

# Reclaiming Public Services

*How cities and citizens are turning back privatisation*



EDITED BY  
Satoko Kishimoto  
and Olivier Petitjean

# Reclaiming Public Services:

## *How cities and citizens are turning back privatisation*

**[www.tni.org/reclaiming-public-services](http://www.tni.org/reclaiming-public-services)**

*Edited by* Satoko Kishimoto and Olivier Petitjean

*Research coordination* Lavinia Steinfort

*Copy editing* Madeleine Bélanger Dumontier and Ann Doherty

*Design and infographics* Karen Paalman

JUNE 2017

*Published by* Transnational Institute (TNI), Multinationals Observatory, Austrian Federal Chamber of Labour (AK), European Federation of Public Service Unions (EPSU), Ingeniería Sin Fronteras Cataluña (ISF), Public Services International (PSI), Public Services International Research Unit (PSIRU), We Own It, Norwegian Union for Municipal and General Employees (Fagforbundet), Municipal Services Project (MSP) and Canadian Union of Public Employees (CUPE).

Amsterdam and Paris

ISBN 978-90-70563-58-5

Copyright: This publication and its separate chapters are licensed under a Creative Commons Attribution-NonCommercial-NoDerivs 3.0 license. You may copy and distribute the document, in its entirety or separate full chapters, as long as they are attributed to the authors and the publishing organisations, cite the original source for the publication on your website, and use the contents for non-commercial, educational, or public policy purposes.

## Acknowledgements

This book would never have taken shape without generous contributions from co-publishers and from the authors of the various chapters. We are also very grateful for the essential input and advice in building the global list of remunicipalisations from: David Hall, PSIRU, University of Greenwich; Oliver Wagner, Wuppertal Institute; Gabor Scheiring, University of Cambridge; and Mildred E. Warner, Cornell University. The data collection was conducted by Nina Aichberge, M’Lisa Colbert, Kristen Dalby, Alexandra Griffin, Satoko Kishimoto, Benny Kuruvilla, Emanuele Lobina, Georgi Medarov, Matthijs Peters, Olivier Petitjean, Míriam Planas, Lavinia Steinfors, Laurentius Terzic, Sol Trumbo Vila and Sarah Vukelich.

The following trade unions and organisations contributed to the participatory survey: Fagforbundet, the Norwegian Union for Municipal and General Employees; the Finnish Union of Practical Nurses (SuPer); the Danish Union of Public Employees (FOA); JHL, the Trade Union for the Public and Welfare Sectors (Finland); Kommunal (Sweden); UNISON (UK); the Netherlands Trade Union Confederation (FNV); Ver.di (Germany); the Czech Trade Union of Health and Social Care; the Slovak Trade Union of Health and Social Services; RB Union of State, Municipal and Public Service Workers (Armenia); the Federation Trade Union of Building Wood and Public Services in Albania (Fsndshpsh); the Trade Union of Health of Montenegro; S p s f o (France); DİSK/ Genel-İş, the Public Services Employees Union of Turkey; Federación de Sanidad de CC.OO (Spain); Federación de Servicios a la Ciudadanía de Comisiones Obreras (Spain); FESP UGT (Spain); STAL (Portugal); Hansewerk AG/ Hamburg Netz GmbH (Germany); Stadt Erlangen (Germany); Brighton and Sussex University Hospitals NHS Trust (UK); Amrta Institute (Indonesia); and Communauté de communes du brianconnais (France). All of their contributions helped us to identify nearly 100 new remunicipalisation cases.

Finally, thanks to our copy editor Madeleine Bélanger Dumontier who has woven these diverse contributions into a coherent and easily readable story.

# Table of contents

<b>Infographics</b> (Re)municipalisation in public services worldwide	5
<b>Introduction</b> The untold story – <i>Satoko Kishimoto and Olivier Petitjean</i>	11
<b>Chapter 1</b> Remunicipalisation in France: From addressing corporate abuse to reinventing democratic, sustainable local public services – <i>Olivier Petitjean</i>	24
<b>Chapter 2</b> Why renationalise? Contemporary motivations in Latin America – <i>M’Lisa Colbert</i>	34
<b>Chapter 3</b> The 835 reasons not to sign trade and investment agreements – <i>Lavinia Steinfort</i>	49
<b>Chapter 4</b> Norwegian municipalities bringing social services back into public hands – <i>Bjørn Pettersen and Nina Monsen</i>	68
<b>Chapter 5</b> Remunicipalisation in Germany and Austria: What does it mean for employees? – <i>Laurentius Terzic</i>	81
<b>Chapter 6</b> Against the grain: New pathways for essential services in India – <i>Benny Kuruvilla</i>	93
<b>Chapter 7</b> Unpacking the dangerous illusion of PPPs <i>María José Romero and Mathieu Vervynckt</i>	105
<b>Chapter 8</b> Our City, Our Grid: The energy remunicipalisation trend in Germany – <i>Sören Becker</i>	118
<b>Chapter 9</b> Public ownership is back on the agenda in the UK <i>David Hall and Cat Hobbs</i>	131
<b>Chapter 10</b> A citizen wave to reclaim public and democratic water in Catalan municipalities – <i>Míriam Planas</i>	145
<b>Conclusion</b> Cities and citizens are writing the future of public services – <i>Olivier Petitjean and Satoko Kishimoto</i>	157
<b>Appendix 1</b> List of (re)municipalisations	178
<b>Appendix 2</b> List of (re)nationalisations	225
<b>Appendix 3</b> Research methodology	229

# Infographics

## (Re)municipalisation in public services worldwide



# (Re)municipalisation sectors

**267**  
**Water**



Country	N°cases
France	106
United States	61
Spain	27
Germany	17
Argentina	8
Canada	4
Hungary	4
Italy	3
Kazakhstan	3
South Africa	3
Bolivia	2
Colombia	2
India	2
Indonesia	2
Mozambique	2
Turkey	2
Ukraine	2
Uzbekistan	2
Venezuela	2
Albania	1
Belgium	1
Central African Republic	1
Ecuador	1
Guinea	1
Lebanon	1
Malaysia	1
Mexico	1
Portugal	1
Russia	1
Sweden	1
Tanzania	1
Uganda	1



**31**  
**Waste**

Country	N°cases
Germany	13
United Kingdom	7
Canada	5
France	3
Spain	2
Norway	1

**311**  
**Energy**



Country	N°cases
Germany	284
United States	6
United Kingdom	5
Japan	4
Netherlands	3
Dominican Republic	2
France	2
Argentina	1
Denmark	1
Spain	1
India	1
Lithuania	1



**38**  
**Transport**

Country	N°cases
France	20
United Kingdom	7
Austria	3
Germany	2
Portugal	2
Canada	1
Czech rep	1
India	1
Turkey	1



**11**  
**Education**

Country	N°cases
Germany	5
United Kingdom	3
India	1
Nicaragua	1
Spain	1

**140**

**Local government**



- 24 building and cleaning
- 15 security and emergency
- 15 public (green) space
- 18 housing
- 10 school catering
- 10 sports
- 9 cultural
- 6 construction
- 4 funeral
- 2 human resource
- 5 IT
- 1 other

Country	N°cases
United Kingdom	37
Germany	26
France	21
Spain	21
Austria	13
Canada	9
Finland	3
Norway	4
Denmark	2
Netherlands	2
Armenia	1
India	1



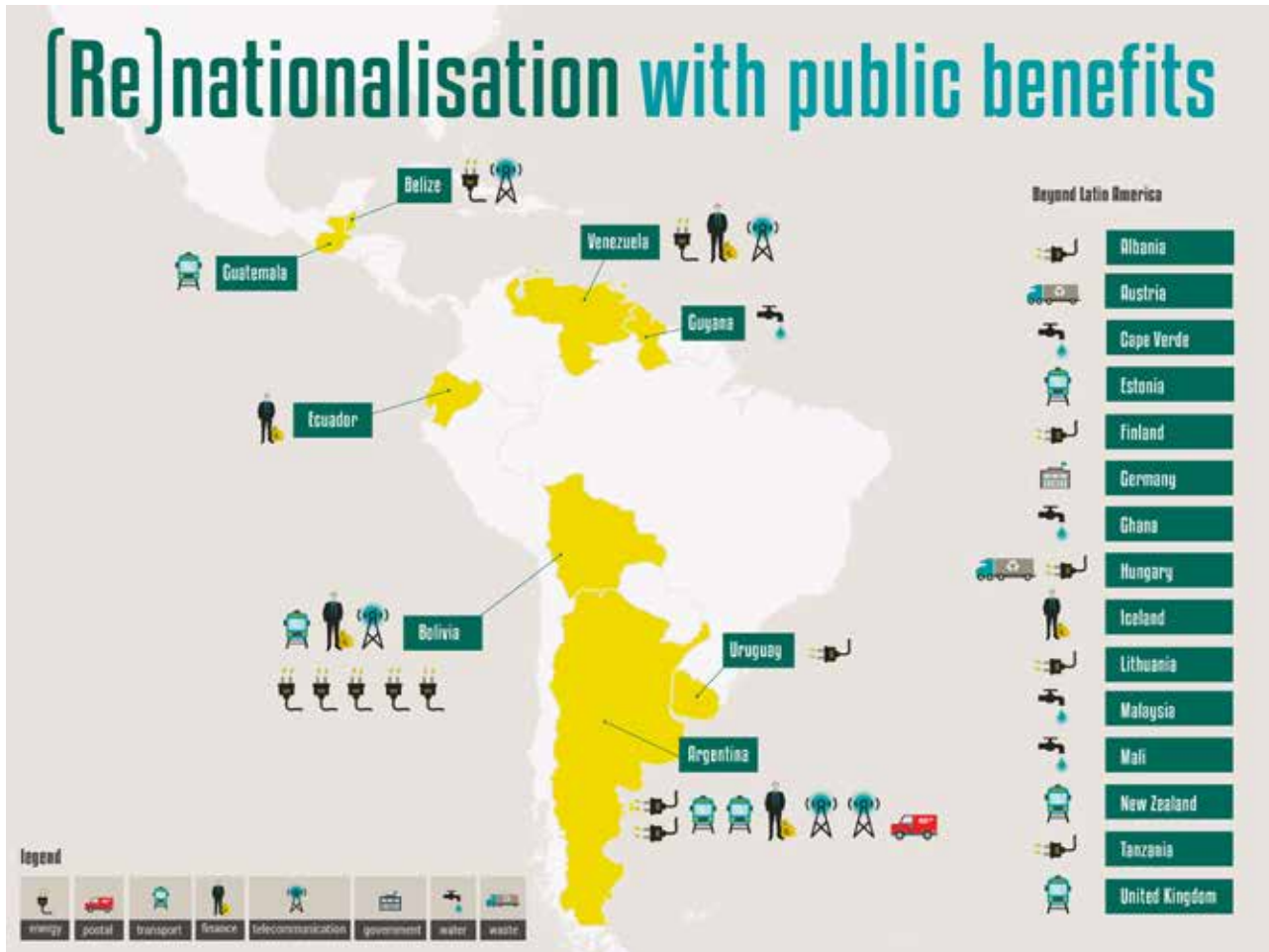
**37**  
**Health care & Social work**

- 5 social work
- 20 health care

Country	N°cases
Norway	16
Sweden	7
United Kingdom	5
Spain	4
Denmark	2
Finland	1
India	1
Montenegro	1



# (Re)nationalisation with public benefits



# (Re)municipalisation: returning and creating local public services

## Remunicipalisation

692



## Municipalisation

143





# How de-privatisation happened



# Level of taking back control





## Introduction

# The untold story

By Satoko Kishimoto and Olivier Petitjean

You would be forgiven, especially if you live in Europe, to think that public services are by nature expensive, inefficient, maybe even somewhat outdated, and that reforming them to adapt to new challenges is difficult. It would seem natural to assume – because this is what most politicians, media and so-called experts tell us continuously – that we, as citizens and users, should resign ourselves to paying ever higher tariffs for services of an ever lower standard, and that service workers have no choice but to accept ever more degraded conditions. It would seem that private companies will inevitably play an ever larger role in the provision of public services, because everything has a price, because politicians have lost sight of the common good and citizens are only interested in their own individual pursuits.

This book, however, tells a completely different story. Sometimes it may feel as though we are living in a time when profit and austerity are our only horizons. In reality, below the radar, thousands of politicians, public officials, workers and unions, and social movements are working to reclaim or create effective public services that address the basic needs of people and respond to our social, environmental and climate challenges. They do this most often at the local level. Our research shows there have been at least 835 examples of (re)municipalisation of public services worldwide in recent years, some of them involving several cities. In total there have been more than 1600 cities in 45 countries involved in (re)municipalisation. And these (re)municipalisations generally succeeded in bringing down costs and tariffs, improving conditions for workers and boosting service quality, while ensuring greater transparency and accountability.

This (re)municipalisation<sup>1</sup> wave is especially strong in Europe, but it is also gaining strength elsewhere in the world. What is more, many of the 835 examples we identified are not merely technical changes in ownership but very often entail broader economic, social and environmental changes. (Re)municipalisation initiatives emerge from a range of motivations, from addressing private sector abuse or labour violations, recovering control over the local economy and resources, or providing affordable services to people, to implementing ambitious energy transition and environmental strategies. (Re)municipalisations occur at all levels, with different models of public ownership, and with various levels of involvement from citizens and workers. But out of this diversity a coherent picture nevertheless can be drawn: the movement for (re)municipalisation is growing and spreading, despite the continued top-down push for privatisation and austerity policies.

Remunicipalisation refers to the return of public services from private to public delivery. More precisely, remunicipalisation is the passage of public services from privatisation in any of its various forms – including private ownership of assets, outsourcing of services and public-private partnerships (PPPs) – to public ownership, public management and democratic control. While our main focus in this research is on cases of return to full public ownership, the survey also includes cases of predominantly publicly owned services when the model is implemented with clear public values, to serve public objectives and when it contains a form of democratic accountability.

## Remunicipalisation beyond water

We felt it was crucial to study and document the remunicipalisation trend, precisely because well-resourced knowledge institutions, think tanks and financial institutions have done nothing to research it. Corporations, economic ‘experts’ and national governments have neglected remunicipalisation – perhaps because they do not want it to be known. They would rather lock in the notion that privatisation is inevitable. In

2015, civil society organisations and trade unions came together to study remunicipalisation in the water sector. We found that since 2000 there had been at least 235 cases of water remunicipalisation in 37 countries, affecting more than 100 million people.<sup>2</sup> Water remunicipalisation, a rare phenomenon 15 years ago, has accelerated dramatically and the trend keeps gaining strength. This raised the question of the extent to which remunicipalisation was also happening in other essential services such as energy, waste collection, transport, education, health and social services. We were also curious to find out whether remunicipalisation in these sectors happened for similar reasons and with the same results than in the water sector.

## Research methodology

Clearly, the (re)municipalisation list we present in this book is far from exhaustive. This is just a first milestone. We will continue documenting new cases. The list is the result of the concerted efforts of several citizen organisations, researchers and trade unions to collect (re)municipalisation cases in a large number of countries, as part of a process of collective learning. Eleven organisations worked jointly and collected data during a period of 18 months. Thirteen researchers did desktop research. In order to extend our capacity and to find cases that were not yet internationally known, we circulated a participatory survey. Questionnaires were distributed among trade unions and civil society networks. The European Federation of Public Service Unions (EPSU) distributed the survey among its affiliated members and we received substantial input from 19 trade unions in 16 countries. These contributions helped us to discover nearly 100 new cases.

Our research methodology is further detailed in Appendix 3. The collected list does not include cases where a service has been remunicipalised and then privatised again, or where the contract simply shifts from one private provider to another. These cases are obviously outside of our research scope.

## A dynamic, accelerating trend

Through the participatory survey and our own research, we identified 835 (re)municipalisation cases in seven public service sectors worldwide. They have occurred from small towns to capital cities, from urban to rural contexts. Energy (311 cases) and water (267 cases) are the sectors with the most cases. Various local government services such as swimming pools, school catering, public space maintenance, housing, cleaning, security services were brought back in-house in Canada, Spain, the UK and elsewhere (140 cases in total).

Roughly 90 per cent of (re)municipalisations in the energy sector happened in Germany (284 cases), the country famous for its ambitious ‘*Energiewende*’ policy. Many water remunicipalisation cases occurred in France (106 cases), the country with the longest history of water privatisation and home to the leading global water multinationals, Suez and Veolia. For the health and social work sectors, more than half of the cases came from Norway and other Nordic countries (37 cases in total).

The survey covers (re)municipalisation actions that occurred over a period of 16 years, from 2000 to January 2017. We found 17 per cent of the cases happened in the first half of this period (2000–2008) and 83 per cent of the cases in the second half (2009–2017).<sup>3</sup> This means there were five times more cases in the second half of the period of study than in the first. The peak year was 2012, with 97 cases, and the numbers have remained high since then. For water remunicipalisation, there were 2.3 times more cases in the second half of the period of study than in the first. Water remunicipalisation has a longer history and it is likely that successful remunicipalisation cases in the water sector have been an inspiration to end privatisation in other sectors in recent years.

Beyond this survey period, there are numerous examples of the remunicipalisation trend continuing in 2017. The Catalan city of Cabrils remunicipalised the maintenance of public spaces and cleaning services and,



in the coming years, plans to remunicipalise a total of 90 per cent of the workplaces that were previously outsourced. The city of Cadiz in Spain similarly reversed the outsourcing of beach lifeguards and the cleaning of public buildings, which is only the beginning of a complete re-organisation of local government services.

## Different forms of de-privatisation

We are using (re)municipalisation with parentheses because this survey also includes actions in which local governments established new municipal companies in liberalised markets. This typically happened in the energy sector. Local governments can also create completely new public services to meet citizens' basic needs. The state of Tamil Nadu in India, for instance, created people's canteens to provide meals at very low cost to reduce hunger and malnutrition (see Chapter 6). In total, our survey found 143 new municipal or regional companies established to provide public services for citizens. Many of them are municipal energy utilities (122). In Germany alone, our survey found that 109 new municipal energy companies were created in recent years. Other examples include newly created municipal funeral services companies in Spain and Austria that provide an affordable alternative for families in a critical moment for human dignity.

De-privatisation can also occur in the form of (re)nationalisation. Remunicipalisation and renationalisation often share common features in that they recover public capacity from corporations, but the motivations can be very different. Many of the private banks in Western Europe were rescued and recapitalised by states with public funds after the financial crisis in 2008. After the massive nuclear disaster in Fukushima in Japan, the Tokyo Electric Power Company (TEPCO) – responsible for the nuclear reactor – was similarly nationalised. The Japanese government intends to privatise it again when the market is ready. More than 200 services, mainly in the finance and energy sectors, were renationalised in Hungary by the current authoritarian regime, with the aim of consolidating central

power.<sup>4</sup> These examples have to do more with either temporarily fixing private failures without introducing public scrutiny or with a nationalistic approach. In Latin America, on the other hand, after privatisations spread across a wide range of public services in the 1990s, several governments renationalised economically and socially strategic sectors such as energy, gas, water, pension funds, postal services and air transport. So we present a separate and selective list of renationalisation cases, the motives and objectives of which were to expand equitable and affordable services to the whole population. These cases are mainly from Latin America (see Chapter 2).

Our research focuses mainly on steps taken with the aim to boost local capacity and with potential to provide better and democratic public services. While 70 per cent or 589 cases were implemented by local and regional authorities, some were also coordinated at the inter-municipal level. Half of the water sector cases in France occurred at the inter-municipal level. It often means that the many surrounding municipalities in a metropolitan area have joined to benefit from the services of re-municipalised public water management, as happened in Nice, France. Inter-municipal actions are common in the energy (148 cases) and transport (19 cases) sectors as well.

## How privatisations were reversed

In our survey, we also analysed how de-privatisation happened in 662 (re)municipalisation cases. In 67 per cent of cases (445), local and regional government seized the opportunity of contracts expiring and simply did not renew private provision. It is understandable that local governments wait for contract expiry to avoid conflicts with private companies. It is quite strategic for cities to spend a few years to prepare the transition while waiting for private sector contracts to expire. In 20 per cent of cases (134), private contracts were terminated during the contract period, which is much harder and generally conflictual. Relatively high rates of contract terminations can be found in the water (35 per cent)

and transport (26 per cent) sectors. This could mean that local governments took strong action to confront private contractors in spite of the potentially severe financial consequences: in case of contract termination, companies may demand compensation, including for missing out on expected profits. In those cases, problems with privatisation seem to have proved too acute to continue until the end of the contract period. Only three contract terminations happened in the energy sector. This might be a reflection of the power of large energy corporations, who will not let local governments terminate the contracts. In any case, the time when contracts expire is a strategic opportunity for local governments to get public services back in-house. In the remaining cases (46), private companies sold their shares or withdrew by themselves, for a variety of reasons.

## Broader mandate but less resources

Public services are facing a multi-faceted challenge. Most countries continue to struggle to recover from economic crisis. Neoliberal governments stubbornly stick to deepening austerity and intensifying competition and downward pressure on social and environmental standards through neoliberal trade and investment agreements. Avoiding catastrophic climate change requires a deep transformation of the economy. Universal access to essential services like water and sanitation remains a major challenge around the world. Scandalous tax avoidance and evasion by corporations and super-wealthy individuals has been exposed to a large public, but governments continue to allow this to happen.

Local and regional governments are increasingly asked to do more with less resources. They are on the frontline to take on the multiple challenges of climate change, the UN Sustainable Development Goals (SDGs), building resilience against natural disasters and accommodating refugees. At the same time, they are faced with a major challenge in terms of how to finance public services and infrastructure.

For several decades we have been told that outsourcing, privatisation, PPPs and financing schemes, such as private finance initiatives (PFIs) in the UK, are the only options for local authorities in a context marked by more responsibilities and less resources. But evidence is growing that such policies are bad for public budgets in the long term, and lead to poor services and a loss of democratic accountability. It is becoming clear that abandoning outsourcing, PPPs and similar neoliberal policies and choosing to deliver public services in-house instead leads to major savings as argued below. The increasing number of remunicipalisation initiatives, which is the focus of this book, is a reflection of the failures of privatisation and PPPs.

## Immediate benefits of de-privatisation

In our 2015 water remunicipalisation research, we identified the main motives for ending privatisation to be linked to cost savings, improved quality of service, financial transparency, and regaining operational capacity and control. In this broader survey, which includes other essential services besides water, we find the same motives. Environmental objectives, such as speeding up renewable energy development, integrated environmental policies toward reducing waste, or enhancing public transport systems, are other key drivers. Providing affordable services for low-income households in the context of energy and water poverty (where many families cannot afford the high utility bills) is an important motivation, especially in Spain and the UK where those services are dominated by large profit-making corporations.

Regarding the results of remunicipalisation, we found in 2015 that a large number of cases resulted in cost savings and increased investment in the water sector. It may be too early to assess the results of (re)municipalisation in other sectors in a systematic manner since many cases happened in very recent years. Nevertheless, there is significant empirical evidence from other sectors that remunicipalisation has brought immediate cost savings for local governments. To give just a few examples (as this is dis-

cussed in more detail in different chapters and in the Conclusion), Bergen (Norway), where two elderly care centres were taken back in-house, made a surplus of €500,000 when a €1 million loss was expected (see Chapter 4). The termination of transport PPPs in London resulted in a £1 billion reduction in costs, mainly through the elimination of shareholder dividends and legal fees, and through procurement and maintenance efficiencies (see Chapter 9). Chiclana in Spain transferred 200 workers to the public sector for three in-sourced services, and the municipality nevertheless expects to save between 16 and 21 per cent on its budget.

## Citizens stand up for de-privatisation

It is not surprising that many remunicipalisation initiatives originate in vibrant citizens' movements. The German energy transition is promoted by municipalities and citizens' groups; the majority of the population in the UK demands public ownership of water, energy supply and transport; the massive grassroots resistance against social cuts sparked the emergence of new progressive local politics in Spain; and more than 2,300 cities across Europe rejected the US-EU free trade agreement (TTIP). All of these stories tell us that there is strong support for an alternative path to ever expanding privatisation, ever deepening austerity and ever lower quality services.

In a vast majority cases in our survey citizens and workers get involved in de-privatisation processes to a different extent. In Nordic countries, organised workers experienced problems in their workplace after privatisation and pushed for de-privatisation in health and social work. The same happened with various local government services in the UK and Canada. In these countries workers and citizen coalitions have been fighting for many years against water privatisation and work together with city councils to de-privatise when political opportunities arise. Massive grassroots campaigns for referendums resulted in de-privatisation, for instance that of the energy grids in Hamburg, Germany (see Chapter 8) and in Boulder, US,<sup>5</sup> and that of water in Berlin.<sup>6</sup> Citizens are not mere-

ly service users. Newly created municipal energy companies are backed by engaged citizens and community energy movements. Londoners are now campaigning to set up a not-for-profit energy supply company with an extended citizen participation mechanism.<sup>7</sup> Citizens engagement and mobilisation are essential and central to the (re)municipalisation movement.

## Hybrid model and de-privatisation from below

We deliberately take a broad definition of ‘public’, which allows us to capture a larger range of initiatives. For instance, citizen co-operatives that have taken over profit-driven commercial energy service providers (e.g. Minnesota and Hawaiian island Kauai in the US) fall into our research scope.

Unlike local authorities, the citizen co-operatives or housing associations that have played a role in providing affordable energy to residents are in principle private entities and as such they are only accountable to their members. They are, however, often not-for-profit and can clearly serve public interest goals. The most important angle in this survey is therefore not just the distinction between state and non-state actors, but rather the objectives behind the initiatives and factors such as proximity (locally rooted). In other words, we contrast corporate and financialised forms of ownership and locally organised not-for-profit forms of ownership that explicitly aim to serve the broader public interest, based on principles such as equality, universal access, environmental sustainability and democracy. *Our Power*, for instance, which was established by 35 social housing associations in Glasgow, Scotland in 2015, is a hybrid model of partnership between the local authority and citizen co-operatives. The Scottish Government has invested £2.5 million in *Our Power*, which aims to make a difference for low income households who are currently disadvantaged in the energy market and struggling to pay their bills.



## Diverse national contexts and sectoral dynamics

It is a challenge to capture de-privatisation actions because they are happening in diverse ways and each country has its own specific legislation and context. Our approach to this challenge is to present 10 chapters highlighting some of the surveyed cases from different countries and sectors. Eight chapters were written by researchers who got involved in data collection and two chapters were written by guest writers, to strengthen our analysis. The country chapters from France, India, the UK and Norway are concerned with how remunicipalisation occurred in the respective countries. Two chapters focus on the water sector in Catalonia and the energy sector in Germany: both present the strategic importance of reorganising sectors away from the profit-driven resource extraction model toward democratic and sustainable public models. The chapter on Latin America reminds us of the relevance of renationalisation to provide equitable and universal services to people.

Three chapters look into cross-cutting issues with de-privatisation that are relevant to all sectors and countries. The first is what remunicipalisation means for workers, and how remunicipalisation can be beneficial for them. The second deals with the growing threat emerging from international trade and investment regimes, especially the Investor-State Dispute Settlement (ISDS) component within major treaties. This chapter provides evidence that ISDS hinders remunicipalisation and would significantly limit the democratic policy space for local and regional governments to reverse service provision. The third cross-cutting issue is discussed in the last chapter, which argues against PPPs and the illusion of affordability that they give to public authorities, warning policy makers and citizens about hidden costs and contingent liabilities.

Drawing lessons and challenges from each chapter, the conclusion provides a clear picture of how cities and people are taking action to recover democratic control over daily life and local resources and move away from the corporate profit maximisation model. We present strategies for

building stronger and broader alliances for de-privatisation and reclaiming public services. Through this collective work, we aim to call for further discussions on what a future generation of public ownership models should look like and on people-driven strategies to organise public services more democratically and efficiently.

We see (re)municipalisation as a strategic window to bring about positive change in our communities and to help connecting diverse movements and actors: those promoting climate justice and energy transition, those fighting against neoliberal trade and investment regimes and privatisation, those denouncing tax avoidance, the trade union movements and their allies standing up for workers' rights, the emerging municipalist movement, and other alliances among cities. The growing collective power of these different groups to reclaim democratic public services puts resilient and thriving communities back on the horizon.



*Satoko Kishimoto is a coordinator of the Public Alternative Project at the Transnational Institute (TNI).*



*Olivier Petitjean is a French writer and researcher, who is currently the chief editor at the Multinationals Observatory, an investigative website on French transnational corporations.*

## Endnotes

- 1 We use ‘remunicipalisation’ to refer to the process of bringing previously private or privatised services under public control and management at the local level. We are aware that as a term it is not always entirely adequate, because in some cases the services that are reclaimed have always been in private hands, or did not exist. In these instances, ‘municipalisation’ would be a more adequate term. (Re)municipalisation covers both instances. There are also examples of public services that have been de-privatised at the national level. We treat ‘renationalisations’ separately in order to focus on local actions and because some forms of renationalisation (when they are about centralising power or temporarily rescuing failed private companies) do not fall under our research scope. Finally, there are numerous examples of citizens and users taking the lead in reclaiming essential services from commercial entities to run them on a non-profit basis for their communities. For us, these cases also fall under (re)municipalisation insofar as they are oriented toward public service values and non-commercial objectives. De-privatisation then serves as an overarching term for (re)municipalisation, renationalisation and citizen-led reclaiming of public services, which are all oriented toward fighting against the ills of privatisation.
- 2 Kishimoto, S., Petitjean, O., Lobina, E. (eds.) (2015) *Our Public Water Future: Global Experiences with Remunicipalisation*. Amsterdam: Transnational Institute. <https://www.tni.org/en/publication/our-public-water-future>
- 3 Five cases have no data on years.
- 4 Mihályi, P. (2016) *Diszkriminatív, piac- és versenyellenes állami gazdaságpolitika Magyarországon, 2010–2015 (Discriminative Anti-Market and Anti-Competitor Policies in Hungary, 2010–2015)*. IEHAS Discussion Papers, MT-DP - 2016/7, Hungarian Academy of Sciences.
- 5 See the detailed case of Boulder on the Energy Democracy website: Buxton, N. (2016) Boulder’s long fight for local power. <http://www.energy-democracy.net/?p=364>
- 6 See the detailed case of Berlin on the Remunicipalisation Tracker: [http://www.remunicipalisation.org/#case\\_Berlin](http://www.remunicipalisation.org/#case_Berlin)
- 7 See the detailed case of London on the Energy Democracy website (2016): <http://www.energy-democracy.net/?p=355>

## Chapter 1

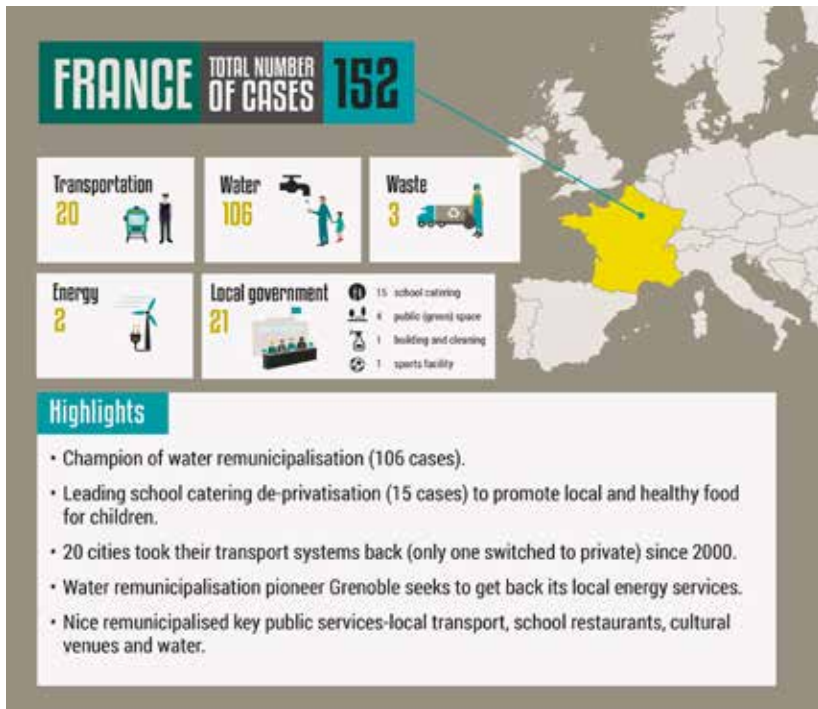
# Remunicipalisation in France: From addressing corporate abuse to reinventing democratic, sustainable local public services

By Olivier Petitjean

France is known for its attachment to the public sector and state intervention in the economy. But it is also, in many ways, a champion of privatisation. Think about Veolia and Suez in the water and waste sectors; EDF, Veolia and Engie in the energy and heating sectors; Keolis, Veolia-Transdev and RATP in the public transport sector; Sodexo in the catering sector; Bouygues and Vinci in the infrastructure sector; Atos and Steria in the outsourcing sector, and so on. All of these companies – many of which, paradoxically, are partly state-owned – are active promoters of and benefiterers from privatisation in its various forms, both in France and abroad.

Things, however, might be beginning to change in France, thanks to many local politicians, officials and social movements. Most obvious and publicised (and most politicised) is the current trend toward water remunicipalisation. Water privatisation has long been dominant in France, which makes it an exception in the world. Now dozens of French cities, including Paris and a host of other large cities such as Montpellier, Nice, Rennes and Grenoble, have decided to take their water and sanitation systems back into public hands. There is a similar trend among small or medium-sized cities. The large number of water services in France makes it impossible to provide a precise figure, but by the latest count we have been able to identify 106 cases of water remunicipalisation in France over the last 15 years, with more to come as contracts expire in the next few years. National statistics suggest that there could actually

be twice as many cases. On the other hand, in the past 20 years, not one city in France has decided to switch from public to private management of water. Even in those cities that decided against remunicipalisation, private providers were often forced to agree to steep cuts to the price of water and new commitments in terms of water quality and investments. Overall, apart from a few infamous cases such as Marseille (where the 2013 private contract has already been challenged by the regional court of auditors because of a series of financial irregularities in favour of Veolia<sup>1</sup>), the remunicipalisation wave seems to have put an end to the most blatant private abuses that had been going on for decades in the water sector.



Box I

### **Water in Montpellier**

Montpellier was the last large French city to remunicipalise its water services in 2016. This case is particularly significant since the Montpellier area, where a lot of Veolia's and Suez's research teams are located, has long been a stronghold of the private water sector. Montpellier has created its new public water operator building on the lessons from previous experiences in Grenoble, Paris and Nice. As a result, the price of water dropped by 10 per cent, which could have been even more significant had it not been for the poor state of the water infrastructure as discovered by local officials after remunicipalisation. Montpellier created a Water Observatory to allow for citizen participation, based on the Paris model. The board of the new public operator also has 30 per cent civil society representation. This element of democratic participation will be all the more important given that there is still a divergence between local authorities and the citizen movements that pushed successfully for remunicipalisation on the matter of building a new water plant that would bring water from the Rhône river, which local activists deem unnecessary.

## **Remunicipalisation is rarely just about a change of ownership**

Overall, the main driver for remunicipalisation in France has undeniably been a reaction against the abuse of private water companies, particularly in financial terms (excessive water rates, lack of investment and maintenance, high fees charged by parent companies). But remunicipalisation has also been driven, from the very start, by a concern for ecological sustainability, democracy and social justice. In other words, remunicipalisation was never only about the financial management of public services,



but also about the very nature and objectives of these public services. Of course, this is true to varying degrees: some public water operators are not managed very differently from private companies, while others (including Paris and Grenoble) are more progressive. Remunicipalisation usually involves, at minimum, lower water rates (social justice), a focus on reducing water losses through network maintenance and investment (sustainability) and greater financial transparency at least for elected officials (democratic management).

Many public water operators go further than these minimal steps. Some have introduced more advanced forms of democratic management (greater public transparency, citizen representatives on the boards, and citizen-led bodies such as the Water Observatories in Paris and now Montpellier). Many have adopted a policy encouraging users to reduce their consumption of water, which would be unthinkable for private providers who are still essentially selling water as a product. Paris has also introduced a policy to work with farmers in water catchment areas and is encouraging them to shift to organic agriculture, in order to protect water quality and reduce the need for treatment. The effects of this policy are still limited because it takes years to eliminate pesticides from water sources, but it represents an investment in the long-term quality of water, reducing the need for costly technologies. While private water companies are arguing that the price of water will inevitably go up in the future because of stricter quality standards, this alternative model could prove both cheaper and more effective at protecting water resources and ecosystems.

*Box II*

**Remunicipalisation champions**

Some French cities are remarkable for their commitment to remunicipalisation in various sectors. It is the case of **Grenoble**, a city that pioneered water remunicipalisation in the early 2000s. It

is now seeking to remunicipalise entirely its local energy services, including collective heating and street lighting, in an effort to fight energy poverty and reduce greenhouse gas emissions. This requires buying back Engie, which still owns part of the local energy company, in turn raising complex labour issues.

In a different way, the city of **Nice**, which has a conservative administration, has also engaged in the remunicipalisation of key public services, including the local transport system, school restaurants, cultural venues and the city's water and sanitation system, which had been outsourced to Veolia for 150 years. These remunicipalisations were mostly implemented to gain greater political and financial control over the services. To some extent the administration has also demonstrated its concern for public health and the environment by switching to local, organic food in remunicipalised school restaurants across the city.

## Remunicipalisation in other sectors

Remunicipalisation in France has been most prominent in the water and sanitation sector, in terms of the sheer number of cases, the highly politicised nature of the debate and because of the long history of private sector dominance in the country. Nevertheless, there have also been experiences with remunicipalisation in other sectors – both in large cities and small towns – particularly in local public services such as school restaurants and local transport systems, and to a lesser extent in services such as collective heating systems, parking or waste collection and treatment. These sectors are somewhat different from the water sector, as the dominance of private providers is not as widespread or as long-standing. Privatisation contracts have been historically shorter and easier to reverse than in the water sector. It is perhaps too early to talk of a “remunicipalisation trend” in these sectors, except for local public transport

systems. According to industry figures, in the past 15–20 years, at least 20 cities or regions have put an end to privatisation contracts and taken their transport systems back in public hands, while only one has chosen to switch from public to private. (These figures may seem lower than in the water sector, but they are actually significant: the number of public transport services is much lower since only large cities have them.)

The energy sector raises specific questions. As opposed to Germany for instance, where there has been a strong remunicipalisation trend in the sector, the French energy system is national and dominated by the former national public operators, EDF (now 84 per cent state-owned) and Engie (now only 33 per cent state-owned). Both companies have a monopoly (though their subsidiaries are still fully public, in contrast to the parent companies) on energy distribution networks, except for a handful of local public distribution networks (*régies*) that already existed before the nationalisation of the energy sector in 1945. This quasi-public status leaves no room for remunicipalisation. As a matter of fact, the creation of new local public energy operators is still prohibited by law in France. French environmentalists have tried in recent years to initiate a review of this legislation in order to spark an energy transition based on the German model, but so far their efforts have been in vain. Nor have they gained wide support from French public opinion, which remains attached to the image of a national energy public service.

## Remunicipalisation as a shift to new models

Remunicipalisation in other sectors is also, of course, a reaction to the usual shortfalls of privatisation, including dissatisfaction with the price and quality of service, lack of investment or lack of control by local authorities. Just as is the case for water, these public services are dominated by a handful of private providers or “oligopolies.”

However, perhaps even more so than in the water sector, many examples of remunicipalisation in the waste, school restaurant and transport

sectors in France have been primarily driven by a political aspiration to change substantially the way public services are provided, toward more sustainable paradigms. This is particularly true of the waste and school restaurant sectors.

In the first case, one of the main criticisms addressed to private providers by local authorities is their reluctance to engage into a policy of waste reduction or prevention. Indeed, large providers such as Suez and Veolia have largely focused on incineration as their favoured waste management solution. In recent years, they have even tried to rebrand waste incineration as a 'renewable' energy source, even though it is not energy-efficient and a source of air pollution. This means building large incineration plants that are lucrative for private companies but costly for local authorities and users. These incinerators in turn require large amounts of waste, which is why private companies do not encourage waste reduction. It is often when they are confronted with the need to build a new incinerator or create a new landfill that local authorities throughout Europe decide, in order to avoid these costs, to engage in active waste reduction or even 'zero waste' policies.

In the school restaurant sector, remunicipalisation is part of a wider trend toward more local, sustainable food provision, as opposed to the industrial and standardised food sourcing systems that have long been characteristic of companies such as Sodexo or Elicor. Remunicipalisation helps local authorities to control and limit the pricing changes that are associated with the shift to higher quality, local food. Private providers are now increasingly forced to adapt to these requirements. And naturally, cities that have always kept school restaurants under public management, such as Grenoble or Paris, are also leading the trend by aiming at 100 per cent organic food. This remunicipalisation trend can be observed both in large cities (Nice, Rouen, Amiens, Avignon, Valence) and in small villages. Remunicipalisation also allows for implementing change through close collaboration with the local farming community, turning school restaurant remunicipalisation into a wider local, sustainable economic development

project. In the small city of Mouans–Sartoux, in the South of France, the municipality even bought a piece of farmland and employed a farmer to provide the local school restaurants with 100 per cent organic food.

In the public transport sector, one of the key drivers for remunicipalisation is the need for better alignment between transport services and local urban development policies, in order to encourage the use of public transport or non-polluting transport rather than cars.

Finally with regard to the energy sector contracts that fall beyond the scope of the national companies, such as collective heating in urban contexts or street lighting services, some cities are seeking to remunicipalise services to shift to renewable energy sources and fight energy poverty. For example, the city of Champigny, in the suburbs of Paris, has ended its heating contract with Engie in order to develop a fully public and affordable heating service based on geothermal energy.

*Box III*

**Municipal farmland for all-organic school restaurants**

If a city wishes to provide 100 per cent organic food to children in school restaurants, and if private providers are not able to meet this demand, why not grow it? Two small French towns, Mouans–Sartoux (south of France, 10,500 residents) and Ungersheim (Alsace, 2,000 residents), have pioneered the approach of buying farmland and creating a “municipal farming service” (*régie agricole municipale*) to grow organic food for the local school restaurants. Both towns have been providing 100 per cent organic and seasonal food to school students since 2012 and 2009, respectively. Most of this food comes from the municipal farm or other local sources. This system has allowed them to switch to all-organic food at a very low cost. Having these public organic farms also

offers educational opportunities for school students and town residents. Other towns such as Barjac (south of France) have adopted a similar approach, but by facilitating the development of local organic farming co-operatives, which have a long-term partnership with the municipality and the city's school restaurants.

## Why the public-private debate is still relevant

Because of the remunicipalisation trend in the water sector and the changes in privatisation contracts, it has been suggested by many experts – and indeed by private water companies themselves – that the issue is now somehow resolved, and that the distinction between public and private management of water services is no longer as relevant as it used to be. In reality, there are still many problems with the private management of water, even with the new contracts, including in terms of financial transparency. While cutting off water to households because of unpaid bills is now illegal in France (a law to that effect was passed in 2013, as an implicit recognition of the right to water), private water companies are still trying to have this new legislation repealed and, meanwhile, are refusing to respect the interdiction, in spite of having lost multiple court cases initiated by families who had their water cut off.

Suez and Veolia are now seeking new business models in response to the remunicipalisation wave. Part of this shift involves looking for new customers, particularly in the energy and industrial sectors, to compensate for their market losses in public water services. It also involves a new emphasis on technological solutions, including water treatment and decontamination, and data-based management technologies, which they use themselves as water providers but also seek to 'sell' to public water operators. This could lead, in the future, to new forms of "quasi privatisation" of water services, because of technological dependence and because of the long-term costs of these technologies. Finally, water com-



panies claim that the current trend of consolidation of water services on a larger scale (merging of communal water services into larger intercommunal services) will benefit them in the long run, but at this point there is little evidence to sustain this claim, which mostly serves to reassure their shareholders. It is true, however, that larger water services, more remote from citizens, could lead to a loss of democratic accountability.

Fundamentally, the debate between public management of collective services and privatisation is about who pays the price for these services, and who gets the benefits – in financial terms, but also in social and environmental terms. But it is also a debate about the very nature and purpose of public services. In France, remunicipalisation in the water sector and beyond shows public management is leading the way in terms of reinventing local, democratic, sustainable public services with a focus on basic needs and social justice.



*Olivier Petitjean is a French writer and researcher, who is currently the chief editor at the Multinationals Observatory, an investigative website on French transnational corporations.*

## Endnotes

- 1 See: <https://www.mediapart.fr/journal/france/290414/marseille-des-contrats-de-leau-trop-favorables-veolia-et-suez>

## Chapter 2

# Why renationalise? Contemporary motivations in Latin America

By M'Lisa Colbert

Three decades after liberalisation, privatisation, and austerity measures uprooted the public and drastically reduced popular access to the state, Latin American governments are renationalising their essential services. A region-wide survey we conducted of renationalisations occurring from 2000 to 2016 in essential service sectors such as waste, water, telecommunications, finance and energy revealed that the transitions have not been easy, with many cases facing seemingly insurmountable challenges. Most motivations for renationalisation were directly related to discontent with the results of privatisations brought on by the Washington Consensus in the 1990s.

This chapter presents a contemporary observation of the motivations behind present day efforts to renationalise and democratise essential services in Latin America. It begins with a brief overview of the context surrounding these renationalisations and then provides an analysis of the expressed motivations behind why de-privatisation happened in the region. At the core of the chapter, exemplary cases of renationalisation that have been accompanied by democratisation and a renewed commitment to public ethos are highlighted. The cases are drawn out in detail with emphasis being placed on illustrating the concrete benefits that these transitions have had.

Strictly speaking, the service de-privatisations and subsequent renationalisations that we have seen in the region are not cases of 'remunicipalisation' because new concessions for these services have been granted by national governments (not municipal authorities), which in most cases are also the new operating authorities. Nevertheless, the lessons learned

from these cases are relevant to the subject matter of this book because, although they operate on a different scale, they represent a renewed commitment to public ethos in an increasingly privatised world.

## Why de-privatise?

In Latin America, essential services such as water, electricity, telecommunications and waste disposal were privatised in the 1990s as part of structural adjustment programs on the recommendation of international institutions like the World Bank and the International Monetary Fund (IMF). They had hoped that this would stabilise the economy during the debt crisis of the 1980s, but privatisation did not achieve the success that was forecasted. Brief economic stability due to an increase in cash flow from the sale of public companies was achieved,<sup>1</sup> but for the most part, growth mostly benefited multinational companies and large economic groups. It never surpassed the levels of growth seen under the Import Substitution Industrialisation (ISI) policies of the 1980s, and due to low rates of taxation and royalties, interest payments on debt and profit maximisation mentalities, a large portion of the income and benefits from any growth that was experienced was sent back to developed countries.<sup>2</sup> The consensus held that the more market governance there was, the less corruption, cronyism and inefficiency in the state would affect economic stability. Even in cases where companies were not fully privatised, 'public' companies started to implement corporatisation and New Public Management focusing on efficiency and profit maximisation as opposed to public values such as equity and affordability. This initially dealt with some of the issues resulting from corruption but it also undermined control and accountability.<sup>3</sup> The survey data highlight that in most cases it created spaces for new corruption where private companies started to circumvent regulation, deny transparency, neglect contractual obligations and ignore quotas for reinvestment because it became more difficult for the government and society to oversee actions in the private sector.

Within a decade of the transition, inequitable development was rampant, profit became more important than people, and the ownership and control of essential services was taken away from the people who used them. This provoked immense discontent, and the popular perception of privatisation's negative impacts soared in the region. By 2001, 60 per cent of respondents to a region-wide *Latinobarómetro* survey either 'disagreed' or 'strongly disagreed' with privatisation as an instrument to improve social welfare.<sup>4</sup> People were conscious of the fact that not only did privatisation limit access to services and make them more expensive, it was also accompanied by less and less popular control over decision making. Due to privatisation, the culture and practice of policy within state institutions had become shaped by the pursuit of economic liberalisation and this drastically reduced popular access to the state, and supported the view that the people's perspective was not valuable in these processes.<sup>5</sup> Around the turn of the new millennium we started to see a decline in right-wing political parties amidst immense political pressure from social movements demanding the redistribution of social goods and citizenship from below.<sup>6</sup> From the *Piqueteros* in Argentina, the Landless Movement in Brazil, the *Cocaleros* in Bolivia and the *Zapatistas* in Mexico to the Council of Social Movements in Chile, these new social movements were instrumental in shaping the succession of left-leaning governments that were elected in the region after 2000.<sup>7</sup> Between 2010 and 2015 leftist presidents were elected and held office in half of the countries in Latin America including Argentina, Bolivia, Brazil, Dominican Republic, Ecuador, El Salvador, Nicaragua, Uruguay and Venezuela. Many of them were elected specifically because they campaigned on redressing social issues associated with the failures of privatisation, renationalisation being one of the means to this end.<sup>8</sup>

## Expressed motivations

We looked at the motivations behind 33 cases of renationalisation found in Venezuela, Bolivia, Ecuador, Argentina, Belize, Uruguay, Nicaragua and the Dominican Republic. The data collected for the cases came

from a desktop study of executive decrees, public broadcasts, executive speeches, news coverage and a review of the literature on renationalisation cases. We focused on objectives and values in cases that prioritised transparency, equity, universal access, affordability, environmental sustainability, quality services, public participation and/or fair pay for secure service jobs. Research was thorough and conducted systematically, but due to time and resource constraints, the survey does not include all renationalisation cases in the region, and thus the conclusions drawn here regarding what were found as the most prominent motivations for renationalisation in Latin America should be read with these limitations in mind. An analysis of the data revealed 10 separate motivations were expressed in the research across the 33 cases we considered in the survey. These motivations were tallied across the 33 cases to see how frequently they appeared. The frequency of each of the motivations appears in Table 1 and they are listed from most to least frequent.

*Table 1. Frequency of expressed motivations*

<b>Expressed motivations</b>	<b>Frequency</b>
Private sector mismanagement (corruption, bribery, breach of contract, excessive dividends, profits above contractual limits, etc.)	60%
Regain public ownership and control	54%
Redistribution between the rich and the poor	33%
Prioritise and increase reinvestment	30%
Increase the general rents of the state	15%
Lower the cost of basic services	15%
Increase access to services	15%
Social programming/benefits	12%
Implement socialist values	12%
Centralisation	12%

Table 1 highlights that the most commonly expressed motivation among these cases were instances of private sector mismanagement. In 20 of the 33 cases or 60 per cent of the cases analysed, this registered as a central concern underpinning the decision to renationalise. For instance, in Argentina in 2004 the Néstor Kirchner government renationalised French-owned telecommunication company Thales Spectrum SA citing insufficient investment, failure to pay royalty payments and posting profits above contractual limitations. In Bolivia in 2010, the Evo Morales administration renationalised the French-owned electricity distribution company *Electricidad Corani* and renamed it *Empresa Nacional de Electricidad* because high levels of financial insolvency, environmental concerns and the mismanagement of plant operations were altering effective capacity and threatening energy security in the country. In Ecuador in 2014, the Rafael Correa administration renationalised the private pension fund scheme amidst coverage inequalities, volatile returns and complaints that payments for unemployment benefits were not being made. In Venezuela in 2007, the Hugo Chavez administration renationalised majority US-owned CANTV due to unfulfilled investment obligations, excessive dividends and company mismanagement. These examples highlight that private sector partnerships and liberalisation are not strong solutions for financing public service infrastructure effectively. Not least of all, this approach is at odds with the desire of many of these countries to reprioritise society in economic and political policies. This is evident in the fact that motivations that prioritise people such as equitable distribution, re-investment in services, universal access and lowering the cost of services were widely expressed in these cases. The following section highlights that several of these cases – though not without their limitations – show exemplary commitment to democratisation and public values that illustrate the benefit of public ownership of essential services.

