



## **EAP Task Force**

### **JOINT MEETING OF**

**THE EU WATER INITIATIVE'S EECCA WORKING GROUP**

**THE EAP TASK FORCE'S GROUP OF SENIOR OFFICIALS ON THE REFORMS OF THE WATER SUPPLY AND SANITATION SECTOR IN EASTERN EUROPE, CAUCASUS AND CENTRAL ASIA**

**THE EAP TASK FORCE'S EECCA FINANCE NETWORK**

### **DRAFT AGENDA**

#### **VENUE**

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MD 2012, Chişinău, Fax: +373 22 237 948  
Moldova E-mail: [codru@codru.md](mailto:codru@codru.md)**

#### **TIME**

**29 March to 1 April 2005**

*The meeting is jointly organised by the EAP Task Force Secretariat (OECD) and the European Commission*

## **ANNOTATED AGENDA**

- 1. Opening of the Meeting and Adoption of the Draft Agenda**
- 2. EU Water Initiative EECCA Working Group**
- 3. Progress Report on EAP Task Force Water Programme**
- 4. Preparations for the Almaty+5 Conference in Moscow – Background Papers**
- 5. Preparations for the Almaty+5 Conference in Moscow – Practical Issues**
- 6. Other Business, Group of Senior Officials**
- 7. Introduction to EAP Task Force Work Programme on Environmental Finance**
- 8. Report on the Implementation of the 2004-2006 EAP Task Force Programme on Environmental Finance**
- 9. PPC Session**
- 10. New Avenues for the Environmental Finance Network**
- 11. Closing and Wrap-up**

## Annotations to the Agenda

**Tuesday, 29 March 2005**

**09:00 - 18:00**

### **Item 1. Opening of the Meeting and Adoption of the Draft Agenda**

The Moldovan Minister of Environment Mr Mihailescu, the co-chairs of the EAP Task Force Group of Senior Officials for Water Supply and Sanitation Sector Reform in EECCA, Mr Murphy and Mr Semchuk, and the EAP Task Force secretariat, Mr Gillespie, will open the meeting, welcome participants and introduce the draft Agenda. Delegates will be invited to adopt the Draft Agenda.

### **Item 2. EU Water Initiative EECCA Working Group**

The objectives for this working group in 2005 will be presented and discussed. Delegates will be invited to present their views and endorse a number of documents that have been revised following comments that were received during and after the first meeting of the working group:

- Organisational set-up of the EUWI-EECCA
- Terms of reference EUWI-EECCA working group

This will be followed by a presentation of the proposed work programme for the EUWI-EECCA working group for the next years (*please see document 1*). Delegates will be invited to comment on the process and the proposed approach as detailed in this document, focusing on possible gaps and priorities.

General issues like the chairmanship of the initiative and the commitment to and ownership of the component will also be debated.

The overall aim is to reach an agreement on the Work Programme and on the future actions.

The session will end with the introduction of some key initiatives, mechanisms and policies related to the work of the EUWI-EECCA working group.

At the end, on the basis of the outcome of the discussions during the day, delegates will be invited to discuss the next steps for the EUWI-EECCA working group.

**Wednesday, 30 March 2005**

**09:00 - 18:00**

### **Item 3. Progress Report on EAP Task Force Water Programme**

The EAP Task Force secretariat will present a report on the main activities carried-out since the last meeting of the Group of Senior Officials for Water Supply and Sanitation Sector Reform in EECCA in 2004, as well as the main projects that are ongoing or planned in 2005. The secretariat will also provide a brief introduction to the preparatory process for the Moscow Ministerial and present possible items for the agenda of the Ministerial (*please see documents 2, 3, 4, 5, 6*).

Delegates will be invited to comment on the work programme and to express their interest for any of the planned activities. These expressions of interest will be important in guiding the secretariat on where to implement these activities. Delegates would also be welcome to share their views on any additional activities that they would recommend for inclusion in the next Task Force work programme.

### **Item 4. Preparations for the Almaty+5 Conference in Moscow – Background papers**

At their conference in Almaty in 2000, Ministers of Economy/Finance and Environment from EECCA and their OECD partners adopted Guiding Principles for the Reform of the Urban Water Supply and Sanitation Sector in EECCA. Ministers requested the EAP Task Force to monitor the implementation of these Guiding Principles and to report on progress no later than 2005. The Russian Government has kindly offered to host this conference on 17 and 18 November 2005 in Moscow. This session is the first of two planned preparatory events that will help to shape the agenda for the meeting.

