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12<sup>th</sup> June 2019

The Chairman  
Board of Directors  
Pacific Water and Wastewater Association

I have the honour of submitting the Annual Report of the Pacific Water and Wastewater Association, for the financial year 1 January to 31 December 2018.

The Report provides:

- a) A review of the operations and activities of the Association;
- b) The Association's annual accounts for the 12 months ended 31 December 2018; and
- c) The Auditors Report.

I take this opportunity to thank you and the Board of Directors for the support rendered myself and my staff during the year. I would also like, through you, to thank the Council members for their cooperation and support. Last, but not least, a special thanks to my team at the Secretariat for their hard work, perseverance and dedication to pursuing the goals of PWVA; without their hard work and dedication, we would not have been able to function effectively.

Yours faithfully

Pitoulu T. Lusua Sefo Leau  
**CHIEF EXECUTIVE OFFICER**

**Pacific Water and Wastewater Association Member Utilities**

American Samoa, Cook Islands, Federated State of Micronesia, French Polynesia, Guam, Nauru, New Caledonia, Commonwealth of the Northern Marianas, Niue, Palau, Papua New Guinea, Republic of Fiji, Republic of Kiribati, Republic of the Marshall Islands, Republic of Vanuatu, Samoa, Solomon Islands, Tokelau, Tonga, Tuvalu, Wallis & Futuna

## Board of Directors



**Raka Taviri, Jr**  
**Chairman**  
 Chief Executive Officer  
 Water PNG  
 PAPUA NEW GUINEA



**Joseph Batol**  
**Alternate Treasurer**  
 General Manager  
 Majuro Water and Sewer  
 Company  
 MARSHALL ISLANDS



**Seugamaalii Jammie Saena**  
**Deputy Chairman**  
 Managing Director  
 Samoa Water Authority  
 SAMOA



**Gary Aitchison**  
**Alternate Secretary**  
 Export Manager  
 Hydroflow  
 NEW ZEALAND



**Jim Keary**  
**Treasurer**  
 Managing Director  
 Hunter H2O  
 AUSTRALIA



**Ian Gooden**  
**Member**  
 General Manager  
 Solomon Islands Water  
 Authority  
 SOLOMON ISLANDS



**Erickson Sammy**  
**Secretary**  
 Director  
 Department of Water  
 Resources  
 VANUATU



**Didier Gaujous**  
**Member**  
 Chief Executive Officer  
 Caledonienne des Eaux  
 NEW CALEDONIA  
 (until November 2018)



**Ulu Bismarck Crawley**  
**Member**  
 Chief Executive Officer  
 Ministry of Natural  
 Resources & Environment  
 SAMOA



**Opetaiia Ravai**  
**Member Individual**



**Abraham Simpson**  
 Chief Executive Officer  
 Nauru Utility Corporation  
 NAURU  
 (replaced Didier Gaujous in November 2018)

## The Chairman's Statement



### Introduction

I am pleased to provide this Report on behalf of your Board of Directors and Secretariat for the year 2018. Where 2017 was a year of new beginnings, this year has been a challenging year of action, of refining and bedding down the policies, strategies and processes establishing the new Secretariat and governance framework of PWWA. It was the first year of implementation of the Five Year Strategic Plan for PWWA which had been approved and developed in late November/December 2017.

At the Board level, we had some challenging times in the first half of the year with the successive resignation of four Board members including the Chairman who had resigned in December 2017. I wish at this stage to thank my colleague Ms Seugamaalii Jammie Saena for taking over as Acting Chairman for the first half of the year up to the AGM in August when I was elected as Chairman to replace Opetaiava Ravai. It would be remiss of me not to thank the three other Board members who had resigned during the year - Mr Latu Kupa, Ms Naea Beth Onesemo-Tuilaepa and Mr Didier Gaujous for their valuable contribution not only in the Board but for many years in the development of PWWA; their tremendous contribution over the past years will always be remembered.

### Implementing the Five-Year Strategic Plan 2018-2022

The year 2018 was the first year of the Strategic Plan. Five strategic focal areas of priority were incorporated into the Plan with key actions and timeframes outlined for easy monitoring and evaluation. These priority areas included communications; capacity building; networking and collaboration; representation; and sustainable funding. As you all know, any Plan is clearly dependent upon the availability of financial resources and the Board recognised this and developed an appropriate long term sustainable financial strategy that incorporated the assistance from its partners as well as the contribution of its members through membership fees, annual conference fees and other areas for growing its membership worldwide. Clearly, your support and commitment as members is crucial to the continuation and expansion of our Association and its sustainable existence.

I am pleased to report that we have been able to achieve most of the milestones determined for action during 2018 under the Strategic Plan. These are highlighted in the Report. Of particular importance is the development by the Board of a sustainable funding framework and forward budget for PWWA for the next five years and the conduct and development of the Learning and

Development Survey and Report of all utilities. This latter activity was completed towards the end of the year and was a key activity identified in the strategic plan as it was required to form the basis for further activities and programs for capacity building for all levels within member utilities.

With the valuable assistance of the ADB, we had 2 successful workshops on procurement and contract management during the early months of the year. We were also able to obtain the tremendous support of the ADB to completely finance the participation of Ministers and CEOs to the conference. Without the generous support of the ADB, some of our utilities will not have been able to attend and we are indebted to the ADB for their continuous support.

The first phase of AWP assistance to PWWA for capacity building and the Young Water Professionals program came to a conclusion at end June 2018 with a final drawdown of funds in November/December 2018. I am happy to report however the hardworking Secretariat had been able to secure Phase 2 funding of AUD\$1.2 million for capacity building, Board governance and the Young Water Professionals Program for the next four years beginning 2019. Together with the conference support from the ADB, these revenue streams have been incorporated into the forward years budget of PWWA for the next four years. We are very much appreciative of the assistance from our development partner the AWP for their commitment to PWWA and especially to the YWP program.

Members will have noted the incremental increase in membership fees over the past two years in membership fees (2018) and conference fees (2019) with further incremental increases planned for 2020. These are small but necessary increases to support the sustainability of the organisation moving forward, and a contribution of you as members to the programs for building the capacities of our utilities workforce especially our young professionals.

### **Political Leadership**

I am humbled to specially acknowledge the contribution and political support of our host the Government of the Independent State of Samoa - thank you for the recognition of PWWA as an international organisation, and thank you for the financial support for PWWA's Headquarters office and support of its annual conference.

I would also specifically thank all our political leaders - our Ministers and senior government representatives in each of our member countries for their active support and guidance not only to PWWA as an organisation but for championing the cause for improving and supporting the performance and services of the member utilities in our respective countries. We remain encouraged and challenged by your drive for improved performance, for universal and inclusive access of all Pacific peoples to safe water and sanitation and we are committed to improvement of service to country and the region as a group. From the Board, we thank you for your continued attendance and active participation at the conference each year and especially supporting PWWA as the primary water Association of the Pacific.

Secondly, a special thanks to our long-term development partners, **the AWP, the ADB** and the **World Bank** for championing PWWA within their respective organisations and amongst their own partners. We thank you especially for the financial assistance provided for PWWA's programs and annual conference. The support provided by the World Bank for the benchmarking

survey each year is invaluable for monitoring our performance. We look forward to further and continued collaboration and support of the work of PWWA over the years to come.

As your Chairman, I wish to acknowledge and thank my colleagues on the Council and the Board of Directors for the support rendered to Seugamaalii and myself during this year not forgetting also all our allied members and individual professionals who through your membership of PWWA have signalled your commitment and support to this “Pacific family of water and wastewater members” that strive for the good of PWWA and the Pacific.

Last but not least, I wish to acknowledge our small team at the Secretariat – the CEO, Ms Lusie Sefo Leau and her staff; thank you for your hard work during the year, for ensuring the Association’s financial viability and for ensuring its mission and strategic goals are coordinated and accomplished successfully.

Yours sincerely



Raka Taviri Jr  
**CHAIRMAN**

## About Us

The Pacific Water and Wastewater Association is a not-for-profit membership body established in 1994 to support the Pacific region in meeting all water challenges. It has developed to become a regional Association of organizations operating in the water and wastewater sectors whose mission is the delivery of quality water related services that enhance the well-being of people in the Pacific region.

The membership comprises of various Pacific water stakeholders including 30 Pacific Island water and wastewater utilities across 21 countries (known as members) and international water authorities and associations (known as affiliated members), and private sector equipment and service supply companies, contractors and consultants (known as allied members), and interested individuals.

### The goals of the Association as defined in its Constitution:

1. To serve as the principal water and wastewater voice of and for the Pacific Island nations and utilities; and
2. To develop expertise in the Pacific for the sustainable management of water and wastewater services by shaping a cohesive, proficient and robust water and wastewater sector.

The Association aspires to achieve these objectives through skill development, by the setting and upholding of standards, through advocacy, by the inclusion and advancement of gender equity in the water and wastewater services sector and by collaboration among the members of the Association and with third parties.



## Development Partners



### 1. **The Government of Samoa**

The Government of Samoa, and PWWA, in the spirit of friendly co-operation entered into an Agreement accepting the PWWA Secretariat to be established in the Independent State of Samoa, effective 7 August 2017. Pursuant to the Diplomatic Privileges and Immunities (Declared International Organisations) Amendment Order 2017, PWWA was added to the list of international organisations, with its defined status, privileges and immunities specified in the Agreement. Under the Agreement, the Government of Samoa assists PWWA through provision of office space for its headquarters and payment of rent and administrative costs. PWWA has been very fortunate to have been granted international status by the Government of Samoa and its generous support annually for its office premises. We thank the government of Samoa for the recognition, as well as for its annual support provided through its Ministry of Natural Resources and Environment and Ministry of Finance.



### 2. **The Asian Development Bank**

The PWWA wishes to acknowledge the ongoing support provided by its major development partners – the Asian Development Bank (ADB) over the years. The ADB has consistently over the years provided financial support to the Association's annual conference for the travel of CEOs and Ministers as well as the Secretariat staff; and capacity building support to its members through various twinning programs and support together with AWP in facilitating the consultations for governance reforms of the Association.



### 3. **The World Bank**

The World Bank has been involved with the PWWA through support to a most important annual survey which measures the performance of all member utilities of the Association – its benchmarking survey. This program started in 2011 and reports are published biennially however the data collected is done annually and provided to members every year. The data collected also forms the basis for the annual benchmarking awards presented to best performers on a handful of key areas both technical and non-technical areas selected by the Board of Directors. The awards have been a popular tool for encouraging improvement of performance across utilities as well as ensuring participation in the survey and comparing data not only across the member utilities and for making decisions on policy, investments and areas for operational improvements. We thank especially the staff of the World Bank who have been very dedicated to this important work and for growing recognition by the WBG of PWWA as the only water and wastewater Association in the region with membership of 30 utilities.



