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ОБЪЕДИНЕННЫЕ НАЦИИ

ЕВРОПЕЙСКАЯ ЭКОНОМИЧЕСКАЯ  
КОМИССИЯ

ЭКОНОМИЧЕСКАЯ И СОЦИАЛЬНАЯ КОМИССИЯ ДЛЯ  
АЗИИ И ТИХОГО ОКЕАНА

**UN Special Programme for the Economies of Central Asia (SPECA)  
Secretariat of the Project «Rational and Efficient Use of Energy and Water Resources in Central Asia»**

**Специальная программа ООН для экономик Центральной Азии (СПЕКА)  
Секретариат Проекта «Рациональное и эффективное использование энергетических и водных ресурсов в Центральной Азии»**

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**EXECUTIVE REPORT  
On the results of the 6<sup>th</sup> session  
of the Project Working Group “Energo” (PRG-Energo)  
on rational and efficient use of energy and water resources in Central Asia  
22-23 June 2001, Bishkek, Kyrgyz Republic**

Opening of the sixth session of PWG-Energo was combined with opening of two working sessions on the same subject within the framework of the Project financed from the account of United Nations Development Fund. Questions on rational and efficient use of energy were discussed during one of the working sessions and questions on water resources of the Central Asia countries were discussed during the other one. Conclusions and recommendations of the working sessions were used by PWG for detailed planning of its further work.

88 participants including delegations of Kazakhstan, Tajikistan as well as observers from Uzbekistan participated at the PWG session. Representatives of the following international organizations also took part in the activity: UNDP, OSCE, IFSA, USAID, British Department for International Development, Swiss Agency for Development and Cooperation, Japan Agency for International Cooperation, TACIS, World Bank, EBRD, Representatives of Interstate Council of Energy Council, Embassy of Russian Federation in the Kyrgyz Republic. List of Participants is attached (Annex 1).

Chairman of the Project Working Group, Director of the State Energy Agency under the Government of Kyrgyz Republic Mr. Mateev U. A. read the Welcoming speech on behalf of Mr Tanaev, National Coordinator of SPECA, First Vice-Prime-Minister of Kyrgyz Republic. Mr. Tanaev in his message to the PWG session informed participants about the first session of the highest body of SPECA – Regional Consultative Committee (RCC), which took place in February of the present year. He informed that with a view to all kinds of work coordination on water and energy issues that is implemented in the region by international organizations, it is decided to include into the third session of RCC the question “Energy and Water Resources of the Central Asia Region. State of the regional cooperation in energy and water issues. Contribution of International Organizations”. Third session of the RCC will be conducted in Bishkek on the 13-14 of February 2002.

First version of energy study “State and Perspectives of Rational and Effective Use of Fuel and Energy Resources in Central Asia countries” and the first version of the Rational and Efficient Use of Water Resources in Central Asia”.

## *I Conclusions and recommendations of the Working Session on water resources:*

Having taken note of the Diagnostic Report, the participants of the workshop on water resources took it as the basis and made the following recommendations on improvements in the following parts:

In Section A:

- Define more precisely data on hydrological statistics and water resources use through National Consultants;
- Include all possible variants of existing forecast estimations, provided by National Consultants;
- Transfer conclusions contained in Section A to Section B;
- Make data of tables 5.1 and 5.2 more precise taking into account information presented in the national reports.

In Section B:

- Keeping the same structure of this Section, add comments of the Working Session participants, as well as the analysis and general wording of the International Expert when she presented her report;

In Section C:

- Redo this Section in accordance with the structure that was suggested by the International Expert in her reporting during the Working Session, and present materials on the following themes:
  - development and improvement of principles of interstate water sharing including economic mechanisms;
  - refurbishing of water facilities;
  - creation of a uniform monitoring system on water resources including the quality of water;
  - development of national policies on water use taking into consideration national and regionally coordinated interests;
  - introduction of the basin principle of water resources use;
  - improvement of national water legislation;
  - improvement of interstate system of cooperation in the sphere of comprehensive use and protection of transboundary water resources;
  - development and improvement of a legislative basis of interstate relationships on the use and protection of transboundary water resources;
  - establishment of coordination mechanism for international aid.