The EAP Task Force secretariat proposes to prepare several background papers that would help to lay the basis for Ministers' discussions at the Moscow conference. For this purpose the secretariat has prepared short outline papers that provide information on the key issues that would be raised in these papers, as well as some of the important messages that they would contain. In this session, four of these outline papers would be discussed:

- Progress on implementing the Almaty Guiding Principles for the Reform of the Urban Water Supply and Sanitation Sector in EECCA
- The challenge of achieving the water related MDGs in EECCA
- The role of central government in strengthening the financial situation of local authorities
- The need for municipal reforms

An outline paper on financing strategies for the water supply and sanitation sector would be discussed on the next day in session 8 of the agenda.

The session will start with a brief introduction to the Almaty+5 Ministerial Conference by Brendan Gillespie, EAP Task Force Secretariat.

#### **Outline paper on progress on implementing the Almaty Guiding Principles**

This paper will be introduced by Mr Peter Börkey of the EAP Task Force secretariat. At their conference in 2000 in Almaty Ministers requested the EAP Task Force to monitor progress in implementing the Almaty Guiding Principles and to report on progress at a follow-up conference in 2005. The paper seeks to describe the situation in the water

sector in the EECCA region and to identify key areas where progress in implementing legal and institutional reforms has been achieved as well as those where more efforts would be required (*please see documents 7 and 8*).

Delegates are invited to comment on the structure of the paper and the broad messages that it contains. They are also invited to highlight any important institutional and legal reforms that could be included in order to illustrate the messages in the paper.

The discussion would be followed by an introduction to two country examples, Moldova, Mr Constantin Mihailescu, Minister of Environment and Natural resources, and the Ukraine, Mr Hryhory Semchuk, First Deputy Chairman of State Committee for Living and Communal Services. Speakers from these countries would identify the key areas where progress with respect to the Almaty Guiding Principles has been achieved and where more efforts are still needed in their respective countries. They would also comment the secretariat outline paper.

Delegates are invited to discuss these presentations.

#### **Outline paper on the challenge in achieving water-related MDGs in EECCA**

A brief introduction to this outline paper will be given by Ms Gwenn Le Dantec of the EAP Task Force secretariat. The Millennium Declaration adopted by the UN General Assembly in 2000 set the objective to halve the proportion of people who are unable to reach or to afford safe drinking water by 2015. At the World Summit for Sustainable Development in Johannesburg in 2002, this objective was extended to also include access to sanitation. Reaching these objectives involves considerable financial challenges. The paper provides a critical analysis of these challenges on the basis of the literature (*please see document 9*).

Delegates are invited to comment on the structure of the paper and the broad messages that it contains, as well as on the relevance of the topic for the deliberations of Ministers.

#### **Outline paper on the role of central government in strengthening the financial situation of local authorities**

Considering that sub-national levels of governments are taking more responsibilities in the design and implementation of some water related policies, central governments should reflect on the institutional, economic and financial support they are likely to set up to strengthen local authorities, and to enhance their creditworthiness.

In particular, the question of fiscal decentralisation has three main components:

- The ability of local governments to raise revenues to meet their delegated responsibilities;
- The autonomy of local governments to make expenditures;
- The authority of local government to incur debt.

A brief introduction to this outline paper will be given by Mr Xavier Leflaive of the EAP Task Force secretariat. The paper provides an overview of the key issues on this important topic for the reform of the water sector. This is a companion paper of the one on access to local capital and financial markets (see item 8 below). *Please see document 10.*

Delegates are invited to comment on the structure of the paper and the broad messages that it contains, as well as on the relevance of the topic for the deliberations of Ministers.

#### **Outline paper on the reform of the municipal sector, including PSP**

A brief introduction to this outline paper will be given by Mr Alexander Martoussevitch of the EAP Task Force secretariat. The paper provides a description of the situation of the municipal sector, as well as recommendations on key areas that require reforms (*please see document 11*).

Delegates are invited to comment on the structure of the paper and the broad messages that it contains, as well as on the relevance of the topic for the deliberations of Ministers.

#### **Item 5. Preparations for the Almaty+5 Conference in Moscow – Practical Issues**

An introduction to this session will be provided by Mr Brendan Gillespie of the EAP Task Force secretariat (*please see document 12*).

Delegates are invited to discuss the proposed agenda items and documents that the secretariat proposes for the Ministerial conference. Delegates views on the potential output that the conference could produce, as well as any further steps that could be taken in the preparatory process would also be appreciated.

