

# Preparation of the National Report on existing Asset Management practices and

# **Testing of the Asset Management Toolkit**

# **Background**

Due to transition from former regimes to free market economies, utility sectors in most SEE countries needed to go through many challenging situations to adapt to the new situation and accommodate with new regulations or EU accession requirements. However, the water supply and sewerage sectors did not follow the pace of transition reforms. Very often they have not introduced yet modern corporate management principles and methods in the companies' operations.

One of the most important issues for municipalities and public utilities in the water and sanitation sector is the asset management. The assets that make up a water or wastewater system generally lose value over time as the system ages and deteriorate. Along with this deterioration, it may be more difficult to deliver the type of service that the utility's customers want. Costs of operation and maintenance will increase as the assets age. Then, the utility may be faced with excessive costs that it can no longer afford.

The municipalities and public utilities lack effective methods for Asset Management for their water supply and sanitation system in order to offer efficient services and to plan necessary investments.

There are methods for managing the assets of the water or wastewater systems that can help the public utilities making better decisions about the management of these aging assets. These methods have been refined and standardized by the international community. They help the long-term sustainability of an asset by helping its owner to make better decisions on when it is most appropriate to repair, replace, or rehabilitate particular aging asset's components and by developing a long-term funding strategy.

The project "Asset management for water and sanitation sector in South-East Europe", financed by GIZ/ORF, jointly implemented by Standing Conference of Towns and Municipalities (SCTM) and Network of Associations of Local Authorities in SEE (NALAS) is focused on introduction of Asset Management methods in pilot municipalities in order to improve efficiency and transparency in managing water and sanitation infrastructures in SEE.

The project is implemented within the network of NALAS and its member countries – Albania, Bosnia and Herzegovina, Croatia, Kosovo, Macedonia, Montenegro and Serbia.

## **Objectives**

The overall objective of the project is to raise understanding of the benefits of Asset Management methods among decision makers in achieving efficiency and transparency in managing water and sanitation infrastructures in the NALAS operational region of South Eastern Europe (SEE).



# The specific objectives are:

- Assessment of the existing AM practices in selected municipalities/public utilities in SEE countries,
- Identification of gaps between existing AM practices in selected municipalities/public utilities in SEE countries and international standards,
- Providing tools for assessment of maturity level of public utilities against best practices in AM, with the purpose of promoting good asset management practice and the quality principle of continuous improvement. Improvement of the existing AM practices in public utilities should consequently lead to achievement of more effective and efficient operation of the company and positive impacts on the service quality for the citizens.

# **Expected results**

- National Report containing review of the existing Asset Management practices, including IT aspects, in selected pilot municipalities/public utilities based on survey.
- Testing of the Asset Management Toolkit in selected pilot municipalities/public utilities and provision of feedback.

# **Project management**

NALAS and SCTM are responsible for the implementation of the whole project, while Hydro-Engineering Institute Sarajevo (HEIS), as a selected International Consulting Company, is responsible for coordination of work of selected National Experts from each of the seven partner countries.

## **Requirements for National Experts**

- University degree in engineering, economy, technical sciences or related fields,
- Substantial knowledge of the field of asset/infrastructure/utility management (experience in work with financial software would be considered as an asset),
- Long term experience in working with public utilities,
- Good understanding of local governance/municipal administration and municipal public services,
- Analytical and writing capacity,
- Capability to write and communicate in English,
- Availability to participate regularly in the project events (Round Table).

### **Responsibilities of National Experts**

Participating in the NALAS and HEIS led Expert Team. The National Expert will work, as a member of the team providing information, writing a National Report and contributing to the final outputs by focusing on the following activities:

- Preparation of National Report (collect, review and summaries the findings of the Assessment Report of existing Asset Management practices in partner country).



- Provide support to HEIS in development of set of criteria for selection of pilot municipalities/public utilities (in consultation with respective LGA).
- Selection of pilot municipalities/public utilities based on set of criteria in consultation with respective LGA.
- Conducting a survey on existing Asset Management practices, including IT aspects, in pilot municipality/public utility, processing and analysis of the results.
- Elaboration of the National Report summarizing findings of the conducted survey.
- Testing of the Asset Management Toolkit in selected pilot municipality/public utility based on questionnaires and provision of feedback and conclusions.
- Preparation and participation in project events (Round Table scheduled for 12 of September 2014 in Belgrade, Serbia).

# Period of the engagement:

National Expert will be engaged in the period September 2014 - November 2014 in total of 18 working days including:

- Participation at the Round Table 1 day travel (accommodation and travel expenses will be covered by GIZ),
- Preparation of the National Report approximately 13 days, including two travels to selected pilot municipality.
- Testing of the Asset Management Toolkit approximately 4 days, including one travel to selected pilot municipality.

### **Application process:**

The interested candidates is required to send the following documents in English:

- Cover letter that clearly states motivation and qualification for the position and
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- Financial offer for man-day in EUR (gross amount including travel expenses in Macedonia).

Application will be accepted by e-mail at <a href="mailto:info@nalas.eu">info@nalas.eu</a>

The deadline for submission is 16:00, Wednesday, 03 September 2014.