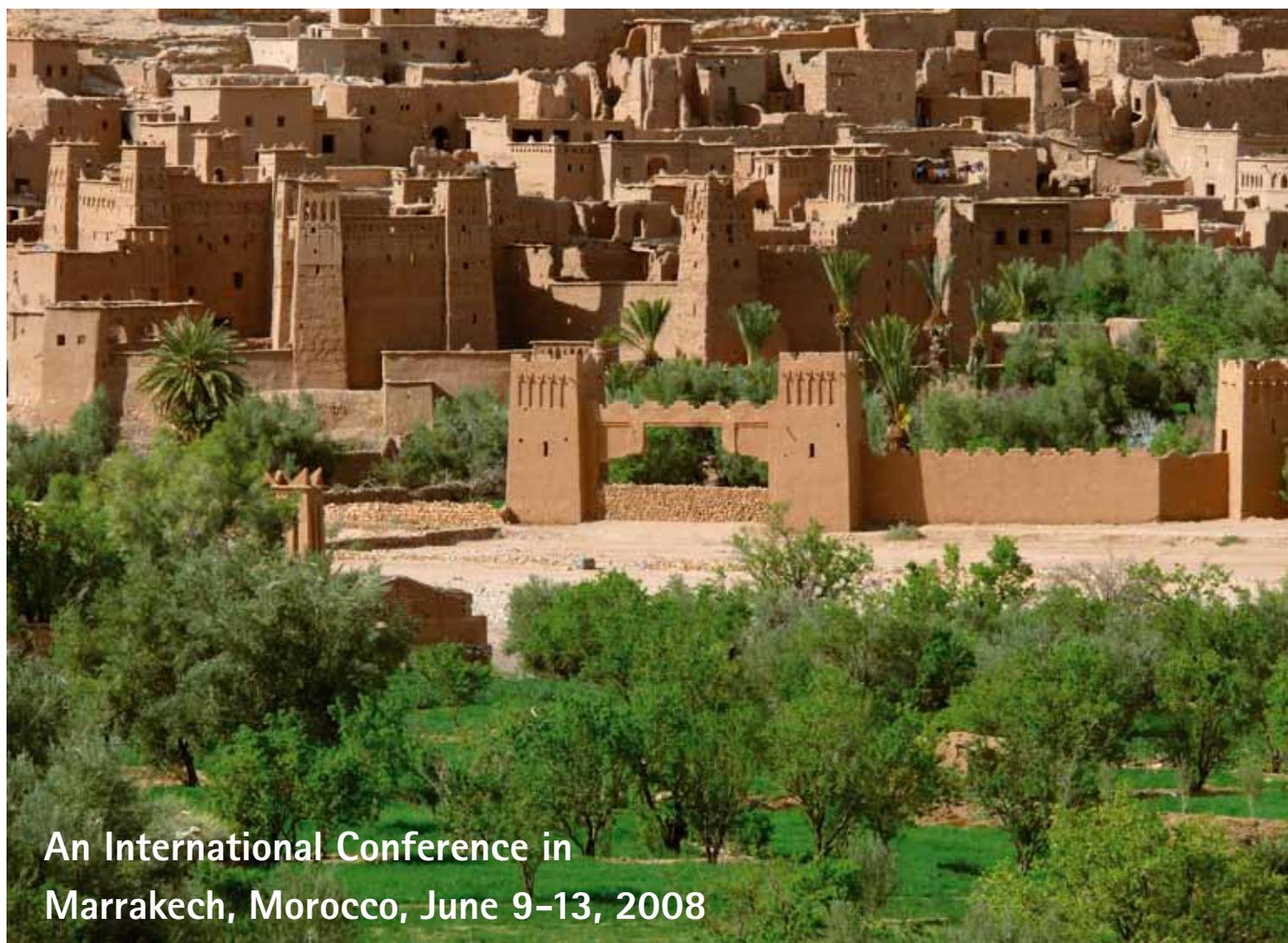


Water Governance in the MENA Region: From Analysis to Action

Extended Report



An International Conference in
Marrakech, Morocco, June 9–13, 2008

on behalf of:



Federal Ministry
for Economic Cooperation
and Development



gtz



inWent

Capacity Building International
Germany

Secretariat of State in charge
of Water and Environment



Extended Report

Water Governance in the MENA Region: From Analysis to Action

**An International Conference in Marrakech, Morocco
9–13 June, 2008**

**Accomplished by
Olli Varis and Cecilia Tortajada**



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Preface

InWEnt - Capacity Building International has developed a comprehensive and long-term programme for the water sector in the MENA region, in close consultation with its national and international partners from the region. The objectives of this programme include, but not necessarily limited to, acceleration of regional cooperation, facilitation of the formulation and the implementation of water management strategies, establishment of a functional partners' network and promotion of awareness of the policy-makers and the general public on water-related issues.

This first phase of this programme included activities in the region such as training events, conferences and seminars, and three interrelated International Partners Fora. The aim of these three Fora was to promote the analysis of water governance in the region by policy-makers and professionals from the region, through the analysis of the current situations, the critical issues and the way forward, and the identification of the best way to proceed to ensure water security of the MENA region to 2025.

During the First Forum organised in Sana'a in 2006, the programme objectively assessed the current situations in terms of water governance in the various countries of the region and the contexts of water reform processes needed in the MENA region. The main conclusion of this Forum was even though availability of water in this very arid region is a serious concern, water security of this region, both current and future, are particularly constrained by governance and management shortcomings. During the Second Forum, organised in Cairo in 2007, we visioned the way forward for the water sector development in the MENA countries until the year 2020. In this context, the following four main pri-

ority areas were discussed: laws and their enforcement, institutional performance, economic issues as well as water quality management. It was concluded that these four areas are very closely interlinked and must evolve hand in hand. More detailed information on the discussions and findings of the Sana'a and Cairo Fora, as well as the Third Forum in Marrakech can be found in this report.

In this spirit, let us continue our joint walk.

One question has been the guiding principle and still is: How could capacity building contribute to overcome bottlenecks, to take advantages of opportunities and which enabling environment is needed to improve individual, organisational and sectoral performance. In Cairo, we agreed on the importance of the How?-Questions in this context. They guide us to the question of this conference: How can we get there? How can we ensure adequate water governance? How can we do so in a rapidly changing world?

