



Republika e Kosovës - Republika Kosova - Republic of Kosova

AUTORITETI RREGULLATOR PËR SHËRBIMET E UJIT
REGULATORNI AUTORITET ZA USLUGE VODE
WATER SERVICES REGULATORY AUTHORITY



RULE NO. 05/2016
FOR LICENSING OF WATER SERVICE PROVIDERS IN KOSOVO

November 2016

TABLE OF CONTENTS

PART I: GENERAL PROVISIONS	1
1: Purpose	1
2: Scope	1
3: Definitions	1
PART II: PROCEDURES FOR ISSUANCE, AMENDMENT AND RENEWALS OF SERVICE LICENCES	3
5: The Authority	3
6: Service Licence Application Fee	3
7: Application for licensing	3
: Procedure for reviewing applications	4
9: Issuance and Duration of a Service Licence	5
10: Content of the Service licence	5
11: Change of Service Licence	5
12: Renewing a service licence	6
13: Withdraw from service licence	6
14: Termination of Service Licence	6
PART III: CRITERIA FOR GRANTING THE LICENCE FOR SERVICE	7
15: The gjenral criteria for granting a service licence	7
16: Specific criteria for granting a service licence	7
PART IV: CONDITIONS FOR SERVICE LICENCE AND MONITORING OF THEIR FULFILLMENT	8
17: General Operational Obligations of the Licensee	8
18: The Licensing Financial Obligations	9
19: Reporting Obligation of the Licensee	9
PART V: PUNITIVE PROVISIONS AND APPEALS	9
20: Cases of Violations	9
21: Sanctioning measures	10
22: Appeal against the Authority's decisions	10
23: Languages	10
24: Abrogating Provisions	10
25: Entry into Force	10
APPENDIX 2: LICENCE (& TERMS OF LICENCE)	22

Pursuant to Section 4, sub-paragraph 3.6, Section 15, Section 16, Section 17, and Section 18, of the Law no. 05/L-042 for Regulation of Water Services (Official Gazette of the Republic of Kosovo, No 4/2016, of 14 January 2016) Water Service Regulatory Authority (Authority) issues:

RULE NO.05/2016 FOR THE LICENSING OF WATER SERVICE PROVIDERS IN KOSOVO

PART I: GENERAL PROVISIONS

Section 1: Purpose

The purpose of this Rule is to determino the procedures, criteria and conditions for Licensing of water service providers in the Republic of Kosovo.

Section 2: Scope

1. Water Service Regulatory Authority (hereinafter the Authority), exercising the rights, obligations and conditions of a service licence, aims to oblige and stimulate water service providers to act in such a way as to reach all the objectives that are defined by a service licence.
2. For the performance of the duties set out in paragraph 1 of this Section, the shall be responsible for:
 - 2.1. issue, amend, suspend, or terminate service licences;
 - 2.2. supervise and control compliance with the terms of service licence.

Section 3: Definitions

1. The terms and expressions used in this Rule shall bear the following meanings:
 - 1.1. **Applicant** – any person applying for a proceeding under this Rule.
 - 1.2. **Authority** - the Water Services Regulatory Authority (WSRA) as an independent authority, responsible for regulating the activities of Service Providers in Kosovo;
 - 1.3. **Technical manager (manager)** – an individual with the appropriate technical capability of the applicant/service provider, who meets all the criteria required by the Authority;

- 1.4. **Service Licence** - a permission issued by the Authority by which is given the authorization for provision of Water Services
- 1.5. **Licensee** – a person holding a licence granted by the Authority to provide water, wastewater and bulk water supply services;
- 1.6. **Service Agreement** - the agreement concluded by Municipalities and Service Providers under the control and supervision of the Authority for the provision of Water and Wastewater Services within the area of each particular municipality and in which the rights and duties of both parties;
- 1.7. **Service Provider** - any Water and Wastewater Service Provider, and Bulk Water Supplier;
- 1.8. **Person** – a natural or legal person that might be public or private;
- 1.9. **Service Standards** - the standards of service that apply to that Service in accordance with the current legislation;
- 1.10. **Sewage Services** - services in physical infrastructure that serve to transmit the wastewater;
- 1.11. **Water Supply Services** – collection, processing and distribution of water for human consumption and network and facilities operation for that purpose;
- 1.12. **Wastewater Services** - collection, conveyance, removal and treatment of wastewater used by domestic, commercial, industrial and public users;
- 1.13. **Water Services** - the Water and Wastewater Services and Bulk Water Supply;
- 1.14. **Untreated Bulk Water Services** - water collected or extracted service, which as untreated is supplied as a bulk water ;
- 1.15. **Treated Bulk Water Services** - water collected or extracted service, which as treated is supplied as a bulk water;
- 1.16. **Service Area** - the region or municipalities within which the relevant Service Provider must provide its Services based on service licence.

