



TECHNICAL, PLANNING AND ADVISORY TEAM IN THE  
WATER AND SANITATION SECTOR (TPAT) PHASE II

**WATER SECTOR REFORM PLAN**  
**2016 – 2018**

April 2016

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# *Acronyms*

|                |   |
|----------------|---|
| <b>AFD</b>     | Agence Française de Développement                         |
| <b>COM</b>     | Cabinet of Ministers                                      |
| <b>COMSC</b>   | Council of Ministers Steering Committee                   |
| <b>EQA</b>     | Environmental Quality Authority                           |
| <b>GIZ</b>     | Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH |
| <b>IWSR</b>    | Institutional Water Sector Review                         |
| <b>JSC</b>     | Joint Service Council                                     |
| <b>MOA</b>     | Ministry of Agriculture                                   |
| <b>MOH</b>     | Ministry of Health  |
| <b>MOFP</b>    | Ministry of Finance and Planning                          |
| <b>NWC</b>     | National Water Company (successor of WBWD)                |
| <b>O&amp;M</b> | Operation and Maintenance                                 |
| <b>OD</b>      | Organization Development                                  |
| <b>PMU</b>     | Project Managements Unit                                  |
| <b>PNA</b>     | Palestinian National Authority                            |
| <b>PWA</b>     | Palestinian Water Authority                               |
| <b>RCU</b>     | Reform Coordination Unit                                  |
| <b>RWU</b>     | Regional Water Utility                                    |
| <b>SIDA</b>    | Swedish International Development Cooperation Agency      |
| <b>SP</b>      | Service Providers   |
| <b>TPAT II</b> | Technical, Planning and Advisory Team Project II          |
| <b>WB</b>      | World Bank  |
| <b>WBWD</b>    | West Bank Water Department                                |
| <b>WRM</b>     | Water Resources Management                                |
| <b>WS</b>      | Water Supply  |
| <b>WSRC</b>    | Water Sector Regulatory Council                           |
| <b>WW</b>      | Wastewater  |

# ***1. Introduction***

## ***1.1. Background***

On December 14th 2009 the Cabinet of Ministers of the Palestinian National Authority endorsed an “Action Plan for Reform” towards the definition and implementation of a comprehensive program of institutional and legislative reform in the Palestinian water sector. The goal of this reform is to establish and activate an effective Water Governance System and improve the Water Management mechanisms. The reform objectives have been defined as follows:

1. With regards to institutions, the Sector Reform will establish strong (capable) and sustainable institutions within a legal framework that clearly defines their roles, responsibilities and the interface (relationship) between them.
2. With regards to infrastructure needs, the Sector Reform will improve water supply and sanitation strategies, policies, investment programs, project designs, and the implementation of projects, in an effort to substantially accelerate infrastructure development.
3. With regards to service provision, the Sector Reform aims to accelerate equitable access to a quality service, while providing improved efficiency and cost-recovery of effectively regulated water operators.
4. With regards to water resources management, the Sector Reform will help to build the institutional knowledge, policies, and monitoring and enforcement capacities, as part of an effort to achieve a more sustainable water resources management strategy.
5. With regards to water consumers, the Sector Reform will aim at improving water demand management and public health awareness in line with the development of water conservation, environmental and public health policies.

A key step in the reform process was the endorsement of the new Water Law through a decree issued by the President of State of on 14 June 2014.

In consequence the reorganization of the water sector and the institutions within was initiated and will require additional coordinated and concerted efforts to revise and adapt strategies and policies and to develop the required capacities to allow all sector stakeholders to fulfil their mandates.

This Water Sector Reform Plan 2016-18 lays out the envisaged actions and targets of key actors in the Palestinian Water Sector to implement the sector reform. The document is an update of the Water Sector Reform Plan 2014-16 and the previous Sector Reform Plan Updates. It was produced based on consultations with the Reform Plan task team, which includes relevant stakeholders such as MoLG, EQA, MoH, and WSRC.

## ***1.2. Problem statement***

In 2014 the new Water Law was enacted by a decree of the President. The Water Law establishes mandates and responsibilities of key sector institutions including the Palestinian Water Authority, the Water Sector Regulatory Council as well as the National Water Company, Regional Water Utilities and the Water Users Associations that still need to be established. Establishing or redeploing these institutions to fulfil their assigned mandates requires a transition process to address administrative obstacles, public concerns and institutional capacities. This process will take several years and cannot be implemented for all institutions at the same time.

Strategic planning and communication still needs to be further improved, to fully establish the new institutional relationships and implement the emerging governance system effectively. The PWA is faced an ambitious reform plan that requires far reaching changes in its own institutional setup. At the same time PWA will have to lead the implementation of the reform with limited resources and in an uncertain political environment.

The newly established WSRC is still in the process of establishing all required strategies, tools and capacities to fulfil its functions and effectively monitor the performance of service providers. The West Bank Water Department that is supposed to be transformed into the National Water Company faces several institutional weaknesses and capacity gaps. It is considered important that these challenges are overcome before the National Water Company is established, to assure it in a position to carry out its tasks and functions effectively.

In Palestine more than 300 service providers supply water and manage wastewater, where the vast majority face significant problems resulting from weak institutional capacity, insufficient water availability combined with poor infrastructure and high water losses, and insufficient revenue generation. As a result services are not meeting the needs of the citizens, leading to a lack in their willingness to pay water bills, which further affects the sustainability of service delivery.

Moreover, most municipal service providers have been operating under the Law on Local Government, which considers water service as a responsibility of local government. In consequence several politically sensitive changes are still required before service providers will be effectively licensed by the WSRC as reflected within provisions of the 2014 Water Law.

Additionally close coordination and engagement will be required with adjacent authorities, including the MoH, EQA, MoA as well as non-state actors to ensure the reform leads to more sustainable water management.

### **1.3. About this document**

The primary objective of the Water Sector Reform Plan 2016-18 is to guide the implementation of the water sector reform over the coming three years. For this purpose it documents the purpose, principles and objectives of the water sector reform as well as targets (what) and indicators (who and when) how the water sector stakeholders intent to implement the reform of the water sector over the coming three years.