## Key renationalisations in Latin America

### **Bolivia, oil and gas sector, 2006**

In 2006 under pressure from the public and various activist groups, President Morales declared he would make good on his election promise to nationalise the country's hydrocarbon sector. By executive decree, the Morales administration drafted an addendum to *Ley de Hidrocarburos* citing the unconstitutional nature of the private contracts that had been signed in the 1990s because they gave away the people's constitutional right to own and control mineral deposits both below and above ground. The private contracts stripped the state of the right to commercialise and retail the deposits once they left the ground. The executive decree put an end to what was popularly understood by civil society groups as the unjust subversion of the constitutional rights of Bolivians by private actors. Subsequently, Morales expropriated all the gas and oil fields in the country and multinational companies were forced to sign new contracts in which they received minority stakes, while the state-owned *Yacimientos Petrolíferos Fiscales Bolivianos* (YPFB) gained a majority stake and all ownership rights. The new division meant in practice that private companies would now take home 18 per cent of profits in the sector and the state 82 per cent, rather than the other way around.<sup>9</sup> This nationalisation is particularly important because it has become the backbone of the Bolivian economy and symbolises Bolivia's return to a commodity economy. The revenue generated from the oil and gas sector that is paid into the treasury is a key pillar of the government's wealth distribution and social inclusion initiatives. Moreover, regaining control and increasing revenue from the oil and gas sector is also what facilitated subsequent nationalisations in the electricity, pension and telecommunications sectors.<sup>10</sup>

*Benefits.* The 10th anniversary of the nationalisation was celebrated

in 2016, with Morales announcing that US\$31.5 billion in revenue had been generated following the 2006 decision, in comparison to the prior decade when revenue was only US\$3.5 billion. The nationalisation tripled Bolivia's gross domestic product from 2005-2015 and increased investment in public spending by over 750 per cent in the last nine years.<sup>11</sup> Furthermore, in comparison to other renationalisations in the hydrocarbons sector, the Bolivian experience seems to exhibit a stronger commitment to public values. In Venezuela higher instances of transparency issues and corruption in contract assignments seem to plague the process, and the legislated 50 per cent state ownership quorum is not being met. In contrast, in Bolivia the government held a referendum in 2004 to gauge the public opinion about nationalisation, state ownership and the 1996 privatisation law. The results of the referendum showed that 92 per cent of voters supported nationalising Bolivia's gas and oil sector and 87 per cent supported repealing the 1996 privatisation law.<sup>12</sup>

Other benefits include prioritising local and national investment over investment from international companies. Local content commitments that employ Bolivians working in locally owned businesses in the manufacturing sector such as welders, administrators and engineers are now a part of negotiations for gas industry contracts. Consultation processes were also improved with local communities. Morales issued Supreme Decree N. 3058 in combination with Law 3058 making environmental consultation with local communities and indigenous populations living around development sites mandatory. Although this is an achievement for participation, the extent and impact of participation continues to be considered as that law makes it clear that wherein consensus cannot be reached, decisions will be made in the national interest.<sup>13</sup> Lastly, the nationalisation has helped Bolivia achieve greater independence internationally. The earnings from the hydrocarbon sector redirect to the Central Bank, which has stabilised adequate



levels of US currency to cover the country's import expenses (international reserves). This prevents the administration from balance-of-payment crises and eradicates the need to resort to IMF loans that Bolivia was heavily dependent upon prior to the decision to nationalise in 2006.

### **Bolivia, national pension fund, 2006**

Prior to the decision to nationalise, Bolivia's pension fund was organised as a privately owned, individually funded pension fund (IFF) wherein the private sector controlled investment decisions and a Spanish and Swiss consortium managed the pension fund. In 2010 Bolivia announced it would replace the IFF pension system with a public pay-as-you-go system and constructed a universal, non-contributor pension benefit for Bolivians over the age of 60 called *Renta Dignidad*. The benefit expanded eligibility to more citizens and increased the annual benefit amount by 25 per cent from 1,800 Bolivianos (US\$235) to 2,400 Bolivianos (US\$314). Also, the benefit differentiates payments, so that eligible citizens who already contribute to or receive an old-age pension from another source only receive 75 per cent of the regular *Renta Dignidad* amount that others receive.<sup>14</sup> The main motivations in this case were to lower the minimum retirement age, to better distribute benefits and to take back control of investment management. The reform reverses the instruments put in place as part of the 1997 structural adjustment program by eliminating the private management of the funds and replacing them with a single government-owned asset management agency. Since the Morales administration took control of the pension fund management, financing comes from a fixed share of the special direct tax on the newly nationalised hydrocarbon sector, through contributions from all levels of government, and dividends from other recently nationalised public enterprises such as the electricity and telecommunication sectors.<sup>15</sup>

*Benefits.* The reformed pension fund has received excellent assessments from national and international organisations. Overall, it has significantly improved the quality of life for the elderly population in Bolivia and has helped reduce the rates of extreme poverty in the country. For instance, the Morales administration made benefits available at the age of 60, and lowered the minimum age for retirement from 65 to 58 making the retirement age more realistic given the average life expectancy is 68 years of age for males and 73 years of age for females. The amount of the universal benefit is approximately US\$340 annually for those not already receiving a social security benefit, and 75 per cent of that amount for those that are, and benefits can be paid monthly or, as a new feature of the public system, recipients can choose to accumulate benefits for up to 12 months for one annual pay-out. This is a significant increase in monthly pension payments that represents a more equitable distribution of the benefits and pay outs across different social groups. Of the 800,000 beneficiaries who received the benefit in 2010, 83 per cent were not already receiving a pension from the Social Security Scheme because they had worked in the informal sector and/or experienced extended periods of unemployment. Since the benefit was launched in 2008, over US\$500 million has been redirected from profit margins in the private sector to the Bolivian people.

### **Argentina, postal service, 2003**

*Correo Argentino* (CORASA) was the first public service to be nationalised under President Kirchner's administration. Prior to nationalisation *Correo Argentino* had been privatised under the Carlos Menem administration in 1997 using an executive decree. The Argentine investment firm called *Grupo Macri* gained control of the sector and was awarded a 30-year concession as provider. Contract stipulations included: that Group Macri had a commitment to pay a biannual fee to the state for operating the service, and that

they must continue the employment of the current workforce, unless they revised existing contracts within the first 180 days of the concession. In exchange, the government would continue to pay a regional subsidy to Group Macri for having to operate at a loss in more remote parts of the country to continue providing service to all of Argentina.<sup>17</sup> Just two years after the concession was signed in 1999, Group Macri stopped making the royalty payments to the government, service quality remained poor despite forecasting improvements, rural routes were poorly serviced and prices increased several times during the concessionary period. In 2003 on recommendation from the auditor general, the Kirchner administration terminated Group Macri's concession and renationalised the postal service.

*Benefits.* Although the postal service was operating at a severe loss due to the privatisation, the Kirchner administration managed to improve service provision and to reprioritise the rural route connections that had been neglected by Group Macri. Moreover, they lowered the cost of service provision and increased reliability and accountability in operations.

However, as of February 2017, the postal service has been the object of protest in Argentina. Discontent is linked to a deal that newly elected President Mauricio Macri (son of Franco Macri, the owner of the late postal concessionary Group Macri) struck with his father's company a few months after taking office in 2015. While still concessionary of the postal service, Group Macri had declared bankruptcy in 2001 and owed over US\$128 million to the government. While a repayment deal was never reached under the Kirchner administration, Macri recently revalued the debt at US\$19 million and allowed the company to repay it over 15 years at a low interest rate of 7 per cent,<sup>18</sup> raising concerns regarding conflicts of interest and transparency in his presidency.

## Argentina, air transport, 2008

The governments of presidents Néstor Kirchner (2003–2007) and Cristina Kirchner (2007–2015) made national unity, inclusion and equity an important part of their economic, political and social policies during their time in office in Argentina. In 2008 the government of President Christina Kirchner decided to renationalise the airline company *Aerolíneas Argentinas*. Prior to the nationalisation, the airline had been owned by a Spanish consortium called Group Marsans. At the time of nationalisation, the private company had amassed a deficit of US\$900 million due to poor management, corruption and excessive dividends to top-ranking executives. As a result of the nationalisation, Group Marsans filed an international litigation suit with the International Centre for Settlement of Investment Disputes (ICSID) headed by the World Bank citing unfair treatment during the expropriation of *Aerolíneas Argentinas*. Group Marsans demanded that the government pay them US\$1.4 billion in damages. The dispute remains unresolved and Group Marsans has since filed for bankruptcy. The main motivation behind this nationalisation was to unite rural and urban areas of Argentina by providing domestic routes that were deemed unprofitable under the private scheme. The Kirchner administration wanted to regain public control to make up for years of underinvestment, excessive dividends and poor operational management in the private sector. They hoped that reorganising the airline would increase passenger traffic to lower the cost of domestic airfare and establish state control over the domestic market.

*Benefits.* Since the nationalisation, the airline's financial standing has improved dramatically. Passenger traffic for the group reached a record 8.5 million in 2013, which represents a 57 per cent increase from the time of its renationalisation in 2008. Revenues rose to a record of US\$2 billion in 2013, which represents an 85 per cent increase from revenues recorded in 2008.<sup>19</sup> New domestic

routes included connecting the port city Buenos Aires to Rio Gallegos located in the Southern tip of Argentina, and Cordoba and Salta located in the North. It currently covers over 80 per cent of all domestic flights. However, with the election of centre-right President Mauricio Macri, the administration is keen to reprivatise some of the sectors nationalised by the Kirchner administrations. As part of his administration's recent inquiry into an 'opening the skies' initiative *Aerolineas Argentina* is being considered for reprivatisation. Although public protests have been ongoing since December 2016 and the public scheme designed by the Kirchners has made significant improvement in growth since renationalisation, the new pro-market policies of the Macri administration classify the company as unprofitable.<sup>20</sup>

## Conclusion

As these examples illustrate the renationalisation of public services in Latin America is not without its challenges. Though expressed discontent for privatisation and a desire for change were at the heart of most of these cases, very few achieved this expressed desire for a full departure from private sector participation. Many governments ended up having to retain unpopular economic strategies to finance social programming, or rolled out programs that satisfy only a fraction of the initial demands. In other cases, debts incurred due to privatisation have had a negative impact on extending the quality of services in the region. For certain, it has become increasingly more difficult for countries in the region to break the private sector mould and go fully public because of the consequences they face from the earlier implementation of neoliberal instruments. Also concerning is the reality that change is coming about in a lot of these cases by executive decree, and consensus is not being built. Moreover, some countries are reverting back to the top-down centralised statist approach of the 1950s and reinstating commodity economies that provide stability

in the short term, but carry the risk of boom-and-bust phases in the long term as the price of the commodity rises and falls.<sup>21</sup> Finally, prominent affluent social pockets with long-standing family ties continue to control a lot of important industries in the region, and this continues to jeopardise what governments can do toward achieving democratisation along with a conversion to public ownership.

Yet, the examples also highlight that returning to publicly owned essential services is not only an expressed desire in the region, but a viable alternative. Bolivians received US\$500 million that would have otherwise made its way into private pockets were it not for renationalisation. Argentinians living along rural routes were given the ability to send and receive mail regularly in their home towns as a result of renationalisation. With many of these renationalisations occurring as early as 2012, it is unclear yet what the long-term outcomes may be. Whether renationalisation will succeed in satisfying social demand for basic services democratically, or whether the sheer size of the task amidst the pressure of neoliberal constraints and recent electoral shifts to the right will overwhelm efforts for change. Uncertain as it may be, we can take inspiration from these transitions. The findings of the survey highlight that these cases are spaces in the region where progressive policy alternatives are being thought about and implemented, and where debate and politics<sup>22</sup> in an increasingly apolitical world<sup>23</sup> have emerged and weakened the hegemony of the Washington Consensus in the region – and that is no small feat.



*M'Lisa Colbert is currently completing an M.A. in Global Development Studies at Queen's University, Kingston, Canada. The topic of her M.A. thesis is focused on the transition to renewable energy in Central America, and power relations surrounding efforts to democratise energy to improve access. She also works as a Research Assistant with the Municipal Services Project.*

## Endnotes

- 1 Gwynne, R. N. and Kay, C. (2000) Views from the periphery: Futures of neoliberalism in Latin America. *Third World Quarterly*, 21(1): 141–156.
- 2 Cannon, B. (2009) *Hugo Chávez and the Bolivarian revolution: Populism and democracy in a globalised age*. London: Manchester University Press.
- 3 Chavez, D. (2012) 16 Alternatives in the Electricity Sector in Latin America. *Alternatives*, 453.
- 4 Latinobarómetro Corp. (n.d.) The privatization of state companies has been beneficial to the country. Latinobarómetro Database. <http://www.latinobarometro.org/latOnline.jsp> (accessed 10 February 2017).
- 5 Grugel, J. and Ruggirozzi, P. (2012) Post-neoliberalism in Latin America: Rebuilding and reclaiming the state after crisis. *Development and Change*, 43(1): 1–21.
- 6 Dominguez, F., Lievesley, G. and Ludlam, S. (2011) *Right wing politics in the new Latin America: Reaction and Revolt*. London: Zed Books.
- 7 Prevost, G., Oliva Campos, C. and Vanden, H. (eds.) (2012) *Social movements and leftist governments in Latin America: Confrontation or co-optation*. London: Zed Books.
- 8 Berrios, R., Marak, A. and Morgenstern, S. (2011) Explaining hydrocarbon nationalization in Latin America: Economics and political ideology. *Review of International Political Economy*, 18(5): 673–97.
- 9 Kaup, B. Z. (2013) *Market justice: Political economic struggle in Bolivia*. New York: Cambridge University Press.
- 10 Flores-Macías, G. A. (2010) Statist vs. pro-market: Explaining leftist governments' economic policies in Latin America. *Comparative Politics*, 42 (4): 413–433.
- 11 *TeleSur* (2014) Ten Important Accomplishments Under Evo Morales. <http://www.telesurtv.net/english/analysis/Ten-Important-Accomplishments-Under-Evo-Morales-20141009-0069.html> (accessed 27 February 2017).
- 12 Kaup, B. Z. (2013) *Market justice: Political economic struggle in Bolivia*. New York: Cambridge University Press.
- 13 Villegas, P. (2010) Principales fallas y limitaciones del proceso de consulta previa en Bolivia. *Plataforma Energetica*, 3 November. <http://plataformaenergetica.org/content/2375>
- 14 Müller, K. (2009) Contested universalism: From Bonosol to Renta Dignidad in Bolivia. *International Journal of Social Welfare* 18(2): 163–72.
- 15 *Open Democracy* (2014) Lessons from Bolivia: Re-Nationalising the hydrocarbon industry. 19 November. <http://www.opendemocracy.net/ourkingdom/stephan-lefebvre-jeanette-bonifaz/lessons-from-bolivia-renationalising-hydrocarbon-indust> (accessed 27 February 2017).
- 16 UNDP (n.d.) The Dignity Pension (Renta Dignidad): A universal old-age pension scheme – Bolivia. In Volume 18: Sharing Innovative Experiences. <http://165.65.7.68/GSSDAcademy/SIE/SIEV1CH2/SIEV1CH2P2.aspx#> (accessed 26 February 2017).
- 17 Baer, W. and Montes-Rojas, G. (2008) From privatization to re-nationalization: What went wrong with privatizations in Argentina? *Oxford Development Studies*, 36(3): 323–37.
- 18 *Reuters* (2017) Argentine Prosecutor Asks to Investigate President over Postal Service Deal. 14 February. <http://af.reuters.com/article/worldNews/idAFKBN15T2OY?feedType=RSS&feedName=worldNews&pageNumber=2&virtualBrandChannel=0> (accessed 27 February 2017).
- 19 *Foco Económico* (2012) Aerolíneas Argentinas post-nacionalización: ¿mejoró la gestión? 12 December. <http://focoecono9mico.org/2012/12/12/aerolineas-argentinas-post-nacionalizacion-mejoro-la-gestion/> (accessed 27 February 2017).

- 20 Agencia EFE (2016) Argentine airline workers protest government's push for open skies. 27 December. <http://www.efe.com/efe/english/business/argentine-airline-workers-protest-government-s-push-for-open-skies/50000265-3135009> (accessed 27 February 2017).
- 21 Flores-Macías, G. A. (2010) Statist vs. pro-market: Explaining leftist governments' economic policies in Latin America. *Comparative Politics*, 42 (4): 413-433.
- 22 Roberts, K. (2009) Beyond neoliberalism: Popular responses to social change in Latin America. In *Beyond Neoliberalism in Latin America?* (1-13). New York: Palgrave Macmillan.
- 23 Wilson, J. and Swyngedouw, E. (eds.) (2014) *The post-political and its discontents: Spaces of depoliticisation, spectres of radical politics*. Edinburgh: Edinburgh University Press.



## Chapter 3

# The 835 reasons not to sign trade and investment agreements

By Lavinia Steinfort

A democratic decision to regulate a privatised essential service or to return it to public control could potentially trigger international investment arbitration if a country is bound by an international investment treaty. This is what happened to Lithuania's capital city of Vilnius and several other municipalities after they decided against renewing the contract in order to remunicipalise the district heating. As a result the government of Lithuania was taken to court by the French energy giant Veolia.

In 2016, the multinational used the France–Lithuania bilateral investment treaty (BIT) to start international arbitration, filing an Investor–State Dispute Settlement (ISDS) claim because of a so-called “campaign of harassment” and “expropriation” of its investments.<sup>1</sup> The ISDS claim was in part a response to a decision by the city of Vilnius not to extend the 15-year contract with *Vilniaus Energija*, a subsidiary of Veolia, whose contract was to expire in 2017. Additionally the government of Lithuania scrapped subsidies for gas use which, according to Veolia, forced the subsidiary to close down one of its power plants.<sup>2</sup> Moreover after years of investigation Lithuania's energy regulator concluded that *Vilniaus Energija* was responsible for manipulating the fuel price for heating, thereby significantly increasing energy costs for households and generating an unlawful excess profit of €24.3 million between 2012 and 2014.<sup>3</sup> Due to mounting public pressure, alleged fraud and lack of financial transparency,<sup>4</sup> the city of Vilnius refused to renew the contract with *Vilniaus Energija*, leading Veolia to demand €100 million in damages.<sup>5</sup> The ISDS attack could have forced Vilnius to drop its decision and retain the contract. However, in 2017 the local authorities followed through and brought the district heating back into public hands.

In this chapter we show that such ISDS lawsuits do not only affect the energy sector but also the water, transport and telecommunication sectors. Overall, ISDS puts excessive price tags on remunicipalisation, thereby putting foreign investors' profits above the responsibilities of government.

## **Investor protection undermines public control over essential services**

Since the year 2000 at least 835 cities, regions and provinces have been confronted with the social and economic price of privatisations and public-private partnerships. They reacted by returning these privatised services to public control. The wave of remunicipalisation coincides with the growing public resistance against trade and investment agreements. It demonstrates that cities can take concrete action to regain local democratic control. Each of the 835 remunicipalisation cases is one more reason for countries not to ratify the Comprehensive Economic Trade Agreement (CETA) between the European Union and Canada, or any similar trade and investment agreement. Insofar as these international agreements aim to protect the profits of private foreign investors, they restrict the capacity of governments to decide how to provide, organise and regulate public services.



**Demonstration against TTIP and CETA and for just global trade, Berlin**

Photo by Naturfreunde Deutschlands, Flickr

Alliances among cities and citizens can contribute to building a radically different, socially and environmentally just trade regime. This regime would allow for publicly owned essential services in which (local) governments, citizens and workers are in control.

This chapter highlights an added risk of privatisation that has been largely overlooked. Once a local, regional or national government realises that privatisation does not result in the promises of lower prices, necessary investments or more efficiency, it may decide to remunicipalise its water, energy, transport or telecommunication services; but in doing so the government risks being sued for millions, even billions of dollars by foreign investors who invoke the ISDS mechanism embedded in international investment treaties. ISDS, which is inscribed in most of the 3,400 international investment agreements that exist worldwide, provides disproportionate privileges to foreign investors at the expense of universal and good public services.

A new generation of trade and investment agreements has emerged. Examples include CETA, which is in the midst of being approved by the EU countries' national parliaments, or the Transatlantic Trade and Investment Partnership (TTIP), for which negotiations are said to be on hold for the time being. These agreements can severely limit the room for progressive public policy, such as remunicipalisation. They are enforceable and secretly negotiated deals that allow for more liberalisation and less regulation. ISDS is the cornerstone of these current and upcoming agreements and even the mere threat of its use can undermine the deprivatisation of public services.

Therefore, well over three million Europeans signed a petition to stop TTIP and CETA and to reject ISDS mechanisms. More than 2,300 cities, towns and regions in Europe have declared themselves TTIP/CETA-free zones. In 2015 and 2016, hundreds of thousands of people took to the streets in Germany to oppose the trade agreements. In January 2017, it took Austrian campaigners only one week to collect 500,000 signatures against TTIP and CETA. A growing number of citizens and cities have risen up because they understand that investment protection goes against democracy, the public interest and sustainable, local development.

*Box I*

**Argentina: Investors strike when a country is in crisis**

Argentina is by far the most sued country with a total of 59 ISDS cases. After over a decade of privatising most public utilities, Argentina went through the 2001-2002 economic crisis. Some of the measures that the government took to deal with the crisis were to freeze the water tariffs to keep them affordable and, in some cases, to deprivatise the water sector. Contract terminations and water service deprivatisations were due to a lack of investments, to

overly high tariffs and to poor service quality.<sup>6</sup> Measures to control or deprivatise the water sector led to nine ISDS cases against Argentina between 2001 and 2007.

To give an example, in 2005 Santa Fe remunicipalised its water services after a strong citizens' campaign. The citizens deemed poor service quality, tariff increases and cut-offs to be unacceptable. Preceding Santa Fe's decision to remunicipalise, France-based Suez and Spain-based Agbar, the major shareholders of the private water company Aguas Provinciales de Santa Fe, filed an ISDS claim.<sup>7</sup>

Suez and Agbar demanded US\$243.8 million from the Argentine government for denying a tariff increase during the 2001-2002 peso crisis, because this reduced their profits from the Santa Fe concession. Both companies accused Argentina of expropriation and breaching the so-called Fair and Equitable Treatment clause of the country's BITs with France and Spain. In 2015 the arbitrators ruled in favour of the foreign investors. Yet because the tribunal is not obliged to disclose the awarded sum, we do not know how much Argentine taxpayers had to pay to the French and Spanish investors.

## The rise of investment protection

ISDS is an investment protection provision that is far from new. ISDS is not only part and parcel of TTIP and CETA, it is also at the heart of most of the 2,600 international investment agreements that are currently in force (of the 3,400 existing).<sup>8</sup> The majority of these agreements are BITs. ISDS has been around since 1959. During the last decade it has been frequently used by transnational corporations to sue governments of low-income countries in secret international tribunals. Lesser known is that ISDS is also inscribed in mega-regional trade deals such as the

Regional Comprehensive Economic Partnership, of which 16 South and Southeast Asian countries are members, and the Energy Charter Treaty, involving a total of 56 countries from around the world. Moreover, the European Commission is negotiating investment protection treaties with Myanmar, Vietnam, the Philippines and a dozen other middle and low-income countries.<sup>9</sup> Statistics from the United Nations Conference on Trade and Development indicate that there are currently 767 known ISDS cases, 495 of which have been concluded.<sup>10</sup>

## How ISDS goes against public interest

The investments of both foreign and domestic investors are generally well protected by national legal systems. When local or national governments terminate a private contract it is not unusual that national commercial law is enforced so that authorities have to pay termination fees or compensation to the private service companies. Then why would foreign investors deserve additional rights that can be enforced through non-transparent and biased international tribunals?

ISDS tribunals are gated one-way streets for the use and abuse of foreign investors only. They are inaccessible to governments, to less resourceful enterprises, to civil society organisations and ordinary persons. As said, most of the countries that are sued through ISDS already have effective and impartial legal systems that would be sufficient to protect the properties of foreign investors. ISDS discriminates against domestic investors, which would go far beyond the legal and constitutional framework of the European Union.<sup>11</sup> ISDS grants enforceable privileges to foreign investors *without* any corresponding enforceable obligations, from creating jobs and protecting workers' rights to environmental standards and universal access to public services. In comparison, the governments that are party to such agreements, regardless of their democratic rights and responsibilities to regulate, must comply no matter the social costs.

## A price tag on remunicipalisation and public interest measures

More and more people acknowledge that ISDS goes at the expense of public goods such as quality water services. The 2015 book *Our Public Water Future: The global experience with remunicipalisation* showed how ISDS has been undermining water remunicipalisations and this chapter extends this effort to other public services. What are the dynamics at play when governments tied by ISDS acknowledge the failings of the private sector in energy, transport and telecommunication services, and decide to return these to public control?

### *ISDS versus remunicipalisations in the energy sector*

The growing push for a just energy transition, in which people demand locally produced and democratically controlled energy provision, is contested by foreign energy investors. In 2016 the Energy Charter Treaty became the most frequently invoked treaty with at least 101 known ISDS cases. In 2012, the Swedish energy giant Vattenfall used the treaty's investment protection to sue the German federal government for taking back control over the energy sector in Hamburg. It claimed damages of €4.7 billion for the shutdown of two nuclear power plants, a decision that enabled the German energy transition (*Energiewende*). In Hamburg deprivatising and remunicipalising part of the power sector was a response to the growing call from residents for a democratic and socially just energy transition. After the Fukushima nuclear disaster, the federal government acted upon nation-wide popular opposition to nuclear power and decided to phase out nuclear energy. This decision was the result of a massive mobilisation that brought 120,000 people to the streets. Together they created a 120-km human chain, passing through Hamburg to connect the nuclear power plants in Brunsbüttel and Krümmel. In the events that followed the citizens' initiative *Our Hamburg, Our Grid* made use of Vattenfall's expiring energy concession and successfully pushed for a referendum in 2013 to buy back the city's electricity distribution

grid. The referendum's target was "socially just, climate friendly and democratically controlled energy supply from renewable sources."<sup>12</sup> By 2016 all shares of the distribution grid were transferred back to the municipality. In the first year alone the buy-back generated a benefit for the city of €34.5 million. However, the Hamburg case shows that governments that have signed trade and investment agreements may not be able to avoid costly claims by investors when returning the energy sector to public control. The chapter by Sören Becker in this book discusses the Hamburg case in more depth.

After two decades of privatising almost all key state-owned enterprises, Albania privatised its electricity distribution company in 2009. Following the advice of the World Bank's International Finance Corporation, the government of Albania sold 76 per cent of its stakes in the public energy company OSHEE (*Operatori i Shpërndarjes së Energjisë Elektrike*) to the Czech company ČEZ. Albanian people were soon impacted by higher bills, insufficient service quality and power supply, and unjustified power cuts. Electrical defects also led to fires that injured people and destroyed houses, damages which were not acknowledged by the private company.<sup>13</sup> Due to additional financial difficulties, ČEZ cut investments and began to focus on areas with higher collection rates in order to increase short-term cash flow, leading to claims and counter-claims between the Albanian government and ČEZ.<sup>14</sup> At last, Albania suspended the company's license and renationalised the energy service. The renationalisation resulted in a decrease in debts and network losses. Yet in 2013, the Czech company used the Energy Charter Treaty to sue the Albanian government for €190 million. In 2014, the case was settled for €100 million to be paid by Albania to ČEZ.<sup>15</sup>

### *ISDS versus deprivatisations in the transport sector*

Transport is another public service sector where deprivatisation has triggered international arbitration. At least three Latin American governments that decided to deprivatise part of their transport sector were



confronted with an ISDS lawsuit. In 2011 the Bolivian government chose to take back control of its three biggest airports. SABSA (*Servicios de Aeropuertos Bolivianos*) – partly owned by the Spanish company Abertis-AE-NA – had made significant profits from the airports without realising its initial investment plan.<sup>16</sup> However, based on the Bolivia-Spain BIT, the Spanish multinational accused Bolivia of breaching the Fair and Equitable Treatment clause and demanded a compensation of US\$90 million. The case is still pending.

Over a decade ago the government of Guatemala decided to return its railway services to public control. In 1997, Guatemala had signed a 50-year concession with *Compañía Desarrolladora Ferroviaria*, a US affiliate of the Railroad Development Corporation (DRC), to operate and renovate the railway. When the company failed to fulfil its contractual obligations, the government announced in 2006 its intentions to deprivatise the rail industry. Soon after, DRC invoked the freshly signed free trade agreement between Central America, the Dominican Republic and the US. The foreign investor filed a claim for US\$64 million with the International Centre for Settlement of Investment Disputes (ICSID), which is part of the World Bank Group. DRC accused Guatemala of breaching Fair and Equitable Treatment and of expropriation by stating that the government decree to deprivatise the railway hampered their chances to obtain credit. The tribunal decided that the government of Guatemala had to pay US\$14 million to the US-based corporation.<sup>17</sup> This case shows that merely announcing future deprivatisation is sufficient to incur liability for millions of dollars.

Argentina had multiple motivations for deprivatising its two national airlines in 2008. Between 2001 and 2008 the Spanish multinational *Grupo Marsans*, owner of the two airlines, accumulated a debt of hundreds of millions of dollars. Other reasons were poor management, lack of investments and suspicions of corruption.<sup>18</sup> Marsans responded to the deprivatisation by invoking the Argentina-Spain BIT and claimed US\$1.5 billion in damages – even though the airlines were by then in debt by US\$900

million.<sup>19</sup> As Marsans filed for bankruptcy, the government found out that the law firm Burford Capital had paid the litigation costs in exchange for receiving part of the potential award or settlement. Due to the lack of transparency of international arbitration, it is not clear at what stage the procedure currently is. What we do know is that after deprivatisation the financial situation of the airlines improved with an 85 per cent increase in revenues to US\$2 billion, compared to 2008. Also, by 2013 the aircraft fleet had increased from 26 to 63 and passenger traffic had increased by 57 per cent, transporting a total of 8.5 million people. The chapter by M’Lisa Colbert in this book discusses the benefits of this renationalisation case in more depth.

### *ISDS versus deprivatisations in the telecommunication sector*

Telecommunication is another public service sector that has been undermined by ISDS. When governments decide to deprivatise their telecommunication services, they can become the target of international arbitration. In 2007, Bolivia decided to return its internet, landlines and mobile telephone services to public control in order to achieve universal coverage. After a year of trying to acquire the 50 per cent of shares owned by European Telecom International (ETI), a Dutch subsidiary of Telecom Italia, the government terminated the company’s contract. According to the government, the firm had failed to provide quality services and to invest the committed US\$610 million, while earning millions of dollars in profits. ETI responded by suing Bolivia before ICSID for over US\$700 million. The lawsuit was based on the Netherlands–Bolivia BIT, enabling letterbox companies such as ETI – which has no substantial commercial presence in the Netherlands – to demand hundreds of millions of dollars in alleged damages. In response, 15 Dutch civil society organisations and 863 individuals from 59 countries called on the World Bank’s president and the Dutch government to support Bolivia and to investigate into the corporate abuses of the Netherlands–Bolivia BIT – albeit with an unsatisfactory response. The renationalisation led to more affordable rates and a significant increase in coverage, going up from 1.7 million to 4 million

users. Although privatisation resulted in concrete benefits for the Bolivian population, the case was settled in favour of the Dutch letterbox company. After three years of arbitration proceedings, it was decided that Bolivia had to pay ETI US\$100 million.<sup>20</sup>

In 2009 and 2010 Canadian, British and Belizean investors initiated three ISDS cases<sup>21</sup> against the government of Belize. These cases concerned the country's decision to privatise the telecommunication provider Belize Telemedia Limited.<sup>22</sup> The investors demanded a total of US\$518.9 million.<sup>23</sup> Moreover, one of the key shareholders of the claimant British Caribbean Bank (BCB) was Lord Michael Ashcroft, who has been accused of using BCB to evade tax obligations in the United States.<sup>24</sup> In 2016 the government of Belize announced that the arbitrators had ruled that it had to pay the foreign investors a sum close to US\$395 million, including legal fees and US\$198 million in interest payments.<sup>25</sup> Three months later Belize declared a recession, and thereafter the International Monetary Fund called for a tax increase. This is likely to hit the middle and lower income households the hardest and to worsen the recession.

*Box II*

**ISDS principles privilege private companies regardless of the breaches or context**

The most frequently invoked ISDS principle is *fair and equitable treatment* (FET). It is a catch-all clause because the companies, and their lawyers, can easily argue that government measures are not fair or equitable with regard to the profits they claim to deserve. This is especially true since arbitrators tend to use a broad interpretation of the FET clause. Three quarters of all cases won by US investors refer to a breach of FET.<sup>26</sup>

The ISDS case by *Tallinna Vesi* and its parent company United Utilities Tallinn used the Estonia-Netherlands BIT to sue the Estonian

government for rejecting increases in water and sewage tariffs. They are accusing Estonia of breaching FET by arguing that it is unfair that the country's new law limits corporate profits beyond a "reasonable" level. The two companies are seeking compensation for potential damages of €90 million, including the future profits up to the end of the contract in 2020. The case, which is still pending, shows that arbitrators do not take into account whether regulations, such as keeping services affordable and accessible to everyone, are fair and equitable for society. The arbitrators only assess if foreign investors miss out on (potential) profits.

Another widely used ISDS principle is *expropriation*. When national, regional or municipal authorities return a privatised essential service to public control, foreign investors and arbitrators consider this to be expropriation. No matter the number of contract breaches by the private service provider, under ISDS deprivatising a public service is nearly impossible – unless the government is able and willing to risk paying for an exorbitant ISDS award. The number of rate increases, the decreasing efficiency, the unacceptable service quality or the lack of investments by the private company do not matter. Once a government commits to international investment protection it cannot prevent being sued for hundreds of millions of dollars. Moreover, any measure that negatively impacts profits can be considered as expropriating the foreign investor. For example, health, environment and labour safeguards have often been interpreted by arbitrators as cases of expropriation.

Even when public welfare measures are put in the annex of an investment agreement as exemptions – as is the case with CETA – the government will still have to prove that the public welfare measure is "legitimate" and not "manifestly excessive." The ISDS retaliations against the Argentine government show that even a devastating economic crisis does not count as a legitimate reason to take back control of the water sector.

## The threat of lawsuits is sufficient to curb privatisation

Once governments have signed trade and investment agreements with an ISDS mechanism, the mere commitment to ISDS can be enough for governments to refrain from certain policy measures, including decisions to return a privatised service to public control. This risk is known as the “regulatory chill.” Thus, ISDS can challenge and restrain a government’s right to regulate even before investors file a case.

It may not come as a surprise that lobby groups such as the European Federation for Investment Law and Arbitration argue that there is no evidence of such a risk of regulatory chill. However, even leading arbitration lawyer Tody Landau says that regulatory chill exists: “On a number of occasions now, I’ve actually been instructed by governments to advise on possible adverse implications or consequences of a particular policy in terms of investor–state cases.”<sup>27</sup> In other words, governments inquire if they think certain policies can trigger an ISDS claim. When government officials realise that the possible cost is too big, they may refrain from privatising essential services.

Regulatory chill, that is compromising policies in favour of the investor, can happen before investors start international litigation but also while a case is pending. As we have seen in the 2009 ISDS case of Vattenfall against Germany, the government changed its policy and waived the environmental commitments of the Swedish energy giant.

The government of Bulgaria decided not to remunicipalise its water services because of the threat of ISDS. The residents of the capital city Sofia and some city officials rose up to reverse the water privatisation by collecting enough signatures to hold a referendum to evaluate the privatised water contract. The reason: the private company *Sofiyska Voda*, a subsidiary of Veolia, is infamous for its lack of transparency, exorbitant management salaries and financial losses. On top of that, the company

disconnected 1,000 households and requested to prosecute 5,000 households for unpaid water bills. However, the local government did not allow for the referendum to take place because it was afraid that the private investors might invoke a clause that was secretly added to the contract, enabling the company to sue Bulgaria at the Vienna International Arbitral Centre.<sup>28</sup> The previous cases show that the threat of ISDS claims can be sufficient to prevent privatisation of a public service and its return to municipal or national control.

*Box III*

**Pretending to move away from ISDS**

Due to the growing public criticism of ISDS across many European countries, the European Commission decided to reformulate ISDS by proposing the Investment Court System (ICS). Those who have a stake in the current trade and investment agreements present ICS as a radical shift away from ISDS. However, despite some procedural changes, the ISDS architecture that privileges foreign investors remains intact in the ICS proposal. Under ICS, corporations would still be the only actors who can sue governments; the opposite would not be allowed. Corporations could still invoke the FET clause by arguing that government measures were “manifest arbitrariness.” ICS even expands FET by introducing the notion of “legitimate expectations” that opens up possibilities for many more investor claims.<sup>29</sup>

The new proposal may mention the right of governments to regulate, but the burden of proof continues to be on them. They would still have to demonstrate that regulations are “necessary,” “non-discriminatory” and intended to achieve “legitimate” objectives. Finally, while the new proposal may call the arbitrators “judges,” there are no safeguards to prevent the same representatives from the for-profit sector to sit on arbitration panels. It is

noteworthy that European judges have stated that the ICS proposal does not meet the minimum European and international judicial standards.<sup>30</sup>

*Box IV*

### **The most encompassing ISDS threat is in the making**

In the last years the European Commission also announced the setup of a permanent international investment court, which “would lead to the full replacement of the ‘old ISDS’ mechanism with a modern, efficient, transparent and impartial system for international investment dispute resolution.”<sup>31</sup> This proposal for a so-called multilateral investment court boils down to a convention on a multilateral ISDS mechanism. If two signatory countries find themselves in a dispute, then the multilateral mechanism would apply. Much remains unclear about the Commission’s proposal. What is clear, however, is that under the Commission’s proposal it is still only foreign investors who would be granted the right to sue the governments – and not the other way around.<sup>32</sup> Although multilateralising investment protection is supposed to increase the transparency of investor–state lawsuits and decrease the risks of conflicts of interest, the proposal does not fundamentally remove the flaws of the current investment protection system. In fact, the multilateralisation of ISDS would entrench a permanent and ever expanding lock-in of controversial and unnecessary investor protection rights. This would render remunicipalisation in public services unaffordable.

## Conclusion

Our study reveals that decisions to deprivatise public services triggered at least 20 international arbitration cases (ten in the water sector, three in energy, three in transport and four in telecommunications). The track record of investment protection shows that various countries have been sued for millions and billions of dollars when they either decided to regulate privatised essential services in the public interest, or to return privatised services to public control when private companies had failed.

Through ISDS, foreign investors are often awarded with hundreds of millions of dollars, regardless of their misconduct, contract breaches and the damages caused. Moreover, countries stand defenceless against an ISDS claim since they do not have the possibility to appeal a verdict. Investor protection gravely undermines the prospect of deprivatisation and remunicipalisation of essential services, because it can jeopardise plans to claim back public control. When governments do follow through it may lead to an ISDS award that is recouped from the citizens in reduced public budgets, which could reduce the affordability of public services and delay much-needed investments. ISDS puts an enormous and unjust price tag on remunicipalisation, putting the interest of the private sector above the responsibilities of government.

The expanding regime of investment protection will only further restrain the margin of manoeuvre of policy makers and elected representatives. In other words, the current and upcoming trade and investment agreements, in which ISDS is inscribed, can and will obstruct proposals that safeguard the quality and accessibility of public services.

Fortunately the public opposition to ISDS and the number of deprivatisations and remunicipalisations have grown with the years. Privatisation has proven to be unjust, costly and inefficient. Putting essential services back into public hands has time and again resulted in enhanced public revenue (Hamburg, Germany); a decrease in debts and network losses



(Albania); and an increase in coverage and more affordable rates (Bolivia). Still, citizens would have benefited more from these deprivatisations had it not been for ISDS.



Lavinia Steinfort works at Transnational Institute (TNI), focusing on remunicipalisation in public services, energy democracy and trade and investment issues.

We would like to thank Cecilia Olivet for her contributions to this chapter.

## Endnotes

- 1 Newsman, J. (2016) Veolia tells ICSID Lithuania owes \$109M for 'harassment'. *Law 360*, 27 January. <https://www.law360.com/articles/751339/veolia-tells-icsid-lithuania-owes-109m-for-harassment> (accessed 25 April 2017)
- 2 Williams, D. (2016) Veolia takes Lithuania to court over regulatory changes. *Decentralized Energy*, 28 January. <http://www.decentralized-energy.com/articles/2016/01/veolia-takes-lithuania-to-court-over-subsidy-scrappage-to-chp.html> (accessed 25 April 2017)
- 3 *Verslo žinios* (2016) „Vilniaus energija“ nepagrįstai į šilumos kainas įtraukė 24,3 mln. Eur. 22 September. <http://www.vz.lt/sektoariai/energetika/2016/09/22/vilniaus-energija-nep-agristai-i-silumos-kainas-itrauke-243-mln-eur> (accessed 23 May 2017)
- 4 Savickas, E. (2017) Jie daug metų išrašinėjo sąskaitas vilniečiams: tai greitai nepasimirš. *Delfi Verslas*, 2 January. <http://www.delfi.lt/verslas/energetika/jie-daug-metu-israsinejo-saskaitas-vilnieciams-tai-greitai-nepasimir-s?id=73316836> (accessed 19 May 2017)
- 5 Salazar, R. (2016) The Flint water crisis will happen again. *The Huffington Post*, 10 August. [http://www.huffingtonpost.com/rafael-salazar/the-flint-water-crisis-wi\\_b\\_11390450.html](http://www.huffingtonpost.com/rafael-salazar/the-flint-water-crisis-wi_b_11390450.html) (accessed 25 April 2017)
- 6 Kishimoto, S. (2015) Trade agreements and investor protection: A global threat to public water. In S. Kishimoto, E. Lobina and O. Petitjean (eds.), *Our Public Water Future: The global experience with remunicipalisation* (p. 99). Amsterdam: Transnational Institute et al. <https://www.tni.org/files/download/ourpublicwaterfuture-1.pdf> (accessed 25 April 2017)
- 7 See more details on the Remunicipalisation Tracker: <http://www.remunicipalisation.org/print/Santa+Fe+Province>
- 8 UNCTAD (n.d.) Number of Bilateral Investment Treaties that are currently in force. Investment Policy Hub, database by the United Nations Conference on Trade and Development. <http://investmentpolicyhub.unctad.org/IIA> (accessed 25 April 2017)
- 9 European Commission (2017) Overview of FTA and other trade negotiations. April. [http://trade.ec.europa.eu/doclib/docs/2006/december/tradoc\\_118238.pdf](http://trade.ec.europa.eu/doclib/docs/2006/december/tradoc_118238.pdf) (accessed 25 April 2017)

- 10 UNCTAD (n.d.) Number of known and concluded ISDS cases. Investment Policy Hub, database by the United Nations Conference on Trade and Development. <http://investmentpolicyhub.unctad.org/ISDS> (accessed 25 April 2017)
- 11 *ClientEarth* (2015) Legality of investor–state dispute settlement (ISDS) under EU law, p. 6. <http://documents.clientearth.org/wp-content/uploads/library/2015-10-15-legality-of-isds-under-eu-law-ce-en.pdf>
- 12 *World Future Council* (2016) Energy Remunicipalisation: How Hamburg is buying back energy grids. 19 October. <https://www.worldfuturecouncil.org/energy-remunicipalisation-hamburg-buys-back-energy-grids/> (accessed 25 April 2017)
- 13 *Independent Balkan News Agency* (2014) ČEZ nationalized again, Albania pays to the Czech Republic 95 million Euros. 24 June. <http://www.balkaneu.com/cez-nationalized-again-albania-pays-czech-republic-95-million-euros/> (accessed 25 April 2017)
- 14 Popp, A. et al. (2015) Energy Law in Albania. In *European Energy Handbook: A survey of current issues in the European energy sector*. London: Herbert Smith Freehills. <https://www.pwc.com.cy/en/legal/assets/european-energy-handbook-2015-web-cyprus.pdf> (accessed 25 April 2017)
- 15 ČEZ v. The Republic of Albania (2013) Investment Policy Hub, database by the United Nations Conference on Trade and Development. <http://investmentpolicyhub.unctad.org/ISDS/Details/522> (accessed 25 April 2017)
- 16 Colitt, R. and Laya, P. (2013) Bolivia nationalizes Spain’s Abertis Airport operations. *Bloomberg*, 18 February. <https://www.bloomberg.com/news/articles/2013-02-18/bolivia-nationalizes-spain-s-abertis-airport-operations-1-> (accessed 25 April 2017)
- 17 *Global Arbitration Review* (2013) Rail investor moves to confirm ICSID award. 19 June. <http://globalarbitrationreview.com/article/1032422/rail-investor-moves-to-confirm-icsid-award> (accessed 25 April 2017)
- 18 Sala de, P. (2014) Aerolíneas Argentinas: A flying brick up high in the sky (Part II). *Gurufocus*, 19 September. <http://www.gurufocus.com/news/279582/aerolineas-argentinas-a-flying-brick-up-high-in-the-sky-part-ii> (accessed 25 April 2017)
- 19 *Global Arbitration Review* (2013) Argentina claim gets lift off; but causes another split on MFN. 3 January. <http://globalarbitrationreview.com/article/1031840/argentina-claim-gets-lift-off-but-causes-another-split-on-mfn> (accessed 25 April 2017)
- 20 Perry, S. (2010) Telecom Italia wins payout from Bolivia. *Global Arbitration Review*, 12 November. <http://globalarbitrationreview.com/article/1029756/telecom-italia-wins-payout-from-bolivia> (accessed 25 April 2017)
- 21 British Caribbean Bank Ltd., Dunkveld I and II v. The Government of Belize (2009–2010) Investment Policy Hub, database by the United Nations Conference on Trade and Development. <http://investmentpolicyhub.unctad.org/ISDS/CountryCases/20?partyRole=2> (accessed 25 April 2017)
- 22 Debevoise & Plimpton LLP (2015) Debevoise advises investors as long–running litigation over nationalized Belize telecoms and electricity companies is settled. 3 December. <http://www.debevoise.com/insights/news/2015/12/debevoise-advises-investors-as-long> (accessed 25 April 2017)
- 23 The demanded amount of US\$518.9 million is a total of the three cases. Dunkveld I demanded US\$298.7 million, Dunkveld II demanded US\$175 million and British Caribbean Bank Ltd. demanded US\$45.2 million from the Government of Belize.
- 24 *Tax Justice Network* (2015) Belize and the curious tale of the British lord. 5 October. <http://www.taxjustice.net/2015/10/05/belize-and-the-curious-tale-of-the-british-lord/> (accessed 25 April 2017)
- 25 *The San Pedro Sun* (2016) GOB to pay \$388 Million – final settlement to Ashcroft group for Telemedia shares. 30 June. <http://www.sanpedrosun.com/government/2016/06/30/gob-to-pay-388-million-final-settlement-to-ashcroft-group-for-telemedia-shares/> (accessed 25 April 2017)

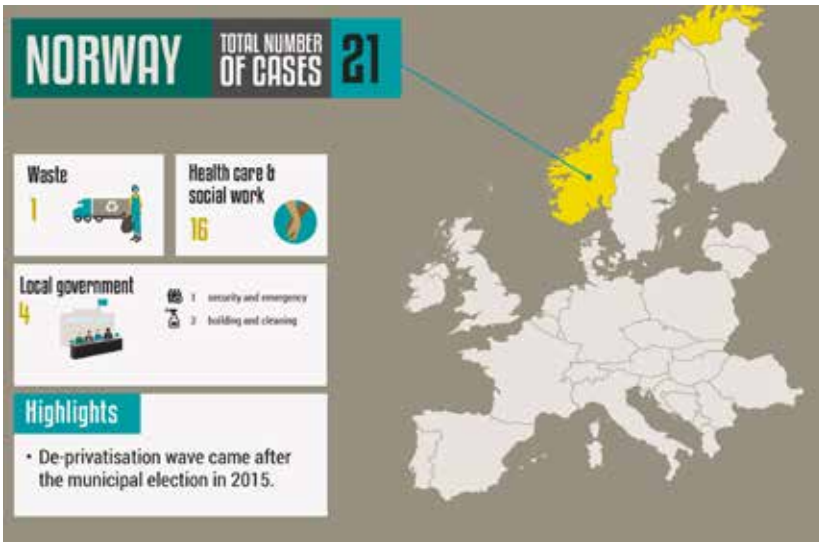
- 26 Wallach, L. (2012) "Fair and Equitable Treatment" and investors' reasonable expectations. *Public Citizen*, 5 September. <https://www.citizen.org/documents/MST-Memo.pdf> (accessed 25 April 2017)
- 27 Schneiderman, R. et al. (2015) Reply to EFILA. *Investment State Dispute Settlement, comments and observations: Gus van Harten*. 6 July. <https://gusvanharten.wordpress.com/2015/07/> (accessed 25 April 2017)
- 28 Refers to the details on the Remunicipalisation Tracker: [http://remunicipalisation.org/#case\\_Sofia](http://remunicipalisation.org/#case_Sofia)
- 29 Cingotti, N., Ebenhardt, P., Grotenveldt, N., Olivet, C. and Sinclair, S. (2016) *Investment Court System put to the test*. Amsterdam: Transnational Institute et al. [https://www.tni.org/files/publication-downloads/investment\\_court\\_system\\_put\\_to\\_the\\_test.pdf](https://www.tni.org/files/publication-downloads/investment_court_system_put_to_the_test.pdf) (accessed 25 April 2017)
- 30 European Association of Judges (2015) *Statement on the proposal from the European Commission on the new investment court system*. 9 November. <http://www.iaj-uim.org/iuw/wp-content/uploads/2015/11/EAJ-report-TIPP-Court-october.pdf> (accessed 25 April 2017)
- 31 European Commission (2015) *Press release: EU finalises proposal for investment protection and Court System for TTIP*. 12 November: [http://europa.eu/rapid/press-release\\_IP-15-6059\\_en.htm](http://europa.eu/rapid/press-release_IP-15-6059_en.htm) (accessed 25 April 2017)
- 32 Seattle2Brussels (2017) *S2B position on the European Commission proposal for a multilateral ISDS mechanism*. 19 February. <http://www.s2bnetwork.org/wp-content/uploads/2017/02/S2b-ISDS-at-a-dangerous-crossroads.pdf> (accessed 25 April 2017)

## Chapter 4

# Norwegian municipalities bringing social services back into public hands

By Bjørn Pettersen and Nina Monsen

Norway's municipalities are partly self-governed and are responsible for offering several services to their citizens, such as child welfare and pre-schools, education, basic health services, elderly services, water, sanitation, waste and cleaning services. Of the main sectors listed in this report, water, postal service and local government are 100 per cent publicly owned in Norway. In addition, more than 80 per cent of the energy sector is in public hands. Social services, transport and waste services are the sectors mostly affected by privatisation. Within these sectors, kindergartens, bus transport and cleaning of public buildings are the sectors most prone to competitive tendering. About half of all kindergartens in Norway are run by private companies.



In recent years, 21 services have been de-privatised and brought back into public hands in municipalities across the country. This wave of de-privatisations comes after a change in political leadership in many municipalities after the local elections of 2015. Cooperation between the trade unions, the municipal administrations and the local politicians has been fundamental in these remunicipalisation processes. The year 2017 also began with a significant case of remunicipalisation. In February, 170 employees who were engaged by a private waste collection company became municipal employees when the Oslo municipality took over waste services in the capital.

