

SAAPE

A QUARTERLY NEWSLETTER OF SOUTH ASIA ALLIANCE FOR POVERTY ERADICATION

From SAAPE Secretariat

Welcome to the 2nd SAAPE newsletter, which focuses on water privatisation. This is an issue of major concern in all the South Asian countries, and globally. In March, the Third World Water Forum discussed the World Water Actions, which could lead to a global level agreement to push for water privatisation. In addition, the EU has made clear its desire that water be included in the GATS negotiations of the WTO. This would put huge pressure on developing countries to privatise water provision, and would lead to limitations on domestic regulation as "barriers to trade".

The article by Sarath Fernando explains the campaign in Sri Lanka against water privatisation, and the newsletter also contains a view from Nepal on water issues by Dr. Shibesh Chandra Regmi.

As well as sharing issues and concerns of social movements of South Asia, the newsletter aims to keep all the members and affiliates up to date with SAAPE's activities. SAAPE has recently been involved in lobbying the EU on its commitment to poverty eradication, and the NGO/CSO statement on the EU's ALA regulation is included here. Also in this issue, one of SAAPE's country focal groups - ASTHA - explains their vision and work.

We are grateful to everyone who has contributed to this newsletter. We welcome your suggestions and feedback on this edition and any contributions of articles or photographs for future editions would be highly appreciated. We hope you enjoy the publication.

SAAPE's Regional Secretariat

SAAPE's Regional Secretariat is based at Rural Reconstruction Nepal (RRN) in Kathmandu, Nepal. The role of the Regional Secretariat is to facilitate and co-ordinate the country initiatives from regional perspectives, provide support to country initiatives as and when necessary, disseminate information at the international level and liaise with different stakeholders for the cause of eradication of poverty and reinstating human rights and social justice in the region.

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Water Privatisation and People's Struggle to Protect Common Water Rights in Sri Lanka

Sarath Fernando Sri Lanka

The entire history of Sri Lanka, its economy and culture and the way of life of the people has been closely associated with water. The ancient irrigation and water management systems are considered to be part of "World Heritage". The ancient people of Sri Lanka and the rulers had a deep understanding of the importance of water and the way water should be utilized with care and respect. There is a famous saying from Sri Lankan King Parakrama Bahu the Great "Do not let a single drop of water falling from the sky flow into the sea, unutilised for human welfare".

Sri Lanka has had a very long period of development of ancient irrigation systems. These systems were built over a period of 17 centuries beginning about 500 years before Christ. But the attitude of using water for human benefit, then, was in no way an approach that disregarded or discarded the fact that water is life, essential for all life. Thus in the ancient irrigation systems its behaviour within the natural hydrological cycle was not tampered with.

In the first three decades after independence Sri Lanka achieved considerable social development. Governments of independent Sri Lanka until 1977 gave highest priority to the development of small farmer based domestic goods production. Rice farming was seen as the most important economic activity. Restoration of some of the ancient irrigation schemes and irrigated agriculture by small farmers were the methods used to achieve food security and rural development.

The process of privatisation, market liberalisation and export orientation was introduced in 1977 in Sri Lanka. In relation to water, irrigation and domestic agriculture these policies have proved to be extremely destructive. During the last 25 years there has been a near complete breakdown in rural food producing agriculture. The adoption of chemical input dependent

agriculture since mid 1960 has created huge problems of pollution, the cost of production in rice and other food crops has become extremely high while privatisation of the internal agricultural market has reduced the price of agricultural produce such as paddy and other domestic food to such low levels that all farmers have become extremely indebted. Rural poverty and indebtedness has increased, resulting in farmer suicides, hunger and malnutrition.

In 1996, the World Bank recommended water privatisation, domestic agriculture and water marketing as a strategy to encourage the shift from "low value" domestic production to "high value" export crop production. It also recommended land titling, granting "free hold titles" to all smallholder farmers to encourage them to sell their land and move out of agriculture.

Proposals included in the new PRSP (Sri Lanka's Poverty Reduction Strategy Paper) agreed between the government and the World Bank in June 2002 clearly state that public- private sector partnerships in water, sewerage and sanitary services should be promoted. Based on these agreements the Government is about to finalise a new National Water Resources Policy and a National Water Resources Act. Public-private sector partnership in water supply and water management in Sri Lanka is undoubtedly a mechanism that would induce people to make a double payment for water.