#### **Item 6. Other business**

Under this Agenda item, delegates will be invited to raise any other issues in relation to the Almaty+5 Ministerial conference preparations or the Group of Senior Officials for Water Supply and Sanitation Sector Reform in EECCA. Delegates are requested to inform the Secretariat of any items for Other Business in advance of the meeting.

**Thursday, 31 March 2005**

**09:00 - 18:00**

#### **Item 7. Introduction to EAP Task Force Work Programme on Environmental Finance**

Mr. Brendan Gillespie, Head of the Non Member Countries Division, and Xavier Leflaive, Head of the Environmental Finance programme, will open the day, by recalling the outline of the work programme and the objectives of the meeting. (*Please see Documents 13 and 14*)

#### **Item 8. Report on the Implementation of the 2004-2006 EAP Task Force Programme on Environmental Finance**

##### **(i) Improving Environmental expenditure Systems in EECCA. Harmonising Environmental Expenditure Information System of the Kyrgyz Republic with the OECD/Eurostat Standards**

The EAP Task Force work programme on environmental expenditure is focussing on developing guidelines for better estimating levels and sources of environmental spending in EECCA countries and to enhance data transparency and compliance with internationally adopted classifications and definitions. Based on the experience developed with previous country studies in the region, two pilot projects have been launched in the Kyrgyz Republic and in Ukraine. During this session, the EAP Task Force and a representative from the Kyrgyz Ministry of Environment will present the preliminary results of the project. (*Please see Document 15*)

Participants will be invited to comment on the proposed recommendations for strengthening the current legal framework and institutional arrangements for the environmental expenditure information systems and to express interest in participating in future follow-up activities.

**(ii) Strengthening Realism and Affordability of Environmental Financing Strategies for municipal waste management in EECCA**

**iii) Strengthening Realism and Affordability of Environmental Financing Strategies for water and sanitation in EECCA**

The EAP Task Force work on Financing Strategies (FS) promotes developing realistic and affordable rehabilitation and development programmes for water and environmental infrastructure. The financing strategy (FS) *stricto sensu* is a set of strategic sector development goals and a scenario to achieve them in 10-20year perspective, for which the (aggregated) expenditure needs are balanced with the total finance available to the sector from all sources. The FS methodology is supported by the *FEASIBLE model*, a computerized calculation and simulation tool.

Only recently the tool and FS methodology were extended to the municipal waste infrastructure, and during this session, the EAP Task Force and a representative from the Rostov oblast (province of Russia) will present the main results of the Financing Strategy for municipal solid waste management in Rostov Oblast – its policy relevance and outcomes.

Over the 1990s, the water supply and sanitation (WSS) sector in Armenia faced three inter-related challenges: poor infrastructure, poor service and financial distress. In 1999 in PRSP the Government of Armenia set rehabilitation of water supply infrastructure and gradual recovery of 24-hour water service, as two priorities. This led to a sharp increase in public funds and international loans (World Bank, KfW) for rehabilitation of water supply infrastructure. The legislation (new Water Code) and institutions (creating an autonomous Regulator) in water sector have been substantially improved over 1999-2004. Significant progress has been made in introducing metering and meter-based billing, and improving collection of user charges. The Financing strategy for sanitation sector was developed to assist the Government of Armenia in developing a realistic programme for rehabilitating the infrastructure. (*Please see Document 16*)

During this session, the EAP Task Force and representatives from Armenia will present the Financing Strategy in the context of overall water supply and sanitation sector reform in the Republic of Armenia, and discuss its policy relevance and outcomes. (*Please see Documents 17-21*)

Participants will be invited to comment on the main directions of the ongoing water sector reform in Armenia, as well as on the main findings, policy recommendations and outcomes of the FS case-studies.

**(iv) Improving Management of Public Environmental Expenditure**

The EAP Task Force has developed two guidance documents to help improve the effectiveness, transparency and accountability of public environmental expenditure programmes (PEEM) in EECCA, namely: the Good Practices of PEEM and the Handbook for Appraisal of Environmental Projects Financed from Public Funds. The Good Practices of PEEM, endorsed by Environment Ministers at the 2003 Kiev “Environment for Europe” Ministerial Conference, have also been used as a framework to present experience of selected OECD countries (see paper on Mechanisms for

Managing Public Environmental Expenditure in Selected OECD Countries). During this session, the French and Moldovan experience with managing subsidies for the water sector will be presented as well as the Handbook and future plans for follow-up activities. *(Please see Documents 22 and 23)*

Participants will be invited to discuss the relevance of these tools to improving the performance of their countries' programmes for managing public environmental expenditure as well as express interest in participating in future follow-up activities.

