

MeHSIP-PPIF

Mediterranean Hot Spot Investment Programme
Project Preparation and Implementation Facility



A TA operation funded by the
European Union - FEMIP Support Fund



Horizon 2020 Investment Component

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MeHSIP scope and objectives

Activity 1 (main activity): Provide project development support to the 4 priority pollution reduction infrastructure investment projects assisting them to proceed from the identification stage towards preparation and securing funding.

Projects:

- *Lake Bizerte (Tunisia) - Integrated intervention programme for de-pollution*
- *Al Ekaider (Jordan) – Integrated Solid Waste Management Project*
- *Lake Burullus/Kafr El Sheikh (Egypt) - Wastewater Expansion for Kafr El Sheikh Governorate*
- *Al Ghadir (Lebanon) - Extension of WWTP*

Activity 2:

H2020 Projects List: regular update of the Horizon 2020 Project List with identified environmental infrastructure projects in the target sectors .

Activity 3:

perform a verification exercise for H2020 projects with financing secured to evaluate the status, progress made, and the positive impact of H2020 on pollution reduction.

Activity 4: horizontal services: capacity building through project preparation, communication, coordination activities;

MeHSIP approach

- **Holistic approach** to the development and management of all components forming the project, facilitating a coordinated preparation for a phased implementation thereby ensuring well-structured and sustainable projects;
- **Dedicated project support:** despite the presence of some European FIs through local offices in the partner countries MeHSIP's constant presence in the field targeting only H2020 projects complements the resources exerted by those EFIs and provide help to move the projects forward; it also gives a possibility to perform on-site visits;
- **Flexibility and independence in designing sustainable projects:** ensuring optimum coordination at the national level and flexibility in adjusting project scope and engaging the right experts when needed;

Results/achievements

- Activity1: 4 Feasibility studies completed and accepted; Appraisal missions performed for 2 out of 4 projects; final financing arrangements are being put in place;
- Activity 2: H2020 list developed from EUR1.6bn in 2009 to EUR2.6bn in 2013;
- Activity 3: Validation exercise to verify the status of implementation of financed H2020 projects was performed during 2013;
- Activity 4: Horizontal activities: coordinated with other IFI programmes on related development projects in the 3 priority sectors; contributed to specific capacity building during projects preparation, contributed to CB Component's trainings, provided input to the EEA website, regular communication activities, etc.
- Ongoing activities: 4 pre-feasibility studies under preparation, support to the loan negotiations, Final Report on MeHSIP-PPIF, including recommendations; Final Report on Validation Exercise

Elements of success

- Dedicated expert team providing expertise and continuity to MeHSIP projects;
- A joint Steering Committee with the DG Environment provided timely advice;
- Cooperation with EC in-country delegations;
- Cooperation with other IFIs on the ground: AFD, KfW, EBRD, World Bank, USAID
- Close cooperation with the stakeholders: promoters, Ministries, agencies; and through consultation process involving various stakeholders and community participation; regular contact at the project level continuously ensuring high visibility of H2020;
- Recognition and trust of the MeSHIP Programme under the umbrella of the Horizon 2020 Initiative;

Horizon2020

INVESTMENT COMPONENT | MeHSIP-PPIF



6TH H2020 STEERING COMMITTEE MEETING

Pollution reduction investment projects

Prepared by MeHSIP-PPIF

Tim Young - Team Leader

Overview Of Presentation

Section A:

MeHSIP-PPIF – Our Project & Outcomes

Section B:

Project Preparation – Our Process & Approach

Section C:

H2020 Pipeline

Section D:

