

Final Regulatory Impact Assessment Regulation on Water Bodies Identification, Delimitation and Classification

I. Introduction

The current final Regulatory Impact Assessment has been developed in compliance with the provisions of the Methodology for the Regulating Impact Analysis and for monitoring the efficiency of the regulation act approved by the Government Decision of the Republic of Moldova No. 1230 from October 24, 2006.

The draft Regulation on Surface Water Protection against Pollution was subject to public consulting procedure with the interested stakeholders. Hence, a Working Group (WG) dealing with water-related legislative and institutional aspects was established in October 2007, comprising the representatives of the public authorities involved in water management in the Republic of Moldova and of the nongovernmental community. Consulting sessions with the main groups of stakeholders took place on March 06, 2008 during the second WG sitting, where the WG members agreed to set up the development of the Regulation in question as a priority.

Likewise, the draft Regulation special consultations on the concept and provisions of the draft Regulation had been carried out with the representatives of the Central Environment and Natural Resources Authority, Public Water Management Authorities and the Central Healthcare Authorities on May 22, June 26, July 21 and September 19, 2008, which provided overall support to the drafting endeavor.

In order to consult the Regulation preliminary version, its draft was presented at the Seminar titled „Convergence with the EU Water Directives”, organized by the Ministry of Ecology and Natural Resources on October 30, 2008. Officials of the Ministry of Ecology and Natural Resources, Agency “Apele Moldovei”/”Waters of Moldova”, Ministry of Health as well as members of the Parliament of the Republic of Moldova, representatives of the Ministry of Foreign Affairs and European Integration, Ministry of Agriculture and Food Industry, Ministry of Local Public Administration, Environment NGOs and private sector were amongst the participants to the Seminar.

II. Problem Defining.

The Regulation on Water Bodies Identification, Delimitation and Classification has been drafted with the goal to define the regulatory framework for the surface water

bodies identification, delimitation and classification and to confirm the process outcomes.

The water bodies identification, delimitation and classification shall be carried out to determine the water management process main components, on which the management objectives are to be outlined, and the water resources status as well as the efficiency of their management are to be assessed on the basis of the main components status. In case of lack of the respective data it would be impossible to ensure an efficient water management.

The Government of the Republic of Moldova has committed itself to apply the main EU Directives in the environment protection area into the national legislation. The draft Water Law contains many aspects provided by the Directive 2000/60/EC of the European Parliament and European Council from October 23, 2000 with the purpose to establish a community water policy framework (Framework Directive). The present Regulation is necessary to ensure the implementation of certain aspects of the Framework Directive and the draft Water Law in terms of water bodies identification, delimitation and classification.

Point (2), Article 7 of the draft Water Law stipulates that the water bodies identification, delimitation and classification shall be carried out according to the Regulation on Water Bodies Identification, Delimitation and Classification. As per the same Article, the Water Management Public Authority and the Central Environment and Natural Resources Authority are in charge for drafting the regulation.

Because the surface waters support a series of activities, out of which drinking water supply is the most important, in this context, another critical issue is the surface water pollution, which may negatively affect the public health and the country economic development. Therefore, adequate surface water management is crucial; it can be ensured through permanent monitoring, the latter being possible in case comprehensive and systematized information is available.

III. Potential Impacts.

The Regulation on Water Bodies Identification, Delimitation and Classification is expected to produce a series of positive impacts, both direct and indirect.

With respect to the direct impacts we can mention that the Regulation implementation would lead to substantial improvement of water management and waters monitoring process. The development of a Water Cadastre will make the policy making process more efficient as well as the water protection programs, and improve both their quality

and the implementation and monitoring process. Likewise, the development of a Water Cadastre will enable: the optimization of water management costs to achieve the water protection objectives; optimization of costs incurred for observing the surface water protection measures; optimization of costs incurred for water monitoring.

At the level of separate bodies, the Regulation implementation will enable to monitor the fulfillment of the tasks formulated with respect to reaching the management objectives.

As for the indirect impacts, one of the most important is the enhancement of the water management process efficiency along with the water quality improvement.

Effective and accurate implementation of the Water Law will not be possible without the secondary legislation enforcement, provided by the body of law, part of which the current draft Regulation is. Due to the fact that the Regulation is one of the fundamental tools in the Water Law implementation process, the former shall contribute to the accomplishment of the Law basic objectives, i.e.:

- achieving a good status of the surface and underground waters, aquatic ecosystems and preponderantly water-dependent ecosystems;
- ensuring the water protection against the destructive deeds;
- strengthening the water resources quantity and quality conservation level;
- promoting sustainable use of water for different purposes and their diversification.

IV. Alternative Options

Within the regulation impact preliminary analysis, two alternative actions have been suggested along with the Regulation development, e.g. doing nothing and adjusting the regulatory documents in effect. Thus, in the process of assessing the alternative actions, the latter were regarded as non-relevant options to the Regulation development since the Regulation will bring fresh new tackling in the water management process.

