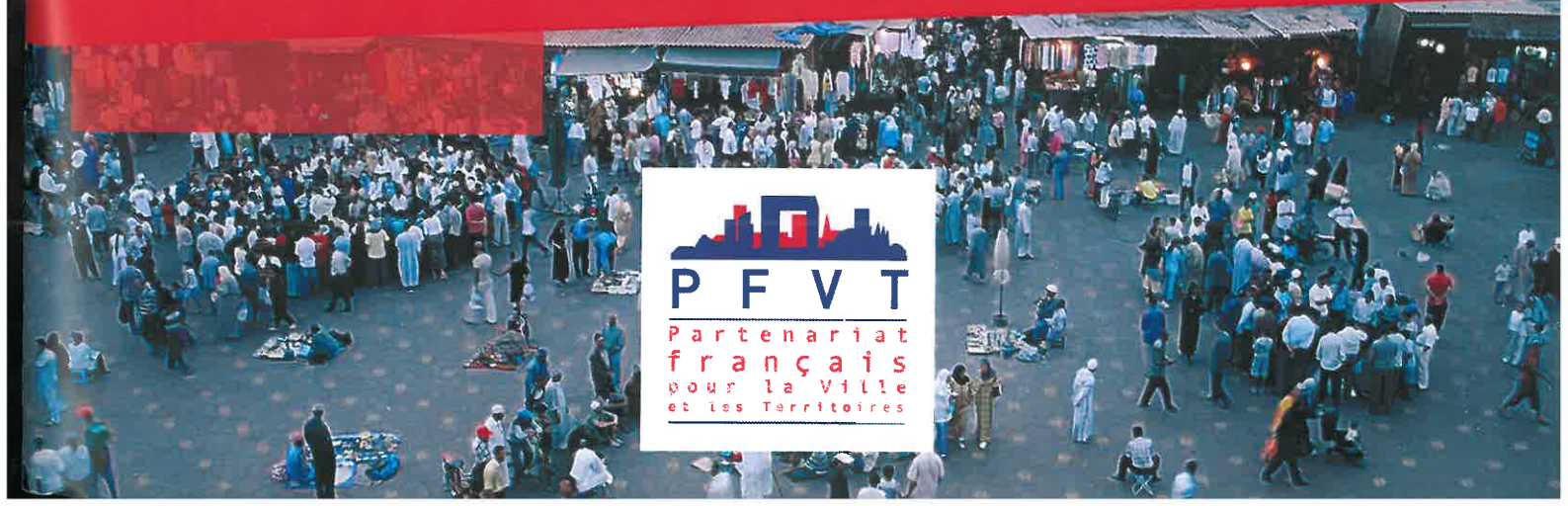


ACCESS TO BASIC SERVICES FOR ALL AND SUPPORT FOR DECENTRALIZATION PROCESSES:

EXPERIENCES, PRACTICES AND RECOMMENDATIONS OF THE FRENCH ALLIANCE FOR CITIES AND TERRITORIAL DEVELOPMENT



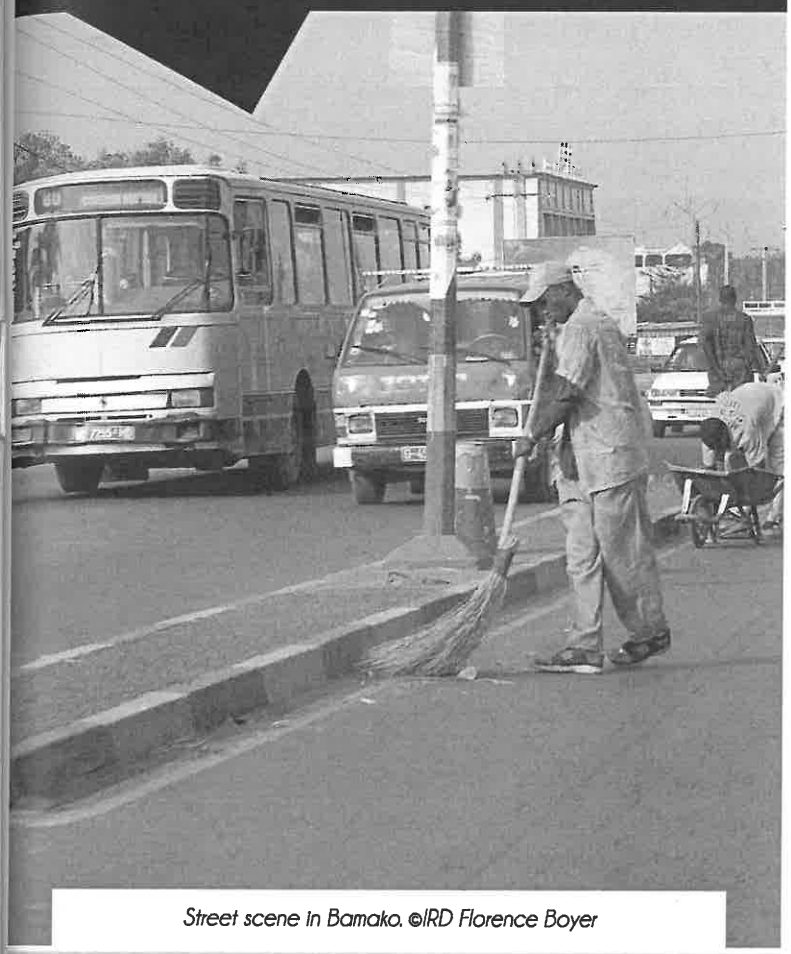
This document has been prepared in partnership in the context of the PFVT working group "decentralization and basic services", with the involvement and contributions of
the Veolia Environment Institute,
the Institute of Delegated Management (IGD),
the Institute for Research and Development (IRD),
Artélia and
GRET.

Cover photos: Top: Shanghaï (China) - © Jérôme DUPLAN / **Bottom:** Fès (Marocco) - © Jérôme Duplan
Production and printed: Agence française de développement reprography department
English translation: Warren O'Connell
Graphic design: Imprimerie Centrale de Lens

