



SUSTAINABLE, INCLUSIVE AND RESILIENT URBAN WATER SERVICES IN MOZAMBIQUE

INVESTMENT PROGRAM 2022 - 2032

REGULATION, FINANCIAL AND SOCIAL SUSTAINABILITY OF SERVICES

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Chairperson of the Water Regulatory Authority

ORGANIZAÇÃO / ORGANIZER



PARCEIRO / PARTNER



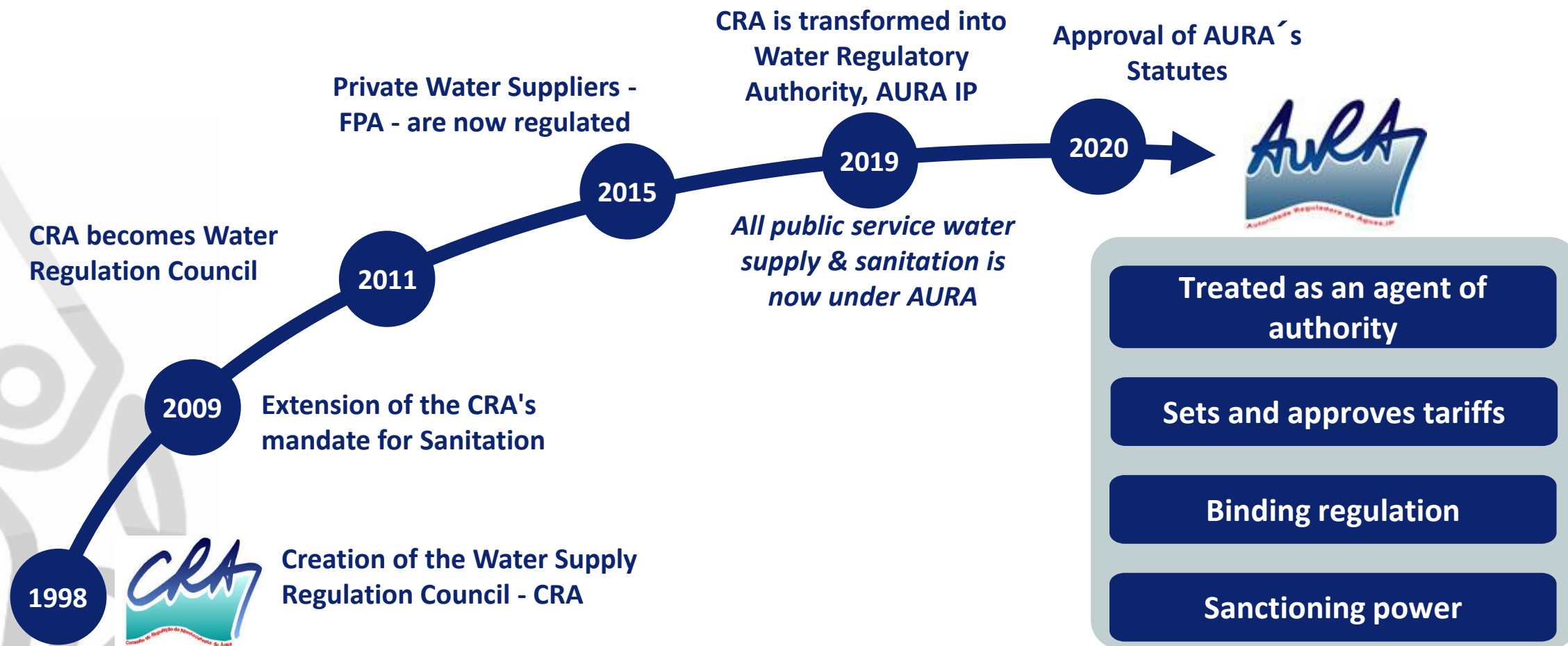
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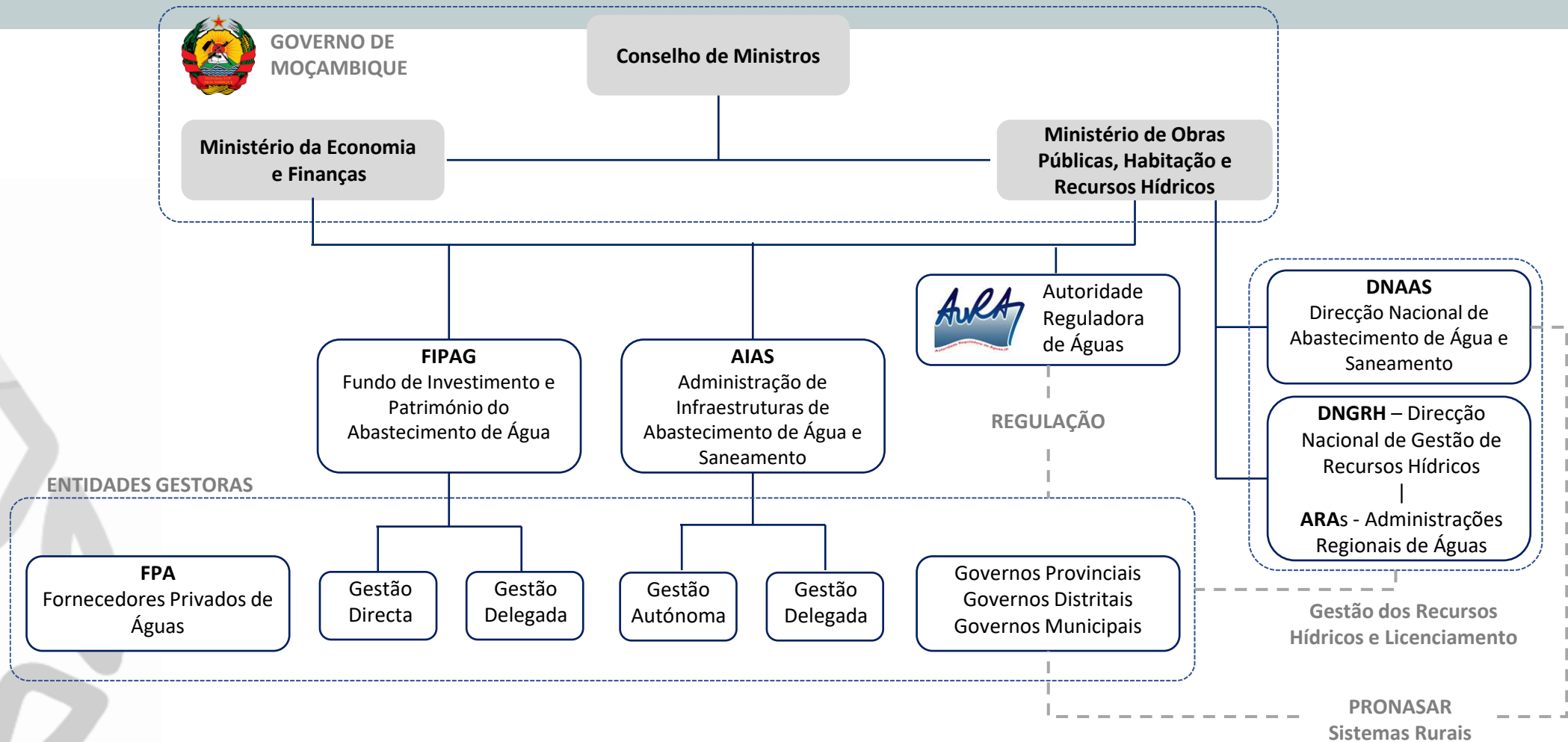


