

## **MODEL LAW on SAFETY OF HYDRAULIC INSTALLATIONS**

### **Chapter I. GENERAL PROVISIONS**

This Law shall regulate the relations, arising out of the implementation of the activities in the field of design, construction, putting into operation, operation, reconstruction, restoration, conservation and liquidation of hydraulic installations.

#### **Article 1. Scope of the Law**

This Law shall apply to the hydraulic installations, whose breakdown may result in the development of an emergency situation, endangering the life of people, causing damage to their health, disrupting the conditions of vital activity, as well as doing harm to the environment and to the property of natural and legal persons.

#### **Article 2. Legislation in the field of safety of hydraulic installations**

The legislation in the field of safety of hydraulic installations shall include this Law and the other laws and state regulatory legal instruments, adopted on the basis thereof.

If an international treaty of a State establishes other rules, than those, provided for by this Law, the rules of the international treaty shall apply.

#### **Article 3. Basic notions**

For the purpose of this Law the following basic notions are used:

The term “**hydraulic installations**” refers to dams, buildings of the hydroelectric power plants, outfall regulators, discharge structures and outlet works, tunnels, canals, pumping stations, shipping locks, canal lifts, installations, designed for the protection against floods and destruction of the banks of the storage lakes, banks and beds of the rivers; dikes embanking the ash dumps and drilling waste disposal sites of fossil-fueled power stations and boiler plants, as well as dikes embanking the deposits of liquid wastes of industrial and agricultural enterprises;

the term “**owner of a hydraulic installation**” refers to the State, administrative area, region or any other managed territory, as defined by the administrative division of the State, legal person, irrespective of its organizational and legal form, natural person, having the rights of ownership, usage and disposal of a hydraulic installation;

the term “**operating organization**” refers to an enterprise or organization of any organizational and legal form, carrying out technical operation of a hydraulic installation, based on the right of ownership, economic control, operational management, tenancy, work or service contract or on other legal grounds;

the term “**safety of hydraulic installations**” refers to a quality of hydraulic installations to maintain their operating capacity and ensure the protection of the life, health and legitimate interests of people, legal persons, as well the preservation of the environment;

the term “**criteria of safety of a hydraulic installation**” refers to the threshold values of the quantitative indices and qualitative characteristics of the state of a hydraulic installation and its operating conditions, which are in compliance with the permissible level of risk of a breakdown of a hydraulic installation and which are adopted in accordance with the established procedure by the bodies of the executive authority, exercising the supervision over safety of hydraulic installations;

the term “**assessment of safety of a hydraulic installation**” refers to the evaluation of compliance of the state of a hydraulic installation and of the professional skills of employees of a operating organization with the standards and rules, approved in accordance with the procedure, established by this Law;

the term “**survey of hydraulic installations**” refers to the set of measures to assess a technical state and operating capacity of hydraulic installations and to make up a list of necessary works to ensure operational reliability and safe operation of these installations;

the term “**breakdown of a hydraulic installation**” refers to a partial or complete destruction of a hydraulic installation and failure of hydromechanical equipment, as a result of which the installation becomes inoperative, and an emergency situation may arise;

the term “**emergency situation**” refers to the danger of a breakdown of a hydraulic installation, as a result of external impact, not provided for by a project, degradation of an operational capacity of an installation or its foundation, as a result of changing of the properties of the materials of the installation or its soils, or reduced operational reliability of hydromechanical equipment, as well as a result of reduced water-carrying capacity of the installations by technical reasons or in connection with the constraints of a permissible hydrological regime, being lower than a site of the installations;

the term “**risk of a breakdown of a hydraulic installation**” refers to a measure of danger, which characterizes the probability of occurrence of a breakdown at a hydraulic installation and the gravity of its aftereffects for the health and life of people, property and environment;

the term “**risk assessment of a breakdown**” refers to the evaluation of frequency (probability) of a breakdown and the gravity of a resulting emergency situation for the life and health of people, property and environment;

the term “**permissible level of risk of a breakdown of a hydraulic installation**” refers to a risk value of a breakdown of a hydraulic installation, established by the legislation or by regulatory legal instruments;

the term “**declaration of safety of a hydraulic installation**” refers to a basic document which gives the grounds for safety of a hydraulic installation, sets forth the compliance of a hydraulic installation with the safety criteria and makes up a list of necessary works to ensure safety of a hydraulic installation;

