OPENING STATEMENT BY WAF MANAGEMENT

The Government together with the Water Authority of Fiji (WAF) has an obligation under Section 36 of the Constitution of Fiji to provide access and adequate supply of clean and safe drinking water to all Fijians. The goal is to achieve 95% coverage of the total population having access to clean drinking water by 2025 from the current 88% (2016). These target is defined under the Governments Green Growth Framework –Thematic 6 which WAF is mandated to accomplish. WAF is also playing pivotal role in the global endeavour of working towards Goal 6 of the Sustainable Development Goal (SDG 6: Clean Water and Sanitation) set by the United Nations in trying to ensure availability and sustainable management of water and sanitation for all.

It is therefore our prime responsibility in working with the Government of the day to ensure that we deliver this essential service to the people of Fiji.

Under the PSIP 2017/2018 Capex budget, WAF has been allocated $217 million to ensure that we achieve some of these goals but will require further capital investment in the coming years. More importantly, the rural schemes allocation has significantly increased to $27 million demonstrating Governments commitment to our rural communities. This allocation will deliver 176 rural projects benefiting approximately 49,780 rural population.

The Asian Development Bank, the Green Climate Fund, European Investment Bank and our Government is providing financial assistance over the next 3 years targeted towards water and wastewater infrastructure developments, Non-Revenue Water reductions and WAF capacity building. One of the major projects is the Rewa/Viria project set to be completed by year 2021. This will ensure that we increase service coverage and improve reliable water supply 24/7 to approximately 340,000 population living within the Suva-Nausori corridor.

In the area of Wastewater, the national coverage is low at 44%. WAF is currently engaged in augmentation and consolidations works of its biggest wastewater treatment plant (WWTP) in Kinoya. The Kinoya WWTP serves the Suva-Nausori corridor and will be expanded up to 150,000 Equivalent Population (EP) and further upon completion of upgrading works under ADB project, the plant will be further expanded up to 277,000 EP. WAF is prioritising on expanding wastewater coverage to urban commercial zoned areas to expedite rapid commercial developments aimed at generating economic growth for the country. Furthermore, a feasibility study will be undertaken in 2018 for the development of water and wastewater infrastructure in Savusavu via a grant from the Kuwait Government through the Kuwait Fund for Arab Economic Development (KFAED).

To improve its service delivery, WAF has just recently launched its Customer Charter and Liquid Tradewaste policy to ensure that all customers from domestic to commercial are fully informed of their rights and provide a framework for defining service delivery standards and how complaints from customers will be handled.

WAF in its 8 years of existence as a Commercial Statutory Authority (CSA) went through some very challenging times transitioning from a government department to a CSA. WAF inherited a very old and aging infrastructure (over 40 years old), very high customer expectations and demands, rapid growth in commercial developments, significant increase in rural-urban migration and a workforce that had limited technical capacity. In some quarters, it was referred to as a rudderless ship with little direction and few system and procedures to help put it on course.

Since inception in 2010, WAF continues to address these challenges with vigilance through the guidance of a very dynamic executive management team and government support steering WAF to realising its ultimate goal of delivering “clean water and sanitation to our

customers 24/7". Relevant point of references for direction were the 5 year National Development Plan together with our Strategic and Operational Plans for 2014 to 2019 and our 20 year water and wastewater Masterplan for the 4 major urban systems together with the WAF Promulgation 2007.

WAF also set-up dedicated business units and appointed specialised personnel to address key focus areas challenging the authority resulting in organisational restructure to ensure relevance in our environment of operations. This included the set-up of the Non-Revenue Water Unit aimed at reducing NRW levels to 20% by year 2019. To date, the unit has reduced the NRW levels from 51.7% (2013) to 31.3% (2017). The 20.4% reduction equates to $13.5 million in dollar savings for WAF.

