

Report<sup>1</sup> from

## **“Public Water for All - Symposium on Improving Public Water Delivery”**

Mexico City, Wednesday 15 March, 2006

### **Introduction**

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On 16 March 2006, one day before the opening of the Fourth World Water Forum (WWF), the “Symposium on Improving Public Water Delivery” brought together more than 200 participants. They discussed the potential of public water delivery as a response to the failures of the privatisation decade of the 1990s. As part of the International Forum in the Defence of Water (<http://www.comda.org.mx>), academics, public sector managers, trade unionists and civil society groups from around the world shared experiences and discussed the potential for improvements in and the empowerment of public service delivery, as the only adequate answer to the world’s water and sanitation crisis.

The idea of the symposium emerged during an international seminar in Madrid in November 2005, where the “Reclaiming Public Water” network, a new international coalition promoting alternatives to water privatisation, committed itself to joint efforts to promote improved public water supply. The symposium was a step towards the consolidation of international debates and collective learning on public water and public-public partnerships. It offered an international space of exchange on:

- Successful public water models
- Improvements in public water
- The potential of Public-Public Partnerships

Public water operators account for over 90 per cent of water supply worldwide, but past experience of the World Water Forum in The Hague (2000) and Kyoto (2003) shows that it is likely to overlook the positive lessons coming from the public water sector, argued Olivier Hoedeman of the Corporate Europe Observatory. The hosts of the World Water Forum in Mexico City equally neglected genuine public sector options, while promoting further public-private partnerships and commercialised models of public sector delivery. These, it is important to point out, are diametrically opposed to the democratic public water reforms put forward by the speakers and participants during this symposium.

Hilda Salazar, from the Coalition of Mexican Organisations for the Right to Water (COMDA) reminded participants of the importance of public water as an effective alternative to the WWF agenda:

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<sup>1</sup> This report was produced by Philipp Terhorst, Olivier Hoedeman and Oscar Reyes.

“In the city of Mexico and in the whole country movements are organising in defence of water. So it is a pleasure to open the ‘International Forum in the Defence of Water’ with a symposium that proposes public alternatives to the privatisation model being discussed at the Fourth World Water Forum. It is important to start with a symposium of this nature; a symposium that plants alternatives, that proposes in a very concrete and visible way that there are other ways of doing things, that there are other ways to realise the management of water, that there are other models of water services”.

The symposium was co-hosted by the Transnational Institute (TNI), Corporate Europe Observatory (CEO), Coalition of Mexican Organisations for the Right to Water (COMDA), Friends of the Earth International (FoEI), Sobrevivencia (Friends of the Earth Paraguay), Friends of the Earth France, Council of Canadians, World Development Movement (WDM), Bread for the World, and numerous other groups from the 'Reclaiming Public Water' (RPW) network.

**Session I. Successful Public Water Models**

- (Facilitator) Dr. Suresh, Tamil Nadu State Advisor on Food Security to the Supreme Court of India, Tamil Nadu, India
- Silvano da Costa, National Association of Municipal Water and Sanitation Services (ASSEMAE)
- Abimanyu, Director of PDAM Solo and Secretary General of the PDAM Association, Solo, Indonesia
- Michel Partage, Mayor of Varages, France

**Session II. Reforms - Towards Improved Public Water**

- (Facilitator) Carlos Santos, REDES – Friends of the Earth Uruguay, Montevideo, Uruguay
- Dr. Suresh, Tamil Nadu State Advisor on Food Security to the Supreme Court of India, Tamil Nadu, India.
- Guillermo Amorebieta, Water and Sanitation Works Trade Union of the Province of Buenos Aires (SOSBA), Province of Buenos Aires, Argentina
- Santiago Arconada, Water Technical Tables (Mesas Técnicas de Agua), Caracas, Venezuela
- Julián Pérez, Federation of Neighbourhood Committees (FEJUVE), El Alto, Bolivia

**Session III. The Potential of Public-Public Partnerships**

- (Facilitator) Vicky Cann, World Development Movement (WDM), London, United Kingdom
- Paul A.C. Bonn , Manager International Co-operation, Amsterdam Waternet, Amsterdam, The Netherlands
- Steen Bjerggaard, Stockholm Water Company, Sweden
- Nguyen Van Thanh, Director of Hue City Company for environmental and public works, Hue, Vietnam
- Catherine Legna, France Libert s, France
- Anne Le Stratt, Conseillere de la ville de Paris and president of Eau de Paris, France

The presentations were guided by three fundamental questions:

- What are the main ‘secrets’ behind successful public water delivery in cities in Latin America, Asia, Europe and elsewhere?
- What are the main difficulties in reforming public water operations and how can these obstacles be overcome?
- How can Public-Public Partnerships between water operators contribute optimally to achieving improvements in water delivery? What are the obstacles and potential pitfalls?

