

United Nations Special Programme for the Economies of Central Asia (SPECA)

Protocol of the first session of the Project Working Group on Rational and Efficient Use of Energy and Water Resources of Central Asia (PWG-Energo)

Bishkek, 20-21 November 1998

General

1. The Project Working Group (PWG - Energo) has been established as an instrument for the implementation of the United Nations Special Programme for the Economies of Central Asia (SPECA) in the priority programme area of cooperation "Rational and Efficient Use of Energy and Water Resources of the Economies of Central Asia". The lead country of the Programme in this area is the Republic of Kyrgyzstan. The first session of the PWG-Energo took place from 20 to 21 November 1998 in Bishkek. It was chaired by Kyrgyzstan. The session was preceded by the international meeting of experts on 19 November 1998.

2. The National Coordinator of the Kyrgyz Republic Vice-Prime-Minister Mr. B. Silayev opened the session. In his greeting, he reconfirmed the total support of SPECA on the part of Kyrgyzstan. He expressed his hope that joining forces of the economies of Central Asia with the capabilities of ECE and ESCAP, to both of which belonged the countries of the region, and also with the resources of the SPECA supporting states and private business would contribute to accelerating the process of transition to a market economy and to the integration of the economies into the world economic system.

Kyrgyzstan will support the adoption of the Concept of SPECA at the planned meeting of the Heads of Governments of the SPECA participating states in Astana on 4 December 1998.

3. Vice-Prime-Minister Mr. B. Silayev suggested that the PWG-Energo work in two main directions: on the issues of optimization of the development of energy resources of the region and on energy-related issues of the utilization of water resources of the region.

In his view, the Programme should be focused at achieving practical results in as short period of time as possible. The interaction of the participating SPECA

economies with their major trade and economic partners could play a very important role in this respect. In particular, those partner countries could adopt the status of SPECA supporting states. Other important partners, could be international organizations, such as OSCE, CIS, OEC, International Foundation for the Preservation of Aral Sea, ECE and ESCAP, UNDP and other UN bodies and agencies. Mr. B. Silayev specifically referred to a possible positive role of USA, Russia and also of Germany and other countries of the European Union.

Participants

4. Delegations from the Republic of Kazakhstan and from the Kyrgyz Republic took part in the session. The Republic of Tajikistan and the Republic of Uzbekistan were represented by the plenipotentiary representatives of these states in the Executive Council of the Inter-State Council of the Economic Union of the Central Asia. Representatives of ECE, Executive Council of the Inter-State Council of the Economic Union of Central Asia (ISC EUCA) and of the UN Resident Coordinator in Bishkek also took part in the session.

The list of participants is attached to the Protocol.

Agenda

5. The agenda provided for the exchange of views between the participants on the main problem issues of concern for the PWG, the draft programme of its work and on the possible ways of attracting resources for the implementation of the programme of work of the Group.

Discussion and recommendations

6. ECE Coordinator on SPECA issues informed the participants of the state of implementation of the Programme. He informed that the concept of the Programme and the date of SPECA inauguration will be on the agenda of the meeting of the Heads of Government of the economies of Central Asia in the beginning of December this year.

7. The participants of the discussion had agreed that the issues of rational and effective use of energy and water resources were very topical for all economies in the region. At the same time, it was noted that in the area of rational and efficient use of energy and water resources considerable work had already been under way. In particular, the Inter-State Council, International Foundation for the Preservation of the Aral Sea and national research institutes of the countries of Central Asia were active in this work. In ISC EUCA some progress had been achieved in forming a consortium on water and energy issues; Governments of Kazakhstan, Kyrgyzstan and Uzbekistan had signed Agreement on utilization of water and energy resources of the basin of the Syrdaria river; work had been in progress on an agreement on the principles of sharing the expenses for technical exploitation and maintenance of hydro-technical units of international use. A programme of improving the systems of water resources management had been in work. The Inter-State Council had

prepared a draft of the concept of cooperation in developing fuel and energy complex of Central Asia till 2010.

