

Experiences of regulation of rural water supply and its role in formalizing service delivery

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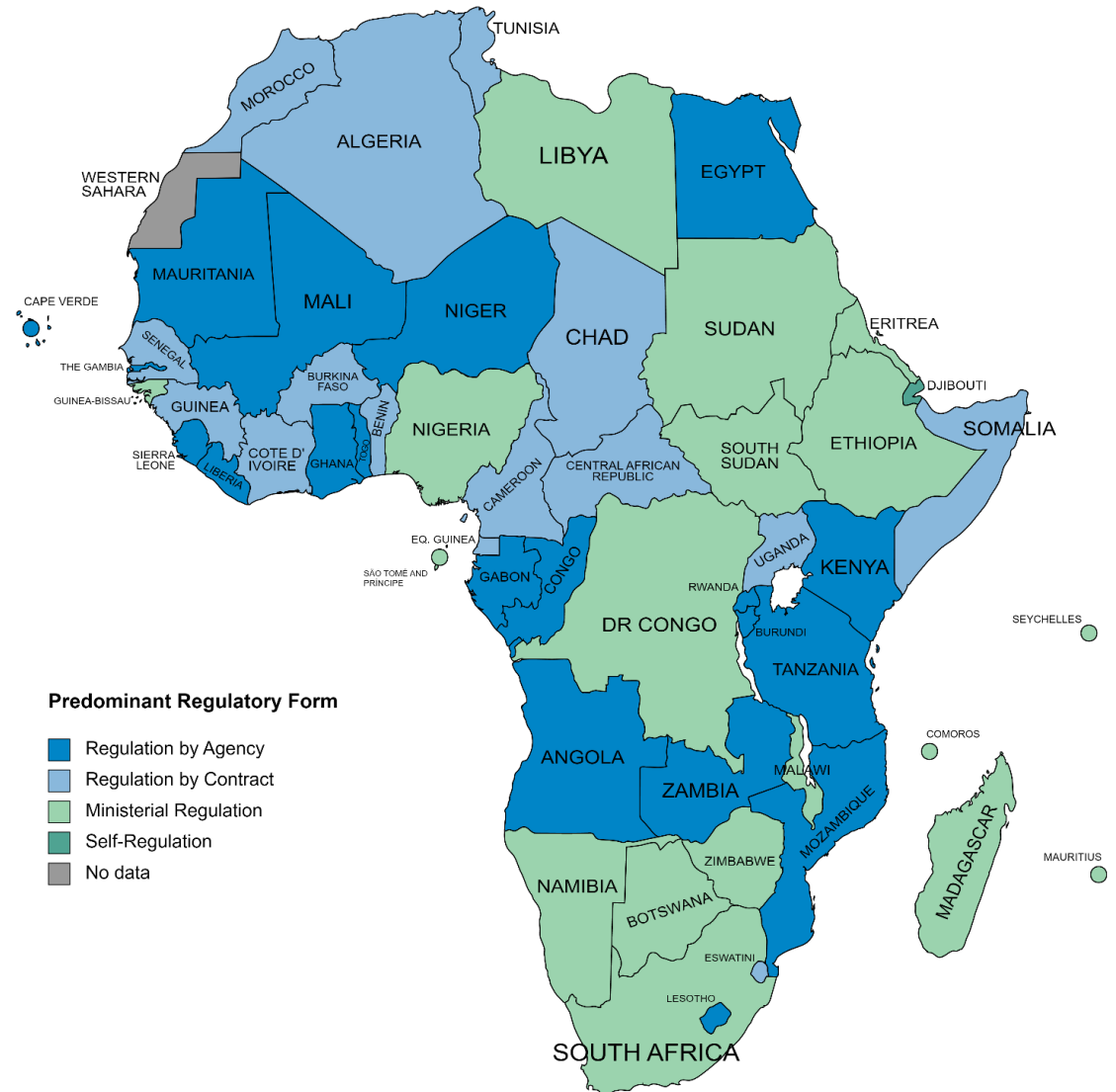
Enforcing the rules of the game



