

COOPERATION AGREEMENT

FOR AN INTERNATIONAL EXCHANGE PROGRAM ON REGULATION OF WATER SERVICES AND SUSTAINABILITY

Between

Asociación de Entes Reguladores de Agua Potable y Saneamiento de las Américas (ADERASA) *and*
Associazione Nazionale Autorità e Enti di Ambito (ANEA) *and*
Comisión de Regulación de Agua Potable y Saneamiento Básico (CRA)
Comitato per la Vigilanza sull'Uso delle Risorse Idriche (COVIRI) *and*
East Asia and Pacific Infrastructure Regulatory Forum (EAPIRF) *and*
Florence School of Regulation (FSR) *and*
Independent Pricing and Regulatory Tribunal of New South Wales (IPART) *and*
Istituto Regolador de Águas e Resíduos (IRAR) *and*
Jakarta Water Supply Regulatory Body (JWSRB) *and*
National Association of Regulatory Utility Commissioners (NARUC) *and*
National Regulatory Research Institute (NRRRI) *and*
Unidad Reguladora de Servicios de Energía y Agua (URSEA)
Water Services Regulation Authority (OFWAT) *and*
signatory individual experts

ADERASA, and ANEA, and CRA, and COVIRI, and EAPIRF, and FSR, and IPART, and IRAR, and JWSRB, and NARUC, and NRRI, and URSEA, and OFWAT, henceforth called “partner organizations”, and signatory individual experts,

- CONSIDERING that over the past two decades, the water and sewerage sector has experienced in most countries a process of reorganization, including industry restructuring, private-sector participation, and the introduction of competition,
- CONSIDERING that different countries have implemented different organizational and regulatory models, that have profound implications on operators’ performance and yield different results, in terms of affordability, financial sustainability and continuity of the relationship between regulators and operators,
- CONSIDERING that the various ways in which regulatory instruments are combined and implemented around the world deserve deep investigation to better understand how regulators are tackling the challenges facing the water and sewerage sector,
- RECOGNIZING that regulatory cooperation, information exchanges and technical assistance are mechanisms to share professional experience and enhance the efficiency and effectiveness of regulatory principles and practices,
- BELIEVING that the diffusion of modern regulatory culture may lead to better protection of users’ needs, reduced uncertainty, more efficient and faster involvement of private capital, accelerated deployment of large-scale infrastructure, better quality of service and reasonable prices,

have undertaken joint discussions which have resulted in the following:

SECTION I - OBJECTIVES

Article 1 - Introduction

The partner organizations hereby agree to enter into a Cooperation Agreement to promote a systematic dialogue, an exchange of information and a mutual assistance among regulators of the water and sewerage sector, associations of regulators, and regulatory research organizations around the world, with the goal of fostering new advances in the regulation of the water and sewerage sector, for the benefit of the users and the promotion of sector improvements.

Article 2 – Overall objectives

This Cooperation Agreement will pursue the following overall objectives:

1. promoting a systematic interaction and a cross-fertilization between water regulators, researchers and consultants;
2. improving the knowledge on how to address critical regulatory issues in the water sector, through research and training;
3. sharing the worldwide experience acquired so far in the regulation of water services and water resources;
4. pursuing the establishment of a permanent international platform of water and sewerage regulators, associations of regulators and regulatory research organizations.

Article 3 – Specific objective

In order to achieve the above-mentioned objectives, the partner organizations agree to set-up an International Exchange Program (henceforth IEP) among regulators of the water and sewerage sector, associations of regulators, and regulatory research organizations, on “Regulation of Water Services and Sustainability”.

SECTION II - GOVERNING STRUCTURE

Article 4 - Structure

The IEP will consist of a Steering Committee (SC), an Executive Secretariat (ES), several Working Groups (WGs), and an Advisory Board (AB).

Article 5 – Steering Committee (SC)

The governing body of the IEP is the SC, composed of one representative per each partner organization. The SC shall meet at least every three years to define the policy of the IEP. The SC may also take decisions by interacting through e-mail. The decisions of the SC are taken with the majority of the votes of those partner organizations participating in a meeting. The SC elects every three year a Chair person from among the partner organizations, who acts on a voluntary basis to coordinate the decision process of the SC. The SC establishes and amends the present Cooperation Agreement, supervises the activities and affairs of the IEP, approves new members, reviews and directs the action of the ES, decides on financing mechanisms for the IEP, establishes the date and place of the periodic meetings. Among the other responsibilities, the SC shall define in advance every three years the relevant Subject Areas that will form the basis for the activities of the WGs.

