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# Annual Meeting of the EU Water Initiative Eastern Europe, Caucasus and Central Asia (EUWI EECCA) Working Group



12-13 May 2016, Paris



## Key highlights of the meeting

The EUWI EECCA Working Group meeting participants:

- Welcomed progress made as part of National Policy Dialogues and underlined that 10 years of cooperation resulted in an important intangible capital of trust between all parties involved and established a shared language at the technical level, based on the EU Water Framework Directive;
- Acknowledged the role of EUWI in promoting water sector reforms in the region and shared expectations that EU continue to be an engine in this process;
- Stressed the need to put more focus on implementation in the next phase of the EU-funded project;
- Underlined the importance of involving line ministries and addressing conflicting goals through consensus building and acknowledged the importance of the nexus approach;
- Considered that cooperation involving EaP countries and Central Asia countries remains relevant as it offers opportunities for cross-fertilisation and an effective platform for interaction;
- Called for an increased frequency of information exchange on progress, in particular in countries that signed Association Agreements and suggested that more specific thematic meetings be organised in the future;
- Requested that support for SDGs implementation be among the EUWI goals;
- Stressed the importance of developing water allocation plans and improving fiscal incentives for increased water productivity of the economy;
- Expressed commitment to make country contributions to the successful implementation of the EUWI+ project;
- Requested that specific impact indicators (reduction in water losses, extent of water monitoring, etc.) be formulated to track progress on project implementation;
- Complimented Romania for an effective chairmanship of the Working Group.

This work is conducted within the framework of the GREEN Action Programme for which the OECD serves as a secretariat and the European Union Water Initiative (EUWI) which is implemented by the OECD and UNECE. Financial support for this work was provided by the European Union.

## **Summary Record**

### **Overall information about the meeting**

The meeting was chaired by Mr Gheorghe Constantin, Chair of the EUWI EECCA.

### **Welcome and adoption of the draft agenda**

Delegates noted the opening remarks by the OECD (Ms. Kumi Kitamori), UNECE (Mr. Bo Libert) and Ms. Angela Bularga, Programme Manager, DG NEAR, who welcomed the meeting participants, acknowledging the continued support of the EC and donor community to the water reforms in the region, and noting that national policy dialogues are best conceived as umbrella processes that should demonstrate tangible reforms.



### **Tour de Table**

Delegates from EECCA countries raised recent developments with regard to water policies in their countries. The following delegates took the floor: Armenia (on institutional and legal progress with first stage of reforms and the national and regional organisational structures in place), Azerbaijan (on nexus issues, sharing of data and the move to a basin approach of water resources management), Belarus (on harmonisation of international agreements, a new water code from 2015, basin councils with multi-stakeholder participation and climate change adaptation guidelines), Georgia (on the association agreement with the EU and harmonisation with the Water Framework Directive, the development of water legislation, development of river basin management plans and transboundary cooperation with neighbours), Kazakhstan (on adoption of recommendations from NPDs, the conservation and rational use of water and succession to the water and health protocol), Kyrgyzstan (on first meeting of National Council of Water, development of a vision to 2020 and 3 key focus areas of climate change adaptation, irrigation and improved fertility of land), Moldova (on signing of association agreement and harmonisation of water legislation, development of a water supply and sanitation strategy and approval of new tariff methodologies), Russia (on a programme for use of water resources, improving energy

efficiency and improving non-productive water losses in line with SDG 6 and improving trans-boundary cooperation with neighbours), Tajikistan (on development of a single water policy, development of national basins and sub-basins and the rate of reform of the irrigation sector), Turkmenistan (on developments to water code and a new land code, the role of NPDs, development of financial and technical regulations and the Ministry of Health roadmap) and Ukraine (on signing of association agreement in September 2015, development of implementation plans for compliance with EU directives and development of a basin approach and role of 9 basin councils).

### **Legal and institutional reforms in the water sector of EECCA countries**

In recent years EECCA countries have demonstrated their willingness to modernise the approaches towards water resource management. Convergence towards the principles of Integrated Water Resources Management and the EU Water Framework Directive is now on the agenda of legal and institutional reforms of the countries. UNECE and OECD have been assisting countries through NPD process to draft new primary and secondary legislation.

