A comprehensive assessment of selected economic instruments for water management identified the essential pre-requisites for reforms. There are ample opportunities to support ambitious reforms in Armenia, particularly with regard to the economics of water management.

**Priorities Areas of Work and Main Activities**
- Implementation of IWRM principles in line with the EU legislation.
- Ratification and implementation of the UNECE-WHO/Europe Protocol on Water and Health.

**Key Achievements of the NPD**
The NPD enjoys a high engagement level by officials in the Ministry of Environment and the State Committee of Water Systems. Armenian legislation on IWRM is converging towards the EU *acquis*. The NPD process had a key role through the development of policy packages:
- A National Financing Strategy for rural WSS was developed in order to achieve the MDGs in Armenia. Policy reforms were endorsed to close the financing gap for the sustainable operation and maintenance of existing services. Targets were agreed for infrastructure investment to expand services. Recommendations were made for institutional reform with respect to WSS in rural areas.
- A pilot River Basin Management Plan (RBMP) was developed for the Marmarik river basin in line with the principles of IWRM and the EU WFD, establishing the processes and institutions required. As a result, the Armenian authorities are now well equipped to replicate and scale up this pilot.
- Recommendations were developed to reform the current economic instruments for water management and introduce new ones. Water abstraction fees for the fishery sector have already been reformed.

**Plans for the Future**
- The Protocol on Water and Health is expected to be ratified and already drafted national targets formally adopted.

“I strongly believe that the success of the NPD in Armenia is largely due to its clear mission and the fact that it is fully in line with the water policy direction implemented by the Government of Armenia. We expect that the NPD will continue to support our efforts managing issues related to water resources and will help to ensure public participation in the process.”

Volodya Narimanyan, First Deputy-Chairman of the State Committee of Water Systems, Armenia and Chair of the NPD Steering Committee.