Public-Private Partnerships in Resource Recovery and Reuse

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Content

Why? Background and motivation
What? IWM I and public-private partnerships (PPP)
How? Example: PPP setup in Ghana
What next? Lessons and opportunities
Why?  Background and motivation

Resource recovery and reuse to
__ ease the waste burden
__ generate additional income

Public-private partnerships to
__ complement resources and skills
__ build and sustain viable value chains
What? Public-private partnerships (PPP)

are cooperation projects between public and private partners.

The contributions are combined in a way that partners reach their objectives faster, cheaper and more efficiently.

Source: working definition derived from definitions by GIZ (“Development Partnerships”), Global Compact LEAD (“Transformational Partnerships”), UNECE (“Public-Private Partnerships”)
What? PPP in IWMI’s work

Activities
- Analysis of farming systems, nutrient recycling, demand/supply, technology, institutions
- Testing and comparing recycling options
- Development of excreta-based fertilizers *Fortifer®*
- Commercialization and process optimization

Donors
- IDRC
- French pSEau, SDC, KEZO, SANDEC
- Swiss NCCR, IDRC, BMGF
- BMGF, DFID, GCC, MLGRD (Ghana)

Timeline:
- 2000
- 2001-2004
- 2005-2010
- 2011-2012
- 2013 - 2017
How? Example from Ghana

Donors

IWMI & partners

Funding

Technical & institutional support

Infrastructure investment and oversight

Municipality

PPP

Land, access to waste
O&M, marketing

Private company

Truck operators

Wastes

Wastes

Compost plant

15,000 m³/yr liquid waste
700 MT/yr solid wastes

≥30 jobs created

Compost

Farmers, landscapers

Funding

Land, access to waste
O&M, marketing

≥30 jobs created

Compost for 100 ha/yr
20-50% yield increase
How? Monetary flows

- **Municipality**
  - Revenue sharing
- **Private company**
  - Revenues
  - O&M
- **Truck operators**
  - Tipping fees
- **Compost plant**
  - Salaries
  - Purchase of agricultural produce
- **Farmers, landscapers**
  - Compost purchase
- **Households**
  - Service fees
  - Revenue sharing

**Monetary Flows:**
- Revenue sharing from the Municipality to the Private company.
- Tipping fees from Truck operators to the Compost plant.
- Service fees from Households to the Compost plant.
- O&M costs from the Compost plant to the Private company.
- Compost purchase from the Private company to Farmers, landscapers.
- Purchase of agricultural produce from Farmers, landscapers to Households.

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What next? Lessons

- ‘Business thinking’ helps spur valorization
- Limited PPP management capacities
- High transaction costs, opaque incentive structures
- Underdeveloped supply chains
- Risky upfront investment

Active support of PPP
What next?  Opportunities

- Invest in stakeholder alignment to minimize risks
- Transfer technologies and build PPP capacity (e.g. tools)
- Develop functional cost- and risk-sharing mechanisms
- Establish joint management and supervisory bodies
- Actively build value chains to attract investment
In a Nutshell...

- Public-private partnerships (PPP) support effective resource recovery and reuse.

- PPP management capacity needs to be developed across operational and leadership functions.

- Active value chain and business development help attract investment.