

DANUBE REGION



CREATING ENABLING ENVIRONMENT FOR UTILITIES

CHALLENGES IN SEE, DWP SUPPORT AND REGIONAL BECHMARKING

BELGRADE
APRIL 26TH, 2017

THE CALL FOR ACTION

THE STATE OF THE SECTOR REPORT

- ▶ Flagship 2015 World Bank
- ▶ Service sustainability and enabling environment assessment in 16 countries

<http://sos.danubis.org>

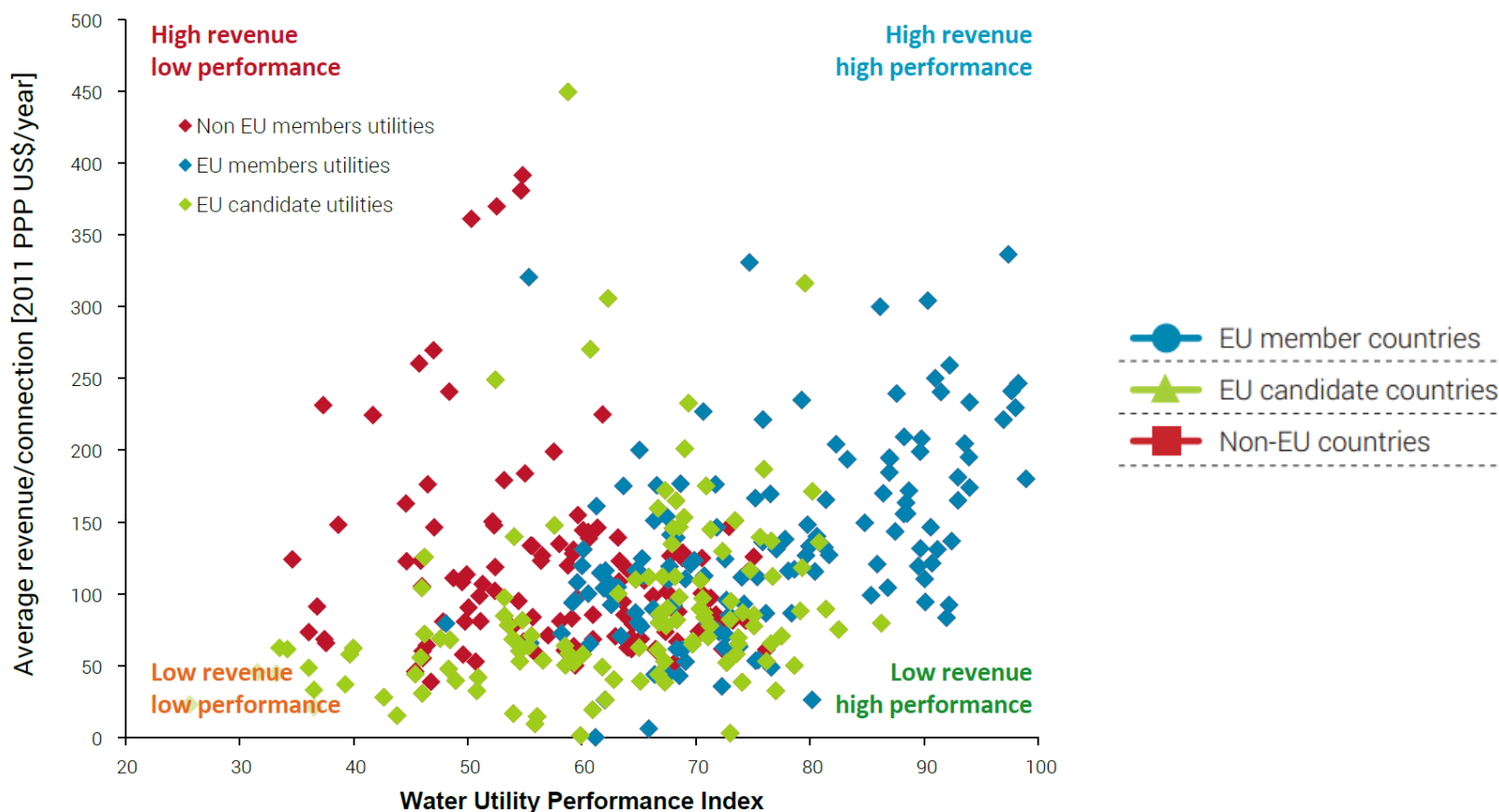
▶ Data Sources:

- ▶ Public data at national/regional level
- ▶ EUROSTAT (EU)
- ▶ AQUASTAT (FAO)
- ▶ World Development Indicators (WB) etc.



The screenshot displays the homepage of the 'A State of the Sector' report. At the top, it features the Danube Water Program and IAWD logos, along with the title 'Water and Wastewater Services in the Danube Region' and 'A STATE OF THE SECTOR May 2015'. Navigation links include 'REGIONAL REPORT', 'COUNTRY NOTES', 'DANUBIS.ORG MAIN SITE', and 'DANUBE WATER PROGRAM'. A sidebar on the left offers links to the 'Regional report', 'Country Notes', 'Download', 'DANUBIS.ORG Main Site', and 'Danube Water Program'. The main content area is titled 'WATER AND WASTEWATER SERVICES IN THE DANUBE REGION' and 'A STATE OF THE SECTOR'. It includes a section 'What is the State of the Sector review?' which describes the report as an analysis of progress and challenges in providing sustainable water and wastewater services. Below this, it states that the report covers the situation of water services in 16 countries: Albania, Austria, Bosnia and Herzegovina, Bulgaria, Czech Republic, Croatia, Hungary, Kosovo, Moldova, FYR Macedonia, Montenegro, Romania, Serbia, Slovakia, Slovenia, and Ukraine. Another section, 'What does it say?', mentions that as part of the EU accession process, broader sector development challenges must be addressed, and that recent policy reforms increase national regulatory and... A map of the Danube region is shown on the right. At the bottom right, there is a diagram with a central box 'Sustainable Services for All' connected to four boxes: 'Access', 'Financing', 'Quality', and 'Efficiency'. A speaker icon is located at the bottom right corner of the screenshot.

► Higher performance, higher revenue need?



