

Branche Eau

قطاع الماء



THE WORLD BANK



European Bank  
for Reconstruction and Development



## INTERNATIONAL CONFERENCE

Public – Private Partnerships in  
the water and sanitation sector

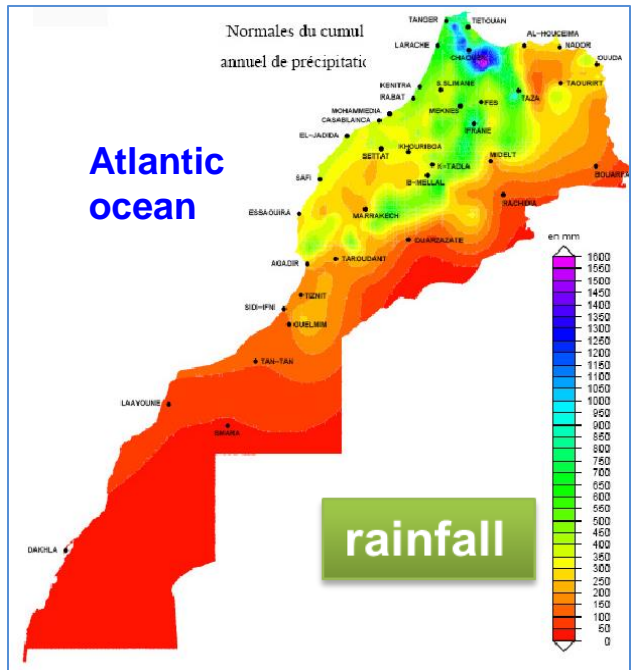
**MOROCCO :**  
**AGADIR DESALINATION PROJECT**

Selma Jariri  
Technical Manager  
ONEE

# Outline

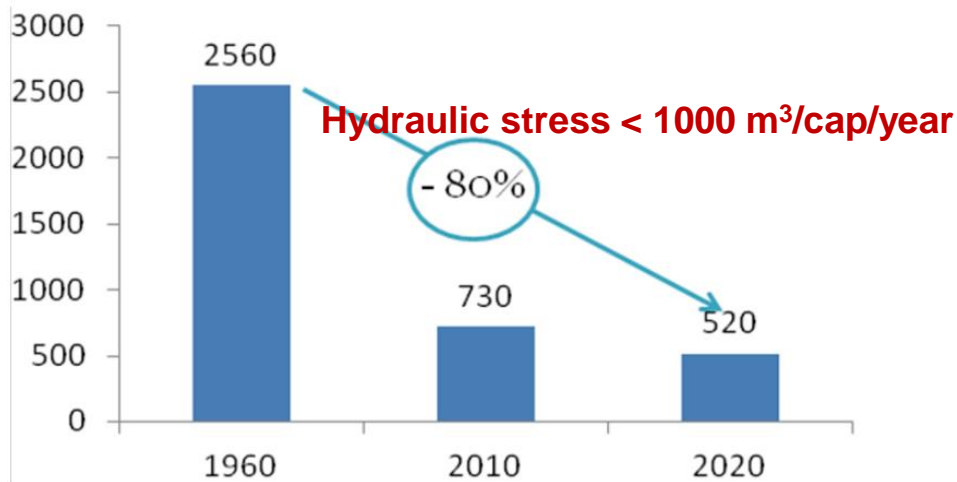
- ❑ Focus on Water strategy in Morocco
- ❑ ONEE's desalination achievements
- ❑ Agadir: Case Study

