

D3.7 Blueprint for a Replicable Organisational Model for Public-Private Cooperation in Resource Recovery from Wastewater

LIFE Kaumera2Market

T.3.3a Development of a blueprint for governance structure of public/private cooperation

Executive Summary

This blueprint presents a replicable organisational model for public-private cooperation in the recovery, production and commercialisation of resources derived from wastewater. Developed and tested within the LIFE Kaumera2Market project, the model addresses one of the key challenges faced by circular economy initiatives: how to organise collaboration between public organisations and commercial partners in a manner that supports both market development and long-term sustainability.

The model is built around a clear separation of roles and responsibilities. Production activities and the representation of collective interests are organised through a cooperative structure, while market development, sales and business development are carried out by a dedicated commercial entity. This approach provides transparency in governance, clear accountability, and the flexibility required to support commercial growth while safeguarding public interests.

The experiences gained during LIFE Kaumera2Market demonstrate that successful scale-up of resource recovery initiatives depends not only on technological innovation, but also on effective organisational design. Key success factors include transparent governance, clearly defined responsibilities, strong stakeholder commitment, dedicated commercial capacity and a shared long-term vision for market development.

The blueprint does not prescribe a single legal or organisational structure. Rather, it presents a set of principles and practical building blocks that can be adapted to different national contexts, regulatory environments and types of recovered resources. The cooperative-commercial model developed within LIFE Kaumera2Market serves as an example of how public and private stakeholders can jointly organise ownership, governance, financing and market deployment.

By documenting the governance framework, ownership arrangements, financial structure, critical success factors and implementation roadmap, this blueprint provides practical guidance for organisations seeking to move from demonstration projects to sustainable market implementation. As such, it contributes to the replication and scaling-up of circular economy solutions and wastewater resource recovery initiatives across Europe.

Purpose of this Blueprint

This blueprint provides a practical and replicable organisational model for public-private cooperation in the development, production, and commercialisation of resources recovered from wastewater. Based on the experiences and lessons learned within LIFE Kaumera2Market, it supports organisations in transitioning from innovation and demonstration to market introduction and large-scale deployment.

The blueprint is intended for water authorities, public organisations, technology providers, and other stakeholders seeking to bring circular resources to market through collaborative approaches. It provides guidance on governance structures, roles and responsibilities,

ownership arrangements, and financing mechanisms within a sustainable partnership framework.

Why is an Organisational Model Needed?

Within LIFE Kaumera2Market, an innovative form of public-private cooperation was established to enable the production and commercialisation of a resource recovered from wastewater. As public and private organisations collaborate within such initiatives, questions arise regarding ownership, responsibilities, financing, decision-making, and risk management. To date, no widely adopted or standardised organisational model exists for this type of cooperation.

Experience within LIFE Kaumera2Market has shown that a clearly defined organisational structure is instrumental in bridging the gap between innovation and market implementation. Successful collaboration requires transparent governance, effective decision-making processes, clearly defined ownership and responsibility structures, and an appropriate allocation of tasks between public and private partners. This blueprint describes how these elements have been implemented within LIFE Kaumera2Market and provides a replicable framework for similar wastewater resource recovery initiatives.

3. The Replicable Organisational Model: Core Principle

The organisational model developed within LIFE Kaumera2Market is based on a clear separation between production activities and market development activities. To achieve this, two legal entities have been established: a cooperative and a commercial company (private limited company).

This structure enables public activities and interests related to water treatment, resource recovery, quality assurance, and continuity of supply to be combined with the commercial expertise required for market development and sales.

The cooperative serves as the collaboration platform for participating organisations and represents their collective interests. Its members are responsible for resource production and jointly contribute to the further development of the product and value chain. The cooperative focuses on production coordination, product development, and strategic alignment among participating organisations.

The commercial company is responsible for market development and commercial activities, including sales, marketing, business development, and the matching of supply and demand. This creates a clear division of responsibilities whereby production and technical expertise remain with the producers, while the commercial organisation focuses entirely on developing markets and generating sales opportunities.

The relationship between both entities is formalised through legal instruments such as articles of association, shareholder agreements, and supplementary regulations. This results in a transparent and scalable organisational structure through which public and private parties can jointly support the market introduction and further scale-up of innovative resources recovered from wastewater.

