Africa Must Rise & Resist Water Privatisation
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Corporate Accountability and Public Participation Africa (CAPPA) is a Pan-African non-governmental organisation that works to advance human rights, challenge corporate abuse of natural resources and build community power for inclusive development and participatory governance.

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The Our Water, Our Right Africa Coalition is a diverse network of civil society and labour organisations across West, Central, East, and Southern Africa committed to building people power and advancing the human right to water in the face of growing privatisation threats on the continent. The coalition, recognising privatisation as one of the biggest threats to the realisation of the human right to water on the continent of Africa, is calling for transparency and accountability in public water infrastructure management. The coalition is also supported by international civil society and labour organisations challenging water privatisation across the globe.

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Outline

1. Executive Summary

2. Introduction
   - Water Privatisation: A worldwide failure
   - Water Privatisation: The drivers

3. Water Privatisation Threatens Africans’ Human Right to Water
   - The elephant in the room: Underlying colonial and imperial influences
   - Never let a crisis go to waste: Pushing Privatisation amidst a global pandemic
   - Water Privatisation has already failed Africans

4. Privatisation Threats Across the Continent

5. The Way Forward
Africa is under the siege of multinational private water corporations. Public water systems in the majority of countries across the continent are facing disturbing levels of privatisation pressures, creating an urgent need for broad-based civic actions to expose and challenge these threats.

Civil society and labour organisations, making up the Our Water, Our Right Africa Coalition, are organising to push back the private water industry’s incursion in Africa. What started in Lagos, Nigeria in 2014 with the Our Water, Our Right Movement – which engaged in a host of resistance tactics that have stopped the city’s privatisation plans – is being replicated across Africa.

The report Africa Must Rise and Resist Water Privatisation details how privatisation has become the most potent threat to Africans’ human right to water and cites water privatisation failures in the United States, Chile, and France as cautionary tales for African governments being pressured by the World Bank and a host of multilateral financial institutions to toe the privatisation path.

Case studies in African countries like Cameroon, Gabon, Ghana, Mozambique, and Tanzania are listed as glaring examples of urban water privatisation projects that promised to deliver on availability, reliability, and infrastructure improvement, but failed woefully, forcing many of these states to overcome enormous legal and financial obstacles to de-privatise.

The report exposes how the World Bank and many other multilateral and bilateral institutions see Africa as fertile ground for marketing failed water privatisation schemes, encouraging states or arm-twisting them into putting in place legal and regulatory frameworks that open the doors to private water corporations. It also explores the unavoidable legacies of colonialism and imperialism rife within the current system.

The backing that water privatisation schemes enjoy from the World Bank and her partners have equally encouraged two of the world’s largest private water corporations, Veolia and Suez, to begin prospecting so-called opportunities in Africa. The May 2021 combination agreement between the two companies, representing the biggest consolidation of corporate control over water in decades, sets the stage for a larger appetite for them to influence governments and expand into Africa.

In June 2019, a Veolia executive affirmed the corporation’s ambition in the region, stating that its goal is to increase revenue in Africa and the Middle East by fifty per cent by 2023. According to him, the corporation has a team in Abidjan, Cote d’Ivoire prospecting new business opportunities in West Africa and has identified Nigeria as one of its target countries.

Similarly, Suez CEO Bertrand Camus projected revenue for the business region including Africa to be amongst the strongest in its international markets, referencing its “dynamism for growth.” In January 2020, an industry trade publication reported that Suez’s regional head “says that Africa is a clear target for the group.”

Africa Must Rise and Resist Water Privatisation does not only catalogue the water privatisation threats facing Africa, it provides the pathway to addressing the water deficit in Africa through publicly-controlled water systems. It makes implementable recommendations targeted at private water corporations, national governments, regional bodies, and multilateral institutions.
Introduction

Every human has a fundamental right to safe water. This universal truth is rooted in the unique role that water plays in the daily lives of people; from the most basic use of water to its broader significance which shapes our socio-cultural needs, including the performance of religious and cultural rites such as ablution, baptism, and traditional festivals centred around the sanctity of water.

When this human right is not fulfilled and protected, people pay the price. People pay with their health, women and girls pay by sacrificing a formal education in order to procure water, and people even pay with their lives. Unfortunately, there is an entire industry that aims to exploit our need for water to profit. Multibillion-dollar corporations and their wealthy shareholders, mostly based in the Global North, have made riches from privatising community water systems across the globe.

