



**United Nations Development Programme
Regional Bureau of Europe and CIS**



**Eurasia and Middle East Division of
The Coca-Cola Company**

The Regional Water Partnership Initiative

“EVERY DROP COUNTS”

Brief Description:

This Regional Partnership Project aims to provide the framework and a joint action plan for water-related programming in the countries of Europe and the CIS, with a particular focus on increased access to safe drinking water, facilitating the use of environmentally sound industrial technologies, and outreach and awareness raising activities to promote responsible water resource management.

This Regional Public Private Sector Partnership Initiative will initially focus on countries including Albania, Armenia, Azerbaijan, Bosnia and Herzegovina, Bulgaria, Croatia, Georgia, Kazakhstan, Kyrgyzstan, (FYR of) Macedonia, Moldova, Montenegro, Romania, Serbia, Tajikistan, Turkey, Turkmenistan and Uzbekistan as well as Russia, Ukraine and Belarus, that fall under the coverage area of UNDP-RBEC as well as Coca-Cola EMED.



SECTION I

I. SITUATION ANALYSIS

A. Background:

Water plays a pivotal role for sustainable development, including poverty reduction. The use - and abuse- of and competition for increasingly precious water resources have intensified dramatically over the past decades, reaching a point where water shortages, water quality degradation and aquatic ecosystem destruction are seriously affecting prospects for economic and social development, political stability, as well as ecosystem integrity.

In adopting the Millennium Development Goals (MDGs), the countries of the world pledged to reduce by half the proportion of people without access to safe drinking water, and to stop the unsustainable exploitation of water resources. Water resources also figured prominently at the World Summit on Sustainable Development in Johannesburg in 2002. The Plan of Implementation adopted there reiterated the Millennium Development Goal on water (MDG 7), set a new target of halving the proportion of people who do not have access to basic sanitation by 2015, and recognized the key role of water in combating poverty and in the realms of agriculture, energy, health, biodiversity and ecosystems.

Water resources represent a critical ingredient of economic development in the Europe and the Commonwealth of Independent States (CIS) region, providing water for consumption, sanitation, irrigation, industrial use, transportation, fishing and aquaculture, recreation, and other amenities. Water-based ecosystems are central to the region's natural environment, which contains globally significant biodiversity. Concurrently, many aquatic ecosystems in Europe and the CIS have suffered serious degradation or are threatened by pollution (surface and groundwater, point and non-point source), over-harvesting of surface and groundwater, invasive species, and habitat loss. Achieving a balance between meeting the water demands of human societies, and the needs of the aquatic ecosystems on which those societies ultimately depend, remains a key challenge.

Major portions of the region are affected by the widening and deepening of the European Union (EU). These processes require the adaptation and harmonization of member states' policies, legislation, and institutions to EU norms. In the water sector, this occurs through the EU's Water Framework Directive (WFD), which is considered to be among the most advanced water governance regimes in the world. The new EU member states, as well as countries that are (i) engaged in EU accession processes, or are covered by (ii) the stabilization and access processes or (iii) the European Neighborhood Policy, face a number of challenges in adhering to the WFD norms and initiating the required policy reforms.

While many of these countries are now orienting their policy frameworks (more or less voluntarily¹) toward the WFD requirements, some still retain frameworks inherited (or

¹ Although not a formal requirement per se, many countries have adopted the WFD approach more or less as goalposts, as to be able to apply for EC-support under its neighborhood policy and funding mechanisms.



evolving) from the pre-transition period. These include the widespread practice of charging tariffs for water and sanitation services that do not fully cover the costs of providing these services, as well as the failure to devise effective, home-grown frameworks for managing international water resources (seas, river basins, etc.).

In Central Asia, for example, the collapse of Soviet-era regimes for the maintenance of interstate water systems, combined with the continued “free” provision of water and sanitation services, has reduced water quality and access, and generated wide confusion about roles and responsibilities among government structures.