Alternative	Benefits	Costs	Impacts over small and medium-sized enterprises	Distribution issues	Uncertainties
Doing Nothing	No financial endeavor by the Government	<p>Maintenance of low efficiency in the water management area;</p> <p>Maintenance of legislative vacuum, non-transparency for planning the policies and programs in the water quality areas;</p> <p>Inefficiency of the water quality monitoring process;</p> <p>Depletion of water resources in the future;</p>	<p>Increasing the production costs as a result of depletion of water resources in the future and continuous worsening of water quality;</p> <p>Maintaining the costs for managing the rights over the water bodies at the current level;</p>	<p>Undermining the Water Law implementation;</p> <p>Ceasing the process of the national legislation approximation to the EU requirements in the water field;</p> <p>Continuing the inefficient water management;</p> <p>In case the surface water bodies are not identified, delimited and classified, practically, it is impossible to define efficient measures to improve their quality, due to the fact that the water bodies real situation is unknown.</p> <p>Poor quality policies and programs in the field of water protection management;</p>	-
Adjusting the regulatory documents in effect.	Maintenance of low efficiency in the water management area;	Possible abrogation of the approved amendments due to their failure to comply with the general rule set up for the regulatory act development in order to fulfill the law. Since the regulatory	Increasing the production costs as a result of depletion of water resources in the future and continuous worsening of water quality;	-	Availability of financial and human resources necessary to ensure the

Alternative	Benefits	Costs	Impacts over small and medium-sized enterprises	Distribution issues	Uncertainties
	Partial alignment to the EU requirements;	documents in effect have been developed to fulfill the provisions of the Water Code, the former could be declared unconstitutional as a result of abrogating the Water Code.	Reducing the costs for managing the rights over the water bodies;		implementation and observance of requirements.
Approving the Regulation	Increasing the water management efficiency; Alignment to the EU requirements; Enhancing the water resources quality;	Enhancing the water management cost efficiency; Allocation of administrative resources, including the ones for strengthening the surface water capacity and monitoring; Costs related to the use of the new classification in the Water Cadastre; Reduction of the current expenses for water protection	Reducing the production costs as a result of depletion of water resources in the future and continuous worsening of water quality; Reducing the costs for managing the rights over the water bodies; Speeding-up the production of organic products; obtaining high quality information regarding surface water state which will allow a better planning	-	Availability of financial and human resources necessary to ensure the implementation and observance of requirements.

Selecting the alternative actions involves both major risks and high costs, especially in case of adjusting the current regulatory acts, where the major risk is associated with the possible abrogation of the approved amendments due to their non-compliance with the general rule set up for the regulatory act development, in order to fulfill the law.

V. Implementation

The implementation of the Regulation on Water Bodies Identification, Delimitation and Classification will require incurring costs at the expense of the State Budget. The private sector will not incur any implementation costs at all. The estimated costs for the Regulation implementation amount 3,268 thousand Moldovan Lei.

The Regulation implementation will require strengthening the implementation capacities of the authorities in charge, to include training activities, providing the necessary equipment etc.

The implementation costs summary is displayed in the table below:

No.	Activity	Expenses (thousand Moldovan Lei)	Expenses Bearer
1.	Strengthening the capacity of the State Agency for Geology and of the State Agency „Apele Moldovei”.	15	State Budget/other sources
2.	Establishing the Working Groups: “The Danube Territorial/Basin Region” and “The Nistru Territorial/Basin Region”.	8	State Budget/other sources
3.	Organizational, material, informational and financial support to the Working Groups activity.	180 ¹	State Budget/other sources
4.	Identification, delimitation and classification of surface water bodies.	1,100	State Budget/other sources
5.	Establishment of the Water Cadastre, including the software provision and costs for using the new classification.	1,500	State Budget/other sources
6.	Underground water bodies identification, delimitation and classification.	400	State Budget/other sources
7.	Organizing seminars (by the State Agency “Apele Moldovei”) to conduct public discussions about the preliminary results of the surface water bodies identification and delimitation.	30	State Budget/other sources
8.	Development of the Water Monitoring Program.	35	State Budget/other sources
9.	Total expenses:	3,268	-

The Regulation implementation will be enabled through the application of the most efficient and less costly water management measures aimed at improving the water quality.

The measures necessary to improve the water bodies quality from the “Very Bad” to “Bad” level are more radical and more costly in comparison with the measures necessary to improve the surface water quality from the “Average” to “Good” level.

¹ Annually.

VI. Performance Indicators.

The Ministry of Ecology and Natural Resources shall monitor and assess the Regulation implementation process. The State Agency for Geology and the State Agency “Apele Moldovei” are the public authorities directly responsible for implementing the Regulation provisions to the Ministry of Ecology and Natural Resources, and to the Government of the Republic of Moldova, accordingly.

The monitoring of the implementation process will be carried out based on the following performance indicators:

- Quality of water management policies and programs;
- Number of water bodies included in the Water Cadastre;
- Water management costs incurred to achieve the water protection objectives;
- Costs incurred for observing the surface water protection measures;
- Costs incurred for water monitoring.

VII. The date of Regulation entering into effect and its term of action.

The Regulation on Water Bodies Identification, Delimitation and Classification shall become effective on the date of its publication. Due to the fact that the Regulation implementation does not require carrying out preliminary (alignment) actions from the side of the private sector, the effective date shall remain the one stated.