

# STRENGTHENING AND PROMOTING THE SOUTHEAST ASIA WATER UTILITIES NETWORK

## I. INTRODUCTION

1. Improving and expanding water supply and sanitation services is a principal element of the Asian Development Bank's (ADB) Water Policy: *Water for All*. Hence, RETA 5922: *Regulatory Systems and Networking of Water Utilities* was approved in July 2000<sup>1</sup> to, among other things, promote autonomous and efficient water and sewerage utilities in ADB's developing member countries (DMCs). One component of the RETA was designed to support a South Asia water utilities partnership whose purpose would be to promote knowledge management and networking on urban water supply and sanitation (WSS) reforms. Water utility representatives from South East Asia also realized the potential benefits of a utilities network for their region. Upon request, ADB allocated RETA 5922 funds to help water utility representatives from Indonesia, Thailand and the Philippines meet in July 2001 in Manila to prepare a framework for the Southeast Asia Water Utilities Network (SEAWUN). Delegates from utilities and national utility associations in Indonesia, Malaysia, Philippines, Thailand and Viet Nam met again in Hanoi in August 2002, and agreed on a SEAWUN charter (Appendix 3). Additional funds from RETA 5922<sup>2</sup> were reallocated in June 2003 to help set up SEAWUN with a secretariat in the offices of the Viet Nam Water Supply and Sewerage Association (VWSA) in Hanoi. Principal WSS Specialist, RSAN conducted a SEAWUN review mission in Hanoi on 3 March 2004 and found that SEAWUN had properly utilized ADB funds and was poised to expand its membership and undertake utilities networking and support activities in 2004. The mission discussed and refined SEAWUN's submitted proposal for ADB funding support for 2004. Mission findings are reflected in the proposal that follows herewith. A support program framework is attached as Appendix 1.

## II. ISSUES

2. Urban WSS services are inadequate in many cities in ADB's DMCs. Despite decades of external support, water utility inefficiencies result in mostly intermittent water supplies in South Asia and low piped supply coverage levels in Southeast Asia. The urban poor, women and children are worst affected. Inefficiencies are a consequence of water utilities that are not independent, not accountable to customers, lacking in transparency, and loosely regulated: poor governance is at the heart of water utility underperformance. Low tariffs, which are typically related to poor governance, compound the problem by perpetuating a "low level equilibrium trap" of low tariffs, under-funding, poor service and so on. Whilst customers are willing to pay reasonable tariffs for reasonable service, politicians and vested interests typically keep tariffs well below cost recovery levels, either out of ignorance or for their own personal gain. Peer pressure amongst utilities, utilities helping utilities, and utilities collectively advocating for WSS sector reforms can help to change this situation. Country and regional associations, partnerships, or networks of utilities are a necessary vehicle for this collective support and action. There are several country water utility associations in Southeast Asia, but no regional network.

3. Water utility and utility association representatives meeting during the first general meeting of SEAWUN in August 2002 acknowledged the broad underperformance amongst their

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<sup>1</sup> RETA 5922 was closed on 31 December 2003.

<sup>2</sup> The reallocation for SEAWUN support totaled \$53,265.00, and \$40,928.03 was eventually disbursed to SEAWUN.

ranks. Viet Nam water utilities have low water supply coverage (as low as 11% in small towns and districts) and high non-revenue water (NRW) at 40%. Indonesia's urban water supply is less than 35% and, according to World Bank statistics, closing the gap by 2025 will require investments of \$7 billion. Malaysia's NRW also averages at 40%. All 5 countries represented in the meeting face the challenge of reducing NRW, increasing water tariffs and attaining full cost recovery, water conservation, and regulation.<sup>3</sup> They also look to performance benchmarking, regional cooperation, capacity building, and effective use of investment capital and donor funds as strategies for meeting their challenges.

4. Bringing together these water utilities and associations of utilities under a formal structure dedicated to building their capacity, expanding their knowledge base, and fostering performance improvements offers significant potentials. For one, it can provide members with the opportunity to talk to, and learn from, each other. Members can also collectively exert pressure on each other to improve their service delivery performance. But such structures or vehicles can be fragile and difficult to sustain, especially if they lack a permanent and competent secretariat, and if they rely on financing from external support agencies. For example, the East Asia Water and Sanitation Network folded after external support ceased and the sector was buffeted by the Asian financial crisis in 1997.

5. SEAWUN started operating in August 2003 when the secretariat was formally registered in Viet Nam and it obtained approvals to establish a bank account. The review mission (para. 1) verified that SEAWUN has an adequately furnished, equipped, and staffed secretariat office, with an embryonic database, a website ready for launching, and a plausible 2004 workplan. The VWSA Vice-Chairman is SEAWUN's inaugural Executive Director. VWSA's backing is important since the Association is among Southeast Asia's strongest and most effective WSS utilities national associations<sup>4</sup>. SEAWUN's Chair rotates triennially and is currently occupied by Indonesia, represented by the immediate past president of the Water Enterprises Association of Indonesia (PERPAMSI). In a short time SEAWUN has achieved significant commitments and expressions of interest from member country water utilities, from external agencies, and also from WSS suppliers and consulting companies in high-income countries<sup>5</sup>. SEAWUN has 13 water utility financial members, with 40 prospective new members targeted for 2004. SEAWUN encourages country-level associations and industry groups to also join the Network, in order to reach their individual members<sup>6</sup>. The Danish International Development Agency (DANIDA) committed almost \$20,000 to support the SEAWUN 2004 Convention. The United States-Asia Environment Program (US-EAP)<sup>7</sup> backs SEAWUN's human resource development support program, especially on training and certification of operators. SEAWUN could achieve operating self-sufficiency, eventually requiring external support only for special events and programs.

6. SEAWUN plans to consolidate its operations and to implement several discrete utility support programs through 2004: (i) maintain and strengthen secretariat operations; (ii) launch and manage a website; (iii) conduct a SEAWUN promotion and awareness campaigns to enlist members; (iv) run an annual convention; (v) sponsor and manage a SEA water utilities performance benchmarking program; (vi) provide training and other organization strengthening

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<sup>3</sup> Summary Proceedings, First Meeting of the South East Asian Water Utilities; 12-13 August 2002, Hanoi, Viet Nam.

<sup>4</sup> As demonstrated by its successful execution of the World Bank-supported Vietnam WSS Utilities Performance Benchmarking program.

