



**MEDITERRANEAN COMPONENT
of the EU Water Initiative
(MED EUWI)**

**Strategic Partnership on
Water for Sustainable Development**

Lead Country: Greece

**Info Note
and
Draft Work Plan 2007**

**Prepared for the
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of the Euro-Mediterranean and Southeastern European Countries**

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Hellenic Ministry for the Environment, Physical Planning and Public Works
Department of International Relations and EU Affairs
15, Amaliados str., 115 23 Athens
T: +30 210 64 65 762, 64 59 213
F: +30 210 64 34 470
e-mail: m.peppa@tmeok.minenv.gr, m.papaioannou@minenv.gr
Web: www.minenv.gr/medeuwi/

Secretariat of MED EUWI
GWP-Med Secretariat
12, Kyrristou str., 10556 Athens, Greece
T: +30210-3247490, -3247267, F: +30210-3317127
E-mail: secretariat@gwpmed.org
Web: www.euwi.net

ABBREVIATIONS

AWF	African Water Facility
CARDS	Community Assistance for Reconstruction, Development and Stabilization
DG	Directorate General (of the Commission of the European Union)
EECCA	Eastern Europe, Caucasus and Central Asia
EIB	European Investment Bank
EMWIS	The Euro-Mediterranean Information System on the know-how in the Water Sector
EU	European Union
EUWI	European Union Water Initiative (or sometimes referred as simply the Initiative)
FEMIP	Facility for Euro-Mediterranean Investment Partnership
FYROM	Former Yugoslavic Republic of Macedonia
GEF	Global Environment Facility
GWP-Med	Global Water Partnership – Mediterranean
IFIs	International Financial Institutes
IWRM	Integrated Water Resources Management
MAP/UNEP	The Mediterranean Action Plan of the United Nations Environment Programme
MDGs	Millennium Development Goals
MED EUWI	Mediterranean Component of the European Union Water Initiative
MIO - ECSDE	Mediterranean Information Office
NAMCOW	North Africa Ministerial Council on Water (under the AMCOW)
NSSDs	National Strategies for Sustainable Development
ODA	Official Development Aid
OECD	Organisation for Economic Cooperation and Development
PRSPs	Poverty Reduction Strategy Papers
WFD	Water Framework Directive (of the European Union)
WSSD	World Summit on Sustainable Development

A. The Mediterranean Component of the EU Water Initiative

A.1. Introduction

The European Union Water Initiative (EUWI) was established as a key contribution to the implementation of the WSSD outcomes and Johannesburg Plan of Implementation, aiming to assist meeting the water-related MDGs and WSSD targets, providing a platform for strategic partnerships.

The MED EUWI constitutes an integral part and one of the geographic Components of the overall EUWI. It also represents a strategic partnership among all related stakeholders (local, national, regional and international) as well as a means for implementing the water-related MDGs and WSSD targets in the Mediterranean Region. It, thus, seeks to make significant progress in poverty eradication and health, in the enhancement of livelihoods, and in sustainable economic development in the Mediterranean and Southeastern Europe, providing a catalyst for peace and security in the region which is a vulnerable and sensitive one from both an environmental and political view point.

A.2. Objectives

The main objectives of the MED EUWI are to create a higher efficiency of water-related development by providing a platform to co-ordinate and streamline existing and future activities, aiming to:

- Reinforce political commitment to action and raise the profile of water and sanitation with view to poverty reduction
- Promote better water governance arrangements including stronger partnerships between public and private sectors and local stakeholders and build institutional capacity
- Improve co-ordination and co-operation moving towards sector wide approaches, assisting multi-stakeholder processes to reinforce partnerships for action
- Develop regional and sub-regional co-operation by assisting in the application of integrated water resources management including transboundary waters to contribute to sustainable development and conflict prevention.
- Develop additional and innovative funding mechanisms and mobilise additional funding.

A.3. Partnerships and Modalities

The MED EUWI is open to all partners willing to commit to the objectives, targets, and guiding principles of the partnership which refers to both between EU and non-EU Mediterranean countries as well as between government, civil society and the private sector.

On this basis, the assets and the regionally led initiatives that the MED EUWI is seeking to complement and build upon, include, inter alia: financial instruments for the region (e.g. MEDA, SMAP, LIFE, INCO-MED, CARDS, PHARE); bilateral agreements between EU and non-EU member countries; mechanisms and initiatives (e.g. FEMIP, World Bank, UNEP/MAP, UNEP/GPA, overseas ODA, African Water Facility etc); international organisations (e.g. OECD, UN Bodies, World Bank, African Development Bank, GEF etc), the Euro-Mediterranean Partnership, the Barcelona Convention, the New EU's Neighbourhood and Partnership Initiative, the EU's acquis on water management as well as several Mediterranean based NGOs and networks.

