



TECHNICAL, PLANNING AND ADVISORY TEAM IN THE
WATER AND SANITATION SECTOR (TPAT) PHASE II

**WATER SECTOR REFORM PLAN
MONITORING REPORT
Q1/2016
(January – March 2016)**

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Acronyms

| | |
|----------------|-----------------------------------------------------------|
| AFD | Agence Française de Développement |
| COM | Cabinet of Ministers |
| COMSC | Council of Ministers Steering Committee |
| EQA | Environmental Quality Authority |
| GIZ | Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH |
| IWSR | Institutional Water Sector Review |
| JSC | Joint Service Council |
| MOA | Ministry of Agriculture |
| MOH | Ministry of Health |
| MOFP | Ministry of Finance and Planning |
| NWC | National Water Company (successor of WBWD) |
| O&M | Operation and Maintenance |
| OD | Organization Development |
| PMU | Project Managements Unit |
| PNA | Palestinian National Authority |
| PWA | Palestinian Water Authority |
| RCU | Reform Coordination Unit |
| RWU | Regional Water Utility |
| SIDA | Swedish International Development Cooperation Agency |
| SP | Service Providers |
| TPAT II | Technical, Planning and Advisory Team Project II |
| WB | World Bank |
| WBWD | West Bank Water Department |
| WRM | Water Resources Management |
| WS | Water Supply |
| WSRC | Water Sector Regulatory Council |
| WSRP | Water Sector Reform Plan |
| WW | Wastewater |

1. Introduction

1.1. Background

On December 14th 2009 the Cabinet of Ministers of the Palestinian National Authority endorsed an “Action Plan for Reform” towards the definition and implementation of a comprehensive program of institutional and legislative reform in the Palestinian water sector. The goal of this reform is to establish and activate an effective Water Governance System and improve the Water Management mechanisms. The reform objectives have been defined as follows:

1. With regards to institutions, the Sector Reform will establish strong (capable) and sustainable institutions within a legal framework that clearly defines their roles, responsibilities and the interface (relationship) between them.
2. With regards to infrastructure needs, the Sector Reform will improve water supply and sanitation strategies, policies, investment programs, project designs, and the implementation of projects, in an effort to substantially accelerate infrastructure development.
3. With regards to service provision, the Sector Reform aims to accelerate equitable access to a quality service, while providing improved efficiency and cost-recovery of effectively regulated water operators.
4. With regards to water resources management, the Sector Reform will help to build the institutional knowledge, policies, and monitoring and enforcement capacities, as part of an effort to achieve a more sustainable water resources management strategy.
5. With regards to water consumers, the Sector Reform will aim at improving water demand management and public health awareness in line with the development of water conservation, environmental and public health policies.

A key step in the reform process was the endorsement of the new Water Law through a decree issued by the President of State of on 14 June 2014.

In consequence the reorganization of the water sector and the institutions within was initiated and will require additional coordinated and concerted efforts to revise and adapt strategies and policies and to develop the required capacities to allow all sector stakeholders to fulfil their mandates.

The Water Sector Reform Plan (WSRP) 2016-18 lays out the envisaged actions and targets of key actors in the Palestinian Water Sector to implement the sector reform. The document is an update of the Water Sector Reform Plan 2014-16 and the previous Sector Reform Plan Updates. It was produced based on consultations with the Reform Plan task team, which includes relevant stakeholders such as MoLG, EQA, MoH, and WSRC.

1.2. About the WSRP 2016-18

The Reform Plan was developed in a participatory process with national and international stakeholders of the sector reform is to agree on the way forward in the water sector and its reform in the next three years, i.e. 2016-18.

The Reform Plan 2016-18 is meant to:

Guide the work of water sector institutions to achieve agreed targets that contribute to accomplishing the objectives of the water sector reform.

Provide a basis to monitor progress of the sector reform, and a reference against which corrective measures can be justified.

The document is aimed at and will be owned by water sector and line government institutions as well as financial and implementing partners to the reform process. Its content and results are to be disseminated to the Palestinian public at large for reasons of accountability and transparency, and to other national and international parties for purposes of academic, political and general interest.

Objectives of the WSRP 2016-18

The 'Action Plan for Reform' defines five objectives for the Water Sector Reform (compare 1.1). The Water Sector Reform Plan 2016-18 has the objective to **lay out activities within the framework of the 2014 Water Law to move towards accomplishing these objectives**. The plan therefore provides a set of ambitious yet achievable **targets and measurable indicators** that aim at **guiding the work of the institutions involved in the sector reform**.

The Water Sector Reform Plan further defines modalities for the implementation and monitoring of the reform process to clarify envisaged processes and inform relevant stakeholders. It therefore serves as the main reference for this monitoring report.

1.3. About this document

This document documents the progress made and the problems encountered in the implementation of the water sector reform plan, covering the period from January until including March 2016 and provides an outlook for the implementation of the WSRP during the second quarter of 2016.

This monitoring report is meant to inform the stakeholders of the reform process about progress and on-going activities as well as the required adjustments to the WSRP targets and indicators.

The monitoring report is structured as follows:

- Chapter 2 provides an update of the status of the sector reform since the enactment of the water law in 2014, including the status of progress related to the indicators for the first quarter of 2016.
- Chapter 3 presents the main results and activities during the reporting period together with an overview of the problems encountered and the solutions identified. This section also summarizes the adjustments to the WSRP targets and indicators.
- Chapters 4 captures the results and activities planned for the upcoming 3-month period.
- Annexes 1 and 2 provide detailed updates of the main milestones of the reform and of the WSRP targets and indicators.

