

SMART CITIES: PUBLIC INTEREST OVER POLITICS

GOOD LEADERSHIP MAKES A DIFFERENCE

Water is a political business, and integrity concerns are often heightened in large cities, where provision is complex. More than half the respondents in a survey of cities in which infrastructure is regarded as inadequate cited 'corruption or misuse of funds' as a leading cause (EIU, 2015). Respondents overwhelmingly blamed their leaders for the plight.

In early 2015 a drought and water rationing in São Paulo, Brazil, were widely accepted to be primarily due to the bad management of resources. The water utility company SabeSP had deferred action on infrastructure improvements ahead of the 2014 FIFA World Cup and, again, before elections in early 2015. Three days after the election SabeSP finally admitted there was a crisis; it emerged that the reservoir that served the city had been running dangerously low for at least five years (Public Radio International, 2015). A UN report placed the responsibility firmly with the São Paulo state government and SabeSP (Brasil Wire, 2015).

In Spain, water services for 50 per cent of the population are run by public operators, 35 per cent by private operators and 15 per cent by mixed enterprises. Politicians, public officials and water management companies have collaborated closely. Some of these close relationships are now being investigated. In Galicia more than 100 people, including politicians, public officers and businessmen, are accused of being involved in bribery, fake invoices and nepotism related to the concession of water management contracts.

This includes the capital city of the region, Santiago de Compostela. In the neighbouring region of Asturias, dozens of city councillors and mayors are under investigation as part of what is known as 'Operation Pokemon'.^{1,2,3}

Piped water services cater for only a small part of the population in most low-income urban areas (UNICEF and WHO, 2012). Many urban settlements rely on informal water vending and reselling systems that function with the blessing of the water utility but outside the regulatory framework, and this leaves space for corruption. The daily struggle for water affects the poor and marginalized most acutely, especially women and girls.

Without leaders who push for improvements, there is little interest in utilities to expand networks to informal localities, especially when there is a potential for utility staff to earn extra money from extra-legal water sales (Plummer and Cross, 2006).

A 2014 Bangladesh country assessment by WIN, as part of its DGIS-funded water integrity initiative, found that political leaders and agents who informally govern water distribution in Dhaka fix water fees that are unaffordable for slum dwellers (Rahman and Islam, 2014). In Delhi, India, well-to-do communities, politicians and businesses in the city receive well above the prescribed standard of 160 litres per person per day, while three-quarters of Delhi's citizens, who live in informal or illegal and peri-urban settlements and slums, struggle to acquire 30 to 90 litres, at a usually more expensive rate and of lower quality (InfoChange India, 2005).

SMART LEADERS, SMART CITIES

City leaders, mayors and councillors, as well as those in charge of water utility companies, should play a key role in improving integrity and anti-corruption action in water and sanitation services.

In Cameroon, nine city mayors from Mbam and Inoubou established the SYCOMI union in 2010 to

¹ La Voz de Galicia: www.lavozdegalicia.es/noticia/galicia/2014/03/04/lara-destapa-trama-agua/0003_201403G4P5991.htm.

² La Voz de Galicia: www.lavozdegalicia.es/noticia/galicia/2014/09/27/correos-intervenidos-revelan-enchufes-decenas-alcaldes-cargos-publicos/0003_201409G27P6991.htm.

take charge of water and sanitation. SYCOMI set up water point users' committees for training, information exchange and decision-making (World Bank, 2011b).

In 2012 the Guma Valley Water Company in Sierra Leone, led by the vice-president with support from the president, undertook tough reforms to deal with institutionalized corruption, bringing almost all illegal tampering with customer billing to an end. By 2015 the company was generating enough revenue to cover operations and maintenance. It is now trying to tackle corruption on the expenditure side (Kpenge, 2014).

In 1993 the general director of the Phnom Penh Water Supply Authority (PPWSA) in Cambodia instituted reforms that, over a 20-year period, strengthened integrity and fostered constructive relationships between staff and the public. The regular publication of performance indicators and activity reports demonstrated transparent accountability (Das et al., 2010). There were heavy fines for defrauders, as well as customer participation (Chan et al., 2012). The utility undertook community connection campaigns in 'illegal' colonies, regulating informal vendors to serve peri-urban areas that could not be reached with a piped network.

CONNECTING WITH CITIZENS

Engagement with citizens is crucial to raise awareness of the right to water services, and this depends on data and information being open to public scrutiny. In 2010 Lyonnaise des Eaux, a Suez Environnement subsidiary, launched 'New Ideas for Water' with an online platform to engage the public in a dialogue about water resources, triggered by growing concerns over low trust in private companies (Suez emag, 2011).

In 2014 the mayor of Mexico City created an anti-corruption hotline for citizens and instituted whistleblower protection. The mayor signed the first code of ethical conduct for local government

employees, including water and sanitation staff, and adopted the World Bank's Open Contracting Partnership, to publish all documents during a contracting process (Citiscopes, 2015).

The city of Santander, in Spain, has launched a SmartWater app with Cantabria University giving citizens real-time information from devices and sensors about consumption, repair work and cut-offs (EIU, 2015).

Well-run public utilities can be central to transforming the fortunes of cities. Parts of Medellín in Colombia were once known for having one of the highest murder rates in the world. The city has been transformed by a pioneering mayor and a social programme that brought the best projects to the poorest areas. This was partly made possible by the revenue generated by Empresas Públicas de Medellín (EPM), one of South America's best-run utility companies, which includes water services in its portfolio. In 2013 it generated nearly US\$ 869 million in profits – US\$ 640 million of which were paid into city funds. Citizens feel a strong sense of ownership of their facilities. 'There is a massive social control of what we do,' says Juan Calle, the firm's chief executive (*The Economist*, 2014).

³ El Pais: http://elpais.com/tag/operacion_pokemon/a.