

**Strategic Partnership on Water for Sustainable Development  
– EECCA Component of the EU Water Initiative**

**Donor Survey on Support to the  
Water Sector in the EECCA Countries**

- with focus on Integrated Water Resources Management  
and Water Supply and Sanitation

## 1. Introduction

This survey is a compilation of information on the donor and IFI support to the water sector in the EECCA countries with special focus on the two thematic pillars of the Strategic Partnership on Water for Sustainable Development:

- Integrated Water Resources Management (IWRM), including transboundary river basin management and regional seas issues
- Water Supply and Sanitation (WSS), including financing of water infrastructure

The purpose of the survey is to give an overview of the donor priorities and commitments on the two above-mentioned areas, and thereby provide an opportunity for EECCA countries and the donor organisations and IFIs to better co-operate on funding of activities in EECCA related to the water sector and in particular IWRM and WSS. Future projects and programmes in the water sector may include many of the building blocks, that have been proposed prior to, during and after the first High Level Meeting (HLM) in Moscow in March 2003. The survey will therefore provide information on potential sources for financing of these building blocks, although many donors will have allocated their resources several years into the future according to programming cycles differing from donor to donor.

The survey was carried out by the Technical Secretariat for the Partnership. The request for information for the survey was sent at the beginning of January 2004 to a total number of 21 donors and 8 IFIs. 11 donors and 7 IFIs responded (cf. Table 1 and Table 2).

The responses received have not been edited but are represented here as received – with two exceptions:

- Netherlands: The share of the total support going to the water sector was not indicated. The presented figures for support to the water sector is based on the assumption that 50% of the support going to energy and environment sector has been used for water projects.
- Sweden: No formal response to the questionnaire was received. However, personal communication provided the basis for the figures presented here.

**Table 1.** List of donors approached and their response to the survey

Donor country	Provided description of support	Provided quantitative figures
European Commission	X	X
Austria	No response	No response
Belgium	No response	No response
Canada	X	-
Denmark	X	X
Finland	X	X
France	No response	No response
Germany	X	X
Greece	X	X
Ireland	X	X
Italy	No response	No response
Japan	No response	No response
Luxembourg	No response	No response
Netherlands	X	X

Norway	X	X
Portugal	No response	No response
Spain	No response	No response
Sweden	(X)	(X)
Switzerland	Pending	Pending
United Kingdom	X	X
United States of America	No response	No response

**Table 2.** List of IFIs approached and their response to the survey

International Financing Institution	Provided description of support	Provided quantitative figures
Asian Development Bank	X	X
European Bank for Reconstruction and Development	X	-
European Investment Bank	X	X
Japan Bank for International Cooperation	X	X
Nordic Environment Finance Corporation	X	X
Nordic Investment Bank	X	X
World Bank	No response	No response
KfW Development Bank, Germany	X	X

From other sources<sup>1</sup> it is known that the largest donors for bilateral assistance related to environment in the EECCA countries are the European Commission, United States, Denmark, Germany, United Kingdom, Sweden and Norway, in that order for the period 1996-2001. These donors together provided almost 80% of all environment-related assistance in the said period.

Assuming that this has not changed drastically for the period covered by the current survey (1999 onwards), and that the picture for environment-related support is similar for the water-related support, it can be concluded that the major water sector donors (except the United States) have responded to the current survey.

## 2. Consistency of data

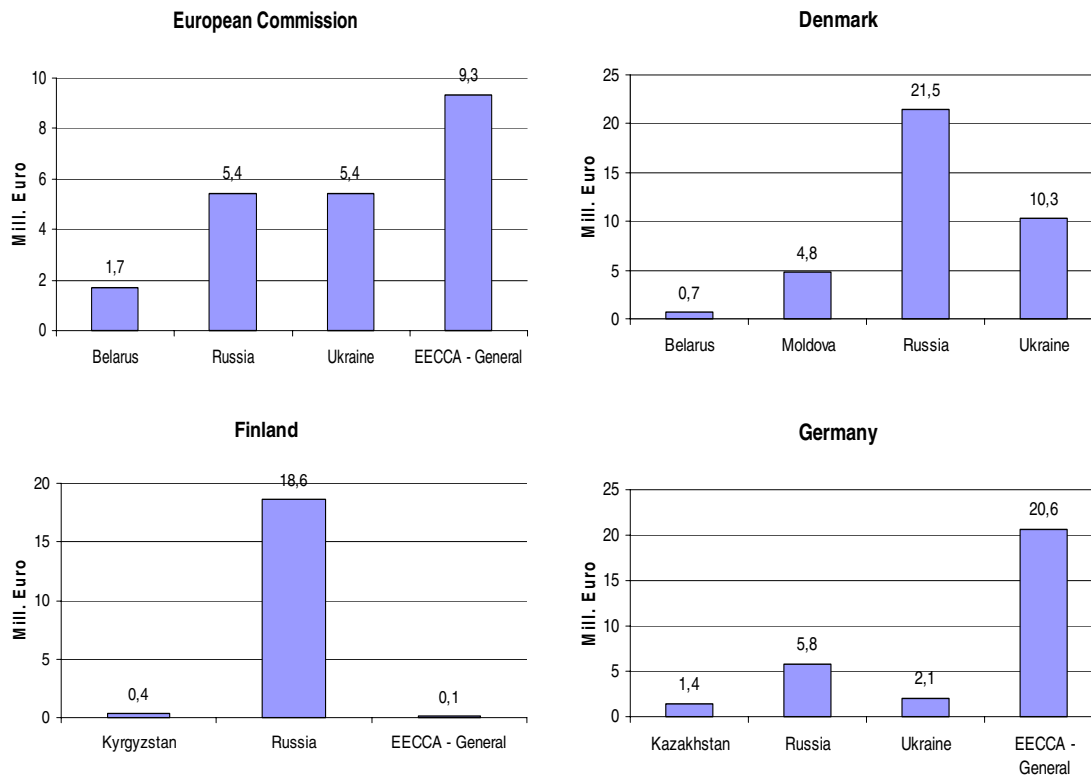
The reported total support from donors to the water sector for 1999-2003 amounts to €171 million, corresponding to an annual average of €34 million. For the donors responding to the survey, the reported water sector support corresponds to 34% of the environment-related support referred to in footnote 1. This is somewhat lower than the usual estimate of the proportion of water activities of environment-related activities and might indicate certain inconsistencies of the quoted data material. One notable example of this is the Netherlands whose reported development assistance under this survey (specified as covering energy and environment) for 1999-2001 is much larger than the assistance to environment for the same years reported in the document referred to in footnote 1. This might indicate that the assumption listed in the introduction is not true. It is, however, beyond the scope of this survey to check and verify the received material against other available information.

<sup>1</sup> See e.g. "Trends in Environmental Expenditure and International Commitments for the Environment in Europe, Caucasus and Central Asia 1996-2001", by the EAP Task Force. Background document for the Fifth Ministerial Conference in Kiev, 21-23 May 2003.

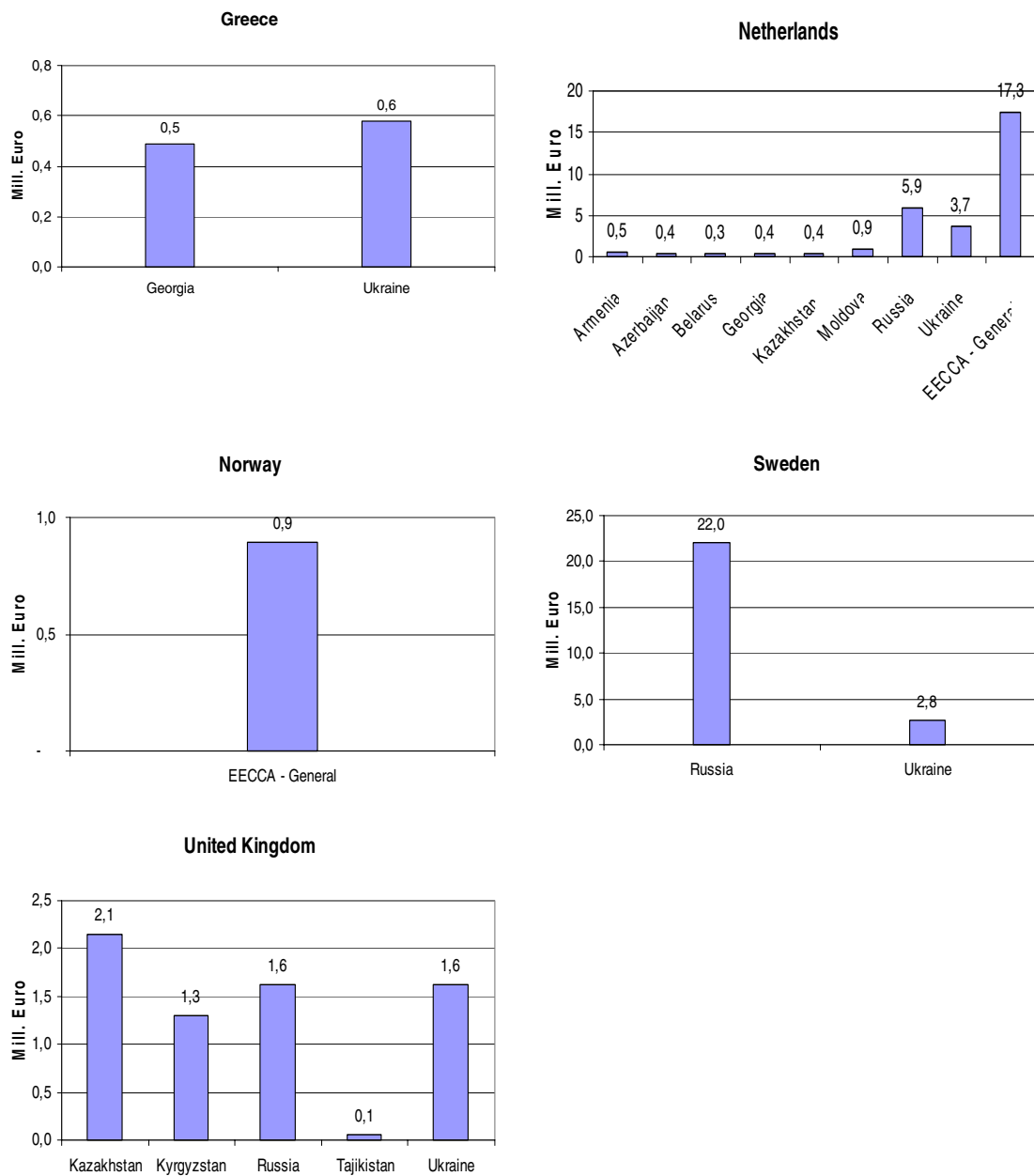
### 3. Assistance provided during the last 5-year period (1999-2003)

#### 3.1 Donor assistance

The bilateral development assistance from each donor to water sector activities reported in the survey for the period 1999-2003 (European Commission: 1998-2003) was distributed on EECCA countries as indicated in Figure 1. Ireland responded to the survey but reported no past or planned assistance to the EECCA region, therefore separate graphs for Ireland's assistance are not included.

