



European
Investment
Bank

**Mediterranean Hot Spot Investment Programme:
Project Preparation and Implementation Facility
(MeHSIP-PPIF)**

Horizon2020

INVESTMENT COMPONENT | MeHSIP-PPIF

“Developing Methodologies for Effective Involvement of Stakeholders”
27-28 October 2011, Zagreb (Croatia)

POLLUTION REDUCTION INVESTMENT PROJECT COMPONENT

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Structure of Presentation

- A. Introducing Horizon 2020 and MeHSIP-PPIF
- B. Investment Project and Public Consultation
- C. Public consultation – the case of MeHSIP-PPIF



Part A –

Introducing Horizon 2020 & MeHSIP-PPIF



Horizon 2020

- **Geographic coverage:**
 - IPA: Albania, Bosnia and Herzegovina, Croatia, FYR Macedonia, Montenegro, Serbia, Turkey and Kosovo
 - ENPI South: Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, Occupied Palestine Territory, Syria and Tunisia

- **Components of Horizon 2020 Initiative:**
 1. Investment Component (EIB - MeHSIP-PPIF)
 2. Capacity Building Component (EC – CB/MEP)
 3. Review, Monitoring and Research Component (EEA / SEIS)



MeHSIP-PPIF

- **Geographic coverage:**
 - Mediterranean partner countries: Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, Occupied Palestine Territory, Syria and Tunisia

- **Components of MeHSIP-PPIF:**
 1. Governance & Support to Horizon2020 Initiative
 2. Sectoral Support
 3. Management of Hotspots & Project Pipeline (key component)
 4. Knowledge Management & Capacity Building



- City
- Environmental hotspot
- ◇ Wastewater management project
- ☆ Municipal waste project
- △ Industrial emissions project
- Completed project
- Ongoing projects
- Under preparation



Horizon2020

250 km



Component 3: Management of Hotspots & Project Pipeline

➤ Scope:

- Project pipeline: updated & maintained
 - Develop objective criteria and screening methodology
 - Monitor progress on projects
 - Update Project Pipeline
- Develop projects for implementation
 - Pushing forward the project cycle
 - Develop and update Project Fact Sheets, Gap Analysis

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	Loan Agreement signed	Loan Agreement signed	Tendering Process
Feasibility Study								

Country	Project	Preparation Score Card (1 to 9)						
EGYPT	Alexandria Hazardous Waste	1	2	3				
	Wastewater Expansion for Kafr El Sheikh Governorate / Integrated De-pollution Programme of Lake Burullus	1	2	3				
	Water and Wastewater Expansion for Marsa Matruh	1	2	3				
ISRAEL	Netanya Landfill and Reclamation	1	2					
JORDAN	Integrated Solid Waste Management in Ekaider	1	2	3				
LEBANON	Extension of Al-Ghadir Wastewater Treatment Plant	1	2	3	4	5		
MOROCCO	Integrated Solid Waste Management in Tangier	1	2	3				
TUNISIA	Integrated Depollution Project in Bizerte Lake	1	2	3	4			



MeHSIP in Western Balkans

- *Background:* MeHSIP extended to also cover Western Balkans and Turkey (study funded through CB/MEP)
- *Aim:* review “hot spots” identified by the coastal states in their National Action Plans (NAPs)
- *Deliverable:* identify which projects in need of project preparation assistance, or need to be promoted if they are bankable but no funds were earmarked for them
 - ***Where do we go from here?***



Part B –

Investment Projects and Public Consultation



Criteria: “Intangibles” - is this the right project?

A project that supports sector development:

- Real and well-understood objective: **the Justification**
- Consistency with a strategic approach, project should support sector improvement & development: **the Master Plan**
- Systematic project selection: **the Options Assessment**
- Fast-track solutions, phasing to achieve quick results: **the Commitment**
- Replicability and demonstration effects: **the Feedback - showing the way**

An appropriate process:

- Rational and transparent process of establishing and assessing priorities and comparing options
- Participation of stakeholders, local and national ownership
- Consistency with policies in other sector (eg energy, agriculture, industry)



Criteria: “Tangibles” - is this project sustainable?