People's Resistance against Water Privatisation and Water Marketing

Since 1996 when the WB recommended water privatisation many people's organisations have been engaged in public education and debates with the WB and the Government against these destructive proposals. In the year 2000 when the Draft National Water Resources Policy formulated by the Government became known, there were very large people's campaigns and protests against water privatisation and marketing. Hundreds of organisations joined in the campaign. The government then withdrew its proposals and declared that neither water marketing nor privatisation would go ahead. However, the drafting of legislation and setting up of institutions such as the National Water Resources

Authority continued without any public consultation. These operations were funded heavily by the World Bank and other international agencies. These measures were a part of bigger strategy pushed by the WB and big business to bring about major structural reform in the rural agricultural sector.

Water privatisation includes

- Public private sector partnerships in water supply, sanitary services and public utilities in all major cities and urban areas.
- Full cost pricing of all water including water for household consumption.
- Issuing of water entitlements as a means of diverting domestic food production to export cash crop production.
- Very heavy public investments in water infrastructure development projects and inviting multi-national water companies to invest, offering long tax holidays with liberalised market policies.

Reasons for Public protest against water privatisation policies

The people's campaigns against the proposed National water Resources Policy and Act has been based on the following concerns and demands.

- 1. Water is a natural right of all people and all living beings and nature. Therefore water should remain as "commons" and not be converted into a commodity.
- 2. Any policy or programme for water management and conservation should be formulated with very wide consultation and participation of people. The present policies and plans have been formulated without any such participation with the heavy influence of international agencies pushing for water privatisation, such as the ADB, World Water Forum related bodies, WB, and some European Governments interested in expanding markets for water companies.

Converting water into a market commodity will deprive millions of poor people of their right to water and water services. Such commodification of water will also have a very serious impact on food security and on the natural environment. The type of infrastructure for such commercial distribution and management would be financially prohibitive and ecologically destructive. The possible destruction of the ecological irrigation approaches in Sri Lanka would be a tremendous loss that would make it impossible to revive these ecological approaches.

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- 4. Water marketing is part of a bigger strategy of getting over a million (1.8 million families) small farmers to sell their land, give up agricultural livelihoods and migrate to urban areas as "cheap labour" or destitute. (PRSP includes land policies for such commercialisation of land and promoting migration).
- 5. Being a country that is rich in water resources, privatisation and commercialisation of water could lead to damaging trends in water exports making water more expensive to the local water users who are far too poor to make any payment for water.
- 6. The argument given for inviting the private sector for water marketing is that water management to prevent a crisis requires very heavy investment. The PRSP says that the investment required in Sri Lanka during the period of 2001 to 2010 is Rs 50 Billion. It says that the Government cannot finance even half of this investment. The essential pre-requisite to attract private investment is to price water. Therefore "full cost pricing" of water is recommended, taking into consideration the affordability. PRSP also says that household water consumers are subsidised with earnings from other sectors that use water. This, it says, should be prevented. Therefore, full cost pricing of domestic water supplies is recommended. But, out of 108 projects included in the PRSP there are 19 projects that are directly

infrastructure development projects connected with water management and water supplies. The amount to be borrowed for these projects totals US \$ 951 Million = Rs. 95.1 Billion. Thus the borrowing made by the people of Sri Lanka is already much higher than the estimated investment in infrastructure development in water.

A success story- Struggle against water privatisation

On March 6, 2003 the Minister for Water Resources intended to present the new Revised National Water Resources Policy and Act for discussion at the Parliamentary Advisory Committee. The Government party MPs knew that there would be massive public protests against this so the Government MPs disagreed with the idea of bringing the Water Policy and Act for debate in Parliament. The Prime Minister, on March 6, 2003 made a public statement that he was against the introduction of the Water Policy Bill in Parliament. He also said that he wouldn't obey all the dictates of the World Bank. He criticised the Water Minister for attempting to introduce this Bill. Thus the Government has withdrawn because of public pressure.

