



Building the Agenda for the 2nd International Water Regulators Forum



RESULTS OF THE SURVEY



Background



The 1st International Water Regulators Forum (IWRF) - Sept 2014

The event gathered over 200 participants from 56 countries in Lisbon (Portugal). Amongst them, about 100 were officials that also included energy, public health and environment regulatory authorities.

At the Forum, participants discussed the role of regulation, current status and future trends, interactions between regulatory bodies and the principles that guide effective regulation in the sector.

The Forum was organized by IWA and ERSAR (the Portuguese regulator) as part of the 2014 IWA World Water Congress & Exhibition.

The Lisbon Charter

The outputs of the 1st IWRF informed the drafting of The Lisbon Charter. Over the following months to the event, a draft was circulated for comments amongst the participants and any other interested regulatory authority in the sector. A consolidated version was then proposed to IWA's Board of Directors, which endorsed it in January 2015.

The Lisbon Charter is ***an international framework of guiding principles for sound public policies and regulation. It outline the rights, duties and responsibilities of stakeholders, and provides the basis for sound institutional development in the sector.***

The Charter was also recently included in the Daegu-Gyeongbuk Recommendations to the Ministers at the 7th World Water Forum on April 13th 2015, in the Republic of Korea.

About this event



The 2nd International Water Regulators Forum

On April 13th 2015, IWA sent out a survey to the participants of the previous Forum and additional regulatory authorities worldwide, asking them:

- what were the most important topics to discuss in the next forum
- what are the biggest challenges they are currently facing; and
- what are the latest developments with regard to regulation in their own.

The following is a summary of 116 responses received from participants of 39 countries across the world. The results will define the agenda for this year's International Water Regulators Forum.

The principles of the Lisbon Charter provide the basis to address the issues raised in this survey opening an opportunity to develop replicable solutions.

This event builds on the outputs of its previous version and the Lisbon Charter to develop a path for action where the regulatory community worldwide needs it most.

Where will the Forum take place?

This year's edition of the Forum will be hosted by the UK Environment Agency in September 8 and 9 in London, United Kingdom www.iwa-network.org/iwrf

About this survey

The survey suggested a list of 20 topics to be discussed at the Forum divided into 4 key areas:

Management
Frameworks

Information

Economics
and Finance

Stakeholder
Engagement

About this survey

The survey suggested a list of 20 topics to be discussed at the Forum divided into 4 key areas:

Management Frameworks



- Resource optimization: Working across frameworks (water, energy and nutrients)
- Changing service delivery models: decentralized and consolidation models
- Building resilience to climate variability and climate change into water cycle management
- Water Governance models - prioritization of limited water resources

Information



- Harmonizing reporting obligations (utilities): cooperation amongst stakeholders
- Data access and management: what data for what purpose
- Benchmarking: learning performance from the best

About the survey

The survey suggested a list of 20 topics to be discussed at the Forum divided into 4 key areas:

Economics and Finance



- Making room for nature: incentivizing capital investments beyond grey infrastructure
- Market regulation and investments - freedom to invest: where, what and how
- Private sector engagement: Is there a role for urban water markets?
- Innovation for better service delivery: Examining bottlenecks and enablers

Stakeholder Engagement



- Customers first: instruments for higher engagement in planning, delivery and environmental protection
- Pushing the boundaries: stakeholder cooperation within the basin
- Avoiding administrative litigation: better cooperation amongst stakeholders for service provision

The following is a summary of the **116** responses received from participants **from 39 countries** across the world.

Results of the survey

For each key area, respondents were asked to rate the topics covers from



The following are the topics chosen as extremely important per key area, detailed results can be found next:



Results of the survey

For each key area, respondents were also invited to suggest additional topics. The most **suggested topics** per area were:

Management Frameworks

- Use of externalities in decision making
- Preventative risk based management approaches
- Efficient use and water source protection
- Institutional arrangements and responsibilities of each stakeholder
- What lessons from other sectors can be applicable to water regulation?

