

## PROJECT PROPOSAL

**PROJECT TITLE:** **National Policy Dialogues (NPD) on integrated water resources management under the EU Water Initiative's component for Eastern Europe, Caucasus and Central Asia (EECCA) in Kyrgyzstan and Georgia**

**EXPECTED ACCOMPLISHMENT:** Establishment of a process to develop and implement integrated water resources management (IWRM) and implement policy packages related to country-specific needs to improve strategic, regulatory, administrative, institutional, managerial and/or economic frameworks for integrated water resources management

**PARTICIPATING COUNTRIES:** Kyrgyzstan and Georgia

**TARGET GROUP:** National and local authorities responsible for water management, protection of the environment, water supply and sanitation; national focal points for the UNECE Water Convention and the Protocol on Water and Health; Parliamentary bodies for environment; national academies of science; local and national environmental NGOs; representatives of the Global Water Partnership/national offices; representatives of regional Environmental Centers (if applicable)

**TENTATIVE TIME FRAME:** 1 March 2010 – 31 December 2012

**PROJECT BUDGET:** Total 337 800 EUR, incl. co-financing 37 800 EUR

**REQUESTED:** 300 000.00 EUR

**DONOR:** The Government of Finland

## **I. Background and justification**

At the World Summit on Sustainable Development, all EU Member States and the European Commission launched the Water Initiative (EUWI) designed to contribute to achieving the Millennium Development Goals (MDGs), most prominently targets 9 and 10 of Goal 7 to:

- Integrate the principles of sustainable development into country policies and programmes and reverse the losses of environmental resources (MDG 7 - Target 9); and
- Halve by 2015 the proportion of people without sustainable access to safe drinking water and basic sanitation (MDG 7 - Target 10).

The National Policy Dialogues are being carried out within the Eastern Europe, Caucasus and Central Asia (EECCA) Component of the EU Water Initiative and are the main operational instrument within this Initiative. Presently, Romania acts as Chair of the EUWI Working Group for the EECCA component.

At the 2006 meeting of the Parties to the UNECE Convention on the Protection and Use of Transboundary Water and International Lakes (Water Convention), the Parties proposed to initiate action in EECCA countries with the UNECE secretariat as strategic partner on integrated water resources management. At the same time, the Organization for Economic Co-operation and Development (OECD) became the strategic partner related to water supply and sanitation.

Since the adoption of this proposal by the Meeting of the Parties, UNECE has been carrying out National Policy Dialogues in four countries: Armenia, Kyrgyzstan, Republic of Moldova and Ukraine. These Dialogues are high-level meetings, usually led by the Minister for Environment, and in some cases under the supervision of the office of the Prime Minister.

The broader objective of National Policy Dialogues is to establish a political process aimed at implementation of IWRM principles in the legislation and institutional framework and adoption by wide circles of stakeholders in the respective countries. These Dialogues result in such policy-relevant documents as new legislative acts, Governmental Orders and development strategies.

As shown at the 2007 Ministerial Conference “Environment for Europe” and other meetings, the involvement of UNECE was crucial for strengthening national capacity to achieve the Millennium Development Goals and increased our UNECE’s visibility as an organization that produces action-driven and highly policy-relevant results in a dialogue process with countries.

The table below shows the main focus of the national policy dialogue process in Armenia, Kyrgyzstan, the Republic of Moldova and Ukraine.

The present project proposal builds on the recommendations and decisions outlining major directions of work needed at the national and regional levels endorsed at meetings of the Working Group for the EECCA component of the EUWI, most prominently the 10<sup>th</sup> meeting (Moscow, December 2007), the 11<sup>th</sup> meeting (Bucharest, May 2008) and the 12<sup>th</sup> meeting (Ashgabat, December 2008).

