

BUILDING INTEGRITY IN RIVER BASIN MANAGEMENT

River basin management is a highly complex process, and institutions need to embed ethics and integrity both internally and externally. A river basin is an area of land drained by a river and its tributaries. River basins support a great diversity of people, environments, cultures and jurisdictions and require suitable institutions; allocating a basin's water resources requires policy instruments and management strategies to ensure just and equal access to water without compromising the health of the river (Das, 2012).

Integrated water resources management (IWRM) is promoted globally as an effective way of improving the coordination of river basin management. The SDGs now target global implementation by 2030. However, there is no formal standard for integrated, holistic or adaptive approaches to the management of water in river basins. The closest to a global standard is the guidelines maintained by the Global Water Partnership (GWP) and adopted by international agencies collaborating under the UN-Water umbrella (GWP and INBO, 2009), but a myriad of interpretations and variations have been developed (Sanchez and Roberts, 2014; UNESCO, 2009).

River basin organizations (RBOs) play a key role in basin management, in the form of councils, committees, commissions, agencies, authorities or corporations, with jurisdictions crossing districts or municipalities. While necessary for effective basin management, such cross-sectoral cooperation may increase corruption risks, as the level of social control and administrative monitoring decreases

when interactions occur outside the established system (Butterworth, 2008). Water integrity is often neglected or not systematically factored in (WIN et al., 2011).

Integrity issues in RBOs resemble those of water utilities, and require similar answers. Specific issues include the following.

- + **Financial autonomy** RBOs can be funded by transfers from central government or be awarded the right to collect and use revenues. Budget responsibility is essential to protect organizations from political pressures and allow them to act as effective links between local and national authorities.
- + **Human resources** RBOs particularly are vulnerable to the effects of cronyism and low capacity. Key staff might be appointed by national governments or local authorities with vested interests and biased agendas, while the complexity of basin management requires skilled professionals with technical, managerial and inter-personal skills.

RBOs are making efforts to address the integrity challenges, and a 'good practice' example from Indonesia elaborates on some of these efforts.

The Jasa Tirta I Public Corporation (PJT1) is a state-owned legally independent RBO in Indonesia that operates five river basins. It was established to solve managerial, personnel and financial problems affecting water resources infrastructure in three river basins of Indonesia starting with the Brantas river basin. It is supervised by central and provincial government representatives.

PJT1 has adopted a consultative and proactive approach, developed a series of tools and become a model for integrity for other Indonesian river basins.

- + It adopted the Indonesia Financial Accounting Standards, leading to financial auditing equivalent to international standards, increasing the level of credibility.

- + It was the first river basin organization in Indonesia to apply the quality management system¹ for the design, operation and maintenance of water resources and infrastructure.
- + It has implemented good corporate governance using a series of assessment tools, such as codes of conduct, integrity pacts, whistleblower assistance and a code of corporate governance. All employees sign the integrity pact.
- + It is developing an integrity charter for employees in collaboration with Anti-bribery Indonesia Businessman Community and a religious alumni community with the core values of honesty, responsibility, vision, discipline, cooperation, fairness and caring.
- + It is implementing a performance excellence assessment tool to increase company competitiveness, effectiveness and capability; to increase consumer value; and for organizational and individual learning.
- + It has joined the Network of Asian River Basin Organizations (NARBO) performance benchmarking and peer review programme for best practices.

ALLOCATION CHALLENGES

The management of river basins is fraught with challenges in relation to integrity. The need for basin management is in itself an integrity problem, best captured in the concept of upstream/downstream. An upstream position in a river basin is a position of power. Downstream users need to invest significant resources to secure their rights and entitlements. Powerful user groups might attempt to pressure basin management institutions to influence water allocation and environmental regulation in their favour, creating conflicts with other sectors and small-scale users. Intersectoral coordination bears risks of corruption when different sectors have unequal powers. There is a need for countervailing powers through mechanisms including monitoring. It is important to analyse

integrity risks and find ways to reduce corruption in basin institutions.

- + **Authority and accountability** Discretionary power in water institutions can be a major integrity risk, since the award of water licences and the enforcement of regulations are core functions of basin authorities. Basin organizations involved in the planning and approval of dams and flood protection schemes are potential targets for bribes. Ensuring accountability and civil society monitoring is crucial where authority straddles jurisdictions, and to ensure traditional water rights are acknowledged in formal allocation schemes.
- + **Data sharing** Many integrity challenges revolve around data and information, from obstructing citizens' access to information to falsifying records. For example, governments may avoid tabling harsh facts about painful reforms needed to solve problems in water basins (Allan, 2003). Open-source and shared data is vital for the successful management of river basins.
- + **Social mobilization** Public engagement is crucial for the successful implementation of IWRM. Mobilization events in communities help build personal identification with a river basin, and systematic awareness and public participation campaigns during IWRM roll-out create acceptance and make social control more likely.
- + **Transboundary basin management** International conflicts over water resources are notoriously hard to resolve, and frequently treated as national security issues behind closed doors. The establishment of formal international basin organizations with negotiated benefit-sharing schemes for infrastructure can help to increase transparency and integrity in international water allocation.

¹ Based on the ISO 9001:2008.