Innovative methodology of calculating tariffs for irrigation water supply services to local farmers introduced to save water use

Ashgabat, 3 July 2014 – A discussion workshop on the innovative methodology for calculating the tariff for water supply services to Turkmen farmers was held within the framework of the ongoing project on “Addressing climate change risks to farming system in Turkmenistan, at the national and local levels”, implemented by the Ministry of Nature Protection of Turkmenistan jointly with the United Nations Development Programme (UNDP) and Adaptation Fund (AF). The workshop was attended by representatives of the Ministry of Water Economy, Ministry of Economy and Development of Turkmenistan, Ministry of Nature Protection of Turkmenistan, and the Ministry of Agriculture and specialists from other relevant ministries and government agencies.

The main objective of the workshop was to discuss the “New methods for calculating tariffs for water supply services”, developed by AF Project.

During the workshop participants discussed the main methodological approaches for the calculation of tariffs for water supply services, legal instruments for introducing new tariffs and calculation methods, and provided a detailed assessment of the proposed methodology using the specific examples.

The newly developed methods of calculating the tariff for irrigation water supply services to farmers have been highly praised by the participants. The government representatives have particularly praised the new methodology as it opens ways for applying differentiation tariff models which promote a more justified water price calculations taking into account various factors such as the economic profitability of agricultural crops, technics of the irrigation water supplies, overall quality (salinity) of the supplied irrigation waters and the opportunities which enable Turkmen farmers with clear economic incentives for practicing water saving technics.

Moreover, the participates have proposed to test the new methodology for calculating tariffs for water supply services in the project region of Farmers Association “Zahmet” located in Sakarchaga etrap in Mary province.
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