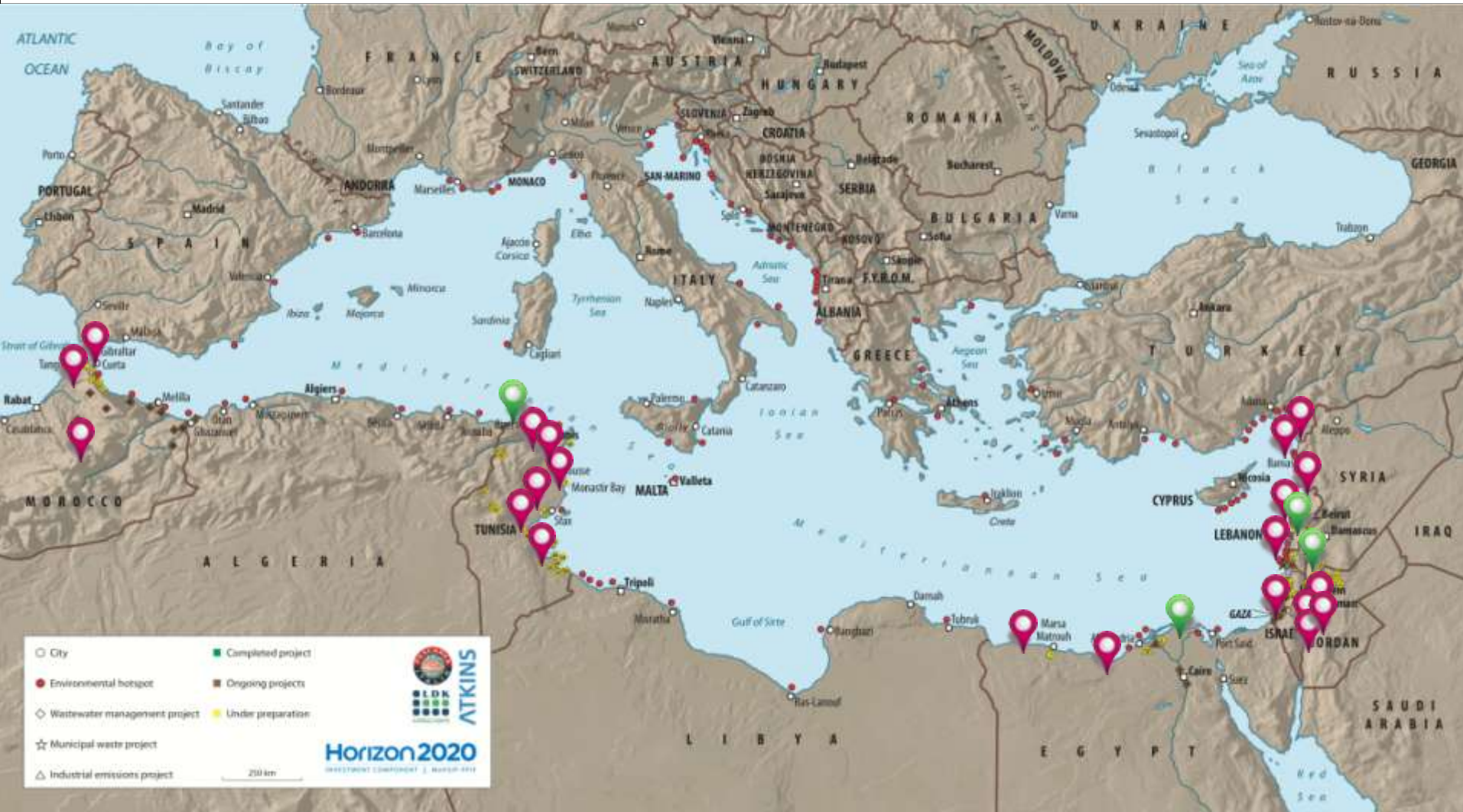
Validation Exercise

Section A

MeHSIP-PPIF

Our Project & Outcomes





Outcomes – Priority Investment Projects

Al Ekaider (Jordan)

Integrated SWM Project

- Investment value: 39m EUR
- Promoter: Joint Services Council (Irbid)
- Status: Feasibility Study completed
- NIF: provisional approval

Kafr El Sheikh (Egypt)

Wastewater Expansion for Kafr El Sheikh Governorate

- Investment value: 164m EUR
- Promoter: HCWW
- Appraisal mission by EIB & EBRD completed
- Status: loan negotiation with EIB and EBRD ongoing
- NIF: provisional approval

Al Ghadir (Lebanon)

Extension of WWTP

- Investment value: 100m EUR
- Promoter: CDR
- Status: project funding under discussion
- NIF: draft application completed

