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Association of Water
Service Companies
in the Danube Region



Water Operator Partnerships South East Europe

Establishing a platform and the first WOPs

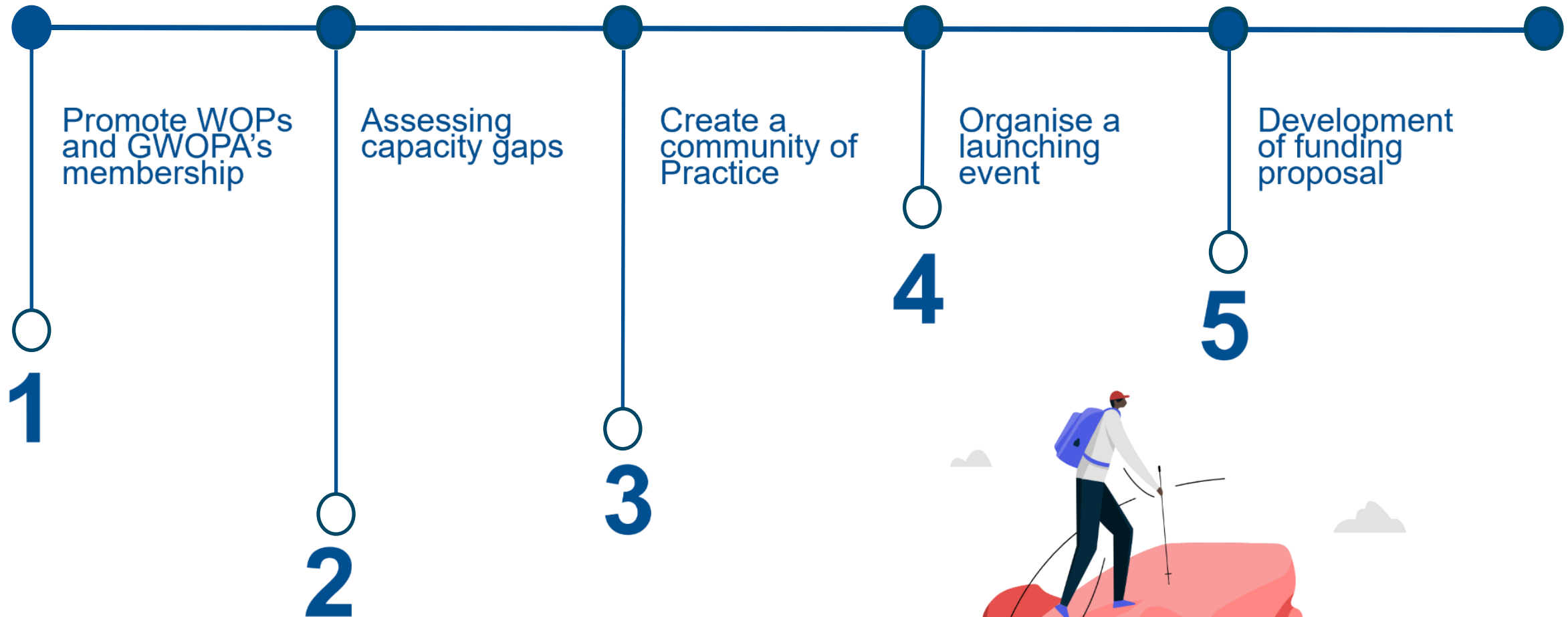
1st Phase Partnership Agreement IAWD-GWOPA in 2024



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- **Objective:** establish Foundation for the future Water Operators' Partnerships Platform for South-Eastern Europe (WOP SEE) within GWOPA