### 4. **The Australian Water Partnership**

We acknowledge also the assistance of the Australian Water Partnership (AWP). AWP has been instrumental in providing support to the governance of PWWA, helping facilitate and finance consultations for its development reforms; establishing the permanent Secretariat in 2017, and financing PWWA's flagship professional development program for young water professionals beginning in 2017. AWP pledged and provided assistance for these activities – (1) Secretariat support and (2) capacity building programme for PWWA governance and the Young Water Professionals programme in 2017. The two streams of assistance was pledged at AUD\$1. Million over a three-year period beginning in 2017.

## The Year in Review

### 1. Governance & Institutional Strengthening of PWWA

Last year we reported on the various accomplishments of the PWWA activities and steps that PWWA took to achieve its focal areas as set out in the Constitution and Strategic Plan of the year 2018.

In 2018, the following milestones were achieved in respect of PWWA's Governance and Institutional strengthening:

- i) The recruitment and selection of core and contractual staff which included the Executive Officer Assistant and the Communications Consultant. The Executive Officer Assistant was recruited in February and the Communications Consultant later in July 2018.
- ii) A total of SAT\$330,500.76 was received from ADB for the procurement and contract management workshops conducted in March. The workshop was run for southern utilities in Nadi on 12-16 March and for northern hemisphere utilities in Guam 19-23 March. The funding provided financial assistance for attendance of 2 participants from each of the ADB-member countries only, however it remained open for self-funding participants from non-ADB member country utilities. The total number of participants for the Nadi workshop was 42 which included 27 fully funded participants and 15 self-funded. Participants for the Guam workshop totalled 33 (although 37 registered) of which 19 were fully funded and 14 self-funded.
- iii) The Secretariat sought from the ADB financial assistance to support the participation of member CEOs and Ministers to the Annual Conference and this was approved by the ADB. The assistance which has increased over the years was a much welcome assistance given the vastness of the Pacific and the associated high costs of travel..
- iv) The approval by the Government of Samoa through the Ministry of Natural Resources and Environment to hand over funds for full utilisation by the PWWA. The Agreement was signed in October declaring full responsibility and handover of the SAT\$100,000, to fund office space and the Secretariat administrative expenses.
- v) Approval of the 2019 Annual Plan and Budget in November at the Board Meeting held in Brisbane, Australia.
- vi) Full reconciliation and transitioning of accounts and funds from Lesa and Penn and full audit by February 2018.
- vii) The approval of the first Administration Policy of the Secretariat in November.

## 2. Strategic Focal Area: Networking and Collaboration

The funding for and recruitment of a Consultant Specialist with ADB assistance was finalised and secured in April/May for a term of 18 months.

One of the priority areas identified in the Strategic Plan was the recruitment of a consultant to conduct a Learning and Development Needs Survey in all utilities. Funding from the AWP Capacity Building programme of PWWA was utilised and the consultant – the International Water Centre (IWC) won the EOI to conduct the survey. The report of the survey made available late in 2018 is used as the basis for PWWA’s capacity building proposals and plans for its member utilities.

## 3. The 11th Annual Pacific Water and Wastewater Conference (PWWC’18)

This summary captures a 5-day programme which includes the Ministerial forum, technical conference presentations; workshops; the young water professional program; panel discussions and interactive dialogue at the conference and expo on innovative solutions for our islands, which took place from the 6-10 August 2018 in Noumea, New Caledonia.

The event brought together some 250 Ministers, government representatives, utilities board members and managers, middle managers, young water professionals, water products suppliers and companies’ representatives, donor community and regional organisations representatives; all from almost 30 countries to discuss, exhibit and network over innovative solutions, new emerging technologies, discuss case studies findings and utilities performances through benchmarking. It also provided a valuable networking opportunity and set the stage for further cooperation among government representatives and water products suppliers, donors and regional organisations.

The conference began with a traditional welcome by the indigenous leaders of New Caledonia followed by opening remarks by the Honourable Minister Nicholas Metzdorf of New Caledonia, Didier Gaujous, CEO for Caledonienne des Eaux and PWWA Acting Chairman Raka Taviri. This was followed by the Ministerial Forum.



*Hon. Minister Nicholas Metzdorf of New Caledonia and Host representatives at the Cultural Opening*

## 4<sup>th</sup> Pacific Water Ministerial Forum



This year marks the 4<sup>th</sup> Ministerial Forum and well hosted by the Government of New Caledonia bringing together Water Ministers from around the Pacific to discuss water issues affecting the region. 12 Ministers out of 21 PWWA member countries attended this year's forum. They were from Samoa, New Caledonia, Papua New Guinea, Tuvalu, Vanuatu, Marshall Islands, Palau, Kiribati, Tokelau, Tonga, Fiji and French Polynesia.

Following deliberations Ministers at the 4<sup>th</sup> Pacific Water Ministerial Forum signed a communique with the following declarations and reaffirming actions for:

1. Leading the work to improve access to safe water and sanitation within our respective jurisdictions in alignment with national, regional and global commitments
2. Recognising and commending progress made by all member countries and noting continuing challenges faced by the sector in the Pacific
3. Actively explore possibilities of funding and possible areas of collaboration and partnerships that source innovative, adaptive and integrated solutions suitable to our region.

Following the Forum, some Ministers have expressed their preference for the Forum to either be a full day Forum or 2-days to enable them time to absorb and discuss the issues raised by everyone in their Statements and monitor progress of issues in country in respect of declarations made at the Forum.

## Young Water Professionals Program

The YWP Program kicked off on the very first day tackling the key water and wastewater issues faced by member countries and developing innovative solutions from the perspective of our young professionals.

The key objective for this program is to mentor and develop our young water professionals from the Pacific by exposing them to a wide range of common issues that affects the water

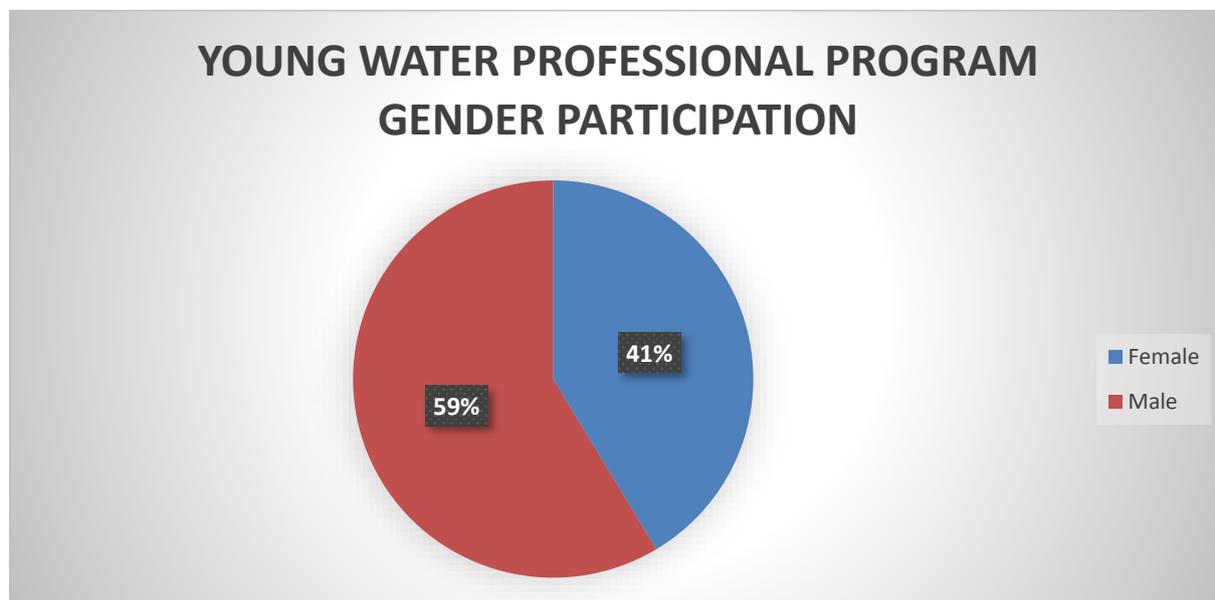
and wastewater sector in the region. As a result of this program, they have gained a comprehensive and collective understanding of regional policies and approaches, gender, financial and project management, problem solving skills and mentoring with their leaders or utilities chief executive officers.

A total of 31 YWPs participated this year.



*YWP Participants at the PWWC18*

PWAA has always encouraged the participation of young female professionals from each utility to attend this program as part of their development. This year female participation was 41% compared to 59% male but nevertheless an encouraging number.



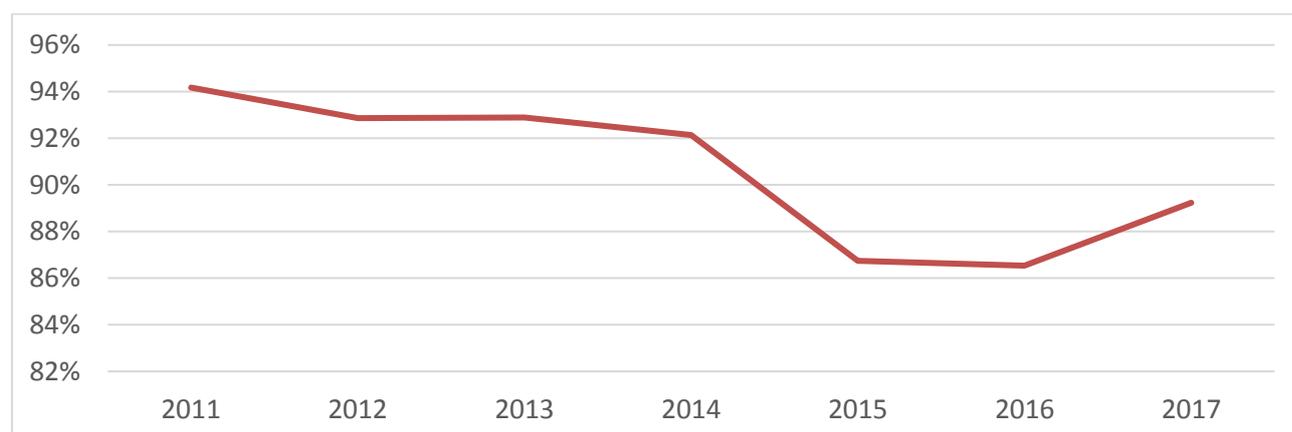
### **Benchmarking 2018**

The Benchmarking biennial Report 2018 was presented to members at the conference (the data is collected and compiled on the basis of previous year’s performance); the table below summarise some of the data in the report:

Drinking Water	Wastewater
<b>Number of utilities: 29</b>	<b>Number of utilities: 20</b>
<b>Total number of people supplied with drinking water by PWWA utilities: 2,784,121 or 89.5% of total residents living in service responsibility zones</b>	<b>Total number of people connected to wastewater network by the PWWA utilities: 760,525 or 47.5% of total residents living in service responsibility zones</b>
<b>Annual turnover of the PWWA water services: US\$263.76 million</b>	<b>Annual turnover of PWWA wastewater services: US\$49.25 million</b>

For the 2018 data collection, 26 out of 29 utilities participated which is equal to 90% of the population served. Sixteen (16) of these utilities have participated consistently since the benchmarking reporting started in 2011. There is still need for utilities to ensure they submit their annual data for benchmarking Analysis and reporting.

