

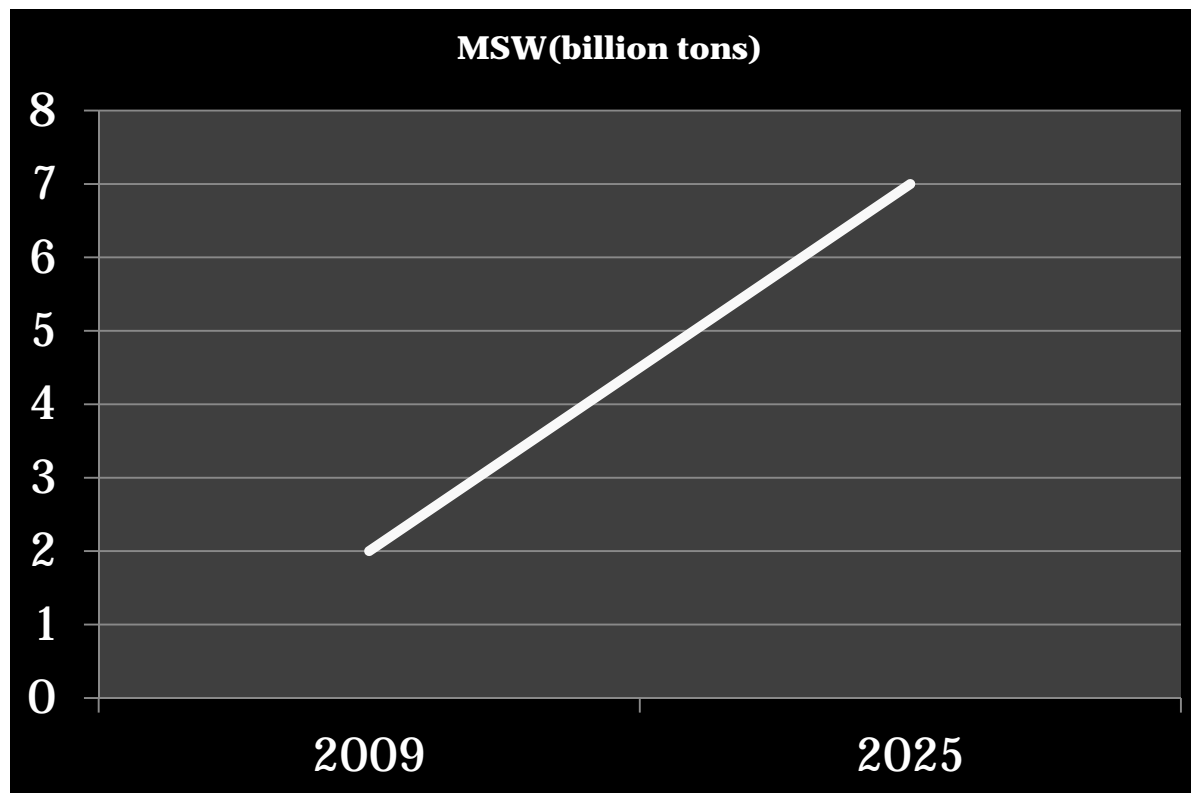
Who wins and who loses? Impact of privatization of municipal solid waste management service on stakeholders; Amritsar city, India



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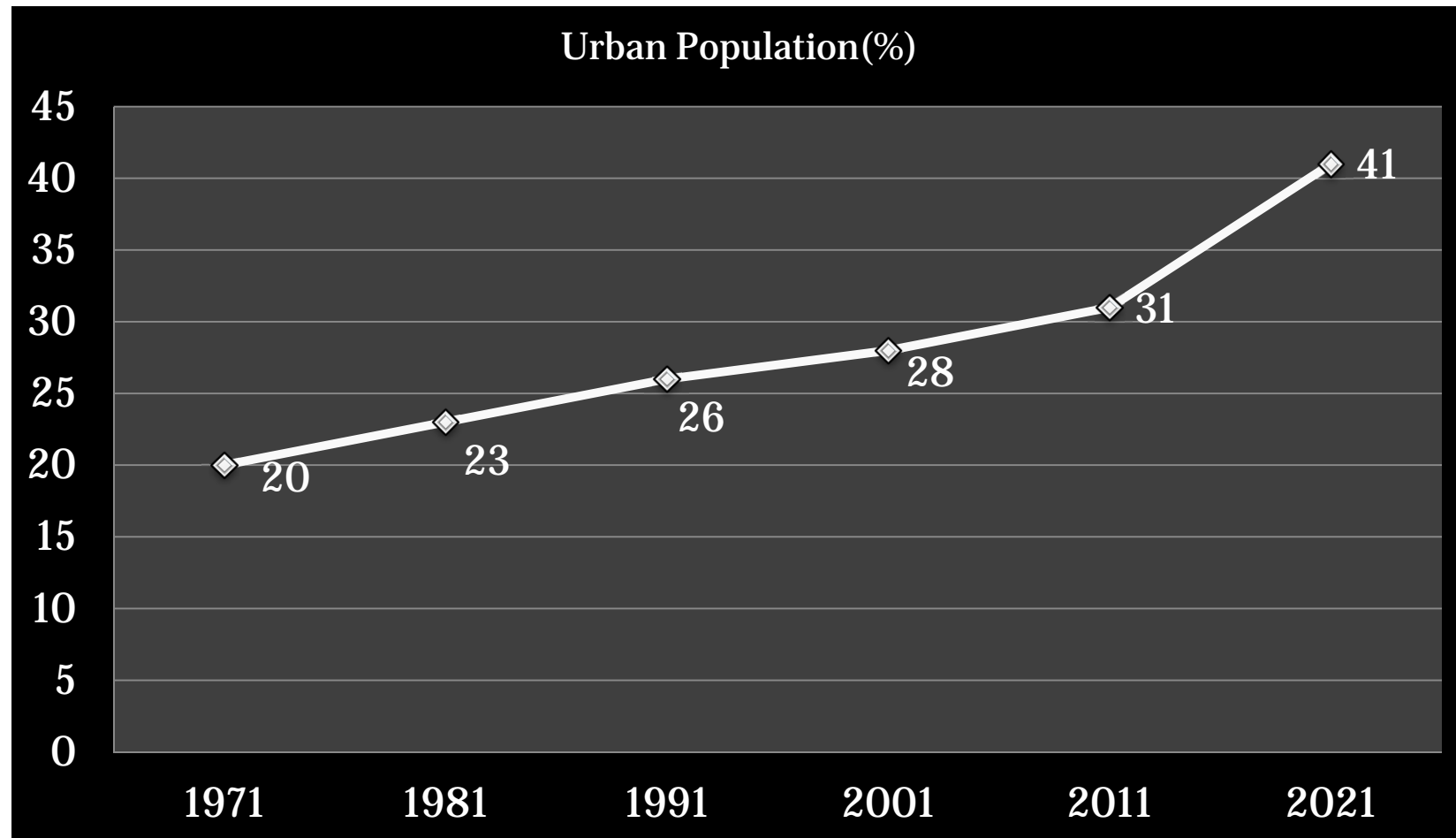
Backdrop

- *“As the world hurtles toward its urban future, the amount of municipal solid waste one of the most important by-products of an urban lifestyle, is growing even faster than the rate of urbanization”* (World Bank, 2012, p.ix).



