

Wrap up of the key points of discussion from the 1st day meeting

- Introduction to Water Management and Strategic Planning and Investment Working Groups activities
- Introduction to previous training on cost recovery
- Sustainable cost recovery as essential condition for sustainability of investment into infrastructure projects
- Managing costs, not only raising financing:
 - Regionalisation
 - Increasing efficiency
 - PUCs reform

- Affordability criteria and social acceptability
- Cost benefit analysis as a tool for investment management
- Important examples from the region are available:
 - Croatia's sector reform
 - Macedonia's tariffs system reform

- Introduction to meta-planning principles and check list:
 - National environmental priorities
 - Planning of approximation process
 - Requirements for planning documents as part of acquis
 - Planning documents depending on selected strategy for negotiations
 - Horizontal planning documents to support implementation of institutional and sectoral policies
- Meta-planning to streamline negotiations preparatory process and provide background for **projects** (both, investment and technical assistance) management

- Introduction to planning documents and requirements, coming from the water sector acquis:
 - Water Framework Directive
 - UWWTD
 - Drinking Water Directive
 - Nitrates directive

WFD

- The **WFD objectives** by 2015, 2021 or 2027 (*if exemptions can be justified*) is for all European water bodies to achieve and maintain ‘good ecological status’ (GES) or ‘high ecological status’ (HES)

WFD approach for water planning

- The planning process includes following main components:
 - Setting the scene
 - Assessment of the current status and analyze preliminary gaps
 - Setting up of the environmental objectives
 - Establishment of monitoring programmes
 - Gap analysis
 - Setting up of the programme of measures
 - Development river basin management plans
 - Implementation of the programmes of measures and prepare the interim
 - report on the implementation
 - Evaluation the first and the second period
 - Information and consultation of the public, active involvement of interested parties.

RBMP – strategic planning document guiding implementation for 6 years

- Contents of the RBMP:
 - Description of the characteristics of the river basin district
 - Summary of significant pressures and impact of human activity
 - Monitoring programmes
 - List of the environmental objectives
 - Economic analysis of water use
 - Programme or programmes of measures
 - Public information and consultation measures
 - List of competent authorities

WFD

- Challenges and solutions, learning from available experience
- Relevant thematic issues of integration in Drina River Basin

UWWTD

- Requirements of the directive
- Situation in Romania before accession:
 - Less than 50% of population have access to centralized water/wastewater services
 - Almost 80% of wastewater discharged in natural receivers untreated or insufficiently treated
 - Poor status of infrastructure
 - Fragmentation of sector

UWWTD

- Designation of sensitive areas
- Assessment of needed infrastructure
- Transitional periods:
 - Till 31 December 2013 for collection of wastewater in 263 agglomerations (61,9 % from biodegradable load)
 - Till 31 December 2018 for collection in 2346 agglomerations (38,1 % from biodegradable load)
 - Till 31 December 2015, for urban wastewater treatment in 263 agglomeration with more than 10000 i.e. (including P and N removal)
 - Till 31 December 2018, for urban wastewater treatment for 2346 agglomerations with less 10000 i.e.
- Estimated cost: 9.5 billions Euro

UWWTD

- 19 billions Euro – total estimated investment costs for compliance with EU Water Directives
- Definition of agglomerations:
 - Definition in the Implementation Plan
 - Definition in the Master Plan
 - Detailed boundaries in the Feasibility Study

UWWTD

- Ensure EU funds absorption
- Linking the strategy to the budgetary decision making process
- Ensuring that tariff policies are sustainable from economic and social point of view
- Increase the collection rate for water bills
- Rehabilitate and rationalize infrastructure by adjusting its capacity to present and future
- Optimizing capital and operational expenditure

RO. Financing Strategy

- Total amount needed 9.5 billions Euro
- Financing sources:
 - EU funds 40%
 - National and local budget 30%
 - Loans and PPP 20%
 - Environmental Fund 3%
 - Consumers (Operators) 7%

