

MOBILIZING CIVIL SOCIETY IN RURAL COMMUNITIES FOR SUSTAINABLE WATER AND SANITATION SERVICES

Executive Agency:

Earth Forever Foundation

Funding Agency:

Bulgarian-Swiss Cooperation Programme, Thematic
Fund "Reform Fund Linked to Civil Society Participation"



SWISS-BULGARIAN COOPERATION PROGRAMME
ШВЕЙЦАРСКО-БЪЛГАРСКА ПРОГРАМА ЗА СЪТРУДНИЧЕСТВО



Earth Forever

MOBILIZING CIVIL SOCIETY IN RURAL COMMUNITIES FOR SUSTAINABLE WATER AND SANITATION SERVICES

The period of the implementation of this project coincides with reflection and changes in the water and sanitation policy of Bulgaria. We are happy to share that the new strategic and planning framework fully matches the vision of Earth Forever.

Public discussions are completed and very soon the final version of the Strategy for development and management of water supply and sanitation in Bulgaria will be published.

The Strategy is based on in-depth analysis of the current status and irreversible goals determined by the legislative framework. The Strategy aims to complete the necessary reform in water supply and sanitation (WSS) sector that was started in 2009 with some important changes of the Water Act. Following these it is planned to: change the ownership of the WSS infrastructure (public state and public municipal ownership); change of the management approach for WSS systems and infrastructure based on the sustainability of the recently established WSS Associations in case the ownership of WSS infrastructure belongs to more than one municipality; transformation of WSS companies from owners to operators.

The wish of Bulgarian government is to accomplish financial, technological and ecological sustainability of the WSS sector that offers WSS services of high quality at acceptable price.

In pursuing this strategic goal, the document is lead by 4 main principles:

- Compliance: WSS sector meets national/European requirements;
- Sustainability: WSS sector is environmentally friendly, financially and technologically liable;
- Accessibility: the price of WSS services are affordable for water users;
- Quality/price: the quality of services and efficiency of WSS operators meet the good European governance practices.

The standard of WSS sector and the quality of its services is regulated by several legislative acts.

European legislation is supreme to the national one in determining the minimal requirements and standards.

Signing the Accession Act as a member-state of EU, Bulgaria took certain obligations linked to transposition of EU legislation and meeting the compliance within agreed terms. The process of harmonization of all EU directives linked to drinking water and sanitation is finalized. These are fully transposed in the national legislation. The country took the responsibility to guarantee that wastewater will be collected and adequately treated before discharge in natural water bodies by 31.12.2010 for agglomerations with more than 10 000 PE and by 31.12.2014 for all agglomerations between 2 000 and 10 000 PE.

The fundamental legislative act in the national framework is the Water Act (WA). It deals with all norms related to ownership and management of water as a national resource and the ownership of water systems and infrastructure. A broad network of regulatory acts guarantees the enforcement of the WA. WA regulates the management, planning and construction of WSS systems and water supply and sanitation services, as well as the establishment and management of WSS companies.

The Act of regulation of water supply and sanitation services (ARWSSS) is a part of the specialized legislation in relation to the WA. It regularizes the regulation of prices, affordability and quality of WSS services provided by WSS operators and makes provisions for the establishment of National information system for WSS services. ARWSSS is supported by a number of secondary legislative acts.

The Act for regulation of the territory and its network of secondary

legislative acts regulate the investment process in WSS sector and the requirements for the construction of WSS infrastructure. Art. 87 stipulates septic tanks as the only option for collection of wastewater in settlements without a centralized sewer.

The Health act and its secondary legislation stipulate requirements for the quality of drinking water and communal water services.

The Strategy determines 2023 as the deadline for full enforcement of the legislative requirements in case its measures are followed strictly.