The Water Sector Reform Plan 2016-18 has been structured around the following chapters, building on the previous sector reform plans:

|   |   |
|---|---|
| The Reform Plan 2016-18                   | •Including descriptions of its purpose, objectives and principles |
| Implementation of the Water Sector Reform | •Including the an impact model and related targets and indicators |
| Implementation and monitoring modalities  |   |

***Additional and more detailed information is provided in Annexes 1 – 4 of this document, as a reference for the implementation process and interested stakeholders, including:***

- ✓ *Detailed targets and indicators for the sector reform for the period 2016-18*
- ✓ *A risk analysis of the impact model of the sector reform*
- ✓ *Preparation and approval modalities of the Water Sector Reform Plan*
- ✓ *A summary of the current status (including main milestones) of the sector reform*

# 2. The reform plan 2016 - 2018

## 2.1. Purpose

The Reform Plan is developed in a participatory process with national and international stakeholders of the sector reform is to agree on the way forward in the water sector and its reform in the next three years, i.e. 2016-18.

**The Reform Plan 2016-18 (this document) is meant to:**

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*Guide the work of water sector institutions to achieve agreed targets that contribute to accomplishing the objectives of the water sector reform.*

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*Provide a basis to monitor progress of the sector reform, and a reference against which corrective measures can be justified.*

The document is aimed at and will be owned by water sector and line government institutions as well as financial and implementing partners to the reform process. Its content and results are to be disseminated to the Palestinian public at large for reasons of accountability and transparency, and to other national and international parties for purposes of academic, political and general interest.

## 2.2. Objectives

The 'Action Plan for Reform' defines five objectives for the Water Sector Reform (compare 1.1). The Water Sector Reform Plan 2016-18 has the objective to **lay out activities within the framework of the 2014 Water Law to move towards accomplishing these objectives**. The plan therefore provides a set of ambitious yet achievable **targets and measurable indicators** that aim at **guiding the work of the institutions involved in the sector reform**.

The Water Sector Reform Plan further defines modalities for the implementation and monitoring of the reform process to clarify envisaged processes and inform relevant stakeholders.

## 2.3. Principles

A sector reform is a change process. A successful water sector reform requires guidance to ensure that changes are implemented that facilitates better water management and governance. To ensure this change process is implemented, as effectively as possible guidance should equally be provided for the management of the reform process.

Guiding policy principles have been formulated in the National Water Policy for Palestine (2012-32), and have been discussed and agreed with the stakeholders. The new Water Law further incorporated key principles that are now internationally acknowledged as appropriate ingredients for a modern water sector reform process like: Separation of service delivery, policy formulation and regulation to achieve higher efficiency and transparency<sup>1</sup>, the right to water<sup>2</sup>, a legislative framework to treat water as an economic good<sup>3</sup> and manage it in an integrated way<sup>4</sup>.

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<sup>1</sup> The new Water Law splits policy from regulatory functions, gives PWA the mandate for establishing Regional Water Utilities and Water User Associations and grants the establishment of Water Sector Regulatory Council

<sup>2</sup> Article (5) The right to Water Access

<sup>3</sup> The New Water Law includes directives to transform the West Bank Water Department into a National Water Company, which will be owned by the State of Palestine

<sup>4</sup> The New Water Law gives PWA a mandate that provides for the integrated and sustainable management of water resources

This comprehensive set of principles guide decisions, when it comes to the management and governance of the water sector.

A limited number of principles to manage the implementation of the Reform Plan have been agreed by the Reform Plan task team (compare table 1).

*Table 1 – Principles for managing the implementation of the Reform Plan*

|                          |  |
|--------------------------|--|
| <i>Inclusive</i>         | <i>The Water Sector Reform Plan 2016-18 will be implemented as a cooperative effort between the relevant sector institutions and in close dialogue with the donors and other sector stakeholders</i>   |
| <i>Solution-oriented</i> | <i>The relevant institutions of the Water Sector Reform agree to communicate challenges in relation to the implementation of the WSRP 2016-18 and jointly seek practical solutions to move towards achieving the objectives of the sector reform</i>         |
| <i>Openness</i>          | <i>To continuously increase the effectiveness of reform efforts, the relevant stakeholders will make an effort to contiguously reflect and learn from successes, failures and challenges faced throughout the planning and implementation of the reform.</i> |
| <i>Responsible</i>       | <i>Each member of the Reform Plan task team is dedicated to their reform tasks seeking the most effective and efficient ways to achieve indicators under their responsibility contributing to the related targets</i>  |
| <i>Focussed</i>          | <i>The relevant institutions agree to align and coordinate their water related activities with the plans laid out in this document in order to make a concerted effort in achieving the objectives of the sector reform in a coordinated manner</i>          |

# 3. Implementation of the Water Sector Reform

## 3.1. Intervention logic of the sector reform

The 2014 Water Law establishes the legal framework for a new setup of the Palestinian water sector, providing the basis for the establishment and redeployment of sector institutions and the completion of the required policies and regulations to achieve the objectives of the Water Sector Reform.

To move towards achieving these objectives the sector reform efforts for the coming three years focus on:

*Support implementation of and decision-making related to the new sector framework through improved planning, monitoring and reporting*

*Complementing and updating legislation, regulations, policies and strategies to support and guide the implementation of the Water Law*

*Establishing and operationalizing sector institutions according to the mandates specified in the Water Law*

As the sector reform progresses the contribution of these efforts need to be monitored and evaluated. On this basis the WSRP needs to be updated to adapt and further develop the interventions to gradually achieve the envisaged objectives and goals of the reform (compare figure below).

A risk analysis of this approach is presented in Annex 4.