Water privatisation transfers ownership or control of a water system from a public entity to a private one, most often a for-profit corporation. This can take the form of an asset sale, long-term lease or affermage, so-called “public-private partnerships” (PPPs), and the most recent thinly-veiled rhetoric of “private sector participation.” In January 2020, three United Nations Special Rapporteurs: Special Rapporteur on Extreme Poverty and Human Rights; Special Rapporteur on Adequate Housing and on the Right to Non-discrimination; and Special Rapporteur on the Human Rights to Safe Drinking Water and Sanitation noted, “There is a clear risk of water privatization shifting the focus of water management from service provision for all residents to ensuring more reliable services for the well-off while generating handsome profits for the private suppliers.”

This shift is core to the threat that water privatisation poses, especially for low-income communities. There is no question that water systems throughout the world need robust investment. Privatisation is often touted as a way to bring in these much needed funds. However, research shows that the driving force behind water infrastructure investment in the last several decades has been dedicated public funding, not privatisation arrangements.

In fact, the United Nations Special Rapporteur on the human rights to safe drinking water and sanitation found that “Instead of bringing in new money, companies compete with public operators over scarce public funding.” The CEO of the world’s largest water privatiser, Veolia, further elaborated the point: “The mission of a private operator is to manage the infrastructure for which he is responsible, not to finance it.”

While privatisation proponents may claim that the profit-motive breeds efficiency, in reality, it breeds exploitation.

Water privatisation: A worldwide failure

Cases from across the world show that privatisation has failed communities, strained public accounts, and exacerbated existing water crises and inequities. For communities, this takes the form of unaffordable tariff hikes, labour abuses and job cuts, and cost-cutting that puts public health at risk. For states, this takes the form of broken promises, deferred investment and maintenance, and legal obstacles to regulating in the public interest or terminating failed contracts.

Case study: United States

In Pittsburgh, community members and local officials are still dealing with the consequences of a failed privatisation by multinational corporation Veolia. The corporation was contracted to manage the local water and sewer authority from 2012 to 2015 under an arrangement where it would receive 40-50 per cent of “cost-savings” realised – explicitly incentivising cost-cutting to maximise short-term profitability. Under Veolia’s management, the chemical used to prevent lead contamination was switched to a cheaper alternative without required state approval. Laboratory staff, which monitored water quality, was also significantly reduced.
lead contamination crisis soon followed, threatening permanent harm to residents’ health, especially children. In the end, Veolia walked away with over $11 million while local officials and residents were left to find hundreds of millions of dollars to replace pipes leaching lead into the water. Unfortunately, this is not the only time Veolia has played a role in a public health crisis in the United States.

In 2015, Veolia was brought in to assess the water quality in Flint, the site of one of the most high-profile water crises in recent history. The corporation told the city its water was safe even as Veolia employees privately discussed concerns about potential lead contamination in internal emails. While Veolia was dismissing safety concerns of residents by claiming “some people may be sensitive to any water,” it was attempting to secure a multimillion dollar privatisation contract in Flint.

Case study: Chile
In Osorno, a subsidiary of multinational Suez had mismanaged the water system for years, culminating in a contamination incident which left nearly the entire population without water service for ten days. In an unprecedented show of unity, over 90 per cent of voters called for an end to the privatisation. Despite the overwhelming public opposition to its presence in Osorno – which was spurred by its own failures – Suez threatened to take Chile to international arbitration if the local regulator pursued de-privatisation. This follows a long history of water privatisers threatening sovereign states with litigation through international arbitration for pursuing actions in the public interest that may cut into private profits.

Case study: France
Paris, the headquarters of industry giants Veolia and Suez, ended its privatisation by the two multinationals in 2009. The privatisation was plagued by problems, including a “lack of transparency in private operators’ management and a total profit-oriented approach.” In the first year after returning to public control, the utility realised €35 million in efficiency savings, allowing it to reduce tariffs by 8 per cent (compared to the 260 per cent price increase under privatisation). The Regional Court of Auditors found that the return to public management enabled Paris to lower the price of water while maintaining significant investment.

Water privatisation: The drivers
The private water industry is large and fragmented, with the fifty largest corporations alone involved in over 1.2 billion people’s water and/or wastewater service. The two largest private water corporations in the world, Veolia and Suez, have been at the forefront of the push to privatise water systems around the globe. In May 2021, Veolia and Suez signed a combination agreement representing the biggest consolidation of corporate control over water in decades. The merger sets the stage for an even larger Veolia with far more resources to influence governments and expand its reach globally while the “new Suez” will be uniquely positioned for expansion into African and Asian countries. The devastating track record of human rights abuses by this industry is well-documented, including by the United Nations Special Rapporteur on the human rights to safe drinking water and sanitation.

