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LIVING NERETVA phase III

Towards EU standards in the Neretva river basin (BiH)



Technical Progress Report

Reporting Period: 1 July 2008 – 31 December 2008

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Project Title: *Living Neretva Phase III - Towards EU standards in the Neretva river basin (BiH)*

Project Number: BA0002.01

Subject: Biodiversity Conservation, Integrated River Basin Management

Region: Neretva river basin

Countries: Bosnia and Herzegovina

Duration: 12 months (1 July 2008– 30 June 2009) – Phase 3

Performer: WWF MedPO / WWF Norway

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Reporting Period: 1 July – 31 December 2008

Abbreviations:

BiH	Bosnia and Herzegovina
CSO	Civil Society Organization
FBiH	Federation of Bosnia and Herzegovina
HD	Habitat Directive
IRBM	Integrated River Basin Management
NGO	Non-Governmental Organization
RS	Republika Srpska
WB	World Bank
WFD	Water Framework Directive

1. Executive Summary

The project is in its third phase (1 July 08 – 30 June 09) and this report covers the first 6 months of the project, namely 1 July 08 to 31 December 08.

Two main components characterize the project, support to water administrations to i) implement the water law according to EU Water Framework Directive requirements and ii) to develop environmental flow assessment methodologies and guidelines.

During the reporting period extensive consultation with the administrations have been carried out to align to new politic and institutional setting and agree on priorities, activities and processes. Major efforts have been made as well to select and contract the key experts (international) to guide the two components and to select and contract national experts teams.

In the economic evaluation component it was decided to focus on the environmental entry points (register of protected areas, ecosystem services evaluation) and an international expert has been drafting the handbook to carry out a baseline scenario in Neretva and Trebisnjica basin and to evaluate the status of water bodies.

In the environmental flow component two main lines of work has been to continue the exercise of EF assessment in Trebizat river and fill gaps, and to select a new pilot river in Republika Srpska to test a new methodology and provide guidelines on the basis of results. The selected pilot water body does not belong to Neretva and Trebisnjica basin due to lack of an appropriate testing ground. The river Vrbanja, tributary to Vrbas river, has been selected at this aim.

Upon demand of the water administrations a user friendly (html based) decision support system for EF assessment has been produced.

2. Project Successes

1. Full agreement reached with BiH water administrations on project priorities, activities and processes to deliver results;
2. Selection of a new pilot river basin in Republika Srpska for testing environmental flow assessment;
3. Production of a decision user friendly (html based) decision support system for EF assessment ;
4. Selection of international and local experts.

3. Progress on Activities

Overall

This reporting period was devoted to set the environment for the implementation of activities which are meant to give assistance to BiH water administration in implementing river basin management in line with EU Water Framework Directive (WFD). As a follow up of the previous phases the key topics were the economics analysis of different river basin management options and environmental flow (EF) assessment or environmental water allocation (EWA). In order to meet this goals it was needed to discuss in details the topics with the water administration and assess the priorities to tackle (or in other words how to match at the most the administration's needs). Based on these results the appropriate international expertise has been looked for, as well as the local experts team selected.

During the previous project phase the new Water Law adopted in both Bosnia and Herzegovina entities came fully into force in the Federation of BiH starting from January 2008, but even though it was expected to happen as well in Republic of Srpska, so far it did not, thus in Federation of BiH the key operational partners are Agencies for River Basins of Adriatic Sea and of Sava River (Black Sea). On the other side in Republic of Srpska the key operational partner is still the Directorate for Waters whose current water management responsibilities are expected to be transferred to the Agency for River Basin management, according to the adopted Water Law. Furthermore, the key high level administrative partners are the ministries responsible for water management of both BiH entities.

During the project reporting period a high number of meetings was held with relevant actors in this sector, to avoid any duplication and to harmonize the project outputs with other ongoing activities. During the same period the GEF World Bank project "Neretva and Trebisnjica River Basin Management" was finally signed off by all parties (September 2008, after being prepared ever since 2003, but still in ratification procedure at state level parliament, thus not started yet), but no major activities have started yet. WWF's project is being agreed with local water administration, to complement and be harmonized with the efforts planned under the GEF project, thus the two projects will coordinate all activities and continuously exchange its information.