**(v) Harnessing Local Financial and Capital Markets to Work for the Environment**

The goal of this project is to examine opportunities beyond the public sector for financing water and other environmental infrastructure. Specifically opportunities for accessing savings through private financial and capital markets have been examined. Encouraging experience has been gained in other regions with such approaches. The presentation will draw on the experience gained in Ukraine, that will be presented by a local expert. *(Please see Document 24)*

Participants will be invited to discuss the relevance of this item, and suggest ways to investigate it further.

**(vi) Facilitating Dialogue on Opportunities and Risks of Debt for Environment Swaps**

In the previous EAP Task Force work program on environmental finance, a pilot project in Georgia has been prepared demonstrating the opportunities and feasibility of swapping a portion of external debt for domestic environmental expenditure. Using the model developed for Georgia, a similar project is being implemented in the Kyrgyz Republic. During this session, the EAP Task Force Secretariat jointly with representatives of the Kyrgyz Republic will present preliminary results of the project. *(Please see Documents 25 and 26)*

Participants will be invited to discuss the conclusions emerging from the preliminary pre-feasibility study and comment on the opportunities and risks of such swaps as a mechanism to raise additional resources for environmental expenditure in the EECCA countries.

**Friday, 1 April 2005**

**09:00 - 12:30**

**Item 9. PPC Session**

The Project Preparation Committee is a sister organisation of the EAP Task Force, created to provide a mechanism for dialogue between IFIs, donors and client countries. It aims to improve coordination between stakeholders, and to enhance the development and financing of environmental investments in EECCA. An introduction to the session is going to be provided by Mr Rod Matthews, PPC Chairman.

Delegates are invited to discuss the PPC activities, as well as possible synergies that could be developed between EUWI, EAP Task Force and the PPC.

**Item 10. New Avenues for the Environmental Finance Network**

**Clean Development Mechanisms: overcoming obstacles in EECCA**

Following decision at the 2nd Joint Meeting of the EAP Task Force and the PPC in October 2004, the EAP Task Force Secretariat was requested to disseminate

information on the flexible mechanisms for implementation of the Kyoto Protocol and in particular the Clean Development Mechanism (CDM) applicable to the Annex II countries of EECCA (Caucuses and Central Asia). In this context, the PPC Officer responsible for climate change issues will provide lessons learned from the PPC CDM project support facility, including the difficulties associated with developing such projects in the Caucasus and Central Asia. The session will identify key policy and project level lessons from the EECCA. *(Please see Documents 27 and 28)*

Participants will be invited to discuss the key policy issues related to CDM and provide guidance as to what the EAP Task Force Secretariat could do to help EECCA in overcoming obstacles to CDM projects.

#### **Item 11. Closing and wrap-up**

Some conclusions will be drawn from the reflections on the implementation of the work programme, and the new avenues.

Participants will be asked to react to these conclusions and to manifest their interest, in particular to invite and to support projects.

<b>Tuesday, 29 March</b>	
<b>Session 1</b>	<b>OPENING AND ADOPTION OF THE AGENDA</b>
9.00	<p>Opening and introduction</p> <ul style="list-style-type: none"> <li>• <b>Mr. Constantin Mihailescu</b>, Minister of Environment and Natural Resources of Moldova, <i>Welcome</i></li> <li>• <b>Mr. Brendan Gillespie</b>, EAP Task Force, <i>Welcome, rationale of a joint meeting, the perspective of the Moscow Ministerial</i></li> <li>• <b>Mr. Hryhory Semchuk</b>, First Deputy Chairman of the State Committee of Ukraine for Living and Communal Services, Co-chair of the EAP TF Group of Senior Officials, <i>Welcome (tbc)</i></li> <li>• <b>Mr. Patrick Murphy</b>, Head of Water Unit, European Commission DG Environment, Co-chair of the EAP TF Group of Senior Officials, and Chair of the EUWI-EECCA Working Group, <i>Welcome and introduction to the meeting agenda</i></li> </ul>
<b>Session 2</b>	<b>EU WATER INITIATIVE EECCA WORKING GROUP</b>
10.00	<p>Chair: Mr. Patrick Murphy</p> <ul style="list-style-type: none"> <li>• Approval of minutes of last meeting (18 August 2004)</li> <li>• Objectives for EUWI-EECCA in 2005</li> <li>• Endorsement of documents submitted to the last EUWI-EECCA Working Group (18 August 2004) as revised following comments received from partners: <ul style="list-style-type: none"> <li>- Organisational set-up of EUWI-EECCA</li> <li>- Terms of Reference EUWI-EECCA Working Group.</li> <li>- Outline of draft EUWI-EECCA work programme</li> </ul> </li> </ul> <p><i>Reference documents: Document 1</i></p>
11.00	<b>COFFEE BREAK</b>
<b>Session 2</b>	
11.30	<p>Chair: Mr. Patrick Murphy</p> <ul style="list-style-type: none"> <li>• Discussion on EUWI-EECCA work programme</li> </ul>
12.30	<b>LUNCH BREAK</b>
<b>Session 2</b>	
14.00	<p>Chair: Mr. Patrick Murphy</p> <ul style="list-style-type: none"> <li>• TACIS regional funds - including role of EUWI-EECCA Working Group</li> </ul>
15.30	<b>COFFEE BREAK</b>