Given the importance of water to poverty alleviation, human and ecosystem health, the management of the water resources becomes of central importance. The depletion and pollution of water resources has resulted not only from the natural limitations of the water supply or lack of financing and appropriate technologies, but also from profound failures in water governance. Consequently, resolving the challenges with regards to water governance must be a key priority and any response will need to emphasize an integrated approach to water resource management and effective water governance.

Recognizing the significant challenges related to water, both The Coca-Cola Company (TCCC) and United Nations Development Programme (UNDP) have committed to identifying and supporting solutions to these challenges. The convergence of this mutual commitment has provided the basis for the development of this partnership and Project.

Discussions on a joint regional water partnership initiative between UNDP’s Regional Bureau for Europe and the CIS (RBEC) and Eurasia and Middle East Division of TCCC (Coca-Cola EMED) officially initiated when UNDP RBEC Director Mr. Kalman Mizsei, UNDP Turkey Resident Representative Mr. Jakob Simonsen, and Coca-Cola EMED President Mr. Ahmet Bozer and his team met in Istanbul on 15 October, 2005.

The initial meeting was followed by a series of discussions between Coca-Cola EMED and UNDP RBEC, which culminated in the signing of a Memorandum of Understanding (MoU) on 15 June 2006 (Appendix I).

The signed MoU provides the ground rules and framework by which the two parties will cooperate, whereas this project document details the scope of project activities that may take place under the auspices of this partnership agreement.

This project document, along with the MoU, is intended to serve as an umbrella document to guide the steering committee in their decision making. As such, this document provides sufficient flexibility so that other specific local projects and activities may be formalized and executed according to the local priorities and realities.

B. Relevance to the Regional Programme

The Regional Programme Document (RPD) of UNDP RBEC (2006-2010) emphasizes the need for improved cooperation on regional and global water challenges and puts a target of increased effectiveness of integrated water resource management policy frameworks. More



rapid progress in meeting MDG 7 is an expected RPD outcome. As such, it is foreseen that this project will contribute directly to the objectives and targeted outcomes of UNDP in the RBEC region in contributing to the achievement of MDG7. Additionally, given the country-level focus of this project, it is also foreseen that the regional efforts will be enforced with concrete activities that will contribute to country-level outcomes related to water.

TCCC, and by extension Coca-Cola EMED, has prioritized water for both its business and society. TCCC believes that it has the responsibility and opportunity to invest in the sustainability of water use, and that doing so will produce real benefits for both TCCC and the wider world.

To achieve this vision, TCCC is committed to:

- being the most efficient industrial water user among peer companies, helping to enable access to clean drinking water in underserved communities where the Company operates,
- supporting the protection of watersheds in water-scarce communities where TCCC operates, and
- helping mobilize the international community around global water challenges.

Coca-Cola EMED expects to contribute to the realization of this vision, specifically by setting an example of an effective public private partnership that contributes to the Company's own vision as well as the universally recognized Millennium Summit Development Goals.

C. Institutional Framework:

The project partners and their respective individual objectives in the water area:

The Coca-Cola Company:

Building and nurturing the connections with the people of the world is an essential part of TCCC's work. As the world becomes increasingly interconnected, yet more firmly rooted in local pride, recognition of its interdependence with all societal stakeholders becomes ever more important. TCCC has benefited from the various cultural insights and perspectives of the societies in which it does business. The TCCC Promise states that while TCCC is the world's most inclusive brand, TCCC must also be the world's most inclusive company.

In the nearly 200 countries where it does business, TCCC system celebrates a tradition of giving back to the community. It partners with a variety of organisations to create and support activities to make a visible difference in the lives of people. Whether providing financial contributions, awarding scholarships or supporting employee volunteer efforts, the Company is able to reach out to a diverse range of families and communities across the globe.

TCCC has launched a new framework for long-term, sustainable business success—"Our Manifesto for Growth"—which underpins the Company's commitment to the sustainable



development of the communities it serves. This commitment is clearly reflected in the *2005 Citizenship Report of The Coca-Cola Company*.

Water is fundamental to Coca-Cola's business; aside from being the largest ingredient in the company's product, packaged drinking water is itself a fast-growing product category. In manufacturing, water is used for washing and rinsing bottles and packages, cleaning mixing tanks and pipes, producing steam, and cooling.