In 2017, PWWA utilities served 500,000 or 20% more customers than in 2011, however urbanisation overloaded utilities ability to provide water for all. The graph below shows progress in coverage since 2011.



### Development Partners & Water Governance in the Pacific

PWWA has always been fortunate to have the support of donors every year such as the Asian Development Bank (ADB), Australia Water Partnership (AWP), European Union (EU) and Pacific Community (SPC).

Discussions ensued on donor priorities, focus areas and policies guiding their support in the Pacific. Challenges with regards to implementation in the region were also highlighted with pipeline projects to further support their assistance and presence in the Pacific on a regional basis and more especially on a national basis.

ADB together with AWP were the main donor agencies for the conference. They assisted in funding for the Ministers and CEOs travel and basic allowance. AWP on the other hand under its assistance to PWWA supported the participation of young water professionals. An

announcement of further support from AWP of AUD1.5m over the next 4 years (2019-2022) was also made known at the conference.

## Technical Sessions:

### 1. Integrated Urban Water and Waste Management

Adopting integrated urban water and waste management provides a real chance to address diverse issues to improve urban planning by understanding water's interaction with other sectors. Innovative systems and solutions, case studies and research presented and discussed during this session provided a platform for some utilities or organisations to find ways in the face of a changing climate and consider these for planning of water resources as part of their city development strategies and planning.



Wastewater Treatment Plant management is equally important in urban areas especially when faced with challenges as highlighted in presentations. The issues of odour, maintenance, and building capacities of staff were some of the common issues highlighted. Innovative solutions were also discussed to assist utilities in resolving issues for WWTP.

### 2. Building capacities with emerging technologies

It is imperative for utilities to keep abreast with the technologies been developed and made available. Emerging technologies are innovative solutions being developed to support national plans to implement all the sustainable development goals and improve service delivery.

GPS Technology (Global Positioning System) as presented by Belinda Lesa of Samoa Water Authority. This technology is used to map out and locate major assets of SWA. Another innovative technology is the VISIO used by Caledonienne des Eaux. This system is used to track and plan interventions, real time supervision and facilitate reporting based on data being collected.

Water Authority Fiji Greenhouse Gas Emission Project reduced approximately 22,615 tonnes of carbon dioxide using their wastewater system and in return will be receiving FJD380,000 for reduction of methane gas emissions from the Future Carbon Fund (CFC) of the ADB.

### 3. Water governance, Improving our service

Ian Gooden, CEO for Solomon Island Water Authority presented on the newly drafted 30-year strategic plan for SIWA. Long term planning was to ensure there is sustainable support and to avoid further short-term solutions. It was also highlighted the importance of costing these plans before lobbying with donors for funding.



One of the successful stories told at the conference is the Sector Wide Approach the Government of Samoa has taken in providing leadership, policy, planning, financing, procurement, coordinating, monitoring and capacity building in the water and wastewater sector. This arrangement brought together all government water and wastewater ministries and organisations to implement 6 subsectors and contribute to achieving the government's vision as stipulated in its Strategy for the Development of Samoa (SDS).

From a regional point of view as presented by Stephane Dahan of World Bank, it was noted that there is still a lot of work to be done in improving service delivery in the region with only "half of the total population using improved water sources and only one-third improved sanitation".

Governance is crucial for improving access to water and waste services. Improvement on water governance is therefore essential as these systems influence water use and management. With 'good governance' in place, improved service, operations and customer support are pivotal in ensuring water service is effective and efficient by utilities.

It is in this context we see a lot of improvement in performance by our utilities across the Pacific as evidenced with data collected for benchmarking. These impacts on water governance at all levels starting from the regional platform down to communities and each household.

### 4. Engaging Communities

This is one of the most important part of our utility service to communities, which is keeping them engaged because without informed and engaged communities, the development and delivery of new and innovative solutions will not be possible.

Innovative small scaled community projects are critical in ensuring clean water is accessible to everyone even for those at the bottom of the food chain. It was reiterated at this session



the pivotal role these small projects can play in terms of fostering partnerships, relationships and collaborations at the grassroots level.

## 5. Climate Change and Water Security

Along with other factors, climate change pose serious challenges to fresh water supplies in many countries and vulnerability in the Pacific region. Managing these challenges has been a priority for utilities especially its impact on infrastructure, water resources and human health.

With extreme natural disasters such as flooding, droughts, cyclones and others, utilities have developed long term plans and innovative solutions to adapt to the impacts of changing weather patterns. Water Authority Fiji presented its vulnerability assessment report with its long-term strategies to address emerging challenges due to climate change.



## 6. Water Quality and Efficiency

There are several innovative ways to improve water quality and efficiency for our people as they all rely on the suppliers to provide clean and healthy water and wastewater services. It is also important to maintain the quality of water and at the same time come up with innovative solutions to resolve any challenges that may arise.

Having efficient service for water is becoming a challenge for many utilities and in the process have identified lost water in the system or unknown leaking that affect the service and its quality. Discussions on how to deal with non-revenue water ensued during this session together with some purifications case studies that were presented.