I allow myself to add one further question: Who has to know what to be able to act in a rapidly changing environment? Which information, knowledge is appropriate in relation to one's competencies, its role within a system. Inter-linkages, in French: les rapports, are of high importance in this context. According to my belief, we have to study and analyse them much more than we have done so far, we have to reflect them in a more systemic and open manner to become better aware of future causalities and conditionalities. And what is even more important: To become better aware of different perspectives of various people involved, a pre-requirement for a common and mutual understanding, which is the starting point to find promising compromises for development, we all can agree to.

So, how can we link the findings of the last two conferences? How can we contribute to transform findings into policies and actions? How can we link them to emerging issue? How can we anticipate its implications? And how might adaptation look like?

I renew InWEnt's commitment to our joint walk: Just let me mention that we have started one further capacity building programme in the MENA region, aiming to strengthen training institutions acting in the regional water sector. Morocco is part of the programme as the Arab Water Academy is, that has been initiated by the AWC. I am glad to share with you that we are currently planning a second phase of this programme related to water governance in the MENA region.

Thus, InWEnt is ready to continue the process and I am most convinced that this conference will be a further important milestone of our fruitful cooperation.

My sincere appreciations go to the conference conveners: Our regional partner, the Arab Water Council. Thank you very much for all your constructive support and trust; my thanks to the Secretariat of State in charge of Water and Environment, thank you very much for your ownership to the process; my appreciations to the ABHT, thank you very much for your full local support; to the colleagues of GTZ for their enormous help. Last and definitely not least: My sincere appreciations to the colleagues and friends of ONEP, one of the traditional and most stable strategic partners of InWEnt and a very good example for a strategic partnership of learning organisations.

Alexandra Pres
Head of Division, InWEnt

Water Governance: A Critical Issue in the MENA Region

In the Middle East and North Africa (MENA), an area that often suffers from seasonal and annual aridity, some of the most important challenges that are to be faced during the 21st century are the rapid population growth, increasing urbanisation, and rising demand for food.

The demographic changes have put immense stresses on the water institutions of the region as water demands have increased exponentially. Consequently, many water institutions have effectively operated in a “crisis mode” for much of the second half of the 20th century. Their main objective has been to provide as much water to as many people as possible in the shortest possible time. This has inevitably meant that there has been a tendency to consider short-term solutions rather than pursuing a policy of nation-wide planning and management of the water resources which can ensure long-term efficient management. Under these conditions, the general performance of the water institutions has been consistently sub-optimal.

Regarding the agricultural sector, for most MENA countries, this sector is now contributing a low and declining percentage of the national GDP. Unfortunately, most water institutions have only recognised this fact in recent years and, as yet, few have done anything about it.

A worrying trend is that sometimes service and industrial sectors, which may account for 75% of the total GDP of these countries, often face water shortages, as the urban centres receive unreliable and interrupted water supplies. The impacts of these

unreliable water supplies on the national economy and health are very significant, and yet very limited investigations have been undertaken by the water institutions to understand and appreciate the implications on the national economy and quality of life of the people.

The water sector incorporates activities from the small to the large scale, carried out by a range of different organisations and individuals. However, the growth of nation states in the MENA region during the 20th century has meant that the water sector is controlled and managed by government organisations. In spite of this development, the range and performance of institutions within the water sector varies widely from one MENA country to another. In addition, coordination and interactions between different water-related institutions in anyone country leave much to be desired. Rivalries between different water institutions are common, especially as their responsibilities are not always clearly established. The net result is often inefficient delivery of water services.

Because of the above and other related factors, reform of the water sector institutions is urgently needed. Many MENA countries have already initiated a reform process, which requires clearly enunciated and implementable guidelines, improved institutional performance, good governance practices, and ensuring national, regional and international cooperation. Participation of all concerned stakeholders is another essential requirement for efficient water management. This includes capacity building at all levels, and empow-

erment of the public and private sectors as well as community organizations so that they all contribute to the overall improvement of the water sector.

It is a fact that water availability is extremely scarce in the MENA region. These resources must be managed efficiently on a long-term basis and therefore water governance is essential for the region. Since it is the governmental institutions the ones responsible for water management, they have to improve very significantly their governance and management practices. A major constraint for this has been the availability of trained and experienced personnel at all levels in the water sector. Accordingly, education, capacity building, training and organizational developments constitute an essential cornerstone to pursue good management and governance-related practices for the water sector in the MENA region.



The InWEnt Capacity Building Programme for the Water Sector for the MENA Region

InWEnt - Capacity Building International, acting on behalf of the German Federal Ministry for Economic Cooperation and Development, has formulated a four-year Programme on Capacity Building in the Water Sector for the MENA region, focusing in eight countries: Egypt, Morocco, Algeria, Tunisia, Jordan, Palestine, Syria and Yemen. The regional partner for this programme has been the Arab Water Council.

The main objectives of the overall programme include strengthening regional cooperation; facilitate the development of management strategies for the water sector in selected countries within the MENA region in order to formulate and implement appropriate water sector reforms; establish a functional partner network; and promote awareness of policy-makers and the general public on water-related issues.

The outputs of the programme include, but are not necessarily limited to, improving the institutional performance, increasing the awareness of policy-makers of the priority issues involved, and support the development of a functional network on water issues within the region.

The InWEnt approach is focused on the implementation of a series of activities such as dissemination of regionally relevant and up-to-date professional knowledge and methodical competence; capacity building needs assessment and how these needs can be met in a cost-effective and timely manner; and periodic monitoring and evaluation of progress made. It also includes public relations, public awareness, and promotion of best practices in communities, and overall, regional cooperation through internal funds, third-party funds, and partner projects.

The present four-year programme consists of a number of training events and seminars as well as three interrelated International Fora on:

- I. [Water Governance in the MENA Region: The Current Situation](#). Sana'a, Yemen, 16-20 July 2006.
- II. [Water Governance in the MENA Region: Critical Issues and the Way Forward](#). Cairo, 23-27 June 2007; and
- III. [Water Future to 2025 for the MENA Region: From Analysis to Action](#), Marrakech, Morocco, 9-13 June 2008.

First International Forum in Sana'a, Yemen

The first international Forum on Water Governance in the MENA region: The Current Situation, took place at Sana'a, Republic of Yemen, 16 – 20 July 2006 and was hosted by the Yemen Ministry of Water and Environment. It was supported by the Yemeni-German Technical Cooperation Water Sector Programme.