Section 4: Licensed Activities:

- 1. According to 4, paragraph 3.1, of Law No. 05/L-042 for Regulation of Water Services, the Authority has the competence for licensing to the following service providers:
 - 1.1. Category A: Water Supply Services
 - 1.2. Category B: Sewage services

- 1.3. Category C: Wastewater services
- 1.4. Category D: Untreated Bulk Water Services
- 1.5. Category E: Treated Bulk Water Services
2. No service provider may carry out activities in the water services sector described in paragraph 1 of this Section unless it is equipped with a service licence issued by the Authority.
3. Licensing of service providers for Categories D and E applies to providing bulk water by licensed water service providers by the Authority. This does not apply for the bulk water supply to the other parties.
4. The Licensing of the activities described in paragraph 1 of this Section shall be based on the criteria that are non-discriminatory, public and transparent.

PART II: PROCEDURES FOR ISSUANCE, AMENDMENT AND RENEWALS OF SERVICE LICENCES

Section 5: The Authority

1. The Authority has the authority to accept and review all applications for licensing and to ensure that such applications will be objectively, transparently and non-discriminatory.
2. The Authority has the power to issue, refuse or revoke service licences, monitor, inspect and supervise licensed activities, and require licensees to report on the conduct of such activities. Reporting by licensed service providers will be made according to the Authority's instructions issued from time to time.

Section 6: Service Licence Application Fee

1. The Applicant pays the Authority a non-refundable fee, at the amount of determined by the Authority in the relevant Administrative Instruction, for filing the application on the day the application for issuing or renewing the service licence has been submitted to the Authority.
2. Service Licence Application Fee shall be deposited into bank account designated by the Authority.

Section 7: Application for licensing

1. Any person who meets the requirements of Law no. 05/L-042 on Water Service Regulation has the right to apply for a service licence issued by the Authority.

2. The application includes (i) the application for licensing; (ii) the form with basic licensing data; and (iii) the list of attached documents. The application form is in Appendix 1 of this Regulation.
3. If any document/evidence has been issued in another language, the applicant must submit the translated document in one of the official languages of the Republic of Kosovo and certified by a notary.
4. Before submitting to the Authority, the application for a service licence must be approved by the highest governing body of the applicant, which authorizes the legal entity to deal with the licensing process.
5. The Applicant must submit to the Authority in the tree (3) printed copies (one original and two copies) and electronic one in one of the official languages of Kosovo.
6. The licensing Application is officialy sent to the postal and electronic address of the Authority. The documents required in accordance with paragraph 3 of this Section must be original or cerified by a notary. The application records the correct address for communication between the applicant and the Authority.
7. All applicants for licensing will pay the administrative fee for application/review of the application, at the moment of submitting the application, according to Section 6 of this Rule.
8. The paid by the applicant for review of the application will not be returned even in cases of application refusal.

Section: Procedure for reviewing applications

1. The Authority confirms to the applicant the receipt of the application as well as the payment made for the application within five (5) working days.
2. If the submitted application is considered incomplete, the Authority will require the applicant to provide the necessary additional information for completion of the application (as required in Appendix 1 of this Rule) within the specified time of period.
3. If the application and the additional documents do not comply with the criteria set out in this Rule, the Authority shall require the applicant to correct his application in writing within fifteen (15) working days.
4. If the applicant fails to correct his application or does not submit the missing evidence within the specefied period, the Authority shall decide on the application, based on the existing documents and the information provided and shall informo the applicant in writin go its decision.

5. The Authority shall review the application with all attached documentation within forty-five (45) working days after receipt of the application. The decision on the application is issued after this deadline, provided that all the information and documents required to take the decision have been brought by the applicant.

Section 9: Issuance and Duration of a Service Licence

1. The Authority shall make a decision to issue a service licence in the case that the applicant meets all the criteria specified in Section 15 of this Rule and has submitted all the required information specified in Appendix 1 of this Rule.
2. The Authority may refuse to issue a service licence without prior notice due to non-delivery of the necessary information or in case of non-fulfillment of the criteria.
3. If the Authority decided to refuse or not renew the service licence to any applicant/service provider, it notifies it, by written decision (including justification) within ten (10) working days.
4. The duration of the service licence is set out in Section 17, paragraph 1 of Law No. 05/L-042 for Regulation of Water Services, which has determined the period of service licence to be applied to service providers. Referring to the Law in question, service licences are issued for a period no less than one (1) year and no longer than ten (10) years.
5. The duration of the validity of licences for services issued by the Authority for the categories set forth in the licence for services shall be determined by the Authority with a special decision, depending on the circumstances, but not more than ten years.
6. The duration of any service licence may be extended for a period of time not exceeding the relevant time period specified in paragraph 4 of this Section. Meaning that the licensee manages to meet all the terms and conditions of the service licence and have filed a written request for the continuation of the current service licence.

