



*Ministry of Ecology and Natural Resources of
the Republic of Moldova*

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**Progress in Implementing the Almaty Guiding
Principles in the Republic of Moldova**

29 March – 1 April 2005, Chisinau

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- ★ The Guiding Principles of Reforming the Urban Water Supply and Sanitation Sector in the NIS provide a basis for reforming the national policy and for further action in the country's water sector.
- ★ The key goals of the water sector reform as set forth in the Guiding Principles are relevant to and supportive of the implementation of the resolutions of the World Summit for Sustainable Development, and promote the achievement of the Millennium Development Goals (sustainable environment) of the Millennium Declaration.

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Long-term planning

Increasing population's access to safe drinking water and reforming the water sector is one of the priorities for the Government of the Republic.

- ★ **The Government Action Programme for 2001-2005 "Rehabilitation of the Economy – Rehabilitation of the Country"**
- ★ **The medium-term strategy of socio-economic development and poverty reduction in the Republic of Moldova (up to 2005)**
- ★ The national programme "The Countryside of Moldova"
- ★ The Action Plan of the Republic of Moldova - the European Union

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Key objectives of reforming the water supply and sanitation sector

- ★ Increased access of the population to improved drinking water supplies and systems of sanitation and better service quality
- ★ Better environmental protection and protection of water sources from pollution and depletion
- ★ Water and energy efficiency
- ★ Optimising water supply and sanitation tariffs

To raise the proportion of the country's population having sustainable access to improved water supplies from 38.5% to 68.5% in 2002-2006 and to raise the proportion of the population having access to improved sanitation from 40% in 2001 to 90% in 2006.

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*The following measures are being
implemented or planned to improve the
quality of services provided and to expand
the range of consumers:*

- ★ Developing and upgrading water supply and sanitation systems in 156 populated areas**
- ★ Improving and restoring 93300 water-wells in rural settlements**
- ★ Implementing projects of biological cleaning of ground waters from sulfates and nitrates**

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Measures planned in the area of optimising the tariff policy:

- ★ **Developing a common methodology of tariff setting, studying opportunities for tariff differentiation and achieving real cost recovery**
- ★ **Ensuring transparency in tariff setting through information campaigns**
- ★ **Improving the legal framework and standards regulating relations between suppliers and consumers in the area of water supply**
- ★ **Providing consumers with water meters**

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*Improving the legal and regulatory framework for the operation of
water utilities involves:*

- ★ **Harmomising the legislation, standards and rules on water supply and sanitation with the European and world standards**
- ★ **Improving the legal framework for the private sector participation in the water sector**
- ★ **Introducing technology audits of the water supply and sanitation systems**

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*In the area of environmental protection and water resource
efficiency the following is envisaged for 2004-2006:*

- ★ Developing an action plan to harmonise the legal and regulatory framework with the EU environmental legislation**
- ★ Developing a national strategy for protection and sustainable management of water resources**
- ★ Restoring and establishing new water protection zones, riparian water protection zones and sanitary zones**

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Reforming sector policies

- ★ **The concept of the national water policy for the period 2003-2010**
- ★ **The concept of the national environmental policy**
- ★ **The investment strategy of the Republic of Moldova**
- ★ **The National Water Supply and Sanitation Programme of the Republic of Moldova up to 2006**

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The legal framework

- ★ **Amendments made to the current legislation (the Water Code, the Law on Drinking Water, etc.)**

New legislation (2000-2004)

- ★ **The Law on Public Utility Services (2002)**
- ★ **The Law on Local Public Governance (2003)**
- ★ **Government resolution on restructuring the water supply and sanitation infrastructure (2000)**
- ★ **Government resolution on approving the Regulations on leasing concession of the public utilities (2004)**

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Institutional reforms

**Democratic transformations in the republic,
decentralisation of government made it possible to
initiate stage-by-stage reforms in the water sector**

