CHAPTER I: GENERAL PROVISIONS

ARTICLE 1: Scope
The scope of this law shall cover all the activities related to the supply, services, usages of all piped-water supply and sewerage systems within the whole territory of the Kingdom of Cambodia.

ARTICLE 2: Purposes
The purpose of this Law is:

(a) to pursue and foster, in an orderly, rational, efficient, and vigorous manner, the attainment of complete coverage over the entire country of piped-water supply and sewerage services at reasonable rates;

(b) to encourage the participation and investment of the private sector, both domestic and foreign, in the provision of piped-water supply and sewerage services;

(c) to establish a Water Regulatory Authority vested with ample powers for the rational and effective economic regulation of all piped-water supply and sewerage systems throughout the country;

ARTICLE 3: Definition of Terms
As used under this Law, the following words or terms shall have the following meanings, unless a different meaning clearly appears from the context:

a. "Authority" shall mean the Water Regulatory Authority.

b. "License" shall mean the Piped-Water Supply and/or Sewerage Services operating license that the Authority is authorized to grant and issue to persons or entities that are qualified to provide Piped-Water Supply and/or Sewerage Services for a particular Service Area or Areas.
c. "Licensee" shall mean the qualified person or entity to which a License is granted or issued by the Authority, authorizing such Licensee to provide Piped-Water Supply and/or Sewerage Services to a particular Service Area or Areas.

d. "Piped-Water Supply Service" shall refer to water supply services which make use of a piped water distribution system with individual connections for domestic and/or industrial use provided by a Licensee in a particular Service Area or Areas.

e. "Service Area" shall refer to the territory or area of operations with respect to which a License from the Authority to provide Piped-Water Supply and/or Sewerage Services is applied for or granted.

f. "Sewerage Service" shall refer to sewerage services provided by a Licensee in a particular Service Area or Areas involving the collection of human waste and sullage from residences and establishments through pipes and structures.

g. "Tariffs" shall refer to such amounts which may be charged by Licensees of Piped-Water Supply and/or Sewerage Services for their services based on principles, standards, and guidelines established by the Authority.

CHAPTER II: ESTABLISHMENT AND FUNCTIONING OF THE WATER REGULATORY AUTHORITY OF CAMBODIA

ARTICLE 4: Establishment.
For the purpose of carrying out and effecting the objectives provided for in Article 2 above there shall be established the Water Regulatory Authority of Cambodia as an autonomous legal public entity of the Royal Government of Cambodia vested with the powers and functions to control all the activities related to the supply, services, usages of all piped-water supply and sewerage systems within the whole territory of the Kingdom of Cambodia.

The Authority shall consist of Secretariat and Departments. The Secretariat shall divide to various technical departments and shall be managed by one Executive Director for technical and administration tasks. The Organization and Functioning of the Secretariat shall be determined in the internal regulation of the Authority.

ARTICLE 5: Sector Policies

ARTICLE 6: Relationship between the Authority and the Ministry of Industry, Mines and Energy
The relationship between the Authority and the Ministry of Industry, Mines and Energy shall be limited only to coordination and/or consultation by the Authority with the Ministry of Industry, Mines and Energy on the latter's general policy framework for Piped-Water Supply Service and Sewerage Service. The Authority shall however endeavor to make its policies and plans conform as closely as possible with the applicable and relevant policies and plans of the Ministry of Industry, Mines and Energy.

**ARTICLE 7: Objectives of the Authority**
The Authority shall have the following objectives:

a. to promote the expansion, improvement, and efficient provision of Piped-Water Supply and Sewerage Services throughout the Kingdom of Cambodia;

b. to provide an environment conducive to the adequate financing of Piped-Water Supply and Sewerage Services provided by public and private sector Licensees in order to facilitate financially viable Piped-Water Supply and Sewerage Services;

c. to protect the legal and valid interests of customers/consumers and potential customers/consumers of Piped-Water Supply and/or Sewerage Services;

d. to promote efficient competition in the supply of Piped-Water and Sewerage Services in order to benefit customers/consumers;

e. to promote the interests of customers/consumers with respect to prices for Piped-Water Supply and Sewerage Services and the safety, reliability, and quality of Piped-Water Supply and Sewerage Services; and

f. to prevent misuse of monopoly or market power.