The report has been produced by the reform plan task team with representatives from PWA, MOFP, MOA, MOLG, MOH, MONE, EQA, and WSRC.

2. Current Status of the Sector Reform

The implementation status of the sector reform is presented in the table below disaggregated for the period since the new Water Law was enacted until the 31th of December 2015 and for the reporting period (January - March 2016) is summarized in the table hereunder.

| Support implementation of and decision-making related to the new sector framework through improved planning, monitoring and reporting | | |
|----------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|
| Previous achievements | | Date of completion |
| Status Report of Water resources in Palestine (2012) | | Apr-2014 |
| Assessment report on the status of individual JSC produced | | Feb-2015 |
| Study implemented for the irrigation water use efficiency | | Oct-2015 |
| 2013 Water Sector performance monitoring report approved by PWA (Arabic version) | | Jan-2016 |
| Progress during Q1 2016 | | |
| # | Indicators for reporting period | Status |
| 1.1 | Update reform planning document (2016-18) approved | Completed during Q1 2016 |
| 2.2 | Report on progress on implementing PWA Implementation Plan 2015 is available | Completed during Q1 2016 |
| 2.3 | Capacity building on progress reporting for internal monitoring unit | Postponed to Q3 2016 |
| 2.6 | Water supply performance indicator report 2014 published | Completed during Q1 2016 |
| 10.1 | Ministry of Local Governorate General Directorate of the Joint Service Council Action Plan for 2014-18 produced and under effective implementation | Under implementation |
| Complementing and updating legislation, regulations, policies and strategies to support and guide the implementation of the Water Law | | |
| Previous achievements | | Date of completion |
| New Water Law enacted by decree (No. 14 / 2014) | | Jun-2014 |
| Water Sector Policy and Strategy 2012 - 2032 approved | | Sep-2014 |
| Regulation on Treated Wastewater Reuse approved (PWA, MoA, EQA) | | Mar-2012 |
| Wastewater, water supply and WRM Short-Term Strategy 2014-16 approved | | Apr-2014 |
| Environment sector strategy approved | | Apr-2014 |
| Bio-solids disposal strategy published | | Sep-2014 |
| Water scarcity response plan approved | | Dec-2014 |
| Water supply and wastewater tariff model approved | | Oct-2015 |
| Water Authority Strategic Plan 2016-2018 | | Dec-2015 |
| PWA Implementation Plan 2016 produced | | Dec-2015 |
| Progress during Q1 2016 | | |
| # | Indicators for reporting period | Status |
| 10.3 | New By-law on JSCs (General) approved by the minister and under effective implementation | Completed during Q1 2016 |
| 12.3 | Environmental Sector Strategy (2016 - 2019) | Approved; 2016-2021 strategy under preparation |
| Establishing and operationalizing sector institutions according to the mandates specified in the Water Law | | |
| Previous achievements | | Date of completion |
| Training program for Dir-JSCs implemented | | Mar-2014 |
| Water Sector Regulatory Council (WSRC) established | | Aug-2014 |
| Treated wastewater reuse association established through a reuse pilot project in Jenin and Nablus | | Jul-2014 |
| Progress during Q1 2016 | | |
| # | Indicators for reporting period | Status |
| 3.7 | Final concept for human resources development system produced | On-going |

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|-------|------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| 4.3 | <i>Coordinate the capacity building program for water service providers being implemented</i> | On-going |
| 4.4 | <i>Strategic plan for management information system produced</i> | Completed during Q1 2016 |
| 6.1 | <i>Short-term financial support and technical assistance for the WSRC implementation secured</i> | On-going |
| 6.5 | <i>Internal WSRC financial, administration and board remuneration by-laws approved by CoM</i> | Pending approval |
| 6.7 | <i>Public Relation activities are carried out according to communication plan with stakeholders and relevant WSRC activities coordinated with them</i> | On-going |
| 7.9 | <i>Concept for complaint system is available</i> | Completed during Q1 2016 |
| 8.1 | <i>Preparation of action plan (including a road map) for Building the Capacity of the WBWD and establishing the National Water Company approved by PWA</i> | On-going |
| 10.5 | <i>New unified financial accounting program for JSCs produced and under effective</i> | Cancelled |
| 10.7 | <i>Training programmes (two weeks) provided to 12 JSCs</i> | Completed during Q1 2016 |
| 10.8 | <i>Merging Plan for JSCs produced</i> | On-going |
| 10.12 | <i>PWA and stakeholders continue planning for and implementing amalgamation of local water service providers (depends on availability of funding)</i> | On-going |

3. Implementation results

3.1. Overview of results, events, emerging challenges and solutions

During the reporting period from January until including March 2016 the following results and activities were achieved for the 12 targets set out in the WSRP 2016-18. The table also summarizes challenges and solutions that were found during the first quarter of 2016.