Section 10: Content of the Service Licence

1. Service licence issued by the Authority consists of: (i) licensing certificate; and (ii) the licence terms document.
2. The detailed content of the service licence, including licensing conditions, is provided in Appendix 2 of this Rule.

Section 11: Change of Service Licence

1. In response to any request of the Licensee or on its own initiative, the Authority may change the terms and conditions of a service licence issued by the Authority.

2. The Authority may decide to change the licence when there are changes:
 - 2.1. Of circumstances of the issuance of a service licence (changes in laws or regulations affecting licensing conditions);
 - 2.2. Technical or financial means that makes it impossible partial or full fulfilment of conditions set for licensing;
 - 2.3. In the structure of the licensing including the devision, merger or transformation into another person;
 - 2.4. Of the responsible persons including the non-executive and executive directors of the Board of Directors;
 - 2.5. Of the persons in the position of the manager or the technical manager;
 - 2.6. In the service area that is in accordance with the Consolidation Plan (regionalization) approved by the Government of Kosovo and the Authority;
 - 2.7. In the name, address or other data of the licensee.
3. When the Authorityi decided to change a service licence, it must issue to the licensee a service licence with modified content, by deleting the changed parts of the previous licence.
4. In the case of changing the licence for services, the Authority applies the same deadlines and procedures as for the first licensing.

Section 12: Renewing a service licence

1. The Service Provider may request from the Authority the renewal of its service licence only when all the following conditions are met:
 - 1.1. If the service licence provides for renewal;
 - 1.2. If the service provider has complied with the terms of the service licence in all material respects, and
 - 1.3. If the application is filed at least two (2) months before the expiration of the service licence.
2. In the case of renewal of a service licence, the Authority applies the same deadlines and procedures as for the first licensing.

Section 13: Withdraw from service licence

The service provider may waive the service licence by giving written notice to the Authority six (6) months earlier.

Section 14: Termination of Service licence

1. Service licence shall be terminated at:
 - 1.1. The last day of the period for which it was issued; or
 - 1.2. The date on which the service licence was revoked by the Authority; or
 - 1.3. The date on which the service licence was waived.

PART III: CRITERIA FOR GRANTING THE LICENCE FOR SERVICE

Section 15: The general criteria for granting a service licence

1. Pursuant to Section 17, paragraph 2 of Law No.05/L-042 for Regulating Water Services, the Authority determines the general criteria to be met by the applicant in order to issue or renew the service licence.
2. The applicant applying for a service licence may be issued or renewed a service licence if the Authority has assessed that it has, amongst other things, met the following general criteria:
 - 2.1. is registered as a company having primary activities water supply services for a service area, defined by the Government's policies and plans for the consolidation of service providers;
 - 2.2. possesses professional capacities and adequate management, operational and technical resources for provision and maintenance of service according to technical and commercial service standards;
 - 2.3. has a director or a manager (not lower level than a manager) qualified technician with a university degree in hydrotechnical engineering, having a work experience of not less than five (5) years in this sector and not having been convicted of a criminal offence, over six (6) months imprisonment;
 - 2.4. has financial sustainability;
 - 2.5. has been complied with the terms of the service licence (applies to cases of the licence);
 - 2.6. have obtained all the permits, approvals and authorizations required by the respective authorizations.

Section 16: Specific criteria for granting a service licence

1. An applicant who has applied for a service licence may be issued a licence if the Authority has assessed that he/she has met other than the general criteria set out in Article 15 of this Rule, and the following specific criteria:
 - 1.1. has provided evidence that the facilities used for carrying out the activity meet the requirements for protection of health, safety and the environment;
 - 1.2. is not incapable of paying financial obligations and is not in the process of liquidation or bankruptcy;
 - 1.3. the licence for the same activity was not revoked within three (3) years before the date of submission of the application;

- 1.4. use modern technology for carrying out activities and monitorin them as well as for storing and processing data;
- 1.5. proves the sufficient supply of raw material (water);
- 1.6. possesses water metering equipment installed at the water production and distribution points;
- 1.7. possesses an efficient system for reading water meters for the purpose of fair billing;
- 1.8. possesses an efficient management system of customer complaints /demands.

