

Governance & Financing for the Mediterranean Water Sector

Project labelled under the Union for the Mediterranean

Project overview and findings

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Regional Conference on Water Governance in MENA and wider Mediterranean region
Strengthening integrity and financing for water security and sustainable development
12-14 December 2017, Barcelona

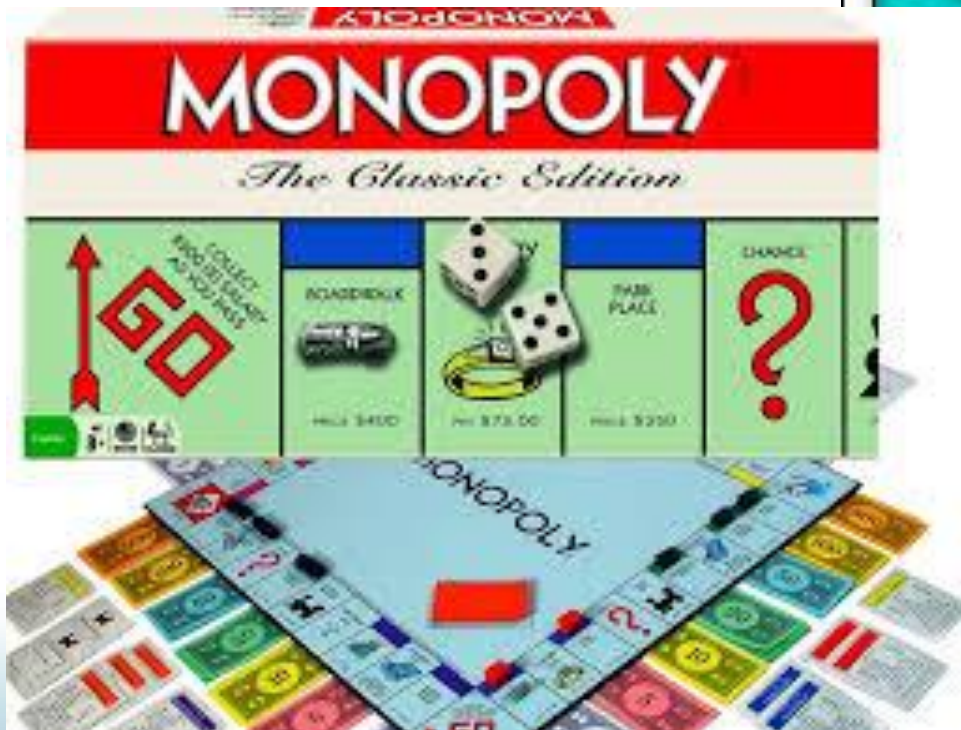


Union for the Mediterranean
Union pour la Méditerranée
الإتحاد من أجل المتوسط



Why the focus on the Governance & Financing nexus?

- Despite public budget and donor huge **gap** in the Mediterranean,
- Demographic increase and change in urban, change in consumption patterns, political economies, migration pressures, etc. result in



...tions in planning, mobilisation and resources, are a common denominator **limited** for a number of reasons e.g. socio-political unrest, vague legal framework on the public side, non-

Snapshot of the Gov&Fin project

- Previous phase (under MED EUWI): 2006-2012
- Current phase timeline: 2013 - 2017
- Designed & implemented by
GWP-Med & OECD
- Labelled formally under the UfM framework
- Financially supported by Sida, EIB, EC, Greece, and GEF
MedPartnership



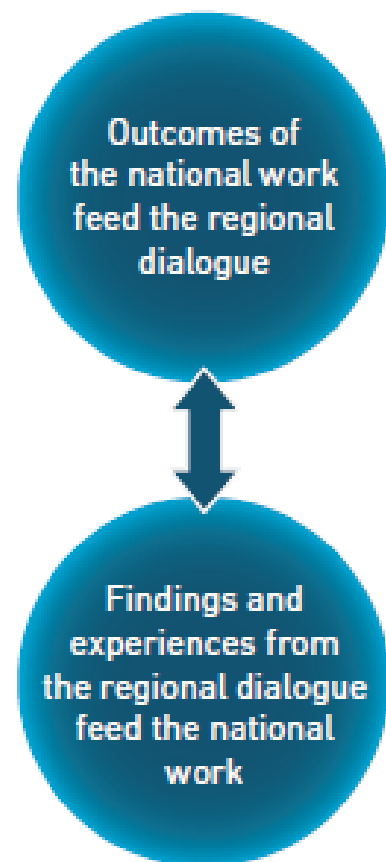
Snapshot of the Gov&Fin project



Main Objective

Identify and provide realistic and implementable solutions (in the form of a set of operational guidance and a compendium of good/bad cases and best practices) to the governance challenges for the mobilisation of financing for the Mediterranean water sector

Two Components, inter-linked Outputs



NATIONAL COMPONENT

Country reviews developed through policy dialogues

Objective: to identify main governance challenges to financing the Mediterranean water sector, including through Private Sector Participation (PSP), via in-depth technical work and multi-stakeholder policy dialogues.