The objectives of this Forum were the following:

- carry out critical reviews of the water management situation in the MENA region and analyses of trends and future outlooks;
- review experiences and identify key issues of water governance;
- assess and prioritize appropriate key elements for water governance;
- identify needs and future directions of capacity building strategies for improved water governance; and
- strengthen regional cooperation and networking processes.



The concept of governance appeared to be somewhat new for an appreciable number of the participants. Accordingly, the participants were brought to a common level of knowledge and understanding on the

concept which proved to be essential and productive.

An array of governance issues was identified to be common throughout the MENA region. The most important issues identified were:

- strong **fragmentation** of the sector;
- problems with **institutional set-up**, in particular unclear roles of the different actors as well as **coordination** problems;
- notable shortcomings in **enforcement of laws and policies**;
- shortage of **funding** and release of funds in a timely manner;
- need for increasing use of **economic instruments and involvement of the private sector**;
- **crisis management** rather than long-term management;
- need to shift the focus from physically increasing water supply to water **demand management**;
- **scarcity** and **non-sustainable** use of water, including growing water quality problems;
- **contrasts between traditional and modern water management practices**, what has led to abandonment of traditional methods;
- needs for further **decentralization**;
- need to increase **reuse** and water conservation;
- **technological** shortcomings;
- insufficient **data and information**, particularly in terms of reliability, accessibility and sharing;
- **public awareness**; and
- **capacity building** requirements at all levels.

While the levels of relevance and importance of these identified factors vary throughout the region, they appear to be applicable to all the MENA countries.

It was recognised that whereas water resources are extremely scarce in the MENA region, the water problems are dominantly related to governance and management shortcomings. Human resources deficiencies thus are a key part of the water scarcity problem. Therefore, education, capacity building, training and organisational development constitute a cornerstone for the development of the water sector in the MENA region.

For the next Forum, the participants requested a focus on new policy concepts within the topics of water governance and capacity building and related case studies. Participants also committed, on behalf of their institutions, to provide support on capacity building-related activities.

In general, human resources deficiencies were identified as key parts of the water-related problems of the region. Therefore, education, capacity building, training and organizational development were identified as cornerstones for the optimal development of the water sector in the MENA region. With its four-year programme, InWEnt plans to support national and regional institutions to develop their own strategies in terms of capacity building, including the necessary human, technical and financial assistance. In partnerships with the countries concerned, the next step will be how to make the best use of this development support.

Second International Forum in Cairo, Egypt

The Second International Forum on Water Governance in the MENA region: Critical Issues and the Way Forward, took place in Cairo, Egypt, 23 – 27 June 2007 and was hosted by the Egypt Ministry of Water Resources and Irrigation.

The objectives of this Forum were the following:

- familiarise the participants with the findings and outcomes of the Sana'a Forum;
- analyse in-depth the critical issues that were identified by the participants during the Sana'a Forum, including opportunities and constraints;
- identify appropriate approaches and concepts to overcome constraints and to build on opportunities; and
- strengthen regional co-operation and networking.

65 leading experts of the MENA region's water governance issues attended the exercise. A set of plenary lectures on relevant topics were included in the programme. A field visit was organized to the West Delta Irrigation Improvement Project, as an example of public-private partnership in financing, building and operating irrigation infrastructure.

As a continuation of the process that was initiated at the Sana'a Forum, four focal areas were chosen for detailed investigation and discussion in working groups. They were:

- Law and enforcement
- Institutional performance
- Economic issues
- Water quality management



A common cross-cutting theme throughout the Forum was “prerequisites and respective needs for capacity building”. The participants also paid special attention to the opportunities to enhance the regional co-operation.

Legal and institutional aspects that were discussed in the workshops focused on constraints, challenges and opportunities,

and were based on personal, sectoral and country experiences and viewpoints. Even though legal and institutional aspects are intertwined, they were viewed separately with the objective to have more time to analyse them as specifically or as generally as considered by the participants.

The method of the working groups consisted of four phases.

Phase	Task
One	Build common understanding and prioritize four most critical issues
Two	Find out the desired situation of each of the four issues + experiences in tackling: successes, failures as well as hampering + hindering factors of the aspects in water governance.
Three	Develop an exercise to formulate a vision to the year 2020: Where do you want to be with regard to financing, organizational and institutional set-up, restructuring of the sector, and human resources? What are the challenges on the way?
Four	Identify the development path to work towards the vision.

It is clear from the outset, that the water sector challenges are notable and growing. But it is not equally generally recognised that these challenges are primarily related to governance problems and not solely to physical scarcity. Equally important is to understand that factors inside as well as outside the water sector are important, and that the water sector does not develop in a vacuum, but instead it is an intrinsic and important part of a more general development process.

All in all, water related challenges are notable and rapidly growing in the MENA region countries. It has become obvious that a deep-going water sector reform is necessary. Institutions and organizations need profound reform. Organizations and their staff must function in an efficient, adaptive and coordinated manner.

All this can be done provided there is political will and commitment from all actors. This will not be a trivial task but, instead will be necessary, in order to achieve the visions developed by the four working groups of the Cairo Forum. It was striking to see how deeply interlinked the four visions were, none of them being isolated from each other.

They are components of the same game, they must evolve hand in hand, and as unfortunate as it is, in games such as this one, the worst performer typically defines the success or the lack of success of the totality.

Capacity building and human resources development (including organizational development) is one of the most important building blocks, if not the most important one, in developing the water sector governance in MENA countries. Only then will be meet the vast challenges that the water sectors in MENA countries are exposed to and will increasingly be exposed to.

Political will is necessary for performing the reforms needed to achieve the visions produced by the working groups and creating public awareness may help in enhancing political will. Even though there was no working group on public participation, this topic was mentioned very much by all groups as a pre-requisite for economic, legal and institutional issues, as well as water quality related matters, to be able to be implemented in the extent they are necessary.

It was discussed that there is increasing stakeholder participation in the MENA region mainly at the level of non-central governments, private sector and agricultural users. In general, the participation of societal actors such as organised civil society groups, including NGOs, is still in its very early stages. There were very concrete examples of how processes of stakeholder participation in Morocco and Yemen have rendered, and are rendering, very positive results in spite of their complexity.

