

# ANOTHER PUBLIC-PRIVATE PARTNERSHIP DISASTER

## Tanzania: Dar es Salaam Water System

The Dar es Salaam Water System in Tanzania is another 3P disaster from around the world – a disaster much like the failures (SR 91 and SR 125) that have cost California taxpayers hundreds of millions more than they should have. Because they are so profitable, it is not a surprise that multi-national companies and Wall Street investment houses want to bring more such 3Ps to the “lucrative” California market.

### *What the experts say:*

**“The Tanzanian water privatization project was a scandal right from the beginning,” said Vicky Cann of the World Development Movement. Just two years into a ten-year contract, the government of Tanzania canceled its water privatization deal because it sharply increased water prices, made little improvements in water supply and excluded the poorest neighborhoods from service. “This failure has added a burden to a country that is already struggling to reach its international poverty target on access to water,” said Mussa Billengeya from the Tanzanian Association of Non-Governmental Organizations.<sup>1</sup>**



### The Public Interest Alternative

- Require competitive bidding.
- Require public oversight, design and inspection to ensure public safety and cost controls.
- Utilize tax exempt public financing which is as much as 35 percent lower than private borrowing.
- Tolls should be reinvested in our transportation and other public infrastructure.
- Prohibit non-compete clauses and cash payments that prevent improvements to competing public roads, increasing congestion.

<sup>1</sup> Eurodad, “The World Bank and water privatization: public money down the drain,” September 18, 2008