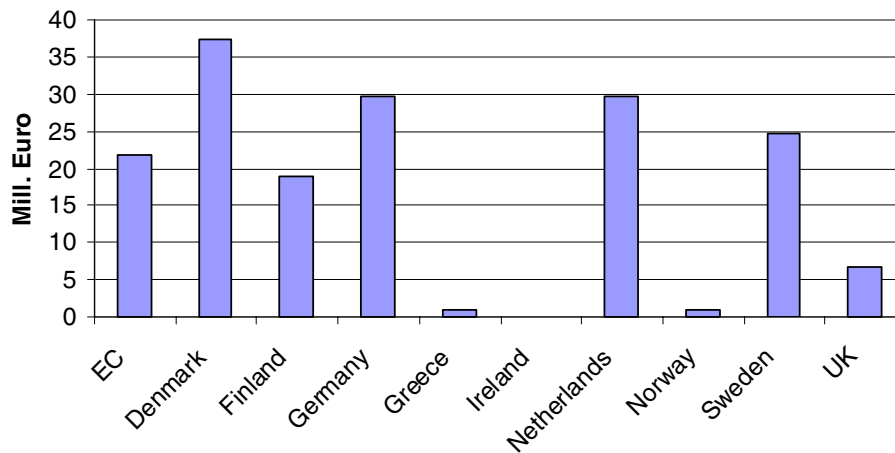


**Figure 1.** Summary of total assistance provided by different donors to the water sector in the individual EECCA countries during the 5-year period 1999-2003 (European Commission: 1998-2003).



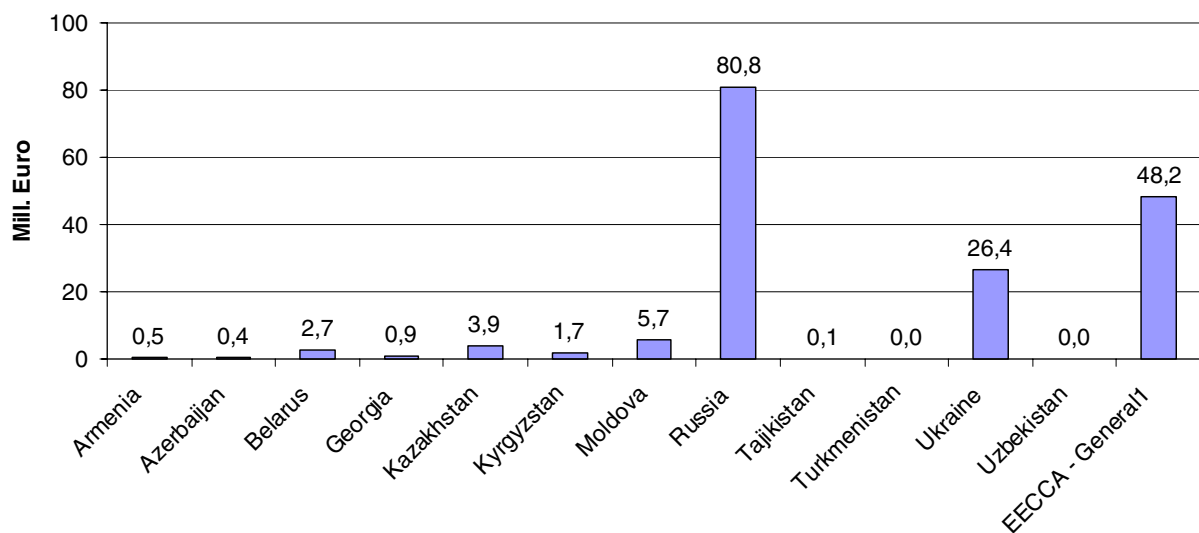
**Figure 1.** Summary of total assistance provided by different donors to the water sector in the individual EECCA countries during the 5-year period 1999-2003 (continued).

According to the survey, the largest donors within the water sector are Denmark, Germany and the Netherlands in that order, each providing €30-37 million in assistance over the period 1999-2003 (Figure 2).



**Figure 2.** Summary of different donors' total assistance to the water sector in the EECCA region during the period 1999-2003.

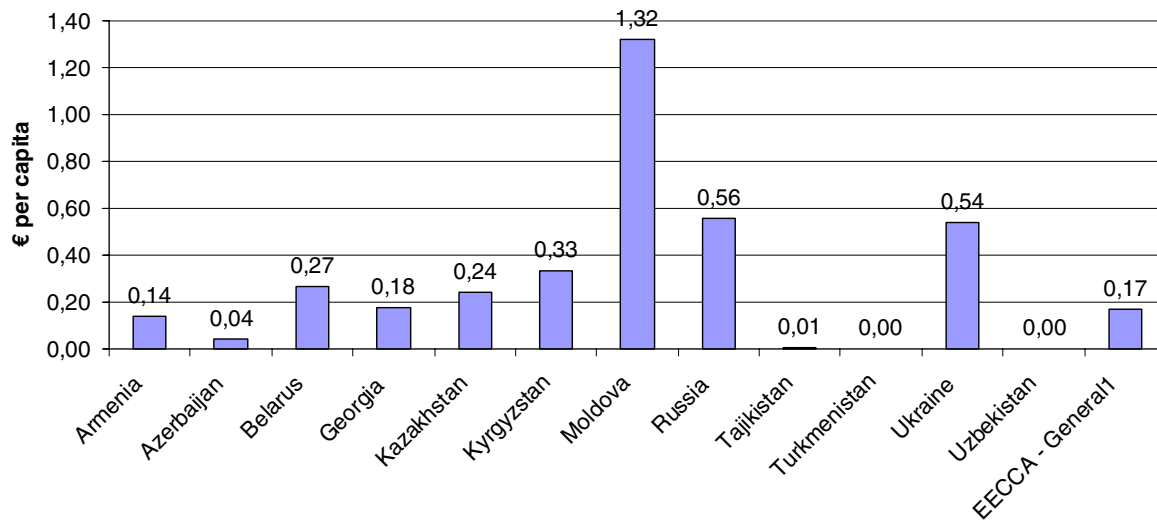
The two EECCA countries with largest populations, Russia and Ukraine, received most water-related support in absolute terms (Figure 3). No bilateral assistance has been provided to Turkmenistan and Uzbekistan. The category "EECCA-General" includes transboundary, sub-regional or regional activities with more than one EECCA country involved. Hence, the survey results do not exclude the possibility of Turkmenistan and Uzbekistan having received assistance through such activities.



**Figure 3.** Distribution across EECCA countries of the total spendings on water 1999-2003 by the donors that have responded to the survey.

When taking into account the population differences in EECCA countries and calculating the per capita assistance received by each EECCA country, the survey indicates that most bilateral water-related support has gone to Moldova (1.32 € per capita for 1999-2003). It is notable that, except for Moldova, Russia and Ukraine also rank highest in terms of per capita assistance received. These results should not be over-interpreted, however, as the low figures in terms of absolute assistance to some countries

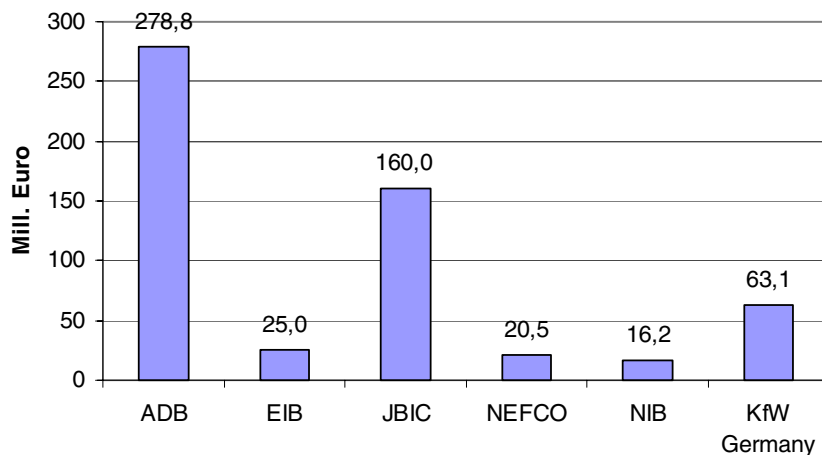
are an expression of very few projects/activities, and hence one project more or less could distort the per capita support significantly.



**Figure 4.** Summary of the per capita assistance to the water sector (1999-2003) received by EECCA countries from donors responding to the survey.

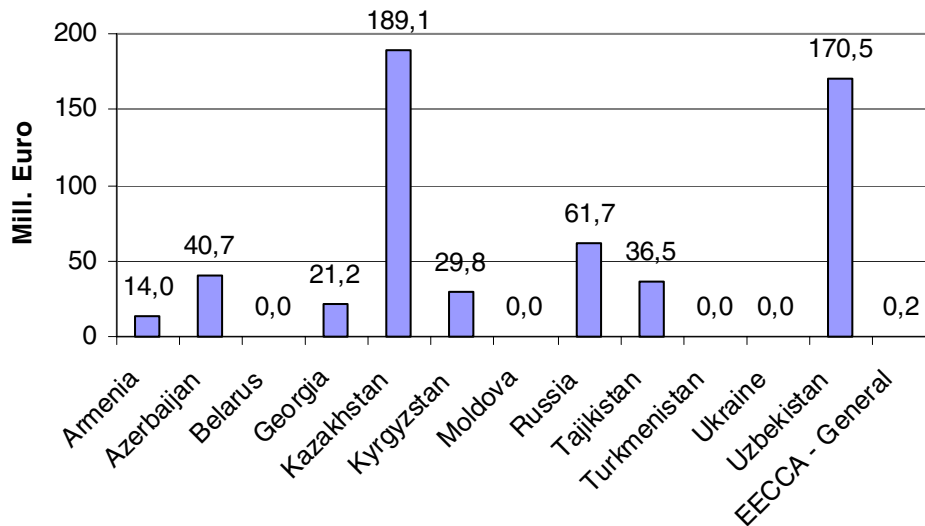
### 3.2 Assistance from IFI's

Figure 5 displays the loans and grants provided by IFI's to the water sector in EECCA countries according to the survey. Unfortunately, data from World Bank – expected to be the biggest IFI – are not included because of lack of response. ADB and JBIC are by far the largest IFI's of the survey.