THE WATER REGULATORY AUTHORITY - AURA, IP

With 23 years of existence, the Regulator has been expanding its scope of action and competences



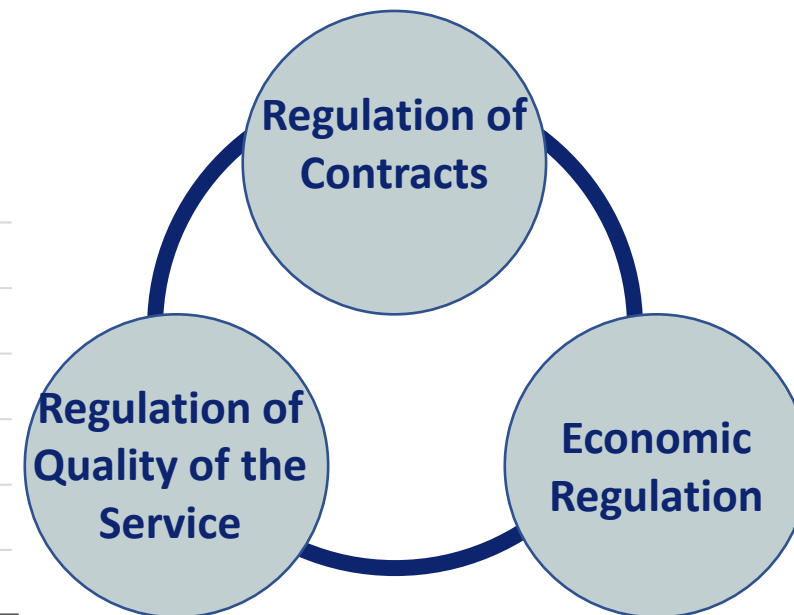
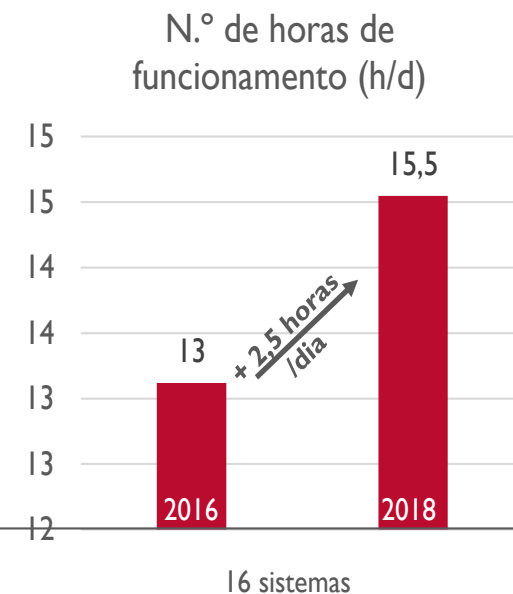
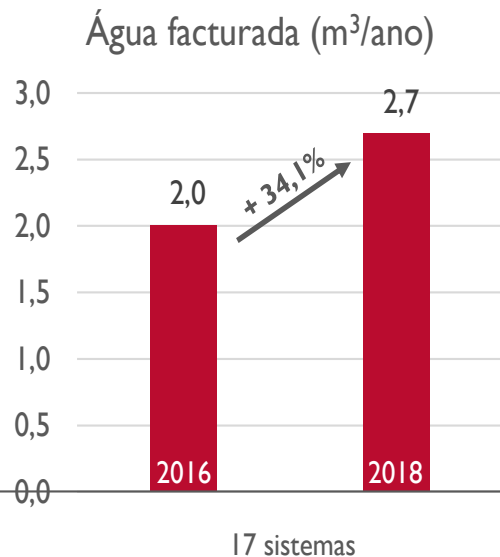
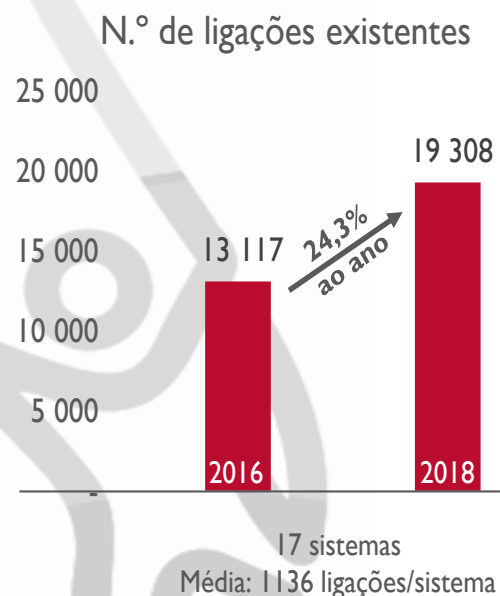
Stable legal and institutional framework with improvements introduced in 2019 - 2021 (Expansion of the Regulator's action)