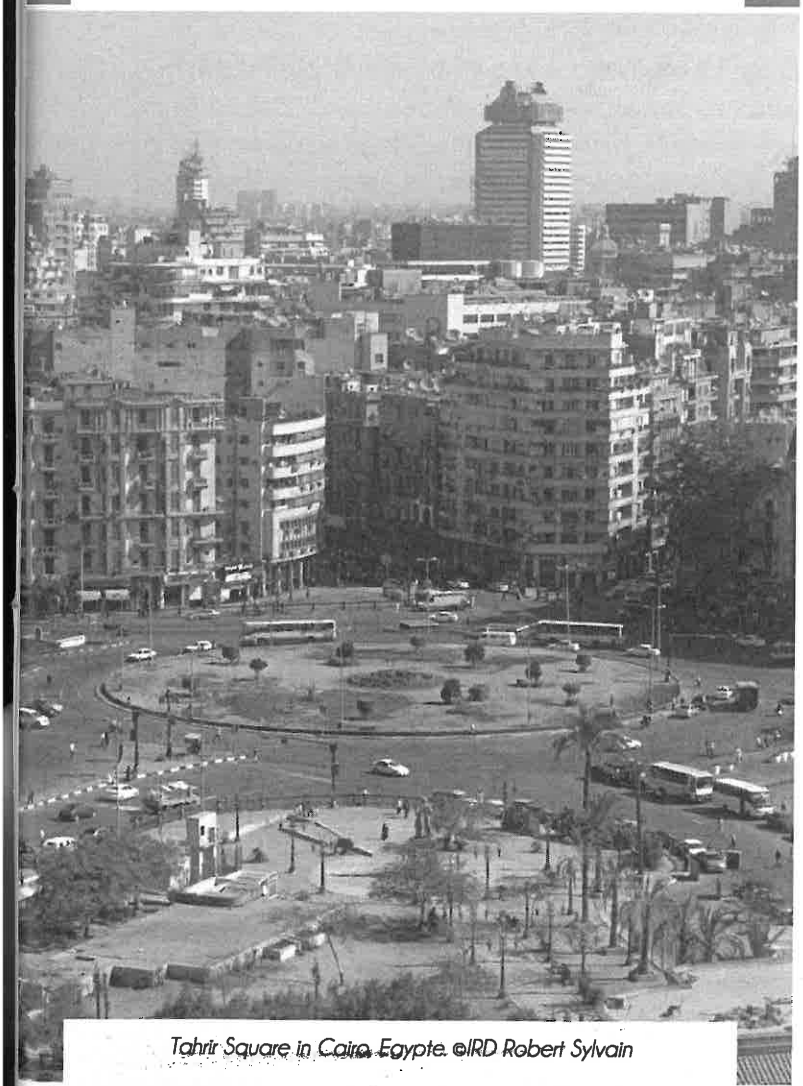
Publication - August 2012

Technical secretariat of The French Alliance for Cities and Territorial Development
Agence française de Développement
5, rue Roland Barthes - 75012 PARIS
pfvt@afd.fr

contents



Street scene in Bamako. ©IRD Florence Boyer



Tahrir Square in Cairo Egypte. ©IRD Robert Sylvain

05
Introduction

07
Chapter 1

Reflection on
the International Guidelines

11
Chapter 2

Some principles of the International Guidelines
illustrated by case studies

17
Chapter 3

Tools inspired
by the experiences of
french cooperation stakeholders

23
Chapiter 4

Recommendations for
an effective implementation of
the international guidelines in the field

introduction

Basic services define all the services that are critical to promote human dignity, the quality of life and sustainable livelihoods. They include both "network" services (drinking water, liquid and solid sanitation, energy, telecoms and public transport) and "basic social" services (basic healthcare, primary education and public safety). Improving access to them is therefore one way to achieve the Millennium Development Goals, which means they are core to any national poverty reduction and socioeconomic development strategy.

Decentralization is an institutional tool conducive to strengthening access to basic services. These services are indeed inherently local services as they must be offered and available at the level of a given local territory. Building the capacities of local authorities and their associations is therefore inseparable from the goal of improved access to basic services for all.

This linkage between decentralization processes (political, administrative and financial) and the effectiveness of access to urban services is today recognized by international cooperation stakeholders[1]. A resolution of the UN-Habitat Board of Directors has thus recommended jointly implementing the International Guidelines on Decentralization and the strengthening of local authorities adopted in 2007, and those of Access to Basic Services for All adopted in 2009. These Guidelines provide the international reference framework for an effective governance of basic services. They meet the twofold objective of solidarity and partnership by making recommendations for the creation of collaborative and participatory spaces for the different urban stakeholders for the provision of basic services.

France supported the definition of the Guidelines. Back at the Johannesburg Summit in 2002, it provided its support for the presentation of the Charter of Essential Services by the The french institute for Public-Private Partnership (IGD) and a coalition of French stakeholders. In 2004, during the Founding Congress of United Cities and Local Governments in Paris, the French President encouraged the adoption of a text on basic services by the United Nations. France actively participated in the work of the group of experts in charge of drafting the text. In 2009, it sponsored the resolution of the Board of Directors of UN-Habitat recommending the adoption of the Guidelines on access to basic services for all. During the 5th World Urban Forum in 2010, it was entrusted with the role of leader by UN-Habitat for the operational implementation phase for the Guidelines. The French Ministry of Foreign Affairs (MAE) has in this respect to date been supporting the implementation of 5 national programs dedicated to the Guidelines in Burkina Faso, Comoros, Lao PDR, Senegal and Togo.

France is actively involved in the international debate on issues related to local governance, for example, within the international Development Partners Working Group on Decentralization and Local Governance (DeLoG), the work of which aims to apply the Declarations of Paris, Accra and Busan on aid effectiveness. Support for decentralization and access to basic services is also a key area for cooperation projects, notably through the MAE's Priority Solidarity Fund and the projects of the different stakeholders in French cooperation: NGOs, decentralized cooperation, public and private institutions, research institutes, etc.

1. Another key reflection is being led by United Cities and Local Governments (UCLG), which is devoting its next global report on decentralization (GOLD III) to the local governance of local public services and the role of local authorities.

Both public and private French stakeholders draw on their experience to provide input to this strategic and operational reflection. France introduced decentralization reforms in 1982 and has since been pursuing the process through institutional change. Special efforts are made to establish links between decentralized services and devolved services. The French approach lays particular emphasis on the issue of "social inclusion", which is included in the new French laws on urban planning and development[2] and in the implementation of development tools[3], and on dedicated public policies managed by specific entities[4]. Finally, France has multifaceted experience in public service delivery: up until the Second World War, much of France's public services were managed by private companies. Public companies were subsequently created as part of the reconstruction effort, such as the French power company Électricité de France (EDF) in 1946, while private companies continued to provide a delegated public service, for example the water company, Compagnie Générale des Eaux, which was founded back in 1853. In the 1980s and 1990s, new concepts of public service management were introduced, which rely on the private sector, and some local authorities[5] have recently gone back to municipalizing some of their services. The continuous development of the institutional, cultural, socioeconomic and regulatory environment in France has provided public authorities with a whole host of choices today, ranging from direct service management (direct control) to private management (public service delegation), and including joint management (Semi-Public Company)

In 2009, France adopted an urban cooperation strategy focused on strengthening democratic urban governance, which involves adopting arrangements for partnership actions with local authorities. The main recommendation of this strategy concerned the creation of a partnership bringing together all public and private French stakeholders with the aim of enhancing the effectiveness of our urban cooperation. Since 2011, the French Alliance for Cities and Territorial Development (PVFT), a platform which promotes exchanges and draws on French urban expertise, has brought together all urban cooperation stakeholder groups: administrations, local authorities, companies, professionals, NGOs and researchers. In 2012, one of the working groups met to discuss the topic of universal access to basic services and strengthening local authorities, in line with the recommendations of UN-Habitat. Several stakeholders had the opportunity to present their experiences, discuss the issues and difficulties encountered and the methodologies they use. This document presents a status report on their discussions to date, based on a process of debate, which is itself as important as the final outcome.

Access to basic services for all therefore poses a major challenge for development, given the different constraints experienced and the resources required to meet this objective.