The working session participants agreed on the following:

- countries' representatives agreed on the necessity of sharing maintenance costs of water facilities having interstate significance, contained in a mutually agreed upon list;
- it is necessary to strengthen coordination with other international projects and programs, aimed at development of a regional strategy on rational uses of water resources. In particular, it is necessary to achieve better coordination between SPECA and IFAS;

The Diagnostic Report will be revised by the International Experts by the 1<sup>st</sup> of August 2001 and will be sent to the National Consultants for obtaining their countries' comments. The comments must be incorporated into the report by the 1<sup>st</sup> of August. The revised version will be sent to the Central Asia countries by the 1<sup>st</sup> of September 2001.

Work on the regional strategy on rational uses of water resources in Central Asia will be done according to the following schedule:

- Working meeting of the National Consultants and the International Expert to agree on the document structure – first decade of September.
- Preparation of the first report version, based on the agreed upon structure, by the National Consultants and submission to the International Expert – 2<sup>nd</sup> decade of October.
- Preparation of a joint document on the first strategy version by the International Expert for discussion at the Working Session – 1st decade of November 2001

The next Working Session is planned to take place in the 3<sup>rd</sup> decade of November of 2001.

## ***II Conclusions and recommendations of the Working Session on energy resources:***

Approve in general the first Study version “State and perspectives of rational and efficient use of fuel and energy resources in Central Asia countries”;

*The Russian Center of Energy Policy should* – Take into account the following remarks, stated by delegates during the discussion for the first Study version improvement:

- it is necessary to correct the forecasting and initial data taking into account of additionally developed materials of National programs as well as other materials;
- during the scenarios preparation it is necessary to take into account questions concerning the existing electrical and other transportation connections between the participating countries;
- Additionally examine aspects of economical efficiency of prepared scenarios of the energy development in the Central Asia region;
- Currently acting barter relationships of the mutual payments between Central Asia countries on the mutual supplies of water resources, energy and fuel fall short of market relationships and complicate fair mutual payment exercise and lead to infringement of the contract relationships; It is expedient to foresee measures of mutual payments on the basis of market prices for water and other fuel-energy resources in the Study;
- to present more dialed data on the present state and perspectives of efficient use of energy resources in the supply branch structure giving preferences to the natural figures;
- during the scenarios preparation for energy development in the CAR take into account structure peculiarities of perspective energy balances of each of the countries and their role in the consolidated energy balance of the region in general for each of the scenarios;
- *National Consultant and National Experts should* – Present the final version of their remarks and additions to the PWG Secretariat “Rational and Efficient Use of Water and Energy Resources in Central Asia” till 01.08.01.
- Ask the group of National Experts and Consultants working on the problem of rational and efficient use of water resources in Central Asia countries to present information on forecasting volume of water consumption in the region for the 20 years period, average annual and average long-term schedule of water consumption in the region. This information should be presented to the Project Secretariat by the 01.09.01;
- during preparation of the second version of the Study “State and perspectives of rational and efficient use of fuel and energy resources in Central Asia countries” charge the Russian

Center of Energy Policy together with Institute of Energy Research of the Russian Academy of Science with the following:

- take into account remarks stated during the working session as well as written remarks and suggestions received from the National Consultants and Experts till 01.08.01;
- make deeper analysis of investing needs of Central Asia fuel-energy complexes and possibilities of their satisfaction at the expense of internal sources and external investments. Additional information on the issue should be presented by National Consultants;
- consider development scenarios of Central Asia fuel-energy complex in the second variant of the Study taking into account information on perspectives of water consumption in the region for the 20 years period, average annual and average long-term schedule of consumption;
- prepare the second variant of the research “State and perspectives of rational and efficient use of fuel and energy resources in Central Asia countries” and disseminate it to National Consultants till 15 of October 2001;
- *National Consultants should* prepare their remarks and suggestions on the second version of the Study “State and perspectives of rational and efficient use of fuel and energy resources in Central Asia countries” till the 1<sup>st</sup> of November 2001;
- conduct the third working session on rational and efficient use of energy resources in Central Asia from 27 to 29 of November 2001;
- the report of the working session was accepted in Bishkek, Kyrgyz Republic, 21 of June 2001.

