Imagine the southern Mediterranean tomorrow...

245 million people living in urban areas – it’s a huge challenge for this region of the world.

The Union for the Mediterranean, the European Union, the French Development Agency and the European Investment Bank have joined forces to build a successful transition towards sustainable Mediterranean cities.

The Urban Projects Finance Initiative (UPFI) supports public project promoters in the southern and eastern Mediterranean, helping them to prepare and finance ambitious and innovative urban development projects, which aim to create jobs, reduce poverty and upgrade the urban fabric.

The southern Mediterranean region is going through a real urban demographic explosion: by 2025, almost 245 million people will be living in urban areas. In order to respond to the growing needs of these populations, urban development must follow an integrated and multi-sectoral approach, ensuring a balanced population distribution, with efficient infrastructure and facilities. This is a major challenge for the region, requiring not only strengthened capacities in project management and the mobilisation of supplementary expertise, but also significant financial support.

The UPFI initiative assists sustainable and integrated urban development projects selected in the countries of the southern Mediterranean by providing the necessary technical assistance and financial solutions, permitting projects to pool existing synergies between the funding provided by European donors. The UPFI grew out of a partnership initiated and placed under the aegis of the Union for the Mediterranean (UfM) since 2011, when urban development was included among the UfM’s priority areas for intervention. The UfM called on the French Development Agency (AFD) and the European Investment Bank (EIB) to pilot the UPFI initiative, funded by the European Union.

Nine countries are currently beneficiaries of the UPFI: Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Palestine, Tunisia and Turkey.

The UfM label

The UfM label is granted to those UPFI projects with the greatest potential, giving them greater visibility and recognition across the region.

The UPFI unfolds in three stages:

1. Identification of projects according to integrated urban development criteria (level of integrated approach, economic, social and environmental impact, degree of innovation, potential for replicability in the Mediterranean region, etc.).

2. Preparation of the projects identified, through feasibility studies and capacity building for project promoters.

3. Financing and monitoring of projects by international financial institutions, mainly the EIB, AFD, EBRD and KfW.

A technical assistance Framework Agreement was launched in 2014 in order to analyse the feasibility of these projects, mobilising national and international expertise. This second phase should allow the selected projects to reach the final phase of financing and implementation.

Ten projects in 2017 moved into the second phase of project preparation.

The UPFI is an innovative tool coordinating the actions of financial institutions by pooling complementary technical and financial tools in order to achieve a common objective: to set a benchmark for sustainable cities in the Mediterranean.

The UPFI in figures

- 245 million urban dwellers in the region by 2025
- 9 beneficiary countries
- Around 15 projects identified
- 10 projects undergoing feasibility studies
- €2 billion in potential global investment
- 7 international institutions involved

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A first identification phase conducted by the AFD and the EIB led to the pre-selection of some fifteen projects, either concerned with major urban projects for the (re)development of urban areas (run-down neighbourhoods, large areas and seafronts), or focused on sectors with a strong economic or social impact, or even national territorial development programmes. New projects meeting the identification criteria have recently been selected for UPFI technical assistance.

Ten projects in 2017 moved into the second phase of project preparation. A technical assistance Framework Agreement was launched in 2014 in order to analyse the feasibility of these projects, mobilising national and international expertise. This second phase should allow the selected projects to reach the final phase of financing and implementation.
OUR PROJECTS

These projects received UPFI support to complete technical, institutional and financial feasibility studies, and to accompany local project management in the preparation of the planned investments.

LOCALIZATION OF OUR PROJECTS

Note:
Not all the projects identified are marked on this map.
AGADIR | MOROCCO

PROJECT FOR THE CREATION OF A BUS RAPID TRANSIT SYSTEM IN GREATER AGADIR

THE PROJECT

Agadir is modernising its public transport system to strengthen its economic and tourism attractiveness

Greater Agadir, which is responsible for urban mobility for nine municipalities, is upgrading its public transport network. This modernisation rests on the creation of a Bus Rapid Transit (BRT) line, which will be efficient and environmentally friendly, and the creation of a Local Development Corporation responsible for the management of urban mobility.

This 15-km BRT line, running from the port of Agadir to Tikiouine, will amongst others connect the souk and the universities. Transit hubs will be created along this first BRT line to be built in Morocco in order to regenerate nearby public spaces.

With the creation of a Local Development Corporation for urban mobility, the strategic planning of mobility and the inter-municipal nature of the initiative, the Agadir BRT is a truly innovative project.

