

**SWISS AGENCY FOR DEVELOPMENT AND COOPERATION
(SDC)**

**INTERSTATE COMMISSION FOR WATER COORDINATION
IN CENTRAL ASIA (ICWC)**

International Water Management Institute (IWMI)	Scientific Information Center of ICWC (SIC ICWC)
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“IWRM-FERGANA” PROJECT

CONCEPT

**OF JOINT GOVERNANCE OF PILOT CANAL
ADMINISTRATIONS
(in terms of AACM)**

(project)

TASHKENT – 2005.

ABBREVIATIONS

SDC – Swiss Agency for Development and Cooperation
ICWC – Interstate Commission for Water Coordination
SIC ICWC – Scientific Information Center of ICWC
IWMI – International Water Management Institute
WUA – Water Users Association
BWRA – Basin Water Resources Administration
BISA – Basin Irrigation System Administration
WMO – Water Management Organization
IDS – Irrigation and Drainage system
CD – Central Department
IS – Irrigation System
IWRM – Integrated Water Resources Management
MAWRPI – Ministry of Agriculture, Water Resources and
Processing Industry
ME and MESM – Ministry of Economics and Emergency
Situations and Mess
NNO – Non governmental non-profit organization
PS – Pumping Station
AP – Action Plan
PC – Pilot Canal
TMA - transferring governance authorities
DDWR – District Department for Water Resources
CWU – Canal Water Users Union
JM – Joint Governance
SCE – Special Expert Commission
CMO – Canal Management Organization
CAR – Central Asia Region
AAC – Aravan Akbura Canal
SFC – South Fergana Canal
HBC – Hojabakirgan Canal

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GENERAL PROVISIONS

«...water crisis often performs crisis of governance» (from statement «Basis for Global Water Partnership Actions» (GWP) on World Forum in Hague, 2000).

We should «manage water in a wise way in order to provide good governance, by which water resources management would include public involvement and concerns of all stakeholders» (Hague Ministerial Declaration).

Problems of water governance cannot be considered ignoring problems of relationships between civil society and the government.

Governance forms:

- Command-administrative (government);
- joint (government, society);
- public.

Correlation between the government and society in governance process should be in keeping with internal factors (social-economic level and intellectual development of society) and external factors (security level).

Domestic and foreign experience shows, that today totally governmental (centralized) approach doesn't permit to provide with sufficiently equitable, effective and environmentally secure level of water management.

Introduction of paying water use puts prerequisites for forming market factors of stimulating effective water management. These prerequisites are the necessary condition, but insufficient for visible improvement of water management quality.

The absence of public participation in water resources governance is one of the main limitative factors, containing development of effectiveness and equity of water governance at all water allocation levels.

Equitable water governance means that all available water sources are used so, that needs of all various groups in society would be taken into consideration. It means that all decisions should meet the interests of all social groups, which in addition should be able to take part in decision-making.

Inequitable water governance brings to

- increase of poverty
- ecological and
- social catastrophes.

In this connection the process of governance decentralization becomes actual through public involvement in water governance process, through establishing water organization of new type (figure 1.) – organizations on side of water user – on the side of demand.

Governance decentralization should occur gradually. Now this process is implemented through introducing the public form of water governance and transferring rights on decision- making to local water authorities on issues, which may be resolved more efficiently at the local level. The problem is to find the rational level of decentralization and government regulation.

On below level (former collective farm level) water users associations (WUA) are established.

On large-scale (main) canals (systems) level – canal (system) water users unions¹ are organized (CWU). CWU is non-profit, non-governmental organization, through which interested in water natural and juridical persons (local authority, farmer, ecologist, water supplier, power engineering specialist, fish industry,...) have a possibility to participate in water governance process for achieving

¹ In this case, the word "water user" is the synonym for "stakeholder", meaning the person, which is interested or depended on water allocation.

more equitable, effective and ecologically secure water allocation in civilized way. Thus, CWU in contrast to WUA Federation², join all stakeholders, and not just farming water users.

DIFFERENTIATION OF GOVERNANCE AND MANAGEMENT

From position of three spheres of water functioning and water relations: social-economic, ecological and political, IWRM system, as integrated and system-oriented approach, should include integration, on the one hand, and differentiation, on the other hand.

Separate elements of these spheres are included in “governance”, whereas other ones are included in “management”. The role of “governance”, developing mainly in political and partly in social-economic spheres, consists in establishing the climate for IWRM introduction, in which managers and stakeholders could successfully cooperate and integrate.

Governance sets up facilities, order, system of political, financial and public regulation, economical sustainability – limitations and set of regulations, which managers have and on which they should orient, through legal, institutional, financial and public foundations.

² Establishing a public association is foreseen by legislation of Central Asia Republics and only as Association or Union.

