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AUTORITETI RREGULLATOR PËR SHËRBIMET E UJIT
REGULATORNI AUTORITET ZA USLUGE VODE
WATER SERVICES REGULATORY AUTHORITY



ANNUAL PERFORMANCE REPORT FOR WATER SERVICE PROVIDERS IN KOSOVO, IN 2015

Performance report of water supply licensed companies, wastewater service and untreated bulk water supply

Water Services Regulatory Authority

Vision

“Water and Wastewater efficient, safe and quality service for all customers throughout Kosovo.”

Mission

“Regulation of water service in an effective and transparent manner in accordance with good European practice, which ensures that water and wastewater service deliver qualitative, sustainable services with affordable prices throughout Kosovo, having into consideration environmental and public health protection.”

PERFORMANCE REPORT FOR WATER SERVICE PROVIDERS IN KOSOVO, 2015

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Acronyms and abbreviations

WSRA	Water Services Regulatory Authority
KAS	Kosovo Agency of Statistics
EU	European Union
RBP	Regulatory Business Plans
WB	World Bank
RAB	Regulatory Asset Base
BD	Bords of Directors
ICGWQ	Inter-institutional Coordination Group on Water Quality
KNIPH	Kosovo National Institute of Public Health
CPIK	Consumer Price Indeks in Kosovo
DWQ	Drinking Water Quality
IMCW	Inter-Ministerial Council on Waters
GDB (KfW)	German Development Bank
RWC	Regional Water Company
CCC	Customer Consultative Committees
LUX DEV	Agency for Development and Cooperation of Luxembourg
MESP	Ministria e Mjedisit dhe Planifikimit Hapësinor
MTI	Ministria e Tregtisë dhe Industrisë
MF	Ministria e Financave
MLGA	Ministry of Local Government Administration
AMP	Annual Monitoring Plan
WC	Water Centre
SCO	Swiss Cooperation Office in Kosovo
WWAK	Water and Wastewater Association in Kosovo
NRW	Non-Revenue Water
AI	Administrative Instruction
RAG	Regulatory Accounting Guidelines
USAID	U.S. Agency for International Development

FOREWORD



It is my pleasure to present the 10th performance evaluation report for public water service providers in Kosovo.

Our main mandate as an economic regulator, considering the monopoly service providers have in providing water services, is to ensure that customers receive the level of service according to the standards set and affordable costs for them.

As in the previous years, also in 2015, in constant cooperation with service providers and other stakeholders in the sector, we are committed to improving operational performance, financial and service with customers' service providers.

With the enter into force of revised version of the Law for Regulation of Water Services (Law no. 05/I -042), duties and responsibilities were added to the Regulatory Authority in order to fulfil obligations and duties for which the institution has been established.

Since April 2016, I have been re-elected as a Director of this institution by the Assembly of the Republic of Kosovo for the period of 5 years. During this mandate I will continue my commitment in carrying out regulatory obligations and will maximally engage to improve water services through:

- Further strengthening of the legal framework – the preparation and review of policies, regulations, administrative instructions and other relevant documents;
- Cooperation with service providers in the implementation of the relevant legislation – supporting service providers through visit, workshops, and trainings;
- Maintain financial and operational stability of service providers – ensuring effective tariff proces which means "affordable tariffs for citizens and ensuring financial sustainability for service providers."
- Continuous monitoring of service providers and providing assessments and recommendations for improving the performance of service providers.

Although the performance of service providers has improved each year in most performance indicators, both in terms of each individual provider but also in general, we still face problems, the improvement of which requires the commitment of all parties, ranging from service providers, the regulator, customers etc.

In this case I would just like to summarize some of the improvements and main issues of service providers' performance in 2015, which are broadly presented in the following chapters of this Report:

- Sustainable investments in increasing of water production capacity for the Mitrovica region, when water factory in Shipol in 2014 started functioning, the continuity of water supply has significantly improved in 2015;
- Investments in rural system (by municipalities, donors) have contributed to the expansion of water service coverage of the Kosovo population;
- Signing the agreement for services with some of the municipalities has led to local systems of these municipalities to integrate into regional systems and also be regulated by the Regulatory Authority;
- Application of legal actions (through enforcement and forgiveness/re-scheduling of debt) by service providers has increased the collection rate;

Despite the aforementioned improvements, key indicators such as the rate of non-revenue water and collection rates have still remained non-acceptable values by the Regulatory Authority. Stagnation in improving these indicators directly affects the level of services, the improvement of which depends largely on cash received. On the other hand the high number of staff obliges the management of service providers that a large part of the revenue collected to use for repayment of

salaries, while that income when determining the tariff approved by the Regulatory Authority, anticipated to be used for improvement of the level of services.

As methods used for the improvements achieved, as well as lessons learned from the problems faced in 2015, will be a guide to the key players of sector in improving the sector in the coming years.

Speaking for improving the situation in general in the sector, I would like to emphasize the importance of international donor support. During 2015 the Regulatory Authority has continued to be supported by Support Project, which is an integral part of the Support Programme for Water and Wastewater in rural areas in Kosovo – Phase V, funded by Swiss Agency for Development and Cooperation (SCO). Among other things, the project has provided support in reviewing the 'Regulation on Customer's Chart'; as well as 'Regulation on Customer Consultative Committees', which will enter into force in 2016. The Project has supported other seven service providers in the design of 'Customers chart' and 'Contract for services', which are in accordance with the abovementioned regulations. These important documents are expected to be implemented by 2016.

I would like to take this opportunity to thank all donors (SCO, BE, KFW, LUX DEV, USAID, BB, etc) which since the war have contributed and still continue to contribute to the water sector in Kosovo.

Moreover the Swiss Agency for Development and Cooperation (SCO), has contributed through this report to provide its opinion on the state of the sector, as well as an important summary about the state of water quality as a direct contribution for/by NIPHK.

We hope that the information contained in this report will serve to the different stakeholders as a basis for further planning of investments and measures in areas identified with stagnation.

At the end I would like to thank my staff for their work and commitment shown during the drafting of this report, as well as officials of service providers who were committed to reporting under regulatory requirements.

Sincerely,



Raif Preteni
Director of Water Services Regulatory Authority

Remarks by Director of Swiss Cooperation Office (SCO)

Dear Water Stakeholders,

It is an honor for us to express a few words about the performance of the water services sector in Kosovo on behalf of the Swiss Government and on behalf of the Swiss Cooperation Office (SCO) in its capacity as coordinator of the donor community in the water sector in Kosovo.

The Swiss Government began its support to the water sector of Kosovo in 1999, addressing mainly emergency needs. The projects soon shifted to medium and long-term interventions. The Swiss overall investment in the water sector since 1999, including the commitments up to end of 2017, is around 70m Euros.

Overall, as said in the report “Historic investment trends in the water sector” compiled by the Inter-Ministerial Water Council (IMWC) supported by the SCO, investments in the water sector from 1999 to 2014 amount to 315m Euros of which 2/3 where from the donor community. This is a lot of money, but water is an essential part for the well-being of the population and for the overall development of the country (agriculture, energy etc.). Access to water is a human right as clearly highlighted in the Water Policy Paper approved in the last year. We work with the UN towards achieving the Sustainable Development Goals 2030, including goal number six on clean water and sanitation.

The Swiss Government has supported almost all water sector related institutions in Kosovo: the IMWC, the Water Service Regulatory Authority, the boards of the Regional Water Companies (RWCs), the RWCs themselves, the National Institute for Public Health and the Association of Kosovo Municipalities.

The donor community believes that we have, together with all of you, contributed greatly to the development and consolidation of water supply and increased coverage significantly over the past years, for the benefit of the population, and this report shows there are positive trends in most of the performance indicator. Regional programs also recognize that Kosovo has developed a relevant approach to water services coverage, including rural areas. The Danube Water Program is working with Kosovo stakeholders to benefit from this experience and share with other countries in the Danube basin. The same program acknowledges the Kosovo water sector organization and reforms, and it rates Kosovo as best in the region and beyond (Ukraine and Moldova) in terms of sustainability of the sector. This is an encouragement for all water stakeholders and for the donor community that we are on the right path.

The donor community plans to continue to invest in this sector, with increasing emphasis on the wastewater sector, whilst supporting the Government to further advance the reforms in the water services sector and improve the management of water resources.

However, this entire infrastructure can only work sustainably if all who receive services pay for it. With waste-water treatment plants, the price per cubic meter of water will increase significantly so the RWCs will need the support in meeting successfully future challenges. Grants from donors on the other hand will probably become less readily available in general, so the money needs to be raised elsewhere: from customers, from the government, or from the private sector through loans. Wherever looking for money, the RWCs will have to prove they are well managed and efficient in order to raise funds, which still requires serious efforts, including in preventing political interferences.

Another challenge for the RWCs is climate change, with likely more extreme events like floods and droughts. The 2006/07 and 2013/14 droughts were indications that the non-revenue water (NRW) should be taken much more seriously and that if lost water was recovered it alone would be sufficient to withstand a significant drought. We believe and expect that the RWCs increase their discipline and accountability and reduce significantly their losses.

We are committed to continue working with the water sector. We want to support the sector to achieve the necessary quality and reliable service provision in a financially sustainable way. However, in order for the donor community to remain engaged, applying good governance principles, adhering to administrative procedures, showing transparency and efficiency as well as following best management practices are crucial.

In order to further improve the situation in the water sector, we certainly need to see links between performances and payments to boards and to CEOs of RWCs. Good governance and improved performance of RWCs are crucial for reliable services. RWCs should in general be able to get the right people to work for them, and they should not be burdened with unnecessary staff and risk financial sustainability. Kosovo should avoid risks to return to subsidizing operation and maintenance of its public water companies. The sector is a success story that needs to fight to become better and avoid practices that could threaten the achievements so far.

Let me assure you that all our engagement and investments aim at benefitting the population. Water is a public good. This good needs to be shared fairly.

Patrick Etienne

Country Director
Swiss Cooperation Office Kosovo

ROLE AND RESPONSIBILITIES OF WSRA

Pursuant to the Law for regulation of water services, Water Services Regulatory Authority (WSRA) it is an independent institution in the performance of its functions, with responsibility for the regulation of activities for all water service providers in Kosovo. In general, the WSRA role is to protect the interest of customers of water services, whilst keeping bills as low as possible but also ensuring the financial sustainability that service providers can perform and fund all of their functions..

WSRA Specific responsibilities are:

1. **Licensing of service** providers and monitoring the implementation of conditions specified in the licence service, as following:
 - To possess professional capacity and adequate managerial, operational and technical, resources for operation and maintenance to provide service up to the service standards and to the commercial standards;
 - Financial solvency throughout the full term of the Service Licence;
 - Accept responsibility for the provision for services in the entire area of the service provider, determined with government's policies and plans for consolidation of service provider;
 - To refer the term of the Service Licence;
 - To provide all permits, consents, necessary authorisations from respective authorities.
2. **Setting service tariffs** for service providers, as following:
 - ensuring that tariffs are fair and reasonable;
 - ensuring the financial viability of service providers;
 - ensuring that service providers can perform and finance all their functions;
 - ensuring the fulfilment of strict standards of customer service and environmental requirements;
 - reducing the water quantity of non revenue water and unsold water .
3. **Setting service standards** and overseeing the implementation of the service providers of these standards, as following:
 - ensure the water supplied is always of good quality, with constant supply and adequate pressure;
 - improve reliability by minimizing and managing interruption;
 - ensure water bills are accurate and received on time;
 - protect customers against any abusive and misconduct from service providers;
 - meet deadline for resolving complaints and requests for connection in water service network.
4. **Monitoring the performance of service providers** to assess whether they meet:
 - Minimum service standards agreed with the Authority;
 - the extent to which service providers meet the objectives set by the tariff process;
 - ensure efficient functioning of service providers, and the sector;
 - corrective actions that may be necessary to improve the situation,
5. **Continuous protection and promotion of the interests of customers**, as following:
 - Established and support, customer consultative committees;
 - Selected customer complaints, which are not adequately addressed by the service provider;
 - Oversee the implementation of the provisions of legal acts of the Authority regarding the mutual rights and obligations, customer-service provider.

1 INTRODUCTION

Annual performance report for water service providers in Kosovo for 2015, is 10th in series of reports published by the Water Services Regulatory Authority (WSRA), and represents a significant commitment to report, publicly and independently. This is a full comparative report of the water and performance of service providers (RWC), while providing water services. The publication of this report is based on legal basis of Law No.05/L-042 for 'Regulation of Water Services, Chapter VII Reporting and monitoring, respectively Article 37.

The report contains a lot of data and information (operational, financial, and of the level of services to customers), for 7 (seven) licensed water and wastewater service providers and 1 (one) untreated bulk water service provider. The report presents comparative graphs and tables accompanied by comments and analyzes for about 30- indicators for the performance of water and wastewater service providers for 2015, as well as the comparative period in 2014. Indicators were selected from a broad group of about 100 of them. This group of indicators is available in the tables attached to this report, Appendix 1, the detailed performance and Attachment 5- Summary of performance indicators.

RWCs provide their services in 34 municipalities of Kosovo, by a total 38 municipalities as they are. Number of population served by public water utilities is more than 1.45M., while total number of customers is over 305,855.

The Report consists of four central parts as following:

- Part A provides information on the RWC performance, divided into four separate areas: Water supply, wastewater services, financial performance of RWCs, and overall performance evaluation.
- Part B provides information on overall performance of water and wastewater service sector for a period of four years (2011-2015), through several key performance indicators including: the water produced, sales of NRW, coverage of services, planned revenue, cash flow and collected, as well as capital investments for water supply and wastewater services.
- Part C provides data and information on the performance of the only bulk water supplier, HPE Iber-Lepenc, and,
- Part D which describes the activities of the CCC, and evaluates their performance in handling customer complaints in their respective regions.

During preparation of this report, we have evaluated the data provided from licensed and regulated companies by WSRA, and we have excluded those water services provided from schemes (rural) individual and the schemes that are not under RWC management.

We also have used other information provided and published by institutions in charge such as data reported by NIPH (water quality) or Kosovo Agency of Statistics (rate of inflation, population statistics and households).

The part of water quality is commented by NIPH, given the fact that the NIPH for the first time this year has published a report on water quality. Also with a summary of water sector service performance in Kosovo at the request of authority the Swiss Cooperation Office (SCO) is one of the best donors after the war, which has given contribution in water sector in Kosovo. The purpose of this report is to: reflect the development trends of performance evaluate and compare the achievements in relation to the agreed objectives with tariff process (2015-2017) and provide a summary of the statistical data provided by water service providers in the country during the reporting period.

2 SECTOR DEVELOPMENT

Law for Regulation of water services, No.05/L-042,

In December - 2015, Assembly of Kosovo approved the Law no. 05/L-042, for Regulation of water services which entered into force on 05.01.2016. This law is the successor of the UNMIK Regulation 2004/49, on the activities of water and wastewater service providers, respectively Law no. 03/L-086 on amendment of Regulation no. 2004/49. The new Law except that confirmed once again the role and responsibilities of the Regulator, has further defined some responsibilities such as: monitoring field, reporting, inspection, and review and approval of the internal acts of service providers such as plans of business, asset management, long term investments, management of drought, water supply in emergency situations as well as regulations and internal procedures of service providers about the specific aspects of their work as regulations on: resolving customer complaints, connections of customers with services, metering and billing, service outages.

The new law provides some improvements, while with the old law the collective interruptions were allowed in some cases, including the possibility of collective interruptions due to non-payment of bills. Although there was a strict procedure for allowing and monitoring them by the regulator, some of the service providers used this opportunity but without any result on the purpose of application, though in some cases this has been misused, now with the new law the collective interruptions are not allowed. This Law also provided that objects of cult to be exempted from payment for water services in this exempt are not included profitable associated administrative facilities.

Election of Boards of Directors of RWCs

The Government of Kosovo during September –October 2015, has elected new boards of directors for six RWCs and HPE Iber-Lepenc, which owner is the government itself. Directors were elected for 3 years to perform the duties and responsibilities in accordance with the law on public enterprises no.03L-087, as well as other relevant legislation in force. This is a second generation of members of board for companies in charge for central level. Previous boards have operated since 2008, with the extension of the mandate by the Government of Kosovo in 2011. Nearly all elected directors of the boards are young in these positions.

The RWC directors of boards are composed of six non executive directors and one executive director (CEO). Six non-executive directors were elected by the Government, while another director, respectively the Chief Executive Officer is elected by the board of directors of PE. Based on the law no. 03L-087 on public enterprises adopted by the Assembly of Kosovo in 2008, and amended and supplemented in 2012, the legal framework was set, inter alia, to regulate the exercise of property rights in public enterprise, the corporate governance of enterprises in accordance with internationally recognized principles and are defined as structures for proper supervision of the activities of public enterprises.

This law also provided the establishment of the boards of directors of these companies, with the aim of leadership and professional management, setting targets for development company, etc. The role and responsibilities of the board, consisting of: increasing the level of accountability/companies, ensure implementation of the law in practice as well as support for RWCs, increasing the cultivation of transparency, an adequate control and oversight, as well as improving performance, operational, financial and customer services.

Inter-institutional Coordination Group for the Implementation of AI no. 16/2012 on Water Quality

The quality of drinking water is one the most important service which should be provided by service providers. The Administrative Instruction no. 16/2012 adopted by the Kosovo Government in December 2012, Practically the issuance of the Administrative Instruction (AI) Kosovo has transposed EU legislation regarding the water quality. The NPHI has the main responsibility to implement this AI as the regulatory authority for water quality, but also other institutions and in particular the water suppliers (RWCs).

It is clear that the quality of drinking water can be guaranteed only if there is affective monitoring, both of the Water Centre (external monitoring) and of the RWCs, (internal monitoring) of water quality. Based on AI 16/2012, it is set to be performed by the RWCs, so they are obliged to perform regular analyzes of water quality, to ensure that the water supplied

by them comply with local standards for drinking water. Most of the RWCs although they possess the laboratories and do some basic testing, they are not yet fully equipped with the necessary staff and equipment to meet the requirements arising from the AI. To meet this requirement, some of the RWCs (Bifurkacioni, Hidrodrini) have made request in the Centre of testing laboratories of NPHI, to sign the contract for this service (internal monitoring). Also a number of them are in the stage of laboratory accreditation, which is a precondition for the possible conduct of tests as required by the AI.

Implementation of this AI provides a set of activities which impose the need of cooperation/inter-institutional coordination in addressing specific requirements specified by this AI, such as institutional consolidation of the Centre for Water, adoption of a set of standards and technical regulations, defining the procedures and mechanisms for risk management and assessment, development of the system/scheme for the approval of materials and substance in contact with water, supervision and support of the RWCs in the process of internal monitoring and protection of water resources.

Having seen this activities and the fact that more than 2 years passed since the adoption of AI no. 16/2012, has not made any substantial progress in the implementation of the responsibilities arising from the AI. Government of Kosovo, namely the Inter-Ministerial Water Council (IMCW), at the 6th meeting date December 1, 2015, has decided to establish the Inter-institutional Coordination Group for implementation of the AI no. 16/2012, on water quality for human consumption.

In the Inter-institutional Coordination Group (CG) for water quality are represented all government institutions and all government institutions and others that have a role in the implementation of legal and regulatory framework that regulates the issues of the quality of drinking water including NPHI, KNMU, WSRA, MMPH, MTI, MF, MAPL and WWAK. The group has realized a large number of meetings, workshops, roundtables, coordinated by counsellor of KNMU, including meeting initiator where Coordination Group has been established and six thematic groups were set up to have more effective work.

- Working Group on Standards and Technical Regulations, has identified and worked on standards and technical regulations with AI no. 16/2012 required to draft and approve.
- Working Group on the institutional consolidation of the Water Centre/NIPH is committed to addressing and solving the problem of budget and institutional organization of the Water Centre at the NIPH.
- Working Group on Risk Management has discussed and proposed for approval procedures for risk management when the water quality does not meet the parametric values established by AI no. 16/2012.
- Working Group on approval of products and materials in contact with water is engaged in developing the system for approval of products and materials in contact with water.
- Working Group on Monitoring of Water Quality and Reporting has addressed problems related to internal monitoring by the RWCs (accreditation of laboratories, employment of staff etc.), external monitoring by NIPH, and the European Commission pursuant to AI no. 16/2012.
- Working Group on Protection of Water Resources is engaged in the protection of resources that are used for drinking and proposed necessary legal actions, organizational and operational, which will ensure the effective protection of these resources.

PART A:

**PERFORMANCE OF REGIONAL WATER-
WASTEWATER COMPANIES**

3. INDIVIDUAL PERFORMANCE OF RWC

This section presents and discusses the relative performance of the RWC in 2015. Furthermore, in this report we present an assessment on the individual performance of the service sector in general and presents development trends of performance indicators in 2015 compared with the previous year 2014.

There are seven RWC in charge for water supply and wastewater service for customers of Kosovo, which are public utilities and under the supervision of the Kosovo government. An important part of the WSRA role in monitoring and reporting on the performance of the RWCs, for assessing the achievement of performance and efficiency in targets set by regulatory processes.

Performance evaluation is based on a number of key performance indicators, including aspects that are related to service standards, technical performance, financial as well as evaluating the overall performance separately for both services (water supply and wastewater services).

More detailed information on development trends, with more data and indicators is provided in the table (Annex 1).

3.1 Water supply

Performance of water supply is evaluated in terms of technical performance (standards of service, NRW serviceability of pipes), commercial performance (coverage service, measurement of water, the sales quantity of water, complaints) as well as financial performance and costs (supply sales value, costs and capital expenditures).

3.1.1 Technical performance

Water quality

NIPHK-Water Centre is the body responsible for monitoring the quality of drinking water in Kosovo in line with Article 8 of Administrative Instruction 16/2012 and in accordance with Articles 4 and 7 of the Public Health Law 2007/02 L-78.

In previous WWRO Annual Reports on the Performance of the Regional Water Companies (RWCs), the summary of drinking water quality performance as presented in the WWRO Annual Reports has been provided to WWRO by the NIPHK Water Centre for microbiological and chemical compliance for each of the RWCs. However, the drinking water quality results available to NIPHK have been limited and specifically did not cover a number of chemical parameters included in Administrative Instruction AI 16/12.

For 2015, more comprehensive and reliable drinking water quality data have become available from NIPHK from their external monitoring of the RWC water supply zones, largely through major developments in NIPHK analytical equipment, software and training over the last few years

As a direct result of the above developments, NIPHK has recently published the first Annual Report on the Quality of Drinking Water in Kosovo for 2015 (hereafter called the "NIPHK Annual DWQ Report for 2015").

This section of the WSRA Annual Report on the Performance of the Regional water Companies therefore reproduces below key information directly from the NIPHK Annual DWQ Report for 2015.

Summary of RWC Drinking Water Quality Performance for 2015

Overall in Kosovo for 2015, as a result of over 43,000 tests carried out by the six regional NIPHK laboratories and the NIPHK Laboratory Testing Centre in Pristina during the 12 months of 2015, the seven Regional Water Companies overall achieved **96.3%** compliance with of the microbiological water quality standards, and **97.3%** compliance with the chemical standards, resulting in an overall level of compliance of **97.0%** with the drinking water quality standards for Kosovo.

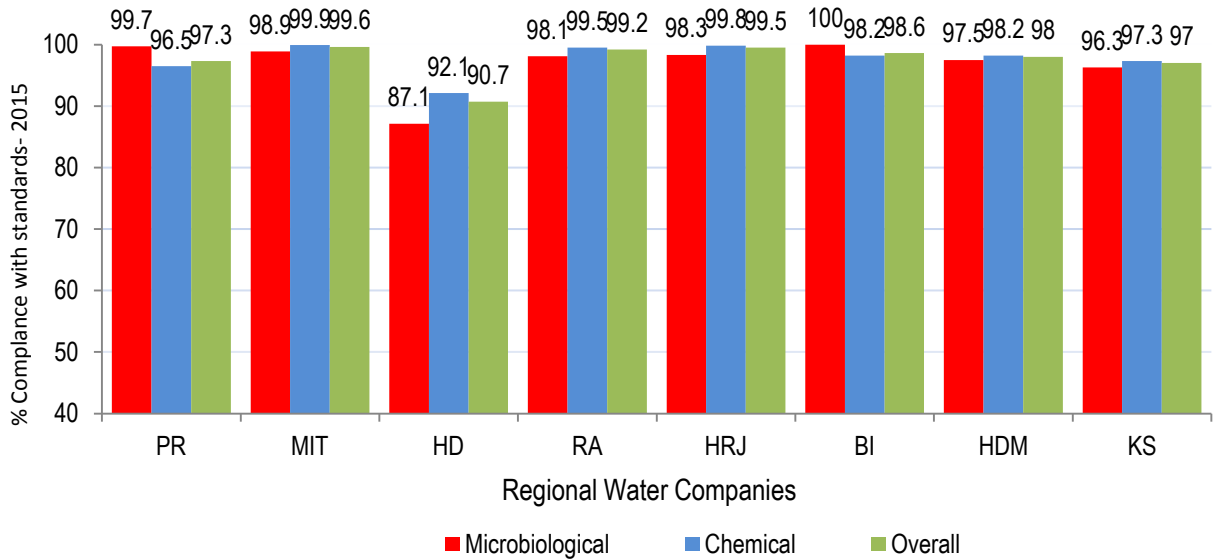


Fig. 1, Bar chart showing microbiological, chemical and overall % compliance with DWQ Regulatory Standards for aggregate RWC results for all Kosovo for RWC

However even 1% non-compliance for over 43,000 tests can mean over 400 failures in reaching the national standards for drinking water and there were significant regional differences in performance during 2015. The figures above illustrate that the mandatory drinking water quality standards-especially the microbiological standards-are not currently being achieved consistently in Kosovo. Specifically there have been recurring failures to achieve the microbiological standards in 2015 especially in the Klina and Decan water supply zones of RWC Hidrodrini. This is clearly not an acceptable situation for the consumers served by RWC Hidrodrini in these water supply zones.

RWC ‘Hidrodrini’ Drinking Water Quality Results - The results of external monitoring in 2015 for the five RWC Hidrodrini water supply zones comprising Peje (PE), Istog (IT), Decan (DE), Junik (JU) and Klina (KL) and overall for RWC Hidrodrini (HD) and for Kosovo (KS) are illustrated on the chart below for microbiological standards (red), chemical standards (blue) and overall levels of compliance (green). Note especially the low levels of microbiological compliance for Klina water supply zone (45.6%).

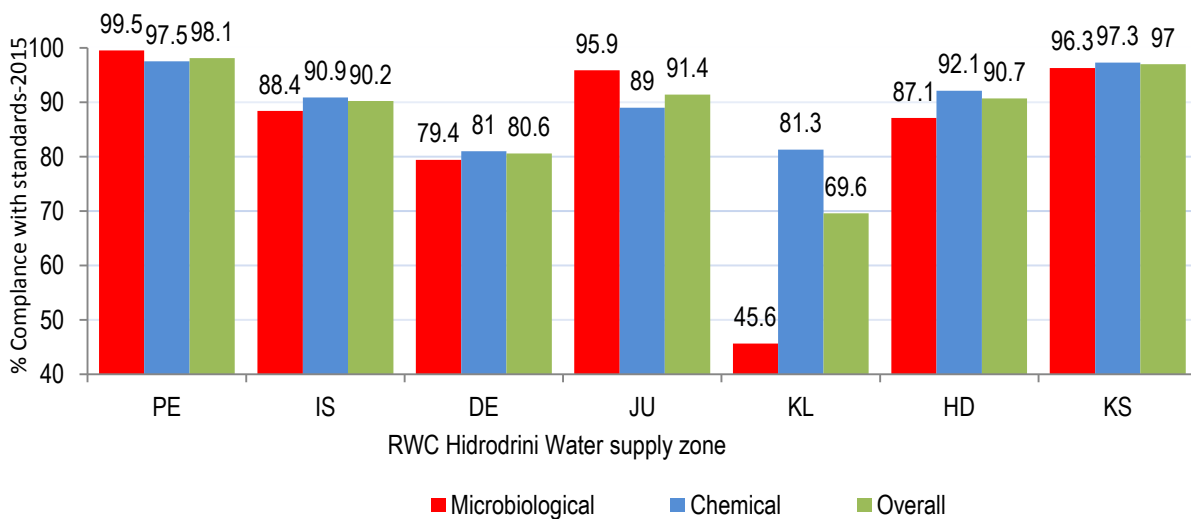


Fig.2, Bar chart showing microbiological, chemical and overall % compliance with DWQ Regulatory Standards for RWC Hidrodrini water supply zones and results for RWC Hidrodrini and for the entire Kosovo.

Concrete steps are now being taken by RWC Hidrodrini with the active participation of NIPHK Water Centre and supported by an IMWC advisor, to address the drinking water quality problems in these particular water supply zones. As a consequence of these recent actions, NIPHK have been able to confirm that the results for the first three months of 2016 indicate significant improvement in the microbiological quality of the drinking water in Klina and Decan as monitored by NIPHK Water centre through *external* monitoring.

Overall water quality performance by the water supply zones. The main “building block” for managing and reporting drinking water quality data from all the water samples taken by NIPHK from sampling points in the each of the seven RWC supply areas under NIPHK’s statutory *external* monitoring responsibilities in AI 16/2012 is the “water supply zones”. These supply zones are defined in AI16/2012 as follows: “A supply zone is a geographically defined area within which water intended for human consumption comes from one or more sources and within which water quality may be considered as being approximately uniform”. Each RWC is expected to have only a relatively small number (3-10 max) of (standard) water supply zones in its overall service area (each zone>1000m³/day average volume of supply) , together with a further few “small” water supply zones (each zone<1000m³/day average volume of supply).

Tabela 1: Overall public drinking water quality performance in Kosovo by water supply zone for 2015

Parameter	Tests in 2015			Number of WSZones –non compliant
	tests taken	Breaching permissible concentration or value in AI 16/2012		
		Number	%	
Total coliform	5003	230	Total coliform	5003
E coli	4991	141	E coli	4991
Chlorine residual	4904	541	Chlorine residual	4904
Turbidity	4799	40	Turbidity	4799
Odour	1760	0	Odour	1760
Taste	1760	0	Taste	1760
pH	1760	0	pH	1760
Nitrate	1258	100	Nitrate	1258
Nitrite	1563	125	Nitrite	1563
Iron	1569	2	Iron	1569
Manganese	1306	13	Manganese	1306
All other parameters tested	12692	92	All other parameters tested	12692
Total	43365	1284	Total	43365

Water pressure

Defined as the number of properties affected regularly by low pressure. The legal framework of water services requires from service providers to provide water supply, within national standards parametric values for all properties in their service area.