## **Session I. Successful Public Water Models**

In his introductory remarks Dr Suresh, Tamil Nadu State Advisor on Food Security to the Supreme Court of India, pointed out that the doctrine of the economic value of water, famously exposed in the 1992 Dublin Statement and consequent policy formulations by the World Bank, had significant social and economic implications. It affected the entire social and public policy context and changed the understanding of the water sector completely. As a result, public water utilities were presumed to be inefficient, ineffective and corrupt, and seen to have failed in delivering water to the people. The mantras of deregulation and trade liberalisation replaced former policies and norms, with public water delivery no longer considered a credible option on the global agenda.

The potentially positive impact of emerging perspectives on citizens' rights to participation, emerging in parallel to this, was effectively squashed by a shift in the ownership of water services, through the drive towards private finance and the creation of new water markets. This policy shift happened against the backdrop of the UN's Millennium Development Goals. However, the world is far from reaching these Goals because of the failures and limitations of this policy shift to private water management. Indeed, since the Third World Water Forum in 2003, the failures and limitations of liberalisation policies and 'private sector participation' have become ever more visible.

In this context, the symposium is dedicated to exploring cases of positive and functioning public water delivery, discussing various experiments towards effective public water and elaborating the potentials of public-public partnerships.

### ***Silvano da Costa, President of the National Association of Municipal Water and Sanitation Services ASSEMAE***

Silvano da Costa introduced a series of rich experiences that have contributed to the structure of Brazilian sanitation services, based on the new report "Experiências de êxito em serviços públicos municipais de saneamento". He presented examples of a wide range of public municipal water and sanitation services and talked of the need to intensify the co-operation and association between municipalities. Acknowledging that there are many other efficient public operators in Brazil, including on a state level, Da Costa affirmed that it is possible to reach the goal of water for all with public and municipal service providers.

The defining characteristics of the various examples Da Costa presented are:

Universality Equality Integration/ Integral Vision Municipal Autonomy Public Management Participation and Social Control Multi-sector integration Quality of Service Access and Affordability
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Apart from these core elements, Da Costa explained the need for a citizen focus in public water delivery, such as shown by the public provider in the city of Campinas. He presented the notion of “Water for all and with quality, public water for all, and especially via citizens’ participation” as the basis of the work done by ASSEMAE.

Using various examples of efficient municipal public providers, he referred to planning, public-public associations between providers, integrated management, and the capacity of public investment as key aspects in the consolidation of sustainable service. He described a process in which external development aid can potentially play an important role in reaching economic autonomy. Having thus developed examples and key factors for public success, Da Costa referred to the “capital of municipal sanitation”, Porto Alegre, where participatory democracy has been deeply rooted into the public service provider. With the help of a register of successful companies and conceptual explanations of their practices, Da Costa proposed several possible actions to reach universal access, suggesting that public-public co-operation is a viable and necessary strategy. Indeed, ASSEMAE is pushing the public policy of co-operation amongst municipalities on the basis of a recent Brazilian law that facilitates this process. Da Costa suggested the need for further discussion on what social control really means and how successful experiences can be used to empower the public water sector elsewhere.

In response to questions, Da Costa explained that the Porto Alegre model was created by the PT (Workers’ Party) local government, which promoted a participatory budgeting scheme to shape annual budgets. This system has become embedded so thoroughly in society today that, even after a local government change, the system keeps going.

He also explained that government and society need to work together if public systems are to work. But while management should remain in public hands, this does not mean that the private sector has no space to contribute valuably, for example, in providing technology and materials.

Da Costa also addressed three key questions:

- Social control
- How to guarantee service for the small and poor users, including how to subsidise that service sustainably
- How to embark on a strategy to oblige the strengthening of the public sector.

He went on to argue that there are lots of experiences in Brazil of pro-poor policies, for example adequate tariff structures with incremental tariffs in industry and lower domestic tariffs, plus a social tariff. This social tariff in some cases is based on visits by the social commission of the public company instead of applying predetermined figures.