PART IV: CONDITIONS FOR SERVICE LICENCE AND MONITORING OF THEIR FULFILLMENT

Section 17: General Operational Obligations of the Licensee

1. Licensee is obliged that during the entire duration of the service licence to:
 - 1.1. enforce the legislation in force in Kosovo, as well as the regulations, procedures and methods approved by the Autoriteti;
 - 1.2. supply of water to its customers in accordance with the technical standards approved by the Authority;
 - 1.3. maintain services at the level of minimum standards of services specified in the relevant Rule issued by the Authority or in the 'Standard Exclusion Agreement' if the latter is signed between the Authority and the Service Provider;
 - 1.4. apply tariffs for service categories approved by the Authority;
 - 1.5. bill all customers to whom the service are provided;
 - 1.6. use all legal means to secure the financing of licensed activities;
 - 1.7. maintain financial sustainability;
 - 1.8. maintain managerial and operational-technical capacities at an adequate level;
 - 1.9. maintain and renew licences and approvals required by other agencies upon initial licensing requirements.
2. Licensee shall notify the Authority within ten (10) working days of any change to:
 - 2.1. naming and address;
 - 2.2. directors of the Board of Directors as well as technical managers ;
 - 2.3. the terms of the licence;
 - 2.4. service area.
3. When the director or technical manager has resigned, dismissed or the contract has been terminated, the licensee is obliged within ten (10) calendar days to submit the notification to the Authority together with the request and the relevant documents for the new technical director.
4. Licensee is prohibited from transferring the service licence to another party without the written consent of the Authority.

5. Licensee is prohibited from entering into an agreement with another person for the sale of potable water for commercial purposes, without the consent of the Authority.

Section 18: The Licensing Financial Obligations

1. The service provider pays to the Authority annual licensing fee up to a point five percent (1.5%) of the gross annual billing reported in its income statement for the previous year.
2. The amount to be paid on behalf of the annual licensing fee shall be determined by the Authority annually, through the relevant Administrative Instruction. The total amount of revenues from the annual fee is equal to the amount of the budget of the Authority approved by the Assembly of Kosovo.
3. The annual licensing fee shall be paid by the service provider in twelve (12) equal installments during the year. The first installment shall be paid on the first day of the calendar month following the month in which the service licence has been issued or renewed to the service provider and each subsequent instalment shall be paid on the first day of each subsequent calendar month.
4. Payment shall be made by sending money to the bank account of the Authority.

Section 19: Reporting Obligation of the Licensee

1. The Authority controls enforcing licence terms by the licensee and assesses the level of their applicability.
2. The Authority monitors the fulfillment of licensed activities, based on the data that the licensee has reported, in accordance with applicable laws.
3. The Authority may carry out inspections to ensure the reliability of the reporter data. Inspection is carried out according to Rule no. 04/2016, issued by the Authority.

PART V: PUNITIVE PROVISIONS AND APPEALS

Section 20: Cases of Violations

1. If, after conducting reasonable investigations, the Authority concludes that Licensee has not applied the terms of the Licence, it shall inform the Licensee in writing.
2. Licensee is obliged to submit a written statement to the Authority for any breach of licence conditions within fifteen, within fifteen (15) days from the moment when officially recognized in writing by the Authority.
3. If the explanations provided by the Licensee are not reasoned by the Authority, the latter shall take measures to protect the interests of customers.

Section 21: Sanctioning measures

1. If the licensee violates the legal provisions of this Rule and the licence issued by the Authority, administrative measures and fines shall be imposed against it in accordance with the applicable legislation, including:
 - 1.1 Suspension of the licence, if the licensee:
 - 1.1.1 does not comply with the legislation in force and sub-legal acts issued by the Authority;
 - 1.1.2 violates the terms of the licence;
 - 1.1.3 does not appear within the deadline set by Authority for changing the terms of the licence.
 - 1.2 the revocation of the licence, if the licensee during the exercise of his activity makes serious violations of licence conditions.

Section 22: Appeal against the Authority's decisions

Regarding any Authority's decision regarding licensing, the licensee may file a complaint with the review commission in accordance with Section 41, paragraph 1 of the Law No.05/L-042 for Regulation of Water Services.

PART VI: MISCELLANEOUS

Section 23: Languages

- 1 This Rule shall be published in the officials' languages of the Republic of Kosovo.
- 2 In the case of any discrepancy between any of the versions in which this Rule has been issued, the Albanian language version shall prevail.

Section 24: Abrogating Provisions

- 1 Upon the entry into force of this Rule, the Licensing Rule on Water, Wastewater and Bulk Water Service Providers in Kosovo (no. R-01/U&K).
- 2 Any Licence issued by the Authority shall remain in force until the expiration of their term, respecting the terms of the respective licence. Whereas, in case of need for modification of licences in force, the Authority will comply with this Rule.

