

**Encuentro de Ciudades por el Agua Pública
Ayuntamiento de Madrid, 3 y 4 de noviembre de 2016**

La remunicipalización llegó para quedarse

(Water remunicipalisation as a global trend)

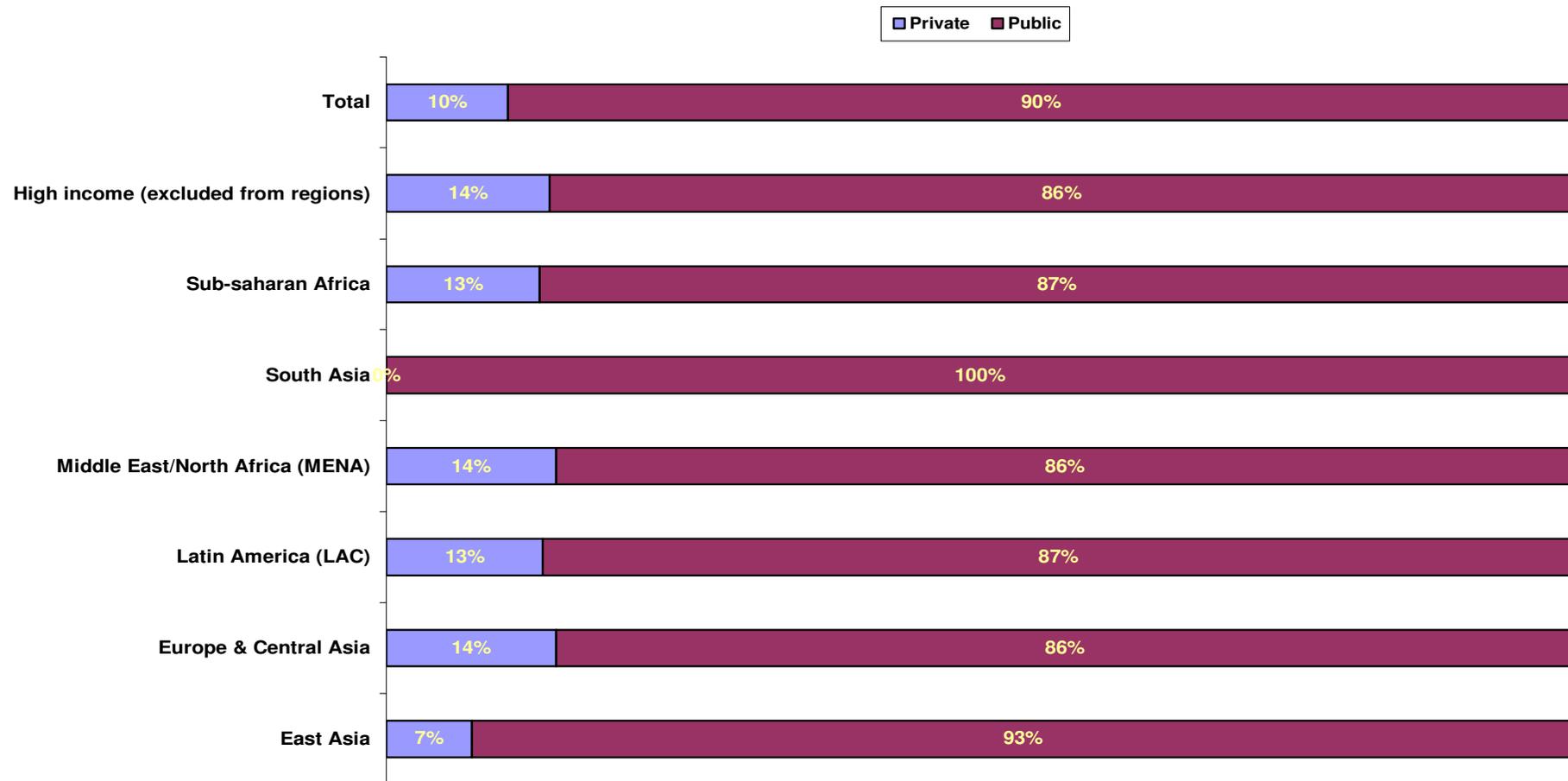
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www.psiru.org**