The conclusions in the four main priority areas can be summarised as follows:

Law and enforcement. The working group on law and implementation characterized the challenges, drawing upon various national experiences, as well as some ways that have been able to be developed with varying degrees of success in the key aspects.

Following a description of a general vision for improving water laws and enforcement in the region, the working group elaborated a series of concrete activities that would help to address the various aspects. The activities include developing a network to share experiences, assessing the current status and appropriateness of the legal systems in the region, including their implementation, legislative and regulatory drafters, and developing a water law curriculum that could be institution-

alized in existing capacity building institutions (including universities, judicial academies, and specialized water training centres). Other proposed activities, such as case studies on addressing fragmentation and coordination, could be stand-alone activities or they could be integrated into the other activities (e.g., the water law and regulation toolkit).

Most of these activities could be undertaken at the regional level to assist national initiatives. Some activities, such as periodic assessments of needs and effectiveness, would be primarily, if not exclusively, at the national level.

Institutional performance. The water sector reform in the MENA countries leans very much on the level of success in reforming and developing proper institutional arrangements. The need to develop and reform institutions is vast, and exchange of regional experience and visions is crucial and vital.

There is a need to first define the necessary policies to set the frame. These policies have to be based on the legal water framework. Specific policies that were mentioned: PSP (Public Sector Participation, specifically Public Private Partnership), benchmarking policies, water using bodies, coordination mechanisms, representation and role of each body, specifically of a regulatory body. By-laws, instructions and procedures have to be derived from the set policies, and the organizational landscape has to be structured to facilitate the implementation.

The group expects high internal as well as external resistances (see results from Phase 2). To face specifically internal resistances, the group advises that all parties should be involved in the various stages. The change must be stepwise and in a transparent manner and has to go parallel with the development of human resources.

To enhance political will and avoid cheating by any party involved, there should be a neutral body which has no interest and who facilitates the process of restructuring and change. A common platform for exchange of information was suggested to ensure dissemination and transparency.

Economic issues. The working group strongly endorsed the widening application of economic instruments in the water sector. Main points raised in the working group discussion were:

- Conflicts between charging a price for water and religious and social values.
- Elimination of agricultural subsidies that have the effect of promoting water consumption.
- Difficulties in recovering costs for wastewater treatment from residential users.

An important consensus was reached around the following most critical aspects:

- Developing a dynamic system for improved water allocation.
- Promoting the use of non-conventional resources and water saving technology of practices.
- Increasing the sustainability of water supply systems by increasing cost recovery.
- Developing alternatives to capital investment (other than public investment).

That consensus was a must in order to develop a common platform among the participants that will help greatly in developing a common realistic vision toward 2020.

Water quality management. The water quality working group pointed out that the future working environment of the water

quality managers is strongly preconditioned by the achievement of the visions of the three other working groups. The following is a list of issues and aspects that were considered the main entry points for addressing water quality challenges as identified by the working group:

- The first main point was about data. This issue includes monitoring, collection, analysis and dissemination.
- The second issue was water quality as a national priority which was changed during the discussion to a strategy to alleviate (minimize) the adverse effects of pollution.
- The third issue was infrastructure including organizational reform, availability of equipment, training needed, human resources development, etc.
- The fourth issue was waste management technology as well as public awareness and education as an integrated part of the establishment and enforcement of environmental regulations.

General conclusions. The MENA water sector governance is thus under a many-dimensional pressure of paradigm and focal change. Under these conditions, capacity building has the potential to help policy-makers inside and outside the governments to understand how best to find a balance between public good and special interests; to assess long and short-term impacts of water policies, programmes and activities; and then to get the best out of the strengths of players in water management processes.

Governance of the water sector must take into consideration the continual changes, both from within the water sector and those outside the sector which affect the water sector and on which water professionals have limited control. The success of any long-term vision on water governance for the MENA region will thus require

proper understanding of the immense challenges and changes that are likely to be faced in the coming years and also defining the ways in which these can be best understood and addressed for the overall socio-economic benefit of the region. This will not be an easy task, but one that must be undertaken.



Third International Forum in Marrakech, Morocco

The Third International Forum on Water Governance in the MENA Region: From Analysis to Action, took place in Marrakech, Morocco, 9-13 June 2008 and was hosted by the Secretariat of State in charge for Water and Environment (SEEE), Morocco.

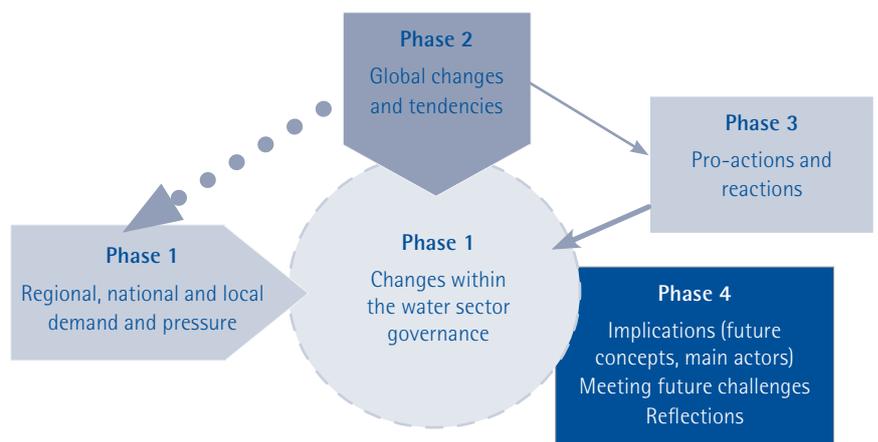
The objectives of this Forum were the following:

- Familiarise participants with the process and progress of the regional Partners' Fora;
- Analyse applicability of community practices from within the region;
- Discuss future perspectives and emerging issues;
- Promote findings within the international community; and
- Strengthen regional cooperation and networking.

50 leading experts from the water sector, mainly from the region, attended the exercise. Participants also included a few leading experts from outside the region who analysed latest development on different aspects of water governance from a global framework and perspective and presented relevant experiences for consideration for the MENA Region.

The Marrakech Forum was chaired by Professor Asit K. Biswas, Third World Centre for Water Management, Mexico.

The Marrakech Forum was expected to build on the outcomes of the Sana'a and Cairo Fora. The structure of the Forum was the following:



A common cross-cutting theme throughout the Forum was “prerequisites and respective needs for capacity building”. The participants also paid special attention to the opportunities to enhance the regional co-operation.

