

UKRAINE: WOMEN ACT AGAINST POVERTY AND PRIVATISATION

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WOMEN IN A TRANSITIONAL ECONOMY

Ukraine (6,037,000 square kilometres, population 48,416 million) is one the 12 former USSR republics and a country in transition. After the start of market reforms, neo-liberalisation and privatisation, the situation in Ukraine and other former USSR countries of East Europe, Caucasus and Central Asia has changed dramatically. In the Soviet era, people in these countries traditionally had a very high level of social protection. The new market economy gave birth to realities such as prostitution, homeless people and constantly increasing poverty. Now, in the Ukraine, there is a small number of rich people who, after privatising common goods like factories, plants and mines, are now also trying to privatise common resources like forests, lakes, springs, gas, oil and even rivers. And we have a very large number of poor people and their numbers continue to increase dramatically. According to official statistics, we have a poverty level of 27%. But some alternative investigations by scientists show much higher figures for poverty in Ukraine of between 40 and 60%.

The history and activities of MAMA-86 show that women can really improve the situation and create significant changes in their communities. MAMA-86, created in 1990 by Ukrainian mothers who were worried about the effects of the 1986 Chernobyl nuclear accident on the health of their children, now works with several hundred active members in 17 cities and

towns across the Ukraine. Today, the work of MAMA-86 includes research, advocacy and lobbying, education and capacity development, pilot projects and policy analysis and development.

CLEAN WATER – THE MAIN PRIORITY FOR WOMEN

In 1998, Ukrainian women identified drinking water as their most urgent problem. According to the UNECE definition, Ukraine is a water-limited country with resources less than 1,5 thousand cubic metres of river run-off per capita. In a dry year in Ukraine, this figure is reduced to 0,67 thousand cubic metres per capita. In addition, water resources are unequally distributed in Ukraine, making supply problems even more complicated. The water resources of Ukraine have suffered from considerable anthropogenic pressure and degradation. About 75% of the population is supplied by surface water, which is not suitable for drinking. In Ukraine 70% of the population use centralised water supplies, but still more than 814,000 people in 13 oblasts (regions) as well as the Crimea have no permanent or regular access to water and are forced to use imported water of low quality.

The worsening and, in some regions, already critical water supply and sanitation services, combined with increasingly ineffective water and wastewater treatment and lack of sufficient financing, are the most pressing problems facing the water sector. Currently, 25% of water supply facilities and lines have reached their expiry date; 22% of supply systems are in a state of emergency, with 35% worn out and inadequate; half of the pumping units have depleted their resources, with 40% of them requiring immediate replacement; 26% of sewerage nets and 7% of pumping plants are worn-out; moreover, 46% of pumping plants are to be fully replaced. As a result of this, 45% of the population is consuming water that does not com-

ply with state standards. If there is a serious accident in the water distribution networks, consumers' water supplies may be switched off for several days. The problem of drinking water directly affects the health and well-being of Ukrainian residents. In some areas, water-borne diseases like hepatitis A, rotavirus infections, and "blue baby" syndrome have become more acute.

From another perspective, the cost of water supply and canalisation services is rapidly growing, without any improvement in service quality. In the Soviet era, the Ukrainian population paid only 2-4% of real costs for their water supply, the rest was paid by the Soviet government.

The steadily growing tariffs for supply and sanitation services have resulted in serious protests from consumers, higher social tensions and a reduction in the collection rates for water bills. Consumers pay rates for water based on average water supplies, which are 2-3 times higher than elsewhere in Europe. Due to the absence of water meters, consumers have no idea about their actual water consumption and take no measures to limit their consumption. Low quality and rising prices generate protests from consumers and require urgent measures at national and local levels, accompanied by the development of mechanisms to protect consumers' rights that currently exist only on paper.

Protecting consumers' rights became the corner stone of the MAMA-86 work in rural and urban areas. MAMA-86 has carried out independent water testing, launched several water purification initiatives, surveyed 1,600 people on their problems with drinking water and installed citizen's water centres, where filters provide clean and affordable water for vulnerable groups. MAMA-86 has shown that NGOs can provide significant help in giving legal advice and support in situations connected with consumer protection. The "Drinking Water in

Ukraine” campaign was started with the aim of finding concrete solutions for local drinking water problems. Within the framework of the campaign, the MAMA-86 network implements pilot projects to provide practical small-scale and low-cost alternative solutions for drinking water supplies. The exchange of knowledge and experience of positive solutions to ecological problems (water pilot projects in particular) are of great importance for galvanising public activity. MAMA-86 develops and widely replicates such pilot projects.

