

LETTER OF INTENT

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**International Affairs Department**

Japan Sewage Works Agency (JS) has joined the Saitama prefecture's JICA grassroots project in Thailand, providing technical cooperation to the Wastewater Management Authority (WMA) of Thailand. I joined Saitama to revisit Thailand from May 13 to May 18.

1. LETTER OF INTENT (LOI)

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The visit aims to discuss the details of the LOI between WMA and JS. I brought the LOI draft to WMA during my previous visit in February.

I joined Saitama prefecture's visit to ask MWA about the LOI progress.

The scope of cooperation JS proposed in its draft is as follows:

- Policy, planning, design, construction, O&M, and management for sewage works
- Wastewater regulations and legislation
- Wastewater technology, evaluation, criteria, and manuals
- Human resource development for sewage works
- Dissemination and awareness raising for wastewater
- Promotion and support for technical cooperation through the activities of Japanese municipal governments and private companies

On the other hand, WMA requested to define clearly on LOI that Japan shall accept Thailand inspecting Japanese municipalities. Thai government changed the administrator of WMA to the Ministry of Interior from the Ministry of Natural Resources and Environment in November 2018. This change assigns a new obligation to WMA to promote wastewater service in the entire municipalities of Thailand. Now, WMA plans to show around Japanese advanced technologies to the heads of cities.

WMA also asks to have a signing ceremony some time this August or September in Japan. WMA is thinking of involving its thirteen councilors scheduled to be assigned at that time in the signing ceremony in Japan.

## 2. THE PRESENT CONDITION OF SEWERAGE IN THAILAND

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According to the WMA officials, while Thailand has some general environmental regulations, including water, air, and noise, it has no law specialized for wastewater. Before 1995 when WMA was established, the country adopted a polluter pays principle. The government constructs municipal wastewater treatment plants (WWTPs) with its national budget, and local governments have duties of their O&M. While many municipalities entrust their O&M to WMA or private services, some abandon their responsibilities.

Today, Thailand has 7,852 municipalities and 105 municipal WWTPs. Bangkok, the capital city, has eight active WWTPs and one inactive. Ninety-six WWTPs, except for the above nine, is the scope of O&M, and WMA takes charge of 26 out of that.

While WMA concludes MOU (Memorandum of Understanding) with each municipality, when entrusting O&M, it needs MOA (Memorandum of Agreement.) Each MOA has similar contents except for costs. In the first year of the MOA contract, all O&M fee is paid by WMA, but after the second year, the share of payment and maximum limit of municipal charge is decided by the cost negotiation. In some cases, WMA cannot recover all its compensation for O&M because of the limitation.

Since WMA receives the government budget, it must be audited. The audit has an indicator of "inflow volume divided by O&M cost" which is higher is better. The auditor evaluates the business performance of WMA by using this indicator. If WMA had a lower evaluation, it would get a less budget next year. To improve the hand, WMA has no choice but to increase inflow volume or reduce O&M costs. Therefore, I understand in some way that WMA takes extreme manners such as "no repair" or "stopping blowers" to reduce O&M costs at some municipal WWTPs.

I believe improving awareness of the people involved and doing the mainstream wastewater treatment business are keys to future success.

## 3. OTHERS

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We had planned fieldwork during our stay in addition to the meetings. On the morning of the fieldwork, we met heavy rain just after we heard a rumble of thunder in a far distance. We decided to continue our trip to WWTP for work such as document checking. After driving for about fifteen minutes, we found our destination had no rain because the road around there had a dry surface. I experienced an "Ultra-localized downpour."



Squall (this photo has no punch, though)



Many people wearing yellow polo voluntarily

During this visit, I saw many people wearing yellow polo shirts in the WMA office and downtown. Thailand has just had a coronation of King Vajiralongkorn on May 5. As yellow represents "King," many people looked to celebrate their new king.

After King Bhumibol passed away, I had some opportunities to visit the country. In Thailand, we can see many portraits of the king here and there. Images of the new king gradually replace that of the former king, and

now it becomes difficult to find King Bhumibol.

#### 4. AT THE END

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LOI that WMA and JS are preparing is just the start of cooperation activities. It is important to establish our collaboration relationship and how to progress practically in the future. Especially, JS needs to consider what it can do in the item of "things related to the promotion of technical assistance through activities between Thai, Japanese municipalities, and private companies."

WMA will be a critical body that will lead the sewage works in Thailand. We appreciate it if you provide your opinion to JS when carrying out your business in Thailand.