5th CONFERENCE OF THE WATER DIRECTORS OF THE EURO-MEDITERRANEAN AND SOUTHEASTERN EUROPEAN COUNTRIES

21 & 22 July 2008 Cavouri - Athens, Greece

CONCLUSIONS

The Water Directors of Albania, Croatia, Cyprus, Czech Republic, Egypt, France, Germany, Greece, Israel, Italy, Jordan, Lebanon, Malta, Mauritania, Morocco, Slovenia, Spain, Tunisia, Turkey, and the European Commission representatives, participants in the Conference held in Cavouri - Athens, Greece, on 21-22 July 2008 as well as the Water Director of Libya participating as observer to the Conference, which was also attended by representatives of intergovernmental and non-governmental organizations.

Preamble

- 1. Considering that the Mediterranean countries face a diversity of water challenges linked with water scarcity and droughts, climatic conditions, rapid population growth, poverty, unbalanced food supply and affordability, environmental pollution and degradation, gender equality, as well as governance issues including lack of adequate political support, fragmentation of water management, insufficient public awareness and relevant education and that, while a large number of efforts are made by governments, national and international agencies and various stakeholders to respond to such challenges, based to certain extent on IWRM approaches, it is essential to enhance coordination and coherence of these efforts, particularly since the Mediterranean is among the worlds most vulnerable regions to the effects of climate change;
- 2. Considering the Conclusions of the 4th Conference of the Water Directors of the Euro-Mediterranean and Southeastern European Countries, 10-11 December 2007, in Bled, Slovenia that included *inter alia* a set of recommendations related to the organization of the Euro-Mediterranean Ministerial Conference of Water, 29 October 2008, Jordan and the follow up actions undertaken and Meetings realized (including the meeting of the ad hoc Steering Committee at Marrakech, 30 April 2008 held back to back with the 2nd MEDA Water Conference):
- 3. Recalling that the EuroMed Committee of 8 April 2008 agreed that in order to have an assessment as exhaustive as possible allowing Ministers to define orientations and take the most appropriate decisions, a number of preparatory documents will be elaborated, prepared by different partners. The Committee took note of the proposal by the organizers to accept the co-operation offer from the Euro-Mediterranean and Southeastern European Water Directors and tasked them to present a technical synthesis during the Ministerial Conference.
- 4. Recalling the Joint Declaration of the Paris Summit for the Mediterranean, 13 July 2008, and the references related to water in the region as well as to the Euro-Mediterranean Ministerial Conference on Water that will define a Mediterranean Water Strategy, promoting conservation of water resources, diversifying water provision resources and efficient and sustainable use of water;

The Water Directors note that:

5. Their activities ahead of the Ministerial Conference in Jordan are a preparatory contribution to, and should be considered in conjunction with, the ongoing process for

the drafting and negotiation of the Ministerial Declaration within the institutional Euro-Mediterranean context.

- 6. France and Egypt, who will co-chair the Conference, together with Jordan as host country, provided clarifications at the meeting on the preparatory process. The meeting was informally informed by France on the latest state of play within the EU of the draft Ministerial Declaration, as a preparation for the forthcoming discussion in the Euro-Mediterranean institutional context.
- 7. Jordan informed that the Ministerial Conference will be organized under the high patronage of His Majesty King Abdulla, and drew the attention of the meeting that the registration of delegations and participants must be made as soon as possible and at the latest by mid August (practical information is available on the website of the conference: www.medaguaministerial2008.net).
- 8. A first information about the Conference was provided to the countries via the French embassies, in order to identify the ministers to be invited; some Ministers have already confirmed their intention to take part at the Conference, even though additional efforts will be required to ensure additional confirmations.
- 9. France expressed the importance to move towards the project-related dimension of the BP:UfM and therefore invited the Water Directors to think about water-related projects that could be integrated in this mechanism. The proposal was positively received by the Water Directors.
- 10. Some delegations indicated that certain actions such as exchange of information may require voluntary approaches on a case by case basis.
- 11. Mediterranean Action Plan/UNEP expressed their readiness to address, if appropriate, the Ministerial on their activities related to water in the Mediterranean.

The Water Directors agree to:

- 12. Express appreciation to France, Jordan and the European Commission on actions taken for the organization of the Ministerial Conference.
- 13. Wish to continue and enhance their interaction among themselves and with competent Authorities and stakeholders in view of and according to the decisions of the Ministerial Conference.
- 14. Express appreciation to the lead countries and contributors of the draft Theme Papers for the Ministerial Conference on (i) Water Governance in the Mediterranean, (ii) Integrating the Climate Change Dimension into Water Resources Management in the Mediterranean (iii) Optimizing Water Financing and (iv) Water Demand Management and Efficiency and Non-Conventional Water Resources.
- 15. Continue to contribute to the finalization of the draft Theme Papers in time before the Ministerial Conference in accordance with the timetable specified below, with a view to allow Ministers to make use of them, where appropriate, in defining the Mediterranean Water Strategy.