Given the decisions of these meetings, more EECCA countries should be involved from 2009 onwards in the national dialogue process; a possible sequence – updated as of September 2009 - is shown in the following table, including a proposal for the countries that would be supported by Finland:

<b>Table 1: Main activities under the ongoing policy dialogues</b>				
Instruments/frameworks	Armenia	Kyrgyzstan	Republic of Moldova	Ukraine
WFD principles	x	x	x	x
Water Convention principles	x		x	x
Protocol Water & Health	x	x	x	x
Urban Wastewater Directive			x	
Climate change adaptation (EU and UNECE instruments)				x
Flood Directive/UNECE instruments				x
Institutional frameworks (e.g. River Basin Councils)		x	x	

Country	Table 2: Number of policy dialogue meetings						
	2006	2007	2008	2009	2010	2011	2012
Armenia	NPD started	1	2	1	1	0	0
Moldova	NPD started	2	2	0	0	1	0
Ukraine	-	-	2	2	1	0	0
<b>Kyrgyzstan</b>	-	-	<b>1</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>2</b>
Turkmenistan	-	-	-	-	0	2	2
<b>Georgia</b>	-	-	-	-	<b>1</b>	<b>2</b>	<b>2</b>
Azerbaijan	-	-	-	-	1	2	2
Tajikistan	-	-	-	-	1	2	2

Some of these countries have the necessary basic legislation (except a number of supporting regulatory acts) and basic institutional frameworks for further introducing IWRM principles, particularly those laid down in the Water Framework Directive and the Water Convention. However, full implementation cannot be achieved in the short term, as the water management institutions are new bodies that still require a long period of capacity building so as to develop the necessary expertise and capabilities on IWRM.

Other countries still have to develop and/or amend their legislative basis and set up or strengthen their institutional frameworks for further introducing IWRM principles. Like in Armenia and Ukraine, this cannot be achieved in the short term.

In all EECCA countries, there is also a need for better coordination between key sectors (e.g. those responsible for land use management and those for water management), and the necessity of sharing information among major governmental authorities (e.g. ministries of environment, agriculture and health; environmental inspectorates; committees for water management). The National Policy Dialogue, if properly planned and managed, can contribute to developing these capacities.

## 2. The objective of the cooperation and approach

### Objectives

The wider objectives of National Policy Dialogues on integrated water resources management (IWRM) are to initiate country-specific activities to improve regulatory and administrative frameworks, help setting country priorities, identify projects and develop capacity in the EECCA region through a dialogue that, among others, involves public authorities and representatives of the civil society.

The specific objective related to integrated water resources management to assist countries - through a multi-stakeholder dialogue - to analyze IWRM reform needs, identify priority action and define action plans to attain the agreed targets. Activities under the

National Policy Dialogues pay particular attention to policy reforms towards sustainable water management, including conservation of the environment, water as a polluted natural resource, strengthening regulatory services, and capacity building. Activities also include developing and implementing measures that support the development of IWRM plans and facilitate their implementation. Apart from these activities that primarily aim to support IWRM, it is of particular importance to address also the links between IWRM and water supply and sanitation, including specific aspects of financing.

### Approach

Any substantive action under the NPD process is carried out with the approval of the national Steering Groups, usually chaired by the Minister for Environment or the Head of the Committee/Agency for Water Management.

The actions are based on the general and specific objectives laid down:

- In a letter of a high-level country representative to the European Commission requesting initiating the national policy dialogue process and committing governmental support for implementation; and
- In such documents as the “Common Understanding on the National Policy Dialogue” (see section E).

The choice, substantiation and sequence of activities are part of Roadmaps. These Roadmaps, approved by the Steering Committees, also specify:

- The timing of the Steering Group activity;
- The responsibility of the Chairman of the Steering Group, UNECE and/or the national partners in the NPD process;
- The responsibility of EU countries and EUWI partners; and
- The outputs of the activity, including their time schedules.

## **3. Expected results and activities**

### Outputs

It is expected that the UNECE-supported policy dialogue will promote implementation of integrated water resources management principles in policies, legislations and institutional framework of water management in the target countries in line with the principles of the UNECE Water Convention, the Protocol on Water and Health, the EU Water Framework Directive and other UNECE and European Union instruments.

