ABSTRACT

The Water Framework Directive stipulates a management model based on hydrological borders and watersheds as opposed to traditional political and administrative borders. The accession of the Baltic States and Poland to the EU will move the EU’s north-eastern external borders eastwards. It will place new demands on institutional interaction at regional and local levels, and on the implementation of water management policies. In the EU, a contemporary trend involves a shift of political power from the national state to the European Union, and from the national central state level to the regions, in a system of multi-level governance. Within the Russian Federation, a process of re-centralisation of political power has taken place. This provides a radically different framework for the implementation of water management than the multi-level system of the EU, and the current system in Russia presents a significant challenge to EU-Russian cooperation. This paper analyses transboundary water management in the northeast of Europe, using a case study of Russian-Estonian relations, and examines the potential institutional problems facing the implementation of the EU Water Framework Directive. It especially examines the difficulties facing the political and administrative management of diffuse source pollution.

KEYWORDS: Institutions, transboundary water management, Eastern Europe.

INTRODUCTION

The European Union (EU) will probably be enlarged in May 2004 by the entry of ten new states. Of these, eight will be from the former soviet sphere of influence, including the four countries in the northeast of Europe - Estonia, Latvia, Lithuania and Poland. In these countries, employment in the agricultural sector is considerably higher than the average for the present EU countries, and agriculture has been shown to be a major source of diffuse pollution. Although the decrease in agricultural production that occurred at the beginning of the 1990’s has resulted in substantially lower levels of artificial fertilizer use, the introduction of EU Common Agricultural Policy (CAP) funds, even at the introductory level now planned for these countries, will in turn lead to significant changes in agricultural production. The EU accession states are, even after over a decade of independence, still attempting to come to terms with the changes that have occurred in their political and economic systems, and the administrative structures concerned with environmental management are still in a state of reorganisation and development. The formation of the EU’s eastern border towards Russia will place increased demands on the new member states, as well as on the EU’s administrative capacity. It will also entail changes in EU-Russian relations. These difficulties will be significant at the inter-state level, and they will be especially pronounced in the case of institutional interaction at regional and local levels, where problems will arise in the implementation of national, regional, and local environmental policies. The nature of these problems is both political and administrative. Within the EU, political and administrative structures have been created that aim at the integration of different levels in a system of multi-level governance. In this system, different geographical levels of political decision-making and implementation are also inter-connected with the business sector and civil society. Within the Russian Federation, however, a process of re-centralisation of political power has taken place, especially during Putin’s presidency. The Russian system of administration comprises a fundamentally different framework for political decision-making and implementation in water management than the multi-level system of the EU. As regards water- and environmental policy implementation, the current system in Russia is particularly complicated. It is therefore important to examine those aspects of cooperation that affect policies and that may lead to difficulties in the political and administrative management of transboundary water management.

METHODS

The results presented in this paper are based on research conducted during 2000-2003 in the context of a EU research project – MANTRA-East. The socio-economic aspects of this project include content analyses of documents, surveys, focus groups, group and individual interviews with members of the public and stakeholders, studies of mass media sources, and interviews with authorities on both the Estonian and Russian sides of the Estonian-Russian border. Especially important sources of information for this paper were the 30 semi-structured interviews with Estonian and Russian officials working with environmental issues conducted by project researchers during the autumn of 2002. These interviews concentrated on institutional aspects of water management in the oblast of Pskov on the Russian side of the border, and the municipalities of Jõgeva, Põlva and Tartu on the Estonian side. The interviewees were selected through a combination of reputational and ‘snowballing’ methodologies. The interviews were semi-structured and included questions aimed at elucidating the interviewees’ views on the most important forms of environmental problems, the concepts behind environmental management and policy, the organisation of regional environmental decision-making, the barriers to effective environmental management, how and by whom environmental management should be managed, relations between different environmental authorities, and perceptions of the resilience of the environment. The interviews also
RESULTS AND DISCUSSIONS

Russia.