The Strategy draws the attention to the decision-makers to the following obstacles to compliance:

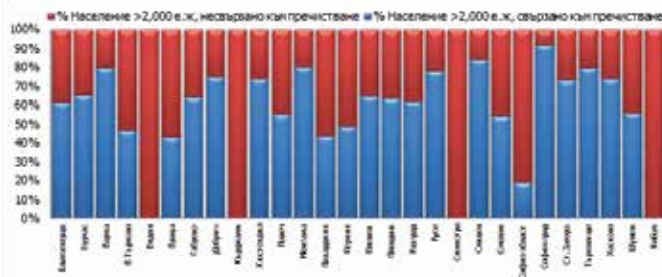
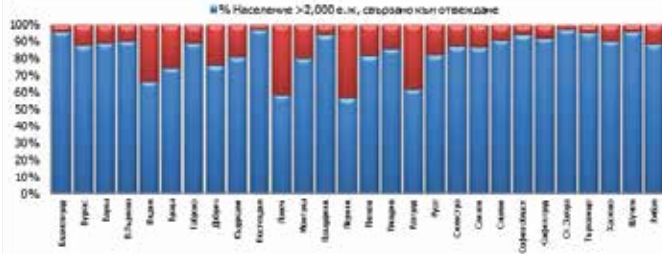
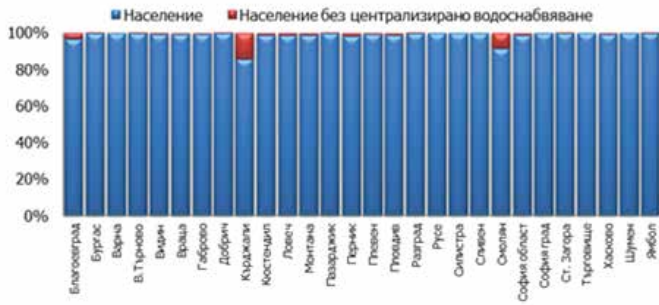
- Widening the scope of collecting and treatment systems for wastewater is lagging behind. Bulgaria missed the deadline for ensuring collection and treatment systems for agglomerations larger than 10 000 PE (which was by the end of 2010), and it is obvious that the country will not be able to meet the deadline of end of 2014 to ensure collection and treatment for all agglomerations larger than 2 000 PE. Since 2007, investments of less than 200 mln. BGN were made per year for collection and treatment systems for wastewater. Only one WWTP was completed in 2012 – the one in Targovishte. The current intensity of investment will bring Bulgaria to its final goal in about 35 years.
- The management of sludge badly needs improvement. At the moment this process is managed locally and unsystematically by each WWTP. There is no real solution for utilization of the treated sludge.
- There is no institutional capacity corresponding to the requirements of discharge of treated wastewater and access to funding to guarantee compliance.
- WSS sector needs investments to meet the compliance requirements.
- The financing of the measures for meeting compliance requirements require significant capital investments by the state and state subsidies in the years to come, especially in the poorer regions of the country and smaller agglomerations.
- Assessment of the financial sources for future investments for the needs of WSS sector at national level shows that funds from EU would be able to cover 30-40% the necessary expenses.

The analysis of the WSS sector states in no uncertain terms that while Bulgaria has a high coverage and good quality of water supply services, collection and treatment of wastewater is at very low coverage and quality and the provision of services will in no way meets the deadlines agreed with EU.

The Strategy highlights serious concerns about the low quality, bad efficiency and lack of sustainability of the wastewater management and services. The share of adequately treated wastewater is lower than in majority of EU countries. The country needs to broaden its wastewater systems and improve the management of wastewater.

Only 66% of the population is connected to water collection systems, and even lower – 50%, is the share of population connected to WWTPs. The situation is similar or worse only in Romania, Malta and Cyprus.

At national scale about 670 000 people living in agglomerations larger than 2 000 PE need collection systems for wastewater, 1 800 000 people have to be connected to WWTPs.



