

**Closing Remarks
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3rd Asian Sanitation Dialogue
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I. INTRODUCTION

Good afternoon ladies and gentlemen. It is my privilege to be here today to close the formal proceedings of the 3rd Asian Sanitation Dialogue. I understand that these have been stimulating, productive days filled with healthy debate and exchange of ideas.

II. SANITATION SITUATION

The one message for you to remember from this dialogue is that **no matter how poor the condition is, there is a solution.** To reinforce this, let me summarize the situation, and then provide several key points emerging from your discussions on the way forward.

First: We all know that Asia still has a huge gap in providing adequate sanitation.

Officially, 1.7 billion people in the region still lack “improved sanitation”. But this figure does not really tell the whole story. Where improvements are achieved, they are not often provided equitably. And regrettably, many countries in the region are not on track to meet their MDG sanitation targets by 2015.

Seven out of ten people who live without improved sanitation are in rural areas. This is a big issue. We must collectively boost investments, increase social capital and human resources, and ensure connectivity with all people and partners—otherwise the crisis of inequitable service provision will worsen.

We need to collectively work harder to make a real change in outcomes in this underserved sector.

Second: It is intuitive that wastewater and sanitation investments need to be given priority.

The financial, economic, and social impacts of poor sanitation and hygiene are extremely high. At country-level, the loss to GDP ranges from 2 to 7 percent. By improving sanitation, many adverse socioeconomic impacts can be mitigated and economic performance can be improved.

We must get commitments from political leaders and finance ministries for prioritizing these investments.

But we need to move away from the traditional way of doing business. Sanitation does not end by providing household toilets. It must also include wastewater treatment and maintenance of assets.

We have seen examples of the ‘toilets of the future’. There are now technologies that do not need huge investments in sewerage systems. We

should make affordable and accessible game-changing toilets that are solar-powered, treat wastewater on-site, and generate electricity.

III. SPECIFIC POINTS ON SOLUTIONS

This brings me to some specific key points raised over the past few days that are worth highlighting.

One: A thorough social mobilization process is a must to motivate communities and create demand for sanitation. Community consultations and partnerships are critical for achieving success. To support this, we also need to put sanitation high on our own individual priority lists, and mobilize political support.

Two: Flexible, multi-pronged approaches are suited to this complex service, using a range of appropriate solutions. This requires a better understanding of diverse customer aspirations. We need to simplify the products and processes, increase outreach, and work with the right people.

Three: Planning sanitation through phased approaches, and promoting decentralized options, is key to minimizing capital expenditure and future operational costs. Solid optimization is central to this process.

Four: We need to look at the green city development, and have integrated plans for wastewater, solid waste, and stormwater drainage systems as these are all closely related.

Five: Sanitation is not a dead-end investment. It can generate revenue streams through recycling and reuse, and through the conversion of biogas into power. The same is true with solid waste: recyclable waste can be turned into usable materials, biodegradable waste into fertilizer, and methane gas captured from sanitary landfills. You heard many examples of utilities seeing complementary opportunities in “resource recovery” businesses. This can help make sanitation and solid waste management financially sustainable as well as attractive to the private sector. It is clear that adopting a corporate approach, whether it is a public-sector managed utility or a private-sector led activity, pays off.

Six:On subsidies, transparent procedures are required to ensure that such funds will be used for developing the required sanitation facilities and wastewater and septage management systems. Public-funded support should complement sanitation markets -- not replace them -- and encourage the commercialization of innovative technologies.

Seven: The business of sanitation is complex. The solutions we select for business models, technology, and finance will never be “perfect”. We should embrace this challenge with robust “fit-for-purpose” solutions, which provide comfort and re-assurance related to the different needs of customers, regulators, and potential investors. We need to learn from each other and improvise as we go.

IV. PARTNERSHIPS

Based on your discussions, it is clear that we can only achieve our goals by forging ever more effective, lasting partnerships. These must seek to work beyond traditional silo-based approaches.

To bridge the wastewater and sanitation gap, we absolutely MUST work together. A testimonial to this approach is this week's gathering of partners. A revolution in sanitation can only be achieved through partnerships, with civil society organizations and the private sector making contributions based on their strengths.

A good example is our partnership with the Bill and Melinda Gates Foundation. We have outlined our focus areas in septage management and non-sewer approaches. ADB and its clients greatly appreciate the foundation's unwavering support.

V. CLOSING

Let me close by re-affirming that ADB remains wholly committed to driving change in wastewater management and sanitation.

Our *Water Operational Framework*, our guide for water operations to 2020, makes this very evident, as do our many projects over the years. In particular, our *Promoting Innovations in Wastewater Management in Asia and Pacific* project is helping to drive this change. We are your partner in

helping with the technology, the financing, and, importantly, the knowledge sharing and awareness raising.

I thank you all again for your dynamic participation in this Sanitation Dialogue over the past few days. I encourage you to maintain this energetic enthusiasm in your daily work and through your actions. Remember: **no matter how poor the condition is, there is a solution. And you are part of it.**

Thank you.