<b>Session 2</b>	
<i>16.00</i>	<p><i>Chair: Mr. Patrick Murphy</i></p> <ul style="list-style-type: none"> <li>• Framework for further cooperation: <ul style="list-style-type: none"> <li>- European Neighbourhood Policy</li> <li>- EUWI / Water Framework Directive joint process</li> <li>- Central Asian Environment Ministers' Conference</li> </ul> </li> <li>• Next steps <ul style="list-style-type: none"> <li>- Towards national strategies for reaching the MDGs</li> <li>- Contribution to Moscow Ministerial Conference</li> <li>- Next meeting</li> </ul> </li> <li>• A.O.B.</li> </ul>
<i>18.00</i>	<b>CLOSING OF THE DAY</b>
<i>18.30</i>	<b>COCKTAIL</b>

<i>Wednesday, 30 March</i>	
<b>Session 3</b>	<b>PROGRESS REPORT ON EAP TASK FORCE WATER PROGRAMME</b>
9.00	<p><i>Chair: Mr. Patrick Murphy</i></p> <ul style="list-style-type: none"> <li>• <b>Mr. Peter Börkey</b>, <i>EAP Task Force</i>, <ul style="list-style-type: none"> <li>a) Main activities in the EAP Task Force Water Programme in 2004-2005</li> <li>b) Possible agenda for the Almaty+5 Ministerial and the preparatory process</li> </ul> </li> </ul> <p><i>Reference documents: Documents 2, 3, 4, 5, 6</i></p>
<b>Session 4</b>	<b>PREPARATIONS FOR THE ALMATY+5 CONFERENCE IN MOSCOW – POSSIBLE BACKGROUND PAPERS</b>
10.00	<p><i>Chair: Mr. Patrick Murphy</i></p> <ul style="list-style-type: none"> <li>• <b>Mr Brendan Gillespie</b>, EAP Task Force Secretariat, <i>Introduction to the Almaty+5 conference</i></li> </ul> <p>Outline paper progress on implementing the Almaty Guiding Principles</p> <ul style="list-style-type: none"> <li>• <b>Mr. Börkey Peter</b>, EAP Task Force, <i>Presentation of an outline paper on progress in implementing the Almaty Guiding Principles since 2000</i></li> </ul> <p><b>Open discussion</b>  <i>Is the structure and content of the paper appropriate?</i>  <i>Do delegates broadly agree with the proposed key messages?</i>  <i>Are there any particular legal and institutional case examples that could feature in the background paper?</i></p> <p><i>Reference documents: Documents 7, 8</i></p>
11.00	<b>COFFEE BREAK</b>
<b>Session 4</b>	<b>PREPARATIONS FOR THE ALMATY+5 CONFERENCE IN MOSCOW – BACKGROUND PAPERS (CONTINUED)</b>
11.30	<ul style="list-style-type: none"> <li>• <b>Constantin Mihailescu</b>, Minister of Environment and Natural Resources of Moldova, <i>Progress in implementing the Almaty Guiding Principles in Moldova and comments on the progress outline paper</i></li> <li>• <b>Mr. Hryhory Semchuk</b>, First Deputy Chairman of State Committee for Living and Communal Services, <i>Progress in implementing the Almaty Guiding Principles in the Ukraine and comments on the progress outline paper</i></li> </ul> <p><b>Open discussion</b></p>
12.30	<b>LUNCH BREAK</b>
<b>Session 4</b>	<b>PREPARATIONS FOR THE ALMATY+5 CONFERENCE IN MOSCOW – BACKGROUND PAPERS (CONTINUED)</b>