The International Guidelines, a strategic workplan in which France was very much involved, therefore propose initiatives to overcome these obstacles and work towards access to basic services for all (Part I). In this context, the French Alliance for Cities and Territorial Development (PFVT) mobilizes its expertise with the aim of achieving the two following objectives:

- Support the operationality of the International Guidelines by taking account of the methods that contribute to these objectives and thus confirm the founding principles of the International Guidelines (Parts II and III);

- Suggest additions and adjustments upstream in the light of French experience and, downstream, of the need to adapt to the diversity of constraints experienced in territorial contexts (Part IV).

2. Such as the Solidarity and Urban Renewal Law of 2000.
3. Territorial Coherence Plan, notably Inter-SCOT.
4. "City Policy", National Urban Renewal Agency, National Agency for Social Cohesion and Equality of Opportunity, National Housing Agency, etc.
5. For example, the City of Paris which has reorganized its municipal water service since 2010 with a single public operator and direct management.

chapter 1

Reflection on the International Guidelines

1 - ANALYTICAL FRAMEWORK

The analysis presented in this document is restricted to the **urban environment.**

The International Guidelines distinguish between two categories of service:

- **"Network" services:** drinking water, sanitation, energy, telecoms, public transport and waste collection and treatment. Their development requires infrastructure, often heavy, which structures the development of cities and mainly operates using a technical system of networks. They are highly capital-intensive[6]. Indeed, the creation of a basic service network requires a heavy investment, which is amortized over the long term. Moreover, their recurrent management and maintenance costs impose substantial operating costs. They take up a large area of land and have a significant financial, social and environmental footprint. They are part of a common problem which requires looking at the links between strengthening their governance and their financing. Their contracting authorities are mainly local governments or their organs;

- **"Basic social" services:** health, education and public safety. They require relatively high operating costs.

These services are interdependent and provide the foundation for the construction of urban sustainability. They are complementary and interact with each other: the existence of the former ensures the quality of the latter, and vice versa.

Living in the city means having access to this service provision. The sustainable city therefore requires pooling urban networks. This city must meet city dwellers' needs under balanced and sustainable economic conditions. A set of reciprocal rights and obligations is thus established to make access to these common urban goods viable. Their investment and operating costs must also be shared according to the principle of equity, whatever the status.

The existence of a public authority in the urban territory and its capacity to coordinate, regulate and anticipate will allow a distinction to be made between the notion of conurbation (a heterogeneous, juxtaposed and spontaneous grouping of housing, but also of types and levels of income) and that of the city (organized urban and peri-urban social system, the dynamics and structure of which are collectively managed). The city is more than the sum of aggregated actions, whether they are individual or grouped together.

The difference between cities in the North and cities in the South is not so much about the organizational model, but rather the pace and conditions of this pooling. European cities were slowly structured and developed towards a situation of balance between their own capacity and public recognition. Most Southern

6. Means that the share of the equipment production cost is higher than the share of required labour.

conurbations develop demographically and spatially at a much faster pace and within an ambivalent relationship with the central level. Consequently, the issue of contracting authority for urban and, even more so, peri-urban planning becomes the main territorial challenge.

The sustainable city therefore necessarily requires widespread and secure access to basic services for all, by combining shared and regulated governance and a strengthening of the competences and responsibilities of local authorities.

From this point of view, since 2003[7], France has been implementing a National Sustainable Development Strategy (NSDS), which applies both nationally and to the Official Development Assistance projects it finances. The French Strategy, through this support and these partnerships, contributes to reaching a balance between the environmental, social and economic components. The action to support sustainable cities in France is implemented in several operational areas: promoting, through calls for projects, Eco-Neighborhoods, Eco-City approaches, Bus Rapid Transit public transport, plans to restore and develop nature in the city, etc. Each of these areas places considerable emphasis on the project approach, mode of governance and living environment.

2 - OBSTACLES TO WIDESPREAD ACCESS TO BASIC SERVICES FOR ALL

- Basic services represent the minimum requirements for the creation of a current and future decent human living environment for all citizens in order to ensure sustainability, solidarity and intergenerational equity. Moreover, the fact of benefiting from sustainable and non-discriminatory access to these services promotes the individual's involvement in the economic and social life of the city. Conversely, the lack or poor quality of basic services produces segmented urbanization and a social exclusion which creates instability by affecting the attractiveness of under-equipped territories.

- It is possible to identify **several major characteristics** which exclude the most vulnerable communities from access to basic services. These characteristics interact with each other and are sometimes causes or consequences of exclusion:

- Public policies which are not sufficiently proactive in terms of objectives and standards for access to the different basic services;

- Local authorities do not have the capacity to define appropriate development strategies for basic services, organize the governance of services and coordinate the relevant stakeholders (recent creation, lack of legitimacy, insufficient financial and human resources, etc.);

- Infrastructure financing which requires substantial resources often exceeding the – real or theoretical – fiscal or debt capacity of regional and local authorities; public and private operators which lack objectives predefined by precise specifications;

- A lack of effective supervision of service quality with regard to the technical and financial performance of systems and accessibility for households;

7. The definition of a new National Sustainable Development Strategy (NSDS) in 2003 (following an initial version adopted in 1997) first and foremost meets an international commitment made by France at the UN in 1992 during the Rio Earth Summit and reaffirmed in 2002 at the Johannesburg Summit. It also aims to integrate the European Sustainable Development Strategy adopted by Heads of State and Government in Gothenburg in June 2001. France is currently implementing the NSDS 2010-2013, the strategic approach of which is "towards a green and equitable economy".

- Stakeholders who are not sufficiently involved in processes for decision-making and the implementation and oversight of public policies for access to basic services within their community, their neighborhood and their city;

- Breakaway strategies by wealthier communities who create their own form of access to basic services, outside intra-urban solidarity, the taxation of which would be one of the instruments;

- The lack of an integrated approach to the provision of urban services, which would take into account their technical, financial, economic linkages, etc. For example, from the financial perspective, some services benefit from a higher willingness to pay (mobile phone, energy, etc.) and therefore create surpluses which could, through equalization, bridge the structural deficits of other sectors (sanitation, transport, etc.). However, faced with substantial urban investment needs, multi-service equalization often reaches its limits. Other financial models should be envisaged by looking towards resource deposits, which have until now been ringfenced: direct taxation, for example, but it would require making changes to the social compromise at the national or territorial level;

- The institutional fragmentation and compartmentalization of the environmental, social, economic and cultural components within development policies, as well as the insufficient attention paid to their interactions in a given territory. The poorest communities are often the first to be directly affected at the local level by the consequences of the fact that the components of sustainability do not have cross-cutting approaches.

3 - RELEVANCE OF THE INTERNATIONAL GUIDELINES

The International Guidelines on Decentralization and Access to Basic Services suggest ways to overcome these stumbling blocks. They involve establishing local governance gathering all stakeholders (public, private and citizens) to define policies for service distribution and to implement and supervise them.

Decentralization is an essential institutional tool for the achievement of this objective. It facilitates the democratic process, enhances the effectiveness of the implementation of public policies and makes it possible to better meet citizens' needs. It is based on the principles of subsidiarity and substitution: they facilitate decision-making at the local level as closely as possible to citizens' needs and to the responsibility of the territorial authorities.

