



promoting the **SUSTAINABLE MANAGEMENT OF NATURAL RESOURCES**  
in Southeastern Europe through the use of the Nexus Approach  
FUNDED BY THE AUSTRIAN DEVELOPMENT COOPERATION

## **Terms of Reference**

### **Preparation of an Assessment on the Water-Energy-Food-Ecosystems Nexus in Albania**

*In the framework of  
the “Promoting the Sustainable Management of Natural Resources in Southeastern Europe,  
through the use of Nexus approach” Project*

*funded by the Austrian Development Agency*

*implemented by GWP-Med in partnership with the UNECE*

#### **1. Introduction – Background**

The Water-Energy-Food-Ecosystems Nexus (“Nexus”) approach has been introduced in the natural resources management agenda to facilitate the enhancement of water, energy and food security, while preserving ecosystems and their functions. The Nexus approach provides for an integrated and coordinated approach across sectors, with a view to reconciling potentially conflicting interests as they compete for the same scarce resources, while capturing existing opportunities and exploring emerging ones.

The Nexus approach is especially relevant to SEE, and Albania in particular, given the significant share of hydropower in the energy mix. It is also important in the context of the efforts of the SEE countries to transition to a Green Economy and access the European Union. However, policy development via e.g. regulation, strategies, plans etc. is often still characterized by: formal institutional cooperation, but not necessarily translating into policy integration; isolated efforts; lack of common targets; overlapping responsibilities and competing objectives among local and central governments.

The purpose of the “Promoting the Sustainable Management of Natural Resources in Southeastern Europe, through the use of Nexus approach” Project (SEE Nexus Project), supported by the Austrian Development Agency (ADA), is to introduce the Nexus approach and catalyse action for its adoption and implementation in SEE at the national and transboundary basin levels as means to advance action towards water, energy and food security, while preserving ecosystems and their functions.

Serving this purpose, Nexus Dialogue Processes are being implemented in the transboundary basins of the Drin and Drina rivers, and in Albania, including the development of analytical technical Nexus Assessments.

## 2. Description of the Assignment

### **Objective**

The objective of the assignment is the Preparation of an Assessment study on the Nexus in Albania, identifying and analysing key cross-sectoral interlinkages as well as concrete lines of action to capture synergies and address trade-offs.

### **Scope and Objectives**

Albania still faces significant challenges towards Sustainable Development. Achieving climate resilience while ensuring water-, energy- and food-security are key preconditions for economic growth, human prosperity and healthy ecosystems.

Under a traditional fragmented approach, attempting to achieve resource security independently, would not only be sub-optimal, but could also endanger sustainability and security in one or more of the other sectors. The Nexus approach is essentially about moving beyond traditional sectoral thinking to achieving overall security and sustainability of all resources, by adopting an integrated and coordinated approach across sectors, with a view to reconcile potentially conflicting interests, as sectors compete for the same scarce resources, all while capturing existing synergies and exploring emerging ones.

Despite significant recent advancements, especially regarding institutional settings, non-integrated and non-coordinated policies and practices in the management of natural resources remains a substantial challenge in Albania. An integrated and coherent approach in the design and prioritisation of policy options and interventions, would ensure the maximization of overall benefits across sectors.

Given Albania's significant water resources and the critical role that water has in the country's food and energy security, having the water sector as an entry point for applying a Nexus approach is a quite straight forward choice.

Albania's Integrated Water Resources Management (IWRM) Strategy acknowledges the need to reconcile various sectoral uses for water, and the National Sectoral Program on Water aligns its objectives to responsibilities and budgets of different sectors. However, the two documents do not necessarily fully capture synergies with the perspectives of each sector and there exists a need for bridging this gap through enhanced understanding of the complex and dynamic relationship between water, energy, food/land use and ecosystems, and improved coordination on policy and management aspects.

