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**ECONOMIC COMMISSION FOR EUROPE**

MEETING OF THE PARTIES TO THE CONVENTION ON  
THE PROTECTION AND USE OF TRANSBOUNDARY  
WATERCOURSES AND INTERNATIONAL LAKES

Working Group on Integrated Water Resources Management

Third meeting  
Rome, 22–24 October 2008  
Item 8 of the provisional agenda

EUROPEAN UNION WATER INITIATIVE AND NATIONAL POLICY DIALOGUES

**PROGRESS REPORT ON IMPLEMENTATION OF THE NATIONAL POLICY  
DIALOGUES\***

Note by the secretariat\*\*

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\* Due to resources constraints, this document has not been formally edited.

\*\* This document was submitted late to take into account the outcomes of the most recent meeting under the national policy dialogue programme in Ukraine which took place on 9 October 2008.

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## **INTRODUCTION**

1. The Meeting of the Parties to the Convention on the Protection and Use of Transboundary Watercourses and International Lakes (Water Convention) adopted at their fourth meeting (Bonn, Germany, November 2006) the document titled “EU Water Initiative in Eastern Europe, Caucasus and Central Asia: national policy dialogues” (ECE/MP.WAT/2006/6). With this decision and the decision of the Parties to the Protocol on Water and Health to the Water Convention (ECE/MP.WH/2/Add.4-EUR/06/5069385/1/Add.4) at their first meeting (Geneva, January 2007), the secretariat was mandated to implement the national policy dialogues and to inform of progress made with respect to their implementation the respective bodies under the Convention and under the Protocol, thereby facilitating synergies between the two instruments.
2. The European Union’s Water Initiative (EUWI) and its component for the countries in Eastern Europe, Caucasus and Central Asia (EECCA) were launched at the Johannesburg World Summit on Sustainable Development in 2002. The main objective of the EUWI is to support countries’ action to achieve the water-related Millennium Development Goals on water supply and sanitation and on integrated water resource management. The EUWI EECCA Working Group, a group composed of senior countries’ officials, identified UNECE as strategic partner to support National Policy Dialogues (NPDs) on integrated water resources management and the Organisation for Economic Co-operation and Development (OECD) with its Task Force on the Environment Action Programme as strategic partner on water supply and sanitation.
3. Following the above mandate, from late 2006 onwards, UNECE has been carrying out National Policy Dialogues in four countries: Armenia, Kyrgyzstan, the Republic of Moldova and Ukraine.
4. These Dialogues are high-level meetings, usually led by the Minister for Environment or another senior country official; in one case, the dialogue process is under the supervision of the office of the Prime Minister. These Dialogues result in such policy-relevant documents as new legislative acts, Governmental Orders and development strategies.

### **I. MAIN COUNTRIES’ ACTIVITIES, ACHIEVEMENTS AND FURTHER PROSPECTS**

5. Although the dialogue process in EECCA countries deals with country specific themes, the underlying principle is the same in all participating countries, namely the strengthening of integrated water resources management in line with the principles of the Water Convention, the Protocol on Water and Health, the EU Water Framework Directive and other UNECE and European Union instruments.
6. In Armenia, the National Policy Dialogue, which started in late 2006, facilitates the implementation of the principles of integrated water resources management (IWRM) in line with the EU Water Framework Directive and relevant conventions and other international agreements with an emphasis on financial issues. This includes pilot basin activities.

7. In Kyrgyzstan, the dialogue process started in mid-2008 and contributes to the strengthening of the IWRM framework in order to achieve sustainable use of water resources. Currently, it focuses on the setting-up of a River Basin Council for the Chu basin. At a later stage, the policy dialogue will also cover sustainable use of water resources taking into account climate change, the protection of water ecosystems and water-and-health issues.

8. In the Republic of Moldova, the National Policy Dialogue contributes to, and facilitates, the implementation of the principles of the EU Water Framework Directive and the UNECE Water Convention with a link to financing issues. New governmental regulations on wastewater discharges, plans for the establishment of river basin management authorities and river basin councils, and action plans to achieve safe drinking water supply and adequate sanitation have been drawn up and approved by the Government (or are in the phase of governmental approval).