Box 1

**Oslo takes back its waste services**

In 2017, the municipality of Oslo took its waste collection services back into public hands after 20 years of competitive tendering. The last private provider, *Veireno*, which had won the tender for the capital's waste services in October 2016, quickly became a perfect illustration of competitive tendering gone wrong. In February 2017, Oslo remunicipalised waste collection and also took over the assets of the private contractor and employed its 170 former staff. The takeover is expected to be costly, as *Veireno* had several part-time employees, who will now work full-time for the municipality, with municipal salary and pension rights.<sup>1</sup>

In the period between October 2016 and February in 2017 the municipality received tens of thousands of complaints from citizens whose waste was not being collected. The Norwegian Labour Inspection Authority examined *Veireno* and disclosed workweeks of up to 90 hours for some employees.

One employee had a seven-day workweek, for several weeks at the

start of the private company's contract with the Oslo municipality. Many employees had worked for more than 70 hours per week, with workdays lasting from 6h00 to 22h00. *Veireno's* low-cost waste services obviously came at great expense for the workers' conditions. These employees who were responsible for the capital city's garbage collection and for driving heavy vehicles were putting themselves and other people at risk with such long workdays and so little rest between shifts.

*Veireno* is not unique. Competitive tendering of waste collection services is bad for employees and expensive for citizens. Even when services are outsourced, the municipality ends up covering for anything that goes wrong. If Oslo had not taken back the services and employed the people engaged by *Veireno*, the employees would not have received any salaries after 1 January 2017 because the company filed for bankruptcy, freeing itself from all responsibilities.



**Oslo waste collection**

Photo by Simen Aker Grimsrud/Fagbladet

*Emil Gasparovic (right) and his colleague are now employed full time by the Oslo municipality after it took back the waste handling in public hands in the beginning of 2017.*

## Remunicipalisation in Norway

The new political leadership at the local government level paved the way for remunicipalisation. Seventeen municipalities have started taking services back into public hands, including major municipalities like Oslo, Bergen and Tromsø. In Oslo, the local government changed from centre-right to left for the first time in 18 years. The current political leadership is a coalition of the Labour Party, Socialist Left Party and the Green Party. Bergen in western Norway is a similar case. The country's second largest city, Bergen changed to a centre-left local government after 15 years of centre-right leadership. Remunicipalisation of two outsourced elderly care centres is one concrete effect of the new political leadership. The local government has also voted to keep all elderly care centres in the hands of the municipality, or only outsource services to non-profit organisations.

### *Box II*

#### **Elderly care centres' remunicipalisation**

The City Government of Bergen was prepared to lose money on the remunicipalisation process of two elderly care centres. The opposite happened. In May 2016 two elderly care centres were taken back into municipal hands. Political parties on the right protested against the remunicipalisation and the Confederation of Norwegian Service Industries claimed that the remunicipalisation would cost NOK 11 million (approximately €1 million).<sup>2</sup>

Before a year had passed, the calculations were clear: one care centre had balanced its budget and the other centre had almost NOK 5 million (approximately €500,000) in surplus.

*Fagforbundet's* shop steward, Christian Magnussen, at one of the

care centres says in an interview with *Fagbladet* magazine, that any concerns among the employees prior to the remunicipalisation process have been answered and that the employees are now satisfied to be employed by the municipality. Almost all employees' salaries increased due to the remunicipalisation and they have improved pension schemes.<sup>3</sup> The Chief Commissioner of Bergen City Government, Harald Schjelderup from the Labour Party, said to *Fagbladet* prior to the remunicipalisation process that taking the services back into public hands is not only an important political action, but also has its technical reasons. It is about taking responsibility for recruitment in the health sector through good working conditions, reliability and the possibility for full-time employment on permanent contracts for the employees.

Bodø, in northern Norway, is another relatively large municipality where a change in local government occurred after the election in 2015. In Bodø, the Norwegian Congress of Trade Unions and the Norwegian Union for Municipal and General Employees played an important role in campaigning for the political parties that were against privatisation and supported other important issues for the trade unions. After winning, the current local government, a coalition of the Labour Party and four other parties on the centre-left agreed on a political platform called "the great democracy project."<sup>4</sup> In the platform, the local government has committed to cooperating with the trade unions and the employees in the development of the municipality. The platform also states that no municipal services should be placed under competitive tendering.

Stord, a relatively small municipality in western Norway, took cleaning services back into public hands after the local government changed in 2015. The services involved the cleaning of all municipal buildings, from the town hall to kindergartens, schools and sports halls. The local branch of the Labour Party had already committed itself to de-privatisation of



the cleaning services during the election campaign. The local government has also agreed to use local tripartite cooperation as the tool for developing the municipality. Formal cooperation among the three parties – the union shop stewards, the leaders in the municipal administration and the local politicians – will lead to better decision making, greater quality and efficiency of the services, and better leadership, according to the mayor of Stord.

Sandnes is a municipality in southern Norway that has made an effort to strengthen its child welfare services and phase out private contractors. Until 2010, Sandnes procured large parts of its child welfare services from private companies. Family guidance, help in the home and support for leisure activities for the child were typical services being outsourced to private companies. In 2010 the local government decided to develop its own public services instead. The reasons behind the decision were both financial and technical. Buying such services from private companies was costly for the municipality. At the same time, the municipal service did not develop its own capacity or know-how. By 2016, Sandnes municipality was contracting out very few private services, having transferred responsibility to its high capacity public child welfare system. This has resulted in better know-how and competence internally, earlier intervention and prevention and better quality control over the services. Bringing child welfare services into municipal hands has also made it easier to prioritise the resources. The municipality has received both local and national recognition for its services. Both the families receiving child welfare services and the supervisory authorities are satisfied with the new publicly run services.

## **Pre-school child care and hospitals**

In Norway, all one-year-olds have a right for a placement in a kindergarten in the municipality where they live. More than 90 per cent of Norwegian children (ages 1-5 years) attend kindergarten. The first kindergartens were established by non-profit organisations, which had traditionally

been running these services. But ever since private, for-profit companies were allowed to enter the market, the trend has been one of expansion of their market share, while the number of non-profit companies running kindergartens is decreasing.

Today, about half of the kindergartens are run by the municipalities, while the other half is run by private companies. The financing principles and control system for private kindergartens is complicated. They differ from other competitive tendered services because there is no contractual time limit. The private kindergartens will stop providing services when they decide so, for example if the market is no longer profitable (too few children).

This makes it difficult to take back the kindergartens into public hands. In an attempt to reclaim a larger share of the market, the municipalities of Oslo and Trondheim in central Norway have passed local resolutions to the effect that all future kindergartens should be run either by the municipality itself or by a non-profit organisation. These resolutions shut out all commercial private companies for future pre-school services.

While all hospitals in Norway are publicly owned by the state, some services in the hospitals have been outsourced. Three hospitals, under the state-owned regional health authorities, have committed to taking back services that have been subject to competitive tendering. However, a new law on value-added tax on hospital services is expected to increase the pressure to privatise certain services in hospitals, among them cleaning, IT and accounting.

## **Nordic model**

Universal welfare services and maintaining high quality public services are central to what is known as the Nordic model – the economic and social policies common to Denmark, Finland, Norway, Iceland and Sweden. Although there are significant differences among these countries, they all share some common features. This includes a combination of free market

capitalism with a comprehensive welfare state and collective bargaining at the national level. The countries have relatively small economies, well-organised labour markets and well-developed welfare states. Each of the Nordic countries has its own economic and social model, as is the case with the “Norwegian model.”<sup>5</sup>

The Norwegian model is founded on three pillars of economic governance, public welfare and an organised labour market. A crucial feature of Norwegian political life is social dialogue and tripartite cooperation.<sup>6</sup>

A high percentage of workers belong to a labour union, representing roughly 50 per cent of all employees nationally. In the public sector, four out of five employees are union members, whereas less than two out of five are union members in the private sector. The other Nordic countries have higher figures, all above 60 per cent. However, the trend in Norway, as in many European countries, is that of a decline in the number of people organised in trade unions.

The Norwegian Union for Municipal and General Employees, called *Fagforbundet*, is the largest trade union in Norway. Its 360,000 members mainly work in the municipal sector or in publicly owned organisations or enterprises. Nearly 80 per cent of the members are women, reflecting the gender imbalance in the majority of the occupations that are represented in the union.

Economists have criticised the Nordic model, claiming that the public sector is too large and the labour market, too rigid because of the strong trade unions affiliated with collective bargaining, and finally because the tax levels are too high. According to traditional economic theories, such national economies are unsustainable. The Nordic model has been compared to a bumblebee; technically it should not be able to fly due to its proportionally small wings and heavy weight. But it does. Likewise, the Nordic model broadly speaking has proven to be a success.<sup>7</sup>

The very foundations of the Norwegian model are currently under pressure, however, due to liberal/conservative government policies such as changes in labour law, privatisation and reduced tax levels. Opponents of the government would argue that we are still flying, although not as well as before. And perhaps not for very long, unless a new political leadership is elected.

## A strategic approach from *Fagforbundet*

In the late 1990s *Fagforbundet* as well as other unions in the public sector faced serious challenges. New Public Management was sweeping in at the municipal as well as regional levels in Norway, and privatisation, deregulation and competitive tendering were viewed as the answer to every challenge in the public sector.

*Fagforbundet* resisted the pressure for privatisation, arguing that competition does not work in services that involve caring for people and that tendering leads to a race-to-the-bottom in terms of salaries and other working conditions. *Fagforbundet* has always argued that public services should remain in public hands, and in 1999 it launched a project aimed at improving production and service levels without privatising. The aim was to counter the political call for privatisation.

By involving the management from the various municipal administrations, trade union representatives and shop stewards, as well as local politicians, the quality of public services improved and the political drive to privatise lost speed. The project was successful. *Fagforbundet* continued its efforts to encourage social dialogue and local tripartite cooperation to improve public services in the municipalities.

Box III

### **Local tripartite cooperation**

Local tripartite cooperation refers to constructive cooperation among politicians, administrative leaders and trade unions. The aim is to work together to create a culture of cooperation that promotes finding the best local solutions to the specific challenges facing the municipality. By creating a forum to share ideas, suggestions from employees and other voices normally not heard by the management of the municipality are brought forward and handled systematically. Local tripartite cooperation is not a formal part of political decision making; it is merely a part of the development process. The rationale is that different views and perspectives lead to better solutions.

## **Social dialogue and tripartite cooperation**

The Nordic model of tripartite dialogue and cooperation has a long tradition and has proven to be a success. Over the last 10 years, the national ministry in charge of local government has collaborated with the Norwegian Association of Local and Regional Authorities (KS) and the four largest national trade unions to support programmes in the municipalities.

*Fagforbundet* has played a central part in these programmes. In order to qualify for participation in the programme, municipalities had to base their projects on local tripartite cooperation among local politicians, administrative leaders and employees and their shop stewards. More than half of Norway's 426 municipalities have been involved in the programmes, covering topics such as reduced sick leave, full-time work, skilled labour, communication and innovation. Both internal and external evaluations of the programmes have been positive. The Norwegian Institute for Urban and Regional Research evaluated some of the earlier programmes, with sound results.

## Cooperation pays off

The research organisation Oslo Economics<sup>8</sup> found significant signs of improvement on all topics related to a programme called “Together for a better municipality.” In the area of sick leave, the participating municipalities obtained a total reduction in spending of nearly €38 million (after deducting all administrative costs of the programme) thanks to improved working conditions contributing to reduced stress levels and less sickness.

*Fagforbundet* is pleased to see that the method of tripartite cooperation at the municipal level is growing. In 2015, a knowledge centre for trade union issues, De Facto, evaluated the impact of local tripartite dialogue on the municipalities’ economies and published a report called “Cooperation pays off.” According to the evaluation, between 2 and 3.5 per cent of each of the municipalities’ total operating costs were reduced by using tripartite dialogue and cooperation. Tripartite cooperation also hindered privatisation in three municipalities.<sup>9</sup>

## Political cooperation

The municipal election of 2015 discussed earlier was described by many as a downfall for the conservatives and an accomplishment for the Labour Party and the Green Party in particular. Some political commentators summed up the election results by saying that the map of Norway “was painted red.”

Traditionally the trade union movement is affiliated with the Labour Party. In addition to paving way for de-privatisation, the new political landscape in the municipalities opened up other opportunities for *Fagforbundet*. The union has signed formal agreements on local cooperation between *Fagforbundet* and the Labour Party in some 200 municipalities. Local cooperation is mainly with the Labour Party, but can also be with other politically affiliated parties.

Summing up, the situation regarding remunicipalisation and de-privatisation in Norway makes *Fagforbundet* optimistic. Our strategic approach toward tripartite cooperation at the municipal level, that is, active dialogue among the trade unions and relevant political parties, is paying off. We believe that the model of cooperation is the best way to create jobs and secure good working conditions locally. We believe this is the way to provide high quality public services to our citizens and keep municipal services in public hands.



*Bjørn Pettersen is Head of the Restructuring Unit at Fagforbundet (Norwegian Union for Municipal and General Employees). He has a broad experience in the management of public development programmes.*



*Nina Monsen is advisor at the Restructuring Unit, Fagforbundet. She has a solid experience in Nordic cooperation, development aid and private sector investments in developing countries.*

## Endnotes

- 1 Tømmerås, Ola (2017) Veireno politianmeldt igjen. *Fagbladet*, 14 February.
- 2 Norwegian Broadcasting Corporation (2017) Sjukeheimen gjekk i pluss sjølv om kommunen tok over. 1 February. <https://www.nrk.no/hordaland/sjukeheim-i-pluss-etter-at-kommunen-tok-over-1.13351394>
- 3 Fagbladet (2016) 22 September. <http://fagbladet.no/nyheter/trives-som-kommune-ansatt-6.91.409748.9e3d1babb3>
- 4 Bodø Municipality website (n.d.) The democracy project. <http://politikk.bodo.kommune.no/demokratiprojektet/category10097.html> (accessed 16 June 2016)
- 5 Dølvik, Jon Erik, Tone Fløtten, Jon M. Hippe and Bård Jordfald (2015) The Nordic model towards 2030. A new chapter? NordMod2030. Fafo-report 2015:07. Oslo: Fafo Institute for Labour and Science Research.
- 6 Støstad, Jan-Erik (2016) The Nordic model for dummies – All you need to know in 6 minutes. Oslo: SAMAK (Co-operation Committee of the Nordic Social Democratic Parties and Confederations of Trade Unions).
- 7 NordMod2030 (2014) Summaries of project reports. Oslo: Fafo. <http://fafoarkiv.no/pub/rapp/953/953.pdf> (accessed 11 May 2017)
- 8 Oslo Economics (2016) Evaluation of the programme together for a better Municipality. March.
- 9 *DeFacto* (2015) 'Cooperation pays off' an evaluation of local tripartite cooperation in three Norwegian municipalities. Report.



## Chapter 5

# Remunicipalisation in Germany and Austria: What does it mean for employees?

By Laurentius Terzic

In Germany, 347 (re)municipalisation cases have been identified over the last 16 years. The majority of cases concern the energy sector, but water supply, waste collection and some other sectors are affected. For its part Austria has a very long tradition of municipalities managing public services, which explains why more than half of the cases are municipalisations in response to citizens' growing services needs such as housing. What does this trend mean for the employees of the affected companies? What is it that changes for employees when there is a remunicipalisation of their activities? Most of the unions support the return to public management and hope for living wages and more public interest orientation. But there are also critics who warn against remunicipalisations given the current context. So how do workers' representatives position themselves?

### Privatisation for workers

In England, the motherland of the privatisation trend since the 1980s, it was the declared goal of Prime Minister Margaret Thatcher to break the power of trade unions and keep wages low. In Germany and Austria, discourse in favour of privatisations was less radical, focusing on promises around cost reduction and efficiency gains with private service provision. Nevertheless, privatisation in Germany and Austria also had serious consequences for the employees of former public companies.<sup>1</sup> According to calculations by the Hans Böckler Foundation, about 600,000 jobs were lost only in Germany between 1989 and 2007 due to privatisation of public services.<sup>2</sup> For those employees who could keep their jobs, privatisations were often accompanied with an intensification of

work with simultaneous income loss and worsening working conditions.<sup>3</sup> Contractual discrimination of newly hired employees putting them at a disadvantage compared to the old staff was common after privatisation. Precarious employment and temporary work increased. In some service sectors, such as waste disposal or building cleaning, the situation is particularly worrying. Many employees cannot make ends meet with their income, and additional government transfers are necessary to maintain their livelihoods.<sup>4</sup>

## The role of the workers' representatives in the remunicipalisation debate

In the past decades, German and Austrian workers' representatives have played a key role in the defence of the public sector. They were very active in the European Citizens Initiative "Right2Water" that sought to guarantee water and sanitation for all citizens within the EU, to stop the privatisation of water services and to achieve universal access to water and sanitation. Europe-wide more than 1.9 million people signed this initiative in 2014. Also important to mention is the initiative "Public is essential," which fought for publicly owned services. Founded by the German trade union ver.di, this initiative calls for an active social state, a social society and good work.

The credo "more private, less state" was denounced by the unions even before the economic crisis, when privatisations were still on everyone's lips. Since then, this scepticism has only intensified. In Germany, the trade unions' umbrella organisation (DGB) and the united services union (ver.di) demand "no privatisation against the citizens' will."<sup>5</sup> In Austria, the Trade Union Federation (ÖGB) and the Chamber of Labour (AK) regularly argue against privatisation and for safeguarding a wide range of public services. This attitude has recently been reaffirmed in the CETA debate.<sup>6</sup> In Austria, the trade unions were among the initiators for the petition for a referendum on CETA, TTIP and TiSA, which was signed by about 563,000 Austrians in January 2017.

The hopes of workers' representatives for improvements through remunicipalisation are largely based on the negative experiences with the privatisations of public companies. The public sector still has a functioning system with comparatively good working conditions and secure employment. As soon as the public authorities regain political control, they can put a stop to precarious employment and create permanent jobs subject to mandatory social insurance contributions. Also, collective bargaining is often higher with a public employer than with a private company, as exemplified by the waste management sector.<sup>7</sup> Remunicipalisation can also benefit the broader labour market in the cities and regions where it takes place. Employment can be created on-site and local purchasing power can be strengthened.<sup>8</sup>

Better conditions for the workers are not the only reason why the employees' representatives advocate for a strong role of the public sector. Ver.di highlights the "generation of revenues" for the public sector as well as the recovery of the "political flexibility" as advantages of remunicipalisation. Moreover, the "conflict between private profit maximisation and the orientation towards the common good" could be solved in favour of the public.<sup>9</sup>

## Effects of remunicipalisations on the employees: Case studies

There are no empirical data on the impacts of remunicipalisation on the employees, but case studies show which types of changes can be brought about by remunicipalisations. Within the scope of this research project, information about some 20 cases in Germany and Austria was collected to document effects on the employees, via literature and media research, mail requests and semi-structured interviews.

Some spectacular international remunicipalisation cases were caused by a rapid deterioration of the infrastructure after privatisation. An example for this is the buy-back of the British railway networks. The private

owners scooped handsome profits for several years, but the condition of the railways worsened. After a few serious accidents, the state had no choice but to rescue it for a large sum of money. In Germany and Austria there are no such spectacular cases of operational failure, but nevertheless some interesting smaller cases, for example from the cleaning sector. With the remunicipalisations, at the same time, the performance and the conditions for the employees could be improved.

*Box I*

### **Cleaning services in Wilhelmshaven, Freiburg and Dortmund**

In **Wilhelmshaven**, urban cleaning was remunicipalised because the performance of the private company was unsatisfactory. The employment contracts have since then become permanent and the employees are paid according to the collective agreement of the public service. The satisfaction with the performance of the cleaners has also increased.<sup>10</sup> There were similar positive changes in the remunicipalisation cases of the building cleaning facilities in **Freiburg** and **Dortmund**. In both cases, the cleaning teams were also given responsibility for maintenance (e.g. floors, furniture) after the remunicipalisation. This way, costs can be reduced in the long term.<sup>11</sup>

Motives for remunicipalisations can also be linked to strategic, economic and political reasons. These are usually cases in which the public authorities, usually municipalities, try to regain political control lost through privatisation. Municipal enterprises can expand the capacity to take an active role in employment policy, but also in urban planning or in decisions related to making an energy transition. Citizens' initiatives can also be the driving force. Their motives are usually the repatriation of

public services in the citizens' hands and the stoppage of the outflow of profits to large corporations. An additional motive in the energy sector is often the demand for the rapid implementation of an energy transition. Improvements for workers on wages and working conditions are rarely explicitly formulated as a goal, although employment targets in general are named more frequently.

In **Heinsberg** the ambulance service was remunicipalised in 2012. The decision was supported by the social democrats, the conservatives, the greens and the liberals. Improvements for the employees were a declared goal: They now get offered "a long-term security of the workplace as well as a uniform and adequate remuneration."<sup>12</sup>

The building cleaning facility in **Bochum** was remunicipalised in the 1990s, which was followed by the second phase in 2013. Since then, 660 jobs subject to social insurance have been created – for people who would not have had it easy on the labour market otherwise. This was accompanied not only by payment by collective agreement, but also by improvements in the working conditions. Prescribed working hours and safety standards are now followed, which often had not been the case under the previous private employers.<sup>13</sup>

There are also many cases where no changes were recorded for the employees, for example in the municipalisation of several theatres in **Vien-na**. The houses had previously been directed by the same directors; they were no longer creating new types of exciting productions; and visitor interest was declining. The goal of the municipalisation was an artistic transformation to give young directors the chance to reform the theatres. The municipalisation was carried out by an association established by the city. Apart from the management level, there were no changes for the permanent staff which is employed on the same conditions as before.<sup>14</sup>

In Germany and Austria, financial reasons are the most frequent motives for remunicipalisations. The specific backgrounds are different. In the

waste disposal sector, for example, sometimes only a few private tenders were being submitted. It happened that their offers were so expensive that tackling the task in-house was more favourable. In addition, remunicipalisations in the waste disposal sector in Germany are attractive because local municipal companies enjoy tax advantages. In other cases, electricity and gas suppliers promise to generate profits that the municipalities themselves want to absorb, rather than leave them to private shareholders.

In the 21,000-inhabitants municipality of **Elbtalaue**, the electricity grids were remunicipalised in 2013. The motive was primarily the strengthening of municipal finances through cross-subsidy. The profit-making electricity grids can now contribute to the preservation of the deficit-making swimming pools. But the remunicipalisation was also seen as a tool to create jobs in the region and to increase the regional value creation by awarding contracts to regional companies.<sup>15</sup>

In the **Rhine-Hunsrück district**, the waste disposal system was primarily remunicipalised to achieve savings for the municipality and to make a reduction of the waste fees possible. However, improvements for the employees were also made. They are now paid according to the collective agreement. By eliminating the existing overtime practice, five new jobs were created.<sup>16</sup>

Apart from positive examples, as mentioned above, there are also cases where the low wages have not been adapted to the level of the public service after remunicipalisation. In **Lüneburg**, purely economic considerations were at the heart of the remunicipalisation of the waste disposal. In order to avoid raising the wages of the employees to the level of the public salary scale, the city founded a subsidiary company. There a collective agreement “according to the regulations of the private waste disposal industry” was applicable. From then, new employees were only employed in this subsidiary company. The decision was explained by “maintaining and improving competitiveness against private companies, in particular in the case of a Europe-wide tender.”<sup>17</sup>

## Scepticism of workers' representatives in the energy sector

Despite all these arguments for remunicipalisation, there were cases in Germany where workers' representatives strongly opposed the reversal of privatisations. Particularly in the energy sector, controversial clashes took place between the employee representatives in the companies and the trade unions of the public sector.<sup>18</sup>

The reasons for the rejection are primarily found in energy and employment policy.<sup>19</sup> Thies Hansen and Peter Grau, employee representatives of E.ON, criticise the fact that proponents of remunicipalisation often lose sight of the framework conditions and constraints of the regulation of the energy market as well as the economic risks of grid operation. In these areas, remunicipalisation could be counterproductive and not in the interests of the workers.<sup>20</sup>

Many cities would take the energy grids for “a chicken laying golden eggs.” Particularly in connection with the energy transition, there is a high need for investments in the modernisation of electricity grids. This challenge would become even more expensive if the number of network operators grew and the networks became increasingly fragmented. Many cash-strapped municipalities would not be able to make necessary capital injections for grid operation.<sup>21</sup> It is feared that the municipalities, as new network owners, would pass on the financial pressure to the employees, who would ultimately be the victims.

According to Hansen and Grau, another problem in the energy sector is the so-called “incentive regulation.” Since 2009, network operators have been given upper limits for their revenues, which are determined based on a nationwide efficiency comparison. As part of the incentive regulation, network operators have to make further efficiency improvements every year. This means that “a system-incentive cost pressure is imposed on network operators, which usually has a negative effect on the em-

employees.” The problematic effects of the incentive regulation would still be intensified when the network is transferred to a new operator – for example, in the case of a remunicipalisation. “The purchase price of a network must not be included in the calculations of the revenue ceiling; which means that any interest payments and repayments for the network acquisition must be generated in addition to the requirements of the incentive regulation by the new buyer.”<sup>22</sup>

The worrying financial situation of several local authorities on the one hand and the energy policy framework on the other hand result in the following concerns: loss of jobs, pension schemes, site safety and loss of income as well as the wages in the energy sector are partly higher than in the public sector.<sup>23</sup>

*Box II*

### **Energy in Hamburg**

One of the most strongly criticised remunicipalisations by the unions was the repurchase of the **Hamburg** energy grids, which were at that time 74.9 per cent owned by the energy groups Vattenfall and E.ON., two of the biggest energy players within Europe. The remunicipalisation was initiated by more than 50 Hamburg civil society organisations. The civil society initiative achieved a referendum on the remunicipalisation of the energy networks in Hamburg which was held in 2013. The workers’ council feared a drop in income, a reduction in social standards and a threat to jobs. Employee satisfaction with the private employer was high and workers wanted the existing jobs, working conditions and wages to be maintained. Additionally, there was fear of a counter-financing of the public expenditure on the grid transfer at the expense of the employees.<sup>24</sup>



Despite the resistance of segments of the trade unions, of the majority of the political parties (SPD, CDU and FDP) and of employers' associations, the inhabitants of Hamburg voted for the remunicipalisation of the networks. In 2015, the electricity network was repurchased. The gas network remunicipalisation is to be implemented in 2018–19.<sup>25</sup>

Have the fears of the workers' council been confirmed after the remunicipalisation? It does not seem so: working conditions and salary have not deteriorated. The political commitment to maintain the collective agreement is limited in time, however. In terms of jobs, a positive conclusion can be drawn: There are now more jobs than before, since services are now purchased from (municipal) company subsidiaries.<sup>26</sup>

## Conclusion

In most of the investigated cases, improvements have occurred, while fears of worsening conditions did not materialise. Improvements are particularly common in those sectors where workers are struggling with low wages, poor working conditions and temporary contracts. Nevertheless, no generalising statement can be made as to whether remunicipalisation has a positive or negative impact for employees.

When remunicipalisations are linked to a return to the public service work regimes, they lead to noticeably better working conditions in most sectors. The energy sector is a specific case because it is “dominated by a few large corporations that have high profit margins and offer their employees comparatively good working conditions.”<sup>27</sup> However, even in the energy sector, workers' representatives expressed concern, but no real worsening has yet been documented. Rather, the salary scale and working conditions were taken over from the private owners unchanged.

The motive for remunicipalisation also plays an important role. If it is not a question of greater orientation toward the common good, but rather of cost savings and higher efficiency, then caution is required. These objectives must not be realised at the expense of the employees.

Despite all the enthusiasm about the return to public accountability for public services, it is important not to lose sight of the socio-political goals associated with it. The urban sociologist Andrej Holm warns: “If one concentrates *purely* on economic indicators in the assessment of public institutions, we already follow the neoliberal logic of action. Remunicipalisation alone does not solve any problem, since it does not necessarily lead to an end of narrow business management logic.”<sup>28</sup> The controversy about remunicipalisation should therefore not stop at the question of the legal form and the ownership structures, but focus on the effective social impacts of this process.



*Laurentius Terzic is a research assistant at the departments of environment, mobility and EU, and international policy at the Chamber of Labour of Vienna. He studies urban planning at the Technical University of Vienna.*

## Endnotes

- 1 cf. Hermann, C. and Flecker, J. (2012) *Privatisation of Public Services. Impacts for Employment, Working Conditions, and Service Quality in Europe*. New York, p. 1.
- 2 Brandt, T. and Schulten, T. (2008) Privatisierungen in Deutschland – eine Bilanz. [http://www.boeckler.de/pdf/v\\_2008\\_11\\_27\\_brandt\\_schulten.pdf](http://www.boeckler.de/pdf/v_2008_11_27_brandt_schulten.pdf) (accessed 2 February 2017).
- 3 cf. Matecki, C. and Schulten, T. (2013) Zwischen Privatisierung und Rekommunalisierung. In C. Matecki and T. Schulten (eds.), *Zurück zur öffentlichen Hand? Chancen und Erfahrungen der Rekommunalisierung*. Hamburg, p. 14.
- 4 cf. Halmer, S. and Hauenschild, B. (2014) Rekommunalisierungen öffentlicher Dienstleistungen in der EU. Vienna, pp. 26–27.
- 5 DGB (ed.) (2011) Keine Privatisierung gegen Bürgerwillen. <http://www.dgb.de/themen/++co++3f2b2c46-7710-11e0-70fa-00188b4dc422> (accessed 2 February 2017).
- 6 cf. BAK (ed.) (2016) Kaske: „Wir bleiben CETA-kritisch“. [https://www.arbeiterkammer.at/service/presse/Wir\\_bleiben\\_CETA-kritisch.html](https://www.arbeiterkammer.at/service/presse/Wir_bleiben_CETA-kritisch.html) (accessed 2 February 2017).
- 7 Falk, C. and Schulten, T. (2014) Rekommunalisierung und Gewerkschaften – ein spannungsgeladenes Verhältnis. In O. Prausmüller and A. Wagner (ed.), *Reclaim Public Services. Bilanz und Alternativen zur neoliberalen Privatisierungspolitik*. Hamburg, pp. 218–219, 230.
- 8 cf. Halmer, S. and Hauenschild, B. (2014) Rekommunalisierungen öffentlicher Dienstleistungen in der EU. Vienna, p. 31.
- 9 Sternatz, R. (n.d.) Rekommunalisierung stärkt die kommunale Selbstverwaltung. <https://gemeinden.verdi.de/themen/rekommunalisierung/++co++d72f28ac-ceed-11e3-b956-525400248a66> (accessed 2 February 2017).
- 10 cf. ver.di (ed.) (n.d.) Geputzt wird wieder kommunal. <https://gemeinden.verdi.de/themen/rekommunalisierung/++co++5644e93e-ceed-11e3-a2cb-525400248a66> (accessed 2 February 2017).
- 11 Duttine, A. (2016) E-mail 9 December.
- 12 Stumpf and Kossendey (ed.) (2010) Heinsberg für Rekommunalisierung. <http://www.skverlag.de/rettungsdienst/meldung/newsartikel/heinsberg-fuer-rekommunalisierung.html> (accessed 2 February 2017).
- 13 cf. Wolf, H. (2013) Warum die Stadt Bochum wieder eigene Putzkräfte hat. <https://www.derwesten.de/region/rhein-und-ruhr/warum-die-stadt-bochum-wieder-eigene-putz-kräfte-hat-id8727386.html> (accessed 2 February 2017).
- 14 Pronay, C. and Stöphl, T. (2016) Interview 5 December 2016.
- 15 Horchelhahn, K. (2012) Rekommunalisierung in der Samtgemeinde Elbtalau. In *Verband kommunaler Unternehmen* (ed.), *Konzessionsverträge. Handlungsoptionen für Kommunen und Stadtwerke*. Berlin, p. 56.
- 16 Halmer, S. and Hauenschild, B. (2014) Rekommunalisierungen öffentlicher Dienstleistungen in der EU. Vienna, p. 141–142.
- 17 Candeias, M., Rilling, R. and Weise, K. (2008) Krise der Privatisierung – Rückkehr des Öffentlichen. In Hans-Böckler-Stiftung (ed.), *WSI Mitteilungen 10/2008*. Düsseldorf, p. 566.
- 18 cf. Falk, Claudia and Schulten, T. (2014) Rekommunalisierung und Gewerkschaften – ein spannungsgeladenes Verhältnis. In O. Prausmüller and A. Wagner (eds.), *Reclaim Public Services. Bilanz und Alternativen zur neoliberalen Privatisierungspolitik*. Hamburg, p. 220.
- 19 *Ibid.*, pp. 221–222.
- 20 Hansen, T. and Grau, P. (2013) Ein kritischer Blick auf Rekommunalisierungsprojekte in der Energiewirtschaft. In C. Matecki and T. Schulten (eds.), *Zurück zur öffentlichen Hand? Chancen und Erfahrungen der Rekommunalisierung*. Hamburg, p. 141.

- 21 *Ibid.*, p. 142.
- 22 *Ibid.*, p. 144.
- 23 cf. *Ibid.*, p. 147.
- 24 Hansen, T. and Grau, P. (2013) Ein kritischer Blick auf Rekommunalisierungsprojekte in der Energiewirtschaft. In C. Matecki and T. Schulten (eds.), *Zurück zur öffentlichen Hand? Chancen und Erfahrungen der Rekommunalisierung*. Hamburg, p. 147.
- 25 cf. Freie und Hansestadt Hamburg (n.d.) Rückkauf der Energienetze. Umsetzung Schritt für Schritt. <http://www.hamburg.de/energiewende/4110666/ergebnis-volksentscheid/> (accessed 2 February 2017).
- 26 Hansen, T. (2016) E-mail 22 December.
- 27 Falk, C. and Schulten, T. (2014) Rekommunalisierung und Gewerkschaften – ein spannungsgeladenes Verhältnis. In O. Prausmüller and A. Wagner (eds.), *Reclaim Public Services. Bilanz und Alternativen zur neoliberalen Privatisierungspolitik*. Hamburg, pp. 226–227.
- 28 Holm, A. (2008) Trendwende statt weiterer Privatisierung. <http://www.bmgev.de/mieterecho/327/09-rekommunalisierung-ah.html> (accessed 2 February 2017).

## Chapter 6

# Against the grain: New pathways for essential services in India

By Benny Kuruville

In India, irrespective of the political dispensation in power at the central level, the last 25 years have seen an entrenchment of neoliberal policies that divest state provision from, and privilege the private sector in, essential services. This is despite mounting evidence that point to the failure of the corporate private sector in providing quality, efficient, affordable and accountable services to all sections of the population. India today has one of the most privatised health care systems in the world with private health care comprising 80 per cent of outpatient and 60 per cent of inpatient care.<sup>1</sup> The abject neglect of the public sector has led to the rapid growth of a corporate hospital-based system that is largely unregulated, unethical and expensive. The privatisation of electricity distribution in the states of Odisha and Delhi has failed with the private companies unable to reduce losses, address corruption and improve efficiency and services. The entire energy distribution in the state of Odisha has already reverted back to the state, with the cancellation of Reliance Infrastructure's license.<sup>2</sup> While vibrant citizen-led campaigns stalled attempts at privatising water distribution in Delhi (2005) and Mumbai (2007), the municipal employees' union and citizens are calling for a cancellation of the public-private partnership (PPP) in Nagpur, Maharashtra.<sup>3</sup>

Despite the pro-private sector approach of the central government, India's vibrant federal decision-making processes provide state governments with considerable policy flexibility to enact pro-people policies. This chapter attempts to capture recent positive developments that have created new public entities at the state level; in the arena of community health services and food security in the states of Delhi and Tamil Nadu. We also touch upon two cases of remunicipalisation: in the state of Kerala

in the field of primary education; and the state taking over after a failed attempt at running the Delhi airport metro through a PPP model.

## Community health clinics in Delhi

The *Aam Aadmi Party* (AAP, Common Man's Party), a new entrant to electoral politics, won an incredible victory in the Delhi elections bagging 67 out of 70 state assembly seats in February 2015. By July 2015, the AAP government began the process of delivering on one of its main pre-election promises – affordable primary health care – by setting up 1,000 *Mohalla* (community) clinics across Delhi.<sup>4</sup> The *Mohalla* clinics are the last but crucial rung in a three-tiered health system proposed by the AAP Government. In addition to the *Mohalla* clinics, poly (multi-speciality) clinics and speciality hospitals comprise the secondary and tertiary levels.

As of February 2017, some 110 clinics (a figure much lower than the promised 1,000) were functional across some of the poorest areas in Delhi. The clinics have been set up by the Public Works Department at a cost of roughly 2 million rupees (US\$30,000) each.<sup>5</sup> This reduced cost, compared to a government dispensary (that costs about US\$450,000), is due to its smaller size and use of pre-fabricated, semi-permanent portable cabins that can be easily set up virtually anywhere. The AAP government had announced, in November 2015, an allocation of 2.09 billion rupees (US\$31.4 million) for the proposed 1,000 clinics.<sup>6</sup> Much of this was unspent as of December 2016. Subsequently, in the 2017–2018 budget presented on March 8, 2017, the total allocation for the health sector was 57.3 billion rupees (US\$860 million).<sup>7</sup> The increased budgetary allocations are seen as a clear commitment by the Government to setting up the remaining 890 clinics.

Each clinic has a doctor, nurse, pharmacist and a lab technician. The doctors consultation, medicines and laboratory tests are provided completely free of charge to the patients irrespective of their economic status. While

most of the doctors are private practitioners, some are from the state health department. The empanelled private doctors are paid 30 rupees (US\$0.45) per patient. The lab technicians are equipped to collect samples for more than 200 tests. Since they were set up in the second half of 2015, the Delhi Government claims that more than 2.6 million of its poorest residents have received free quality health care.<sup>8</sup>



**Delhi health clinic**

*Patients at a Mohalla clinic in New Delhi*

Being a relatively new initiative, detailed studies are not yet available to assess its efficacy. Nevertheless, from a public health perspective there are some serious shortcomings to the Mohalla clinic model. For one, the reliance on private doctors without augmenting the intake of government doctors could lead to an excessive reliance on the private sector. This tilt toward the private sector is further underlined by much of sample examinations being outsourced to private laboratories. Also, the remuneration of medical personnel should be delinked from the number of patients.

There are already reports of inflated doctor bills to the public exchequer from some clinics.<sup>9</sup> A recent article in the *Lancet* medical journal points out that one of the serious limitations of the AAP's health policy is the focus on curative care and neglect of preventive and promotive care.<sup>10</sup> The latter implies attention to a range of social and environmental interventions that can improve the health of Delhi's poorest citizens.

These concerns notwithstanding, for Delhi's poorest citizens who earlier had to rely on expensive private clinics or even quack doctors, the Mohalla clinic is a big hit.<sup>11</sup> The significant number of patients flocking to these clinics takes the AAP government closer to its promise of providing free primary health care to all citizens in Delhi. The Mohalla clinic model is being closely watched in health policy circles across the country and abroad. With further improvements, that eschew the current reliance on the PPP approach, it does have the potential to trigger a departure from the dangerous and expensive reliance on the private sector, and to prove that a publicly financed and publicly provisioned primary health care system is the most appropriate route to universal health care.

## Food security and the budget 'Amma' Canteen in Tamil Nadu

The state of Tamil Nadu has been a pioneer in advancing social schemes in India. The world's largest school feeding programme, the mid-day meal scheme that provides a free nutritive lunch daily to some 120 million school children across India was initiated in the state as early as the 1920s.<sup>12</sup> The *Amma Unavagam* (canteen) is only the latest in a long list of innovative policies that have benefited the poor and marginalised.

The former Chief Minister of Tamil Nadu Jayalalitha, popularly referred to as *Amma* (Mother), set up the canteens in February 2013. They were first piloted by the Chennai Municipal Corporation in all 200 wards (zones) of the city. In a few months, given the tremendous response, the number was increased to over 300 in Chennai itself. By 2016, they had spread to



other municipalities in the state and the latest estimate puts the number of canteens at 657 across nine districts of Tamil Nadu.

All canteens are run by the respective municipal corporations and function out of government properties. The state government provides a total grant of 3 billion rupees (US\$45 million) to the various municipalities for the operational expenses of the 657 canteens.<sup>13</sup> There is a further subsidy by the Tamil Nadu Civil Supplies Corporation to the municipalities for the purchase of rice and pulses. Despite these subsidies, given the incredibly low cost of meals (see Table below), around 50 per cent of the cost of running these canteens is borne by municipal authorities. None of the canteens make a profit.

The canteens open at 7h00 and run until 21h00 in three shifts serving breakfast, lunch and dinner. The menu and cost of meals are given in the Table below.<sup>14</sup>

<b>Meal</b>	<b>Item</b>	<b>Price</b>
<b>Breakfast</b>	Idli (steamed rice cake) with sambhar (lentil curry)	Rupees 1 (US\$0.01)
	Pongal (a dish made of rice, beans, coconut, milk and jaggery)	Rupees 5 (US\$0.07)
<b>Lunch</b>	Lemon rice	Rupees 5 (US\$0.07)
	Sambhar rice	Rupees 5
	Curry leaf rice	Rupees 5
	Curd rice	Rupees 3
<b>Dinner</b>	2 Chapattis (wheat bread) with dal (lentil curry) or vegetable curry	Rupees 3 (US\$0.04)



**Amma canteen in Tamil nadu**

*Women cook the day's meals at an Amma canteen in Tamil Nadu*

The canteens are an all-women enterprise with the standard ones employing up to 13 people and the bigger ones (that are housed in state hospitals) having a staff strength of up to 25. The women (from the poorest sections of society) employed at the canteen get a monthly salary of Rupees 9000 (US\$135) from the municipality. It is estimated that on average each canteen caters to some 500 people daily, which adds up to 328,500 nutritive meals across the state.<sup>15</sup> Government officials calculate that by 2017, the 300 canteens in Chennai city alone will serve up to 500 million Idlis for breakfast.<sup>16</sup>

A rural agrarian crisis has led to a massive migration into cities across India.<sup>17</sup> The lack of decent jobs in cities has resulted in a high incidence of hunger and malnutrition among migrant populations. Over the last four years, the Amma canteens in Tamil Nadu have played a substantive role in ensuring that not just the migrant poor, but daily wage earners and other marginalised communities have access to three meals daily for as little as Rupees 20 (US\$0.30). Clearly, the canteens have been a remark-

able success, contributing to sustainable jobs for thousands of women and ensuring nutritional and food security to millions of poor citizens across urban Tamil Nadu. There is now a demand to expand the scheme to semi-urban and small towns in the state. It has also inspired several other state governments such as Odisha, Delhi, Rajasthan, Uttarakhand and Andhra Pradesh to initiate similar budget canteens.

*Box 1*

**Kerala: State government takes over loss-making private schools**

The Left Democratic Front (LDF) a coalition of left parties won the Kerala State elections in May 2016. Within two months of assuming power, the Government initiated a policy to take over private primary schools that were being shut down by management on the pretext of being loss-making entities. It is reported that there are more than 1,000 aided private schools across the state facing closure. These are schools run by private management with some aid from the state government and are deemed financially unsustainable due to low enrolment of students.

The management of a 133-year-old privately owned, aided Upper Primary (UP) school in Malaparamba in North Kerala attempted to shut down the school in 2014. They began demolishing parts of the school building to turn the premises into a real estate venture. A school protection committee comprising students' organisations, parents and the general public protested. They stalled the attempt and collected funds from the local community to rebuild the demolished building in just two months. Despite this valiant effort to keep the school open, the Kerala High Court issued a verdict in favour of the private management in May 2016 and ordered the closure of the school by June 2016.<sup>18</sup> The teachers and students were then shifted to a temporary venue where classes continued.

Responding to the continued campaign by the school protection committee, the LDF government remunicipalised the closed school in November 2016.<sup>19</sup> The Education Minister made the announcement in front of the students and declared a grant of 10 million rupees (US\$150,000) for a new school building. The school has been renamed as 'Government UP School, Malaparamba'. Three other schools that were closed in similar circumstances were also taken over by the state. The LDF government is now in the process of amending the Kerala Education Rules to ensure that it can easily take over all loss-making private schools facing closure.

*Box II*

**Delhi: De-privatisation of Airport Metro Line**

The Delhi Airport Express Metro Line was completed in 2011 at a cost of 57 billion rupees (US\$857 million). It was the first metro rail project in India to be undertaken on a PPP model with the state-run Delhi Metro Rail Corporation (DMRC) partnering with one of India's largest private sector firms, Reliance Infrastructure. Reliance easily won the PPP project for a 30-year concession through an aggressive bid, agreeing to pay DMRC an annual fee of 510 million rupees (US\$7.6 million) plus 1 per cent of annual gross revenues both of which would be increased progressively. Contrast this with the losing bidder, a joint consortium of General-Electric and Larsen & Toubro, who asked instead for an annual subsidy and a long-term interest free loan from the DMRC if it won the contract.<sup>20</sup> Reliance formed the Delhi Airport Metro Express Private Limited (DAMEPL) to implement and run the 22.7-km line from the city's business centre to the international terminal of the Delhi airport.

The project began to quickly unravel in less than two years. Initially DAMEPL suspended the service for six months (July 2012–January 2013) citing technical problems and then in June 2013, they terminated the contract citing inability to fulfil the concession agreement with DMRC. The reasons for this fiasco are many. For one, DAMEPL clearly overestimated the returns and underestimated the complexities in running a capital-intensive infrastructure project. The bid was made on the assumption that the projected traffic would be around 42,500 passengers a day. Reality was closer to an average of 17,000 per day. Further the fare of 180 rupees (US\$2.70) for a one-way ride from the city centre to the airport terminal dissuaded potential passengers who could also use the airport line to commute from their residence to offices near the city centre. The development of an Aero-city complex in the vicinity of the International Airport that would be a hub for business, entertainment and tourism did not materialise. DAMEPL reported financial losses of up to 40 million rupees a month (US\$600,000) and used excuses such as non-fulfilment of contractual obligations by DMRC to exit the project.<sup>21</sup>

Subsequently from July 2013, DMRC took over the metro line. In the three years that the project has been with the public authorities, efficiency has improved (with better frequency and convenient timings) and with cheaper fares, the traffic reached a peak of 50,000 passengers in a single day in August 2016. The fare for a one-way ride as of March 2017 is 60 rupees (US\$0.90), a third of the DAMEPL rates.<sup>22</sup> With millions of dollars in loans still to be repaid to the project lenders, both DMRC and DAMEPL are now in arbitration to settle the case.

Clearly, what these cases indicate is that despite the continued onslaught of neoliberal policies in India, regional governments continue to have the policy space, if they have the political will, to go against the grain. In the case of Kerala, it was a popular struggle led by the students and local community that allowed a progressive government to enact policies for remunicipalisation in primary education. Delhi and Tamil Nadu are relatively wealthier states in India with adequate finances for ambitious schemes to ensure community health and food security. But one of the key challenges in expanding public services will be the question of fiscal resources. With the central government enacting new unified taxation policies such as the Goods and Services Tax (GST) that will roll out in 2017, the ability of state governments to enact progressive tax policies will be compromised.<sup>23</sup> Nevertheless, what gives reason for hope is that the many popular struggles across the country to defend, expand and reclaim essential services are also integrated into broader struggles to transform the neoliberal state.



*Benny Kuruvilla is a researcher with the Transnational Institute, based in New Delhi.*

## Endnotes

- 1 Jan Swasthya Abhiyan (2012) Universalising Health Care for All. Report, November. <http://www.phmovement.org/sites/www.phmovement.org/files/JSA%20Convention%20Universal%20Health%20Care%20for%20All%20-%20booklet.pdf>
- 2 Mohanty, D. (2015) Orissa govt cancels licence of 3 Reliance Infra power discoms. Indian Express, 5 March. <http://indianexpress.com/article/india/india-others/setback-for-reliance-infrastructure-orissa-power-regulator-cancels-distribution-licence-of-anil-ambanis-company/>
- 3 Purohit, M. (2016) Privatising India's water is a bad idea. The Wire, 17 October. <https://thewire.in/73597/water-privatisation/>
- 4 Suraksha, P. (2015) 1st of 1000 Mohalla Clinics inaugurated. Times News Network, 20 July. <http://timesofindia.indiatimes.com/city/delhi/1st-of-1000-mohalla-clinics-inaugurated/articleshow/48138525.cms>
- 5 At February 2016 exchange rates of 66.5 Indian Rupees to the US dollar.
- 6 Press Trust of India (2015) Delhi Government allocates Rs. 209 crores for 1000 Mohalla clinics. Economic Times, 10 November. <http://economictimes.indiatimes.com/news/politics-and-nation/delhi-government-allocates-rs-209-crore-for-1000-mohalla-clinics/article-show/49738274.cms>
- 7 Sisodia, M. (2017) Delhi Budget (2017-2018) speech of Finance Minister. Government of the National Capital Territory of Delhi, 8 March.
- 8 Ibid., paragraph 10.
- 9 Anand, A. (2017) Delhi Mohalla Clinics: AAP govt probes graft charges, Congress alleges scam. India Today, 23 February. <http://indiatoday.intoday.in/story/delhi-mohalla-clinic-scam-aap-congress/1/889638.html>
- 10 Sharma, D.C. (2016) Delhi looks to expand community clinic initiative. The Lancet, 388, 10 December.
- 11 Kapil, S. (2017) Despite missing 1000 target Mohalla clinics a huge hit. Asian Age, 6 March. <http://www.asianage.com/metros/delhi/060317/despite-missing-1000-target-mohalla-clinics-a-huge-hit.html>
- 12 See website of the Mid-day Meal Scheme: <http://mdm.nic.in/#>
- 13 Rajagopalan, A. (2016) Inside Jayalalithaa's Amma Canteen. Indian Express, 2 May. <http://indianexpress.com/article/lifestyle/food-wine/jayalalithaa-amma-canteen-chennai-food-politics-2780749/>
- 14 Ibid.
- 15 Nath, T. (2017) Weeks after Former CM Jayalalithaa's demise, Amma canteens continue to bring cheer and hope. Women's Feature Service. <http://www.thebetterindia.com/79820/amma-legacy-live-on-form-amma-canteens-initiate/> (accessed on 10 February).
- 16 Deccan Chronicle (2016) Amma canteens heading towards record sales, 25 September. <http://www.deccanchronicle.com/nation/in-other-news/250916/amma-canteens-heading-to-wards-record-sales.html>
- 17 Biswas, S. (2011) Is India in the throes of 'distress migration'? British Broadcasting Corporation, 27 September. <http://www.bbc.com/news/world-south-asia-15056418>
- 18 Manorama Online (2016) HC orders shut down of Malaparamba school by June 8, 27 May. <http://english.manoramaonline.com/news/kerala/hc-orders-shut-down-of-malaparamba-school-by-june-8.html>

- 19 Express News Services (2016) It's official. Malaparamba AUPS is Govt School now, 25 November. <http://www.newindianexpress.com/states/kerala/2016/nov/25/its-official-malaparamba-aups-is-govt-school-now-1542341.html>
- 20 Das, M. (2013) Delhi Airport Metro Line debacle: The way forward. The Hindu Business Line, 29 July. <http://www.thehindubusinessline.com/economy/logistics/delhi-airport-metro-line-debacle-the-way-forward/article4966519.ece>
- 21 Ibid.
- 22 Haidar, F. (2016) Back on track: The story of Airport Express metro line's turnaround. Hindustan Times, 19 August. <http://www.hindustantimes.com/delhi/airport-express-metro-line-records-highest-number-of-riders/story-1txLRSrbU3xqkWVKopP8wL.html>
- 23 Patnaik, P. (2016). A blow against federalism – the implications of a uniform goods and services tax. The Telegraph, 28 June. [https://www.telegraphindia.com/1160628/jsp/opinion/story\\_93525.jsp#.WQWoFoV97IU](https://www.telegraphindia.com/1160628/jsp/opinion/story_93525.jsp#.WQWoFoV97IU)



## Chapter 7

# Unpacking the dangerous illusion of PPPs

By María José Romero and Mathieu Vervynckt

Public-private partnerships (PPPs) are increasingly being promoted as a way of securing much-needed funds to deliver development projects. Their promoters argue that they are an efficient way to bridge the infrastructure gap and provide services essential to achieving the Sustainable Development Goals, set out in the UN Agenda 2030.