Customers expect their suppliers to provide water supply with a pressure that is sufficient for domestic purposes (cleaning, drinking, washing and cooking).

Inappropriate pressure may occur due to insufficient pumping capacity or pressure in network is kept low to minimize the risk of burst pipes.

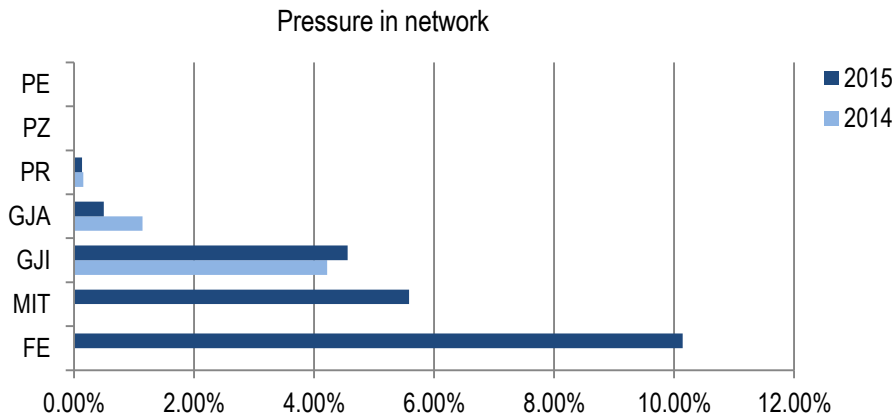


Fig. 3, Pressure in network

On average in 2015, were by seven RWC, a total of,430 properties which are affected by low pressure, it is 1/3 more than in 2014. This is due to the fact that this year the RWC Mitrovica and Bifurkacioni, they have reported problems with low pressure for a number of properties, throughout their service area.

Besides RWC (Bifurkacioni, Mitrovica and Hidromorava), their compaines have not reported or they have not problems with providing proper water pressure in the network. Fig. 3 shows, RWC ‘Bifurkacioni’, has a rate of 10% or (2,260) property with a lack of adequate pressure.

However, this year this indicator should be treated with caution as there are difficulties in updating the database by the RWC. The regulator has given relatively low credibility, since the information is not stored on any system integrated network management. In this regard it is important to develop a management system of pressure registration and valuation of its assets. Only in this way they will be able to manage the low pressure effectively and to target maintenance and replacement of infrastructure efficiently.

Continuity of water supply

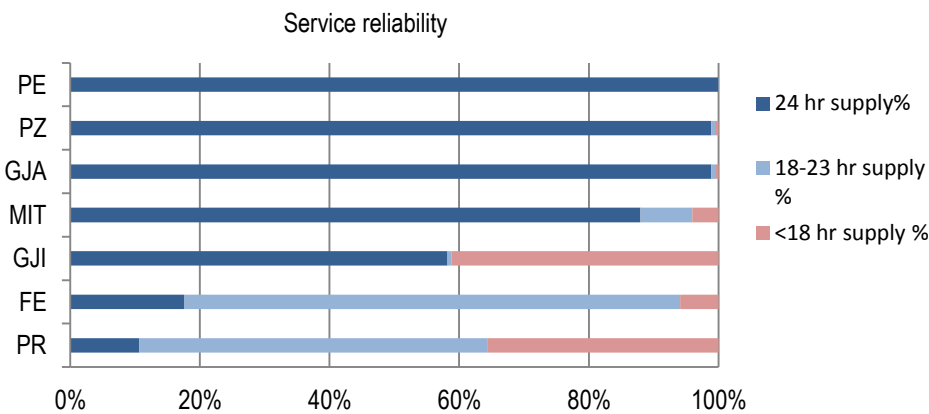


Fig. 4, Continuity of drinking water supply

Fig. 4, shows the rate of customers affected by lack of water, divided into three categories, properties, with 24 hours service a day, in three categories, properties:: with 24 hours service a day, 18-23 hours service a day and those with less than 18 hours service a day.

There are some 115,847 customers out of a total number 262, mainly customers in service area of RWC (Prishtina and Bifurkacioni) who continued to face water scarcity also during 2015. Although in the RWC 'Prishtina', there has been some improvement in the category of customers who were provided with fewer water supplies than 18 hours.

RWC 'Mitrovica' significantly improved continuity of water supply by increasing the number (percentage) of customers who have had water over 24 hours, also the number of customers with water scarcity was reduced with less than 18/24 hours provided by this company.

Mainly there has been the lack of sufficient production capacity as well as high rate of water loss, two key factors that have affected most of RWC not being able to continuously provide water supply.

In the last year there has been significant investment in building productive capacities for drinking water, significant investment by institutions and local service providers supported by international donors in the service area of RWC 'Mitrovica', have already built and modern water factories, one in Mitrovica (Shipol) and another in Vushtrri (Balinca).

Pipe burst

This indicator shows performance of water supply network through number of pipe burst in a year in relation to 100 km lengths of pipe network.

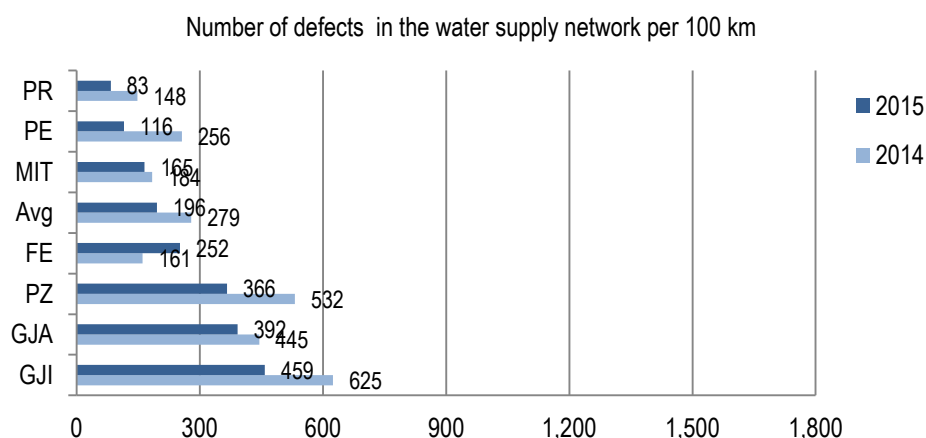


Fig. 5, Pipe burst

Pipe burst which are faced RWCs (measured as the number of bursts for 100 km for pipes per year) are in general higher over 196 of them per 100 km pipes to the sector average, although there is a significant, although there is a significant improvement compared to previous year 2014.

The poorer performance of all other companies have marked the water supply network of RWC 'Hidromorava' with 459 for 100 km pipe to the one with less RWC 'Prishtina', with 83 for 100 km pipe.

Apparently this high number of pipe burst (and as an aftermath of higher water losses), is due to the limited expenditures for capital maintenance (infrastructure renewal) of the water supply network.

Non-revenue water

Non-Revenue Water (NRW), is the amount of lost water in the distribution system, and is a difference between the amount of treated water distributed in the system and the amount of revenue water. NRW consist components of technical losses (leaks due to pipe burst or weak connections) and the commercial losses (illegal connections, non-revenue customers, losses at customers' water meters, etc).

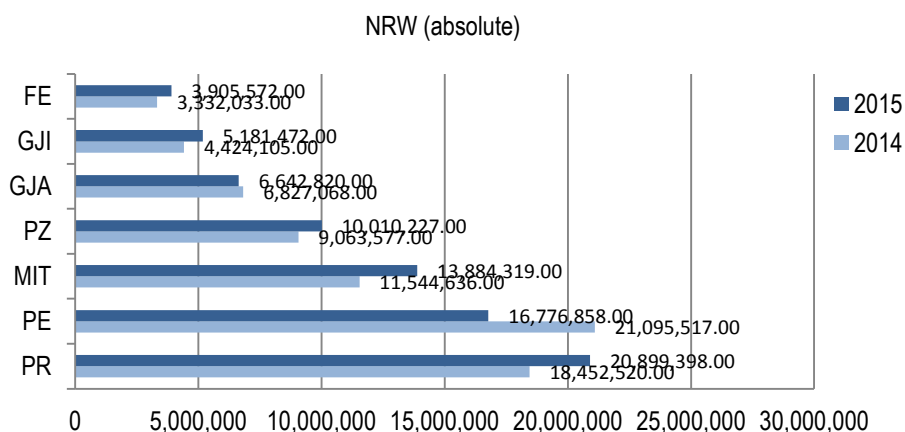
Reducing NRW is not only economically justifiable (reduction of operating costs and capital expenditures), but also beneficial to the customers to ensure a sustainable water supply.

RWCs have a historically high level of NRW, with no exception. Regulator continuously through tariff process has set annual target tariffs for WRC, to reduce water leaks.

Objectives have been challenging but at the same time and realistic to be accomplished. To develop more ambitious reduction of water up to the level where the cost- saving reduction of NRW is equal to the economic costs of water and for the optimal period of time, should have been in coordination of objectives, as well as monitoring of WRCs performance, together with other actors of water industry in the country.

Level of NRW in international practices was evaluated and discussed by several indicators, always to have a clear picture of its level. In our practice we mainly use three following indicators: NRW as quantitative value, NRW as litre/day per customers and regulated, and NRW expressed in percentage.

NRW as quantity value in sector average is about 77.3 mil.m³, for 1,3 mil.m³ more than it was in 2014.



Fi
(m³/year)

g. 6, Volume of NRW

Such too high figures of NRW have great financial impact in operational aspects of companies, it increases the cost of producing water as it produced more water than is necessary, precisely to cover losses, on the other hands to some WCs a deficit is caused to some requirements for drinking water.

Overall objectives of reducing the NRW as quantitative value for 2015 through tariff process was at level 64.5mil.m³ this objective has not been achieved since NRW is currently around 77.3 mil.m³. Excluding RWC ‘Radoniqi’ and ‘Hidroregjioni Jugor’, none of the RWCs has individually achieved to fulfil targets in reducing NRW.

The non revenue water in litres per customer a day and adjusted¹ is a more appropriate unit for comparing performance, so it is used by us to compare the performance of RWCs, this figure is adjusted to take into account the effects of limited supply occurred in some companies.

¹ NRW value for customers per day is adjusted/regulated to compensate hours of service per day.

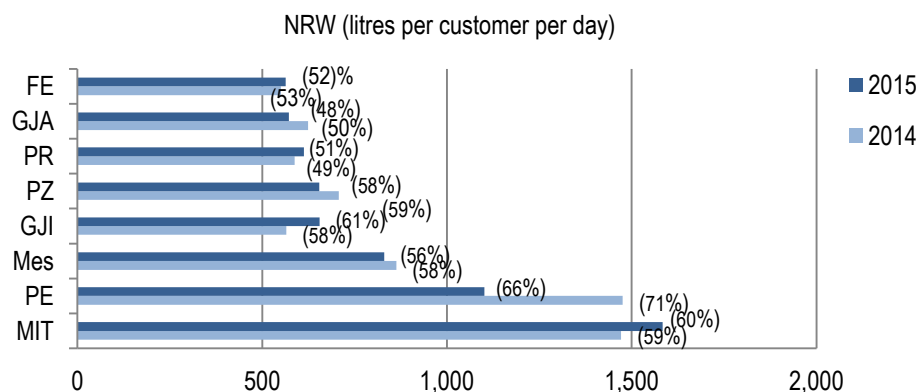


Fig. 7, NRW as percentage of production

In 2015, some RWCs including: RWC (Hidrodrini, Hidroregjioni Jugor and Radoniqi), have made progress in terms of reducing NRW litre for customers per day. RWC 'Mitrovica' marked the weakest performance, due to increased production in relation to the number of customers. RWC 'Mitrovica' should in future be engaged in growth of the customer base and further expansion of services, although the coverage of water service, although the coverage of water service this company, leaves much to be desired.

NRW expressed as a percentage is calculated as a percentage of the amount of water sold comparing to the quantity water produced, is used as an illustration although it is a simple indicator, however, it provides a quick overview of the NRW.

There are three RWC (Hidrodrini, Hidroregjioni jugor and Radoniqi) those that reduce the NRW in 2015 compared to 2014. The highest level as a percentage of production continues to be RWC 'Hidrodrini', though marked a significant decrease of water production than desired sales growth of water quantity.

However the NRW remains a major challenge in this sector and for all RWCs without exception. The non-revenue water level in average of sector compared to water produced and distributed to the customers expressed in percentage in 2015 is at level 56%, this has been improved for 2 % compared to 2014, when it was 58%.

3.1.2 Commercial performance

Water supply coverage

Coverage of water supply is defined as the percentage of population within the service zone with access to safe and reliable water supply through connection to public supply network.

Assessment of service coverage has taken into account the data of Statistical Agency of Kosovo emerging from the last census of 2011 for households, as well as the current number reported by RWC for the category of active household customers.

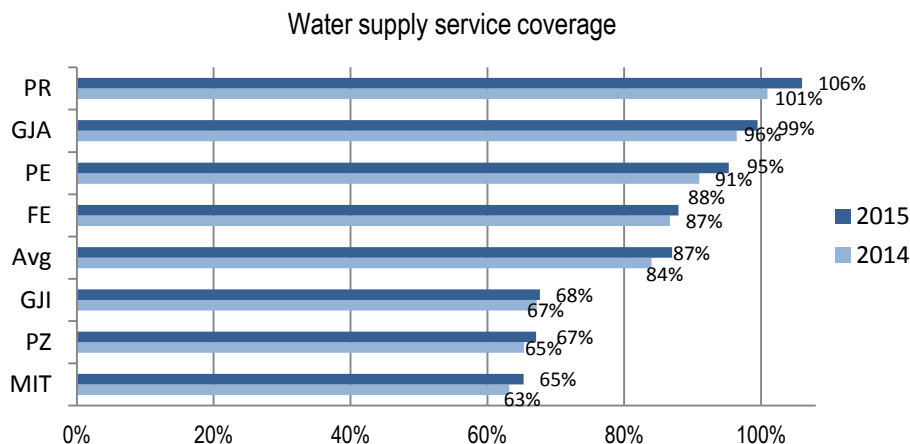


Fig. 8, Proportion of population in water supply zone

Overall sector level has increased slightly from 84% to 87% in 2015 compared to 2014. Only four RWC have acceptable coverage over the sector average of 87%.

The high level of coverage in RWC 'Prishtina', first of all, seems to be due to the movement² of people from areas that are not in its service. In terms of geographic scope of services mainly in rural areas, RWC 'Prishtina' j.s.c. Prishtina there is still room to increase service coverage.

The degree of coverage and lower distinctly below the average of water supply sector, continue to have RWC (Mitrovica, Hidroregijoni Jugor and Hidromorava).

Based on projections provided by the companies, the regulator has approved an increase in the total number of customers all companies of 290,263 out of all companies for 2015. This objective was accomplished as the general level as well as in most companies. Currently the total number of connections is above 305,855 and presents an increase in the customer base to 19,308, in relation to 2014. More increased of a customer base in RWCs (Prishtina, Bifurkacioni and Hidrodrini).

Water measurement

It is a legitimate right of customer to be provided with water meter, to ensure that he pays correctly for water he consumes. On the other hand, when water consumed is measured, customers in general become more cautious with its use. The proportion of customers with water meter present the rate of customers who are equipped with water meters in relation to the total of active customers served.

² Fluksi i madhë i lëvizjës së banorëve nga pjesët e tjera të vendit dhe mos regjistrimi (azhurnimi) i tyre si ekonomi, përkunder regjistrimit si konsumatorë të KRU 'Prishtina'

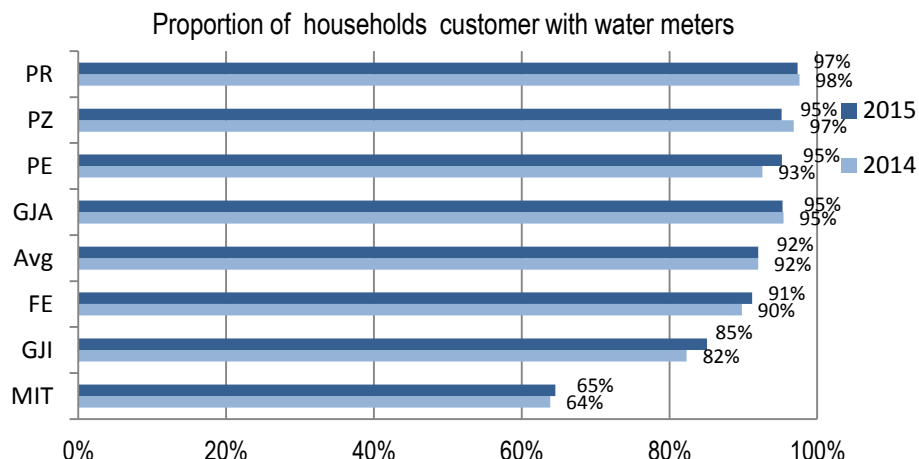


Fig. 9, Percentage of domestic customers with water meter

The Proportion of customers with water meter at the sector level in 2015 has not followed any improvement, and then it remained at the same level of 93% as in the previous year 2014. Indicator of coverage with meter is significantly below the required legal rate of 100%.

Compared with 2014 in 2015 it can be noted that the percentage of the number of customers with water meter has increased to four companies out of seven of them. The most noticeable increase in the proportion of customers with meters can be noticed in RWC 'Hidromorava' and 'Hidrodrini'.

RWC 'Mitrovica' j.s.c. Mitrovica, still has low level of measurement 65%, although the ratio of the measurement is improved by 1% (from 64% to 65%), but still this company is improving gradually of year after year.

Complaints

Complaints are one of the most critical issues for measuring of customer satisfaction. They have the right to complain if they do not receive a guaranteed service within local standards. On the other hand the service providers are obliged to keep a register of customer, as well as their resolution within legal time limits. A reduction of the number of complaints may indicate improvement in service and/or the customers are losing trust in their providers, so decide not to complain.

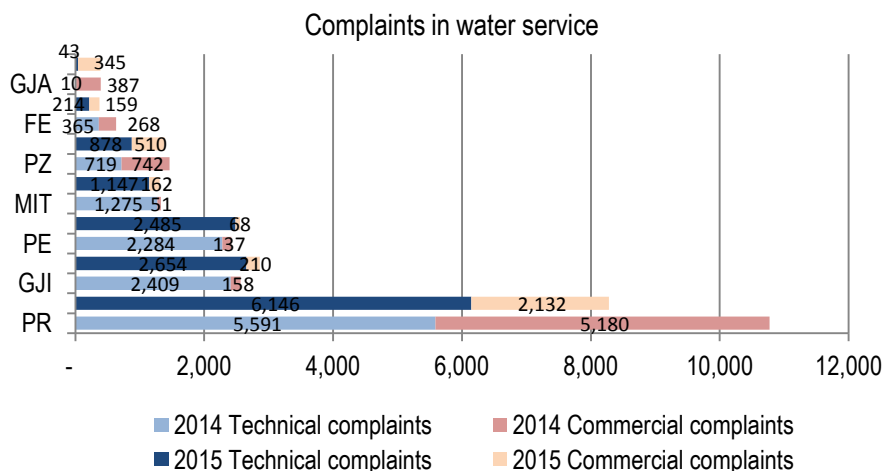


Fig. 10, Number of complaints about water service

As shown in figure 10, number of total complaints in 2015 is 17,153 this figure is for 2,423 less than complaints recorded in 2014. The overall result is that there were fewer complaints for about 12%, than in the previous year 2014.

RWC 'Prishtina' as a company with the largest number of complaints has reported significant deduction on the complaints of a commercial nature during 2015 compared to 2014, while the number of technical complaints in RWC 'Prishtina' has increased.

The highest increases of number of complaints have marked RWC (Hidromorava, Radoniqi and Hidrodrini). Unlike last year the rate of complaints per 1000 customers at the sector level has also dropped from 68 to 56 complaints for 1000 customers. The highest rate of complaints in proportion to the number of customers has RWC 'Hidromorava', and RWC 'Prishtina'..

Largest number of technical complaints about water supply reported by RWCs were regarding operatives (interruption, loss of pressure and water leakage), while in terms of the financial aspect (commercial), customers complained more about debts (debt dispute, deduction or debts forgiveness), and billing (lump-sum payment or top billing).

Volume of water sold

Volume of water sold represents the rate of water sold in relation to planned sales by RWC.

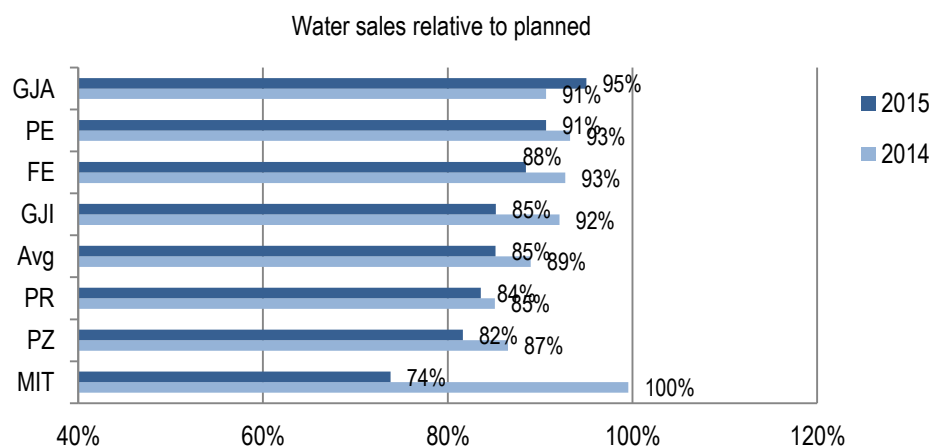


Fig. 11, Volume of water sold as percentage of planned sales volume

Figure 11, shows the level of compliance with objectives of water sold quantity compared to projected estimates as they were defined in the RWC tariff applications for tariff review process (2015-2017) for 2015 and compared to the previous year 2014. In abovementioned figure we can also see that none of RWC achieved planned sales, but the level of performance in 2015 compared to 2014 has decreased, excluding RWC 'Radoniqi' which has reached to fulfil its plans at the level of 95%.

Average sector to meet the target is 85%, it is lower by 4% compared to 2014, when the level of fulfilment of quantity of water sales was 89%.

A lack of quantitative sales targets by RWC will impact on low income from sales in order to meet their financial needs, in particular for financing the capital maintenance and infrastructure growth.

3.1.3 Financial Performance³

In this sub-section of the report are estimated financial indicators through which is reflected the financial sustainability of RWC in: billing, operational and capital costs for the water supply service.

Sales value (EUR)

Total water sales value is an important indicator of financial performance that covers operational expenses and capital maintenance. Around 88% of RWC income comes from water supply services. So, this is RWC's income from provision of water supply excluding other possible ad-hoc revenues, which they have been able to accomplish.

Level of performance of sales (billing) for water services as compared with the agreed objectives with BPR (2015-2017) for 2015, is shown on fig.12.

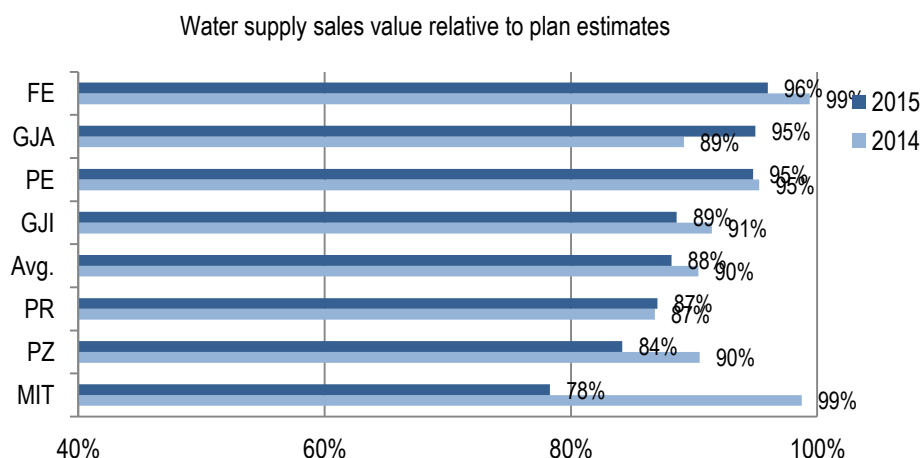


Fig. 12, Sales value of the water supply in relation to planning

As at individual level of WRC and in general at the average level the trend of non-implementation of projections in sales value. Total projected value of sales in 2015 was about 31mil. €, while there were 27.1mil.€ or 88% and this is lower for 2% of the one achieved in 2014⁴.

In 2015 all RWC have been able to invoice 27.1 mill. € and it is higher for 1,97mil.€ or 7.81%, compared to 2014.

Planning of sales value in BPR naturally is increasing year after year by RWCs. For 2015, expectations for sales were higher by 10% compared to 2014. Non-realisation of water sales is primarily the result of the inefficiency of the RWC to increase sales quantity.

The performance of sales at the company level the RWC 'Bifurkacioni' is leading also this year with the highest percentage of achieved target (96%), and is followed by RWC 'Radoniqi', with achievement of 95% and the progress of 5% compared with the previous year. RWC 'Mitrovica', as a worst case, it reached only 78% of the intended target even though it has reported the increase of production of 18%, showing the water sales in m³ of 15% compared to 2014.

Fig. 13. shows the value of sales realized during the reporting period 2015 compared to 2014.

³ All financial value denominated in euro, are arranged according to the basic price for 2015, to ensure appropriate comparisons from year to year.

⁴ 2014 is the a base year of tariff process 2015-2017 and changes from the previous year presented in the Performance Report 2014.

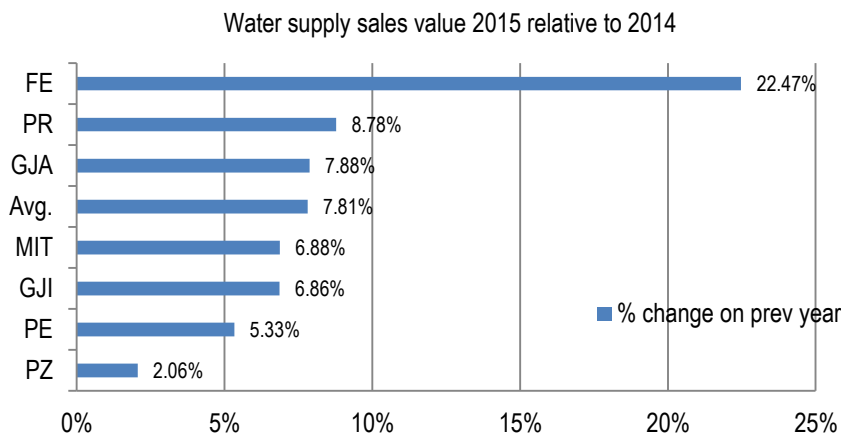


Fig. 13, Percentage of sales value during 2015 compared to 2014.

All companies have marked progress in water sales value. RWC “Bifurkacioni” has reached the highest sales for about 22.47 in 2015 compared to 2014.

As a result of volumetric sales growth in 2015 for 19% in absolute value overall sales in 2015 compared with 2014, were higher by 7.81%.

Costs per unit⁵

The costs of operation are a critical issue in the provision of services. Operating expenses are mainly related to personnel expenses, energy, maintenance, chemicals, as well as administrative costs; all these have a major impact on the efficiency of a company. These were analysed by WSRA during the tariff approval process and are regulated so as to prevent unjustified costs to pass on to customers.

Costs of production for unit of produced water is an important financial indicator based on which is estimated operating costs for the production of (1) m³ water.

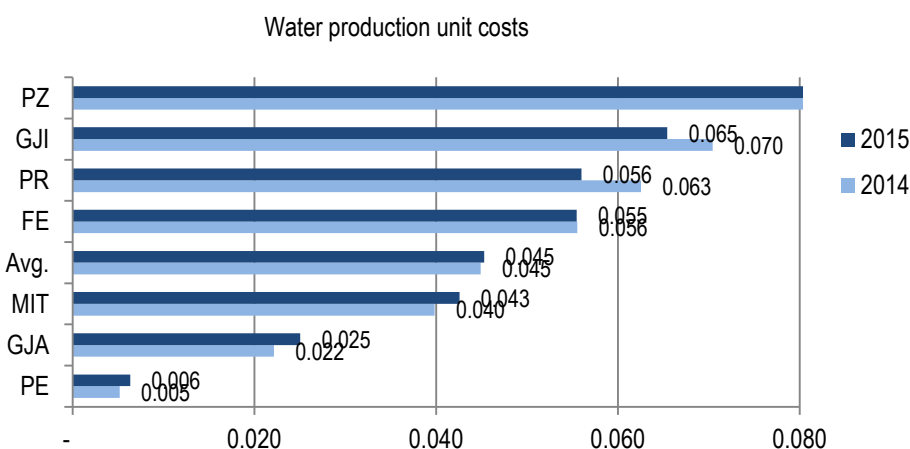


Fig. 14, Costs for unit of produced water in 2015 compared to 2014

The average cost of a unit of water produced in 2015 has not changed compared to 2014, it remained the same at 0.045€/m³.

⁵ Cost of unit for the previous year 2014 werer regulated by inflation rate of 0.99461 (index:2015/2014)

The cost of water production in the seven RWC is diverse and ranges from the lowest 0.06 €/m³, at RWC 'Hidrodrini', up to highest of 0.08 €/m³ at RWC 'Hidroregjioni Jugor'.

The cost of production is significantly influenced by the type of sources of supply, (surface and groundwater), and ways of water catchment e.g. catchment with gravity is cheaper to operate than the system with pumps, then the utilized source of good quality and sufficient quantity of untreated water also greatly reduces the cost of production, as it is the case of RWC 'Hidrodrini', or the higher cost of produced water by RWC 'Hidroregjioni Jugor', which is influenced by higher costs for water treatment in particular by the energy and fuel costs during the operation of pumps.

Total unit costs of water supply is a total expense, including operational expenditures and expenses for capital maintenance of business activity for water supply, excluding capital return and bad debts, all in correlation to the water sales for the same reporting period.