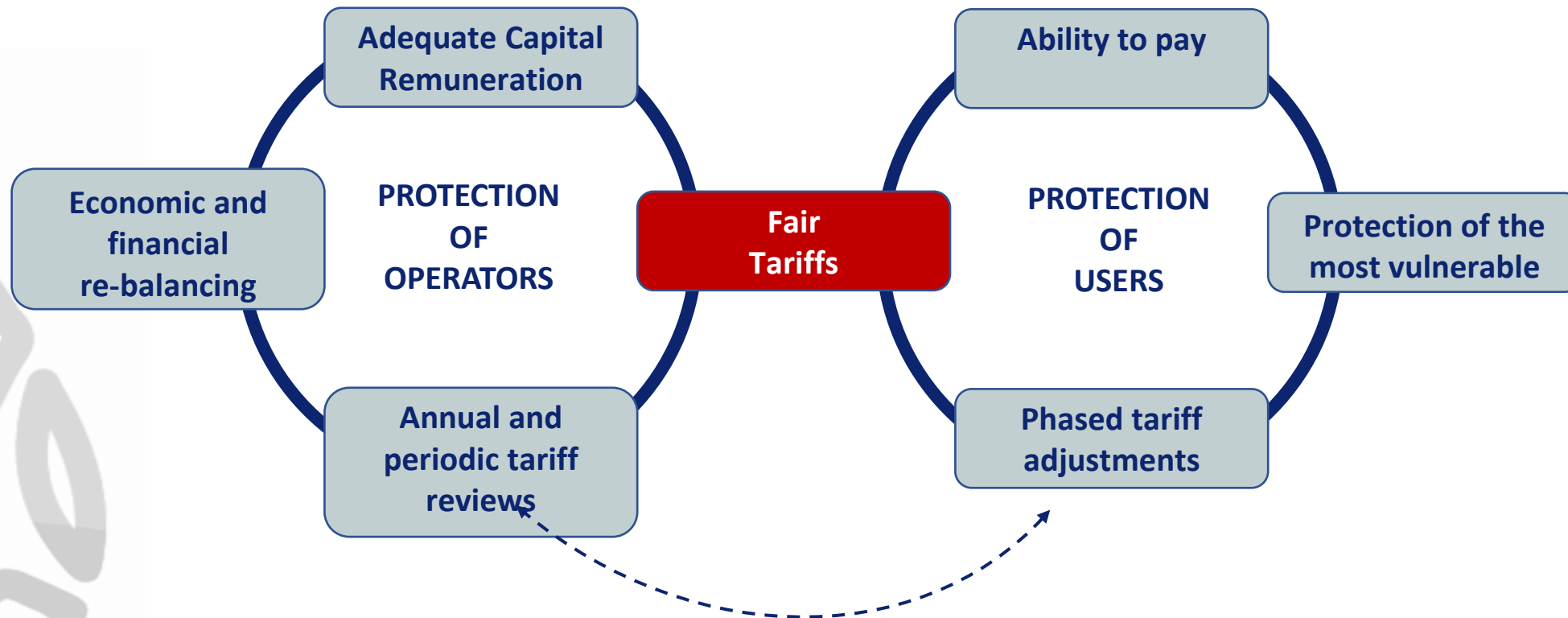
AURA regulates and monitors the actions of the private sector, which has been positive in recent years

Evaluation of the performance of the AIAS system managed by Private Operators

	21	46	1.45 million
	Private Operators	Systems	Inhabitants



AURA is ensuring contract provisions to promote the financial sustainability of operators and ensure the protection of users' interests



Recent developments in 2nd generation Exploration Assignment and Concession contracts have resulted in a balanced risk allocation