<sup>5</sup> A large Australian consulting firm is already a signed-up financial member of SEAWUN.

<sup>6</sup> For instance, affiliating with the Philippines League of Municipalities would enable small town utilities to benefit from SEAWUN programs. The Philippines Association of Water Districts is already a financial member. Most of the SEAWUN Board members are presidents of national associations.

<sup>7</sup> US-AEP is a program of the United States Agency for International Development (USAID).

services; and (vii) other topic-related activities, including possibly on non-revenue water reduction, cost recovery, and so on. SEAWUN should add to and support related initiatives in the Region. For instance, synergies between SEAWUN and the proposed ADB Mekong Sub-region RETA on Awareness and Capacity Building for Sustainable Water and Wastewater Utilities should be captured<sup>8</sup>. And SEAWUN should build on the benchmarking achievements of the World Bank-supported iBNET program (para. 13). Supporting SEAWUN carries significant potential for targeted poverty reduction. Well-run utilities serve the poor; badly run utilities typically do not.

### III. PROPOSED SUPPORT

#### A. Purpose

7. The overall objective of the proposed support is to sustainably improve the delivery of WSS services in SEA DMC cities and towns, including for the poor. Its purpose is to establish SEAWUN as a self-sustaining regional network of WSS utilities that will help its members become well-managed service providers operating in conducive sector policy conditions.

8. The specific objectives of the TA are to (i) build SEAWUN's administrative and operational capabilities; (ii) build SEAWUN's membership base and financial self-sufficiency; and (iii) help SEAWUN undertake planned activities aimed at improving the performance of its members and improving sector policy in member countries.

#### B. Scope

9. The support program will have four components:

- (i) Component A - Organizational Strengthening of SEAWUN;
- (ii) Component B – Promotion and Awareness;
- (iii) Component C - Knowledge Management and Capacity Building; and
- (iv) Component D - Performance Benchmarking and Improvement.

10. Component A will strengthen the SEAWUN secretariat to ensure its ability to manage the SEAWUN activities for 2004 and beyond. Activities will include at least 2 Executive Committee meetings over a 12-month period, 1 Board meeting, and 1 general Network meeting. To the extent possible, these meetings should be conducted back-to-back with major SEAWUN activities to maximize the participation of Network members. Component A will also strengthen staffing, including the hiring of a website developer and designer, and the training of the Secretariat staff on specific SEAWUN services. Skills transfer to Secretariat staff will be included in the terms of reference of all consultants funded under this program. ADB's financial support will make up part of the gap between operating costs and operating revenues for 2004.

11. Component B will finance promotional and awareness activities in member countries intended to recruit financial members, establish the identity of SEAWUN, and build broad-based support for the SEAWUN concept and program. Promotion will mostly use in-Country events, a high quality and intensively managed SEAWUN website, and supplements in water publications<sup>9</sup>. The SEAWUN website will be tested in April and launched in mid-2004.

<sup>8</sup> Because SEAWUN's key utility association supporters already have strong benchmarking programs, the Mekong RETA could consider using SEAWUN as a vehicle for supporting benchmarking in Cambodia and Lao PDR. The Mekong RETA can also better target its capacity building by focusing on subjects not covered by SEAWUN's niche capacity building activities.

<sup>9</sup> Mission recommended to SEAWUN that it not launch its own periodical journal at this time.

12. Component C activities include SEAWUN's annual convention and building and managing a SEA water utilities database (part financing only). The convention will be a highly practical topic-driven "by utilities for utilities" event, clearly differentiated from the normal water "expert" international water meeting. Topics and format will exploit the power of collective peer group influence and knowledge to improve management and service delivery, for instance in the promotion of performance benchmarking. SEAWUN agreed to include wastewater management and water quality as a key topic, in line with an ADB's knowledge management (KM) priority for 2004. The SEAWUN convention will facilitate information and experience sharing, utility-to-utility collaboration, and consensus building on SEAWUN program priorities. The support will mostly finance the participation of delegates. Component C also involves regular information exchange among Network members, particularly through e-workshops, a help desk, and in-Country events. Members will also be able to access relevant utility performance and other information through the SEAWUN database. Members will be responsible for populating the database, as an adjunct to their benchmarking participation.

13. Component D will strengthen utility performance by engaging them in a SEA performance benchmarking program. Benchmarking amongst peers, both metric and process benchmarking<sup>10</sup>, is an established practice in developed WSS markets and is now also being successfully applied in some lower income markets. The World Bank-sponsored Viet Nam Water Utilities Performance Benchmarking program is a notable example and a comprehensive benchmarking program for water enterprises in Indonesia is underway. These two programs will participate in the World Bank-sponsored International Benchmarking Network (iBNET), which provides a start-up kit, technical assistance, and networking support. Mission consulted with the World Bank's iBNET program manager in Hanoi who confirmed that (i) a SEA region benchmarking program would bring added benefits to national programs in the region, (ii) that there are no plans for this to happen outside of SEAWUN, and (iii) that World Bank is unable to finance a SEA benchmarking program. Experience with externally supported benchmarking programs in other regions point to the need to design a program that is "owned" by SEAWUN and its members. Utilities would agree to participate in the benchmarking program and to provide the necessary performance data in order to qualify for SEAWUN membership. Benchmarking cost will be minimized if utilities gather and submit data themselves, and if consulting support is limited to (i) consultative benchmark system design, (ii) start-up guidance, (iii) data verification, (iv) data analysis, and (v) advice on using benchmarking results to improve performance.

### **C. Cost and Financing**

14. The expected cost of the support program is \$120,000. ADB will finance the cost on a grant basis from the Cooperation Fund for the Water Sector. Approximately 29 percent of the cost is for consulting services; 17 percent for members' participation in workshops and meetings, 31 percent for promotion and publications, 18 percent for SEAWUN's operating expenses and 5% for contingency. Details of the cost estimates are in Appendix 2.

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<sup>10</sup> Both metric and process benchmarking: the former includes collecting and analyzing data and leads to the identification of areas of relatively good and poor performance, whereas the latter concentrates on improving the current work process to meet or exceed targets set by metric benchmarking

#### **D. Implementation Arrangements**

15. Once approved by the ADB Water Sector Committee, the activities under the support program will be implemented by the SEAWUN Board and Secretariat, with general supervision exercised by the Principal Water Supply and Sanitation Specialist, RSAN and reporting regularly to the MKSS and SESS. Specifically, the SEAWUN Board will provide direction and review major outputs of the support program, while the SEAWUN secretariat will be responsible for its day-to-day operations.

