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### Open Call for Information for Case Studies

Over the next few months WaterTime will be carrying out case studies in 29 cities across Europe. WaterTime warmly requests any local, national or other stakeholders who are willing and able to provide inputs to the case studies (in the form of interviews, documents or relevant contacts), to please get in touch with the appropriate contact below.

Country	Case study city	Partner	Contact
Estonia:	Tallinn	TUT	Jarmo Hukka: jarmo.hukka@tut.fi
Finland:	Tampere	TUT	Jarmo Hukka: jarmo.hukka@tut.fi
	Hämeenlinna	TUT	Jarmo Hukka: jarmo.hukka@tut.fi
France:	Grenoble	PSIRU	Emanuele Lobina, e.lobina@gre.ac.uk
Germany:	Berlin, Munich	IWA	Klaus Lanz, klaus.lanz@t-online.de
Hungary:	Budapest, Debrecen, Szeged	EJC	Judit Péter, judit@jak.ppke.hu
Italy:	Arezzo, Bologna, Milan, Rome	PSIRU	Emanuele Lobina, e.lobina@gre.ac.uk
Lithuania:	Kaunas, Vilnius	TUT	Pekka Pietilä: pekka.e.pietila@tut.fi
Netherlands:	Rotterdam	PSIRU	Robin de la Motte, r.delamotte@gre.ac.uk
Poland:	Gdansk, Lodz, Warsaw	PSIRU	Robin de la Motte, r.delamotte@gre.ac.uk
Romania:	Bucharest, Timisoara	UCM	Andres Sanz Mulas, watertime@erl.ucm.es
Spain:	Cordoba, Madrid, Palma de Mallorca, Gran Canaria	UCM	Andres Sanz Mulas, watertime@erl.ucm.es
	Sweden:	Stockholm	TUT
UK:	Edinburgh	PSIRU	Emanuele Lobina, e.lobina@gre.ac.uk
	Cardiff, Leeds	PSIRU	Robin de la Motte, r.delamotte@gre.ac.uk

### Third WaterTime workshop: 15<sup>th</sup> to 17<sup>th</sup> April 2004, Tampere, Finland

The third WaterTime workshop took place in April 2004 in Tampere, Finland, at the Tampere University of Technology. The workshop saw presentations from a range of experts and stakeholders, and discussion of the progress on the case studies.



Tampere, Finland

A range of presentations from external experts provided a valuable stimuli and discussion on key topics of relevance for the case studies:

- “Policy-making of Water Resources and Services in Finland”, Mr. Markku Maunula, Finnish Environment Institute
- “Experiences from Municipal Water Company”, Brita Forsberg, Stockholm Water Co.
- “Experiences from the Privatisation of Tallinn Water Works”, Mr. Roch Cheroux, Chief Operational Officer of AS Tallinna Vesi
- “Public utility investment with private services and goods, PPP case from Porvoo”, Mr. Juha-Pekka Isotupa, ITT Flygt Pumps Ltd.
- “Establishing a supramunicipal water and sewage company”, Mr. Timo Heinonen, Managing Director of Hämeenlinna Region Water Supply and Sewerage Ltd.
- “The quest for sustainable public-private partnership, The case of Haapavesi Wastewater Treatment Plant”, Mr. Vesa Ranta-Pere, Managing director, Kemwater Services Oy

- “Water service - human necessity or business?”, Mr. Jorma Peussa, Statistical Officer, KTV Trade Union
- “Promotion of Public Relations of Water Utilities”, Ms. Maria von Knorring, Information officer, Helsinki Water
- “Towards strategic and visionary management in water utilities”, Dr. Osmo Seppälä, TUT, IEEB
- General commentary on the workshop, and leading of discussion, Mr. Hannu Vikman (Hannu Vikman Consulting)

A precis of Dr. Osmo Seppälä’s presentation on visionary and strategic management is provided below.

**“Towards strategic and visionary management in water utilities”, Dr. Osmo Seppälä, TUT, IEEB**

Water utilities and other water service organisations have been rather conventional and conservative in their management and leadership styles, and have mostly concentrated on short-term operational management (maximum perspective of 2 years) and medium-term strategic management (3-5 year perspective). Yet, water utilities need visionary development and management due to the following long-term considerations:

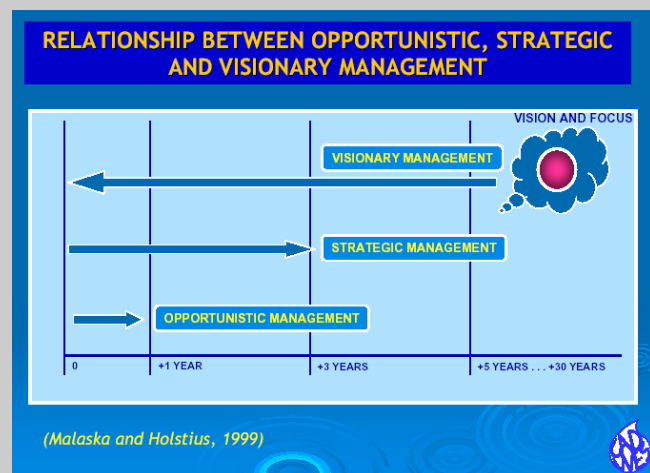
- Safeguarding the availability of water resources in the long-term
- Long-term investments (long lifetime of assets)
- Need to consider regional cooperation (e.g. supra-municipal)
- Customer service demands
- Irreversible and path dependent nature of decisions (e.g. long-term concessions, privatisation).