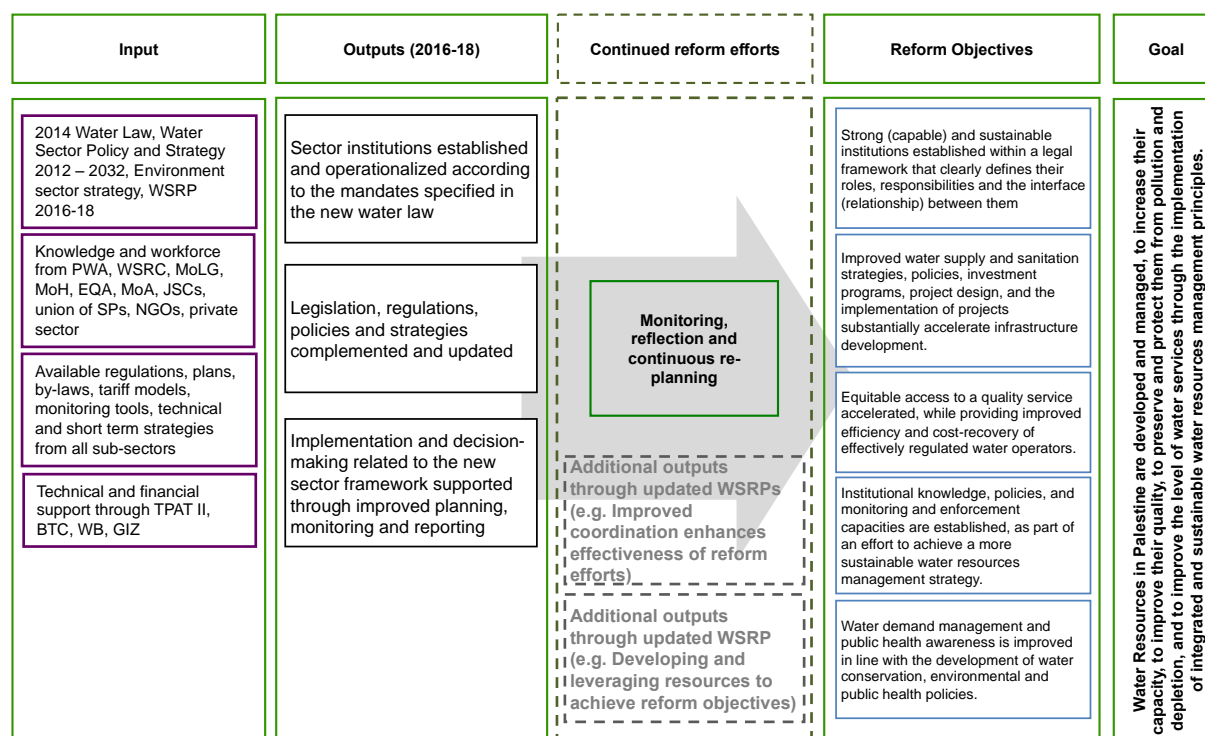


Figure 1 – Intervention logic for the iterative implementation of the sector reform



## **3.2. Targets and Indicators for the reform process**

*Based on the mandates and responsibilities of the 2014 Water Law and on-going efforts to implement the water sector reform the following 12 targets were established for the period 2016-18:*

### ***Planning and monitoring of the reform process is organized in a timely manner***

*Decision-making and operations are informed through improved planning, monitoring and reporting practices in the sector*

*Capacities of PWA are established to fulfil its new mandate*

*Capacity development of sector institutions is effectively coordinated and organized according to needs*

*Strategies, policies, plans and by-laws are established to guide and support the implementation of the 2014 water law*

*Capacities of WSRC are established to fulfil its mandate*

*Procedures, processes, guidelines, SOPs and benchmarking systems for performance monitoring of service providers are developed and their application is supported*

*The process to establish and operationalize the National Water Company is agreed and under implementation*

*Establishment of new regional water utilities on a pilot project basis is prepared*

*Water and wastewater service provision is ensured and supported during the transitional period until regional water utilities are established*

*Agricultural water use is managed according to the new water law*

*A basic legal framework and strategies to protect water resources from Pollution are agreed*

*Indicators have been formulated for these targets to guide the implementation of the sector reform over the coming years and to monitor and report on the progress of the sector reform. Responsibilities have been assigned for each indicator to ensure they are effectively achieved and adequately coordination in line with the provisions of the water law. Where applicable sources for technical and/or financial support have equally been indicated.*

A comprehensive overview of the targets and related indicators is presented in Annex 2.

The 2014 Water Law establishes the legal framework for a new setup of the Palestinian water sector, providing the basis for the establishment and redeployment of sector institutions and the completion of the required policies and regulations to achieve the objectives of the Water Sector Reform.

To move towards achieving these objectives the sector reform efforts for the coming three years focus on:

*Support implementation of and decision-making related to the new sector framework through improved planning, monitoring and reporting*

*Complementing and updating legislation, regulations, policies and strategies to support and guide the implementation of the Water Law*

*Establishing and operationalizing sector institutions according to the mandates specified in the Water Law*

*As the sector reform progresses the contribution of these efforts need to be monitored and evaluated. On this basis the WSRP needs to be updated to adapt and further develop the interventions to gradually achieve the envisaged objectives and goals of the reform (compare figure below).*

### ***3.3. Requirements for the implementation of the sector reform***

The success of water sector reform depends on many factors including (1) strong sector leadership; (2) institutional and personal willingness to change, coordinate and cooperate; (3) harmonization and alignment of donors and financial institutions; (4) an agreed and transparent reform process and related decision taking; and (5) the participation and awareness of the stakeholders, including end-users and customers. And finally, additional challenges specific for Palestine need to be compensated, including the constraints implied by the on-going occupation and the geographical and political division between the West Bank and the Gaza Strip.

In consequence a strong and continuous political commitment will be required of the Prime Minister, the Head of PWA, and relevant Ministries and Authorities for the reform and the reform process as outlined in the 2014 Water Law, the current document and other relevant documents. Moreover, the Memorandum of Understanding that has been agreed in 2012 between the PWA and the donor organizations and financial institutions should guide the support to the Palestinian Water Sector and cooperation with sector institutions to provide for a streamlined reform process.