Benefits of a WOP SEE Platform



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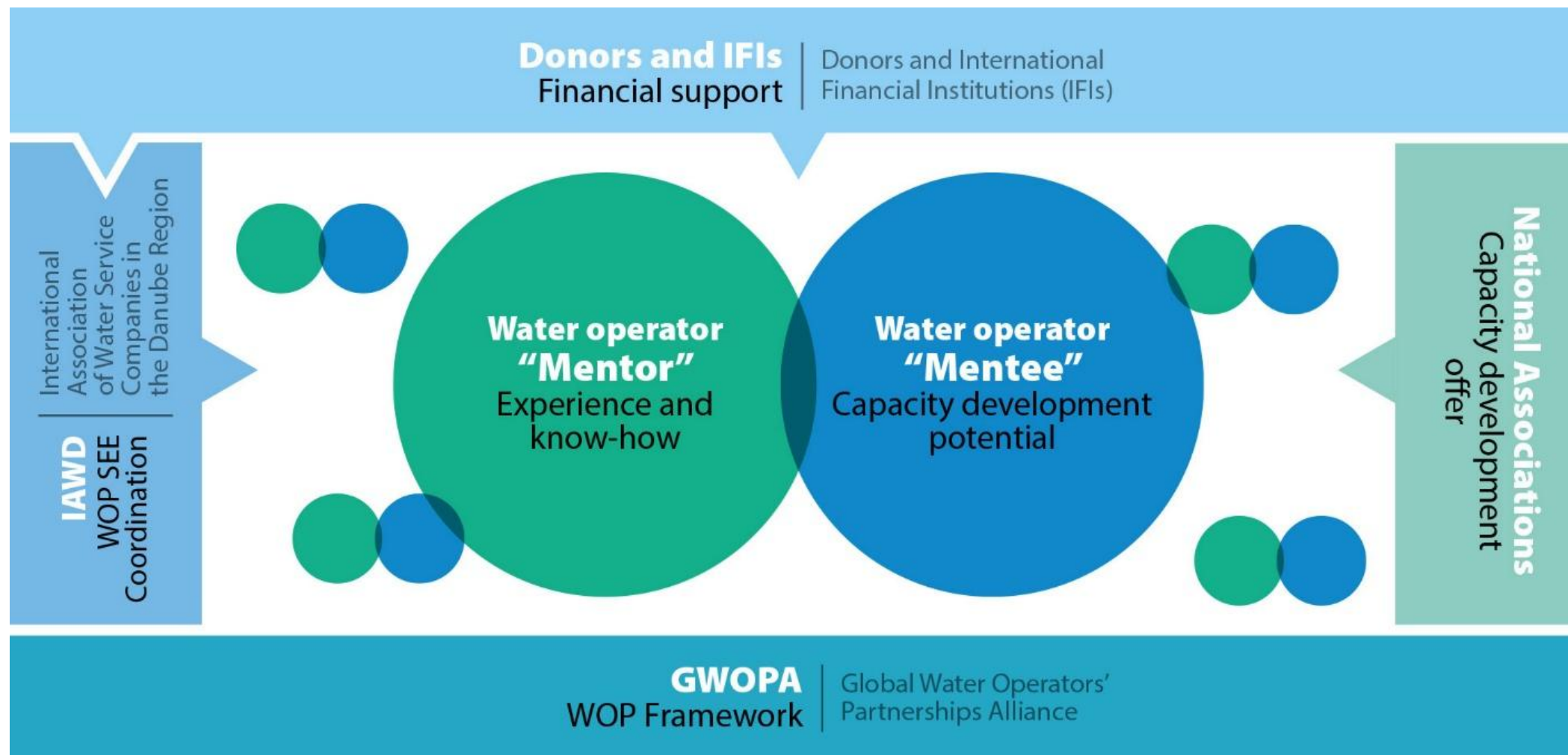
- Centralized Fund Management & Donor Efficiency
- Overcoming Bidding & Contracting Hurdles
- Eliminating Duplication & Ensuring Alignment
- Strategic Technical Support & Realistic Action Plans
- Strategic Value-for-Money and Impact Efficiency
- Sustainability & the "Ripple Effect"
- Cohort Coordination & Knowledge Capitalization



Set-up: The WOP SEE Platform



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Project target region



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Targeted countries

- Albania
- Bosnia and Herzegovina
- Bulgaria
- Croatia
- Cyprus
- Czech Republic
- Greece
- Hungary
- Kosovo
- Moldova
- Montenegro
- North Macedonia
- Romania
- Serbia
- Slovak Republic
- Slovenia
- Turkey
- Ukraine