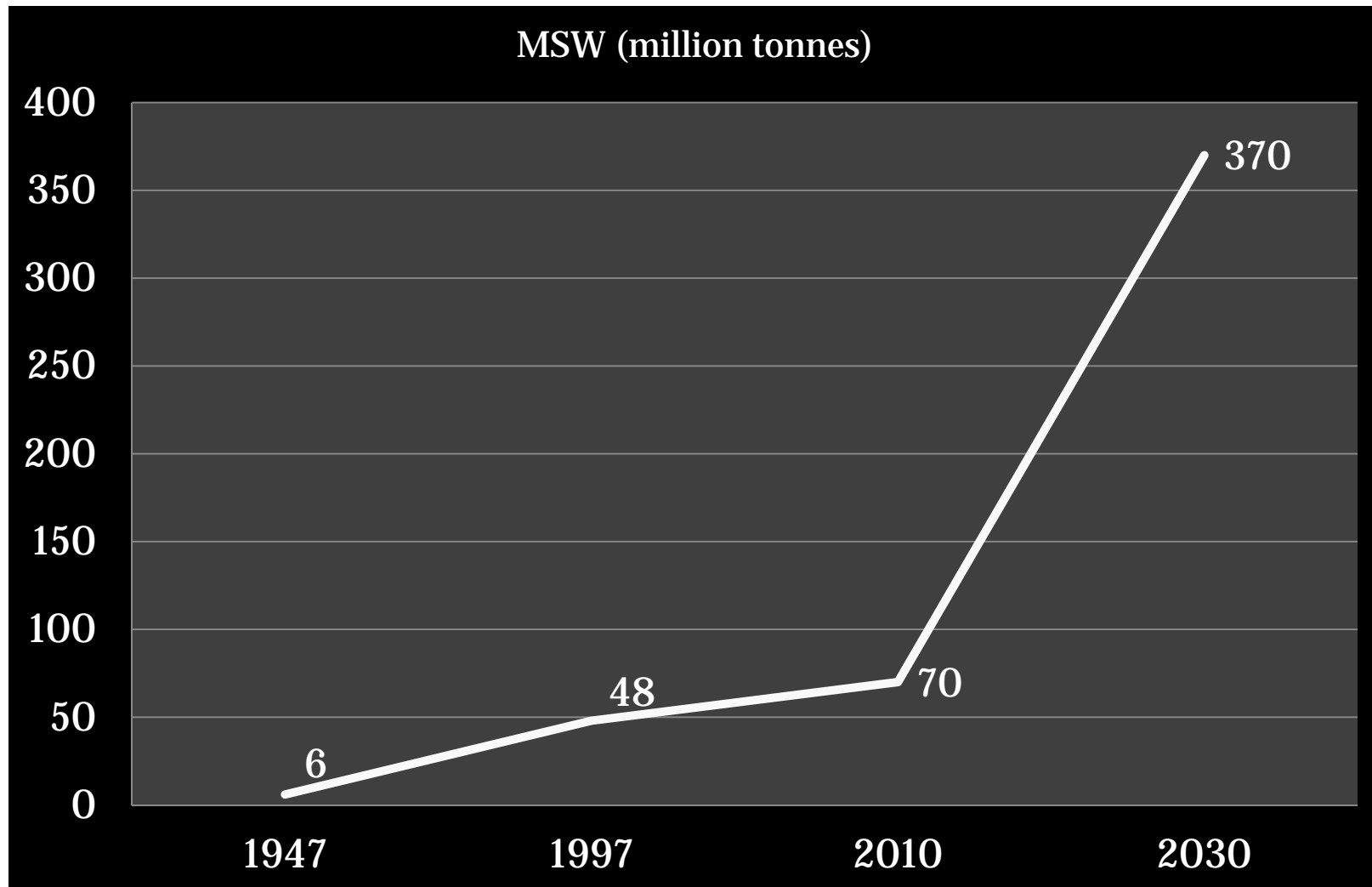
(ISWA, 2012)

India's urban population growth



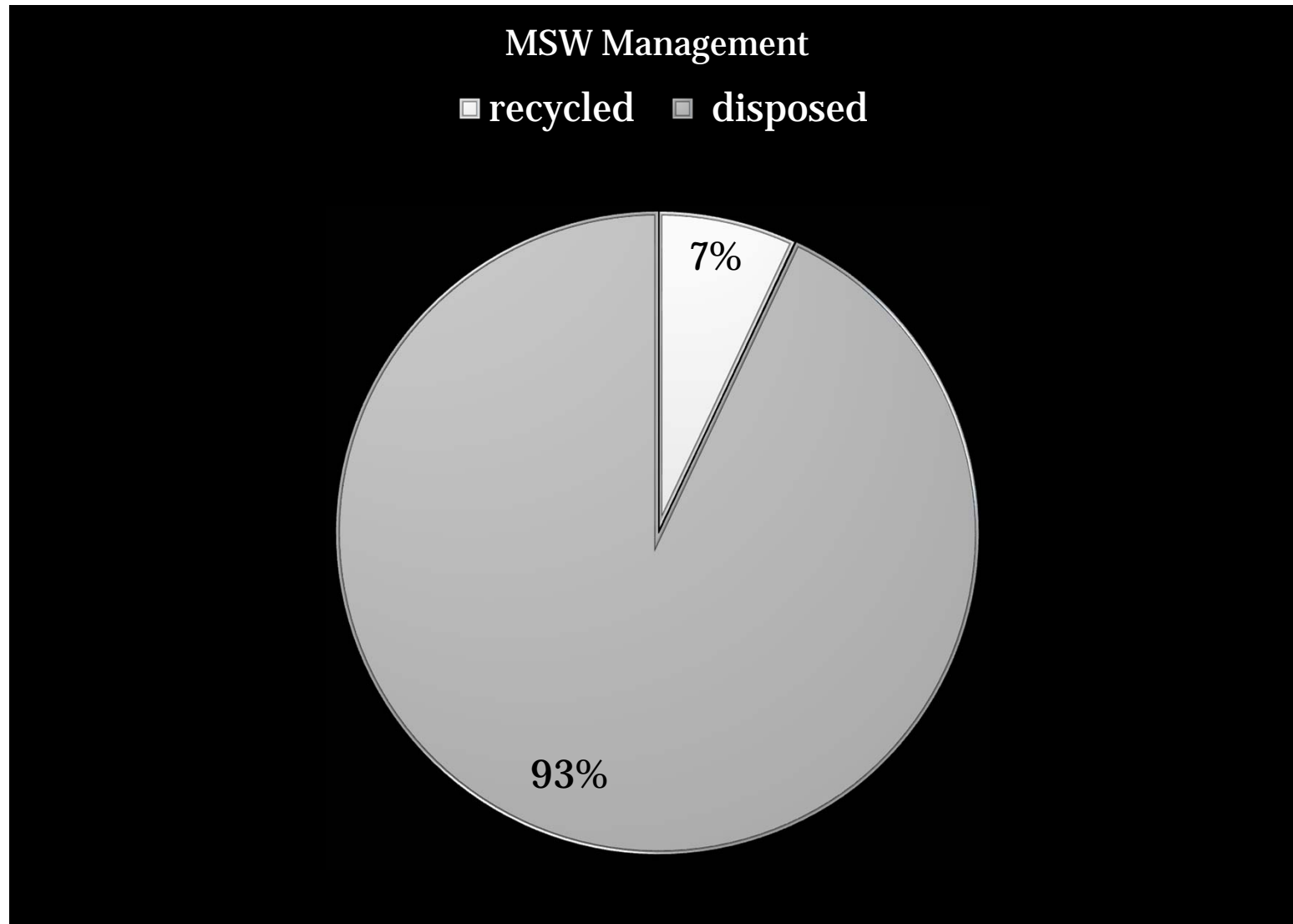
Source: Kundu, 2011, Census of India, 2011

