"Support for the Creation of a Transboundary Water Commission on the Chu and Talas Rivers between Kazakhstan and Kyrgyzstan"

FINAL PROJECT REPORT

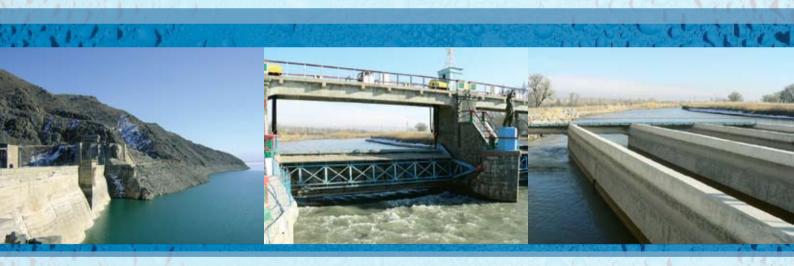








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Foreword

In 2002, under Portuguese Chairmanship, the 10th OSCE Economic Forum entitled "Co-operation for the sustainable use and protection of the quality of water in the context of the OSCE" set out to examine the role of the OSCE in regards to water issues. From this process, it was recommended that the OSCE continue to promote the adoption and implementation of legal regulations. In particular, the OSCE was requested to provide assistance in establishing regional contacts and developing cross-border activities on targeting problems in water-related fields:

"...more assistance must be provided in the field of capacity and institutional building, particularly to cope with environmental issues, including water..." (recommendation from the 10th OSCE Economic Forum, Prague, 28-31 May 2002).

Also, Working Group C of the 2002 Economic Forum, entitled "Instruments for Co-operation for the sustainable use and protection of the quality of water", included references to institutional capacity as being a main factor of avoiding water-related conflict. It also stressed co-operation in water management as being an important confidence building tool in post-conflict rehabilitation.

Furthermore, in 2003, the OSCE Strategy Document for the Economic and Environmental Dimension, commonly referred to as the Maastricht Strategy, was adopted. The Strategy underlines the importance of co-operation with relevant international institutions and organizations, with, amongst others, the aim of promoting regional cross-border co-operation and developing appropriate legislation and institutions. It also tasked the Office of the Co-ordinator for Economic and Environmental Activities (OCEEA) to assist participating States in their efforts towards reaching these objectives. This lead the OSCE to engage with partners in realizing this project.

The UNECE Convention on the Protection and Use of Transboundary Watercourses and International Lakes provides the framework for the development of transboundary water co-operation.

While the UNECE is a natural partner of the OSCE, and the MoU signed in 2004 further strengthened the foundations for this partnership, the project was implemented jointly with the Water Resources Committee of the Ministry of Agriculture in Kazakhstan, the Water Management Department of the Ministry of Water Management, Agriculture and Processing Industry of the Kyrgyz Republic, the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), and the Peipsi Center for Transboundary Cooperation in Estonia, with financial support from the Governments of Sweden, the United Kingdom and Estonia.

The project culminated with the inauguration of the Chu and Talas Commission, in July 2006, as an important contribution to an improved co-operation on water issues in Central Asia. It should also be noted that, during the project implementation, strong public participation was an important element of work.

This final report on the Chu and Talas project recommends some further action and the OSCE, UNECE and UNESCAP have thus paved the way for a continued support to the Chu and Talas Commission.

Finally, the developments of the Chu and Talas Commission would not have been possible without the excellent partnership of all actors involved, including the OSCE Centre in Almaty.

Background Information

In January 2000 the Agreement *on the Use of Water Facilities of Inter-Governmental Use on the Chu and Talas Rivers* was signed between the Government of the Kyrgyz Republic and the Government of the Republic of Kazakhstan. Facilities, such as dams, water reservoirs and canals, are located in the territory of Kyrgyzstan. Under the Agreement, the Parties have agreed that operation and maintenance costs for the facilities specified in the Agreement would be shared on a pro rata basis in accordance with the water volume received by each Party. Under Article 5 of this Agreement, the Parties commit themselves to establish a permanent commission to determine the operation mode for water infrastructure and the share of each Party in funding operation and maintenance costs. The Agreement became effective in February 2002 upon the ratification by the Parliaments of both countries.

