

ANNEX 2

Action Fiche for ENPI South² – Environment

1. IDENTIFICATION

Title/Number	Sustainable water management and depollution of the Mediterranean CRIS 2008/20504		
Total cost	<i>EC contribution (2009-2010):</i> EUR 22 million (of which EUR 7 million to be committed in 2009 and EUR 15m in 2010)		
Aid method/ Method of implementation	Project approach – <i>centralised direct management</i>		
DAC code	14010 (Water resources policy and administrative management)	Sector:	Water resources policy and administrative management

2. RATIONALE

2.1. Sector context

The prevalence of unsustainable water consumption in the Euro-Mediterranean region has resulted in an alarming depletion of water reserves (groundwater and surface water) and damage to aquatic and coastal ecosystems, upon which the economic and social development of the region depends. It also leads to social tension (competition between different uses) and transboundary conflicts. This situation is worsened by the already perceptible impact of climate change and the negative consequences of economic globalisation, in particular on agriculture and tourism.

The recent formation of the Euro-Mediterranean Partnership and the launch of the Union for the Mediterranean have confirmed the high priority given to environmental and water issues by governments in the region, in particular in the Horizon 2020 Initiative.

The Euro-Mediterranean Ministerial Conference on Water held in Jordan on 22 December 2008 set guidelines for a new Mediterranean Water Strategy to be defined by 2010, on the basis of the regional dialogue conducted in the framework of the Euro-Mediterranean Water Directors Conferences.

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The ENPI South region consists of nine Mediterranean partner countries: Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, the Occupied Palestinian Territory, Syria and Tunisia. If the Instrument for Pre-accession Assistance (IPA) allows it and provides financial support, the project might be extended in future to the other members of the Union for the Mediterranean that are not in the ENP, namely Albania, Bosnia and Herzegovina, Croatia, Montenegro and Turkey.

This programme follows the priorities set by these guidelines.

2.2. Lessons learned

Independent evaluations of the two regional programmes for the environment – SMAP III and MEDA WATER – were carried out in 2008.

The latter highlighted the fact that, despite some valuable results at local level, the regional impact of the programme remains weak because of insufficient dissemination of good practice to the relevant decision-makers.

The evaluation of SMAP III highlighted the lack of coordination between the individual projects and the national strategies.

This programme will carry forward the results achieved by these two programmes (awareness-raising of the national authorities and relevant stakeholders at national and regional levels) in order to maximise the chances of replication of good practice.

2.3. Complementary action

The programme will complement the Mediterranean component of the EU Water Initiative (EUWI-Med), the main objectives of which are to promote development of integrated water resources management (IWRM) policies, to support formulation of the Mediterranean Water Strategy and to facilitate donor coordination on priority action to be identified with the countries.

Several programmes under the ENRTP (Environment and sustainable management of Natural Resources, including energy, Thematic Programme) concern water-related climate change issues in the ENPI countries and, specifically, the Mediterranean region. Moreover, support for EUWI-Med activities in 2010-2011 is also envisaged (EUR 1.025 million). Close coordination with the Horizon 2020 Initiative (H2020) and the Mediterranean Strategy on Sustainable Development will be ensured, with a special focus on the H2020 components concerning pollution-reduction projects (identified hotspots) and capacity-building. Close coordination will be ensured between this programme and the actions carried out under the "Mediterranean Hot-Spot Investment Programme – Project Preparation and Implementation Facility" being managed by the European Investment Bank under FEMIP.

This programme therefore complements the ENPI-Mediterranean Environment Programme approved in 2008 (EUR 7 million), which aims to support implementation of the Horizon 2020 Initiative. This programme includes a monitoring component to be implemented under the aegis of the European Environment Agency (EUR 2.5million).

Synergies with the ENPI Cross-Border Cooperation Mediterranean Sea Programme will be developed.

This programme will also complement activities under ENPI bilateral programmes, particularly bilateral water projects.

2.4. Donor coordination

Specific attention will be paid to major infrastructure projects funded by international financial institutions (including under the Horizon 2020 pollution reduction

component), in particular complementary capacity-building needs and sustainability issues.

3. DESCRIPTION

The programme has been designed in accordance with the assessment and review of the principles of effective aid delivery currently being conducted by EuropeAid (**Backbone Strategy**).

3.1. Objectives

General objective

- To promote actively extensive dissemination of sustainable water management policies and practices in the region in the context of increasing water scarcity, combined pressure on water resources from a wide range of users and desertification processes in connection with climate change.

