



# Value-chain approach

Supporting and developing sustainable water initiatives

In urbanised deltas, there is a great need for sustainable initiatives to resolve water problems. A value-chain approach involves developing and supporting such initiatives through the efficient use of tools, translating into more effective aid, encompassing governance, sustainability, and poverty eradication. A value-chain approach has been successfully used for Mozambique's Beira Masterplan and Vietnam's Mekong Delta Plan for example.



Sustainable water initiatives are needed to address the water-related risks facing urbanised deltas. A value-chain approach involves supporting and developing such initiatives. This is done by making efficient use of two sets of tools to promote strategic and long-term water initiatives. These may include local embassy resources for development co-operation or governmental programmes such as Partners for Water (PvW), PSD Apps, Develop2Build (D2B), DRIVE, the Sustainable Water Fund (FDW), and Partners for International Business (PIB). However, international donors and other finance options also play an important role. The value-chain approach is a work process, in which actors from the sector and their representatives cooperate closely with government and embassies.

#### More effective aid

A value-chain approach leads to more targeted and more effective aid, encompassing governance, trade, sustainability, and poverty eradication. It is based on the value that Dutch knowledge, technology and innovation can add to value chains. Application of the approach is always linked to the demand or challenges in the partner country. Demand articulation from the partner country is therefore an important aspect of value chain creation. The demand may originate from the government or from other sectors of the community. In the implementation of international water policy, aid and trade are closely related. The added value offered by the commercial water sector derives from knowledge and technology that are sustainable, efficient, and effective.

#### Beira Masterplan, Mozambique

The Netherlands is supporting the city of Beira, Mozambique, to become less vulnerable to climate change. Beira's location at the mouth of a river in an area subject to storms, high water flows and local downpours means that the city faces significant water-related risks. Climate change is expected to amplify those risks in the years ahead. "Climate-proofing" building plots before they are released for project development is an example of a promising adaptation mechanism, which can be realised by a municipal development company. The Beira Masterplan was developed with Dutch support and finance (through the Partners for Water programme). Based on the masterplan a value-chain approach has evolved which makes a substantial contribution to sustainable development, poverty eradication, and the improvement of living conditions in Beira.

Readying a site for development involves sand nourishment and dredging at an early stage in the chain. Project development for the construction of (social) housing, commercial premises and port extensions becomes important further

along the chain. Another vital activity is the general improvement of urban drainage, since ensuring that one site drains properly should not result in another being flooded. The various links in the chain are interconnected to form a network of mutually associated initiatives. The shared development vision for Beira creates dynamism amongst the local, Dutch and other stakeholders (e.g. international investment institutions, donors and NGOs), which helps to drive development. Starting capital was provided through the Partners for Water programme, but also Dutch programmes such as D2B, PSD Apps and the Sustainable Water Fund have supplied funding for studies and projects. ODA-funds provided through the Netherlands embassy in Mozambique are used for technical assistance to the city of Beira. Now the EIB and several bilateral European donors are also eyeing project opportunities deriving from the Beira masterplan.