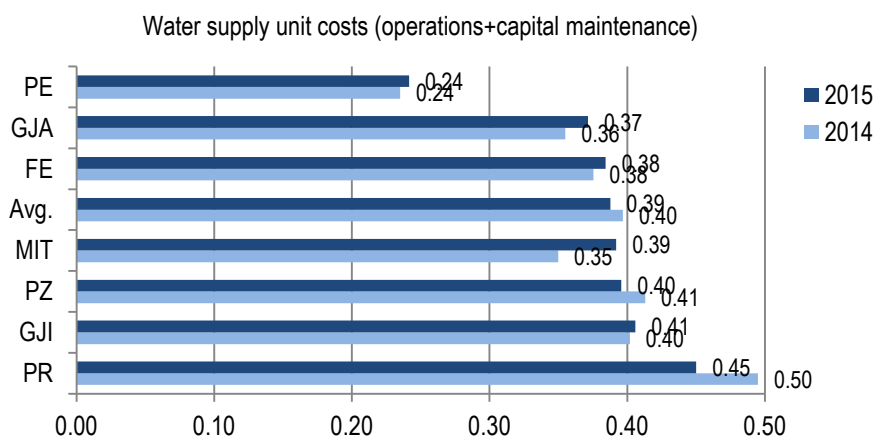


Fig. 15. Unit cost of water supply, (€ per m³ sold water)

Unit cost of water supply at sector level in 2015 was 39 € per m³ and is lower by 0.01 € per m³, compared with the previous year.

RWC 'Hidrodrini', in relation to the other companies has significantly lower level of costs (0.24 €/m³), staying in the same position compared with the previous year. RWC 'Prishtina' has the lowest cost compared to 2014, which has managed to reduce costs by 0.50 to 0.45 as a result of the reduction of capital maintenance expenditure for water services by 47% (reduction of operating expenses, would have been more acceptable).

Costs in 2015 compared with 2014 in most of the companies have been higher, but the decline in the cost of RWC 'Prishtina' and RWC 'Hidroregjioni Jugor', has impacted the sector to this positive trend in the year.

Total cost per unit of current water supply compared to planned amount

It also is a financial indicator which ranks in the group of key indicator; as such it has impact on the performance of water supply. This indicator represents the cost per unit of water supply completed in relation to the planned costs for water supply unit.

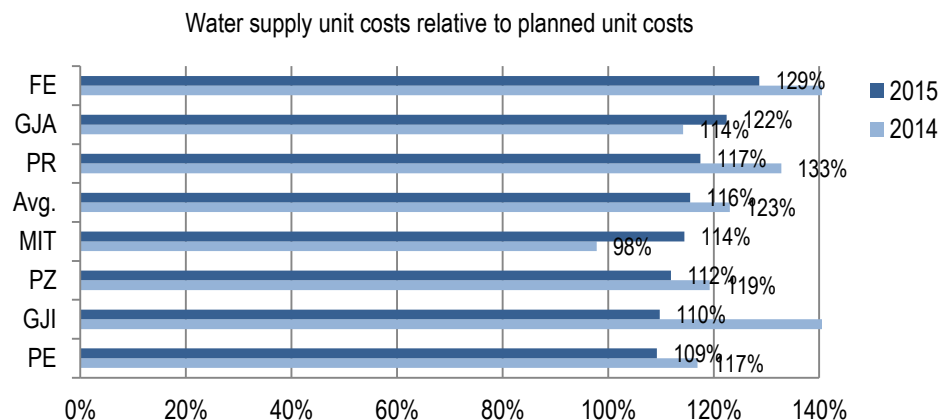


Fig. 16, Cost per unit of water supply compared to planned costs per unit

Achieving planned costs per unit derived from the tariff assessment 2015-2017 (regulated according to price levels from 2015), to all RWCs were higher than those planned, although this does not present a good performance, because the planned unit costs included significant expenses for infrastructure renewal and the current cost depreciation for new assets that have not occurred to achieve those of 36% of them, than exceeded operating costs by 7% .

At the sector level, fulfilling the objectives of costs for water supply unit in 2015 further deviated from the planned targets of 90%, but compared with the previous year has improved by 8% from 123% to 116%.

Water capital investments

Those are total capital investments for maintenance and capital increase for water services in correlation with capital investments approved in the business plan 2015 according to tariff process for 3 (2015-2017).

For 2015, RWCs have anticipated substantial costs around 33,4 million €, for capital growth and capital maintenance of water service, this budget are planned to provide from own resources as well as from donations. In reality, the actual costs were much lower than expected and the level of 4,9 million€ or 15% of what was planned during the tariff process (2015-2017).

Realized investments have continued to be mainly from grants, (donors' development) without excluding all companies, amounting to 3 mil.€ or 62% of investments of total, less investments were by own resources and of 1,8 mil.€ or 38%.

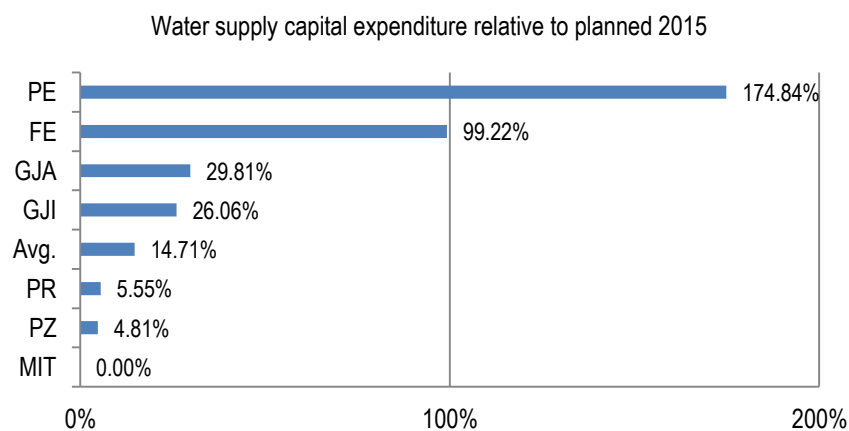


Fig. 17, Capital expenditures for water supply

Business Plan shows that for 2015, higher percentage of investments of the total, have been planned by RWC 'Prishtina' 16,9⁶million€, while there were 0.9 million€ or 5.5%. Other companies have planned investments in water supply service, which ranged from 0.2 to 6 mil.€. As shown in fig. 17, investments declared by RWC 'Hidrodrini' were much higher than those planned in BPR, which were mainly investments from donors (grants) and 88%, than were founded from own financial resources.

The RWC budget amounts continue to be much lower than planned investments which are also covered by the approved tariffs. However, it is encouraging that the orientation of RWC in recent years is the commitment to capital maintenance. This will probably result in effectively improving the asset base and service levels.

Table 2, Value of investment in water service

Investment in water services from internal resources and grants for 2015

RWC	Inv. in production	Inv. in distribution	Inv. in business activities	Total
Prishtina	106,990	343,822	488,996	939,808
Hidroregjioni Jugor	124,173	144,553	25,847	294,573
Hidrodrini	1,695,000	72,006	172,866	1,939,872
Mitrovica	0.00	0.00	0.00	0.00
Radoniqi	762,643	387,927	113,850	1,264,420
Bifurkacioni	77,326	157,376	28,785	263,487
Hidromorava	22,884	170,144	10,418	203,446
Total	2,789,016	1,275,828	840,762	4,905,606

RWC 'Hidrodrini' has achieved the highest capital expenditures from all other companies, of 1,9 mil.€ (construction of water factory in Klina, installing water meters, construction of building for business activity, etc.). With these expenses it was intended to improve the continuity of water supply, improve serviceability of infrastructure and raising the level of service standards.

WRC 'Radoniqi' in relation with the other companies remains in the second row for the realization of investments, but concerning the planned investments it has not reached to realize even 30% of them, however, the part of realized investments were mainly in production and in: construction of derives flow channel, construction of buildings, then in distribution, construction and replacement of water supply network, installing water meters. Etc.

The RWC 'Mitrovica' is the one that has not realized any investment, even though according to RWB for 2015 has planned investments in the amount of 3,9 mil. €. This company has been expected to realize substancial investments in projects to expense water supply network in 12 villages of Skënderaj municipality and 24 Vushtrii villages, replacement of pipes in Mitrovica and Vushtrri, Installing new water meters for customers without water meter, and other projects.

The main impact of not meeting planned investments in the approved amount can be attributed to non-realization of the objectives of billing and collection, as well as increased operating costs, resulting in the lack of much-needed capital investments.

⁶ It differs from Business Plan for 2015 because it is regulated by the rate of inflation

3.2 Wastewater services

3.2.1 Technical performance

Frequency of sewage blockage

Confidence indicators of wastewater collection, is done through sewage floods (or blocks) to 100 km of pipes per year. Blocking may occur when in the sewage system the network of pipes fails, due to a damage, non-proliferation or when the volume of precipitation enter into sewage and exceeds its capacity of absorption.

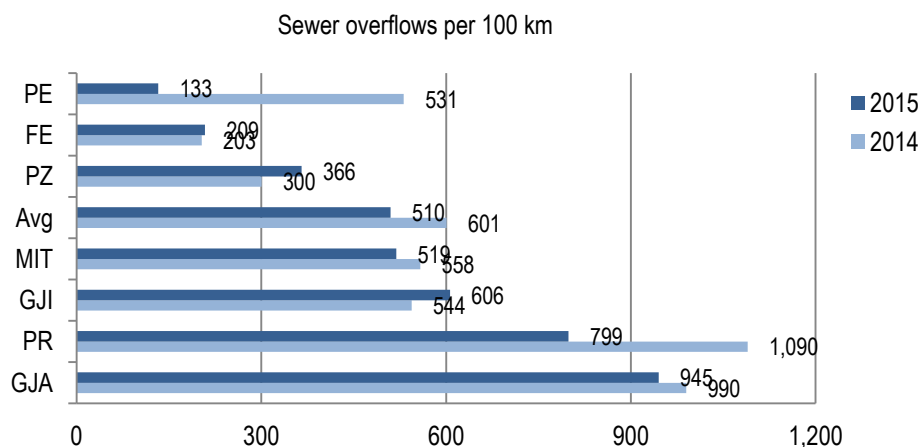


Fig. 18, Number of sewage blockages per 100km

Fig 18, shows a diverse range of the RWC performance of the RWCs sewage system. Out of 133 blockages at RWC 'Hidrotrini', and RWC 'Radoniqi', which has reported about 945 blockages /flooding per 100km of network?

The sewer blockages at the average level is improving, however the level of 510 blockages /floods per 100km of network is too high. At the local and international level there is a reference that shows a satisfactory performance, but according to our preliminary researches we came to a conclusion that a good functioning sewage network should not have more than 100 km blockages/floods of pipes per year.

Apparently the reason for such high-level of blockages is negligence and poor maintenance of sewage network and as of 2015 has been characterized with weather with rain that caused the flooding time after time in different parts of country.

RWC should be more proactive in cleaning and repairing of network. They must comply with legal obligations to inspect and clean the entire sewage system

3.2.2 Commercial Performance

Coverage with wastewater services (sewage)

Wastewater services coverage is defined as the percentage of population within the service zone that have access to wastewater services.

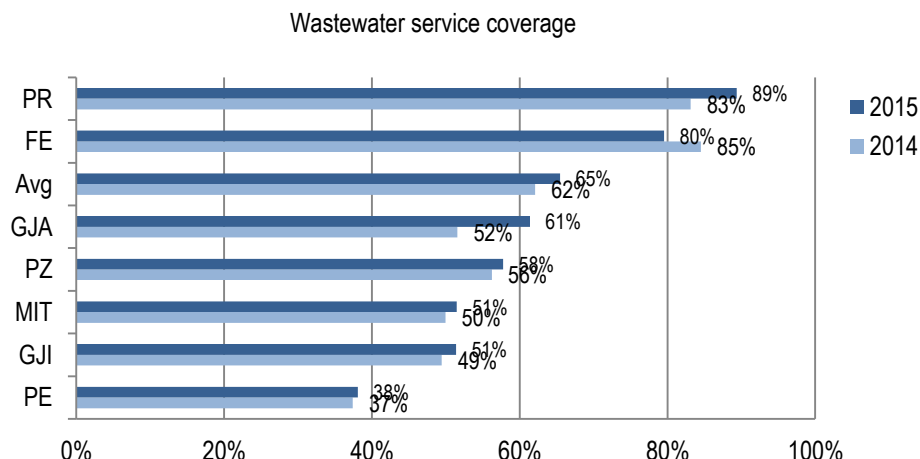


Fig. 19, Wastewater service coverage

Wastewater service coverage at the sector level as well as at the water supply services has marked slight progress to reach the level 65% in 2015.

Most of the RWCs have wastewater service coverage of about 50%, at the RWC 'Hidrodrini' is a worrying situation and there is still room for improvement.

WRC 'Prishtina' and 'Bifurkacioni', are out of seven RWC, at an acceptable level of wastewater service coverage, the first one with over 89% and the second one with 80%.

Complaints

The indicator below shows the number of complaints of customers addressed to their companies about wastewater services.

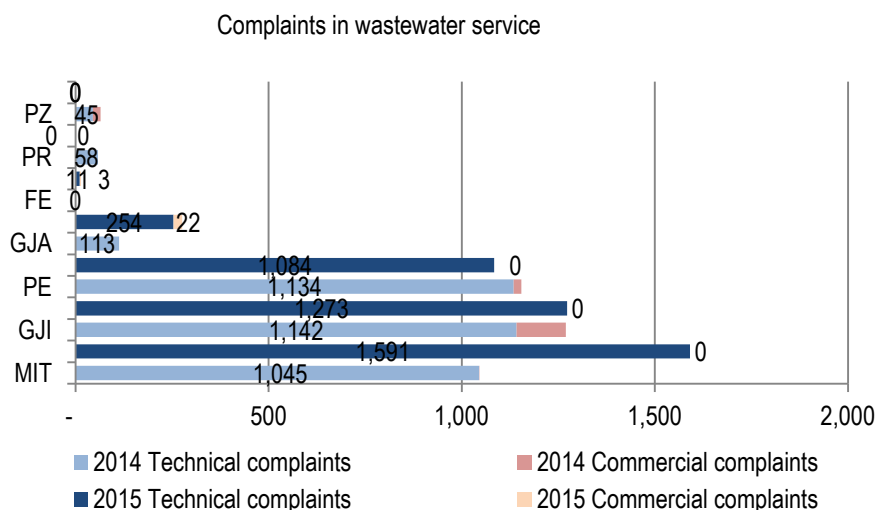


Fig. 20, Complaints about the wastewater services

The above figure shows that in 2015 the number of customer complaints about wastewater services is increasing. There were 7,943 complaints in total, mainly about technical service aspects (blockages, floods, damages, etc). This increase in the number of complaints related to updating customer complaints led to increased confidence within what the company will solve their problems, after they addressed their complaints. Although at the frequency of wastewater blockages there is a slight improvement, customers still have many reasons to complain, in order to reach the acceptable standards of services there is still room for improvement.

Out of three RWCs (Mitrovica, Hidromorava and Hidrodrini), the largest number of complaints about wastewater services has the RWC 'Mitrovica', the number of complaints has increased in 2015, compared to 2014.

The RWCs 'Hidromorava' and 'Hidrodrini', also have the large number of complaints compared to other companies, however almost the same number is identified in the two recent years (2014-2015).

3.2.3 Financial Performance⁷

In this sub-section of the report the financial indicators were evaluated through which was reflected the financial sustainability of the RWCs, such as: sales, operating and capital costs for wastewater services.

Sales value of wastewater services (EUR)

Figure 21, as shown below, indicates sales performance of wastewater services in comparison with planned assessments as set through the applicable tariffs at RWC, in the tariff process 2015-2017.

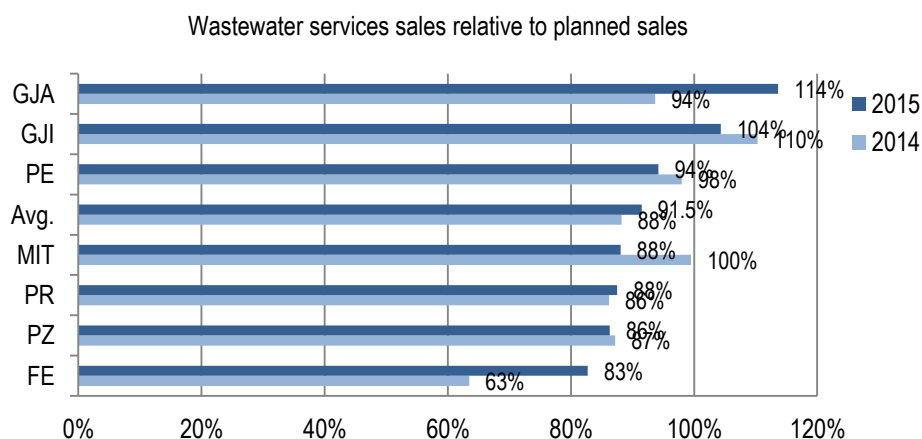


Fig. 21, Sales of wastewater services in comparison with planning

Due to considerable under-performance of current water sales compared to planned sales, the actual value of wastewater services sales is also below the planned sales, the actual value of wastewater services sales is also below the planned sales.

Most companies have failed to reach the wastewater sales services objectives in 2015, and they are lower than they were in 2014, except for RWC 'Radoniqi' and 'Hidromorava' which even exceeded the planned objectives.

The fulfilment of objectives at the sector level for 2015, was at the level of 91%, this is for 3% higher than it was in 2014.

RWC 'Radoniqi' has reached the higher percentage of sales objective fulfilment in to the last year compared to other companies per 20%. Also RWC 'Bifurkacioni' has improved the rate of wastewater sales per 19%.

Relative value of wastewater service sales

Figure 22, shows the trends of realised value sales during the reporting period of 2015, in the 2014 report.

⁷ As for the performance reporting on water supply all values denominated in euro, they are regulated by the basic price for 2015.

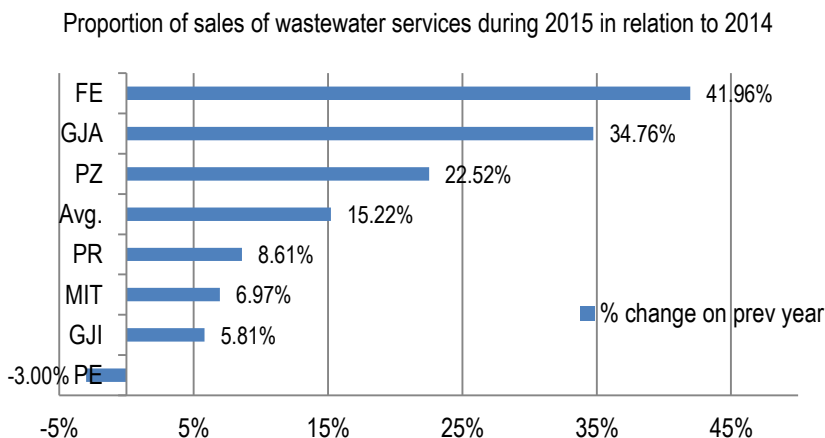


Fig. 22, Relative value of wastewater service sales in 2015 compared to 2014

Figure 22 shows that except for RWC 'Hidrodrini' all other companies have marked progress in wastewater service sales in 2015 compared to 2014. As with water supply service RWC 'Bifurkacioni' also leads with higher wastewater service sales by 42%, high increase which is reflected by the increasing number of customers in the wastewater service to 15%, resulting also in increasing the volumetric sales by 58%.

At a general in 2015, sales are higher by 15.22% than they were in 2014.

Total costs per unit for wastewater services realized in relation to planning

This indicator shows relation between costs per unit of wastewater services realized (operating costs including capital maintenance/equivalents of domestic customers), and costs per unit of wastewater services planned (operating costs including capital maintenance/equivalents of domestic customers).

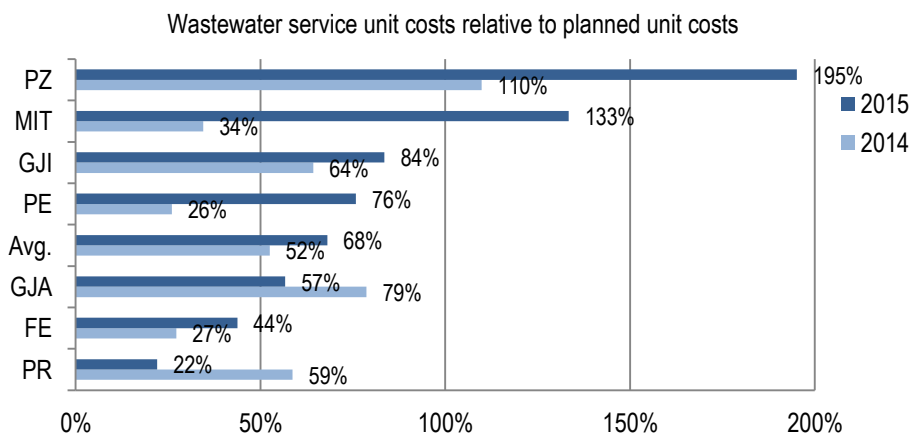


Fig. 23, Costs per unit for wastewater service in relation to planning per unit

Planned costs per unit deriving from tariff assessment 2015-2017 (regulated by the price levels 2015), almost all RWC were lower than those planned. Although RWC 'Hidroregjioni Jugor' and RWC 'Mitrovica' in comparison to other companies have reached the highest percentage of realization of target planned, still they have not shown a good performance, because they have exceeded operating costs by 102%, respectively 76%.

At the sector level cost objectives fulfilment per unit of wastewater service in 2015, was improved per 16% from 52% e 68%.

Total cost per unit for wastewater services

Unit costs for wastewater services are defined as annual costs (total operational costs for wastewater, including capital maintenance of wastewater) in correlation with those served⁸.

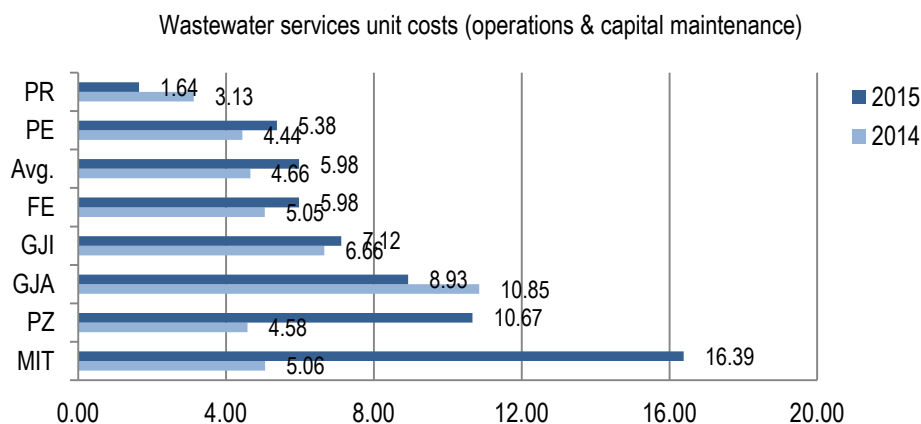


Fig. 24. Unit costs for wastewater services

Unit cost for wastewater services at the sector level for 2015 was 5.98 €/customer, and is higher for 1.32 €/customers compared to 2014.

Besides RWC 'Prishtina' and RWC 'Radoniqi' which in 2015 showed positive trends with a decrease of 1.48€ (Prishtina) and 1.92 (Radoniqi), all other companies have marked negative trends in this indicator.

Increased costs per unit of wastewater services in general can be attributed to significant increases in total operating expenses and capital expenditures for maintenance, most of RWC, in particular increased expenses for wastewater treatment of RWC 'Mitrovica'.

Lower cost in this indicator has RWC 'Prishtina', 1.64 €/customers, due to the reduction of operating costs for wastewater services.

Costs per unit for wastewater services in Kosovo, are very low compared with the costs of wastewater services in European countries due to the lack of wastewater treatment.

This will be a bit more time considering the need and warnings for significantly improving the services of wastewater in Kosovo, in particular with using the plants for wastewater treatment, as well as expansion of services.

Capital expenses for wastewater services

These are total capital expenses for maintenance and capital increase in the wastewater service, in correlation with capital expenditures approved by business plan.

⁸ Domestic customers served are defined as a current number of domestic customers plus number of non-domestic customers converted to equivalent of domestic customers based on proportional allocation of water consumed.

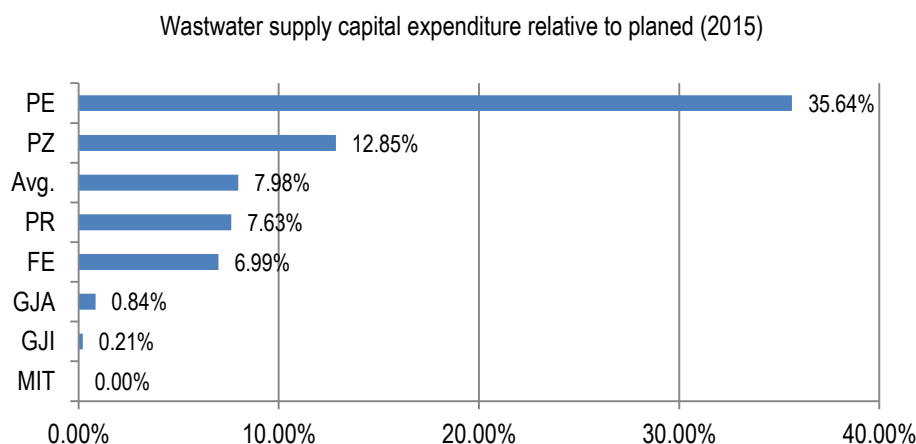


Fig. 25. Capital expenses for wastewater services in relation to planning

As at the water supply service, companies for 2015, have planned a considerable provision for about 12.8 million € per capital growth and capital maintenance of wastewater services intended to be provided as from own resources as well as from donations, but in reality the current costs were much lower than the expected level, and that 1 million or 7.98% of what was planned during the tariff process 2015-2017.

It is evident that most of the investments realized from donations, from 949,192€, while the rest is from its own revenues in total 75,428€.

Form own resources the amount of 843,700 € planned to be spent for wastewater services, covered by the approved tariffs, only 75,428€ or 9% were realized.

Table 3. Investments value in wastewater services

Realization of investments in wastewater services from internal revenues and grants in 2015					
RWC	Inv. in collection	Inv. in treatment	inv. in discharge	inv. in business activities	Total
Pristina	0.00	6,196.00	0.00	15,123.00	21,319.00
Hidroregjioni Jugor	1,085.00	852,313.00	0.00	3,195.00	856,593.00
Hidrodrini	69,772.00	0.00	0.00	19,208.00	88,980.00
Mitrovica	0.00	0.00	0.00	0.00	0.00
Radoniqi	36,950.00	0.00	0.00	5,136.16	42,086.16
Bifurkacioni	8,108.00	0.00	0.00	6,752.00	14,860.00
Hidromorava	0.00	0.00	0.00	782.00	782.00
Total	115,915.00	858,509.00	0.00	50,196.16	1,024,620.16

As regard the investments realized in wastewater service the RWC 'Hidroregjioni Jugor' leads with 84%, of total amount of investments (1,024,620€), which mainly were oriented to the expansion of infrastructure and not the infrastructure for wastewater treatment. Most of the RWCs have not reached even 10% of total investment value of investing in wastewater service.

RWC 'Hidrodrini' and RWC 'Hidroregjioni Jugor' have realized the planned investments at the level of 36%, respectively 12.8%. the situation of RWC "Radoniqi" is worrying, which has planned significant expenditures in wastewater service of and has realized only 0.8% .

3.3 RWC financial performance

Revenue collection

The revenue collection indicator represents a proportion of revenue amount collected for wastewater services in a year. This is one of the most important indicators, which along with billing efficiency and reduction of water losses has direct impact on the company's financial viability.

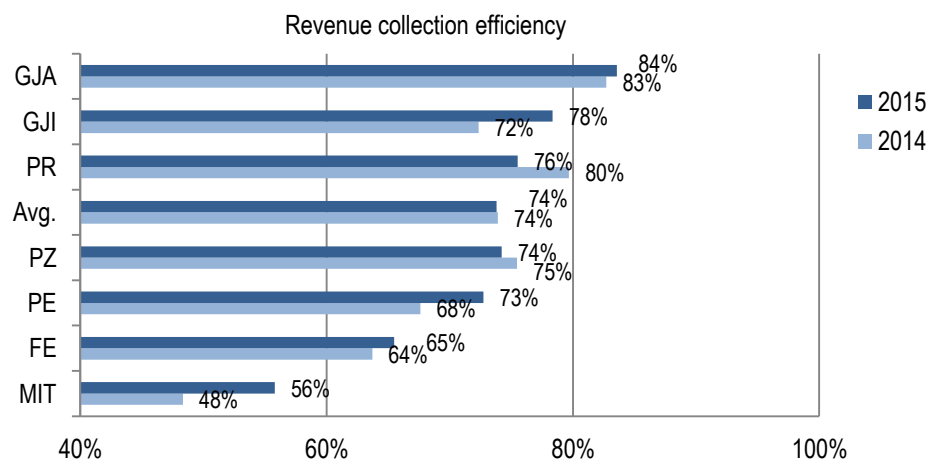


Fig. 26, Efficiency of revenue collection/billing (excluding other operating revenue)

As seen in fig. 26, in 2015, most companies have a significant improvement of debts collection efficiency for water supply and wastewater services, excluding RWC 'Prishtina', and RWC 'Hidroregjioni Jugor' which showed poorer performance compared to 2014. Higher progress in revenue collection rate has reached RWC 'Mitrovica' with an increase of 8% compared to the previous year, as a result of some activities carried out by the companies such as: applying disconnections, debts forgiveness based on the Law on public forgiveness debts, stimulation and punishment of readers, bill collectors and heads of unit and services.

The collection rate for water and wastewater service bills as an average of sector for 2015, has not been changed since 2015, it has remained at the same level 74%.

The objectives set by regulatory processes (tariff) for 2015 could not be achieved by most companies. While at the sector level, the deviation is only by 1% of 75% planned. RWC "Radoniqi", in 2015 has reached and even exceeded target projections of collection rate per 7%, While RWC 'Hidromorava' and RWC 'Hidrodrini' remained at the same level with 7p8% respectively 73%.

Although the improvement is gradual efficiency in the collection rate from households still remains a challenge nearly for all WRCs. The low commercial overall under-performance and non-achievement of objectives in revenue collection and sales as planned resulted to collection expected available for investments not to be practically present. This was the main cause of failure to meet the objectives of investments by own resources of RWC.

