



Opportunities for Growth

An Interview with Bruno Roche,
Administrator and General Manager, Apa Nova București

EDITORS' NOTE Bruno Roche has held his current position since October 2008. In addition, he is also an Administrator for Veolia Apa Servicii as well as for Apa Nova Ploiești. Prior to this, he was Administrator and General Manager for Apa Nova Ploiești-Roumanie, and District Manager for Générale des Eaux – Region Loire Poitou – Joulès-Tours – Val de Loire Agency; Générale des Eaux – Region Loire Poitou – Le Mans – Le Mans Agency; and Compagnie Fermiere De Services Publics – Le Mans – Maine Agency. He is an Engineer of the Superior National School of Chemistry from CLERMONT-FERRAND (1989 graduate).

COMPANY BRIEF The main scope of business of Apa Nova București (www.apanovabucuresti.ro), the Romanian branch of Veolia Water (the water division of the Veolia Environnement Group) deals with water source management, water treatment, and supply, as well as wastewater and storm water discharge from the Bucharest area. Apa Nova București is the concessionaire of the public water supply and sewerage services in Bucharest for a 25-year period starting in 2000.

What is the significance of a company such as Apa Nova to Romania and would you also elaborate on the company's specific focus?

As one of the best known private/public partnerships signed in Romania since 2000, Apa Nova has around RON 200 million of varnished investments and plans to expand into other cities in Romania, so we are eager to find more local investment opportunities. The company has signed two lease agreements on the local market: one of them for 25 years concerning the management of the Bucharest water supply and another 11-year deal to run the water system in Ploiești.

What makes Romania a solid place for investment?

Romanians are, first and foremost, top European tax payers, which becomes essential in trying times like these. Also, there are large investment opportunities in Romania due to labor force availability and the real need for



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infrastructure in the major economic fields with a direct impact on the public. However, what needs to be changed locally includes things like infrastructure, the restrictive laws against public-owned companies and their access to different projects and financing, and the lack of a coherent fiscal system and legislation.

How have Romanian consumers changed their consumption habits over the years?

There has been a significant change. In 2000, Romanians consumed an average of 400 liters of water per day. Today, the average water consumption is 150 liters per day. Local consumers have started to realize the market economy rules and the subsequent costs.

What is Apa Nova's specific plan for Bucharest and Ploiești, as well as for other places in Romania?

The current legislative initiative, especially the long disputed regionalization issue, has slightly delayed the development plans of Apa Nova outside Bucharest and Ploiești, but the lobbying of local authorities is ongoing.

By 2016, the Veolia Eau subsidiary will have invested a total of RON 200 million in Bucharest for two projects comprising the expansion of the water supply network and waste treatment station.

The company will also invest RON 33 million yearly as part of the "Bucar program", a project required by Bucharest's city hall. As part of the contract, the authorities will map the location where the expansion is needed and Apa Nova will perform the works.

Are there additional relevant projects being worked on?

Yes, another important joint project for Apa Nova and Bucharest city hall is the Glina wastewater treatment plant, which became functional in the second half of July 2011. The Glina project was developed in two stages, with the first one completed last summer. The total investment in the Glina plant amounts to approximately EUR 500 million.

The first stage of the project cost EUR 82 million and is estimated to top EUR 100 million, while the second stage of the works will absorb around EUR 400 to 450 million.

When finished, the Glina wastewater treatment plant will treat the sewage water of Bucharest and the neighboring areas, and the plant is expected to generate 400 to 500 tons of sludge per day, which will be converted into biogas and, subsequently, energy production.

What is the significance of this particular project?

The works at Glina started before 1989. Up to now, Bucharest has not had a wastewater treatment plant, which has been strongly emphasized by the European authorities. ●