

## Preliminary Assessment

### Prakas on procedure for issuing correct continue hang and confiscate Prakas allow to make clean water supply business

Ministry of Mine and Energy

No: MME/.....

Date stated: 06 June 2013

Date finished: 01 June 2014

This regulatory identified clean water supply business in the Cambodia have to propose the agreement from ministry of industry and handicraft before start business include clean water supply business, water supply authority, multi state-private and private water supply.

Ministry will provide general condition need of providing allow prakas to clean water service provider on the public gathering place have to allow Prakas by law from ministry of industry and handicraft.

Proposed regulation (Prakas /Option1) had compared with other option (option 2) this option have the competition by require the ministry make public dissemination in order to obtain the comment form the public. Agreement of allow Prakas there are 2 types:

- Public water supply or multi state-private unlimited validity.
- Private water supply 20 years validity.

and all clean water service provider that get allow Prakas from ministry of industry and handicraft and correct allow follow the law, policy, technical standard and regulatory insured the basic right as below:

- Right to get monopoly service area.
- Right to escape from hang and confiscate the allow Prakas.
- Right to get identify the water price and other services by transparency.
- Right to get prevention by no need to sale water under the cost.
- Right to get supporting from ministry of industry and handicraft for complete the form with finance organization into pawn wealthy in order to get finances for investment on pure water sector.

Clean water service provider have to study results productivity on the area that proposed for making business after finished the study investors have to complete the form in order to proposed business investment to ministry of industry and handicraft and will pay for service follow the Prakas of ministry of industry and handicraft and ministry of economic and finance.

After the assessment on two this options and review on costs and benefits and consultation proposed regulation was choose. Despite the costs of Prkas bigger than other option (status quo) considered that not significant if compare with business benefit and ministry yearly budget. However the benefit of the Prakas bigger than option 2. What the significant are after the consultation with the important applier some point are revised on agreement allow Prakas.

## Preliminary Assessment statement

### Prakas on procedure for issuing correct continue hang and Confiscate Prakas allow to make clean water supply business

Regulation : Prakas on procedure for issuing correct, continue, hang and confiscate Prakas allow to make clean water supply.  
Ministry : Ministry of industry, mine and energy  
Reference no : MIME 002  
Date started : 06 June 2013  
Date finished : 01 June 2014

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#### A brief description of the proposal

##### Objective:

- To insure the clean water supply by hygiene and believable for Khmer people and other business by pure water supplier all of private and public sectors.
- Encourage to have transparency in the implementation of clean water supplier by commune, songkat authority and customer's pure water supplier can comment on the quality of this important service supply.

##### Business Obligation:

- Business have to propose the license form ministry of industry and handicraft.
- Business have to pay service for the implement certificate one time per year.
- Business have to continue propose the implement certificate every 5 years by provide the quarterly and annual report and certificate of the quality of water every 3

months.

Scope:

- This Prakas implement for public clean water supplier and private.

### Types of proposal

Law	Royal Decree	Sub Decree	Prakas	Decision	Circular	Other (describe)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### This proposal regulation has impact on:

- Economic     
  Social     
  Environmental     
  .....Other

## 1. Problem Identification

### 1.1. Main problems to be addressed by this proposal

Main Problems	to address (✓ yes or no)	Evidences/Actual
Public health and safety	<input checked="" type="checkbox"/> Yes/ <input type="checkbox"/> No	<ul style="list-style-type: none"> <li>- There are 140 million people in the Asian use the water that have Arsenic substance.</li> <li>- 50% of rural people no clean water use.</li> <li>- 20% children died age under 5 years are cause from disease across the water.(report of Water for Cambodia organization) 1</li> <li>- There are only 25% of Cambodia people get clean water(by container) use.</li> <li>- Nearly 60% of rural people use the water source under the land that found that a lot of Arsenic substance more than 10µg/l (5 among 13</li> </ul>

		provinces that survey. (report of rural water supply department ministry of rural development year 2000) - (*)
Environmental protection and conservation	<input type="checkbox"/> Yes/ <input checked="" type="checkbox"/> No	
Social, gender equity and cultural conservation	<input type="checkbox"/> Yes/ <input checked="" type="checkbox"/> No	
Competition	<input checked="" type="checkbox"/> Yes/ <input type="checkbox"/> No	Bid procedure by transparency and providing license validity are longer than before and encourage to have clean water supplier more than before.
Collection of informantion	<input type="checkbox"/> Yes/ <input checked="" type="checkbox"/> No	
Comply with interantional agreement WTO and other	<input type="checkbox"/> Yes/ <input checked="" type="checkbox"/> No	

