

Small Water Enterprise (SWE) Alliance – Roundtable Discussion 1  
Impact of the FSSAI Regulation amendment dated 29<sup>th</sup> Jan 2019 on SWEs  
Pre-Read



## MESSAGE FROM POONAM SEWAK, TRUSTEE, SAFE WATER NETWORK INDIA

Dear Participants,

I am happy to welcome to the first deliberation of SWE Alliance on FSSAI regulation amendment dated 29th Jan 2019 and its impact on Water Vending Machines (Small Water Enterprises: SWEs).

When we had interacted with the FSSAI official during the 2018 “Beyond the Pipe” Forum, ‘Small Water Enterprises to Mitigate the Drinking Water Challenge”, we had requested six months for the sector to prepare for the implementation.

The SWE Alliance meeting is called urgently in light of the recent notification calls for immediately implementation. We need to discuss and understand its impact, method of compliance as well as its cost.

This notification will apply to an Estimated 40,000-50,000 Small Water Enterprises set up by the Government, NGOs, private players and philanthropists,

This notification and its implementation may impact the basic viability of the SWEs. We therefore need to collaborate to put forth our common view to the authorities.

I would like to thank WaterHealth India for extending the hosting facilities in their offices and all the SWE participants, who have agreed to come in at a very short notice.

We look forward to your meaningful participation and ideas to forge a strong sector.

A handwritten signature in blue ink that reads "Poonam Sewak".

**Poonam Sewak**  
*Trustee*  
Safe Water Network India

## Discussion Topic: FSSAI regulation amendment dated 29<sup>th</sup> Jan 2019 and its impact on Water Vending Machines (Small Water Enterprises: SWEs)

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In this roundtable discussion, we seek perspectives and alignment on the ramifications of the recent amendment issued by FSSAI applicable to water dispensed from vending machines.

### Background:

FSSAI, vide its notification dated 29<sup>th</sup> Jan 2019 has issued the following amendment to the existing Food Safety and Standards (Food products and food additives) 2011.

1. (1) *These regulations may be called the Food Safety and Standards (Food Products Standards and Food Additives) First Amendment Regulations, 2019.*

(2) *They shall come into force on the date of their publication in the Official Gazette.*

2. *In the Food Safety and Standards (Food Products Standards and Food Additives) Regulations, 2011, in regulation 2.10, after sub-regulation 2.10.8, the following sub-regulation shall be inserted, namely:-*

*2.10.9 Drinking Water (Purified) –*

*(1) means water, other than packaged drinking water and natural mineral water which is offered or sold through vending machine*

*(2) Drinking Water (purified) shall be clear without any sediments, suspended particles and extraneous matter which shall also comply with the requirements of Indian Standards IS: 10500.*

*Explanation. - For the purposes of this sub-regulation, “water vending machine” means decentralised water purification systems that purify and dispense waters and does not include installation intended for use of water for captive consumption.*

As per this amendment, all the water vending machines installed by the Small Water Enterprises will fall under the purview of FSSAI and need to comply to the requirements. Hence this amendment will have multiple ramifications on the SWE sector, especially in terms of sustainability and further expansions.

### Discussion Points:

1. How will the SWEs ensure compliance to this regulation? There needs to be an understanding on whether there is a need of FSSAI license or registration for every SWE station/ vending machine or just a need to comply with the IS 10500 standards for drinking water.

2. There seem to be some prerequisites for FSSAI license such as Ground Water permissions, SPCB permissions, MOEF permissions etc. Can these requirements have an impact on sustaining the existing water stations and more importantly on rapidly expanding SWEs?
3. As per the regulation, water from dispensing machines should comply to the Drinking Water standards IS: 10500. Accordingly, what water test requirements will be applicable namely:
  - i. IS 10500 specifies tests of approximately 68 parameters (physical, chemical, radioactive, pesticides, bacteriological, virology, biological). The one-time cost of these tests can be upwards of ₹ 30,000. Hence we can expect a significant impact on operational costs and its impact on the viability of the program. What would this cost be versus the average revenue per SWE?
  - ii. IS 10500 does not specify the test frequency. Hence what frequency shall be applicable in the case of SWEs? Whether the tests conducted once at the time of registration be valid for the entire period of license/registration?
  - iii. What methodology should be followed in case of deviations?
  - iv. Since FSSAI is now regulatory authority with respect to the quality, would the others (BIS, Health Authorities, Rural WSS, PHED, Municipal Authorities, Revenue Officials) not have the jurisdiction to regulate the SWEs?
  - v. What is the process of review and who can the Operators or Implementers approach to remedy seizure or closure of a plant, or to address imposed penalties?
  - vi. What laboratories in each state should have responsibility for testing water quality and issuing authentic test certificates of water purification plants and vending machines? Are Government labs included in this list so that affordability can be ensured?
4. The notification mentions that the notification comes into effect immediately. However, given the scale of the task, there needs to be an urgent preparation done by the sector.
5. Considering past experiences wherein the stations have been questioned/shut by FSSAI inspectors without legitimate reason, what should the way forward future to deal with such instances?
6. The new FSSAI requirements will also apply to the government commissioned water vending machines or SWEs. The implications of the same on running contracts needs to be discussed.

## Ask

What joint representation can be put up by the Alliance to the concerned authorities to carve out a methodology which ensures compliance to drinking water standards so that it does not create a bottleneck in expanding Small Water Enterprises?

# ABOUT SMALL WATER ENTERPRISE ALLIANCE

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## MISSION

**The Small Water Enterprise Alliance focuses concerted efforts to seek policy reform and promote the creation of an enabling ecosystem for SWE expansion.**

A nonprofit led by SWE professionals, the SWE Alliance, will serve as the national professional body to mainstream SWEs as a complementary drinking water solution to piped water, and promote their adoption in the national drinking water plans with allocated budgets especially in high water quality stress areas where there are challenges of safe drinking water availability and access. The SWE Alliance will work on policy issues, interfacing with innovators and thought leaders to enhance efficiency, competitiveness and business opportunities for SWEs for their expansion and scale up. In addition, the SWE Alliance sensitizes the government and other stakeholders on vital professional issues and seeks support to advance SWEs in all aspects for the public good.

## OBJECTIVES:

- o Act as a catalyst to promote public health and realize societal good through the delivery of safe water.
- o Advise the government and policy makers on matters of professional importance working continuously to upgrade the standards and professionalism of the sector with respect to affordability, reliability and sustainability of SWEs.
- o Identify key challenges for the SWE sector related to institutional, regulatory, and financial issues and develop specific recommendations to be addressed by policy makers.
- o Promote scientific and technical research along with piloting technologies to improve and support SWE performance and expansion.
- o Develop training programs for professionals from NGOs, industry, academics, regulatory and practice to increase sector capacity.
- o Share best practices and learnings to facilitate cross-sector learning and develop standards for the sector
- o Promote the causes of the profession, heightening visibility of benefits of SWEs by disseminating the case for SWEs and best practices and learnings through articles, reports, books, and through various other media, as well as seminars, symposia, conferences and exhibitions
- o Provide a platform for pooled funding by large multi-lateral and bi-lateral organizations to scale SWEs



**SWE ALLIANCE**

The Centrum, TB-3, Room 1, 3rd Floor, 369-370  
Main Mehrauli-Gurgaon Road, Sultanpur  
New Delhi 110030 India

**Email:** [info@swealliance.org](mailto:info@swealliance.org)

**Web:** [www.swealliance.org](http://www.swealliance.org)