

**Press release**

## **Sustainability of Water Services in Bosnia and Herzegovina**

**BANJA LUKA, 6 April 2017** On 5 and 6 April 2017 a regional conference on „Sustainability of water services in Bosnia and Herzegovina" was organized by the Association for Water and Environmental Protection Sector „Aquasan Network in B&H“, Ministry of Foreign Trade and Economic Relations in B&H, Association „Waterworks RS“, Association of Employers of Utility Companies of the FB&H“, and the Association of Cities and Municipalities of the FB&H and the Association of Municipalities and Cities of the RS. The conference was held in Banja Luka.

Main objective of the conference was to support public utility companies (PUC) and local government units (LGU) in Bosnia and Herzegovina (B&H) to actively strengthen their organizational, institutional and human capacities and create a supportive legal and institutional framework with the aim of increasing quality, operational and financial sustainability of water services

More than 150 participants from B&H and the Southeast Europe (SEE) attended the conference. In addition to the relevant representatives of the administration from all levels in B&H, including representatives of the relevant state, entity, cantonal ministries, entity agencies for water and environmental funds, representatives of LGUs and their PUCs, as well as representatives of non-governmental organizations and the private sector, as well as representatives of national and international financial institutions (IFIs) operating in B&H and SEE.

The conference began with a very attractive, but so far insufficiently tackled topic focused on the interest of young professionals for the field of water supply and wastewater disposal. Emphasis was given to the quality networking of academia and the labor market, to provide young professionals with the opportunity to answer the real needs of the market upon completion of their studies. The initiative to establish a network of young professionals was presented, as well as a new Facebook page, "Young water professionals and B&H" following the example of the support that the International Association for Water (IWA) provides to young professionals with the aim to empower the next generation of leaders in this sector. Edin Basic, a student of the fifth year of master study at Civil Engineering stated "As a final year student, I am very pleased that this topic was presented and discussed at such an important event, and I express my gratitude for the opportunity to offer students information what is available at the market, and to provide them opportunity to share vision on their involvement in the water and environmental protection sector".

Establishing contacts with IWA to establish a network of young professionals in B&H is one of the conclusions of this session, according to the example of countries in SEE. Aquasan Network will invest efforts to transfer good practice and experience, and to establish cooperation between IWA and civil engineering faculties in B&H.

The possible ways to address the challenges faced by LGUs and their PUCs in B&H in terms of the sustainability of the quality of water services, relations with the founders and other levels of government were also presented during the conference. The participants were actively involved in the discussions on current topics, such as determining the procedure of adoption of water tariffs, optimizing the organizational structure of the PUCs, decisions on new investments, as well as the impact of those decisions on the increase of tariffs of services and their affordability for customers, asset management, reduction of non-revenue water etc. As Mrs. Branka Trninic, President of the Association "Waterworks RS" highlighted "Water services are services that must be available to consumers 24 hours, and their sustainability means that quality water must be supplied, but also that this service must be paid in order to allow maintain infrastructure because water does not come alone to the customer."

Reference was made to the legal and institutional framework and the financial sustainability of water services. The proposal of necessary changes in the regulation of water services in B&H was also presented. Through panel discussions, participants tackled the jurisdiction over water services, integration of the EU directives into laws on communal affairs, as well as the challenges of implementation of River Basin Management Plans. "The synergy between the LGUs and PUCs is necessary and only thus quality service for customers can be provided. The conference is a good opportunity for those who have already gone through the implementation of specific projects to communicate their experiences to others in order to avoid problems and challenges during the project realization," explained Mr. Ibrahim Mujakic, a representative of the Municipality of Cazin.

New programs to strengthen the capacities of PUCs and LGUs in B&H offered by IFIs and donors, as well as a participation in those programs were presented during the second day of the conference.

Good response of national and international stakeholders has prompted organizers to seize this opportunity and to openly discuss the topic "Supporting the coordination between donors and IFIs and relevant institutions/organizations in B&H". Participants were content with an opportunity to exchange information, but also to learn more about, on the one hand local needs, and on the other hand, the offer of IFIs and donors, and to try as much as possible to reconcile these needs and offers. As a representative of the donor, Mrs. Violeta Wolff, on behalf of the International Association of Water Supply Companies in the Danube River Basin (IAWD) stated the following "Donors are very interested to support PUCs, but need to identify those needs, especially the needs for capacity building". She praised the organization of a platform for dialogue in the framework of the conference, where donors and IFIs have had the opportunity to exchange information on the needs of local companies and institutions and offers of donors.

Conference participants have confirmed that water services are the most relevant and of highest priority to citizens, these are the services that require high quality and a 24-hour supply, but also have a direct impact on the health of citizens and local economic development.

The main conference conclusions are:

1. Horizontal and vertical coordination and continuation of dialogue necessary between all stakeholders on the current challenges in the water services sector, particularly on the sustainability of the PUCs and steps to be taken in order to initiate the necessary changes in the sector,
2. It is important to strengthen cooperation between LGUs and PUCs, and their unions and associations,
3. The needs should be properly identified, formulated and presented to local decision-makers, as well as IFIs and donors,
4. Additional support is needed in the analysis of the regulatory framework in order to prepare a systematic and structured solutions and defining more precisely the competences, i.e. the rights and obligations, roles and responsibilities of all stakeholders,
5. Systemic approach necessary to strengthen human, organizational and institutional capacities of PUCs and LGUs,
6. Process of changes should be led by B&H institutions and organizations,
7. Young professionals in the sector of water supply and wastewater should receive specific support, but they need to take the initiative.

Support to the implementation of the conference was provided by the Ministry of Agriculture, Water Management and Forestry of Una-Sana Canton. Additional support was provided by the Open Regional Fund for Modernization of Municipal Services in SEE (GIZ) and the Danube water program (DWP), through the IAWD.