

EAP Task Force

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

THIRD MEETING

AGENDA

VENUE

**OECD Tour Europe
Salle des Nations
33, Place des Corolles, 92049 Paris La Défense, France**

TIME

2-3 February 2004 Monday and Tuesday

The meeting is organised by the EAP Task Force (OECD) secretariat. The Government of Norway has provided financial support for the organisation of the meeting

Secretariat of the EAP Task Force:

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Background

The Group was established following the Ministerial Consultation on Water Management and Investments in Almaty, October 2000. The main objective of the Group is to promote policy reforms in the urban water sector and to elaborate practical approaches for the implementation of the Almaty Guiding Principles for the Reform of the Urban Water Supply and Sanitation Sector in EECCA. It will also be instrumental in preparing for a follow-up conference in 2005, requested by the Ministers.

At its last meeting in Paris, December 2002, the Group of Senior Officials agreed on a new Work Programme for 2003-2006, in continuity to the previous programme focusing on three broad issues: monitoring water sector reform, legal and institutional reform; and promoting financial reform and managing its social impacts. The implementation of the Work Programme is carried out through annual meetings of the Group, expert seminars on the above issues and demonstration projects in selected countries. Ukraine and Denmark have been chairing the Group, the OECD /EAP Task Force provides secretarial support to the Group.

Since the last meeting of the Group of Senior Officials there have been several important developments that have focused attention on the water supply and sanitation sector in EECCA countries:

- The goals agreed at the World Summit on Sustainable Development, to halve, by 2015, the proportion of people who are unable to reach or to afford safe drinking water or who are without access to basic sanitation;
- The inclusion of water supply and sanitation issues in the EECCA Environment Strategy (objective 2) adopted by Ministers of Environment at their conference in Kiev, May 2003;
- The implementation of water initiatives in the EECCA region by the EU (programme document adopted by Ministers of Environment at their conference in Kiev, May 2003), the US and other donors;
- The decision of UNCSD to focus on water, sanitation and human settlements as a priority issue for 2004-05.

Thus, the major challenges for work in the water area will be to build upon existing work, ensure that it provides value-added, develop synergies with other activities, while avoiding any duplication of effort. At the same time, a detailed work programme has been developed by the Secretariat, following the guidance received at the last meeting of the Group, and a number of projects have been finalised or are at an advanced stage of implementation.

Objectives

The main objective of the third meeting of the Group is to review recent developments, to discuss the detailed work programme as well as to review the progress in the implementation of various Task Force projects in the water area. In particular, the agenda of the meeting will include the following issues:

1. Discuss recent developments and the linkages and synergies with the EAP Task Force water programme;
2. Discussion the detailed EAP Task Force programme of work in the water area;
3. Discuss possible items for the agenda of the Almaty+5 Ministerial in 2005
4. Review and possibly endorse various EAP Task Force products, including:
 - Reports on utility performance indicators in Kazakhstan, Georgia, and Kyrgyzstan;
 - Reports on financing strategies and the social impacts of possible tariff increases in Armenia;
 - Draft guide on performance based contracts between utilities and municipalities;
 - Report on the situation in the rural water supply and sanitation sector of EECCA.

Participants

The third meeting, to be held in Paris, February 2 and 3, will bring together the members of the Group - officials responsible for water supply and sanitation from 12 New Independent States. Experts from OECD and Central and Eastern European countries, representatives of international financial institutions (IFIs),

international organisations and donors, private sector and consumer/public organisations will also be invited. Simultaneous English-Russian interpretation will be provided.

Should you have any questions or require additional information about the meeting, do not hesitate to contact Mr. Peter Börkey, tel: (33 1) 45 24 13 85, fax: (33 1) 45 24 96 71, e-mail: peter.borkey@oecd.org, or Ms Ecaterina Berghi, tel: (33 1) 45 24 98 75, fax: (33 1) 45 24 96 71, e-mail: ecaterina.berghi@oecd.org. You are also welcome to visit our web site <http://www.oecd.org/env/eap/>, where you can find Almaty meeting proceedings as well as other relevant information on the EECCA water supply and sanitation sector.

