



WATER CODE OF THE REPUBLIC OF ARMENIA

(Adopted by the National Assembly of the Republic of Armenia on June 4th, 2002)

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CHAPTER 1. GENERAL PROVISIONS

Article 1. General Concepts Used in the Code

Concepts used in this Code have the following meaning:

National Water Reserve:

The quality and quantity of water that required to satisfy present and future basic human needs, as well as to protect aquatic ecosystems and to secure sustainable development and use of that water resource.

Useable Water Resources:

The portion of water resources that may be allocated for consumptive use without reducing the National Water Reserve.

Water Resources:

All surface and subterranean (subsurface) waters, including any stream, river, spring, wetland, lake, pond, snow pack, glacier, aquifer, and any other body of water, including seasonal water resources.

Water System:

Hydrotechnical structures (here in after called HTS) related to the use of water resources causing the alteration of water flow or used to convey water resources, including (but not limited to): dams, dikes, embankments, canals, channels, wells, pipelines, pumping plants, purification plants, water outlets, spillways, aqueducts and water storage facilities, any machinery, appliances, apparatus that constructed, erected or used for impounding, storage, conveyance, distribution, drainage, control or extraction of water, power generation, water treatment, water use, or rainfall collection. For purposes of this Code, a water system may include an integrated system or separate parts of such a system.

Water Relationships:

The relationships that arise in the sphere of disposition, possession, use and protection of water resources and water systems or their parts, including water supply, wastewater systems and HTS's.

Person:

Any physical and/or legal person.

Public Notice:

Informing of stakeholders about impact of proposed activity, which shall be published in a printing source having at least 1000 printings. The notice shall include the introduction of a decision on the proposed activity or

the issue and a brief description of their possible effect; the location, where information on proposed activity or decision can be obtained; written comments on proposed activity or decision; the location, where the notices can be submitted and realistic terms of their submission, as well as the dates and places of public hearings of notices.

Public Interest:

Such type of activity in water relationships, the main purpose of which is to be useful to the public.

National Water Council:

An inter-sectoral advisory body under the Government of the Republic of Armenia, which serves as an

Dispute Resolution Commission:

A commission acting in the structure of the National Water Council, which resolves disputes related to water use permits.

Water Resources Management and Protection Body:

A body authorized by the Government of the Republic of Armenia, which is responsible for the management and protection of water resources.

Water Systems Management Body:

A body authorized by the Government of the Republic of Armenia, which is responsible for organization of water supply and wastewater services, water systems, and provision of their safety and protection.

Regulatory Board of Water Users' Associations and Federations of Water Users' Associations:

A body under the Government of the Republic of Armenia.

Regulatory Commission:

An independent commission that determines tariff policy in water relations and issues water systems use permits.

National Water Policy:

A concept of perspective development of strategic use and protection of water resources and water systems.

National Water Program:

The main document of perspective development of management and conservation of water resources and water systems by which the objectives of this Code shall be implemented.

Water Basin Management Plan:

A comprehensive document on water management, which shall describe the management and conservation activities to be implemented within a water basin in order to achieve the objectives of this Code.

State Water Cadastre:

A permanent operating system, which keeps comprehensive record of quantitative and qualitative indices on water resources, water intake, watersheds, composition and quantities of materials and biological resources, which are extracted from water basin beds and coasts, as well as record of water users, water use permits and water systems use permits.

Monitoring of Water Resources:

A regulated system of observations of hydrological, hydrogeological, hydrophysical and hydrochemical indices, which ensures collection and analyses thereof (and is a subject to dissemination).

Water Use:

Removing water from or otherwise reducing water in a water resource; storing water; impeding or diverting the flow of a water resource; polluting a water resource; discharging wastewater into a water resource; disposing or

storing hazardous substance in a manner that may detrimentally impact a water resource; and, altering the beds, banks, course or characteristics of a water resource.

Water Use Permit:

A document, which includes the rights and responsibilities of a person related to the extraction of water from and discharge of water into a water resource.

Free Water Use:

Water use, which does not require a water use permit.

Non-Competitive Water Supplier:

A person, who is the owner of commercial supply of drinking or irrigation water or wastewater treatment services to the public and who has no competitors.

Non-Competitive Water Supply System:

A system of HTS's the primary purpose of which is to store water, supply the public with drinking water, wastewater treatment and irrigation services that represents the only available supplier of such services.

Water System Use Permit:

A document issued according to the procedure established in this Code, which stipulates the undertaking of non-competitive activities by using a particular HTS's, as well as rights and responsibilities of the person that provides services; establishes tariffs that the supplier may charge consumers; and regulates the quality of services provided by supplier.

Water Supplier:

A person, who withdraws, stores water and/or supplies it to water users.

State Management:

Delegation of water system use rights from Water Systems Management Body to legal persons having 100 percent state ownership in shares (stocks).

Private Management:

Delegation of water system use rights from Water Systems Management Body to individual entrepreneurial and (or) legal persons not having 100 percent state ownership in shares (stocks).

Management of Irrigation Water Supply:

Requirements presented to water suppliers in the spheres of irrigation water demand, planning, allocation and supply.

Concession Agreement:

A written contract on delegation of rights to use a water system or its part.

Water Lands:

Lands separated for use and protection of water systems.

Manager of Water Systems:

A person, who was given the right to use water systems and the duty to maintain them in an established order.

Weight Coefficient:

Percentage or absolute value, by which the winner of the tender shall be selected.

Transboundary Water Resources:

Surface and (or) ground water resources crossing the state borders, indicating state borders or located thereon, the bottom and shore sections of which located in either side of the demarcation (board sharing) line and belong to the Republic of Armenia.

Water Standards:

Qualitative and quantitative criteria and requirements for water resource (including the National Water Reserve) necessary for protection of water resources quantity and improvement of water resources quality.

Regulated Tariff:

Price or a system of prices for the abstracted, supplied, treated and (or) allocated water unit determined by the Regulatory Commission.

Calculated Tariff:

Tariff calculated by expenses actually made for the abstracted, supplied, treated, and (or) allocated water unit and by reasonable profit.

Safety Indexes of HTS's:

Risk values of an emergency condition of HTS's and their operating conditions.

Pollution:

The direct or indirect alteration by human of the physical, chemical or biological characteristics of a water resource, in a result of which it becomes:

- 1) less fit for beneficial purpose for which it may reasonably be expected to be used; or,
- 2) harmful or potentially harmful to the welfare, health or safety of human beings; any aquatic or non-aquatic organisms; water resources quality; or characteristics. Pollution includes any accumulation in a water resource of articles foreign to the ecosystem in question (littering).

Depletion of Water Resources:

Shortening of water volume or flow, and (or) change of quality, which results in disbalance of ecological state of a water resource.

Water Protection:

Measures preventing and eliminating water pollution, littering and depletion.

Wastewaters:

Polluted waters discharged into a water resource.

Allowed Marginal Concentration (AMC):

Such magnitude of harmful substance, the presence of which does not cause any harm to the human health, neither result in unfavorable consequences.

Allowed Marginal Outflow (AMO):

Such a regulated magnitude of harmful substances, which is established for point and (or) non-point pollution sources, taking into account characteristics of technological norms for discharges and background pollution of water resources.

Harmful Impact of Waters:

Floods, erosion, mudflows, logging, destruction of dams and embankments of shores, raised horizons of of underground waters, swamping and salination of soils (lands), formation of new ravines, deepening of the beds of old ones, activation of landslides, scarcity of water and draught.

Cumulative Impact:

The cumulative impact on environment, which occurs in a result of the change of the water resources state and is observed together with the effects of other actions.

Transboundary Influence:

Detrimental results on environment, which occurs in a result of the change of transboundary water resources' condition, when the source of the change is of human nature, and are located in one of the countries neighboring to the transboundary water resources, and its influence also expands over the environment of other neighboring countries.

Specially Protected Watersheds and Wetlands:

Watershed and wetlands, or parts thereof, which considered as being important to the preservation of water standards standpoint and as such requiring corresponding management, including: watersheds and wetlands, or parts thereof, which have international significance from water standards protection standpoint.

Aquatic Ecosystem:

Integrity of biotic and abiotic subsystems of a water system and (or) its watershed.

Protection Zones of Aquatic Ecosystems:

- 1) *Sanitary Protection Zone* - a protection zone of water resources used for satisfaction of needs of population for drinking, healthcare, municipal needs, household services, medical, health resort and recreational purposes.
- 2) *Flow Formation Zone* - an area, where the river is formed.
- 3) *Ground Water Protection Zone* - areas, which are vulnerable for ground waters.
- 4) *Water Protection Zone* - a territory established for preventing pollution, littering, depletion of water resources, as well as for provision of a favorable water regime, which is not subject to privatization and confiscation.
- 5) *Ecotone* - interconnected transition zone of water and land ecosystems, which includes –coastal and water adjacent territories.
- 6) *Zone of Ecological Emergencies and Ecological Disasters in Water Basin* – a territory of ecological emergencies and ecological disasters in water basin.
- 7) *Non-alienated Zone* - a separated territory having certain regime for operation, restoration and maintenance of water supply, water discharge system and HTS's, which is not a subject to privatization and confiscation.

Ecological Release:

Minimum flow of water through which ecological balance and self-recovery capability of a water resource is assured.

Normative Requirements for Water Resource Use:

Establishment of rules for water resources use, HTS's use, as well as establishment of quantities of biological resources and materials to be extracted from water basins, their beds and shores.

Standardization of Maintenance of Water Resources:

Establishment of marginal allowed human-made loads; establishment of maximum allowable concentrations of wastewaters and composition of substances included in them discharged into water resources; establishment of ecologically safe quantities of water use and wastewater discharge; establishment of rules for water resources protection; establishment of quantities of maximum water intake from water resources and minimum environmental flow rates based on time sections.

Article 2. The Water Legislation of the Republic of Armenia

Water relations in the Republic of Armenia are regulated by this Code, laws of the Republic of Armenia and other legal acts.

The issues of management and protection of Lake Sevan are regulated by the law.

If international treaties ratified by the Republic of Armenia establish norms other than those that are provided by this Code, the norms of the international treaties shall apply.

Article 3. Authorities of the Government of the Republic of Armenia

The Government of the Republic of Armenia (hereinafter the Government) through its corresponding state governmental bodies shall uphold the purposes of this Code, ensure that water is conserved, protected from harm, and utilized for the benefit and security of all persons.

Article 4. State Ownership of Water Resources and Water Systems

Water resources existing in the territory of the Republic of Armenia are the state property and are disposed, possessed and used in a procedure established by legislation.

Water systems of state significance defined by the National Water Program are the state property and shall not be subject to privatization.

Inalienable zones of main and inter-community water supply and wastewater disposal systems are the state property and shall not be subject to privatization.

Article 5. Basic Principles of Management, Use and Protection of Water Resources and Water Systems

The basic principles of management, use and protection of water resources and water systems in the Republic of Armenia are:

- 1) satisfaction of the basic vital needs of the present and future generations;
- 2) maintenance and increase of volumes of the national water reserve;
- 3) protection of aquatic and related ecosystems and their biological diversity as well as recognition of integrated and interconnected relations of land, air, water and biological diversity;
- 4) water use shall be regulated through water use permits;
- 5) non-competitive water supply systems management and tariffs shall be regulated through water system use permits;
- 6) encouragement of fair principles of useable water resources accessibility;
- 7) encouragement of efficient use of water resources for public interest;
- 8) acceptance of conjunctive and integrated management of ground and surface water resources;
- 9) planning and satisfaction of increasing public and economic demand for useable water resources;
- 10) taking into consideration the economic value of water in the procedures of use, allocation and protection of water resources. At the same time water is a heritage that shall be protected, conserved and used as such regarding the future generations' interest;
- 11) there is no alternative to water; it has environmental and economic value not only in case when it is used but also when it is not used. The economic value of water is mainly composed of the sum of drinking, environmental, energetic potential and agricultural values of water;
- 12) water opportunity costs consist of the utmost benefit, which could be achieved, if water has been used by any other alternative project and purpose;
- 13) in order to make available the use of the minimum sufficient quantity and necessary quality of water for a consumer the regulated tariff is established based on the abated price of water scarcity;
- 14) in case if the determined size of regulated tariff is less than the value of calculated tariff, deficit of money entrance to the state budget from water use is envisaged in forms of subsidies or as tax privileges defined by the legislation of the Republic of Armenia. Alongside with increasing ability of water users

- to pay, the additional payments shall decrease and the size of regulated tariff shall be drawn to the value of calculated tariff;
- 15) allocation and use of water resources on payable basis by applying guaranteed fees for water use. Allocation of useable water resources free of charge is applied only in cases envisaged by the present Code, in accordance with procedure defined by the Government of the Republic of Armenia;
 - 16) recognition of importance of public participation and awareness in the processes of management and protection of water resources;
 - 17) increasing the efficiency of water supply and wastewater systems;
 - 18) encouragement of safety and use efficiency of HTS's;
 - 19) provision of food and national security in water relationship;
 - 20) water resources, water supply and wastewater systems are considered as objects of vital security and shall be protected in the order established by law and other legal acts;
 - 21) building capacities to manage, confront and avoid the disastrous consequences of floods and droughts;
 - 22) water resources pollution mitigation and prevention;
 - 23) compensation of the costs of polluted waters treatment by a polluter;
 - 24) prohibition of satisfaction of water users' needs at the expense of the ecological water releases.

