



UfM WATER POLICY FRAMEWORK FOR ACTIONS Briefing Note

Prepared for the

UfM Consultation Workshop on the Water Agenda and Financial Strategy in view of SDG6 and the Green Deal: Policy Actions, Economic Responses, and Ways Forward in the post-COVID 19 context

Online Consultation, 9-10 June 2020

BRIEFING NOTE | Introduction

This Briefing Note provides a short recounting of the trajectory of the UfM Water Agenda and its accompanying Financial Strategy, since their mandate during the UfM Ministerial on Water (27 April 2017, Malta).

The objective of the Note is to remind about the key elements driving the development and implementation of the Water Agenda and Financial Strategy, in order to assist with the revisit in the workplan given the COVID-19 reality and the urgent need for regional and national action to effectively tackle the uncertainty of this unprecedented crisis.

The Briefing Note is structured in the following manner:

- A background chapeau, reminding about the process and principles underpinning the Water Agenda and recalling the steps taken since the Malta Ministerial Meeting on Water, including during 2018, for its development and up until the endorsement by the UfM Senior Officials in December 2018;
- A short recounting of the work done during 2019 and in the first half of 2020;
- A concise compilation of the four Thematic chapters of the Water Agenda and of its Financial Strategy, each provided separately and including the progress in their implementation in the period 2019-2020;
- A selected reference to milestones until the end of 2020.

BACKGROUND | A snapshot of the process until the end of 2018

The **UfM Ministerial Declaration on Water** (Malta, 27 April 2017), called for “*a Union for the Mediterranean Water Agenda to enhance regional cooperation towards sustainable and integrated water management in the UfM region*”.

On contents and substance of **thematic priorities**, the Water Ministers ¹reaffirmed their willingness to undertake the necessary efforts so that “*the UfM Water Agenda can assist in promoting sustainable economic and social development and have significant employment benefits; help in tackling climate change impacts and increasing climate and disaster-resilience; in meeting environmental and water quality objectives; in tackling migration challenges, amongst and inside countries and in ensuring access to safe drinking water as a fundamental human right, particularly for the most vulnerable, as we continue to*

¹ Water Minister representing the UfM Member States, the Work had been produced by drafting groups and endorsed and finalized by Senior official during two Adhoc Senior official meeting gathering MFA representatives and authorities dealing with water issues



promote gender mainstreaming, focus on youth, transparency and improved accountability in the water sector”².

On concrete next steps, the **Water Ministers mandated the UfM Water Expert Group (WEG)**, under the guidance of the UfM Senior Officials (SOM), and in consultation with regional institutions, donors and non-governmental actors of the UfM region, **“to elaborate and implement the UfM Water Agenda”³.**

Aiming to implement the mandate of the Ministerial Declaration on Water, the **7th WEG Meeting** (Barcelona, 19-20 July 2017) agreed on the basic content, under **four priority Thematic areas and the associated Financial Strategy (FS):**

- Water-Energy-Food-Ecosystem Nexus (WEFE);
- Water-Employment-Migration (WEM);
- Water Supply, Sanitation and Hygiene (WASH); and
- Water and Climate Change Adaptation (WCCA)

Water Governance & Financing have been retained as horizontal activities relevant to all four priority Thematic areas.

Following the validation of these by the **SOM** (1 Dec 2017) to whom a Concept Note was presented, the **8th WEG Meeting** (Dead Sea, 1 February 2018) **set up Task Forces (TF) for each of the four Themes and a dedicated one for the FS**; the composition of all TFs is based on voluntary involvement by the countries and international observer organisations to the WEG with a manifested interest in contributing to the work under each area.

A series of **TF meetings** were held **throughout 2018**, elaborating on the content, objectives and work programme for each of the Theme areas and the FS; progress and elaboration levels differed across TFs, with WEFE, WEM and the FS being the most advanced. More specifically, the following meetings were held:

- 1st meeting of the TFs on FS, WEFE, WEM and WASH: 3-4 May 2018, Brussels (hosted by the EC)
- 2nd meeting of the FS TF: 9 July 2018, Paris (hosted by OECD)
- 2nd meeting of the WEFE TF and 3rd meeting of the FS TF: 19-21 September 2018, Brussels (hosted by the EC)
- 2nd meeting of the WASH TF: 16 October 2018, Cairo (within the Cairo Water Week)
- 2nd meeting of the WEM TF: 23-24 October 2018, Rome (hosted by the Italian Ministry of Foreign Affairs)
- The Side meeting on Water and Climate Change Adaptation held on 13 November 2018 at the margins of the UfM Climate Change Expert Group (CCEG)

The culmination of this preparatory effort took place during the **9th WEG Meeting** (Athens, 5-6 November 2018) that concluded the context and work programmes of the four chapters of the Water Agenda and the Financial Strategy.

