

## Controlling the agenda at WWF – the multinationals' network

by

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### 1. The World Water Forum: bridging divides for private profits

The World Water Forum (WWF) is organised every three years since 1997, when the first World Water Forum was convened for three days in Marrakech, Morocco. But it is far from a forum of global democracy. Its agenda, delegates, speakers and institutions are confined within a framework constructed by the World Water Council, itself part of a network centred on the water multinationals, and by the World Bank, whose policies and presentations have remained grimly loyal to the vision of privatisation despite all evidence to the contrary.

### 2. The network of influence

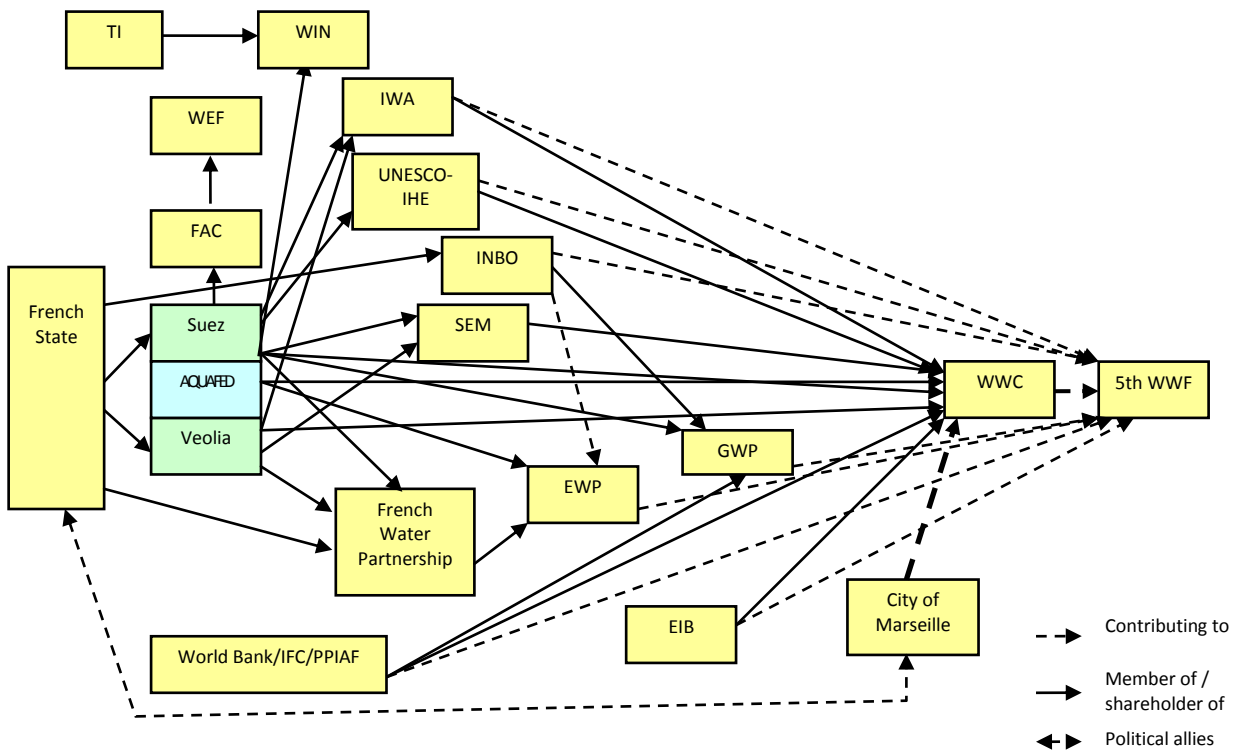
Its main organiser is the World Water Council (WWC), a non-profit organisation based in Marseille, France, which cooperates with the Forum's host country to organise the event. The WWC was created in 1996 thanks to the initiative of water multinational corporations (MNCs) and various international bodies (World Bank, IWA, IUCN, WSSCC, UNDP, UNESCO...); its statutory remit is to "develop a common strategic vision on integrated water resources management"<sup>1</sup> a governance approach that has been for a long time the trademark of the "French Water School" and French water multinationals Veolia and Suez, the two biggest water MNCs in the world. International Financial Institutions (IFIs) within WWC's membership such as the World Bank and its agencies IFC and PPIAF have also been very supportive of this approach for the past 25 years, strongly pushing for private sector involvement in water services.

