



Regulation of Public Services in OECD countries A Multi-level Approach

The example of the water sector

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What is OECD?

- International organization (established in 1961) that gathers **33 countries** based on democratic values and market economy to **promote sustainable economic development**;
- OECD provides a platform for governments to **share & compare experiences on public policies**, seek responses to common challenges, identify **good practices** and coordinate domestic and international policies;
- OECD produces **international statistics**, provides comparative analyses of public policies, organizes **workshops, seminars** and **experts' meetings**, and publishes about **250 reports** each year on economics and public policies topics;
- Based in **Paris-France** with a Secretariat (2,500 staff) organized in various Directorates and Divisions, supporting the work of different committees and sub-committees

Outline

- 1. Regulatory frameworks for urban services : taking stock from OECD countries' experience and evidence**
 - A. Theoretical concepts and definitions
 - B. Overview of OECD countries' practices in regulating urban services
 - i. Urban waste management*
 - ii. Public transportation services*
 - C. Learning from regulatory frameworks in OECD countries

- 2. Going beyond “regulation”: local “governance” and territorial challenges in water policy-making**
 - A. Institutional and regulatory challenges of water policy
 - B. OECD on-going work on water governance
 - i. Objectives, methodology, outputs*
 - ii. Results and conclusion*



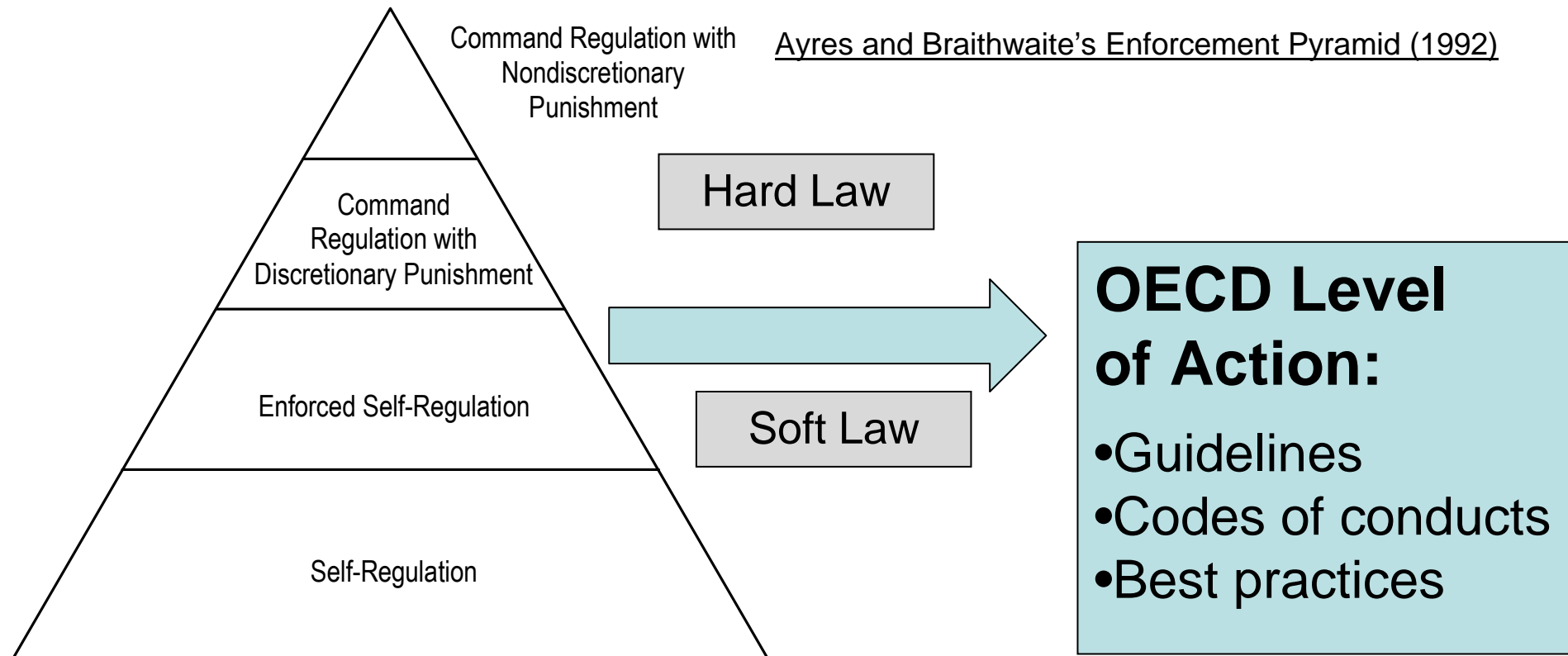
1. Regulatory Frameworks for Urban Services :

Taking Stock from OECD Countries' Experience and Evidence

Regulatory Frameworks Concepts : OECD perspective

- Wide variety of definitions ranging from :
 - a **strict legal concept** with rules/regulations determined in black and white (narrow, top down command and control view)
 - ... to “a sustained and focused **attempt to alter the behaviour of others...**” (Black, 2002; Freiberg 2006)
- ⇒ *For OECD, regulation is equally about **broader analyses of political institutions and administrative practices** as well as being a distinctive mode of public policy making.*

Considering the “pyramid of mechanisms” for regulatory strategies :