India: growth of municipal solid waste

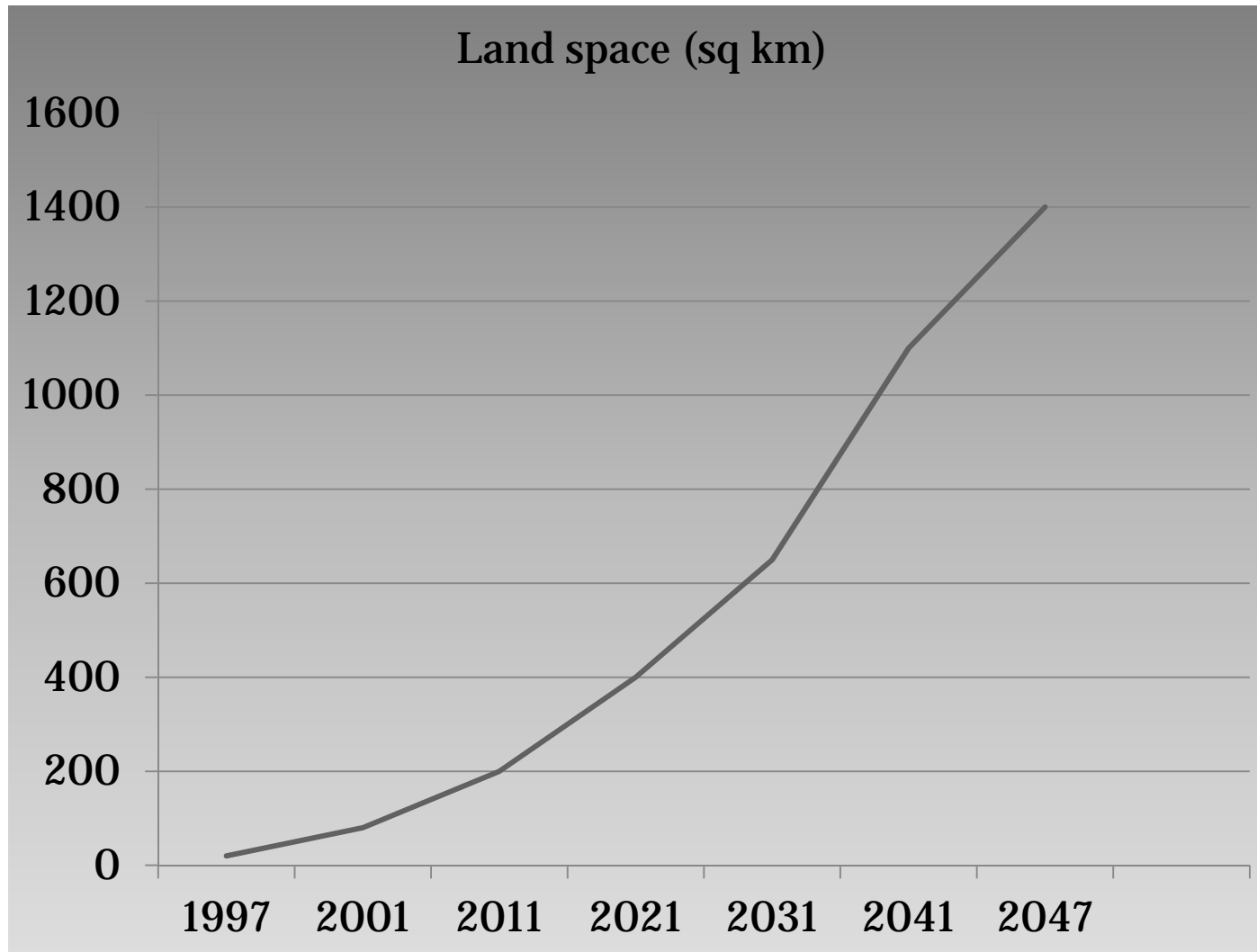


Source: computed from CBCB, 2000, CPCB, 2005, GOI, 2010

India's municipal solid waste management scenerio



Landfill requirements



Source: Technology Review: 2010

India's privatization and municipal solid waste trajectory

Milestones	Economic liberalization	Urban reforms - 74 th constitutional amendment	The Surat Plague	J.L. Bajaj Committee Recommendations	Burman Committee Report	MSW Rules	JNNU RM	28 private sector participation projects approved under PPP mode
Year	1991	1992	1994	1995	1999	2000	2005	2009



Privatization Rationale/ assumption

-Private delivery of municipal services as waste management leads to economic efficiency, social sustainability and better environmental management.

Research Question

- Can privatization of municipal solid waste services be seen as a vanguard of social sustainability, steeped in the faith that it stems positive spillovers on all fronts?

This research focuses on the impact on four stakeholders post privatization of municipal solid waste Management.