In response to the question of “how to defend a public service that delivers water only once every three days?” (from a Nepalese participant), Da Costa said that many public utilities are very bad. That is why social control is needed and proactive action is needed

on the part of the utility to involve the population. Da Costa also pointed out that there is a key debate about financing for public water still to be had. The World Water Forum (WWF) should give more answers in this direction. "If they don't, we will," he noted.

***Abimanyu, Director of PDAM Solo and Secretary General of the PDAM Association, Indonesia***

The vision of PDAM SOLO, held to be one of the best public water and sanitation companies in Indonesia, is to reach excellence through management of the environment and autonomy of the company, which also implies full-cost recovery. Its governing principles are carefulness, responsibility and consumer protection at a time of the company's economic recovery. This Mission includes social responsibility, professionalism amongst staff and the conservation of water resources. The key to the success of PDAM Solo lays in the creation of a new platform, as Abimanyu calls the mix of policy elements, to enhance public management of the company. The change in organisational set-up and management, the creation of a study forum, and the renewal of the local regulation were part of this change programme. Abimanyu's presentation referred to "the concept of water management in justice equally", a co-operation amongst regions that started five years ago and puts responsibility for the system into the hands of the population. A water consumer association was created in the last two years. Strategic studies in various forums of social actors rejected privatisation and pointed to the fact that privatisation would only occur because of the failure of public managers to deliver clean water and sanitation to all that need it.

PDAM Solo offers a short, middle and long-term strategy to reach the MDGs and is on track to achieve these commitments despite the economic crisis of seven years ago. Abimanyu pointed to the need for a common commitment between government, public managers and society.

In response to questions, Abimanyu explained that the regulation and negotiation process to resolve water resource conflicts in Indonesia is very weak. Conflicts remain despite a new law passed in September 2004.

***Michel Partage, Mayor of Varages, France***

The remunicipalisation of water in Varages started four years ago, when municipal elections were held at the same time as the water and sanitation concession contract was up for renewal. Varages is a village of 1,000 inhabitants and has always had a private water operator. Service quality issues and rising tariffs were the key problems. In response, the population clearly expressed its support for public water. But once the municipal council took the decision to remunicipalise, the discourse still had to become a reality – despite opposition from the large private water corporations, who told local people that it would be impossible to go public.

Three employees were contracted by the community and now provide a genuine rural public service, with support from the municipality and proximity to the users. A tariff rise of

100 per cent, which the private company had asked for, proved to be unnecessary and the tariff remains stable. Varages learned that it is possible to go back to public control. It took two years of transition to create a fully independent, public service. “They told us we were crazy to try to do it and we waited two years to get there”.

Varages shows that peoples’ fear of political change can be overcome, that it is possible to remunicipalise and that there is a real difference between public and private water provision. It also shows that the private companies’ logic of tariff rises can be undone by public provision.

The contractual difficulties in the transition from private to public water supply can be circumvented with a period of transition. In Varages, this process was not entirely smooth, since the outgoing private company started to create problems, like hiding documents, misplacing keys and so forth. Investment in equipment was also needed, although some materials were left behind after the concession contract expired and the two year change period allowed for the process to be managed in a number of steps.

The Varages municipality now collaborates with the France Libertés Foundation to convince other elected officials that remunicipalisation is possible and effective, stressing the success of this village of 1000 inhabitants in its battle with the transnationals to take back water services. A “Call of Varages” has been published, with a guide for mayors to spread information on how Varages water supplies were remunicipalised. In addition, an association of municipalities with public water systems is being planned as part of a movement to take French water services, 70 per cent of which are provided privately, into public hands.

“Over the next 2 years, in the 36,000 municipalities of France, there should be 36,000 discussions about water. It is for elected officials to put in place democratic systems if the popular will is there and the possibility exists by law.”

## **Session II. Reforms - Towards Improved Public Water**

### ***Dr. V. Suresh, Tamil Nadu State Advisor on Food Security to the Supreme Court of India, Tamil Nadu, India***

Dr. V. Suresh’s presentation was entitled “Democratic Management, Equality, Justice and Social Participation”. It explained in conceptual terms the process of democratising water management in the state of Tamil Nadu, India. This was subject to three main pressures:

- Demands from below – including those of social movements
- Pressure from actors in the political process
- An internal willingness to embrace change within the water company

The growing water crisis in Tamil Nadu went hand in hand with an identity crisis of the Tamil Nadu Water Supply and Drainage Board (TWAD Board). In 2004, the TWAD Board decided on a change process based on principles of democracy, equity and social justice. The aim was to create a role model of responsiveness, professional integrity, accountability and consistency. This change involved a self-critical and open process to shift roles and functions, relationships, values and partnerships with managers, community and stakeholders.