However, the people's movements do not accept this as an honest statement of Government policy, because the PM and the key ministers of the Government had already agreed with the PRSP, which is considered a formulation of the Government of Sri Lanka, where water privatisation, public–private partnership in water, sanitation and sewerage are already included. The Country Director of WB, Mr. Peter Harold admitted at a meeting with representatives of the Alliance for Protection of National resources and Human Rights (ANRHR) on February 26t^{h,} 2003 that the PRSP is already finalized and agreed upon, and therefore it would be very difficult to reverse.

The struggle therefore, continues. The people of Sri Lanka are very happy and strengthened by the world-wide campaigns of people against water privatisation and marketing. They would therefore join in the struggle for water as commons by the movement of the world.

Gender in Water

Dr. Shibesh Chandra Regmi

Why is water management necessary?

Water is, literally, the source of life on earth. The human body is 70% water. People begin to feel thirst after a loss of only 1% of bodily fluids and risk death if fluid loss nears 10%. Human beings can survive for only a few days without fresh water. Despite this reality, only one one-hundredth of 1% of the world's total supply of water is considered easily accessible for human use. As a result, today 31 countries, accounting for about 8% of the world population, face chronic fresh water shortages. By the year 2025, however, 48 countries are expected to face shortages, affecting more than 2.8 billion people - 35% of the world's projected population (Population Reports, 1998). Even in South Asia, including Nepal, the last 50 years of water management has been the story of an unfolding disaster. Throughout the region, the water and energy requirements of cities and villages have confronted decline in the quality and quantity of water. These years have made societies in the region more vulnerable to environmental degradation.

Experience in the rural sector has shown that, within five years of installation, up to half of all new water supply systems are not functioning. Dixit and Crippen (1993) also note that many schemes have been built with the assumption that users would continue the maintenance. However, this notion that beneficiaries would automatically be able to maintain a project has proven to be incorrect as indicated by probably more than 50% of the schemes that are not providing adequate service and are in need of repair and rehabilitation. Though designed to operate for about 20 years and built during the last few years, the majority of the schemes have ceased to function before reaching even half of their design life. This situation highlights the immense need to effectively manage whatever water resources are available at present in the world.

International attention on water

Since the shortage of water affects women more than men, as the former are traditionally considered

responsible for the management of domestic water along with maintaining the health and hygiene of the family members, the United Nations (UN) Decade for Women (1975-1985) took this matter as a serious concern. Accordingly, various conferences on women and water held in Mexico in 1975, in Mar del Plata in 1977, in Copenhagen in 1980, in Beijing in 1990, etc., demanded that member states and UN agencies, including specialised agencies, should promote the full participation of women in planning, implementation and application of technology for water supply projects.

The main argument of the Women's Decade in relation to water was that the health of human beings, especially children, is greatly affected by the quality of drinking water, and 80% of the sicknesses and diseases in the poor developing countries are caused by poor quality water. The role of women in this sector is unquestionable, as they are traditionally considered responsible for meeting the household needs of water and taking care of the children, as well as maintaining the health of the family members. Therefore, women should be included in all aspects of project activities so that all these practical needs related to water are met. In turn, the dominant Women in Development (WID) approach claimed that women should be considered as the primary beneficiaries in the water supply projects. It emphasised that women can get involved in income generating activities in the time saved by improved water services.

The limitations of technically-oriented drinking water projects and their failure to include women in the management aspects depriving people with sustainable practical benefits were further realised in the International Drinking Water Supply and Sanitation Decade (IDWSSD) launched in 1981. The aims of the IDWSSD stated that drinking water is a basic need for human survival, and hence everyone should have access to an adequate amount of safe drinking water; the local governments should take this matter seriously. The IDWSSD further indicated that, unless and until the recipient communities are involved in the planning and design of water and sanitation projects, they cannot be effective. Because women deal with almost all water supply activities, it was well appreciated at the international level, by the second half of the IDWSSD, that community participation should include both women's and men's involvement. The IDWSSD stressed the fact that women are more than target groups, they are active agents who can contribute to the Decade efforts in decision making, generating ideas for policy-making, mobilizing labour, providing resources, and disseminating and implementing innovations.

