



**Review of the State of
the Water and
Sewerage Authority of
Trinidad and Tobago
2016-2019**

**June
2022**

This document presents a summary of the paper “Review of the Status of the Water and Sewerage Authority (WASA) 2016 – 2019”. It is being published for the information of all stakeholders as part of the Price Review process for WASA.

**Summary
Document**

PURPOSE OF THE DOCUMENT

This document presents information on the operational and financial state of WASA for the period 2016-2019. This information provides useful historical information which will facilitate a better understanding of how the utility has performed on an annual basis over the period under consideration.

OPERATIONAL PERFORMANCE HIGHLIGHTS

INDICATOR	VALUE	BEST PRACTICE
Water Production (Million Cubic Meters)	2016: 364 2019: 371	N/A
Service Continuity (% of Total Customers Receiving 24/7)	2016: 52% 2019: 41%	N/A
Non- Revenue Water (Estimate)	2016: 53% 2019: 53%	20-25%
Pipe Breaks (Total Number)	2016: 33,468 2019: 29,838	<1
Metered Customers (% of Total Customer Base)	2016: 4% 2019: 5%	N/A

Staffing

Staff Per 1,000 Connections is metric that measures staff productivity. The value of this metric remained constant at 13 staff per 1,000 connections from 2016-2019, hence, there was no improvement in this indicator over the period. The international best practice for this metric is 4-6 staff per 1,000 connections.¹

Staff per 1,000 Connections 2016-2019

	2016	2017	2018	2019
Number of employees²	5,033	5,073	5,014	4,929
Number of water connections (000's)	373	377	382	386
Staff per 1000 water connections	13	13	13	13

¹ World Bank. "The International Benchmarking Network for Water and Sanitation Utilities Databook", 2000.

² The percentage of staff involved in WASA's water operations account for 93% while remaining 7% is employed in wastewater operations.

FINANCIAL PERFORMANCE HIGHLIGHTS

EXPENDITURE ANALYSIS

Operating Expenditure – WASA’s operating expenditure comprises of all expenses incurred by the utility in carrying out its daily operations. WASA’s operating expenditure increased by 3.2% from \$2.3 billion in 2016 to \$2.38 billion in 2019.

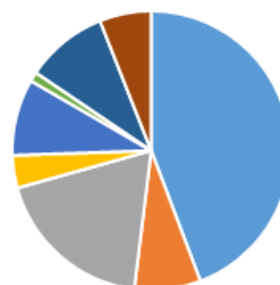
WASA’s Operating Expenditure 2016-2019

	2016	2017	2018	2019	2016 to 2019	
	\$Mn	\$Mn	\$Mn	\$Mn	\$Mn Change	% Change
Operating Expenditure						
Personnel	1,218	1,242	1,256	1,247	29	2%
Supplies & Services	150.48	242.92	216.15	217.59	67	45%
Desalinated Water Purchases	505.60	530.30	523.35	527.74	22	4%
Administration	226.05	74.05	80.18	106.42	(120)	-53%
Premises	178.04	200.00	195.51	250.14	72	40%
Transport & Plant	27.65	37.94	29.54	31.77	4	15%
Total	<u>2,306</u>	<u>2,326</u>	<u>2,300</u>	<u>2,380</u>	<u>74</u>	<u>3.2%</u>

Total Expenditure - WASA’s total expenditure includes operating expenses and non-operating expenses, such as depreciation and financing. Total expenditure decreased by 21% over the period 2016-2019.

	2016	2019
Operating Expenditure	\$Mn	\$Mn
Personnel	1,218	1,247
Supplies & Services	150.48	217.59
Desalinated Water Purchases	505.6	527.74
Administration	226.05	106.42
Premises	178.04	250.14
Transport & Plant	27.65	31.77
Total Operating Expenditure	2,306	2,380
Depreciation	391.35	269.54
Financing	900.73	169.28
Total Non-Operating Expenditure	1,292.08	438.82
TOTAL EXPENDITURE	<u>3,598.08</u>	<u>2,818.82</u>

**2019
BREAKDOWN OF TOTAL
EXPENDITURE**



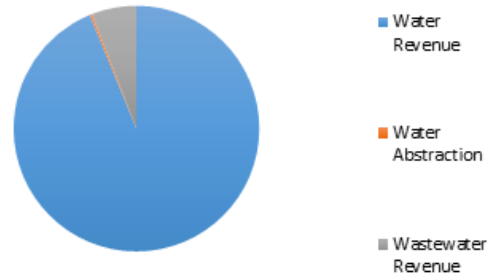
- Personnel
- Supplies & Services
- Desalinated Water Purchases
- Administration
- Premises
- Transport & Plant
- Depreciation
- Financing

REVENUE ANALYSIS

Operating Revenue – WASA’s Operating Revenue is derived from income for services provided by WASA, which includes the supply of water, wastewater treatment, connection fees and penalties. WASA’s operating revenue decreased by 2.3% over the period 2016-2019. WASA’s total operating revenue was insufficient to cover its cost over the period 2016-2019. In 2019 the shortfall was in excess of \$2 billion.

**2019
BREAKDOWN OF TOTAL OPERATING REVENUE**

	2016	2019
Operating Revenue	\$Mn	\$Mn
Water Revenue	715.46	701.15
Water Abstraction Revenue	4.19	2.31
Wastewater Revenue	45.5	43.98
TOTAL OPERATING REVENUE	765.15	747.44



Total Revenue – WASA’s Total Revenue includes other sources of income in addition to those received from the sale of water, water abstraction, wastewater services, connection fees and penalties. For every year throughout the period 2016-2019, the amount received from Government subventions exceeded WASA’s operating revenues.

