

Regional Launching Conference
of the Project
“Governance and Financing for the Mediterranean Water Sector”
28-29 May 2013, Barcelona

**Address by
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Your Excellencies

Distinguished Guests

I was honored to be invited by the Secretary General of the Union for the Mediterranean to the Launching Conference of the UfM Project on ‘Governance and Financing for the Mediterranean Water Sector’, 28-29 May 2013, in Barcelona. To my great regret, inelastic obligations in Beirut prevent my participation at this important event.

Lebanon has been always a keen supporter of the Union for the Mediterranean, particularly in water Management issues, contributing to the process of drafting the strategy for water in the Mediterranean by supporting the preparation of two specific chapters of the strategy (one on water governance and another on water financing) and by providing input and feedback during the technical meetings of the water expert group. Currently, the Ministry together with other partners has prepared the proposal for the creation of the center for training and information on water (Centre d’information et Formation aux Métiers de l’Eau au Liban) that is in the process of getting labeled under the union for the Mediterranean. This is part of our efforts towards promoting Integrated water resources management in our country along with Hydrodiplomacy efforts and innovative approaches such as the concept of new water mass.

This Project will address a key agenda in our Region: the identification of key governance shortcomings that inhibit the mobilisation of financial resources, including through “public-private partnerships”, to cover water supply and sanitation needs. Public expenditure has reached a limit in certain sectors, while needs of our people continuously increase. We have to respond by carefully revisiting our ways of doing and strategizing through improvement of the existing as well as by going beyond current norms and models. Feasible and viable financing schemes have to be employed, involving a mix of financial sources, while the highest quality of provided services has to be ensured and the public interest, particularly of the less advanced, has to safeguarded.

The Lebanese Ministry of Energy and Water had the pleasure of engaging in and benefiting from pilot country activities that have led to the today’s Launching Conference of the Project. These were an integral part of the on-going Country Policy Dialogue on Integrated Water Resources Management in Lebanon. For these, we have worked closely with the Global Water Partnership-Mediterranean and the Organisation for Economic Cooperation and Development,

in the framework of the Mediterranean Component of the EU Water Initiative with Greece's support and of the GEF MAP UNEP MedPartnership with GEF's support.

Within that and in support to the Lebanese Government's strategic planning efforts, a set of targeted activities have been realized in 2010-2011 addressing issues of Private Sector Participation in water infrastructure in the country. This included:

- a thorough Self-Assessment on the subject, primarily done through consultations and interviews with different parts of the Government and secondarily with selected private sector stakeholders. The assessment took stock and replicated similar work within the MED EUWI Water Policy Dialogue in Egypt.
- a structured Multi-stakeholder Consultation Process of public and targeted meetings to discuss and enrich the findings of the self assessment. Among these, the National Workshop on "Private Sector participation in the water sector in Lebanon and the role of Banks" elaborated on a range of related issues and concluded on the necessity for promoting further common understanding of PSP contracts and their implications both legally and financially. The Workshop was organised by the Ministry of Energy and Water, the Association of Banks in Lebanon and the Global Water Partnership-Mediterranean, in December 2010, and was attended by about 60 participants representing public authorities and more than 30 banks operating in Lebanon.
- an Assessment Report highlighting key bottlenecks in three areas: the institutional framework; the administrative capacity; and the sustainability of projects. The report provided a set of recommendations on priority areas and actions to support necessary institutional and regulatory reforms.

Among others, it was recommended to further carry out wide consultation with the private sector to identify the type of activities and partnership models that would be of interest to private investors within the water sector. This would also allow a better understanding of the obstacles preventing a more concrete and dynamic engagement of the private sector as well as the needed measures to overcome them and make the water sector more attractive.

In addition and as part of the MED EUWI Country Policy Dialogue, support was provided to the formulation of the National Water Sector Strategy by contributing to its baseline report on the status and perspectives of PSP in the water sector.

I would like to convey to the Organisers my warmest personal wishes for great success in the deliberations of the Barcelona Launching Conference. Furthermore, we very much look forward to the Projects interventions at national and Mediterranean level. For Lebanon in particular, we are ready to engage at the next phase of the activities, and follow up the good results of the previous work done.