16. The implementation arrangements and expected outputs will be detailed in a letter of agreement (LOA) signed by the SEAWUN President and Director General, Regional and Sustainable Development Department.

17. The support program will be implemented over a 12-month period, commencing in April 2004. ADB will disburse the funds to SEAWUN in three installments as follows:

- \$30,000 upon signing of the LOA primarily, but not exclusively, to cover SEAWUN's initial activities on office administration, website development, networking and initial promotion;
- \$65,000 primarily to cover the costs of the SEAWUN convention and benchmarking exercise; and
- \$25,000 primarily to cover the remaining office administration and promotion activities.

18. All cash advances to SEAWUN will have to be liquidated before the next cash advance can be disbursed. SEAWUN is also expected to submit quarterly progress and financial reports to enable ADB to monitor its progress.

19. All major outputs and activities under the support program will be subject to ADB's review and approval. Initially, these include the following:

- design, program and expected outputs of the SEAWUN convention
- benchmarking system, process, expected outputs and timetable
- draft of water utilities data book
- terms of reference for international and domestic consultants

20. The consulting inputs will be international (1 person month), and domestic (6 person months). All consultants will be recruited by SEAWUN. The international individual consultant, experienced in water supply and sewerage activities in Asia, will provide guidance on the benchmarking system design, analyze the benchmarking data generated, and provide advice to SEAWUN members on using benchmarking results to improve performance. The assignment can be undertaken from his or her office, but will require limited travels to selected SEA DMCs. The domestic consultant with similar expertise will be recruited to verify the benchmarking data generated, assist in the development and consolidation of the data book, and undertake related activities under the support program. Both consultants will work under the supervision of the SEAWUN Board and secretariat.

21. In addition to the consultants, the support program will also involve the hiring of several domestic staff for SEAWUN, including at least 1 staff and a website manager. These personnel will be under the supervision of the SEAWUN secretariat.

22. Measures for evaluating the success of the support include the increase in SEAWUN's membership and financial resources, and implementation of performance improvements by Network members. If during the next 12 months SEAWUN meets its membership targets and gets sponsorship from private sector associate members, then it should not require external support to help meet running costs. Any future external support should only finance special activities and programs.

### SUPPORT PROGRAM FRAMEWORK

<b>Design Summary</b>	<b>Performance Indicators/Targets</b>	<b>Monitoring Mechanisms</b>	<b>Assumptions and Risks</b>
<p><b>Goal</b> Improved delivery of WSS services in SEA DMC cities and towns, including for the poor</p>	<ul style="list-style-type: none"> <li>• increased coverage of piped water supply</li> <li>• longer/ continuous supplies within service areas</li> <li>• better water quality in service areas</li> <li>• improved sewerage and sanitation services</li> </ul>	<ul style="list-style-type: none"> <li>• Reports of international development organizations, e.g. WB, UN, WSSCC</li> <li>• ADB review missions</li> <li>• Country/sector assessments prior to CSP preparation</li> <li>• OED evaluation reports, specifically sector/thematic evaluations</li> <li>• Feedback from water utilities</li> </ul>	
<p><b>Purpose</b> SEAWUN established as a self-sustaining regional network of WSS utilities that help its members become well managed service providers</p>	<ul style="list-style-type: none"> <li>• fully funded program of activities for CY 2005, with at least 20% of estimated costs covered by funds generated from membership fees and contributions</li> </ul>	<ul style="list-style-type: none"> <li>• SEAWUN accomplishment and financial reports</li> <li>• Feedback from water utilities</li> <li>• Feedback from development agencies operating in SEA</li> <li>• ADB review missions</li> </ul>	<ul style="list-style-type: none"> <li>• Donors and partners institutions will continue to support SEAWUN operations until it becomes self-sufficient</li> <li>• No major financial or political upheavals in SEA will occur and stop SEAWUN's operations</li> </ul>
<p><b>Outputs</b></p>			
<p>1. Permanent secretariat is operational and staffed with skilled personnel</p>	<ul style="list-style-type: none"> <li>• 100% collection efficiency vis-à-vis membership fees</li> <li>• Planned meetings of key SEAWUN personnel conducted</li> </ul>	<ul style="list-style-type: none"> <li>• SEAWUN financial records</li> <li>• Minutes of meetings</li> <li>• Training reports</li> </ul>	<ul style="list-style-type: none"> <li>• Trained SEAWUN staff will remain with the organization</li> <li>•</li> </ul>

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<p><u>Activities</u></p> <ul style="list-style-type: none"> <li>• Conduct of meetings for Executive Committee, Board and the Network in general</li> <li>• Hiring of permanent staff</li> <li>• Training of secretariat staff</li> <li>• Generation of funds for operating expenses</li> </ul>	<ul style="list-style-type: none"> <li>• SEAWUN staff trained on at least 2 new and related skills</li> <li>• # and nature of requests for assistance from SEAWUN members responded to; timeliness and acceptability of response</li> </ul>	<ul style="list-style-type: none"> <li>• Members' feedback</li> </ul>	<ul style="list-style-type: none"> <li>• Members are not delinquent vis-à-vis payment of membership fees</li> </ul>
<p>2. Increased membership actively participating in SEAWUN activities</p> <p><u>Activities</u></p> <ul style="list-style-type: none"> <li>• website development</li> <li>• IEC materials development and dissemination</li> <li>• conduct of local and international promotion campaigns</li> </ul>	<ul style="list-style-type: none"> <li>• At least 75% of targeted new members recruited by EO 2004</li> <li>• % increase in members' financial contributions</li> <li>• % increase in membership attendance in SEAWUN activities</li> </ul>	<ul style="list-style-type: none"> <li>• SEAWUN financial records</li> <li>• Proceedings of SEAWUN meetings/ activities</li> </ul>	<ul style="list-style-type: none"> <li>• water utilities recognize the benefits of joining the network</li> </ul>
<p>3. SEAWUN members equipped with greater knowledge and skills to improve service delivery performance</p> <p><u>Activities</u></p> <ul style="list-style-type: none"> <li>• Conduct of SEAWUN convention</li> <li>• Establishment of SEAWUN database</li> </ul>	<ul style="list-style-type: none"> <li>• At least 75% members' attendance in SEAWUN convention</li> <li>• % increase in information requested from SEAWUN database</li> <li>• # of members' request for technical assistance from SEAWUN Board and/or secretariat responded to</li> </ul>	<ul style="list-style-type: none"> <li>• activity report</li> <li>• database</li> </ul>	<ul style="list-style-type: none"> <li>• Members have financial capacity to participate in the convention</li> <li>• Members have the technology to access available information</li> <li>• Members agree to provide information for the database</li> </ul>

