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Water Management/Operation and Maintenance Contracts

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Management and operation and maintenance contracts are being used increasingly in the water and sanitation sector to introduce private participation. See [Gridlines - Private Participation in Water](#).

Click below for a summary of each example, together with the annotated agreement:

Management Contracts

The World Bank has developed a [Standard Form Management Contract](#) together with Bidding Document and Technical Note recommended for use on water and energy projects the Bank is funding, together with a technical note discussing management contracts and their preparation. go to the General Conditions in the Bidding Documents for the contract itself.

[Water Management Agreement - Example 1](#)

Short term water only management agreement prepared by World Bank staff with law firm input. Document prepared for country in Africa. English language document. Useful as an initial management contract, as part of a process for introducing private sector involvement, where a water system's performance is uncertain and the government is willing to maintain the risk of cost of operation of the assets and. It has some limited incentives for improvement of standards and efficiency.

[Water and Wastewater Management Agreement - Example 2](#)

Short term performance based water and wastewater management agreement prepared by World Bank staff with law firm input.

Prepared for country in South America. English language.

[Water and Wastewater Management Agreement - Example 3](#)

Performance based water and wastewater management agreement prepared by World Bank staff with law firm input.

Prepared for country in the Middle East. English language.

The scope of this contract is quite extensive and the services provided by the contractor make this more of a performance based operations contract than a management contract.

[Water and Wastewater Management Agreement - Example 4](#)

performance based water and wastewater management agreement originally prepared as lease by international law firm, then adapted by World Bank staff.

Prepared for country in the Central and Eastern Europe. English language. Civil jurisdiction, but could be adapted for common law use.

The employer is introducing the private sector into the water and wastewater sector through a four year incentive management contract. If successful then employer might move to a more extensive contract.

Operation and Maintenance Agreements

[Term Sheet for Operation and Maintenance Agreement](#)

[Water and Wastewater Operations and Maintenance Agreement - Example 1](#)

Medium term (7 to 15 year) involvement of a private operator in operation and maintenance of a municipal water [and sewerage] system where the owner is seeking improvements in service delivery and quality (aimed at 24/7 service for water) and reductions in losses and deficit.

Prepared for country in South Asia. English Language.

Leakage Reduction Service Contracts

[Water - Performance Based Leakage Reduction Contract - Example 1](#)

This is a services contract focused on reducing leakage in networks and maintaining those reductions over time. The main incentive for the contractor is a performance-based fee linked to volume of water saved and the fixed fee paid to the contractor for its services is relatively small.

Prepared for country in East Asia. English Language.

Related Content

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- [Approaches to Utility Reform](#)

- [Water and Sanitation Agreements](#)
- [PPPs in Irrigation](#)
- [Managing Non-Technical Losses and Theft in Utility Contracts](#)
- [Water & Sanitation Toolkits](#)
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Additional Resources

- [Contracting Tools for Non-Revenue Water Reduction](#)

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