The Strategy outlines the main issues linked to wastewater and the reasons for them:

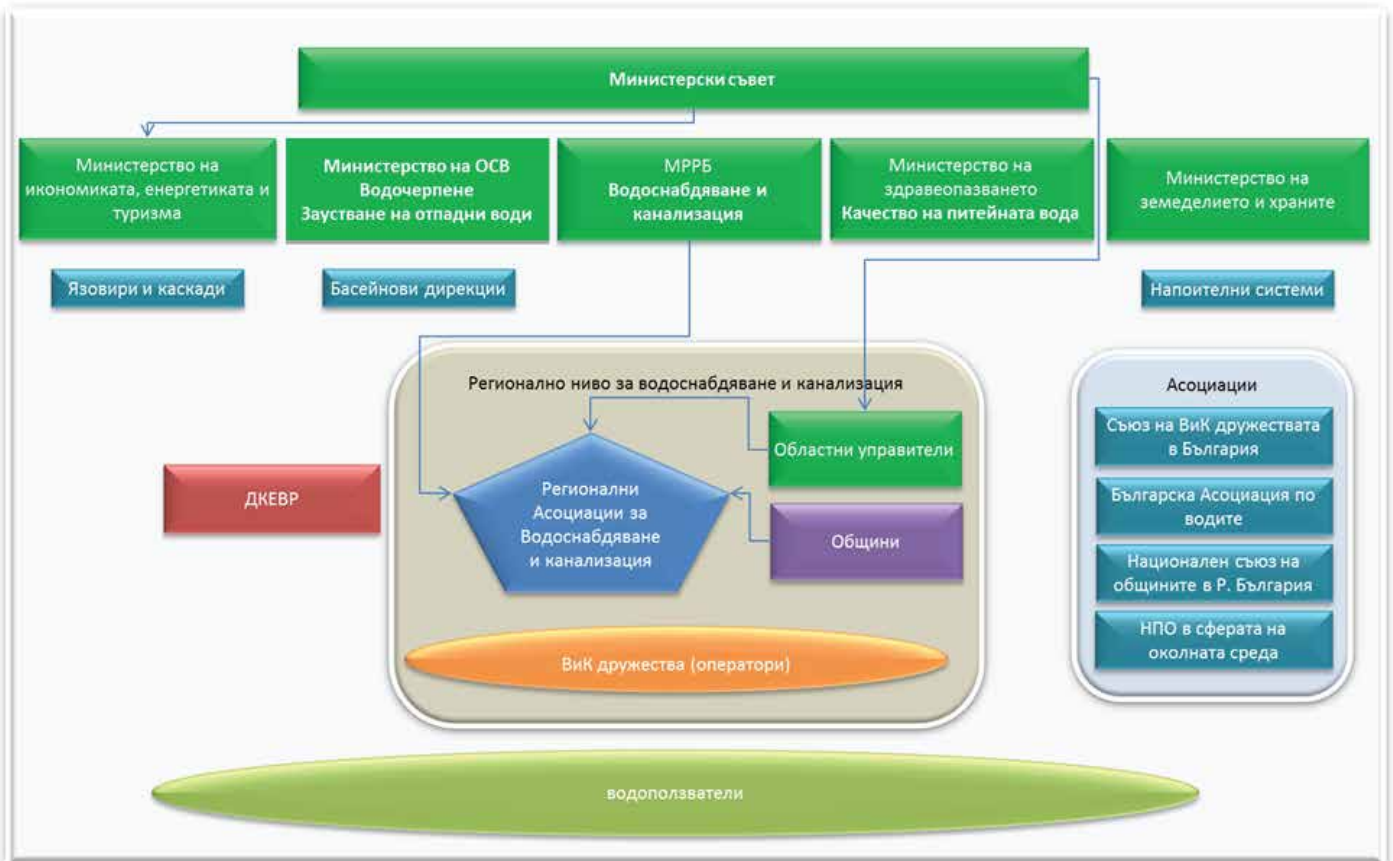
- Broadening the collection systems and treatment of wastewater lags behind the schedule;
- Lacks of legislative requirement to compulsory linking of consumers to the newly constructed systems jeopardizes the efficiency of the systems and the objections for protection of the environment.

Four regions in Bulgaria have no WWTP at their territory: Vidin, Kardjali, Silistra and Yambol.

If the agglomerations have low population density, this increased the risk of inefficient investment. Most of the EU member-states had developed regulation to restrict the inefficient investments. In Bulgaria there is no such regulation and there are cases of investments of more than 3 000 EUR per PE for collection and treatment of wastewater.

