



Water Regulatory Governance across Europe



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WAREG

President's message



The application of economic regulation theory and tools to the water sector is relatively new in most European countries. It is only after the year 2000 that, with few exceptions, new regional and national authorities were created or received new competencies to supervise the efficiency and the quality of water and wastewater services in Europe.

In the same year, a Directive was adopted by the European Parliament and the Council of the European Union to establish a single framework for Community action in the field of water policy; the so-called EU Water Framework Directive, set target standards to protect water resources and to promote their efficient usages.

Today, the water resources of our Continent are protected also by other European Directives and Regulations, that however need to be adapted to the pressing challenges, from climate change to water availability. In fact, universal access to water can be hampered not only by “natural” incidents like droughts or floods, but also by “structural” factors, like the poor conditions of water infrastructures or the inadequacy of water services.

In WAREG, the European Association of public Authorities with supervisory and tariff-setting powers on the drinking water and wastewater sectors, we are aware that access to water is not only a right, but also an essential service for the almost 330 million citizens under the supervision of our Members. As regulators, we also know that the provision of high-quality drinking water and wastewater services depends on high capital and operational costs that need to be recovered, whether through tariffs, taxes or transfers, at economically affordable prices for households.

The decisions on final prices for water services are often taken by local institutions, and they are influenced by the governance arrangements in place at the national or the regional level. In WAREG, we exchange best practices on the different regulatory tools used in Europe to balance the needs of the customers and the water industry, while promoting innovation and environmental sustainability.

I am glad to launch the WAREG report series, aimed at informing water sector experts and stakeholders, European Institutions and International Organisations on the role of water regulatory agencies vis-à-vis the EU water policy, the water industry, the customers and the preservation of water resources.

I invite you to read all our publications at www.wareg.org.

Andrea Guerrini

Board Member,
Italian Regulatory Authority for Energy,
Networks and Environment (ARERA)
and WAREG President

INTRODUCTION

WAREG is the European association of public Authorities with national or regional responsibilities to overview and regulate the water and wastewater sectors in the European Union and its neighboring Countries. Created in April 2014, it is made-up by independent regulators, competition authorities, ministerial departments, and regional governments.

We aim to understand the key challenges in the drinking water and wastewater sectors, and the most suitable public instruments to stimulate efficient costs, effective investment, and innovation. We are concerned to increase the quality of water and wastewater services, at fair prices for final customers and with a sustainable impact on the industry and the water resources.

Any public entity with supervisory powers at national or regional level on the water and/or wastewater sector, can join WAREG as a Member or an Observer, hence participate in the life of the Association and exchange best practices on regulatory instruments, sector data analysis and governance arrangements all over Europe.

The Association is governed by the Assembly of Members and the Board. The Secretariat is in Milan (Italy), hosted by the Regulatory Authority for Energy Networks and Environment (ARERA), with an institutional office in Brussels (Belgium), hosted by the Brussels Energy Regulatory Commission (BRUGEL).

WAREG's mission is to explain the different regulatory tools in place in Europe, to support the most effective implementation of the European directives and regulations in the water sector.

You are welcome to follow us on LinkedIn and the public website www.wareg.org, and to subscribe to our monthly newsletter.



Country profiles

Albania



COUNTRY DATA

Area
28.748 Km²

Population
2,83 M

Population density
98 inhab./km²

Per capita consumption
81 l/p/d

SECTOR DATA

No. Operators WSS sector
57

Sector Turnover
79,4 M€

No. employees
8.425



The Regulator

WRA is the Albanian Water Regulatory Authority (WRA) established in 1998 as an independent Regulatory Authority. It employs 28 people, including 5 members of the Commission, with an annual budget of 325.000 €.

As the national Regulatory Authority, WRA's mission is to ensure that water supply and sewerage service providers deliver the highest possible quality at a fair price and financially sustainable manner.

As the Regulatory Authority for water, WRA main responsibilities are:

- to issue licenses for commercial entities engaged in providing water supply service to the benefit of the population;
- to approve water sale prices and tariffs, both wholesale and retail, tariffs for wastewater and its treatment, schedules, and conditions for the service offered by the operators, who provide water for public consumption;
- to set standards for investments and assets sale from the licensees in the water supply and sewage sector;
- to establish and guarantee the implementation of work standards for licenses;

- ◆ to ensure that service providers deliver good quality and at a reasonable price;
- ◆ to regulate service tariffs in a way that ensures service providers' financial sustainability as well as affordability for customers;
- ◆ to encourage uniform standards and rules for the entire sector; and
- ◆ to issue rules that support the execution of the competencies and functions regarding water supply and wastewater disposal and treatment.

Legal Framework

The main legislation on the water sector of Albania is the following one:

- ◆ Law No. 8102, dated 28.03.1996, as amended, "On the Regulatory Framework of Water Supply and Wastewater Disposal and Treatment Sector";
- ◆ Law No. 9902, dated 17.04.2008, as amended, "On Consumer Protection";
- ◆ Law No. 8480, dated 27.05.1999, "On Functioning of Collegial Bodies of State Administration and Public Authorities"; and
- ◆ Water Code, DCO No. 1304 dated 11.12.2009.

Institutional Framework

The water sector is organised as a two-tier system, with the national Government being responsible for sector strategies and policy development and local governments for service provision.

THE CENTRAL GOVERNMENT has the primary role of channelling donor and treasury funds for capital improvements, based on needs assessment through National Master Plans and needs expression by local governments.

THE MINISTRY OF INFRASTRUCTURE AND ENERGY (MIE) is the line Ministry responsible for the Water Sector in Albania. MIE is responsible for setting the main priorities of the water sector, such as development and implementation of the Water Sector Reform, ensuring technical assistance in support of water supply and sewerage companies.

THE NATIONAL AGENCY OF WATER SUPPLY, SEWERAGE AND WASTE INFRASTRUCTURE (AKUM) is a legal, individual and budgetary unit under the MIE, representing only specialised Government technical institutions in the water supply and sewerage sector. Its principal duties and responsibilities include implementing the investments in the sector and proposing drafting policies, strategies, and action plans in the sector.

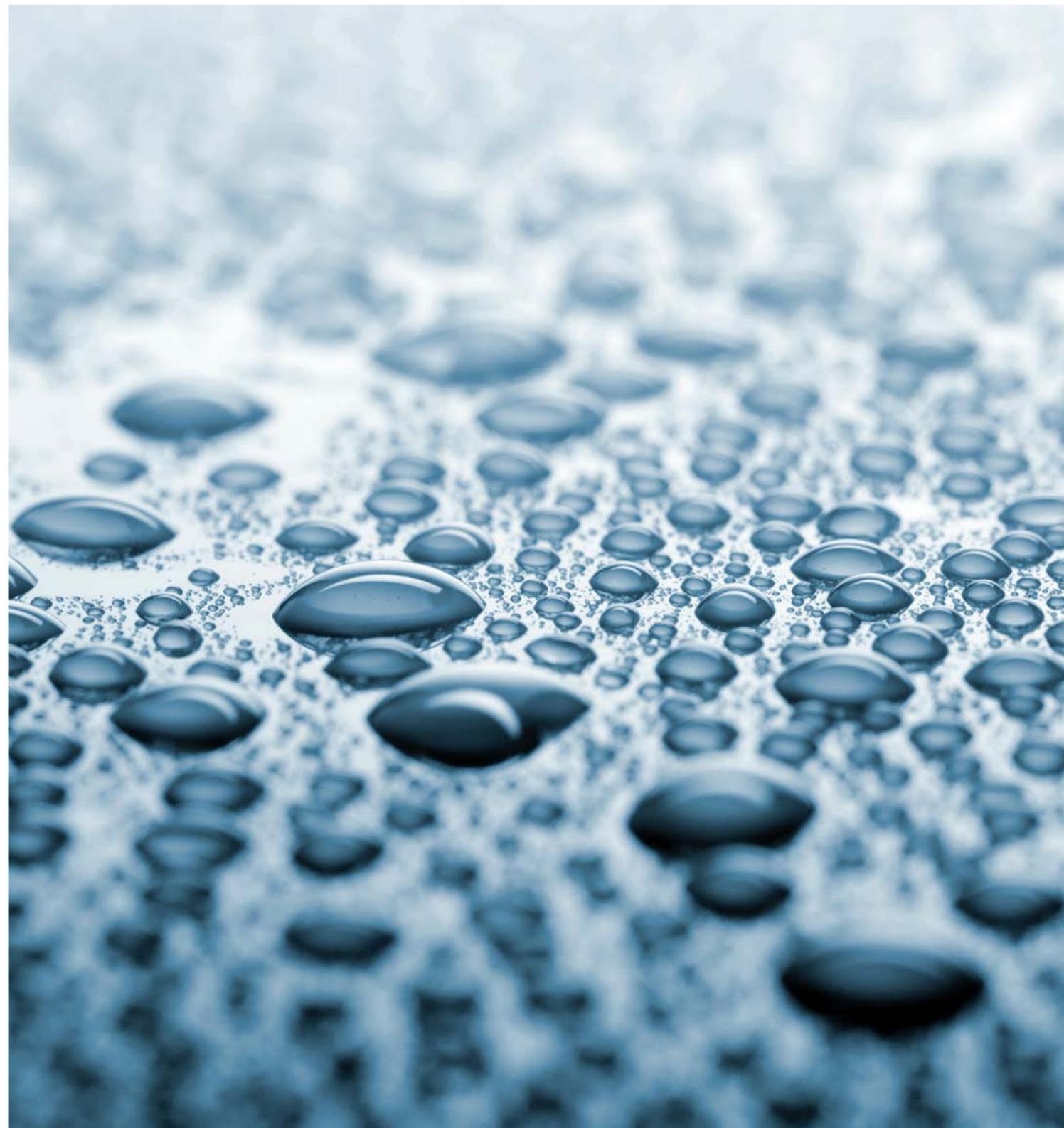
THE NATIONAL WATER COUNCIL (NWC) is a central decision-making authority in water resource administration in the Republic of Albania. The NWC is the main inter-institutional body chaired by the Prime Minister of Albania. The members from the line ministers are responsible for drafting policies and plans for integrated water resource management.

THE WATER RESOURCES MANAGEMENT AGENCY (WRMA) is the executive Authority of NWC, responsible for developing and implementing policies and strategies related to integrated water resources in Albania. The agency also plays the role of Technical Secretariat of the National Water Council.

THE RIVER BASIN COUNCILS (RBC) are set up under the WRMA based in 6 main rivers. The chairman of the RBC is the region's largest prefecture where the water basin is located.

THE INSTITUTE OF PUBLIC HEALTH at the Ministry of Health defines standards for drinking water quality.

LOCAL GOVERNMENT UNITS (Municipalities) are the owners of water utilities and are responsible for water supply and wastewater services in their territorial area. Albania is organised local level into 61 municipalities.



Armenia



COUNTRY DATA

Area

29.743 Km²

Population

2,98 M

Population density

100,86 inhab./km²

Per capita consumption

164,19 l/p/d

SECTOR DATA

No. Operators WSS sector

1

Sector Turnover

16,6 M€

No. employees

N.A.



The Regulator

The Public Services Regulatory Commission (PSRC) is a multi-sector regulator for energy, telecommunications, water, postal services, and railways. The PSRC is an independent body with adjudicatory or rule-making powers. The PSRC was established in 2004 and employs 13 people.

As the Regulatory Authority for water, PSRC main responsibilities are:

- to provide license in the field of drinking water supply and wastewater services according to the licensing procedure;
- to establish tariffs for drinking water supply and wastewater services and their calculation methods, taking into account the following:
 - changes in the volume of water supply;
 - changes in inflation rates; and
 - changes in electricity tariffs.
- to set rules of drinking water supply and wastewater as well as model contracts with the consumers;

- to define model contracts or mandatory conditions for drinking water supply and sanitation between licensed persons and customers;
- to arrange discussions based on the questions and complaints in the prescribed manner and make decisions as a result of the discussions;
- to set up accounts and sub-accounts for licensees to submit regulatory reports on their activities;
- to define the minimum requirements for customer service quality;
- to monitor the fulfilment of the license provisions to control licensing activities of licensed persons and impose penalties;
- to ensure the enforcement of PSRC resolutions and monitor the implementation and commenting of such resolutions.

