

Clean water for 3 million people in 15 years

Joint-venture between regional water companies

The Dutch water companies have been offering their Indonesian counterparts technical support and training through twinning programmes. The Drenthe Water Company (WMD) is also taking a vigorous approach. It's temporarily taking over regional water companies (PDAM's) via a joint venture with a majority share. The Groningen Water Company supports WMD by making some of its staff available. Meanwhile activities in Eastern Indonesia have been expanded. The Ministry for Development Cooperation will support WMD to start work with twelve PDAM's to provide three million people with clean drinking water within fifteen years.



EASTERN INDONESIA

The Indonesian water companies are faced with losses due to leakages, overdue maintenance and ineffi-

cient management. Local authorities lack the financial resources and expertise to carry out a thorough reorganisation. Dutch water companies are eager to help with expertise, but without any profit motive. WMD is running a number of water companies in Indonesia and that number is expected to increase. The Groningen

Water Company (WBG) has been participating in the project since 2005 by freeing-up staff to help. Several engineers from Groningen have been visiting Indonesia to transfer knowledge and expertise to their Indonesian colleagues.

Partnership

WMD will work to get the faltering water supply going in twelve areas in North-Sulawesi, the Moluccan Islands and Papua province. The Dutch water company enters into partnerships with local water companies and takes over management for a period of fifteen years. The companies will become part of a holding company in which WMD holds shares. The local government brings in the staff and concessions. WMD supplies management, know-how and makes sure funding is available for the investments that are needed. This



Moluccan Islands, Papua, Sulawesi

Expand access to clean water from 0.6 to 3 million people

Supported by the Directorate-General for International Cooperation (DGIS) of the Ministry of Foreign Affairs, WMD will work, by way of 12 joint ventures from WMD subsidiary Tirta Drenthe Group, with local water companies to supply 3 million people with clean drinking water within 15 years in 12 Moluccan Island municipalities, Papua province and Sulawesi. This will need an investment of 11 million euros, of which 7.5 million will be funded by DGIS. The project aims to deliver a better and more sustainable water supply, create water companies with a good financial health bill, increase access to clean and healthy water from 0.6 million to 3 million people and reduce losses due to leakage from 50 percent to 15 percent.

Papua

Towards a fully-fledged water supply in Sorong (2004-2009)

The city of Sorong, population 140,000, is situated on the northwest coast of Papua province. When the Drenthe Water Company (WMD) started out in Sorong in 2004, water facilities were in bad shape. With its 10,000 connections the local water company could potentially serve 55,000 people. But in practice there was no money to pay energy bills and salaries. Pumping stations were closed down and staff were staying home. Only a tiny fraction - 15,000 people - of the city's inhabitants, namely only those whose water flowed directly from the mountains into the distribution network, were served. Most people had to make do by filling up their jerry cans in the river. Those who could afford it bought water from trucks, filled with untreated water from the river. The price of the water from the trucks was 2.50 euros per m³, whereas before people paid 0.10 euros per m³. For most people water had become unaffordable.

Cooperation

In August 2004 local authorities in Sorong signed a cooperation contract with WMD, the first step towards a fully-fledged water supply. Three months later an existing pump with a capacity of 90 m³/hour was back in operation, getting water supplies going again. Supply of treated water via the distribution network again began to flow. In January 2005 WMD started operating four water trucks, bringing down prices. Two months later a new pump was installed doubling capacity to 240 m³/hour.

In June four new pumps began working, doubling capacity yet again to 480 m³/hour, sufficient to serve almost the entire city.

On 1 November 2005 WMD officially took charge of the new water company in Sorong, PT Tirta Remu, creating the conditions to implement large scale upgrades and improvements. First up to be tackled are leakages, metering, an efficient billing system and the financial administration. From January 2006 Dutch engineers have been supporting their Indonesian colleagues with know-how and expertise. Last month new company regulations were introduced and at the moment the organisation is being revamped. It's estimated that in April the first water bills will be sent.

Another problem is the huge amount of water lost through leakages. Tools for repairs and maintenance have been procured and employees have been trained to do the job.



The next steps are:

- Increasing the number of production hours
- Repairing distribution network
- Setting up the organisation of the water company
- Checking and upgrading connections
- Installing water meters
- Connecting new houses

Training is essential to make sure the water company can stand on its own two feet. Courses started in June last year in Sorong and Biak. An elementary course in water distribution has been organised by Perpamsi (the Indonesian Association of Water Companies), the Indonesian Training Institute Tirta Dharma, the Foundation Wateropleidingen (the training institute for the Dutch water sector) and WMD. Apart from motivating staff and harmonising work practices the course has given insight into the quality of employees. Later this year, most likely in July, a new training institute complete with laboratory, will open its doors in Manado. It's yet another step towards improving the water company.

approach focuses on the rehabilitation and construction of infrastructure, technical support and staff training. The project aims to enable the Indonesian water companies to stand on their own two feet and be financially independent within fifteen years.

Vital contribution

The business community could make

a vital contribution towards providing safe drinking water to people all over the world.

The Dutch Minister for Development Cooperation strives to make the Dutch contribution better and more effective by stimulating civil organisations, companies and centers of excellence. The public-private partnership in the project in Eastern-Indonesia entails that WMD contri-

butes 3.5 million euros and the Minister for Development Cooperation 7.5 million over the next five years within the framework of the Millennium Development Goals. The Partners for Water Programme, a cooperative effort bringing together five ministries, is facilitating funding within the framework of developing innovative forms of public-private cooperation in the water industry.