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## PROGRAMME MANAGEMENT UNIT Ministry of Water and Irrigation

# NORTHERN GOVERNORATES MANAGING CONSULTANT CONTRACT PROJECT

The Water Authority of Jordan (WAJ) is carrying out an open competition to retain an experienced water and wastewater operations firm (Managing Consultant) for Water and Wastewater Services in the Northern Governorates Water Administration (NGWA) of the WAJ to provide management, operations and maintenance services related to the water and wastewater infrastructure of the northern governorates of Ajloun, Irbid, Jerash and Mafraq (Northern Governorates) in the Hashemite Kingdom of Jordan. The Managing Consultant chosen through this process will enter into a contract with WAJ and will be selected through a competitive tender process.

### **The Managing Consultant's goals are,**

- a. to improve the water and wastewater services to customers in the Northern Governorates;
- b. to improve the financial position of NGWA through the achievement of cost efficiencies and improved revenue management;
- c. to establish, for NGWA, the foundation for sustainable operational and business effectiveness and efficiency;
- d. to reduce the amount of water lost or unaccounted for through, among other things, leakage and unauthorized connections to the Facilities; and
- e. to achieve the defined objective of an operating ratio of 105

percent and all of the criteria necessary for WAJ to assign responsibility for the management of the services to NGWA as an Operating Company registered under the Companies Law.

The Managing Consultant shall be an integral part of the NGWA Executive Management Board and as such will share responsibility for the management of the NGWA Staff in the discharge of WAJ responsibilities.

The Managing Consultant's role is defined as follows:

- Manage the functions assigned through the line management positions. The in-line positions to be filled by the Managing Consultant require utility management specialists with wide international experience in similar positions and as follows: Co-Managing Director (Duration 36 months); Director of Commercial Services and Finance (Duration 36 months); Director of Technical Services (Duration 36 months); Director of Human Resources and Administration (Duration 36 months); Co-Director Irbid Governorate (Duration 36 months); Co-Director IT Services (Duration 6 months); Manager of GIS (Duration 36 months).
- Manage the required improvements in service delivery and achievement of the program objective by leading the preparation and implementation of an approved NGWA Business Plan and associated plans.

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WAJ, shall for the purpose of the strategic management of this Contract, be represented by a **Management Steering Committee**; the Management Steering Committee shall represent the interests of WAJ, and the other stakeholders, in the strategic management of NGWA through the program of transformation to an Operating Company; and shall ensure that WAJ complies with its responsibilities under the contract in respect of the provision of capital and operating subsidies in accordance with the NGWA Business Plan; and shall authorize the NGWA Business Plan, and the associated annual budget; these documents will provide the framework by which the Steering Committee will guide the affairs of NGWA. The Management Steering Committee shall comprise the following members: Minister of Water and Irrigation (Chair); Secretary General of WAJ; Director of PMU; Ministry of Planning and International Cooperation Representative; KfW Representative (Observer); Managing Director NGWA (Ex Officio); Managing Consultant Representative.

The Assistant Secretary / NGWA shall establish an **Executive Management Board**, on which the Managing Consultant will have effective representation with the Assistant Secretary General and the NGWA Staff. The Assistant Secretary General will be responsible for implementing the resolutions of the Executive management Board.

### Objectives

- a. Create a corporate management culture within NGWA;
- b. Achievement of the various Service objectives, and;
- c. Achievement of the 105 per-

cent operating margin and the transformation of NGWA into an Operating Company.

### Purpose

- a. through the Directors of NGWA manage the day to day affairs of NGWA in meeting their obligations;
- b. prepare and implement the NGWA Business Plan, and the associated annual operating and investment budgets;
- c. Review policy and the regulations of NGWA and make recommendations for change in support of the defined objective;
- d. Advise the Management Steering Committee on policy and strategy affecting the efficiency and effectiveness of service delivery, including:
  - Actual or predicted variances from the approved Business Plan.
  - External factors impacting the Business Plan requiring their assistance for resolution.

The **Executive Management Board** shall comprise the following members:

- Assistant Secretary General NGWA/Managing Director Designate (Chairman)
- Co-Director (Managing Consultant Resident Manager)
- Technical Services Director (Managing Consultant Staff)
- Financial and Commercial Services Director (Managing Consultant Staff)
- Human Resources Director (Managing Consultant Staff)
- Governorate Directors (4 NGWA Staff)

Counterparts and other Co-Directors may attend as observers. Other Directors and Managers will attend from time to time as required by the Board. This composition provides the Managing Consultant with significant voting

power whilst the Assistant Secretary General (Managing Director Designate) retains the casting vote.

WAJ shall pay the Managing Consultant, a fixed fee for the services of the personnel in accordance with the Bidder's Price Form; and a success fee for achieving the objective to reach an operating ratio of 105 percent and achieve all of the criteria necessary for WAJ to assign responsibility for the management of water and wastewater services to an Operating Company.