² Ministerial Declaration of the Union for the Mediterranean (UfM) Water Ministers – page 4

³ Ibid – page 5



The final documents were formally endorsed by the UfM Senior Officials, during their meeting on 17 December 2018. The full texts, as approved by the SOM are available on the UfM website⁴.

Overall, the **UfM Water Agenda has been elaborated as an integral, coherent vision on the basis of:**

1. A **medium/long term WEG Work Programme (2020-2030)**, providing recommendations, proposals and initiatives for UfM member states to apply 'integrated water resources management' approaches and ensuring better coordination of water with other sectors in the UfM region.
2. A **Financial Strategy** to facilitate increased financing of investments that contribute to access to water; protection against risk of droughts, floods or polluted water; and sustainable growth in the Mediterranean region, while enhancing the financial sustainability of the water sector. It identifies challenges that are shared by many countries in the region, while recognising that not all countries face the exact same challenges or to the same degree. It sets a shared goal, common strategic objectives and a menu of actions, but individual countries will implement different actions according to their individual circumstances, priorities and capacities.
3. The **rolling biannual Workplans** for each of the four Thematic areas and the FS. The initial Workplans covered the period 2018-2019 and continue from there on.

The next section contains a rapid overview of the institutional aspects in 2019 and in the first half of 2020. A dedicated update on the implementation of the Water Agenda and the FS will be shared in the section to follow.

PROGRESS ON INSTITUTIONAL ASPECTS | A brief overview in the period 2019-2020

During 2019, the Water Experts' Group met once. The **10th WEG Meeting** was held on 13-14 June 2019, in Brussels, hosted by the European Commission, and it was the first meeting of the group after the endorsement of the UfM Water Agenda and Financial Strategy by the Senior Officials' Meeting (SOM) on 17 December 2018.

The following were achieved during the meeting:

1. The overall elaboration process and the endorsement of the Water Agenda and Financial Strategy, including the work plans for 2019 was recounted.
2. During dedicated sessions for each of the four thematic areas and for the Financial Strategy, the WEG members took stock of progress made, challenges encountered and upcoming activities until the next WEG meeting.
3. The issue of sustainable water financing and investments was deliberated during a dedicated session, which clearly identified contributions from and synergies with observer organisations.
4. The WEG members approved the creation of a Partnership to enhance accessibility to climate finance in the Mediterranean with a prime focus to GCF that was suggested by the GCF Workshop, and asked UfM and GWP-Med to follow up for exploring ways for building it up and making it deliver within the UfM Water Agenda.

WEG 10 was attended by most of the UfM countries from the southern and eastern Mediterranean as well as Balkans, with active participation of regional organisations working in the sector.

⁴ https://ufmsecretariat.org/wp-content/uploads/2019/04/UfM-Water-Policy-Framework-for-Actions_baja-calidad.pdf
https://ufmsecretariat.org/wp-content/uploads/2019/04/UfM-Financial-Strategy-for-Water_for-web-paginas.pdf



It is noted that WEG 10 was held back-to-back with the ‘*Technical Workshop on Project Preparation for Transformational Climate Resilience Water Projects in the Mediterranean Region for the Green Climate Fund*’ that was held on 10-12 June 2019, in Brussels, and which was co-organised by the Global Water Partnership-Mediterranean (GWP-Med) and the UfM Secretariat.

The WEG members did not meet again in 2019 and with the COVID-19 outbreak in February 2020 the option of holding a face-to-face meeting has been ruled out. Just like every political economy around the world, the Mediterranean countries have been severely affected by the virus outbreak and they have been looking for responses that not only address the COVID-19 crisis, but also tackle long-standing challenges in the region, including ensuring the availability and sustainable management of water and access to water supply and sanitation services for their populations. Importantly, on the ‘day after’ of the crisis, relief and development investments need to maintain the focus on meeting the Sustainable Development Goals (SDGs) and not jeopardise the progress made over the last decades, for instance by making sector-specific financial support measures conditional to SDGs contributions.