Lake Bizerte (Tunisia)

Integrated De-pollution Programme - Lake Bizerte

- Investment value: 90m EUR
- Promoter: MoE
- Appraisal mission by EIB & EBRD completed
- Status: loan negotiation with EIB and EBRD ongoing
- NIF: provisional approval

Outcomes – Innovative Project Preparation Features

Al Ekaidar (Jordan)

Integrated SWM Project

- Promote integrated SWM solution
- Pilot scheme
- Collection at source
- Integrated: also addressing WW

Kafr El Sheikh (Egypt)

Wastewater Expansion for Kafr El Sheikh Governorate

- Cluster prioritisation → ownership
- Cluster optimisation → cost efficiency
- Detailed designs → facilitate transition into implementation phase

Al Ghadir (Lebanon)

Extension of WWTP

- Adjustment of scope to incorporate “missing” networks
- Shared vision → co-ownership by both CDR and MoEW
- Preparation of tender documents for implementation

Lake Bizerte (Tunisia)

Integrated De-pollution Programme - Lake Bizerte

- Consultation approach and Ownership (Charter agreed/signed)
- Integrated approach and multi-sector solutions

*Tailor made institutional
arrangements coupled
with a detailed
implementation strategy*

Section B

MeHSIP-PPIF

Project Preparation-
Our Process & Approach



PHASE I

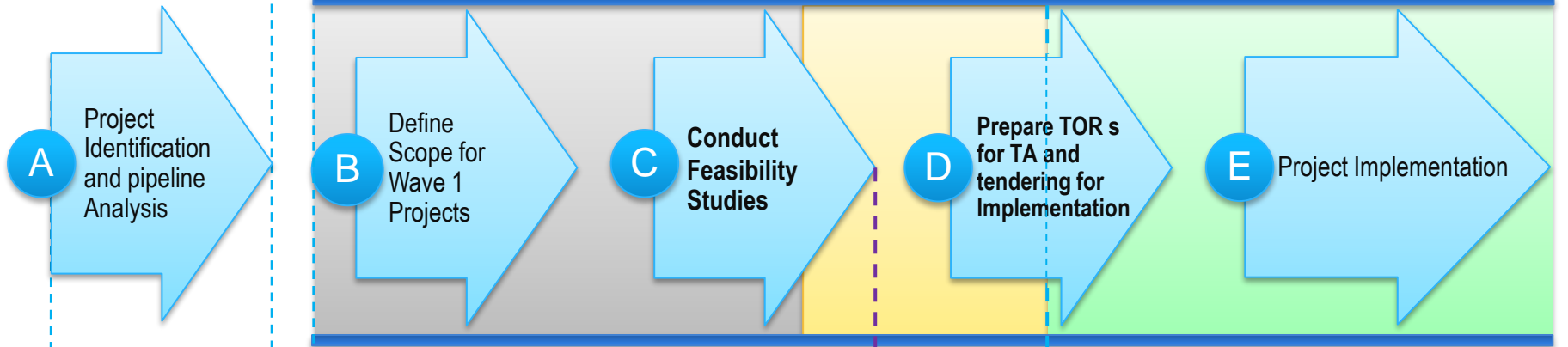
PHASE II

PHASE III

IDENTIFICATION

PREPARATION

IMPLEMENTATION



8-10 months

18-24 months

36-48 months

- Consultations with:
- Gov Counterpart
 - IFIs
 - EIB
 - EU

- Approval of Feasibility Study
- Appraisal
- Loan Ratification

END of Preparation

Projects Score Card

1	2	3	4	5	6	7	8	9
Project part of H2020 Pipeline	Project Fact Sheet prepared	Pre-feasibility study prepared	Inception &/or Diagnostic	Valuation Of Options	ESIA Prepared	IFI Appraisal / Loan agreement	Loan Agreement signed	Tendering Process
			Feasibility Study					

Country	Preparation Score Card (1 to 9) Status: Apr 2012										Preparation Score Card (1 to 9) Status: Nov 2013								
	EGYPT	1	2	3	4	5	6	7	8		9	1	2	3	4	5	6	7	8
JORDAN	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	
LEBANON	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	
TUNISIA	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	

