



UN-HABITAT



United Nations Human Settlements Programme

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Collaboration between UN-HABITAT and Asian Development Bank in Water for Asian Cities Programme

UN-HABITAT and ADB share the view that realization of the Millennium Development Goal of ensuring environmental sustainability, specifically those related to improved access to safe drinking water and improvements in the lives of slum dwellers, urgently require speeding up investments in urban water and sanitation which are carefully directed to the urban poor. This is most pressing in the Asia and Pacific region where the unmet demand for water and sanitation outstrips that of Africa, Latin America and the Caribbean taken together.

This view was strongly expressed by Asian countries in a Regional Consultation organized by UN-HABITAT in cooperation with ADB in New Delhi in April this year. The Consultation urged UN-HABITAT and ADB to jointly launch, as soon as possible, a water and sanitation initiative in Asian Cities, addressing pro-poor investments. The New Delhi Consultation was followed by a UN-HABITAT mission to ADB in July to agree on a joint regional initiative, the Water for Asian Cities Programme..

This letter of intent is to express the interest of UN-HABITAT and ADB to collaborate in the Water for Asian Cities Programme. The initial collaboration will plan to invest about \$10 Million in grants (equally shared by UN-Habitat and ADB) to raise political awareness, build capacity, implement pilot demonstration projects and create an enabling environment for investment, and finally, prepare investment proposals for Asian cities. ADB is expected to plan for a total of \$500 Million through loans, to be approved over the next five years.

The programme will build on UN-HABITAT's experience in urban water governance and capacity building in other regions, as well as ADB's operational experience, including lessons of evaluation. This partnership will contribute to the operationalizing of ADB's water policy and the poverty reduction strategy.

The details of collaboration in the Water for Asian Cities Programme will be embodied in a Memorandum of Understanding, which is expected to be entered into by UN-HABITAT and ADB at the Third World Water Forum in March 2003.

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President

Asian Development Bank

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