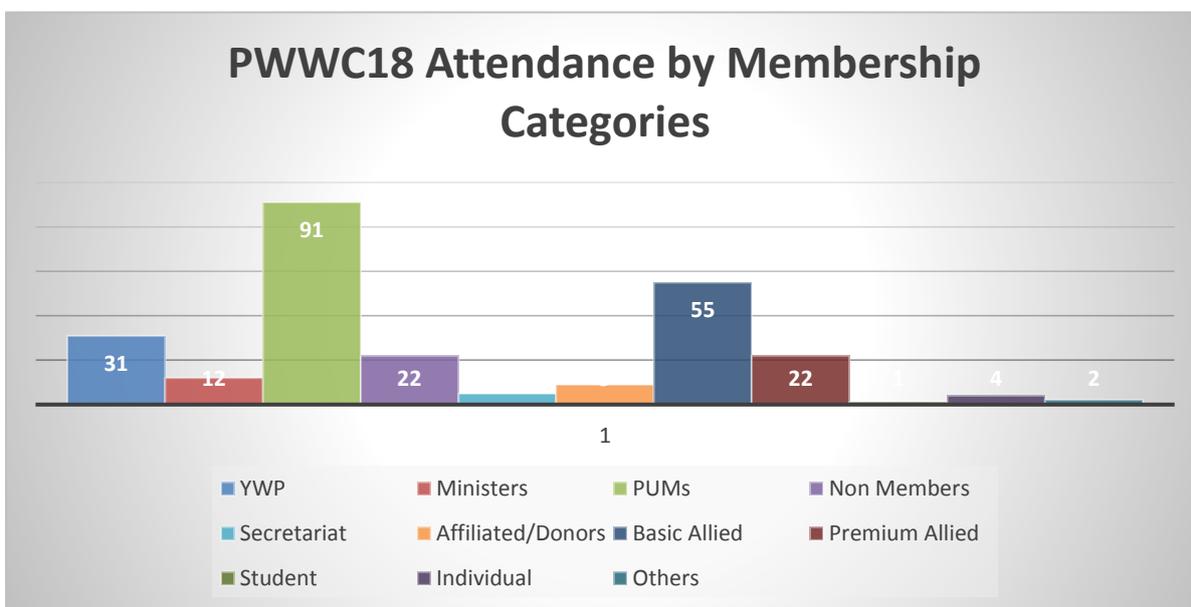
## Exposition 2018

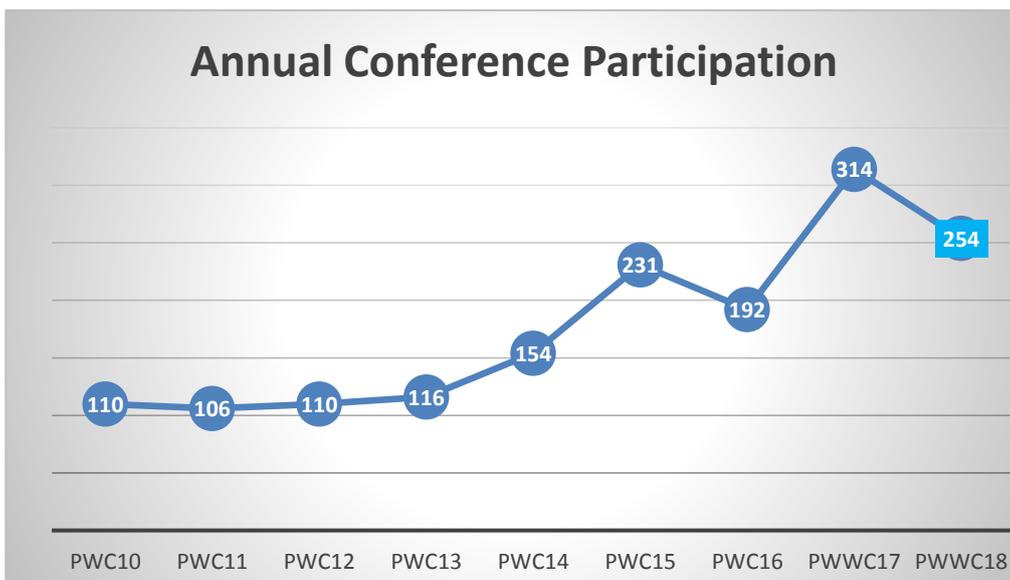
Total Number of Booths: 34

Number of Exhibitors: 26



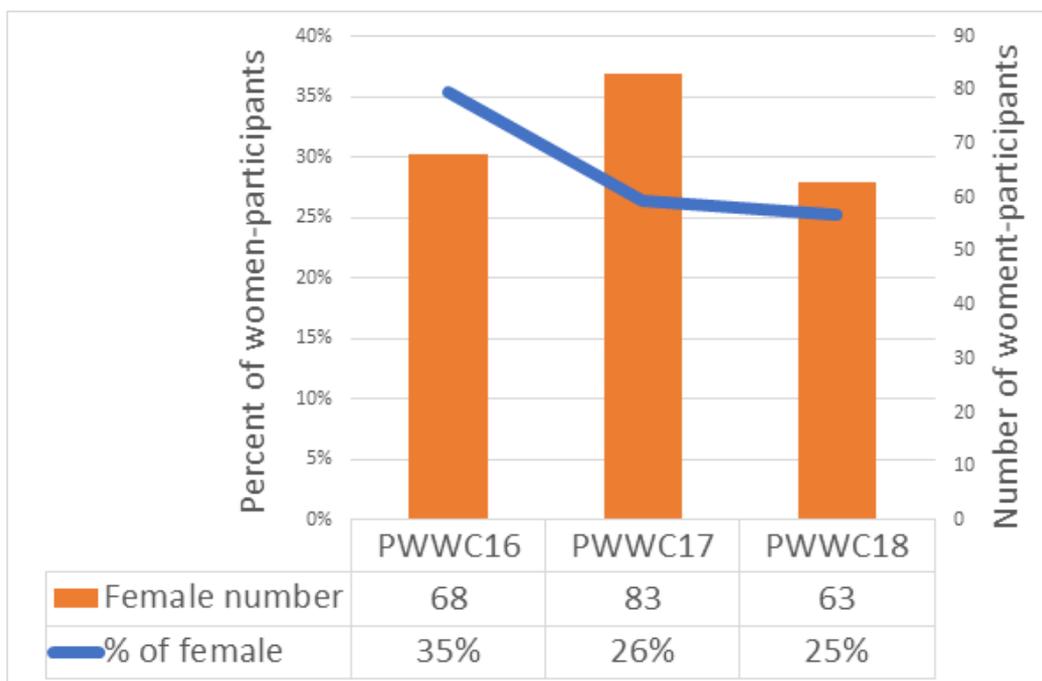
## Participation Analysis



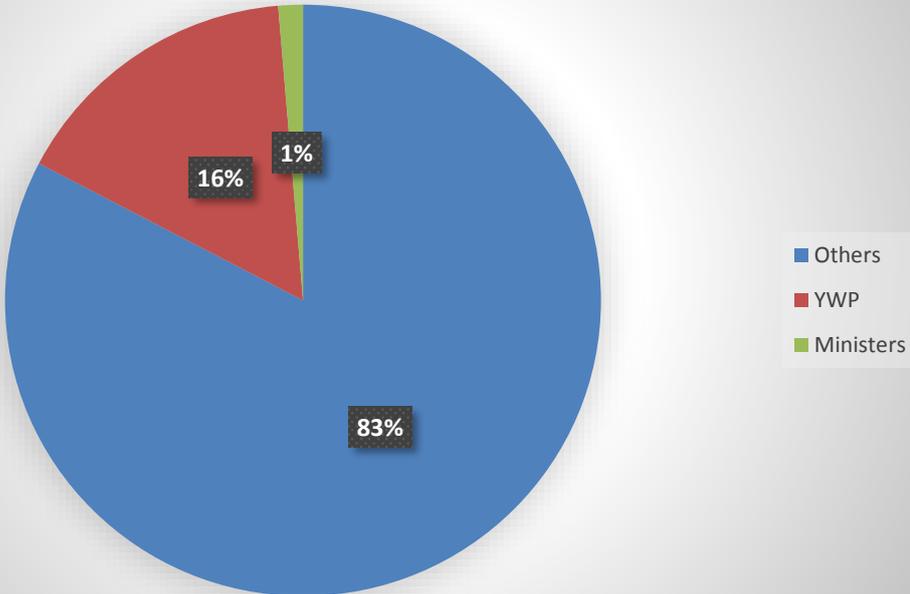


A total of 254 participants attended the PWWC18 from around the Pacific.

Women are actively participating in PWWA annual meetings. Women roughly represent one-third to one-quarter of all participants from 2016 to 2018. There is some downward trend in recent years, and we can work on addressing this issue for next PWWA meeting.



### PWWC18 Female Participation



## Awards Night

The winners for 2018 were based on data collected from utilities for 2017. Below are the winners for 2018 performance and special awards. Congratulations to all the winners.

The Solomon Islands Water Authority (SIWA) was announced as the overall best utility for 2018.

	<b>Performance Awards</b>	<b>Winners</b>	<b>Countries</b>
1	Best Coverage with Services (Group 1)	Polynesienne des Eaux	French Polynesia
2	Best Coverage with Services (Group 2)	Eda Ranu	Papua New Guinea
3	Guaranteed Water Services for ALL (Group 3)	Department of Water Resources	Vanuatu
4	Sustainable Cost Recovery for water and wastewater services (Group 1)	Polynesienne des Eaux	French Polynesia
5	Sustainable Cost Recovery for water and wastewater services (Group 2)	Eda Ranu	Papua New Guinea
6	Established customer database and payment collection system	Department of Water Resources	Vanuatu
7	Best Customer Service (Group 1)	Caledonienne des Eaux	New Caledonia
8	Best Customer Service (Group 2)	Central Yap Public Utilities	Federated States of Micronesia (Chuuk)
9	Best Established water intake systems and piped water distribution	Independent Water Scheme	Samoa
10	Best Maintenance of the Utility Service (Group 1)	Caledonienne des Eaux	New Caledonia
11	Best Maintenance of the Utility Service (Group 2)	Tonga Water Board	Tonga
12	Best Maintenance Utility (Group 3)	Department of Water Resources	Vanuatu
13	Best Technical Performance (Group 1)	Caledonienne des Eaux	New Caledonia
14	Best Technical Performance (Group 2)	UNELCO	Vanuatu
15	Water Delivery by Trucks is organised and fully functioning with minimum losses	Nauru Central Pacific Utility	Nauru
16	Best Environmentally friendly utility: Wastewater Collection and Treatment (Group 1)	Polynesienne des Eaux	French Polynesia
17	Best Environmentally friendly utility: Wastewater Collection and Treatment (Group 2)	Kosrae Utilities Authority	Federated States of Micronesia (Kosrae)
18	Best Environmentally Friendly Utility: Wastewater regularly collected from latrines (Group 3)	Department of Water Resources	Vanuatu
19	Most Improved Utility (Group 1)	American Samoa power Authority	American Samoa
20	Most Improved Utility (Group 2)	Solomon Island Water Authority	Solomon Islands
21	Most Improved Utility (Group 3)	Department of Utilities	Niue

22	Best Utility 2018 (Group 1)	Caledonienne des Eaux	New Caledonia
23	Best Utility 2018 (Group 2)	Solomon Islands Water Authority	Solomon Islands
24	Best Utility 2018 (Group 3)	Department of Water Resources	Vanuatu
	<b>Special Awards</b>	<b>Winner</b>	<b>Country</b>
25	Gender Balance	Kosrae Utilities Authority	Federated States of Micronesia (Kosrae)
26	Percentage of Women Employees – Engineers	American Samoa Power Authority	American Samoa
27	Female Staff Salary as a percentage (%) of male	American Samoa Power Authority	American Samoa
28	Best PWWA UTILITY 2018	Solomon Islands Water Authority	Solomon Islands
29	PWWA Water Professional 2018	Opetaia Ravai	Fiji
30	PWWA Young Water Professional 2018	Helen Pulou	American Samoa
31	Best Expo Booth Display 2018	GRAF	Australia
32	Runner-Up Expo Booth Display 2018	TRACWATER	Australia



Host PWWC 2018 CDE - 1



Host PWWC 2019 Vanuatu - 2



Best Young Water Professional 2018 - 3



Overall Best Utility 2019 - 4

## Conference Evaluation

An online evaluation was conducted straight after the conference and its findings will serve to inform the Secretariat and host utilities on where to make improvements for future conferences organisation, structure and content. Overall, all respondents to the survey were satisfied with their experience overall at the conference with a little over 65% of respondents rating their experience as highly satisfactory to excellent.

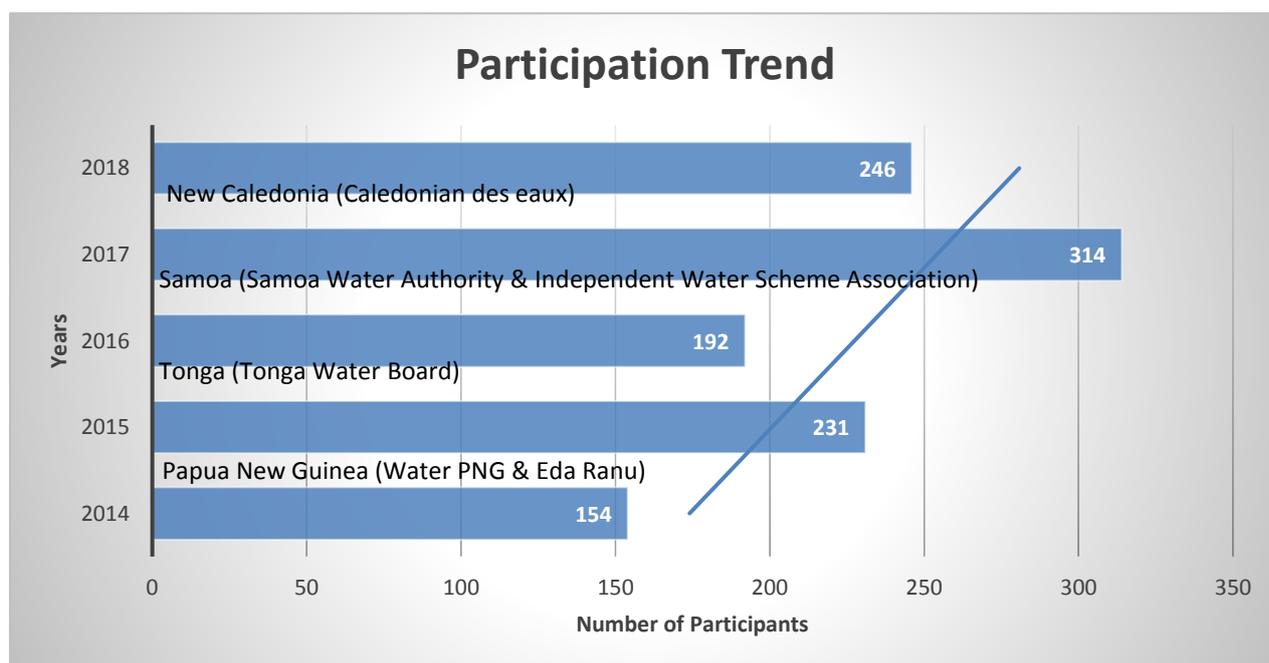
## Previous Conferences Analysis 2014 - 2018

We have seen in previous conferences the increase in interest and participation at this annual event hosted by PWWA and its utilities. This has also been identified as the only forum in the Pacific where all 30 utilities from 21 Pacific Island countries and territories come together and network, share experiences, explore new technologies and establish professional and personal long-lasting friendships between Utilities and suppliers from around the world.