Because water is so integral to Coca-Cola's business, the Company's ability to prosper depends on its management of this resource. TCCC has therefore implemented various water quality initiatives, with an emphasis on: monitoring the quality of the water used in its products; carrying out rainwater harvesting programmes in arid parts of the world; providing wastewater treatment in regions that lack them; and using desalination processes at plants that have access only to salt water.

With its bottlers and supply chain partners, the company strives to improve its environmental performance while increasing its efficiency. In 2005, for instance, the Company achieved a system-wide 4 % improvement in its water-use ratio and 5 % improvement in its energy use ratio. In addition to the business benefits, preserving and protecting the environment furthers the Company's promise to benefit and refresh everyone it touches, as well as its commitment to enhance the local communities it serves.

This commitment is also demonstrated by the Global Water Initiative of The Coca-Cola Company, which is a collaborative initiative to establish a road map for water resource management. Key elements of this Global Water Initiative include:

- The *Global Water Risk Assessment*: A detailed, first-of-its-kind study of water issues at local, national and global levels, to help better understand the water risks facing business and communities where the Company operates. TCCC uses this assessment to collectively develop tailored water solutions with operating groups and bottling partners. These solutions include:
 - Operational excellence in managing water resources throughout the manufacturing lifecycle;
 - Technological innovation to identify and implement breakthrough water technologies, and
 - Community and watershed partnerships to address pressing local water management challenges.
- The *Scarcity Snapshot*: Sub-national water availability mapped against the location of all the Company's plants worldwide, showing the relative production volume and water use ratio for each facility.



- Comprehensive surveys of each operation: Studying water sources, management, quality, wastewater treatment, and community watershed issues.

United Nations Development Programme:

UNDP is the UN's global development network, an organization advocating for change and connecting countries to knowledge, experience and resources to help people build a better life. UNDP has been supporting proven solutions in developing countries to the common development challenges of the urbanizing world. It promotes the practical ways in which public, private and civil society sectors work together to improve governance, eradicate poverty, provide access to shelter, land and basic services, protect the environment and support sustainable development.

UNDP supports the sustainable use of marine, coastal and freshwater resources and improved access to water supply and sanitation services. UNDP develops with its partners the appropriate local, national and regional water governance frameworks, and application of integrated water resources management approaches.

UNDP's Water Governance Programme is currently providing assistance through the following areas:

1. Local Management of Water Resources, Water Supply, and Sanitation
2. Integrated Water Resource Management
3. Addressing Global and Regional Water Challenges
4. Water and Climate Change
5. Gender Mainstreaming
6. Capacity Development for Effective Water Governance

On the sub-regional level, UNDP has for more than a decade played an active role as broker for water-related partnerships, particularly in terms of enabling dialogue and promoting the establishment of coordination and cooperation partnerships (Danube River, Black and Caspian Sea, Kura/Aras River System in the South Caucasus, Dnipro, others). Mainly through GEF²-funded projects, UNDP has built a regional portfolio of some US\$75 million, with roughly equivalent this amount in additional co-funding from governments, the EU, and other partners.

As noted above, UNDP's Regional Programme Document for 2006-2010 highlights specifically contributing to achievement of MDG 7 as one of its important outcomes. As part of its activities to fulfill this objective, UNDP has also become engaged in such regional initiatives as the EU Water Initiative (EUWI-EECCA), the OECD-led EAP Task Force under

² The Global Environmental Facility.



the “Environment for Europe” initiative (focusing i.a. on “Financing the Water Supply and Sanitation Sector”), the Germany-driven “Peterberg/Athens Declaration” process, and others.

Contacts and dialogue with regards to partnerships have intensified with other interested UN agencies (WHO, UNEP, UNECE), donors (DFID, SDC), development banks (the EBRD, World Bank) and the private sector (SNS Bank, The Coca-Cola Company). UNDP’s Bratislava Regional Centre has also started a number of initiatives in the area of knowledge management, education and outreach (e.g., the web-based WaterWiki³).