- (\*) clean water problem at Preah vihear province: the people met the problems by clean water sale company not clean water supply and impact to the health. The water that flows from the clean water container there are so muddy full by muddy and red color cause the people can't use. Basic cause are so much rain.(RFA July 03 2013)
- In the Preah Sihanouk province there are 40,000 people in this amount there are 10,000 people challenge with the lack of use water. Businessmen and business force to by clean water in the high price (\$15 in a tank increase \$40 to \$50) and there are some business closed. The people have to order to get water well.  
Cause:
  - o Drying up clean water supply container.
  - o increase using of beer company.
  - o increase of hotel and restaurant in city(RFA 04 Apr 2013)
- The People more than 270 family live in Peam Ta Uor village of Kaev Poar commune (Bondaetek village in the Tunlasap river of Pouk district) Seim Reap province not clean



2. Status quo : Clean water department provide the validity license not more than 3 years to investor supply clean water service that this provide according to contract between clean water department and investors) no encourage to clean water supplier by bid and public comment of clean water service consumer.

### 3.2. Other options that theory can be have but can't implement

3. Expand the scopes clean water supply service of water supply authority to all place is the option can't implement because the investment scopes on clean water sector high cost that so far form the ability investment's Cambodia water supply authority.

## 4. Preliminary estimate of compliance Costs and Benefit

### 4.1. Identification of tasks and cost categories

Options	Government	Business
Option 1: Prakas	<b>cost in option 1</b> - Draft Prakas - consultation - Officer training - provide allow (license) - buy advisor service - Saving documents - Dissemination workshop - Encourage Prakas implementation(inspection)	- participate in consultation - Proposed in order to get allow (license) - participate on Prakas dissemination workshop - participate in the ministry inspection - prepare and save report
Option 2: status quo	- Officer training - Provide allow (license) - Inspection - Other costs	- Technical team work training - participate in the ministry inspection - Other costs

### ៤.២. Scopes of each options

Options	Business types	Business	reference/evidence
Option 1: Prakas	Every person who supply the pure water service in whole country all private and	50	Statistic clean water department of MIH

	public.		
<b>Option 2:</b> Status quo	Person supply the clean water service in country	50	Statistic clean water department of MIH

**đ. m. Estimate the business and government costs**

<b>Business</b>		
<b>Options</b>	<b>Increase costs comply with regulatory</b>	<b>confirmation</b>
<b>Option 1:</b> Prakas	<input type="checkbox"/> significance <input checked="" type="checkbox"/> not significance significance <input checked="" type="checkbox"/> not significance	- Business costs in this Prakas implementation there are \$50,967 in a year (average in a company costs amount \$728.10 in a year in the among of 70 companies ).
<b>Option 2:</b> Status quo	<input type="checkbox"/> significance <input checked="" type="checkbox"/> not significance	Business costs in the option 2 equal the middle of the option 1 costs.

<b>Government</b>		
<b>Options</b>	<b>Increase costs comply with regulatory</b>	<b>confirmation</b>
<b>Option 1:</b> Prakas	<input type="checkbox"/> significance <input checked="" type="checkbox"/> not significance	-Perheaps 80% equal USD 82,500 of total costs USD 120,771 of the government are the costs on draft Prakas that use for national and international expert that this costs are the aid in the program Water