- Regulation is key to formalization of service provision
- But not just about sanctions - important role in building capacity and effectiveness of operators
- Emerging examples of regulators supporting climate change adaptation

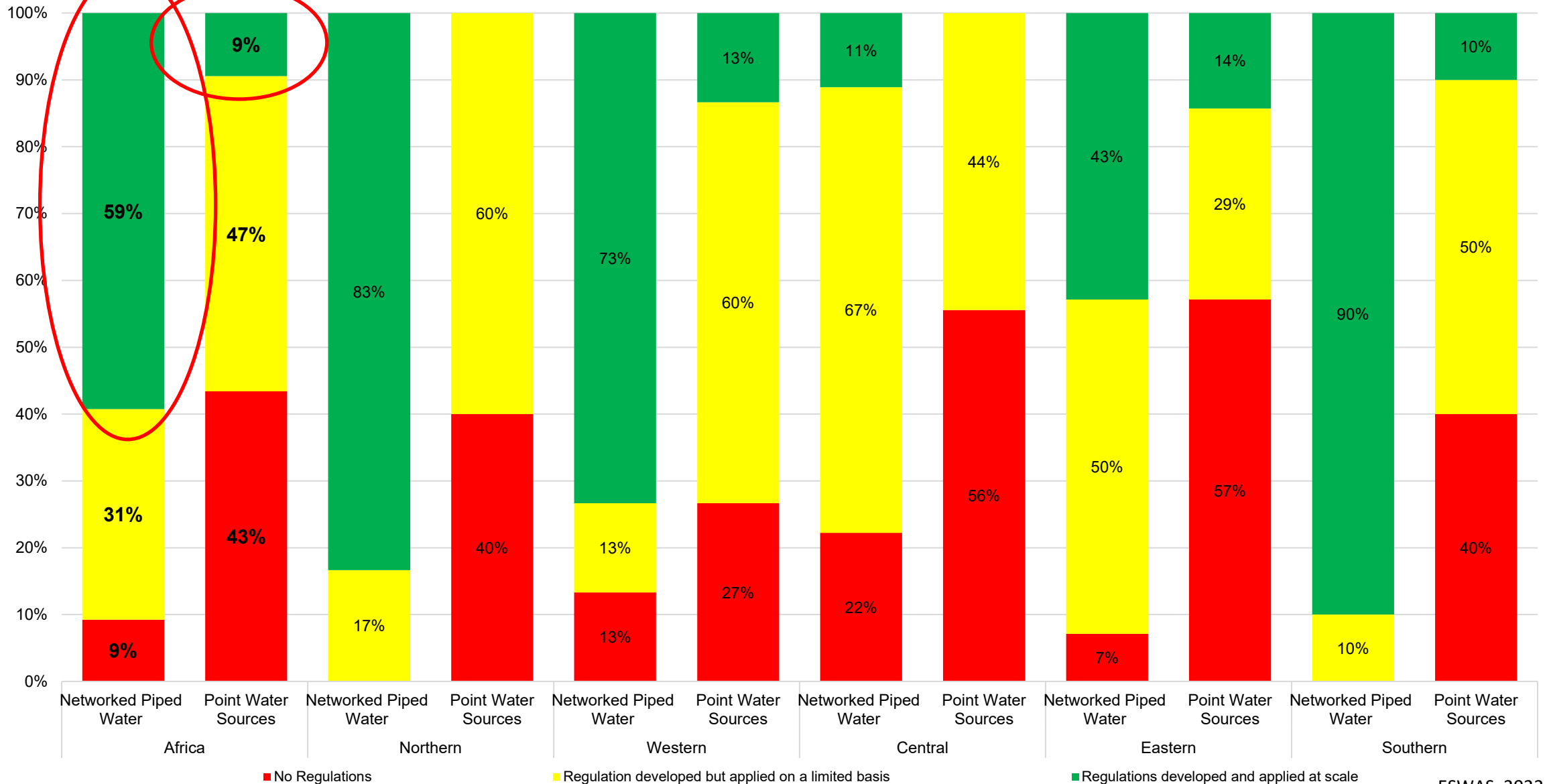
REGULATORY MODELS

- Most countries have a **mixed arrangement based on combination of regulatory models** for different WSS sub-sectors, service providers or service delivery types.