However, the democratisation process encountered various obstacles at the levels of individual and groups, organisational systems and external relations. The pre-requisites for overcoming these limitations and resistances to change included issues such as the free flow of information, democratic choice, participatory decision-making, shared ownership and accountability. The aim was to establish conditions for good governance. This is learnt and acquired over time, and involves both state institutions and civil society. Good governance is based on attitudes and sensibilities as much as on procedures and practices. Attitudinal change, capacity enhancement and systemic changes, for example greater openness to re-engineering projects, are the building blocks of good governance. The shifts, according to Dr. Suresh, have to occur in terms of participation and understanding. New roles are developed and different stakeholders are interrelated. These factors create the conditions for effective collective action, guided by the principles of responsibility and a revitalisation of idealism.

In Tamil Nadu, the application of these concepts for changing the public water system led to improved coverage of marginalised sections of society without cost increases, and saw a growing focus on internal resource use and conservation. In fact, investment costs were reduced by 40-50 per cent and there were savings of 10-30 per cent on the overall budget. An opinion poll conducted in 105 villages showed high rates of satisfaction, including amongst women. Another key aspect was the participation of Dalit communities, who also expressed high levels of appreciation with the outcomes of the reforms.

Suggesting paths ahead, Dr. Suresh pointed to the need to go beyond rhetoric and polemic by committing ourselves to give practical shape to concepts.

"In this current context, in which the prescription of the World Bank and its various agencies have been shown to be extremely limited if not going against the interest of the people across the world, there is now an important agenda before us. We should no longer talk of alternatives; the alternative has to become the way of life. We need to take into our hands the ability to create the discourse on water, and we need to take the agency for doing this into our own hands," said Dr. Suresh.

In response to questions, Dr. Suresh emphasised the problem that the government generally does not supply water to slum areas, where people live without legal permission. This has serious consequences in Indian cities like Bangalore and Delhi,

where large parts of the population live on unregistered land and are therefore excluded from public water supply.

Regarding water pricing, Dr. Suresh emphasised that there are no studies backing the argument that cost-recovery water pricing results in effective water conservation. This is a myth that has to be overcome. The government must fulfil its obligations to implement the human right to water, which means a moral obligation to invest in water systems for the poorest without expecting a profit.

Finally, Dr. Suresh stressed the need for changing public sector water management, based on rights-based approaches and three key principles for public policy: equity, social justice and reaching the unreached.

***Guillermo Amorebieta, Water and Sanitation Works Trade Union of the Province of Buenos Aires (SOSBA), Province of Buenos Aires, Argentina***

When the privatisation wave happened in Argentina, workers' groups were primarily concerned about job security rather than seeking to effectively oppose the process. Despite some resistance, the US-based transnational corporation Enron got the water contract for the greater Buenos Aires region. Labour negotiations buffered the worst impacts, and for two years there was a minimal cooperation with the private operator.

But the Enron debacle in the United States led to the company's exit in 2001. This opened the way for the development of new, public alternatives, which had already been debated before the collapse of the private contractor.

When Enron left Buenos Aires because of its collapse and financial scandal, the government approached the trade union to help resolve the institutional crisis. The trade union and its allies developed proposals for a public company. "This was quite a logical succession, because we were the operator." Despite legal concerns, a new public company was established and named after the trade union, "5 November". 74 cities are serviced by the company.

After three and a half years of successful operation, there is an ongoing debate within and about the company concerning the role of participation of users and municipalities. Importantly, the company does not have significant debts, and tariffs are stable. At the same time, a renovation of systems is underway and more workers are employed, without the need to outsource or contract out. Overall, the company functions well due to a clear vision of quality, quantity and workers dignity. Current debates evolve around a user commission inside the company and changes in the directorship of the company. The consumers' organisation has offices inside the company, with paid staff employed. At this moment, a definitive future model for the public company is under discussion, with the aim being to improve management and change the company's culture so that problems are confronted in better ways. Amorebieta suggests that 5 November could be a "model for development", although it "will take time to develop the many different aspects."