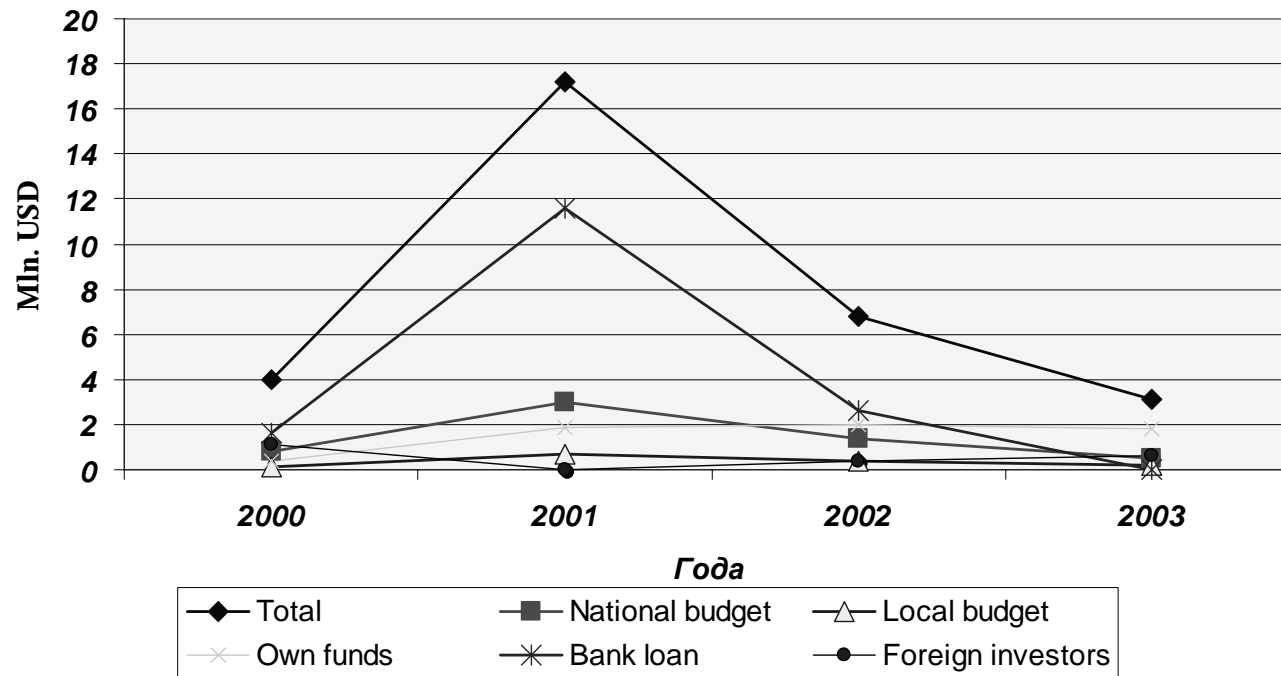
- ★ Water supply and sanitation system decentralisation
- ★ Municipal utilities “Apa-canal”
- ★ Joint-stock companies (3 utilities)
- ★ Leasing concession of water supply and sanitation systems (1 utility, first experience)

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Financing

*Capital investments in activity E4100 «water abstractiopl, treatment
and distribution», mln. US dollars*

