Special Session S1

The Role of Regulatory Water Agencies in Efficient Water Management
Establishing Effective Regulatory Frameworks in the Water Sector

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(AWARENET- UN ESCWA) Special Session on
“Establishing Effective Regulatory Frameworks In The Water Sector” 28 March, 2017
Overview

- Introduction & Link to Governance
- What are Regulatory Frameworks
- Importance of Independence
- GCC Unified Water Strategy
- Examples from the Region
- Reasons to Establish or Reform
- Recommendations and Resources
Introduction

- Regulatory Frameworks, Good Governance
- The 4-Fold Problem
  - Coordination
  - Perspective
  - Complexity
  - Scarcity
- Our Goal:
  To stress the importance of regulation for good governance of water

2010 Report of the Arab Forum for Environment and Development
Establishing legal and regulatory frameworks is one of the Keys to Good Governance.
Legal and Regulatory Framework

- **Frame 1: Laws and Regulations**
  - National/Federal level
  - Regional/Municipal level

- **Frame 2: Compliance** (Monitoring & Enforcement)
  - Government Agencies
  - Public Authorities / Bureaus

- **Frame 3: Policy and Guidance**
  - Government and Authorities
  - Associations
Examples from the Region

- Egypt
- Abu Dhabi
- Palestine

Establishing independent, water regulatory authorities has been approved as a major policy of the GCC Unified Water Strategy (2016) under the strategic objective of improving water governance towards integrated management.

Source: Arab League
### Regulatory Agencies: Examples

<table>
<thead>
<tr>
<th>Country</th>
<th>Regulatory Authority</th>
<th>Established</th>
<th>Sectors</th>
<th>Structure</th>
<th>Funding Source</th>
<th>Number of Licensees</th>
<th>Reports to</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Egypt</strong></td>
<td>Water &amp; Wastewater Regulatory Authority</td>
<td>2004 (by decree)</td>
<td>water, wastewater</td>
<td>Quasi-Governmental</td>
<td>Government budget; donors</td>
<td>25*</td>
<td>Minister of Housing and Utilities</td>
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<td>*Pending authority under new water act</td>
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<tr>
<td><strong>Abu Dhabi</strong></td>
<td>Regulatory and Supervisory Bureau</td>
<td>1998 (by law)</td>
<td>water, wastewater and electricity</td>
<td>Non-Profit, Independent</td>
<td>License Fees</td>
<td>48</td>
<td>Executive Council of Abu Dhabi, Ministry of Energy</td>
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<td>source: 2015 Annual Report</td>
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<tr>
<td><strong>Palestine</strong></td>
<td>Water Sector Regulatory Council</td>
<td>2014 (by law)</td>
<td>water, wastewater</td>
<td>Independent, Public Institution</td>
<td>licensing fees, donors</td>
<td>65</td>
<td>Palestinian Cabinet of Ministers</td>
</tr>
</tbody>
</table>
Reasons to Establish a Regulatory Body

Source: OECD 2014 Survey on the Governance of Water Regulators
Recommendations

- 5 recommendations: 1. Financing; 2. Independence; 3. Transparency; 4. Participation; and...
- 5. Capacity: Attend a Virtual Session: awarenet.info
Panel Discussion

Moderator: Mohamed Abdel Raouf Aly, Gulf Research Center

- Dr. Mohamed Hassan Mohamed Moustafa - Executive Chairman, Water and Wastewater Regulatory Agency, Egypt
- Mohammad Said Al-Hmaidi Nasir - CEO, Water Sector Regulatory Authority, Palestine
- Adam Torrey - Chair of the AWARENET Water Governance Working Group and The Water Project Inc., Abu Dhabi

Audience Discussion
Discussion Questions

What new funding mechanisms did the Water Regulatory Authority introduce and how effective was the mechanism and its implementation?
Discussion Questions (contd)

How does demand management contribute to lowering non-revenue water? Has your water regulatory authority contributed to this and how were improvements achieved?
Discussion Questions (contd)

How can we ensure effective reforms, preventing overlap and inefficiencies during the establishment and operation of new Water Regulatory Authorities?
How does reform and creation of a regulatory authority lead to better access to information, transparency and stakeholder participation?