



Map of Water Regulation in Angola

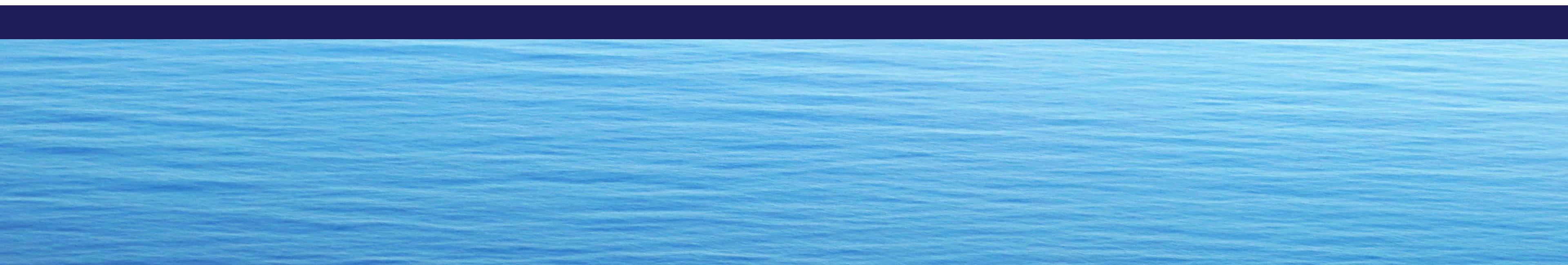


TABLE OF CONTENTS

- **Regulatory structure – simplified view**
- **Specification on Angolan structure**
- **Aspects of regulation**
- **Role and responsibilities at different levels**
- **How PPPs operate in Angola**
- **Main regulations governing water supply and sanitation in Angola**
- **AquaFed's comments on Angolan regulations**



Reminder: 2 combined ways to regulate private operators in water sector

1) Private water operators regulated by national regulators



2) Private water operators regulated by contracts set between public and private water businesses (= **PPP** – **P**ublic **P**rivate **P**artnerships)