Section 25: Entry into Force

This Rule shall enter into force thirty (15) after the signature of the Director of the Authority.

Raif Preteni
Director

APPENDIX 1: LICENCE APPLICATION

LICENCE APPLICATION

[Naming of the applicant]

[Full applicant's address]

[No. tel/e-mail of applicant]

Apply for:

[required service marked with "X"]

1. First-time Licensing /renewal

☐

1.1 Category A: water supply services

☐

1.2. Category B: Sewage services

☐

1.3. Category C: Wastewater services

☐

1.4. Category D: Water service, bulk water, untreated

☐

1.5. Category E: Water service, bulk water, treated

☐

2. Amendments to licence due to changes of:

☐

[enter the changes for which it applies]

Statement of the Authorized Person:

Under my full legal responsibility, I declare that the data, evidence and information of provided in the application form and in the attached documents are true, accurate and consistent with any requirements provided in the Rule of Licensing, issued by the Water Service Regulatory Authority.

Also, upon obtaining the licence, I declare under my responsibility that will follow closely the implementation of the legal acts, sub-legal acts issued by the Authority and the terms of the licence.

[Name & surname and the job position of the person authorised]

Signature

LICENCE BASIC DOCUMENT FORMS

FORM FOR THE CATEGORY 'A'

1. Service area (territory and the population served):

Category A: Water supply services				
Municipality <i>[Naming municipalities that will be offered the services at the time of obtaining the licence]</i>	Urban area (town) and rural areas (villages) <i>[Naming the villages to be offered the services at the time of obtaining the licence (column A) and the number of the population served). List the villages within the respective municipalities]</i>		Estimated demand for water services <i>[Indicate the estimated amount of water supply demand, m3/year. For Businesses and Institution Demand to become p.e.]</i>	Provision of water supply services <i>[indicate the amount of water supply, m3/year]</i>
	A	B		
<i>Gjakovë¹</i>	<i>Town</i>	<i>70,000</i>	<i>3,832,500</i>	<i>3,800,000</i>
	<i>Bardhaniq</i>	<i>2,500</i>		
	<i>Batusha</i>	<i>3,000</i>		
	<i>etc.</i>			
<i>Rahovec</i>				
	<i>Town</i>	<i>40,000</i>		
	<i>Zoqisht</i>			
	<i>Opterushë</i>			
	<i>etc.</i>			
<i>Prizren</i>				
	<i>Lubizhdë</i>			
	<i>Krushë</i>			
	<i>etc.</i>			

2. Water resources :

Category A: Water supply services				
Name	Location	Type <i>[well, spring, lake, river]</i>	Volume of catchment, m3/vit	User capacity, m3/year

3. Water treatment:

¹ Red notes serve as examples .

Category A: Water supply services				
Name of Plant	Location	Type of treatment (physical, biological, chemical)	Maximum capacity, m3/years	User capacity, m3/years
Total				

4. Facilities for reserving treated water:

Category A: Water supply services		
Naming	Location	User capacity, m3
Total		

5. The quality of the treated water:

Category A: Water supply services		
Name of Plant	Type of analysis	% of compliance with standards <i>[analyzes verified by NIPHK]</i>
	Bacteriological Analysis	
	Chemical analysis	

6. Personnel:

Category A: Water supply services
Number of full time employees for this service

FORM FOR THE CATEGORY 'B'

I. Service area:

Category B: Sewage service	
Municipality: <i>[Name of municipalities that will be offered the services at the of obtaining the licence]</i>	Urban area (town) and rural areas (villages): <i>Name of villages to be offered the services at the time of obtaining the licence (columna A) and the number of the population served). List the villages within the respective municipalities</i>

II. Personeli:

Category B: Sewage service
Number of full time employees for this service

FORM FOR THE CATEGORY 'C'

I. Service area:

Category C: Wastewater service area	
Komunat <i>[Name of municipalities, wastewater of which will be treated]</i>	Zona urbane (qyteti) dhe zonat rurale (fshatrat) <i>[Name of villages, wastewater of which will be treated. List of villages within the respective municipalities]</i>

II. Wastewater treatment:

Category C: Wastewater services			
Name of Plant	Location	Type of treatment (physical, biological, chemical)	Maximum capacity, m3/years

III. The quality of wastewater treated:

Category C: Wastewater services		
Name of Plant	Type of parameter	% of compliance parameters <i>[analyses verified by MESP]</i>
	Biochemical need for Oxygen (eng. BOD)	
	Chemical need for oxygen (eng. COD)	

IV. Personnel:

Category C: Wastewater services
Number of full time employees for this service

FORM FOR THE CATEGORY 'D'