| <i>Targets (2016-18)</i> | <i>Results during Q1 2016</i> | <i>Activities during Q1 2016</i> | <i>Challenges</i> | <i>Solutions</i> |
|-----------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| <i>1. Planning and monitoring of the reform process is organized in a timely manner</i> | <ul style="list-style-type: none"> ✓ Updated reform planning document (2016-18) approved and published | <ul style="list-style-type: none"> ✓ Consultation workshop with task team and relevant stakeholders | <ul style="list-style-type: none"> ✓ Misunderstanding around indicators and responsibilities during the development of the WSRP 2016-18 | <i>Resolved through consultation workshop and direct communication with stakeholders</i> |
| <i>2. Decision-making and operations are informed through improved planning, monitoring and reporting practices in the sector</i> | <ul style="list-style-type: none"> ✓ Progress report on PWA Implementation Plan 2015 has been issued ✓ Water supply performance indicator report 2014 published | | <ul style="list-style-type: none"> ✓ The PWA Implementation Plan has only been issued in Q1 2016. Due to little time to progress with its implementation the mission of the consultant who will support the CB on progress reporting for the internal monitoring unit was postponed. | <i>Capacity building on progress reporting for internal monitoring unit has been delayed to Q3</i> |
| <i>3. Capacities of PWA are established to fulfil its new mandate</i> | | <ul style="list-style-type: none"> ✓ The concept for human resources development system is under development and currently in the process of customization | <ul style="list-style-type: none"> ✓ Details for customization of the human resources development system had to be clarified in a participatory process that took slightly longer than anticipated. | |
| <i>4. Capacity development of sector institutions is effectively coordinated and organized according to needs</i> | <ul style="list-style-type: none"> ✓ Strategic plan for management information system has been produced ✓ Draft capacity development policy and strategy has been developed | <ul style="list-style-type: none"> ✓ The capacity building program for water service providers is being implemented through the GIZ Program ✓ Consultation workshop with relevant stakeholders on the draft capacity development policy and strategy | | |
| <i>5. Strategies, policies, plans and by-laws are established to guide and</i> | | | | |

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| <p>support the implementation of the 2014 water law</p> | | | | |
| <p>6. Capacities of WSRC are established to fulfil it's mandate</p> | <ul style="list-style-type: none"> ✓ PMS has been sent to a knowledge exchange workshop in Budapest | <ul style="list-style-type: none"> ✓ WSRC website under development ✓ Continued efforts to secure short-term financial support and technical assistance to the WSRC | <ul style="list-style-type: none"> ✓ Stability of the implementation depends on financing through the licensing by-law ✓ Implication of the licensing by-law on the water tariff is very sensitive as it will affect water tariff. ✓ Prime minister linked the temporary approval of the internal WSRC by-laws to the licencing by-law. | <ul style="list-style-type: none"> ✓ PWA emphasises the need for clear calculation of the tariffs and an information campaign towards users. ✓ Recognized that another expert should review the tariff (but additional funding is required to cover costs) |
| <p>7. Procedures, processes, guidelines, SOPs and benchmarking systems for performance monitoring of service providers are developed and their application is supported</p> | | <ul style="list-style-type: none"> ✓ Concept for benchmarking and SP categorization and ranking procedures has been drafted ✓ Communication plan under preparation by a consultant, brochure on functions and duties published and initial consultation meetings were organized ✓ Data collection and verification for the 2014 Service Providers Performance Report | <ul style="list-style-type: none"> ✓ Currently there is too little staff to effectively support the tariff review considering the Tariff Bylaw. Tariff processes are sensitive and need to be accompanied with adequate support measures. | <ul style="list-style-type: none"> ✓ Secure financing of the WSRC through licensing by-law and in the short run through donor support |
| <p>8. The process to establish and operationalize the National Water Company is agreed and under implementation</p> | <ul style="list-style-type: none"> ✓ A draft action plan (including a road map) for Building the Capacity of the WBWD and establishing the National Water Company has been developed and is under revision by PWA | | <ul style="list-style-type: none"> ✓ Data collection and verification of information and ensuring that perspectives of relevant stakeholders are adequately considered has resulted to be a more complex task than envisaged ✓ Several key challenges have not been resolved yet – e.g. NWC needs time to address all the debts and the status of people who are not willing to pay, in order to avoid collapse of the future company. | <ul style="list-style-type: none"> ✓ It is suggested to develop a plan and support for a transition period based on the results of the action pan |
| <p>9. Establishment of new</p> | | | <ul style="list-style-type: none"> ✓ Reforming the water service | |

| | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <i>regional water utilities on a pilot project basis is prepared</i> | | | <i>providers, turning them into regional providers as well as to establish Utilities takes more time and requires a transition period</i> | |
| <i>10. Water and wastewater service provision is ensured and supported during the transitional period until regional water utilities are established</i> | <ul style="list-style-type: none"> ✓ Zero version of national solid waste strategy has been drafted. ✓ Approval of JSC by-law ✓ JSC general by-laws 2016 finalized and published | <ul style="list-style-type: none"> ✓ JSC is merged into a Municipality (Al Karme), while others are still in progress ✓ On-going negotiations with donors (JICA and WB) for the amalgamation of prioritized local water service providers | ✓ <i>The approval of the National Strategy has been delayed</i> | ✓ <i>A suitable time will be identified to arrange the next national team meeting.</i> |
| <i>11. Agricultural water use is managed according to the new water law</i> | | | | |
| <i>12. A basic legal framework and strategies to protect Water Resources from Pollution are agreed</i> | | ✓ <i>On-going development of the Environmental Strategy 2016-21</i> | | <i>The timeline has been corrected to complete the Environmental Strategy 2016-21 by Q4 2016</i> |

3.2. Adjustments of targets & indicators of the WSRP 2016-18

The WSRP 2016-18 was developed as a ‘living document’ that aims to guide sector institutions to achieve agreed targets towards accomplishing a successful water sector reform. Plans can provide guidance but are unlikely to anticipate all developments affecting their implementation. Monitoring the implementation of the WSRP 2016-18 therefore also serves to identify and document required adjustments to its timeline and to content of the targets and indicators. The following table summarizes the resulting adjustments, which are also integrated into the updated sector reform targets & indicators in Annex 2.

