

Press Release

Paris (France) – Hamamatsu (Japan), October 30 2017

Municipal Water - Japan

Veolia to take charge of Hamamatsu's sewage water, first ever long-term concession project of this kind in Japan

Following a call for tenders, Veolia, through its subsidiary Veolia Japan, and together with its partners, has been selected by the city of Hamamatsu to manage part of its wastewater and sewage scheme including the operation and maintenance of its main facilities of Seien, Hamana and Akura. This 20-year contract is the first long-term concession contract for municipal sewage management in Japan, the nation's biggest infrastructure asset class. It has been signed today and operations will begin in April 2018.

Hamamatsu is a coastal city located in the western part of the Shizuoka prefecture, between Tokyo and Osaka. The city has a population of roughly 810,000 inhabitants. Hamamatsu is well-known as an industrial city, notably as the cradle for musical instruments and motorbikes. The three biggest musical instrument companies – Yamaha, Kawai, and Roland, as well Japanese automobiles & motorbikes manufacturers Suzuki, Honda and Yamaha are headquartered or have their origin in Hamamatsu.

Veolia will implement fully its best practices and expertise to operate, maintain and renew the wastewater treatment plant and related facilities. Veolia's offer includes a more risk-analysis related approach to the asset management, which will optimize the overall Operations & Maintenance scheme as well as costs. The integration of the IT systems will moreover improve monitoring and remote management of the plant. The contract will enable the city to improve the quality and efficiency of services provided to the public. The wastewater treatment plant is designed to treat up to 200,000 cubic meters per day, the equivalent of over 50 Olympic pools every day.

This contract, the first example of a new contractual scheme between public and private partners promoted by the Japanese Government, is also a "user-pay" project where "water will pay for water", i.e the cost of the sewage service will be covered according to the consumption of drinking water. The city, on behalf of the operator, will invoice and collect sewage tariff from the end-users based on their consumption. The remuneration for Veolia's service will be correlated to the number of end-users, their consumption and the tariff agreed with the city.

With long-standing co-constructed projects in Japan, Veolia has formed a consortium with JFE Engineering Corporation, ORIX Corporation, Suyama Construction and Tokyu Construction for this project. Cumulative revenues for Veolia are estimated at 450 million euros over the contract, for works, operation and maintenance.

Régis Calmels, Asia Zone Director for Veolia, said: «We are very proud that, together with the trust of Japanese local government, our expertise and know-how allows Veolia to be the only foreign private operator to have obtained public service delegations in a country that has recently opened up to public-private partnerships.»

Veolia established its presence in Japan in 2002 and provides Japanese municipalities with tailored solutions to not only to provide them with the services they require, but also to provide innovative solutions using advanced technology, which is the key to ensuing quality services and lower operational costs. Veolia is the only private foreign company to have won public service management contracts in the water and wastewater sector in Japan since 2002. In 2006, Veolia and its local partner have been awarded one of the largest municipal wastewater

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projects in Japan, for operations and maintenance of Hiroshima's wastewater treatment plant. It is one of the first major international tenders in the history of Japan's wastewater industry.

In addition to water management services, Veolia provides waste management services, including resource recycling and recovery at its facilities Ecos Factory, Green Loop and Nisen, which are located in Tokyo and Nagoya Area. The company also offers energy management services such as biomass power plants and industrial energy services. In 2015, Veolia partnered with Takeei to operate two biomass power generation plants in Tsugaru and Hanamaki, Veolia's first energy projects in Japan.

To know more on Veolia Japan <http://www.veolia.jp/en>

To discover [how wastewater is treated](#)  YouTube



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Veolia group is the global leader in optimized resource management. With over 163 000 employees worldwide, the Group designs and provides water, waste and energy management solutions that contribute to the sustainable development of communities and industries. Through its three complementary business activities, Veolia helps to develop access to resources, preserve available resources, and to replenish them.

In 2016, the Veolia group supplied 100 million people with drinking water and 61 million people with wastewater service, produced 54 million megawatt hours of energy and converted 30 million metric tons of waste into new materials and energy. Veolia Environnement (*listed on Paris Euronext: VIE*) recorded consolidated revenue of €24.39 billion in 2016. www.veolia.com

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