Keys to a Successful Feasibility Study

TECHNICAL PREPARATION

- Examine Options
- Detailed Field Surveys
- Understanding local capacities
- Examining existing systems
- Examining sustainability

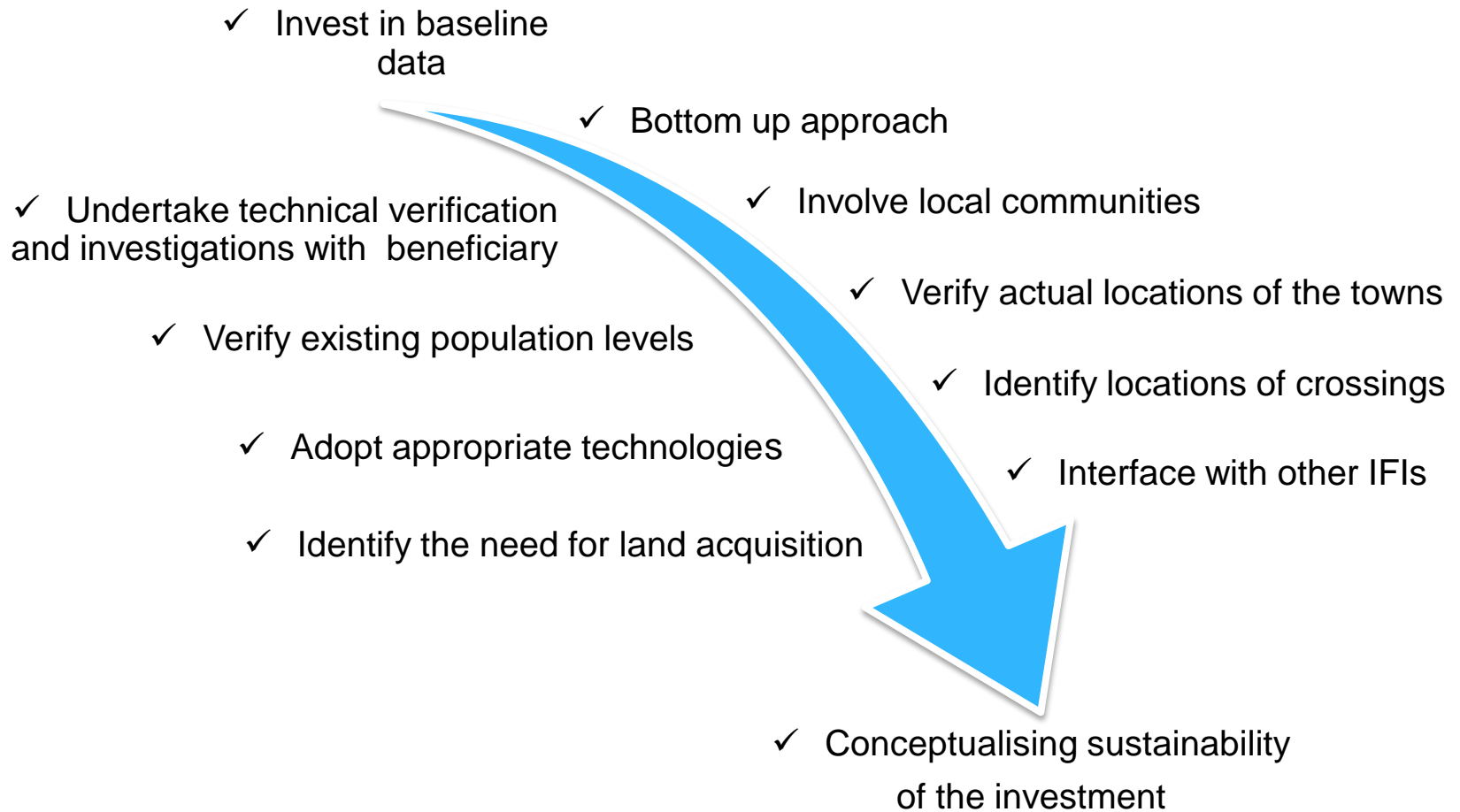
FIN. & ECO. PREPARATION

- Examine Options
- Detailed Field Surveys
- Good technical definitions
- Good cost estimates
- Good knowledge market values
- Examining revenue streams
- Understanding IFI conditions
- Examining CAPEX & OPEX

