

The Regulation of IFAS

I. THE FUND ORGANIZATIONAL BASIS

1.1. The International Fund of Aral Sea, further referred as Fund, was created in accordance with the decision of the Heads of Central Asian States, approved on January 4, 1993 in Tashkent and is acting on the basis of the present Regulation.

The main task of the Fund is the financing and crediting of joint practical actions and perspective programs and projects for the Aral sea saving, ecological rehabilitation of Pryaralye and of the Aral Sea Basin as a whole with account of the interests of all the states of the region.

1.2. The founders of the Fund are the Republic of Kazakhstan, Kyrgyz Republic, the Republic of Tajikistan, Turkmenistan and the Republic of Uzbekistan. The founders can also be other states supporting the aims of the Fund creation and taking part in the financing of its projects and programs.

The international organizations and other juridical and physical persons can be the participants of the Fund.

1.3. The permanently acting executive body of the Fund is the Executive Committee (EC).

The EC is the juridical person with the status of international organization and corresponding immunity and exemptions.

EC activities are organized on the basis of the principle scheme of management approved by the decision of the Heads of Central Asian States from February 28, 1997 in Almaty, and on the basis of the Regulation on the Executive Committee of the Fund confirmed by its President.

1.4. The Fund includes:

- Board;
- Inspection Committee;
- Executive Committee with regional projects and agencies financed by the states-founders, donor countries and international organizations through Executive Committee;
- Branches and subdivisions of EC in Central Asian States;
- Interstate Coordination Water Commission (ICWC), its Secretariat, Scientific-Information Centre, Basin Water Organizations; BVO Amudarya and BVO Syrdarya;

- Sustainable Development Commission, its Secretariat, Scientific-Information Centre.

To be stated that the location of the created regional projects and agencies financed by the states - founders, donor countries and international organizations through Executive Committee, in the established order is defined by IFAS President upon the agreement with the Heads of states-founders of the Fund.

II. FUND FINANCE FORMATION

2.1. The Fund is being formed at the account of the contributions of the states-founders and participants. The founders and participants of the Fund, starting from 1998, define the current contributions into IFAS from the budget revenues of the Republic of Kazakhstan, Turkmenistan, the Republic of Uzbekistan in the amount of 0.3%, from Kyrgyz Republic and the Republic of Tajikistan in the amount of 0.1%, and the transfers are made in USD according to the rate of national currency.

The Fund is being formed also at the account of:

- voluntary contributions of enterprises, international and foreign social and national organizations, juridical and physical persons;
- funds aimed at the solution of particular purposive programs;
- other transfers.

2.2. The Fund finance not used in the reporting year are being transferred to the next fiscal year, and are not subjected to withdrawal. The use of funds for the aims not envisaged by the present Regulations and not related to the Aral Sea problems is not allowed.

2.3 The Fund ownership is the fixed and active assets reflected in its balance.

III. FUND ACTIVITIES MAIN TRENDS

3.1. The main trends of the Fund activities are:

- financing and crediting of joint interstate ecological and scientific-practical programs and projects aimed at the Aral sea saving and the recovery of the ecological situation in the districts subjected to the Aral sea disaster, and also the solution of the general socio-ecological problems of the region;
- financing of the joint fundamental and applied researches, scientific-technical developments on the rehabilitation of

ecological balance, rational natural resources use and environment protection;

- creation and maintaining of the functioning of the interstate ecological system of monitoring, database and other systems on the conditions of the Aral sea environment;
- mobilization of funds for joint measures on the air basin, water and land resources, flora and fauna protection;
- financing of joint scientific-technical projects and developments on transboundary water resources management;
- participation in realization of international programs and projects on the Aral Sea saving and the Aral Sea basin ecological recovery.

IV. THE FUND RIGHTS

4.1. In order to execute the tasks defined by the present Regulation, the Fund has the following rights:

- in the established order to create its branches and representative offices in the states-founders or in other states, and in that number with the right of juridical person in all the fields related to the Fund activities and corresponding to its aims and tasks;
- to carry out credit and other operations with securities, to act as a guarantor and to allocate the funds on the deposits of banks, to buy in the established order shares, bonds and other securities;
- to invest in the spheres related to the implementation of ecological programs and projects;
- to enter into contracts on its behalf, to open corresponding accounts in the banks, to make settlements and other juridical acts.

V. THE FUND MANAGEMENT

5.1. The Fund aims its efforts for the implementation of programs and solutions on the Aral Sea basin problems.

The states-founders form the Fund Board, and they delegate two their representatives into it, correspondingly one into Fund Board and one into the Fund Board Inspection Committee.

The Fund President elected from the Heads of states-founders for the period established by the Decision of Central Asia Heads of States Council heads the Board.

The President carries out the management of Fund activities, defines its external economical and international activities, makes the proposals on the amendments and changes to the Fund Regulations, considers and confirms the Fund work plan.

The Fund President creates the Executive Committee of International Fund, confirms the Executive Committee Status, and under the agreement with the Heads of Central Asian States appoints the Executive Committee Chairman.

The Executive Committee is located in the country the Head of which is the President of the Fund.

The Fund Board has its meeting not less than two times a year. The states-founders can make their proposals on the additional meetings of the Management.

5.2. Executive Committee fulfils its activities in accordance with the EC Status, the order of Fund Board work, and it is accountable before the President and Fund Board.

The EC Chairman under the agreement with the Fund President defines the order and the amount of salaries of the staff members, the conditions of the contracts for the employment of projects and programs executors within the estimates confirmed by the Board.

The EC Chairman has the right without any empowerment to represent the Fund in all the state, international and other enterprises and organizations, to order the Fund ownership, to dismiss and to employ the staff.

VI. FUND ACCOUNTS AND REPORTING

6.1. The fiscal year is established since January 1 till December 31 of calendar year. After the completion of each year the Fund report and balance are being compiled, and they are submitted for the confirmation to the Fund Management.

6.2. The accounts and reporting are carried out in the order established by the legislation of the state where the Fund is located.

6.3. The Fund founders have the right for free secession from the Fund with the reimbursement of their initial and other fees to the Fund and the profit with the deduction of the funds spent for the implementation of ecological programs and projects, after giving notice to the Fund Board within 6 months before secession.

The matters requiring changes and amendments for the text of the present Regulations are referred to the exclusive competence of the Fund Board.

The Fund activities can be ceased under the decision of the Heads of the States-Founders of the Fund.

