

Local Struggles against Water Privatization and PPPs

Pushing for a People's Water Code: Philippine local movements asserting peoples sovereignty over water resources and management systems

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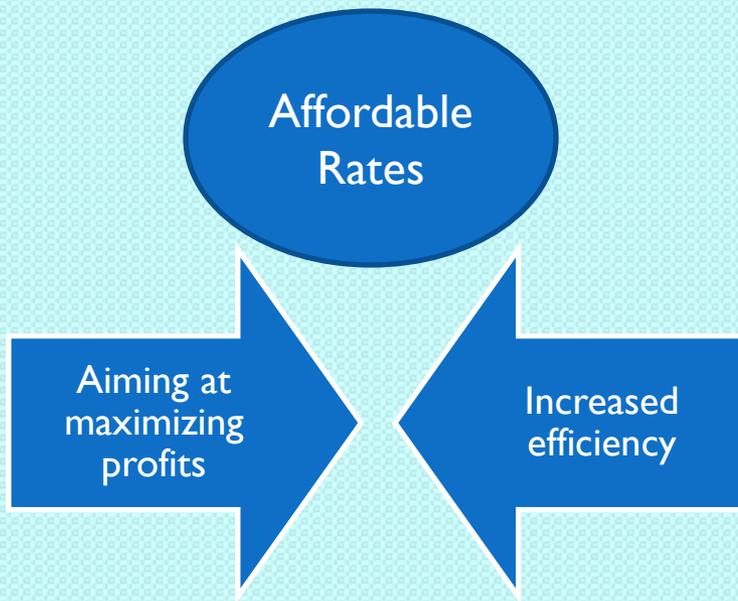
WATER FOR THE
PEOPLE NETWORK

Fact or Fiction?



THE COSTS OF THE FAILED PRIVATIZATION EXPERIMENT IN THE MANILA WATER SECTOR

PPPs can lead to affordable water rates?



According to the Asian Development Bank: “If the PPP is structured to let the operator pursue this goal [of maximizing profits], the efficiency of the infrastructure services will likely be enhanced. This in turn also increases the chances that those services are economically sustainable and provided at affordable rates—even after satisfying the profit requirements of the private operators.”

People actually pay more

- Since the concession contract in 1997, there has been an increase of almost 1,000% in the water tariffs of Maynilad (West) and Manila Water (East)
- Filipinos would now have to pay an average of P705/\$16* per month for 30 cubic meters of water use.
- The minimum average income of a Filipino living in NCR is P396/\$9 per day (as of May 2011). This means 9% of the household income is already allocated for water expense. An extra burden as preceding transport and oil price hikes drove prices of other goods and services up.

*\$1=P43

MYTHBUSTER #1

PPPs will lead to better services?

According to the Organization for Economic Cooperation and Development (OECD):

“PPPs can combine and reinforce each other’s [private-sector and public-sector partners’] knowledge and capacities – and bring complementary skills in complex processes...”

People do not have universal access as was promised to them—among other things

- Less than 60% of 790,000 households in Maynilad’s service area have 24-hour water service
- Only 74% of water received in the West Zone are only at 7-pound per square inch (PSI) or stronger pressure
- More than half (51%) of water allocated to Maynilad continues to get wasted because of leaks and pilferage

MYTHBUSTER #2

PPPs give way to better governance ?

- PPPs can reform sectors through a reallocation of roles, incentives, and accountability. Moreover, the division of roles between the public and private sectors can allow checks-and-balances for possible misconduct.

Unheeded call of the people for transparency and accountability

- The Metropolitan Waterworks and Sewerage System-Regulatory Office (MWSS-RO) has approved the water price hike despite serious legal questions raised against the rate adjustments
- The MWSS-RO failed to fully explain to the public the reasons behind its decision in approving the rate hike, nor have been the public informed or consulted on the necessity of the increase