15 km
OF EFFICIENT AND ENVIRONMENTALLY FRIENDLY BUS LINE

60,000
BENEFICIARIES PER DAY

9 MUNICIPALITIES
1 MILLION INHABITANTS, BROUGHT TOGETHER TO CARRY THE PROJECT

Greater Agadir
Urban Cluster

AGADIR

ALEXANDRIA | EGYPT

PROJECT FOR THE REHABILITATION OF ALEXANDRIA’S COTTON DISTRICT (MINAT AL BASSAL AND KAFR ASHRY)

THE PROJECT

A new life for brownfield sites from 19th century Alexandria

Minat Al Bassal, the old 19th century industrial cotton district, is a unique site of modern Egyptian heritage, whose rehabilitation would provide an opportunity for local economic redevelopment. This restoration of industrial heritage would also stimulate the rehabilitation of the neighbouring district of Kafir Ashry, located in the central part of Alexandria.

This project, promoted by the Governorate of Alexandria, aims to develop synergies and complementarities between the two neighbourhoods, and consists in restoring the industrial warehouses of Minat al Bassal through an adaptive urban reuse, to improve public spaces and the area around the Mahmoudieh canal, to carry out small public works with high labour intensity for public spaces and facades in Kafir Ashry and to improve its accessibility. This project will promote industrial culture and heritage to the citizens of Alexandria, and will also develop a new urban hub, creating opportunities and jobs for its inhabitants.

2 NEIGHBOURHOODS RESTORED
8 URBAN HERITAGE BUILDINGS COVERED
SOME 20 EGYPTIAN AND INTERNATIONAL STAKEHOLDERS INVOLVED

ALEXANDRIA

Alexandria is Egypt’s biggest port and the country’s second largest city. With 4.5 million inhabitants and a total area of 300 km², population density is high, especially in Minat Al Bassal and Kafir Ashry, in the central part of Alexandria.

ALEXANDRIA

Project promoter
Governorate of Alexandria
Cotton Holding
Egyptian banks

Project progress
Identification
Feasibility
Financing and setting up
Implementation

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THE PROJECT
Modernisation and rehabilitation of Aqaba through integrated urban development

The city of Aqaba is launching an urban development programme to revitalise several neighbourhoods by developing their public spaces while improving public transport and waste management.

This development programme, led by the Aqaba Special Economic Zone Authority (ASEZA), focuses on the rehabilitation and revitalisation of Aqaba city centre and the strengthening of links between the different parts of the city: the city centre, its souk, the old town, the fishing harbour, residential areas, the hotel sectors and the cruise terminal.

The aim of this UPFI project is to ensure a balanced urban expansion and structured development planning in order to establish a coherent framework that can absorb the city’s future economic and population growth. This urban upgrade strategy will ultimately enhance the touristic and economic appeal of Aqaba and improve quality of life for its residents.

**120,000 INHABITANTS IN 2010**

**280,000 POTENTIAL PROJECT BENEFICIARIES**

**THE PROJECT COVERS 375 KM² OF THE AQABA STRATEGIC ZONE**

**AQABA**

The main gateway to international trade and a major industrial centre of Jordan, Aqaba is also one of the top tourist destinations in the country thanks to its location on the banks of the Red Sea and its proximity to Petra and Wadi Rum.

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THE PROJECT
Integrated and sustainable development of the Bouregreg Valley

Since 2006, the Bouregreg Valley Development Agency (AAVB) has been working for the development of the Bouregreg Valley in order to provide, within the Rabat-Salé-Témara metropolitan area, a new space for living, working and recreation. Based on an integrated urban development model, this creation of an eco-city rests on four principles: protecting the environment of the valley; promoting a social and civic approach, preserving and rehabilitating heritage, and improving the living environment of the population.

The UPFI is supporting the AAVB in the development of zone 3 of this project, which is broken up into 6 zones. When it is completed, zone 3 – which covers the largest surface area – will see the construction of mixed-use facilities (residential buildings, offices, retail spaces, public areas, hospital, university, etc.). The project will also see the restoration of the Chellah, a Marinid necropolis designated as a UNESCO world heritage site and the development of peri-urban agriculture. The project’s vision of creating a benchmark eco-city in Morocco earned zone 3 the UfM label, which was given in May 2015.

**AN ECO-CITY OF NEARLY 6,000 HECTARES**

**3,200,000 M² OF BUILT AREA OVER ZONE 3 OF THE PROJECT**

**6 ZONES DEVELOPED**

**RABAT-SALÉ-TÉMARA METROPOLITAN AREA**

With 2 million inhabitants, Rabat-Salé-Témara is the second most important urban area in Morocco, both in size and economic importance, as well as the political centre of Morocco, home to Rabat, the capital of the Kingdom. The metropolitan area is divided by the Valley of the Bouregreg River.

