

FINANCING AGREEMENT

J. 316-700-2013

No. CZZ 1505.01 Y

BY AND BETWEEN:

– SLOVAK HYDROMETEOROLOGICAL INSTITUTE,

Represented by Vladimir RAK

acting in the capacity as Acting Director General

In accordance with the Status of the Slovak Hydrometeorological Institute issued by Ministry of the Environment of the Slovak Republic according to the Law No. 201/2009 of the Slovak Republic specifying the Hydrological and Meteorological Services of the Slovak Republic

(Hereinafter the "Beneficiary")

PARTY OF THE FIRST PART,

AND

– THE AGENCE FRANCAISE DE DEVELOPPEMENT (AFD),

A public institution, having its head office at Paris XII^e, 5 rue Roland Barthes, registered at the Companies Register of Paris under number B 775 665 599

Acting on behalf of the Ministry of the Economy pursuant to Article 5 of its constituting document ("Statuts") and the agreement signed with the Minister for the Economy entrusting management of the Fonds Français pour l'Environnement Mondial (FFEM) to the said AFD

Represented by Mr. Marc-Antoine MARTIN, its FFEM General Secretary,

Acting in that capacity and in accordance with the powers conferred on him for such purpose, pursuant to Decision n° 2010.0003 of the Steering Committee of the said Fonds Français pour l'Environnement Mondial, dated April 2nd, 2010.

(Hereinafter the "Agence")

PARTY OF THE SECOND PART,

IT IS HEREBY AGREED AS FOLLOWS:

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PREAMBLE

WHEREAS,

Pursuant to its decision dated April 2nd, 2010, the Steering Committee of the French Global Environment Facility has authorized the Agence Française de Développement (hereafter the "Agence") to make available to the Slovak Hydrological Institute (hereafter the "Beneficiary") a grant (hereafter the "Grant") of eight hundred thousand euros (800.000 EUR) for supporting the International Water Assessment Centre (IWAC) as resource center for the Secretariat of the *"Convention on the Protection and Use of Transboundary Watercourses and International Lakes"*, in order to "strengthen capacity building in data administration for assessing and monitoring transboundary water resources in countries of Eastern Europe, Caucasus and Central Asia (EECCA)."

The parties intend that their obligations shall be defined by the provisions set out herein below and the appendices which form an integral part hereof.

ON THE BASIS OF THE FORGOING, IT IS HEREBY AGREED AS FOLLOWS:

Clause 1 – Definitions

In the present Agreement (the "Agreement"), the expression:

- **"Agence"** shall mean Agence Française de Développement (AFD);
- **"Agreement"** shall mean the present agreement and Appendix/Appendices attached hereto;
- **"Appendix"/"Appendices"** shall mean the Appendix/Appendices attached hereto;
- **"Beneficiary"** shall mean the Slovak Hydrometeorological Institute;
- **"Co-financing entities"** shall mean the other providers of financing to the Project, that is to say : Economic Commission for Europe (ECE), and the Governments of Finland, Switzerland, Sweden and Nederland through funds provide to ECE.
- **"Euro" or "EUR"** shall mean the single European currency being legal tender in the member states of the European Economic and Monetary Union, including France;
- **"Extraordinary Commercial Costs"** shall mean any commission not mentioned in the main contract or which does not result from at least an independent and valid agreement referring to such contract, any commission which is not in consideration for an actual and legitimate service, any commission paid in a tax haven, any commission paid to a beneficiary which is ambiguously identified or to a company which could be considered as a fictitious company;
- **"FFEM"** shall mean the Fonds Français pour l'Environnement Mondial, represented by its secretariat;
- **"Grant"** shall mean the financing made available by the AFD to the Beneficiary pursuant to the terms of the present Agreement;
- **"IWAC"** shall mean the International Water Assessment Centre as a collaborative centre of the Convention on the Protection and Use of Transboundary Watercourses and International Lakes; the "Beneficiary" the Slovak Hydrometeorological Institute acts as the legal entity for the International Water Assessment Centre.