Presentations on following country cases were made by delegates from [Georgia](#) - Development of the new Water Law and bylaws (by Ms. Mariam Makarova, Deputy Head of Water Department, Ministry of Environment and Natural Resources Protection); [Armenia](#) - Legal and institutional reforms in the water sector (by Mr. Hachik Hakobyan, Deputy Minister, Ministry of Nature Protection); Tajikistan - Water Sector Reform Programme 2016-2025 and related institutional changes (by Mr. Daler Kholmatov, Ministry of Energy and Water Resources); and [Azerbaijan](#) - Development of national water strategy (by Mr. Arif Akhundov, Head of Department, State Water Agency).

On follow-up discussion, the request for continued support for institutional and legal work was voiced by several countries. Needs are different but one common action is support to harmonization of EU water legislation in Neighbourhood East countries.

### **Managing water for green growth and sustainable development**

The OECD introduced work on linkages between water and green growth with references to countries strategies and sectorial programmes. Since 2009, green growth is promoted internationally. The goal is to bring closer different policy communities and sometimes competing perspectives. Water is an essential element of that work: while water-related risks can hinder the growth, water can be managed so as it contributes to green growth. Transition to a green economy model assumes a drastic increase in resource use efficiency, including water, and decoupling of sustainable and inclusive growth from environmental pollution. Water and inclusive Green Growth concept gives due attention to the social dimension (social equity and affordability) coupled with proper ecosystem management.

A number of activities have been implemented in the framework of National Policy Dialogues to ensure links between water and green growth. The presentations from Armenia and Russia provided examples of such country work: a review of economic instruments in Russia, with a view to align them with water priority objectives; and the work to support developing a sanitation strategy in Armenia.

Delegates took note of progress with [the reform of the sanitation sector in Armenia](#). Armenian delegates presented the experience with adopting auxiliary reforms to the market structure in order to increase the efficiency and quality of sanitation service delivery, and to the financing arrangements so as to generate additional funds for sanitation and to the legal framework.

Delegates noted the presentation by Mr. Alexander Shekhovtsov, National technical director of the Baikal project, and discussed the challenges with developing recommendations on how economic instruments for WRM could help to find a right balance between the two main policy goals: [protection of Lake Baikal and sustainable socio-economic development of the Republic of Buryatia](#).

### **On-going work on water-food-energy-ecosystems nexus**

This session overviewed the work on nexus at national level led by the OECD and the UNECE work on nexus assessments in trans-boundary basins, incl. [Syr-Darya basin](#).

Both streams of work helped to develop and pilot test feasible approaches and methodologies applicable in other countries and basins in EECCA, and raise awareness and demonstrate the usefulness of, the [Nexus](#) approach by applying it to specific priority issues.

CAREC then presented its [work on facilitation of cross-border dialogues](#) on nexus in Central Asia including the new EU-CAREC project on Water Diplomacy in CA, and an upcoming project on Nexus Dialogues in Central Asia sponsored by the EU (DG Devco).

Participants stressed that in EECCA water was often in the centre of the Nexus issue. While the issue is topical for many EECCA countries, some in CA noted difficulties in participation in trans-boundary dialogue on sensitive issues critically important for domestic economic development and domestic politics.

The lack of a common understanding of the nexus concept and the lack of nexus related local capacity were mentioned as barriers. In such situations it would make sense to use demonstration projects and capacity development activities to firstly build local capacity and demonstrate the usefulness of the Nexus concept for finding a balance of interest cross sectors and cross-territories in specific countries thus increasing preparedness for trans-boundary dialogue.

EC representatives highlighted the gender dimension of nexus dialogues and the need to build capacity among practitioners and future young professionals alike.

### **Transboundary cooperation and role of Multilateral Environmental Agreements (MEAs)**

EECCA countries have been following their commitments to effectively implement in their law and practice the Multilateral Environmental Agreements (MEAs). Helping countries to advance the ratification and implementation of relevant MEAs including through strengthening of transboundary cooperation is

one of work streams of EUWI EECCA NPDs. To that regard, UNECE has been in last years supporting ratification or implementation of the UNECE-WHO/Europe Protocol on Water and Health in Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Tajikistan and Turkmenistan.