In response to questions, Amorebieta emphasises the socio-political nature of tariff-setting. The key issue regarding the financial health of the company, however, is not the salaries of workers, but concerns leakage and bad management. By tackling these problems we can reduce tariffs. Amorebieta also notes that the private companies failed to prevent contamination of water. Suez in Buenos Aires had five years to build a sewage plant but did not do it.

***Santiago Arconada, advisor Water Technical Tables (Mesas Técnicas de Agua), Caracas, Venezuela***

Santiago Arconada opened his presentation with the question: “As water is a public good, what type of service company does that imply?” In the experience of Venezuela, Arconada said that the model employed with success is that of “Technical Water Tables”, which have now functioned for seven years. The approach was first proposed by the public water and sanitation companies to communities that lack access to clean water and sanitation. It has now become community-driven. The character of these Technical Tables is conditioned by popular politics and the politics of the Chavez government of Venezuela. All together, there are over 2000 Technical Tables in Venezuela, all organised by the 15 public water companies within the matrix of the state company Hidroven.

“A key aspect is the information sharing and development with the population, as a means to resolve problems and conflicts”. For the public companies, the effect has been increased transparency. Arconada argued passionately that “problems cannot be resolved without the participation of people”. “There is no alternative to working with the community organisations,” he said, recognising also the historical bottlenecks of development. In the methodology of the Technical Tables, communities draw maps of the water systems they have developed in the absence of government support. Based on this a common diagnosis is reached and a project is designed and implemented.

A key aspect is that communities do not wait for government action but give impulse to the projects themselves. Financial resources are available through the Fund for Community Projects, which accelerates this work. The national council of Technical Tables is called the Communitarian Council and is in a way a control entity for public companies.

“Cochabamba was the initial step,” Arconada argued, an inspiration to the Venezuelan water struggle as actors there sought to show “our capacity to create capable public companies.” The historical moment, he went on, is characterised by scarcity and precarity, which has led to the loss of philosophical foundations and problem-solving capacity in society. A key issue therefore is the transparency of public companies, which leads us to the question the appropriateness of many a public water company. As a consequence, the Venezuelan process means a constructive confrontation with the public

model. The ideas that the “public is also mine” is a key aspect of the work in the communities with the Technical Tables.

In response to questions, Arconada stressed the importance of land issues. An important step was recognition by the Venezuelan government of informal settlements, regardless of the legal status of the slums.

The water tariff needs to include our vision of water, i.e. the first 70 litres per person should be free. This is not to say that all water should be free, but rather a demand to make sufficient water accessible for the poor.

Arconada concluded by emphasising that we are now in a new situation with opportunities to transform public water delivery. The struggle is no longer just about protecting ourselves against privatisation but a pro-active one: developing social public water companies that work.

***Julián Pérez, advisor to the Federation of Neighbourhood Committees (FEJUVE), El Alto, Bolivia***

Julián Pérez, legal advisor to FEJUVE in El Alto and advisor to the Bolivian Water Ministry, exposed how resistance in El Alto, Bolivia, led to the cancellation of the concession of Aguas del Illimani (AISA) and the proposal for a public-social company.

In 1997, a concession contract with an international consortium, led by Suez, was signed for La Paz and El Alto. The explicit aim was to expand water and sanitation services, especially in the satellite city of El Alto. In January 2005, a general strike in El Alto led to a Bolivian government decree that initiated the termination of the concession with AISA. The strong social resistance was a result of manifold contractual problems, such as a fixed rate of return of 13 per cent, regulatory problems, an unacceptable rise in connection charges, and the incomplete expansion of connections in El Alto. FEJUVE, the neighbourhood organisation in El Alto, played a leading role in the resistance. It is characterised by a high degree of social legitimacy and autonomy from political parties. This so-called second Bolivian water war mobilised a large variety and number of organisations in El Alto, demanding a solution for the 200,000 people without secure access to water and sanitation.

Following this successful resistance, FEJUVE constructed a proposal for a public-social water company. A bottom-up social process was embarked upon to create a new company model, based on principles of transparency, participation and social control, efficiency and sustainability, and equity. The organisational structure of the company is shown below. The assembly and social control model, linked to a professionalised management, aim to create a public ownership that functions with participation and transparency. Crucially, the model is designed to protect the management from political inferences.