<b>Design Summary</b>	<b>Performance Indicators/Targets</b>	<b>Monitoring Mechanisms</b>	<b>Assumptions and Risks</b>																		
<p>4. benchmarking process and system are owned and implemented by members as basis for service delivery enhancements</p> <p><u>Activities</u></p> <ul style="list-style-type: none"> <li>• design of benchmarking system</li> <li>• data generation and analysis</li> <li>• development and promotion of water utilities' data book</li> </ul>	<ul style="list-style-type: none"> <li>• # of water utilities participating in the entire exercise</li> <li>• increase in demand for SEAWUN's assistance in establishing, analyzing and using benchmark data</li> </ul>	<ul style="list-style-type: none"> <li>• Publication</li> <li>• Current benchmarked situation plus review mission after 1 year</li> </ul>	<ul style="list-style-type: none"> <li>• Members agree on a benchmarking system and undertakes data collection</li> <li>• Data collected are accurate</li> </ul>																		
<p><b>Inputs</b></p> <ul style="list-style-type: none"> <li>• Consultants</li> <li>• Equipment</li> <li>• Salaries/ Operating Expenses</li> <li>• Promotion and Networking</li> <li>• Website Development</li> <li>• Workshops</li> <li>• Publications</li> <li>• Contingency</li> </ul>	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"></td> <td style="text-align: right;">\$ 35,000.00</td> </tr> <tr> <td></td> <td style="text-align: right;">1,500.00</td> </tr> <tr> <td></td> <td style="text-align: right;">20,000.00</td> </tr> <tr> <td></td> <td style="text-align: right;">25,000.00</td> </tr> <tr> <td></td> <td style="text-align: right;">2,500.00</td> </tr> <tr> <td></td> <td style="text-align: right;">20,000.00</td> </tr> <tr> <td></td> <td style="text-align: right;">10,000.00</td> </tr> <tr> <td></td> <td style="text-align: right;">6,000.00</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">120,000.00</td> </tr> </table>		\$ 35,000.00		1,500.00		20,000.00		25,000.00		2,500.00		20,000.00		10,000.00		6,000.00		120,000.00	<ul style="list-style-type: none"> <li>• Progress reports</li> <li>• Financial records</li> <li>• Consultants' contracts and reports</li> </ul>	<ul style="list-style-type: none"> <li>• Funds are available when needed</li> </ul>
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**COST ESTIMATES AND FINANCING PLAN**  
**(Per Item)**  
 (\$)

<b>Item</b>	<b>Total Cost</b>
1. Consultants	
a. Remuneration	
i. International Consultants (1 person month)	10,000.00
ii. Domestic Consultants (6 person months)	18,000.00
b. Travel	5,000.00
c. Reports and Communications	2,000.00
2. Equipment	1,500.00
3. Workshops and Meetings	
a. SEAWUN Convention	20,000.00
b. Board and Executive Meetings	10,000.00
4. Website and Publications	
a. Data Book of SEA water utilities (printing and distribution)	10,000.00
b. IEC materials, e.g. magazines, brochures	5,000.00
c. Website development and maintenance	2,500.00
5. Promotion Campaigns	20,000.00
6. SEAWUN Administration Costs (rental, meetings, office consumables, staff salaries, etc)	10,000.00
7. Contingencies	6,000.00
<b>Total</b>	<b>120,000.00</b>

**COST ESTIMATE AND FINANCING PLAN**  
**Per Component**  
(\$)

<b>Item</b>	<b>Amount</b>	<b>Total Cost</b>
1. Organizational Strengthening		
1.1 Equipment	1,500.00	
1.2 Administration costs (office space rental, staff remuneration, etc.)	10,000.00	
1.3 Meetings (Board, Executive Committee, etc)	10,000.00	
	Sub-Total	21,500.00
2. Network Promotion		
2.1 Promotion Campaigns		
a. International	18,000.00	
b. Domestic	2,000.00	
2.2 Website development and maintenance	2,500.00	
2.3 IEC materials (magazine, brochures, etc)	5,000.00	
	Sub-Total	27,500.00
3. Knowledge Management & Capacity Building		
3.1 SEAWUN Convention		20,000.00
4. Performance Benchmarking		
4.1 Consultants		
a. International (data analysis; 1 person mo.)	10,000.00	
b. Domestic (data validation; 6 person mos.)	18,000.00	
c. Travel	5,000.00	
d. Communications	2,000.00	
4.2 Databook of SEA Water Utilities (printing & distribution)	10,000.00	
	Sub-Total	45,000.00
5. Contingency		6,000.00
<b>Total</b>		<b>120,000.00</b>

**Draft Charter**  
**Southeast Asian Water Utilities Network**

**1. GENERAL**

**1.1 Interpretation**

Terms used in this Charter have the following meaning:

"Network" means, South East Asia Water Utilities Network, the organization limited by guarantee and registered in Vietnam (company registration number...) the members of which are the members of the Network in Section 3.

"Member Countries" means the countries in South East Asia, which have been admitted to join the Network in accordance with Section 3.

"Network Member" means a body which is admitted to membership and continues to maintain membership of the Network in accordance with Section 3.

"the Board" means the Board of the Network as defined in Section 4.

"the President" means the President of the Network from time to time elected by the Board as defined in Section 4.

"the Executive Director" is the principal executive officer of the Network as described in Section 4.

"the Executive Committee" of the Network is defined in Section 4.

"Official representative(s)" shall be the person or persons appointed by a Board member to represent that Member on the Board.

"General members meeting" is a regular meeting of all members of the Network as defined in Section 5.

"The Ad-hoc Committees and Working Groups" are entities established by the Network in furtherance of carrying out its activities and as defined in the Charter

In this Charter words importing the masculine include the feminine.

**1.2 Name and Status**

- (a) The Network shall be known as the "South East Asia Water Utilities Network"; it may also be referred to by the abbreviation "SEAWUN.
- (b) The Network is an international, non-governmental, non-profit making, Organization of its members.
- (c) The principal office of the Network will be situated in Vietnam and its annual and long-term will be conducted according to Vietnamese law.

