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**FINANCING OF THE DECISION OF WATER PROBLEMS OF RUSSIA:  
BETWEEN COMMAND APPROACH, MARKET-BASED APPROACH  
AND ETHICAL TRADITIONS**

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**By financing of water sector in Russia: a today situation**

The Russian control system of water resources during last 15 years is in process of transformations. The reforming of water sector will be carried out in different branches since the laws, finishing information systems. Last years some progressive documents creating base for transition to system of functioning, close to the Frame Water Directive of the European Union (Federal Law "Protection of an environment ", "Concept of state policy in sphere of use, restoration and protection of water objects" and others) are accepted. Now at a state level the discussion of the new Water Code of Russian Federation is near finished. The basic purpose of acceptance of this document is the further transformation of a water facilities of the country, entering into it of market-based mechanisms.

Agrees by the data of the Ministry of natural resources of Russia, the present situation with financing of water sector is those: the size of financing for the decision of water tasks with each year is increased. However general level of financing of nature protection measures makes no more than 1 % from the budget of the Russia. The water objects and ecosystems continue to test intensive anthropogenous influence, are exposed to an exhaustion. The growth of inefficient use of water for an internal national product proceeds, the share "aggressive" for ecosystems of industries is increased.

**Working economic mechanisms**

The basic economic mechanism stipulated Russian legislation, now are the ecological payments, which serve in the basic tools of mobilization of means for financing nature protection measures. The organizational maintenance of such financing for a target expenditure of the received financial assets is carried out within the framework of state ecological funds created earlier at federal, regional and local levels and constantly undergoing reforming.

The existing forms of ecological payments - payment for emissions of polluting substances and payment for usage by natural resources (including usage of water). Other elements of the economic mechanism of ecological management connected as with positive motivation of the users practically are not used, except for transfer on account of repayment of payments for pollution of an environment of means actually used by the enterprise on performance of nature protection measures, stipulated by the order of updating of the sizes of payments.

The reasons for this are:

- Proceeding stagnant of economy, further orientation to preservation of the large densities of export of resource potential in formation of the budget of the country, orientation to obtaining branches, manufactures and primary processing of raw material with preservation "of dirty cycles " of economy,
- - Absence of definiteness in the property right, right of the order of resource potential in hierarchical mutual relation at all levels of federation: the managing subject in territory of municipal formation - city - regions a federal level. The necessity of the prompt decision of this problem is caused by that the right of this aspect of the property, is especial on resources, i.e. the conditions of reproduction of the material boons, cost in subsequent are defined with the property right and right of the order by results of work, and at the end and output on a level of the taxes, payments.

### **Payment for usage by natural resources**

It is possible payment for usage natural resources by the "rudimentary" form of a payment for ecological services (PES). However, as a matter of fact, it is not those, as does not allow collecting adequate means and not motivation of the consumers to an environment to the attitude to water objects and ecosystems. The assembled means do not allow carrying out even compensatory works on liquidation of pollution, let alone maintenance ecosystems.

The previous years in Russian Federation the system "Payments for usage by water resources", shown the imperfection and requiring changes worked. Since January 1, 2005 this system is replaced on so-called " Water tax ", the process of introduction of this kind of usage while proceeds. It yet has not highlighted all plus and minuses of this circuit of financing. However already it is now obvious, that one of serious minuses of system is underestimated cost of water resources for the users - on the average 300 Rubles. (0,85 Euro) from the enterprises and 70 Rub. (0,2 Euro) from the population for 1000 cubic meters of water.

The second minus: the similar system does not take into account real damage and necessity of ecosystems restoration as a whole, and reduces the circuit to withdrawal "of the certain quantity of cubic meter of water for definite purposes". Still, the at all influence anthropogenous of influence on all ecosystems elements is not taken into account: wetlands, interests of preservation of a biodiversity. One more serious problem - perfect mechanisms of distribution of means of the assembled water tax. According to existing system the tax should leave in the federal budget, and the financing of the concrete programs and projects under the decision of water problems is direct on object remains by a prerogative of the regions which have stayed without stable financing.