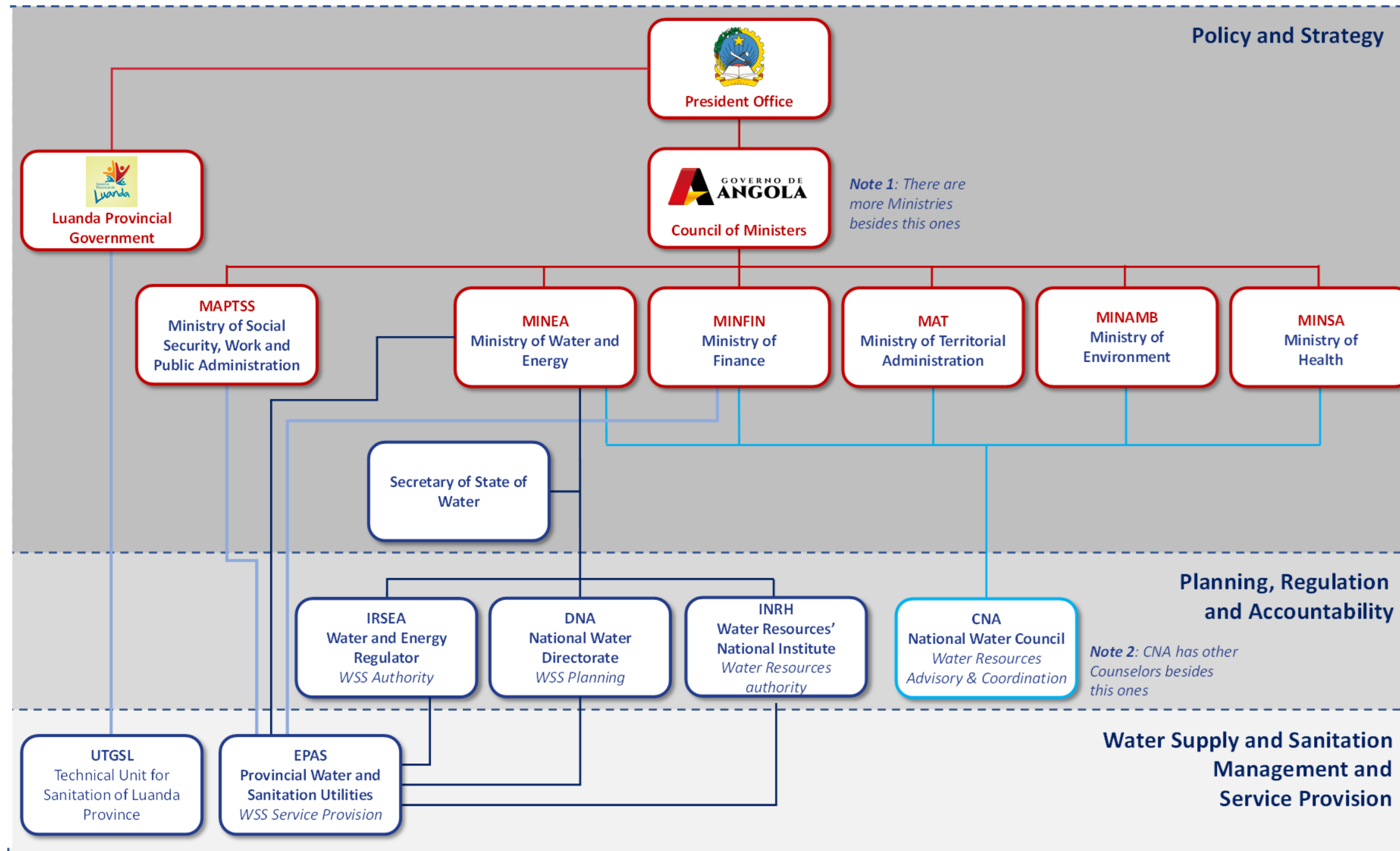


Specifications on Angolan structure

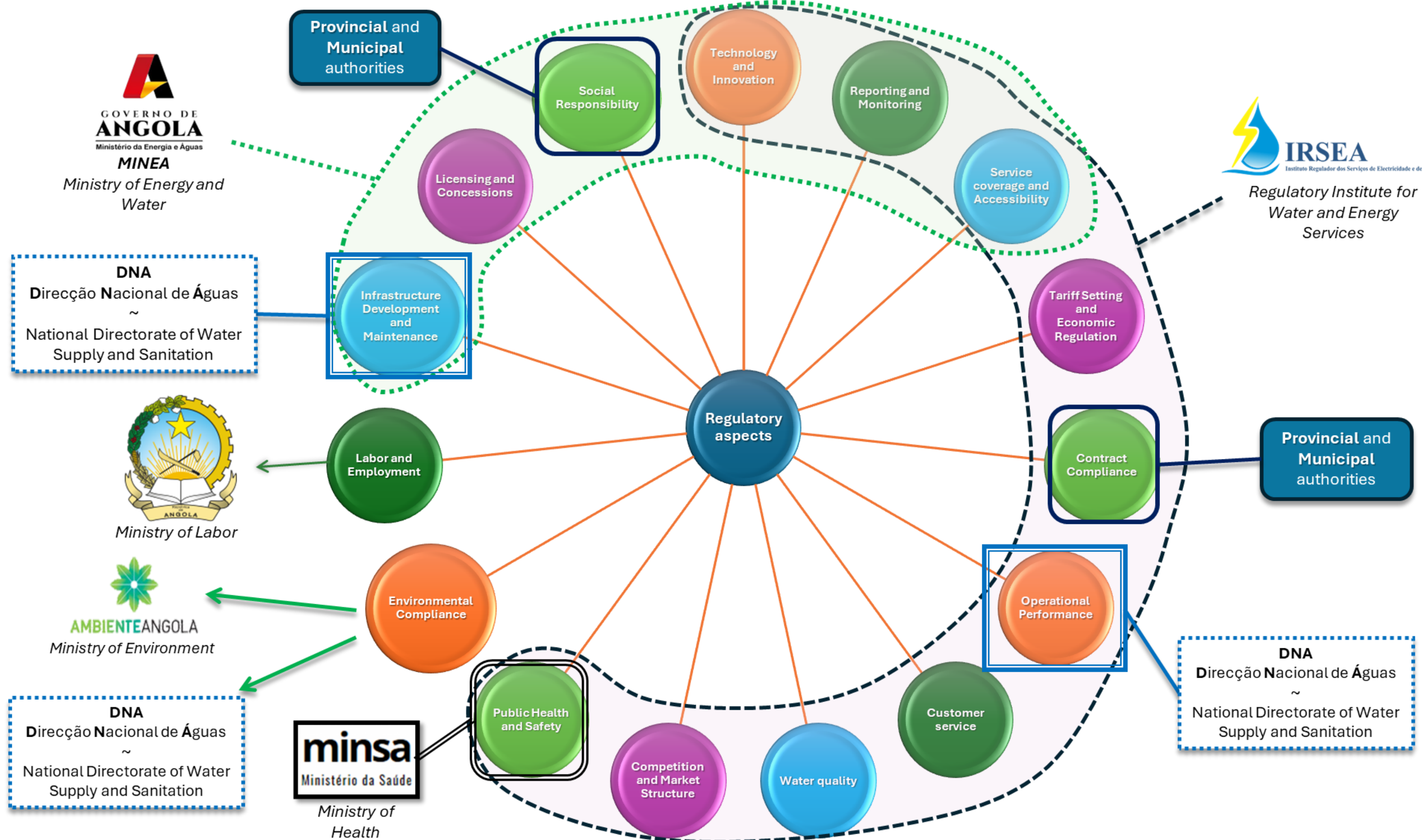
- 18 provinces in Angola
- For each province, one water utility operates in the area, called *EPAS* (**E**mpresa **P**ública de **Á**guas e **S**aneamento) or *PPWSU* (**P**rovincial **P**ublic **W**ater and **S**anitation **U**tilities)
- For 16 provinces → private sector's participation: a contract is set between public and a private water operator.