Aiming to assist with this demanding endeavour, the Water, Environment and Blue Economy Division of the Union for the Mediterranean (UfM), has called for an online consultation with its Member States and partner institutions and organisations on 9-10 June 2020, with a twofold objective to:

- a) take stock of the situation, the implications for the region and responses to COVID-19, also relating to the implementation of its UfM Water Policy Framework for Actions 2030, and
- b) discuss and agree on regional priority actions that can complement individual country efforts, supported by and eventually aligning with the European Green Deal as a roadmap for sustainable and resilient post-COVID recovery. In this context, it is envisaged synergies will be fostered between the UfM Water Agenda with ongoing work at the European Commission.

The online consultation, though informal, will utilise the modality and structure of the UfM Water Expert Group (WEG) meetings in order to provide a common reference framework and a platform for exchanges among the UfM Member States.

THE UfM WATER POLICY FRAMEWORK FOR ACTIONS | Information & Updates on the Four Themes and the Financial Strategy in the period 2019-2020

Below are dedicated sections for each of the four Thematic priorities of the Water Agenda and one on the FS. Each section contains reference to the aim, objectives, content and outputs, as well as a brief update of progress in 2019-2020.

Water-Energy-Food-Ecosystem Nexus (WEFE)

Aim: to enhance sustainable use of natural resources to achieve sustainable development goals under the Agenda 2030 in the UfM region

Objective: to introduce and/or promote the Water-Energy-Food-Ecosystems Nexus approach, and to catalyse action for its mainstreaming, financing and implementation in UfM Member States, at the national and local (basin) levels as well as in the UfM region, as appropriate.



Content: Water, food, energy and ecosystems are essential for human well-being, poverty reduction and sustainable development, including by addressing climate change impacts. These are interlinked through a nexus of natural, institutional, economic and social frameworks. Interactions between water-energy-food- environment sectors may result in synergies or trade-offs. The UfM Member States are well aware of related challenges. Each of the countries may take different decisions in terms of addressing trade-offs according to their strategic priorities.

The Water-Energy-Food-Ecosystems Nexus was introduced as an approach to facilitate enhancement of water, energy and food security while preserving ecosystems and their functions and increasing climate resilience, reducing trade-offs and shifting towards more sustainable consumption patterns, increasing efficiency and improving governance.

A Nexus approach to sectoral management, through enhanced technical assessment, policy dialogue, governance improvements, investment mobilisation, replicable applications, collaboration and coordination, is necessary to ensure that co-benefits and trade-offs are not only considered but also that appropriate safeguards are put in place to prevent and/or mitigate their detrimental effects especially regarding on the availability of water resources, taking into account how these approaches can fit in with countries' national priorities.

Because of this multiplicity of conceptual expansions, the Nexus represents a promising vehicle for promoting considerations on cross-cutting issues. The Nexus can assist in the efforts to further mainstream these issues in addition to its pivotal role in promoting green job creation.

Description of outputs:

- Nexus-related challenges and solutions identified and prioritised, at different geographical scales, through multi-stakeholder consultation-based Nexus analysis and assessments
- Nexus governance settings strengthened, at difference geographical scales
- Planning and implementation of Nexus solutions enabled, at different geographical scales
- Knowledge shared and capacity built on Nexus methodologies, policies and technologies
- Demonstration applications implemented as means for knowledge sharing

Progress made thus far

The WEFE agenda advanced through implementation of activities within all its designated work lines, guided by the UfM WEG, and by the UfM TF WEFE as its subordinate, led by Lebanon. GWP-Med technically led implementation of the WEFE agenda in close cooperation and under the guidance of the UfM Secretariat. Activities included:

- Organisation of the 3rd WEFE Task Force Meeting, 17 April 2019, Rome, hosted by the Italian Ministry of Foreign Affairs. The meeting reviewed progress, provided orientation on implementation of foreseen activities and guided on contents towards a UfM WEFE Framework Programme. Among other points, countries guided towards integration, as possible, of the WEFE and WEM Framework Programmes.

- The 3rd Regional/SEE WEFE Nexus Roundtable, was organised on 16-18 October 2019, in Tirana, as part of a process to introduce and promote the WEFE Nexus approach in South East Europe (SEE). It was attended by more than 80 stakeholders from all 6 economies of SEE, including representatives of Ministries and institutions involved in water management, energy production, agriculture and environmental



protection, as well as of political processes and donors. WEFE Nexus status in SEE was debated, lessons learned were shared, and views were shared on contents of a draft Regional Nexus Roadmap for SEE. The Roundtable was organised by GWP-Med and Albania, as contribution to the RCC 2020 Strategy and the UfM Water Agenda, with support by Germany, Austria and GEF.

