to focus global attention on the need for better investments in the water sector to meet poor people's needs. The main focus of this theme will therefore be on water needs from a community perspective, including water supply, sanitation, hygiene, water quality, water for domestic and agricultural uses, watershed, and flood protection. The theme will also address how water and poverty issues can be addressed through water policies, legislation, river basin programs, and investment plans for the sector. Lessons learned from successes and failures in project implementation at the local level will be presented, together with the roles of water users and local communities. Case studies will serve to present these lessons learned in the regional consultation workshop. The complementary roles to be played by water user organizations, nongovernment organizations, the private sector, government, and external support agencies, will be underlined. Emphasis will be given to equitable distribution of benefits for the poor, including women, and on resource mobilization for investments that have a direct poverty reduction impact. The report will also promote excellence by focusing on incentives for people and systems to deliver better water services at the community level. The consultant will also assist the ADB theme leader and the third WWF Secretariat in compiling the results of regional consultations in Africa and South America into the overall presentation and organization of the water and poverty theme during the third WWF sessions.

5. Collaborating partners in the water and poverty theme are expected to include the Water Supply and Sanitation Collaborative Council, Global Water Partnership (GWP), the Department for International Development of the United Kingdom, Netherlands International Development Agency, World Bank, GWP's Technical Advisory Committee (TAC) for South Asia, GWP's TAC for the People's Republic of China (PRC), South Asia Consortium for Interdisciplinary Water Studies, International Water Management Institute, and others to be identified, including international and local nongovernment organizations (NGOs) and the private sector. A rural development organization located in South Asia is expected to host the regional consultation workshop.

6. **Water and Small Island Countries.** The consultant for the theme on water and small island countries will help to address the specific water needs and constraints faced by small island countries in the Pacific and the Maldives. These include the overuse of limited

groundwater resources, pollution of surface water and groundwater, contamination due to inadequate sanitation and waste management, inefficient utilities, and the effects on water resources by tourism and sea level rise. Distinction will be made between the small atoll islands with severe water shortages and water quality problems, and the larger volcanic and high mountainous islands where water is generally abundant. A special case study will be developed and presented on the water needs of East Timor. The consultant will also assist the ADB theme leader and the third WWF Secretariat in compiling the results of a regional consultation in the Caribbean into the overall presentation and organization of the water and small island countries theme during the third WWF sessions.

7. Collaborating partners in the water and small island countries theme are expected to include GWP, which intends to establish a TAC for the South Pacific region, Water Supply and Sanitation Collaborative Council, and others to be identified, including established regional organizations dealing with water supply, natural resources, and environmental management. The regional consultation workshop is expected to be held in the Pacific region.

8. **Regional Cooperation for Shared Water Resources.** The consultant for the theme on regional cooperation for shared water resources will help to highlight recent examples of effective cooperation in transboundary water management in the region, and present the opportunities and challenges in the management of the Syr Darya and Amu Darya rivers in the Aral Sea basin in central Asia. The work on the Aral Sea basin will take into account (i) the accomplishments of the Interstate Council of the Aral Sea, Interstate Committee for Water Cooperation, International Fund for Aral Sea, and Aral Sea Basin Program; (ii) the results of earlier studies carried out with the international support, including from the European Union, the United States Agency for International Development, and World Bank; and (iii) ongoing work, including GWP's initiative to establish a TAC for Central Asia, and the meeting at ADB of senior officials of Central Asian republics and the PRC on the establishment of a regional cooperation framework for central Asia to be supported by ADB.

9. The regional consultation for this theme is expected to be held in Central Asia, and will set directions for regional cooperation among the Central Asian republics to improve the management of the Aral Sea basin, with due attention for the linkages between water, energy, and environment. The consultation would also develop a strategy for ADB to support such cooperation through its operations. ADB is well placed to facilitate transboundary water cooperation in that subregion now that all riparian countries have become ADB members. The expected agreement on a regional cooperation framework to be assisted by ADB for Central Asian republics can strengthen the capacity for regional cooperation for shared water resources in the Aral Sea basin.

10. Collaborating partners on the theme of regional cooperation in shared water resources are expected to include the existing water management organizations in the Aral Sea basin; GWP, which is engaged to establish a TAC for the Central Asia region; Global Infrastructure Foundation of Japan; JICA; the Japan Bank for International Cooperation; and others to be identified, including established river basin organizations such as the Mekong River Commission. The consultant will also assist the ADB theme leader and the third WWF Secretariat in compiling the results of the other regional consultations to be held in Africa and South America into the overall presentation and organization of the theme during the third WWF sessions.

11. **Flood Management.** The consultant for the theme on flood management will help to compile the experience in ADB-assisted projects in Bangladesh, Cambodia, PRC, Indonesia,

and Viet Nam for presentation in the regional consultation workshop on river basin management that will be organized by JICA. The regional consultation workshop is expected to be organized in the PRC. ADB's presentation will help to highlight recent trends in the occurrence of floods in the region and the resulting economic losses, and assess alternative approaches to prevent and reduce such losses in the future.

12. **Water Web Site.** A web content writer will be recruited to develop ADB's water web site in connection with the preparation for the themes for the third WWF and the broader implementation of ADB's water policy, following the Office of External Relation's guidelines for such work.

13. **Focal Point.** A domestic policy specialist will be recruited to assist ADB's water focal point in coordinating the TA work with the participation of departments concerned and to build the knowledge base for application in ADB's water sector operations.