

POSITION PAPER ON STRENGTHENING NATIONAL UNION OF WATER USERS' ASSOCIATIONS

(Only for Internal Use)

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Subject: Strengthening of National Union of WUAs (NUWUA)

Introduction

Under Sub-Component 3.4, it is envisaged that NWRMP-1 will provide funding to the NUWUA in order to its WUA advocacy and support role, organisation of two national conferences, provision of specialised training for WUAs and UWUAs, and organisation of regional workshops on topical issues.

Salient Features of NUWUA

Establishment and registration: During its constituent meeting in October 2005, the Charter for the NUWUA was approved by the attending WUA representatives. Subsequently the NUWUA was established on 6th March 2006 as a not-for-profit and non-governmental organisation on the basis of voluntary participation, self-governance, legality, transparency and acting for the public interest. The newly established association was registered as an association with the Ministry of Justice.

Mission: The NUWUA is a professional organisation promoting the interests of its members at national and local level, protecting their rights and proposing effective solutions to emerging issues and challenges.

Objectives: According to its Charter, the objectives of the NUWUA are the following: i) assistance to WUA development; ii) coordination of activities of WUAs; iii) regularisation of relation of WUAs with other entities and government bodies; and iv) attraction of credit, grants and other funds from donor organisations for improvement of irrigation infrastructure of viable WUAs.

Main tasks: According to its Charter, the main tasks of the NUWUA include:

- 1) Provision of consulting, technical, legal and financial assistance in solving any problems at Raion, Oblast and national level;
- 2) Provision of assistance in improvement of operation and maintenance of irrigation infrastructure;
- 3) Implementation of actions to strengthen the material and technical basis of the NUWUA through the attraction of grants and credits on favourable terms;
- 4) Implementation of actions to improve ecological conditions of lands the NUWUA members through the attraction of grants and credits on favourable terms for the NUWUA members;
- 5) Provision of assistance to WUAs in the development of construction and rehabilitation projects through the attraction of grants and credits on favourable terms from donor organisations;
- 6) Development and implementation of a strategy to attract and use investments and grants;
- 7) Implementation of projects and grants to strengthen WUAs through participation in national and international tenders;
- 8) Protection and representation of the WUA rights in government bodies, courts and other institutions; and
- 9) Provision of support and assistance to WUAs in solving their interests and disputes.

Comment: Tasks 3, 4, 5, 6, 8 and 9 are in line with the aforementioned objectives of the NUWUA. Tasks 1 and 2 are mainly the responsibilities of the WUA Support Units, whereas task 7 is beyond the scope of the NUWUA as its core business is lobby and advocacy.

Membership: Any WUA located and operating in the territory of the Kyrgyz Republic can be a member of the NUWUA. At present, a total of 239 WUAs with a total service area of about 445,000 ha are registered as being a member of the NUWUA. Each WUA member is expected to pay an annual contribution of KGS 2/ha. If all 239 WUAs would pay their annual contribution, the NWUA would collect KGS 990,000 per year.

Issue: The large majority of the WUA members do not pay their annual contribution to the NUWUA. As a result, the NUWUA only collected the following amounts as contribution among its members: 2012: KGS 54,000; 2013: KGS 156,000; 2014: KGS 49,000; and 2015: KGS 41,000. In other words, not more 20 WUA members (8% of all WUA members) paid their contribution in 2015.

Governing bodies: According to its Charter, the NUWUA has the following four governing bodies: i) Representative Assembly, ii) Board of Directors; iii) Directorate; and iv) Audit Committee. At present, the Representative Assembly has 114 members and the Board of Directors comprise 17 members. The Directorate has three staff members: NUWUA Chairman, Engineer and Accountant.

Issue: The size of the Representative Assembly is too large, whereby one member represents only two WUAs.

Sources of income: The major source of income for the NUWUA are contracts with donor-funded projects, including OIP, Helvetas, FAO, JICA, OSCE, Asia Farmers' Association, UNDP and USAID over the last number of years. The total budget for 2015 was US\$ 110,000 through a number of projects, including the USAID-funded Agro-Horizon Project. All salary and office costs must be covered by the annual contributions and budgets from contracted projects as the NUWUA does not receive any subsidy from the Government.