9. In Ukraine, the dialogue process started in late 2007 and contributes to the strengthening of 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. It also supports 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 climates).

10. Outputs of these National Policy Dialogues are implemented policy packages. Examples of policy packages are:

(a) Legislative acts (e.g. Order of the Government of Moldova on wastewater discharges from municipal sources, adopted on 23 July 2008);

(b) Ministerial orders (e.g. draft regulation on the composition and work of river basin councils in the Republic of Moldova and in Kyrgyzstan, respectively);

(c) Strategy documents (e.g. draft strategy on the implementation of the principles of the EU Water Framework Directive in Armenia);

(d) Plans of implementation (e.g. Plan of implementation of sustainable water management, safe drinking water and adequate sanitation in the Republic of Moldova and in Ukraine, respectively);

(e) Recommendations and good practice documents (e.g. recommended practice for adaptation to climate change in water management in Ukraine);

(f) Analytical papers, including comparative analysis of good practices in EU and other EECCA countries (usually prepared by national consultants for the national policy dialogue meetings).

11. It is important to note that the national dialogue process also builds on UNECE-led water programmes in Western EECCA and Central Asia. Table 1 shows how UNECE and European Union instruments/frameworks are being used in the dialogue process.

Table 1: Main activities under the ongoing IWRM-related policy dialogues

Instruments/frameworks	Armenia	Kyrgyzstan	Republic of Moldova	Ukraine
Water Framework Directive's principles	x			
Water Convention's principles	x		x	x
Protocol Water and Health		x	x	x
EU Urban Wastewater Directive			x	
Climate change adaptation (EU and UNECE instruments)				x
EU Flood Directive/UNECE instruments				x
Institutional frameworks (e.g. River Basin Councils)		x	x	

12. With all likelihood, the national policy dialogue process on integrated water resources management with UNECE as strategic partner will continue at least until 2012. Table 2 presents an indicative list of countries and the scheduling of activities, subject to approval by the 12<sup>th</sup> meeting of the EUWI EECCA Working Group (Turkmenistan, early December 2008).

Table 2: Indicative list of policy dialogues in EECCA in the period up to 2012

Country	2009	2010	2011	2012
Armenia				
Republic of Moldova				
Ukraine				
Kyrgyzstan				
Turkmenistan				
Tajikistan				
Azerbaijan				
Georgia				

13. As concerns Azerbaijan, Georgia, Tajikistan and Turkmenistan, preparatory missions (one per country, starting from late 2009) are foreseen in order to: (a) define with the countries the specific objectives of the dialogue process; (b) guide the countries in the drawing up of a "Common Understanding" on the dialogue process (see below); and (c) make preparations for the establishment of high-level Steering Groups with representatives of relevant major groups (see below).

14. In these countries, the preparatory phase will continue until early 2010, which will focus on the drawing up of Roadmaps (with agreed objectives, schedules and distribution of tasks, see

below); thereafter the implementation phase will start, including the preparation of policy packages.

## **II. ROLE OF THE PARTIES TO THE CONVENTION AND THE SECRETARIAT**

15. The key role of the Parties to the Convention and the UNECE secretariat relates to in-kind assistance to implement one or more of the pillars of integrated water resources management:

(a) Moving toward an enabling environment of appropriate policies, strategies and legislation for sustainable water resources development and management;

(b) Putting in place the institutional framework conducive for the implementation of the policies, strategies and legislation;

(c) Setting up the management instruments required by the institutional framework to carry out the institutions' tasks; and

(d) Dealing with crosscutting issues, such as financing, capacity-building, awareness-raising, and stakeholder information and consultations.

