

ASIAN DEVELOPMENT BANK

AID PRIORITIES

The Asian Development Bank (ADB) is a multilateral development bank whose mission is to foster economic growth and cooperation in one of the poorest regions in the world. It assists its developing member countries and partners by providing loans, technical assistance, grants, and equity investments to promote social and economic development.

ADB's operations are designed to support its three complementary agendas of inclusive economic growth, environmentally sustainable growth, and regional integration.

ADB's aid priority areas include: infrastructure (water, energy, transport, urban development, information and communications technology); environment; regional cooperation and integration; finance sector development; and education. ADB also operates on a limited scale in other areas, including health, agriculture and natural resources, and public sector management. Priority countries and sectors are selected based on ADB's areas of comparative strength and demand from its developing member countries.

WASH is included as part of infrastructure and environmental protection. In 2016, ADB provided US\$ 30.3 billion in financial assistance to countries; of this amount, US\$ 2.42 billion was approved for water investments, of which US\$ 1.37 billion was for WASH-related activities.

WASH PROGRAMME OUTCOMES

ADB's approved investments in WASH from 2011 to 2016 are expected to benefit a total of 254 million people.

ADB's support to countries has also strengthened its focus on lifting performance of WASH service providers through the twinning partnership that adopts the concept of peer-to-peer learning. This has proven to be more effective than the traditional consultant-driven capacity building interventions.

In 2013, ADB produced the 2nd edition of the Asian Water Development Outlook, which is the first quantitative assessment of water security based on five key dimensions. One of these is "household water security", which looks into access to piped water supply, improved sanitation and hygiene. In 2013, 38 out of 49 countries were assessed as being water insecure. The 3rd edition, released in 2016, shows that the number of countries assessed as insecure has decreased from 38 in 2013 to 29 in 2016.

Link to the *Asian Water Development Outlook 2016*: <https://www.adb.org/publications/asian-water-development-outlook-2016>

WASH STRATEGY/ACTIVITIES

One of the principal elements of ADB's "Water for All" policy is to improve and expand the delivery of water services.

ADB's WASH projects are aimed at expanding access and improving service levels by way of rehabilitation and upgrading of existing infrastructure and installation of new ones. Sustainability is a key element of ADB's investments, which is addressed through governance-related initiatives such as tariff reform and institutional arrangements to address operation and maintenance.

The *Water Operational Plan 2011–2020* includes the following WASH-related areas:

- 1) Aggressive reduction of non-revenue water;
- 2) Expanded sanitation and wastewater management;
- 3) Enhanced private sector participation.

The Plan also highlights the need to improve governance, including the need for more accountable and autonomous water service providers.

Link to the *Water Operational Plan 2011–2020*: <https://www.adb.org/documents/water-operational-plan-2011-2020>

Specific targets

The Water Financing Program, approved in 2006 to run until 2020, has set a specific target of providing 500 million people with access to safe drinking-water supply and improved sanitation by 2020.

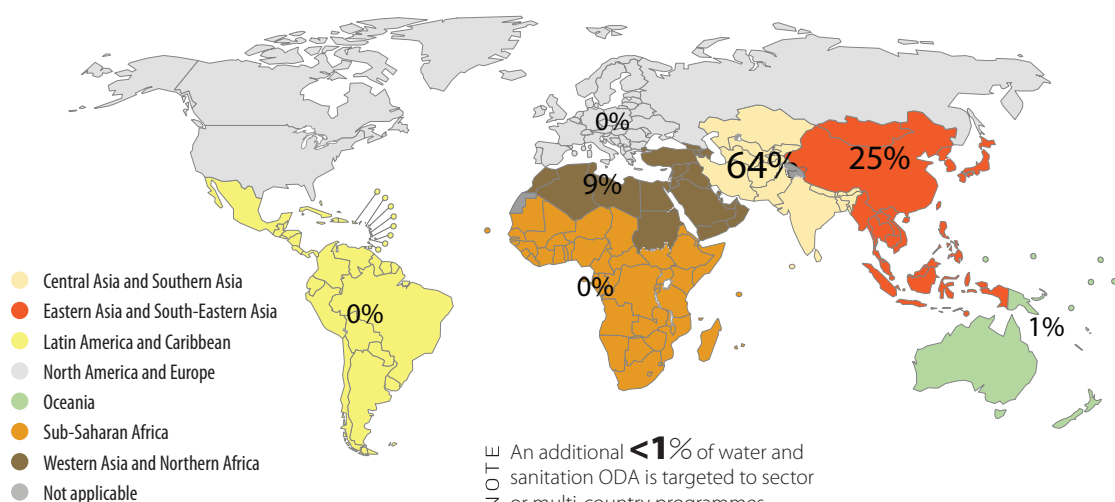
ADB's *Water Operational Plan 2011–2020* supports the implementation of ADB's Water Financing Program, which has set a target investment of US\$ 2.0–\$ 2.5 billion annually from 2011 to 2020, or a total of US\$ 20–25 billion by 2020. There is also an additional target to increase ADB's investment in faecal sludge management through non-networked sanitation and septage management from a baseline of US\$ 3.8 million in 2012 to at least US\$ 75 million by 2020.