Chart 1 demonstrates the continuing influence of the multinationals, despite their declared reluctance to invest in developing countries. Their network embraces academic and professional institutions such as IHE and IWA, through Suez' funding for these organisations. It is embodied in close personal links. For example, M. Loïc Fauchon has been President of the WWC since 2005, after having been special advisor to the President and Vice-President of the WWC since 2000. He is also since 1997 President of WWC's member SEM (Société des Eaux de Marseille), a joint Suez and Veolia subsidiary which runs Marseille's water services. The city of Marseille, ruled by the right-wing UMP party (also in power in France at governmental level), remains the biggest support for the WWC: Marseille granted the Council a yearly 645,680€ support (400.000€ yearly grant, 700m<sup>2</sup> headquarters in the city centre and two staff members) between 2006 and 2009, more than half the WWC's budget.<sup>2</sup>

Much of the work of maintaining this network is carried out by Aquafed, a lobby group created in 2005 by Suez and Veolia, with offices in Brussels conveniently located opposite the office of the European Commission. Its president, Gérard Payen, was CEO of Suez' water division in 1995-2002, Suez' period of rapid global expansion – after which it spent four years withdrawing from the unpopular and unprofitable concessions created around the world during Payen's regime. Under Payen, Aquafed has established links not only with international institutions such as UN Commission on Sustainable Development, but also with academic and professional bodies.

Most improbably, Aquafed in 2006 became member of the Water Integrity Network, created by Transparency International as an anti-corruption network. Aquafed is an unlikely member for such a network, as courts in France and Italy have convicted executives and public officials for bribes paid by Suez and Veolia subsidiaries.<sup>3</sup> According to a 1997 report by the Cour des Comptes, France’s national audit body, the system of ‘delegated management’ on which Suez and Veolia built their national dominance was systematically flawed: “The lack of supervision and control of delegated public services, aggravated by the lack of transparency of this form of management, has led to abuses”.<sup>4</sup> Payen himself became head of water at Lyonnaise des Eaux (the predecessor of Suez) in 1995, the same year that his colleague Jean-Jacques Prompsy, then head of the waste management division, Sita, was convicted by the Lyon Tribunal de Grande Instance of paying bribes to the former mayor of Grenoble to obtain a water concession for Lyonnaise des Eaux.<sup>5</sup> Aquafed’s membership of WIN is visible in TI’s 2008 corruption report, devoted to water, which includes a brief statement from Aquafed about how water companies try and resist attempts to extort bribes, but contains no mention of bribery by private water companies and has no chapter on France.

