



PSI/ICRICT/PSIRU SIDE EVENT SUMMARY OUTLINE

HABITAT III PREPCOM3 SURABAYA, INDONESIA 25-27 JULY 2016

Side event title:	'Financing and investing in urban public services: the key to inclusive cities'
Preferred date:	26 July 2016
Preferred time slot:	13.30-14.30
Name of leading organizing Institution(s):	1. Public Services International (PSI) 2. Independent Commission for the Reform of International Corporate Taxation (ICRICT) 3. Public Services International Research Unit (PSIRU)
Name of partner institution(s) with their respective base (City, Country), if applicable	1. Serikat Pekerja PT PLN (PERSERO), Indonesia 2. Serikat Pekerja Perusahaan Daerah Air Minum Jakarta (SP PDAM) Jakarta, Indonesia 3. Alliance of Government Workers in the Water Sector (AGWWAS) of the Philippines

Programme:

Keynote speakers (8 min each):

1. Ms. **Rosa Pavanelli**, General Secretary, Public Services International (PSI), Vice-Chair of the Trade Union and Workers Major Group in the General Assembly of Partners (GAP)
Opening remarks: 'Local quality public services and inclusive cities'
2. Dr. **Govinda Rao**, Commissioner, Independent Commission for the Reform of International Corporate Taxation (ICRICT); Emeritus Professor at the National Institute of Public Finance and Policy, India
'Tax justice for urban policies'
3. Dr. **Jane Lethbridge, Director**, Public Services International Research Unit (PSIRU), University of Greenwich, UK
'The many advantages of the public option for the financing and delivery of urban essential services'

Cases (5 min each):

1. Mr. **Eko Sumantari, General Secretary**, PERSERO, PSI affiliated Electricity union in Indonesia
'Electricity Privatisation and the constitutional court directives in Indonesia'
2. Mr. **Sopiyanto, General Secretary**, SP PDAM, PSI affiliated union in the water sector in Indonesia
'The case of water privatization and remunicipalization in Jakarta'
3. Ms. **Abigail Almeria**, General Secretary, AGWWAS, PSI affiliated union in water sector the Philippines
'The consequences of Water District Privatisation in the Philippines'

Moderator: Daria Cibrario, Policy Officer, Local and Regional Government Sector, PSI

Event description: (maximum 300 words):

Equitable access to essential local public services is inextricably linked to social urban inclusion and to the enjoyment of human rights. However, local government resources are increasingly scarce and municipal fiscal systems inadequate to effectively tackle the many challenges of rapid urbanization.

Systematic corporate/private wealth tax avoidance, inter-local tax competition and tax havens – some of which city-based - deprive central and local governments of the resources they need to provide essential services to urban dwellers. Tax justice and fiscal policy coherence are essential aspects of urban policies critical to secure sustainable financing for the New Urban Agenda (NUA). However, Habitat III discussions have so far largely omitted the impact of global tax avoidance on local government ability to finance and invest in essential urban services.

Many national and local governments are still turning to public-private partnerships (PPPs), to finance public infrastructures and provide local public services. But extensive research and experience show that there is no evidence that PPPs are more efficient than public sector provision: in fact, they show that PPPs are an inefficient way of financing infrastructures and services, while they provide long-term state guarantees for profits to private companies.

The existing public financing options such as public-public partnerships, remunicipalization and inter-municipal cooperation - increasingly the preferred choices of many cities and communities after their negative experiences of PPPs – deserve to be mentioned and promoted as viable options in the implementation text of the NUA.

This event aims to fill this knowledge gap by sharing original research and first-hand experience by PSI affiliates among Habitat III actors, decision-makers and stakeholders on these crucial aspects of the Habitat III debate. It will issue valuable evidence-based policy recommendations for the formulation and implementation of a successful NUA that will promote socio-economic inclusion and fairness for all city dwellers.