Quality of project planning and design :

- **Technical, financial and economic viability**

- **Technical**: demand forecast, design, technology, planning and phasing to cope with uncertainty and cost
- **Financial**: cost recovery, debt service, robust IRR
- **Economic**: cost-effectiveness of selected solution, least costly solution, acceptable ERR

- **Environmental and social soundness**

- **Environmental & social**: options assessed, E&SIA, EMP, affordability for low-income populations
- **Energy efficiency**: resilience of the project to climate change impacts



Criteria: “Tangibles” - is this project sustainable?

Quality of the entities that plan, regulate, implement and operate the investment

• Institutional & Organisational Performance

- Governance, planning and regulation of sector and providers
- Regulated and viable service providers
- Adequate technical and human resources to execute projects
- Operational sustainability: financial (revenues) and human resources to operate the system and means to maintain assets



Consultation Process – Old Practice

- 1. Project identified based on Donor/IFI agenda**
- 2. Project conceived at central government or planning authorities**
- 3. Project designed based on available funds**
- 4. Project EIA not a standard practice**
- 5. Project identification phase never reached beneficiary level**
- 6. Project implementation never reached beneficiary level**



Drawbacks of Old Practice

- 1. Project identified not based on right priorities**
- 2. Project does not achieve required ownership**
- 3. Project tailored to comply with available funds**
- 4. Project tend to offer partial solutions**
- 5. Project risk not being sustainable**
- 6. Project cost benefit analysis not well defined**



Introduction of New Practices

- 1. Introducing the culture of integrated projects**
- 2. Introducing better Donor/IFI community coordination**
- 3. Introducing international standards ('best practices') for project preparation procedures**
- 4. Mainstreaming EIAs directly through legislations or indirectly through project approvals and permits**
- 5. Project Promoter involved in Donor/IFI coordination process**



Benefits of the New Practices

- 1. Avoid unsustainable projects**
- 2. Improve capacities of local promoters**
- 3. Optimize resources (grants or loans)**
- 4. Increase local ownership**
- 5. Increase communication among stakeholders**
- 6. Avoid duplication of efforts and increase replication of good practice**

