

KINGDOM OF CAMBODIA
NATION RELIGION KING

DRAFT

THE WATER SUPPLY AND SANITATION
REGULATORY LAW
OF THE KINGDOM OF CAMBODIA

Submitted to
The Minister of Industry, Mines and Energy

Phnom Penh, Cambodia

- (g). "Sewerage Service" shall refer to sewerage services provided by a Licensee in a particular Service Area or Areas involving the collection of human waste, sullage and trade wastes from residences and establishments through pipes, structures and other collection systems.
- (h). "Service Area" shall refer to the territory area of operations with respect to which a License from the Regulator to provide Water Supply and/or Sewerage Services is applied for or granted.

The relationship between the Regulator and with any ministry that has either interest in or policy related to the Water Supply and/or Sewerage services shall be limited only to coordination and/or consultation by the Regulator.

ARTICLE 6: Objectives of the Regulator

The Regulator shall have the following objectives:

- (a). to assist in the promotion to expand, improvement, and efficient provision of Water Supply

- willingness to pay of the customers/consumers;
 - equity considerations; and
 - administrative simplicity.
- (c). to approve, reject or amend the Tariffs of Water Supply and/or Sewerage Services;
- (d). to regulate legal persons or legal entities, whether from the public or private sector, that provide Water Supply and/or Sewerage Services;
- (e). to grant, issue, modify, monitor, enforce, suspend and/or cancel Licenses for Water Supply and/or Sewerage Services based on the technical, financial and managerial capability of the services provider or any grounds that Regulator considers not in the public interest;
- (f). to disseminate and publish comparative information on prices and service performance of Licensees of Water Supply and/or Sewerage Services;
- (g). to take into account Licensee's service targets and performance against such targets in respect of consumer service standards regarding water pressure, water quality, treatment standards, minimum flow rates, connections and billing and metering requirements and procedures, among others as the Regulator may determine in exercising of its powers and functions under this Law and any implementing Sub Decree and regulations.
- (h). to provide a system for complaints and appeals relating, but not limited to:
- tariffs set or collected for Water Supply and/or Sewerage Services;
 - the quality of service provided by the Licensees; and
 - the adequate and/or equitable distribution and reliability of Water Supply and/or Sewerage Services;
- (i). to impose and collect an annual levy on all water taking and discharging to the extent necessary for running activities of the Regulator;
- (j). to advise, apprise and coordinate with other relevant agencies of the national and local government on any matter relating to Water Supply and/or Sewerage Services;
- (k). to deputize agents, whether from the public or private sector, to assist in the performance of any of the powers and functions of the Regulator;
- (l). to appoint, hire and maintain adequate staff and personnel, advisers, and/or consultants, with suitable qualification and experience, as necessary;
- (m). to conduct inquiries or hold hearing on matters relating to water supply and distribution or sewerage systems and disposal systems;

- (n). to provide a system for the settlement of complaints/disputes between or among Licensees and customers/consumers;
- (o) to have the right of entry to any premises operating public or private Water Supply and/or Sewerage Services;
- (p) to charge a license fees to cover the cost of administration in granting a license(s);
- (q) to require a legal person or legal entity to connect to the water supply or sewerage systems where a public safety for health issue is concerned;
- (r). to issue and promulgate rules and regulations necessary to implement, perform, and effect its aforementioned powers and functions. To the extent practicable (as the Regulator shall

(v) lose citizenship or the right to vote

ARTICLE 17: Chairperson responsibility

The Chairperson shall be responsible for:

- Managing the Water Supply and Sanitation Regulator of Kingdom of Cambodia;
- Presiding over the meetings of the Regulator; and
- Publishing and carrying out the Regulator's decisions.

In addition, the Regulator may delegate to the Chairperson any of its powers, duties, or functions, except:

- the power to issue, reject, amend, or revoke Licenses
- the power to reject applications for a License or modification of a License;
- the power to determine, approve, disapprove, or modify tariffs;
- the power to issue, revise, or repeal regulations;
- the power to decide on an appeal of any party or person; or
- the power to exempt any legal person or legal entity from any fees or levies.

Any aggrieved party or person may make appeals to the Regulator in such cases within thirty (30) days of promulgation of the ruling.

The Chairperson may in writing to one of the other members and designate that member to fulfill the duties of the Chairperson in his/her absence.

ARTICLE 18: Appointment of staff

The Chairperson of the Regulator, in consultation with the other two members, shall appoint all officers and employees and hire such other expert staff from time to time as may be necessary for the proper discharge of the Regulator's duties. The Regulator, officers, employees and staff shall comply with the Labor Law of the Kingdom of Cambodia.

ARTICLE 19: Liability of the Regulator

The Chairperson, members, officers and employees of the Regulator shall be jointly liable for the consequences of actions taken or can be sued for any actions taken contrary to the provisions of the said Law and any implementing Sub-Decrees and regulations. However, a chairperson or a member, or officer, or employee of the Regulator shall not be personally liable for any act or default of himself or the Regulator done or omitted to be done in good faith and in accordance Ther

The Regulator shall establish a budget for its ~~operations~~ for each financial year setting forth all the Regulator's expected revenues and expenditures. The budget shall clearly state the proposed License and levy fees for the financial year, ~~together~~ with the method ~~of~~ calculating the License and levy fees, and the salaries and other remuneration entitlements to be paid to each of the members and senior staff of the Regulator. ~~The~~ Regulator shall submit this budget to the Royal Government for approval, and in accordance with the Royal Government's requirements.