the term “**complex of hydraulic installations**” refers to the hydraulic installations, forming part of one project (waterworks facility, electric power plant, enterprise or its subsidiary), which are situated in one water body and belong to one owner;

the term “**territory of a hydraulic installation**” refers to a territory within the limits of the boundaries of a land allotment, established according to existing land legislation;

the term “**ensuring of safety of a hydraulic installation**” refers to the development and implementation of a set of engineering, organizational and other measures to prevent the breakdowns of a hydraulic installation;

the term “**grade of a hydraulic installation**” refers to an indicator, established by the standards and rules for design of hydraulic installations, on the basis of which the requirements to the indicators of operational reliability of hydraulic installations are established;

the term “**category of responsibility of a hydraulic installation**” refers to a composite index which takes into account a grade of a hydraulic installation and qualitative and quantitative characteristics of a damage, which may be caused in case of a breakdown of a hydraulic installation;

the term “**reconstruction of a hydraulic installation**” refers to a complex of design and construction works, carried out with a view of changing the basic technical and economic indicators of a hydraulic installation (estimated external impacts, total structural volume, water carrying capacity, engineering instrumentation) and operational conditions, as well as replenishing physical and moral depreciation occurred, achieving new objectives of the operation of a hydraulic installation;

the term “**restoration of a hydraulic installation**” refers to a complex of design and construction works, carried out with a view of elimination of the damage and destruction occurred or the increased risk of breakdowns, while maintaining the basic technical data and economic indicators of a hydraulic installation;

the term “**conservation of a hydraulic installation**” refers to a complex of design and construction works, carried out with a view of temporary preservation of a hydraulic installation and

ensuring its safety under the conditions of a passage of transit discharges, without the regulation of a hydrological regime with a relevant lowering of the water level in a water storage facility;

the term “**liquidation**” refers to a complex of design and construction works, carried out with a view of complete disassembly of a hydraulic installation and restoration of a natural hydrological regime, with possible preservation of elements of a hydraulic installation, not creating obstacles at the time of flood routing, for using it with other purposes;

the term “**basin water administration**” refers to a territorial body of the State Water Administration, authorized to manage the water resources of a basin;

the term “**basin council**” refers to an advisory body, headed by a manager of a basin water administration which may include the representatives of the bodies concerned of the executive authority of a country, organizations-water users concerned, representatives of research institutions and voluntary associations and the foreign observers from the countries concerned, who are appointed by the State Water Administration in accordance with the procedure, established by the Government of a Country;

the term “**water body**” refers to a natural or artificial water body, watercourse or other body, where a permanent or temporary concentration of waters has typical forms and features of a hydrological regime;

the term “**hydrological regime**” refers to a change over time of the level, consumption and volume of water in a water body;

the term “**water resources**” refers to surface waters and groundwaters which are found in water bodies and used or may be used;

the term “**water facility**” refers to a hydraulic installation which is designed to manage a hydrological regime of a water body or to protect shore fronts and beds from the negative impact of waters;

the term “**State Water Administration**” refers to a body of the state executive authority, which is authorized by the Government (President) to exercise the functions of management of water resources;

the term “**State Body on Emergency Situations**” refers to a body of the state executive authority, which is authorized by the Government (President) to exercise the functions of management in the field of prevention, localization and elimination of natural and technogenic emergency situations, and to implement the measures to protect the population and the territories;

the term “**National Water Council**” refers to an advisory body, headed by a chief of the State Water Administration which may include the representatives of the bodies concerned of the executive authority of a country, organizations-water users concerned, representatives of research institutions and voluntary associations and the foreign observers from the countries concerned, who are appointed by the State Water Administration in accordance with the procedure, established by the Government of a Country;

the term “**body of a local state administration**” refers to a body of the state executive authority, which is authorized by the Government (President) to exercise, in accordance with the established procedure, the management of the territory forming part of the State, whose boundaries are set by the Constitution of a Country.

#### **Article 4. Powers of the Government of a Country in the field of ensuring safety of hydraulic installations**

The Government of a Country shall exercise the following powers in the field of ensuring safety of hydraulic installations:

- elaborate and implement the state policy in the field of safety of hydraulic installations;
- arrange the state supervision over the safety of hydraulic installations;
- develop and arrange the execution of the state programmes in the field of safety of hydraulic installations;
- arrange the interaction with other countries of the Central Asia in the field of safety of hydraulic installations;

- arrange and ensure the safety of hydraulic installations which are in state ownership.

