Small and Decentralized Water System

Lecture 6: Economic and geo-political dimensions

Prof. Ir. Dr. Zaini Ujang zaini@utm.my http://www.cheme.utm.my/staff/zaini



innovative • entrepreneurial • global

ocw.utm.my



Presentation outline

- Recent challenges
- Can you explain the basic principles?
- Paradigm shift
- What will people pay? Willing to pay?
- Triple bottom-line
- Innovation for what?



Question 1

- At what level (percentage of incomes) rich economy are willing to pay for environmental sustainability?
- Water bills?



Question 2

- Priorities the following issues in developing nations:
 - Education
 - Road
 - Food supply
 - Piped water
 - Proper sanitation
 - Job opportunities
 - Security
 - Public order



Lesson from my life!

Be determined in achieving your goals...



ocw.utm.my

Lecture 6: Economics & Geopolitical dimensions ZAINI UJANG @ Lund Univ., Sweden, 25-29 Feb. 2008

CHALLENGES?

Millennium Development Goals for Water & Sanitation Adopted at the World Summit on Sustainable Development (2002)

- By 2015 to reduce by half the proportion of people who are unable to reach, or to afford, safe drinking water.
- By 2015 to reduce by half the proportion of people who do not have access to safe sanitation facilities.



Target water pollutants, chronologically...

Era	Pollutants	Solutions
1800s	Pathogenic bacteria	Sewer system
1900s	BOD, COD	Biological wastewater plants
1950s	Heavy metals, biodegradable substances	Treatment at source
1970s	Eutrophication	N and P control
1980s	Trace substances, carcinogens, flavor, taste	Activated carbon, membrane technology
1990s	CO ₂ , NH ₄ , N ₂ O, CFCs, NO _x , SO _x	Energy saving, photosyntetic
		растегіа, ріотесппоїоду, імык
2000s	Endocrine disrupting chemicals (EDCs), eco-hazard	Membrane technology

ocw.utm.my

Ujang Z. & Henze M. (2006) Municipal Wastewater Management in Developing Countries, IWA Publishing, London

Potential water resources

Water Survival Strategy

 If you need more water, import or make it yourself
 Use less water – conservation, tariff, efficient, technology
 Less consumption and demand
 Steal water from others!

Water technology

Marq de Villers (2000) Water: The Fate of Our Most Precious Resource, Mariner Book, NY

Back to basics

• We need water

- Domestic / household
- Industrial
- Agricultural

• We produce wastewater

- Public health?
- Environmental protection?
- Wealth creation? Domestic economy?

We need money to pay for the services

ocw.utm.mv

- Full subsidy
- Partial subsidy
- Full recovery

Paradigm shift in water management & technologies

- Monitoring: From on-site to on-line; From in-situ to remote sensing
- Purification: From sieving to bio-transformation; From big to small plants
- <u>Treatment</u>: From pollution reduction to pollution prevention
- Pollution control: From end-of-pipe to cleaner production
- Raw water intake: From clean upstream to polluted downstream
- Resource management: From free to precious commodity
- Public perception: From quantity to quality

Paradigm shift in water management & technologies

- Management approach: From sectoral to integrated
- River: From natural to concrete; From concrete back to natural channels
- Water delivery: From long pipes to bottled water
- Sewer network: From long, centralized to decentralized and small system
- Sludge management: From disposal to high value reuse; Co-disposal with gabbage
- Automation and control: On-line metering and billing
- Service: From public utilities to private companies & consumer products

Baltimore Charter 2007

Sustainable small & decentralized system

- Organized by Water Environment Research Foundation
- Supported by US EPA
- 50 participants (35 USA, 15 others)
 - Subject matters
 - Representative of sectors
 - Representative of continents, grouping etc
- To outline research agenda to meet the needs in <u>2025</u>
- To review the existing philosophy, framework, concepts, approaches and engineering practice
- Propose a framework for WATER SUSTAINABILITY



Baltimore Charter 2007 Sustainable small and decentralized system





G. Tchobanoglous, UC Davis

ocw.utm.my

Water technologies

Eg: Pollution control: From end-of-pipe to cleaner production

End-of-pipe approach



ocw.utm.my

Water technologies

Eg: Pollution control: From end-of-pipe to cleaner production





<u>Sewer network</u>: From long, centralized to decentralized system





Decentralized sanitation and reuse (DESAR)



Why an ideal system does not work in most developing countries?

ocw.utm.mv

- The regulatory requirement is too good and perfect (e.g. BOD 10 mg/l for discharge standards)
- The system has no local inputs (e.g. trained engineers and research facilities)
- The system has no capable implementers (e.g. able politicians, trained engineers and skilful operators)
- The system has no legal back up (e.g. acts, legislation)
- The system has a poor financial framework (CAPEX, OPEX)
- The system is efficiently corrupted (political influence, etc.)

