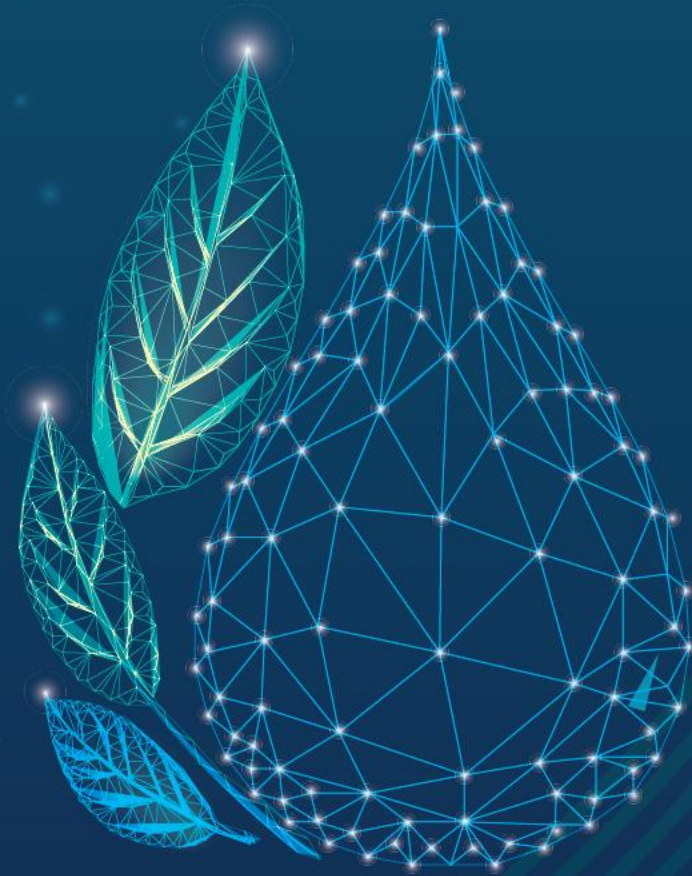




Innovative Solutions for Climate Resilience and Water Sustainability

12th – 16th Oct 2025

**Triumph Luxury Hotel,
Cairo – Egypt.**



6th Annual Conference on Water Finance and Investment
Water finance: regional priorities and the role of banks



Session 6. Finance for water resilience: EU policies and instruments

“The Italian Development Cooperation Approach”

Paolo Enrico SERTOLI, AICS Maputo Head of Office

Triumph Luxury Hotel, Cairo (Egypt)

14th October 2025 – 9.00 am

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Main contents:

- 1. Thematic introduction and contestualization;*
- 2. Water management for the Italian Development Cooperation and AICS: thematic guidelines;*
- 3. Examples of best practices implemented;*
- 4. Italian Development Cooperation and AICS: financing water*
- 5. Conclusions.*