Article 6. Purpose of this Code

The main purpose of this Code is the conservation of the national water reserve, the satisfaction of water needs of citizens and economy through effective management of useable water resources, securing ecological sustainability of the environment, as well as the provision of a legal basis to achieve the objectives of this Code.

Article 7. Objectives of this Code

The objectives of this Code are:

1. establishment of appropriate water resources management mechanisms;
2. conservation and protection of water resources, including mitigation of pollution, maintenance and supervision of water standards and water level of the national water reserve;
3. prevention of waters harmful impact;
4. ensuring water resources assessment;
5. ensuring water supply to population and economy in necessary quantity and quality by regulated tariffs;
6. safe and smooth work of water supply and wastewater systems provision of normal conditions for their use and maintenance and supervision;
7. provision of conditions for HTSs safe and smooth use and maintenance and supervision;
8. organization of management, protection and development of water systems.

CHAPTER 2. WATER RESOURCES MANAGEMENT BODIES

Article 8. National Water Council

The National Water Council is the highest advisory body in the area of water resources management that through intersectoral participation discusses and makes recommendations on the National Water Policy, National Water Program and other related to the area legal acts.

Chairman of the National Water Council is the Prime Minister. By their positions, the members of the National Water Council are: head of Territorial Administration Authorized Body, head of Water Resources Management and Protection Body, head of Water Systems Management Body and head of Regulatory Commission. By the Decision of the Prime Minister of the Republic of Armenia, representatives from state governance bodies

authorized for environment protection, agriculture, urban development, state property management, public health, finance and economy, as well as specialists of the field are involved in the composition of the Council. Representatives from other state authorized governance bodies may also be involved in the composition of the National Water Council.

National Water Council shall act based on the order approved by the Prime Minister of the Republic of Armenia.

The sessions of the National Water Council shall be convened by necessity.

The National Water Council shall:

- 1) Organize discussions on the issues arisen in the area of water resources disposal, possession, and use;
- 2) Issue recommendations to the Government on the National Water Policy, National Water Program and draft amendments proposed to them, draft laws and other legal acts related to water relationship, annual information on the implementation of the National Water Program, inconsistencies in actions of state governance bodies in the area of use and protection of water resources of the Republic of Armenia.

The Dispute Resolution Commission shall be established in the composition of the National Water Council.

Article 9. Dispute Resolution Commission

The Dispute Resolution Commission may resolve disputes arisen in the water relationship, which relate to water use permits. The Commission may use mediation to resolve disputes, and with the consent of all parties, serve as a binding arbitrator. Dispute Resolution Commission decisions shall not be mandatory and in case of non-compliance with them the matter shall be resolved in the judicial order.

The members of the Dispute Resolution Commission shall be appointed by the decision of the Prime Minister of the Republic of Armenia.

The Dispute Resolution Commission shall act in accordance with the regulation approved by the Prime Minister of the Republic of Armenia.

Article 10. Water Resources Management and Protection Body

The Water Resources Management and Protection Body shall:

- 1) Coordinate preparation of the draft National Water Policy and National Water Program of the Republic of Armenia;
- 2) Implement water resources management and protection within the framework of the National Water Policy and National Water Program;
- 3) Develop the principles and norms for ecological-economic substantiation of assessment of the impact on water resources as a result of economic activity;
- 4) Classify water resources by use function and status;
- 5) Participate in development of water standards and oversee implementation thereof;
- 6) Establish marginal allowed concentrations and minimum ecological flows according to the National Water Program, and approve allowed marginal qualitative and quantitative criteria for wastewater discharge;
- 7) Approve allowed quantities of surface and ground water extraction;
- 8) Provide for development of water basin management plans and implementation thereof;
- 9) In accordance with its own adopted regulations, receive water use permit applications through the authorized bodies;
- 10) Issue water use permits;

- 11) Participate in the development of normatives for losses in water use, wastewater disposal and water systems;
- 12) Facilitate water resources monitoring and incorporate water resources monitoring results in the planning and management process;
- 13) Provide for implementation of a joint scientific and technical state policy in the field of water resources management and protection, organize the process of implementation of basic and applied scientific investigations in the field and incorporation of their results;
- 14) Coordinate development and implementation of projects related to water resources management and protection;
- 15) Identify threats to water catchments depletion and develop measures for prevention of harmful impact on water ecosystems;
- 16) Provide for publicity and public notice of the documents it has developed, according to the procedures established by the Government;
- 17) Establish allowed quantity of water extraction needed for getting a privileged ground water use right for the cases established by this Code;
- 18) Ensure the development of maps of the protection zones of aquatic ecosystems;
- 19) According to the requirements of the National Water Program oversee the norms established in the area of water resources use and management, including fulfillment of established quotas and limitations:

To promote more effective, purposeful and decentralized management of water resources, Water Basin Management Authorities shall be established in the composition of the Water Resources Management and Protection Body according to the procedures, established by the legislation of the Republic of Armenia.

Article 11. Water Basin Management Authorities

Water basin management authorities shall implement water basin management plans.

Water Basin Management Authorities shall:

1. Develop water management plans based on the National Water Program and by coordinating sector and public interest into the development of those plans,
2. Serve as the link between the Water Resources Management and Protection Body and the community served by the basin,
3. Record water use permits issued by the Water Resources Management and Protection Body,
4. Ensure water resources protection,
5. Ensure that water use does not exceed limits allowed by water use permits and submit a report on that to the Water Resources Management and Protection Body,
6. Establish extraction quantities and regimes upon the approval of the Water Resources Management and Protection Body as well as implement and monitor measurement of water extraction,
7. Participate in development of plans for perspective water allocation among users: development of water supply marginal quantities and water supply regime,
8. Develop drafts of perspective projects for the basin water resources management, use and protection.

Head of the Water Resources Management and Protection Body shall appoint agents with relevant experience as authorized representatives of the Water Basin Management Authority. Citizen's representatives, representatives of water user associations and other organizations may be involved in Water Basin Management Authorities with the right of advisory vote.

Article 12. Water Systems Management Body

The Water Systems Management Body shall:

- 1) Be responsible for the management and safe use of state owned HTS's;
- 2) Participate in preparation of the Draft National Water Program;
- 3) Provide for implementation of the National Water Program;
- 4) Participate in annual and perspective activities of assessment of usable water resources demand;
- 5) Provide for implementation of usable water resources re-distribution;
- 6) Provide for development and implementation of water systems investment policy, as well as organize expertise of investment programs;
- 7) Implement authorities of management of state enterprises for implementation of investment programs in the field, if such is stipulated by the Government of the Republic of Armenia;
- 8) Provide for initial expert assessment and make recommendations regarding design documents of construction and reconstruction works of structures affecting water systems HTS's;
- 9) Regulate and control safe use of HTS's according to the procedures established by the Government of the Republic of Armenia;
- 10) Oversee organization of works in non-competitive water supply systems according to the terms of any water systems use permit;
- 11) If it is stipulated by the Government of the Republic of Armenia, provide functions related to state share management in organizations implementing business activity, including the conclusion of effective management contracts for state owned water systems as well as supervision of requirements established by water systems use permits;
- 12) Participate in the development of normatives for losses in water supply and wastewater disposal, as well as other water systems;
- 13) Submit to the Regulatory commission a proposal on the regulated tariffs;
- 14) Submit to the Regulatory Commission proposals on water systems use permits and their terms and requirements.

Article 13. Board to Regulate Water Users Associations and Federations of Water Users Associations

The procedure of establishment and activity of the Board to regulate water users associations and federations of water users associations shall be established by law.

Article 14. Regulatory Commission

The Regulatory Commission shall define tariff policy in water relations and shall issue water systems use permits to non-competitive water suppliers.

The Regulatory Commission is an independent body fulfilling functions of a state management body. The procedure for its establishment and activity shall be established by law.

The Regulatory Commission shall develop and run the tariff policy, as well as issue water system use permits to non-competitive water suppliers in a procedure established by law according to the provisions of this Code.

CHAPTER 3. STRATEGIC WATER USE, PROTECTION AND INFORMATION SYSTEMS

Article 15. National Water Policy

The National Water Policy shall:

- 1) Establish perspective objectives and problems for strategic development of water resources use and protection, based on which water use priority principles are established;

- 2) For implementation of objectives and principles of this Code, contain provisions on the policy implemented in water relationship, including development of water basin strategies and plans in the field for coming 10-15 years;
- 3) Make a preliminary assessment of the quantity and quality of water available for allocation, outline the current and future demands of population and economy for resolving the issues of supplying an adequate quantity and quality of water.

Provisions of the National water policy are established by law, with submission of the Government.

Article 16. National Water Program

The National Assembly shall approve the Water Policy at the submission of the Government by means of a respective law.

The National water Policy shall include:

- 1) Quantities of national water reserve and water resources as well as the measures directed to preserving and enhancing national water reserves;
- 2) Main problems of maintenance and development of the sector;
- 3) Identification criteria for water systems of state significance and the list of these systems;
- 4) Description of measures for modernization of water resources management;
- 5) Description, scopes and schedule of implementation of the planned measures;
- 6) Established maximum and minimum water use permit fee (water use fee), including establishment of water resource extraction, discharge and environmental fees rates;
- 7) Estimated financial requirements necessary for the implementation of the National Water Program and proposed sources for funding;
- 8) Information on adoption and implementation of legal and normative acts to ensure implementation of this Code in water relationship, as well as proposals on their improvement;
- 9) Priorities of the planned measures implementation;
- 10) Other conditions needed for implementation of the National Water Program;

The National Water Program shall describe for each water basin management area approved by the Government:

1. Boundaries, quantity, quality of water available, and classification of water resources;
2. Classification of water systems;
3. Volumes of the National Water Reserve and measures to enhance its preservation;
4. Current water use by various sectors and associated complex impacts to water resources allocation;
5. Water demand based on priorities;
6. Criteria for effectiveness of current water conservation and management activities, volumes of defined environmental flows and maximum allowable volumes of irreversible water withdrawal to ensure maintaining of safe environmental state of water resources and ability for self-restorability;
7. Strategy for storage, allocation and use of water resources;
8. Measures to improve water resources monitoring and pollution prevention, including the application of modern technologies;
9. Water standards;
10. Description of actions to be taken by various State government bodies for implementation of the program and their coordination;
11. Expenditures and income related to the implementation of the program;
12. Mechanisms to ensure public awareness;
13. List of specially protected basin areas or parts thereof, for surface and/or ground waters of which or for fauna and/or flora directly depending on them application of special protection system is needed;
14. Emergency and ecological disaster zones in water resources;

15. Description of the threats to the health of critical watersheds and wetlands and counter measures to prevent any negative impacts to water ecosystems.

The Government shall submit annual information on the implementation as well as proposed revisions to the National Water Program to the National Assembly of the Republic of Armenia by May 15 of each following year.

Article 17. Water Basin Management Plans

Based on the National Water Program, the Water Resources Management and Protection Body shall develop Water Basin Management Plans that shall be approved by the Government.

Water Basin Management Planning shall balance the interconnected relationship of all water users, including communities, power generation, industry, agriculture and environment.

Article 18. National Water Reserve

A National Water Reserve shall be established by the National Water Program for all water resources within the Republic of Armenia.

Water resources may not be extracted, allocated as well as provided for use in a way that envisages decrease of national water reserve.

Article 19. Water Resources Monitoring and Information Systems

The state authorized body for water resources monitoring shall be responsible for water resources monitoring according to the procedures established by the law.

The order of providing information through Information systems of the State Water Cadastre shall be established by the Government.

For inclusion in the Water Cadastre the monitoring shall provide data on:

- 1) Quantitative indices of water resources, including data on snow cover;
- 2) Qualitative indices of water resources;
- 3) Water resources use efficiency;
- 4) Results of anthropogenic impact on water resources, including pollution;
- 5) Wastewaters and composition and quantities of substances in them;
- 6) Rehabilitation of water resources;
- 7) Forecasts on floods, mudflows, droughts;
- 8) Protection zones of aquatic ecosystems and their status;
- 9) Atmospheric precipitation and atmospheric temperature regime;
- 10) Water use permits and water systems use permits;
- 11) Implementation of the National Water Program.

Data of the State Water Cadastre shall be considered official.

Information of the State Water Cadastre shall be freely accessible to the public in order to ensure proper management and conservation of water resources.

The State Water Cadastre shall record water resource balance by separate water basins and nationally.

The procedures for geological survey of ground waters, assessment of ground water resources, and the submission of data thereof to the State Water Cadastre shall be established by law.

Each year, a comprehensive report on water resources monitoring shall be submitted by the state authorized monitoring body to the Water Resources Management and Protection Body and shall be integrated in the annual presentation on the implementation of the National Water Program.