#### **Article 5. Powers of the bodies of a local state administration**

The bodies of a local state administration within the limits of the administrative areas boundaries shall exercise the following powers:

- ensure the safety of hydraulic installations, which are in ownership of these bodies of a local state administration, on the basis of the general requirements to the safety of hydraulic installations, as defined in the Article 8 of this Federal Law;
- take part in the implementation of the state policy in the field of ensuring of safety of hydraulic installations;
- develop and implement the regional programmes in the field of ensuring of safety of hydraulic installations;
- ensure the safety of hydraulic installations in the process of the utilization of water resources and implementation of environmental measures;
- take part, in cooperation with the state bodies of the executive authority, in work on the prevention of the breakdowns of hydraulic installations and the breakdown management and control;
- inform the population about the danger of the breakdowns of hydraulic installations.

#### **Article 6. State body of the executive authority in charge of the supervision over safety of hydraulic installations**

The body of the executive authority, authorized by the Government of a Country to perform the functions of the state supervision over safety of hydraulic installations (hereinafter referred to as "State supervision body") shall exercise the state control and supervision over safety of hydraulic installations.

#### **Article 7. State register of the hydraulic installations**

The hydraulic installations, covered by this Law, shall be entered in the State Register of the Hydraulic Installations (hereinafter referred to as "Register").

The Register shall be developed and maintained in accordance with the procedure, established by the Government of a Country.

### **Chapter II. ENSURING OF SAFETY OF HYDRAULIC INSTALLATIONS**

#### **Article 8. General requirements to the safety of hydraulic installations**

The safety of hydraulic installations shall be ensured on the basis of the compliance with the following general requirements:

- ensuring of a permissible level of risk of breakdowns of hydraulic installations;
- periodic survey and declaration of safety of hydraulic installations;
- state supervision over the safety of hydraulic installations;
- continuity of the operation of hydraulic installations;
- implementation of measures to ensure the safety of hydraulic installations, including the development of the criteria of their safety, equipping of hydraulic installations with technical devices with a view of exercising regular control (monitoring) of their technical condition, ensuring of a required level of professional skills of the employees, attending to a hydraulic installation;
- need for timely implementation of a set of measures to minimize a risk of arising of emergency situations at the hydraulic installations;
- priority financing of works, included in the plans of measures to ensure the safety of hydraulic installations;
- responsibility for the actions (inaction), which resulted in an increase of risk of a breakdown of a hydraulic installation above permissible levels and arising of emergency situations and breakdowns.

#### **Article 9. Responsibilities of an owner of a hydraulic installation and of an operating organization**

An owner of a hydraulic installation and an operating organization should:

- ensure compliance with the standards and regulations of safety of hydraulic installations in the process of their construction, putting into operation, operation, repair and maintenance, reconstruction, restoration, conservation, putting out of operation and liquidation;
- ensure control of the parameters of the technical condition of a hydraulic installation and the characteristics of natural and technogenic impacts and make assessment of the technical condition of a hydraulic installation on the basis of the data received;
- analyze the reasons for the deterioration of the technical condition and for the reduced level of safety of hydraulic installations, taking into account their operation in cascade, harmful natural and technogenic impacts, outcomes of economic and other activities in the adjacent territories, situated below and above a hydraulic installation;
- ensure the development and timely updating of the criteria of safety of a hydraulic installation;
- develop the systems of control (monitoring) of the technical condition of a hydraulic installation;
- carry out in good time the elaboration and implementation of the measures to ensure the serviceability of a hydraulic installation and its safety, as well as the measures to prevent a breakdown of a hydraulic installation;
- ensure the conducting of regular surveys of a hydraulic installation;
- build up financial and material resources for the elimination of the aftereffects of a breakdown of a hydraulic installation;
- organize the operation of a hydraulic installation and ensure the compliance of the professional skills of the employees of an operating organization with the relevant standards and regulations;
- maintain in constant operational readiness the local systems of warning of emergency situations at hydraulic installations;
- interact on the issues of the prevention of the breakdowns of hydraulic installations with the State management body on civil defense matters and emergency situations;
- inform without delay about the danger of a breakdown a hydraulic installation the State Supervision Authority, other state bodies concerned, and in case of an imminent threat of a failure of a waterfront – the population and organizations, situated in a territory concerned;
- assist to the State Supervision Authority in the implementation of its functions;
- inform, in conjunction with the local bodies of the executive authority, the population on the issues of safety of hydraulic installations;
- provide priority financing of the measures to ensure a safe operation of a hydraulic installation, as well as the works in the field of prevention of emergency situations and localization and elimination of the aftereffects of the breakdowns of hydraulic installations.