Legal Framework

The main legislation on the water sector of Armenia is the following one:

- Updated Water Code (2002);
- Law on Water User Associations and Federations of Water User Associations (2002);
- Law on the Fundamental Provisions of the National Water Policy (2005);
- Law on the National Water Program (2006); and
- Law on the Regulatory Body for Public Services (2003);

Institutional Framework

THE PUBLIC SERVICES REGULATORY COMMISSION OF THE REPUBLIC OF ARMENIA sets tariffs.

THE ARMENIA STATE HYDROMETEOROLOGICAL AND MONITORING SERVICE monitors the quality of Surface-water.

THE ARMENIA STATE HYDROMETEOROLOGICAL AND MONITORING SERVICE monitors the Surface-water quantity.

THE ENVIRONMENTAL IMPACT MONITORING CENTER NATURE PROTECTION monitors the Surface water quality.

THE HYDROGEOLOGICAL MONITORING CENTER NATURE PROTECTION monitors ground-water quantity and quality.

THE STATE HEALTH INSPECTORATE HEALTH CARE monitors drinking water sources and quality.

THE STATE ENVIRONMENTAL INSPECTORATE NATURE PROTECTION monitors water use and pollution discharge.

THE WATER RESOURCES MANAGEMENT AGENCY (WRMA) has the task of monitoring and allocating water resources, strategic management, and protecting water resources.

THE STATE COMMITTEE ON WATER SYSTEMS (SCWS) has the task of managing water systems under State ownership, supporting the establishment of water user associations and unions of water users, and arranging tenders on the management of water systems;

Belgium *Brussels*



COUNTRY DATA

Area

162 Km²

Population

1,2 M

Population density

7.501 inhab./km²

Per capita consumption

85 l/p/d

SECTOR DATA

No. Operators WSS sector

2

Sector Turnover

N. A.

No. employees

~ 1.500

Legal Framework

The main legislation on the water sector of the Brussels-Capital Region is the following one:

- ◆ Water Framework regional law (Ordonnance établissant un cadre pour la politique de l'eau, 2006, in French); and
- ◆ Drinking water supply law for the Brussels-Capital Region (Ordonnance réglementant la fourniture d'eau alimentaire distribuée par réseau en Région bruxelloise, 1994, in French).

Institutional Framework

The water sector in Belgium is institutionally managed at the regional and local levels. Although, the management of some projects is done at the water basins scale by coordinating the regional institutions/operators.

In the Brussels-Capital Region, the regional coordination body is composed of the operators and Brussels Environment (Government Agency), where they regularly meet to discuss and tackle water issues.

THE BRUSSELS GOVERNMENT validates operators' investment plans and can subsidise the water sector, which impacts water tariffs.

BRUSSELS ENVIRONMENT is responsible for monitoring the level of compliance with EU Directives and Regulations.

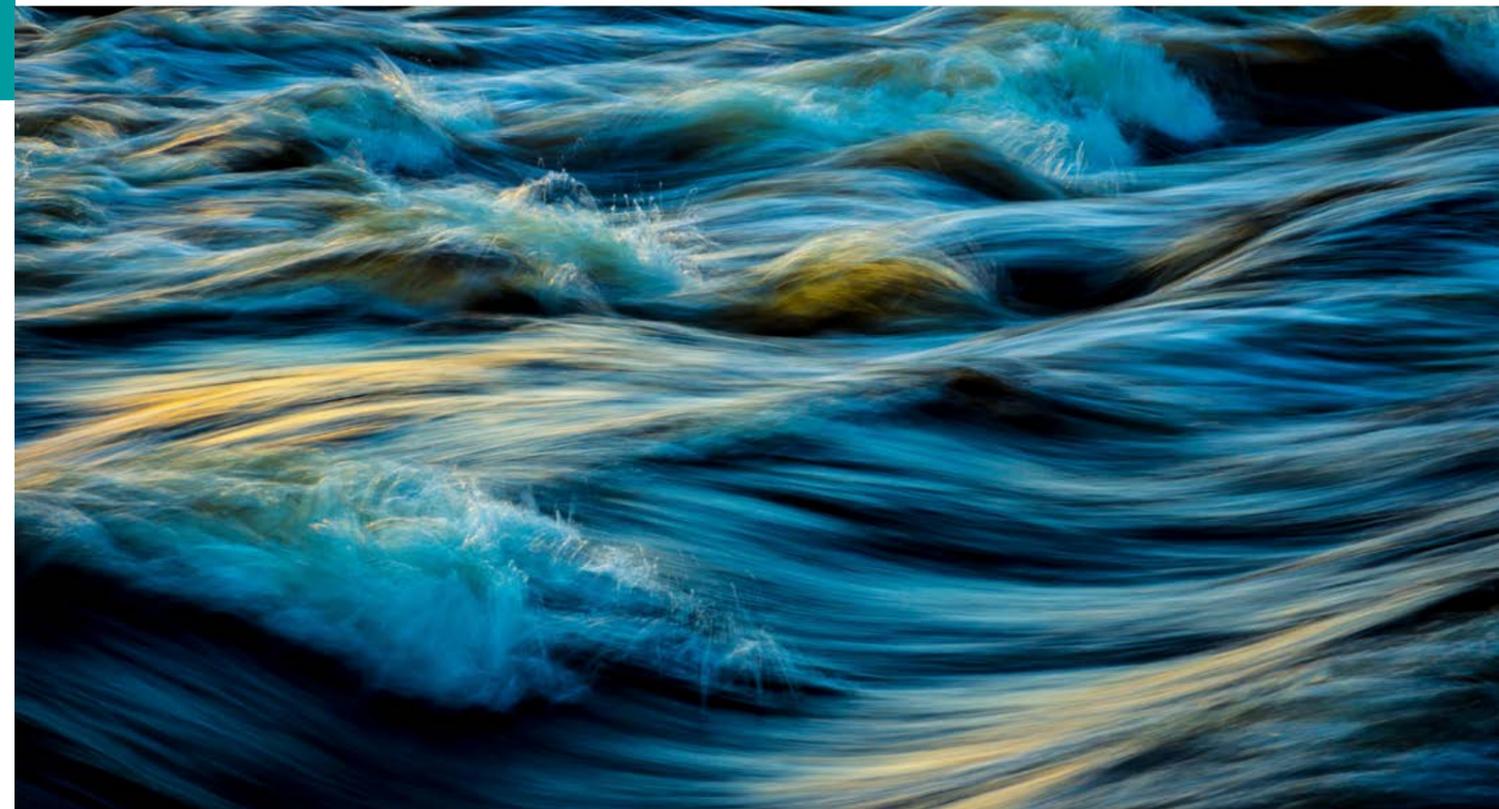
OPERATORS build, renew and manage the water infrastructure to deliver drinkingwater and sanitation services to the consumers. Water tariffs (and subsidies) cover the costs of these activities.

The Regulator

BRUGEL is the Brussels regional Regulatory Authority for electricity, gas and water price. It was established in 2018 (for the water sector) and employs ~35 people with an annual Budget of 1,2M € for water (5,5 M€ for all sectors).

As the regional Regulatory Authority for water, BRUGEL main responsibilities are:

- ◆ the setting and control of water tariffs;
- ◆ the collection of information from the operators;
- ◆ the approval of the contract between the operator and the consumer (General terms and conditions of sale);
- ◆ the mediation to resolve disputes between operators and consumers;
- ◆ the publication of best practices; and
- ◆ the auditing of operators.



Belgium *Flanders*



COUNTRY DATA

Area

13.625 Km²

Population

6,6 M

Population density

483 inhab./km²

Per capita consumption

87 l/p/d

SECTOR DATA

No. Operators WSS sector

7

Sector Turnover

702 M€

No. employees

2.956

FLANDERS
ENVIRONMENT AGENCY

The Regulator

The Flemish Environment Agency (VMM) was established in 2010 and employs 5 people as a single-water sector regulator and as a sub-entity Agency of the Flemish Government.

As the regional Regulatory Authority for water, VMM main responsibilities are:

- ◆ to provide inventory, assessing, advising, and reporting on all matters related to water intended for human use;
- ◆ to advise the Flemish Government on:
 - ◇ appropriate and efficient mechanisms for harmonisation, transparency, separation of functions and regulation relating to the production, import, transit, distribution, pricing, and the use of water intended for human use, provided by operators of a public water distribution network;
 - ◇ the development and implementation of the public service obligations;
 - ◇ the investment plans in water distribution networks, the production, the import and transit of water intended for human use by the operators of public water distribution network;

- ◇ on the general water sales regulation;
- ◇ the cost structure, accounting, and related yardstick competition from operators of public water distribution network; and
- ◇ the introduction of a standard system for sustainable water use.
- ◆ to compare inclusive cost structure, accounting and related yardstick competition, the performance, and efficiency of the operators of public water distribution networks;
- ◆ to conduct research and studies related to the tasks;
- ◆ to monitor the level of compliance with EU Directives and Regulations in the drinking water and wastewater sector;
- ◆ to regulate, identify, evaluate and report annually from the year following its establishment to the Flemish Government on the following topics:
 - ◇ the application of the public service obligations;
 - ◇ the application of the general water sales regulations;
 - ◇ yardstick competition from operators of public water distribution network; and
 - ◇ on tariff setting.

Legal framework

The main legislation on the water sector of the Flemish Region is:

- ◆ The decree of 18 July 2003 on integrated water policy, coordinated on 15 June 2018 (Water Code), forms the legal framework for integrated water policy in Flanders. The decree also contains the transposition of the Water Framework Directive and the Floods Directive.

Institutional Framework

Water policy in Belgium has been a regional competence since the state reform of 1980.

THE FEDERAL GOVERNMENT is only competent for coastal waters and certain aspects of safety and product control.



Bulgaria



COUNTRY DATA

Area

110.994 Km²

Population

7,1 M

Population density

64 inhab./km²

Per capita consumption

101 l/p/d

SECTOR DATA

No. Operators WSS sector

45

Sector Turnover

431,5 M€

No. employees

16.000

Legal Framework

The main legislation on the water sector of Bulgaria is the following one:

- The Water Act regulates the integrated water resource management, including the requirements for ownership, management, operation, and planning of public water and sanitation assets and the duties of the Water Associations (for the regional operators) and Local Municipalities (for the small municipal operators);
- The Act on Regulation of Water and Sanitation Services provides norms for the national regulation of tariffs and quality of water and sanitation services, provided by the Energy and Water Regulatory Commission (EWRC);
- The Energy Act provides norms for the organisation of work of EWRC; and
- Multiple by-laws concerning the water and sanitation sector are available.

Institutional Framework

THE MINISTRY OF REGIONAL DEVELOPMENT AND PUBLIC WORKS is the sector line ministry responsible for coordinating the water and sanitation sector management at the national level. It develops and implements the state water policy and acts as a principal owner of the regional companies owned by the state.

THE MINISTRY OF ENVIRONMENT AND WATERS is responsible for environmental protection and water resource management.

THE MINISTRY OF HEALTH is responsible for monitoring drinking water quality.

WATER ASSOCIATIONS act as public owners of the water and sanitation infrastructure when ownership of assets in the designated service area is split between the state and the municipalities or between several municipalities and local municipalities (when the ownership of the assets in the designated service area belongs only to the Municipality). Water Associations should plan their future development through regional master plans and investment programs, select operators, and conclude delegation contracts for asset operation and service provision.



The Regulator

The Bulgarian National Energy and Water Regulatory Commission (EWRC) was established in 1999 with competencies over the water sector since 2006. The EWRC is a multi-sector regulator, which is organised as a National Regulatory Authority.

The EWRC is formed by a Commission that includes Chairman, Lawyer, Economist, 4 Energy experts, and 2 Water and sanitation experts. EWRC employs ~166 people of those ~26 people work for the Water and Sanitation Directorate.

As the Regulatory Authority for water, EWRC main responsibilities are:

- to regulate the quality of water and sewerage services through Key Performance Indicators;
- to approve 5-years business plans and tariff of water and sanitation services;
- to review customer complaints;
- to approve the common terms and conditions of contracts for the provision of WSS services to consumers; and
- to control and impose sanctions.



