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China: In Chongqing, a consortium led by Derun Environnement, a SUEZ joint venture, wins a new watershed management project

Recently, a consortium¹ led by Chongqing Derun Environment, a SUEZ joint venture, was awarded a 25-year project to treat and improve the Yipin and Huangxi Rivers in Chongqing as part of the “Clear Water and Green Banks” program. The total investment in the project will be over 200 million euros. This Public-Private Partnership project aims to further improve the ecological environment of the Chengdu-Chongqing Economic Circle and enhance the quality of urban water management.

The project is located in Banan District, south of Chongqing’s central urban area. The watershed under management is 59.75 kilometers long and covers an area of approximately 350 km². Chongqing Derun Environment, the lead member of the consortium, will be responsible for setting up a project company and for overseeing the operation and maintenance of the project.

The construction and operational activities of the project consist of water treatment (including a wastewater treatment plant and pipe network), waterfront management, water ecosystem restoration, smart water, and ancillary projects. The construction period is three years, and the operational trial period is expected to begin in 2024.

Lai Shengping, Executive President of Chongqing Derun Environment, said: *“This project is part of Chongqing’s priority ‘Clear Water and Green Banks’ program. The initiative will be tremendously beneficial to the long-term development of Chongqing. We’re confident that by leveraging the consortium members’ extensive expertise in watershed management, this project will become another benchmark of excellence, similar to the Changsheng River integrated remediation project and the ‘livable waterfront’ project in Wuhou District of Chengdu.”*

Ana Giros, Deputy Chief Executive Officer of SUEZ, in charge of International, said: *“We’re honored to have the opportunity to once more apply our expertise in water ecosystem remediation and water quality improvement to a Chongqing project. SUEZ is committed to ongoing expansion of its investment in Chongqing. Currently we’re developing more environmental treatment and restoration projects in western China. We will keep playing our important role in the ecological protection of the Yangtze River basin to support residents’ livelihoods and wellbeing.”*

Chongqing Derun Environment: Commits to Building First-Class Environmental Investment Platform in China

Chongqing Derun Environment is currently the largest investment platform, set up by Chinese and French companies, in China’s environmental industry. The company primarily focuses on integrated environmental management (like watershed management and soil remediation), as well as resource recycling and reuse, and environmental technology. SUEZ currently holds a 25.1% stake in Derun.

In early 2021, Derun completed the demonstration section of the Changsheng River integrated environmental management (watershed management) project in Chongqing. The project has since achieved the goal of controlling pollution sources and improving water quality. It has also employed the sponge city concept to build an eco-park for strong social, economic and environmental benefits. Furthermore, the “livable waterfront” project in the Wuhou District of Chengdu has improved water quality and restored the river’s ecological properties. It was ranked among the “first wave of demonstration sites for urban environmental quality improvement” in Chengdu in 2019. Additionally, in 2020 and 2022, it was awarded the accolade of most beautiful river/lake” in Chengdu. In 2021, it was recognised as a “New Site of Ecological Progress for Public Benefit”.

SUEZ’s Partnership with Chongqing: 20 years and counting...

SUEZ’s partnership with Chongqing began in 2002 with water production and network services in Jiangbei District, Yubei District, and most parts of the Liangjiang New Area. Thereafter it expanded from individual projects to integrated services

¹ The consortium consists of four parties, namely, Derun Environment, China Construction Fifth Engineering Division Corporation Limited, China Construction Tunnel Corporation Limited, and Changjiang Survey Planning Design and Research Company Limited.

of wastewater treatment, smart water, and environmental services in industrial parks. SUEZ currently serves over two million Chongqing residents, and is dedicated to improving the well-being and quality of life of households in Chongqing and the downstream regions. SUEZ's total investment in Chongqing now exceeds 557 million euros.

Press Contact:**Elodie Vandevoorde**

+33 (0)6 78 36 19 52

elodie.vandevoorde@suez.com

About SUEZ

SUEZ is a major player in environmental services. For almost 160 years, SUEZ has supported local communities and industrial companies in the management of essential services such as water, waste, and air quality. As such, SUEZ produces drinking water for 66 million people worldwide, recovers 2 million tons of secondary raw materials per year, and generates 3.1 TWh of renewable energy from waste. In our ongoing management of the ecological transition and climate change challenges, SUEZ will rely on the expertise and commitment of its 35,000 employees (particularly in France, Italy, Central Europe, Africa, Asia, and Australia) to offer high value-added and customized environmental solutions to all its customers. SUEZ's expertise allows, for instance, its customers to avoid the emission of 4.2 million tons of CO₂, thus improving their carbon footprint and their impact on climate. With a turnover of nearly EUR 7 billion and backed by its expertise and capacity to innovate, SUEZ has strong growth prospects. Soon, SUEZ will rely on a solid consortium of investors made up of Meridiam and GIP – with 40% stakes each – and the Caisse des Dépôts et Consignations Group – with a 20% stake in the capital, including 8% held by CNP Assurances – to pursue its strategic development plans in France and internationally.

In Asia, SUEZ's journey began some 70 years ago, first in Southeast Asia before expanding to China nearly 50 years ago. With 6,500+ employees and 40+ joint ventures with local partners, SUEZ has built 600+ water and wastewater plants. The company also provides water and waste services to 20+ million people and delivers environmental services to 16 industrial parks. SUEZ manages China's first PPP water contract in Macau, operates one of Asia's largest hazardous waste treatment facilities in Shanghai, and has invested over RMB 4 billion in Chongqing. Today, SUEZ is recognized as one of the most influential companies and a service benchmark for leading the region's environmental industry.

Chongqing Derun Environment

Established in 2015 by Chongqing Water and Environment Holdings Group Limited (formerly known as "Chongqing Water Assets Management Company"), SUEZ and Shenzhen Expressway Environment Company Limited, Chongqing Derun Environment has a registered capital of RMB 1 billion and currently owns eight portfolio companies. Its total asset value reached RMB 46 billion by the end of 2020.

China Construction Fifth Engineering Division Corporation Limited

Founded in 1965, China Construction Fifth Engineering Division Corporation Limited is a principal wholly-owned affiliate of China State Construction Engineering Group, the 13th ranked company on the Fortune Global 500. The company's core business consists of housing and infrastructure construction, as well as property investment and development. Its total asset value is over RMB 150 billion, cumulative investment is over RMB 350 billion, and operating revenue exceeds RMB 150 billion.

China Construction Tunnel Corporation Limited

China Construction Tunnel Construction Company Limited is the sole specialized arm for tunnel construction under the China State Construction Engineering Group. It is also a joint venture between China State Construction Engineering Corporation (CSCEC) and China Construction Fifth Engineering Division Corporation Limited. Tunnel is a leader in China's infrastructure construction industry and the pure-play infrastructure arm carrying the China Construction brand of China Construction Fifth Engineering Division Corporation Limited. The company mainly constructs tunnels, railroads, highways, and municipal works.

Changjiang Survey Planning Design and Research Company Limited

Changjiang Survey Planning Design and Research Company Limited is a subsidiary of Changjiang Design Group, jointly funded by Changjiang Design Group Company Limited and China Three Gorges Corporation. Its certifications include the China Integrated Qualification of Engineering Design (Class-A), Integrated Qualification of Engineering Survey (Class-A), and Integrated Qualification Engineering Consulting (Grade A). It is a technology-based state-owned enterprise and international contractor that provides technical services for the whole process of engineering construction. Water and hydropower surveying, as well as design, are its main offerings.

Find out more about SUEZ Asia
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