16. To this effect, technical and strategic guidance documents are being used that have been drawn up under the Water Convention and its Protocol on Water and Health, such as setting targets and target dates on sustainable water management, safe drinking water supply and sanitation; adaptation to climate change in the water sector; sustainable flood management; monitoring and assessment of waters; joint bodies (including their national constituents such as river basin organizations and councils); public involvement in water management; and payment schemes for ecosystem services.

17. The second key role stems from the UNECE-led water projects (carried out together with other bodies, e.g. OSCE, the Regional Environmental Center for Central Asia (CAREC), UNDP, international river basin commissions) in western EECCA and/or Central Asia on such distinct issues as: dam safety, water-quality management; transboundary information systems, and setting up/supporting international river basin organizations (e.g. Dniester, Chu-Talas), whose output and experience already became substantial inputs to the dialogue process.

18. The third key role stems from the ongoing UNECE-led dialogue process (Armenia, Kyrgyzstan, Republic of Moldova, Ukraine), which resulted in policy packages and that will be shared with the new countries (such as wastewater discharge regulations, terms of reference of river basin councils, and approaches to apply principles of the EU Water Framework Directive).

19. The fourth key role is linked to arrangements made by UNECE together with WHO/EURO so that EECCA countries can profit from the established Ad Hoc Project Facilitation Mechanism (AHPFM) under the Protocol on Water and Health, which helps countries in the formulation of international assistance projects ("non-infrastructure projects") and facilitates access to sources of finance.

20. A fifth key role is coordination with other partners. UNECE has already entered into arrangements for a coordinated approach among the national policy dialogue process and ongoing Tacis projects, such as those on Good Water Governance in western EECCA countries and in Central Asian countries. A coordinated approach among UNECE, the European Commission, OECD and UNDP resulted in a framework for joint water-related action in Central Asia. The latter is a “living document”, which will be updated in the light of the forthcoming water-related activities and projects in Central Asia (see item 11 of the provisional agenda).

21. A sixth key role relates to the financial support of the dialogue process by the Parties to the Convention. In carrying out the national policy dialogues on integrated water resources management, UNECE relies exclusively on extra-budgetary resources, which were provided under grant/contribution agreements with the European Commission (the European Community is a Party to the Convention) for the period 2006-2007 and 2007-2008 as well as a financial contribution by Estonia in 2008. With all likelihood, the European Commission will contribute to financing the policy dialogue process in 2009-2012. Finland is also considering providing additional funds.

22. A seventh key role is related to in-kind country contributions, such as expert advice during dialogue meetings and expertise for drawing up policy packages. Examples include assistance by two UNECE countries on river basin councils and the conclusion of a (draft) cooperation agreement on technical assistance between a French Water Authority and Armenia.

### **III. MANAGEMENT STRUCTURES AND DOCUMENTS**

#### **A. Steering Groups**

23. Any substantive action under the dialogue process is carried out with the approval of national Steering Groups, usually chaired by the Minister for Environment or the Head of the Committee/Agency for Water Management. In one case, the office of the Prime Minister supervises the Steering Group’s activities. The Steering Groups ensure the effectiveness of all action carried out.

24. In principle, all activities are based on or related to the countries’ commitments laid down:

(a) 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

(b) In such documents as the “Common Understanding on the National Policy Dialogue” and “Roadmaps” (see below).

25. Steering Group agree on the work programme (i.e. the so-called the Roadmaps), draw up and approve policy packages and discuss other relevant documents prepared within the framework

of the dialogue process. The Steering Groups also approve reports for submission to the EUWI EECCA Working Group on progress made, and provide overall guidance to the work.

26. Steering Groups comprise representatives of competent major groups, including national and local authorities and other entities responsible for water management, protection of the environment, water supply and sanitation (e.g. Water Resources Management Agencies, State Committees, Hydrometeorological Services and Geological Surveys, municipalities); 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).

27. Representatives of the UNECE, the European Commission, OECD, OSCE, UNDP and project donors and other competent stakeholders usually participate in Steering Group meetings.

## **B. Core groups**

28. Steering Groups rely on the preparatory and follow up work of “thematic core groups” and inputs by national consultants. Core groups are small thematic teams of national experts (usually up to five) and the UNECE secretariat.

