

PROJECT FICHE 4

Title	Transboundary River Management Plan for the Tobol-Irtysh River Basin		
Total cost	EC contribution €4.000.000		
Aid Method	Project approach – centralised management		
DAC-code	14040	Sector	Water

1. RATIONALE

1.1. Strategic framework

The European Water Initiative (EUWI) launched at the 2000 Johannesburg Summit for Sustainable Development was agreed with the CIS including Russia and includes an Eastern Europe-Caucasus and Central Asia (EECCA) component. One of the initiative's key objectives is to promote integrated water resource management.

This is reflected in the Tacis Regional Indicative Programme for 2004 – 2006 (IP) as well. In the IP in section 6.1 the general objective is progress towards sustainable use of natural resources and resource efficiency, whereby water is one of the resources mentioned in particular. In addition, reduced pollution and improved quality of shared water resources and protection of the marine environment of regional seas is mentioned under the heading Water of the IP as a specific objective.

The Central Asia Regional Strategy Paper and Indicative Programme for 2000-2004 identified the need for action that could eliminate the sources of political tension – including the distribution of water resources – and described the need to strengthen relations inter alia through cooperation in the development of good governance, environment and water management. This maintains priorities identified in earlier programmes which gave rise, amongst others, to the Tobol water management project, one of four basins in the Joint River Management Project funded under the 1999 Tacis Interstate Programme.

The present project aims to extend the experience of the Tobol to two further tributaries of the Ob in order to help ensure the integrated management of a significant part of its upper basin, covering northern Kazakhstan and south central Siberia. Here, surface water is the main or only source of drinking water. Effective quality and quantity management are essential to enable municipal water providers to have secure supplies.

1.2. Lessons learnt

The initial Tobol project aimed at practical support to ensure water quality control and cross-border information. However, it also identified quantity control as an essential factor in maintaining quality, especially since considerable material damage to drinking water infrastructure is incurred by snow-melt flooding. Both issues are common to the other tributaries of the Ob that flow from Kazakhstan to Russia, including Ishim and Irtysh.

The importance of such an integrated approach to management has been equally clear in the World Bank, UNECE and bi-lateral-funded projects that have been undertaken in the Irtysh basin.

The vertically-integrated management structures typical of the two countries make the exchange of both experience and information across institutions and basins particularly difficult. It will be important to ensure that the design of further work helps overcome this issue, at the same time fostering public information and involvement in the process, in line with Tacis as well as EUWI objectives.

1.3. Complementary actions

There are no ongoing projects in the field and the region, but several donors have expressed interest in complementary activities or in follow-up activities of their earlier projects, including in particular the World Bank and French bilateral assistance. Both have worked on the Irtysh basin, aiming to create the conditions for international basin management procedures. These must be taken into account in project design.

1.4. Donor coordination

UNECE published an overview paper on "Trans-boundary Water Co-operation in NIS" and the UNDP a strategy paper with proposals dealing with water governance. Both UNECE and UNDP would like to see part of their proposals covered under the present project.

The OECD in the present Environmental Action Programme (EAP) Task Force –part funded from the Tacis Regional AP 2002- is active in co-ordinating the discussions between NIS countries on how to shape a coherent national legislative and administrative framework for water policy in particular with respect to ensure proper ownership, management and pricing of water services.

The UK –via DFID- has been involved in Integrated Water Resource Management (IWRM) project in Kazakhstan (completed). Norway together with the UNDP is involved in IWRM as well. Denmark –via DEPA- provided an overview of water related activities in the EECCA countries.

The EU Water Initiative Working Group for the EECCA, brings together, inter alia, EU Member States and beneficiary countries and can act as a platform of discussion on the activities undertaken under this project.

2. REGIONAL CONTEXT

2.1. Cooperation related policy of beneficiary countries

Kazakhstan and the Russian Federation are among the states which have ratified the Helsinki Convention on the Protection and Use of Transboundary Watercourses and International Lakes (1992) and the other Conventions adopted under the aegis of the Economic Commission for Europe. These Conventions set a number of principles and requirements that should be met by the Parties through their respective national legal - and institutional - frameworks.

As to the duty provided for under the Convention to cooperate in the prevention, control and reduction of transboundary impacts, on 27 August 1992 the two countries signed an Agreement on the Joint Use and Protection of Transboundary Water Bodies. The Agreement covers all boundary water resources, including groundwater, and contains important provisions relating to the respective rights and obligations of the two states. In particular, the Parties recognize that they have equal rights to the use of transboundary water bodies, but that they also bear equal responsibility for their rational use and protection. The Agreement reiterates the

pre-independence water distribution rules, but acknowledges the right of the two Parties to negotiate a different water resources distribution, should circumstances so require.

The Partnership and Co-operation Agreements with the countries in the NIS stipulate as objectives:

- Combating local, regional and transboundary air and water pollution
- Implementation of the Espoo Convention on Environmental Impact Assessment in a transboundary context
- Improvement of laws towards EU standards.