Regulations interact with structures of **ownership** and **competition**

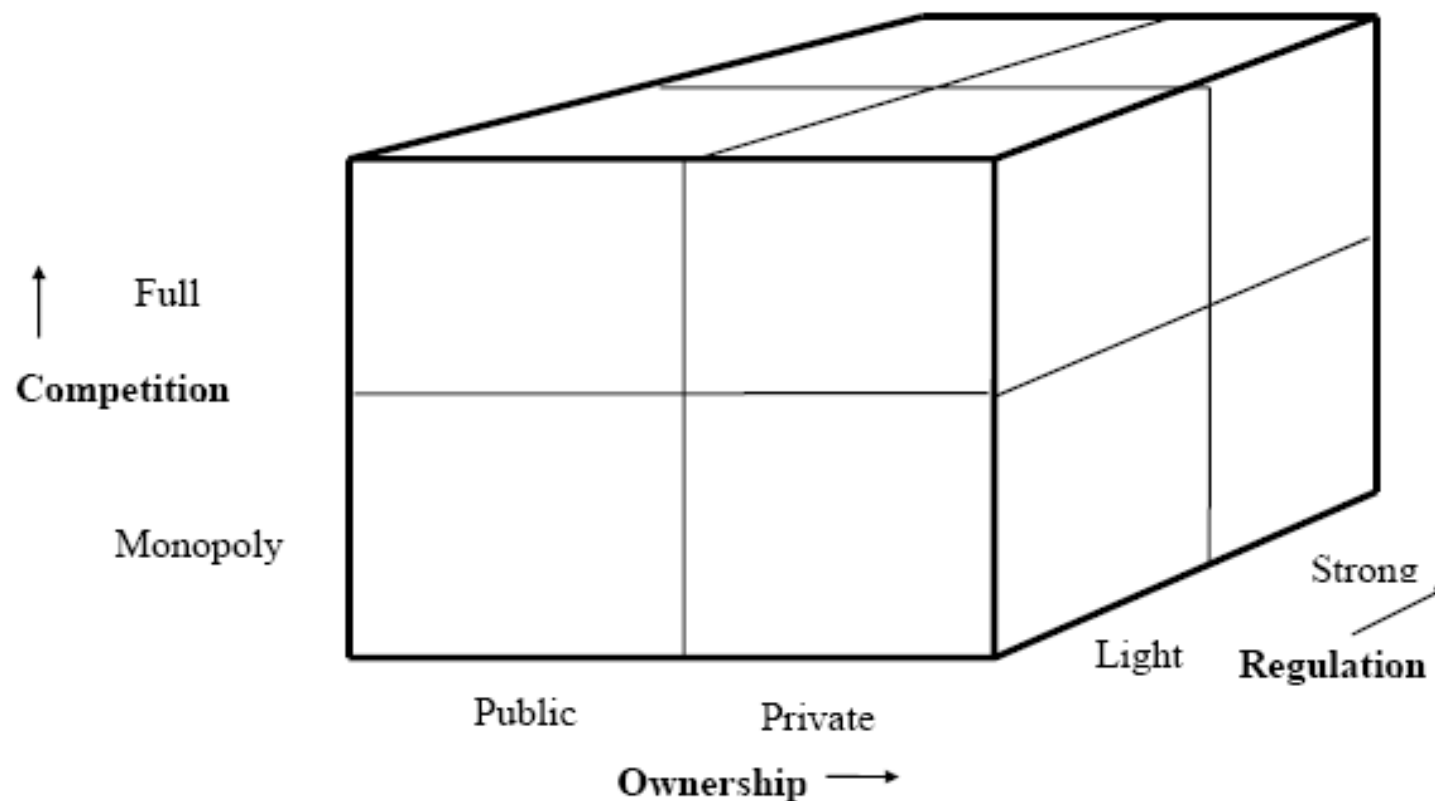


Figure 2 Ownership, Competition and Regulation Cube
(Source: Hodge 2000; 244. Adapted from Hartley and Parker 1991.)

In practice : not that simple as it is not “either/or” but rather “where” in the “continuum” ...

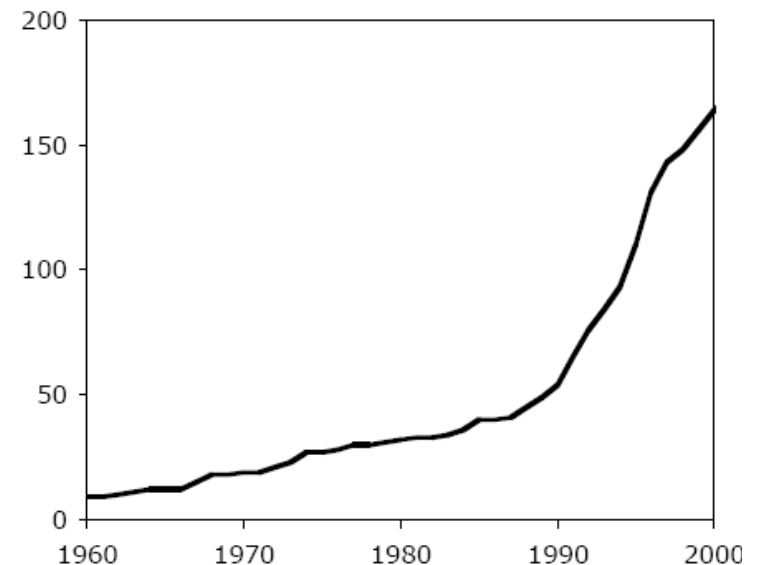
OECD Countries' Practices in Regulating Urban Services

➤ Recent developments :

- Fundamental re-ordering of the state over the past 3-4 decades
- Questioning of the role of governments and its markets in producing wealth and of the need for a more sophisticated understanding of “regulation” and its structure
- Progressive trend towards privatisation and contracting-out of services
- Hart et al. (1997), The proper scope of government: Theory and an application to prisons, QJE
- Establishment of independent regulatory agencies around the globe

The diffusion of regulatory agencies in 36 countries and 7 sectors

(Gilardi et al, 2006)



- But today's "regulatory state" does not consist principally of "independent regulators", but involves a **wide range of other regulatory practices !**

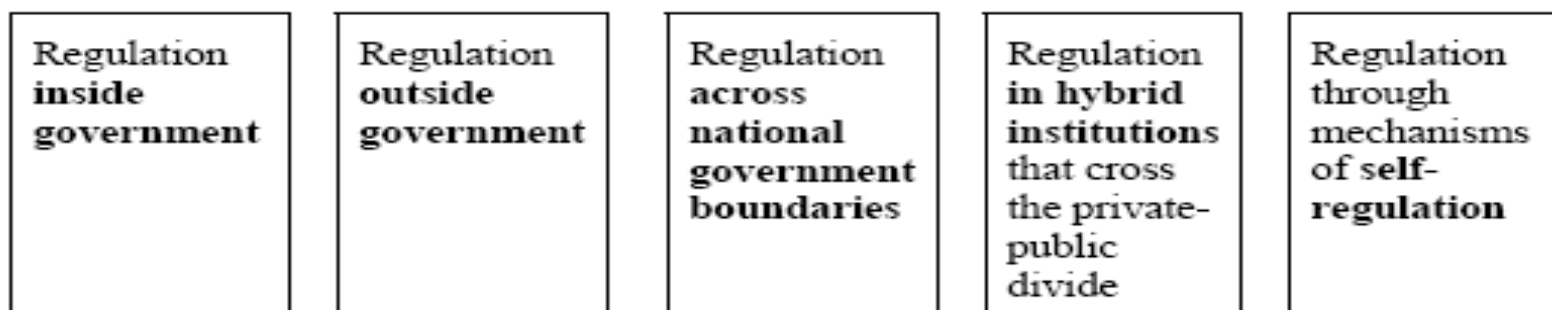


Figure 4: New Regulatory Practices in Today's 'Regulatory State'
(Source: adapted from Minogue, 2006, 69)

In brief :

- Regulation is a broad construct;
- Independent regulation outside of government is an important part of today's regulatory terrain;
- The traditional "command and control" legislative role is only one of many regulatory tools now available to governments;

OECD Practices in Managing Urban Waste

General insights in OECD countries :

- **Incentives** for local governments to organise “competitive” waste management services are “often **weak**”, except in US (balanced budget) and UK (requires competitive tendering);
- Widespread **competition** “in the market” for **industrial** and **commercial** waste but not for households’ garbage (except in Finland); 85% of local governments rely on private companies in Denmark, 83% of US cities; 73% of Norway municipalities, 63% in Sweden;
- In virtually all OECD countries, **waste regulation** is carried out at **several levels of government** : supranational (EC, WTO), national (legislation, institutions) and sub-national (State, Lander, regional/local, town/city...);
- **Variety of powers and legal relationships** between layers of government but common characteristics on possible local governments interventions : taxes and subsidies, licensing, controls (prices, output, quality, procurement, franchising, business...)