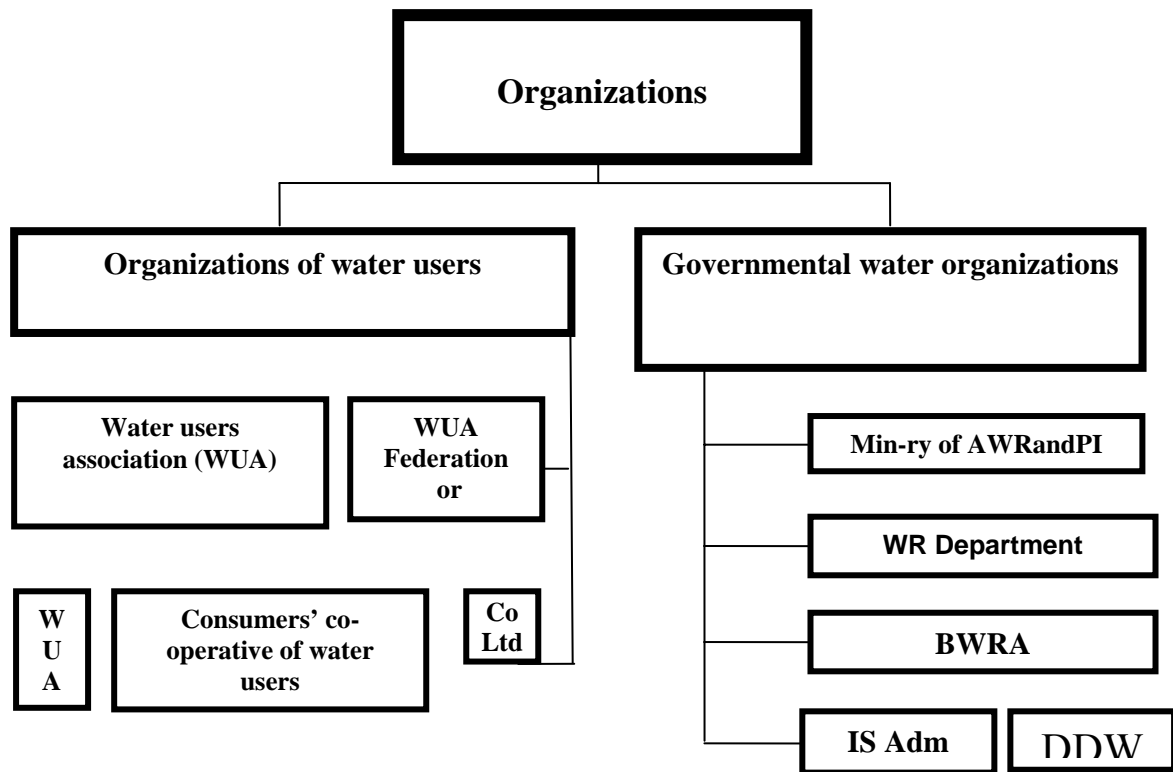


Figure 1. Water organizations

So, governance includes:

- legislative basis for forming water sector, water relations and water limitations;
- rights to water, ownership of water, market right;
- working out definite organizational structures and regulations, linking the role of government and the role of stakeholders;
- working out price policy on water, degree of support by government and local authorities of water resources;
- allocation of responsibilities between government, territorial and local bodies on water governance;
- attitude of government to natural basis of water;
- attitude of government to upbringing of responsibility for water in society;
- degree of involving “stakeholders” in planning and governance, the possibility of decentralization and transfer the part of governance rights.

Functional levels of governance:

- Internal governance (organizational level) – allocation of finance, limits, structure of organizations, staff, instructions...
- External governance (constitutional level) – legislation, property rights, market relations, payment for water, rights to water, rights' market to water, investments, subsidies, ...

Governance authorities:

- 1) External governance: *the President, the Parliament, the Government.*
- 2) Internal governance: *the Ministry, the Department (CD), BWRA (BISA), CWU.*

At present time, governance of, for example, AAC Administrations, is implemented by the government represented by the Ministry of AWRPI, its Water Resources Department and Basin Water Resources Administration (BWRA).

Management is the process of planning and implementing technical, financial and organizational measures on water allocation and maintenance IDS in operational status, i.e. we consider “management” as a synonym for the word “operation” (management).

Functions of management authorities:

- Annual planning:
 - Determining requests on water and local water resources;
 - Water distribution and water allocation with account of allotted limits;
 - water prevention and quality protection
- Implementing water use plans:
 - filling storage pools;
 - water supply;
- Follow-up action:
 - Organize water account;
 - Assess water savings;

- Support and operate objects and infrastructure of:
 - Storage pools and headworks;
 - Main and distribution network and structures;
 - Collector-drainage network;
 - Hydrometric posts;
- Organizing and servicing database.

Management authorities:

- AACA;
- SFCA;
- HBCA.

DRAWBACKS OF GOVERNMENTAL FORM AND ADVANTAGES OF PUBLIC FORM OF GOVERNANCE

The Government is represented by officials, private interests of which often aren't coincided with the interests of civil society, on the whole, and water users, in particular, thereby, for example, cultural and professional and ecological needs of society in water should be satisfied by reduced principle.

Governmental water management organizations (WMO) are in the situation, when they have to perform contradictory roles: at the same time they are as service provides, so and controlling unit for such provisioning. Such situation can not provide good quality of water allocation.

Besides, governmental water management organizations, as a rule, are weakly interested in reduction of costs on operation and service IDS, and also in water conservation

The more the decision-making process is decentralized, the wider is the public participation of water users. The more is the public participation, the more transparent and opener is the governance

process, and nevertheless, conditions for existing some sick phenomena and machinations are favorable, from the direction of those, to whom the direct water allocation is entrusted (heads and the staff of hydromeliorative service).

So, collective-public form of governance on water allocation establishes conditions for implementing principles of openness, transparency and equity due to better awareness of water users, the more interested motives of operational service staff to account the demands of those, whom they service and on whom they depend.

As the rise of water users' awareness is able to set effective barrier to violation of principles of equity during water allocation by leaders and operational service staff, and also to unlawful interference of local authorities, then the idea of public participation not always can be supported by their representatives. Orally, they can support the public participation, and in practice underestimate its role or to show resistance.

