



Interview

VEOLIA'S SUSTAINABLE SOLUTIONS: NAVIGATING CHALLENGES AND SHAPING THE ECOLOGICAL FUTURE

MĂDĂLIN MIHAILOVICI, CEO, Veolia România

1 In light of the challenges faced in 2023, particularly economic slowdowns and inflation, how is Veolia leveraging its sustainability initiatives to maintain stability and continue its commitment to renewable energy?

Certainly, in the face of the prevailing challenges in 2023, notably economic slowdowns and inflation, Veolia, with 170 years of experience in environmental services and resource management, remains steadfast in its commitment to sustainability and renewable energy. Our strategic approach is geared towards not only weathering these challenges but also leveraging them to reinforce our position as the global champion of ecological transformation.

First and foremost, we understand that the

economic slowdown and inflationary pressures require a diligent approach to resource management. Veolia uses these challenges as an impetus to optimize our operations and resource utilization. By employing innovative and efficient technologies, we are reducing costs and improving the overall economic viability of our sustainability initiatives. This approach not only enhances our competitiveness but also ensures that our commitment to renewable energy remains financially sustainable.

Additionally, Veolia's commitment to renewable energy is not just a sustainability initiative but a cornerstone of our business strategy. Considering the economic environment, we are intensifying our focus on the development and operation of renewable energy projects, which offer

significant long-term benefits. These projects are not only environmentally responsible but also contribute to energy security, which is crucial during times of economic uncertainty.

As a matter of fact, Veolia's purpose is to contribute to human progress through a firm commitment to the Sustainable Development Goals set by the UN for a greener, cleaner and safer future for generations to come.

2. Considering the hurdles in Romania's water and sewage sector, such as infrastructure limitations, how is Veolia strategically positioning itself to overcome these obstacles and contribute to future development?

Veolia is acutely aware of the challenges facing Romania's water and sewage sector, including infrastructure limitations.

To strategically position itself to overcome these obstacles and contribute to future development in Romania, our company implemented a multifaceted approach that aligns with its commitment to sustainability.

There is no doubt that Veolia recognizes the importance of upgrading and expanding water and sewage infrastructure. Our company is actively investing in modernizing and enhancing the existing systems, leveraging our expertise in infrastructure development, and aiming to address capacity limitations and improve the overall performance of these systems.

For more than two years, Apa Nova, a Veolia company, has been implementing one of the largest investment programs in the history of the company, resulting in benefits for all Bucharest residents: from the extension of the water and sewerage infrastructure, the connection of peripheral areas to the centralized system, the increase in wastewater and stormwater collection capacity, the adaptation of the water supply networks to the new consumption requirements and the reduction of water supply interruptions due to breakdowns.

In addition to this massive investment program, we invest annually to achieve its operational objectives: modernization of water production, pumping and treatment plants, acquisition of equipment and technologies, digitization, and automation of processes.

The total investment value since the

beginning of the concession to date is more than €752 million, with an average investment value in recent years of around €36 million/year.

Through these approaches, Veolia is strategically positioning itself as a responsible corporate partner in Romania's efforts to address the obstacles in the water and sewage sector. By investing in infrastructure, embracing innovation, forming partnerships, prioritizing sustainability, and engaging with local communities, Veolia is contributing to the sustainable development of Romania's water and sewage systems while overcoming the associated challenges.

3. Veolia is involved in an extensive project for modernizing and expanding water networks in Bucharest. Can you provide an update on the progress of this project and its impact on improving water infrastructure in the city?

From the start of the program, in July 2020, to the end of 2022, the total value of investments made under the investment program was approximately €41.1 million. Extensions and resizing of the water network of about 31 kilometers and more than 25 kilometers in the sewerage network have been carried out.

For 2023, the public water supply and sewerage system modernization projects have a budget of approximately €27.7 million and consist of projects for rehabilitation of the pumping sector, replacement/rehabilitation/extension of the drinking water and sewerage networks, and smart metering.

All these investments are being made at a time when our tariffs remain among the lowest in the country, ranking 47th out of 49 utility operators in Romania.

4. Regarding water management, what innovative technologies or strategies is Veolia Romania implementing to ensure efficient and sustainable use of water resources in the areas it serves?

We use an extensive range of technologies in the process of upgrading drinking water and sewerage networks to improve the existing infrastructure and optimize system operation. For example, to assess the condition of



Our company implemented a multifaceted approach that aligns with its commitment to sustainability.



Veolia, with 170 years of activity in environmental services, remains steadfast in its commitment to sustainability.

networks and identify potential problems, we use high-performance video cameras to visually inspect pipes and identify cracks, blockages, or other faults.

We also use advanced IT systems to manage networks efficiently, allowing real-time monitoring of water flow and network fill levels, identifying leaks, and managing the workflow of maintenance teams. To extend the life of existing pipes and avoid replacement, we use rehabilitation technologies, scale removal methods, and crack sealing techniques, and to ensure the quality of discharged water, we use advanced water quality monitoring systems to identify harmful substances, pollution levels, and the effectiveness of treatment processes.

To efficiently manage water flow and sewage network operations, we have control and automation systems at the pumping stations that allow monitoring and control of critical parameters such as pressure, flow rate, and fill level, ensuring optimal system operation.

We ensure that we incorporate state-of-the-art, trenchless, minimally invasive technologies within our projects, with their share continually increasing compared to previous years.

5. How is Veolia addressing water quality and wastewater treatment challenges in Romania? Are there specific initiatives in place to enhance water treatment processes?

In Bucharest, we closely monitor the drinking water to ensure its compliance with all health and safety standards and the highly stringent regulations in the field. The quality of water is continuously checked 24 hours a day. Our experts collect daily samples from 55 fixed collection points distributed across the capital. These samples undergo more than 6,000 annual analyses, monitoring no less than 120,000 parameters.