Return on capital

Return on capital was introduced into the tariff process (2009-2011) and continued up to now as a necessary condition to achieve a sufficient level of borrowing to attract mostly needed investments in the sector.

For the tariff review of 2015-2017, WSRA has proposed a really return rate (after inflation) of 4% based on the regulatory (RAB)⁹, then a real rate of return on capital that is based on best practices in Western European countries.

⁹ For further details on regulatory asset base (how is defined and specified) refer to the Regulatory Accounting Guidelines of WSRA

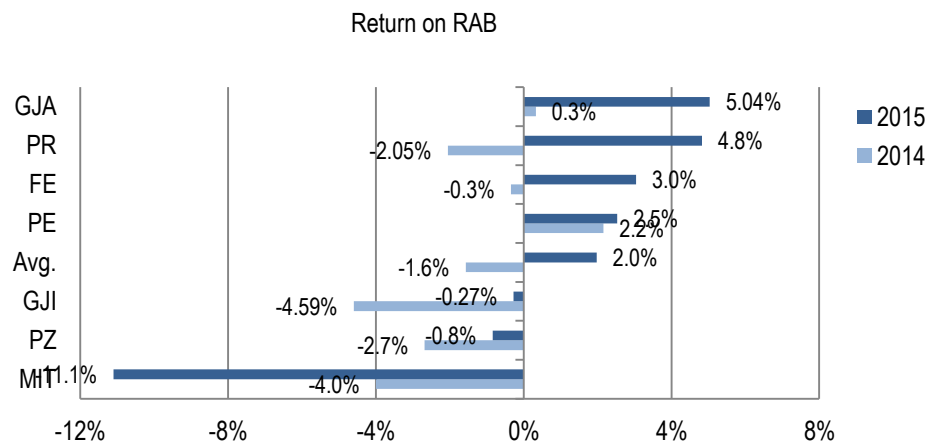


Fig. 27, Return on Regulatory Asset Base (RAB)

Return on capital at the level of the sector is positive per 2% showing an improvement in 2015 compared with 2014 when it was negative.

Four out of seven RWC (Radoniqi, Prishtina, Bifurkacioni and Hidrodrini) have had positive returns, and two of them have exceeded the project level per 4%, which also have managed to maintain their costs, including depreciation of current cost and infrastructure maintenance in RAB, within the limits of their income and giving them the opportunity to make new investments.

Unlike last years the RWC 'Hidroregjioni Jugor' and RWC 'Hidromorava', have the rate improved, although the return is still negative. Despite this the RWC Mitrovica' had even worse the return rate on capital of (-11.1%) compared with the previous year, as a result of higher operating expenses by failing to recover them despite their increase compared with 2014.

3.4 Overall performance of RWCs

Water and wastewater service structure is considered to be the one of a nature monopoly, therefore in the absence of competition, WSRA through economic regulator is engaged to set preconditions for non-use of such advantages that has this service, specifying criteria service regulation that create preconditions for financial stability and the continuity of services provided by licensed companies, and determines balanced tariffs which are affordable for payment of invoices that customers receive for provided services. A method used is the principle of comparison, where the performance of different providers can be measured against each other specified by local standards. Competition globally comparative (Benchmarking) has proven to stimulate competition between operators of public water services, raised their motivation to improve their performance and to improve performance more than other companies.

We have evaluated the overall performance for each sector (water supply and wastewater services) on the quality basis, service levels, coverage and cost efficiency. These are then combined and the commercial and financial efficiency was added (revenue collection and return on RAB) to reach at a measurement of the overall performance of the RWCs. All performance measurements are presented in a percentage rate where the ideal one is 100%.

Evaluation of performance conducted is focused on key indicators, specified as follows:

- (i) Water supply service
 - Non-financial performance key indicators (technical)
 - Non-financial performance key indicators (commercial)
 - Financial performance key indicators
- (ii) Wastewater service
 - Non-financial performance key indicators (technical)
 - Non-financial performance key indicators (commercial)
 - Financial performance key indicators
- (iii) Financial performance of RWC (water and wastewater)
 - Sales and revenue collection
 - Financial key value and norms

This selection of performance indicators shows the best level of service and cost efficiency and commercial efficiency, which all have a direct impact on customers. Furthermore, appreciated performance in this report is measured in absolute way towards an ideal performance versus to the relative comparison.

3.4.1 Water supply services

This part of the report presents an assessment of the overall performance of the seven RWCs in the water supply services and is based on a comparative assessment on the 'ideal' level expected performance of the company which works well and provides efficient water supply, always giving an overview of the comparative performance of the companies themselves and in relation to each other.

Annual performance evaluation of water supply services is through 5 following indicators:

- Complete service coverage (100%) provided in service zones;;
- Quality of water supply 100% in accordance with specified national standards;
- Water pressure with specified minimum and maximum levels;
- Water supply availability for all customers on continuing basis (24 hours a day, seven days);
- Cost efficiency, efficient cost for water unit sold, in accordance with expectation as per business plan).

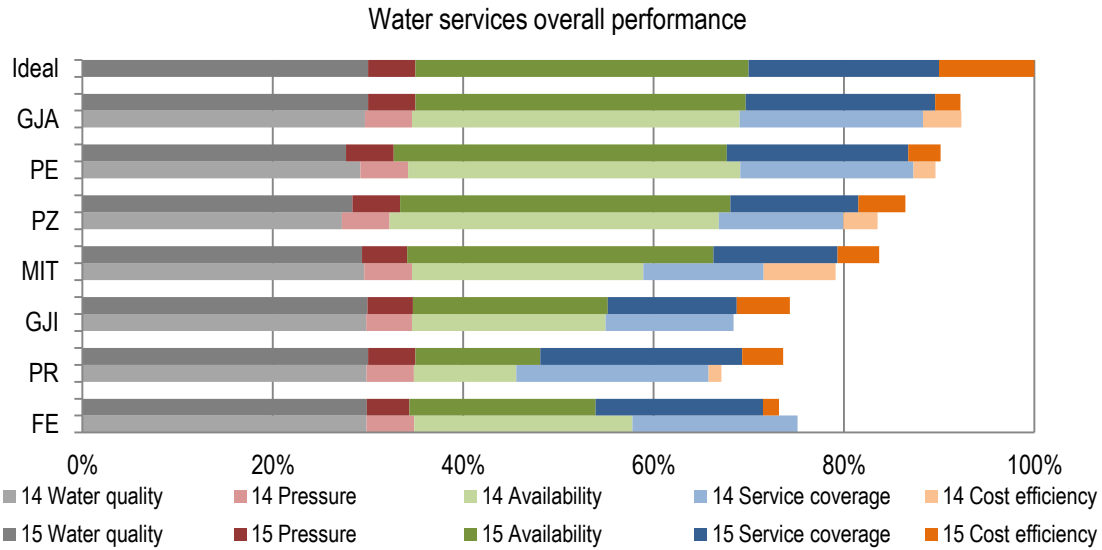


Fig. 28. Shows the result of evaluation of water supply performance, and the WRCs ranking (2014 & 2015)

The average overall performance in 2015 was 36.9%, compared with absolute performance (ideal) is improved per 1.2%. The overall water supply performance, still remains (per 8.1%) lower than ideal performance target of 45%, allocated for this service.

RWC 'Radoniqi', has the best performance in water supply in 2015, although there is marked improvement in the overall assessment. Otherwise, improvements are evident in all indicators of its water supply, excluding the cost of efficiency in general, the company has shown nearly ideal performance on most indicators.

RWC 'Prishtina' is the company with the greatest improvement in water supply is 2015 compared to 2014, its performance was improved per 2.9%, even ranked as second-to-last it is a continuity of water supply which leaves room for improvement in this company.

Table 5, Results of water supply overall performance in 2014

RWC	Water quality	Pressure	Availability	Coverage	Cost Effic.	Total
GJA	29.7%	4.9%	34.4%	19.3%	4.0%	41.6%
PE	29.2%	5.0%	34.9%	18.2%	2.3%	40.3%
PZ	27.3%	5.0%	34.6%	13.1%	3.6%	37.6%
FE	29.8%	5.0%	23.0%	17.3%	0.00%	33.8%
MIT	29.6%	5.0%	24.3%	12.6%	7.6%	35.6%
GJI	29.8%	4.8%	20.4%	13.4%	0.00%	30.8%
PR	29.8%	5.0%	10.8%	20.2%	1.3%	30.2%
Ideal	30%	5%	35%	20%	10%	45.0%
Sector/Realization	29.3%	5.0%	26.0%	16.3%	2.7%	35.7%

Table 6, Results of water supply overall performance in 2015

RWC	Water quality	Pressure	Availability	Coverage	Cost Effic.	Total	Change 2014/2015
GJA	30.0%	5.0%	35.0%	20.0%	2.7%	41.5%	0.0%
PE	27.7%	5.0%	35.0%	19.1%	3.4%	40.6%	0.2%
PZ	28.4%	5.0%	34.7%	13.4%	5.0%	38.9%	1.3%
MIT	29.4%	4.7%	32.2%	13.1%	4.4%	37.7%	2.1%
GJI	30.0%	4.8%	20.5%	13.5%	5.6%	33.4%	2.7%
PR	30.0%	5.0%	13.1%	21.2%	4.3%	33.1%	2.9%
FE	29.9%	4.5%	19.6%	17.6%	1.7%	32.9%	-0.9%
Ideal	30.0%	5.0%	35.0%	20.0%	10.0%	45.0%	
Sector	29.3%	4.9%	27.1%	16.8%	3.9%	36.9%	
Change 2014/2015	0.0%	-0.1%	+1.1%	+0.5%	+1.2%	+1.2%	-8.1%

Improvement occurred in 2015 in three important indicators continuity of supply, coverage of services and also the cost efficiency indicator which was improved per 1.2% compared to the previous year 2014.

Indicators of service standards are largely stable, although there is still plenty of room for improvement:

Quality of water service is satisfactory; seven regional water companies have reached the level of 97.0% in compliance with local standards of drinking water quality in Kosovo.

Water pressure in 2015 had average negative trends 2015, per 1/3 were reported more than in 2014, this is due to the fact that this year the RWC 'Mitrovica' and 'Bifurkacioni', have reported to have problems with low pressure for a number of properties, along service zone.

Continuity of supply is improved per 1.1%. It is RWC 'Mitrovica' that has significantly improved its continuity of supply.

Service coverage, on average sector has marked a slight increase, from 0.5% in 2015 compared to 2014.

3.4.2 Wastewater service

Evaluation of overall performance for seven WRC in wastewater services is based on comparative assessment about the 'ideal' level of expected performance of the company which works well and provides efficient wastewater services.

Annual performance evaluation of wastewater services, is made through 4 following indicators:

- Almost completed coverage (up to 95%) with the sewerage system for wastewater in service zone¹⁰
- Quality of discharged wastewater at a rate of 100% in compliance with specified environment standards;
- Reliability of wastewater services with zero home affected by sewer flooding;
- Cost efficiency costs per unit of wastewater services including household equivalents).

¹⁰ Complete coverage service for wastewater services is not ideal because the service zone can have a small part of households where the connection to the sewage system is impossible. For the performance reporting purposes a value of 95% coverage with wastewater services is considered as an ideal expectation.

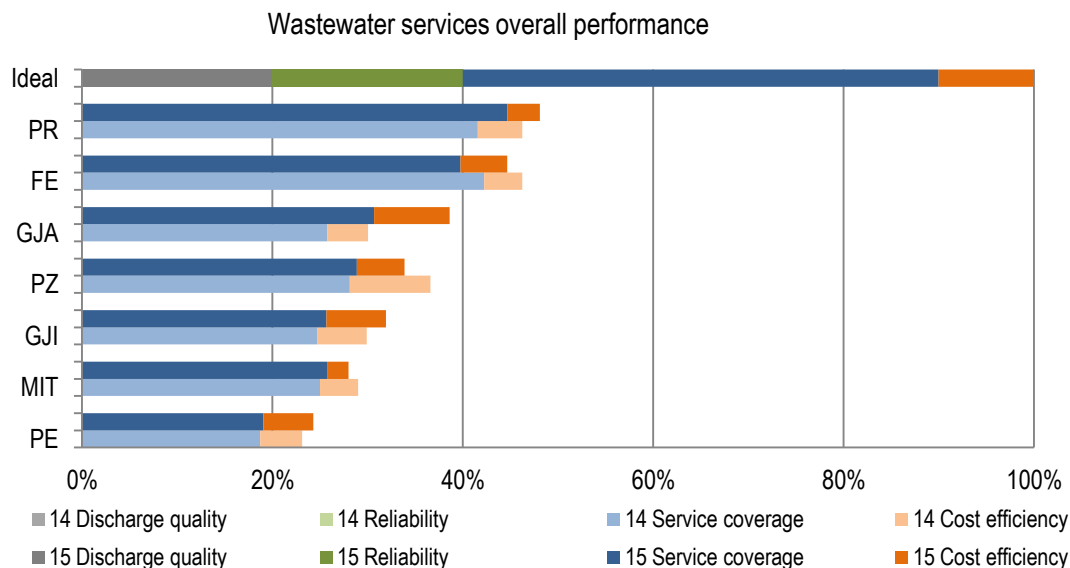


Figure 29, Overall performance of wastewater services (2014 & 2015)

Figure 29, shows the overall performance of the RWC on wastewater services. Since we do not have systems to treat wastewater in Kosovo, we still cannot do performance evaluation indicator of the wastewater quality discharge. In the same way we could do performance evaluation indicator of reliability for all RWCs (measured on the basis of flood/blockages to 100 km pipe per year) since it is higher than the absolute maximum of 100, and all RWC will receive zero points for that parameter.

Performance diagram shown in fig 29, illustrates the need for considerable investments in improving wastewater infrastructure, including: development of plants for wastewater treatment, as well as auxiliary buildings.

Table 7, Results of overall performance for wastewater in 2014

RWC	Quality of Discharged	Reliability	Coverage	Cost Effic.	Total
FE	0.0%	0.0%	42.3%	4.0%	16.19%
PR	0.0%	0.0%	41.6%	4.7%	16.18%
PZ	0.0%	0.0%	28.1%	8.5%	12.82%
GJA	0.0%	0.0%	25.8%	4.3%	10.51%
GJI	0.0%	0.0%	24.7%	5.2%	10.46%
MIT	0.0%	0.0%	25.0%	4.0%	10.15%
PE	0.0%	0.0%	18.7%	4.4%	8.10%
Ideal	20.0%	20.0%	50.0%	10.0%	35.00%
Sector/Realization	0.0%	0.0%	29.5%	5.0%	12.1%

Table 8, Results of overall performance for wastewater services 2015

KRU	Quality of Discharged	Reliability	Coverage	Cost Effic.	Total	Change 2014/2015
PR	0.0%	0.0%	44.7%	3.4%	16.8%	0.6%
FE	0.0%	0.0%	39.8%	4.7%	15.6%	-0.6%
GJA	0.0%	0.0%	30.7%	7.9%	13.5%	3.0%
PZ	0.0%	0.0%	28.9%	5.0%	11.9%	-1.0%
GJI	0.0%	0.0%	25.7%	6.3%	11.2%	0.7%
MIT	0.0%	0.0%	25.7%	2.3%	9.8%	-0.3%
PE	0.0%	0.0%	19.1%	5.3%	8.5%	0.4%
Ideal	20.0%	20.0%	50.0%	10.0%	35.0%	
Sector	0.0%	0.0%	30.6%	5.0%	12.5%	
Change 2014/2015	0.0%	0.0%	1.2%	0.0%	0.4%	-22.5%

At a general level in 2015, the improvement was 0.4% compared to the previous year, total points is 12.5%, it is for 22.5% lower than the ideal target level of service by 35%.

Performance of wastewater service in 2015 has slightly improved compared with 2014. The improvement mainly is related to the expansion of service coverage, which generally at the sector level has improved to 1.2%. cost-efficiency in wastewater service has remained at the same level during the evaluation period (2014-2015).

WRC 'Prishtina', has the best performance in this service compared with other companies, with the trend of gradual improvement. While the company which has the poorest performance continuous to be RWC 'Hidrodrini'.

3.4.3 Overall performance of WRCs

The WRCs overall performance merges two business of sectors: water supply and wastewater services and the wider commercial aspects: Profitability and performance in revenue collection.

- Overall performance of water supply (up to 100%)
- Overall performance of wastewater service (up to 100%)
- Profitability (return on capital that exceeds expectations by business plan);
- Efficient commercial activity (revenue collection 100%).

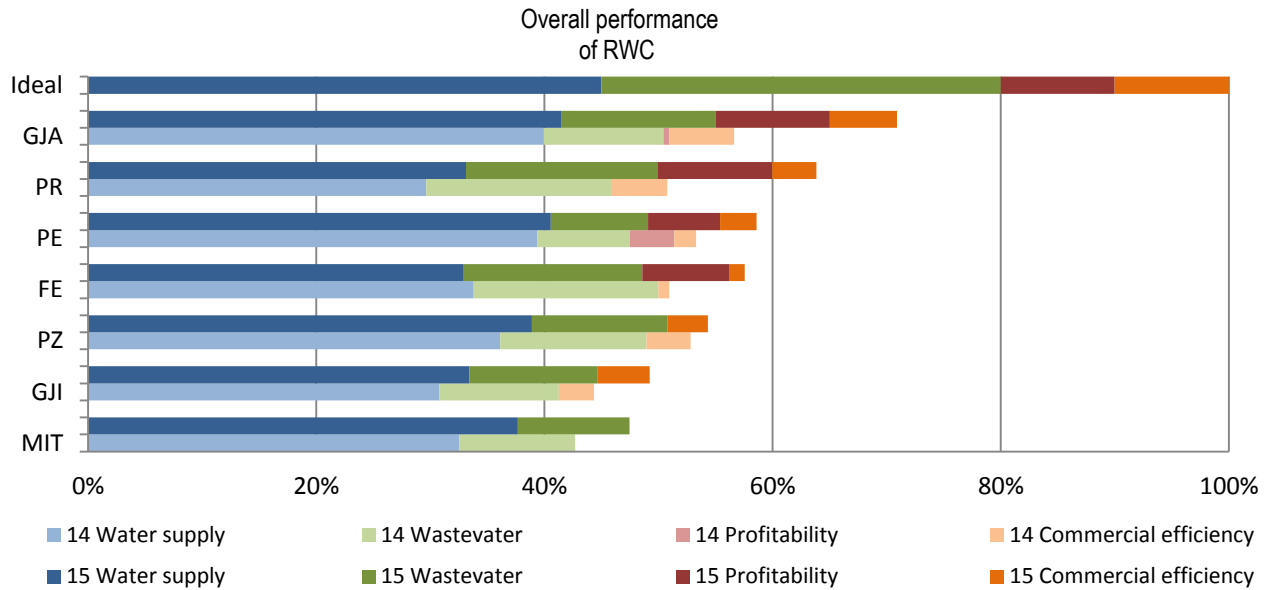


Figure 30, Overall performance of RWCs (2014 & 2015)

Clearly, without exception, the RWCs are operating at lower level than would be considered a minimum level, e.g. 80% is the ideal level. We know that the main reason affecting the overall performance is the wastewater services, and the lack of treatment.

Figure 30, shows the RWCs ranking according to their performance for 2014-2015, and compared to the ideal company.

In general, the best performance in 2015 has RWC ‘Radoniqi’, reaching the level of 70.9% from the maximum of 100%, which is a level of service providers ideal performance, RWC performance ‘Radoniqi’, it has improved to 14.3%, from last year.

In 2015 the RWC performance has improved more than in 2014. The highest performance has marked RWC ‘Radoniqi’ and RWC ‘Prishtina’, and ‘Bifurkacioni, while less improvement had RWC ‘Hidroregjioni Jugor’.

Tabela 9, Results of RWCs overall performance in 2014

RWC	Water Supply	Wastewater	Profitability	Collection	Total points
Ideale	45%	35%	10%	10%	100%
GJA	39.9%	10.5%	0.5%	5.7%	56.6%
PE	39.4%	8.1%	3.9%	1.9%	53.3%
PZ	36.1%	12.8%	0.0%	3.9%	52.8%
FE	33.8%	16.2%	0.0%	0.9%	50.9%
PR	29.7%	16.2%	0.0%	4.9%	50.8%
GJI	30.8%	10.5%	0.0%	3.1%	44.3%
MIT	32.5%	10.1%	0.0%	0.0%	42.7%
Sector	34.6%	12.1%	0.6%	2.9%	50.2%

Table 10, Results of RWCs overall performance in 2015

RWC	Water Supply	Wastewater	Profitability	Collection	Total points	Change 2015/2014
Ideal	45%	35%	10%	10%	100%	
GJA	41.5%	13.5%	10.0%	5.9%	70.9%	14.3%
PR	33.1%	16.8%	10.0%	3.9%	63.8%	13.1%
PE	40.6%	8.5%	6.3%	3.2%	58.6%	5.3%
FE	32.9%	15.6%	7.6%	1.4%	57.6%	6.6%
PZ	38.9%	11.9%	0.0%	3.6%	54.3%	1.5%
GJI	33.4%	11.2%	0.0%	4.6%	49.2%	4.9%
MIT	37.7%	9.8%	0.0%	0.0%	47.5%	4.8%
Sector	36.88%	12.48%	4.85%	3.21%	57.42%	
Change 2015/2014	+2.3%	+0.4%	+4.2%	+0.3%	+7.2%	-42.58%

Overall performance of RWC, in 2015 has reached at 57.42% level, compared to targeted ideal performance and has improved for 7.2%. compared to 2014. Improvement is evident in both services, water supply and wastewater services, as well as to the probability and collection efficiency.

Water supply has reached 36.88% of the maximum rate of 45%, the improvement was of 2.3%, compared to the previous year.

Wastewater service is significantly lower than the one of water supply. In 2015, the level has reached 12.48%, of potential maximum of 35%, marking small improvements to 0.4%.

Profitability presents the current return to the regulatory asset base relative to the projected return on capital through the tariff process (2015-2017). In this regard the RWCs had improved although even it was of lower level than panned 4.0%. The average rate of profitability in the sector has been at the level of 4.85%, in 2015 from maximum of 10% and compared to 2014, it improved to 4.2%. Since three RWCs (Hidroregjioni jugor, Hidromorava and Mitrovica), were not profitable.

Collection efficiency is an area needs a lot of improvement although year after year is being improved, but very slowly. Progress is proving to be very difficult, especially the collection remains challenge for household customers and business. This year also marked modest improvement with only 0.3%, compared with the previous year in this indicator the sector average has achieved of 3.21% level out of maximum of 10%. RWC 'Mitrovica', has poorer performance with collection efficiency, which could not achieve to exceed the lower target of 60%, not providing any point at this indicator.

PART B

WATER AND WASTEWATER SECTOR PERFORMANCE

4. SECTOR PERFORMANCE

An important part of performance report is a sector performance as a whole, according to some performance macro indicators such as water production, sales, NRW, coverage of services, turnover in the sector level, as well as investments in two services in total (water supply and wastewater services).

In order to have a clear picture of development trend of certain indicators this part of the report follows a general assessment of sector performance period of four years (2012-2015).

4.1 Water production, sales and NRW

Fig. 31, shows the volume of water treated and distributed in network, otherwise this figure shows water loss compared to water production.

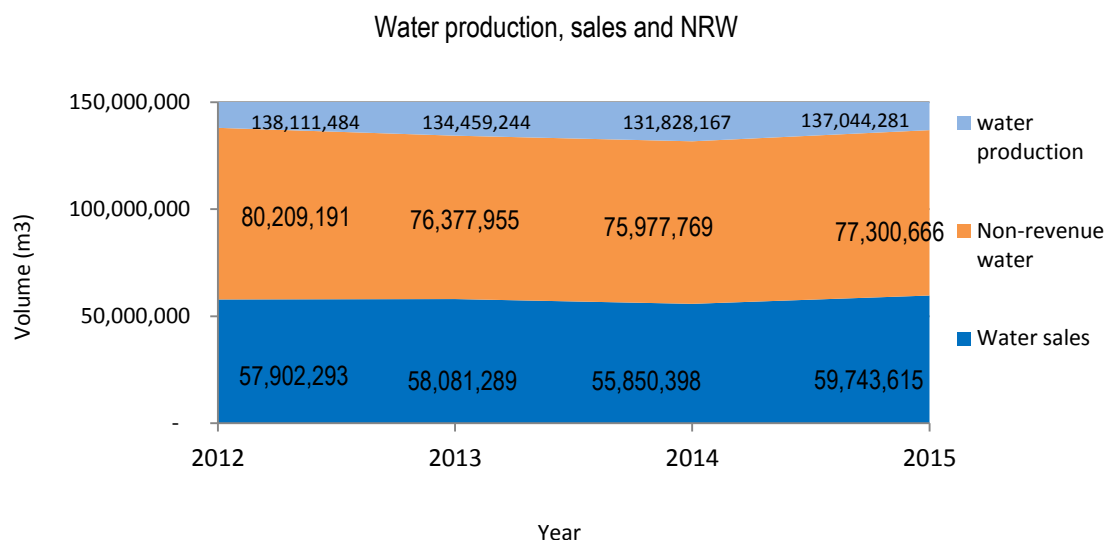


Figure 31, Quantitative values of water production, sales and NRW

After two years (2013-2014) reduction of water production, mainly due to drought which has prevailed in the country, now in 2015 almost the amount of produced water has reached the level of 2012, comparing to 2014. Produced water in 2015 was about 5.2 mil. m³ higher.

The RWC 'Mitrovica' and RWC 'Prishtina' mainly increased water production, also other companies have increased water production except for RWC 'Hidrodrini', which reduced water production by about 4.2 mil.m³ in 2015. This increase of water production at most of RWCs was necessary to improve water supply hours in the service zone, as well as to serve the expanding customer base.

The RWCs should aim at reducing NRW, before deciding to increase production. With better operating efficiency, an increased water production should be necessary only with an increase of customers base and/or to improved water supply hours.

Non-revenue water lost, leaks, illegal connections, faulty metering equipment or unregistered consumption continues to be a concern of sector. In 2015 about 77.3 mil. m³, is non revenue water and it has marked the loss of revenue and increased operating expenses.

During the first three years of this evaluation period, quantitative water sales have not shown improvement, instead they had a trend of deterioration. It is evident that in 2015 they marked an improvement. Out of total production by 137 mil. m³, about 59.8 mil. m³, were billed (sold). This is for about 4.0 mil. m³ water sold more than all RWC during 2015, compared to registered water sold in 2014.

4.2 Coverage with water and wastewater services

Represents the local population with a safe and reliable access to water supply and wastewater services provided by RWCs.

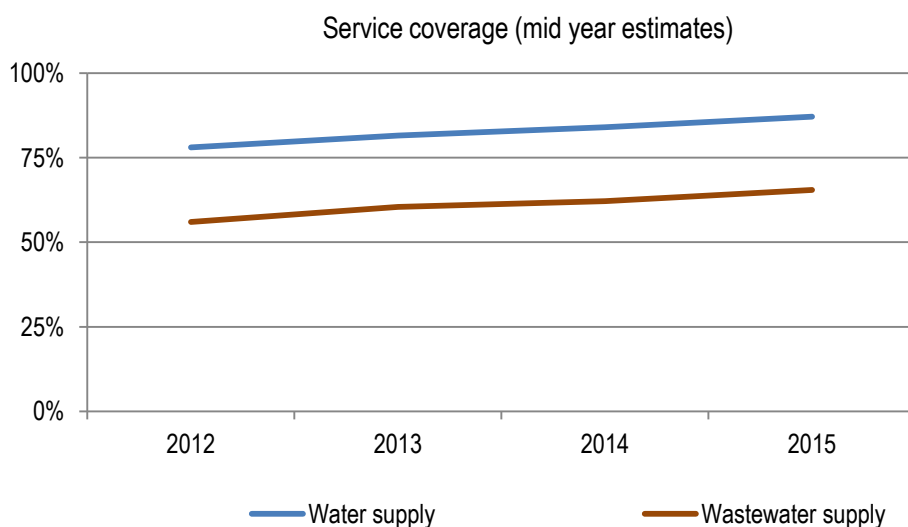


Figure 32, Coverage with water and wastewater services

Fig.32, shows the progress of coverage with water and wastewater services over four last years (2012-2015).

Indicator of water supply coverage has increased from 78% in 2012 to 87% in 2015, a growth rate of 9%, during this period of four years.

Indicator of wastewater service coverage has also shown gradual trends of improvement year after year. While in 2012, wastewater coverage level was 56%, in 2015 reached to 65% level, also increased by 9% for the period (2012-2015).

This indicator still remains below the acceptable level, therefore there is a need for more focus on wastewater reduce its adverse consequences. The low level of wastewater service is a serious challenge to public health and significantly contributes to deteriorating the quality of water resources.

4.3 Planned revenues, turnover and collected cash

Turnover in this case means revenues from regular billing and other operative revenues for water and wastewater services

In figure 33, we can see an average efficiency of turnover and collection, over last four years (2012-2015).

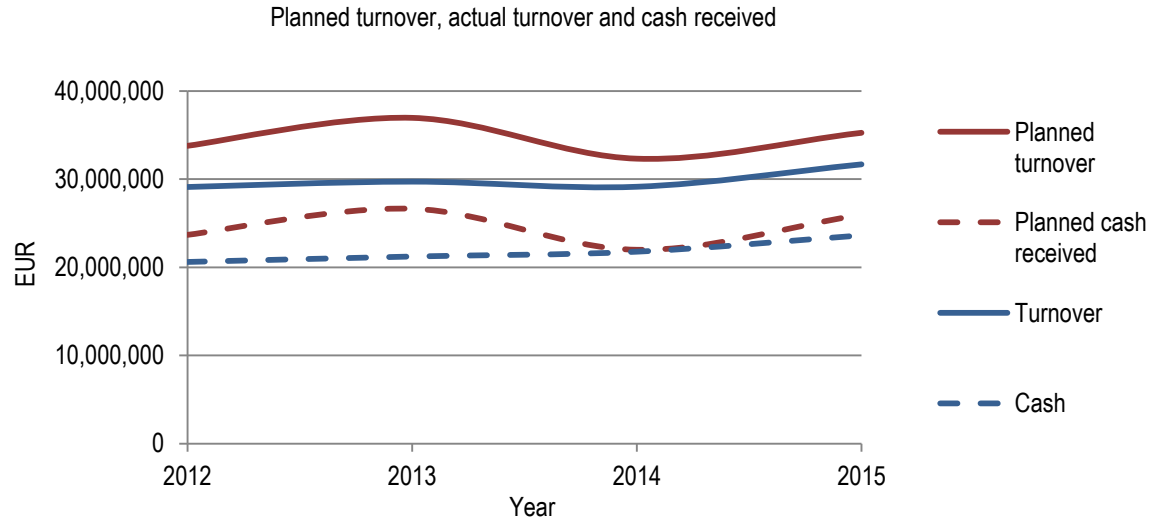


Figure 33, Monetary amount for the current billing and collection

Although the WRSRA during the tariff process (2015-2017) has been more cautious than it was in previous processes when determining the targets, which would be realistically more achievable but challenging at the same time. We note with regret that the planned objectives, especially those related to billing, collection, could not be achieved yet but at least continue to remain parallel compared to the previous years when there was a big distance between them.

