



Stadtentwässerungs-
betriebe Köln, AöR

Funding stability of public services

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1. Starting point: What was the main challenge, issue, problem to be addressed by the practice?

- » public service such as waste water management needs much money to be ensured
- » stable cash flow to fund investment an activities
- » reliable financial basis to support huge investments => pay back >70 years
- » low price for customer , households and industries

2. Institutional setting: What were the frame conditions for the practice that will be presented? (e.g. policy, legal regulation, instrument, reform approach, demand by people etc.; which actors/stakeholders were involved?)

- » legislative regulation on calculation basis, what is the defined service and how is a price build?
- » legislative regulation on land ownership -> name of the customer
- » clear and accountable “service to the customer” relation such as countable quantities
- » efficacious municipal service and administration such as public company

3. Approach: Which methods, tools or instruments have been developed and were applied to address the challenge?

- » establishment of an accounting system
- » valuation of the assets
- » calculating the price for the service
- » generating income for the public service

4. Outputs: Which were the concrete tangible results, outcomes and/or impacts of the good practice and how do they ensure sustainability of the practice?

- » stable internal cash flow
- » financially secured investments -> reliable infrastructure and service contribution to public health
- » credit worthiness and capability to serve loans, secured an guaranteed salaries for employees etc.

5. Lessons: What are the main lessons learnt in the course of implementation of the good practice? Are there any open questions that need to be dealt with?

» service fees are recognized as an instrument of solid public financial

6. Transfer: What are the necessary preconditions to transfer this practice to another place? What would be the first steps to take?

- » legislative or binding rules, regulations
- » strict division of responsibility within the municipal services
- » know how of organizational development i.e. how to define service value and how to account this to the customer

Sewage charges

Basis of charge amount

Wastewater charge

in Cologne:
1,56 €/m³

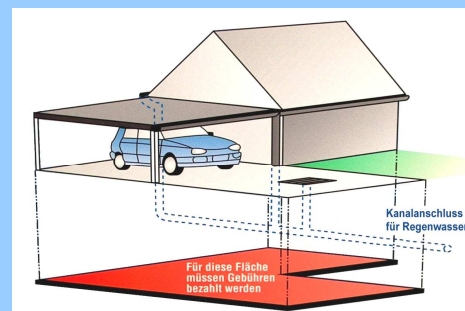
(Drinking water supplied to the customer
= amount of water from the water supplier)



Rain water charge

in Cologne:
1,30 €/m²

(Area connected to the sewage system)



Other charges

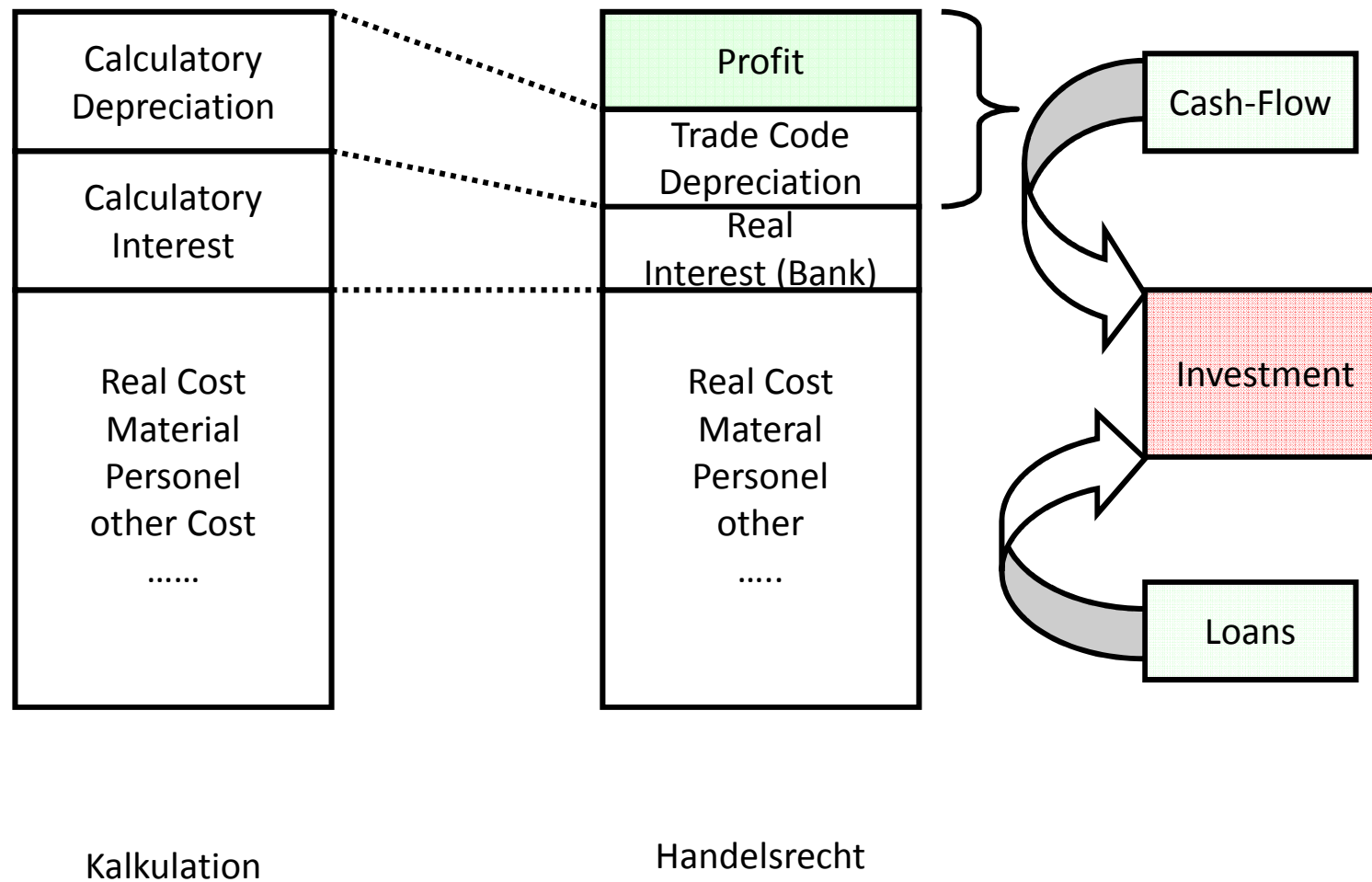
(depending on actually discharged amount)

For example:

- Water that does not need be treated (unpolluted groundwater)
- Sludge from small treatment plants
- Sewage from pits without discharge point
- Chemical toilets...
- Works according to the wastewater charges statute

Stand: Nov. 2001

Basis of Calculation an Balancing



Basics for the future development of charges

What does this means in figures?

» imputed:

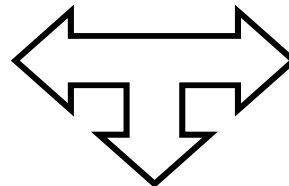
1. depreciation

51.7 Mio. Euro

2. interest

64,3 Mio. Euro

imputed costs plus
actual cost =
(target) revenues



Δ ca. 16 Mio.

» included in the annual
accounts:

1. depreciation

49,4 Mio. Euro

2. interest

50,9 Mio. Euro

actual costs less
(target) revenues =
profit/loss



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**Thank you for your
attention!**

www.steb-koeln.de

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