PPPs are a medium- or long-term contractual arrangement between the state, a regional or local authority, and a private sector company, in which the private sector participates in the supply of assets and services traditionally provided by government. Examples include hospitals, schools, prisons, roads, railways, water, sanitation and energy services. As such, they include areas that affect the basic human rights of citizens.

PPPs are presented as an alternative to the traditional way of procuring public infrastructure or delivering social services. In traditional procurement, the state has to finance and pay the costs upfront when a road or a school is built. With PPPs, on the other hand, the costs are spread over a long period of time. This relieves the public treasury and reduces borrowing needs at the outset. However, PPPs may store up borrowing and debt for the future, reducing governments' fiscal space and their ability to deliver essential services. In addition, PPP projects often create infrastructure or services that come with user fees to generate revenue, which can effectively exclude poorer citizens.

While PPP promoters emphasise their potential benefits, notably their professed efficiency gains in the provision of public goods and services, little attention has been devoted to analysing one of the main drivers of

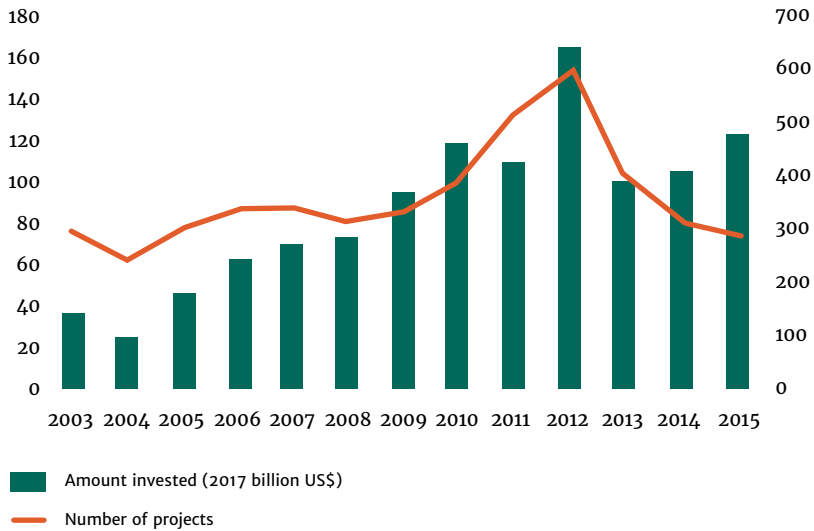
PPPs: their use by governments to hide public debt through non-transparent accounting practices, and the resulting long-term consequences. In this article, we warn decision makers and citizens against the financial and social costs of PPPs and call for assessing the long-term real costs of PPPs in a transparent way.

## How important are PPPs?

The last decade has seen a dramatic increase in the amount of money invested in PPPs in the developing world. As Figure 1 shows, between 2004 and 2012 investments through PPPs increased six fold: from US\$25 billion to US\$164 billion. Although investments in PPPs fell in 2013 to US\$99 billion, it has continued to be on the rise since 2014, with US\$122 billion invested in 2015.

Importantly, it is not just the number but the scale of the projects financed through PPPs that has increased throughout the years. From 2003 to 2015 the average size of projects increased drastically from US\$124 million to US\$422 million. This is consistent with a decade-long trend toward mega-projects, which has been critically analysed by Bent Flyvbjerg from Oxford University's Said School of Business, among others. He notes that the risks and complexities multiply along with the scale of the projects. Delays are particularly problematic in larger projects, and they cause both cost overruns and benefit shortfalls.<sup>1</sup>

**Figure 1.** Total investment in PPPs and number of projects in the developing world, 2003-2015 (billion dollars in real terms)



**Source:** Eurodad’s own calculations based on Private Participation in Infrastructure Projects Database (\*adjusted by US Consumer Price Index)

When considering country income groups within the developing world, Eurodad analysis reveals that 66 per cent of investment in PPPs was undertaken in upper middle-income countries (UMICs), 33 per cent in lower middle-income countries (LMICs), and just 1 per cent in low-income countries (LICs). In other words, PPPs tend to be more common in countries with large and developed markets to allow for a faster recovery of costs and more secure revenues. Yet the meagre percentage of total investment in PPPs flowing to the world’s poorest countries does not mean that PPPs are not relevant in these countries. In fact, when measured by taking into account the size of the local economy (GDP), investment in PPPs has been relatively higher in LICs than in UMICs. This pattern might indicate that LICs are more vulnerable to the fiscal implications of PPPs that are discussed in this article.

## The critical players in the field of PPPs

A wide range of institutions, donor governments and corporate bodies have been actively calling for an increased use of PPPs in developed and developing countries. At the global level, PPPs featured prominently in the Addis Ababa Action Agenda that came out of the 2015 UN Conference on Financing for Development,<sup>2</sup> and are specifically promoted as a ‘means of implementation’ of the 2030 Agenda for Sustainable Development.<sup>3</sup> The Group of 20 (G20) also has a work stream to promote PPPs in infrastructure, using the G20 Global Infrastructure Initiative and the Global Infrastructure Hub, launched under the Australian presidency of the Group.<sup>4</sup>

At the European level, governments are increasingly interested in using PPPs as a way of delivering development assistance, which in practice can also help to create business opportunities for European companies.

Multilateral development banks also play a leading role in the field of PPPs, particularly the World Bank Group (WBG). They have set up multiple initiatives to provide advice to governments to change their regulatory framework to enable PPPs, and to finance specific PPP projects, including projects in health care and education that undermine people’s access to these services.<sup>5</sup>

In 2014 the WBG set up its own Global Infrastructure Facility, a partnership among governments, multilateral development banks, and private sector investors designed to facilitate the preparation and structuring of complex infrastructure PPPs, and in 2016 the WBG committed to serve as the secretariat of the Global Infrastructure Connectivity Alliance. The WBG also plays a critical role when developing policy guidelines that countries often take as a reference. These include a “Framework for Disclosure for PPP Projects,” a report on “Recommended PPP Contractual Provisions,” and more recently, guidelines on “Unsolicited proposals.” However, given the development mandate of these institutions, their activity in this field should be seriously scrutinised.

## The fiscal costs of PPPs

PPPs are, in most cases, more expensive than traditional public procurement. This is due to the cost of capital, profit expectations by the private sector companies, and transaction costs to negotiate complex PPP contracts.

The cost of capital is usually more expensive in PPP projects than in public sector works, because national governments can usually borrow money at lower interest rates than private sector companies. In the UK, a 2015 review by the National Audit Office found “that the effective interest rate of all private finance deals (7–8%) is double that of all government borrowing (3–4%).” In practice, this means that the cost of capital of PPP-operated services or infrastructure facilities is two times more expensive than if the government had borrowed from private banks or issued bonds directly.

Moreover, private sector companies are expected to make a profit on their investment, which means an increased cost for the public purse and/or for users. The non-profit organisation Counter Balance revealed that the 215 PPPs supported by the European Investment Bank between 1990 and 2015<sup>6</sup> generated typical annual profits of 12 per cent. For PPPs in the global South, where the risks are perceived to be higher, investors expect 25 per cent or more. According to Nicholas Hildyard, author of the report, PPPs are essentially “a rent-seeker’s dream.”<sup>7</sup>

PPPs are also very complex arrangements with high costs associated with negotiating, preparing and managing the projects. They entail considerable legal and financial advisors’ fees to structure and negotiate the deal. For instance, as the *Financial Times* reported in 2011, “lawyers, financial and other consultants have earned a minimum of £2.8bn and more likely well over £4bn in fees over the past decade or so getting the projects up and running.”

PPPs are all too often renegotiated: according to International Monetary Fund (IMF) staff, 55 per cent of all PPPs get renegotiated, on average two years after the signing of the contract, and 62 per cent of these result in increased tariffs for the users.<sup>8</sup> Renegotiation of contracts leads to lack of competition and transparency, and opens the door for corrupt behaviour. Shaoul (2009)<sup>9</sup> argues that limited competition creates increased risk for the public sector because the companies are large and powerful enough to take on the regulators in case of conflict, and force contract renegotiation on more favourable terms. For instance, as a result of the massive corruption investigation with a focus on the Brazilian construction giant, Odebrecht, *The Economist* revealed that the main method for the company to win contracts was to make low bids and “then corruptly secure big increases in costs through addenda – in some cases when the ink on the contract was barely dry.”<sup>10</sup>

In addition to higher financial costs, the historical experience of several countries (in both developed and developing countries), shows that the fiscal implications of PPPs come from both direct liabilities and non-transparent contingent liabilities (or risk of debts in the future). Direct liabilities are the payment terms set in the contract, which can include, for example, “viability gap payments,” that is capital contributions to ensure that a project that is economically desirable but not commercially viable can proceed. On the other hand, contingent liabilities are payments required from governments if a particular event occurs. This can be a fall in the exchange rate of the domestic currency or a drop in the demand under a specified level. As such, the occurrence, value and timing of these payments are outside the control of the government. Most of the time they are non-transparent to the public – or even to national parliaments – as they are not easily and fully quantified, which makes PPP projects a risky business.

As a result of contingent liabilities, the true costs of PPPs can be enormous. Governments often provide different types of guarantees to attract private investors, but these can create a significant burden in the fu-

ture. These guarantees range from loan repayments, minimum income streams, guaranteed rates of return, guaranteed currency exchange rates and compensation should new legislation affect an investment's profitability.

PPPs have already left lasting fiscal legacies in countries such as the United Kingdom,<sup>11</sup> Portugal,<sup>12</sup> Hungary,<sup>13</sup> Ghana, Tanzania, Uganda,<sup>14</sup> Peru and Lesotho,<sup>15</sup> where a PPP hospital swallowed up half of the country's health care budget while giving a high return of 25 per cent to the private sector company. Experience also shows that the fiscal implications of PPPs can exacerbate or even precipitate major financial crises. As the World Bank acknowledges "all PPP road projects in countries affected by macroeconomic crisis (Greece, Portugal and Spain recently, and previously Malaysia and Mexico) simultaneously suffered demand challenges (and faced bankruptcy risk) creating a systemic risk."<sup>16</sup> The decrease in the demand for the PPP service arises as a result of lower economic activity during the crisis, which results in a knock-on effect on the public sector.

While PPP supporters acknowledge the additional financial costs already mentioned, they argue that these are justified in terms of efficiency gains. In some cases the efficiency gains of PPPs come from improvements in design, construction and operations. There are some studies that refer to these gains, but the evidence is not conclusive. Importantly, in most cases, efficiency gains depend on the sector, the type and size of projects, the private sector increasing capital investment as stated in the contract, and the country's context in terms of regulatory environment and good governance.

*Box I*

**Remunicipalisation as a result of fiscal costs of PPPs: The case of the UK**

One of the first countries to develop PPPs was the UK, where they are known as Private Finance Initiatives (PFIs). The idea behind PFIs was to attract private investments in public projects to keep spending “off balance sheet” of the public sector. Yet research has shown that many PFIs have left lasting fiscal implications.<sup>17</sup> For instance, a 2017 report by the European Services Strategy Unit (ESSU)<sup>18</sup> found that the public costs of buyouts, bailouts, terminations and major problem contracts is £27.902 million. ESSU calculated that this could have built 1,520 new secondary schools for 1,975,000 pupils, 64 per cent of 11–17 year old pupils in England. The report also found that nearly one in 10 Scottish PPPs has had to be terminated, bought out by the public sector or continues to exist with major problems. For example, the East Lothian schools project overseen by Ballast UK went into administration in 2003 while in the process of refurbishing six schools and community centres. However, after the parent company withdrew its funding, subcontractors went unpaid and ended up liquidating their assets as Ballast had a 50 per cent share of the infrastructure investment – adding even more fiscal costs to the public purse.

*Box II*

**Remunicipalisation as a result of fiscal costs of PPPs: The case of Indonesia**

In 1997 the Indonesian government entered into two PPP contracts of 25 years with subsidiaries of multinationals Suez and the Thames Water. According to a report published by the Public Services International Research Unit, Transnational Institute



and Multinational Observatory,<sup>19</sup> both PPPs failed to live up to expectations, partially because of the detrimental fiscal costs that quickly arose. After 16 years of ongoing operations, Pam Jaya, the public water company, and the government accumulated at least US\$48.38 million of debt. Payment agreements set out in the PPP contract included a continuously increasing water charge paid by Pam Jaya to the private operators. Meanwhile, user fees have gone up tenfold in Jakarta – the highest water tariff in South-East Asia. In 2012, the Coalition of Jakarta Residents Opposing Water Privatisation filed a citizen lawsuit that would require the government to terminate both PPP contracts. And with success: In 2013 the government announced that the city of Jakarta would remunicipalise some water services by buying back Suez’s shares. In 2015 the Central Jakarta District Court ultimately annulled the contract with Suez arguing that the PPPs failed to fulfil the human right to water for Jakarta’s residents. However, this decision was challenged by the defendant and the case is still on trial.

## Perverse accounting incentives

Given the complexities of PPPs and their detrimental fiscal costs, one could ask why countries prefer PPPs over the public borrowing option. Proponents of PPPs often argue that the participation of the private sector leads to higher quality investments and allows states to spread the costs instead of having to raise funds upfront as happens in the case of traditional public procurement.

However, Eurodad research shows that one of the key drivers of governments’ opting for PPPs is that non-transparent accounting measures allow them to keep the costs and liabilities of PPPs “off balance sheet.” In other words, their costs are not registered in the government’s budget balance sheet, which means that the true cost

of the project remains hidden. As the IMF's website states: "in many countries, investment projects have been procured as PPPs not for efficiency reasons, but to circumvent budget constraints and postpone recording the fiscal costs of providing infrastructure services," which ends up exposing public finances to excessive fiscal risks. By using such perverse accounting practices governments create the dangerous illusion that PPPs are cheaper than they really are. Politicians use PPPs to green light projects that have been promised to their electorate, while keeping their budget under control and abiding by legislated budgetary limits.

The European Commission has warned against the 'affordability illusion' of PPPs, while experts within the IMF's Fiscal Affairs Department have publicly criticised these incentives and the risks posed by PPPs, explicitly calling for the institutional framework for managing the fiscal risks of PPPs to be strengthened. Importantly, as Tao Zhang, IMF Deputy Managing Director stated in a conference in Australia in December 2016, "there are significant fiscal risks. PPPs are not 'infrastructure for free'."<sup>20</sup> Unfortunately, these warnings have not been voiced strongly enough for multilateral development banks to refocus their approach to infrastructure finance toward increasing the efficiency of public service delivery.

## The way forward

Eurodad has been calling for strong international guidelines on PPPs to ensure they serve development objectives. These should include full disclosure of contracts, an explicit endorsement of 'on balance sheet' accounting and reporting of PPPs, and a detailed and transparent cost-benefit analysis that sheds light on the long-term implications of PPPs, for both the public sector and users, considering social, environmental and fiscal costs.

In response to the leading role of the WBG, in February 2017 a group of more than 110 non-governmental organisations and trade unions from all over the world sent a letter to the World Bank PPP team and Executive

Directors announcing that they will no longer participate in public consultations on PPPs until the WBG drastically changes its current approach to PPPs. Given the development mandate of the WBG, the institution has a responsibility to ensure that governments select the most fiscally sustainable financing mechanism to deliver infrastructure projects.<sup>21</sup>

Governments and financial institutions should focus on developing the right tools at the country level to identify whether – and under what circumstances – it is desirable to choose PPPs instead of traditional procurement. This implies that they should choose the best financing mechanism, including examining the public borrowing option, and should stop hiding the true costs of PPPs, by reporting in national accounts and statistics the costs of the project and its contingent liabilities. This will boost the transparency of the decision-making process and increase democratic accountability.



*María José Romero is a policy and advocacy manager focusing on publicly backed private finance at the European Network on Debt and Development (Eurodad). Before joining Eurodad, María José worked for the Latin American Network on Debt, Development and Rights based in Peru, where she focused on tax justice and development finance.*



*Mathieu Vervynckt is a research and policy analyst focusing on publicly backed private finance at Eurodad.*

## Endnotes

- 1 Flyvbjerg, B. (2014) What you should know about megaprojects and why: An overview. *Project Management Journal*, 45 (2): 6-19. <https://arxiv.org/ftp/arxiv/papers/14/09/14.09.0003.pdf>
- 2 United Nations (2015) Outcome document of the Third International Conference on Financing for Development: Addis Ababa Action Agenda, A/CONF.227/20. New York: UN.
- 3 United Nations. (2015) Transforming our world: The 2030 Agenda for Sustainable Development. A/RES/70/1. New York: UN.
- 4 G20 Australia (2014) The G20 Global Infrastructure Initiative. [http://www.g20australia.org/sites/default/files/g20\\_resources/library/g20\\_note\\_global\\_infrastructure\\_initiative\\_hub.pdf](http://www.g20australia.org/sites/default/files/g20_resources/library/g20_note_global_infrastructure_initiative_hub.pdf)
- 5 Lethbridge, J. (2017) World Bank undermines right to universal healthcare. *Bretton Woods Project*. 6 April. <http://www.brettonwoodsproject.org/2017/04/world-bank-undermines-right-universal-healthcare/>; and <https://www.liberianobserver.com/news/ppp-no-solution-to-education-mess/>
- 6 EPEC – European PPP Expertise Centre (2016) PPPs financed by the European Investment Bank from 1990 to 2015. Luxembourg: European Investment Bank. [http://www.eib.org/epcc/resources/publications/ppp\\_financed\\_by\\_EIB\\_1990\\_2015](http://www.eib.org/epcc/resources/publications/ppp_financed_by_EIB_1990_2015)
- 7 Hildyard, N. (2016) Corrupt but legal? Brussels: Counter Balance. [http://www.counter-balance.org/wp-content/uploads/2016/12/Corrupt-but-Legal\\_9Dec.pdf](http://www.counter-balance.org/wp-content/uploads/2016/12/Corrupt-but-Legal_9Dec.pdf)
- 8 Maximilie, Q. (2014) Managing fiscal risks from Public-Private Partnerships (PPPs). Washington: IMF. <http://www.imf.org/external/np/seminars/eng/2014/cmr/>
- 9 Shaoul, J. (2009) Using the private sector to finance capital expenditure: The financial realities. *Policy, finance & management for public-private partnerships*. Oxford: Wiley-Blackwell. <http://onlinelibrary.wiley.com/doi/10.1002/9781444301427.ch2/summary>
- 10 *The Economist* (2017) The Odebrecht scandal brings hope of reform, 2 February. <http://www.economist.com/news/americas/21716105-revelations-wholesale-bribery-may-mark-turning-point-latin-americas-battle-against> (accessed April 2017).
- 11 Jubilee Debt Campaign (2017) The UK's PPP disaster. London: JDC. [http://jubileedebt.org.uk/wp-content/uploads/2017/02/The-UKs-PPPs-disaster\\_Final-version\\_02.17.pdf](http://jubileedebt.org.uk/wp-content/uploads/2017/02/The-UKs-PPPs-disaster_Final-version_02.17.pdf)
- 12 The IMF's Independent Evaluation Office reported in 2016 that in the case of Portugal, "by 2014, those liabilities [liabilities associated with SOEs and PPPs] represented 15 per cent of GDP." Eichenbaum, M. et al. (2016) The Portuguese crisis and the IMF. Washington: IMF. [http://www.ieo-imf.org/ieo/files/completedevaluations/EAC\\_BP\\_16-02\\_05\\_The\\_Portuguese\\_Crisis\\_and\\_the\\_IMF%20v2.PDF](http://www.ieo-imf.org/ieo/files/completedevaluations/EAC_BP_16-02_05_The_Portuguese_Crisis_and_the_IMF%20v2.PDF)
- 13 On 6 September 2011, the transport ministers of the European Union discussed the possibilities of involving private capital in improving transport infrastructure. Presenting Hungary's position, Minister of State for Infrastructure Pál Völner said: "The PPP model may be helpful in the short term realisation of the required projects and the identification of additional sources; however, in the long term, they may run up excessive costs (...)" Government of Hungary (2014) Use of PPPs is in member states exclusive discretion. <http://2010-2014.kormany.hu/en/ministry-of-national-development/news/use-ofppp-is-in-member-states-exclusive-discretion>; *Bankwatch* (2017) Build now, pay heavily later. <http://bankwatch.org/public-private-partnerships/background-on-ppps/build-now-pay-heavily-later>
- 14 Anaba, B. and Clifton, S. (2015) Proof is piling up that private sector is not easy development fix. *The Guardian*, 11 November. [http://www.theguardian.com/global-development/2015/nov/11/private-sector-finance-not-easy-development-fix-public-private-partnerships?CMP=tw\\_twt\\_gu](http://www.theguardian.com/global-development/2015/nov/11/private-sector-finance-not-easy-development-fix-public-private-partnerships?CMP=tw_twt_gu)
- 15 Oxfam (2014) A dangerous diversion. London: Oxfam. <https://www.oxfam.org/sites/www.oxfam.org/files/bn-dangerous-diversion-lesotho-health-ppp-070414-en.pdf>

- 16 World Bank Institute (2014) Implementing a framework for managing fiscal commitments from public-private partnerships. Operational Note. Washington: World Bank Group. <http://documents.worldbank.org/curated/en/334471468031782348/pdf/843820WPoBox380ment-0ForDistribution.pdf>
- 17 *Ibid.*, p. 11; Small, M. (2016) It's not just Scotland's schools. The whole PFI racket is crumbling. *The Guardian*, 12 April. <https://www.theguardian.com/commentisfree/2016/apr/12/edinburgh-schools-pfi-racket-crumbling-scotland-tax-avoiding-governing-class>; The City of Edinburgh (2007) Independent inquiry into school closures published. [http://www.edinburgh.gov.uk/info/20074/schools/1423/independent\\_inquiry\\_into\\_school\\_closures\\_published](http://www.edinburgh.gov.uk/info/20074/schools/1423/independent_inquiry_into_school_closures_published)
- 18 ESSU (2017) PFI/PPP buyouts, bailouts, terminations and major problem contracts in UK. London: ESSU. <http://www.european-services-strategy.org.uk/publications/essu-research-reports/pfipp-buyouts-bailouts-terminations-and-major/pfi-ppp-buyouts-bailouts-and-terminations.pdf>
- 19 TNI (2014) Here to stay: Water remunicipalisation as a global trend. Amsterdam: Transnational Institute. <https://www.tni.org/files/download/heretostay-en.pdf>
- 20 *Ibid.*, p. 8; *Public Finance International* (2017) Sound economic governance depends on strong civil service, IMF official says. 13 March. <http://www.publicfinanceinternational.org/news/2017/03/sound-economic-governance-depends-strong-civil-service-imf-says>; IMF (2016) Meeting the challenges of growth and infrastructure investment. Washington: IMF. <http://www.imf.org/en/news/articles/2016/12/01/sp120216-meeting-the-challenges-of-growth-infrastructure-investment>
- 21 Eurodad (2017) Trade unions and campaigners around the world accuse World Bank of encouraging dangerous hidden debts. Brussels: Eurodad. <http://www.eurodad.org/files/pdf/1546710-trade-unions-and-campaigners-around-the-world-accuse-the-world-bank-of-encouraging-dangerous-hidden-debts-boycott-consultation-on-public-private-partnerships-ppps--1491314890.pdf>

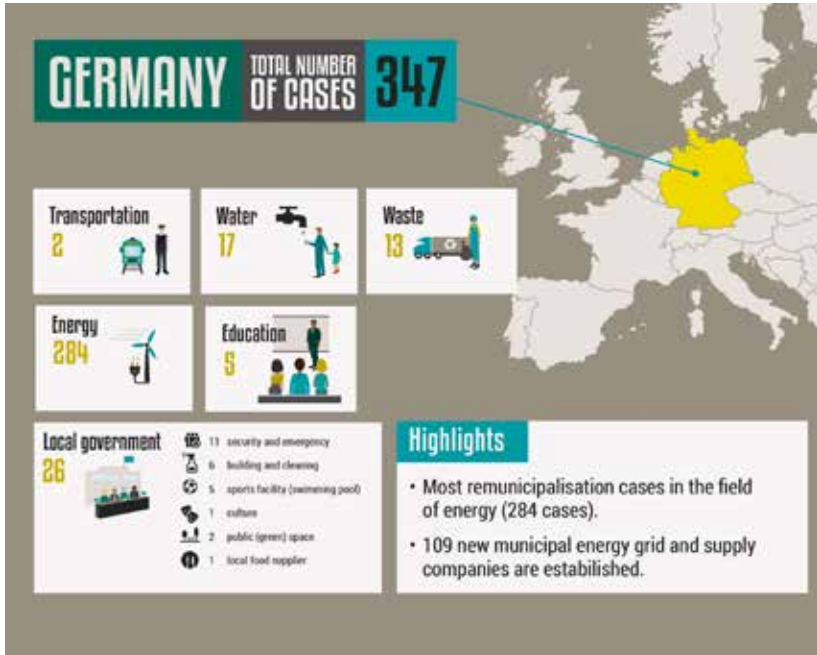
## Chapter 8

# Our City, Our Grid: The energy remunicipalisation trend in Germany

By Sören Becker

### Reversing privatisation, establishing local ownership

Does it make a difference who owns and controls energy infrastructure? In many German municipalities, the answer to that question has been a clear “Yes,” resulting in a trend that has been referred to as “a wave of remunicipalisations” across the energy sector. Among the different remunicipalisation trends covered in this book, the greatest number of cases comes from the German energy sector. The country accounts for 347 cases since the year 2005, with the energy sector clearly making up the biggest part with 284 remunicipalisations overall. Not only does the sheer quantity of cases stand out compared to the other remunicipalisation sectors studied in this book, remunicipalised energy utilities also make up a large share of the estimated 900 local public enterprises in Germany.<sup>1</sup> Spreading across the country, from small municipalities (from 1,400 inhabitants) to metropolises like Hamburg, and including intermunicipal cooperation cases, the remunicipalisation trend is shifting the balance of power between the private and the public energy sector. Some even speak of “a renaissance of the municipal economy”<sup>2</sup> implying that these cases of remunicipalisation are significant beyond the energy sector.



This chapter gives an account of remunicipalisations in the German energy sector, and is divided into two main parts. The first section discusses the different factors enabling remunicipalisation. The second section turns to the politics and strategies behind two remunicipalisation cases in Hamburg, contrasting a more consensual and top-down variant of remunicipalisation with one that involved more conflictual public mobilisation and direct democracy.

## Why energy? Why Germany?

The remunicipalisation trend in the German energy sector has taken two main forms: turning back previous privatisations and forming new local utilities where a regional supplier (often private) was active before. The energy remunicipalisations hit a sector that experienced widespread privatisation after the liberalisation of the energy market. And indeed, in the

late 1990s and early 2000s, many cities and municipalities sold shares or entire utilities to private bidders, resulting in a remarkable concentration process.<sup>3</sup> The so-called “Big Four” were rising: integrated energy corporations (of which some are still partly or even fully state-owned as in the case of Vattenfall) that seemingly divided the country into interest spheres, each controlling a large part of the energy infrastructure in a given region. However, just after the new structures of the energy sector had crystallised, cracks started to show again. Although the widespread occurrence of remunicipalisations might come as a surprise to some, there were a number of factors that enabled these remunicipalisations.

*Traditions of local utilities:* There is a strong tradition of local utilities providing services in Germany, not only in energy but also in other sectors such as water or transport.<sup>4</sup> Although there have been a number of shifts reflecting the changing dominant political economic models over time – from private build-up, to a stronger role for the state after World War II, to market-oriented reforms and privatisation from the 1980s on – municipalities continued to play an important role in service provision (sometimes also in public-private partnerships).<sup>5</sup> Hence, local utilities have a strong tradition in Germany; often they integrated different sectors into one organisation, the so-called “*Stadtwerk*” (city utility). Even after privatisation, the notion of a *Stadtwerk* remained important as a political option to many.

*The energy transition as a discursive and material opening:* Originally advocated by a few precursors, the German energy transition (*Energiewende*) gained considerable momentum with the reform projects of the Red-Green coalition government that came to power in 1998.<sup>6</sup> Notably, the introduction of the feed-in tariff system through the Renewable Energy Act (EEG) two years later resulted in the massive build-up of citizen or farmer-owned wind, solar and biomass facilities.<sup>7</sup> Connected to the promise to phase out nuclear energy completely, the transition to renewable energies turned into one of the major policy discourses of the new millennium. This implied a double opening: first, in the way that new



actors entered the energy sector and questioned the private-is-best orthodoxy prominent in privatisation and liberalisation processes; and second, it diversified the catalogue of energy policy toward the new aims of sustainability and climate-friendliness. In other words, the *Energiewende* underlines that energy provision has become more than a technological and economic issue.

*Disappointment with the performance of private operators:* For a long time the “Big Four” energy corporations failed to address these demands for renewable energy.<sup>8</sup> While renewable energy development to a large part happened through decentralised and small-scale projects, renewables did not play a major role in the bigger companies’ business strategies, and they were often criticised for slowing down the adjustment of energy grids to decentralised generation. Additionally, municipalities felt they had lost control over their energy provision, both in the sense of having a general influence over issues such as service quality and over available tools for the energy transition. Likewise, in very few cases did private operators prove to be more efficient than previous municipal ones; instead, prices often rose.<sup>9</sup> For the municipalities, in turn, relatively stable revenues from selling energy and running the grid were lacking, which foreclosed the possibility for cross-financing more costly services such as public swimming pools as in the past.

*Phasing out of concession contracts as a window of opportunity:* A more occasional factor that enabled the remunicipalisation trend in Germany was the expiration of numerous concession contracts. These contracts set the conditions for using streets and other public space for cabling and pipelines – the very foundation for running an energy grid locally. These concession contracts were normally signed for 20 years, and most had to be renewed in the first decade of the 2000s. While the vast majority of contracts were renewed or only partly renegotiated and then renewed, in those municipalities where remunicipalisation occurred, the expiration of the concession put the topic of local energy futures on the agenda. This provided an opportunity for changing established relations. And indeed,

much more than two-thirds of all of the remunicipalisation cases accounted for in this book occurred in relation to the expiry of a concession contract.

*Low interest rates on communal credits:* A further enabling factor was the availability of cheap money for municipal investments. The European Central Bank's low interest policies also affected the market for communal credits, on which the interest rates are generally lower than private credit.

In this sense, the remunicipalisation trend in the German energy sector rests on a convergence of local service traditions with the dynamics of the *Energiewende* combined with ending concessions and available credits, all providing favourable conditions. But ultimately, whether these opportunities were actually seized and led to remunicipalisations was the result of local political processes.

## The politics behind remunicipalisations

Remunicipalisations require the political will of local decision-makers. Therefore they are the result of local politics, which in turn is defined by local constellations of actors, local traditions in service provision, the financial situation of the municipality, etc. The political stance of local decision-makers on the issue of public ownership defines how conflictual remunicipalisation processes are. Thereby party affiliation on a left wing–right wing spectrum does not strongly predict whether a city council favours remunicipalisation; in fact members of the Social–Democratic Party opposed remunicipalisation on many occasions. Some processes especially in smaller towns were rather consensual, or at least backed by a strong majority in the city council. However, often times remunicipalisation involved deep and long-lasting conflicts, among different factions within local politics and the administration, or even among established local elites and social movement actors.

To date, there exists no comprehensive study of the political processes behind all of the remunicipalisations in the German energy sector, therefore I will look at remunicipalisations in Hamburg to delve into the politics behind remunicipalisation. Around the year 2000, the city sold its shares to outside investors both in the electricity and district-heating company and in the gas utility. Even though the city's population is much bigger than in most of the other remunicipalisation cases mentioned in this book, it is very suitable for this analysis as you can observe both forms of remunicipalisation: one rather quiet and one outspokenly conflictual.

First, in 2009 a Conservative-Green government decreed the establishment of a utility called *Hamburg Energie* founded to build up renewable energy generation facilities and to sell the electricity produced. *Hamburg Energie* came out of a political decision within local government circles; mainly the Green Party used its power in government in the face of the irreversible approval of a 1.7-GW, coal-fired power plant they were campaigning against. The utility was founded as an autonomous subsidiary of the local waterworks that were still fully publicly owned. Importantly, *Hamburg Energie* was given a clear mission statement including commitments to the “provision of energy for the general public and public institutions,” the sale of “climate-friendly electricity (non-nuclear and coal-free)” and a requirement that the enterprise “plan, erect and run municipal infrastructures.”<sup>10</sup> Once established, this utility proved very effective for increasing the share of renewable energies. More than 13 MW in wind power were installed by the end 2015, and a 10-MW solar energy programme including citizens and local business as co-investors was completed. Furthermore, the utility attracted more than 100,000 clients who opted for renewable and locally produced energy.<sup>11</sup> So *Hamburg Energie* stands as a case of top-down remunicipalisation that has proven to be a very successful instrument for promoting a transition to renewable energy.

In comparison, the question of the future of the energy grids invoked a very conflictual and antagonistic process lasting from 2011 to 2013. As it became clear that the Social-Democratic government was not willing to put remunicipalisation on the agenda as the concessions were running out, a broad popular coalition formed to push the government in that direction. This coalition included social and environmental movements and NGOs such as Friends of the Earth (BUND), parts of the Lutheran Church and the Customer Advice Centre, and many smaller groups. They chose to organise a referendum as a strategy to legally bind the government to remunicipalise the energy grids (electricity, district heating, gas) and to form a utility that would concur with social, ecological and democratic demands. Similar processes happened in Berlin (see Box 1) and in the smaller city of Augsburg. Finally the Hamburg referendum was successful in September 2013, with a narrow majority of 50.9 per cent.

*Box 1*

**The concept of “Citizen Utility” (*Bürgerstadtwerk*) in Berlin**

As with the events in Hamburg, Berlin also organised a referendum on energy network remunicipalisation. However, there are a few differences. First, the coalition for remunicipalisation in the capital was composed by more grassroots organisations than in Hamburg where larger social and environmental NGOs took the lead. The Berlin campaign was organised as a grassroots democratic process based on consensus, while the Hamburg campaign relied on the professionalised structures of Friends of the Earth and others. Second, the referendum only targeted the electricity grid. Third the referendum – also taking place in late 2013 – narrowly failed to achieve the required turnout of 25 per cent of the electorate in favour of the proposition.

What makes the initiative in Berlin interesting, despite its failure, is the clear definition of different participatory instruments written into the referendum decree, resembling what could have been the Constitution of a democratic utility.<sup>12</sup> These encompass:

- *Democratic Advisory Board* discussing the main strategic direction of the utility to be formed. It would have encompassed the Senator for Economy, the Senator for Environment, seven employee representatives, and six members elected by the public.
- *Right to Initiative* ruling that any initiative gathering at least 3,000 signatures will be considered by the Advisory Board.
- *Public Assemblies* to discuss issues of energy provision and generation. These should be held once a year for the entire city and for each of the 13 boroughs. Recommendations of these assemblies are to be discussed by the Advisory Board within three months.
- *Ombudsperson* appointed by the utility as the core contact point for citizen and customer queries.

The case of Hamburg illustrates the strategies applied by social movements and the kind of public discourse sparked. While normally attempts to convince local politicians would have mostly included lobbying efforts, the referendum preparations implied a dynamic of coalition building, public mobilisation and antagonism to achieve a necessary degree of attention. When it came to the referendum itself, as a campaign organiser said in an interview, the strategy was to “convince 50 per cent + x,” involving questions on how “to strike the right tone” to appeal to a majority of voters.<sup>13</sup> However, the quest for remunicipalisation provoked resistance from established actors in local energy politics. First, the city government – then Social-Democrat – settled on a partial remunicipal-

isation of 25.1 per cent and a so-called energy concept with each of the utilities in late 2011. The motivation here was to counter the argument that the local state had no influence over energy provision. In the months leading up to the referendum, public debate became increasingly heated as a counter-campaign against full remunicipalisation was launched. This was backed by a coalition consisting of the main political parties, business associations and even the sector's major trade unions (see Box 2). Interestingly, social and democratic aims only played a minor role in debates as the discourse revolved around two main issues: the financial aspect and the question of whether grid ownership is a feasible instrument for fostering a transition to renewable energy. This approach is well encapsulated in the slogan "because it is worth it" by remunicipalisation supporters.



**Hamburg referendum in September 2013**  
Photo by Unser Hamburg – Unser Netz

*Box II*

### **Trade unions and remunicipalisation**

While most German trade unions generally support public ownership and are active in remunicipalisations in other sectors, in a number of cases in energy remunicipalisation they took a more sceptical stance on or even opposed remunicipalisations. This can be explained by their primary role of representing the interests of employees in the German system of industrial relations. In this regard, collective agreements for the energy sector often ensure higher wages and benefits for employees, while public service agreements might decrease these conditions for employees. Further, at the time trade union representatives found themselves in a situation where they had just finished a number of negotiations due to internal restructurings after privatisation when calls for remunicipalisation arose. Potential human resource rationalisations with other public service sectors or a downgrading of wages were seen as major risks.<sup>14</sup> It is important to consider these issues if the aim is to bring trade unions on board as partners in a possible coalition for remunicipalisation in the future.

The success of the referendum in Hamburg signified the start of a new phase of remunicipalisation politics, rather than the end of the process. In short, the government who had previously opposed remunicipalisation outright suddenly found itself in charge of implementing the reform. Despite this paradox, the local government worked on implementing the remunicipalisation, negotiating contracts and options with the incumbent concessionaires. By the end of 2014, the electricity grid was repurchased for €495.5 million (including the 2011 purchase of 25.1 per cent), and an option for acquiring the gas distribution network for roughly €355.4 million by 2018 (which will likely become effective during 2017).<sup>15</sup> The main initiators behind the referendum were included as consultants to

the meetings of the Parliamentary Committee on environmental issues. Further, a “Network Advisory Council” was set up in 2016 where these groups are represented, too. The referendum result now plays an important role as a point of reference in the ongoing discussions about the future of the urban district heating system, although it is not yet clear how the social orientation also demanded in the draft should be actualised. Clearly, the referendum in Hamburg has increased the influence of those actors behind the coalition. Beyond that, remunicipalisation seems to have resulted in changes that were bigger than the issue of energy provision itself.

## Conclusion

The high number of remunicipalisations in the German energy sector reveals a major shift in its political economic structures. These remunicipalisations either reversed previous privatisations or established new local utilities. This trend was influenced by different traditions, the opening up of the German energy sector through the energy transition, and the expiration of concession contracts as a window of opportunity.

Public ownership in energy utilities widens the toolbox for municipalities to control and benefit financially from infrastructure, but also to potentially shift the overarching goals and policies directing energy provision. This means that municipal energy utilities could serve as a vehicle for different instruments and programmes to increase the share of renewable energies, among these the build-up of renewable energy generation capacities, co-production programmes that involve citizens as investors, and research programmes on the integration of renewable energy. Lastly, good financial conditions render remunicipalisation a feasible option for affluent municipalities.



In other cases, it was social or environmental actors outside the institutions of local politics that sought to push governments in the direction of remunicipalisation. Processes like the one around the energy network referendum in Hamburg led to conflictual and antagonistic processes, but also made it possible to increase the leverage of social movements in local energy politics. Here a clear definition of channels, rights and duties of participation, but also a clear description of the aims of the future utility are important. While there might be tension between participation and effectiveness in the operation of the utility, a balanced presentation of customer, employee and owner interests in the decision-making and control bodies could ensure that municipal utilities deviate from “business as usual” and follow both social and ecological aims while keeping service quality high.



*Sören Becker is a geographer interested in the relationship between collective ownership, decentralised technologies and the state. Sören is the co-author of the book *Wege zur Energiedemokratie (Energy Democracy in Europe)* and of several academic publications around community energy, remunicipalisations and other aspects of the German energy transition. Currently he is a Research Associate at Humboldt University Berlin and Bonn University.*

## Endnotes

- 1 Lormes, I. (2016) *Kommunalisierung der Energieversorgung: eine explorative Untersuchung von Stadtwerke-Neugründungen*. Wiesbaden: VSA, p. 334.
- 2 Bauer, H. (2012) Zukunftsthema Rekommunalisierung. *Die Öffentliche Verwaltung* 36(2), p. 329.
- 3 Bontrup, H.-J. and Marquardt, R.-M. (2011) *Kritisches Handbuch der deutschen Elektrizitätswirtschaft*. Berlin: Ed. Sigma.
- 4 Bönker, F. et al. (2016) Remunicipalisation revisited: long-term trends in the provision of local public services in Germany. In H. Wollmann et al. (eds.), *Public and social services in Europe: from public and municipal to private sector provision*. London: Palgrave, pp. 71–85.
- 5 Wollmann, H. (2015) Erbringung öffentlicher und sozialer Dienstleistungen zwischen Kommunen, Staat, Privatem und Dritten Sektor. In M. Döhler et al. (eds.), *Der gut organisierte Staat*. Berlin: Ed. Sigma. However, local service provision has also included public-private partnership schemes, dating back to the historic phase of setting up the first power plants.
- 6 Gailing L. and A. Röhring (2016) Germany's Energiewende and the spatial reconfiguration of an energy system. In L. Gailing and T. Moss (eds.), *Conceptualising Germany's energy transition: Institutions, materiality, power, space*. London: Palgrave, pp. 11–20.
- 7 Trend:research and Leuphana Universität Lüneburg (2013) Definition und Marktanalyse von Bürgerenergie in Deutschland. [https://www.buendnisbuergenergie.de/fileadmin/user\\_upload/downloads/Studien/Studie\\_Definition\\_und\\_Marktanalyse\\_von\\_Buergenergie\\_in\\_Deutschland\\_BBEEn.pdf](https://www.buendnisbuergenergie.de/fileadmin/user_upload/downloads/Studien/Studie_Definition_und_Marktanalyse_von_Buergenergie_in_Deutschland_BBEEn.pdf).
- 8 Kungl, G. (2015) Stewards or sticklers for change? Incumbent energy providers and the politics of the German energy transition. *Energy Research and Social Science* 8.
- 9 Matecki, C. and T. Schulten (2013) Zwischen Privatisierung und Rekommunalisierung. In C. Matecki and T. Schulten (eds.), *Zurück zur öffentlichen Hand? Chancen und Erfahrungen der Rekommunalisierung*. Hamburg: VSA, pp. 8–17.
- 10 Recorded in the Commercial Register of the City of Hamburg.
- 11 Numbers according to their webpage and their Business Report for the year 2015, accessible here: [https://www.hamburgenergie.de/fileadmin/user\\_upload/dokumente/downloads/HAMBURG\\_ENERGIE\\_Geschäftsbericht\\_2015.pdf](https://www.hamburgenergie.de/fileadmin/user_upload/dokumente/downloads/HAMBURG_ENERGIE_Geschäftsbericht_2015.pdf).
- 12 Berliner Energietisch (2012) Neue Energie für Berlin: Eckpunkte des Gesetzentwurfs für eine demokratische, ökologische und soziale Energieversorgung. Short English version available at: <http://www.berliner-energietisch.net/argumente/7-gute-gruende-deutsch-und-tuerkisch#english>
- 13 Interview in Hamburg, 8 January 2015.
- 14 See for example: Hansen, T. and P. Grau (2013) Ein kritischer Blick auf Rekommunalisierungsprojekte in der Energiewirtschaft. In C. Matecki and T. Schulten (eds.), *Zurück zur öffentlichen Hand? Chancen und Erfahrungen der Rekommunalisierung*. Hamburg: VSA, pp. 140–47. See also Hall, D. (2012) Remunicipalising municipal services in Europe. [http://www.epsu.org/sites/default/files/article/files/Redraft\\_DH\\_remunipalization.pdf](http://www.epsu.org/sites/default/files/article/files/Redraft_DH_remunipalization.pdf), p. 7.
- 15 According to the remunicipalisation contracts between the city and the utilities which are available at: <http://www.hamburg.de/pressemitteilungen/4413746/2014-12-01-volksentscheid-energienetze/> Note that these numbers include both the 2011 partial remunicipalisation and the price negotiated for full remunicipalisation.

## Chapter 9

# Public ownership is back on the agenda in the UK

By David Hall and Cat Hobbs

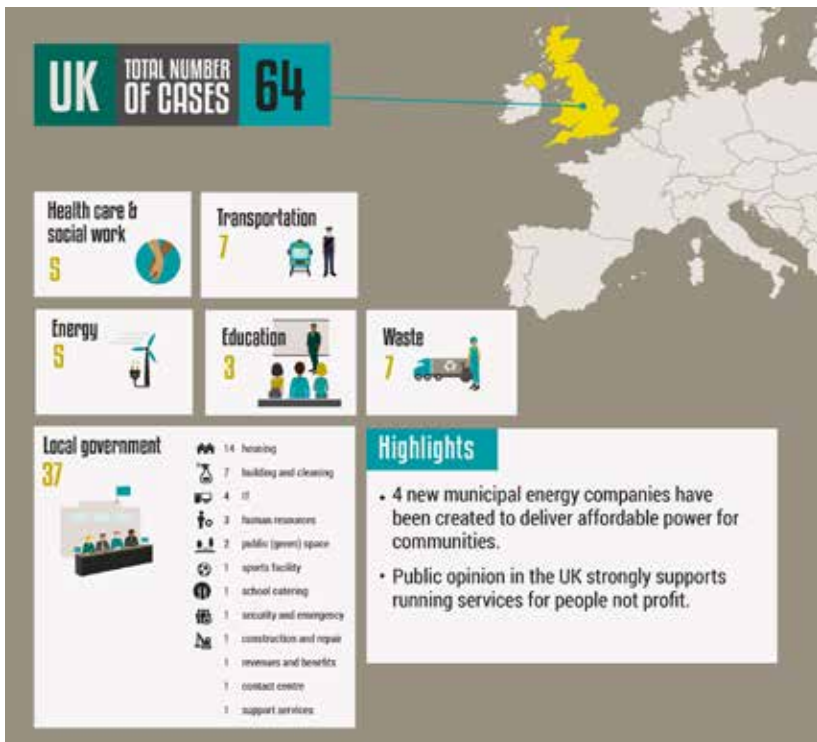
The trend of remunicipalisation has even reached the UK – the home of Thatcherite ideology and an island asserting its independence through Brexit. As elsewhere, the need for cost savings and control over quality have been major drivers for bringing services into public ownership.

Over the last decade local authorities in the UK have carried out significant remunicipalisations, or created new services, most notably in the energy and public transport sectors. Metro schemes have been brought in-house in London, Newcastle and Birmingham, and the UK is seeing its first municipal energy companies set up by local authorities to deliver affordable power for communities. In Nottingham, Bristol, Leeds and Scotland.

Councils across the country are bringing services in-house when contracts fail, including highway maintenance, housing, waste, cleaning services, IT and human resources. Meanwhile a number of local authorities have chosen to buy themselves out of public-private partnerships (PPPs) for hospitals and other key services, years before the official contract end date. Services are often brought in-house without too much fanfare. However, the stories above add up to a rejection of privatisation on the ground, as local government (if not national government) discovers its failures.

Public opinion in the UK strongly supports running services for people not profit – polling shows that both EU Leavers and Remainers want public ownership. This popular mood is finally being reflected in mainstream politics. For the 2017 election, the Labour party embraced public

ownership of the railways, energy, water, buses, council services, Royal Mail and the National Health Service (NHS) – making a decisive break with the ‘third way’ Blairite years.<sup>1</sup> Campaigns like “We Own It” are using examples of remunicipalisation to show that privatisation is not inevitable. It can be reversed or made irrelevant as local public companies displace multinational corporations.<sup>2</sup>



## Local metro services

The most extensive remunicipalisation of public transport services was the termination and remunicipalisation of £20 billion worth of PPPs by Transport for London (TfL). The public authority had been forced to use PPPs for major redevelopment of the London underground, but by 2010 the two largest PPPs, known as Metronet and Tubelines, designed to renovate the underground system, had both collapsed. A cross-party committee of MPs produced a report that was savagely critical of the Metronet PPP and also of the arguments from efficiency and ‘risk transfer’ used for all PPPs:

*“Metronet’s inability to operate efficiently or economically proves that the private sector can fail to deliver on a spectacular scale (...). The legacy left by Metronet’s former shareholders was one of poor programme management and system integration, ineffective cost control, a lack of forward planning and inefficient fiscal management (...). [I]t is difficult to lend any credence to the assertion that the Metronet PPP contracts were effective in transferring risk from the public to the private sector. In fact, the reverse is the case.”*

By contrast, despite the complexity of the remunicipalisation process, TfL demonstrated the superior efficiency of direct public provision without the burden of managing contracts. Whereas lawyers had taken more than £400 million in fees from the PPPs, remunicipalisation provided multiple sources of greater efficiency that “will enable a cost reduction of £1 billion (...) [and] significant savings have been made through procurement and maintenance efficiencies.”<sup>3</sup>

Following these remunicipalisations, TfL then embarked on a systematic review of all the other PPPs they had been forced to sign for other programmes of investment, achieving more and more savings, not only from reducing the cost of dividends and debt interest, but also through further efficiency savings.

**Table 1.** Termination PPPs by Transport for London (TfL)

Private Finance Initiative (PFI) project	Start date	Sector		Value (£m)	Status	End date
Metronet SSL	2000	LU	Renovation	6,700	Terminated	2008
Metronet BCV	2000	LU	Renovation	5,400	Terminated	2008
Tubelines	2000	LU	Renovation	5,500	Terminated	2010

LU=London underground

Source: TfL4

Remunicipalisation has produced similar savings for Tyne and Wear Metro, a light rail system covering the region around Newcastle, with 40 million journeys per year. Up to 2016 the operation was outsourced under a concession to Arriva, a subsidiary of Deutsche Bahn, but from April 2017 it has been taken back in-house and is now run directly by the 100 per cent municipal transport company Nexus.

This was not simply a political decision, but derived from analysis of the savings and improvements that could be made by bringing work in-house. This included major new engineering work, for example the modernisation of the signalling and fibre-optic cable system was carried out by a new in-house team for roughly £11 million, compared with £24 million if Nexus had contracted the work to a private company.<sup>5</sup>

## Rail

The former nationally owned rail system, British Rail, was broken up and privatised between 1994 and 1997, and since then rail services in the UK have been provided by private companies under 16 concession contracts. The track network was privatised separately, but there was inadequate investment, excessive sub-contracting, and a disastrous safety record including two major accidents resulting in a number of deaths, and finally financial collapse. As a result, the track was effectively taken over by

government as Network Rail from 2002. This represented a huge return to public ownership (though the public sector status of Network Rail was not officially recognised until 2012).<sup>6</sup>

There have been recurrent problems with the operating companies, which have resulted in at least two cases where private concessions were terminated and replaced by public sector operating companies – but both of these were re-privatised. In 2003 the government terminated the concession of Connex (a Veolia subsidiary) to run the South East train service, and replaced it with a public sector company, Southeastern Trains, which operated the franchise until 2006 when the government again gave the concession to a private operator.<sup>7</sup> In 2009, the East Coast line was taken into public ownership (after National Express walked out on the contract) and it was a huge success. The service had a 91 per cent customer satisfaction rate, required much less public subsidy, paid back £1 billion to the Treasury and was the most efficient franchise in the UK. In 2015, however, the government reprivatised the line.<sup>8</sup>

At the time of writing, spring 2017, there has been a major double problem with Southern Rail for 2015. Passengers have complained at the increasingly unreliable service, and there is a long-running dispute between the company and the unions over staffing levels, in which public sympathy is with the unions. There is now huge public support for taking Southern Rail, and the other operating concessions, back into the public sector.<sup>9</sup>

Finally, the new rail line across London from east to west, Crossrail, has not been assigned by the government to a private operator, but is under the control of TfL. This is a positive move toward public ownership and operation, but TfL has still outsourced the actual operation of the line to a private consortium.