**ARTICLE 8: Powers and Functions of the Authority**
The Authority shall have the following powers and functions:

a. to formulate rules and regulations to facilitate and rationalize the expansion, improvement, and efficient provision of Piped-Water Supply and Sewerage Services throughout the country;

b. to formulate principles for approving Tariffs for Piped-Water Supply and/or Sewerage Services taking into account, among others, the following:

   (i) capital and recurrent costs of providing the service including a reasonable rate of return on capital;

   (ii) efficiency of the service;

   (iii) incentives for enhancement of efficiency, including demand-side management;

   (iv) willingness to pay of the customers/consumers;

   (v) equity considerations; and
(vi) administrative simplicity.

c. to approve and regulate the Tariffs to be charged by Licensees of Piped-Water Supply and/or Sewerage Services;

d. to regulate persons or entities, whether from the public or private sector, that provide Piped-Water Supply and/or Sewerage Services;

e. to issue, grant, modify, monitor, enforce, suspend and/or cancel Licenses for Piped-Water Supply and/or Sewerage Services, impose penalties for administrative violations thereof, and make decisions and determinations in connection therewith;

f. to disseminate and publish comparative information on prices and service performance of Licensees of Piped-Water Supply and/or Sewerage Services;

g. in the exercise of its powers and functions under this Law, to take into account Licensee's service targets and performance against such targets in respect of consumer service standards regarding water pressure, minimum flow rates, connections, and billing and metering requirements and procedures, among others;

h. to provide a system for complaints and appeals relating, but not limited, to:
   (i) Tariffs set or collected for Piped-Water Supply and/or Sewerage Services;
   (ii) the quality of service provided by said Licensees; and
   (iii) the adequate and/or equitable distribution and reliability of Piped-Water Supply and/or Sewerage Services;

i. to impose and collect an annual levy on all Licensees determined as a percentage of the revenue accruing in relation to the licensed activities to be determined by the Authority, and reasonable fees, surcharges, and fines from Licensees of Piped Water Supply and/or Sewerage Services to the extent necessary for achieving the purposes, powers and functions of the Authority;

j. to advise, apprise and coordinate with other relevant agencies of the national or local government on any matter relating to Piped-Water Supply and/or Sewerage Services;

k. to deputize agents, whether from the public or private sector, to assist in the performance of any of the powers and functions of the Authority;

l. to appoint, hire and maintain adequate staff and personnel, advisers, and/or consultants, with suitable qualifications and experience, as necessary;

m. to conduct inquiries on matters relating to water supply and distribution or sewerage disposal;
n. to provide a system for the settlement of disputes between or among Licensees;

o. to issue and promulgate rules and regulations necessary to implement, perform, and effect its aforementioned powers and functions. To the extent practicable (as the Authority shall determine), the Authority shall conduct public hearings or consultations with customers/consumers, Licensees, and other affected stakeholders before issuing new rules and regulations or modifying or amending existing rules and regulations. All rules and regulations of the Authority shall take effect fifteen (15) days from publication in the Official Gazette or in a newspaper of general circulation in the Cambodia.

ARTICLE 9: Composition
The Authority shall consist of three members, including the Chairperson. The members shall be designated and proposed by the Prime Minister and shall be appointed by Royal Decree. The terms of members except for the initial members shall be three years and shall be staggered except the first term, which is stipulated in Article [72] of the said law.

No member shall be appointed to serve on the Authority for more than two (2) terms.

For two (2) years after the conclusion of their term of office, neither the Chairman nor any Member shall enter into the employment with or have any advisory or consulting relationship with any licensee.

ARTICLE 10: Qualifications
An individual shall be eligible to serve as a Chairman or members of the Authority who is (i) a Cambodian citizen and a qualified voter in the Kingdom of Cambodia, (ii) who has never been convicted of a crime punishable by a prison sentence, (iii) who has university degree in electrical engineering, law, economics, accountant, finances or engineering that related to the water sector and have relevant training and has recognized by the government institution, (iv) has an experience of at least ten (10) years; and (v) he/she shall be of known integrity and competence. This appointment is not based on political tendency.