UNDP has strong networks of national and regional stakeholders and direct beneficiaries. Through participatory mechanisms, UNDP and project partners have initiated and supported water governance initiatives in the areas of policy reform (e.g., focusing on national integrated watershed and quality management strategies in Kazakhstan and Moldova), water supply monitoring and rural infrastructure projects (in Ukraine [Crimea] and Uzbekistan), ecosystem and wetlands interventions (Hungary, Slovakia), community-level user group development (Kazakhstan), and other initiatives (e.g., support for the international water conferences held within the framework of the “Water for Life” decade in Tajikistan, in 2003 and 2005).

Other Partners:

Additional partners may be considered, pending the approval of both UNDP and Coca-Cola EMED. New members would be expected to bring additional resources and ideas to improve the Partnership.

D. Beneficiaries

The ultimate beneficiaries of the Regional Water Partnership will be:

- (a) communities that are currently without access to quality water;
- (b) national and local authorities that are responsible for managing water and sanitation services;
- (c) peer companies who will learn from best practice water uses and ultimately contribute to better commercial water resource use; and
- (d) the communities and people living in the areas where the project operates.

³ <http://europeandcis.undp.org/WaterWiki>



II. STRATEGY

This document represents an overall framework that provides the basis of cooperation between TCCC and UNDP and provides the scope of activities that may take place under the auspices of this project. The project document complements the ‘Memorandum of Understanding’ (Appendix I) that was signed between UNDP-RBEC and Coca-Cola EMED on June 15th, 2006. The MoU outlines the ground rules and framework by which both parties will cooperate.

The project document is intended to provide flexibility so that country-specific projects that meet national and local priorities and realities may be identified and developed. Initial pilot projects and collaboration are foreseen in Turkey, Kazakhstan, Romania and Croatia. The partnership is designed to allow sufficient flexibility to support additional project ideas through a “small grants mechanism” developed by other country offices of UNDP and TCCC that fall under the overlapping responsibility areas of UNDP RBEC and Coca-Cola EMED.

An important component of this Strategy, as further detailed under “Management Arrangements”, is the structure—notably the Steering Committee and Sub-committees—that will provide the basis on which UNDP and Coca-Cola EMED will oversee decision-making and implementation. The Steering Committee will be the primary instrument through which UNDP and Coca-Cola EMED evaluate proposed activities on the basis of the priority intervention areas described below, in the context of available financial resources and related priorities.

Project Outcome (Vision):

Communities enjoy improved access to safe drinking water and initiatives that promote sustainable use of water for industrial and domestic purposes in an environment highly aware about responsible water use as a natural resource.

To enable the realization of the above vision, the project will have three intervention areas as part of its implementation strategy. These are:

A. Improved Access to Safe Drinking Water

This component relates to projects and interventions which increase “Access to Safe Drinking Water to Improve People’s Lives”.

The project proposals under the scope of this intervention area may be focused on identifying national priorities, engaging local actors/ stakeholders in initiatives to build awareness on effective water management, and/or small-scale pilot initiatives addressing water management issues.

The project may benefit from UNDP’s existing expertise in promoting sustainable local development. For example, UNDP has extensive experience in helping national and local governments to achieve sustainable development and operationalize the MDGs at the local level. The Local Agenda 21/Capacity 2015 programme, which has been active in virtually all



of the designated pilot countries, possess particular experience in this respect. In this way, UNDP emphasises: awareness raising, supporting governments in fulfilling commitments and establishing monitoring mechanisms, facilitating local situation assessments, and capacity development for participatory planning, project formulation, implementation and monitoring.

B. Improved regional and industrial water management

This intervention area includes activities such as integrated land and water management projects, the promotion and transfer of environmentally sound technologies in the industrial sector. Specific attention will be given to projects that may benefit from Coca-Cola's expertise and best practices in the field of water resource management.

It is widely recognized that water management is not only a country-specific issue but, to be effective, often requires a regional approach that encompasses more than two countries. This holds true for integrated land and water management, including industrial water management. UNDP and Coca-Cola EMED will therefore explore activities that support effective water management in more than two countries, as well as activities in only one country that promote the wise use and management of industrial water resources.