The World Bank uses virtually every tool at its disposal to drive water privatisation’s expansion and protect privatising corporations’ interests in the Global South. It has done so through:

- Financing geared towards and/or contingent on privatisation
- Promoting privatisation through research and marketing
- Advising states to privatise their water systems
- Providing investment guarantees to privatising corporations
- Directly investing in private water corporations
- Housing an arbitration tribunal which adjudicates disputes between states and the privatisers.

In recent years, the World Bank has institutionalised its pro-privatisation ideology through...
the “Cascade” approach (integral to the institution’s “Maximizing Finance for Development,” or MFD, initiative). This model was summarised by the World Bank Group’s Chief Financial Officer in 2017: “In most simple terms this approach prescribes that we first consider private investment for projects; then public private partnerships; and if the first two are not available then, only then, consider public finance.”

The “Cascade” approach was implemented by the World Bank under the leadership of Jim Yong Kim, who was criticised for his “embrace of Wall Street” as World Bank Group President. Kim abruptly left his position leading the World Bank in 2019 to become Partner and Vice Chairman of private equity firm Global Infrastructure Partners (GIP). Kim was soon joined by the former CEO of the World Bank’s International Finance Corporation (IFC), Jin-Yong Cai, who became a partner at GIP that same year.

GIP is set to own 40% of the “new Suez” following the Veolia-Suez merger, meaning that two men who led an institution that has dogmatically promoted privatisation in the Global South for decades now stand to benefit from those very policies. The private-first orientation is also being driven by some wealthy states of the Global North, especially those making up the G20: “Since 2010, the G20 has focused urging the Multilateral Development Banks to standardize, scale-up, and replicate mega-projects, especially public-private partnerships (PPPs) in emerging and developing countries.”
Water Privatisation Threatens Africans’ Human Right to Water

As the private water industry faces a growing movement to take back public control following failed privatisations around the world, most notably in Europe,34 it is turning its sights to the African continent as an expansion market.

In August 2021, a Veolia Senior Executive Vice President, while promoting PPPs during World Water Week, stated that the corporation intends to “increase their reach” in Africa.35 In June 2019, Veolia’s then-head of its Africa and Middle East business stated that the corporation’s goal is to increase its revenue in the region by fifty per cent by 2023. He also noted that there is a team in Abidjan prospecting new business opportunities in West Africa, saying pointedly that “Nigeria is one of our target countries.”36

In his presentation of the “Shaping Suez 2030” plan to investors in October 2019, Suez CEO Bertrand Cambus projected revenue for the business region including Africa to be amongst the strongest in its international markets, referencing its “dynamism for growth.”37 In January 2020, an industry trade publication reported that Suez’s regional head “says that Africa is a clear target for the group.”38

Suez will retain its water business in Africa following Veolia’s takeover,39 further signalling the corporation’s interest in growth on the continent.

The World Bank is also focused on Africa’s water, with $8.2 billion in water sector projects in sub-Saharan Africa as of 2019, more than any other region and representing over one quarter of its entire Water Global Practice portfolio.40

While the World Bank may claim that it is simply supporting states in achieving their own goals for development, the direct influence the institution has on the creation of these goals and priorities cannot be ignored.

For example in Nigeria, the federal government released its national action plan for the water, sanitation, and hygiene (WASH) sector in 2018.41 A close reading of the plan shows startling similarities to the World Bank’s 2017 report, “A Wake Up Call: Nigeria Water Supply, Sanitation, and Hygiene Poverty Diagnostic.”42 Of particular note are the sections of the national action plan that promote privatisation through PPPs. In fact, the section describing the introduction of PPPs into the sector as a “game-changing opportunity” is taken verbatim from the World Bank’s report published the year prior.43 This is just one example of the ways the World Bank is actually driving the water policy of states towards privatisation.

The elephant in the room: Underlying colonial and imperial influences

The legacies of colonialism and imperialism permeating the current system cannot be ignored.

