

# Water Sector Regulatory Council

## “Establishment and Mandate”

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المدير التنفيذي



## لمحة تاريخية

اقر مجلس الوزراء الفلسطيني خطة اصلاح قطاع المياه في 14 كانون اول عام 2012

صدر القرار بقانون رقم 14 لسنة 2014 في حزيران 2014

صدر قرار الرئيس بتشكيل مجلس ادارة المجلس في العشرين من شهر اب 2014

تم اعداد خارطة طريق لتوجهات وعمل المجلس في تشرين اول 2014

باشر المجلس اعماله في كانون ثاني 2015



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# 2014 Water Law

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Splits policy from regulatory functions, which was previously carried out by Palestinian Water Authority since its establishment

Grants the establishment of Water Sector Regulatory Council independent from PWA

Includes directives to transform the West Bank Water Department into a National Water Company which will be owned by the State of Palestine

Gives PWA the mandate, for establishment of Regional Water Utilities and Water User Associations



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# القرار بقانون رقم 14 لعام 2014

## سلطة المياه الفلسطينية

- سياسات واستراتيجيات وخطط وطنية
- تطوير قطاع المياه
- ترخيص ومراقبة مصادر المياه

## مجلس تنظيم قطاع المياه:

- تراخيص
- تعرفه
- رقابة

شركة المياه الوطنية  
تزويد المياه بالجملة

تقديم الخدمات  
مصالح مياه اقليمية، جمعيات زراعية،

# Institutional Capacity & Services Sustainability

## Water Sector Reform

### Palestinian Water Authority (PWA):

- Water Sector Policy, Strategy, and Master Planning,
- Sector Development and restructuring'
- Water Resources licensing and Monitoring

### Water Sector regulatory Council (WSRC):

- Licensing of Service Providers
- Monitoring the Service Providers Performance

National Water company  
(Bulk Water Supply)

### Service Delivery:

Regional Water Utilities, Joint Water Services and Water User Associations



## الوضع القانوني للمجلس

- يتمتع المجلس بالشخصية الاعتبارية والاستقلال المالي والاداري ويرفع تقاريره لمجلس الوزراء



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## موارد المجلس المالية

تتكون الموارد المالية للمجلس من الآتي:

- 1- رسوم الرخص وبدل الخدمات التي يمنحها المجلس وفقا لاحكام القانون
- 2- الهبات والاعانات، واية موارد اخرى يوافق عليها مجلس الوزراء

يتم توريد جميع ايرادات المجلس الى حساب خاص بالمجلس،  
تخضع جميع حسابات المجلس للرقابة من قبل الاجهزة الرقابية الرسمية





## هدف المجلس

حدد القرار بقانون اهداف المجلس كما يلي:

يهدف المجلس الى مراقبة كل ما يتعلق بالنشاط التشغيلي لمقدمي خدمات المياه، بما يشمل الانتاج والنقل والتوزيع والاستهلاك وادارة الصرف الصحي، وذلك من أجل ضمان جودة وكفاءة خدمات قطاع توفير المياه وخدمات الصرف الصحي في فلسطين الموفرة للمستهلكين وبأسعار مناسبة،

# Main Objective

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- To monitor all matters related to the operations of S.P's providers including Production, transportation, distribution, consumption and wastewater management, to ensure water and wastewater service quality and efficiency to consumers in Palestine at reasonable prices.



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# WSRC Mission and Objective



## Mission:

- To ensure that water and wastewater services provided by service providers are effective, sustainable and at affordable prices that take into consideration the interests of all concerned parties



## Main Objectives - Article 18 of the Water Law:

- “To **monitor** all matters related to the operations of WSP’s including production, transportation, distribution, consumption and wastewater management, to **ensure** water and wastewater service **quality** and **efficiency** to consumers in Palestine at **reasonable prices**.”



# WSRC Legal Status

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- The WSRC is an independent legal entity financed from “license fees, grants, aids and other sources approved by the CoM.



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# Council Functions/Mandate:

- 1- Approval of water prices, cost of supply and construction costs of water and sanitation services and monitoring of these costs.
- 2- Issue licenses to S.P's (desalination, treat water or collect and treat wastewater, RWU, LGU's..)
- 3- Supervise and Inspect compliance with the conditions, requirements and indicators stipulated in the licenses and permits.
- 4- Develop performance incentives systems for service providers.
- 5- Make sure that costs of production, transport, distribution and wastewater treatment protect the interests of all concerned parties.



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# Council functions....continue

- 6- Set and disseminate quality assurance standards for technical and administrative services provided by S.Ps
- 7- Create a database with technical, financial and statistical information.
- 8- Monitoring of water supply agreements.
- 9- Addressing complaints of consumers against SP.
- 10- Ensure that production, treatment, distribution and ww treatment cost takes into consideration the interest of all parties.



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## مهام وصلاحيات المجلس

- 1- المصادقة على أسعار المياه وبدل تكاليف التمديدات والخدمات الأخرى.
- 2- إصدار التراخيص لمرافق المياه الإقليمية وأي مشغل يقوم بإنشاء أو إدارة تشغيل منشأة لتزويد أو تحلية أو معالجة المياه أو جمع ومعالجة مياه الصرف الصحي وفرض رسوم التراخيص، وذلك وفقاً لأحكام هذا القرار بقانون ولنظام يصدر عن مجلس الوزراء.
- 3- مراقبة وفحص مدى الامتثال للشروط والمتطلبات والمؤشرات المنصوص عليها في التراخيص والتصاريف.
- 4- وضع برامج حوافز الأداء لمقدمي الخدمة وفقاً لنظام يصدر عن مجلس الوزراء لهذه الغاية.
- 5- مراقبة العمليات التشغيلية المتعلقة بالإنتاج والنقل والتوزيع للمياه والخدمات الصرف الصحي.



- 6 مراقبة الاتفاقيات المتعلقة بالتزود بالمياه.
- 7 وضع معايير ضمان جودة الخدمات الفنية والإدارية المقدمة من قبل مقدمي الخدمات للمستهلكين،
- 8 مراقبة مدى التزام شركة المياه الوطنية ومقدمي الخدمات بالمعايير الموضوعية لتقديم خدمات المياه والصرف الصحي.
- 9 إنشاء قاعدة بيانات بالمعلومات الفنية والمالية والإحصائية ونشرها دورياً.
- 10 معالجة الشكاوى بين مقدمي الخدمات والمستهلكين.
- 11 وضع الأسس لتنظيم مقدار ونسب مساهمة الهيئات المحلية في الجمعيات العمومية لمرافق المياه،



## المخرجات المتوقعة

- 1- اسعار مياه وخدمات عادلة تضمن استرداد الكلفة وتلبي توقعات المستهلكين
- 2- رخص للمرافق موضحة خارطة طريق للنهوض بهذه المرافق وموضحة اليات تحسين الخدمات
- 3- اليات مراقبة تهدف الى تحسين الخدمة وتضمن رضى المستهلكين وتقرير سنوي يمكن ان يستخدم لاغراض المقارنة والتطوير
- 4- برنامج حوافز لمقدمي الخدمة يساعد في تحسين الخدمة والقطاع
- 5- اتفاقيات تزود بالمياه عادلة ومدروسة وتلبي تطلعات جميع الاطراف