ARTICLE 11:
The members shall have full time employment at the Authority and shall not have any other employment nor accept any payment for any other activities.

ARTICLE 12:
No member or employee of the Authority shall directly own any securities of, or have any economic interest in, or hold any position with any licensee or applicant for a license but shall not prevent any member or employee of the Authority from being a customer of any Licensee.

No Licensee shall offer, or any person acting on behalf of any licensee shall offer any gift or gratuity that against the public interest to any member or employee of the Authority.
Nor shall any member or employee of the Authority accept, any gift or gratuity from any licensee or any person acting on behalf of any licensee, that generally applicable to the public.

During the Chairman’s or Member’s term, neither the Chairman nor any Member, nor his spouse nor children, shall enter into the employ of, seek to enter into the employ of, hold any official, advisory or consulting role with, own stock or bonds of, or have any pecuniary interest in any licensee under the Law or with any person engaged in supplying Piped-Water Supply and/or Sewerage Services in Cambodia or to any related undertaking.

**ARTICLE 13:**
The Chairman and the Members of the Authority shall not be a public servant, a person serving as adviser of any Government Institution, a member of any political party, a member of the Royal Government, or a member of the Senate, or member of the Constitutional Council, or a member of the National Assembly during their term of office. The Chairman and the Members of the Authority shall resign from the above positions or memberships when they are appointed.

**ARTICLE 14:**
Vacancies shall occur whenever a member of the Authority shall (i) die, (ii) resign, (iii) retire (iv) is convicted of a crime punishable by prison sentence, (v) lose citizenship or the right to vote, (vi) is found to be mental or physical incapacity, (vii) is found to have committed a serious that is stipulated in Article 11, 12 and 13, (viii) gross negligence in the performance of duties; or (ix) is found to have committed and grave misbehavior in relation to the members’ responsibilities under the Law; (x) for dereliction of duties;

The removal process of a member for the case of, (v), (vi), (vii), (viii), (ix), or (x), the Prime Minister shall decide to suspend the said member from duties and shall send the case to the tribunal. Prime Minister shall appoint other member during the suspension period.

**ARTICLE 15:**
Whenever a vacancy in the Authority occurs prior to the expiration of a term, the Prime Ministers shall designate a replacement member to fulfill the former member's term.

The new member shall be appointed by Royal Decree. The new member's completion of the former member's term shall not reduce the number of full terms as stipulated in Article 9 of this Law.

**ARTICLE 16:**
The Chairman and Members are to be paid such salary and allowances and benefits as are determined by the Government and be at least equivalent to the rank of a Secretary of State in the case of the Chairman and Under Secretary of State in case of the Members.
The Chairman and other Members shall retire from office when they attain the age of sixty (60) years. In case of retirement before the term expired, the Prime Minister may permit such member to continue his/her duties.

The Chairman or other Members may at any time resign from their office by giving written notice of one (1) month to the Prime Minister.

**ARTICLE 17:**
The Chairman may not be moved from the position of Chairman of the Authority during a term of office except for the reasons given in Article 14 of this Law.

**ARTICLE 18:**
The Chairperson shall be responsible for:

- Managing the Water Regulatory Authority of Cambodia
- Presiding over the meetings of the Authority and
- Publishing and carrying out the Authority's decisions.

In addition, the Authority may delegate to the Chairperson any of its powers, duties, or functions, except:

- the power to issue, reject, amend, or revoke licenses
- the power to reject applications for a license or modification of a license;
- the power to determine, approve, disapprove, or modify tariffs;
- the power to issue, revise, or repeal regulations; or
- the power to decide on an appeal of any party or person.

Any aggrieved party or person may make appeals to the Authority in such cases within thirty (30) days of promulgation of the ruling.

The Chairperson may designate in writing to one of the other members to fulfill the duties of the Chairperson in his/her absence.

**ARTICLE 19:**
The Chairperson of the Authority, in consultation with the other Members, shall appoint all employees and hire such other expert staff from time to time as may be necessary for the proper discharge of the Authority's duties. Employees and expert staff of the Authority shall comply with the Labor Law.

**ARTICLE 20:**
The members and employees of the Authority shall be jointly liable for the consequences of actions taken or be sued for any actions taken pursuant to the provisions of this Law and any implementing Sub-Decrees and regulations.