Synergies and complementarity are also sought between MED EUWI and related new Initiatives that are launched in the Mediterranean. For example, MED EUWI presents a strong potential for synergies and linkages with the new Initiative launched by the European Commission in 2005 to "De-pollute the Mediterranean by 2020 (Horizon 2020), that should

be further explored. Moreover, coordination and cooperation is also promoted between MED EUWI and the new GEF Strategic Partnership for the Mediterranean LME (2007-2012) as well as with the African Water Facility (AWF) and in particular its work in North Africa.

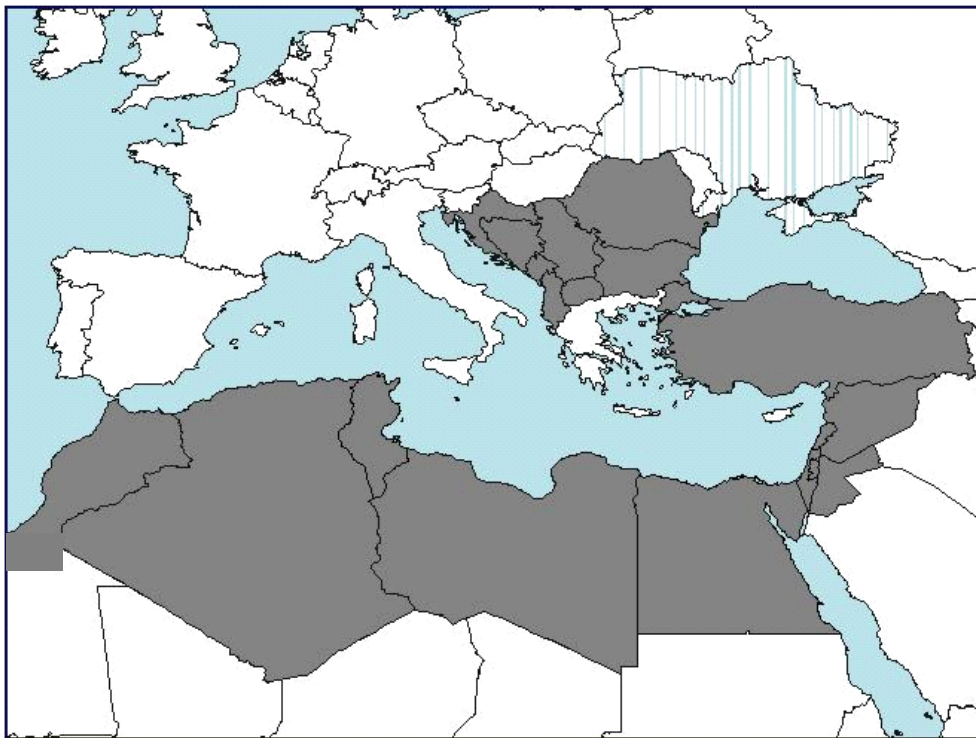
With regard to modalities and in line with the general Organisational Framework and Modalities for the EUWI, a regional Multi-Stakeholder Working Group advice the development of the MED EUWI and of its priorities for action. The Component is led by the government of Greece (Ministry for Environment, Physical Planning and Public Works and Ministry of Foreign Affairs). A MED EUWI Secretariat, within the Global Water Partnership-Mediterranean Secretariat, provides technical support and day-by day running. In this context, the Euro-Mediterranean Water Directors Forum serving as institutional support of the implementation of MED EUWI (Rome, November 2005), can provide advice and guidance on the MED EUWI further development and implementation.

A.4. Geographical context

The MED EUWI's geographic coverage includes all countries representing the new neighborhood of the enlarged EU in North Africa, East Mediterranean and Southeastern Europe, having also a focus on their shared waters. More specifically:

- *In the South and East Mediterranean* – Algeria, Egypt, Jordan, Israel, Lebanon, Libya, Morocco, Palestinian Authority, Syria, Tunisia and Turkey.
- *In the Southeastern Europe* – Albania, Bosnia and Herzegovina, Croatia, Former Yugoslavic Republic of Macedonia (FYROM), Serbia and Montenegro as well as Bulgaria and Romania which have currently a special status in relation to the EU (Accession Countries).

The following Map presents the area of activity of MED EUWI.