There is an urgent need for all sector stakeholders to embrace the changes to the legal and institutional shape of the water sector defined in the 2014 Water Law, which proposes the separation of existing PWA functions into (1) a PWA being responsible for the implementation of ministerial and WRM regulatory functions, (2) a Water Sector Regulatory Council being responsible for the regulation of water supply and wastewater service provision, (3) a National Water Company being responsible for providing bulk water to regional utilities and during the transitional phase to joint service councils and municipal water providers and (4) the establishment of regional water utilities for the provision of water and wastewater services and water users associations for the provision of irrigation water. Implementing these changes to the water sector framework requires a well-managed transition process that prioritizes reform efforts to achieve the reform objectives effectively with limited available resources. To ensure a transparent and inclusive reform process, a stakeholder participation policy should be established that ensures systematic and effective engagement of relevant stakeholders.

It will be key that the indicators and activities specified in this document will be implemented with the aim to achieve related targets and contribute to achieving the objectives of the sector reform.

# 4. Implementation of the Water Sector Reform

## 4.1. Intervention logic of the sector reform

The following mechanisms to prepare and approve the Reform Plan and its updates will be applied:

The preparation of the Reform Plan Update 2014-16 for the water sector in Palestine will be carried out under the coordination of the Reform Coordination Unit on behalf of PWA.

*A special Reform Planning task team, comprising the main water sector stakeholders, will formulate the first draft (of the update).*

*The draft update will be presented to and discussed with stakeholders of the sector reform. Comments and suggestions will be considered and incorporated by the task team into the final reform plan.*

*The review and approval of the final draft reform plan will be the responsibility of the PWA.*

*The Reform Coordination Unit is to coordinate the reproduction and distribution of the reform plan to the stakeholders.*

*The PWA will prepare a related dissemination plan for the PWA to disseminate the contents of the Reform Plan Update, the implementation of which will be in close collaboration with the stakeholders.*

## 4.2. Implementation and monitoring modalities

The Reform Plan task team will coordinate the implementation and progress monitoring of the Reform Plan 2016-18. This team comprises representatives from PWA, MOFP, MOA, MOLG, MOH, MONE, EQA, and WSRC. Moreover, it is envisaged to invite additional stakeholders, if deemed necessary to ensure a balanced representation of all sector stakeholders of the reform process.

**The following mechanisms to implement and monitor the Reform Plan will be applied:**

*The responsibility for the achievement of the targets rests with the relevant organizations or with the task teams specifically established for this purpose.*

*The Reform Planning task team will be responsible for the design of formats for quarterly and semi-annual progress reports.*

*The relevant organizations or the task teams, specifically established for the achievement of the targets, will be responsible for the quarterly and bi-annually provision of data and information regarding the progress in implementing the reform plan and problems encountered.*

*The Reform Plan task team will be responsible for the compilation of the data and information received into the quarterly and semi-annual progress reports and subsequent submission to the Reform Coordination Unit.*

*PWA will present and discuss the progress reports with relevant parties (Ex. Donor) and will provide relevant feedback to the Reform Plan task team, and to the organizations responsible to achieve specific indicators and targets.*

*On an annual basis, the Water Sector reform plan will be updated, based on stakeholders consultations on the achievement of targets set out in the reform plan and emerging challenges in the sector reform process. The updates of the Water Sector will be prepared and approved based on the process specified in section 4.1.*

# 5. Annexes:

## 5.1. Annex 1: Status of the Water Sector Reform

Through this Water Sector Reform Plan the sector stakeholders recognize the progress that has been achieved thus far and affirm their believe and commitment in the reform process, based on the new Water Law. Some of the milestones that have been achieved thus far are summarized in the table below. Moreover several activities and initiatives have been initiated already and will be further implemented over the coming years. Among many other others the following merit to be mentioned to complement the overview of milestones:

The preparation of the road map for the development of the national water company (in progress).

*The development of a roadmap for the establishment of regional water utilities is under preparation (to illustrate the required steps to complete the transformation process).*

*The continuation of the amalgamation process of JSCs that has been initiated in close cooperation with the Ministry of Local Government to gradually reduce the number of service providers.*

### Main milestones achieved (cumulative up to January 2016)

| #                             | Description   | Resp.     | Date      |
|-------------------------------|---|-----------|-----------|
| Reform process                |   |           |           |
| 1                             | Action Plan for Reform approved   | CoM       | Dec-2009  |
| 2                             | COMSC established   | CoM       | Dec-2009  |
| 3                             | RCU established   | PWA       | Jun-2011  |
| 4                             | Sector reform kick-off seminars held  | PWA       | Dec-2011  |
| 6                             | Reform planning document (2012-14) approved                                       | COMSC     | Apr-2012  |
| 7                             | Memorandum of Understanding signed between national and international stakeholder | PA/PWA    | Jul-2012  |
| 8                             | Reform Plan Update (2013-15) approved   | COMSC     | May-2013  |
| 9                             | Reform Plan Update (2014-16) approved   | COMSC     | Dec-2013  |
| Sector framework & strategies |   |           |           |
| 10                            | Water quality standards updated and revised                                       | PSI       | Jan-2012  |
| 11                            | Regulation Treated Sludge Reuse approved (PWA, MoA, EQA)                          | PSI       | Dec -2015 |
| 12                            | Water and Gender Strategy approved  | PWA       | Nov-2012  |
| 13                            | Draft Water Policy produced (WR, WS, WW)  | PWA       | Dec-2012  |
| 14                            | Draft Water Strategy produced (WR, WS, WW)  | PWA       | Jan-2013  |
| 15                            | Water Tariff By-Law (WS, WW) approved   | PWA       | Jan-2013  |
| 16                            | Consultations on Water Law completed  | PWA       | Mar-2013  |
| 17                            | Consultations on Water Policy and Strategy completed                              | PWA       | Mar-2013  |
| 18                            | Revised Water Law approved  | CoM       | Aug-2013  |
| 19                            | Joint Service Councils Strategy approved  | MoLG      | Oct-2013  |
| 20                            | By-law on connection to sewer system approved                                     | CoM       | Dec-2013  |
| 21                            | New Water Law enacted by decree (No. 14 / 2014)                                   | President | Jun-2014  |
| 22                            | Water Sector Policy and Strategy 2012 - 2032 approved                             | CoM       | Sep-2014  |
| 23                            | Regulation on Treated Wastewater Reuse approved (PWA, MoA, EQA)                   | PSI       | Mar-2012  |
| 24                            | Wastewater, water supply and WRM Short-Term Strategy 2014-16 approved             | PWA       | Apr-2014  |
| 25                            | Environment sector strategy approved  | EQA       | Apr-2014  |