Informal waste sector



Municipal sanitation employees



Private company sanitation employees



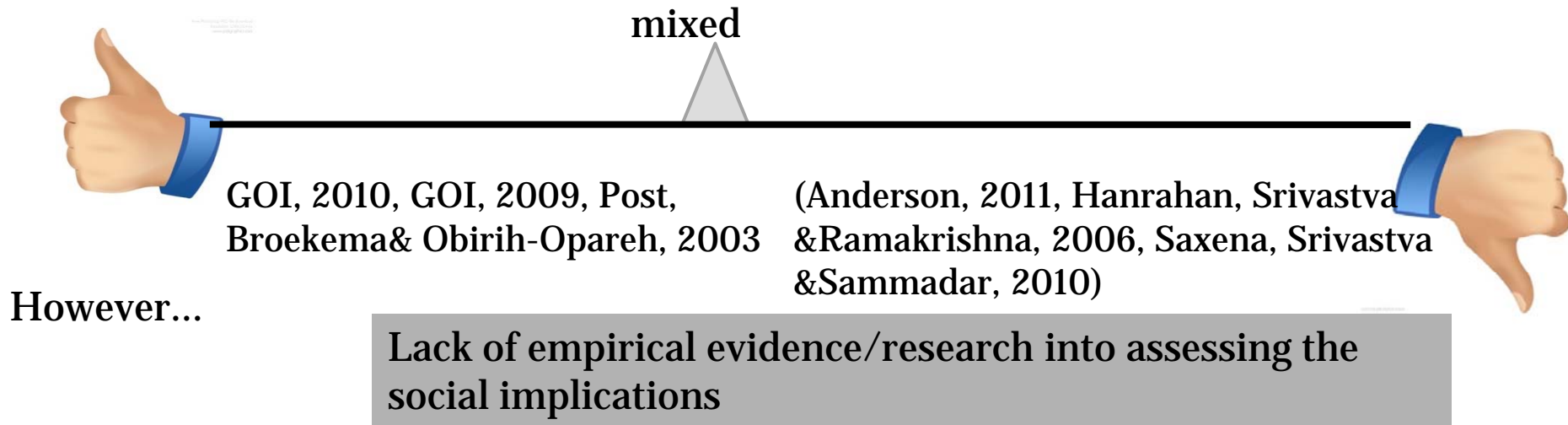
Community



Methodology

- Thirty two semi-structured interviews involves a heterogeneous composition from across stakeholders.
- A purposive (non-proportional quota) sample of community based upon social-economic stratification.
- Documents and archival records.
- Direct observation.

Review of related literature and derivation of analytical framework



Social sustainability Indicators

stakeholders

Informal waste sector

Public sector employees

Private sector employees

Community

Impact Indicators

Loss of employment and income

Employee retrenchment and change in working conditions

Working conditions and adherence to labour laws

Distributive equity

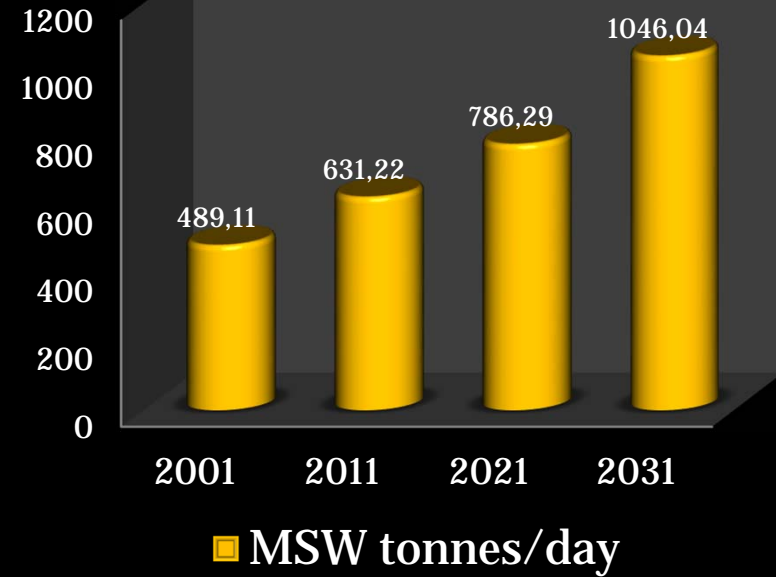
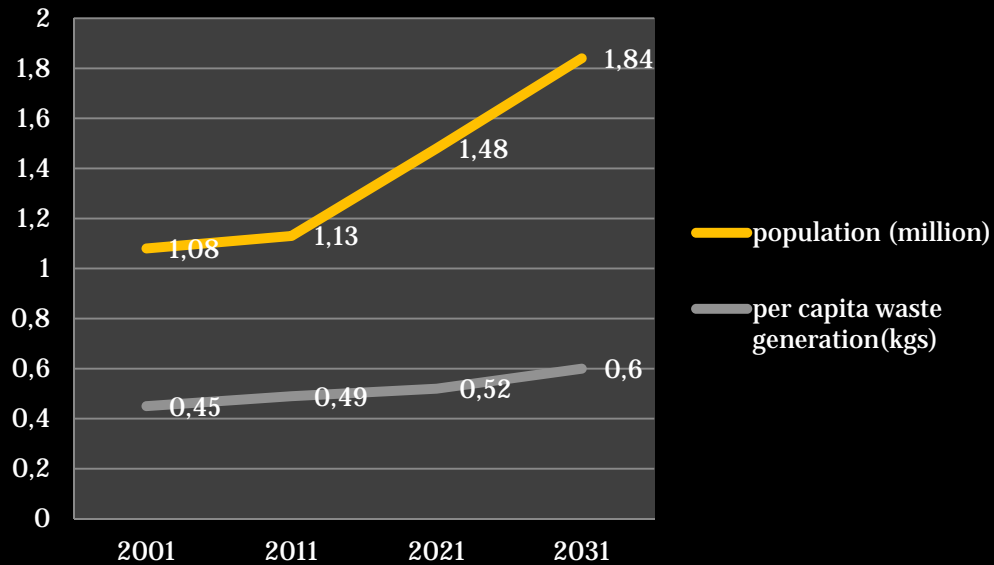
Amritsar city context

- Metropolitan City , population 1.13 million (census 2011).
- Political capital & centre stage of sikh religion
- Attracts tourist from all over the glob