Recording of supplied waters is carried out by means of water meters, and in case of absence of such water meters, an alternative water recording procedure established by the Government shall be employed.

Water meters shall be attested in procedures established by the legislation. In open beds, water metering observation points shall also be attested.

Damages and deficiencies at water meters or water metering observation points shall be rectified in procedures set forth in the water supply contract. Prior to the rectification of damages and deficiencies at water meter or water metering observation point, the recording of water shall be carried out in recording procedures prescribed by the Government, which is based on the concept of the maximum quantity of water used by consumer and minimum cost recovery by supplier.

Article 20. Public Participation

The following items are subject to public notice by the state authorized bodies:

- 1.Draft National Water Policy General Concepts
- 2.Draft National Water Program
- 3.Draft Water Basin Management Plans
- 4.Pending Water Use Permits
- 5.Pending Water System Use Permits
- 6.Draft Water Standards
- 7.Draft Water Tariff Strategy

Should any person be aware of or become aware of a situation where water resource quality or water use poses a potential threat to human health or security; or cause water resources pollution, that person shall notify the Water Resources Management and Protection Body of the occurrence and location. The water resources polluter has a duty to notify the Water Resources Management and Protection Body on the pollution. The Water Resources Management and Protection Body shall immediately disclose this information to the public in a manner insuring that all persons at risk have an adequate opportunity to learn about the level of risk and the potential consequences.

In order to get information in water sector any person is entitled to apply to the appropriate body and within 30 days to obtain that information, except for cases established by the legislation. The procedure of information provision shall be established by the Government.

CHAPTER 4. WATER USE PERMITS

Article 21. Water Use Permit

Any person shall secure a “water use permit” issued for any type of water use, except of cases determined by this Code.

Article 22. Free Water Use

The following shall be considered as free water use:

- 1) Such a water use, which has no purpose of profit gaining;
- 2) Recreation, swimming and water sports (including non-motorized water sports);
- 3) Non-entrepreneurial line fishing and sport hunting;
- 4) Use of precipitation on privately held lands;
- 5) Taking water for fire prevention purposes; and,
- 6) Water flows to maintain ecological balances for sanitary flows.

If any free water use harms or potentially harms the water standards, the Water Resources Management and Protection Body shall regulate the activity by implementing water use permit procedures according to this Code, and provide for other mitigation requirements as necessary to safeguard the water resources.

The Water Resources Management and Protection Body in a procedure established by the Government may make a determination to exempt a water use or class of water users from the permitting requirements if:

- 1) such water use is negligible;
- 2) so long as such activity does not rise to a level that harms or potentially harms the water standards.

Article 23. Shore and Bank Access

Any person with recreation purposes has the right to use banks and shores of natural surface water resources, unless the Government or its authorized body determines that such use may be detrimental to human health or safety or contrary to the public interest.

Article 24. Designation of Fire Prevention and Suppression Water Resources

It is allowed to extract water in the established by the legislation order in necessary quantities from any water resource and water supply system for the purpose of fire prevention and/or suppression.

The order of water use for the purpose of fire prevention and/or suppression shall be established by the Government.

Article 25. Ground Water Use

The landowner has first priority right to acquire a ground water use permit in the lands of their personal property.

A water use permit for ground water in land area of another's property may be given only in the case of the landowner's written agreement, which is attached to the water use permit. If Water Resources Management and Protection Body determine that the extraction of groundwater is necessary in land areas of any person's property and the landowner refuses to provide authorization, the land may be condemned from the landowner, providing compensation of its initial price or by the application of the mandatory servitude according to procedures established by law.

The Water Resources Management and Protection Body shall establish the sustainable maximum extraction rates for groundwater water resources with reference to the national water reserve.

Article 26. Desalinization of Saline Irrigated Lands

Early spring and late autumn waters shall be provided for free of charge to water users for the sprinkling of saline lands, in accordance with the water use permits issued in accordance with procedures established by this Code.

Article 27. Validation of Water Use Permits

To be valid, a water use permit must be signed and approved by the permit holder and the Head of the Water Resources Management and Protection Body, sealed by the stamp of the Water Resources Management and Protection Body and, duly recorded in the State Water Cadastre.

Each signatory to the permit shall be legally bound to perform associated duties.

All water use permits shall be in writing in a standard form established by the Water Resources Management and Protection Body.

Article 28. General Pre-Conditions Applicable to Water Use Permits

Each water use permit shall conform to:

- 1) The requirements of this Code;
- 2) The “National Water Policy”;
- 3) The “National Water Program”;
- 4) Relevant “Water Basin Management Plans”;
- 5) International contracts of the Republic of Armenia;
- 6) The National Water Reserve protection requirements;
- 7) Water standards; and,
- 8) Any other legal act passed in accordance with this Code.

Article 29. Water Use Permit Application Contents

A water use permit shall be issued based on the applicants’ request. The request may be refused, if the water use requested thereby does not comply with:

1. This Code, the “National Water Policy”, “National Water Program”, relevant “Water Basin Management Plans” and relevant other legal acts;
2. Protection requirements of the national water reserve, water standards.

If the applicant may require an easement or another’s property use (water receiver, structure, etc) in order to enjoy the water use permit, the applicant shall state such in the application. In such cases, the Water Resources Management and Protection Body may require the applicant to provide a description of the possible easement and the related property, the name(s) of the potentially effected property owner(s), and the location(s) of the property in question.

If the applicants currently owns, intends to construct a HTS to utilize their potential water use permit, the applicant shall state such in the application and submit relevant information to the Water Resources Management and Protection Body.

Each permit application shall include a statement of any historical water use by the applicant, including reference to water use with or without a water use permit.

Article 30. Water Use Permit Application Process

All persons wishing to secure a water use permit shall submit an application to the Water Resources Management and Protection Body or Water Basin Management Authority.

Within thirty (30) days of receiving a water use permit application, the Water Resources Management and Protection Body shall make an initial recommendation of acceptance or rejection and provide the initial findings to the permit applicant either directly or through the delegated authority.

The initial assessment by the Water Resources Management and Protection Body shall include: an identification of any special use conditions required by this Code, statement of any additional information required, and determination of need for Environmental Impact Assessment.

Within thirty (30) days of concluding the initial assessment, the Water Resources Management and Protection Body shall provide adequate public notice of the pending water use permit application.

If required by law, the applicants for a water use permit shall submit an environmental impact assessment. If necessary, time allowed for application review shall be adjusted to comply with environmental impact assessment review requirements.

If it is established by this Code, the Water Resources Management and Protection Body shall submit water use permit applications to the National Water Council for review. In this case, the application process may be extended for up to sixty (60) additional days.

Within thirty (30) days of completing all preliminary reviews mentioned above, the Water Resources Management and Protection Body shall complete a final review of the permit application.

The final review shall include a consideration of all relevant issues, including public comment, and a determination and attachment of any water use conditions required to protect water resource quantity and quality.

As soon as final review is completed, the Water Resources Management and Protection shall return copies of the permit application, final decision, and, as necessary, the completed and signed water use permit with decision, comments/opinions, conditions and instructions to the permit applicant, either directly or through the delegated local authority.

Should the terms and conditions not be satisfactory to the applicant, a right shall be provided for the applicant to file a complaint against Water Resources Management and Protection Body's decision according to procedures established by law.

The applicant shall return the signed water use permit to the Water Resources Management and Protection Body within thirty (30) days of receiving it.

Upon submission to the Water Resources Management and Protection Body of the final signed water use permit by the applicant, the Water Resources Management and Protection Body shall within ten (10) days record the water use permit and any attached conditions according to the recording requirements of this Code.

Article 31. Criteria for Review of Water Use Permit Application

A water use permit shall not be allocated if that water use may harm the national water reserve or may cause the violation of any other water standard.

When determining whether to issue a water use permit, the Water Resources Management and Protection Body shall use criteria including the:

- 1) Requirements of this Code The “National Water Policy”, “National Water Program”, relevant “Water Basin Management Plans” and other legal acts;
- 2) Direct and cumulative impacts of the proposed water use to the national water reserve, water quality and quantity;
- 3) Correspondence of the proposed water use with water allocation priorities and significance;
- 4) Potential impact of pending water use permit on the water use rights of existing water use permit holders;
- 5) Social, economic and environmental impacts;
- 6) Opinions resulting from public notification process;
- 7) Compliance with the international agreements of the Republic of Armenia.

When considering applications for water use permits, the Water Resources Management and Protection Body shall consider the following criteria to establish priority and equitable allocation of limited water resources to competing stakeholders:

- 1) The maintenance and enhancement of human welfare and ecological health shall be given the first priority (as indicated by the national water reserve) thus providing first priority of drinking water supply and sanitation;
- 2) Persons with a historic, non-extractive interest in the use of water resources within a natural stream-bed shall be given second priority;
- 3) Applications for water use providing maximum benefits for the public interest shall be given third priority; and,
- 4) Persons offering specific evidence of their taking active measures related to the efficient use of water and protection of water quality shall be given higher priority.

Article 32. Content of Water Use Permits

Each Water Use Permit shall clearly identify:

- 1) Name (name, family name) and official address of a water use permit applicant;
- 2) Name of Water Resources Management and Protection Body head (Director);
- 3) Date of water use permit issue;
- 4) Period of water use permit validity;
- 5) The specific locations of water extraction and water use;
- 6) Description of the types of water use allowed (i.e. irrigation, industrial, etc.);
- 7) Quantity of water used;
- 8) Time periods when water use may occur;
- 9) Control mechanisms to support compliance with water use permit requirements,;
- 10) Water standards to be followed and/or reference to publications listing these standards;
- 11) Any special measures to be taken to promote efficient water use, protect and improve water quality, and conserve wetlands, significant coastal habitats and associated biodiversity;
- 12) Adequate means of recording, monitoring, reporting and verifying water use;
- 13) Adequate security in case of harm to water resources;
- 14) Associated water use permit fees and payment schedules determined by this code.

The Water Resources Management and Protection Body may attach reasonable conditions which are not in conflict with this Code to the permit to insure that the proposed water use upholds the objectives of this Code and remains within socially and ecologically sustainable limits. Any conditions attaching to the water use permit shall be considered an inseparable part of the water use permit and duly recorded according to the provisions of this Code.

A water use permit shall not automatically confer the right to alter, modify, or otherwise disturb the bed, banks or shore of a water resource, unless it is clearly stated within the terms of the water use permit. The right to alter, modify or otherwise use the bed, banks or shore of a water resource shall compliance with the requirements of law.

All easements shall attach to the land for the duration of water use permit and be its inseparable part.

In case of water use permit renewal, sale or otherwise transfer, the requirement for easement shall remain unchanged.

Article 33. Water Use Permit Period of Validity

Prior to the final approval of the “National Water Program,” a water use permit may be valid for no more than three (3) years.

In locations where a “Water Basin Management Plan” exists, a water use permit may be valid for a maximum of twenty-five (25) years.

In locations where a “Water Basin Management Plan” does not exist, a water use permit may be valid for a maximum of five (5) years.

If investment costs may warrant, and in case of positive conclusion of the National Water Council, the Water Resources Management and Protection Body based on the water basin management plans may allocate a water use permit for a longer duration not exceeding forty (40) years.

A water use permit holder minimum 6 months prior to expiration of the permit term may renew water use permit by making a request to the Water Resources Management and Protection Body. If the terms and conditions of the permit have been upheld and the permit renewal does not contravene laws, other legal acts and water basin management plans, Water Resources Management and Protection Body shall renew the water use permit within the same terms and conditions.

Article 34. Suspension, Amendment and Revocation of Water Use Permits

Water use permits that are issued by violating the requirements of this Code shall be considered null and void by procedures established by the legislation.

Failure to perform associated duties will be considered a breach of the terms of water use permit with all remedies available at law applying.

Modification of original water use permit terms shall require water use permit holder to submit new application to receive new water use permit according to the procedure established by this code. . Should the water use permit holder no longer require or desire the water use permit, the permit holder shall inform the Water Resources Management and Protection Body of this in writing clearly revoking their interests in the permit.

Where necessary to safeguard the public’s interest, maintain water standards and a clean and healthy environment, a water use permit may be suspended by the Water Resources Management and Protection Body according to procedures established by the Government. Unless the purpose for the suspension is related to a

catastrophe such as an environmental emergency such as drought or a pollution event, the water use permit holder may be reimbursed for associated damages, including lost profits.

Should the terms of the water use permit be violated, prior to water use permit suspension, the Water Resources Management and Protection Body shall determine such reasonable time as the water use permit holder makes a clear showing that future activity shall conform with permit conditions.

Article 35. Transfer and Contracting of Water Use Rights Acquired

Each water use permit holder may sell or otherwise transfer a portion of their permitted water right or part of it to a third party according to the procedures established by the Government , unless disallowed specifically by the water use permit conditions.

For any transfer of water use rights from a permit holder to a third party to be legal:

1. The transfer shall be concluded by means of a written contract signed by all parties;
2. The agreement shall be recorded according to the guidance of this Code.