An owner should ensure a continuous operation of its hydraulic installation (a complex of hydraulic installations), up to the transfer of the rights of ownership to another person, or up to the completion of the works on the liquidation of a hydraulic installation.

#### **Article 10. Declaration of safety of a hydraulic installation**

An owner of a hydraulic installation or an operating organization shall make up a declaration of safety of a hydraulic installation or a complex of hydraulic installations (hereinafter referred to as "Declaration") at the stages of the design, putting into operation and operation, as well as after its reconstruction, restoration and conservation.

The hydraulic installations of the categories I, II and III of responsibility shall be subject to declaration of safety.

The Government of a Country shall define the basic requirements with regard to the structure and contents of a Declaration, taking into account a category of responsibility of a hydraulic installation. On behalf of the Government of a Country, the State Supervision Authority may establish additional requirements with regard to the contents of a Declaration, depending on the significance of a hydraulic installation and the category of its responsibility.

In the process of the declaration of safety of a complex of hydraulic installations, the requirements should be met with regard to the structure and contents of a Declaration, which are

imposed upon the Declarations of the hydraulic installations of the highest category of responsibility, established for the hydraulic installations of a given complex.

An owner of a hydraulic installation or an operating organization, authorized by the owner, shall submit a Declaration to the State Supervision Authority for approval. Concurrently with the Declaration, an owner of a hydraulic installation (an operating organization) shall submit to the State Supervision Authority a conclusion of the state commission of experts on the Declaration, criteria of safety of a hydraulic installation (a complex of hydraulic installations) and estimated presumable damage which may be caused, as a result of a breakdown of a hydraulic installation. The approval of the Declaration by the State Supervision Authority shall be the grounds for the inclusion of a hydraulic installation (a complex of hydraulic installations) to the Register and for the issuance by the State Supervision Authority of a permit for putting into operation, operation and putting out of operation of a hydraulic installation, or for its reconstruction, restoration or conservation.

The approval of a Declaration at the stage of the completion of a project shall be the grounds for the approval of the project in accordance with the established procedure in case of the positive results of the examination of the project as a whole and the issuance of a permit for construction hydraulic installations.

The validity of a Declaration during the period of operation of a hydraulic installation (a complex of hydraulic installations), established by the State Supervision Authority, shall be subject to the technical condition and safety of declared hydraulic installations, and may not exceed the period of five years.

#### **Article 11. State expert examination of the declarations of safety of hydraulic installations**

The Government of a Country shall establish the procedure of the execution of the state expert examination of the declarations.

The state or other research and design organizations, working in the field of hydraulic engineering, hydropower development and water management, which are included in the list of the centres of expertise, approved by the State Supervision Authority, with the indication of their sectoral specialization and category of responsibility - authorized for the examination - of hydraulic installations, shall be engaged in the execution of the state expert examination of the declarations.

The choice of a centre of expertise shall be made on the initiative of the owners of hydraulic installations or operating organizations, taking into account a specialization, established by the approved list of the centres of expertise.

The State Supervision Authority shall adopt a decision on the approval of a Declaration and the issuance of a permit for putting a hydraulic installation into operation, or on the refusal to approve the Declaration and to issue such permit, on the basis of the conclusion of the state commission of experts on a Declaration, approved by the State Supervision Authority.

In case of disagreement of an owner of a hydraulic installation or an operating organization with the decision of the State Supervision Authority, this decision may be appealed against judicially.

The state expert examination of the Declarations shall be carried out on the basis of a contract for works (services), or as per tariff, approved in accordance with the established procedure and differentiated by the categories of responsibility of hydraulic installations.