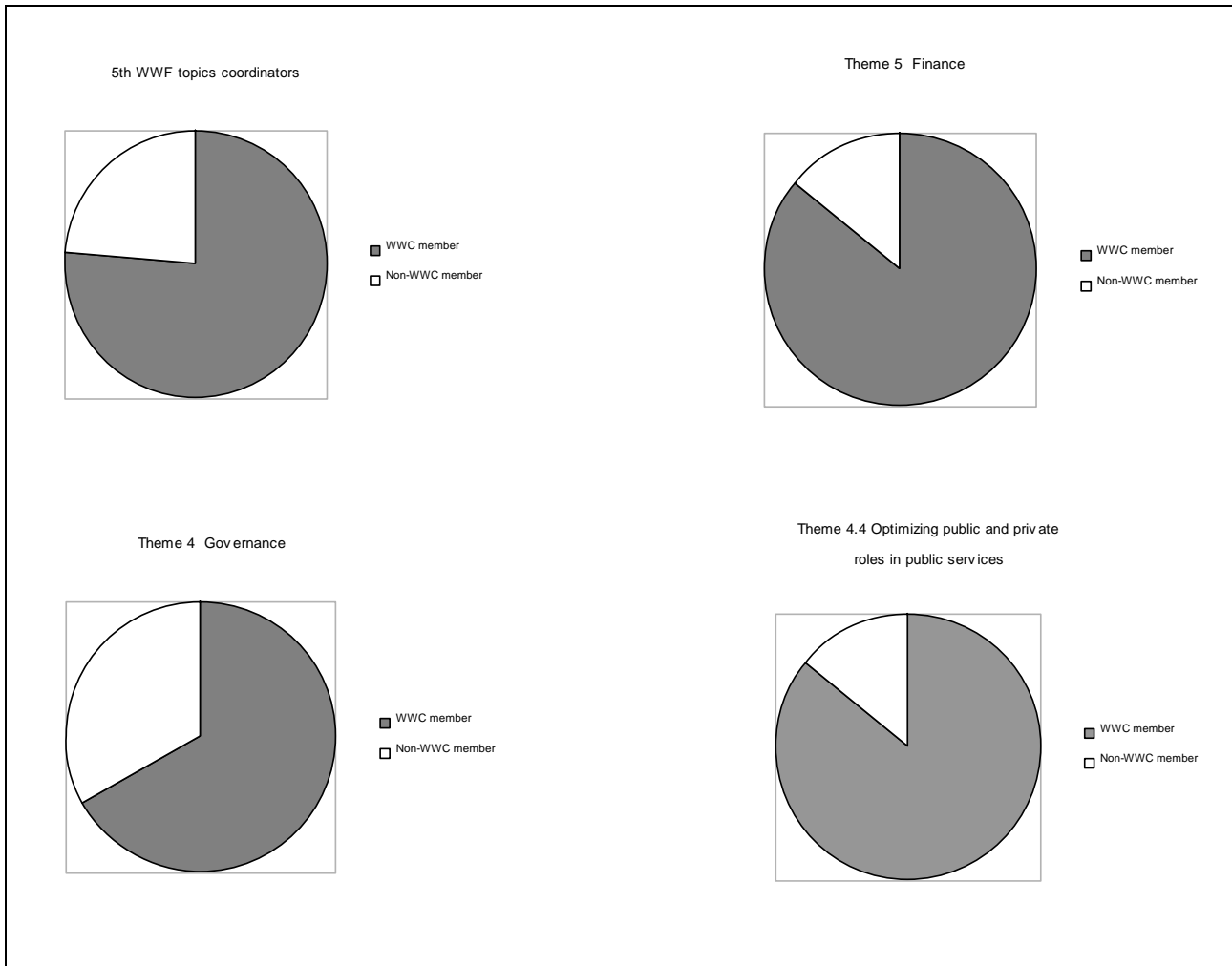
Chart A. The influential network of the French multinationals



**Key:** WEF= World Economic Forum; WIN = Water Integrity Network; IWA=International water Association; SEM= Societe des Eaux de Marseilles; EWP=European water Partnership; GWP=Global Water Partnership; WWC=World Water Council; EIB=European Investment Bank; WWF=World Water Forum; FAC=Foresight Advisory Committee; INBO=International Network of Basin Organisations, TI=Transparency International

### 3. Controlling the agenda

WWC members control more than 75% of the WWF coordinators positions. In the politically sensitive topics of finance and public vs. private roles in the water sector, the domination of WWC members is even stronger, with the particular involvement of Abel Mejia (World Bank Water Sector Manager), general coordinator of the “Finance” theme, coordinator of the specific topics “pro-poor policies and strategies” within the Finance theme and “optimizing public and private roles in water services” within the Governance theme.

**Chart B. WWC and World Bank's control of WWF's agenda**

### 3.1. The regional processes

The World Water Council's strategy to increase its legitimacy has been to try to enlarge and diversify its membership beyond its initial founders, a strategy frequently used by corporate lobby groups to have their messages delivered through other vehicles than themselves. This has been done over time but in 2005, the membership of the Council was still composed by a majority of rich countries' organisations (60%) and companies (41%).<sup>6</sup> The regional processes, which are supposed to have generated a wide range of inputs, have in reality been dominated by the same corporate-centered elite, as can be seen in the cases of Europe and Latin America.

