



EAP Task Force



EU Water Initiative - EECCA Working Group

13th Meeting

24-25 November 2009, Bucharest

**EUWI-EECCA Component -
Annual Work Programme 2010 - Draft**

BUCHAREST, 2009

INTRODUCTION

The EU Water Initiative (EUWI) was launched by all EU Member States and the European Commission at the World Summit on Sustainable Development (WSSD) in Johannesburg, South Africa, in 2002. It is a partnership of stakeholders with the overall objective of contributing to the achievement of the Millennium Developments (MDGs) and WSSD targets for drinking water and sanitation, within the context of an integrated approach to water resources management. It is not a financing mechanism.

The EUWI is a global initiative and consists of four components, each covering a region of the world, EECCA, Africa, Mediterranean and Latin America.

The EUWI-EECCA Component targets the 12 EECCA countries (Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan). It is being implemented by the EECCA countries, EU Member States and European Commission in close cooperation with the OECD/EAP Task Force, UNDP, UNECE and other international organisations active in the EECCA region within the water sector.

The EUWI-EECCA Component has 8 objectives that are laid down in its work programme till 2015, which was approved in Chisinau, Moldova, in 2005. The 8 objectives are the following:

- Improve institutional and regulatory framework.
- Ensure financial viability of utilities.
- Investment in water supply, sanitation and rehabilitation.
- Ensure access of the poor to water services as a basic human right.
- Safeguard public health.
- Protect the environment.
- Establish and implement national policies for IWRM.
- Develop the inter-state cooperative structures for river/lake basin management.

The EUWI-EECCA Working Group constitutes the cornerstone within the organisational set-up of the EUWI-EECCA Component. It is responsible for overseeing the implementation of the EUWI-EECCA work programme and receives guidance and advice from the EUWI Steering Group. It consists of representatives of the EECCA countries, EU Member States, international organisations, NGOs and the European Commission. The EUWI-EECCA Working Group is currently chaired by Romania.

The EUWI-EECCA Component has two focus areas - water supply and sanitation (WSS), including financing of water infrastructure, and integrated water resources management (IWRM), including transboundary river basin management and regional seas issues. Financing constitutes an important pillar within each of the two focus areas - and establishes a link between them.

National Policy Dialogues are the main operational instrument within the EUWI-EECCA Component. Some of these dialogues concentrate on water and sanitation whereas others concentrate upon IWRM.

The current work programme outlines the activities to be carried out in 2010 within the EUWI-EECCA Component.

ACTIVITIES

In 2010, the EUWI-EECCA Component will concentrate on supporting National Policy Dialogues in a number of countries, as well as on holding one working group meeting to allow for the exchange of experiences and lessons learned at the regional level.

for ongoing, f for finalized, p for planned

I. Annual meeting of the EUWI EECCA Working Group

Support for the organization of one EUWI EECCA Working Group meeting, presumably in Bucharest in October/November 2010

II. National Policy Dialogues

Summary of National Policy Dialogues under the 2010 EECCA EUWI Programme of Work										
Focus	GEO	ARM	KYR	MD	UA	AZ	TKM	UZ	TJ	RUS
Water and sanitation (OECD)		X	X	X	X	X		X		X
Integrated water resources management (UNECE)	X	X	X		X	X	X		X	
Status	e	o/e	o	o	o	e	e	e	e	o

*o= ongoing, e = exploratory phase

1 NPD process in the Republic of Moldova

A. NPD WSS

The dialogue in Moldova will build on the 2008 financing strategy for water and sanitation that has been developed in a previous phase of the dialogue and seek to link the strategy into the budget process. This will involve the development of a prioritized action/investment plan and of a number of tools and templates to support its linkage into the budget process. This work is being supported by the EC, the Czech Republic and Austria and also involves the participation of the EC Delegation in Chisinau.

Activities

- Kick-off meeting of new phase of work in November 2009
- In 2010, three dialogue meetings are planned
- Road show in Q1 2011

Outputs

- Investment/action plan agreed by the Government
- Tools and guidance on how to link it into the budget process

B. NPD IWRM

In the period 2006-2009, the dialogue process on integrated water resources management contributed to, and facilitated, the implementation of the principles of the EU Water Framework Directive and the UNECE Water Convention with a link to financing issues. A new governmental regulation on wastewater discharges from municipal sources, an Order on the establishment of river basin management authorities and river basin councils, and an action plan to achieve the water-related Millennium Development Goals¹ have been drawn up and approved by the Government or the competent ministries/agencies.