The World Bank and IMF are controlled by Global North states – many former colonial powers – but have an outsized influence on the economies and policies of Global South states.44 The voting rights in these institutions show the extreme disparity between the Global North and Global South – in per capita terms, “for every vote that the average person in the global North has, the average person in the global South has only one-eighth of a vote.”45

This trend is also prevalent within the industry itself. The vast majority of Veolia and Suez’s leadership, for example, is French and includes many Europeans leading the business for Global South regions.46 Leading private water industry publication Global
Water Intelligence argues that Veolia's French-led performance outside of Europe "make[s] a very strong case for the colonial model."47 When Suez CEO Bertrand Camus took the helm of the corporation in 2019 he proclaimed that he was "driven along by a spirit of conquest,"48 a troubling sentiment when put in the context of the corporation's plans for expansion into the Global South.

The former colonial powers don't hesitate to use the power of the state to advance the interests of water privatisers based in their countries. The French government has routinely used its power and influence to promote and drive business to French privatisers, including Veolia and Suez, especially through the state-run Agence Française de Développement (AFD).49 In 2014, on a state visit to Niger, French President François Hollande even joined Veolia's CEO Antoine Frérot at a drinking water plant to promote the corporation's privatisation.50 The British government, through its Department for International Development (DFID), has poured tens of millions of dollars into pushing privatisation. DFID was also a key player in the disastrous privatisation in Tanzania, led by British multinational Biwater (see page 11).51

The United States has also emphasised the importance of Africa's water to its Global Water Strategy, with African countries making up over half of its list of "high priority" countries and geographic areas.52 This strategy is framed as a way to protect the "national security interests" of the United States and, of course, present opportunities to the American private sector.53

The United States Agency for International Development (USAID), which partners with corporate water exploiters like Coca-Cola (through its foundation), describes one of its key portfolio themes in Nigeria as "expanding private sector opportunities to increase competition in urban WASH service delivery[.]"54 All of this points to a concerted effort by multinational corporations, international institutions, and Global North governments to advance the interests of the private water industry across the globe.

Never let a crisis go to waste: Pushing privatisation amidst a global pandemic

The COVID-19 pandemic has shown the fundamental dangers of a neoliberal approach to providing essential services, from healthcare to drinking water. Despite this, privatisation proponents are set to exploit the crisis to further their decades-old agenda.

In June 2020, the World Bank laid out its response plan for the pandemic over three stages (relief, restructuring, and resilient recovery). The focus on PPPs is built in throughout the three stages, from "PPP financing vehicles" during the first stage to the "full range of [World Bank Group] instruments with a focus on PPP, Upstream project development and mobilizing [private] solutions" in the final stage.55 The African Development Bank (AfDB) accelerated its efforts to develop a PPP framework even as the COVID-19 pandemic continued to rage on. It hosted an event in September 2020, citing the pandemic (and corresponding economic crisis) as a rationale for urgently developing this framework. In closing the event, AfDB Vice President Solomon Quaynor stated "The African Development Bank has unparalleled trust relationships with African governments, and we need to take advantage of that to speed up implementation of PPPs."56

One PPP promoted as a success at the event was the Kigali Bulk Water Supply project, an unusual choice considering the water plant had not yet begun operation at the time of the event.57 This is not the first time the project was touted as a success before it had treated any water.

In March 2018, a blog post on the World Bank's website celebrated the "success" of the project, featuring a stock photo of a water treatment plant58 (possibly because construction of the actual Kigali water plant had not yet been completed).

The World Bank and AfDB's support for the Kigali Bulk Water Supply privatisation project goes further, and may help explain their pre-emptive promotion of it. The AfDB provided direct financial support for the project59 while the World Bank's IFC was the lead advisor on the project, including "the preparation, design, and implementation of private sector participation."60 Further, the IFC purchased...
an equity stake in Metito, the corporation which the IFC helped select for the PPP contract, in 2007 and is still listed as one of its “key shareholders” as of September 2021.61

In March 2021, the IFC used its COVID-19 fast-track financing facility to provide Metito with a $20 million financing package that will not only support the corporation’s ongoing operations, but also its corporate expansion, according to Metito’s Chief Financial Officer.62 Simply put, the IFC is using tens of millions of dollars, ostensibly intended for COVID-19 response, to support the expansion plans of a private water corporation of which it is a shareholder standing to financially benefit.