- Predominant regulatory model refers to the regulatory model under which the **primary service provider** in each country is regulated.
- **Predominant regulatory model:**
 - 37% = Regulation by Agency
 - 28% = Regulation by Contract
 - 33% = Ministerial Regulation
 - 2% = Self-Regulation



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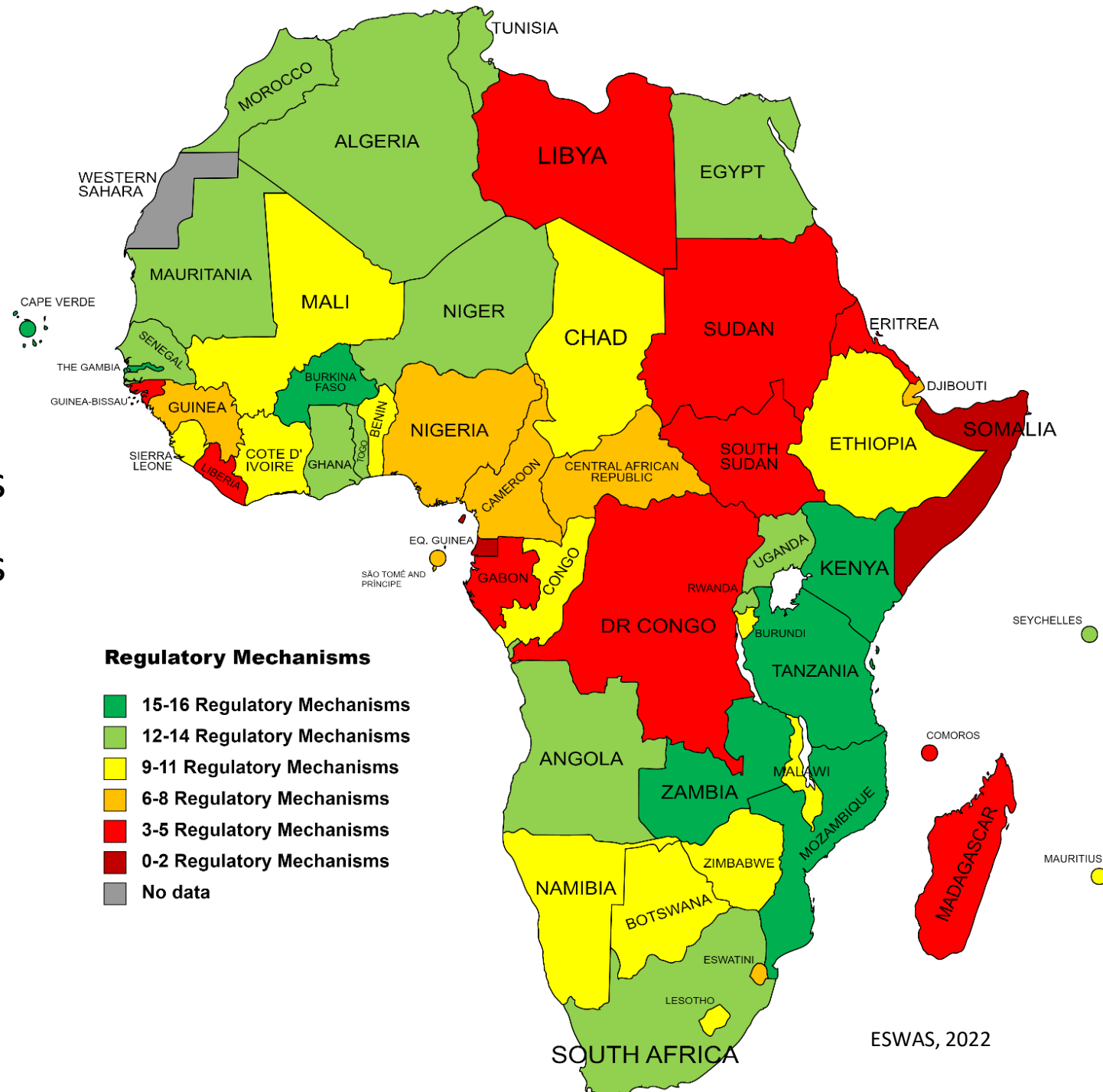
SPHERES OF REGULATION: WATER SUPPLY