Expenditure in the Eighth Malaysian Plan (RMK8, 2000-2005)) Allocation in the Ninth Malaysia Plan (RMK9 2006-2010)

Utilities	Expenditure RMK8	Allocation RMK9	
Water supply	RM3,882.9	RM8,203.6	
Sewerage	RM1,347.9	RM3,132.8	
Rural water supply	RM733.9	RM1,206.5	
Flood mitigation	RM1,788	RM3,997.6	
TOTAL	RM7,752.7 b	RM16,504.5 b	

MALAYSIA KITA

Oleh MIKI



ocw.utm.my

What will people pay? My monthly water charges and other bills

Services	Monthly, RM	Percentage
Water supply	50	<5
Sewerage services	8	<1
Cell phones (4)	300 + 100 + 50 + 50	50
Fixed-line phone	150	15
Internet	88	9
ASTRO bill	49	<5
Solid waste	10 (?)	<1
Electricity	150	<15

Why I am willing to pay, generously, for the cell phones?

ocw.utm.mv

- Service I need
- Improve my communication, in real time
- My children call me, 4 to 5 times a day!
- BASIC NEED, NOT LUXURY ITEMS!
- Note: I change my cell phone every year with the latest model, slimmer but more applications



Consumers' perspective

LEVEL 1

- Basic services
- Reasonable cost
- Public health protection

LEVEL 2

- Quality services
- Competitive cost
- Environmental protection

Consumers in 1970

- Do we really need tab water?
- Do we require a wastewater treatment plant?
- Do we need landfill for solid and hazardous waste disposal?
- Do you prefer water from well, or river?

Consumers in 2007

- Do we really need <u>bottled</u> water?
- How best we can achieve <u>nutrient removal</u> in wastewater treatment plant?
- How best we can operate <u>sanitary</u> landfill for solid and hazardous waste disposal?
- Do you prefer mineral or reverse osmosis water?

Producers' / service providers' perspective

ocw.utm.mv

LEVEL 1

- Quality services
- Competitive or reasonable cost
- Reliable services
- Customer-driven

LEVEL 2

- Expending market segment
- Share holders' expectation
- Innovation
- Reputation





Triple bottom line Producers' or service providers' perspective



Producers / service providers



Triple bottom line principle

- Financial costing
- Social costing
- Environmental costing

MODEL FOR SUSTAINABLE TARIFF STRUCTURE				
Basic needs	Cross subsidy			
Over consumption	Full cost recovery			
Wastage consumption	Full cost recovery + Environmental tax			
>> Wastage	Full cost recovery + Environmental tax +			
	Wastage tax			

Issues lead to innovations

- Operating and maintenance cost
- Upgrading old modular plants
- Upgrading without subsidy?
- Options for upgrading schemes \bullet
- Higher compliance, higher quality ullet
- IT IS MOSTLY INNOVATION IN • **MANAGEMENT** SYSTEM, AND **PARTLY TECHNOLOGY**



Management issues

Cost for small and decentralized systems



Design Population / PE / Flowrate



Cost of high tech NEWater project in Singapore

Projects	Production capacity	CAPEX	Status
Bedok NEWater	32,000 m³/d	S\$15.53 m	Completed
Kranji NEWater	40,000 m ³ /d	S\$21.05 m	Completed
Seletar NEWater	24,000 m³/d	S\$25.90 m	Completed



Upgrading modular plants to centralized and combined plants





New innovation using granular sludge



Why aerobic granular sludge reactor?

- Straightforward (no return sludge, less sludge handling)
- Small area requirement
- Simultaneous N,P and COD removal in one reactor
- High-speed unit process
- More efficient treatment system



WASDA

Latest innovation







ocw.utm.my







Latest innovation





Case study in Jakarta



Thank You!

Terima kasih! Tak!