The dialogue process, financed by the European Commission under a Contribution Agreement between OECD and UNECE will come to an end in December 2009. The final Steering Committee meeting under the NPD-IWRM process was scheduled for early 2010.²

The continuation of the policy dialogue will become part of the implementation process of the above mentioned action plan, financed by Switzerland under an Agreement between the Swiss Agency for Development and Cooperation (SDC) and UNECE. The existing Steering Committee (with some adaptations given the new structure of the Government) will continue to oversee these activities thus guaranteeing the sustainability of the NPD process.

2 NPD process in Kyrgyzstan

A. NPD WSS

The dialogue in Kyrgyzstan will build upon the 2009 financing strategy and the tools that have been developed to support the Kyrgyz authorities in their efforts to link the strategy into the budget process. The authorities have signaled that they would need further assistance to ensure that the financing strategy can be implemented. This includes support for the development of new sector policy. The authorities have indicated that support would in particular be needed for developing a fully-fledged sector policy document, as well as in the areas of public private partnerships, economic regulation and measures to achieve economies of scale in a fragmented sector. This dialogue process is being supported by the European Commission.

¹ “Action plan on setting targets and target dates on sustainable water management, safe drinking water and adequate sanitation to comply with the provisions of article 6 of the Protocol on Water and Health”

² Shift of meeting dates from December 2009 to January 2010 given the time needed by the Government to establish its new administration.

Activities

- Two NPD meetings in 2010, of which one might be structured around bilateral discussions and could be carried-out with existing resources;
- One or two additional NPD meetings could be carried-out in 2010 if additional financial resources or in-kind contributions could be mobilized (eg from the World Bank, ADB or bilateral donors active in the country's water sector);

Outputs

- Draft sector policy;
- Policy guidance documents, depending on additional resources (eg, public-private partnerships, achieving economies of scale);

B. NPD IWRM

In 2008-2009, the dialogue process on integrated water resources management contributed to the strengthening of the IWRM framework and the implementation of principles of the Protocol on Water and Health to the UNECE Water Convention. In 2010-2011, the dialogue process will build on the policy packages on the setting-up of a River Basin Council for the Chu basin and on an action plan to achieve the water-related Millennium Development Goals, drawn up and approved by the Steering Committee in 2009.

In this period, the dialogue process will cover selected issues of sustainable use of water resources taking into account climate change, the protection of water ecosystems, water-and-health issues, and innovative financing instruments such as payments for ecosystem services. The work plan for 2010 and the provisional plan for 2011 were adopted at the 3rd Steering Committee meeting in October 2009.

Activities

- In 2010, three dialogue meetings are planned, including one Steering Committee meeting

Outputs

- Policy document on water-and-health issues in Kyrgyzstan
- Draft policy recommendations on sustainable water management in river basins shared between Kyrgyzstan and Kazakhstan (jointly with the Kazakh-Kyrgyz Commission on the Chu and Talas) as well as Kyrgyzstan and Tajikistan (preferably jointly with water management authorities in Tajikistan, see below).

3 NPD process in Armenia

A. NPD WSS

Comprehensive work on the financing of water supply and sanitation was carried-out in previous phases of the dialogue. Preliminary discussions with the Armenian authorities indicate that there is an interest to continue the dialogue on financing water, but with a focus beyond the water supply and sanitation sector, ie agricultural irrigation. This could build on OECD's work on WSS in the country and the conceptual work that OECD is currently developing in the area of WRM financing. It would also build on work carried-out by UNECE in the Marmarik river basin, as well as the broader efforts for integrated water resources

management that have taken place in the country. This work is being supported by the European Commission and Germany.