A.4. Themes

The MED EUWI focuses on the following Themes:

Sectoral	Theme1 (TH-1)	Water supply and sanitation, with emphasis on the poorest part of the societies.
	Theme 2 (TH-2)	Integrated water resources management, with emphasis on management of transboundary and national water bodies.
	Theme 3 (TH-3)	Water, food and environment interaction, with emphasis on fragile ecosystems.
	Theme 4 (TH-4)	Non-conventional water resources.
Cross-cutting	Theme 5 (TH-5)	Transfer of technology, transfer of know how, capacity building and training
	Theme 6 (TH-6)	Education

A three-year MED EUWI Activity Plan has been elaborated and discussed among competent stakeholders in 2004. Its purpose was to translate the agreed Themes into interrelated Programmatic Objectives, Outputs and specific Actions, where possible according to available resources and interest from partners and donors. 'Annual Work Plans' are elaborated since 2005, in line with the three-year MED EUWI Activity Plan, providing the basis for implementation of activities.

The Programmatic Objectives that have been defined in the Activity Plan were nine (9); these are divided to four (4) Thematic (1-4) and five Horizontal (5-9) Objectives. The MED EUWI Programmatic Objectives are:

Thematic

Objectives 1-4 respond to respective priority Themes identified as areas of implementation during the MED EUWI Preparatory Phase. Their related Outputs described in the Activity Plan are mainly developed through small scale pilot demonstration activities aimed to be implemented at national and local levels, supported by regional / national baseline assessments.

Objective 1 (OBJ-1)	Initiate programme on water supply and sanitation, with emphasis on the poorest parts of the society
Objective 2 (OBJ-2)	Initiate programme to support national and transboundary IWRM plans
Objective 3 (OBJ-3)	Initiate programme to support sustainable water use in agriculture and its integrated management for sensitive water ecosystems
Objective 4 (OBJ-4)	Initiate programme on non-conventional water resources

Horizontal

Objectives 5-9 respond to horizontal priorities of the EUWI aiming to assist in building the knowledge basis, facilitating better coordination and enhancing effectiveness through activities at the regional and national levels.

Objective 5 (OBJ-5)	Strengthen underlying institutions and build capacity
Objective 6 (OBJ-6)	Improve coordination between the actors involved in water resources management at the country level
Objective 7 (OBJ-7)	Enhance funding for the supply, management and development of water resources and sanitation
Objective 8 (OBJ-8)	Improve transfer of technology and the use of existing and new scientific knowledge to achieve water-related MDGs
Objective 9 (OBJ-9)	Promote education on water issues

The following table presents the framework linking the MED EUWI Themes with the Programmatic Objectives.

Thematic Programmatic Objectives	Themes	Horizontal Programmatic Objectives
OBJ-1. Initiate programme on water supply and sanitation, with emphasis on the poorest parts of the society	TH-1. Water Supply & Sanitation	OBJ-5. Strengthen underlying institutions and build capacity
OBJ-2. Initiate programme to support national and transboundary IWRM plans	TH-2. Integrated Water Resources Management	OBJ-6. Improve coordination between the actors involved in water resources management at the country level
OBJ-3. Initiate programme to support sustainable water use in agriculture and its integrated management for sensitive water ecosystems	TH-3. Water, Food and Environment	OBJ-7. Enhance funding for the supply, management and development of water resources, and sanitation
OBJ-4. Initiate programme on non-conventional water resources	TH-4. Non-Conventional Water Resources	
	TH-5. Technology transfer and capacity building	OBJ-8. Improve transfer of technology & the use of existing and new scientific knowledge to achieve water MDGs
	TH-6. Education	OBJ-9. Promote education on water issues

A.5. Expected results

The MED EUWI gives particular emphasis to the regional priorities of the Mediterranean and Southeastern Europe, within the EUWI overall scope. These priorities, needs and strategies are defined in partnership with governments, the Commission and stakeholders, targeting to

- assist the design of better, demand driven and output oriented water related programmes,
- facilitate better coordination of water programmes and projects, targeting more effective use of existing funds, through identification of gaps and mobilization, where required, of new financial resources and,
- enhanced cooperation for project's proper implementation, based on peer review and strategic assessment.

MED EUWI is also expected to contribute to develop synergies with other major processes in the region, aiming at increase of effectiveness of actions and avoidance of duplication of activities i.e. the 'European Neighborhood & Partnership Instrument', Euro-Mediterranean Partnership, Horizon 2020, Mediterranean Commission for Sustainable Development, etc.