Women and water

By the end of the IDWSSD, it was accepted that the notion of water supply being a masculine field needed to be changed - the sector had to be feminised if women's participation was to be achieved. The lack of attention to community involvement in general, and women's involvement in particular, was frequently given as the reason for a failure in the drinking water sector. Many studies had also shown by then that the active participation of women can lead not only to the higher efficiency of water projects but also improvements in women's status and roles in development (UNDP/ PROWWESS, 1990; van Wijk-Sijbesma, 1998). By involving women, particularly in the planning, design, and operation and maintenance stages, as well as in complementary health education programmes, water and sanitation projects can be expected to be more effective in achieving improved water services in terms of adequacy, quality and better health.

In turn, many national governments and development agencies in developing countries started involving women in various phases of the water projects implemented thereafter The experiences available so far reveal, however, that, though there have been quite positive effects of women's active involvement in the water sector, including some changes in their leadership and management roles (Narayan-Parker, 1993; Wakeman, 1995), a majority of the water projects are still involving women in providing labour, cleaning the areas around the water points, cooking food at construction sites and non-decision making roles such as collecting water tariff (Buringa and Tshering, 1992; IRC, 1994). It was clearly observed that women have been involved in water supply projects only to increase the efficiency of the project by bringing improved water services near people's homes (due to the influence of the welfare and the efficiency approaches of WID to fulfil people's practical gender needs), but not to meet women's strategic gender interests, which are the basis for women's empowerment. As a result, the vision of creating a sustainable and just societal development was still very far from being reached.

Gender issues in the water sector

Despite the importance of women's involvement in the water sector, studies have shown that women have been systematically left out in all phases of a drinking water scheme (Bhatt, 1995; Cleaver and Jobes, 1996; Regmi, 2000). Women are hardly consulted while planning and designing water schemes as the technicians think that water is a technical sector and women do not have the required skills and competence (Regmi, 2000). Most of the meetings are held at times and venues that are not suitable for women. Since women have to walk long distances to collect firewood, fuel and water, and need to be around their homes to look after children, sick and elderly people, they cannot go to attend meetings that are too far from their home (van Wijk-Sijbesma, 1998). For reasons that women are not present while forming committees and the patriarchal reasons that women are less appropriate for official and paper works, women are hardly included in committees, that are responsible for making decisions about the management of the schemes. As a result, the water sources selected by men dry up soon as they, for not being engaged in water collection task, lack proper knowledge about their round year situation. Similarly, the lack of women's presence in meetings and in committees leads to the installation of tube-wells and tap-stands in locations that are not appropriate for majority of the women, especially poor and marginalized, as they have to spend more time and energy in collecting water. The situation gets even worse when women have to perform their washing and bathing activities in water sources, which are located along the road-side. Due to the fear and shame of being seen by men passers by women either have to wait till the dark or carry water back home to undertake such activities, which is in either case neither safe nor time and energy saving (Regmi and Fawcett. 1999).

The lack of an understanding of gender issues on the part of project planners and implementers makes women further disadvantaged since men get selected in paid positions while women in unpaid voluntary positions. Likewise, it is men who attend various training, workshops and meetings as they are more educated and literate, have more exposure and contacts and thereby more confidence, than women (Regmi and Fawcett, 2001). The gender insensitivity on the part of technicians makes them form committees that are made up of only men and even when women are included

they are given lower positions and time consuming positions such as treasurer. In the name of women's participation, they are given secondary, low profile, voluntary tasks such as cleaning the site, fetching water for construction, collecting money and keeping records, feeding the construction workers, washing dishes, etc, that neither enhance their skill and competence, nor their income and bargaining power. The women thus get more stretched out due to such unproductive labour consuming tasks in their already loaded lives. Moreover, a very pronounced gender issue in the water sector that needs to be understood by the water planners is that unless and until women's traditional work is shared by men, the former cannot give enough time to the project activities. In turn, the water projects will not be able to sustain their benefits to the people without addressing gender issues in all stages of projects, including operation and maintenance (Regmi, 2000).