SERVICE SUSTAINABILITY ASSESSMENT

FIGURE 60: ASSESSING THE SECTOR'S PROGRESS IN PROVIDING SUSTAINABLE SERVICES TO ALL



SERVICE SUSTAINABILITY ASSESSMENT

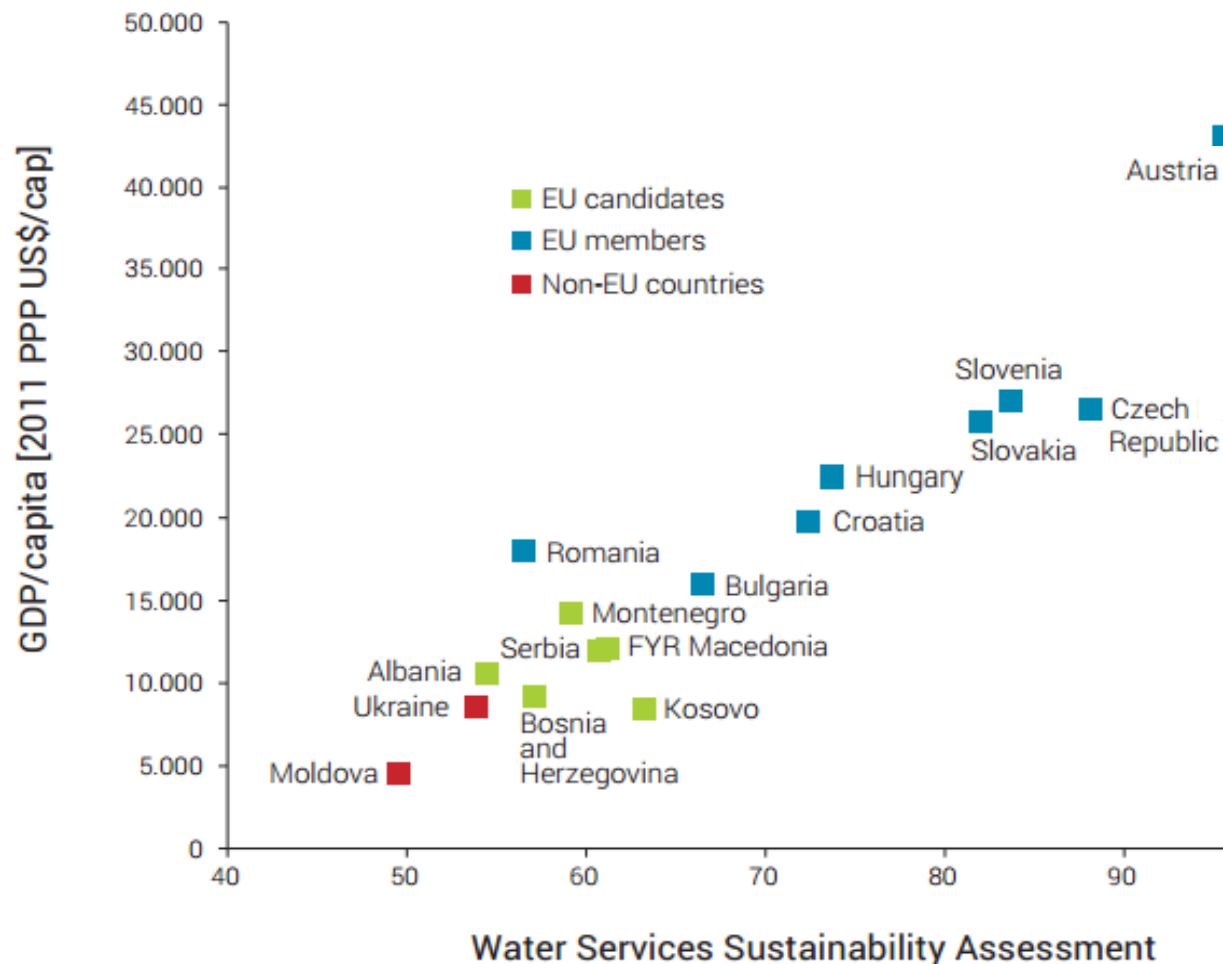
TABLE 13: COUNTRY-BY-COUNTRY SERVICES SUSTAINABILITY ASSESSMENT

Sustainability Dimension	Albania	Austria	Bulgaria	Bosnia and Herzegovina	Croatia	Czech Republic	Hungary	Kosovo	FYR Macedonia	Moldova	Montenegro	Romania	Serbia	Slovakia	Slovenia	Ukraine
Access																
Quality																
Efficiency																
Financing																
Overall	55	96	66	57	72	88	74	63	62	50	59	56	61	82	84	54

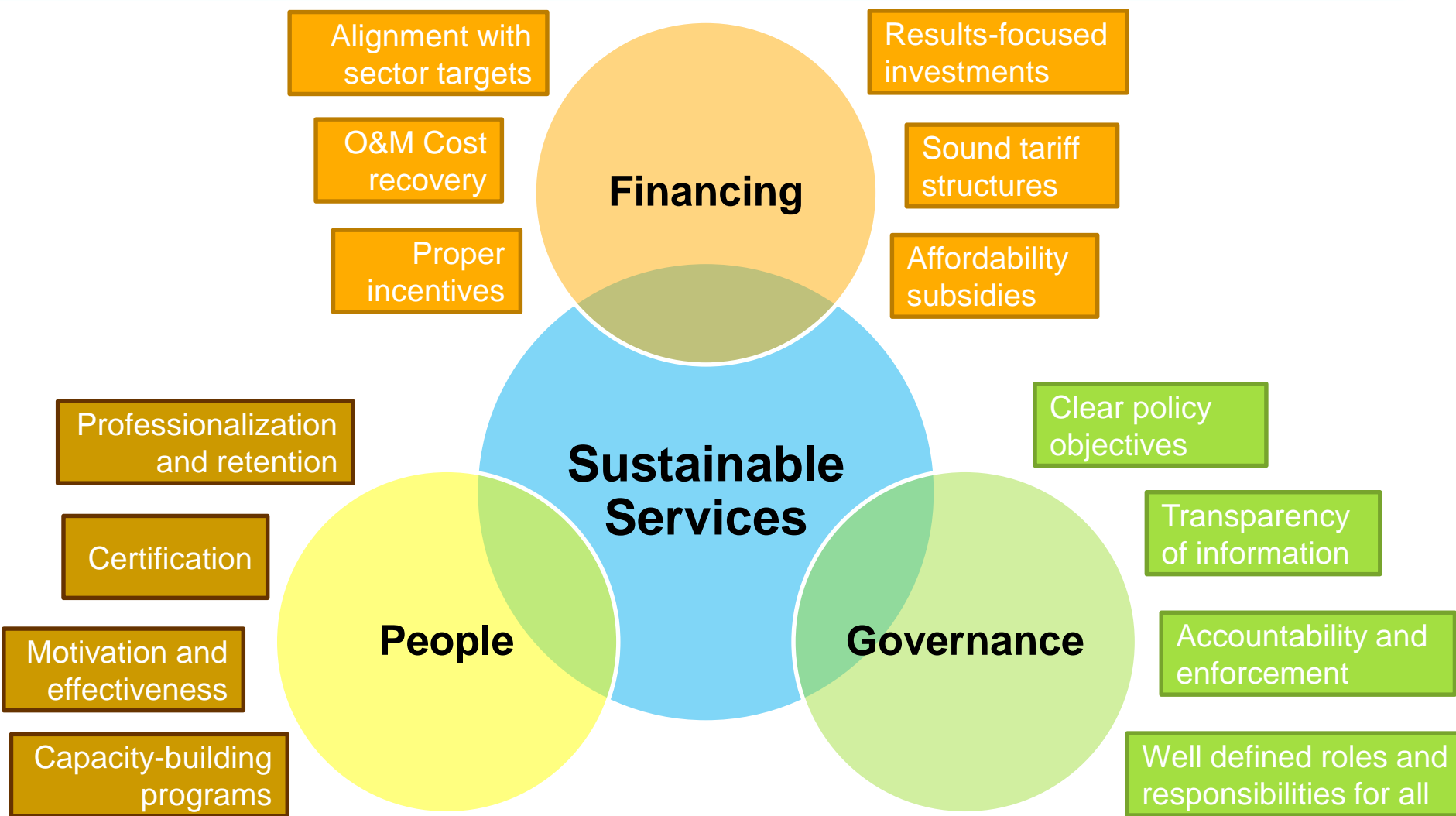
SOURCE: AUTHORS' ELABORATION BASED ON SOS DATA COLLECTION.



