



THE AYEYARWADY RIVER AND THE ECONOMY OF MYANMAR

August 2017

Background to the Rivers in the Economy (RitE) process used by WWF

▶ **What is the aim of a RitE process?**

The aim of a RitE process is to support the delivery of sustainable development goals that assist in economic growth and social development without detriment to the river or ecosystem function. This is done by providing evidence that is targeted towards the specific decision makers and politicians of relevance in the language that they use and understand.

▶ **What does the process look like?**

Rivers in the Economy (RitE) is both the use of modelling to generate data regarding the value of water and water resources management to the economy as well as a multi-stakeholder engagement process used to co-create scenarios that discuss particular trade-offs between different development futures.

Through the process a series of reports or products are produced that summarise and share the different values stakeholders apportion to the river. These values can be both monetary and non-monetary, as they are communicated through the lens of different trade-offs against each other. Benefit sharing and the identification of interlinkages between sectors is the focus of both the modelling done and the scenarios co-creation process.

The multi-stakeholder process includes government, private sector and civil society creating development scenarios together in an effort to understand the linkages between different economic, social or environmental needs and development options, including the associated trade-offs or benefit sharing that might be possible.

▶ **Who is normally the audience?**

The process itself includes the inputs from a range of stakeholders including the government, civil society and private sector. However, the ultimate audience that we hope will benefit from this process is the Ministry or Ministries that hold the responsibility for economic development decision-making. In some cases this may be the Ministry of Finance and Planning, in other cases this may be specifically for the Department of Water Resources Management. This is all dependent on the context of the case where the RitE process is being used.

In Myanmar for instance, there are a number of Ministries and Departments that are all part of the National Water Resources Committee. We would like to support all of these Ministries, in particular DWIR as they go about managing trade-offs regarding water resources management, economic growth and social development.

The proposed RitE process in Myanmar

► Overview of why WWF are using this process in Myanmar:

WWF care about people and nature being able to thrive alongside each other.

This is what we believe in Myanmar too. We would like to support economic and social growth in Myanmar without jeopardizing the integrity of the rivers. With looming decisions around hydropower development, industrial expansion, fisheries and in general, economic growth in the country, decision-makers cannot afford to operate in isolation. Without a common vision for the future, all sectors will compete with one another and miss opportunities for holistic efficient development. Highlighting major risks and opportunities for different sectors through a series of short narratives and numbers, shows what is at stake when taking a narrow view of planning – and all that can be gained through a more thoughtful, long-term and integrated approach.

The Ayeyarwady River is the artery that runs the course of the country, creating a transportation link that holds the economy together.

Whether through the transport of imports and exports or through the consumption of fish or rice grown in the delta for example, the Ayeyarwady underpins the growth of the country both directly and indirectly. To support future sustained economic and social growth in Myanmar, we need to make development decisions that do not undermine the very river upon which that development depends. The trade-offs are complex. For instance, the shipping sector requires deep and clear-flowing rivers to carry ore mined in the north. The very mining of this ore results in sedimentation, in turn damaging the transport sector.

The Ayeyarwady is also the thread that links many of our diverse people together.

The Basin is home to three states and 6 regions within Myanmar. States include Kachin, Shan and Chin, while regions include Sagaing, Mandalay, Magway, Bago, Ayeyarwady and Yangon. It is the national pride, that underpins so much of the country. Perhaps it is the thread that has the potential to bring us together through the peace process, where each region is able to understand how they all fit together along the broader river.

Therefore, the RitE process will begin with the Ayeyarwady River, although we would like to expand this to other basins within the country too.



Population: 66% of Myanmar (34 million)



Land area: 61% of Myanmar (400000km²)



60% of Myanmar rice production



90% of mining in Myanmar



10% of the yearly discharge drained during the dry season, and 90% during the monsoon season



Home to the Irrawaddy Dolphin and many other endemic or rare species yet to be discovered.



Navigable for 1,332 km (dry season) to 1,526 km (wet season)



High cultural diversity (Kachin, Burman, Karen, Arakan, Shan, Indian, Chinese)