The IMF, in its Special Series on COVID-19 focused on state-owned enterprises (SOEs) in Sub-Saharan Africa, was quick to note that “For SOEs operating in competitive markets, governments should consider if private firms could assume a greater role in the provision of goods and services.”63

During the Summit on the Financing of African Economies, hosted by the French President in May 2021, the COVID-19 pandemic was further exploited to promote privatisation.64 The summit stressed the importance of “further working on the mobilization of multilateral and bilateral financial instruments and products, including guarantees, political risk insurance, risk-sharing instruments and other forms of support for PPP projects and the mobilization of commercial finance[.]”65

**Water privatisation has already failed Africans**

While privatisation proponents may suggest that PPPs in Africa are a new solution to an old problem, the reality is that there is already a well-documented track record of the model’s failure on the continent. Below are just two of, sadly, many instances of privatisation’s devastating impact on states and communities in Africa.

**Case study: Tanzania**

Dar es Salaam is the site of one of the most notorious privatisation failures in recent decades. The privatisation scheme – backed by the World Bank, IMF, and UK government (among others) – was plagued with issues from the outset, most notably a sharp increase in water prices. The privatisation, with a consortium led by British corporation Biwater, fell apart just two years after its launch.66

In fact, the privatisation was such an undeniable failure that in the assessment of its impact, a World Bank report noted “The primary assumption on the part of almost all involved, certainly from the donor side, was that it would be very hard if not impossible for the private operator to perform worse than [the public authority]. But that is what happened.”67

The World Bank report concludes by acknowledging “...the fact is that private provision of water services has proven problematic the world over, and especially in Africa...”68 Despite this, the World Bank has continued to promote the model across the continent and around the world in the nearly two decades since.

**Case study: Gabon**

Water privatisation in Gabon is a quintessential example of the role the World Bank plays in driving and benefitting from the privatisation of essential services. The World Bank’s IFC structured and helped implement the privatisation of Gabon’s water and electricity sector in the late 1990s. A subsidiary of Veolia was selected through the procurement process (structured by the IFC) for a twenty-year contract, taking control of the national utility.69

Then, the IFC proceeded to invest in the Veolia subsidiary which was selected for the contract,70 tying its financial interests to Veolia’s and creating a glaring conflict of interest as the World Bank went on to use its influence to promote the privatisation as successful to other African governments.71

The World Bank’s promotion of the Gabonese privatisation as a success stands in stark comparison to the reality of its failures. Government officials and the public detailed widespread supply cuts, bill irregularities, environmental hazards, and unkept commitments from the private operator.72

The failures were underscored by events including a typhoid outbreak which followed weeks of water service disruption, spreading from one town to the capital city and other parts of the country.73 In 2018, the state decided not to renew its contract with the Veolia-controlled utility.74 The corporation proceeded to file for arbitration against the state in the World Bank’s tribunal, ICSID.
A settlement was announced in 2019, where the state acquired Veolia Africa’s stake in its national utility after paying the multibillion dollar corporation €45 million.\(^7\)\(^5\) To put the power imbalance into perspective, Gabon’s GDP in 2018 was $17 billion while Veolia’s 2018 revenue was nearly €26 billion.\(^7\)\(^6\)

Privatisation Threats Across the Continent

Despite this track record of failure across the world and on the African continent, proponents continue to push privatisation in states throughout the region. Below are details of several African countries facing an acute threat of privatisation and, notably, where there is growing popular resistance to this threat.

While this list is not exhaustive in detailing the widespread threat of privatisation in every country across the continent, the cases are illustrative of the broader trend of privatisation and people’s resistance.

Cameroon
The people of Cameroon have already seen the failures of water privatisation first hand. IMF-backed efforts in the late 1990s and early 2000s laid the groundwork for the eventual ten-year privatisation contract between a Moroccan consortium (Camerounaise des Eaux, CDE) and the Cameroon Water Utilities Corporation (Camwater) in 2008.\(^7\)\(^7\)

Source: “Capturing our Impact: Harnessing Innovation for Financial Inclusion,” World Bank Group, UK Aid, and CGAP

Digital Finance & Water

Ghana: No Payment, No Water
The privatisation was marred with recurring instances of water shortages and irregular supply. Recent analysis from the Public Services International Research Unit found that, while the publicly-run water system improved water access substantially in the nearly two decades leading up to the CDE contract, these gains slowed to a crawl under privatisation. Ultimately, the state decided not to renew its contract with CDE and the water system was renationalised and consolidated under Camwater in 2018.

However, the threat of re-privatisation looms large in Cameroon. The World Bank has prioritised Cameroon as one of nine pilot countries for its private-first MFD initiative (see page 7 & 8). Additionally, in recent years European private water corporations Biwater, Suez, and Veolia have secured contracts in major urban areas throughout the country.