Article 6 – Executive Secretariat (ES)

The ES assists the SC and implements the decisions taken. The ES shall propose actions or decisions to the SC, administer the IEP portfolio of projects, support the activities of the WGs, report to the SC on the IEP activities. Every three years, one partner organization, nominated by the SC at its regular meeting, serves as ES for the following period.

Article 7 – Working Groups (WGs)

Several thematic WGs shall be formed every three years. Each WG shall be focused on one Subject Area. The WGs shall be composed of one representative per partner organization interested in that Subject Area. A partner organization may participate in more than one WG, according to its interests. The WGs will be chaired by coordinators elected from representatives of regulatory research organizations or members of the AB. Each WG shall select periodically one regulatory issue to be investigated, called Problem Issue, within the corresponding Subject Area. The WGs shall be responsible for carrying out the activities spelled out in Article 13. The WGs are fully autonomous as regards organizational matters and the contents of such activities. The WGs shall be assisted by the ES for organizational matters and by the Advisory Board for scientific matters.

Article 8 – Advisory Board (AB)

The AB will ensure that the IEP produces scientifically-relevant material. The AB will be composed of the regulatory research organizations that are signatories of the IEP and internationally-relevant experts who participate in the IEP on an individual basis. The AB assists the SC in defining the IEP policy and reviews the material produced by the WGs, to provide suggestions and recommendations. The experts shall sit in the AB on a voluntary basis, apart from the case of specific projects financed by external sources.

Article 9 - Membership

Membership to the IEP is free of charge and is open to all regulators of the water and sewerage sector, all the associations of regulators, and all research organizations serving the water regulatory community, and individual experts. Member admittance shall be requested to the SC through application to the ES. Member admittance shall be decided on a rolling basis.

SECTION III - RIGHTS AND OBLIGATIONS

Article 10 – General rights

Every partner organization has the right to sit in the SC and to express one vote. Every partner organization shall participate in one or more WGs, according to its preferences, interests and possibility. Every partner organization shall participate in the IEP activities and is entitled to benefit and use the resources of externally-funded activities, according to its role and responsibilities.

Article 11 – General obligations

It is the obligation of every partner organization to promote the objectives of the IEP through participation in its activities and otherwise. Every partner organization shall ensure access to relevant information (other than confidential information) that may be deemed useful for reaching the objectives of the Cooperation Agreement. Every partner organization shall disseminate the objectives and the results of the activities of the IEP through its website and publications.

Article 12 – Use of material

Relevant documents made available by one partner organization to another partner organization for the purposes of this IEP are intended to be accessible on equal terms to all partner organizations. Provided that the source of such material is acknowledged fully, each partner organization grants to the others a free, irrevocable, perpetual, non-exclusive, world-wide licence to incorporate text or other copyrightable material contained in the material submitted in the respective publications, provided such publications are distributed free of charge unless the express written consent of the copyright holder is received to do otherwise. The licence automatically terminates upon the termination of the partner organization's membership to the SC. In the event that the partner organizations co-develop any materials, then such materials shall be jointly owned and each partner organization shall be able to use such materials without accounting to the others. Nothing contained herein shall be deemed to obligate either partner organization to incorporate the materials made available by another partner organization or jointly produced.

SECTION IV - ACTIVITIES

Article 13 – List of activities

The activities that shall be carried out by the IEP include, but are not limited to, the following:

- facilitating the sharing of information (other than confidential information), expertise and know-how;
- mapping and analysing the various models of water regulation;
- developing common positions on regulatory issues;
- undertaking research on common regulatory problem issues;
- preparing project proposals for research and cooperation grants;
- providing advice on regulatory issues;
- undertaking training and technical assistance projects;
- organizing conferences, seminars and web-based discussions;
- organizing a plenary meeting at least every three years;
- identifying funding mechanisms for carrying out the IEP activities
- creating a website with a virtual library of publications and regulatory decisions.

The primary beneficiaries of the activities of the IEP are the partner organizations themselves. The partner organizations, through the IEP, could also carry out activities to benefit other entities.

