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Sewage plants in Europe: larger capacities, sluggish market

By 2017, ecoprolog expects investments in European wastewater treatment plants to amount to about 37.6 billion euros. Growth will be the most dynamic in Southern and Eastern Europe. Germany will remain the largest national market.

The quality of wastewater treatment in Europe is improving continuously. At present, about 71,000 municipal wastewater treatment plants (WWTPs) are operational in the 28 EU member states, Iceland, Norway and Switzerland. Many of these plants do not only treat municipal wastewater, but also organic polluting loads of connected commercial operations. The total treatment capacity of the WWTPs amounts to about 775 million population equivalents. These population equivalents (PEs) describe the average organic polluting load per inhabitant per day.

The capacities of municipal wastewater purification in Europe have increased in the past years. Especially many new plants were constructed in medium-sized and small towns in Eastern Europe. Already existing plants in large cities were equipped with biological wastewater treatment and additional treatment technology. The most recent new plant commissioned in a EU city with more than one million inhabitants was the facility in Bucharest in Romania in 2011.

The EU Urban Waste Water Treatment Directive will remain the most important driving factor for new construction and upgrade measures in municipal wastewater treatment. The old EU member states, which had to comply with all directive specifications until the end of 2005, also still have to invest in adjusting their wastewater treatment. For instance, the European Court of Justice sentenced Italy in 2012 to subsequently improve the wastewater treatment in more than 80 settlement areas. Another example is France, where an adjustment programme will be in effect for another few years.

In the years to come, the development of many young EU member states in Eastern Europe will be examined for the first time. Experience has shown that such EU inspections oftentimes result in subsequent improvements. Transitional periods for implementing the EU Urban Waste Water Treatment Directive are still in effect in some young EU countries. For instance, Romania and Croatia have to comply with the specifications by 2015 and 2023 respectively.

However, most old EU member states have completed the development of their municipal wastewater treatment systems. Thus, maintenance and renewal investments dominate in countries such as Germany, the Netherlands as well as in Scandinavia. In the 5 years to come, ecoprolog estimates these types of investments to account for more than 80 per cent of the overall investments in municipal WWTPs. The European market for wastewater treatment plants will thus increasingly depend on the existing plants, whereas investment shares for constructing new plants and upgrading existing facilities will decline. Altogether, ecoprolog expects investments amounting to 37.6 billion euros by 2017.

With a share of almost 20 per cent, Germany is the largest national market in Europe. The treatment capacities installed in the country amount to 145 million population equivalents. The largest number of plants can be found in France, where more than 19,000 municipal wastewater plants are located.

It varies considerably to which extent European countries have privatised their wastewater disposal systems. Privatisation is traditionally weak in Central Europe and Scandinavia. In France, by contrast, private companies started as early as in the 19th century to develop the water supply and subsequently the wastewater disposal system. In recent years, the French world market leaders were especially successful in Eastern Europe as the municipalities there were oftentimes unable to cope, both in technical and economic terms, with the adjustments the framework of joining the EU entailed. Only 8 to 10 private water companies in Europe are active beyond the regions they are based in.

The study “The European Market for Wastewater Treatment Plants” can from now on be ordered at: www.ecoprolog.com. This offer also includes a data set with information on more than 6,000 municipal wastewater treatment plants in Europe.

As a respected industry expert, the Cologne-based consultancy ecoprolog accompanies clients from Germany and abroad in dealing with implementation-oriented management issues in the environmental and energy technology sectors. We work in the fields of strategy consulting, market and competition analyses as well as multi-client studies.