



**The Implementation of
Regional Activities in INECO
(Months 1 to 24)**

NTUA, October 2006

1. Introduction

The INECO Project (Contract No: INCO-CT-2006-517673) started officially on the 1st of July 2006. The project currently runs its 4th month of implementation. During the first four months of the project, the major steps undertaken were:

- The realization of the kick-off meeting of the project, on the 13th-14th July 2006.
- The finalization of guidelines for the drafting of the Inception Phase Report, which were distributed for completion to all regional partners (6-Aeoliki, 7-CITET, 10-IC, 11-C&D, 12-SIC, 13-ABHCSM and 14-ISKANE) by October 31st 2006.
- The launch of the project web site, at: <http://environ.chemeng.ntua.gr/INECO/>.
- The definition of an overall framework for the Regional Activities of the project, as summarized in this document.

This document aims to clarify the methodological steps to be followed in the Regional Activities of the INECO Project during the first two years of the project. It is addressed to all project partners, and constitutes a proposal which will be further discussed in the Steering Committee Meeting of November and the Interim Project Meeting of January 2007.

As such, this document is structured in the following way:

- Section 2 provides a detailed description for the implementation of Regional Project Activities:
 - Paragraph 2.1, gives a general overview and a brief description of the two Phases of implementation.
 - Paragraphs 2.2 and 2.3 provide a more detailed definition of the envisaged steps for each Phase.
 - Paragraph 2.4 summarises the objectives for the third year of the project, according to the Technical Annex (of the EC Contract), and sets a timeframe for their discussion.
- Section 3 analyses the interrelation of Regional Activities with the Work Packages of the Project.
- Section 4 provides a summary of planned events for future reference.

2. The implementation of Regional Project Activities

2.1 Overview

The Regional Activities are the core of the project, and will be carried out individually in Cyprus, Tunisia, Egypt, Lebanon, Syria, Algeria and Morocco. They involve the identification and analysis of water management problems, and the development of responses (alternatives) incorporating institutional and economic instruments. Their implementation will follow the logic of Figure 1, and is discussed in the following paragraphs.