### 1.3 Compliance with Charter

- (a) The Executive Committee shall be responsible for ensuring compliance with this Charter and is hereby empowered to take whatever action is deemed appropriate for that purpose.
- (b) Where considered necessary, due consultations with the Board shall be undertaken.

### 1.4 Amendments

- (a) Any member of the Board or the Network may propose an amendment.
- (b) Amendments shall be decided at a General members meeting or by postal ballot.
- (c) The text of a proposed amendment to the Charter shall be sent out with the agenda for the next General members meeting.
- (d) Amendments shall take effect at such time as the Board shall specify.

## 2. OBJECTIVES, STRATEGIES AND ACTIVITIES

### 2.1 Objectives

#### 2.1.1 The long-term objective (goal) for which the Network is established is:

"To help the members improve their performance in the delivery of water supply and sanitation services. This includes improving efficiency in operation and management, achieving financial viability, and advocating for reforms in the sector to improve the policy environment."

#### 2.1.2 The short term objective for the Network is:

"To establish a strong regional, self-sustainable organization, which is demand driven, by focusing its activities on the key issues agreed upon by the members of the organization."

### 2.2 Strategies

#### 2.2.1 Annual and long-term plan

The strategy, priority activities, expansion plan and financial planning will be described in the annual and long-term plan of the Network. This plans will be prepared by the Board and adopted in the General members meeting.

#### 2.2.2 Key Strategies

The Network will seek to achieve its objects through the following strategies:

- Establishment & maintenance of secretariat and permanent office; Implement activities based on an regular annual and long-term plan, which includes
  - Key issues to be addressed.
  - Financial plan
  - Description of regional and cross-border projects
  - Fund-raising activities to sustain the organization
- Development and maintenance of database of information to be shared among the members;
- Posting of information and discussion of specific issues by use of e-mail and websites for communication

- Development of twinning agreements,
- Organising meetings, conferences and exhibitions, publishing reports, papers and periodicals in both hard and electronic form.
- Co-operating with other bodies with similar objectives or
- All other lawful things at the discretion of the Network which shall tend to further the promotion or attainment of the said objective.

## **2.3 Activities**

### **2.3.1 General**

Each fully paid up member of the Network has equal access to, and subject to capacity at any event, may take part in all activities organised or undertaken by the Network.

### **2.3.2 Principal Activities**

The principal activities of the Network are described in detail in the Annual and Long-term plan of the Network and shall consist of, but are not limited to, the following:

- Project activities with other bilateral and multi-lateral donor organisations with an interest in the objectives of the Network
- Co-operation with other international organisations with an interest in the objectives of the Network
- Specialised conferences/workshops/symposia/seminars (which may be accompanied by exhibitions), etc.
- Publications and other communications
- General Members Meeting (which may be accompanied by exhibitions) - Any other activity in accordance with the objectives of the Network.

### **2.3.3 Project Activities & Cooperation with other international Organizations**

The Network may enter into agreements with other international and/or regional organisations having similar objectives to the Network for the purpose of:

- Joint sponsorship and/or organisation of activities relevant to the objectives of each organisation.
- Exchange of information, publications, publicity and furthering the objectives and activities of each organisation;
- Participation in the meetings, conferences and activities of other organisations relevant to the activities and objectives of the Network.

Upon approval by the Executive Committee, observers from organisations with which the Network has agreements, may attend meetings of the Network for the purposes of better co-operation and co-ordination of activities.

### **2.3.4 Specialised Conferences I Workshops/Seminars**

These will focus on a single special subject in the field of water, wastewater and water quality and can be organised by one of the Member Countries but in accordance with the Annual and Long-term plans.

### **2.3.5 Publications**

The Network may produce and distribute its publications using its own direct resources, or in conjunction with publishers or other parties.

### **2.3.6 Honours and Awards**

The Network can establish a programme of honours and awards and the Executive Committee will review this periodically. For each honour or award an Operating Procedure shall be drawn up which shall specify:

- (a) Description of the award
- (b) Eligibility and criteria
- (c) Nomination and selection
- (d) Benefits of the award

## **3. MEMBERSHIP**

### **3.1 General Remarks**

#### **3.1.1 Membership**

Membership to the network is open to any public or private Water and Waste Water Utility from participating Member countries as described further in this Charter. The selection of network members, member rights and member duties are further described in Section 3.3

#### **3.1.2 Representation**

Each Member Country will be represented by one person in the Board of the Network. The selection of the representation, member rights and duties are further described in Section 3.2

#### **3.1.3 Voting rights**

Voting rights of each Member country is executed through the Board member (as country representative) and/or the Network members (Water Utilities). Voting rights of Board/Network members are further described in Sections 3.2 & 3.3

### **3.2 Member Countries**

#### **3.2.1 Founding Member Countries**

The Network has been founded initially by five countries: Indonesia, Vietnam, Philippines, Thailand and Malaysia. They become automatically Member Countries of the Network.

#### **3.2.2 Additional Member Countries**

Additional member countries, from the region of South East Asia, can only join after a positive decision by Board and endorsed later by the General members meeting in line with the expansion plan as described in the Long-term plan. Additional Member Countries can join only if they agree with this Charter.

#### **3.2.3 Member Countries : Rights and benefits**

Each Member Country has the right to nominate one country representative to sit in the Board of the Network. The nomination procedure can be determined by each member

countries National Water Supply Association, Rights and benefits of Board members is further described in Section 3.

### **3.2.4 Procedure for Applying for Country Membership**

Application for Country Membership shall be made in writing to the Board, in accordance with the appropriate Operating Procedure. The country shall be admitted as a Member Country of the Network subject to the Board being satisfied that the applicant is eligible for such membership in accordance with the Charter and Network expansion plans as described in the Long-term Plan,

### **3.2.5 Termination of Membership**

A Member Country may withdraw its membership of the Network by submitting written notice of such proposed withdrawal to the Board six months in advance of the proposed date of withdrawal. Notice of termination of membership must be given by 1<sup>st</sup> January of any year to be effective for that year. The Network may terminate immediately the membership of a Member Country which objectives, actions and activities cease to be in accordance with those of the Network or for non-payment of membership fees.