# Climate and water resources

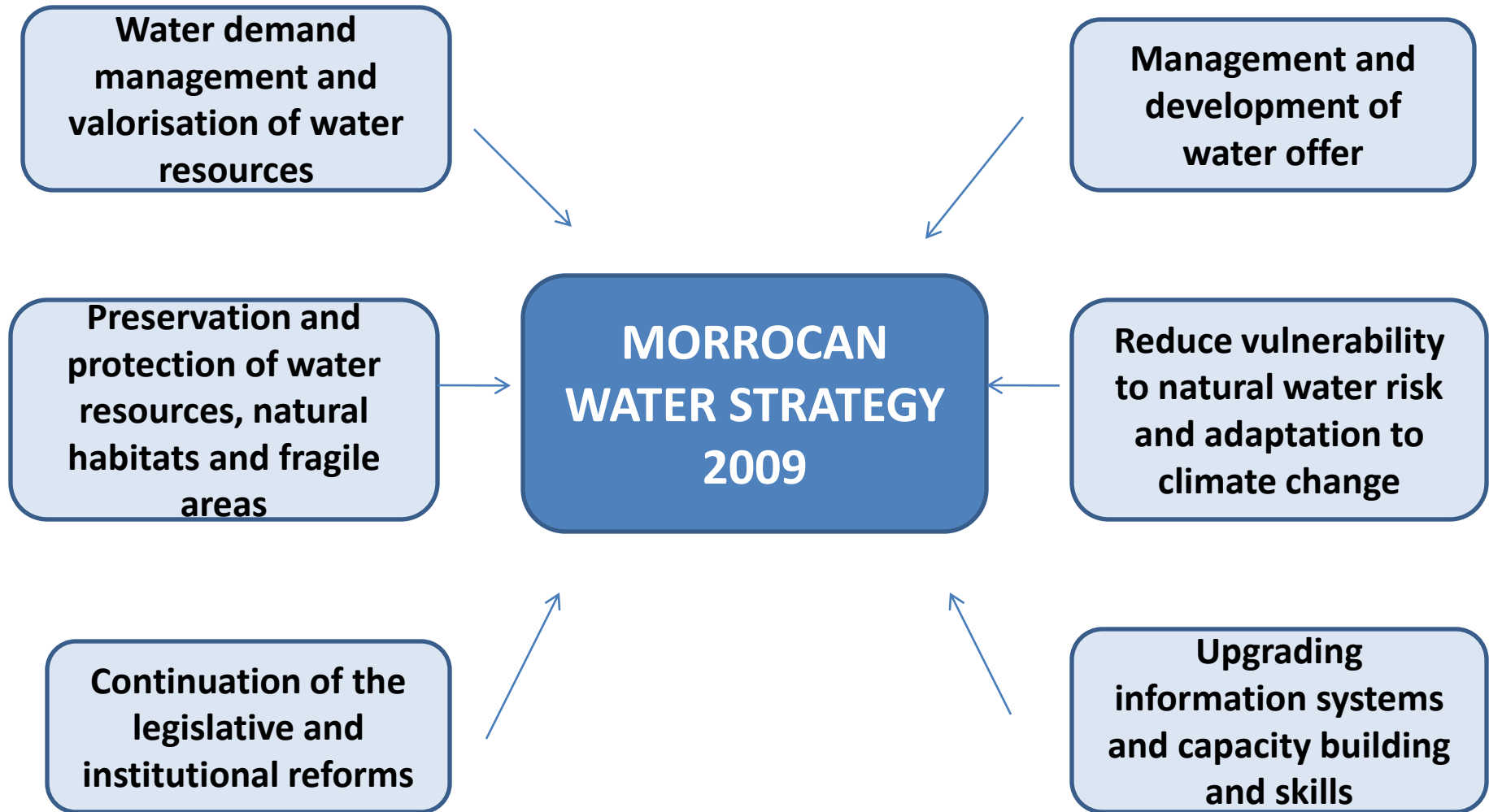


Morocco is characterized by :