The International Guidelines first offer an "analytical framework", which makes it possible to take stock of decentralization and service provision and, second, they offer a set of recommendations to undertake the institutional and organizational reforms which are essential for access to basic services for all. They comprise three areas:

1. **A process to clarify the roles, obligations and responsibilities** of stakeholders in which:

    - National governments develop national legislation and policies for access to basic services for all and establish monitoring mechanisms;

    - Local authorities devise and implement local plans destined to facilitate access to basic services at the appropriate territorial and social level;

- Civil society organizations facilitate the implementation of constructive relations between the local authorities and poor and marginalized populations;

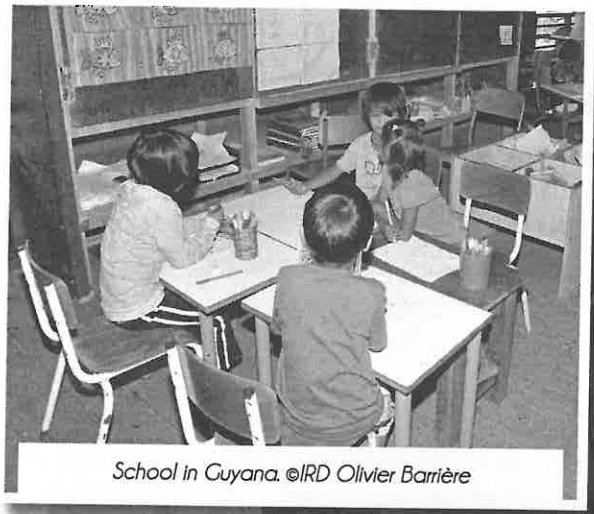
- Service operators perform the contracts signed with the authorities which, as a public partner, facilitate inter-institutional coordination.

2. **The formulation of a shared vision of the objectives** to be achieved using a joint diagnostic on the basis of a **participatory process.**

3. **A coproduction of services *via* partnerships between national governments, local authorities, service providers and civil society organizations** with the aim of sharing long-term interests. The establishment of these partnerships requires monitoring and supervision mechanisms, as well as litigation settlement mechanisms.

The International Guidelines are therefore useful instruments that governments and national and local stakeholders can adapt to their own institutional and financial context. The contribution they actually make to the process for the implementation of the International Guidelines is mainly based on their voluntary commitment to adapt the established frameworks for access to basic services, in the light of the recommendations made by the International Guidelines.

The risk would be that the International Guidelines remain without any practical scope; it is therefore necessary to complete them with mechanisms and processes designed to make them more operational. In this regard, French expertise wishes to develop the tools and practices that have been established and contribute to achieving the objectives of building the capacities of local authorities to provide widespread access to basic services.



School in Guyana. ©IRD Olivier Barrière

Drinking water stand in Port-au-Prince. © GRET Caroline Bernard

chapter 2

Some principles of the International Guidelines illustrated by case studies

Among the many urban partnerships established by France at the international level, the presentation of some examples of the development actions of PFVT members provides a good illustration of the principles set out by the Guidelines.

1- FOR A TRANSPARENT, PARTICIPATORY AND EFFECTIVE LOCAL GOVERNANCE

The notion of "transparent, participatory and effective local governance" is explained in the International Guidelines, taking account of the twofold political dimension (participation, decision-making, strategic definitions) and technical dimension (appraisals, planning, implementation and monitoring) of this governance.

In Benin and Comoros, The french institute for Public-Private Partnership[8] (IGD) has supported a transparent and participatory dialogue on the institutional framework for basic service management called **"quadrilogue"**. This approach gathers all stakeholders (Government, public/private operators, users and community [neighborhood committees...], unions, etc.) involved in basic service management in a decentralized context and helps **to design a common project based on a shared vision of basic service management**.

TOGO

In Togo, where the operation is the most advanced, this dialogue has led to the adoption by a national committee of a "Charter of Essential Services", which defines a shared vision of service management. With the support of this committee, the 21 operational Togolese municipalities have now created local committees which handle the management and governance of projects to develop services implementing the principles of the Charter, with the assistance of international donors and decentralized cooperation.

2- FOR A GOVERNANCE PROCESS TOWARDS POLITICAL AND FINANCIAL AUTONOMY FOR LOCAL AUTHORITIES

At the global level, decentralization policies and their many forms are still often in the construction phase. However, they constitute an essential perspective from the political, economic, social and environmental point of view. Indeed, subsidiarity would appear to be a necessary dimension of efficient national public action. Empowering local authorities leads to:

8. The french institute for Public-Private Partnership is a corporate foundation created in April 1996. It is an independent, not-for-profit organization whose purpose is to promote improvements in the quality and performance of public services, particularly when their management is delegated. http://www.fondation-igd.org

- A socio-territorial definition which reflects the needs of urban and peri-urban communities;
- A short and efficient circuit for decision-making and the implementation of public action;
- The optimization of transaction costs in operational relationships between entities in charge of territorial development;
- Accountability via a democratic control based on participation, subsidiarity and proximity;
- The introduction of new sources of financing for territorial development at the following levels:

  - Municipal and intermunicipal, related to the establishment of networks which raise the level of land rent;

  - Regional, thanks to a more efficient management of resources at the appropriate level;

- The completion of the devolution.

The political and territorial levels of municipalities, public institutions for intermunicipal cooperation, regions... are essential elements for the questions of social, financial and political mobilization posed by sustainable development on a sub-national basis.

However, local authorities do not always have the ability to mobilize either the funds or the technical expertise required to establish effective and sustainable services. Although devolution is sometimes at an advanced stage in certain developing countries, it does not mean that the principle of subsidiarity is always respected and local authorities' own resources remain limited.

Local authorities' internal resources are also insufficient. Gérard Chambas[9] shows that in Sub-Saharan Africa, local fiscal resources are equivalent to only 1% of national GDP. The performance of property tax collection is poor. Revenues related to urban services are often too low and tariff increases are often difficult to apply.

In China, this is an acute problem in small and medium-sized cities. With treatment rates below 10% for waste and 40% for wastewater, these cities are sorely lagging compared to the country's large cities. The reason for this gap is not of a technical nature, it is due to financial and administrative governance that is often deficient, whereby municipalities find it difficult to assume the responsibility for the development of their services.

CHINA

Since 1998, **Artelia Group[10] has been working to improve the waste and wastewater management services of Chinese local authorities** under projects financed by the Asian Development Bank (ADB) and World Bank. A national study has made an inventory of urban sanitation in China for small and medium-sized cities. Multidisciplinary pilot studies have

9. *Mobilizing Local Resources in Sub-Saharan Africa"*, Paris, Economica, 2010.
10. Artelia came about with the merger between Coteba and Sogreah in 2010. Artelia's aim is to build a European leader in independent engineering, which offers its public and private clients an original approach to engineering, project management and consultancy in nine activity sectors: construction, water, environment, energy, maritime, cities, transport, industry, multi-sites. http://www.arteliagroup.com

identified the technical, economic, institutional and environmental obstacles encountered by these cities. Artelia has made technical, institutional and financial recommendations (c.f. 2.2) to the Chinese Government on the basis of these studies and a prospective and systemic vision of the various services. In the direct-controlled municipality of Chongqing, which was one the pilot areas, significant progress has been made in terms of health thanks to the development of more efficient sanitation networks for nearly 10 years now.