#### **Article 12. Categories of responsibility of hydraulic installations**

The following four categories of responsibility of hydraulic installations, covered by this Law, shall be established.

The category I of responsibility shall include:

- the hydraulic installations, the hazardous consequences of a breakdown of which go beyond the limits of the territory of a State;
- all hydraulic installations of the grade 1;
- the hydraulic installations of the grades 2, 3 and 4, the breakdowns of which may result in causing harm to the life and health of people, with the total number of victims, exceeding 50 persons, or in arising of a need of temporary resettlement in connection with the violation of the conditions of vital activity of more than 300 persons;

- the hydraulic installations of the grades 2, 3 and 4, the breakdown of which may cause damage to the environment, state property, property of natural and legal persons (apart from the property, belonging to an owner of hydraulic installations, where the above-mentioned breakdown took place), assessed by the methods of calculation on the basis of aggregative indices in the amount, exceeding 10 million US dollars.

The category II of responsibility shall include:

- all hydraulic installations of the grade 2, with the exception of those, which are put into the category I of responsibility;
- the hydraulic installations of the grades 3 and 4, the breakdowns of which may result in causing harm to the life and health of people, with the total number of victims, ranging from 10 to 50 persons, or in arising of a need of temporary resettlement in connection with the violation of the conditions of vital activity for 100 to 300 persons;
- the hydraulic installations of the grades 3 and 4, the breakdown of which may cause damage to the environment, state property, property of natural and legal persons (apart from the property, belonging to an owner of hydraulic installations, where the above-mentioned breakdown took place), assessed by the methods of calculation on the basis of aggregative indices in the amount, ranging from 1 to 10 million US dollars.

The category III of responsibility shall include:

- the hydraulic installations of the grade 3, with the exception of those, which are put into the category I and II of responsibility;
- the hydraulic installations of the grades 4, the breakdowns of which may result in causing harm to the life and health of people, with the total number of victims up to 10 to 50 persons, or in arising of a need of temporary resettlement in connection with the violation of the conditions of vital activity for 20 to 100 persons;
- the hydraulic installations of the grade 4, the breakdown of which may cause damage to the environment, state property, property of natural and legal persons (apart from the property, belonging to an owner of hydraulic installations, where the above-mentioned breakdown took place), assessed by the methods of calculation on the basis of aggregative indices in the amount, ranging from 0.05 to 1 million US dollars.

The category IV of responsibility shall include:

- the hydraulic installations of the grade 4, which are not put into the higher categories.

Before the primary declaration of safety at the stages of putting into operation and operation of a hydraulic installation, constructed earlier, an owner or an operating organization shall submit to the State Supervision Authority the substantiation materials for the determination of the category of responsibility of each hydraulic installation.

The substantiation materials should include the description of the possible scenarios of the breakdowns of a hydraulic installation, as well as the estimate of damage, which may be caused, as a result of a breakdown under the most probable and hardest in its consequences scenarios of the breakdowns. The substantiation materials shall be forwarded to the State Supervision Authority, which shall decide on attributing a category of responsibility to a hydraulic installation. The category of responsibility should be determined for each hydraulic installation, indicated in the Article 3 of this Law, including those, being part of a declared complex of the hydraulic installations.

In the time of subsequent declaration of safety of a hydraulic installation, the category of responsibility of this installation may be updated by the State Supervision Authority on the basis of the estimate of probable damage, which may be caused, as a result of a breakdown of a hydraulic installation, submitted together with a Declaration.

### **Article 13. Criteria of safety**

The criteria of safety shall be developed for each hydraulic installation of the category I, II and III of responsibility.

The methods of the definition and assignment of the criteria of safety shall be approved by the State Supervision Authority.

The criteria of safety should contain the list of the testing parameters of a hydraulic installation, the methods of their definition by means of instrumental and visual monitoring, as well as warning and

rated values or characteristics of the testing parameters, characterizing an elevated risk of a breakdown.

The criteria of safety may be updated according to the results of the monitoring of the technical condition of a hydraulic installation. The updated criteria of safety shall be submitted for approval to the State Supervision Authority in the time of a subsequent declaration of safety.

### **Chapter III. SUPERVISION OVER SAFETY OF HYDRAULIC INSTALLATIONS**

#### **Article 14. Bodies of the state supervision over safety of hydraulic installations**

The bodies of the state supervision of safety of hydraulic installations shall exercise the supervision and control over the observance by the owners of hydraulic installations and operating organizations of the requirements of this Law, as well as the standards of technical regulation of safety of hydraulic installations.