Croatia



COUNTRY DATA

Area

56.594 Km²

Population

4,15 M

Population density

73,4 inhab./km²

Per capita consumption

132 l/p/d

SECTOR DATA

No. Operators WSS sector

159

Sector Turnover

543 M€

No. employees

8.472



The Regulator

The Council for Water Services for Croatia (VVU) was established in 2010 as an independent state body (currently ad hoc body) under the Water Act of 2009. The VVU has an annual budget of 147.000 €.

As the Regulatory Authority for water, VVU's main responsibilities are:

- Monitoring of water tariffs and development charge setting;
- monitoring the limited number of key performance indicators (financial, volume of services, number of employees);
- suspending the illegal decisions on water tariffs and development charges (ex-post);
- interim water tariffs setting and interim development charge setting (ex-ante and ex-post);
- issuing the administrative interpretations (opinions) of the water legislation regarding water tariffs and development charge;
- advising the water operators; and
- reporting to the Parliament.

Legal Framework

The main legislation on the water sector of Croatia is the following one:

- Water Services Act,
- Water Act;
- Water Management Financing Act;
- Water for Human Consumption Act;
- A decree on water tariff methodology;
- A decree on benchmarking;
- A regulation on water operators licensing; and
- A regulation on wastewater operators licensing.

Institutional Framework

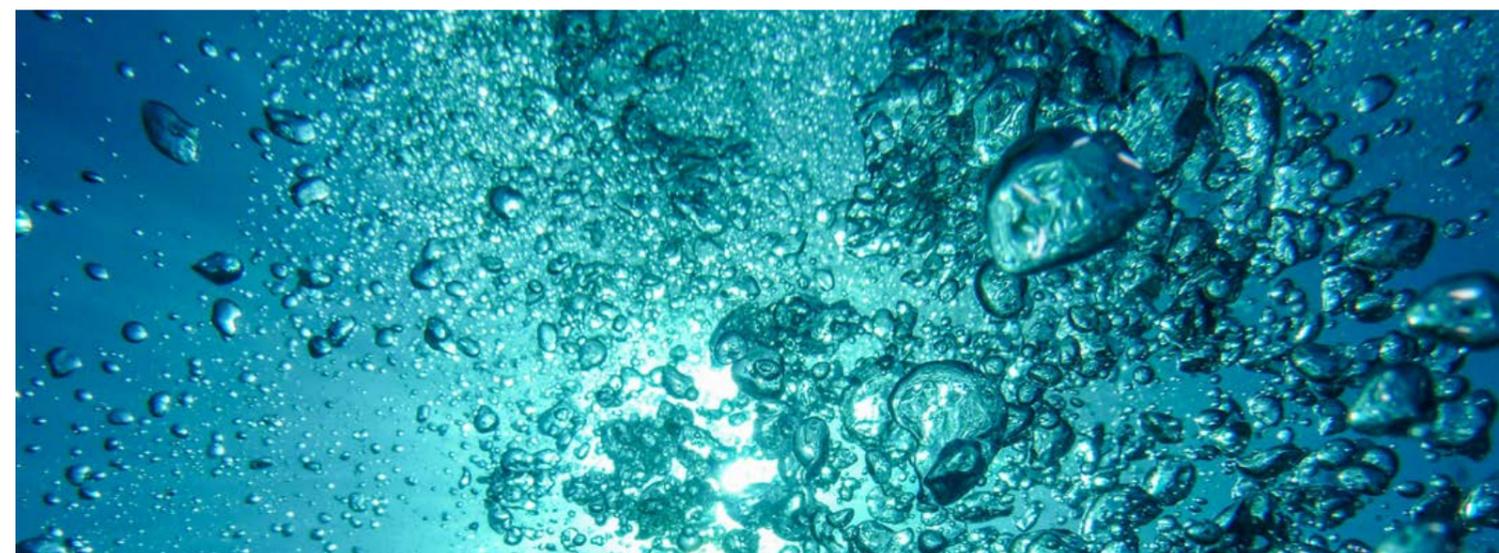
THE MINISTRY OF ECONOMY AND SUSTAINABLE DEVELOPMENT (MINGOR) sets the regulatory framework for water services (for instance, drafting the Parliament acts, the government decrees and passing the ministerial regulations in the water sector), issues the administrative interpretations (opinions) of the water legislation, except for those within Regulator's powers, and resolves appeals in administrative procedures.

CROATIAN WATERS (national water management agency) finances the water and wastewater projects of water operators and serves as a technical, economic and legal supporting entity to water operators with their development projects.

THE STATE INSPECTORATE, DIVISION FOR CONSUMERS PROTECTION, inspects water services provisions from the standpoint of consumer's protection.

WATER OPERATORS provide water services.

LOCAL GOVERNMENTS (cities and municipalities) exercise their ownership powers over water operators. As shareholders of water operators, they approve their business plans (for instance, development plan, operation and management plan and number and qualification of staff) and the appointment of directors.



Estonia



COUNTRY DATA

Area

43.339 Km²

Population

1,33 M

Population density

29 inhab./km²

Per capita consumption

78 l/p/d

SECTOR DATA

No. Operators WSS sector

59*

Sector Turnover

105 M€**

No. employees

N. A.

*under ECA regulation

**water undertakings under ECA regulation



REPUBLIC OF ESTONIA
COMPETITION AUTHORITY

The Regulator

The Estonian Competition Authority (ECA) was established in 2010 for water as a multi-sector regulator. ECA is an independent regulator that employs 41 civil servants (38 officials and 3 employees), of those, 3 people (officials) work in the water regulation-specific field. The total annual budget of ECA is 1,9 M€.

The functions of the ECA are divided between main structural units:

- **Competition Division (includes Supervisory Department and Merger Control Department):**
 - supervises competition in the state that includes control of concentration in all economic sectors and analyses the competitive situation to raise competition-related awareness.
- **Regulatory Division (includes Price regulation Department, Department of Energy Markets, Department of Energy and Infrastructure and Legal Department):**
 - supervises markets of electricity, natural gas, district heating, water, railway, and postal services;
 - regulates prices in the water, district heating, electricity, and gas

network sector and connection fees in the water, electricity and gas network sector; and

- resolves disputes related to airport and port fees.

In addition, ECA has an External and Public Relations department responsible for ensuring support services to the Authority.

Legal framework

The main legislation on the water sector of Estonia is the following one:

- The Public Water Supply and Sewerage Act; and
- The Water Act.

Institutional Framework

THE MINISTRY OF THE ENVIRONMENT and the institutions under the Ministry conduct overall environmental supervision and protection activities, including water recourses and wastewater treatment and pollution, and compiling strategic documents draft legislation in the water department.

LOCAL GOVERNMENTS are responsible for establishing and securing WSS systems and services for the inhabitants in their territory. They have a supervisory role over water undertakings activities such as surveying compliance of the water undertaking activities, setting local public water supply and sewerage development plans, and ruling on the connection and use of the public water supply and sewerage system, and other requirements.

The Division of competencies and responsibilities between regulators (ECA and Municipalities) is the following:

- in the wastewater collection area:
 - where the pollution load is 2000 consumers or more, ECA approves WSS service prices and the methodology for calculating connection fees; and
 - where the pollution load is less than 2000 consumers (or outside the wastewater collection area), WSS service prices and methodology for calculating connection fees are approved by local governments;
- when the water company provides WSS services in different wastewater collection areas (when at least one has 2000 consumers or more) and wants to set uniform prices within all these areas based on total expenses, it shall submit an application to set prices covering all wastewater collection areas for approval to ECA.
- when the water company provides WSS services in different wastewater collection areas (when at least one has 2000 population equivalent or more) and the same methodology for calculating connection charges is used in these territories, ECA shall approve the methodology in respect of all wastewater collection areas.

Georgia



COUNTRY DATA

Area

69.700 Km²

Population

3,71 M

Population density

53,5 inhab./km²

Per capita consumption

175 l/p/d

SECTOR DATA

No. Operators WSS sector

8

Sector Turnover

N. A.

No. employees

6.657

Legal framework

The main legislation on the water sector of Georgia is the following one:

- ◆ Drinking-Water Supply and Consumption Rules;
- ◆ Service Quality Rules;
- ◆ Law of Georgia on Energy and Water Supply;
- ◆ The rule for Calculating Normative losses of Drinking Water;
- ◆ Investment Appraisal Rule at Water Supply Sector; and
- ◆ Water Supply Tariff Calculation Methodology.

Institutional Framework

LOCAL MUNICIPALITIES are responsible for increasing the coverage area.

THE MINISTRY OF AGRICULTURE is responsible for the quality of drinking water and monitoring pollution.



The Regulator

The Georgian National Energy and Water Supply Regulatory Commission (GNERC) is the Independent National Regulatory Authority regulating electricity, natural gas, and water supply sectors. GNERC was established in 1997 and employs ~120 people.

As the Regulatory Authority for water, GNERC main responsibilities are:

- ◆ to issue licenses and define licensing conditions;
- ◆ to determine the supply and service conditions;
- ◆ to approve investment plans;
- ◆ tariff calculation; and
- ◆ to set supply and consumption rules.

Greece



COUNTRY DATA

Area

131.957 Km²

Population

10,77 M

Population density

81,61 inhab./km²

Per capita consumption

N. A.

SECTOR DATA

No. Operators WSS sector

310

Sector Turnover

N. A.

No. employees

N. A.

Legal Framework

The main legislation on the water sector of Greece is the following one:

- ◆ Law No. 3199/2003 as amended (Water Framework);
- ◆ Law No.1069/80 on the legal framework for the operation of municipal water and sewage utility companies;
- ◆ Joint Ministerial Decree No. 135275/2017 on Water Costing and Pricing; and
- ◆ The Municipal Code (Law 3463/2016) as a legal framework for the municipalities.

Institutional Framework

The water sector in Greece is managed at the National and Regional levels.

THE MINISTRY OF ENVIRONMENT AND ENERGY is in charge of strategic planning, development and evaluation of policy for rational and sustainable management of water services through the General Directorate for Water.

THE NATIONAL WATER COMMITTEE is an interministerial body responsible for formulating the national water policy in a decisive role.

THE NATIONAL WATER council advises and consults on water protection and management programmes.

THE WATER DIRECTORATES (in total 13) of the Decentralised Administrations assist the General Directorate for Water on protecting, managing, monitoring and evaluating the water resources in their geographical jurisdiction.

Water services are provided by 2 public companies (E.Y.D.A.P. for Athens and E.Y.A.TH. for Thessaloniki), 130 municipal water and sewage utility companies and 183 municipalities.