IMPLEMENTATION PREPARATION

- Understanding Time & Implementation Plan (DD, construction, supervision, etc...)
- Optimizing Procurement Arrangements
- Assessing Promoters skills
- Understanding institutional interrelations
- Understanding Contracts' administration

Key Elements to Success – Kafr El Sheikh



Section C

MeHSIP-PPIF

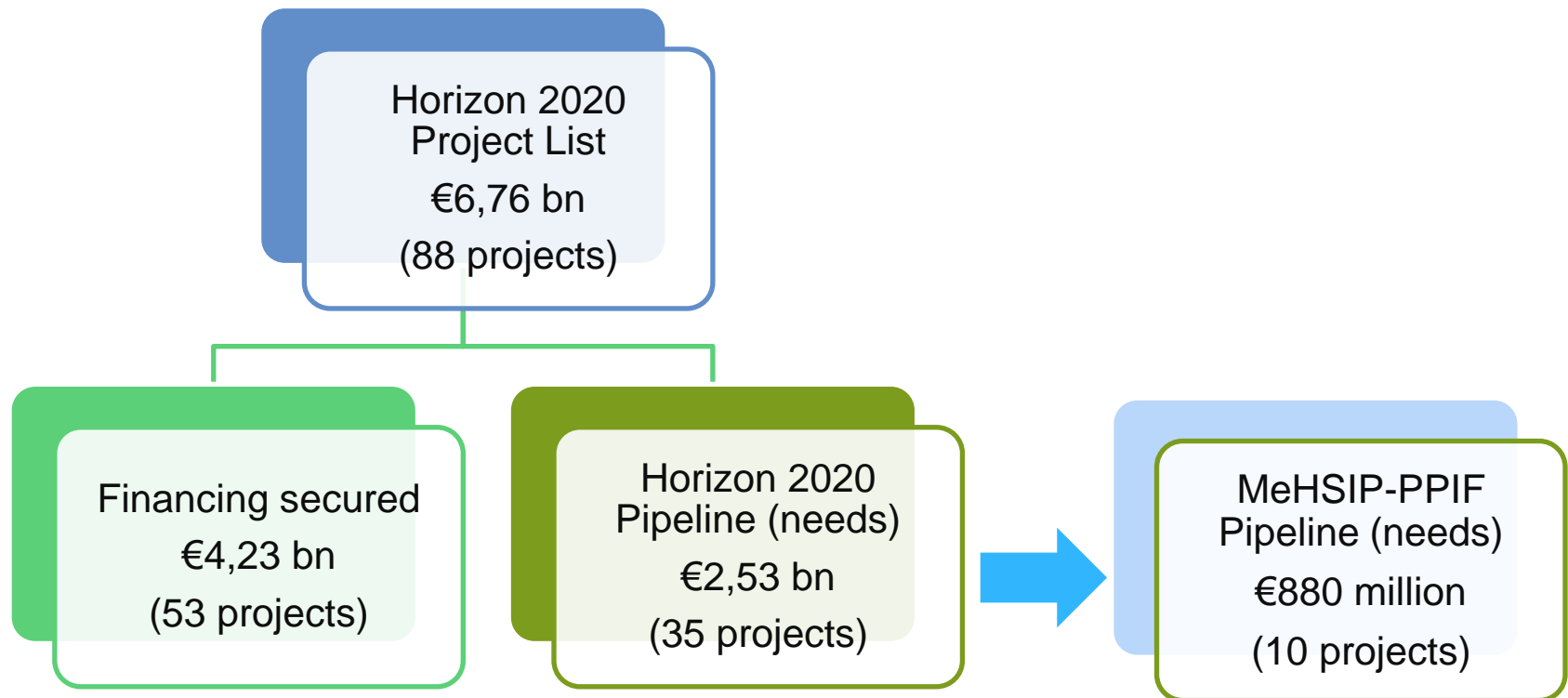
Horizon2020 Pipeline