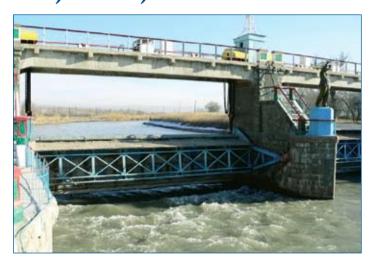
At the initiative of the Governments of Kazakhstan and Kyrgyzstan, the international project "Promoting the Creation of the Commission for the Chu and Talas between Kazakhstan and Kyrgyzstan" was started in 2003. The project was implemented by the Ministry of Agriculture of the Republic of Kazakhstan and the Ministry of Agriculture, Water Resources and Processing Industry of Kyrgyz Republic, jointly with the Organization for Security and Co-operation in Europe (OSCE), the UN Economic Commission for Europe (UNECE) and the UN Economic and Social Commission for Asia and Pacific Region (UNESCAP) with the participation of the Russian-Estonian Center of Transboundary Co-operation for the Chudskoye Lake. The project was initiated following the UN Special Programme for the Economies of Central Asia (SPECA), which developed a regional strategy¹ for water management, and called for more practical and concrete mechanisms for the joint management of water resources.



 $1\,$ For further information see the publication UNESCAP / UNECE, Strengthening Cooperation for Rational Use of Water and Energy Resources in Central Asia, 2004

It was expected that the implementation of the project would not only provide for improved management of the use of water resources of the Chu and Talas Rivers, but also serve a good example for the Central Asian countries in the field of improved co-operation on the use of transboundary water resources.

Project Objectives



The objective of the project was to provide assistance to Kazakhstan and Kyrgyzstan in implementing the Agreement on Use of Water Facilities on Inter-Governmental Use on the Chu and Talas Rivers signed between the Government of the Kyrgyz Republic and the Government of the Republic of Kazakhstan on January 21, 2000, through the following:

- Drafting documents that would define the Commission's status, functions, responsibilities and rights;
- Developing procedures and preparing basic documents for co-funding of the repair, maintenance and operation of multipurpose water facilities on both rivers that are subjects of the Agreement; and
- Intermediation to reach consensus between the Governments of both countries during the development of the above document.

Another objective of the project was to provide information to stakeholders and involve broad public participation into the management of water resources in the Chu and Talas River basins.

Project Outcomes

Four workshops were held within the framework of the project: on April 9-10, 2003, in Bishkek; on July 7-8, 2003, in Almaty; on November 6, 2003, in Bishkek; and on March 26, 2004, in Almaty. In addition, two working meetings were held: on May 5, 2004, in Almaty, and on August 20, 2004, by the Issyk-Kul Lake. Finally, the international conference "Intergovernmental Use of the Chu and Talas Rivers: Co-operation Experience and Development Outlook" was held in Bishkek on July 26-27, 2006.

The project has been implemented in four modules:

<u>Module 1:</u> Development of a Statute and regulations for the Bilateral Commission on the Chu and Talas rivers

The working groups of Kazakhstan and Kyrgyzstan, with the assistance of international experts, drafted the *Statute on the Commission of the Republic of Kazakhstan and Kyrgyz Republic for Use of Water Facilities of Inter-Governmental Use on the Chu and Talas Rivers.* In November, 2003, the draft Provisions were submitted to the Governments of Kazakhstan and Kyrgyzstan for their consideration. The proposed document provided for broader powers of the Commission in managing the water use in the basins of both rivers than those stipulated by the Agreement as of 2000. It was decided to adhere to the new document in the future and to create such an intergovernmental authority.

In accordance with the comments received, a new version of the Statute was drafted and submitted to the Intergovernmental Kyrgyz-Kazakh Joint Commission for consideration. During the fourth session of the Joint Intergovernmental Commission held on July 12, 2004, in Bishkek, it was decided to adopt the new Provisions. During 2005 the Provisions were discussed in detail in the ministries and agencies of Kazakhstan and Kyrgyzstan. By the beginning of 2006 the final version was drafted and agreed upon by both Parties.