| <i>#</i> | <i>Indicator</i> | <i>Adjustment</i> | <i>Comment</i> |
|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| 2.3 | <i>Capacity building on progress reporting for internal monitoring unit</i> | <i>Activity postponed to Q3/2016</i> | <i>Due to limited possibility to progress the support activity has been postponed to make more effective use of resources at a later stage.</i> |
| 3.7 | <i>Final concept for human resources development system produced</i> | <i>Completion postponed to Q2/2016</i> | <i>Details for customization of the human resources development system had to be clarified in a participatory process</i> |
| 6.6 | <i>Communication plan is prepared</i> | <i>Communication Strategy and Action Plan is prepared</i> | <i>Re-scheduled for Q2/2016</i> |
| 7.12 | <i>National Wastewater and Desalination Survey and Monitoring Program initiated</i> | <i>New indicator for target 7</i> | <i>Scheduled for Q2/2016</i> |
| 8.1 | <i>Preparation of action plan (including a road map) for Building the Capacity of the WBWD and establishing the National Water Company approved by PWA</i> | <i>Completion postponed to Q2/2016</i> | <i>Several key challenges have not been resolved yet</i> |
| 10.4 | <i>Updated MOLG Operational Manual on JSCs produced and under effective implementation</i> | <i>Maybe postponed until 2017</i> | <i>Re-scheduling will be decided during Q2/2016</i> |
| 10.5 | <i>New unified financial accounting program for JSCs produced and under effective implementation</i> | <i>MoLG will not develop a unified financial accounting program for JSCs. Instead they will continue to disseminate the existing financial accounting program (using different systems).</i> | <i>JSCs consider accounting systems appropriate, as they cater to different needs and nature of services between JSCs</i> |

4. Main scheduled results and events

The following results and activities are scheduled to be achieved during the second quarter (April until including June) 2016.

| <i>Targets (2016-18)</i> | <i>Envisaged results for Q2 2016</i> | <i>Activities planned for Q2 2016</i> |
|-----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>1. Planning and monitoring of the reform process is organized in a timely manner</i> | <ul style="list-style-type: none"> ✓ Quarterly progress report issued and approved (PWA) | |
| <i>2. Decision-making and operations are informed through improved planning, monitoring and reporting practices in the sector</i> | <ul style="list-style-type: none"> ✓ Final PWA Implementation Plan 2016-2017 produced (PWA) ✓ Water Sector Strategic Plan and Action Plan 2017-22 approved (PWA) | <ul style="list-style-type: none"> ✓ Use progress report on PWA Implementation Plan 2015 to tackle prevailing issues and mitigate delays (PWA) ✓ Initiate joint data collection from all SPs linked to the National Water Information System (PWA) |
| <i>3. Capacities of PWA are established to fulfil its new mandate</i> | <ul style="list-style-type: none"> ✓ PWA training & development strategy and guideline produced (PWA) ✓ Finalization of admin and financial accounting guidelines (PWA) ✓ Unifying PMU and developing its business plan and SOPs (PWA) | |
| <i>4. Capacity development of sector institutions is effectively coordinated and organized according to needs</i> | <ul style="list-style-type: none"> ✓ | <ul style="list-style-type: none"> ✓ Finalization of the Capacity building policy and strategy for approval (PWA) |
| <i>5. Strategies, policies, plans and by-laws are established to guide and support the implementation of the 2014 water law</i> | <ul style="list-style-type: none"> ✓ Licensing of regional water utilities and water operators by-law is agreed and send to the Cabinet of Ministers (PWA) ✓ General policies for determining the water and wastewater tariff approved (PWA) ✓ Wastewater and water supply planning and design guidelines for applications of service providers produced (PWA) ✓ Updated version of the roadmap for infrastructure development planning produced (PWA) ✓ Final Trans-boundary Water Resources Strategy and Action Plan produced (PWA) ✓ Final Water Awareness Strategy produced (PWA) | <ul style="list-style-type: none"> ✓ Development of a draft version of the Water Safety Plan (PWA) ✓ Development of a draft version of the general policy on Water Demand Management produced (PWA) ✓ Development of a draft version of the Unified Regulation for Water and Wastewater Tariff and Connection Services Fees (PWA) |
| <i>6. Capacities of WSRC are established to fulfil its mandate</i> | <ul style="list-style-type: none"> ✓ Communication Strategy and Action Plan Finalized (WSRC) | <ul style="list-style-type: none"> ✓ Stakeholder workshop on the council's mandates, and to receive feedback on support needs (WSRC) ✓ Orientation Workshop for 25 Service Providers (WSRC) ✓ Preparation of Semi Annual Reports for PM (WSRC) |
| <i>7. Procedures, processes, guidelines, SOPs and benchmarking systems for performance monitoring of service providers are</i> | <ul style="list-style-type: none"> ✓ Preparation of service provider's categorization and ranking procedures and tools (WSRC) ✓ Development of Guidelines for Licensing Process (WSRC) | <ul style="list-style-type: none"> ✓ Initiate tariff review for Jenin considering the Tariff Bylaw (✓ National Wastewater and Desalination Survey and Monitoring Program initiated |