Each transferring contract is valid if the contract:

1. States the responsibility of each signatory to uphold the water use permit terms and conditions;
2. Assigns liability should the water use permit conditions be violated; and,
3. States that contracting parties may expect specific performance of contractual obligations and have a right to take legal action against a breaching party.

Water Use Permits shall be considered as inheritable or succeeded property.

Article 36. Abandonment of Water Use Permit

If a water use permit holder fails to make use of their water use permit allocated water use rights for three (3) consecutive years and no legal reason stops them from making use of their water rights, the water use permit and associated water use rights shall be considered abandoned and the water use permit null and void.

In cases stipulated by this Code where a person is required to secure a water system use permit and such person within 1 year fails to secure the required water system use permit, the associated water use permit shall be null and void.

Article 37. Purposeful Use of Water

All water application and extraction shall be used only for the purposes stated in the water use permit and not exceed the quantity reasonably required for efficient use as determined by the Water Resources Management and Protection Body

All waters systems shall be used in a manner that ensure efficient water use.

CHAPTER 5. WATER SYSTEM USE PERMIT

Article 38. Duty to Hold a Water System Use Permit

Each non-competitive water supplier shall hold a valid water system use permit. Each water system use permit shall describe the water system to be used for non-competitive water supply and shall be an inseparable part of that water system.

Each water system use permit shall determine and define:

- 1) the right to use a non-competitive water supply system;
- 2) tariffs for associated services; and,
- 3) requirements to the quality of services to be provided.

Prior to commencing the construction of any water system and the expansion of an existing water system, the owner of the water system shall submit an application and secure a water system use permit according to the procedure established by this code.

Article 39. Validity of Water System Use Permits

To be valid, a water system use permit must be signed by the water system use permit applicant and signed and approved by the Regulatory Commission; and duly recorded according to the terms of this code.

Water system use permit shall be in writing in a format established by the Regulatory Commission.

Water system use permits that are issued by violating the requirement of this Code are considered null and void according to the procedures established by the legislation. Where requirements of the water system use permit are violated, the Regulatory Commission shall have the authority to undertake adequate activities according to procedures established by law.

A water system use permit shall not automatically confer the right to possess and use the bed, banks or shore of a water resource related to that water system, as well as to alter, modify, or otherwise disturb the bed, banks or shore of a water resource, except of cases, when such activities are stipulated by the water system use permit. In such cases the water system use permit holder shall comply with the requirements of the legislation.

Article 40. Pre-Conditions of Water System Use Permit

All water systems use permits shall conform to:

- 1) The requirements of this Code, the “National Water Policy”; the “National Water Program”;
- 2) All relevant “Water Basin Management Plans”;
- 3) International agreements or treaties of the Republic of Armenia;
- 4) Regulatory standards (including water standards);
- 5) The requirements of any other legal act passed in accordance with this Code.

Article 41. Water System Use Permit Application

Water system use permit shall be issued based on the applicants’ request. The request may be refused, if system use and management requested thereby shall:

1. be in conflict with this Code, water use plans and strategy, as well as other legal acts related thereto.
2. have a negative impact on water resources quality or quantity.

If the applicant may require an easement over another's property to enjoy the use of the water system use permit, the applicant shall state such in the application.

The Regulatory Commission shall require the water system use permit applicant to describe the easement required, the name(s) of the potentially effected property owner(s), and the location(s) of the property in question.

The water system use permit applicant shall provide evidence that the potentially impacted property owners have been notified of the water system use permit application and agree to provide the water system use permit applicant with the required easement.

Each water system use permit application shall include a statement of any historical water system use permits, as well as water system use or management by the applicant.

Article 42. Water Use Permit as Prerequisite

As a prerequisite to a water system use permit, any person applying for a water system use permit shall first hold a water use permit that commensurate with the requirements of the proposed non-competitive water supply system's use and management; and, each water system use permit application shall include all necessary documents in accordance with this Code.

Article 43. Water System Use Permit Application Process

All persons wishing to secure a water system use permit shall submit an application to the Regulatory Commission in a procedure established by this code.

The Commission, within sixty (60) days from the date of the application submission the Commission shall discuss and take action on that application.

The procedures and terms for reviewing a water systems use permit applications and their issuing a water system use permit shall be established by the Regulatory Commission according to the requirements of this Code.

Within ten (10) days of receiving the water system use permit application, the Regulatory Commission shall provide adequate public notice and information on the pending water system use permit application.

For particular water system use permits, the Regulatory Commission shall consult with the Water Systems Management Body.

The Commission shall provide the relevant state governance agencies with notice of the pending water system use permit application within five (5) days. Within thirty (30) days of receiving a notice, the state governance agencies shall provide for review and opinions on the proposed water system use permit..

If required by law, the applicants for a water system use permit shall submit an environmental impact assessment. If necessary, time allowed for application review shall be adjusted to comply with environmental impact assessment review requirements.

Within sixty (60) days of completing public review and, as necessary, the completion of an EIA, the Regulatory Commission shall finally review the final water system use permit application, determine and attach any final special use conditions required to protect water quantity and quality, secure the recommendations and signature of the relevant state authorized body. For good cause, the Regulatory Commission may extend the period for decision making not to exceed one (1) month.

Within ten (10) days after the Regulatory Commission makes the decision regarding issuance of the water system use permit, a copy of the decision shall be sent to the applicant of the water system use permit, and another copy to the State Water Cadastre for recording.

Article 44. Water System Use Permit Conditions

During the water use permit application review process, the Regulatory Commission may attach reasonable conditions which are not in conflict with this Code to the water system use permit to insure that the proposed activity upholds the provisions of this Code, remains within socially and ecologically sustainable limits. Any conditions attaching to the water system use permit shall be considered as inseparable part of the water system use permit and duly recorded.

Each water system use permit shall clearly identify:

1. Name (name, family name) and address of water system permit applicant;
2. Period of water system use permit validity;
3. Description of locations where activity may occur;
4. Purpose and description of the non-competitive water supply system and associated activities;
5. Identification of water use permit associated with the water system use permit;
6. Requirements and standards necessary for the safe use of the non-competitive water supply system, including infrastructure maintenance and professional expertise;
7. Property requirements and use rights associated with the use of the non-competitive water supply system;
8. Measures to be taken during the use of the non-competitive water supply system and regulated tariffs to promote efficient water use and protect water quality;
9. Procedure of recording and reporting, and control types of use of the non-competitive water supply system within water system use permit limitations;
10. Requirements for rehabilitation of the site once the water system use permit period expires;
11. Assurances of financial capacity in cases of harm to water resources and water systems, including any securities that must be posted;
and,
12. Established by this code water system use permit related fees and payment schedules.

A water system use permit shall not confer a right to the use, access or enjoyment of a third party's property if such is necessary to utilize water use permit or water system use permit rights, except of cases envisioned by legislation. Each water system use permit holder shall be responsible to negotiate with any potentially impacted property owner for any required easements of use. The latter may allow a water system use permit holder to use their property free of charge or on payable basis, as well as negotiate any reasonable terms, deny the use of the property, except of cases when the legislation establishes the requirement for a compulsory easement.

Once established, all easements shall attach to the land and be considered as its inseparable part for the duration of the water system use permit. In cases of renewal, sale or otherwise transfer of the water system use permit the requirement for easement shall remain unchanged.

Article 45. Water System Use Permit Duration and Renewal

A water system use permit shall not exceed twenty-five (25) years. In case where initial investment costs may warrant, the Regulatory Commission may determine that the water system use permit may be for longer duration not exceeding forty (40) years.

The water system use permit holder has a right to apply to the Regulatory Commission six (6) months prior to the water system use permit's expiration to renew a water system use permit. If the terms and conditions of the

water system use permit have been upheld and the renewal does not contravene existing legislation and programs, the Regulatory Commission shall renew the water system use permit.

Article 46. Suspension, Amendment and Revocation of Water System Use Permit

Each water system use permit shall be considered a contract signed between the water system use permit holder and the Regulatory Commission with each party legally bound to perform associated duties.

If any of signatories fail to perform associated duties, it shall be considered a breach of contract with all available remedies applying.

Modification of original water system use permit terms shall require the water system use permit holder to submit an application.

Should the water system use permit holder no longer require or desire the water system use permit, the water system use permit holder shall inform the Regulatory Commission of this in writing and provide a signed copy of the water system use permit, which serves as a basis to revoke the water system use permit.

Decision to revoke or otherwise to halt the use and operation of a permitted water system shall not absolve the water system use permit holder from any liability related to the requirements of water system use permit or any law or regulation.

Article 47. Transfer and Contracting of Water System Use Permit

Water system use permits and/or associated rights and responsibilities may be sold or otherwise transferred in part or whole to a third party only if so stipulated by the terms of the water system use permit.

Transfer of water system use permit shall be completed by using a written contract, which shall be duly recorded according to procedure established by this Code.

CHAPTER 6. USE AND MANAGEMENT OF STATE-OWNED WATER SYSTEMS

Article 48. Specific Features of Transfer of Use Rights for State-Owned Water Systems

The state-owned water systems can be under state and/or private management.

The transfer of management rights must in all instances be conducted in a manner that provides for adequate public notice and conditions for competition. Prior to transferring management rights over state owned water systems, the Water Systems Management Body responsible shall make certain that all necessary water use permits and water system use permits are in order.

Water system use right of the water use permit and water system use permit holder occurs when a written water system use contract is concluded and recorded by the state authorized body for property recording.

The water system use right may be transferred to other entities, in form and procedures established by this code.

The compensation for the use of water system shall be specified in water system use right transfer contract.

In case of being determined by the Government, during transfer of a water system use right, preference is given to the entities with more extensive professional experience and knowledge.

The transfer of rights for the use of a water system shall not exceed the term specified in the water system use permit.

Article 49. Types of Water System Use Rights Transfer

The right of use of a water system can be transferred in the following forms:

- 1) Trust Management Contract;
- 2) Concession Agreement;
- 3) Creation of a commercial organization;
- 4) Lease.

The procedures for transfer types shall be established by the legislation.

Article 50. Water System Use Right Transfer through a Trust Management Contract

A water system can be provided for trust management in whole or in part.

A water system shall be provided for trust management through a tender.

Throughout the term of the trust management, the water system, including the property acquired by the trust manager of the water system in order to meet the requirements of the tender, shall remain under state ownership.

The public announcement about the tender for trust management of a water system shall include time periods of such management, necessary investments, the starting rate of compensation to the trust manager, the requirements to use the water system and the social guarantees for the employees of the given water system.

The bidders shall be required to present a trust management program in writing, including the following:

- 1) Proposed investments to be made;
- 2) The rate of compensation to the trust manager;
- 3) The size of the collateral guaranteeing the implementation of the trust management requirements;
- 4) A program of water protection activities;
- 5) Proposals relating to other terms of the tender, established by the legislation.

Article 51. Water System Trust Management Program

The trust management program is the project submitted by the bidder in order to be eligible for participation in the tender for the functions of a water system manager, which shall contain the following:

- 1) Justification of the economic expediency of trust management;
- 2) The description of the objectives of trust management and the avenues to accomplish such objectives;
- 3) Information on the technical and professional capabilities of a person;

- 4) The proposed activities for the efficient use and development of the water system, the time periods for their implementation, the proposed methods of implementation, the required financial resources and their sources,
- 5) Other information and provisions, which will be considered as necessary by an applicant.

Article 52. Criteria for the Evaluation of the Results of Water System Trust Management Tender

For the purpose of evaluation of the results of the trust management tender of a water system, the Government shall establish the principles of evaluation of the programs submitted for the tender, by means of setting the weight coefficient for each program parameter, as well as for the evaluation of the collateral guaranteeing the implementation of the trust management requirements.

The technical and professional capacity of the trust management program, as well as the indicators pointing to the availability of financial resources, as well as the collateral guaranteeing the implementation of the trust management requirements shall be subject to a binding evaluation.

The weight coefficient established for the evaluation of the collateral guaranteeing the implementation of the trust management requirements shall not exceed 0.25.

The trust management tender of a water system may have a pre-qualification phase, according to the procedures established by the Government.

Article 53. Transfer of Water System Use Right Through Concession Agreement

A water system can be provided for management through concession agreement in whole or in part.

A concession agreement shall be concluded between the entity accepting the management of a water system through a concession and the Water Systems Management Body.

In case of issuing a concession agreement, the Water Systems Management Body may:

- 1) Issue a resolution on providing a concession agreement through a tender, for a certain water system;
- 2) Grant the concession agreement to the first-come bidder, or, if several bidders apply for concession at the same time, select the bid that offers the best terms.

Article 54. Transfer of the State-Owned Water Systems Use Right Through Establishment of a Commercial Organization

The investment contributed by other persons shall not exceed the 49% of the commercial organization's charter capital. The contract signed by the Republic of Armenia and the other founder(s) of the commercial organization, may include a provision on the transfer of right of control (or management) over the state-owned shares (stock) to another founder (participant) of the commercial organization selected by the State.