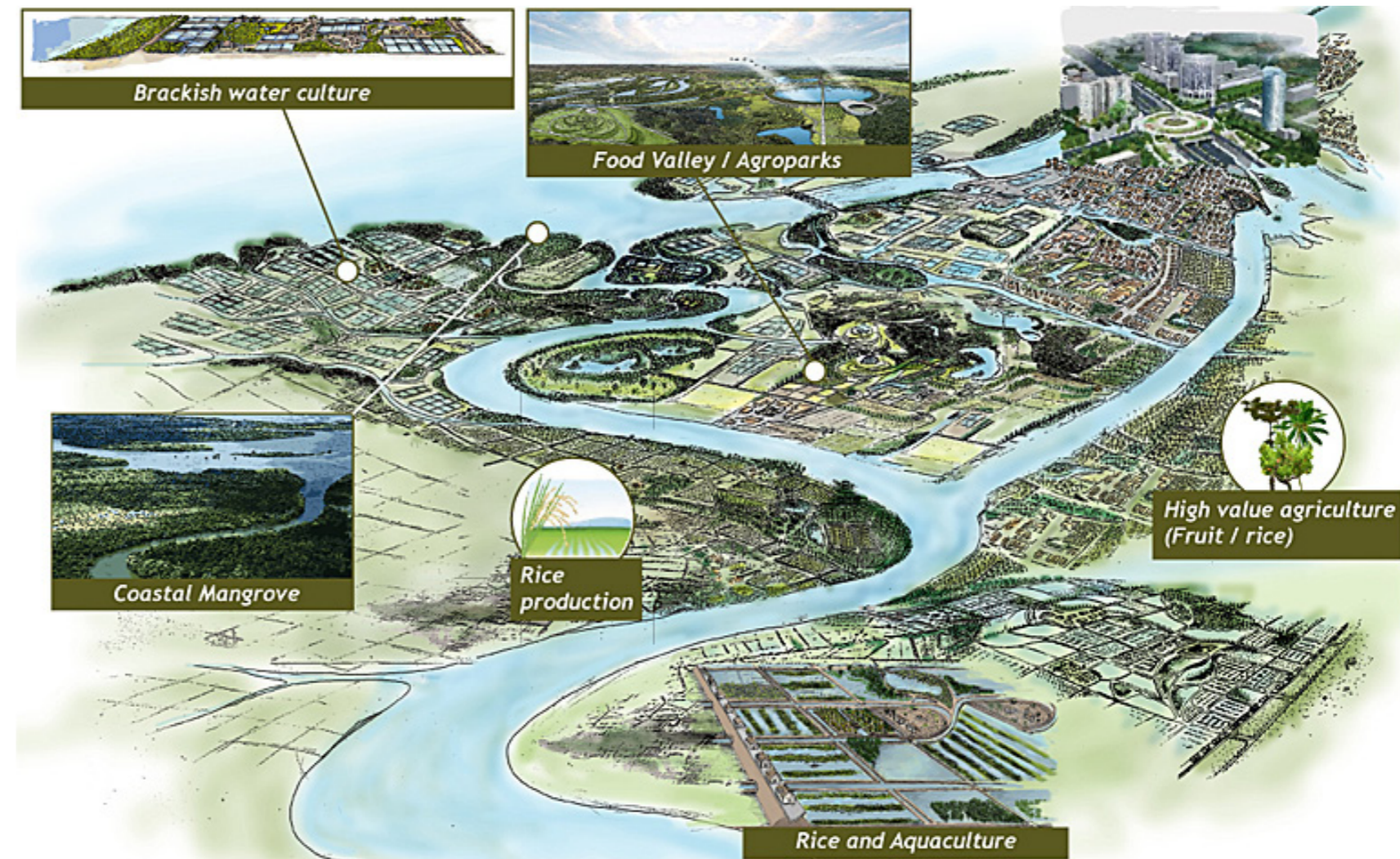
#### Mekong Delta Plan, Vietnam

The water problems that confront Vietnam's Mekong Delta are complex, but have certain similarities to the challenges

that the Netherlands has had to address. The region receives heavy rainfall, is affected by upstream activities, and has issues with land subsidence and salination. For much of the population, access to sanitation and clean water also leaves a great deal to be desired. With the sea level now gradually rising and taking on the form of a serious threat, the Vietnamese government is determined to tackle the delta's water problems. Not least because the Mekong Delta is vital to the regional economy and food supply. By taking the Dutch delta approach and adapting it to local circumstances, Dutch and Vietnamese actors have together developed a Delta Plan. The Mekong Delta Plan sets out twelve measures designed to improve land and water management on the basis of various scenarios for the period up to 2100.

Dutch expertise can be used in connection with themes such as delta technology, food security, urban water management, water technology, and governance. As well as in promising sectors such as energy and agriculture. International investment organisations have welcomed the

plan and want to use it as a framework for future finance activities in the delta. The World Bank has adopted the principles in a 300 million USD Mekong Delta Integrated Climate Resilience and Sustainable Livelihoods Programme. The Asian Development Bank, JICA and the Korean International Cooperation Agency may well follow suit. Realisation projects are now being developed, with particular attention currently focusing on inland dredging, climate services, coastal protection, and data management and validation. The Dutch water sector can contribute to those value chains, facilitated by the Dutch government's value-chain approach.



Measures covered by the Mekong Delta Plan



## More information and contact

The Dutch Water Sector  
[www.dutchwatersector.com](http://www.dutchwatersector.com)

Mekong Delta Plan – Long-term vision and strategy  
[www.wageningenur.nl/upload\\_mm/2/c/3/b5f2e669-cb48-4ed7-afb6-682f5216fe7d\\_mekong.pdf](http://www.wageningenur.nl/upload_mm/2/c/3/b5f2e669-cb48-4ed7-afb6-682f5216fe7d_mekong.pdf)

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