|                                  |  |              |          |
|----------------------------------|--|--------------|----------|
| <b>26</b>                        | Bio-solids disposal strategy published   | PWA          | Sep-2014 |
| <b>27</b>                        | Water scarcity response plan approved  | PWA          | Dec-2014 |
| <b>28</b>                        | Water supply and wastewater tariff model approved  | PWA          | Oct-2015 |
| <b>29</b>                        | Water Authority Strategic Plan 2016-2018   | PWA          | Dec-2015 |
| <b>30</b>                        | PWA Implementation Plan 2016 produced  | PWA          | Dec-2015 |
| Establishing sector institutions |  |              |          |
| <b>31</b>                        | Training program for Dir-JSCs implemented  | MoLG         | Mar-2014 |
| <b>32</b>                        | Water Sector Regulatory Council (WSRC) established   | CoM          | Aug-2014 |
| <b>33</b>                        | Treated wastewater reuse association established through a reuse pilot project in Jenin and Nablus       | MoA          | Jul-2014 |
| Generating strategic information |  |              |          |
| <b>34</b>                        | Water supply monitoring tools approved for management interface with Service Providers                   | PWA/WS<br>RC | Jan-2010 |
| <b>35</b>                        | The irrigation water use Strategy  | MoA          | Jun-2010 |
| <b>36</b>                        | Revised and updated Water Resources Monitoring program approved  | PWA          | Feb-2012 |
| <b>37</b>                        | Water needs assessment regarding strategy, planning, implementation and regulation produced (WR, WS, WW) | PWA          | Nov-2012 |
| <b>38</b>                        | 2011 Water Status Report produced (WR, WS, WW)   | PWA          | Mar-2013 |
| <b>39</b>                        | Status Report of Water resources in Palestine (2012)   | PWA          | Apr-2014 |
| <b>40</b>                        | Assessment report on the status of individual JSC produced   | MoLG         | Feb-2015 |
| <b>41</b>                        | Study implemented for the irrigation water use efficiency  | MoA          | Oct-2015 |
| <b>42</b>                        | 2013 Water Sector performance monitoring report approved by PWA (Arabic version)                         | PWA          | Jan-2016 |

## **5.2. Annex 2: Targets and indicators 2016-2018**

| No       | Target   | No  | Indicator  | Timing                  | Responsible       | Main TA                               |
|----------|--|-----|--|-------------------------|-------------------|---------------------------------------|
| <b>1</b> | <b>Planning and monitoring of the reform process is organized in a timely manner</b>   | 1.1 | Update reform planning document (2016-18) approved                           | <b>Q1/2016</b>          | <b>PWA</b>        | <b>TPAT II</b>                        |
|          |  | 1.2 | Update reform planning document (2017-19) approved                           | <b>Q1/2017</b>          | <b>PWA</b>        |                                       |
|          |  | 1.3 | Quarterly progress reports issued and approved                               | <b>Starting Q2/2016</b> | <b>PWA</b>        | <b>(TPAT II)</b>                      |
|          |  | 1.4 | Reform plan and progress reports presented at joint annual reviews           | <b>Starting Q3/2016</b> | <b>PWA</b>        |                                       |
| <b>2</b> | <b>Decision-making and operations are informed through improved planning, monitoring and reporting practices in the sector</b> | 2.1 | Final PWA Implementation Plan 2016-2017 produced                             | <b>Q2/2016</b>          | <b>PWA</b>        | <b>TPAT II</b>                        |
|          |  | 2.2 | Report on progress on implementing PWA Implementation Plan 2015 is available | <b>Q1/2016</b>          | <b>PWA</b>        | <b>TPAT II</b>                        |
|          |  | 2.3 | Capacity building on progress reporting for internal monitoring unit         | <b>Q1/2016</b>          | <b>PWA</b>        | <b>M&amp;E consultancy service/WB</b> |
|          |  | 2.4 | Report on progress on implementing PWA Implementation Plan 2016 is available | <b>Q4/2016</b>          | <b>PWA</b>        | <b>M&amp;E consultancy service/WB</b> |
|          |  | 2.5 | Water Sector Strategic Plan and Action Plan 2017-22 approved                 | <b>Q2/2016</b>          | <b>PWA</b>        |                                       |
|          |  | 2.6 | Water supply performance indicator report 2014 published                     | <b>Q1/2016</b>          | <b>PWA/WSRC</b>   | <b>GIZ</b>                            |
|          |  | 2.7 | Wastewater performance indicator report 2014 published                       | <b>Q4/2016</b>          | <b>WSRC / PWA</b> | <b>EU</b>                             |

