

To the Shareholders of SUEZ ONDEO

Water: your merchandise, our lives Put people first before profit!



Suez Lyonnaise des Eaux/ Ondeo prides itself as “the world’s leading provider of outsourced and privatised water and waste water treatment services and systems”, with Chief Executive

Officer Gerard Mestrallet claiming further that water should not be treated as merchandise. Yet, by the first half of 2004, Suez had already registered overall revenues of 19.9 billion Euros, 929 million of which was earned in Asia Pacific alone – money made precisely from treating water as profitable business merchandise.

For two-thirds of the world’s poor who live in the region, these figures – let alone a million euros – defy comprehension.

What is clear to us, however, is what happens when governments, in the name of “public-private partnerships” practically surrender to private firms the mandate of ensuring water access for all their constituents, regardless of capacity to pay, and offer risk-free investor environments to big business. Suez ONDEO is one of these companies.

What is plain, especially to poor households and communities, is the burden of sourcing affordable water in the face of ever-rising tariffs and suffering gastro-intestinal diseases because of unfulfilled obligations of local water concessionaires to improve infrastructure. Suez ONDEO partners with these concessionaires.

Water is a human right! Stop the privatization of water services! No to private profits from our water! SUEZ out of water resources and services in the South now!

JUBILEE SOUTH ASIA PACIFIC - ASIA PACIFIC MOVEMENT ON DEBT AND DEVELOPMENT (JSAP-APMDD) and the CAMPAIGN FOR THE PEOPLE’S RIGHT TO WATER

secretariat@jubileesouth.org | www.jubileesouth.org | www.js-apmdd.org

What is evident is the dislocation of communities and the destruction of environments because of giant water projects financed by companies like Suez.

Suez admits that it took advantage of the phenomenon of privatization of certain public water companies “...to expand beyond its borders and explore international markets.” And how it has indeed expanded its water empire globally, making millions from the commerce and merchandise of water!

South countries like Indonesia, the Philippines and India, who witness daily the truth behind the myth of so-called public-private partnerships, have a different assertion to make from Suez’s claims that water privatization is less expensive.

Environmentally destructive water projects that contribute to the commercialization of water are exacting a heavy toll that is being shouldered not only by the present generation but generations to come. *Suez amasses billions from these.* Local water companies owned by the elite, pass on their business risks to consumers through continuously rising rates even as they fail to put in infrastructure improvements to ensure safe water. *Suez partners with them.* South governments relinquishing to private firms the mandate of providing basic services, erode people’s rights to universal access of water, especially poor households and communities. *Suez participates in and profits from their water privatization programs.* ♦

Indonesia: Suez and the British water firm Thames, won concessions without public consultation or bidding, using their connections to the Suharto family and its cronies. Eventually returning to Indonesia, Suez and Thames now enjoy 25-year water concession contracts with the government. Jakarta’s water facility was privatized in 1998, there has been no significant increase in the number of consumers served. High connection fees and rate increases force people to buy more expensive water from local vendors. As 80 percent of women’s work is linked to water, women are particularly disadvantaged from reduced access and more expensive water.

Philippines: Similar to the Jakarta experience, the privatization of the Metropolitan Waterworks and Sewerage System has turned out a dismal failure, debunking what proponents like the Asian Development Bank and the World Bank claimed in 1997. Suez partners with Maynilad Water Services, Inc., whose water rates have risen at least eight times already. Yet it has failed to improve infrastructure to ensure clean and safe water. In October 2003, around 600 residents of poor communities in the Maynilad zone fell ill from contaminated water; six eventually died.

India: Suez is also profiting from the waters of the Ganga, key to India’s food security. While claiming “to create sustainable improvements in the quality of life”, the Suez subsidiary Degremont has constructed a giant, 30-kilometer pipe that will divert water from the upper Ganga canal (through the Tehri Dam) for distribution to the Delhi. Apart from sitting on a seismic fault, the project forebodes disastrous impacts for farmers who are totally dependent on the canal for irrigation. Already, the lining of canals has compromised sources of moisture for farming. Thousands of people have also been forcefully and violently removed from their homes as construction on the Tehri Dam progresses. ♦

