



SHUKALB

WATER SUPPLY AND SEWERAGE ASSOCIATION OF ALBANIA

COVID-19 Pandemic Impacts on Water and Wastewater Systems in Albania

Survey Results, April 2020



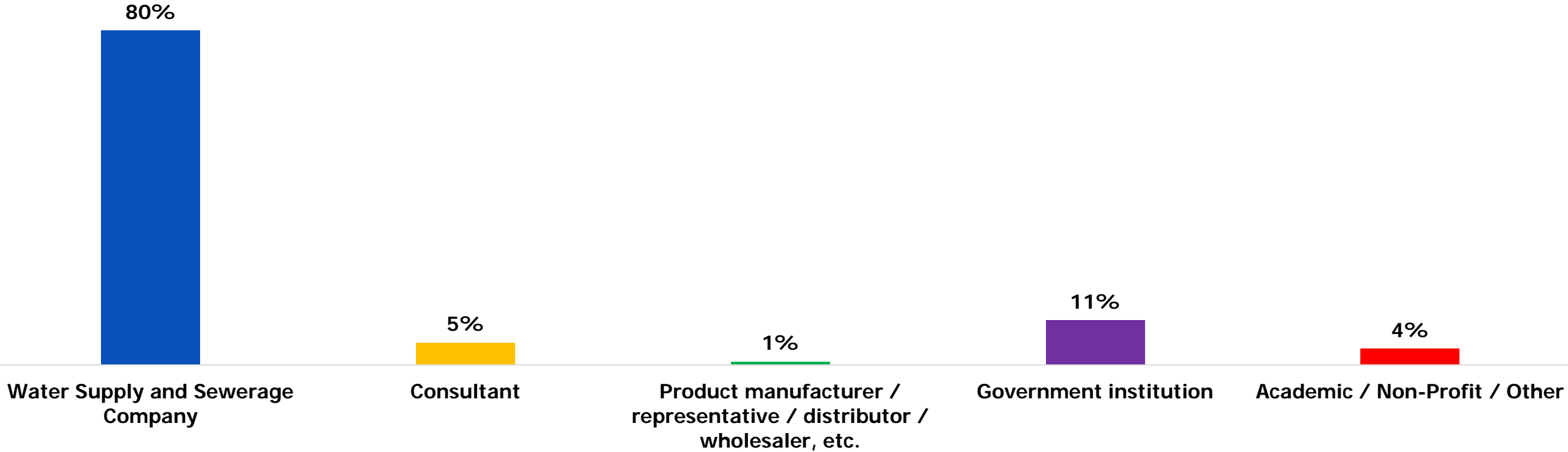
Overview

- SHUKALB is closely monitoring the coronavirus pandemic (COVID-19) and its impacts on water and wastewater systems in Albania.
- SHUKALB conducted an online survey addressed to water utilities and other water sector organizations in Albania, in order to measure the initial impact of the pandemic and actions being taken to manage risk and plan for contingencies.
- The Survey was distributed and collected information during April 6-24, 2020. In total there were 132 respondents, 105 respondents from Water Utilities in Albania and 27 from other institutions.
- The survey results will be further distributed to national institutions and Donors /IFIs working in the water sector, in order to establish a dialogue with all actors on the short-term needs of the water utilities considering the impact of the COVID-19 situation.

