A project labelled by the Union for the Mediterranean (UfM)

# Governance & Financing for the Mediterranean Water Sector

Labelled in 2012 by the **UfM**, the project on overcoming governance challenges to financing the **Mediterranean Water Sector** is a joint undertaking of the **Global Water Partnership-Mediterranean (GWP-Med)** and the **Organisation for Economic Cooperation and Development (OECD)**.





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







To diagnose key governance bottlenecks to mobilising financing for the Mediterranean water sector and to support the development of consensual action plans based on international good practices.

## Background

In the Mediterranean region, despite the significant allocation of public funds and the flow of aid, countries struggle to meet the financial requirements that water-related strategies and plans entail. The lack of a sound governance framework undermines the quality and financial sustainability of the water and sanitation sector. Mismanagement, low financing and lack of absorption capacity at both national and local levels impede the efficient mobilisation of additional managerial and financial resources, particularly from the private sector.

At the same time, political unrest in the Mediterranean region amplified the need for socio-political reforms. There is a clear demand for more efficient water service provision; wider participation of stakeholders; more decentralised planning and implementation processes; and more transparent and accountable decision making.

## Implementation

The Project is implemented over three years (mid 2013 - mid 2016) involving work at national and regional levels. It is designed around two distinct but closely interlinked components:

#### 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.

## Methodology

The project draws on established OECD methodology and previous work undertaken by GWP-Med and the OECD in Egypt and Lebanon. The methodology builds on the implementers' long-standing practice of providing neutral platforms for building consensus and sharing good practices among a wide range of stakeholders. The process involves evidence-based national and regional policy dialogues, fact-finding missions, analytical reports, bilateral and multilateral interviews, questionnaires, case studies and peer-reviews. The work fully utilises networks, committees and partnerships facilitated by both GWP-Med and OECD, and capitalises on the co-ownership of the UfM Secretariat in support of its labelled projects.

## Beneficiaries

The Project aims to build consensus and PPP capacity across responsible authorities of Mediterranean countries and support consultation with private sector and relevant stakeholders. As such, it targets:

• **Different levels of government and public authorities**, by strengthening their capacity for preparing, regulating, and monitoring PPP projects

• **Private partners and utilities**, by clarifying respective responsibilities and better supporting the management of expectations

• Other Stakeholders including Civil Society and water users, by helping them make their voices and concerns better heard

### Timeline



The project was formally launched during a Regional Conference that took place on 28-29 May 2013 in Barcelona, Spain, under the auspices of the Union for the Mediterranean. During its 3 years of implementation (mid 2013 - mid 2016) it will develop through an interplay of technical work at national level and annual regional conferences.

Outcomes of the national work feed the regional dialogue

Findings and experiences from the regional dialogue feed the national work

## Support to the project

There is strong country demand for this project. Albania, Egypt, Jordan, Lebanon, Morocco, Palestine and Tunisia have submitted official support letters, signed at the Minister's or Secretary General's level. Additional countries may be added pending official request and availability of financial resources.

Strategic partnerships with the Swedish International Development Cooperation Agency (Sida), the European Investment Bank (EIB), the GEF – UNEP/MAP MedPartnership programme and the Mediterranean Component of the EU Water Initiative (MED EUWI) have been instrumental in setting the project in motion.



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