I. Beneficiary entity:

Category D: Water services, bulk water, untreated		
Name, Location/Address	Estimated water demand, m3/year	Contract validity period <i>[insert the date of commencement and termination of the contract]</i>

II. Waer sources:

Category D: Water services , bulk water, untreated				
Name	Location	Type <i>well, source, lake, river]</i>	Volume of catchment, m3/vit	User capacity m3/vit

III. Facilities for reserving untreated water:

Category D: Water services , bulk water, untreated		
Name	Location	Reservation capacity , m3
Total		

IV. Personnel:

Category D: Water services, bulk water, untreated
Number of full time employees for this service

FORM FOR THE CATEGORY 'E'

I. Beneficiary entity:

Category D: Water services , bulk water, untreated		
Name/Address	Estimated water demand, m3/year	Contract validity period <i>[insert the date of commencement and termination of the contract]</i>

II. Burimet e ujit:

Category D: Water services , bulk water, untreated				
Name	Location	Type <i>well, source, lake, river]</i>	Volume of catchment, m3/vit	User capacity m3/vit

III. Water treatment:

Category D: Water services , bulk water, untreated				
Name of the plant	Location	Type of treatment <i>[physical, biological, chemical]</i>	Maximum capacity, m3/year	User capacity, m3/year
Total				

IV. Facilities for reserving untreated water:

Category D: Water services , bulk water, untreated		
Name	Location	Reservation capacity , m3
Total		

V. Water quality, bulk water, untreated:

Category D: Water services, bulk water, untreated		
Name of plant	Type of analyses	% fulfillment of standards <i>[analyses verified by NIPHK]</i>
	Bacteriological Analyses	
	Chemical Analyses	

VI. Personeli:

Category D: Water services , bulk water, untreated
Number of full time employees for this service

LIST OF ATTACHED DOCUMENTS

1. Certificate of registration of the applicant as a business organization issued by the agency for the registration of business organizations;
2. Document of registration to the tax authorities;
3. Last evidence regarding the hygienic-sanitary conditions, issued by the Food and Veterinarian Agency/Sanitary Inspectorate of;
4. Recommendation letter from the NIPHK for (non) permitting water for human consumption, provided by the service provider;
5. Environmental permit for the use of water resources;
6. Environmental permit for discharging wastewater;
7. Service Agreement signed (or in progress) by the municipalities and the service provider;
8. CV of the manager or technical manager;
9. Qualification document of the manager or technical manager;
10. Proof of penalties for the manager or technical manager;
11. Annual audited financial statement for the past two (2) years;
12. Business Plan (3 years);
13. Geographical information maps (schemes) that include: (i) service area (including urban and rural areas), (ii) facilities for the treatment (and rezervation) water/wastewater; (iii) water resources used; and (iv) main distribution network;
14. Authorization by the senior management body (Board of Directors) for the person to whom it is granted the right to perform all the activities for applying for a licence;
The following template:

AUTHORIZATION OF THE BOARD OF DIRECTORS

Date: day-month-year

From: *[name of applicant]*

To: Water Services Regulatory Authority (Authority)

Subject: Authorization of Boards of Directors for application for service licence

Boards of Directors *[name of applicant]* confirms that the Executive Director *[name and surname]* is authorized, on behalf of *[name of applicant]* to apply for a service licence to the Authority.

Best regards,

[signature]

[name and surname]

Head of the Boards of Directors

APPENDIX 2: LICENCE (& TERMS OF LICENCE)



Republika e Kosovës - Republika Kosova - Republic of Kosovo

AUTORITETI RREGULLATOR PËR SHËRBIMET E UJIT
REGULATORNI AUTORITET ZA USLUGE VODE
WATER SERVICES REGULATORY AUTHORITY



LICENCË PËR SHËRBIME USLUŽNOJ DOZVOLI SERVICE LICENCE

I Licencuari:
Licencirani
Licensee

Numri i Licencës:
Broj Dozvole
Licence Number

Adresa e të Licencuarit:
Adresa Licenciranog
Address of Licensee

Aktivitetet e licencuara:
Licencirane aktivinosti
Licensed activities

Data e lëshimit:
Datum izdavanje
Date of issue

Zona e shërbimit:
Uslužna Zona:
Service Area:

Komunat/Opštine/Municipalities

Kushtet e përgjithshme:

Kjo Licencë për shërbime lëshohet në përputhje me Ligjin Nr.05/L-042. Kushtet e licencës, sipas tekstit të bashkangjitur, janë pjesë e pandarë e kësaj Licence. I licensuari në ushtrimin e aktivitetit të tij, vepron në pajtim me kushtet e përcaktuara të Licencës.