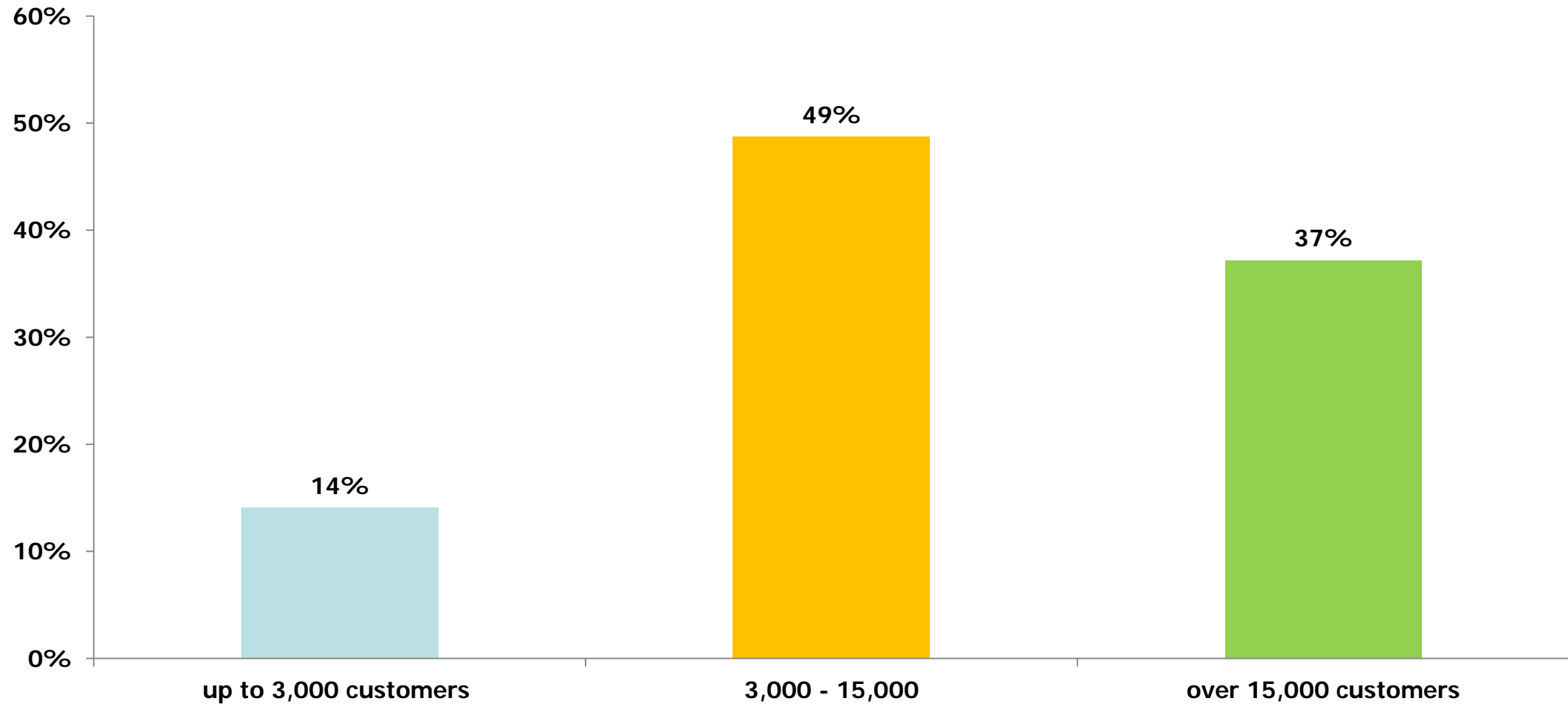
The Survey Structure

- The Survey inquired information in the following areas:
 - Information on the respondents institutions;
 - The challenges being faced or being anticipated in the future regarding the continuity of service due to COVID-19;
 - The actions being implemented or developed by water utilities to manage the risk / emergency plan due to COVID-19;
 - The steps taken from water utilities to assist customers in the current COVID-19 response;
 - Policies water utilities are taking or considering to continue essential operations for field and/or plant employees and others who can't work from home;
 - Budgetary, revenue, or spending reductions water utilities are facing currently or potentially due to COVID-19;
 - Estimations on the approximate impact on revenues;