Regulatory structure – simplified view



Aspects of regulation



Main roles and responsibilities: National level (1/2)



Regulates the service provision in the sectors of energy and Water. Among other duties, the main role includes:

- Quality standards
- Licensing the utilities and providers

IRSEA = established in 2016 – **main key player in Angola**



- Developing different sector regulations;
- Issuing recommendations on national policies and strategies;
- Proposing tariff regulation and recommending the setting of tariffs and prices to the Tariff Board;
- Evaluating and auditing the definition and application of tariffs;
- Issuing recommendations on tariffs compliance and sanctions for non-compliance
- Monitoring the legal and regulatory compliance regarding the licensing requests, tender and concession processes

As of 2022, IRSEA is only regulating, de facto water supply services provided by the
EPAS - Empresa Pública de Águas e Saneamento
(Public Water and Sanitation Company)



- Environmental licensing : Oversees the licensing process for water- related projects proposed by private operators.
- Water quality monitoring : Ensures private operators meet quality water quality standards and regulations.
- Environmental impact assessments : Reviews and approves assessments for water infrastructure project.
- Compliance enforcement : Ensures private operators adhere to environmental laws and regulations in the water sector.
- Policy development : Contributes to formulating national environmental policies affecting the water sector and private operators.



Main roles and responsibilities: National level (2/2)



Ministry of Health

- Water quality standards: Establishes and enforces health-related water quality standards that private operators must adhere to.
- Public health monitoring: Conducts regular monitoring of water quality to prevent waterborne diseases and ensure public health safety.
- Regulatory compliance: Ensures private operators comply with health regulations related to water treatment and distribution.
- Health impact assessments: Reviews and provides input on health impact assessments for water infrastructure projects proposed by private operators.
- Collaboration with other agencies: Works in conjunction with other ministries and agencies to address water-related health issues and develop comprehensive policies.

Body created under Presidential Decree No. 253/10, of 16 November. Presidential Decree No. 205/14, of 15 August, approves the new Organic Statute of the INRH to adapt it to Presidential Legislative Decree No. 2/13, of 25 June, which establishes the rules for the creation, structuring and operation of Public Institutes.



National Institute of Water Resources

- Ensure the implementation of the national water resources policy, in matters of :
 - planning and integrated management,
 - its use,
 - preservation,
 - protection,
 - supervision,
 - control.



Role and responsibilities: **Provincial level**

- Provincial government → Provincial agencies :
 - Supervising and implementing national policies at the local level.
 - May be involved in managing contracts with private operators in their jurisdiction.

~ Reminder ~

For each province, one water utility operates in the area, of which 16 provinces are managed by private operators

Water utilities are : The Provincial Public Water and Sanitation Utilities (PPWSU)



Role and responsibilities: **Municipal level**



Rural area

- At municipal level, this is a community-based system managed by private or public operators.
- Municipal authorities may be responsible for the day-to-day management of water services in their area.
- They may interact directly with private operators for local operational issues.



How PPPs operate in Angola

Legal Framework

The primary law governing PPPs in Angola is the Public-Private Partnership Law (Law No. 11/19 of May 14, 2019).