Opšti uslovi:

Ova usluge dozvola izdata u skladu sa Zakonom br.05 / L-042 . Uslovi dozvole, prema tekstu u prilogu, čine sastavni deo ove Licence. Licencirani u vršenju svoje delatnosti, deluje u skladu sa uslovima postovljene Licence.

General terms and conditions:

This service licence is issued in accordance with Law No.05 / L-042. Terms of the Licence, according to the text attached, are an integral part of this Licence. Licensee in performing its activity acts in accordance with the conditions set in this Licence.

Prishtinë, d/m/v
[vula e Autoritetit]

Në emër të Autoritetit Rregullator të Shërbimeve të Ujit
U ime Regulatorni Autoritet za Usluge Vode
On behalf of Water Services Regulatory Authority

Raif Preteni, Diector



Republika e Kosovës - Republika Kosova - Republic of Kosova

AUTORITETI RREGULLATOR PËR SHËRBIMET E UJIT
REGULATORNI AUTORITET ZA UŠLUGE VODE
WATER SERVICES REGULATORY AUTHORITY



CONDITIONS FOR SERVICE LICENCE

[Ente rone, some or all of the following services:

Water supply services

Sewerage services

Wastewater services

Water services, bulk water, untreated

Water services, bulk water, treated]

]

Licensee: *[insert name of Licensee]*

No. Service Licence: *[insert number]*

Month, year

THE REPUBLIC OF KOSOVO

Law br. 05/I-042 for Regulation of Water Services

Rule no. 05/2016 for Licensing of Water Service Providers

LICENCE FOR SERVICE PROVIDERS

WATER SERVICES REGULATORY AUTHORITY (hereinafter: Authority) in accordance with Law no. 05/I-042 for Regulation of Water Services and Rule no. 05/2016 for Licensing of water service providers, after reviewing the application submitted by [insert name of Licensee] concludes that the applicant for Licensing:

1. It is a registred organization for the services for which it has requested to be licensed;
2. Has provided sufficient evidence that it has the technical and financial potencial to provide services and to perform authorised licensed functions;
3. Has prepared and submitted a business plan for providing services efficiently, according to defined service standards, with affordable tariffs for citizens and sustainable in case of increased demand for existing customers.

The Authority after having considered the facto and acting on the basis of its competences deriving from the aforementioned legislation, issues a Licence *[insert name of the Licensee]* for the activities *[insert licensed activities]* under the conditions specified in this document.

On behalf of the Water Services Regulatory Authority

[signiture]

Raif Preteni, Director

Section 1: Definitions

1. The terms and expressions used in this Licence will have the following meaning:
 - 1.1. **Authority** - the Water Services Regulatory Authority (WSRA) as an independent authority, responsible for regulating the activities of service providers in Kosovo;
 - 1.2. **Director (manager) technical** - an individual with the appropriate skills for the technical direction of the applicant/service providers, who meets all the criteria required by the Authority;
 - 1.3. **Service Licence** – a permission issued by the Authority by which is given the authorization for provision of Water Services;
 - 1.4. **Licencee** – a person holding a licence granted by the Authority to provide water, wastewater and bulk water supply services;
 - 1.5. **Category of customers** - category of customers defined as follows:
 - 1.5.1. **Domestic customer** – a customer classified by the Service Provider as a person who uses the services in his or her apartment for the needs of the household;
 - 1.5.2. **Commercial/Industrial Customer** means any person, legal entity or business organization classified by the Service Provider as a Customer using the Services for or in connection with the exercise of a commercial or industrial activity of any sort;
 - 1.5.3. **Institutional Customer** - any legal entity classified by the Service Provider as a governmental authority, local authority, international organization or institution that carries out activities of common or public interest and that it is not registered as a business organization in accordance with the Law on Market Associations No. 02/L-123.
 - 1.6. **Service Contract** - a standard contract agreed between Service Provider and the Customer, which regulates the provision of services, the rights and obligations of the contracting parties;
 - 1.7. **Service Agreement** - the agreement concluded by Municipalities and Water and Wastewater Service Providers under the control and supervision of the Authority for the provision of Water and Wastewater Services within the area of each particular municipality and in which the rights and duties of both parties;
 - 1.8. **Service Provider** – any Water and Wastewater Service Provider, and Bulk Water Supplier;
 - 1.9. **Person** - a natural or legal person who may be public or private;

- 1.10. **Service Standards** - the standards of service that apply to that Service in accordance with the current legislation;
- 1.11. **Sewage Services** - services in physical infrastructure that serve to transmit the wastewater;
- 1.12. **Water Supply Services** – collection, processing and distribution of water for human consumption and network, as well as facilities operation for that purpose;
- 1.13. **Wastewater Services** - collection, transmission, removal and treatment of wastewater used by domestic, commercial, industrial and public users;
- 1.14. **Untreated Bulk Water Services** – service of water collected or extracted, which as untreated is supplied as a bulk water;
- 1.15. **Treated Bulk Water Services** - service of water collected or extracted, which as treated is supplied as a bulk water;
- 1.16. **Service Tariff** - any rates, charges or fix tariff of a Service Provider ,who charges the customer related to the provision of services;
- 1.17. **Service Area** - the region or municipalities within which the relevant Service Provider must provide its Services based on service licence.