6- قاعدة بيانات تمكن مزود الخدمة وصانعي القرار من التخطيط المستقبلي

7- نظام شكاوي يمكن مقدمي الخدمات والمستهلكين للوصول لحلول سريعة وعادلة وبجهد بسيط

8- تمثيل عادل لمقدمي الخدمات في مصالح المياه الاقليمية



# Main Road Map components:

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- 1- Secure financial support and technical assistance for the WSRC implementation
- 2- Establish the WSRC (physical establishment)
- 3- Define WSRC's internal organizational settings
- 4- Carry out business planning
- 5- Build capacities
- 6- Define the WSRC reporting system



# Road Map .continue...

- Support the completion of the legal framework for sector regulation (laws, by-laws and decrees)
- 8- Prepare policies, procedures, mechanisms and standards for sector regulation
- 9- Carry out PR activities with stakeholders and coordinate relevant WSRC activities with them
- 10- Establish and maintain a WSRC information system
- 11- Cooperate and exchange experience with relevant institutions (national and international)
- 12- Build up a complaint system
- 13- Carry out WSRC core activities



# Added value of the WSRC 1/2

- Regulation increases the overall sector performance and self-financing of utilities
- ...makes the sector more transparent
- ...stabilizes the development of the sector
- ...increases the prominence and visibility of the sector
- ...improves IWRM
- ...strengthens national ownership

To the Water Sector



- Regulation recognizes good performance through benchmarking system
- ...supports fund mobilization
- ...provides orientation to BoD and management for better decision making (e.g. cost recovery, risk management)
- ...as facilitation
- ...gives arguments to protect management from external interference

To the Water Service Providers



- Regulation increases continuity of service
- ...ensures fair water prices
- ...ensures safe water quality
- ...increases good management of consumer complaints
- ...increases functioning wastewater system
- ...leads to cleaner environment
- ...leads to better information

To the Consumers



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# Added value of the WSRC 2/2

- Regulation stops the drain on government budget due to unpaid bulk water bills
- ...helps to stop subsidies for utilities once cost recovery has been achieved
- ...increases information on the situation in the sector
- ...supports the implementation of the governmental policies
- ...contributes to environmental safety

To the  
Palestinian  
Government



- Regulation leads to a higher credibility within the sector
- ...enables a better overview of the sector for improved decision-making on funding
- ...supports sustainability of the sector

To the Donors



- Potential PPP Interventions are identified,
- Assurances to the PS that investments are monitored and results are reported
- Accurate and verified data are made available,
- WSRC campaigns studies and campaigns covers ability to pay, willingness to pay and customers satisfaction results

To the Private  
Sector



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# Current Status of the Establishment 1/2

## Internal Bylaws and procedures including:

- BoD Bylaw (submitted)
- Admin Bylaw (approved)
- Financial Bylaw (approved)
- Procurement Manual (completed)
- Fixed Assets Manual (final draft)
- HR Manual (final draft)
- Org. Structure (submitted).

## Preparation, review and finalizing Bylaws:

- Licensing Bylaw (PWA)
- Agricultural Water Tariff Bylaw (PWA and MoA)
- Water Users Associations Bylaw (PWA and MoA)



# Current Status of the Establishment 2/2

## Reporting Progress

- 2013 Performance Report (published)
- 2014 Performance Report (final design and printing)
- 2015 Reports (data collection and verification)
- Wastewater monitoring: progressing
- Gaza SP Training (completed)

## WSP tools, procedures and guidelines: (with the GIZ water Program team)

- Tariff setting guidelines
- Water Balance Module
- Cost Calculation Module
- Indicators Module



# Challenges of the Sector

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One of the lowest per capita water availability in the region

Territorial fragmentation leading to different approaches and many different water service providers

Operational inefficiencies lead to interruption, high NRW and pollution

Insufficient customer satisfaction

Insufficient ring-fencing of revenues in the water sector

Chronic under investment for infrastructure development

Inadequate information system and transparency

Insufficient corporate governance

Limited cooperation among key stakeholders



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# Performance Monitoring: **TECHNICAL INDICATORS:**

**Average daily per capita water consumption at domestic level**

**Average daily per capita water consumption -All types**

**Domestic water consumption as % of total consumption**

**Industrial water consumption as % of total consumption**

**Commercial water consumption as % of total consumption**

**Touristic water consumption as % of total consumption**

**Bulk water consumption as % of total consumption**

**Non-Revenue Water by volume**

**Non-revenue water in (m<sup>3</sup>) per km in the network per year**

**Non-revenue water per connection per day**

**Wastewater Coverage**



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# Performance monitoring: **Financial Indicators**

Average selling price per m3 of water

Operating costs per m3 of water sold

Personnel costs per m3 of water sold

Water purchase costs (at purchase point) per m3 of water sold

Energy costs per m3 of water sold

Other operating costs per m3 of water sold

Collection Efficiency - water service

Collection Efficiency - wastewater service

Working ratio (Efficiency Ratio) - water service

Operating Costs per m3 of Wastewater



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# Performance monitoring: **Quality**

Water samples (taken from network including mains) containing free chlorine residual (RC)

Water samples (taken at source) free from total coliform contamination

Water samples (taken at source) free from fecal coliform contamination

Water samples (taken from network including mains) free from total coliform contamination

Water samples (taken from network including mains) free from fecal coliform contamination