(source: Powerpoint presentation by Julian Pérez)

The new company considers financial questions in terms of an improved cost – income balance, for example through adjustments of tariff structures, lower costs through public management, and the support of investment by international cooperation. The key aspect of the public-social company, Pérez explained, is the municipal character of the company, the operational control by the general management and the control function of the assembly and the Commission of Social Control. This Commission is accountable to the wider assembly of users. The system employs a series of checks and balances to protect it from corruption.

In relation to international financing, Pérez explained: “We want to work with international development agencies but not with conditionalities, like involving the private sector. We want support for the models we choose to have. A few weeks ago we had a meeting with the World Bank. They acknowledged that Suez has made many mistakes and said that the World Bank could provide USD 5 million directly, with a further USD 5 million to follow later. But their condition for making this money available was that the new model should include a role for private capital. We cannot accept that offer after a year of conflict to get the private operator out.” In response to questions, Pérez stated that he opposes privatisation because it aims to make profit from water. It is not possible to guarantee a 16 per cent profit and at the same time provide a good, affordable service. As an example of Suez’s failure, Pérez explained that the company claimed it cross-subsidised the water tariff to make it affordable for the poor. But the reality was not like that. The price per cubic meters was the same, even if consumption was much lower. And there was no social tariff.

### Session III. The Potential of Public-Public Partnerships

***Paul A.C. Bonné, Manager International Co-operation, Amsterdam WaterNet, Amsterdam, The Netherlands***

Paul Bonné of WaterNet, the municipal water supply company of Amsterdam, presented a paper entitled “Public to public approach with catalytic value.” WaterNet merged with

the public waste water and surface water company in January 2006 to create the first water chain (production, distribution and sewage treatment) company in the Netherlands.

WaterNet Amsterdam's international co-operation is centred on a series of public-public and twinning projects in Latin America, Asia and Africa. This international co-operation is written into the company's management contract with the Amsterdam municipality, which includes a commitment to "exchange knowledge and expertise with companies in a backward situation in developing countries on request and on the basis of an equal approach."

This international co-operation is based on a long tradition, which mostly started with personal commitment. Bonn  pointed out that the drivers for cooperation are the compassion of technical specialists and the fact that the international cooperation presents incentives for WaterNet personnel. In effect, the co-operation is an element of human resource policy and has been fully structured into the company's processes since 2002. More than 50 people are continuously involved in projects, which run on a non-profit basis and therefore require some external subsidy.

The core activities are:

- Exchanges of knowledge and expertise on request and on the basis of an equal approach.
- Technical assistance
- Advice in operational, tactical and institutional issues
- Monitoring of projects
- Second opinions, board room consultancy
- Organisation development and human resources
- Advice on technical investments
- Empowerment: investment in people

Bonn  presented in more detail the co-operation projects in Surinam, where WaterNet twins directly with the national Ministry. WaterNet also co-operates with various public companies in urban and rural areas on issues such as management systems, leak detection, rehabilitation of pumping stations and network rehabilitation. Other projects include co-operations with the Province of Banten, Indonesia, and projects in Egypt and Palestine, where WaterNet co-operates with five companies on water treatment, groundwater rehabilitation and management systems. For example, one success story of these co-operations is that they have helped to double the plant capacity in Alexandria with a very modest investment.

In WaterNet's experience, one of the key factors for success is the strengthening of local government through public-to-public relations. This requires reciprocity and equality in twinning agreements, ensuring that these are open and transparent and designed in a process approach. A key factor is the focus on what Bonn  called 'software issues', such as community and education. Finally, Bonn  pointed out that sustainability and

empowerment occurs via the ownership that grows via sound co-operation. Although WaterNet works directly with government contracts, Bonn  argued that the process is ultimately “not about government, but about a community that wants to have proper water”.

In response to a question about Waternet’s partnerships in Egypt, Bonn  emphasised that creating effective partnerships takes time. A strong working relationship takes at least 3 years to build up; with engineers coming back various times. There is now co-operation with 5 cities in Egypt.

In response to a further question about the problems experienced with twinning in the 1980s, when in many cases Northern utilities did not perform well and twinning projects were more like tourism for Northern engineers, Bonn  answered that WaterNet has developed strict criteria to prevent the partnerships from failing. The approach builds on the experience of 50 years co-operation between European countries on the River Rhine.