Specific objectives

- Draw the attention of partner countries' decision-makers and stakeholders to the existing and forthcoming threats to water resources, the necessity to adopt a more appropriate water consumption and water use model and the solutions available to tackle the problem.

- Support partner countries in designing and implementing sustainable water management policies at national and local levels, in liaison with existing international initiatives in the area concerned.

- Contribute to reinforcing institutions and developing the necessary planning and management skills, in line with the objectives of the Horizon 2020 Initiative, and facilitate transfers of know-how.

These objectives will be pursued with a view to addressing the four interlinked issues referred to in the new Mediterranean Water Strategy: water governance, water and climate change, water financing and water demand management.

3.2. Expected results and main activities

Expected results

- (1) Demonstrated increase in awareness on the part of decision-makers, stakeholders and the general public of the value of water and of the continuous depletion of water resources as a consequence of wastage, climate change, pollution, demographic pressure and change of life-styles, particularly in urban areas.
- (2) Sustainable and equitable water resources management becomes a prominent feature of national development strategies and policies in relevant fields (agriculture, industry, tourism, etc.).
- (3) Good practice and state-of-the-art technologies are better known and disseminated at national and regional levels.

- (4) Sustainable water management schemes, based on the integrated water management concept adopted for the EU Framework Directive, involving inter-sector dialogue combined with collaboration between stakeholders and incorporating water-saving targets, are effectively put in motion in a number of rural areas and municipalities in the partner countries.
- (5) Water-related institutions are empowered and stakeholders' capacity is increased (target groups: water utilities, relevant ministries – such as agriculture, environment, industry, tourism and trade –, river basin organisations, municipalities, water users' associations, universities and regional and national research centres).

Activities envisaged

The project will consist of two main components which, together, will contribute to the expected results described above.

A – Support mechanism

This horizontal component will deal with overall coordination of the different activities and contribute to:

- awareness-raising on water scarcity and environment-related challenges,
- policy dialogue,
- dissemination of information,
- capacity-building and liaison with Horizon 2020 and other relevant initiatives.

It will also help partner countries to update their water management strategies and introduce new methods regarding, for example, water tariffs, water management (including stakeholder participation), control of losses and water saving, on a voluntary basis.

Technical assistance tasks will include additional support for beneficiaries of demonstration projects, for monitoring their activities and for reporting to the Commission on the overall programme.

Main activities

- Development of a communication and awareness-raising strategy targeting relevant decision-makers and stakeholders, addressing issues related to the consequences of unsustainable use of water and inefficient water management and encouraging a shift towards water-efficient techniques and working methods.
- Identification of good practice and success stories in the region and elsewhere (in the demonstration projects, but also by other undertakings).
- Organisation of, or participation in, events aiming to mobilise partner countries and other donors, discuss thematic issues, harmonise approaches and policies and facilitate inter-sector dialogue and exchanges of experience, in liaison with Horizon 2020 and the Mediterranean component of the EU-Water Initiative whenever appropriate.

- Mobilisation of finance to support infrastructure development or maintenance of existing investments (e.g. waste water treatment plants, irrigation schemes, etc.), especially where these resources could help to clear bottlenecks.
- Capacity-building activities (seminars for middle-management staff, other training sessions, *ad hoc* support missions on the ground, study visits, etc.) in relevant areas; in this respect, regional and national training institutions will be identified to serve as “centres of reference” and will possibly also be involved in designing and implementing these activities.

A Steering Group, assisted in principle by Thematic Task Forces, will ensure overall guidance and supervision of this component. Exchanges with the Horizon 2020 Steering Group and with the Water Expert Group set up by the Ministerial Conference on Water and operating under the Mediterranean component of the EU Water Initiative will be developed.

B – Demonstration projects

Up to ten demonstration projects will be selected, following a call for proposals, in order to promote **integrated and ecosystems approaches** in the fields of integrated water management or coastal zone management and in the relevant sectors covered by the Horizon 2020 Initiative and to put them into practice at local level (rural or urban areas). The projects should have a high profile in the beneficiary countries and leave a legacy after the funding is over.

This programme will also complement activities under ENPI bilateral programmes, particularly bilateral water projects.

Domains targeted will include:

- water efficiency (including identification, control and reduction of water losses, water-saving measures in urban or rural areas and water-efficient irrigation schemes, possibly combined with the introduction of low water-consuming crops);
- re-use of grey water, associated with means to assess water status and to define appropriate conditions for safe and sustainable use of this resource;
- water protection and pollution control in liaison with the relevant sectors of Horizon 2020;
- advanced water-basin management, drawing on the approach set out in the EU Water Framework Directive;
- innovative tariff-setting and financing methods.

