

State Of Israel

Ministry of Interior

Municipal Water Works Administration



***Urban Water and Sewage Sector in Israel
Main problems and Planned Reforms***

Municipal Water Works Administration

- *The majority of water supply and sewage services in the urban sector in Israel is supplied by the local authorities, which are independent entities according to Israeli law.*
- *The local authorities did not separate financially the Water and sewage sector out of other activities in the authorities, and the income and expenses were not designated. As a result, the management level both technically and financially (fund raising) was low.*

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- *After special efforts, the unaccounted for water in the Israel urban sector was reduced from 15% to 10%. This figure indicates large quantities of losses of drinking water in Israel, where the resources of water are limited.*
- *Many local authorities in Israel are still not treating their sewage to the required high standard of sewage treatment (Tertiary Treatment), due to financial difficulties. This causes environmental hazards and damages to agricultural lands.*

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***The strategic solution for the
urban water an sewage Sector***

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- *In the year 2001 the law of water and sewage incorporations was legislated. According to the law, the water and sewage activities will be separated from the local authorities. Independent and efficient companies are established having economically effective management in the Water and Sewage Sector.*
- *The new companies will be owned by the local authorities that can sell shares in the future to private groups that can integrate in the management and can improve the ability of the incorporations in fund raising.*

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- *In the year 2004, the government of Israel adopted the “Regional Policy”, stating that no more than 30 water and sewage incorporations throughout Israel should be established. Each of these companies would supply water and sewage services to some 200,000 inhabitants living in several local authorities, thus “increased return to scale” can be gained. (There are some 260 local authorities).*

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- *Simultaneously to establishing water companies, governmental regulation institutes were also established. Their duties are to regulate the establishing and the administration of the companies, to make sure that necessary investments are affixed and setting prices for water and sewage activities in the various companies, and setting level of serviced that the companies should give to the costumers.*

All of the regulation bodies will be integrated in the National Water Authority.