ARTICLE 21: Budget of the Regulator

The Regulator shall have an autonomous budget for their operation. This budget shall be made up of funds and monies collected or which otherwise come into the possession of the Regulator through license and levy fees paid to the Regulator by applicants and Licensees and other surcharges, fines, and penalties, which the Regulator may impose and collect under this Law and

- (d) the requisition of any public order from any court or office;
- (e) the issuance of a Regulator for examination of witnesses;
- (f) compelling of the appearance of parties and the imposition of penalties as a consequence of non-appearance;
- (g) holding person in contempt of hearing; and
- (h) the grant of adjournments at hearings.

ARTICLE 24: Orders and Decisions of the Regulator

The sessions of the Regulator for the hearing of any proceeding shall be public, and the Regulator's decisions, with its reasons, shall be made public at the time decisions are made unless the Regulator has the reasonable causes and decides to delay the decision.

The Regulator shall keep a record of all proceedings, orders, findings, and judgments, and to preserve all records, documents, and files of the Regulator.

All orders, findings, judgments, records, documents, and files shall be open to public examination in the offices of the Regulator during the normal office hours; except provided that the Regulator shall adopt appropriate rules to ensure confidential information received by it remains confidential, whenever it determines confidentiality is necessary.

Except as otherwise expressly provided in this Law, no outside Regulator or agency of the Royal Government shall interfere in decisions of the Regulator.

ARTICLE 25: Notice of the Regulator

Before promulgating any general order, or any rule or regulation, the Regulator shall give reasonable notice of its contents, the time and place and shall give interested legal persons, legal entities and members of public an opportunity to present evidence and be heard. Every such order, rule, and regulation shall be available to the public.

ARTICLE 26: Appeals Procedure

All orders, rulings, and decisions of the Regulator are final and executory. However, the Regulatory may rehear the case when the affected party presents to the Regulator within fifteen

ARTICLE 28: Power to Obtain Information and Documents

- (a) The Regulator may require that a Licensee legal entities, legal person or any other person shall provide the Regulator with any information that may be reasonably necessary for it to attain its objectives and/or to carry out its powers and functions under this Law and any implementing Sub-Decree and regulations. For purposes of this Article, the information

ARTICLE 33: Licenses for Water Supply and/or Sewerage Services

- (a) License(s) issued by the Regulator shall include provisions, among others, on:
- (i) the right to provide and operate Water Supply and/or Sewerage, Services in a specific Service Area or Areas;
 - (ii) the term or duration of the License, as determined by the Regulator;
 - (iii) restrictions on or conditions for the ~~transferability~~ or assignment of the License, which transfer or assignment shall be subject to the prior approval of the Regulator;
 - (iv) restrictions on or conditions for the ~~sale~~ disposition of the business which is the subject of the License, or the ~~transfer of~~ controlling interest in such a business, which sale, disposition, or transfer shall ~~require~~ the prior approval of the Regulator;
 - (v) the grounds for the modification of any of the provisions of, or the suspension or cancellation of, the License and the procedure therefor;
 - (vi) the nature of the services to be provided, the standards for services efficiency (such as standards on: (1) water quality, (2) water pressure, (3) operation and maintenance (4) minimum flow rates, (5) connections, (6) equipment, (7) sewerage discharge, (8) billing, and (9) water metering. The Regulator shall have the right to make any sanctions for failure to comply with the standards set that may be required by them.
 - (vii) the Tariffs' terms, conditions and charges to be made by the Licensee and the basis for the variance of the Tariffs; and
 - (viii) the reporting requirements of Licensees.
- (b) the methodologies, calculations and any relevant information to be provided by the Licensee used in determining any adjustment to the Tariffs;
- (c) All Licensees shall be subject to the performance audit as and when required by the Regulator or its designated agent(s).

ARTICLE 34: Procedure for Granting Licenses

- (a) The Regulator shall ensure that the granting of a License under this Law and any implementing Sub-Decree and regulations is ~~is~~ carried out fairly, transparently, and without undue discrimination.
- (b) The Regulator shall prescribe in appropriate regulations the procedure and requirements to

- reconnection and recovery of arrears in Tariffs and other charges.
- (iii) maintain financial accounts in accordance with the manner and procedure specified in the License, as may be amended by the Regulator.

ARTICLE 36: Consolidation of Service Operations and Area of Water Supply and/or Sewerage Services

The Regulator shall promote the consolidation of Water Supply and Sewerage Services in the same Service Area where this improves the efficiency and lowers the cost of the provision of such services in the area.

CHAPTER V: TARIFFS

- (c) Tap, make, or cause to be made any connection with water lines without prior permission or consent from the water utility concerned;
- (d) Tamper, install or use tampered water ~~ere~~ sticks, magnets, reversing water meters,

(a) When the violation is committed in conspiracy with at least another person

ARTICLE 46: Criminal offense

(a) Any person who shall violate Article 38 of this Law shall be determined as a criminal offense and punished, without prejudice to the licensee to seek restitution, by fine from 4,000,000 Riels to 40,000,000 Riels or imprisonment from one (1) to five (5) years or both.

(b) If the offender is assisted in the commission of the crime by a plumber, members, officer or employee of the Regulator and the water utility concerned, the said member, employee, officer or plumber shall be punished by fine from 40,000,000 Riels to 400,000,000 Riels or imprisonment from one (5) to five (10) years or both.

CHAPTER VII: TRANSITIONAL PROVISIONS

ARTICLE 47: Establishment of the Regulator

The Regulator shall be established on the effective date of this Law.

ARTICLE 48: The appointment of the Regulator members

By no later than three (3) months after the effective date of this Law the Prime Minister shall designate and submit the name of Chairperson and two other members to the National Assembly for confirmation. For the first term, (i) the Chairperson shall serve for a period of three (3) years; (ii) first member shall serve for two (2) years, and (iii) the second member shall serve for one (1) year.

ARTICLE 49: Initial Funding

[SIGNED & SEALED]