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|----------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>developed and their application is supported</i> | ✓ <i>Publish 2014 Service Providers Performance Report (WSRC)</i> | <i>(WSRC)</i> |
| <i>8. The process to establish and operationalize the National Water Company is agreed and under implementation</i> | ✓ <i>Finalization and approval of action plan (including a road map) for Building the Capacity of the WBWD and establishing the National Water Company (PWA)</i> | ✓ <i>Developing a TOR for required work packages according to action plan, and secure funding for the implementation of the action plan (PWA)</i> |
| <i>9. Establishment of new regional water utilities on a pilot project basis is prepared</i> | | ✓ <i>Qualified consultants contracted to develop a road map for the establishment of new Regional Water Utilities on a pilot project basis (PWA)</i> |
| <i>10. Water and wastewater service provision is ensured and supported during the transitional period until regional water utilities are established</i> | ✓ <i>Updated MoLG Operational Manual on JSCs developed (MoLG)</i> | ✓ <i>Implementing technical cooperation project on solid waste management in Palestine (MoLG with JICA)</i> ✓ <i>Steering committee meeting for Local Gov't Reform and Development Programme Phase 2 to prepare the second phase - starting in June (MoLG with BTC)</i> ✓ <i>Finalization of Palestine Municipalities Support Program 2010-16 (MoLG with Italian cooperation)</i> ✓ <i>Continue process to establish financial support for amalgamation of local water service providers (PWA / MoLG)</i> |
| <i>11. Agricultural water use is managed according to the new water law</i> | ✓ <i>By-laws on Water User Associations submitted to CoM (PWA / MoA)</i> ✓ <i>Agricultural water tariff submitted to CoM (PWA)</i> ✓ <i>Agricultural water tariff model approved (MoA)</i> | |
| <i>12. A basic legal framework and strategies to protect Water Resources from Pollution are agreed</i> | | ✓ <i>Continued work on Environmental Sector Strategy 2016 – 21 (EQA)</i> |

5. Appendices

5.1. Annex 1: Main milestones achieved (cumulative up to March 2016)

The following table provides an update of the main milestones of the sector reform (cumulative up to March 2016). All changes as compared to the WSRP 2016-18 document have been highlighted in red.

| # | Description | Resp. | Date |
|----------------------------------|------------------------------------------------------------------------------------------|-------------|-----------|
| Reform process | | | |
| 1 | Action Plan for Reform approved | CoM | Dec-2009 |
| 2 | COMSC established | CoM | Dec-2009 |
| 3 | RCU established | PWA | Jun-2011 |
| 4 | Sector reform kick-off seminars held | PWA | Dec-2011 |
| 6 | Reform planning document (2012-14) approved | COMSC | Apr-2012 |
| 7 | Memorandum of Understanding signed between national and international stakeholder | PA/PWA | Jul-2012 |
| 8 | Reform Plan Update (2013-15) approved | COMSC | May-2013 |
| 9 | Reform Plan Update (2014-16) approved | COMSC | Dec-2013 |
| 10 | Update reform planning document (2016-18) approved | PWA | Q1-2016 |
| Sector framework & strategies | | | |
| 11 | Water quality standards updated and revised | PSI | Jan-2012 |
| 12 | Regulation Treated Sludge Reuse approved (PWA, MoA, EQA) | PSI | Dec -2015 |
| 13 | Water and Gender Strategy approved | PWA | Nov-2012 |
| 14 | Draft Water Policy produced (WR, WS, WW) | PWA | Dec-2012 |
| 15 | Draft Water Strategy produced (WR, WS, WW) | PWA | Jan-2013 |
| 16 | Water Tariff By-Law (WS, WW) approved | PWA | Jan-2013 |
| 17 | Consultations on Water Law completed | PWA | Mar-2013 |
| 18 | Consultations on Water Policy and Strategy completed | PWA | Mar-2013 |
| 19 | Revised Water Law approved | CoM | Aug-2013 |
| 20 | Joint Service Councils Strategy approved | MoLG | Oct-2013 |
| 21 | By-law on connection to sewer system approved | CoM | Dec-2013 |
| 22 | New Water Law enacted by decree (No. 14 / 2014) | President | Jun-2014 |
| 23 | Water Sector Policy and Strategy 2012 - 2032 approved | CoM | Sep-2014 |
| 24 | Regulation on Treated Wastewater Reuse approved (PWA, MoA, EQA) | PSI | Mar-2012 |
| 25 | Wastewater, water supply and WRM Short-Term Strategy 2014-16 approved | PWA | Apr-2014 |
| 26 | Environment sector strategy approved | EQA | Apr-2014 |
| 27 | Bio-solids disposal strategy published | PWA | Sep-2014 |
| 28 | Water scarcity response plan approved | PWA | Dec-2014 |
| 29 | Water supply and wastewater tariff model approved | PWA | Oct-2015 |
| 30 | Water Authority Strategic Plan 2016-2018 | PWA | Dec-2015 |
| 31 | PWA Implementation Plan 2016 produced | PWA | Dec-2015 |
| 32 | New By-law on JSCs (General) approved by the minister and under effective implementation | MoLG | Q1-2016 |
| 33 | Environmental Sector Strategy (2016 - 2019) | EQA/ PWA | Q1-2016 |
| Establishing sector institutions | | | |
| 34 | Training program for Dir-JSCs implemented | MoLG | Mar-2014 |
| 35 | Water Sector Regulatory Council (WSRC) established | CoM | Aug-2014 |