THEORY AND PRACTICE OF TRANSFERRING GOVERNANCE AUTHORITIES

In world practice of reforming agriculture and water resources, under transfer or privatization of governance system of operational organization³ is understood the complete or partial transferring responsibilities and authorities on governance of this organization from the government to organizational groups of water users as various cooperatives (consumers', producers'), associations, unions, federations and their other organizational-legal forms.

The experience of different countries of the world shows that such transfer, with account of local specifics, conditions, and also possibilities of both the transferring and the receiving function of governance, can take various forms and scale.

³ The functions of operational organization are determined by its Statute and in accordance with it, it can be responsible only for water transmission and water distribution only from alignment of the main canal (SFC), others are responsible not only for the main canal, but for the whole irrigation and drainage system, including both irrigation and collector-drainage network (AAC). In ideal, in accordance with IWRM principles operational organization should be responsible both for water allocation and reclamation prosperity of irrigated lands.

The main reason, by which the governance is making the decision to transfer governance of operational organizations, as a rule, is reduction in controllability, and also deteriorating the irrigation and drainage systems' condition and services on account of:

- Sharp increasing the number of water users and complicating the issue of water supply and water allocation by old methods;
- Lack of public funds on further financing the water services;
- Low charges for irrigational and other water services and etc.;
- Unpreparedness and weak interested motives, bureaucratic apparatus and water services' staff to the work of changed reformation conditions.

So involving water users themselves to direct operational organizations' governance became dictate of time and one of the most common methods on way out from emerged crisis in agriculture and water industry in the world.

The independence of Central Asia Countries brings to the establishment of scores, sometimes hundreds of farms and dekhans in agrarian sector and they are continued to establish. Service on operation and maintenance of irrigation and drainage systems (Irrigation and drainage service), earlier operated in collective and state farms, ended to exist.

In spite of it, water users associations (WUA) were established in many republics, operating on the principle of long forgot *adapt and shariat* traditions, "corner stone" of which is public-collective participation. Foreign and local WUA experience shows, that the direct collective participation of water users, as a rule, provides stable, equitable and equal water resources management and water supply.

It is necessary to mark, that in Central Asia the experience of public-collective participation limit, in general, by WUA level, i.e. former onfarm irrigation and drainage network. At the same time the world experience shows that the direct water users

participation in governance on the higher level of water system, as for example the main canal, is no less effective decision to:

- Raise the management of the system and on this base to increase the level of uniformity, equity, water supply during timely water distribution.
- Establish interest of water users and operational organizations' staff in reducing volumes of water use and operating costs. At the same time, great possibility is being established due to the greater water users responsibility:
 - To improve financial and technical condition of irrigation systems;
 - To reduce sharply disputes, arising because of poor water supply;
 - To increase collecting payments for irrigation services;
 - To raise productivity and profits due to effective water allocation;
 - To assert own interests as the more organized group on the highest governmental and legislative levels.

Active water users participation in operational organizations' governance through transferring government authorities from governmental organizations to water users' associations permit to achieve the more qualitative water supply, increase in productivity of using land and water resources, improvement of land-reclamation condition, the greater solidarity of separate water users groups within the whole system.

Transferring governance authorities (TGA) by operational organizations is necessary to proceed from strict centralized governmental form of water allocation governance to public form, during which all interested in water natural and juridical persons (khakimiyat, farmer, ecologist, water supplier, power engineering specialist, fish industry,...) have a chance to participate in civilized way in water allocation management, and also operating and servicing irrigation and drainage network for achieving the more equitable, effective and ecologically secure water allocation.

In contrast to developing foreign countries, implemented reforms in water industry and where water users were farms, and interfarm network belonged to the government, central-asia farms were collective, as a rule, and de-jure already had powers on water governance.

During reforms after reorganizing collective farms, the former onfarm network turned out ownerless, and water management reduced to utterly, that unavoidably negative affected on effectiveness of agriculture. Then the government had to initiate the process of establishing WUA, to which the government began to transfer automatically governance authorities of the former onfarm network.

So, if not to account this short period of ownerless, then in fact, as a result of reforms, governance transferring from water users to water users was occurred.

As for main canals' level, then in contrast to WUA level, there was not provided the whole transferring of governance authorities, and transferring to joint (the government and public stakeholders) governance of management. At the same time: transferring the part of authorities should occur exactly from the government to water users.

It should be haven in a view, that often the government, in the person of water officials, does not sense the sharp necessity in this transferring, though there is this necessity.

Hence, it can be asserted, that TGA at main systems' level will not have such a smooth, quick and mass character as it was at WUA level.

STAGES AND PROSPECTS OF ORGANIZATIONAL GOVERNANCE DEVELOPMENT OF PILOT CANAL ADMINISTRATIONS

I. Governmental water governance

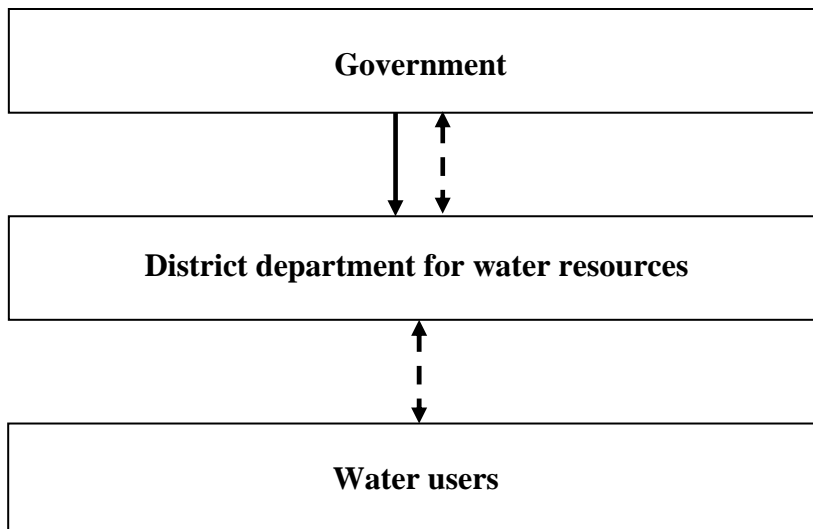


Figure 2. The structure of governance before transferring to hydrographical principle

