

PROJECT FICHE 3

Title	Water governance for NIS		
Total cost	EC contribution € 6 million		
Aid Method	Project approach centralised management		
DAC-code	14010	Sector	Water supply and sanitation

1. RATIONALE

1.1. Strategic framework

The Johannesburg World Summit on Sustainable Development and the Millennium Development Goal Indicators formulate as target to have by 2005 integrated water resources and water efficiency plans. This is reflected in the Tacis Regional Indicative Programme for 2004 – 2006 (IP) as well.

Further 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.

While under the heading Water of the IP as a specific objective reduced pollution and improved quality of shared water resources and protection of the marine environment of regional seas is mentioned.

1.2. Lessons learnt

So far technical assistance for Tacis Regional with respect to water governance has mainly focused on support to either inter-governmental arrangements, like the Bucharest Convention for the countries around the Black Sea, or the International Fund for Saving the Aral Sea for the Countries of Central Asia and Caspian Environment Programme for the countries around the Caspian Sea. The development of river basin management plans has been dealt with in several Cross Border Co-operation projects and a Joint River Basin Management Project from Tacis Interstate 1999 and a similar project proposed for the Regional Action Programme 2005. These projects stress the monitoring of water pollution and use of water resources, the development of action plans and strategies and the strengthening of the institutions involved. However this is clearly not sufficient on its own to improve water quality: clearly attention should be paid to support the execution of management plans, strategies and action plans and where needed and desired the development and/or improvement of water legislation, the implementation of this legislation and its enforcement by appropriate support to institutions involved. Thereby -in line with the Partnership and Cooperation Agreements between the EU and the NIS countries- EU legislation, standards and practices could serve as a model. It is also clear from past support granted to regional co-operation on for instance the Black Sea and the Aral Sea, that the beneficiary countries should show a clear commitment to take the necessary steps -and to make the necessary legislative arrangements- to combat pollution and promote the sustainable use of water resources available. Clearly also investments in the water sector- water supply and sewage treatment- will be more efficient and effective if embedded in a legal and regulatory framework that does not only address the proper payment and contractual arrangements for provision of these services, but also aims at reducing pollution loads at source and regulates the use of scarce water resources, the latter concern being in particular relevant for Central Asia.

1.3. Complementary actions

Under the Tacis Regional Action Programme (AP) 2004 projects are under preparation to support the Caspian Sea framework Convention and Marine strategies, to support Environmental Collaboration for the Black Sea. From Tacis Regional AP 2003 a Trans boundary River Basin Management project for the western

NIS and a Water investment Support Facility is under development. Very recently – end of 2004- Tacis Regional projects supporting the Black Sea Environment Programme and the Aral Sea Regional Water Management project finished. Under Tacis Regional AP 2002 an Investment Facility for the Black Sea is running.

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 and coordination for activities that will be undertaken under the Water Governance project.

2. REGIONAL CONTEXT

2.1. Cooperation related policy of beneficiary country

The current co-operation mechanisms are mainly directed to the regional seas in the area. For the countries around the Black Sea this is the Black Sea Commission under the Bucharest Convention with Turkey, Romania, Ukraine, Russia and Georgia as members. The Central Asian countries sharing the river basins of Syr Dary'a and Amu Dary'a, both draining into the Aral Sea –Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan are collaborating in IFAS – the International Fund for Saving the Aral Sea. For the countries, Iran, Azerbaijan, Russia, Kazakhstan, Turkmenistan around the Caspian Sea a Caspian Framework Convention is being developed under the aegis of UNEP. This work is supported by the above mentioned Tacis AP 2003 project under development.

2.2. Sector context

Though the collaboration mechanisms mentioned under point 2.1 are in itself worthwhile for fostering regional co-operation, and strategies, and in particular also monitoring activities, these do not necessarily lead to the required legislative, enforcement and corrective measures to reduce water pollution loads and effective use of scarce water resources upstream from these regional seas. Therefore support to this is worthwhile besides direct support to these regional co-operation mechanisms also supported in previous regional Tacis APs.

3. DESCRIPTION

3.1. Objectives

The overall objective of this EU funded action in the region is to contribute to the reduction of pollution, to fair sharing and effective use of scarce water resources, to the improvement of the quality of shared water resources, such as trans-boundary rivers.

The specific objective is to have water legislation improved, implemented and enforced, approaching EU standards. Further to ensure fair distribution of water from resources available between beneficiary countries and consumers.