Therefore the main outcome of the national policy dialogues are so-called “policy packages” that will be developed on the basis of country-specific Roadmaps. Examples of policy packages are:

- Draft pieces of legislation (e.g. governmental or ministerial regulation), finalized with the help of the Steering Group and submitted (by the relevant authority) for adoption by the Government/Ministry;
- Recommendations and good practice documents, adopted by the Steering Group;
- Analysis of institutional/management structures, adopted by the Steering Group;
- Water management plans and water safety plans, adopted by the Steering Group; and
- Assessments of the effectiveness of measures undertaken to prevent, control and reduce adverse effects on the environment and human health and safety, adopted by the Steering Group.

### Outputs in 2010

- For Kyrgyzstan due to the political instability followed by establishment of the temporal government, a report with an analysis in changes in the water management governance structure will be prepared. This will prepare the further process of re-establishment of the cooperation with the new Kyrgyz government that will be elected in November 2010 following the parliamentary elections in mid-October 2010;
- for Georgia the Roadmap will be developed and adopted by the Steering Group;
- A report on achievements and lessons learned from the National Policy Dialogue.

### Outputs in 2011 and 2012

- For each country (Kyrgyzstan and Georgia), policy packages will be developed as defined by the Steering Group in the Roadmap;
- Reports on achievements and lessons learned from the National Policy Dialogue;
- Policy briefs with highlighting lessons learned and outcomes of the policy dialogues prepared and published; presented at the Astana September 2011 conference.

### Main activities in Kyrgyzstan and Georgia

Kyrgyzstan and Georgia have submitted an official request for a National Policy Dialogue related to IWRM issues. The specific objectives of the national policy dialogue process have still to be drawn up and agreed upon (see second bullet point below).

As it was the case with other EECCA countries that carry out policy dialogues, the “preparatory phase” and the “implementation phase” are closely linked. Distinct activities to be attributed to both phases are outlined below.

#### **Kyrgyzstan**

##### ***Year 2010***

- Participation of two Kyrgyz experts in the EUWI workgroup meeting in Brussels
- Updating Roadmap and planning new policy package
- Reporting

### ***Year 2011***

- Stakeholder meeting
- EUWI workgroup meeting
- Third SC meeting
- Publishing policy brief with lessons learned for Astana 2011 conference
- Regional meeting during Astana conference
- Reporting

### ***Year 2012***

- Stakeholder meeting
- Preparation of a new policy package
- Fourth SC meeting
- Policy brief with lessons learned for Astana 2011 conference
- Final report

## **Georgia**

### ***Year 2010***

- Planning and re-mission of representatives of UNECE in September 2010. Define during this mission together with Georgia the overall and specific objectives of the NPD;
- Draw up a “Memorandum of Understanding on a National Policy Dialogue on water-related issues in Georgia”; sign the Memorandum of Understanding
- Establish a Steering Group with representatives of relevant major groups to be involved in the NPD process, including representatives of national/local governmental authorities and NGOs.
- Participation of two Georgian experts in the EUWI workgroup meeting, Brussels
- First SC meeting
- Reporting

### ***Year 2011***

- Roadmap development
- Stakeholder meeting
- Second SC meeting
- Publishing policy brief with lessons learned for Astana 2011 conference
- Regional meeting during Astana conference
- Reporting

### ***Year 2012***

- Third SC meeting
- Policy brief with lessons learned publishing
- EU WI regional meeting
- Stakeholder meeting
- Final report and its publication

#### **4. The approach on capacity building**

##### Target group

The key target groups are representatives of the ministries of environment and the national committees or agencies for water management, including their subsidiary bodies. Target groups also include staff of the ministries of agriculture, health, economy, justice and finance. The action is also targeted at representatives of Parliamentary bodies for environment, national academies of science, municipalities, national and local non-governmental organizations, Regional Environmental Centers (if applicable) and the Global Water Partnership/national offices.

Final beneficiaries in the wider sense are people that do not yet have access to safe drinking water and adequate sanitation, as their number should be reduced by 50% given the MDGs. Final beneficiaries also include the ministries of environment and the committees/agencies for water management in the respective countries, where the National Policy Dialogues are carried out, and in other EECCA countries as these institutions are primarily responsible for achieving the water-related MDGs.