- **Waste management** is a classic candidate for **regulation at local level** (public hygiene concerns, minor spillover effects with neighbouring regions ...)
- OECD suggests that the “**efficient scale** of solid waste collection firms is no larger than **small municipalities**”

Assessment of the effectiveness of these arrangements:

- **Competitive tendering** in strong markets results in **lower costs** than in-house production...
- ... but a **level playing field** between potential bidders and any local government owned bidders **must be carefully maintained**
- **Need for contractual terms** and conditions, clear **selection** of service providers and **punishment** of bid rigging;
- **Risks of corruption** amongst local officials and states (e.g. in France, bids are opened by an independent commission to eliminate risks of collusion)

Broader evaluation insights for urban waste management regulatory arrangements

A framework with 4 dimensions :

- Competition “in the market” : different **US cities** have chosen different approaches : **only a licence requirement** for collectors to operate in Eugene (Oregon) or LA county (no limit on the n° of licences, no price/service public control...) ; **Free competitive commercial collection** in LA and Washington D.C (but not for residential collection); **exclusive franchises** to private collectors in other cities
- Competition “for the market” : typical **competitive bidding process** (e.g. Seattle 5-year period tenders for Northern/southern half of the city)
- Sources of revenues : higher charges on users provide incentives to economise on waste production but can also have impacts on health/nuisance because of illegal dumping of waste
- Price and quality of service : mitigated results of evaluations based on ownership/performance

Urban Waste Management Features in the UK

- **UK Local governments' duties:** strategic planning, highways, traffic, social services, education, libraries, fire, services, consumer protection and refuse disposal;
- **Regulation of urban waste services is not a local authority function** but carried out by the Environment Agency (central government);
- Local Government Act 1998 and 1992 (UK) required **compulsory competitive tendering** (under EC legislation);
- Successful tenderer chosen on basis of 'Best Value' and Secretary of State can act against local authority where CCT rules breached;
- **No regulatory controls on who may bid**, nor as to **ownership** (domestic/otherwise) of the firms
- **No regulation of prices ; no licensing requirement** (except EA regulation for waste disposal)

Urban Waste Management Features in the US

- **US Local governments' duties:** education, fire protection, public buildings, highways, hospitals, public housing, public parks, libraries, refuse collection, public transit and water;
- “**Nature**” of the **local control varies** across states;
- Often, **county/state/federal funds** help pay for services ; income for waste management sourced from local sales taxes, property taxes, users pays, franchise fees, government transfers;
- **Restrictions** on local governments’ **tendering procedures** (i.e. min n° bidders)
- Trend towards ‘**block grants**’, where local authority has control over expenditure
- **No regulation of refuse collection prices** in vast majority of states (47 of 50)

Urban Waste Management Features in Australia

- Followed UK with **Compulsory Competitive Tendering**
- A **range of approaches to waste management** were taken across states;
 - Victoria – CCT for all government services (Kennett era)
 - ‘50%’ target reached by most departments in 1998
- CTC (Competitive Tendering and Contracting) forced agencies to **review current practices** : need for clear and accurate specifications, adequate monitoring of contract performance, effective competition to choose the best provider ...
- Estimate of **\$13 billion of urban services** in mid 1990s were **contracted out** by public sector agencies in Australia

Current OECD Practice in Regulating Urban Public Transport

- Urban transport is **crucial to cities/towns**, integral to urban economy with implications for urban planning, equity and employment ;
- **Natural monopoly** worthy of **close regulation**;
- Across OECD countries : vast array of both **structural and regulatory arrangements** between public and privately owned public transport systems
- Focus on **urban bus** transport and **urban rail** transport services (examples of UK and US)

UK Practices in Regulating Urban Public Transport

- 1920s-1930s : public transport = 51% of the UK passenger transport market; **monopoly position of public transports;**

Urban Bus Transport in the UK

- Road Traffic Act of 1930 : framework of **public control** over the British **Bus Industry**;
- Creation of **territorial monopolies** to existing operators in return for running **socially needed services** ;
- Mid 1980s : **National Bus Company** (70 publicly-owned subsidiaries) was pushed for deregulation
- Transports Acts of 1980 and 1985 : **privatisation and deregulation of the bus industry in the UK**, except for London and Northern Ireland;

Outcomes of the Bus Regulatory Reform in the UK

- Several studies reported a **40% decrease in costs/bus km** and **25% increase in supply** of bus km
- **Net gain in consumers' surplus** and **cost saving** (Nash, 1993)
- But ... **decrease in demand** by 25% and **loss of passengers** because of a **rise of fares** by 19% resulting from decreased subsidies
- **Lack of coordination** of the buses' timetables

Urban Rail Transport in the UK

- **1948:** Nationalisation of the *British Transport Commission*
- **1962:** Nationalisation of the *British Railways Board* (vertically integrated, i.e. owned its own trains, infrastructure and carried out almost all O&M)
- **1980s :** Privatisations of public utilities (Thatcherism)
- **1994:** British Rail broken into a rail-track company and a European passenger service.
- Further broken into **25** separate passenger operating companies, **6** freight companies, **13** infrastructure maintenance units, **3** rolling stock leasing companies and other engineering, consultancy, design and support enterprises
- **All were then privatised (1996), and regulated by a variety of public agencies**

Urban Rail Transport in the UK (cont.)

- Resulted in **very complex arrangements** (v. previous vertical integration)
- There has been an ongoing **debate on the effectiveness** of these reforms
- **Key features** (Nash, 2000) :
 - **Infrastructure separated** from operations, and **privatised**
 - **Passenger operations franchised** through contracts to reduce subsidies
 - Degree of open **access/competition** of other operators
 - Establishment of an **independent rail regulator**

Assessing Rail Transport Performance

- **Mixed reports on effectiveness** of UK train transport reforms :
 - *Quinet and Vickerman (2004)* : “British reform finished up with the worst aspects of all systems ... because of over-regulation, over-complexity, lack of integration, no benefit of competition;
 - *Nash and Jansson (2001)* : “up to 2000, worked reasonably well, difficulties arose from funding investment, Hartfield accident and fragmentation
 - *Economist magazine* : regulatory reforms in London underground essentially failed and need rethinking . Expectations and political promises made when re-regulating UK public rail operations exceeded delivery of regulatory reforms
- Overall, **mixed effectiveness**, with some reforms paying off, whilst others did not.

EU Practices in Regulating Urban Public Transport

- **1990s**: change in EU public transport paradigms;
 - **Main characteristics** :
 - Low revenue-cost ratios (24% in Italy, 92% in Finland, 95% in Ireland)
 - Significant degree of contracting
 - Extensive control of fares
 - Predominance of planned regulatory systems
 - Reluctance to follow UK full deregulation model, political interest and will to maintain a system if integrated public transport with uniform fare systems;
- ⇒ *Most regulatory reforms in the EU were not based on ideology but aimed to save money on public budget !***

Experience of EU countries

- **Sweden** – concentration of bigger operators, tendency to privatise, competitive tendering leading to subsidy savings;
- **Norway** – public-private ownership in local bus transport ratio of around 50/50
- **Scandinavia** – competitive tendering also resulted in subsidy savings
- **Denmark** – publicly served routes open to tenders
- **Competitive tendering** also in Australia, Germany, France, Portugal, Finland, and Spain
- Pina and Torres (2006) : **43** of the 73 cities analysed (29 from EU) have urban delivered by **local government owned corporations**; **11** have **franchised** services, **12** are delivered by **public-private operators**, **7** have **deregulated** services

Learning from EU experience : main observations

- Statistical tests show **no significance** as regards **relation efficiency/ownership**
- In the EU : rather **successful outcomes** (*Egmond et al, 2003*) and **over-organisation** of local public transport systems is generally seen as leading to **failure**
- **Unsatisfactory** social economic/financial **performance if high subsidies** v. good results if “moderate” subsidies
- **EU paradigm** v. British paradigm (unique): European Commission role, economic crisis, technological change, network society (2000 : EU still 50% public participation, except Netherlands, Spain and UK where below 25%)
- **EU** seems to show a **reluctance to deregulate**, although competitive tendering is considerable

=> No single, unambiguous cause for efficient, well-functioning local public transportation systems Success has multiple origins!

