

# WATER SERVICE - HUMAN NECESSITY OR BUSINESS?

Jorma Peussa  
Trade Union for the Municipal Sector KTV



# CHALLENGES AND OBJECTIVES OF WATER UNDERTAKINGS:

## 1. Infrastructure

- reducing leakage
- replacing and extending networks
- improving technology

# CHALLENGES AND OBJECTIVES OF WATER UNDERTAKINGS:

## 2. Social and political

- improving coverage
- affordability
- higher standards
- transparency
- accountability

# CHALLENGES AND OBJECTIVES OF WATER UNDERTAKINGS:

## 3. Environmental and health

- public health needs
- environmental management
- conservation of water

# CHALLENGES AND OBJECTIVES OF WATER UNDERTAKINGS:

## 4. Financial

- sustainable and equitable tariffs
- effective revenue collection
- financing investment

# CHALLENGES AND OBJECTIVES OF WATER UNDERTAKINGS:

## 5. Managerial

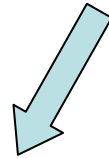
- improving efficiency and productivity
- capacity building
- efficient procurement

# THE BIG QUESTION:

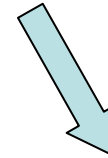
Regulation or Liberalization ?

# THE BIG QUESTION:

Regulation or Liberalization ?



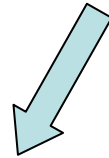
Public



Private

# THE BIG QUESTION:

Regulation or Liberalization ?



Public



Private

Is it really that simple ?

# WATER SERVICE - HUMAN NECESSITY OR BUSINESS ?

Problems experienced in many forms:

1. A lack of competition with globally dominant companies

# WATER SERVICE - HUMAN NECESSITY OR BUSINESS ?

Problems experienced in many forms:

2. Higher prices, often caused by privatisations used to make debt reductions

# WATER SERVICE - HUMAN NECESSITY OR BUSINESS ?

Problems experienced in many forms:

3. Difficulties in terminating  
unsatisfactory concessions

# WATER SERVICE - HUMAN NECESSITY OR BUSINESS ?

Problems experienced in many forms:

4. Poor results from management

# WATER SERVICE - HUMAN NECESSITY OR BUSINESS ?

Problems experienced in many forms:

5. Private sector reluctance to extend water and sanitation access to the poor

# WATER SERVICE - HUMAN NECESSITY OR BUSINESS ?

Problems experienced in many forms:

6. Multinationals use of water profits to subsidise other global investments

# WATER SERVICE - HUMAN NECESSITY OR BUSINESS ?

Problems experienced in many forms:

7. Difficulties in regulation,  
lack of transparency, secrecy  
and cases of corruption

# MESSAGE FOR DECISION-MAKERS:

- Always construct and consider a public sector option.
- Always evaluate any PPP proposal against a public sector option, in a public process.
- Avoid secret agreements and secret contracts.