**Figure 5:** Total spending by IFI's within the water sector in the EECCA region during the period 1999-2003.

Kazakhstan and Uzbekistan are the two largest recipient countries of IFI's assistance in the EECCA region (Figure 6), considering the support from the respondents of the survey. The results are dominated by very large involvement from JBIC (support exclusively to Kazakhstan within the EECCA region) and ADB (more than half of its assistance to Uzbekistan).



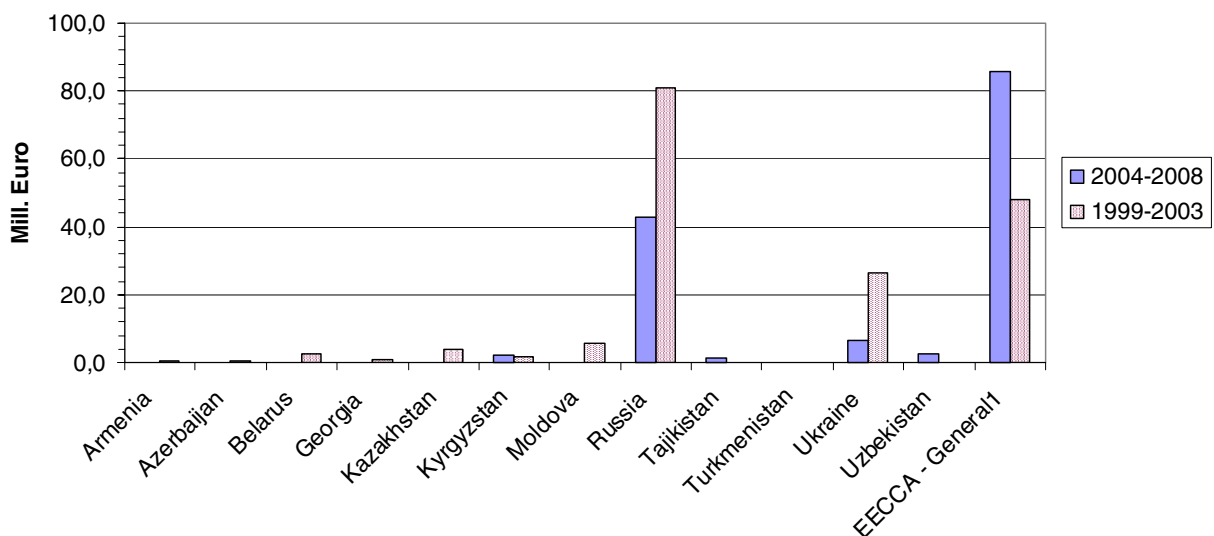
**Figure 6:** Distribution across EECCA countries of the total spendings on water 1999-2003 by the IFIs that have responded to the donor survey.

#### 4. Planned assistance 2004-2008

##### 4.1 Donor assistance

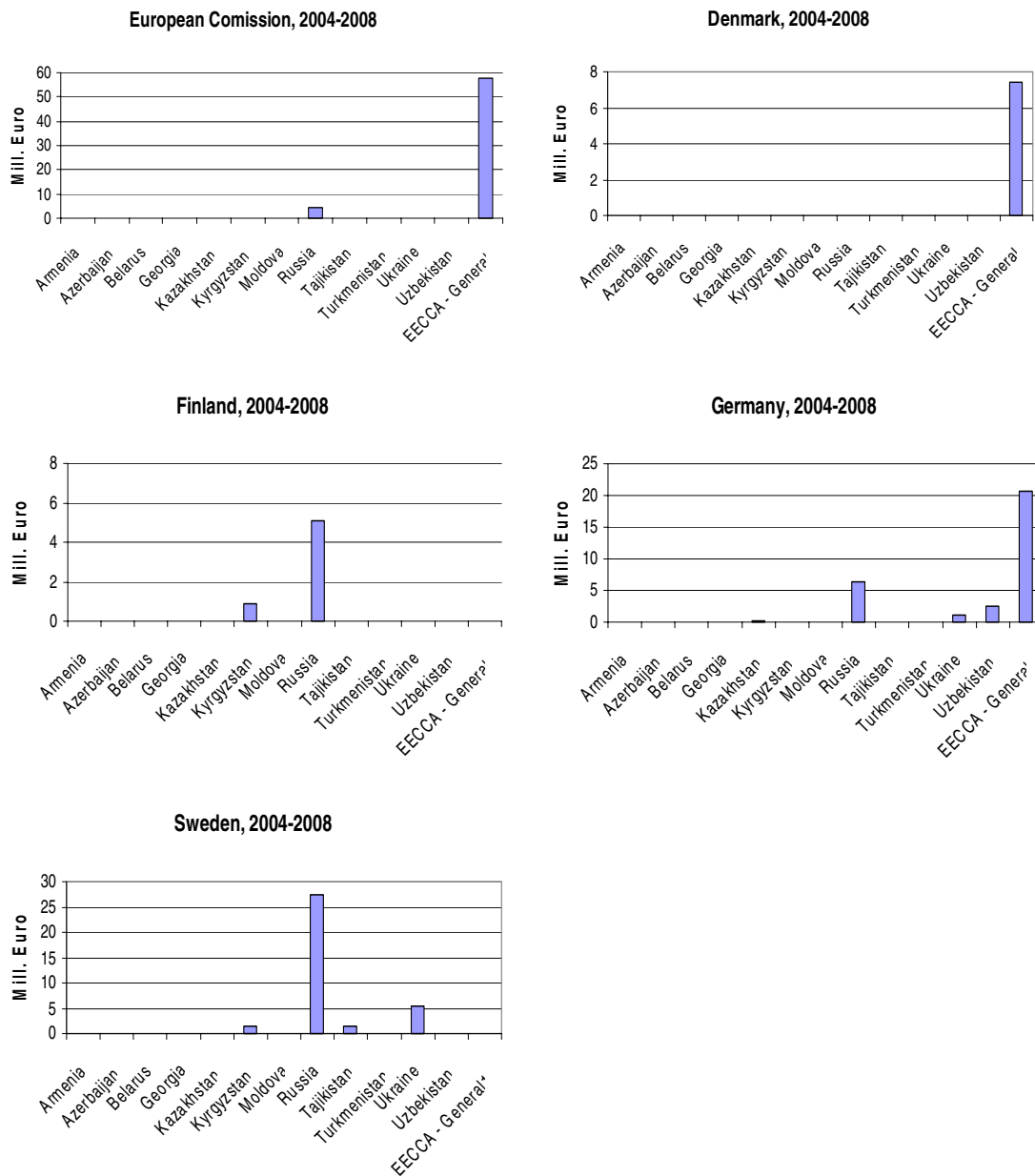
The reported planned donor assistance for the water sector for 2004-2008 is €142 million, distributed on EECCA countries as shown in Figure 7. It appears that Russia is by far the largest foreseen recipient of bilateral donor assistance. Non-country-specific assistance constitutes more than half the total foreseen assistance. This may be due to the fact that some donors have not yet planned their assistance in detail. There are no estimates available for the un-allocated parts of the foreseen assistance. There are also some donors who do not make country-specific budgets but respond to demand from within the entire EECCA region or sub-regions.

The reported planned assistance for 2004-2008 is 17% less than the reported assistance for 1999-2003 from the respondents.



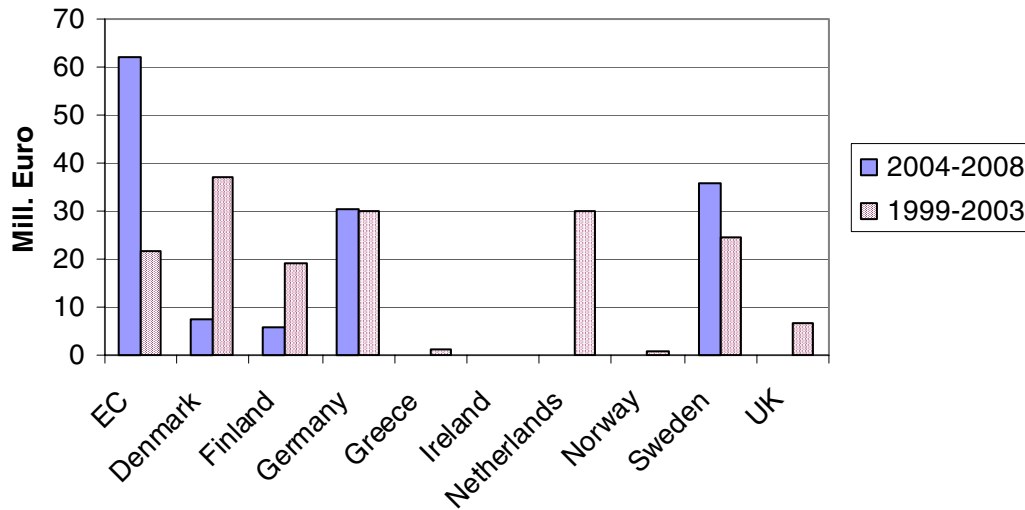
**Figure 7:** Planned total donor assistance to the water sector in EECCA countries for the period 2004-2008 compared with 1999-2003 from respondents of the survey.

Only five donor countries have reported any planned assistance to the water sector within the next four years. The distribution of support from those donors to countries in EECCA appears from Figure 8.



**Figure 8.** Summary of planned assistance by different donors to the water sector in the individual EECCA countries during the 5-year period 2004-2008.