|          |  |  |  |                  |             |         |
|----------|--|--|--|------------------|-------------|---------|
|          | 2.8  | Water supply performance indicator report 2015 published                           | Q1/2017  | WSRC / PWA       | GIZ         |         |
|          | 2.9  | Wastewater performance indicator report 2015 published                             | Q4/2016  | WSRC/ PWA        | EU          |         |
|          | 2.10   | Joint data collection from all SPs linked to the National Water Information System | Starting Q2/2016   | PWA/ WSRC        |             |         |
|          | 2.11   | 2015 annual status report(s) produced and published online                         | Q4/2016  | PWA              |             |         |
| <b>3</b> | <b>Capacities of PWA are established to fulfil its new mandate</b> | 3.1  | Approval of the Final Draft Organization Structure (including Job descriptions) by the cabinet and the DIWAN       | Q3/2016          | PWA & COMSC |         |
|          |  | 3.2  | Redeployment of PWA according to endorsed Organization Structure   | Starting Q4/2016 | PWA         |         |
|          |  | 3.3  | Final Assessment Report on PWA individual training needs and training calendar produced                            | Q1/2017          | PWA         | TPAT II |
|          |  | 3.4  | Development of a PWA training & development strategy and guideline produced and functioning                        | Q2/2016          | PWA         | BTC     |
|          |  | 3.5  | Final admin and financial accounting guidelines produced   | Q2/2016          | PWA         | TPAT II |
|          |  | 3.6  | Final standard operating procedures (protocols, procedures, forms, flowcharts, and narrative description) produced | Q4/2016          | PWA         | TPAT II |



|          |      |  |                         |                          |                |
|----------|------|--|-------------------------|--------------------------|----------------|
|          | 3.7  | <i>Final concept for human resources development system produced</i>   | <b>Q1/2016</b>          | <b>PWA</b>               |                |
|          | 3.8  | <i>Human resources development system for PWA in testing phase and functioning</i>                               | <b>Q3/2016</b>          | <b>PWA</b>               |                |
|          | 3.9  | <i>Unifying PMU and developing its business plan and SOPs</i>  | <b>Q2/2016</b>          | <b>PWA</b>               |                |
|          | 3.10 | <i>Archiving system at PWA established</i>   | <b>Q2/2017</b>          | <b>PWA</b>               |                |
|          | 3.11 | <i>Concept for capacity building programme to enable management of PPPs by PWA defined</i>                       | <b>Q4/2016</b>          | <b>PWA</b>               | <b>WB</b>      |
|          | 3.12 | <i>Capacity Building programme to enable management of PPPs by PWA initiated</i>                                 | <b>Q1/2017</b>          | <b>PWA</b>               | <b>WB</b>      |
|          | 3.13 | <i>Pilot PPP project identified</i>  | <b>Q3/2017</b>          | <b>PWA</b>               | <b>WB</b>      |
|          | 3.14 | <i>Pilot PPP project initiated</i>   | <b>2018</b>             | <b>PWA</b>               | <b>WB</b>      |
|          | 3.15 | <i>PPP regulation developed</i>  | <b>2018</b>             | <b>PWA</b>               | <b>WB</b>      |
| <b>4</b> |      | <b>Capacity development of sector institutions is effectively coordinated and organized according to needs</b>   |                         |                          |                |
|          | 4.1  | <i>Final Capacity Development Policy and Strategy produced</i>   | <b>Q3/2016</b>          | <b>PWA</b>               | <b>TPAT II</b> |
|          | 4.2  | <i>Implement the Capacity Development Policy and Strategy according to established principles and priorities</i> | <b>Starting Q3/2016</b> | <b>PWA</b>               |                |
|          | 4.3  | <i>Coordinate the capacity building program for water service providers through the union of service</i>         | <b>Starting Q1/2016</b> | <b>PWA, Union of SPs</b> | <b>GIZ</b>     |

providers being implemented

4.4 Strategic plan for management information system produced **Q1/2016** **PWA**

4.5 Securing funding for development of national management information system according to plan **Starting Q3/2016** **PWA**

**5 Strategies, policies, plans and by-laws are established to guide and support the implementation of the 2014 water law**

*Water supply and wastewater*

5.1 Licensing of regional water utilities and water operators by-law is agreed and send to the Cabinet of Ministers **Q2/2016** **PWA**

5.2 Licensing of regional water utilities and water operators is approved in a by-law **Q1/2017** **PWA**

5.3 Updated water scarcity response plan approved **Q3/2016** **PWA**

5.4 General policies for determining the water and wastewater tariff are set and approved **Q2/2016** **PWA** **TPAT II**

5.5 Development of Unified Regulation for Water and Wastewater Tariff and Connection Services Fees **Q3/2016** **PWA** **TPAT II**

5.6 Approval of Unified Regulation for Water and Wastewater Tariff and Connection Service Fees **Q2/2017** **CoM**

*Infrastructure development*

|                                   |   |                |            |                |
|-----------------------------------|---|----------------|------------|----------------|
| 5.7                               | Wastewater and water supply planning and design guidelines for applications of service providers produced                                   | <b>Q2/2016</b> | <b>PWA</b> |                |
| 5.8                               | Updated version of the roadmap for infrastructure development planning produced (including list and location of priority water projects)    | <b>Q2/2016</b> | <b>PWA</b> | <b>TPAT II</b> |
| 5.9                               | Final Water Sector Specifications and Design Guidelines produced  | <b>Q2/2017</b> | <b>PWA</b> | <b>TPAT II</b> |
| <i>Water Resources Management</i> |   |                |            |                |
| 5.10                              | Final Trans-boundary Water Resources Strategy and Action Plan produced  | <b>Q2/2016</b> | <b>PWA</b> | <b>TPAT II</b> |
| 5.11                              | Well drilling and abstraction licensing by-law (including abstraction quotas and allocation of resources for different sectors) are defined | <b>Q3/2016</b> | <b>PWA</b> |                |
| 5.12                              | Well drilling and water abstraction licensing by-law approved by the cabinet  | <b>Q2/2017</b> | <b>PWA</b> |                |
| <i>Water Demand Management</i>    |   |                |            |                |
| 5.13                              | Final Water Awareness Strategy produced   | <b>Q2/2016</b> | <b>PWA</b> | <b>TPAT II</b> |
| 5.14                              | Final Water Awareness Action Plan for PWA produced  | <b>Q3/2016</b> | <b>PWA</b> | <b>TPAT II</b> |