The similar situation in many respects occurs because despite of declared principles of market economy in practice is the basic command and regulating approach to water resources management. The previous circuit of collection of a payment for waters usage was the command form of collection of a payment. And the present water tax, only externally has got the form of the market mechanism, having remained as a matter of fact by same regulating circuit, which should induce waters of the users to change activity in relation to ecosystems only for avoidance of the sanctions, and in its basis the value from direct use (value of indirect use is incorporated only and value connected to use are considered).

At measurement of ecological services the relationships of cause and effect of system were not taken into account. The economic ecosystems estimation, connected with water was not made also, - the analysis was limited only to water supply. By distinctive feature of definition of value of service " payments for waters the usage " is that at its account the estimation of an opportunity of the consumer was taken into discounted to pay for services, instead of desire to pay for this service, and also attitude which has stayed from socialist times, to water as to an almost free-of-charge resource.

Such approach is perfectly justified, as, on the one hand, for the population water and ground long time did not associate with paid resources, and the sudden introduction of a high payment for it could become a shock, on the other hand, overwhelming part of the population

concerns to needy layers and be not capable to pay the large sums. Same is characteristic and for the majority of the industrial enterprises - majority of them are in a difficult financial position.

Now basic contractual mechanism of the tax of payments are the circuits of state payment. System completely in conducting the state, but coordinate its regional authorities bodies. Distinctive feature of the circuit is that the realization of the plans of rational use of natural resources is separated from system of the tax of payments: first are in regional conducting, second - in federal. In it also there is one of the basic problems of an inefficiency of the existing circuits.

### **Payment for ecological services in Russia. Regional aspect**

It is obvious, that the circuit, existing in Russia, of financing of use and protection of natural resources requires perfection: the transition from command methods to market-based mechanisms promoting really rational and sparing influence of the people on water ecosystems is necessary.

Probably, one of acceptable variants can become begun to be developed the contractual mechanism on base of Basin Water Boarder. In the Ural region in basin of the Iset-river works the pilot-project of the Russian Network of the Rivers on creation of the effective mechanism of ecological improvement of the river. Within the framework of the project the Water plan is created, is created Basin water Board. In an operating time within the framework of the project the motives and interests of the majority of water users, conducting activity in basin, their opportunity and desire were found out to pay for the certain kind of activity directed on improvement and maintenance ecosystems to the given territory.

The payment for ecological services can exist within the framework of the legislation, working in Russia, (opportunity of activity Basin water Board of a framework is described in the Water code of Russian Federation). The intentions, plans and contributions of all water of the users who are taking place in basin of the river, are registered in voluntary contractual basins agreements. These agreements are entered in the existing real circuit of the social, ecological and market attitudes in territory. The financing is made as creation of resource funds (material means, practical measures).

General motive of participation of all water of the users - steady development and improvement of quality of life of the local population in the given territory. It is necessary to note, that as against Water Board existing in Europe, at the given stage the local water agreements are not provided directly from the state budget, but the local bodies of authority accept the financial participation, including concrete measures on protection of environment in the budget programs.

The stability gives the given circuit also account of so-called "informal" rules - ethnic and local traditions regulating water resources. Works on result and that all local community is involved practically in activity.

### **Economic mechanisms of financing of steady ecosystems use: transboundary aspect**

Russia borders on 14 states and has more trans-boundary 800 water objects. On existing practice, most constructive and effective activity under the decision of problems of water objects and the financing of measures occurs to steadier and economically stable neighbors (country of Europe).

In a situation when water object Russia divides with the countries of the "transitive" block effect from activity even in the beginning of activity arises only at presence of the economically stable observer, otherwise attitudes develop very difficultly, sometimes accept even the latent forms of blackmail, as concerning Russia and Kazakhstan with China on the river Black Irtysh.

In this connection large urgency there is a development of the unified circuits PES, which would allow to take into account a difference in a situation, legislations, traditions. The creation of contractual funds on base Basin Water Boarder in this case too can realize these tasks ...

*For Russia, as well as for many countries with transitive economy the economic forces remain basic for the persons accepting decision. That the development of economy should go not to the detriment of ecology, in practice frequently declarations: the real persons accepting*

*decisions, are convinced, that the introduction of ecological values destroys economy. Necessity and urgency of introduction of the real circuits and accounts proving value ecosystems and benefit from their preservation therefore is obvious.*