***Steen Bjerggaard, Project Manager, Stockholm Vatten, Sweden***

Steen Bjerggaard presented “Stockholm Water’s Corporate Development Projects Around the Baltic Sea,” and explained that these involve an interest-based collaboration that includes both local co-operation within Sweden and international co-operation across the Baltic Sea region. Stockholm Vatten has developed a successful model of public water partnerships, based on what Steen Bjerggaard called an “eco-cycle” approach to the Baltic.

On the international level of public, not-for-profit co-operation, Bjerggaard argued for the importance of network building and the sustained character of relations in order to make co-operation more effective. He gave the example of a network established between the capitals of Baltic States to facilitate twinning projects. He went on to explain that person-to-person contacts are crucial to building these networks, if PuP contracts are to be prepared on a sustainable basis. “A 14 years trajectory of public co-operation with Baltic Sea states has closed the eco-circle on water services in the Baltic sea,” Bjerggaard explained.

A “Corporate Development Programme” lists the components that make up the twinning or public-public contracts. These components range from a service agreement, which covers the various aspects of managerial strengthening, such as billing and collection or information technology, to training programmes and knowledge transfer. Importantly, the ownership lies with politicians, while the service agreement clarifies the roles of the different parts of the public-public partnership.

A one year preparation phase is usually followed by a four year project cycle, which includes change management measures and training programmes. The PuPs contribute to company performance, service quality, knowledge transfer, management expertise and the facilitation of investment programmes. The PuPs do not involve a take-over of the

partnering company but, rather, a learning process. "It may take time, but the local partners actually learn for the long run and the know-how is left to them. Simply sending in troops of experts for a five year period wouldn't work anyway." PuP programmes by Stockholm Vatten work to establish sound political control within partner organisations, but do not seek to interfere with the day-to-day management of their partners. Strong networking and close contact between partners and direct financing are seen as factors leading to the success of these projects. The long-term character of the projects is also crucial.

Bjerggaard went on to explain that PuPs can encounter various obstacles and pitfalls, such as a lack of political support, lack of financing, or deficiencies in contract design. In the case of the Baltic States partnerships, the Swedish Development Agency (SIDA) finances the costs involved in PuPs. Bjerggaard pointed out that contracting relations on the basis of competition was not desirable, stating that "We should get co-operation to fund concrete twinning".

In response to a question of how to overcome the problems experienced in twinning in the 1980s, Bjerggaard explained that mechanisms are in place to appraise the performance of PuPs, and that independent consultants have praised the Stockholm Water's PuPs. A separate company structure was created for the five year twinning agreements.

***Nguyen Van Thanh, Director of Hue City Company for environmental and public works, Vietnam***

Nguyen Van Thanh introduced the ongoing efforts to improve public water delivery and sanitation in Hue, a city of 350,000 inhabitants located in central Vietnam. 95 per cent of the population are connected to piped water, but problems remain. One example is the pollution caused by the overflow of wastewater into the city's rivers, a particularly serious problem in the rainy season. Only 40 per cent of household wastewater is connected to drainage pipes and sewers. The rest goes into the ground, which risks groundwater pollution. Improving and renewing water supply and drainage facilities is therefore a priority in the city's planning, as well as investments in wastewater treatment. Enhanced inspection and penalties for those responsible for water contamination are also envisaged. Hue city is "calling for investment and co-operation from other cities and international organisations in the field of water supply and drainage and environment," Nguyen Van Thanh explained.

During the week of the World Water Forum in Mexico City, the People's Committee of Hue City signed a not-for-profit co-operation agreement with SIAAP (Syndicat interdépartemental pour l'assainissement de l'Agglomération Parisienne), the public waste water operator of Paris. As part of this public-public partnership, SIAAP will grant 55,000€ to study and complete a masterplan for improved wastewater treatment, including a training programme for technical staff of Hue City. After the completion of pre-

feasibility projects, SIAAP will submit these projects to the international financial institutions and agencies to seek funding.

***Catherine Legna , Programme Director, France Libertés***

The France Libertés Foundation has been involved in public interest advocacy and international cooperation for more than 20 years. Catherine Legna argued that there is not much left of the idea of public sector and public service, which have been under attack for the last decade. In order to revive them, France Libertés aims to collaborate with public companies and users, especially water utilities in France itself and in Latin America. Bolivia is a current focus, and concrete PuP plans are under development. To prepare for this co-operation, Anne Le Strat went to Bolivia as part of a study tour around Latin America with France Libertés, to explore the possibilities of PuPs. France Libertés sees its role in public-public partnerships as acting as a bridge between needs and demands for publicness through the facilitation of international responses.