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|----------------------------------|----------------------------------------------------------------------------------------------------------|--------------|----------|
| 36 | Treated wastewater reuse association established through a reuse pilot project in Jenin and Nablus | MoA | Jul-2014 |
| 37 | Strategic plan for management information system produced | PWA | Q1-2016 |
| 38 | Concept for complaint system is available | WSRC | Q1-2016 |
| 39 | Training programmes (two weeks) provided to 12 JSCs | MoLG | Q1-2016 |
| Generating strategic information | | | |
| 40 | Water supply monitoring tools approved for management interface with Service Providers | PWA/WS RC | Jan-2010 |
| 41 | The irrigation water use Strategy | MoA | Jun-2010 |
| 42 | Revised and updated Water Resources Monitoring program approved | PWA | Feb-2012 |
| 43 | Water needs assessment regarding strategy, planning, implementation and regulation produced (WR, WS, WW) | PWA | Nov-2012 |
| 44 | 2011 Water Status Report produced (WR, WS, WW) | PWA | Mar-2013 |
| 45 | Status Report of Water resources in Palestine (2012) | PWA | Apr-2014 |
| 46 | Assessment report on the status of individual JSC produced | MoLG | Feb-2015 |
| 47 | Study implemented for the irrigation water use efficiency | MoA | Oct-2015 |
| 48 | 2013 Water Sector performance monitoring report approved by PWA (Arabic version) | PWA | Jan-2016 |
| 49 | Report on progress on implementing PWA Implementation Plan 2015 is available | PWA | Q1-2016 |
| 50 | Water supply performance indicator report 2014 published | PWA/ WSRC | Q1-2016 |

5.2. Annex 2: Updated sector reform targets and indicators for the period 2016-2018

The following table provides an update of the sector reform targets and indicators for the period 2016-2018. All changes as compared to the WSRP 2016-18 document have been highlighted in red.

| No | Target | No | Indicator | Timing | Responsible | Main TA |
|----|--------------------------------------------------------------------------------------------------------------------------------|-----|------------------------------------------------------------------------------|-----------------------------|-------------|---------------------------------------|
| 1 | Planning and monitoring of the reform process is organized in a timely manner | 1.1 | Update reform planning document (2016-18) approved | Completed | PWA | TPAT II |
| | | 1.2 | Update reform planning document (2017-19) approved | Q1/2017 | PWA | |
| | | 1.3 | Quarterly progress reports issued and approved | Starting Q2/2016 | PWA | (TPAT II) |
| | | 1.4 | Reform plan and progress reports presented at joint annual reviews | Starting Q3/2016 | PWA | |
| 2 | Decision-making and operations are informed through improved planning, monitoring and reporting practices in the sector | 2.1 | Final PWA Implementation Plan 2016-2017 produced | Q2/2016 | PWA | TPAT II |
| | | 2.2 | Report on progress on implementing PWA Implementation Plan 2015 is available | Completed | PWA | TPAT II |
| | | 2.3 | Capacity building on progress reporting for internal monitoring unit | Postponed to Q3/2016 | PWA | M&E consultancy service/WB |
| | | 2.4 | Report on progress on implementing PWA Implementation Plan 2016 is available | Q4/2016 | PWA | M&E consultancy service/WB |
| | | 2.5 | Water Sector Strategic Plan and Action Plan 2017-22 approved | Postpone to Q3/2016 | PWA | |
| | | 2.6 | Water supply performance indicator report 2014 published | Completed | PWA/WSRC | GIZ |
| | | 2.7 | Wastewater performance indicator report 2014 published | Q4/2016 | WSRC / PWA | EU |
| | | 2.8 | Water supply performance indicator report 2015 published | Q1/2017 | WSRC / PWA | GIZ |

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| | 2.9 | Wastewater performance indicator report 2015 published | Q4/2016 | WSRC/ PWA | EU |
| | 2.10 | Joint data collection from all SPs linked to the National Water Information System | Starting Q2/2016 | PWA/ WSRC | |
| | 2.11 | 2015 annual status report(s) produced and published online | Q4/2016 | PWA | |
| 3 | | Capacities of PWA are established to fulfil its new mandate | | | |
| | 3.1 | Approval of the Final Draft Organization Structure (including Job descriptions) by the cabinet and the DIWAN | Q3/2016 | PWA & COMSC | |
| | 3.2 | Redeployment of PWA according to endorsed Organization Structure | Starting Q4/2016 | PWA | |
| | 3.3 | Final Assessment Report on PWA individual training needs and training calendar produced | Q1/2017 | PWA | TPAT II |
| | 3.4 | Development of a PWA training & development strategy and guideline produced and functioning | Q2/2016 | PWA | BTC |
| | 3.5 | Final admin and financial accounting guidelines produced | Q2/2016 | PWA | TPAT II |
| | 3.6 | Final standard operating procedures (protocols, procedures, forms, flowcharts, and narrative description) produced | Q4/2016 | PWA | TPAT II |
| | 3.7 | Final concept for human resources development system produced | Started, Completion postponed to Q2/2016 | PWA | |
| | 3.8 | Human resources development system for PWA in testing phase and functioning | Q3/2016 | PWA | |
| | 3.9 | Unifying PMU and developing its business plan and SOPs | Q2/2016 | PWA | |
| | 3.10 | Archiving system at PWA established | Q2/2017 | PWA | |
| | 3.11 | Concept for capacity building programme to enable management of PPPs by PWA defined | Q4/2016 | PWA | WB |
| | 3.12 | Capacity Building programme to enable management of PPPs by PWA initiated | Q1/2017 | PWA | WB |
| 3.13 | Pilot PPP project identified | Q3/2017 | PWA | WB | |