3 - FOR AN INSTITUTIONAL FRAMEWORK CONDUCIVE TO CONTRACTING OUT SERVICES

An effective and sustainable management of basic services would appear to be intertwined with a formalized operational framework. This allows rules to be established between the different stakeholders ex ante: joint definition of common objectives, clear delegation of roles and powers, cautious introduction of sanctions in the event of non-compliance with an obligation.

However, it should be emphasized that the operator, whether public, private or an association, cannot and does not intend to replace the public authorities, which alone have the political legitimacy to handle the conditions prior to the implementation of these services, such as governance between stakeholders and participation.

The local authority must therefore be the contracting authority for the project for at least three additional reasons:

- To regulate in an effective and transparent manner in order to reconcile private interests and public interests, which may be conflicting;
- To promote concerted action between the local authority, the operator and users, otherwise there is a risk of conflict and of relationships taking on a judicial nature;
- To play a role of supervision and control in a real partnership approach and thus ensure that the best service is delivered to its community.

For partnerships to be effective, the decisive role played by public regulation (local and national) must not be forgotten: balanced partnerships, whatever type (public-public, public-private, public-private-association, etc.), largely depend on the support and strategic supervision of the central authorities. In addition, for reasons of coherence and clarity of public action, the strategic approaches to partnerships defined at the national level need to be shared with and by the territorial level.

The rules for coordinating stakeholders may be formalized in different ways depending on the institutional and legal contexts and on the status of the stakeholders. From public procurement, through public service delegation and partnership contracts, there are a whole host of processes and tools for establishing contracts and they will depend on the type of services and stakeholders concerned. Formalization often requires establishing a transparent and independent administrative structure at the national and local level with a capacity to raise awareness, inform and make a ruling in the event of litigation.

It is precisely this structure which is lacking in **Mexico**, where the decentralization process has so far made little headway and the national standards established for sanitation are applied little at the local level. Basic service management suffers from an organization where there is often room for improvement, meaning negotiations are necessary with special interest groups. This ultimately fosters the proliferation of fly-tipping.

MEXICO

From 2006 onwards, a program by the Ministry of the City and Social Development (SEDESOL) aiming to equip the competent Mexican municipalities with landfill sites received support from the **French Embassy in Mexico**. The cooperation agreement focuses on promoting the intermunicipal management of public services. In this context, the expertise of the **Béarn Joint Waste Treatment Association (SMTD)**, which operates in the Greater Pau area, in inter-association management has been mobilized **to strengthen an intermunicipal entity**: AMSURNAY, which comprises three municipalities from the State of Nayarit. This entity suffered from a lack of knowledge with regard to standards and insufficient human and financial resources. Through this partnership, it has already benefited from technical assistance which has raised teams' awareness of the existing framework for standards. This is the first step required for a transparent and standardized management of basic services in this region of Mexico.

MAURITANIA

GRET[11], in its capacity building projects for municipalities in Lao PDR, Madagascar and Mauritania, has introduced tools to support contracting and for the technical and financial supervision of services. **In Mauritania, the new Water Code** strongly encourages public service delegation for drinking water, whilst maintaining **public regulation. In this context, a multisectoral regulatory authority has been created** to control service performance and support the contracting authority. However, the fact that there are several management systems in the same municipality causes tensions between communities. GRET has taken remedial measures by supporting the implementation of plans for public-private partnerships between small local water service companies and the municipality. The regulatory authority has been given competencies for social intermediation, which allows it to organize the mobilization of local stakeholders: the municipality, residents' representatives, etc. This process has led to the signing of several delegated management contracts, which have defined the reciprocal commitments of stakeholders and the conditions for service delivery. Supervision mechanisms have gradually been established under the responsibility of the regulatory authority, which allows municipalities and users to evaluate service management.

4 - FOR SUSTAINABLE PRO-POOR FINANCING

The application of the "water pays for water" principle would appear to be rather unrealistic in a number of emerging countries, and even more so in developing countries. Indeed, the investments that need to be made in these countries are too heavy to be borne by the subscribers of the service alone (from the tariff and other charges). In these contexts of rapid urbanization, the notion of "acceptable cost recovery" from the users' perspective, or "sustainable cost recovery" from the contracting authority's[12] perspective must replace that of "full cost recovery".

11. Gret is a not-for-profit association founded in 1976 and gathers professionals of inclusive development. It supports sustainable development processes in urban and rural areas by relying on social equity, economic promotion and respect for the environment. http://www.gret.org
12. Regarding water and sanitation, the 2009 report "Managing Water for All: An OECD Perspective on Pricing and Financing" calls for the introduction of a new method of financing in developing countries based on the "3Ts": tariffs, taxes and transfers. A "sustainable cost recovery" model: the tariff must cover the operating and maintenance costs, while investments for the renewal, extension and upgrading of the network must be financed by taxes or grants from Official Development Assistance (ODA). The latter must be "predictable" in that they must be planned in the medium-long term, guaranteed and effectively transferred.

Equalization practices can be improved at several levels:

- At the national level, Government subsidies can allow an equalization between regions;
- At the local level, a differentiated territorial strategy can allow an equalization between the different neighborhoods in a conurbation;
- The equalization of the cost of infrastructure made today can be carried out between sectors (from electricity or mobile telephony or, more generally, in all sectors which show a structural surplus): long-term investment loans may, for example, take on this role.

In all cases, this requires an extensive dialogue between service users, the Government and local authorities, and between devolved services and decentralized local authorities.

Contractual innovation makes it possible to envisage unprecedented economic solutions to adapt access to basic services to the most disadvantaged segment of the population. Local authorities – via the subsidy – negotiate with the service operator so that water connection costs and/or tariffs are adapted to the capacity to pay of the poorest, while guaranteeing the sustainability of the service.

MEXICO

The municipality of Aguascalientes in Mexico, which in 1993 granted a concession for its drinking water service to the private company Proactiva Medio Ambiente, a subsidiary of **Veolia Environnement** [13], instructed its regulatory commission to negotiate a tariff structure with the concessionaire on the basis of users' incomes. A cross tariff setting system has thus financed access to the water and sanitation service. Moreover, a solidarity fund has provided a financial participation of up to 50% of the bill, which has benefited 30,000 households.

ECUADOR

In Guayaquil in Ecuador, Proactiva has introduced a social tariff for low-income users who meet specific conditions set by the Ecuadorian authorities. It involves an 82% tariff subsidy which has benefited 12,000 users. In line with Government measures, a massive debt cancellation program for the drinking water service has benefited some 5,000 users in extreme poverty.

5 - FOR THE INTEGRATION OF ACCESS TO BASIC SERVICES INTO ENVIRONMENTAL SUSTAINABILITY

Any urban policy oriented towards environmental sustainability must take account of the impact that the city's activities have on the environment and must therefore give a significant place to basic services.