**ARTICLE 21:** *Appropriations.*
The Authority shall determine the salary, and other remuneration of employees.
The Authority shall establish a budget for its operations for each financial year setting forth all the Authority’s expected revenues and expenditures. The budget shall clearly state the proposed license fees for the financial year, together with the method of calculating the license fees, and the salaries and other remuneration entitlements to be paid to each of the members and senior staff of the Authority. The Authority shall submit this budget to the Government for approval.

**ARTICLE 22:**
The Authority shall have an autonomous budget for their operation. This budget shall be made up of funds and monies collected or which otherwise come into the possession of the Authority through fees paid to the Authority by applicants and licensees and other surcharges, fines, and penalties, which the Authority may impose and collect under this Law.

Such funds shall be deposited in a commercial bank in the Kingdom of Cambodia for the use of the Authority, which shall have sole access to the funds, and shall be disbursed for expenses necessary for the effective attainment of the objectives, and discharge of the powers and functions, of the Authority under this Law.

**ARTICLE 23:**
One month after the financial year the Authority shall prepare a financial report in accordance with generally accepted accounting standards.

Each financial report, together with the Authority’s books of account and related records, shall be subject to review by the National Audit Authority who shall give its conclusions regarding the Authority’s financial report.

One month after the end of each financial year the Authority shall submit an audited report of its financial accounts to the Prime Minister, and publish it publicly.

**CHAPTER III: PROCEEDINGS OF THE WATER REGULATORY AUTHORITY OF CAMBODIA**

**ARTICLE 24: Proceedings Before the Authority**
The Authority shall, for the purpose of any inquiry or proceeding under this Law, exercise quasi-judicial powers and, in this connection, shall have the requisite power for:

(a) the summoning and enforcing of attendance of any witness and examination on oath;

(b) the discovery and production of any document or other material object producible as evidence;

(c) the reception of evidence on affidavits;
(d) the requisition of any public record from any court or office;

(e) the issuance of a Authority for examination of witnesses;

(f) the grant of adjournments at hearings; and

(g) compelling of the appearance of parties and the imposition of penalties as a consequence of non-appearance.

ARTICLE 25: Orders and Decisions of the Authority

The sessions of the Authority for the hearing of any proceeding shall be public, and the Authority's decisions, with its reasons, shall be made public at the time decisions are made unless the Authority has the reasonable causes and decides to delay the decision.

The Authority shall keep a record of all proceedings, orders, findings, and judgments, and to preserve all records, documents, and files of the Authority.

All orders, findings, judgments, records, documents, and files shall be open to public examination in the offices of the Authority; except provided that the Authority shall adopt appropriate rules to ensure confidential information received by it remains confidential, whenever it determines confidentiality is necessary.

Except as otherwise expressly provided in this Law, no outside authority or agency of the Government shall interfere in decisions of the Authority.

ARTICLE 26:

Before promulgating any general order, or any rule or regulation, the Authority shall give reasonable notice of its contents and shall give interested legal persons and members of public an opportunity to present evidence and be heard. Every such order, rule, and regulation shall be available to the public.

Before the Authority enters any finding, order, or judgment against any legal person or individual, it shall give such legal persons or individual reasonable notice of the time and place at which the legal person or individual shall be given an opportunity to give evidence and be heard.

ARTICLE 27: Appeals Procedure

Following a final decision or the promulgation of final ruling in each Authority proceeding, the Ministry of Industry, Mines and Energy and each affected party shall have a right of appeal to the Courts of the Kingdom of Cambodia; provided that the appeal is filed within three (3) months of the final decision or the promulgation of final ruling.

ARTICLE 28: Authority has power to arbitrate in interconnection disputes

Where there is a dispute between two or more Licensees regarding the terms and conditions (including price) for interconnection between them of Piped-Water Supply
and/or Sewerage Services, then upon notification of the dispute to the Authority by one or more of the Licensees, the Authority may make a binding arbitration of the terms and conditions of interconnection that are in dispute.