- Elaboration of the WEFE Nexus Assessment for the North-Western Sahara Aquifer System (NWSAS) advanced by GWP-Med, UNECE and OSS in cooperation with the NWSAS Coordination Mechanism and under the riparian countries' (Algeria, Libya, Tunisia) guidance.

- The elaboration of the 'Atlas of WEFE Nexus in the Mediterranean' advanced by the EC Joint Research Center (JRC), and with collaboration by UfM and GWP-Med. Designed in an edge e-format and targeting the layman, the Atlas will serve as a major knowledge product for the region and beyond. A working group by lead scientists, with contributions by a range of partners, are shaping the Atlas contents, under JRC's coordination. The Atlas is expected to be launched in the latter part of 2020.

- Based on guidance by WEG 10 Meeting towards a WEFE Framework Programme, this should include (a) promotion of tangible small/medium scale WEFE pilots in coastal, urban and rural areas and (b) facilitation of a new generation of Nexus Wastewater Treatment Plants (including with water reuse, bio-energy production, fertilizers production, etc.), possibly with private investment mobilisation. In preparation of and following up the WEM events in Istanbul (see under the WEM Chapter), contents of the WEM/WEFE Framework Programme and an outline of the WEM/WEFE 'start up' project, progressed with emphasis on promotion of tangible small/medium scale WEFE pilots in coastal, urban and rural areas coupled with WEM action lines. An advance version of these has been prepared and will be presented for guidance at the WEG 11 Meeting. Preparatory actions on the line of facilitation of a new generation of Nexus Wastewater Treatment Plants, were also taken.

- Based on beneficiaries' expressed interest and demands, partnerships are key for implementing these. Potential partners have been identified over developing the WEFE Nexus and WEM FPs, like UNEP/MAP, GIZ, JRC, ILO, UNESCO WWAP, WB CMI, UNIDO, CEWAS, MedCities, INWRDAM, etc. Operational synergies with these and additional partners would be further explored. Funding possibilities have been explored with bilateral development partners, while operational linkages with upcoming and pursued programs and projects supported by multilateral and bilateral development partners has been sought. More specifically, strategic partnership with the Swedish International Development Cooperation Agency (Sida) has been actively pursued and it is anticipated that synergetic actions for WEFE Nexus and WEM FPs will be launched soon as a 'proof of concept'.

Water-Employment-Migration (WEM)

Aim: to assist tackling water challenges as one of the potential root causes of unemployment leading to migration, taking into account as well the impact of migration and displacement on water resources, thus contributing towards a conducive environment for sustainable development and stability in the UfM region.

Objective: to mainstream water-employment-migration approaches and actions to increase water-related employability and entrepreneurship in countries of migration origin, transit and hosting, while promoting sustainable water management and gender equality and youth objectives.



Content: Taking the line that ‘water security and growth are symbiotic’, there is scope to assist UfM countries becoming more water-efficient economies thus enabling income generation and employment opportunities for their populations, including for youth and women, while tackling some of the root causes of migration. At the same time, UfM countries that are transit and/or hosting refugees, should be assisted to assess impacts and respond to related challenges.

Three out of four jobs worldwide are water-dependent. Technology and innovation in the water sector is advancing adding value to countries’ efforts towards sustainable water management. If mainstreamed, supported by political will, planning tools, and investment, it can create opportunities for new markets, new skills and new job fields.

Migration is a key challenge in the Mediterranean. Migration streams usually start off as rural-urban movements and, when the pressure in the cities is intensifying, turn transnational. Climate change impacts aggravate pressures. Water-related jobs may become a contributor to refugees’ income generation and, in the longer term, social inclusion. Furthermore, water solutions are important for improving refugees’ livelihoods, including health.

Description of outputs:

- Water-Employment-Migration (WEM) related challenges and solutions identified and prioritised, at different geographical scales, through analysis and multi-stakeholder consultation
- WEM governance settings strengthened, at different geographical scales
- Planning and implementation of WEM solutions enabled
- Knowledge shared, awareness raised and capacity built on WEM methodologies, policies and technologies
- Demonstration actions implemented as means for WEM knowledge sharing

Progress made thus far

The WEM agenda advanced through implementation of activities within all its designated work lines, guided by the UfM WEG, and by the UfM TF WEM as its subordinate, co-led by Italy and Turkey. GWP-Med technically led implementation of the WEM agenda in close cooperation and under the guidance of the UfM Secretariat. Activities included:

- Content contribution and facilitation of session at the ‘Youth Workshop on Water & Migration’ organised by the Center for Mediterranean Integration / World Bank and partners, 25-28 March, Marrakesh. The Workshop brought together the Mediterranean Youth for Water Network (MedYWat) and regional partners to discuss challenges, solutions and youth contributions on water and migration.