SUSTAINABILITY ASESMENT

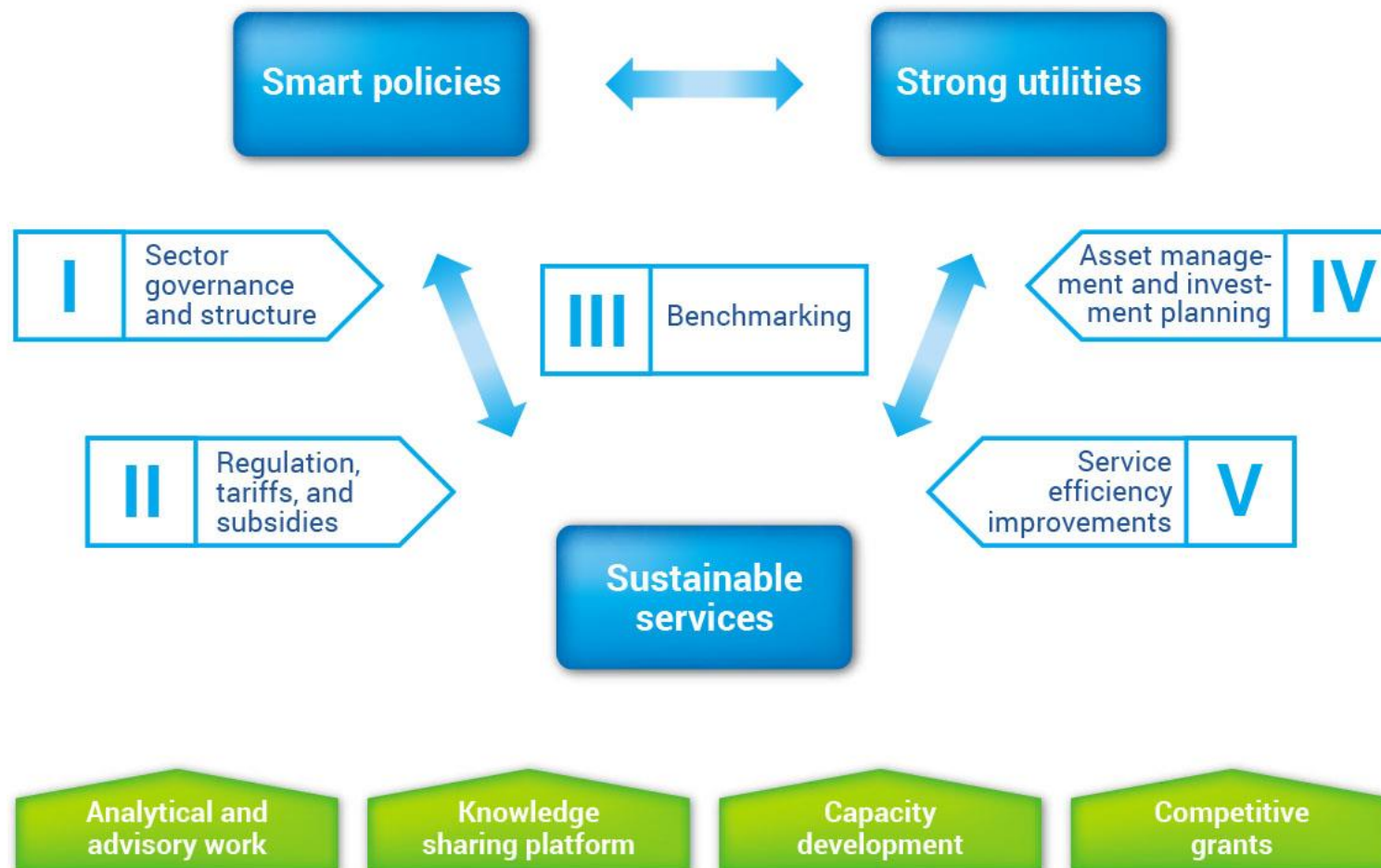


SUSTAINABLE SERVICES?