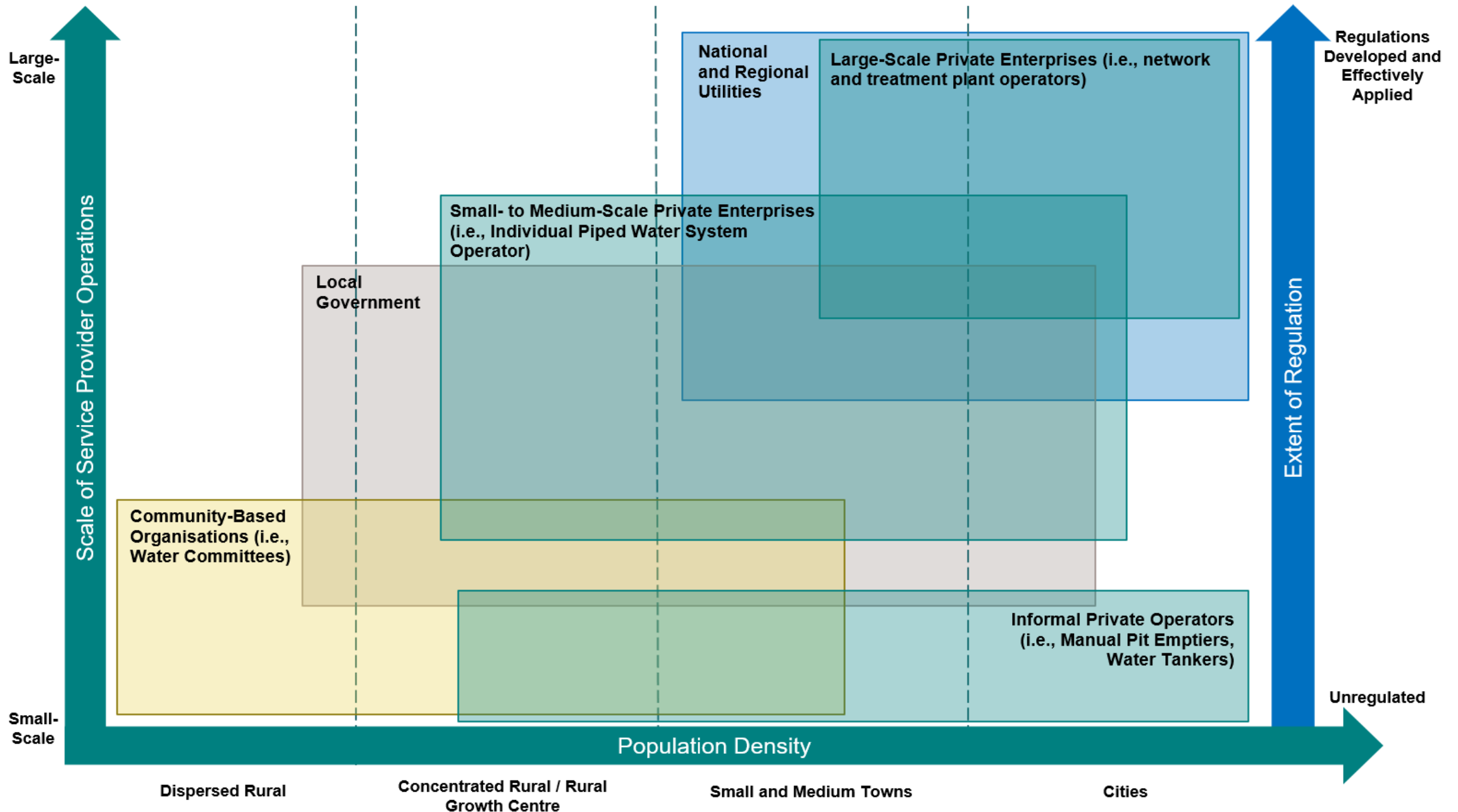
REGULATORY MECHANISMS

Significant variance between countries:

- 13% = **15-16** regulatory mechanisms
- 26% = **12-14** regulatory mechanisms
- 26% = **9-11** regulatory mechanisms
- 13% = **6-8** regulatory mechanisms
- 20% = **3-5** regulatory mechanisms
- 4% = **0-2** regulatory mechanisms