Bulgarian legislation is very restrictive as it stipulates septic tank as the only system of collection of wastewater in households and then the collected wastewater has to be transported to WWTP. This is very expensive for the households and there is no efficient mechanism for control of the implementation.

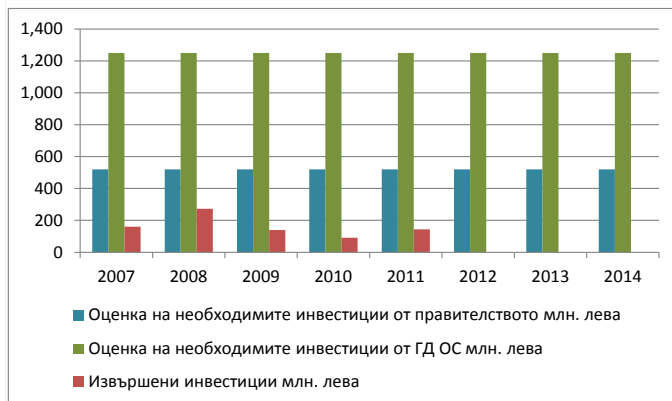
The Strategy lists the main stakeholders in the WSS sector in the country:



It is appreciated that the Strategy takes into consideration the group of water users as stakeholders. At the same time, it does not emphasize on the key role of water users and their participation in decision-making and implementation of the future projects in the sector in the situation of policy of involvement of private investments, bank loans and the demand for transparent management of WSS operators and services.

Cost-benefit analysis of the projects is extremely important approach to ensure sustainability of the companies and stable service provision of high quality.

Bulgaria joined EU in 2007, and this made it necessary to meet the high requirements of high water supply and sanitation services for the consumers. It is necessary to make constant and high investments in WSS sector.

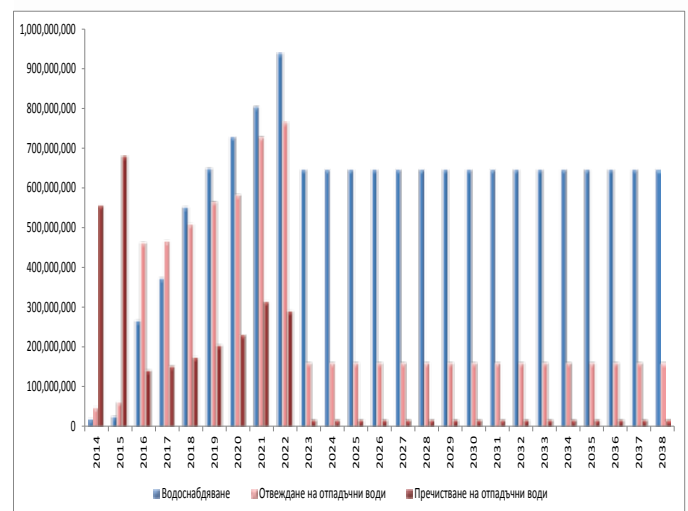
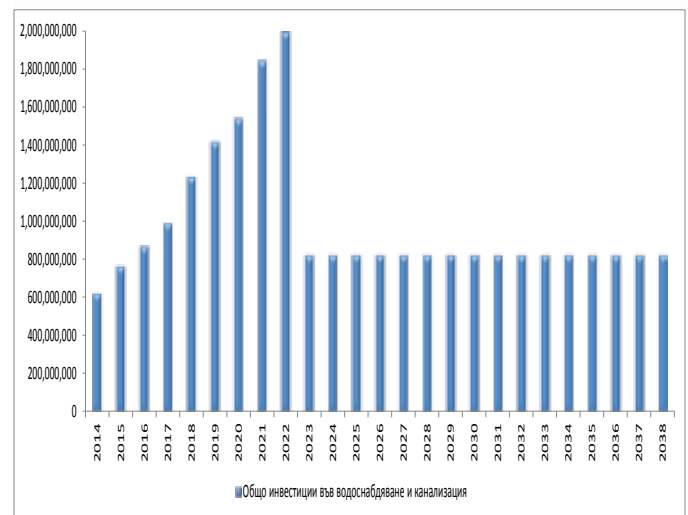


For the period of the implementation of the Strategy (2014-2013) the assessment of the necessary expenditure is up to 12.2 billion BGN – 4.4 billion of these for collection of wastewater and 2.8 billion – for wastewater treatment.

