

The population of Ulaanbaatar has grown enormously to approximately 1.2 million inhabitants. Almost half live in the so-called ger areas. Water supply in these areas are sub optimal. There is hardly no appropriate provision of sanitary facilities in the ger areas. Secondly the explosive increase in water use and the industrial development are threatening sustainable exploitation of the water resources. The water supply and sewerage company of Ulaanbaatar City (USUG) is responsible for the operation and maintenance of the water supply and sewerage and waste water treatment facilities. Considering the rapid developments in Ulaanbaatar USUG is facing an challenge to extend its service to the public in a sustainable way. The Water Operators partnership (WOP) between USUG, the Dutch Embassy and Vitens-Evides International officially began mid 2007. The objective of the WOP is to enhance the operational management of water supply infrastructure, sewerage and waste water treatment. In addition assistance has been provided to strengthen administrative, legal and financial aspects.

Ulaanbaatar



Mongolia

Situation

Since the political and economic reforms of the early 1990s, the population of Ulaanbaatar has grown enormously, to approximately 1.2 million inhabitants. Almost half live in the so-called ger areas. In these suburbs, named after the traditional Mongolian tent, the ger, tanker trucks bring water to kiosks where people can buy water. The average consumption in these areas is 6 to 8 litres per day, and there is practically no provision for sanitary facilities.

The water distribution and sewerage network of Ulaanbaatar dates from the 1950s or before. Since then, the capital has expanded and the networks are in dire need of renovation and expansion. Water losses and energy use are too high, while substantial parts of the city are not connected to the network at all. The water consumption also varies widely - from 7 litres per person per day in the ger areas to more than 250 litres per person per day in the city centre. With this level of water use, water source depletion may occur by 2012.

The Water and Sewerage Operator USUG is responsible for the daily drinking water, sewerage and purification services in Ulaanbaatar. The infrastructure itself is owned by the municipality (the 'asset holder'). With capital-intensive loans from the World Bank and the Spanish and Korean governments, among others, the infrastructure is being replaced and expanded, step by step, also to the ger areas.



Project objectives

Vitens Evides International aims to strengthen the management of USUG. The Water Operator Partnership between Vitens Evides International and USUG contributes to the enhancement of USUG's operational, financial and managerial performance. Through this Water Operator Partnership, which took effect in 2007, new management concepts and novel instruments have been introduced to improve operations, reduce costs, and enhance the autonomy of the utility. As a result, USUG is now in a better position to provide water and sanitary services to the residents of Ulaanbaatar in a sustainable, reliable and cost-effective way.



Project activities include

- Sustainable water resource management: introduction of well-field protection measures, preventing environmental pollution by heavy industries, establishing a water-quality monitoring programme and raising public awareness about reducing water consumption;
- Improving operations: improving process control to reduce energy consumption and the non-revenue water level (NRW), to ensure sufficient pressure and rapid reaction in emergencies. Establishing kiosk connections to reduce operational costs for water services in ger areas;
- Sewerage and sanitation: reviewing the sewerage system and introducing small scale, low-cost ger area sanitation technology, performance improvement of WWTP and legislation for industrial discharges;
- Financial management: developing rational tariff policy, increasing collection rates, improving customer relations and establishing routines for the Investment and Management Plans 2010-2020.

In addition, with support from the Water for Life funds, Vitens Evides International finances small investment projects that may help USUG improve its cost-effective water and sewerage service provision at short notice.

Population

Ulaanbaatar has approximately 1.2 million residents, approximately 45% of whom live in the suburban ger areas.

Financing

The Embassy of the Kingdom of the Netherlands in Beijing (EKN), Ulaanbaatar Water Supply and Sewerage Company (USUG) and Vitens Evides International.

Type of contract

Technical assistance / Water Operator Partnership.

Contract value

€ 1.4 million plus approximately € 685,000 in additional investment from the Water for Life fund.

Available funds

Vitens and Evides make € 3 million available each year for

international projects. This internal budget is leveraged by contracting public-private partnerships and deploying the financing opportunities of the various parties, such as the Netherlands Ministry of Development Cooperation and Economic Affairs, the World Bank, the European Bank for Reconstruction and Development (EBRD) and the Asian Development Bank. Vitens and Evides have also formed the independent foundation 'Water for Life', enabling their clients to contribute to international water projects via their water bills.

Vitens Evides International

Vitens Evides International supports water companies in developing countries by helping them to improve their business processes in a sustainable way. This we do by sharing the extensive and prolonged experience of the two largest privately run public operators in the Netherlands: Vitens and Evides Water Company. Through technical, operational and management support, we enable local utilities to make progress in such areas as Water Quality and Safety, Non-Revenue Water, Asset Management, and Financial Planning & Control. By teaming up for better performance, we aim to generate the investments required to improve and expand water services in the world's most rapidly developing urban areas. This means that more people will enjoy reliable and safe drinking water and sanitary facilities, now and in the future. With its activities Vitens Evides International contributes to achieving the Millennium Development Goals set by the United Nations. Over the past ten years, Vitens Evides International has already helped to improve water services to more than twenty million people in Asia, Africa and Latin-America.

Millennium Development Goals

The Dutch government actively supports the UN target of halving the number of people without safe drinking water and sanitary facilities (1.0 billion and 2.5 billion people respectively) by 2015. In this context Vitens and Evides are doing all they can to share their expertise and experience in the operation and maintenance of water supply and sewerage with water companies in developing countries. Through the international alliance, Vitens and Evides are involved in providing safe drinking water to over 20 million people in parts of the world where reliable water services are not readily available.

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