First, the past developments were revisited, then a diagnosis of contemporary water governance drivers and issues were deliberated, and at the end, future implications were addressed in an action-oriented manner.

The participants pointed out that the First Forum was only two years before the third one and many of the ongoing trends and tendencies are happening within a much longer time frame. Therefore, using the Fora as reference for changes on water governance-related issues in the region was not accurate. Anyway plenty of issues were identified.

In all countries, the societies are opening gradually in many ways. The countries are opening to the experiences of the

in this regard. The process of decentralization seems to be progressing; river basin organizations, water boards and regional water entities are being both established or improved.

The fragmentation of the water sectors of the region’s countries has been considered a problem in many contexts. It is a topic that was identified in the First Partner Forum in Sana’a, and mentioned again in the second and third Fora. The countries have recently made certain attempts to overcome this problem and in some

Past	Today		Future
<i>What has happened so far?</i>	<i>Emerging issues</i>	<i>Water governance today</i>	<i>Implications</i>
Summary of Sana'a + Cairo <ul style="list-style-type: none"> • process • findings 	Emerging issues at the global level	Case studies and field trip	Future concepts, main actors
Reflections, analysis Cairo → Marrakech	Global, regional issues & their implications on water sector	Responses to challenges <ul style="list-style-type: none"> • pro-active • reactive 	Meeting future challenges
			Reflections

In what follows, the approaches and outcomes of each of these phases are documented.

Phase 1: Observed changes within the water sector governance

The first three parallel working groups started from the following three questions

- What changes did you observe in your country / region since Sana’a / Cairo Forum with regard to water governance?
- Why did these changes occur?
- What reactions did you observe?

All of these were to be analyzed with respect to actors such as the government, private sector involvement, Academia, NGOs, and others.

other countries of the region, being willing to learn from each other. The lack of public finance has enhanced the search of solutions from the direction of private sector involvement. The civil society’s role is becoming increasingly important. Positive development can also be seen in the empowerment of communities in water management. Awareness on water is growing and the role of media alike. There is an increasing emphasis on capacity building throughout the region.

On the level of institutions and governance approaches, there is also notable progress. Within the past two years, several countries have seen deep-cut legal and institutional reforms. Paradigms are on change in other countries as well. Reform on water policies, national water plans and financial approaches are the major factors

cases the water sector is being linked more closely to other sectors than was the situation before.

Efforts have been targeted to improve the accountability of the water sector operators and institutions, and the spread of the use of economic instruments has taken place throughout the region. The same applies to the progress in water demand management and water conservation practices.

Despite of the recognition of several positive trends and tendencies within the region, many challenges remain. The most important ones are related to the enforcement of laws, on the implementation of water pricing reforms as well as management of water in conflict and other exceptional situations.

The political recognition of water seems to be improving in the region, and water is more and more seen as a priority area among the governments. The scarcity of the resource and the climate change accelerate this process, given the growing com-

petition for water among various users. Water infrastructure expenses, perhaps most importantly those of water and wastewater treatment, are soaring. At the same time, the education and awareness level of the population keeps improving together

with the progress of the socio-economic conditions. This has direct consequences to the strengthening of the civil society.

The most important trends at the country-level are summarized in the following way.

Country	Main trends and tendencies
Morocco	<ul style="list-style-type: none"> • Changes in institutional arrangements (particularly the establishment of regional water entities). • Public-private participation in the utilities for water supply and sanitation (this may have triggered changes in institutions, organizations, and regulations). • Integration of water and environment at the institutional level (water should not be seen as a separate sector)
Tunisia	<p>Institutional reforms</p> <ul style="list-style-type: none"> • More efficient organization of the sector • Clarification of roles of different actors • Improvement of co-ordination <p>Tariff policy</p> <ul style="list-style-type: none"> • Reconsider subventions • Optimization of water allocation <p>Efficient utilization of the resource</p> <ul style="list-style-type: none"> • Seeking for comparative advantages and food security in agricultural production • Demand management • Transparency and open information access
Egypt	<ul style="list-style-type: none"> • In terms of governance, a main change has been participation of stakeholders at all levels, for example, during the preparation of the water master plan. This has made accountability an important topic for discussion. • Financial instruments (PPP, cost-recovery, water pricing) more applied than before. • A ministerial cabinet has been established to implement water plans (where different ministers meet and commit to participate the planning process). • Water users for agriculture: Water Boards are an example of public participation. • Public expenditure review of the budget allocation. This reflected the inefficiency of the service providers. • A new holding company, accountable to the public has been established to provide water services. • Water laws have been reviewed.
Syria	<ul style="list-style-type: none"> • Water reforms started before the Sana'a Forum on water demand management, which has included water conservation practices (tariffs based on consumption, metering, reduction of non-accountable water). • Institutional capacity building improvement in cooperation with international agencies. IWRM as policy for the country. • Water conservation practices. • More efficient performance in agriculture.



Country	Main trends and tendencies
Jordan	<ul style="list-style-type: none"> • Public-private sector participation. "What is happening in Jordan is similar to what is happening in the rest of the region: more participation of the private sector in the provision of services (including BOT for wastewater and for drinking water in the future) (what would be interesting is to find out the whats and the hows)". • Involvement of the private sector is helping more funding to come for development of projects. • Stakeholders are now more involved in the policy of the country. • Jordan is trying to work in a new water law but it has not been finalised. • Jordan is working in institutional reforms. • There has been a great improvement in water demand management.
Palestine	<ul style="list-style-type: none"> • Still no enforcement of the laws. • Cost-recovery problems since there are problems of willingness and capacity to pay for water. The open question is whether the awareness can solve both problems?
Yemen	<ul style="list-style-type: none"> • The implementation of decentralization is now high in the political agenda. The question is whether decentralization results in further fragmentation of sectors such as water. • The sector reform includes stakeholder involvement. In the Water Boards there are representatives from different actors. • The reforms are being accompanied with public awareness. • Study on regulations, with strong focus on customers.
The region	<ul style="list-style-type: none"> • Empowerment and awareness of the people has improved. The value of water is seen better than before. • There has been a change of political paradigm which has resulted in policy reforms, financial reforms, participation of the private sector, legal reforms (there are changes in the legal frameworks which allow this participation). • Social discussions are still missing, for example, in the issues of empowerment and the roles of end users. • How can the countries in conflict improve their governance?