The powers of the bodies of the supervision of safety of hydraulic installations shall be as follows:

- organization of the development and approval of the standards of technical regulation of safety of hydraulic installations in the course of operation of hydraulic installations;
- harmonization of the standards and regulations of the design, construction and reconstruction of hydraulic installations, as well as the introduction of changes and amendments into the above-mentioned standards and regulations;
- approval of a Declaration and of the criteria of safety;
- establishment of a category of responsibility of a hydraulic installation on the basis of the substantiation materials, provided by a owner of a hydraulic installation or an operating organization;
- harmonization of technical design assignments of hydraulic installations and projects of their construction and reconstruction;
- participation in the commissioning of hydraulic installations;
- unobstructed survey of hydraulic installations, familiarization with the documents and materials on the issues of safety of hydraulic installations;
- organization of the inspection of hydraulic installations;
- triennial personnel evaluation of managers and specialists of operating organizations with a view of certifying the right to carry outwork in the field of operation of hydraulic installations of the categories I, II and III of responsibility; organization of pre-evaluation training of managers and specialists;
- issuance of orders for ensuring of safety of hydraulic installations;
- harmonization of the use of the territories of hydraulic installations, river beds and adjacent territories, situated below and above the sites of water retaining hydraulic installations;
- participation in the development of the draft of the laws and regulatory legal instruments in the field of safety of hydraulic installations.

The bodies of the supervision over safety of hydraulic installations may prohibit or restrict the activities of natural and legal persons, operating water management facilities or carrying out economic or other activity in the river beds and adjacent territories, situated below and above the sites of water retaining hydraulic installations, provided that these activities may have a negative impact upon the safety of hydraulic installations.

The orders for ensuring of safety of hydraulic installations, issued by the bodies of the state supervision over safety of hydraulic installations, as well as the orders for suspension or termination of the construction, reconstruction, restoration, conservation and liquidation of hydraulic installations shall be compulsory for the owners of hydraulic installations and operating organizations and shall be executed the time fixed. The orders may be appealed against judicially.

The operation of a hydraulic installation and ensuring of safety of a hydraulic installation, whose permit for construction and operation was withdrawn (including a hydraulic installation which is in emergency condition), as well as a hydraulic installation which is subject to conservation and liquidation, and a hydraulic installation which does not have an owner, shall be carried out in accordance with the regulations, approved by the Government of a Country.

#### **Article 15. Inspection of hydraulic installations**



The inspection of hydraulic installations shall be organized and carried out by the State Supervision Authority.

The inspection of hydraulic installations shall be carried out with a view of exercising overall or random control over the observance by the owners of hydraulic installations, operating organizations, as well as by the contractors of the requirements of this Law, standards and regulations of safe operation of hydraulic installations in the time of operation, reconstruction, restoration conservation and liquidation of hydraulic installations.

A random knowledge assessment of the operating personnel may also be one of the objectives of making inspection.

#### **Chapter IV. FINANCIAL SECURITY FOR SAFETY OF HYDRAULIC INSTALLATIONS**

##### **Article 16. Compensation for damage, caused as a result of a breakdown of hydraulic installations**

The damage, caused to the life and health of natural persons, property of natural and legal persons and state property, as a result of a breakdown of a hydraulic installation, in case of the violation by the owner of this installation or the operating organization of the legislation on safety of hydraulic installations, shall be subject to compensation in full by the owner or operating organization which caused such damage, in accordance with the civil legislation of a Country.

An operating organization shall bear responsibility for ensuring safety of a hydraulic installation, including the compensation for damage, caused as a result of a breakdown of a hydraulic installation, up to the moment of the transfer of the right to operate this installation to another person, or until the full completion of works on the liquidation of a hydraulic installation. If an agreement or other document, on the basis of which an operating organization carries out its activities in the field of operation of this installation, provides for other terms and conditions of responsibility for ensuring safety of a hydraulic installation, the provisions of the said agreement (document) shall apply.

An owner of a hydraulic installation shall bear subsidiary responsibility in respect of the obligations of an operating organization within the period of validity of an agreement or other document, on the basis of which an operating organization carries out its activities in the field of operation of this installation.

