The effect of public or private structures in wastewater treatment on the conditions for the design, construction and operation of wastewater treatment plants

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Operators of wastewater utilities in the world

- Ondeo: 62.6 million people
- Vivendi Water: 48.1 million people
- RWE: 45.0 million people
- United Utilities: 20.9 million people
- Saur UK: 17.1 million people
- Severn Trent Water: 15.2 million people
- Anglian Water: 8.2 million people

6.2 billion people

- Public services (80%)
- Private companies (16%)
- Not connected to sewers (4%)


Comprehensive Water Resources Management in the Ruhr River Basin

Water Quantity Management
- 8 reservoirs
- catchment area of reservoirs
- 47 Waterworks
  - of which 23 are AWWR-Members

Water Quality Management
- 83 wastewater treatment plants
- 5 impounding lakes
- 503 stormwater treatment plants
Some features of wastewater treatment

* vital to human life and health and the environment

* monopolistic by nature (local ties)

* no real 100% deregulation possible

* Prerequisites for success:  
  - know-how
  - financial resources
Different modules of a complete wastewater treatment

* financing of the erection of the plant
* planning and design of the treatment process
* erection of the plant
* operation
* fixing of the fee
* collection of the fee

- theoretically all modules (besides fixing of the fee) can be handled by private or public institutions;

- there are many different forms how to mix public and private responsibilities (6 moduls: 64 constellations!)
Possibilities to influence the yearly costs of sewage treatment

The total amount depends largely on the desired treatment goal.

Cost array which can be influenced (e.g., by design decisions, expectations concerning comfort and durability of construction and equipment-elements, mode of tendering procedure).

Cost array which can hardly be influenced (depending e.g., on the expectations concerning architecture and landscaping, on the amount of required compensation measures, on the safety standards, on the way permit violations are handled by the authorities).

Theoretical minimum of costs if all possibilities to minimize the costs are applied (can differ from country to country even if treatment goals are the same).
Range of solutions

all public  ⟷  mixed forms  ⟷  all private
Often quoted advantages of private over public wastewater treatment

* lower costs due to:
  - competition
  - synergisms (larger entities, redundancy of cases, level and transfer of knowledge)
  - better work ethics of private employees
  - less direct influence from political sides on the mode of solutions and organisation

* „private capital“ instead of public

* transparency of subsidisation
Often quoted advantages of public over private wastewater treatment

* lower costs due to
  - non profit
  - no temptation from monopolistic business

* easier to match with political decisions concerning city planning etc.
  (more adjustable to later changes without new bargaining of contracts)

* greater willingness to achieve environmental goals
  (often in opposite to profit)
Some objective differences between public and private entities

* private entities have to focus on
  - profit
  - contract period

* different access to tender modes

* different ways (possibilities) to acquire manpower
Range of solutions

all public  →  mixed forms  →  all private
Public completion of tasks  
- recommendations to public side -

ensure:

* cost awareness
* efficiency
* quality of
  - management
  - staff
* appropriate tender modes

prevent:

* nepotism
* corruption
* abuse of money
More Like a Business
Think private to stay public

- ‘Pharm-Ecology,’ p. 17
- Endocrine disruptors, p. 22

Conference wrapup
Watershed Management: Moving from Theory to Action, p. 24
Private completion of task
- recommendations to public side -

ensure:
* low fees
* equal footing
* wise contracts
* clear interfaces

prevent:
* unjustified profits
* subsequent changes of contracts
* bribery and corruption
PRESS RELEASE

New Executive Secretary appointed at the
Global Water Partnership

For more information on this appointment, for interviews, and for information on the
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The Global Water Partnership (GWP) has appointed Mr. Emilio Gabriele, currently serving as Managing Director of Thames Water Do Brasil, as its new Executive Secretary. Mr. Gabriele takes up his appointment — based in the GWP Secretariat in Stockholm, in Sweden — on January 1, 2003. He will replace Mr. Khalid Mubarak, who retires this year after successfully serving the GWP since March 1996.

Emilio Gabriele, holding both Italian and Australian citizenship, has a degree in Chemical Engineering from the University of Bologna in Italy. He also holds a postgraduate certificate in Systems Analysis from the same University.

"Joining the Global Water Partnership will allow me to follow up several key issues close to my heart," Gabriele says. "I have been preoccupied for some years by the fact that good water projects did not achieve optimal results unless the policy frameworks were made effectively. In the private sector one cannot always give priority to what is best for the people irrespective of the company's interests. So one of the exciting challenges I see in joining GWP is working with GWP's partners to deeply analyse and encourage innovative policies that will actually result in better water resources management in the countries where we work."
Criteria for „Make-or-buy-decisions“

* identification of fundamentals, basic elements and interfaces
* quality targets, safety, reliability
* specific pros and cons, conditions, criteria
* medium- and long-term structural effects
* additional costs
* affecting changes on the market
* situation under possibly changing conditions
Water prices (sum of potable water and wastewater) in France (€ per year) – for an annual use of 120 m³

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from „La réforme de la politique de l’eau“;
Conseil Economique et Social;
Journal officiel de la République Française

in „Water in Public Hands“ by David Hall, PSIRU, University of Greenwich commissioned by Public Services International
Conclusions (I)

* the issue „public or private“ is not off-limits (a tabu)

* many different forms of PPP

* no general superiority of any specific form

* today about 80 % in public hands
Conclusions (II)

* the customer pays in all cases (if no subsidy)

* If private:
  - equal footing
  - clear, wise contracts
  - clear interfaces
  - maintaining skills to prevent to be at the mercy of somebody else
  - tight control of economical behaviour and environmental standards