



## MEMORANDUM

File Classification: JA-T1113

**Date:** April 23, 2015

**To:** Mrs. Therese Turner-Jones  
Country Representative

**From:** Evan S. Cayetano (*original signed*)  
Water & Sanitation Sr. Specialist

**Subject:** **JAMAICA.** CT/INTRA: Jamaica-The Bahamas – Non-Revenue Water Reduction Training (JA-T1113)

### I. Background

- 1.1 With the assistance of the Inter-American Development Bank, the National Water Commission (NWC) has embarked on a transformation process that includes improving the efficiency, quality and sustainability of the potable water services provided in the Kingston Metropolitan Area (KMA). A key area to be addressed under this Process is the Non-Revenue Water (NRW) situation in the Kingston & St. Andrew (KSA) area portion of the KMA, which is currently 53% of the volume that enters the water supply. It is the aim of the National Water Commission (NWC) to reduce NRW within the KSA to 37% of water into supply within 2 years (from contract effectiveness) and then consecutively to 30% and 20% within 5 years.
- 1.2 Presently, the Water & Sewerage Corporation (WSC) in The Bahamas has contracted a specialized firm to undertake similar NRW works in that country. In finalizing the work plan for NRW reduction, the NWC requested the Bank's support for a visit to the Bahamas to view first-hand and understand the key activities of the WSC's NRW Program. As this is a new approach for the NWC, its personnel would be able to garner valuable lessons from the WSC team that could be incorporated into the NWC's Program. It's also an opportunity to view work already done in The Bahamas (as similar activities will be carried out in Jamaica) as well as to determine the risks/challenges involved in the execution of such a project and how to manage these risks.
- 1.3 The Planning Institute of Jamaica (PIOJ), which is the Bank's liaison entity in Jamaica, has requested the support from the Bank for a program of Non-Revenue Reduction Training in the Bahamas, to technical staff from the National Water Commission. The donor institution will be the WSC of The Bahamas which has also provided it's no objection to the visit.
- 1.4 The Country Office in The Bahamas agrees to the execution of this operation.

### II. Objectives

- 2.1 The objective of this operation is to improve NWC's ability to engage in a co-management type arrangement with a contractor to reduce NRW.

- 2.2 The NWC presently does not have adequate expertise in NRW reduction hence its inability to have a sustained NRW Management Program. In previous NRW contracts between NWC and contractors, there have been minimal involvement of NWC's team hence the necessary knowledge transfer was not garnered. The NRW contract NWC is contemplating is via a co-management scheme in which NWC will participate. NWC's personnel would gain additional training and knowledge from this visit which would be critical to the sustainability of the NRW Program especially in areas of NRW analysis, design and work program.

### **III. Relationship to the Bank's strategy objectives in the country:**

- 3.1 The proposed CT/INTRA is linked to loan operation 2633/OC-JA Kingston Metropolitan Area (KMA) Water Supply Improvement Program which has as a main activity the reduction of NRW to meet the objective of improving the efficiency, quality and sustainability of the potable water services provided in the KMA. At the time of preparation of such loan operation in 2011, the Jamaica water and sanitation sector did not form part of the priority areas in the Country Strategy. However, the proposed program at the time was shown to be relevant to the country's development challenges because it would ensure basic availability and quality of water services, and would prevent further declines in economic infrastructure and contribute to increase competitiveness. The program is consistent with the Bank's Water and Sanitation Initiative as it contributes to the goals set under its "100 Cities" and "Efficient and Transparent Utilities" programs (GN-2446-2). The Program is also coherent with the second Regional Development Goal of the Ninth IDB General Capital Increase (GCI-9), "Infrastructure for competitiveness and social welfare", and the third target of the lending program priorities, "Climate change initiatives, sustainable energy, and environmental sustainability".

### **IV. Concordance with the country's development policies and strategies**

- 4.1 The principal objectives of the government of Jamaica, as stated in the Water Sector Policy 2004 are summarized as follows: (i) to ensure basic availability and quality of water and sewerage services; (ii) to increase efficiency and conservation, including specifically the efficiency of NWC's use of electricity and the reduction of NWC NRW; and (iii) to promote capital mobilization from public and private sources, cost recovery from direct beneficiaries, and a regulatory environment to protect customers, investors and the environment.

### **V. Conformity with the Bank's norms and conditions**

- 5.1 The proposed operation conforms to the Bank's norms and conditions as stated in document GN-2620-1 Intra-Regional Technical Cooperation Program (CT/INTRA). The primary goal of this CT/INTRA is the transfer of knowledge and technology on the reduction of NRW from the WSC of The Bahamas to the NWC of Jamaica. The exchange will strengthen the capacity of participants from these borrowing countries to improve operational efficiencies. A study tour will promote dialogue between the NWC of Jamaica and the WSC of The Bahamas and the sharing of information which will enrich their development dialogue and foster approaches to dealing with similar problems that are informed by the experience of these countries.

### **VI. Participants**

- 6.1 The NWC participants selected are listed in Table 1.

**Table 1: NWC Participants CT/INTRA: Jamaica to The Bahamas**

<b>Name</b>	<b>Position</b>
Patrick Hunter	Project Manager, NRW/SCADA/Energy Mngmt
Diana Tyme	Manager Billing
Kevin Kerr	Programme Manager, K-Factor Programme
Richard Atkinson	Distribution Engineer
Dwayne Francis	NRW Coordinator
Ian Manderson	NRW Coordinator

6.2 These persons would travel from Kingston, Jamaica to Nassau, Bahamas between April and May 2015 on a 3 to 4-day visit in order to take part in the activity program attached to the present Memorandum Plan of Operations.

**VII. Budget**

7.1 The Bank would contribute the equivalent of US\$11,000.00 to the costs of the operation, pursuant to the following budget:

**Table 2: Budget CT/INTRA: Jamaica to The Bahamas**

<b>Description</b>	<b>Participants</b>	<b>Cost</b>	<b>Days</b>	<b>Total Cost in USD</b>
Air tickets	6	500,00		3,000.00
Per Diem	6	183,33	4	4,400
Hotel	6	150,00	4	3,600.00
<b>TOTAL</b>				<b>11,000.00</b>

**VIII. Certification**

8.1 The Grants and Cofinancing Management Unit (ORP/GCM) certifies that the amount of US\$11,000.00 from the CT/INTRA Program of the Ordinary Capital is available to finance the project proposed herewith.

*(original firmado)*

**4/28/15**

---

Sonia Rivera,  
Chief  
Grants and Cofinancing Management Unit  
ORP/GCM

---

Date

**IX. Approval**

9.1 Pursuant to the provision of resolution DE-34/11 of June 1st, 2011 and Document GN-2620-1, the Bank's Representative in Jamaica authorizes the utilization of resources up to

the equivalent of US\$11,000.00 for financing of the Intra-regional Technical Cooperation described in the present Memorandum Plan of Operations.

***(original firmado)***

**4/29/15**

---

Therese Turner-Jones  
Country Representative in Jamaica

---

Date