Microbiological tests carried out

Water Samples (taken at the sources) free from Nitrate contamination



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# Other Indicators

Female workers as % of total staff

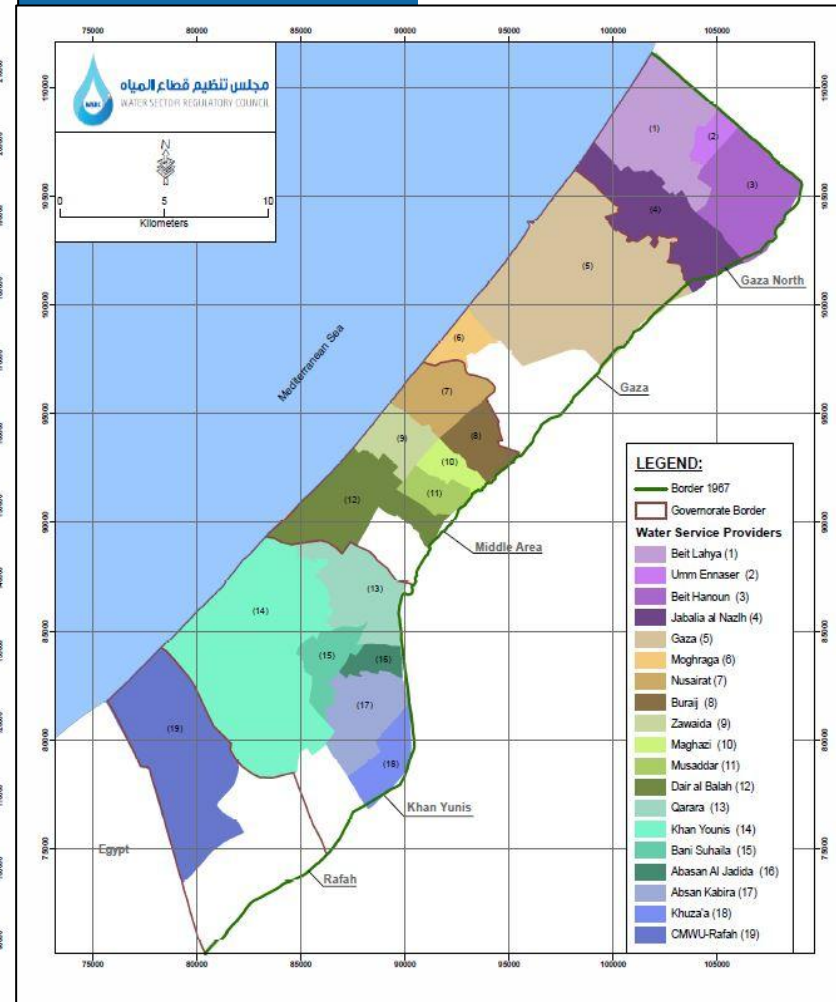
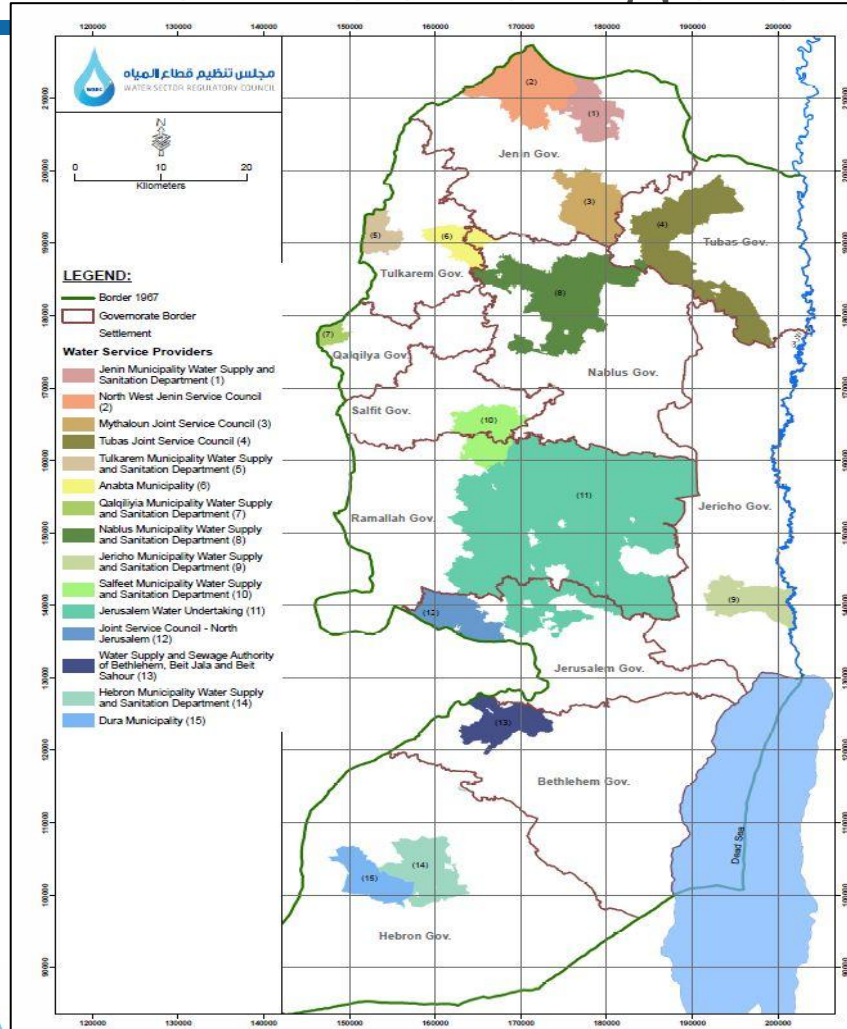
Males workers as % of total staff

Female workers as % of total supervisory or managerial staff

Staff Productivity Index



# Current coverage of PM:



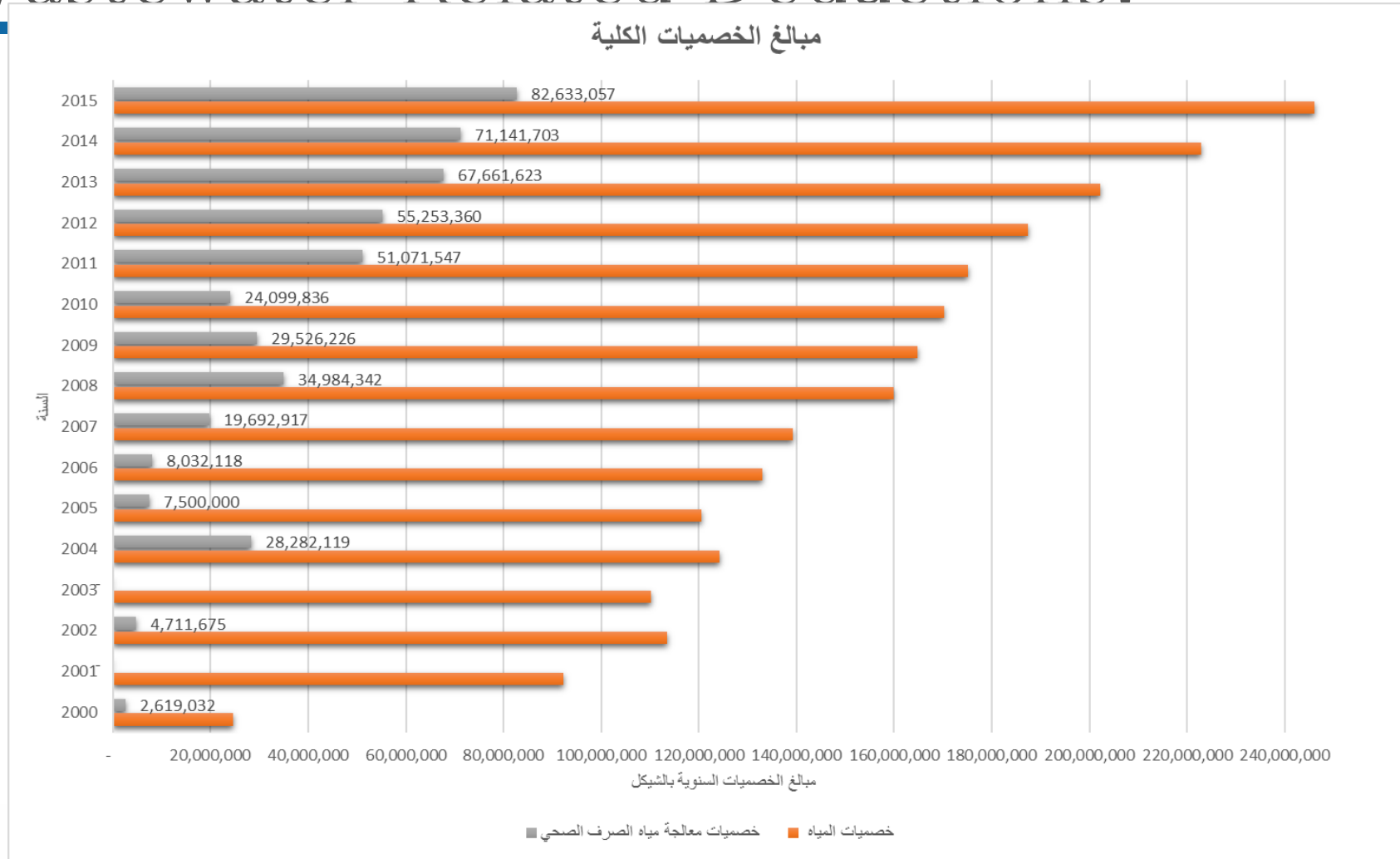
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2-Nov-16

