PRIME MINISTER

EDI RAMA

DECISSION

ON

REORGANIZATION OF THE OPERATORS PROVIDING THE SERVICES OF DRINKING WATER SUPPLY, WASTEWATER COLLECTION, TREATMENT AND DISPOSAL

Pursuant to Article 100 of the Constitution and Articles 213, of Law No. 9901, dated 14.4.2008, "On Entrepreneurs and Companies", Article 10, Point 3, Letters (a) and (b) of Subdivision I and Point 3, Article 70, et sequent.; and Law No. 8652, dated 31.07.2000 "On the Organization and Functioning of Local Government" as amended, upon the proposal of the Minister of Transport and Infrastructure and the Minister of State for Local Government Issues, the Council of Ministers hereby,

DECIDED:

SECTION I

REORGANIZATION OF THE SERVICES OF DRINKING WATER SUPPLY, WASTEWATER COLLECTION, TREATMENT AND DISPOSAL

- 1. Reorganization of all services of drinking water supply, wastewater collection, treatment and disposal in the Republic of Albania, under the new Administrative Territorial Reform according to Law No.115/2014, "On Administrative Territorial Division of the Local Government Units in the Republic of Albania".
- 2. All units of drinking water supply, wastewater collection, treatment and disposal are organized as joint stock companies under the system with one administrative level and shall operate under Law No. 9901, dated 14.4.2008, "On Entrepreneurs and Companies."
- 3. The shares of the current Water Supply and Sewerage Utilities, owned by former local government units, as dissolved under the new administrative territorial division, shall be transferred to the Municipalities. Municipalities shall follow the procedures of transferring the shares as provided by this Decision and the relevant legislation in force.
- 4. In those municipalities where units of drinking water supply, wastewater collection, treatment and disposal have not been organized as joint stock companies, the municipality, by 31 December 2016, shall be responsible for the physical inventory, valuation and registration of these units in the asset and accounting structure of the Water Supply and Sewerage Utilities JSC, under the possession of the municipality according to the new administrative territorial division.

NOTE: THIS DOCUMENT HAS BEEN TRANSLATED FROM THE ORIGINAL ALBANIAN BY THE WATER SUPPLY AND SEWERAGE ASSOCIATION OF ALBANIA AND IS NOT AN OFFICIAL TRANSLATION BY THE ALBANIAN GOVERNMENT

- 5. The Municipalities and Water Supply and Sewerage Utilities JSC, are obliged to respect the agreements, contractual obligations, service contracts, as well as any right/obligation that arises from them, signed among Council of Ministers, Ministries, Central Institutions, Water Supply and Sewerage Utilities and former Local Government Units with International Financial Institutions and Contracting Companies.
- 6. In cases when two or more municipalities have the mutual good will to establish a joint Water Supply and Sewerage Utilities JSC, they will be supported by the central government with investments according to the joint venture needs and relevant study.
- 7. In cases where an existing Water Supply and Sewerage Company JSC, covers with service more than one municipality or, in the case provided for in paragraph 6 of this decision, the Company's founding bodies shall be composed of representatives of the relevant Municipalities, the weight of whose decision shall be in proportion to the percentage of shares belonging to each municipality. The relevant municipal councils shall approve the percentages of shares pursuant to Paragraph 3 of this Decision, and the bodies of the Company shall register the shares under the applicable law.
- 8. The Water Supply and Sewerage Companies JSC, have an obligation to report to the ministry responsible for the sector of water supply and sewerage, and to the Prefect of the Region, with regard to all data and information according to the forms and deadlines determined by the Prefect. Forms of information disclosure shall be approved by guidelines of the line ministry. In addition, companies shall be obliged to report their share of data, which have to be entered into the National Water Resources Cadaster.
- 9. When planning investment funds from the State budget and international financial institutions, the ministry responsible for the sector of water supply and sewerage systems shall be guided by the adopted sectoral strategic documents and the performance of the Water Supply and Sewerage Companies JSC.
- 10. The staff and operational management of the Water Supply and Sewerage Companies JSC shall undergo the training and certification process under programs as approved by the ministry responsible for the sector of water supply and sanitation.

SECTION II

TRANSITIONAL AND END PROVISIONS

- 1. Water Supply and Sewerage Companies JSC shall be organized in accordance with the template charter (see note below), under Annex 1 of this Decision.
- 2. All municipalities and existing Water Supply and Sewerage Companies JSC shall, under the procedures as stipulated in Law No. 9901, dated 14 April 2008, "On Merchants and Commercial Companies", expand and reduce their capital, as appropriate, by adding or removing the capital of the public systems of the water supply and sewerage companies, which are added or removed.

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- 3. All the Water Supply and Sewerage Companies JSC shall apply to the Water Regulatory Authority within three (3) months of their reorganization for a license for the relevant categories of services and tariff review.
- 4. The Decision of the Council of Ministers No. 660, Dated 09 December 2007, "On the Transfer of Shares of the Water Supply and Sewerage Companies to Local Government"; Decision of the Council of Ministers No. 677, dated 03 October 2007, "On Some Additions and Amendments to the Decision of the Council of Ministers No. 642, Dated 11 October 2005, "On the Supervisory Boards of State-Owned Joint Stock Companies"; Decision of the Council of Ministers No. 678, Dated 03 October 2007, "On an Addition to the Decision of the Council of Ministers No. 271, Dated 09 May 1998, "On Approval of the Template Charter for State-Owned Joint Stock Companies" shall be repealed.
- 5. The Ministry of Transport and Infrastructure, Minister of State for Local Government Issues, Water Regulatory Authority, General Directorate of Water Supply and Sewerage; Territorial Reform Implementation Agency; Local Government Units, and Water Supply and Sewerage Companies JSC shall be assigned with the enforcement of this Decision.

Note: The template charter mentioned in Section II, Article 1 above has not be translated at this time by the Water Supply and Sewerage Association, but will be available on the Website of the Association (www.shukalb.al)before the end of February 2016.