This law provides the general framework for PPPs across all sectors, including water.

Regulatory Bodies

IRSEA, DNA, INRH Agencies
Ministry of Energy and Water:
Oversees policy and strategic planning in the water sector.

Ministry of Finance:
Involved in financial aspects and risk assessment of PPPs

Contractual Arrangements

PPP contracts in the water sector typically define the roles, responsibilities, and risk allocation between the public and private partners.

These contracts are subject to approval by relevant government authorities.

Performance Monitoring

The INRH and other relevant agencies monitor the performance of private operators against agreed-upon standards and targets

Tariff Regulation

Water tariffs are typically regulated to ensure affordability while allowing for cost recovery.

The process often involves multiple stakeholders, including the Ministry of Finance and local authorities.

Environmental and Health Standards

PPPs must comply with environmental standards set by the Ministry of Environment and health standards set by the Ministry of Health.

Local Content Requirements

Angola often includes local content requirements in PPP arrangements to promote domestic participation and capacity building.

Dispute Resolution

The PPP law typically outlines mechanisms for dispute resolution, which may include arbitration clauses.



Regulated tariffs are managed by IRSEA

- To propose the Tariff Regulation as well as its updates;
- To propose the fixing of tariffs and prices and submit them to the opinion of the Tariff Council;
- To estimate the value of subsidies for the sector and establish scenarios for changes in the sector's structure;
- To evaluate and audit the setting and application of tariffs by the utilities;
- To issue recommendations on tariff compliance as well as supervising and sanctioning noncompliance; and
- To issue opinions on the criteria of economic or financial compensation, tariff adjustments or reviews, between the grantor and the concessionaire or any other mechanism of financial or economic rebalancing.



→ *Even if the principle of financial sustainability is foreseen in several laws, up to now, tariffs are tentatively set to cover only operational expenditure, as opposed to total expenditure.*



Main regulations governing water supply and sanitation in Angola

(1/2)

- Decree No. 261/11 on regulation of water quality – establishes national water quality norms and criteria. The setting of quality standards in a jointly responsibility of MINEA, MINAMB (Ministry of Environment), and the Ministry of Health (Ministerio de Saude)
- Decree No. 59/07 on environmental licensing – Rules the environmental licensing procedure, including the contents of applications, requests for licensing, permit contents, supervision, audit and penalties
- Decree No. 83/14 on the Regulatory Framwork for Public Water Supply and Wastewater Sanitation – Provides a regulatory framework for the construction, rehabilitation, and expansion of water production and distribution and wastewater sewerage systems, treatment plants, oxidation ponds.
- Decree No. 255/20 on water and sanitation tariffs – approves the Tariff Regulation and revokes some articles related with tariffs from Presidential
- Decree 9/13 on Water Quality: This decree establishes standards for drinking water quality and monitoring requirements.



Main regulations governing water supply and sanitation in Angola

(2/2)

- Water Law (Lei de Águas) of 2002: This is the primary legislation governing water resources management in Angola. It establishes the basic principles for water use, management, and conservation.
- National Water Policy (Política Nacional de Águas): Adopted in 2004, this policy outlines the government's strategy for water resource management and development.
- National Sanitation Policy (Política Nacional de Saneamento): This policy focuses on improving sanitation services and infrastructure across the country.
- Environmental Law (Lei de Bases do Ambiente) of 1998: This law includes provisions related to water pollution control and environmental protection.
- National Development Plan (Plano de Desenvolvimento Nacional): While not specific to water and sanitation, this plan includes targets and strategies for improving access to these services.
- Regulatory framework for public-private partnerships: This framework allows for private sector participation in water and sanitation service provision.
- Local government regulations: Municipalities have some authority to implement local regulations regarding water supply and sanitation within their jurisdictions.
- National Institute of Water Resources (Instituto Nacional de Recursos Hídricos): This body is responsible for implementing water policies and regulations at the national level.



AquaFed's comments on Angolan regulations (1/2)

- **Do you think the legal, policy and regulatory framework in Angola enables private operators to grow their business?**

- ✓ Yes, it does. Even some gaps remain that need to be solved, the private sector is showing competitiveness. The Angola market is a good asset for private water companies. The companies present in the country are from France, Portugal, Spain, Dubai, United Arab Emirates. They show a real interest to develop their business in this area.