- **"Programme"** group all actions and projects in relation with the second assessment launched by the Secretariat of the *"Convention on the Protection and Use of Transboundary Watercourses and International Lakes"*. The description is set out in the Appendix I,
- **"Project"** shall mean the component of the programme financed by the FFEM in order to strengthen capacity building in data administration for assessing and monitoring transboundary water resources in countries of Eastern Europe, Caucasus and Central Asia (EECCA). The description and cost whereof are set out in the Appendix I and II;
- **"Steering Committee"** shall mean the Committee established to follow the Project progress and approve strategic choices and directions to take. Its description is set out in Appendix I;
- **"Prime Contractor"** shall mean the International Office for Water, in charge of the coordination and the implementation of the Project
- **"Financial Sanctions Lists"** means the list of persons, groups or entities which are subject to United Nations, European Union or French financial sanction.

For information purposes only and not to the benefit of the Recipient (who may not take any advantage whatsoever of or rely on the references listed below and provided by the Agence):

- **As regards the United Nations**, the lists may be consulted at the following address:

<http://www.un.org/french/sc/committees/1267/consolist.shtml> (Taliban, Al-Qaida),
<http://www.un.org/french/sc/committees/1737/index.shtml> (Iran)
<http://www.un.org/Docs/sc/committees/INTRO.htm>;

- **As regards the European Union**, the lists may be consulted at the following address:

http://ec.europa.eu/external_relations/cfsp/sanctions/list/consol-list.htm

- **As regards France**, the lists may be consulted at the following address:

http://www.minefe.gouv.fr/directions_services/dgtpe/sanctions/sanctionsliste_nationale.php

Clause 2 – Purpose of the Agreement and application of the Funds

The Agence makes available to the Beneficiary, which accepts, a Grant for a maximum amount of:

800,000 (EIGHT HUNDRED THOUSAND) euros

It is agreed that all amounts mentioned in the text of the present Agreement shall be expressed in Euros, unless specific reference is made to another currency.

The funds shall be exclusively applied to financing of the expenditures, related to the Project in accordance with the breakdown set out in Appendix II and III. Such application is an essential and determining condition for extending the Grant.

Consequently, if it transpires that the Beneficiary has used the Grant funds for a purpose other than that agreed or it is impossible for it, by reason of an event beyond its control, to respect such application, the present Agreement shall be terminated as of right without notice or any formality whatsoever being required.

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The initial disbursement of funds shall be subject to the fulfilment of the following condition precedent:

- #### Clause 4 – Disbursement of funds

Prior to any request, the Beneficiary will communicate by letter to the Agence and to the Prime contractor the name and the capacity of the person(s) who will be entitled to sign, on its behalf, the requests for delivery of the funds as well as a specimen of their signature.

Funds shall be disbursed by the Agency to any bank account in Paris designated for such purpose by the Beneficiary. Notwithstanding the preceding paragraph, and subject to the Agency's prior approval, funds may be disbursed to Slovakia or any other place determined in agreement with the Agency. Such funds shall be disbursed to any financial institution in such place designated by the Beneficiary and approved by the Agency and in the equivalent amount in the currency of such place on the date of disbursement.

The funds could be delivered, at the request of the Prime contractor, with the visa of the Beneficiary and accepted by the Agence, according to one of the following methods:

Funds shall be made available to the Prime contractor upon request of the Beneficiary, by successive disbursements and upon presentation of proof of the expenditures paid by the Prime contractor. Disbursement requests will be sent together with documentary evidence that the expenditures were actually paid for.

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dates of the payment orders. The Beneficiary undertakes not to part with the originals and to make them permanently available to the Agence.

The Agence may also request the Beneficiary to supply documentary evidence that the investment or services corresponding to such expenditure has been duly made or provided.

2°/ Direct disbursement by the Agence to contracting firms

- a) The Beneficiary may request the Agence to make, in its name and on its behalf, direct disbursements to contractors participating in the implementation of the Project.

For such purpose, the Beneficiary shall provide the Agence with all necessary instructions required to enable the Agence to make the requested direct disbursements. Such instructions shall be sent together with the bills, invoices or requests for down payments which may be presented in the form of a photocopy or duplicate certified to conform to the original by the Beneficiary.

- b) It is agreed that the Agence shall in the case contemplated in 2 a) above act in the capacity of payment agent of the Beneficiary and it shall not be required at any moment to determine whether any legal impediment exists to making the requested disbursements. The Agence shall however be entitled to refuse such disbursement requests if it should be aware of any such impediment.
- c) To the extent down payments are paid directly to the contractor under the contracts made for the implementation of the Project, the Beneficiary hereby undertakes to delegate the credit institution for payment in favour of the Agence, should it so request, under any bank guarantee which covers restitution of such down payment.