Below are some of the trends from previous years:

### 1. Overall Participation

As evident from the graph below, there has been a steady increase in participation for the last 5 years. The increase in participation is mainly through extra forums that have been established as part of the conference such as the Ministerial Water Forum which started in 2015 in PNG and the Young Water Professional Program which commenced in 2017 through AWP Funding.



### 2. Participation by Countries

The table below identifies the number of participants from each of the PWWA Pacific Island Member Countries. Also highlighted in BLUE is the participation average per year per country; the lowest being Guam with 0 average per conference. The highest identified is Samoa with an average of 40 inclusive of the host year or 26 per conference if host year is excluded. Samoa has 2 Utilities and has always been a committed and active member of PWWA.

**Table 1: Pacific Islands Member Countries**

<b>PUM Countries</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>Average</b>	<b>Comments</b>
American Samoa	40	2	4	11	2	11	
Cook Islands	4	2	3	6	4	3	
Fiji Islands	5	7	12	16	22	11	
French Polynesia	0	0	0	1	3	2	Joined PWWA 2016
Federated States of Micronesia	6	5	3	5	7	5	
Guam	1	1	0	2	0	0	Guam joined in 2014
Kiribati	2	5	5	4	6	4	
Marshall Islands	4	5	2	4	7	4	
Nauru	0	5	5	7	6	4	
New Caledonia	0	2	8	5	51	13	CDE Joined 2015
Niue	0	2	0	3	1	1	
Northern Marianas	1	0	2	1	3	1	
Palau	0	3	0	3	3	1	
Philippines	0	3	3	3	6	3	
Papua New Guinea	6	109	14	11	8	30	
Samoa	34	23	26	96	23	40	
Solomon Islands	3	3	3	6	6	4	
Tokelau	1	1	1	6	3	2	
Tonga	5	4	45	10	7	14	
Tuvalu	2	1	3	3	6	2	
Vanuatu	1	5	3	5	3	3	DOWR Joined in 2015
Wallis & Futuna	0	0	0	0	2	2	EEWF Joined in 2018

In the table below (*Table 2*) are other countries that participated and most of the participants from Australia and New Zealand are PWWA Allied Members. Although there have been participants from around the globe, there is still a lot of room to market this annual event to Europe and Asia especially in the categories of Allied Members, Individual Members and Affiliated Members.

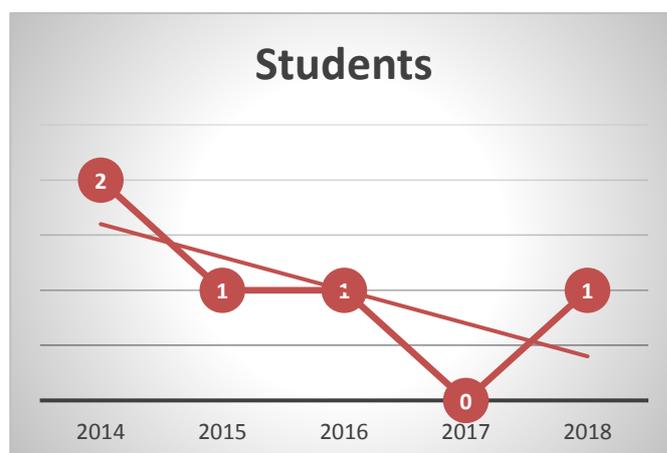
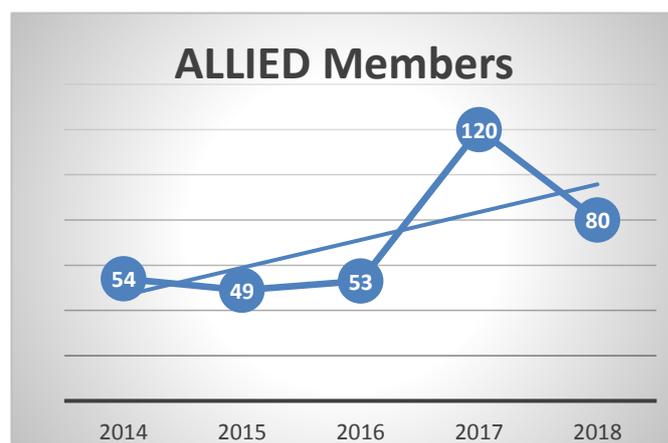
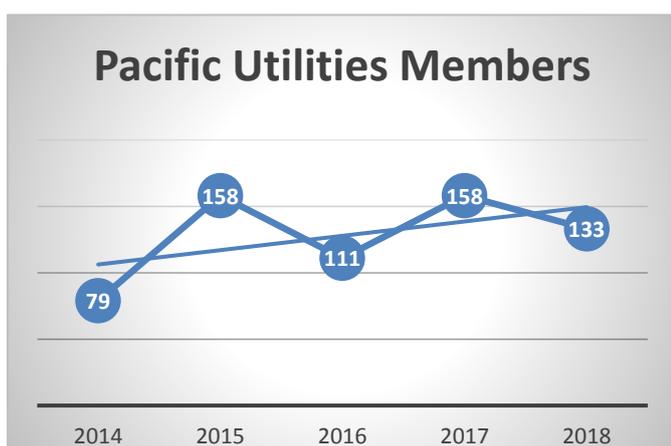
**Table 2: Other Countries**

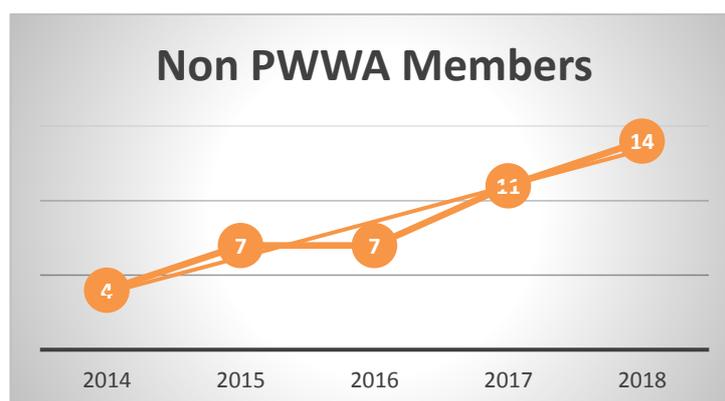
<b>Other Countries</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>Average</b>	<b>Comments</b>
Australia	10	25	27	40	42	28	99% of participants are Allied Members
France	0	0	0	1	0		
Germany	0	0	0	1	0		
Hawaii	1	0	0	1	0		
Israel	0	0	1	0	0		

Italy	0	0	0	2	0		
Japan	0	0	0	1	0		
New Zealand	22	17	20	37	25	24	99% of participants are Allied Members
Singapore	0	0	0	1	0		
Spain	1	0	1	0	0		
Sweden	0	0	0	0	1		
Trinidad	1	0	0	0	0		
Thailand	1	0	0	0	0		
United Kingdom	1	0	0	0	0		
United States America	2	3	1	3	1		

### 3. Participation by Membership

The participation by membership has been steadily increasing every year except for students. We have also noticed an increase of Non-Members registering their attendance for the conference.





#### 4. Utilities Participation

The following table is a summary of participants from all PWWA Southern and Northern Utilities during the last 5 conferences. Noted in RED are the Utilities that have missed 2 or more conferences and most of these utilities are from the North especially the Federated States of Micronesia (FSM). Some of these Utilities such as Niue are keen to attend but due to financial constraints are not able to attend.

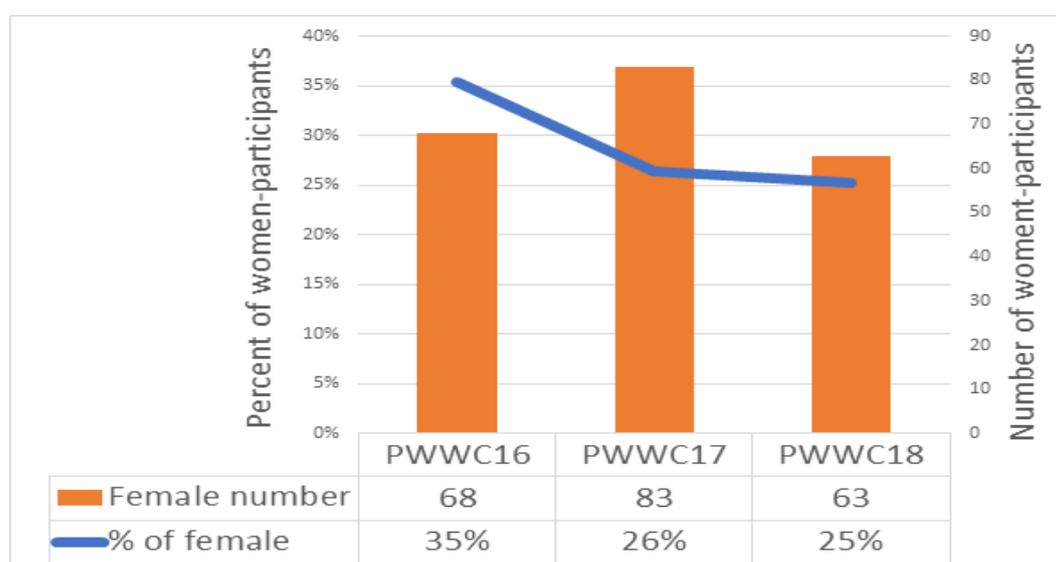
**Table 3: Participation by Utilities**

	<b>Southern Utilities</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
1	American Samoa Power Authority (ASPA)	31	2	4	9	2
2	Department of Water Resources (DWR - Vanuatu)		1	1	3	2
3	Eda Ranu (PNG)	2	58	4	8	2
4	Electricity and Water for Wallis and Futuna (EEWF)					2
5	Samoa Water Authority (SWA - Samoa)	7	4	7	59	11
6	Ministry of Public Utilities and Infrastructure (Tuvalu)	2	1	3	3	6
7	Solomon Islands Water Authority (SIWA)	3	3	6	6	6
8	Tonga Water Board (TWB - Tonga)	5	4	46	10	7
9	Water PNG (Papua New Guinea)	4	45	4	3	4
10	UNELCO (Vanuatu)	1	4	2	2	1
11	Caledonian des eaux (CDE - New Caledonia)		2	8	5	40
12	Polynesian des eaux (PDE - French Polynesia)				1	3
13	Public Utilities Board (PUB - Kiribati)	2	5	5	4	6
14	Infrastructure Cook Islands (ICI - Cook Islands)	4	2	3	6	4
15	Water Authority of Fiji (WAF - Fiji)	3	4	2	6	8
16	Government of Tokelau	1	1	1	6	3
17	Independent Water Scheme Assoc (IWSA - Samoa)	2	2	3	4	1
18	Nauru Utility Corporation (NUC - Nauru)	0	5	5	7	6
19	Department of Utilities (DOU - Niue)	0	2	0	3	1