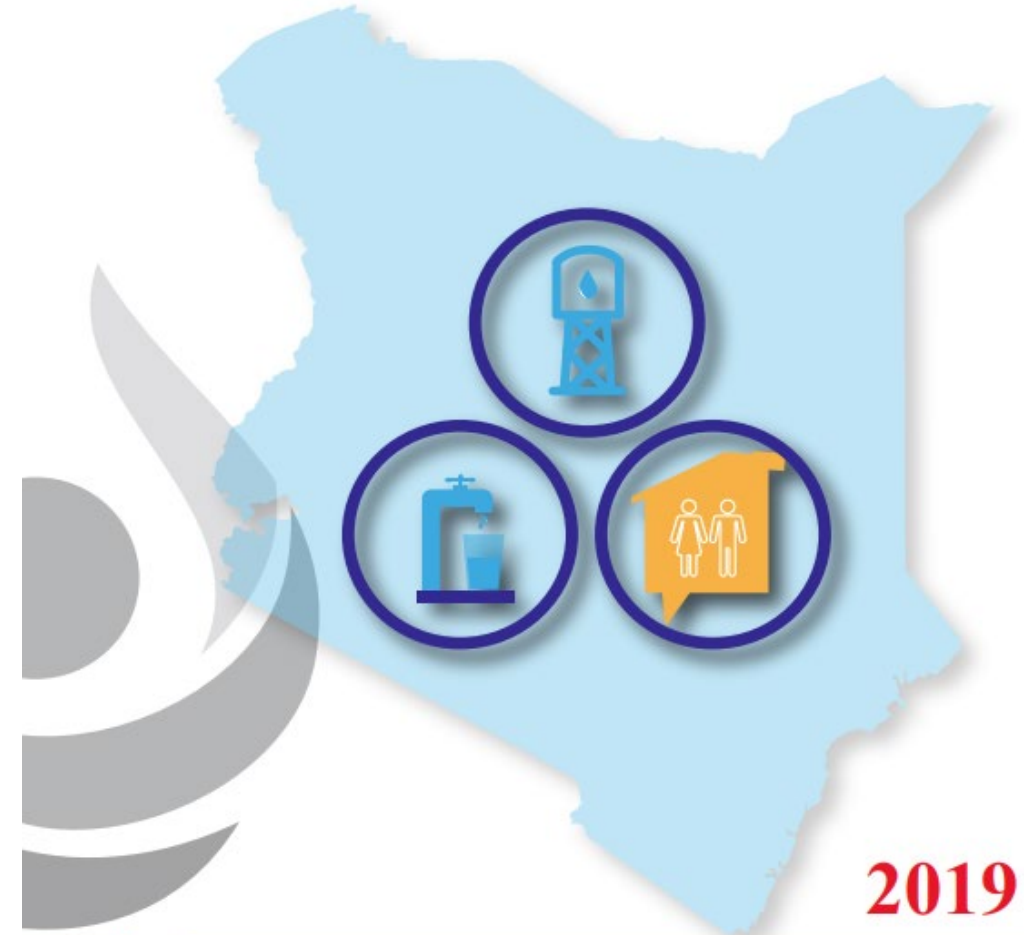


REGULATION APPLIED TO LARGER MORE FORMALISED OPERATORS



GOOD PRACTICE: WASREB, KENYA

- Well-developed regulatory arrangements, particularly for urban water, based on **regulation by agency**
- Comprehensive set of regulatory mechanisms spanning guidelines, monitoring reporting and application of sanctions and incentives
- Annual reports and impact reports on utility performance and benchmarking – water services awards for top performances
- Expanding regulatory frameworks into rural areas – new guidelines issued in 2019, but not yet fully operationalised:
 - Sub-national publicly owned utilities (88)