29

# Wastewater Related Deductions:



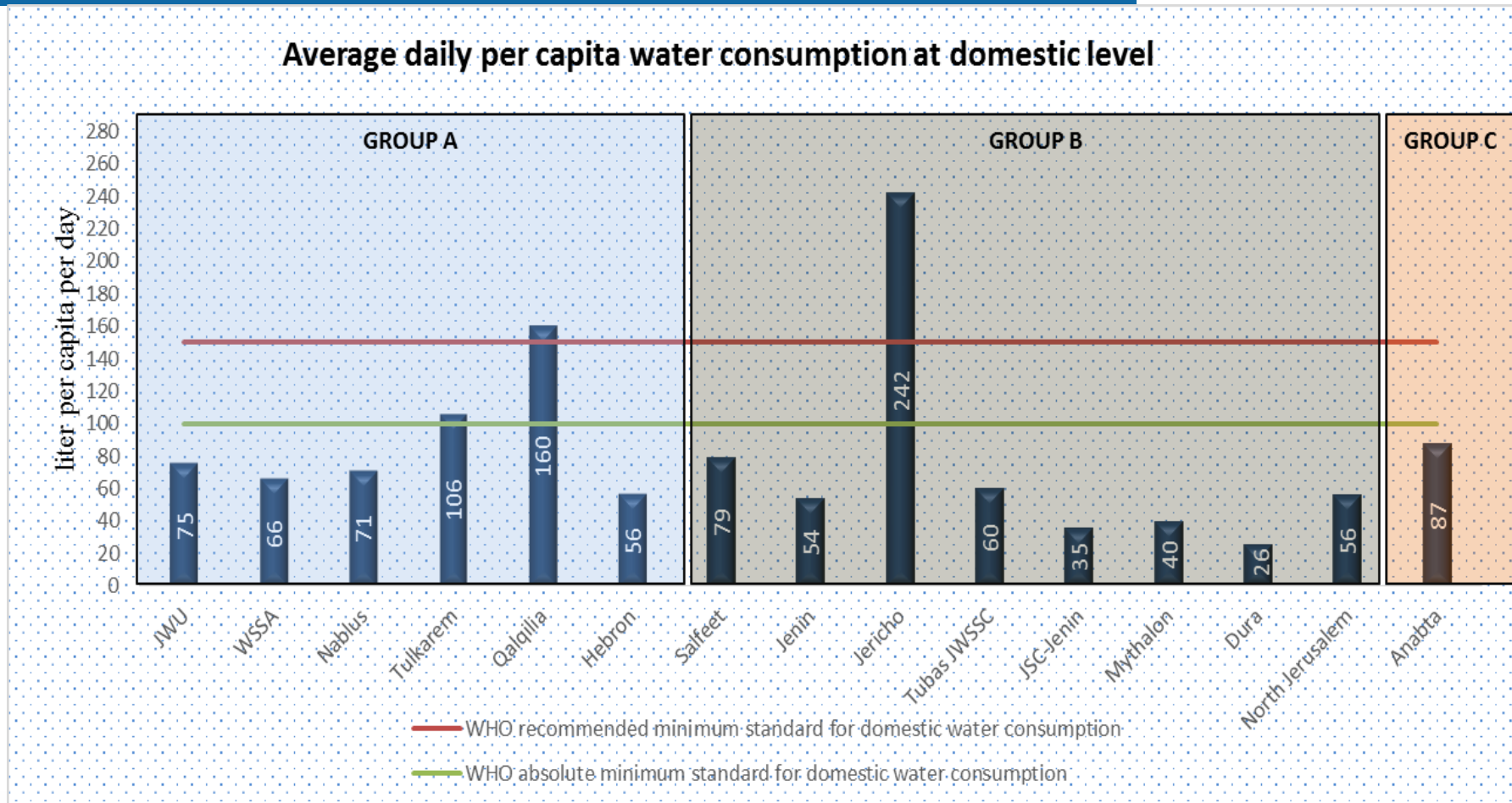
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# Key indicators:



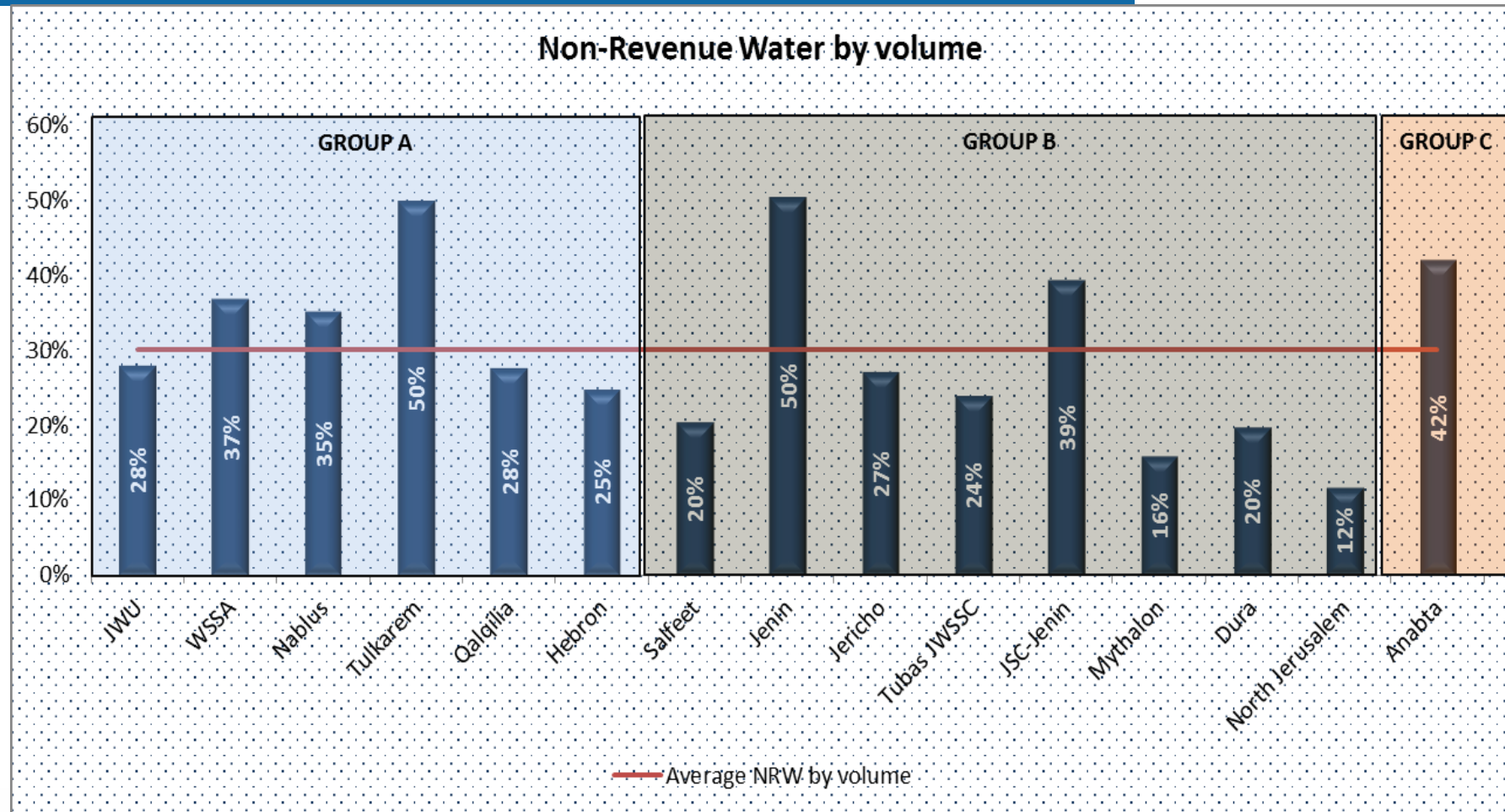
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2-Nov-16