Veolia was also deeply involved in the state’s development of a water master plan that encompasses 137 cities, giving it unparalleled access and relationships should it choose to pursue privatisation in Cameroon.

Cameroonian civil society and labor representatives urge the state to remember the failures of its previous experience with privatisation and to avoid following the same path again.

**Gabon**

Like in neighbouring Cameroon, there is a long track record of privatisation’s failures in Gabon, as detailed on page 11.

Despite the disastrous experience under Veolia’s privatisation and subsequent financial fallout from the World Bank tribunal settlement, the Gabonese state is considering turning over the national utility to a privatiser yet again. Just months after the multimillion-euro settlement with Veolia in early 2019, public officials reportedly met with a former Suez-affiliated executive to discuss the national water and electric utility. Shortly after, Suez submitted a proposal related to water management.

Incredibly, the Gabonese state has also enlisted the former CEO of Veolia, Henri Proglio, as a consultant to audit and provide recommendations for the water and electric utility. Proglio, who ran Veolia for several years during its disastrous contract in Gabon, has even had audience with the Gabonese president himself. Proglio has reportedly brought on another Veolia veteran, the former head of the corporation’s Africa and Middle East business Patrice Fonlladosa, to support him. Africa Intelligence reports that Suez has also enlisted Proglio as a consultant in Gabon.

In early 2021, the state amended the legal framework to allow for PPPs in the water and electricity sector, in addition to authorising the sale of shares in the national utility company. These moves, in addition to Suez’s posturing and Proglio’s involvement, signal a renewed threat of privatisation in Gabon.

**Ghana**

In the mid-2000s, following years of pressure by the World Bank and IMF for “fiscal discipline,” the Ghanian state entered a private water management contract under the guise of “private sector participation.”

The contract was awarded to Aqua Vitens Rand Limited (AVRL), a joint venture of Dutch multinational Vitens Evides International and South Africa’s Rand Water. This decision was made in spite of years of civil society and labour resistance to the privatisation, under the banner of the National Coalition Against the Privatization of Water.

Despite millions of dollars in management fees, “AVRL failed consistently throughout the contract period to meet its targets.” Following continued campaigning by the National Coalition and in the face of these failures, the state chose not to extend the privatisation contract, ending the scheme in 2011. This de-privatisation is a testament to the power of people coming together and demanding their community’s right to water be protected against the interests of profit-driven multinationals.

Today, the Ghanaian water sector faces new challenges, many still driven by corporations and their institutional backers. Through the promotion of a prepaid water scheme in Ghana, the World Bank and its partners including the UK government put their approach to water access in Ghana on full display under the heading “No Payment, No Water.”

British multinational Biwater also recently secured a $272 million water contract in the Northern Region of Ghana.
Additionally, the public utility purchases water from a privatised desalination plant for what labour representatives have described as “outrageous costs.”98 This arrangement put such an unsustainable financial burden on the public utility that it was forced to temporarily bring the plant offline.99 The plant’s construction was heavily supported by the World Bank’s Multilateral Investment Guarantee Agency, to the tune of $179.2 million.100 The United States Overseas Private Investment Corporation has also thrown its weight behind the project to support the acquisition of a controlling stake by multinational AquaVenture.101

Ghanaian labour and civil society are concerned that the continued financial strain the costly desalinated water is putting on the national utility, coupled with the increasing influence of corporations and international financial institutions, will push Ghana to yet another privatisation scheme.

Kenya

Communities in Kenya have been facing threats of privatisation for decades. Private water multinationals Veolia and Suez have secured major contracts in consulting and construction in Kenya, respectively. These lucrative contracts were supported by France’s AFD102 and give the corporations a valuable foothold in the country and region.

The World Bank has been at the forefront of the privatisation threat, pouring tens of millions of dollars into promoting and creating a regulatory environment amenable to privatisation through PPPs. This includes $90 million to facilitate the establishment of a PPP law, a PPP unit, and pipeline of projects slated for privatisation across sectors, including water.103 The World Bank has also prioritised Kenya as a pilot country for its private-first MFD initiative, including a specific focus on increasing the role of the private sector in essential services like water.104

More recently, the state has listed water and sanitation as priority sectors for its PPP Directorate, is pursuing at least two drinking water PPPs, and has hinted at a $234 million bulk water project impacting the residents of Nairobi.105

In June 2021, the state issued a request for expressions of interest for an advisor to support the state’s PPP program, which includes “water supply, treatment and distribution systems,” noting that the effort is funded by the World Bank.106

International financial institutions have not let up their pressure on Kenya even in light of the pandemic. The IMF, for example, has put immense pressure on the government to examine and restructure its SOEs.107 Recent World Bank pressure has also set the stage for a dramatic increase in water bills for Kenyan households.108

Kenyan labour and civil society organisations are taking the privatisation threat head-on and also bringing attention to the need for solidarity between residents of Kenya’s arid and more water-rich counties.