Furthermore, where the contracts entered into for the implementation of the Project and financed by the Agence provide for the delivery of a completion guarantee (bond) or a guarantee replacing the retention, the Beneficiary undertakes to delegate the credit institution which issues the guarantees for payment in favour of the Agence.

As an exception to the provisions hereinabove, the Beneficiary expressly authorises the Agence, upon signing of the present Agreement and possibly prior to the lifting of the conditions precedent set out in clause 3, to charge the costs of supervision and assessment borne by the Agence itself on the amount of the Grant, as stipulated in Clause 2, for a maximum amount of 40.000 (FORTY THOUSAND) Euros.

Clause 6 – Postponement or rejection of disbursement requests

The Agence shall be entitled to postpone and even reject outright any disbursement request:

- a) if the Beneficiary defaults in fulfilling any of its undertakings given to the Agence pursuant to this Agreement or any other deed,
- b) if the agreement(s) signed for implementation of the Project is cancelled,
- c) if any of the companies participating in the completion of the Project appears on United Nations, European Union or French financial sanction lists (including notably the fight against the financing of terrorism);
- d) if any equipment procured under the Project is subject of the embargo of the UN, the EU or France;
- e) if the Beneficiary or the Ultimate Beneficiary operates in any sector that is subject to embargo by the UN, the EU or France;

- f) if the funds invested in the Project other than the ones provided from the public budget are of illicit origin as regards French law, in particular, originate from the proceeds of drugs trafficking, fraud against the interests of the European Communities, corruption, organized crime or the financing of terrorism, this list being not necessarily exhaustive.
- g) if one or more contractors participating in implementation of the Project appear on the United Nations, European Union or French embargo, financial sanction or anti-terrorist lists,
- h) in the event of financing through the Grant for materials or sectors subject to embargo or financial sanction by the United Nations, the European Union or France.
- i) if the Co-financing entities for the Project suspend their disbursements in connection with the Project

It shall be the Beneficiary's responsibility to inform the companies affected by such postponement of disbursement requests. However, the Beneficiary also acknowledges the Agence's right to inform them.

Clause 7 – Incidental expenses - Registration

All costs and other expenses arising from the signature and performance of the present Agreement and, where applicable, lawyers fees, stamps and registration duties, if such formality is required by either party, and, as the case may be, any commissions and fees related to the transfer of funds between Paris and any other place determined by agreement with the Agence, shall be considered as incidental expenses and shall be borne by the Beneficiary.

Such similar incidental expenses paid or payable by the Agence shall be considered as a use of the Grant and shall be applied on the available balance thereof.

Clause 8 - Term - Termination

- a) The provisions of the present Agreement shall remain in force for the term of 2 (two) years as from the signing hereof.
- b) The Agence reserves the right to cancel the present Agreement without any special formalities or notice where fulfilment of the conditions precedent to the disbursement of funds under the Agreement has not taken place within a period of 12 (twelve) months as from signing of this Agreement.
- c) Furthermore, the Agence shall be entitled to terminate this agreement in all cases where the Beneficiary no longer complies with any of its undertakings towards the Agence either hereunder or under any other deed or if one of the events described in the clause "Postponement or Rejection of Disbursement Requests" occurs.

The Beneficiary shall be informed by the Agence by registered letter and undertakes upon the Agence's request, and by reason of such breach(es) to re-pay, in whole or in part, funds of the Grant.

Clause 9 – Performance and Follow-up

The Beneficiary undertakes to:

- a) draw up and submit to the Agence biannual reports on the performance of the Project as well as a final report;
- b) inform the Agence of any decision or event which may significantly affect the implementation of the Project;
- c) submit for the prior approval of the Agence any modifications of the Financing Plan set out in Appendix II;
- d) authorize the Agence and the FFEM to carry out regular and retrospective supervisory and assessment missions aimed at examining the conditions for the implementation and operation of the Project. To this effect, the Beneficiary, upon having been consulted, agrees to receive such missions for inspection of documents and on-site, the frequency and conditions whereof shall be determined by the Agence.

Clause 10 – Award and Performance of Contracts

- 1°/ Subject to the provisions of the paragraph 2°/ hereunder, the Beneficiary undertakes to respect the principles of competition and transparency, pursuant to internationally recognized and OECD recommended standards for the award and making of contracts, in particular concerning information and pre-selection of potential suppliers, the content and publication of tender specifications, the evaluation of offers and the award of contracts.