Efficiency of turnover¹¹ in monetary value at the sector level in 2015, has improved to 2.5 million€ or in percentage for 9% compared to 2014, this slight improvement is attributable to the expansion of the customer base, year after year and later on and after increase of revenue efficiency from billing.

Collection efficiency¹², in 2015 also marked improvement in monetary value to 1.8 million€, or expressed as a percentage of 8% compared with 2014.

Collection efficiency in relation to the efficiency of turnover at the sector level in 2015 was 75%, and higher by 4% compared with 2012, which value can be seen in the table below.

Table 11. Turnover and collection in years

years	Turnover	Collecton/cash	Cash/Turnover
2012	29,111,469.23	20,609,696.24	71%
2013	29,715,954.43	21,225,741.79	71%
2014	29,296,792.70	21,890,722.67	75%
2015	31,657,595.66	23,620,483.78	75%

¹¹ Turnover has included revenues from regular billing for water and wastewater as well as revenues from operating activities excluding financial revenues/operating.

¹² Cash(Collection efficiency) has included the collection of regular billing for water and wastewater as well as revenues from other operating activities.

4.4 Capital investments in water supply and wastewater services

A very important factor in the sector is the capital investments. It is expenses for assets that have been built to provide water supply and wastewater services to customers. In this section, we represent capital expenditure analysis of seven RWCs, realistic and those planned during the tariff process (2012-2014) and tariff process (2015-2017) respectively for 2015. Of all RWCs was expected to realize significant investments in water and wastewater services and of total planned amount for the three-year period (2012-2014), out of about 95 million € and one year period for 2015 nearly 46.5 million €, with an allocation of about 2/3 in water supply and 1/3 in wastewater services. The RWCs from own resources, are also planning to invest around 25 million € for 2012-2014 years 5.8 million € for 2015, capital expenditures in both (water supply and wastewater services), the rest of donors.

Table 12. Capital investments 2012-2015

Company	2012	2013	2014	2015
RWC"Prishtina"	5,079,692.45	9,027,944.72	1,592,704.13	961,127.00
RWC"Hidroregjioni Jugor"	3,388,492.59	1,552,776.75	909,195.35	1,151,166.31
RWC"Hidrodrini"	4,742,892.56	901,564.07	802,008.43	2,028,852.00
RWC"Mitrovica"	21,850.82	2,060,992.78	0.00	0.00
RWC"Radoniqi"	397,359.49	1,348,647.11	1,166,757.54	1,306,505.82
RWC"Bifurkacioni"	702,391.82	58,461.05	3,060,203.32	278,347.00
RWC"Hidromorava"	1,367,079.59	32,350.48	1,971,970.76	204,227.69
Total	15,699,759.32	14,982,736.97	9,502,839.53	5,930,225.82

The value of investments during these four years, was 46.1 mill.€, investments funds, mainly from donors, as well as a smaller part of the RWC. In relation to the value of planned investment realization reached the level of 33%.

RWC 'Prishtina' realized 16.6 mil.€ of the total, while less capital expenditures realized RWC 'Mitrovica', in these three years (2. mil.€). RWCs from their own resources have spent capital investments in the amount of 7.8 mil.€, in relation to the planned provisioning, through RAB of 30.8 mil.€ presents the rate of 23%.

Although there were funds channelled towards investments in this sector, there is still a need to be done much more, given the large investment requirements. Water and wastewater sector needs further support investments and concerted efforts from various stakeholders.

PART C

PERFORMANCE OF BULK WATER SUPPLY (HPE IBËR-LEPENC)

5. PERFORMANCE OF HPE 'Ibër Lepenci'

WSRA is responsible for regulating a business part of HPE 'Ibër Lepenci' j.s.c.Prishtina, which has to do bulk water supply for RWC Mitrovica' and RWC 'Prishtina', respectively Unit O 'Drenas'.

The table below shows some statistical data and some indicators of the performance to see performance development trends in 2015 compared with 2014

Table 13, Statistical data for HPE 'Ibër-Lepenci' j.s.c. Prishtina

Statistical data for për 2015 / 2014	2014	2015
Volume of bulk water billed (m3)	19,288,948	23,589,360
Bulk water billed (€)	547,657	489,595
Bulk water collection (€)	817,770	93,268
Operational costs for bulk water supply (€)	466,258	450,698
Number of staff engaged in bulk water supply	33	33

Table 14, gives an overview of financial indicators basen on which we can evaluate performance of HPE 'Ibër lepenci' in vitit 2015 compared with 2014.

Table 14, Performance indicator of NEE 'Ibër-Lepenci'

Performance indicator	2014	2015
Collection rate	149%	19%
Working rate	1.17	1.09
Working rate coverage	1.75	0.21
Operational cost per unit (€/m3)	0.02	0.02

The collection rate in 2015 dropped to the lowest level as never before and from 149% to 19%, and this happened as a result of non-collection of debts form RWC 'Mitrovica'.

Despite the decline in the cost of operation for bulk water supply, the unit cost has remained the same at 0.02 euro/m3, as a result of increased bulk water volume of water billed 22%,

PART D

ACTIVITIES OF CCC

6. CCC ACTIVITIES

One of the main goals of WSRA is protecting the interests of customers, ensuring that the services provided by licensed companies to be at the determined standards level and that customers have available effective mechanisms to address their complaints and dissatisfaction. In order to realize the rights and interests protection of customers, in accordance with legislation in force, WSRA has established seven Customer Consultative Committees for water services in seven regions of Kosovo according to the plan for consolidation of water service providers. Their opinion is of great importance for the regulator because they provide a realistic measurement of quality in providing services. In general, they play an important role in:

- Resolving complaints filed by customers which have not been addressed and resolved fairly for customers.
- Conducting polls, studies and surveys related to service standards at the request of the regulator,
- Providing advice to the regulator regarding service tariffs, service standards and other regulatory activities.

CCC activities for 2015: convening meetings (total 78 meetings in all regions on monthly basis), in which important issues for customers were reviewed, including customers complaints, procedures regarding the handling of customers complaints, reports on opinion polls of customers for water and wastewater services, the tariffs set out for water and wastewater for the coming years, bylaws of WSRA, and other issues which are in the interest of customers.

In September 2015, Chairpersons of the CCC have been appointed in six regions of Kosovo: Mitrovica, Prizren, Ferizaj, Gjilan, Peja dhe Gjakova. Also cooperation with relevant institutions continued, in particular with Ministry of Trade and Industry, respectively with the department of customer protection.

Table 15, Number of complaints filed with the CCC

REGJIONI	2014		2015	
	Filed complaints	Resolved complaints	Filed complaints	Resolved complaints
CCC -Prishtinë	130	111	205	163
CCC -Mitrovicë	0	0	2	
CCC - Pejë	0	0		
CCC -Gjakovë	18	22	11	5
CCC - Prizren	11	8	6	6
CCC -Ferizaj	13	10	18	7
CCC -Gjilan	5	5	24	20
Total	177	156	266	201

266 complaints were addressed in all CCC, 201 of them were resolved. The total number of complaints received by the CCC in 2015, has increased significantly (or 65%), compared with 2014. A part of cause of that increase can be attributed to the RWCs for implementation of the decision taken by Kosovo government for forgiveness of customers' debts.

Customers more complained of financial aspects such as: dental of debts (139), deduction, forgiveness of debts (49), sum lamp billing (22), high billing (50), and for other reasons including operational aspects and service standards there were fewer complaints (6). 266 complaints, over 2/3, of them were addressed to CCC of Prishtina region, while number of household customers' complaints was higher (254).

7. FUTURE CHALLENGES

COLLECTION EFFICIENCY of revenue from RWCs is still much lower than it should be and is considered to be the most serious challenge for the sector; it as such is a major obstacle to achieve the desired levels of service.

In general, the RWCs are improving their performance year after year, although very gradually. Current performance of revenue collection level is 74% of the billing and is still at a lower than would be sufficient for long-term sustainability of companies.

RWCs need to improve their performance in collection up to the level they would reach a level of collection to 90%, and collection would be measured aligned with the full billing, minus the social cases that do not pay. A part number of customers choose to not pay their bills (excluding social cases which according to assessment, could be about 10%) simply because they succeed in, and the WRC staff has little incentive to deal with invoices.

The issue of improving the performance of revenue collection is consistently addressed by local institutions and different projects supported by donors, asking RWCs to be more proactive in this respect, to take all the necessary measures which would result in a significant improvement.

In general are identifiable some major issues that have significant implications in improving the efficiency of collection and which can be divided into:

External problems, RWCs can address only indirectly and in longer term such as:

- Inefficiency of the legal system in Kosovo, not giving priority to water companies in demanding their debt payment resulting from non-payment of water bills.
- Failure to address the social cases, through payment from the government to cover customer water bills classified as social cases. It is foreseen, also with the basic Law of WSRA, article 20, section 3.5 which provides that it is the responsibility of government institutions, not service providers, to help customers with low income to pay their bills.
- There is not any direct short-term for RWC individually which could be used to achieve results in this field. The only possible way that this can be solved is RWCs to function on institutional basis for water services and lobby the government to change the situation. WWAK is an appropriate body that would approach the government so that to be solved.

Internal problems that need to be addressed in the short term and direct from RWC are:

- Creation of general plan and develop specific actions to improve the revenue collection efficiency.
- Improving relation between customer and company, image of company, is an aspect which in the past has not been given much attention by water companies, but these are very important factors in competition for customer's money,
- Further development of policies and procedures, as an important part of management structure of a RWC. It is important that they not only have to exist, but also to be updated and adapted to the constantly changing environment in which the RWC operate,
- The use of incentives to help improve the collection efficiency by implementing a universal scheme incentive/stimulus that can be funded by additional collection on the necessary level to meet the financial needs budgeted by RWC.

NRW/WATER LOSSES, in Kosovo present a well-known phenomenon. NRW is too big and reportedly reaches level by 56% or 564 litres per customer per day (adjusted) in RWC 'Bifurkacioni', up to 1,584 litres per customer per day in RWC 'Mitrovica', in 2015. Despite internal commitments and intensive support to water sector in Kosovo from donor agencies, since the war, they were not able to resolve the alarming situation of water loss. Instead NRW has stagnated at a high level in all RWCs. although a flow level (physical loss), is inherent in the operation of the water distribution network under pressure.

The challenge for companies is to move towards an economic level of leakage that balance the cost of production with a cost of commitment to control the flow.

Some of the important factors that have an impact on the high level of NRW are:

- RWC have not implemented meaningful activities to reduce NRW, including activities “without costs” such as regular inspections record keeping for repair of leaks or maintenance of drawings for the frequency of leaks,
- The lack of funds available to the company, in particular the limited opportunities for capital investment for replacement of pipes and connections in service,
- Loss of dynamic efforts for NRW reduction, donor agencies have just completed their projects,
- Development, often unplanned and unauthorized, going faster than that can be followed by the utilities,
- Lack of program/detailed strategy how to reduce the NRW in any of the RWC in Kosovo, which would cover all the different aspects of the problem.

To make effective activities of RWC for reduction of RWC, first it must understand how complex is the issue of NRW and its components including commercial losses. They should ensure that this specific task to make available all the resources at the company level. Nevertheless, if the RWCs want to have a significant reduction of the NRW, they should take the following measure:

Preparatory activities for the reduction of water losses, and development of NRW reduction programs include a number of actions and seek input/multiple materials.

- Reduction of physical losses through leakage and pressure management, active leakage control, speed and quality of repairs and management,
- Active leakage control through leakage and pressure management, active leakage control, speed and quality of repairs and asset management,
- Active leakage control, through Zones and Metering (DMA) and the measurement of minimum night flows as part fo active leakage control, which became a model- procedure for the water industry and is recognized internationally,
- Reduction of duration of leaks from cracks in pipes which cause great loss of water, particularly small underground leaks are difficult to trace and if not detected for several weeks they cause the loss of large water volume, which can be much more than those of larger pipe bursts,
- Pressure and control management is another important method of reducing physical losses. The ability to control the pressure serves two main objectives: first, it minimizes the potential of new leaks and secondly, it reduces the amount of water that is lost after the leak occurred.
- Asset management is imperative for the economic management of the leaks. This requires setting priorities and decisions whether to repair, replace or rehabilitate assets,
- Commercial losses represent the produced water that is consumed but not paid by the customer and its volume can be greater than the physical losses. Physical losses generally represent a lower monetary value because reduction of physical losses also reduces production costs, while the reduction of commercial losses increases revenues of the water company. Activity for reducing commercial losses usually are with lower costs compared to programs for physical losses and can redeem investments to NRW activities within a short period.
- Maintenance of water meters, which are not functioning properly, and record customer consumption incorrectly. It is known that the meters over the time are damaged.

If RWCs will be able to undertake above mentioned measures we could do more to reduce NRW, and as a result increase revenues from the sale of water, as well as meeting the demand in areas where there is a reduction of water supply. It should be emphasized that the reduction of NRW requires a long-term commitment by all staff o the company.

ANNEX 1 Detailed data of performance

The concept of monitoring performance led by the WSRA is in compliance with specific regulatory requirements. Operational and service data to customers are tailored to the requirements to monitor and report the level of compliance of services, as well as financial data, are aligned with the Regulatory Accounting Guidelines and models of business planning to assess the level of fulfilment of the objectives agreed with the tariff process.

Data provided by water service providers are verified/audited¹³ by WSRA, through a transparent and verifiable process. While the responsibility for reporting the accurate and reliable data lies with the companies. The WSRA is responsible for evaluation of these data in terms of accuracy and reliability of their source.

The regulator constantly requires of RWCs the reliable information in order to operate effectively to fulfil its function and institutional responsibilities. The data include aspects of customer service, complaints, customers, operational data, properties, assets or financial data, revenue, expenditures, etc.

Financial data such as: operational costs, incomes from sales, capital expenditures in general are kept in software modules (properties, piano, Navision, Rikont, alpha), some of them do not have the possibility of division by cost centres or divisions in item costs, which then are manually transferred to Excel formats. While data on current cost depreciation, information on the regulatory asset base for water and wastewater are kept in Excel format, in general financial data have proven to be primarily reliable

Regulatory has concerns about the reliability of some of the operational data (production of water, properties with adequate water pressure, properties with limited water supply) or some service data for customers, which are not always reliable because they are not updated regularly, but also because of the security offered by the system of keeping the data in software format (Excel, or word document). Also the accuracy and reliability of the data has affected the turnover of staff who is engaged in the reporting process, to some RWCs.

During the preparation of the performance report for 2015, WSRA took into account only the data found during the audit process.

We also recommend changes to management culture within the RWCs to create awareness that they are responsible for the provision of reliable and accurate information on time, including there any other officials involved in the reporting process.

Detailed performance statistics of the seven RWC are presented in following tables. So the information presented are based on the regular submission of reports to the WSRA.

- Data about population statistics, number of customers, length of pipes, etc. the data are not of the end of the year but the estimated average year.
- Financial data denominated in EUR, were adjusted at price level of mid- 2015 and in line with published inflation statistics to enable comparison from year to year.
- Financial data are reported in accordance with Regulatory Accountability Guidelines (RAG), in particular:
 - ✓ Asset value determination is made based on the Regulatory Asset Base,
 - ✓ Capital maintenance is defined as a combination of infrastructure renewals and current cost depreciation of non-infrastructure assets,
 - ✓ Provision of bad debts (settlement) is defined as the difference between billing and revenue collection from last year,

Performance of revenue collection is defined as e difference between the billing for water and wastewater (excluding taxes connections and other income) and income in cash for water and wastewater (also by excluding connection fee and other income)

¹³ Reports of audit/inspection of the reported data, from January-December, 2015

RWC Prishtina (Prishtina)

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2014	2015
W - Water supply						
Non-financial (technical)						
Standards of service	Quality	Water quality (bacteriological)	W.1.A.01	% pass	99.5%	100%
		Water quality (physical and chemical)	W.1.A.02	% pass	99.2%	100%
	Pressure	Properties affected by low pressure	W.1.A.03	Nr	145	130
		Properties affected by low pressure	W.1.A.04	% properties	0.16%	0.13%
	Reliability	Properties with 24 hour supply	W.1.A.05	Nr	16,418	10,441
		Properties with 24 hour supply	W.1.A.06	% properties	18%	11%
		Properties with 18-24 hour supply	W.1.A.07	Nr	23,914	52,613
		Properties with 18-24 hour supply	W.1.A.08	% properties	26%	54%
		Properties with less than 18 hours supply	W.1.A.09	Nr	51,893	35,002
		Properties with less than 18 hours supply	W.1.A.10	% properties	56%	36%
Infrastructure serviceability	Non-revenue water	Non revenue water (total)	W.1.B.01	m3 per day	18,452,520	20,899,398
		Non revenue water (per connection)	W.1.B.02	litres per cust. per day	486	517
		Non revenue water (per connection) - adjusted	W.1.B.03	litres per cust. per day	588	613
		Non revenue water (relative to production)	W.1.B.04	% production	49%	51%
	Pipe bursts	Pipe network bursts frequency	W.1.B.05	bursts per month	154	118
		Pipe network bursts per 100 km of pipe	W.1.B.06	Nr / 100 km	148	83
Non-financial (commercial)						
Service coverage	Households	Households served	W.2.A.01	Nr	92,225	98,056
		Coverage (households served relative to total)	W.2.A.02	% total households	101%	106%
	New connections	New connections (household)	W.2.A.03	Nr	6,045	5,617
		New connections (commercial and institutional)	W.2.A.04	Nr	837	777
Metering	Metering rate	Metered households relative to total households	W.2.B.01	% households	98%	97%
		Metered com & inst relative to total com & inst.	W.2.B.02	% com & inst	99%	100%
	Meters installed	Meters installed (households)	W.2.B.03	Nr	288	457
		Meters installed (com & inst)	W.2.B.04	Nr	67	70
Complaints	Complaints	Complaints received (technical)	W.2.C.01	Nr	5,591	6,146
		Complaints received (commercial)	W.2.C.02	Nr	5,180	2,132
Financial						
Sales	Volumes	Volume of sales to households (metered)	W.3.A.01	m3	14,714,305	15,560,617
		Volume of sales to households (metered) relative to plan estimates	W.3.A.02	% of plan estimate	86%	81%
		Volume of sales to households (un-metered)	W.3.A.03	m3	500,630	750,951
		Volume of sales to households (un-metered) relative to plan estimates	W.3.A.04	% of plan estimate	91%	273%
		Volume of sales to com & inst (metered)	W.3.A.05	m3	3,870,125	4,048,894
		Volume of sales to com & inst (metered) relative to plan estimates	W.3.A.06	% of plan estimate	82%	84%
		Volume of sales to com & inst (un-metered)	W.3.A.07	m3	17,307	22,570
		Volume of sales to com & inst (un-metered) relative to plan estimates	W.3.A.08	% of plan estimate	245%	0%
	Values	Value of water sales to households	W.3.A.09	EUR	6,866,726	7,547,790
		Value of water sales to households relative to plan estimates	W.3.A.10	% of plan estimate	88%	87%
		Value of water sales to com & inst	W.3.A.11	EUR	3,786,281	4,040,122
		Value of water sales to com & inst relative to plan estimates	W.3.A.12	% of plan estimate	84%	87%
Unit costs	Production	Unit operational cost of water production	W.3.B.01	EUR/m3	0.063	0.056
		Unit total cost of water production	W.3.B.02	EUR/m3	0.067	0.060
	Total costs	Unit cost of water sold	W.3.B.03	EUR/m3	0.495	0.450
		Unit cost of water sold and paid for	W.3.B.04	EUR/m3	N/A	N/A
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	W.3.C.01	EUR	519,660	231,031
		Total capital maintenance expenditure relative to plan	W.3.C.02	% of plan estimate	8%	4%
		Total capital maintenance expenditure relative to RAB	W.3.C.03	% of RAB	2.4%	1.1%
	Capital enhancement	Total capital enhancement expenditure	W.3.C.04	EUR	933,493	708,777
		Total capital enhancement expenditure relative to plan	W.3.C.05	% of plan estimate	7.8%	6.0%

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2014	2015
S - Sewerage (wastewater)						
Non-financial (technical)						
Standards of service	Discharge quality	Discharge quality	S.1.A.01	% e tes. të kaluara	N/A	N/A
Reliability	Sewer overflows	Sewer overflows	S.1.B.01	Nr	3,705	2,716
		Sewer overflows per 100 km of pipe	S.1.B.02	Nr per 100 km	1,090	799
Serviceability	Sewer collapses	Sewer collapses	S.1.C.01	Nr	0	0
		Sewer collapses per 100 km of pipe	S.1.C.02	Nr per 100 km	0	0
	WWTP overflows	Wastewater treatment plan overflows	S.1.C.03	Nr	N/A	N/A
Non-financial (commercial)						
Service coverage	Households	Households served	S.2.A.01	Nr	75,992	82,670
		Coverage (households served relative to total)	S.2.A.02	% total households	83%	89%
		Households served with wastewater treatment	S.2.A.03	Nr	0	0
		Coverage (households served with wastewater treatment relative to total)	S.2.A.04	% households	0%	0%
	New connections	New connections (household)	S.2.A.05	Nr	6,479	6,877
		New connections (commercial and institutional)	S.2.A.06	Nr	985	861
Complaints	Complaints	Complaints received (technical)	S.2.B.01	Nr	58	0
		Complaints received (commercial)	S.2.B.02	Nr	0	0
Financial						
Sales	Values	Value of sales to households	S.3.A.01	EUR	629,710	698,521
		Value of sales to households relative to plan	S.3.A.02	% of plan estimate	88%	88%
		Value of sales to com & inst	S.3.A.03	EUR	417,861	439,251
		Value of sales to com & inst relative to plan	S.3.A.04	% of plan estimate	84%	86%
Unit costs	Treatment and disposal	Unit operational cost of treatment and disposal per m3	S.3.B.01	EUR/m3	N/A	N/A
		Unit total cost of treatment and disposal per m3	S.3.B.02	EUR/m3	N/A	N/A
		Unit operational cost of treatment and disposal per household	S.3.B.03	EUR/household	N/A	N/A
		Unit total cost of treatment and disposal per household	S.3.B.04	EUR/household	N/A	N/A
	Collection	Unit operational cost of wastewater collection per household	S.3.B.05	EUR/household	N/A	N/A
		Unit total cost of wastewater collection per household	S.3.B.06	EUR/household	N/A	N/A
		Unit operational cost of wastewater services per household	S.3.B.07	EUR/household	2.95	1.5
		Unit total cost of wastewater services per household	S.3.B.08	EUR/household	3.13	1.64
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	S.3.C.01	EUR	10,303	6,196
		Total capital maintenance expenditure relative to plan	S.3.C.02	% of plan estimate	156%	3%
		Total capital maintenance expenditure relative to RAB	S.3.C.03	% of RAB	0.1%	0.1%
	Capital enhancement	Total capital enhancement expenditure	S.3.C.04	EUR	129,248	15,123
		Total capital enhancement expenditure relative to plan	S.3.C.05	% of plan estimate	257%	27%
F – Financial						
Sales and revenue collection						
Sales	Total sales		F.1.A.01	EUR	11,700,579	12,725,684
	Total sales relative to plan		F.1.A.02	% of plan estimate	87%	87%
Collection efficiency	Total revenue collection		F.1.B.01	EUR	9,323,407	9,609,573
	Total revenue collection out-performance		F.1.B.02	EUR	-359,632	-1,786,832
	Total revenue collection out-performance(relative)		F.1.B.03	% of plan estimate	96%	84%
	Total revenues written off		F.1.B.04	EUR	2,972,244	2,377,172
	Total revenues written off relative to billing		F.1.B.05	% of billing	25%	19%
	Revenue collection relative to billing		F.1.B.06	% of billing	80%	76%
	Accounts receivable		F.1.B.07	EUR	N/A	N/A
	Accounts receivable relative to turnover		F.1.B.08	Days turnover	N/A	N/A
Key financial values and ratios						
Values		Free cash flow	F.2.A.01	EUR	N/A	N/A
Ratios	Returns	Return on capital	F.2.B.01	%	-2.05%	4.82%
		Cost of debit	F.2.B.02	%	N/A	N/A
	Ratios	Gearing	F.2.B.03	ratios	N/A	N/A
		Cash interest cover	F.2.B.04	Ratios	N/A	N/A
		Funds from operations/debtsi	F.2.B.05	Ratios	N/A	N/A
		Cash interest cover	F.2.B.06	Ratios	N/A	N/A

RWC Hidroregjioni Jugor (Prizren)

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2014	2015
W – Water supply						
Non-financial (technical)						
Standards of service	Quality	Water quality (bacteriological)	W.1.A.01	% pass	88.0%	92.9%
		Water quality (physical and chemical)	W.1.A.02	% pass	99.6%	99.7%
	Pressure	Water quality (bacteriological)	W.1.A.03	Nr	0	0
		Water quality (physical and chemical)	W.1.A.04	% properties	0%	0%
	Reliability	Properties affected by low pressure	W.1.A.05	Nr	34,148	35,965
		Properties affected by low pressure	W.1.A.06	% properties	99%	99%
		Properties with 24 hour supply	W.1.A.07	Nr	200	200
		Properties with 24 hour supply	W.1.A.08	% properties	1%	1%
		Properties with 18-24 hour supply	W.1.A.09	Nr	300	200
		Properties with 18-24 hour supply	W.1.A.10	% properties	1%	1%
Infrastructure serviceability	Non-revenue water	Non revenue water (total)	W.1.B.01	m3 per day	9,063,577	10,010,227
		Non revenue water (per connection)	W.1.B.02	litres per cust. per day	705	654
		Non revenue water (per connection) - adjusted	W.1.B.03	litres per cust. per day	707	655
		Non revenue water (relative to production)	W.1.B.04	% production	59%	58%
	Pipe bursts	Pipe network bursts frequency	W.1.B.05	bursts per month	226	156
		Pipe network bursts per 100 km of pipe	W.1.B.06	Nr / 100 km	532	366
Non-financial (commercial)						
Service coverage	Households	Households served	W.2.A.01	Nr	34,648	36,366
		Coverage (households served relative to total)	W.2.A.02	% total households	65%	67%
	New connections	New connections (household)	W.2.A.03	Nr	2,021	1,415
		New connections (commercial and institutional)	W.2.A.04	Nr	258	189
Metering	Metering rate	Metered households relative to total households	W.2.B.01	% households	97%	95%
		Metered com & inst relative to total com & inst.	W.2.B.02	% com & inst	99%	98
	Meters installed ar	Meters installed (households)	W.2.B.03	Nr	1,425	0
		Meters installed (com & inst)	W.2.B.04	Nr	255	0
Complaints	Complaints	Complaints received (technical)	W.2.C.01	Nr	719	878
		Complaints received (commercial)	W.2.C.02	Nr	742	510
Financial						
Sales	Volumes	Volume of sales to households (metered)	W.3.A.01	m3	5,569,102	5,335,395
		Volume of sales to households (metered) relative to plan estimates	W.3.A.02	% of plan estimate	86%	76%
		Volume of sales to households (un-metered)	W.3.A.03	m3	373,394	773,761
		Volume of sales to households (un-metered) relative to plan estimates	W.3.A.04	% of plan estimate	112%	243%
		Volume of sales to com & inst (metered)	W.3.A.05	m3	1,209,840	1,084,407
		Volume of sales to com & inst (metered) relative to plan estimates	W.3.A.06	% of plan estimate	82%	70%
		Volume of sales to com & inst (un-metered)	W.3.A.07	m3	28,473	104,899
		Volume of sales to com & inst (un-metered) relative to plan estimates	W.3.A.08	% of plan estimate	336%	1,727%
	Values	Value of water sales to households	W.3.A.09	EUR	2,528,886	2,631,707
		Value of water sales to households relative to plan estimates	W.3.A.10	% of plan estimate	89%	85%
		Value of water sales to com & inst	W.3.A.11	EUR	1,049,149	1,020,192
		Value of water sales to com & inst relative to plan estimates	W.3.A.12	% of plan estimate	95%	81%
Unit costs	Production	Unit operational cost of water production	W.3.B.01	EUR/m3	0.083	0.082
		Unit total cost of water production	W.3.B.02	EUR/m3	0.085	0.085
	Total costs	Unit cost of water sold	W.3.B.03	EUR/m3	0.413	0.396
		Unit cost of water sold and paid for	W.3.B.04	EUR/m3	N/A	N/A
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	W.3.C.01	EUR	116,345	95,636
		Total capital maintenance expenditure relative to plan	W.3.C.02	% of plan estimate	84%	26%
		Total capital maintenance expenditure relative to RAB	W.3.C.03	% of RAB	1.7%	1.4%
	Capital enhancement	Total capital enhancement expenditure	W.3.C.04	EUR	702,350	198,937
		Total capital enhancement expenditure relative to plan	W.3.C.05	% of plan estimate	17.2%	3.5%
S - Sewerage (wastewater)						