In addition, the Joint Process between the EU Water Framework Directive (WFD) and MED EUWI is entering its Phase II in 2007. The Joint Process is a tool for combining EU and non-EU expertise and means under the umbrella of the EUWI to facilitate the implementation of sound water policies. Five Working Groups and a network of Mediterranean Pilot Basins are planned for this Phase II (2007-2009).

Key areas where the MED EUWI could make a difference are likely to include:

- Promoting water as a cornerstone of sustainable development;
- Raising the programmatic profile of water in PRSPs and NSSDs of partner countries;
- Coordinating funding for water in a better way among the partners of the Initiative;
- Linking together the wide range of financing ideas, networks and mechanisms that currently exist for water in the Mediterranean and Southeastern Europe so as to cover gaps and needs in partner countries;
- Supporting better project preparation facilities;
- Supporting the elaboration of a wider range of models for water sector restructuring in addition to involving private sector participation by competent international operators.

A.6. Progress achieved

i. Country Dialogues Process

The MED EUWI has managed to receive wide acceptance as be acknowledged by Mediterranean partners as a 'platform' in the region aiming to meet the international commitments on WSS and IWRM.

One of the key recent developments within the MED EUWI is the initiation of the 'Country Dialogues' on water for Mediterranean non-EU partner countries. The 'Dialogues' constitute a multi-stakeholder process, led by the countries themselves, involving a spectrum of national actors on water issues. Their main aim is to assist countries in formulating, through assessment and policy dialogue, Financing Strategies and / or Roadmaps for meeting the MDG and WSSD water targets as well as defining and prioritizing the interventions required (in terms of projects and actions) and the needed funding. Enhancement of donor coordination is among the expected outcomes of the process.

Depending on countries' priorities, the Country Dialogues address WSS and IWRM considerations as well as the shared water resources agenda, where applicable. OECD and UNEP/GPA assist on the assessments of the financing aspects of national water policies and the development of related financial scenarios and strategies.

The Country Dialogues entail:

- development of a Financing Strategy (with an emphasis on urban and rural WSS) in the country. *Inter alia* this will include: simulating alternative scenarios of WSS infrastructure and service development; estimating the costs (capital, operation and maintenance costs) associated with each scenario; comparing these costs with available financial resources (tariffs, public budgets, external resources) and the possibilities to generate additional resources; an affordability analysis and recommendations on policy measures to protect the poorest sections of the population.
- facilitation on implementing the Financing Strategy through:
 - articulating it into the budgetary decision making process through result-oriented budgeting;
 - ensuring its inclusion in the revision of the Economic Growth and Poverty Reduction Strategy Paper (PRSP); and
 - promoting improvements in governance and building capacity of implementing agencies.
- facilitation of a Policy Dialogue between related stakeholders on water-related MDGs and WSSD targets (with an emphasis on WSS policy) in the course of the Financing Strategy. IWRM and environmental policy issues will also be addressed as appropriate.

The purpose of the country Policy Dialogue in particular is:

- to facilitate a multi-stakeholder consultation on defining the country's needs and priorities for achieving water targets and to agree on a Roadmap for meeting these. In particular, this could support the countries in their efforts:
 - to improve the quality of surface waters through better and more widespread treatment of wastewaters, i.e. by assessing current investment plans and their improvement;
 - to cope with pressure arising from rapid demographic growth in relation to the achievement of the international and national water goals and targets;
 - to improve cost recovery levels of water tariffs, while ensuring adequate access by the poor;

- to better integrate its IWRM, WSS and environmental planning, especially from the perspective of the financial realism of these plans.
- to develop/strengthen coordination of activities undertaken by different parties / stakeholders involved in the WSS and IWRM sectors in the country;
- to enhance a mechanism for donor (IFIs, bilateral ODA, etc) coordination on water issues.

A Country Dialogue is divided into five Stages delineated into two Phases (Phase I includes Stages 0,1,2 and Phase II is developed in Stages 3, 4) :

- Stage 0. Establishment of a Steering Group and Preparation of an Inception Report;
- Stage 1. Data collection and baseline scenario;
- Stage 2. Assessing the social dimension of the financing strategy;
- Stage 3. Developing realistic financing strategies;
- Stage 4. Integrating the financing strategy into the wider policy framework (PRSP, etc.).

The Country Dialogue in Lebanon was launched in November 2005 in close collaboration with the Ministry of Energy and Water. Follow up was relatively slow due to delays in resources mobilization. After the recent war, the activity should shift of scope to a policy debate during the time of major reconstruction of the country's water infrastructure.