Although the Soviet Union was officially a federal system, it was in fact a centralised state in which the government in Moscow determined to a large extent policy in the provinces (Kelley 1999). In the Soviet system, the Union Republics were divided into oblasts (provinces or regions), and raions (districts). The system was hierarchical; towns and villages were subordinate to raions (districts), raions and cities were subordinate to the oblasts (regions), and the oblasts (regions) subordinate to the Union Republics. The current territorial organisation of the Russian Federation reflects to a certain extent this old Soviet system (Kourlindskiaia and Kachanova 2002). The provinces aspired for, and gained, more autonomy during Gorbachev’s perestroika, and Yeltsin encouraged the regions to strive for privileges in the areas of, for example, tax collection and natural resource management (Evangelista 2000). During Yeltsin’s presidency, some regions developed authoritarian regimes (Klyamkin and Shevtsova 1999), and Putin’s policy has, after 2000, involved a re-centralisation of the political and administrative system. In May 2000 Putin issued a decree that re-organised the country into seven federal districts, each run by a presidential appointee. Russia now has three levels of government: federal, regional, and local. There are a total of 89 ‘subjects of federation’, the most common of which is the oblast, or region. Most of these regions have an elected governor and their own administration and legislature. There are however appreciable differences between the powers and composition of the regions (Sakwa 2002, p. 224). This re-organisation may, however, have resulted in increasing the size of the central bureaucracy without improving efficiency (Stoner-Weiss 2002), and the central government still seems to have problems in implementing its policies in the regions (Gelman 2001). The present system also involves the division of regions into donors or recipients of state financial subsidies. Only a few of the regions are donors, most are recipients (Sakwa 2002, p.237-8), and agricultural regions such as those on the north-west borders are dependent on state subsidies (Shlossberg 2002). The new Tax Code of 2001 has also shifted the financial balance in favour of the federal centre (Petrov 2001; Kuzmin and Kachanova 2002). The local authorities are however expected to finance and deliver a broad range of public services (Brown 2001), and they are fully responsible for water and sewage services, as well as waste disposal and sanitation, although they often encounter difficulties in providing services due to limited resources (Sakwa 2002, p.251). These difficulties originate in lack of municipal financial independence resulting from a system in which local budgets are fully dependent on regional governments, which in turn receive transfers from the federal centre (Kuzmin and Kachanova 2002, p.256; Sakwa 2002, p.250). Functions are often delegated to the local authorities without the necessary financial support, and regional governments sometimes deprive the municipalities of funding (Kourlindskiaia and Kachanova 2002, p.197). The amount received by the municipalities can therefore depend on the negotiating abilities of municipal managers (Kuzmin and Kachanova 2002, p.529). Local interest groups and political parties often play only a minor role in the policy process (Kourlindskiaia and Kachanova 2002, p.180), and although the Law on the General Principals of Local Self-Government gives citizens the right to hold local referenda, and to initiate legislation on local issues, these rights are seldom used (Kourlindskiaia and Kachanova 2002, p. 182). The ability of local authorities to design their own policies is further complicated by the fact that both the President of the Russian Federation and the governors of the regions have the right to dismiss local governments if their decisions violate federal or regional legislation (Kuzmin and Kachanova 2002, p.529). The causes of environmental degradation in the Soviet Union have been characterised as the results of the dominant ideology, rapid, concentrated, and heavy industrialisation processes, the militarization of the Soviet economy, the negative effects of the command economy, and weak environmental protection safeguards (Shaw 1999; Ivanova 2001; Wernstedt 2002). Others have pointed out the absence of politics as an aggravating factor (Barry and Frankland 2002, p.406), and that Soviet ideology was technological rather than ecological, and the environment seen as a resource to be exploited (Shaw 1999; Sakwa 2002). The elaborate system of very strict environmental regulations that was developed during the Soviet period was also in practice not effectively enforced (Ivanova 2001, p.7; Shaw 1999, p.133). The breakup of the Soviet Union resulted in changes in environmental management (although perhaps not in the beliefs of the administrators), and the Yeltsin administration initiated an advanced environmental legislative framework (Peterson and Bielke 2001, p.67; Shaw 1999, pp.143-49; Sakwa 2002, p.329). However, the Ministry of Environmental Protection and Natural Resources created by the Yeltsin administration in 1991 was transformed into the State Committee for Environmental Protection in 1996, with a lower status than that of a ministry (Peterson and BIELKE 2001, p.67). In May 2000 President Putin disbanded the agency and transferred its staff and functions to the Ministry of Natural Resources of the Russian Federation (Massa and Tynkkynen 2001, p.15). While the State Committee for Environmental Protection may during its time mainly have served as a symbol of Russia’s desire to appear like a developed and modern country’ (Peterson and BIELKE 2001, p. 68), it remains to be seen how effective environmental interests will be managed in the Ministry of Natural Resources. Today’s environmental management system in Russia can be characterised as a mixture composed of almost all existing branches of power. Both the lower chamber of the Russian Parliament (the State Duma) and the upper chamber (the Federation Council) have committees concerned with environmental issues. Water issues at the federal level are the responsibility of the State Water Service, which is divided into three Directorates; the Directorate of Water Management, the Directorate of Basin Planning, and the Directorate of Water Resources (Resources 2002). These are responsible for water provision and the water budget, transboundary waters and the water fund, water management programmes and policies, basin agreements, regulation and exploitation of water management systems, flood prevention and the safety of hydroelectric facilities, the operative planning of water management activities, the state water cadastre, stock-taking of water uses, and water quality recuperation (Budarin,
