



**SUPPLEMENT No. 2**

TO

THE CYPRUS GAZETTE No. 3787 OF 21ST OCTOBER, 1954.

LEGISLATION.

---

---

**THE STATUTE LAWS OF CYPRUS**

**No. 52 OF 1954.**

A LAW TO AMEND THE WATER SUPPLY (MUNICIPAL AND OTHER AREAS) LAWS, 1951 AND 1952. 20 of 1951  
21 of 1952

J. FLETCHER-COOKE,  
*Governor's Deputy.*

[19th October, 1954.]

**B**E it enacted by His Excellency the Governor and Commander-in-Chief of the Colony of Cyprus as follows:—

**1.** This Law may be cited as the Water Supply (Municipal and Other Areas) (Amendment) Law, 1954, and shall be read as one with the Water Supply (Municipal and Other Areas) Laws, 1951 and 1952 (hereinafter referred to as "the principal Law"), and the principal Law and this Law may together be cited as the Water Supply (Municipal and Other Areas) Laws, 1951 to 1954. Short title.  
20 of 1951  
21 of 1952

Amendment  
of section 19  
of the  
principal  
Law.

2. Section 19 of the principal Law is hereby amended as follows :—

(a) by the insertion therein of the following proviso (the full stop at the end thereof being substituted by a colon) :—

“ Provided that the Governor-in-Council may, before granting his authority for the compulsory acquisition of an undertaking, require the compensation to be paid in respect thereof to be first ascertained in the manner provided by the immediately following provisions of this section.” ;

(b) by the insertion therein, immediately thereafter of the following sub-sections (the existing part thereof together with the proviso now inserted being numbered as sub-section (1)) :—

“(2) Where the Governor-in-Council has required under the proviso to sub-section (1) the ascertainment of the compensation the Board shall serve on the water undertaker concerned a notice in writing (in this Law referred to as ‘ the notice of the proposed acquisition ’) informing him of the proposed acquisition, specifying the date upon which it is proposed to acquire the undertaking and calling upon him to have the compensation to be paid in respect thereof agreed upon or in default thereof determined by arbitration.

(3) If within one month from the serving of the notice of the proposed acquisition the compensation payable by the Board is not agreed upon, such compensation shall be determined by arbitration under the provisions of the Arbitration Law, or any Law amending or substituted for the same, in accordance with the principles set out in sub-section (2) of section 21, by reference to two arbitrators, one to be appointed by each party, and every such reference shall be deemed to constitute an arbitration agreement within the meaning of the said Law :

Provided that in determining such compensation the date specified in the notice of the proposed acquisition shall be deemed to be the date of acquisition.

(4) If the Board considers that the amount of compensation to be paid in respect of the acquisition as determined by the arbitrators is such as to be against public interest to proceed with the proposed

acquisition the Board may, with the authority of the Governor-in-Council, withdraw, by a notice in writing served upon the water undertaker, the notice of the proposed acquisition.

(5) If the Board withdraws a notice of the proposed acquisition in accordance with sub-section (4) the Board shall pay to the water undertaker any expenses reasonably incurred by him as a result of the service of such notice.

(6) For the purposes of this section a notice may be served either personally or by a double registered post."

3. Section 22 of the principal Law is hereby amended by the substitution for paragraphs (a) and (b) thereof of the following paragraphs :—

Amendment  
of section 22  
of the  
principal  
Law.

"(a) the Board shall, subject to its other commitments and obligations under this Law, continue to supply every such person, during the period for which such person would have been entitled thereto, with the same quantity of water supplied to him, at the time of the acquisition, for his reasonable domestic needs, by the former water undertaker.

For the purpose of this paragraph the quantity of water supplied by the former water undertaker to such person at the time of the acquisition for his reasonable domestic needs shall be deemed to be, in default of agreement, the share which he was entitled to receive, in the total quantity of water actually supplied by the former water undertaker to the persons entitled thereto at the time of the acquisition ;

(b) the person so supplied shall pay the same rates or charges paid by him at the time of the acquisition for the period for which such person was entitled to pay such rates or charges to the former water undertaker :

Provided that if the quantity of the water supplied is more than that supplied to him at the time of the acquisition or if its quality is improved, the Board may impose such additional rates or charges, as it may deem fit, but so that the rates or charges payable by such person shall not exceed the rates or charges payable under this Law by any person, who had no share in, or any other right over, the water of the undertaking :

Provided further that, where no uniform rates or charges were paid, at the time of the acquisition, to the former water undertaker by all persons supplied with water, such person shall be deemed to have paid as rates or charges, for the purposes of this paragraph, an amount representing his share in the total amount actually paid in respect of the annual rates or charges to the former water undertaker at the time of the acquisition ;”.

Amendment of the principal Law by the insertion of new heading and sections 22A and 22B.

4. The principal Law is hereby amended by the insertion therein, immediately after section 22, of the following new heading and sections :—

*“ Power to dispose of undertaking.*

Power to the Board to dispose of an undertaking by agreement.

22A. If an undertaking of a water undertaker vested in a Board by virtue of the provisions of this Law is no longer required for the discharge of any of the functions of the Board under this Law, or if it appears to the Board to be impracticable or inexpedient to retain such undertaking the Board may, with the authority of the Governor-in-Council, dispose of such undertaking to any person under such terms and conditions as may be agreed upon between the parties.

Power to the Board to propose return of undertaking.

22B.—(1) If within three years from the date of the acquisition by a Board of the undertaking of a water undertaker under the provisions of this Law and before the compensation therefor is agreed upon or determined, it appears to such Board that, having regard, amongst other considerations, to the amount of the compensation involved and the impracticability or inexpediency of the retention of such undertaking, it will be against public interest to continue to retain such undertaking, the Board may, with the authority of the Governor-in-Council, propose the return of such undertaking to the former water undertaker under the immediately following provisions of this section.

(2) The Board in such a case shall give to the former water undertaker at least one month’s notice informing him of its intention to return the undertaking to him and calling upon him to declare, within such period, whether he is

willing to accept the return to him of the undertaking on such terms as may be agreed upon or, in default of agreement, as may be determined by arbitration.

(3) If the water undertaker expresses his willingness to accept the return to him of the undertaking then in default of agreement as to the terms of such return the following provisions shall have effect :—

Cap. 5.

(a) the matter shall be referred to arbitration under the Arbitration Law, or any other Law amending or substituted for the same, of two arbitrators, one to be appointed by each party, and every such reference shall be deemed to constitute an arbitration agreement within the meaning of that Law ;

(b) in determining the terms of the return of the undertaking the arbitrators shall take into consideration the following :—

(i) the condition of the physical assets at the date of the acquisition and at the date of the return due regard being given to fair wear and tear ;

(ii) the rights and liabilities of the former water undertaker vested in the Board and the value of any book debts or other monies and of the rights and liabilities proposed to be returned, and any necessary adjustment required for the purpose ;

(iii) an adjustment between the expenses incurred and the revenue collected by the Board for the running of the undertaking during the period the undertaking was vested in the Board ;

(iv) the value of compensation water supplied by the Board under the provisions of section 22 during the period the undertaking was vested in it ;

(v) the fact that the water undertaker will be permitted to function as such within the area of supply.

(4) If the water undertaker refuses to accept the return to him of the undertaking the

arbitrators, in determining the compensation under the provisions of section 21, shall, in addition to the considerations specified in sub-section (2) thereof, have regard to the readiness and willingness of the Board to return the undertaking to the water undertaker and to the bearing of this last consideration upon the others.

J. FLETCHER-COOKE,  
Colonial Secretary.

19th October, 1954.