Activities

- Fact finding mission and bilateral dialogues, October 2009;
- Two NPD meetings in 2010 discussing the scoping of work and a first draft analytical report identifying different policy choices;
- One NPD meeting in 2010 to discuss a more advanced draft analytical report and agreement on a specific policy option (this would require additional financial or in-kind resources to be carried-out);

Outputs

- Scoping paper and analysis of status of financial planning for water resources management;
- Paper on policy options for the financing of water resources management (conditional on additional financial resources);

B. NPD IWRM

Since early 2007, the dialogue process on integrated water resources management has been facilitating the implementation of the principles of integrated water resources management in line with the EU Water Framework Directive, the UNECE Water Convention and other relevant conventions and agreements. This included pilot basin activities.

The dialogue process, financed by the European Commission under a Contribution Agreement between OECD and UNECE, will continue at least until December 2010. It will build on the strategy documents on the implementation of the principles of the EU Water Framework Directive in Armenia, finalized in 2008, and the action plan to achieve the water-related Millennium Development Goals, finalized in 2009.³

Activities

- In 2010, three dialogue meetings are planned, including one Steering Committee meeting

Outputs

- Policy document on water-and-health issues in Armenia
- Draft policy recommendations on sustainable water management in domestic river basins

4 NPD in Ukraine

A. NPD WSS

This policy dialogue has focused on a range of problems that are linked to the fragmentation of the water sector and the policy measures that can help to achieve economies of scale in this situation. An

³ “Action plan on improving health in Armenia through target setting to ensure sustainable water management, access to safe water and adequate sanitation”

analytical paper discussing policy approaches that have been used in a number of EU countries has been prepared. It is planned that this dialogue would continue with the development of a roadmap for related reforms. An additional topic for the dialogue might emerge when the EC confirms plans to provide sector budget support for water and sanitation. This may require support for the Ukrainian authorities in developing a strategic financial plan and to appropriately link it into the budget process. Preliminary discussions on this have taken place with the Ministry for the Housing Economy and the EC Delegation in Kiev. This work is being supported by the EC and Germany.

Activities

- Two NPD meetings in 2010 to discuss and finalise the reform roadmap to achieve economies of scale in the water and sanitation sector;
- One NPD in 2010 to discuss and scope-out work to develop a strategic financial plan for water and sanitation (this would require additional financial or in-kind resources to be carried-out);

Outputs

- A roadmap for reforms to achieve economies of scale in the water and sanitation sector;
- A strategic financial plan for water and sanitation (conditional on additional funding);

B. NPD IWRM

Since early 2008, the dialogue process on integrated water resources management has been contributing to strengthen the legal, institutional and managerial frameworks so that water management authorities, river basin organizations and other water-related entities can increasingly cope with the challenges of climate change/variability, for example, by the development of reform and adaptation measures (e.g. adaptation of water management to climate change; safe drinking water supply and adequate sanitation under changing climate).

The dialogue process, financed by the European Commission under a Contribution Agreement between OECD and UNECE, will continue at least until December 2010. It will build on the strategy documents related to sustainable flood management developed so far under the auspices of the Steering Committee and the action plan to achieve the water-related Millennium Development Goals.^{4, 5}

Activities

- In 2010, three dialogue meetings are planned, including two Steering Committee meeting (one was sifted from 2009 to 2010)

Outputs

- Policy document on adaptation in water management in Ukraine to climate change

⁴ “Action plan on setting targets and target dates on sustainable water management, safe drinking water and adequate sanitation to comply with the provisions of article 6 of the Protocol on Water and Health in Ukraine”.

⁵ Since June 2009, the Government of Norway is financing the implementation of the action plan, prepared under the dialogue process in 2008

- Draft policy recommendations on joint action by Ukraine and the Republic of Moldova to adapt water management in the Dniester basin to climate change

5 NPD in the Russian Federation

The NPD process in the Russian Federation will deal with water supply and sanitation issues.

Preparations for a regional workshop on public-private partnerships in water and sanitation on 28-29 January 2010 are currently under way. This conference would have a strong focus on Russia and will involve the Russian Ministry of Economic Development, the Russian Development Bank and the World Bank as co-organizers. This regional activity could provide opportunities to develop a follow-up NPD in Russia in 2010. This work is being financed by Germany and the EC.

