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## Closure and redevelopment of the site 'Eilandje' at Zwijnaarde (Ghent), Belgium

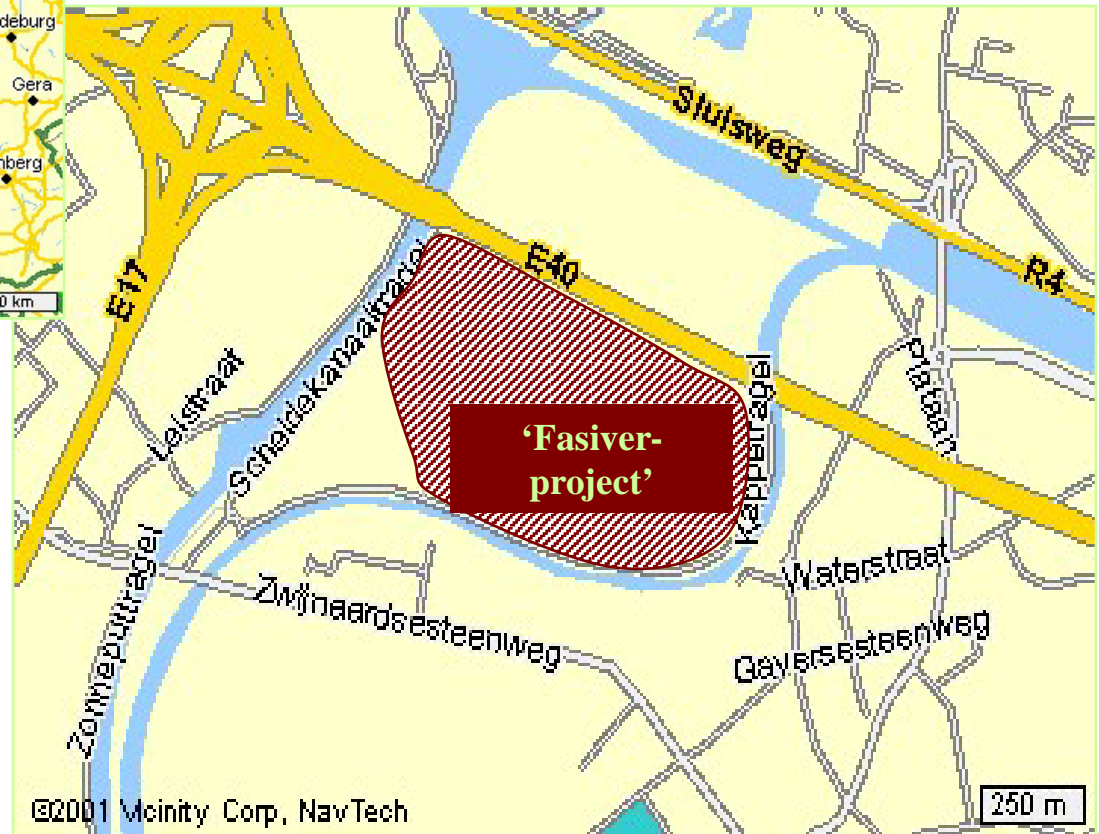
Jérôme Metz, Business Development Manager



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# Location



# The context of the site closure

- Short (and simplified) history
  - 1975: Fabelta carpet manufacture becomes state owned company
  - 1982: Fabelta in bankruptcy
  - 1983: Domo acquires Fabelta
- Five industrial basins
  - 175 000 m<sup>3</sup> organic viscose sludge
  - Leaching of heavy metal in groundwater
  - Polluted area is approx 6 ha



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# Location



# The context of the site closure

- 1990's: Domo wishes to sell fallow part of the site (26 ha of which 6 ha heavily polluted)
- Legal debate on liability issues
- Value of site vs cost of remediation

# Turning issues into opportunities

- Treatment and recycling of dredged sediments
  - Urgent need maintenance rivers
  - No sediment treatment and disposal site in Ghent area
- Industrial zone
  - Urgent need new industrial areas around Ghent

## => DOMO site

- Unique strategic location for future industrial area
- Site needed to be elevated
- Site is along Scheldt river arm

