



European Federation of Public Service Unions (EPSU)

EPSU Press Communication

New research on water companies in EU: remunicipalisation and resistance to austerity imposed privatization

(Brussels, 24 September 2012) A major new research paper on the activities of the water companies in Europe reveals a series of trends:

- The ownership of private water companies in Europe in 2010 has become even more concentrated than before. It is now more than ever overwhelmingly dominated by the French multinational Suez Environment (part of GdFSuez) and Veolia.
- Both Suez and Veolia, and other smaller companies such as SAUR (French) and FCC (Spanish), are increasingly dependent on state capital for activities in water, both from the government of France and from international development banks, including the EBRD and the IFC
- There continues to be a significant trend towards remunicipalisation, with cities such as Berlin and Budapest following the example of Paris.
- However, the austerity packages imposed in countries of southern Europe have become a new driver for privatisation
- There is continued strong public resistance to water privatisation, notably in Italy, in Portugal against the privatisation of Aguas do Portugal, in Greece, against the proposed privatisation of water in Thessaloniki and Athens, and in Spain, against the proposed privatisation of Canal Isabel II in Madrid.
- The EU's long-awaited policy on water resources will be issued at the end of 2012, and the companies are already lobbying on this. But the EU's development policy in relation to water is more sympathetic to public provision, and more critical of the private sector.

The paper was commissioned by EPSU from the University of Greenwich Public Services International Research Unit, the world's leading research body on the water industry and activities of private companies which over 20 years of experience exploring this sector. The paper is part of a series in which EPSU explores the activities of the private sector in key public services. A previous paper on the energy sector was released previously (www.epsu.org/a/8940). The papers give an overview of multinational company developments and assist trade unions in considering which companies qualify for a European Works Council. They also reveal major trends in the sector.

Privatisation of public services remains unpopular with resistance movements in several countries, often supported by EPSU affiliated trade unions. The trends towards remunicipalisation (PLEASE LINK TO THE RECENT REMUNICIPALISATION PAPER) underlines this and also demonstrates that after years of experience municipal councils do no longer see that privatisation or privately operated concessions bring benefits to the public and municipality.

The report can be downloaded at: www.epsu.org/a/8959

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EPSU is the European Federation of Public Service Unions. It is the largest federation of the ETUC and comprises 8 million public service workers from over 275 trade unions; EPSU organizes workers in the energy, water and waste sectors, health and social services and local and national administration, in all European countries including in the EU's Eastern Neighborhood. EPSU is the recognized regional organization of Public Services International (PSI).