Water Management in SEE curent situation and needs



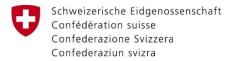
Network of Associations of Local Authorities of South-East Europe Réseau des Associations de Pouvoirs Locaux de l'Europe du Sud-Est





Implemented by







Swiss Agency for Development and Cooperation SDC

Project "Asset Management for water and sanitation sector in SEE"

Goal - Improved efficiency and transparency in managing water and sanitation infrastructures in SEE by introduction of Asset Management methods in Pilot municipalities.

Institutional setup, partners and stakeholders



- 7 Pilot Public Utilities/ Municipalities
- Associations of public utility companies in project countries
- Danube Water Program implemented by World Bank and IAWD

Need for asset management in Public Utilities

"Asset management is an integrated approach to monitoring, operation, maintaining, upgrading, and disposing of assets cost-effectively, while maintaining a desired level of service."

- Aging infrastructure
- Insufficient knowledge of own assets
- Unreliable systems
- Inadequate planning
- > Scarce financial resources spent on non-prioritized investments

Institutional Framework and responsibilities in provision of utility services

Responsibilities of Municipalities:

- Overall planning and developing in water and sanitation sector
- Supervise the work of PUs through the Supervisory Board and Assembly
- ➤ In charge of making decision on water and sanitation tariffs

Responsibilities of PUs:

- Providing continuous and uninterrupted utility services to all users
- Ensuring good quality drinking water
- Maintaining the water and sewage network in good condition
- Covering all costs through the service tariffs

Management of assets

- > Inventory of assets are very basic with limited data of questionable reliability
- > No asset hierarchy
- ➤ No written regulation/protocol of asset data collection
- ➤ No methodology for asset condition and performance assessment
- ➤ No methodology for assessment of risk and consequence of asset failure
- ➤ Maintenance usually performed when failure occurs
- ➤ Lack or insufficient analysis of failure records

Management of Assets - Gap Analysis and Conclusion

- ➤ Management of utility assets in Municipalities/PUs is not satisfactory
- ➤ Very little understanding what the asset management is
- Mostly short-term planning process, no clear vision of the future needs
- ➤ Existing AM databases do not provide data analyses, adequate for decision-making for future investments







Project "Local Leaders in South East Europe: Lead for Change"

Goal - Improvement of the management, leadership and cooperation capacity of municipalities and municipal enterprises to improve the municipal services and capacity to absorb dedicated international funds.

Institutional setup, partners and stakeholders



- 15 Pilot Public Utilities/ Municipalities
- Associations of public utility companies in project countries
- Danube Water Program implemented by World Bank and IAWD
- Investors/IFIs

Preparation and implementation of capital WSS infrastructure investments

Key challenges:

- ➤ Well-developed system of utility services
- Definition of roles and responsibilities
- ➤ Lack of information about financial opportunities
- Lack of guidelines and procedures requirements for submission of applications for various IFI funds
- Preparation of the feasibility study, including the cost-benefit analysis
- ➤ Negotiations with the IFI and the consultant
- Preparation and implementation of tender procedures
- ➤ Familiarity with PRAG, FIDIC contracting procedures, etc.



Organisation of communal affairs at the local level

Key challenges:

- ➤ No shared vision for long-term quality of services and sustainability of PUC operations
- Lacks of clearly defined roles and responsibilities and mutual rights and obligations between LGU and PUC
- Utility services treated as part of the social policy
- ➤ Utility services are not given appropriate status in the organisation of work of LGUs
- Political influences

State of communal affairs at the local level

Key challenges:

- ➤ Lack of financial resources for adequate development of utility infrastructure
- ➤ Low (social) tariffs of utility services
- ➤ Lack of professional / qualified personnel and insufficient capacities of middle management
- Lack of personnel able to provide quality project management

Thank you for your attention!

Miodrag Kolić

NALAS Project Manager

kolic@nalas.eu