## Energy

The entire electricity and gas industry was privatised by the Thatcher governments in the 1980s and early 1990s. Some municipalities have now set up their own energy supply companies, both for social and renewable energy reasons. This reflects continuous, widespread massive discontent over household energy bills, which are blamed on rapacious private supply companies, and the failure of regulators and governments to take any effective action. There is also increasing public pressure for a genuine shift toward greener renewable energy. Local councils have therefore started to take action for the benefit of local citizens. This is a significant new development for the UK, where local authorities have not had a significant role in electricity or gas systems for many years.

Nottingham City Council (population 532,000) decided in 2015 to set up its new supply company because it found that many low-income families in the city were struggling to pay their energy bills, and that the creation of a municipal company was the best way to help them. Named Robin Hood Energy,<sup>10</sup> after the local medieval outlaw famous for robbing the rich to give to the poor, the company offers a cheaper service because it does not extract large profits of one kind or another, and it does not confuse customers with complicated tariff packages. As the company puts it: “No private shareholders. No director bonuses (...). Just clear transparent pricing.”<sup>11</sup> The company has the cheapest prices in the UK for people on pre-payment meters (that is, households who have been unable to pay their bills and so have to pay in advance for their electricity by feeding a special meter with coins or credit), and new tenants moving into council houses are placed with the company by default. There is already a significant market impact beyond the company’s own customers: the average cost of energy in the East Midlands region, where Nottingham is located, is now the cheapest in the country.

The company has now formed partnerships with other major cities. The city of Leeds (population 534,000) formed a municipal company, White



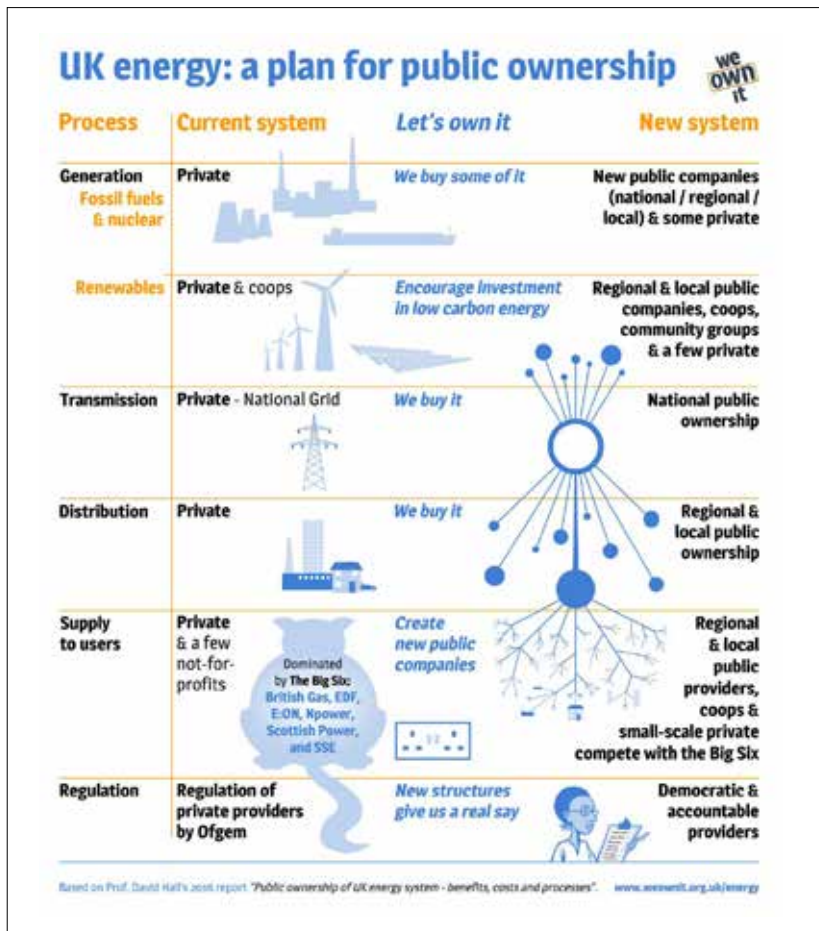
Rose Energy,<sup>12</sup> in 2016, to promote the simple no-profit tariffs of Robin Hood Energy throughout the Yorkshire and Humberside region, especially for those using pre-payment meters. In 2017 the cities of Bradford and Doncaster (528,000 and 80,000 inhabitants, respectively), also concerned with the inability of poor families to pay their energy bills, agreed to join the White Rose/Robin Hood partnership.

In 2015 Bristol City Council (population 428,000) created a municipal energy company, Bristol Energy.<sup>13</sup> This aims to offer lower prices than the big commercial companies, but also invests in renewable energy generation and offers a 100 per cent renewable energy tariff, and expects to provide the council with a dividend to help fund local services.

Together these new municipal suppliers already cover over 2.2 million people. An even bigger impact could come in 2017 as a result of a strong campaign, *Switched On London*,<sup>14</sup> which has demanded that a 100 per cent public energy company be set up for London. The objectives include supply of affordable energy, but also investment in renewable energy generation, energy efficient homes, fair pay and conditions, and a board including representatives of workers and local people. The Mayor of London, Sadiq Khan, has agreed to set up a company called Energy for Londoners, but as of March 2017 was still considering different options.<sup>15</sup> Other councils have also decided to start offering energy to local residents, through new or existing municipal companies, including Wirral and Liverpool.<sup>16</sup>

These initiatives are now reinforced by Labour party proposals that envisage the widespread creation of municipal supply companies, similar to Robin Hood Energy, which would be expected to provide cheaper electricity and gas because of the elimination of shareholder dividends and lower interest rates, and also for municipalities to have responsibility for developing new solar and wind electricity generation in their areas, either directly or through local co-operatives. The existing coal and gas power plants would be mostly allowed to continue in private ownership until

they reach the end of their life. So there would be a gradual and simultaneous transition from private, thermal electricity sold for profit to public, renewable energy supplied universally. The cost of compensation is thus limited to the cost of buying the networks for the public sector. Moving to a publicly owned energy system in the UK would pay for itself in 10 years. Savings of £3.2 billion per year would be possible because no shareholder dividends would be paid out and the cost of capital would be lower.<sup>17</sup>



## Remunicipalisation of PPPs

Since the 1990s, the UK has introduced an extensive range of PPPs under the Private Finance (PFI) programme. By 2011 the programme had become thoroughly discredited, rejected by a series of parliamentary reports and even right-wing media, such as the *Daily Telegraph*. Many PFI projects have run into major problems and more than 30 have been terminated.<sup>18</sup> The factors behind these terminations have included public pressure, financial collapse and the identification of savings from direct public management control. The PFI projects represent roughly 5 per cent of all PPPs in the UK, but because they include some of the largest their value totals an estimated 25 per cent of all PPPs, a very high proportion.

These terminations have often resulted in the remunicipalisation of public services, including:

- **Local public transport:** notably the PPPs remunicipalised by TfL (see above)
- **Health care:** one notable example was the buyout of the PFI scheme at Hexham Hospital in Northumbria, which was made possible because the elected Northumberland County Council decided to loan the NHS Trust £114.2 million to enable it to buy out its PFI contract, although this was a risk for the county council. Another was West Park Hospital, Darlington, bought out by the local hospital trust in 2011. But this avenue may be stopped by governments: in early 2016, the Highland Council was refused permission by the Scottish Government for additional borrowing powers to buyout two PFI schools' contracts.
- **Waste management:** the Crymlyn Burrows waste treatment plant in Swansea was started under a PFI, which was then terminated in 2005 and taken over for direct operation by the municipality.<sup>19</sup>

## Prospects

Alongside these encouraging returns to public ownership, the current (May 2017) Conservative government continues to press for further privatisations. The most damaging and largest of these policies is the systematic attempt to outsource as much as possible of the NHS. The government has also privatised the Post Office in the last three years. But other smaller privatisation plans have been defeated, for example plans to sell the Land Registry and the second public TV channel, Channel 4.

But overall, this period has seen the emergence of stronger forces toward creating a new public sector. There are three political factors suggesting that this trend will continue. Firstly, public opinion in the UK is strongly in favour of public ownership of rail, energy, water and other services, and against the continuation of privatisation by PPPs and outsourcing of the NHS. This is based on bitter experience of rising energy and water prices, rail accidents and failure of the private sector to invest, but also on a new confidence in the future of a new public sector. One outcome of this is the creation of a highly successful national campaign, called We Own It, which provides for the first time a consistent and coherent voice for public ownership. The campaign has produced a summary of the case specifically for the general election campaign of June 2017, and a website with detailed information on each sector.<sup>20</sup>

*Table 2. Public support for public ownership in the UK (May 2017)*

	Should be public %	Should be private %	Don't know %
<b>Energy</b>	53	31	16
<b>Water</b>	59	25	16
<b>Post</b>	65	21	14
<b>Rail</b>	60	25	15
<b>Bus</b>	50	35	15

Source: YouGov UK<sup>21</sup>

Secondly, the polarisation of the Brexit referendum has shown how many people in Britain now reject the complacent establishment politics of austerity. But polling shows that the support for public ownership of these services is equally strong among those who voted to leave the EU in the Brexit referendum and those who voted to remain.<sup>22</sup> This opens two positive possibilities: to offer public ownership as a progressive alternative for people to reclaim control over their lives, the planet and the economy, and so reclaim popular support away from the xenophobic, nationalist right. And as a result of the Brexit decision itself, there is also the possibility of reshaping the public sector without the constrictions of EU policies on internal market, state aid, fiscal and macroeconomic policy dogmas.

Thirdly, the left leadership of the Labour Party under Jeremy Corbyn is, in effect, trying to convert one of the declining social democrat parties of Europe into a new left party like *Podemos* in Spain or *Syriza* in Greece, rejecting neoliberal austerity and privatisation politics in favour of transparent, democratic, community-based government. The Labour Party 2017 election manifesto<sup>23</sup> included a commitment to return railways, energy, water and postal services to public ownership – which may have helped them to capture more support than any other party among voters under the age of 40.<sup>24</sup>

In an historical perspective, these new developments are rebuilding the municipal capacity for providing services under local democratic control. In the 19th century Britain was one of the countries that first developed ‘municipal socialism’, with cities such as Birmingham taking responsibility for providing water, gas and electricity, public transport, housing and other services. These functions were stripped from municipalities in the second half of the 20th century: all gas and electricity systems were taken over by central government when the sectors were nationalised in the 1940s; water was nationalised by the Thatcher government in the 1980s as a prelude to privatisation, bus transport was privatised through

liberalisation and outsourcing from the 1980s, public housing through the sale of many council homes and the restrictions on financing new build.<sup>25</sup>

The trends have also put the question of public ownership of public services back at the centre of political debate. For the first time in 25 years, the Labour Party manifesto included a commitment to bring water, electricity and railways into public ownership, to develop and strengthen local government in the UK – policies in tune with public opinion.<sup>26</sup> The election of 8 June produced a huge swing to the Labour Party, partly due to this clear commitment to extending public ownership. The political trend in the UK is now moving strongly against privatisation.<sup>27</sup>



*David Hall was the founding director of Public Services International Research Unit (PSIRU) at the University of Greenwich from 2000–2013. He is now a visiting professor at the university.*



*Cat Hobbs is the founder and director of **We Own It**, a new organisation that is a voice for public ownership.*

## Endnotes

- 1 Labour Party (2017) For the many, not the few: The Labour Party manifesto 2017. London. <http://www.labour.org.uk/page/-/Images/manifesto-2017/Labour%20Manifesto%202017.pdf> (accessed 19 May 2017)
- 2 We Own It (2017) Manifesto 2017: How public ownership can give us real control. <https://we-ownit.org.uk/manifesto> (accessed 19 May 2017)
- 3 Written evidence submitted by Transport for London to parliamentary Treasury select committee (2011) <http://www.publications.parliament.uk/pa/cm201012/cmselect/cmtreasy/1146/1146we05.htm> (accessed 19 May 2017)
- 4 *Ibid.*
- 5 *BBC News* (2017). Tyne and Wear Metro to be publicly run by Nexus. 1 April. <http://www.bbc.co.uk/news/uk-england-tyne-39466348>; *Rail Technology Magazine* (2014) Bringing contracts back in-house. <http://www.railtechnologymagazine.com/Interviews/bringing-contracts-back-in-house> (accessed 19 May 2017)
- 6 Read more: Sloman, L. (2016) Privatising Network Rail: A 10 billion ticket to disaster. Report, June. Oxford: We Own It and Transport for Quality of Life. <https://weownit.org.uk/sites/default/files/attachments/Privatising%20Network%20Rail%20-%20a%20%C2%A310%20billion%20ticket%20to%20disaster.pdf>
- 7 [https://en.wikipedia.org/wiki/Connex\\_South\\_Eastern](https://en.wikipedia.org/wiki/Connex_South_Eastern)
- 8 <https://www.theguardian.com/commentisfree/2014/nov/27/privatising-east-coast-rail-rip-off>
- 9 [https://en.wikipedia.org/wiki/Southern\\_\(Govia\\_Thameslink\\_Railway\)](https://en.wikipedia.org/wiki/Southern_(Govia_Thameslink_Railway))
- 10 Robin Hood Energy: <https://robinhoodenergy.co.uk/>; *Mirror* (2017). Robin Hood energy is taking on the Big Six to help the poor heat their homes. 6 January. <http://www.mirror.co.uk/news/uk-news/robin-hood-energy-taking-big-9571454>; *Doncaster Free Press* (2017). Deal to slash energy costs for Doncaster residents. 24 March. <http://www.doncasterfreepress.co.uk/news/deal-to-slash-energy-costs-for-doncaster-residents-1-8458027> (accessed 19 May 2017)
- 11 RobinHood Energy: <https://robinhoodenergy.co.uk/> (accessed 19 May 2017)
- 12 White Rose Energy <https://www.whiteroseenergy.co.uk/about-us>; *Bradford Telegraph & Argus* (2017). White Rose Energy agreement to undergo further scrutiny at Conservatives' request. 21 January. [http://www.thetelegraphandargus.co.uk/news/15037995.Council\\_energy\\_deal\\_sets\\_off\\_alarm\\_bells\\_say\\_Tories/](http://www.thetelegraphandargus.co.uk/news/15037995.Council_energy_deal_sets_off_alarm_bells_say_Tories/) (accessed 19 May 2017)
- 13 Bristol Energy: [https://bristol-energy.co.uk/about\\_us](https://bristol-energy.co.uk/about_us) (accessed 19 May 2017)
- 14 Switched On London Campaign: <http://switchedonlondon.org.uk/> (accessed 19 May 2017)
- 15 Mayor of London (2017) DD2077 Energy for Londoners not for profit energy supply company. 17 January. <https://www.london.gov.uk/decisions/dd2077-energy-londoners-not-profit-energy-supply-company> (accessed 19 May 2017)
- 16 *Liverpool Echo* (2017) Wirral residents could save hundreds each year through Council Energy Company. 20 March. <http://www.liverpoolecho.co.uk/in-your-area/wirral-residents-could-save-hundreds-12769953>
- 17 Hall, D. (2016). Public ownership of the UK energy system – benefits, costs and processes. 14 April. <http://www.psuru.org/sites/default/files/2016-04-E-UK-public.pdf>
- 18 Whitfield, D. (2017). PFI/PPP buyouts, bailouts, terminations and major problem contracts in UK. European Services Strategy Unit Research Report No. 9. London: ESSU. <http://www.european-services-strategy.org.uk/publications/essu-research-reports/>
- 19 *Ibid.*

- 20 We Own It (2017) Manifesto 2017: How public ownership can give us real control. <https://we-ownit.org.uk/manifesto> (accessed 19 May 2017)
- 21 YouGov (2017) Nationalisation vs privatisation: The public view. <https://yougov.co.uk/news/2017/05/19/nationalisation-vs-privatisation-public-view/>
- 22 We Own It (2017) Manifesto 2017: How public ownership can give us real control. <https://we-ownit.org.uk/manifesto> (accessed 19 May 2017)
- 23 Labour Party (2017) For the many, not the few: The Labour Party manifesto 2017. London. <http://www.labour.org.uk/page/-/Images/manifesto-2017/Labour%20Manifesto%202017.pdf> (accessed 19 May 2017)
- 24 *Daily Telegraph* (2017). Labour most popular party among voters under 40, general election poll reveals, 27 April. <http://www.telegraph.co.uk/news/2017/04/27/labour-ahead-polls-among-voters-40/> (accessed 19 May 2017)
- 25 Crewe, T. (2016) Strange Death of Municipal England. *London Review of Books* 38(24): 6-10. <https://www.lrb.co.uk/v38/n24/tom-crewe/the-strange-death-of-municipal-england>
- 26 YouGov (2017) Nationalisation vs privatisation: The public view. <https://yougov.co.uk/news/2017/05/19/nationalisation-vs-privatisation-public-view/> (accessed 19 May 2017)
- 27 UK Polling Report (2017) What people noticed from the manifestos, 25 May. <http://ukpollingreport.co.uk/blog/archives/9893>



## Chapter 10

# A citizen wave to reclaim public and democratic water in Catalan municipalities

By Míriam Planas

Catalonia experienced its first remunicipalisation of water in 2010, in the town of Figaro. Seven years later the door of remunicipalisation (or municipalisation considering that water was never publicly managed in some places) is now wide open and an estimated 3.5 million of the 7 million inhabitants in Catalonia, including Barcelonans, could see a change to their water management model during the coming years. This is an opportunity to advance management of water as a common good, in a more democratic way that guarantees the right to water for all, ensuring the most basic needs of the people and the preservation of water ecosystems. The water remunicipalisation trend in Catalonia is part of a wider trend throughout Spain, which continues in spite of the conservative central government's every efforts to hinder it.

## The Agbar quasi monopoly in Catalonia

Private companies supply water to 83.6 per cent of the Catalan population. The Agbar Group (*Aguas de Barcelona*), now a subsidiary of the French multinational Suez, services 70 per cent of the population, that is, 5.6 million inhabitants. Additionally, nearly 0.5 million people get their water from Aqualia, a subsidiary of the Spanish construction company FCC (*Fomento de Construcciones y Contratas*). At the national level, roughly 57 per cent of the Spanish population gets its water from a private provider. Agbar, which is headquartered in Barcelona, is by far the dominant player in the Spanish market. Historically Barcelona and Catalonia have thus formed the bastion of private water management in the country.

In Catalonia, the private sector is concentrated in medium and large cities because larger populations offer better return on investment. Elsewhere there is a long tradition of public management, with 450 small municipalities being serviced by public water utilities – that is, half of the municipalities of Catalonia but only 16.4 per cent of the population.

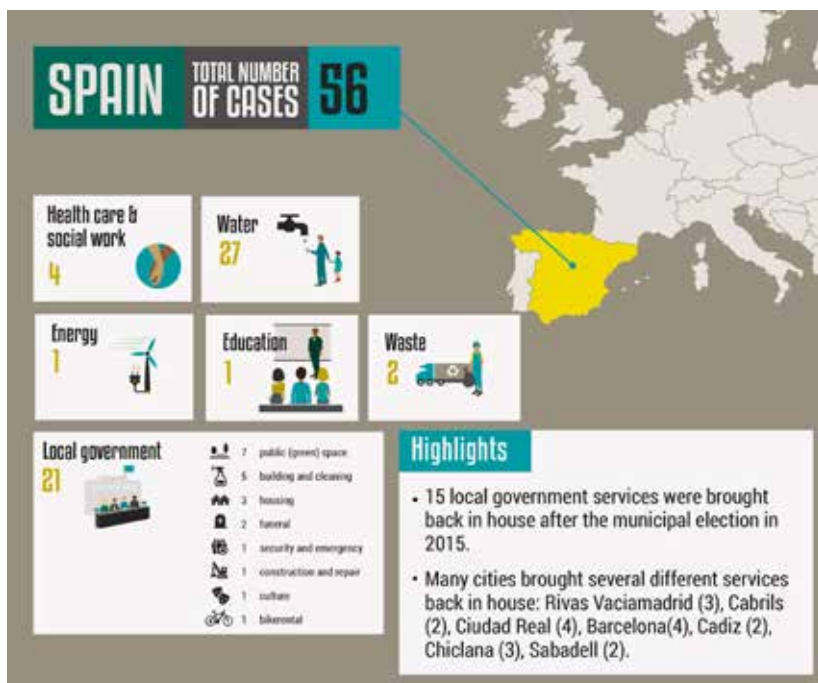
According to a report of the Spanish Court of Accounts in 2011,<sup>1</sup> private water management is 22 per cent more expensive for small and medium towns than public provision, while offering a lower performance on average. Catalan average water prices in privately managed municipalities are 25 per cent higher than in municipalities with public management. In Barcelona's metropolitan area (includes 22 surrounding municipalities), the *Aigua és Vida* platform estimates that Agbar's water rates are 91.7 per cent more expensive than in neighbouring towns such as El Prat de Llobregat and Barbera, which have public management.

The situation of water provision in Catalonia may be about to change radically, however, considering that 14 Catalan towns have already municipalised or remunicipalised their water. Concession contracts in some 90 more municipalities – home to about 3.5 million people – are set to expire in the coming years (2017–2025, see Appendix). Many of the private contracts in force today have not gone through a proper tendering process. Dozens of town councils have already approved the study of (re)municipalisation scenarios for water provision. Along with the vibrant citizen mobilisations and platforms for reclaiming public and democratic water in Catalonia and the whole of Spain, this has resulted in the current wave of (re)municipalisation.

## **Change of scenario: The (re)municipalisation wave**

In 2015, citizen-led, progressive coalitions gained power in many Spanish cities, including Madrid and Barcelona. This was the result of years of citizen movement campaigning for access to basic rights and against the corruption of traditional political parties and their close connections

to big business. In turn, it created a favourable political environment for remunicipalisation. Valladolid (300,000 inhabitants) is the largest city to have remunicipalised water services in Spain.<sup>2</sup> The municipal council has decided to return water management to public hands when the contract with Agbar expires, in July 2017. Although it does not fall within the scope of this chapter, it must be noted that many of these municipalities (which are not necessarily driven by progressive coalitions) embarked on remunicipalising not only water, but other services as well. An important obstacle, however, is the central government, which is trying to make it impossible for cities to remunicipalise public services. In April 2017, the central government presented a draft budget proposal that included an additional disposition (no. 27) that was cause for concern for many but that was not adopted as proposed.<sup>3</sup> It would have prevented the transfer of those workers previously in the private sector into any new public body, with the underlying objective of turning unions and workers against remunicipalisation. This would have led to a loss of expertise and created a lack of skilled workers to provide the services. The central government also has directly fought against remunicipalisation in Valladolid. In March 2017, the Ministry of Finance through the State Attorney's Office filed a lawsuit<sup>4</sup> to block the staff's transfer from the private company to a new public company, invoking budgetary adjustment regulation.



The year 2016 was a turning point in the management of water in Catalonia and throughout Spain. In March, a judgment of the Court of Justice of Catalonia cancelled the public-private partnership contract for water supply to 23 municipalities in the Metropolitan Area of Barcelona. In April, Collbató, a village of 4,000 inhabitants, became the 12th municipality to recover water service management in Catalonia. Water losses in its network were more than 60 per cent. Then in November, the first meeting of Spanish cities for public water was organised in Madrid, with the participation of seven mayors from some of the largest cities in Spain, along with public water operators and civil society organisations. The objective of this unprecedented event was to strengthen and coordinate the water movement across Spain, in a context where the central government is strongly opposed to remunicipalisation. Finally, in December, after 75 years of concession, the contract of private company *Mina Pública de Terrassa* (35.5 per cent owned by Agbar) with the city of Terrassa (215,000 inhabitants) was put to an end.

The trend has continued in 2017, with nine municipalities in the Metropolitan Area of Barcelona – representing three in four inhabitants – approving motions in favour of considering public management of water. On 19 March 2017, Terrassa saw the first popular demonstration in favour of the public management of water in Catalonia with the participation of 4,000 people. Three days later, a Catalan Association of Municipalities for Public Management of Water was created. The municipalities involved in this new Association include Barcelona, Badalona, Cerdanyola del Valles, El Prat de Llobregat, Sabadell, Terrassa and Santa Coloma de Gramenet, representing a total of 2.5 million inhabitants. Its objective is to develop a new public model including new forms of social control to ensure transparency, information, accountability and effective citizen participation. The Association is committed to providing assistance, knowledge and support to those municipalities wishing to remunicipalise and implement this new management model.

This radical shift toward a new model for public water is largely the result of the efforts of the many civil society platforms that organised years ago and have been denouncing irregularities and private profiteering ever since: *Taula de l'Aigua* (Water Table) in Terrassa; *Aigua és Vida Girona* (Water is Life Girona) in Girona, a city whose contract is set to expire in 2020; *Aigua és Vida Anoia* (Water is Life Anoia) in Igualada; *Volem l'aigua Clara i Neta* (We want clean and clear water) in Torello, where the contract expires in 2018; *Taula de l'Aigua de Mollet* (Mollet Water Table) in Mollet del Vallès, where the council has already approved a study of remunicipalisation when its contract expires in 2020; and *Aigua és democràcia* (Water is Democracy) in La Llagosta.

## **Terrassa: Ending a concession after 75 years**

Private company *Mina d'Aigües de Terrassa S.A.* has managed the water service in Terrassa for 75 years, through a concession that ended on 9 December 2016. Since March 2014, a group of people from neighbourhood movements, social movements and ordinary citizens created *Taula*

*de l'Aigua*, a citizen platform that aims to recover direct public management of water in Terrassa, with citizen participation and social control.

Mina is a subsidiary company of the Agbar Group, which controls its management and has a 35.5 per cent stake in the company. In 2013, as first evidence of a simmering conflict, it presented to the City Council a proposal to increase the price of water by 6 per cent. The Council asked for a justification and ended up rejecting the proposed tariff hike, as did the Price Commission of Catalonia, in favour of a 1.25 per cent increase.

With the end of the concession approaching, the city began investigating into its options and requesting information from Mina, which it had never done before. Citizens also requested information from the City Council, but Mina refused to provide most of the information. Important aspects such as the price of Mina's water wells or the breakdown of the costs of the service are not yet public. The Mayor of Terrassa clearly expressed his dissatisfaction with the way the company, which is supposed to be a service provider for the Council, was retaining information in order to hinder a possible remunicipalisation.

Two years of intensive informative and educational work done by *Taula de l'Aigua* succeeded in making the water issue central to the political agenda. In July 2016, the City Council approved a motion in favour of direct management of water. Among the 27 city councillors, 20 were in favour, three abstained and four were against. The private company claimed that recovering the service would cost the city €60 million. The Council, however, maintains that the cost will not be more than €2 million. When the council confirmed the end of the concession and the return of the system to the city in December 2016, Mina turned to the courts to have the resolutions cancelled, so far without success.

The second step was to design the new public service. *Taula de l'Aigua de Terrassa* together with the Terrassa Council of Organisations convened the first Terrassa Citizen Parliament, which approved two motions to be

presented to the City Council, on the objectives of the new management model and on social control of the service. To reclaim public and democratic water, a wide public demonstration was organised in Terrassa in March 2017 in support of the Council's decision to end the contract.



**Terrassa demonstration**  
Photo by EPSU, Twitter

*Over 4,000 people took to the streets to celebrate the turning tide of public water services at the World Water Day 2017 in Terrassa*

In April 2017, the City Council of Terrassa initiated the process of developing a new model for managing public water supply in the city, which must be approved before the end of 2017. In the meantime, Mina has been granted temporary contract extensions. Throughout this process, *Taula de l'Aigua* will continue promoting the management model approved by the Terrassa Citizen Parliament in February 2017, to make sure the recovery of public water in Terrassa is also a step forward in managing water as a common good.

The remunicipalisation of water in Terrassa is currently the spearhead of the recovery of public water in Catalonia, just as remunicipalisation

of water is the spearhead of that of other basic services. Therefore, the success of the Terrassa remunicipalisation and the implementation of a new management model with effective citizen participation would open the door for many other progressive and democratic remunicipalisations in Catalan cities.

## **Barcelona: A historical opportunity**

Next on the list could be the city of Barcelona, along with the 22 municipalities in its metropolitan area. Barcelona's water has always been under the control of private company Agbar, with no proper contract. In 2010, a judge finally ruled this situation to be illegal, forcing Agbar and the Barcelona Metropolitan Area to sign a public-private partnership (PPP) contract in haste to regularise the situation. Initially, Agbar had 85 per cent of the PPP and the Metropolitan Area of Barcelona, 15 per cent. Subsequently, Agbar transferred 15 per cent of its shares to Spanish bank La Caixa.

But this new PPP contract was approved for 35 years without a tendering process and without sufficient technical justification. For these reasons, in 2016 the Supreme Court of Catalonia cancelled the contract. Agbar has filed an appeal with the Supreme Court of Spain to override the ruling. Meanwhile, the Barcelona City Council has already approved a study for the municipalisation of the service and the preparation of technical and/or legal reports necessary for the transition to public management of water. *Eau de Paris*, the remunicipalised water operator of the French capital, has agreed to provide legal and technical support for this work, while Agbar, again, refuses to co-operate and to provide information. Eight city councils from the metropolitan area have followed in the footsteps of Barcelona and have approved motions in favour of public management of water. In parallel, the city of Barcelona has already remunicipalised several public services (kindergartens and gender violence prevention) and created a new public electricity company.



## Participation as an anchor

Remunicipalisation is not only a matter of municipalities recovering public management and restoring public governance. If we really want remunicipalisation to endure and lead to democratic, effective and sustainable water services, we need to manage water as a common good. This is why citizen participation is crucial within the remunicipalised public services, just as it has been crucial in pushing for remunicipalisation in Catalonia in the first place.

Water is life not only for people, who cannot live without water, but also for the environment, which involves protecting the quality of water and ecological flows in rivers. This is especially important in Mediterranean regions such as Catalonia, which is subject to the impacts of climate change. Strong citizen mobilisation for water in Catalonia has always been related to this sense of the vital importance of water as a common good. (Re)municipalisations of water are a tool to move a step forward and require municipalities to develop water policy that takes into account the limits and the quality of local water sources. Water management is a key tool for ensuring regional balance and respect for the environment, based on a concept of water not as a resource, but as a natural good, and an essential part of the ecosystem in which we live.

What form should citizen participation take? Each municipality, each platform must define what form of governance and management ensures better involvement of their citizens. What is there that already exists in the municipality's social fabric? What spaces for participation are there? Which new ones should be opened up? Who should participate? On which decisions should citizens be engaged?

Participation must be the anchor of a new water management model. This model needs to ensure that the reclaiming of public water management in municipalities results into truly democratic deepening, through mechanisms of transparency, accountability, education and training for

citizens. All this in order to keep at bay the old practices of the private management model, characterised by opacity, corruption and enrichment through water.



*Míriam Planas is a member of Engineering without Borders Catalonia, working for development cooperation to guarantee universal access to basic services. She is also actively involved in **Aigua és Vida**, the citizen platform in Catalonia, which consists of more than 50 organisations working toward public, democratic and non-commercial water management.*

## Endnotes

- 1 Informe de Fiscalización del Sector Público Local, ejercicio 2011: <http://www.tcu.es/repositorio/fd3654bc-3504-4181-ade5-63e8a0dea5c2/I1010.pdf>
- 2 See the detailed case of Valladolid on the Remunicipalisation Tracker: [http://remunicipalisation.org/#case\\_Valladolid](http://remunicipalisation.org/#case_Valladolid)
- 3 *Eldiario.es* (2017) El Gobierno carga contra los procesos de remunicipalización de los Ayuntamientos a través de los Presupuestos, 16 April. [http://www.eldiario.es/politica/remunicipalizacion-presupuestos-ayuntamientos\\_o\\_631686916.html](http://www.eldiario.es/politica/remunicipalizacion-presupuestos-ayuntamientos_o_631686916.html)
- 4 *Eldiario.es* (2017) Montoro se enfrenta a Valladolid y se persona por primera vez en una causa de remunicipalización del agua, 31 March. [http://www.eldiario.es/politica/Hacienda-persona-primera-remunicipalizacion-servicio\\_o\\_627488367.html](http://www.eldiario.es/politica/Hacienda-persona-primera-remunicipalizacion-servicio_o_627488367.html)

## Appendix: End of concession dates

<b>City</b>	<b>Concessionaire</b>	<b>End of concession year</b>
Aiguafreda	Grup AGBAR	2017
Castell-Platja d'Aro	Aqualia	2017
Castellfollit de Riubregós	Grup AGBAR	2017
Garriguella	Grup AGBAR	2017
La Llagosta	Grup AGBAR	2017
La Roca del Vallès	Grup AGBAR	2017
Les Franqueses del Vallès	Grup AGBAR	2017
Navata	Grup AGBAR	2017
Palau-saverdera	Grup AGBAR	2017
Pau	Grup AGBAR	2017
Sant Vicenç de Torelló	Grup AGBAR	2017
Santa Eugènia de Berga	Grup AGBAR	2017
Tagamanent	Grup AGBAR	2017
Térmens	Aqualia	2017
Vallromanes	Grup AGBAR	2017
Vilajuïga	Grup AGBAR	2017
Alpens	Grup AGBAR	2018
Guissona	Grup AGBAR	2018
Juneda	Grup AGBAR	2018
Pals	Grup AGBAR	2018
Sant Llorenç d'Hortons	Grup AGBAR	2018
Sant Pere Pescador	Aqualia	2018
Santa Eulàlia de Ronçana	Grup AGBAR	2018
Soses	Aqualia	2018
Torelló	Grup AGBAR	2018
Almacelles	Aqualia	2019
Bescanó	Grup AGBAR	2019
Cadaqués	Aqualia	2019
Castellterçol	Grup AGBAR	2019
Corbera de Llobregat	Grup AGBAR	2019
La Pobla de Massalua	Grup AGBAR	2019
Oliola	Grup AGBAR	2019
Riudaura	Grup AGBAR	2019
Sant Carles de la Ràpita	Grup AGBAR	2019
Sant Cugat del Vallès	Grup AGBAR	2019
Santa Cecília de Voltregà	N/A	2019
Santa Eulàlia de Riuprimer	Grup AGBAR	2019
Albatàrrec	Aqualia	2020
Dosrius	Grup AGBAR	2020
Girona	Grup AGBAR	2020
La Garriga	Grup AGBAR	2020
Mollet del Vallès	Grup AGBAR	2020

Palau-solità i Plegamans	Grup AGBAR	2020
Puigcerdà	Grup AGBAR	2020
Sant Boi de Lluçanès	Grup AGBAR	2020
Sant Martí d'Albars	Grup AGBAR	2020
Súria	Grup AGBAR	2020
Tavèrnoles	Grup AGBAR	2020
Torroella de Montgrí	Grup AGBAR	2020
Ullà	Grup AGBAR	2020
Granollers	Grup AGBAR	2021
L'Estany	Grup AGBAR	2021
Premià de Dalt	Grup AGBAR	2021
Sant Iscle de Vallalta	Grup AGBAR	2021
Sant Martí de Centelles	Grup AGBAR	2021
Sant Vicenç de Montalt	Grup AGBAR	2021
Berga	Grup AGBAR	2022
Cabrera de Mar	Grup AGBAR	2022
Calafell	Grup AGBAR	2022
Cassà de la Selva	Aqualia	2022
Colera	Grup AGBAR	2022
El Masnou	Grup AGBAR	2022
Masquefa	Grup AGBAR	2022
Piera	Grup AGBAR	2022
Vilassar de Dalt	Grup AGBAR	2022
Callús	Grup AGBAR	2023
El Pla de Santa Maria	Grup AGBAR	2023
Molins de Rei	Aqualia	2023
Polinyà	Grup AGBAR	2023
Sant Andreu de la Barca	Aqualia	2023
Sant Quirze del Vallès	Grup AGBAR	2023
Tiana	Grup AGBAR	2023
Avià	Grup AGBAR	2024
Avinyó	Grup AGBAR	2024
Copons	Grup AGBAR	2024
L'Ametlla del Vallès	Grup AGBAR	2024
Santa Bàrbara	Grup AGBAR	2024
Tàrrega	Grup AGBAR	2024
Alcanar	Grup AGBAR	2025
Caldes d'Estrac	Grup AGBAR	2025
Canet de Mar	Grup AGBAR	2025
Castellar del Vallès	Grup AGBAR	2025
Cunit	Grup AGBAR	2025
Isòvol	Grup AGBAR	2025
Llívia	Grup AGBAR	2025
Talamanca	Grup AGBAR	2025
Vespella de Gaià	Grup AGBAR	2025
Xerta	Grup AGBAR	2025

# Cities and citizens are writing the future of public services

By Olivier Petitjean and Satoko Kishimoto

This book is the result of a collective effort to look at the remunicipalisation of public services across sectors, around the world. The purpose of this conclusion is to outline the main findings and the key lessons that we, as editors, have drawn from preparing this book, collecting information from around the world and engaging with people involved to various degrees and in various ways in remunicipalisation.

We use ‘remunicipalisation’ to refer to the process of bringing previously private or privatised services under local public control and management. We are aware that as a term it is not always entirely adequate, because in some cases the services that are reclaimed have always been in private hands, or did not exist. In these instances, ‘municipalisation’ would be a more adequate term. (Re)municipalisation covers both instances. There are also examples of public services that have been de-privatised at the national level. We treat renationalisations separately in order to focus on local actions and because some forms of renationalisation (when they are about centralising power or temporarily rescuing failed private companies) do not fall under our research scope. There are numerous examples of citizens and users taking the lead in reclaiming essential services from commercial entities for their communities. For us, these are also instances of (re)municipalisation insofar as they are oriented toward public service values and non-commercial objectives. De-privatisation is an overarching term for (re)municipalisation, renationalisation and citizen-led reclaiming of public services that are oriented toward fighting against the ills of privatisation.

## Remunicipalisation is far more common than suspected, and it works

This book includes a list of (re)municipalisations and (re)nationalisations that is far from complete. This list as it stands now is only a first step. There are many more cases around the world that we have not been able to identify yet, for lack of time and resources. But as such it illustrates the points that we want to make: first, that there is a strong remunicipalisation trend in Europe and worldwide, and that it concerns all sectors of public services, to varying degrees; and second, that this largely unrecognised remunicipalisation trend not only reflects the many failures of privatisation and austerity policies, but also leads to genuinely better quality public services – the kind of public services we need to tackle today’s challenges. This is particularly evident in the energy sector, where (re)municipalisations are driving the transition toward affordable, renewables-based, efficient energy systems.

We do not claim that public management is a solution to every problem, nor that remunicipalisations are always smooth. But we do claim that the global experience shows that privatisation generally fails to deliver on its promises; that publicly managed services are generally more focused on quality, universal access and affordability, and on delivering broader social and environmental objectives; and, indeed, that public providers are very often both more innovative and more efficient than private operators – in direct contradiction with the tired *clichés* of privatisation propagandists.

We have been researching water remunicipalisation for years. We published two reports – *Here to Stay: Water Remunicipalisation as a Global Trend* (November 2014)<sup>1</sup> and *Our Public Water Future: The Global Experience with Remunicipalisation* (April 2015)<sup>2</sup> – demonstrating how widespread this remunicipalisation trend actually was in the water sector. We identified 235 cases of water remunicipalisation across the planet between 2000 and 2015, including in cities such as Paris, Berlin, Buenos Aires, Kuala Lum-

pur and Jakarta. We knew that remunicipalisation existed in other sectors as well. At the time, another massive remunicipalisation movement was gaining ground in the energy sector in Europe, particularly in Germany. So we decided to take on the very ambitious task of looking at remunicipalisation in general, across all public services, on all continents but still keeping a special focus on Europe.

With the assistance of many partners and contributors in city councils, trade unions, academia and civil society, we collected 835 cases of (re) municipalisation across 45 countries, from small towns to capital cities, both in urban and rural contexts. Remunicipalisation is especially strong in the water and energy sectors (267 and 311 cases, respectively) – perhaps because these are the sectors where liberalisation and privatisation has been pushed the most. But we also see remunicipalisation in waste, transport, health and social work, and in the wide range of services provided by local governments, from nursery schools, childcare, cleaning and public parks to sports and school catering. Indeed, in every sector that is or has been subject to privatisation, it does not take very long to see a movement back toward remunicipalisation. Those who are now seeking to push or allow privatisation in new sectors, such as childcare or health services, had better be aware of this lesson.

This remunicipalisation movement is not immediately visible in the media or in the public debate because it is mostly taking place at the local level, or in specific national contexts, and because the powerful interests in the corporate sector (and often national governments and international institutions) would like to pretend that such local initiatives do not exist, and that there is no viable alternative to privatisation and austerity. But there is.

## Remunicipalisation delivers better, more democratic public services

Remunicipalisation is rarely just about a change in ownership or operational management, nor is it a simple return to the pre-privatisation situation. Remunicipalisation is fundamentally about building qualitatively better public services. First, it is often about re-creating or re-introducing a public ethos and a commitment to universal access, as opposed to the commercial, profit-seeking outlook of private providers. This means, for instance, ensuring that a service is delivered across an entire city or a whole nation, and not only in those areas where services are most profitable. Chapter 2 by M'Lisa Colbert explains how Argentina decided to renationalise its postal services and airline exactly for these reasons.

Second, it is about ensuring affordable services. The movement for remunicipalisation in Catalonia was driven in large part by the resistance against evictions and water and electricity cuts in the aftermath of the global financial crisis in Spain. The creation of municipal energy companies in the UK, described by David Hall and Cat Hobbs in Chapter 9, which now serve an area with a population of 2.2 million people, was similarly driven by the abusive pricing policies of the “Big Six,” the international companies that control the UK energy market.

Third, remunicipalisation is about bringing back transparency and accountability in management. *“No private shareholders. No director bonuses. Just clear transparent pricing,”* as exemplified by the Robin Hood municipal energy company in Nottingham (UK). The remunicipalisation movement in Spain, as Míriam Planas explains in Chapter 10, originates in the same rejection of the culture of political patronage and the multiple corruption scandals that have plagued these sectors in the past.

Finally, remunicipalisation is about democratising public services, through the participation of workers and users, and through greater control by elected officials and citizens. Many flagship water remunicipalisa-



tions in France, including in Paris, Grenoble and Montpellier (see Chapter 1), have given seats to citizens and civil society representatives on the boards of the new public operators, and they even created specific participatory structures such as ‘citizens’ observatories’ that democratise the debate around the management of public services, from tariff hikes to long-term management strategies. In Spain as well, citizen participation and the democratisation of water services are at the core of the remunicipalisation movement.

## Remunicipalisation as a driver for resilient and climate-friendly cities

Remunicipalisation is not only about local issues and local politics; very often, it is also about bringing effective local solutions to global issues and crises. It is about inventing and reinventing the public services of the future to address the challenges of meeting basic needs and reducing our environmental footprint while mitigating climate change and adapting to its consequences. Remunicipalised public services often lead the way in this regard. It is particularly obvious in the energy sector, in Germany and elsewhere. As Chapter 8 by Sören Becker documents, new local public companies and co-operatives have been pioneering an energy transition based on renewables. Created in 2009, new municipal utility *Hamburg Energie* had installed more than 13 MW of wind power by the end 2015, as well as 10 MW of solar power, and attracted more than 100,000 clients who opted for renewable and locally produced energy. In the US, the Kauai Island Utility Cooperative (KIUC) of Hawaii became the state’s first not-for-profit generation, transmission and distribution co-op owned and controlled by user-members in 2002. It has set a goal of 50 per cent renewable energy by 2023, and had already reached 38 per cent in 2016. In comparison, the corporate giants that emerged from the liberalisation of the energy sector in Europe have proved much more prone to imposing ever increasing prices on captive customers than to drive any genuine change.

The same point could be made for other sectors as well. Today, it is near impossible for a private waste company to engage in a genuine “zero waste” policy, because their whole business model is predicated on maximising collection volumes and on large infrastructure such as incineration plants, and also because going “zero waste” involves prevention measures and an engagement with citizens that goes far beyond the capacity of a private provider. Remunicipalisation in the waste sector often goes hand-in-hand with a decision to avoid large unnecessary installations such as landfills or incinerators, and reduce waste volumes. The city of Briançon in France, for example, decided not to renew its contract with Veolia as a first step toward a long-term “zero waste” objective.

Similarly, in the school restaurant sector in France, many remunicipalisations were driven by the political decision to shift to local, organic food for children – whereas the services provided by catering giants companies such as Sodexo typically relied on industrial food processes and international supply chains. Remunicipalisation in this case is often part of a larger trend toward a localisation of the economy, particularly in the food sector, and the protection of local agriculture. This connection between remunicipalisation and local economic development is just as strong in the energy sector in Germany, as Chapters 5 and 8 emphasise.

## **(Re)municipalisation as an window of opportunity for democratic public ownership**

(Re)municipalisation also demonstrates how people, by reclaiming public services, are reinventing a whole new generation of public ownership forms and structures. Many cases of (re)municipalisation especially the creation of new public companies offer an opportunity to renew public commitments and create a space for multiple actors to co-manage public service provision in a more democratic and efficient way, beyond traditional public ownership. There is a variety of new models: municipal energy companies, inter-municipal organisations and networks, local

public service companies partly owned by citizens, workers' or users' co-ops, and so on. They are all templates for what the future generation of public services could look like.

It is important here to highlight that this book is also about the creation of brand new public services. Chapter 6 by Benny Kuruvilla tells the story of how authorities in Delhi and Tamil Nadu created new health care services and public canteens to address the basic needs of poor people in very cost-effective ways. In Europe and elsewhere, we are witnessing the creation of new local public companies in the energy sector, with various ownership models (municipal entities or public-community partnerships). In France, new municipal farms are created to supply local school restaurants. These experiences demonstrate that it is still possible and desirable today, both in the global North and in the global South, to create new public operators.

## A remunicipalisation “movement” in Europe?

Remunicipalisation is particularly vibrant in Europe. Some 347 cases were found in Germany, 152 cases in France, 64 in the United Kingdom and 56 in Spain. The powerful remunicipalisation tides that have occurred in the energy sector in Germany or in the water sector in France are just the most visible manifestations of a deeper trend. This remunicipalisation movement in Europe can be seen as a response to austerity policies, a reaction against the excesses of liberalisation and corporate takeover of basic services. This does not mean, however, that remunicipalisations are always highly politicised or that they are the preserve of one side of the political spectrum. In fact, as documented in the chapters on France and Germany in particular, remunicipalisations are carried out by politicians of all shades, and often benefit from a local trans-partisan consensus. The relevant political divide is frequently not across party lines, but between the local level, where politicians and officials have to deal with concrete challenges, and the national and European levels that are push-

ing for austerity and budget cuts. Cities are best placed to understand the importance of public services because they deal with the everyday consequences of austerity and privatisation.

Remunicipalisation is always a practical decision, guided by a range of concrete considerations (economic, technical, social, political, etc.). Yet, clearly, there are different kinds and degrees of remunicipalisation. Some local authorities and groups are more prone to emphasising its political aspect and sometimes see it as part of a wider political project of democratising public services and caring for the commons. *Barcelona en Comú*, the progressive coalition that gained power in the Catalan capital in 2015, has articulated a global “municipalist” vision, with cities at the forefront of addressing the social, political and environmental challenges of our time through concrete solutions and practical alternatives for everyone. Remunicipalisation and public services have a central place in this vision. The city of Barcelona has already remunicipalised childcare and gender violence services, and created new municipal companies for funeral services and energy provision. The municipal government is taking a systematic approach and is thoroughly reassessing all 250 currently outsourced services. It then decides on priorities for bringing services in-house in order to recover municipal capacity. Water and waste collection are top priorities, but remunicipalisation in these services will not be simple to achieve. The multinationals that control these sectors have powerful vested interests following decades of privatisation. The city has an explicit target to employ 1,900 additional people by 2018 in newly in-sourced services, half of which would be new jobs. Several cities in Spain (Ciudad Real, Cadiz, Rivas-Vaciamadrid) or in France (Grenoble, Briançon), which have undertaken remunicipalisations in multiple sectors with a view to making public services more democratic and more sustainable, could be said to promote the same vision.

On the other hand, there are those who present remunicipalisation as a purely rational economic and technical choice, and claim they are not necessarily opposed to private management of essential services, pro-

vided there is sufficient control by local authorities and that the possibility of returning to public management remains open. (In fact, as we will see below, the difficulty of controlling private providers is all too common, and there are mechanisms at work – such as trade and investment agreements – that tend to make remunicipalisation ever harder.) Overall, however, these different types of remunicipalisations still share common features, including a commitment to effective and transparent public services and the rejection of the privatisation propaganda according to which private companies are by essence better than public ones. In many places, the diverse proponents of remunicipalisation are closely allied to defend it against common threats and to enable local authorities who wish to remunicipalise to do so. This is the case, for example, in the water sector through networks such as Aqua Publica Europea at the EU level or *France Eau Publique*.

## De-privatisation is also a viable option for the global South

Remunicipalisation is far from being confined to the borders of ‘old Europe’. It is widespread in North America and other high income countries. And there are 56 cases in low- and middle-income countries as well. We may be seeing less remunicipalisations in the global South either because privatisation has been less pervasive so far in these countries or because their service provision tends to be centralised. While the number is less impressive, there are still many successful examples of reclaiming or creating new public services in countries of the global South, sometimes on a very large scale. We have documented this for the water sector in our previous reports, and we find similar cases in other sectors as well. Cities have put an end to disastrous privatisation or PPP contracts, and offered similar or better services through public management. They have created new public services to address the needs of poor people and reduce their dependence on expensive private providers of water, health care or food – as the examples in Chapter 6 show. These examples are all the more important because often they make a vital difference for millions

of people. In Delhi, 2.6 million poor residents have benefited from new public health clinics since the second half of 2015. The new pension fund renationalised by the Bolivian government benefits 800,000 people, 83 per cent of which had not been receiving any benefit beforehand because they had worked in the informal sector and/or went through extended periods of unemployment.

We have included examples of renationalisations in this book – mostly from Latin America – insofar as the motivations and the risks were similar to those of de-privatisation at the local level, and because there are many countries where national governments, not local authorities, have control over basic services. In Argentina or Bolivia, as Chapter 2 shows, renationalisations have allowed governments to reduce inequalities, implement social policies, and maintain public services in places where it was deemed unprofitable by private providers.

## Common problems with privatisation and PPPs across sectors

No matter what sector we consider, the problems associated with privatised services and PPPs are remarkably similar. These are the same problems that we identified in our previous reports focused on the water sector. We find that – in blatant contradiction to the promises of private companies and their supporters – privatisation and PPPs often lead to higher costs for local authorities, or for people using the services, or both, as illustrated by the failed Delhi Airport Express Metro Line PPP. The quality of the services provided tends to deteriorate, often as a result either of poor investment and maintenance and/or because of the degradation of the working conditions within these services. This is particularly manifest in the waste collection, cleaning services or in the health and social services sectors as Chapters 4 and 5 illustrate: whether in Oslo or in Wilhelmshaven, Freiburg and Dortmund, remunicipalisation came with improvements both for workers and for service quality. The privatisation of the hospital in the coastal city of Herceg Novi, Montenegro went wrong

on all fronts, as reported by the Trade Union of Health of Montenegro. The multinational Atlas Group only invested €3 million instead of the €119 million agreed to in the contract, and salaries were not paid for three months. The alleged tax avoidance of Atlas Group led the government to terminate the contract in 2015 and the hospital was taken back into the public health system.