Innovative Solutions for Climate Resilience and Water Sustainability

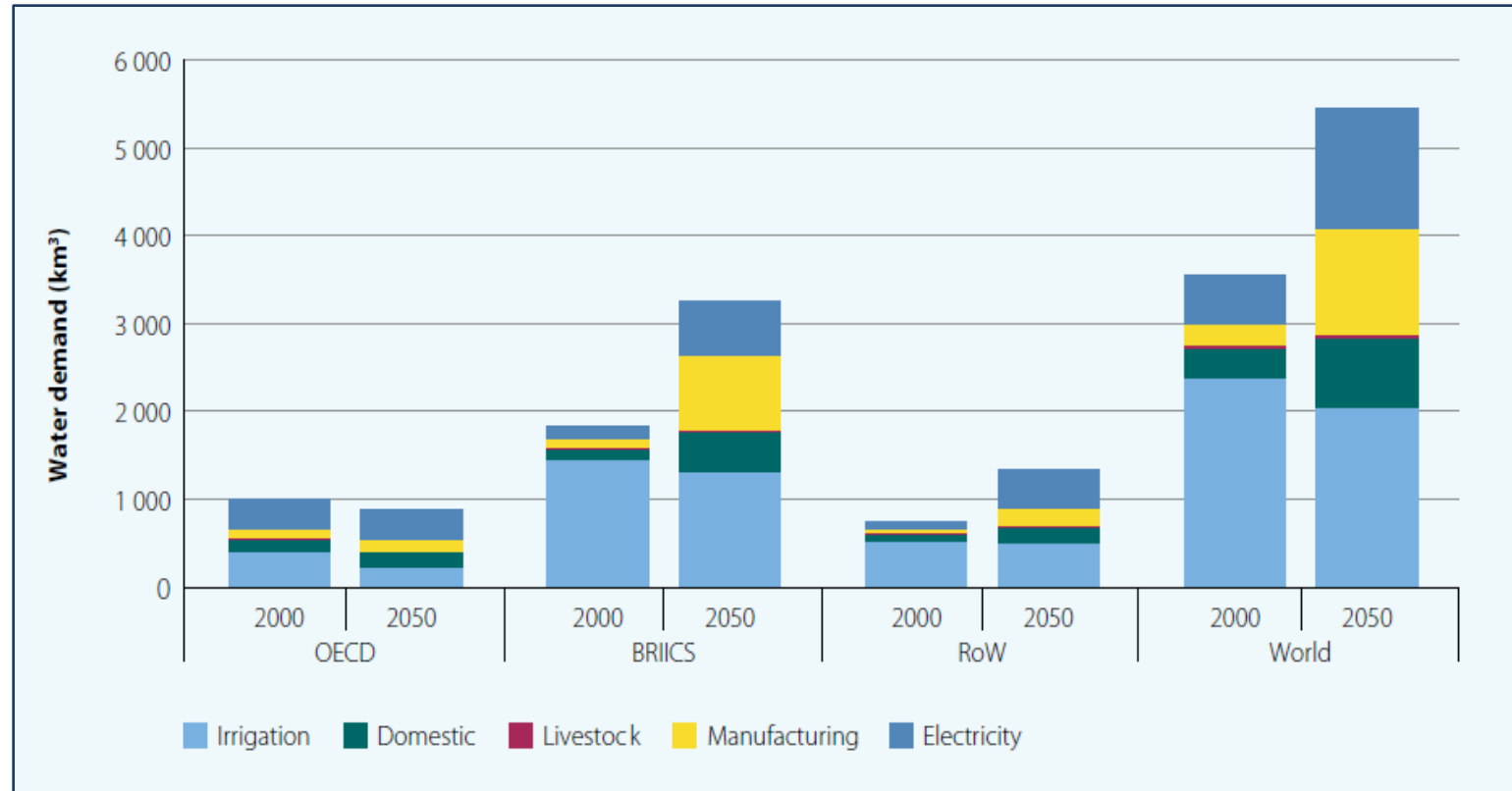
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1. Thematic introduction and contestualization



Source: OECD

OECD - Organization for Economic Co-operation and Development;