2.2. Sector context

The Russian Federation and Kazakhstan inherited the same relatively strong water management structures from the Soviet Union. These were primarily responsible for flow regulation and for allocation. Separate but relatively weak quality protection framework (despite stringent standards) were added later. Over the last decade and more each has developed its own legislation, structures and control mechanisms to meet changing requirements. These have resulted in increasing divergences in management systems between them, although the distinction between quantity control and allocation mechanisms and quality control mechanisms has remained. Whilst in Russia, the Ministry of Natural Resources leads management issues for most practical purposes, in Kazakhstan responsibilities are more equally divided between a Ministry of Agriculture which includes a State Water Committee for quantity regulation and a Ministry of Environment for quality issues. In Russia, however, the relationship between the federal structures in the regions and regional administrations are less clear and in constant evolution.

In addition, the lack of investment in recent years and the incapacity of institutions to maintain often even a basic level of water monitoring through budget and staff attrition means that there are often no means of managing water. Even where monitoring exists, neither administrative nor investment decisions are generally based on its results.

Finally, regulatory texts lack clarity, give administrations little or no flexibility in execution and tend to reduce their capacity or willingness to take the initiative.

3. DESCRIPTION

3.1. Objectives

The objective of the project is to arrive at a common and coherent framework for basin management across the three tributary basins of the Ob straddling the Russian-Kazakh border.

3.2. Expected results and main activities

Three major results are expected from the project :

- the establishment of a forum to approve, modify and then supervise water management action at a trans-boundary as well as at national and local levels;

- Institutional and practical structures that can manage the river management plan preparation and implementation process, and
- A plan with appropriate objectives and goals for surface and ground waters.

In order to achieve this, the project must promote equivalent basin management practices between two countries and each sub-basin and as a basis for this, enable comparable data to be gathered across the region. This in turn will form the basis for the more effective use of existing resources and to achieve a better level of management, aiming to implement the relevant requirements of the Russian and Kazakh Water Codes.

The information base will be used to develop basin management plans enabling a better level of control over water quantity and quality and its sustainable use through the development of effective implementation programmes

The project calls for technical assistance to the existing river basin management structures and others in each country, coupled with support for the establishment or re-establishment of monitoring mechanisms. This will require equipment procurement for measurement, sampling and especially analytical tools. Measurement devices will need to include quantity as well as quality devices and hard and software enabling modelling for flood control, irrigation or drinking water supply, for example.

Whilst the main part of the work will be undertaken locally, it will be necessary to ensure that national administrations are kept abreast of developments to help ensure approval of the implementation measures proposed.

3.3. Stakeholders

The beneficiary in each country is the Water Resources Committee of the Ministry of Agriculture in Kazakhstan and the Ministry of Natural Resources in Russia, each responsible for the implementation of water policy and legislation. The main stakeholders are their regional management structures, the River Basin Authorities (one in Russia for the relevant part of the Ob basin, three in Kazakhstan, for each river).

The national and regional institutions have all expressed their interest in maintaining the impetus achieved through the first project. They include appropriate professional staff but are hampered in their work partly by the lack of equipment but more by the inappropriate procedures inherited from previous regimes.

3.4. Risks and assumptions

The relevant countries and local administrations will need to approve a budget commensurate with the needs described in the implementation programmes, not just for the period of the project, but throughout the life of the management systems it aims help establish.

Governments will additionally need to strengthen project preparation capacity in order to invest to meet management plan objectives.

A specific external and political risk arising is the ambition of China, in whose territories the headwaters of the Irtysh lie, to settle a large population in its Altai region. Kazakhstan and Russia will need to reinforce their dialogue with China in order to secure an equitable distribution of resources. This is likely to mean involving China in the trans-boundary management planning process.

3.5. Conditionalities

There are no prior conditions to be met. Project success depends on overcoming the risks and countries need to demonstrate a willingness to allocate appropriate resources to the tasks they are engaged in through the project.

3.6. Crosscutting issues

Guiding principles of project implementation are environmental sustainability and good governance: the project aims to ensure the sustainable use of water of appropriate quality through institutional measures, amongst others, that bring together the administrations at several levels and from two and potentially three countries.

4. IMPLEMENTATION ISSUES

4.1. Implementation method

Centralised management

4.2. Budget and calendar

The budget is € 4 million to be split between an estimated € 3 million for services and an estimated € 1 million for supplies. The foreseen duration of the project is 36 months.

4.3. Procurement and award of grants procedures

Services and supply contracts

All contracts implementing the financing agreement must be awarded and implemented in accordance with the procedures and standard documents laid down and published by the Commission for the implementation of external operations, in force at the time of the launch of the procedure in question.

All programme estimates must respect the procedures and standard documents laid down by the Commission, in force at the time of the adoption of the programme estimates in question.

4.4. Performance monitoring

The key performance indicators are :

- The approval of management plan principles for the relevant basins by each country during project life;
- The establishment of a network of measurement points to provide quantity and quality information necessary to support plan preparation and implementation;
- At least one laboratory in each country and for each river with the capacity to test selected priority substances according to internationally accepted standards;
- At least one implemented pilot project in support of management plan objectives in each country;

4.5. Evaluation and audit

Evaluation and audit will be carried out using standard EuropeAid procedures.

Annexes : none