



# WATER GOVERNANCE REGIONAL CONFERENCE

## WATER MANAGEMENT IN TURKEY

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# GENERAL INFORMATION ON TURKEY<sup>-1</sup>

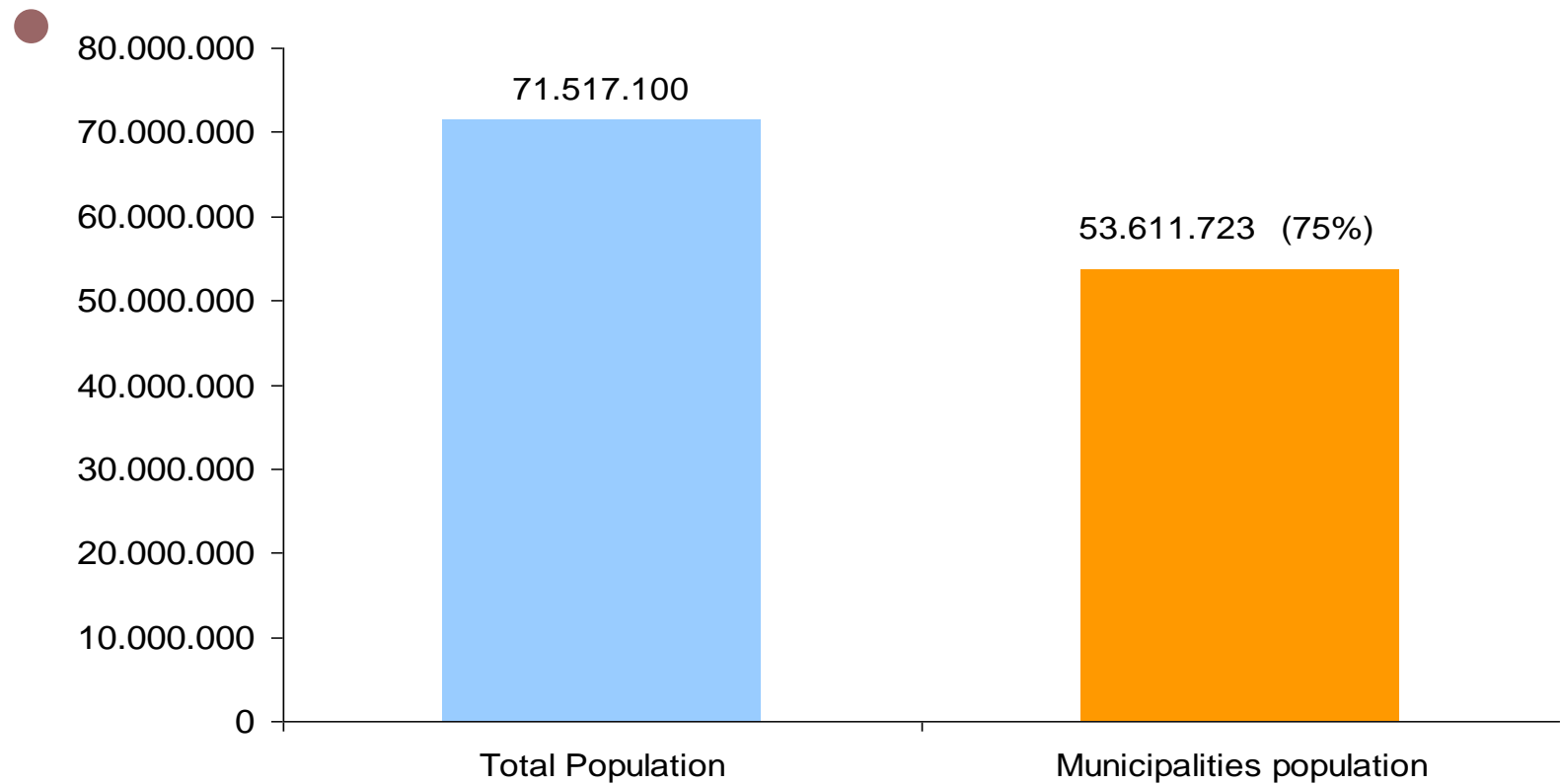


- **Population of Turkey;**
- The population of Turkey is 71.517.100 on December 31, 2008
- Proportion of population living in the urban area is 75%
- Population living in the urban area is 53.611.723 and population living in the villages is 17.905.377