Conclusion

In spite of the realisation that women's involvement in the water sector is necessary for various reasons, as discussed above, the gender aspects in the management of rural water supply are still overlooked within the development of water supply schemes. Women's involvement in low positions that neither give them any financial reward nor any decision-making role, and men's employment in paid positions, their access to skilled and technical training and their taking over of the majority of the seats, including the positions of Chairperson and Vice-Chairperson, with higher decision-making power in the water committees have further widened the gap between women and men (Regmi and Fawcett, 2002). There have been limited attempts from the projects to create space for women to fulfil their strategic interests such as higher status in the household and the community, greater power to make decisions, which can increase their access to, and control over, resources, and the ability to transfer their work-load to their fellow men. The water resources development and management practices, which have a negative impact on women also have a negative impact on development. Water development and management projects that exclude women as actors, and as an interest group, bypass half the population and reduce the efficiency and effectiveness of the

project. Further, such gender insensitive water schemes overlook the need for an analysis of the relations, differences, needs, concerns, and power dynamics between women and men that could have ultimately empowered women and fostered the sustainability of the project benefits.

On the other hand, women's strategic engagement (in decision making positions, in paid positions, in receiving both technical and skill oriented training, in activities that are known as men's spheres, in receiving various other benefits as equal as to men, in new, exciting and challenging development initiatives like men, etc.) can increase project life span, sustain project benefits, improve health of children and other family members, ensure education for children, including girls, as their increased income and exposure have direct bearing on the rearing of their children, give them more time to engage in other productive and income generating activities, and eventually create a just and equitable society (Regmi, 2000). It can thus be concluded that only by increasing women's position, confidence, voice, and bargaining power can water schemes meet the genuine needs and concerns of women. This in turn can not only enhance the efficiency of the projects but also balance the power relationships between women and men to lead to a society with sustained human development.

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Europe's co-operation with Asia and Latin America: Reviewing the Regulation – A test of the European Union's commitment to poverty eradication

This paper contains the views of a broad range of civil society organisations from Asia, Latin America and Europe. It sets out the expectations of civil society on the content and orientation of European co-operation with countries in Asia and Latin America, and on the EU's Regulation that provides the legal base for this co-operation. The paper has been the result of widespread consultations with NGOs and civil society organisations in Asia, Latin America and Europe. This included discussions and consultations at the Asia Social Forum in Hyderabad (India) in early January 2003 and at the World Social Forum in Porto Alegre (Brazil) at the end of January.

The ALA regulation is the main financial instrument of European development co-operation with Asia and Latin America. The renegotiation of the regulation is an important opportunity to improve the effectiveness of this programme in eradicating poverty and contribute to the challenge of securing peace and prosperity in Europe and globally.

The renegotiation of the regulation (No. 443/92) comes at a particularly crucial time, coinciding with the European Convention on the Future of Europe and the Inter Governmental Conference, which will lead to a new European Treaty. The regulation, which arranges Europe's development co-operation with two of the largest regions in the South, will be an opportunity to demonstrate the Union's continued commitment to play a distinct global role in promoting sustainable and social development, human rights and democracy, which are the essence of Europe's core values.

The Monterrey consensus on Financing for Development and The Implementation Plan and the Political Declaration, that were adopted at the World Summit on Sustainable Development held in Johannesburg (2002) and reaffirmed immediately after by the EU General Affairs Council, have shaped a global partnership for sustainable development. This partnership includes commitments to increase development assistance, good governance and a better protection of the environment.

The ALA regulation offers an important opportunity for the EU to confirm its commitment to the Millennium Development Goals and the targets agreed in the Johannesburg Plan of Implementation. On 30 September 2002 the EU General Affairs and External Relations Council noted in its conclusions the Johannesburg reaffirmation of the Millennium Development Goals and that:

"eradicating poverty is among the greatest challenges facing the world today and an indispensable requirement for sustainable development to be achieved through a multidimensional approach which mainstreams gender and environmental issues, and ensures access to water, sanitation, energy, health care, education, land and adequate shelter as well as income generating activities based on decent employment, and disaster prevention."

The EU Council further reiterated

"the commitment of the EU to ensure coherence between its internal and external policies, including the development assistance programmes, in order to achieve the goal of eradicating poverty."

The proposal for a regulation by the Commission (COM(2002)340 final) does not appear to reflect the commitments as set out by the Council Conclusions. While we welcome the reference to the respect of human rights and fundamental freedoms, democracy and the rule of law, we are concerned with the overall direction of the regulation in all other areas.