The size of the charter capital of the created organization, the ratio between the state-owned stock (shares) and not state-owned stock (shares) shall be established by the Government, depending on the following:

- 1) The value of the water system, computed in procedures established by the Government;
- 2) The prospects of development of the water system and the volume of the required capital investments.

A right to use water system can be transferred to the commercial organization through investing property of a given water system by adopting a respective law.

Article 55. Transfer of Water System Use Right Through Lease

A water system shall be provided for lease by the Water Systems Management Body, in procedures established by the Governmental decision.

A water system shall be provided for lease through an auction if the lesser is not required to meet any conditions. The only subject for auction discussions is the size of the rent.

A water system shall be provided for lease through a tender if the lesser is required to meet certain conditions associated with the production, technical and environmental issues of a water system.

The lesser/ lessee of the water system and the Water Systems Management Body shall sign a Lease Agreement of the water system.

If a water system is provided for lease through a tender or an auction, the estimated size of the rent shall be the starting point. The Water Systems Management Body shall establish the estimated size of the rent of the water system, in procedure established by the Government. The estimated size of the rent specified in the Lease Agreement must provide an opportunity for the conduct of profitable economic operation in the given sector.

The lesser/ lessee of the water system shall not have the right to provide the leased property for sub-lease, or transfer his/her rights and responsibilities established by the Lease Agreement to another entity, or provide the leased property for non-refundable use, or lay the right of lease as a collateral or a deposit in the charter capitals of economic associations and companies.

Article 56. Extension of the Water System Use Right Contract

A contract for the right of use of a water system shall be considered extended for another effective period, but not exceed the term of the water system use permit, if the parties do not make any announcements about the termination of the terms and conditions established pursuant to this Code and the water system use contract 6 (six) months prior to the expiration of the terms of such contract.

Article 57. Grounds for Termination of the Water System Use Right Contract

A water system use right shall be terminated if:

- 1) The contract is terminated in procedures established by the water system use contract;
- 2) The effective period of the water system use contract expires and it is not extended;
- 3) The water system manager as a legal entity dissolves;
- 4) The water system manager as a physical entity passes away;
- 5) The use of the water system is prohibited by the legislation;
- 6) Failure to comply with the terms of any applicable water use permit or water system use permit.

The right of use of a water system under item (5) herein may be terminated only following the reimbursement of losses and not-gained benefits of the water system manager according to procedures established by the Government.

Article 58. Terms and Conditions for the Transfer of Water System Management right

The transfer of water system use right shall take place:

- 1) In the event of replacement of the Water Systems Management Body, the terms and conditions of the water systems use contract shall remain unchanged, and the transfer of the water system use right shall take place at the State Water Cadastre, by introducing corresponding changes in the registration;
- 2) In the event that the transfer of water system use right, carried out in conformance with the provisions of this Code, affects the rights of a third party, or the properties of the water system may change due to such transfer, new terms and conditions for the use of such water system may be established without deviation from any applicable water use permit or water system use permit.

Article 59. The Rights of a Water System Manager

The manager of a water system shall have the right to:

- 1) Use the water system in compliance with the requirements of this Code and the water use permit;
- 2) Claim from water suppliers and/or water users the charge for the water provided by him/her at the established regulated rates;
- 3) Access the territory of a water intake, or a land plot designated for water processing or water transportation operations;
- 4) Reject the water system management rights and the authorities arising from such right, by notifying the Water Systems Management Body at least 6 (six) months in advance;
- 5) Propose amendments and supplements to the water system management contract;
- 6) Propose to extend the term of the contract in instances and in procedures provided by this Code;
- 7) To bring suit against the persons who caused damages to a water system for compensation of damages;
- 8) Carry out any activity evolving by this Code, if not otherwise provided by the water system use contract;
- 9) Exercise other rights that are not prohibited by the legislation.

Article 60. The Responsibilities of a Water System Manager

The manager of a water system shall be responsible to:

- 1) Provide the water suppliers and/or the water users with water of the quality, quantity and regime required by the contract;
- 2) Ensure the recording of the received and allocated water;
- 3) Perform the payments provided by this Code and established by the legislation;
- 4) Carry out the contract requirements towards the safe use and maintenance of a water system;

- 5) Act in conformance with the established environmental criteria and general ecological provisions;
- 6) Perform other duties specified in the water system use contract.

Article 61. Specifics of Irrigation Water Supply Management

The management of irrigation water supply shall be carried out by the Water Systems Management Body or the water user association (or federation of water user associations) in procedures established by law.

If the management of irrigation water supply is carried out by the Water Systems Management Body, the right of use of irrigation water supply systems may be transferred through a tender, in forms provided by this Code, for the period of 5 (five) years.

Article 62. The Right of Water Land Use

The holders of the right to use water systems can give the river beds and water lands for use to other entities to carry out economic activities, for sanitary and water protection zones, by following terms and conditions of water use permit and/or water system use permit and procedures established by this Code. The holders of the right to use water systems can execute a contract with other entities for the use of river beds and water lands, the term of such contract not to exceed the time period specified in the contract on the transfer of management right of the water systems, water supply and sanitation systems and hydraulic structures. The transfer of right to use the water systems to another entity shall not serve a ground for the termination or modification of the contract on the use of riverbeds and water fund lands.

Use of water lands in a procedure established by the legislation provided by the contract on the transfer of rights to use water systems may be restricted or prohibited.

CHAPTER 7. REGULATION OF THE USE OF TRANSBOUNDARY WATER RESOURCES

Article 63. Conditions of Use and Protection of Transboundary Water Resources

The norms defined by the present Code are applied over the transboundary water resources originating within the territory of the Republic of Armenia before crossing the state frontier of the Republic of Armenia.

The conditions of use and protection of transboundary water resources on the frontier of the Republic of Armenia shall be established by inter-state agreements and (or) treaties between the Republic of Armenia and neighboring countries.

Solution of operational problems for joint use and protection of transboundary water resources shall be implemented by permanent inter-state committees.

The composition of the Commission of the Republic of Armenia shall be approved by the Prime Minister of the Republic of Armenia.

Article 64. Authorities and Obligations of the Commission of the Republic of Armenia of Transboundary Water Resources

The Commission of the Republic of Armenia of Transboundary Water Resources, in cooperation with the corresponding Commissions of neighboring countries, has the following authorities and obligations in

implementing the solution of operational problems regarding use and protection of transboundary water resources:

- 1) Draws up and submits to the Government drafts of inter-state agreements;
- 2) Draws up and submits to the Government proposals on establishing joint permanent inter-state commissions for operation of transboundary water systems;
- 3) Informs the authorized bodies of the Republic of Armenia in the established order on the transboundary impacts;
- 4) Presents the decisions of the Permanent Inter-State Committee to the Water Systems Management Body;
- 5) In the established order, submits to the authorized bodies of the Republic of Armenia the issues brought up at the Permanent Inter-State Committee, which are not regulated by inter-state agreements and (or) treaties, and require appropriate solutions;
- 6) In the established order, presents to the authorized bodies of the Republic of Armenia the disputes occurred in the Permanent Inter-State Committee.

Article 65. Ensuring Publicity of Information Regarding Transboundary Water Resources

The Republic of Armenia guarantees the publicity of information regarding qualitative and quantitative indices of water in transboundary water resources, using conditions thereof, and the results of negotiations on them between the neighboring parties, measures towards prevention, limitation and reduction of transboundary impacts.

The order of providing information shall be established by the Government.

CHAPTER 8. WATER QUALITY STANDARDS

Article 66. Water Quality Standards

The water resources management and protection body jointly with the corresponding interested state management bodies shall develop water quality standards drafts.

The water resource quality standards shall be included in the National Water Program and they have to conform with the established classification system.

Water quality standards may vary according to the specifics of various locales. According to the rules established by legislation water quality standards can be established in each water basin management area. Standards based on water use also can be established, including: agricultural, industrial and household standards. The water standards must depict the terms of degradation, depletion, and contamination prevention of water resources, as well as the terms of establishment of minimum environmental flows.

The Water Resources Management and Protection Body shall ensure the conformity of water qualitative criteria to the established standards through oversight conducted at least twice a year.

Water standards shall provide guidance for tolerable levels of all likely pollutants and include indices with an objective toward annually reduction of the laterers.

In consultation with the National Water Council, the Water Resources Management and Protection Body shall conduct a thorough bi-annual inspection (review) of standards, including social and environmental impacts, and propose amendments to them and present this information to the Government as part of the “National Water Program”.

The order of water standards recording shall be established by law.

Article 67. Compliance with Standards

In case of violation of the established water standards the water use is considered illegal and a liability, established by legislation, shall apply.

If the water use permit establishes norms that allow for a deviation from standards and may lead to cumulative impact, than these permits considered as invalid according to order established by the legislation.

In cases where water use permit establishes higher standards that is impossible to achieve with the existing conditions, than the person holding water use permit shall submit to the Water Resources Management and Protection Body a progressive improvement plan of its activities for the next 5 years that shall be considered as inseparable part of the water use permit.

Article 68. Allowed Marginal Criteria

Allowed marginal criteria shall be established based on:

- 1) Allowed marginal level of human-made loads, the long-term impact of which will not result in change of natural properties and composition of water ecosystems out of limits of natural seasonal and multi-year variations,
- 2) Volume of polluters, which reaches the water intake basin in the form of organized and unorganized outflows.

Allowed marginal outflow criteria of polluters in wastewaters shall be determined for each water resource based on conditions of inadmissible excision accumulations of allowed marginal concentration of polluters within water intake basin and inadmissible accumulation of their residual quantities in bed sediments and water organic substances.

Article 69. Standards of Limiting Impact on Water Resources

Standards of limiting impact on water resources shall be developed by water resources management and protection bodies, taking into account present ecological, social and economic condition, as well as terms and stages established by state target (goal-oriented) programs on rehabilitation, use and protection of water resources.

Article 70. Drinking Water Standards

Water supplied for drinking, healthcare purposes, needs of municipal and household services must meet the requirements of drinking water quality standards.

Persons carrying out the supply of drinking water must provide the conformity of drinking water quality to the of drinking water standards. The state authorized body of health protection, according to the order defined by legislation, carries out supervision on conformity of drinking water standards being supplied to public.

The systems of drinking water supply are ranked as the most important vital-needs water systems.

The water resource meeting the requirements of drinking water standards can be used as water source for drinking, health, municipal and household public needs, should it be possible to provide sanitary zones and special maintenance territories there, in accordance with the order established by the Government.

Drinking water treatment and processing before water supply shall be implemented only in accordance with the developed and adopted methods established according to the Governmental procedure.

CHAPTER 9. WATER USERS UNIONS

Article 71. Water Users Unions

Water users can be amalgamated for establishment of water users' companies, unions of water user companies' or other organizations and amalgamations according to the procedure established by law.

Article 72. Water Users' Companies and Unions of Water Users' Companies in Irrigation Sector

The water users' companies and unions of water users' companies are non-profit persons organizations having status of a legal person that operates in the public interest to carry out the operation and maintenance of irrigation system. The water users' companies supply water to the water users in the territory of their services and the unions of water users' companies to the water user's companies in the territory of their services. Unions of water users' companies are voluntary unions of water users' companies that aimed to use the same water source. The order of activity of water users' companies and unions of water users' companies shall be established by the law.

Article 73. Water Supply and Water Discharge Contracts

The order of entering into and standard forms of water supply and discharge contracts shall be defined by the Government.

CHAPTER 10. RECORDING OF LEGAL DOCUMENTS IN WATER RELATIONSHIP

Article 74. Legal Documents Subject to Recording in Water Relationship

The following shall be subject to recording requirements in water relationship:

1. Water Use Permit;
2. Water Use Rights' Transfer Contracts and Amendments thereof;
3. Servitudes;
4. Water System Use Permits; and
5. Water System Management Rights' Transfer Contracts and Amendments thereof.

The documents stated in items 1 and 2 of this Article shall be subject to state registration at the State Water Cadastre, and the documents stated in items 3 - 5 of this Article shall be subject to state registration at the state authorized body of real estate registration. A set of the original documents serving as a ground for registration shall be kept with the persons body responsible for registration. The copies of mentioned documents shall be given out in procedures established by the legislation.

Public notification of the documents mentioned in this Article shall be carried out in procedures established by the legislation.

The registration of the documents mentioned in this Article shall be carried out in procedures established by the legislation.

Article 75. Recording of HTSHTS

HTSHTS shall be recorded in the State Water Cadastre.

The quality and quantity data and information relevant to the HTS and operation conditions thereof shall be entered into the Water Systems Management Body.

CHAPTER 11. ECONOMIC INCENTIVES AND THE SYSTEM OF PAYMENT IN WATER RELATIONS

Article 76. Economic Regulation Principles for the Use, Restoration and Protection of Water Resources, Water Supply and (or) Wastewater WasterwaterSystems

The basic principle of economic regulation of the use, restoration and protection of water resources, water supply and (or) wasterwaterwastewater systems is the chargeable water use.