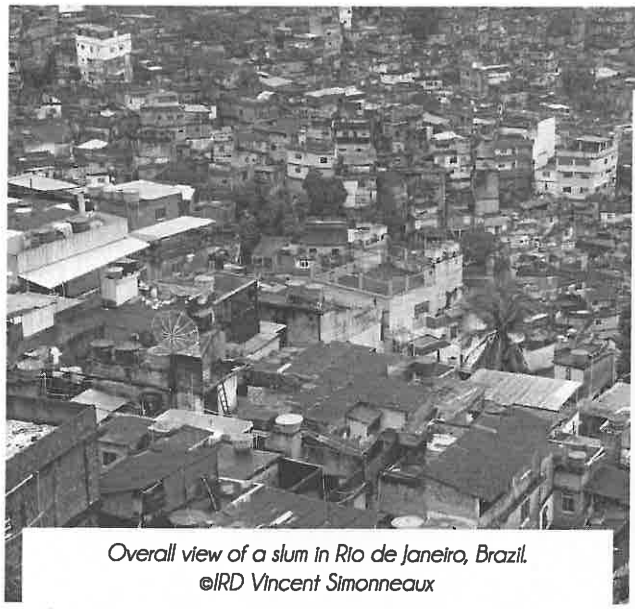
13. Since 2003, Veolia Environnement (previously Vivendi Environnement and formerly Compagnie Générale des Eaux) has been a limited company specialized in additional network services: water cycle management, waste management and recycling, energy management and passenger transport. http://www.veolia.com/fr

INDIA

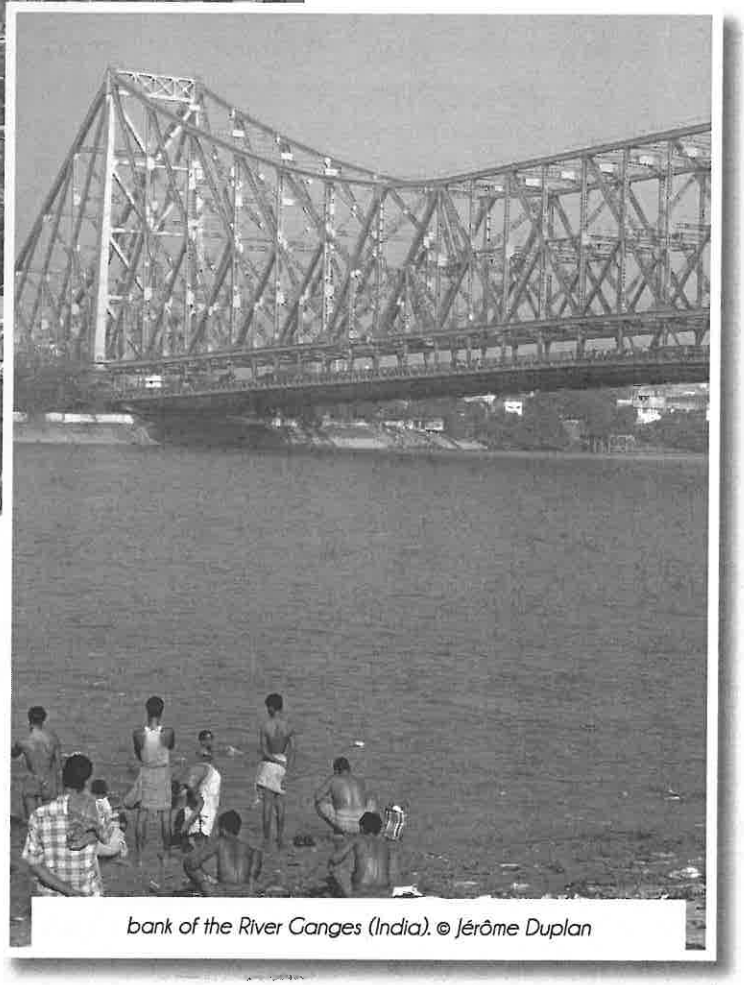
In the early 2000s, **Pondicherry** was faced with a critical situation in terms of housing and negative environmental impacts as a result of pressure from increasing urbanization. 200 tons of waste piled up in the city every day. In 2002, decentralized cooperation was initiated with the Italian and French cities of Urbino and Villeneuve-sur-Lot in order to fight against the general deterioration in living conditions. As part of this cooperation, the French Environment and Energy Management Agency[14] **(ADEME)** participated in **organic waste management focused on an ecological approach from collection right through to treatment**, reflecting the aim of minimizing the environmental impact throughout the waste management process. The Municipality of Pondicherry was impressed by these different initiatives, which are firmly rooted in an environmental approach, and extended these facilities to other neighborhoods in the city.

These different examples demonstrate the coherence of the principles set out by the International Guidelines, which themselves have drawn on a selection of experiences in order to define the recommendations on which they are based.

14. ADEME was founded in 1990 and is a public enterprise of an industrial and commercial nature under the joint supervision of the Ministries of Ecology, Sustainable Development and Energy, and of Higher Education and Research. It participates in the implementation of public policies in the environment, energy and sustainable development sectors. http://www2.ademe.fr



Overall view of a slum in Rio de Janeiro, Brazil.
©IRD Vincent Simonneaux



bank of the River Ganges (India). © Jérôme Duplan

chapter 3

Tools inspired by the experiences of french cooperation stakeholders

Changes in societal expectations and the challenge of urban issues lead to a reaffirmation of the importance of the principles set out in the International Guidelines; they can be completed with practical recommendations supported by approaches developed more recently, in particular via French cooperation projects. Some examples of the available tools and mechanisms to promote access to basic services for all and strengthen local authorities are given below via the presentation of strategic priorities.

1 - DEVELOP INTERSECTORAL APPROACHES

Basic services are complementary and interdependent. "Project" approaches are too often compartmentalized within sectoral policies and suffer from a lack of coordination between them; they could find their place within **integrated urban policies**. The identification of the need for a service would then be envisaged via a comprehensive approach involving the different administrations concerned.

N'DJAMENA

For over a decade, AFD has been financing support for the N'Djamena City Council's contracting authority for the development of urban services. AFD is thus participating in the "healthy cities" approach recommend by the WHO, which highlights the complexity of environment-related factors and raises the issue of multisectoral approaches to practical problems, such as access to drinking water, improving housing and sanitation. AFD's investments in these sectors have significantly improved living conditions for residents in the beneficiary neighborhoods, one of the main impacts being the improvement in health (reduction in waterborne diseases). In 2012, a "Health and Environment" program is being appraised in N'Djamena, the aim of which is to make health a focus for cities' public action. It comprises an **urban health project** and a **"water and sanitation" project**, which have both **institutional coherence (central role of the City Council) and geographical coherence**. This renewed interest in the local level is based on decentralization processes and the territorialization of public action.

Health is therefore no longer considered as the exclusive domain of medical professionals and becomes part of an ambitious and integrated approach to improving living standards and promoting physical and social well-being. Improving the present and future health of individuals is therefore not only restricted to improving healthcare provision, but also involves acting on all health determinants. The latter cover *"the socioeconomic, cultural and environmental conditions that influence the health of individuals and populations"*[15].

15. Joint report by the World Health Organization (WHO) and United Nations Human Settlements Programme (UN-Habitat) entitled "Hidden Cities: Unmasking and Overcoming Health Inequities in Urban Settings", November 2010.