- Organisation of the 3rd WEM Task Force Meeting, 15-16 April, Rome, hosted by the Italian Ministry of Foreign Affairs. The meeting reviewed progress, provided orientation on implementation of foreseen activities and guided on contents towards a UfM WEM Framework Programme. Among other points, countries guided towards integration, as possible, of the WEM and WEF Framework Programmes.

- Organisation of World Water Week Session “MENA focus: Addressing Water-Employment-Migration in the Mediterranean”, 27 September 2019, Stockholm. The session explored WEM facts and contents in the Mediterranean contributing towards further understanding and identification of operational ways for



materialising the WEM thematic agenda. The Session was organised by GWP-Med, UfM Secretariat with Sida support through the 'Making Water Cooperation Happen (*aka* the Water Matchmaker) Project.

- The WEM Lab II (19-20 November 2019, Istanbul) brought together representatives of key institutions (including on migration and labour), governments and stakeholders including the private sector civil society and academia, to identify related challenges, possible solutions and synergies among a range of partners. The focus was on addressing key lines towards elaboration the WEM Framework Programme within the UfM Water Agenda, building on contributions by on-going and future actions and projects, including a 'start-up' WEM project of scale. WEM Lab II was organised by GWP-Med, SUEN and the UfM Secretariat with Sida support through the 'Making Water Cooperation Happen (Water Matchmaker) Project.

- Organisation of the 4th WEM Task Force Meeting, 20 November 2019, Istanbul, hosted by Turkey/SUEN. The meeting reviewed progress, provided orientation on implementation of foreseen activities and further guided on contents towards a UfM WEM Framework Programme and a WEM 'start-up' project within that.

- In preparation of and following up the WEM events in Istanbul, contents of the WEM/WEFE Framework Programme and an outline of the WEM/WEFE 'start up' project, progressed with emphasis on promotion of tangible small/medium scale WEFE pilots in coastal, urban and rural areas coupled with WEM action lines. An advance version of these has been prepared and will be presented for guidance at WEG 11 Meeting.

- The need for a WEM flagship assessment was identified, to elaborate on challenges, status and suggested solutions and ways forward, through addressing regional and national considerations of WEM interlinkages and interdependencies. This work line is aimed to advance also in the latter part of 2020. Countries and regional partners have expressed interest to contribute.

- Based on beneficiaries' expressed interest and demands, partnerships are key for implementing these. Potential partners have been identified over developing the WEFE Nexus and WEM FPs, like UNEP/MAP, GIZ, JRC, ILO, UNESCO WWAP, WB CMI, UNIDO, CEWAS, MedCities, INWRDAM, etc. Operational synergies with these and additional partners would be further explored. Funding possibilities have been explored with bilateral development partners, while operational linkages with upcoming and pursued programs and projects supported by multilateral and bilateral development partners has been sought. More specifically, strategic partnership with the Swedish International Development Cooperation Agency (Sida) has been actively pursued and it is anticipated that synergetic actions for WEFE Nexus and WEM FPs will be launched soon as a 'proof of concept'.

Water Supply, Sanitation and Hygiene (WASH)

Aim: to enhance sustainable use of water resources to achieve sustainable development goals under the Agenda 2030 in the UfM region.

Objective: to introduce and/or promote integrated approach for achieving water and sanitation SDGs, and to catalyse action for its mainstreaming, financing and implementation in UfM Member States, at the national, local and regional levels.

Content: the UfM water agenda is an instrument to contribute to the Global Development Agenda and to achieve universal water and sanitation coverage for all and to consider the economic value and water



economies in general terms toward achieving a sustainable services and stable utility modules in the region aiming to enable private sector engagement and development of investment opportunities and building capacities for development of bankable projects.

To achieve such an equation, innovation is needed, and consideration given on how to speed up the transfer and implementation of new technologies. Addressing this at regional level in the UFM will enable the member states to build capacities in this sector and exchange knowledge at policy and operational level by creating a sustainable platform among water utilities and water operators and integrate these element on the national development plans following IWRM principles.