|  |      |  |         |             |         |
|--|------|--|---------|-------------|---------|
|  | 5.15 | Implementation of the Water Awareness Action Plan according to timeline and planned interventions (subject to availability of funding)     | Q2/2017 | PWA         | TPAT II |
|  | 5.16 | Final version of general policy on Water Demand Management produced  | Q3/2016 | PWA         | TPAT II |
|  | 5.17 | Final Water Safety Plan produced   | Q3/2016 | PWA/<br>MoH | TPAT II |
| <b>6 Capacities of WSRC are established to fulfil it's mandate</b> | 6.1  | Short-term financial support and technical assistance for the WSRC implementation secured  | Q1/2016 | WSRC        | WB, GIZ |
|  | 6.2  | Implementation of licensing generates 50 % of WSRC budget collected (if license by-law is issued) and remaining budget secured from donors | Q1/2017 | WSRC        |         |
|  | 6.3  | Implementation of licensing generates 75 % of WSRC budget collected (if license by-law is issued) and remaining budget secured from donors | Q1/2018 | WSRC        |         |
|  | 6.4  | Business (strategic) planning carried out  | Q4/2016 | WSRC        | WB      |
|  | 6.5  | Internal WSRC financial, administration and board remuneration by-laws approved by CoM   | Q1/2016 | WSRC        |         |
|  | 6.6  | Communication plan is prepared   | Q4/2016 | WSRC        | WB      |

|          |  |   |  |                           |                 |               |
|----------|--|---|--|---------------------------|-----------------|---------------|
|          | 6.7  | Public Relation activities are carried out according to communication plan with stakeholders and relevant WSRC activities coordinated with them | <b>Starting Q1/2016</b>  | <b>WSRC</b>               | <b>WB (GIZ)</b> |               |
|          | 6.8  | WSRC information system (database) established  | <b>Q4/2016</b>   | <b>WSRC</b>               | <b>WB</b>       |               |
|          | 6.9  | WSRC information system continuously updated (maintained)   | <b>Starting 2017</b>   | <b>WSRC</b>               |                 |               |
|          | 6.10   | Develop WSRC website  | <b>Q1/2016</b>   | <b>WSRC</b>               |                 |               |
|          | 6.11   | On-going capacity building for board members and WSRC members (one to two exposure visits per year)   | <b>on-going</b>  | <b>WSRC</b>               | <b>WB, GIZ</b>  |               |
| <b>7</b> | <b>Procedures, processes, guidelines, SOPs and benchmarking systems for performance monitoring of service providers are developed and their application is supported</b> | 7.1   | Preparation of water and wastewater monitoring procedures  | <b>Q4/2016</b>            | <b>WSRC</b>     | <b>WB/GIZ</b> |
|          |  | 7.2   | Preparation of services cost calculation guidelines  | <b>Q2/2016</b>            | <b>WSRC</b>     | <b>WB</b>     |
|          |  | 7.3   | Improve Service Providers in performance monitoring, tariff calculation, licensing procedures and guidelines | <b>Q1/2016 continuous</b> | <b>WSRC</b>     | <b>WB/GIZ</b> |
|          |  | 7.4   | Preparation of service provider's categorization and ranking procedures and tools                            | <b>Q2/2016</b>            | <b>WSRC</b>     | <b>WB</b>     |
|          |  | 7.5   | Development of Guidelines for Licensing Process  | <b>Q2/2016</b>            | <b>WSRC</b>     | <b>GIZ</b>    |

|          |   |  |   |                |                |            |
|----------|---|--|---|----------------|----------------|------------|
|          | 7.6   | <i>Quality assurance standards and benchmarking for the provision of technical and administrative services by Service Providers to consumers established (including national targets and plans for individual targets)</i> | <b>Q3/2016</b>  | <b>WSRC</b>    | <b>WB</b>      |            |
|          | 7.7   | <i>WSRC reporting system is revised (especially the benchmarking system, wastewater indicators and tariff reports)</i>   | <b>Q1/2017</b>  | <b>WSRC</b>    | <b>WB, GIZ</b> |            |
|          | 7.8   | <i>Principles about the extent and percentage of local authorities' participation in the general assemblies of water utilities agreed</i>  | <b>Q3/2016</b>  | <b>WSRC</b>    | <b>GIZ</b>     |            |
|          | 7.9   | <i>Concept for complaint system is available</i>   | <b>Q2/2016</b>  | <b>WSRC</b>    | <b>GIZ</b>     |            |
|          | 7.10  | <i>Complaint system for water users and service providers established (including development of guidelines and procedures)</i>   | <b>Q1/2017</b>  | <b>WSRC</b>    | <b>GIZ</b>     |            |
|          | 7.11  | <i>Support 16 selected service providers to establish or improve their own complaint systems</i>   | <b>Q3/2016</b>  | <b>WSRC</b>    | <b>GIZ</b>     |            |
| <b>8</b> | <b>The process to establish and operationalize the National Water</b> | 8.1  | <i>Preparation of action plan (including a road map) for Building the</i> | <b>Q1/2016</b> | <b>PWA</b>     | <b>BTC</b> |

|          |   |     |   |                         |  |                   |
|----------|---|-----|---|-------------------------|--|-------------------|
|          | <b>Company is agreed and under implementation</b>   |     | Capacity of the WBWD and establishing the National Water Company approved by PWA  |                         |  |                   |
|          |   | 8.2 | Secure funding for transitional period  | <b>Starting Q3/2016</b> |  | <b>PWA / WBWD</b> |
|          |   | 8.3 | Regulation for the transitional period developed  | <b>Starting Q3/2016</b> |  | <b>PWA</b>        |
|          |   | 8.4 | Implementation of the transitional period according to the action plan  | <b>Starting Q3/2016</b> |  | <b>PWA / WBWD</b> |
| <b>9</b> | <b>Establishment of new regional water utilities on a pilot project basis is prepared</b> | 8.1 | Contract qualified consultants to develop a road map for the establishment of new Regional Water Utilities on a pilot project basis                                       | <b>Q2/2016</b>          |  | <b>PWA EU</b>     |
|          |   | 8.2 | Initial mapping of potential RWUs and selection of the pilot area(s)  | <b>Q3/2016</b>          |  | <b>PWA EU</b>     |
|          |   | 8.3 | Definition of the overall framework conditions for RWUs (optional governance systems, management and operational models, legal and regulatory frameworks, viability etc.) | <b>Q1/2017</b>          |  | <b>PWA EU</b>     |
|          |   | 8.4 | Formulation of a development plan for the selected pilot area(s)  | <b>Q2/2017</b>          |  | <b>PWA EU</b>     |
|          |   | 8.5 | Elaboration of a national Roadmap for establishing and operating RWUs   | <b>Q4/2017</b>          |  | <b>PWA EU</b>     |
|          |   | 8.6 | Develop a guideline to manage   | <b>Starting Q1/2017</b> |  | <b>PWA / MoLG</b> |