In particular, as regards the draft Theme Papers and the draft Issues Paper:

16. The Water Directors welcome the draft Theme Paper on Water Governance in the Mediterranean presented by Greece, Lebanon and the Palestinian Authority with the contribution of the MED EUWI Secretariat.

16.1. The draft provides an overview of the main issues, challenges and approaches with respect to water governance and aims to fuel reflection on the way forward. Effective water governance is a critically important prerequisite for meeting current and future water challenges at regional, national and local levels. Countries in the region gradually respond to the MDGs and the WSSD targets and are progressing in governance issues assisted inter alia by existing opportunities provided by regional initiatives and bilateral assistance. The new water strategies and IWRM plans must describe the updated national framework of improved water governance. To be effectively applied, plans have to be supported by competent and capacitated institutions, legal and regulatory tools, monitoring and evaluation systems (including collection and sharing of information), sustainable financing strategies and adequate funding. Overlapping and multiplicity of water institutions at national level needs to be addressed in a pragmatic way in order to improve inter-sectoral and interinstitutional coordination between relevant existing agencies and ministries. Capacity building, training and development of skills should be supported in order to meet current and future challenges. Awareness raising and stakeholder participation should be further developed as foundations of water governance, taking into account gender issues related to water, together with education as an investment for the future. Actions should respond to real needs and be more coordinated, coherent and output oriented. IWRM plans have to be developed or finalized in all countries through participatory processes and based on national realities and needs. Local / watershed plans have to gradually be elaborated in a similar manner. Experiences on issues of water governance should be shared at regional and national / local level.

16.2. Moreover, the Water Directors recommend:

- Further action is needed for translating technical findings into political messages that will assist reaching out to sectors and partners and for further raising political will.
- As already done by several countries that have progressed in reforms, restructuring the existing administrative water structures on the basis of national watersheds can facilitate the application of IWRM principles.
- In order to address the management of shared waters, adequate governance arrangements should be in place involving the countries concerned, taking into account existing agreements.
- Further promotion is needed for regional and country dialogues on water governance issues identified in the Theme Paper in a structured, cross-sectoral, multi-stakeholder, integrated and action oriented manner.
- Transparency and anti-corruption measures need to be perceived as central to equitable and sustainable water management.
- More and reliable data should be generated and exchange of information facilitated.
- 17. The Water Directors welcome the draft Theme Paper on Integrating the Climate Change Dimension into Water Resources Management in the Mediterranean presented by Morocco, Spain and Greece with the contribution of the MED EUWI Secretariat.
 - 17.1. The draft provides an overview of the main issues, challenges and current approaches with respect to water and climate changes adaptation in the region and aims to fuel reflection on the way forward. Consequences of climate change forecasted to be severe in the Mediterranean, with phenomena such as recurrent and persistent droughts, high variability in precipitation, serious decrease of soil moisture, river flow decrease, extreme weather events, desertification, sea level rise, will heavily impact on freshwater availability in terms of quantity and quality. It is important that adaptation strategies are developed and measures are taken as soon as possible so as to help people to manage their water basins and ecosystems in a sustainable way. Adaptation should engage all policy formulation and regulatory levels

and to be integrated into all aspects of water resources management, with a particular emphasis on water efficiency, the use of non conventional water resources, climate risk management, strengthening of the hydro-meteorological services, sector integration as well as cross-cutting issues such as governance, capacity building, education, and not least migratory trends.

17.2. Moreover, the Water Directors recommend:

- Efforts should be pursued so as to downscale crucial climate-related data/information at the lowest possible level throughout the region.
- With respect to the climate-water-energy nexus, the rising cost of conventional energy sources (in particular oil) should be considered when developing new water resources (eg. desalination and transfers). The use of renewable energies and energy efficiency, in synergy with water efficiency, should be promoted within the water sector. Due consideration should be given to impacts on the environment.
- The level/degree of water quality needed for the various usages (agriculture, drinking water, ecosystems) has to be assessed in the light of the different water treatment technologies available and their respective cost.
- Investments/funding from the major donor countries should encourage the necessary diversification of economic activities towards activities less impacted by climate change, keeping in mind the need for equity considerations in tackling climate change.
- 18. Water Directors welcome the draft Theme Paper on Water Financing presented by Italy and the European Commission.
 - 18.1. The draft provides an overview of the main challenges in respect to water financing in the region and aims to fuel reflection on the way forward. The water sector requires substantial and sustainable financing strategies. Funding refers to infrastructures' investment, maintenance, provision of services to the various users and related activities (eg. awareness). The operating and maintenance expenses have been too often neglected compared to building infrastructures. Sustainable progress in the region will require an integrated approach, since failure in governance can be a major bottleneck to investment. A balance between the different sources of financing (taxes, tariffs, private investment, IFIs, international and bilateral cooperation) has to be ensured. The draft describes several instruments and sources of funding, including the Horizon 2020 Initiative in the context of the European Neighbourhood Policy. The drafters invited the meeting to provide further contributions to ensure a comprehensive and balanced overview of financing sources, as well as additional operational suggestions on the way forward.