Services are outsourced or procured to private providers, often subsidiaries of multinationals, with little accountability and transparency as to how much cash is transferred to the parent companies and their shareholders, at the expense of wages and infrastructure investment. In some cases, this even leads to financial irregularities and corruption scandals, such as those that have historically plagued the water sector in France and everywhere water multinationals have been active.<sup>3</sup> We also find that most privatisation contracts – and especially complex financial arrangements such as PPPs in infrastructure – introduce a high level of complexity, which is beneficial for lawyers and auditors, but provides little value for money for citizens. Chapter 9 provides multiple examples of this from the UK. Needless to say, all of these pitfalls make it even more unlikely for private providers to deliver on wider social and environmental objectives.

## **Irresponsible policy prescriptions**

In spite of this abysmal record, privatisation and PPPs are still being widely promoted – or imposed – as solutions for cash-strapped local or national authorities. In high income countries, the pressure to privatise has clearly increased since the global financial crisis, as a result of austerity policies, of corporate marketing and lobbying (either by the interested companies themselves or by the auditing firms that stand to benefit from the contracts as well<sup>4</sup>), and of an ideological belief in the superiority of the private sector. Obviously, these irresponsible policy prescriptions originate from players – international financial institutions, the Europe-

an Union, sometimes national governments – who are not in charge of delivering the services on the ground and are not directly accountable for the concrete results of these policies.

Perhaps even worse, at the same time that Europe is witnessing scores of remunicipalisations across sectors in reaction to past privatisation policies, the very same policies are being promoted in the South by international institutions and European governments, often under the guise of overseas development aid. This means that instead of using development funding to build or improve effective public services that address the needs of their populations, governments are made to engage in costly and complex PPPs and public procurement contracts that often fail to achieve the promised results. As Chapter 7 by María José Romero and Mathieu Vervynckt shows, these PPP deals in the global South are ever increasing in scale. The resulting mega-projects, adjusted to the interests of international corporations and funders, have little to do with the actual realities on the ground. In Lesotho, one single failed PPP hospital project swallowed up the equivalent of half of the country's health budget, while providing a 25 per cent return on profit to the private company involved.

### **The 'cost-effectiveness' of privatisation and PPPs is an illusion**

One of the main arguments advanced by proponents of privatisation and PPPs to convince public authorities is that their solutions are more cost-effective than public management. However, this has been disproved time and again by experience. Contracting a private company to deliver a service involves immediate extra costs because of the transfer of cash to parent companies and shareholders. According to privatisers, these extra costs are compensated by the 'innovation' and 'economies of scale' made by large companies, which would naturally be more efficient than public services. But the supposedly superior 'innovation' and 'efficiency' of the private sector often boil down to implementing basic – and in the long term often damaging – cost-cutting policies. As Chapter 2 on



renationalisations in Latin America suggests, short term cost reductions can sometimes be achieved by private companies, but these do not address structural issues or corruption. It does not take long for such 'low cost' policies to result in a degradation of services because of poor maintenance, low investment, staff reduction and the degradation of working conditions. The Argentine and Bolivian experiences described in that chapter show it is possible to provide better services through public management at a lower cost, while achieving social and territorial cohesion objectives.

The same can be said of many other experiences with remunicipalisation or with the creation of new public services at the local level. When Paris remunicipalised its water, the new operator *Eau de Paris* was able to cut its costs immediately by €40 million – the sum of money that was being extracted each year by the parent companies of the private operators. In the UK, as David Hall explains in Chapter 9, the modernisation of the signalling and fibre-optic cable system of the public transport company in the Newcastle region was carried out by a new in-house team for roughly £11million, compared with roughly £24 million if it had been taken on by a private company. Overall, the termination of transport PPPs in London resulted in a £1 billion reduction of costs, mainly because of the elimination of shareholder dividends and lawyer fees, and through procurement and maintenance efficiencies. When the city of Conception Bay South in Labrador–Newfoundland (Canada) remunicipalised its water services, it saved about C\$1.15 million over 5 years. Similar numbers are found in the other examples of bringing public services in-house in Canada, for instance in the water sector in Hamilton (Ontario), Banff (Alberta) or Sooke (British Columbia).<sup>5</sup>

Examples of the greater cost-effectiveness of public services are innumerable. In spite of this, the private sector and some public officials oppose remunicipalisations on the ground that it is too costly for public finances. It is true that there have been cases, such as the water remunicipalisation in Berlin, where former private providers managed to secure

a huge financial compensation from the government, thus imposing a heavy burden on the new public operator and its users. But in most cases, these fears are not justified in the medium and long term, and very often not even in the short term. In Bergen (Norway), when the municipality decided to take back two elderly care centres in-house, the conservative opposition and business groups claimed it would come at a huge cost for public finances. In fact, it turned out that only one year later, one centre had a balanced budget and the other one carried a surplus, while offering better conditions for workers.

Chapter 7 describes a particularly fallacious and intricate version of the financial promises of privatisation: PPPs. These contracts are presented to local and national authorities, including governments in the global South, as an easier way to finance public infrastructures without having to borrow money or empty state coffers for necessary capital investments. The authors show that PPPs are actually a hidden form of debt, which turns out to be more expensive for public authorities in the long term. PPPs are designed to create an illusion of affordability and hide real costs and liabilities, which makes it easier to convince officials to embark on large-scale projects that do not necessarily reflect the actual needs of their populations.

## Do not privatise in the first place

Not only do privatisation and PPPs generally fail to deliver on their promises, they are also often incredibly hard to modify or get out of. Once the contract is signed, private providers can lock in contractual conditions, and any change that would impact them comes at a price for public authorities. In fact, we find that in some cases, the difficulties of modifying contractual arrangements with private providers to respond to an evolving context is a major motivation for public authorities to take services back in-house.

Moreover, once they have gotten *de facto* control over services, private operators are able to force contractual changes on local authorities. Chapter 7 in this book suggests that a widespread strategy of big international corporations is to win PPP contracts by making very low, unrealistic bids, and then secure significant budget increases through addenda. According to the International Monetary Fund itself, 55 per cent of PPP contracts get renegotiated, which in two thirds of cases results in higher tariffs for users.<sup>6</sup> Generally, there is a strong imbalance in legal resources and experience between the multinationals active in the PPP market on the one hand, and local authorities or national governments in the global South on the other hand.

When it comes to terminating contracts, or even not renewing them when they expire, again local and national authorities are often faced with an uphill and costly battle. Experience shows that private companies are rarely willing to share all of the information and knowledge that would allow public authorities to control and monitor private contracts, and even less so to remunicipalise the service. This is especially the case when private companies have been running a service for many years, as in Catalonia today. Chapter 10 by Míriam Planas describes how private water company Agbar (a subsidiary of Suez) literally refuses to share information with the cities of Terrassa and Barcelona in order to hinder or discourage remunicipalisation.

And then there are legal proceedings and appeals. There is a long history of judicial battles between public authorities and private providers in relation to the termination or non-renewal of privatisation contracts. Private companies are able to appeal (or threaten to appeal) to local and national courts to seek hefty compensation as a way to make remunicipalisation costly or impossible. The boom in trade and investment treaties and associated investor-state dispute settlement mechanisms – which we will discuss further below – adds another, even riskier and expensive layer to this legal straitjacket. These obstacles add to the costs of remunicipalisation – compensation, legal, technical or advisory services,

knowledge recovery – for local authorities. It is all the more remarkable to see so many cities and regions deciding to take action and reclaim public services nonetheless.

## **There are much better solutions for public services than privatisation**

Public services are not perfect just because they are public. Some of them even have important problems that result in unsatisfactory services for users, bad conditions for workers and extra costs for citizens and taxpayers. Public services always need to improve, and some of them are in dire need of reform. It does not follow, however, that privatisation is necessary. In fact, many chapters in our book illustrate that there are much better ways to improve, reorganise and reform public services than just contracting them out to multinationals as a ‘quick fix’ solution.

Chapter 4 by Bjørn Pettersen and Nina Monsen, for example, shows how, in Norway, a close collaboration between public service trade unions, the municipal administration and local politicians succeeded in building a credible option for public services far more attractive than privatisation. Reduced sick leave, full-time, permanent positions for employees and digital innovation are some examples of achievements of this local tripartite cooperation. Public-public partnerships, which are particularly widespread in the water sector (including the recent example of the collaboration between the remunicipalised operator of Paris and the city of Barcelona), also offer a powerful alternative to privatisation. Through these non-profit partnerships, successful established public operators help other public operators with technical and institutional assistance for a given period of time, with the objective of making them more efficient and, ultimately, autonomous. This type of arrangement exists in other sectors too, and could be extended. There are already various forms of inter-municipal cooperation based on the same kind of approach, for instance the creation of new municipal energy companies by British cities

such as Nottingham, York, Bradford and Doncaster, all assembled in the White Rose/Robin Hood partnership (see Chapter 9).

Finally, collaboration between public officials, workers, citizen organisations and communities is becoming increasingly widespread, particularly in the energy sector. Chapter 8 shows how the energy remunicipalisation in Hamburg, Germany was driven in part by new forms of citizen commitment and participation. From Denmark and Scotland all the way to France and Spain, there are innumerable examples of citizen-owned schemes or municipality–citizens partnerships. The strong push for remunicipalisation in Catalonia also relies on a movement of citizen platforms who not only want to achieve a return to public management as an end in itself, but see it as a first step toward democratic management of public services, based on continuous citizen participation (see Chapter 10) .

## Remunicipalising with workers

Workers and their unions are key remunicipalisation actors. Workers are often the first to suffer from privatisation and cost-cutting policies through staff reduction, salary cuts, degraded conditions and attacks on union rights. This explains why public services unions generally favour public ownership and why many of them – including the Austrian Federal Chamber of Labour (AK), the Canadian Union of Public Employees (CUPE), UNISON in the UK, *Fagforbundet* in Norway, Ver.di in Germany, the European Federation of Public Service Unions (EPSU) and Public Services International (PSI), which have joined forces in this research and publication – have taken an active stance in not only opposing privatisation but campaigning for remunicipalisation, as a way to defend simultaneously the interests of workers and of society at large. In some cases, as with the public park maintenance service of Ciudad Real in Spain, it was the workers and unions who initiated and led the remunicipalisation of their service.

There are many solid examples showing that remunicipalisation generally benefits workers. In León, Spain, when waste and cleaning services were remunicipalised in 2013, not only was the overall cost for the community brought down from €19.5 to 10.5 million, but 224 workers gained public employment contracts. When Oslo remunicipalised its waste services, the 170 employees were transferred from part-time to full-time positions, with municipal salaries and pension rights (see Chapter 4). In Conception Bay South, Canada, newly municipalised workers enjoy not only better conditions, but also safety on the job.

Chapter 5 by Laurentius Terzic suggests that in most cases remunicipalisations in Germany have led to better conditions for workers. However, there have also been instances where workers and unions have shown reluctance toward remunicipalisation, or have opposed it, because they feared it would lead to a degradation of working conditions or lower service quality. This is mostly the case in the energy sector, where workers have historically had comparatively good conditions in terms of wages and bargaining power. The author notes, however, that in the case of the remunicipalisation of the energy grid in Hamburg, the fears expressed by workers at the time about the degradation of their conditions proved unjustified. This chapter nevertheless emphasises that remunicipalisations carried out by public authorities for purely short-term economic reasons do carry risks for workers – the same risks as with privatisation – as illustrated by the remunicipalisation of waste collection in Lüneburg.

For these reasons, it is essential that officials and citizen groups work closely with trade unions when they decide on remunicipalisation and on the process for returning to public management. Several remunicipalisation examples in Norway show how fruitful this collaboration can be. Adversaries of remunicipalisation do not hesitate to instrumentalise the issue of workers' conditions, as we see today in Spain where the central government has put forward a legislative measure banning cities from taking on former private service workers when remunicipalising services

– a ruthless manoeuvre to turn workers against remunicipalisation. The history of water remunicipalisation in France shows that workers and trade unions have sometimes been reticent, because of the uncertainties, but that their attitude tends to shift over time as more and more remunicipalisations are implemented and as local authorities learn the lessons from past experiences.

## Trade deals, ISDS and other threats to local democracy

The 835 (re)municipalisations identified in this book present 835 more reasons to refuse the Transatlantic Trade and Investment Partnership (TTIP) between Europe and the United States, or the Comprehensive Economic Trade Agreement (CETA) between the European Union and Canada that is now being proposed for ratification, or any similar trade and investment deal. The investment protection mechanisms, also known as Investor-State Dispute Settlement (ISDS), that most of these deals contain put high price tags on de-privatisation, because they aim to protect the profits of private foreign investors first.

Chapter 3 by Lavinia Steinfort reveals that the decision to de-privatise public services triggered at least 20 international arbitration cases (10 in the water sector, three in energy, three in transport and four in telecommunication) with claims of up to €4.7 billion (*Vattenfall v. Germany*). The story of Veolia in Lithuania shows how a city's legitimate decision to remunicipalise its district heating can trigger outrageous ISDS claims. In Bulgaria, the mere threat of investor protection was enough to undermine government plans to organise a referendum over the remunicipalisation of water services in the capital city Sofia. When an ISDS claim is awarded to an investor, it is recouped by taxpayers from public budgets, which could reduce the affordability of public services and delay much-needed investments. This is why there is a growing awareness among cities that the emerging trade and investment regime would severely limit local governments' policy space to (re)gain control over local services and resources.

Unfortunately, ISDS and trade agreements are just one aspect of the current threats to local democracy that hinder remunicipalisation. In countries such as Spain or the UK, local authorities are being literally forced by central governments to implement austerity measures decided at the national level, as a way to deflect responsibility for these policies. These very same governments are now actively seeking to hinder remunicipalisation, as in the UK where a bill was passed to ban cities from creating new public bus companies, or in Spain where the central government is taking the city of Valladolid to court to prevent it from remunicipalising its water.

## Is the (re)municipalisation trend significant compared to PPPs?

To conclude, a few words about a question that has often been addressed to us and which will no doubt be asked again by readers of this book: Is this remunicipalisation trend really that significant in comparison to new privatisations and PPPs happening everyday in the world? Are we not only talking about a minor phenomenon?

As of yet, available data is insufficient to answer this question. Undeniably, there is still a strong push toward privatisation all over the planet. But the growing number of de-privatisations nevertheless shows how socially and financially unsustainable privatisation and PPPs are. For every case of remunicipalisation that has been successfully implemented, there are many more cases of local authorities and citizens who are dissatisfied with private providers but have not yet taken action.

For some countries and for some sectors, we do know with a high level of confidence that there are indeed more remunicipalisations than new privatisations. This is the case for the energy sector in Germany. It is also the case for the water and the public transport sectors in France.



In any case, it is impossible to compare privatisation and de-privatisation, because they are fundamentally different. They are different in terms of their political and economic drivers: large corporations and international financial institutions on the one hand, local officials and citizens on the other, with national governments in the middle and too often leaning toward the former. It is generally much easier to privatise a public service than to remunicipalise it. Most importantly, remunicipalisations are a very different kind of social and political story than privatisations: a story of workers, citizens and municipalities reclaiming and reinventing public services for all, in order to respond to our common social and environmental challenges. That is the story we wanted to tell in this book.

## Endnotes

- 1 Kishimoto, S., Lobina, E. and Petitjean, O. (2014) *Here to stay: Water remunicipalisation as a global trend*. Amsterdam, London and Paris: TNI, PSIRU and Multinationals Observatory. <https://www.tni.org/en/publication/here-to-stay-water-remunicipalisation-as-a-global-trend>
- 2 Kishimoto, S., Lobina, E. and Petitjean, O. (eds.) (2015) *Our Public Water Future: The global experience with remunicipalisation*. Amsterdam: Transnational Institute et al. <https://www.tni.org/en/publication/our-public-water-future>
- 3 For a recent example in Romania, see: <http://en.rfi.fr/economy/20170602-veolia-investigated-france-over-romania-bribery-accusations>. Also see the description of the conflict between Veolia and Vilnius (Lithuania) in Chapter 3.
- 4 Vila, S. T. and Peters, M. (2016) *The Privatisation Industry in Europe*. Amsterdam: Transnational Institute. [https://www.tni.org/files/publication-downloads/tni\\_privatising\\_industry\\_in\\_europe.pdf](https://www.tni.org/files/publication-downloads/tni_privatising_industry_in_europe.pdf)
- 5 Columbia Institute (2016) *Back in house. Why local governments are bringing services home*. Ottawa: CUPE [https://cupe.ca/sites/cupe/files/back\\_in\\_house\\_e\\_web\\_2.pdf](https://cupe.ca/sites/cupe/files/back_in_house_e_web_2.pdf); *Back in House* provides a snapshot of recent success stories from the Canadian municipal sector. There are currently no comprehensive statistics on the full extent of remunicipalisation in Canadian municipalities - or in other areas of the public sector such as health care and education. For the Conception Bay South case, also see: <https://cupe.ca/when-private-goes-public-community-wins>
- 6 Maximilie, Q. (2014) *Managing fiscal risks from Public-Private Partnerships (PPPs)*. Washington: IMF. <http://www.imf.org/external/np/seminars/eng/2014/cmr/>

# Appendix 1

## List of (re)municipalisations

### Legend

**D:** decisions to remunicipalise

**E:** contracts expired

**T:** contracts terminated

**S:** shares sold by private operators

**W:** private operators withdrew

N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
<b>EDUCATION</b>										
1	Primary schools	India	Kerala	34,800,000	2016		Remunicipalisation	T	State/ province/ regional	Private management aided by the government
2	Kindergarten	Germany	Gelsenkirchen	257,651	2012	2012	Remunicipalisation	S	Municipal	Kirchenkreise, Gelsenkirchen, Wattenscheid
3	Kindergarten	Germany	Bingen am Rhein	24,234	2016	2017	Remunicipalisation	D	Municipal	Kirchengemeinde St. Rupert und St. Hildegard
4	Kindergarten	Germany	Bromskirchen	1,830	2016	2017	Remunicipalisation	D	Municipal	Förderverein der Kindertagesstätte Bromskirchen
5	Conservatorium	Germany	Dresden	543,825	2016	2017	Remunicipalisation	D	Municipal	Heinrich-Schütz-Konservatorium Dresden e. V.
6	Kindergarten	Germany	Oberreichenbach	2,769	2016	2017	Remunicipalisation	D	Municipal	Evangelische Kirchengemeinde
7	Elementary and secondary schools	Nicaragua	Autonomous Region of the Atlantic Coast	481,000	2006		Municipalisation	N/A	Municipal	N/A
8	Kindergarten	Spain	Barcelona	1,600,000	2016	2016	Remunicipalisation	E	Municipal	N/A
9	School management	United Kingdom	Bradford Council, Yorkshire & Humberside, United Kingdom	531,200	2009	2011	Remunicipalisation	E	Municipal	Serco
10	Education and social care	United Kingdom	Stoke-on-Trent Council, West Midlands, United Kingdom	250,000	2010		Remunicipalisation	E	Municipal	N/A
11	Education	United Kingdom	Leeds Council, Yorkshire & Humberside, United Kingdom	750,000	2011		Remunicipalisation	T	Municipal	N/A

N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
<b>ENERGY</b> 										
12	Gas distribution	Argentina	Buenos Aires	2,890,151	2012	2013	Remunicipalisation	S	State/ province/ regional	Concorcio GASA (which included: YPF Oil Argentina, British Gas (BG), 20% shares traded openly)
13	Wind farm	Denmark	Copenhagen	602,481	1996	2000	Municipalisation	N/A	Other/ combined	N/A
14	Distribution	Dominican Republic	Dajabón, Santiago Rodríguez, Santiago, La Vega, Monseñor Nouel, Sánchez Ramírez, Duarte y Samaná (provinces)	785,000	2003		Remunicipalisation	S	State/ province/ regional	Union Fenosa (Spain)
15	Distribution	Dominican Republic	National District	1,402,749	2003		Remunicipalisation	S	State/ province/ regional	Union Fenosa (Spain)
16	Street lightning	France	Grenoble	160,000	2015	2023	Remunicipalisation	D	Municipal	GEG (joint-venture between Grenoble and Engie), then Vinci
17	Heating	France	Champigny sur Marne	76,000	2016	2016	Remunicipalisation	E	Municipal	Engie (GDF Suez)
18	Electricity grid	Germany	Wolfhagen	12,856	2002	2006	Remunicipalisation	E	Municipal	E.ON
19	Electricity grid	Germany	Villingen-Schwenningen (2 Ortsteile: Pfaffenweiler, Obereschach)	N/A	2004	2004	Remunicipalisation	E	Municipal	EnBW
20	Electricity supply	Germany	Bestwig, Lippstadt, Meschede, Olsberg	N/A		2005	Municipalisation	N/A	Intermunicipal	N/A
21	Gas grid	Germany	Waldkirch	21,141	2005		Remunicipalisation	E	Municipal	badenova
22	Gas grid	Germany	Ammerbuch	11,180	2006		Remunicipalisation	E	Intermunicipal	N/A
23	Electricity grid	Germany	Ammerbuch (coincident. Dettenhausen & Waldenbuch)	N/A	2007	2009	Municipalisation	N/A	Intermunicipal	EnBW
24	Electricity grid	Germany	Dettenhausen ( coincident. Ammerbuch & Waldenbuch)	N/A	2007	2009	Remunicipalisation	E	Intermunicipal	EnBW
25	Electricity grid	Germany	Herbrechtingen	12,869	2007	2009	Remunicipalisation	E	Municipal	N/A

N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
26	Gas and electricity grid	Germany	Niederstotzingen	4,527	2007	2008	Remunicipalisation	E	Intermunicipal	N/A
27	Electricity grid	Germany	Samtgemeinde Barnstorf (Flecken Barnstorf, Gemeinde Drebber, Gemeinde Drentwede, Gemeinde Eydelstedt) & Gemeinde Wagenfeld	N/A		2007	Remunicipalisation	E	Intermunicipal	N/A
28	Electricity grid	Germany	Waldenbuch ( coincident. Ammerbuch & Dettenhausen)	N/A	2007	2009	Remunicipalisation	E	Intermunicipal	EnBW
29	Gas and electricity grid	Germany	Brunsbüttel	12,642	2008	2011	Municipalisation	N/A	Municipal	Eon
30	Electricity grid	Germany	Eriskirch, Kressbronn, Langenargen, Meckenbeuren, Oberteuringen und Tettngang	N/A	2008	2009	Remunicipalisation	E	Intermunicipal	EnBW
31	Gas and electricity supply	Germany	Eriskirch, Kressbronn, Langenargen, Meckenbeuren, Oberteuringen und Tettngang	N/A		2008	Municipalisation	N/A	Intermunicipal	N/A
32	Gas grid	Germany	Heddesheim	11,144		2008	Remunicipalisation	E	Intermunicipal	N/A
33	Electricity grid	Germany	Öschingen & Talheim (Stadtteile Mössingen)	N/A	2008	2009	Remunicipalisation	E	Municipal	EnBW
34	Electricity grid	Germany	Prenzlau	19,070	2008	2011	Remunicipalisation	E	Municipal	E.ON
35	Gas and electricity supply	Germany	Springe	28,378	2008	2008	Remunicipalisation	S	Municipal	N/A
36	Electricity grid	Germany	Springe	28,378	2008	2008	Remunicipalisation	E	Municipal	E.ON Avacon
37	Electricity grid	Germany	Wehrheim	9,256	2008	2009	Remunicipalisation	E	State/ province/ regional	Süwag
38	Gas and electricity supply	Germany	Aerzen, Auetal, Emmerthal, Hameln, Coppenbrügge, Rinteln, Salzhemmendorf	N/A		2009	Municipalisation	N/A	Intermunicipal	N/A



N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
39	Gas and electricity grid	Germany	Denzlingen	13,363	2009	2011	Municipalisation	N/A	Intermunicipal	N/A
40	Electricity grid	Germany	Edermünde, Gudensberg, Guxhagen, Körle, Malsfeld, Melsungen, Morschen, Niederstein, Spangenberg	N/A	2009	2014	Municipalisation	N/A	Intermunicipal	E.ON Mitte
41	Electricity grid	Germany	Elchingen	9,192	2009	2010	Remunicipalisation	E	Intermunicipal	EnBW
42	Electricity grid	Germany	Samtgemeinde Emlichheim & Samtgemeinde Uelsen	N/A	2009	2010	Remunicipalisation	E	Intermunicipal	RWE
43	Gas and electricity supply	Germany	Frankfurt, Hannover, Nürnberg + 54 weitere	N/A	2009	2009	Remunicipalisation	S	Other/ combined	E.ON
44	Electricity grid	Germany	Frickingen	2,886	2009		Remunicipalisation	E	State/ province/ regional	EnBW
45	Gas and electricity supply	Germany	Hamburg	1,803,752	2009	2009	Municipalisation	N/A	Municipal	N/A
46	Electricity grid	Germany	Landsberg am Lech	28,432	2009	2010	Remunicipalisation	E	Municipal	RWE
47	Electricity	Germany	Lich	13,097	2009		Remunicipalisation	E	State/ province/ regional	N/A
48	Electricity grid	Germany	Mainhardt (+ Wüstenrot 1 year later)	N/A	2009	2010	Municipalisation	N/A	Intermunicipal	EnBW
49	Electricity grid	Germany	Michelbach an der Bilz	3,366		2009	Remunicipalisation	E	State/ province/ regional	EnBW Regional AG
50	Gas and electricity supply	Germany	Müllheim, Staufen	N/A		2009	Municipalisation	N/A	Intermunicipal	N/A
51	Electricity grid	Germany	Wüstenrot (+ Mainhardt 1 year before)	N/A	2009	2011	Municipalisation	N/A	Intermunicipal	EnBW
52	Gas and electricity grid	Germany	Umkirch	5,240	2009		Municipalisation	N/A	Municipal	N/A
53	Electricity grid	Germany	Volkmarsen	6,743	2009	2012	Remunicipalisation	E	Intermunicipal	E.ON Mitte
54	Gas grid	Germany	Volkmarsen	6,743	2009	2014	Remunicipalisation	E	Intermunicipal	E.ON Mitte
55	Electricity grid	Germany	Wachtendonk	8,026	2009	2010	Remunicipalisation	E	Intermunicipal	RWE



N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
56	Gas and electricity grid	Germany	Wedemark	8,026		2009	Municipalisation	N/A	Municipal	E.ON
57	Gas and electricity grid	Germany	Königswalde	2,276	2009/10		Remunicipalisation	E	Intermunicipal	Envia-M
58	Electricity grid	Germany	Am Lüttau	N/A	2010	2011	Remunicipalisation	E	State/ province/ regional	E.ON
59	Electricity grid	Germany	Amt Nordstornarn	10,599	2010	2011	Remunicipalisation	E	Intermunicipal	E.ON Hanse
60	Electricity grid	Germany	Amt Rantzau (Bevern, Bokholt-Hanredder, Bullenkuhlen, Groß Offenseth-Aspern, Hemdingen und Lutzhorn in 2010 & Ellerhoop in 2011)	N/A	2010	2010/2011	Remunicipalisation	E	Intermunicipal	E.ON Hanse
61	Gas grid	Germany	Amt Rantzau (Bokholt-Hanredder und Ellerhoop )	N/A	2010	2010	Remunicipalisation	E	Intermunicipal	E.ON Hanse
62	Gas and electricity grid	Germany	Amt Südangeln (13 von 16 Gemeinden)	N/A	2010		Remunicipalisation	E	Intermunicipal	E.ON Hanse
63	Gas and electricity supply	Germany	Bad Neuenahr-Ahrweiler, Schwäbisch Hall	N/A	2010	2010	Municipalisation	N/A	Intermunicipal	N/A
64	Electricity grid	Germany	Baiersbronn (Teilort: Schönmünzach)	N/A		2010	Remunicipalisation	E	Municipal	EnBW Regional AG
65	Gas and electricity supply	Germany	Baden-Württemberg (region)	10,631,278	2010	2010	Remunicipalisation	S	State/ province/ regional	EdF (France, state-owned), OEW, each ca. 45%
66	Gas and electricity supply	Germany	Bochum, Dinslaken, Dortmund, Duisburg, Essen, Oberhausen	N/A	2010	2011/2014	Remunicipalisation	S	Intermunicipal	Evonik (RAG)
67	Gas grid	Germany	Brilon	25,461	2010	2011	Remunicipalisation	E	Municipal	RWE
68	Electricity grid	Germany	Reichenbach im Vogtland (4 Ortsteile: Brunn, Friesen, Rotschau und Schneidenbach)	N/A	2010	2012	Remunicipalisation	E	Municipal	envia Verteilnetz GmbH
69	Gas and electricity supply	Germany	Dresden	1,100,000	2010	2010	Remunicipalisation	S	Municipal	EnBW




N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
70	Gas and electricity supply	Germany	Elbtalaua (Samtgemeinde)	20,718	2010	2011	Municipalisation	N/A	Intermunicipal	N/A
71	Electricity grid	Germany	Glinde	N/A	2010	2012	Remunicipalisation	E	Intermunicipal	E.ON Hanse
72	Electricity grid	Germany	Gottenheim	2,780	2010	2014	Remunicipalisation	E	Intermunicipal	EnBW Regional (Netze BW)
73	Electricity grid	Germany	Groß Pankow	3,954	2010		Remunicipalisation	E	State/ province/ regional	E.ON edis
74	Gas and electricity grid	Germany	Großalmerode	6,997	2010	2016	Municipalisation	N/A	Intermunicipal	N/A
75	Electricity grid	Germany	Großlöbichau, Ruttersdorf-Lotschen, Schöngleina	N/A	2010		Remunicipalisation	E	State/ province/ regional	E.ON Thüringen
76	Gas and electricity grid	Germany	Henningsdorf	25,928	2010	2011	Municipalisation	N/A	Municipal	E.ON & EMB
77	Gas and electricity grid	Germany	Keltern	9,037	2010	2016	Remunicipalisation	E	Intermunicipal	EnBW
78	Electricity grid	Germany	Külshiem	5,254	2010	2012	Remunicipalisation	E	Municipal	EnBW
79	Electricity grid	Germany	Lahntal	6,783	2010	2012	Remunicipalisation	E	Intermunicipal	E.ON-Mitte
80	Electricity grid	Germany	Lehesten	1,746	2010	2012	Remunicipalisation	E	Intermunicipal	E.ON Thüringen
81	Electricity grid	Germany	Luckau (+Drahnsdorf)	N/A	2010	2013	Remunicipalisation	E	Intermunicipal	Mitnetz Strom (Envia)
82	Gas grid	Germany	Mögelin & Döberitz (Ortsteile von Premnitz)	N/A		2010	Remunicipalisation	E	Municipal	Energie Mark Brandenburg GmbH
83	Electricity grid	Germany	Nersingen	9,224		2010	Remunicipalisation	E	Intermunicipal	Lechwerke AG (RWE)
84	Electricity grid	Germany	Neuenburg am Rhein	11,710	2010	2011	Remunicipalisation	E	State/ province/ regional	Energiedienst
85	Electricity grid	Germany	Oststeinbek	8,791	2010	2012	Remunicipalisation	E	Intermunicipal	E.ON Hanse
86	Electricity grid	Germany	Ratekau	15,193	2010	2012	Remunicipalisation	E	Intermunicipal	Schleswig-Holstein Netz
87	Electricity grid	Germany	Schkeuditz (Ortsteil Glesien)	1,451	2010	2011	Remunicipalisation	E	Intermunicipal	enviaM
88	Electricity grid	Germany	Schwedt/Oder (zuerst 9, dann die restlichen 4 Ortsteile)	N/A	2010	2011	Remunicipalisation	E	Municipal	E.ON
89	Electricity grid	Germany	Tannenberg	1,138	2010	2012	Remunicipalisation	E	Intermunicipal	Envia M



N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
90	Gas and electricity grid	Germany	Wadersloh	12,167	2010	2011	Municipalisation	N/A	Intermunicipal	RWE
91	Electricity grid	Germany	Wadgassen	17,540		2010	Remunicipalisation	E	Municipal	Energienetz saar
92	Electricity grid	Germany	Walldürn (Ortsteile: Hornbach, Gerolzahn, Glashofen, Gottersdorf, NeUnited Statesß, Kaltenbrunn, Reinhardsachsen, Rippberg, Wattersdorf)	N/A	2010	2011	Remunicipalisation	E	Municipal	EnBW Regional AG
93	Gas and electricity supply	Germany	Wangerland	9,061	2010	2010	Municipalisation	N/A	Municipal	N/A
94	Gas and electricity grid	Germany	Wohltorf	2,411	2010	2011	Remunicipalisation	E	Intermunicipal	E.ON Hanse
95	Gas and electricity grid	Germany	Wolmirstedt (3 Ortsteile)	N/A	2010	2012	Remunicipalisation	E	Municipal	E.on Avacon
96	Electricity grid	Germany	Süsel	5,191	2010/2011		Remunicipalisation	E	State/ province/ regional	Schleswig-Holstein Netz AG (E.on Hanse)
97	Gas and electricity supply	Germany	Achern, Kappelrodeck, Oppenau, Rheinau, Renchen, Sasbach, Sasbachwalden	N/A	2011	2012	Municipalisation	N/A	Intermunicipal	N/A
98	Electricity grid	Germany	Achern, Kappelrodeck, Oppenau, Rheinau, Renchen, Sasbach, Sasbachwalden	N/A	2011	2014	Remunicipalisation	E	Intermunicipal	Süwag (RWE)
99	Electricity grid	Germany	Amöneburg	5,144	2011	2012	Remunicipalisation	E	Intermunicipal	E.ON-Mitte
100	Gas and electricity grid	Germany	Aspishheim, Gensingen, Grolsheim, Horrweiler, Welgesheim, Wolfsheim, Zotzenheim	N/A		2011	Partnership with citizens	E	Intermunicipal	EWR (electricity), RWE (gas)
101	Gas and electricity grid	Germany	Badenheim, St.Johann, Sprendlingen	N/A		2011	Partnership with citizens	E	Intermunicipal	EWR (electricity), RWE (gas)
102	Electricity grid	Germany	Bad Krozingen	17,448	2011		Remunicipalisation	E	Intermunicipal	Energiedienst AG
103	Electricity grid	Germany	Bärenstein	2,442	2011	2012	Remunicipalisation	E	Intermunicipal	envia Verteilnetz GmbH
104	Gas and electricity grid	Germany	Brieselang (plus Dallgow-Döberitz & Wustermark)	N/A	2011		Remunicipalisation	E	Intermunicipal	E.ON & EMB





N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company	
105	Electricity grid	Germany	Cölbe	6,725	2011	2012	Remunicipalisation	E	Intermunicipal	E.ON-Mitte	
106	Gas and electricity grid	Germany	Dallgow (+ Brieselang & Wustermark)	N/A	2011	still negotiating	Remunicipalisation	E	Intermunicipal	E.ON & EMB	
107	Electricity grid	Germany	Diez	10,688	2011	2012	Municipalisation	N/A	Municipal	N/A	
108	Electricity grid	Germany	Ditzingen	24,272	2011	2017	Municipalisation	N/A	Municipal	Netze BW	
109	Gas grid	Germany	Ditzingen	24,272	2011	2015	Municipalisation	N/A	Municipal	Netze BW	
110	Electricity supply	Germany	Donzdorf, Eislingen, Ottenbach	N/A		2011	Municipalisation	N/A	Intermunicipal	N/A	
111	Electricity grid	Germany	Elbtalau (Samtgemeinde)	21,425	2011	2013	Remunicipalisation	E	Intermunicipal	N/A	
112	Electricity grid	Germany	Emsbüren	9,939		2011	Remunicipalisation	E	Municipal	RWE	
113	Electricity grid	Germany	Frankenau	2,919	2011	2012	Remunicipalisation	E	Intermunicipal	E.ON Mitte	
114	Electricity grid	Germany	Frauensee	832	2011	2012	Remunicipalisation	E	Intermunicipal	E.ON Thüringer Energie AG	
115	Gas grid	Germany	Frohnau (+ 2 weitere Ortsteile: Geyersdorf, Cunersdorf)	N/A	2011	2013	Remunicipalisation	E	Intermunicipal	Mitteldeutsche Energie (RWE)	
116	Electricity grid	Germany	Frohnau (+ 2 weitere Ortsteile: Geyersdorf, Cunersdorf)	N/A	2011	2012	Remunicipalisation	E	Intermunicipal	Mitnetz Strom -> Envia-M	
117	Electricity grid	Germany	Fronhausen	4,048	2011	2012	Remunicipalisation	E	Intermunicipal	E.ON-Mitte	
118	Gas and electricity supply	Germany	Gauting, Krailing, Planegg	N/A		2011	Municipalisation	N/A	Intermunicipal	N/A	
119	Gas and electricity grid	Germany	Gernewitz, Hainbücht (Ortsteile Stadtroda)	N/A	2011	2012	Remunicipalisation	E	Municipal	Thüringer Energienetze GmbH	
120	Electricity grid	Germany	Göppingen	56,781	2011	2014	Remunicipalisation	E	Municipal	EnBW Regional (Netze BW)	
121	Electricity grid	Germany	Grimmen	10,019	2011		Municipalisation	N/A	Intermunicipal	Stadt Greifswald	
122	Electricity grid	Germany	Hann. Münden (alle Ortsteile)	N/A	2011	2016	Remunicipalisation	E	Municipal	E.ON Mitte / Energie Netz Mitte GmbH (ENM)	
123	Electricity grid	Germany	Harrisleer	11,285	2011	2014	Remunicipalisation	E	Intermunicipal	Schleswig-Holstein Netz AG (HanseWerkAG)	
124	Electricity grid	Germany	Heddesheim	11,199	2011	2015	Remunicipalisation	E	Intermunicipal	EnBW	
125	Electricity grid	Germany	Ilvesheim	9100	2011	2014	Remunicipalisation	E	Intermunicipal	EnBW	
126	Electricity grid	Germany	Koblenz	112,586		2011	Remunicipalisation	E	State/ province/ regional	RWE	

N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
127	Electricity grid	Germany	Korb	10,544		2011	Municipalisation	N/A	Intermunicipal	Süwag
128	Gas grid	Germany	Korb	10,544		2011	Municipalisation	N/A	Intermunicipal	EnBW
129	Electricity grid	Germany	Lauchringen	7,630	2011	2013	Municipalisation	N/A	Intermunicipal	N/A
130	Electricity grid	Germany	Lenningen	7,630	2011	2015	Municipalisation	N/A	Municipal	EnBW
131	Gas and electricity supply	Germany	Lohmar	30,348	2011	2012	Municipalisation	N/A	Municipal	N/A
132	Electricity grid	Germany	Lohra	5,465	2011	2012	Remunicipalisation	E	Intermunicipal	E.ON-Mitte
133	Electricity grid	Germany	Ludwigsburg, Kornwestheim	N/A	2011	2014	Remunicipalisation	E	Intermunicipal	EnBW
134	Gas and electricity grid	Germany	Merkers-Kieselbach	2,895	2011	2011/2012	Remunicipalisation	E	Intermunicipal	E.ON
135	Electricity grid	Germany	Mömbris	11,576	2011	2012	Remunicipalisation	E	Intermunicipal	E.ON Bayern
136	Electricity grid	Germany	Münchhausen	3,429	2011	2012	Remunicipalisation	E	Intermunicipal	E.ON-Mitte
137	Electricity grid	Germany	Nord-Elm (Samtgemeinde (+ Königsutter am Elm & Mariental))	N/A	2011	2016	Municipalisation	N/A	Intermunicipal	Avacon AG
138	Electricity grid	Germany	Oersdorf	874		2011	Remunicipalisation	E	Intermunicipal	Schleswig-Holstein Netz AG
139	Electricity grid	Germany	Oranienburg (Ortsteile: Friedrichsthal, Germendorf, Malz, Lehnitz, Schmachtenhagen, Wensickendorf, Zehlendorf)	N/A	2011	2012	Municipalisation	N/A	Municipal	E.ON edis
140	Electricity grid	Germany	Oranienburg (Kernstadt: Sachsenhausen)	N/A	2011		Municipalisation	N/A	Municipal	E.ON edis
141	Electricity grid	Germany	Putzbrunn	6,503		2011	Municipalisation	N/A	Municipal	N/A
142	Electricity grid	Germany	Rauschenberg	4,432	2011	2012	Remunicipalisation	E	Intermunicipal	E.ON-Mitte
143	Electricity grid	Germany	Saerbeck	7,191	2011	2012	Remunicipalisation	E	Municipal	RWE
144	Gas and electricity supply	Germany	Stuttgart	623,738	2011	2013	Municipalisation	N/A	Municipal	N/A
145	Gas and electricity supply	Germany	Waldbröl	19,194	2011	2014	Municipalisation	N/A	Municipal	N/A



N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
146	Electricity grid	Germany	Weimar (Lahn)	7,003	2011	2012	Remunicipalisation	E	Intermunicipal	E.ON-Mitte
147	Electricity grid	Germany	Wetter	27,822	2011	2012	Remunicipalisation	E	Intermunicipal	E.ON-Mitte
148	Electricity grid	Germany	Wohratal	2,336	2011	2012	Remunicipalisation	E	Intermunicipal	E.ON-Mitte
149	Gas and electricity grid	Germany	Wustermark (plus Brieselang & Dallgow)	N/A	2011	still negotiating	Remunicipalisation	E	Intermunicipal	E.ON & EMB
150	Electricity grid	Germany	Zeitz (5 Ortsteile)	N/A	2011	2011	Remunicipalisation	E	Municipal	N/A
151	Electricity grid	Germany	Allensbach, Bodman-Ludwigshafen, Reichenau	N/A	2012	2013	Municipalisation	N/A	Intermunicipal	EnBW
152	Gas grid	Germany	Allensbach, Bodman-Ludwigshafen, Reichenau	N/A	2012	2013	Municipalisation	N/A	Intermunicipal	Erdgas Südwest (EnBWt 79 % & OEW Energie-Beteiligungs GmbH 21 %)
153	Gas and electricity grid	Germany	Ascheberg, Billerbeck, Havixbeck, Lüdinghausen, Nordkirchen, Nottuln, Olfen, Rosendahl, Senden	N/A		2012	Municipalisation	N/A	Intermunicipal	N/A
154	Electricity grid	Germany	Bad Sassendorf	11,650	2012	2011	Municipalisation	N/A	Municipal	RWE
155	Gas grid	Germany	Bad Schlema	4,866		2012	Remunicipalisation	E	Intermunicipal	Eins energie in Sachsen GmbH & Co. KG
156	Electricity grid	Germany	Baiersbronn (Teilort: Obertal)	N/A		2012	Remunicipalisation	E	Municipal	Elektro Trück
157	Gas and electricity supply	Germany	Bamberg + 31 weitere Gemeinden	N/A		2012	Municipalisation	N/A	State/ province/ regional	N/A
158	Electricity grid	Germany	Bebra (11 Ortsteile)	N/A		2012	Remunicipalisation	E	Municipal	E.ON
159	Electricity grid	Germany	Blumenau	241,987		2012	Remunicipalisation	E	Municipal	MITNETZ STROM (Mitteldeutsche Netzgesellschaft Strom mbH) -> enviaM: 41,43% ostdeutsche Kommunen & 58,57% Innogy SE -> Tochter RWE
160	Gas and electricity grid	Germany	Bobingen	16,688	2012	2013	Municipalisation	N/A	Municipal	Lechwerke AG (LEW) -> innogy SE -> RWE
161	Gas and electricity grid	Germany	Böblingen	46,714		2012	Municipalisation	N/A	Intermunicipal	EnBW



N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
162	Gas and electricity supply	Germany	Darmstadt & weitere	N/A	2012	2012	Remunicipalisation	S	Intermunicipal	N/A
163	Electricity grid	Germany	Dorndorf	2,687	2012	2012	Remunicipalisation	E	Intermunicipal	Thüringer Energie AG (vorm. E.ON Thüringer Energie AG)
164	Electricity grid	Germany	Drahnsdorf (+Luckau)	N/A	2012	2013	Remunicipalisation	E	Intermunicipal	Mitnetz Strom (Envia)
165	Electricity grid	Germany	Edlingen-Neckarhausen	N/A	2012	2014	Municipalisation	N/A	Municipal	Netze BW & MVV Energie
166	Electricity supply	Germany	Freudenberg (Baden)	3,768		2012	Municipalisation	N/A	Municipal	N/A
167	Electricity grid	Germany	Haan	30,166	2012	2014	Remunicipalisation	E	Municipal	RWE
168	Electricity grid	Germany	Halberstadt (2 Ortsteile: Klein Quenstedt und Emersleben)	N/A		2012	Remunicipalisation	E	Municipal	E.ON Avacon
169	Electricity grid	Germany	Helmarshausen	1,478	2012	2013	Remunicipalisation	E	State/ province/ regional	E.ON-Mitte
170	Electricity grid	Germany	Herzebrock-Clarholz	15,965	2012	2013	Municipalisation	N/A	Intermunicipal	RWE
171	Electricity grid	Germany	Hirschberg	2,183	2012	2015	Remunicipalisation	E	Intermunicipal	N/A
172	Electricity grid	Germany	Ispringen	6,062		2012	Remunicipalisation	E	Intermunicipal	EnBW
173	Electricity grid	Germany	Kappelrodeck	5,887		2012/2013	Remunicipalisation	E	State/ province/ regional	Ziegler GmbH & Co. KG
174	Electricity grid	Germany	Kaufungen	12,445	2012	2015	Municipalisation	N/A	Intermunicipal	EAM
175	Electricity grid	Germany	Kernen, Remshalden, Urbach, Winterbach	N/A	2012	2017	Municipalisation	N/A	Intermunicipal	EnBW
176	Electricity grid	Germany	Kyritz	9,140	2012	2014	Remunicipalisation	E	Intermunicipal	E.ON Edis
177	Gas and electricity grid	Germany	Lohmar	29,820	2012	2013	Remunicipalisation	E	Municipal	Rhenag
178	Electricity grid	Germany	Lindenau & Wildbach (Ortsteile von Schneeberg) + Gemeinde Bad Schlema	N/A		2012	Remunicipalisation	E	Intermunicipal	Envia M
179	Electricity grid	Germany	Michefeld	3,659	2012	2016	Municipalisation	N/A	Municipal	EnBW
180	Electricity grid	Germany	Müllheim, Staufen	N/A		2012	Remunicipalisation	E	Intermunicipal	Energiedienst Netze



N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
181	Gas and electricity grid	Germany	Norden	24,895	2012	2013	Remunicipalisation	E	Municipal	N/A
182	Electricity grid	Germany	Neuenkirchen	13,595		2012	Remunicipalisation	E	Intermunicipal	RWE
183	Electricity grid	Germany	Oberriexingen	3,284	2012	2016	Municipalisation	N/A	Intermunicipal	Netze BW
184	Gas grid	Germany	Oberriexingen	3,284	2012	2015	Municipalisation	N/A	Intermunicipal	Netze BW
185	Electricity grid	Germany	Oppenau	4,661	2012	2012	Remunicipalisation	E	Intermunicipal	Süwag
186	Electricity grid	Germany	Rheda-Wiedenbrück	47,177	2012	2013	Municipalisation	N/A	Municipal	RWE
187	Electricity grid	Germany	Riederich	4,261	2012	2013	Remunicipalisation	E	State/ province/ regional	EnBW
188	Gas and electricity grid	Germany	Schwentinental	13,588		2012	Municipalisation	N/A	Municipal	
189	Gas and electricity grid	Germany	Solingen	158,726	2012	2012	Remunicipalisation	E	Municipal	Stadt Solingen / MVV-Energie
190	Gas and electricity supply	Germany	Solingen	158,726	2012	2012	Remunicipalisation	S	Municipal	Stadt Solingen / MVV-Energie
191	Electricity grid	Germany	Sondershausen (12 Ortsteile)	N/A	2012	2013	Remunicipalisation	E	Municipal	E.ON Thüringen
192	Electricity grid	Germany	Süßen	9,798		2012	Municipalisation	N/A	Municipal	EnBW
193	Electricity grid	Germany	Titisee-Neustadt	11,819		2012	Municipalisation	N/A	Municipal	EnBW
194	Electricity supply	Germany	Titisee-Neustadt	11,819		2012	Municipalisation	N/A	Municipal	N/A
195	Electricity grid	Germany	Trendelburg	5,302	2012	2013	Remunicipalisation	E	State/ province/ regional	E.ON-Mitte
196	Electricity grid	Germany	Wackerow	1,420	2012	2013	Remunicipalisation	E	Intermunicipal	N/A
197	Electricity grid	Germany	Wahlsburg	2,088	2012	2013	Remunicipalisation	E	State/ province/ regional	E.ON-Mitte
198	Electricity grid	Germany	Weiden	96	2012	2012	Municipalisation	N/A	Municipal	E.ON
199	Gas grid	Germany	Weimar (8 Ortsteile)	N/A		2012/2013	Remunicipalisation	E	Municipal	E.ON
200	Electricity grid	Germany	Adelberg, Birenbach, Börtlingen, Rechberghausen, Wäschenbeuren	N/A	2013		Municipalisation	N/A	Intermunicipal	EnBW




N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
201	Gas and electricity supply	Germany	Ahaus, Coesfeld, Dülmen, Stadtlohn, Südlohn, Vreden	N/A		2013	Municipalisation	N/A	Intermunicipal	N/A
202	Electricity grid	Germany	Backnang	35,496	2013	2017	Remunicipalisation	D	Intermunicipal	Syna GmbH / Süwag Energie AG / RWE
203	Gas and electricity grid	Germany	Bad Neuenahr-Ahrweiler, Schwäbisch Hall	N/A	2013	2013	Remunicipalisation	E	Intermunicipal	RWE
204	Electricity grid	Germany	Bad Schlema	5,229		2013	Remunicipalisation	E	Intermunicipal	N/A
205	Electricity supply	Germany	Berlin	3,437,916	2013	2014	Municipalisation	N/A	Municipal	N/A
206	Electricity grid	Germany	Biebertal (+ Lahnau & Stadt Lollar)	N/A		2013	Remunicipalisation	E	Intermunicipal	E.ON Mitte
207	Gas and electricity grid	Germany	Bovenden	13,529	2013	2016	Remunicipalisation	E	Municipal	E.ON-Mitte
208	Electricity grid	Germany	Büchenbach	5,225	2013	2014	Remunicipalisation	E	Intermunicipal	N-ERGIE Netz GmbH
209	Electricity grid	Germany	Donzdorf, Eislingen, Ottenbach	N/A	2013	2013	Remunicipalisation	E	Intermunicipal	EnBW
210	Electricity grid	Germany	Eislingen	19,840	2013	2013	Municipalisation	N/A	State/ province/ regional	EnBW
211	Gas and electricity grid	Germany	Gauting, Krailing, Planegg	N/A		2013	Remunicipalisation	E	Intermunicipal	E.ON
212	Electricity grid	Germany	Goch	33,401	2013	2015	Municipalisation	N/A	Municipal	RWE
213	Gas and electricity grid	Germany	Göttingen + 111 weitere	N/A		2013	Remunicipalisation	E	State/ province/ regional	E.ON SE
214	Gas and electricity supply	Germany	Göttingen + 111 weitere	N/A		2013	Remunicipalisation	S	State/ province/ regional	E.ON SE
215	Electricity grid	Germany	Gräfelfing	13,269		2013	Municipalisation	N/A	Municipal	E.ON
216	Electricity grid	Germany	Grefrath	15,564		2013	Remunicipalisation	E	Municipal	RWE
217	Gas and electricity grid	Germany	Grimma	28,411	2013	2014	Municipalisation	N/A	Municipal	Enviem Mitteldeutsche Energie (RWE)
218	Electricity grid	Germany	Hamburg	1,803,752	2013	2015	Remunicipalisation	E	Municipal	Vattenfall
219	Gas and electricity grid	Germany	Hildesheim	99,979		2013	Municipalisation	N/A	Municipal	N/A
220	Electricity grid	Germany	Hofheim	38,598	2013	2014	Municipalisation	N/A	Intermunicipal	Süwag