The Assessment therefore aims to assist in addressing this need by applying a Nexus approach to identify trade-offs and synergies across the Nexus sectors, including among others in relation to gaps in terms of institutional settings, policy integration and data management, in order to achieve a higher degree of inter-sectoral coherence in the implementation of the National Sectoral Programme on Water, while identifying concrete priority opportunities for joint, coordinated action that generate cross-sectoral benefits

To avoid duplication of efforts, the Assignment will also take stock of the findings from recent reports on the status of sustainable development, inter-sectoral (nexus) policy coherence, and natural resource management in the country, notably:

- the Background Nexus Mapping Study for Albania (2018), prepared in the context of the SEE Regional Nexus Policy Dialogue Process
- the Nexus Stakeholders Analysis for Albania, prepared in the context of the Project
- the Voluntary National Review on Sustainable Development Goals (VNR) (2018)
- the UN report Mainstreaming, Acceleration and Policy Support (MAPS) for Achieving the Sustainable Development Goals (2018),
- UNECE's Environmental Performance Review (Third review, 2018),

- the Thematic Report on the Nexus in the Drin River Basin (as part of the Transboundary Diagnostic Analysis for the Drin River Basin, prepared in the context of the GEF financed project “Enabling transboundary cooperation and integrated water resources management in the Extended Drin River Basin”)

During the development of the Assessment, the perspectives of all relevant stakeholders should be taken into account. In that regard, early in the process, the Consultants should conduct interviews with representatives of key institutions for their insights and up-to-date policy developments and plans. An online National Consultation Meeting involving a broader range of Nexus-related stakeholders will be held by the end of 2020 and the key comments and recommendations should be addressed in the development of the Assessment, while a second meeting will be held in Q2 2021 for feedback on the draft Assessment. Feedback and comments should also be expected from the government’s Thematic Group on Water Resources which also serves as the Advisory Body for the project’s activities in Albania.

### **Tasks – Requested Services**

The Consultant should:

1. Prepare an Inception Report (IR) to be consulted with GWP-Med for clearance and finalisation prior to the consultant proceeding to the next steps. In the context of the IR, the consultant should, among others:
  - (i) Undertake an assessment of information/data requirements and availability for the implementation of the assignment, leading to the identification of information gaps and suggested approaches to address these gaps. The Consultant will be responsible to collect the needed information -including through surveys- while GWP-Med will enable communications with authorities to assist if appropriate in the collection of available and needed information and data.
  - (ii) describe in detail their suggested approach, methods and tools for the development of the Assessment, including a workplan with timeline and an annotated Table of Contents of the Report
  - (iii) include as part of the above, suggested methodologies/approaches for:
    - the identification of individual policy/thematic areas in each sector, for which interdependencies with other Nexus sectors are crucial and strongest, in terms of e.g. impacts, resource flows, management practices, need for policy and regulatory coordination etc. (to be implemented in Task 2.ii)
    - the prioritisation of identified specific interlinkages (synergies and trade-offs) across policy/thematic areas, in terms of greatest potential benefits from increased management and policy integration (to be implemented in Task 4.i)
2. (i) Prepare a consolidated overview of the current status and trends relevant to the availability and management of the Nexus-related resources<sup>1</sup>. The overview should present information both at the national and at the River Basin level, and refer among others to key pressures and challenges, including risks related to climate change impacts. The information contained in this overview should be concise, yet in enough detail to provide adequate factual support for subsequent analysis.
  - (ii) Based on this overview and using the methodology to be described under 1.iii, for each of the Nexus sectors identify the individual policy/thematic areas for which interdependencies with other sectors are crucial and strongest, in terms of e.g. impacts, resource flows, management practices, need for policy and regulatory coordination etc.

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<sup>1</sup> The overview should present information relevant to e.g. water balance, water quality, water supply & sanitation, energy demand and production by source, energy imports/exports, land use, irrigated areas and water demand, food production and imports/exports by type, forestry/biomass, protected areas and biodiversity hotspots etc.

3. For each of the individual policy/thematic areas identified above:
  - (i) Present the related Strategic Documents (strategies, plans etc.) and the relevant decision-making and regulatory frameworks.
  - (ii) Assess and describe to what extent the Strategic Documents take into consideration in the sectoral development plans any cross-sectoral interlinkages, either in terms of conflicts in competing for the same scarce resources, or of opportunities from synergic and coordinated actions and planning. Additionally, in coordination with and with the assistance of GWP-Med's Senior Gender Advisor, provide a brief overview of how gender dimensions are addressed in each Strategic Document.
  