DRAFT AGENDA

<i>Monday, 2 February</i>	
Opening	OPENING AND ADOPTION OF THE AGENDA
9.30	<p><i>Opening and introduction</i></p> <ul style="list-style-type: none"> ◆ Hryhory Semchuk, Chairman of the State Committee of Ukraine for Living and Communal Services, Co-chair of the Group, <i>Welcome</i> ◆ Palle Lindgaard-Jorgensen, formerly the Danish Environment Protection Agency of the Ministry of Environment, Co-chair of the Group, <i>Welcome</i>
Session 1	RECENT DEVELOPMENTS AND THE ROLE OF THE GROUP OF SENIOR OFFICIALS
10.00	<p><i>Chair: Hrygory Semchuk</i></p> <ul style="list-style-type: none"> ◆ Brendan Gillespie, EAP Task Force, <i>Introduction to the EECCA Environment Strategy adopted at the Kiev “Environment for Europe” conference</i> ◆ Palle Lindgaard-Jorgensen, Co-chair of the Group, <i>EECCA component of the EU water initiative and the role of the Group of Senior Officials</i> ◆ Rainer Enderlein, UNECE, <i>UNCSD’s focus on water, sanitation and human settlements and the regional process in the ECE region</i> ◆ <i>Other relevant initiatives and projects</i>
11.00	COFFEE BREAK
11.30	<i>Discussion</i>
12.30	LUNCH BREAK
Session 2	MONITORING PROGRESS IN WATER SECTOR REFORMS: RECENT PROGRESS
14.00	<p><i>Presentations</i></p> <ul style="list-style-type: none"> ◆ Nurlan Aldaberguenov, Agency for Regulation of natural monopolies, protection of competition and support of small businesses of Kazakhstan, <i>utility performance indicators in Kazakhstan, report from a 2003 survey</i> ◆ Ildus Zulialov, KYRGYZZHYLKOMMUNSOYUZ, Kyrgyzstan, <i>utility performance indicators in Kyrgyzstan, report from a 2003 survey</i> ◆ Patrick Mousnier-Lompré, Ministry of Public Works, Transport, Housing, Tourism and the Sea, France, <i>Developing the performance indicators methodology further - presentation of a European Union research project</i> <p><i>Discussion</i></p>
15.30	COFFEE BREAK
Session 3	PROMOTING LEGAL AND INSTITUTIONAL REFORMS: PERFORMANCE CONTRACTS
16.00	<p><i>Chair: Palle Lindgaard-Jorgensen</i></p> <ul style="list-style-type: none"> ◆ Aki Yamaguchi, EAP Task Force, <i>Introduction to the project on performance contracts</i> ◆ Sergei Sivaev, Institute for Urban Economics, Moscow, <i>Recent experience from Russia and future trends</i> ◆ Anthony Molle, Gide-Loyrette-Nouel, <i>Key requirements for performance contracts</i> <p><i>Discussion</i></p>
17.30	<i>Closing of the day</i>
18.00	COCKTAIL

<i>Tuesday, 3 February</i>	
Session 4	FINANCIAL REFORMS AND SOCIAL IMPLICATIONS
9.00	<p><i>Chair: Hrygory Semchuk</i></p> <p>Financial reforms and social implications – the case of Armenia</p> <p>Methodological approach and facts from Task Force work</p> <ul style="list-style-type: none"> ◆ Alexander Martusevich, EAP Task Force, <i>Financing strategy for urban wastewater collection and treatment infrastructure in Armenia – main findings and methodology</i> ◆ Alexander Kucherenko, PADCO Ukraine, <i>Methodology for assessing the social implications of water sector reform</i> ◆ Olga Romanyuk, PADCO Ukraine, <i>Key results from the affordability analysis</i> <p>Conclusions and policy implications for the Armenia</p> <ul style="list-style-type: none"> ◆ Karen Kocharyan, First Deputy President of the State Committee of Water Systems, Armenia ◆ Ruben Davtyan, Head of Department at Ministry of Finance, Armenia ◆ Astkhik Minasyan, Ministry of Social Security, Armenia <p><i>Discussion</i></p>
11.00	COFFEE BREAK
Session 4	FINANCIAL REFORMS AND SOCIAL IMPLICATIONS CONTINUED
11.30	<p>Promoting investment planning and access to local financial markets</p> <ul style="list-style-type: none"> ◆ Dariusz Smialkowski, EAP Task Force, <i>presentation of the multi-year investment planning tool developed for municipalities</i> ◆ Grzegorz Peszko, EAP Task Force, <i>presentation of a study on access of municipal water and environmental projects to local financial and capital markets</i> <p><i>Discussion</i></p>
13.00	LUNCH BREAK
Session 5	WORK PROGRAMME FOR THE NEXT YEARS
14.30	<p><i>Chair: Palle Lindgaard-Jorgensen</i></p> <ul style="list-style-type: none"> ◆ Peter Börkey, EAP Task Force/OECD, <i>presentation of the detailed programme of work of the EAP Task Force in the water supply and sanitation area</i> ◆ Sara Browning, Executive secretary PPC, <i>Presentation of the programme of work of the PPC</i> <p><i>Discussion</i></p>
16.00	COFFEE BREAK
Closing	OTHER BUSINESS AND CLOSING
16.30-17.30	<p><i>Other business and closing of the meeting</i></p> <ul style="list-style-type: none"> ◆ Discussion of possible items on the agenda at the Almaty+5 Ministerial conference ◆ Evaluation of the meeting