 - Community based organisations and local private operators (unknown numbers)
- Currently carrying out **country-wide inventory** of small scale service providers



REGULATION: A FLEXIBLE TOOL APPLIED IN OECD CONTEXTS

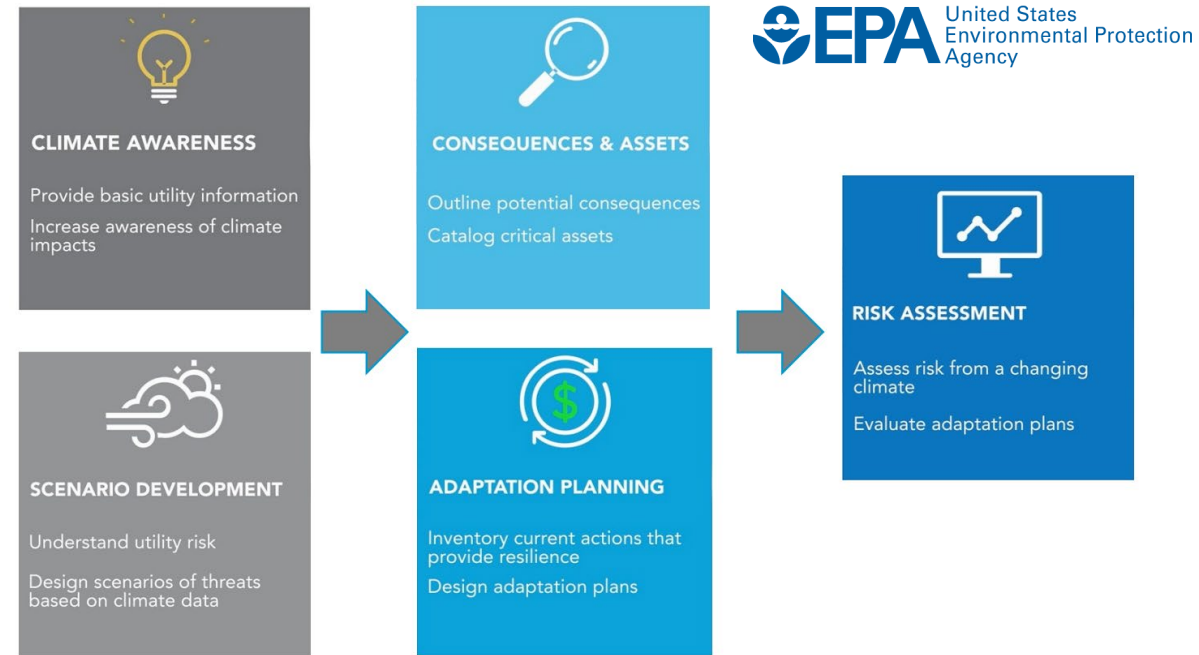
Regulation - with a focus on public health - has been key driver for improvement in service delivery, but:

- Recognizes unrealistic/unachievable compliance burden for small scale operators
- Not directly taken from urban - revised performance criteria with some exemptions for small scale water supply schemes
- Accompanied by compliance support programmes and technical training