MYTHBUSTER #3



STORIES OF RESISTANCE OF SOCIAL MOVEMENTS IN THE PHILIPPINES

PAMALAKAYA, SAVE LAGUNA LAKE MOVEMENT (SLLM) AND ANAKPAWIS

Staging a 15-boat fluvial protest against PPPs

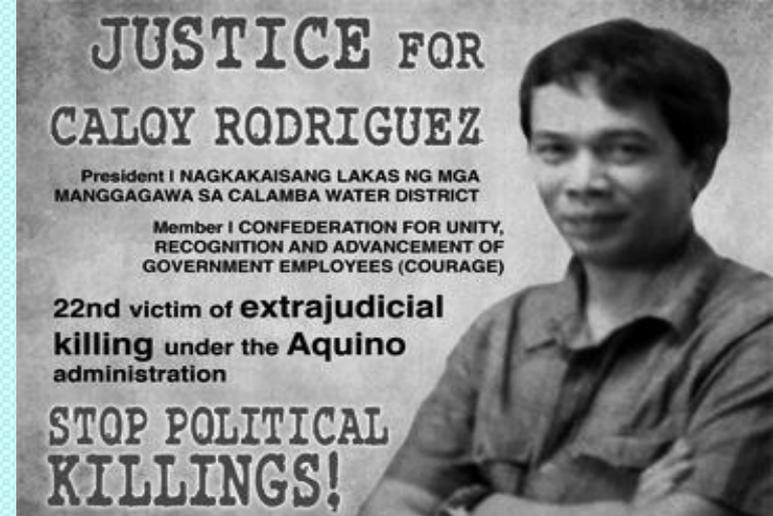


The 15-boat fluvial rally in Laguna de Bay urges Malacañang and lake authorities to disclose the Public-Private Partnership (PPP) blue print designed for the 94,000 hectare lake. The projects are perceived to be detrimental to fisherfolk livelihood, the environment and the rest of the nation:

- 500,000 fishing and urban poor families will be displaced from their livelihood and communities
- A P 400-B loan from China is being requested for the dredging project alone
- Two large water companies—the Maynilad and Manila Water want to convert Laguna Lake into a major source of potable water and such ambitious project require the elimination of all fishing and fish aquaculture activities around Laguna de Bay

ANTI-PRIVATIZATION NETWORK WATER SYSTEM EMPLOYEES RESPONSE (WATER)- SOUTHERN LUZON

The fight continues inspite of
political killings



Carlo ‘Caloy’ Rodriguez, president of the workers’ union of the Calamba Water District (Water) was shot dead while on his way home on November 12, 2010 by unidentified motorcycle-riding men. In spite of this, Water, which is a 20,000 strong national federation of employees’ unions and associations in the water districts and other utilities, continues to oppose water privatization and expose corruption in the water sector:

- Board members of large water districts received P47,000- (USD 1,200) worth of financial assistance and cash gift
- Directors of very large water districts received P66,000 (USD 1,700) (financial assistance and cash gift)
- Employees had a tough time receiving their benefits, — including the their rice allowance for 2010 which amounts only to P1,500 (US\$34.88)

FIRST LABOR ORGANIZATION OF THE CAGAYAN DE ORO CITY WATER DISTRICT (F.L.O.W.)

Making noise through peaceful protests and other manifestations



In May 2010, FLOW at its 53rd day of peaceful mass demonstration on COWD issues related to the Bulk Water Supply Contract discrepancies and the controversial LWUA intervention, conducted a prayer rally to commemorate the Labor Day celebration. Issues include:

- Questionable awarding of project to bidder, Rio Verde Water Consortium, Inc. (RVWCI)
- Contract provisions that unduly favor the contractor, which was affirmed by the review of the Government Corporate Counsel

FILIPINO PEOPLE'S WATER CODE

Pushing for an Alternative Water Paradigm



Adopted by 369 participants (from 128 organizations nationwide) to the First National People's Convention on Water last 10-11 August 2004 organized by the Water for the People Network Philippines, the Filipino people's water code outlines the people's aspirations on water.

The Filipino People's Water Code (FPWC) provides an alternative paradigm to private, foreign corporations-led development, management, and operation of water resources and services. It enumerates guiding principles for implementing pro-people policies and programs on water services, water supply infrastructure management, and water resource utilization.

From then on, the FPWC has served as the reference document for some organizations in articulating their position on water privatization.

What's Next?



**EXPECT MORE PPPS
IN A GREENING
ECONOMY**

No to financialization and commercialization of nature!

- Fight against the private financing of investments in the water sector and, consequently, fight for a reinvention of forms of public financing
- Fight against water privatisation and against the concessions which are using public resources to finance private companies
- Fight for access to information and for free communication, education and citizenship regarding the issues of water
- Fight for the right to water and sanitation and for a sustainable environment