**Project promoter**

Bouregreg Valley Development Agency (AAVB)
THE PROJECT

Kawmeya, a model of sustainable urban redevelopment in a poor neighbourhood

Since the 1990s, the Governorate of Giza has launched an integrated urban redevelopment project for the 950,000 inhabitants of the neighbourhoods of Imbaba and Al Warrak. Following the transformation of the old Imbaba airport site into a mixed-use urban zone, plans are now underway for the development of the Kawmeya sector. This urban redevelopment project will provide new basic public facilities, job and revenue-creating activities and public spaces. Two public service centres will thus be created in Kawmeya and neighbouring zones will be developed through restoration of buildings, improved roads and upgrading of essential services (water, energy, sanitation, etc.). The project is also exploring the feasibility of a development plan for the urban zone to the west of the ring road, which has been strongly impacted by the expansion of irregular settlements.

This project for the development of a precarious neighbourhood received the UfM label in 2014.

The Giza North project will be included in the Egyptian government’s 2018 budget.

70 HECTARES OF THE KAWMEYA DISTRICT REDEVELOPED

50,000 BENEFICIARIES OF THE PROJECT IN KAWMEYA

250,000 POTENTIAL USERS OF THE NEW KAWMEYA PUBLIC SERVICES AND FACILITIES.

GIZA NORTH SECTOR

Giza North is mainly made up of the neighbourhoods of Imbaba and Al Warrak. In 2006 it concentrated nearly 878,000 inhabitants over 1,319 hectares. This undeveloped urban area, the most densely inhabited in Egypt, suffers from increased urbanisation.

THE PROJECT

Jericho: an urban regeneration project with many benefits for its inhabitants and its economy

In order to boost economic development, the UPFI is working with the Jericho Municipality to restore strategic installations connected to agricultural activities and tourism, the drivers of the local economy.

The relocation of facilities with a high urban nuisance factor into less residential zones will allow the development of municipal land in the city centre in order to expand public spaces open to all.

- A new abattoir meeting health and environmental international standards.
- A new municipal garage.
- Enlarging the Spanish Gardens; new green spaces open to all.

This UPFI project was given the UfM label in June 2016 by the UfM and its 43 member states.

REHABILITATION OF 3 SITES 50,000 BENEFICIARY INHABITANTS IMPROVEMENT OF MUNICIPAL FACILITIES AND CREATION OF PUBLIC SPACES

JERICHO

The city of Jericho is the main hub of the region located on the west bank of the River Jordan in Palestine. and plays a vital role in the economic development of the Jericho Governorate. The city faces a number of urban challenges due to the fact that it is the only city of the governorate.

JERICHO

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Project promoter
Governorate of Giza
Egyptian Ministry of Housing, Utilities and Urban Development

Project promoter
Jericho Municipality

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MULTI-CITY | LEBANON

MULTI-CITY URBAN DEVELOPMENT PROGRAMME

THE PROJECT
Strengthening the resilience of Lebanese cities and promoting integrated urban development

The Syrian crisis has had a major impact on the management capacities of Lebanese cities, exerting considerable pressure on services and infrastructure. The influx of refugees, coupled with a history of spiraling and scarcely controlled urbanisation, magnifies the urban problems faced by municipalities and affects access to basic urban services for both migrants and Lebanese host populations. To meet the needs of the ever-increasing urban population, the Lebanese authorities are stepping up their intervention in favour of integrated urban development that can also act as a lever for local socio-economic development.

The UPFI supports the CDR in the design and implementation of an urban development programme. This programme will include beneficiary cities of different sizes and several projects addressing various urban issues: integrated urban regeneration; controlled urban expansion and housing; urban planning, tourism and coastal protection; urban services and respect for the environment; and many more.

90% OF THE LEBANESE POPULATION LIVE IN URBAN AREAS

+1.5 MILLION REFUGEES HAVE ARRIVED IN LEBANON SINCE THE BEGINNING OF THE SYRIAN CRISIS

URBANISATION IN LEBANON
Lebanon has experienced rapid urbanisation, with minimal oversight from the authorities. There are many urban challenges: over­crowding, sprawl, informal habitats, vulnerability of heritage, lack of infrastructure and services. All this at a time when urban development is crucial to meeting the economic and social needs of Lebanon.