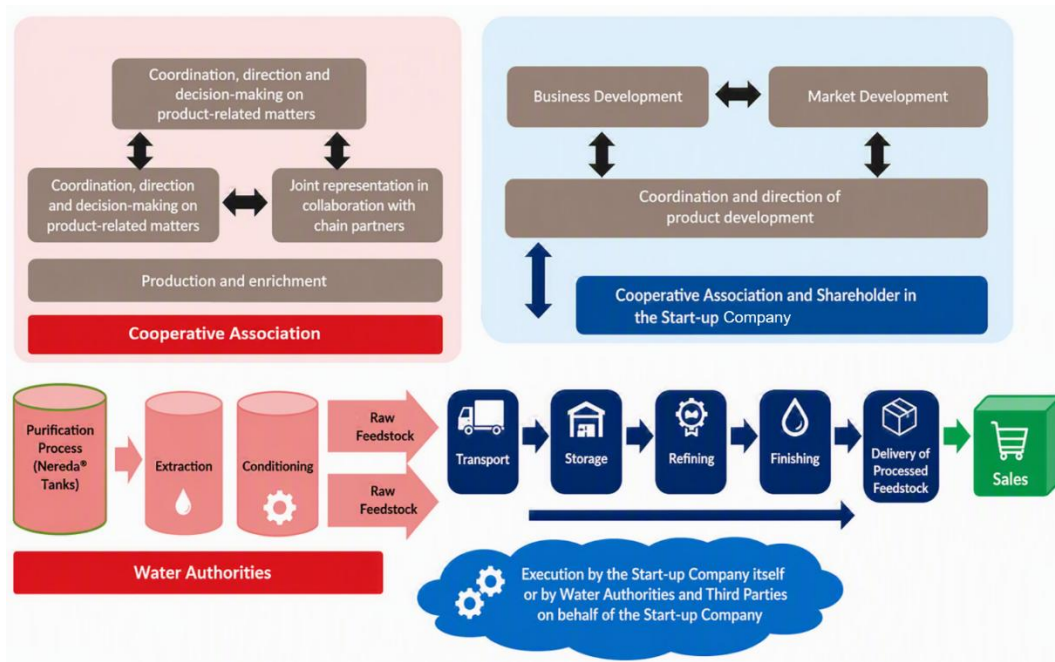


Figure 1. Integrated Overview of Roles and Responsibilities

Governance and Decision-Making

The cooperation between the cooperative and the start-up company requires a clearly defined allocation of responsibilities, authorities, and decision-making procedures. Both organisations therefore operate under their own legal structures, established through articles of association and complementary agreements. These documents define objectives, responsibilities, decision-making authorities, and governance processes.

Within the cooperative, governance is organised through a General Members' Assembly, a Board of Directors/Management, a Coordination and Liaison Team, and thematic working groups. The commercial company is governed through its shareholders, executive management, and management team.

Together, these governance structures provide the organisational framework within which both entities perform their respective roles while ensuring effective coordination and alignment.

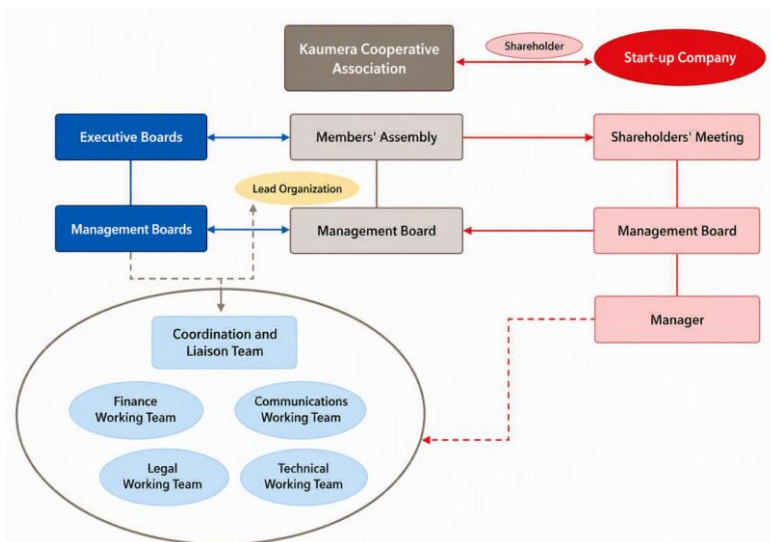


Figure 2. Governance Structure

Ownership and Intellectual Property

In addition to governance arrangements, public-private partnerships require clear agreements regarding ownership, usage rights, and intellectual property. This applies to recovered resources as well as to products, brands, knowledge, technologies, and other outputs developed within the collaboration.

Within the LIFE Kaumera2Market model, ownership of the produced resources remains with the participating producers organised through the cooperative. The cooperative represents the collective interests of the producers and establishes agreements concerning supply, quality, and product availability.

The commercial organisation focuses on market development and sales activities without obtaining ownership of the produced resources.

Separate agreements are established regarding intellectual property rights, trademarks, trade names, and other proprietary assets. These agreements clarify which rights existed prior to the collaboration, which rights are created during the cooperation, and under which conditions they may be used. Usage rights, licensing models, and conditions for the admission of new participants are also contractually defined.

This approach provides clarity regarding ownership and use of both physical products and intangible assets such as knowledge, technology, and commercial resources.

6. Financial Model

The organisational structure is supported by a financial model that distinguishes between the roles of the cooperative and the commercial organisation. Each entity operates under its own financing structure aligned with its specific responsibilities.