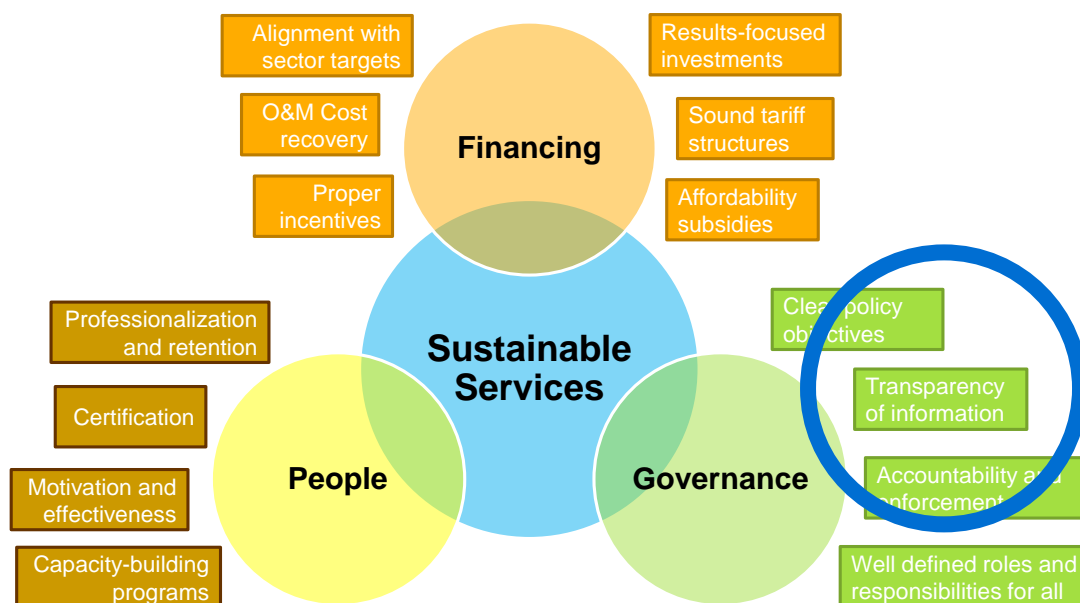


DANUBE WATER PROGRAM

THE PROGRAM'S FRAMEWORK



BENCHMARKING SUPPORT



TWO DIFFERENT VIEWS

► For regulation and policies?

Regulation Body of Knowledge

“A means of quantifying the relative performance of companies or divisions (such as regional distribution companies)”

► For utilities?

International Water Association

“A tool for performance improvement through systematic search and adaptation of leading practices”.