Public water in 90% of the world's 400 major cities

Private or public water operators in cities with population over 1 million (October 2006)



Our public water future

The global experience
with **remunicipalisation**

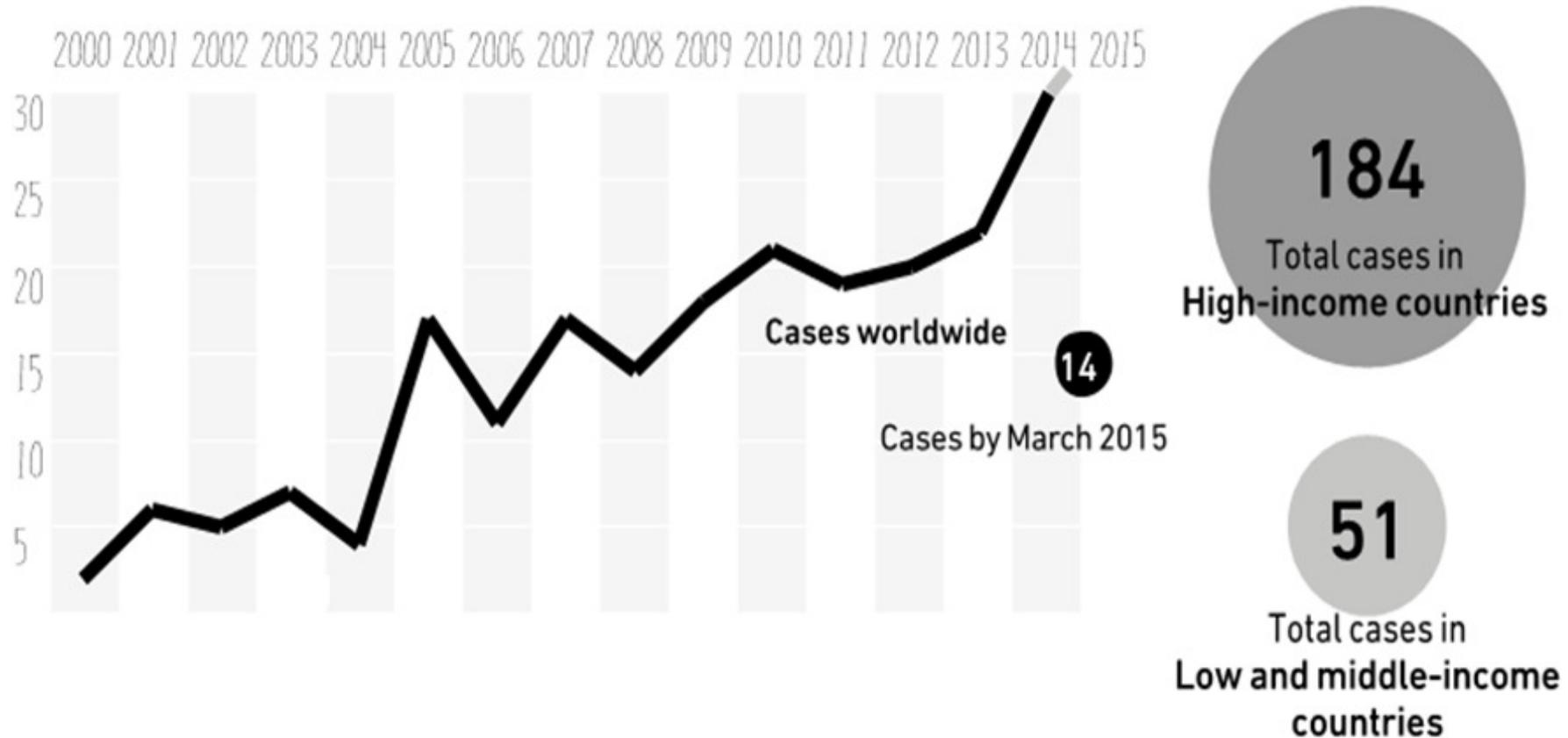


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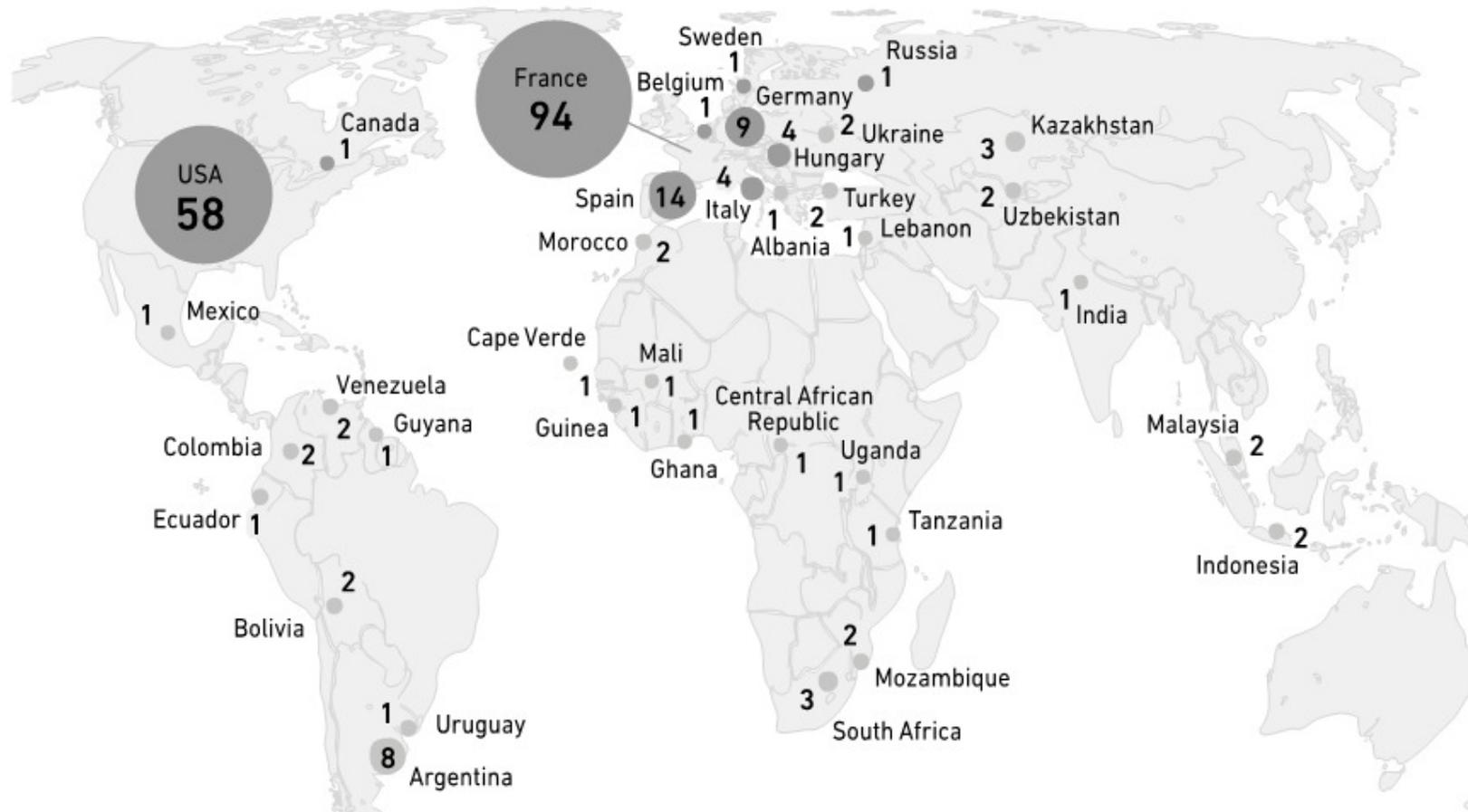


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Remunicipalisation as an accelerating global trend



Remunicipalisation as a Global Trend: by country



Sources: PSIRU, France Eau Publique, Food & Water Watch, Corporate Accountability International, Remunicipalisation Tracker