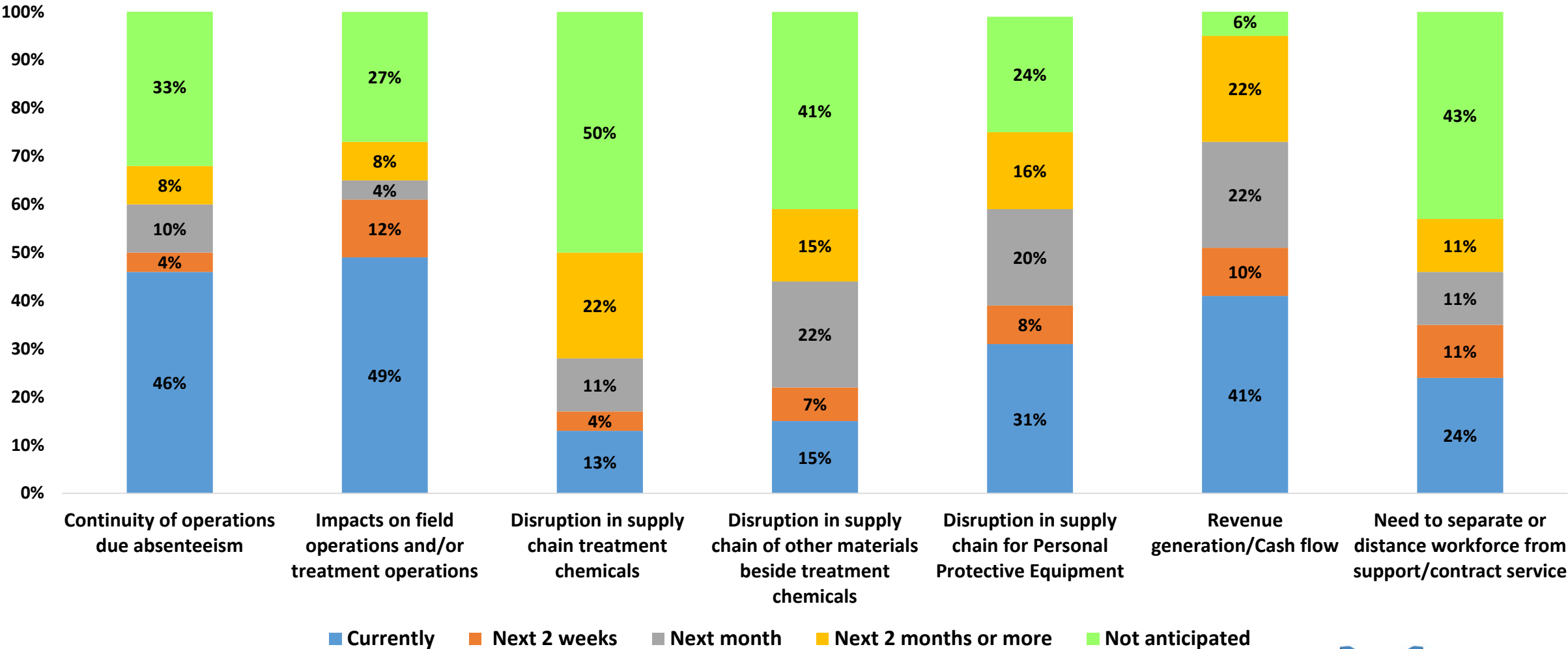
Which of the following categories do you belong to?



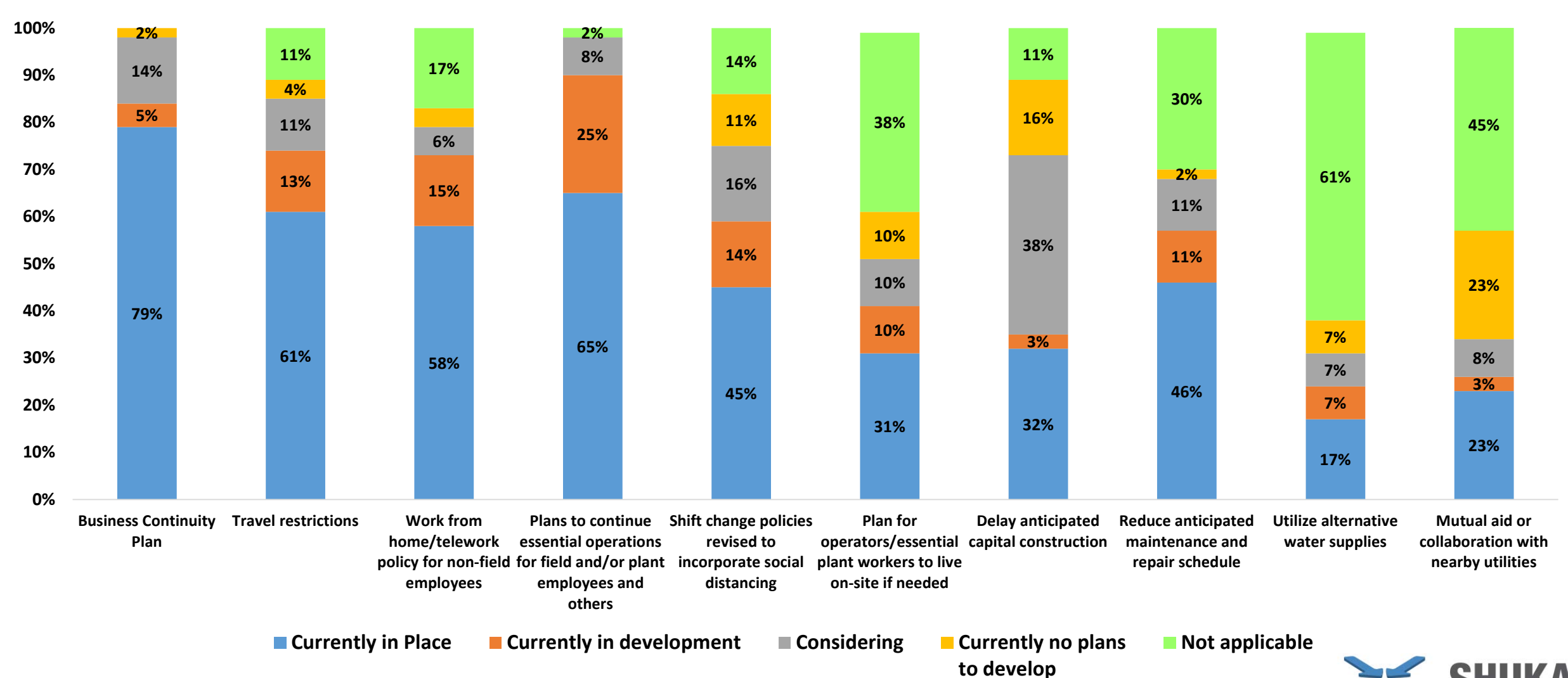
Approximately how many customers does your utility provide service for?