29. Existing practice suggests that core groups should at least include one representative of a competent (national) NGO. Experience also suggests that the national focal points designated by Governments for activities under the Water Convention and the Protocol on Water and Health should be members of the core groups. This facilitates synergies and a coordinated country approach.

## **C. Agreement on a “Common Understanding on the National Policy Dialogue”**

30. The “Common Understanding” sets out obligations of the country, the key strategic partner (UNECE secretariat) and the countries’ main stakeholders. It enumerates the country’s objectives of the dialogue process, the main participants, and secretarial duties of the office of the chairperson of the Steering Group as well as reporting obligations, and the sources of human and financial resources for the activities. It stipulates that the Partners to the Common Understanding participate in the dialogue process on a voluntary basis, and subject to the availability of adequate resources.

31. The Common Understanding does not entail any obligations on the Partners with regard to financing other Partners’ activities in the framework of the NPD, though such financing takes place by agreement.

32. Usually, the Common Understanding is signed by the Chairperson of the Steering Group and a representative of the UNECE secretariat.



#### **D. Roadmaps**

33. Roadmaps with agreed objectives, schedules and distribution of tasks specify activities under the dialogue process for a period of up to three years.

34. Based on an analysis of the country's performance in the field of water (e.g. water management issues, legal and institutional framework), the roadmap suggests a set of potential policy packages (similar to the work plan under the Convention) and a concrete timing of activities.

#### **IV. ADDED VALUE OF THE POLICY DIALOGUE AND LESSONS LEARNED**

35. National Policy Dialogues are part and parcel of the work plan under the Water Convention. Whereas most Convention's activities deal with transboundary aspects of water management, the national policy dialogue process focuses on provisions of the Convention that constitute obligations of a national/local dimension, most prominently those of article 3. In some case, National Policy Dialogues also provide guidance to riparian Parties on obligations under part II of the Convention, as the work of joint bodies, consultations among Parties, and joint monitoring and assessment requires strengthening the institutional and management frameworks at the national and local levels.

36. National Policy Dialogues are also an essential means of implementing national obligations under the Protocol on Water and Health, most obviously the provisions in article 6. They are a reliable platform for drawing up, examination and approval of non-infrastructure projects to be submitted under article 14 to the so-called Ad Hoc Project Facilitation Mechanism (AHPFM) in order to get access to sources of finance under the Protocol.

37. Apart from the promotion of the Water Convention and the Protocol on Water and Health, the strengths of the National Policy Dialogue lies in the production of highly policy-relevant outputs, the strong country commitment and the cooperation with other international organizations (e.g. European Commission, OECD, UNDP, OSCE, WHO) and other UNECE countries.

38. The successful implementation of the National Policy Dialogues requires a long-term commitment of EU Member States, the EECCA countries and the strategic partners (i.e. UNECE and OECD). Such a commitment was made by the European Commission, UNECE and OECD at the Sixth "Environment for Europe" Ministerial Conference (Belgrade, October 2007) and renewed at the 10<sup>th</sup> and 11<sup>th</sup> meetings of the EUWI EECCA Working Group. Such commitments were also made by Armenia, Kyrgyzstan, the Republic of Moldova and Ukraine through the "Common Understanding on the National Policy Dialogue".

39. In general, one should plan for an implementation period of three years for each of the EECCA countries involved in the dialogue process. It is also wise to fine-tune the activities over that period of time, i.e. develop and gradually specify the objectives of the dialogue process.

40. National Policy Dialogues helped to promote the implementation of EU initiatives, for example, the EU Water Initiative. They also contribute to strengthening international

environmental governance, i.e. the implementation of the principles and approaches set out in the Water Framework Directive, other applicable directives (e.g. groundwater management, urban wastewater treatment) as well as the UNECE Water Convention and its Protocol on Water and Health.