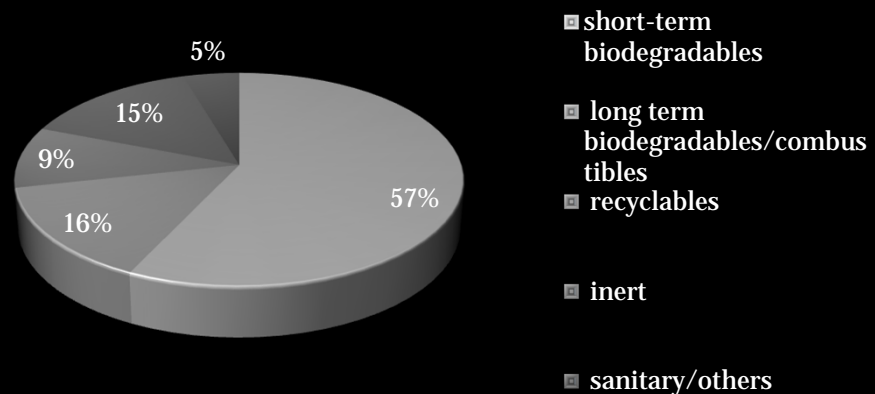


Waste generation trends

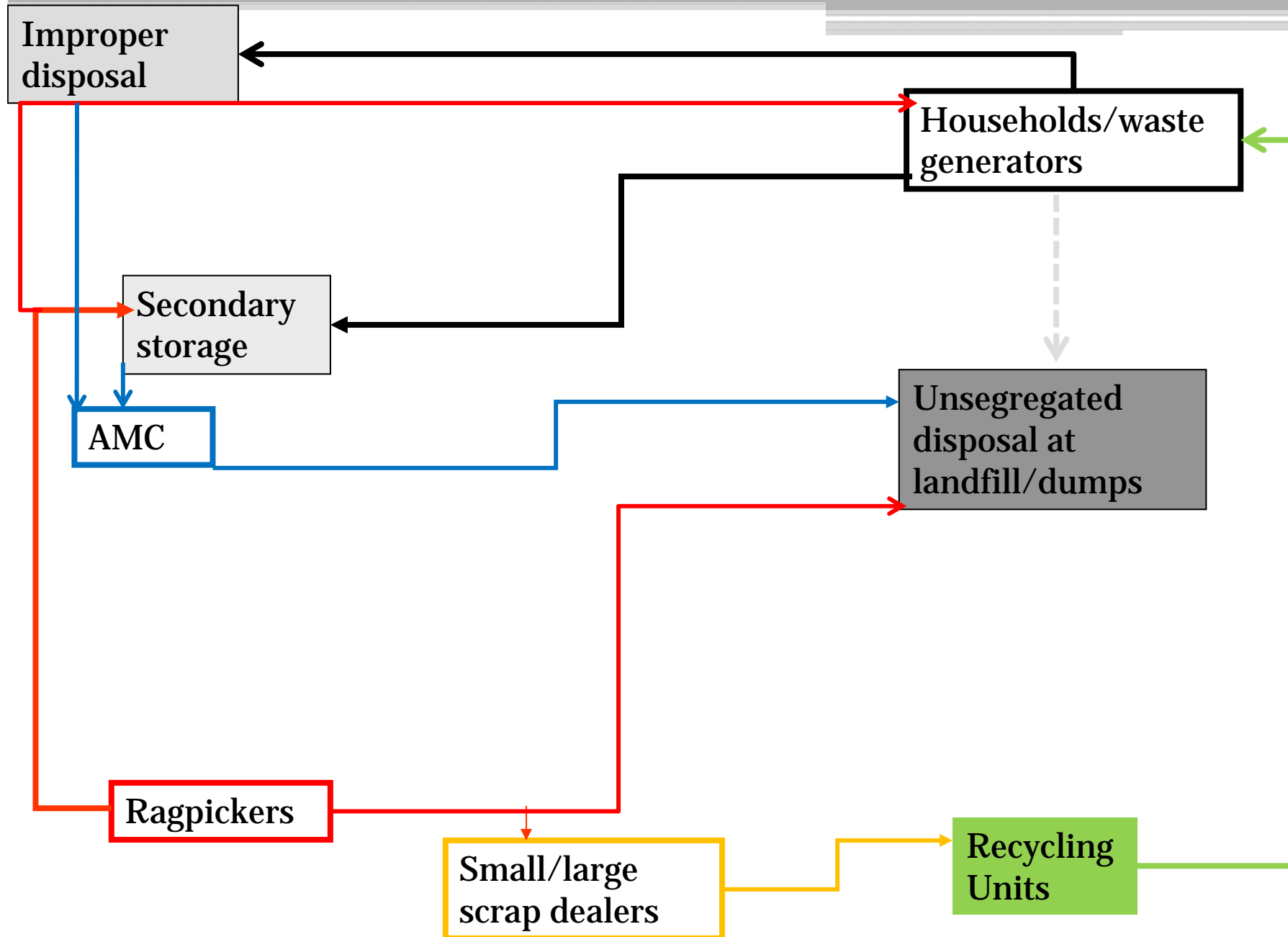
waste generation trends per capita



MSW composition



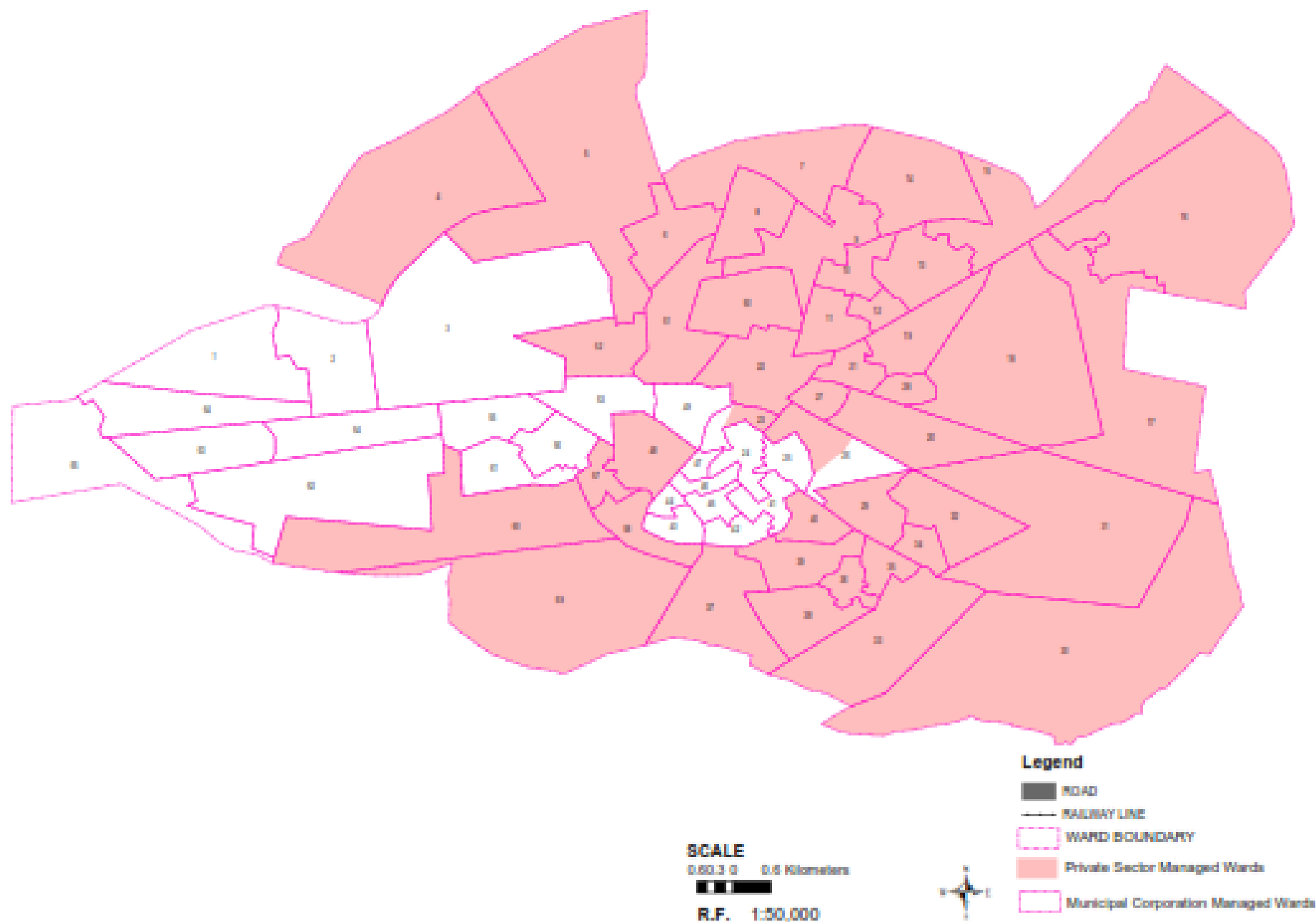
Municipal solid waste management prior to privatization



