

World Water Week

Seminar 8: Governance of Water and Waste: a key to sustainable development?

Session 2: Urban Water, Reuse and wastewater: Governance a building block to better practices

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Using better governance practices to improve urban water management



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What do we face on water?



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■ International references:

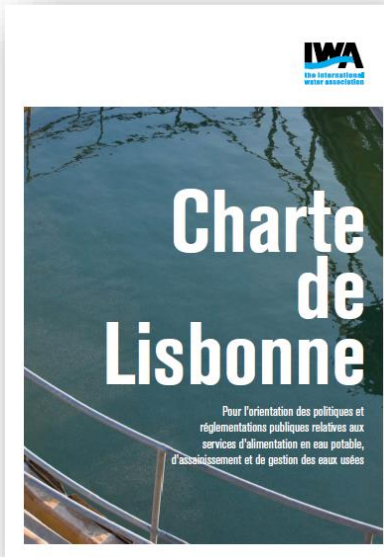
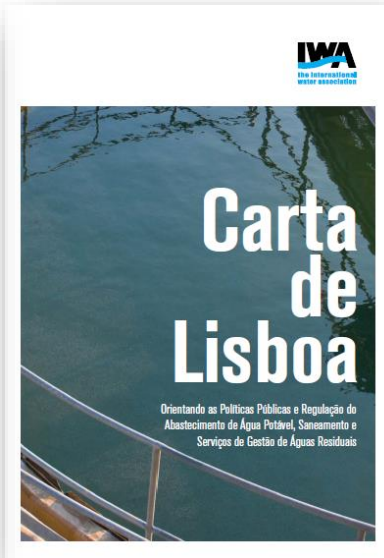
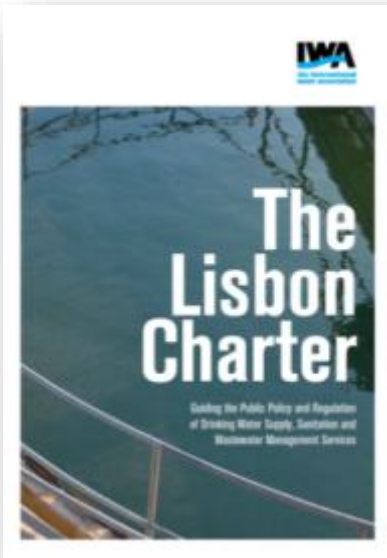
- UN SDG 2016-2030, new agenda of action to end poverty; promote prosperity and well-being; protect the environment; fight climate change.
- Access to safe drinking water and sanitation as essential human rights, United Nations 2010.
- Paris Agreement under the United Nations Framework Convention on Climate Change, United Nations 2015.
- Twelve principles of water governance, OECD 2015.



What do we face on water?



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IWA decided to approve the Lisbon Charter 2015:

- With the principles for sound public policy and effective regulation of water services;
- Declaring the respective **rights, duties and responsibilities of the:**
 - Governments
 - Regulatory authorities
 - Public administration
 - Water utilities
 - Users.

Better governance on water services

- **Adoption of strategic plans for the sector:**
 - Formulation of national strategies with stable implementation.
 - Definition of goals & measures.
 - Annual monitoring and reporting of execution.

- **Definition of legislative framework:**
 - Approving legislation (for services and regulation, tariffs, quality of service, water quality, etc.).
 - Clarification of rules governing the sector.
 - Issuing sound recommendations for the sector.

- **Definition of institutional framework:**
 - Clear responsibilities of authorities on services, environment, water resources, public health, etc.
 - Clear responsibilities of service owner and operator.



Better governance on water services

■ Definition of the governance of the services:

- Public, private or public-private governance and rules.
- Direct management, delegation and concession.
- Healthy competition between models.
- Political decisions must be based on sound studies.



■ Definition of quality of service targets:

- Quality of service based on performance indicators.
- Annual assessment of the quality of service.
- Annual benchmarking between operators.
- Assessment of the evolution for each indicator.



■ Promoting water quality for human consumption:

- Monitoring compliance in real time.
- Annual assessment of the water quality operator.
- Annual benchmarking between operators.
- Assessment of the evolution of the water quality.