14.00	<p><i>Chair: Mr Hryhory Semchuk</i></p> <p>Outline paper on the challenge of achieving water-related MDGs in EECCA</p> <ul style="list-style-type: none"> <li>• <b>Ms. Gwenn Le Dantec</b>, EAP Task Force, <i>Introduction to the outline paper</i></li> </ul> <p><b>Open discussion</b></p> <p><i>Reference documents: Document 9</i></p> <p>Outline paper on the role of central government in strengthening the financial situation of local authorities</p> <ul style="list-style-type: none"> <li>• <b>Mr. Xavier Leflaive</b>, EAP Task Force, <i>Introduction to the outline paper</i></li> </ul> <p><b>Open discussion</b></p> <p><i>Reference documents: Document 10</i></p> <p>Outline paper on reform of the municipal sector including PSP</p> <ul style="list-style-type: none"> <li>• <b>Mr. Alexander Martoussevitch</b>, EAP Task Force, <i>Introduction to the outline paper</i></li> </ul> <p><b>Open discussion</b></p> <p><i>Reference documents: Document 11</i></p>
16.00	<b>COFFEE BREAK</b>
<b>Session 5</b>	<b>PREPARATIONS FOR THE ALMATY+5 CONFERENCE IN MOSCOW – PRACTICAL ISSUES</b>
16.30	<p><i>Chair: Mr. Hryhory Semchuk</i></p> <ul style="list-style-type: none"> <li>• <b>Mr. Brendan Gillespie</b>, EAP Task Force, <i>The Moscow Ministerial Agenda: key documents and outputs</i></li> </ul> <p><b>Open discussion</b></p> <p><i>Are the proposed agenda items and documents appropriate?</i></p> <p><i>What output should the meeting produce (e.g. a chair's summary, or negotiated declaration)?</i></p> <p><i>Are there any further steps to be taken in the preparatory process?</i></p> <p><i>Reference documents: Document 12</i></p>
<b>Session 6</b>	<b>OTHER BUSINESS</b>
17.30	<p><i>Chair: Mr. Hryhory Semchuk</i></p> <p><i>Any other business that participants might want to discuss</i></p>
<b>18.00</b>	<b>CLOSING OF THE DAY</b>

<i>Thursday, 31 March</i>	
<b>Session 7</b>	<b>INTRODUCTION TO EAP TASK FORCE WORK PROGRAMME ON ENVIRONMENTAL FINANCE</b>
9.00	<p><i>Chair: Mr. Constantin Mihailescu – Minister of Environment and Natural Resources of the Republic of Moldova</i></p> <ul style="list-style-type: none"> <li>• <b>Mr. Brendan Gillespie</b>, Head, Non-member Countries Division, <i>Outline of the Work Programme</i></li> <li>• <b>Mr. Xavier Leflaive</b>, EAP Task Force, <i>Objectives of the Network Meeting</i></li> </ul> <p><b>Open Discussion</b>  <i>Reference Documents: Documents 13, 14</i>  <i>Action Required: For information</i></p>
<b>Session 8</b>	<b>REPORT ON THE IMPLEMENTATION OF THE 2004-2006 EAP TASK FORCE PROGRAM ON ENVIRONMENTAL FINANCE</b>
9.30	<p>Improving Environmental Expenditure Information Systems in EECCA. Harmonising Environmental Expenditure Information System of the Kyrgyz Republic with the OECD/Eurostat Standards</p> <ul style="list-style-type: none"> <li>• <b>Ms. Carla Bertuzzi</b>, Finance Team, EAP Task Force Secretariat</li> <li>• <b>Ms. Djipara Bekullova</b>, Ministry of Ecology and Emergencies of the Kyrgyz Republic</li> </ul> <p><b>Open Discussion</b>  <i>Reference Document: Document 15</i>  <i>Action Required: For information and discussion</i></p>
10.30	<p>Strengthening Realism and Affordability of Environmental Financing Strategies for Municipal Waste Management in EECCA</p> <ul style="list-style-type: none"> <li>• <b>Ms. Tatyana Efimova, Mr. Peter Maximenko, COWI Moscow. Rostov Oblast Experience</b></li> </ul> <p><b>Open Discussion</b>  <i>Reference Document: Document 16</i>  <i>Action Required: For information and discussion</i></p>
11.00	<b>COFFEE BREAK</b>
11.30	<p>Strengthening Realism and Affordability of Environmental Financing Strategies for Water and Sanitation in EECCA</p> <ul style="list-style-type: none"> <li>• <b>Mr. Hrayr Yesayan</b>, Ministry of Finance and Economy of Armenia. <i>Financing Strategy in the context of overall water supply and sanitation sector reform in the Republic of Armenia – policy relevance and outcomes</i></li> </ul> <p><b>Open Discussion</b>  <i>Reference Documents: Documents 17, 18, 19, 20, 21</i>  <i>Action Required: For information and discussion</i></p>
12.30	<b>LUNCH BREAK</b>