## **3.3 Network Membership**

### **3.3.1 Eligibility and Requirements for Membership**

Membership to the network is open to any public or private Water and Waste Water Utility from participating Member countries, which satisfies the requirements of the Charter. New members can only be admitted after recommendation by the board member of the member country and after paying the entrance fee and the annual subscription fee.

### **3.3.2 Number of network members**

The maximum number of members allowed per member country will be determined by the Board, endorsed during the General members meeting and included in the Long-term plan.

### **3.3.3 Membership Year**

The membership year shall be the calendar year, i.e. 1 January to 31 December.

### **3.3.4 Applications for Membership**

Applications for membership shall be made on the appropriate application forms available from the Board Member of the respective member country. Completed forms shall be sent to the Board Member of the respective member country. After approval by the Board Member they will be send on to the Executive director together with the annual subscription fee.

### **3.3.5 Entrance fee, Subscription Fees, Benefits and Rights**

The entrance fee, annual subscription, benefits and rights for network members shall be determined by the Board and endorsed in the General members meeting in accordance with the Charter.

**3.3.6 Enrolment**

Provided that the application meets the criteria laid down the Utility will be enrolled in the Network. Such membership shall date from 1 January of the year in which the member is enrolled.

**3.3.7 Termination of Membership**

- (a) Members may withdraw from membership of the Network on submission of written notice.
- (b) Such termination shall be effective from 31 December of the year in which such written notice is received by the Board Member of the respective member country, who will then inform the Executive Director.
- (c) The member whose membership is terminated for non-payment of the annual subscription may be re-admitted by following the procedure prescribed for new members.
- (d) Such members shall not be re-admitted until they have satisfied the Executive Director that they have met their financial obligations to the Network.
- (e) A member shall have the right of appeal against termination of membership and its benefits under the procedures laid down under Section 3.3.9 - Grievances of Members.

**3.3.8 Subscriptions Collected by Board Members**

In those cases where a member's subscription is collected through a Board Member, that Board Member shall be responsible for ensuring that the subscription is paid by 31 March in order to satisfy the general requirements of this Charter.

**3.3.9 Grievances**

Any grievance shall be submitted in writing to the Executive Director who shall forward this to the Executive Committee for consideration. Grievances that cannot be resolved by the Executive Director and/or the Executive Committee to the satisfaction of the member will be considered by the Board at its next meeting. All grievances must be adequately reported to the Board.

**3.4 Membership fees****3.4.1 General information**

- (a) Membership fees will be charged to both Member Countries, represented in the Board and Network members.
- (b) Each Member country and Network member shall pay all fees, as explained in 3.4.2 by the date specified by the Board
- (c) The Executive Director shall report the status of payment of such subscriptions to each meeting of the Board.
- (d) The membership fee structure shall be reviewed every year at the Board meeting associated with the General Member meeting.
- (e) Fees are payable by 1 January of each year. Members who have not paid by 30 June will have all benefits and rights of membership suspended until full payment is received.
- (f) Any Member Country or Network member reported as owing more than one year's entrance fees may be removed from the Network by the Board, unless that Member can show good cause why this should not be so.

### 3.4.2 Type of membership fees

- (a) Membership fees consists of an entrance fee and annual subscription fees
- (b) Membership fees are charged according to the following system:
  - "Base fee" for all entrance fee payments, for both member countries and network members.
  - The "Base fee" will be applied also as annual subscription fee for member countries
  - Annual subscription fees for Network members will be depending on their annual revenue, according to the following table:

AnnualRevenue	Annual subscri • tion fee
< 10 million US\$	1x Base fee
10 - 50 million US\$	2 x Base fee
50 -100 million US\$	3 x Base fee
> 100 million US\$	4 x Base fee

**Table 1: Annual subscription fee network members**

- (c) The "Base fee" will be calculated in such a way that the total revenue from the member countries and network members matches at least the operating cost of the Network (secretariat, board meetings, executive committee, etc) as prepared by the Board and included in the Annual and long-term plan.
- (d) Additional revenue from sponsorship, seminars and donor support will be utilized for project activities.
- (e) If the "Base fee" becomes too high to cover all Network operating cost, the Network can request support from sponsors or donor to assist in covering the operating cost, but this can only be done as a temporary measure. A plan should be in place to phase out this subsidy of operating cost as soon as possible.

## 4. MANAGEMENT

The management structure of the Network comprises:

- 1) the Board
- 2) the President
- 3) the Executive Committee
- 4) Entities established by the Board in accordance with the Bylaws
- 5) the Executive Director and Headquarters Staff

### 4.1 Board

#### 4.1.1 Function of the Board

The functions of the Board shall include but are not necessarily limited to:

- (a) Management of the affairs and annual and long-term of the Network and the commitment and disposal of its funds and to be responsible for the exercise of all the powers of the Network, all in accordance with specific requirements published in the Charter.
- (b) Establish an Executive Committee and, when deemed necessary, other entities and bodies including incorporated companies, determine their composition and

appoint their chairmen and members and delegate to them such functions of the Board and of the Network as it sees fit.

- (c) Review of the activities of all such Committees and other entities
- (d) Formulation of Network Charter
- (e) Prepare, review and update the Network Annual and long-term plan, in time for each General Members meeting
- (f) Determination of member benefits and fees
- (g) Consider applications for Member Countries membership
- (h) Determine date and venue of each General Member Meeting and appoint General Member Meeting President
- (i) Promote the Network's publications, projects and activities
- (j) Initiate and/or approve and support as appropriate specialised conferences and workshops held in their own countries or group of countries
- (k) Periodic review of the Charter
- (l) All such other functions and activities as are necessary for the proper operation of the Network

#### **4.1.2 Nomination of Board Members**

One Board member is nominated by the official Water Supply Association of each participating Member country in the Network. That Board member is the official representative of the Member Country within the Network. The initial period for nomination is five years and can be renewed for periods of five years.

#### **4.1.3 Board Membership fee**

It is a condition of board membership that member country fees, as explained in Chapter 3.4 of this Charter are paid by the official Water Supply Association of that member country. There shall be no additional fees for Board membership.

#### **4.1.4 Duties of Board Members**

In addition to the responsibilities of board membership as defined in Section 4.1.1, Board Members, in support of the Network objectives, are required:

- (a) to attend its meetings, as much as reasonably practicable, and respond in timely fashion to annual and long-term done by (e)mail.
- (b) to promote Network membership, specially in his own country
- (c) to recommend the Water Utilities, which can join as Network Members, in accordance with relevant articles in this Charter.
- (d) to support all other relevant activities of the Network.
- (e) to report as requested to each Board meeting and General members meeting on their activities since the previous meeting.
- (f) to notify the Executive Director immediately in writing of any change in their official representative(s).