Better governance on water services

- **Definition of the tariff and tax policy:**
 - Promoting (a trend toward) full cost recovery.
 - Promotion of efficient & affordable tariffs.
 - Assessment of economic performance of operators.
 - Annual benchmarking between operators.
 - Assessment of the evolution of the performance.
- **Management of the financial resources:**
 - Large investment in water infrastructures.
 - Management of important financial resources.
 - Allocation of the money with the best added value.
- **Construction/renovation of infrastructures:**
 - Planning, design, financing & construction.
 - Use of appropriate technologies.
 - Infrastructures asset management.



How to get more added value from each Euro?

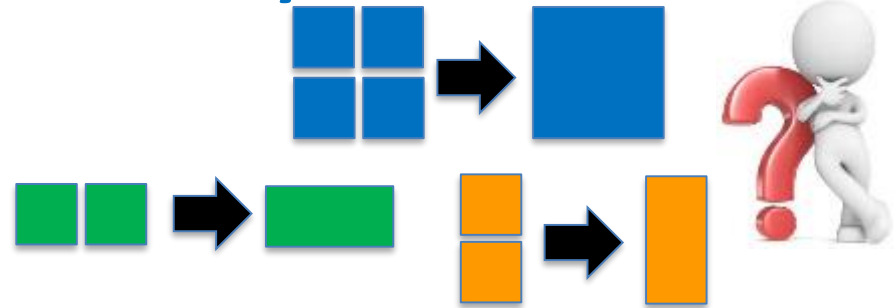


Better governance on water services

■ Improving the structural efficiency:

• Search for:

- Utility scale economies;
- Utility scope economies;
- Utility process economies.



- Current trend to aggregate those local utilities (smaller number of larger and integrated utilities).

■ Improving the operational efficiency:

- Improve of efficiency by the utilities (commercial & physical water losses, energy efficiency, etc.).



■ Human resources capacity building:

- Skilled human resources.
- Experience on planning, design, financing, construction and operation.



Better governance on water services

- **Promotion of research and development:**
 - Activity on research and development with increasing links between university and industry.
 - Increasing participation in international R&D projects.



- **Development of entrepreneurship:**
 - Improving the development of the water economy.
 - Generating new activities with employment creation.



- **Introduction of competition:**
 - Competition encourages innovation and progress.
 - In the case of natural or legal monopolies, promote virtual competition, ex. through benchmarking.
 - In the case of private involvement, competition in the market (tender procedures for the allocation of delegations, concessions and the provision of services).



Better governance on water services

■ Users protection, awareness and involvement:

- Assessment of the economic accessibility to the service based on an indicator of affordability.
- Creation of tools to protect consumers in general:
- Creation of tools to protect poor consumers:



■ Provision of information:

- Providing rigorous & comprehensive information.
- Disseminate information at public level.
- Guaranteeing ease-of-use by consumers.
- Promoting integrity and anti-corruption.



- The success depends on the ability to manage the implementation of those components, with a effective global a integrated approach.



Role of regulation of water services

■ The importance of regulation:

- Regulation should be seen as one component of the national framework on water, out various.
- But it has a very important role given the fact that **it promotes and or controls the remaining components.**
- Effective regulation is essential.
- Different models can be used according country context.



National framework as a set of different components

Role of regulation of water services

■ Regulatory model:

• Structural regulation of the sector:

- Contribution to the **organisation** of the sector.
- Contribution to the **legislation** of the sector.
- Contribution to the **information** of the sector.
- Contribution to the **capacity building** of the sector.