Description of outputs:

- WASH challenges and innovative solutions identified and prioritised, at different geographical scales, through multi-stakeholder consultation based on SDGs and JMPs, EU framework water directive for EC countries
- WASH governance settings strengthened, at difference geographical scales
- Planning and implementation of WASH innovative solutions enabled, at different geographical scales
- Knowledge shared and capacity built on WASH, policies and technologies
- Demonstration applications implemented as means for knowledge sharing

Progress made thus far

- Following the endorsement of the Water Agenda by the December 2018 SOM, further elaboration and refinement of the WASH work programme was deemed necessary, including a fine-tuning of the proposed activities in line with the SDGs and with a view to maximise linkages and complementarities with the other thematic areas and the FS in particular. The revised and restructured outline of the work programme was presented during WEG 10 (13-14 June 2019, Brussels) and involved an organisation of the WASH theme across four pillars, namely: challenges, governance, innovative solutions, and knowledge sharing. The revision was positively received by the WEG members who requested the more detailed work programme and proposals prior to the next WEG meeting. Separate meeting of the WASH TF did not take place during the year, despite efforts to hold such gathering on the side of the 2nd Cairo Water Week (20-24 October 2019, Cairo).

- In 2020, and in the dawn of the COVID-19 pandemic, the UfM held together with the Mediterranean Water Institute (IME) a series of three virtual working sessions to brainstorm on the impact of the COVID-19 pandemic on drinking water and sanitation⁵. The participants exchanged best practices, lessons learned, and the emergency plans that water and utility operators have prepared in their respected countries in order to cope with the crisis. They agreed that providing sustainable water access is essential for many jobs and discussed their emergency and recovery plans to help water utility operators cope with the crisis. Over 250 million people are expected to be “water poor” within the next 20 years in the Euro-Mediterranean region, with numbers potentially exacerbated by the COVID-19 pandemic.

⁵ <https://ufmsecretariat.org/ufm-ime-meeing-water-sanitation-covid/>
<https://ufmsecretariat.org/second-ime-water-sanitation-covid/>
<https://ufmsecretariat.org/3rd-brainstorming-session-water-sanitation/>



Water & Climate Change Adaptation (WCCA)

Aim: to address the note of the Water Ministers (27 April 2017, Malta) on the threat of climate change, acknowledging that its impact “*exacerbates pressures on existing water resources, in particular in the Mediterranean region*” and support efforts so that the UfM Water Agenda can “*...help in tackling climate change impacts and increasing climate and disaster-resilience...*”.

Objective: As part of UfM Water Agenda development, during WEG 8 (1 Feb 2018, Dead Sea, Jordan), it was agreed to consider as priority work area Climate Change Adaptation and Water (CCA). Further to having a dedicated work programme, it would be useful considering this thematic area as horizontal and spanning across the other thematic areas and be developed in line with the UfM climate action strategy.

Content: Two lines of work have been proposed: on the one hand to benefit from the synergies with the Climate Action Initiatives already undertaken by the UfM – as presented at the *ad hoc* meeting of UfM CCEG on Adaptation in relation with the UfM Water agenda that took place at the UfM premises in Barcelona (13 November 2018). And on the other hand, to obtain from the WEG further input into other potential initiatives linking the water and climate change agendas. The establishment of an *ad hoc* Water Climate Change Adaptation Task Force (WCCA TF) would enable this work to be brought together.

Description of output: For the current work of the UfM, the following initiatives were highlighted:

- The *Regional Analysis of Nationally Determined Contributions (NDCs)*
- The Mediterranean experts on Environment and Climate Change (MedECC) assessment report on the situation and the impacts of climate change on the Mediterranean basin, the Climate Finance Study
- The *Assessment of the impacts of Climate Change on the Agriculture Sector in the Southern Mediterranean,*
- the UNCCD Drought Initiative.
- Additional initiatives will be discussed in early 2019.

Progress made thus far

- The WCCA chapter and work programme, as endorsed by the December 2018 SOM, were less detailed than other themes of the Water Agenda, and thus, a mapping exercise of ongoing Mediterranean Initiatives on Water and Climate Change Adaptation was conducted early in 2019. The aim was to shed light on what exists in the region, linking them more closely with the work of the WCCA TF and the Water Agenda, and thus enhancing synergies and avoiding the duplication of efforts.

