



9 – 13 March 2015 | Dubrovnik, Croatia

REGULATION OF PUBLIC SERVICES: NATIONAL AND LOCAL PERSPECTIVES

TARGET PARTICIPANTS

The course is mainly addressed to:

- Representatives and Officials of national and local regulatory authorities, Central Public Administrations, regional and local governments,
- NGOs and consultancies engaged in the design and implementation of regulatory reforms
- Researchers
- Staff of International organizations.

RATIONALE

Public services like electricity distribution, natural gas distribution, telecommunications, transport, water and sanitation services, urban waste management, are provided mostly in conditions of natural monopoly and/or relevant market failures for the presence of externalities and public goods, and in a context of strong information asymmetries. That is why **economic regulation is crucial** (in terms of price, quality, quantity, accessibility) to protect the consumer from market incumbents' possible abuses, and to promote equity and environmental protection.

Scale economies, neighbour externalities and coordination needs have led to the **centralization of regulatory tasks** at national level. Indeed, for large network services (e.g. telecommunications, energy, transport) regulation is well-established, at least in OECD countries, and it is normally operated by independent national authorities.

Nonetheless, historically, the growing medium of regulation seems to have been the **municipalities**. Concessions, franchising, licences and authorizations issued at local level have always been accompanied by mandatory provisions and rules on price, quantity, quality, accessibility, safety and so on. Where a sector is not regulated at national level, municipalities have generally retained a regulatory role, which is played in ways that differ alongside institutional frameworks, level of development, and cultural features of local communities.

The debate on the **trade-offs related to centralized or decentralized regulation** is still open and it is particularly relevant in connection to services characterized by a **strong local dimension**: while centralized regulation appears to be a solution to limited capacity of local administrators and might help to avoid collusion between the local regulator and the incumbents against the centralized administrations, at the same time decentralization may favour differentiation of policies in different regions, higher level of information endowment by local authorities and better enforcement thanks to the higher degree of engagement and accountability achievable at local level. That might be also the reason why forms of **multi-level regulation** exist, especially in sectors, like water, where despite the strong local dimension, heavy sunk costs and large investments are needed.

For further information:

visit www.turinschool.eu/eep | or write to: eep@turinschool.eu

COURSE OBJECTIVES

The course intends to analyze economic regulation of public services from different perspectives and to explore the **peculiarities of centralized and local allocation of regulatory tasks** in relation to the nature of the service, specific policy objectives (consumer protection, equity, environmental targets, efficiency ...), the historical and cultural background, the relationship between different actors and stakeholders, the influence - when relevant - of international actors like international organizations and financial institutions. The existence of **multi-level systems of regulation** will be also analyzed as an emerging trend. The course final aim is to provide participants with a broader overview on the objectives of regulation and with some hints to evaluate on a case-by-case basis what are the most suitable instruments and **what is the best layer of intervention for a sound regulation**: national, local or multi-level. That is why **frontal lessons** will be accompanied by the presentation of specific **case studies** and by **interactive working groups**.

PROGRAMME

(20 teaching hours and 10 hours of working groups / site visits)

Day 1 | NATIONAL PERSPECTIVE: REGULATION BY CENTRAL GOVERNMENTS

Regulation of natural monopolies: why and how? (*M. Salvetti*)

The establishment of independent regulatory authorities: reasons, historical patterns, evolution and current trends (*M. Salvetti*)

A case study of Regulation by a National Independent Agency (*B. Wyss*)

Day 2 | LOCAL PERSPECTIVE: MUNICIPALITIES REGULATING LOCAL SERVICES

Peculiarities of local regulation (characteristics of local public services; factors of weakness in local regulation; osmosis amongst professional roles; information endowment and exchange) (*J. Elnaboulsi*)

Knowing the FIELD for infrastructure and service regulation at local level: actors, information, incentives (Presentation of the FIELD methodology - developed by the Turin School of Local Regulation and its potential applications to the design or reform of a regulatory framework for local public services) (*E. Vanin*)

A case study of local regulation *E. Vanin*).

Day 3 | BETWEEN NATIONAL AND LOCAL: MULTI-LEVEL REGULATION

Trade-offs between national and local regulation (*A. Asquer*)

Multi-level regulation (distribution of responsibilities between national and sub-national authorities; co-existence of national objectives and local peculiarities) (*O. Romano*)

Regulatory Reforms in Multi-level Governance Systems (how reforms designed at central level are applied and implemented at sub-national level) (*A. Asquer*)

Case studies of regulation between national and local. (*A. Asquer*)

Day 4 | PUTTING-IT INTO PRACTICE: SITE VISITS & WORKING GROUPS

Visit to Lokrum National Park (<http://www.lokrum.hr/en>) and presentation on governance issues related to the Park as a case study of local regulation. Participants will be then divided into working groups simulating the application of the acquired knowledge to specific case studies with the support of a scientific tutor. Participants will be invited to propose specific case studies before the beginning of the School. Working groups will be free to select a case study proposed by one of the participants or a new virtual case study.

DAY 5 | DRAWING CONCLUSIONS: WORKING GROUPS & DEBATE

Groups will prepare a presentation to be delivered to the classroom, followed by debate.