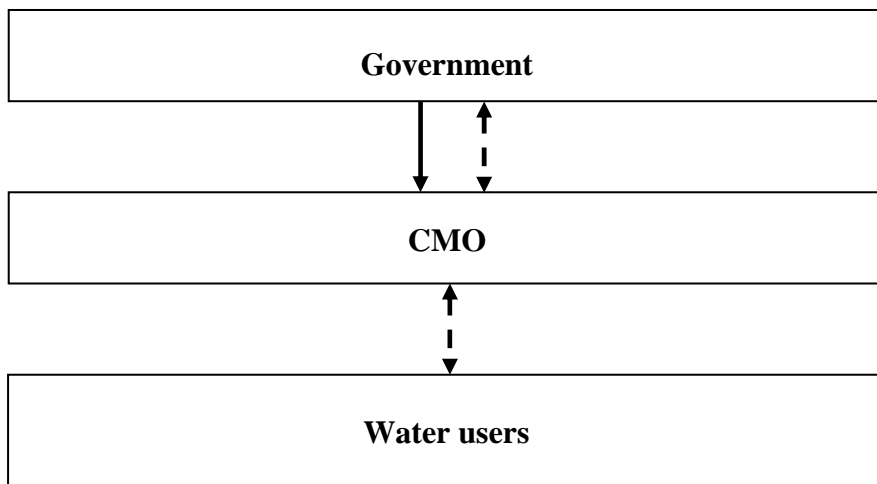


Figure 3. The structure of governance after transferring on hydrographical principle

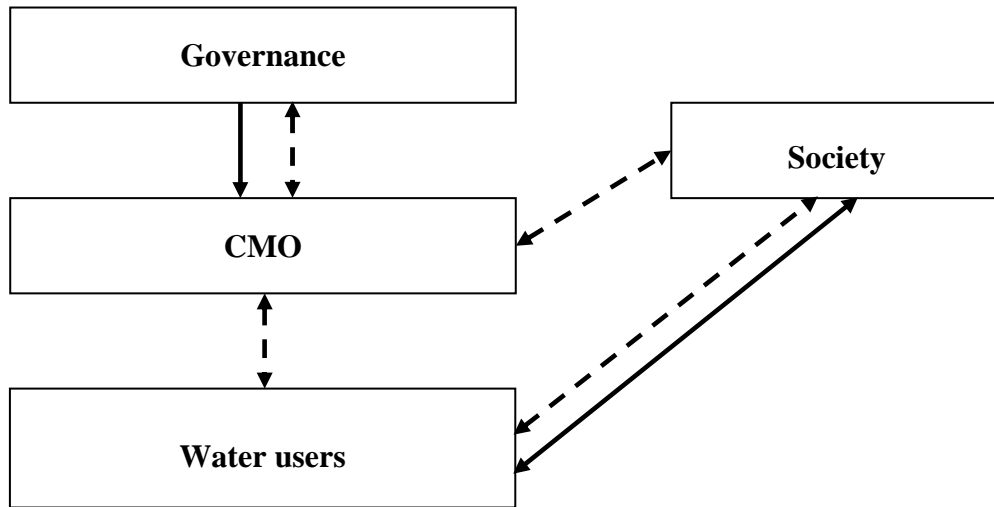


Figure 4. The structure of governance today: society, due to “IWRM-Fergana” project’s support, partly participate in water governance

II. Joint water governance

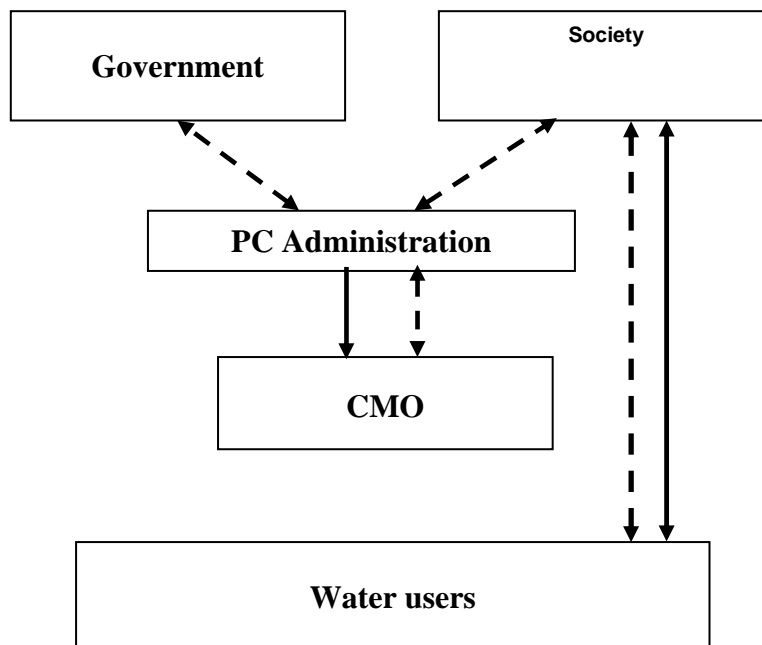


Figure 5. The structure of governance during transition: Water governance is implemented by the government and society jointly, based on “Contract of joint governance ...”