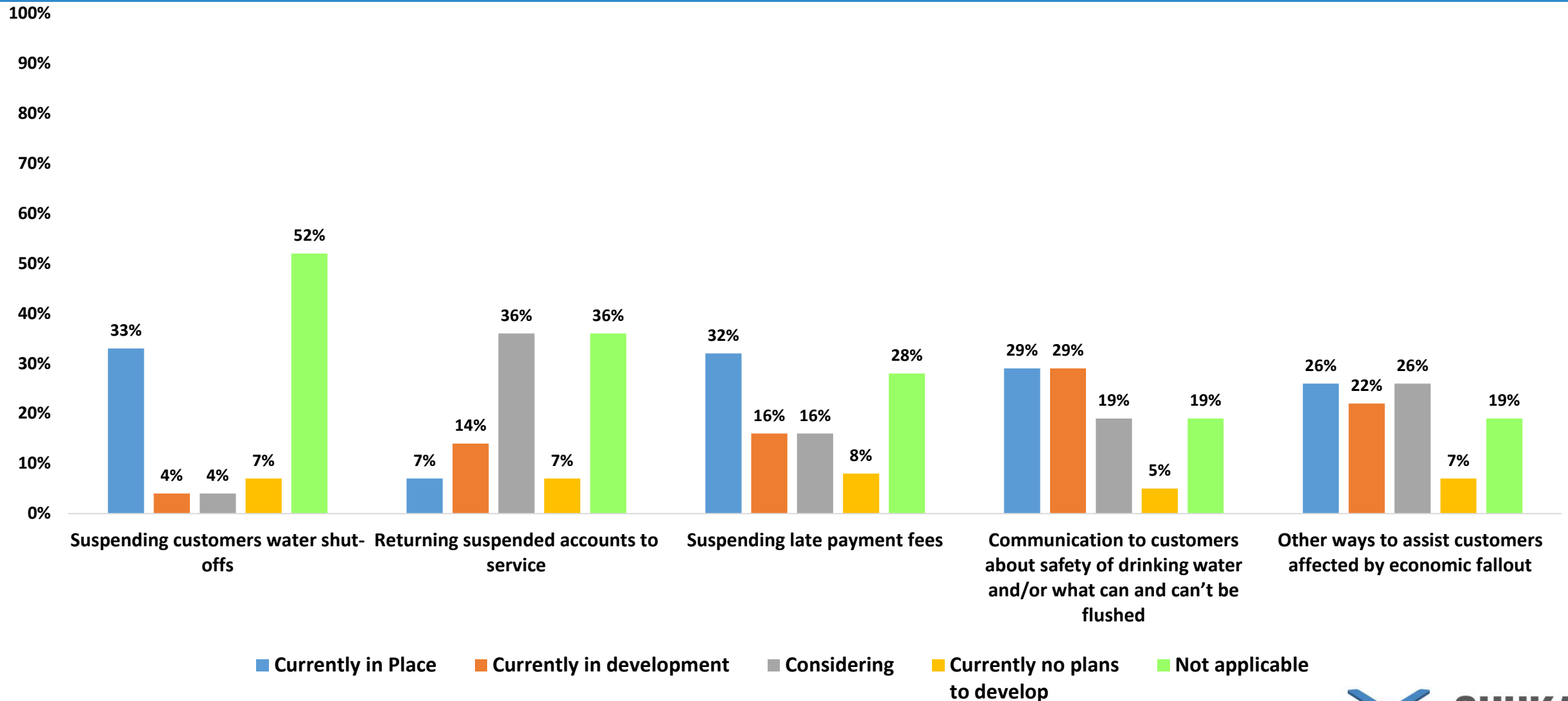
What challenges do you face or anticipate in the future regarding the continuity of service due to COVID-19?