2 - PRIORITY TO A TERRITORIAL APPROACH

In order to make basic service provision and management more efficient and operational, public policies must take into account a territory which goes beyond administrative boundaries. The implementation of public policies for basic services must be conducted at the level of the functional territory defined as the most socially, administratively and economically appropriate level of management, combined with environmental considerations.

CHONGQING

The association of municipalities within an intermunicipal sanitation management association, which was set up by several small and medium-sized Chinese cities on the advice of **Artelia**, participates in territorial reflection. Indeed, it is based on a study of the specific characteristics of cities and their linkages, leading to a **definition of the most appropriate spatial level**, both economically and administratively. This **intermunicipal management** has a number of advantages with, first and foremost, the possibility of pooling financial, technical and human resources. It also increases municipalities' bargaining power with the Government, as well as that of operators in the case of public service delegation. Finally, it attracts private operators by extending the management area and fosters competition between them.

PMoreover, by linking strategic urban planning with basic service distribution, it is possible to adopt a differentiated approach in the territory in question: certain areas need more interconnections for means of communication, others for waste collection, for example. This requires prior detailed knowledge of land usage, activities and the socioeconomic profiles present in the territory.

3 - TAKE ACCOUNT OF THE SOCIETAL REALITIES IN THE TERRITORY

Regarding access to basic services, the need to adapt urban development projects and reflection to specific local conditions is accepted and implemented by French stakeholders. Many aspects of the societal realities of the territory need to be taken into account: the place of customs and oral tradition, local ways of life, the way in which practices and social relations function at the local level, behavior towards precarious neighborhoods and the informal sector, etc.

CASABLANCA

Roughly 20% of the population of Greater Casablanca live in informal and unsafe housing. This situation has prompted the Moroccan Government to opt for an **approach including non-regulatory housing areas** (different from slum areas) and maintaining 75,000 households on-site by **planning household connections to basic services** in them (electricity, water and sanitation). As part of the National Initiative for Human Development launched by King Mohammed VI in 2005, the Lyonnaise des Eaux in Casablanca, the delegated management operator of the Greater Casablanca network and a subsidiary of Suez Environnement, has set up a Department dedicated to coordinating the INDH-INMAE Project. Almost 50% of the targets set have been achieved thanks to innovative governance based on an institutional and social intermediation methodology. The connections for these informal households have received a 25% subsidy. This project benefited from several equalization measures during the first phase (2005-2010). Public funding support is expected to be increased in the second phase.

PORT-AU-PRINCE

With 87% of the population deprived of access to the conventional drinking water service in 1995, Port-au-Prince (Haiti) needed to address a substantial need, which was mainly concentrated in poor and informal neighborhoods. In these neighborhoods, GRET has supported the **definition and implementation of a negotiated contractual mechanism combined with a technical offering which is both simple and secure**, by taking into account social expectations, interactions between local stakeholders and the systems of collective service management:

- The introduction at the institutional level of a hybrid associative delegated management system, via the creation of **neighborhood committees** in areas that had previously been excluded, has allowed neighborhood residents to be involved;
- From the technical point of view, the project has provided an adapted service to fifty informal neighborhoods by creating three tools: **a water kiosk** to fight against degradation and illegal consumption; **a water tower** to avoid periods of supply disruptions; and the installation of **a chlorination system** to guarantee the water quality and avoid any health risks.

However, these achievements are limited by the fact that the status of the committees is not set out in law and that there is no regulatory authority.

4 - BUILD THE EXPERTISE OF LOCAL STAKEHOLDERS

Service delivery implies that social, economic, public and institutional stakeholders provide a public service mission that aims to improve citizens' access to basic services. Several intangible skills are required (technical, financial and administrative). In particular, local authorities that have recently become self-governing and/or urban engage in a process to increase the size of their teams and improve the quality of their skills. International partnerships can contribute to exchanges of experience and provide continuous support beyond project cycles.

PORTO-NOVO

In 2005, the Urban Community of Cergy-Pontoise (CACP) initiated a cooperation program for public health in Benin. Its main objective was to strengthen the skills of local stakeholders. This project was oriented towards stakeholder associations in the two territories. It therefore involved CACP and the devolved Government health services, the hospitals in both territories, as well as a training institute in Pontoise. This partnership aimed to improve the way in which the City of Porto-Novo's health structures operate, help improve professional practices and develop the mutual understanding of the social and health realities of each country. In 2007, a new cooperation program was initiated for water and sanitation, as the issue of access to water was considered a priority by the Porto-Novo City Council. Two **technical assistance** missions were conducted, reflecting the City Council's aim of extending the drinking water and sanitation network. The **decentralized cooperation** action has therefore supported the skills transfer and financial autonomy of the local authorities in a context of democratization and gradual decentralization.

5 - FORMALIZE PLATFORMS FOR DIALOGUE, EXCHANGES AND PROBLEM RESOLUTION

"Participation" is a principle found in most new public policy approaches in both Northern and Southern countries. However, the term covers many different realities. Participation can basically cover three dimensions: a financial contribution from citizens; various consultation and deliberative mechanisms; a triggering social factor which activates national strategies for access to services.

Participation mechanisms are more efficient when they are established in a sustainable manner and not just for a project. Social engineering must be permanently strengthened. Strong social demand in developing countries is a driver for strengthening consultation and participation.

DEPARTMENT OF MONO

The French department of Yvelines has signed a cooperation agreement with the department of Mono and an intermunicipal waste management system has been set up. The effectiveness and sustainability of this project stem from the consultation framework among the different stakeholders offered by "Quadrilogue". Consequently, the formulation of the "waste" strategy has been adopted by consensus: a headquarters and budget have been allocated unanimously and the required intermunicipality has been established thanks to the creation of an association and training for elected representatives and executives. The consensual nature of project implementation ensures its success. However, the "Quadrilogue" is not a project management method: it is an approach that supports a method and helps firmly establish bases for all parties, but it does not necessarily mean that all the pitfalls are avoided.

6 - PARTICIPATE IN THE CIRCULAR ECONOMY AND IN THE SOCIAL AND INCLUSIVE ECONOMY

Improving access to basic services is a key driver for the integration of the objectives of the circular economy and those of the social and inclusive economy. The former can be defined as an economic model oriented towards systematically reusing products and by-products, an ultimate target of zero waste production and a lower consumption of raw materials, mainly through recycling. The latter is identified by a certain number of principles set out in the Social Economy Charter drawn up by the Council of the Enterprises, Employers and Groupings of Social Economy (CEGES): freedom of membership, no individual profit, democratic management, community or social utility and mixing of resources.

PONDICHERRY

For these two components, the experience of decentralized cooperation and ADEME's work in Pondicherry mentioned above provide interesting tools. First of all, for the circular economy: a selective collection of recyclable materials and organic matter has been set up in a neighborhood. It reflects the aim of minimizing the environmental impact throughout

the waste management process. A pilot **vermicomposting**[16] center has also been installed thanks to a multi-stakeholder partnership (Municipality, Asia Urbs project, Andhra Bank...): it allows organic waste to be recycled and completely reused as fertilizer.