Learning from OECD Regulatory Frameworks

- **General rules** for urban services regulatory design are **few**
- **Regulation** of urban services is carried out **across levels of government** with numerous models
- **Competitive tendering** offers advantages **but majority** of OECD urban services ownership structure is at present **public** (regulation via planned regulatory systems, public utilities etc.)
- **PPPs** remain a **controversial** service delivery option
- **Independent regulators** have enabled a new source of **power** and **accountability** for citizens
- How **countries review, learn, revise and improve their regulatory systems** is still an open question. Our own regulatory systems have **not** been **comprehensively evaluated**, which poses real issues to transferability (e.g. China, Indonesia, India etc.)
- Caution and learning is needed overall in articulating new reform options: need for “**home-grown**” **regulatory solutions**
- Fundamental role of **national political governance** over technical or economic arrangements



2. Going beyond “regulation”: local “governance” and territorial challenges in water policy-making

Evidence from OECD work on Water Governance

The “water crisis” is largely a governance crisis



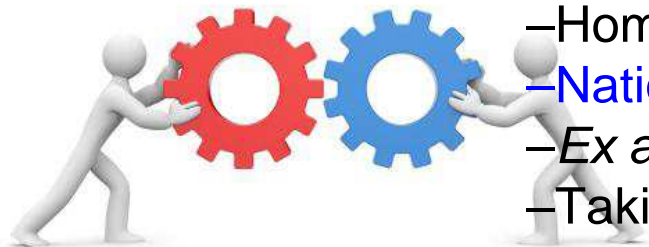
- There is **enough water** on Earth for human and nature needs, if managed wisely (scarcity / natural disasters)
- Key concern beyond financing & hydrology is related to **management** => building resilient institutions/frameworks
- Globally : absence of “**effective governance**” (WWF, 2012)

➤ Water is both a **global** and **local** issue and involves a **wide range of stakeholders** at different levels.

- Key **governance challenges** are :
 - institutional and local fragmentation
 - badly managed multi-level governance



- No **optimal model** / one-size-fits-all for good governance but categories of countries can be defined to develop :
 - Home-grown solutions, **locally adapted** policies
 - National tools** and a **territorial approach**
 - Ex ante diagnoses** of key challenges
 - Taking stock of **countries’ experiences**
 - Good practices** and **pragmatic tools**



Why is there a need to regulate?

Intrinsic characteristics of the water sector

- **Natural monopolies** (uneconomic to duplicate etc.) with largely inelastic water demand of customers
 - Economies of scale
 - Network infrastructure & large sunk investments
- **Externalities** (equity, health and environmental considerations)
 - Groundwater contamination
 - Increasing water resources scarcity

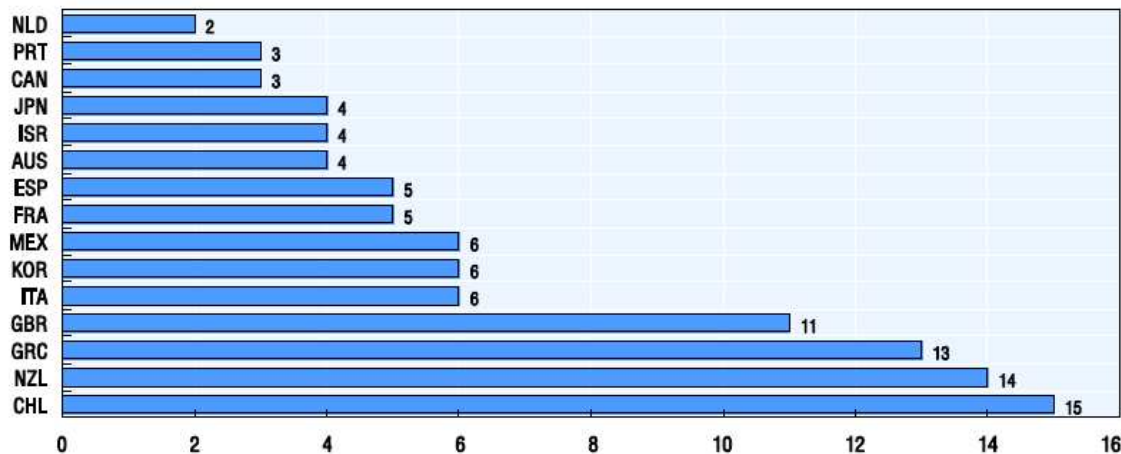
⇒ *Low degree of competition (few international players) implying risks of abuse of dominant position*

⇒ *Need for regulation (technically complex, even though complexity presumably worse in electricity or banking)*

A multi-level governance approach for addressing complexity in the water sector

Number of authorities* involved in water policy making at central government level

(17 OECD countries surveyed)

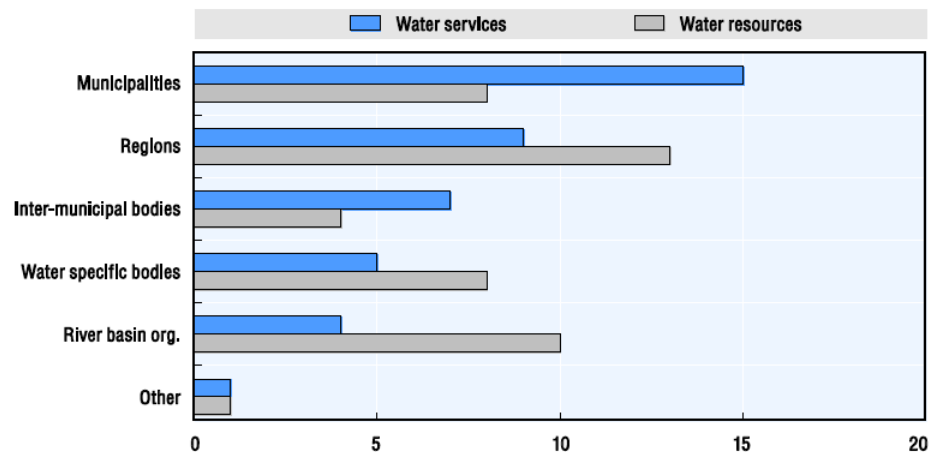


* Ministries, departments, public agencies etc.

Source: OECD Water Governance Survey (2010).

Involvement of sub-national levels in water resources management and service delivery

(17 OECD countries surveyed)



Source: OECD Water Governance Survey (2010).

Beyond the question of **“WHAT”** content water policies should have, there is a need to think about **“HOW”** they will be implemented and **“BY WHOM”** ⇒ this implies getting into the **“black box”** of water policy

OECD work on water governance : objectives, scope, methodology

- ❖ Provide an **Institutional mapping** of the allocation of roles and responsibilities in 17 OECD countries at all levels : ***Who does What?***
- ❖ Identify **coordination** and **capacity challenges** in water policymaking across ministries and levels of government => ***main gaps in multi-level governance***
- ❖ Identify **good governance practices** for coordinating water policy & building capacity across **public** actors => ***policy responses*** and ***governance instruments***
- ❖ Design **Guidelines** for effective management of multilevel governance

Methodology for data collection :