The result of the complicated and interdependent nature of Russian environmental management seems to be that 'environmental policymaking appears fragmented and many of the institutions responsible for it are unstable' (Wernstedt 2002, p.1), a view shared by other critics of the present system (Yablokov 2001, p.3). Russian environmental management is also handicapped by the regulatory system based on an extensive collection of subordinate legislative documents (decrees, resolutions, regulations, administrative orders, decisions etc.). This Byzantine system demands time, resources, and knowledge in order to be understood, which many communities lack (Ivanova 2001, p.11). The unrealistic stringency of the old environmental standards system mentioned above may also lead to non-compliance by industrial and business interests (Ivanova 2001, p.14), and corruption among state and local officials (Massa and Tynkkynen 2001, p.14). As regional and local authorities are primarily responsible for the enforcement of environmental protection, and it is precisely these administrative levels that lack sufficient funds, these authorities may be susceptible to the influence of strong and well organised interest groups (Ivanova 2001, p.13) and by providing services, the business community may attempt to secure preferential treatment (Wernstedt 2002, p.14). The overall result is a system for environmental management characterised by a complicated institutional framework, agencies with overlapping functions, poor coordination, and interagency conflict (Ivanova 2001, p.11). As a result, local administrations may sideline decisions taken by the federal and regional environmental authorities on the grounds of economic necessity (Crotty 2002). The Committee of Natural Resources is the territorial arm of the central governmental Ministry of Natural Resources in the Pskov region. The Committee is sub-divided into sections concerned with environmental protection, water management, forestry, and mineral resources, and is organised in 24 districts and 2 city branches. The Federal Water Management Administration is also coordinated by the Committee, and is responsible for setting and licensing water use quotas, monitoring water objects, the oversight of hydrotechnical facilities, and the analyses of discharges into water bodies. Another important federal agency is the Federal Land Cadastre Service of Russia, which regulates and oversees land legislation and use. The use of fish resources are controlled and administered by the Regional Fish Inspectorate, which is under the State Committee of Fisheries in Moscow. The Regional Fish Inspectorate is organised in three branches, and monitors fish resources. It has recently been given the task of monitoring water pollution and quality, but that assignment has yet to be fully developed. Another institution involved in the management of fish resources is the regional branch of the State Research Institute of Lake and River Fishery. As a result of the post-soviet intuitional reforms it is answerable to the Ministry of Agriculture. Finally, the Hydrometeorology and Environmental Monitoring Centre of the Pskov Region represents the Federal Service for Hydrometeorology and Environmental Monitoring at the regional level. The Environmental Prosecutor’s Office of the Pskov Region has judicial responsibility for environmental actions, and is subordinate to the Prosecutor General of the Russian Federation. Much of the environmental management at the municipal level is organised together with the other authorities (Turnock 2001, p.176). The municipal level is, however, according to Russian law, responsible for domestic waste disposal, the supply of drinking water and wastewater treatment, sanitary conditions, the oversight of land use, water regulation and the exploitation of non-strategic resources. According to the officials interviewed the most acute problems in the oblast are a result of insufficient wastewater treatment. The major regional city of Pskov, as well as the smaller towns of Pechory and Gdov, are in need of significant improvements in wastewater treatment. Waste disposal was also seen as a major problem, partly because of outdated waste storage facilities, partly because of a lack of waste segregation, and partly because of waste left in the countryside by unorganised tourism. Leaking underground paraffin reservoirs were also considered a problem. However, one of the most important sources of pollution, diffuse pollution from agriculture, was hardly mentioned. This may be due to lack of awareness, but also to the decreased volume of agricultural production in the region. Some of the Russian interviewees believed that the decrease in agricultural production that has occurred on both sides of the border since the beginning of the 1990’s has reduced environmental problems such as diffuse agricultural pollution. Concerning environmental management, the main concepts behind environmental policy and management formulated at the federal level were not well understood by the interviewees in the oblast. Many could not, or would not, discuss this issue. The Russian environmental managers were also unsure about how environmental decisions were taken at the federal level. A general opinion was that the implementation process was hierarchical, based on strong vertical subordination, and that the main principal was 'to be under the single command' of the Minister (Russian interviewee). Procedures at the regional level were seen as 'excessively regulated', and at the municipal level it was felt that the path from an idea to its implementation involves too many people' (Russian interviewee). At the regional level, decision-making appears to be 'quite closed', and whether any environmental decisions emerge at all is dependant on...the economic interest in this' (Russian interviewee). At the local level, a common perception was that it was better to do nothing at all than to risk making a wrong decision. The problems of synchronization was also noted by the Russian environmental managers, and it was pointed out that the 'former Soviet lack of coordination between the agencies has persisted and has yet to be resolved' (Russian interviewee). The opinions of the interviewees confirmed that the major problem with environmental management was lack of funding. Whereas 60% of the funding generated by pollution payments used to remain in the municipalities, the regional and federal authorities now appropriate this funding. The requisition of federal funds by the municipalities is a process characterised by delays and reductions. One interviewee claimed that 'they (regional governments) just don’t give a damn about the reason another stated that the funding situation made it necessary to 'snatch money for solving environmental problems' (Russian interviewee). The rhetorical nature of the environmental debate was described as ‘we just keep on talking about the environment...but there are few deeds’ (Russian interviewee), and the lack of public interest was seen as a major problem. Until the citizen realises that garbage should be put into a garbage can, not dumped in a field or in the woods, all conversations about enlightenment and environmental protection will remain only conversations' (Russian interviewee).
Estonia, Latvia, Lithuania, Poland.

