

Prof. Jens Lowitzsch SS 2015

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Swimming in the Spree? – Employing a Consumer Stock Ownership Plan (CSOP) to purify Berlin City surface water bodies

- Overview: Berlin water pollution & LURITEC “Stormwater tanks” (water purification)
- Actor analysis, political setting and barriers to implementation
- Introduction to CSOP-financing, modelling and drafting of the “Berlin Water CSOP”
- Developing a roadmap for implementation in cooperation with LURI Watersystems GmbH

5/6/9 ECTS / MES modules: ZB Wirtschaft, ZB Politik, ZB Recht, WPM 1, WPM 6 // IBA modules: S-Modul, E-Modul; Faculty of Law: Master of German and Polish Law (Module 3); SPB 5 (European Law) (without ECTS)

Dates / Termine: Introduction Tue 21 April 15-16h, PG 271

1st part Fri. 24 & Sat. 25 April: 11.00-13.00 & 14.00-17.00, PG 271/Grimm Library Berlin

2nd part Fri. 8 & Sat. 9 May, 11.00-13.00 & 14.00-17.00, PG 271/ LURI Watersystems Berlin

3rd part Fri. 12 June, 11.00-13.00 & 14.00-17.00, PG 271

Urban waters may prove an important factor for a city's living quality. They can offer pleasurable scenery, spaces for relaxation and the occasional refreshing swimming experience. Bathing in the Spree? For many of the capital's residents this still is an alien thought, as urban rivers just seem 'naturally' tainted. In Berlin for example, whenever heavy rain clouds form on the horizon soon after, a nauseating stench will rise from the water front, banishing any desire to be close to the river, let alone in it. This seminar will look into the reason for this on-going contamination of the river Spree, present a simple and elegant solution to the problem, and tie in with an on-going project implementing and above all financing said solution.

The Problem

The river Spree as such is a quite clear stretch of water, if it wasn't for periodic contamination from the city's sewer systems. In times of heavy rainfalls Berlin's sewer system is designed to release its mixed contents of drainage *and* human wastes directly into the river. This regular contamination not only makes the river hazardous for swimming but threatens the aquatic life of the Spree in general. The engineer Ralf Steeg proposed a simple solution to this predicament. “Stormwater tanks”, installed as artificial islands near the waterfront, would buffer the excess sewage and later release it back into the system. Though while it's technical aspects are already extensively researched and tested with a pilot facility in the East harbour, the project after over ten years of existence has yet to see realization. Its major obstacles were sufficient financing and political goodwill. As an instrument to overcome both obstacles the seminar will focus on the Consumer Stock Ownership Plan (CSOP) as a financing vehicle.

The solution: Financing the LURITECH system through a CSOP

In a CSOP consumers acquire ownership of capital stocks producing a certain commodity. The acquisition is to a large part financed by a bank loan, which is paid back from the returns of the acquired property. The CSOP is thus a vehicle to simultaneously raise financing and open capital ownership to citizens who were formerly excluded from it. The returns for the CSOP are on the one hand saved expenses for past pollution clean up (e.g., the Berlin Oxygen ship, annual cost 450,000 Euro) and on the other hand direct revenues (e.g., from renting out the artificial islands). Integrating citizens into such an important infrastructure project is key to the much needed political appeal.

The seminar will set out as a hands-on research approach into partly still uncharted territory. It is thus meant as a challenge and an opportunity for students of law, economics, business administration and political sciences alike, that when successful may indeed allow to experience its results while going for a summer dip in the Spree.

The seminar will be held in English language.