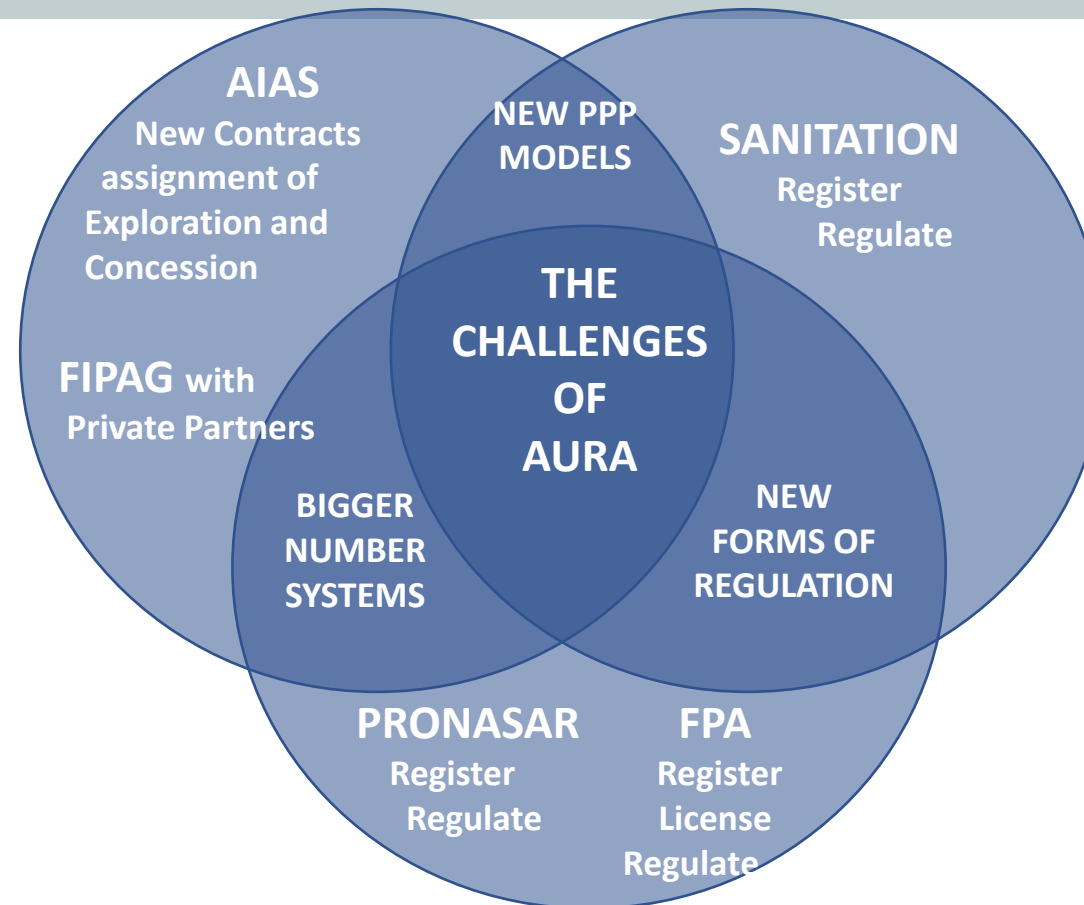
EXPLORATION ASSIGNMENT CONTRACTS

CONCESSION AGREEMENTS

Type of risk	Public	Private	Shared	Public	Private	Shared
Financing (CAPEX)	●	Residual			●	
Demand (Consumption)		●			●	
Operation and Maintenance		●			●	
Billing and Collection		●			●	
Legislative Changes	●			●		
Inflation and exchange rate	Annual Tariff indexing formula			Annual Tariff indexing formula		
Force Majeure			●			●

AURA is going through a process of training and modernization that will allow you to exercise all your duties and skills in an effective, transparent and peaceful way

- **New organic structure**
- **Support of International Financial Institutions**
- **Specialized Technical Assistance**
- **Implementation of effective processes**



- **Decentralisation of activities**
- **Recruitment of new professionals**
- **Interconnection of IT systems**
- **AURA Net**

AURA is committed to creating stability, security and balance for all stakeholders

- Protect, in an impartial and objective manner, the interests of the State and Consumers
- Ensuring the economic and financial sustainability of Operators
- Exercise economic regulation on tariff regime and quality of service
- Establish binding, fair and balanced Regulatory Frameworks
- Promoting the reconciliation of interests between Consumers and Operators
- Discipline the Sector and ensure that Operators/Managers have incentives to expand water supply to more and more consumers



Highlights from AURA's point of view regarding the protection of investment:

- The investment of the holding company, although of mixed capital, should be seen as private investment.
- Regulator will keep focus on the participation of the private sector in the holding company, and on the protection of its investment.
- The Regional Operating Company must ensure its commercial autonomy.
- Possible external interference should be mitigated by means of an appropriate shareholder representation system, even if the majority of the capital is in the hands of the State.
- The design of the operating assignment Contract and its negotiation shall be carried out in a transparent and exempt manner, and the Regulator shall monitor the process at the relevant stages.

“ It is our wish to ensure the stability and proper functioning of the sector in a firm, demanding, impartial and fair manner.”



Financiers' Conference

SEPTEMBER 15, 2021



An authority that ensures quality water and sanitation services, sustainable and accessible to all

Obrigada/Thank you

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