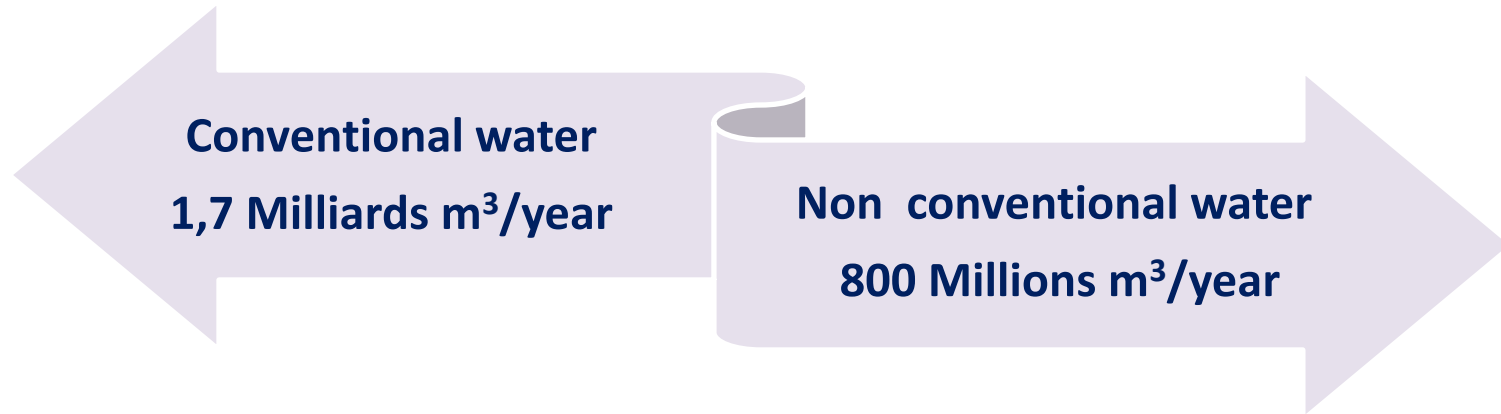
- limited rainfall and strong geographical inequality of the rainfall
- *Escalating demand resulting from demographic and economic expansion.*
- *Intensified by*
  - ✓ *the overexploitation of groundwater resources,*
  - ✓ *the weakness of the recovery of water resources mobilized particularly in the agricultural sector,*
  - ✓ *the deteriorating quality of water resources due to a delay in sanitation and wastewater treatment*



# Water Strategy



# Water Strategy: Mobilization



- *Desalination program*

*400 millions de  $m^3$ /year*



- *Wastewater treatment and reuse program*

*300 millions de  $m^3$ /year*



- *Rainfall capture*

*100 millions de  $m^3$ /year*



# ONEE's desalination achievements

ONEE: Office National of Electricity and Potable Water is a national operator in charge of bulk water supply, distribution in urban and rural areas and a sanitation service in the whole country