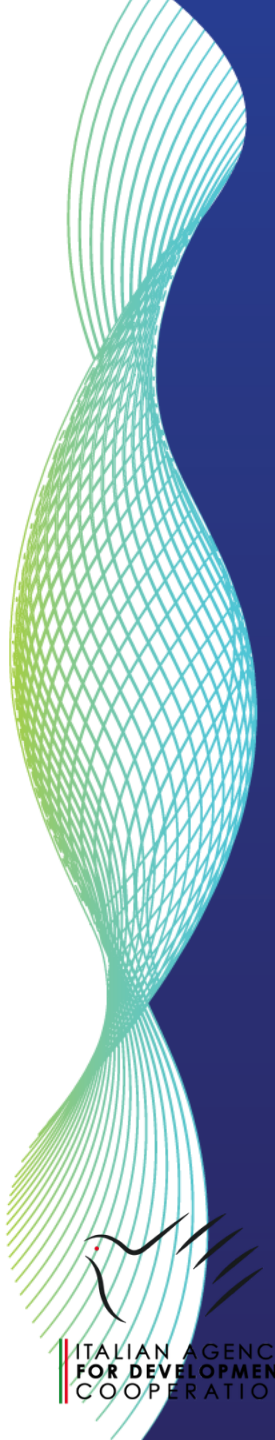
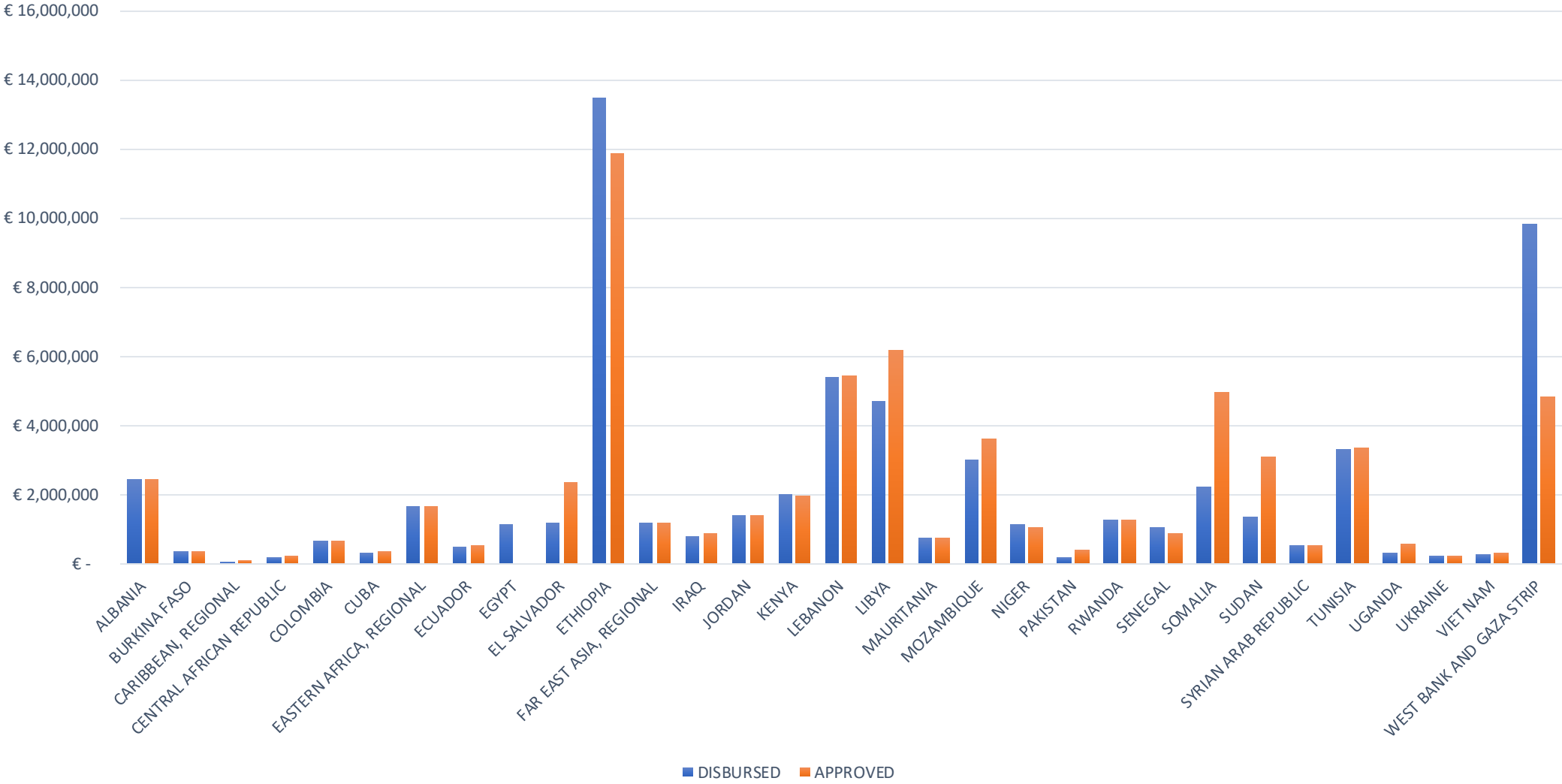
BRIICS - Brazil, Russia, India, Indonesia, China, South Africa;