The cooperative primarily fulfils a facilitating and coordinating role and therefore maintains a limited independent budget. Its activities are financed through contributions from participating members, supplemented by in-kind contributions of staff capacity and expertise. An annual budget is prepared for joint activities, specifying required resources and cost allocation among members. Shared costs are distributed according to pre-agreed allocation principles.

The commercial organisation operates as an independent business entity with its own financial model. Its financial basis consists of shareholder capital supplemented by revenues generated through commercial activities. These revenues may include transaction fees, service revenues, and other market-related income streams. A portion of available funds may be allocated to innovation, product development, and market development activities. Any positive financial results are utilised in accordance with agreements established among the shareholders.

By separating the cooperative and commercial financial models, public and commercial activities remain financially distinct while effective collaboration between both organisations is maintained.

Compliance and Assurance

The cooperation is organised in compliance with all relevant legal and regulatory requirements. A lean but effective compliance framework is established with clearly assigned responsibilities for legal review and compliance monitoring, documentation of decision-making processes, periodic evaluations, and explicit attention to procurement law, competition law, and governance requirements.

Periodic evaluations include assessment of legal compliance and adherence to agreed arrangements.

Critical Success Factors

The experiences of LIFE Kaumera2Market demonstrate that organisational design is only one element of successful public-private cooperation. Equally important are the conditions under which collaboration takes place and the manner in which partners pursue their shared ambitions.

A key success factor is the active participation of all partners. The collaboration depends on the willingness of organisations to contribute knowledge, capacity, and expertise while jointly assuming responsibility for value chain development. A shared vision regarding project objectives and market development ambitions is essential.

Clear delineation of roles and responsibilities is equally important. The separation of production, coordination, and commercial activities requires transparent agreements concerning responsibilities, authorities, and expectations. This prevents overlap and provides clarity for all stakeholders.

Mutual trust also plays a critical role. Cooperation between public and private organisations brings together different interests, operational approaches, and decision-making cultures. Transparency in agreements and communication supports effective collaboration.

Finally, it is important to limit administrative complexity and provide the commercial organisation with sufficient flexibility for market development, business acquisition, and customer engagement. Professional execution of these commercial activities contributes significantly to market growth and the scaling up of innovative resources recovered from wastewater.

Roadmap for Organisational Development

Phase	Objective	Outcome
0	Initiation Phase	Letter of Intent
1	Develop a Shared Vision	Vision and Guiding Principles Document
2	Design Governance Structure	Governance Framework
3	Establish Cooperative	Operational Cooperative
4	Define Public-Private Cooperation Arrangements	Cooperation Agreement
5	Establish Commercial Organisation	Operational Start-up Company
6	Set Up the Organisation	Staff, Budget and Processes
7	Market Introduction	Market Strategy and First Customers
8	Evaluation and Continuous Improvement	Annual Evaluation

Lessons Learned and Replication Potential

The experience gained within LIFE Kaumera2Market demonstrates that the successful market introduction of resources recovered from wastewater depends not only on technological innovation, but also on the establishment of an effective organisational framework that enables cooperation between public and private stakeholders. The organisational model developed within the project has provided a practical structure for balancing public interests, production activities and commercial market development.

Several key lessons have emerged that may be relevant for other European initiatives seeking to move from demonstration to implementation:

- Establish a transparent governance framework from the outset. Clear governance arrangements support efficient decision-making, accountability and alignment between participating organisations.
- Define roles and responsibilities early in the process. Explicit agreements regarding ownership, responsibilities and decision-making authority help facilitate cooperation and reduce uncertainty, particularly during the transition from technology development to market deployment.
- Consider collective ownership arrangements where multiple producers are involved. A cooperative structure can provide an effective mechanism for coordinating shared interests, safeguarding long-term commitment and organising strategic collaboration.
- Provide dedicated capacity for market development and commercial activities. Separating commercial activities from production activities can help ensure sufficient focus on customer development, business growth and market expansion.
- Prepare for organisational growth and scale-up. Innovative value chains require appropriate organisational capacity, expertise and resource planning. Early attention to these aspects can support long-term implementation and market uptake.
- Recognise that market development often extends beyond the duration of a demonstration project. Establishing a framework for continued development, including evaluation moments and future growth pathways, can contribute to long-term sustainability and impact.

The LIFE Kaumera2Market organisational model should not be regarded as a prescriptive solution, but rather as a practical example of how public and private stakeholders can organise collaboration around resource recovery from wastewater. While governance arrangements and legal structures may differ across countries and initiatives, the underlying principles of transparent governance, clear allocation of responsibilities, collective stakeholder engagement and dedicated market development are broadly applicable.

As such, the model provides a transferable framework that can support the replication and scaling-up of circular economy initiatives focused on the recovery and valorisation of resources from wastewater across Europe.