18.2. Moreover, the Water Directors recommend:

- Cost recovery is an indispensable tool for financing water services, in particular water supply and sanitation. Its introduction to all users, including agriculture, may often require a gradual and pragmatic approach, which should be accompanied with national information campaigns. Water is a public good and tarification should integrate social considerations, particularly for the less privileged part of the society, where appropriate through subsidization, as well as adapting tariffs to different water qualities, as long as incentives for economic use of water are preserved and operations and maintenance are adequately resourced.
- While cost recovery is an important tool, the magnitude of the challenge of financing water should not be underestimated and all resources should be fully tapped. Successful financing strategies should include an efficient blending of grants (as catalysts) and loans. Grants should catalyze greater financial input. Official Development Aid (ODA) should provide technological solutions adapted to the real

needs of recipient countries and take into account the overall societal water requirements (eg. not only treatment plants but also distribution networks).

- Since the priorities of ODA are largely agreed between donors and recipient countries, it is fundamental that both sides highlight in their national strategies the importance of water financing and liaise with the financial departments responsible for budgetary allocation.
- In a context of climate change adaptation and water scarcity and droughts, additional efforts are required to finance the potential for increased water efficiency and water demand management, including Public Private Partnerships in key sectors such as irrigation. Ultimately, a successful water strategy cannot rely solely on financial action but will require a combination of political decisions integrating water scarcity concerns in a range of sectors including, where appropriate, changes in land use and agricultural reform.
- The success of financing strategies is also depending on an overall enabling environment for investment and therefore linked to the broad objectives of the Union for the Mediterranean.
- 19. Water Directors welcome the draft Theme Paper on Water Demand Management and Efficiency and Non-Conventional Water Resources presented by France and Egypt.
 - 19.1. The draft provides an overview of the main issues, challenges and current approaches with respect to water demand management in the region and aims to fuel reflection on the way forward. With increasing population growth, environmental degradation and impacts of climate change, it is no longer possible to simply satisfy all water demands by increasing the supply; there is little potential for developing new resources or increasing current ones. Different losses due to water transport, network leaking and unsustainable practices could exceed 100 km3/year. Improvement of water demand management could save up to 25% of the water used which corresponds to 85km3/year, which would satisfy the water demand increase projected between 2005 and 2025 (50km3/year). Strengthening legislation and capacity building, developing appropriate technologies, enhancing training, delivering adequate water pricing policies are among the actions needed to promote WDM.

19.2 Moreover, the Water Directors recommend:

- To develop 'no regret' solutions based on water efficiency measures through adoption of measurable water saving targets at regional level, based on technical and economical analyses as well as identification and implementation of concrete water efficiency based projects, in particular in the framework of the BP:UfM.
- To engage a wider reflection on the inter-linkages between water and trade, agriculture, energy, tourism, including the concept of virtual water.
- To complement the paper with a part addressing non-conventional water resources (eg. desalination, waste water reuse).
- 20. The Water Directors take note of the State of Play documents that are being prepared in view of the Ministerial Conference and look forward to the material that will be produced.
- 21. On the basis of the four Theme Papers presented, water culture appears as a cross cutting issue. To ensure that a future water strategy for the Mediterranean will be widely accepted, the Water Directors recommend that any regional action necessary to implement the strategy includes preliminary activities to raise the level of awareness related to these four Themes among national stakeholders.
- 22. The Water Directors invite the Ministers to agree that, in addition to quantitative elements and water scarcity concerns, a comprehensive water strategy should also

address restoration and conservation of water and overall quality objectives, taking also into account the aquatic ecosystems (including wetlands) and the services that they provide, as well as marine pollution and the full water cycle.

Furthermore,

- 23. The Water Directors take note of the on-going activities within the Water Expo (Zaragoza, 2008) presented by Spain and the preparations for 5th World Water Forum (Istanbul, 2009) presented by Turkey. They urge for promotion of discussions on priority water issues in the Mediterranean region and the organization of dedicated regional sessions where relevant.
- 24. The Water Directors take note of the presentation of the European Commission on the preparation of the EU White Paper on Adaptation to Climate Change as well as of the presentation of Slovenia on the EU Marine Strategy Framework Directive.
- 25. The Water Directors request the French Presidency of the EU and Egypt as co-chairs of the coming Ministerial Meeting, Jordan as host country of the Ministerial Conference, the European Commission and Greece as MED EUWI Lead Country:
 - 25.1. To transmit these Conclusions to the Ministers in charge of water in the countries of the Euro-Mediterranean Partnership, Libya, the countries of Southeastern Europe and to the competent EC Commissioners.
 - 25.2. To present to the EuroMed Committee and all upcoming Euro-Med Ministerial Meetings the conclusions of this Conference.
 - 25.3. To present these Conclusions at the forthcoming Euro-Mediterranean Ministerial Conference on Water, October 2008, in Jordan.
- 26. The participants thank the organisers, and particularly the Greek government for hosting the Conference in Athens.