The Beneficiary undertakes, where necessary, to take steps to adapt locally applicable provisions concerning public procurement to such principles.

- 2°/ The Beneficiary undertakes to entrust performance of the works or services necessary for the implementation of the Project to contractors presenting sufficient evidence of their capacity to satisfactorily perform their obligations. No exception may be raised before the Agence pertaining to such contracts or orders, except Office International de l'Eau (OIEau) that is in charge of managing the project.

- 3°/ The Beneficiary undertakes to provide the Agence, as soon as they are prepared and adopted, with the conditions for the calls for tenders for the purpose of entering into contracts for the provision of goods and services financed under the present Agreement (rules governing contracts; deadline for presentation of bids, addresses of the persons or bodies to be contacted) in order to enable the Agence to give prior notification to the Development Aid Committee of the OECD at the latest thirty (30) full calendar days prior to the opening of the period for presenting tenders.

- 4°/ The Beneficiary undertakes to submit for the written non-objection of the Agence:

- the choice of the selection procedure,
- the pre-qualification documentation and the list of pre-qualified candidates, if such procedure is applied,
- the call for tender documents or the companies' consultation documents,

Moreover, the Beneficiary undertakes to invite the Agence, if the Agence so requests, as an observer, to the committee for opening tenders and to provide it, for its review, with the bids opening report and the complete evaluation report of the offers, accompanied by a copy of the bid which the Beneficiary proposes to accept. The Agence shall be entitled to request a copy of all offers received.

- 5°/ The Beneficiary undertakes to submit to the Agence, for approval and written non-objection and before signature, the order letters, contracts or amendments to such contracts that it proposes to enter into for the implementation of the Project.

Where the works are carried out directly by the Beneficiary, the Beneficiary further undertakes to communicate the Agence for its non-objection the plans and estimates relevant to said works.

- 6°/ The Beneficiary represents that the negotiation, making or performance of contracts (order letters, contracts, etc.) financed by the Agence have not, do not and will not give rise to the collection of Extraordinary Commercial Costs. The Beneficiary shall transmit to the Agence all supporting evidence on the conditions in which contracts are performed.

As a general matter, the Beneficiary undertakes not to propose or to give to a third party, to request, to accept or to obtain the promise directly or indirectly for its own benefit or for that of a counterparty, of any unfair advantage, either pecuniary or other, which constitutes or could constitute a corrupt practice within the meaning of the OECD Convention of December 17, 1997 with respect to measures against corruption of foreign public officials.

- 7°/ The Beneficiary undertakes, in addition, to introduce in the contracts financed by the Agence clauses pursuant to which the contracting company represents:

- a) that the negotiation, the making and the performance of the contract have not or will not give rise to the collection of Extraordinary Commercial Costs and in the eventuality that Extraordinary Commercial Costs have been paid, it undertakes to re-pay an equivalent amount to the Beneficiary in order that it restitutes such amount to the Agence. In the case of a co-financing, the restitution will be proportional to the portion financed by the Agence;
- b) that it has not proposed, and will not propose directly or indirectly, any benefits (offers, promises of gifts, gifts...) which constitute or could constitute the offence of corruption within the meaning of the OECD Convention of December 17, 1997 with respect to measures against corruption of foreign public officials.

- 8°/ The Agence shall be entitled to suspend, to cancel disbursement of funds pursuant to the Project, to terminate the Grant and to require the repayment of funds already disbursed if the receipt of Extraordinary Commercial Costs or a corrupt practice is noted at any stage of the procedure for the making of contracts pursuant to the Project and if the Beneficiary does not take all appropriate measures to remedy the situation.

- 9°/ It is the Beneficiary's obligation to inform companies which are awarded contracts financed by the Agence and pursuant to which a disbursement request has been postponed or rejected pursuant to the provisions of the present Agreement. The Beneficiary however recognizes the Agence's right to do so as well.

- 10°/ The Beneficiary will take the necessary steps so that the Ultimate Beneficiary assumes the undertakings given pursuant to the terms hereof by the Beneficiary and fulfills them.

Clause 11 – Undertakings and Representations

- 1°/ The Beneficiary represents that:

- it has been duly authorized to sign the present Agreement and that the signature and performance of the present Agreement will not constitute a violation or default under any contract to which it is a party, nor of any law or regulation,

- all authorizations required to enable the Project to be undertaken have been obtained,
- the funds invested in the Project other than the ones provided from the public budget are not of illicit origin as regards French law, in particular, do not originate from the proceeds of drugs trafficking, fraud against the interests of the European Communities, corruption, organized crime or the financing of terrorism, this list being not necessarily exhaustive.