WASH AID PRIORITIES: DISTRIBUTION OF AID DISBURSEMENTS

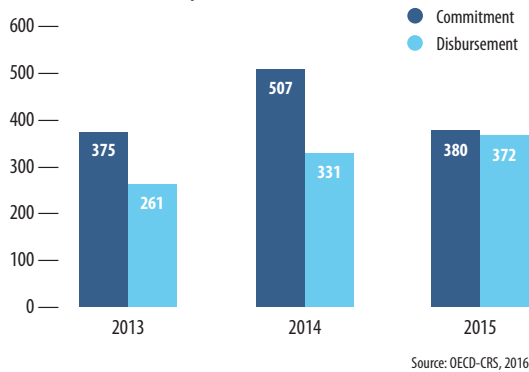
By activity type (2015)

More than fifty percent of ADB's investment in the water sector goes to WASH which demonstrates its sustained commitment to bridging the gap in water supply and sanitation services. The *Water Operational Plan 2011–2020* highlights ADB's further increased attention to sanitation by committing to increase to 25% by 2020 the share of sanitation from ADB's total water investment. Furthermore, through its partnership with the Bill & Melinda Gates Foundation, the new genre of ADB's WASH projects is now incorporating the whole value chain of faecal sludge management, including containment, collection, treatment and disposal of faecal sludge.

By region in (2015)



WASH AID COMMITMENTS AND DISBURSEMENTS constant 2014 US\$ millions



WASH SECTOR TARGETING

ADB's WASH projects are aimed at expanding access and improving service levels by way of rehabilitation and upgrading of existing infrastructure and installation of new ones.

Projects do include the poor and vulnerable segments of the population. While ADB's WASH investments have mostly been in urban areas, ADB remains committed to targeting poor communities. Stand-alone WASH investments in rural areas are limited owing to the low inclination of countries to borrow for rural water supply and sanitation. However, ADB continues to promote WASH in rural areas as a component of water resources management projects or irrigation and rural development projects.

Strengthening policy/institutions for sustainable WASH service delivery and support to education and training are also key components of ADB's lending and non-lending assistance to WASH programme. One of ADB's major initiatives to lift capacity of WASH service providers is the Water Operators Partnerships (WOPs) Program which includes twinning partnerships between mentor and recipient utilities, and master classes and executive courses on priority aspects of water operations.

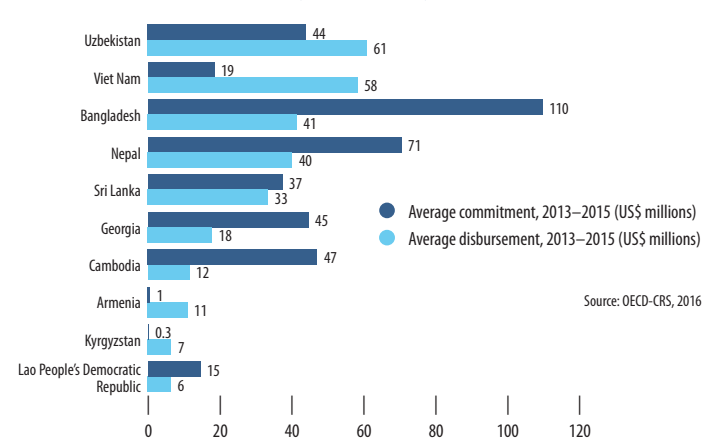
ADB has also been actively working on expanding demand for sanitation. Since 2009, ADB has been convening the Asian Sanitation Dialogue to put sanitation higher on the development agenda and motivate governments to expand their budget envelope for sanitation. In-country sanitation dialogues have also been conducted since 2012.