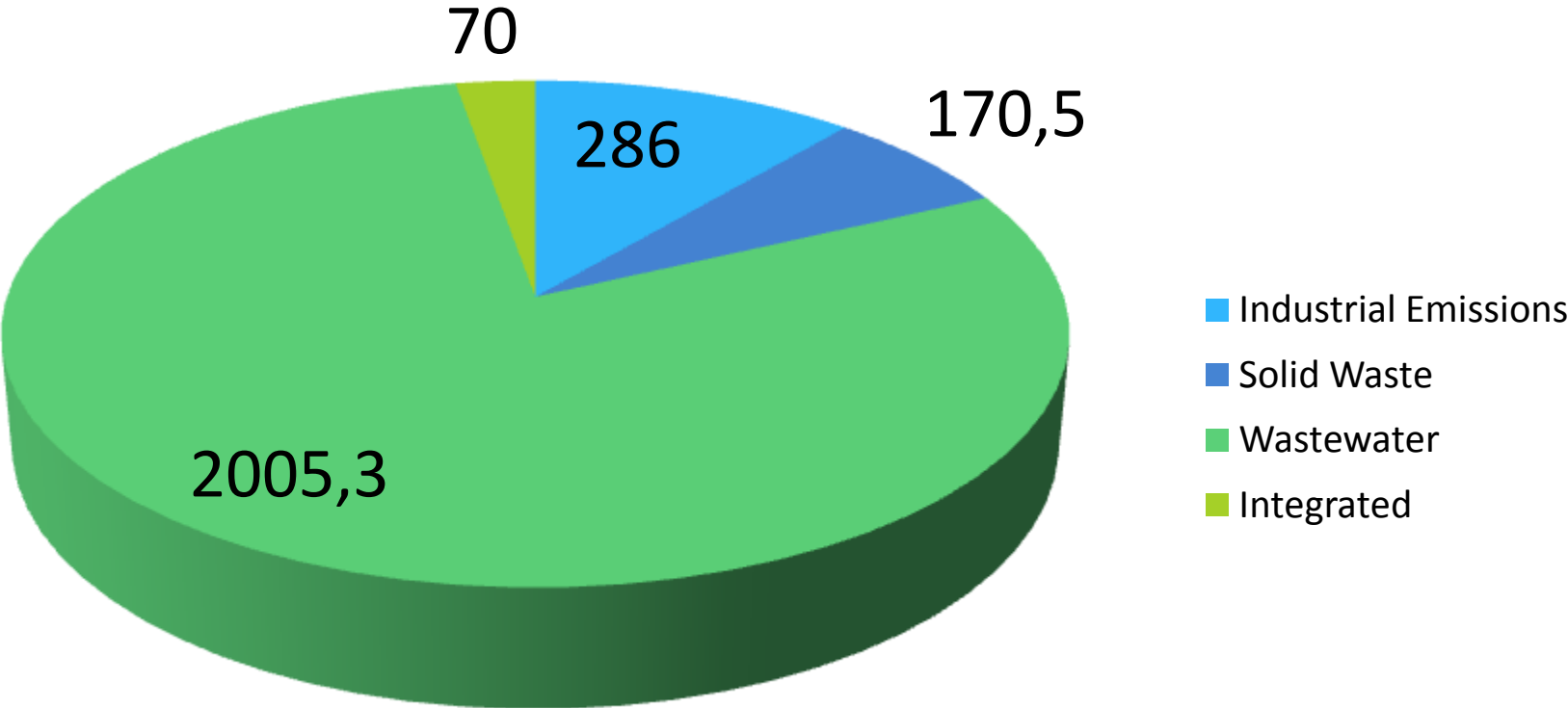
Status in November 2013

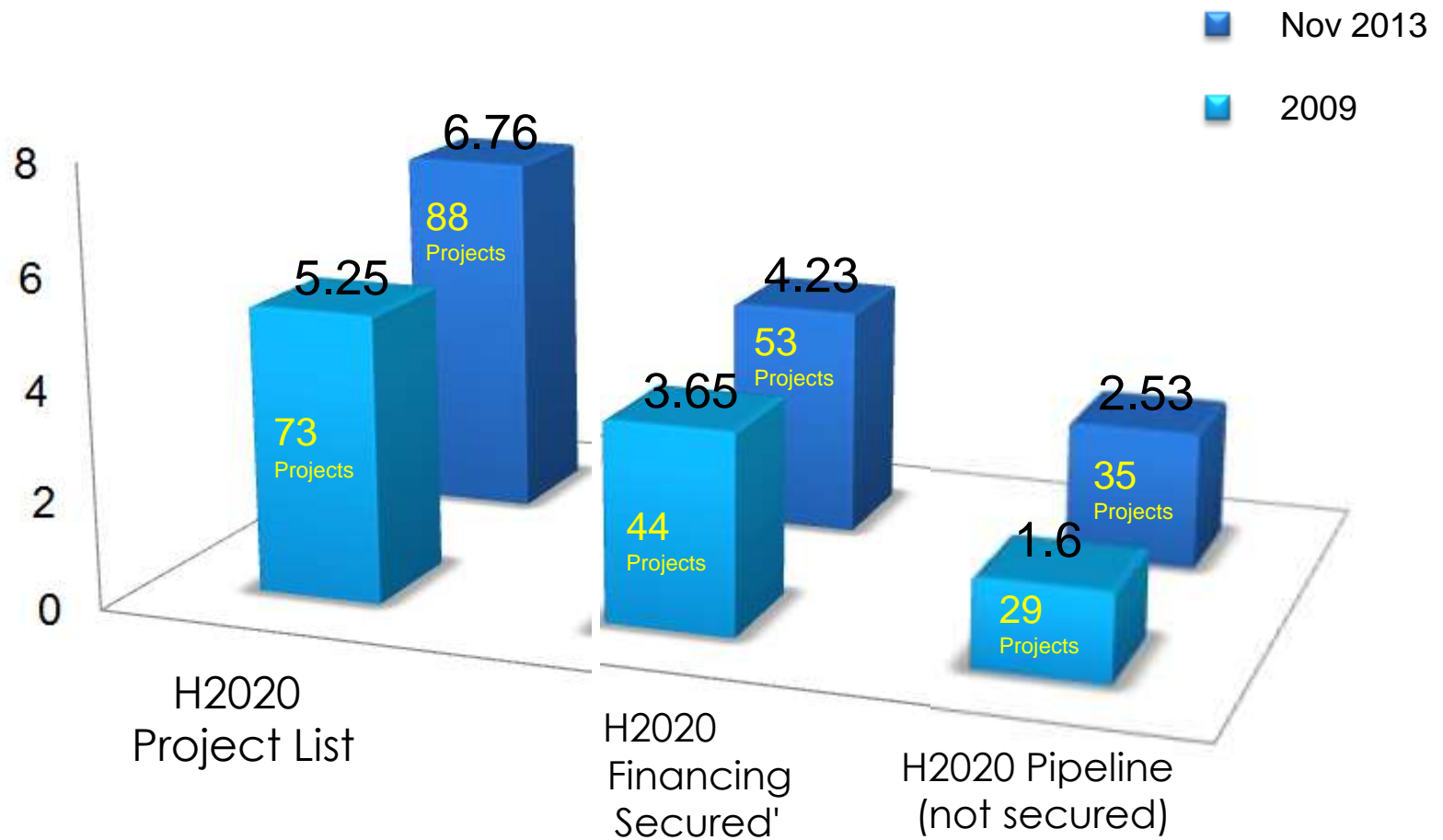
H2020 Project List: 88 projects (planned, ongoing or completed) mostly originating from NAP