2°/ The Beneficiary undertakes throughout the term of the Project to:

- a) ensure that the companies participating in the completion of the Project do not appear on United Nations, European Union or French financial sanction lists (including notably the fight against the financing of terrorism);

ensure that any equipment to be procured under the Project is not subject of the embargo of the UN, the EU or France;

ensure that the Beneficiary or the Ultimate Beneficiary shall not operate in any sector that is subject to embargo by the UN, the EU or France;

ensure that the funds invested in the Project other than the ones provided from the public budget are not of illicit origin as regards French law, in particular, do not originate from the proceeds of drugs trafficking, fraud against the interests of the European Communities, corruption, organized crime or the financing of terrorism, this list being not necessarily exhaustive.

- b) submit for the prior approval of the Agence any modification of the financing plan set out in Appendix II and III,
- c) take all steps to procure financing, on terms satisfactory to the Agence, for all costs which are not financed from the Grant, including those resulting from any potential overruns from the forecasts,
- d) inform the Agence of any decision or occurrence which could have a material effect on the organization, implementation and operation of the Project, and, in particular, of any modification to the contracts related thereto, of its financial stability, of its technical implementation as well as of the general or sectoral context in which it is being implemented,
- e) provide the Agence with half-yearly technical and financial reports within two months of the end of the relevant half-yearly period,
- f) provide the Agence with an overall report on its implementation, within three months following the completion of the Project,
- g) seek the prior non-objection of the Agence for all material amendments to all or part of the contractual documents to which it is a party for the implementation and operation of the Project or on the basis of which the Project has been carried out and for which communication has been required by the Agence in the present Agreement,
- h) authorize the Agence to carry out follow-up and audit activities in order to examine the conditions in which the Project is being implemented and operated. For such purpose, the Beneficiary undertakes to receive the personnel carrying out such activities, whose visits to inspect the site and all documents related thereto will take place with such frequency and in such conditions as shall be determined by the Lender after consultation with the Beneficiary.

- i) delegate to the Agence at its request the proceeds of the insurance subscribed, as the case may be, on behalf of the Beneficiary by the contractors participating in implementation of the Project.
- j) obtain on a systematic basis and to make available to the Agence the elements of identification of natural persons, (identity, nationality, domicile) and/or legal persons, (name, head office, identity of the partners) which are the Beneficiaries of the re-assigned funds;
- k) Unless the Agence otherwise requests, to mention in all of the Beneficiary's communications or publications concerning the Project the fact that it has received financial support from the Agence and the FFEM.

The Beneficiary further undertakes to invite representatives from the Agence and/or the FFEM to all public events organized in relation to the Project.

Moreover, the Beneficiary shall hereby authorize the Agence and the FFEM to publish in any form and on any media whatsoever, including the Internet, the following information:

- the Beneficiary's name and address,
- the purpose of the Grant,
- the amount granted and its proportion to the total cost of the initiative,
- the results obtained by the Project.

At the Beneficiary's written and duly substantiated request owing in particular to the confidential character of certain information, the Agence may make derogation for such publication.

The Beneficiary will take all necessary steps in order that the Ultimate Beneficiary assumes the undertakings given pursuant hereto by the Beneficiary and fulfills them.

3°/ In addition, in order to promote sustainable development, the parties agree that it is necessary to ensure respect for environmental and social standards. For such purpose, the Beneficiary also undertakes:

- a) to respect national and international standards in matters of environment protection and labour law applicable in the country in which the Project is being carried out, including the fundamental conventions of the International Labour Organization (ILO) and the international environmental conventions;
- b) to ensure that the companies selected for the implementation of the Project respect all of such standards and have them respected by their subcontractors and to take all appropriate measures in case of failure by such subcontractors to meet such standards;
- c) to ensure that the companies selected for the implementation of the Project adopt such mitigation measures and ensure that such measures are taken by their subcontractors and take all appropriate steps in case of failure by such subcontractors.

4°/ Finally, The Beneficiary shall take all necessary steps in order that, throughout the duration defined in Clause "Term – Termination" - herein below:

- a) fulfills all of its obligations,
- b) provides the Agence with a copy of its annual financial and budgetary statements as soon as they are approved as well as all information which the Agence may reasonably require on its financial position,
- c) provides the Agence, at its request, with the minutes of the meetings and reports of the corporate organs as well as the statutory auditors reports and the annual accounting audit reports or any

report on the implementation and the control of its annual budgetary and financial situation,

- d) insures the goods financed with funds from the Grant against the principal risks likely to affect the establishment and performance of the Project.