During the fifth session of the Intergovernmental Kyrgyz-Kazakh Joint Commission for Bilateral Co-operation (held on July 3, 2006, in Astana), a decision was made to set up a joint Chu-Talas Commission between Kazakhstan and Kyrgyzstan.

As a result, the inauguration of the Commission of the Republic of Kazakhstan and Kyrgyz Republic for Intergovernmental Use of Water Facilities on the Chu and Talas Rivers took place on July 26, 2006, in Bishkek.

Following the inauguration, the first session of the Commission was held. This session prepared the document on *Proposals on Perspective Activities of the Commission*.

<u>Module 2:</u> Allocation of costs for operation, management and rehabilitation of selected water control projects

International experts, who jointly worked on the project with the domestic consultants of Kazakhstan and Kyrgyzstan, drafted *Recommendations to Fund Operation and Repair Costs and Other Measures on the Sites and Facilities of Intergovernmental Use on the Chu and Talas Rivers.* During joint consultations, the document was refined and it was recommended to apply the document to the activities of the bilateral commission. The Recommendations were tested during a specialized workshop held on October 26-28, 2005, in Bishkek, which was also attended by staff of river basin authorities and specialists in charge of operation and repair plans for the facilities on the Chu and Talas Rivers.

In addition, international experts of the project prepared the following project documents:

- Provisions on the Executive Secretariat of the Commission of the Republic of Kazakhstan and Kyrgyz Republic for Use of Water Facilities of Intergovernmental Use on the Chu and Talas Rivers; and
- Methodological Recommendations for Developing and Revising the "Key Provisions of the Rules of Comprehensive Use of Water Resources of Water Reservoirs on the Chu and Talas Rivers".



Module 3: Public Participation in Management of Transboundary Water Resources of the Chu and Talas Rivers

International experts drafted and submitted the *Program of Public Participation in Management of Transboundary Water Resources of the Chu and Talas Rivers*. To develop this Program, a separate project was established within the framework of Module 3, aimed at promoting public involvement into decision-making processes concerning the use of water resources of the rivers. The outcomes of the project implemented by NGO Zhalgas-Counterpart, Kazakhstan, and Counterpart-Sheriktesh, Kyrgyzstan, jointly with the Center of Transboundary Co-operation for Chudskoye Lake were submitted to the Commission for further use.

A special booklet "Establishment of Joint Commission of the Republic of Kazakhstan and Kyrgyz Republic for Intergovernmental Use of the Chu and Talas Rivers" was prepared and published in the following four languages: Kazakh, Kyrgyz, Russian and English.

A study tour to Estonia was organized for representatives of water authorities of Kazakhstan and Kyrgyzstan in June 18-24, 2004, in order to review the experience of the Russian-Estonian Commission for Transboundary Water Resources and to participate in the International Conference "UNECE Convention on Transboundary Water Resources and EU Water Framework Directive; Performance by Implementing Joint Participation Approach in Europe and CIS Countries".

On February 10-12, 2006, an international workshop "Transboundary Water Cooperation between Kazakhstan and Kyrgyzstan in the Chu-Talas Region" was held in Almaty. It was held within the framework of the project by the Center of Transboundary Cooperation of the Chudskoye Lake, Estonia, Zhalgas-Counterpart, Kazakhstan, and Counterpart-Sheriktesh, Kyrgyzstan. During the workshop the issues of access to information and public participation in the management of transboundary water resources were discussed.

Module 4: Project Information

In order to provide information on the project activities and publish the key documents developed during its implementation, the web-page <code>www.talaschu.org</code> was created through support from the Russian-Estonian Center of Transboundary Co-operation of the Chudskoye Lake.

In October, 2006, the website was transferred to the Commission to use it as an official webpage.

In 2004 a booklet on the project "Supporting the Establishment of the Commission for the Chu and Talas Rivers between the Republic of Kazakhstan and Kyrgyz Republic" was prepared and published in four languages: Kazakh, Kyrgyz, Russian and English.

For the inauguration of the Commission, a special video "Channel of Common Interests" was prepared in English and Russian. The video illustrates the co-operation between Kazakhstan and Kyrgyzstan in joint use of water resources of the Chu and Talas rivers and was shown to the participants of the International Conference held on June 26-27, 2006, in Bishkek, as well as within the framework of specialized national TV programs.