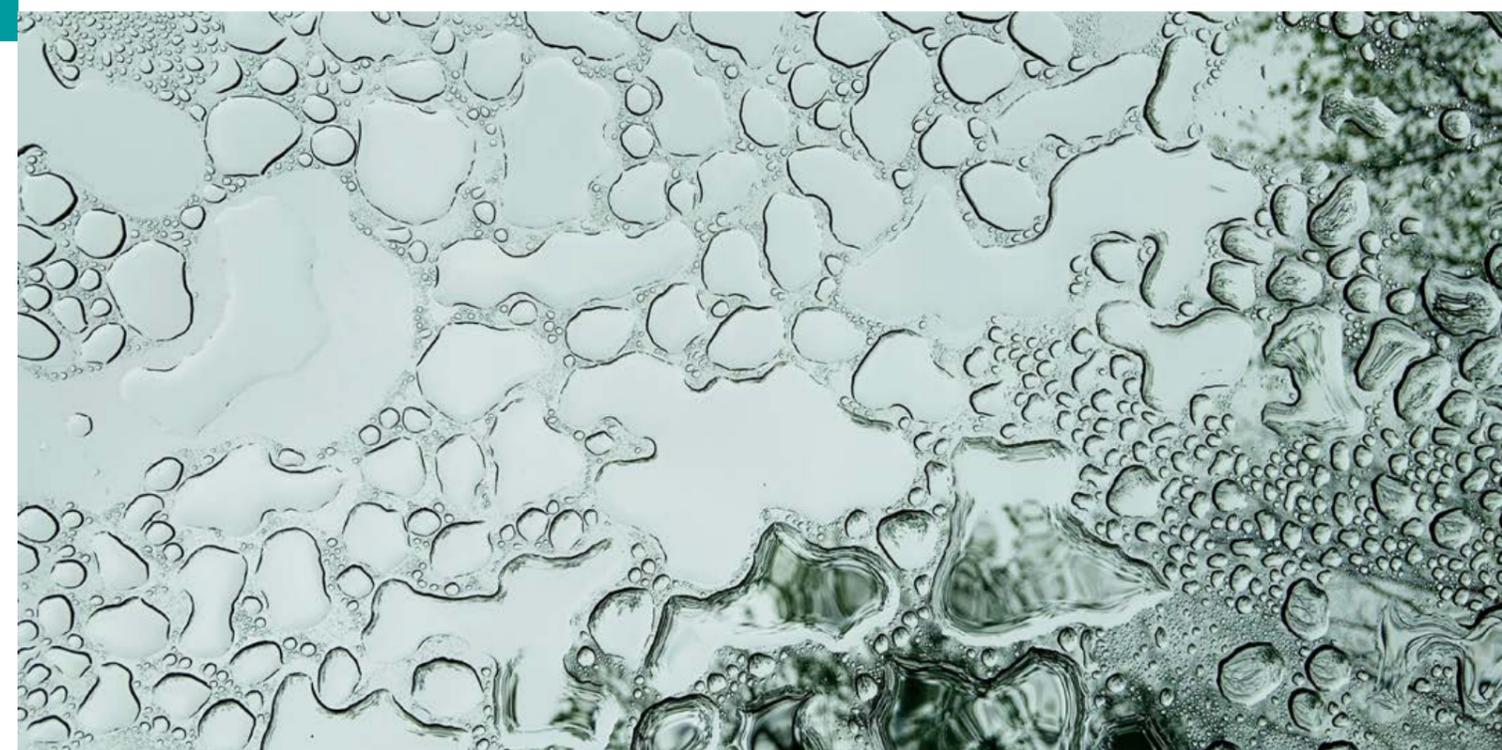


The Regulator

The General Directorate for Water in the General Secretariat of Natural Environment and Water in the Hellenic Ministry of Environment and Energy is assigned for regulatory competencies in the water sector in Greece.

The main responsibilities of the General Directorate for Water are:

- ◆ to develop and implement all programs related to the protection and management of the water resources of Greece;
- ◆ to submit pricing policy proposals to the governmental decision-makers (such as the National Water Committee);
- ◆ to perform strategic planning; and
- ◆ to develop and evaluate policy for rational and sustainable management of water services.



Hungary



COUNTRY DATA

Area

93.023 Km²

Population

9,77 M

Population density

105,1 inhab./km²

Per capita consumption

101,36 l/p/d

SECTOR DATA

No. Operators WSS sector

40*

Sector Turnover

740 M€

No. employees

18.881

*38 water and 2 wastewater



The Regulator

The Hungarian Energy and Public Utility Regulatory Authority (HEA) is a multi-sector independent Regulatory Authority established in 2013 that employs 330 people (~60 in the water area) with an annual budget of 31 M€.

As the Regulatory Authority for water, HEA main responsibilities are:

- **Price supervision.** The Authority is entitled to supervise, control and regulate the prices of water utility service;
- **Submitting a proposal on prices (tariff setting).** The Authority is entitled to submit a proposal on the utility tariffs each year to the minister responsible for the water utility supply.
- **Licensing powers.** Supplying drinking water and managing wastewater can only be behoved in possession of the license granted by the Authority. The Authority also has the right of granting the application of prices differing from the utility tariff;
- **Approving Authority.** It is also the right of the Authority to approve the “rolling development plans” [long-term (15 years) development plans] which consist of development, replacement and investment design plans. The Authority also

approves the operational agreements between the responsible entity and the service provider;

- **Designation of the operator of last resort.** The Authority - in favour of public interest for service - can designate an operator of last resort to provide water services, in case the service is endangered and the local government or the state has not ensured to provide the necessary supply;
- **Approving changes governed by company law.** The consent of the Authority is required for the merger, division (transformation), reduction of the registered capital or equity capital by at least 25 % of the service provider;
- **Monitoring Authority.** The Authority is entitled to control the service provider company's adherence to the granted license and the application of lawful prices. The Authority also supervises whether the operation of the service provider is adherent to the law; and
- **Another important responsibility of the Authority is the management of the public registry of water utility systems, service providers, and responsible entities.**

Legal Framework

The main legislation on the water sector of Hungary is the following one:

- The Act CCIX of 2011 on Water Utility Supply;
- The Government Decree 58/2013. (II. 27.) on the implementation of the Act CCIX of 2011 on Water Utility Supply (58/2013. (II. 27.); and
- Act XXII of 2013 on the Hungarian Energy and Public Utility Regulatory Authority.

Institutional Framework

The water sector in Hungary is managed at the National and Regional levels.

THE HUNGARIAN ENERGY AND PUBLIC UTILITY REGULATORY AUTHORITY (HEA) is the Water Services Regulator responsible for the economic regulation, licensing and monitoring of sector players.

THE GENERAL DIRECTORATE OF WATER MANAGEMENT and its regional directorates are responsible for the management and protection of water resources and the governance of administrative water authorities, altogether water resources management. These entities are part of the Ministry of the Interior.

THE NATIONAL DIRECTORATE GENERAL FOR DISASTER MANAGEMENT and its 12 regional directorates are responsible for water protection, licensing and registration of water facilities. These entities are part of the Ministry of the Interior.

THE NATIONAL PUBLIC HEALTH AND MEDICAL OFFICER SERVICE is responsible for drinking water and bathing water quality regarding public health. The Service is under the supervision of the Minister of Human Resources.

MUNICIPALITIES are responsible for ensuring local water utility services to service users in their territory. Most municipalities are also the owners of the water utility infrastructure, while the five state-owned regional water utilities own a part of the country assets.

NEMZETI VÍZMŰVEK ZRT. coordinates the water utility service owned by the state.

Ireland



COUNTRY DATA

Area

70.273 Km²

Population

4,76 M

Population density

70 inhab./km²

Per capita consumption

125 l/p/d

SECTOR DATA

No. Operators WSS sector

1

Sector Turnover

5 M€ (2020-2024)

No. employees

759*

*Irish Water Staff,
work with 3408 staff in 31 Local Authorities

- the CRU shall advise the Minister in relation to the development and delivery of water services.

Legal Framework

The main legislation on the water sector of Ireland is the following one:

- Water Services (No. 2) Act 2013,
- Water Services Act 2007,
- Water Services Act 2013,
- Water Services Act 2014,
- Water Services Act 2017.

Institutional Framework

DEPARTMENT OF HOUSING, LOCAL GOVERNMENT AND HERITAGE – GOVERNMENT department concerned with Water Sector Policy, including the implementation of sectoral reforms, the governance and funding of Irish Water, and the implementation of the Water Framework Directive.

THE EPA – National Environmental regulator of Irish Water.

IRISH WATER – National Public Utility providing water/wastewater services.

LOCAL AUTHORITIES (Municipalities) – Local Authorities work in partnership with Irish Water in the provision of water/wastewater services on a local level.



The Regulator

The Commission for Regulation of Utilities (CRU) is Ireland's independent energy and water regulator. It employs 12 people for water regulation among 110 employees with an annual budget of 18,3 M € in 2019. The CRU's role is to protect the interests of customers by ensuring Irish Water's investments in water and wastewater infrastructure are delivered in a cost efficient manner.

As the regulatory authority for water, CRU's main responsibilities are:

- functions relating to the fixing of charges in respect of the provision of water services;
- approval of Irish Water's allowed revenue and capital Investment Plan and monitoring delivery of same;
- the specification of minimum standards of service as respects the provision of water services;
- the protection of the interests of persons to whom water services are provided;
- to provide a dispute resolution service to any customer of Irish Water having an unresolved complaint relating to Irish Water;

Italy

COUNTRY DATA

Area

301.338 Km²

Population

60,59 M

Population density

201,06 inhab./km²

Per capita consumption

204 l/p/d

*2020 data, by ARERA referred to a sample of 84 operators serving 36,8 million inhab. on 60,59 M total

**2019 data, published by Utilitalia in the Blue Book 2021

SECTOR DATA

No. Operators WSS sector

>2000

Sector Turnover

5,9 B€*

No. employees

30.000**

- collecting economic-financial data from operators, ensure compliance of Regulation;
- consumer protection, infringement procedures, dispute settlement; and
- providing opinions to Government and Parliament.

Legal framework

The main legislation on the water sector of Italy is the following one:

- Law decree 133/2014, the general rules for the organisation of integrated water services and the governance of the sector;
- Resolution 580/2019/R/idr; Water Tariff Method;
- Resolution 656/2015/R/idr, the standard agreement for the Regulation of relationships between entrusting entities and providers of the water services;
- Resolution 917/2017/R/idr, Regulation of technical quality; and
- Resolution 186/2020/R/idr, contractual quality of water services.

Institutional Framework

The water sector in Italy is managed at the National, Regional and Sub Regional levels.

THE MINISTRY OF ENVIRONMENT defines general principles of water uses and services at the national level, provides specific rules, mechanisms and procedures concerning the integrated water sector and ensures its compliance.

REGIONS set the geographical bounds of the area into which integrated water service has to be entrusted, called "ATO" or "Ambito Territoriale Ottimale". In addition, they identify the **LOCAL AUTHORITY - EGA**, in charge of organising integrated water service at the local level, planning investments and entrusting the management of service to the operator.

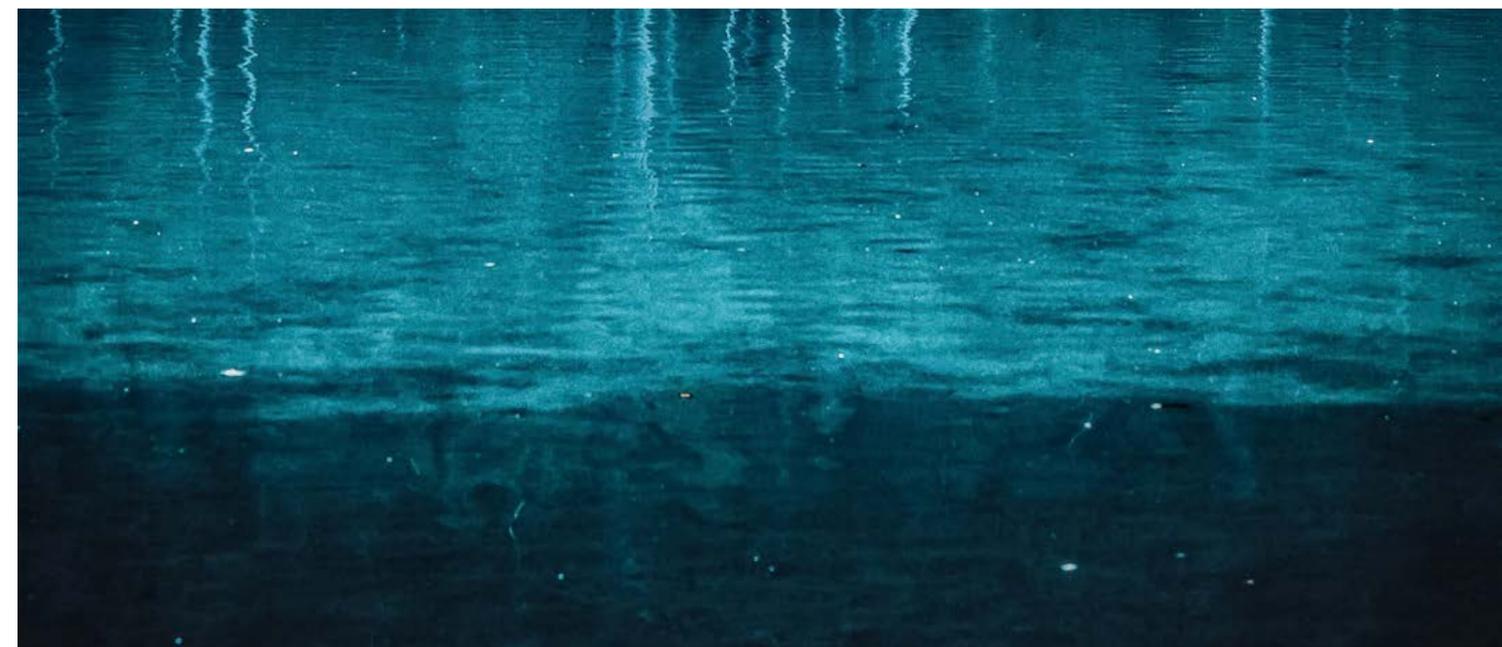


The Regulator

The Italian regulatory Authority for Energy, Networks and Environment (ARERA) is the independent multi-sector regulator for the whole country. It employs permanent staff (208 persons), fixed-term staff (14 persons) and staff detached from other national administrations (16 persons). Its revenues come only from regulated entities, in 2020 they amounted to € 68,95 million. Its powers to regulate the integrated water services were provided by law in 2011.

