Urban water services public infrastructure projects: Turning the high level of the NRW into an attractive financing opportunity using the PBSC tool

V. Kanakoudis, S. Tsitsifli*

Department of Civil Engineering, University of Thessaly, Pedion Aeres, 38334, Volos, Greece
Tel. +30 24210 74156; Fax +30 24210 75169; email: bkanakoud@civ.uth.gr, tsitsifli@civ.uth.gr

Received 15 February 2011; Accepted in revised form 15 May 2011

ABSTRACT

Today, the public sector worldwide is facing many difficulties in financing several public infrastructure projects. Therefore, the public-private partnerships (PPPs) became a very popular project-providing-tool. One of the sectors where this tool is being rapidly expanding today is the environmental sector. This sector is very important for the public health and the protection of the environment (especially projects concerning water supply, sanitation and solid waste management). Such projects are being implemented through PPPs all over the world. These projects have to do with the reduction of the non revenue water (NRW) and the provision of better services regarding water supply and sanitation. The present paper is a discussion paper about successful and not successful examples of PPPs implementation in the environmental sector. After introducing the basic principals of PPP projects, several problems concerning their implementation are discussed in this paper. Although the PPPs are implemented in big projects today, the challenge is their implementation in small-medium projects. Finally, a number of key factors are being identified and analysed regarding the performance based service contracts (PBSC), being the latest introduced tool regarding the implementation of PPP projects concerning the urban water services sector.

Keywords: Public-private partnership; Performance based service contracts

* Corresponding author.

Presented at the Third International Conference on Small and Decentralized Water and Wastewater Treatment Plants (SWAT III) Skiathos, Greece May 14–16, 2010.