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2014	2015
Jo-financiar (teknik)						
Standards of service	Discharge quality	Discharge quality	S.1.A.01	% pass	N/A	N/A
Reliability	Sewer overflows	Sewer overflows	S.1.B.01	Nr	811	987
		Sewer overflows per 100 km of pipe	S.1.B.02	Nr per 100 km	300	366
Serviceability	Sewer collapses	Sewer collapses	S.1.C.01	Nr	88	45
		Sewer collapses per 100 km of pipe	S.1.C.02	Nr per 100 km	32.6	16.7
	WWTP overflows	Wastewater treatment plant overflows	S.1.C.03	Nr	N/A	N/A
Non-financial (commercial)						
Service coverage	Households	Households served	S.2.A.01	Nr	29,811	31,292
		Coverage (households served relative to total)	S.2.A.02	% total households	56%	58%
		Households served with wastewater treatment	S.2.A.03	Nr	0	0
		Coverage (households served with wastewater treatment relative to total)	S.2.A.04	% households	0%	0%
	New connections	New connections (household)	S.2.A.05	Nr	1,837	1,126
		New connections (commercial and institutional)	S.2.A.06	Nr	269	174
Complaints	Complaints	Complaints received (technical)	S.2.B.01	Nr	45	0
		Complaints received (commercial)	S.2.B.02	Nr	20	0
Financial						
Sales	Values	Value of sales to households	S.3.A.01	EUR	251,306	312,973
		Value of sales to households relative to plan	S.3.A.02	% of plan estimate	89%	91%
		Value of sales to com & inst	S.3.A.03	EUR	107,579	126,748
		Value of sales to com & inst relative to plan	S.3.A.04	% of plan estimate	83%	76%
Unit costs	Treatment and disposal	Unit operational cost of treatment and disposal per m3	S.3.B.01	EUR/m3	N/A	N/A
		Unit total cost of treatment and disposal per m3	S.3.B.02	EUR/m3	N/A	N/A
		Unit operational cost of treatment and disposal per household	S.3.B.03	EUR/household	N/A	N/A
		Unit total cost of treatment and disposal per household	S.3.B.04	EUR/household	N/A	N/A
	Collection	Unit operational cost of wastewater collection per household	S.3.B.05	EUR/household	N/A	N/A
		Unit total cost of wastewater collection per household	S.3.B.06	EUR/household	N/A	N/A
		Unit operational cost of wastewater services per household	S.3.B.07	EUR/household	4.53	10.62
		Unit total cost of wastewater services per household	S.3.B.08	EUR/household	4.58	10.67
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	S.3.C.01	EUR	0	0
		Total capital maintenance expenditure relative to plan	S.3.C.02	% of plan estimate	0%	0%
		Total capital maintenance expenditure relative to RAB	S.3.C.03	% of RAB	0%	0%
	Rritja kapitale	Total capital enhancement expenditure	S.3.C.04	EUR	176,040	856,593
		Total capital enhancement expenditure relative to plan	S.3.C.05	% of plan estimate	88.5%	15.8%
F – Financial						
Sales and revenue collection						
Sales	Total sales		F.1.A.01	EUR	3,936,920	4,091,619
	Total sales relative to plan		F.1.A.02	% of plan estimate	90%	84%
Collection efficiency	Total revenue collection		F.1.B.01	EUR	2,971,440	3,036,614
	Total revenue collection out-performance		F.1.B.02	EUR	-326,042	-758,837
	Total revenue collection out-performance(relative)		F.1.B.03	% of plan estimate	90%	80%
	Total revenues written off		F.1.B.04	EUR	1,156,590	965,480
	Total revenues written off relative to billing		F.1.B.05	% of billing	29%	24%
	Revenue collection relative to billing		F.1.B.06	% of billing	75%	74%
	Accounts receivable		F.1.B.07	EUR	N/A	N/A
	Accounts receivable relative to turnover		F.1.B.08	Days turnover	N/A	N/A
Key financial values and ratios						
Values		Free cash flow	F.2.A.01	EUR	N/A	N/A
Ratios	Return on capital Cost of debit	Return on capital	F.2.B.01	%	-2.68%	-0.84%
		Cost of debit	F.2.B.02	%	N/A	N/A
	Gearing Cash interest cover	Gearing	F.2.B.03	ratios	N/A	N/A
		Cash interest cover	F.2.B.04	ratios	N/A	N/A
	Funds from operations/debtsi	Funds from operations/debtsi	F.2.B.05	ratios	N/A	N/A
	Cash interest cover	Cash interest cover	F.2.B.06	ratios	N/A	N/A

RWC Hidrodrini (Peja)

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2014	2015
W - Water supply						
Non-financial (technical)						
Standards of service	Quality	Water quality (bacteriological)	W.1.A.01	% pass	97.7%	92%
		Water quality (physical and chemical)	W.1.A.02	% pass	96.3%	93%
	Pressure	Properties affected by low pressure	W.1.A.03	Nr	0	0
		Properties affected by low pressure	W.1.A.04	% properties	0%	0%
	Reliability	Properties with 24 hour supply	W.1.A.05	Nr	34,467	36,908
		Properties with 24 hour supply	W.1.A.06	% properties	99%	100%
		Properties with 18-24 hour supply	W.1.A.07	Nr	205	14
		Properties with 18-24 hour supply	W.1.A.08	% properties	1%	0%
		Properties with less than 18 hours supply	W.1.A.09	Nr	0	0
		Properties with less than 18 hours supply	W.1.A.10	% properties	0%	0%
Infrastructure serviceability	Non-revenue water	Non revenue water (total)	W.1.B.01	m3 per day	21,095,517	16,776,858
		Non revenue water (per connection)	W.1.B.02	litres per cust. per day	1,475	1,101
		Non revenue water (per connection) - adjusted	W.1.B.03	litres per cust. per day	1,476	1,101
		Non revenue water (relative to production)	W.1.B.04	% production	71%	66%
	Pipe bursts	Pipe network bursts frequency	W.1.B.05	bursts per month	128	57
		Pipe network bursts per 100 km of pipe	W.1.B.06	Nr / 100 km	256	116
Non-financial (commercial)						
Service coverage	Households	Households served	W.2.A.01	Nr	34,672	36,921
		Coverage (households served relative to total)	W.2.A.02	% total households	91%	95%
	New connections	New connections (household)	W.2.A.03	Nr	1,854	2,644
		New connections (commercial and institutional)	W.2.A.04	Nr	315	280
Metering	Metering rate	Metered households relative to total households	W.2.B.01	% households	93%	95%
		Metered com & inst relative to total com & inst.	W.2.B.02	% com & inst	97%	96%
	Meters installed	Meters installed (households)	W.2.B.03	Nr	549	1,057
		Meters installed (com & inst)	W.2.B.04	Nr	0	49
Complaints	Complaints	Complaints received (technical)	W.2.C.01	Nr	2,284	2,485
		Complaints received (commercial)	W.2.C.02	Nr	137	68
Financial						
Sales	Volumes	Volume of sales to households (metered)	W.3.A.01	m3	6,225,017	6,766,061
		Volume of sales to households (metered) relative to plan estimates	W.3.A.02	% of plan estimate	89%	89%
		Volume of sales to households (un-metered)	W.3.A.03	m3	582,557	186,505
		Volume of sales to households (un-metered) relative to plan estimates	W.3.A.04	% of plan estimate	110%	63%
		Volume of sales to com & inst (metered)	W.3.A.05	m3	1,842,120	1,825,801
		Volume of sales to com & inst (metered) relative to plan estimates	W.3.A.06	% of plan estimate	107%	104%
		Volume of sales to com & inst (un-metered)	W.3.A.07	m3	37,661	4,763
		Volume of sales to com & inst (un-metered) relative to plan estimates	W.3.A.08	% of plan estimate	75%	24%
	Values	Value of water sales to households	W.3.A.09	EUR	1,928,543	2,085,403
		Value of water sales to households relative to plan estimates	W.3.A.10	% of plan estimate	90%	91%
		Value of water sales to com & inst	W.3.A.11	EUR	1,043,313	1,044,944
		Value of water sales to com & inst relative to plan estimates	W.3.A.12	% of plan estimate	106%	104%
Unit costs	Production	Unit operational cost of water production	W.3.B.01	EUR/m3	0.005	0.006
		Unit total cost of water production	W.3.B.02	EUR/m3	0.006	0.007
	Total costs	Unit cost of water sold	W.3.B.03	EUR/m3	0.235	0.242
		Unit cost of water sold and paid for	W.3.B.04	EUR/m3	N/A	N/A
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	W.3.C.01	EUR	0	0
		Total capital maintenance expenditure relative to plan	W.3.C.02	% of plan estimate	0%	0%
		Total capital maintenance expenditure relative to RAB	W.3.C.03	% of RAB	0%	0
	Capital enhancement	Total capital enhancement expenditure	W.3.C.04	EUR	733,396	1,939,872
		Total capital enhancement expenditure relative to plan	W.3.C.05	% of plan estimate	43%	236%
Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2014	2015

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2014	2015
S - Sewerage (wastewater)						
Non-financial (technical)						
Standards of service	Discharge quality	Discharge quality	S.1.A.01	% pass	N/A	N/A
Reliability	Sewer overflows	Sewer overflows	S.1.B.01	Nr	670	169
		Sewer overflows per 100 km of pipe	S.1.B.02	Nr per 100 km	531	133
Serviceability	Sewer collapses	Sewer collapses	S.1.C.01	Nr	0	0
		Sewer collapses per 100 km of pipe	S.1.C.02	Nr per 100 km	0	0
	WWTP overflows	Wastewater treatment plant overflows	S.1.C.03	Nr	N/A	N/A
Non-financial (commercial)						
Service coverage	Households	Households served	S.2.A.01	Nr	14,268	14,765
		Coverage (households served relative to total)	S.2.A.02	% total households	37%	38%
		Households served with wastewater treatment	S.2.A.03	Nr	0	0
		Coverage (households served with wastewater treatment relative to total)	S.2.A.04	% households	0%	0%
	New connections	New connections (household)	S.2.A.05	Nr	573	421
		New connections (commercial and institutional)	S.2.A.06	Nr	92	83
Complaints	Complaints	Complaints received (technical)	S.2.B.01	Nr	1,134	1,084
		Complaints received (commercial)	S.2.B.02	Nr	0	0
Financial						
Sales	Values	Value of sales to households	S.3.A.01	EUR	174,736	167,791
		Value of sales to households relative to plan	S.3.A.02	% of plan estimate	95%	89%
		Value of sales to com & inst	S.3.A.01	EUR	147,064	144,357
		Value of sales to com & inst relative to plan	S.3.A.02	% of plan estimate	103%	101%
Unit costs	Treatment and disposal	Unit operational cost of treatment and disposal per m3	S.3.B.01	EUR/m3	N/A	N/A
		Unit total cost of treatment and disposal per m3	S.3.B.02	EUR/m3	N/A	N/A
		Unit operational cost of treatment and disposal per household	S.3.B.03	EUR/ household	N/A	N/A
		Unit total cost of treatment and disposal per household	S.3.B.04	EUR/ household	N/A	N/A
	Collection	Unit operational cost of wastewater collection per household	S.3.B.05	EUR/ household	N/A	N/A
		Unit total cost of wastewater collection per household	S.3.B.06	EUR/ household	N/A	N/A
		Unit operational cost of wastewater services per household	S.3.B.07	EUR/ household	4.35	5.26
		Unit total cost of wastewater services per household	S.3.B.08	EUR/ household	4.44	5.38
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	S.3.C.01	EUR	35,407	0
		Total capital maintenance expenditure relative to plan	S.3.C.02	% of plan estimate	11,827%	0%
		Total capital maintenance expenditure relative to RAB	S.3.C.03	% of RAB	2.6%	0%
	Capital enhancement	Total capital enhancement expenditure	S.3.C.04	EUR	33,205	88,980
		Total capital enhancement expenditure relative to plan	S.3.C.05	% of plan estimate	67%	41%
F – Financial						
Sales and revenue collection						
Sales	Total sales		F.1.A.01	% of plan estimate	3,293,657	3,442,495
	Total sales relative to plan		F.1.A.02	EUR	96%	95%
Collection efficiency	Total revenue collection		F.1.B.01	EUR	2,227,300	2,504,323
	Total revenue collection out-performance		F.1.B.02	% of plan estimate	-116,465	-151,386
	Total revenue collection out-performance(relative)		F.1.B.03	EUR	95%	94%
	Total revenues written off		F.1.B.04	% of billing	1,033,488	1,066,356
	Total revenues written off relative to billing		F.1.B.05	% of billing	31%	31%
	Revenue collection relative to billing		F.1.B.06	EUR	68%	73%
	Accounts receivable		F.1.B.07	Days turnover	N/A	N/A
	Accounts receivable relative to turnover		F.1.B.08	% of plan estimate	N/A	N/A
Key financial values and ratios						
Values	Free cash flow		F.2.A.01	EUR	N/A	N/A
Ratios	Returns	Return on capital	F.2.B.01	%	2.16%	2.53%
		Cost of debt	F.2.B.02	%	N/A	N/A
	Ratios	Gearing	F.2.B.03	ratio	N/A	N/A
		Cash interest cover	F.2.B.04	ratio	N/A	N/A

RWC Mitrovica (Mitrovica)

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2014	2015
W - Water supply						
Non-financial (technical)						
Standards of service	Quality	Water quality (bacteriological)	W.1.A.01	% pass	99.0%	98%
		Water quality (physical and chemical)	W.1.A.02	% pass	98.1%	98%
	Pressure	Properties affected by low pressure	W.1.A.03	Nr	0	1,225
		Properties affected by low pressure	W.1.A.04	% properties	0%	5.6%
	Reliability	Properties with 24 hour supply	W.1.A.05	Nr	12,995	19,307
		Properties with 24 hour supply	W.1.A.06	% properties	62%	88%
		Properties with 18-24 hour supply	W.1.A.07	Nr	3,250	1,750
		Properties with 18-24 hour supply	W.1.A.08	% properties	15%	8%
		Properties with less than 18 hours supply	W.1.A.09	Nr	4,818	891
		Properties with less than 18 hours supply	W.1.A.10	% properties	23%	4%
Infrastructure serviceability	Non-revenue water	Non revenue water (total)	W.1.B.01	m3 per day	11,544,636	13,884,319
		Non revenue water (per connection)	W.1.B.02	litres per cust. per day	1,359	1,552
		Non revenue water (per connection) - adjusted	W.1.B.03	litres per cust. per day	1,472	1,584
		Non revenue water (relative to production)	W.1.B.04	% production	59%	60%
	Pipe bursts	Pipe network bursts frequency	W.1.B.05	bursts per month	106	96
		Pipe network bursts per 100 km of pipe	W.1.B.06	Nr / 100 km	184	165
Non-financial (commercial)						
Service coverage	Households	Households served	W.2.A.01	Nr	21,063	21,948
		Coverage (households served relative to total)	W.2.A.02	% total households	63%	65%
	New connections	New connections (household)	W.2.A.03	Nr	-787	2,557
		New connections (commercial and institutional)	W.2.A.04	Nr	-111	810
Metering	Metering rate	Metered households relative to total households	W.2.B.01	% households	64%	65%
		Metered com & inst relative to total com & inst.	W.2.B.02	% com & inst	90%	92%
	Meters installed	Meters installed (households)	W.2.B.03	Nr	999	390
		Meters installed (com & inst)	W.2.B.04	Nr	75	0
Complaints	Complaints	Complaints received (technical)	W.2.C.01	Nr	1,275	1,147
		Complaints received (commercial)	W.2.C.02	Nr	51	162
Financial						
Sales	Volumes	Volume of sales to households (metered)	W.3.A.01	m3	1,824,054	2,045,301
		Volume of sales to households (metered) relative to plan estimates	W.3.A.02	% of plan estimate	89%	51%
		Volume of sales to households (un-metered)	W.3.A.03	m3	1,995,938	1,924,824
		Volume of sales to households (un-metered) relative to plan estimates	W.3.A.04	% of plan estimate	113%	118%
		Volume of sales to com & inst (metered)	W.3.A.05	m3	486,865	564,024
		Volume of sales to com & inst (metered) relative to plan estimates	W.3.A.06	% of plan estimate	94%	102%
		Volume of sales to com & inst (un-metered)	W.3.A.07	m3	36,714	28,641
		Volume of sales to com & inst (un-metered) relative to plan estimates	W.3.A.08	% of plan estimate	96%	120%
	Values	Value of water sales to households	W.3.A.09	EUR	1,588,268	1,661,854
		Value of water sales to households relative to plan estimates	W.3.A.10	% of plan estimate	100%	73%
		Value of water sales to com & inst	W.3.A.11	EUR	441,497	507,532
		Value of water sales to com & inst relative to plan estimates	W.3.A.12	% of plan estimate	94%	101%
Unit costs	Production	Unit operational cost of water production	W.3.B.01	EUR/m3	0.0398	0.0426
		Unit total cost of water production	W.3.B.02	EUR/m3	0.041	0.043
	Total costs	Unit cost of water sold	W.3.B.03	EUR/m3	0.350	0.392
		Unit cost of water sold and paid for	W.3.B.04	EUR/m3	N/A	N/A
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	W.3.C.01	EUR	0	0
		Total capital maintenance expenditure relative to plan	W.3.C.02	% of plan estimate	0%	0%
		Total capital maintenance expenditure relative to RAB	W.3.C.03	% of RAB	0%	0%
	Capital enhancement	Total capital enhancement expenditure	W.3.C.04	EUR	0	0
		Total capital enhancement expenditure relative to plan	W.3.C.05	% of plan estimate	0%	0%

Category / sub-category	Sub-sub- category	Indicator	Ref	Unit	2014	2015
S - Sewerage (wastewater)						
Non-financial (technical)						
Standards of service	Discharge quality	Discharge quality	S.1.A.01	% pass	N/A	N/A
Reliability	Sewer overflows	Sewer overflows	S.1.B.01	Nr	1,049	1,049
		Sewer overflows per 100 km of pipe	S.1.B.02	Nr per 100 km	583	519
Serviceability	Sewer collapses	Sewer collapses	S.1.C.01	Nr	0	0
		Sewer collapses per 100 km of pipe	S.1.C.02	Nr per 100 km	0	0
	WWTP overflows	Wastewater treatment plan overflows	S.1.C.03	Nr	N/A	N/A
Non-financial (commercial)						
Service coverage	Households	Households served	S.2.A.01	Nr	16,659	17,308
		Coverage (households served relative to total)	S.2.A.02	% total households	50%	51%
		Households served with wastewater treatment	S.2.A.03	Nr	1,616	2,198
		Coverage (households served with wastewater treatment relative to total)	S.2.A.04	% households	9.7%	12.7%
	New connections	New connections (household)	S.2.A.05	Nr	663	636
		New connections (commercial and institutional)	S.2.A.06	Nr	-92	454
Complaints	Complaints	Complaints received (technical)	S.2.B.01	Nr	1,045	1,591
		Complaints received (commercial)	S.2.B.02	Nr	1	0
Financial						
Sales	Values	Value of sales to households	S.3.A.01	EUR	287,378	297,354
		Value of sales to households relative to plan	S.3.A.02	% of plan estimate	103%	79%
		Value of sales to com & inst	S.3.A.01	EUR	123,415	142,055
		Value of sales to com & inst relative to plan	S.3.A.02	% of plan estimate	93%	118%
Unit costs	Treatment and disposal	Unit operational cost of treatment and disposal per m3	S.3.B.01	EUR/m3	N/A	N/A
		Unit total cost of treatment and disposal per m3	S.3.B.02	EUR/m3	N/A	N/A
		Unit operational cost of treatment and disposal per household	S.3.B.03	EUR/ household	N/A	N/A
		Unit total cost of treatment and disposal per household	S.3.B.04	EUR/ household	N/A	N/A
	Collection	Unit operational cost of wastewater collection per household	S.3.B.05	EUR/ household	N/A	N/A
		Unit total cost of wastewater collection per household	S.3.B.06	EUR/ household	N/A	N/A
		Unit operational cost of wastewater services per household	S.3.B.07	EUR/ household	5.05	16.38
		Unit total cost of wastewater services per household	S.3.B.08	EUR/ household	5.06	16.39
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	S.3.C.01	EUR	0	0
		Total capital maintenance expenditure relative to plan	S.3.C.02	% of plan estimate	0%	0%
		Total capital maintenance expenditure relative to RAB	S.3.C.03	% of RAB	0%	0%
	Capital enhancement	Total capital enhancement expenditure	S.3.C.04	EUR	0	0
		Total capital enhancement expenditure relative to plan	S.3.C.05	% of plan estimate	0%	0%
F – Financial						
Sales and revenue collection						
Sales	Total sales		F.1.A.01	EUR	2,440,559	2,608,795
	Total sales relative to plan		F.1.A.02	% of plan estimate	99%	80%
Collection efficiency	Total revenue collection		F.1.B.01	EUR	1,179,868	1,455,631
	Total revenue collection out-performance		F.1.B.02	EUR	-169,111	-466,181
	Total revenue collection out-performance(relative)		F.1.B.03	% of plan estimate	87%	76%
	Total revenues written off		F.1.B.04	EUR	1,226,244	1,260,692
	Total revenues written off relative to billing		F.1.B.05	% of billing	50%	48%
	Revenue collection relative to billing		F.1.B.06	% of billing	48%	56%
	Accounts receivable		F.1.B.07	EUR	N/A	N/A
	Accounts receivable relative to turnover		F.1.B.08	Days turnover	N/A	N/A
Key financial values and ratios						
Values		Free cash flow	F.2.A.01	EUR	N/A	N/A
Ratios	Returns	Return on capital	F.2.B.01	%	-4.00%	-11.10
		Cost of debt	F.2.B.02	%	N/A	N/A
	Ratios	Gearing	F.2.B.03	ratio	N/A	N/A
		Cash interest cover	F.2.B.04	ratio	N/A	N/A

RWC Radoniqi (Gjakova)

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2014	2015
W - Water supply						
Non-financial (technical)						
Standards of service	Quality	Water quality (bacteriological)	W.1.A.01	% pass	98.5%	100%
		Water quality (physical and chemical)	W.1.A.02	% pass	100%	100%
	Pressure	Properties affected by low pressure	W.1.A.03	Nr	303	140
		Properties affected by low pressure	W.1.A.04	% properties	1.14%	0.50%
	Reliability	Properties with 24 hour supply	W.1.A.05	Nr	26,001	27,813
		Properties with 24 hour supply	W.1.A.06	% properties	98%	99%
		Properties with 18-24 hour supply	W.1.A.07	Nr	155	155
		Properties with 18-24 hour supply	W.1.A.08	% properties	1%	1%
		Properties with less than 18 hours supply	W.1.A.09	Nr	350	155
		Properties with less than 18 hours supply	W.1.A.10	% properties	1%	1%
Infrastructure serviceability	Non-revenue water	Non revenue water (total)	W.1.B.01	m3 per day	6,827,068	6,642,820
		Non revenue water (per connection)	W.1.B.02	litres per cust. per day	622	571
		Non revenue water (per connection) - adjusted	W.1.B.03	litres per cust. per day	624	573
		Non revenue water (relative to production)	W.1.B.04	% production	50%	48%
	Pipe bursts	Pipe network bursts frequency	W.1.B.05	bursts per month	200	176
		Pipe network bursts per 100 km of pipe	W.1.B.06	Nr / 100 km	445	392
Non-financial (commercial)						
Service coverage	Households	Households served	W.2.A.01	Nr	26,506	28,123
		Coverage (households served relative to total)	W.2.A.02	% total households	96%	99%
	New connections	New connections (household)	W.2.A.03	Nr	1,575	1,660
		New connections (commercial and institutional)	W.2.A.04	Nr	172	123
Metering	Metering rate	Metered households relative to total households	W.2.B.01	% households	95%	95%
		Metered com & inst relative to total com & inst.	W.2.B.02	% com & inst	100%	100%
	Meters installed	Meters installed (households)	W.2.B.03	Nr	307	373
		Meters installed (com & inst)	W.2.B.04	Nr	0	11
Complaints	Complaints	Complaints received (technical)	W.2.C.01	Nr	10	43
		Complaints received (commercial)	W.2.C.02	Nr	387	345
Financial						
Sales	Volumes	Volume of sales to households (metered)	W.3.A.01	m3	5,474,933	5,878,972
		Volume of sales to households (metered) relative to plan estimates	W.3.A.02	% of plan estimate	91%	96%
		Volume of sales to households (un-metered)	W.3.A.03	m3	443,995	389,300
		Volume of sales to households (un-metered) relative to plan estimates	W.3.A.04	% of plan estimate	83%	75%
		Volume of sales to com & inst (metered)	W.3.A.05	m3	781,225	810,875
		Volume of sales to com & inst (metered) relative to plan estimates	W.3.A.06	% of plan estimate	95%	97%
		Volume of sales to com & inst (un-metered)	W.3.A.07	m3	0	0
		Volume of sales to com & inst (un-metered) relative to plan estimates	W.3.A.08	% of plan estimate	0%	0%
	Values	Value of water sales to households	W.3.A.09	EUR	2,374,005	2,548,861
		Value of water sales to households relative to plan estimates	W.3.A.10	% of plan estimate	89%	95%
		Value of water sales to com & inst	W.3.A.11	EUR	628,349	690,129
		Value of water sales to com & inst relative to plan estimates	W.3.A.12	% of plan estimate	90%	96%
Unit costs	Production	Unit operational cost of water production	W.3.B.01	EUR/m3	0.0221	0.0250
		Unit total cost of water production	W.3.B.02	EUR/m3	0.026	0.031
	Total costs	Unit cost of water sold	W.3.B.03	EUR/m3	0.354	0.371
		Unit cost of water sold and paid for	W.3.B.04	EUR/m3	N/A	N/A
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	W.3.C.01	EUR	14,998	402,116
		Total capital maintenance expenditure relative to plan	W.3.C.02	% of plan estimate	2%	54%
		Total capital maintenance expenditure relative to RAB	W.3.C.03	% of RAB	0.2%	5.9%
	Capital enhancement	Total capital enhancement expenditure	W.3.C.04	EUR	1,116,064	862,304
		Total capital enhancement expenditure relative to plan	W.3.C.05	% of plan estimate	449%	25%
Category / sub-category	Sub-sub- category	Indicator	Ref	Unit	2014	2015

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2014	2015
S - Sewerage (wastewater)						
Non-financial (technical)						
Standards of service	Discharge quality	Discharge quality	S.1.A.01	% pass	N/A	N/A
Reliability	Sewer overflows	Sewer overflows	S.1.B.01	Nr	767	749
		Sewer overflows per 100 km of pipe	S.1.B.02	Nr per 100 km	990	945
Serviceability	Sewer collapses	Sewer collapses	S.1.C.01	Nr	0	0
		Sewer collapses per 100 km of pipe	S.1.C.02	Nr per 100 km	0	0
	WWTP overflows	Wastewater treatment plant overflows	S.1.C.03	Nr	N/A	N/A
Non-financial (commercial)						
Service coverage	Households	Households served	S.2.A.01	Nr	14,173	17,356
		Coverage (households served relative to total)	S.2.A.02	% total households	52%	61%
		Households served with wastewater treatment	S.2.A.03	Nr	0	0
		Coverage (households served with wastewater treatment relative to total)	S.2.A.04	% households	0%	0%
	New connections	New connections (household)	S.2.A.05	Nr	391	5,976
		New connections (commercial and institutional)	S.2.A.06	Nr	103	473
Complaints	Complaints	Complaints received (technical)	S.2.B.01	Nr	113	254
		Complaints received (commercial)	S.2.B.02	Nr	0	22
Financial						
Sales	Values	Value of sales to households	S.3.A.01	EUR	265,065	372,962
		Value of sales to households relative to plan	S.3.A.02	% of plan estimate	93%	114%
		Value of sales to com & inst	S.3.A.01	EUR	115,570	139,979
		Value of sales to com & inst relative to plan	S.3.A.02	% of plan estimate	94%	113%
Unit costs	Treatment and disposal	Unit operational cost of treatment and disposal per m3	S.3.B.01	EUR/m3	N/A	N/A
		Unit total cost of treatment and disposal per m3	S.3.B.02	EUR/m3	N/A	N/A
		Unit operational cost of treatment and disposal per household	S.3.B.03	EUR/ household	N/A	N/A
		Unit total cost of treatment and disposal per household	S.3.B.04	EUR/ household	N/A	N/A
	Collection	Unit operational cost of wastewater collection per household	S.3.B.05	EUR/ household	N/A	N/A
		Unit total cost of wastewater collection per household	S.3.B.06	EUR/ household	N/A	N/A
		Unit operational cost of wastewater services per household	S.3.B.07	EUR/ household	10.16	7.84
		Unit total cost of wastewater services per household	S.3.B.08	EUR/ household	10.85	8.93
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	S.3.C.01	EUR	107	37,786
		Total capital maintenance expenditure relative to plan	S.3.C.02	% of plan estimate	1%	190%
		Total capital maintenance expenditure relative to RAB	S.3.C.03	% of RAB	0%	2.3%
	Capital enhancement	Total capital enhancement expenditure	S.3.C.04	EUR	35,588	4,300
		Total capital enhancement expenditure relative to plan	S.3.C.05	% of plan estimate	0%	0.1%
F – Financial						
Sales and revenue collection						
Sales	Total sales		F.1.A.01	EUR	3,382,988	3,751,931
	Total sales relative to plan		F.1.A.02	% of plan estimate	90%	97%
Collection efficiency	Total revenue collection		F.1.B.01	EUR	2,798,324	3,135,602
	Total revenue collection out-performance		F.1.B.02	EUR	79,666	183,503
	Total revenue collection out-performance(relative)		F.1.B.03	% of plan estimate	103%	106%
	Total revenues written off		F.1.B.04	EUR	872,802	584,664
	Total revenues written off relative to billing		F.1.B.05	% of billing	26%	16%
	Revenue collection relative to billing		F.1.B.06	% of billing	83%	84%
	Accounts receivable		F.1.B.07	EUR	N/A	N/A
	Accounts receivable relative to turnover		F.1.B.08	Days turnover	N/A	N/A
Key financial values and ratios						
Values		Free cash flow	F.2.A.01	EUR	N/A	N/A
Ratios	Returns	Return on capital	F.2.B.01	%	0.33%	5.04%
		Cost of debt	F.2.B.02	%	N/A	N/A
	Ratios	Gearing	F.2.B.03	ratio	N/A	N/A
		Cash interest cover	F.2.B.04	ratio	N/A	N/A

RWC Bifurkacioni (Ferizaj)