These rigorous analyses cover a wide range of factors, including chemical compounds, bacteria, toxic substances, and physical parameters. Therefore, Bucharest residents can have confidence that the water from their taps is safe for consumption. Our diligent and meticulous water quality monitoring ensures that any issues or potential health hazards are promptly identified and addressed.

6. The goal of Veolia is to become a champion of Ecological Transformation. What specific initiatives or projects is Veolia Romania currently undertaking to achieve this objective, and how do these efforts align with the broader vision of ecological transformation?

Our country has a huge potential in renewable energy because it benefits from a diversity of resources such as hydropower, wind, solar, and biomass. However, in the case of hydropower, with only 40% of the country's hydropower potential being exploited at a national level, Romania is practically at the same level as it was in 1989, with no new construction in the field.

Locally, we have already initiated tangible measures to enhance energy efficiency and integrate renewable energy sources. As a testament to our commitment, we have invested over Eur 7.5 million in these initiatives. By harnessing solar energy as a renewable source, we are ensuring self-reliance through a photovoltaic facility that will serve the South pumping station. Additionally, we will become producers and consumers by installing smaller photovoltaic systems on the roofs of the Pantelimon pumping station, the headquarters of the Cassette Directorate in Vitan and the Baneasa pumping station.

Another substantial project that has been in progress for some time is our pursuit of energy independence across all our local facilities. Our objective is to maintain affordable tariffs, especially given the fluctuations and volatility of energy prices.

Furthermore, we are actively exploring solutions that transform wastewater treatment into a source of renewable energy. At the Glina wastewater treatment plant, we capture and utilize biogas generated from sludge digestion to fulfil the energy requirements of the wastewater treatment plant.

Through our energy supply and energy efficiency services, we actively contribute to creating favourable living conditions and well-being for the communities where we operate. For instance, we have undertaken the comprehensive design and construction of a retirement home in Alba Iulia, offering a turnkey solution. This entails handling design, construction, equipment procurement, operations, and ongoing maintenance,

including the supply of heat, hot water, and cooling. Our innovative approach incorporates geo-exchange technology and heat pumps, resulting in an 85% reduction in the use of traditional hot water boilers.

10. Considering the ongoing commitment to sustainability, how does Veolia plan to leverage its existing portfolio of ecological solutions to address emerging challenges and capitalize on business opportunities in the evolving ecological landscape?

Veolia is deeply committed to sustainability, and we recognize the critical role our company plays in addressing emerging ecological challenges and seizing business opportunities in the evolving landscape. Leveraging our existing portfolio of ecological solutions is central to our strategic vision.

First and foremost, Veolia is continuously investing in research and development to enhance and expand our existing suite of ecological solutions. We understand that the environmental challenges we face are ever evolving, and therefore, we are dedicated to staying at the forefront of innovation to adapt and address these challenges effectively. Our research and development initiatives focus on improving resource efficiency and carbon footprint reduction, ensuring that we are equipped to meet the changing needs of our clients and the environment.

In addition to innovation, collaboration is a cornerstone of our approach. We actively seek partnerships and alliances with both public and private sector organizations, fostering a collective approach to sustainability challenges.

11. Given the concerns expressed in the Barometer of Ecological Transformation, how is Veolia actively involving the public in its sustainability efforts? Tell us more about the “Romania Unfolds” project and how it will make a difference.

We understand the pressing concerns expressed in the Barometer of Ecological Transformation, and we are deeply

committed to actively involving the public in our sustainability efforts. One of our most notable initiatives in this regard is the “Romania Unfolds” project, which serves as a platform dedicated to raising awareness and fostering engagement in sustainable practices.

“Romania Unfolds” is based on a compelling mini-series of six video documentaries that shine a spotlight on the inspiring stories of communities that have successfully addressed local challenges using accessible, sustainable solutions. With each episode, our project not only celebrates the remarkable progress achieved by these communities but also engages the public through in-depth research, quality journalism, and authentic imagery that captures the essence of a new, sustainable Romania.

Through this initiative, Veolia stands by its commitment to becoming a Champion of Ecological Transformation by providing access to sustainability information and uncovering sustainable solutions capable of mediating the impact of today’s challenges. In this way, we contribute to increasing the educational value within the communities in which we operate.

12. Looking forward to 2024, what future-ready initiatives is Veolia Romania planning to undertake to stay ahead in the rapidly evolving business landscape?

The next strategic program for 2024-2027 is currently in preparation and will be presented at the end of this year. It will definitely enable Veolia to strengthen its presence in the most promising sectors for ecological transformation, such as energy efficiency, battery recycling, wastewater recycling, reuse of wastewater, renewable energy production, and more.

Many of these growth drivers already represent solutions to the triple threat of CO2 emissions, pollution, and scarcity. By consistently creating such alternatives year after year, Veolia continues to solidify its position as a global leader and champion of ecological transformation.

OPTIMIȘTI , CĂTRE NOI ORIZONTURI

“
Prin producția de
energie din apele uzate,
contribuim în mod real
la transformarea
ecologică!”

Florian, tehnician la stația
de epurare a apelor uzate
La Baumette

În Franța, Florian și colegii săi
recuperează deșeuri organice din
apele uzate. Împreună produc
biogaz care, odată injectat în
rețeaua națională de gaz,
furnizează energie pentru o parte
din oraș. Această operațiune
reprezintă o modalitate de a
produce energie regenerabilă la
nivel local.

Misiunea noastră, transformarea ecologică.

Descoperă povestea lui Florian și a celor peste 220.000 de angajați Veolia pe www.veolia.com

 **VEOLIA**