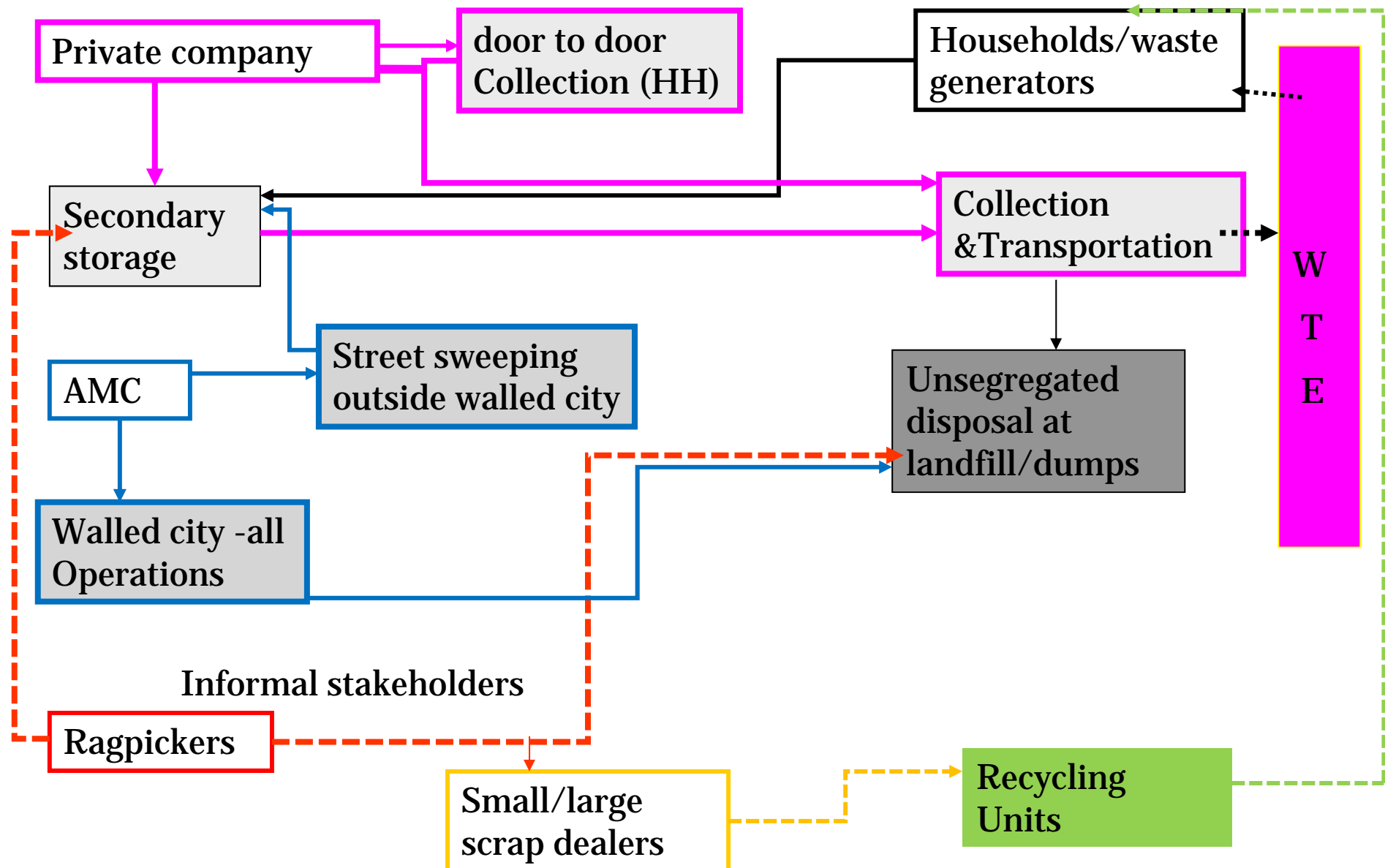
Move to Private Sector Participation

March 2006	AMC passes resolution for MSW management using PSP
June 2008	Preparation of DPR using a Private Consultant
July 2008	Publication of EOI
Sept 2008	Bidding and award to M/S Antony Waste Handling Cell Pvt Ltd (phase I) in PPP mode under JNNURM
Oct 2008	Contract signing
Feb 2009	MSW Operations begun
August 2012	Withdrawal of operations by the private company
Dec 2012	Unending quest by AMC for privatization...till date

Private Sector Participation in MSW Management



Privatization operations (feb 2009)



IMPACTS ON STAKEHOLDERS; INFORMAL WASTE SECTOR

3000-3500 informal waste collectors estimated.

All recycling takes places in informal sector.

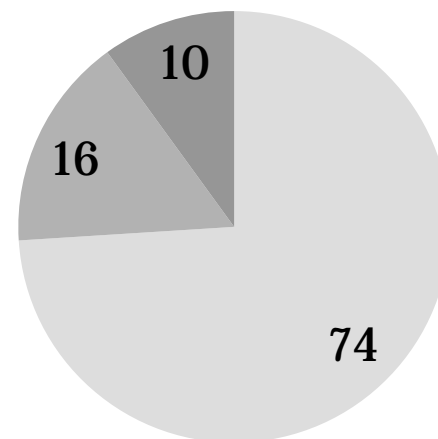


W.Bengal, Bihar, Maharashtra

Stay Duration 1-30 years

HH size 6-7 persons

Majority close to BPL line (33.30INR)



■ chronic rural poverty

■ unskilled

■ personal circumstances





Impacts of privatization on waste picker livelihoods

Before Privatization	After Privatization
Door to door access to waste recyclables	Waste pickers no longer had access to household waste, the primary source of recyclables resulting in loss of livelihoods
Cordial territorial route demarcations	Breach in territorial route demarcations resulting in competition, conflict and rupture in their social fabric enhancing inner tensions.
Segregation and recovery of recyclables in better quality conditions	Mixing and compaction of waste especially through compaction units of the private company rendered acute reduction of the quality of recyclables like plastic and paper leading to difficulties in segregation and further decline of incomes.
Access to secondary waste containers	Informal policing by private company staff to enhance waste quantity on which their profits depended (as the payment was tonnage based).
More possibilities of climbing up the economic ladder	No further possibility due to reduced access to waste coupled with larger competition amongst the waste pickers.
Customary right to waste	Right claimed by the private company till the disposal took place after weighing waste quantities at the landfill.