ARTICLE 29: Power to Obtain Information and Documents
(1) The Authority may require that a Licensee or any other person shall provide the Authority with any information that may be reasonably necessary for it to attain its objectives and/or to carry out its powers and functions under this Law. For purposes of this Article, the information required by the Authority may include any document, plan, electronic file, record or other material.

(2) Any requirement for information must be made in a written notice that identifies the information or document and that specifies:

(a) when the requirement must be complied with; and

(b) in what form the information or copy of the document is to be given to the Authority.

(3) Any person who, without lawful excuse, fails to comply with any requirement for information contained in a notice issued to him under this Article shall be subject to administrative sanction by the Authority. It is a lawful excuse for purposes of this Article that compliance may tend to incriminate the person or make the person liable to a penalty for any other offense.

(4) A person must not, in purported compliance with any requirement or order of the Authority, knowingly give to the Authority information that is false or misleading.

(5) A person shall not be liable in any way for any loss, damage or injury suffered by another person because of the giving, in good faith, of a document or information to the Authority under this Article.

CHAPTER IV: LICENSES

ARTICLE 30: Applications for Licenses for Piped-Water Supply and/or Sewerage Services
(1) All persons and public or private entities intending to engage in the provision of Piped-Water Supply and/or Sewerage Services shall be required to supply for and obtain a License from the Authority prior to their operation of the relevant Piped-Water Supply and/or Sewerage Services.

(2) An application for a License for Piped-Water Supply and/or Sewerage Services shall, in addition to such information as may be prescribed by the Authority, contain details of:
a. the service for which the License is being sought; and

b. the Service Area, including location maps, within which the service(s) will be provided.

**ARTICLE 31: Licenses do not grant exclusivity**
Except for Service Areas with respect to which exclusive rights to provide Piped-Water Supply and/or Sewerage Services are granted under existing laws, Licensees do not have the exclusive right to provide Piped-Water Supply and/or Sewerage Services within a Service Area and, consequently, the Authority may issue one, two, or more Licenses for operators within any existing or proposed Service Area(s).

**ARTICLE 32: Licenses for Piped-Water Supply and/or Sewerage Services**
(1) License(s) issued by the Authority shall include provisions, among others, on:

   (a) the right to provide and operate Piped-Water Supply and/or Sewerage Services in a specific Service Area or Areas;

   (b) the term or duration of the License, as determined by the Authority;

   (c) restrictions on or conditions for the transferability or assignment of the License, which transfer or assignment shall be subject to the prior approval of the Authority;

   (d) restrictions on or conditions for the sale or disposition of the business which is the subject of the License, or the transfer of a controlling interest in such a business, which sale, disposition, or transfer shall require the prior approval of the Authority;

   (e) the grounds for the modification of any of the provisions of, or the suspension or cancellation of, the License and the procedure therefor;

   (f) the nature of the services to be provided, the minimum standards for Services efficiency (such as standards on: (1) water pressure, (2) minimum flow rates, (3) connections, and (4) sewerage discharge), billing and metering requirements, and sanctions for failure to comply with the standards set;

   (g) the Tariffs to be charged by the Licensee and the basis for the variance of the Tariffs; and

   (h) the reporting requirements of Licensees.

(2) The Authority shall approve Tariffs which are fair and reasonable and which allow for the economic viability of the operations and business of the Licensee,
including a reasonable return on their investments considering the prevailing costs of capital in the domestic and international markets.

(3) The Authority shall promulgate the rules, guidelines, and standards to be applied in determining who should be awarded a License for a specific Service Area, based on technical, financial, economic, and organizational considerations, managerial capacity, and past record and experience in the provisions of Piped-Water Supply and/or Sewerage Services, including the following guidelines and procedures:

(4) All holders of a License shall be subject to an annual performance audit by the Authority or its designated agent(s).

ARTICLE 33: Procedure for Granting Licenses
(1) The Authority shall ensure that the granting of a License under this Law is carried out fairly, transparently, and without undue discrimination.

(2) The Authority shall prescribe in appropriate regulations the procedure and requirements to be followed in respect of the granting of a License, such regulations shall include:

(a) the qualifications required of applicants for a License;

(b) the application procedure to be followed by all applicants, including arrangements for the publication of details of all applications made;

(c) the procedure by which the Authority will consider applications, including the consideration of all comments and objections lodged with respect to applications; and

(d) the procedure by which the Authority shall reach a determination with respect to all such applications.