Figure 1: Value of the Ayeyarwady River to the Myanmar society and economy

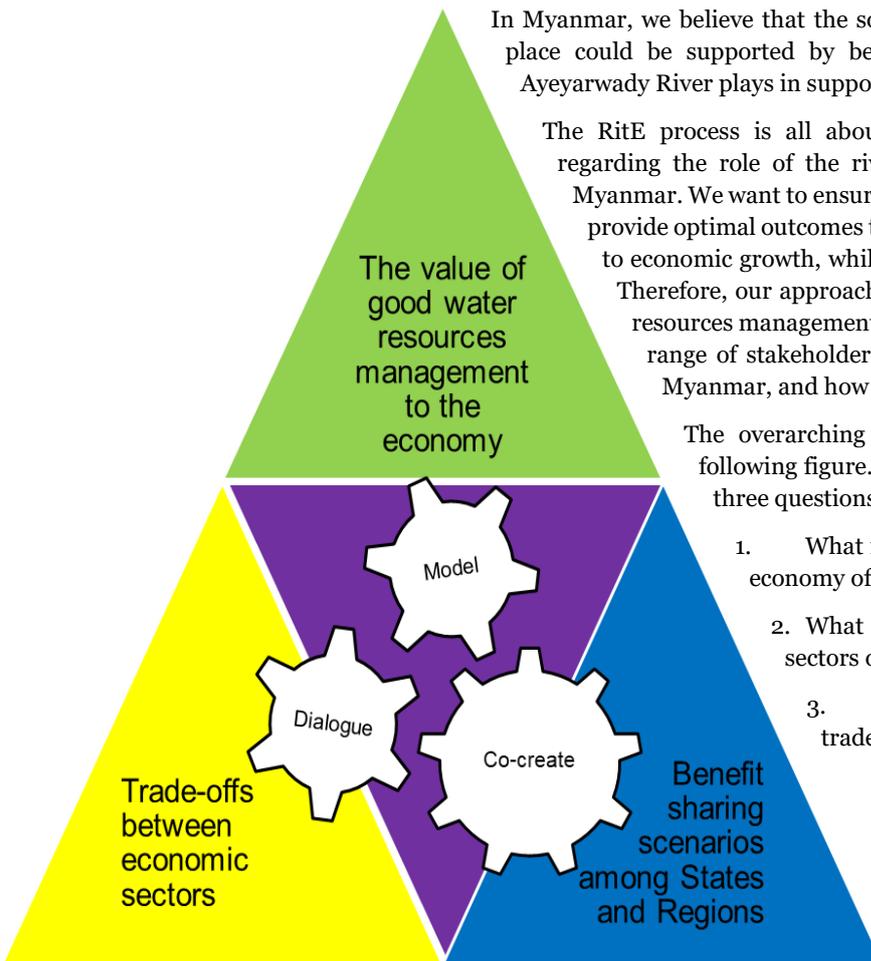
► **Objectives of the RitE process in Myanmar:**

In Myanmar, we believe that the social and economic development decisions taking place could be supported by better understanding the role that a functioning Ayeyarwady River plays in supporting the country’s growth.