Objective A: To provide strategic support to government institutions in Implementing WFD requirements

Economic valuation according to WFD requirements

Under this activity the following sub activities were planned (as from proposal):

- Field surveys/research to close the most pressing data gaps regarding economic evaluation;
- Pressure and impact analysis *sensu* BiH water laws and WFD;
- Definition of objectives for achieving "good status" and "ecological potential" of water bodies in the Neretva river basin;
- Development of a full baseline scenario in order to evaluate the status of water bodies taking into account important socio-economic developments influencing the status of water bodies in the future;
- Development of context-tailored methodologies to: select measures (= actions) based on cost-effectiveness criteria, assess the "disproportionality of costs" of measures for obtaining exemptions, assess environmental and resource costs at the basin-scale to develop mechanism for their integration into water pricing and cost recovery;
- Consideration of transboundary effects and coordination requirements regarding river basin management plan development and the role of economic assessments.

The following are the progresses achieved:

- An international expert and two local experts have been contacted to provide basic research on needs for the most pressing data gaps regarding economic evaluation, underlining ecosystem services evaluation as a key target. The international expert has been contracted, while the local experts agreed to be contracted;
- Research for an appropriate international expert to guide the pressure and impact analysis *sensu* WFD has not produced results yet. Several experts have been contacted but rejected to be engaged after time-consuming process of discussing ToR. Efforts are on going to find the appropriate expert willing to get engaged;
- Discussion on the definition of objectives for achieving "good status" and "ecological potential" of water bodies in the Neretva river basin is ongoing with the water sector administration, with emphasis given to the Agencies for river basin management in FBiH and the Directorate for Waters in RS;
- User friendly handbook detailing the methodology to carry out a baseline scenario in Neretva and Trebisnjica basin, in order to evaluate the status of water bodies (to be based not only on "historical" data, but also taking into account important socio-economic developments influencing the status of water bodies in the future, with focus on tourism, hydropower and agriculture as exercise areas) is under preparation, and will be delivered by the end of January 2009, when a training for the administration will be held, making use of collected/existing data;
- A training for representatives of BiH water administration focused on the development of context-tailored methodologies to i) select measures (= actions) based on cost-effectiveness criteria, ii) assess the "disproportionality of costs" of measures for obtaining exemptions, iii) assess environmental and resource costs, underlining ecosystems services evaluations, at the basin-scale and to develop mechanism for their integration into water pricing and cost recovery is in preparation phase (contracted), and will be held in May 2009;
- As far as the coordination requirements on the development of transboundary river basin management plan, it was agreed with BiH water administration to delay any step on this issue. This was due to the fact that the GEF World Bank

project “Neretva and Trebisnjica River Basin Management” is about to take off and it will address this aspect, hence to avoid duplications it is wise to hold on this aspect.

Environmental flow assessment

Under this activity the following sub activities were planned (as from proposal):

- Analysis of gaps, advantages and disadvantages in Environmental flow (EF) assessment for Trebizat river (which was carried out in Phase II of the project);
- Monitoring of the river ecosystem in order to assess appropriateness of EF assessment at Trebizat river (carried out in phase II of the project);
- Selection of pilot river body in the Neretva and Trebisnjica region belonging to Republika Srpska to assess environmental flow;
- Calculation of EF for the selected river body, namely collection of all information about pilot river body (geographical, hydrological, morphological, biological, physico-chemical, geological, ecological etc.) selection of objectives for the pilot water body, selection of additional data required and selection of sampling points, according to review of existing data and data gaps, selection of sampling points for additional analyses and sampling and analysis of existing and measured hydrological, morphological, physico-chemical and biological data;
- Detailed comparison with results of Trebizat River, aiming to override all assessed gaps and disadvantages of the methodology;
- Consultation on sub-laws on environmental flow drafted in phase II, support to submission of the sub-law for adoption;
- Support the development of a basic strategy for EF implementation and its incorporation in integrated river basin management plans;
- Public consultations on environmental flow sub-law in both BiH entities.

The following are the progresses achieved:

- The analysis of gaps, advantages and disadvantages in Environmental Flow (EF) assessment for Trebizat river (which was carried out in Phase II of the project), initiated in the previous phase, has been continued and it was agreed that the recognized gaps (e.g. lack of river morphology data, lack of updated flow data, more efficient use of biodiversity data) will be one of the objective of this project;
- The monitoring of the river ecosystem assesses in the previous phase (Trebizta river in Neretva and Trebisnica river) in order to assess appropriateness of EF assessment at Trebizat river, carried out in phase II of the project, is agreed and is ongoing, together with monitoring of chemical and biological parameters;
- After very long and numerous discussions with the water administrations it was finally concluded that the ideal pilot river body in the Neretva and Trebisnjica basin belonging to Republika Srpska and appropriate to assess environmental flow does not exist. In fact there are very few rivers in that part of the country, and they have been either turned into channels (e.g. Trebisnjica river, more then 70 km of concrete channel), or the river is completely dry for a very long period, or flow data needed for the assessment does not exist. Thus in close cooperation with water administration of Republika Srpska it was

decided that river Vrbanja, tributary to Vrbas and belonging to Vrbas basin (still in Republika Srpska) will be used as pilot river body for this purpose;

