

## Stakeholder Consultation

### A. Introduction

1. Institutional development of DWASA is recognized as a pre-requisite to ADB, which recommends a participatory approach whereby the views of stakeholders are taken into account in order to enhance DWASA ownership of final product especially in terms of the agreed solutions. The approach involves three steps, (i) stakeholder interviews, (ii) stakeholder workshops and (iii) a structured organization development over at least five years.

### B. Stakeholder Interviews

2. In June-August 2006 more than 50 people were interviewed including ex and current Government officers, members of the DWASA Board, DWASA management, DWASA staff, DWASA Union officers and members, the private sector, NGOs, media, academics, consumers, consultants and contractors. Records of interviews were anonymous, lasted one to two hours and were based on a standard questionnaire as well as open questions which allowed people to express views on a variety of subjects. Key questions and answers are outlined below.

#### 1. Question: What is the biggest problem of DWASA and top priority?

<b>Top Five Answers in Physical Needs</b>	<b>Other Useful Comments</b>
Transfer from groundwater to surface water	Must standardize connections
Minimize system loss	Introduce 100% metering /good meters
Increase pressure and 24 hour supply	Recharge groundwater by rainwater
Improve water quality and smell	Maintain wetlands for natural storage
Urgent attention to sewerage	Speed up the development process
<b>Top Five Answers in Management Needs</b>	<b>Other Useful Comments</b>
Better management system needed	Need staff motivation with higher salaries
Ownership, accountability, commitment	Fully commercialize operations
Lack of staff skills and training	Institutional changes not project based
Stop bribery, corruption, illegal connections	Public friendly activities required
Too much interference from Government	Involve mass media for awareness

#### 2. Question: What is your vision of DWASA / Dhaka Water Supply in 10 years?

<b>Top Five Answers</b>	<b>Other Useful Comments</b>
Service oriented organization	Groundwater Surface water & Rainwater
PSP takes over- more responsible	DWASA confined to DCC Area
Autonomy and different sources	Restructure DWASA Board
24 hour high pressure good quality	Quality manpower in DWASA
Manage total water demand	Unbundle for zonal management

**3. Question: How much autonomy should DWASA have?**

<b>Top Five Answers</b>	<b>Other Useful Comments</b>
Need independence with full autonomy	Autonomy like DESCO
DWASA has autonomy but wont use it	Board autonomy as on organogram
By law DWASA is autonomous	Board of 4-5 professionals needed
Govt. to provide autonomy in real sense	DWASA for all staff appointments
No autonomy while Govt. pay loans	DWASA must decide staff salaries

**4. Question: What service levels are needed?**

<b>Top Five Answers</b>	<b>Other Useful Comment</b>
24 hour supply in pipes	Client friendly approach is needed
Phase out standpipes because wastage	Mastaans are controlling the water
DWASA to NGO to Slums	Need slum policy on price and access
Pay only official connection fee	Simplify connection fee procedures
Provide gas generators on all DTWs	Consumer responsible overflow of tanks

**5. Question: What about tariff objectives, structure and revisions?**

<b>Top Five Answers</b>	<b>Other Useful Comment</b>
Gradual increase for full cost recovery	Good service and people will pay
Yes stepped tariff for lifeline/conservation	Sub-metering necessary for stepped tariff
Revisions approved regulatory commission	Subsidy to treat industrial effluent
DWASA must meet full industrial demand	DWASA to prepare rules and regulations
Electricity to be charged at domestic rate	Rationalize sewerage tariff

**6. Question: How to combat corruption in operations and development?**

<b>Top Five Answers re Operations</b>	<b>Other Useful Comment</b>
Transparency and accountability	Need good metering good connections
Raise salaries of staff to market rates	Effective complaints box with action
Employ private sector	Punishment reward system
Need quality manpower in DWASA	Purge staff and get new blood
Community involvement	Hire and fire policy
<b>Top Five Answers re Development</b>	<b>Other Useful Comment</b>
ADB must strictly monitor/supervise	Engineering and management to blame
Accountability and transparency	Employ foreign construction firm
Good price =Good quality	ADB to research regional costs
Use foreign consultants	Transparent selection of consultant
Utilize BUET	Leave nothing to DWASA control

