Political and scientific challenges around water supply

The nature and severity of challenges in water supply differ from country to country due to a number of reasons: availability and quality of water resources, level of water pollution, population density, agricultural and industrial development and practices, etc. On the world scale, agriculture is the largest user of water and is responsible for 70 per cent of the total withdrawal of fresh water used mainly for irrigation, while industry accounts for 20 and domestic use slightly less than 10 per cent.

Water services are commonly regarded as services of necessity which should not be left for private actors to exploit. One should keep in mind that a clear fundamental difference exists between the basic philosophies of public and private enterprises. Public undertakings are established to serve the needs of the population, typically in a certain geographical area, and they do not aim to substantially increase their share of the market as private companies do. Of course, private companies also aim to serve the needs of their clients and to produce attractive services because winning customers is undoubtedly in their interest. Yet, the prime motive of private companies is to make a profit for their owners.

How water and wastewater services are organised is a highly political decision: The extremes are full privatisation, as in England and Wales in 1989, and full public control without any element of commercialisation as was the case in the former Soviet Union. Far more common options are public-private partnerships of various forms and with varying degrees of public vs. private involvement. This talk will explore the reasoning and political intentions behind the different forms and the possibilities involved in transferring more responsibility from central to local political entities.