



## CREATING AN ENABLING **ENVIRONMENT TO (DE-)ENERGIZE THE** WATER SECTOR: CAPACITY BUILDING, **POLICY, AND REGULATION**

The afternoon's second session dealt with the ecosystem the water service sector needs to achieve improved energy efficiency, and, where humanly possible, energy independence.

World Bank Senior Water and Sanitation Specialist Dambudzo Muzenda presented "Policy. Institutions, Regulation", short PIR, the World Bank's conceptual framework for understanding governance bottlenecks in water and sanitation service delivery. Applied in 20 countries on four continents so far, this instrument represents the missing link for resolving some of the chronic challenges undermining the water sector. Indeed, policymaker rank PIR-related issues among the top challenges the water sector facing practically everywhere in the world. Climate change, water scarcity, a need to reduce the carbon footprint and the huge financing needs related to the necessary infrastructure improvement have renewed the interest in PIR. The main messages of the framework are that technical solutions alone are unsustainable if they are isolated from the institutional and political-economical context, that one-size-fits-all solutions do not exist, and that incentives are essential for any meaningful impacts. Applying PIR to the water-energy nexus involves setting policy signals for clean energy uptake, providing regulatory incentives for utilities to improve their energy efficiency, implementing resilience measures for service providers and operationalizing these measures in project.

Next, Klevis Jahaj, General Director of AKUM, the Albanian National Agency for Water Supply, Sewerage and Waste Infrastructure, presented the outlines of the Albanian water sector reform program, which undertakes to aggregate some 60, often very small utilities in 15 economically feasible companies while engaging in a modernization program that currently documents itself in 100 construction sites across Albania.

"It is a once in a lifetime sector reform, actually the mother of all reforms," Mr. Jahaj stated, outlining the state of things in Albania. The country's municipalities own 58 water supply and sewerage companies. 44 of those serve less than 10.000 customers. Especially the smaller companies show insufficient performance combined with high levels of water, impacting the quality of water supply and sewerage services for the public. Albania's answer is aggregation: The project will concentrate 58 utilities in 15 companies to enable the economies of scale in



everything from infrastructure projects and investments to sharing operating and administration costs, capacity building and the introduction of integrated water resources management.

Covering the human resource dimension, Vesna Muslić of the Aquasan Network in Bosnia-Herzegovina, next presented the Danube Learning Partnership D-LeaP, the regional partnership to capacitate the water sector. This initiative mixes face-to-face workshops and on the job training in a blended learning approach, supported by e-learning tools offered via the D-LeaP Academy. So far, D-LeaP has trained staff from 437 utilities in 17 hubs and 13 countries, covering a wide range of themes from energy efficiency to access to financing and every facet of utility operation and management in between.

The three speakers were then joined by Evis Gjebrea, Deputy General Director of the Tirana Water and Wastewater Utility and Alba Zhori, Head of Performance Sector at the Albanian Water Resources Management Agency for a very lively panel that was in the end summed up by Ms. Muzenda: "To really move the needle in the water sector we need a holistic integrated approach, structured institutionalized vehicles, data gathering and information sharing to ensure continuous processes. It is never enough to have a one-off intervention that quickly fizzles."

Immediately after this last panel, the wrap-up session was carried by IAWD President Walter Kling, SHUKALB Executive Director Elisabeta Poci, World Bank's Kathia Havens and Ivaylo Kolev of the World Bank in Romania, who walked once again through the highlights of the day's presentations and panels, although at speed, concious that they were all that was standing between the audience and a much anticipated final dinner in a seaside resort. "I hope we energized you to Deenergize," remarked World Bank's Winston Yu in a lively exchange, and with a glance at the results of the ongoing crowd poll on the key takeaways from the Forum he smiled: "I like `energizing hope'".