- **What are the pros of Angolan system?**

- ✓ Good private operators
- ✓ IFIS enables a great private sector integration – good risks allocations with low risks for private operators
- ✓ Fast growing market, lots of investments in Water treatment plants, networks etc
- ✓ Various types of PPP arrangements are being studied by IFIS

- **What are the cons of Angolan system?**

- ✓ Political unsteady
- ✓ Local currency, inflation evolution
- ✓ Immature market, Risk capacity
- ✓ Huge capacity gap
- ✓ Too many imports – taxes and delays on imports



AquaFed's comments on Angolan regulations (2/2)

- **Innovations : barriers or regulatory incentives for innovation ?**

✓ Yes, absolutely. The DNA (National Directorate of Water Supply and Sanitation) provides subsidies for water and sanitation.

- **Investment: barriers or not ?**

✓ Yes, that is possible to make investments, but the companies need to register their own business in Angola for operating in the country. The main issue, barrier is the local currency, in that case.

✓ The investments could be bilateral cooperation – IFIS interact with a private sector to operate in Angola. For instance, AFD (Agence Française de Développement - French Development Agency) supports by financing French companies which operate and manager water in Angola.

- **Do Angolan regulators have efficient skills and capacity to be able to their job ?**

✓ No, they don't. The system is still immature, weak and huge capacity gap.



Reference

*Special thanks to **Diogo Faria De Oliveira**,
Executive Director of Defining Future Options*