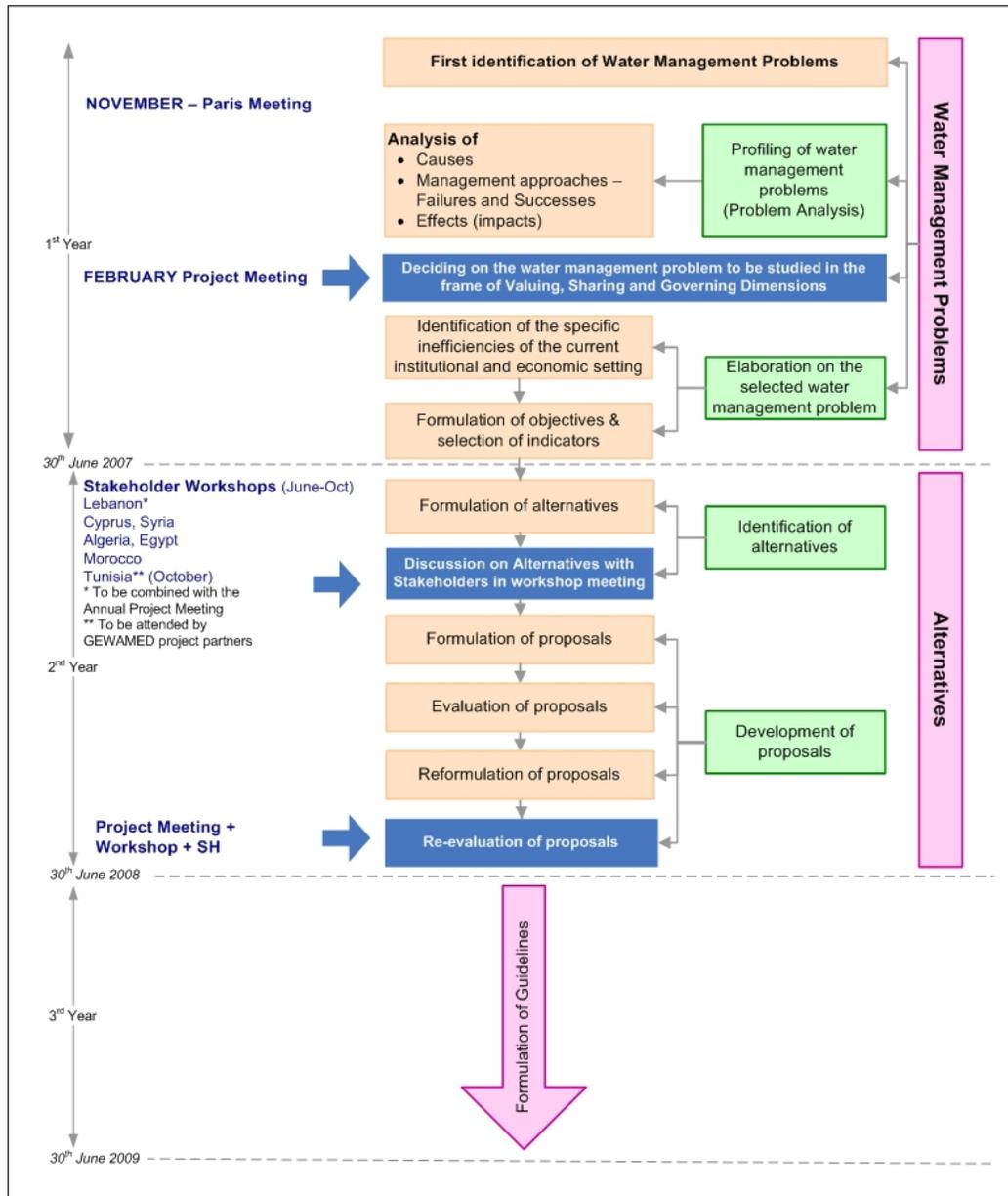


Figure 1: General overview of the regional activities of the project (Months 1 to 24)

Overall, the methodology for Regional Activities for the first 2 years of the project is divided into two distinct Phases:

- **Phase 1, “Situation, Problem and Stakeholder Analysis”**, which includes the elaboration on one (or more) water management problems related to the three dimensions of water management analysed in the framework of INECO, i.e.:
 - *Sharing water*, referring to the mechanisms (institutional, regulatory, legislative, economic) for water allocation at the river basin level (between uses), at the service provision level (between users) and at the transnational level (if relevant).
 - *Valuing water*, referring to the assessment of costs and values in water use, the maximisation of economic efficiency, the implementation of the cost-

recovery principle for supporting sustainable water service delivery, and the implementation of the user-pays and beneficiary-pays principles.

- *Governing water wisely*, referring to the provision of an environment that enables IWRM implementation.

For further details on the three dimensions, Partners can download the World Water Development Report I (UNESCO, 2003), available at the project web site: <http://environ.chemeng.ntua.gr/INECO/Default.aspx?t=190>.

- **Phase 2, “Formulation of alternatives and evaluation of proposals”**, which includes the development of alternatives, and their formulation into proposals. Alternatives and proposals will be extensively discussed and evaluated at both the project and stakeholder levels.

The different steps for each Phase are further described in the respective paragraphs.

2.2 Phase 1: Situation and Problem Analysis

1st Step: Inception Phase (July to October 2006)

The main outcome of this step is the **first identification of water management problems**.

Additional outcomes are:

- A first (fast-track) identification of the current institutional and economic setting, which will provide the basis for the respective deliverable of WP 3.
- A preliminary identification of stakeholders, who will form part of the LSF in each region. This identification includes:
 - The profiling of stakeholder interests, according to the mandate of their organisation;
 - The establishment of contact with stakeholders.

The outcomes of Step 1 are summarised in the Inception Report, which should be submitted to the Coordinator by the 31st of October 2006. A revision is planned in view of the January Project Meeting, in order to incorporate the outcomes of Step 2.

2nd Step: Problem Analysis (November 2006 to January 2007)

The identified problems of the Inception Phase will be further elaborated up to the Interim Project Meeting of January 2007, in terms of:

- Causes,
- Effects (Impacts),
- Current or past water management policies, aiming to address these problems, and lessons learned from their implementation.

The problem analysis step will end with the **Interim Project Meeting of January 2007**. In this meeting, a water management problem per Region will be selected. This problem will be the basis for all future regional activities within the project.

3rd Step: Objectives Analysis (February to April 2007)

The aim of this Step is to elaborate on the selected water management problem, through:

- The identification of the specific inefficiencies of the current institutional and economic setting, which are directly or indirectly related to the problem. These

inefficiencies should expand to the three functional levels analyzed within the project, i.e. constitutional, organisational and operational.

