



FINANCIAL SUSTAINABILITY OF WASTEWATER MANAGEMENT IN THE DANUBE REGION: SUMMARY AND CONCLUSIONS



SUMMARY MESSAGES

SESSION 1

Rado Russev (WB):

- The case for **reinvestment**

Xavier Leflaive (OECD):

- Better use of **scenarios and flexible solutions**

Balazs Horvath (EUSDR):

- Complementarity of **EU Funding Sources** (Infrastructure – capacity – research) – OPE, Next Generation EU, Horizon, Interreg program

SESSION 2

Christian Minelli (WAREG):

- **“Regulation pushing to innovation”** and transfer/sharing of benefits with consumers

Gabor Kisvardai (Hungarian Energy & Water Regulator):

- Principles of **“regionality”** and **“solidarity”** (when consolidating water operators) but also prohibition of cross-financing

Ivaylo Kolev (WB):

- National criteria for **“sufficiently concentrated areas”**

SESSION 3

Jesper Karup Pedersen (COWI):

- Investments are based on **Asset Management**

Stipe: “Let’s move from Jesper to Jaspers”

David Tagg (Jaspers):

- Financial sustainability assessed at **two levels: Service Provider & Project Level**

Benoit Samanos (SUEZ)

- Put **Construction & Operations together**

Vesna Muslic & Ines Delic (Aquasan)

- Strengthen **Municipality & Utility** capacity

Doru Popa (Apa Brasov)

- Impact of **VAT Reduction** on affordability. **Gradual inclusion** of (full) asset depreciation in tariff. **No Dividend** distribution.

CONCLUSIONS (RECOMMENDATIONS)

TRACK & PARTICIPATE IN EU REGULATION SETTING

- **WFD**
- **UWWTD**
- Bathing Water Directive
- Water Reuse Regulation
- Industrial Emission Directive
- ...

All of these recently amended or currently under review (consideration for review).

Various policy-research initiatives under JRC, etc.

Funding opportunities.

- **Asset revaluation:** systematic, aligned regulatory & policy approaches
- **Cross subsidies:** consider solidarity charges
- Properly defined **agglomeration boundaries** and application of IAS
- **Benchmarking** to better understand operations and financial performance
- **Phased** implementation & compliance deadline requirements (EU candidates)
- **Appropriate sizing** (avoid political temptations for grand projects)

WWTPS AS REVENUE CENTERS

Figure 4.1 Potential revenue streams and savings from resource recovery for wastewater treatment plants

ENERGY

Revenue:

- Sale of biogas or electricity
- Sale of carbon credits
- Tipping fees for the collection of organic matter (in co-digestion)

Savings:

- Using own-generated electricity in the plant
- Improving energy efficiency



BIOSOLIDS and NUTRIENTS

Revenue:

- Sale of phosphorus as fertilizer
- Sale of biosolids as compost

Savings:

- If the biosolids are given away for free (for agriculture, to restore degraded land, etc.) the utility saves transport costs and landfill fees

WATER

Revenue:

- Sale of treated wastewater, especially in water-scarce areas

Savings:

- Discharge fee/tax

Ammonium Sulphate



NPK Pellet



Source: World Bank.

From Waste to Resource, WB Report, 2020