III. Public water governance

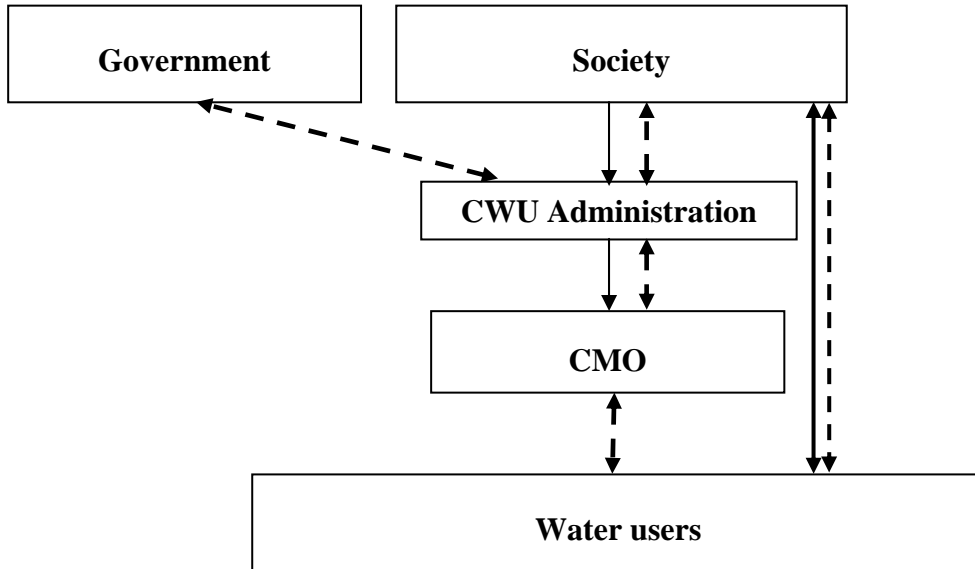


Figure 6. The structure of governance in perspective: water governance is implemented by society with the support of governance

Notation conventions:

- - - - -> Functional, data and (or) financial communication

————> PC - Pilot Canal

CMO - Canal Management Organization

WUA –Water users association

BASING NECESSITY OF TRANSFER TO JOINT GOVERNANCE

Today (figure 4) WUA with the project support participate along with governmental water organizations in implementing the following functions on governance:

- Approval and collecting financial contributions from water users, distribution of contribution between water users;
- Determining the order (queue, adjustment, control and accounting) of implementing water supply and water use;
- Arbitration and resolution of disputes between water users and CMO;
- Approval of business plan, based on balance of funds, appropriated by state budget, collected and attracted by various activity of establishing and spending reserves and etc.;
- Decision about attracting credit, covered by water users.

However WUA authority is not *legitimate* and that's why can not be quite effective and stable.

Certainly, in ideal, state water governance should be changed by public water governance in perspective on the area of canal (system) in person of WUA (figure 6). At the same time CMO should "join" CWU. CWU Council would be governing body, and CMO – executive one of CWU.

Further CWU should receive:

The full authority in determining number, staff and hiring the head of canal management organization and etc.

- The full responsibility for financial independence and self-survival with accounting governmental contributions and etc.

It will be so in perspective, but now it is early to talk by the following reasons:

- firstly, today the economic position of water users is so that they can not dispense with the support of the government (no less 50% of operating costs of AACCA are paid by the government);
- secondly, CAR should have time to achieve vital importance, as it was aimed, during building the democratic and constitutional state.

Today it should not be thrust and formed the transferring from the governmental form of governance to public one or interpret this transferring as transmission of authorities from government to water users themselves.

At present time it can be spoken not only about gradual transition from state governance to joint governance (figure 5.), where the government equally participate in water management.

During joint governance (figure 5), the governing body is pilot canal administration, which forms from representatives of governmental and public organizations pro rata contribution in financing operational activity of pilot canal administration.

Pilot canal administration consists of 5-7 members. In perspective, during public form of governance the governing body will be CWU Administration (figure 6).

Funds, received from water users for water services of CMO, are considered as water users contributions in financing operational activity of pilot canal administration.

GOVERNMENT FINANCING

Mechanism of implementing the government financing is a very important moment in transmission to joint governance. Many governments have no proper legal basis for transferring public funds

in using by some non-governmental systems, including local organizations, NNO or private companies.

There are possible two cases:

- in the first case, water users pay to governmental organization– Pilot Administration for water distribution in addition to, set by the government, its part on service, maintenance and development. Here the main responsibility for financial sustainability is owed to the government.
- In the second case, it is joint financing the same costs by water users and governing bodies in certain part, provided financial sustainability and self-financing, which should be based not only on business planning, but package on economical spending funds for operation, tight control for quality of supplied water, involving other cheaper water resources, all-round using available funds and resources (including unused or bad used land resources in consequence of poor reclamation condition), saving on machine water supply.

It is clear, that during transition the government should save financing operational organizations in volume, necessary for proper level control of water management. As for further continuation of public funding, than it is purely the subject of discussions between the government and social organization, to which in perspective the object of governance is transferred.

There are possible the following variants:

- As before the government continue to finance expenses, in spite of changes in CMO Statute;
- The government reduces financing during joint governance;
- The government pay out the settled amount at once as start capital and then gradually reduce the sum of annual financing;
- All other variants are possible.