<b>Session 8</b>	<b>REPORT ON THE IMPLEMENTATION OF THE 2004-2006 EAP TASK FORCE PROGRAM ON ENVIRONMENTAL FINANCE (CONTINUED)</b>
14.00	<p><i>Chair: Mr. Ashot Harutunian – Head, Environmental and Natural Resource Economics Division, Ministry of Nature Protection, Armenia</i></p> <p>Improving Management of Public Environmental Expenditure</p> <ul style="list-style-type: none"> <li>• <b>Ms Violeta Ivanov</b>, Ministry of Environment and Natural Resources, Moldova. <i>Improving Public Environmental Management in Moldova</i></li> <li>• <b>Ms. Nelly Petkova</b>, Finance Team, EAP Task Force Secretariat. <i>Handbook for Appraisal of Environmental Projects Financed from Public Funds and Follow-Up</i></li> </ul> <p><b>Open Discussion</b>  <i>Related Documents: Documents 22, 23</i>  <i>Action Required: For information and discussion</i></p>
15.30	<b>COFFEE BREAK</b>
<b>Session 8</b>	<b>REPORT ON THE IMPLEMENTATION OF THE 2004-2006 EAP TASK FORCE PROGRAM ON ENVIRONMENTAL FINANCE (CONTINUED)</b>
16.00	<p>Harnessing Local Financial and Capital Markets to Work for the Environment</p> <ul style="list-style-type: none"> <li>• <b>Mr. Xavier Leflaive</b>, Environmental Finance Programme Manager, EAP Task Force Secretariat. <i>Prospects Based on Three EECCA Case Studies – Russia, Kazakhstan and Ukraine</i></li> </ul> <p><b>Open Discussion</b>  <i>Reference Document: Document 24</i>  <i>Action Required: For information and discussion</i></p>
17.00	<p>Facilitating Dialogue on Opportunities and Risks of Debt for Environment Swaps</p> <ul style="list-style-type: none"> <li>• <b>Ms. Nelly Petkova</b>, Finance Team, EAP Task Force Secretariat. <i>Preliminary Results from a Pre-feasibility Study of a Debt-for-Environment Swap Mechanism in the Kyrgyz Republic</i></li> <li>• <b>Mr. Ernis Abdurazakov</b>, Ministry of Finance, Kyrgyz Republic. <i>Opportunities and Risks of Debt for Environment Swaps – a Ministry of Finance’s Standpoint</i></li> </ul> <p><b>Open Discussion</b>  <i>Reference Documents: Documents 25, 26</i>  <i>Action Required: For comments and discussion</i></p>
<b>18.00</b>	<b>CLOSING OF THE DAY</b>
<b>18.30</b>	<b>BUSES TO TAKE PARTICIPANTS FOR WINE-TASTING AND DINNER TO MILESTII MICI WINE CELLARS</b>

<i>Friday, 1 April</i>	
<b>Session 9</b>	<b>PPC SESSION</b>
9.00	<p><i>Chair: Mr. Malkhaz Adeishvili – Head, Projects Coordination and Preparation Department, Ministry of Environment and Natural Resources, Georgia</i></p> <p>Key activities of the PPC</p> <ul style="list-style-type: none"> <li>• <b>Mr. Rod Matthews</b>, Chairman of the PPC and <b>Ms. Jeanette Baartman</b>, Interim PPC Executive Secretary. <i>Presentation of PPC. Priorities, proposals for implementation, donor support, interactions with the EAP Task Force and EUWI_EECCA</i></li> </ul> <p><b>Open Discussion</b></p> <p><i>Action Required: For information and discussion</i></p>
<b>Session 10</b>	<b>NEW AVENUES FOR THE ENVIRONMENTAL FINANCE NETWORK</b>
10.00	<p>Clean Development Mechanisms: Overcoming Obstacles in EECCA</p> <ul style="list-style-type: none"> <li>• <b>Mr. Jan-Willem Van de Ven</b>, EBRD. <i>PPC CDM Project Support Facility for the Caucuses and Central Asian Republics</i></li> <li>• <b>Mr. Ashot Harutunian</b>, Ministry of Nature Protection, Armenia, <i>Experience of Annex II Countries. The Case of Armenia</i></li> </ul> <p><b>Open Discussion</b></p> <p><i>Reference Documents: Documents 27, 28</i></p> <p><i>Action Required: For information and discussion</i></p>
11.00	<b>COFFEE BREAK</b>
<b>Session 11</b>	<b>CLOSING AND WRAP-UP</b>
11.30	<p>Conclusion. Emerging Issues</p> <ul style="list-style-type: none"> <li>• <b>Ms. Nelly Petkova</b>, Finance Team, EAP Task Force Secretariat. <i>Conclusions and Emerging Issues</i></li> <li>• <b>Mr. Brendan Gillespie</b>, Head, Non-member Countries Division. <i>Next Steps and Assessment of the Meeting</i></li> </ul> <p><b>Open Discussion</b></p>
12.30	<b>LUNCH BREAK</b>

