

For Immediate Release



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Panel Discussion at AUB **on “Water Governance in Times of Crisis”**

The Issam Fares Institute for Public Policy and International Affairs (IFI) at the American University of Beirut (AUB) in collaboration with OXFAM organized a panel discussion entitled: “Water Governance in Times of Crisis” at IFI's Auditorium.

The four Directors General (DG) of Water Establishments in: Beirut and Mount Lebanon Jean Gebran, North Lebanon Khaled Obeid, South Lebanon Wassim Daher, Beka’a Rizk Rizk, as well as Sami Alawiyyeh DG of Litani River Authority participated in the discussion which was moderated by Dr. Nadim Farajalla, Director of IFI’s Climate Change and Environment program.

The discussion tackled water governance in Lebanon in light of the financial crisis affecting the country’s economic sectors with worrying ramifications on the social fabric of the country. Dr. Farajallah, opened the session by saying that the water sector, which has an impact on the country’s economy and health sector, is highly vulnerable to financial instability. Moreover, due to the current crisis the water sector is going through a critical phase and is expected to be affected more in the coming period. Farajallah relied on the findings of the water security assessment study published by IFI to showcase the vulnerability of the sector, which suffers from a low rate of job occupancy, even with contractual workers that reaches 40% of vacancy at best.

Findings also show that the density of illegal wells tabbed in the various regions ranges from 2 to 7 /km²; the percentage of buildings connected to water networks ranges between 56 to 87%, and the number of hours of water supply ranges from 8 to 12 hours per day. The sector also suffers from a financial deficit and debts to the EDL.

The discussion started with the general managers reflecting about their institutions during the past years and the worsening of their situation in light of the current crisis. Their common problem was collecting rate, as all of them suffer from a deficit in their budgets. This has forced

some of them to reduce salaries or numbers of their employees and stop all development projects.

In this context, the director of the Water Corporation of South Lebanon, Dr. Wasim Daher indicated that the collection rate decreased by 50% in the previous year. Also, the currency crisis affected the purchasing power of their institutions by a 70% decrease. He added: "In light of this situation, we may have to take drastic measures such as reducing wages and the number of employees. We are also getting support from international organizations, especially for consumables, such as diesel and chlorine. But this is not sufficient to continue providing the service and meeting the needs of citizens."

The Director General of the Water Establishment in Northern Lebanon, Mr. Khaled Obaid, said that the water establishment is suffering from the financial situation and that is reflected by a lower rate of collection in comparison with previous years. He explained, that in order to keep providing the service they are lowering their expenses by reducing daily workforce by 25% and stop working on Fridays. Due to the current crisis, spending is restricted to maintenance and operation to ensure continuous service delivery without intermittence.

On his behalf, Jean Gebran, Director General of the Water Establishment in Beirut and Mount Lebanon, said: "Our organization serves more than half of the Lebanese population and thus makes it one of the largest institutions that continues to provide the service without interruption. But we rely on our revenues from collection pay the costs. We introduced payment services and options to help citizens and support them in this tough period, such paying in four installments per year, and other similar measures."

In turn, the director general of the National Authority of the Litani River, Sami Alawiya said: "The role of the Litani Authority differs from the rest of the water establishments; it is mostly responsible for generating energy. We provide 200 MW / year, irrigate several areas in the Bekaa and southern Lebanon and we work to manage and protect water resources of the river basin. The main source of financing comes from hydroelectric generation projects that we sell to EDL at a value of \$4.5 billion per month. Whereas, the second resource is from the revenue collected from thousands of subscribers to the irrigation service; they are farmers who have large projects and are able to continue to pay. We continued providing our services despite the financial crisis and were able to get a collection rate of 96% in 2019. We have noticed a shortage in foreign currencies since the beginning of July, as such we cooperated with the Ministry of Energy and Water and the Ministry of Agriculture and decided to grow wheat in large areas in the Bekaa in order to intensify our agricultural experience through crop management. This helped alleviate the crisis by producing olive oil for instance that could potentially support the Lebanese army. We cannot allow the crisis to control us, but we have to adapt instead.

The Director General of the Bekaa Water Establishment, Rizk Rizk, spoke about the challenges facing the sector, which are firstly related to the workforce. There is a shortage of employees, which are asked to work more while their purchasing power decreased by almost 50% due to the financial crisis. The second challenge is in the wastewater treatment plants, which is an expensive service that cannot be interrupted. Nevertheless, decreasing collection and a looming energy crisis threaten the sustainability of this service. The third challenge is the burden of expenditures, especially related to energy. The Foundation suffers from a deficit of \$ 70 million for EDL and \$ 5 million for Zahle.

In conclusion, the general managers pointed out that the energy sector is one of the sectors mostly criticized by Lebanese. There is also a general belief among the Lebanese that the fees they pay for water and electricity are tax and this is a wrong concept. These fees constitute the cost of the service that they receive without which the service cannot be provided.

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Note to Editors

About AUB

Founded in 1866, the American University of Beirut bases its educational philosophy, standards, and practices on the American liberal arts model of higher education. A teaching-centered research university, AUB has more than 900 full-time faculty members and a student body of about 9,100 students. AUB currently offers more than 120 programs leading to bachelor's, master's, MD, and PhD degrees. It provides medical education and training to students from throughout the region at its Medical Center that includes a full-service 420-bed hospital.

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