### ***III The following questions were taken note of:***

#### **1. About the activity on creation of the Demonstration Zones of Water and Energy Efficiency in Bishkek and Almaty.**

Director of Energy Supply Department Almaty City Government Mr. Trofimov G.G. reported to the PWG participants on creation progress of Demonstration Zones of water and energy efficiency in Almaty. He also presented information about development of technical-economic grounds for different projects which are planned to be realized within the framework of the Demonstration Zone. Activities on water conservation which are supposed to implement in the Demonstration Zone were introduced to the members of PWG.

Leading officer of Demonstration Zone of high water and energy efficiency in Bishkek Ms. Sovkutsan N.E. presented results of work on creation of this Zone. Members of PWG were informed that the Demonstration Zone Directorate together with Energybank and the city Municipality are planning to create a Revolver Fund which will be used for financing of energy and water efficiency projects in and out of the Demonstration Zone.

The PWG disregarded presented information and decided to listen about the development progress of the Demonstration Zones during all of the following sessions of PRG.

#### **2. About the work of PWG-Energo Secretariat (including creation of informational network on water and energy resources in Central Asia).**

Information on the work of the PWG-Energo Secretariat was presented by the head of the Secretariat Mr. Shabraliev K.B.

He told about different forms of information exchange between the countries participating in the Project.

3. Information about development of the conception on creation of local information network for leading institutions on energy and water issues in Central Asia countries.

Information about development of the conception was presented by International Expert, Professor Ms. Prokopchina S.V.

The Project Working Group asked to provide National Coordinators with this information till 15 of October 2001. It decided to consider this conception during the 7<sup>th</sup> session of PWG in November 2001.

4. Suggestions on changing some activities implementation and corrections of the Project document.

Information on the matter was presented by Technical Manager of the Project Mr. Nadezhdin E.V. It was suggested to resign activities 3.3 i “Creation of PWG-Energo database and refurbishing communication network with national and international information systems on energy and water resources”, because part of the work is already being done by the PWG-Energo Secretariat, and the second part will be done in the process of the activities 2.3 i realization. It is suggested to transfer Funds that were offered to spend on these activities to achieve goals concerned with development of a strategy on rational and efficient use of water and energy resources in Central Asia countries.

The PWG approved suggestions concerning the changes of the Project document.

5. Decision to send the first versions of energy and water reports to the Uzbekistan and Turkmenistan.

The working session asked the Chairman of the Project Working Group of SPECA Project “Rational and Efficient Use of Water and Energy Resources in Central Asia” send National Coordinator of Turkmenistan and Uzbekistan the first variant of the Study “State and perspectives of rational and efficient use of fuel and energy resources in Central Asia countries” with request to present their official remarks on the study till 15.08.01;

*IV Confirmed the Preliminary Agenda of the next working session*

**Preliminary Agenda**  
**Of the 7<sup>th</sup> session of the Project Working Group “Energo” (PWG-Energo)**  
***27-29 November 2001, Bishkek, Kyrgyzstan***

1. Confirmation of the Agenda
2. Consideration and approval of recommendations accepted at the working sessions on energy and water issues

3. Information about UN SPECA realization progress.
4. Review of implementation progress of the UN Project “Rational and Efficient Use of Water and Energy Resources in Central Asia” which is implemented within the framework of the UN Special Program for Economies of Central Asia
5. About activities on projects realization within the framework of Demonstration Zones of water and energy efficiency in Bishkek and Almaty.
6. Consideration of conception on creation of local information network for leading institutions on energy and water issues in Central Asia countries.  
About PWG-Energy activity
7. Discussion of adjustments that need to be included into the Project document as a result of change of conduction dates of separate activities.
8. Acceptance of final documents and confirmation of the agenda for the next working session.
9. Different.

**Chairman of PWG-Energo**

**U. Mateev**