In addition, for the inauguration of the Commission, the following materials were prepared and published in English and Russian: a brochure on the "Establishment of the Commission of the Republic of Kazakhstan and Kyrgyz Republic for the Use of Water Facilities of Intergovernmental Use on the Chu and Talas Rivers" and a booklet on the "Commission of the Republic of Kazakhstan and Kyrgyz Republic for the Use of Water Facilities of Intergovernmental Use on the Chu and Talas Rivers".

Within the framework of the project, the establishment of the Chu-Talas Commission was broadly covered by mass media, for instance a press conference was held on July 31, 2006, in the OSCE Center in Almaty, where top managers of water authorities of Kazakhstan and Kyrgyzstan participated.

As an additional contribution to the project to support the Commission, the project budget balance was allocated for the development and implementation of the Information System on the facility of the intergovernmental use – Chumyshsky Waterworks Facility on the Chu River. Following the installation of the Information System, specific training was conducted for the staff

of the Chumyshsky Waterworks Facility within the framework of the project.

The project implemented by the OSCE, in co-operation with the UN and other partners, can and has become a catalyst for the development of co-operation in these river basins. The establishment of the Commission encouraged other international organizations (such as the EU and ADB) to provide assistance to the water authorities operating in the Chu and Talas basins.

The initial outcomes of the project were presented during the 36th Session of the Economic and Environmental Subcommittee of the OSCE Permanent Council held on November 26, 2004, in Vienna. This was met with wide approval, thus providing for further support of the Commission's activities by the OSCE through 2006.

Furthermore, and as mentioned above, the project was presented in the framework of the International Conference "Intergovernmental Use of the Chu and Talas Rivers. Co-operation Experience and Development Outlook", held on July 26-27, 2006, in Bishkek. The conference participants stated in their final declaration that the establishment of the Commission of the Republic of Kazakhstan and Kyrgyz Republic for Use of Water Facilities of Intergovernmental Use on the Chu and Talas Rivers was a brilliant example of successful co-operation between the countries on the use of water resources of transboundary rivers.



Project Achievements

With the support from the major donors, Great Britain and Sweden, and with additional support from Estonia, the OSCE and project partners were able to realize significant achievements in the Chu-Talas project.

Primarily, it is worth noting that there existed no comparable cooperative projects in Central Asia at the start-up of the project and this co-operation can therefore be seen as a nascent initiative in that direction. Furthermore, through establishing the creation of the Bilateral Commission, a longer-term stable, mutually beneficial framework for co-operation between Kazakhstan and Kyrgyzstan is now in place.

By ensuring stability in this area, it allows local authorities and bureaucrats to focus less upon creating contentious annual agreements, and more upon fostering prudent mechanisms for regional governance.

In short, the project has demonstrated that co-operation can function, and that co-operative agreements of the sort, pioneered in this project, can and do have significant benefits for all participants.

The Chu-Talas project achievements can be seen as far-ranging, and lie primarily in the steps taken to co-ordinate water resources in a methodological and stable manner between Kazakhstan and Kyrgyzstan.

However, immediate gains include lessons learned which go well beyond the borders of Kazakhstan and Kyrgyzstan, and even beyond Central Asia.

Moreover, the ability of the OSCE to capitalize upon political strength and dialogue between its member governments, in this case, fostering collaboration in water management and indeed, in natural resource management in general, is clearly a major strength of the Organization. This example clearly illustrates the ability of the OSCE to work directly with all parties, serving as a broker, to ensure that dialogue and discussion is effective at both the political and working levels.

As it was the case with the Chu-Talas project, the OSCE was able to co-ordinate the support of the international community including international delegations, international organizations and local and international NGOs. This co-ordination is important in the light of the Paris Declaration and ensuring that efforts are not duplicated, as well as for promoting an overall sense of international co-operation.

It is important to stress the strong co-operating factor and the value of the partners involved in the process. While the OSCE, as a political security organization, can foster political co-operation among stakeholders resulting in policy changes on water management issues, the added value and technical expertise on water related development issues from both UNECE and UNESCAP are invaluable. Further partners, with a specialization in the NGO sector, or in national implementation and solutions to water issues, lend an enormous added value to the project.