Northern Utilities						
1	Chuuk Public Utilities Corporation (CPUC – FSM)	2	2	3	3	2
2	Central Yap State Public Service (CYSPS – FSM)	1	2	0	0	1
3	Northern Yap Gagil Tomil Authority (YGTA – FSM)	0	0	0	0	0
4	Southern Yap Water Authority (FSM)	0	0	0	0	0
5	Dept of Transport and Infrastructure (Kosrae – FSM)	1	0	0	0	0
6	Pohnpei Utility (FSM)	2	0	0	2	4
7	Guam Waterworks Authority (GWA)	1	1	0	0	0
8	PPUC Water and Wastewater (Palau)	0	3	0	3	3
9	Majuro Water & Sewer Company (Marshall Islands)	2	2	1	3	3
10	KAJUR (Marshall Islands)	2	3	1	1	3
11	Commonwealth Utilities Corporation (CUC – Saipan)	1	0	2	1	3
		76	158	111	158	133

## 5. Gender Participation

Gender was not captured until the 2016 Conference that was held in Tonga. It was also during this year that members agreed to include data on gender to be collected as part of the annual benchmarking data collection exercise.



## 6. Donors and Affiliated Members Participation

Participation by our Donors and Affiliated Members have increased, and this is good for the Association as it exposes its activities to donors who are also potential investors in its initiatives.



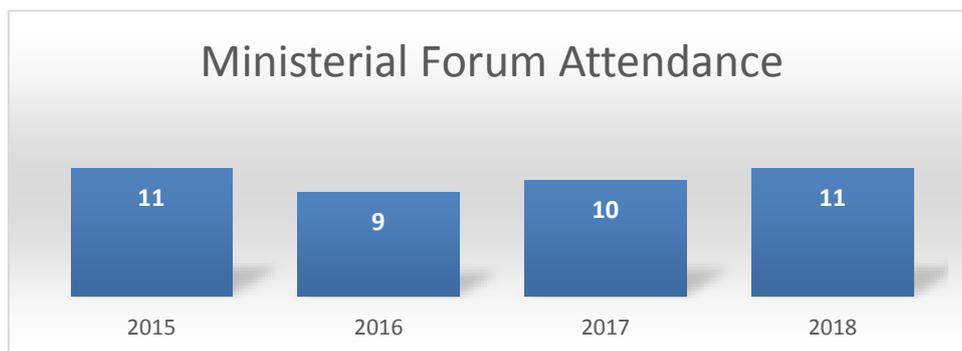
## 7. Ministerial Water Forum

The first Water Ministerial Forum in the Pacific was held in PNG on 2015. The following Table 4 outlines participation by each member country at the Ministers Forum.

**Table 4: Ministers Attendance at Ministerial Forum since 2015**

	<b>Southern Utilities</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
1	American Samoa	x	x	x	
2	Cook Islands	x	x	x	
3	Fiji	x	x		x
4	French Polynesia				x
5	Kiribati	x			x
6	Nauru				
7	New Caledonia		x	x	x
8	Niue	x		x	
9	Papua New Guinea	x	x		x
10	Samoa	x	x	x	x
11	Solomon Islands				
12	Tokelau			x	x
13	Tonga	x	x	x	x
14	Tuvalu	x	x	x	x
15	Vanuatu	x	x	x	
16	Wallis & Futuna				
	<b>Northern Utilities</b>				
1	Marshall Islands	x			x
2	Northern Marianas				
3	Guam				
4	Federated States of Micronesia				
5	Palau			x	x

## Ministerial Forum Attendance



### 8. Young Water Professional Participation

	<b>Southern Utilities</b>	<b>2017</b>	<b>2018</b>
1	American Samoa Power Authority (ASPA)	X	X
2	Department of Water Resources (DWR - Vanuatu)	X	X
3	Eda Ranu (PNG)	X	X
4	Electricity and Water for Wallis and Futuna (EEWF)		X
5	Samoa Water Authority (SWA - Samoa)	X	X
6	Ministry of Public Utilities and Infrastructure (Tuvalu)	X	X
7	Solomon Islands Water Authority (SIWA)	X	X
8	Tonga Water Board (TWB - Tonga)	X	X
9	Water PNG (Papua New Guinea)	X	X
10	UNELCO (Vanuatu)	X	
11	Caledonian des eaux (CDE - New Caledonia)	X	X
12	Polynesian des eaux (PDE - French Polynesia)	X	X
13	Public Utilities Board (PUB - Kiribati)	X	
14	Infrastructure Cook Islands (ICI - Cook Islands)	X	X
15	Water Authority of Fiji (WAF - Fiji)	X	X
16	Government of Tokelau	X	X
17	Independent Water Scheme Assoc (IWSA - Samoa)	X	
18	Nauru Utility Corporation (NUC - Nauru)	X	X
19	Department of Utilities (DOU - Niue)	X	X

	<b>Northern Utilities</b>		
1	Chuuk Public Utilities Corporation (CPUC - FSM)	X	X
2	Central Yap State Public Service (CYSPS - FSM)		X
3	Northern Yap Gagil Tomil Authority (YGTA - FSM)		
4	Southern Yap Water Authority (FSM)		
5	Dept of Transport and Infrastructure (Kosrae - FSM)		
6	Pohnpei Utility (FSM)	X	X
7	Guam Waterworks Authority (GWA)		
8	PPUC Water and Wastewater (Palau)	X	X
9	Majuro Water & Sewer Company (Marshall Islands)	X	X
10	KAJUR (Marshall Islands)	X	X
11	Commonwealth Utilities Corporation (CUC - Saipan)	X	X

The Young Water Professional Program is one of PWWA's flagship program with its first cohort commencing in 2017 as part of the PWWA 10<sup>th</sup> Water and Wastewater Conference. The participation and interest drawn from this program has been incredible and PWWA will continue working in creating more awareness and building this platform for the Young Water Professionals in the Pacific. One of the main thrusts for this program is equal gender representation from Utilities.

## 9. Water Benchmarking Participation

The following table presents participation in the PWWA benchmarking studies 2014 – 2017.

		2014	2015	2016	2017
Group 1	American Samoa Water and Power Authority				
	Calédonia-des-Eaux				
	Guam Water Authority				
	Polynésienne des Eaux				
	Commonwealth Utilities Corporation				
Group 2	Water Authority of Fiji				
	Central Yap State Public Service Corporation,				
	Chuuk Public Utilities Corporation				
	Dept. of Transportation and Infrastructure Kosrae				
	Northern Yap Gagil Tomil Authority				
	Pohnpei Utilities				
	Southern Yap Water Authority				
	Kwajalein Atoll Joint Utility Resources, KAJUR				
	Majuro Water and Sewer Company Inc.				
	Palau Public Utilities Corporation, PPUC				
	Ncd Water & Sewerage Ltd Trading as Eda Ranu				
	Water-PNG				
	Kiribati Public Utilities Board (Kiribati)				
	Samoa Water Authority (Samoa)				
	Solomon Islands Water Authority				
	Tonga Water Board				
Group 2	Tuvalu Ministry of Utilities and Industries				
	Unelco Vanuatu Limited				
Group 3	Independent Water Schemes Association, Samoa				
	Niue Public Works Department				
	Cook Islands Ministry of Infrastructure and Planning				
	Nauru Utilities Corporation				
	Tokelau Division of Environment				
	Vanuatu Department of Water Resources				

#### 4. Annual General Meeting 2018

The AGM 2018 held in Noumea on Thursday 9<sup>th</sup> August 2018 was attended by 54 participants including the Secretariat staff. A quorum for the AGM was established in accordance with the Constitutional requirements.

Apart from the normal business of the AGM, elections of Board Directors took place to replace four (4) Directors who had resigned prior to the end of their terms for various reasons, 2 Utility member Directors elected from Council, and two Directors elected from “all classes of members”. The following Directors were elected

- A. From Council PUMs:
  1. Mr Erickson Sammy, Department of Water, Vanuatu
  2. Mr Didier Gaujous, Caledonienne des Eaux, New Caledonia
- B. From “all classes of members”:
  1. Mr Ulu Bismarck Crawley, MNRE Samoa
  2. Mr Opetaiia Ravai, Individual consultant, Fiji

The Directors elected will join the Board effective immediately for its current term which completes at the next General Elections scheduled for the AGM in 2019.

#### 5. The Australian Water Partnership/Pacific Water & Wastewater Association Capacity Building Development Program

Following the development of the Strategic Plan 2018-2022, the programme sought through a call for EOIs consultants to conduct a Learning and Development Survey of all member utilities. This was a priority activity identified in the Strategic Plan with the purpose of determining what the skills are in utilities at all levels, what types of training are on offer nationally and bilaterally and what the gaps are at different levels where a regional approach can be comparatively advantageous. The Survey was awarded to the International Water Centre (IWC) to conduct which was done over a four month period beginning July/August.

A report from the survey was presented and discussed by the Board of Directors at its meeting in Brisbane in November. The Board meeting was held following a Board workshop which was the final activity under this 2-year capacity building program sponsored by AWP. The workshop was vital in reviewing the way forward for PWWA and discussing and developing a four year forward budget and implementation strategy for self-sustainability of the organisation.

The flagship young water professionals programme during the Annual Conference continued to attract huge interest and engagement from all utilities; 31 young professionals joined the conference with an good array of speakers for the professional development of the young professionals in areas such as financial management, communications and presentation skills, gender equality and social inclusiveness and leadership. The young professionals were also able to have a Q&A session with utility CEOs which was an excellent and popular mentoring opportunity for the young professionals.