3.2. Expected results and main activities

Consultation in the framework of the EU Water Initiative Working Group with the beneficiary countries, with DG Environment of the European Commission, the Environment Ministries and/or other ministries responsible for water management in the beneficiary countries, relevant parliamentary committees in these countries, and relevant international organisations; like UNECE, UNDP, OECD etc., should lead to improved water codes or drafts thereof, suitable for presentation to national parliaments, and followed-up by administrative orders needed for implementation, as well as enforced inspectorates responsible for the enforcement of water legislation. The level of attainment is likely to differ from country to country depending, inter alia, on the present state of affairs, other resources available from outside this project, and the interest of countries to approximate to EU standards.

The main activities will therefore be technical assistance for institution building, analysis of existing legislation, adaptation or drafting of new legislation and implementation and enforcement arrangements, to be tailored in its details to the specific activities which an individual beneficiary country may need in reaching the objectives and expected results. Activities will be for instance -summing up non-exhaustively- exchange of experience and know-how between relevant institutions and authorities of EU Member States and the beneficiaries, covering the political, policy and implementation and enforcement levels, training of personnel of beneficiary countries involved in the activities, translation of EU policy and legislative documents into the languages of beneficiary countries, assistance in drafting of the necessary legislative documents as mentioned above, pilot projects for instance from UNDP and UNECE, a limited supply of equipment, in particular to inspectorates etc. All this to be more precisely considered through discussions with the beneficiary countries, -inter alia, in the EU Water Initiative Working Group- in the drafting of Terms of Reference(s) to follow from this project fiche.

Due to the limited availability of funds, this intervention is meant to be undertaken on a pilot basis or executing relatively low cost actions (for instance translation of essential EU water policy documents) for all countries. Themes should be addressed which are relevant to all NIS countries or one or more groupings of NIS countries. The concrete actions will be selected on the basis of the expectation that for a country /countries the expected results can be attained.

3.3. Stakeholders

The main stakeholders are the Environment Ministries and other ministries of the beneficiary countries, with a role in water management or having through their proper responsibility like sectors as agriculture, an impact on water quality and/or the distribution of water among consumers. The assessment of the institutional capacity needs to be addressed by the project itself to meet the specific objective.

3.4. Risks and assumptions

The main risk may be the lack of co-operation of the Ministries or Parliaments concerned, together with the implementing authorities and the inspectorates. Further lack of staff or resources to follow up on the outcome of the project could be a risk.

The aforementioned Consultations (see under 3.2) process within the framework of the EUWI as well as taking on board already worked out proposals, by UNDP and UNECE in particular, could mitigate these risks. Such risk will also be mitigated by asking explicit endorsement of the Terms of Reference from the beneficiary countries.

The sustainability of the proposed action could be argued on the political commitment of the countries laid down in the Partnership Agreements with the EU to approach EU environmental standards.

3.5. Conditionalities

The main conditions to be met is that the ministries and institutions in the beneficiary countries involved are willing and able to dedicate the necessary competent staff to the task and that proper consultations between ministries and parliament on the tasks to be performed will take place early in the project.

3.6. Crosscutting issues

This project is of relevance to good governance, environmental sustainability and the right to have clean drinking water.

4. IMPLEMENTATION ISSUES

4.1. Implementation method

Centralised management

4.2. Budget and calendar

The budget is € 6 million tentatively allocated as follows : € 4 million for services and € 2 million for supplies. The foreseen duration of the project is 36 months.

Part of the budget could be allocated to international organisations (for instance to the Regional Environment Centres in the NIS, where this creates value added, notably for Civil Society involvement), by means of agreements that shall be governed by the EU relevant financial regulations.

The contribution of the beneficiary countries may be in kind: providing office space and/or accommodation and the necessary time of government staff or from staff of other publicly funded institutions involved in the project.

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

Monitoring arrangements will be as standard for Tacis projects.

Key indicators are:

(A)

- 1) Water legislation drafted and/or amended and accepted by responsible ministry (ies).
- 2) Water legislation accepted by government.
- 3) Water legislation in force through acceptance by parliament.

- 1) Implementation arrangements drafted and accepted by responsible ministry (ies).
- 2) Implementation arrangement in place.
- 3) Effective and efficient implementation shown.

(B)

- 1) Inspectorates and agencies having the necessary competencies, staffing levels and equipment to enforce water legislation.
- 2) Enforcement of water legislation shown by lower absolute pollution levels or pollution levels are not raising, with increased output of the economic sectors causing the pollution in principal.

(C)

- 1) Better co-operation between countries on sharing water resources and avoiding water pollution.
- 2) Having legally binding arrangements and institutions in place or improved between countries sharing water resources.

For the above, indicators are more onerous to meet in general, and certainly within the time frame of the project, with ascending number. Clearly the level of attainment is not expected to be the same for all countries (see also section 3.2).

4.5. Evaluation and audit

Evaluations and audits will be carried out using standard EuropeAid procedures.

Annexes
None.