

FAO/GOVERNMENT COOPERATIVE PROGRAMME

**STUDY ON ANALYSIS OF SUSTAINABLE
WATER RESOURCE USE
GCP/RAS/24/JPN**

Towards a renewed framework for action
for
economic, food and water security

A policy brief



Regional closing workshop
Bangkok, 23 August 2012



Final technical outputs

- Country case studies, dialogues, legal studies, review of policy dilemma, investment frameworks
- Policy brief
- Technical publication
- Legal spinoff publication

Policy brief

Towards a renewed framework for action for economic, food and water security

- Executive summary

1. Introduction

2. Key challenges and trends

3. Fundamentals

4. Towards a renewed framework for economic, food and water security

5. Moving forward

1. Introduction (1 page)

- A brief reminder of the project, what it did and where this comes from
- Objectives, what we are trying to achieve in the Policy Brief.
- Target audience
- Not being prescriptive: rather, provide tools for country stakeholders to assess and develop their options.

2. Key trends and challenges for water and food security in the region (2 pages)

Setting the scene: a reconfirmation of the 'Revitalizing Asia's Irrigation' 5 strategies .

- Unless significant water productivity gains are realized, the region simply has insufficient water and land resources to sustainably feed its population.
- Three major trends affecting irrigation: changing food demands, state built irrigation schemes are underperforming forcing farmers to invest on their own, PIM has not lived up to expectations. A response to these trends is the 5 strategies.
- Demographic and consumption projections (IRRI book)
- State of agriculture: huge transformation, rural-urban shifts, growing importance of non-farm incomes, groundwater explosion
- State of the environment: climate change, environment as a user, agriculture as a contributor to and victim of water quality decline
- Food prices, energy and trade policies
- Huge investment needed and planned
- Switch to green growth policies

3. Fundamentals (6-7 pages)

- Summary the issues we consider fundamental related to these key challenges and the design, implementation of strategies outlined in the countries in the region,
- Revisit main topics related to water resources management and irrigation frequently discussed in this context, and pose a number of questions at the end of each.
- The questions associated with each fundamental are key questions that need to be addressed to develop a set of coherence, feasible and effective:
- They will support:
 - key conclusions and findings
 - Key implication
 - The emergence of a set of policy dilemma/trade-off/difficulty questions that countries need to address

3. The fundamentals

3.1 Informal and formal water economies

3.2 River basin trajectories

3.3 The groundwater explosion

3.4 Livelihoods

3.5 Environment of water
quality

3.6 Governance

3.7 Risk management

3.8 Water policy

3.9 Legal instruments

3.10 The water, food and
energy nexus

3.11 Water demand
management in agriculture

3.12 Water accounting

3.13 Water productivity

3.14 On-farm water saving
technologies

3.15 PIM/IMT

3.16 Irrigation modernization

4. Towards a renewed framework of action for economic, food and water security (8 pages)

4.1 Key findings and conclusions from the review of challenges trends and fundamentals

4.2 Key implications for a renewed framework of action for food, economic and water security

4.3 Addressing key policy dilemma, trade-offs and difficulties

4.1 Key findings and conclusions from the review of challenges trends and fundamentals

- Asian countries are essentially confronted with a transition challenge:
- A multi-sectoral approach to policy, strategy and investment decisions related to agricultural water management and water and food security has now become necessary and decision making has to be taken in the broader context of economic, food and water security
- Many irrigation investments or institutional reforms do not produce intended outcomes and need to be comprehensively overhauled
- More broadly, a number of policy options for water resources management reform have not been adapted to the nature of the water economies of the countries in the region

- Although a key challenge is increasing water scarcity and competition for water resources, decisions on policy, strategy and investment options are frequently based on a poor understanding of the water regime and are not likely to have the desired effect
- goals, objectives and interventions are increasingly conflicting at national level, river basin level and local government level.
- The magnitude of uncertainties related to climate change, market volatility capped with other changes is rising and risk management strategies become an important consideration at all levels of decision making
- More constructive and effective approaches to the political difficulties related to effecting change are warranted

4.2 Key implications for a renewed framework of action for food, economic and water security

- **Decision-makers and users need to review broad social, economic and environmental objectives through a water lens and improve their understanding of water availability and use in order to guide bulk water allocation, sectoral policies, productivity targets, and policy instruments and investments in all productive sectors including revitalizing irrigation in the region.**

- **In order to achieve a coherent, effective and feasible set of policies, strategies and interventions:**
 - **Developing a solid water accounting foundation is a pre-requisite;**
 - **Improved processes for decision-making and negotiation among stakeholders are needed;**
 - **A focus on the Water, Energy and Food nexus will often provide a fruitful entry point;**
 - **Risk management strategies for national food security policies and more generally economic, food and water security should be developed**
 - **Progress on monitoring of investment and results is needed;**
 - **Focusing on recognizing and explicitly addressing key policy dilemma, trade-offs and difficulties over time will facilitate decision-making;**

4.3 Addressing key policy dilemma, trade-offs and difficulties

- **Managing Transitions: supporting continuity or a combination of improvements and exit strategies?**
- **Informal water economies: to manage or not to manage?**
- **Is the pursuance of water productivity (economic efficiency) always compatible with other strategic goals such as food security, rural stability and equity?**
- **Resilience v efficiency**
- **Implementation of ideal or second-best/Plan B options?**
- **Prioritizing: national objectives, local objectives or basin objectives? How do we better align goals?**
- **Realistic financial arrangements and incentives for performance**
- **Food, water and energy nexus**

Managing Transitions: supporting continuity or a combination of improvements and exit strategies

- The two meanings of managing:
 - Managing
 - Coping with/adapting to
- Managing transitions and farm size
- Managing transitions and evolution of irrigation systems
- A managed exit or a stressed exit?
- Managing transitions and modernization
- Transitions and options for additional development of irrigation
- Managing transitions and investment

5. Moving forward (4 pages)

5.1 Existing tools

5.2 New tools

- Rapid policy appraisal
- Policy development process
- Policy dialogue facility

5.3 Regional initiatives