Thus, water utilities and other water service organisations operate in a sector and environment which requires continuity and long-term perspective in operational and strategic management. Conventional management styles are no longer successful, but water utilities need proactive visionary management to better conceptualise their future operational environment and manage their long-term development tasks.

*Strategic, visionary, and knowledge management*

“It is important to make a distinction between strategic management and visionary management. Strategic management is mainly based on existing resources and their development. The starting point is very different than in visionary management, in which the goals are set far in the future – no matter what the present position of the organisation is. The aim is to untie the vision from the present situation in order to achieve genuine target setting. Traditional strategic management should be part of visionary management, but really just part of it, and formulating the vision should be the starting point.”

“Knowledge management is a kind of a preliminary step to visionary management. KM is in a way a process to compile both explicit and implicit tacit knowledge. The visionary process means that the knowledge related to future decisions is being dug out in the organisation. Thus, VM is a form of KM and a means of producing it into the organisation and to manage and optimise knowledge within the organisation.”<sup>1</sup>



<sup>1</sup> Interview of Professor Markku Wilenius



The presentations were followed by lengthy discussion involving guest speakers, research partners, and the steering committee, which provided further useful inputs. For more details on the Tampere workshop, including downloadable presentations, see [www.watertime.net/wt\\_april\\_2004\\_presentations.asp](http://www.watertime.net/wt_april_2004_presentations.asp).

*Watertime thanks Tampere University of Technology and Tampereen Vesi for their warm welcome, and for their support in making the workshop a success.*

### Selected WaterTime outputs

#### **International and European Context Report (December 2003)**

The WaterTime report covers the recent history of international and EU influences on decision-making in Europe's urban water sector. It provides the widest context for WaterTime's 29 case studies, supplementing the National Context Reports for each of the 13 countries covered.

[http://www.watertime.net/Docs/WP1/D7\\_Int\\_Context\\_final.pdf](http://www.watertime.net/Docs/WP1/D7_Int_Context_final.pdf)

#### **Analytical Framework (December 2003)**

WaterTime's Analytical Framework was completed in December 2003. It provides the basis for carrying out the 29 case studies, and for later synthesising their results to produce WaterTime's final outputs: a report on best practices on decision-making in the urban water sector, and a decision-making model to support this best practice.

[http://www.watertime.net/Docs/WP1/D4\\_Analytical\\_Framework.pdf](http://www.watertime.net/Docs/WP1/D4_Analytical_Framework.pdf)

#### **A formalism for a case study in the Watertime project: the city water system in Grenoble, from privatization to remunicipalization (2004)**

*Ephraim Nissan, David Hall, Emanuele Lobina, and Robin de la Motte (University of Greenwich)*

The formal representation for legal or other narratives as introduced by Nissan (2001; 2002; 2003a; 2003b; 2003c; 2003d) is adapted to the analysis of a case study in WaterTime, a project developed by David Hall and his collaborators in view of the development of a decision model for policy making, concerning the privatization of city water systems throughout the European Union. In WaterTime, the experience of several cities is analyzed and compared. In particular, Hall and Lobina (2001) have analyzed the privatization, in 1989, of the city water system in Grenoble, France. Eventually, corruption was proven, and the system was partly remunicipalized; court decisions led to its full remunicipalization. We sketch a symbolic representation of events in this narrative.

*Applied Artificial Intelligence 18 (3-4), March-April 2004, pp305-366*

### Selected Publications

#### **Water Privatisation Revisited: Panacea or pancake? (2003)**

*Jarmo J. Hukka and Tapio S. Katko. (Tampere University of Technology)*

The authors argue that, far from increasing competition in the operation and management of water and sewerage services, privatisation actually reduces it. It is a myth, they argue, to suggest that the private sector will always be more efficient than the public sector in managing water services.

<http://www.irc.nl/content/view/full/6003>

#### **Problems with private water concessions: a review of experience (2003)**

*Emanuele Lobina and David Hall (PSIRU, University of Greenwich)*

Addresses the complexity of issues affecting PSP in the water sector from a dynamic point of view, taking into account how the interests, objectives and resources of private sector operators continuously shape their relationships with local stakeholders, citizens and local governments, and how the interaction between multinational companies and other actors affect the impact of PSP.

<http://www.psiru.org/reports/2003-06-W-over.doc>

#### **Transformation of values? The path to privatization of a public good (2004)**

*Klaus Lanz (International Water Affairs)*

The (German-language) article gives an overview of current developments on ownership and organisation of drinking water operators. A steady tendency is reported towards increasing commerciality of water operations, with the likely effect that long-term technical, social, economic and environmental sustainability



of drinking water operations are compromised. Citizens are advised to insist on democratic control of strategic decisions about their local water supply systems.