ARTICLE 34: Rights and Duties of Licensees
(1) Any person granted a License under this Law shall have the duty to ensure that its licensed activities are conducted so as to further the public interest and, in particular, that they:

(a) foster the maintenance and development of efficient, coordinated, and economic operation of their licensed activities;

(b) ensure that their Piped-Water Supply and/or Sewerage Services are provided in a diligent, conscientious and workmanlike manner, in accordance with applicable laws and the standards and practices generally accepted in the Philippine and international water supply and/or sewerage industry. Supply and/or sewerage industry;
(c) Comply with drinking water quality requirements; and

(d) pay appropriate compensation in accordance with procedures laid down in any relevant statute or in regulations promulgated or issued by the Authority if, inlaying or repairing a water and/or sewerage main or other relevant facility, a licensee should injure any person and/or damage any property.

(2) Any person granted a License under this Law shall, to the extent allowed by law and specified in the License, have the right to acquire or lease land and lay or repair water or sewerage mains and other relevant facilities in public ways, when required to fulfill their obligations.

(3) Subject to any condition or limitation laid down in the License, a Licensee may disconnect the supply of piped water services and/or sewerage services to a customer if such customer defaults in the payment of amount(s) due to that Licensee in respect of water supplied or sewerage services provided, or for acts of pilferage.

(4) Any License issued under this Law shall contain provisions designed to ensure that Licensees:

(a) publish the Tariff and other charges approved by the Authority, and other terms and conditions imposed by the Authority for the provision of Piped Water Supply and/or Sewerage Services;

(b) prepare, within three (3) months from the issuance of a Piped Water Supply and/or Sewerage Service License, and make available for public inspection, codes of practice specifying the manner and procedure for: (i) metering, billing, and collection of the Licensee's approved Tariff and other charges, (ii) disconnection or suspension of service in case of non-payment of Tariffs and/or other charges, or acts of pilferage, and (iii) reconnection and recovery of arrears in Tariffs and other charges; and

(c) maintain financial accounts in accordance with the manner and procedure specified in the License, as may be amended from time to time by the Authority.

ARTICLE 35: Principles for Efficient tariffs
When proposing Tariffs for specific customers or groups of customers, providers of Piped-Water Supply and/or Sewerage Services should consider that Tariffs should cover: (a) at least the cost that would be avoided if the customers subject of such Tariffs were not serviced and (b) at most the cost of providing the service to those customers on a stand-alone basis.
ARTICLE 36: Consolidation of Service Operations and Area of Piped-Water Supply and/or Sewerage Services
The Authority shall promote the consolidation of Piped-Water Supply and Sewerage Services in the same Service Area where this improves the efficiency and lowers the cost of the provision of such services in the area.

ARTICLE 37: Interface with other sector regulators
(1) The Authority shall coordinate with the Ministry of Environment on matters related to the protection of the environment and water sources from waste and pollution.

(2) The Authority shall coordinate with the Ministry of Health on matters related to drinking water quality standards.

(3) [others…. to be expanded]

ARTICLE 38: Advisory Council. [do MIME wants that?]
(1) Within six (6) months from its organization, the Authority shall cause the formation of an Advisory Council which shall include, but shall not be limited to, representatives from the following sectors: women, academe, business and industry, local government units, non-government organizations, professional associations, consumer groups, and indigenous peoples.

(2) The Advisory Council shall have the following functions, among others:
   a. to help disseminate information to the public relating to the Authority's objectives, powers, and functions;
   b. to serve as a permanent advisory body to the Authority on issues of interest to customers/consumers; and
   c. to perform such other functions as may be delegated to it by the Authority.

(3) The Authority shall promulgate rules and regulations defining the nature, composition, and other functions of the Advisory Council.