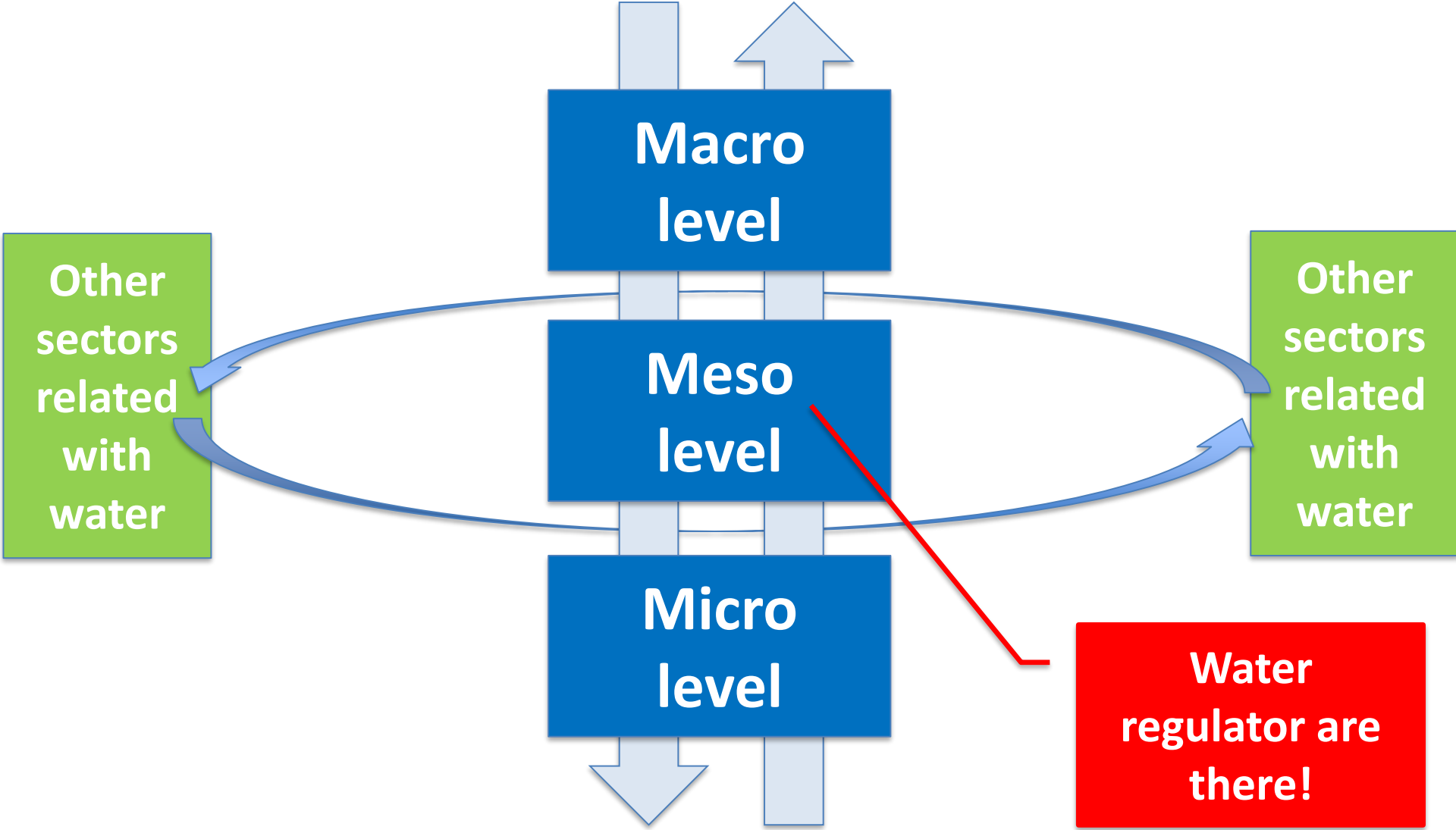
• Behavioural regulation of the utilities:

- **Legal and contractual** regulation.
- **Economic** regulation.
- **Quality of service** regulation.
- **Drinking water quality** regulation.
- **Consumers interface** regulation.