Issue: The NUWUA is operating as a contractor to be contracted by donor agencies to implement projects.

Charter: The Charter has the following contradictions:

- It is specified in Article 16 that it is allowed that several WUAs authorise one representative to represent their interests and the representative gets the right for relevant number of votes in the Representative Assembly. However, it is stated in Article 17 that each representative has one vote in the meeting of the Assembly.
- It is specified in Article 17 that the competence of the Representative Assembly is to approve the annual report and balance sheets, but the Representative Assembly normally has a meeting once every 3 years.
- NUWUA Chairman is member of the Board of Directors and the Directorate at the same time, whereas the Directorate is accountable to the Board of Directors. In other words, the NUWUA Chairman as member of the Board of Directors has to supervise and control his own activities as member of the Directorate (conflict of interest).

Recommendations

Issue

Tasks 1 and 2 are mainly the responsibilities of the WUA Support Units, especially the provision of technical assistance and improvement of the O&M of irrigation infrastructure.

Recommendation

NUWUA should focus on providing legal and financial assistance to WUA members.

Issue

In line with task 7, the NUWUA is operating as a contractor to be contracted by donor agencies to implement projects.

Although the NUWUA has 239 registered WUA members, not more 20 WUA members (8% of all WUA members) paid their contribution in 2015.

With 114 representatives, the size of the Representative Assembly is too large.

According to Article 17 in the Charter, each representative has one vote in the meeting of the Assembly.

NUWUA Chairman as member of the Board of Directors has to supervise and control his own activities as member of the Directorate (conflict of interest)

Recommendation

NUWUA should focus on lobby and advocacy in accordance with its mission.

NUWUA should expand the number of active WUA members as it will only have sufficient mandate and authority to operate as the legal representative of the WUAs at national level if a large number of WUAs are active members. Furthermore, the NUWUA will only be recognised as an important stakeholder if it is actively supported by a large number of WUAs throughout the country.

As the Representative Assembly should not have more than 40 to 50 members in order to have effective meetings and reducing the meeting costs, 5 to 10 WUAs should be represented in the Representative Assembly by one jointly elected representative.

Each elected representative should have a number of votes equal to the number of WUAs represented.

NUWUA Chairman should only be a member of the Board of Directors and the NUWUA should employ a Director to head the Directorate to avoid a conflict of interest.

Tentatively Recommended NWRMP-1 Support for NUWUA:

- Meeting with NUWUA Chairman **during first week of July 2016** to review the main tasks of the NUWUA as specified in its Charter taking into account that lobby and advocacy should be the core business of the NUWUA, NUWUA membership criteria, size of the Representative Assembly and the position of the NUWUA Chairman;
- Provision of financial support for the one-day meeting of Board of Directors of the NUWUA between 15 and 20 July 2016 to discuss the future of the NUWUA by discussing the topics raised in this paper as well as to fix the date and prepare the agenda for the upcoming 3rd conference as well as the number of representatives from each Oblast to be invited for the 3rd conference (not more than 50 representatives), and the organisation of one-day meetings for WUA representatives at Oblast level;
- Provision of financial support for seven one-day meetings for WUA representatives at Oblast level in August and/or September 2016 to discuss the future of the NUWUA and agree upon proposed changes to the NUWUA Charter as well as to elect representatives to the 3rd NUWUA conference;
- Based on the positive outcome of the conducted one-day meetings for WUA representatives at Oblast level, support the preparation of draft amendments to the NUWUA Charter **in September and/or October 2016** prior to the planned 3rd NUWUA conference during the 4th quarter of 2016;
- Based on the positive outcome of the conducted one-day meetings for WUA representatives at Oblast level, support the development and implementation of a campaign to enhance the active membership among WUAs **in September and/or October 2016** prior to the planned 3rd NUWUA conference;

- Based on the positive outcome of the conducted meetings for the WUA representatives at Oblast level and the preparation of draft amendments to the NUWUA Charter, provision of financial support for the 3rd NUWUA conference during the 4th quarter of 2016;
- Based on the positive outcome of the 3rd NUWUA conference, funding of not more than 5 workshops on relevant topics at national and regional level until the end of 2017; and
- Continuous funding for the publication of the quarterly WUA bulletin.