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Enhancing water governance & sustainable financing in the Mediterranean

AT A GLANCE

The Strategic Partnership for the Mediterranean Sea Large Marine Ecosystem (MedPartnership) is a collective effort of leading environmental institutions and organizations together with countries sharing the Mediterranean Sea to address environmental challenges that Mediterranean marine and coastal ecosystems face. The project's 78 demonstration activities and the replication of good practices will maximize impact and ensure the sustainability of the project beyond its lifespan. Integrated Water Resources Management (IWRM) was the focus of one of the MedPartnership's Sub-Components.

Total budget: 48 millions USD
13 million USD: Global Environment Facility
35 million USD: Participating countries,

ABSTRACT

In most Mediterranean countries, governance bottlenecks and financing gaps undermine the quality and sustainability of water supply and sanitation with direct negative impacts on the environment. Targeted action towards better water governance and sustainable financing –using an integrated approach with environment being a core component- has been supported by MedPartnership at both national and regional levels, in synergy with the UfM labeled project '*Governance & Financing for the Mediterranean Water Sector*'.

In line with IWRM principles, the national activities included inclusive multi-stakeholders policy dialogues and parallel technical analysis, cross-feeding each another. The dialogues assisted stakeholders achieve a common understanding on key challenges and reach consensus on the ways to effectively tackle them. Annual meetings fostered regional dialogue by promoting the sharing of policy experiences, the diffusion and replication of successful practices and facilitating the interface between policy-makers and private sector actors on needed governance reforms.

MedPartnership has been instrumental for designing, setting off and co-supporting this line of work with activities in Egypt (2009-2010), Lebanon (2010-2012), Palestine (2014-15) and Tunisia (2013-2014).

ACTIVITY DESCRIPTION

At national level, technical assessments identified the key water governance challenges for the sector's sustainable financing with emphasis on supply and sanitation, livelihoods and the environment. As an example, within the Palestinian Water Policy Dialogue (2014-2015), stakeholders agreed on the key governance bottlenecks and the needed targeted actions to complement the government-led sector reform.

At regional level, a multi-stakeholder interface among policy makers, non-governmental, private and other actors supported the exchange of good practices and replicable experiences, so as to develop a set of guidelines tailored to the region and based on the country assessments.

THE EXPERIENCE

The 'water crisis' – widely acknowledged as a 'governance crisis' – urges for efficient/effective design and implementation of policy reforms, necessitating constructive stakeholder engagement for ownership and sustainability of results. However, reforms, strategies and plans require funds that countries often fail to secure, including for mitigating environmental impacts and for safeguarding adequate quality water to support ecosystem services. The proposed *financing-governance* nexus approach provides integrated responses to the above challenges.

Activities utilise the GWP-Med and OECD long-standing tradition of providing neutral multi-stakeholder platforms for sharing good practices/lessons learnt and building consensus. Evidence-based policy dialogues under the governments' lead and facilitation, fact-finding missions, bilateral/multilateral interviews, case studies and peer-reviews are among the tools used, while networks and partnerships facilitated are fully utilised for operational synergies and for peer-reviewing. The work also capitalised on the co-ownership regional mechanism of the UfM Secretariat in support of its labelled projects as well as the outreach spectrum of the MedPartnership.

In this framework and responding to formal country demand, the activities on the governance-financing nexus were designed according to the sounded needs and priorities of each country. For example, in Palestine, an inclusive multi-stakeholder policy dialogue was conducted (2014-2015), engaging more than 180 stakeholders. Through consultation workshops that discussed, reviewed and validated the technical findings, stakeholders agreed both on the key issues and the needed actions, which have been considered as "*timely*" and in line with the water sector's ongoing reform. The endorsed National Report '*Water Governance in Palestine: Sector Reform to include Private Sector Participation*' has compiled the overall findings and consists of a diagnostic analysis, a set of recommendations and a roadmap for action. Similar line of work, adapted to the specific country context, was previously conducted in Tunisia (2013-2014).

Aiming for wide dissemination of findings and potential replication, an interplay of national and regional work is in operation. Annual Regional Conferences (held in 2013 in Barcelona, and 2014 in Athens) discussed the findings from the concluded Policy Dialogues, with emphasis on environmental, gender-sensitive and pro-poor considerations, and deliberate the benefits from and potential for replication of the work/methodology in more countries. Furthermore, this regular interface among key Mediterranean actors, coming from public, private and civil society bodies, forms an informal regional platform deepening the policy dialogue on the governance-financing nexus and the realistic responses for bridging existing gaps including by addressing environment-related challenges.



