

PRESS RELEASE

JUBILEE SOUTH

Workshop on ADB: Putting Profit First Before People – Power Privatization and Struggles in Asia

The 2000 Asian Development Bank's Review of its 1995 Energy Policy renewed the Bank's mandate to bolster its drive to privatize the power sector in Asia. It gives emphasis to the strengthening of private sector's role in electricity generation, transmission and distribution, and delivery towards meeting power sector reforms perceived to be contributory to "reducing poverty" in the region. Through loan conditionality, ADB has compelled its governments to fulfill the requirements for private takeover of an essential public service.

During ADB AGM in Kyoto, Jubilee South/APMDD, Institute for Essential Services Reform (IeSR), NGO Forum on ADB, INSAF and PSI organize a workshop on "Power Privatization and Struggles in Asia" on May 6th, 2007, located in Doshisha University Kyoto.

Fabby Tumiwa from IeSR, an Indonesian NGO, delivered an overview. He presented "Power Sector Restructuring: Elements, Drivers and Impact." Additional presentation and paper on: "ADB and Power Privatization in Asia and Pacific" is also available. He explained the salient features of power sector restructuring, main drivers both in developed and developing countries and the impact. He followed by Yoko Akimoto, presented the Japan experience with privatization, and the role of Japanese capital in privatization.

Overview section then followed by case studies. There are four case studies presented. Maris dela Cruz, from Freedom from Debt Coalition (FDC) presented the experience of Philippines with power sector restructuring and privatization program. Ahmad Daryoko, chairman of PLN's trade union from Indonesia presented "Fighting Against Neoliberals Agenda" in which he shared the successful of PLN's union to campaign and cancel the electricity bill that support for unbundling and privatization. Indonesia's PSR was funded by ADB and JBIC. Chaiwat Voraboonpong, from PSI Thailand shared the successful of EGAT's trade union to cancel the privatization of EGAT through massive and consistent campaign for year. At latest, Maya Eralieva, Central Asia coordinator of NGO Forum on ADB shared the struggle against privatization in the Kirgizstan republic. The privatization program is funded by ADB, WB and other development agencies.

At the end, experience from case studies presented that privatization has contextual meaning, depending on the country. Those case studies also confirm that many restructuring and privatization in power sector are failed in many countries in Asia, due to people opposition, economic and social problem and other technical problem, such as unbundling mechanism and transitioning to the competitive market.