



KESKKONNAMINISTEERIUM

Financing opportunities for small-scale wastewater treatment plants in Estonia

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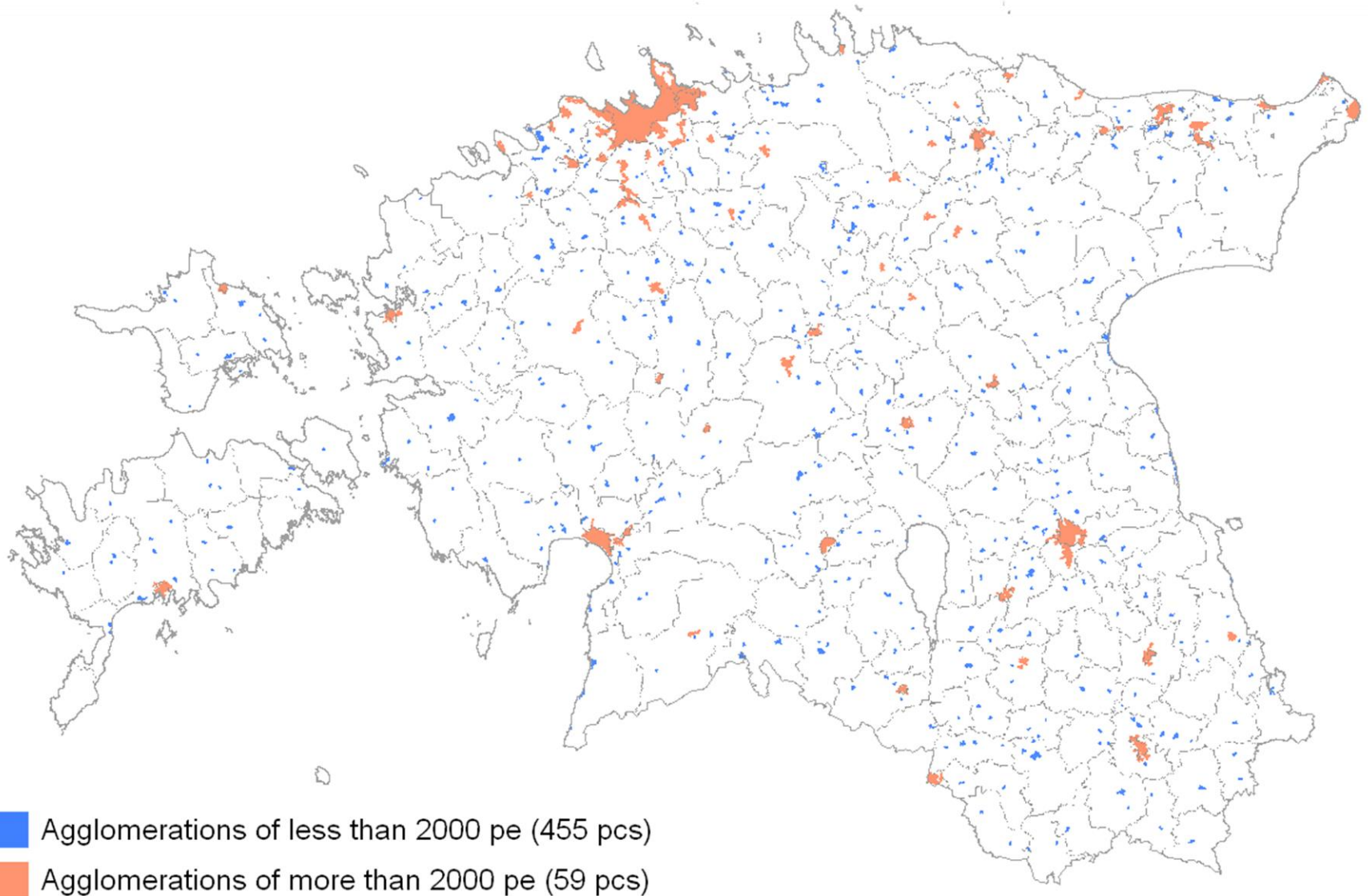
Water Department, Head of Project Bureau

VillageWaters seminar

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Background

1,6% of Estonia's land area is covered by agglomerations



Available resources

- Significant investments from EU 2007-2013 financial period - 630 MEUR allocated to water infrastructure
- 2014-2020 EU financial period - 140 MEUR to water infrastructure projects
- Environmental Investment Centre (EIC) environmental program –10 MEUR/year
- Water companies and municipalities own financing – approx. 30-50 MEUR/year

Current situation

- Available resources have been drastically decreased in both EU and state funding
- Budget cuts have affected also EIC environmental program, approx. 50% decrease annually since 2016
- Financial aid only in the amount that cannot be covered from the water tariffs
- Consolidation reform for water companies

Small-scale wastewater treatment plants (WWTPs)

- According to Estonian legislation the designed pollution load of a WWTP is the pollution load in population equivalent (pe), that a WWTP is able to treat in a day;
- A small-scale WWTP is one that treats wastewater of 50 – 2000 pe;
- Below 50 pe the treatment systems are considered individual systems.

Financing opportunities

Rural Programme

- Funding for the investments in rural areas: individual households and settlements which are not covered with central drinking water and sewerage systems
- Financing rate: 33% state, 33% municipality, 33% applicant;
- In action since 2007, with over 40 MEUR invested covering about 10 000 households;
- Managing Authority is Ministry of Finance, implementing authorities are the municipalities;
- Applicants and beneficiaries are the owners of the households;
- Very popular program, 2 times more applications than available funds.

Financing opportunities

Water Management Programme by Environmental Investment Centre

- Financing for investments in urban areas for water management (including wastewater treatment plants);
- Implementing agency Environmental Investment Centre;
- Applicants and beneficiaries are water undertakings;
- Open calls for applications up to 2 times per year;
- Investment cap over 3-4 times.

Water Management Programme Statistics

In the last 5 years (2014 – 2018) there have been 8 application rounds in which the:

- Construction of 9 new small-scale WWTPs and
- Reconstruction of 47 existing small-scale WWTPs

have been financed by the Water Management Programme

Examples of WMP financed WWTPs



Relevant surveys

In 2014-2016, a survey was conducted by the Estonian Environmental Research Centre with scientists and engineers to evaluate the efficiency of WWTPs financed by the state in 2004-2014 with 250 WWTP-s.

Results:

- Effluent results depend more from the operators than the technology;
- Guidelines for the municipalities, water companies for choosing, building, maintaining and operating WWTPs;
- Suggestions for the state;
- Instructions for building or rebuilding WWTPs.

Relevant surveys

In 2014-2015, a survey was conducted by the Ministry of the Environment to inventory individual wastewater treatment systems in Estonia.

Results:

- Over 60% of the systems are older than 30 years and need reconstruction with over 80 MEUR investment cap;
- Instructions for local governments and inhabitants for choosing, building and maintaining such systems;
- Investment needs and investment programme for the future.

Future perspectives

- Financial aid for agglomerations more than 2000 pe until 2020, further own financing and loans
- Smaller agglomerations probably need state financing due to lack of own finance in the future (EIC)
- Self sustainability and enhanced efficiency in water sector – water companies reform
- The price for water services has to cover operating expenses and investment needs and achieve the sustainability of the systems



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Thank you for listening!

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