		<p>Supply Portble (WSP)of world bank.</p> <p>-Adding costs that government pay in order to implement this Prakas amount USD 38,271in a year equal 20% of the total amount USD 120,771 by not yet deduct with the license and certificate commission that business have to pay for the state.</p>
<p><b>Option 2:</b> Status Quo</p>	<input type="checkbox"/> significance <input checked="" type="checkbox"/> not significance	<p>The costs for this option amount USD 16,223 in a year 771 by not yet deduct with the license and certificate commission that business have to pay for the state.</p>

**4.4. Estimate of benefit**

Options	Benefit	reference/evidence
<p>Option 1 : Prakas</p>	<input checked="" type="checkbox"/> significance <input type="checkbox"/> not significance	<p>- License providing that the validity longer than before encourage for participation competitive in the clean water supply sector follow the choose procedure with transparency, quality and reasonable price.</p> <p>- require the person supply the clean water complete a lot of conditions that determine by Prakas and insure that the some risk are reduced example land controversy risk that happens by <i>clean water department issued the clean water supply license to investors that use the place related to land dispute.</i></p>
<p>Option 2 : Status Quo</p>	<input type="checkbox"/> significance <input checked="" type="checkbox"/> not significance	<p>- Business and the government benefit and the resources more than option 1 because this option provided the big right to clean water department</p>

		for providing the license by create the contract only between clean water department and investors.
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## 5. Consultation

Stakeholders		methodology	Concept summary
Business	Business community ( representative % of business sector)	Ex: Letter, meeting/ phone	
	Enterprise (Big/medium/small) ၄. clean water business community ၅. donor ADB, WB, Grate	Discuss meeting and sending message as letter for request and question on the each Prakas.	more support on this regulatory
Consumer	consumer team		
	main consumer (Goods consumer/service in more quantity)		
	Small consumer (Goods consumer/service in little quantity)		
Government	Ministries/Organization	No	No
Gender	Women team	No	No
Expert	Name	No	No
Other	Name	No	No

## 6. Conclusion

### ၆.၅. Summary costs and benefit

Options	Business costs	Government costs	Benefit
Option 1: .....	<input type="checkbox"/> significance <input checked="" type="checkbox"/> not significance	<input type="checkbox"/> significance <input checked="" type="checkbox"/> not significance	<input checked="" type="checkbox"/> significance <input type="checkbox"/> not significance
Option 2: .....	<input type="checkbox"/> significance <input checked="" type="checkbox"/> not significance	<input type="checkbox"/> significance <input checked="" type="checkbox"/> not significance	<input type="checkbox"/> significance <input checked="" type="checkbox"/> not significance

DO we need to do (RIS)?

Need

No Need

RIS for this proposal will no need to prepare because PA on this proposal (Prakas) show that not significance costs for business.

### b.m. Chosen option

This option will make better condition because follow the providing license that have long term validity and creating procedure to choose by transparency this regulation will encourage to more business invest into clean water supply sector this encourage are the way to find the balance of clean water price. On the other hand other procedure identification that are the require of the Prakas can be insure that supply person/this service supplier will supply the clean water by quality and hygiene that reasonable price.

Condition		Reason
Does the option have adding obligation costs minimum for business and community?	<input type="checkbox"/> True <input checked="" type="checkbox"/> Not true	This option ( Prakas ) there are adding obligation costs more than option 2.
Does this option get the maximum benefit?	<input checked="" type="checkbox"/> True <input type="checkbox"/> Not true	

### 7. Implementation and monitoring

If the option regulation chosen:

**7.1.** What measures were adopted to enhance transparency and good governance during the implementation stage ?

-Training inspection work team

- Make training to the business that ministry require and complete
- Prakas dissemination by workshop to state officer all 24 provinces and the clean water supplier.
- Ministry require all clean water supplier that get the license from the ministry have to the criticize box letter or comment letter on the service and prices follow the clean water business place.
- Ministry have to post the Prakas into the ministry website in order to dissemination (Transparency all together).

**7.2.** Should this regulation be reviewed/monitored after implementation?  
If so when and how should it be reviewed/ monitored?

This Prakas will review again in the 5 years.

Other description

No

Process	Name	Position	signature	Date
Prepared by (MIME)				
Review by (ORIA)				
Approved by (ORIA)				
Intry database by				
Post in the wesite by				