

COUNCIL OF PRIME MINISTERS

AGREEMENT

Between the Government of the Republic of Kazakhstan, the Government of the Kyrgyz Republic and the Government of the Republic of Uzbekistan on Joint and Complex Use Water and Energy Resources of the Naryn Syr Darya Cascade Reservoirs in 1999

The Government of the Republic of Kazakhstan, the Government of the Kyrgyz Republic and the Government of the Republic of Uzbekistan, hereinafter called the Parties, for purposes of a successful implementation of growing irrigation, non-admission of erosion and flooding of midstream and downstream of the Syrdarya River and rational utilization of fuel and energy resources agreed on the following:

Article 1

- 1.1. Set the following water releases from the Toktogul Reservoir with average daily volumes:
1999

March	400 m ³ /sec	June	500 m ³ /sec	September	190 m ³ /sec
April	300 m ³ /sec	July	650 m ³ /sec		
May	230 m ³ /sec	August	600 m ³ /sec		

- 1.2. Inflow into the Shardara Reservoir in growing season is provided in accordance with water sharing principles defined by ICWC.
- 1.3. In the growing season through the Dostyk Canal to the Republic of Kazakhstan 800 mcm of water will be supplied.

Article 2

To ensure the established irrigation releases and intake limits for the Republic of Kazakhstan and the Republic of Uzbekistan, the Kyrgyz Republic, during the summer season, shall transit electric power in the amount of 2,200 m kWh by equal shares, of which:

- 1,100 m kWh to the Republic of Kazakhstan;
- 1,100 m kWh to the Republic of Uzbekistan.

Article 3

Mutual settlements for 1,1 b kWh electric power supplied to the Republic of Uzbekistan from the Kyrgyz Republic in the summer season shall be resolved by the supply in 1999 from the Republic of Uzbekistan to the Kyrgyz Republic:

500 mcm of natural gas for the thermal power station in Bishkek and the thermal power station in Osh, of which:

- in I quarter of 1999 – 170 mcm
- in II quarter of 1999 – 80 mcm
- in III quarter of 1999 – 70 mcm
- in IV quarter of 1999 – 180 mcm

The gas supply is carried out in accordance with trilateral contract among JSC “Kyrgyzenergo”, State Entity “Uztransgaz”, and the Ministry of Energy of Uzbekistan.

Mutual settlements between operating entities of the Kyrgyz Republic and the Republic of Uzbekistan are carried out in previously established order, by taking into account actual volumes of inter-

transmissions of the electric power, gas supply, costs of services for the transit and the frequency regulation.

The Kyrgyz Republic recognizes the debt in the amount of US\$25,9 m from the Uzbekistan site, formed by January 1st, 1999 due to inter-supply of products (works, services), carried out in 1998 and that will partially be paid off by services on the frequency regulation in 1999. The parties agreed that the mutual settlements between operating subjects will be carried out in 1999 by material and technical resources needed for stable operation of the energy systems in mutually beneficial conditions.

Article 4

The Republic of Kazakhstan for 1,1 bkWh electric power received from the Kyrgyz Republic shall supply in 1999 to the Kyrgyz Republic 250 mkWh electric power and 566,7 thousand ton of Karaganda coal for the thermal power station in Bishkek.

Volumes, terms, and schedules will be specified in separate agreements.

Article 5

An operative adjustment of the regime for water release from the Toktogul Reservoir and transit of electric power is performed by the BVO "Syrdarya" and UDC "Energia" by the approval of concerned parties and viewing a water-economic and fuel-energy situation, if needed.

Article 6

The Parties agreed those goods (works and services) subject to this Agreement, are exempted from any type of export and import customs tariffs.

Article 7

The implementation of this Agreement regarding the part on the established volumes of electric power transit shall be possible under a normal scheme for power network 500kW.

Article 8

For providing the implementation of the terms and conditions of this Agreement the Parties shall define operating subjects for entering into corresponding contracts.

Article 9

The issue of usage of water and energy resources of the Naryn-Syrdarya cascade of reservoirs in 2000 shall be considered in August of 1999 in Bishkek in the working meeting of representatives of water and fuel-energy complexes of the Republic of Kazakhstan, the Kyrgyz Republic and the Republic of Uzbekistan.

Article 10

The Agreement shall be in effect from the date of its signature.

Article 11

Addendum and amendments may be made into this Agreement, which by agreement of the Parties should be specified by protocols, and are an inalienable part of this Agreement.

Article 12

Disputes arising under the interpretation and application of this Agreement shall be settled through consultations and negotiations between the Parties.

Signed on _____¹ in one original copy in Russian.

The original copy is kept by the Executive Committee of Interstate Council of the Republic of Kazakhstan, the Kyrgyz Republic, the Republic of Tajikistan, and the Republic of Uzbekistan, which passes to each state that participated in this Agreement its certified copy.

On behalf of the
Government of the Republic
Kazakhstan

On behalf of the
Government of the
Kyrgyz Republic

On behalf of the
Government of the
Republic of Uzbekistan

¹ Signed in April 1999 in Bishkek