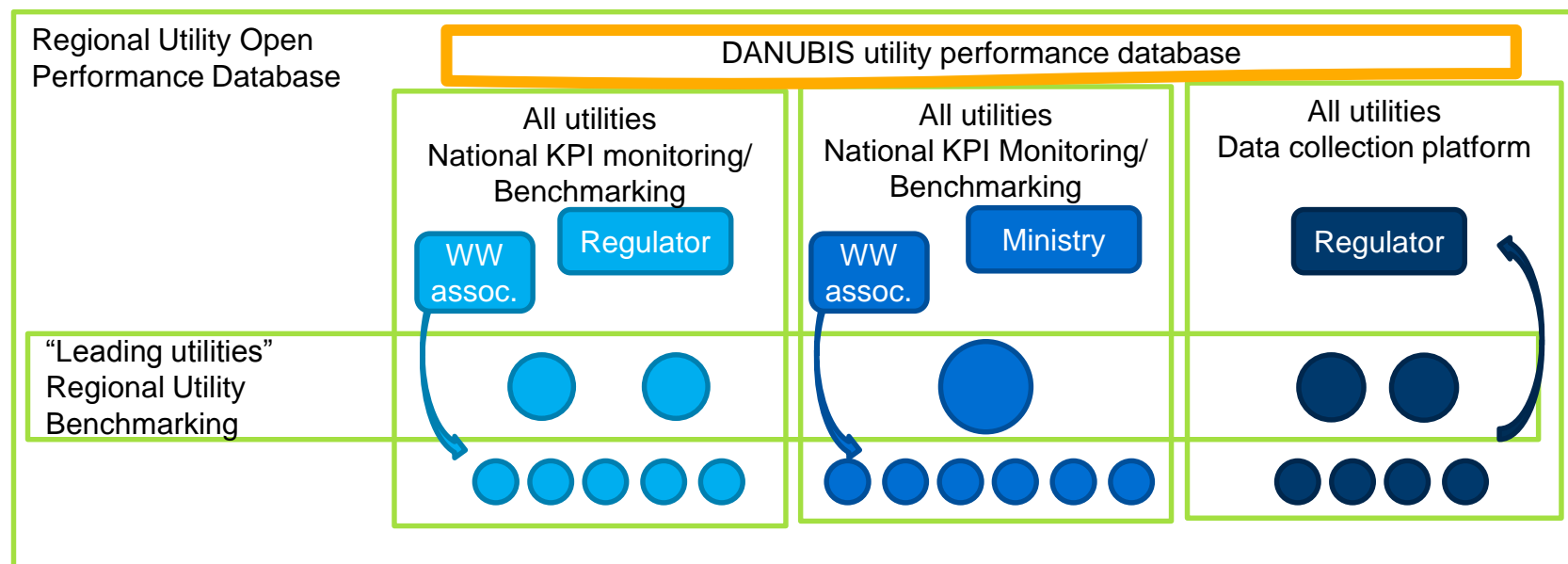
Assessment

Regulator,
Ministry

Utility,
Industry

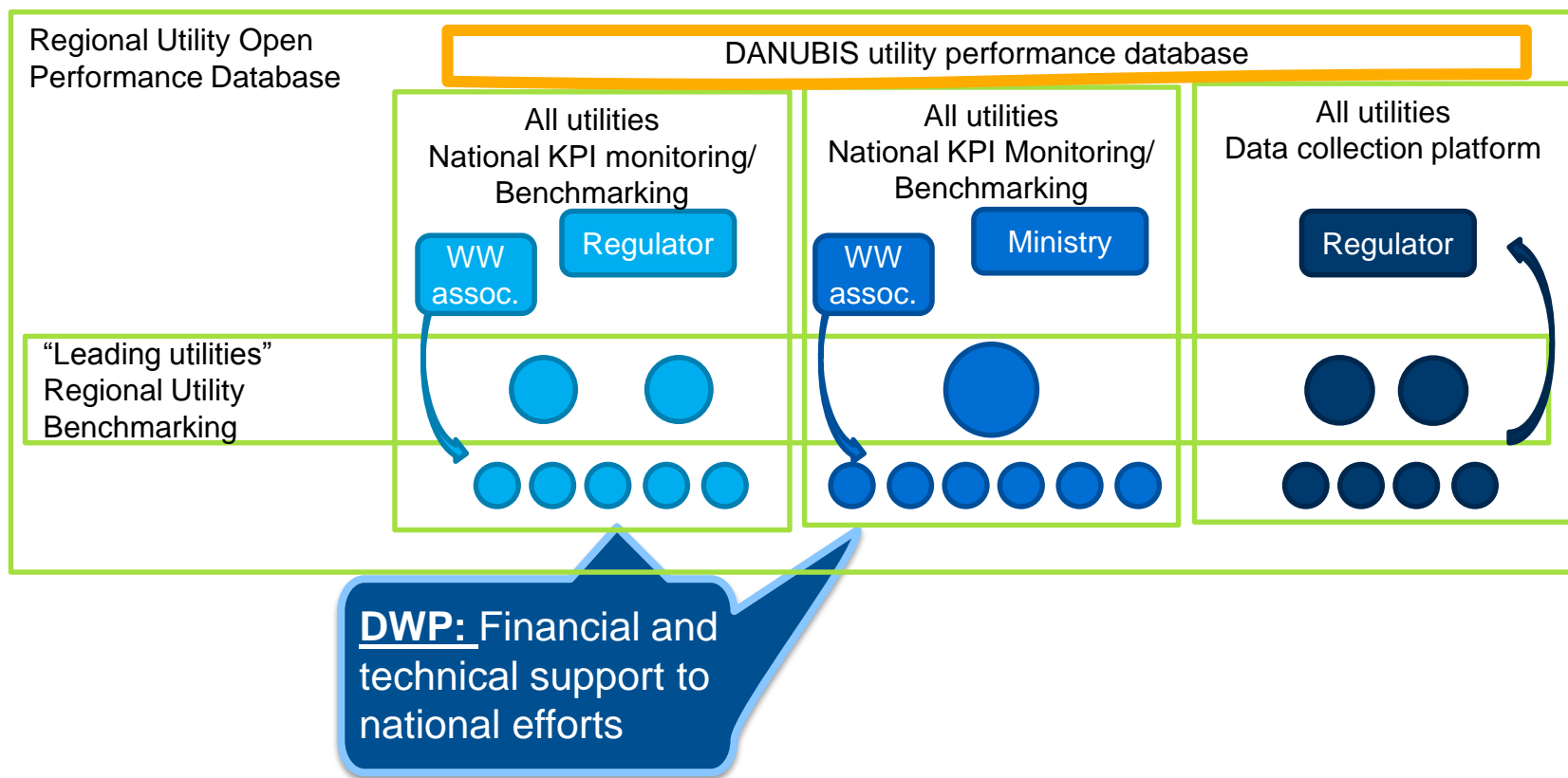
Improvement

IN GENERAL



CONCRETELY: NATIONAL UTILITY KPI DATA COLLECTION AND ANALYSIS

IN GENERAL

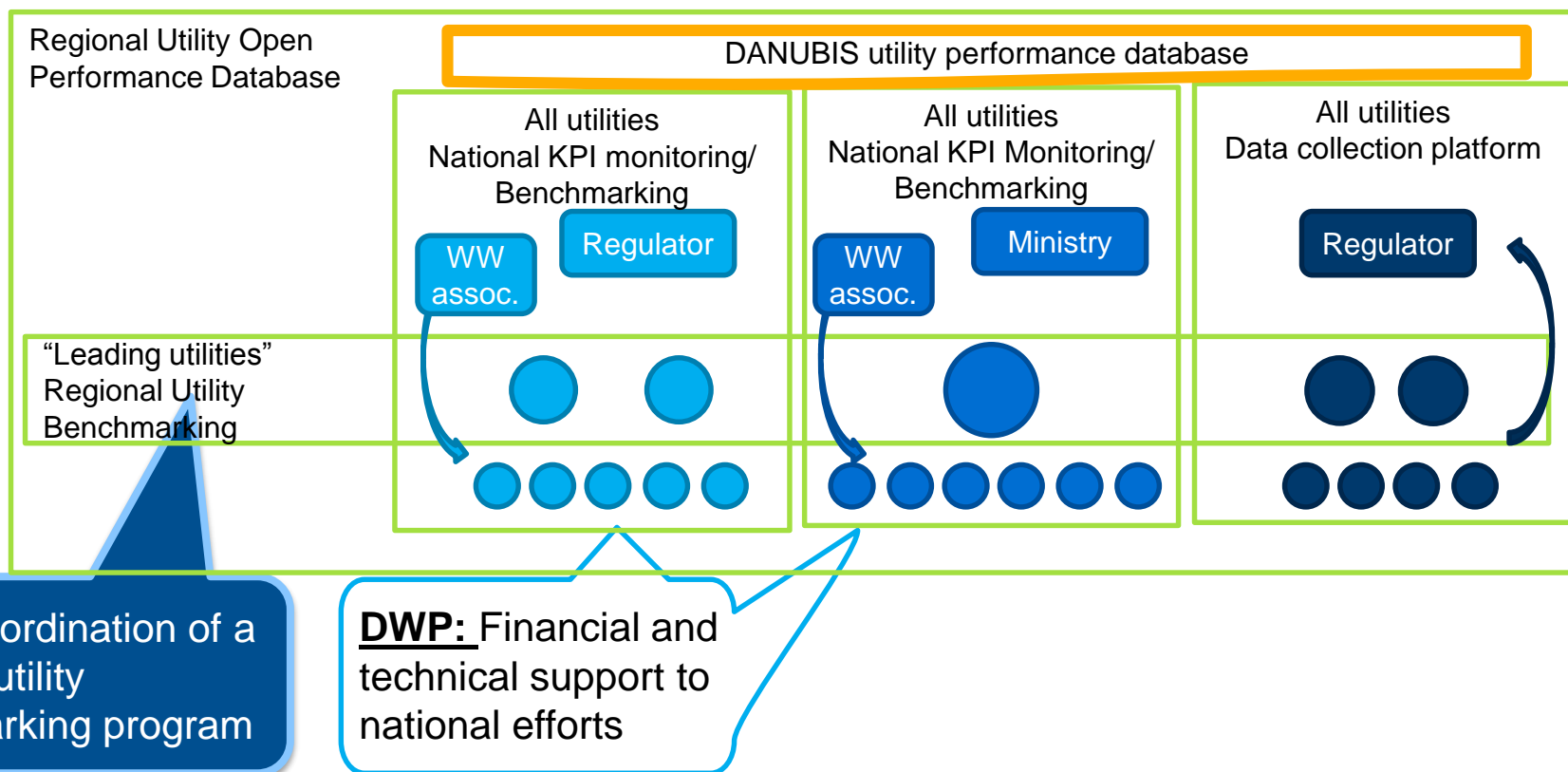


- ▶ Ministry of Construction, Transport and Infrastructure (MCTI),
- ▶ Chamber of Commerce and Industry of Serbia (CCIS),
- ▶ Association of Water Technology and Sanitary Engineering (AWTSE),
- ▶ Association of Waterworks and Sewerage of Serbia (AWSS),
- ▶ IAWD and the WB (DWP)

- ▶ 80+ KPI for water sector companies for 2014 and 2015
- ▶ 134 utilities in 2015
- ▶ Results available in IB-Net platform and Danubis.org
- ▶ Report available to national and international stakeholders and all water sector companies
- ▶ Supporting BiH, Macedonia, Montenegro