- Aiming to enhance even further synergies and especially the linkages with the work of the UfM Climate Change Division, a two-hour session on ‘*The UfM Water Financial Strategy: Water Finance gaps in the MENA where Climate Finance could help*’ was organised during the UfM Climate Week (9-11 April 2019, Barcelona) and specifically during the 6th UfM Regional Climate Finance Committee (9 April 2019). The meeting allowed the sharing of experiences and knowledge about common climate finance challenges impacting the region and catalysed the peer exchange of specific projects and opportunities related to the funding of climate resilient development strategies.

- Linked to the above, the ‘*Technical Workshop on Project Preparation for Transformational Climate Resilience Water Projects in the Mediterranean Region for the Green Climate Fund*’ was co-organised by



GWP-Med and UfM Secretariat in Brussels, on 10-12 June 2019, back-to-back with WEG 10, with the support of the Swedish International Development Cooperation Agency (SIDA) and the GWP Water, Climate and Development Program (WACDEP) and with the technical input of the Green Climate Fund (GCF) and the World Meteorological Organisation (WMO). The Workshop was a concrete response to the expressed demand by Mediterranean countries, from both Middle East and North Africa (MENA) and Southeastern Europe (SEE), for strengthening capacity of responsible national authorities and entities to access international climate financing instruments, and GCF in particular, and to be assisted in preparing climate-resilience water projects, including to address challenges in the mainland and the coastal areas.

The country representatives from 10 Mediterranean countries that participated in the Workshop:

- expressed their strong desire to continue collaborating in the Regional Workshop's follow-ups, across countries and with regional partners, to enhance accessibility to international climate finance in the region through experiences sharing, capacity building, concept notes' development support, etc.
- recognised that regional policy frameworks, including the UfM Water Agenda 2030 and its Financial Strategy as well as the UN Env/MAP Regional Climate Change Adaptation Framework for the Med Marine and Coastal Areas, provide for its development.
- called-upon UfM and GWP-Med to facilitate a regional platform that can service this purpose in a partnership approach.

The request was immediately taken up at the WEG 10, which approved the creation of a Partnership to enhance accessibility to climate finance in the Mediterranean with a prime focus to GCF that was suggested by the GCF Workshop, and asked UfM and GWP-Med to follow up for exploring ways for building it up and making it deliver within the UfM Water Agenda.

Financial Strategy (FS)

Aim: to facilitate increased financing of investments that contribute to access to water; protection against risk of droughts, floods or polluted water; and sustainable growth in the Mediterranean region, while enhancing the financial sustainability of the water sector.

Objective: to raise the profile of the issue on the international political agenda and within the finance community, to improve the evidence-base with analytical work on how to overcome the barriers to investment, to push the boundaries of traditional thinking about financing water-related investments, and to promote impactful ways of financing water-related investments.

Content: Responding to the UfM Water Ministerial Declaration the FS draws upon political leadership and technical expertise and was developed under the guidance of the WEG and through dedicated TF meetings as a regional, evidence-based document on water financing that provides value added by:

- offering strategic guidance for water financing to support the water agenda for the Mediterranean region owned by all UfM member states;
- providing a framework for individual UfM member states to develop their own national financial strategies;
- providing a basis for dialogue with financial and technical partners around a number of agreed high-priority strategic objectives ; and



- identifying specific actions to be carried out at regional level in the short term to support progress towards financial sustainability of the water sector in the Mediterranean region.

The FS includes three substantive pillars, which identify key challenges, good practices, strategic objectives and priority actions, and an implementation plan. The three pillars are: approaching water financing in a strategy way; making the best use of existing financial resources and mobilising additional financial resources. The FS details a total of 10 strategic objectives and 48 priority actions.

The responsibility for achieving the Financial Strategy objectives will remain with UfM member states, individually and collectively. Multiple actors have also a role to play, whether technically and financially leading or supporting. The exact actors and roles will vary from country to country, according to their specific institutional settings and policies.

Description of outputs:

1. Reform the water sector to enhance its financial sustainability.
2. Integrate water financing considerations across water-related sectors.
3. Use existing financial resources to fund water-related activities that provide the highest social, economic and environmental benefits.
4. Improve the coordination of water-related investments.
5. Increase value-for-money in the implementation of water-related projects and the delivery of water services.
6. Increase efficiencies in water use and ensure adequate asset management to optimise the use of existing financial resources.
7. Increase revenues internally generated in the water sector.
8. Increase allocations of public budgetary resources to water-related activities.
9. Mobilise more resources from domestic private actors.
10. Use resources from international financial partners strategically to leverage other sources of finance.