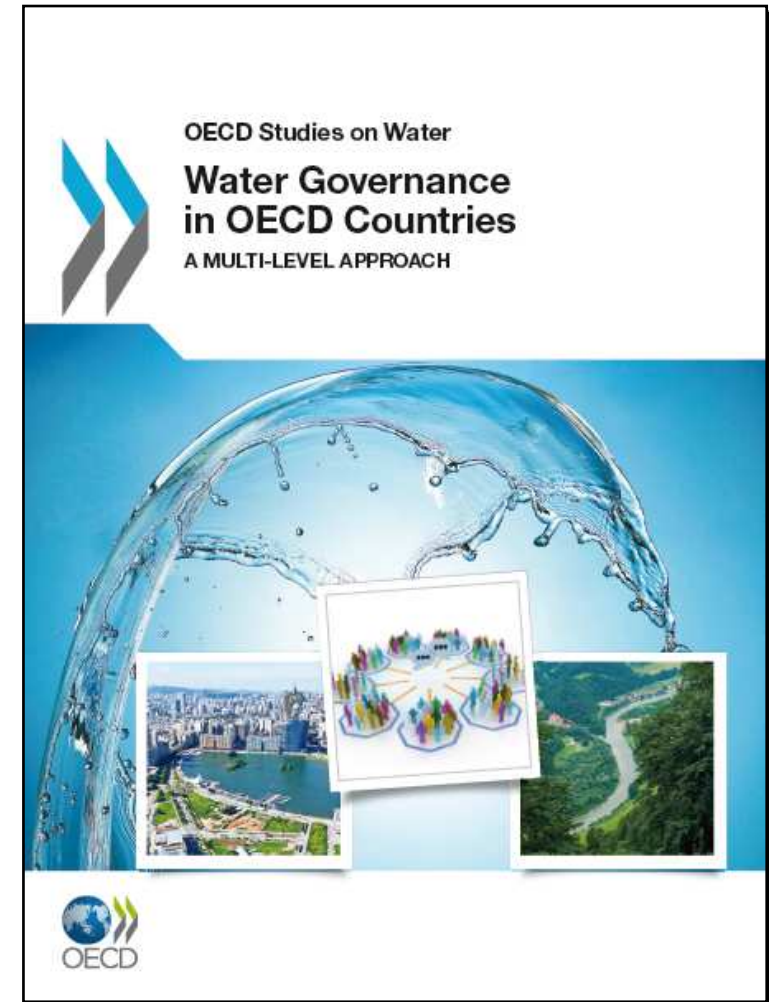
- **Survey** on Water Governance sent to public authorities (17 OECD countries, 13 LAC countries... and soon 6-10 MENA countries)
- **Literature, case studies** and **interviews**



OECD countries covered by the Study

17 OECD COUNTRIES

- ✓ Australia,
- ✓ Belgium,
- ✓ Canada,
- ✓ Chile,
- ✓ France
- ✓ Greece,
- ✓ Israel,
- ✓ Italy,
- ✓ Japan,
- ✓ Korea,
- ✓ Mexico
- ✓ Netherlands,
- ✓ New Zealand,
- ✓ Portugal,
- ✓ Spain,
- ✓ United Kingdom (England & Wales),
- ✓ US (Colorado)



OECD Multilevel Governance Framework

“Mind the Gaps – Bridge the Gaps”

Administrative gap	Geographical “mismatch” between hydrological and administrative boundaries. This can be at the origin of resource and supply gaps. ⇒ Need for instruments to reach effective size and appropriate scale.
Information gap	Asymmetries of information (quantity, quality, type) between different stakeholders involved in water policy, either voluntary or not. ⇒ Need for instruments for revealing and sharing information.
Policy gap	Sectoral fragmentation of water-related tasks across ministries and agencies. ⇒ Need for mechanisms to create multidimensional/systemic approaches, and to exercise political leadership and commitment.
Capacity gap	Insufficient scientific, technical, infrastructural capacity of local actors to design and implement water policies (size and quality of infrastructure, etc.) as well as relevant strategies. ⇒ Need for instruments to build local capacity.
Funding gap	Unstable or insufficient revenues undermining effective implementation of water responsibilities at subnational level, cross-sectoral policies, and investments requested. ⇒ Need for shared financing mechanisms.
Objective gap	Different rationales creating obstacles for adopting convergent targets, especially in case of motivational gap (referring to the problems reducing the political will to engage substantially in organising the water sector). ⇒ Need for instruments to align objectives.
Accountability gap	Difficulty ensuring the transparency of practices across the different constituencies, mainly due to insufficient users’ commitment’ lack of concern, awareness and participation. ⇒ Need for institutional quality instruments. ⇒ Need for instruments to strengthen the integrity framework at the local level. ⇒ Need for instruments to enhance citizen involvement.

Key result 1 : institutional mapping

- ❖ A **wide range of situations** across OECD countries including for decentralisation
- ❖ In some countries (US, Canada) : **impossible to capture a “national model”** because of the fragmentation of roles at national and subnational level
- ❖ In all countries, **central government plays a certain role** in water policy and multiple actors are involved across ministries and levels of government
- ❖ **Varying degrees of involvement of sub-national (SNG) actors** in water

Category (water policy design)	Country/region examples
SNG are the main actors	US, Canada, Belgium, Australia
Joint role with central government in the design & implementation	France, Spain, Netherlands, Italy, New Zealand, Mexico, Portugal, UK
Sub-national governments are mainly “ implementers ”	Israel, Chile, Korea,

- ❖ In 2/3rd of countries surveyed local and regional actors are the main actors in

Category (water policy implementation)	Country/region examples
Implementation mainly relies on one single type of actors (State territorial representatives, deconcentrated services)	Chile, Israel, Korea
Implementation relies on multiple actors (municipalities, inter-municipal bodies, regions, RBOs etc.)	France, Netherlands, Mexico, Italy, US, Canada, Australia, Spain etc.

Tentative categories based on the institutional mapping

- **No master plan for assigning competencies** across ministries and levels of government
- **No systematic correlation** between a country's **institutional organisation** and the **institutional mapping** of water policy (rather conditioned by water challenges in country)
- **Three models** can “typify” challenges linked to institutional organisation of water policy

Model No. 1

Implementing an integrated and placed-based approach at the territorial level

CENTRAL ACTORS



Key challenges:
co-ordination across ministries
and
between levels of government



SUBNATIONAL ACTORS

Examples: Korea, Chile, Israel

Model No. 2

Integrating the involvement of different actors at central and subnational levels

CENTRAL GVT ACTORS



Key challenges:
co-ordination across ministries,
between levels of government
and across local actors



SUBNATIONAL ACTORS

Examples: France, Mexico, Spain

Model No. 3

Integrating multisectoral and territorial specificities in strategic planning and design at central level

CENTRAL GVT ACTORS



Key challenges:
co-ordination across
subnational actors and
between levels of government