Research-oriented or poorly integrated projects, focusing mainly on technical aspects, will not be considered for funding.

The results of the demonstration projects will be communicated regularly to the Steering Group and to the Thematic Task Forces and will also be used by the Horizon 2020 Steering and Working Groups (in particular, the Pollution Reduction and Capacity-Building Working Groups).

3.3. Risks and assumptions

The main assumptions which might have an impact on successful implementation of the programme are:

- the Water Expert Group will deliver the Regional Strategy and the related Action Plan within the time-frame envisaged in the Ministerial Declaration;
- sustained political stability will prevail in the region;
- strong and continuous political support from the partner countries' governments will produce deep changes in water governance, which involves highly sensitive aspects.

3.4. Cross-cutting issues

Good governance and human rights: By focusing on water governance issues, this programme will undoubtedly contribute to good governance in general.

Sustainable and equitable access to water and sanitation can be seen as a contribution to better respect of human rights, in so far as it is a condition for decent living conditions and has a direct impact on access to health, housing, food and dignity, which are already enshrined in international conventions such as the International Bill of Human Rights and the Convention on the Rights of the Child.

Gender equality: Women are very often excluded from important planning and decision-making on water management and also from the right to land and water in rural areas. Participation by civil society in the programme will be sought, paying special attention to involvement of women.

3.5. Stakeholders

Partners in this project will include a wide range of institutional, economic and social stakeholders potentially interested in participating in the activities. These include, but are not limited to, the ministries and national agencies concerned, water and sanitation utilities, river basin organisations, local government, universities, users' associations, NGOs and professional organisations.

As they play a key role in IWRM, river basin organisations will, when appropriate and when possible, be given a central role in the programme.

4. IMPLEMENTATION ISSUES

4.1. Method of implementation

Direct centralised management.

The support mechanism and the demonstration projects will be managed in close cooperation with the EC Delegations in the region.

4.2. Procurement and grant award procedures

(1) Contracts

All contracts implementing the action must be awarded and implemented in accordance with the procedures and standard documents laid down and published by the Commission for the implementation of external operations, in force at the time of the launch of the procedure in question. The procedure for award of contracts for this action will be open to all natural and legal persons covered by the ENPI Regulation (Regulation No 1638/2006).

(2) Specific rules for grants

The essential selection criteria for the award of grants are laid down in the Practical Guide to contract procedures for EC external actions. They are established in accordance with the principles set out in Title VI (“Grants”) of the Financial Regulation applicable to the general budget.

4.3. Budget and time-table

The overall budget for the programme is EUR 22 million: EUR 7 million will be committed in 2009 and EUR 15 million in 2010. A new decision will be taken on the credits allocated for 2010, provided they are approved by the budgetary authority.

- Support mechanism: **EUR 7 million (commitment for 2009)**. This component will be implemented under a services contract which will cover, indicatively, a four-year period. The call for tenders is due to be launched during the second half of 2009.
- Demonstration projects: approximately **EUR 15 million (commitment for 2010)**. They will be implemented under grant contracts to be awarded following a call for proposals. Implementation will extend, indicatively, over a three-year period from the date of signature of the contracts.

Both the EU and the ENPI parties involved in the partnership will be required to provide co-financing for the demonstration projects to ensure ownership.

4.4. Performance monitoring

Objectively verifiable indicators (qualitative and quantitative) will have to be included in the technical methods proposed for the two components of the programme.

Besides the regular follow-up by the EC Delegations and headquarters, monitoring missions (contracted by the EC) will ensure an external follow-up. The EC and the project coordinator will pay particular attention to the recommendations made by the external experts.

4.5. Evaluation and audit

Expenditure incurred will have to be certified, as part of the obligations of the parties contracted in the framework of this project. Mid-term and final evaluations of the results achieved will be entrusted to independent consultants, along with external

audits if necessary. These evaluations and audits will be funded from sources other than the project budget, since no commitment will be possible once the validity of this Decision has expired (the “n+1” rule will apply).

4.6. Communication and visibility

Special attention will be paid to communication aspects.

A specific communication and awareness-raising strategy will be defined and implemented in the framework of the support mechanism.

Relevant communication tools will also be developed in the demonstration projects in order to keep the stakeholders regularly informed and maintain the visibility of the programme.

Visibility and communication campaigns in the partner countries will be conducted in collaboration with the Delegations, in line with the Communication and Visibility Manual for EU External Actions.

The Euromed Info Centre web portal and EuropeAid’s ENPI Newsletter will be used regularly and press releases will be prepared when appropriate.