**7. Question: How can civil society be involved?**

<b>Top Five Answers</b>	<b>Other Useful Comment</b>
Consumer awareness re conservation	Need positive not negative role
Consumers can be policy watchdog	Internet and website will help
Non interference with DWASA	DWASA needs communication wing
NGOs in slums	Meeting civil society at zonal level
Consumer society/ media / regulatory	Rules and regulations awareness too

**8. Question: To what extent can private sector be involved?**

Top Five Answers	Other Useful Comment
Yes BOT for water sources	DESCO type as PLC could work
Promote PSP everywhere but gradually	Regulatory commission too
Yes PSP in billing and collection	Extend PPI to other zones
Yes for zonal O&M contracts	DWASA cant give guarantees to PS
No PSP as water is Govt. commitment	PSP take over if DWASA fails

**9. Question: What policy and design advice?**

Top Five Answers	Other Useful Comment
Govt. to declare a transparent policy	Regulatory commission monitors policy
DWASA service area DCC only	Public booklet on policy and procedures
Independent zonal management	Need policy on slums too
Develop surface water Meghna/Padma	Treat and re-cycle grey water too
Ring main concept supported	Ring main if supported by modelling

**10. Question: Champion of Cause? Asian Utility Exchange Visits?**

Top Five Answers	Other Useful Comment
Cannot rely on individuals.... need system	Yes in terms of "water is essence of life"
Yes film stars, TV personalities	Need an honest dictator
Yes Prof Nazrul Islam / QI Siddique	We don't listen to anyone
Yes to utility exchange visits at all levels	We, not donors need to correct ourselves
Include union reps in exchange visits	The real issue is developing people

**11. Question: What advice would you give ADB?**

Top Five Answers	Other Useful Comment
ADB be vigilant to supervise work	Listen to the people
ADB to have strict financial control	Build on past experience
Speed up source development	ADB transparent in developing project
ADB must help DWASA independence	Increase ADF lower OCR
ADB must commit to long term	Success will come through persistence

**12. Question: What advice on Sewerage? Pollution? Drainage?**

Top Five Answers	Other Useful Comment
Need masterplan covering all three	Subsidy to treat industrial effluent
Build on natural system	Address domestic sewage then industry
Bring canals under DWASA	Industrial zones needed
Desludge septic tanks	Treat wastewater at source
Improve solid waste management	Awareness program is important

**C. Stakeholder Workshop on key issues (August 2006)**

3. The objective of the workshop was for key stakeholders of DWASA to discuss and reach consensus, if possible on these issues: (i) Tariffs, (ii) Corruption, (iii) Civil Society Involvement, (iv) Autonomy of DWASA and (v) Commercial Operations and reach consensus where possible on key issues. There were 38 invited participants to the Workshop which was held from 9am to 5pm on 14 August, 2006 in the Sonargaon Hotel. They represented the Government, the DWASA Board, DWASA management, DWASA staff, DWASA Unions, Consultants and Donors. Introductory speeches were made by representatives of ADB and the DWASA Board. Following the Workshop a letter was sent from PPTA Consultant Team Leader to Managing Director DWASA, suggesting obtaining

Secretary LGD endorsement of the consensus points from the stakeholder workshop and interviews.

4. A summary of the DWASA Stakeholder Interviews and workshop responses is given below. This gives an indication of the key areas of consensus which will be taken forward in the next steps of implementation and guide coming workshops.

