

OFFICIAL PRESS RELEASE

SOLOMON WATER COMMENCES STRATEGIC PLAN

1 July 2016

The Solomon Island Water Authority (SIWA), operating under the brand name Solomon Water, is pleased to announce the appointment of Hunter H2O as the consultant to develop its 30 year Strategic plan.

Solomon Water's core business is to provide safe, reliable and affordable water and wastewater services to its consumers in Honiara and other urban centres such as: Auki, Noro and Tulagi. All locations are experiencing rapid growth mainly due to urban migration. Infrastructure forward planning and development is urgently required to enable Solomon Water to cope with the forecasted growth and to continue to provide sufficient, safe drinking water.

In Honiara especially, much of the growth is unplanned and unmanaged, resulting in informal settlements lacking services and community structure.

It is most urgent that Solomon Water provides appropriate water and wastewater management system that will serve Honiara and other urban centers for at least the next 30 years.

To address these challenges, as part of its Development Plan 2013-2015, Solomon Water recently put out a Tender for the Preparation of its 30 Year Strategic Plan 2017-2047, 5 Years Action Plan 2017-2021 and Tariff Review. Tenders closed on 27 May 2016 and the contract has been awarded to Hunter H2O, a specialist water and wastewater company based in Australia with extensive experience in the Pacific. The Australian Government Department of Foreign Affairs and Trade (DFAT) and Solomon Water are jointly funding the plan which will cost around AUD 390 000. The development of the plan will include discussions and workshops with many of Solomon Water's key stakeholders including community representatives.

The objective of the Project is fourfold:

1. Meeting forecast growth in Honiara's demand for water services including peri-urban areas
2. Developing and delivering a wastewater strategy, especially for Honiara
3. Meeting the needs of the other three urban centres: Auki, Noro and Tulagi
4. Growing Solomon Water's footprint in the Solomon Islands,

while in the process maintaining a sustainable organisation with a sound financial position improving quality, reliability and inclusive access of services.

The Strategic Plan will be a cornerstone document aligning current and future demand management of water and wastewater services in consideration of sustainable principles. This document will provide key strategic directions, which will be integrated into the business processes such as decision-making frameworks, to

enable alignment of day-to-day operations and ongoing strategic decisions.

Apart from the 30 Year Strategic Plan, the Consulting team will also produce Solomon Water's 5 Year Action Plan providing short to medium details on management and operational strategies to support maintenance, operations, cyclic renewal and asset development programmes.

Integral to the Strategic Plan and 5 Year Action Plan is the review of the Tariff. Solomon Water must be able to determine and know the full cost of its service including its efficient operating costs plus an appropriate return on the assets necessary to produce, treat and deliver water to its customers and meet growing demand through prudent investments. The Government of Solomon Islands and Solomon Water are committed to the importance of having dependable, accessible, and reasonably priced water services to promote sustainable economic development and public health.

"The announcement of this award provides Solomon Water with a new outlook and great opportunity to plan its future operations and ensure it fulfils its core business obligations as expected of it from the Solomon Islands Government and its people" says Solomon Water general manager Ian Gooden.

The Board, Management and Staff of Solomon Water look forward to working with Hunter H2O's Professional team and with its stakeholders (such as Solomon Government and its Ministries, Australian Department of Foreign Affairs, Japanese International Cooperation Agency (JICA), European Union, business houses and its customers) in the process of developing its strategic plan in the coming months. We look forward to a successful outcome, one that will contribute to a prosperous and better future for the Solomon Islands.

Thank you

Ian Gooden
General Manager