**Tan Tan 10300 m<sup>3</sup>/day  
2003 /2014**



**Laâyoune 26000 m<sup>3</sup>/day  
1995/2005/2010**



**Tarfaya 860 m<sup>3</sup>/day - 2001**



**Boujdour 3700 m<sup>3</sup>/day  
1995/2005/2010**

**Total installed capacity :  
67 000 m<sup>3</sup>/day**



**Akhfénir 864 m<sup>3</sup>/day - 2011**



**Sidi Lghazi 90 m<sup>3</sup>/day - 2009**

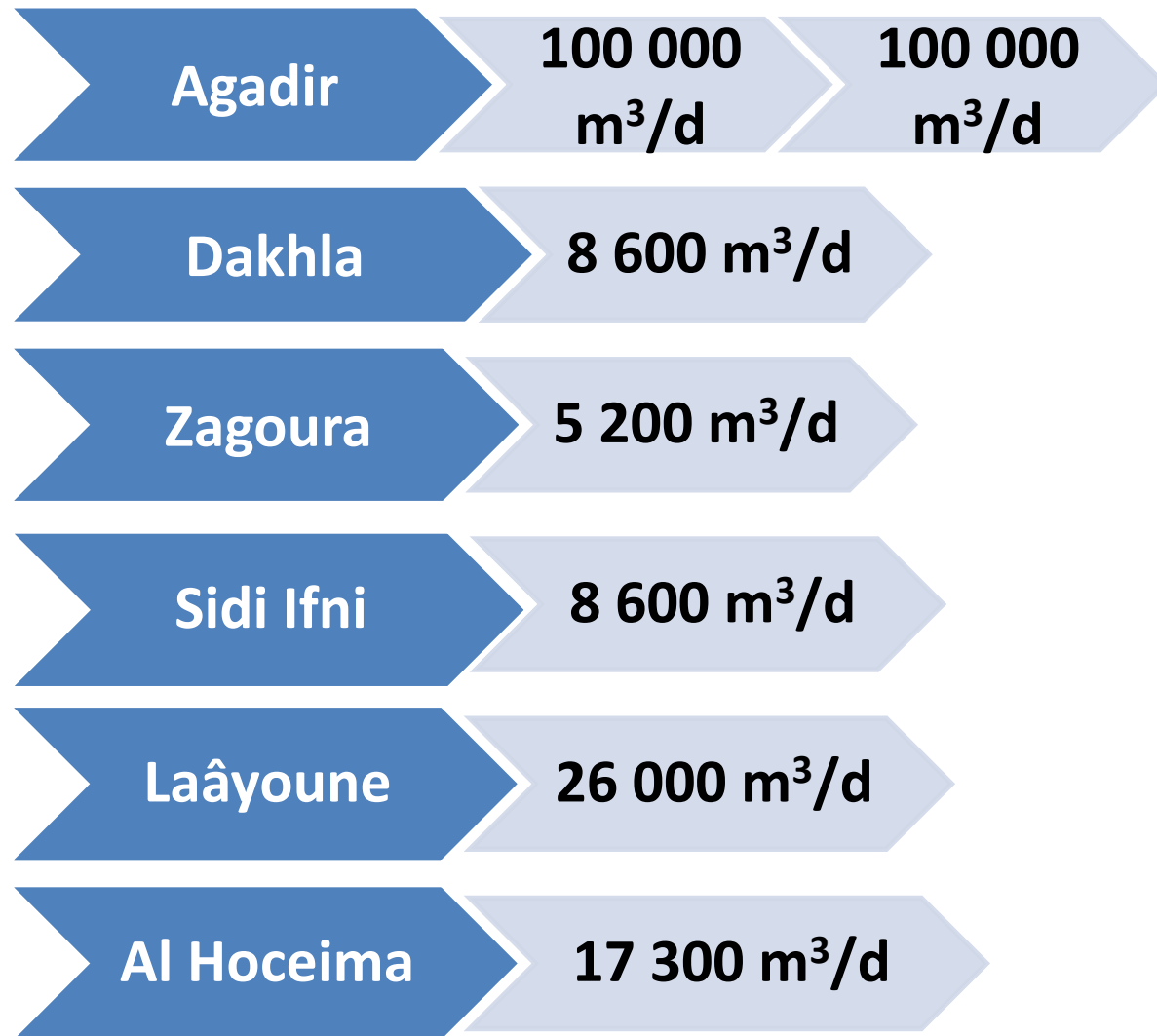


**Khénifra 30 000 m<sup>3</sup>/day - 2012**



**Tagounite 320 m<sup>3</sup>/day- 2008**

# Next Projets in the pipe



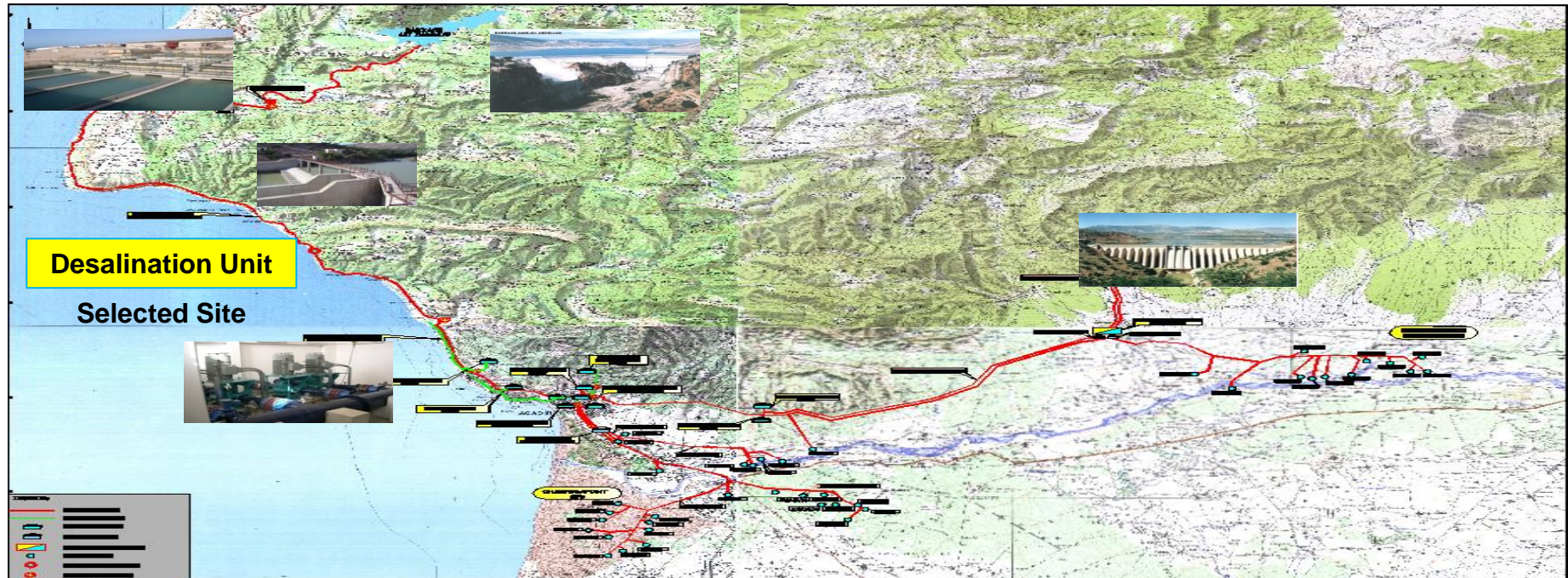


# Agadir : Case Study



Population: 1 million inhab

2<sup>nd</sup> economical pole:  
(Agriculture, Fishing,  
Tourism)





# Agadir Project

To meet water needs until 2030, Agadir is to be supplied by an additional flow of 200 000 m<sup>3</sup>/day

l'ONEE has planned a desalination project in 2 phases

**PHASE 1: 100 000 m<sup>3</sup>/day**  
Needs until 2020

**Phase 2: 100 000 m<sup>3</sup>/j**  
Needs until 2030

« Abengoa to build SWRO plant in Agadir, Morocco : Spanish contractor Abengoa has been chosen by Morocco's Office National de l'Electricité et de l'Eau Potable (ONEE) to construct a new desalination plant in Agadir, Morocco. »

*Desalination.biz Newsletter - 3/6/2014*



# Sharing of the roles

Under moroccan law 54-05 related to delegation of public services

## Public Party

- Feasability studies
- Mobilazing land and infrastructues: adduction pipes and Energy
- Biding
- negotiating
- Sign Contract
- Offtaker
- Contract monitoring: performance indicators
- Public Service

