INTERNATIONAL CONFERENCE

Public – Private Partnerships in the water and sanitation sector

MOROCCO :
AGADIR DESALINATION PROJECT

Selma Jariri
Technical Manager
ONEE

Geneva - October 21 - 22 2014
Focus on Water strategy in Morocco

ONEE’s desalination achievements

Agadir: Case Study
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
MORROCAN WATER STRATEGY 2009

- Water demand management and valorisation of water resources
- Preservation and protection of water resources, natural habitats and fragile areas
- Continuation of the legislative and institutional reforms
- Management and development of water offer
- Reduce vulnerability to natural water risk and adaptation to climate change
- Upgrading information systems and capacity building and skills
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

Conventional water
1,7 Milliards m\(^3\)/year

Non conventional water
800 Millions 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$^3$/day
2003/2014

Tarfaya 860 m$^3$/day - 2001

Laâyoune 26000 m$^3$/day
1995/2005/2010

Total installed capacity:
67 000 m$^3$/day

Boujdour 3700 m$^3$/day
1995/2005/2010

Akhfénir 864 m$^3$/day - 2011

Sidi Lghazi 90 m$^3$/day - 2009

Khénifra 30 000 m$^3$/day - 2012

Tagounite 320 m$^3$/day - 2008
Next Projets in the pipe

- **Agadir**: 100,000 m³/d
- **Dakhla**: 8,600 m³/d
- **Zagoura**: 5,200 m³/d
- **Sidi Ifni**: 8,600 m³/d
- **Laâyoune**: 26,000 m³/d
- **Al Hoceima**: 17,300 m³/d
Agadir: Case Study

Population: 1 million inhab
2nd economical pole: (Agriculture, Fishing, Tourism)
To meet water needs until 2030, Agadir is to be supplied by an additional flow of 200,000 m³/day.

l’ONEE has planned a desalination project in 2 phases:

**PHASE 1:** 100,000 m³/day
Needs until 2020

**Phase 2:** 100,000 m³/day
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 low 54-05 related to delegation of public services

**Public Party**

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

**Private Party**

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

BOT CONTRACT: May 30th 2014

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

Transfer
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/m³

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 m³/d

Financial instruments and guarantees:
- Mortgage of the ground
- State’s letter of support
- Tripartite Agreement
- Transfer of debts
To lunch economic studies for the opportunity of BOT project.

To built 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.


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