Phase 2: Impact of emerging global factors and changes

As the second Phase, the role and impact of global changes and developments were analyzed by elaborating the following overarching questions:

- Which emerging global issues influence your country – and how?
- How do they influence the water sector and what interlinkages emerge?

These questions were addressed from the technological, social, economic and

environmental levels within seven groups, based on countries represented at the Forum: Yemen, Syria, Palestine, Jordan, Egypt, Tunisia, and Morocco.

As was realized in the Phase 1 analysis, many trends appear relatively similar in many countries. Consequently, it became relevant to question whether the various external operators such as donors, financial organizations, and corporations play a role in this context. How important is the role of international groups and the awareness that they have created so that all countries are

responding in a similar way? The external environment has been changing remarkably in the recent past. The world market prices of food and energy have been soaring and the MENA region's economies. Many of these economies are in a relatively juvenile condition with their market-based economic systems and thus have felt the world market turbulence strongly.

Since the outcomes of the individual country diagnoses had quite much in common, the case of Tunisia is presented to illustrate the main points of concern at this Phase.

	Emerging global issues	Influences at global level	Influences in the water sector
Technology	Cost of appropriate energy technology (renewable energy in particular)	Food security	Transfer of water to water deficient areas
		Competitiveness of products on the market (domestic and international)	Ongoing deterioration of water resources and aquatic environment
			Modernization and rehabilitation of hydraulic infrastructure
Environmental	Limited resource availability	Overexploitation of groundwater	Deterioration of surface and groundwater quality
	Impacts due to used resources	Moving towards less water consuming cultivation practices	
Social	Amelioration of quality of life	Augmentation of consumption	Convergence towards real value of drinking water
	Augmentation of unemployment of professionals	Reinforcement of employment policies	Creation of small and medium enterprises to the sector (soaring)
Economic	Augmentation of cereal prices	Subvention policy of the state	Improvement of cost recovery (irrigation)
	Augmentation of energy prices	Valorization of a cubic meter of water	Institutional reforms
			Water law
			Water tariffs
			Decentralization

Phase 3: Adaptation: pro-actions and reactions at the national level governance

The third Phase consisted of nine case studies, one being the field trip plus working group sessions that elaborated the experiences and the outcomes of the case studies.

The participants to the First and Second Partners' Fora discussed the possibility of case studies from the MENA region being presented and elaborated with the objective to disseminate information and exchange knowledge and experiences within the region. Therefore, for the Third Forum a set of case studies were invited by

using a call for proposals for case studies on water governance.

These case studies, listed on the following page, were expected to provide the basis for the participants to analyze the applicability of community practices from within the region, as well as promote discussion on future perspectives and emerging issues in the region.



Author	Title of the case study	Country
Khaled Abu Zeid (CEDARE)	National Water Plans in the MENA Region	Regional
Mounia Benrhanem (Agence du Bassins Hydraulique de Tensfit)	IWRM – A shared responsibility	Morocco
M. Aiman Jarrar (Palestinian Water Authority; represented by Abdelkarim Assad)	Institutional and Legal Reforms in the Water Sector of Palestine	Palestine
Barbara Thiel (Jordan Valley Authority)	Decision Support System Application for Improving Water Planning and Management in the Jordan Valley	Jordan
Mourad Ben Mansour (SONEDE)	Potable Water Sector in Tunisia	Tunisia
Barbara Gerhanger (GTZ)	Reforming the Urban Water Supply and Sanitation Sector in Yemen	Yemen
Dr. Samia El-Guindy (APP Central Office)	Egyptian-Dutch Advisory Panel on Land Drainage (APP)	Egypt
Amjad Zeno (University of Damascus)	Drinking Water Demand Management: An Experiment Field Study	Syria

The presentation of the case studies was followed by country-specific working group sessions that addressed the following questions:

- According to the definition of “Water Governance” what are the 3-4 main issues that need to be addressed in your country?
- What are the lessons learned from the case studies for the issues?
- How to tackle these issues?

Even though the challenges are common in general, they vary within the countries in the MENA region. The general open questions for the region included:

- Participation of different actors and stakeholders is positive, but what are the “appropriate” roles of the recent actors? What are their responsibilities? Governance is not only about more participation but also about new roles. Can we specify what new roles?
- How do we design arenas for dialogue? What is the role of media as arena for dialogue?
- Should “power issues” be part of a definition of governance?

- How do we improve building capacity for participation of those categories (actors) who are now less visible in the dialogue?
- Role of education is crucial.

The case of Morocco is presented in this context to illustrate the main points of discussion. As was the situation in Phase 2, the outcomes of other country sessions had again much in common with one another.

MOROCCO CASE:

Question 1: According to the definition of ‘Water to Governance’, what are the 3 – 4 mains issues that need to be addressed in your country?

1. The shortage of the water has worsened in particular by climate change, reinforced by degradation due to pollution.
2. Non-rational water use with problems of wasting the resource, accentuated by undervaluing of the resource and inefficiency in its use.

3. Slowness in the promulgation of the statutory texts in the water sector, as well as in the implementation of the codes already promulgated concerning the control and the safeguarding of the resource, which does not allow to overcome the problems involved in the fragmentation of the sector and the insufficiency of the dialogue and coordination between the various actors.

Question 2: What are the lessons learned from the case studies for the issues?

1. Elaboration of the experiences between the various participants in the light of interesting case studies.
2. A relation of dependence between experience on good governance within the water sector and other related sectors.
3. The similarity of the problems between the various countries as well as many similarities in the adopted approaches.
4. Certain case studies are very specific and cannot be transposable systematically to other situations.

Question 3: How to tackle the issues?

1. To promote demand management for taking account of the requirements of the economy and the equitable water use, while encouraging the optimal allocation of resources and the efficiency of their use on the one hand, and by reinforcing the publicity campaigns of the various institutional actors and the users on the other hand.
2. To pursue appropriate follow-up of planning undertakings, in particular the National Plan of Water (PNE), National Strategy, Plans of Installation Integrated of Water Resources (PDAIRE), etc.
3. To set up a modern management system, characterized by transparency, and guaranteeing a better efficiency and effectiveness, with a culture of dialogue and coordination between the various actors.
4. To reinforce and implement an adequate institutional and legal framework to allow a clarification of the roles of the various actors, envisaging an improved tariff system with proper cost recovery systems, and mechanisms and tools for mobilization of the financial resources.
5. To reinforce the involvement of the private sector within the framework of a public-private partnership, as well as the civil society by encouraging the participative approach, along with enhanced international cooperation.