SUBNATIONAL ACTORS

Examples: United States, Canada,
Belgium, Australia

Key result 2 : identifying multilevel governance challenges

Key multi-level governance in water policy making: an overview of OECD countries

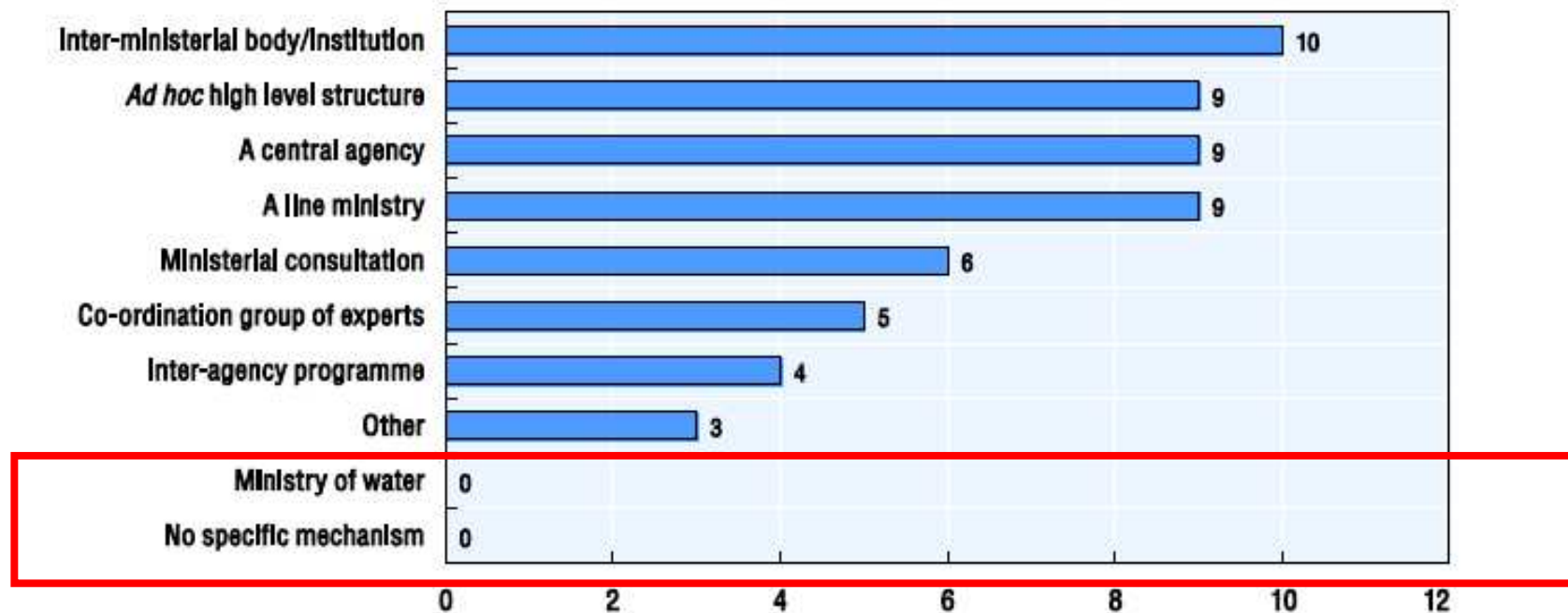
"Important" or "very important" gap	No. of countries or regions	Examples of countries or regions
Funding gap	11 out of 17	Australia, Belgium (Flanders), Chile, France, Greece, Israel, Korea, Mexico, New Zealand, Portugal, Spain, United States (Colorado)
Capacity gap	11 out of 17	Australia, Belgium (Flanders), Chile, Greece, Italy, Korea, Netherlands, Portugal, Spain, United Kingdom, United States (Colorado)
Policy gap	9 out of 17	Belgium (Flanders), Canada, France (subnational actor), Greece, Israel, Italy, Korea, Spain (subnational actor), United States (Colorado)
Administrative gap	9 out of 17	Australia, Greece, Italy, Korea, Netherlands, Portugal, Spain, United Kingdom, United States (Colorado)
Information gap	9 out of 17	Australia, Chile, Italy, Korea, Netherlands, New Zealand (subnational actor), United Kingdom, United States (Colorado)
Accountability gap	9 out of 17	Belgium (Flanders), Chile, Greece, Italy, Korea, Mexico, Netherlands, Portugal, United States (Colorado)
Objective gap	4 out of 17	Belgium (Flanders), Israel, Korea, Portugal

Source: OECD Water Governance Survey, 2010.

Key result 3 : How to ensure horizontal co-ordination of water policy?

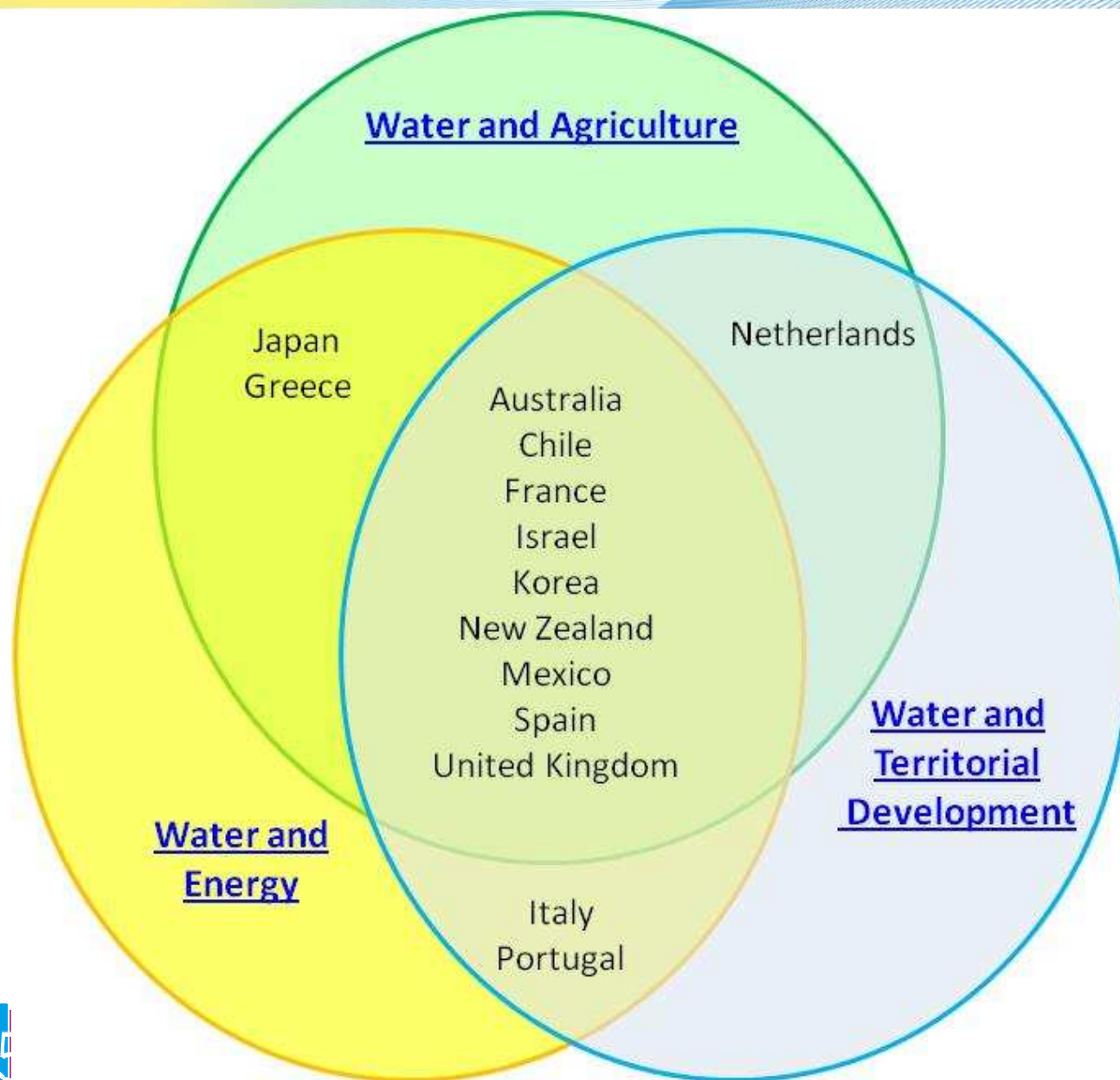
- All OECD countries surveyed have set-up **coordination tool at central government level**
- In all cases the **response** to bridge coordination gaps was **NOT to create a single “magic” ministry** devoted exclusively to **water**

Horizontal co-ordination mechanisms* across ministries at central government level
(17 OECD countries surveyed)