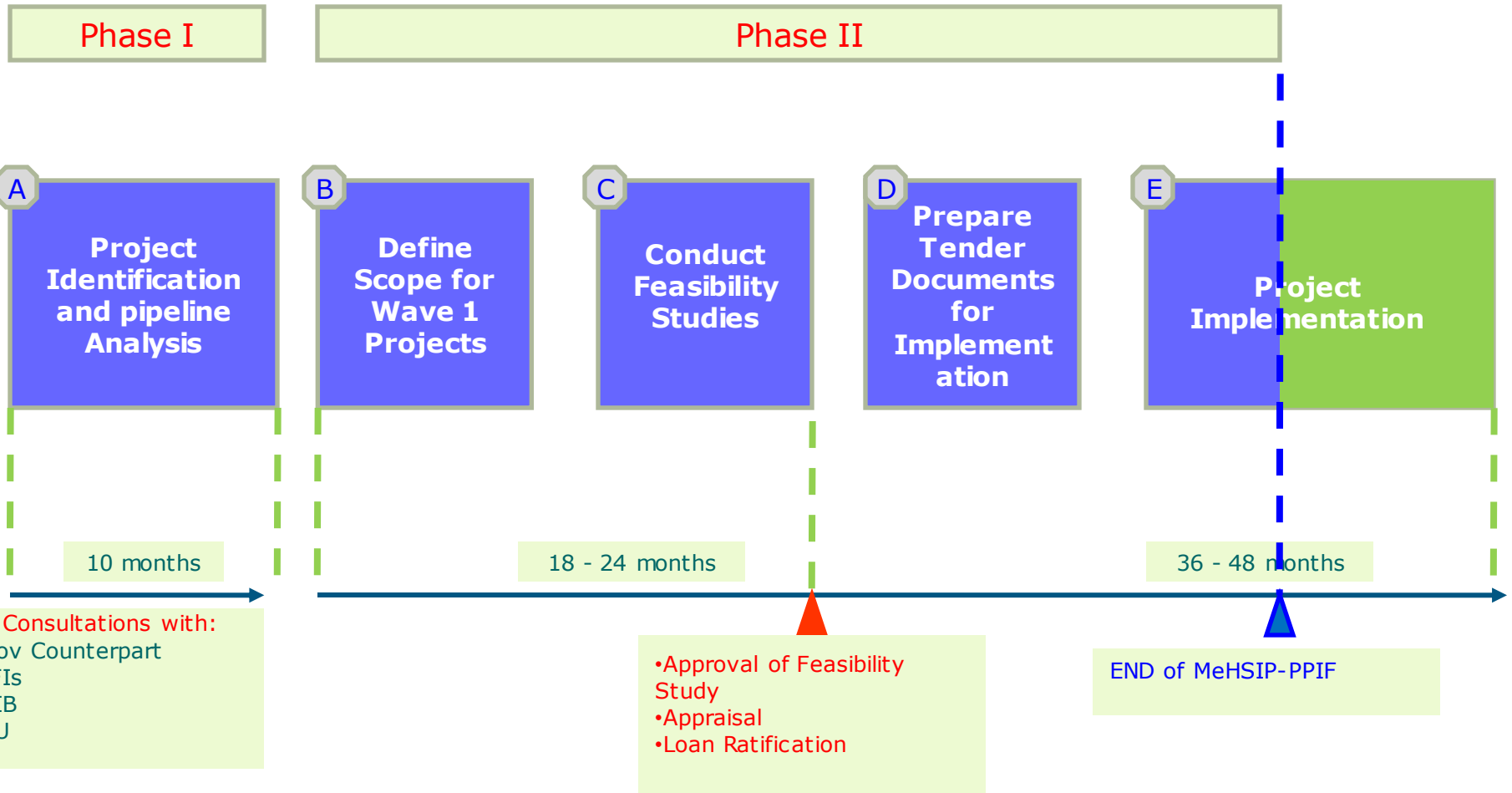


Part C –

Public consultation – the case of MeHSIP-PPIF



Project Preparation Process





The Consultation Process

A

Project
Identification
and Pipeline
Analysis

Stakeholders:

1. Consultation with central Government
2. Consultation with decentralized authorities
3. Consultation with Donors/IFIs
4. Consultation with other stakeholders (when possible)

Means:

Development of a Horizon 2020 Investment Pipeline, through:

- Bilateral meetings and interviews
- Multilateral meetings
- Report sharing and public consultation on results organized
- Reviewing plans



The Consultation Process

B

Define Project
Scope

Stakeholders:

1. Consultation with central Government
2. Consultation with decentralized authorities
3. Consultation with Donors/IFIs
4. Consultation with stakeholders (when possible)

Means:

1. Preparation of Project Fact Sheets for discussion
2. Bilateral meeting with concerned stakeholders to discuss and agree on final understanding of project scope
3. Revision of future plans to avoid duplication and/or achieve resources optimization
4. Reflect revisions to scope based on public consultation meetings



The Consultation Process

C

**Conduct
Feasibility
Studies**

Stakeholders:

1. Consultation with central Government
2. Consultation with decentralized authorities
3. Consultation with academic institutions
4. Consultation with stakeholders
5. Consultation with specialized agencies
6. Conduct ESIA with wide public consultations

Means:

1. Field verifications and discussions with beneficiaries
2. Scientific identification of needed intervention
3. Presentation of preliminary results to stakeholders
4. Workshops to discuss priorities and interventions
5. Sharing of reports and verification results
6. ESIA Public consultation



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Thank you for your attention

... any questions?

www.mehsip-ppif.eu