



OCP Policy Center Conference series

Nexus Water Energy Food Security in Arab Countries: A policy perspective and the way forward

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- ✓ Introduction
- ✓ The regional context and the raison d'être
- ✓ Learning from the Nexus kickoff regional dialogue process
- ✓ Concluding remarks and the way forward

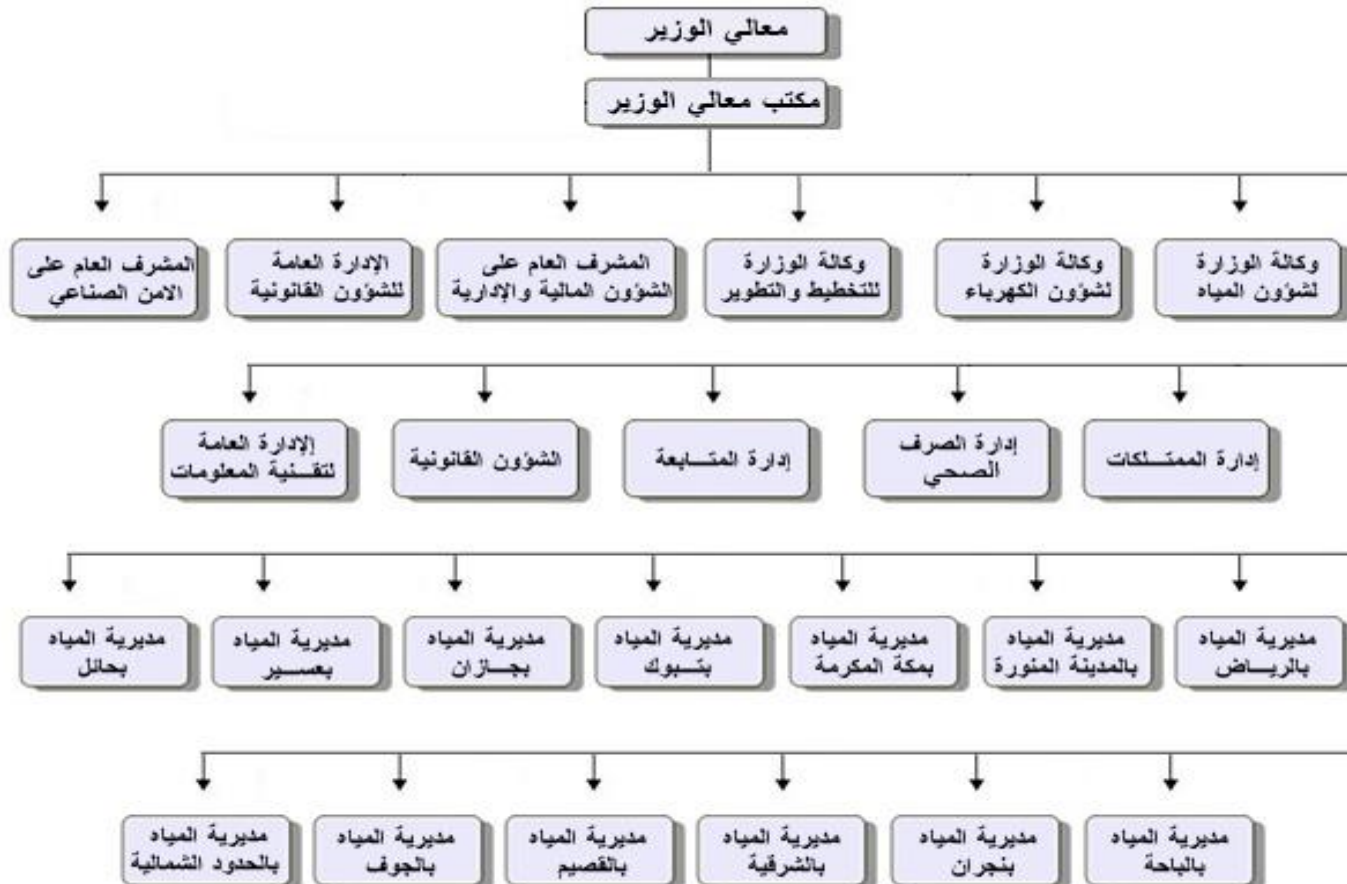


Introduction

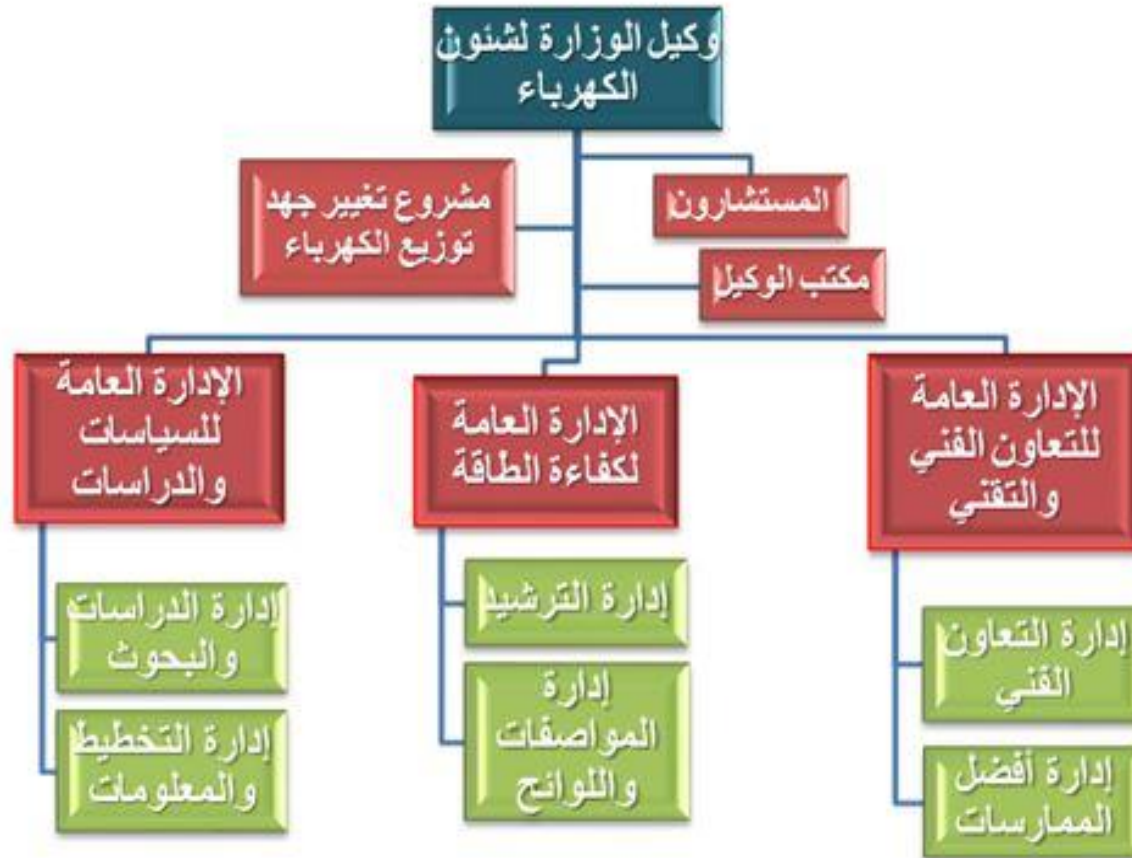
- ✓ **Nexus or nexi? WEF- WECC- WFCC**
- ✓ **Food gap- water scarcity and fossil versus renewable energy are not news for countries**
- ✓ **Double challenge of moving from Nexus Science to policy and from policy to action**
- ✓ **Eloquent evidence for sectors gain, what evidence is available for the nexus adoption?**
- ✓ **The issue from many is more about how to do it?**



The regional context: 3 cases to think about: Lebanon, KSA and Morocco



**Institutional fragmentation and incoherent policies:
More agric. more water more energy more waste low sustainability**





Common threads to Water, Energy and Food : Low efficiency, heavy subsidies

- ✓ **Lowest per capita share of water and highest consumption**
- ✓ **Low efficiency of water use in agriculture**
- ✓ **Low energy efficiency**
- ✓ **High losses in post harvest (30% for some crops)**
- ✓ **Unbearable costs of untargeted subsidies across the 3 sectors**
- ✓ **Egypt: USD 18.66 Bn (130 Bn EGP) 10-12% annual increase**

Acknowledged by policy makers, yet tough decisions needed and they come at a high social and political cost... small steps in the right direction across the region

**Nexus will be no news in the region
unless it brings solid evidence that the
previous figures will change as a result
of cross sectoral strategic planning and
coherent sustainable development
policies**