BOT CONTRACT: May 30<sup>th</sup> 2014



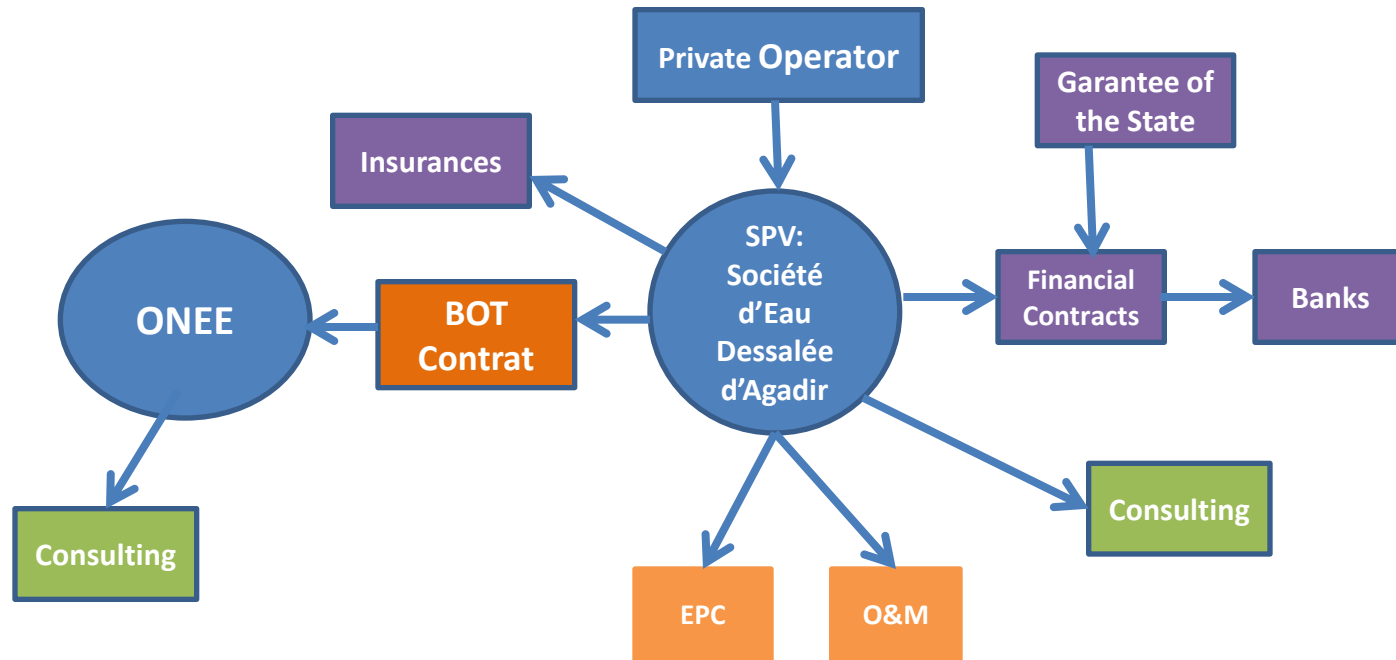
- Get « married » for a long term :  
**2014-2036**
- Share responsibilities and risks



## Private Party

- Submit offer
- Negotiating
- Sign Contract
- Financing
- Design
- Built
- O&M
- reporting
- Sell drinking water
- Make a profit
- Transfer

# Institutional Scheme



# Some details about the BOT contract



**Contract effective  
6 months:  
Prerequisites to be  
satisfied**

**Construction: 24 months**

**O & M : 20 years**

**Capex: 1 Billion MAD  
Cost of water: < 1Euro/m<sup>3</sup>**

## **Remuneration structure: 4 Components :**

- 1.Fixed Remuneration of investment
- 2.Fixed Remuneration of O&M
- 3.Variable Remuneration of O&M
- 4.Remuneration of Renewal

**Minimum  
Flow :  
21.000 m<sup>3</sup>/d**

## **financial instruments and guarantees :**

- Mortgage of the ground
- State's letter of support
- Tripartite Agreement
- Transfer of debts

# LESSONS LEARNT FROM AGADIR PROJECT

- To launch economic studies for the opportunity of BOT project.
- To build a strong and sustainable PPP Contract because of the long term of the Partnership and it's the key of success.
- International consultancy have a supportive role to play in the 3 aspects: Technical- financing and legal, closely with authority for the main milestones of the project : bidding- negotiating- Construction – commissioning.
- Good allocation of risks between 2 parties: regulatory - Design- O&M- respect of calendar– budget- environment- performance indicators... with appropriate risk mitigation : subject of long negotiations .
- Secure payment by public party to the private party for the provision of service and use of assets.
- Assets reverting to public party ownership at the end of the contract must be in a good manner .
- Capacity building and exchange experiences with international community is the school of a strength PPP





*Thank you*

**Web: [www.onep.ma](http://www.onep.ma)  
[sjariri@onee.ma](mailto:sjariri@onee.ma)**