<https://definingfutureoptions.com/>

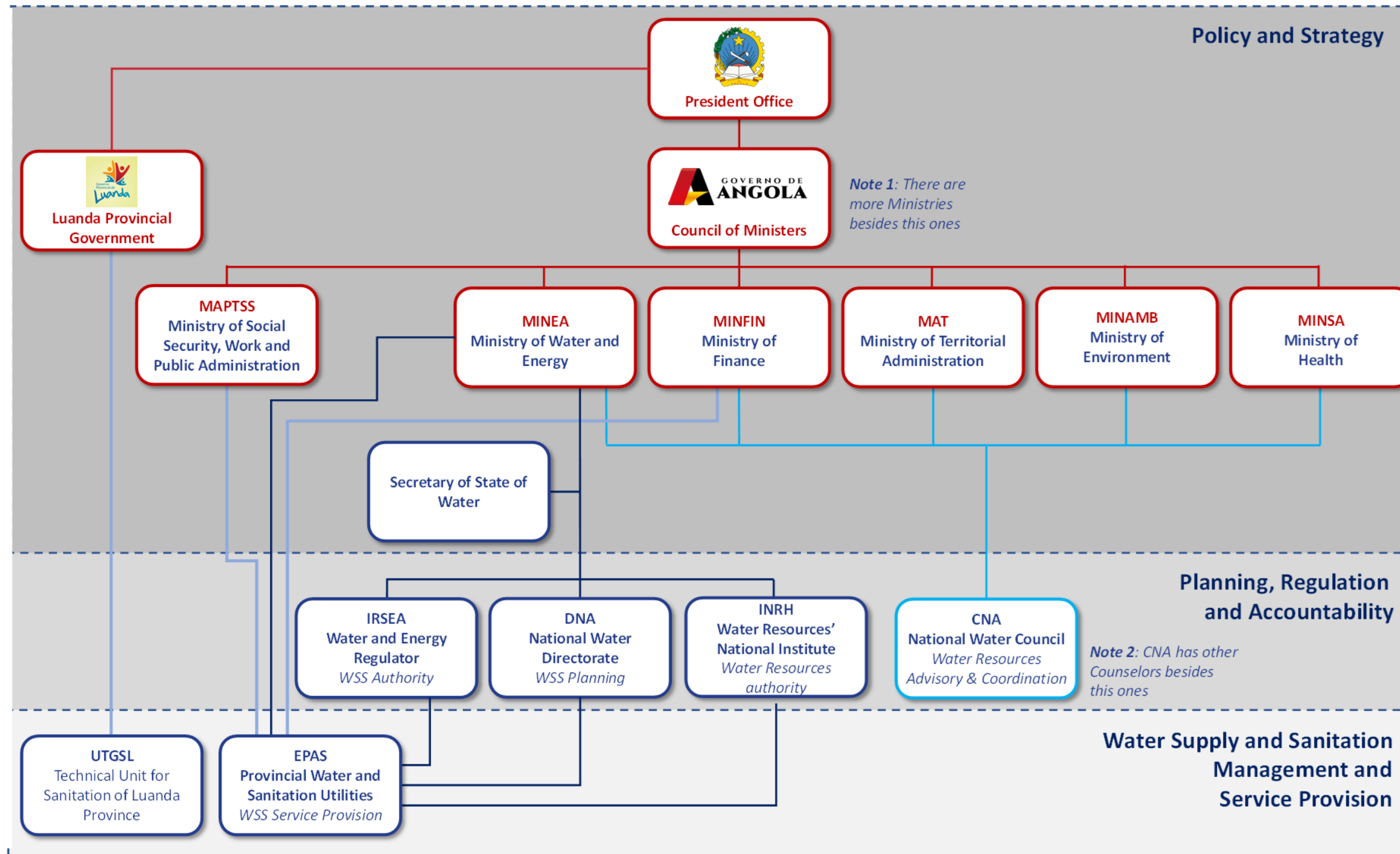


Annexes

1. Regulators structure in Angola
2. List of companies operating in Angola by province
3. Water rates in Angola
4. Websites



















Annex 1 – Regulators structure in Angola




Annex 2 – List of companies in Angola by province

Table 4. List of Provincial Water and Sanitation Companies.

Province	Company Name	Company Abbreviation	Authorizing instrument	Water, Sanitation & Rainwater Services
Bengo	<i>Empresa Pública de Águas e Saneamento do Bengo, E.P</i>	EPAS Bengo	Joint Executive Decree No. 276/17	
Benguela	<i>Empresa Provincial de Águas e Saneamento de Benguela, E.P</i>	EPAS Benguela	Joint Executive Decree No. 171/22	
Bié	<i>Empresa de Águas e Saneamento do Bié, E.P.</i>	EAS Bié	Joint Executive Decree No. 403/13	
Cabinda	<i>Empresa Pública de Águas e Saneamento de Cabinda, E.P.</i>	EPAS Cabinda	Joint Executive Decree No. 475/16	
Quando-Cubango	Installation Commission	—	Order No. 211/GGPCC/2018, of the Cuando-Cubango Provincial Gov.	—
Cuanza-Norte	<i>Empresa de Águas e Saneamento do Kwanza-Norte, E.P</i>	EASKN	Joint Executive Decree No. 418/13	
Cuanza-Sul	<i>Empresa Pública de Águas e Saneamento do Kwanza-Sul, E.P</i>	EPAS Kwanza-Sul	Joint Executive Decree No. 314/17	
Cunene	<i>Empresa de Águas e Saneamento do Cunene, E.P</i>	EASC	Joint Executive Decree No. 395/13	
Huambo	<i>Empresa de Águas e Saneamento do Huambo, E.P.</i>	EASH	Joint Executive Decree No. 08/14	
Huíla	<i>Empresa Pública de Águas e Saneamento da Huíla, E.P</i>	EPAS Huíla	Joint Executive Decree No. 311/17	
Luanda	<i>Empresa Pública de Águas, EPAL, E.P.</i>	EPAL	Presidential. Decree No. 115/22	
Lunda Norte	<i>Empresa Pública de Águas e Saneamento da Lunda-Norte, E.P</i>	EPAS Lunda Norte	Joint Executive Decree No. 313/17	
Lunda Sul	<i>Empresa Pública de Águas e Saneamento da Lunda-Sul, E.P</i>	EPAS Lunda-Sul	Joint Executive Decree No. 312/17	
Malanje	<i>Empresa de Águas e Saneamento de Malange, E.P</i>	EASM	Joint Executive Decree No. 404/13	
Moxico	<i>Empresa Pública de Águas e Saneamento Moxico, E.P</i>	EPAS Moxico	Joint Executive Decree No. 473/16	
Namibe	<i>Empresa Pública de Águas e Saneamento do Namibe, E.P</i>	EPAS Namibe	Joint Executive Decree No. 477/16	
Uíge	<i>Empresa de Águas e Saneamento do Uíge, E.P</i>	EASU	Joint Executive Decree No. 396/13	
Zaire	Installation Commission	—	Order No. 441/18, from the Zaire Provincial Gov.	—