Although differing in their political and administrative organisational forms, Estonia, Latvia, Lithuania, and Poland have a number of issues in common. The main environmental problems in these countries can be divided into the following categories. First, air pollution caused by transport, by the oil shale fired power stations in the northeast of Estonia, and by the use of low quality brown coal in Poland. Secondly, there are problems caused by residues of past pollution originating in industrial, agricultural, and military activities. These include the pollution of aquifers caused by the dumping of fuel at air bases and army camps, as well as high levels of nitrogen (and phosphor) in agricultural land caused by decades of excessive use of artificial fertilisers. Thirdly, there are quantitative and qualitative problems caused by the irrational use of ground water resources. Fourthly, there are problems caused by the pollution and eutrophication of surface water. Fifthly, there are problems caused by waste (including hazardous waste) disposal. The sixth type of problem originates in threats to biological and landscape diversity caused by land use changes. Finally, there are problems (urban and rural) caused by unhealthy living conditions (Ruut 2002). To these general problems must be added the specific problem of the Ignalina, the Lithuanian nuclear power station that began operation in 1983. These four countries are also all EU accession states, and have attempted to adapt their environmental legislation to EU norms. Although lack of finances has hindered adoption of the environmental acquis communautaire by these countries, and this appears to be a condition that will continue a number of years in the future unless the EU provides extra financial support, they have aspired to implementing the administrative and organisational changes necessary for implementation. The interviews with the Estonian environmental administrators demonstrated that they found it somewhat easier than their Russian counterparts to describe the decision-making processes that affected them, although they too had difficulty in describing the main ideas behind environmental management. This indicates a more pronounced degree of institutional transparency, and at the county level, while the heads of department approved all decisions, the specialists had a reasonable degree of independence to organise their work (Estonian interviewee, 2002). The importance of national and European legislation was notable, and the dominating influence on environmental management was seen to be the regulatory legislative structures, or, as one bureaucrat explained, ‘everything comes through the laws’ (Estonian interviewee, 2002). The concept of subsidiarity seemed not to include local levels to a significant extent, and at the local level the decision-making process was seen by many (but not all) of the interviewees as top-down. The problems described by the Estonian interviewees were in some ways similar to those expressed by the Russian administrators. They ranged from lack of resources, lack of coordination of tasks, to the influence of party politics in environmental administration. As transboundary relations were a central focus of the MANTRA-East project, the interviewees were also asked about cooperation. Cooperation between Estonian local authorities was considered positive, and a number of examples of successful cooperation were described. Relations between the municipal and county authorities were not, however, described as a prioritised issue by the local authorities, although cooperation with the County Environmental Department was good. Many of the interviewees felt that local-state relations were more important. Here it was possible to suspect the same inter-organisational competition as existed on the Russian side of the border. Officials at the county level also felt that communication with the central level, in the form of the Ministry of the Environment, were too hierarchical. As in Russia, water pollution was considered the major problem on the Estonian side, although it is interesting to note that the majority of the interviewees did not consider agriculture the major problem in this respect. The reasons for this discrepancy was that many of the interviewees felt that the decrease in agricultural production, as well as the decrease in the use of artificial fertilisers, had led to a decrease in the magnitude of the problems of diffuse pollution from farming land. Research within the MANTRA-east project has shown, however, that this is not the case, and that residual effects are significant. Forestry, although also mentioned as a problem, was not either considered a major issue.