MAMA-86: COMMUNITY BASED WORK FOR CLEAN WATER

Local activists from MAMA-86 carry out a wide range of local initiatives to improve access to clean water, including research into pollution in drinking water sources, cleaning of wells and reservoirs to improve quality and human health, as well as installation of purification and sanitation systems in kindergartens, schools, hospitals and sanatoriums. Other important activities are raising awareness about water-borne diseases, water saving technology and consumer’s rights.

Water wastage is a major problem facing the water sector in Ukraine. The outdated supply systems and equipment, combined with irrational and unregulated consumer usage, create a serious situation. In Ukraine people generally have not got water metres and have no idea about the volume of water they use. The implementation of water-saving strategies is a major priority for the water sector. The state programme on the installation of water metres exists but it is being implemented very slowly because of a lack of money. Since 2001, MAMA-86 has been carrying out experimental pilot projects in three cities: Kiev, Odessa and Kharkiv, aimed at changing public attitudes to water use, with the main purpose of decreasing the level of consumption. In Odessa, consumption in households

in 2002 decreased by 14% because of 74,000 water-metres installed as the result of MAMA-86 Odessa’s activities. This included a pilot-project on water-metres, an information campaign in the city, and changing local legislation (the draft was prepared by MAMA-86) which simplified the process and reduced the price of meter installation.

In June 2003, a business plan for reconstructing the water supply in Soledar (Artemivsk administrative unit) based on local water resources was designed in co-operation with Tebodin, Soledar Water utility and MAMA-86. MAMA-86 Artemivsk is responsible for the first stage of the project and for a broad information campaign to involve investors and find matching funds to start the second, more expensive stage. At this first stage, the main task is to create the technical survey for the project. Now MAMA-86 Artemivsk is working with Soledar Water utility on preparing the technical background materials for the business plan. One of the outcomes of this project will be the introduction of new methods of collaboration between public organisations, enterprises and local government to realise town programmes.

FROM ACTION TO POLICY DEVELOPMENT

MAMA-86 has been involved in some very innovative policy developments, especially in the current context of post-Soviet Ukraine. From 1998 onwards, MAMA-86 and a host of NGOs initiated the first ever participatory and consultative process for the development of the National Environment and Health Action Plan (NEHAP). The national co-ordinator asked MAMA-86 for their assistance to draft a paper for public participation on the NEHAP.¹ More than 600 organisations and

¹ The public consultation and feedback process was co-ordinated by MAMA-86, EcoPravo Network and Bahmat with support from UNED-UK.

individuals from across the country representing environmental groups, women's groups, researchers, health workers, business people and government representatives, gave input. After much lobbying by more than 50 organisations in the Ukraine, the Cabinet of Ministers approved NEHAP in October 2000. MAMA-86 and other NGOs were also instrumental in the drafting the new Drinking Water Law. They analysed existing legislation, provided comments on the structure and content of the new law, provided the public with information on the process, engaged them in hearings on the draft, monitored the drafting process, and lobbied for amendments.

WOMEN ACT AGAINST PRIVATISATION

Since 2000, cases of “wild” privatisation have emerged. In July 2002, for instance, the inhabitants of five villages of the Odessa's oblast wrote to MAMA-86 Odessa complaining about the infringement of their right to use of the river water. A village head had authorised five local businessmen to rent a part of the basin of the small river Kuchurgan for the period of 49 years.² It is first time in the history of independent Ukraine that there has been an attempt to privatise a part of the basin of a river. The new Ukrainian Land Code allows private persons to privatise land, water and woods but these articles of the new Land Code are in conflict with the rules of the earlier accepted environmental legislation.

The persons who have rented the river Kuchurgan for 49 years felt they were the absolute owners of the river and violated the environmental legislation by illegally building dams on the river. Their actions caused the complete drying up of the river and local inhabitants lost the right to access the river they

² The catchment's area is 2090 square kilometres, the length of the river is 109 kilometres.

have lived by and grazed livestock next to for centuries. They have lost the main source of their existence as a result of the privatisation of the river. This loss of right to usage of the river, in conditions of severe unemployment and high level of poverty in these villages, caused a disaster. MAMA-86 Odessa provided legal support to residents and contracts to rent the basin of the river have been annulled. The Odessa's area public prosecutor started criminal proceedings in connection with the infringement of environmental laws. It is still necessary, however, to calculate the damage caused to the river by the businessmen.

