

## Water desalination supply in Saudi Arabia to reach 1.294bm3 by '14

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JEDDAH: By 2014, water desalination supply in the Kingdom is forecast to reach 1.294 billion m<sup>3</sup>, compared with a previous forecast of 1.366 billion m<sup>3</sup>, Research and Markets said in its latest "Saudi Arabia Water Report Q1 2011", noting that the Kingdom is the third largest consumer of water per capita in the world.

Desalinated water is expected to reach 1.159 billion cubic meters billion m<sup>3</sup> in 2010, down from 1.167 billion m<sup>3</sup> in previous forecast, it added.

Saudi Arabia's regulatory system for the power and water sectors was overhauled to make it more investor-friendly and to enable the creation of bodies such as the Water and Electricity Company (WEC) and the National Water Company (NWC) to manage the transition and provide state partners for investors.

In Q3 2010, a SR6.6 billion contract for the desalination plant was awarded to a consortium led by South Korea's Doosan Heavy Industries and Construction Company Ltd. The Ras Al-Zour plant will have 2,400 MW of power and 1 million cubic meters per day (m<sup>3</sup>/d) water desalination capacity, making it the worlds largest IWPP.

The reverse osmosis/thermal hybrid desalination plant will boast 226mn gallons per day (g/d) capacity.

Building on a master plan drawn up in 2002, some \$6 billion a year has been committed by the government to bolster the water sector over the next two decades.

The main vehicles are independent power and water projects (IWPPs) in which the private sector can take stakes of up to 60 percent. Over \$15 billion worth of IWPPs have been sanctioned since the program started in 2004.

They will add over 1 billion m<sup>3</sup> a year to the country's water supply and nearly 10 gigawatts of power capacity.

NWC has successfully ensured the shortening of the expected duration of delivery on a number of critical water and wastewater projects worth SR1 billion in Riyadh and Jeddah, following the use of acceleration mechanisms. The company claims to have reduced the delivery period on 13 impeded projects.

NWC completed the transfer of operation and management functions of water and wastewater sector in Makkah and Taif in July 2010.

A French-Saudi consortium between Saur and Zamil Operations & Maintenance (Zomco) won a SR173 million contract to manage the water and wastewater infrastructure in the two cities for a five-year period.

NWC had plans to outsource the management of the Madina's water and wastewater networks under public private partnership (PPP) arrangements, with networks in the city of Dammam to follow in Q211, the report noted.