# Public-Private Partnership for Urban Wastewater Treatment

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# Back Ground of the City



The total area is 5436 square kilometers, with a population of 2.49 million.

In 2006, compared with the foundation of Weihai city in 1987, the developed urban area grew from 13.1 to 92 km<sup>2</sup>; the urban population grew from 233,000 to 619,000; GDP grew from 3.42 billion yuan to 136.85 billion yuan. The GDP growth rate is 21.4 % annually.

### The Pilot Project

- In 2003, Weihai applied Wendeng sewage treatment plant as a pilot project from ESCAP, using market principle, establish public-private partnership.
- The capacity is 40,000T/d, the investment is 50 million RMB.
- A joint stock company headquartered in Tianjin, use BOD, operation period is 30 years.
- Now the project is completed.

#### Public Participation in the Pilot Project

- The project proposed under the pressure of public claims.
- The proposal has been discussed among the entrepreneurs that affect or be affected.
- During the environmental impact assessment, questionnaires and public hearing has been conducted.
- The plants and residents served by the project will pay the service cost, in the same time enjoy the better environment.

## The impact of the pilot project

#### 1. Improved the public participation

- Weihai set up an environmental program on TV and radio; a column in the newspaper Weihai Daily
- put more attention for environmental education in the kindergartens and elementary schools
- established a website, <u>www.whep.gov.cn</u>
- opened the mayor's mailbox, mayor's hotline 12345
- environmental hotline 12369



to share their experience on water saving, visit sewage treatment plants and increase their awareness on water environment.

#### 2. Improved the Use of Market Mechanism

- Gradually raise the water price. In 2000, for residents, 0.8 yuan /t; in 2006 raise to 2.85 yuan/t including 0.8 yuan for sewage treatment, 0.35 yuan for water resources, 1.70 yuan for water supply. use progressive pricing mechanism
- For industrial and service usage, the price is 6.85 yuan/t that includes 5.0 yuan for water supply, 1.1 yuan for wastewater discharge, 0.35 yuan for water resource conservation and 0.4 yuan surcharge.
- Now the fees collected almost can balance the expenditure.

- Using BOT expanded No3 sewage treatment plant, capacity is 40,000 t/d, investment is 61 million, beneficiaries pay 0.93 yuan/t, operation period is 25 years. It is completed in 2006.
- Using BOT expanded No2 sewage treatment plant, capacity is 40,000t/d, investment is 62 million, beneficiaries pay 0.91yuan/t, operation period is 25 years. It is in operation this month.
- All the planed sewage treatment plants are trying to use the BOT method

#### 3.Improved Wastewater treatment

- The sewage treatment rate in Weihai increased from 73.8% in 2003 to 83.12 % in 2006.
- All the rivers, reservoirs and sea water can meet the national standard.

# 4. Established a public, private partnership.

Now almost all the individuals, private companies concern, connect and participate in water management

#### Weihai was awarded

- National Sanitary City
- Environmental Protection Model City
- National Garden City
- National Excellent Tourism City
- •Best Model City of Improving Living Environment by UN
- •UN-Habitat Scroll of Honor Award
- Eco-City