CONCRETELY: REGIONAL BENCHMARKING

IN GENERAL

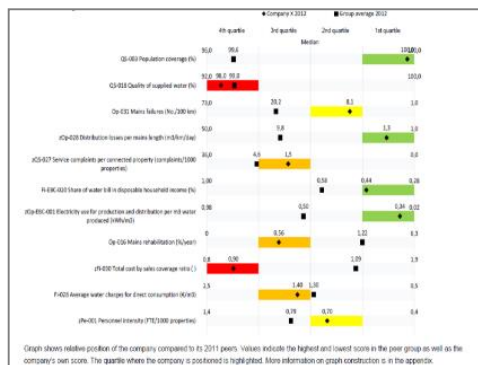
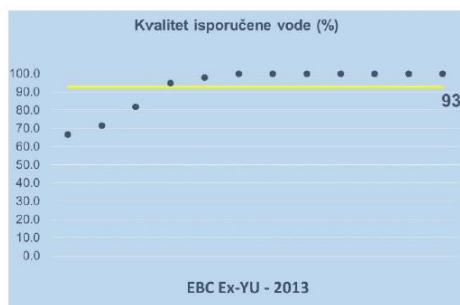
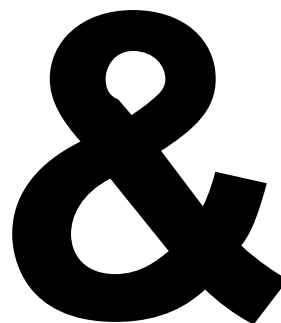


- ▶ Partnership with European Benchmarking Cooperation
- ▶ Focused on utility needs
- ▶ 4 hubs,
8 countries,
57 utilities
- ▶ Partly fee-funded



Assessment

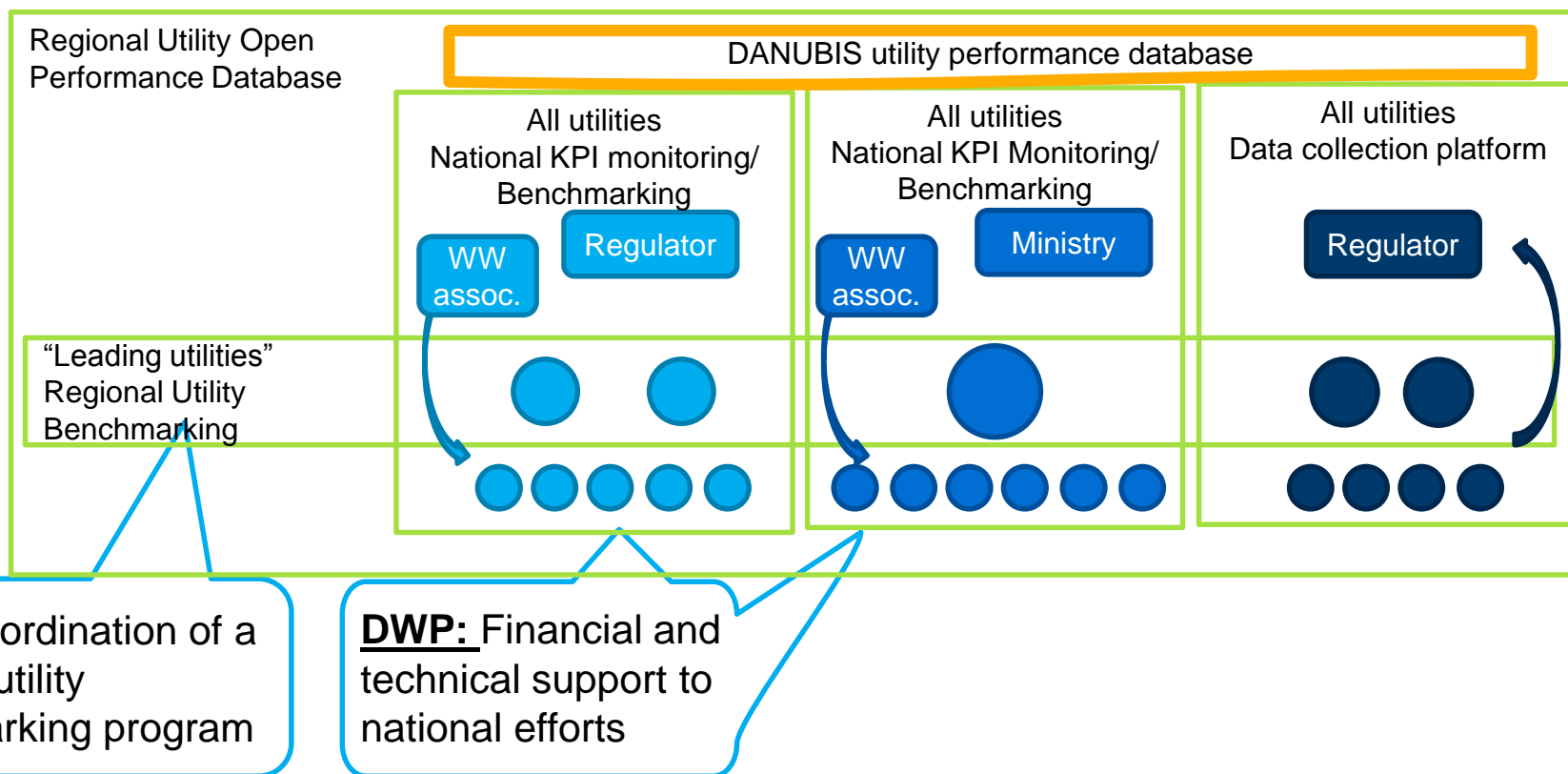
Improvement



CONCRETELY: REGIONAL PLATFORM

IN GENERAL

DANUBIS.org: management of a regional utility performance database accessible to all



The DANUBIS water platform is an online repository of resources for and about water and sanitation utilities in the Danube region.

- ▶ **For Local Governments:** obtain national benchmarks
- ▶ **For utilities:** obtain resources and national / international benchmarks
- ▶ **For regulators, ministries:** make information available; obtain international benchmarks

ENERGY EFFICIENCY

UTILITY RESOURCES

- ▶ Energy efficiency
- ▶ Non-revenue water
- ▶ Tariffs and subsidies

Utility Resources: Energy efficiency

GOOD PRACTICE REVIEW

Jul 01, 2010.