The proposal does not firmly establish the goal of the regulation as the eradication of poverty. Furthermore we are alarmed by the notion introduced in the proposal that aid should be premised on an embrace of neo-liberal policies, as promoted by the World Bank and the IMF (pre-amble (7)). Article 2 of the draft regulation proposes to foster the integration of economies of Asian and Latin American countries into the multilateral trading system through the implementation of WTO agreements (also pre-amble (6)). It is clearly apparent that aid and the policy framework for sustainable development for "the reduction of poverty" is to be based on unqualified principles of free market policies.

There is a growing amount of evidence that unfettered liberalisation has a tendency to exacerbate poverty rather than eliminate poverty. It is therefore of crucial importance that communities of people living in poverty are consulted in the programming of aid genuinely focusing on the eradication of poverty, and participate in the aid activities designed for them – and with them.

The diversity in cultures, levels of economic growth and political realities should be taken into account in successful efforts to combat poverty, which might require country-based solutions rather than 'a one size fits all' approach. The issues and concerns of poverty

are specific in many ways. Social exclusion of ethnic minorities (lack of access to and control over productive resources and power), gender discrimination (women being the victims of discriminatory social practices) and caste based untouchability ('dalits' who constitute a significant part of the society are at the bottom of the poverty ladder) are at the heart of the problems that need to be considered in effective strategies of poverty eradication. Participation of civil society organisations representing people living in poverty is therefore a crucial aspect for a credible strategy towards development co-operation.

The Commission argues that only a thin regulation is required to mandate it to implement the programme towards Asia and Latin America. This touches upon some very fundamental issues underlying this proposal.

- Firstly, the Commission is seeking a regulation that will enable development resources to be used 'flexibly'. This will allow them to support different kinds of external actions in Asia and Latin America, including those related to defence and security. This would risk the sub-ordination of the objective to eradicate poverty to political and security interests of the Union.
- Secondly the Commission has not incorporated any proposals to ensure that the enabling legislation proposed in the regulation is backed up with operational legislation, and that adequate decision-making powers, as well as powers of control, are granted to the European Parliament in the definition of concrete policies at general, regional or sub-regional level.

The 'flexibility' requested by the Commission – amounting to a request for a 'blank cheque', gives no guarantees that the regulation's objectives, framed in the treaty development objectives (art 177) will be translated in real implementation. The emphasis given to "strengthen the political and economic presence" (pre-amble (5)) and the reference to the war on terrorism in article 2 create the impression that the regulation might be seen as an instrument for the Common Foreign and Security Policy (CFSP), rather than for development co-operation. We therefore demand a clear definition of how the regulation will be translated in its implementation, both in terms of operational procedures and in terms of decisions with regards to the budget.

The regulation should respond to the EU commitment to increase ODA to 0.7% of GNI, and reach an average of

0.39% of GNI in 2006. This increase should be reflected in the regulation. Moreover, the regulation should reflect a focus on poverty and identify how more resources will be channelled to people living in poverty and to low income countries, particularly – but not solely, in South Asia which accommodates the largest number of people in poverty. The regulation should set clear targets to reach people living in poverty most effectively with grant support, particularly by ensuring that at least 35% of the total appropriations will be directed to basic social services, which is essential for lifting people out of poverty. This target has been included in the ALA budget by the EU Budget Authority since 2000 and this continuity should be reflected in the regulation.

The inclusion of the following issues will be essential if the objective of the regulation is to set clear parameters for eradicating poverty in Asia and Latin America:

