

## Terms of Reference (ToR)

### *Development of Project Proposal to the Global Environment Facility International Waters on Enhancing Mediterranean Depollution and Resource Recovery Through Mobilizing Private Sector Investments*

#### 1. Background

80% of the pollution load of the Mediterranean Sea originates from land-based sources, mainly in the form of untreated discharges of urban and industrial wastewater reaching the sea from coastal sources, rivers and submarine groundwater. Lack of sewage collection, treatment and disposal continues to be a major challenge in many Mediterranean countries.

The southern and eastern Mediterranean countries are amongst the most water-stressed countries in the Mediterranean. Poor water quality in rivers and groundwater, have made the available water often un-fit for many uses, have increased water scarcity and have undermined the ability of countries to adapt to climate change. Treating wastewater not only improves surface and groundwater quality, it can also produce clean water that can be re-used as a valuable alternative water supply for agriculture and industrial purposes.

Globally, wastewater accounts for around 4% of greenhouse gas emissions, comparable to the carbon emissions by the airline industry. Mediterranean countries have committed to GHG reductions, and there is a great unused potential for climate change mitigation through reducing the GHG emissions associated with wastewater management.

Today, no Mediterranean country is actively pursuing a pro-active Water-Energy-Food-Ecosystems Nexus approach that capitalizes on the potential of turning untreated wastewater and pollution problems into a wastewater and resource recovery opportunity. A Nexus approach to sectoral management, through enhanced technical assessment, policy dialogue, governance improvements, investment mobilization, replicable applications, collaboration and coordination, is necessary to ensure that co-benefits and trade-offs are not only considered and advance but also that appropriate safeguards are put in place to prevent and/or mitigate their detrimental effects especially regarding environmental objectives, while advancing countries' national sustainable development priorities.

In particular, addressing the insufficient number of and sometime not adequate quality of wastewater treatment plants, contributes directly to the achievement of concrete results in the SDGs domain including Goals 6, 11, 12 and 13 as well as to making progress in achieving the human right to water and sanitation. However, wastewater treatment is costly, and its cost recovery often requires a mix of financing instruments. In addition, the emergence of new wastewater treatment technologies allows to produce clean bulk water for multiple uses and of bio-energy available for reducing the cost of wastewater treatment and/or creating additional revenue while making positive contributions to achieving climate resilience objectives.

It is recognized that the ambitions expressed by all Mediterranean countries to address land-based sources of pollution of the Mediterranean Sea and combat climate change and its impacts cannot be achieved with public funding only. Investment by the private sector will be critical to achieve the objectives set.

With the recovery of resources from industrial and urban wastewater, a new opportunity is emerging to involve the private sector more actively. The new revenues and cost savings from commercially viable wastewater resource recovery projects, provide additional financial resources to complement urban and industrial wastewater tariffs. This makes modern wastewater treatment increasingly an attractive and financially viable business proposition.

Contributing to these, a Medium Sized Project proposal is under development and aimed for submission to the Global Environment Facility – International Waters. The goal of the Project will be to enhance the

depollution of and resource recovery within the Mediterranean through the mobilization of private investment responding to National Action Plans' (NAP) priorities approved by the Contracting parties to the Barcelona Convention. This includes water re-use, bio-energy generation, fertilizer production and linkages to the Water-Energy-Food-Ecosystems Nexus (aka Nexus) approach.

The Project will contribute to long-term objectives of the Barcelona Convention, including reduction of land-based sources of pollution in line with National Action Plans (NAPs) for the implementation of the SAP-MED on land-based pollution reduction, and consistent with priorities and coastal management strategies emerging from the results of the previous collaboration between UNEP, the Barcelona Convention and the GEF. The infrastructure improvements promoted by the project will also contribute to the supply of additional, reliable sources of water that can be used in industry, agriculture and/or forestry, thus reducing the pressure on the region's already scarce water sources. The Project will align with and contribute to the objectives of the UfM Water Agenda and outlines by its Member States. Overall, the Project will respond to and serve the beneficiary countries' strategies and objectives.

### *Overall Aimed Project outcomes*

The outcomes of the Project are designed to be:

- 1) increased understanding of the opportunity and obstacles for private investments in urban and industrial wastewater - resource recovery, defined through an in-depth analysis for selected Mediterranean countries<sup>1</sup>;
- 2) facilitation of a pipeline of potential private investment opportunities in wastewater and resource recovery for two MENA countries prepared for consideration and endorsement by the governments;
- 3) facilitation of investment addressing the approved NAPs through a pre-feasibility study for a wastewater – resource recovery project in two MENA countries servicing depollution as well as increasing climate resilience and objectives related to the Nexus, prepared and presented to investors for private (co)financing.

