

Water Integrity in Water Utilities

Case of ONEE-Morocco & SONEDE-Tunisia

Context of Implementation, modalities and first results

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Office National de l'Electricité et de l'Eau Potable

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für Internationale
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Introduction of ONEE and SONEDE



ONEE

- Turnover: 300 Millions Euros
- Production : 1.100 Millions m³
- Centres of intervention : 541 Centres
- Drinking water plants : 71
- Pumping stations : 1425
- Reservoirs (Number/Capacity): 1720 / 1.100.000 m³
- Water quality laboratories : 55
- Clients (Potable Water) : 1, 5 Million
- Staff : 7200

SONEDE

- Turnover: 124 millions Euros
- Production : 610 Millions m³
- Centres of intervention : 38 Districts
- Drinking water plants : 21
- Pumping stations : 1100
- Reservoirs (Number/Capacity): 1118
- Clients (Potable Water) : 2,5 Million
- Staff : 6818

What does water governance mean for a public utility?

- 1. General governance requirements** that rule core processes :
 - How funds from the national/municipal budget are allocated to the utility
 - The way in which a utility is audited (internally and externally)
 - How the utility conducts procurement of goods and services
 - How the utility manages recruitment and promotions,
- 2. Governance requirements imposed by actors in the water sector:**
 - How water (and in which quantity and quality) is allocated to the utilities
 - Which standards apply for sewage disposal and wastewater reuse
 - How tariffs for water and sewerage services are set
 - Which service standards apply
 - How, when and what the utilities have to report to supervisory bodies

Water integrity is a pressing issue for utilities

- Permanent pressure to improve efficiency, quality of services and levels of performance :
 - **compliance and integrity are important determinants.**
- Investment in water and sanitation infrastructure
 - **requires high levels of accountability and transparency**
- Integrity risks and non-compliance undermine a utilities performance and efficiency gains due to two main factors:
 - **They create economic losses and undermine motivation of both staff and customers.**

Examples for non integrity impact on utilities

Examples for economic losses	Examples for demotivation /social losses
Resources are used improperly or otherwise diverted from their purpose	Unwillingness to pay among consumers due to poor customer relation management and loss of reputation
Poor value for money in procurement of services and supplies	Impunity, diluted public integrity, and loss of public support
High non-revenue water due to illegal connections and improper metering and billing	Low motivation of staff due to lack of performance orientation in recruitment, promotions and salaries

Governance Context for ONEE

- **Principles of good governance in water/sanitation sector**
 - Internal control system incorporated in the organization;
 - ONEE policy on internal control based on risk management;
 - Establishment, in 2010, of a risk management system based on risk mapping of key processes;
 - Implementation of a quality policy that contributes to the risk management and continuous performance improvement.
- **National Environment/Context**
 - The new constitution: Responsibility linked to accountability
 - Code of Good Governance of public companies
- **International Context**
 - Various international treaties and conventions
 - International financing institutions more and more focused and strict on compliance/integrity systems, ethics, .. in countries/sectors/companies.

Governance Context for SONEDE

- **Principles of good governance in water sector**
 - Internal control system incorporated in the organization;
 - A new Direction created in SONEDE: Good Governance and anti-corruption Direction ;
 - Societal responsibility project
- **National Environment/Context**
 - The new political conditions and environment
 - Drivers for transparency and accountability
 - New Ministry “Good governance”
 - Code of Good Governance
- **International Context**
 - Various international treaties and conventions
 - International financing institutions more and more focused and strict on compliance/integrity systems, ethics, .. in countries/sectors/companies.

GIZ-WI program

The process (started in July 2013) as agreed with GlZ

Start

- Kick-off workshop with ACWUA and pilot utilities in TUN+MOR+EGY+JOR
- ACWUA awareness/sensitizing seminars with senior executives

Network

- Trainer/expert network from the MENA region
- Adaptation of training and diagnostic material to MENA region
- Adaptation of the methodology to water utilities

Roll out

- WI-analysis with management and staff in pilot utilities
- WI-Action Plans with all staff to address 6 department-based levels
- Priority WI-initiatives (small., smart, ..)
- Feed back to ACWUA members at conferences. International feed back: WIN-SIWI..

