

Water Governance in the MENA Region: From Analysis to Action

Policy Brief



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

on behalf of:



Federal Ministry
for Economic Cooperation
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Secretariat of State in charge
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inWent

Capacity Building International
Germany



Policy Brief

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Contents

Water Governance: A Critical Issue in the MENA Region	5
The InWEnt Capacity Building Programme for the Water Sector for the MENA Region	7
First International Forum in Sana'a, Yemen	8
Second International Forum in Cairo, Egypt	10
Third International Forum in Marrakech, Morocco	13
Concluding Remarks	16
Arab Water Council	20
InWEnt	21



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 nationwide 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 organizations 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 organizations. 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 empowerment 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 Partners' 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, which have 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 are thus a key part of the water scarcity problem.

Therefore, education, capacity building, training and organizational development constitute a cornerstone for the development of the water sector in the MENA Region.

In general, lack of skilled human resources was identified as a key part 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.



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;
- analyze 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 analyze them as specifically or as generally as considered by the participants.

Even though there was no working group on public participation, this topic was mentioned very much by all groups as a prerequisite for implementation of economic, legal, technical and institutional issues. 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 organized 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.

It was clear from the outset, that the water sector challenges are notable and growing. However, it was 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 now become obvious that a deep-going water sector reform is necessary. Institutions and organizations should be restructured so that they, and their staff, function in an efficient, adaptive and coordinated manner.

All this can be done provided there is political will, and awareness 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.

The above issues are components of the same game and they must evolve hand in hand. 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 met the vast challenges that the waters sector in MENA countries are exposed to and will increasingly be exposed to.

The general conclusion was that governance in the MENA water sector is under a many-dimensional pressure of paradigms and focal changes. 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 goods 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 forum. Participants also included a few leading experts from outside the region who analyzed latest development on different aspects of water governance from a global framework and perspective and presented relevant experiences for consideration for the MENA Region.

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 cooperation.

In all countries, societies are opening gradually in many ways. Governments are willing to learn from the experiences of other countries of the region in terms of water planning and management, governance practices, institutional development, stakeholders’ participation, capacity building, and so on. The lack of public finance has also enhanced the search of solutions, and involvement, of the private sector institutions. The civil society’s role is becoming increasingly important, and positive developments can also be seen in the empowerment of communities regarding water management. Awareness on water is growing and the role of media alike. There is equally an increasing emphasis on capacity building throughout the region.

Consequently, it was considered as relevant to discuss what role external forces have played in the above situation. For example, how important has been the role of international agents such as donors, financial organizations, and corporations, in the awareness they have created in the countries of the region so that all of these respond in a similar way? Also, how important has been the changing external environment, with the world market prices of food and energy soaring and the impact these have had in the relative juvenile conditions of the MENA Region’s economies?



At the level of institutions and governance approaches, there has been a notable progress in the region. Within the past years, several countries have seen deep-cut legal and institutional reforms, while paradigms are starting to change in other countries as well. Reform of water policies, national water plans, and financial approaches are the major factors in this regard. The process of decentralization seems to be progressing, with river basin organizations, water boards, and regional water entities, being either established or improved.

Fragmentation of the water sectors in the countries of the region has been considered as a problem in many contexts. It is a concern that was identified in the First Partners’ Forum in Sana’a, and mentioned again in the



second and third Fora in Cairo and Marrakech. Several countries have recently made certain attempts to overcome this constraint and, in some specific cases, the water sector is being linked more closely to other sectors compared to the way it was done 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 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,

the implementation of water pricing reforms and water governance-related issues, and management of water in conflict and other exceptional situations.

The recognition of the political importance of water seems to be improving in the region, and water is more and more seen as a priority area among the governments. This has been the result of the increase in the education and awareness levels of the population, which keep improving together with the progress of their socio-economic conditions, and the strengthening of the civil society. However, it has also been the result of the scarcity of the resource, the threat of climate change, the growing competition for water among various users, and the increasing investments for water infrastructure.

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 manysided 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

the above problems and the way they are felt by humans are conspicuously amplified.