Two key presentations were made by delegates on transboundary cooperation projects: [Bilateral agreement between Moldova and Ukraine](#) in the Nistru (Dniestr) River basin (by Ms Diana Celac, Ministry of Environment of Moldova and Mr Oleksandr Bon, Ministry of Ecology and Natural Resources of Ukraine); and [Transboundary cooperation between Kazakhstan and the Russian Federation](#) (by Mr Yerbol Tashimov, Ministry of Agriculture of Kazakhstan).

In addition, UNECE informed participants about its support to bilateral cooperation in other transboundary basins, such as Kura (Azerbaijan-Georgia), Neman (Belarus-Lithuania), Chu-Talas (Kazakhstan-Kyrgyzstan). UNECE-facilitated discussions have started between Armenia and Georgia to seek for possibilities of future cooperation arrangements in transboundary Debed basin. Delegates voiced interest towards learning from practical experience from well-functioning cooperation structures in transboundary rivers such as Danube, Rhein, Sava and from Finnish-Russian longstanding cooperation on transboundary rivers and lakes.

#### **Future regional and national-level support**

The EU gave an overview of the implementation of [the European Union Water Initiative Plus project](#) for the 6 Eastern Partnership countries. It was identified as a €23.5M project to be delivered by a project team of OECD, UNECE and a partnership of EU Member States (Austria, France and Croatia) and due to launch in September 2016. The role of Partner Countries was discussed in detail with the importance of identifying needs and priority areas where the country itself invests, provision of contributions such as focal points and office space and active participation including steering implementation, sharing experience with other countries and bringing lessons learned to the international stage. Ownership was discussed as key for success in delivering benefits for the citizens of the countries. Each country was invited to shape the project scope in terms of lessons learned from previous projects and ensuring good practices are maintained and effective capacity building tools are identified. A tour de table offered countries the chance to present their views and discuss tangible results expected to be achieved in this new project. Feedback included reduction in water losses, water metering, use of modern technologies, irrigation tariffs and ensuring regular meetings to maintain momentum and dialogue.

The European External Action Service (EEAS) gave a presentation on the [EU-Central Asia dialogue](#) on water. The presentation and discussion described development of common solutions for Central Asia and the importance of a regional approach to management. The discussion concluded with the importance of maintaining the Eastern Europe, Caucasus and Central Asia dialogue on water sector issues.

CAREC presented details of the water diplomacy project, a €1.3M 18 month project aimed at water and energy sector practitioners, policy makers and parliamentarians in Central Asian countries. The project focuses on stimulating trans-boundary trust with regard to nexus issues through sharing best practice,

lessons learned and capacity development. Expected outputs include stronger cooperation, technologies, tools and skills for data management and improved capacities.

The EU delivered an intervention on [the EU nexus dialogues project in Central Asia](#). The project is global working across 7 regions and aims to promote nexus dialogues. The project aims to stimulate dialogues ideally at a basin level and aims to develop the role of women in the nexus discussion. Viability of investment projects will require a nexus analysis in the future. Phases I and II of the project were presented.

### **Demand for future cooperation within the EUWI EECCA Working Group**

This session received a strong and positive feedback from partner countries and other stakeholders on the need for and organisation of dialogue and exchange of experience involving the Eastern Partnership and Central Asia countries in the future, building on the EUWI EECCA Working Group achievements. Over the last four years the Working Group was also playing the steering role for EUWI activities in the EECCA region. This Steering Group which consisted of the main partners' institutions, the Romanian Chair of the WG, key donors and EU institutions met at the margins of the annual meeting of the EUWI EECCA Working Group to discuss the progress done, outstanding priorities in the countries and a cooperative way forward.

Delegates discussed future cooperation within the EUWI EECCA Working Group and also signalled the need for further work in specific thematic areas, such as the reform of economic instruments for water management, water and agriculture, the development and implementation of river basin management plans, the upgrade of water legislation, and work on water and health.

### **Key Decisions of the meeting:**

Delegates marked the progress made as part of National Policy Dialogues over the last several years in the region and welcomed the plans for continued cooperation in 2016-2020.

Delegates expressed their appreciation for the substantial financial support provided by the European Commission and bilateral donors in the region, and highlighted the role of the Chair of the EUWI EECCA Working Group.

Delegates called for an increased frequency of information exchange on progress, in particular in countries that signed Association Agreements and suggested that more specific thematic meetings be organised in the future involving both the Eastern Partnership and Central Asia countries, building on the EUWI EECCA Working Group achievements.