LESSONS/IMPACTS

In Uzbekistan, a water supply and sanitation project was completed in 2015 that involved improvement of urban water supply in nine districts. Reservoirs were constructed, distribution networks rehabilitated, and water meters were installed in about 3 500 households, overall benefitting 340 000 people. Improvement in sanitation and hygiene practices in selected number of schools was also achieved.

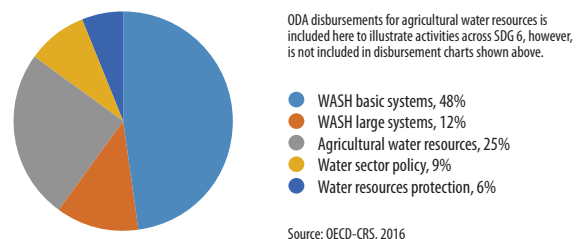
Furthermore, the project addressed the capacity building needs of provincial and district water supply companies in terms of planning, financial and human resources management, utility operation, and customer relations.

TOP TEN AID RECIPIENTS (2013–2015)



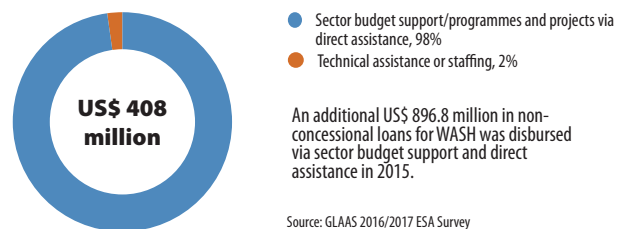
FUNDING ACTIVITIES

A breakdown of aid disbursement for 2015 is provided below:



FUNDING CHANNELS

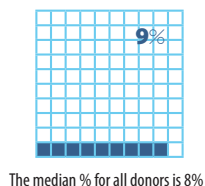
A breakdown of funding channels for 2015 disbursements of grants and concessional loans is provided below:



COLLABORATIVE BEHAVIOURS FOR MORE EFFECTIVE DEVELOPMENT COOPERATION

Enhance government leadership of sector planning processes:

Proportion of water and sanitation ODA allocated to water and sanitation policy and administration and education and training (%)



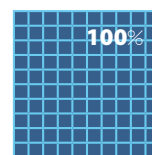
Strengthen and use country systems:

Percentage of WASH ODA spending using country procurement systems (%)

Data not available

Use one information and mutual accountability platform:

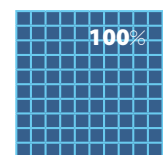
Participation (at least moderately) in mutual assessment exercises/reviews (% of countries)¹



¹ A total of 14 countries were reported by ADB in the GLAAS 2016/2017 ESA survey. This figure may not include all countries in which ADB works.

Build sustainable WASH sector financing strategies:

Percentage of WASH funding published/information shared with Ministry of Finance (%)¹



¹ A total of 14 countries were reported by ADB in the GLAAS 2016/2017 ESA survey. This figure may not include all countries in which ADB works.

FUTURE OUTLOOK

The merger of ADB's Asian Development Fund (ADF) with its ordinary capital resources (OCR) balance sheet will boost ADB's financial capacity to support the investment needs of its developing member countries (DMCs). This provides additional resources for ADB's annual water lending to be increased from 2017. ADF provides concessional loans (longer loan maturities and lower interest rates) and grants to poorer countries while OCR loans are provided to middle-income countries are market-based rates.

Developed and coordinated by the Water, Sanitation, Hygiene and Health (WSH) Unit at the World Health Organization (WHO).

Results contained in the ESA Highlights have been compiled by the ESA and GLAAS using data from the Organisation for Economic Development and Cooperation (OECD) Creditor Reporting System (CRS), estimates and text provided in the responses to the GLAAS 2016/2017 ESA survey.

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http://www.who.int/water_sanitation_health/glaas/en/

Gil-Hong Kim
Sector Advisory Service Cluster
Sustainable Development and Climate Change
Department
6 ADB Avenue 1550 Mandaluyong
Metro Manila
Philippines

✉ ghkim@adb.org
☎ : +632 632 4289