IWRM Action Hub

CASE STUDY

Jordan: From water service provision to planning and management in the Jordan valley authority



Summary

In order to meet new demands, the Jordan Valley Authority (JVA) was in need for reform. A public strategic planning process led by a steering committee composed of all relevant stakeholders and various working groups was initiated. The case illustrates how all stakeholders can be involved in the proposed institutional reform, and how the JVA worked to secure water supplies and overcome inequalities in water allocation to meet user expectations.

Background

Given that the country has the lowest water availability per capita in the region, securing a reliable supply of water adequate in quantity and quality is one of the most challenging issues facing Jordan. Despite an aggressive water investment program pursued by the government, the water problems in Jordan are not yet solved, as water supply is less than demand. Moreover, water in Jordan is an increasingly expensive commodity. Most of the traditional water resources have been developed, where feasible. These resources are far from urban centers, raising conveyance and pumping costs. Because of continuing deficits, the Ministry of Water and Irrigation is reallocating more of the Jordan Valley water resources to urban users.

The JVA has been the pre-eminent water development agency in the Jordan Valley since its creation in the early 1950s.

Since its creation, JVA has supplied irrigation water to farms in the valley as well as providing such broad social services as roads, schools, clinics, marketing and tourism support. Its mandate is now being reconsidered because of trends in Jordan to encourage greater public sector efficiency through

decentralisation, private sector participation, streamlining of procedures, and financial independence. In response, JVA, with the support of the U.S. Agency for International Development (USAID), initiated a number of activities, including development of analytical tools to cost irrigation water services, design and institutionalization of a new financial accounting system, and development of a strategic plan for the Authority.

One of the largest strategic challenges facing JVA is its ability to secure water supplies that can efficiently meet user expectations and communicate it in a timely way. To do this, JVA must work with all stakeholders to determine the water requirements of different zones and users including irrigation, tourism, and municipal and industrial water users. A related challenge for JVA is to be transparent in assessment/assignment of supplies and subsequent communication on to users on availability of water quantity and quality

The growing capability and involvement of other groups and Ministries, the changing valley needs and a new law made it necessary for JVA to change its mission and the type and level of services it offers.

Actions taken

To shape a new future for the agency, it was decided that JVA should go through a rigorous and public strategic planning process. This planning process was led by a steering committee composed of all relevant stakeholders and various working groups. Stakeholder participation was ensured through a series of information meetings and workshops to collect comments and input before completing the plan. This has resulted in a detailed and thoroughly vetted written strategic plan.

The first phase of the strategic plan’s development was launched in March 2000 to expose JVA to strategic planning concepts and approaches, build change management capacity, and assess the external and internal environments that affect JVA. In the second phase, USAID is working to facilitate the strategic plan’s development while building JVA’s capacity in strategic planning approaches and privatization.

A major decision borne out of the strategic planning process is to have JVA become more of a regulator and manager, and let farmers cooperatives and others in the private sector implement and handle the delivery of services. A decision was made by JVA and other stakeholders to plan and implement a program of participatory irrigation management and the privatization of bulk and retail water supply in the Jordan Valley.

The JVA strategic planning process illustrates the first steps in developing integrated water resource management and institutional reform for an agency whose purpose, scope and direction has changed over time in response to the supply and demand of water in the region. The four key goals that were developed are:

1. Water Resource Management
2. Water Distribution and Supply
3. Land Management and Development
4. Organizational Improvement and Development

The commitment and participation of JVA staff, particularly senior management, in all activities has been key to the success of the strategic planning process. Overall, the process involved a task force with 12 members, an additional 12 members on the subcommittees, and 32 working group members.

“Zero action” alternative was considered, and was promoted by certain quarters within the Government of Jordan. When faced with the prospect of abolition, USAID, which has a long history of cooperation with JVA on regional development and water delivery projects, proposed that the Government of Jordan and JVA collectively develop a sustainable strategic plan to shape the future of the institution.

Outcomes

In the Jordan Valley, JVA is decreasing its role as a service provider and beginning to increase private sector involvement in providing water services. As a result of the strategic planning process, the institution will become more of a regulatory entity, performing the government functions of monitoring and control of water service providers.

This project can be considered a “win-win” project in many respects, as each sector (environmental, social and economic) stands to benefit from a fully developed strategic plan and agency mission for its future role. Organizational adjustments, however, will negatively affect some JVA staff as privatization and restructuring of JVA’s management objectives will render some positions redundant. The human resources impact is the major problem associated with implementing the strategic plan. The Government of Jordan must develop a strategy to reduce over-staffing, but more importantly it should focus on adequately training its personnel and ensuring it has a strategy to retain the best personnel in the future.

The greatest winners are, undoubtedly, the farmers and other customers in the Jordan Valley. Privatizing the bulk and retail water delivery in Jordan will almost guarantee – despite severe environmental conditions – that recipients of water will receive improved service and have access to better information regarding resource management and allocation.

Strategic planning for JVA can be considered successful because during the implementation process the objectives and tasks are being supported by adequate actions. Involving every stakeholder in the process of re-evaluating JVA’s strategic mission and objectives improved transparency, opened JVA to training and resources once unavailable to JVA staff, and introduced the agency to sophisticated decentralization and privatization concepts.

Work to implement the Strategic Plan is currently underway. An international request for proposals for a private operating contractor to manage the bulk and retail water supply in the valley is currently being prepared. Additionally, other aspects of the Strategic Plan are being implemented: a new law is being drafted to codify the changes in role for JVA and its reorganization, a new organizational plan is being pursued through the creation of a strengthened planning capability for JVA, reduction of staff by 30 to 50 percent is planned, and the creation of a Privatization Management Unit to oversee the activities under the management contract is underway.

Lessons Learned

The strategic planning process created conditions under which all stakeholders are involved, present their positions, and negotiate to achieve acceptable solutions to the proposed institutional reform. Stakeholders included other Ministries, farmers groups in the valley and existing and potential landowners.

Legislative reform was necessary to establish JVA's new regulatory functions. As the public entity, JVA must have the capability to monitor service delivery. Increasing private sector involvement requires regulation and an institutional framework that enables achieving the common objective.

The private sector can play an important role in providing water services. Management contracts must be devised to allow for adequate incentives to take responsibility of existing assets, operations, investments and customer service.

Financial sustainability of JVA's operations is of paramount importance. In this respect the relevant legislation must allow JVA to collect and manage revenues from its respective activities, for example, the sale of water and the lease or sale of lands.

A successful integration and adaptation of the Strategic Plan for JVA is dependent upon continued participation from JVA policy leaders and senior-level management and active engagement from regional stakeholders, most importantly farmers in the Jordan Valley, who depend upon JVA.

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