Annex 3 – Water rates in Angola

 IRSEA <small>Instituto Regulador dos Serviços de Electricidade e de Água</small>																				PLANO TARIFÁRIO DE ÁGUA POTÁVEL DE ANGOLA									
CATEGORIAS	CONSUMO M ³	HUÍLA		BENGO		BENGUELA		BIÉ		CABINDA		C. CUBANGO		C. NORTE		C. SUL		CUNENE											
		Tarifa variável (Kz/m ³)	Tarifa fixa mensal	Tarifa variável (Kz/m ³)	Tarifa fixa mensal	Tarifa variável (Kz/m ³)	Tarifa fixa mensal	Tarifa variável (Kz/m ³)	Tarifa fixa mensal	Tarifa variável (Kz/m ³)	Tarifa fixa mensal	Tarifa variável (Kz/m ³)	Tarifa fixa mensal	Tarifa variável (Kz/m ³)	Tarifa fixa mensal	Tarifa variável (Kz/m ³)	Tarifa fixa mensal	Tarifa variável (Kz/m ³)	Tarifa fixa mensal										
Doméstico Social	0 a 5	109	200	91	200	117	200	109	200	109	200	86	200	109	200	109	200	109	200										
Doméstico escalão 1	5 a 10	150	250	109	250	179	250	131	250	143	250	103	250	172	250	151	250	143	250										
Doméstico escalão 2	≥ 10	210	350	131	260	216	650	144	350	159	350	113	350	206	350	172	350	158	350										
Comércio, serviços	Todo consumo	268	1.050	157	780	237	1.625	165	1.500	181	1.050	129	1.050	227	1.050	194	1.050	181	1.050										
Indústria	Todo consumo	281	1.575	165	1.170	249	1.788	173	1.575	191	1.575	136	1.575	238	1.575	203	1.575	190	1.575										
Chafariz	Todo consumo	100		82		105		98		100		77		100		100		100											
Água Bruta																													
Girafas	Todo consumo	241		149		213		149		163		116		204		174		163											
CATEGORIAS	CONSUMO M ³	HUAMBO		LUANDA		LUNDA SUL		L. NORTE		MALANJE		MÓXICO		NAMIBE		UÍGE		ZAIRE											
		Tarifa variável (Kz/m ³)	Tarifa fixa mensal	Tarifa variável (Kz/m ³)	Tarifa fixa mensal	Tarifa variável (Kz/m ³)	Tarifa fixa mensal	Tarifa variável (Kz/m ³)	Tarifa fixa mensal	Tarifa variável (Kz/m ³)	Tarifa fixa mensal	Tarifa variável (Kz/m ³)	Tarifa fixa mensal	Tarifa variável (Kz/m ³)	Tarifa fixa mensal	Tarifa variável (Kz/m ³)	Tarifa fixa mensal	Tarifa variável (Kz/m ³)	Tarifa fixa mensal										
Doméstico Social	0 a 5	86	200	117	250	109	200	109	200	109	200	86	250	95	200	109	200	90	200										
Doméstico escalão 1	5 a 10	98	250	211	400	143	250	143	250	144	250	97	250	100	250	167	250	130	250										
Doméstico escalão 2	≥ 10	105	300	267	760	158	350	158	350	161	350	103	300	117	260	196	350	150	350										
Comércio, serviços	Todo consumo	122	900	287	1.900	181	1.050	181	1.050	183	1.050	120	900	120	780	218	1.050	160	1.050										
Indústria	Todo consumo	128	1.350	301	2.090	190	1.575	190	1.575	192	1.575	126	1.350	123	1.170	229	1.575	137	1.575										
Chafariz	Todo consumo	77		105		100		100		100		77		77		100		77											
Água Bruta				287	3.000																								
Girafas	Todo consumo	109		258		163		163		165		108		105		196		117											

18 provinces in columns and tariffs (domestic, commercial, ...) in rows.

The tariffs values are local currency (Kwanza)



Annex 4 – Links

[UNICEF-Angola-Bottleneck-WASH-Sector-2023.pdf](#)

<https://www.fao.org/faolex/country-profiles/general-profile/en/?iso3=AGO>

[IRSEA – Regulatory Institute for Electricity and Water Services](#)

<https://www.minea.gov.ao/>

[https://www2.deloitte.com/content/dam/Deloitte/global/Documents/Energy-and-](https://www2.deloitte.com/content/dam/Deloitte/global/Documents/Energy-and-Resources/gx-er-waterprofiles-august2014.pdf)

[Resources/gx-er-waterprofiles-august2014.pdf](#)

<https://newibnet.org/country-profiles/angola>

<https://www.sanitationandwaterforall.org/partners/countries-map/angola>

<https://www.gwiwaterdata.com/markets/countries/angola#funding-procurement-111>