- 1. The overall objective of the ALA regulation should be unequivocally stated as being the eradication of poverty. Its definition of actions should be set within the requirements of the EC Treaty, art. 2,3,6 and 177 181, and derived from the EU commitment to the Millennium Development Goals, as well as the joint EU Council/ Commission Development statement of November 2000. The regulation's provisions for implementation should originate in the conclusions of the EU Council for General Affairs and External Relations from 30 September 2002 with regards to the Johannesburg Political Declaration and Plan of Implementation.
- The ALA regulation should directly indicate with tangible figures the strategic support to the EU contribution to the action-oriented out come agreed in Johannesburg with clear and measurable objectives, directed to achieving the Millennium Development Goals. This should include increasing the appropriations to reflect the commitment to contribute 0.39% GNI in 2006 to ODA made in Monterrey; greater proportional allocations to low income countries and 35% of allocation to social sectors, with 20% to basic social services, and 10% for the environment as is the case in the current ALA regulation.
- 3. The regulation should unambiguously confirm the commitment of the EU to ensure coherence between its internal and external policies to achieve the goal of eradicating poverty. This should include the promotion of food security and rural development in the spirit of the Declaration of the Rome World Food Summit as

reiterated by the EU Council Conclusions of 30 September 2002.

- 4. The need to achieve a balance between environment issues and economic development should be clearly stated in the final text. Specific reference should be made to the environment in Article 2 of the proposed regulation given the exceptional richness of natural resources in the Asian and Latin American Regions and the high level of environmental degradation and the role of natural resources in supporting the daily life of the poorest. This would also be in line with the EU Council Conclusions of May 2001 requiring EC funds to support partner countries in reversing environmental degradation and to the resolutions of the EU General Affairs Council of September 2002 reaffirming the commitment of the EU to fulfil the targets agreed in the Johannesburg Plan of Implementation.
- 5. Recent research has pointed out the low level of environmental integration in the adopted Country and Regional Strategy Papers planning EC intervention in partner countries and regions. In this respect, strategy papers should ensure respect for the requirements of inter national environment agreements ratified by the EU and its partner countries such as the Convention on Biological Diversity, The Convention on Desertification, and the Framework Convention on Climate Change. In addition and as recommended by the European Commission to the EU Development Council, the establishment and implementation of National Strategies for Sustainable Development, NSSDs, called by UNGASS in 2002, should be a priority of Community support in partners countries.
- 6. The regulation should acknowledge the importance of the involvement of people's organisations in the process of policy, strategy and action plan formulations. Binding provisions must be made for active participation of the people's organisations in the entire decision making process. It will substantially help to understand the ground situations and formulate strategies in realistic terms tailored to the priorities of people living in poverty. The regulation should provide support for building the capacity of civil society actors and associate representatives of civil society organisations to dialogue in the context of the regulation at

regional, sub-regional and country level, including legislation that ensures an authentic participation of civil society in the adoption of Country and Regional Strategy Papers.

- 7. The regulation needs to recognise the specific problems of poverty relating to Asia, which is home to 75% of the world's people living in poverty. A large number of Asian poor live in South Asia totalling 40% of the world's total poor. Within South Asia, special consideration should be given to countries that fall into the category of Least Developed Countries, particularly Nepal, Bangladesh, Bhutan and Maldives. The nature and objective of the list of countries annexed to the proposed regulation should be clarified.
 - The regulation should recognise the need to target specifically groups of people excluded from the benefits of development, particularly indigenous people and dalits. There are many indigenous peoples in Asia and Latin America and the proposed ALA regulation should make specific reference to indigenous peoples as recognised by international laws. One difference between civil society groups and indigenous peoples is that while the first may be seen as stakeholders, the latter have systematically rejected that description as they hold clear rights under international human rights law and have instead described themselves more accurately as "right holders". In various conclusions and resolutions the EU Council recognises indigenous peoples' rights to full and free participation in the development process from programming and identification to evaluation, including the right to object to projects, in particular in their traditional areas.
- 9. The regulation should also pay specific attention to the need to address gender equality as a precondition for sustainable development. The severe problems of children and particularly the girl child, in bonded and forced labour, child labour need to be addressed and children's health issues, particularly related to HIV/AIDS. The right to education for all reaffirmed at the World Education Forum in Dakar 2000 and endorsed in a European Parliament resolution in June 2001 needs to be addressed in the regulation in line with the Development Council conclusions in May 2002 which reaffirmed Member States' commitment to ensure that no country with a viable education plan will be thwarted by a lack of resources and explicitly committed Member States to increasing the volume of aid to education.