- 1 in 10 citizens of the EU receives drinking-water from small or very small systems.
- USA - nearly 50,000 community water supply schemes serving ~ 30 million residents,, more than half of which are facilities serving fewer than 500 people(US EPA, 2019).
- EC directive establishes different drinking-water supply categories and monitoring frequencies with minimum annual frequency of sampling for compliance monitoring of E. coli:
 - systems supplying ≤ 100 m³ /day: >0 samples;
 - systems supplying >100 m³ /day to ≤ 1000 m³ /day: 4 samples;
 - systems supplying >1000 m³ /day: 4 samples plus 3 additional samples for each 1000 m³ /d and part thereof of the total volume
- Finland has issued separate legislation for regulating small-scale supplies with serving < 50 consumers or providing < 10 m³/day

REGULATION AS A TOOL TO SUPPORT CLIMATE CHANGE ADAPTATION

- Environmental Protection Agency's **Climate Resilience Evaluation and Awareness Tool** or CREAT (USA)
- Practical tools, training, and technical assistance needed to increase resilience to climate change

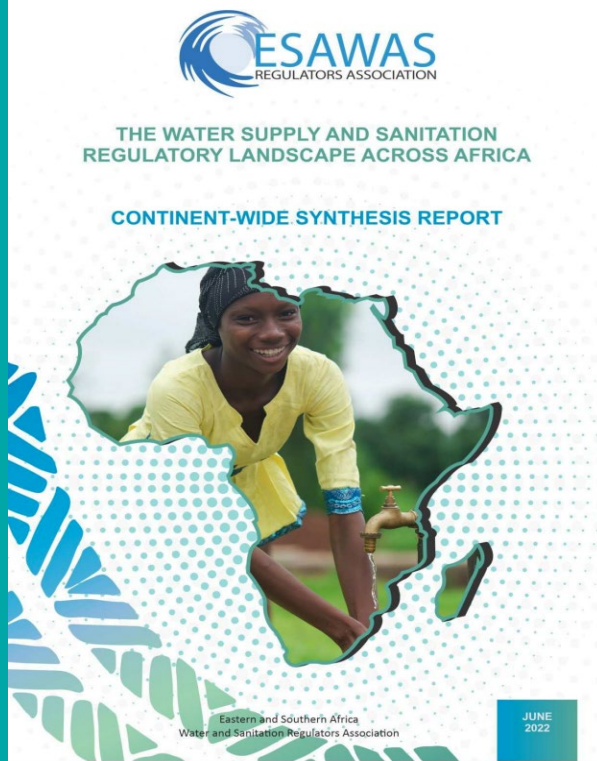


- In Perú operators must now undertake **Planes de Mitigación y Adaptación al Cambio Climático** as part of broader risk management
- Diagnosis of threats and vulnerability of climate change and plans for adaptation measures

POLICY IMPLICATIONS FOR STRENGTHENING REGULATORY ARRANGEMENTS



- Clear gap in regulatory arrangements with current **bias towards water over sanitation and urban over rural**, and need to address point source service delivery
- Good practice examples found under different regulatory models with better performance most commonly found under regulation by agency
- Regulation needs to be flexible with **no one size model** for all types of operators but ESAWAS study shows African regulators are innovating – e.g. Tanzania regulations for non-conventional water sources
- Building effective regulatory arrangements, institutions and instruments takes time – think decade, not a couple of years, plus adequate resourcing (\$)
- **Public health regulation**, with a focus on water quality, has been a key driver of change historically but **climate change adaption** is now also emerging as a key focus for regulators



Download the ESAWAS regulatory report:

<https://www.esawas.org/index.php/news/128-report-released-wss-regulation-landscape-across-africa>

[Climate Resilience Evaluation and Awareness Tool \(CREAT\) Risk Assessment Application for Water Utilities](#)
| US EPA

[Gestión del Riesgo de Desastres \(GRD\) y cambio climático \(CC\) - Sunass](#)

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