



PRESS CLIPPINGS

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## ADB doubles water funding to \$2 B

By EDU LOPEZ

The Asian Development Bank will double its investments in the water sector from \$1 billion to \$2 billion a year under the new water financing program.

This was in response to the UNDP 2006 human development report which focused on water and sanitation, said Dr. K.E. Seetharam, ADB water and supply and sanitation specialist.

Speaking at the launching of the

UNDP 2006 Human Development Report, Dr. Seetharam said that the investments would be used in the financing of water projects, reforms and capacity development programs in the rural communities, cities and river basins in the Asian region.

The UNDP report focused on the crisis in water and sanitation and stressed the clear link between access to clear water and poverty.

ADB noted that water is a key factor in reducing poverty, improving livelihoods, and promoting economic growth.

"Investments to provide people with safe drinking water and decent toilet facilities, to allocate and preserve water resources, and to properly manage wastewater have fallen seriously behind demands."

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## ADB doubles water funding...

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The Philippines is one of the six countries included in the ADB's water financing program.

In 2002, about 700 million people in the Asia-Pacific region were still without safe water supplies and some 2 billion had inadequate or no toilet facilities.

Under the water financing program, ADB would increase its water investments to over \$2 billion a year.

Seetharam said that UNDP

support's ADB's water financing program that will focus on combining increased investments in water infrastructure with capacity building and private sector participation.

The Asia Water Watch 2015 study, commissioned by ADB, WHO, UNDP, and UNESCAP, estimates that annual investments of \$8 billion — at the minimum — will be needed over the next decade to meet Millennium Development Goal (MDG) targets for safe drinking water and sanitation alone.



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EDITORIAL

## Water is life—but control can mean death

ON Monday, the United Nations Development Program will launch this year's much-awaited Human Development Report (HDR), focusing this time on the theme "Beyond Scarcity: Power, Poverty and the Global Water Crisis."

Practically all HDR annual issues are interesting and always keenly awaited and are used to spark debate, throw light on complex issues or present compelling statistics to provoke action. But this one promises to be even more relevant, if only because, apart from oil, the one thing in this world that experts have long predicted could be precious enough to start a war is water.

From the halls of the UN to the hovels in underserved—because poor and therefore condemned as "not worth investing in"—communities of Metro Manila, and yes, even to the middle income neighborhoods that, since three days ago, were put on the same level as the bathless and toothless *jologs*, the frequent cry is for "t-u-b-i-l-g!" (water).

In 1989, a special subcommittee on water of the South Commission, a global group of development experts on Third World issues, had reckoned from information it gathered, that there were nearly two dozen spots in the world where bodies of water running through different countries and territories have been sources of transboundary disputes. The expert panel warned then, nearly two decades ago, that the world should watch out for these potential flashpoints—not only because of the disputes but also because of the manner in which the more powerful and technologically advanced states and transnational corporations are able to dominate the processes for distribution and pricing, to the detriment of the poor and marginalized—often, farming communities.

That 1989 warning came to mind recently with the spate of reports of drought, now often attributed to climate change, in many parts of the world. One of the warnings in Al Gore's *Inconvenient Truth* is that, as part of the impact of climate change, there are now many areas of the planet hit by drought which weren't affected before; and in some areas used to seasonal drought, the effect has been remarkably extreme this year. In Australia, a First World country, many people reeled not just from the drought but also its consequence—unbridled water raids and water theft on a scale so serious law enforcers had to be called in.

If there's any comfort that can be derived from all these, it's simply the truism that water, like death, is a great leveler. Yet the reality in this country is also this: water, though a natural resource, has become a tool of big vested interests, and thus, control over distribution and pricing has become highly politicized and commercialized.

To compound things, regulation has not exactly been smooth, and the experience with privatization has been a checkered record: Manila Water is drawing kudos for relative efficiency and initiatives to bring water to depressed areas and prove that the poor communities can be trusted to pay for their water diligently and honestly; but Maynilad struggles on, its initial concessionaire having thrown in the towel.

Even as a new round of bidding for government's stake is in progress, Maynilad continued to draw flak—the latest being the weekend's sudden disruption of water services in large parts of Metro Manila, owing to



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what Maynilad says was the National Power Corp.'s decision to restrict the release of water from Angat. Napocor has flatly denied the accusation. Meanwhile, as they bicker, hundreds of thousands of residents must deal with the state of being waterless for the third straight day.

Trying to understand the politics of water is an arduous, complicated exercise. It starts from the policy level, where those in power must determine the use of water for irrigation, for power and for household and industry use.

Even in First World countries, water has been an explosive issue, with scandal after scandal over pricing and bribery hogging the headlines. It's not hard to understand why.

Taking the current bickering between Napocor and Maynilad as a portent of more to come, perhaps it's time for policymakers and concerned authorities to start taking a serious, comprehensive look at the state of water in the country. After all, it's one of those areas where the country is seen as lagging in the fulfillment of the UN's Millennium Development Goals (MDGs).

If we're intent on achieving energy independence by promoting alternative fuels, especially biofuel, and reducing reliance on imported oil, it's but right to also put in place a more rational system for sourcing, distributing and pricing water. It's bad enough that the unreliability of the drinking-water quality has spawned so many brands of supposed mineral water in bottles—thus breeding the new environmental problem of disposing of so much plastic containers—sooner or later the operations of these water companies will impact on water supply, aside from impacting on the wallet with their steep prices. We have a rough idea of why the UN's soon-to-be-released Human Development Report presents water not as a stand-alone problem, but within the nexus of power and poverty issues. And it simply underscores the fact that water is a life-or-death issue, not simply a concession to be bid out.

In fact, if the Freedom from Debt Coalition and its partner groups are to be believed, Maynilad's rehabilitation plan—after the 84-percent government stake is rebid—does not guarantee that Metro Manila's waterless communities will be connected to the piped water grid. The plan, it said, actually gives the company (winning bidder) the license to delay accomplishment of its service targets by two years.

Funds brought in by investors and company revenues from consumers would first pay for the debts of Maynilad. And, "if there is some money left after paying Maynilad's creditors and when considering service expansion and water supply allocation, commercially lucrative areas will be given preference."

The plan allegedly recommends the lowering of water pressure targets from 16 pounds per square inch (psi) to only 7 psi, raising fears of water contamination similar to what happened in 2004 in Tondo where 800 residents were hospitalized from diseases related to taking contaminated water. Eight people eventually died.

Water means control and money. In the wrong hands and for wrong motivations, it could spell death.