## Other Events

## Communications

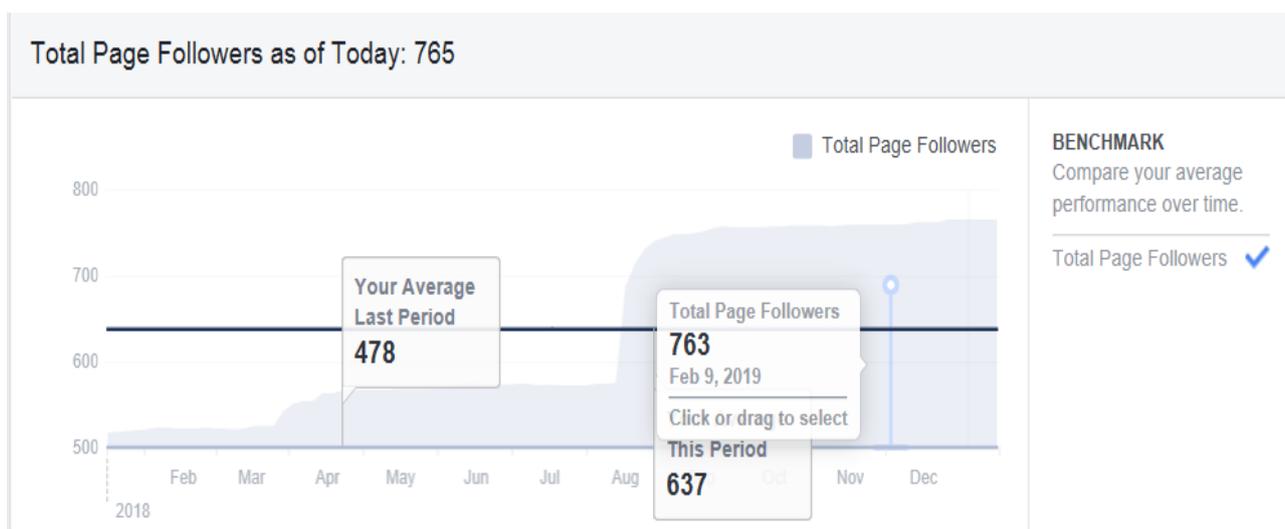
PWWA continues to maintain three important media channels as a repository of information and as a means of communications to members and potential members.

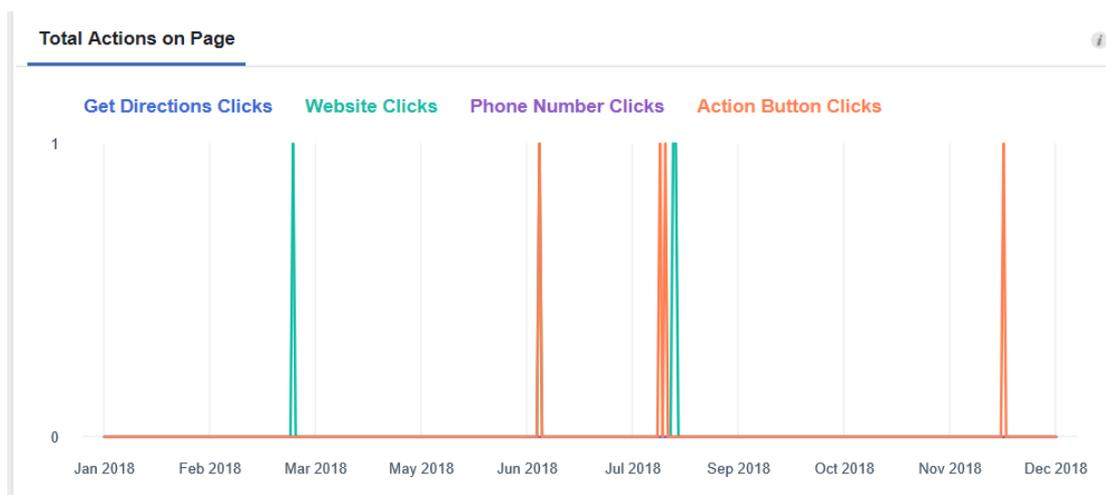
1. Website ([www.pwwa.ws](http://www.pwwa.ws))
2. Facebook page (<https://www.facebook.com/pacificwaterandwastesassociation/>)
3. LinkedIn page (<https://www.linkedin.com/company/pacific-water-and-wastes-association/>)

### Social Media

By December 2018, Facebook had a total of 765 “likes” compared to 518 at the end of 2017. This is a tremendous improvement over the previous years and it reflects the interest that is now generated for the Association. No doubt the recruitment of a Communications specialist consultant just before the conference also increased the visibility and engagement of people on PWWA’s Facebook page..

The table below reflects the total page followers as of end of Dec 2018.





## Membership of PWWA

The following table provides the total number by type of members in PWWA as at end 2018.

Type of Member	Total
1. Utility Members	30
2. Allied Members	48
3. Individual Members	6
4. Students	0
5. Affiliated Members	6
<b>Total All Members as at December 2018</b>	<b>90</b>

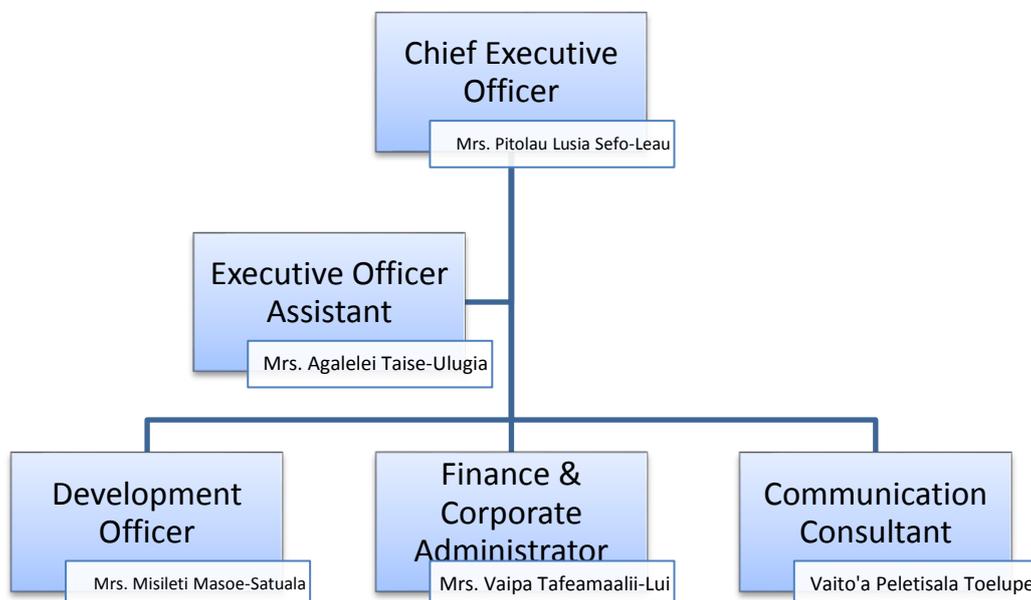
PWWA's member utilities extend across the following countries and territories in the Pacific region: American Samoa, Cook Islands, the Federated States of Micronesia, French Polynesia, Guam, Nauru, New Caledonia, the Commonwealth of the Northern Marianas, Niue, Palau, Papua New Guinea, Republic of Fiji Islands, Republic of Kiribati, Republic of the Marshall Islands, Republic of Vanuatu, Samoa, Solomon Islands, Tokelau, the Kingdom of Tonga, Tuvalu and Wallis and Futuna – the latter joined in 2018. The majority of utilities are defined (in terms of number of water connections) as either small (12 utilities) or medium (10 utilities); and eight (8) utilities are considered large with over 10,000 connections).

The total number of members has decreased from 2017 with 105 on the register as at end 2017. However, a number of the allied members at end 2017 had not updated their membership for a few years and these allied members were excluded in 2018 following reconciliation of records. The majority of Allied members are companies and organisations from Australia, comprising 44% of total allied members, followed by New Zealand with 33% of the total, a reverse of the membership reflected in 2017 when the majority of allied members were from New Zealand. Samoa comes in next with a total number of five (5) or 10% of allied members registered so far from both private and public sector companies and Ministries. The rest come from Fiji with two (2) companies, two (2) from Papua New Guinea and one from USA Hawaii.

## PWWA Staff as at 31 December 2018

The restructuring of the Secretariat and recruitment of all staff to the positions in the organisational structure was completed during the first half of 2018 following identification of funds. The minimal structure approved by the Board formed the core staff of the Secretariat to undertake its programs and day to day operations. During the year, following the recognized need for a communications person to be on board, the funding for and recruitment of a communications specialist was provided through the ADB as a consultant for 18 months. The Communications specialist consultant came on board in July 2018.

The following staff were employed by the PWWA Secretariat as at 31 December 2018.



## PWWA Financial Performance

Appearing at the end of this report are the audited accounts of PWWA for the financial year ended 31 December 2018.

At the close of the financial year, total assets and liabilities increased by 35% from \$190,880 in the previous year to \$296,809 in 2018, largely a result of some increase in current assets from grants received from ADB and a notable increase in accounts receivable – other, made up in the large part by grant transfer from AWP which was received only in January 2019. Noted is the drop in deferred membership fees received in advance for 2019 membership fees which shows a delay in members responding to payment of invoices issued ahead in November.

In 2018 total accumulated funds were reduced to \$105,920 by 40% from \$177,848 in 2017. Whilst assistance from the ADB more than doubled in 2018, a delay in transferring component 5 grant funds from the AWP resulted in a reduction of grant funds from this donor partner in 2018 (note the component 5 funds referred which were to have been received in December were received in January 2019). On the other hand, increased funds from donors reflect a higher expenditure budget for programs, especially those financed by the ADB. The other major increase contributing to the reduction in accumulated funds is the increase in salary expenses as all core positions in the structure of PWWA were filled in 2018. In addition, income from allied membership fees of \$70,000 is offset by \$11,200 in unpaid invoices shown here as doubtful debts.

As an incorporated not-for-profit organisation, PWWA is highly dependent for its operations and payment of staff on development partner funding, membership fees, and from money that it earns from the hosting of the annual conference each year through conference fees, exhibition fees and sponsorships. In 2018, membership fees comprised 15.2% of total income, donor funding sought and obtained from ADB provided directly to the Secretariat to administer comprised the highest bulk of total income at 46%, whilst AWP funding for the Secretariat comprised 21.5%. The balance was realised from the grant received from the Government of Samoa, conference fees, Expo fees and sponsorships of the annual conference.

In compliance with the Constitution of the Association, the accounts following are presented on accrual basis.

## Auditor's Report



**Lesā ma Penn**

*Chartered Accountants*

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### **Independent Auditor's Report**

#### **TO THE MEMBERS OF PACIFIC WATER AND WASTEWATER ASSOCIATION INCORPORATED**

#### **Report on the Audit of the Financial Statements**

##### ***Opinion***

We have audited the accompanying financial statements of Pacific Water and Wastewater Association Incorporated, which comprise the statement of financial position as at 31 December 2018, and statements of income, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Association as at 31 December 2018, and of its financial performance and its cash flows for the year then ended.