##### Gender equality approach

Both in Georgia and Kyrgyzstan gender equality will be ensured. In fact in Georgia this is not a problem at the moment – about 50% key decision-makers and prospective participants of the NPD are women. In Kyrgyzstan, a Central Asian country with a culture influenced by the religion, few women are involved at the moment in the NPDs. Organizers will aim to involve into the NPD at least 30% women among participants of the NPD Steering Committee.

##### Approaches to capacity building

The project will develop a network of experts representing different authorities and stakeholders in Kyrgyzstan and Georgia who will meet regularly at the Steering Group meetings and stakeholder consultations and discuss issues of water policy. Such personal discussions will promote building trust among between stakeholders and representatives of different ministries. Additional involvement of international and local water management experts who will conduct studies and analysis and advise the authorities in preparation of NPDs meetings will support development of the capacity of the participants.

As the participants include representatives of ministries and agencies dealing with the economic development, environmental protection, foreign relations, education, etc.; the project will promote synergies between water management policies and instruments with the policies in the fields of economics, regional development, health protection and other.



## **5. Relation to the other activities under the UNECE Water Convention, synergies with other projects**

The National Policy Dialogues are closely linked to the Convention's provisions, particularly those on prevention, control and reduction of pollution as well as the work of joint bodies, consultations among Parties, and joint monitoring and assessment.

The proposed project is part of the programme of work for the Water Convention for 2010-2012, see ECE/MP.WAT/2006/6. The Fifth meeting of the Parties to the Water Convention confirmed the importance of the UNECE Water Convention Secretariat participating as lead partner of specially designed joint activities facilitating National Policy Dialogues regarding IWRM under the EU Water Initiative.

Cooperation within the project will also continue with the Tacis projects on Water Governance in the Western EECCA region as well as in Central Asia. Cooperation will be sought with other water-related projects, for example projects expected to result from the 2<sup>nd</sup> EU Central Asia High Level Conference on Environment and Water (Turkmenistan, December 2008) and the follow up to the two conferences "Water Unites – Strengthening Cooperation on Water Management in Central Asia" (Berlin, April 2008; Almaty, November 2008).

## 6. Time frame

The project is planned to be implemented over a period of three years from January 2010 to December 2012. Please see table below.

 activity       meeting

Activities	2010				2011				2012			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
<b>Kyrgyzstan</b>												
Report with analysis of the situation												
EUWI workgroup meeting, Brussels			◆									
Update Roadmap, planning p.package												
Report to SYKE, polcy brief for Astana				R								
Stakeholder meeting						◆						
Third SC meeting												
Regional meeting during Astana							◆					
Report to SYKE								R				
Preparation of a new policy package												
Fourth SC meeting										◆		
Policy brief with lessons learns											R	
Final report												R
<b>Georgia</b>												
Planning												
Pre-mission, stakeholders meet-gs		◆										
EUWI workgroup meeting, Brussels			◆									
Signing MoU, establishing SC												
First SC meeting				◆								
Report to SYKE				R								
Roadmap development												
Stakeholder meeting					◆							
Second SC meeting						◆						
Regional meeting in Astana							◆					
Report to SYKE								R	R			
Third SC meeting										◆		
Stakeholder meeting											◆	
Policy brief with lessons learned											R	
Final report												R

