

REFORMING WATER GOVERNANCE IN Sri Lanka

Presented By:

Eng. Channa Amarasinghe

CHAIRMAN

NATIONAL WATER SUPPLY & DRAINAGE BOARD

&

H. Manthrilake

International Water Management Institute (IWMI)

02 - 03 July 2009

Sri Lanka – A land like no Other!

- Land Area - 65, 610 km²
 - 2,905 km² Inland Water
- Total Climatic Region - Dry Zone 2/3 of Area
 - Wet Zone 1/3 of Area
- Population Density - 322 persons/ sq.km
- No. of River Basins - 103

The largest of which covers 10% of the total land area

- Annual Rainfall (average) - 2000 mm



History – Policy & Institutions

- Established: Irrigation Dept. -1901 ;NWS&D Board 1964; MASL -1977; WR Board - 1978; etc.
- **Over 40 agencies & 51 legislative enactments**
- The need for improved legal and institutional framework for WRM was identified in late 1970s.
- A draft Water Resources Act was prepared in 1980.
- Government sought Donor assistance for policy formulation - 1995.

History ...

- ***The Water Resources “Policy” “Bill” and “Regulations” were prepared simultaneously by the Water Resources Secretariat (WRS) - (1997 - 2000).***

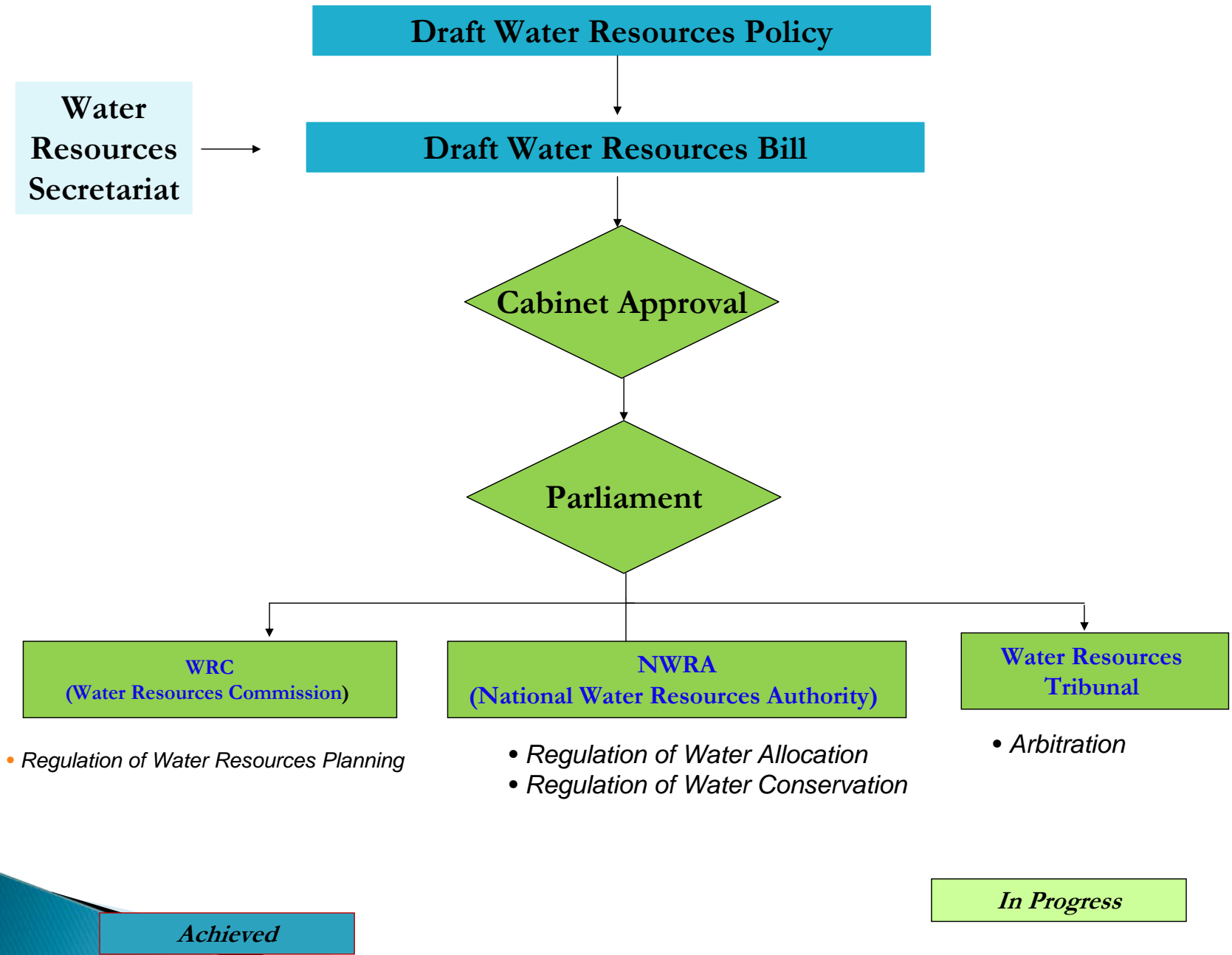
Policy

- National Water Resources Policy.

Legislation

- Water Resources Bill ;
- Water Resources Regulation

WATER RESOURCES - LEGAL & INSTITUTIONAL FRAME WORK



Achieved

In Progress

Period: 1997 - 2000

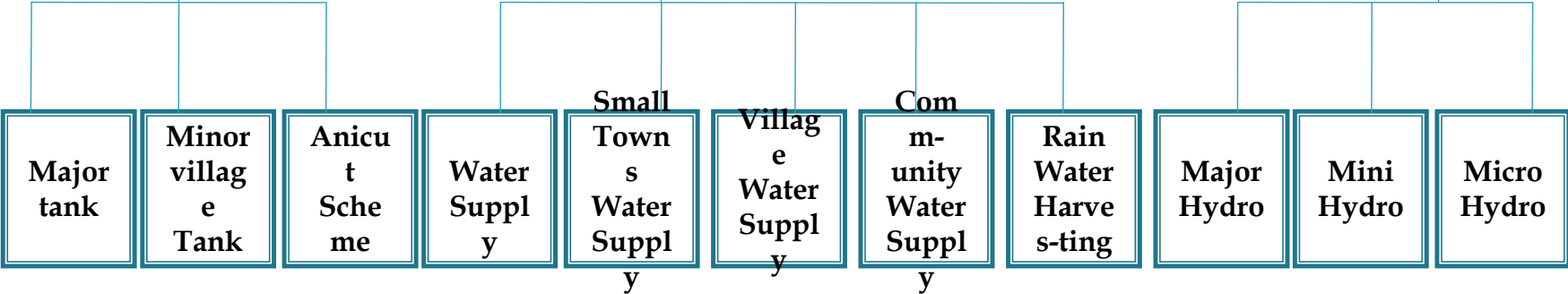
Water Policy (NWRA)