Activities under the scope of the second area of intervention could include new initiatives or existing ones such as the "*Scaling up "Transfer of Environment Sound Technology" (TEST)*⁴, *subject to approval of the Steering Committee.*

C. Advocacy and communication

This relates mainly to outreach and awareness activities, as well as knowledge management initiatives and possible joint publications. Possible examples include:

- Support for, and awareness raising around, a regional launch of UNDP's *Human Development Report* or other global publications.
- Support for a demand-driven regional report on selected water-related issues, and/or devoting a special issue of the UNDP/London School of Economics regional *Development and Transition* newsletter to regional water issues.
- Needs-based development of publications explaining and promoting best practices and successes of the 15 year cooperation between UNDP, the Danube countries, and the Interstate Commission for the Protection of the Danube River (ICPDR).

⁴ This activity focuses on helping companies in the Danube River Basin to improve commercial water use by replication and scaling up a successful pilot project on the "Transfer of Environmental Sound Technology" (TEST). This UNDP/GEF project (implemented in 2001-2004) demonstrates to the industries of five Danubian countries (Bulgaria, Croatia, Hungary, Romania and Slovakia) that it is possible to comply with environmental standards while maintaining (or enhancing) their competitive position.



- Participation in appropriate national and international events to exhibit innovative solutions to water issues.
- Support for water-related events – such as e.g. “Danube-Day” – with special activities and/or materials

III. MANAGEMENT ARRANGEMENTS:

The Regional Project duration is five years. The Project will be directly implemented by the United Nations Development Programme within the framework of the Regional Programme Document (2006-2010) and the DEX authority granted therein to UNDP Bratislava Regional Center. UNDP/Turkey will be the responsible unit for day-to-day management of the Project in close cooperation with Coca-Cola EMED headquartered in Istanbul and UNDP Bratislava Regional Center.

A. Role of UNDP Bratislava Regional Center

Realizing existing substantive knowledge and operational capacities within the UNDP RBEC Bratislava Regional Center (BRC), as well as role in further partnership building and development of regional contacts, the Director of BRC, along with relevant experts in the fields of water, environmental management, private public partnership, management and communication, will be actively involved.

BRC will be providing management support (via the Steering Committee) as well as financial contributions to the project

For regional activities, and in particular when third/regional co-funding partners are involved (e.g. GEF), BRC will take on the lead implementation and monitoring role.

B. Role of UNDP/Turkey CO

UNDP/Turkey, under the leadership of the Resident Representative and Deputy Resident Representative will serve as a lead office and acting in close cooperation with UNDP RBEC NY, UNDP BRC and participating UNDP Country Offices will ensure effective implementation of the Project’s activities, provide accounting services for financial transactions and payments, contract the project staff, consultants and independent auditing firms, liaise with project partners and stakeholders, and participate in selected events.

C. Role of Coca-Cola EMED

Coca-Cola EMED is committed to playing a “partner” role in this activity, which should be understood as a role not limited to “sponsorship” or “finance provider”. Coca-Cola EMED sees this partnership as a joint activity. In this way, it will contribute with financial and human resources, technical know-how, expertise in communication and advocacy, as well as other in-kind resources that could be relevant. Coca-Cola EMED will be offering such contributions through three levels:



- **Through Steering Committee:**

Senior Coca-Cola EMED managers will have a permanent role in the Steering Committee, to guide the overall strategy and make key project decisions in close collaboration with UNDP counterparts. 3 of the total 6 members of the Steering Committee will be representing Coca-Cola EMED.

- **Through Sub-Committees:**

To ensure active involvement of Coca-Cola EMED as “partners” in this project, Coca-Cola EMED intends to actively take part in all of the sub-committees.

- **Through Country Offices:**

Coca-Cola EMED will also encourage its managers at Country Offices to be involved in the planning and facilitation of the project activities that are executed in those countries within their responsibility areas, in close collaboration with officers of the relevant UNDP Country Offices as well as the Project Sub-Committees.