This has been brought about by a collection of activities and established programs. First is the introduction of District Metered Areas (DMA's) to clearly demarcate the operational areas that eases the monitoring and identification of problem areas. Secondly, the reduction of intermittent areas from 68 (2013) to 8 as at end of 2017. Thirdly, the restructuring of the Leak Detection unit to allow training of technical officers and assistants together with field officers. Fourthly, the formation of the Integrated Meter Management (IMM) team together with capacity building to ensure the adoption of smart metering the introduction of smart technology to aid the monitoring process. Fifthly, the establishment of the demand management program to monitor the drive of bringing the current 220 litres per capita per day (l/c/d) to 180 litres per capita per day (l/c/d). Sixthly and in conjunction with demand management is our water conservation awareness program that was initially targeted at school kids and have expanded to the corporate sector and social clubs and women's group. This particular program won WAF a distinction in the Water Leaders category at the 2017 Global Water Awards in Madrid, Spain.
WAF is in the process of developing its Disaster Risk Management Plan especially after the experience of the TC Winston in February 2016. After TC Winston, the rural unit had mobilised to 184 villages across the country (Central/Eastern/Western/Northern) and within 3-6 weeks were able to restore water in these respective villages. As of today, some villages are still been attended with further rehabilitation works. Approximately 27,000 people will benefit from this rehabilitation program.

In respect to WAF's preparation for Climate Change and COP 23, WAF currently operates 55 Water Treatment Plants and 11 Wastewater Treatment plants and Climate Change has proved to have certain impacts on the water and wastewater systems. High floods, adverse raw water quality and rise of sea levels are some of those factors impacting the water and wastewater systems. WAF as a mentee in early 2017 entered into a twinning program with the Asia Development Bank, Sydney Water, Climate Risk, Samoa Water Authority (Mentee) and Water PNG (Mentee) to carry out a quantitative Climate Change Risk assessment of the organizations key vulnerability areas and to develop strategic pathways towards building Climate Resilient Infrastructures moving into the future. This twinning program is a three week program spread over twelve months whereby Lidar and Asset Data is submitted to Climate Risk to be analysed(based On 2030 Forecast) through the Climate Change Tool called Adaptwater which was created for and utilized by Sydney Water to carry out their Quantitative Risk Assessment in 2008. Nadi has been selected as the pilot zone for WAFs Quantitative Risk Assessment due to major climatic events severely damaging WAF's infrastructure in recent history. After the Pilot Program is completed WAF will endeavour to carry out the same Quantitative Risk Assessment for all its Water and Wastewater Systems around Fiji to ensure that future investments are developed with Climate Change factored as a key consideration in our Strategic Planning process.

The Water Authority of Fiji started with the restructuring of its Project Management Unit from 2014 with the setting up of two separate distinct units; the Planning and Design Unit and the Construction Unit. The re-structuring is a strategic move by the WAF to improve its overall

efficiency and effectiveness of project management culture, project delivery, and reporting. The overall strategy is centred round WAF's Project Delivery Lifecycle or Process Delivery Process, from Project Initiation right through to Project Closure WAF is currently finalising its Project Delivery Framework (PDF) which replaces the old 2011 Project Manual and the 2014 Capex Manual. The objective of the PDF is to consolidate WAF's project delivery process, provide framework to assist WAF staff/Project Managers with navigation of the project delivery process and to promote compliance, and include flexibility to adapt and change to enable continuous improvement. Outcome being WAF Project delivery performance is improved in terms of quality, consistency, and efficiency.

In 2015 the WAF established its Special Projects Unit to manage the ADB-Funded Suva/Nausori Water Supply and Sewerage Project. The Special Projects Unit will be responsible for management of the institutional development action plan, including implementation programming, selection and engagement of consultants, procurement of goods and services, supervision of consultants, maintenance of records, progress reporting, identification of problems and issues that may arise during implementation, and preparation of recommendations for adjustments in the project, if any. The Unit is headed by a General Manager with suitable qualifications and experience for the assignment, including experience in similar projects. In addition it comprises two project managers, one for water and one for sewerage, as well as a team of support staff including engineers, land acquisition officers, and an accountant. Design and supervision consultants report to the General Manager. WAF is providing the Unit with secretarial and other support services. WAF will operate and maintain the project facilities on completion.

Ongoing capacity building that has resulted in the increase of training days from 2 days per employee (2013) to over 5 days by year end in 2017. Furthermore the implementation of robust systems and processes in the operational and financial areas has added stability and direction in our continuous progress.