- The calculation of EF for the selected river body, namely collection of all information about pilot river body is ongoing;
- After having drafted the sub-laws on environmental flow (during phase II of the project), the BiH water administration asked specifically to provide additional guidelines on environmental flow assessment to drive, once the sublaw is approved, the work of water managers in a very practical term. Thus the project provided draft guidelines in early September 2008 and distributed them to the administrations and other relevant institutions for comments. The process envisaged also a public presentation of the draft guidelines during a workshop held in Sarajevo, in the premises of the agency for Sava river basin, in October 2008 (minutes provided in annex 1). After having received very useful comments the guidelines were revised, submitted in English language for approval and transformed into a user-friendly html interlinked files (environmental flow decision support system) (see annex 2). At present the guidelines are being translated in local language and ideally the final version of the decision support system is planned to make use of the experience gained during the project implementation tailoring it as much as possible to BiH conditions (i.e. geomorphology tailored).
- Support to the development of a basic strategy for EF implementation and its incorporation in integrated river basin management plans is ongoing and a long-term process, due to the fact that the first river basin management plans are expected to be produced after 2012;

Objective B: Raising Awareness and Capacity Building

Raising Awareness activities

Under this activity the following sub activities were planned (as from proposal):

- Small grant assignment to contribute to preservation of natural, cultural and historical heritage in the Neretva river basin. The aim of the grant is to promote values of water resources in the Neretva river basin through education;
- Small grants assignment for implementing Neretva Clean Day;

Contacts with local potential implementing NGOs were established by WWF ATW office, and small grants will be implemented during incoming spring period, when the weather will be more appropriate for that.

At the same time a set of 8 educational posters on water use and water management was previously prepared and published, and during this phase distributed to schools, primarily to be used by professors of i.e. biology or chemistry, in order to raise awareness on water importance within the school population. Examples of posters are provided in the annex 3.

Capacity Building activities

Under this activity the following sub activities were planned (as from proposal):

- Exchange visit for administration representatives to selected agency in European countries (eg Norway, EU members), in order to familiarize with management practices as potential for replications in Bosnia and Herzegovina;

The needs of local BiH water administration have been collected and discussed and best practices examples in EU member states, to meet the set objectives, have been investigated. It was jointly decided that this mission needs i) to provide responses to examples of successful ecosystem services evaluations to incorporate them into river basin management plan preparation process, ii) show adequate examples of using environmental flow assessment as a tool to secure biodiversity sustainability in areas with high pressure to water use. Contacts are on going with other WWF offices to identify options and opportunities for such a visit. The visit is planned to happen during April-June 2009.

Maintenance of Living Neretva web page is on going and secured to provide transparency on project activities.

4. Problems and Constraints

The main problem encountered has been the selection of a pilot river basin for the EF assessment exercise to be performed in Republika Srpska due to lack of appropriate testing water bodies. The constraint was solved by selecting the appropriate water body, in agreement with water directorate of Republika Srpska, outside the Neretva basin.

Another constraint has been to identify and contract the right international consultant for the pressure impact analysis. Promising contacts are currently on going and expected to bring results in the next reporting period.

5. Unexpected effects

The selection of the pilot water body outside Neretva basin was not expected but needed as a response to local institutional complexity and to match the minimum data requirement to perform the test.

6. Learning and Sharing

Applicable to final reporting.

7. Adaptive Management

The project progress has been mostly driven by matching the administrations priorities and needs. As a consequence the specific activities have been shaped around those needs. The most striking effect has been the selection of a pilot water body for the EF assessment exercise outside Neretva basin.

10. Future Issues/ Challenges

The main challenges will be to reconcile the delivery of the project with the lengthy and complex administrative set up of BiH, and to find the right international expert for the pressure impact analysis.

11. Overall Assessment of progress

Overall, despite the cumbersome process of agreement reaching with the various administrations and their slow pace of response and action, the project is progressing in the right direction.