Activities

- One or two NPD meetings in 2010 on topics related to PPPs (if additional financial or in-kind resources can be found to support analytical work);

Outputs

- Workshop proceedings;
- Policy guidance documents in one or two other topical areas (conditional on additional funding);

6 New NPDs

A. Azerbaijan

On the assumption that the Government of Azerbaijan⁶ will officially request a policy dialogue and commit itself to this process, the dialogue process will start in 2010 with a fact-finding mission (originally foreseen in 2009); it will continue until the end of 2012. As suggested earlier by Azerbaijan's authorities, the dialogue process could focus on transboundary water management issues in the Alazani basin, shared by Azerbaijan and Georgia.

Activities

- In 2010, 1 fact finding mission (originally foreseen in 2009) and 2 dialogue meetings, including one Steering Committee meeting

Outputs

- Draft policy recommendations on sustainable water management in the Alazani River basin (preferably jointly with Georgia, see below).

In addition an exploratory mission to discuss possible interest in a dialogue on water supply and sanitation is planned to take place in the course of 2010. If conclusive (and sufficient resources are available) the dialogue process could start in late 2010 or early 2011.

⁶ For example, by a letter of the Minister for Environment to UNECE

B. Georgia

On the assumption that the Government of Georgia⁷ will officially request a policy dialogue and commit itself to this process, the dialogue process will start in 2010 with a fact-finding mission (originally foreseen in 2009); it will continue until the end of 2012. As suggested earlier by Georgian authorities, the dialogue process could focus: (a) on transboundary water management issues in the Alazani basin, shared by Azerbaijan and Georgia; and (b) on setting targets and target dates on sustainable water management, safe drinking water and adequate sanitation to comply with the provisions of article 6 of the Protocol on Water and Health.

Activities

- In 2010, 1 fact finding mission (originally foreseen in 2009) and 2 dialogue meetings, including one Steering Committee meeting

Outputs

- Draft policy recommendations on sustainable water management in the Alazani River basin (preferably jointly with Azerbaijan, see above)
- Draft action plan on setting targets and target dates on sustainable water management, safe drinking water and adequate sanitation to comply with the provisions of article 6 of the Protocol on Water and Health in Georgia

C. Tajikistan

On the assumption that the Government of Tajikistan⁸ will officially request a policy dialogue and commit itself to this process, the dialogue process will start in 2010 with a fact-finding mission (originally foreseen in 2009); it will continue until the end of 2012. As suggested earlier by Tajikistan's authorities; activities under the policy dialogue process may deal with transboundary water management and may include joint activities with Kyrgyzstan.

Activities

- In 2010, 1 fact finding mission (originally foreseen in 2009) and 2 dialogue meetings, including one Steering Committee meeting

Outputs

- Draft policy recommendations on sustainable water management in one or more river basins shared with Kyrgyzstan

⁷ A letter by the Minister for Environment is expected to be mailed soon to UNECE

⁸ For example, a letter by a senior official from the water/environmental administration in Tajikistan to UNECE

D. Turkmenistan

On the assumption that the Government of Turkmenistan⁹ will officially request a policy dialogue and commit itself to this process, the dialogue process will start in 2010 with a fact-finding mission (originally foreseen in 2009); it will continue until the end of 2012. As suggested earlier, specific emphasis should be put on policy issues of integrated water resources management in Turkmenistan's river basins, notably the Murgab and Tejen transboundary basins. In addition to policy issues of sustainable water management, such issues as reduction of water losses and improved water efficiency, new technologies for water monitoring, irrigated agriculture as well as capacity building of ministerial staff, staff of agencies, and water users (including farmers) have been proposed as possible topics for the dialogue process. Water supply and sanitation issues could also be considered in response to specific needs identified at the national level by the competent authorities.

Activities

- In 2010, 1 fact finding mission (originally foreseen in 2009) and 2 dialogue meetings, including one Steering Committee meeting

Outputs

- Draft policy recommendations on sustainable water management in the domestic part of transboundary river basin(s)

E. Uzbekistan

An exploratory mission to discuss possible interest in a dialogue on water supply and sanitation is planned to take place in the course of 2010. If conclusive (and sufficient resources are available) the dialogue process could start in late 2010 or early 2011.

⁹ For example, a letter by a senior official from the water/environmental administration in Turkmenistan to UNECE