

# EU-Egypt Cooperation in Water Sector in Egypt

Overview on Water/Wastewater sector  
EU-Egypt ongoing and future cooperation



# Egyptian Water Scarcity Situation

Agricultural production in Egypt fully dependent on irrigation

Egypt reusing irrigational drainage water of **12.7 BCM** or **23%** of available surface water resources.

> **95 percent** of Egypt annual renewable water resources from the Nile

water losses from Lake Nasser due to evaporation = **10 BCM** or **18.8 %** surface water resources

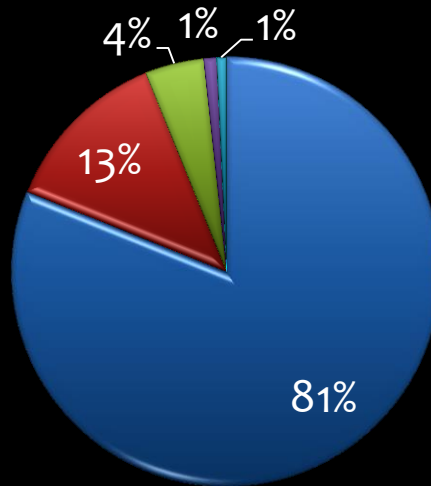
# Usages in BCM

■ Agriculture   
 ■ Drinking Water   
 ■ Industry   
 ■ Fisheries   
 ■ Evaporation

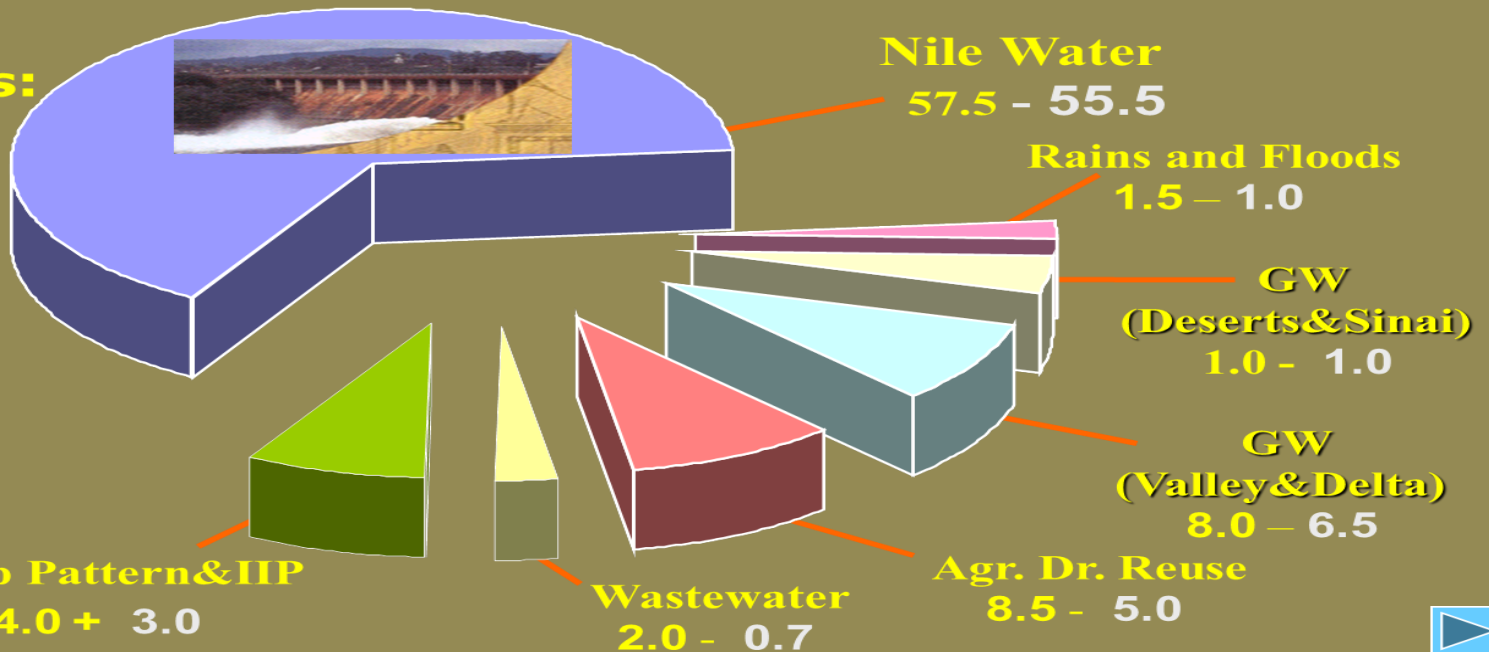
**Total Water Usages = 74 BCM**

**Total Water Resources Available = 60 BCM**

**DEFICIT = 14 BCM/Year or 20%**



## Resources:



Current (BCM)

Demands



# EU-Egypt Cooperation in Water Sector in Egypt

## Main Aspects

### Investment in infrastructure

leading to immediate impact on **employment** as developing water/wastewater infrastructure is **labour intensive**, **decreasing unemployment rate**

**tackling poverty** which is estimated at over 40% in Egypt **bridging the gap in service coverage**

### Capacity Building

increase capacities to establish and operate a **demand-oriented and cost covering** water systems in a sustainable manner.

introducing **best practice from Europe** in water services, establishing improved organizational structure, regulatory systems, and management resources processes

### Institutional Reform

**Support service providers and regulator**, in their function to **catalyse necessary policy**, legal and institutional **reform establishing the framework** for future coordinated interventions.