Mozambique

Mozambique ended its long-term urban water privatisation after failures by the private operator to “meet government expectations or the needs of the population.” This scheme was catapulted by pressure from the World Bank and IMF in the 1990s – related to the state's eligibility for a debt-relief program – and culminated in a structure where multiple cities, including the capital Maputo, had their water systems privatised.109

Maputo’s utility was controlled by a European-led consortium until 2010, years after the exit of France’s Saur from the venture, when Águas de Portugal sold its shares to the national asset holding company Fundo de Investimento e Património do Abastecimento de Agua (FIPAG).110 In the following years, the World Bank’s IFC was “advising FIPAG on options for private sector participation across the urban water sector in Mozambique.”111

In May 2021, the threat of a re-privatisation emerged after the cabinet approved a wide-sweeping privatisation scheme that would cover nineteen large urban areas, potentially impacting seven million Mozambicans. This plan will create four regional utilities, currently owned by the state through FIPAG, with an aim to sell up to 49 percent of their equity to the private sector in the coming years. FIPAG is working with USAID to contract a “panel of international experts” for technical assistance in an effort to “make the utilities as attractive and efficient as possible ahead of privatisation.”112
Mozambican civil society is deeply opposed to the corporate capture of the water sector and is committed to challenging this latest corporate power grab.

Nigeria

Nigeria, the largest country in Africa by both population and economy, has been a target of the private water industry for years due to its enormous profit-making potential. Despite decades of financing and “reforms” by international institutions, primarily the World Bank, water access rates in Nigeria remain dismal. Civil society and labour organisations, leading the charge for the human right to water in Nigeria, pin this failure squarely on these institutions’ dogmatic promotion of the failed model of privatisation through the years of intervention. The tunnel-visioned focus on privatisation by the World Bank, and by extension Nigerian public officials, has distracted from meaningful investment in and improvement of the public water service, to the detriment of the Nigerian people. For example, in the World Bank’s Second National Urban Water Sector Reform Project, the institution earmarked nearly $7.5 million specifically for “public-private partnership development,” including in Lagos. The World Bank played an incredibly influential role in the development of Nigeria’s pro-privatisation National Action Plan for the sector (see page 9) and recently approved a $700 million loan which will, in part, support privatisation under the guise of “private sector participation.”

As privatisation hits the roadblock of people’s collective power against it, its proponents have attempted to pass a bill in the National Assembly that would, among other problematic provisions, promote privatisation through PPPs.

This longstanding push for privatisation has been met with strong resistance across the country under the banner of the Our Water, Our Right coalition, borne from the movement in Lagos. This grassroots coalition of Nigerian civil society, labour, women’s rights, environmental, and community groups has been instrumental in shifting the overriding narrative on water sector development from one geared towards the failed model of privatisation to one that centres community participation, public sector investment, human rights, and democratically-accountable water governance.

Senegal

Senegal is increasingly becoming a flashpoint in the movement against the privatisation of water in Africa. Multinational Suez won a fifteen-year contract for much of the country’s urban and semi-urban water service after a contentious battle with another France-based corporation, Eranove, which controlled the private water operator Sénégalaise des Eaux (SDE) for years. This contract is incredibly lucrative for Suez, which says it represents “€1.9bn over the next 15 years,” and is one of the largest water privatisation contracts in the world.

Sadly, the reality for the Senegalese people living under this privatisation is more grim. Local civil society has reported water supply shortages and high water bills under Sen’Eau (the name of the current operator, of which Suez is the largest shareholder). Workers and labour representatives have also reported poor working conditions following the transition of control to Suez. Understanding that one of Suez’s strategy for expansion in Africa is to develop extensive reach within specific countries, the experience under Sen’Eau should serve as a cautionary tale for Senegalese officials considering further contracts with the corporation.

Senegel is also host of the Ninth World Water Forum, a venue long-criticised for its pro-corporate agenda and bias for privatisation. The president of AquaFed, the private water industry’s leading international lobby group, is a member of the Forum’s International Steering Committee and Sen’Eau is a named partner of the event.

