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EU-FUNDED PROJECT SUPPORTS MANAGING INVESTMENT RISKS FOR WATER INFRASTRUCTURES IN THE SOUTH MEDITERRANEAN COUNTRIES

PRESS NOTE

18 representatives of the public water sector, the private insurance sector and NGOs from 7 countries (Algeria, Egypt, Israel, Lebanon, Morocco, Tunisia, Palestine, Jordan) have been recently **trained in risk and insurance for Public Private Partnerships (PPP) in water infrastructure**, in the framework of an activity organised by the EU-funded project Sustainable Water Integrated Management – Support Mechanism (SWIM-SM) (30-31 October 2014, Athens – Greece).

Public-Private Partnership (PPP) contracts entail several types of risks such as political, commercial, legal, engineering, currency, etc. that need to be properly understood and managed. While public and private insurance institutions have a strong role in covering these risks, and thus improving the investment environment, the private local insurance sector in the Southern Mediterranean countries has not been sufficiently engaged and needs to be better informed of the existing tools and methods, as a first step to be able to properly and safely cover PPP risks in the water and wastewater infrastructure market.

The event provided knowledge to the public water sector, the private insurance sector and NGOs on the different types of potential risks that accompany PPPs, how to estimate and manage them, and on the role that can be played by the international organizations, such as the Multilateral Investment Guarantee Agency MIGA and by the national private insurance companies in reducing them. The participants were also exposed to different organizations, such as the OECD Investment Security in the Mediterranean (OECD/ISMED), and AfDB's Initiative for Risk Mitigation in Africa (IRMA, the Berne Union, the Prague Union, and some of the commercial insurance companies operating in the region to support countries in fostering safe and efficient PPPs for water services.

Moreover, it improved the understanding about the needs of the local private insurance sector when engaging in PPPs for water infrastructure and of the capacity building needs, such as contract management, deeper understanding of risk allocation and management through the dissection and analysis of actual case studies, a wider exposure to what is happening in the water sector, stronger capacity of the NGOs in monitoring PPPs, of the public and private sector and NGOs for future interventions.

Particularly important, the event allowed to open dialogue between the private and public sector and NGOs present to improve the investment environment for water in the Southern and Eastern Mediterranean countries.

The training took place back-to-back with the **1st Regional Conference of the Union for the Mediterranean (UfM) labelled project Governance & Financing for the Mediterranean Water Sector** (28-30 October 2014, Athens – Greece), organised by the Global Water Partnership- Mediterranean (GWP-Med) in collaboration with SWIM-SM. The Conference set the ground for the sharing of experiences and best practices on governance and sustainable financing for the water sector and addressed the main bottlenecks and cross-cutting issues in the water governance-financing nexus.

Moreover, the event reflected on a platform for regional dialogue on the governance and financing nexus among public, private and civil society actors calling for further north-south and south-south cooperation.

“This is the first time I am exposed to the water sector and I did not know that so much work is being done and that there is so much potential” said one of the participants from the local private insurance sector who attended the regional conference and the training.

The meeting documents and materials can be downloaded [following this link](#)

For more information:

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Note to editors:

The SWIM Programme

Sustainable Water Integrated Management (SWIM) is a Regional Programme launched by the European Commission to contribute to the extensive dissemination and effective implementation of sustainable water management policies and practices in the Southern Mediterranean Region. This is in the context of increasing water scarcity, combined pressures on water resources from a wide range of users, desertification processes and in connection with climate change.

The Programme, with a total budget of approximately € 22 million, is implemented under the European Neighbourhood and Partnership Instrument (ENPI), following the Euro-Mediterranean Ministerial Conferences on Environment (Cairo, 2006) and Water (Dead Sea, 2008).

SWIM Partner Countries are: **Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, the occupied Palestinian territory, Syria*¹ and Tunisia.**

SWIM consists of two major Components, which are inter-related and complement each other:

- A Support Mechanism, funded with a budget of € 6.7 million and
- Demonstration Projects funded with a budget of € 15 million

SWIM – Support Mechanism (SWIM-SM)

SWIM-SM is the Component of the Programme that provides Regional Technical Assistance to the Partner Countries. This Component, of the duration of 4 years (2010-2014), aims at:

- Providing strategic assistance to the Partner Countries in designing and implementing sustainable water management policies and plans, involving inter-sector dialogue as well as stakeholder consultation and participation;
- Contributing to institutional reinforcement, to the development of the necessary planning and management skills and to know-how transfer;
- Raising awareness on the threats on water resources, the necessity to switch to more sustainable consumption models and possible solutions to face challenges.

Furthermore, SWIM-SM also:

- assists technically the Demonstration Projects implemented under the second Component of the SWIM Programme and;
- undertakes Capacity Building activities related to water resources management identified under the Horizon 2020 Capacity Building – Mediterranean Environment Programme (H2020 CB/MEP).

SWIM-Support Mechanism is implemented by a Consortium formed by a combination of nine international and regional companies and institutions:

- LDK Consultants Engineers & Planners SA: Leader of the Consortium
- Global Water Partnership - Mediterranean (GWP-Med): SWIM-SM Technical Direction
- Arab Countries Water Utilities Association (ACWUA)
- Arab Network for Environment and Development (RAED)
- DHV B.V.
- Greek Ministry of Environment, Energy & Climate Change, Department of International Relations & EU Affairs
- Lebanese Ministry of Energy and Water, General Directorate of Hydraulic and Electrical Resources
- Tunisian Ministry of Agriculture and Environment, Bureau de l'Inventaire et des Recherches Hydrauliques / Direction Générale des Ressources en Eau
- Umweltbundesamt GmbH - Environment Agency, Austria

* In May 2011, the European Union decided to suspend all cooperation with Syrian authorities

SWIM Demonstration Projects

- 1- **Adaptation to Climate Change of the Mediterranean Agricultural Systems (SWIM-ACLIMAS)**
Leader of the Project's Consortium: International Center for Advanced Studies on Mediterranean Agriculture – Mediterranean Agronomic Institute of Bari (CIHEAM-MAIB), Italy
- 2- **All Across the Jordan: the NGO Trans-boundary Master Planning of the Lower Jordan River Basin**
Leader of the Project's Consortium: Friends of the Earth Middle East (FoEME)
- 3- **Innovative Means to Protect Water Resources in the Mediterranean Coastal Areas through Re-injection of Treated Wastewater (SWIM-IMPROWARE)**
Leader of the Project's Consortium: Italian Ministry of the Environment, Land and Sea
- 4- **Network of demonstration activities for sustainable integrated wastewater treatment and reuse in the Mediterranean (SWIM-Sustain Water MED)**
Leader of the Project's Consortium: Deutsche Gesellschaft für Internationale Zusammenarbeit (German International Cooperation - GIZ) GmbH
- 5- **Water harvesting and Agricultural techniques in Dry lands: an Integrated and Sustainable model in MAghreb Regions (SWIM-WADIS MAR)**
Leader of the Project's Consortium: Desertification Research Group (Centro Interdipartimentale di Ateneo) University of Sassari, Italy