Water charges shall promote efficient operation, restoration and maintenance of water resources. The charges must be set up at the adequate levels to provide the following:

- 1) Charges for the operation of water resources;
- 2) Financing for the restoration and maintenance of water resources;
- 3) Covering the cost for the operation and maintenance of water supply and (or) wasterwaterwastewater systems;
- 4) Covering the cost for effective water management (including administration, public awareness, monitoring, planning, and enforcement activities);
- 5) Establishment of systems of economic incentives to promote efficient operation, restoration and maintenance of water supply and wastewater systemswasterwater.

The economic issues of efficient operation, restoration and maintenance of water supply and (or) wasterwaterwastewater systems shall be established by the law.

Procedures providing tax, loan and other privileges for efficient operation, restoration and maintenance of water supply and (or) wasterwaterwastewater systems shall be established by the legislation.

Article 77. Water Use Permit Fees

The baselines for water use permit fee shall be:

- 1) Volume, quality and regime of water withdrawn from the water resource;
- 2) Volume of manufactured production, rendered services, completed works that were performed without water intake from the water resource;

- 3) Used surface of the water resource;
- 4) Purposeful or non-purposeful use of the water resource based on the qualitative and quantitative water characteristics;
- 5) Volume and quality of wastewater discharges into the water;

To increase water use efficiency and improve water quality, as well as to raise the interest of water users, the water use permit fees retained from individual water use permit holders can be different given such factors as:

1. The quality of water withdrawn from and the discharged into the water resource in comparison with the quality of the water resource into which water is discharged, as well as the profit of the person holding water use permit;;
2. The costs of monitoring;
3. The quantity of water withdrawn; and,
4. Possible impacts on the quality and quantity of the water and risks and restoration costs associated with it.

Should water use be in the public interest and be it in conformity with the requirements of this Code, the Water Resources Management and Protection Body may propose to lower permit fees as necessary or otherwise offer financial assistance to promote economic development and investments.

The environmental fees prescribed in this Code shall be based on:

- 1) The composition, quantity, quality and characteristics of discharged wastewaters;
- 2) The type and level of impact of wastewaters on water resources;
- 3) The ecological condition of the water resource accepting such wastewaters;
- 4) The required level of monitoring of water use.

Article 78. Fees Associated with Water Use Permits and Water System Use Permits

A state duty shall be paid for acquiring a water use permit and water system use permit in the order and the amounts established by the law.

Article 79. Establishment of Tariffs for Non-Competitive Water Use

The principles of formation of regulated tariffs are the following:

- 1) Establishment of service cost (including: justified operational and maintenance costs necessary for conducting the activity), ensuring of depreciation costs of the fixed assets;
- 2) Ensuring opportunities for acquisition of reasonable profit;
- 3) Inclusion of loan service costs;
- 4) Establishment of minimum criteria for requested services;
- 5) Insuring quality of services through tariffs regulation and consumers ability to pay;
- 6) Differentiation of tariffs depending on consumption volumes, seasons of the year, hours of the day, and types of the services;
- 7) Inclusion of justified and necessary insurance expenses;
- 8) Conformity with the requirements of the National Water Program;
- 9) Inclusion of justified technological losses;
- 10) Inclusion of other justified and necessary expenses provided by the legislation;
- 11) Development of efficient water use and compliance with water standards incentives; and,

12) Development of incentives for providing high quality services.

The tariffs may vary:

1. Based on water basin distribution depending on the method of water supply;
2. Based on different water use groups (sub-groups),
3. Based on the qualitative parameters depending on classification of water resources.

Water fees can be paid:

1. By corresponding persons using the water system or a part thereof;
2. Directly by water users.

The tariffs may have an incentive nature, depending on the efficiency of water use.

The structure of tariffs and the main concepts of their establishment shall be defined by the National Water Program.

Procedures for the establishment and revision of the regulated tariffs shall be established by the law, where the forms and list of documents (application package) required for submission by water suppliers in conjunction with the above mentioned, shall be established by the Regulatory Commission.

Prior to the establishment of tariffs, the Regulatory Commission shall:

- 1) Publish a notice in a newspaper with a number of no less than 1000 printings, describing the principles of formation of the proposed tariff;
- 2) Propose to refer to the comments and recommendations in writing regarding the proposed tariff within 30 (thirty) days of the publication of such notice.

The established tariffs shall become effective within at least 60 (sixty) days of the issuance of the corresponding decision. The effective period of the tariffs shall be no less than one year.

The Regulatory Commission may establish a long-term tariff for the operation of the water supplier and (or) the wastewater disposal utilities.

The established regulated tariff shall represent a specific numeric value, as well as a calculation formula dependent on certain measurements.

The tariff established by the Regulatory Commission shall be the maximum tariff. The water supplier and (or) the wastewater disposal utilities may vend the water at tariffs less than the established ones, provided that water users within the same group receive water at the same rates.

In the case of using a tariff, which is less than the one established by the Regulatory Commission, in order to protect the interests of water supplier and (or) the wastewater disposal utilities, the water supplier and (or) the wastewater disposal utilities shall be required to maintain the low tariff until the establishment of a new one by the Regulatory Commission.

Article 80. Specifics of Tax Obligations and Privileges for Water Payments in Water Relationship

Specifics of tax obligations and privileges for water payments in water relationship shall be established by law.

Article 81. Financial Assistance in Water Relations

Financial assistance may be provided in water relations in the forms of subsidies or tax privileges established by the legislation, depending on the specific form of financial assistance stated by the National Water Program.

By the Government's draft of the annual State Budget, the National Assembly shall approve the amount of subsidies allocated to the water suppliers and (or) the water users from the State Budget, or tax privileges established by the legislation.

The subsidies from the State Budget or tax privileges established by the legislation shall be established in a way as to benefit the reimbursement of costs associated for the protection and technical maintenance of the water wasterwatersystems.

The subsidies specified in this Code can be provided to the water suppliers and (or) water users in form of direct payments.

In providing financial assistance, the following circumstances shall be taken into account:

- 1) Purpose of providing financial assistance;
- 2) Insuring equal conditions and exclusion of any discrimination;
- 3) Ensuring transparency;
- 4) Financial status of the personperson receiving financial assistance;
- 5) Necessity of water wasterwatersystems protection.

The person that violets the requirements of this Code shall not be eligible for the financial assistance provided by this Code.

Procedures for the provision of financial assistance shall be established by the Government and it shall include the following:

- 1) Groups of persons eligible for financial assistance;
- 2) Procedures for submission of applications (requests) for financial assistance;
- 3) Conditions and rules for the use of financial assistance.

CHAPTER 12. SAFETY OF HTS

Article 82. General Requirements for Safety of sHTSs

The Government shall be responsible for the use, protection, capital investment and safety of state-owned water reservoirs. The Government shall ensure the collection of all means for their implementation, the completion of all relevant works in order to ensure the continuous and safe work of the reservoirs during the whole term of water use permit.

The bases for provision of safety of HTSs are:

- 1) Provision of allowable level of risk of accidents,
- 2) Declaration about safety,
- 3) The order of permit for carrying out activities,
- 4) Provision of continuity of operation,
- 5) Measures providing safety, including:

- a) Confirmation of safety standards,
- b) Equipment of HTSs with tools allowing permanent control of their technical condition,
- c) Implementation of service of HTSs with specialists of appropriate qualification,
- 6) Complex measures being beforehand implemented in HTSs allowing reducing to minimum the opportunity of emergency occurrence,
- 7) Liability of persons for actions, which have reduced safety of HTSs in comparison with the allowable level.

Article 83. Obligations Of HTS Owner And Operator

HTS owner and operator shall be obliged to:

- 1) Provide the norms and rules of safety of HTS during its construction, operation, repair, reconstruction, conservation, decommissioning and liquidation,
- 2) Provide monitoring of indexes of HTS condition, and make assessment of HTS safety based on the obtained data. Find the reasons of changes in the index of HTS safety, taking into account the operation of the HTS in the hydrological system, impact of natural and man-caused harmful substance on HTSs, launching of different water systems at the river mouth and around the HTS,
- 3) Provide development of corrected norms of HTS safety,
- 4) Develop the system of HTS condition control,
- 5) Systematically analyze the reasons of reduction of HTS safety.

Article 84. Measures for Provision of Safety of HTS

To keep the HTS safe and in a technically good condition, repair as well as to avoid breakdowns the owner of the HTS shall provide for:

- 1) Systematic inspection of the HTSs;
- 2) Organization of HTS operation in compliance with the established rules;
- 3) Implementation of requirements of professional qualification for employees of the operating organization;
- 4) Keeping the HTSs emergency information system always ready;
- 5) Cooperation with the State Authorized Body of Emergency of the Republic of Armenia in the matters of possible emergency in HTSs;
- 6) Immediate notifying to State Water Systems Management Body in case of danger of breakdown in the HTS;
- 7) Necessary conditions for organization of works of HTS safety control body;
- 8) Financing of measures of HTS operation;
- 9) Financing of measures of elimination and suspension of consequences of HTS breakdown.

In case of dam break the owner or his authorized person shall immediately notify the Prime Minister. The population and organizations of the areas of the possible flood shall be noticed about it through special information system.

The owner and operating organization of the HTS carry the responsibility of safety of the HTS.

Article 85. Declaration of Safety of HTS

The owner of the HTS, or at her/his request the operating organization thereof, makes a declaration of safety of HTS during its projecting, construction, operation, after its decommissioning, reconstruction or capital repair as well as in case of temporary suspension. The declaration of safety of HTS is the main official document containing information about HTS compliance with safety norms.

The content and order of development of the declaration of safety of HTS, according to the importance and peculiarities of HTSs shall be established by order of the Government.

The owner of HTS, or at her/his request the operating organization thereof presents the declaration of safety of HTS to the approval of the Water System Management body. The declaration of safety of HTS is the basis for its registration at the State Water Cadastre.

Article 86. Observation of HTS

The Water Systems Management Body, in consultation with the stakeholder state management bodies, shall establish the Technical Commission with the aim of observation of HTSs.

The following shall be implemented during the observation of HTSs:

- 1) Control over HTSs operating organizations as well as over activities of contractor organizations during operation, reconstruction, capital reconstruction, restoration or conservation of HTSs, within the framework of provision of protection of safety rules and norms,
- 2) Assessment of technical conditions of HTSs.

The technical commission shall also investigate programs on the provision of water systems safety, their efficient use and maintenance, as well as carry out analysis of other related measures and provide with the professional conclusions.

Article 87. Procedure for Maintaining Information System on Forecast of Floods in the Result of Destruction of HTSs

The system on forecast of floods in the result of destruction of HTSs provides people with prompt information on possible extension of the wave occurred in the result of dam destructions as well as on borders and damage level of possible floods.

Article 88. Measures Towards Prevention of Disasters as the Result of Destruction of HTS

For prevention of disasters as a result of destruction of HTSs:

- 1) It is forbidden to lease and operate the water systems without carrying out measures envisaged by the project towards irrigation, towards prevention of land inundation, floods, swamping, salination, and erosion of the land.
- 2) It is forbidden to fill water storages before implementation of preparatory measures in the water storage pot envisaged by the plan,
- 3) It is forbidden to lease and operate HTS without:
 - a) Preparedness of water floods extraction constructions according to approved plans, and
 - b) Equipping dams and important HTSs with control-measuring device and observation station network envisaged by the plan.

Article 89. Procedure for Measures Implementation to Prevent disasters as a Result of HTS Breakdown and Compensation of Damages

The harm to the property, life and health of physical and legal persons caused by breakdown of HTS shall be compensated at the discrete of the owner of HTS, or the operating organization if so envisaged by contract.

The order of measures towards implementation of elimination of the consequences of the HTSs breakdown and compensation of harms is established by the Government.

Article 90. The Guarantor of Safety of Special State HTS

The guarantor of measures for safety of special state HTSs is the Republic of Armenia.

CHAPTER 13. PREVENTION AND ERADICATION OF WATERS HARMFUL IMPACT

Article 91. Emergencies as Result of Harmful Impacts of Water and Procedure for Preventive Measures

As a primary measure, to bring the harm caused by disasters to minimum in time, an information system on straggle against disasters has been established by the decision of the Government of the Republic of Armenia, aimed at preparation of forecasts on possibilities of occurrence of disasters in the water field.

The flood, mudflows, landslips and draught information system activities include current information and forecast on:

- 1) Occurred or possible floods, mudflows, land slides,
- 2) Occurred or possible draughts,
- 3) Condition and sustainability of natural water resources,
- 4) Condition and sustainability of important water-economic structures, among them reservoir dams, embankments,
- 5) Danger for public health.

To protect people from floods, mudflows and landslides, the areas of floods, mud flows and landslides shall be mentioned in the water object state register.

The actions of persons, which shall be forbidden or limited within special areas, shall be stated in water basin management plans to prevent or bring to minimum the harms caused by the above disasters. Construction works to be carried out in those areas shall be established by the Government.

The programs of protection of inhabited areas, areas of economical value and the asset of population from the risk of floods, mud flows and landslides shall be established by water national program, which shall include:

- 1) Complex measures towards protection from floods, mudflows and landslides,
- 2) Responsibility of state bodies in case of floods, mudflows and landslides, and the list of necessary measures,
- 3) Complex measures, mechanisms of their implementation, organization of evacuation of population, if necessary, and provision of accommodation and food.