RoW – Rest of the World

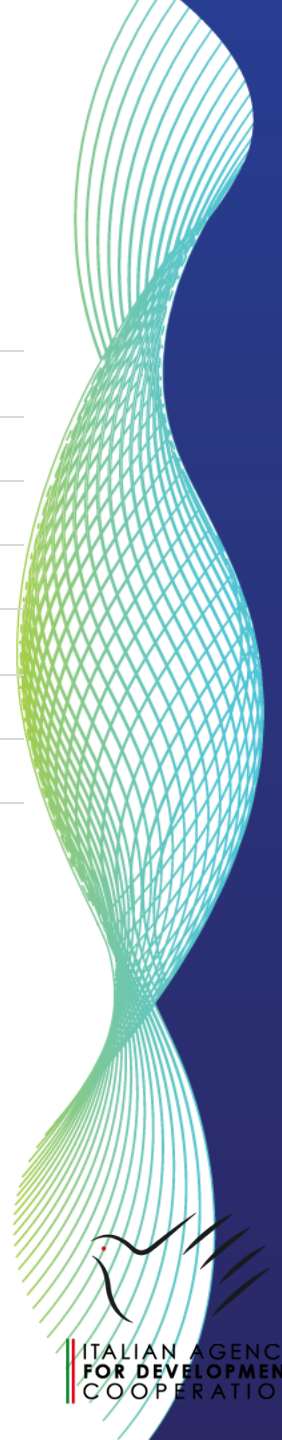
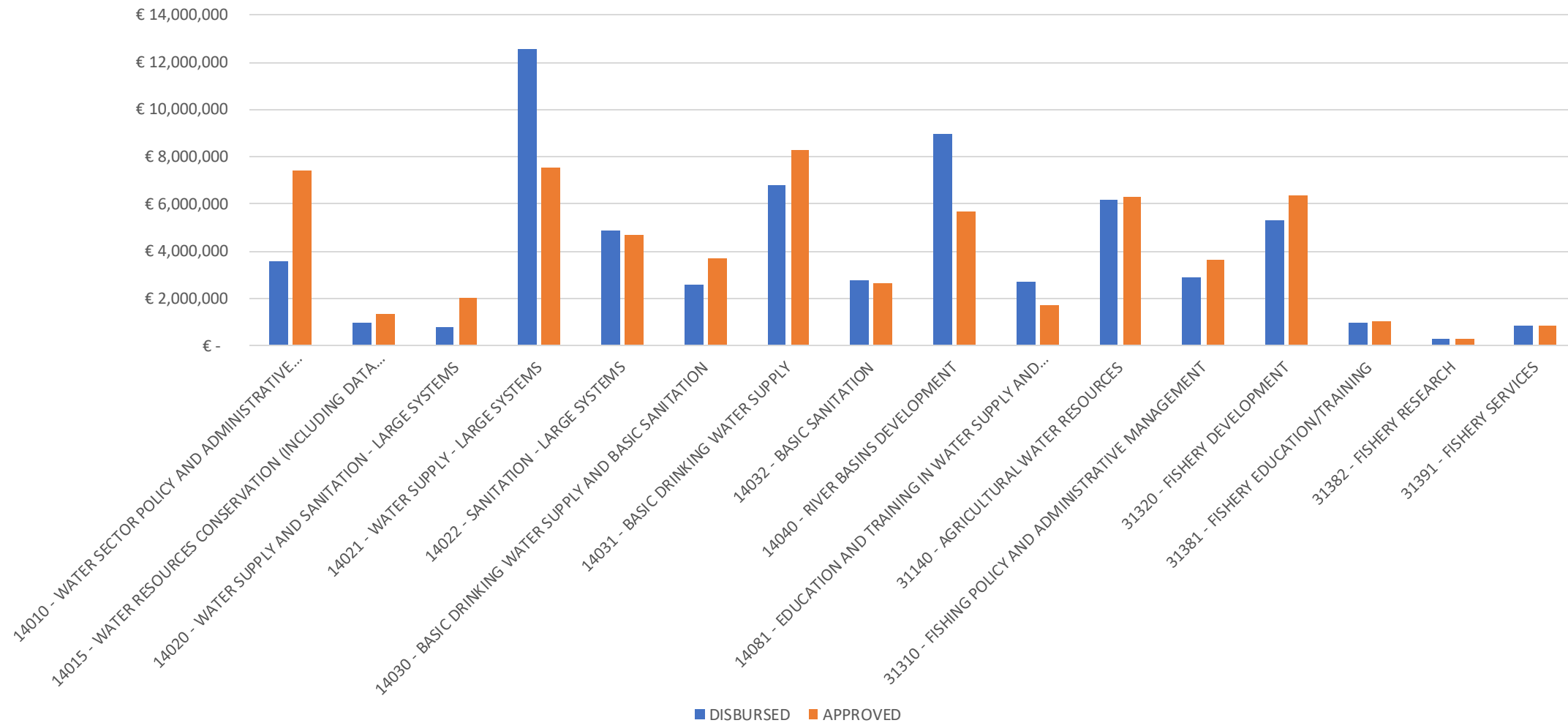
2. Water management for the Italian Development Cooperation and AICS – Guidelines and tools