## 7. Logical Framework, including risks and assumptions

Activity Description	Indicators	Means of Verification	Risks and assumptions
<b>Goal</b>			
To establish a political process aimed at implementation of IWRM principles in legislation and institutional framework and adoption by a wide circle of stakeholders	High level Steering Committees established and policy packages developed	Steering Committees includes representatives of ministries, key state and other agencies at least at Director or head of department level	<u>Assumption:</u> Governments are stable and committed to the NPD process (governments' letters on that received by UNECE). <u>Risks:</u> (1) governments are unstable and state agencies do not present to SC high level officials; (2) high level officials do not participate in the meeting.
<b>Outcome</b>			
Implementation of IWRM principles in policies, legislations and institutional framework of water management	Policy packages adopted by SCs and presented as policy documents to Governments	At least two policy packages are adopted by the Steering Committees in each country and presented to the respective governments or the Parliaments	<u>Assumption:</u> SCs' members are key decision-makers in the governments; actively participate in the development and adoption of policy packages. <u>Risks:</u> Steering Committees do not take initiative and do not prepare policy packages
Creation of a wide circle of stakeholders involved in the policy dialogue in the two countries	Stakeholder forums for NPD take place, including a wide range of interests	At least 50 participants take part in the annual stakeholder meeting in each country representing NGOs, academia and private sector	<u>Assumptions:</u> stakeholders are interested in the NPD process and participate actively in the discussion of NPD policy packages. <u>Risks:</u> stakeholders are not interested in NPD process and do not take part in stakeholder meetings
<b>Activities</b>			
Policy package developed	policy package developed	policy packages submitted to UNECE	Assumptions: consultants prepare documents in timely manner, SC revise and adopt the packages
SCs meetings organized in KG and GE	SCs' meetings organized @ least 30 participants	Minutes of meetings and lists of registered participants	Assumptions: subcontracts organize the meetings, including logistics, according to contract and in time. SC members attend
Two stakeholder meetings take place in KG and GE	Stakeholder meetings organized @ 50 people take part	minutes of meetings and lists of registered participants sent to UNECE	Assumptions: subcontracts organize the meetings, including logistics, according to contract and in time. Stakeholders attend
Experts participation in EUWI meetings and Astana	At least two experts per country participate	Travel documents and presentations	Assumption: visas and travel arrangements are made for two experts per country in time
<b>Resources</b>			
UNECE personnel	see budget table	see budget table	Assumption: budget planning is detailed and appropriate to the activities. Risk: budget is overspent or underspent
Local coordinator			
local and international experts			

The risks are connected with political instabilities in the countries – specifically in Kyrgyzstan that lives through the serious political instability situation. The current political instability will slow down but not cancel implementation of the NPD IWRM in Kyrgyzstan. Also during the political instabilities cooperation with experts and a wider group of stakeholders will continue through experts' participation in EUWI meeting in Brussels, preparation of policy packages on expert level. The communication on the political level, including organization of the SC meeting, will be resumed in 2011 after the elections of the new government scheduled for fall 2010.

## **8. Project organization**

### Memorandum of Understanding on actions under the National Policy Dialogue

A document usually referred to as “Memorandum of Understanding” will be drawn up between the Minister of Environment and UNECE. This document will stipulate the overall and specific objectives as well as such action as the role and responsibilities of strategic partners, key national institutions, the Steering Group and key actors. The secretarial duties of the Steering Group, reporting, and financing NPD activities will also be stipulated.

The Memorandum of Understanding will also lay down that the project is to be undertaken under the general guidance of the Working Group for the EECCA component of the EUWI, currently chaired by Romania, as well as the Water Convention's Working Group on Integrated Water Resources management. Moreover, the Memorandum stipulates that in the implementation of the project, close collaboration will be continuing with the European Commission (DG Environment and DG EuropeAid), OECD (key strategic partner for the dialogue process on water supply and sanitation), UNDP, OSCE as well as Finland.

### Project personnel

UNECE staff will supervise project implementation and manage the finances of the project.

At the Water Convention Secretariat, the following persons will be responsible for the project:

Francesca BERNARDINI, Secretary to the Meeting of the Parties of the Water Convention will be responsible for overseeing the implementation of the project.

Gulnara ROLL, Environmental Affairs Officer, will manage the project.

Bo LIBERT, Regional Advisor for Environment is advising the project implementation. Since he is implementing most of the other projects under the Water Convention in Eastern Europe, Caucasus and Central Asia he will also establish links to these other projects.

Local consultants will be hired to be responsible for organizing regional meetings and facilitating the preparation of policy packages. The tasks of these consultants will be mainly

process oriented, but they will also be responsible for certain reporting on the outputs of the projects, such as reports to regional meetings. The consultants should have a good network of contacts in the water sector in the countries concerned as well as good organizational and drafting skills.

International consultants will be involved to provide the know-how of IWRM principles including those under the Water Convention, the Protocol on Water and Health and the EU Water Framework Directive.