The "European Regional Process" is coordinated by the European Water Partnership (EWP) to produce two documents called the "European Regional Document" and "Water for a Sustainable Europe – our vision for 2030", along guidelines provided by the WWC.<sup>7</sup> 36 entities contributed to the Vision document, among them 4 environment ministries – Netherlands, Germany, Austria and Slovenia – the European Parliament and the European Commission's DG environment, but no consumers association and only one water-specific NGO (linked to the WWC).<sup>8</sup> The EWP itself is a recently created (2006) water lobby that is very active at the EU level. It has 52 members,<sup>9</sup> including companies, national and international organisations, professional associations, NGOs and research bodies.<sup>10</sup> It is chaired by Tom Vereijken, a former beverage industry executive who also sits in the board of the industry-dominated body advising European Commission's DG Research on future Research policies (WSSTP), is Director of the Innovatiebureau Watertechnolog for the Netherlands Water Partnership, still works for a gas and water purification systems business<sup>11</sup> and is, since 2002, President of the European Committee of Environmental Technology Suppliers Association (EUCETSA),<sup>12</sup> a business lobby group.

The list of EWP's 16 founders also include seven Dutch organisations and four German.<sup>13</sup> According to a French corporate source, the EWP is a lobbying vehicle to defend the international commercial interests of Dutch water operators and environmental technologies providers; but it is also a European-wide gathering of several "national"

water partnerships (Netherlands Water Partnership, Danish Water Partnership, German Water Partnership, French Water Partnership...) that are commercially-focused organisations set up by various European States to represent their water industry interests. It is not easy to assess which interests among those the EWP favours most because it keeps its sources of funding secret: as of 18/02/2009, three years after its creation, the EWP still hasn't published any account (which is illegal in Belgium).

The Americas Regional Process is run by a coordinating group led by the National Water and Wastewater Utility Association (ANEAS) of Mexico, and including the National Water Agency (ANA) of Brazil, United States Corps of Engineers (USACE), the International Hydrological Programme – Latin America and the Caribbean (IHP-LAC) of UNESCO, Global Water Partnership (GWP), the Central American Integration System - Regional Committee on Hydraulics (CRRH-SICA), the Organization of American States (OAS), the Inter-American Development Bank and the World Bank.<sup>14</sup> Tight control by the WCC is assured through the regional coordinators, who are the vice-president of the WWC board Prof. Dr. Braga (ANA, Brazil) and Roberto Oliveras, Executive Director of ANEAS, Mexico, and WWC board member from 2006 to 2009, whose input and views will be of "utmost importance" to the regional process.<sup>15</sup>

The regional process was divided into four sub-regional processes. The South American process culminated in the sub-regional forum in Montevideo, Uruguay, on September 10-11, 2008. It was coordinated by UNESCO International Hydrological Programme – IHP-LAC. Despite the announcement "to build its preparatory process on the involvement of political groups and stakeholder interaction, including representatives of national governments, parliamentarians and local authorities",<sup>16</sup> the sub-regional consultation process was criticised by civil society stakeholders and national governments as poorly inclusive nor comprehensive. As a protest measure, the Uruguyan government has decided to organise a joint meeting with other Latin America governments during the 5th WWF to issue a complementary declaration in opposition to the Forum's official Ministerial Declaration.