Issues at interviews and workshop	Areas of Consensus / some Agreement	Areas of Disagreements
Tariff and cost recovery	<ul style="list-style-type: none"> <li>• The principle of phasing in full cost recovery is generally accepted. This did not, however, include depreciation and future investments.</li> <li>• Stepped tariffs and lifelines are accepted as a fair and effective method</li> <li>• Water conservation is highly needed and promotion needs to be initiated.</li> <li>• DWASA to provide water to the industry and tariff to be established</li> <li>• Regulatory commission needed to follow prices if full cost recovery and autonomy is implemented.</li> </ul>	<ul style="list-style-type: none"> <li>• Tariff for drainage needs further discussion. Possibly not clear to all yet that sewerage and drainage may be an integrated part of a tariff structure.</li> </ul>
Combat of corruption	<ul style="list-style-type: none"> <li>• Transparency and accountability in all operations is needed.</li> <li>• This should primarily be done through strong monitoring, in particular during implementation of new works and through billing</li> <li>• Salary levels to be increased to make corruption less attractive.</li> <li>• It is expected that higher water prices will assure good quality of service and less corruption</li> <li>• Donors to monitor closely during implementation phase</li> <li>• Good metering and good connections will help.</li> </ul>	
Involvement of civil society	<ul style="list-style-type: none"> <li>• Consumer awareness is needed, in particular with regard to avoid losses, metering, billing, revenue collection, and hygiene education.</li> <li>• Civil society could be a watchdog on policy implementation but there should be no interference with DWASA day-to-day operations. Some concern over past experiences.</li> </ul>	<ul style="list-style-type: none"> <li>• Disagreement on NGOs' level of involvement, past experiences show too strong political agendas. Suggested involvement in certain areas (slum and squatter)</li> </ul>
DWASA Autonomy	<ul style="list-style-type: none"> <li>• DWASA act has not been followed and needs to be implemented. This is seen as a prerequisite for any further action. It will be the subject of an upcoming workshop.</li> <li>• DWASA needs to have full autonomy. Board needs to approve the proposed DWASA organogram and structure. Strong resentment that Government has not approved previous applications for autonomy.</li> </ul>	<ul style="list-style-type: none"> <li>• Size of the DWASA board – some suggest it to be downsized but no clear rationale for this.</li> </ul>

	<ul style="list-style-type: none"> <li>• DWASA to decide on own salary structure – not to be determined by the Government.</li> <li>• Implementation of gender ratio – at least 30% females.</li> <li>• The DWASA Board is considered ineffective due to size, lack of professionalism or vested interests.</li> </ul>	
DWASA Commercial operations	<ul style="list-style-type: none"> <li>• The workshop can accept BOT/BOO for waste water treatment plants.</li> <li>• Yes to commercial entity (with human face)</li> <li>• Yes to low level of privatisation of smaller operations. Understand that commercialisation is not necessarily the same as privatisation.</li> </ul>	<ul style="list-style-type: none"> <li>• Some apprehension and disagreement on the level of privatisation</li> <li>• Divided opinion on staff incentives re billing</li> <li>• Divided opinion on outsourcing of DWASA activities</li> <li>• Divided opinion whether plc is an acceptable model</li> </ul>

### 1. Coming workshops

5. The following workshops / presentations are planned in October 2006.

- i Presentation of DFR for DWASA board, Management, Ministry and donors.
- ii Workshop on the DWASA Act and its implementation
- iii Workshop on civil society involvement

### 2. Structured Organization Development over five years

6. A structured organization development over five years is proposed to be based on experience from similar major organisations. It would be based on a well documented approach supported by a long term international and national Technical Assistance.

- i Self Assessment of leadership, structure and mandate, staffing level, compensation policies, financial health, public relation, service level, safety, bench-marking.
- ii Deermine Basic Concepts such as quality, commitment, leadership, management and staff cooperation, behaviours and habits, fairness and transparency and information.
- iii Process Inception includes announcement and communication of the Organization Development Process to all employees and stakeholders.
- iv Develop Mission and Objectives giving purpose and desired results.
- v Strategic Analysis. Where are we now? Where do we want to go? How will we get there?
- vi Organization Structure to be established, discussed and explained.
- vii Job Descriptions and Evaluation will include location in organization structure; reporting relationship; duties; communication and interaction; evaluation.

- viii Staffing Plan and Compensation Plan based on need including management, professional, administrative staff, workers and casual staff.
- ix Financial Management structure including policy, accounting, financial reports and auditing. Also includes Financial management systems and technology.
- x Management by Results/ setting Employee Goals
- xi Establishing Personnel Management Policies / Procedures
- xii Training Program for all staff and management. This includes long term training plans and training of trainers.
- xiii Establish Operations Improvement Program.