Then for the social and inclusive economy: **the vermicomposting station** has provided 14 women in fragile situations with **employment** and they have gradually learnt to manage the facility themselves. The installation and subsequent management of the center has been financed by international donors and local authorities.

It can therefore be said that the experience of Pondicherry provides a good example of the central role that basic services can play in promoting a social and environmental economy.

7 - LINK ACCESS TO BASIC SERVICES WITH STRATEGIC URBAN PLANNING APPROACHES

In Southern cities, service distribution is generally implemented gradually. The electricity and mobile phone networks are the first services delivered, followed by a drinking water supply (standpipe), then domestic connections, wastewater collection and rainwater drainage. Wastewater treatment comes next. Organized waste collection, public lighting, surfaced roads, public transport services and school and health equipment often arrive during a second or third phase.

It is often unrealistic to hope for widespread simultaneous access to all services for all. Depending on the context, it might prove appropriate to consider the opportunity of ranking priorities.

However, this typology can usefully be produced as part of a strategic planning process in order to establish a long-term cross-over between the different services. Public policies for service provision would benefit from adopting a territorialized approach, which would rely on a prospective and controlled use of land in order to align networks with the urbanization process.

Partner cities in Southern countries today express the need for management and urban planning tools. **Urban planning policies** are therefore becoming an emerging topic for cooperation for these local authorities. A better knowledge of their territory, the anticipation of urban developments and the installation of future infrastructure are gradually becoming essential components of cooperation policies, thus strengthening the position of local elected representatives as decision-makers vis-à-vis the Government and financial partners. But these regulatory strategies require a public control over land, which fits in very badly with certain private speculative approaches.

16. Vermicomposting is an ecological process which allows organic matter to be transformed into fertilizer by earthworms.

OUAGADOUGOU

The decentralized cooperation between the city of Ouagadougou and Lyon (municipality and urban community) was initiated in the 1990s for technical and rather short-term purposes (street cleaning, light-signaling, municipal garage). In 2000, new topics were added promoting medium- to long-term reflection with, initially, the preparation of an Agenda 21. Burkina Faso's first land use plan is currently being designed and an urban mobility strategy is being prepared. Triangular work between local authorities in the South, North and donors (Agence Française de Développement, European Union) has been conducted on all these topics, which has both strengthened the capacities of the municipal services (technicians and elected representatives) and identified and implemented strategic urban infrastructure projects, such as road systems and a central market.

These case studies provide both examples and analytical tools, as they demonstrate that moving from "the urgent obligation" to guarantee access to basic services for all to operational implementation involves proactive governance systems, such as those set out by the International Guidelines.



Lamkensa. Lydec Ingrid Pechell

Sorting plastic materials by a women's association in Ouagadougou. Grand Lyon Déchets

chapter 4

Recommendations for an effective implementation of the International Guidelines in the field

In conclusion, the PFVT working group proposes some recommendations based on its recent experiences of cooperation with stakeholders in partner countries in the basic services sector. The aim is to contribute to the implementation of the principles of the International Guidelines.

These recommendations are consistent with the core principles of the International Guidelines. They emphasize certain issues and prerequisites identified in French cooperation projects as major – and sometimes essential – elements to provide a framework conducive to the extension of access to services for all, an improvement in service management systems and a strengthening of local authorities' capacities.

1 - VISIBILITY OF THE TERRITORY

The effective implementation of the principles of the International Guidelines, as well as the strategic urban planning approach (and in synergy with it), begins with a diagnostic of the territory, which takes account of and exploits demographic, social, economic and environmental data. The concerted construction of a vision for the future of the territory is launched on the basis of this diagnostic and is supported by a prospective analysis of the needs and challenges.

An urban database can thus be built and, in particular, ensures that demographic, social and environmental data is collected. While the project to extend services concerns poor communities, it is recommended to conduct a detailed analysis of the living conditions and socioeconomic profiles of these communities.

However, the International Guidelines have helped highlight the importance of institutional and governance conditions upstream, which constitute the matrix for national and territorial strategies for the social and spatial extension of basic services. Yet beyond the extension and widespread implementation of basic services, the International Guidelines encompass and link together systemic questions as they refer to factors that will trigger, strengthen and operationalize national strategies for access to basic services.

2 - PROGRESSIVE MOVE TOWARDS APPROPRIATE DECENTRALIZATION

The current transition towards decentralization would appear to be irreversible. Its efficiency can only be legitimized and appropriate by being attentive to the existing social dynamics rather than imposing social engineering plans. In order to improve access to basic services for all, it is advisable to support this transition, whereas its implementation sometimes remains at an incomplete stage. One of the drivers is to strengthen complementarity between devolved and decentralized entities. The latter can adopt a "common learning" approach to how to exercise territorial power.

3 - POLITICAL WILL AND DEMOCRATIC PARTICIPATION

At the national level, political will provides the basis for national and territorial strategies for access to basic services. It can guarantee the achievement of development and equity objectives by accepting to develop the social contract. Public decision-making can thus orient urban and territorial development towards greater social inclusion and the financial resources made available for the extension of services by sharing national wealth. Participation in all its forms is a vector for speeding up or even triggering public decision-making.

4 - FROM "PROJECT-BASED" URBAN PLANNING TO THE CONSTRUCTION OF AN URBAN CONTRACTING AUTHORITY IN THE CONTEXT OF STRATEGIC URBAN PLANNING

At the level of the territories where urbanization is taking place, inter-sectoral and inter-institutional cross-over would today appear to be the corollary of strategies to extend basic services and provide widespread coverage. Their many interactions, both on the service supply and demand side, and their technical and financial complementarities, make it necessary to move towards a coordination and synchronization of the sectoral approaches to these services. The order in which these services are introduced can be controlled and planned. Consequently, network extension operations are designed in an integrated manner based on the plans established by administrative, financial and social decision-making. Support is also provided following the implementation of the service in order to ensure that the households in question sustainably take ownership of it.

5 - TAKE ACCOUNT OF REAL URBAN DYNAMICS

Urban services often remain restricted to the dense city area. Yet urbanization has spread, and is continuing to spread, beyond these areas into peri-urban rural territories. These new areas that are currently being urbanized are often poorly controlled and subject to emergency and catching up processes. The peripheral urban ring should be placed in the central position so that it moves towards a rationale of "urbanity", i.e. a pooling of goods and services. Strategic urban planning and political and institutional intervention on the interface where the city is created are the only way to lay the foundations for a sustainable urban fabric. Contracting authority for urban and especially peri-urban territories is becoming highly strategic.

6 - FROM A PREDATORY CONURBATION TO A TOWN-CITY

Rent logics that thrive at the heart of uncontrolled urbanization are not consistent with the collective project to extend networks and provide widespread access to services; they are thus at odds with the need for a transformation into a regulated and more balanced sustainable city. The competition between territories, social impatience and environmental debt which are developing imply a need for reflection on the economic limits of practices that do not respect financial, social and environmental balances. An approach in terms of full costs (rather than apparent market costs) would reflect the scale of hidden costs generated by an inadequate coordination of opposing rationales.

The plasticity of the social contract towards greater equity depends on the pace at which practices develop towards sustainable local development. In this respect, local authorities have the crucial role of defining and implementing a territorial strategy in pursuit of the general interest.