Information

- What can we learn from others?
- Open data strategy
- Improving information management efficiency
- Performance data
- Harmonizing reporting obligations

Economics & Finance

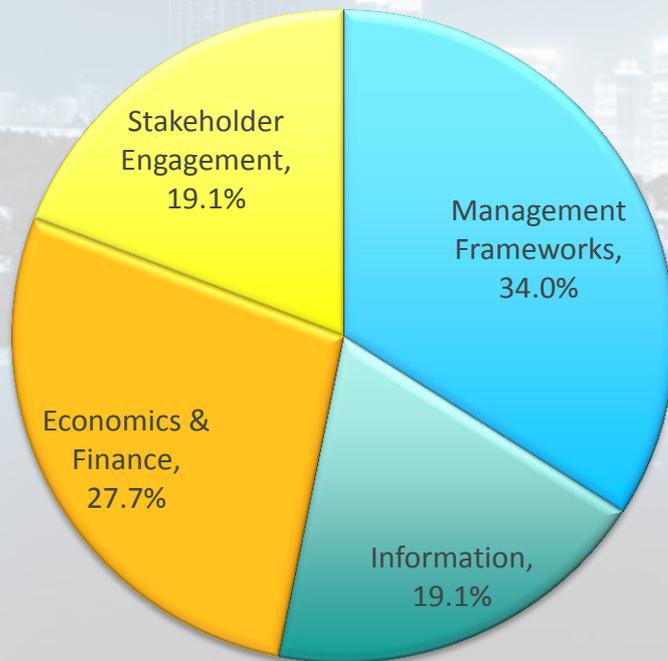
- Tariff definition and Regulatory methodologies
- How do regulators enhance innovation on the market?
- Incentives for capital investments beyond grey infrastructure
- New business models to stimulate transition
- Private sector's role on innovation

Stakeholder Engagement

- How can regulators do for cross industry cooperation
- The role of the regulator in dispute resolution vs judicial bodies
- Public awareness and consultation in regulatory procedures
- What tools can we use to empower consumers?

Results of the survey

When asked about their **biggest challenges**, majority of respondents indicated those related to regulation of management frameworks followed by challenges related to economic and finance regulations. The most referred issues were:



Management frameworks

Independence of regulators in developing countries

Enabling environment for devolved governance

Definition of roles, harmonization of priorities & interests

Risk management

Progressive implementation of HHRR Water & Sanitation

Ensuring maintenance

Economics & Finance

Unorganized cross subsidies

Lack of consensus on the role of regulation

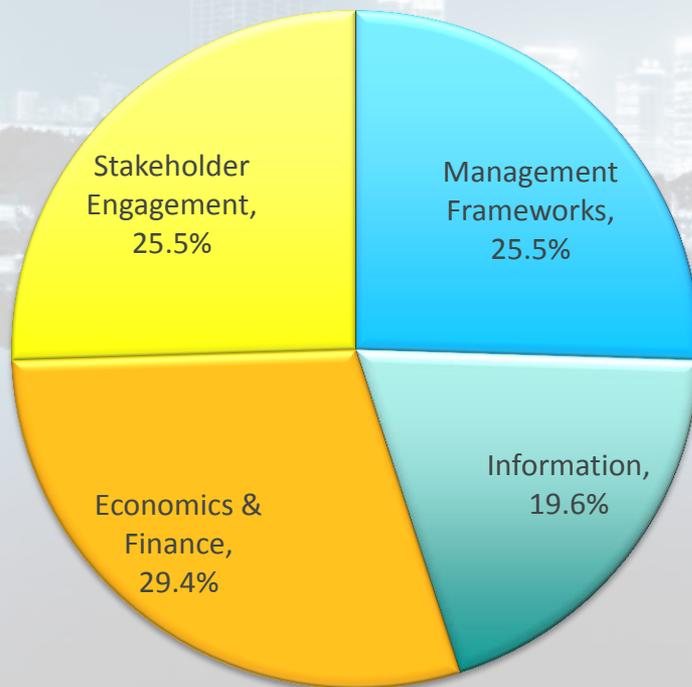
Financing expansion, rehabilitation or upgrading

Tariff setting for cost recovery, equity, affordability

Need of better accountancy practices of costs, investments, maintenance, subsidies

Results of the survey

Respondents reported interesting **new developments** in regulation per area. Most of them referred to new economic and financial regulations, matching the second highest challenge reported:



Economics and Finance

Review of pricing mechanisms

Granting of powers to regulator for tariff setting

New tariff codes

Inclusion of waste in tariff setting regulations

Principles for tariff harmonization and proper cost account practices

Management frameworks

Clustering operational areas

Corporatization

Clustering governance

Devolved governance

Incentive based approach for management frameworks

The Agenda

The agenda is structured in 6 interactive sessions and 4 workshops throughout a day and a half of discussions.

The first 4 sessions correspond to the topics chosen as extremely important in each key area of the survey.