**Periodical Policy dialogue** with line ministries is conducted , **supporting** drafting water law and legal revision of related laws

### Sector (Budget) Support

**direct fund** to the Government for a set of **reform benchmarks** in the water sector, activities cover all across Egypt in fields of ( **Decentralization , Cost Recovery and water losses , climate change adaptation , Expanding water and wastewater coverage , protect the public health of the Egyptian citizens from water-borne diseases, etc...** ) .

# EU-Egypt Cooperation in Water Sector in Egypt

## Main Projects/Interventions

### Project MAP Locations

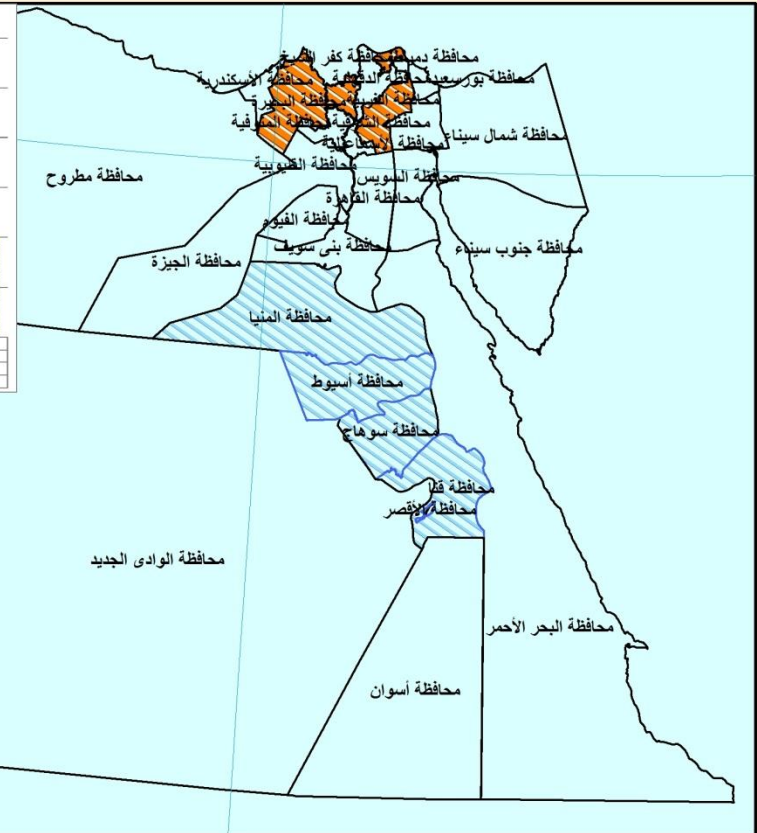
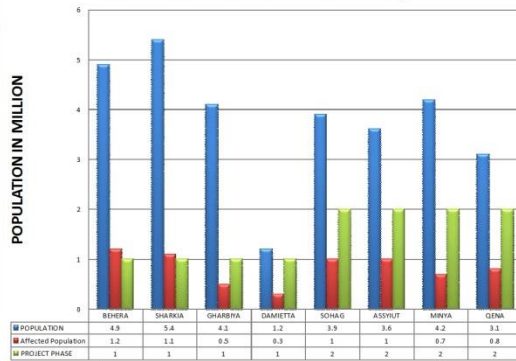
#### IWSP-I



#### IWSP-II



Governorates of EU Infrastructure Investment Projects



Legend  
GOVERNORATE projects  
IWSP-I  
IWSP-II

EU-Egypt Cooperation in Water Sector



# EU-Egypt Cooperation in Water Sector in Egypt

## Main Projects/Interventions

### Improved Water and wastewater Services Programme-

**Rehabilitation and expansion of existing water and wastewater treatment plants** as well as sewer networks in some of the most deprived areas. **Another component** of the project is to **develop** investment, planning, steering and monitoring **capacities**

The overall budget is 295 Million EUR of which **EU contribution is 34 Million EUR (As A grant)**

Providing water to **Additional 533 thousand inhabitants** in four governorates and **improving water and wastewater services to 3 million inhabitants**

**Beneficiaries:** Ministry of Housing, Holding Company for Water and Waste Water and Its 4 Affiliated Companies.

**Location:** Governorates of Gharbia, Sharkia, Dameitta, and Beheira.

# Main Projects/Interventions

## Improved Water and wastewater Services Programme-

### II

A new phase of the programme was co-signed last December with the Egyptian government to increase the coverage to additional four (4) governorates in upper Egypt .