As the Regulatory Authority for water, ARERA main responsibilities are:

- setting tariffs for protected markets and the use of monopoly infrastructures (define cost components, set/update tariff methodology for tariff determination, approve tariffs);
- setting compulsory standards for technical and commercial quality of service, through incentives, penalties, refunds;
- setting rules for administrative and accounting separation of vertically integrated companies;
- setting minimum conditions to be included in investment programmes and economic-financial plans provided by Local Authorities, and monitor their compliance;



Kosovo

COUNTRY DATA

Area

10.908 Km²

Population

1,7 M

Population density

155,8 inhab./km²

Per capita consumption

132 l/p/d

SECTOR DATA

No. Operators WSS sector

7

Sector Turnover

36.2 M€

No. employees

2.014



The Regulator

The Water Services Regulatory Authority (ARRU) is an independent Regulatory Authority established in 2004 that employs ~21 people with an annual budget of 348.000 €. Under Law No. 05/L -042, ARRU answers to the Assembly of Kosovo.

As the Regulatory Authority for water, ARRU main responsibilities are:

- licensing of service providers and overseeing the implantation of the terms set forth by the service license;
- the setting of service tariffs for service providers, ensuring that tariffs are fair and reasonable and enable financial sustainability of service providers;
- establishing service standards and overseeing implementation by service providers of these standards;
- monitoring the performance of service providers to assess whether they meet the conditions set by the service license as well as targets set by the tariff process;
- resolving customer complaints in the second instance of administrative procedure;

- drafting and adopting regulations, standards and regulatory decisions; and
- Inspecting service standards and oversight of the implementation of legal acts of the authority.

Legal Framework

The main legislation on the water sector of Kosovo is the following one:

- Law No. 04/L-147 on Water of Kosovo;
- Law No. 03/L-087 on Publicly Owned Enterprises;
- Law No. 05/L-042 for Regulation of Water Services; and
- Water Drinking Quality Administrative Instruction 16/2012.

Institutional Framework

The water sector in Kosovo is managed at the National and Regional levels.

THE INTER-MINISTERIAL WATER COUNCIL reviews the systematic issues of water management, harmonisation of different needs and interests. It proposes measures for the development, utilisation, and protection of Kosovo resources and water systems.

THE MINISTRY OF INFRASTRUCTURE AND ENVIRONMENT (MIE) is responsible for water sources, issues water permits for water abstraction and wastewater discharge for RWC-s.

THE MINISTRY OF ECONOMY (ME), on behalf of the Government, represents the ownership of public regional water companies.

WATER SERVICE REGULATORY AUTHORITY is responsible for the economic regulation of licenced water service providers.

THE MINISTRY OF HEALTH is responsible for monitoring water quality.

REGIONAL WATER COMPANIES are (7) public companies responsible for providing water services.



Latvia



COUNTRY DATA

Area

64.587 Km²

Population

1,89 M

Population density

30 inhab./km²

Per capita consumption

100

SECTOR DATA

No. Operators WSS sector

63

Sector Turnover

112,3 M€

No. employees

N. A.

Legal Framework

The water management sector in Latvia is managed at the National and Local levels.

- ◆ Law on Water Management Services;
- ◆ Regulations Regarding the Provision and Use of Public Water Management Services; and
- ◆ Methodology for the Calculation of Tariffs for the Water Management Services.

Institutional Framework

The water sector in Latvia is managed at the National and Local levels.

THE CABINET determines procedures for providing, using and terminating to provide public water management services. Procedures for connecting an immovable property to a centralised water supply or centralised collecting system and procedures for accounting of public water management services provided by a service provider, and procedures for payment of received services.

LOCAL GOVERNMENTS organise provisions of water management services in the administrative territory and determine a local government institution or authorise a merchant to provide water management services in the administrative territory of the Local Government. Local Governments determine a fee for water management services provided by the local government institutions and merchants if a merchant's volume of services does not exceed 100.000 m³/year.



PUBLIC
UTILITIES
COMMISSION

The Regulator

The Public Utilities Commission (PUC) is an independent multi-sector Regulatory Authority established in 2009 that employs ~109 people (~7 of those for the water sector, supported by Legal and Economic analysis departments) with an annual budget of 5,4 M€.

As the Regulatory Authority for the water management sector, PUC main responsibilities are

- ◆ approving regulations on general authorisation for provision of water management services and supervising the implementation of set conditions;
- ◆ registering the service providers;
- ◆ determining the methodology for calculation of tariffs and evaluating and approving tariffs; and
- ◆ examining complaints and disputes between service users and service providers.

Lithuania



COUNTRY DATA

Area

65.300 Km²

Population

2,72 M

Population density

43 inhab./km²

Per capita consumption

264 l/p/d

SECTOR DATA

No. Operators WSS sector

72

Sector Turnover

180,6 M€

No. employees

6.886

- to perform the inspections in drinking water supply and/or wastewater management and surface wastewater management undertakings.

Legal Framework

The main legislation on the water sector of Lithuania is the following one:

- Law on Drinking Water Supply and Wastewater Management of the Republic of Lithuania;
- Law on Drinking Water of the Republic of Lithuania;
- Law on Environmental Pollution Tax of the Republic of Lithuania;
- Law on Water of the Republic of Lithuania; and
- Government decisions on Licensing Rules, the Procedure for Redemption of Water Infrastructure Objects, the Standard Contract Clauses and the Settlement Procedure.

Institutional Framework

The water sector in Lithuania is managed at the National and Regional levels.

THE MINISTRY OF ENVIRONMENT is responsible for the legislation and Regulation of water management and sustainability, coordination and administration of the River Basin Districts and Regulation of drinking water and implementation of the EU Drinking Water Directive.

LOCAL MUNICIPALITIES are responsible for drinking water supply, sanitation and rainwater management in the Municipality's territory, and municipal institutions organise the public drinking water supply area.

The Regulator

The National Energy Regulatory Council (NERC) is an independent national multi-sector Regulatory Authority established in 1997 that employs ~190 people (9 of those for the water sector) with an annual budget of 9,57 M€.

As the Regulatory Authority for water, NERC main responsibilities are:

- to issue licenses and exercises control over the regulated activity;
- to approve the requirements and/or method and/or model of the regulatory accounting system that regulate drinking water supply and/or wastewater management, and surface wastewater management;
- to oblige management mentioned to carry out the verification of the regulatory activity reports and the re-verification of those reports;
- to unilaterally set state and municipal regulated prices if the drinking water supply and/or wastewater management undertakings fail to comply with these requirements for pricing;
- to coordinate the prices of the drinking water supply and wastewater management services and supervise their application;
- to perform other functions prescribed by the laws and other legal acts; and



Malta



COUNTRY DATA

Area

316 Km²

Population

493.559

Population density

1.561 inhab./km²

Per capita consumption

117 l/p/d

SECTOR DATA

No. Operators WSS sector

1

Sector Turnover

71,9 M€

No. employees

1.123

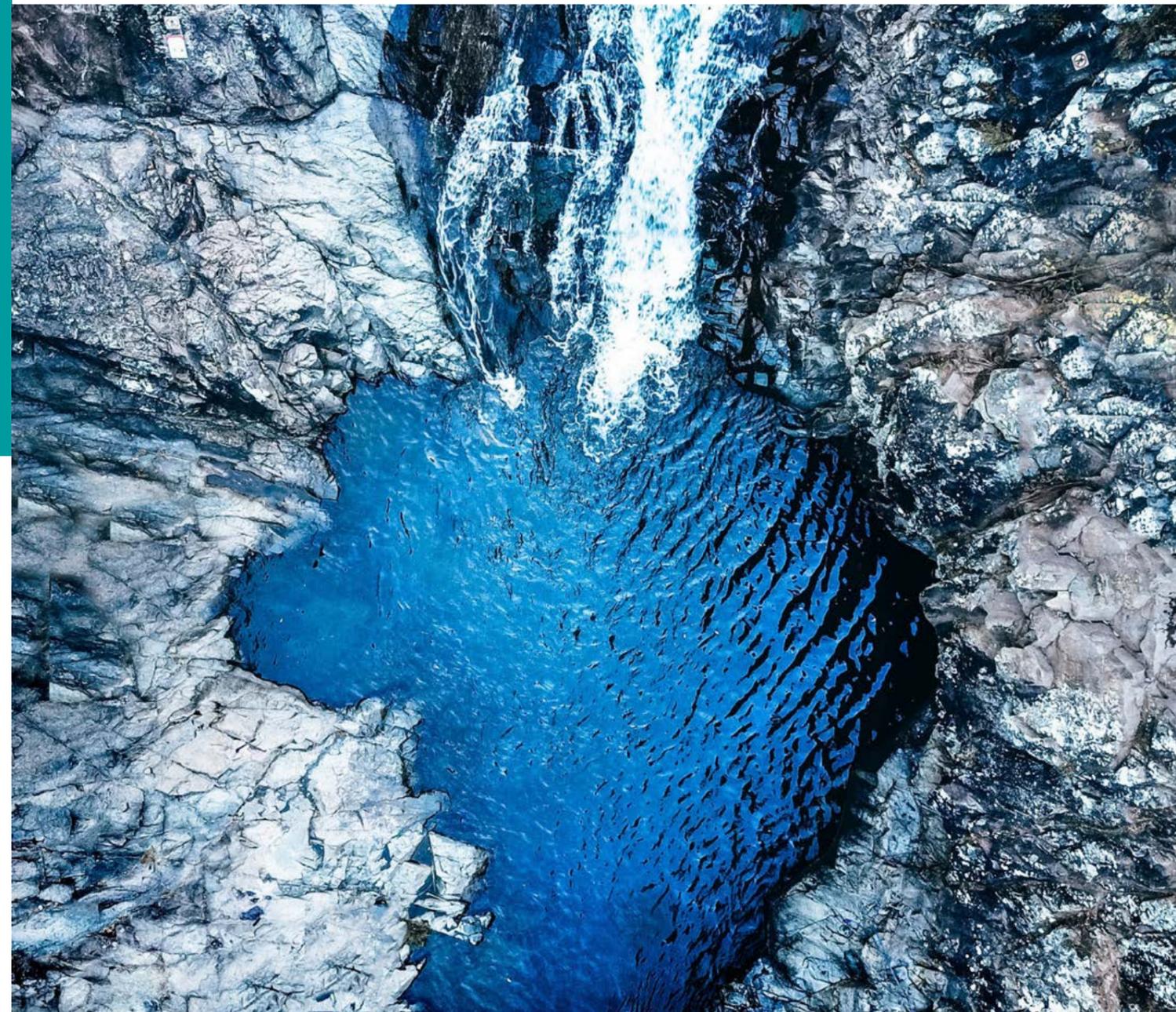
Legal Framework

The main legislation on the water sector of Malta is the following one:

- ◆ The Regulator for Energy and Water Services Act - Act XXV of 2015;
- ◆ The subsidiary legislation S.L.545.14: licensing of water supply and sewerage services; and
- ◆ The Water Services Corporation Act.

Institutional Framework

The water sector in Malta is managed at the National level by the Regulator for Energy and Water Services (REWS).



The Regulator

The Regulator for Energy and Water Services (REWS) is a national multi-sector Regulatory Authority established in 2015 that employs ~47 people (2 of those for the water sector) with an annual budget of 3,1 M€.

As the Regulatory Authority for water, REWS main responsibilities are:

- ◆ monitoring the licensee's performance and compliance to license conditions;
- ◆ protecting consumers;
- ◆ measuring and comparing licensee's costs and outputs to industry standards; and
- ◆ establishing a basis for setting performance targets for licensees to achieve higher quality objectives and approving revisions to water tariffs.