The following two consolidate the suggest additional topics, new developments and main challenges regulators expressed in the survey.

The sessions are structured to find answers to a main question raised around these issues and possible ways forward.

The Agenda – Day 1

Management Frameworks

Session 1 – Water Governance models: prioritization of limited water resources

- Q – How regulation can enable good governance models that prioritize limited water resources in an equitable, affordable and sustainable way?

Stakeholder Engagement

Session 4 – Stakeholder cooperation within the basin

- Q – How can regulators become drivers for better cooperation amongst stakeholders?

Information

Session 2 – Benchmarking: learning performance from the best

- Q – What regulatory settings should be in place to make the best of benchmarking tools? How regulatory bodies can use benchmarking tools to stimulate better services provision?

Main Challenges

Session 5 – Institutions for effective regulation

- Q – Who decides? How building trust can safeguard independent regulation beyond local institutional settings?

Economics & Finance

Session 3 – Innovation for better service delivery: bottlenecks and enablers

- Q – How can regulators promote innovation in the sector? And, what are the features of a regulatory framework that enables innovation?

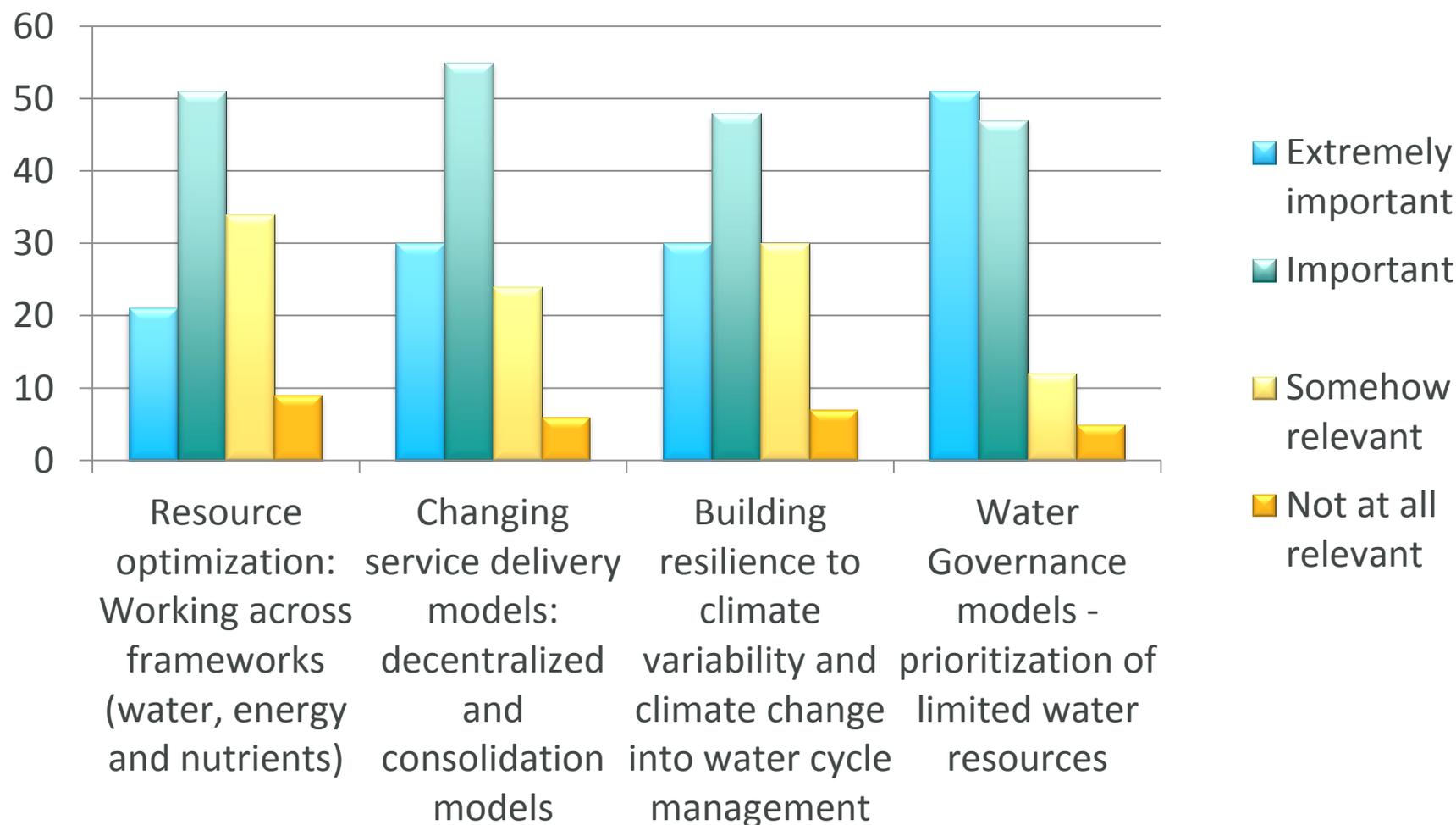
New developments

Session 6 – Regulating sustainable financial approaches for service provision

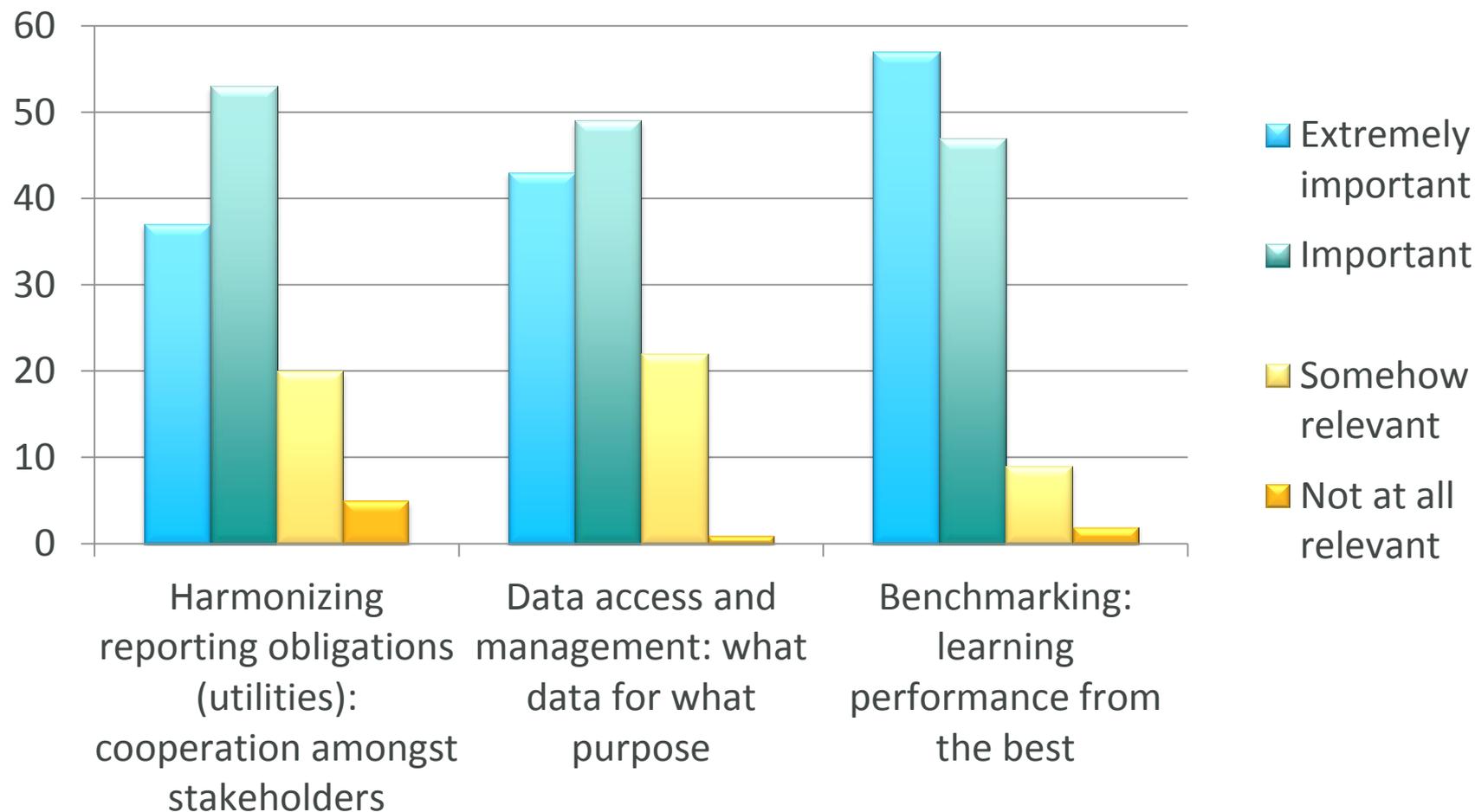
- Q – What financial mechanisms are available in regulation to maintain sustainable services?