- The preliminary formulation of objectives for the analysis, through stakeholder analysis and participation.
- The selection and potential adaptation of the indicators reviewed within WP 4. Indicators should be relevant to the causes and effects of the problem analysed and adapted to the overall regional/national context.

2.3 Phase 2: Formulation of Alternatives and Evaluation of Proposals

4th Step: Identification of alternatives (May to June 2007)

Following from the definition of objectives, the 4th step involves a preliminary identification of alternatives of institutional and economic nature that could address the problem at hand. The identified instruments should address all three functional levels: constitutional, organizational and operational. The aim of this step is not to perform a complete analysis of alternatives, but to provide a concrete basis for the Stakeholder Workshops of the 5th step. This can be achieved through the preparation of “Proposition Papers”. Proposition papers will aim to highlight the problems, show how they are manifested and perceived, illustrate the variety of ways in which such problems have been or could be addressed (including from global “good practice”, as reviewed in WP 2), and to set the stage for an informed and constructive debate.

5th Step: Discussion on alternatives (June to October 2007)

The discussion on the overall problem analysis and potential alternatives will be realized through the stakeholder workshops of WP 5. One workshop will be held in each country, starting with Lebanon, in June or July 2007. The actual sequence and dates for the workshops will be determined in the Interim Project Meeting of January 2007. The actual objectives to be achieved through the workshops are:

- The presentation of the project, its aims and purpose to the wide audience of local stakeholders,
- The elaboration on the key problems, as identified in the previous stages,
- The discussion on alternatives, according to the best practice examples reviewed in WP 2,
- The formalisation of stakeholder commitment through the signature of a protocol of cooperation and establishment of the Local Stakeholder Fora in each region.
- The completion of questionnaires, focusing on the assessment of the constitutional, organisational and operational functions of the governance structures, and their influence on the selected water management problem.

6th Step: Formulation of proposals (July to December 2007)

Alternatives identified and discussed in Step 5 will be formulated into proposals in the framework of WP 7.2. In the framework of the project, proposals are regarded as a more detailed plan for the implementation of alternatives, and could include:

- Different specification levels of the same alternative. For example, if one alternative is “Water Pricing”, proposals can be different levels of price increase, or different cost allocation mechanisms.
- Combinations of alternatives.

7th Step: Evaluation of proposals (January to April 2008)

A first evaluation of proposals will be made at the local level, on the basis of discussions held between each Regional Partner and the local stakeholders. The aim of this process is to discuss the implications for affected groups, assess the feasibility of proposals and identify potential barriers towards implementation.

8th Step: Reformulation of proposals (May to June 2008)

On the basis of the first evaluation, proposals will be reformulated by the Regional Partner, taking into account all issues raised by stakeholders.

9th Step: Re-evaluation of proposals (June-July 2008)

The 9th step will be implemented in the Stakeholder Assembly Workshop, which will be organised in Tunisia, at the end of the second year of the project (June or July 2008). The workshop will be attended by stakeholders from **all** the countries, and proposals will be presented and evaluated, potentially through Multi-Criteria Assessment and on the basis of the indicators selected in Step 3 (Analysis of Objectives).

2.4 Future steps (3rd Year)

According to the Technical Annex of INECO, the third year of the project focuses on the development of a framework of adaptable guidelines for the application of institutional and economic instruments in the Mediterranean basin (WP 9). This framework will be integrated in a web toolbox, and further disseminated in the Cyprus Conference foreseen in WP 11.

The exact content of the guidelines cannot be determined at this point, since there is no indication on the identified water management problems and the institutional/economic context of each country. The issue will be further discussed at the Interim Project Meeting of January and the 1st Annual Meeting of the Project. A final decision will be taken at the 2nd Annual Meeting (2008, Tunisia), on the basis of a proposal developed by the NTUA.

3. Interrelations of Regional Activities and Project Work Packages

The interrelation of Regional Activities with the work packages foreseen for the first two years of the Project is summarised in Table 1.

In more detail:

- The reviews of WP 2.1 and WP 2.2 will provide the principles and best practice examples, which will be discussed in the framework of the Stakeholder Workshops foreseen in WP 5 and described in the current document as Step 5.
- Steps 1, 2 and 3 of the overall approach are linked to the work of WP 3.
- WP 4 will provide a list of indicators relevant to the three dimensions (sharing, valuing and governing water) and the three levels. These indicators will be evaluated and adapted to the problem analysed in the framework of the project (Steps 2 and 3).

