## Open letter

EU Development Commissioner Andris Piebalgs

22 March 2010

Re: Expanding EU support for public-public partnerships in water

The undersigned organisations would like to congratulate the European Commission on the launch of the new ACP-EU Water Facility and the two calls for proposals launched last month. In particular we would like to highlight the "Partnerships for Capacity Development in the ACP Water and Sanitation Sector", which has an earmarked budget of 40 million euro. This is the first time ever that the EU has created a ring-fenced development aid budget to support partnerships between public water operators and other public authorities (on a strict not-for-profit basis). We consider this a very encouraging departure from the strong emphasis on expanding the role of the private sector which characterised the Commission's water aid policies for many years. In the meantime, privatisation including in the form of PPPs, has proven not to be the best way to improve access to water and sanitation services for the poorest. Public-public partnerships, on the other hand, are gaining increasing support as a cost-effective and sustainable way of improving capacity among public water utilities in developing countries.[1]

While the number of such partnerships has grown significantly in recent years, insufficient funding remains a serious obstacle to public-public partnerships fulfilling their full potential. Funding and political support are needed to mobilise the tremendous expertise that exists in the public water sector in Europe and elsewhere to help improve water delivery in developing countries. This makes the introduction of a separate "window" for this purpose in the new Water Facility a highly commendable innovation.

The Water Facility, however, is limited to projects in African, Caribbean and Pacific countries. It is our view that similar funding opportunities for public-public partnerships in water should be created for EU aid for Latin America, Asia, Eastern Europe and other regions. The "Partnerships for Capacity Development" approach developed in the Water Facility should be replicated so public water authorities in other regions of the developing world can also benefit from partnerships with European public water operators.

We therefore call on the European Commission to assess how public-public partnerships can become a cross-cutting priority in all EU development aid programs for the water sector.

Yours sincerely,

ACME Morocco Alliance of Government Workers in the Water Sector (AGWWAS), Philippines Amrta Institute for Water Literacy, Indonesia Blue Planet Project, Canada Center for Ecology and Development, Universidad Autonoma Metropolitana, Mexico Center Of Excellence for Change ,Tamil Nadu, India CeVI - Centro di Volontariato Internazionale, Italy Coalition for the Defence of Water, Mali Comision Nacional en Defensa del Agua y la Vida, Uruguay Corporate Europe Observatory (CEO), Belgium The Council of Canadians, Canada Ecologistas en Acción, Spain Engineers without Borders Catalonia (ESF), Spain European Federation of Public Service Unions (EPSU) FASE Solidariedade e Educação, Brazil FFOSE- Federacion de Funcionarios de Ose, Uruguav FNSA- Frente Nacional pelo Saneamento Ambiental, Brazil Focus on the Global South (India, Thailand, and the Philippines) Food & Water Europe Food and Water Watch, US Foro de Autoridades Locales por la inclusión social y la democracia participativa (RED FAL), Spain Municipal Services Project (MSP) REBRIP- Rede Brasileira pela Integração dos Povos, Brazil Palestinian Water Training Institute (PWTI) Public Services International (PSI) Solidarity Workshop, Bangladesh Transnational Institute (TNI), The Netherlands UNISON, United Kingdom

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[1] A study published last year found there are over 130 such partnership projects in around 70 countries. This means that far more countries have hosted public-public partnerships than host PPPs in water. "Public-public partnerships (PUPs) in water", PSIRU/TNI, March 2009. <u>http://www.psiru.org/reports/2009-03-W-PUPS.doc</u>