# GENERAL INFORMATION ON TURKEY<sub>-2</sub>



- **Municipalities Population;**



# INSTITUTIONAL FRAMEWORK RELATED TO WATER MANAGEMENT IN TURKEY -1



- Development Plans are prepared by the **State Planning Organization**.
- Law No. 6200 on the Organization and Duties of the **General Directorate of the State Hydraulic Works** was enacted in 1954. The DSI, as a competent water authority, is the main organization responsible for water resources management.
- **The Ministry of Environment and Forestry** was established to take the necessary measures to protect the environment and prevent environmental pollution.

# INSTITUTIONAL FRAMEWORK RELATED TO WATER MANAGEMENT IN TURKEY -2



- **The Ministry of Health** is responsible for determining quality standards for drinking water and water for consumption, monitoring these standards and preparing legislation in these areas.
- **The Ministry of Foreign Affairs** is involved in all issues related to transboundary waters.
- **The Ministry of Agriculture and Rural Affairs** is responsible for making investigations and preparing projects to protect and improve soil, water, plant, animal and fisheries resources and products.

# INSTITUTIONAL FRAMEWORK RELATED TO WATER MANAGEMENT IN TURKEY -3



- **Iller Bank** was founded under the name of “Bank of Municipalities” in 1933.
- Its functions, authority and responsibility over villages and provincial administrations expanded in June, 13 1945, and then it was reconstructed and renamed to “Bank of Provinces.” Iller Bank has been one of the lead actors of Turkey’s development since 1933.





## •Bank's business basis;

- To provide loans, consultancy and technical assistance services for all needs of the local administration; develop projects on behalf of these administrations in the fields of mapping, development plans, geological surveys, drinking water-sewer-treatment facilities, sea outfall, solid waste and all forms of superstructure systems; and ensure realization of such projects by way of investment activities.