Phase 4: Implications

The question that was addressed at this Phase was:

In order to face future challenges of water governance what is the role of key actors?

The working groups stressed the need to address new the challenges identified at

the earlier Phases as well as the actors and their roles: we must not limit ourselves to the government and the civil society but include also partners such as the advisory or interdepartmental authorities, the investors, and so forth. Crucial is to take into account the four basic criteria defining the good water governance, which are:

- Transparency;
- Equity;
- Accountability ;
- Sustainable financing.

The actors within the good governance framework fall in three categories:

A. The government, divided into ministries playing a main role in water governance and ministries having a complementary role,

B. The civil society which involves the users, associations, the citizens and non-governmental organizations,

C. Finally a third group which counts the Parliaments, the authorities of coordination, the media and the investors.

The roles of these different groups are identified in the following way:

GROUP A: GOVERNMENT

A.1 Ministries with a key role within the water sector:

- (1) A transversal role, that is to take care of water with the political agenda;
- (2) Other roles constitute a base for the good governance, i.e.:

- To work out the sectoral strategies and the coordinated action plans and harmonized, integrating social dimensions and economic horizon.
- To reinforce and adapt the institutional and legal framework and to take care of their implementation in particular with

regard to changes including decentralization.

- To develop the regulation: the tariff reform, policies of subsidies, facilitation of the investments and the arbitration for a management of the conflicts (intersector use or interbasin, control which must remain by the State).
- To develop and adopt new modes of management of the resources, primarily by delegating the management of water services.
- To develop the management of human resources by devoting the principle of subsidiarity to banish the administrative delay.
- To develop the co-operation with other countries for a better management of common resources.
- To prospect new technologies.
- To develop the public/private partnership;
- To organize and facilitate the access to the related information on water.

A.2 Ministries with a complementary role in the water sector

Even with a complementary role, the actions of certain government departments indirectly related to the water sector are important within water governance, in particular in:

- Playing a part of sensitizing and communication;
- Facilitating the associative organizations;
- Developing the participative approach,
- Implying the private sector and by reinforcing the public/private partnership,
- Instigating the role of the jurisdictions for the treatment of the files of litigation in relation to water;



GROUP B: CIVIL SOCIETY

The roles of this group include:

- Accompanying the effort of the state as a facilitator of water sector actions and processes;
- Promoting of the spirit of progressive development;
- Promoting sustainability in terms of environmental, technical and economic point of view;
- Acting as agents of citizen involvement in water sector activities;
- Massive contribution to the education and the sensitizing of the population.

GROUP C: INVESTORS

This group includes investors, which mainly represent the private sector. These have most typically the role of intervention but call for the development of good water governance.

Main Factors towards Improvement

The working groups summarized the main factors towards improved water governance in the following way.

Water: a scarce resource	Consider water as an economic resource Better management is more needed than new technologies Awareness creation through sound information
Good governance	Central to good governance is accountability Good governance does not mean to take power off from the governments but to make them more interactive with other actors; sharing of power is a necessity; no matter who makes the job, the main issue is that it is implemented Good governance is about doing the job right Good governance is to empower civil society Water governance is part of the governance as a whole Corruption is still a heavy factor influencing transparency Development of decision making mechanisms is important
Context of water governance	Building of common interest instead of looking for individual advocacy Water governance has to be put in the general development context Building consensus among different parts of the society Rights and responsibilities must be clear No uniform process due to differences in institutions and level of democracy but plenty of improvement can be seen The importance of technical people must be recognized Many of the biggest decisions influencing water are made outside the water sector Non-water issues related to water decisions must be recognized
Actors	Promotion and strengthening of civil society involvement Water councils would include various stakeholders including the private sector Government: how to keep up with the capabilities of the private sector and civil society? Revision of the role of the government is needed Networking of professionals is important
Action mechanisms	How to implement what has been said at the Fora? Political will: courage needed We as professionals have to start Donors are only one of many players of the sector

Concluding Remarks

The basic task of water resources management is fairly straightforward: to balance the water accounts between man and the biosphere so that the human needs are met in the best possible way with minimal harmful effects to the biosphere as well as other human beings.

But since water is involved in so many functions of the biosphere and human needs are equally many-sided and often in conflict with one another, the task in practice is quite complicated. Human activities have disturbed the hydrologic cycle and ecosystems in the MENA region countries as well as in most parts of this planet in massive ways in the past, but never as much as today. The water quality problems of surface and groundwater are growing increasingly severe. Land use changes and climate factors cause the growth of damage and calamity. With increasing urbanization and congestion of people to very small land areas within the MENA region, the above problems as how they are created and felt by humans are conspicuously amplified.

The massive transitions in global economy, in social structures, in our environment as well as in the human demography in terms of urbanization, improving educational level, evolving values and mindsets and so forth all are issues that never are disconnected from water.

Conservation and water demand management was one of the overarching themes that brought together the role of the people, environment, and improved water use. Whereas the augmentation

of water supply and rationalization of water allocation have been focal points in water resources management in the past – spiced with environmental constraints first and then with social constraints – the philosophy of looking at the water demand side is seemingly taking a stronghold in the MENA region.

The increasing application of market mechanisms in economizing water use, the conservation of natural water supplies in order to reduce the human water footprint as well as working against ecological deterioration of water resources have become mainstream topics of water resources management. The physical water stress exists and gets worse in the MENA region countries, but at the level of solutions this factor is less pronounced than before but instead the caring for water quality issues, proper functioning of the ecosystem services as well as reducing the water use volume are of increasing interest. The role of capacity building, education, institutional development, stakeholder participation, good governance, and technological progress are typically being emphasized as prerequisites along this way.

Besides demand management, conservation, social issues and other ‘software’ of water resources development, the ‘hardware’ still exists and needs attention. In fact, the water infrastructure development demands are enormous within the MENA region.