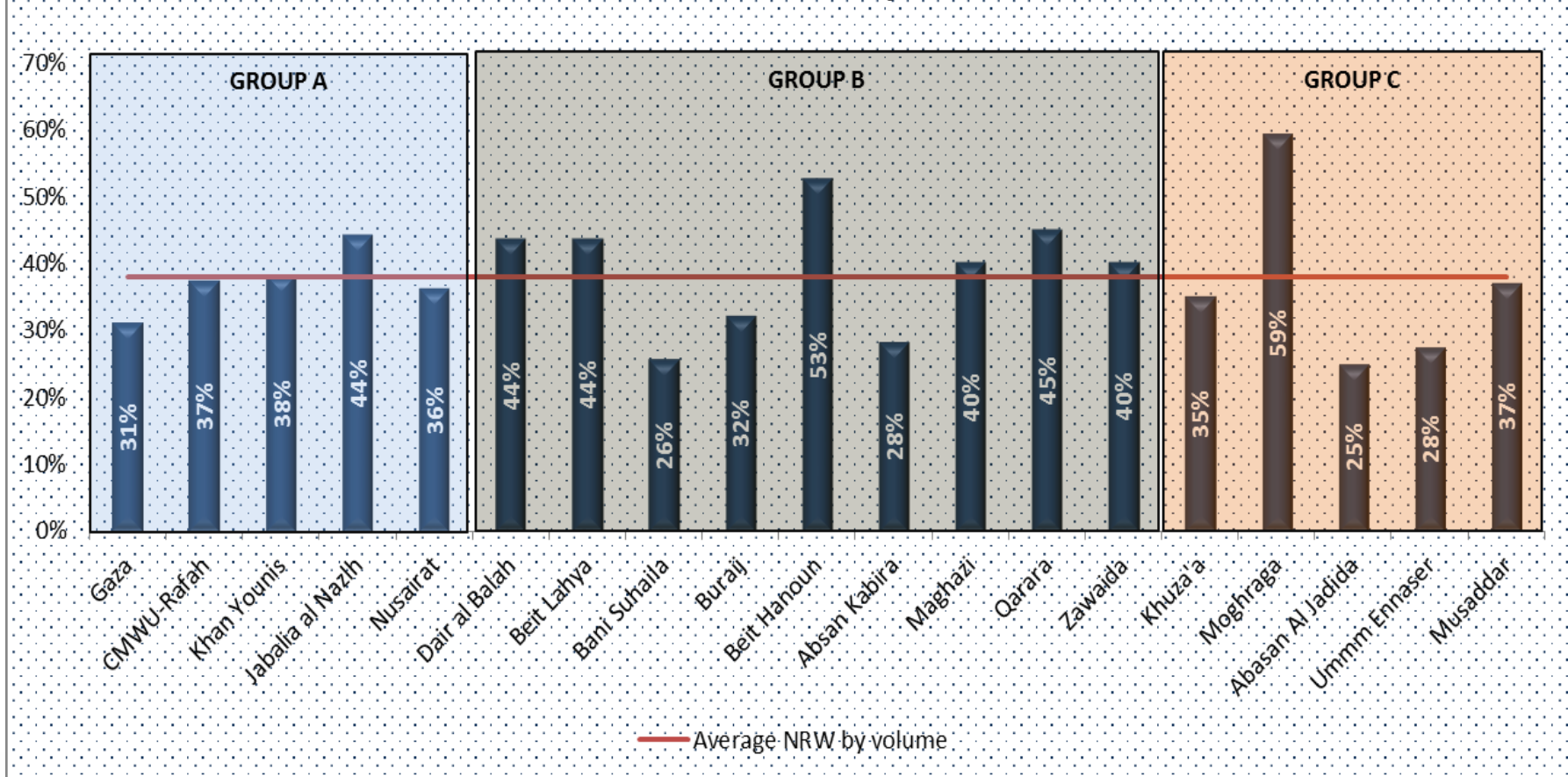
31

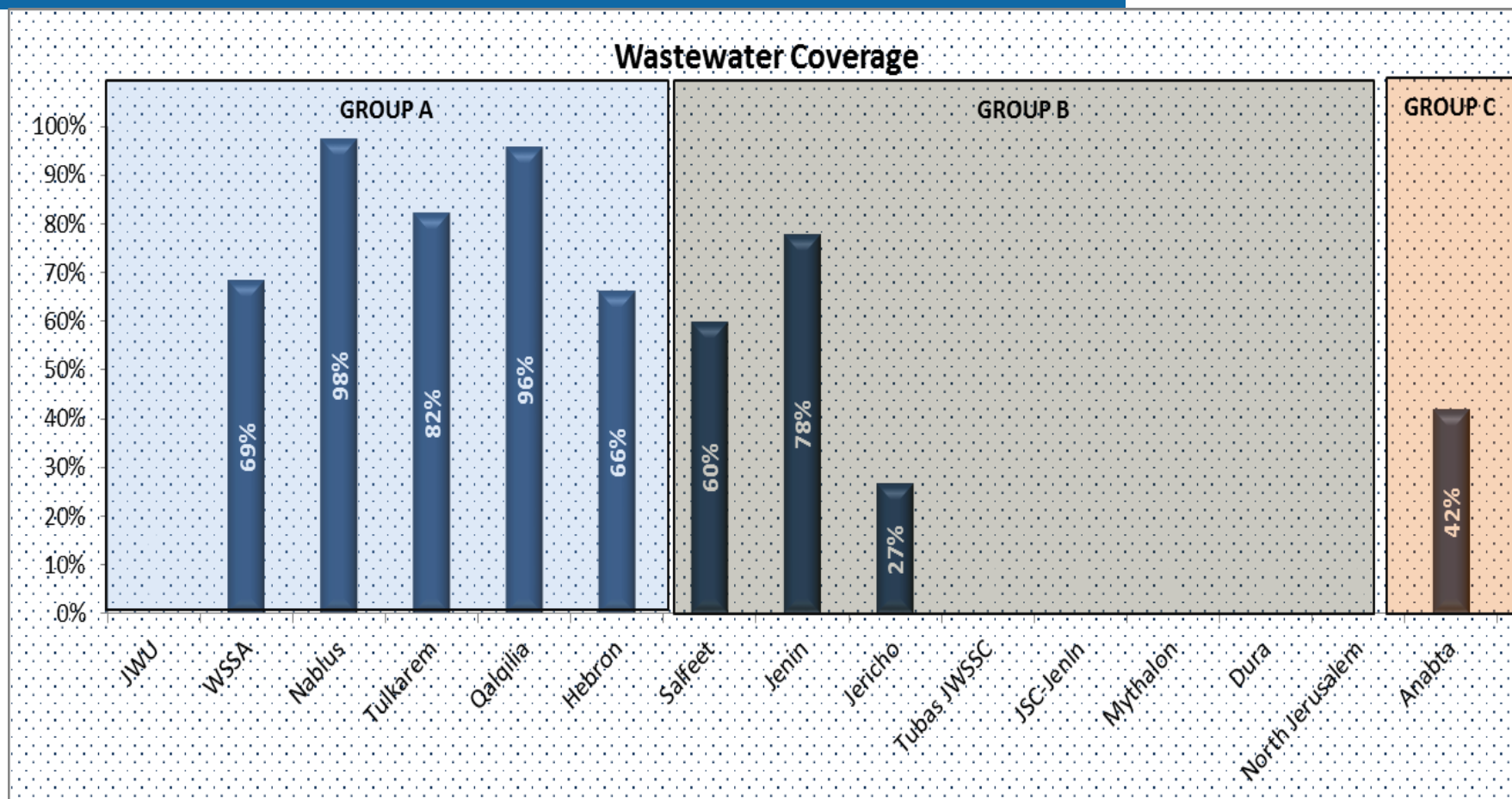