Drivers of remunicipalisation

- ◆ **Failing the world: the false promises of privatisation and PPPs are fuelling the global remunicipalisation trend**
 - Corruption (e.g. Grenoble)
 - Lack of transparency (e.g. Berlin)
 - Opportunistic behaviour (e.g. Conakry)
 - Poor service quality (e.g. Atlanta)
 - Under-investment (e.g. Buenos Aires)
 - Unsustainable tariffs (e.g. Jakarta)
 - Cost-ineffective financing (e.g. Izmit)
 - Profit maximisation imperative is the problem



Triggers of remunicipalisation

- ◆ **Triggers may vary**
 - Social mobilisation and referenda (e.g. Berlin)
 - Social mobilisation and lawsuits (e.g. Jakarta)
 - Public audits and court cases (e.g. Grenoble)
 - Elections and political willingness (e.g. Paris)
 - Unsustainability of private profits (e.g. Buenos Aires)



Modalities of remunicipalisation

- ◆ **In 95 cases, remunicipalisation followed termination of privatised contracts**
 - E.g. Atlanta (USA); Buenos Aires (Argentina); Dar-es-Salaam (Tanzania); Grenoble (France)
- ◆ **In 105 cases, remunicipalisation followed non-renewal of private contract after expiry**
 - E.g. Accra (Ghana); Bogotá (Colombia); Johannesburg (South Africa); Paris (France)



Improved access and service quality

- ◆ **Remunicipalisation leads to improved access and service quality in key cases**
 - Paris, France
 - Grenoble, France
 - Arenys de Munt, Spain
 - Buenos Aires, Argentina
 - Almaty, Kazakhstan



Opportunity for democratic governance

- ◆ **Remunicipalisation offers opportunities to introduce advanced forms of public participation in decision making**
 - Paris, France
 - Grenoble, France



Obstacles to remunicipalisation

- ◆ **Obstacles other than lack of political will**
 - Coercion: suspended fee payment and service provision, compensation, international arbitration, ISDS and “standstill” clauses, political risk insurance, political pressure from IFIs and governments, domestic commercial appetites, prohibitive legal requirements
 - Capabilities: lack of capacity in negotiating termination, lack of managerial capacity since privatisation, lack of financial resources and assets



Responding to the challenges

- ◆ **The obstacles to remunicipalisation can be overcome**
 - Coercion: multinationals can lose arbitration cases, compensation awarded can be a fraction of amounts claimed, social mobilisation can counteract political pressure
 - Capabilities: Public-public partnerships (PUPs) can develop capacity to remunicipalise and run quality water services, upfront planning is also required



Conclusions

- ◆ **PPPs are failing the world**
 - Profit maximisation imperative is the problem
- ◆ **Remunicipalisation is the response to the false promises of PPPs**
 - Struggle for effective and democratically accountable water services
 - Struggle for the human right to water
- ◆ **Remunicipalisation is here to stay**
 - Growing global trend
 - Social mobilisation is key



Selected References

- ◆ Kishimoto, S., Lobina, E., Petitjean, O. (2015) *“Un futur per l’aigua pública: L’experiència mundial de la remunicipalització”*. <https://www.tni.org/files/publication-downloads/ourpublicwaterfuture-cat-web.pdf>.
- ◆ Kishimoto, S., Lobina, E., Petitjean, O. (2015) *“Our public water future: The global experience with remunicipalisation”*. <http://www.psiru.org/reports/our-public-water-future-global-experience-remunicipalisation>.



Selected References

- ◆ Lobina, E., Kishimoto, S., Petitjean, O. (2014) “*Llegó para quedarse: La remunicipalización del agua como tendencia global*”. <https://www.tni.org/files/download/heretostay-es.pdf>.
- ◆ Lobina, E., Kishimoto, S., Petitjean, O. (2014) “*Here to Stay: Water remunicipalisation as a global trend*”. <http://psiru/reports/here-stay-water-remunicipalisation-global-trend>.



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- ◆ **Lobina, E. (2017) Water remunicipalisation: Between pendulum swings and paradigm advocacy. In Bell, S., Allen, A., Hofmann, P., Teh, T.H. (eds.) *Urban Water Trajectories*. London: Springer International Publishing.**
- ◆ **Hall, D., Lobina, E., Terhorst, P. (2013) Re-municipalisation in the early 21st century: water in France and energy in Germany, in *International Review of Applied Economics*, 27(2): 193-214.**



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