Moldova



COUNTRY DATA

Area

33.846 Km²

Population

3,55 M

Population density

104,88 inhab./km²

Per capita consumption

N. A.

SECTOR DATA

No. Operators WSS sector

45

Sector Turnover

N. A.

No. employees

N. A.

Legal Framework

The main legislation on the water sector of Moldova is the following one:

- ◆ Law No. 303, 13.12.2013, on public service of water supply and the sewerage of the Republic of Moldova;
- ◆ Law No. 1402, 24.10. 2002, on public communal services;
- ◆ Resolution No. 950, 25.11. 2013, on the requirements for collection, purification and discharge of wastewaters into the sewage system and/or environment for urban and rural localities Government;
- ◆ ANRE Resolution No. 355, 27.09.2019, Framework Regulation on the organisation and functioning of the public water and sewage service;
- ◆ ANRE Resolution No. 356, 27.09.2019, Framework Regulation on the performance indicators for the public water and sewage service; and
- ◆ ANRE Resolution No. 489, 20.12.2019, Methodology for determination, approval and applying the tariffs for public water supply, sewage and wastewater purification

Institutional Framework

The water sector in Moldova is managed at the National and Regional levels.

THE GOVERNMENT ensures the realisation of the general state policy in the field of water supply and sewage.

THE MINISTRY OF INFRASTRUCTURE AND REGIONAL DEVELOPMENT is the central specialised public administration body in water supply and sewage.

LOCAL PUBLIC ADMINISTRATION AUTHORITIES are responsible for the organisation and functioning of the public water and sewage systems and the delegation of the management of the public water supply and sewage system to operators.



The Regulator

The National Agency for Energy Regulation of the Republic of Moldova (ANRE) is a national multi-sector Regulatory Authority established in 1997 (2014 for water and sewerage) that employs ~161 people with an annual budget of 4,195 M€.

As the Regulatory Authority for water and sewerage, ANRE main responsibilities are:

- ◆ to develop and approve the relevant secondary legislation related to the water and sewerage sector;
- ◆ to develop, approve and apply the methodology for tariff calculation;
- ◆ to implement other water and sewerage regulations and related legal documents;
- ◆ to coordinate and approve the tariffs for water supply and sewerage; and
- ◆ to monitor the compliance with the obligations and measures established in the license conditions.



Montenegro



COUNTRY DATA

Area

13.812 Km²

Population

620.000

Population density

45,7 inhab./km²

Per capita consumption

170 l/p/d

SECTOR DATA

No. Operators WSS sector

25

Sector Turnover

58 M€

No. employees

8x1.000 customers

REGAGEN has no jurisdiction to monitor the level of compliance with EU Directives and Regulations in the drinking water and wastewater sector.

Legal Framework

The main legislation on the water sector of Montenegro is the following one:

- ◆ The Law on Utility Services;
- ◆ The Law on Local Government;
- ◆ The Water Law;
- ◆ The Law on Water Management Financing;
- ◆ The Law on Urban Wastewater Management;
- ◆ The Law on Spatial Planning and Construction of Structures; and
- ◆ The Law on Providing Healthy Water for Human Use.

Institutional Framework

THE MINISTRY OF AGRICULTURE, FORESTRY AND WATER MANAGEMENT is responsible for developing policy in water management and protection of water from pollution.

THE MINISTRY OF ECOLOGY, SPATIAL PLANNING AND URBANISM is responsible for wastewater management, utility services and coordinating regional water supply systems.

THE MINISTRY OF HEALTH is responsible for the health safety of water for human consumption, giving opinions on its safety.

LOCAL GOVERNMENTS regulate and ensure the performance and development of utility services, maintenance of communal facilities, prescribe in more detail the conditions and manner of providing water supply and wastewater management services to local operators.



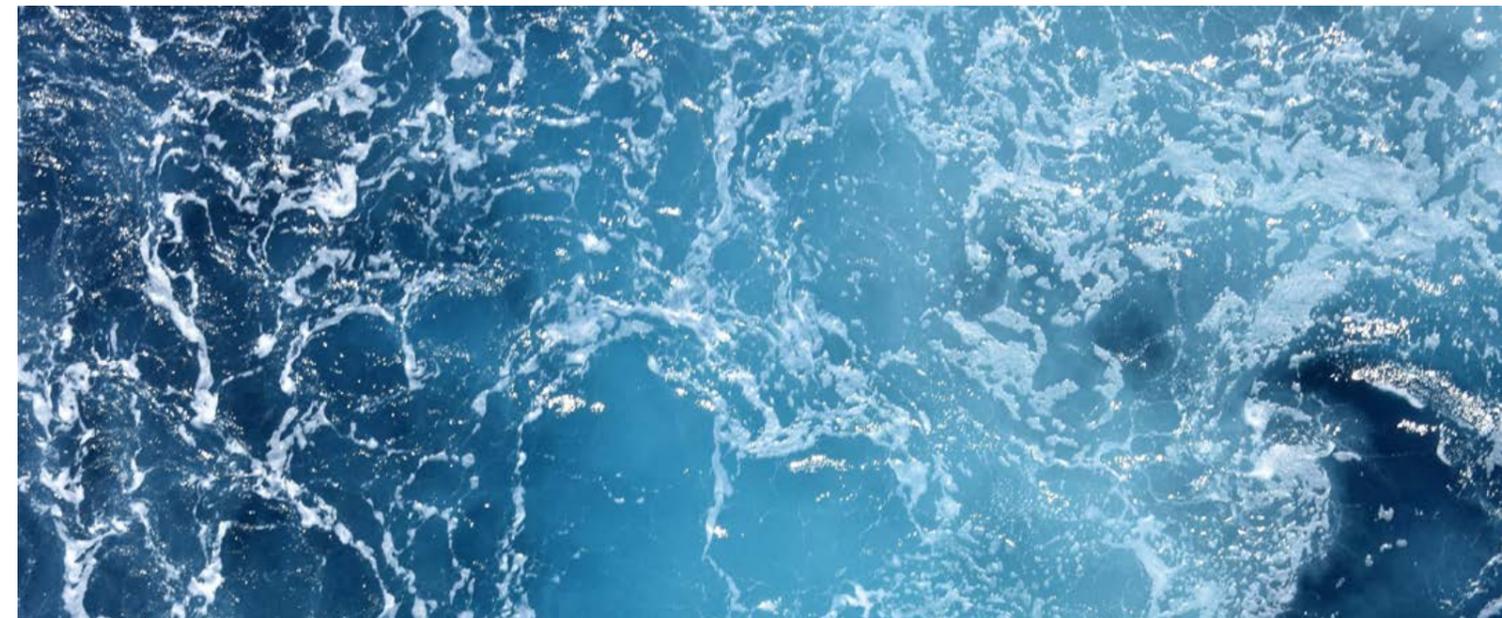
REGAGEN

The Regulator

The Energy and Water Regulatory Agency of Montenegro (REGAGEN) was established in 2004 and has regulated water services since 2017. It is an autonomous, non-profit organisation that is legally and functionally independent from the state authorities. It employs ~39 people with an Annual Budget of 211.674,81€ for water.

As the Regulatory Authority for water, REAGEN main responsibilities are:

- ◆ to issues, change and revoke licenses for performing communal activities;
- ◆ to supervise the work and performance of operators according to the conditions set in their licenses;
- ◆ to implement benchmarking;
- ◆ to issue by-laws (such as Rules on Licencing and Benchmarking, Tariff Methodology and Quality Standards);
- ◆ to give consents to the price list of operators;
- ◆ to prepare and submit the annual report on regulated water services to the Parliament of Montenegro.



North Macedonia

COUNTRY DATA

Area

25.713 Km²

Population

2,06 M

Population density

106,56 inhab./km²

Per capita consumption

100-120 l/p/d

SECTOR DATA

No. Operators WSS sector

77

Sector Turnover

~59 M€

No. employees

N. A.

Legal Framework

The main legislation on the water sector of North Macedonia is the following one:

- The Law amending the Law on Energy (Official Gazette of the Republic of North Macedonia No. 94/02);
- The Law on Waters (Official Gazette No.87/08, 6/09, 161/09, 83/10, 51/11, 44/12, 23/13, 163/13, 180/14, 146/15, 52/16);
- The Law on Drinking Water Supply and Urban Wastewater Drainage (Official Gazette No. 68/04, 28/06, 103/08, 17/11, 54/11, 163/13, 10/15, 147/15, 31/16);
- The Law on Water Economy (Official Gazette No. 51/15, 193/15, 189/16);
- The Law on Setting the Price of Water Services (Official Gazette No.7/16);
- The Rulebook on the manner and procedure for setting water services tariffs and regulatory tariff; and
- The methodology for the setting of water service tariffs.

Institutional Framework

THE MINISTRY OF ENVIRONMENT AND PHYSICAL PLANNING is the competent water resource management authority in North Macedonia.

MUNICIPALITIES are responsible for managing the water services and the coordination at the local level.



The Regulator

The Energy and Water services Regulatory Commission (ERC) is the multi-sector independent Regulatory Authority of the Republic of North Macedonia. It commenced its activities in 2003 and employs ~ 42 people with an annual Budget of ~2,68 M€.

As the Regulatory Authority for water, ERC main responsibilities are:

- setting cost-reflective tariffs;
- improving service delivery of the operators following the developed performance indicators; and
- improving the effectiveness of water management in the Republic of North Macedonia.



Portugal



COUNTRY DATA

Area

92.391 Km²

Population

10,31 M

Population density

111.59 inhab./km²

Per capita consumption

189 l/p/d

*Water supply: 266 operators (10 bulk + 256 retail services); Wastewater management services: 269 operators (12 bulk + 257 retail services) (2019)

**Direct: 24.643 Outsourcing: 6.771

SECTOR DATA

No. Operators WSS sector

266 + 269*

Sector Turnover

2,035 M€

No. employees

31.414**



The Regulator

The Water and Waste Services Regulation Authority (ERSAR) is the regulatory agency that executes essential regulatory functions on water supply and sanitation of urban wastewater in mainland Portugal. It was established in 2009 and, since 2014, acts independently from the Government. It employs ~95 people with an annual Budget of 10,3 M€

As the Regulatory Authority for water, ERSAR main responsibilities are:

- to ensure the quality of the services rendered by drinking water supply systems, urban wastewater and municipal waste systems;
- to supervise the creation, execution, management and operation of those systems.
- to protect consumer rights;
- to safeguard the sustainability and economic viability of the municipal and regional water and waste utilities;
- to monitor and control the drinking water quality for all the operators in mainland Portugal;
- to coordinate and supervise the application of the Drinking Water Directive (Council Directive 98/83/EC);

- to coordinate the task to transpose the new Drinking Water Directive (Directive EU 2020/2184) to national legislation;
- to issue opinions about tariffs for the Ministry of Environment and Climatic Action (state-owned systems) and the Municipalities (municipal-owned systems);
- to issue recommendations;
- to approve regulations with external effectiveness;
- to issue sanctions; and
- to collaborate with the Government in legal developments and strategy definition for the water sector.

Legal Framework

The main legislation on the water sector of Portugal is the following one:

- Law 23/96, amended by law 51/2019, law 10/2013, law 44/2011, law 6/2011, law 24/2008 and law 12/2008 (essential public services);
- Decree-Law 306/2007, amended by Decree-Law 152/2017 (water quality for human consumption);
- Decree-Law 194/2009, amended by Decree-Law 92/2010 and Decree-Law 12/2014 (municipal services for the public water supply, wastewater sanitation and urban waste management);
- Decree-Law 195/2009 (multi-municipal services for the public water supply, wastewater sanitation and urban waste management);
- Decree-Law 92/2013, amended by Decree-Law 72/2016 and Decree-Law 16/2021 (multi-municipal services for the public water supply, wastewater sanitation and urban waste management);
- Law 67/2013 amended by law 12/2017, law 71/2018 and law 75-B/2020 (Framework Law for regulatory bodies);
- Decree-Law 10/2014 (Statutes of the Water and Waste Services Regulation Authority);
- Decree-Law 96/2014 (Granting the management of multi-municipal systems for the treatment and selective collection of municipal waste to exclusively or primarily private capital entities); and
- Decree-Law 102-D/2020, 10 December (new general waste management framework and a new landfill of waste framework).