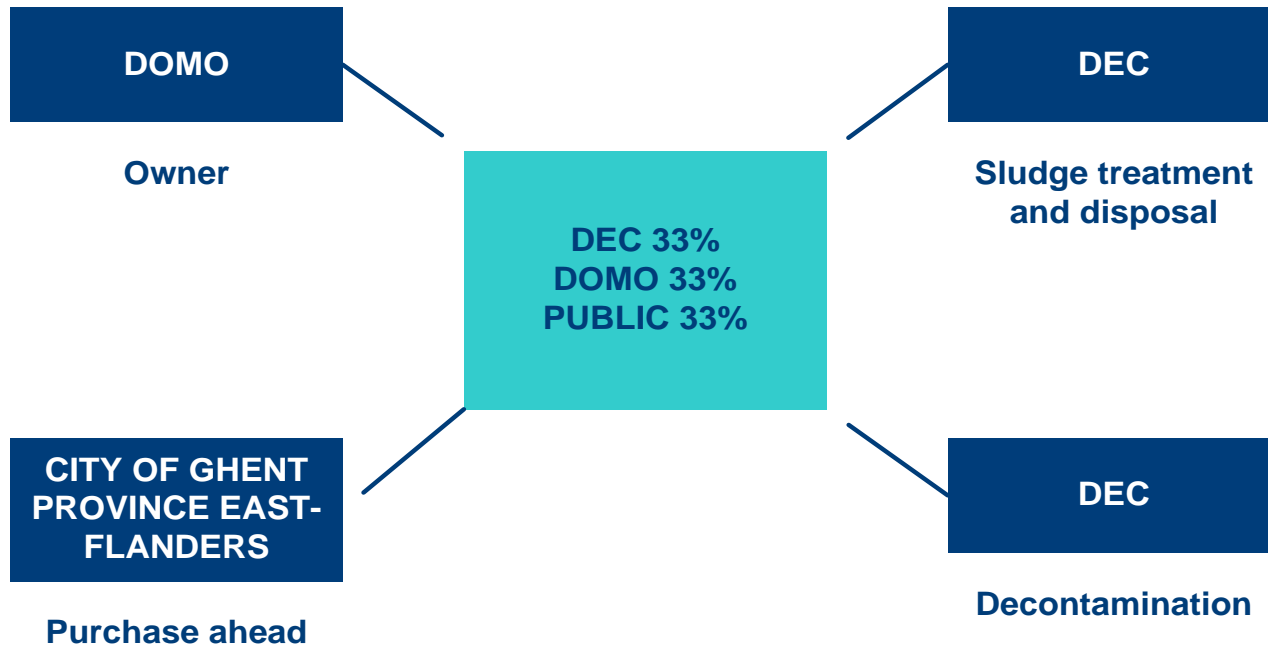


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# Public Private Partnership

## CVBA FASIVER STUDY PERIOD



# Cvba Fasiver

- Buys 15 ha from Domo at symbolic price
  - Takes over environmental liability and sets financial bonds to OVAM
  - Initiates feasibility study for future redevelopment
  - Applies for permit for sediment treatment and disposal facility
- 
- Organizes financing for remediation
  - Organizes remediation of hotspot by DEC
  - Leases sediment treatment and disposal facilities to DEC
  - Prepares land for redevelopment
  - Sells back prepared land to private investors or public partner (pre-emption right/obligation)