- The ***Italian Development Cooperation Guidelines on the water sector***, issued in 2015 by the Ministry of Foreign Affairs and International Cooperation (MAECI), provide operational indications about the main fields of action and geographical areas covered by the interventions;
- The Guidelines are being used within the whole Project Cycle Management (PCM) phases in order to verify the alignment of the interventions to the international standards (namely dealing with SDG6 Targets);
- In addition to this, in 2025 AICS issued ***WASH Guidelines***, as a set of methodological and technical rules to project WASH interventions in collaboration with partner countries.

TOTAL BY COUNTRY



TOTAL BY OECD-DAC CODE



3. Examples of implemented best practices - Tunisia

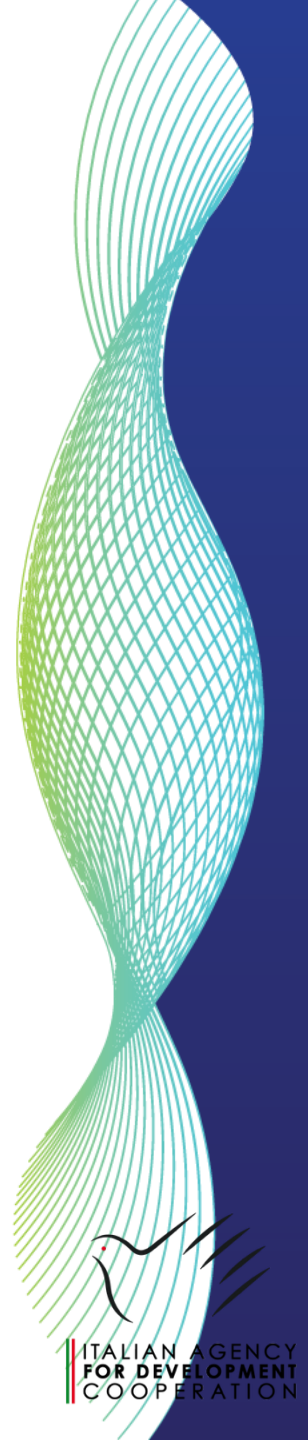
- **TANIT Project – Technical Scenarios for Agricultural Reuse of Treated Wastewater** - Budget: 35,6 M Euros
- The TANIT project (Mattei Plan), aims to enhance Tunisia's food security in a sustainable and climate-resilient way **through an Italy–Tunisia partnership supported by the Italian Climate Fund**;
- The initiative focuses on increasing agricultural productivity via mechanization, the **use of non-conventional water for irrigation**, and the rehabilitation of drought-affected areas. It also includes the establishment of an Integrated Multifunctional Technology Transfer Centre at the Ecole Supérieure d'Agriculture de Mograne to promote research, training, and innovation between Italian and Tunisian public and private actors.



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3. Examples of implemented best practices - Albania

- **Support to producers' organizations for sustainable agricultural development and food systems transformation** - Budget: 3.5 M Euros
- Partners: Italian NGOs, Ministry of Agriculture and Rural Development (MARD), BMTI (Italian Online Commodities Exchange), **Consorzio di Secondo Grado del Canale Emiliano-Romagnolo (CER)** and **National Association of Italian Reclamation Consortia (ANBI)**, Milan Urban Food Policy Pact (MUFPP), Coldiretti and CIA, Universities;
- The initiative aims to strengthen the resilience and organizational capacity of smallholders in Albania, enhancing their economic opportunities and integration into sustainable agri-food value chains, with two project components dedicated to strengthening water users' associations. **One of the components will be implemented by the Consorzio di Bonifica per il Canale Emiliano Romagnolo (CER)** and will provide national and local institutions with technical assistance and training to promote the efficient use of water resources, increase productivity in irrigated agriculture, and encourage sustainable farming practices.