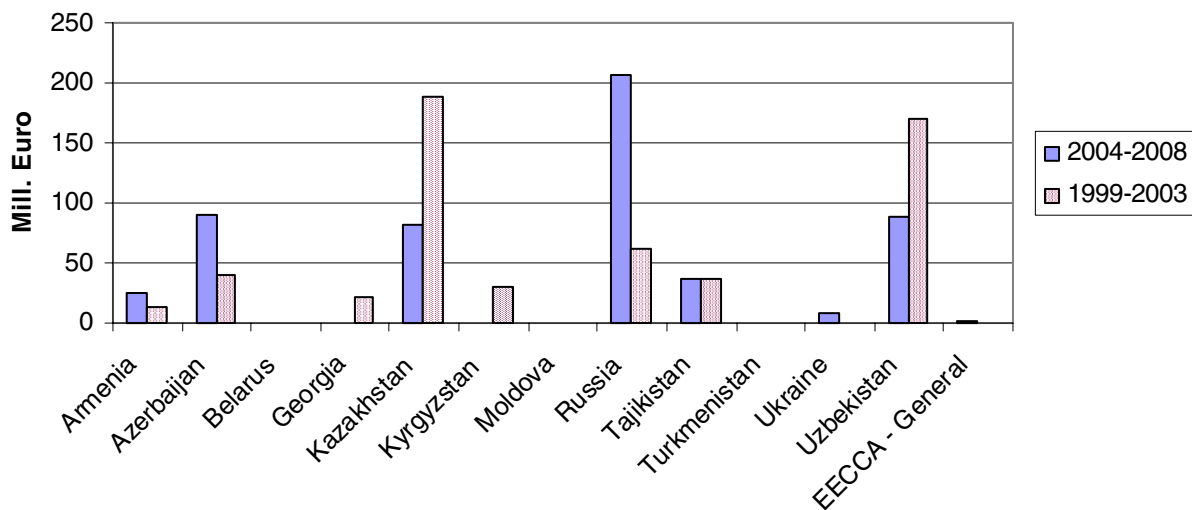
The ranking of donors according to size of planned contribution looks considerably different than the ranking according to past contributions (see Figure 9). For the period 2004-2008 the European Commission will be by far the largest donor followed by Sweden and Germany. The Commission will increase its assistance significantly, Sweden less so. Denmark and Finland indicate plans for significant cuts in assistance and the Netherlands and UK a complete stop of assistance.



**Figure 9:** Comparison of planned donor assistance to the water sector in EECCA countries 2004-08 with past assistance 1999-2003.

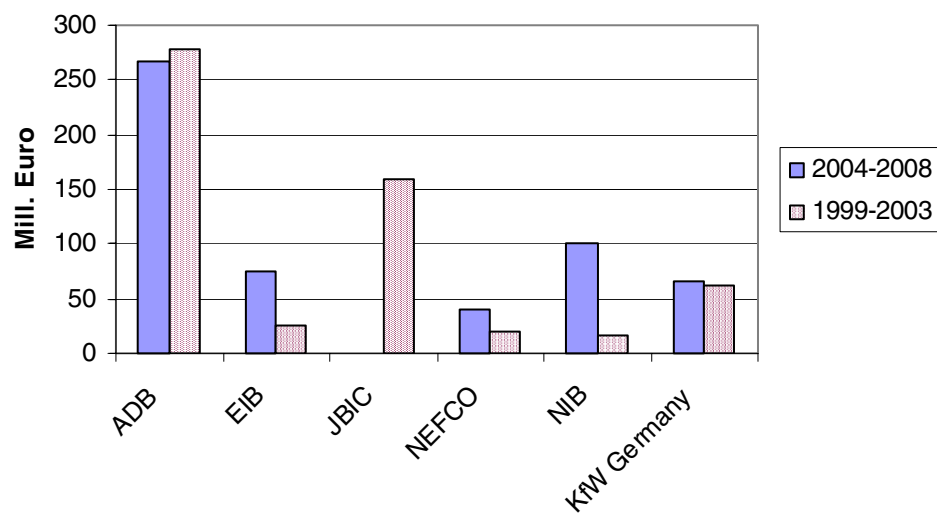
#### 4.2 Assistance from IFIs

The total planned assistance to the water sector from IFIs for 2004-2008 is almost identical to the assistance reported for 1999-2003 (Figure 10). The distribution on recipient countries is different, however. Major increases in disbursements are foreseen for Azerbaijan and Russia, whereas the assistance to Kazakhstan and Uzbekistan is foreseen to decrease significantly.



**Figure 10:** Planned IFI assistance to the water sector in EECCA countries for the period 2004-2008 compared with past assistance 1999-2003 from respondents of the survey.

The largest IFI among the respondents, ADB, and KfW plan to remain at their current assistance levels. Significant increase in assistance from EIB and NIB and moderate increase from NEFCO counterbalance the stop in assistance indicated by JBIC.



**Figure 11:** Planned total IFI assistance to the water sector in EECCA countries for the period 2004-2008 compared with past assistance 1999-2003.

## 5. Survey results by donors

<b>Activities in EECCA countries. Support to Water Supply, Sanitation and IWRM</b>	
<b>Country: European Commission</b>	
<b>1. Development assistance policy in the water sector:</b>	
<p>The EU is the largest provider of development assistance for water-related initiatives on a global scale, investing around €1.4 billion a year in water-related development aid and scientific co-operation. In addition to interventions carried out in the context of country and regional programmes, water-related activities are also carried out in the framework of NGO co-financing, micro-projects, decentralised Cupertino and humanitarian aid. The EU's contribution in this area is set to increase, following the launch of the EU Water Initiative at WSSD.</p> <p>The EU is a strong supporter of the WSSD three targets: to halve by 2015 the proportion of people without sustainable access to safe drinking water, to halve by 2015 the number of people without access to sanitation, and develop IWRM plans.</p> <p>The EU's policy framework on water and development recognises that achieving results will require progress in many different areas, particularly governance and financing. In both cases, sustainability is a critical issue. The following priorities have been identified:</p> <ul style="list-style-type: none"> <li>- ensure a supply of sufficient, good quality drinking water, adequate sanitation and hygiene for every human being, especially the poorest, with a clear focus on the needs of women and children, and with the general objective of reducing poverty and improving people's health, quality of life and livelihood opportunities;</li> <li>- develop sustainable and equitable transboundary water resource management taking into account all relevant interests, integrating the competing needs of the various users;</li> <li>- implement cross-sectoral co-ordination to ensure equitable, sustainable and appropriate distribution of water between users of different kinds. This requires the mainstreaming of water management principles into related policy areas.</li> </ul> <p>The main approaches for these objectives are Technical Assistance, Investment Support Facilities and Investments.</p>	
<b>2. Assistance to EECCA countries within IWRM and WSS:</b>	<b>3. Partner countries:</b>
<p>The Directorate-General EuropeAid Co-operation Office is in charge of the operational part of the development assistance of the European Commission (EC).</p> <p>The projects are essentially managed in collaboration with the Ministries of Environment of the beneficiary countries. Besides, EuropeAid cooperates strongly with other IFIs, the Regional Environment Centers (RECs) and the EAP Task Force.</p> <p>The EC has annual National Programmes for assistance in EECCA, as well as a Central Asia Programme, a Regional one, and a Cross-Border Cooperation one. The three last are multilateral, involving several beneficiary countries. This feature is of course very relevant for water issues, which are in many cases transboundary. Not less than 35 M€ are planned to be allocated to the Regional Programmes of years 2004 to 2006.</p> <p>The Regional Programme includes IWRM and WSS, with a focus on the latest as many river basins and regional seas are shared by several countries. The Central Asia Programme also focuses on IWRM. Support to WSS is given via the other programmes.</p>	<p>All EECCA countries are partners of past, ongoing or planned projects.</p>
<b>4. Past assistance within IWRM and WSS:</b>	<b>5. Expected future assistance within IWRM and WSS:</b>
<p>Overall figures are provided in the financial table. The following projects are examples of EC past assistance.</p> <ul style="list-style-type: none"> <li>- Aral Sea, Support to Regional Water Management, (ASREWAM), 2.2 M€, and IWRM: assistance to achieve balanced and effective use of the water resources of the Aral Sea Basin.</li> <li>- Technical Assistance to Black Sea Environment Programme, 2.8 M€, and IWRM: support to national and international efforts to reverse environmental deterioration, as a prerequisite for a return to economic growth.</li> <li>- Sortavala Sewage Treatment Works Rehabilitation, 4.5 M€, and WSS: help to eliminate the current pollution and the risk of future severe pollution from Lake Ladoga.</li> <li>- Municipal Investment Programmes in Russia: pre feasibility studies and Technical assistance for WSS</li> </ul>	<p>Overall figures are provided in the financial table.</p> <p>35 M€ are earmarked for IWRM and WSS in the TACIS Regional Programmes of years 2004 to 2006, and another 3 M€ on a "Water Investment Support Facility"</p>
<b>6. Supplementary information:</b>	
<p>For further information, please contact Mr Jan BEHRENS, DG EuropeAid Cooperation Office, European Commission, Rue de la Loi 41, 1049 Brussels, tel.: +32 2 2951215, e-mail: Jan.Behrens@cec.eu.int</p>	

**Activities in EECCA countries. Support to Water Supply, Sanitation and IWRM****Country: Canada****1. Development assistance policy in the water sector:**

The Canadian International Development Agency (CIDA) is currently in the process of updating its Policy Framework on Water, which will be one of the supporting pillars of an updated Environment Policy. The new framework will clarify the role of water programming within the Agency, and create better linkages within current policy directions, including how to meet the Millennium Development Goals (MDGs) and WSSD targets. A revised CIDA policy will also complement the development of a new Federal Water Policy, which was launched in the summer of 2003.

Over the past 15 years, CIDA has disbursed approximately 2.5% of its total budget on water-related programming, including water management, water supply and sanitation, and natural resources management. Future activities in the water sector will be based on an integrated water resources management approach.

Canadian development assistance to the region is delivered primarily through country-specific technical cooperation activities, as well as regional and institutional collaborative arrangements. Programming focuses on capacity development and institution building, with a strong emphasis on governance. The project portfolio covers water management, water supply and natural resources management. CIDA's programming in this region is largely responsive.

**2. Assistance to EECCA countries within IWRM and WSS:**

Currently, partners within the EECCA have not identified water sector initiatives as a priority. Over the past 5 years, on average 1.5% of CIDA's budget within the region was spent annually in the water sector (amounting to about 1.0 M Euro), much of it in response to humanitarian appeals.

Bilateral initiatives have focused on water and sanitation, and natural resources management. Our partners have been a variety of government ministries, both federal and municipal, as well as non-governmental organizations. CIDA provides support to a number of multilateral institutions, such as the EBRD, Asian Development Bank and the World Bank.

**3. Partner countries:**

Within CIDA's Central and Eastern Europe Branch, future programming in all sectors will focus on the following countries in the EECCA region:

- Russia
- Ukraine
- Georgia
- Tajikistan (Programming in Tajikistan will focus on the water sector)

Partner institutions: EBRD, ADB, and World Bank.

**4. Past assistance within IWRM and WSS:**

Data, which reflects sectoral disbursements in the EECCA countries or region only, is not available. However, some examples of CIDA's bilateral expenditures in the EECCA from 1999 to 2003 are:

- 2.8 M Euro in Ukraine to enhance the management of the Dnipro River;
- 800,000 Euro to establish a river basin management system for the Komi River;
- 950,000 Euro to the World Bank Aral Sea Recovery Plan;
- 1.2 M Euro for the Water Resources Management Training Center for Central Asia;
- 1.5 M Euro to improve management of the Dnieper River in Belarus and Russia;

In addition, support has been provided to humanitarian appeals for water and sanitation initiatives, especially in Tajikistan. Information on CIDA's support to multilateral institutions in the water sector is unavailable.