THE PROJECT
Strengthening the technical and financial resources of Jordanian municipalities

With proper organisation, municipalities are the best level to identify and meet the needs of local people. Following an initial programme, the Jordanian Ministry of Municipal Affairs and its partners in the UPFI initiative want to launch a second Regional and Local Development Programme (RLDP) to build up capacities and investments in Jordanian municipalities.

Composed of a programme of investments identified for each beneficiary municipality and a support-advice component, RLDP 2 will support Jordanian local authorities in setting up, implementing and managing their urban development projects.

The ultimate goal is to help municipalities to provide their populations with a better urban framework and a more efficient, higher quality service in the operational implementation of urban projects, while strengthening the territorial balance of the country.

LOCAL AUTHORITIES IN JORDAN
Local authorities in Jordan need to be strengthened, as their remit has a vital role to play in people’s quality of life, through waste collection, urban planning, management of public spaces, public facilities, etc. Local authorities also play a key role in local economic development.

MUNICIPALITIES | JORDAN

NATIONAL MULTI-CITY REGIONAL AND LOCAL DEVELOPMENT PROGRAMME (PHASE 2)

THE PROJECT
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PROJECT PROMOTER
Council for Development and Reconstruction (CDR)

PROJECT PROMOTER
Jordanian Ministry of Municipal Affairs

DETAILS
Project progress

Identification

Feasibility

Financing and setting up

Implementation

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AROUND 30 TOWNS POTENTIALLY BENEFITTING FROM INVESTMENTS UNDER RLDP 2

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AROUND 20 TOWNS CONCERNED BY THE FIRST PHASE OF THE FEASIBILITY STUDY
**THE PROJECT**

Meeting the needs of Tunisian informal settlements in infrastructure, services and facilities

‘Popular’ neighbourhoods have developed spontaneously in the urban periphery in Tunisia. Suffering from a lack of access to basic services and facilities, these neighbourhoods are an illustration of the strong social and territorial inequalities in Tunisia. The Tunisian State has decided to strengthen its activities to improve these working-class neighbourhoods and prevent the formation of informal settlements. The UPFI’s partners are working alongside the Tunisian authorities and the ARRU, supporting the Second Programme for the Rehabilitation and Integration of Residential Areas (PRIQH 2).

Building on the achievements of PRIQH 1 and with a view to integrated urban development, the objective is to intervene in basic infrastructure and to strengthen access to social and community facilities (for cultural, sporting and youth activities) in the beneficiary districts, as well as support the establishment of industrial facilities, driving local socio-economic development. The interventions under PRIQH 2 will be based on an approach that respects the environmental and social contexts of the neighbourhoods.

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**DETAILS**

**Project progress**

- Identification
- Feasibility
- Financing and setting up
- Implementation

**Project promoter**

The Tunisian Urban Rehabilitation and Renewal Agency (ARRU)

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**URBAN DEVELOPMENT AND INFORMAL HOUSING IN TUNISIA**

Tunisia has experienced rapid urbanisation over the past thirty years. This phenomenon has led to the creation of poor neighbourhoods, mostly on the outskirts of towns. These informal settlements face problems of access to basic services and facilities.

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**THE PROJECT**

Creating a new mixed-use urban neighbourhood and reconnecting Sfax to its coastline

Sfax has launched a planning project for a new neighbourhood based on the principle of sustainable development. Taparura, ‘rising from the waters of the Mediterranean’, is an ambitious integrated urban development project that aims to make the port city of Sfax more attractive.

The aim of this development project is to create a mixed-use neighbourhood that is integrated within the existing urban fabric, taking advantage of the coastal nature of the site. One of the major challenges of this project is also structuring of the planning agency, the SEACNVS, which will pilot the implementation of this major urban project.

The major potential of this urban project has been recognised by the Union for the Mediterranean and its 43 member states, which gave it the UfM label in December 2014.

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**DETAILS**

**Project progress**

- Identification
- Feasibility
- Financing and setting up
- Implementation

**Project promoter**

Company for the Study and Planning of the North Coasts of the City of Sfax (SEACNVS)

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**Sfax**

Located in the east of Tunisia near the Gulf of Gabès, and with more than 500,000 inhabitants, Greater Sfax is the country’s second largest city and the second economic hub, thanks to the export of agricultural produce such as olive oil and fish.
SECOND UFM MINISTERIAL CONFERENCE ON URBAN DEVELOPMENT: ADOPTION OF A NEW AGENDA FOR URBAN DEVELOPMENT AND PRESENTATION OF THE UPFI

Meeting in Cairo on 22 May 2017, as part of the second ministerial conference of the Union for the Mediterranean on sustainable urban development, ministers of the 43 UfM member states responsible for urban development, housing and municipal affairs adopted a new agenda for urban development in the Mediterranean region.