The dialogues complement the technical work and pave the way for recommendations and an action plan for reforms based on international best practices.

REGIONAL COMPONENT

Dialogue to share policy experiences and promote best practices

Objective: to support the sharing of experiences across the Mediterranean and beyond.

The project facilitates the interface between policy-makers and private sector actors on governance reforms enhancing the financial sustainability in the water sector.

Regional level

Launching
Conference
May 2013, Barcelona

1st Regional
Conference
Oct 2014, Athens

2nd Regional
Conference
Dec 2016, Tunis

3rd Regional
Conference
Dec 2017, Barcelona

National level

National Policy Dialogues

National Policy Dialogues

National Policy Dialogues

Governance & Financing for
the Mediterranean Water Sector



Activities

National Component - Dialogues



Water Policy Dialogue in Jordan

**Involved 157 individuals (31% women)
representing 57 different
institutions/organisations**



Water Policy Dialogue in Tunisia

**Involved 162 individuals (41% women)
representing 65 different
institutions/organisations**



National Component - Dialogues



Water Policy Dialogue in Palestine

Involved 189 individuals (27% women) representing 39 different institutions/organisations



Water Policy Dialogue in Lebanon

Involved 120 individuals (35% women) representing 30 different institutions/organisations



Regional Component

Official Launching of the Project High level Regional Conference

28-29 May 2013

Palau de Pedralbes, Barcelona, Spain



First Regional Conference

28-30 October 2014

Athens, Greece

Second Regional Conference

5-6 December 2016

Tunis, Tunisia



Communication & Horizontal issues

- ☐ Dedicated website – kindly hosted by GWPO
<http://www.gwp.org/governanceandfinancing>
- ☐ Active involvement in a large number of regional & global meetings & processes
- ☐ Communication Strategy
- ☐ Communication material
 - ☐ Project Brief in 3 languages
 - ☐ Bookmarks, USBs, etc
- ☐ Policy Briefs (in 3 languages)
 - ☐ Jordan
 - ☐ Tunisia
 - ☐ Palestine
 - ☐ Lebanon
- ☐ Thematic Briefs (in 3 languages)
 - ☐ Gender
 - ☐ CSR
- ☐ Regional Report on lessons learnt





Experience from the Dialogues: ***Key diagnostic points & areas of recommendation***

Common challenges, similar lines of needed action

- Uncertainty & gaps in the legislative & regulatory framework for water and PPPs undermines legal clarity, opportunity and stability of water PSP >> **Need to develop the regulatory framework**
- Limited financial sustainability of water operators, important subsidies & fiscal constraints put pressure on the WWS sector and call for reforms >> **Need to improve the budgetary process**
- Need for greater accountability mechanisms, territorial development & stakeholders' engagement >> **Need to improve stakeholder engagement**

Some lessons learnt

- Influencing policy is time-demanding, taking much longer than planned or calculated
- Meaningful dialogue processes need to be based on solid technical work conducted with tested methodology & anchored on national reform processes and fully aligning with existing plans/strategies
- Dialogue can be effective only if it involves all related stakeholders on an equal basis and with full and transparent access to participation and equal opportunities for contribution
- Identifying the 'right' stakeholders requires careful examination and regular revisit to reflect on changes, while context of intra- and inter-sectoral interaction among actors can be equally a convening tool and an obstacle
- Need to explore and highlight the value and cross-benefits from the interplay of regional and national work
- Essential to identify & acknowledge the limits of conventional financing and explore the potential (preferably with pilots) of innovative financing options and blended funding

Some lessons learnt II

- Cross-institutional interaction is key to the successful introduction of reforms – delicate the relationship between Regulators (of water services) and Ministries in charge of water
- Location of PPP Units (MoF or satellite units in competent institutions) and area of responsibility (sector-specific or cross-sectoral) are yet to be determined
- Capacity of institutions severely challenged and hampered when often changes of administration take place
- Financial independency and autonomy of both regulators and utilities remains a highly challenged area, with revenue mobilization and collection steadily at low levels
- Capacity building of both public and private actors for effective PPP interaction steadily at the top-ranked priority issues
- Knowledge remains modest on PSP spectrum, with often confusion of PPP with privatisation
- Private sector, including banks, largely unclear on their role in water financing and the benefits from getting involved

مع خالص شكري
وامتناني

*Merci pour
votre attention*

*Thank you
for your kind attention*

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