Institutional Framework

THE PARLIAMENT OF THE PORTUGUESE REPUBLIC approves laws that proceed for President of the Republic promulgation.

THE STATE GOVERNMENT approves decree-laws, resolutions, ordinances and deliberations.

THE MINISTRY OF ENVIRONMENT AND CLIMATIC ACTION approves tariffs and new investments not foreseen in the concession contract for state-owned systems; approves the sector's strategic plans.

LOCAL GOVERNMENTS (Municipalities) approve tariffs and investments in municipal-owned systems (according to the autonomy principle of the local Government assigned by the Constitution).

Portugal Azores



COUNTRY DATA

Area

2.346 Km²

Population

246.400

Population density

105 inhab./km²

Per capita consumption

7m³/p

SECTOR DATA

No. Operators WSS sector

19

Sector Turnover

N. A.

No. employees

N. A.



The Regulator

The Water and Waste Services Regulation Authority of Azores (ERSARA) is the water and waste Regulatory Authority of the Autonomous Region of Azores. It was established in 2010 and employs ~5 people.

As the regional Regulatory Authority for water, ERSARA main responsibilities are:

- to regulate the public water supply services, urban wastewater management services and urban waste management services;
- to regulate the quality of drinking water;
- to defend the interests and rights of citizens;
- to monitor and control the quality of water for human consumption;
- to contribute to a better performance of the managing entities;
- to monitor regional strategies for the sector, following their execution and periodically reporting their advancement and shortcomings;
- to prepare proposals of new legislation;

- to set tariffs for protected markets and for the use of monopoly infrastructures (define cost components, set/update tariff methodology for tariff determination, approve tariffs);
- to ensure economic Regulation of the operators by promoting price regulation to secure efficient and socially acceptable prices without harming the financial and economic sustainability of the operators;
- to ensure the Regulation of the quality of service by assessing the service provided to end-users and comparing operators to each other through the application of an indicators system to promote efficiency;
- to ensure the Regulation of drinking water quality, evaluating the quality of the water supplied to end-users, comparing operators to each other and following up on real-time non-compliance;
- to analyse consumers' complaints and promote conflict resolution between consumers and operators;
- to answer different questions from the water sector; and
- to monitor the level of compliance with EU Directives, the National and Regional Laws.

Legal Framework

The main legislation on the water sector of Azores is the following one:

- Regional Legislative Decree n° 8/2010/A of 5 March;
- Decree-Law n° 306/2007 of 5 September; and
- Decree-Law n° 194/2009 of 20 August.

Institutional Framework

THE REGIONAL PARLIAMENT OF THE AUTONOMOUS REGION OF AZORES approves regional laws and proposes laws for approval in the Parliament of the Portuguese Republic.

THE AZORES REGIONAL GOVERNMENT proposes regional laws for approval in the Regional Parliament of the Autonomous Region of Azores and approves resolutions, ordinances and deliberations.

THE REGIONAL SECRETARIAT FOR THE ENVIRONMENT AND CLIMATE CHANGE oversees the Water and Wastewater Services Regulation Authority of Azores (ERSARA), and it's responsible for implementing the sector strategic plans.

LOCAL GOVERNMENTS (Municipalities) approve tariffs and investments in municipal-owned systems (according to the autonomy principle of the local Government assigned by the Constitution).

Romania

COUNTRY DATA

Area

238.891 Km²

Population

19,31 M

Population density

80,87 inhab./km²

Per capita consumption

138 l/p/d

SECTOR DATA

No. Operators WSS sector

1026

Sector Turnover

~900 M€

No. employees

32.122

- to monitor how the legislation of these services is met and applied;
- to demand to the local public authorities new rehabilitation programmes, modernisation and development of public utility services and technical and urban infrastructure;
- to create calculation methodologies to establish, adjust, modify the prices and tariffs; and
- to issue the specialised notice to establish, adjust and modify the prices and tariffs for the public utility services.

Legal Framework

The main legislation on the water sector of Romania is the following one:

- Law no. 51/2006 regarding public services;
- Law no. 241/2006 of the water supply and sewerage services;
- Order no. 65/2007 regarding the approval of the methodology of establishment, adjustment and modification of prices/rates for the services of water supply and sewerage issued by the ANRSC;
- Government Decision no. 745/2007 for the approval of the Regulation on the issuing of licenses in the sector of public utility services;
- Order no. 88/2007 for approval of the Framework-regulation of the service for water supply and sewerage issued by the ANRSC;
- Order no. 89/2007 for approval of the Terms of Reference-framework of the water supply and sewerage service issued by the ANRSC; and
- Order no. 90/2007 for the approval of the Framework Contract for the supply/provision of the water supply and sewerage service issued by the ANRSC.

Institutional Framework

THE ROMANIAN GOVERNMENT makes the water policy and the national strategy.

THE MINISTRY OF WATERS AND FORESTRY is responsible for monitoring and reporting to the UE the compliance with European directives.

THE MINISTRY OF INVESTMENTS AND EUROPEAN PROJECTS is responsible for financing the regional projects for developing the water infrastructure (projects are prepared in general by the regional water utilities).

THE MINISTRY OF DEVELOPMENT, PUBLIC WORKS AND ADMINISTRATION, THE MINISTRY OF FINANCE AND THE MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT are responsible for financing the local project for developing the water infrastructure (projects are prepared in general by the local authorities).

THE MINISTRY OF WATERS AND FORESTRY, through the National Administration of Romanian Waters (ANAR), is responsible for monitoring compliance with Urban Waste Water Treatment.

THE MINISTRY OF HEALTH is responsible for monitoring compliance with the Drinking Water Directive.



The Regulator

The National Regulatory Authority for Public Utilities Services (ANRSC) is a public institution of national interest with legal personality, subordinated to the Ministry of Development, Public Works and Administration.

ANRSC was established in 2002, and it is a multi-sector regulator for services such as water supply, sewerage and wastewater treatment, production, transportation, distribution and sanitation. It employs ~119 people with an annual budget of 4,8 M€.

As the Regulatory Authority for water, ANRSC main responsibilities are:

- to create methodologies and frame regulations in the domain of public utility services;
- to create and establish mandatory sector regulations of secondary and tertiary level;
- to issue, modify, suspend or take back licenses and authorisations;

Spain

COUNTRY DATA

Area

505.944 Km²

Population

47,45 M

Population density

93,55 inhab./km²

Per capita consumption

128 l/p/d

SECTOR DATA

No. Operators WSS sector

Estimated ~2.500

Sector Turnover

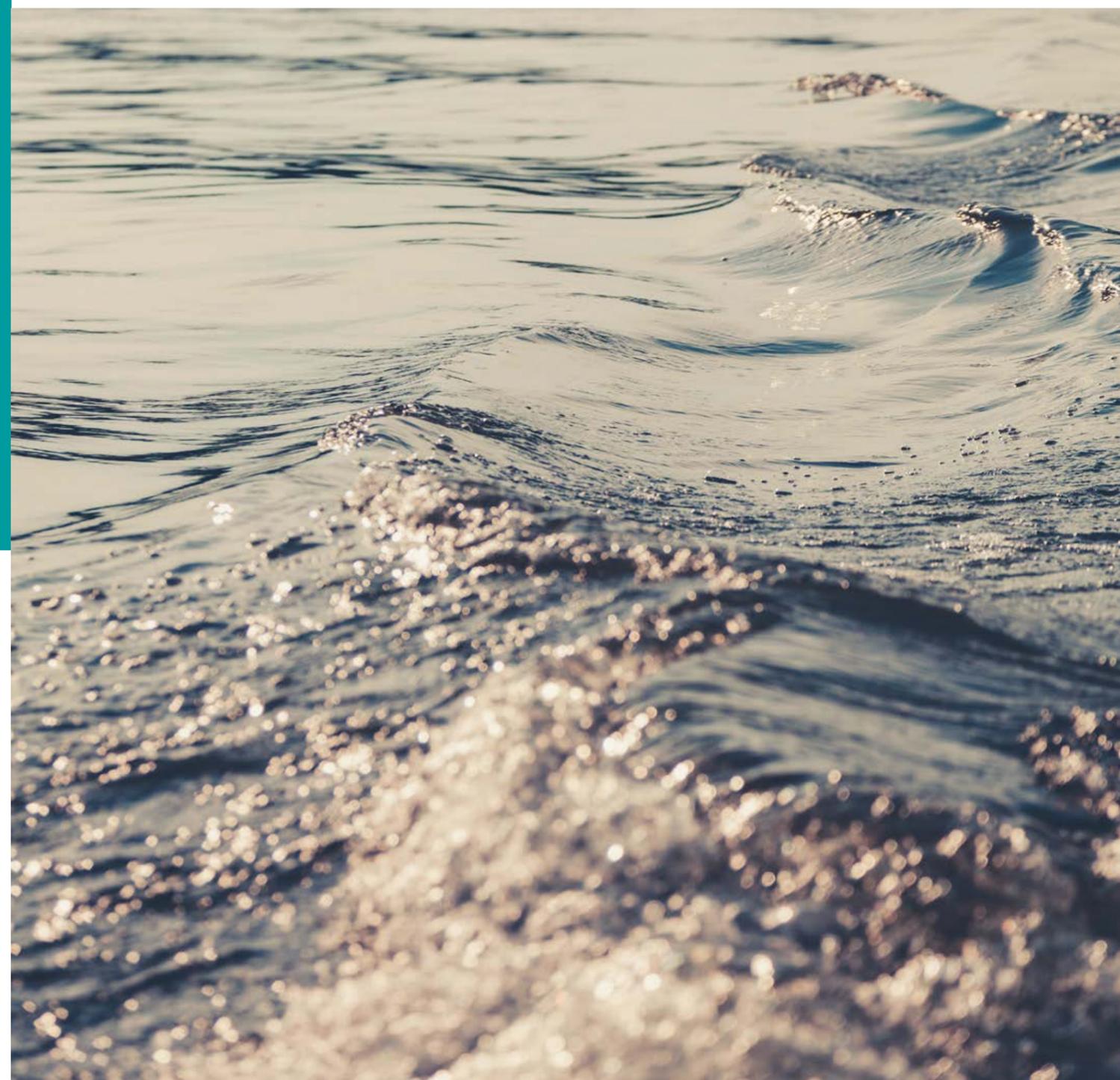
7,65 M€

No. employees

65.400*

* Direct Employment 32.700. Estimated employment (direct/indirect): direct x 2

- ◆ The Local Regime Basis Law (Ley 7/1985);
- ◆ The Local Tax Law (RDL 2/2004);
- ◆ The Law on streamlining and sustainability of local administration (Ley 27/2013);
- ◆ Regional laws on wastewater treatment;
- ◆ Regional water acts;
- ◆ Local (Municipality) water supply service regulations; and
- ◆ Local or regional urban water services prices ordinances.



Institutional Framework

In Spain, Water services are a Municipal responsibility. Therefore there is no Independent Regulatory Agency/Body/Organism at the National level. Although the water sector is highly regulated, it presents extraordinary fragmentation of competencies.

At the National level, the Ministry for the Ecological Transition and the Demographic Challenge (MITERD) has competencies in:

- ◆ hydrological planning;
- ◆ public water domain control; and
- ◆ granting concessions on water use.

Legal Framework

The main legislation on the water sector of Spain is the following one:

- ◆ The Water Law (RDL 1/2001);

Turkey



COUNTRY DATA

Area

783.562 Km²

Population

83,61 M

Population density

109 inhab./km²

Per capita consumption

135 l/p/d

SECTOR DATA

No. Operators WSS sector

81*

Sector Turnover

N. A.

No. employees

N. A.

* Metropolitan and provincial municipality

Institutional Framework

In Turkey, Water services are a Municipal responsibility. Therefore there is no Independent Regulatory Agency/Body/Organism at the national level. However, the water sector is regulated through different Institutions at a national level and Municipalities at a local level.