**5. Expected future assistance within IWRM and WSS:**

In Tajikistan, interventions in the water sector will be one of two major programming areas, in addition to agriculture. Co-financing initiatives with other bilateral donors, such as the Swiss, and with multilateral institutions will be the major mechanism of programme delivery. Support for both WSS and IWRM activities will be provided.

CIDA will continue to respond to requests from the EBRD, ADB, and the World Bank for support to the water sector through consultancy trust funds and other financial mechanisms, although no firm commitments have yet been identified.

As CIDA programming becomes more directive, there may be increased scope to undertake initiatives that aim to develop capacity in water resources policy and administrative management, as well as water supply and sanitation systems, especially within Central Asia. The programming focus will be related to governance and economic well being.

**6. Supplementary information:**

For further information, please contact Ms. Jan Sheltinga, Central and Eastern Europe Branch, Canadian International Development Agency (CIDA), 200 promenade du Portage, Gatineau, Quebec, Canada K1A 0G4. Tel: 819-994-0187; fax: 819-994-7161, email: [jan\\_sheltinga@acdi-cida.gc.ca](mailto:jan_sheltinga@acdi-cida.gc.ca)

**Activities in EECCA countries. Support to Water Supply, Sanitation and IWRM****Country: Denmark****1. Development assistance policy in the water sector:**

Denmark has the last 12 years supported the Eastern European Countries (the Accession Countries, Belarus, the Russian Federation, Ukraine, Moldova, Rumania and Bulgaria) within the water sector. More than 200 mill. EURO has been allocated to the water sector, covering technical assistance and investments within drinking water supply, groundwater protection and protection of the receiving water bodies and waste water treatment (industrial and municipal).

Since the launching of the EU Water Initiative – EECCA component at the WSSD in Johannesburg, DANCEE has focussed on the EECCA countries and how Denmark could contribute to meet the Millennium Development Goals on water. For the EECCA region a priority within the DANCEE programme activities has been water quality with a particular focus on drinking water quality, rehabilitation of wastewater treatment plants and sewerage. Improved water supply that would also contribute to improved health conditions. EU harmonisation of regulations and standards within the water and wastewater sectors is also a priority. Besides, DANCEE will concentrate on the development of water management in line with the total water management concept. Management strengthening, operational performance improvements, investment planning and improvements of monitoring and regulation are essential elements of such assistance.

**2. Assistance to EECCA countries within IWRM and WSS:**

The Danish Environmental Support Programme: Danish Co-operation for Environment in Eastern Europe, DANCEE, has concentrated its efforts within the EECCA region to the following countries:

Belarus, Moldova, the Russian Federation (Federal level and North West Russia) and Ukraine.

For Belarus, Moldova and Ukraine the focus area has been national (the whole country). For Russia the focus area has been Federal level and the North West Regions (incl. Kaliningrad). By far the main activities have been within water supply and sanitation. Only the Kaliningrad Region has so far been assisted within IWRM.

In Moldova the main beneficiaries has been local municipalities and vodokanals.

In Belarus the Vodokanal of Brest has been the main (and only) beneficiary.

In Ukraine the main beneficiary has been the State Committee for Municipal Services.

In Russia the main beneficiaries are the Ministry of Natural Resources, Gosstroj and Vodokanals in the North West Regions (incl. Kaliningrad).

**3. Partner countries:**

- Belarus,
- Moldova,
- The Russian Federation (Federal level and the North West Russia)
- Ukraine

**4. Past assistance within IWRM and WSS:**

EXPENDITURE FIGURES ARE PROVIDED IN THE EXCEL SPREADSHEET

**5. Expected future assistance within IWRM and WSS:**

THIS INFORMATION IS PROVIDED IN THE EXCEL SPREADSHEET

**6. Supplementary information:**

For further information, please contact Programme Co-ordinator Mr. Hans Jakob Eriksen, the Danish Environmental Protection Agency, DANCEE, DK-29 Strandgade, 1401 Copenhagen K, tel.: +45 3266 0100, e-mail: hje@mst.dk

**Activities in EECCA countries. Support to Water Supply, Sanitation and IWRM****Country: Finland****1. Development assistance policy in the water sector:**

Finland has focused its aid on the neighbouring countries: Russia and the Baltic states. Also Poland has been supported through the eco-conversion arrangements. During the last 12 years approx. 85 million EURO have been allocated to the water sector, covering technical assistance and investments within waste water treatment, groundwater protection and protection of the receiving water bodies.

The reduction and prevention of polluting discharges from neighbouring areas affecting the environment of Finland and the Baltic Sea is one of Finland's principal objectives in the environmental sector in the Eastern Europe. Thus, water protection is one of the focal points, especially the improvement of the condition of the Gulf of Finland and the Baltic Sea. The Finnish aid has been used mainly to rehabilitation of wastewater treatment plants and sewerage. Improved water supply has been linked with some wastewater treatment projects in the Republic of Karelia in Russia. EU harmonisation of regulations and standards within the water and wastewater sectors is also a priority. Cooperation in protection of transboundary waters has been carried out for a very long time. Besides investment support Finland's activities include management strengthening and operational performance improvements of wastewater treatment plants. Training of environmental authorities in water protection and cooperation in research and monitoring of the Baltic Sea have been a useful approach to meet the overall objective.

**2. Assistance to EECCA countries within IWRM and WSS:**

The Finnish environmental support to Eastern European countries, co-ordinated by the Finnish Ministry for Foreign Affairs and implemented by the Finnish Ministry of the Environment, has concentrated its efforts within the EECCA region mainly to the Russian Federation. One wastewater treatment project has been supported in Ukraine. In Russia the focus area has been the North West region. The main activities have been within water supply and sanitation.

The Finnish assistance is given both as bilateral and multilateral assistance.

Among other EECCA countries projects in Kyrgyzstan have been supported.

Assistance to also other EECCA countries is under consideration, but no decisions on the volume have been made.

**3. Partner countries:**

- Russia
- (Ukraine)
- Kyrgyzstan

**4. Past assistance within IWRM and WSS:**

EXPENDITURE FIGURES ARE PROVIDED IN THE EXCEL SPREADSHEET

**5. Expected future assistance within IWRM and WSS:**

Assistance to Russia is expected to continue in 2005-2007, but no figures are available as they are decided on an annual basis.

Assistance to other EECCA countries is under active consideration. Apart from the project in Kyrgyzstan, no figures are as yet available.

(THIS INFORMATION IS PROVIDED IN THE EXCEL SPREADSHEET)

**6. Supplementary information:**

For more information, please contact Director Kristiina Isokallio, Unit for Environmental Cooperation in Central and Eastern Europe, Ministry of the Environment of Finland, PO Box 35, FIN-00023 GOVERNMENT, FINLAND, tel.:+358 (0)9 160 39508, e-mail: kristiina.isokallio@ymparisto.fi

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**Activities in EECCA countries. Support to Water Supply, Sanitation and IWRM****Country: Germany****1. Development assistance policy in the water sector:**

Integrated Water Resource Management (IWRM) is one of the priorities in the German development assistance and environmental cooperation with EECCA countries. Water Supply and Sanitation (WSS) is a priority area of the financial cooperation.

The strategic approach considers support for

- cross-border cooperation for hazard prevention in river basins
- investment to rehabilitation of WSS in municipalities with high presence of refugees
- transboundary implementation of the EU Water Framework Directive

among others.

**2. Assistance to EECCA countries within IWRM and WSS:**

Responsible institutions for development assistance are the Federal Ministries for Environment (BMU), Economic Cooperation and Development (BMZ) and Education and Research (BMBF)

The assistance given is both bilateral and multilateral.

The main focus areas are the Southern Caucasus (WSS, IWRM), the Aral sea region, Ukraine and Russia

**3. Partner countries:**

Countries bordering the Aral sea

- Georgia, Armenia, Azerbaijan
- Russia, Ukraine

**4. Past assistance and expected future assistance within IWRM and WSS:**

- Combating desertification and rehabilitation of the salt deserts in the region at the Aral Sea
- Rehabilitation of municipal WSS
- Cross-border cooperation for hazard prevention in the Kura and Neman river basins
- Cooperation for scientific research on water sources

**6. Supplementary information:**

<b>Activities in EECCA countries. Support to Water Supply, Sanitation and IWRM</b>	
<b>Country: Greece</b>	
<b>1. Development assistance policy in the water sector:</b>	
<p>The priorities identified in the framework of the 1<sup>st</sup> Bilateral Programme of Development Cooperation in the field of Environment (1999-2001) of the Hellenic Ministry for the Environment, Physical Planning and Public Works have been water quality monitoring and protection as well as capacity building.</p> <p>The water supply and sanitation sector has been identified as a priority of the General 2<sup>nd</sup> 5-year National Programme of Development Assistance and Cooperation of Greece (2002-2006). As a result, the sector programmes that are being implemented are more in number with more effective outcomes. These sector programmes mainly focus on the protection of water resources, water supply and sanitation and integrated river management.</p>	
<b>2. Assistance to EECCA countries within IWRM and WSS:</b>	<b>3. Partner countries:</b>
<p>Priority has been given over recent years (1999-2001) to water quality (surface water and potable water) monitoring, methods for water pollution prevention from toxic, industrial and agricultural wastewater, the creation of a Regional Centre for the assessment and protection of water as well as capacity building and awareness raising through assistance to NGOs.</p> <p>In the context of the General National Programme of Development Assistance and Cooperation of Greece, in 2000 EECCA countries have received the 21.41% of the overall ODA for water supply and sanitation, in 2001 they received the 31,58% and in 2002 they received 13,27%.</p> <p>Generally the implementing bodies of these programmes are Ministries, Local Authorities, NGOs and other Institutes.</p>	<ul style="list-style-type: none"> <li>• Ukraine</li> <li>• Georgia</li> </ul>
<b>4. Past assistance within IWRM and WSS:</b>	<b>5. Expected future assistance within IWRM and WSS:</b>
Around 1,066 mill Euro	N.A. at the moment
<b>6. Supplementary information:</b>	