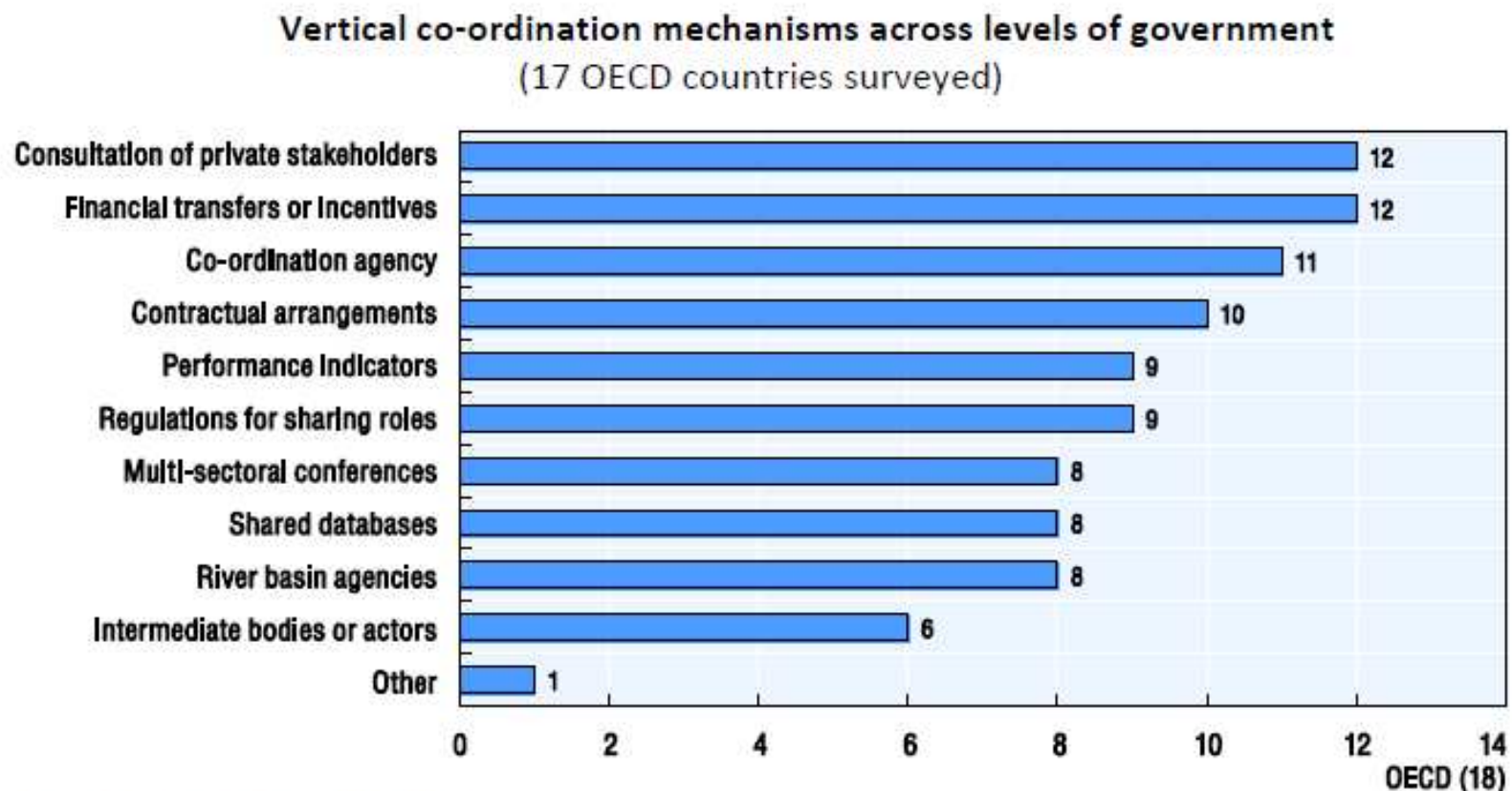
* A distinction is made between the line ministry which has the lead on water policy (but not only) and the Ministry of Water exclusively dedicated to water policy.
Source: OECD Water Governance Survey (2010).

Horizontal co-ordination across policy areas



Vertical co-ordination across levels of government

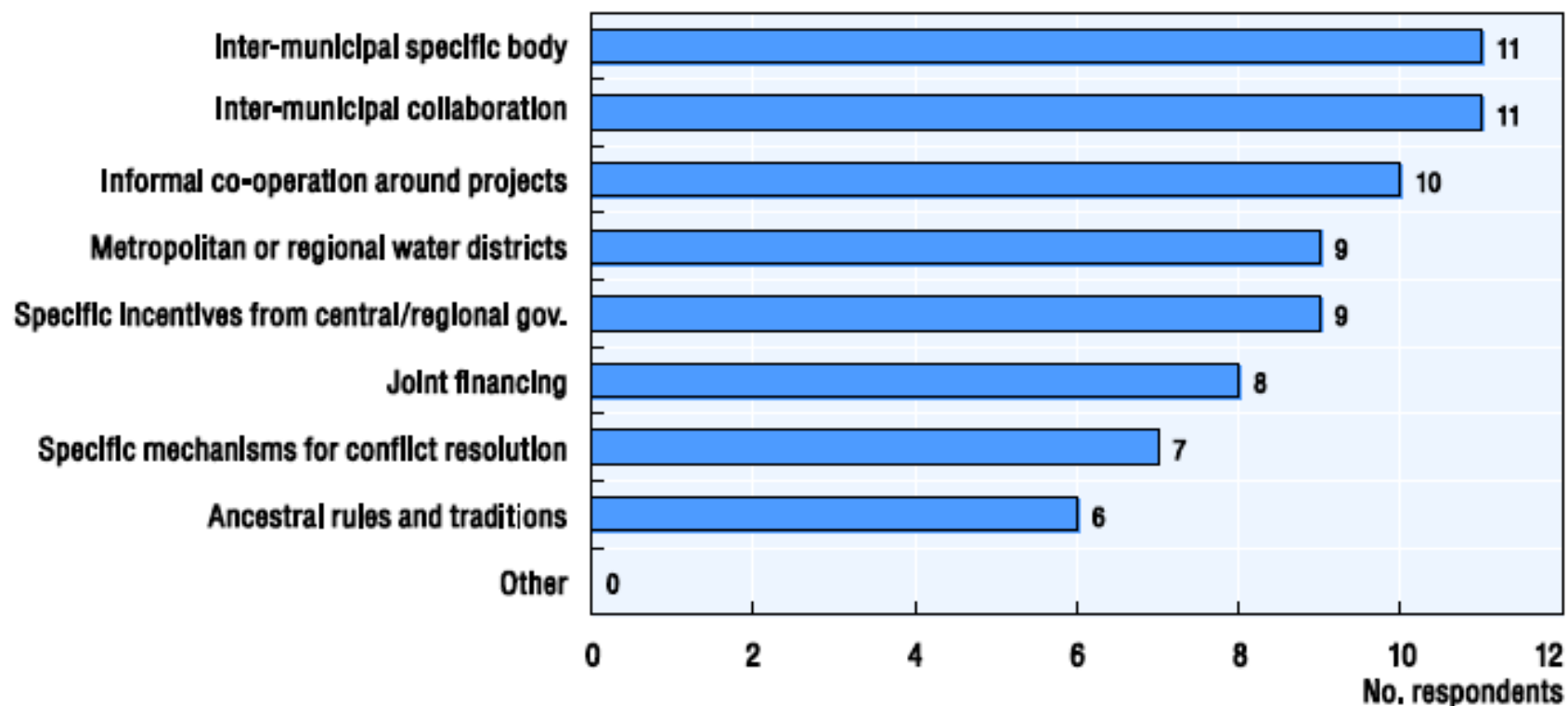
- Wide **variety of options** for coordinating water policy across levels of government
- Some OECD countries have set-up all these mechanisms (e.g. France, Mexico), while others have not (more centralised water systems, with limited involvement of sub-national actors e.g. Korea, Israel).