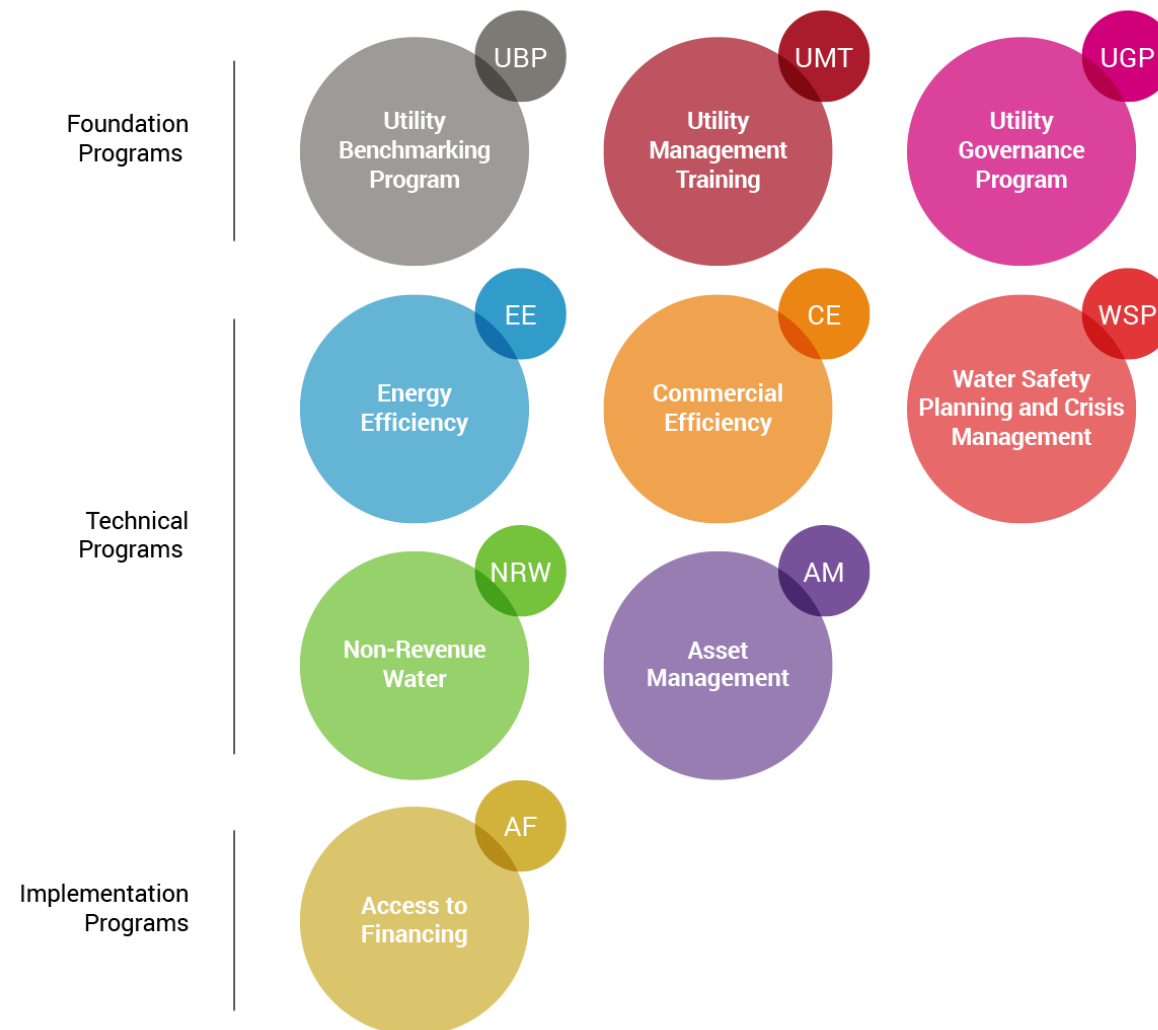
The Training program offer



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- Three types of programs:
 - Foundation
 - Technical
 - Implementation
- Time frame typically 6-9 months
- Designed based on learning-by doing principles