41. The chosen themes for the dialogues, i.e. the specific country objective(s), are of crucial importance for these countries to meet internationally agreed environmental commitments, i.e. the Millennium Development Goals (MDGs), most prominently targets 9 and 10 of MDG 7.

42. Experience shows that countries initially tend to propose technical issues for consideration during the dialogue process. It is therefore imperative to stress that the focus of the dialogue process should be on policy issues rather than technical problems, and be designed as a platform where representatives of all competent sectors and the public can meet.

43. The dialogue process builds on a holistic, rather than piecemeal consideration of issues, as the selected themes/objectives are of relevance to all water-related sectors and cover one or more of the four pillars of IWRM (enabling environment, institutional framework, management instruments, and cross-cutting issues as financing and public involvement).

44. The dialogue process involves all major stakeholders in the respective countries as well as representatives of relevant international organizations, institutions and programmes. As an important aim of the dialogue process is the implementation of policy packages (e.g. new governmental regulations), the involvement of representatives of Parliamentary bodies responsible for environmental issues is crucial in all countries.

45. The Country Water Partnerships (as part of the Global Water Partnership) have been involved in the countries' dialogue process from the very beginning, thus responding to a basic requirement of the Global Water Partnership.

46. The draft "Common Framework for Addressing Water Issues in Central Asia" by the European Commission, UNECE, OECD and UNDP is an essential step to coordinate and streamline international action. A similar "framework" should be drawn up for the Western EECCA region (Belarus, Republic of Moldova and Ukraine as well as Armenia, Azerbaijan and Georgia).

47. As the dialogue process in EECCA countries deals with specific themes, "cross-fertilization" of these dialogues becomes a necessity. This could be done by participation of key players from the EECCA countries (and also from EU Member States, as is the case with Estonia, France and Romania) in the national Steering Group meetings as well as meetings under the Water Convention and its Protocol on Water and Health.

48. Experience with the national dialogue process, carried out with UNECE and OECD as strategic partners shows the success of, and also need to continue, working with the two existing formal processes for follow up and evaluation: the EUWI Working Group on the EECCA Component of the EU Water Initiative (currently chaired by Romania) and the Meeting of the Parties to the UNECE Water Convention and the Meeting of the Parties to the Protocol on Water and Health:

(a) As concerns the EUWI EECCA Working Group, experience suggests that this group helps establishing synergies with other initiatives in Western EECCA countries as well as in Central Asia. It is therefore crucial that the Working Group allocates sufficient time to sharing experience on the IWRM pillar of the national policy dialogues;

(b) As concerns the Meeting of the Parties to the UNECE Water Convention, the present meeting of Working Group on Integrated Water Resources Management with the key players of the national dialogues in Armenia, Kyrgyzstan, the Republic of Moldova and Ukraine, aims to become, inter alia, a platform for sharing the four countries' experience with other EECCA countries as well as countries in Western Europe and South-Eastern Europe. Such meetings should continue beyond the fifth meeting of the Parties to the Convention;

(c) As concerns the Meeting of the Parties to the Protocol on Water and Health, the Ad Hoc Project Facilitation Mechanisms (AHPFM), established under article 14, became an important instrument to help countries to get access to sources of finance for the implementation of action plans, discussed and approved by policy dialogues' Steering Groups, as it was currently the case with Moldova and Ukraine.

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

**Box 1: Issues to be considered by the Working Group**

The Working Group on Integrated Water Resources Management may wish to:

- (a) Recognize that the National Policy Dialogues give added value to the ongoing Convention's activities on integrated water resources management;
- (b) Stress that policy dialogues provide a very good opportunity for promoting the Convention and the Protocol on Water and Health, particularly the Ad Hoc Project Facilitation Mechanism;
- (c) Suggest to the Parties to the Convention considering a continuation of the policy dialogue process beyond the fifth meeting of the Parties;
- (d) Invite Parties to the Convention to consider providing additional funding for the activities, including in-kind contributions by experts and the conclusion of cooperation agreements, if appropriate, or other kinds of arrangements for assistance.

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