

WATERREG: Training and Capacity Building on economic regulation and governance of the integrated water cycle

Special School on Water Regulation for Ethiopian and Mozambican participants

Torino, 18 – 21 November 2014 venue: 1, Via Gaudenzio Ferrari | Class E, 2nd floor

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AGENDA

<u>Day 1 – 18 November 2014 (Tuesday)</u>

| 10.00 – 13.00 | Introduction to the theory of economic regulation and peculiarities of water regulation (Edilio Valentini) – 1 hour Natural / legal monopolies and market failures Regulatory Authorities and their limits Regulation goals: price/demand, costs, profits, quality Regulatory policies and tools (Edilio Valentini) – 2 hours Overview on regulatory policies and instruments (ex-ante and ex-post regulation, auction, price-cap, Internal Rate of Return, other instruments) in a comparative perspective. |
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| 13.00 – 14.30 | Lunch break |
| 14.30 – 17.30 | Regulation as a game of incomplete information (Franco Becchis) – 2 hours Introduction to information theory applied to local regulation. Hints from Game Theory to local regulators. Development of a classroom game Mapping the FIELD (Franco Becchis / Elisa Vanin) – 1 hour Brief interactive introduction to analyse the context of water regulation in Macedonia according to FIELDTM methodology: key players, incentives that drive their decisions, information endowment and relationships |





Day 2 - 19 November 2014 (Wednesday)

| 09.30 - 12.30 | Investment analysis and water regulation (Daniele Russolillo) Knowing the counterpart: economic analysis for water regulation. Focus on public and private costs, industrial economic analysis, capital budgeting, risk analysis. |
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| 12.30 – 14.00 | Lunch break |
| 14.00 - 16.00 | Water pricing (Andrea Sbandati) Models of tariff setting in the water cycle for household and industrial final users: block-tariffs, subsidies for vulnerable households, environmental protection policies. |
| 16.30 – 17.30 | Walking teaching session (Franco Becchis) A walk in Valentino Park discussing basic principles of public economy and water economics inspired by the surrounding environment |

Day 3 – 20 November 2014 (Thursday)

| 09.00 – 13.00 | For Mozambican Participants: Visits to Treatment Plant "Po River" and SMAT Research Center (in collaboration with SMAT SpA, water utility serving Torino metropolitan area) Drinking Water Treatment Plant: SMAT was the first utility in Italy to use river water for the production of drinking water and now they manage a plant that is recognized as highly innovative, with a treatment capacity of up to 2,500 liters-per-second of water caught from Po river. The plant is located in the southern district of the city of Turin. Link to the description of the Plant (In Italian) Research Center: the research center hosts the scientific research activity of SMAT, with fully operational chemical and biological labs that every year monitor and evaluate more than 700,000 water parameters. The research center is located in the same site of the Drinking Water Treatment Plant. For Ethiopian Participants, who have already visited the Plants: Laboratory on FIELD methodology |
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| 13.00 – 14.30 | Lunch break |



| | Regulation and development (Yane Svetiev) – 1 hour How to keep into consideration the needs of the poorest segments of the population in the water service regulation? |
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| 14.30 - 17.30 | Working groups (Sarah Shababi) — 2 hours Participants will be divided into working groups simulating the application of the acquired knowledge of the local context: the participants will be involved in the design of a virtual project for the complete or partial integrated water service regulatory framework with the support of a scientific tutor. |

<u>Day 4 – 21 November 2014 (Friday)</u>

| 09.00 - 13.00 | Working groups (Sarah Shababi) |
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| 13.00 – 14.30 | Lunch |
| 14.30 - 16.30 | Working groups' presentations |

The working language is English. No translation in other languages is provided.

Lecturers' short profile (in alphabetical order)

Franco Becchis



Scientific director of Foundation for the Environment and Turin School of Local Regulation, he coordinates research programmes on the interaction between economics, energy and environment and on local public services, as well as capacity building and support activities for local public entities. He has been contract professor in Environmental Economics at the Polytechnic of Torino, at the University of East Piedmont, and at the Saint John International University in Vinovo (Torino). His

scientific interests and his publications range from public economics to environmental and regulatory economics.

Daniele Russolillo



Expert in market instruments for environment and energy polices and in integrated cost-benefit analysis of energy systems. He has experience in project management and in the development and management of web-based collaboration tools. Since 2004 he has been collaborating with Foundation for the Environment, where he has been appointed as Program Manager and works in the research stream "Energy and Environment".





Andrea Sbandati



General Director of CISPEL Toscana, a Regional Association of local public services enterprises in the sector of public utilities. Since 1990 he has worked in the environmental sector with important institutions. A major part of his researches and works is related to public utilities, especially to water and waste management. He collaborates with the Italian Research Institute "Utilitatis" and he is in the Board of Directors of the Regional Agency for Resources Recovery (ARRR).

Sarah Shababi



M.Sc. in Economics, she is Research Fellow at the Department of Economics, University of Genoa. Her research focuses on the water and wastewater sector in Italy, in particular in the following areas: financing of the infrastructure of the sector, benchmarking of economic and financial data of several water and wastewater companies, the transfer of environmental and resource costs to water tariffs.

Yane Svetiev



Since 2013 with the Department of Legal Studies of Bocconi University. Previously research Fellow at the Law Department and Max Weber Fellow at the EUI. Master's and doctoral studies at Columbia University School of Law (New York, USA). Prior academic appointments as faculty at Brooklyn Law School, as teaching fellow at Columbia University Law School and as associate lecturer in economics at the University of Sydney (Australia), teaching game theory and mathematical economics. Research

focus in the area of regulatory and competition law and the design of regulatory regimes.

Edilio Valentini



PhD in Economic Theory and Institutions at the University of Rome 'Tor Vergata', he is Associate Professor on Environmental Economics and Public Finance at the University of Chieti-Pescara. His main research interests include environmental economics (environmental regulation, climate policy, emissions trading) and regulatory economics (price and quality regulation, public utilities, competition policy). He is member of the Promoting Committee of the Network on Economics of

Regulation and Institutions (NERI).

Elisa Vanin



Graduated in International Relations at the University of Trieste. Since 2010 she has been collaborating with Foundation for the Environment, before as School Secretariat coordinator of the International Summer School on regulation of local public services and now as project manager of the Turin School of Local Regulation. She manages the secretariat of LO.RE.NET., Local Regulation Network of experts and the collection of contribution to the international comparative research on

local regulation launched within the network.