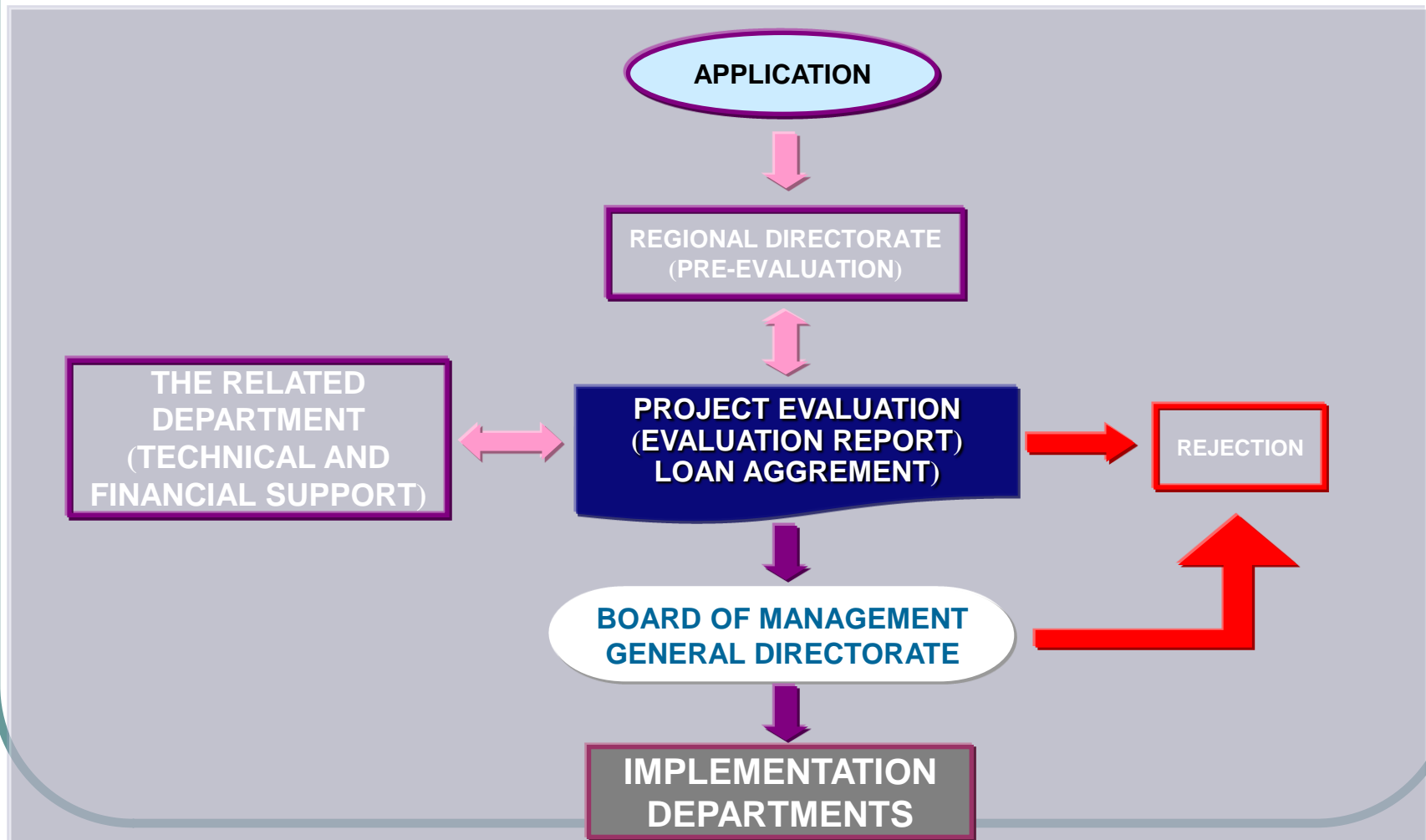
- **The Bank maintains its role as a development bank for local administration by way of focusing on the following four basic functions:**
- Financing all forms of projects by the local administration (mostly infrastructural projects like drinking water).
- Developing projects.
- Providing technical consultancy.
- Acting as the intermediary for the transfer of funds from the central administration to local administration.



## **Municipalities' Loan Application and Iler Bank's Evaluation:**

- The Municipality makes its application with the application form, to the related Regional Directorate.
- The evaluation report for this Municipality is prepared by the Regional Directorate and the report is sent to the General Directorate in Ankara.
- Technical, economical, environmental and financial evaluation of the loan for this investment is made by Project Evaluation Department.

# INSTITUTIONAL FRAMEWORK RELATED TO WATER MANAGEMENT IN TURKEY -7



# INSTITUTIONAL FRAMEWORK RELATED TO WATER MANAGEMENT IN TURKEY -8



- **Since its inception, Iler Bank completed construction of;**

## **In Drinking Water Sector**

- Network : 3290
- Treatment Plant : 93



## **In Sewerage Sector**

- Network : 349
- Treatment Plant : 72
- Sea Outfall : 49



- **Total Number Of Ongoing Projects In Drinking Water Sector**

- Network : 34
- Treatment Plant : 12



- **Total Number Of Ongoing Projects In Sewerage Sector**

- Network : 86
- Treatment Plant : 32
- Sea Outfall : 8





- **Local Administrations :**
- Local Administrations are wholly responsible for drinking water supply. There are two kinds of local administration in Turkey;
  - i) Special Provincial Administrations (SPA) and
  - ii) Municipalities .
- There are two kinds of municipality in Turkey;
  - i) Metropolitan Municipalities and
  - ii) other municipalities.