Light Regional Assessment, June 2024 - Challenges Identified



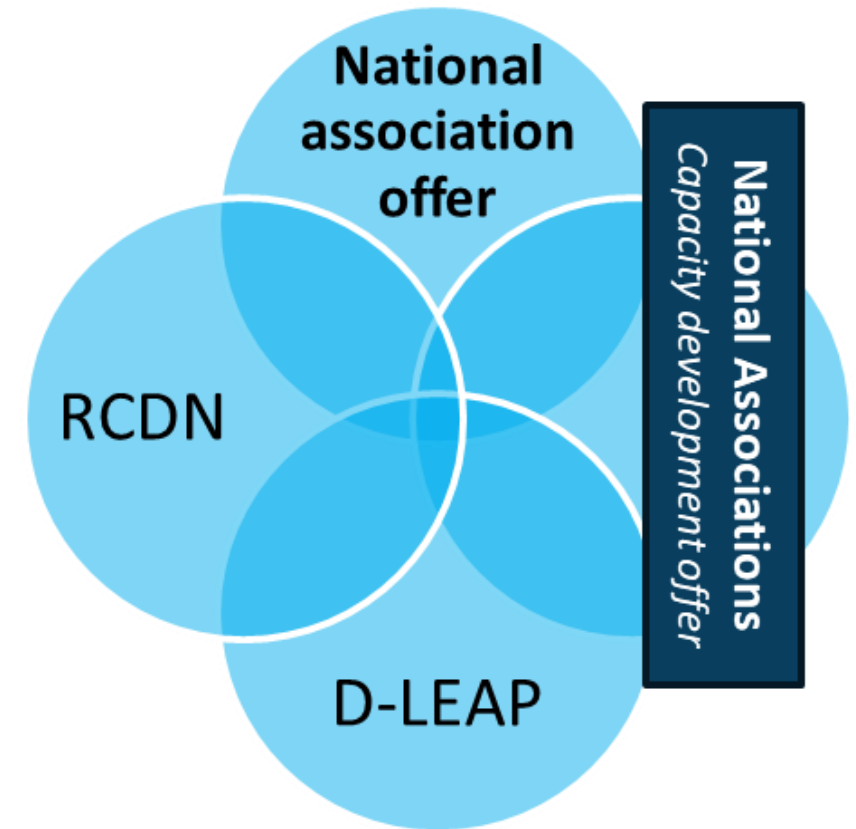
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- **Governance and Institutional Challenges**
 - Frequent utility management changes
 - Ambiguous asset ownership
- **Financial and Commercial Issues**
 - (Historically) Low tariffs and low collection efficiency
- **Infrastructure and Operational Challenges**
 - Deterioration of the existing and/or lack of needed infrastructure
 - High water and energy losses
 - Lack of capacities for Wastewater Treatment
- **Environmental and External Factors**
 - Impact of Climate Change events
- **Data, Monitoring, and Planning Gaps**
 - Lack of awareness of performance gaps

Core elements

- Gender & Youth Component
- Monitoring, Benchmarking, and Evaluation
- National Utility Associations
- Synergy effects with existing programs



Kick-off Workshop

1st Phase of Partnership [IAWD & GWOPA]



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- 4 – 5 November, 2024, Prishtina, Kosovo
- 18 water & wastewater operators in SEE
- **Main objective:** Facilitate matchmaking between mentor and mentee utilities and start forming partnerships
- **Outcomes:**
 - 10 potential partnerships were outlined between utilities (mentor–mentee pairs)
 - laid the foundation for the WOP SEE platform



Second Donor Roundtable, May 20, 2026



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ANNEX

Plan A: The WOP SEE Platform

WOP	Mentee	Mentor
1	Jovkovci Utility, Veliko Tarnovo, Bulgaria	Budapest Waterworks, Hungary
2	Solidarnost Utility, Vinica, North Macedonia	Regional Utility Korça, Albania
3	Proleter, Resen, North Macedonia	Jovkovci, Veliko Tarnovo, Bulgaria
4	Regional Water Companies (RWC), Prishtina, Kosovo	Hidroregjioni Jugor, Prizren, Kosovo
5	Aquatim S.A., Timisoara, Romania	Sofyska Voda, Bulgaria