CONCLUSIONS

The case study of transboundary relations between the authorities working in the environmental sectors in Estonia and Russia demonstrate that cooperation is at present scarce and undeveloped. Most of the interviewees on both sides of the border had little knowledge of conditions and forms of environmental management on the opposite side of the border, and the Estonian interviewees even expressed doubts over the level of interest in environmental issues on the Russian side. The environmental administrators also admitted that they had little information on the nature of environmental problems on the other side of the border. They expected the problems to be similar to theirs, and they believed that the main problem was that municipal and industrial wastewater was discharged untreated, or inadequately treated. In general the large number of projects with third-party countries such as Denmark, Finland, Sweden etc. (especially in Estonia) tended to overshadow the little Estonian-Russian cooperation that existed. Poor finances were always seen as a limiting factor for cooperation, and another practical problem that was thought to play a major role was the present difficulties in crossing the border, where border controls can lead to delays of several hours. There was little consensus among the interviewees on the most suitable administrative level to develop cooperation, some claimed that the state level was the most significant; others that projects developed at the local level could be more successful. The interviewees suggested that more common projects might be a way of improving relations, as knowledge and experiences could be exchanged in such projects. Staff exchange was also proposed as a means of increasing cooperation, although it was expected that this form would be most interesting for the Russian side. The results of this study demonstrate that future EU – Russian relations (and quite likely relations along the new EU border) in the field of water management will be faced by four major problems. The first is the lack of resources, both financial and administrative, of the local environmental authorities; the second is the complicated environmental management systems, especially in Russia, and the lack of understanding of the decision-making processes by the people working in the local environmental authorities; the third is the lack of knowledge of the nature of environmental problems and the means of managing them on the opposite sides of the border; the fourth is the insufficient
awareness on the part of local environmental managers of the problems connected with diffuse pollution from agricultural land. The deficiency of financial resources does not constitute a theoretically complicated problem, although, of course, in practice the dilemma is acute. Foreign investments and support are to a certain extent available. The lack of knowledge of the nature of the environmental problems, and especially of the importance of diffuse pollution, is however conceptually disturbing. Contacts between managers working on opposite sides of the border have decreased during the last ten years, and are now at a low level. Information on environmental conditions is therefore now restricted to a limited number of experts involved in transboundary cooperation. The exchange of scientific information and experiences of management techniques needs to be increased, and methods suitable for the communication of scientific knowledge in European-Russian contexts need to be developed. The lack of administrative resources, the existence of opaque decision-making processes, and the lack of understanding of institutional processes, also pose major problems. It is likely that the new EU member states will continue to develop management structures influenced by EU concepts of subsidiarity and multi-level governance, while Russian, Belorussian and Ukrainian management systems continue to be based on top-down, hierarchical institutional interaction. The strongly centralised Russian system of environmental management also complicates potential forms of cooperation, and Russia’s influence on the other countries indicates that this form of problem will persist. These institutional problems may perhaps best be studied through the application of new institutional theory. Institutional theory is embedded in the debate on the relative roles and importance of structures and agents, and can be divided into a number of branches (Hall 1996). Common to all varieties, however, is the belief that institutions shape social and political life. Historical Institutionalism claims that ‘path dependency’, the tendency for existing policies to strongly influence contemporary policymaking, is a central aspect. Political Institutionalism studies the competition within and between state institutions. Sociological Institutionalism sees the propagation of norms and values in institutional contexts as central. Economic Institutionalism, finally, takes a rationalist approach, often within firms, although Institutional Rational Choice, through the work of Elinor Ostrom (Ostrom 1999) is well known as a way of examining environmental, and especially water-related, issues. The application of institutional theory, especially with a historical perspective, is often considered relevant for studies of countries with communist pasts (Elster, Offe et al. 1998), where ‘path dependency’, either explicitly in organisational forms such as in Russia, or implicitly where existing norms and values may be influenced by earlier political cultures, is evident. The work within MANTRA-East will hopefully contribute to a greater understanding of the institutional influences at work on the new EU-Russian border, and it is expected that these experiences will also shed light on transboundary relations between other countries in the northeast of Europe.

REFERENCES