Income loss post privatization

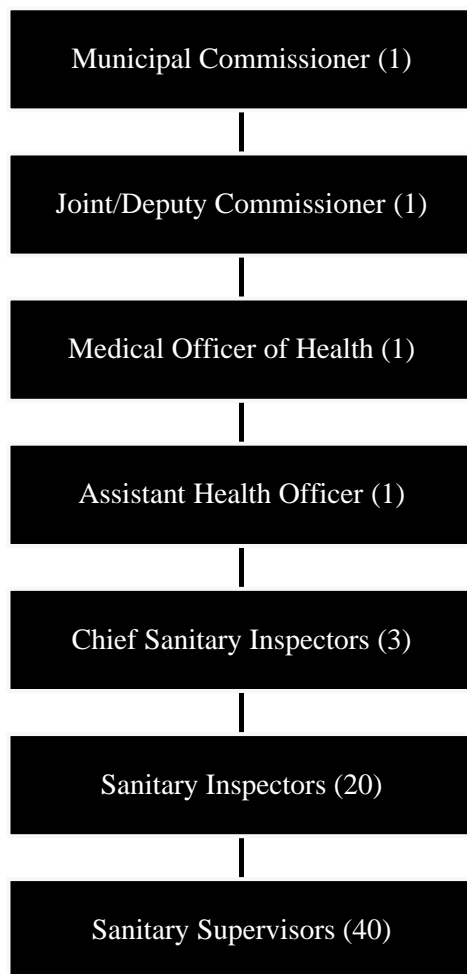
Waste picker categories	Income before private operations began (average earnings/month in Rupees)	Income after private operations began (average earnings/month in Rupees)	Average decline (Rupees)	Average decline in %
Waste pickers (landfill)	5500	4000	1500	27
Waste pickers (roadside and secondary bins)	5000	3500	1500	30
Waste pickers (households)	6000	2000	4000	60
Itinerant waste buyers	10,000	9000	1000	10

Impact on Municipal sanitation workers

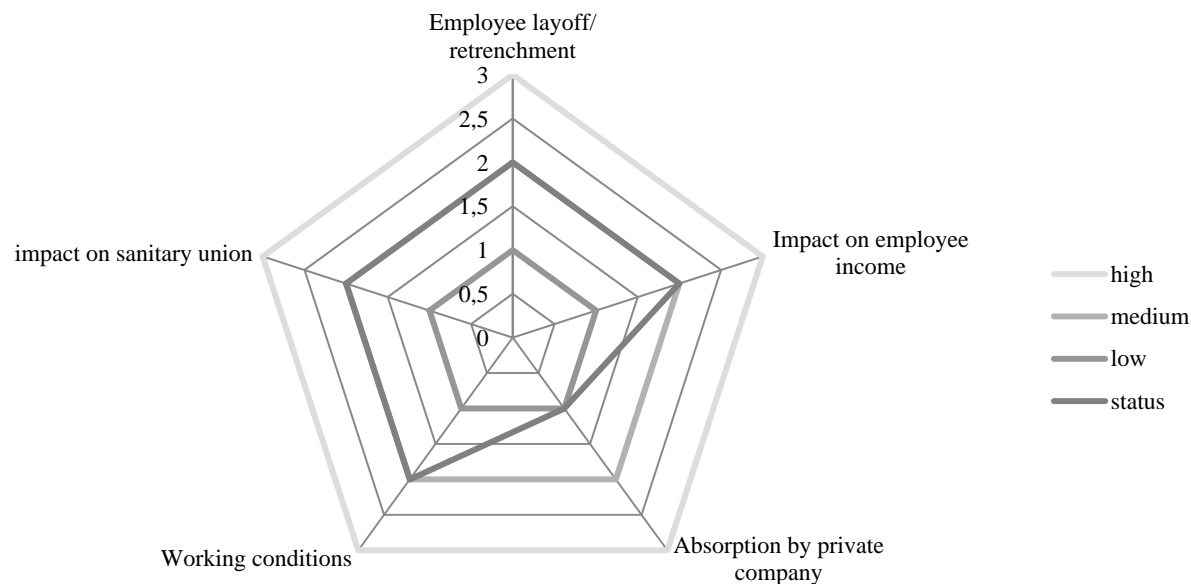
Scale of social sustainability

Scale	AMC sanitary workers
Low (1)	<ul style="list-style-type: none">• High retrenchment and layoffs• Major adverse impact on income• No absorption of contract municipal employees by private company.• Adverse working conditions.• Irrelevance of the sanitary union.
Medium (2)	<ul style="list-style-type: none">• Some retrenchment/layoffs.• Minor adverse impact on income• Limited absorption of contract municipal employees by private company.• Average working conditions.• Limited role of the sanitary union.
High (3)	<ul style="list-style-type: none">• No retrenchment/ layoffs but follow the course of natural attrition.• No adverse impact on income• Absorption of a majority of contract municipal employees by private company.• Optimal working conditions.• Relevant role of the sanitary union.

Implications for municipal sanitation employees



Sanitary Workers(1360 Permanent, 1050 Contract based)

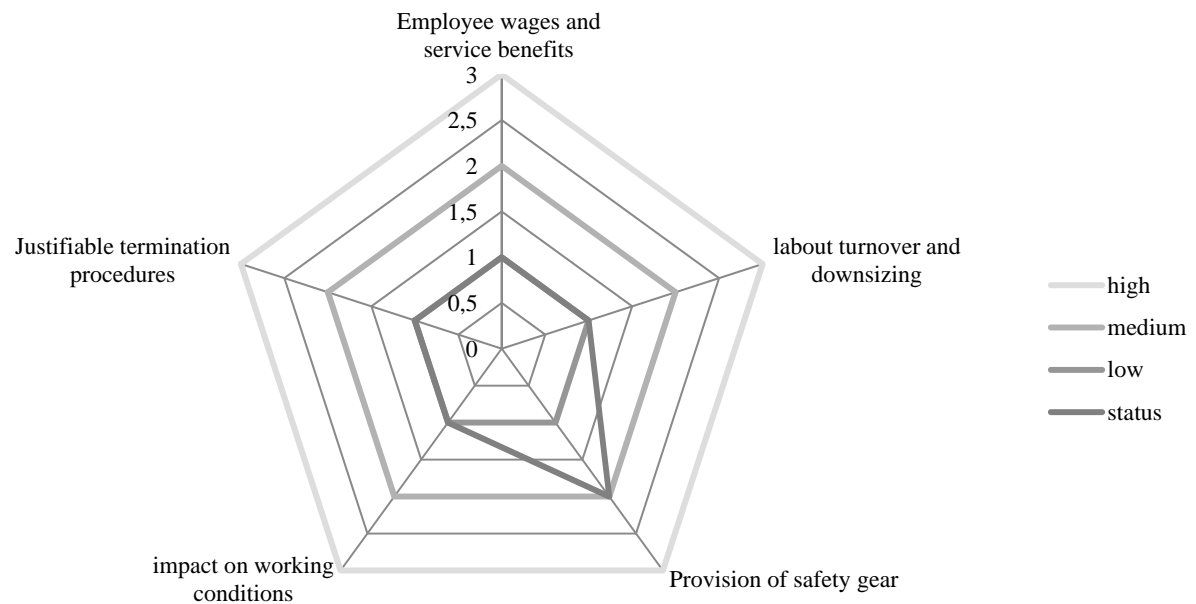
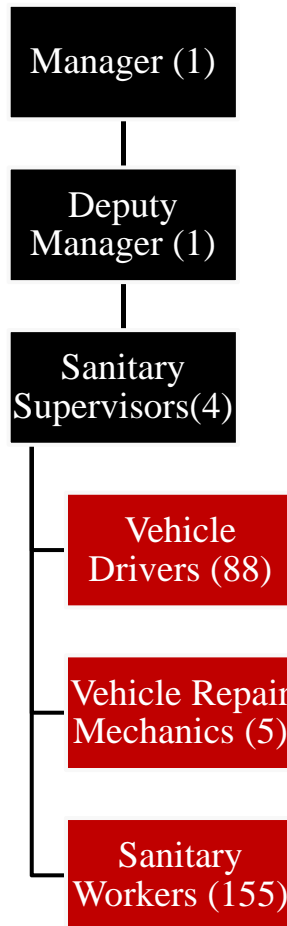