## Notes

<sup>1</sup>World Water Council, Constitution,

[http://www.worldwatercouncil.org/fileadmin/wcc/About\\_us/official\\_documents/Constitution\\_approved4thGA.pdf](http://www.worldwatercouncil.org/fileadmin/wcc/About_us/official_documents/Constitution_approved4thGA.pdf)

<sup>2</sup>World Water Council, Triennial (2000-2003) and biennial (2004-2005) activity reports, <http://www.worldwatercouncil.org/index.php?id=943&L=0>

<sup>3</sup> Hall D. Privatisation, multinationals and corruption Development in Practice Volume 9, Number 5 November 1999

<http://www.psir.org/reports/9909-U-U-Corrupt.doc>

<sup>4</sup> Cour des Comptes (1997) La gestion des services publics locaux d'eau et d'assainissement.

<sup>5</sup> Cour de cassation chambre criminelle du 27 octobre 1997. N° 96-83.698. For more detail on this and Aquafed in general, see 'Aquafed - Another Pressure Group for private water' <http://www.psir.org/reports/2006-03-W-Aquafed.doc>

<sup>6</sup>World Water Council, Triennial (2000-2003) and biennial (2004-2005) activity reports, <http://www.worldwatercouncil.org/index.php?id=943&L=0>

<sup>7</sup> European Regional Process for the fifth World Water Forum, Planning document, updated 01/12/2008

<http://www.waterland.net/showdownload.cfm?objecttype=mark.hive.contentobjects.download.pdf&objectId=15C4B8C0-03CB-31B1-7AE1CA2CC121FAD9>

<sup>8</sup> *Water Vision for Europe*, European Water Partnership,

<http://www.waterland.net/showdownload.cfm?objecttype=mark.hive.contentobjects.download.pdf&objectId=AB03EE59-C816-FF21-BC17D55ADE758FE9>

<sup>9</sup> EWP' list of members: <http://www.ewp.eu/index.cfm/site/European%20Water%20Partnership/pageid/A3F0CB81-E4EB-6F5C-947CAA7B358EA67D/index.cfm>

<sup>10</sup> "Mission and Objectives of the EWP", <http://www.ewp.eu/index.cfm/site/European%20Water%20Partnership/pageid/1B199A10-08A9-37BE-F75383AF36C9D9C4/index.cfm/mission%20and%20objectives>

<sup>11</sup> The company Paques BV, <http://www.paques.nl>

<sup>12</sup> M. Vereiken's biography comes from

<http://www.upeace.org/climate/docs/Brochure%20Climate%20Change%20and%20Vulnerability%20Conference%202007.pdf>

<sup>13</sup> EWP founding members are : KIWA Water Research (NL), EUCETSA (BE), IHE-UNESCO (NL), Netherlands Water Partnership (NL), SINTEF Byggeforsk AS (NO), Papier Technische Stiftung (DE), SCARCE WATER (DE), IOS of European Academy of Sciences and Arts (DE), DEUTSCHER Expertenrat für Umwelttechnologie und Infrastruktur e.V. (DE), European Partners for the Environment (BE), Norit Process Technology B.V. (NL), Paques BV (NL), TNO (NL), TNAV (BE), Institute for Ecology of Industrial Areas – IETU (PL), Delft Hydraulics (NL).

<sup>14</sup> 5th World Water Forum, Istanbul 2009, Americas Regional Process

[http://www.worldwaterforum5.org/fileadmin/WWF5/Preparatory\\_Process/regional\\_process/Americas\\_Regional\\_Process\\_ENG\\_June2008.pdf](http://www.worldwaterforum5.org/fileadmin/WWF5/Preparatory_Process/regional_process/Americas_Regional_Process_ENG_June2008.pdf)

<sup>15</sup> Letter of WWC and WWF Secretariat to Roberto Oliveras/AENAS of 31.05.2008.

<http://www.aneas.com.mx/contenido/Regional%20Coordinators%20RO.pdf>

<sup>16</sup> Page 4, 5th World Water Forum, Istanbul 2009, Americas Regional Process

[http://www.worldwaterforum5.org/fileadmin/WWF5/Preparatory\\_Process/regional\\_process/Americas\\_Regional\\_Process\\_ENG\\_June2008.pdf](http://www.worldwaterforum5.org/fileadmin/WWF5/Preparatory_Process/regional_process/Americas_Regional_Process_ENG_June2008.pdf)