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2014	2015
W - Water supply						
Non-financial (technical)						
Standards of service	Quality	Water quality (bacteriological)	W.1.A.01	% pass	99.3%	99.5%
		Water quality (physical and chemical)	W.1.A.02	% pass	100%	99.6%
	Pressure	Properties affected by low pressure	W.1.A.03	Nr	0	1,943
		Properties affected by low pressure	W.1.A.04	% properties	0%	10%
	Reliability	Properties with 24 hour supply	W.1.A.05	Nr	5,079	3,376
		Properties with 24 hour supply	W.1.A.06	% properties	31%	18%
		Properties with 18-24 hour supply	W.1.A.07	Nr	11,212	14,648
		Properties with 18-24 hour supply	W.1.A.08	% properties	69%	76%
		Properties with less than 18 hours supply	W.1.A.09	Nr	0	1,130
		Properties with less than 18 hours supply	W.1.A.10	% properties	0%	6%
Infrastructure serviceability	Non-revenue water	Non revenue water (total)	W.1.B.01	m3 per day	3,332,033	3,905,572
		Non revenue water (per connection)	W.1.B.02	litres per cust. per day	503	501
		Non revenue water (per connection) - adjusted	W.1.B.03	litres per cust. per day	550	564
		Non revenue water (relative to production)	W.1.B.04	% production	53%	52%
	Pipe bursts	Pipe network bursts frequency	W.1.B.05	bursts per month	30	48
		Pipe network bursts per 100 km of pipe	W.1.B.06	Nr / 100 km	161	252
Non-financial (commercial)						
Service coverage	Households	Households served	W.2.A.01	Nr	16,290	19,153
		Coverage (households served relative to total)	W.2.A.02	% total households	87%	88%
	New connections	New connections (household)	W.2.A.03	Nr	1,522	4,204
		New connections (commercial and institutional)	W.2.A.04	Nr	470	194
Metering	Metering rate	Metered households relative to total households	W.2.B.01	% households	90%	91%
		Metered com & inst relative to total com & inst.	W.2.B.02	% com & inst	82%	87%
	Meters installed	Meters installed (households)	W.2.B.03	Nr	1,762	3,872
		Meters installed (com & inst)	W.2.B.04	Nr	245	536
Complaints	Complaints	Complaints received (technical)	W.2.C.01	Nr	365	214
		Complaints received (commercial)	W.2.C.02	Nr	268	159
Financial						
Sales	Volumes	Volume of sales to households (metered)	W.3.A.01	m3	2,081,569	2,632,301
		Volume of sales to households (metered) relative to plan estimates	W.3.A.02	% of plan estimate	92%	79%
		Volume of sales to households (un-metered)	W.3.A.03	m3	525,774	506,735
		Volume of sales to households (un-metered) relative to plan estimates	W.3.A.04	% of plan estimate	91%	147%
		Volume of sales to com & inst (metered)	W.3.A.05	m3	291,702	358,548
		Volume of sales to com & inst (metered) relative to plan estimates	W.3.A.06	% of plan estimate	133%	163%
		Volume of sales to com & inst (un-metered)	W.3.A.07	m3	93,940	78,109
		Volume of sales to com & inst (un-metered) relative to plan estimates	W.3.A.08	% of plan estimate	59%	53%
	Values	Value of water sales to households	W.3.A.09	EUR	1,074,193	1,338,758
		Value of water sales to households relative to plan estimates	W.3.A.10	% of plan estimate	96%	90%
		Value of water sales to com & inst	W.3.A.11	EUR	343,142	397,118
		Value of water sales to com & inst relative to plan estimates	W.3.A.12	% of plan estimate	112%	122%
Unit costs	Production	Unit operational cost of water production	W.3.B.01	EUR/m3	0.0555	0.0555
		Unit total cost of water production	W.3.B.02	EUR/m3	0.057	0.058
	Total costs	Unit cost of water sold	W.3.B.03	EUR/m3	0.376	0.384
		Unit cost of water sold and paid for	W.3.B.04	EUR/m3	N/A	N/A
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	W.3.C.01	EUR	2,877,968	158,888
		Total capital maintenance expenditure relative to plan	W.3.C.02	% of plan estimate	255%	82%
		Total capital maintenance expenditure relative to RAB	W.3.C.03	% of RAB	88%	4.8%
	Capital enhancement	Total capital enhancement expenditure	W.3.C.04	EUR	176,188	104,599
		Total capital enhancement expenditure relative to plan	W.3.C.05	% of plan estimate	95%	146%
Category / sub-category	Sub-sub- category	Indicator	Ref	Unit	2014	2015

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2014	2015
S - Sewerage (wastewater)						
Non-financial (technical)						
Standards of service	Discharge quality	Discharge quality	S.1.A.01	% pass	N/A	N/A
Reliability	Sewer overflows	Sewer overflows	S.1.B.01	Nr	442	463
		Sewer overflows per 100 km of pipe	S.1.B.02	Nr per 100 km	203	209
Serviceability	Sewer collapses	Sewer collapses	S.1.C.01	Nr	0	6
		Sewer collapses per 100 km of pipe	S.1.C.02	Nr per 100 km	0	2.7
	WWTP overflows	Wastewater treatment plan overflows	S.1.C.03	Nr	N/A	N/A
Non-financial (commercial)						
Service coverage	Households	Households served	S.2.A.01	Nr	15,889	17,327
		Coverage (households served relative to total)	S.2.A.02	% total households	85%	80%
		Households served with wastewater treatment	S.2.A.03	Nr	0	0
		Coverage (households served with wastewater treatment relative to total)	S.2.A.04	% households	0%	0%
	New connections	New connections (household)	S.2.A.05	Nr	459	2,417
		New connections (commercial and institutional)	S.2.A.06	Nr	179	325
Complaints	Complaints	Complaints received (technical)	S.2.B.01	Nr	0	11
		Complaints received (commercial)	S.2.B.02	Nr	0	3
Financial						
Sales	Values	Value of sales to households	S.3.A.01	EUR	218,708	320,830
		Value of sales to households relative to plan	S.3.A.02	% of plan estimate	57%	73%
		Value of sales to com & inst	S.3.A.01	EUR	103,533	136,632
		Value of sales to com & inst relative to plan	S.3.A.02	% of plan estimate	82%	124%
Unit costs	Treatment and disposal	Unit operational cost of treatment and disposal per m3	S.3.B.01	EUR/m3	N/A	N/A
		Unit total cost of treatment and disposal per m3	S.3.B.02	EUR/m3	N/A	N/A
		Unit operational cost of treatment and disposal per household	S.3.B.03	EUR/ household	N/A	N/A
		Unit total cost of treatment and disposal per household	S.3.B.04	EUR/ household	N/A	N/A
	Collection	Unit operational cost of wastewater collection per household	S.3.B.05	EUR/ household	N/A	N/A
		Unit total cost of wastewater collection per household	S.3.B.06	EUR/ household	N/A	N/A
		Unit operational cost of wastewater services per household	S.3.B.07	EUR/ household	4.69	5.29
		Unit total cost of wastewater services per household	S.3.B.08	EUR/ household	5.05	5.98
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	S.3.C.01	EUR	1,070	8,108
		Total capital maintenance expenditure relative to plan	S.3.C.02	% of plan estimate	0%	6%
		Total capital maintenance expenditure relative to RAB	S.3.C.03	% of RAB	0.1%	1%
	Capital enhancement	Total capital enhancement expenditure	S.3.C.04	EUR	4,978	6,752
		Total capital enhancement expenditure relative to plan	S.3.C.05	% of plan estimate	11.1%	9.6%
F – Financial						
Sales and revenue collection						
Sales	Total sales		F.1.A.01	EUR	1,739,576	2,193,338
	Total sales relative to plan		F.1.A.02	% of plan estimate	90%	93%
Collection efficiency	Total revenue collection		F.1.B.01	EUR	1,108,372	1,436,174
	Total revenue collection out-performance		F.1.B.02	EUR	-76,349	-211,704
	Total revenue collection out-performance(relative)		F.1.B.03	% of plan estimate	94%	87%
	Total revenues written off		F.1.B.04	EUR	610,075	631,205
	Total revenues written off relative to billing		F.1.B.05	% of billing	35%	29%
	Revenue collection relative to billing		F.1.B.06	% of billing	64%	65%
	Accounts receivable		F.1.B.07	EUR	N/A	N/A
	Accounts receivable relative to turnover		F.1.B.08	Days turnover	N/A	N/A
Key financial values and ratios						
Values		Free cash flow	F.2.A.01	EUR	N/A	N/A
Ratios	Returns	Return on capital	F.2.B.01	%	-0.35%	3.04%
		Cost of debt	F.2.B.02	%	N/A	N/A
	Ratios	Gearing	F.2.B.03	ratio	N/A	N/A
		Cash interest cover	F.2.B.04	ratio	N/A	N/A

RWC Hidromorava (Gjilan)

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2014	2015
W - Water supply						
Non-financial (technical)						
Standards of service	Quality	Water quality (bacteriological)	W.1.A.01	% pass	99.2%	99.8%
		Water quality (physical and chemical)	W.1.A.02	% pass	100%	100%
	Pressure	Properties affected by low pressure	W.1.A.03	Nr	900	993
		Properties affected by low pressure	W.1.A.04	% properties	4.22%	4.56%
	Reliability	Properties with 24 hour supply	W.1.A.05	Nr	12,339	12,665
		Properties with 24 hour supply	W.1.A.06	% properties	58%	58%
		Properties with 18-24 hour supply	W.1.A.07	Nr	150	127
		Properties with 18-24 hour supply	W.1.A.08	% properties	1%	1%
		Properties with less than 18 hours supply	W.1.A.09	Nr	8,848	8,964
		Properties with less than 18 hours supply	W.1.A.10	% properties	41%	41%
Infrastructure serviceability	Non-revenue water	Non revenue water (total)	W.1.B.01	m3 per day	4,424,105	5,181,472
		Non revenue water (per connection)	W.1.B.02	litres per cust. per day	506	588
		Non revenue water (per connection) - adjusted	W.1.B.03	litres per cust. per day	565	656
		Non revenue water (relative to production)	W.1.B.04	% production	58%	61%
	Pipe bursts	Pipe network bursts frequency	W.1.B.05	bursts per month	78	82
		Pipe network bursts per 100 km of pipe	W.1.B.06	Nr / 100 km	625	459
Non-financial (commercial)						
Service coverage	Households	Households served	W.2.A.01	Nr	21,336	21,755
		Coverage (households served relative to total)	W.2.A.02	% total households	67%	68%
	New connections	New connections (household)	W.2.A.03	Nr	1,328	-490
		New connections (commercial and institutional)	W.2.A.04	Nr	258	-672
Metering	Metering rate	Metered households relative to total households	W.2.B.01	% households	82%	85%
		Metered com & inst relative to total com & inst.	W.2.B.02	% com & inst	66%	77%
	Meters installed	Meters installed (households)	W.2.B.03	Nr	951	667
		Meters installed (com & inst)	W.2.B.04	Nr	182	56
Complaints	Complaints	Complaints received (technical)	W.2.C.01	Nr	2,409	2,654
		Complaints received (commercial)	W.2.C.02	Nr	158	210
Financial						
Sales	Volumes	Volume of sales to households (metered)	W.3.A.01	m3	2,240,398	2,412,303
		Volume of sales to households (metered) relative to plan estimates	W.3.A.02	% of plan estimate	90%	82%
		Volume of sales to households (un-metered)	W.3.A.03	m3	496,691	495,522
		Volume of sales to households (un-metered) relative to plan estimates	W.3.A.04	% of plan estimate	96%	88%
		Volume of sales to com & inst (metered)	W.3.A.05	m3	383,640	400,444
		Volume of sales to com & inst (metered) relative to plan estimates	W.3.A.06	% of plan estimate	101%	99%
		Volume of sales to com & inst (un-metered)	W.3.A.07	m3	48,624	45,654
		Volume of sales to com & inst (un-metered) relative to plan estimates	W.3.A.08	% of plan estimate	98%	106%
	Values	Value of water sales to households	W.3.A.09	EUR	1,131,680	1,209,058
		Value of water sales to households relative to plan estimates	W.3.A.10	% of plan estimate	91%	87%
		Value of water sales to com & inst	W.3.A.11	EUR	338,636	362,169
		Value of water sales to com & inst relative to plan estimates	W.3.A.12	% of plan estimate	92%	95%
Unit costs	Production	Unit operational cost of water production	W.3.B.01	EUR/m3	0.0704	0.0654
		Unit total cost of water production	W.3.B.02	EUR/m3	0.073	0.068
	Total costs	Unit cost of water sold	W.3.B.03	EUR/m3	0.402	0.406
		Unit cost of water sold and paid for	W.3.B.04	EUR/m3	N/A	N/A
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	W.3.C.01	EUR	177,279	170,159
		Total capital maintenance expenditure relative to plan	W.3.C.02	% of plan estimate	72%	56%
		Total capital maintenance expenditure relative to RAB	W.3.C.03	% of RAB	6.7%	6.5%
	Capital enhancement	Total capital enhancement expenditure	W.3.C.04	EUR	1,781,121	33,287
		Total capital enhancement expenditure relative to plan	W.3.C.05	% of plan estimate	0%	7%
Category /	Sub-sub- category	Indicator	Ref	Unit	2014	2015

Category / sub-category	Sub-sub-category	Indicator	Ref	Unit	2014	2015
S - Sewerage (wastewater)						
Non-financial (technical)						
Standards of service	Discharge quality	Discharge quality	S.1.A.01	% pass	N/A	N/A
Reliability	Sewer overflows	Sewer overflows	S.1.B.01	Nr	1,142	1,273
		Sewer overflows per 100 km of pipe	S.1.B.02	Nr per 100 km	544	606
Serviceability	Sewer collapses	Sewer collapses	S.1.C.01	Nr	0	0
		Sewer collapses per 100 km of pipe	S.1.C.02	Nr per 100 km	0	0
	WWTP overflows	Wastewater treatment plant overflows	S.1.C.03	Nr	N/A	N/A
Non-financial (commercial)						
Service coverage	Households	Households served	S.2.A.01	Nr	15,699	16,517
		Coverage (households served relative to total)	S.2.A.02	% total households	49%	51%
		Households served with wastewater treatment	S.2.A.03	Nr	0	0
		Coverage (households served with wastewater treatment relative to total)	S.2.A.04	% households	0%	0%
	New connections	New connections (household)	S.2.A.05	Nr	830	806
		New connections (commercial and institutional)	S.2.A.06	Nr	137	93
Complaints	Complaints	Complaints received (technical)	S.2.B.01	Nr	1,142	1,273
		Complaints received (commercial)	S.2.B.02	Nr	127	0
Financial						
Sales	Values	Value of sales to households	S.3.A.01	EUR	189,314	200,290
		Value of sales to households relative to plan	S.3.A.02	% of plan estimate	107%	98%
		Value of sales to com & inst	S.3.A.01	EUR	77,671	82,220
		Value of sales to com & inst relative to plan	S.3.A.02	% of plan estimate	118%	122%
Unit costs	Treatment and disposal	Unit operational cost of treatment and disposal per m3	S.3.B.01	EUR/m3	N/A	N/A
		Unit total cost of treatment and disposal per m3	S.3.B.02	EUR/m3	N/A	N/A
		Unit operational cost of treatment and disposal per household	S.3.B.03	EUR/ household	N/A	N/A
		Unit total cost of treatment and disposal per household	S.3.B.04	EUR/ household	N/A	N/A
	Collection	Unit operational cost of wastewater collection per household	S.3.B.05	EUR/ household	N/A	N/A
		Unit total cost of wastewater collection per household	S.3.B.06	EUR/ household	N/A	N/A
		Unit operational cost of wastewater services per household	S.3.B.07	EUR/ household	6.09	6.59
		Unit total cost of wastewater services per household	S.3.B.08	EUR/ household	6.66	7.12
Capital expenditure	Capital maintenance	Total capital maintenance expenditure	S.3.C.01	EUR	0	0
		Total capital maintenance expenditure relative to plan	S.3.C.02	% of plan estimate	0%	0%
		Total capital maintenance expenditure relative to RAB	S.3.C.03	% of RAB	0%	0%
	Capital enhancement	Total capital enhancement expenditure	S.3.C.04	EUR	13,571	782
		Total capital enhancement expenditure relative to plan	S.3.C.05	% of plan estimate	0%	0.3%
F – Financial						
Sales and revenue collection						
Sales	Total sales		F.1.A.01	EUR	1,737,301	1,853,737
	Total sales relative to plan		F.1.A.02	% of plan estimate	94%	91%
Collection efficiency	Total revenue collection		F.1.B.01	EUR	1,256,702	1,452,570
	Total revenue collection out-performance		F.1.B.02	EUR	-140,086	-136,376
	Total revenue collection out-performance(relative)		F.1.B.03	% of plan estimate	90%	91%
	Total revenues written off		F.1.B.04	EUR	526,817	480,599
	Total revenues written off relative to billing		F.1.B.05	% of billing	30%	26%
	Revenue collection relative to billing		F.1.B.06	% of billing	72%	78%
	Accounts receivable		F.1.B.07	EUR	N/A	N/A
	Accounts receivable relative to turnover		F.1.B.08	Days turnover	N/A	N/A
Key financial values and ratios						
Values		Free cash flow	F.2.A.01	EUR	N/A	N/A
Ratios	Returns	Return on capital	F.2.B.01	%	-4.59%	-0.27%
		Cost of debt	F.2.B.02	%	N/A	N/A
	Ratios	Gearing	F.2.B.03	ratio	N/A	N/A
		Cash interest cover	F.2.B.04	ratio	N/A	N/A

ANNEX 2 Definitions and reasonability

A Performance indicators definitions

Section	Reference	Indicator	Unit	Definition
W - Water supply				
Non-financial (technical)				
Standards of service	W.1.A.01	Water quality (bacteriological)	% pass	Percentage of bacteriological test results passing prescribed standards for bacteriological quality in the reporting period.
	W.1.A.02	Water quality (physical and chemical)	% pass	Percentage of physical and chemical test results passing prescribed standards for physical and chemical quality in the reporting period.
	W.1.A.03	Properties affected by low pressure	Nr	Average number of served properties over the reporting period situated in zones that regularly experience pressure below minimum pressure levels. Does not include short term intermittent periods of low pressure.
	W.1.A.04	Properties affected by low pressure	% properties	Average number of properties defined in W.1.A.3 divided by estimated number of served properties in the service areas
	W.1.A.05	Properties with 24 hour supply	Nr	Average number of properties in the reporting period that enjoy continual water supply (excluding exceptional supply disruptions) for 23 or more hours per day.
	W.1.A.06	Properties with 24 hour supply	% properties	Percentage of served properties in the reporting period that enjoy continual water supply (excluding exceptional supply disruptions) for 23 or more hours per day.
	W.1.A.07	Properties with 18-24 hour supply	Nr	Average number of properties in the reporting period that enjoy continual water supply (excluding exceptional supply disruptions) for 18-23 hours per day.
	W.1.A.08	Properties with 18-24 hour supply	% properties	Percentage of served properties in the reporting period that enjoy continual water supply (excluding exceptional supply disruptions) for 18-23 or more hours per day.
	W.1.A.09	Properties with less than 18 hours supply	Nr	Average number of properties in the reporting period that enjoy continual water supply (excluding exceptional supply disruptions) for less than 18 hours per day.
	W.1.A.10	Properties with less than 18 hours supply	% properties	Percentage of served properties in the reporting period that enjoy continual water supply (excluding exceptional supply disruptions) for less than 18 hours per day.
Infrastructure serviceability	W.1.B.01	Non revenue water (total)	m3 per day	Average volume of NRW (difference between water production and water sold) per day over the reporting period
	W.1.B.02	Non revenue water (per connection)	litres per cust. per day	Average volume of NRW divided by the total number of connections in the service area.
	W.1.B.03	Non revenue water (per connection) - adjusted	litres per cust. per day	Average volume of NRW divided by the total number of connections in the service area adjusted for restricted supplies.
	W.1.B.04	Non revenue water (relative to production)	% production	Total volume of NRW divided by total volume of production
	W.1.B.05	Pipe network bursts frequency	bursts per month	Average number of pipe bursts per month
	W.1.B.06	Pipe network bursts per 100 km of pipe	Nr / 100 km	Total number of pipe bursts per year per 100 km of pipe (excluding service connections)
Non-financial (commercial)				
Service coverage	W.2.A.01	Households served	Nr	Total average number of households over the reporting period served with a piped water supply in the defined service area
	W.2.A.02	Coverage (households served relative to total)	% total households	Total average number of households over the reporting period served with a piped water supply in the service area divided by the total average number of households (served and un-served) in the defined service area.
	W.2.A.03	New connections (household)	Nr	Total number of new water supply connections to households (excluded reconnections) over the reporting period.
	W.2.A.04	New connections (commercial and institutional)	Nr	Total number of new water supply connections to commercial and institutional customers (excluded reconnections) over the reporting period.
Metering	W.2.B.01	Metered households relative to total households	% households	Average number of metered (meters functioning) households over the reporting period divided by the average number of households served with a piped water supply in the service area as defined in licence agreements.
	W.2.B.02	Metered com & inst relative to total com & inst.	% com & inst	Average number of metered (meters functioning) commercial and institutional customers over the reporting period divided by the average number of commercial and institutional customers served with a piped water supply in the service area as defined in licence agreements.
	W.2.B.03	Meters installed (households)	Nr	Total household meters installed in the reporting period.
	W.2.B.04	Meters installed (com & inst)	Nr	Total commercial and institutional customer meters installed in the reporting period.
Complaints	W.2.C.01	Complaints received (technical)	Nr	Total number of complaints received by the RWC in relation to levels of service (poor water quality, pressure, reliability, disruption due to construction activities and other technical issues) in the reporting period.
	W.2.C.02	Complaints received (commercial)	Nr	Total number of complaints received by the RWC in relation to water supply billing and tariffs in the reporting period.
Financial				
Sales	W.3.A.01	Volume of sales to households (metered)	m3	Total volume of water sold to metered households in reporting period.
	W.3.A.02	Volume of sales to households (metered) relative to plan estimates	% of plan estimate	Total volume of water sold to metered households in reporting period divided by volume of metered household sales estimated in the business plan for the same reporting period
	W.3.A.03	Volume of sales to households (un-metered)	m3	Total volume of water sold to un-metered households in reporting period.
	W.3.A.04	Volume of sales to households (un-metered) relative to plan estimates	% of plan estimate	Total volume of water sold to un-metered households in reporting period divided by volume of un-metered household sales estimated in the business plan for the same reporting period
	W.3.A.05	Volume of sales to com & inst (metered)	m3	Total volume of water sold to metered commercial and institutional customers in reporting period.
	W.3.A.06	Volume of sales to com & inst (metered) relative to plan estimates	% of plan estimate	Total volume of water sold to metered commercial and institutional customers in reporting period divided by volume of metered household sales estimated in the business plan for the same reporting period
	W.3.A.07	Volume of sales to com & inst (un-metered)	m3	Total volume of water sold to un-metered commercial and institutional customers in reporting period.

Section	Reference	Indicator	Unit	Definition
	W.3.A.08	Volume of sales to com & inst (un-metered) relative to plan estimates	% of plan estimate	Total volume of water sold to un-metered commercial and institutional customers in reporting period divided by volume of un-metered household sales estimated in the business plan for the same reporting period
	W.3.A.09	Value of water sales to households	EUR	Total EUR value of water sales to households including fixed monthly charge component of tariff.
	W.3.A.10	Value of water sales to households relative to plan estimates	% of plan estimate	Total value of water sold to households in reporting period divided by value of water sold estimated in the business plan for the same reporting period (adjusted for inflation)
	W.3.A.11	Value of water sales to com & inst	EUR	Total EUR value of water sales to commercial and institutional customers including fixed monthly charge component of tariff.
	W.3.A.12	Value of water sales to com & inst relative to plan estimates	% of plan estimate	Total value of water sold to commercial and institutional customers in reporting period divided by value of water sold estimated in the business plan for the same reporting period (adjusted for inflation)
Unit costs	W.3.B.01	Unit operational cost of water production	EUR/m ³	Total operating cost of water production in the reporting period divided by the volume of water produced in the same period
	W.3.B.02	Unit total cost of water production	EUR/m ³	Total cost (operating + capital maintenance provisions) of water production in the reporting period divided by the volume of water produced in the same period
	W.3.B.03	Unit cost of water sold	EUR/m ³	Total cost (operating + capital maintenance provisions) of the water supply business activity in the reporting period divided by the volume of water sold in the same period
	W.3.B.04	Unit cost of water sold and paid for	EUR/m ³	Total cost (operating + capital maintenance provisions) of the water supply business activity in the reporting period divided by the volume of water sold and paid for in the same period
Capital expenditure	W.3.C.01	Total capital maintenance expenditure	EUR	Total capital maintenance expenditure (infrastructure renewals + investment in non-infrastructure capital maintenance).
	W.3.C.02	Total capital maintenance expenditure relative to plan	% of plan estimate	Total capital maintenance expenditure (infrastructure renewals + investment in non-infrastructure capital maintenance) divided by infrastructure renewals and current cost depreciation provisions in the business plan.
	W.3.C.03	Total capital maintenance expenditure relative to RAB	% of RAB	Total capital maintenance expenditure (infrastructure renewals + investment in non-infrastructure capital maintenance) divided by the regulatory asset base value of water assets.
	W.3.C.04	Total capital enhancement expenditure	EUR	Total capital enhancement expenditure (infrastructure enhancement + investment in non-infrastructure capital enhancement).
	W.3.C.05	Total capital enhancement expenditure relative to plan	% of plan estimate	Total capital enhancement expenditure (infrastructure enhancement + investment in non-infrastructure capital enhancement) divided by infrastructure enhancement and non-infrastructure enhancement provisions in the business plan.
S - Sewerage (wastewater)				
Non-financial (technical)				
Standards of service	S.1.A.01	Discharge quality	% pass	Percentage of wastewater treatment plant effluent quality tests passing prescribed standards for environmental quality in the reporting period.
Reliability	S.1.B.01	Sewer overflows	Nr	Number of reported incidents of sewer flooding reported to the RWC (or identified by RWC personnel) in the reporting period
	S.1.B.02	Sewer overflows per 100 km of pipe	Nr per 100 km	Number of reported incidents of sewer flooding reported to the RWC (or identified by RWC personnel) in the reporting period divided by the length of sewer network x 100.
Serviceability	S.1.C.01	Sewer collapses	Nr	Number of reported incidents of sewer collapses reported to the RWC (or identified by RWC personnel) in the reporting period.
	S.1.C.02	Sewer collapses per 100 km of pipe	Nr per 100 km	Number of reported incidents of sewer collapses reported to the RWC (or identified by RWC personnel) in the reporting period divided by the length of sewer network x 100
	S.1.C.03	Wastewater treatment plant overflows	Nr	Number of incidents of wastewater treatment plant overflows in the reporting period
Non-financial (commercial)				
Service coverage	S.2.A.01	Households served	Nr	Total average number of households over the reporting period served with water borne piped sewerage system (including those connected to well functioning septic tanks in rural and semi-rural areas) in the service area as defined in licence agreements.
	S.2.A.02	Coverage (households served relative to total)	% total households	Total average number of households over the reporting period served with water borne piped sewerage system (including those connected to well functioning septic tanks in rural and semi-rural areas) in the service area divided by the total average number of households (served and un-served) in the defined service area.
	S.2.A.03	Households served with wastewater treatment	Nr	Total average number of households over the reporting period served with water borne piped sewerage system leading to a wastewater treatment plant (including well functioning septic tanks in rural and semi-rural areas) in the service area as defined in licence agreements
	S.2.A.04	Coverage (households served with wastewater treatment relative to total)	% households	Total average number of households over the reporting period served with water borne piped sewerage system leading to a wastewater treatment plant (including well functioning septic tanks in rural and semi-rural areas) in the service area divided by the total average number of households (served and un-served) in the defined service area.
	S.2.A.05	New connections (household)	Nr	Total number of new sewerage connections to households (excluded reconnections) over the reporting period.
	S.2.A.06	New connections (commercial and institutional)	Nr	Total number of new sewerage connections to commercial and institutional customers (excluded reconnections) over the reporting period.
Complaints	S.2.B.01	Complaints received (technical)	Nr	Total number of complaints received by the RWC in relation to levels of service (sewer overflows etc. in the reporting period.
	S.2.B.02	Complaints received (commercial)	Nr	Total number of complaints received by the RWC in relation to wastewater billing and tariffs in the reporting period.
Financial				
Sales	S.3.A.01	Value of sales to households	EUR	Total EUR value of wastewater services sales to households
	S.3.A.02	Value of sales to households relative to plan	% of plan estimate	Total value of wastewater services sold to households in reporting period divided by value of wastewater services sold estimated in the business plan for the same reporting period (adjusted for inflation)
	S.3.A.03	Value of sales to com & inst	EUR	Total EUR value of wastewater services sales to commercial and institutional customers

Section	Reference	Indicator	Unit	Definition
	S.3.A.04	Value of sales to com & inst relative to plan	% of plan estimate	Total value of wastewater services sold to commercial and institutional customers in reporting period divided by value of wastewater services sold estimated in the business plan for the same reporting period (adjusted for inflation)
Unit costs	S.3.B.01	Unit operational cost of treatment and disposal per m3	EUR/m3	Total operating cost of wastewater treatment and disposal in the reporting period divided by the measured volume of wastewater delivered to the wastewater treatment plants in the same period
	S.3.B.02	Unit total cost of treatment and disposal per m3	EUR/m3	Total cost (operating + capital maintenance provisions) of wastewater treatment and disposal in the reporting period divided by the volume of wastewater delivered in the same period
	S.3.B.03	Unit operational cost of treatment and disposal per household	EUR/ household	Total operating cost of wastewater treatment and disposal in the reporting period divided by the average number of households and household equivalents served by wastewater treatment facilities in the same period
	S.3.B.04	Unit total cost of treatment and disposal per household	EUR/ household	Total cost (operating + capital maintenance provisions) of wastewater treatment and disposal in the reporting period divided by the average number of households and household equivalents served by wastewater treatment facilities in the same period
	S.3.B.05	Unit operational cost of wastewater collection per household	EUR/ household	Total operating cost of the wastewater collection in the reporting period divided by the average number of households and household equivalents in the same period
	S.3.B.06	Unit total cost of wastewater collection per household	EUR/ household	Total cost (operating + capital maintenance provisions) of the wastewater collection in the reporting period divided by the average number of households and household equivalents in the same period
	S.3.B.07	Unit operational cost of wastewater services per household	EUR/ household	Total operating cost of the wastewater services business activity in the reporting period divided by the average number of households and household equivalents in the same period
	S.3.B.08	Unit total cost of wastewater services per household	EUR/ household	Total cost (operating + capital maintenance provisions) of the wastewater services business activity in the reporting period divided by the average number of households and household equivalents in the same period
Capital expenditure	S.3.C.01	Total capital maintenance expenditure	EUR	Total capital maintenance expenditure (infrastructure renewals + investment in non-infrastructure capital maintenance).
	S.3.C.02	Total capital maintenance expenditure relative to plan	% of plan estimate	Total capital maintenance expenditure (infrastructure renewals + investment in non-infrastructure capital maintenance) divided by infrastructure renewals and current cost depreciation provisions in the business plan.
	S.3.C.03	Total capital maintenance expenditure relative to RAB	% of RAB	Total capital maintenance expenditure (infrastructure renewals + investment in non-infrastructure capital maintenance) divided by the regulatory asset base value of wastewater assets.
	S.3.C.04	Total capital enhancement expenditure	EUR	Total capital enhancement expenditure (infrastructure enhancement + investment in non-infrastructure capital enhancement)
	S.3.C.05	Total capital enhancement expenditure relative to plan	% of plan estimate	Total wastewater capital enhancement expenditure (infrastructure enhancement + investment in non-infrastructure capital enhancement) divided by wastewater infrastructure enhancement and non-infrastructure enhancement provisions in the business plan
F – Financial				
Sales and revenue collection				
Sales	F.1.A.01	Total sales	EUR	Total value of services (water and wastewater) sold (billing) excluding connection fees and other income in the reporting period.
	F.1.A.02	Total sales relative to plan	% of plan estimate	Total value of services (water and wastewater) sold (billing) excluding connection fees and other income in the reporting period divided by the total sales estimated in the business plan for the same reporting period
Revenue collection	F.1.B.01	Total revenue collection	EUR	Total cash received from water sales (excluding connection fees and other income) in the reporting period.
	F.1.B.02	Total revenue collection out-performance	EUR	Total cash received from water sales (excluding connection fees and other income) in the reporting period less the cash receipts from sales expected in the business plan over the same period
	F.1.B.03	Total revenue collection out-performance(relative)	% of plan estimate	Total cash received from water sales (excluding connection fees and other income) in the reporting period divided by the cash receipts from sales expected in the business plan over the same period
	F.1.B.04	Total revenues written off	EUR	Total revenues written off (excluding connection fees and other income) in accordance with RAG in the reporting period
	F.1.B.05	Total revenues written off relative to billing	% of billing	Total revenues written off in accordance with RAG in the reporting period divided by the total sales (excluding connection fees and other income) over the same period.
	F.1.B.06	Revenue collection relative to billing	% of billing	Total cash received from water sales (excluding connection fees and other income) in the reporting period divided by the total billing (excluding connection fees and other income)
	F.1.B.07	Accounts receivable	EUR	Total accounts receivable after write offs (not more than 12 months old) from billed sales (excluding connection fees and other income) in the reporting period
	F.1.B.08	Accounts receivable relative to turnover	Days turnover	Total accounts receivable (not more than 12 months old) from billed sales divided by total sales (excluding connection fees and other income) in the reporting period multiplied by 365.
Key financial values and ratios				
Values	F.2.A.01	Free cash flow	EUR	Total net cash flow from operations over the reporting period.
Ratios	F.2.B.01	Return on capital	%	Total net income from operating activities before interest, dividends and corporation taxes divided by average regulatory asset base (RAB) over the reporting period.
	F.2.B.02	Cost of debt	%	Total interest payments made in the reporting period divided by the average value of debt in the reporting period.
	F.2.B.03	Gearing	ratio	Long-term debt divided by regulatory asset base (a slight deviation from gearing as defined in conventional financial accounting)
	F.2.B.04	Cash interest cover	ratio	Net cash flow before interest and taxes divided by interest payments in the reporting period.
	F.2.B.05	Funds from operations/debt	ratio	Net cash flow from operating activities less tax paid less net interest paid, all divided by net debt
	F.2.B.06	Debt service coverage ratio	ratio	Net cash flow from operating activities less net interest paid less repayment of principal, all divided by debt service (interest and repayment of principal)

B Rationality for measuring performance

Performance measuring criteria of water supply service and wastewater services are such that a score of 100% indicate the level of service provision compared to a modern performance of service efficient and functional water supply. pasqyron sigurimin e nivelit të shërbimit krahasuar me një performancë moderne të shërbimeve efikase dhe funksionale të furnizimit me ujë.