Please indicate which are being implemented or being developed by your company to manage the risk / emergency plan due to COVID-19?

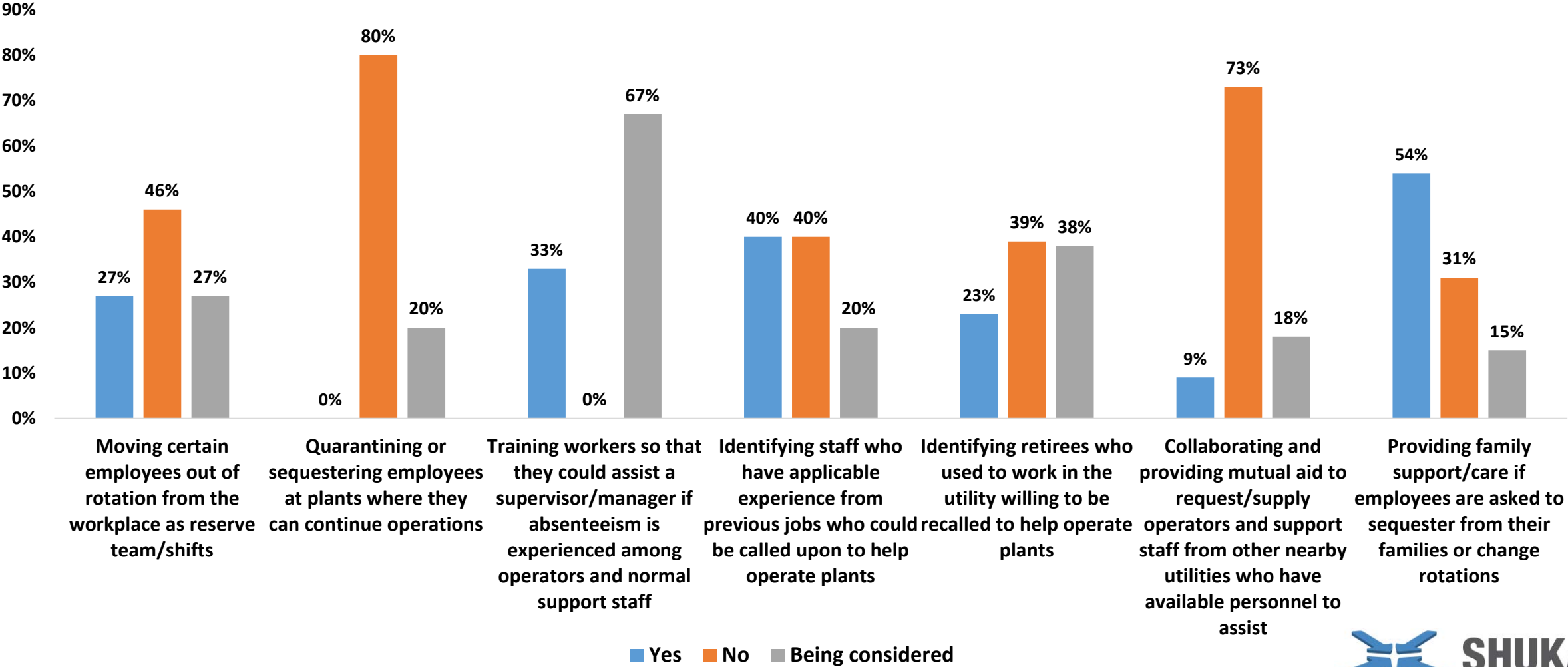


What steps are you taking to assist customers in the current COVID-19 response?