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| | 3.14 | Pilot PPP project initiated | | 2018 | PWA | WB |
| | 3.15 | PPP regulation developed | | 2018 | PWA | WB |
| 4 | Capacity development of sector institutions is effectively coordinated and organized according to needs | 4.1 | Final Capacity Development Policy and Strategy produced | Q3/2016 | PWA | TPAT II |
| | | 4.2 | Implement the Capacity Development Policy and Strategy according to established principles and priorities | Starting Q3/2016 | PWA | |
| | | 4.3 | Coordinate the capacity building program for water service providers being implemented | On-going | PWA, | GIZ |
| | | 4.4 | Strategic plan for management information system produced | Completed | PWA | |
| | | 4.5 | Securing funding for development of national management information system according to plan | Starting Q3 /2016 | PWA | |
| 5 | Strategies, policies, plans and by-laws are established to guide and support the implementation of the 2014 water law | <i>Water supply and wastewater</i> | | | | |
| | | 5.1 | Licensing of regional water utilities and water operators by-law is agreed and send to the Cabinet of Ministers | Q2/2016 | PWA | |
| | | 5.2 | Licensing of regional water utilities and water operators is approved | Q1/2017 | CoM | |
| | | 5.3 | Updated water scarcity response plan approved | Q3/2016 | PWA | |
| | | 5.4 | General policies for determining the water and wastewater tariff are set and approved | Q2/2016 | PWA | TPAT II |
| | | 5.5 | Development of Unified Regulation for Water and Wastewater Tariff and Connection Services Fees | Q3/2016 | PWA | TPAT II |
| | | 5.6 | Approval of Unified Regulation for Water and Wastewater Tariff and Connection Service Fees | Q2/2017 | CoM | |
| | | <i>Infrastructure development</i> | | | | |
| 5.7 | Wastewater and water supply planning and design guidelines for applications of service providers produced | Postpone to Q3/2016 | PWA | | | |

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| | 5.8 | Updated version of the roadmap for infrastructure development planning produced (including list and location of priority water projects) | Q2/2016 | PWA | TPAT II |
| | 5.9 | Final Water Sector Specifications and Design Guidelines produced | Q2/2017 | PWA | TPAT II |
| | <i>Water Resources Management</i> | | | | |
| | 5.10 | Final Trans-boundary Water Resources Strategy and Action Plan produced | Q2/2016 | PWA | TPAT II |
| | 5.11 | Well drilling and abstraction licensing by-law (including abstraction quotas and allocation of resources for different sectors) are defined | Q3/2016 | PWA | |
| | 5.12 | Well drilling and water abstraction licensing by-law approved by the cabinet | Q2/2017 | PWA | |
| | <i>Water Demand Management</i> | | | | |
| | 5.13 | Final Water Awareness Strategy produced | Q2/2016 | PWA | TPAT II |
| | 5.14 | Final Water Awareness Action Plan for PWA produced | Q3/2016 | PWA | TPAT II |
| | 5.15 | Implementation of the Water Awareness Action Plan according to timeline and planned interventions (subject to availability of funding) | Q2/2017 | PWA | TPAT II |
| | 5.16 | Final version of general policy on Water Demand Management produced | Q3/2016 | PWA | TPAT II |
| | 5.17 | Final Water Safety Plan produced | Q3/2016 | PWA/ MoH | TPAT II |
| 6 | 6.1 | Short-term financial support and technical assistance for the WSRC implementation secured | Q1/2016 On-going | WSRC | WB, GIZ |
| | 6.2 | Implementation of licensing generates 50 % of WSRC budget collected (if license by-law is issued) and remaining budget secured from donors | Q1/2017 | WSRC | |

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| | 6.3 | Implementation of licensing generates 75 % of WSRC budget collected (if license by-law is issued) and remaining budget secured from donors | Q1/2018 | WSRC | |
| | 6.4 | Business (strategic) planning carried out | Q4/2016 | WSRC | WB |
| | 6.5 | Internal WSRC financial, administration and board remuneration by-laws approved by CoM | Pending approval | WSRC | |
| | 6.6 | Communication <i>Strategy and Action Plan</i> is prepared | Re-scheduled from Q4 to Q2/2016 | WSRC | WB |
| | 6.7 | Public Relation activities are carried out according to communication plan with stakeholders and relevant WSRC activities coordinated with them | On-going | WSRC | WB (GIZ) |
| | 6.8 | WSRC information system (database) established | Q4/2016 | WSRC | WB |
| | 6.9 | WSRC information system continuously updated (maintained) | Starting 2017 | WSRC | |
| | 6.10 | Develop WSRC website | Started, Completion postponed to Q2/2016 | WSRC | |
| | 6.11 | On-going capacity building for board members and WSRC members (one to two exposure visits per year) | On-going | WSRC | WB, GIZ |
| 7 | | Procedures, processes, guidelines, SOPs and benchmarking systems for performance monitoring of service providers are developed and | | | |
| | 7.1 | Preparation of water and wastewater monitoring procedures | Q4/2016 | WSRC | WB/GIZ |
| | 7.2 | Preparation of services cost calculation guidelines | Q2/2016 | WSRC | WB |
| | 7.3 | Improve Service Providers in performance monitoring, tariff calculation, licensing procedures and guidelines | On-going | WSRC | WB/GIZ |
| | 7.4 | Preparation of service provider's categorization and ranking procedures and tools | Q2/2016 | WSRC | WB |
| | 7.5 | Development of Guidelines for Licensing Process | Q2/2016 | WSRC | GIZ |