D. Project Steering Committee

A Project Steering Committee will be established to make executive management decisions in line with the activities outlined in the basic documents, including the MoU and this Project Document, as well as with the strategic priorities of the Partners of this initiative.

Specific roles of the Steering Committee will include guidance of the Regional Project Coordinator, approval of project selections and activities as well as fund allocations and necessary revisions that may be required. Reviews by the Steering Committee will be made at designated decision points during the project course, or as necessary when asked by the Regional Project Coordinator.

The Steering Committee will comprise of 6 members, and will include 3 representatives from UNDP-RBEC and 3 representatives from Coca-Cola EMED. UNDP, in close consultation with Coca-Cola EMED, makes the final decision making on project activities.

Members of the Steering Committee will make decisions in a cooperative manner that strives to accommodate the interests of all concerned. The Partners will make decisions by consensus; defined as the unanimous opinion of those Partners present. The Partners are committed to resolving any problems or disputes that arise in a cooperative and respectful manner.

The Steering Committee will meet at least twice per year to review progress and make decisions within the scope of its responsibilities described above. Steering Committee meetings could be conducted in person as well as by using video-conference facilities.



E. Sub-committees:

Sub-committees will be established to support the implementation of the specific plans within this Partnership. These sub-committees will provide input to the Steering Committee and the Regional Project Coordinator about issues of relevance to their respective focus areas. Regional Project Coordinator will elaborate TORs for the sub-committees and present them to the Steering Committee for input and approval. Participation will be on a voluntary basis but with firm commitment. Initially, it is planned to have the following sub-committees:

- Project development and implementation;
- Technology and environment
- Communications and outreach

The sub-committees will meet at least once a year (video-conference or in person), in addition to regular correspondence by email and telephone. The Steering Committee may decide to establish new sub-committees as well as offer changes in the structure, composition and mandates of these sub-committees.

F. Regional Project Coordinator and support roles:

A ***Regional Project Coordinator*** (RPC) will be hired by UNDP Turkey CO and work under the direct supervision and guidance of UNDP/Turkey Resident Representative or Deputy Resident Representative. Coca-Cola EMED will provide input in the selection of the Regional Project Coordinator through reviewing CVs of the short-listed candidates and by participating the interview process.

The RPC will be responsible for day-to-day project management and decision-making. The RPC will be responsible to implement and report on decisions reached by the Steering Committee.

The RPC will provide technical and administrative support to the Project activities. The RPC will facilitate, guide and organize all relations with the relevant focal points of Coca-Cola EMED and UNDP at countries where project activities are held. The detailed Terms of Reference and Job Description for this post will be prepared by UNDP in close consultation with Coca-Cola EMED.

The UNDP/Turkey Operations team will provide necessary administrative support to the RPC as mentioned above. The Steering Committee may approve hiring of additional support staff if and when needed.

The RPC is expected to regularly communicate with the Coca-Cola EMED office on project activities and progress, both formally and informally.



E. Regional project annual work-plan and budget.

The RPC under direct supervision of the Steering Committee, will prepare and finalize the project annual work-plans and notional/activity budgets, as well as suggestions for the mechanism of funds utilization (i.e. call for proposals, tenders, etc.). The Project Work plan will be developed in line with relevant national and regional planning documents and strategies (e.g. CPAP and RBEC RPD).

The annual work plan should contain allocations for independent monitoring and evaluation. Annual work plans of the regional project with clear measurable indicators are subject to Steering Committee approval. Once approved, annual works plans will be implemented by the Regional Project Coordinator as per the above mentioned management arrangements.

UNDP will utilize Atlas as its financial and project management system. Atlas and UNDP's Results Management Guide allow the linkage of various projects to this regional project document, which would be entered by UNDP Turkey as well as other participating offices. Annual work plans would be produced for the UNDP offices, linked to both this document as well as to country specific programme indicators (in case of UNDP country offices) and regional indicators (in case of BRC). UNDP offices' annual work plans are subject to the approval by the relevant UNDP Resident Representative or Deputy Resident Representative or appropriate BRC management.