Article 92. Water Scarcity and Drought

During water scarcity by the proposal of the Water Resources Management and Protection Body of the Government announces about water scarcity and draught. Such a decision may be adopted as for the whole territory of the Republic of Armenia as for a part of it.

The decision on water scarcity and draught shall include:

- 1) Limitation of activities connected with water resources,
- 2) Reasonable or limited use of water resources in the area of water scarcity and draught,

- 3) Requirements to the water system management body for providing water users with water from new or alternative water sources for water supply.

The Government shall establish commissions and procedures for their activity, aimed at development of measures towards calculation and eradication of harms caused by disasters generated from harmful impact of waters.

CHAPTER 14. WATER SYSTEMS USE AND MAINTENANCE IN EMERGENCY SITUATIONS

Article 93. Water Systems Use and Protection in Emergency Situations

Water resource use and protection emergency regime shall be announced:

- 1) In case of a war announcement by the National Assembly and/or a military situation announcement by the President of the Republic of Armenia,
- 3) In case ecological emergency or a part of it announcement by the Government.

The order of announcing water resources use and protection emergency regime shall be established by the Government.

Article 94. Water Systems Use and Protection during War and Military Situations

In case of war and military situation in the Republic of Armenia emergency regime shall be announced in all water systems of the Republic of Armenia.

The manager of the water system, in case of war and military situation in the Republic of Armenia, since the moment of announcement of water system use and protection emergency regime, acts according to the instructions established for that situation by the Government.

The State authority of emergency situations of the Republic of Armenia provides completion and preparedness of portable stations for ground water mining from safe depths, which will be ready to supply the population with water of required quality and quantity in case of possible chemical, biological and other possible contamination due to military actions.

Article 95. Reservation of Drinking Water Sources

To supply drinking water to public in emergency situations, source reservation is done on the bases of ground waters protection from pollution and littering. The order of reservation shall be established by the Government.

Article 96. Water Systems Use and Protection in Ecological Emergencies

Ecological Emergency on water systems or a part of it shall be announced if there are such changes which may cause damage to people's health and (or) environment sustainability.

The manager of the water system implements activities according to the instructions established by the Government:

- 1) To localize the emergency area,
- 2) To clear waters,

- 3) To reduce to the minimum and eliminate the consequences of the emergency situation.

The order of elimination of consequences of disasters caused by harmful impact of waters shall be established by the legislation.

Article 97. Compensation of Damages of Water System Manager in the Result of Water Object Use and Protection in Emergency Regime

The order of compensation of damages of the water system manager in the result of water resources use and protection in emergency regime shall be established by the legislation.

CHAPTER 15. PROTECTION AND STATE SUPERVISION OF WATER RESOURCES

Article 98. Protection of Interconnected Ecosystems and Landscapes

The interconnected ecosystems and landscapes shall be subject to protection for the purposes of improvement of water quantity and quality, as well as for preservation of relationship between soil, air, biological diversity and the waters.

The land owners or users of territories adjacent to the water resources shall be required to take all necessary steps to prevent any hazard threatening the ecosystem related to the water resources.

Article 99. Primary Requirements Towards the Protection of Water Resources

The water resources in the Republic of Armenia shall be protected.

The primary requirements towards the protection of water resources are as follows:

- 1) The use of water resources is permitted only in conditions of their protection and restoration;
- 2) The water resources are a constituent part of the ecosystem and the natural landscape, and their protection shall be stipulated by the maintenance of balance within the given ecosystem;
- 3) The water resources shall be subject to protection when used, as well as when not used;
- 4) If not used, the protection of water resources must maintain the balance and welfare in the given ecosystem completely when it comes to the water issue;
- 5) If used, the protection of water resources must maintain the balance in the given ecosystem;
- 6) Water resources shall be subject to protection from pollution, littering, infection and depletion;
- 7) Wastewater discharge shall be permitted only in conformance with the requirements of this Code, if a corresponding water use permit for such discharge is available;
- 8) No disturbance to water protection zones shall be allowed, unless otherwise provided by this Code;
- 9) Specific types of activities (including irrigation of land with wastewater, operation of industrial or commercial enterprises producing, using or storing solvents or chemicals, installation of refuse heaps for

raw materials, substances, waste and other products and stuff accumulated during the economic operation process) may be restricted or prohibited in ground water protection zones;

- 10) Exploration wells, pressure wells suspended but still fit for use shall be subject to conservation or destruction;
- 11) Emission, outflow or burial of radioactive and toxic waste in water resources is prohibited. Explosion operations in water objects by using nuclear or other technologies associated with the discharge of radioactive and toxic substances, is prohibited.

In instances of violation of the requirements of this Article, the operation of the water object shall be restricted, suspended or prohibited in procedures set forth in the legislation.

Article 100. Establishment of Norms for Water Resources Protection

Establishment of norms for the protection of water resources shall be carried out in accordance with the procedures enacted by the Government.

Article 101. Irrigation of Agricultural Lands with Wastewater

Irrigation of agricultural lands with wastewater shall be permitted only by procedures enacted by the Government.

Article 102. Specially Protected Water Resources

The status and list of specially protected water resources shall be established by the Government.

The status and protection regime for the specially protected water resources of international significance are ratified by international agreements of the Republic of Armenia.

Article 103. Requirements for Construction and Other Facilities Affecting the Water Ecosystem

The assessment of design papers and documents for construction and rehabilitation operations of facilities affecting the water systems for water resources, reveals the compliance of such papers and documents with the established requirements of the initial data, technical conditions, design objectives, calculations and civil works.

The design papers and documents for the construction and rehabilitation of HTSs can be forwarded for assessment only with justifications of the hydraulic modelling research or the absence of necessity for such research.

The assessment of design papers and documents for construction and rehabilitation operations of facilities affecting the water systems and water resources shall be carried out by persons holding adequate water system use permits.

During the design, construction, rehabilitation, commissioning and operation of construction facilities and other buildings, the environmental impact of such facilities both on the immediate surroundings of their installation site and on the entire catchment basin of the water resource must be taken into account.

In the event of employment of new technologies affecting the water resource, the environmental impact of such technologies both on the immediate location of their installation and on the entire catchment basin of the water resource, must be taken into account.

The commissioning of landfills without filtering devices in residential areas is prohibited.

The commissioning and operation of water systems shall be prohibited, if they are not equipped with the following:

- 1) Devices preventing water pollution or littering or adverse impact on waters;
- 2) Metering devices for water intake and wastewater discharge;
- 3) Necessary fish protection devices;
- 4) Structures protecting water resources and catchment surfaces from pollution;
- 5) Sanitary protection zones designed for agricultural cattle raising activities;

Commission and operation of lands irrigated with wastewater is prohibited without a system for observation of ground water regimes.

Article 104. Use of Water Resources for the Receiving Wastewaters and Drainage Waters

A water resource or its portions cannot be used for the discharge of wastewater and drainage water if:

- 1) The water resource contains natural medicinal resources;
- 2) The water resource is a part of a specially protected watershed;
- 3) The water resource is located in the neighborhood of resorts and areas used for tourist entertainment, athletic events and recreation purposes;
- 4) The water resource is a spawning and hibernation area for valuable species of fish;
- 5) The water resource is a habitat for valuable species of fauna and flora.

Construction of absorbent pits and wells for the discharge of wastewater and drainage water is prohibited.

Wastewater and drainage water shall be directed into wastewater collection systems in procedures prescribed in the Wasterwaterwastewater contract.

Article 105. Protection of Natural Preserves and Water Resources Considered National Monuments

The water resources that are considered natural monuments can be considered natural preserves or transferred under natural preserves without time limitations.

The Water Resources Management and Protection Body shall provide information on the protection of water resources that are considered natural monuments.

The status of the water resources considered natural monuments, as well as the specific requirements towards their use and protection shall be established by the Government.

Article 106. Participation of Non-Governmental Organizations and Citizens in the Protection of Water Resources and Water Systems

Non-Governmental Organizations and citizens are entitled to participate in the discussions relevant to the water resources and water systems and provide comments by procedures established by the legislation.

In the conduct of activities aimed at the protection of water resources and water systems the state authorized management bodies has a right to take into consideration the recommendations of public organizations and citizens.

Article 107. Supervision of Water Resource Protection

The person (persons) supervising the protection of water resources and water systems shall be responsible for the following:

- 1) Oversight of the use of water resources in the Republic of Armenia and protection of water resources;
- 2) Submission of an annual report to the National Water Council on the process of implementation of the National Water Program;

The state supervision in the area of protection of water resources shall be carried out by the authorized bodies in compliance with the law.

Article 108. Watersheds

The following shall be prohibited to carry out in watersheds:

1. Pollution of ice blankets, ice fields and snow-pack and adjacent areas with production, household or other waste, as well as pollution with oil products, toxic chemicals and other hazardous substances;
2. Installation of refuse heaps, waste burial sites, cemeteries and other facilities that may have indirect negative impact on water resources;
3. Wood manufacturing in water protection zones, except for cases of sanitary felling and wood use for forestry activities and protection of water resources;

The papers and documents developed by the Water Resources Management and Protection Body on watersheds shall be introduced to the public for comments and recommendations.

CHAPTER 16. RESOLUTION OF DISPUTES EVOLVED IN WATER RELATIONS AND LIABILITY FOR VIOLATION OF WATER LEGISLATION

Article 109. Dispute Resolution Bodies In Water Relations

Disputes in water relations and those related to water resources use and protection shall be resolved by the bodies authorized by the Government to regulate water relations according to a procedure established by the legislation, this Code and other legal acts.

Article 110. Resolution Of Disputes Evolving In Water Relations

Decisions of authorized bodies related to the enforcement of this Code may be appealed by a person (persons) concerned in a procedure established by the , this Code and other legal acts.

Disputes evolved in water relations, except for the cases, when the Republic of Armenia shall act as a party, may be resolved by a Dispute Resolution Commission. In case of no consent is attained by the parties the disputes shall be resolved in a legal form.

Article 111. Resolution of Disputes in Water Relations Within Water User Associations and Water User Association Unions

Disputes evolved within operation of Water User Associations and Water User Association Unions shall be resolved by a Board to regulate Water User Association and Water User Association Union.

In case of no consent is attained by the parties the disputes shall be resolved in a legal form.

Article 112. Resolution of Disputes Evolved Over Transboundary Water Resources Use and Protection

Disputes evolved over transboundary water resources use and protection shall be resolved pursuant to the norms established by international agreements.

Article 113. Invalidity Of Transactions Inconsistent With This Code

Transactions concluded by violating state property right, water-supply and wastewater discharge systems property, authorities of state and local self-governance bodies in water relations, as well as, fees principles in water relations established by this Code shall be invalid.

Transactions concluded by violating requirements of this Code and related to obtaining use right of water resources, water supply and wastewater discharge systems, its transfer, deliver for use or transfer in other manner; use and protection of water resources, water-supply and wastewater discharge systems, use of transboundary water resources, generating harmful impact on waters, damaging safety of HTSs, as well as, other transactions concluded by violating requirements of this Code shall be considered invalid.

Violating requirements of this Code shall cause a liability in a procedure established by the legislation.

Article 114. Criminal And Administrative Liability For Violation Of Requirements Of This Code

People liable for concluding transactions stated in Article 113 of this Code, as well as those stated below shall bear criminal or administrative responsibility in a procedure established by legislation:

- 1) unauthorized occupancy of water systems or unauthorized or non-purposeful use of water;
- 2) failing to follow the terms of a valid water use permit and/or conducting a water use without first securing a necessary water use permit; ;
- 3) polluting waters above quotas established by the legislation of the Republic of Armenia;
- 4) putting into operation municipal and other systems to prevent waterless pollution or their harmful impact;
- 5) use of water systems without water systems use permit established by this law or by violating its conditions and failure to comply with state metering of waters;
- 6) by violating safety norms of HTSs or decrease of their specification figures which caused an emergency;
- 7) for violation of water-protective regime within watershed, which caused water pollution, erosion and other harmful phenomena;
- 8) for unauthorized operations influencing the state of waters;
- 9) for causing harm to the water systems and violating their operational rules;
- 10) for violation of rules (conditions) of water resources use for recreational and sporting purposes.

The legislation may establish liabilities for violation of the other requirements of this Code.

Article 115. Return of Water Resources and Water Systems Used in an Unauthorized Manner

Water resources and water systems used in an unauthorized manner are returned to the proper party without any refund of costs incurred within illegal use.

Article 116. Compensation of Losses Due to Violation of This Code

Persons violating requirements of this Code are obliged to compensate the losses caused due to the violation in the established by law procedure.

Officials in charge of causing losses to water users shall bear liability in a procedure established by the legislation.

Article 117. Notice of Violation of Requirements Under This Code and Application of Appropriate Remedies

Should any authorized body acting in the area of water relations according to this Code or other concerned state body is aware on any person violating the requirements of this Code, the head of respective body shall provide given person with a violation notice.