# Public Private Partnership

**INVESTMENT**

PRIVATE  
PARTNER



COMMERCIAL  
PERSPECTIVE



POLITICAL  
PERSPECTIVE



PUBLIC  
PARTNER

**RETURN**

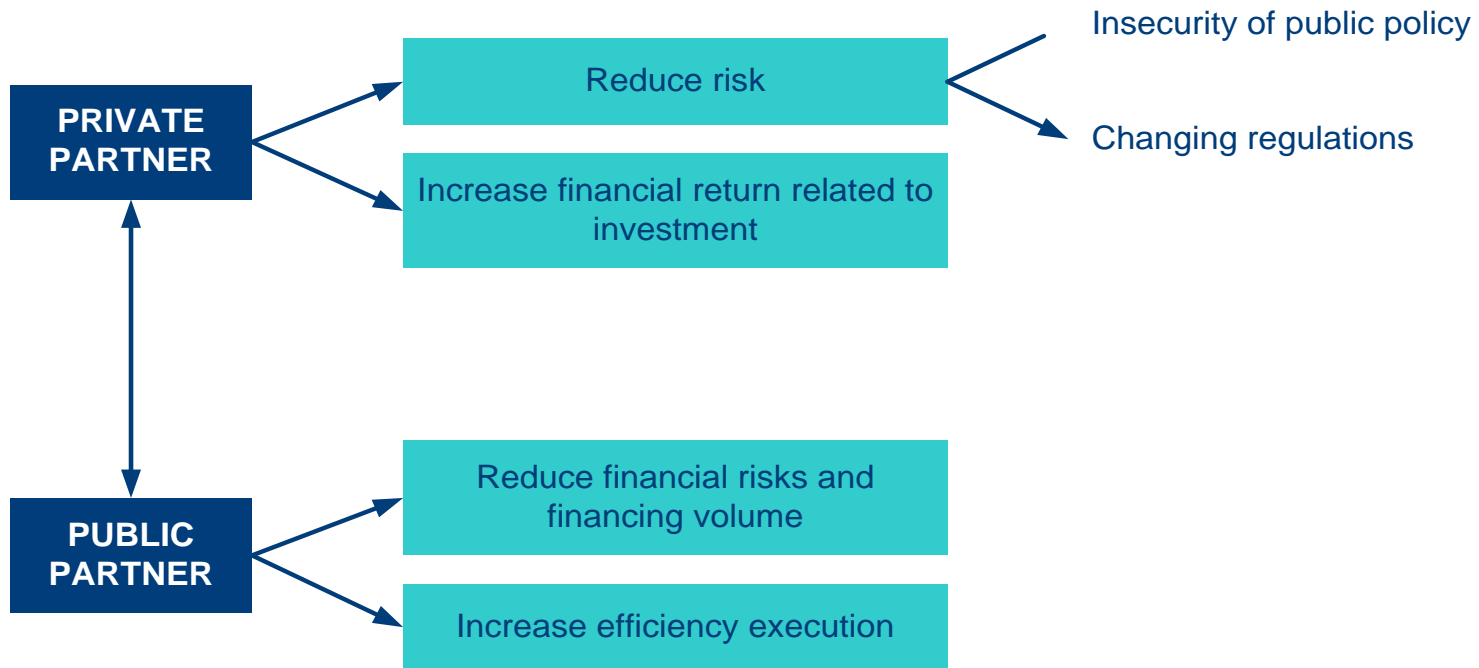


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# Public Private Partnership

## Allocation of project risk and responsibility between partners





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# Public Private Partnership

## REDEVELOPMENT OF BROWNFIELD SITES PPP

**PRIVATE  
PARTNER**

**PUBLIC  
PARTNER**

### 1. KNOW-HOW

#### TECHNICAL RISKS

- using new techniques
- applying existing methodologies at a larger scale or under different conditions

#### PLANNING AND PERMIT RISKS

- delays in planning procedure
- negative environmental impact assessment
- non granting construction permits

# Public Private Partnership

## REDEVELOPMENT OF BROWNFIELD SITES PPP

**PRIVATE  
PARTNER**

**PUBLIC  
PARTNER**

### 2. EFFICIENCY

#### SCHEDULE RISKS

- delays in execution
- flexibility

#### REGULATORY WORK

- design rules are changed
- political risk - new government
- expropriation



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# Public Private Partnership

## REDEVELOPMENT OF BROWNFIELD SITES PPP

**PRIVATE  
PARTNER**

**PUBLIC  
PARTNER**

### 3. FINANCE

#### COMMERCIAL RISKS

- cost escalation, budget control
- prefinancing

#### BUDGET RISK

- decontamination > revenue
- valorisation



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# Remediation of viscose basins





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# Sediment Recycling Centre





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# Final destination

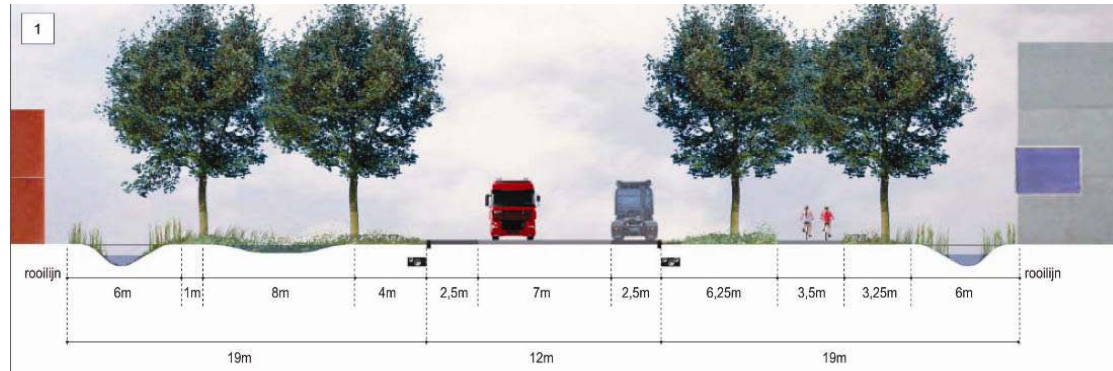




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# Final destination



# Lessons learned

- The importance of a good preparation
- Allocation of the risks to the parties which can best control these risks.
- Creative with financing and cost cap
- Communication with other stakeholders