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- 10. Although welcoming the fact that the proposed Regulation provides for the untying of aid in Article 9, it is logical to untie aid to the fullest extent possible and therefore the regulation should make provision for aid be untied to all developing countries. The Regulation should also make a positive contribution towards increasing the capacity of firms in developing countries to bid successfully for contracts thus ensuring longterm sustainability and development. A specific reference (including incentives) should be made to concrete measures to promote local sourcing of goods and services. The Cotonou agreement provides an existing model, which incorporates measures to promote ACP firms' participation in European Development Fund contracts. Untied aid would lead to greater sourcing of local supplies and expertise. This will not only produce more relevant goods and services for development projects, but also offer better value for money and enhanced effectiveness.
- 11. The regulation should incorporate the notion that a political and institutional environment that upholds human rights, democratic principles and the rule of law, good governance and the transparent and accountable management of human, natural and economic and financial resources for the purposes of equitable and sustainable development.

This entails clear decision-making procedures at the level of public authorities, transparent and accountable institutions, the primacy of the law in management and distribution of resources and capacity building for elaborating and implementing measures aiming in particular at preventing and combating corruption. These principles should underpin the EU-Asia/Latin American partnership and the parties should agree that serious cases of corruption, including acts of bribery leading to such corruption, should constitute a violation of the essential elements of the regulation.

12. The Regulation should be in the nature of a parent statute that clearly lays down the policy content and under it, delegated legislation, if any, should be established only for the purpose of giving effect to such policy and never in the nature of a discretionary power that goes beyond the parent statute itself.

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Introduction to SAAPE Focal Organisations (No. 1)

Astha Sansthan is an NGO, working from its base in Udaipur, Rajasthan, India. It is a team of social activist/educators who have "astha" or "faith" in The People. They see the Poor as people who are strong, able, intelligent (even though they may not be schooled), and they work to help the Poor to recognize their own strengths and abilities, and to help them organize and plan for change.

The team believes that poor people, organized and aware, can change conditions, which lead to their oppression and exploitation, and to their continuing poverty. They believe that the strategy of work should be one of Struggle and Constructive Action – "constructive action" alone will not change the conditions of the Poor, since they are "deprived by deprivers", and "exploited by exploiters". But likewise, only Struggle will not bring in a new situation – once "the bad" is stopped or removed, you still have to build a new world!

This strategy is operationalised by organising Poor People around issues, which they identify, and in the process of working on those issues, build up new leadership from amongst The People. The Astha activist/educators arrange events in which The People contribute their knowledge and insights, and "outsiders" do too. The process is intended to lead to collective action, which addresses the causes of the problems/issues identified.

Astha was started in 1986, and there are now several People's Organizations (with over 35,000 members in total) that are active in various parts of the state of Rajasthan, that came into existence as a result of Astha's interventions and preparation of The People.

Astha also understands that no matter how much work is done "on the ground", if the laws and policies are anti-People, then there is a limit to what can be achieved. Between 1996-98, Astha conducted a study of 10 Districts in Rajasthan. 600 poor families were studied over 3 years, to monitor their employment, income, expenditures, loaning, access

to government anti-poverty programmes, food security, access to education, health resources, etc. It was found that the condition of The Poor is deteriorating, and only those who were linked somehow to the international or wealthy trading (like marble mine labour) benefited. Small marginal farmers, small-scale industry workers, unorganised urban labour, forest produce collectors, and mine labour in stone quarries were worse off.

Astha does not work alone. Its work with the grassroots is the primary base, and with the People issues and demands are brought out in the open, and brought to the attention of decision-makers.

There is a growing realization that all the decisions of the World Bank and the WTO are influencing the Indian government, and subsequently, the people. Astha feels that they need linkages with others in the region, to "take on" these giants! That is why they see the need for Regional linkages, and find in SAAPE a group of people who are working on strengthening the people's voices of the region, in the decision-making forums of the world.

The same principle goes for the South Asia Region, as it does for the Village – Organized and aware we can bring about Change!

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Country Focal Organisations and Contact Persons

The SAAPE has country focal organisations in each country of the region to co-ordinate and expedite the country-based processes. The country focal organisations are also responsible for providing necessary inputs and feedback to the Regional Secretariat. They are chosen from among the member organisations of the respective countries. Individual country groups are comprised of NGOs, CBOs, People's Organisations and Trade Unions active at different levels.

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