The violation notice may call for the immediate halt of specific harm causing activity pending resolution of the matter according to the procedures described in this Code by stating the penalties in case of failure to halt the actions.

Failure to follow the instructions of a violation notice shall result in the charging of a daily fine for each day between the date of notice and compliance; and may result in increased penalties.

The body providing the violation notice in case of notified person's failure to comply with the stated therein requirements shall be in charge of bringing given person to account.

If a person that pollutes water resources within reasonable time-period fails to comply with the direction given in the violation notice by the Water Resources Management and Protection Body within a reasonable period of time, then the Water Resources Management and Protection Body may be entitled to ensure the remedies stated in the violated notice which are necessary to mitigate damage caused to water resources, including protection of the national water reserve and water quality standards. In this case Water Resources Management and Protection Body, according to the procedures established by the legislation shall submit a claim to the court to reimburse costs from:

1. Any person who is or was responsible for, or who directly or indirectly contributed to the pollution;
2. The owner of the land at the time when the pollution or the potential for pollution occurred;
3. The person in control of the land or any person who has a right to use the land at the time when the activity or the process is or was performed or undertaken; or the situation came about; and/or,
4. Any person who negligently failed to prevent the activity or the process being performed or undertaken; or the situation from occurring

Article 118. Reliable Security

In order to ensure the requirements under this Code, related legal acts and standards, terms and conditions of water use permit or water systems use permits, the bodies authorized by this Code to issue any water use permits or water systems use permits may require guarantee of adequate reliability as a condition for issue of a water use permit or water systems use permitting. A reliable security may be a letter of recommendation from any bank granting a loan, bank guarantee, insurance or other appropriate form of security.

CHAPTER 17. CLOSING AND TRANSITIONAL PROVISIONS

Article 119. Closing Provisions

The water Code of the Republic of Armenia shall become effective after 3 months of official publishing.

The Water Code of the Republic of Armenia of 23 March, 1992, shall become null and void from the moment of enactment of this Code.

Article 120. Specifics of Operation of Potable Water Supply and Wasterwater Systems

Prior to the adoption of the Law of the Republic of Armenia on Potable Water, the following shall be carried out in the sector of potable water supply and wasterwater:

- The use of the water resources, meeting the quality standards of potable water, for drinking, household and residential, and health needs shall be considered top priority;
- The potable, household and residential water supply systems shall be classified as highly important life-supporting objects;
- The supervision of the quality parameters of drinking water shall be carried out in procedures established by the legislation of the Republic of Armenia.

Article 121. Transitional Provisions

1. Other legal acts containing legal norms in the area of water relations shall be adjusted to this Code before 1 July, 2004.

Prior to their adjustment to this Code, all laws and other legal acts containing legal norms in the area of water relations shall be applied to the extent that they are not in conflict with this Code.

All normative acts of the President of the Republic of Armenia, the Government of the Republic of Armenia, the Ministries and other government bodies, which regulate relationships that should be regulated only by law, pursuant to the Code, shall remain in effect until the enactment of the corresponding laws.

This Code shall apply to such legal relationships containing legal norms in water relations, which evolved after the enactment of this Code, unless otherwise provided by this Code.

This Code shall apply to the contractual and legal relationships containing legal norms in water relations, which evolved prior to the enactment of this Code, to the extent of such rights and responsibilities that will arise after the enactment of this Code.

The norms of this Code relevant to the basis and consequences of nullification of transactions shall apply to such transactions where the claims of nullification shall be reviewed in court after the enactment of this Code, regardless of the date of execution of the corresponding transactions.

2. Expiration and Renewal of Existing Water Use Permits

All water use permits, contracts or other legal documents conveying water use rights issued prior to the date of enactment of this Code shall be harmonized with the requirements of this Code.

By October 1st 2003, persons holding valid water use permits, water system use permits, contracts or other legal documents conveying water use rights may apply to the Water Resources Management and Protection Body and request a new water use permit be issued according to the terms of this legislation and based upon the rights conferred in the existing documents.

Any existing permit shall be submitted to the Water Resources Management and Protection Body at the time of renewal.

3. Expiration and Renewal of Existing Water System Use Permits

Within two years (2) of enactment of this Law, persons holding valid non-competitive water supply system use rights shall obtain a new water system use permit issued according to the terms of this Code.

In case of not getting a water system use permit for existing water system within the time period specified, the permits, contracts or other legal documents for non-competitive water supply shall be null and void.

4. Following the adoption of this Code, the Government shall present the following documents to the National Assembly:

- The draft Law of the Republic of Armenia “On Water User Associations and Federations” (within 1 month);
- The draft Law of the Republic of Armenia “On the Concepts of the National Water Policy” (within 6 months);
- The draft Law on the establishment and operation of the Regulatory Commission (within 6 months);
- The draft Law of the Republic of Armenia “On the National Water Program” (within 1 year);
- The draft Law of the Republic of Armenia “On the Potable Water” (within 2 years);
- The draft Law of the Republic of Armenia “On Hydro Energy” (within 2 years);
- The draft Law of the Republic of Armenia “On the Irrigation Water and Land Improvement” (within 2 years);

5. Following the adoption of this Code, the Government shall be responsible for the following:

- 1) Approval of the Procedures for water allocation for fire prevention needs (within 6 months);
- 2) Approval of the Procedures for water standard establishment (within 1 year);
- 3) Approval of the Procedures for impact control on water resources at watersheds and wetlands (within 1 year);
- 4) Approval of the List of water systems of state significance, upon the proposal of the Water Systems Management Body and the State Property Management Body (within 1 year);
- 5) Approval of the Procedures for drafting of the economic water balance, document registration with the State Water Cadastre and provision of information (within 6 months);
- 6) Approval of the model forms of the Water Use Permits, upon presentation by the Water Resources Management and Protection Body (within 1 year);
- 7) Approval of the hydraulic structure safety indicators, upon presentation by the Water Systems Management Body (within 2 years);
- 8) Approval of the hydraulic structure classification, upon presentation by the Water Systems Management Body (within 6 months);

- 9) Establishment of the Procedures for HTSs operation and safety provision (within 1 year);
- 10) Development of the contents of the HTSs safety Declaration, as well as the Procedures its development and assessment (within 1 year);
- 11) Establishment of the Procedures for construction of water systems, as well as the Procedures for the testing of reconstruction/rehabilitation projects of hydraulic structures and water systems (within 1 year);
- 12) Establishment of the zones for water ecosystem protection, sanitary maintenance, flow formation, ground water protection, water protection, ecotones and non-vendible areas (within 2 years);
- 13) Following the establishment of the water ecosystem protection zones, the Government of the Republic of Armenia shall be responsible for the following:
 - Establishment of the Procedures for allocation of lands for use and land use at water ecosystem protection zones (within 3 months);
 - Establishment of the Procedures for construction, drilling, bottomland deepening and explosion, installation of pipelines and other communication networks, wiring, as well as extraction of biological resources and materials at water ecosystem protection zones (within 6 months);
 - Establishment of the Procedures for forest use at water ecosystem protection zones, upon the proposal of the Water Resources Management and Protection Body and the authorized State Body for Environmental Issues (within 9 months);
- 14) Establishment of the Procedures for determination of the permissible marginal levels of non-refundable water intake for each water object at the areas of ecological outlet and surface flows (within 1 year);
- 15) Establishment of the Procedures for withdrawal of water systems of special significance, partially or entirely, permanently or temporarily, from the area of economic operation and their preservation (within 1 year);
- 16) Establishment of the Procedures for the use and preservation of water resources of international significance under special protection (within 3 years);
- 17) Establishment of the Procedures for the use of absorbing wells for wastewater and drainage water collection, depleted mines, shafts and open quarries, and outlet (within 1 year);
- 18) Establishment of the Procedures for the monitoring of water resources and registration of reports (within 1 year);
- 19) Establishment of the marginal allowed concentrations of polluting substances contained in the water resources as well as procedures and schedule of their enforcement (within 2 year);
- 20) Establishment of ecological restrictions of impact on water resources (within 1 year);
- 21) Establishment of the Procedures for the irrigation of agricultural lands with wastewater (within 6 months);

- 22) Establishment of the State Supervision Body (Bodies) and its (their) functions in the area of protection of water resources and water systems (within 6 months);
- 23) Establishment of the status, the register, and the specifics of use and protection of water resources that are considered natural monuments (within 1 year);
- 24) Establishment of the procedures for assessment of the hydro-turbines manufactured in the Republic of Armenia (within 9 months);
- 25) Establishment of the Procedures for the oversight and inspection of hydraulic structures (within 1 year);
- 26) Establishment of the Procedures for the use of water resources with natural healing faculties (within 9 months);
- 27) Establishment of the Procedures for the use of water systems for tourist entertainment, athletic events and recreation purposes (within 9 months);
- 28) Establishment of the Procedures for the implementation of activities targeted at the elimination of the consequences of accidents at hydraulic structures, and reimbursement of losses (within 2 years);
- 29) Establishment of the Procedures for the use of water resources for irrigation purposes, pasture irrigation, land ablation and desalination, as well as for other agricultural needs (within 6 months);
- 30) Establishment of the Procedures for the use of drainage waters (within 9 months);
- 31) Establishment of the Procedures for the employment of recycling water-supply systems for industrial needs (within 1 year);
- 32) Establishment of the Procedures for the use of water resources for fish farm needs (within 1 year);
- 33) Establishment of the Procedures for the use of water resources for hunting needs (within 1 year);
- 34) Establishment of the Procedures setting the norms for the use and protection of water resources (within 2 years);
- 35) Establishment of the Procedures for the assessment of design papers and documents for construction and rehabilitation operations of facilities affecting the water resources or water systems (within 3 months);
- 36) Establishment of the Procedures for the state supervision over the radioactive and toxic pollution of the water resources (within 1 year);
- 37) Establishment of the water basin management areas and approval of their management plans (within 9 months);
- 38) Approval of the alternative Procedures for water recording (within 6 months);
- 39) Establishment of the Procedures for allocation of financial assistance to water suppliers and water users (within 3 months);
- 40) Approval of the List of Safety Standard Violations at hydraulic structures (within 5 months);

- 41) Approval of the Water Systems Use Permitting Procedure(s) in the water sector (within 6 months);
- 42) Approval of the Procedures for determination of quantities and regimes of water intake from water resources for water users (within 1 year);
- 43) Approval of the list of the members and the operation procedures for the Coordination Board of water user associations and federations, within 3 months of the enactment of the law regulating the operation of water user associations and federations;
- 44) Establishment of the Procedures for the conclusion of water supply and wastewater contracts (within 6 months);
- 45) Establishment of the Procedures for the implementation of works affecting the status of water at water ecosystem protection zones (within 2 years);
- 46) Approval of the list of the members of the Commission of the Republic of Armenia for Transboundary water resources (within 1 month);
- 47) Approval of the Procedures for submission of information on transboundary resources (within 9 months);
- 48) Approval of the Procedures for the use of ground waters at privately owned land plots (within 9 months);
- 49) Approval of the Procedures for free water use (within 9 months);
- 50) Approval of the Procedures for the establishment of emergency regimes for the use and protection of water objects; the instructions and minimum rations of drinking water for residential needs; as well as the Procedures for the reimbursement of losses of the manager of a water object (within 3 years);
- 51) Approval of the procedure for elimination of accidents or failures within internal water supply systems for apartments (within 6 months);
- 52) Approval of the procedures for notification and publicity of the documents developed by Water Resources Management and Protection Body to the public (within 6 months);
- 53) Approval of the procedure for transfer or contracting of water use permit to other persons (within 1 year);
- 54) Approval of package of guidelines for water basin management planning (within 6 months).

6. After the enactment of this Code, the Government or its authorized body (bodies) shall:

- 1) Approve a standard form of water use permit (within 6 months);
- 2) Approve a standard contract on the transfer of water use permit to a third party (within 3 months);
- 3) Determine water basins and wetlands which play a critical part in the protection of the quality and quantity of water (within 1 year)

- 4) Develop a methodology for the assessment of the impact of economic operation on water resources (within 1 year).
 - 5) Establish procedures for wastewater systems operation and wastewaters treatment (within 1 year);
 - 6) Establish the specifics of operation for each HTS unit of special national significance (within 2 years);
 - 7) Establish the procedure for the submission to the Government a program on the existing situation of reservoirs, their rehabilitation, and as required a financial sources for their rehabilitation;
 - 8) Establishes water standards (within 2 years).
7. After the enactment of this Code, the Prime Minister of the Republic of Armenia shall:
- 1) Approve the list of the members and regulations for the National Water Council (within 3 months);
 - 2) Approve the list of the water basin management bodies, procedures of their work and the schedule of transition to basin management (within 3 months);
 - 3) Approve the list of the members of the Dispute Resolution Commission and regulations (within 3 months),
 - 4) Approve the composition of the Commission of the Republic of Armenia of Transboundary Water Resources (within 3 months).

The President of the Republic of Armenia

R. Kocharyan

June 17, 2002

*Translation and Revised by Lilit Harutyunyan
and Lilit Martirosyan*