The overall budget is 303 Million EUR of which **EU contribution is 23 Million EUR (As A grant)**

Aiming to Providing water to **Additional 1 million inhabitants** in four governorates and **improving water and wastewater services to 4 million inhabitants**

**Beneficiaries:** Ministry of Housing, Holding Company for Water and Waste Water and Its 4 Affiliated Companies.

**Location:** Governorates of Qnea , Sohag , Assuit , and Minya.

# Main Projects/Interventions

## Water Sector reform Programme (phase 2)

Following the success of **WSRP- Phase I of total Grant equals to € 80 million as a grant**, both the Government of Egypt and the European Commission agreed to allocate **an additional grant of € 120 million as phase II** to take place between 2011-2015 to be disbursed on the basis of a new set of jointly agreed reform benchmarks..

The overall budget is **120 Million EUR** of which **10 Million EUR** (As a **Technical Assistance to Line Ministries**)

A **direct fund to the Government for a set of reform benchmarks** in the water sector, activities cover all across Egypt in fields of ( **Decentralization, Cost Recovery and water losses, climate change adaptation, Expanding water and wastewater coverage, protect the public health of the Egyptian citizens from water-borne diseases, etc...** )

**Beneficiaries:** Ministry of Housing, Ministry of Water Resources, Ministry of Finance.



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## improving the Capacity of the Holding Company for Water and Wastewater (HCWW)

aims to assist this institution with the overall development of water and wastewater services in Egypt which are delivered through affiliated companies

Aims to the development of sustainable high standard water and waste water service companies in Egypt which will be self-financing, thus supporting the overall economic and environmental development of the Country.

The total budget is equivalent to **1.5 Million EUR**

**Beneficiaries:** Ministry of Housing, Holding Company for water and wastewater.

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## Institutional Capacity Building of the Egyptian Water and Wastewater Regulatory Agency (EWRA)

aims to support this institution through establishing improved organizational structure, regulatory systems, and management resources processes

Technical assistance is focused on **assisting with the implementation of the regulatory functions**, such as **drinking water quality reporting and audit; customer services**; water company performance measures and licensing; **tariff review** handling and economic regulations. .

The total budget is equivalent to **1.5 Million EUR**

**Beneficiaries:** Ministry of Housing, Egyptian Water and wastewater Regulatory Authority.

# Donor coordination

Main donor coordination in the **wastewater Sector** is done through the specific sub-DPG on Water& wastewater. The sub-DPG is co-chaired by the EU Delegation and KfW

SECO  
(Switzerland)

EIB  
(EUROPE)

USAID  
(USA)

AFD  
(France)

EU  
(European Union)

World Bank  
(International)

GIZ  
(Germany)

JICA  
(JAPAN)

KfW  
(Germany)

Main Players in the sector are :  
KfW,  
GIZ,AFD,EIB,USAID,AFDB,SECO,  
Italian Cooperation , JICA

all members of the group, including GOE representatives concurred that **WSRP-II** would serve as the **main platform** for monitoring the water sector reform process.

## Government Counterparts and Stakeholders

MWRI

- Ministry of water resources and Irrigation
- is the main partner institution for the irrigation and integrated water resources management subsector

MHUUD

- The Ministry of Housing, Utilities and Urban Development
- including its implementing agencies is the main partner institution for the water supply and sanitation subsector. Specially the **Holding Company for Water and Wastewater (HCWW)** which is responsible for the rehabilitation, operation and maintenance of all water supply and sanitation infrastructure and progressively for investments in for the construction of required water and wastewater facilities

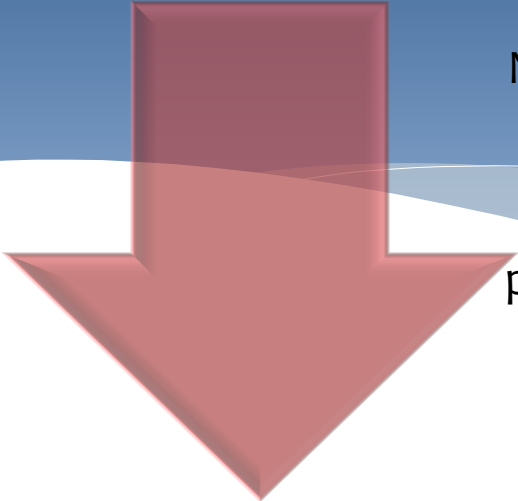
MOIC

- The Ministry of Planning , and International Cooperation
- The main Counterpart and national coordinator for EU cooperation in Egypt.

MALR

- The Ministry of Agriculture and Land Reclamation
- is an important actor and stakeholder in the Irrigation subsector.

# Future Challenges



National challenges identified are the high level of poverty, access and quality of basic services and regional developments disparities. Inefficiency and effectiveness of targeting policies and systems are reflected in low quality of life for the very poor and remote areas.



The EU have committed to joint programming in Egypt with the view **to more effectively support Egypt to cope with new and on-going social, economic and political challenges**. By combining technical and financial resources, **EU will increase impact while reducing transaction costs. The EU and EU Member States account for more than 40% of grant funding to Egypt** and are frequently the majority of participants in sector coordination groups.





شكراً!

Merci

Thank You!

The Delegation of the European Union to Egypt

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