Implementation phases

Phase 1: Preparation

- senior executives Awareness
- Identification of processes for the project
- Identification of resource-persons ;
- Capacity building

Phase 2: Analysis

- Processes analysis by staff coaching by project team

Phase 3: Preparation of the action plan

- Exchange SONEDE-ONEE on the analysis results
- Performance indicators training, Benchmarking

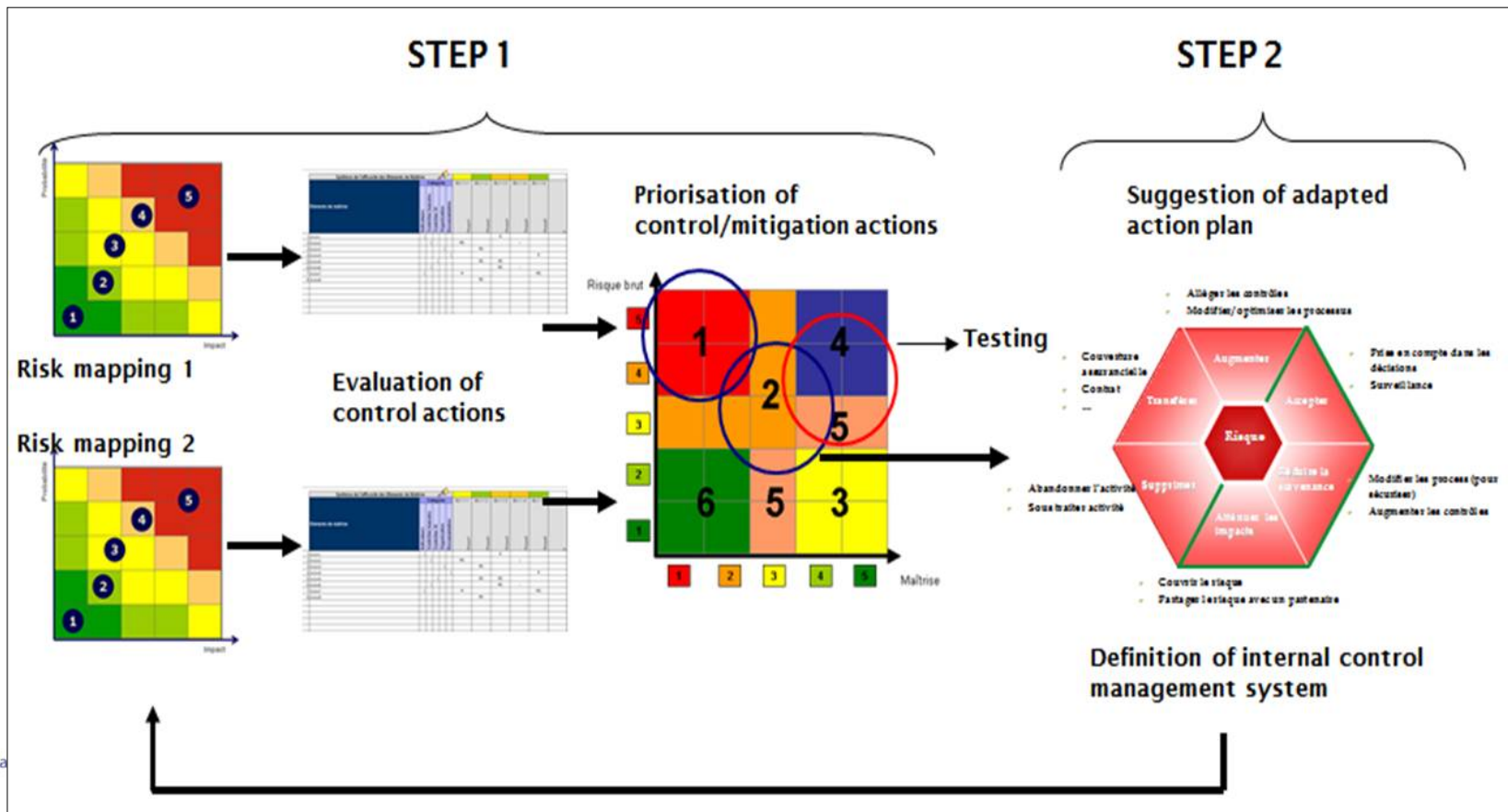
Phase 4: Action Plan Elaboration

- Majors risks
- Mitigation actions, actors and roles,
- Planning, costs, resources,
- Expected impact and M&E

phase 5: Implementation

- According to priorities
- Eventually With support of GIZ
- Other more measures : Training, Expertise, Peer learning, Communication,

Methodology based on risk mapping for value chain



Selected Processes

ONEE

1. Construction works management (Water and WW)
2. Procurement
3. HR : recruitment
4. Commercial : service for third parties
5. Payment Circuit

SONEDE

1. Projects management
2. Procurement
3. HR : recruitment/training
4. Commercial : water metering/billing
5. Communication