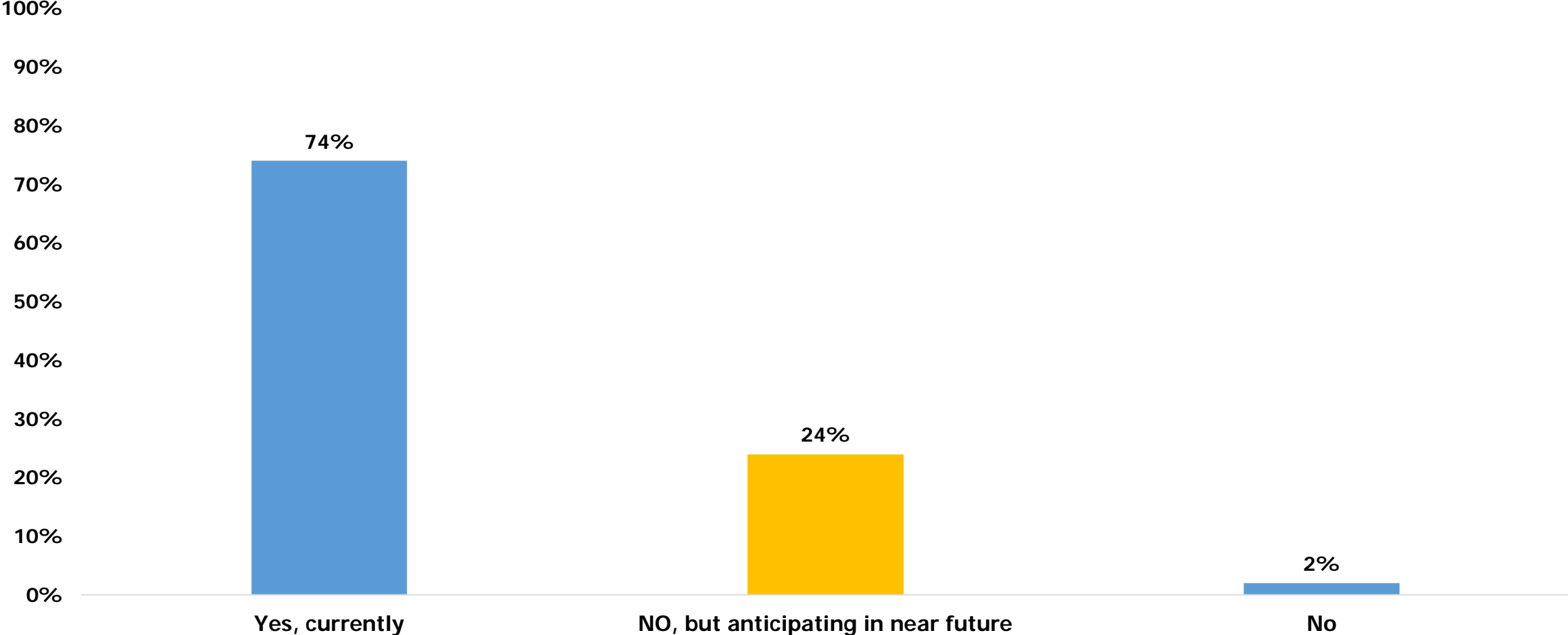


Many utilities are developing policies to continue essential operations for field and/or plant employees and others who can't work from home.

Please select what type of policies you have in place or you are considering?



Is COVID-19 currently or potentially presenting any budgetary, revenue, or spending reductions?



Please provide your estimated and approximate impact on revenue in either Lek amount and/or percentage?

- Estimated impact to-date, a range from **15% up to 50%** impact on revenues.
- Estimated impact to 2nd trimester, a range from **10% up to 70%** impact on revenues.
- Estimated impact on year-end forecast, a range from **10% up to 60% reduce** on revenues.