# Key indicators:



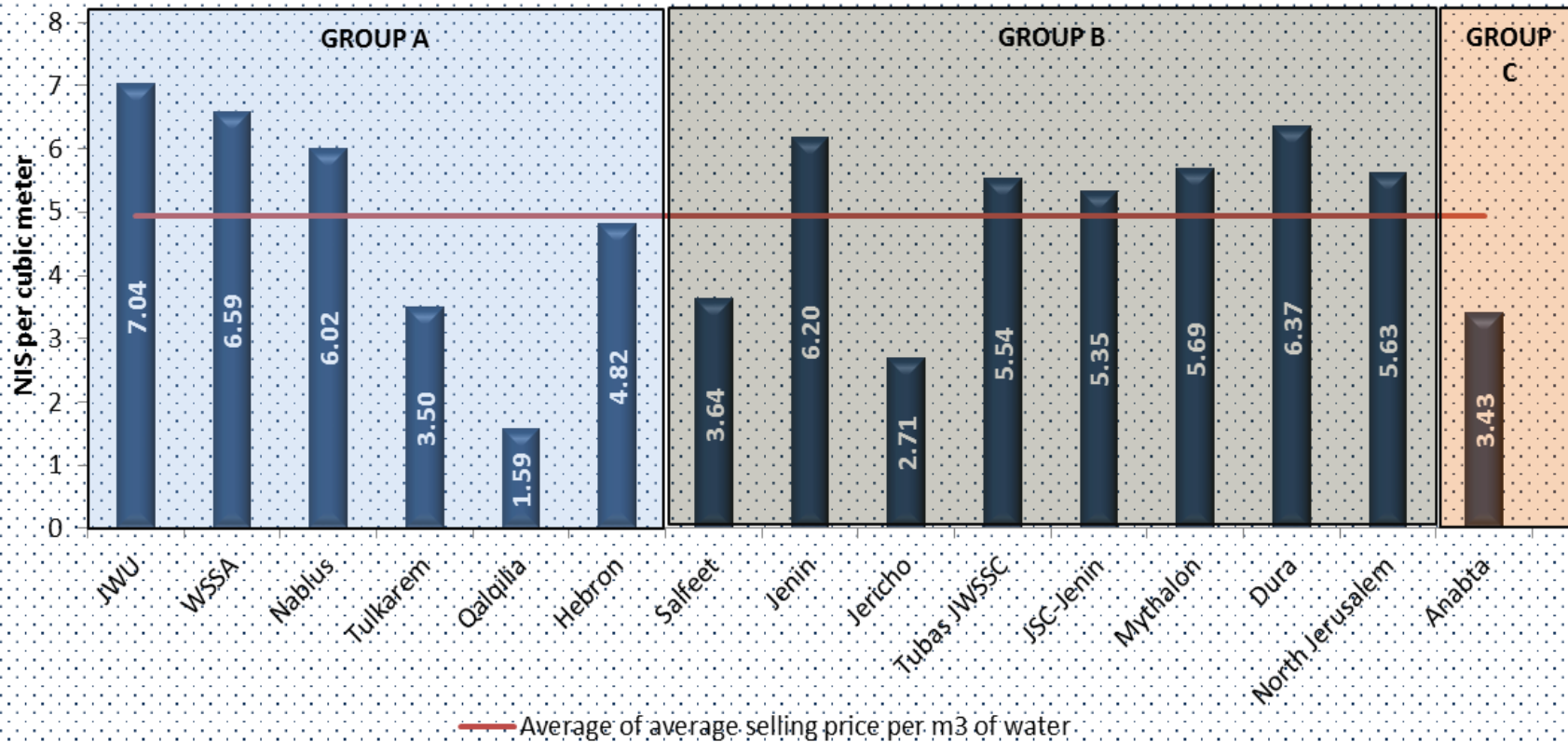
# Key indicators:

Non-Revenue Water by volume

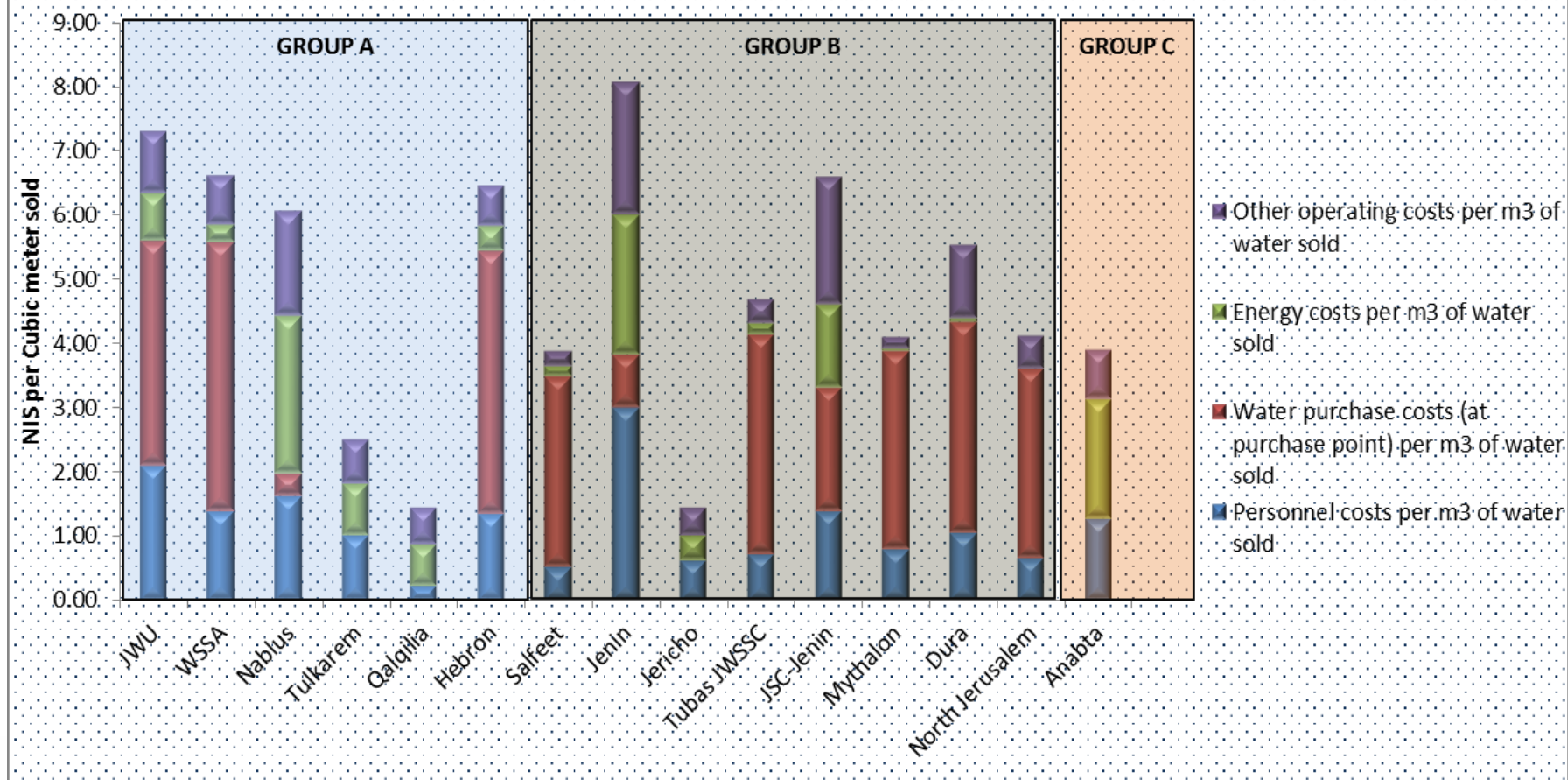




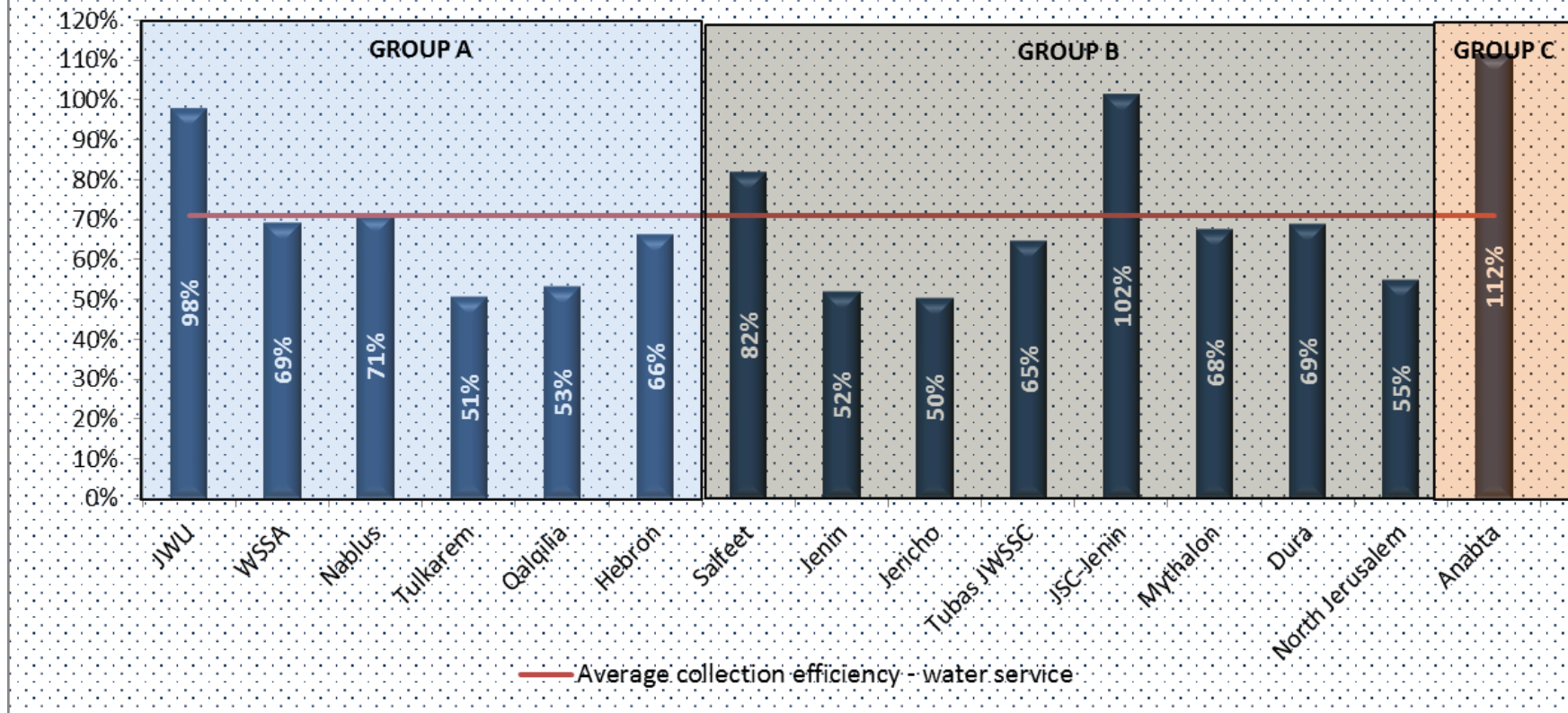
## Average selling price per m<sup>3</sup> of water



