



European Federation of Public Service Unions (EPSU)

Press communication – 25 July 2013

Investors requested to withdraw bids for Thessaloniki Water and Sewage Company. Respect local communities.

A large group of Greek, European and international organisations, networks and others have requested the bidders for the Thessaloniki Water and Sewage Company to withdraw their bids. They want the bidders to respect the wishes of the workers and local communities who do not want their company to be run by private operators.

All of the companies that are bidding have Corporate Social Responsibility (CSR) policies that claim to respect and work with the local communities. If the local communities do not want the companies, then these should not push ahead and prefer profits over local demands.

EPSU's Deputy General Secretary "Our message is clear: respect the point of view of the local communities in Thessaloniki. Do not seek profits based on an imposed plan of privatisation that has no support of workers and citizens who want their company to remain in public hands. It is a test for the companies involved to what extent their CSR policies are for real or a smoke screen to give a silver lining to hard pecuniary interests."

A recent opinion poll indicated that close to 65% of the Greek people are strongly opposed to the privatisation of water services. Municipalities, trade unions, local social groups and political parties have expressed opposition to the privatisation of the company.

For the joint letter: <http://europeanwater.org/actions/country-city-focus/233-letter-to-thessaloniki-water-bidders>

For the joint press release: <http://europeanwater.org/news/press-releases/246-civil-society-groups-and-meps-call-on-companies-to-drop-bid-for-public-water-company-in-greece>

An overview of the interests of the companies by the Public Services International Research Unit of the University of Greenwich is available at: <http://www.epsu.org/a/9664>

It details the links between the companies and some of the issues they encounter.

Background

As part of the agreement between the Greek government and the Troika (European Commission, European Central Bank and the IMF) to receive funding, the Greek coalition government has agreed to privatise a large number of assets. These include the water companies of Thessaloniki and Athens. The workers of these companies and many local groups are opposed. In Thessaloniki that opposition also includes the municipalities, currently owners of the company. The European and international organisations support the local groups in their struggle for a publicly owned and run company. Several of the Greek, European and international organisations represent networks of groups making the action very broad based.

The government has invited companies to bid and two consortia are now seeking to get the contract.

The two consortia are:

Suez Environment, the French water and waste services company and the Greek construction company **Ellaktor**, owned by Leonidas Bobolas, member of the Greek family that also owns a significant number of private media stations. The Bobolas family has been involved in the controversy over the Halkidiki mining concession and been mentioned in connection with the Lagarde list. Suez Environment has been involved in running water companies and concessions, some of which have been opposed.

Mekorot, Miya Water projects, Terna, and G. Apostolopoulos Holdings compose the other consortium. Mekorot is owned by the Israeli public water company and ultimately the Israeli state. Miya waters is owned by Israeli investment group Arison investments. Greek company Terna has activities in energy and infrastructure works and Mr Apostolopoulos owns the Athens Medical Group.

For more background information on the failures of concessions:

A short guide to **Why Water is a Public Service – Myths of privatisation** see:

<http://www.epsu.org/IMG/pdf/20022012-epsuwater.pdf>

For the extensive research on the topic go to <http://www.psir.org/sector/water-and-sanitation> (see the section on reports for example).

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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).