- **Special Provincial Administrations** (SPA) work under the auspices of provincial governors (Law No. 5302). The responsibilities of SPA related to water issues include supplying drinking water to rural communities.
- **Municipalities:**
  - **Metropolitan Municipalities** have their own authorities in accordance with Law No. 5216 on metropolitan municipalities. There are 16 metropolitan municipalities, their population is at least 750 thousand. Metropolitan municipalities have their own separately organized **water authorities**. For example Istanbul Metropolitan Municipality has İSKİ with \$2 bn turn over and Izmir Metropolitan Municipality has IZSU with \$600m turnover.
  - **Municipalities** have their own authorities in accordance with Law No. 5393 on municipalities. There are 2932 municipalities, each municipality has their own **water department**.



- **Responsibilities and the Duties of Municipalities:**
- When the relationship between central administrations and local administrations is taken into consideration, the main subjects are duty, responsibility and share of resources, and independency and administrative trusteeship. Municipalities, which are the part of the public management, are coordinated with the law in coincidence with the establishment and duties of local administrations, and authorized management.

# INSTITUTIONAL FRAMEWORK RELATED TO WATER MANAGEMENT IN TURKEY -13

- **Responsibilities and the Duties of Municipalities:**
- Urban infrastructural projects such as, planning, water and sewerage, transportation; geographical information systems; environment and environmental health, and solid waste; fire brigade, urgent help, ambulance, afforesting, parks; culture and art; tourism and its presentation; social services; marriage service; development of economics and trade.
- Supply of water, drinking water, industrial water; removal of waste water and rain water to a distance; establishment of the needed plants for these procedures or to make other related organizations establish, operating of these plants or to get those networks and plants operated.

# INVESTMENT IN WATER MANAGEMENT-1



- **Investments:**
- In 2006, 5.16 billion m<sup>3</sup> of water was abstracted by municipalities.
- 35.7% was abstracted from dams, 27.2% from wells, 26.7% from springs, 5.9% from rivers, 4.5% from lakes and artificial lakes.
- 47% of the abstracted water was treated.
- Drinking water networks serve 82% of the population of Turkey and 98% in total municipal population.
- Rate of population served by drinking water treatment plants was 41% in Turkey's population and it was 49% in total municipal population.

# INVESTMENT IN WATER MANAGEMENT-2

- **Investments:**
- Total environmental expenditure of public sector was realized as 9.18 billion TL in 2007.
- The shares of investment expenditure by municipalities, special provincial administrations and other governmental organizations were 78.7%, 2.6% and 18.7% respectively.
- In the total investment expenditure of public sector, waste water projects accounted for 49%, drinking water projects accounted for 32% and solid waste projects accounted for 7%.

# ISSUES IN WATER MANAGEMENT



- **Current and vital issues:**
- Lack of technical capacity of local authorities.
- Lack of financial capacity of local authorities.



- **Public-Private Partnership (PPP) can be an alternative for financial bottleneck of water investments:**

In general a PPP can be characterized by;

- A long term contractual arrangement between the public and private sector.
- For the purpose of providing a public service.
- With risks allocated to the party best able to bear them.



- **The concept of PPP is not new to Turkey:**
- In particular the Built Operate Transfer concession has been widely applied with mixed success particularly in energy, airports and port sectors.
- Municipal Infrastructure sector is identified as a potential sector for using or further developing PPP in Turkey.
- In the municipal sector there appears to be limited interest in PPP as a procurement strategy, despite the significant investment needs in water, waste management and public transport.
- Any policy to encourage the use of PPP in municipal sector has to be driven.



- **Current PPP legislation regarding PPP;**
- Built Operate and Transfer (Law No: 3096, 3465, 3996).
- Built Operate (Law No: 4283).
- Built Rent Transfer (Specially for Health Sector Law No: 5396).
- Transfer of Operating Rights (Law: 3069, 3465, 4046, 5335).
- Long term Leasing (Law No5335 , 4046).
- The revision of the legal framework has been initiated.

# STEPS TO BE TAKEN -4



- **For improved use of the PPP concept;**
- Improvement of the policy framework to ensure a well defined program of PPP projects for priority sectors to support further economic growth.
- Improvement to the institutional framework to ensure effective and efficient implementation of PPP projects.
- Improvement to the legal framework to provide and enabling environment and guidance to the public sector which meets the requirement of private sector.



- **THANK YOU**