CHAPTER IV: ANTI-PILFERAGE

ARTICLE 39: Acts of Pilferage
It is hereby declared unlawful for any person to:

(a) Destroy, damage or interfere with any canal, raceway, ditch, lock, pier, inlet, crib, bulkhead, dam, gate, service, reservoir, aqueduct, water remains, water distribution pipes, conduit, pipes, wire benchmark, monument, or other works,
appliance, machinery buildings, or property of any water utility entity, whether public or private;

(b) Do any malicious act which shall injuriously affect the quantity or quality of the water or sewage flow of any waterworks and/or sewage system, or the supply, conveyance, measurement, or regulation thereof, including the prevention of, or interference with any authorized person engaged in the discharge of duties connected therewith;

(c) Prevent, obstruct, and interfere with the survey, works, and construction of access road and water mains and distribution network and any related works of the utility entity;

(d) Tap, make, or cause to be made any connection with water lines without prior authority or consent from the water utility concerned;

(e) Tamper, install or use tampered water meters, sticks, magnets, reversing water meters, shortening of vane wheels and other devices to steal water or interfere with accurate registry or metering of water usage, or otherwise result in its diversion in a manner whereby water is stolen or wasted;

(f) Use or receive the direct benefit of water service with knowledge that diversion, tampering, or illegal connection existed at the time of that use, or that the use or receipt was otherwise without the authorization of the water utility;

(g) Steal or pilfer water meters, main lines, pipes and related or ancillary facilities;

(h) Steal water for profit or resale;

(i) Knowingly possess stolen or tampered water meters; and

(j) Knowingly or willfully allow the occurrence of any of the above.

ARTICLE 40: Prima Facie Evidence
The presence of any of the following circumstances shall constitute prima facie evidence of theft, pilferage, or of any unlawful acts enumerated in Article [-1] hereof:

(a) The existence of illegal or unauthorized tapping to the water main or distribution pipe;

(b) The existence of any illegal connection such as a reversed meter, shortened vane wheel, bypass or other connections which adversely affect the registration of the water meter;

(c) The presence of a bored hole in the glass cover of the water meter, or at the back of or any part of the meter including the vertical vane;
(d) The presence of tampered, or fake seals on the meters. Inspection of tampered water meters shall be done in the presence of the registered water consumer;

(e) The presence of a reversed meter in the premises, insertion of rod, wire, or stick in the meter, filed or shortened vane wheel, removal or altering of any part of the meter mechanism, use of magnet and any similar illegal devices which interfere with the meter registration;

(f) Destruction of the meter protection and other metering accessories; or

(g) Abnormal imprints, traces or marks found in the meter assembly.

The prima facie shall not apply to tenants who have occupied the house or dwelling for ninety (90) days or less.

**ARTICLE 41: Special Aggravating Circumstances**

The following shall be considered as aggravating:

(a) When the violation is committed in conspiracy with at least another person, both of whom shall be considered as principals;

(b) When the offense is committed by, or in connivance with, private plumber, officer or employee of the water utility concerned, who shall all be concerned as principals; or

(c) When the violation is coupled with the sale from a source which is illegal, or unregistered, or unauthorized, or a source with a tampered meter.

**CHAPTER V: PENALTIES, SANCTIONS AND FINES**

[TO BE EXPANDED LATER]

**CHAPTER VI: TRANSITIONAL PROVISIONS**

**ARTICLE ///:**
The Authority shall be established after the effective date of this Law.

**ARTICLE ///:**
By no later than three (3) months after the effective date of this Law the Prime Minister shall appoint the Chairman of the Authority and shall have a three (3) years and two members. The first member shall have a two (2) years term and the second member beginning upon the appointment by the King. The person proposed second by the Prime Minister shall have a one (1) year term.

**ARTICLE ///:**
The Royal Government shall provide the initial fund to the Authority for its operation when the Chairman is appointed. The Authority shall deposit this fund in a separate account for their use.

**ARTICLE ///:**
The Ministry of Industry, Mines and Energy shall to perform the regulatory function given to the Authority by this Law and shall transfer these functions in an orderly manner to the Authority as soon as the Authority is fully operational.

**ARTICLE ///:**
All existing suppliers of Piped-Water Supply and/or Sewerage Services shall apply for a license with the Authority within six (6) months after the Authority is full operational.

**CHAPTER XIII: FINAL PROVISIONS**

**ARTICLE ///:**
Any provisions that contradict this Law shall consider null and void.

**ARTICLE ///:**
This law shall be promulgated as urgent.

* * * * *