3. Examples of implemented best practices - Palestine

- **Program for the central desalination plant in Gaza and associated works**— World Bank – Multi-donor funding (8 M Euros from Italy);
- The initiative ***aims to improve the quality and availability of drinking water in Gaza***, addressing severe water scarcity, high salinity, and deteriorating aquifer conditions. The program consists of two major components: 1. The construction of a central desalination plant with an initial capacity of 55 million cubic meters per year (expandable to 110 MCM); 2. The Associated Works (AWP), focused on developing and upgrading water distribution, storage, and mixing systems across central and southern Gaza, ensuring equitable supply to around 870,000 residents. Italy contributes €8 million as a *grant* through the Partnership for Infrastructure Development Multi-Donor Trust Fund (PID MDTF), managed by the World Bank.



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3. Examples of implemented best practices - Egypt

- **EU-ZIRA3A – EU Integrated Rural Development Programme for Egypt (24 M Euros, EU funding));**
- The project aims to improve the living conditions and revenues of the smallholder farmers and their communities through a sustainable and integrated approach to rural development;
- The initiative will be implemented in two main components: a) one aims to reinforce the Egyptian authorities and their representatives towards sustainable rural development, b) the second will reinforce the capacities of the rural population through increasing the agricultural economic opportunities. ***The project will further support the rehabilitation of the irrigation network in rural lands***, increasing irrigation efficiency and promote food safety tools through capacity building to government officials and technical experts.



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3. Examples of implemented best practices - Lebanon

- **Zahle Wastewater Treatment Plant (WWTP)** project (24 M Euros – soft loan and grant)
- Beneficiaries: City of Zahle and villages of Kaa El Rim and Hazzerta
- The WWTP project in Lebanon's Bekaa Valley **represents one of the Italian Cooperation's key environmental infrastructure investments.** The Project aims at reducing pollution in the Litani River basin, improving sanitation and hygiene for local communities, and strengthening the capacities of the Ministry of Energy and Water and the Bekaa Water Establishment;
- Commissioned in 2017, Zahle WWTP **is the only operational tertiary treatment facility in Lebanon** and a regional benchmark for sustainable wastewater management, consistently meeting international discharge standards and contributing to environmental protection and improved living conditions.



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4. Italian Development Cooperation and AICS: financing water

- With reference to current **three-year programming document of the Italian Development Cooperation** (covering the period 2024-2026), issued by the Italian Ministry of Foreign Affairs and International Cooperation, water related themes are considered to be priorities, in line with the **EU Global Gateway** and **Agenda 2030**. Water is key for the following 3 priorities: agriculture and food security; environment and climate change, risk reduction and energy (in particular, water-food-energy nexus) and, water and sanitation;
- The **Italian Climate Fund**, established at the MASE and of which CDP is the manager, is an important instrument for climate change mitigation and adaptation. The Fund, with a budget of **€4.4 billion**, is a flexible instrument that will cover a broad spectrum of initiatives, both public and private, with a high climate impact. It will potentially be able to operate in 140 countries receiving Official Development Assistance, particularly in African countries most affected by climate change.

4. Italian Development Cooperation and AICS: financing water

- With reference to the ***UfM Recommendations on Water Finance***, developed by the UfM Working Group on Water Finance and Investment (WG-WATFIN) and approved at the Third Meeting of the UfM Working Group on Water Finance (8th July 2025), the Italian Development Cooperation and AICS are supporting most of them, with particular reference to the Southern and Eastern Mediterranean area. In particular:
 - Recommendation #2 – Enhance investment planning in the water sector and across the WEFE nexus, thought a a more integrated approach for water investment planning and programming
 - Recommendation #3 – Increase the quality of public expenditure programmes related to Water, by ensuring that water expenditure programmes are aligned with water policy priorities;
 - Recommendation #6 – Mobilise more public finance through Public Development Banks, by providing political leadership for ensuring that the mandate of the PDBs includes investing in the water sector;
 - Recommendation #9 – Contribute to improved regional cooperation on water finance by considering taking part in the (Rome) Initiative on Water (2026).

5. Conclusions

- The volume of water extracted is considerably greater than its use due to infrastructural, cultural, technical factors, etc. → **improve the efficiency of production systems** with the aim of using less water;
- The answer for the improvement of the use of water resources → **Integrated Water Resources Management (IWRM)** and **sustainable water financing**;
- To deal with situations of water scarcity and to limit reasons for conflict for the management of resources, in the 21st century. → **improve water productivity** with policies that support farmers and their families → the only way to improve water management, prevent crises and mitigate migratory phenomena.

Thanks for your attention

“All the water that will ever be is right now”

National Geographic (October 1993)

Contacts:

paolo.sertoli@aics.gov.it