Performance measurement structure

Group	Performance measurement	Weight of heaviness of sub-group	Weight of heaviness of group
Water supply	Drinking water quality	30%	100%
	Pressure	5%	
	Availability	35%	
	Service coverage	20%	
	Cost efficiency	10%	
Wastewater	Discharge quality	20%	100%
	Reliability	20%	
	Service coverage	50%	
	Cost efficiency	10%	
Financial / commercial	Profitability		10%
	Commercial efficiency		10%

Criteria, definitions, coefficient and calculations for performance measurement

Parameter	Performance measurement criteria
Water supply performance measurement	
Water quality	<p>Definition: The combination of bacteriological and physical/chemical test performance on the basis of 75:25 relative weighting</p> <p>Performance category weighting: 30%</p> <p>Calculation: $[W.1.A.01 \times 0.75 + W.1.A.02 \times 0.25] \times 30\%$</p>
Pressure	<p>Definition: The percentage of properties unaffected by pressure falling below minimum pressure levels</p> <p>Performance category weighting: 5%</p> <p>Calculation: $[100\% - W.1.A.04] \times 5\%$</p>
Availability	<p>Definition: Defined as the (adjusted) percentage of properties unaffected by regular intermittent supplies. This indicator is adjusted to reflect the degree by which those affected by supply interruptions are affected by weighting the number of households with an 18 – 24 hrs service by a factor of 0.5 and those with less than 18 hrs by 1.0.</p> <p>Performance category weighting: 35%</p> <p>Calculation: $[100\% - 0.5 \times W.1.A.08 - W.1.A.10] \times 35\%$</p>
Service coverage	<p>Definition: The percentage of population in the service area served with a piped water supply.</p> <p>Performance category weighting: 20%</p> <p>Calculation: $[W.2.A.02] \times 20\%$</p>
Cost efficiency	<p>Definition: The unit cost of water sold relative to the unit cost estimated in the tariff review (UWT) (excluding return on capital). A unit cost of less than or equal to 90% of UWT will score 100% and a unit cost equal to or exceeding 140% of UWT will score 0%. Unit costs between 90% and 140% of UWT are calculated pro-rata</p> <p>Performance category weighting: 10%</p> <p>Calculation: If $W.3.B.03 \geq 140\% \times UWT = 0\%$, or If $W.3.B.03 \leq 90\% \times UWT = 100\% \times 10\% = 10\%$, else $[(140\% \times UWT - W.3.B.03) / 50\%] \times 10\%$</p>
Wastewater services performance measurement	
Wastewater discharge quality	<p>Definition: As no discharge quality monitoring is undertaken a surrogate indicator based upon the percentage of population served by functioning wastewater treatment facilities (including well functioning septic tanks in rural and semi-rural areas) is applied.</p> <p>Performance category weighting: 20%</p> <p>Calculation: $[S.2.A.04] \times 20\%$</p>
Reliability	<p>Definition: The annual number of sewer overflow incidents per 100 km of pipe relative to relative to an ideal level of 0 to a maximum of 100</p> <p>Performance category weighting: 20%</p> <p>Calculation: If $S.1.B.02 \geq 100 = 0\%$, else $[100 - S.1.B.02] \times 20\%$</p>
Service coverage	<p>Definition: The percentage of population in the service area served with a water borne sewerage system</p> <p>Performance category weighting: 50%</p> <p>Calculation: $[S.2.A.02] \times 50\%$</p>
Cost efficiency	<p>Definition: Defined as unit cost of wastewater services per household served relative to the unit cost estimated in the tariff review (UST) (excluding return on capital). A unit cost of less than or equal to 90% of UST will score 100% and a unit cost equal to or exceeding 140% of UST will score 0%. Unit costs between 90% and 140% of UST are calculated pro-rata</p> <p>Performance category weighting: 10%</p> <p>Calculation: If $S.3.B.03 \geq 140\% \times UST = 0\%$, or If $S.3.B.03 \leq 90\% \times UST = 100\% \times 10\% = 10\%$, else $[(140\% \times UST - S.3.B.03) / 50\%] \times 10\%$</p>
Combined services and commercial performance measurement	

Parameter		Performance measurement criteria
Water supply		<p>Definition: Water performance score multiplied by overall performance weighting Overall performance weighting 45%</p> <p>Calculation: [Water performance score] x 45%</p>
Wastewater services		<p>Definition: Wastewater services performance score multiplied by overall performance weighting Overall performance weighting 35%</p> <p>Calculation: [Wastewater performance score] x 35%</p>
Financial / commercial Cost efficiency	Profitability	<p>Definition: Return on capital is defined as regulatory accounts divided by return on equity given tariff review (ROC_p) <u>Coefficient of performance by category: 10%</u></p> <p>Calculation: If F.2.B.01 ≤ 0% = 0% or if F.2.B.01 ≥ ROC_p = 10% others [F.2.B.01 / ROC_p] x 10%</p>
	Commercial efficiency	<p>Definition: Efficiency of revenue collection as measurement by revenue collected divided by the total billing with a range of 60% which is equal to zero performance up to a maximum of 100% which is ideal performance. <u>Coefficient of performance by category: 10%</u></p> <p>Calculation: If F.1.B.06 ≤ 60% = 0% or if F.1.B.06 ≥ 100% = 10% Others [F.1.B.06 – 60%]/40%] x 10%</p>

ANNEX 3 The comprehensive statement of incomes

The comprehensive statement of incomes has been prepared in compliance with the Regulatory Accounting Guidelines (RAG), having into account as follows:

1. In turn over are taken revenues from regular billing, other operating revenues and subsidies excluding financial revenues (non-operating).
 2. Maintenance capital expenditures are defined through asset renewals expenditure in the production and distribution infrastructure, and depreciation of non-infrastructure assets in the production, distribution and business activities.
 3. Provision for bad debts is defined as the difference between billing and collection from last year's rate adjusted for inflation.
- Net profit is the difference between income and expenses (operating + capital maintenance), discounting and provision of debts without involvement of non-operating expenses

RWC Prishtina (Pristina)

	2014	2015
Turnover	12,179,827	13,154,783
Operating costs	9,119,571	8,996,812
Net operating income (excluding capital maintenance)	3,060,256	4,157,971
Capital maintenance (infrastructure renewals + cc depreciation)	672,471	358,958
Net operating income (including capital maintenance)	2,387,785	3,799,013
Provision for bad debts	2,988,345	2,377,172
Net operating income (after bad debts)	(-600,560)	1,421,841
Interest on long term loans	0	0
Pre-tax profit	(-600,560)	1,421,841
Taxation on profits	0	0
Net post-tax profit	(-600,560)	1,421,841

RWC Hidroregjioni Jugor (Prizren)

	2014	2015
Turnover	4,067,878	4,189,972
Operating costs	3,068,484	3,245,219
Net operating income (excluding capital maintenance)	999,394	944,753
Capital maintenance (infrastructure renewals + cc depreciation)	88,374	58,233
Net operating income (including capital maintenance)	911,020	886,520
Provision for bad debts	1,162,856	965,480
Net operating income (after bad debts)	(-251,836)	(-78,960)
Interest on long term loans	0	0
Pre-tax profit	(-251,836)	(-78,960)
Taxation on profits	0	0
Net post-tax profit	(-251,836)	(-78,960)

RWC Hidrodrini (Peja)

	2014	2015
Turnover	3,378,635	3,537,564
Operating costs	2,112,403	2,203,826
Net operating income (excluding capital maintenance)	1,266,232	1,333,738
Capital maintenance (infrastructure renewals + cc depreciation)	46,034	50,763
Net operating income (including capital maintenance)	1,220,198	1,282,975
Provision for bad debts	1,039,087	1,066,356
Net operating income (after bad debts)	181,112	216,619
Interest on long term loans	0	0
Pre-tax profit	181,112	216,619
Taxation on profits	0	0
Net post-tax profit	181,112	216,619

RWC Mitrovica (Mitrovica)

	2014	2015
Turnover	2,969,524	3,022,045
Operating costs	1,975,657	2,457,922
Net operating income (excluding capital maintenance)	993,867	564,123
Capital maintenance (infrastructure renewals + cc depreciation)	21,237	20,526
Net operating income (including capital maintenance)	972,630	543,597
Provision for bad debts	1,232,887	1,260,692
Net operating income (after bad debts)	(-260,257)	(-717,095)
Interest on long term loans	0	0
Pre-tax profit	(-260,257)	(-717,095)
Taxation on profits	0	0
Net post-tax profit	(-260,257)	(-717,095)

RWC Radoniqi (Gjakova)

	2014	2015
Turnover	3,481,615	3,866,323
Operating costs	2,485,039	2,579,339
Net operating income (excluding capital maintenance)	996,576	1,286,983
Capital maintenance (infrastructure renewals + cc depreciation)	91,656	264,528
Net operating income (including capital maintenance)	904,920	1,022,455
Provision for bad debts	877,530	584,664
Net operating income (after bad debts)	27,390	437,791
Interest on long term loans	0	0
Pre-tax profit	27,390	437,791
Taxation on profits	0	0
Net post-tax profit	27,390	437,791

RWC Bifurkacioni (Ferizaj)

	2014	2015
Turnover	1,823,155	2,258,510
Operating costs	1,147,923	1,444,038
Net operating income (excluding capital maintenance)	675,231	814,472
Capital maintenance (infrastructure renewals + cc depreciation)	76,073	57,100
Net operating income (including capital maintenance)	599,158	757,372
Provision for bad debts	613,380	631,205
Net operating income (after bad debts)	(-14,222)	126,167
Interest on long term loans	0	0
Pre-tax profit	(-14,222)	126,167
Taxation on profits	0	0
Net post-tax profit	(-14,222)	126,167

RWC Hidromorava (Gjilan)

	2014	2015
Turnover	1,764,158	1,975,799
Operating costs	1,371,619	1,466,830
Net operating income (excluding capital maintenance)	392,539	508,969
Capital maintenance (infrastructure renewals + cc depreciation)	39,449	38,714
Net operating income (including capital maintenance)	353,090	470,255
Provision for bad debts	529,671	480,599
Net operating income (after bad debts)	(-176,581)	(-10,344)
Interest on long term loans	0	0
Pre-tax profit	(-176,581)	(-10,344)
Taxation on profits	0	0
Net post-tax profit	(-176,581)	(-10,344)

ANNEX 4 Tariff statement (2015-2017)

The following tariffs have started to apply since 1 January 2015, and are parts of tariff determination for the period of three years (2015-2017).

Tariff statement for 2015

	Unit	RWC Prishtina	RWC Hidroregjioni Jugor	RWC Hidrodrini	RWC Mitrovica	RWC Radoniqi	RWC Bifurkacioni	RWC Hidromorava
Households								
Water supply monthly charge	EUR/month	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Wastewater supply volume charge	EUR/m ³	0.39	0.36	0.24	0.36	0.36	0.34	0.33
Wastewater charge (based on volume of water consumed)	EUR/m ³	0.05	0.06	0.06	0.09	0.09	0.12	0.08
Commercial and Institutional								
Water supply monthly charge	EUR/month	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Water supply volume charge	EUR/m ³	0.88	0.69	0.48	0.73	0.71	0.69	0.65
Wastewater charge (based on volume of water consumed)	EUR/m ³	0.11	0.11	0.13	0.23	0.22	0.29	0.20

Tariff statement for 2016

	Unit	RWC Prishtina	RWC Hidroregjioni Jugor	RWC Hidrodrini	RWC Mitrovica	RWC Radoniqi	RWC Bifurkacioni	RWC Hidromorava
Households								
Water supply monthly charge	EUR/month	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Wastewater supply volume charge	EUR/m ³	0.39	0.36	0.24	0.36	0.36	0.34	0.33
Wastewater charge (based on volume of water consumed)	EUR/m ³	0.05	0.06	0.06	0.09	0.09	0.12	0.08
Commercial and Institutional								
Water supply monthly charge	EUR/month	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Water supply volume charge	EUR/m ³	0.88	0.69	0.48	0.73	0.71	0.69	0.65
Wastewater charge (based on volume of water consumed)	EUR/m ³	0.11	0.11	0.13	0.23	0.22	0.29	0.20

Tariff statement for 2017

	Unit	RWC Prishtina	RWC Hidroregjioni Jugor	RWC Hidrodrini	RWC Mitrovica	RWC Radoniqi	RWC Bifurkacioni	RWC Hidromorava
Households								
Water supply monthly charge	EUR/month	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Wastewater supply volume charge	EUR/m ³	0.3784	0.3395	0.2285	0.3440	0.3398	0.3295	0.3186
Wastewater charge (based on volume of water consumed)	EUR/m ³	0.0461	0.0575	0.0607	0.0874	0.0855	0.1149	0.0725
Commercial and Institutional								
Water supply monthly charge	EUR/month	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Water supply volume charge	EUR/m ³	0.8400	0.6553	0.4569	0.6991	0.6797	0.6589	0.6180
Wastewater charge (based on volume of water consumed)	EUR/m ³	0.1013	0.1093	0.1214	0.2186	0.2139	0.2758	0.1886

ANNEX 5 Summary of performance indicators - 2015

Indicators	Prishtina	Hidroregjioni	Hidrodrini	Mitrovica	Radoniqi	Bifurkacioni	Hidromorava	Sector
Water service coverage (%)	106	67	95	65	99	88	68	87
Wastewater service coverage (%)	89	58	38	51	61	80	51	65
Water production(lpc/d)	204	205	324	389	243	158	196	236
Water sales (l/p/d)	101	86	111	96	125	75	77	98
Inv. water for households (l/d)	81	72	88	84	111	66	67	81
Inv. water for households (%)	80	84	79	87	89	88	87	83
Inv. water for industrial – commercial customers (%)	11	7	9	7	7	7	7	9
Inv. water for institutional customers (%)	9	9	12	5	4	5	6	8
Non-revenue water (%)	51	58	66	60	48	52	61	56
Failed tests in total (%)	0	5	8	2	0	0	0	2.8
Percentage of read consumption (%)	96	88	98	79	95	84	84	91
Efficiency of total staff ('000 cust.)	4.8	7.2	5.0	8.6	8.2	7.9	6.8	6.2
Operational expenses (€/m3/produced)	0.21	0.16	0.08	0.11	0.17	0.18	0.16	0.16
Operational costs (€/cust.) - water	78	66	48	81	73	57	57	68
Operational costs (€/cust.) – wastewater	0.54	11.23	6.68	6.37	4.9	4.15	5.68	4.30
Capital expenses (€/cust.) – water	8	7	45	0	39	11	9	16
Sales income (€/cust.) – water	102	85	72	83	99	74	67	89
Sales income (€/cust.) – wastewater	11.51	11.75	16.82	21.78	21.70	21.82	15.02	15.03
Nr. of service complaints ('000 cust.)	73	32	59	50	12	16	121	56
Collection (%)	76	74	73	56	84	65	78	74
Collection for households (%)	67	73	67	46	93	65	72	68
Collection for commercial – industrial customers	86	63	90	137	71	80	91	84
Collection for institutional customers	99	98	77	54	119	45	107	90
Labor coverage norm	1.12	0.97	1.18	0.62	1.26	1.04	1.07	1.05

ANNEX 6 Statistical data -2015

Data	Prishtina	Hidroregjioni	Hidrodrini	Mitrovica	Radoniqi	Bifurkacioni	Hidromorava	Total
Produced water (m ³)	41,282,430	17,308,689	25,559,988	23,154,548	13,721,967	7,481,265	8,535,394	137,044,281
Nr. of customers total – water	113,848	42,761	43,199	26,192	32,740	23,540	23,575	305,855
Total customers with meters	111,174	40,175	41,534	16,984	31,712	21,582	20,881	284,042
Complaints – water	8,278	1,388	2,553	1,309	388	373	2,864	17,153
Nr. of individual disconnections	2,332	113	52	603	1,087	109	116	4,412
Operational expenses – water	8,830,841.09	2,831,778.02	2,073,806	2,115,556	2,391,361.44	1,331,981.26	1,333,395	20,908,718.81
Capital expenses – water	939,808	294,573.31	1,939,872	0.00	1,264,419.66	263,487	203,445.69	9,198,422
Capital expenses from RWC - Water	709,523	131,416	229,588	0	651,424	100,396	33,322	1,855,669
Quantity of invoiced water m ³	20,383,032	7,298,462	8,783,130	4,562,790	7,079,147	3,575,693	3,353,922	55,036,176
Invoiced water for customers with meters	19,609,511	6,419,802	8,591,862	2,609,325	6,689,847	2,990,849	2,812,747	49,723,943
Income from fixed tariffs	1,647,032	638,923	602,613	358,183	474,592	338,682	321,693	4,381,718
Revenue total for water supply	9,940,880	3,012,976	2,527,734	1,811,203	2,764,398	1,397,194	1,249,534	22,703,918
Other operational revenue – water	390,481	92,451.61	87,362	65,850	96,563	46,027	103,301	882,035.61
Nr. of customers – wastewater	98,819	37,425	18,555	20,174	23,637	20,966	18,814	238,390
Nr. of complaints – wastewater	0	0	1,084	1,591	276	14	1,273	4,238
Operational expenses for wastewater services	165,970.96	413,440.90	130,020	342,366	187,978.03	112,056.85	133,435	1,485,267.74
Total capital expenses – wastewater	21,319	856,593	88,980	0	42,086.16	14,860	782	1,024,620.16
Total capital expenses from RWC - wastewater	19,062	4,280	18,403	0	18,041	14,860	782	75,428
Invoicing per m ³ for wastewater services	17,960,657	6,335,196	3,905,598	3,544,706	4,779,292	3,107,595	2,914,932	42,547,976
Sales revenue for wastewater	1,137,772	439,721	312,148	439,409	512,941	457,462	282,510	3,581,962
Other operational revenue – wastewater	38,618	5,901.17	7,707	0	17,829	19,145	18,761	107,961.17
Other operational expenses for water and wastewater	8,996,812.05	3,245,218.92	2,203,826	2,457,922	2,579,339.47	1,444,038.11	1,466,830	22,393,986.55
Total collected cash	9,609,573	3,036,614	2,504,323	1,455,631	3,135,602	1,436,174	1,452,570	22,630,487
All employed staff	544	310	216	225	269	185	160	1,909
Population total	522,170	345,367	227,062	198,876	155,721	147,574	176,433	1,773,203
Population coverage with water services	553,486	231,817	216,358	129,831	154,895	129,759	119,404	1,535,551
Population coverage with wastewater services	466,638	199,476	86,521	102,386	95,593	117,385	90,655	1,158,652
Length of water system	1,700	510	592	695	540	227	279	4,543
Length of wastewater system	340	270	129	216	81	222	210	1,468

ANNEX 7 Contact details

Regonal Water Companies

WRC	Shefi ekzekutiv	Phone number	Email address	Address
RWC Prishtina (Prishtinë)	Ilir Avdullahu	038/540 749loc.128	ilir.abdullahu@kur-prishtina.com	Str. Tahir Zajmi, PN , Prishtinë 10000
RWC Hidroregjioni Jugor (Prizren)	Besim Baraliu	029/244 150	besimbaraliu@hotmail.com	Str. Vatra Shqiptare, Prizren, 20000
RWC Hidrodrini (Pejë)	Agron Tigani	039/432 355	a.tigani@hidrodrini.com	Str. Lekë Dukagjini, nr.156, Pejë 30000,
RWC Mitrovica (Mitrovicë)	Sami Miftari	028/533 707	sami.miftari@hotmail.com	Str. Bislim Bajgora , PN, Mitrovicë 40000
RWC Radoniqi (Gjakovë)	Ismet Ahmeti	0390/320 503	ismet.ahmeti@hotmail.com	Str. UÇK, nr.07, Gjakovë, 50000
RWC Hidromorava (Gjilan)	Muhamed Suliqi	0280/321 104	Muhamed_suliqi@hotmail.com	Str. UÇK, PN, Gjilan 60000
RWC Bifurkacioni (Ferizaj)	Nazif Asllani	0290/320 650	n_asllani@hotmail.com	Str. Enver Topalli, nr.42/A, Ferizaj, 70000
NPH Ibër-Lepenc	Januz Kabashi	038/225 007	jkabashi@hotmail.com	Str. Bill Klinton nr.13, Prishtinë, 10000

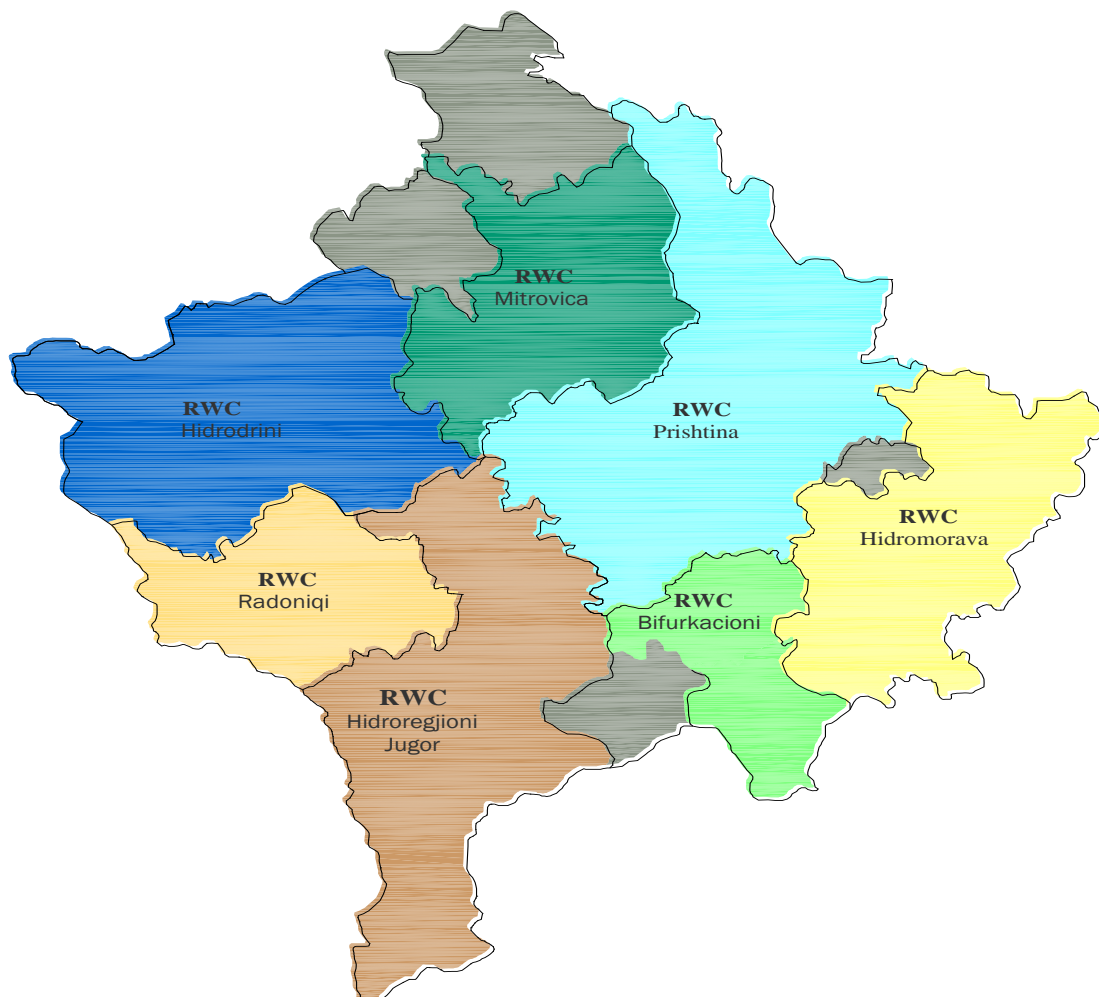
Water Service Regulatory Authority

WSRA	Name	Phone number	E-mail address	Address
Director	Raif Preteni	038/249 165 111	raif.preteni@arru-rks.org	Str. Ferat Dragaj nr.68, Prishtina, 10000
Deputy Director		038/249 165/124		Str. Ferat Dragaj nr.68, Prishtina, 10000
Head of Law and Licensing Department	Mejreme Cërnobregu	038/249 165/117	mejreme.cernobregu@ arru-rks.org	Str. Ferat Dragaj nr.68, Prishtina, 10000
Head of Performance and Monitoring Department	Qamil Musa	038/249 165/121	qamil.musa@ arru-rks.org	Str. Ferat Dragaj nr.68, Prishtina, 10000
Head of Tariff Regulatory Finances Department	Sami Hasani	038/249 165/120	sami.hasani@ arru-rks.org	Str. Ferat Dragaj nr.68, Prishtina, 10000
Head of Administration and Finances Department	Ramiz Krasniqi	038/249 165/110	ramiz.krasniqi@ arru-rks.org	Str. Ferat Dragaj nr.68, Prishtina, 10000
Contact person for customers	Behxhet Bala	038/249 165/101	behxhet.bala@arru-rks.org	Str. Ferat Dragaj nr.68, Prishtina, 10000

Customer Consultative Committee

CCC	Name	Position	Municipality	E-mail
CCD Prishtina	Avdi Gjonbalaj	Chairperson	Prishtinë	avdi_gjonbalaj@yahoo.com
CCDPrizreni	Merita Gorani	Chairperson	Prizren	meritagorani@gmail.com
CCD Peja	Ilirjana Dukaj	Chairperson	Pejë	ilirianadukaj@hotmail.com
CCD Mitrovica	Adem Kërleshi	Chairperson	Mitrovicë	adem.kerleshi@rks-gov.net
CCD Gjakova	Erlinda Rizvanolli	Chairperson	Gjakovë	erlinda.rizvanolli@rks-gov.net
CCD Ferizaj	Ilmi Mustafa	Chairperson	Ferizaj	hilmi.mustafa@rks-gov.net
CCD Gjilani	Drita Kajtazi	Chairperson	Gjilanë	drite.kajtazi@rks-gov.net

ANNEX 8 WRC Service zones



RWC Prishtina	RWC Hidroregjioni jugor	RWC Hidrodrini	RWC Mitrovica	RWC Radoniqi	RWC Bifurkacioni	RWC Hidromorava	Municipalities that are not provided with water services
Prishtinë Podujevë Fushë Kosovë Obiliq Lipjan Drenas Shtime Graçanicë	Prizren Suharekë Malishevë Dragash Mamushë	Pejë Klinë Istog Junik Deçan	Mitrovicë Skënderaj Vushtri	Gjakovë Rahovec	Ferizaj Kaçanik Hani i Elezit Shtërpce	Gjilan Kamenicë Viti Novoberdo Klokot Ranillug Partesh	Zubin Potok Leposaviq Zveçan