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FACULTY

Alberto ASQUER

Lecturer of Business Strategy and Policy at the University of Cagliari (Italy) and Lecturer in Public Policy & Management at SOAS University of London. His research interests are in public policy and management, and especially in political economy of regulation and regulatory reforms, public policy implementation, public management. He spent visiting periods at CESifo (Munich), Higher School of Economics (Moscow), and, as visiting fellow, at the EUI.



Jihad ELNABOULSI

Economist and Researcher at the University of Franche-Comté, France. He also worked as Research Economist at The French Ministry of Agriculture, The French Institute of Agricultural and Environmental Engineering Research, and The National School for Water and Environmental Engineering, Strasbourg. In 1997, he was Visiting Researcher at the University of Colorado at Boulder, Institute of Behavioral Science. His research interests are environmental and resources economics, public economics, pricing policies and modeling, regulation of public services.



Oriana ROMANO

Oriana holds a Ph.D in “Institution, Economics and Law of Public Services”. She has experience in research applied to environmental goods and services, as post graduate researcher at the University “L’Orientale” (Naples, Italy) and at the London Metropolitan University. Since 2011 she has been university lecturer in Italy and UK, on Environmental Economics, Cost-Benefit Analysis, Evaluation of Plans and Programmes, Business Economics. She joined the OECD Water Governance Programme, within the Regional Development Policy Division in 2013.



Maria SALVETTI

Former chief economist for the French national agency for water and aquatic environment (Onema), Maria Salvetti has joined the “Economics of Public Private Partnerships” chair in La Sorbonne University. She is setting up a European working group on economic regulation of water sector, in partnership with the Florence school of regulation (part of the European research institute). She is also working as an expert for the Danube Water Program from the World Bank.



Elisa VANIN

Graduated in International Relations, she specialized in European project management, spending one year in Brussels and then working for a private consultancy. Since 2010 she has been collaborating with the Turin School of Local Regulation, before as School Secretariat coordinator of the International Summer School on regulation of local public services and now as project manager of the TSLR.



Barbara WYSS

PhD in economics in financial accounting from the University of Zurich. From 2001 to 2010 she was working with KPMG Switzerland specializing in corporate governance, risk management and auditor’s independence. 2011 she started with the Swiss Federal Electricity Commission ElCom, first in regulatory accounting, unbundling and cost regulation, and she also is a member of the ElCom’s case team supervising the unbundling of the Swiss TSO, Swissgrid. Since 2014 she is also Secretary to the Commission.



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ADMISSIONS

Application Process

Please visit www.turinschool.eu/eep for complete admission requirements and to apply online. Applications are requested at least four weeks before the program start date. Since qualified candidates are admitted on a rolling, space-available basis, early application is encouraged.

Admission Requirements

Admission is selective and based on professional achievement and organizational responsibility. No formal educational requirements apply, but proficiency in written and spoken English is essential.

Programme Fee

The programme fee covers tuition, case materials, site-visits included in the programme, accommodation. **Payment** is due within **March 2nd 2015**. The Fee structure is outlined below. Further instructions on the payment and on cancellation clauses will be sent to participants at the time of application.

FEE STRUCTURE

Full tuition Fee

Course tuition, case materials, one site-visit included in the programme, 6-night accommodation, coffee breaks and one social dinner

3.800,00 €

COURSE VENUE AND ACCOMMODATION

The Course will take place at the [Center for Advanced Studies \(CAAS\)](#) in Dubrovnik (Croatia). CAAS is situated in the heart of the city only 3 minutes walking distance from a beautiful and unique Old Town of Dubrovnik. Participants are accommodated in the new CAAS Residence that consists of single rooms, each with bathroom, air condition, phone and Internet.



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THE ORGANIZERS

This course is promoted by a partnership between the Florence School of Regulation and the Turin School of Local Regulation



The **Florence School of Regulation (FSR)** is a partnership between the European University Institute (EUI), the Council of the European Energy Regulators (CEER), the Independent Regulators Group (IRG) and the European Platform of Regulatory Authorities (EPRA), and it works closely with the European Commission.

The FSR's objective is to expose the European dimension to regulatory topics and to contribute to the safeguarding of the common good of Europe by ensuring high-level and independent debate and research on economically and socially sound regulation.

The FSR focuses on the regulation of the following sectors: Energy (electricity and gas) – with also a special focus on EU Energy Law, Communications & Media, Transport and Water.

The FSR provides a European forum where academics and practitioners can meet and share their views and knowledge.

<http://fsr.eui.eu>

The **Turin School of Local Regulation (TSLR)** is a network school with a specific mission: focusing on local aspects of regulation and governance of public services and bridging the gap between the academic research and the local decision-makers.

The TSLR was officially launched by Foundation for the Environment in 2012 to capitalize a 15-year experience on training and capacity building on regulation of local public services. The School adopts a policy-oriented approach, with the aim of spreading the culture and instruments of regulation and regulatory reform at local level.

In terms of topics and sectors covered, the TSLR focuses on different aspects connected to local regulation (like investment decisions, procurement, tariff setting, asset management and distributional aspects) and on different sectors, namely energy distribution, urban waste and water cycle, local public transport, green areas and sport facilities., local welfare policies

<http://turinschool.eu>

SECRETARIAT

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