In any case, the role of project will conclude only in assisting to such discussions between sides, participating in governance of pilot

canal administration activity on financing issues and using other resources, transferring at the disposal of new organization.

Nevertheless, even in presence of government financing and other resources, it would not be enough for the last complete effectiveness and profitability of production.

So with a view of looking-for and mobilizing own funds and resources, including for necessary liveware, in addition such organization should be able to draw up their business plan.

The necessity of government participation in financing the water organizations naturally follow that irrigation and reclamation directly influence on ecological and social condition of environment and society, and as far as such condition would be successful, mainly depend on level of government participation, including financial one.

Besides, the world experience shows that financing major repairs and reconstructing irrigation and drainage systems, as a rule, the government is taking on itself.

THE PROCESS OF TRANSFERRING TO JOINT GOVERNANCE

First of all, it is supposed to create necessary information about planning changes among all stakeholders. In the present situation, we deal with three main groups of stakeholders:

- The group, participating in water governance on behalf of society (water users, CWU);
- The group, participating in water governance on behalf of government (Ministry, Department, BWRA)
- The group, which will be managed by the government and society jointly (CMO).

It is necessary to inform water users groups what, what for and how suggested changes will be occurred and change and their advantages and shortcomings. Given measures will have more

informational-explanatory character, than mobilization one, since the decision about governance transfer was made earlier and brought to water users during previous measures.

It is necessary to bring to the group, participating in governance (CWU), what is being waited from them, how such transfer will depend on their responsibility, duties and authority. They also should be informed about possible difficulties, problems and issues, with which they will have to confront and to prepare to resolve them. Measures for given group will have more mobilization character, than just informational-explanatory one.

As for Department for water resources, BWRA and CMO, than it should be explained to them, what it is necessary for, how it will be implemented, who will do and what will be done, who and what will lose or obtain. It is necessary to help them to understand, what the possible problems are, and what support they can provide for their resolution. Given measures will have mobilization character to prepare the given group to certain loss of their authorities.

During all such meetings and discussions with mentioned groups of stakeholders, we should collect and lock in all their apprehensions, legal obstacles, fears, needs in professional education and etc, as we are process curators. At the same time it should be made efforts to mitigate and neutralize all such problem moments and, where it will be possible, to include them in “Minutes about purposes for transferring governance authorities” in order to legalize properly the process and provide the execution of duties by parties.

ANNEXES

ANNEX 1.

Participants of transfer to joint governance of AAC Administration activities (stakeholders)

Today AAC is managed by one canal administration, established in 2003, based on two District Department for Water Resources (DDWR) – Karasu and Aravan, divided the canal by territorial-administrative principle before. Besides, in order to provide wide participation of water users and other stakeholders in irrigation management and accounting their multiple interests, at the end of 2004 there was established AAC Water Committee, lately reformed in Canal Water Union (CWU).

Both structures registered officially in accordance with Kyrgyz legislation, have status of legal entity and act according to their regulations.

The following organizations, representing both the government, and civil society, in general, are main stakeholders in reforming systems of governance of AAC Administration.

From the GOVERNMENT:

1. Governmental water management organizations, implementing the general governance of water management, including:

- a. The Ministry of agriculture, water resources and processing industry (MAWRPI),
- b. Water Resources Department,
- c. Basin Water Resources Administration (BWRA)
- d. Governmental water inspection.

2. Aravan-Akbura Canal Administration (AACA)

Today Aravan-Akbura Canal Administration (AACA) is a single governmental water organization, responsible for operation and service of the main canal and irrigation and drainage network outside

WUA. AACCA established during “IWRM-Fergana” project in 2003, based on two DDWR – Karasu and Aravan, divided the canal by territorial-administrative principle before.

From CIVIL SOCIETY:

Union of water users association (UWUA) is non-profit non-governmental association of all water users and other stakeholders, located in sales zone of the main canal, including 4 WUA, Osh BWRA, AAC Administration, Governmental water inspection, Ministry of economics and emergency situations, local authorities.

Originally at the end of 2004 AAC water committee was established, lately reformed in Union of water users association. UWUA officially registered in accordance with Kyrgyz legislation, has status of legal entity and acts according to its regulations.

Water users association (WUA) is non-profit associations of agricultural water users, represented by farms and cooperatives in order to manage the former onfarm irrigation and drainage networks collectively at secondary and tertiary canals level. Total number of such WUA in AAC area is four: ”Murza-Aji”, “Jana-Aryk”, “Japalak” and “Isan” (former “Kerme-Too Akburasy”).

Local authorities are Osh province administration, Osh city administration and ayyl-okmotu (rural authorities), located in sales zone of the main canal

Single-step methods and action plan on transfer to joint governance of AAC administration activities

Step 1: Planning and developing a draft concept on joint governance (JG): Preparing original draft concept on JG (IWMI, SIC, SCO)

Deadline: by the middle-end of June

Concept on JG is necessary to begin a wide public discussion about expediency of suggested JG on pilot canals, in particular on Kyrgyz Aravan-Akbura main canal (AAC) by stakeholders. Today AAC is managed by the one canal administration, established in 2003, based on two DDWR – Karasu and Aravan, divided the canal by territorial-administrative principle before. Besides, in order to provide wide participation of water users and other stakeholders in irrigation management and accounting their multiple interests, at the end of 2004 there was established AAC Water Committee, lately reformed in Canal water users union (CWU). Both structures registered officially in accordance with Kyrgyz legislation, have status of legal entity and act according to their regulations. In reorganizational term the main idea of JG consists in to implement the governance of AAC activity by the government (Department, BWRA) together with society (CWU) during transition. By now, the draft concept on JG has been prepared, which further will be submitted by members of Special expert commission, consisting of leaders and leading specialists of main stakeholders (look Step 2) for final revision during next discussions.

