

Strategic Direction of the ACEDP

15 September 2008

Introduction

The ultimate success of the ACEDP will depend on: (i) the quality of delivery of activities already in the pipeline and ensuring that implementation of these activities is effectively coordinated and clearly linked to policy development, engagement and dialogue with relevant Australian agencies, (ii) the level of adoption of the policy and management innovations developed through these activities, and (iii) the quality and depth of the relationships built between collaborating agencies in both countries¹.

With approximately two-thirds of the discretionary budget likely to be committed to the existing pipeline activities, it is prudent to consolidate the program around its already ambitious spread of Integrated River Basin Management (IRBM) and water resource topics, rather than spread the scope even wider.

The program will focus on the successful delivery of existing activities. Any new activities will be complementary to the existing ones and will be highly targeted to ensure their policy impact is maximised. New complementary activities will promote foremost policy dialogue and collaboration among government agencies, education and research organisations in both countries. They will aim to facilitate the uptake and wider adoption of pipeline activity outcomes through cooperation with other donors, the NGO community and the private sector.

At the same time, the program will maintain the flexibility to address other issues if so requested by the two governments. Considering the potential impact of climate change on all aspects of water management, some dialogue on climate change issues is recommended, focusing on impacts of water resource management and on adaptation strategies.

Technical/Scientific

Starting in 2009, the Chinese Government will begin formulation of the 12th Five Year Development Plan (2011-15) that will, inter alia, reflect the evolution from economic development to environmental protection and water resource management. This provides a unique opportunity for the ACEDP to engage and to assist Chinese agencies in formulating and later implementing water sector policies, strategies and programs. The following areas were identified for potential cooperation with Australian counterparts².

- Ø **Macroeconomic Policies** – eg taxation, market-based systems, public-private partnerships, environmental accounting, legislation/regulations and compliance
- Ø **Integrated River Basin Management** – eg water quality, planning processes, operation, jurisdictional issues, landuse management and water environment improvements
- Ø **Water Resources Management** – eg licensing and allocation, wetlands management, water irrigation and saving, environmental flow, market reform, wastewater treatment, ecological compensation and drinking water safety
- Ø **Cross-cutting Issues** – eg public participation, knowledge management, management of social impacts of policies and programs.

¹ Policy Landscape Review, Draft, by Peter Sutherland (Editor), August 2008

² Detailed Review of Current Environmental Pressures in China, by Dr Si Zhizhong, August 2008

Policy Outcomes

Individual activities will be expected to perform against their contribution towards the ACEDP policy outcomes

- Ø Effective horizontal and vertical inter-agency coordination and collaboration
- Ø Science based decision-making and adoption of system approaches
- Ø Effective public engagement and participation
- Ø Economic incentives and market based approaches to water resource allocation
- Ø Enhanced linkages between Australian and Chinese environmental agencies
- Ø Policy Dialogue between Australia and China