|           |  |      |  |                       |                   |
|-----------|--|------|--|-----------------------|-------------------|
|           |  |      | <i>relationships of main stakeholders (PWA, utilities, MoLG, WSRC, MoA)</i>  |                       |                   |
|           |  | 8.7  | <i>2 - 3 nucleuses for regional utilities will be established</i>  | <b>2018</b>           | <b>PWA / MoLG</b> |
| <b>10</b> | <b>Water and wastewater service provision is ensured and supported during the transitional period until regional water utilities are established</b> | 8.7  | <i>Ministry of Local Governorate General Directorate of the Joint Service Council Action Plan for 2016 produced and under effective implementation</i> | <b>Q1/2016</b>        | <b>MoLG</b>       |
|           |  | 8.8  | <i>New MOLG Monitoring and Evaluation Manual for Dir-JSC produced and under effective implementation</i>   | <b>Q4/2016</b>        | <b>MoLG</b>       |
|           |  | 8.9  | <i>New By-law on JSCs (General) approved by the minister and under effective implementation</i>  | <b>Q1/2016</b>        | <b>MoLG</b>       |
|           |  | 8.10 | <i>Updated MOLG Operational Manual on JSCs produced and under effective implementation</i>   | <b>Q2 (or 3)/2016</b> | <b>MoLG</b>       |
|           |  | 8.11 | <i>New unified financial accounting program for JSCs produced and under effective implementation</i>   |                       | <b>MoLG</b>       |
|           |  | 8.12 | <i>Training program for D-JSCs (MOLG) implemented according to the program outline for 2017-18</i>   | <b>2017/18</b>        | <b>MoLG</b>       |
|           |  | 8.13 | <i>Training programmes (two weeks) provided to 12 JSCs</i>   |                       | <b>MoLG</b>       |



|           |      |   |                         |                   |                          |
|-----------|------|---|-------------------------|-------------------|--------------------------|
|           | 8.14 | <i>Merging Plan for JSCs produced</i>   | <b>2016</b>             | <b>MoLG</b>       |                          |
|           | 8.15 | <i>JSCs merged into 4 clusters in WB</i>  | <b>2018</b>             | <b>MoLG</b>       |                          |
|           | 8.16 | <i>Awareness workshops for member LGUs and local communities</i>  | <b>2016/17/18</b>       | <b>MoLG</b>       |                          |
|           | 8.17 | <i>Process to establish financial support for amalgamation of local water service providers</i>   | <b>Starting Q2/2016</b> | <b>PWA / MoLG</b> | <b>pot. EU, WB, JICA</b> |
|           | 8.18 | <i>PWA and stakeholders continue planning for and implementing amalgamation of local water service providers (depends on availability of funding)</i> | <b>Started in 2011</b>  | <b>PWA / MoLG</b> | <b>pot. EU, WB, JICA</b> |
| <b>11</b> |      | <b><i>Agricultural water use is managed according to the new water law</i></b>  |                         |                   |                          |
|           | 9.1  | <i>By-laws on Water User Associations submitted to CoM</i>  | <b>Q2/2016</b>          | <b>PWA / MoA</b>  | <b>WB</b>                |
|           | 9.2  | <i>By-laws on Water User Associations approved by the cabinet and published (online)</i>  | <b>Q3/2016</b>          | <b>CoM</b>        |                          |
|           | 9.3  | <i>Water Users Associations established, institutionalized and operational in line with the new water law</i>   | <b>2017</b>             | <b>MoA</b>        |                          |
|           | 9.4  | <i>Agricultural water tariff submitted to CoM</i>   | <b>Q2/2016</b>          | <b>PWA</b>        |                          |
|           | 9.5  | <i>Agricultural water tariff approved by law and published (available online)</i>   | <b>Q4/2016</b>          | <b>CoM</b>        |                          |
|           | 9.6  | <i>Agricultural</i>   | <b>Q2/2016</b>          | <b>MoA</b>        |                          |

|           |   |      |   |                             |                              |
|-----------|---|------|---|-----------------------------|------------------------------|
|           |   |      | <i>water tariff<br/>model<br/>approved</i>  |                             |                              |
|           |   | 9.7  | <i>Irrigation Strategy 2017-2022 approved and disseminated and communicated publically to its stakeholders (print versions sent to WUAs and other stakeholders and By-law available online)</i> | <b>Q4/2017</b>              | <b>MoA</b>                   |
| <b>12</b> | <b><i>A basic legal framework and strategies to protect Water Resources from Pollution are agreed</i></b> | 10.1 | Bylaw to control pesticides approved  | <b>2017</b>                 | <b>EQA/<br/>MOA/<br/>PWA</b> |
|           |   | 10.2 | Legal framework and strategy to enhance adaptation measures to climate change produced  | <b>Q1/2017</b>              | <b>EQA/<br/>PWA</b>          |
|           |   | 10.3 | Environmental Sector Strategy (2016 - 2019) approved  | <b>Q1/2016</b>              | <b>EQA</b>                   |
|           |   | 10.4 | Monitoring results on application of regulation on treated wastewater and sludge by the majority of stakeholders  | <b>Starting<br/>Q1/2016</b> | <b>EQA/<br/>PWA</b>          |