Implications for private company sanitation employees

Scale of social sustainability

Scale	Impacts on private company employees
Low (1)	<ul style="list-style-type: none">• Poor employee wages and service benefits• High labour turnover and downsizing• Lack of provision of safety gear• Adverse working conditions• Unjustifiable termination procedures
Medium (2)	<ul style="list-style-type: none">• Low employee wages and service benefits• Some labour turnover and downsizing• Some provision of safety gear• Impact on working conditions• Some adherence to termination procedures
High (3)	<ul style="list-style-type: none">• Employee wages and service benefits as per labour laws• Minimal labour turnover and downsizing• Provision of safety gear• Optimal working conditions• Justifiable termination procedures

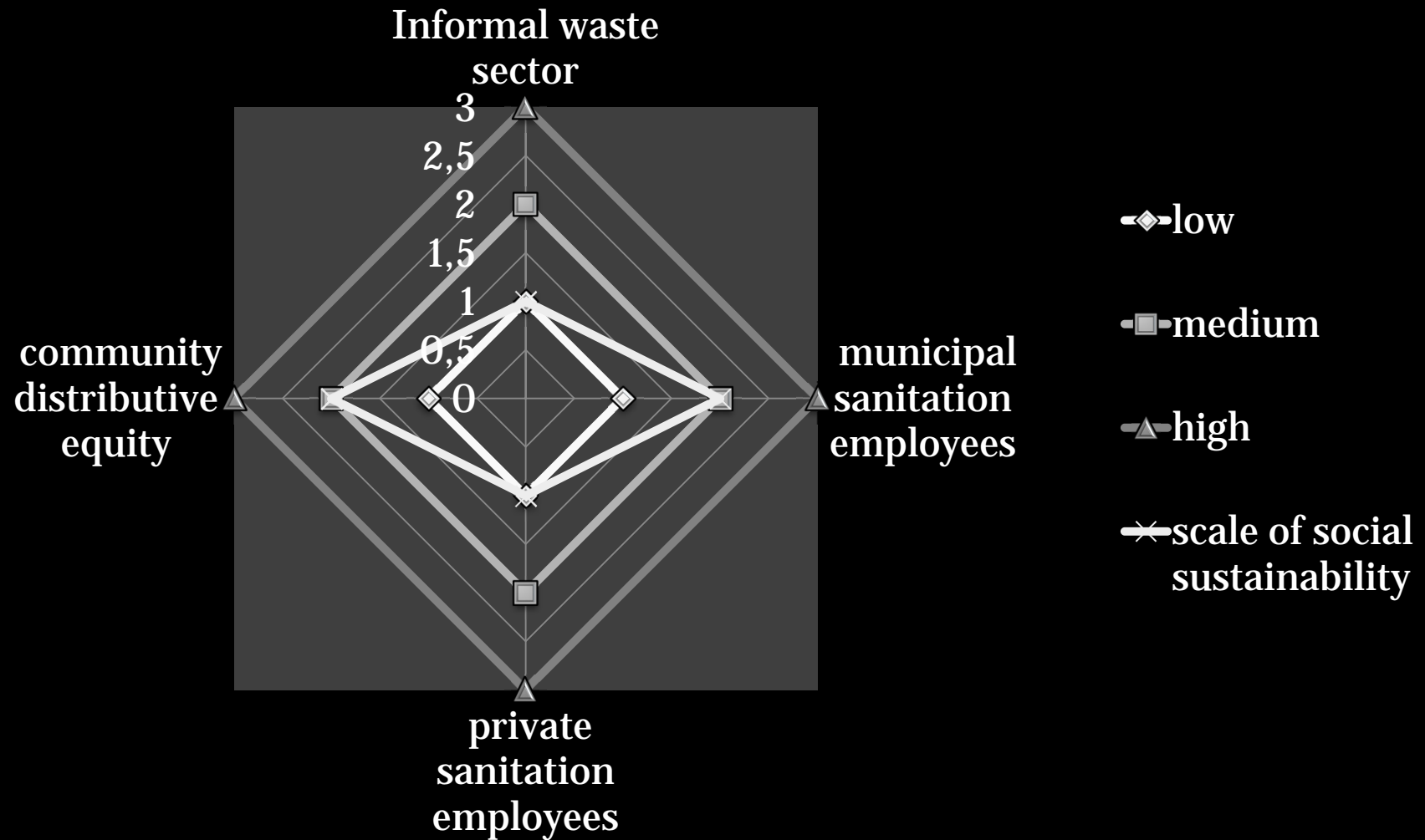
Implications for private company sanitation employees



Equitable access of service to the community

Income category	No access to door to door service	Placement of secondary containers inaccessible from homes
High income	6.5%	35.5%
Middle income	34.04%	32.6%
Low income	43.75%	65.9%
Economically weaker section	51.39%	81.3%

Combined scale of social sustainability



Conclusions

- Impacts are contextual and do not match wider beliefs surrounding privatization of waste services.
- Extremely adverse impacts on informal waste sector.
- Extremely difficult to retrench permanent municipal workers due to political compulsions. Contract workers may bear the brunt.
- Down the hierarchy, worker conditions in private sector decline, exploitation and blatant violation of labour laws and most cost cutting takes places in that category.
- Lack of distributive equity and drop in service according to income category.

Quest for viable interventions

- Informal waste sector- Integrating the informal waste sector- options.
- Municipal sanitation employees- Principle of natural attrition and absorption.
- Private sanitation employees- Enforcement of labour laws and inclusion in contractual details.
- Community-Distributive equity must be ensured through civil society support and monitoring by regulating authority.

Final words..

All efforts to improve municipal solid waste management must be socially sustainable.



THANKS....