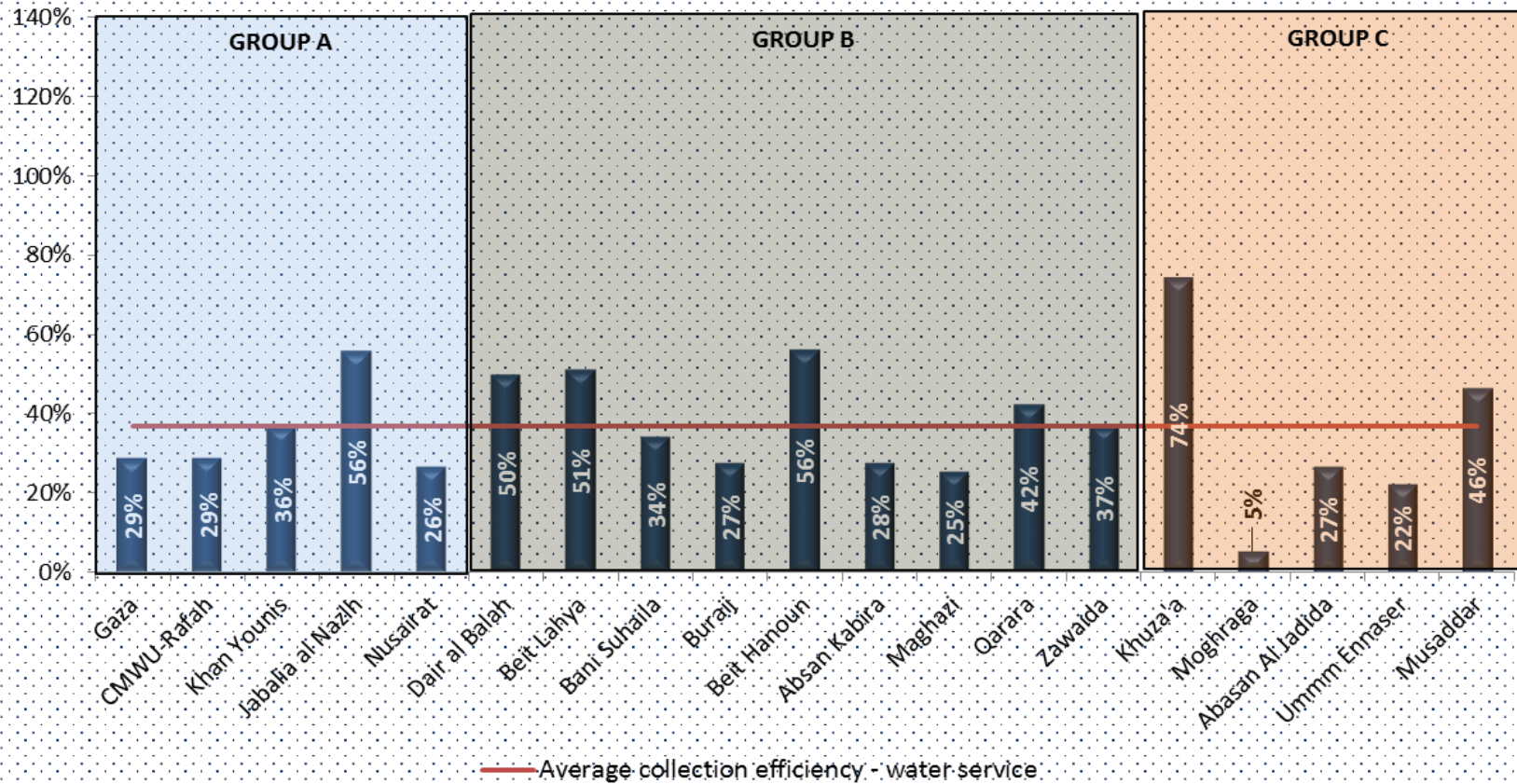
## Allocation of O&M cost per Cubic meter sold



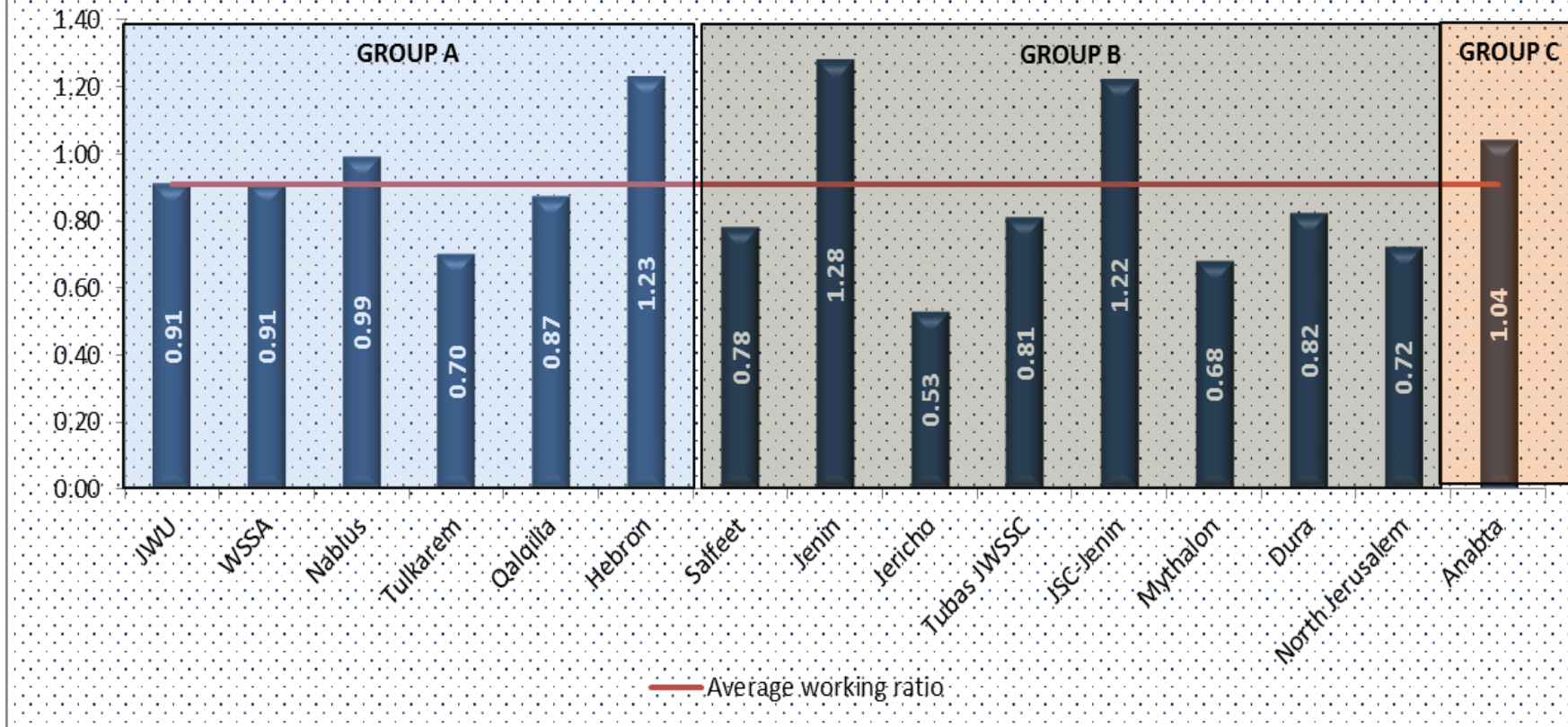
## Collection Efficiency - Water Service



## Collection Efficiency - Water Service



## Working ratio (Efficiency Ratio) - water service



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[WWW.WSRC.PS](http://WWW.WSRC.PS)



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# THANK YOU



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