Section 2: General Conditions

- 1. The Authority issues this Service Licence to the Licensee in accordance with Law No. 05/L-042 for Regulation of Water Services and the Rule no. 05/2016 for Licensing of Water Service Providers.
- 2. The Licensee shall provide services in the entire service area according to the documentation submitted in the Application.
- 3. The duration of the Service Licence is five (5) years from the date of signing of this Licence.
- 4. The Licensee is obliged to notify the Authority of any change to the information and conditions of this Service Licence in accordance with Section 17, paragraph 2 and paragraph 3 of Regulation no. 05/2016 for Licensing of Water Service Providers.
- 5. The Authority may, at its own initiative and/or at the request of the Licensee, amend this Service Licence and its terms, in accordance with the Section 11 of Rule no. 05/2016 for Licensing of Water Service Providers.

6. This Service Licence cannot be transferred to any other party without the prior written consent of the Authority.
7. This Service Licence may be renewed by the Authority at the request of the Licensee, in accordance with the Section 12 of Rule no. 05/2016 for Licensing of Water Service Providers.
8. The Licensee is obliged to pay to the Authority annual licence fee in accordance with Section br. 05/2016 for Licensing of Water Service Providers.

Section 3: General Obligation of the Licensee

1. The Licensee is obliged during the term of this Licence to:
 - 1.1. enforce the applicable legislation, rules, procedures and methodologies issued by the Authority;
 - 1.2. apply the terms of this Service licence. If, during the conduct of the licensed activity, there are circumstances in which the Licensee can reasonably not be able to perform the activities specified under the terms of this Licence for Services, the Licensee shall promptly notify the Authority and follow its instructions;
 - 1.3. perform the activity according to the categories of services defined in this Licence within the service area;
 - 1.4. ensure the quality of water according to the water quality standards set by the relevant local authorities;
 - 1.5. provide the financial, technical and managerial capacities needed to provide services at a minimum level of service standards in accordance with Rule no. 02/2016 for Licensing of Water Service Providers;
 - 1.6. use all means, in accordance with the legislation in force, to secure the financing of licensed activities;
 - 1.7. apply the terms of the contracts signed with its customers.
2. During its activities, the Licensee cannot cooperate with other licensees to the detriment of the customers of either or both parties.
3. The Licensee shall perform its activity in accordance with operational plans and capital investments approved by the Authority when setting tariffs.
4. The Licensee shall apply service tariffs approved by the Authority for service categories by customer category.

5. The Licensee shall not enter into any agreement with anyone who may result in a violation of the terms of this Service Licence or any other applicable legal and sub legal provision.
6. The Licensee is not entitled to enter into an agreement with a third party for the sale of bulk potable water for the commercial purposes, without the approval of the Authority.

Section 4: Reporting Obligation of the Licensee to the Authority

1. The Licensee is obliged to cooperate with the Authority in reporting all the required data during the validity period of this Service Licence.
2. The Licensee shall submit to the Authority, by the end of April each year, the financial statements audited by independent auditors.
3. The Licensee shall be subjected to inspections organized from time to time by the Authority to ensure the reliability of the data reported by the Licensee as well as the maintenance of the assets in use by the Licensee.

\

Section 5: Sanctioning measures

1. In case the Licensee violates the terms of this Service licence and legislation in force as as sub-legal aacts issued by the Authority, to it shall be imposed administrative measures and fines, in accordance with the legislation in force, which include:
 - 1.1 Suspension of the licence, if the licensee:
 - 1.1.1 does not comply with legislation in force and sub-legal acts issued by the Authority;
 - 1.1.2 violates the terms of the licence;
 - 1.1.3 does not appear within the deadline set by the Authority for changing terms of the licence.
 - 1.2 The revocation of the licence, if the licensee during the exercise of this activity makes serious violations of terms of licence.
2. Against any decision of the Authority regarding licensing, the licensee may file a complaint with the review commission in accordance with Section 41, paragraph 1 of the Law No. 05/L-042 for Regulation of the Water Services.