Among the known problems of cooperation among the economies of Central Asia in the area of competence of the PWG-Energo, the most prominent were striving of each of the states for autonomy in energy supply, disagreements between the legal norms and differences in the degree of the introduction of market principles.

It was noted that in order to prevent the duplication of work, and also for the sake of a comprehensive use of achievements and available information, a data bank on the issues of PWG should be organized to concentrate information on the past, current and planned work on the subject matters belonging to the competence of PWG.

Role, structure and organizational issues of the work of PWG-Energo.

8. The participants agreed that the work of PWG will be directed exclusively at solving issues of regional character and scale. It was noted that the economies of Central Asia were the prime actors of SPECA. They would be given consultative assistance from ECA and ESCAP, with cooperation of UNDP. As the lead country in the PWG-Energo, Kyrgyzstan would provide the chairmanship and secretarial service of the Group.

9. PWG adopts its decisions on the basis of consensus and submits them to the Governments of all participating states, ECE, ESCAP and to the Regional Advisory Committee (RAC) of SPECA.

10. When appropriate for practical considerations, PWG could use the mechanisms and support of the Executive Council of the Inter-State Council of the Economic Union of the economies of Central Asia.

11. In view of PWG-Energo, economic cooperation established a foundation for inter-Governmental relations and SPECA created an organizational framework for a long term development of the process. That is why PWG planned to attract to its efforts the attention of private sector, all international organizations dealing with the issues of competence of the Group, as well as political and material support of OSCE, CIS, OEC, UNDP.

Draft Programme of work

12. In the course of preliminary discussion of a possible Programme of work of PWG-Energo, it was suggested that at the first stage of its work the Group should limit its work to 3-4 priority areas. Two major directions were considered fundamental from this point of view: 1) compiling, assessment and optimization of current and forecast balances of fuel and energy resources of the region; and 2) evaluation and equitable use of transboundary water resources of the region.

13. It was suggested that the following priority issues should be developed for

their inclusion into the programme of work and implementation:

- basic principles of inter-state water sharing;

- draft concept of cooperation in the area of the development of fuel and energy resources of the Central Asian economies;

- regional programme of cooperation in developing and rational utilization of energy and water resources.

Next session of PWG-Energo

14. Next session of PWG-Energo will take place in Bishkek on 25-26 March 1999.

15. Draft Agenda:

1) Adoption of the Agenda.

2) Analysis of the state of affairs in water sharing related to trans border waters in Central Asia;

- legal norms;

- technical and economic indicators and characteristics;

- problem issues.

3) Preliminary efficiency analysis of the utilization of fuel and energy resources of the region on the basis of available assessments and forecasts.

4) Other issues.

5) Adoption of recommendations.

16. It was suggested that the representatives of the participating SPECA states prepare for the session national sets of materials on the issues of the agenda, including information on conflict issues concerning relations among the states of the region.

The experts of ECE and ESCAP will prepare and submit to the session materials on appropriate international experience of sharing trans-boundary waters.

17. Within the next two-month period (till 21 January 1999) the participants of the session will submit to the Chairman of PWG-Energo national forecasts, assessments, legal and normative documents on the above mentioned issues. These materials will be used to finalize a detailed Programme of work, which will be submitted to the next session of the Group for its discussing and adopting.

18. On the basis of the mentioned materials, the Chairman of the PWG-Energo will create a regional data bank on the issues of fuel, energy and water resources.

19. In order to maintain efficient contacts and coordination among the participants of the session of PWG-Energo and with other interested parties, ECE will place information on PWG-Energo and its activities on Internet site <http://www.unece.org/speca/>.

Chairman of the Project Working Group
Minister of agriculture and water resources
of the Kyrgyz Republic

Abdimomunov K.A.

Bishkek, 21 November 1998