Progress made thus far

- The year 2019 was rich vis-à-vis the implementation of the FS work plan. As per the structured reporting provided during WEG 10, overall progress has been made by WEG countries on the path towards financial sustainability of the water sector, with priority activities directly relating/responding to the 10 objectives of the FS.

- On specific activities, two UfM National Workshops on Sustainable Water Financing were conducted in 2019, one in Jordan (19 March 2019) and one in Albania (31 October 2019). The overall objective of the UfM National Workshops is to facilitate the implementation of individual actions of the Water Agenda's Financial Strategy by UfM member states that will contribute to enhancing the financial sustainability of their water sectors (also as a means to gain the social, economic and environmental benefits of implementing the UfM Water Agenda). However, each Workshop has specific objectives, tailored to the demands and requirements of the country. To this end, on both occasions, dedicated preparatory trips were carried out (4-7 February 2019 in Amman; 9-11 July 2019 in Tirana), in order to discuss with the involved stakeholders, the specific objectives as well as the practical elements of the Workshops, and seek advice from selected development cooperation partners and other relevant actors on the planning of the Workshops.



In both Jordan and Albania, the Workshops were well attended, involving targeted representatives from Ministries of Water, Finance, other competent Ministries and public authorities, utilities and service providers, private sector, development partners active in the country, civil society, academic and individual experts. Concrete recommendations were drawn upon, along with indicative timelines for action. Dedicated Reports from the Workshops have been prepared, along with Summary Reports from the country missions that preceded.

The National Dialogues on Water Financing constitute a useful tool and WEG members encouraged the replication of the Jordanian and Albanian experiences, whilst more countries have requested support to organise a National Workshop on Water Financing in 2020, starting with Morocco.

Moreover, and benefitting from the lessons learnt from the two Dialogues, a Framework Concept Note on this tool has been elaborated to drive the work and form the basis to discuss with UfM member states the UfM Secretariat support for the organisation of further national workshops on water financing. Feedback on this Note is expected during and after the June 2020 online consultation.

- Enhancing further the exchanges at regional level and implementing a key activity of the FS annual workplan, the first *UfM Annual Conference on Water Investment & Financing (ACWIF)*, took place in Rome on 5 December 2019, in collaboration with the Italian Ministry of Foreign Affairs and International Cooperation (MAECI) and the Italian Institute for International Political Studies (ISPI) and in the framework of the Mediterranean Dialogues (5-7 December 2019). ACWIF was technically assisted by the Global Water Partnership-Mediterranean (GWP-Med) and financially supported by the Swedish International Development Cooperation Agency (SIDA).

The Conference brought together around 50 targeted participants and attempts to push the boundaries of traditional thinking about water investments by discussing evidence-based knowledge on opportunities to facilitate new forms of financing and enhance the sustainability of the sector. It highlighted the necessity of water cooperation for regional security in the Euro-Mediterranean region, discussed and examined appropriate options for blending different sources of financing among the stakeholders, international organisations and new forms of Public-Private Partnership. A dedicated Report has been prepared and shared with the WEG members for potential feedback.

On the basis of the conclusions of the 1st ACWIF and aiming to address the ‘day after’ of the COVID-19 crisis, a draft Concept Note has been prepared on the context, objectives and structure of the 2nd ACWIF (November 2020, location/date tbc). Feedback on the Conference’s focus and theme, will be sought from the UfM countries and partners during the June 2020 online consultation.

NEXT STEPS | Planned Actions until the end of 2020

Further to the 2020 Workplan for the Water Agenda and FS, the following milestones are anticipated during 2020:

What	When	Who
Progress implementation of all thematic workplans and the FS Workplan	Throughout 2020	UfMS and countries, financial partners and all involved actors



Online Consultation Meeting on the UfM Water Agenda and Financial Strategy in view of SDG6 and the Green Deal: Policy Actions, Economic Responses, and Ways Forward in the post-COVID 19 context	9-10 June 2020 Online meeting	UfMS, UfM Member States, international institutions, regional organisations and civil society
4th Mediterranean Water Forum	11-13 November 2020, Malta	UfMS, Malta, IME, UfM member countries and partners
2 nd ACWIF	Q4 2020 Options will be explored for both face-to-face and online event	
Prepare and organise WEG 11 Meeting, including potential back-to-back TF meetings or other thematic events	Q4 2020 Options will be explored for both face-to-face and online event	UfMS
Submit updates in the implementation of the Water Agenda and FS to the SOM for approval	Dec 2020	UfMS