The Strategy present several scenarios for the development of WSS sector in Bulgaria until 2023. According to the experience of Earth Forever, the following scenario is most realistic to ensure enforcement of the existing legislation and sustainable development of the sector as a whole.

Scenario Meeting the Goals and Objections: Main scenario plus investment based on loans, increased efficiency and avoiding of excessive expenditure for ensuring compliance:

- In this scenario the enforcement of changes in legislation and other measures leads to reduction of expenditure needed to meet compliance;
- Additional measures: adoption of national regulation restricting excessive expenditure; changes in the regulations to give opportunity for implementation of individual solutions for collection and treatment of wastewater; recollection on the scope of existing agglomerations; etc.



Сценарий 2 плюс заемно финансиране, повишаване ефективността на ВиК отрасъла и използване на индивидуални екологични решения										
източници на финансиране, млн. лева										
Период	Инвестиционни нужди	Финансирани инвестиции	Разходи за финансиране	Проекти съфинансирани от ЕС		Държавни субсидии	ВиК оператори		Недостиг (отлагане на инвестициите)	Социално подпомагане от Държавата
				Безвъзмездна помощ	Национално съфинансиране		Вътрешно-генерирани средства	Заеми		
2014-2023	11,734.0	11,734.0	238.6	3,159.1	2,072.2	1,090.7	4,141.0	1,271.1	-	91.2
2024-2028	4,157.9	4,157.9	327.2	-	-	163.9	3,731.8	262.2	-	79.2
2029-2038	8,315.7	8,315.7	472.9	-	-	70.3	8,195.5	50.0	-	117.1
Общо, млн. лева	24,207.6	24,207.6	1,038.8	3,159.1	2,072.2	1,324.8	16,068.3	1,583.3	-	287.5
Ключови показатели										
Ключови показатели					2011	2024	2028	2038	Цел 2039	Социално подпомагане от Държавата
Загуби на вода, %					60.0%	48.8%	43.4%	31.2%	30.0%	
Население покрито с услуги по отвеждане като % от водоснабденото население					66.0%	76.1%	76.3%	76.8%	75.3%	
Население покрито с услуги по пречистване като % от водоснабденото население					50.0%	76.1%	76.3%	76.8%	75.3%	
Среднопетеглена цена на ВиК услугите (с ДДС) в България					1.90	3.67	3.81	3.71		Първа година:
Постигнато съответствие с директивите на ЕС, година: 2023					последна година на отложени инвестиции:				-	2014
Съответствие с директивите на ЕС, % от целта					66.4%	101.1%	101.3%	102.0%	100.0%	Последна година:
Водоснабдяване (спестявания) / допълнителни разходи, млн. лева сравнено с 2014г.					NA	(7.82)	(13.83)	(22.24)	NA	2038
Отвеждане (спестявания) / допълнителни разходи, млн. лева сравнено с 2014г.					NA	0.65	0.67	0.56	NA	
Пречистване (спестявания) / допълнителни разходи, млн. лева сравнено с 2014г.					NA	41.44	43.43	44.34	NA	Намалени оперативни разходи
допълнителни спестявания от постигната ефективност										
(спестявания) от разходи за възнаграждения, млн. лева от 2014г.					NA	(45.14)	(56.2)	(73.7)	NA	22%
(спестявания) от други разходи, млн. лева от 2014г.					NA	(24.10)	(26.9)	(30.8)	NA	

The Strategy formulates the following vision for WSS sector in Bulgaria: sustainable WSS sector with financial, technological and environmental sustainability; a sector that provides high quality of water supply and sanitation services at affordable prices.