This urban agenda is based primarily on an integrated and comprehensive approach to urban development, in order to improve the sustainability and resilience of Mediterranean cities (secondary cities, climate, migrations, job creation, urban infrastructure, etc.). The roadmap endorsed by this agenda will allow the implementation of projects with a strong socio-economic impact in urban areas of the Mediterranean region. These activities will be enabled, inter alia, with financial support from donors, when considered necessary by the national authorities, and with capacity building of local authorities.

In parallel with the UfM urban agenda, the ministerial conference also approved the creation of a UfM regional platform for urban development. This new urban agenda and regional platform will provide a structured framework for cooperation between UfM member states, financial institutions, regional organisations and public and private actors. This cooperation framework and political dialogue will lead to the implementation of sustainable urban initiatives and projects on the ground.

During the conference, the UPFI initiative was also presented to the ministers of the 43 UfM member states. The UPFI’s partners presented the progress of the initiative and the preparations for its integrated and sustainable urban development projects. In this context, the Giza North (Imbaba) project was officially launched by the Egyptian Minister of Housing, Public Services and Urban Communities, His Excellency Moustafa Madbouly.

The ministers and institutions present at the inter-ministerial conference agreed that the UPFI initiative and the collaboration between the UfM, the European Commission and the donors, the AFD and EIB, would contribute to the implementation of this new framework for Mediterranean cooperation in sustainable urban development.

TO GO FURTHER, SUGGESTIONS OF THE UPFI’S PARTNERS ON PUBLICATIONS RELATED TO THE MEDITERRANEAN REGION AND URBAN DEVELOPMENT

AFD:
- The AFD and its interventions in precarious neighbourhoods: feedback and strategic recommendations

L’AFD et l’intervention en quartiers précaires, retours d’experiences et recommandations stratégiques

European Commission:
- COMMISSION IMPLEMENTING DECISION on the Annual Action Programme 2016 – Part 1 in favour of the ENI South countries to be financed from the general budget of the European Union

CMI:
- Fostering territorial cohesion in development policies in the Mediterranean

EIB:
- The EIB Economic Resilience Initiative for Europe’s Southern Neighbourhood and the Western Balkans

AFD:
- The AFD and its interventions in precarious neighbourhoods: feedback and strategic recommendations

L’AFD et l’intervention en quartiers précaires, retours d’experiences et recommandations stratégiques

© UfM
Rapid and growing urbanisation raises issues of territorial equity, access to jobs and social justice, which the countries of the Southern and Eastern Mediterranean need to face. The AFD, which has a long experience in the area of urban development, and has at its disposal a variety of means of intervention, is the co-founder and manager of the UPFI European initiative. The UPFI is an innovative initiative, which aims to facilitate the emergence and the funding of urban projects that can contribute, across the region, to the reduction of social and economic inequalities and to making territories more attractive.

M. Rémy RIOUX,
Director General of the AFD

Financing of integrated urban development is a key priority for the EIB, and we play an important role in delivering the EU Urban Agenda through our lending, grant-loan blending and advisory work. As a co-founder of the UPFI, we see this initiative as a way to prepare innovative high quality urban projects which bring tangible environmental, economic and social benefits to citizens of the Mediterranean region, leading to sustainable communities. Working with our partners, especially the European Commission, the Union for the Mediterranean and the Agence Francaise de Developpement, we can ensure close coordination bringing both technical expert support, the UfM label of quality, and long-term financing.

M. Jan VAPAAVUORI,
Vice-president of the EIB

The cities of the future will be different from the ones we live in today. That is why planners will have to take decisions now to shape the way cities will look like. UPFI serves this purpose by assisting them in selecting strategic projects that will help make cities more sustainable.

M. Christian DANIELESSON,
Director General, Directorate-General for Neighbourhood and Enlargement Negotiations (DG NEAR)

Fostering regional cooperation in the field of sustainable urban development is paramount to effectively advance regional integration, stability and human development. The Urban Projects Finance Initiative represents a clear opportunity to actively promote a regional and collaborative approach for the urban development of the Mediterranean and for the creation of job opportunities especially for our youth, which is the main asset for the future of our region.

M. Fathallah SIJILMASSI,
Secretary General of the UfM
Find more on all our projects at www.upfi-med.com