H2020 Pipeline: 35 projects (€2,53bn) yet to secure funding/financing

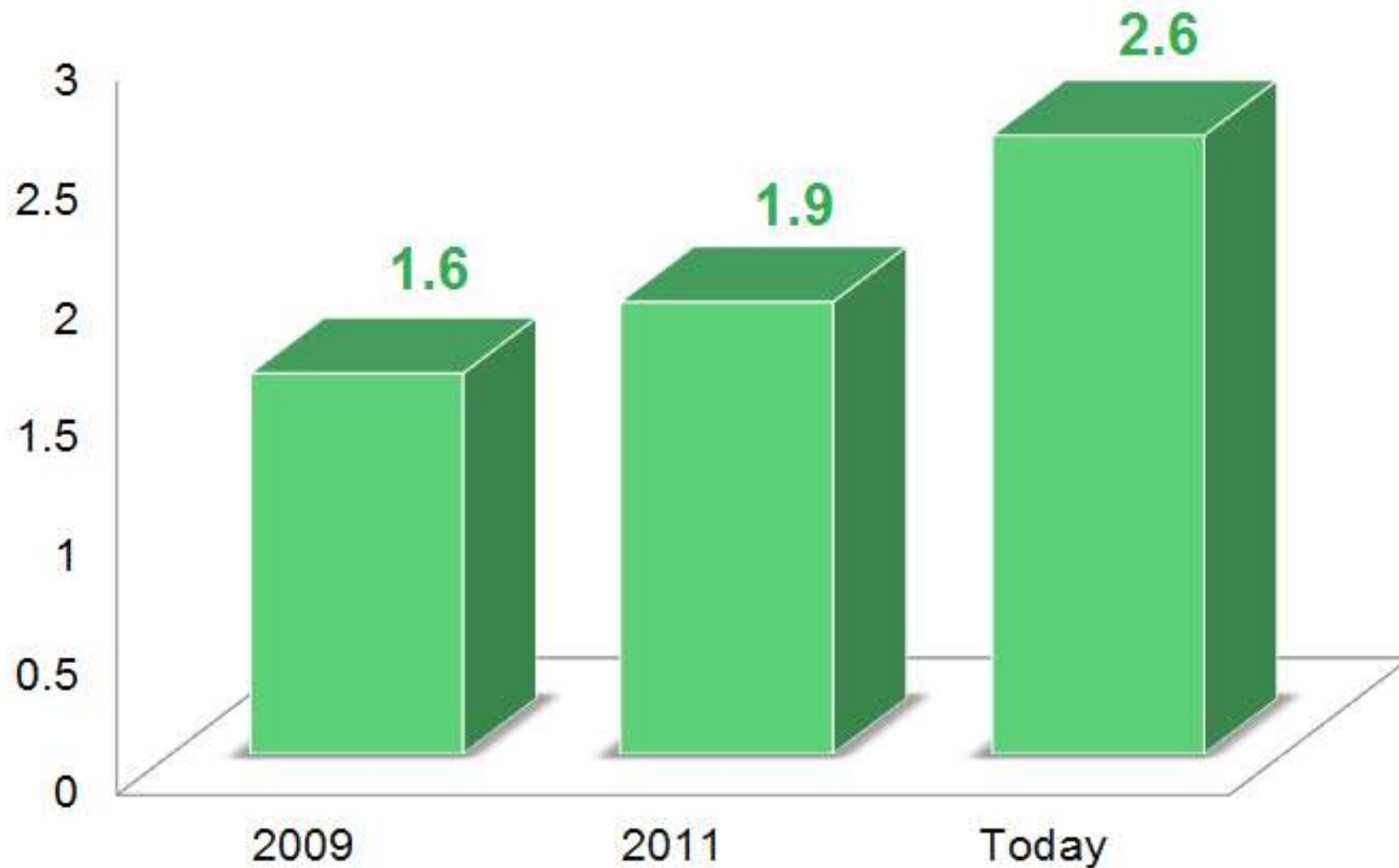


H2020 Pipeline (not secured funding): current investment needs (m EUR)





Evolution of Horizon 2020 Pipeline - investment needs (in billion EUR)



Horizon 2020

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Thank you for your attention.



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Recommendations

- Continue addressing the reduction of hotspots through infrastructure projects
- Develop to implementation those mature projects in the extensive H2020 pipeline
- Maintain the momentum built over the past four years in the partner countries through continuation of dedicated technical Assistance
- Replicating the programme approach to future projects
- Deploy the lessons learnt from the MeHSIP process as H2020 moves forward
- Validation mechanism provided valuable lessons learnt – factors that can be addressed should be addressed in future designs