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| their application is supported | 7.6 | Quality assurance standards and benchmarking for the provision of technical and administrative services by Service Providers to consumers established (including national targets and plans for individual targets) | Q3/2016 | WSRC | WB |
| | 7.7 | WSRC reporting system is revised (especially the benchmarking system, wastewater indicators and tariff reports) | Q1/2017 | WSRC | WB, GIZ |
| | 7.8 | Principles about the extent and percentage of local authorities' participation in the general assemblies of water utilities agreed | Q3/2016 | WSRC | GIZ |
| | 7.9 | Concept for complaint system is available | Completed | WSRC | GIZ |
| | 7.10 | Complaint system for water users and service providers established (including development of guidelines and procedures) | Q1/2017 | WSRC | GIZ |
| | 7.11 | Support 16 selected service providers to establish or improve their own complaint systems | Q3/2016 | WSRC | GIZ |
| | 7.12 | NEW: National Wastewater and Desalination Survey and Monitoring Program initiated | Starting Q2/2016 | WSRC | |
| 8 The process to establish and operationalize the National Water Company is agreed and under implementation | 8.1 | Preparation of action plan (including a road map) for Building the Capacity of the WBWD and establishing the National Water Company approved by PWA | Started, Completion postponed to Q2/2016 | PWA | BTC |
| | 8.2 | Secure funding for transitional period | Starting Q3/2016 | PWA / WBWD | |
| | 8.3 | Regulation for the transitional period developed | Starting Q3/2016 | PWA | |
| | 8.4 | Implementation of the transitional period according to the action plan | Starting Q3/2016 | PWA / WBWD | |

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| 9 | Establishment of new regional water utilities on a pilot project basis is prepared | 9.1 | Contract qualified consultants to develop a road map for the establishment of new Regional Water Utilities on a pilot project basis | Q2/2016 | PWA | EU |
| | | 9.2 | Initial mapping of potential RWUs and selection of the pilot area(s) | Q3/2016 | PWA | EU |
| | | 9.3 | Definition of the overall framework conditions for RWUs (optional governance systems, management and operational models, legal and regulatory frameworks, viability etc.) | Q1/2017 | PWA | EU |
| | | 9.4 | Formulation of a development plan for the selected pilot area(s) | Q2/2017 | PWA | EU |
| | | 9.5 | Elaboration of a national Roadmap for establishing and operating RWUs | Q4/2017 | PWA | EU |
| | | 9.6 | Develop a guideline to manage relationships of main stakeholders (PWA, utilities, MoLG, WSRC, MoA) | Starting Q1/2017 | PWA / MoLG | |
| | | 9.7 | 2 - 3 nucleuses for regional utilities (likely Jenin and Hebron) will be established | 2018 | PWA / MoLG | |
| 10 | Water and wastewater service provision is ensured and supported during the transitional period until regional water utilities are established | 10.1 | Ministry of Local Governorate General Directorate of the Joint Service Council Action Plan for 2016 produced and under effective implementation | Action Plan available and on-going implement. | MoLG | |
| | | 10.2 | New MOLG Monitoring and Evaluation Manual for Dir-JSC produced and under effective implementation | Q4/2016 | MoLG | |
| | | 10.3 | New By-law on JSCs (General) approved by the minister and under effective implementation | Completed | MoLG | |
| | | 10.4 | Updated MOLG Operational Manual on JSCs produced and under effective implementation | Q3/2016 may be postponed to 2017 | MoLG | |
| | | 10.5 | New unified financial accounting program for JSCs produced and under effective implementation | Cancelled | MoLG | |
| | | 10.6 | Training program for D-JSCs (MOLG) implemented according to the program outline for 2017-18 | 2017/18 | MoLG | |
| | | 10.7 | Training programmes (two weeks) provided to 12 JSCs | Completed | MoLG | |

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| | 10.8 | Merging Plan for JSCs produced | On-going | MoLG | |
| | 10.9 | JSCs merged into 4 clusters in WB | 2018 | MoLG | |
| | 10.10 | Awareness workshops for member LGUs and local communities | 2016/17/18 | MoLG | |
| | 10.11 | Process to establish financial support for amalgamation of local water service providers | Initiated | PWA / MoLG | pot. EU, WB, JICA |
| | 10.12 | PWA and stakeholders continue planning for and implementing amalgamation of local water service providers (depends on availability of funding) | On-going | PWA / MoLG | pot. EU, WB, JICA |
| 11 | Agricultural water use is managed according to the new water law | | | | |
| | 11.1 | By-laws on Water User Associations submitted to CoM | Q2/2016 | PWA / MoA | WB |
| | 11.2 | By-laws on Water User Associations approved by the cabinet and published (online) | Q3/2016 | CoM | |
| | 11.3 | Water Users Associations established, institutionalized and operational in line with the new water law | 2017 | MoA | |
| | 11.4 | Agricultural water tariff submitted to CoM | Postpone to Q3/2016 | PWA | |
| | 11.5 | Agricultural water tariff approved by law and published (available online) | Q4/2016 | CoM | |
| | 11.6 | Agricultural water tariff model approved | Q2/2016 | MoA | |
| | 11.7 | Irrigation Strategy 2017-2022 approved and disseminated and communicated publically to its stakeholders (print versions sent to WUAs and other stakeholders and By-law available online) | Q4/2017 | MoA | |
| 12 | A basic legal framework and strategies to protect Water Resources from Pollution are agreed | | | | |
| | 12.1 | Bylaw to control pesticides approved | 2017 | EQA/ MOA/ PWA | |
| | 12.2 | Legal framework and strategy to enhance adaptation measures to climate change produced | Q1/2017 | EQA/ PWA | |
| | 12.3 | Environmental Sector Strategy (2016 - 2019) approved | Completed | EQA | |
| | 12.4 | Monitoring results on application of regulation on treated wastewater and sludge by the majority of stakeholders | Starting Q1/2016 | EQA/ PWA | |