

Workshop outline

Day 2 (2nd February): UN support for public-public partnerships? How to ensure that GWOPA stays on track to support not-for-profit PUPs?

Progress

It was a very significant victory when a UN advisory panel in 2006 announced a new UN initiative for not-for-profit partnerships between utilities as a way to improve public water management. In the following years this resulted in the creation of the Global Water Operator Partnerships Alliance (GWOPA), with a secretariat in UN-Habitat's Nairobi offices. This development is clearly positive because it signals active UN support for public-public partnerships as an alternative to PPPs. In practice, however, serious problems have emerged due to the active involvement of private water lobbies in the GWOPA process as well as the continued pressure for commercialisation of water services from development banks on which GWOPA relies for financing of concrete WOP projects. The RPW network was given a seat in the International Steering Committee of GWOPA; there is a RPW working group on GWOPA, with a listserve for strategy discussions and for preparing the participation in GWOPA events.

Challenges

- avoiding abuse by private water companies: due to industry lobbying, the WOPs process is open to private water companies, but with the strict condition that all partnerships must be not-for-profit. Still, there is a risk that private water firms will abuse the WOPs to get a foot in the door in cities where they hope to later win for-profit contracts. We have since the very beginning demanded safeguards against this, for instance via a 'quarantine' that prevents any WOP partner from commercial follow-up contracts for five or more years into the future. The 'quarantine' was rejected by the Steering Committee as too 'ideological'. We now have to decide whether there are other ways to get safeguards introduced.
- turning the integrity sub-committee into an effective watchdog on violations of the non-profit principle; the integrity sub-committee has been established, but its functioning has not yet been defined. At the moment, it is envisaged to have only an emergency function rather than act as a permanent committee with enforcement powers.
- the GWOPA process remains intransparent and intangible, also because most of the practical work is done via regional WOPs processes, which we have not had sufficient capacity to engage in. There is a major problem with the transparency and inclusiveness of these WOPs processes, in which regional development banks like the ADB play a big role.
- there is a worrying trend of corporatised, commercially-minded public water companies playing a strong role in the WOPs process; this could result in types of 'partnerships' that are far removed from the vision for PUPs of the RPW network, perhaps even management contracts that include the (temporary) take-over of management, etc. How to pre-empt this and instead promote our progressive vision for PUPs?
- there are signs that the WOPs principles have already been compromised. As pointed out by David Hall: "as of March 2009, 4 out of 8 ADB WOPs were private, all 3 WOP-LAC WOPs were private, 7 out of 10 USAID initiatives (may or may not have been called WOPs) were private".
- To monitor the activities of UN-Habitat, IWA, development banks, private water operators, and other actors in the WOPs process, as well as current and future WOPs partnerships,

will require an organised, collective effort and resources from the RPW network, a dedicated team of individuals who are working specifically on this for a longer period of time. The ad-hoc work we have done up to now needs to improve for us to go any way to match the formidable resources we are up against.

Strategy (options)

- the next ISC meeting will take place during the World Water Week in Stockholm in September 2010. this is a crucial occasion for the RPW network and our allies in the ISC to promote safeguards against abuse by private firms, transparency around WOPs projects and the regional processes, monitoring of whether projects respect the GWOPA principles and a complaints procedure with sanctions for violations.
- we could re-open the debate by proposing a 'smart quarantine' (which would not exclude follow-up contracts that are about consultancy-style advisory services), but it might be better to pursue the same objective by building in build in safeguards in the founding principles, via the work of the integrity sub-committee and in the code of conduct.
- the regional WOPs processes must be reigned in; the ISC should act to achieve this
- part of our strategy should be to identify concrete contributions we can make to the GWOPA process, for instance showcasing good examples of partnerships, contributing with knowledge management tools such as the clearinghouse and match-making database (PSIRU) and the development of qualitative indicators.
- fundraising to enable stronger RPW work on these issues