Are there any additional ways your organization is planning for potential impacts of COVID-19?

- On-field bills encashment.

What, if any, regulatory compliance challenges is your organization *currently experiencing* due to the COVID-19 pandemic?

- Bill collections, meter reading, proper water supply.

What, if any, regulatory compliance challenges is your organization *anticipating* due to the COVID-19 pandemic?

- High chlorination costs due to the large number and geographical extent of water reservoirs and guaranteeing their safety.
- Financial difficulties for employees' salaries.

Key Findings

- **The key challenges regarding the continuity of service** due to COVID-19:
 - The continuity of operations due absenteeism and impact on field operations and/or treatment operations are pressing challenges currently (respectively, 50%, 61%), and indicated in the next months;
 - The disruption in supply chain of treatment chemicals, other materials, and personal protective equipment is low at present, but to be anticipated/pressing in the next months (respectively, 50%, 59%, 76%);
 - Revenue generation/Cash flow is estimated both as a present and to be anticipated challenge in the next months, totaling to 94%;
- **The actions being implemented and developed by utilities to manage the risk/emergency plan:**
 - Plans to continue essential operations for field and/or plant employees and others (90%);
 - Business Continuity Plan (84%);
 - Travel restrictions (74%);
 - Work from home/Telework Policy for non-field employees (73%);
 - Shift change policies revised to incorporate social distancing (59%);
 - Reduce anticipated Maintenance and Repair Schedule (57%).

Key Findings (continued)

- **The steps taken from water utilities to assist customers** in the current COVID-19 response:
 - Communicating to their customers on the safety of the drinking water (58%);
 - Suspend late payment fees for their customers (48%);
 - Other ways to assist customers affected by economic fallout (48%);
- **Policies water utilities are taking or considering to continue essential operations for field and/or plant employees and others:**
 - Training workers so that they could assist a supervisor/manager if absenteeism is experienced among operators and normal support staff (100%)
 - Identifying staff who have applicable experience from previous jobs to be called upon in operating plants (60%) and providing family support, if employees are asked to sequester from their families or change rotations (69%);
 - Moving certain employees out of rotation from the workplace as reserve team/shifts (54%)
- **Budgetary, revenue, or spending reductions** due to COVID-19:
 - COVID-19 is presenting budgetary, revenue, or spending reductions (currently & anticipated 98%)
 - Estimations on the approximate impact on revenues, range up to 70% to next 3 months, and to 60% by the end of the year.
- **Regulatory compliance challenges** relate to:
 - Bill collections, high chlorination costs and water reservoirs safety.

Recommendations shared by the Surveyed Utilities

- Utilities to be supported by Central/ Local Government with grants/ soft loans to overcome the financial gap created due to COVID-19 and cover operational costs;
- Utilities to ensure protective measures for their staff and respecting of all of the regulations set by the Government including social distancing and maintaining of proper hygiene;
- Utilities to implement staff rotation;
- While dealing with COVID-19 impact, utilities need also to focus on their efforts to ensure adequate water supply services for the summer season ahead, which is the highest demanding season especially given the dry winter;
- Automate the payments of water fees by the retired people (who remain the most well behaved customers) , through a special agreement with the bank where they receive their pension (upon prior consent by the retired people);
- Utilities need to develop and implement business continuity plans, supported by the donors;
- Removal of late payment fees by utilities has a negative impact in the revenues and it should not be applied.

Recommendations for Follow Up

- More could be learned from further consultation with utilities or through a virtual meeting, using the Survey results as a basis.
- Additional feedback from the national institutions and Donors /IFIs working in the water sector would be needed on the current and anticipated needs of the water utilities.
- The areas that need immediate attention are:
 - Addressing Key Inefficiencies
 - Revenue Management
 - Expenditure Management
 - Risk Assessment and Risk Mitigation
 - Emergency Management
- A dialogue needs to be established and joint collaboration with key stakeholders is necessary in order to support water utilities in continuing their services.
- SHUKALB, would propose a framework of e-learning courses/webinars that would best respond to the utilities emergent needs based on the survey results and stakeholders feedback.
- A webinar in collaboration with national institutions is viewed as beneficiary focusing on the policies and regulatory framework.

Questions and Feedback





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