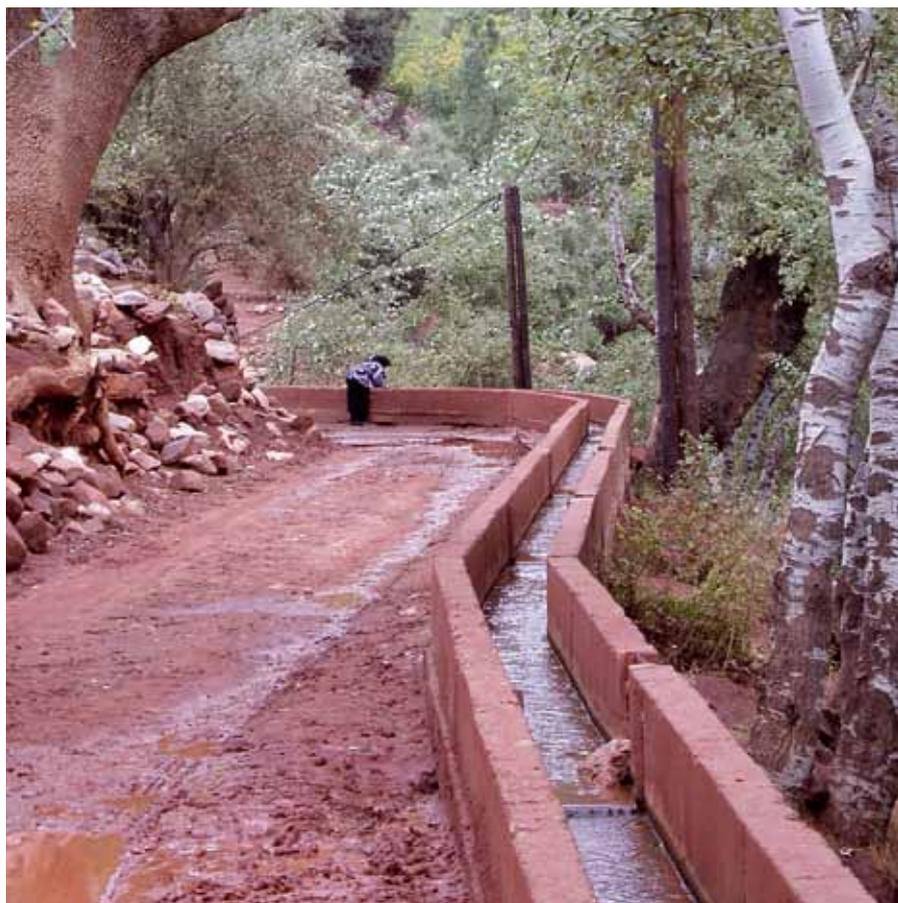
The water governance paradigms in the MENA Region have taken a leap for-

ward in the ‘people’ side, or moved more than little towards the ‘soft’ direction. Particularly this seems to have taken place in the progress of the social inclusion side as well as in institutional and organizational aspects, water demand management, water politics, etc. Some of the conventional strongholds of water resources management, such as infrastructure, data management and analysis, modeling, economic valuation of water through agriculture, energy sector, water supply etc. remain crucial but they are increasingly looked at least partly through the glasses of the ‘soft’ aspects.

We shall never forget to ask what the objectives of water management are. These are many and often contradictory: how do we alleviate poverty, how do we improve quality of life of the population, how do we ensure environmental conservation all of them together? If we cannot show how water fits in the development objectives of our countries, water will not be considered by politicians. It seems, however, that water is currently climbing higher in political agendas of the MENA countries.

Water is one of the basic things to humans, human livelihoods, ecosystems and economies. Actually, it has so many interrelated basic functions in all these dimensions that its management is quite challenging. It is typical to the MENA countries as well as most other countries of the world that water is managed in around eight or even a dozen of ministries, each having varying agendas and policies. Due to this fragmen-

tation of the water sector in administrative sense water's basic functions are very often hidden in a detrimental way. The MENA countries have identified fragmentation of the water sector as one of the key bottlenecks in the development of their water governance and this recognition has, according to the deliberations of the Partner Fora Results, gradually led to various undertakings to bring down the fragmentation problem. If this turns out to be successful, it will definitely help in more balanced governance of water within the region.



The following table summarizes the major entry points of the further development of water governance in the MENA region, as identified within the process of the three Partner Fora on Water Governance of the MENA region.

The main entry points of improving water governance in the MENA region are concluded in the following table.

It is obvious that the MENA countries share many governance issues but the

communication and sharing of experience has plenty of space for development. Therefore, regional exchange and even regional policies are an important option for developing water governance in the MENA region.

(POLITICAL) WILL: What we want to do	Efficient, equitable, sustainable water management → improvement of welfare, security, adaptability
EXTERNALITIES: What is the context	Other sectors, general development process, national, MENA region, global; natural conditions
EQUITY: How we can organize ourselves to solve problems	Institutions, organizations, stakeholders, user organizations, private sector, government, civil society, media, participation in equitable manner
ACTIONS: How we can solve problems and deal with changes	Ages-old, contemporary and emerging issues; pro-action, reaction, strategies, programmes, policies, plans, operations
TRANSPARENCY: What we know and share	Transparency, data, information
SOFTWARE OF THE MIND: Our mindsets, skills	Capacity, dialogue, training, sharing of experience, awareness, ethics, culture, religion
ACCOUNTABILITY: Who does what and who pays the bills	Accountability, rights, responsibilities, cost-recovery, subsidies, corruption

Arab Water Council

The Arab Water Council (AWC) was formally launched on 14 April 2004 in Cairo, Egypt following many years of planning, discussions, and consultations. The council is a civil society, not-for-profit, regional organisation dedicated to water issues in the Arab States. An interim General Secretariat has been established in Cairo.

The missions of the AWC are the following:

- promote better understanding and management of the water resources in the Arab States in a multi-disciplinary, non-political, professional and scientific manner; and
- disseminate knowledge, enhance sharing of experience and information for the rational and comprehensive water resources development of the region for the benefits of its inhabitants.

The Founding Assembly elected Dr Mahmoud Abu-Zeid as the President of the Council and requested him to chair the Founding Committee, which has the tasks of, inter alia, completing the organizational structure of the AWC, formalising its constitution, continuing the broadening of the membership, and preparation to hold the meeting of the First General Assembly. The Founding Assembly met in Cairo and included some 400 experts, scientists, professionals and individuals with interest in water issues from seventeen countries of the Arab States.



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