PDF file:

Cost Recovery, Equity, and Efficiency in Water Tariffs

The document reviews the experience with regards to cost recovery equity and efficiency of water tariffs and tariff-setting policies in a range of African countries.

Contributed by David Michaud on February 13, 2015

[Good practice review](#)

REGIONAL ANALYSIS

Feb 01, 2012.

PDF file:

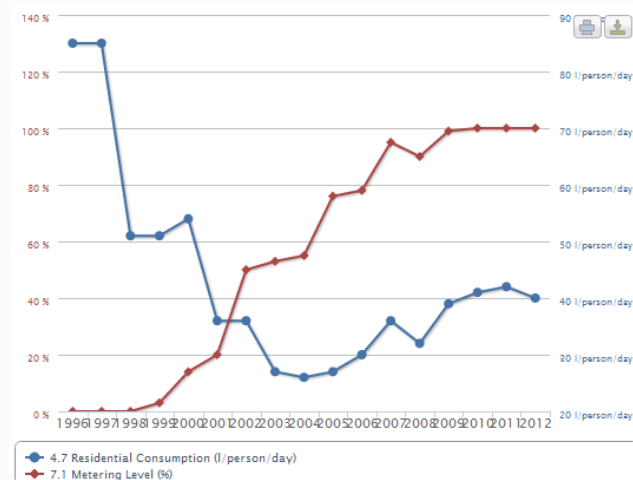
A primer on energy efficiency for municipal water and wastewater utilities

The document provides useful background on how to improve energy efficiency in water utilities, including a thorough discussion of possible procurement methods for the contracting of energy efficiency improvement measures.

Contributed by David Michaud on February 13, 2015

Feng Liu, Alain Ouedraogo, Seema Mangheer, Alexander Danilenko

Moldova, Floresti, Joint-Stock Company Service Communele

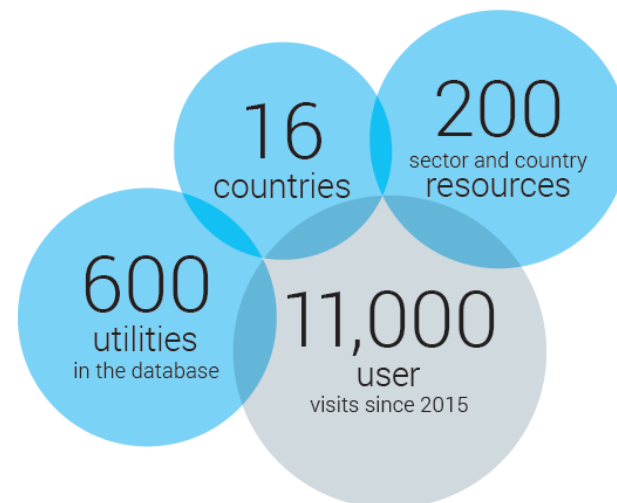


Year	Residential Consumption (l/person/day)	Metering Level (%)
1996	130	0
1997	130	0
1998	60	0
1999	60	0
2000	65	5
2001	35	10
2002	35	15
2003	15	20
2004	15	25
2005	15	30
2006	20	35
2007	35	40
2008	25	45
2009	40	50
2010	45	55
2011	45	60
2012	40	70

DANUBIS.ORG | INITIAL BENCHMARKING WORKSHOP | 26 APRIL 2017 | BELGRADE

WHAT IS DANUBIS.ORG

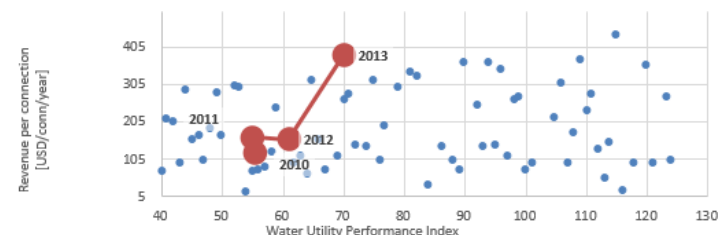
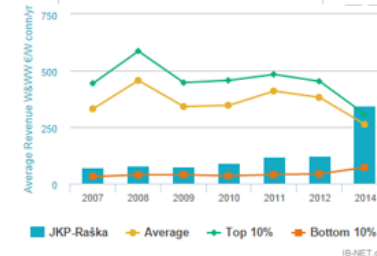
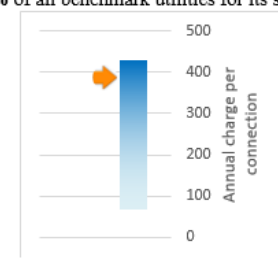
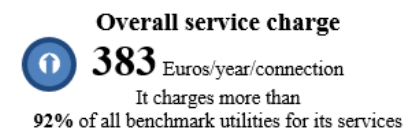
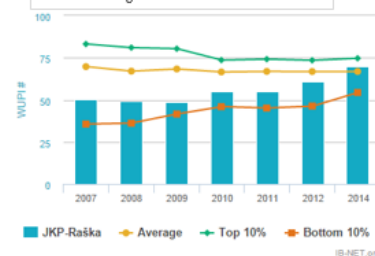
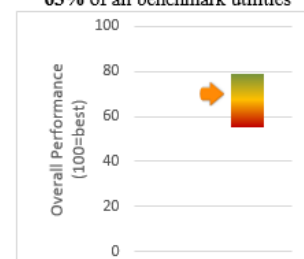
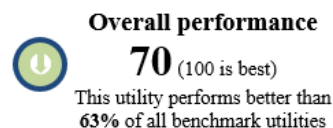
- ▶ The latest news from the sector
- ▶ Overview of current business opportunities in the region
- ▶ Regional and technical resources, reports, publications and manuals
- ▶ Country Portals for BiH, Bulgaria, Kosovo, Macedonia, Montenegro, Serbia
- ▶ All of the sector's events... And much more!



KEY FEATURES

IB-Net Plus

- ▶ Only Danube region
- ▶ In local language
- ▶ With local partners
- ▶ Simple reports
 - ▶ Scorecards
 - ▶ Benchmarking reports
- ▶ Other resources available



CONCRETELY: DATA COLLECTION PLATFORM

IN GENERAL

DANUBIS.org: management of a regional utility performance database accessible to all

Regional Utility Open
Performance Database

DANUBIS utility performance database

All utilities
National KPI monitoring/
Benchmarking

WW
assoc.

Regulator

“Leading utilities”
Regional Utility
Benchmarking

All utilities
National KPI Monitoring/
Benchmarking

WW
assoc.