Official Launch of the Palestinian Policy Dialogue, 1st Consultation Workshop, Ramallah, 13 November 2014 . © GWP-Med

RESULTS

Targeted actions tackling the governance bottlenecks have a direct impact on the water and sanitation services' quality and the environment, by enhancing the use of available financing and attracting new investments for the needed infrastructure. Sustainable financing is important for poverty eradication, improvement in people's quality of life, environmental protection and sustainable development, especially in view of the Sustainable Development Goals (SDGs) that require significant funds for their implementation. In this context, private sector has a substantial role to play when the enabling environment is in place.

In Palestine, stakeholders engaged in the Policy Dialogue, acquired a common understanding of the sector's reform challenges whilst acknowledging fully the different views and perspectives, and agreed on a roadmap for action so as to enhance the governance frameworks and mobilise financing, including through the private sector. During the consultation, tools and guidance were provided in different fields, such as on the operation of the newly-founded water regulator, or setting the basis for a PPP Unit's establishment, while the agreed upon actions align closely with and complement the water sector's reform process, which contributes to meeting country's environmental objectives. Furthermore, the added value of facilitating a regular, open, inclusive and action-oriented interface among stakeholders was widely acknowledged at both national and regional levels.



LESSONS LEARNED

The completed work in Tunisia and Palestine, and earlier in Egypt and Lebanon, demonstrated the added value of the used methodology, i.e. evidence-based policy dialogues led by the competent country authority, conducted using neutral platforms with the participation of the range of stakeholders. and fed with solid technical work informed by contributions of and forward looking insights by national partners, can have high impact in building consensus and capacity for national planning and reforms. This interplay has proven effective for diagnosing and tackling governance challenges to the sustainable financing water services, and identifying the elements of the enabling environment for private sector participation. Furthermore, the need to follow a demand-led process and anchor the work on on-going sector reforms, for maximising impact and ownership, was particularly accentuated. At the same time, ensuring the unobstructed involvement of different actors and creating the space for open exchanges was deemed essential for the sustainability of results. Moreover, the regular interface among stakeholders assists tremendously with building trust and overcoming the suspicion often expressed towards the conducts of both the government and the private sector. It was however, acknowledged that such processes are time-demanding and require persistence and consistency, thus maintaining a short, medium and long-term and reality-bound perspective in the design of action plans is necessary. In that sense, due consideration to pro-poor, gender sensitive and rights-based approaches was acknowledged as necessary for operationalising effective, fair, and sustainable water and environment policies.

IMPACTS

The impact of policy-related and qualitative interventions at country level is often difficult to assess in the short/medium-term, especially when it comes to institutional and legislative frameworks. Nonetheless, the conducted work confirmed the value of the dialogue-technical analysis interplay in achieving consensus among a wide range of stakeholders on the existing situation and the way forward through targeted and country-tailored roadmaps for action.

The importance of the agreed actions is greater, given the demand-led approach and the alignment with country-led water sector reform processes that are aligned to and contribute to environmental objectives, as this ensures ownership (identified champions) and sustainability of results (they fall under an existing line of work).

Adhering to multi-stakeholder consultation processes needs to be properly acknowledged, as it is fundamental for enhancing accountability and integrity, (re) establishing trust and effectively contributing to informed decision making. In the case of Palestine, for example, the Report is expected to serve as a tool not only in the hands of the policy makers, but also be of use to other actors - notwithstanding civil society, private, academia, etc- that have an important role to play in the reform process.



REFERENCES

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KEYWORDS

Governance; Financing; Policy Dialogue; Private sector; Water services; Sanitation; Environment; Infrastructure

EXECUTING PARTNERS

Global Water Partnership – Mediterranean (GWP-Med) is a regional partnership of the Global Water Partnership (GWP) and constitutes a platform bringing together organisations advocating, facilitating and supporting the sustainable management of water resources in the Mediterranean Region and beyond. It aims at promoting design, knowledge and action on Integrated Water Resource Management (IWRM), including in relation to its environmental objectives and with a focus on the coastal areas, through the exchange of experiences, dialogue, and capacity-building. More information on: www.gwpmed.org



Strategic Partnership for the Mediterranean Sea Large Marine Ecosystem

MedPartnership

Together for the Mediterranean Sea



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Participating countries: Albania, Algeria, Bosnia and Herzegovina, Croatia, Egypt, Lebanon, Libya, Morocco, Montenegro, Palestine, Syria, Tunisia and Turkey.