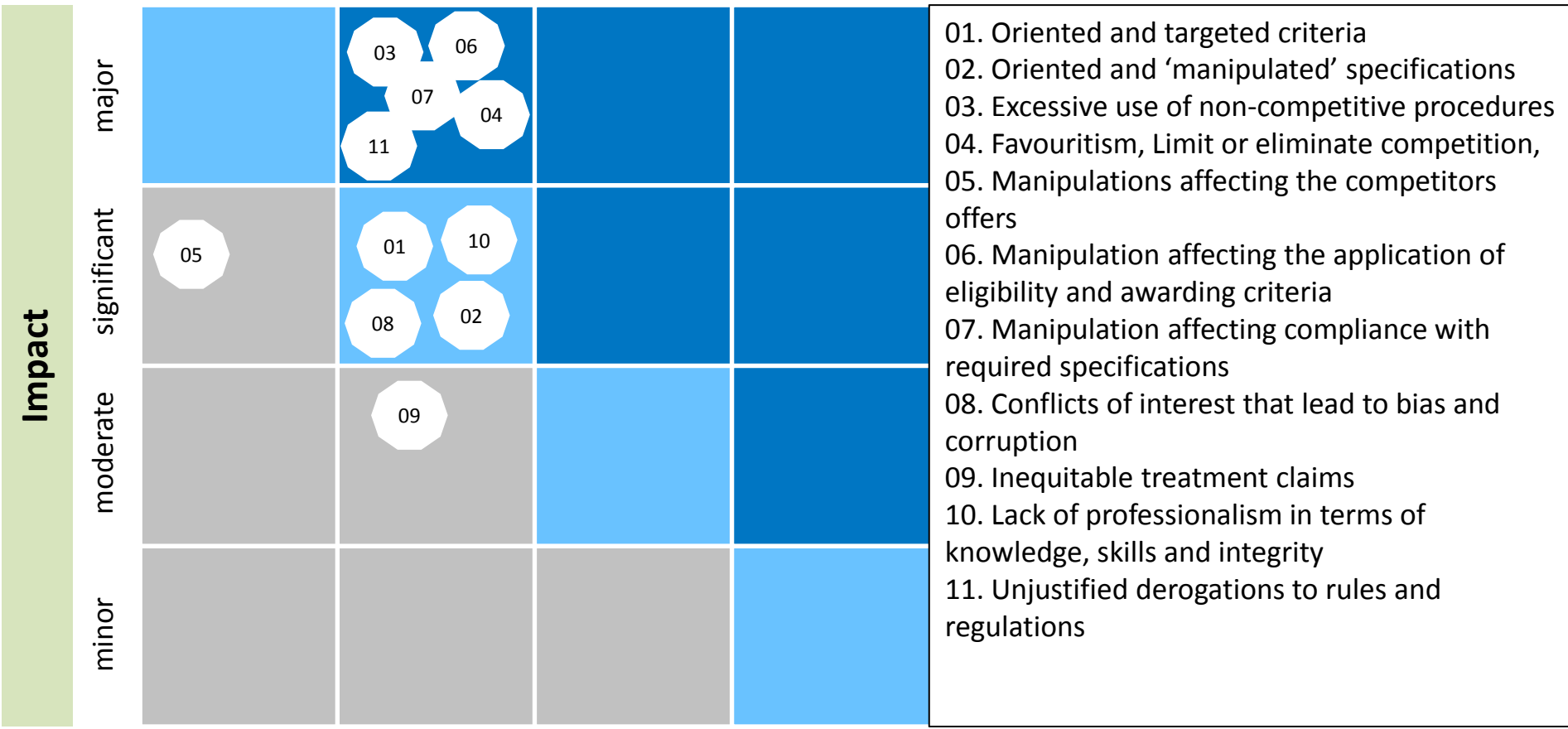
First results

- Risk mapping for the selected processes
- Mitigation actions and action to improve the TAP and compliance
- Proposal for measurement and control



Example of prioritization matrix

Process : Procurement

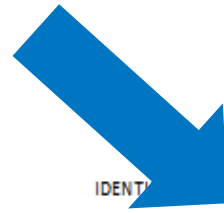


- 01. Oriented and targeted criteria
- 02. Oriented and 'manipulated' specifications
- 03. Excessive use of non-competitive procedures
- 04. Favouritism, Limit or eliminate competition,
- 05. Manipulations affecting the competitors offers
- 06. Manipulation affecting the application of eligibility and awarding criteria
- 07. Manipulation affecting compliance with required specifications
- 08. Conflicts of interest that lead to bias and corruption
- 09. Inequitable treatment claims
- 10. Lack of professionalism in terms of knowledge, skills and integrity
- 11. Unjustified derogations to rules and regulations

Risk mapping matrix and measurement (output-outcome-impact)

**Outcome and impact
orientated measurement**

**Output orientated
measurement**



IDENTIFICATION
DES RESSOURCES HUMAINES
ET EVALUATION DES RISQUES

Sous-processus	WI			Domaine	Principal risque Brut par domaine	Signes précurseurs d'alerte	Impact	Degrés impact	Probabilité	Actions de Maîtrise pour promouvoir/renforcer la TAP et l'intégrité	A mettre en place ou à améliorer
	T	A	P								
X	X	X	Définition des besoins (1)	Favoritisme dans la définition des besoins au niveau qualitatif et quantitatif (1-1)	*Avoir des profils dont on n'a pas besoin	*Un déséquilibre dans la répartition des tâches entre les agents du même profil	3	4	Création d'un référentiel d'emploi et d'un bilan de compétences	A mettre en place	
				*favoritisme pour certaines structures (1-2)	*Sur effectif *Sous-effectif	Frustration et climat social tendu	3	2	actualisation de la loi cadre et respect de son application	Existe à améliorer	
				*Complaisance entre responsables (1-3)	Déséquilibre au niveau de l'arrêté des besoins	Déséquilibre entre volume de travail et effectif nécessaire par structure	4	4	Création d'une commission qui se décide sur les priorités	A mettre en place	
	X		Autorisation (2)	Connivence pour la reaffectation par emploi et par region (2-1)	Reponse tardive sur la demande	Un manque en personnel irrecuperable	3	4	Revoir la procédure avec la tutelle + Paete d'intégrité/ethique	Existe à améliorer	

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Thank you for your attention

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