Responsible	S. Djalalov (SCO) N.Mirzaev (SIC) Manthry (IWMI)
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Step 2: Establishing Special Expert Commission (SEC), consisting of leaders and leading specialists of main stakeholders for discussion and improvement of draft concept on JG (representatives of project, BWRA, CMO, provincial, regional and rural authorities, WUA, CWU)

Deadline: the first decade of July (SIC, IWMI)

The given Special Expert Commission (SEC) will compose of 5-7 members, being leaders and leading specialists of main stakeholders, including representatives of governance of project, BWRA, DDWR, CMO, local authorities, WUA and other interested organizations. SEC is established for receiving professional remarks, comments and suggestions for possible improvement of proposed draft concept on JG. In principle, the SEC basis will be consisted of CWU administration, since there leaders of main stakeholders had already been represented. In addition it would be advisable to include such persons as A.Satybaldyev (BWRA) and A.Djayloobaev (DWR).

Responsible	N.Mirzaev (SIC) K.Djumabaev (IWMI)
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Step 3: Discussion of the concept on JG by SEC members

Deadline: the first decade of July (SIC, IWMI, SEC)

At this stage every SEC member will receive the draft concept on JG for personal examination and preparing own remarks, comments and suggestions for its improvement. Commission members should fix date to examine the material and then gather for group discussion in Osh with participation of SIC and IWMI.

Responsible	N.Mirzaev (SIC) K.Djumabaev (IWMI) SEC members = SEC Administration + such experts as A.Дjayloobaev, B.Matraimov, A.Satybaldyev
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Step 4: Revision and dissemination of the concept on JG among all stakeholders (through mass media, publication of brochures and booklets, holding mobilization measures and etc.)

Deadline: July-September (SIC, IWMI, SCO, SEC, mobilizers)

After receiving all comments, suggestions and holding group discussions, responsible project executors would analyze and summarize the received results and finally adjust the Concept JG for its next wide dissemination among representatives of all stakeholders, including:

- Project partners and donors
- Water organizations (central, provincial and CMO);
- Agricultural water users (WUA, farmers and etc.);
- Non-agricultural water users (industry and etc.);

- Local authorities (provincial, regional, rural);
- Interested NNO.

Especially at this stage, all possible informational channels should be enabled in order to raise public awareness and to mobilize the necessary public support. So, various mass media can be used for public awareness.

At the same time, local project mobilizers should behave actively in disseminating brochures, booklets, and also in holding informational-explanatory activities among all water users and other stakeholders, calling all participants to express their attitude to proposed changes.

- Deadlines of mobilization measures: July-middle of August

At this stage, it is planning to hold 3 separate work meetings, with every party, participating in the transferring:

- 1) with the “transferring party” - DepWR, BWRA and DDWR;
- 2) with the “receiving party” - CWU;
- 3) with “beneficiary” (water users)

- Deadline of holding work meetings: 24 - 28 July

After awareness of all participants, it would be advisable to hold small express-poll of main stakeholders on evaluating perception and support level concerning proposed changes, as well as possible suggestions, apprehension, and other remarks from them. Results of such poll could be assessed and presented to regional workshop, being planned for September.

- Deadline of holding the poll and assessing its results: August
- Deadline of Regional round table: the middle of September
- (with invitation of provincial coordinators, CWU Chairmen and Heads of canals from Tajikistan and Uzbekistan (HBC and SFC))

Venue: Osh TC

Responsible	S.Djalalov (SCO) Manthry (IWMI) V.Sokolov (SIC) N.Mirzaev (SIC) Yu.Rysbekov (SIC) K.Djumabaev and mobilizators (IWMI) M.Yakubov (IWMI) SEC members
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Step 5: Developing draft Contract of JG by results of held discussions and assessment of received remarks and suggestions concerning proposed Concept JG.

Deadline: September (IWMI, SIC, SCO, SEC)

After raising public awareness and evaluating perception, attitude and apprehension of main parties, responsible project executors begin to develop the draft Contract on JG, with involving legal experts and other consultants. Prepared draft Contract on JG is disseminating among SEC members for first examination and receiving their remarks and suggestions in order to its further revision.

At least, the Contract on JG should cover the following issues:

- Existing legislation, allowing and regulating signing and implementation of the Contract on JG;
- Terms of JG (point of ownership on irrigative infrastructure, rights for water, management transferring on the rights of rent, fixed date and etc.);
- Insurance arrangements on further public financing after transition to JG;
- The necessary legal support for transition to JG
- Requirements for minimal number of services/subdivisions in the structure of operational canal service to provide normal operation and current servicing of the canal;
- Role, functions and responsibility of CWU;
- New roles, functions and responsibility of governmental water authorities (determination sectoral policy, disputes resolution, financial support, system of training and retraining personnel and etc.).