Article 14 – Plenary meeting

At least every three years, the partner organizations shall meet to verify compliance with the IEP objectives and policy, and to revise, amend or update the IEP policy and the Cooperation Agreement. The Chairman shall decide the country that will host the plenary meeting and shall consult all partner organization to convene the plenary meeting on a date which is suitable to the majority of them.

Article 15 – Language

All documents and materials and web pages jointly produced shall be in English. The language of the plenary meeting shall be English. The language of the public events shall be in English, while simultaneous translation could be provided in the language of the host country. The language of the technical assistance activities and the training activities shall be that of the beneficiary partner organization.

SECTION V - CLOSING PROVISIONS

Article 16 – Entry into force, withdrawal and termination

This Cooperation Agreement comes into force and is effective as of January 20, 2009 and shall remain in force until the IEP is dissolved by withdrawal of two thirds of the partner organizations, or by decision of the SC. Membership terminates at will or for cessation of the IEP. Every partner organization may withdraw at will in any moment from this Cooperation Agreement, on the basis of a written request addressed to the SC through the ES. Upon the giving of written request, the membership of that partnership organization to the SC terminates.

Article 17 – Independence

The partner organizations fully retain their independence and identity in carrying out their respective specific missions. The material jointly produced shall not necessarily reflect the official position of any of the partner organizations.

Article 18 – Membership fees

The SC may decide to establish membership fees to contribute to the funding of the IEP.

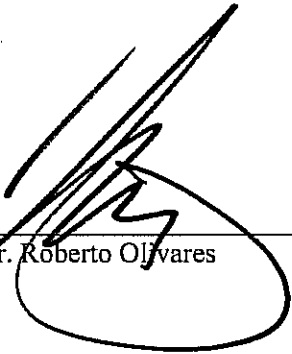
Article 19 – Verification

On a regular basis, the results of the present Cooperation Agreement will be verified by the SC. In addition, the objectives, principles and instruments of this Cooperation Agreement will be periodically updated by the SC.

DATE Rome, 20 Settembre 2009

SIGNATURES

On behalf of ADERASA



Mr. Roberto Olivares

On behalf of ANEA

Mr. Luciano Baggiani

On behalf of CRA




Mr. Julio Cesar Del Valle Rueda

On behalf of COVIRI



Mr. Roberto Passino

On behalf of EAPIRF



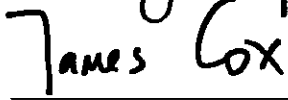
Mr. Ahmad Lanti

On behalf of FSR




Mr. Jean-Michel Glachant

On behalf of IPART



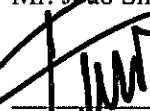
Mr. James Cox

On behalf of IRAR



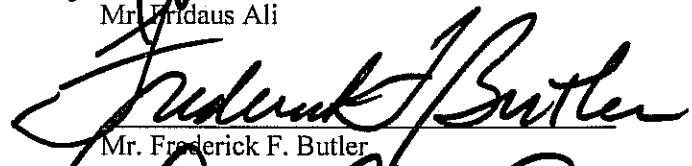
Mr. Joao Simão Pires

On behalf of JWSRB




Mr. Fridaus Ali

On behalf of NARUC




Mr. Frederick F. Butler

On behalf of NRRI



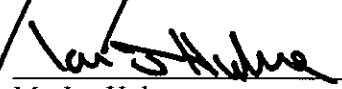
Mr. David Denig-Chakroff

On behalf of URSEA



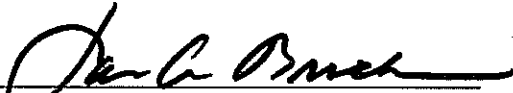
Mr. Mario Galeotti


On behalf of OFWAT




Mr. Ian Hulme

As individual experts


Ms. Janice Beecher

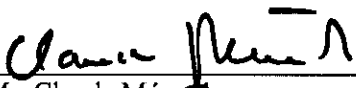

Mr. Germà Bel

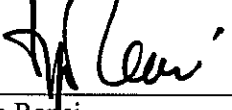

Mr. Juan Benavides



Mr. Massimo D'Antoni


Mr. Matthias Finger


Mr. Antonio Massarutto


Mr. Claude Ménard


Mr. Pippo Ranci


Mr. Antonio Vives