<b>Activities in EECCA countries. Support to Water Supply, Sanitation and IWRM</b>	
<b>Country: Ireland</b>	
<b>3. Development assistance policy in the water sector:</b>	
<p>Within the framework of an overarching objective of poverty reduction, the Irish Government assigns a high priority to the issue of water and sanitation. Irish development cooperation in the sector is focused on supporting the development of water supply and sanitation in a manner that conforms to national policies and that facilitates access to those resources by those who are disadvantaged. A strong emphasis is attached to community prioritisation and management; the integration of water supply with environmental sanitation and hygiene education; as well as incorporation of best practice with regards to gender and environmental aspects.</p> <p>All Irish development cooperation is untied and in the form of grants. Support to the water sector originated in Area Based Programmes but is gradually shifting to Sector Wide Approaches where these exist.</p>	
<b>2. Assistance to EECCA countries within IWRM and WSS:</b>	<b>3. Partner countries:</b>
Irish Bilateral cooperation is almost exclusively focused on Sub-Saharan Africa. Ireland has not been involved in any water projects in the EECCA region to date.	<i>Not Applicable</i>
<b>4. Past assistance within IWRM and WSS:</b>	<b>5. Expected future assistance within IWRM and WSS:</b>
<i>Not Applicable</i>	<i>There are no current plans for Ireland to become involved in the water sector in EECCA on a bilateral basis.</i>
<b>6. Supplementary information:</b>	

**Activities in EECCA countries. Support to Water Supply, Sanitation and IWRM****Country: Netherlands****1. Development assistance policy in the water sector:**

Over the last 17 years, The Netherlands has supported the Eastern European Countries (the Accession Countries, the Russian Federation, Ukraine, Georgia, Romania and Bulgaria) within the environmental sector, of which a significant part was allocated for the water sector. With the Dutch PSO and MATRA programmes, every year around 80 million Euro is spent in all different sectors, of which around 12 million Euro a year is used for environmental and water projects in the above mentioned countries. PSO-projects focused more on technical assistance (Accession Countries), business to business (EECCA) and (partly) investments, while MATRA-projects are directed towards a societal transformation in the environmental sector, among which water & sanitation and IWRM. Apart from this, additional technical (and financial) support is given by individual Dutch ministries in their bilateral cooperation with EECCA-countries. The Dutch ministry of environment also uses and wants to use UN-ECE, OECD and EU as a vehicle for serving the EECCA-region.

Since the launching of the EU Water Initiative at the WSSD in Johannesburg, the different ministries are now trying to fill in the planned contributions to the Millennium Development Goals, also concerning the EECCA component of this initiative. From one side it could be considered that more effort could be put into the EECCA-region now the accession assistance for the ten shortly acceding member states will be reduced, from the other side Dutch development assistance budgets have been cut down which means a new prioritisation has to be made. This process of prioritisation has not fully been materialised yet at all ministries.

**2. Assistance to EECCA countries within IWRM and WSS:**

Through the PSO-programme and the individual budgets of the ministries lots of projects in the region have been financed. This is just to mention a few examples in the water sector:

In Russia projects have been developed in the field of water purification (Nizhny Novgorod), integrated water management (St. Petersburg), sludge (St. Petersburg), water processing (Moscow) and flood management systems.

In the Ukraine projects focused among others on reduction of water consumption (Dniepopetrovsk), water generating cycles and anaerobic wastewater treatment.

**3. Partner countries:**

In the EECCA-region the Dutch ministry of environment, together with the Dutch ministries of transport & waters and agriculture & nature protection, has signed Memoranda of Understanding with their counterparts in

- The Russian Federation
- Ukraine.

**4. Past assistance within IWRM and WSS:**

Due to the diverse projects executed under different programmes and by different ministries, sometimes also in a multilateral context, it is difficult to give a adequate total overview of all the activities of The Netherlands in the whole EECCA region, but given the projects mentioned above it will sum up to several million Euro.

**5. Expected future assistance within IWRM and WSS:**

Not specified (See second alinea question 1). However, health aspects could include water supply and sanitation.

**6. Supplementary information:**

The provided information is mainly covering the activities of the ministry of Environment of The Netherlands; total information about the activities of the other ministries involved (ministry of transport & waters, ministry of foreign affairs, ministry of agriculture and nature protection) was not yet available.

**Activities in EECCA countries. Support to Water Supply, Sanitation and IWRM****Country: Norway****1. Development assistance policy in the water sector:**

Norway supports multilateral programs and has in addition bilateral cooperation in water-related projects in the EECCA-countries (especially in Caucasus and Central Asia). The financial support comes mainly from the Ministry of Foreign Affairs (MoFA). The Ministry of the Environment (MoE) has a consulting and coordinating role. The project support is aimed at co-operation both at the local community level, at the national level and between countries.

As Chairman of the 12th session of the UN Commission on Sustainable Development (CSD 12), the Norwegian Minister of the Environment, Mr. Børge Brende works to ensure that the CSD becomes more vital in the implementation of the targets from Johannesburg. As decided at CSD 11, CSD 12 and 13 will focus on how to

- halve the proportion of people without sustainable access to safe drinking water by 2015
- halve the number of people without access to basic sanitation by 2015
- stop the non-sustainable use and exploitation of water resources and develop national integrated water resource and management plans, with support to developing countries by 2005.

Priorities for Norway in the EECCA region, are water management and water quality, the latter with a particular focus on drinking water quality in order to improve health conditions. Rehabilitation of wastewater treatment plants and sewerage is also considered important and is supported through multilateral programmes.

Norway has over the past two years supported projects, which have contributed in the work to resolve conflicts over transboundary water resources (in Central Asia). Besides, for the last three years we have supported the EAP Task Force/OECD and their work to reform the urban water sector in the EECCA.

Norway will in 2004 continue to support OECD' s work in the urban water sector. In addition we will support a WSS-project in Tajikistan and an IWRM-project in Kazakhstan.

**2. Assistance to EECCA countries within IWRM and WSS:**

**Central Asia (regional projects):** Kazakhstan, Kyrgyzstan, Uzbekistan, Tajikistan, Turkmenistan

EAP Task Force/OECD:

- Support to reform the urban water sector in the EECCA
- Institutional development and support for the social objectives of the urban water sector in Caucasus and Central Asia.

(Supported by the MoFA)

**Central-Asia (regional project)**

ECE Water-mission to Central-Asia: promote cooperation on transboundary waters and contribute to resolve conflicts over water resources peacefully.

(Supported by the MoE).

**3. Partner countries:**

**Central Asia** (regional projects)  
Kazakhstan, Kyrgyzstan, Uzbekistan, Tajikistan, Turkmenistan

**Caucasus** (regional OECD-projects)

**EECCA in general** (regional projects)

Expected future bilateral co-operation with

- Kazakhstan (UNDP- GWP)
- Tajikistan (EBRD)

<p><b>4. Past assistance within IWRM and WSS:</b></p> <p>EXPENDITURE FIGURES ARE PROVIDED IN THE EXCEL SPREADSHEET</p>	<p><b>5. Expected future assistance within IWRM and WSS:</b></p> <p><b>1.1.1.1.1 Kazakhstan</b> The "Global Water Partnership" in cooperation with UNDP's Almaty office has applied for support to make a plan for integrated water resource management (IWRM) for Kazakhstan. The application is forwarded to the MoFA *)</p> <p><b>1.1.1.1.2 Tajikistan</b> The EBRD's has applied for support for a project about providing safe drinking water in the city of Khoujand in Tajikistan (including both east-west and east-east twinning). The application is forwarded to the MoFA *)</p> <p><b>1.1.1.1.3 EECCA regional projects</b> The OECD has applied for support of several projects in the area "Urban Water Sector Reform in the EECCA-countries". The projects aim at reducing obstacles for both legal, administrative and economic reforms in the urban water sector, in addition to identify social consequences of the reforms. The application is forwarded to the MoFA *)</p> <p><b>Ferghana-valley</b> (Tajikistan, Uzbekistan and Kyrgyzstan) The "Swiss Agency for Development and Cooperation" has applied for support of a project on conflict solving at a local level in the Ferghana valley (between Tajikistan, Uzbekistan and Kyrgyzstan). The project aims at preventing tension and conflicts concerning access to water sources. The application is forwarded to the MoFA *)</p>
<p><b>6. Supplementary information:</b></p> <p>*) Expenditure figures on expected future assistance in 2004 will most likely be announced at the EU Water Initiative meeting in Moscow February '04.</p> <p>For further information, please contact Ms. Marianne Gjørnv, The Norwegian Ministry of the Environment, Department for International Cooperation, P.O.Box Dep, NO-0030 Oslo, Norway, tel: +47 22 24 60 27, e-mail: marianne.gjoerv@md.dep.no</p>	

<b>Activities in EECCA countries. Support to Water Supply, Sanitation and IWRM</b>	
<b>Country: Sweden</b>	
<b>1. Development assistance policy in the water sector:</b> Sida works according to specific Landstrategies approved by the Swedish Government and reviewed every 3-4 years. Sectors of priority is defined in the strategies .	
<b>2. Assistance to EECCA countries within IWRM and WSS:</b>  Only Russia and Ukraine of the EECCA countries has so far recieved support from Sida in the environment sector. Between 1999 and 2003 in average 60-80 MSEk has been allocated of wich 2/3 for water projects. About 80 percent were spent in Northwest Russia.	<b>3. Partner countries:</b>  <ul style="list-style-type: none"> <li>• Russia</li> <li>• Ukraine</li> </ul>
<b>4. Past assistance within IWRM and WSS:</b> Between 1999 and 2003 in average 60-80 MSEk has been allocated of wich 2/3 for water projects. About 80 percent were spent in Northwest Russia.	<b>5. Expected future assistance within IWRM and WSS:</b> Support in environment sector to Russia and Ukraine is expected to continue on a level of appr. 100 MSEK yearly next 3-4 years. About 60 % is estimated for water sector. Northwest Russia is the main priority. If political situation changes also Belarus will be included.  - Cooperation in water sector with remaning EECCA countries will generally stay on a low level and accumulated during the period 2004-2008 be in the order of 25 MSEK for all countries together. Priority in this group of countries will be for Tajikistan and Kyrgystan.
<b>6. Supplementary information:</b>	

**Activities in EECCA countries. Support to Water Supply, Sanitation and IWRM****Country: United Kingdom****1. Development assistance policy in the water sector:**

The UK (through DfID) focuses on contributions that water and sanitation can make to broader development outcomes. This includes: links between water and poverty, particularly improving health and sustainable livelihoods; putting people at the centre and responding to demand; and concentrating on water resource management, sanitation and hygiene.

**2. Assistance to EECCA countries within IWRM and WSS:**

UK's assistance to EECCA has been undertaken by HMG's Department for International Development (DFID) in conjunction with funding from the Department for Environment Food and Rural Affairs (Defra). The following list describes UK assistance to the EECCA region.

Environment Action Programme (EAP) Task Force – A multi-year planning process in municipal budget development and investment- Ekaterinburg.