## Background Documents for the Meetings

Number	Title
1.	EU-EECCA Technical Secretariat - Draft Work Programme
2.	Consumer Protection in Urban Water Sector Reforms in Armenia: Ability to Pay and Social Protection of Low Income Households
3.	Workshop Summary Record - Utility Performance Indicators and Benchmarking in EECCA, Chisinau, 9-10 December 2004
4.	Meeting Summary: Private Sector Participation in Municipal Water Services in Europe, Caucasus and Central Asia - Evaluating Opportunities for a Greater Role of the Domestic Private sector - Moscow, 20-21 September 2004
5.	Overview of Domestic and International Private Companies Operating in the Utilities Sector in the Russian Federation
6.	Summary of Main Discussions - Third Meeting of the Group of Senior Officials for Reform of the Water Supply and Sanitation Sector in EECCA
7.	Outline paper: Progress on Implementing the Almaty Guiding Principles for the Reform of the Urban Water Supply and Sanitation Sector in EECCA
8.	Guiding Principles for the Reform of the Urban Water Supply and Sanitation Sector in EECCA
9.	Outline Paper on Achieving the Water-related Millennium Development Goals (MDGs) in EECCA
10.	Outline paper: Fiscal Decentralisation - How Can Central Authorities Strengthen Subnational Levels of Government for Environmentally Related Services
11.	Outline paper: Reform of the Municipal Services Sector
12.	Conference of Environment Ministers from EECCA and their Partners, Tbilisi, Georgia, 21-22 October 2004 - Summary by the Conference Chair, Ms Tamar Lebanidze, Minister of Environment Protection and Natural Resources of Georgia
13.	Synthesis Report on Financing Public Water and Environmental Infrastructure in EECCA Countries (Executive Summary)
14.	Progress Report on the Implementation of the 2004 – 2006 EAP Task Force Environmental Finance Work Programme
15.	Trends in Environmental Expenditure and International Commitment for the Environment in EECCA
16.	Financing Strategy for Municipal Solid Waste Management in Rostov Oblast, Russian Federation
17.	Financing Strategy for Urban Wastewater Collection and Treatment in Armenia
18.	Environmental Financing Strategy on Urban Water Supply and Sanitation Services in Rostov Oblast, Russian Federation
19.	Feasible Financing Strategies for Environmentally-Related Infrastructure: Policy Brief (English only)
20.	Financing Strategies for Water and Environmental Infrastructure (Russian only)
21.	Brochure on EUWI FWG
22.	Good Practices of Public Environmental Expenditure Management
23.	Mechanisms for Managing Public Environmental Expenditures in Selected OECD Countries (English only)
24.	Local Credit Systems for Municipal Water and Environmental Infrastructure in Ukraine (English only)
25.	Summary Report of a Pre-feasibility Analysis of a Debt-for-Environment Swap Mechanism in the Kyrgyz Republic
26.	Swapping Debt for the Environment: the Polish EcoFund
27.	Introduction to the Clean Development Mechanism

28.	Introduction Guide: Clean Development Mechanism Projects in the Early Transition Countries
29.	Strategic Partnership on Water for Sustainable Development EECCA – Component of the EU Water Initiative
30.	Strategic Partnership on Water for Sustainable Development EECCA – Component of the EU Water Initiative Terms of Reference for the EUWI-EECCA Working Group
31.	Minutes of Meeting EUWI-EECCA Working Group meeting Stockholm 18 August 2004 Strategic Partnership on Water for Sustainable Development EU Water Initiative – EECCA component