

**PROJECT INFORMATION DOCUMENT (PID)  
IDENTIFICATION/CONCEPT STAGE**

Report No.: PIDC22115

<b>Project Name</b>	Regional Capacity Building: Transboundary Water Governance
<b>Region</b>	SOUTH ASIA
<b>Country</b>	South Asia
<b>Sector(s)</b>	Public administration- Water, sanitation and flood protection (50%), General water, sanitation and flood protection sector (50%)
<b>Theme(s)</b>	Climate change (10%), Environmental policies and institutions (30%), Water resource management (30%), Managing for development results (30%)
<b>Lending Instrument</b>	IPF
<b>Project ID</b>	P154856
<b>Borrower Name</b>	IUCN - Asia Regional Office
<b>Implementing Agency</b>	IUCN India (New Delhi)
<b>Environment Category</b>	C - Not Required
<b>Date PID Prepared</b>	20-Apr-2016
<b>Estimated Date of Approval</b>	25-May-2016
<b>Initiation Note Review Decision</b>	The review did authorize the preparation to continue

## I. Introduction and Context

### Country Context

South Asia is home to about 21 percent of the global population, but has only about eight percent of the world's annual renewable water resources. Population growth and urbanization are major drivers of change and increasing water stress in the region. With an annual population growth of around 1.5 percent, the regional population is projected to increase from around 1.6 billion to over 2 billion by 2050, greatly reducing per capita water availability. Per capita water availability in South Asia declined by 70 percent since 1950. South Asia's average per capita water availability, defined by the sum of internal renewable water sources and natural incoming flows divided by population size, is less than 2,500m<sup>3</sup> annually. This is compared to a worldwide average of almost 7,000m<sup>3</sup> per capita per year. Almost 95 percent of total water withdrawals in South Asia are for irrigated agriculture, which is higher than the 70 percent global average. Water productivity, in terms of Gross Domestic Product generated per cubic meter of water, is less than US\$4, compared to US\$24 for the world's top food producers.

The rivers of South Asia bear the brunt of this new demand for fresh water. About one billion people live in the three large transboundary basins in the region, the Indus, Ganges and Brahmaputra. These rivers that emanate from the Greater Himalaya are shared across borders between Bangladesh, Bhutan, China, India, Nepal and Pakistan. Climate change studies increasingly suggest that the effects of glacial melt, temperature variations, and erratic monsoon patterns will reduce the availability of water in the region and lead to a greater frequency of floods

and droughts. Despite the frequency and transboundary impacts of these extreme events, cooperation between countries remains limited and piecemeal.

Low per capita water availability, coupled with a very high relative level of water use (dominated by irrigation), makes South Asia one of the most hydrological vulnerable regions of the world; relative water scarcity negatively impacts economic development. Conflicting demands on these international waters, increasing water demand, significant inter- and intra-annual hydrologic variability, weak water institutions, and a low level of transboundary cooperation (both within and between countries), are the key water resources management challenges of the region.

### **Sectoral and Institutional Context**

International rivers provide 60% of freshwater flows. 260 international river basins are home to 40% of global population. As pressures on water resources and linked ecosystems continue to increase with the prospect of climate change, population growth and fast developing technologies for water abstraction, water conflicts may become more likely, more frequent and more intense. Collaborative governance between countries is crucial in formulating long-term strategies for climate change adaptation and sustainable management of river basins and water resources.

South Asia's main river systems are inextricably linked to regional geopolitics, since the main transnational river systems involve countries that are unequal in terms of level of economic development and have different (and often competing) demands on these river systems. Problematically, the region sees a low level of transboundary cooperation at the basin level. Experience in other regions, however, demonstrates that the lack of cooperation at this level happens not from political unwillingness, but rather from a lack of capacity and therefore "timidness" to engage with potentially more skilled neighboring countries.

While there are a number of academics and experts in South Asia who are engaged in transboundary water governance and hydro-diplomacy, the capacity in this field is low at both the policy and technical levels. There is demand from government entities in the region for capacity building in this area. Currently courses on transboundary waters governance are not regularly taught at South Asian universities, and training seminars to government officials usually take place on an ad hoc basis and are most often delivered by international experts from outside the region. This is why this grant proposes to strengthen regional capacity in this area through developing a critical mass of within-region training opportunities, which can respond to the capacity building demands from governments in the region.

### **Relationship to CAS/CPS/CPF**

The World Bank Water Global Practice works to ensure that water is a reliable foundation for poverty reduction and broad prosperity through the delivery of public water "goods" coupled with private initiatives that add value to water services throughout the water cycle. Additionally, theseThe water challenges presented above are recognized in the World Bank's South Asia Regional Integration (RI) Strategy, and the World Bank's most recent Country Partnership Strategies (CPS) and Country Assistance Strategies (CAS) for South Asian countries, as central to reducing poverty and boosting prosperity through economic growth.

The World Bank's South Asia Regional Integration (RI) Strategy has as one of its objectives to "Improve the in-country and cross-border authorizing environment (attitudes and policy) for regional integration by systematically building awareness and "championship" around the need for, and benefits from, increased regional cooperation. Pillar 3 of the RI Strategy, "Supporting

cooperative management of shared natural resources and disaster risks to enhance resilience” will take the approach to use in-country and regional entry points to facilitate dialogue, and generate and share knowledge and capacity; and to inform/strengthen institutional arrangements towards more effective management of shared natural resources and disaster risks.

The India CPS seeks to strengthen regional integration. The World Bank will promote RI, “especially in (i) the integrated management of natural resources and regional public goods (such as river basins, ecosystems and wildlife preserves.”

The CAS for Bangladesh focuses on regional cooperation and reducing vulnerability to disaster, including through “greater cooperation among riparian countries for regional water resource management.”

