



11th MEETING OF THE STEERING COMMITTEE OF THE NATIONAL WATER POLICY DIALOGUE ON IWRM IN ARMENIA

Date: December 12, 2013

Location: "Regance" Hotel Complex, 10/1 Davit Anhaght Street, Yerevan

PROCEEDINGS

In the *opening session* Mr. Narimanyan, Chairman of the 11th Steering Committee (SC) meeting of NPD on IWRM in Armenia, welcomed the participants of the meeting, and presented the main points of the agenda. The SC members adopted the agenda as it was presented.

Opening statement was also made by Mr. John Barker, International Aid/Cooperation Officer in the sphere of agriculture, rural development, forestry, water, environment and climate change of the EU Delegation to Armenia. In his speech Mr. Barker highlighted the letter of the Minister of Nature Protection of the Republic of Armenia sent to Mr. Michael Kohler, Neighborhood Director of the Development and Cooperation General Directorate of the European Union, sent on December 3, 2013. In the letter the Ministry of Nature Protection of the Republic of Armenia expresses its readiness to establish working group on water quality monitoring and water quality assessment to work on harmonizing the current approaches with the common approach based on the EU Water Framework Directive.

Mr. Alisher Mamadzhanov, Environmental Affairs Officer of the Environment Division of the United Nations Economic Commission for Europe, and Tatiana Efimova from OECD/EAP Task Force Secretariat also made opening remarks.

Afterwards, Mr. Narimanyan summarized the status of NPD activities, and updated on recent development in water sector of Armenia. He particularly mentioned the progress with establishment of the working group on water quality monitoring and water quality assessment, which is expected to be formally established in the beginning of 2014. He also summarized the results of the feasibility study on introduction of the water resources management plan in 6 water basin management areas of Armenia, conducted by Belgian "SHER" engineering-consulting company.

The *first session* of the SC meeting dealt with the implementation of the project on setting targets within the Protocol on Water and Health under the UNECE component of the NPD in Armenia. Project national consultants Mr. Vilik Sargsyan and Mr. Tigran Oganezov presented the results of the baseline analysis for setting national targets under the Protocol according to different target areas. Presentations were followed by discussions, during which the participants of the meeting presented some suggestions on improving the analysis.



Ms. Emma Anakhasyan from the “Armenian Women for Health and Healthy Environment” NGO presented the main outcomes of the first NGO Coordination meeting held in Gyumri city. Afterwards, the UNECE consultant Mr. Matthew Kahane presented the overview of the baseline analysis and the process of prioritization of areas for target setting. Mr. Erkin Orolbaev, NPD national coordinator in the Kyrgyz Republic, made a presentation on the process of target setting in the Kyrgyz Republic with focus on the process of prioritization of target areas.

Finally, Mr. Alisher Mamadzhanov made a presentation on prioritization of problems, and the future process of setting draft targets, compiling program of measures and indicators. The presentation was followed by a discussion session, during which the SC members exchanged ideas on the most prioritized areas for target setting under the Protocol. The SC members were asked to rank all 20 target areas on a scale from 1 to 5. As a result, the following 9 target areas received score 4 and higher (the list is provided according to highest score received):

- Target area III: Access to drinking water
- Target area IV: Access to sanitation
- Target area I: Quality of the drinking water supplied
- Target area XIV: Quality of waters, which are used as sources for drinking water
- Target area XIX: Effectiveness of systems for the management, development, protection and use of water resources
- Target area XI: Quality of discharges of wastewater from wastewater treatment installations to waters within the scope of the Protocol
- Target area XVIII: Identification and remediation of particularly contaminated sites
- Target area XX: Frequency of publication of information on the quality of drinking water supplied and of other waters relevant to the Protocol
- Target area II: Reduction of the scale of outbreaks and incidents of water-related diseases

Thus, the SC **decided:** (i) to mandate the project working group to initiate the further work on the above-mentioned prioritized target areas to work on draft targets and target dates; (ii) send the draft targets to the respective stakeholder institutions in Armenia by the end of February 2014; (iii) incorporate the comments from the stakeholder institutions and present the draft final version to the next SC meeting, tentatively planned in April-May 2014.

The **second session** of the Steering Committee meeting was facilitated by OECD and related to economic instruments in water management. Ms. Gloria de Paoli, Economist of “ACTeon” Scientific-Research Organization, and Vahagn Tonoyan made joint presentation on facilitating the reform of economic instruments of Armenia. They presented the proposed options for reform, including detailed assessment of expected impacts and requisites for implementation. More specifically, Mr. Tonoyan presented the proposed reform of water abstraction and pollution fees, and Ms. De Paoli presented the reform of land/property taxes and renting system nearby valuable water bodies.

During the Q&A session interesting discussion was held on the proposed approach to charge water abstraction and environmental fees based on permitted quantity, instead of actual abstraction and discharge of pollutants, as it is the case now. Mr. Aghinyan from “Yerevan Djur” CJSC raised



the question of allowing 10% deviation from the water use permit condition given the seasonal changes in water supply and demand. Another point of discussion related to the strong assumption made in the OECD study, that after increase of water abstraction and environmental fees still 90% of fees collected will be re-allocated to the water sector again, as it is the case now. Finally, Mr. Narimanyan asked the consultants also to review the possibility on liberating the price of water abstraction fee, with the purpose of making it as one of the criteria during the tenders for provision of water supply and sanitation services in the country.

Taking into consideration the discussions, the SC/NCC **decided** to express its satisfaction with the results of the OECD study and readiness to make practical efforts towards introduction of the proposed reforms when the timing is appropriate.

The **third session** of the Steering Committee meeting dealt with cross-fertilization with the NPD process and technical assistance projects in Armenia. Presentations were made by 4 water-related projects in Armenia: EU "Environmental Protection of International River Basins" project (Vahagn Tonoyan, Country Water Management Expert - Armenia), KfW Project for Construction of Kaps Reservoir and Gravity Irrigation System (Mr. Michael Glueckert, Agricultural economist of the project), USAID Clean Energy and Water Program in Armenia (Lilit Harutyunyan, Task Leader of the project) and UNDP/GEF "Reducing Transboundary Degradation in the Kura-Aras River Basin" regional project (Lusine Taslakyanyan, Project National Coordinator for Armenia).

Presentations were followed by Q&A session. Steering Committee **decided** to thank the representatives of the projects for their continuous coordination efforts within the NPD process in Armenia.

Before closing the meeting the chairman of the SC Mr. Narimanyan recalled the Steering Committee **decisions** made, as follows:

- UNECE study:
 - SC mandates the project working group to initiative the further work on the above-mentioned prioritized target areas to work on draft targets and target dates;
 - SC recommends the project working group to send the draft targets to the respective stakeholder institutions in Armenia by the end of February 2014;
 - SC expects the project working group to incorporate the comments from the stakeholder institutions and present the draft final version to the next SC meeting, tentatively planned in April-May 2014.
- OECD study:
 - SC expresses its satisfaction with the results of the OECD study and readiness to make practical efforts towards introduction of the proposed reforms when the timing is appropriate.
- Other projects
 - SC thanks the representatives of the projects for their continuous coordination efforts within the NPD process in Armenia.