



Press Release: GPOBA grants US\$3m to the East Meets West Foundation to improve Access to Water Services to rural Vietnam

Hanoi, Vietnam, November 30, 2007 – The World Bank, acting as an administrator for the Global Partnership on Output Based Aid (GPOBA), signed today a grant agreement with the East Meets West Foundation (EMWF) for US\$3,000,000 to provide access to clean water services to 75 low income rural communities in five provinces located in the central part of Vietnam, through an innovative community-based approach, involving public-private partnership.

The GPOBA grant will target poor rural areas with poverty rates below the national average, and low income households that earn less than 1 dollar a day. The project is expected to benefit about 150,000 disadvantaged people in the provinces of Quang Nam, Quang Tri, Quang Binh, Quang Ngai and Thua Tien Hue. After a mid-term review scheduled for May 2009, an additional US\$2 million may be allocated to benefit another 100,000 people.

The project is introducing an innovative Output-Based Aid approach, designed to ensure ownership, demand-driven service provision and set the basis for long term operational and financial sustainability. For each small water scheme, EMWF will be responsible for the pre-financing and the construction. Each eligible low-income household will make a contribution towards the cost of the connection, both in monetary and in-kind forms and commit to pay for the water they consume. The local authorities provide the land necessary to develop the water supply facilities. The innovation is that GPOBA disburses the Grant in the form of a fixed and pre-agreed subsidy, as a reimbursement to EMWF, on the basis of two measurable outputs - the provision of a working household connection, and the delivery of acceptable service for a period of six months.

The GPOBA grant will also encourage the introduction of private sector operators in the management of the new rural water systems, building on an initiative that EMWF has been testing in collaboration with local authorities and communities in targeted provinces.

“Providing poor rural households with access to clean water and sanitation is a top priority for the World Bank,” said Mr. Ajay Chhibber, the Bank’s Country Director for Vietnam. “This new partnership between the World Bank/GPOBA and East Meets West—the first of its kind for an international non-governmental organization in Vietnam—will be instrumental in increasing access to clean water for rural residents in Vietnam who currently lack it.”

For the past ten years, the EMWF, a US-based International NGO, has worked with local government authorities and beneficiaries to develop a community-based approach to provide piped clean water to low income households in rural areas. By the end of 2007, EMWF will have built about 110 piped water systems in rural Vietnam providing clean water to about 150,000 people.

“EMW is committed to providing rural communities and their residents with access to clean water, a basic necessity that so many of us take for granted,” said John Anner, EMW’s Executive Director. “We are very proud to collaborate with the World Bank and the GPOBA on the first public-private partnership of this kind in Vietnam to ensure that the most disadvantaged residents will no longer suffer from water-borne diseases.”

The Global Partnership on Output-based Aid (GPOBA) is a global partnership administered by the World Bank. GPOBA was established in 2003 to develop output-based aid (OBA) approaches across a variety of sectors including infrastructure, health and education. OBA subsidies are designed to create incentives for efficiency and the long-term success of development projects.

GPOBA’s current donors are the UK’s Department of International Development (DFID), the International Finance Corporation (IFC), which is a member of the World Bank Group, the Directorate-General for International Cooperation of the Dutch Ministry of Foreign Affairs (DGIS), and AusAid of Australia. The grant agreement signed on November 30, 2007 was funded out of the Dutch contribution to GPOBA.

About East Meets West

The East Meets West Foundation (EMW), a 501(c) (3) organization, has been working in Vietnam for 20 years. Currently the largest non-governmental organization working in Vietnam, EMW has built a reputation for implementing innovative high-impact programs and projects in health, clean water, education and community infrastructure that make a lasting impact on hundreds of thousands of children and families living in poverty. More information can be found at www.eastmeetswest.org.