UWWTD

- Regionalisation
- Two step approach for setting criteria:
 - Step 1: Mandatory criteria
 - Compliance date
 - Association agreement
 - Step 2: Ranking
 - Size of agglomeration (highest weight)
 - Health improvement
 - Environmental improvement
 - Efficiency improvement

UWWTD

- Need to coordinate with WFD and Drinking Water Directive
- Development of the wastewater infrastructure requires important financial resources
- Securing the financial resources requires a mixture of instruments provided by EU, national and local budget, IFIs and operators
- A careful planning could lead to a better ratio cost/benefits
- Tariff policy is a key issue for a sound investment
- Regionalization facilitate the investment

UWWTD

- Content of the DSIP:
 - Requirements of the specific EU legislation
 - Existing situation
 - Approximation Plan
- Cost assessment - 500 Euro per equivalent inhabitant
- Formats for reporting – continuous planning of the Directive implementation

Drinking water directive

- Requirements
- Derogations
- Content of Plan for meeting requirements of the Drinking Water Directive
- Institutional cooperation
- Formulation of transitional periods:
 - E.g., By 31 December 2015 for Ammonium, Nitrates, Aluminium, Iron, Lead, Cadmium, Pesticides and Manganese for the localities with a population between 10,000 and 100,000 inhabitants;

DWD

- Total costs of implementation of DWD - EUR 5,608.1 million
- Importance of financing planning
- Correlation with implementation of UWWTD

Nitrates Directive

- Requirements of the Nitrates Directive and relation to WFD
- What has be done before and for the day of accession
- Monitoring requirements
- Designation of Nitrates Vulnerable Zones:
 - Designation of specific zones
 - No designation of specific zones and implementation of the action programme on the whole territory

Action Programmes

- Examples of measures to be included in the Action Programmes:
 - Minimum storage capacity
 - Prohibition periods of fertiliser application
 - Maximum Nitrogen amount applied with livestock manure: 170 kg/hectare
 - Limitation of application of fertilisers: fertilization according to a nitrogen balance
 - Fertilisation procedures near water courses, on slopes, on frozen, water logged, snow covered soils
 - Vegetation cover in winter periods

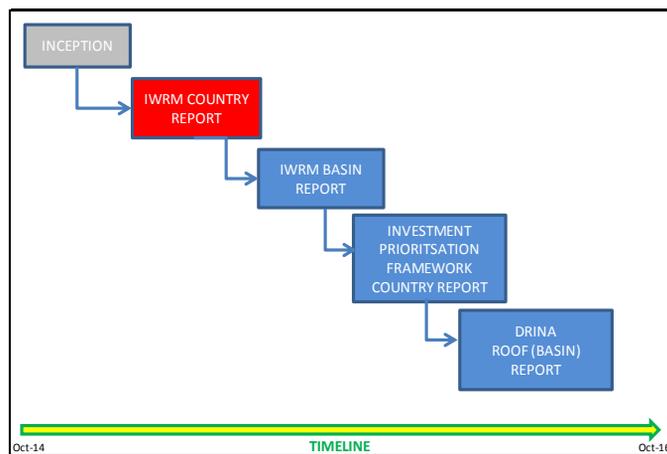
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- Reporting requirements
- Policy implications:
 - WFD and CAP – two major policies in Europe
 - Nitrates Directive is a key instrument to protect water from nitrate pollution from agricultural sources

World Bank Drina Project

- Project Background, objectives, approach, main outputs
- Current status and constraints

Outputs



Constrains

- Poor responses from Stakeholders
- Lack of data
- Not enough coordination between stakeholders
- Riparian countries are not aligned to RBMP at Drina Basin Level
 - RBMP being prepared for Sava in BiH – EU IPA project
 - Serbia follows the Danube RBMP and the most recent Sava RBMP

Recommendations

- Important for the Drina Project to regularly liaise with ECRAN
- The forthcoming GEF project needs strong liaison with ECRAN to avoid overlaps and to promote synergies
- *To improve strategic planning in order to avoid unnecessary pressures on limited resources (both, institutional and financial)*