Proposed Water Operator Partnership between Jovkovci and Budapest Waterworks

The partnership between PUC "Jovkovci" from Bulgaria and Budapest Waterworks from Hungary is built on a shared ambition to work on Asset Management (AM) from conceptual to technical level. Despite utility size and language differences, both utilities share similar challenges in asset management and agree on the centric nature of the topic for sustainable service provision while operating within a similar regulatory framework.

Key Facts & Figures	Mentee	Mentor
City, Country	Veliko Tarnovo, Bulgaria	Budapest, Hungary
Services:	Water Supply & Wastewater	Water Supply & Wastewater
Population served:	204 000	2 400 000 p.e.
Water Network:	1000 km	7200 km
Sewer Network:	300 km	840 km
Collection Rate:	95%	15%
Non-Revenue Water:	56%	15%
Tariff:	2.2 EUR/m³	0.6 EUR/ m³ (drinking water)

WOP focus and goal

This Water Operator Partnership focuses on sharing best practices in **Asset Management (AM)**, aiming to transition from conceptual frameworks to fully implemented and operational AM systems that link to existing systems also in other non-technical areas. The **WOP's primary goal** is to develop a professional AM approach tailored to EU project requirements, including blueprints for core processes, quality control mechanisms, and system interfaces. The **planned activities** include (i) designing a detailed operational AM framework and systems requirements with guidance from Budapest Waterworks, (ii) accompanying the developing/tailoring processes and integrating IT systems into the AM process, and (iii) aligning AM processes with existing in-house systems.

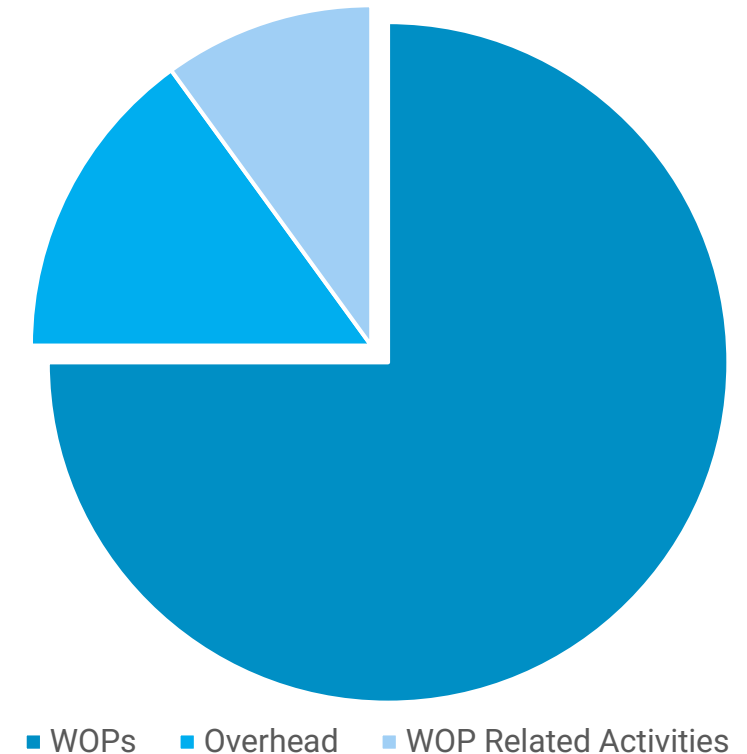
The Water Operator Partnership **will provide resources** such as mentorship on AM strategies, insights into best practices, and support for supervising and operationalizing processes. Budapest Waterworks will advise on IT-related solutions without promoting or implementing specific systems, ensuring a neutral and professional approach to ensure the mentee gets the best possible solutions. The partnership highlights the importance of IT investments while emphasizing that AM processes surrounding these systems are equally important. The collaboration is planned for **3 years**, fostering a robust and practical AM framework through clear mentor-mentee roles and focusing on sustainable improvements.