Source: OECD Water Governance Survey (2010).

Horizontal co-ordination across local actors

Managing the interface between sub-national actors in water policy
(17 OECD countries surveyed)



Source: OECD Water Governance Survey (2010).

❖ Observations

- There is **no “universal” governance tool** for integrated water policy but **prerequisites** for good governance in water policy (national policy framework, involvement of local authorities, river basin management) and a need for **home-grown** solutions and **locally adapted** approaches
- Each **coordination mechanism** can help bridge several “gaps” and one single “gap” may require the adoption of several tools (e.g. contracts / river basin organisations) => need for systemic approaches to governance gaps.
- Further work should **assess the performance and impact of existing tools** but this requires **in-depth case studies** and specific country/region **policy dialogues** (Mexico, Brazil, Netherlands)

Key result 4: Preliminary Guidelines for effective management of multi-level governance in water policy

1. **Diagnose multilevel governance gaps** in water policymaking across ministries and public agencies, between levels of government, across subnational actors
2. **Involve subnational governments** in the “design” stage of water policymaking, beyond their roles as “implementers”
3. **Adopt horizontal co-ordination tools** to foster coherence across water related policy areas and enhance inter-institutional cooperation across ministries and public agencies
4. **Create, update and harmonise water information systems** and databases for sharing water policy needs at basin, country and international levels
5. **Encourage performance measurement** to evaluate and monitor outcomes of water policy at all levels of government
6. **Respond to the fragmentation** of water policy at subnational level by fostering coordination across subnational actors and between levels of government
7. **Foster capacity building at all levels of government**
8. **Encourage public participation** in water policy design and implementation
9. **Assess the effectiveness and adequacy of existing governance instruments** for coordinating water policy at horizontal and vertical levels



ANNEX

Water Regulatory Frameworks

Institutional diversity across countries

ASIA	Regulatory Agency	Independence	Creation
Cambodia	No. Sectoral responsibility for piped water supply in urban areas is with the Ministry of Industry, Mines and Energy while the Ministry of Rural Development handles rural areas and point sources.		
China	No		
India	No, but creating a regulatory agency has been discussed		
Indonesia	Yes. The Jakarta Water Supply Regulatory Body. Oversees implementation of the 2 concession contracts for Jakarta.	Yes, but limited power	operational in 2001
Malaysia	Yes, the National Water Services Commission (Suruhanjaya Perkhidmatan Air Negara - SPAN).		2007
Nepal	No effective regulatory system. The government has statutory power to safeguard consumer interests but enforcement has been ineffective because the government is also the service provider.		
Philippines	Yes, MWSS-RO. Also a regulatory agency for other water supply providers but no budget, manpower to enforce the law.	Yes, but proliferation of functions across agencies and political interferences.	1997 with the concession contracts for Manila
Singapore	Strong regulatory framework but effectively self regulation.		
Thailand	No		
Vietnam	No. Ministries act as sector regulators.		

LAC	Regulatory Agency	Independence	Creation
Argentina	No national-level services regulatory agency. Provincial level regulation: 14 out of 23 provinces have regulatory bodies.	Weak autonomy	ETOSS, 1992 (Buenos Aires)
Bolivia	Superintendencia de Saneamiento Básico (SISAB).	Yes, but volatile political situation	1999
Brazil	No national-level services regulatory agency, at State or municipal level. Brazilian National Water Agency (ANA) sets and enforces hydraulic policy.	Political interference. Weak and limited regulatory practices	ANA (2000)
Chile	Superintendencia de Servicios Sanitarios (SISS) regulates service providers.	Yes	1990
Colombia	SSPD regulates water service providers; the Water Regulatory Commission (CRA) sets sector policy.	No	1991
Honduras	Ente Regulador de los Servicios de Agua Potable y Saneamiento (ERSAPS).	No	2003
Mexico	No economic regulation by federal government. Limited regulation at state level. CONAGUA enforces National Water Law and promotes sectoral policy.		
Peru	The National Sanitation Services Superintendent (SUNASS).	Yes, but fragile	1992

AFRICA	Regulatory Agency	Independence	Creation
Ghana	Multi-sector utility regulator (Public utilities Regulatory Commission) operates along the State Enterprise Commission, responsible for regulating the national water company (GWCL) through performance contracts.	Yes	PURC: 1997, SEC: 1989
Kenya	The Water Services Regulatory Board (WSRB).	Yes, but fragile.	2002 operational in 2004
Mali	Commission de Regulation de l'Eau et de l'Energie (CREE)	Legal constituted body and financial independence	2000
Mauritania	Autorité de Régulation Multisectorielle (ARE) and Agence Nationale d'Eau Potable et d'Assainissement (ANEPA) for regulation of contracts with small water suppliers.	Yes for ARE. Conflict of interest for ANEPA	2001
Mozambique	Water Regulatory Council (CRA), responsible for regulation of water systems under delegated management.	Yes	1998
Nigeria	No. Creation of a National Water Commission, an independent regulator for water supply and water resources management, is envisaged.		
Senegal	No. Regulation by contract.		
South Africa	No, regulatory functions undertaken by the Department of Water Affairs and Forestry.		
Tanzania	Energy and Water Utilities Regulatory Authorities (EWURA)	Yes	2001
Uganda	No, regulation through performance contracts with the public utility.		
Zambia	National Water Supply and Sanitation Council (NWASCO)	Yes	1997 operational in 2001

OECD	Public Supply	Ownership	Management	Economic Regulator	Environment Regulator
AUSTRALIA	Reg / Municip	Both	Both	Reg/indep.	Prov. Gvts
CANADA	Regional	Public	Public	Prov. Gvts	Prov. Gvts
DENMARK	Municipal	Public	Public	Municipal	Central Gov Municipalities
FRANCE	Municipal	Public	Both	Municipal	Central Govt
ITALY	Municipal	Public	Public	Central & regional Gvts	Central and regional gvts
JAPAN	Municipal	Public	Public	Central Gov	Central Gov
KOREA	National / Reg	Public	Public	Central & Reg. Gov	Central Gov
SWEDEN	Municipal	Public	Public	Municipal	Regional
TURKEY	Municipal	Public	Public	Central Gov	Central & Reg Gvts
UK	Regional	Private	Private	Independent	Independent
USA	Municipal	Both	Both	Independent	Independent

Sub-Indicators	Algeria	Egypt	Jordan	Morocco	Tunisia
Presence of regulatory agency	Not yet, however it has been planned in the article 65 of the new water law 2005	Yes, since the Presidential Decree 136 of 2004	Yes (Water Authority of Jordan and Programme Management Unit)	No	No
Real independence of the regulatory agency		No, agency headed by several Ministers	No, agency headed by the Minister of Water and Irrigation		
Separation of powers	Yes	Important political interferences	Important political interferences	Yes	Some political interferences
Corporatisation of local operators	Possible since 2005	Yes, since the Presidential Decree 135 of 2004	Yes, launch of Miyahuna in 2007	Possible since 2002	No

Thank you !

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