##### ***Basis for Opinion***

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association in accordance with the International Ethics Standards Board for Accountant's *Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in Samoa and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### ***Directors' and Management's Responsibility for the Financial Statements***

Directors and management are responsible for the preparation and fair presentation of these financial statements in accordance with Generally Accepted Reporting Standards and with requirements of the Incorporated Societies Ordinance 1952 and such internal control as the directors and management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Association's financial reporting process.

##### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud and error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures, are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to

the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Incorporated Societies Ordinance 1952,

In our opinion:

- proper books of account have been kept by the Association, so far as it appears from our examination of those books; and
- the financial statements are in agreement with the books of account; and
- to the best of our knowledge and according to explanations given to us the financial statements give the information required by the Societies Ordinance 1952 in the manner so required.

Apia, Samoa

Dated: 18 March 2019



Lesam Penn  
Chartered Accountants

## Statement of Financial Position



PACIFIC WATER AND WASTEWATER ASSOCIATION INC.  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2018

	Notes	2018 USD	2017 USD
<b>EQUITY</b>			
Accumulated funds brought forward		190,880	13,232
Excess of income over expenditure		<u>105,929</u>	<u>177,648</u>
<b>Total Equity</b>		<u><u>296,809</u></u>	<u><u>190,880</u></u>
Represented by:			
<b>CURRENT ASSETS</b>			
Cash at Bank	6	238,645	217,712
Trade Debtors	7	4,980	-
Accounts Receivable - others		<u>75,947</u>	<u>-</u>
<b>Total Current Asset</b>		<u><u>319,572</u></u>	<u><u>217,712</u></u>
<b>CURRENT LIABILITIES</b>			
Accounts Payable		6,159	3,303
Deferred membership fees received in advance		<u>27,550</u>	<u>33,400</u>
<b>Total Liabilities</b>		<u><u>33,709</u></u>	<u><u>36,703</u></u>
<b>WORKING CAPITAL</b>		285,863	181,009
<b>NON CURRENT ASSETS</b>			
Fixed assets	5	10,946	9,871
<b>NET ASSETS</b>		<u><u>296,809</u></u>	<u><u>190,880</u></u>

The relevant notes on page 6 and 7 form part of this statement of Financial Position.

On behalf of the Board:

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

## Statement of Income & Expenditure



**PACIFIC WATER AND WASTEWATER ASSOCIATION INC.  
STATEMENT OF INCOME AND EXPENDITURE  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	2018 USD	2017 USD
<b>Income</b>			
Allied Membership Fee		70,000	46,079
Individual Membership Fee		900	600
Pacific Utility Membership Fee		34,000	22,197
<b>Total membership fees</b>		<b>104,900</b>	<b>68,876</b>
Asian Development Bank Funding		315,806	116,989
Australia Water Partnership		148,264	225,010
Government of Samoa		30,951	12,261
Conference Fee		52,352	48,850
Expo Booth Fee		16,300	19,800
Other Revenue		3,494	707
Sponsorship		15,000	16,000
<b>Total Income</b>		<b>687,067</b>	<b>508,493</b>
<b>Less Operating Expenses</b>			
Accounting software maintenance		543	509
Advertising		-	1,666
Audit fees		1,437	1,330
Bad debts		-	22,900
Bank Fees		337	1,836
Depreciation	5	5,877	2,805
Doubtful debts	7	11,200	-
Foreign Currency Gains and Losses		23,433	5,133
General Expenses		2,715	876
Legal expenses		1,026	-
Pacific Water Conference 2018		174,394	98,961
Printing & Stationery		8,633	4,077
Rent		16,184	7,533
Repairs and Maintenance		416	79
Telephone & Internet		3,070	3,596
Travel - International		8,458	16,339
Salaries		189,281	163,205
Workshops		134,134	-
<b>Total Operating Expenses</b>		<b>581,138</b>	<b>330,845</b>
<b>Excess income over expenditure</b>		<b>105,929</b>	<b>177,648</b>

The relevant notes on pages 6 and 7 form part of this statement of income and expenditure.

## Statement of Cash Flows



PACIFIC WATER AND WASTEWATER ASSOCIATION INC.  
STATEMENT OF CASH FLOWS  
FOR THE 12 MONTHS ENDED 31 DECEMBER 2018

	2018 USD	2017 USD
<b>Cash flows from/(to) operating activities</b>		
Cash received from membership	94,071	92,036
Cash received from donors and sponsors	434,074	370,260
Other receipts	72,146	69,357
Cash paid for expenses	(572,405)	(320,037)
<i>Net cash from/(to) operating activities</i>	<u>27,885</u>	<u>211,615</u>
<b>Cash flows from/(to) investing activities</b>		
Purchase of fixed assets	(6,952)	(10,398)
<i>Net cash from/(to) investing activities</i>	<u>(6,952)</u>	<u>(10,398)</u>
<b>Cash flows from/(to) financing activities</b>		
<i>Net cash from/(to) financing activities</i>	<u>-</u>	<u>-</u>
Net increase/(decrease) in cash	20,933	201,217
Opening cash balance	217,712	16,495
<b>Cash At the End of the Year</b>	<u><u>238,645</u></u>	<u><u>217,712</u></u>
<b>Represented by:</b>		
ANZ Bank Samoa - Tala account	208,210	125,628
ANZ Bank Samoa - AUD account	30,435	92,084
	<u><u>238,645</u></u>	<u><u>217,712</u></u>

The relevant notes on page 6 and 7 form part of this statement of cash flows.

# Notes to Accounts



**PACIFIC WATER AND WASTEWATER ASSOCIATION INC.**  
**NOTES TO ACCOUNTS**  
**FOR YEAR ENDED 31 DECEMBER 2018**

## 1 Summary of Significant Accounting Policies

The principal accounting policies adopted in preparing the accounts are stated to assist in general understanding of the accounts. These policies have been consistently applied except as otherwise stated.

### (a) Basis of preparation of accounts

The accounts have been prepared on the basis of historical costs and do not take into account changing money values or current valuations of non-current assets.

### (b) Foreign Currency Conversion

The accounts are in US Currency. Foreign Currency transactions during the year have been converted to Samoan Tala at the exchange rate at the date of the transactions. Samoan Tala transactions during the year have been converted to US Currency using the rate of exchange prevailing at balance date. Any variances arising from movements in exchange rates as between the date of transaction and balance date is treated as a realised gain or loss and has been brought to account in determining the result for the year.

### (c) Membership Fees

#### (i) Income

Membership fees as reflected in the accounts represent fees received and receivable during the year.

#### (ii) Deferred income

Membership fees received in advance have been deferred and is not included in the income for the year.

#### (iii) Government grant

Upon signing of the Host Agreement during the Conference in August 2017, the Government of Samoa granted SAT100,000 (July 2017-June 2018) to the Secretariat. This financial support is to assist with establishment costs and rental space currently occupied by PWWA Office at the FMFM Building. Funding is disbursed directly from MNRE and is accounted for in the accounts when received.

The same grant has been approved for the Secretariat for the financial year July 2018 - June 2019 under a new Funding Agreement with MNRE which allocate funds directly to PWWA to utilise fully in accordance to the contract. Utilisation reports are to be submitted at the end of each milestones.

#### (iv) Australia Water Partnership grant

In November 2016, a total of AUD600,000 is the assistance from AWP for the establishment of the Secretariat. This funding is for three (3) years and is disbursed in instalments of AUD200,000 per annum. Its main utilization is for remuneration for staff and other small costs as outline in the agreement.

2 The association is registered in Samoa under the Incorporated Society's Ordinance 1952.

3 The objectives of the association are to improve and enhance "the industry" within the Member Countries and develop expertise in the Pacific through networks of water professionals in the Pacific.

## 4 Fixed asset and method depreciation

Items of property, plant and equipment are stated at cost less accumulated depreciation.

Depreciation is calculated to write off the cost of fixed assets on the straight line basis over their expected useful lives to the association, at the following rates per annum:

Office equipment	33%
Computer equipment	33%
Office furniture	33%



PACIFIC WATER AND WASTEWATER ASSOCIATION INC.  
NOTES TO ACCOUNTS  
FOR YEAR ENDED 31 DECEMBER 2018

5 FIXED ASSETS

Description	Computer equipment	Office equipment	Office furniture	Total
<b>Cost</b>				
Balance at 31 December 2017	6,570	5,251	4,293	16,114
Additions	2,191	1,034	3,727	6,952
Disposals/Write off	-	-	-	-
Balance at 31 December 2018	<u>8,761</u>	<u>6,285</u>	<u>8,020</u>	<u>23,066</u>
<b>Depreciation</b>				
Balance at 31 December 2017	3,098	2,441	704	6,243
Charge for year	1,710	1,914	2,253	5,877
Disposals/Write off	-	-	-	-
Balance at 31 December 2018	<u>4,808</u>	<u>4,355</u>	<u>2,957</u>	<u>12,120</u>
<b>Carrying amount</b>				
At 31 December 2017	<u>3,472</u>	<u>2,810</u>	<u>3,589</u>	<u>9,871</u>
At 31 December 2018	<u>3,953</u>	<u>1,930</u>	<u>5,063</u>	<u>10,946</u>

6 CASH AT BANK

	2018 USD	2017 USD
ANZ Bank Samoa - Tala account	208,210	125,628
ANZ Bank Samoa - AUD account	30,435	92,084
	<u>238,645</u>	<u>217,712</u>

7 PROVISION FOR DOUBTFUL DEBTS

Provision for doubtful debts is based on a review of outstanding invoices at year end unlikely to be recovered. An allowance for doubtful debts of \$11,200 has been recognised for the current financial year. Invoices for membership renewals are expected to be settled within the financial year therefore debtors outstanding beyond this period would be at risk of non-recovery or doubtful.

Trade debtors	20,394	4,214
Provision for doubtful debts	<u>15,414</u>	<u>4,214</u>
	<u>4,980</u>	<u>-</u>

**Movement in provision for doubtful debts**

Opening balance	4,214	-
Adjusted provision	<u>11,200</u>	<u>4,214</u>
Closing balance	<u>15,414</u>	<u>4,214</u>

8 CONTINGENT LIABILITIES & CAPITAL COMMITMENTS

The directors are not aware of any contingent liabilities or capital commitments at year end. (2017 Nil)

9 GENERAL

At the 10th Pacific Conference, the signing of the Host Agreement between the Government of Samoa and PWWA promulgates international status to PWWA under Samoa laws, and established Samoa as the headquarters of PWWA. PWWA, after 20 years since establishment and attempts to establish itself as a regional body was finally achieved in 2017. The Host Agreement was signed on 8 August 2017.