- Step 5 implements the Stakeholder Workshops foreseen in WP 5.
- The Regional Reports foreseen of WP 6 will include:
 - The analysis of the current legal and institutional framework (Regional Report of Steps 1 and 2)
 - The description, complemented with the selected indicators, of the problems examined;
 - The analysis of water policy making mechanisms and their influence on the water management problem (outcome of Steps 2 and 3);
 - The analysis and critical evaluation of the perceptions of local stakeholders, as identified through the workshops of Step 5.
- The typology described in WP 6 will be based on the outcomes of the institutional assessment, and the proposed alternatives for the constitutional, organisational and operational levels.
- WP 7.1 aims to evaluate the effectiveness and equity of currently applied economic instruments.
- Steps 4 to 8 implement the analysis of alternatives foreseen for WP 7.2
- Step 9 implements the Stakeholder Assembly Workshop of WP 8.

Table 1: Interrelations of Project Work Packages to the methodology foreseen for Regional Project Activities

WP No / Task No	WP Name /Task Name	Interrelation to Regional Project Activities
2.1	Review of the WFD harmonisation procedures	Provision of best practice examples, to be presented in the Stakeholder Workshop Series (Step 5)
2.2	Review of approaches used in the developed world	
3	Identification of responsible WM authorities, institutional structures, policies and water allocation mechanisms	Step 1 Step 2 Step 3
4	Adaptation of indicators for institutional assessment	1. Provision of indicators 2. Adaptation of indicators on the basis of input received from problem analysis (Steps 2 and 3)
5	Stakeholder Workshops and Web Forum	Step 5
6	Typology Development	1. Compilation of Regional Reports (Steps 1 to 5) 2. Development of a typology of institutional frameworks and instruments, on the basis of the proposed alternatives (Steps 2,3 and 4)
7.1	Analysis of currently applied economic instruments	Completion of the respective deliverable
7.2	Analysis of alternative	Steps 4 to 8

WP No / Task No	WP Name /Task Name	Interrelation to Regional Project Activities
	institutional instruments and economic measures	
8	Stakeholder Assembly Workshop	Step 9

4. Summary of Planned Events

The important events planned thus far for the following are summarized in Table 2. In brief, the aims of each event are:

- Steering Committee Meeting (22nd November 2006, Paris)
 - Review the outcomes of the Inception Phase, and discuss the methodology for Regional Activities, as described in this document;
 - Develop a common framework for WP 2 and WP 4.
- Interim Project Meeting (January 2007)
 - Present the reviewed water management issues in each country/region;
 - Decide on Case Study Context for each regional analysis;
 - Decide upon and prepare for the Stakeholder Workshops starting in June 2006.
- Series of Stakeholder Workshops (June 2007 to October 2007)
- Project Meeting and Stakeholder Assembly Workshop (July 2008, Tunisia)
 - Joint (re)-evaluation of proposals with stakeholders from all countries.

Table 2: INECO planned events (Months 1 to 24)¹

Event Date & Venue	Event Type	Event Participants
22 nd November 2006, Paris	Steering Committee Meeting	D. Assimacopoulos J.M. Berland A. Massarutto E. Vlachos B. Barraque K. Kherraz
January 2007	Interim Project Meeting	All project partners
June 2007, Lebanon	Annual Project Meeting and 1st Stakeholder Workshop	All project partners Lebanon Stakeholders
<i>July 2007, Cyprus</i>	Stakeholder Workshop	Project Representatives Cyprus Stakeholders
<i>July 2007, Syria</i>	Stakeholder Workshop	Project Representatives Syria Stakeholders
<i>September 2007, Algeria</i>	Stakeholder Workshop	Project Representatives Algeria Stakeholders

¹ The planning of stakeholder workshops in Cyprus, Syria, Algeria, Egypt and Morocco is indicative and will be determined in the January Project Meeting. These events are marked in italics.

Event Date & Venue	Event Type	Event Participants
<i>September 2007, Egypt</i>	Stakeholder Workshop	Project Representatives Egypt Stakeholders
<i>October 2007, Morocco</i>	Stakeholder Workshop	Project Representatives Morocco Stakeholders
October 2007, Tunisia	Stakeholder Workshop	Project Representatives Tunisia Stakeholders GEWAMED Partners
June or July 2008, Tunisia	Stakeholder Assembly Workshop and Project Meeting	All project partners Stakeholders from all countries