The bigger utility, Jovkovci, WSM efficiency. The **WOP's primary goal** is to develop a professional AM approach tailored to EU project requirements, including blueprints for core processes, quality control mechanisms, and system interfaces. The **planned activities** include (i) designing a detailed operational AM framework and systems requirements with guidance from Budapest Waterworks, (ii) accompanying the developing/tailoring processes and integrating IT systems into the AM process, and (iii) aligning AM processes with existing in-house systems.

The **planned activities** aim at (i) improving pressure management, flow and pressure monitoring and (ii) system optimization – technically and commercially. The activities aim to adapt successful approaches and tools from Veliko Tarnovo to manage pressure systematically. The Water Operator Partnership will **provide resources** for exchanging expertise to improve processes in tandem with the required equipment to achieve the desired results, quantified through the respective key performance indicators. Jovkovci will benefit from reviewing its own processes and usage of new state-of-the-art equipment that will be introduced in Proleter. The collaboration is envisaged for **3 years** and exemplifies how utilities can work across borders to achieve shared progress.

Plan A: The WOP SEE Platform

- Costs associated include:
 - WOP activities & procurements of materials
 - Travel and accommodation of operator staff
 - Staff time (if not in kind)
 - Inter-WOP Activities
 - Cross-fertilization & cross-generational
 - Project management
- Rule of thumb – starting point for 1 WOP around 50.000 EUR
 - Dependent on size, intensity, duration and whether e.g. equipment is procured



Months 1-6

- **FORMATION**
 - MoU
 - Buy-in
 - Baseline
 - Set-up
 - Short-term Action Plans

Months 7-30

- **IMPLEMENTATION**
 - Knowledge transfer
 - Reviews
 - Utility Sustainability Improvement Plan

Months 31-36

- **FINAL REVIEW**
 - Consolidation
 - Review of targets
 - Capture lessons learned

Light Regional Assessment, June 2024 - Workforce Challenges



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■ Human Resources

- Brain Drain
- Inept Decision-making in particular evident in the Western Balkans

■ Perception of Water Services

- Low Remuneration

■ Lack of Flexible Financing:

- Limited Access to Flexible Funding

■ Technical assistance:

- Overwhelming external (for-profit) support

What are WOPs?



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- Non-commercial, peer-to-peer partnerships
- Between water and sanitation utilities
- Supported through external financial contributions
- Enabled knowledge transfer directly from one another
- through practical mentoring, on-the-job training and shared problem-solving
- **Low-cost, high-impact and complement infrastructure investment by strengthening utilities' operational capacity**
- Long-term capacity development
- Strengthen resilience and effectiveness to be better prepared for investment



What WOPs are NOT:

- ✗ For-profit consulting
- ✗ One-off training
- ✗ Short-term projects without local ownership

Plan A: The WOP SEE Platform

	Unit	Unit cost [EUR]	No. of units	Total [EUR]
Expenditures directly taken by the WOP	Partnership	150.000	10	1.500.000
WOP Coordinator (1 full-time project staff, other IAWD staff contributions in kind)	Person month	7.500	36	270.000
Regional project workshops (matchmaking, launch, mid-term review, final dissemination and closing)	Regional workshop	8.000	4	32.000
Knowledge capitalisation (knowledge products, publications, development of contributions to national, regional and global events)	Annual lump sum	6.000	3	18.000
WOPs progress monitoring and scaling activities	Lump sum	10.000	1	10.000
Operating cost (communication, events and workshops fees and participation)	Lump sum	6.000	1	6.000
Travel Coordinator and IAWD team (flights/train, hotel, per diem)	Lump sum	19.000	1	19.000
Equipment (e.g. IT, workshop facilitation, communication)	Lump sum	5.000	1	5.000
Financial management (bank fees, financial audits)	Annual lump sum	8.000	3	24.000
Monitoring and external final evaluation (workshops and consultancy)	Lump sum	36.000	1	36.000
Administrative cost IAWD (overhead, approx. 10% of total cost)				190.000
			Total	2.110.000