Further recommendations for assistance

Since the inauguration of the Commission, further partners have shown an interest in supporting the efforts of the co-operation and, for example, the ADB will support the Secretariat of the Commission until the end of 2007.

Now that there is a partner in place representing both the Kazakh and Kyrgyz governments, the interstate Commission, further recommendations for support can be envisaged. Some of these interventions may be relevant from the context of the OSCE, its field missions and the Office of the Co-ordinator for Economic and Environmental Activities (OCEEA) and their respective mandates.

1. To support the work of the Bilateral Commission and its Secretariat:

- To review the Statute of the Commission;
- To support the work of the Secretariat (executive body of the Commission) and its efforts to recruit independent experts for specific technical tasks;
- To amend the 2000 Agreement between Kazakhstan and Kyrgyzstan on the Utilization of the Water Facilities of Interstate Use on the Chu and Talas rivers;
- To assist the Commission in drafting and implementing legal documents with regards to water management;
- To promote public participation in Commission's work and decisions.

2. To promote the Commission's activities:

- To develop the Commission's website (technical support, selection and uploading papers in Russian, Kazakh, Kyrgyz and English, uploading the video "Channel for common interests");
- To prepare information materials and articles about the Commission's activities for local and international mass media;

- To organize exhibitions on the Commission's activities, in particular in the Chumysh hydro system museum;
- To support and promote the Commission's membership in the International Network of Basin Organizations;
- To organize visits of students, pupils and state representatives to the Chu-Talas water facilities;
- To organize awareness events for civil society on transboundary water management;
- To organize training for Kyrgyz journalists on transboundary water management.

3. To extend the Commission's activities and responsibilities:

- To elaborate a plan for further actions aiming at extending Commission's responsibilities to other transboundary rivers;
- To establish bilateral agreements for other transboundary basins (for example Isfara river);

4. To provide technical support to the management of Chu-Talas reservoir facilities:

- To organize training on water recording and reporting for staff working on reservoir facilities (the Chumysh hydro system can be used as venue for the training);
- To provide equipments for water volume recording and reporting: Automatic systems for water measuring and distribution (same as at the Chumysh hydro system) can be established also at other transboundary water facilities
- To elaborate methods for water volume reporting;
- To develop a hydro meteorological network at the upper side of Chu and Talas basins in order to improve water forecast.

For any further information and updates, please visit the website of the transboundary Chu-Talas river project:

www.talaschu.org

ANNEX

Chronology of Chu-Talas Events and Iinitiatives

Date	Activity
January 2000	The Agreement between Kazakhstan and Kyrgyzstan is signed on the water utilities management on the Chu and Talas rivers
February 2000	The Agreement came into force
Beginning 2003	The project on "Creation of a Commission between Kazakhstan and Kyrgyzstan on the Chu and Talas rivers" is launched
November 2003	Draft Statute of the Bilateral Commission is sent for consideration to the Governments of Kazakhstan and Kyrgyzstan
Beginning-end 2004	ADB implementation "Development of efficient complex management of the water resources in two pilot projects in sub basins of the Aral Sea. Pilot project for Chu-Talas"
May 2004	OSCE/UNECE/UNESCAP project launch on public participation (Counterpart Consortium in Kazakhstan and Kyrgyzstan, Centre on Transboundary Cooperation "PEIPSI", Estonia)
18-24 June 2004	Under the frame of project implementation on public participation a Study tour is conducted for the representatives of Commission and civil society to Estonia to familiarize with the best practices of the Russian-Estonian Commission on water management
20 August 2004	The composition of Commission is discussed and approved by Kazakhstan and Kyrgyzstan
3 November 2004	The Statute is approved by the Kyrgyz Republic
May 2005	The project on public participation is completed
5 May 2005	The Kazakh Government submits to the Kyrgyz Government for consideration a revised draft of the Commission Statute
20 May 2005	The Kyrgyz Government officially requests the Kazakh authorities to adopt the Statue of Commission rather than Sub Commission as the Kazakh side proposed earlier
June-December 2005	Finalization of the Commission's Statute by both countries
22 December 2005	The Statute of Commission is approved at the Taraz Round Table
26-27 July 2006	Inauguration of Commission. Regional Conference for Central Asian countries for experience replication