#### **4.1.5 Voting Procedures**

- (a) Only the official nominated persons are entitled to vote on the Board.
- (b) Each Board member shall have one vote on the Board.
- (c) All votes shall be cast in person, not by proxy.
- (d) Except as otherwise provided in this Constitution, questions arising at a meeting of the Board shall be decided by a simple majority vote of those present. In the case of equality of votes, the President shall have a second or casting vote.

#### **4.1.6 Meeting Procedures**

- (a) The Board shall meet at intervals to be decided but not less than once per year (if possible during the General Member meeting).
- (b) It may meet at such other times as may be decided by the President or by not less than one half of the total number of Board members provided that not less than 3 months' notice of such a meeting shall be given.
- (c) Not less than half of the total number of Board Members shall be represented at a meeting of the Board to constitute a quorum.
- (d) If a quorum is not present, or if the President determines that a quorum will not be present, then the Executive Committee shall be entitled by a quorum vote to declare that the issues to be decided are essential to the operation of the Network; the Board may then proceed to meet to deal with those issues.
- (e) Where an official representative cannot attend a Board meeting, an alternate may be nominated. The name of the alternate must be communicated to the Executive Director and the President before the meeting.
- (f) The Executive Director of the Network shall be entitled to attend Board meetings but not to vote.
- (g) The Board may from time to time co-opt persons to participate (without voting rights) in the activities of the Board.
- (h) All written reports for Board meetings shall normally be submitted four weeks in advance of the meeting and shall be circulated to all Board members.
- (i) The Board may adopt rules of procedure and may from time to time amend, alter, add to or rescind such rules in whole or in part.

#### **4.1.7 Business by Mail**

If a decision is required of the Board between scheduled meetings the Board may conduct its business by mail, which may be surface mail, fax or e-mail. To meet the requirements of the Constitution on meetings and voting the requirements on quorum in Article 11.5 and voting in Article 11.4 shall apply.

#### **4.1.8 Ad Hoc Committees**

The Board may establish ad hoc committees for specific tasks which can be completed within a limited timescale. Each ad hoc Committee shall be dissolved upon completion of its task.

#### **4.1.9 Delegation of Powers**

The Board may delegate certain powers to the President, Executive Committee, its Committees and the Executive Director.

#### **4.1.10 Finance**

Board Members shall ensure their complete financial independence and shall not involve the Network in any financial expenditure except for such activities contemplated in these Charter for which proper authorisation has been first obtained.

#### **4.1.11 Grievances**

Any grievance of a Board Member which relates to compliance with the Constitution or with the Charter or their interpretation should be submitted in writing to the Board. An initial response may be made by the Executive Committee and executed by the Executive Director.

## **4.2 Network President**

### **4.2.1 Period of President**

- (a) The First President is elected for a three year period ; subsequent presidents are elected for a two year period.
- (b) In the case of the death, resignation, absence or incapacity of the President, then the Board shall elect one of its members to do so.
- (c) If the office of President falls vacant between two Board meetings, the Board members, in consultation with the Executive Director, shall appoint a replacement from among the Board members to serve until the next Board meeting

### **4.2.2 Nomination of President**

- (a) candidates shall be drawn from members with a minimum of two years experience on the Board, except in exceptional circumstances
- (b) the Executive Director shall, at least six months before the appropriate Board meeting seek nominations from the Officers and Board Members.
- (c) All nominations must be seconded by a Board Member.
- (d) The sitting President cannot be re-elected.
- (e) No person may be nominated unless he has indicated to the proposer and seconder his willingness to serve if elected.
- (f) Nominations must be returned to the Executive Director two months before the Board meeting to be eligible for inclusion in the subsequent election.
- (g) A list of person nominated for the presidency shall be circulated to voting members of the Board one month before the date of the meeting.

### **4.2.3 Election**

- (a) Election of president shall be by open ballot during a meeting of the Board
- (b) The successful candidate will be the person who receives the most votes.
- (c) In the event of a tie, an opportunity will be given for any candidates to withdraw, then the election will be held again.
- (d) If upon another vote, there is a further tie, then the existing President shall have a second or casting vote.

### **4.2.4 Duties**

- (a) The President shall act as the principal Officer and spokesman of the Network and promote the attainment of the objectives of the Network.
- (b) The President shall preside over all meetings of the Board and the Executive Committee and shall be responsible for ensuring the execution of Board and Executive Committee decisions.
- (c) The President shall be an ex-officio member of all entities of the Network.

### **4.2.5 Delegation**

The President shall be entitled to delegate to either Executive Director, or any member of the Board such duties and responsibilities as he thinks necessary for the proper conduct of the affairs of the Network. The President shall, at the earliest opportunity, advise the Board of any such duties and responsibilities so delegated.

## **4.3 Executive Committee**

### **4.3.1 Composition**

The Executive Committee shall consist of: President and Executive Director. cooption of other members (without voting rights) for specific purposes in connection with the Network's annual and long-term is allowable.

### **4.3.2 Functions**

The functions of the Executive Committee shall be:

- (a) to prepare the regular Annual and long-term Plan, in accordance with the Network Objectives and Strategies as described in Section 2.
- (b) to manage, report and advise on the affairs of the Network and to be accountable for the financial, administrative and technical functions delegated to it by the Board.
- (c) to submit for approval a statement on the financial affairs of the Network and the Company to each meeting of the Board.
- (d) to establish ad hoc committees, within the limits of its powers, for specific tasks of an administrative nature.
- (e) to call a Board meeting

### **4.3.3 Meetings**

- (a) The Executive Committee shall meet at intervals to be decided but not less than twice per year.
- (b) A meeting of the Executive Committee will normally be held immediately before a Board meeting.
- (c) The Executive Committee may otherwise meet as and when the President may consider necessary.

### **4.3.4 Reporting**

The Executive Committee shall submit and circulate, in advance of each Board meeting, a written report on its activities and those of the Ad-hoc committees report on a regular basis to the Board, the deliberations and decisions at its meetings.

### **4.3.5 Business by Mail**

If a decision is required of the Executive Committee between scheduled meetings the Executive Committee may conduct its business by mail, including electronic communications.

