

## **The 2<sup>nd</sup> Asia–Pacific Water Summit (2<sup>nd</sup> APWS) Technical Workshop**

Venue: The International Convention and Exhibition Centre Commemorating His Majesty's 7th Cycle Birthday Anniversary, Chiang Mai, Thailand

Dates: Thursday 16<sup>th</sup> – Saturday 18<sup>th</sup> May 2013

### **'SUCCESS FACTORS FOR URBAN WASTEWATER FINANCING'**

**Organized by Asian Development Bank**

#### **Session Summary**

Amy Leung, Director, Director, Urban Development and Water Division, South East Asia Department, ADB, as Chair summarized ADB's program for used water lending and then introduced each of the presenters:

1. Geoffrey Read, Consultant and Former Urban Wastewater Specialist, The World Bank, presented 'Urban Used Water Financing –Success Factors and Are Subsidies Needed?'. He discussed traditional multilateral lending and some of the new re-thinks about financing and recovery. After 30 years of urban used water lending at the World Bank, Mr. Read suggested a re-think of the full cost recovery model for tariffs.
2. Paul Bulson, Team Leader, ADB 'Wastewater (Used Water) Revolution' presented 'Reducing the Cost of Wastewater Treatment'. Mr. Bulson summarized new technologies and systems for used collection and treatment that reduce cost. He also presented ADB's Used Water Revolution assistance that will be demonstrating these technologies on ADB projects in SE Asia.
3. Rao, Chaitanya Krishna, IWMI, presented 'Used Water Reuse'. Mr. Rao showed several promising developments in used water and sludge treatment that IWMI has financed. They selected several promising technologies and systems and are now enabling private companies to deliver these technologies.

The presentations were followed by a lively discussion of how to change the way we finance used water treatment and how to reduce the cost. Three key points of the discussion are:

1. Uniformly every one agreed that the current model of full tariff recovery has hindered implementation of sanitation and used water systems. If we are to achieve the MDG sanitation goals, this model must be modified.
2. There are technologies that can reduce cost but are not being tried or implemented because of financing constraints and risk aversion.
3. The private sector can offer effective solutions but for success there needs to be a framework and enabling conditions. The example of turning sludge in to fertilizer pellets is a good example.