N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
221	Electricity grid	Germany	Lahnau (+ Biebertal & Stadt Lollar)	N/A		2013	Remunicipalisation	E	Intermunicipal	E.ON Mitte
222	Electricity grid	Germany	Langenfeld	57,083	2013	2014	Remunicipalisation	E	Citizen and/or workers	RWE
223	Electricity supply	Germany	Lauchringen, Wutöschingen	N/A		2013	Municipalisation	N/A	Intermunicipal	N/A
224	Electricity grid	Germany	Leinfelden-Echterdingen	N/A		2013	Municipalisation	N/A	Municipal	EnBW
225	Gas grid	Germany	Lindenau & Wildbach (Ortsteile von Schneeberg) + Gemeinde Bad Schlema	N/A		2013	Remunicipalisation	E	Intermunicipal	Envia M
226	Electricity grid	Germany	Lollar (+ Municipalities: Biebertal & Lahnaur)	N/A		2013	Remunicipalisation	E	Intermunicipal	E.ON Mitte
227	Gas and electricity grid	Germany	Lüdinghausen	23,921	2013	2014	Remunicipalisation	E	State/ province/ regional	RWE
228	Gas and electricity grid	Germany	Paderborn + 43 weitere Gemeinden	N/A		2013	Remunicipalisation	E	State/ province/ regional	E.ON
229	Gas and electricity grid	Germany	Pfaffenhofen	23,971	2013	2016	Municipalisation	N/A	Municipal	N/A
230	Electricity grid	Germany	Porta Westfalica	35,208		2013	Remunicipalisation	E	Intermunicipal	E.ON
231	Electricity grid	Germany	Recklinghausen	114,147	2013	2019	Municipalisation	N/A	Municipal	RWE
232	Electricity grid	Germany	Remseck am Neckar	24,512	2013	2014	Municipalisation	N/A	Intermunicipal	EnBW & Syna
233	Gas grid	Germany	Remseck am Neckar	24,512	2013	2014	Municipalisation	N/A	Intermunicipal	EnBW & Syna
234	Electricity grid	Germany	Simmerath	15,094		2013	Remunicipalisation	E	Intermunicipal	RWE
235	Gas and electricity grid	Germany	Steinheim	12,757		2013	Municipalisation	N/A	Intermunicipal	N/A
236	Gas and electricity grid	Germany	Sulzbach-Rosenberg	N/A		2015	Remunicipalisation	E	State/ province/ regional	Bayern werk AG
237	Electricity grid	Germany	Waltrop	28,971		2013	Municipalisation	N/A	Municipal	RWE
238	Electricity grid	Germany	Warendorf	36,972	2013	2014	Remunicipalisation	E	Municipal	RWE
239	Electricity grid	Germany	Weinstadt	26,177		2013	Municipalisation	N/A	Municipal	N/A
240	Gas and electricity grid	Germany	Bad Bentheim	15,104	2014	2015	Municipalisation	N/A	Intermunicipal	RWE



N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company	
241	Electricity supply	Germany	Bad Boll	5,079		2014	Municipalisation	N/A	Intermunicipal	EnBW	
242	Electricity grid	Germany	Bad Boll	5,079		2014	Municipalisation	N/A	Intermunicipal	EnBW	
243	Electricity grid	Germany	Bad Godesberg, Beueler	N/A	2014	2015	Remunicipalisation	E	Intermunicipal	RWE	
244	Gas and electricity grid	Germany	Bargteheide	15,863	2014	2015	Remunicipalisation	E	Intermunicipal	Schleswig-Holstein Netz AG / HanseWerk AG (E.ON AG)	
245	Gas grid	Germany	Barsbüttel	12,278	2014	2015	Remunicipalisation	E	Intermunicipal	E.ON Hanse	
246	Electricity grid	Germany	Bodanrück (Gemeinden: Bodman-Ludwigshafen, Allensbach, Reichenau)	N/A	2014		Municipalisation	N/A	Intermunicipal	EnBW	
247	Electricity grid	Germany	Brüggen	15,443	2014	2015	Municipalisation	N/A	Municipal	RWE	
248	Gas grid	Germany	Criewen (Ortsteil von Schweidt)	N/A		2014	Remunicipalisation	E	Intermunicipal	E.ON	
249	Electricity grid	Germany	Eppingen	20,919	2014	2015	Municipalisation	N/A	Municipal	EnBW	
250	Energy utility	Germany	Freiberg (Sachsen)	40,829		2014	Municipalisation	N/A	Municipal	Stadtwerke Freiberg, but in possession of HEAG Südthessische Energie AG	
251	Gas grid	Germany	Hohen Neuendorf	25,239	2014		Municipalisation	N/A	Municipal	Energie Mark Brandenburg (EMB)	
252	Gas and electricity supply	Germany	Hörstel, Hopsten, Ibbenbüren, Lotte, Mettingen, Recke, Westerkappeln	N/A	2014	2014	Municipalisation	N/A	Intermunicipal	N/A	
253	Electricity grid	Germany	Kirchheim unter Teck	39,389	2014	2013	Municipalisation	N/A	Municipal	EnBW	
254	Electricity grid	Germany	Niestetal	10,674	2014	2014	Municipalisation	N/A	Intermunicipal	E.ON	
255	Electricity grid	Germany	Samtgemeinde Rehden	N/A	2014	2014	Remunicipalisation	E	Intermunicipal	Westnetz	
256	Gas grid	Germany	Schwedt/Oder ( Ortsteile: Criewen, Stendell, Vierraden & Zützen)	N/A		2014	Remunicipalisation	E	Municipal	EWE AG	
257	Gas grid	Germany	Springe	28,378	2014	2014	Remunicipalisation	E	Municipal	Avacon	
258	Gas grid	Germany	Utendorf (+Kühndorf, Schwarza, Christes & Meininger Ortsteil Herpf)	N/A		2014	Remunicipalisation	E	Intermunicipal	Thüringer Energie AG	
259	Gas grid	Germany	Weinstadt	26,177	2014	2015	Municipalisation	N/A	Municipal	Netze BW GmbH	






N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
260	Electricity grid	Germany	Aarbergen, Bad Camberg, Bad Schwalbach, Heidenrod, Hohenstein, Hünfelden, Hünstetten, Niedernhausen, Weilrod	N/A		2015	Municipalisation	N/A	Intermunicipal	Süwag
261	Gas and electricity grid	Germany	Bad Salzflen, Detmold, Lemgo, Rinteln, Vlotho	N/A		2015	Municipalisation	N/A	Intermunicipal	N/A
262	Electricity grid	Germany	Bad Vilbel (Stadtteil Gronau)	N/A	2015	2016	Remunicipalisation	E	Municipal	E.ON Mitte
263	Electricity supply	Germany	Baunatal	27,403	2015	2016	Remunicipalisation	S	State/ province/ regional	E.ON Mitte AG
264	Electricity grid	Germany	Bestwig, Meschede (auch Gas), Olsberg	N/A	2015	2016	Remunicipalisation	E	Intermunicipal	RWE
265	Electricity grid	Germany	Bingen	24,234	2015	2016	Municipalisation	N/A	Municipal	RWE
266	Gas grid	Germany	Bornheim	46,623	2015	2016	Remunicipalisation	E	Intermunicipal	RWE
267	Electricity grid	Germany	Gmund am Tegernsee	5,912	2015	2017	Remunicipalisation	D	Intermunicipal	E.ON
268	Gas and electricity supply	Germany	Grimma	28,411		2015	Municipalisation	N/A	Municipal	N/A
269	Electricity grid	Germany	Hagnau am Bodensee	1,397	2015	2016	Municipalisation	N/A	Intermunicipal	N/A
270	Electricity grid	Germany	Hamel	56,310	2015		Remunicipalisation	E	Municipal	E.ON Westfalen Weser AG
271	Gas and electricity grid	Germany	Hörstel, Hopsten, Ibbenbüren, Lotte, Mettingen, Recke, Westerkappeln	N/A	2015	2016	Remunicipalisation	E	Intermunicipal	RWE, SWD
272	Electricity grid	Germany	Kulmbach	27,099	2015	2017	Remunicipalisation	D	Municipal	Bayernwerk AG (E.ON)
273	Electricity supply	Germany	Kulmbach	27,099	2015	2017	Municipalisation	N/A	Municipal	N/A
274	Gas grid	Germany	Leipzig (22 Ortsteile)	N/A	2015		Remunicipalisation	E	Municipal	MITGAS
275	Electricity grid	Germany	Moringen	6,979	2015	2016	Remunicipalisation	E	Intermunicipal	EnergieNetz Mitte GmbH
276	Gas grid	Germany	Müllheim, Staufen	N/A		2015	Remunicipalisation	E	Intermunicipal	Badenova
277	Electricity grid	Germany	Oldenburg in Holstein	9,663	2015	2016	Municipalisation	N/A	Municipal	Schleswig-Holstein Netz (HanseWerk)
278	Gas and electricity	Germany	Seegebiet Mansfelder Land	9,325	2015		Municipalisation	N/A	Intermunicipal	EnviaM



N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company	
279	Electricity grid	Germany	Seeheim-Jugenheim	15,948		2015	Remunicipalisation	E	State/ province/ regional	e-netz Südhessen	
280	Electricity grid	Germany	Sersheim	5,471	2015	2016	Municipalisation	N/A	Municipal	EnBW	
281	Gas grid	Germany	Verl	25,006	2015	2016	Municipalisation	N/A	Municipal	RWE	
282	Gas and electricity grid	Germany	Wendelstein	15,648		2015	Municipalisation	N/A	Municipal	N/A	
283	Electricity supply	Germany	Aurich	41,075	2016	2017	Municipalisation	N/A	Municipal	N/A	
284	Electricity grid	Germany	Crailsheim (9 Ortsteile)	N/A		2016	Remunicipalisation	E	Municipal	ENBW-ODR-Netz	
285	Gas and electricity grid	Germany	Düren	89,024	2016		Remunicipalisation	E	Municipal	RWE	
286	Gas and electricity grid	Germany	Gifhorn	41,617	2016	2017	Municipalisation	N/A	Municipal	LandE	
287	Electricity grid	Germany	Harsewinkel	24,183		2016	Municipalisation	N/A	Municipal	RWE	
288	Electricity grid	Germany	Königeslutter am Elm (+ Nord-Elm & Mariental)	N/A		2016	Municipalisation	N/A	Intermunicipal	Avacon AG	
289	Electricity grid	Germany	Mariental (+ Nord-Elm & Königeslutter am Elm)	N/A		2016	Municipalisation	N/A	Intermunicipal	Avacon AG	
290	Electricity grid	Germany	Metzingen	21,172		2016	Remunicipalisation	E	Municipal	EnBW Regional AG	
291	Electricity grid	Germany	Rösrath	28,049		2016	Municipalisation	N/A	Municipal	RWE	
292	Electricity grid	Germany	Leipzig (19 Ortsteile)	N/A	2016	2017	Remunicipalisation	D	Municipal	EnviaM	
293	Electricity grid	Germany	Minden	80,212	2016	2016	Municipalisation	N/A	Intermunicipal	Westfalen Weser Netz GmbH	
294	Gas grid	Germany	Minden	80,212	2016	2017	Municipalisation	N/A	Intermunicipal	Westfalen Weser Netz GmbH	
295	Electricity grid	Germany	Murnau am Staffelsee	11,882	2016		Remunicipalisation	E	Municipal	Bayernwerk AG	
296	Electricity grid	Germany	Verl	25,006	2016	2017	Municipalisation	N/A	Municipal	RWE	




N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
297	Electricity grid	Germany	Wenden	19,900		2016	Municipalisation	N/A	Municipal	N/A
298	Electricity grid	Germany	Ahrensburg	31,602		2018	Remunicipalisation	D	Municipal	N/A
299	Gas and electricity grid	Germany	Filderstadt	44,631			Remunicipalisation	E	Intermunicipal	
300	Electricity grid	Germany	Freudenberg (Baden)	3,768			Remunicipalisation	E	Municipal	
301	Electricity grid	Germany	Gomaringen	8,691			Remunicipalisation	E	Intermunicipal	
302	Electric distribution	India	Odisha State	43,730,000	2015		Remunicipalisation	T	State/ province/ regional	
303	Renewable energy supply	Japan	Izumisano	100,551	2014	2015	Municipalisation	N/A	Municipal	
304	Renewable energy generation and supply	Japan	Nakanojo	16,399		2014	Municipalisation	N/A	Municipal	
305	Biomass production and supply	Japan	Maniwa	45,044	2015		Municipalisation	N/A	Municipal	
306	Renewable energy supply	Japan	Miyama	37,250		2015	Municipalisation	N/A	Municipal	
307	Central heating supply	Lithuania	Vilnius and two other municipalities	542,664	2016	2017	Remunicipalisation	D	Municipal	
308	Warmth generation and distribution	The Netherlands	Culemburg	27,674		2009	Municipalisation	N/A	Citizen and/or workers	
309	Energy generation and distribution	The Netherlands	Dordrecht	118,782		2012	Municipalisation	N/A	Municipal	
310	Energy generation and distribution	The Netherlands	Haarlemmermeer	144,908	2013	2014	Municipalisation	N/A	Municipal	
311	Electricity	Spain	Barcelona	1,600,000	2017	2018	Remunicipalisation	E	Municipal	
312	Heating and electricity supply	United Kingdom	Bristol	428,100	2013	2015	Municipalisation	N/A	Municipal	
313	Energy supply	United Kingdom	Scotland	5,295,000	2014	2015	Partnership with citizens	N/A	Citizen and/or workers	
314	Energy switching	United Kingdom	Glasgow	598,830	2015	2016	Partnership with citizens	N/A	Other/ combined	




N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company	
315	Electricity supply	United Kingdom	Nottingham	318,900		2015	Municipalisation	N/A	Municipal		
316	Electricity supply	United Kingdom	Leeds	443,247		2016	Municipalisation	N/A	Municipal		
317	Electric utility	United States	Hermiton, Oregon	17,137	2001		Remunicipalisation	T	Municipal		
318	Electricity supply	United States	Kaua'i island, Hawaii	65,689	2002	2002	Workers and/or citizens	S	Citizen and/or workers		
319	Electric utility	United States	Winter Park, Florida	29,442	2003	2005	Remunicipalisation	E	Municipal		
320	Electric utility	United States	Boulder	97,385	2011	2017	Municipalisation	N/A	Municipal		
321	Electric utility	United States	Minnesota	43,000	2015		Workers and/or citizens	T	Citizen and/or workers		
322	Electricity provision	United States	Apple Valley, California	72,174	2016	2017	Municipalisation	N/A	Municipal		
<b>HEALTH CARE &amp; SOCIAL WORK</b>											
323	Nursing home	Denmark	Syddjurs	41,652	2015	2015	Remunicipalisation	W	Municipal	Forenede Care	
324	Ambulance	Denmark	Region of Southern Denmark	120,2000	2016	2016	Remunicipalisation	W	State/ province/ regional	BIOS Denmark, owned by the Dutch company BIOS-Groep	
325	Regional hospital complex	Finland	Helsinki and Uusimaa	1,600,000		2000	Municipalisation	N/A	State/ province/ regional	Attendo	
326	Community clinics	India	Delhi	18,980,000	2016	2016	Municipalisation	N/A	Municipal	N/A	
327	Hospital	Montenegro	Herceg Novi	19,536	2015	2016	Remunicipalisation	T	Municipal	Atlas Group	
328	Nursing home	Norway	Trondheim	187,000	2004	2005	Remunicipalisation	E	Municipal	Norlandia Health Care	
329	Nursing home	Norway	Trondheim	187,000	2004	2005	Remunicipalisation	E	Municipal	Norlandia Health Care	
330	Nursing home	Norway	Moss	32,000	2004	2004	Remunicipalisation	E	Municipal	Nordlandia	
331	Nursing home	Norway	Klæbu	5,800	2010	2011	Remunicipalisation	T	Municipal	Adecco	
332	Nursing home	Norway	Oppegård	27,000	2010	2011	Remunicipalisation	T	Municipal	Adecco	
333	Nursing home	Norway	Bærum	122,000	2010	2010	Remunicipalisation	E	Municipal	Attendo Care A/S	
334	Child welfare	Norway	Sandnes	75,000	2010	2011	Municipalisation	N/A	Municipal	N/A	
335	Staffing agency	Norway	Bergen	350,000	2015	2016	Remunicipalisation	E	Municipal	N/A	

N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
336	Staffing agency	Norway	5 municipalities in central part of Norway	200,000	2015	2016	Remunicipalisation	E	Intermunicipal	N/A
337	Nursing home	Norway	Oslo	600,000	2016	2016	Remunicipalisation	E	Municipal	Norlandia Health Care
338	Elderly care center	Norway	Bergen	278,000	2016	2016	Remunicipalisation	E	Municipal	Aleris omsorg
339	Elderly care center	Norway	Bergen	278,000	2016	2016	Remunicipalisation	E	Municipal	Aleris omsorg
340	Elderly care center	Norway	Middle region of Norway	1,000,000	2016	2016	Remunicipalisation	E	State/ province/ regional	N/A
341	Staffing agency	Norway	Northern region of Norway	500,000	2016	2016	Remunicipalisation	E	State/ province/ regional	N/A
342	Staffing agency	Norway	South Eastern region of Norway	2,000,000	2016	2016	Remunicipalisation	E	State/ province/ regional	N/A
343	Staffing agency	Norway	Oslo	520,000	2016	2016	Remunicipalisation	E	Municipal	N/A
344	Services for people with disabilities	Spain	Albolote, region of Granada	18,497	2015	2017	Remunicipalisation	D	Municipal	N/A
345	Women attention	Spain	Barcelona	1,600,000	2016	2016	Remunicipalisation	E	Municipal	N/A
346	Nursing home	Spain	Gijón	277,733	2016		Remunicipalisation	N/A	Municipal	N/A
347	Nursing home	Spain	Pamplona	195,650	2016		Remunicipalisation	T	Municipal	Public entity ASIMEC and private Sarquavita
348	Elderly home	Sweden	Gotland	57,265	2013		Remunicipalisation	E	Municipal	Attendo Care
349	Care home	Sweden	Stockholm	935,619	2014		Remunicipalisation	E	Municipal	Vardaga AB
350	Retirement home	Sweden	Stockholm	935,619	2014		Remunicipalisation	E	Municipal	Vardaga AB
351	Elderly home	Sweden	Umeå	75,645	2014		Remunicipalisation	E	Municipal	Carema
352	Nursing and special care	Sweden	Helsingborgs	91,457	2015		Remunicipalisation	E	Municipal	Vardaga AB, Attendo
353	Home and elderly care	Sweden	Laholm	6,527	2015	2016	Remunicipalisation	E	Municipal	Humana



N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company 
354	Retirement home	Sweden	Vaxjo	65,345	2016		Remunicipalisation	E	Municipal	Attendo Care
355	Hospital	United Kingdom	Darlington	105,564	2009	2011	Remunicipalisation	T	Municipal	Norwich Union PPP Fund, now Aviva
356	Hospital	United Kingdom	Northumberland	315,300		2014	Remunicipalisation	T	State/ province/ regional	Lend Lease Infrastructure Fund and Uberior (Aberdeen Asset Management)
357	Hospital catering and cleaning	United Kingdom	Brighton and Hove	273,400	2015		Remunicipalisation	E	Municipal	Sodexo
358	District hospital	United Kingdom	Hinching-Brooke	19,830		2015	Remunicipalisation	W	Municipal	Circle Holdings
359	Patient transport	United Kingdom	Sussex	1,609,500	2016	2016	Remunicipalisation	T	Municipal	Coperforma
<b>LOCAL GOVERNMENT</b> 										
360	Parking	Armenia	Yerevan	1,060,138	2016	N/A	Municipalisation	S	Municipal	City Parking Service 
361	Cinema	Austria	Vienna	1,867,960	2002	2002	Workers and/or citizens	S	Other/ combined	City Cinemas
362	Cinema	Austria	Vienna	1,867,960	2002	2002	Workers and/or citizens	S	Other/ combined	City Cinemas
363	Museum	Austria	Vienna	1,867,960	2005	2005	Municipalisation	N/A	Municipal	Viennaer Städtische Versicherung, Donau Versicherung
364	Museum	Austria	Vienna	1,867,960	2007	2007	Municipalisation	N/A	Municipal	Bawag Leasing, Hundertwasser Stiftung
365	Theater	Austria	Vienna	1,867,960		2007	Municipalisation	N/A	Municipal	N/A
366	Parking	Austria	Vienna	1,867,960	2009	2009	Municipalisation	N/A	Municipal	Immoeast AG
367	Funeral	Austria	Vienna	1,867,960	2009	2009	Municipalisation	N/A	Municipal	Pax Bestattungs- und Grabstättenfachbetrieb GmbH
368	Funeral	Austria	Vienna	1,867,960	2010	2010	Municipalisation	N/A	Municipal	Perikles Bestattung GmbH
369	Youth centres (cultural)	Austria	Innsbruck	130,894	2012	2013	Municipalisation	N/A	Municipal	Verein Jugendhilfe Innsbruck
370	Theater	Austria	Vienna	1,867,960		2013	Municipalisation	N/A	Municipal	N/A


N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
371	Aerial lift (construction)	Austria	Innsbruck	130,894	2014	2014	Remunicipalisation	S	Municipal	Peter Schröcksnadel
372	Housing	Austria	Vienna	1,867,960	2015	2015	Municipalisation	N/A	Municipal	N/A
373	Security	Austria	Vienna	1,867,960	2016	2017	Municipalisation	N/A	Municipal	Securitas
374	Sports and recreation	Canada	Ottawa	933,596	2007		Remunicipalisation	T	Municipal	PPP with Serco
375	City hall cafeteria (food catering)	Canada	New Westminster	70,996	2011		Remunicipalisation	E	Municipal	N/A
376	Sidewalk construction and repair	Canada	Cotes-des-Neiges-Notre Dame-de-Grace (Montreal, Quebec)	165,031	2013		Remunicipalisation	E	Municipal	PPP
377	Sidewalk construction and repair	Canada	Rosemont-La Petite-Patrie (Montreal, Quebec)	134,038	2013		Remunicipalisation	E	Municipal	PPP
378	Sidewalk construction and repair	Canada	Villerai-Saint-Michel-Park-Extension(Montreal, Quebec)	142,222	2013		Remunicipalisation	E	Municipal	PPP
379	Police station construction	Canada	Winnipeg	650,000	2013		Remunicipalisation	N/A	Municipal	N/A
380	Snow removal (public space)	Canada	Port Hawkesbury	3,500	2014	2014	Remunicipalisation	E	Municipal	PPP
381	Fire station construction	Canada	Winnipeg	650,000	2014		Remunicipalisation	T	Municipal	Shindoco Realty
382	Parking (public space)	Canada	Calgary	1,237,656	2015	2015	Remunicipalisation	E or T	Municipal	PPP
383	Hospital cleaning	Denmark	The Capital Region of Denmark	1,811,809	2015		Remunicipalisation	T	State/ province/ regional	ISS Denmark
384	Building cleaning	Denmark	Bornholm	39,684		2017	Remunicipalisation	D	Municipal	Elite Miljø
385	HR-recruitment	Finland	Helsinki, Espoo and Vantaa	60,000 employees in 3 cities	2005	2005	Municipalisation	N/A	Intermunicipal	N/A
386	School cleaning	Finland	Janakkala	16,862	2013	2014	Remunicipalisation	E	Municipal	ISS Palvelut Oy


N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company 
387	School and day care catering	Finland	Hamina	20,800	2013	2015	Remunicipalisation	E	Municipal	Fazer Food Services
388	School catering	France	Langouët	600	2004		Remunicipalisation	N/A	Municipal	N/A
389	School catering	France	Plouër sur Rance	3,500	2006		Remunicipalisation	E	Municipal	N/A
390	School catering	France	Nice	1,004,826	2008	2011	Remunicipalisation	E	Municipal	Sodexo
391	Cleaning	France	Lodeve	7,345	2009	2010	Remunicipalisation	E	Municipal	Groupe Nicollin
392	School catering	France	Mouans-Sartoux	9,500	2010		Municipalisation	N/A	Municipal	N/A
393	School catering	France	Langonnet	1,900	2010		Remunicipalisation	N/A	Municipal	N/A
394	School catering	France	Arles	56,000	2011	2012	Remunicipalisation	E	Municipal	Sodexo
395	School catering	France	Valence Romans agglomération	212,600	2011		Remunicipalisation	E	Intermunicipal	N/A
396	Parking (public space)	France	Blois	46,000	2012		Remunicipalisation	T	Municipal	Vinci (Indigo)
397	School catering	France	Fondettes	10,400	2012		Remunicipalisation	N/A	municipal	N/A
398	School catering	France	Libourne	24,500	2012		Remunicipalisation	E	Municipal	Avenance
399	School catering	France	Rouen	111,000	2012		Remunicipalisation	E	Intermunicipal	Avenance
400	School catering	France	Amiens	132,479		2013	Remunicipalisation	E	Municipal	Sogeres
401	School catering	France	Tulle	14,300	2013	2014	Remunicipalisation	E	Municipal	Elior
402	School catering	France	Avignon	92,200	2014	2015	Remunicipalisation	E	Municipal	Scolarest
403	School catering	France	Bergerac	28,000	2014	2015	Remunicipalisation	E	Municipal	Scolarest-Compass
404	Swimming pool and skating rink	France	Briançon	12,200		2016	Remunicipalisation	E	Intermunicipal	N/A
405	School catering	France	Bonifacio	3,000	2016		Remunicipalisation	W	Municipal	N/A
406	Parking (public space)	France	Bourg-en-Bresse	41,000	2016		Remunicipalisation	E	Municipal	SAGS
407	Parking (public space)	France	Clermont-Ferrand	140,000	2016	2017	Remunicipalisation	E	Municipal	Vinci (Indigo)
408	Parking (public space)	France	Nice	1,004,826	2016		Remunicipalisation	N/A	Intermunicipal	N/A
409	Building cleaning	Germany	Dortmund	586,181	2003		Remunicipalisation	E	Municipal	N/A



N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
410	Building cleaning	Germany	Freiburg/Breisgau	226,393	2003	2005	Remunicipalisation	E	Municipal	N/A
411	Swimming hall	Germany	Dorsten	75,431	2004	2004	Remunicipalisation	T	Municipal	Atlantis Freizeit GmbH
412	Green area maintenance (public space)	Germany	Nürnberg	509,975	2007	2007	Remunicipalisation	W	Municipal	N/A
413	Rescue service (security emergency)	Germany	Steinburg (Landkreis)	131,457		2007	Remunicipalisation	E	State/ province/ regional	Different private companies
414	Structural analyses of buildings (building cleaning)	Germany	Hannover	532,163	2008	2008	Remunicipalisation	T	Municipal	N/A
415	Swimming pool	Germany	Schwerin	96,800	2008	2009	Remunicipalisation	S	Municipal	FIT GmbH
416	Conference center (cultural)	Germany	Bonn	318,809	2010	2010	Remunicipalisation	T	Municipal	SMI Hyundai
417	Rescue service (security emergency)	Germany	Havelland (Landkreis)	N/A	2010	2011	Remunicipalisation	E	State/ province/ regional	ASB
418	Rescue service (security emergency)	Germany	Mansfeld-Südharz (Landkreis)	141,408	2010	2011	Remunicipalisation	E	State/ province/ regional	Johanniter, ASB
419	Rescue service (security emergency)	Germany	Oder-Spree (Landkreis)	182,397	2010	2011	Remunicipalisation	E	State/ province/ regional	Deutsches Rotes Kreuz, Johanniter
420	Rescue service (security emergency)	Germany	Uckermark (Landkreis)	121,014	2010		Remunicipalisation	E	State/ province/ regional	Deutsches Rotes Kreuz
421	Rescue service (security emergency)	Germany	Bad Oeynhausen	48,990	2011	2012	Remunicipalisation	E	State/ province/ regional	Johanniter
422	Street lighting (public space)	Germany	Düren	90,244	2011	2012	Remunicipalisation	S	Municipal	Stadtwerke Düren (Stadt Düren / RWE)
423	Swimming pool	Germany	Düren	90,244	2011	2012	Remunicipalisation	S	Municipal	Stadtwerke Düren (Stadt Düren / RWE)



N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
424	Rescue service (security emergency)	Germany	Heinsberg (Landkreis)	41,538	2011	2012	Remunicipalisation	E regional	State/ province/ Johanniter	Malteser, 
425	Rescue service (security emergency)	Germany	Märkisch-Oderland (Landkreis)	190,714	2011	2012	Remunicipalisation	E	State/ province/ regional	Deutsches Rotes Kreuz, Johanniter
426	Rescue service (security emergency)	Germany	Oberberg (Landkreis)	273,452		2011	Remunicipalisation	E	State/ province/ regional	3 clinics, Rotes Kreuz, Johanniter
427	Swimming pool	Germany	Siegburg	41,016	2012	2013	Remunicipalisation	T	Municipal	s.a.b. Gesundheits- und Erlebnispark
428	Building cleaning	Germany	Wilhelmshaven	75,995	2012		Remunicipalisation	E	Municipal	7 private companies
429	Rescue service (security emergency)	Germany	Teltow-Fläming (Landkreis)	163,553	2012	2013	Remunicipalisation	E	State/ province/ regional	Different private companies
430	Building cleaning	Germany	Bochum	364,742	2013 (second phase)		Remunicipalisation	E	Municipal	N/A
431	Swimming pool	Germany	Winterberg	12,798	2013	2013	Remunicipalisation	T	Municipal	aquasphere Winterberg GmbH
432	Rescue service (security emergency)	Germany	Pewsum	3,228	2014		Remunicipalisation	E	State/ province/ regional	RKSH and others (security)
433	Building cleaning	Germany	Grevenbroich	63,051	2016		Remunicipalisation	E	Municipal	N/A
434	Local food supplier (other)	Germany	Ofterschwang	2,028	2016	2016	Remunicipalisation	S	Municipal	Familie Juppa
435	Catering	India	Tamil Nadu State	72,147,030	2013		Municipalisation	N/A	State/ province/ regional	N/A
436	Swimming pool	Netherlands	Maastricht	277,721		2013	Municipalisation	N/A	Municipal	Naamloze Vennootschap De Dousberg
437	Swimming pool	Netherlands	Oldenzaal	32,198		2016	Remunicipalisation	T	Municipal	Cone Group
438	Cleaning	Norway	Bodø	53,000	2015		Remunicipalisation	D	Municipal	Eiedomsdrift Nord A/S
439	Security	Norway	Fredrikstad	79,000	2015	2015	Remunicipalisation	T	Municipal	N/A
440	Cleaning	Norway	Tromsø	73,000	2015	2015	Remunicipalisation	T	Municipal	ISS Facility Services A/S

N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company 
441	Cleaning	Norway	Stord	19,000	2016	2016	Remunicipalisation	E	Municipal	ISS Facility Services A/S
442	Bikerental	Spain	Rivas Vaciamadrid	460 workers	2001		Remunicipalisation	N/A	Municipal	N/A
443	Maintenance of fountains (public space)	Spain	Rivas Vaciamadrid	460 workers	2001		Remunicipalisation	N/A	Municipal	N/A
444	Renting of public housing	Spain	Rivas Vaciamadrid	460 workers	2001		Municipalisation	N/A	Municipal	Habyco XXI
445	Parks and gardens	Spain	Cabrils	7,197	2014		Remunicipalisation	T	Municipal	concessions with a private actor
446	Cleaning	Spain	Cabrils	7,197	2014		Remunicipalisation	T	Municipal	concessions with a private actor
447	Local television (cultural)	Spain	Ciudad Real	200 workers	2015	2016	Remunicipalisation	E	Municipal	Concession with private actor
448	Parks and gardens	Spain	Ciudad Real	80 workers	2015	current contract expires April 2017	Remunicipalisation	D	Municipal	Concession with private actor
449	School cleaning	Spain	Ciudad Real	200 workers	2015	2016	Remunicipalisation	D	Municipal	Concession with private actor
450	Household services	Spain	Ciudad Real	74,921	2015	2016	Remunicipalisation	D	Municipal	Concession with private actor
451	Funeral services	Spain	Madrid	6,240,000	2015	2016 (contract automatically set to expire)	Remunicipalisation	E	Municipal	mixed ownership (ppp), 49% Funespaña, now controlled by Mapfre known as the Sociedad Mixta de Servicios Funerarios
452	Funeral services	Spain	Barcelona	1,600,000	2016	2019	Municipalisation	N/A	Municipal	N/A
453	Building cleaning	Spain	Cadiz	71 workers	2016		Remunicipalisation	D	Municipal	Concession with private actor
454	Beach rescue and maintenance (security emergency)	Spain	Cadiz	180 workers	2016		Remunicipalisation	D	Municipal	Concession with private actor



N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
455	Cleaning and waste collection	Spain	Castelldefels	63,255	2016		Remunicipalisation	N/A	Municipal	N/A
456	Household services (housing)	Spain	Chiclana	80 workers	2016	2016	Remunicipalisation	E	Municipal	concessions with a private actor
457	Building cleaning	Spain	Chiclana	80 workers	2016	2016	Remunicipalisation	E	Municipal	concessions with a private actor
458	Parks and gardens	Spain	Chiclana	20 workers	2016	2016	Remunicipalisation	E	Municipal	N/A
459	Municipal Crane (construction)	Spain	Sabadell	207,444	2016		Remunicipalisation	E	Municipal	N/A
460	Parking meters/ Municipal Crane (public space)	Spain	Santiago de Compostela	95,671	2016		Remunicipalisation	T	Municipal	Setex Aparki
461	Parks and gardens	Spain	Zaragoza	220 workers	2016	2018	Remunicipalisation	E	Municipal	Concession with private partner, FCC
462	Parking meters	Spain	Sabadell	207,444	2017		Remunicipalisation	E	Municipal	N/A
463	Housing benefits	United Kingdom	Lambeth Council	324,400	2000		Remunicipalisation	T	State/ province/ regional	PPP with Capita
464	Sport and leisure	United Kingdom	Cheltenham Council, Eastern	116,800	2003		Remunicipalisation	T	State/ province/ regional	PPP with Leisure Connection
465	School catering	United Kingdom	Newcastle Council, North East, United Kingdom	150,000	2007		Remunicipalisation	E	Municipal	N/A
466	Contact centre	United Kingdom	Redcar and Cleveland, North East	135,300	2007		Remunicipalisation	E	State/ province/ regional	N/A
467	Cleaning	United Kingdom	Scotland	5,404,700	2008		Remunicipalisation	E	State/ province/ regional	N/A
468	Cleaning	United Kingdom	Wales	3,063,456	2008		Remunicipalisation	E	State/ province/ regional	N/A
469	Housing advisory services	United Kingdom	Cotswold District Council, South East, United Kingdom	85,000	2009		Remunicipalisation	E	State/ province/ regional	N/A
470	HR and payroll	United Kingdom	Cumbria County Council, North West, United Kingdom	496,000	2009		Remunicipalisation	E	State/ province/ regional	N/A

N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
471	IT	United Kingdom	Essex County Council, Eastern, United Kingdom	1,396,600	2009		Remunicipalisation	E	State/ province/ regional	N/A
472	Homelessness and housing advice	United Kingdom	West Lindsey Council, East Midlands, United Kingdom	92,000	2009		Remunicipalisation	E	State/ province/ regional	N/A
473	IT	United Kingdom	Wiltshire Council, South West, United Kingdom	684,000	2009		Remunicipalisation	E	State/ province/ regional	N/A
474	IT	United Kingdom	Broadland Council, Eastern, United Kingdom	130,000	2010		Remunicipalisation	E	State/ province/ regional	N/A
475	Housing advice and homelessness agency	United Kingdom	East Dorset Council, South West, United Kingdom	88,000	2010		Remunicipalisation	E	State/ province/ regional	N/A
476	Building cleaning	United Kingdom	East Riding Council, Yorkshire & Humberside, United Kingdom	337,000	2010		Remunicipalisation	E	State/ province/ regional	N/A
477	Housing	United Kingdom	Hillingdon Council, London, United Kingdom	300,000	2010		Remunicipalisation	E	Municipal	ALMO
478	Building cleaning	United Kingdom	London Borough of Islington	210,000	2010		Remunicipalisation	E	Municipal	PPP
479	Hospital cleaning	United Kingdom	Northern Ireland	1,870,451	2010		Remunicipalisation	E	State/ province/ regional	N/A
480	Ground and landscape maintenance (public space)	United Kingdom	Rotherham Council, Yorkshire and Humberside	260,000	2010		Remunicipalisation	E	State/ province/ regional	N/A
481	Housing management	United Kingdom	Slough Council, South East, United Kingdom	120,000	2010		Remunicipalisation	E	Municipal	ALMO
482	Building cleaning	United Kingdom	Surrey Council, South East, United Kingdom	1,100,000	2010		Remunicipalisation	E	State/ province/ regional	N/A
483	Housing management	United Kingdom	Basildon Council, Eastern, United Kingdom	172,000	2011		Remunicipalisation	E	State/ province/ regional	N/A
484	Emergency call (emergency)	United Kingdom	Blaenau Gwent Council, Wales, United Kingdom	70,000	2011		Remunicipalisation	E	State/ province/ regional	Worcester Telecare
485	IT	United Kingdom	Coventry City Council, West Midlands, United Kingdom	340,000	2011		Remunicipalisation	E	Municipal	N/A





N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
486	Road work	United Kingdom	Cumbria County	498,000	2011		Remunicipalisation	E	State/ province/ regional	Capita
487	Housing	United Kingdom	Ealing Council, London United Kingdom	342,000	2011		Remunicipalisation	E	Municipal	Ealing Homes, an Arms Length Management Organization (ALMO)
488	Housing	United Kingdom	Hammersmith and Fulham Council, London, United Kingdom	182,000	2011		Remunicipalisation	E	Municipal	ALMO
489	Housing repairs	United Kingdom	Hinckley and Bosworth Council, East Midlands	108,800	2011		Remunicipalisation	E	State/ province/ regional	Willmott Dixon
490	Housing	United Kingdom	London Borough of Islington	210,000	2011		Remunicipalisation	E	Municipal	ALMO Homes for Islington
491	Housing management	United Kingdom	Newham Council, London, United Kingdom	320,000	2011		Remunicipalisation	E	Municipal	ALMO: Newham Homes
492	Building cleaning	United Kingdom	Perth & Kinross Council, Scotland, United Kingdom	150,000	2011		Remunicipalisation	E	Municipal	N/A
493	Housing	United Kingdom	Sheffield	640,720	2011		Remunicipalisation	E	Municipal	ALMO Sheffield Homes
494	Revenues and benefits (others)	United Kingdom	Southwark Council, London, United Kingdom	308,900	2011		Remunicipalisation	E	Municipal	N/A
495	Human resources	United Kingdom	East Riding Council, Yorkshire & Humberside	595,700	2012		Remunicipalisation	T	State/ province/ regional	PPP with Avarto
496	Parking (public space)	United Kingdom	Worthing Council, South East	104,600	2013		Remunicipalisation	E	State/ province/ regional	PPP with NCP
497	Social housing	United Kingdom	Lambeth Council	324,400	2014		Remunicipalisation	E	State/ province/ regional	Lambeth Living
498	Support services	United Kingdom	Bedfordshire Council	655,000	2015		Remunicipalisation	T	Municipal	N/A
499	HR and IT etc.	United Kingdom	Somerset County	200,000	2015		Remunicipalisation	T	State/ province/ regional	Southwest One, IBM



N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
<b>TRANSPORT</b>										
500	Bus line	Austria	Vienna	1,867,960	2007	2014	Remunicipalisation	E	Municipal	N/A
501	Mountain railway	Austria	Mitterbach	506	2011	2011	Remunicipalisation	S	State/ province/ regional	Helmut Meder, Peter Schakmann
502	Railway infrastructure maintenance	Austria	Niederösterreich	1,653,419	2016	2017	Remunicipalisation	T	State/ province/ regional	ARGE Bahnbau Austria (R&Z Bau GmbH, Leonhard Weiss GmbH & Co KG)
503	Local transit system	Canada	Fort McMurray	65,565	2015		Remunicipalisation	T	Municipal	Tok Transit Ltd.
504	Cable railways	Czech Republic	Krupka	13,260	2009		Remunicipalisation	N/A	Municipal	Dragon Trade
505	Transport	France	Cholet	104,000	2001	2003	Remunicipalisation	E	Intermunicipal	Veolia
506	Local public transport	France	Toulouse	730,000	2005	2006	Remunicipalisation	T	Intermunicipal	Tisséo
507	Local public transport system	France	Belfort	144,000		2007	Remunicipalisation	N/A	Intermunicipal	Keolis
508	Local public transport	France	Forbach	79,500	2009	2010	Remunicipalisation	E	Intermunicipal	N/A
509	Transport	France	Saumur	65,000	2010	2011	Remunicipalisation	N/A	Intermunicipal	Veolia
510	Transport	France	Clermont-Ferrand	469,000	2012		Remunicipalisation	E	N/A	N/A
511	Transport	France	Maubeuge	127,000	2012		Remunicipalisation	E	Intermunicipal	N/A
512	Transport	France	Nice	536,000	2012	2013	Remunicipalisation	E	Intermunicipal	Veolia Transdev
513	Transport	France	Saint-Nazaire	68,616	2012	2013	Remunicipalisation	E	Intermunicipal	N/A
514	Local public transport system	France	Périgueux	60,000	2012		Remunicipalisation	E	Intermunicipal	N/A
515	Local public transport	France	Saint-Brieuc	46,173		2013	Remunicipalisation	E	Intermunicipal	Veolia Transdev
516	Local public transport	France	Cannes	72,607		2013	Remunicipalisation	E	Intermunicipal	Veolia Transdev
517	Transport	France	Aurillac	56,000	2013	2014	Remunicipalisation	E	Intermunicipal	Veolia Transdev
518	Transport	France	Thionville	180,000	2013	2014	Remunicipalisation	E	Intermunicipal	Veolia Transdev

N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company	
519	Local public transport	France	Chartres	125,500		2015	Remunicipalisation	E	Intermunicipal	Veolia Transdev	
520	Local public transport system	France	Abbeville	31,500	2015	2016	Remunicipalisation	E	Intermunicipal	Keolis	
521	Local public transport system	France	Annecy	225,000	2016		Remunicipalisation	T	intermunicipal	N/A	
522	Local public transport system	France	Ajaccio	80,750	2016		Remunicipalisation	E	Intermunicipal	Veolia Transdev	
523	Transport	France	Pau	240,000	2016	2017	Remunicipalisation	E	Intermunicipal	N/A	
524	Airport	France	Rouen	111,805	2016		Remunicipalisation	E	Intermunicipal	SNC-Lavalin	
525	Transport services	Germany	Kiel	243,148	2009		Remunicipalisation	S	Municipal	Landeshauptstadt Kiel (51%), Norddeutsche Busbeteiligungsgesellschaft (49%)	
526	Transport services	Germany	Solingen	158,726	2012	2012	Remunicipalisation	S	Municipal	Stadt Solingen (50,1%), MVV Energie AG (49,9%)	
527	Airport Metro	India	New Delhi	21,750,000	2013	2013	Remunicipalisation	T	Municipal	Reliance Infrastructure - Delhi Airport Express Private Limited	
528	Metro and busses	Portugal	Lisbon	2,900,000	2016		Remunicipalisation	T	Municipal	Grupo Autobuses de Oriente (ADO), Avanza	
529	Bus network	Portugal	Porto	N/A	2016		Remunicipalisation	D	Municipal	STCP	
530	Local bus transportation	Turkey	Denizli	1,000,000		2014	Remunicipalisation	E	Municipal	Turex Turizm	
531	Underground railroad services	United Kingdom	London	8,674,000	2008		Remunicipalisation	T	Municipal	Metronet SSL	
532	Underground railroad services	United Kingdom	London	8,674,000	2008		Remunicipalisation	T	Municipal	Metronet BCV	
533	Underground railroad services	United Kingdom	London	8,674,000	2010		Remunicipalisation	T	Municipal	Tubelines	
534	Highway maintenance	United Kingdom	Ealing Council, London	342,000	2011		Remunicipalisation	E	Municipal	N/A	



N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
535	Highway maintenance	United Kingdom	Rotherham, Yorkshire & Humberside	260,000	2011		Remunicipalisation	E	Municipal	N/A
536	Highway maintenance	United Kingdom	Thurrock	143,128	2013		Remunicipalisation	T	State/ province/ regional	Serco
537	Metro	United Kingdom	Tyne and Wear	1,075,938		2017	Remunicipalisation	E	State/ province/ regional	Arriva, Deutsche Bahn subsidiary
<b>WASTE</b>										
538	Solid waste collection	Canada	Port Moody	34,000	2009		Remunicipalisation	E	Municipal	PPP
539	Solid waste collection	Canada	Conception Bay South, Newfoundland and Labrador	25,000	2011	2012	Remunicipalisation	T or E	Municipal	PPP
540	Garbage waste collection	Canada	Paradise	18,000	2011		Remunicipalisation	E	Municipal	PPP
541	Solid waste collection	Canada	Saint John	70,000	2011		Remunicipalisation	E	Municipal	PPP
542	Solid waste collection	Canada	Sherbrooke	150,000	2011		Remunicipalisation	E	Municipal	PPP
543	Waste collection and recycling	France	Briançon	20,800	2013		Remunicipalisation	E	Intermunicipal	Veolia
544	Waste collection	France	Cahors	41,300	2015		Remunicipalisation	E	Intermunicipal	Prévoist environnement et Sictom
545	Waste repurposing	France	Arcachon	11,454	2016		Remunicipalisation	E	Intermunicipal	Suez (Sita)
546	Street cleaning	Germany	Bergkamen	50,896	2002	2002	Remunicipalisation	E	Municipal	Remondis AG & Co. KG
547	Waste management	Germany	Böblingen (Landkreis)	370,392	2003/2008	2004/2009	Remunicipalisation	E	State/ province/ regional	N/A
548	Waste water	Germany	Fürstenwalde	32,867	2004	2004	Remunicipalisation	E	Municipal	N/A
549	Waste management	Germany	Rhein-Hunsrück-Kreis	101,854	2004	2006	Remunicipalisation	E	State/ province/ regional	N/A
550	Waste management	Germany	Bergkamen	50,896	2005	2006	Remunicipalisation	E	Municipal	Remondis AG & Co. KG

N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
551	Waste management	Germany	Uckermark (Landkreis)	122,484	2005	2006	Remunicipalisation	E	State/ province/ regional	N/A
552	Waste management	Germany	Aachen (Landkreis) - 8 municipalities	N/A	2005/2008	2006/2009	Municipalisation	N/A	State/ province/ regional	N/A
553	Waste management	Germany	Düren (Landkreis) - 4 municipalities	N/A	2005/2008	2006/2009	Municipalisation	N/A	State/ province/ regional	N/A
554	Waste management	Germany	Lüneburg (Landkreis)	174,257	2007		Remunicipalisation	E	State/ province/ regional	N/A
555	Waste management	Germany	Kiel	243,148	2011	2012	Remunicipalisation	E	Municipal	N/A
556	Waste management	Germany	Wickede an der Ruhr	12,233	2011	2012	Remunicipalisation	E	Intermunicipal	N/A
557	Waste management	Germany	Passau, LK Deggendorf, Freyung-Grafenau, Passau, Regen	N/A	2014	2016	Remunicipalisation	E	State/ province/ regional	Different private companies
558	Waste water	Germany	Wedemark	28,957	2015	2016	Remunicipalisation	E	Municipal	KED Kommunale Entsorgungsdienste GmbH & Co. KG
559	Waste disposal	Norway	Oslo	650,000	2017	2017	Remunicipalisation	T	Municipal	Veireno
560	Waste collection and cleaning	Spain	León	129,551	2013		Remunicipalisation	E	Municipal	Urbaser
561	Waste collection and recycling	Spain	Mislata	43,281	2015	N/A	Remunicipalisation	T	Municipal	Sociedad Agricultores de la Vega
562	Waste treatment	United Kingdom	Neath Port Talbot	227,079	N/A	2005	Remunicipalisation	T	Municipal	HLC Environmental Projects
563	Waste disposal and recycling	United Kingdom	North Tyneside	200,000	2008	2009	Remunicipalisation	E	Municipal	External contractor
564	Waste recycling	United Kingdom	Banbridge District Council, Northern Ireland, United Kingdom	46,400	2011	2012	Remunicipalisation	E	Municipal	Bryson Recycling
565	Waste recycling	United Kingdom	Lewes District Council, South East, United Kingdom	92,177	2011	N/A	Remunicipalisation	E	Municipal	N/A



N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
566	Waste and street cleaning	United Kingdom	Northumberland Council, North East, United Kingdom	307,190	2011	N/A	Remunicipalisation	E	State/ province/ regional	N/A
567	Waste collection, recycling and street cleaning	United Kingdom	London Borough of Islington	210,000	2012	N/A	Remunicipalisation	E	Municipal	Enterprise
568	Waste recycling	United Kingdom (Scotland)	Falkirk	35,000	2016	N/A	Remunicipalisation	E	Municipal	N/A
<b>WATER</b> 										
569	Wastewater treatment	Belgium	Flanders region	3,800,000	2006		Remunicipalisation	ST	State/ province/ regional	Severn Trent
570	Water	Canada	Hamilton	49,000	2004		Remunicipalisation	E	Municipal	American Water
571	District water and wastewater management	Canada	Port Hardy	4,008	2013		Remunicipalisation	T	Municipal	EPCOR
572	Wastewater management	Canada	Banff, Alberta	7,584	2014		Remunicipalisation	E	Municipal	PPPs with EPCOR Utilities, Inc.
573	Wastewater treatment	Canada	Sooke	12,000	2016		Remunicipalisation	E	Municipal	PPP with EPCOR
574	Water and sanitation	France	SYDEC Landes	87,000	2000-2014		Remunicipalisation	E	Intermunicipal	Veolia, Suez, SAUR
<i>Extension of the régies to new cities for water (+87000) and sanitation (+50000).</i>										
575	Water	France	Briançon	12,000	2000		Remunicipalisation	E	Intermunicipal	SAUR
576	Water	France	Grenoble (city)	160,000	2,001		Remunicipalisation	T	Municipal	Suez
577	Water	France	Grenoble Metropole Alpes	320,000	2001		Remunicipalisation	T	Intermunicipal	Suez
<i>48 cities excluding Grenoble.</i>										
578	Water	France	Neufchâteau	7,000	2001		Remunicipalisation	T	Municipal	Veolia
579	Water and sanitation	France	Pays Châtelleraudais (communauté d'agglomération)	55,000	2001		Remunicipalisation	E	Intermunicipal	Veolia
<i>13 cities including Châtelleraut and Naintré for sanitation.</i>										