The Country Dialogue in Egypt is under preparation and will be launched on 22nd November 2006 in Cairo. A partnership with national authorities, stakeholders and donors is currently built. The coordinating authority in Egypt is the Ministry for Water Resources and Irrigation. The Dialogue is expected to be completed by the end of 2007.

ii. Progress on other levels

The annual Work Plans that have been developed for 2005 and 2006 also include activities undertaken or supported by international or regional donors/partners. For example, a North African Seminar on the 'Status of National IWRM Planning in North African Countries and Mauritania' was organized (Rabat, 24-25.1.06) and funded by the African Development Bank (AfDB), the government of Morocco, UNEP-UCC and GWP-Med, contributing to MED EUWI objectives. The Seminar provided a platform for the exchange of experiences on good practices, assisted in identifying challenges and gaps of national IWRM plans and would be duplicated in other parts of the region.

The 2005 and 2006 Work Plans also include an on-going activity for the capacity building of decision makers and managers of shared-water bodies of Southeastern European countries on the management of transboundary waters, which is funded in part by the World Bank, the German Government, GEF and Greece within the Petersberg Phase II / Athens Declaration Process.

In terms of funding, the MED EUWI has managed not only to coordinate individual donors on a demand basis but also to mobilise additional funding in the MED EUWI context. For example, the EC (DG Environment, DG AidCo) has recently agreed to a funding in support of MED EUWI and in particular the 'Country Dialogues' process. Related funding is provided through MEDA RMSU. These funds are complemented by the core funding of the Greek Government to MED EUWI's 'horizontal activities' as well as by funding from individual donors.

B. Work Plan 2007

Aiming to serve MED EUWI objectives, the draft overall Work Plan 2007 is presented to the Water Directors for advice and endorsement. The Work Plan 2007 is expected to be finalized by the end of 2006.

**EU WATER INITIATIVE,
WORK PROGRAMME 2007
MEDITERRANEAN**

November 2006, First DRAFT

Activities	Targets / Purpose per Activity	Duration / Completion Date	MED EUWI Objective No	EUWI Objective No.
1. Country status assessment on WSS and IWRM in ten MEDA countries	- Overview and mapping of water policies and major water programmes on WSS and IWRM	- Four months / April 2007	1,2	1, 2
2. Country dialogues in three MEDA countries	- Continue Dialogues in Lebanon and Egypt [- Elaborate assessments on current expenditure and needed financing to meet MDGs/WSSD targets for WSS and IWRM - Elaborate financing strategies to achieve MDGs/WSSD targets for WSS and IWRM - Facilitate multi-stakeholder country dialogues and prepare roadmaps to meet MDGs/WSSD targets for WSS and IWRM] - Initiate one more country dialogue (country to be agreed)	- Throughout 2007	1,2,6,7	1, 2, 3, 5
3. Joint Process WFD/MED EUWI	- Identification of pilot river basins and implementation of pilot activities - Facilitation of Working Groups (Groundwater, Water Scarcity, Rural Development, Wastewater Reuse, Shared Waters)	- Throughout 2007	2,6	1, 2, 3, 4
4. Capacity building activities for decision makers and experts on transboundary water resources management in Southeastern	- Facilitate multi-stakeholder e-dialogue on integrated management of shared lakes	- Throughout 2007	6	2, 3, 4

Total cost for 2007 (estimate) in Euro	855 +Act 3
- Act 1 (Assessment)	120
- Act 2 (Two national dialogues and initiation of one more)	500
- Act 3 (Joint Process)	tbd
- Act 3 (Shared Groundwater Seminar)	50
- Act 6 (Euro-Med WD Meeting)	65
(Coordination / Meetings / Secretariat)	120

More actions may be included in the Work Programme 2007, pending on interest by partners and funding opportunities, with the subsequent budget modification

Activities of the MED EUWI Work Programme 2007 serve the following MED EUWI Objectives (as described at the MED EUWI Activity Plan):

- Obj 1. Initiate programme on water supply and sanitation
- Obj 2. Initiate programme to support national and transboundary IWRM plans
- Obj 4. Initiate programme on non-conventional water resources
- Obj 5. Strengthen underlying institutions and build capacity
- Obj 6. Improve coordination between the actors involved in water resources management at the country level
- Obj 7. Enhance funding for the supply, management and development of water resources and sanitation

MED EUWI Objectives respond to the objectives of the overall EUWI initiative, namely:

- 1) Reinforce political will and commitment to action
- 2) Promote improved water governance, capacity building and awareness
- 3) Improve the efficiency and effectiveness of water management through multistakeholder dialogue and coordination
- 4) strengthen coordination through promoting river basin approaches
- 5) identify additional financial resources and mechanisms to ensure sustainable financing.