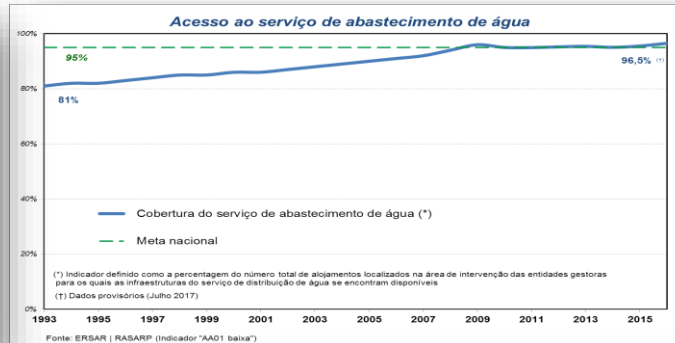
Role of regulation of water services

- The central role of the water regulators:

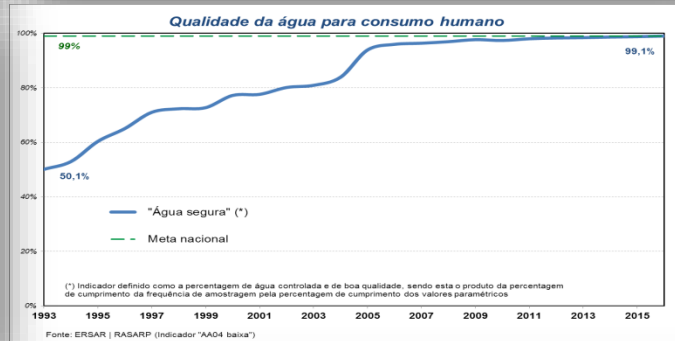


Example of Portugal

The Portuguese public policy (1993-2015) was successful for citizens, economy, public health & environment:



Water supply:
81% ⇒ 96,5%



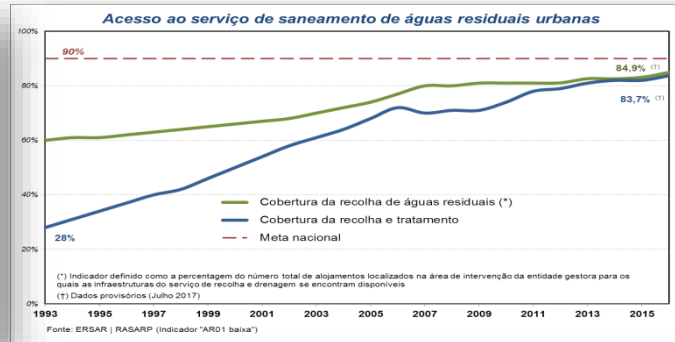
Water quality:
50% ⇒ 99,1%



Hepatitis A:
630 ⇒ 8

Example of Portugal

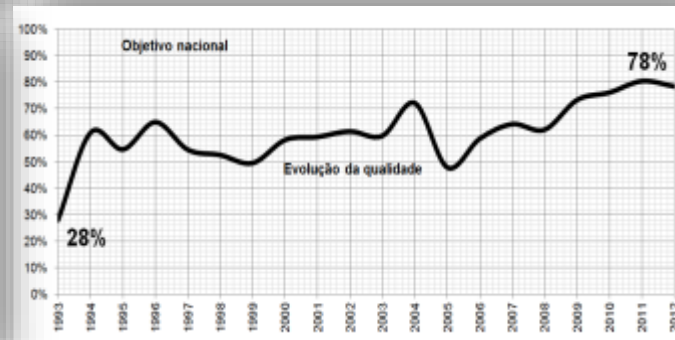
The Portuguese public policy (1993-2015) was successful for citizens, economy, public health & environment:



Wastewater:
28% ⇒ 83,7%



Solid waste:
22% ⇒ 100%



Water resources:
28% ⇒ 78%

Example of Portugal

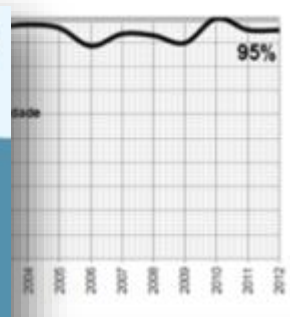


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The Portuguese public policy (1993-2015) was successful for citizens, economy, public health & environment:



Costal beaches
55% ⇒ 99%



River beaches:
17% ⇒ 95%



Blue flags:
89 ⇒ 289

Gold beaches:
87 ⇒ 293

LIS-Water

Lisbon International Centre for Water



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www.lis-water.org



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