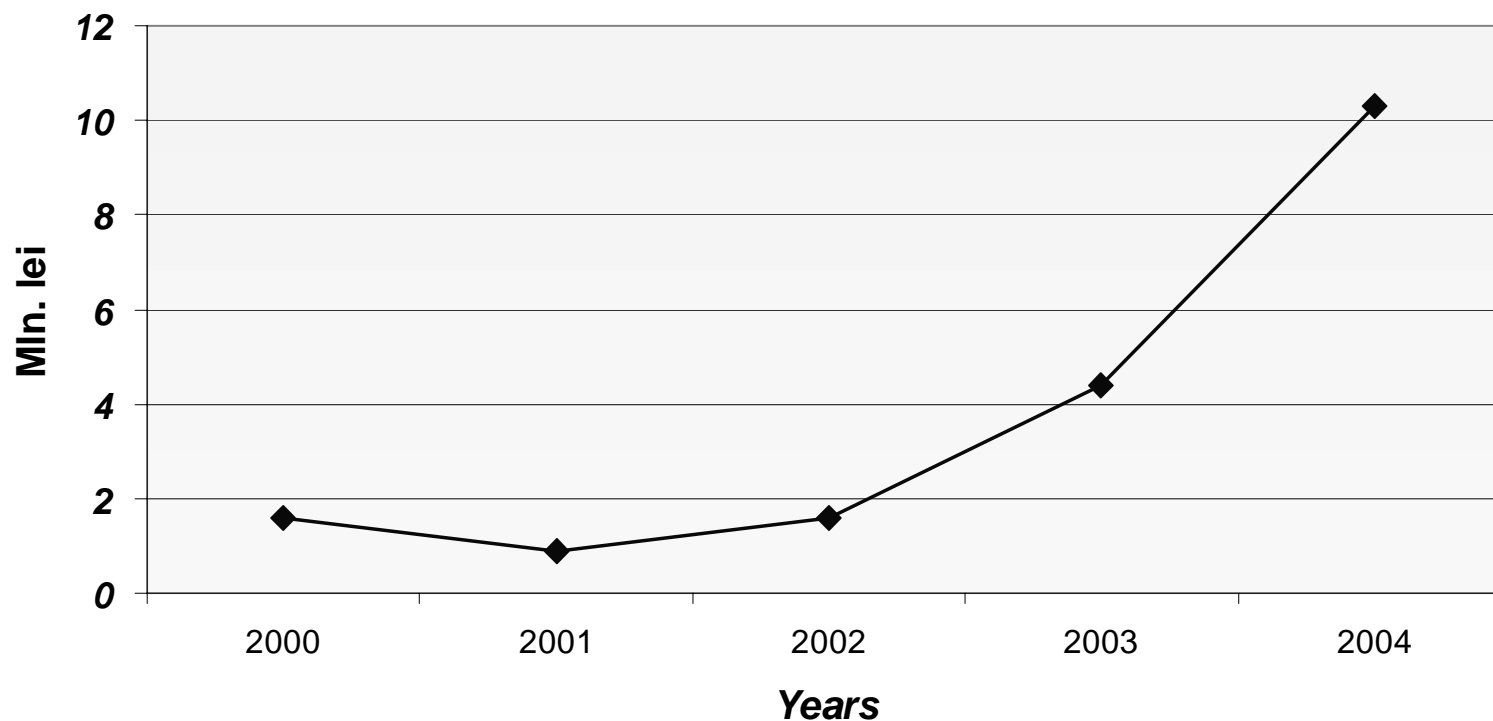


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Financing

*Funds of the NEF to develop sanitation networks and to repair
treatment facilities*



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Financing

A considerable amount of aid in the form of soft credits and grants to develop the water supply and sanitation sector has been provided by

- ★ **The World Bank**
- ★ **The Government of Denmark**
- ★ **The Government of Turkey**
- ★ **The Government of Kuwait**
- ★ **The Swiss Co-operation and Development Agency**

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Public participation

- ★ Public participation is regulated by law:
 - the Law on Public Utility Services
 - the Law of Access to Information
 - Government resolution on public participation in environmental decision-making
- ★ the Water Forum (February 2005)
- ★ the national contest "The best-managed water source in the neighbourhood" (2004)

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Conclusions and recommendations

- ★ The Almaty Guiding Principles have set the scene for reforms in the republic's water sector
- ★ The republic has developed the policy instruments for the reforms

The main focus of further effort in the republic's water sector should be establishing a sustainable source of funding, which involves:

- ★ Consolidating the nation's own funds to address the top priorities

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- ★ Pursuing an effective investment policy with a view to attracting the private sector, IFI's and other investors
- ★ Optimising tariffs
- ★ Building a database on the best available technologies in water preparation, wastewater treatment and waste disposal

Further use of the Guiding Principles -
adapting them to the rural water supply and sanitation

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