Challenges within sectors: water example



Nature

Water Scarcity in the AR is the highest worldwide

AR depends on transboundary water for 2/3 of its surface water

Beyond control



Institutions and policies

Practices

Supply driven policies

LOW efficiency and productivity in agriculture

Depletion of groundwater

Fragmented Institutions

Innovation and technology not grounded enough

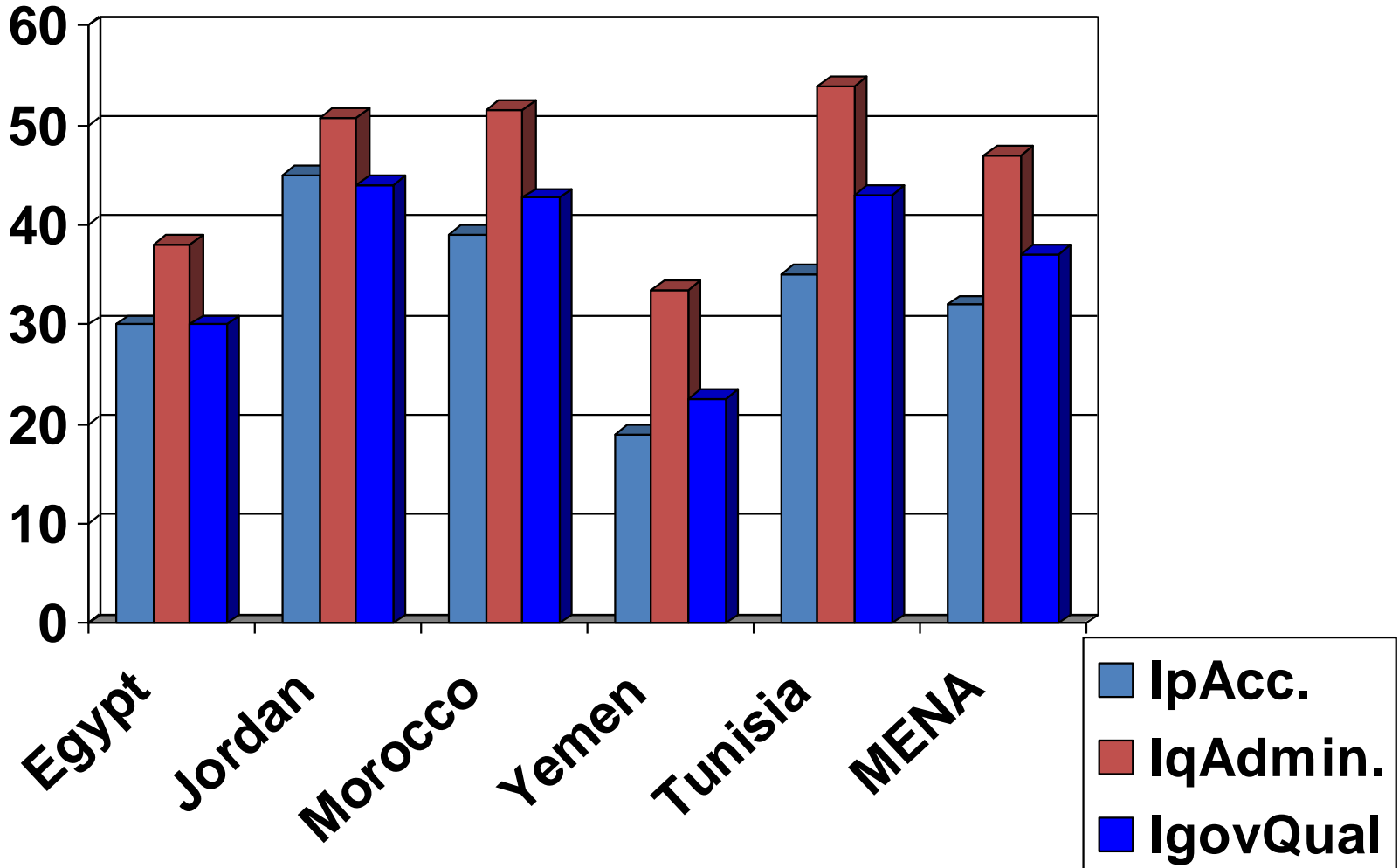
Water quality depletion

Room For change





Governance is another common thread





The good news for the nexus

Some Countries in the region are making small steps towards the green economy era