At the national level, the **MINISTRY OF AGRICULTURE AND FORESTRY** has competencies in:

- ◆ policy determination;
- ◆ preparation of sectoral water allocation plans;
- ◆ preparation of river basin management plans;
- ◆ approval of drinking water projects and water resources; and
- ◆ monitoring of water resources.

THE GENERAL DIRECTORATE OF STATE HYDRAULIC WORKS (DSI) has competencies in the detection of water sources, the transmission of water to treatment plants and the construction of drinking water and wastewater treatment plants in agreement with the relevant Municipality.

THE GENERAL DIRECTORATE OF ILLER BANK has competencies in urban infrastructure construction and financing in agreement with the relevant Municipality.

THE MINISTRY OF ENVIRONMENT AND URBANISATION has competencies in constructing wastewater treatment plants and conducting wastewater quality controls.

THE MINISTRY OF HEALTH has competencies in drinking water quality inspections.

At the local level, **MUNICIPALITIES** have competencies in:

- ◆ construction of drinking water treatment plants;
- ◆ water treatment and disinfection and distribution;
- ◆ drinking-water pricing;
- ◆ collection and pricing of the wastewater;
- ◆ construction of wastewater treatment plants;
- ◆ treatment of collected wastewater according to standards; and
- ◆ recovery or discharge of treated wastewater.



Legal Framework

The main legislation on the water sector of Turkey is the following one:

- ◆ Law No. 831 on Waters (1926);
- ◆ Law on Supply of Drinking, Domestic and Industrial Water to Settlement Areas with Municipal Organisation (1968);
- ◆ Law No. 2560 on the Establishment and Duties of the General Directorate of Istanbul Water and Sewerage Administration (1981);
- ◆ Metropolitan Municipality Law No. 5216 (2004);
- ◆ Municipal Law No. 5393 (2005);
- ◆ Law No. 6200 on the Organisation and Duties of the General Directorate of State Hydraulic Works (1953); and
- ◆ Law No. 1053 on the Supply of Drinking, Utilising and Industrial Water to Settlement Areas with Municipal Organization.

UK Northern Ireland



COUNTRY DATA

Area

84.421 Km²

Population

1,875 M

Population density

22,21 inhab./km²

Per capita consumption

158 l/p/d

SECTOR DATA

No. Operators WSS sector

1

Sector Turnover

~484,3 M€

No. employees

1.321

- ◆ to promote competition in the gas, electricity, water and sewerage services markets;
- ◆ to set the standards of service which regulated companies provide to customers in Northern Ireland;
- ◆ to take account of the needs of vulnerable consumers
- ◆ to contribute to the promotion of sustainable development; and
- ◆ to act as an adjudicator on specific customer complaints, disputes and appeals.

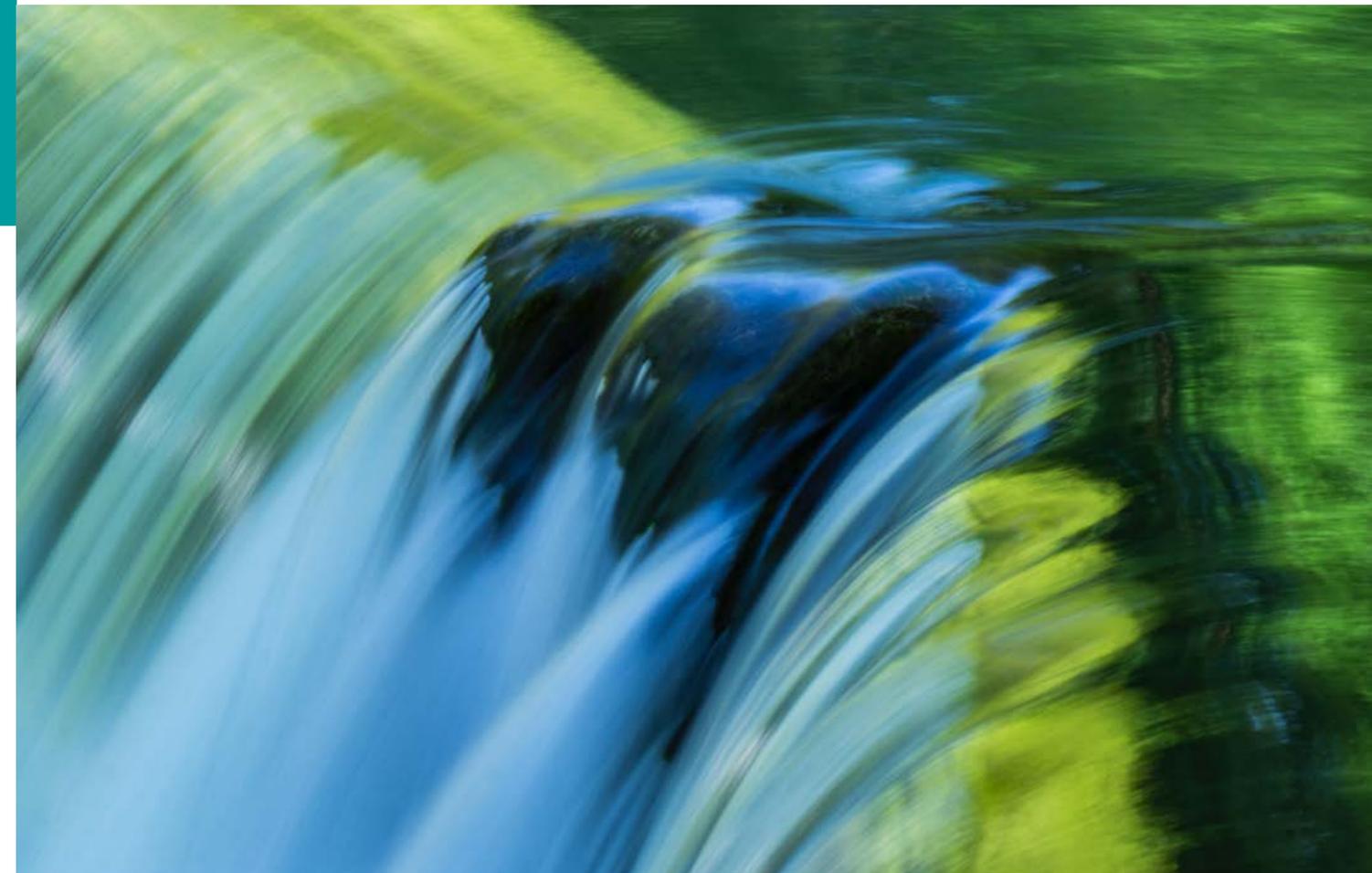
Legal Framework

The main legislation on the water sector of Northern Ireland is the following one:

- ◆ The Water and Sewerage Services (Northern Ireland) Order 2006.

Institutional Framework

THE OPERATIONAL REVIEW GROUP coordinates between NI Water (operator), The Department of Infrastructure, The Drinking Water Inspectorate, the Rivers Agency and the Environmental Regulator, and the Economic Regulator.



The Regulator

The Utility Regulator (NIAUR) regulates the electricity, gas, water, and sewerage industries in Northern Ireland, promoting consumers' short- and long-term interests.

As the Regulatory Authority for water, NIAUR primary responsibilities are:

- ◆ to protect the short and long-term interests of electricity, gas, water and sewerage consumers concerning price and quality of service;
- ◆ to promote a robust and efficient water and sewerage industry, where appropriate to deliver high-quality services;
- ◆ to issue and maintain licenses for gas, electricity and water companies to operate in Northern Ireland;
- ◆ to ensure that these companies meet relevant legislation and license obligations;
- ◆ to challenge these companies to keep the prices they charge as low as they can be;
- ◆ to encourage regulated companies to be more efficient and responsive to customers;

UK Scotland

COUNTRY DATA

Area

79.838 Km²

Population

5,47 M

Population density

69 inhab./km²

Per capita consumption

284 l/p/d

* 1 national supplier and 27 licensed non-household retailers

** annual turnover of Scottish Water)

SECTOR DATA

No. Operators WSS sector

28*

Sector Turnover

> 1,48 M€**

No. employees

> 4.000

- to set targets to improve efficiency and facilitating competition in the retail market for water and sewerage services;
- to license all participants in the market;
- to facilitate competition;
- to play a lead role in the Scottish Government's Hydro Nation programme, which involves the Scottish water industry sharing its expertise in water governance, drinking water quality, environmental and economic Regulation, and water resource management internationally; and
- to provide international advisory and consultancy activities regarding capacity building, supporting water reform and regulatory governance frameworks, robust information collection systems, industry performance reviews, and cost benchmarking.

Legal Framework

The main legislation on the water sector of Scotland is the following one:

- The Sewerage (Scotland) Act 1968 and the Water (Scotland) Act 1980, defines the powers and duties of the participants in the industry. Both have been substantially amended since their introduction;
- The Water Industry (Scotland) Act 2002, sets up Scottish Water, the Drinking Water Quality Regulator (DWQR) and the Customer Consultation Panels;
- The Water Services etc. (Scotland) Act 2005, strengthened economic Regulation by introducing the Water Industry Commission for Scotland (WICS), strengthened customer representation and introduced a retail competition for non-domestic customers; and
- The Water Resources (Scotland) Act 2013 makes it a statutory duty for Scottish Ministers to take reasonable measures to ensure Scotland's water resources development.

The full list of bills and legislation for the Scottish water industry can be found at www.gov.scot/policies/water/



The Regulator

The Water Industry Commission for Scotland (WICS) is the economic regulator for the Scottish water industry. WICS is a non-departmental public body with statutory responsibilities to promote customers' interests (the regulator works independently from Ministers). It was established in 2005 and employs ~28 people with an annual budget of 4,5 M€.

As the Regulatory Authority for water, WICS main responsibilities are:

- to ensure an effective regulatory framework that encourages the Scottish water industry to provide high-quality service and value for money to customers;
- to set prices that deliver Ministers' quality, environmental and customer service objectives for the water industry at the lowest reasonable overall cost. WICS regulates both the prices that Scottish Water can charge to household customers and the wholesale charges paid by licensed retailers;
- to set default tariffs which are the maximum amount licensed providers may charge customers;
- to monitor Scottish Water's (operator) performance (such as regarding customer service, investment, costs and leakage);

Institutional Framework

THE SCOTTISH PARLIAMENT holds all industry stakeholders to account and provides legislative consent, where required, to Government policy.

THE SCOTTISH GOVERNMENT develops the policy for the industry (including the policy on charging, financing and levels of service, acts as the owner of Scottish Water, sponsors each of the regulators and customer bodies (e.g. approves their annual plans) and sets the objectives for the industry (Ministers Objectives).

SCOTTISH WATER (operator) delivers water and wastewater services to customers, has the responsibility for meeting Ministerial Objectives for the industry, and must ensure that it meets water and environmental standards set by its regulators.

THE SCOTTISH ENVIRONMENT PROTECTION AGENCY (SEPA) sets environmental standards consistent with the EU, UK and Scottish legislative framework. It is the responsible Authority for implementing the European Union Water Framework Directive, monitors the level of compliance with EU Directives and Reg-

ulations in the drinking water and wastewater sector, and has responsibility for developing the river basin management plans.

THE DRINKING WATER QUALITY REGULATOR (DWQR) advises on water quality standards, monitors the achievement of drinking water standards, monitors the level of compliance with EU Directives and Regulations in the drinking water and wastewater sector, and signs-off water safety plans.

THE CONSUMER FUTURES UNIT (CFU) is part of Citizens Advice Scotland (CAS). It advises the Scottish Government on consumer policy issues relating to the water industry and other utility services.

THE SCOTTISH PUBLIC SERVICES OMBUDSMAN (SPSO) adjudicates any non-resolved complaints against Scottish Water (and any other public body).

These roles are coordinated through regular communication, including through stakeholder groups. For instance, all stakeholders monitor the delivery of Scottish Water's investment programme through **THE DELIVERY ASSURANCE GROUP** (previously known as the Outputs Monitoring Group). This Group reviews Scottish Water's progress on investment delivery and holds Scottish Water to account. The Scottish Government chairs this Group.



CREDIT

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WAREG Secretariat

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HEADQUARTER
Piazza Cavour, 5
Milan (Italy)

INSTITUTIONAL OFFICE
Avenue des Arts, 46/14
Brussels, (Belgium)

www.wareg.org • Follow us on 