Domains

Sectoral policies :



Sub Sectoral policies:



WATER SERVICES REFORMS

Public Utilities Commission Act -
2002

2002 - 2003

Establishment of Public
Utilities Commission of Sri
Lanka (PUCSL)

Multi Sector
Regulator

On Going

Amendment
to the NWSDB Act

NWSDB

Achieved

Could not be achieved

REGULATION

□ Service Sector - (Drinking Water)

- PUCSL has been established under Act No:35 of 2002.
- PUCSL is a multi sectoral regulator.
- Regulator (PUCSL) is now active.
- With Amendment to the NWSDB Act, the PUCSL could effectively regulate the Water Supply for Drinking Sector.

DRINKING WATER POLICY

- ***Separate Policy on Drinking Water Supply*** has been drafted - 2008.
- The Policy is specifically identifies:
 - **Rural Water Supply Sub Sector**
 - **Urban Water Supply Sub Sector**
- The ***Public comments*** on draft policy were obtained through media exposure (*Print & Electronic Media*) and through public hearings.
- The latest version is now ***ready for Government approval - 2009.***

WATER TARIFF PRINCIPLES

- When there is *no processing delivery costs involved*, drinking water from such sources will be **free of charge**.
- The **cost involved** in protecting, processing and delivering of water **will be recovered**.
- **Poorer segments** shall be provided **subsidized** water.
- The **tariff** charges shall be **uniform and shall be reviewed and revised periodically**.