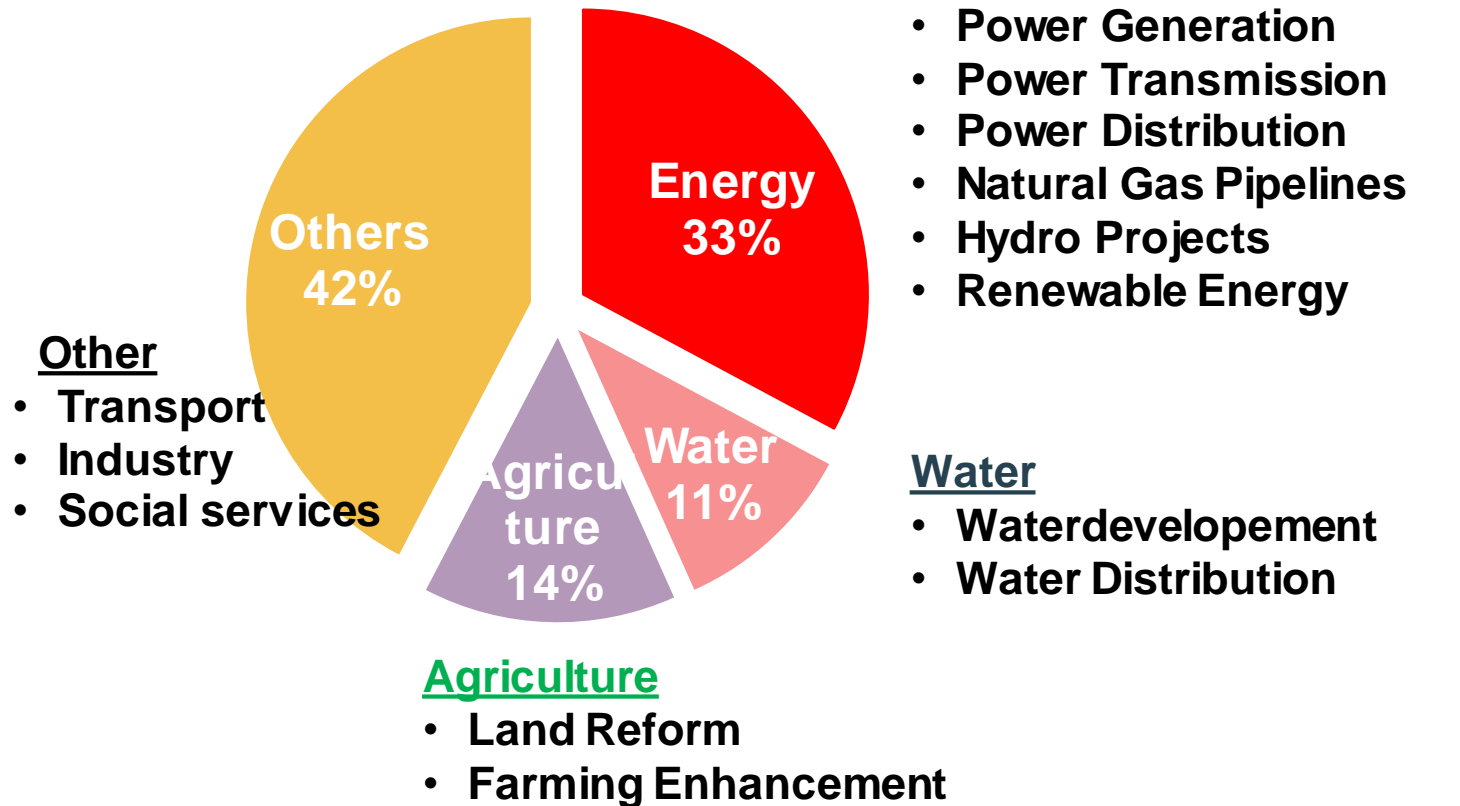
Reforms of the 3 sectors are aiming at more sustainable and efficient use of natural resource endowment

Economic incentives are gradually taking place

Donors showing support to Nexus: GIZ is an example

Elements of the Global development agenda are steadily percolating into national development policies: Green economy and climate change is a new policy discourse to the region

Arab Socio-Economic Fund DISTRIBUTION OF FINANCING AMONG SECTORS (1974 - 2013)



Regional Finance Institutions ready: 3 Nexus Projects



The Arab regional dialogue on Nexus: LAS and GIZ

- ✓ **Kickoff Session in Doha February 2014**
- ✓ **42 organizations and 60 participants from all horizons**
- ✓ **Recognition of the nexus: Pessimists and Optimists (both Useful and dangerous had a voice!)**
- ✓ **Demand for evidence and challenge of implementation**
- ✓ **The need for two parallel tracks: Policy and implementation**
- ✓ **Outcome of the session channelized to the Arab Water Ministerial Council**
- ✓ **A Ministerial decision endorsed the adoption of the nexus activities in Doha on May 27th 2014: Fast track where policy can sometimes move faster than science quantitative evidence**



Concluding remarks and 9 recommendations (1)

- ✓ **Keep the nexus triangular and not polygonal (danger of Food security)**
- ✓ **Enlarge mini nexi instead of striving to get everybody onboard from onset**
- ✓ **Work with champion countries that are already embarking on some form of cooperative governance and coherent planning for sustainable development**
- ✓ **Nexus promotion should not be a “supply driven” concept, how to create demand??**



Concluding remarks and 9 recommendations (1)

- ✓ **Pilot and scale up (from case studies to development models)**
- ✓ **Create a pool of national and regional group of competences with a solid Nexus knowledge and a connection to policy sphere**
- ✓ **Provide context specific evidence with rigorous research transaction costs and sector gains while adopting nexus approach**
- ✓ **Ensure proper Knowledge management at this stage**

Thank you