Responsible	S.Djalalov (SCO) Manthry (IWMI) Sokolov V. (SIC) N.Mirzaev (SIC) Yu.Rysbekov (SIC) A.Djayloobaev (SIC)
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Step 6: Presentation of draft Contract on JG to examine and discuss by SEC members for receiving their conclusion and further improvement of the draft Contract on JG to JG (similarly to Step 3, see above)

Deadline: September (IWMI, SIC, SEC)

Step 7: Mobilization of necessary wide support from main stakeholders during consultative meetings on discussion of the draft Contract on JG in order to prepare main parties to hold formal talks about JG and signing the Contract on JG (the activity is carried out with (i) governmental water authorities, (ii) water users and (iii) local authorities)

Deadline: October (IWMI, SIC, SEC, mobilizers)

The regular number of consultations with all stakeholders is necessary for wider discussion of the draft Contract on JG after its revision taking in account remarks and suggestions of SEC in order to receive wider support or its lack concerning terms and date of transferring to JG according to presented Contract on JG. If such support is available, then with accounting received remarks and suggestions during large-scale consultations the draft Contract on JG is finally revising for holding formal talks on its signing between signing parties. During discussions and meetings future negotiating parties (CWU and governmental water authorities) should be accordingly prepared to agree on date and holding formal talks for signing the Contract on JG, on maximal equitable basis. Process curators (responsible project participants, including from IWMI, SIC and SCO, SEC, mobilizers) should try to persuade all participating parties, and, especially, those, who represent the government, to follow to the principle of uniformity, equity, and cooperation during carrying on negotiations and signing the Contract on JG, as well as during its implementation.

Responsible	S.Djalalov (SCO) Manthry (IWMI) Sokolov V. (SIC) N.Mirzaev (SIC) Yu. Rysbekov (SIC) K.Djumabaev and mobilizators (IWMI) D.Nagibin (SIC) M.Yakubov (IWMI) SEC members
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Step 8: The final revision of the Contract on JG and holding talks on its conclusion between corresponding governmental water authorities and Canal water users union (former CWC/CMO) with support of the project.

Deadline: November-December (Department for WR/BWRA/CMO-CWU; SIC, IWMI, SCO)

After all stakeholders examined and evaluated their attitude to the terms of revised draft Contract on JG taking into account SEC remarks and suggestions, curators (responsible project personnel from IWMI, SIC and SCO) and main participants of transferring to JG AACA (leaders and specialists of Water Department MAWRPI, BWRA, CMO, CWU), as well as observers, represented by national and provincial project coordinators from Uzbekistan and Tajikistan gather on national level in Bishkek to hold “round-table” on final discussing and revising the text of the draft Contract on JG and to make a principal decision about readiness of contracting parties to proceed to formal talks on conclusion of the Contract on JG. Main negotiating parties sign the Minutes on holding negotiations to conclude a Contract concerning JG, in which a preliminary date of negotiation start is determined, and are obliged to negotiate on equal terms. After that, on date, pointed in the Minutes parties begin to negotiate and

hold as many rounds as it is necessary to make a mutually acceptable compromise settlement (as a rule, there should be a few of such rounds with accounting party positions declared beforehand at the beginning of negotiations of and the necessity to consult on some principal issues with those who represent persons, holding given negotiations).

The order of holding measures in November-December
(exact date will be determined lately along the way)

1. National “round-table” and signing a Minutes concerning expectancies in Bishkek
2. Decision of state authorities on JG
3. Mutual meetings of AAC water users on JG issues
4. Final revision of the draft Contract on JG
5. Holding formal talks (in several rounds)

Responsible	V.Dukhovny (SIC) S.Djalalov (SCO) Manthry (IWMI) V.Sokolov (SIC) N.Mirzaev (SIC) Yu.Rysbekov (SIC) K.Djumabaev and mobilizers (IWMI) M.Yakubov (IWMI) SEC members
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Step 9: Implementation of a Contract on JG, developing professional potential and monitoring effectiveness of canal operation on basis of optimal indicator of effectiveness

Deadline: 2005 - 2008, i.e during preparation and implementation of a Contract on JG (Water authorities, CWU; SIC, IWMI, SCO)

Measures of present block will be automatically implemented at the same time with the beginning of discussing a draft Concept on JG by SEC members (Step 3) and then by all main stakeholders Step 4), thus laying foundation for wide public awareness and for the first experience, concerned with the beginning of transferring irrigative management. Then this foundation will be developed further and strengthened during next development, discussions, final revision, holding negotiations and signing a Contract on JG (Steps 5 - 8) as a result of wide consultations and involving main stakeholders in the process, as well as careful assessment and further satisfaction of existed requirements on professional capacity building in order that corresponding parties understand and study their new roles and functions, thus laying foundation for proper fulfillment of reciprocal liabilities and terms, pointed in the Contract on JG, in particular, concerning general and operational canal management, as well as various requirements for professional capacity and other support, including:

- Legal support and training
- Technical support and training
- Financial and management support and training;
- Revising corresponding mechanisms of general governance, external and internal accounting and disputes resolution, etc;

- Developing and approbating the necessary set of indicators of performance and establishing a regular monitoring over them.

Step 10: Documentation of transfer to JG, its impact assessment and learning lessons for further policy improvement (all process moments are documented and lessons are transformed into clear recommendations).

Deadlines: 2005 - 2008, i.e. during preparing and implementing a Contract on JG (IWMI, SIC)

As the previous step (#9) the activity on the present block will be held regularly during all steps, mentioned above, beginning with Step 1, in order to document the transferring to JG properly, including from the point of view of existed advantages, problems, conflicts between participants, assessment, impact and lessons learnt. All such moments, arising during transferring to JG, as well as mechanisms and methods, used for their resolution, will be regularly documented. Canal water users and other stakeholders will study impact of the process on them with definite frequency. Finally, advantages, lessons and experience of given process can be presented as a casestudy and used in carrying out similar measures in terms of other pilot project canals as well as within other projects.