

The president of the Autonomous Community of Madrid visited the Colmenar Viejo DWTP, one of the centres listed in this works plan

## Canal de Isabel II encourages public procurement through key works and projects so that Madrid can recover its activity following COVID-19

- Díaz Ayuso presents the procurement plant amounting to 1.7 billion euros to work on 258 projects.
- It will generate more than 50,000 direct and indirect jobs at a “crucial time”, emphasised the head of the regional Government.
- The public company maintains its investment prospects in these projects that will be tendered in 2020 and 2021.
- The modernisation of the Colmenar Viejo water treatment plant stands out.
- Large contracts are considered for the operation and maintenance of its infrastructure.
- The volume of tenders amounts to over 7 % of the region’s budget and 0.7 % of its GDP.

**26 MAY 2020** – The president of the Autonomous Community of Madrid, Isabel Díaz Ayuso, announced today that Canal de Isabel II will tender a total of 1.7 billion euros in 258 projects that will favour the region’s economic recovery. It’s an example, as Díaz Ayuso explained, of how the water company is going to encourage public procurement through key works and projects so that Madrid can recover its activity following COVID-19. “At a crucial time, this will mean over 50,000 direct and indirect jobs”, she noted.

"We want to move the economy through public procurement, promote key works and projects so that Madrid recovers its activity, create jobs under the premise of investment, not subsidies, because from the Autonomous Community of Madrid we firmly believe in public-private collaboration, in its companies and in the potential of each one of them", said the President after visiting the Drinking Water Treatment Plant (DWTP) in Colmenar Viejo, together with the Regional Minister for the Environment, Regional Planning and Sustainability, and Chairperson of Canal de Isabel II, Paloma Martín.

As the president has said, this tendering plan comes "at such a difficult time for the Madrid and Spanish economy" and thanks to the fact that Canal de Isabel II "always reinvents itself", it is going to help reactivate the economy. The plan represents 7% of the Autonomous Community of Madrid's budget and is a "very important injection of liquidity that is going to benefit other sectors", she highlighted.

With this plan, Canal will maintain its investment prospects in these projects that will be tendered this year and the next despite the situation created by the coronavirus. Among the principal projects, the modernisation of the Colmenar Viejo DWTP is one of the most important works. It is the largest water treatment plant in the region and one of the largest in Spain. It was commissioned in 1976 and supplies water to more than 3 million people every day.

With works such as this, the public company consolidates its position as one of the motors of economic development in the Autonomous Community of Madrid, a role that now takes on a special dimension in the context of the damage caused by the COVID-19 crisis. These investment and expenditure plans, which amount to more than 7 % of the region's budget and 0.7 % of its GDP, are encompassed in 258 projects that are in turn divided into four categories.

The first is based on the water supply quality and guarantee, which has a budget of nearly 1 billion euros and includes 113 projects.

#### **COLMENAR WATER TREATMENT PLANT**

Díaz Ayuso also highlighted the works that will be carried out in the Colmenar plant. Given the strategic nature of this infrastructure, the work will be undertaken in three phases in order to guarantee the service operation. The first one will be tendered this year with a budget (VAT excluded) of 173,500,792.92 euros and a time frame of 66 months, including 12 months for drafting the construction project and 6 months of implementation.

It is estimated that the works could begin at the end of 2022. The estimated amounts for phases I and III are 93 and 47 million euros respectively, which raises the expected investment to 313 million euros. The public company has already awarded complementary projects, such as a new access to these facilities, to be able to undertake the work.

Another of Canal's major areas of activity is projects aimed at the environment and the circular economy, including the operation of its wastewater treatment plants, waste treatment and management and green energy generation. The tender budget is 476 million euros for 36 projects.

Regarding digital transformation, there are 62 projects for an amount of 191 million euros. Here, we highlight the contracting of a new commercial system for approximately 60 million euros and the project to deploy remote meter reading for about 57 million euros.

Finally, in other support services, tenders amount to 58 million for 47 projects. This category includes heritage maintenance and protection, occupational health and safety and customer care service activities, among others.

#### **OTHER CANAL ACTIVITIES**

Furthermore, in the coming months Canal will award the largest contract tendered by this public company to date, concerning the massive renovation of pipes within the Network Plan framework, approved at the end of 2019 for 509 million euros to replace 1,200 kilometres of pipes until 2024.

The regional president thanked all the public company's employees for their work, which has guaranteed the water supply to the population prior to COVID-19, and for their solidarity, since nearly 158,000 5-litre bottles and half-litre bottles have been distributed in Madrid's hospitals, including the temporary one in the Autonomous Community of Madrid set up at IFEMA for coronavirus patients

Canal de Isabel II was founded almost 165 years ago to supply water to the city of Madrid. It employs more than 2,800 people working daily to provide a service to more than 6 million people in the region. It is an innovative company, a leader in its sector, and internationally recognised for its management of the integrated water cycle.

It operates 13 reservoirs; 78 spring tapplings; 17,601 kilometres of water conveyance and distribution; 131 drinking water pumping stations and 133 waste water stations; 15,083 kilometres of sewer system networks; 65 storm tanks; 157 waste water treatment plants; and 615 kilometres of recycled water networks.