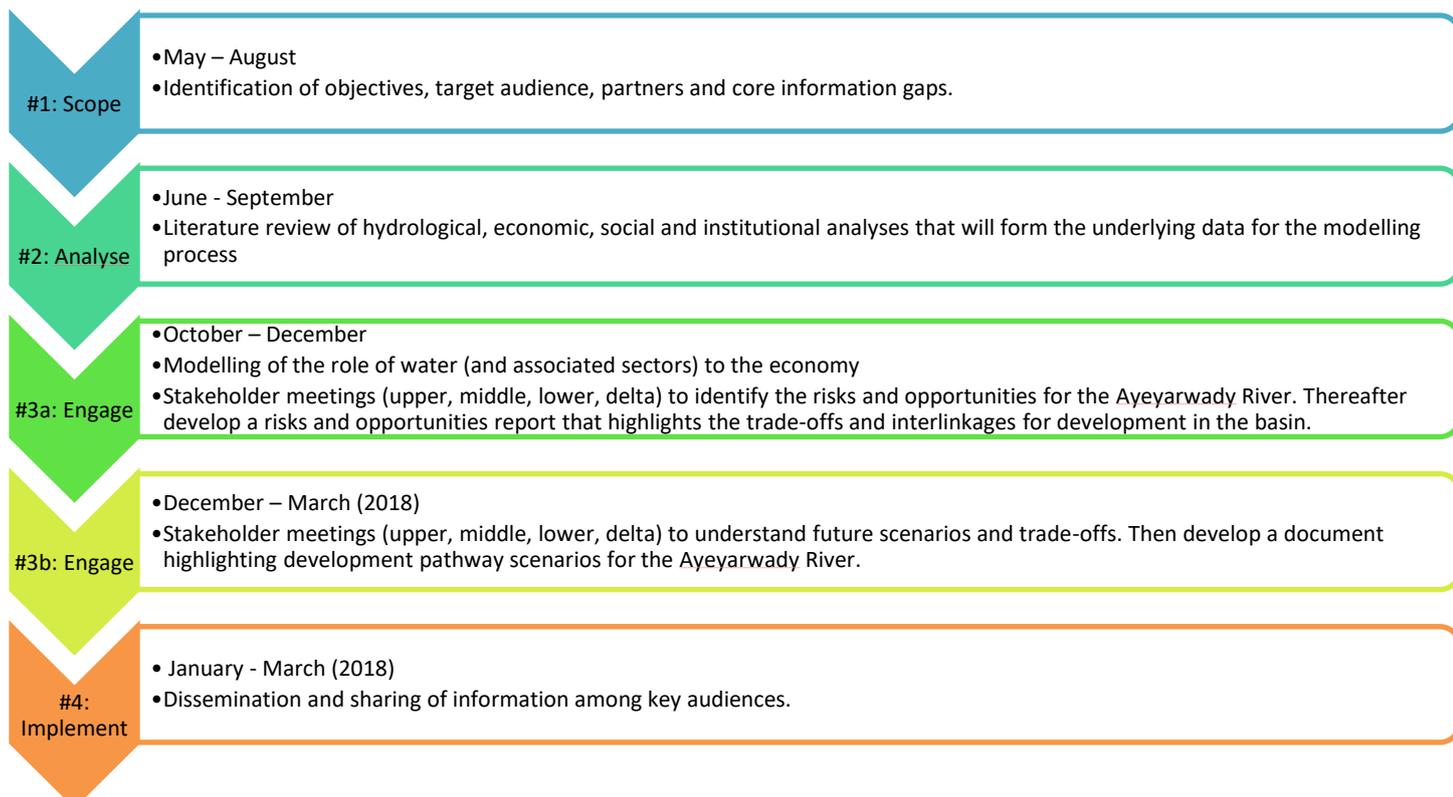
The RitE process is all about providing the knowledge and understanding regarding the role of the river to support development decision makers in Myanmar. We want to ensure that planning and development in the region will provide optimal outcomes to reduce poverty, serve a diversity of needs related to economic growth, while maintaining the ecological integrity of the river. Therefore, our approach includes modelling the value of water and water resources management to the economy as well as gathering inputs from a range of stakeholders regarding the possible development futures for Myanmar, and how these intersect with the Ayeyarwady River.

The overarching objectives of the project are indicated by the following figure. In essence, we would like to answer the following three questions:

1. What is the value of water resources management to the economy of Myanmar?
2. What is the value of the Ayeyarwady River to different sectors of the economy in Myanmar?
3. How do States and Regions perceive the values, trade-offs and benefits from the river?



► **Proposed activities and timeline of the RitE process in Myanmar:**



- Note that we do propose to continue with processes and products regarding this project. However, this is contingent upon further interest from the relevant stakeholders within Myanmar as well as additional funding to continue.

▶ **Proposed outcomes of the RitE process in Myanmar:**

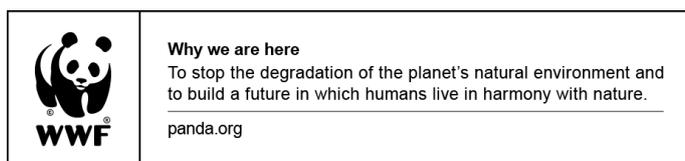
1. Using the Ayeyarwady River as a lens, this work will provide evidence that will empower leaders of the country (political, private sector, civil society) to make informed decisions by establishing the connections and trade-offs between different development pathways and how they interact with the natural capital and ecosystem services, which the lives of the people of Myanmar depend on.
2. This work will provide quantified information about the value of good water resources management to the economy as well as how to optimize economic development in Ayeyarwady basin, while exploring options for net positive impacts to the environment and society at large.
3. This work will enable more informed and transparent dialogue between decision-makers, private sector and civil society about preferable options for development in the Ayeyarwady basin.

▶ **Proposed outcomes of the RitE process in Myanmar (with a particular focus on building capacity in States and Regions):**

With the establishment of investment committees in States and Regions across the country, increased planning is necessary at State or Regional level regarding the investments being planned. The ultimate outcome of the RitE process is to help develop capacity within States and Regions, so that they may be better equipped to make investment decisions without destroying their natural capital base

The Rivers in the Economy process aims to support States and Regions better understand:

1. The reliance of their society and economy on the natural resources in the region, specifically the Ayeyarwady River.
2. Identify, understand and communicate the multiple stakeholders' perceptions regarding the value of natural resources, specifically the Ayeyarwady River to the society and economy.
3. Interlinkages and trade-offs between different sectors and uses of the river depending on different development scenarios.



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