Ministry

All utilities
Data collection platform

Regulator

EBC: Coordination of a
regional utility
benchmarking program

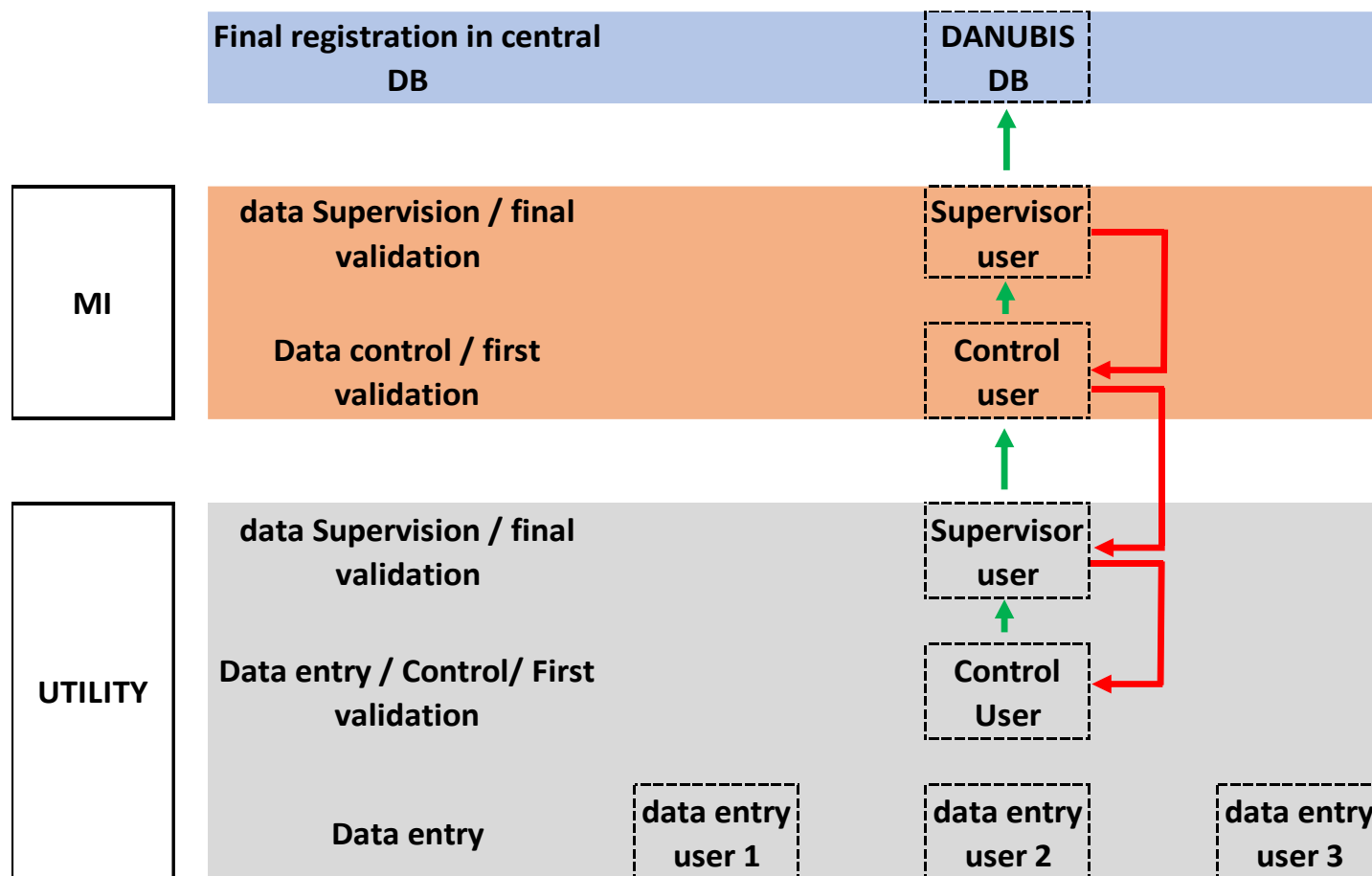
DWP: Financial and
technical support to
national efforts

DANUBIS DCM: Development of
an optional regional data collection
and management platform

OBJECTIVE

- ▶ Empower national institutions
- ▶ Allow utility companies to enter utility performance data in an amicable web interface;
- ▶ Help national institutions check the quality and consistency of the data provided; and manage and safeguard the data in a secure manner;
- ▶ Ensure a linkage to DANUBIS's data platform and the national country systems, for reporting and further processing purpose.

FLOW OF INFORMATION



CONCRETELY: CAPACITY-BUILDING

IN GENERAL

Regulators: Support on performance analysis and regulatory benchmarking

DANUBIS.org: management of a regional utility performance database accessible to all

Associations: Support for stronger role in performance improvement

Regional Utility Open Performance Database

DANUBIS utility performance database

All utilities
National KPI monitoring/
Benchmarking

WW
assoc.

Regulator

“Leading utilities”
Regional Utility
Benchmarking

All utilities
National KPI Monitoring/
Benchmarking

WW
assoc.

Ministry

All utilities
Data collection platform

Regulator

EBC: Coordination of a regional utility benchmarking program

DWP: Financial and technical support to national efforts

DANUBIS DCM: Development of an optional regional data collection and management platform

- ▶ **Training courses on Benchmarking**
 - ▶ Regulators and Ministries
- ▶ **Knowledge exchange**
 - ▶ Annual DWC conference
 - ▶ DANUBIS Steering Group
- ▶ **Concrete support to involved institutions**
 - ▶ National Associations
 - ▶ Hubs

IS IT WORKING?

TOO EARLY TO TELL, BUT...

- ▶ **Increase data availability and use:**
 - ▶ More data in IB-Net (2013-2014: +60%)
 - ▶ Visits to DANUBIS in 2015 (+160%, 7600)
 - ▶ Visits to DANUBIS in 2016 (- 31%, 5300)
- ▶ **Moved discussion** from “whether” to “how”:
 - ▶ 4 countries actively building national system
 - ▶ 4 hubs continuing utility benchmarking
- ▶ **Created demand** for more comprehensive capacity-building partnership

SOME TAKE AWAYS...

- ▶ Benchmarking as a mean, not an end
- ▶ Flexibility - several entry points
- ▶ Value for all
- ▶ Benchmarking as part beginning of a process
 - ▶ Regulatory: application and enforcement
 - ▶ Utility: acting on improvement areas
 - ▶ Increased transparency as an incentive for improved performance for LGA and utilities
- ▶ Institutions and capacity needed
 - ▶ For regulatory benchmarking
 - ▶ For utility benchmarking



THANK YOU

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