Total Revenue

	2016	2017	2018	2019
	\$ Mn	\$ Mn	\$ Mn	\$ Mn
Total Operating Revenue	<u>765.15</u>	<u>709.85</u>	<u>702.41</u>	<u>747.44</u>
Other Income				
Interest Income	27.44	30.82	33.98	4.64
Sundry Income	15.04	30.32	138.81	35.97
Deferred Contributions	72.40	71.28	71.96	-
Government Subventions	2150.65	1858.32	1804.14	1773.43
Total Other Income	<u>2,265.57</u>	<u>1,990.75</u>	<u>2,048.89</u>	<u>1,814.05</u>
Total Revenue	<u>3,030.68</u>	<u>2,700.59</u>	<u>2,751.39</u>	<u>2,561.49</u>

Over the four-year period, the Government of Trinidad and Tobago provided an average of \$2 billion annually in subventions to WASA and in 2019, the major source of WASA’s non-operating revenue (by percentage of total revenue) was government subventions (69%).

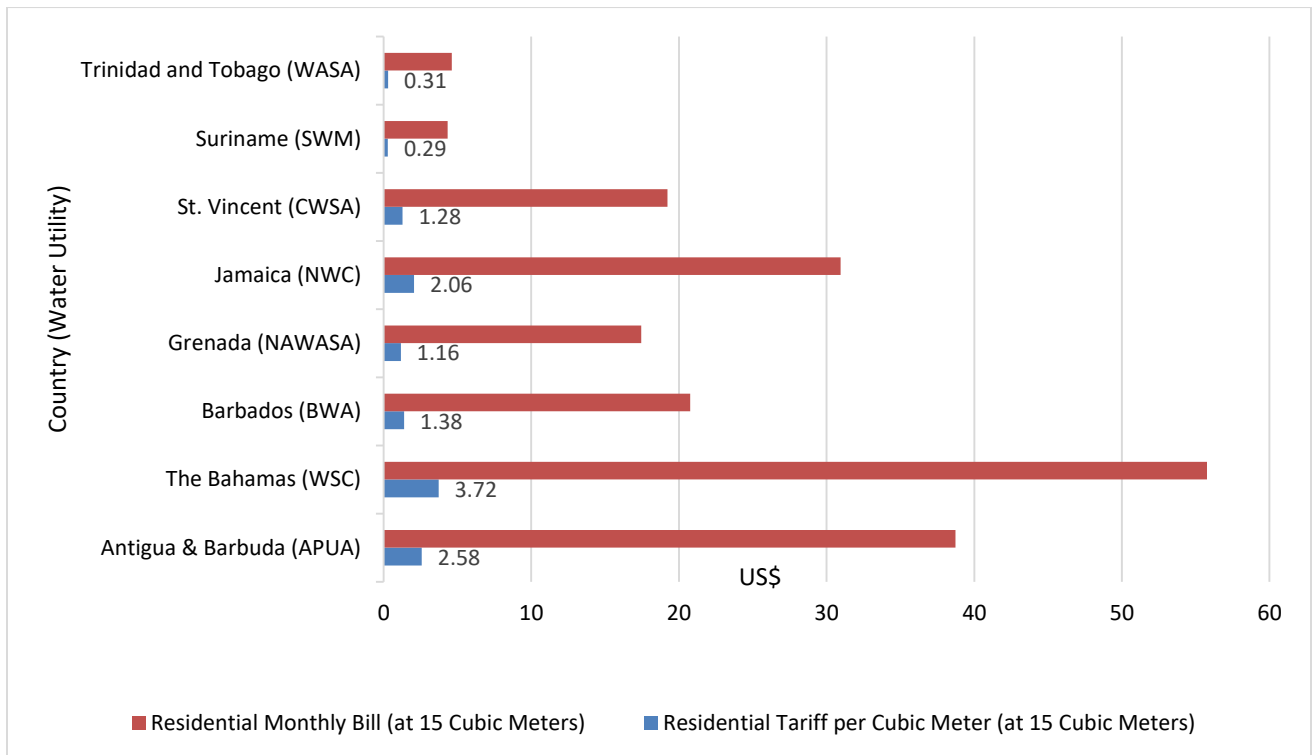
WASA’s operational and financial performance is well below the internationally accepted level for a well performing water utility. Operational performance indicators suggest a need for emphasis to be placed on optimizing resources to meet objectives and minimize costs. There is

also significant room for improvement in WASA’s financial position since the utility’s revenues from operations are substantially lower than its expenses.

Tariffs

Trinidad and Tobago has one of the lowest tariffs among the regional countries shown in the diagram below, second only to Suriname. The corresponding monthly bill, at a consumption of 15 cubic meters per month, shows that metered residential customers in Trinidad and Tobago pay significantly less than those in most other Caribbean jurisdictions.

Regional Residential Water Rate and Bill Comparisons



Source: IBNet Tariffs Database (Rates displayed above were derived from the most recent IBNet data available on the utilities therein).

This summary document is being released for information. Interested persons are invited to access the “Review of the Status of WASA 2016-2019” information document on the RIC’s website. If you require clarification on any aspect of this document, kindly contact the RIC using any of the options provided.