If a hydraulic installation is operated by an owner, or if responsibility for ensuring safety of a hydraulic installation is not placed by an agreement or other document upon an operating organization, an owner shall bear full responsibility for ensuring safety of this hydraulic installation, up to the moment of the transfer of the right to operate this installation to another person, or until the full completion of works on the liquidation of a hydraulic installation.

The provision of this Article shall apply to the owners of hydraulic installations, irrespective of the category of responsibility of a hydraulic installation.

##### **Article 17. Compulsory insurance of civil liability for causing of harm**

The risk of civil liability in respect of the obligations, arising as a result of causing of harm to the life and health of natural persons, as well as to the property of natural persons as a result of a breakdown of a hydraulic installation, shall be subject to compulsory insurance during the periods of temporary and permanent operation of a given hydraulic installation (a complex of hydraulic installations).

An owner of a hydraulic installation or an operating organization shall be insurant of risk of civil liability for causing of harm.

An insurance sum under a contract of compulsory insurance shall be established by the law in the form of fixed sums of differential payments to one person for harm, caused to the human life or health, and for damage, caused to the property. The total insurance sum under a contract of compulsory insurance shall be proportional to a probable number of the victims.

The amount of the insurance sums, terms and conditions and the procedure of compulsory insurance against risk of civil liability for damage, caused as a result of a breakdown of a hydraulic installation, shall be regulated by a special law.

**Article 18. Financial security for civil liability for harm, caused as a result of a breakdown of a hydraulic installation**

An owner of a hydraulic installation should have financial security for civil liability for harm, which may be caused as a result of a breakdown of its hydraulic installation (a complex of hydraulic installations). In this case financial security for civil liability (with the exception of the force majeure events) shall be provided at the expense of the funds of an owner of a hydraulic installation, as well as at the expense of an insurance sum, determined by the contracts of insurance against risk of civil liability, including a contract of compulsory insurance.

In the time of the conclusion of a contract of voluntary insurance of civil liability, an insurance sum, fixed by a joint decision of an insurer and insured, shall not depend on the amount of financial security for civil liability. If an insurance sum turns out to be less than the difference between the amount of financial security and the insurance sum under a contract of compulsory insurance, an owner should evaluate its assets, which were taken on discount as its own funds as part of financial security for civil liability.

The procedure of payment of insurance benefits under a contract of voluntary insurance of civil liability should provide for the payments to be made in order of priority for harm, caused to the property of natural persons, including persons, whose property was damaged in the territory of other State (States).

The amount financial security for civil liability for harm which may be caused as a result of a breakdown of its hydraulic installation, shall be determined on the basis of the data of calculations of a probable extent of this damage, which are made by the owner and agreed upon with the bodies of the executive authority, in accordance with the procedure, established by the Government of a Country.

The procedure of determination of the amount and generation of financial security for civil liability in respect of the provisions, which are not regulated by this Law, shall be established by the Government of a Country.

The responsibilities of an owner of a hydraulic installation, established by this Article, may be placed by the owner, fully or partially, upon an operating organization, while maintaining subsidiary responsibility.

**Article 19. Participation of the State in the compensation for damage, caused as a result of a breakdown of a hydraulic installation**

If the actual costs of the compensation for damage, caused as a result of a breakdown of a hydraulic installation, exceed the volume of assets of an owner, the procedure of the compensation for damage, caused in the territory of other State (States), and damage, caused in the territory of a Country to the property of foreign investors, shall be established by the Government of a Country.

**Article 20. Responsibility for the violation of the legislation on safety of hydraulic installations**

The officials and other persons shall bear responsibility for the violation of the legislation on safety of hydraulic installations, committal of actions (inaction), resulting in a breakdown of a hydraulic installation and infliction of harm to people, property and environment, in accordance with the legislation of a Country.

**Chapter VI. FINAL PROVISIONS**

**Article 21. Procedure of coming of this Law into force**

This Law shall come into force from the date of its official promulgation.

The regulatory legal instruments, which were adopted before coming of this Law into force, shall be effective in respect of the provisions thereof, not contradicting this Law.

A legislative body of a Country should elaborate before ... .. the proposals on the introduction of necessary changes into the existing legislative instruments with a view of bringing them into conformity with this Law.