Unfortunately it is not always possible for local inhabitants and NGOs to change the course of events. Often the interests of local communities are neglected and protests of NGOs are not taken into account in any way, particularly if the interested parties are powerful multinational companies with the support of international financial institutions. Frequently, the budget of such multinational companies exceeds many times the budget of cities and whole states where they conduct business.

In 2000, a small article appeared in the Russian newspaper *Moscow Komsomolets* saying representatives of the Odessa municipality had concluded a protocol on intentions with a French firm, Suez Lyonnaise des Eaux, for the reconstruction of Odessa's urban water networks (one million inhabitants). Odessa-based NGOs contacted the urban authorities about the case, but got no reply. In October 2000, representatives of Suez Lyonnaise des Eaux visited Odessa and publicly declared its intention to participate in the management of the urban water supply. The formal tender to attract foreign investors was announced only in December 2000. The conditions could be met only by a company like Suez Lyonnaise des Eaux (the size of the tender pledge was US\$130,000), however, these conditions did not say anything about the protection of interests and

rights of consumers, or about the social consequences of the project for city dwellers. Considering the unfair conditions of the tender it was no surprise that only one firm - Suez Lyonnaise des Eaux –took part in the tender process and won it. Similar practices that exclude competition are used by multinational water companies in all countries in transition in Central and Eastern Europe.

International financial institutions, such as the World Bank and the European Bank for Reconstruction and Development (EBRD), encourage private capital in water supply. These institutions frequently provide finance only for the private sector, in spite of the possible efficiency of alternatives with the public sector. In 1998, Odessa's water utility, Vodokanal, did a feasibility study with the World Bank on improvements of the water supply. On the basis of this study, Vodokanal requested \$64 million in credit from the EBRD, \$14 million of which was to be for foreign experts. EBRD did not want to give credit to a local company so Vodokanal formed a closed joint-stock company in order to provide a guarantee on basis of its property. It was refused the loan again. EBRD then declared they were ready to pay \$200 million for the same to the French firm Suez Lyonnaise des Eaux.

MAMA-86 and other NGOs have asked for information and details on the negotiations many times, but have always had the same answer: the agreement with Suez Lyonnaise des Eaux is classified. After two years of confidential negotiations, Suez stopped its activities in Odessa; Suez found the economical situation in Ukraine unsuitable, because people can't pay the fees Suez wanted.

RECOMMENDATIONS AND LESSONS LEARNT

Water is a critical resource and should not be a means for profit. In Odessa, the women of MAMA-86 and other NGOs were successfully able to block the privatisation of their water supply by Suez Lyonnaise des Eaux. They were able to demonstrate that there was a lack of transparency in the tendering process, that the local authority conducted secret negotiations, and that the European Bank for Reconstruction and Development (EBRD) was willing to provide financing for the privatisation for Suez without public consultation, but were not willing to finance a local company that would have been more accountable to consumers.

In the Ukraine, there is a larger issue of poor state governance to consider, as water issues are connected to so many other problems. The state has withdrawn from solving water problems and left it to consumers to resolve them themselves. Women's actions for change are setting new parameters for democratic governance. However, women are not yet equal decision-makers and a gender perspective is still lacking.

There should be transparency in all water utilities and local authorities and an open process of consultation with the public and consumers, especially women, who are critical to problem analysis and solutions. The key factor of mobilising poor women for cleaner water, for pricing, accountability and affordability, and for better management of water infrastructure has already been demonstrated through several successful initiatives.

The arrival of multinationals and the push for privatisation should be approached with caution as it could lead to an increase in poverty and inaccessibility of water to a significant part of the population. This will especially affect already poor, women-headed households, families with children and pen-

sioners. There is also a need to be vigilant about corrupt practices by transnational water corporations. For example, both Suez and Vivendi/Veolia executives have been suspected of bribing to obtain water contracts.

The public should have the right to access all information as it pertains to discussions between local governments, water utilities, multinational corporations and the national private sector. International financial institutions (IFIs) should support the principle of sustainable development, which supports the management of water resources at the local level as a key to sustainable development. IFIs should guarantee the rights of the local population and public participation in the process of water sector reforms.

Attempts should also be made to learn from the practices of successful public water utilities, for example the Municipal Department of Water and Sanitation of the city of Porto Alegre in Brazil. At the same time, activists from MAMA-86 have proposed their own practical solutions and given their own examples of how to resolve local problems with drinking water.

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