The Bhutan CPS indicates that institutional and human resource capacity building will be addressed in a crosscutting manner, with hydropower development meriting special attention. The CPS states that beyond its central contribution to domestic development, hydropower is also a regional good. Given the regional energy deficit, Bhutan can play a key role in catalyzing regional cooperation to further develop clean hydropower capacity for the benefit of the region. This will require transboundary water governance and hydro-diplomacy with India and possibly China. Similarly, a focus in the Nepal CPS is developing the country’s hydropower with the goal to develop markets for power exports. To lay the foundation for a more long-term engagement on hydropower, the Bank will provide support to improve the governance of the hydropower/energy sector.

Under its current interim strategy for Afghanistan, the Bank is reviewing options for development of the Kabul River. The grant will work towards capacity building for transboundary water governance and hydro-diplomacy for officials from Afghanistan.

In the most recent CPS for Pakistan, one of the water resources priorities is to strengthen the institutions responsible for water management.

The China CPS seeks to support greener growth—which spans six different sectors, including natural resources, environment and climate change—through capacity development and learning activities.

## **II. Project Development Objective(s)**

### **Proposed Development Objective(s)**

The development objective of this grant is to increase availability of high quality training modules on water diplomacy and basin governance related to cooperative water governance.

### **Key Results**

Grant activities will contribute to achieving the South Asia Water Initiative (SAWI) Regional Focus Area's overall objective to build knowledge and capacity across the region in support of transboundary basin-focused dialogue and cooperation. And contribute to two of the programs intermediate results indicators (i) Number of regional, basin/landscape or sub-basin-level knowledge products produced and shared with key stakeholders, including decision makers; (ii) Number of professionals trained in the aspects of water management, water policy or water diplomacy relevant to basin scale planning and management or regional cooperation.

#### Grant Specific Indicators

- Academic institutions that indicate interest in using the modules/curriculum (number)
- Training modules/curriculum developed (number)
- Participants in the pilot testing workshops that rate the material and training content as useful (percentage)

### III. Preliminary Description

#### Concept Description

The grant will support the design of short training modules and curriculum in water diplomacy and basin governance—for uptake by participating universities and other institutions for long-term teaching of the topics. Firstly, a project advisory group will be constituted, consisting of representatives from India, Bangladesh, Pakistan, Nepal, Bhutan, IUCN, the World Bank and academic institutions, to oversee curriculum development. The short training modules will then be authored and finalized for pilot testing. Focus institutions will be identified in India and Bangladesh to run the modules. The modules will then be piloted through the focus institutions and piloted at a regional workshop with participation from other countries in the region. The modules will finally be fine-tuned based on inputs received during the national and regional level workshops and through consultations with experts and institutions stationed in South Asia. At the closing of the grant, the modules/curriculum will be ready for roll-out and institutionalization across the region (into government training agencies and academic programs in universities).

The training modules/curriculum will aim to build capacity at the policy and technical levels, with a focus on transboundary water governance and hydro-diplomacy at the basin and sub-basin levels for policymakers, water agency technical staff, and students. With a goal to institutionalize and ensure sustainability of teaching on these subjects, the modules/curriculum will support current and future decision makers to identify and consider transboundary and cooperative water governance as a policy option, and to negotiate and handle sensitive inter- and intra-state water resources issues in bilateral and multilateral contexts. Importantly, the content will relate water cooperation to cooperation in other areas, such as electricity, navigation, national security, creation of economic corridors, and jobs growth to facilitate an environment of overall meaningful cooperation in the Indus, Ganges, and Brahmaputra basins.

#### Component 1: Development of Training Modules/Curriculum (US\$122,000)

Seven content modules will be developed by a team of ten authors from at least two countries in the South Asia region. Lecture notes, case studies, presentations, role-plays, individual and group exercises, films, background reference material, and interaction with those who have carried out negotiations on water will enrich the content of each module. Further refinements will be made to the module after pilot testing workshops. The output of this component will comprise of designed curriculum, training modules and a basic e-module on the topics of water diplomacy and basin

governance for uptake by participating universities and other institutions for long-term teaching of the topics.

#### Component 2: Pilot Testing of Modules (US\$ 215,000)

The modules will be pilot tested in India and Bangladesh, and at a regional workshop, to select policymakers and practitioners for their utility and effectiveness before rollout. The modules will then be presented to institutions from other countries of the region for potential future uptake and teaching. Support will be provided to agencies and academic institutions to adapt and integrate the short training modules into long-term running courses. The outputs of this component are national and regional pilot testing workshops on training module/curriculum content.

#### Component 3: Program Management and Dissemination (US\$83,000 from SAWI + US\$ 74,800 from IUCN)

This component will fund dissemination of course material and information about available training programs, including through an e-discussion forum; as well as management of the implementation of this regional grant through various IUCN country offices.

### IV. Safeguard Policies that Might Apply

Safeguard Policies Triggered by the Project	Yes	No	TBD
Environmental Assessment OP/BP 4.01		x	
Natural Habitats OP/BP 4.04		x	
Forests OP/BP 4.36		x	
Pest Management OP 4.09		x	
Physical Cultural Resources OP/BP 4.11		x	
Indigenous Peoples OP/BP 4.10		x	
Involuntary Resettlement OP/BP 4.12		x	
Safety of Dams OP/BP 4.37		x	
Projects on International Waterways OP/BP 7.50		x	
Projects in Disputed Areas OP/BP 7.60		x	

### V. Financing (in USD Million)

Total Project Cost:	0.4948	Total Bank Financing:	0
Financing Gap:	0		
<b>Financing Source</b>			<b>Amount</b>
The World Conservation Union			0.0748
South Asia Water Initiative (SAWI)			0.42

### VI. Contact point

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