UK funding £230,000 – April 2002 – May 2004

Project Preparation Committee (PPC) £1 million – September 2001 to the present day. Funding of a PPC Officer and Trust Fund for environment investments in CEE & FSU.

Kazakhstan: Nura-Ishim River Basin Management Project - £1 million for a catchment management plan – March 99- July 04

Kyrgyzstan – Rural water supply and sanitation project

Technical assistance to improve water supply in rural areas of northern Kyrgyzstan in conjunction with a World Bank loan. March 2002 – March 2007. UK contribution of over £3 million

Russian Federation: Municipal Water and Wastewater Project – December 2002- March 2007. Technical assistance in cooperation with SIDA and Finland and a World Bank loan to assist municipal water and wastewater utilities in delivering water services.

**3. Partner countries:**

- Kazakhstan
- Kyrgyzstan
- Russia
- Ukraine

<p><b>4. Past assistance within IWRM and WSS:</b></p> <p>Ukraine: Small Environmental Projects (SEPS) - £164,097</p> <p>Russia: Small environmental projects (SEPS) - £391,235</p>	<p><b>5. Expected future assistance within IWRM and WSS:</b></p> <p>UK assistance is likely to continue through the joint relationship between DFID and Defra maintaining support to the Russia MWW project and the PPC.</p> <p>The focus is likely to consider how water and sanitation can support broader development outcomes and help to improve cooperation of the donor and wider international system.</p>
<p><b>6. Supplementary information:</b></p> <p>For further information please contact Gareth Martin, Department for International Development (DfID), <a href="mailto:g-martin@dfid.gov.uk">g-martin@dfid.gov.uk</a> Brian Penny, DfID, <a href="mailto:b-penny@dfid.gov.uk">b-penny@dfid.gov.uk</a></p>	

**Activities in EECCA countries. Support to Water Supply, Sanitation and IWRM****Country: Asian Development Bank****1. Development assistance policy in the water sector:**

ADB's water policy recognises the Asian and Pacific region's need to formulate and implement integrated, cross-sectoral approaches to water management and development. The policy seeks to (i) promote water as a socially vital economic good that needs increasingly careful management to sustain equitable economic growth and reduce poverty; and (ii) advocate a participatory approach in meeting the challenges of water conservation and protection in the region. The principal elements of the policy are to (i) promote a national focus on water sector reform; (ii) foster the integrated management of water resources; (iii) improve and expand the delivery of water services; (iv) foster the conservation of water and increase the mutually beneficial use of shared water resources within and between countries; (v) facilitate the exchange of water sector information and experience; and (vi) improve governance and capacity building.

ADB's activities in the water sector cover water supply, sanitation, irrigation and drainage, and water resources development and management. ADB activities in these areas include technical assistance and lending for sector studies, project preparatory work, policy development and capacity building, and investment activities.

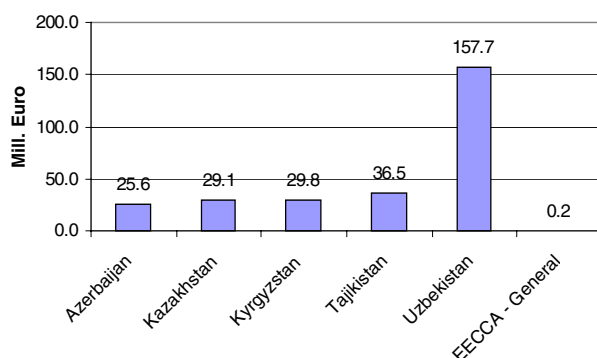
**2. Assistance to EECCA countries within IWRM and WSS:**

The six EECCA region countries that are members of ADB are covered by the East and Central Asia Department, one of five regional departments in ADB. ADB is a multilateral organisation, and its lending programs are developed in coordination with Ministries of Finance, Economic Planning or other coordinating agencies and responsible line ministries in the borrowing countries. Below is a list of ADB's ongoing loan projects in WSS and IWRM in the EECCA countries:

Ln No.	Project title	Approval Year	Amount	
			in US\$	in EU mn
2068-AZE	Flood Mitigation	Dec-03	30.000	24.000
2006-KAZ	Rural Area Water Supply & Sanitation	Sep-03	34.600	27.680
1742-KGZ	Community-Based Infrastructure Services	Jun-00	36.000	28.800
1980-TAJ	Agriculture Rehabilitation	Dec-02	43.700	34.960
1833-UZB	Ak Altin Agriculture Development	Aug-01	36.000	28.800
1842-UZB	Urban Water Supply	Sep-01	36.000	28.800
1903-UZB	Western Uzbekistan Rural Water Supply	May-02	38.000	30.400
2069-UZB	Amu Zang Water Resources Management	Dec-03	85.000	68.000

**3. Partner countries:**

- Azerbaijan
- Kazakhstan
- Kyrgyz Republic
- Tajikistan
- Uzbekistan

**4. Past assistance within IWRM and WSS:****5. Expected future assistance within IWRM and WSS:****6. Supplementary information:**

Further information to clarify policies, programmes, etc. This may include major multilateral programmes being supported.

For detailed information on specific projects or the ADB Water Policy, please refer to the ADB website at [www.adb.org](http://www.adb.org).

<b>Activities in EECCA countries. Support to Water Supply, Sanitation and IWRM</b>	
<b>Country: EBRD</b>	
<b>4. Development assistance policy in the water sector:</b> The EBRD focuses on water and sanitation, largely in an urban context.  The EBRD does not have any significant history of financing IWRM activities. Although, the EBRD did provide loan finance for the St Petersburg flood protection barrier	
<b>2. Assistance to EECCA countries within IWRM and WSS:</b>  The EBRD operates in all of the EECCA countries.  The EBRD takes a step-wise approach with municipal financing: as governance improves, local governments are able to progress from taking sovereign loans or sovereign guaranteed loans to independent financing, such as direct municipal lending, lending directly to public utilities, regional financing structures and public private partnerships.  In the EECCA region, the EBRD has only undertaken non-sovereign based lending in the Russian Federation to date.	<b>3. Partner countries:</b>  The EBRD currently has or is in the process of developing water and/or sanitation projects in the following EECCA countries: <ul style="list-style-type: none"><li>• Azerbaijan</li><li>• Kyrgyz Republic</li><li>• Moldova</li><li>• Russian Federation</li><li>• Tajikistan</li><li>• Ukraine</li><li>• Uzbekistan</li></ul>
<b>4. Past assistance within IWRM and WSS:</b>  Total value: €386.9m	<b>5. Expected future assistance within IWRM and WSS:</b> Current pipeline: €189.3m
<b>6. Supplementary information:</b>	

### Summary of EBRD water projects at various stages of development and implementation – EECCA region

Country	Project
AZERBAIJAN	Baku Water Rehabilitation Project
MOLDOVA	Chisinau Water Services Rehabilitation Project
RUSSIAN FEDERATION	Archangelsk Municipal Water Services Development
RUSSIAN FEDERATION	Kaliningrad Water and Environmental Services Project

RUSSIAN FEDERATION	Komi Municipal Water Services - Syktyvkar
RUSSIAN FEDERATION	Komi Municipal Water Services - Vorkuta
RUSSIAN FEDERATION	Krasnoyarsk Municipal Water Services Development Programme
RUSSIAN FEDERATION	Sakhalin Municipal Services Development Programme
RUSSIAN FEDERATION	St. Petersburg Northern Waste Water Treatment Plant Incinerator
RUSSIAN FEDERATION	St. Petersburg South-West Waste Water Treatment Plant
RUSSIAN FEDERATION	St. Petersburg Water & Environmental Services Improvement Programme
RUSSIAN FEDERATION	St. Petersburg Flood Protection Barrier
RUSSIAN FEDERATION	St. Petersburg Municipal Support Project
RUSSIAN FEDERATION	Surgut Municipal Services Development Programme
RUSSIAN FEDERATION	Yaroslavl Municipal Water Services Development Programme
TAJIKISTAN	Khujand Water Supply Improvement Project
UKRAINE	Dnipropetrovsk Municipal Water
UKRAINE	Kherson Municipal Utility Development Project
UKRAINE	Zaporizhzhia - Water Utility Development & Investment Programme
UZBEKISTAN	Tashkent Water Supply Improvement Project

**Activities in EECCA countries. Support to Water Supply, Sanitation and IWRM**

**Country: European Investment Bank**

**1. Development assistance policy in the water sector:**

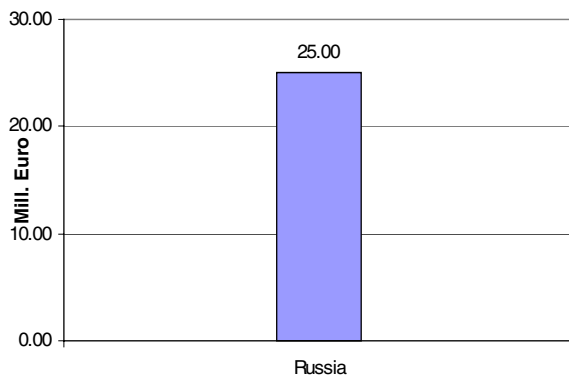
The Bank is acting up to now only in the Russian Federation within the frame of the Northern Dimension. The Ecofin Council of 12 March 2001 considered a set of criteria for a limited EIB special action for environmental projects in North West Russia, notably in the St Petersburg and Kaliningrad areas. The aggregate volume of loans is subject to a ceiling of 100 M EUR.

**2. Assistance to EECCA countries within IWRM and WSS:**

**3. Partner countries:**

Russian Federation

**4. Past assistance within IWRM and WSS:**



**5. Expected future assistance within IWRM and WSS:**

**6. Supplementary information:**

Currently three projects have been appraised, of which two in the St Petersburg area and one in the Kaliningrad area. The first of these projects has been signed at the end of 2003 (St Petersburg South West Waste Water Treatment Plant, EIB loan amount 25 M EUR).