Lanz, Klaus: *Umwertung der Werte? - Auf dem Weg zur Privatisierung eines öffentlichen Guts*. In: Heling, Arnd (Ed.): *'Aufbruch zu einer neuen Wasserethik und Wasserpolitik in Europa!'* EB-Verlag Dr. Brandt, Schenefeld 2004.

**Juuti, Petri & Katko, Tapio (eds.): From a few to all: long-term development of water and environmental services in Finland. KehräMedia 2004**

This collection of articles examines the history of water services in Finland, in a context of Finnish environmental history in general. It covers technology development as well as institutional issues (legislation, consultancies, etc) and issues of how decisions on infrastructure investment are made.

**Investigation into evidence for economies of scale in the water and sewerage industry in England and Wales. London, UK, Office of Water Services (2004)**

*Stone and Webster Consultants*

An independent study commissioned by Ofwat (water regulator in England and Wales) may undermine the case for any water and sewerage companies planning mergers and takeovers. The study found there was "no evidence of general economies of scale in the water industry" and that there were even "significant diseconomies of scale - although these are now declining".

[http://www.ofwat.gov.uk/aptrix/ofwat/publish.nsf/AttachmentsByTitle/stone\\_webster\\_150104.pdf/\\$FILE/stone\\_webster\\_150104.pdf](http://www.ofwat.gov.uk/aptrix/ofwat/publish.nsf/AttachmentsByTitle/stone_webster_150104.pdf/$FILE/stone_webster_150104.pdf)

**Bakker, Karen: An Uncooperative Commodity: Privatizing Water in England and Wales. Oxford University Press, Oxford, 2003**

Examines the 'British model' of water privatization, exploring the privatization and regulation of water supply in England and Wales. It looks at how privatization has impacted on consumers, the environment, and the water supply sector itself, and how the privatized system has developed with changing patterns of public policy in Britain.

**Geiler, Nikolaus: Das 20 Milliarden Euro Spiel. Die Liberalisierung des Wasser- und Abwassermarktes. Stuttgart 2004.**

German-language book which provides a critical account of recent changes in legal organisation of and attitude towards public water services and the role of multinational water and energy companies.

## Conferences

**Report: "Public and private issues in water management" (Madrid, Lisbon, 6-7<sup>th</sup> May 2004)**

In May 2004 the FNCA (New Water Culture Foundation) and Fundación Alternativas (Alternatives Foundation) held a forum in Madrid and Lisbon on experiences with public and private issues in the water sector, including amongst others representatives from public and private water companies (Canal de Isabel II; Agbar) and academics (Bernard Barraqué, University of Paris; Alvaro García, Cochabamba University, Bolivia).

Fundación Alternativas ([www.fundacionalalternativas.com](http://www.fundacionalalternativas.com)) is a Spanish thinktank with a wide-ranging remit, while FNCA ([www.unizar.es/fnca](http://www.unizar.es/fnca)) is an NGO founded in 2003 to promote a new sustainable model of development in the water sector, which is coming to be known as the New Water Culture. "The emphasis on the word 'culture' reflects the need to set up an open and wide framework which goes beyond purely technical or political thinking." (FNCA website).

**Announcement: German Gas and Water Association Conference (Berlin, 18-19 Oct 2004)**

Dr Klaus Lanz, International Water Affairs, Hamburg, German partner in the Watertime team, will present the Watertime project at the German Gas and Water Association's (BGW) 3rd Wasserwirtschaftliche Jahrestagung on 18 and 19 October 2004 in Berlin (in German). For more information [www.bgw-kongress.de](http://www.bgw-kongress.de), e-mail [huellen@bgw-kongress.de](mailto:huellen@bgw-kongress.de), phone +49 228 2598 114.



## WaterTime at a glance

### The Project

Watertime is an EC-funded research project which aims to improve the sustainability of decision-making on water systems in Europe's cities. The project is studying decision-making on water systems in 29 European cities, drawing on their long-term historical experience as well as recent decisions. Watertime will produce a report on best practices, and develop a model for participative decisionmaking. The work will be disseminated to stakeholders and public authorities, who are also involved during the course of the research.

### The Team

The interdisciplinary team of researchers involved in the project is drawn from different parts of Europe - Spain, the UK, Germany, Finland, Hungary - and brings together expertise from a range of different areas, including economics, political science, environmental science, law, and water institutions.

- PSIRU, University of Greenwich, UK (project coordinator)
- Universidad Complutense de Madrid (UCM), Spain
- Tampere University of Technology (TUT), Tampere, Finland
- International Water Affairs (IWA), Hamburg, Germany
- Eötvös József College (EJC), Budapest, Hungary

### The Steering Committee

The Watertime project is overseen by a steering committee with representatives from consumer organizations, environmental organizations, and trade unions.

- Consumers International,
- European Environmental Bureau (EEB),
- Council of European Municipalities and Regions (CEMR),
- European Centre of Enterprises with Public Participation (CEEP),
- European Federation of Public Service Unions (EPSU),
- the Consumers Protection Association of Romania, and
- the municipal water utility of Cordoba, Spain (EMACSA)

## WaterTime at a glance