***Anne Le Strat, Conseillère de la ville de Paris and president of Eau de Paris, France***

Anne Le Strat is a municipal councillor for Eaux de Paris, the public bulk water supply company of Paris. Le Strat commenced by pointing out that public-public partnerships are needed within France, where municipalities are taking back water into public hands. At the same time, international public-public cooperation is also needed. This currently occurs in the form of technical support from the city of Paris's engineers and technicians to co-operation projects in, for example, Laos and Nigeria. These public-public projects work directly with communities, as well engaging with people from those parts of the world who now live in Paris. One element is the training of local staff, which is organised via management committees. The promotion of technical aid and knowledge exchange is done in co-operation with the France Libertés Foundation.

In 2005, Eaux de Paris worked on emergency issues for the first time, working with NGOs to evaluate the aid needs that had arisen after the Tsunami and the earthquake in Pakistan. Although many municipalities subsidise private companies, Eaux de Paris works on the basis of public water and public-public partnerships, even in emergencies.

Le Strat stressed that “we need to create the basis of real public companies in the interest of consumers and not in the interest of private companies.” This has positive implications for consumers, as the aim is to create transparency in public service on the basis social, environmental and political goals.

In summing up, Vicky Cann of the World Development Movement (UK) noted that while the five presentations offered insightful expositions of company-to-company or company-to-government partnerships, we should remember that the concept of public-public partnerships is much broader, also including partnerships between social groups. She also noted that, although this session focussed on North-to-South partnerships, it should not be forgotten that great work is also being done by South-South partnerships.

## Background documents and further reading

Powerpoint presentations by the following symposium speakers are available on the website <<http://www.tni.org/water-docs/presentation.htm>>:

- Abimanyu, Director of PDAM Solo and Secretary General of the PDAM Association, Indonesia
- Julián Pérez, Federation of Neighbourhood Committees (FEJUVE), El Alto, Bolivia
- Nguyen Van Thanh, Director of Hue City Company for environmental and public works, Vietnam
- Paul A.C. Bonné, Manager International Co-operation, Amsterdam Waternet, The Netherlands
- Silvano da Costa, National Association of Municipal Water and Sanitation Services (ASSEMAE), Brazil
- Steen Bjerggaard, Stockholm Water Company, Sweden
- V. Suresh, Tamil Nadu State Advisor on Food Security to the Supreme Court of India

The following background articles written by symposium speakers are available on the website <<http://www.tni.org/water-docs/background.htm>>:

- “Public Water for All: The Role of Public-Public Partnerships”, a ‘Reclaiming Public Water’ discussion paper, TNI/Corporate Europe Observatory, March 2006.
- “Water and Sanitation: Democratic and innovative reforms in the Global South” / “Agua y saneamiento: Reformas democráticas e innovadoras en el Sur Global”. Olivier Hoedeman and Satoko Kishimoto (chapter in TNI’s Public Services Yearbook 2005/6).
- “Maladies of the Water Situation: Democratizing and Demystifying The Conundrum” / “Los males de la situación del agua: Democratizando y desmitificando el problema”. V. Suresh, Vibhu Nayar and Pradip Prabhu, March 2006.
- “Successful Municipal Experiences in Brazil: Public Utility Service in Water and Sanitation” / “Experiências de Êxito em Serviços Públicos Municipais de Água e Esgotos no Brasil”. Silvano Silvério da Costa March, 2006.
- “Social resistance in El Alto - Bolivia: Aguas del Illimani, a concession aimed at the poor” / “La Resistencia Social en El Alto - Bolivia: Aguas del Illimani, una concesión orientada a los pobres”, Julián Pérez, March 2006.
- “Perspective Towards Public-Public Partnerships”, Guillermo Amorebieta, March 2006.
- “Public-Public Partnerships in Indonesia”, Amrta Institute for Water Literacy Indonesia, March 2006.
- “The Twinning Concept of Stockholm Water Company”, Steen Bjerggaard January 2006.

See also: <http://www.waterjustice.org> (a virtual resource centre and meeting place for exchanging experiences, debate and strategise on alternatives to water privatisation)