N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
580	Water	France	Venelles	8,500	2002		Remunicipalisation	E	Municipal	SAUR
581	Water	France	Communauté de communes des Albères et de la Côte Vermeille	24,000	2002/2010		Remunicipalisation	E	Intermunicipal	N/A
<i>12 cities which remunicipalised at expiry.</i>										
582	Water	France	Castres	43,000	2003		Remunicipalisation	T	Municipal	Suez
583	Water	France	Fraisses	4,000	2003		Remunicipalisation	N/A	Municipal	Veolia
584	Water	France	Varages	1,100	2004		Remunicipalisation	E	Municipal	Suez
585	Water	France	Cherbourg (communauté urbaine)	46,000	2005		Remunicipalisation	E	Intermunicipal	Veolia
<i>5 cities</i>										
586	Water	France	Lanvollon-Plouha	16,500	2005		Remunicipalisation	E	Municipal	Veolia/Suez
587	Water	France	Embrun	6,500	2006		Remunicipalisation	E	Municipal	Veolia
588	Water	France	Corte	7,000	2007		Remunicipalisation	E	Municipal	OEHC
589	Water	France	Cournon d'Auvergne	19,000	2007		Remunicipalisation	N/A	Municipal	N/A
590	Water	France	Le Minervois (communauté de communes)	6,300	2007		Remunicipalisation	E	Intermunicipal	N/A
<i>15 cities</i>										
591	Water and sanitation	France	Saint-Paul (La Réunion)	100,000	2007		Remunicipalisation	T	Municipal	Veolia
<i>Sanitation remunicipalised in 2007, water remunicipalised in 2010.</i>										
592	Water	France	Châtelleraut/ Naintré	38,000	2007		Remunicipalisation	E	Intermunicipal	Veolia
593	Water	France	Tournon-sur-Rhône	11,000	2007		Remunicipalisation	E	Municipal	SAUR
594	Water and sanitation	France	Angers Loire Métropole	7,000	2008		Remunicipalisation	E	Intermunicipal	SAUR
<i>Extension of the régie to new cities for water and sanitation.</i>										
595	Water	France	Hauteville-Lompnes	4,000	2008		Remunicipalisation	N/A	Municipal	N/A
596	Water	France	La Fillière (SIE de La Fillière)	14,000	2008		Remunicipalisation	E	Municipal	Suez
597	Water supply	France	Brignoles	15,912	2008	2011	Remunicipalisation	E	Municipal	Veolia
598	Water	France	Belley	9,000	2009		Remunicipalisation	E	Municipal	Alteau



N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
599	Sanitation	France	Benfeld et environs	17,500	2009		Remunicipalisation	E	Intermunicipal	Suez
	<i>Sanitation, joined regional water syndicate SDEA Alsace-Moselle.</i>									
600	Water	France	Digne-les-Bains	18,500	2009		Remunicipalisation	E	Municipal	Suez
601	Water	France	La Grand'Combe (S.I.D.E DE L'AGGLOMÉRATION GRAND'COMBIENNE )	12,000	2009		Remunicipalisation	E	Intermunicipal	Ruas
602	Water	France	Mouthe	1,000	2009		Remunicipalisation	E	Municipal	Suez
603	Water	France	Greater Rouen (Métropole Rouen Normandie)	145,000	2009/2014		Remunicipalisation	E	Intermunicipal	Veolia, Suez
	<i>Progressive extension of the régie to new cities.</i>									
604	Water	France	Syndicat d'Eau du Roumois et du Plateau du Neubourg (SERPN)	65,000	2009		Remunicipalisation	E	Intermunicipal	Veolia
	<i>108 cities</i>									
605	Water	France	Saint-André, Falicon et la Trinité	17,000	2009		Remunicipalisation	E	Intermunicipal	Veolia/Ruas
	<i>Now part of Métropole Nice Cote d'Azur.</i>									
606	Water and sanitation	France	Ungersheim	2,000	2009/2011		Remunicipalisation	N/A	Municipal	N/A
607	Sanitation	France	Greater Albi (communauté d'agglomération de l'Albigeois)	84,000	2010		Remunicipalisation	E	Intermunicipal	Suez
	<i>Sanitation only remunicipalised (water always remained public).</i>									
608	Water	France	Annonay	17,000	2010		Remunicipalisation	E	Municipal	SAUR
609	Water	France	Bonneville	12,000	2010		Remunicipalisation	E	Municipal	Veolia
610	Water	France	Lucé (communauté de communes de Lucé)	15,000	2010		Remunicipalisation	E	Intermunicipal	Veolia
	<i>14 cities</i>									
611	Water	France	Paris	2,200,000	2010		Remunicipalisation	E	Municipal	Veolia/Suez
612	Water	France	Saint-Jean-de-Braye	19,000	2010		Remunicipalisation	E	Municipal	SAUR
613	Water	France	Bordeaux	740,000	2011	2018	Remunicipalisation	D	Municipal	Suez
	<i>This remunicipalisation is still debated and there are signs that the newly elected local authorities might reconsider their decision.</i>									
614	Water	France	Brignole	18,000	2011		Remunicipalisation	E	Municipal	Veolia



N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
615	Water <i>10 cities</i>	France	Causse Noir (SIAEP)	25,000	2011		Remunicipalisation	E	Intermunicipal	Veolia
616	Water <i>Sanitation was also remunicipalised in 2015.</i>	France	Gueugnon	9,000	2011		Remunicipalisation	E	Municipal	Suez
617	Water	France	Lacs de l'Essonne	32,000	2011		Remunicipalisation	E	Intermunicipal	Veolia/Suez
618	Water	France	Le Gouray	1,100	2011		Remunicipalisation	E	Municipal	Veolia
619	Water	France	Greater Nantes	N/A	2011		Remunicipalisation	E	Intermunicipal	Veolia/Suez
620	Water	France	Ploubezre	3,000	2011		Remunicipalisation	E	Municipal	Veolia
621	Water	France	Saint Briec Agglomération	52,000	2011/2018		Remunicipalisation	D	Intermunicipal	Veolia
622	Water	France	Syndicat de la Baie	5,000	2011		Remunicipalisation	E	Intermunicipal	Veolia
623	Water	France	Tarnos, Ondres, Boucau and St-Martin-de-Seignaux	29,000	2011		Remunicipalisation	E	Intermunicipal	Suez
624	Water	France	Vierzon	28,000	2011		Remunicipalisation	E	Municipal	Veolia
625	Water	France	Brest Métropole	213,000	2012		Remunicipalisation	E	Intermunicipal	Veolia
626	Water	France	Chenal du Four (Syndicat du Chenal du Four)	6,000	2012		Remunicipalisation	E	Intermunicipal	Veolia
627	Water	France	Gâtine (Syndicat Mixte des Eaux de la Gâtine)	56,000	2012		Remunicipalisation	E	Intermunicipal	Suez
628	Water	France	Landerneau (SIDEF de Landerneau)	20,000	2012		Remunicipalisation	E	Intermunicipal	Veolia
629	Water <i>Part of the service is still outsourced.</i>	France	Muret	24,000	2012		Remunicipalisation	E	Municipal	Veolia
630	Water	France	Saint-Malo	48,000	2012		Remunicipalisation	E	Municipal	Veolia
631	Sanitation <i>Sanitation, joined regional water syndicate SDEA Alsace-Moselle.</i>	France	Schweighouse (SIVOM)	12,000	2012		Remunicipalisation	E	Intermunicipal	Suez
632	Sanitation <i>Sanitation</i>	France	Sélestat	60,000	2012		Remunicipalisation	E	Municipal	Veolia
633	Water	France	Argenton-sur-Creuse	5,000	2013		Remunicipalisation	E	Municipal	Veolia
634	Water	France	Basse Vallée de l'Adour (syndicat intercommunal)	31,000	2013		Remunicipalisation	E	Intermunicipal	Suez
	<i>25 cities</i>									



N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
635	Water	France	Beaurepaire et Saint-Barthélémy	6,000	2013		Remunicipalisation	N/A	Intermunicipal	N/A
636	Water	France	Capbreton	8,000	2013		Remunicipalisation	E	Municipal	Suez
637	Water	France	Évry Centre Essonne	116,000	2013		Remunicipalisation	E	Municipal	Suez
638	Water	France	Gannat	6,000	2013		Remunicipalisation	E	Intermunicipal	Veolia
<i>Joined SIVOM Sioule et Boule.</i>										
639	Water	France	Kermorvan-Kersauzon (syndicat des eaux)	19,000	2013		Remunicipalisation	N/A	Intermunicipal	Veolia
640	Sanitation	France	Lamentin, Saint-Joseph and Schoelcher (Martinique)	77,000	2013		Remunicipalisation	E	Intermunicipal	Suez/Veolia
<i>Sanitation, joined the communauté d'agglomération CACEM's régie.</i>										
641	Water	France	Péronne	9,000	2013		Remunicipalisation	E	Municipal	N/A
642	Sanitation	France	Saint-Pierre des Corps	15,000	2013		Remunicipalisation	E	Intermunicipal	Veolia
<i>Water service is still partly outsourced to Veolia (installations and meters). Sanitation was remunicipalised in 2012.</i>										
643	Water	France	Valence-Moissace-Puymirol (syndicat des eaux)	5,000	2013		Remunicipalisation	E	Intermunicipal	SAUR
644	Water	France	Aubagne	46,000	2014		Remunicipalisation	E	Municipal	Veolia
<i>Joined SPL Eau des Collines for water.</i>										
645	Water	France	Barousse Comminges Save	58,000	2014		Remunicipalisation	T	Intermunicipal	SEM Pyrénées
646	Water	France	Beaulieu, Cap d'Ail, Eze et Villefranche-sur-Mer	17,000	2014		Remunicipalisation	E	Intermunicipal	Veolia
<i>Now part of métropole Nice Côte d'Azur.</i>										
647	Water	France	Blois	48,000	2014	2016	Remunicipalisation	E	Municipal	Veolia
648	Water	France	Capesterre-Belle-Eau (Guadeloupe)	20,000	2014		Remunicipalisation	E	Municipal	Veolia
<i>Taking effect 2016.</i>										
649	Water	France	Castelsarrasin	13,000	2014		Remunicipalisation	E	Municipal	SAUR
650	Water	France	Courgent	400	2014		Remunicipalisation	T	Municipal	Suez
651	Water supply	France	Fécamp	19,381	2014	2015	Remunicipalisation	E	Municipal	Suez
652	Water	France	Montpellier Méditerranée Métropole	350,000	2014	2016	Remunicipalisation	E	Intermunicipal	Veolia
<i>Taking effect 2016.</i>										




N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
653	Sanitation	France	Pays d'Aubagne et de l'Étoile	105,000	2014		Remunicipalisation	E	Intermunicipal	Veolia
	<i>12 cities, including Aubagne and La Penne-sur-Huveaune, joined SPL Eau des Collines for sanitation.</i>									
654	Water	France	La Penne-sur-Huveaune	6,000	2014		Remunicipalisation	E	Municipal	Veolia
	<i>Joined SPL Eau des Collines for Water.</i>									
655	Water supply (production only)	France	Lille	1,130,000	2014		Remunicipalisation	N/A	Intermunicipal	Suez (partially)
656	Sanitation	France	Mommenheim (SICTEU)	6,000	2014		Remunicipalisation	E	Intermunicipal	Suez
	<i>Sanitation, joined regional water syndicate SDEA Alsace-Moselle.</i>									
657	Water	France	Portes de l'Eure (communauté d'agglomération)	20,000	2014-		Remunicipalisation	D	Intermunicipal	Veolia/SAUR
	<i>39 cities will be added over time as contracts expire.</i>									
658	Water	France	Terre de Bas (îles des Saintes, Guadeloupe)	1,000	2014		Remunicipalisation	E	Municipal	Veolia
	<i>Remunicipalised together with Capesterre Belle Eau.</i>									
659	Water	France	Terre de Haut (îles des Saintes, Guadeloupe)	2,000	2014		Remunicipalisation	E	Municipal	Veolia
	<i>Remunicipalised together with Capesterre Belle Eau.</i>									
660	Water	France	Bastia (communauté d'agglomération)	58,000	2015		Remunicipalisation	E	Intermunicipal	OEHC
661	Water	France	Brugheas	1,500	2015		Remunicipalisation	E	Municipal	Veolia
	<i>Joined SIVOM Sioule et Bouble.</i>									
662	Water	France	Fleury les Aubrais	21,000	2015		Remunicipalisation	E	Municipal	SAUR
	<i>Service is still partly outsourced.</i>									
663	Water and sanitation	France	Lamentin / Saint-Joseph (Martinique)	57,000	2015		Remunicipalisation	E	Intermunicipal	Suez/Veolia
	<i>Sanitation was remunicipalised in 2013 - both through joining the CACEM régime.</i>									
664	Water supply	France	Montigny-lès-Metz	22,000	2015	2018	Remunicipalisation	E	Municipal	SAUR
665	Water	France	Nice (city)	348,000	2015		Remunicipalisation	E	Municipal	Veolia
	<i>Now part of Métropole Nice Côte d'Azur.</i>									
666	Water	France	Pays de Bitche	25,000	2015		Remunicipalisation	E	Intermunicipal	Veolia
	<i>Joined SDEA Alsace-Moselle.</i>									
667	Water supply	France	Pays de Gex	86,000	2015	2018	Remunicipalisation	E	Intermunicipal	Suez






N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
668	Water	France	Pays de Nay (SEPA du Pays de Nay)	25,000	2015		Remunicipalisation	E	Intermunicipal	SAUR
669	Water	France	Quimperlé	12,000	2015		Remunicipalisation	E	Municipal	Veolia
670	Water	France	Rennes (Eau du Bassin rennais)	480,000	2015		Remunicipalisation	E	Intermunicipal	Veolia
<i>56 cities. Production was remunicipalised over the whole area (480000), distribution over Rennes city only (230000).</i>										
671	Water	France	SIAEAG (Guadeloupe)	100,000	2015		Remunicipalisation	E	Intermunicipal	Veolia
672	Water	France	Troyes	60,000	2015		Remunicipalisation	E	Municipal	Veolia
673	Water	France	Valence	65,000	2015		Remunicipalisation	E	Municipal	Veolia
674	Water supply	France	Villar-Saint-Pancrace	1400	2015		Remunicipalisation	E	Intermunicipal	Suez
675	Water	France	Auch-Nord	N/A	2016		Remunicipalisation	E	Intermunicipal	Veolia
676	Water supply and sanitation	France	Cap Excellence (Guadeloupe)	100,000	2016	2017	Remunicipalisation	N/A	Intermunicipal	Veolia
677	Water supply	France	Cœur d'Essonne Agglomération	193,000	2016	2017	Remunicipalisation	E	Intermunicipal	Suez/Veolia
678	Water	France	Lesparre	5,600	2016		Remunicipalisation	E	Municipal	Suez
679	Water supply and sanitation	France	Nord Grande-Terre (Guadeloupe)	59,000	2016	2017	Remunicipalisation	E	Intermunicipal	Veolia
680	Water supply	Germany	Bochum, Dortmund	364,742	2003	2003	Remunicipalisation	S	Intermunicipal	E.ON
681	Water	Germany	Krefeld	222,058	2005		Remunicipalisation	T	Municipal	RWE
682	Water	Germany	Bergkamen	110,000	2008		Remunicipalisation	T	Municipal	Gelsenwasser
683	Water supply	Germany	Frankfurt, Hannover, Nürnberg + 54 weitere	N/A	2009	2009	Remunicipalisation	S	Other/ combined	E.ON
684	Water supply	Germany	Baden-Württemberg (region)	10,879,618	2010	2010	Remunicipalisation	S	State/ province/ regional	EdF (France, state-owned), OEW, each ca. 45%
685	Water	Germany	Stuttgart	613,392	2010		Remunicipalisation	D	Municipal	EnBW
686	Water supply	Germany	Wetzlar	51,649	2010	2011	Remunicipalisation	S	Municipal	Enwag GmbH (Stadt Wetzlar, Thüga AG)
687	Water supply	Germany	Wiesbaden	276,218	2011	2012	Remunicipalisation	S	Municipal	ESWE (Thüga AG, WVV Wiesbaden Holding)
688	Water	Germany	Solingen	155,768	2012		Remunicipalisation	T	Municipal	MWV Energie AG




N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company	
689	Water	Germany	Bielefeld	328,864	2012		Remunicipalisation	T	Municipal	Stadtwerke Bremen/ Essent	
690	Water supply	Germany	Darmstadt & weitere	155,353	2012	2012	Remunicipalisation	S	Intermunicipal	Stadt Darmstadt	
691	Water	Germany	Oranienburg	42,000	2012		Remunicipalisation	T	Municipal	Gelsenwasser	
692	Water	Germany	Berlin	3,501,870	2013		Remunicipalisation	T	Municipal	Veolia/RWE	
693	Water supply	Germany	Wuppertal	608,000	2013	2013	Remunicipalisation	S	Municipal	Wuppertaler Stadtwerke, GDF Suez	
694	Water	Germany	Burg (Sachsen-Anhalt)	22,000	2014		Remunicipalisation	E	Municipal	Veolia	
695	Water supply	Germany	Erbach	13,401	2014	2015	Remunicipalisation	W	Municipal	Heag-Südhessische Energie AG (HSE)	
696	Water	Germany	Rostock	200,000	2014		Remunicipalisation	D	Municipal	Remondis	
697	Water	Italy	Imperia	220,000	2012		Remunicipalisation	D	Intermunicipal	IREN	
698	Water	Italy	Province of Varese	889,000	2013		Remunicipalisation	D	Intermunicipal	A2A	
699	Water	Italy	Termoli	33,000	2015		Remunicipalisation	D	Municipal	Acea	
700	Water	Portugal	Mafra	76,685	2016		Remunicipalisation	T	Municipal	Générale des Eaux & Be Water	
701	Water	Russia	Arzamas	120,000	2014		Remunicipalisation	W	Municipal	Remondis	
702	Water	Spain	Medina Sidonia	11,794	2003		Remunicipalisation	T	Municipal	Aqualia	
703	Water	Spain	Sevilla province	126,845	2007		Remunicipalisation	T	State/ province/ regional	ACS Actividades de Construcción y Servicios	
		<i>Alanís de la Sierra, Alcolea del Río, Almadén de la Plata, Brenes, Las Cabezas, Cantillana, Carmona, Cañada Rosal, Constantina, El Coronil, El Cuervo, El Madroño, Los Molares, Lebrija, Los Palacios y Vfca., El Pedroso, El Real de la Jara, Tocina, Vva. Del Río y Minas, El Viso del Alcor, San Nicolás del Puerto, Utrera.</i>									
704	Water supply	Spain	Figaró-Montmany (Catalonia)	1,110	2009	2010	Remunicipalisation	E	Municipal	CASSA	
705	Water supply	Spain	Arenys de Munt (Catalonia)	8,588	2010	2011	Remunicipalisation	E	Municipal	Agbar - SUEZ Environment	
706	Water	Spain	Arteixo	31,005	2013	2013	Remunicipalisation	T	Municipal	Aqualia (FCC)	
707	Water supply	Spain	La Granada (Catalonia)	2,055	2013	2014	Remunicipalisation	E	Municipal	Cassa - AGBAR - Suez	
708	Water	Spain	La Línea de la Concepción	62,697	2013		Remunicipalisation	T	Municipal	Aqualia (FCC)	
709	Water	Spain	Manacor	41,049	2013		Remunicipalisation	N/A	Municipal	Agua Manacor S.A.	
710	Water supply	Spain	Lucena (Andalusia)	45,000	2013		Remunicipalisation	E	Municipal	Agber	

N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
711	Water supply	Spain	Alfés (Catalonia)	319	2014		Remunicipalisation	T	Municipal	Aigües de Catalunya
712	Water supply	Spain	Daltmar Olèrdola (Catalonia)	3,626	2014	2016	Remunicipalisation	E	Municipal	AGBAR - Suez
713	Water supply	Spain	Vilalba Sasserra (Catalonia)	699	2014		Remunicipalisation	E	Municipal	SOREA - AGBAR - SUEZ
714	Water	Spain	Ermua (Basque Country)	10,109	2014	2015	Remunicipalisation	T	Intermunicipal	Aquarbe - Suez
715	Water	Spain	Estella del Marqués	1,486	2014		Remunicipalisation	T	Municipal	Aqualia
716	Water supply	Spain	Foixà (Catalonia)	317	2014		Remunicipalisation	E	Municipal	N/A
717	Water	Spain	Guadalcacín	5,233	2014	2015	Remunicipalisation	T	Municipal	Aqualia
718	Water supply	Spain	Montornès del Vallès (Catalonia)	16,150	2014	2014	Remunicipalisation	E	Municipal	CADAC
719	Water	Spain	Rascafría	2,000	2014		Remunicipalisation	T	Municipal	Canal Gestión SA
720	Water supply	Spain	Santa Maria de Palautordera (Catalonia)	9,195	2014	2014	Remunicipalisation	W	Municipal	Comunitat d'Aigües S.L.
721	Water	Spain	Torrecedra	1,254	2014	2015	Remunicipalisation	T	Municipal	Aqualia
722	Water supply	Spain	Massanes	723	2015	2017	Remunicipalisation	E	Municipal	Abastaments d'Aigües de la Tordera
723	Water supply	Spain	Puigverd d'Agramunt (Catalonia)	269	2015		Remunicipalisation	E	Municipal	SOREA
724	Water supply	Spain	Teo (Galicia)	18,266	2015	2015	Remunicipalisation	T	Municipal	Agbar - SUEZ Environment
725	Water supply	Spain	Collbató (Catalonia)	4,336	2016	2016	Remunicipalisation	E	Municipal	Agbar - SUEZ Environment
726	Water supply	Spain	Terrassa	215,517	2016	2017	Remunicipalisation	D	Municipal	Mina (Agbar - SUEZ)
727	Water supply	Spain	Valladolid (Castile and León)	306,803	2016	Expected in July 2017	Remunicipalisation	D	Municipal	Agbar - SUEZ Environment
728	Water supply	Spain	Vilagrassa (Catalonia)	513	2016		Remunicipalisation	E	Municipal	SOREA (Agbar, SUEZ environment)
729	Water	Sweden	Norrköping	87,247	2005		Remunicipalisation	S	Municipal	EON
730	Water	United States	Atlanta, GA	1,200,000	2003		Remunicipalisation	T	Municipal	Suez
731	Water	United States	Angleton, TX	18,862	2004		Remunicipalisation	T	Municipal	Veolia
732	Water	United States	Plainfield, IN	27,631	2004		Remunicipalisation	T	Municipal	United Water
733	Water	United States	Laredo, TX	236,191	2005		Remunicipalisation	T	Municipal	United Water (Suez)
734	Water	United States	Coxsackie, NY	8,918	2005		Remunicipalisation	T	Municipal	Veolia



N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company	
735	Water	United States	Jackson, AL	5,228	2005		Remunicipalisation	N/A	Municipal	Veolia	
736	Water	United States	Pekin, IL	34,094	2005		Remunicipalisation	E	Municipal	United Water	
737	Water	United States	East Aurora, NY	6,236	2005		Remunicipalisation	E	Municipal	Veolia	
738	Water	United States	Conroe, TX	61,533	2005		Remunicipalisation	T	Municipal	Veolia	
739	Water	United States	Demopolis, AL	7,483	2006		Remunicipalisation	E	Municipal	Veolia	
740	Water	United States	Five Star Water Supply District, AL	100	2006		Remunicipalisation	T	Municipal	Veolia	
741	Water	United States	Southern Water & Sewer District, KY	23,524	2006		Remunicipalisation	T	Municipal	Veolia	
742	Water	United States	North Brunswick, NJ	40,742	2006		Remunicipalisation	T	Municipal	United Water	
743	Water	United States	Logan, WV	11,000	2006		Remunicipalisation	E	Municipal	Veolia	
744	Water	United States	Petaluma (wastewater treatment), CA	58,142	2007		Remunicipalisation	E	Municipal	Veolia	
745	Water	United States	Karnes City, TX	3,042	2007		Remunicipalisation	E	Municipal	Veolia	
746	Water	United States	Winchester, NH	4,341	2008		Remunicipalisation	T	Municipal	United Water	
747	Water	United States	Stockton, CA	300,899	2008		Remunicipalisation	T	Municipal	OMI-Thames Water	
748	Water	United States	Fairfield-Suisun (wastewater treatment) CA	135,296	2008		Remunicipalisation	T	Municipal	United Water (Suez)	
749	Water	United States	Central Elmore Water & Sewer Authority, AL	50,000	2008		Remunicipalisation	N/A	Municipal	Veolia	
750	Water	United States	Cave Creek, AZ	9,000	2008		Remunicipalisation	E	Municipal	American Water	
751	Water	United States	Horn Lake, MS	15,545	2008		Remunicipalisation	T	Municipal	Southwest Water	
752	Water	United States	Odem, TX	2,499	2008		Remunicipalisation	T	Municipal	Veolia	
753	Water	United States	Hayden, ID	13,294	2009		Remunicipalisation	T	Municipal	Veolia	
754	Water	United States	Durham County, NC	8,000	2009		Remunicipalisation	T	Municipal	United Water	
755	Water	United States	Burley (wastewater treatment), ID	9,578	2009		Remunicipalisation	T	Municipal	Veolia	
756	Water	United States	Surprise, AZ	27,116	2009		Remunicipalisation	E	Municipal	American Water	
757	Water	United States	Biddeford, ME	21,383	2009		Remunicipalisation	E	Municipal	CH2M Hill OMI	
758	Water	United States	O'Fallon, MO	25,002	2009		Remunicipalisation	E	Municipal	Alliance Water Resources	

N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company	
759	Water	United States	Kline, PA	1,591	2009		Remunicipalisation	W	Municipal	United Water	
760	Water	United States	North Adams, MA	13,708	2010		Remunicipalisation	T	Municipal	United Water	
761	Water	United States	Overton, TX	2,554	2010		Remunicipalisation	T	Municipal	Veolia	
762	Water	United States	Freeport, IL	25,638	2010		Remunicipalisation	E	Municipal	United Water	
763	Water	United States	Evansville, IN	117,429	2010		Remunicipalisation	E	Municipal	American Water	
764	Water	United States	Gary, IN	180,000	2010		Remunicipalisation	T*	Municipal	United Water	
	<i>City voted to terminate but then negotiated a "transition agreement" with the company to avoid paying \$450,000 in termination fees. So United Water could say the deal was not officially 'terminated'.</i>										
765	Water	United States	Liberty, MO	30,000	2010		Remunicipalisation	T	Municipal	CH2M Hill OMI	
766	Water	United States	Webb City, MO	10,996	2010		Remunicipalisation	E	Municipal	CH2M Hill OMI	
767	Water	United States	Skaneateles, NY	5,116	2010		Remunicipalisation	T	Municipal	Severn Trent	
768	Water	United States	Lampasas, TX	7,868	2010		Remunicipalisation	T	Municipal	CH2M Hill OMI	
769	Water	United States	Leander, TX	25,740	2010		Remunicipalisation	N/A	Municipal	Southwest Water	
770	Water	United States	Whitesburg (water and wastewater),KY	2,139	2011		Remunicipalisation	T	Municipal	Veolia	
771	Water	United States	Brunswick -Glynn County, GA	79,626	2011		Remunicipalisation	T	Municipal	United Water	
772	Water	United States	Tama, IA	2,877	2011		Remunicipalisation	T	Municipal	Veolia	
773	Water	United States	Schenectady (wastewater treatment), NY	66,135	2011		Remunicipalisation	T	Municipal	Veolia	
774	Water	United States	Plymouth (water and wastewater), NC	3,878	2011		Remunicipalisation	E	Municipal	Veolia	
775	Water	United States	Manchester Township, NJ	35,976	2011		Remunicipalisation	N/A	Municipal	United Water	
776	Water	United States	Summit City, NJ	21,457	2011		Remunicipalisation	T	Municipal	United Water	
777	Water	United States	New Albany (wastewater treatment), IN	36,372	2012		Remunicipalisation	E	Municipal	American Water	
778	Water	United States	Gladewater, TX	6,275	2012		Remunicipalisation	T	Municipal	Veolia	
779	Water	United States	Lanett AL	6,468	2012		Remunicipalisation	N/A	Municipal	Veolia	
780	Water	United States	Barstow, CA	22,639	2012		Remunicipalisation	E	Municipal	United Water	
781	Water	United States	Coeburn, VA	2,139	2013		Remunicipalisation	T	Municipal	Veolia	
782	Water	United States	Cameron, TX	5,770	2013		Remunicipalisation	T	Municipal	Severn Trent	

N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
783	Water supply	United States	Florida	22,270	2013	2013	Remunicipalisation	S	State/ province/ regional	Aqua America
784	Water	United States	Storm Lake, IA	10,600	2013		Remunicipalisation	T	Municipal	Veolia
785	Water supply	United States	Missoula, Montana	70,000	2014/2016		Remunicipalisation	D	Municipal	Mountain Water Co. (owned by Carlyle group. And it was sold to Canada-based Liberty Utility-the same company in Apple Valley)
786	Water	United States	Reidsville, NC	14,520	2014		Remunicipalisation	T	Municipal	United Water
787	Water	United States	Oakland County, MI	59,515	2014		Remunicipalisation	T	Municipal	United Water
788	Water supply	United States	Apple Valley	71,000	2015		Remunicipalisation	D	Municipal	Liberty Utilities (Apple Valley Ranchos Water) Corp.
789	Water supply	United States	New Brunswick, New Jersey Approximately	60,000	2015		Remunicipalisation	E	Municipal	New Jersey American Water
790	Waste water treatment	United States	New York	8,550,400	2016		Remunicipalisation	E	Municipal	Veolia
791	Water	Albania	Elbasan	100,000	2007		Remunicipalisation	T	Municipal	Berlinwasser International
792	Water	Argentina	Buenos Aires Province (74 cities)	2,500,000	2002		Remunicipalisation	W	State/ province/ regional	Enron
793	Water	Argentina	Buenos Aires	9,000,000	2006		Remunicipalisation	T	Municipal	Suez
794	Water	Argentina	Buenos Aires Province (Gran, 6th subregion)	1,700,000	2006		Remunicipalisation	T	State/ province/ regional	Impregilo
795	Water	Argentina	Santa Fe and Rosario	2,000,000	2006		Remunicipalisation	T	State/ province/ regional	Suez
796	Water	Argentina	Catamarca	200,000	2008		Remunicipalisation	T	Municipal	Proactiva
797	Water	Argentina	Salta	1,100,000	2009		Remunicipalisation	T	Municipal	Latinaguas
798	Water	Argentina	La Rioja	200,000	2010		Remunicipalisation	T	Municipal	Latin Aguas
799	Water	Argentina	Mendoza	1,100,000	2010		Remunicipalisation	T	Municipal	Saur
800	Water	Bolivia	Cochabamba	900,000	2000		Remunicipalisation	T	Municipal	Bechtel
801	Water	Bolivia	La Paz/El Alto	1,600,000	2007		Remunicipalisation	T	Municipal	Suez



N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
802	Water	Central African Republic	Bangui	80,000	2003		Remunicipalisation	WS	Municipal	SAUR
803	Water treatment	Colombia	Bogota	1,500,000	2004		Remunicipalisation	T	Municipal	Suez
804	Water supply	Colombia	Bogota	7,000,000	2013		Remunicipalisation	E	Municipal	Acea, Proactiva
805	Water	Ecuador	Machala	240,000	2012		Remunicipalisation	T	Municipal	Oriolsa
806	Water	Guinea	Conakry and 16 other smaller urban centres	1,824,000	2003		Remunicipalisation	W	Municipal	SAUR/Veolia
807	Water	Hungary	Kaposvar	64,872	2009		Remunicipalisation	E	Municipal	Suez
808	Water	Hungary	Pecs	150,000			Remunicipalisation	T	Municipal	Suez
809	Water	Hungary	Borsodviz	190,000	2010		Remunicipalisation	T	Municipal	Gelsenwasser
810	Water	Hungary	Budapest	1,740,000	2012		Remunicipalisation	T	Municipal	Suez, RWE
811	Water	India	Latur	390,000	2012		Remunicipalisation	T	Municipal	SPML (Shubash Projects and Marketing Ltd)
812	Water supply	India	Mysore	920,000	2014	2015	Remunicipalisation	E	Municipal	Jawaharlal Nehru National Urban Renewal Mission (JNNURM)
<i>The Central Jakarta District Court on 24 March 2015 annulled the privatised water contracts signed with Suez (Palyja) and Aetra and ordered the water services to be brought back to the state-owned water company.</i>										
813	Water	Indonesia	Badung Bali	543,332	2013		Remunicipalisation	E	Municipal	Mahasara Buana, Intan Dyandra Mulya, Dewata Artha Kharisma
814	Water	Indonesia	Jakarta	4,950,000	2015		Remunicipalisation	D	Municipal	Suez
815	Water	Kazakhstan	Ust-Kamenogorsk	303,720	2007		Remunicipalisation	T	Municipal	IR-Group
816	Water	Kazakhstan	Almaty	1,600,000	2005		Remunicipalisation	T	Municipal	Veolia
817	Water (bulk supply)	Kazakhstan	Astana	639,311	2003		Remunicipalisation	W	Municipal	Veolia
818	Water	Lebanon	Tripoli	400,000	2007		Remunicipalisation	E	Municipal	Suez
819	Water	Malaysia	Kuala Lumpur (Selangor state)	5,411,324	2014		Remunicipalisation	D	State/ province/ regional	Syabas, PNSB, SPLASH, ABASS
820	Water	Mexico	Ramos Arizpe	48,228	2,014		Remunicipalisation	T	Municipal	N/A



N°	Specific service	Country	City/Region	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Level of taking back control	Private company
821	Water	Mozambique	Beira, Nampula, Quelimane and Pemba (and Chokwé, Inhambane, Maxixe and Xai-Xai)	242,143	2008		Remunicipalisation	E	State/ province/ regional	Aguas de Mozambique (SAUR and Aguas de Portugal)
822	Water	Mozambique	Maputo	1,766,184	2010		Remunicipalisation	T	Municipal	Aguas de Portugal
823	Water	South Africa	Amathali (Stutterheim)	200,000	2005		Remunicipalisation	E	Municipal	Suez
824	Water	South Africa	Johannesburg	500,000	2006		Remunicipalisation	E	Municipal	Suez
825	Water	South Africa	Nkonkobe (Fort Beaufort)	130,000	2002		Remunicipalisation	T	Municipal	Suez
826	Water	Tanzania	Dar es Salaam	750,000	2005		Remunicipalisation	T	Municipal	Biwater
827	Water	Turkey	Antalya	2,158,000	2002		Remunicipalisation	T	Municipal	Suez
828	Water	Turkey	Izmit	1,600,000	2014		Remunicipalisation	T	Municipal	Thames Water
829	Water	Uganda	Kampala	1,720,000	2004		Remunicipalisation	E	Municipal	ONDEO
830	Water	Ukraine	Lugansk	424,113	2014		Remunicipalisation	T	Municipal	Rosvodokoanal
831	Water	Ukraine	Kirovograd	293,444	2008		Remunicipalisation	T	Municipal	Water Services, LLC
832	Water	Uzbekistan	Bukhara	247,000	2007		Remunicipalisation	T	Municipal	Veolia, then Amiwater
			<i>A second contract with Amiwater was also terminated in 2007.</i>							
833	Water	Uzbekistan	Samarkand	412,000	2007		Remunicipalisation	T	Municipal	Veolia, then Amiwater
			<i>A second contract with Amiwater was also terminated in 2007.</i>							
834	Water	Venezuela	Monagas State	552,000	2001		Remunicipalisation	E	State/ province/ regional	FCC
835	Water	Venezuela	Lara State	1,100,000	2002		Remunicipalisation	T	State/ province/ regional	Aguas de Valencia





## Appendix 2

# List of (re)nationalisations

### Legend

**D:** decisions to renationalise

**E:** contracts expired

**T:** contracts terminated

**S:** shares sold by private operators

**W:** private operators withdrew

N°	Specific service	Country	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Private company
<b>ENERGY</b>								
1	Electricity distribution	Albania	2,876,591	2013		Renationalisation	T	ČEZ Group
2	Oil and gas	Argentina	43,417,000	2004	2004	Nationalisation		N/A
3	Oil	Argentina	43,417,000	2012		Renationalisation	T	Repsol
4	Electricity distribution	Belize	468,310	2009	2015	Renationalisation	T	Fortis Energy
5	Hydrocarbon	Bolivia	11,410,651	2006		Renationalisation	T	Repsol YPF
6	Electricity	Bolivia	11,410,651	2010	2011	Renationalisation	T	Rurelec PLC
7	Electricity generation and distribution	Bolivia	11,410,651	2010	2011	Renationalisation	T	Ecoenergy Internacional, Electricidad Corani (subsidiaries of GDF), Electricidad Valle Hermoso and Guaracachi
8	Electricity	Bolivia	11,410,651	2012	2015	Renationalisation	T	Iberdrola Paz Holdings Ltd.
9	Electricity transmission	Bolivia	11,410,651	2012		Renationalisation	T	Red Eléctrica Internacional S.A.U.
10	Transmission grid	Finland	5,488,543	2011		Renationalisation	S	N/A
11	Power station	Hungary	9,830,485	2011		Renationalisation	N/A	Bakonyi Erőmű
12	Oil and gas company	Hungary	9,830,485	2011		Renationalisation	N/A	Surgutneftegas (owned 21.2% of shares)
13	Energy gas reservoirs	Hungary	9,830,485	2013		Renationalisation	N/A	E.ON Storage
14	Gas trading supply	Hungary	9,830,485	2013		Renationalisation	N/A	E.ON Földáztrade Kft.
15	Energy gas reservoirs	Hungary	9,830,485	2013/2014		Renationalisation	N/A	Kft., MMBF Zrt
16	Gas	Hungary	9,830,485	2014		Renationalisation	N/A	FŐGÁZ Zrt.
17	Gas trading supply	Hungary	9,830,485	2013/2015		Renationalisation	N/A	PANRUSGAS Gázkereskedelmi Zrt.
18	Power station	Hungary	9,830,485	N/A		Renationalisation	N/A	Székesfehérvári Fűtőerőmű



N°	Specific service	Country	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Private company
19	Gas distribution grid	Lithuania	2,827,947	2014		Renationalisation	S	Gazprom, E.ON Ruhrgas
20	Electricity purchase	Tanzania	51,820,000	2008/2016		Renationalisation	T	Richmond Development Corporation (2008), Symbion Power Tanzania Ltd. (2016)
21	Biofuels	Uruguay	3,427,000	2006		Nationalisation	N/A	N
22	Electricity generation, transmission, distribution and commercialisation	Venezuela	31,775,371	2007	2011	Renationalisation	S	AES, Electricidad de Caracas, Compañía Anónima Luz y Fuerza Eléctrica de Puerto Cabello, Electricidad de Valencia, Electricidad de Ciudad Bolívar, Compañía Anónima Luz Eléctrica de Yaracuy, Sistema Eléctrico del estado Nueva Esparta

## FINANCE

23	Pensions	Argentina	43,417,000	2008		Nationalisation	T	AFJP
24	Pensions	Bolivia	11,410,651	2006	2010	Renationalisation	T	BBVA, Zurich Financial Services
25	Pensions	Ecuador	16,144,000	2014	2015	Renationalisation	T	N/A
26	Bank	Iceland	332,529	2008		Nationalisation	T	Landsbanki
27	Bank	Venezuela	31,775,371	2008	2009	Renationalisation	S	Grupo Santander

## HEALTH CARE AND SOCIAL WORK

28	Stem cell donation	Austria	8,725,931	2015	2016	Nationalisation	S	Österreichische Knochenmarkspendezentrale (association)
----	--------------------	---------	-----------	------	------	-----------------	---	---

## POSTAL SERVICES

29	Postal services	Argentina	43,417,000	2003		Renationalisation	T	Grupo Macri
----	-----------------	-----------	------------	------	--	-------------------	---	-------------





N°	Specific service	Country	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Private company
<b>TELECOMMUNICATION</b>								
30	Broadcasting infrastructure/ Electromagnetic Spectrum	Argentina	43,417,000	2004		Renationalisation	T	N/A
31	Public television and radio	Argentina	43,417,000	2009	2009	Nationalisation	N/A	N/A
32	Telephone	Belize	468,310	2009	2015	Renationalisation	T	Lord Michael Ashcroft, Belize Central Bank Ltd.
33	Landline, mobile, internet, TV	Bolivia	11,410,651	2008	2011	Renationalisation	T	Euro Telecom International, subsidiary of Italiana Telecom
34	Landline, mobile, internet, TV	Venezuela	31,775,371	2007		Renationalisation	S	Verizon (28.5% of shares)



<b>TRANSPORT</b>								
35	Airlines	Argentina	43,417,000	2008		Renationalisation	T	Grupo Marsans
36	Railways	Argentina	43,417,000	2013		Renationalisation	T	Corredores Ferroviarios Sociedad Anónima (Grupo Roggio)
37	Infrastructure: airports	Bolivia	11,410,651	2013		Renationalisation	T	Abertis-AEN/A
38	Railways	Estonia	1,315,635		2007	Renationalisation	T	Railroad Development Corporation
39	Railways	Guatemala	16,176,133	2003	2007/2013	Renationalisation	T	Railroad Development Corporation
40	Railroad operations	New Zealand	4,792,340	2008		Nationalisation	T	Toll New Zealand
41	Railways	United Kingdom	65,110,000	2001		Renationalisation	E	Railtrack (RT) for infrastructure and 106 other companies for the operative side



<b>WASTE</b>								
42	Waste management	Hungary		2011		Renationalisation	N/A	Depónia Kft.
43	Waste management	Hungary		2014		Renationalisation	N/A	AVE Magyarország Hulladékgazdálkodási Kft.



N°	Specific service	Country	Population	Year of decision	Year of implementation	Kind of de-privatisation	How de-privatisation happened	Private company
<b>WATER</b>								
44	Water	Cape Verde	525,000	2005		Renationalisation	TS	Aguas de Portugal
45	Water	Ghana	27,043,093	2011		Renationalisation	E	Vitens, Rand Water
46	Water	Guyana	735,909	2007		Renationalisation	T	Severn Trent
47	Water	Malaysia	31,536,000	2001		Renationalisation	S	Prime Utilities
48	Water	Mali	14,517,176	2005		Renationalisation	T	SAUR

## OTHER

49	Print	Germany	82,175,700	2008	2009	Renationalisation	S	Clifford Chance
----	-------	---------	------------	------	------	-------------------	---	-----------------

## Appendix 3

# Research methodology and participatory survey

Data collection for this book took place over an 18-month period from mid-2015 to late 2016. The information is based on a survey (see below) that asked participants to identify cases of (re)municipalisation and (re)nationalisation in their jurisdictions between 2000 and the end of 2016. In collaboration with our research partners,<sup>1</sup> the surveys were sent to organisations working in the field of public services: six citizen organisations, thirteen researchers and five trade unions. Due to limited time and resources, the list of survey recipients is far from comprehensive (both sectorally and geographically), with notable gaps in Asia, Africa and Australia. Nonetheless, our findings demonstrate strong remunicipalisation trends in Europe and elsewhere over a wide range of public services. And there is no doubt that many more remain to be discovered.

Our survey was focused on essential services, including water, energy, transport, waste management, recycling, health and social work, and education. We also included a catch-all category for ‘local government services’, which include building and cleaning, security and emergency, public (green) space, housing, school catering, sports, cultural activities, funeral services, construction and repair, human resources, IT and ‘other’ (e.g. bike services, local food supply).

1 Transnational Institute (TNI), Multinational Observatory, Austrian Federal Chamber of Labours (AK), European Public Service Unions (EPSU), Ingeniería Sin Fronteras CATA-LUÑA (ISF), Public Services International (PSI), Public Services International Research Unit (PSIRU), We Own It, Norwegian Union for Municipal and General Employees (Fagforbundet), Canadian Union of Public Employees (CUPE) and Municipal Services Project (MSP-Canada)

We asked respondents to elaborate on the reasons for (re)municipalisation or (re)nationalisation, and to explain why the service is now in public hands. The included cases where:

- remunicipalisation brought previously private or privatised services under public control and management at the local level, including actions through public–public partnerships (typically inter-municipal cooperation);
- remunicipalisation resulted in partnerships between public authorities and citizen/worker co-operatives (operating locally and on a not-for-profit basis);
- worker and/or citizen-led co-operatives (operating locally and on a not-for-profit basis) took over from profit-driven commercial services providers; and
- municipalisation, in which new public companies were created (typically municipally-owned).

In all cases, we asked respondents to choose examples in which the provision of public services was based on clear public objectives and with a certain degree of democratic control by end users. These public values and objectives include transparency, equity, universal access, affordability, environmental sustainability, quality services, control over local economy and resources, and fair pay for workers. Democratic control refers to participation and accountability on the part of elected officials and/or users.

## participatory Survey

The survey was offered in four languages: English, French, German and Spanish. The English version is provided here, along with the introductory remarks sent to participants.

### INTRODUCTION

We thank you for participating in this survey on renationalisation and remunicipalisation in your country. Your information will help us better understand what is happening with this important trend around the world. The aim of this survey is to collect information about cases of renationalisation and remunicipalisation in your country between 2000 and the end of 2016.

Renationalisation refers to a public service that was privatised or contracted out privately (i.e. Public Private Partnerships) and then returned to federal government control. Remunicipalisation refers to a public service that was privatised or contracted out privately (i.e. Public Private Partnerships) and then returned to municipal, regional or provincial government.

We would like to ask you to answer the following questions. The results of this survey will be included in the publication in 2017 in which your contribution will be acknowledged.

Your name

---

Your organisation

---

Your country

---

Your e-mail address

---

PLEASE COMPLETE ALL QUESTIONS FOR EACH REMUNICIPALISATION AND RENATIONALISATION CASE.

CASE 1

**Question 1: In which sector of service did the remunicipalisation/renationalization case occur?**

- Water
- Energy
- Transport
- Waste (and recycling)
- Health and social work
- Education
- Local government services
- Postal service
- Telecommunication
- Others ( )

**Question 2: In which city/region/country did the remunicipalisation/renationalisation occur?**

---

**Question 3: What is the current name of the remunicipalised/renationalisation utility?**

---

**Question 4: How did the remunicipalisation/renationalisation of this public service happen?**

- Decision to remunicipalise/renationalise, not implemented
- Contract expired, not renewed and remunicipalised/renationalised
- Shares sold by private operator, contract remunicipalised/renationalised
- Contract terminated, and remunicipalised/renationalised
- Private operator withdrew (from management) contract, contract remunicipalised/renationalised



**Question 5: Who owned the privatised or outsourced public service before remunicipalisation/renationalisation?** (please fill in name of parent company or local/regional/national authorities)

---

**Question 6 (optional): Please explain the case to us. You can include problems of privatisation, key actors, citizen and/or workers' mobilisation, challenges, results of remunicipalisation/renationalisation etc.**

---

**Question 7: Please provide website links of resources, such as news articles in local language etc, if available.**

---

**Question 8: Did all the trade unions support the remunicipalisation/renationalisation?** If NO, please indicate which did not support:

---

**Question 9: Did the remunicipalisation/renationalisation involve changes to workers' pay and conditions?** If YES, please explain BRIEFLY the MAIN changes.

---

**Question 10: Did the remunicipalisation/renationalisation result in a change in employee numbers working on the service?** If YES, please give details, indicating also any changes in relation to temporary and/or part-time work.

---

**Question 11: Are there other remunicipalisation/renationalisation cases that took or are taking place in your region?**

---

# The organisations



## Transnational Institute (TNI)

Contact: Lavinia Steinfort, [l.steinfort@tni.org](mailto:l.steinfort@tni.org)  
[www.tni.org/reclaiming-public-services](http://www.tni.org/reclaiming-public-services)



## Multinationals Observatory

Contact: Olivier Petitjean, [opetitjean@multinationales.org](mailto:opetitjean@multinationales.org)  
[www.multinationales.org](http://www.multinationales.org)



## Austrian Federal Chamber of Labour (AK)

<https://wien.arbeiterkammer.at/index.html>



## European Federation of Public Service Unions (EPSU)

<http://www.epsu.org/>



## Enginyeria Sin Fronteras Cataluña (ISF)

<https://esf-cat.org/>



## Public Services International (PSI)

<http://www.world-psi.org/>



## Public Services International Research Unit (PSIRU)

<http://www.psiru.org/>



## We Own It

<https://weownit.org.uk/>



## Norwegian Union for Municipal and General Employees (Fagforbundet)

<http://www.fagforbundet.no/>



## Municipal Services Project (MSP)

<http://www.municipalservicesproject.org/>



## Canadian Union of Public Employees (CUPE)

<https://cupe.ca/>

## How to get involved

- > The organisations worked together for this book welcome your participation to increase the visibility of the remunicipalisation trend. This book shows that by showcasing cities, regions and countries that have rolled back privatisation and embarked on securing public services for all that need it. The (re)municipalisation list in this book is far from exhaustive. We will continue documenting new cases as part of a process of collective learning.  
**Contact : Lavinia Steinfort, [l.steinfort@tni.org](mailto:l.steinfort@tni.org)**
- > We are pleased to share the new initiative ‘People over Profit’, a global platform that Public Services International (PSI) and many partners will launch in late 2017. The new website of ‘People over Profit’ will connect trade unions, organisations and campaigns fighting against privatisation and Public Private Partnerships (PPPs) in public services such as water, health care, education, energy, waste management and public infrastructure. Coming soon!  
**Contact : [campaigns@world-psi.org](mailto:campaigns@world-psi.org)**
- > The Water Remunicipalisation Tracker website is one of the spaces to share water remunicipalisation cases. New examples are added and existing cases updated regularly, with the support of water campaigners, public water utility managers, trade unionists and others committed to successful remunicipalisation.  
**[www.remunicipalisation.org](http://www.remunicipalisation.org)**

- > The Reclaiming Public Water (RPW) network promotes people-centred and democratic public management in order to make the human right to water a practical reality for everyone. RPW is an open and horizontal network connecting civil society campaigners, trade unionists, researchers, community water associations and public water operators from around the world.

**Contact : Satoko Kishimoto [satoko@tni.org](mailto:satoko@tni.org)**

- > The Municipal Services Project (MSP) explores alternatives to privatisation in the health, water, sanitation and electricity sectors. The MSP is an inter-disciplinary project made up of academics, labour unions, non-governmental organisations, social movements and activists from around the globe. The website offers an interactive platform for researchers and others from around the world to engage in discussions on this topic.

**[www.municipalservicesproject.org](http://www.municipalservicesproject.org)**

- > In UK, the question of public ownership of public services has emerged at the centre of political debate. The national campaign 'We Own It' provides information to make peoples' voice louder. Public services belong to you. You pay for them, you use them, they affect your life. You are more important than private profit. Join us! **<https://weownit.org.uk/people-not-profit>**

From New Delhi to Barcelona, from Argentina to Germany, thousands of politicians, public officials, workers, unions and social movements are reclaiming or creating public services to address people's basic needs and to respond to environmental challenges.

They do this most often at the local level. Our research shows that there have been at least 835 examples of (re)municipalisation of public services worldwide since 2000, involving more than 1,600 municipalities in 45 countries.

Why are people around the world reclaiming essential services from private operators and bringing their delivery back into the public sphere? There are many motivations behind (re)municipalisation initiatives: a goal to end private sector abuse or labour violations; a desire to regain control over the local economy and resources; a wish to provide people with affordable services; or an intention to implement ambitious climate strategies.

Remunicipalisation is taking place in small towns and in capital cities, following different models of public ownership and with various levels of involvement by citizens and workers. Out of this diversity a coherent picture is nevertheless emerging: it is possible to build efficient, democratic and affordable public services. Ever declining service quality and ever increasing prices are not inevitable. More and more people and cities are closing the chapter on privatisation, and putting essential services back into public hands.



ISBN 9789070563585



9 789070 563585