Detailed Results

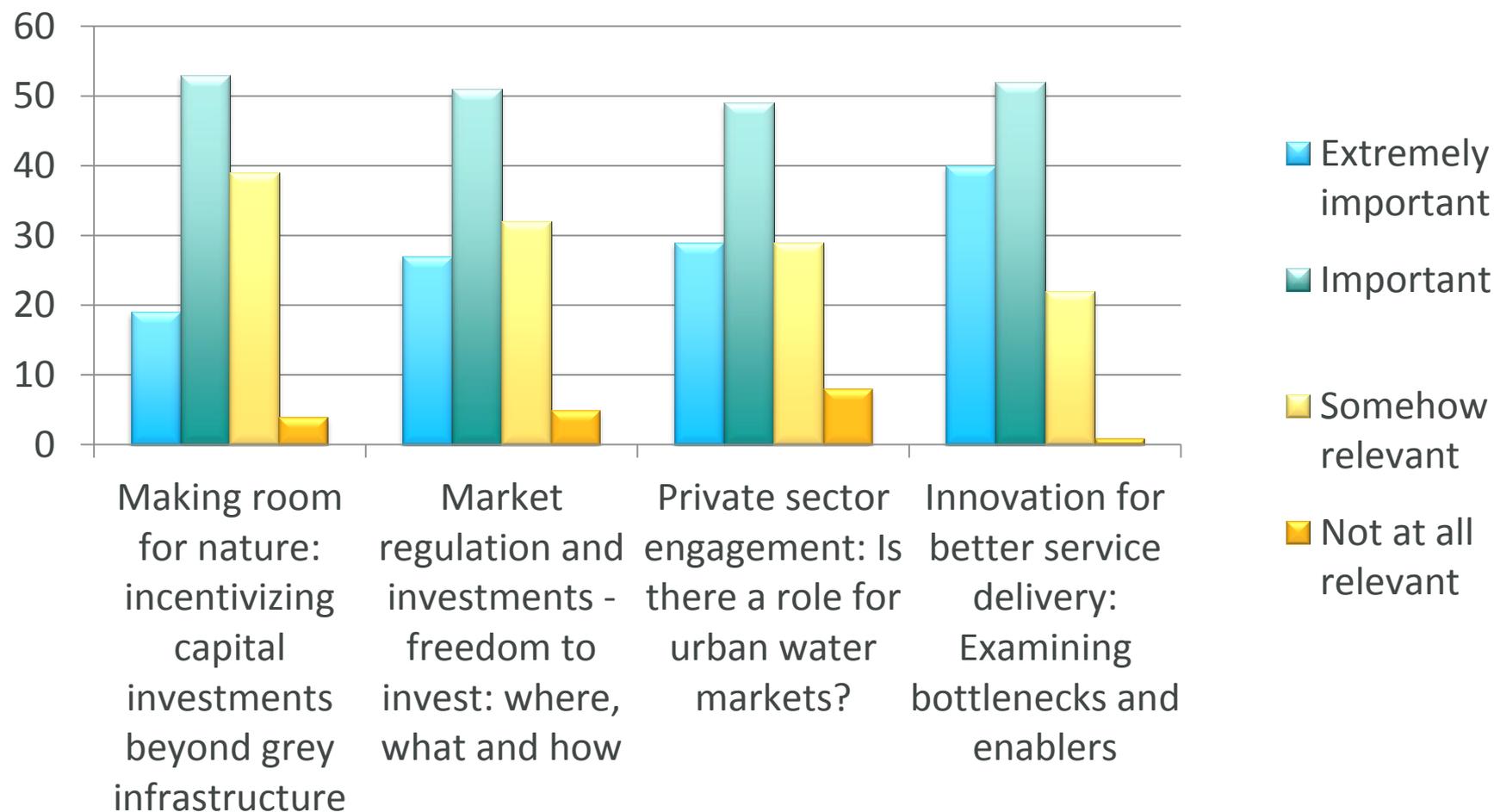
Question 1 Management frameworks - Are the following topics relevant/important to include in this theme?



Question 2 Information - Are the following topics relevant/important to include in this theme?



Question 3 Economics and Finance - Are the following topics relevant/important to include in this theme?



Question 4 Stakeholder Engagement - Are the following topics relevant/important to include in this theme?

