

Bridging the real water divide between haves and have-nots

More ambition, more projects, no limitations that slow progress

The Istanbul World Water Forum is a unique opportunity to take the decisions necessary to bridge the divide between the billions that have no access to public water services and the others.

Country governments are meeting in Istanbul to discuss water challenges. As instruments of public water policies, Private Water Operators experience these increasing challenges in the field in both developed and in developing countries. They feel that this Forum is a rare opportunity to make decisions that are badly needed to solve growing water challenges.

More ambition needed to develop access to water & sanitation faster.

In Africa, at the current rate of progress, the water MDG will only be achieved in 2038, i.e. in twice the initial time-scheduled for the MDG.

People expect a better level of access to water than is currently called for through the water and sanitation MDGs. 3 billion people, more than 1 person out of 2 in developing countries, still have no access to tap water. They need to be freed from the burden of carrying water every day or buying water from vendors at a high price and of unknown quality. The Federation and its members are used by governments to implement the Right to access to Water. They have provided access to safe water to more than 25 million people in the past 15 years.

2008, the International Year of Sanitation raised awareness about sanitation and made it clear that targeting "access to toilets" is not sufficient to protect people from contamination by others. The role of waste water collection, treatment and reuse to protect public health and economic development needs to be recognized better. Integrated sanitation management is necessary to address all sanitation challenges simultaneously.

G rard Payen; President of AquaFed, says: *"An acceleration of the public programs that develop access to safe water, hygienic toilets and waste water management is urgent in many countries."*

More realistic economics to make things work

A more realistic approach to the economics of water services is required. The challenge is to ensure viable operations and at the same time make sure that prices are affordable. **Sustainable Cost-Recovery** is a new concept that mixes user payments (Tariffs) with subsidies from public budgets (Taxes). The objective is to ensure that user payments are affordable for each category of users and that predictable public subsidies support the service operator if necessary. Better understanding and use of Sustainable Cost Recovery will facilitate projects that aim at expanding access to safe water and sanitation.

All capacities must be mobilized. Opposing public and private sectors is a waste of time and is detrimental to the poor.

The magnitude of water-related challenges makes it essential for all stakeholders to be mobilised. The recurrent polemics that try to oppose public and private operators simply slow progress. They are artificial and unhelpful.

- Preconditions for successful implementation of water policies are the same for both public and private water operators. In particular, clear targets and appropriate means must be decided by the responsible public authority, cost-recovery from users and taxpayers must be organized in a sustainable way, political support to the operator, public or private, must be continuous.

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- Profit is not a criterion that distinguishes private from public utilities. Many well-managed public utilities, including in developing countries, make profits (sometimes named surpluses) and many pay dividends to their public shareholders. This is the case for example of well-managed public water utilities in the Netherlands, Italy, Brazil, Colombia, Cambodia, and South Africa.
- The differentiation between public and private is increasingly blurred. Public utilities compete against private companies and win public-private partnership contracts. Public-private joint ventures are common in many countries. Efficient public utilities are frequently managed in the same way as private companies.
- The needs are so huge that no option should be disregarded. All stakeholders must be mobilized. The billions of people who are still waiting to benefit from public water services do not mind whether these are delivered by public or private operators.
- Global statistics show that tariffs are similar for public and private operators in comparable situations¹.

Payen says: *“The priority of the international community is to bridge the existing divides not to create useless ones. All capacities must be mobilized to bring satisfactory access to safe water to all.”*

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AquaFed is the International Federation of Private Water Operators. Open to companies and associations of companies of all sizes and from all countries, it aims to contribute to solving water challenges by making Private Sector know-how and experience available to the international community. It brings together more than 300 water companies that serve hundreds of millions of people in 40 countries.

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¹ Source: World Bank research in developing countries.