As attention draws to Dakar ahead of the World Water Forum, Senegalese civil society and labour are making their opposition to the failed model of privatisation clear.

Uganda

Uganda experimented with short-lived, large-scale privatisations in the late 1990s and early 2000s with European multinationals. Since then, there have been some local private operators in small towns, with many in larger urban areas served by the publicly-owned National Water and Sewerage Corporation (NWSC).
However, Uganda is still a focus of the private water industry and its backers. Suez secured a major construction contract, funded by France’s AFD (among others), for a drinking water plant in the Kampala region. A Veolia executive detailed the corporation’s interest in the country during a July 2018 interview, saying “the future is here.” He described Uganda’s unique geographic position as a “major link” between all regions of Africa, making the country strategic for French corporations. Kampala was the site of an inaugural PPP conference in 2019, organised by the United Nations Economic Commissions for Europe and Africa as well as the Government of Uganda, pitching the failed model as “Africa’s Next Big Thing.” Additionally, the NWSC’s 2021-2024 Corporate Plan is clear in its focus on PPPs, listing “private sector involvement” as one of its five Strategic Priority Areas.

The increased focus of the state on pursuing privatisation, coupled with the growing interest of private water multinationals in Uganda, alarms national civil society and labour unions and is being met with strong resistance.

The Way Forward

In the face of this threat to the human right to water, there is a growing movement of civil society and labour joining together to reject privatisation and chart a more just way forward. This is evidenced by over 300 cases of de-privatisation (sometimes referred to as “remunicipalisation” or “renationalisation”) in the water sector in the last two decades.

Building on this momentum in defence of the human right to water and spurred by the urgency of the converging public health, environmental, and economic crises we face today, the Our Water, Our Right Africa Coalition issues the following demands:

To African States:

- Reject all forms of corporate control of water and privatisation of water services, including through so-called “public-private partnerships.”

- Rise to your obligation to respect, protect, and fulfil the human right to water for all people by prioritising robust public investment, ensuring meaningful public participation in water governance (with particular focus on the perspectives of those typically left out of decision-making, namely women, low-income, and rural communities), and enshrining the human right to water in law.

- Respect and protect the livelihood of workers by ensuring safe working conditions, protection from retribution for raising complaints, and investment in salaries and pensions reflective of the public service these workers undertake every day.

- Resist pressure from international financial institutions, private water corporations, and other financial actors to commercialise the water sector and, instead, ensure universal access to safe water regardless
of the ability to pay.

- Prohibit public officials from holding positions in the private water industry for 10 years preceding and after their tenure in the public sector to prevent a revolving door or conflict of interest.

To Private Water Corporations:

- Stop all attempts to privatise Africa’s water systems, including through so-called “public-private partnerships,” as they are a direct threat to our human right to water.

- Revert control of all existing private water contracts and assets to the public sector.

- Withdraw any existing legal challenges against states for decisions made in the public interest and discontinue the use or threat of investor-state dispute settlement (ISDS) action as it undermines state sovereignty and the ability to regulate in the public interest.

- Desist from undermining the human right to water through closed-door deals with states.

- Divest from all private water corporations and end all financial support for the private water industry, including through financial intermediaries, as this represents a glaring conflict of interest.

- Cease all promotion of water privatisation, including so-called “public-private partnerships,” given the private water industry’s well-documented track record of human rights and labour abuses.

- Excise privatisation of essential services from all COVID-19-related recovery initiatives and long-term plans.

- Halt all efforts to impose the neoliberal agenda of austerity, deregulation, and privatisation on states, in recognition of this model’s devastating impacts on public health, the environment, workers, and human rights.

- Immediately and unconditionally forgive the debt of states facing sovereign debt crises, especially where this debt is related to water sector loans.

- Stop standing in the way of states’ ability to raise the tax revenue necessary to invest in essential services and fulfil their human rights obligations.

To Regional Intergovernmental Bodies:


- Foster regional solidarity and collaboration by supporting Public-Public Partnerships in the water sector and other essential services.

- Intervene when the human right to water is under threat in your member states with financial and diplomatic action.

To International Financial Institutions and Multilateral/Bilateral Development Banks & Agencies:

- Stop pushing water privatisation, commercialisation, and financialisation on African states through advisory services, loans and grants, or other programs.


34 Bethia Pearson et al., "Public Futures Database Report" (University of Glasgow, European Research Council, March 2021), 7-8, https://www.gla.ac.uk/media/Anglia_78091_smx.pdf.


131. Ibid, 48, 58.