The Steering Committee may approve direct allocation of funding to specific activities and projects outside the scope of the above-mentioned mechanism. For example, in 2006, the Steering Committee may decide to allocate funding to the ongoing Regional TEST programme (see above), the Launch of the Human Development Report focusing on Water, or other relevant activities.

F. Financial Arrangements

Coca-Cola EMED will commit USD 5,000,000 financial contribution to the project while UNDP's would also allocate USD 1,250,000. Details on Coca-Cola EMED contribution would be further elaborated in the cost-sharing agreement(s).

Coca-Cola EMED and UNDP have agreed that any in-kind contribution to this project will be regarded as an addition to the above-mentioned figures. UNDP RBEC and Coca-Cola EMED have also clearly agreed that the above-mentioned financial resources will be efficiently used to fund tangible activities.

Both Coca-Cola EMED and UNDP RBEC managers will make every effort not to charge their travel expenses (tickets, accommodation costs, daily allowances, etc), with an exception to approved travel expenses of the RPC. The RPC may approve, with consent of the project development and implementation sub-committee, travel expenses of non Coca-Cola EMED or non UNDP RBEC region staff, such as experts from UNDP Headquarters or other third parties, for relevant project activities.



Standard UNDP cost-recovery arrangements would apply to the donor funding, including 7 % GMS and ISS based on the universal price lists as applicable to the countries where project-related activities will be held.

IV. MONITORING AND EVALUATION:

In order to make the project more visible, credible and to make the implementation more transparent, relevant stakeholders including key beneficiaries, national and international NGOs, will be consulted at the beginning of the project and during the final evaluation.

The monitoring and the evaluation of the Project will be carried out in accordance with the principles and procedures designed by UNDP. A project monitoring plan will be activated and updated by the Regional Project Coordinator to chart key management actions/events.

To fulfill this purpose the following are needed:

- **Progress Reports:** The RPC, with the support of the UNDP/Turkey country office, will prepare semi-annual progress and financial reports for this project, covering all the activities in the participating countries to the steering committee. The RPC will make sure that the progress reports are provided to the Steering Committee for review at least 2 weeks in advance of the planned Steering Committee meetings. The RPC will coordinate data submission with the participating UNDP country offices.
- **Final Report:** The RPC will submit a final report to the Steering Committee within 2 months after the completion of the project.
- **Project Interim and Final External Evaluations:** The project will undergo independent interim and final evaluations at the mid term and end of the project life cycle. The evaluations will be carried out by an independent consultant (or company) and in a consultative and participatory manner whereby views, opinions and feedback from key stakeholders will be sought.

V. LEGAL CONTEXT

This regional project document shall be the instrument referred to as such in Article I of the Standard Basic Assistance Agreement (SBAA) between the Governments participating and the United Nations Development Programme. This regional project document is also subject to the conditions outlined in the signed MoU between UNDP RBEC and Coca-Cola EMED.

SIGNATURE PAGE

**United Nations Development Programme
Regional Bureau of Europe and CIS**

The Regional Water Partnership Initiative

“EVERY DROP COUNTS”

Expected Outcome: Access of poor populations' adequate and safe water supply and basic sanitation increased, and local management of water resources improved

Expected Outputs: Increased access to safe drinking water; Good practices in industrial water management; Advocacy and communication

Implementing partner: UNDP (DEX)

Lead CO: UNDP Turkey

Responsible parties: UNDP Bratislava Regional Centre, UNDP Croatia,
UNDP Kazakhstan, UNDP Romania


Programme Period: RPD 2006-2010
Programme component: Energy and Environment
Applicable MYFF Service Line: 3.2 – Effective
Water Governance
Project Title: Every Drop Counts
Project ID: _____
Project duration: 2006-2011
Management Arrangement: Regional DEX

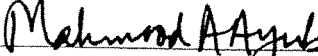
Budget (USD): 6,250,000

Resources:

- Donor 5,000,000
- UNDP contribution (i.e. regional TRAC, CO TRAC, other) 1,250,000

GMS rate: 7%

Agreed by (UNDP Bratislava Regional Center):  /Mr. Ben Slay/

Agreed by (UNDP Turkey):  /Mr. Mahmood Ayub/