**Activities in EECCA countries. Support to Water Supply, Sanitation and IWRM**  
**Country: Japan Bank for International Cooperation (JBIC)**

**1. Development assistance policy in the water sector:**  
 Some of Priority Areas related to water sector that were set in Basic Strategy of Japan’s ODA loan are as follows:

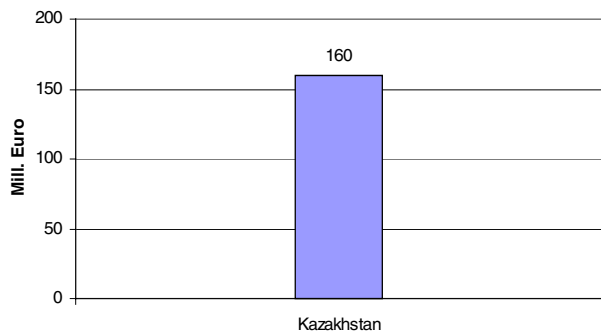
- Developing infrastructure for economic growth
- Supporting environmental improvement and anti-pollution measures
- Addressing global issues

For more information about Basic Strategy of Japan’s ODA loan, please visit our website.  
<http://www.jbic.go.jp/english/oec/policy/index.php>

**2. Assistance to EECCA countries within IWRM and WSS:**  
 JBIC will continue to provide ODA loans primarily in Asia, which has overall relation with Japan.  
 For Central and Eastern Europe, the priority of JBIC’s assistance will be on economic infrastructure, environmental conservation and reconstruction after conflict.  
 For Central Asia and Caucasus region, the priority of JBIC’s assistance is on human resource development to support a smooth transition to a market economy, and rehabilitation and development of economic and social infrastructure, such as energy, transportation, telecommunications, water supply and sanitation.

**3. Partner countries:**  
 All EECCA except Russia could be a recipient of JBIC ODA loan.

**4. Past assistance within IWRM and WSS:**  
 JBIC committed a loan for Astana Water Supply and Sewerage Project in Kazakhstan on July 8, 2003.



**5. Expected future assistance within IWRM and WSS:**  
 Not Available

**6. Supplementary information:**

**Activities in EECCA countries. Support to Water Supply, Sanitation and IWRM**

**Country: NEFCO**

**1. Development assistance policy in the water sector:**

NEFCO has since 1990 supported Eastern European countries (the Accession Countries, North-west Russia and Ukraine) within the water sector. Over EUR 40 million has been invested in and additionally EUR 13 million is committed to projects within the water sector. Priority projects for NEFCO and the Nordic Environment Development Fund (NEDF) are projects that lead to reduction of pollution in the Baltic Sea and the Barents Sea covering institutional development and investments within water and wastewater treatment, water monitoring and groundwater protection both industrial and municipal.

**2. Assistance to EECCA countries within IWRM and WSS:**

NEFCO and the Nordic Environmental Development Fund (NEDF) participates in projects with regional environmental effects in the Baltic States, North-west Russia and Ukraine.

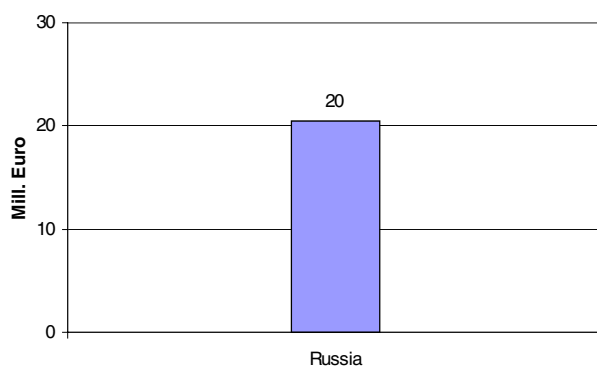
The main activities in north-west Russia have been within the water supply and sanitation through the local municipalities but NEFCO and NEDF also participate in projects that eliminate the risk for water contamination.

The beneficiaries have been local municipalities and vodokanals.

**3. Partner countries:**

- North-west Russia
- Ukraine

**4. Past assistance within IWRM and WSS:**



**5. Expected future assistance within IWRM and WSS:**

The information is provided in the excel spreadsheet

**6. Supplementary information:**

For further information, please contact Mr. Harro Pitkänen, Managing Director or Mr. Magnus Rystedt, Senior Investment Manager, Nordic Environment Finance Corporation – NEFCO, P.O.Box 249 (Fabianinkatu 34), FIN-00171 Helsinki, Finland. Tel. +358 9 1800 344, E-mail: info@nefco.fi , www.nefco.org

**Activities in EECCA countries. Support to Water Supply, Sanitation and IWRM****Country: Nordic Investment Bank (NIB)****1. Development assistance policy in the water sector:**

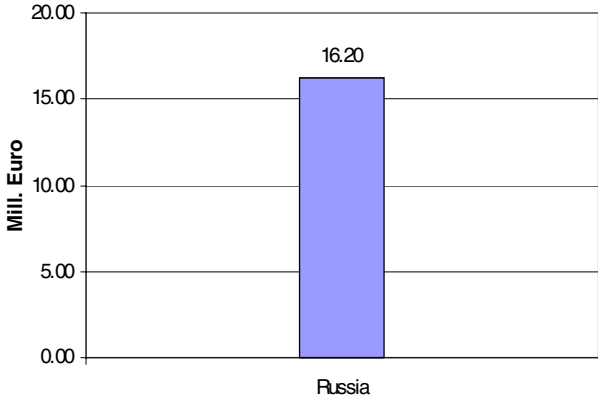
NIB gives priority to the financing of environmental investments in the neighbouring areas to the Nordic region. NIB can grant special environmental investment loans to projects in northwest Russia. This facility can also be used for urgent investments in Ukraine (and Belarus). NIB has an active role in the Northern Dimension Environmental Partnership (NDEP), an initiative combining sources of financing from EU, several multilateral financing institutions and the Russian Federation to support the implementation of high-priority environmental projects in North West Russia.

Today NIB is involved in the implementation of the following water projects in North West Russia:

- NIB has granted a loan to Vodokanal St. Petersburg in the amount of EUR 7,7 million for the water and wastewater treatment plant in the Sestroretsk spa area. Total costs are EUR 23,7 million. The project is part of the water utility's comprehensive development program and among the financiers are SIDA (Swedish International Development Agency), the Finnish Ministry for the Environment (FME) and DEPA, the Danish Environment Protection Agency.
- Kaliningrad Vodokanal - NIB has signed a USD 13-million loan agreement in 2001 with the Russian Federation. The project, which is led by EBRD, totals USD 65 million. The project includes investments in potable water and wastewater treatment as well as institutional development.
- South West Wastewater Treatment Plant - NIB has granted a loan in 2003 of EUR 45 million to the Russian project company Nordvod for completion of the South West Wastewater Treatment Plant in St Petersburg. The total project cost is estimated at EUR 190 million. NIB acts as lead bank for the project. The construction started at the beginning of 2003 and the wastewater treatment plant is expected to be completed in 2005.
- St Petersburg Flood Protection Barrier - NIB has approved a loan of maximum USD 40 million to finalise the Flood Protection Barrier project in St. Petersburg. The project costs are estimated at USD 420 million. EBRD acts as Lead Agency for the financing of the Project.

Today NIB is involved in the preparation of the following water projects in North West Russia:

- Leningrad Oblast - NIB leads a development programme of EUR 5,3 million for environmental investments for a number of selected cities in the Region. The investment programme involves in the first phase four towns, i.e. Gatchina, Kirovsk, Pikalevo and Tikhvin. The Nordic Environment Finance Corporation (NEFCO), the Governments of Sweden, Denmark and Finland, as well as the NDEP Support Fund will contribute with Grant financing to this program. The costs of the first phase the programme is estimated at EUR 20 million.
- Remaining untreated wastewater in St. Petersburg - Even after completion of the South West Wastewater Treatment Plant approximately 25 % of the city's wastewater remains untreated. The completion of the South West Wastewater Treatment Plant creates capacity for the City of St Petersburg to treat all wastewater, however, there remain some 400 outlet points unconnected to the sewage system. NIB has been mandated to commission a pre-feasibility study on how to eliminate these remaining sewage outlet points. The feasibility study is expected to be started early 2004.
- Kaliningrad Solid Waste Management - The aim of the project is to find a comprehensive solution for the collection, sorting and end deposit of solid waste for the whole region. The objective for this is to reduce the pollution of both the ground and surface waters. The feasibility study is expected to be completed in the beginning of 2004.
- Novgorod Cross Municipal Rehabilitation Project - The project covers rehabilitation investments in the water, wastewater, solid waste and district heating sectors.
- The Ladoga Programme - NIB has recently launched an environmental programme for Ladoga, an industrial rehabilitation programme in order to improve the environment in the Ladoga catchment area. The aim of the programme is to reduce emissions to the air and discharges into the river Neva as well as into the lake Ladoga and lake Onega from the paper- and pulp industry and the metallurgical industry. The programme is expected to have significant positive environmental impact on the Baltic Sea. The Ladoga programme has the status as a NDEP project.

<p><b>2. Assistance to EECCA countries within IWRM and WSS:</b></p> <p>See above</p>	<p><b>3. Partner countries:</b></p> <p>Loans are being provided to</p> <ul style="list-style-type: none"> <li>• Russia (Northwest Russia).</li> </ul> <p>In the future</p> <ul style="list-style-type: none"> <li>• Ukraine</li> <li>• (and Belarus) might also be in focus.</li> </ul>				
<p><b>4. Past assistance within IWRM and WSS:</b></p>  <table border="1"> <caption>Data for Past Assistance within IWRM and WSS</caption> <thead> <tr> <th>Country</th> <th>Assistance (Mill. Euro)</th> </tr> </thead> <tbody> <tr> <td>Russia</td> <td>16.20</td> </tr> </tbody> </table>	Country	Assistance (Mill. Euro)	Russia	16.20	<p><b>5. Expected future assistance within IWRM and WSS:</b></p> <p>See list of priority projects within NDEP;</p> <ul style="list-style-type: none"> <li>- St. Petersburg Southwest Wastewater Treatment Plant (SWTP)</li> <li>- St. Petersburg Flood Protection Barrier</li> <li>- St. Petersburg Northern Wastewater Treatment Plant Incinerator</li> <li>- Municipal Environment Investment Programme in the Leningrad Oblast</li> <li>- Komi Municipal Services Improvement Project</li> <li>- Kaliningrad District Heating Rehabilitation</li> <li>- Novgorod Cross Municipal Rehabilitation</li> <li>- Kaliningrad Solid Waste Management Project</li> <li>- Archangelsk Municipal Water Services Project</li> <li>- Murmansk District Heating Project</li> <li>- St. Petersburg Neva Wastewater Collector Project</li> <li>- St. Petersburg District Heating Programme</li> </ul>
Country	Assistance (Mill. Euro)				
Russia	16.20				
<p><b>6. Supplementary information:</b></p> <p>For further information contact;</p> <p>Martin Relander, Vice President, International Lending, Central and Eastern Europe          Tel. +358-9-180 0246          Mail: martin.relander@nib.int</p> <p>Martine Hannus, Assistant, International Lending, Central and Eastern Europe          Tel. +358-9-180 0230          Mail: martine.hannus@nib.int</p>					

## **APPENDIX 1**

### **Figures for past and projected future involvement in the EECCA region by donors and IFIs**