TARIFF STRUCTURE

□ The tariff consists of two components:

□ Service Charge

□ Usage Charge

□ Service Charge

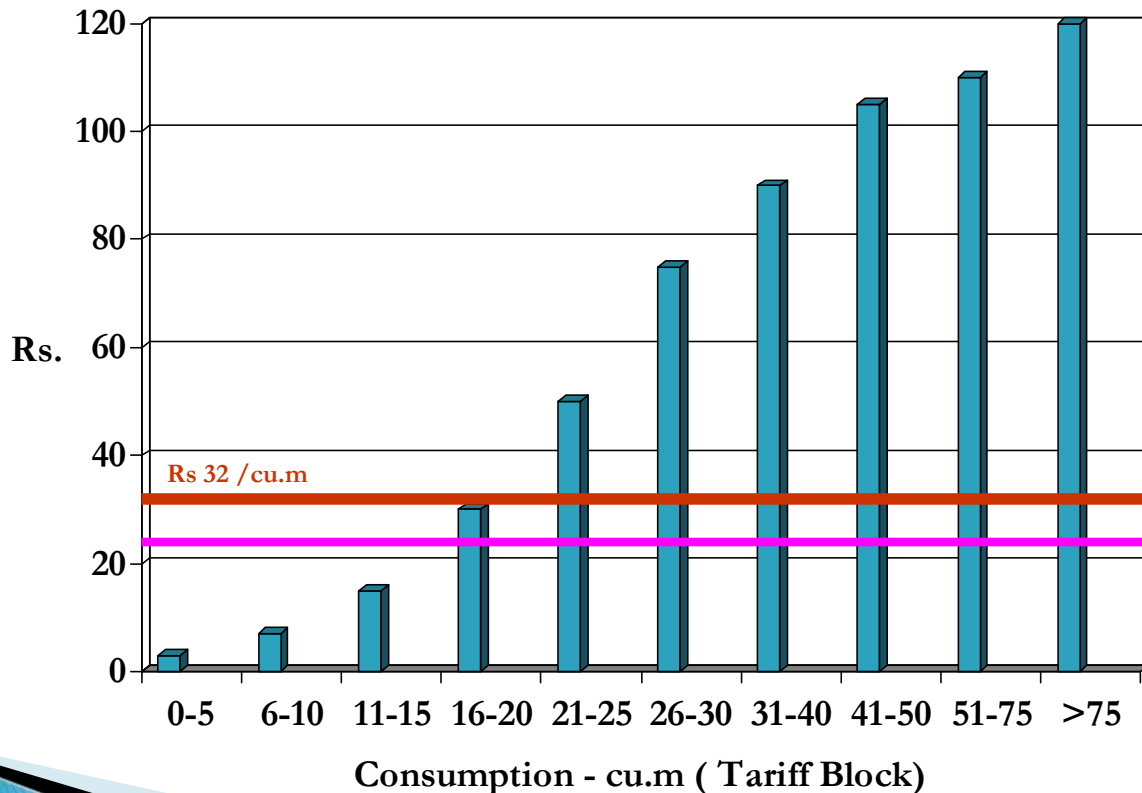
The **administrative and other overhead costs**. The burden that the consumer imposes on the system would be taken into consideration in deciding on the quantum of such service charge. Higher the consumption the higher will be the service charge;

□ Usage Charge

The cost attributed to **recurrent expenditure**.

TARIFF - REWARD & PENALTY

- Water Tariff is “structured” to:
 - **discourage** high consumption and waste.
 - **encourage** low consumption and to reward water savings (heavily subsidized).



Recurrent Cost (O& M)-Rs 21 /cu.m


Recurrent Cost with depreciation -Rs 32 /cu.m

Looking back,...

- ▶ Here is a Multi million \$ Master piece:
 - Worked out by a fine group of experts based on best world experiences
 - owned by no one (political party or CS),
 - as a limbo (without the key player – Irrigation)
 - Without a champion,
 - Shot-down by few NGOs with no connections to grassroots and joined with extremists

My Question is...

- ▶ Do we need a separate water Policy and Legislation?
 - Water in many Countries (Asia) is a way of life rather than a business
 - There are examples doing well without ...
 - Can't be guided by other policies and laws?

 - ▶ Can't we integrate with others!
- 

THANK YOU

PARTICIPATORY AND NEGOTIATED APPROACHES

- The consensus on water allocations are generally achieved through a participatory and **negotiated approach**.
- In deciding the Water allocations, stakeholder consultations are always held between the **Farmer Groups, Department of Irrigation, Mahaweli Authority, Local Authorities etc;**
- In **almost all cases stakeholder consultations** are held **with the community** in water supply projects.

Summary

- ❑ The background work for a Apex body (WRC, NWRA) had been carried out but not established.
- ❑ Policy on Water Resources is available but not implemented
- ❑ PUCSL (Regulator) for Sector Reform has been established.
- ❑ Amendments to NWS&DB Act is being carried out.
- ❑ The Other key players are yet to start!