

AquaFed

THE INTERNATIONAL FEDERATION OF
PRIVATE WATER OPERATORS

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Private Water Operators**

Code of Ethics

Revision 12 September 2011

Code of Ethics

Aquafed, the International Federation of Private Water Operators, aims to contribute to solving water issues by enabling international organisations to take advantage of the professional experience of the Federation and its members. It will do this by promoting, explaining and illustrating the participation of the private sector in the provision of water and sanitation services on the international scene.

The delivery of water services by private companies has existed in many parts of the world for centuries. This business primarily consists of providing drinking water and sewerage services to the population and non-domestic customers in defined areas. These essential public services are provided with the agreement, and under the control, of public authorities. They are carried out in accordance with licenses, contracts or other formal arrangements that ensure the total sovereignty of the public authorities over the strategic aspects of the services..

The Federation intends to achieve its mission by complying with the following ethical standards. The content and application of these standards may be reviewed and adapted as appropriate by the Federation.

1. Integrity :

The Federation encourages its Members to carry out their business while promoting integrity and ethical practices in every aspect of water services: in particular supporting and respecting international human rights and labour rights within their sphere of influence; and banning any kind of corrupt trading practices.

The Federation encourages its members to meet the United Nations Global Compact standards of behaviour.

Long-term contracts are based on mutual trust or partnership where all parties should work towards the sustainable success of the local public water policy and service delivery.

2. Fair competition and trading :

The Federation promotes fair competition and trading and condemns any anti-competitive behaviour in the delivery of water services. The Members of the Federation aim to comply with the relevant laws and regulations in the countries where they operate.

The Federation will not act in any way to form a cartel or conduct the activities of a cartel.

The Federation will not engage in any activity that favours any individual company or that favours its members over other competitors in any trading transaction.

The Federation will not compile or circulate non-publicly available information about any commercially sensitive aspects of the market, such as prices, costs, margins, bidding strategies, that could lead to collusion between its members, distortion of markets or violation of anti-trust rules.

The Federation will not undertake any trading activity on behalf of any of its members.

3. Health & Environment stewardship :

Members of the Federation contribute to public health and environmental protection through the provision of drinking water services, efficient water management and sewerage services.

The Federation supports its Members in the sustainable protection of public health and the environment and encourages them to promote industry best practices and to comply strictly with international and local environmental regulations wherever they operate.

4. Community focus and customer care :

The Federation encourages its members to:

- improve the quality of peoples' daily lives and to satisfy the needs of their clients and customers at large. These include water-users, local authorities, community representatives and other stakeholders.
- anticipate and fulfil those needs in the most equitable, efficient and economic way,
- build a long standing relationship founded on trust for the benefit of the community at large,
- implement appropriate solidarity and social measures taking care of vulnerable groups and respecting genders, cultures, beliefs and minorities.

Water service providers have to operate in a diversity of environments across countries and cultures. Expectations with regard to drinking water and sanitation services share many similarities. The Federation believes that drinking water and sanitation issues should be dealt with at appropriate levels, paying attention to the local conditions and constraints and to the expectations and needs of the local communities.

5. Human rights and responsible business conduct :

The core business of most private water operators is the provision of safe drinking water and sanitation to populations in accordance with the mandates of public authorities. The Federation encourages its members to engage with public authorities to help and enable them to promote, fulfil and protect the right to safe drinking water and sanitation of their populations.

The Federation encourages its members

- to respect the human right to safe drinking water and sanitation and to contribute to implementing the related obligations of public authorities
- to comply with the UN General Assembly and Human Rights Council's resolutions on the Right to Safe Drinking Water and Sanitation.
- to respect all other recognised human rights, including labour rights, rights to health, environment, political and legal rights and cultural and social rights and to pay due attention to equality and the needs of the disadvantaged,
- to commit to a human rights policy, and to comply with inter-alia the UN Guiding Principles on Human Rights and Transnational Corporations and Other Business Enterprises and the OECD Guidelines for Multinational Enterprises where relevant.

6. Search for performance :

Members should concentrate on delivering value for money to the customers of their services through performance, efficiency and innovation in all aspects of their business, including customer management, technical operation maintenance and investment. They should endeavour to deliver the best possible levels of services, within the existing framework and the current serviceability of the assets to be operated.

7. Promotional and educational activities :

The Federation promotes all forms of private sector participation in the delivery of water services, rooted in the belief that, when well conducted, it delivers benefits to local populations and local communities at large. It sets out to educate stakeholders on the merits, methods, and alternative approaches under which private sector participation in water services can be set up and implemented. In carrying out these activities, the Federation will collaborate with other public and private bodies, paying attention to the requirements of transparency, legitimacy and also respecting the needs for confidentiality where these arise.

The Federation will not engage in any activity that favours any individual company or that favours its members over other competitors in any trading transaction.

The Federation will not undertake any trading activity on behalf of any of its members.

The Federation will comply with relevant laws and regulations governing lobbying in the countries in which it operates and will observe the highest standards of conduct when dealing with state and local government officials.

The Federation's representatives will not disseminate false or misleading information knowingly or recklessly. They will exercise proper care to avoid doing so inadvertently.

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