Clause 12 – Choice of domicile

For the performance of the provisions and conditions of the present Agreement, the parties have chosen the following domiciles:

- the Agence at its head office in Paris;
- the Beneficiary at its office in Bratislava;

wherein all proceedings may be duly notified to them.

Clause 13 – Applicable law and choice of jurisdiction

In the case of any disagreement concerning the implementation or the interpretation of the present Agreement, the parties undertake to engage in consultations with a view to reaching a common agreement. However, since the present Agreement is governed by French law, failing a friendly settlement, any dispute arising from the interpretation or performance hereof shall be referred to the courts of Paris having jurisdiction over such matters.

Clause 14 – Resolutive Condition

The Agence reserves the right to declare the present Agreement rescinded in the event that the Beneficiary fails to respect any of its contractual obligations *vis-à-vis* the Agence, under the present Agreement or under any other instrument. It shall suffice for such purpose that it informs the Beneficiary of its decision by registered letter.

The Beneficiary undertakes to thereupon reimburse the funds of the Grant to the Agence upon receipt of said letter.

Clause 15 – Language

The original version of the present Agreement have been drawn up and signed in English. If any translation is made, the English version alone shall be legally binding in case of any divergence in the interpretation of the provisions of the present Agreement or in the event of a litigation between the parties.

Read and approved



the AGENCE, (1)

READ AND APPROVED

Drawn up in three original copies of which two are for the AFD,

On 28.10.2010



the BENEFICIARY, (1)

Appendix I – Project Description

With more than 50% of the territory made up of transboundary river basins, the countries of Eastern Europe, Caucasus and Central Asia (EECCA) strongly depend on transboundary water resources for drinking water production, hydropower, irrigation, and for the other uses: in these basins, it is thus of prime importance to develop an effective IWRM policy for water resource management respecting natural water balances, more especially as climate change threatens these resources in their quantitative and qualitative aspects.

The application of these policies implies having a complete and detailed assessment of water resources, which is based on homogeneous and coherent information.

However, apart from some specific cases, access to the information necessary for water resource management remains often a problem in the region.

This project proposition fits in with the assessments of water resources undertaken as part of the "Convention on the Protection and Use of Transboundary Watercourses and International Lakes". It aims to assess both the status of shared waters and the efficiency of the measures taken to deal with transboundary impacts.

The overall aim of the project is to build capacities in data administration within the main national and regional authorities concerned in order to develop information production and sharing for providing support to transboundary water resource management policies and action.

The actions planned to achieve this goal include 2 components:

- The first component aims at building capacities in data administration and sharing in 2 pilot transboundary areas by using methodologies which could also be applied to other transboundary river basins in countries of Eastern Europe, Caucasus and Central Asia.
- The second component regroups actions at the regional level. They aim, on the one hand, to develop regional tools for access to information and, on the other, to disseminate the results and experience feedbacks, obtained in the 2 pilot areas, to the other transboundary river basins and other EECCA countries, in order to help them develop their own information systems.

All the actions are planned to be carried out over a 18-month period between June 2010 and November 2011, for being able to present the results at the ministerial conference which will take place in Astana in November 2011.

After analysis of the basins pre-selected by the Secretariat of the UNECE Convention on International Waters, the two pilot areas retained for this project are:

- The Dniestr River Basin: shared by the Ukraine and Moldova, this basin is encountering environmental problems related, in particular, to water quality and variations in the regime of the river.
- Basins of the Aral Sea (Amu Darya and Syr Darya river basins): shared by the 5 countries of Central Asia (Kazakhstan, Kyrgyzstan, Uzbekistan, Tajikistan, Turkmenistan) and Afghanistan, these basins have important problems of quantitative water resource management, as well as problems in managing water quality and the environment.

Regarding the Dniestr, this project could be carried out in partnership with the signatories of the bilateral agreement of 1994 on the Dniestr, i.e., on the one hand, the Ukrainian "State Water Committee" acting as a representative of the Ukrainian Government and, on the other, the Moldovan Ministry of Ecology and Natural Resources.