4. (i) Based on (a) the overview of current status, trends and challenges in the Nexus sectors in Task 2, (b) the assessment of the policy framework in key policy/thematic areas in Task 3, and (c) the consultants' expert judgement: prepare a list of specific key Nexus-related interlinkages (trade-offs or synergies) across the identified policy/thematic areas, and prioritise them in terms of greatest potential benefits from increased policy integration, using the methodology to be described under 1.iii. For each interlinkage, outline key barriers or gaps for appropriately addressing trade-offs and/or capturing synergies through coordinated cross-sectoral action, in terms of e.g. financing needs, policy coherence, institutional settings for decision making, harmonisation, access to and management of information and data (list not exhaustive).
  - (ii) Present the preliminary findings of the preceding analyses in the National Consultation Meeting (to be organised online by GWP-Med) and the Thematic Group on Water Resources. Receive feedback and validation, and fill gaps during these meetings, as well as in further interviews of key stakeholders if needed and as appropriate.
  
5. Analyse in depth the top 2-3 (number to be agreed with GWP-Med) priority interlinkages identified in Task 4, and assess how each one is addressed in the National Sectoral Programme on Water, its objectives and its governance and infrastructure actions. Aspects of this analysis should include (the list is not exhaustive):
  - (i) how the interlinkage is important for the sustainable development in Albania
  - (ii) what are the benefits and increased efficiencies from the adoption of an integrated approach for addressing/supporting the interlinkages
  - (iii) which are the key barriers, conflicts or gaps for addressing trade-offs and/or capturing synergies, in terms of e.g. access to finance; overlapping in decision making/regulation; data management, availability or harmonisation; technologies, costs, and applicability etc.
  - (iv) to what extent the Programme and its related governance and infrastructure actions address in a coherent manner the related trade-offs and synergies, as well as the related barriers or gaps for coordinated action (identified above)
  - (v) propose further measures enhancing coordinated and coherent planning and development – including of infrastructure- to maximise efficiencies and synergies in the implementation of the Programme and address related key barriers, conflicts or gaps identified above
  - (vi) explore options for coordinated financing of actions.
  
6. Prepare a consolidated overview of national and international financing schemes and instruments, as well as of related strategies and priorities of donors and IFIs active in Albania, relevant to the Nexus sectors. Based on that, and on the preceding analyses, suggest a short-list of concrete Nexus interventions exhibiting strong cross-sectoral relevance and benefits, linked to the identified key interlinkages<sup>2</sup>.

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<sup>2</sup> The consultant should among others take into consideration the approach outlined in the UNECE Report “Towards sustainable renewable energy investment and deployment: Trade-offs and opportunities with water resources”

7. Prepare the draft Assessment Report incorporating all of the above and including related tables, graphs, figures and maps, a technical summary, a layman’s summary and a factsheet of the key findings of the Assessment.

### **3. Reporting, deliverables, and Milestones**

It is required that throughout the implementation of the Assignment, the consultants closely liaise with the Project Manager, Tassos Krommydas, Senior Programme Officer at GWP-Med, as well as with the UNECE Nexus consultant and with the GWP-Med Programme Officer in Tirana.

The consultants are expected to deliver the following deliverables, all in English, directly linked to the tasks described in detail under the section “Tasks – Requested Services”, as per the below schedule (to be possibly adapted based on the actual date of the signature of the contract):

<b>Task #</b>	<b>Deliverables</b>	<b>Deadline</b>
1	Inception Report	3 weeks after contract signed
2	- Consolidated overview of current status and trends in the Nexus sectors - Identification of key policy/thematic areas	5 weeks after contract signed
3	- Brief overview of strategic and decision-making frameworks in the policy/thematic areas of priority and assessment of how cross-sectoral interlinkages are addressed	7 weeks after contract signed
4	- List of key interlinkages in the policy/thematic areas of priority, identifying key barriers or gaps for coordinated cross-sectoral action - Presentations in the National Consultation Meeting and the Thematic Group on Water Resources	10 weeks after contract signed
5	- Analysis of top priority interlinkages, vis-a-vis the related provisions of the National Sectoral Programme on Water, including list of proposed measures (see Task 5 above for details)	End of February 2021
6	- Overview of national and international financing schemes and instruments and of IFIs’ strategies and priorities - Short-list of concrete Nexus interventions exhibiting strong cross-sectoral relevance and benefits	End of March 2021
7	- Presentation of final draft of findings at the 2 <sup>nd</sup> National Consultation Meeting and the Thematic Group on Water Resources	End of April 2021
8	Drafting of final Assessment Report, as well as technical summary, layman’s summary and factsheet of the key findings of the Assessment.	End of May 2021