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

Conservation and water demand management are two of the overarching issues that have brought together the countries, the people, and the needs of the environment.

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 needs – the philosophy of looking at the water demand side is seemingly taking a stronghold in the MENA Region.



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 increasing damages and calamities. With increasing urbanization and density of population in very small land areas within the MENA Region,

The increasing application of market mechanisms in economizing water use and the conservation of natural water supplies in order to reduce the human water footprint and ecological deterioration of water resources, have become mainstream topics of water resources management. However, while physical water stress exists and has become worse



in the MENA Region countries, at the level of solutions, this factor is less pronounced than before. Instead, interest for water quality issues and proper functioning of the ecosystem services are of increasing interest. Equally, the roles of capacity building, education, institutional development, stakeholder participation, good governance, and technological progress are 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 forward in the 'people' side, or moved towards the 'soft' direction. Particularly this seems to have taken place in the progress of the social inclu-

sion 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, at least partly, through the glasses of the 'soft' aspects.

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



Water is one of the basic resources for humans, human livelihoods, ecosystems and economies. Actually, water 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 by around eight or even a dozen of ministries, each having varying agendas and policies. Due to the fragmentation of the water sector, 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 to achieve good water governance. This recognition has, according to the deliberations of the Partner Fora, gradually led to various undertakings to bring down this fragmentation. If this turns out to be successful, it will definitely help in achieving a more balanced governance of water within the Region.

Finally, the following table summarizes the major entry points considered as necessary for the further development of good 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 included in the following table.

(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	Government institutions and organizations, stakeholders, user organizations, private sector, 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

It is obvious that the MENA countries share many governance concerns but the communication and exchange of experience provides plenty of opportunities for improvement. Therefore, regional exchange and even regional policies are a very important option for developing good water governance in the MENA Region.

All Extended Reports and Policy Briefs can be found at: <http://www.gc21.de/ibt/en/site/mena/ibt/04-1-0.htm>



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 organization 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.

InWEnt

InWEnt – Qualified to Shape the Future

InWEnt – Capacity Building International, Germany, is a non-profit organisation with worldwide operations dedicated to human resource development, advanced training and dialogue.

InWEnt works together with people in key positions, assisting them in shaping change processes in their own countries. Our capacity building programmes are directed at experts and executives from politics, administration, the business community, and civil society. InWEnt qualifies people who pass on their knowledge, thereby working towards long-term, structural change.

Our Clients

As an organisation of international cooperation, we are commissioned by the German federal government, the German business sector, and the German Länder or federal states and make an important contribution to an equitable and sustainable development. 60 percent of all our programmes are implemented at the request of the Federal Ministry for Economic Cooperation and Development (BMZ). In addition, we conduct programmes for other German federal ministries. We are also working in cooperation with German companies in public private partnership projects.

On an international level, InWEnt works together with the European Union, the World Bank, the International Monetary Fund, the World Trade Organisation, and the United Nations.

Our Programmes

The programmes for people from developing, transition and industrialised countries are tailored to meet the specific needs of our partners. InWEnt offers practice-oriented advanced education and training, dialogue sessions, and e-Learning courses through our own internet platform Global Campus 21®. After the training programmes, our participants continue their dialogue with each other and with InWEnt via active alumni networks.

InWEnt provides support for the activities of the German business sector in developing and transition countries. We are increasingly focusing on the successful model of public private partnerships (PPP) that can be designed to incorporate economic, social, and environmental goals.

InWEnt also prepares experts from the field of international cooperation for their time abroad. By offering exchange programmes and arranging scholarship programmes, InWEnt thus provides young Germans with the opportunity to gain professional experience abroad.

Our Offices

InWEnt gGmbH is headquartered in Bonn. In addition, InWEnt maintains fourteen regional Centres throughout the German Länder, providing convenient points of contact for all regions. Our foreign operations in Beijing, Cairo, Hanoi, Kiev, Lima, Managua, Manila, Moscow, New Delhi, Pretoria, São Paulo, and Dar es Salaam are usually affiliated with other organisations of German Development Cooperation.



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