At the level of the basins of the Aral Sea, the actions are considered within a partnership with the Executive Secretariat of IFAS (International Fund for saving the Aral Sea), organization elected by the 5 Central Asian countries for, in particular, "finding practical and effective solutions for sound use of water, energy and to environmental problems". The collaboration rules will then be specified with the IFAS for use with other

associated organizations such as the ICWC (*Interstate Coordination Water Commission*), as well as the possibilities of involving the representatives of Afghanistan in the project activities.

In the 2 pilot areas, close cooperation will be required in the on-going projects financed by other financial donors, and especially in the "Dniestr III Projects" on the Dniestr and in the projects of the EU, UNECE, GTZ and Swiss cooperation supporting the IFAS and ICWC.

The proposed activities in each of the 2 pilot areas are divided into 5 phases:

1. Preliminary phase: Phase of validation of the objectives, project organization and information of the interested parties to lead, in each area, to a detailed action plan and the organization of a seminar for the information of the various stakeholders.
2. Analysis of the situation: analysis of the existing data, the partners' information needs and priorities for reinforcing joint management, through a collaborative inventory based on an online catalogue of data sources and enquiries on the needs.
3. Proposal for an action plan for data management of the "data master plan" type, developed through technical expertise and meetings/workshops for dialogue with the national, regional partners and financial donors.
4. Contribution to the implementation of the action plan on topics to be identified, with exemplary actions supporting the production of the information useful for decision-making, such as:
 - Drafting of memorandums of understanding, sharing rules, exchange scenarios;
 - Development of a common language (models, dictionaries, common reference frames) for exchanging comparable and homogeneous data;
 - Development of a technical architecture for networking the services and capacity building in exchanges while relying on the information systems already existing at the level of the various partners (data bases, GIS, servers, etc.);
 - Application of exchange procedures to show the advantage of common rules and networked services to facilitate the production of the expected information, while enhancing the role of each producing partner.
5. Dissemination of results

The regional activities will be undertaken with the services of the IWAC (International Water Assessment Centre), organizations mandated by the Secretariat of the Water Convention, with which it is especially planned to:

- put online the 1st regional catalogue exploiting information from the 2 pilot areas;
- produce a summary document underlining the experiments undertaken in the 2 areas;
- carry out actions for communication and dissemination of the results (presentation leaflets, side events during the conference of Astana, etc...).

Overall coordination of the project will be made by a coordination committee gathering:

- The IWAC as a delegated authority, under the supervision of the SHI (Slovak Hydrological Institute);
- The Secretariat of the Convention on international waters which coordinates the activities related to the convention;
- The FFEM (French Global Environment Fund) as a donor of the project.

IOWater will be in charge of managing the project. It will technically coordinate all the actions financed by the FFEM and, for this purpose, will rely on local and international partners in accordance with the technical and financial orientations defined in the feasibility study of the project.

Appendix II – COST ESTIMATE AND FINANCING PLAN OF THE PROGRAMME

Source	Amount in Euros
Georgia (to ECE)	2 260
Nederland (to ECE)	10 000
Switzerland (to ECE)	120 000
Sweden (to ECE)	95 000
Finland (to ECE)	500 000
ECE in kind	100 000
IWAC	80 000
OIEau	45 000
FFEM	800 000
TOTAL	1 7252 260 €

The distribution per activity of the FFEM financing, detailed in the feasibility study report, is summarized as follows:

Project activities	Amount in Euros
Component 1: Actions carried out in the pilot transboundary areas (cost per area)	
Activity 1.1: Preliminary phase: validation of the objectives/ Project organization/Information of the interested parties	47,500 €
Activity 1.2: Analysis of the situation: analysis of the existing data, identification of the partners' needs and priorities	99,000 €
Activity 1.3: Proposal for an action plan for data management, "data master plan"	26,000 €
Activity 1.4: Contribution to the implementation of the action plan	113,000 €
Activity 1.5: Dissemination of results	30,000 €
TOTAL COMPONENT 1 (for the 2 pilot areas)	631, 000 €
Component 2 : Actions carried out at the Regional level	
Activity 2.1: Creation of an online regional catalogue of data sources, presentation leaflets, regional side events, actions for communication at the regional level	69,000 €
TOTAL FOR THE 2 COMPONENTS	700,000 €
Miscellaneous and contingencies	20,000 €
IWAC management cost (5%)	40,000 €
FFEM supervision, evaluation (5%)	40,000 €
GRAND TOTAL	800,000 €