### *Overall Aimed Project outputs*

The outcomes of the project are designed to be:

- Output 1. In-depth analysis: wastewater – resource recovery opportunities and potential for private investment in the Mediterranean
- Output 2. Preliminary pipeline of private (co)investment opportunities in two MENA countries
- Output 3. Full scale pre-feasibility study in two MENA countries
- Output 4. Stakeholders' dialogues, and knowledge development and sharing in two MENA countries

### *Partnerships*

The Project, if approved, will be implemented by UNEP and executed by the Barcelona Convention in full coordination with the MedProgramme and SCCF Project. Executing partners are suggested to be two non-profit organizations, GWP-Med and the Climate Investor 2 – Development Fund 2, in coordination with Climate Fund Managers.

The Project will also align with and operationally contribute to the objectives of other regional political processes, including the Water Agenda of the Union for the Mediterranean (UfM) particularly for its Nexus, Climate and WASH Themes, Horizon 2020 Initiative to De-Pollute the Mediterranean, the Water Strategy 2018-2030 of the African Ministerial Council on Water (AMCOW), the African Union Strategy for Development 2063, etc. It will build on the achievements and lessons learned and while contributing to the major regional programmes like the Mediterranean Sea Programme (MedProgramme): Enhancing Environmental Security (GEF ID 9607), Mediterranean Hot Spots Investment Programme (MeHSIP), H2020 Capacity Building Programme and EU Water & Environment Support (WES) Project.

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<sup>1</sup> Like Egypt, Lebanon, Morocco, Tunisia

The Project will operationally synergize with and contribute to the objectives of the 'Making Water Cooperation Happen in the Mediterranean' project (managed by GWP-Med), that is the supporter of the current activity. It will also synergize with other regional activities including the recently launched African Investment Programme on Water (by the AMCOW, African Development Bank, NEPAD, Global Water Partnership)

More information will be shared by the contractor upon assigning the contract.

## **2. Contents**

The purpose of the assignment is to design, draft and deliver, under the UN Environment/MAP and GWP-Med guidance, the GEF Medium Size Project (MSP) documents of the proposal 'Enhancing Mediterranean Depollution and Resource Recovery Through Mobilizing Private Sector Investments' (title tentative).

The output of the assignment is the documents for an MSP submission to GEF IW that are prepared in line with (a) preliminary contents of the Proposal as developed by the Project Partners and (b) the GEF requirements and template documents for an MSP, including the relevant annexes, as required GEF modalities.

The duration of the assignment is for a period of 2 months, starting from the date of contract signature.

The consultant will work home based for the duration of the assignment. No travel is foreseen unless specifically required, in the case which costs will be born by the contractor.

## **3. Work-plan**

### Tasks

Under the supervision of GWP-Med and UNEP MAP assigned managers, the consultant will carry out the following tasks:

1. Prepare a preliminary, interim and final draft of the Log-frames of the Project;
2. Based on inputs received from the Project Partners, the consultant will consolidate full-fledged preliminary, interim and final Projects documents responding to GEF templates for Medium Size Projects, including the Log Frames and a description of: 1) the global environmental and/or adaptation problems, root causes and barriers that need to be addressed; 2) the baseline scenario or any associated baseline projects, 3) the proposed alternative scenario, GEF focal area strategies, 4) a description of expected outcomes and components of the project, 5) incremental/additional cost reasoning and expected contributions from the baseline, the GEF Trust Fund and co-financing; 6) global environmental benefits (GEF Trust Fund); 7) innovation, sustainability and potential for scaling up; 8) an analysis on the participation of relevant stakeholders from civil society organizations; 9) an analysis on Gender Equality and Women's Empowerment; 10) indication of the risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved and, if possible, propose measures that address these risks; 11) an outline of the coordination with other relevant initiatives; 12) an analysis on the consistency with National Priorities; and 13) an outline of the knowledge management approach for the project, including, if any, plans for the project to learn from other relevant projects and initiatives.
3. Prepare relevant Annexes to the project document as required by the UN Environment and the GEF;
4. Contribute to the preparation of the Project budgets based on GEF and the UN Environment requirements, including using the Umoja-based structure, and corresponding to the detailed Work Plan with timetable;
5. Attend on-line consultation and formal meetings as indicated when appropriate;
6. Prepare brief progress reports summarizing the tasks developed during the reporting period.

### Expected outputs

1. Preliminary and interim Project Log-frames prepared (Task 1);
2. Preliminary, interim and final Project document prepared (Tasks 1 and 2);
3. Reports for meetings prepared and submitted to the supervisors (Tasks 3)
4. Progress reports delivered (Task 4)

	Outputs/tasks	Month 1: 1-15 days	Month 1: 15-30 days	Month 2: 1-15 days	Month 1: 15-30 days
1	Preliminary and interim Project Log-frames prepared (Task 1)				
2	Preliminary, interim and final project documents including the relevant annexes, the project budget and the final version of the log-frame and list of activities prepared (Task 2);				
3	Meeting reports prepared and submitted to the supervisor (Tasks 3)				
4	Progress report delivered (Task 4)				

#### Reporting line

The consultant will work under the direct supervision of the GWP-Med Executive Secretary and UNEP/MAP Project Manager.