## **4.4 Ad-Hoc Committees and other Entities**

The Board may set up such Committees as it sees fit and shall draw up Operating Procedures for each Council and Committee which shall specify:

- (a) Terms of reference
- (b) Composition and appointments
- (c) Terms of office
- (d) Reporting procedures
- (e) Financial support for member attendance, if any.
- (f) General rules of procedure including voting, delegation of powers, termination and dissolution

- (g) Secretarial support.

#### **4.5 Executive Director and Secretariat**

##### **4.5.1 General Remarks**

- (a) The Headquarters Staff shall consist of an Executive Director and such staff and administrative structure as decided from time to time by the Board.
- (b) The Executive Director shall be appointed by the Executive Committee and be answerable to the Board through the Executive Committee, on terms and conditions of service determined by them.
- (c) The detailed composition of the headquarters staff shall be determined by the Executive Committee in consultation with the Board.
- (d) If the office of Executive Director becomes vacant the President shall nominate a suitable person to carry out the duties of the Executive Director until the Board meets and a new appointment can be made.

##### **4.5.2 Duties of the Executive Director**

- (a) To serve as the Managing Director (and Secretary) of the Network.
- (b) To make necessary appointments and termination of appointments of Headquarters staff to ensure the efficient conduct of Network activities.
- (c) To report to each meeting (Executive Committee, Board meeting and GMM) on the status of the headquarters.
- (d) To carry out the day to day work, including record keeping of the Network (e) To keep proper accounts and to obtain the contributions from the members (f) To spend the Network funds in accordance with the decisions of the Board, and guided by the Annual and long-term plan.

#### **5. GENERAL MEMBER MEETING (GMM)**

##### **5.1 Timing**

The General Member Meeting (GMM) shall take place on a regular basis as prescribed in the Charter, normally every two years.

##### **5.2 Purpose**

The purpose of the GMM, is amongst other the following:

- (a) Platform of exchange of experience between Network members
- (b) Analyse achievement of Network in line with the existing Annual and long term plan, for the previous period.
- (c) Adopt the new annual and long-term plan, as described in Section 2, for the period until the next GMM
- (d) Reach agreement on amendments to the Charter of the Network
- (e) Fundraising opportunity for Network to finance new or ongoing network activities

##### **5.3 Hosting GMM**

Hosting of the GMM shall be done according to the following regulations:

- (a) The selection of host country, method of organisation and the responsibilities of all aspects of the General Member Meeting will be decided by the Board.
- (b) The organisations of the programme for the General Member Meeting and supporting activities shall be guided by the Board.
- (c) Member Countries wishing to host a GMM shall be responsible for:
  - i. submitting a written invitation to the Board

- ii. the full organisation of the GMM
  - iii. the nomination of a GMM President
  - iv. providing assurance that the GMM location has good access by air
  - v. providing assurance that entry visas will be granted to all bona fide delegates who apply within reasonable time.
- (d) Sponsoring of the GMM or any component part shall normally only be accepted from organisations in the public sector or from groupings of industrial or commercial companies, consistent with the objectives of the Network, the final decision on any funding being taken by the Executive Committee.

#### **5.4 GMM President**

The Board shall appoint a GMM President on the recommendation of the host country of the next GMM. He shall serve as GMM President from his appointment until the end of that congress.

He shall be a non-voting member of the Executive Committee from a period of six months before the next GMM over which he presides (unless he is already either an Officer or an official representative of a Member Country).

### **6. ADMINISTRATION**

#### **6.1 Financial Management**

- (a) The Executive Director shall be responsible for the day to day financial management of the Network accordance with the Operating Procedures.
- (b) The books of accounts of the Network shall be kept at the principal office of the Network and shall always be open to the inspection of the Board.
- (c) The accounts of the Network shall be subject to annual audit and copies of the audited accounts shall be sent to each member of the Board,
- (d) Estimates of income and expenditure for the forthcoming year shall be submitted to the Board for prior approval.
- (e) Guidelines for the financial management of the Network shall be approved by the Executive Committee, which shall review and update the guidelines as appropriate.
- (f) The funds of the Network shall be kept by the Executive director in the name of the Network or otherwise as the Board shall direct and no payments shall be made there from except those authorised by the Executing Committee.
- (g) The Board shall appoint auditors who shall not be members of the Board, who shall examine and certify the books and annual accounts of the Network, such accounts being made up to 31<sup>st</sup> December in any year or such other date as the Board may determine.
- (h) The Executive Director shall provide at each meeting of the Board and Executive Committee:
  - financial reports on the activities of the Network since the previous meeting together with, annually, copies of the audited accounts.
  - his estimates of income and expenditure for the ensuing period between that meeting and the next meeting.

#### **6.2 Liabilities**

In case it shall be necessary to bring or defend any legal proceedings on behalf of, or in the interests of the Network for any purpose whatsoever, the Board shall have power to

bring or defend the same in the name of the Executive Director or any Officer or Officers of the Network.

The Network shall indemnify the members of the Board and the members of the Executive Committee against personal liability or loss incurred by them in the course of their duties, provided that such liability or loss was incurred in respect of actions properly undertaken in the course of discharging their functions undertaken with the agreement and authority of the Board.

### **6.3 Amendment of Charter**

A proposal to amend the Constitution of the Network (including a proposal for the merger of the Network with any similar body) may be made by the Board or any of its members.

Amendments can be made by the Board, but need to be endorsed by the next General Members meeting to be permanent.

The text of the proposed amendment must be submitted in writing to the President and Executive Director. They shall ensure that the proposal is included in the Agenda for the next board and general members meeting.

On any proposal for the amendment of this Constitution a vote shall be taken and at least one-half of the total Members must vote either in person via their official representatives or by post in accordance with the Bylaws. Two-thirds of those voting must be in favour of the proposal for it to be carried. An amendment shall take effect at such time as the Board shall specify.

### **6.4 Dissolution of the Network**

A proposal for the winding up or dissolution of the Network shall be dealt with in accordance with the provisions of Section 17 of this Constitution as if it were a proposal to amend the Constitution.

In the event of the winding up or dissolution of the Network any assets, of whatever kind, belonging to the Network shall be given or transferred to some other charitable body or bodies having objectives similar to those of the Network and the company and which prohibit or restrict the distribution of its or their income or property amongst its or their members, such body or bodies to be determined by the Board at or before the time of dissolution and if and so far as effect cannot be given to the foregoing provision, then to some other charitable object.