

HOW CAN THE PRIVATE SECTOR HELP PROVIDE ACCESS TO DRINKING WATER IN DEVELOPING COUNTRIES?

The Institut de la gestion déléguée (IGD) is a corporate foundation that promotes improvement in public service quality, particularly in cases of delegated management. Jean-Marie Tétard, from this research institute, makes the same analysis as the major private operators: one of the main reasons why PPPs fail is the lack of comprehension and communication among parties. By explaining how "Quadrilogues" – an original platform for four-party dialogue formalized by IGD – operate, he presents solutions that can make up for these shortfalls and shows how they can give legitimacy to private sector intervention.

# The Interest of Multiplayer Dialogue for Public Service Operators

*IGD has designed the concept of Quadrilogues – four-party dialogues – based on the observation that the success of public-private partnerships depends on the various stakeholders' capacity to dialogue. They provide an original setting for consultation among players involved in the management of public services – particularly in the water sector – and promote and structure their exchanges. Operators play a key role in the Quadrilogues in terms of informing and interpellating, and they also act as a safeguard. In doing so, they clearly contribute to giving the entire private sector legitimacy to manage essential services.*

**By Jean-Marie Tétard, Advisor to the Chairman of the Institut de la gestion déléguée**

For the past three years, the Institut de la Gestion Déléguée (IGD) has been working with associations of locally-elected representatives in Benin and Togo<sup>1</sup> in order to help them implement and lead multiplayer dialogue platforms.

These platforms gather four main players (Quadrilogue: a four-party dialogue) that work in the field of public service management<sup>2</sup>: State services, local authorities, operators – generally public, but also private and non-governmental – and people's representatives: consumer and neighborhood associations, religious and traditional powers. Workers' unions are also generally invited: they are essential for giving impetus to processes for change.

These Quadrilogues have been inspired by over ten years' experience in France of the IGD in terms of bringing together all stakeholders, carrying out joint reflection and sharing public service regulation. The core engine for every initiative implemented in the framework of the Quadrilogues is consensus: the measures and proposals put forward must be fully accepted by all the participants.

When IGD offered to support associations of locally-elected representatives involved in decentralization processes underway in French-speaking Africa, its aim was to share this experience with other countries, particularly developing countries. Decentralization is indeed a key moment for overhauling the way governance operates in essential services – in water management for example. Indeed, the analysis of difficulties encountered in these countries cannot simply involve pointing up the lack of financing: players' practices, the action framework in which they interact, and the values

and principles that guide them must also be questioned. To be justified in the eyes of populations, decentralization must correspond to a marked improvement in their living conditions and, particularly, their access to basic services. This cannot be achieved without first recognizing the deficiencies of the former governance and using them to seek ways to "do things differently".

If a creative process is to be engaged upon, all the players need to speak to each other – and all together. The Quadrilogue must allow them to make a common diagnosis of the situation, express their expectations, their needs and respective constraints, so that they can finally build a "shared vision" of issues and opportunities. From this dialogue, suitable and realistic conditions emerge for the implementation of a common strategy to improve access to essential services.

## Role to inform and question

In both Benin and Togo, the Quadrilogues naturally give rise to the question – among others – of service tariffs: why are they the same for every one? Are they affordable, accepted? How are they calculated, what is their cost structure? Dialogue makes it possible to compare different rationalities (political, social, economic, environmental) until a compromise is reached that is acceptable to everyone, because it is explicit and validated within the framework of a process of collective intelligence. For example, the principle whereby "everyone has a right to a level of service at an affordable price" is accepted if one is willing to consider that the service may be different depending on the cases, differentiated by the technical methods used: collective water points, sale from ...

<sup>1</sup> In Benin, the Quadrilogue process has been underway since May 2006 in collaboration with the Partnership for Municipal Development and the National Association of Benin's Municipalities. It initially covered all the essential services (water and sanitation, waste, energy, telecommunications and public transport) via a national approach. A subsidiary approach was specifically undertaken for drinking water supply and water sanitation services in partnership with the World Water Council. In Togo, the process began in 2007 in partnership with the Union of Togo's Municipalities. It took a global approach to all essential services and was also broken down to a sectoral basis for drinking water and sanitation. Local committees for essential services have been set up in the municipalities of Atakpamé, Sokodé and Aného.

<sup>2</sup> Drinking water and sanitation, household waste, energy, transport and telecommunication.

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... individual water points, individual domestic connections. If a household deems a service is too expensive it must have the possibility of choosing a less costly technology – but it must also accept that it will no longer be getting the same service.

In this context, the “private sector” is often represented by public operators or NGOs that are driven by “market” logic when they provide a service. When the dialogues are initiated, these operators regularly find themselves in the dock: they are responsible for providing services – and consequently to blame for deficiencies. This debate is completely relevant and must be fully dealt with during a Quadrilogue: it will allow a number of taboos or unspoken resentments to be exorcized, there will be no more impugning of motives and, finally, it will be possible to make headway in the collective understanding of essential services. It is therefore essential for operators to play the game in this dialogue, even if it may be uncomfortable at the beginning: no credible prospects for improvement will come about without their participation and cooperation.

Operators play a key role in these Quadrilogues because they represent the “materiality” of services: pipes and the cost of pipes, staff and the cost of salaries, technologies and the cost of patents, financial resources and the cost of financing. These are the material and economic data they will strive to place – through dialogue – at the heart of the vision that the other players have built of these services, as overriding realities that will have to link up with the other terms of the equation.

During the diagnosis phase operators make a twofold contribution. They first inform the other stakeholders of the exact situation of the servic-

es they provide, they give detailed facts and figures that allow them to describe their activity and present their operating methods. It is quite common to observe the ignorance – or very sketchy knowledge – of the users and local communities in terms of the operators’ actual activity. It is consequently extremely important to devote the time required to explain and straighten out the initial premises. Their role also consists in questioning the other actors on their own responsibilities. Admittedly, operators intervene at the end of the chain, but much of their effectiveness depends on the regulatory framework that has been set for them, the resources they are allocated and related activities that they are not responsible for: unheld promises of matching grants, inappropriate tariff-setting by the government, bills unpaid by well-off users, road works that damage their infrastructure, they cannot give a capacity to pay to populations that are unable to pay. This is a decisive moment in the debate as it helps bring out a systemic representation of the governance of services in everyone’s minds and the idea of shared responsibility. No single person is to blame – and no single person has all the solutions; practices must be overhauled together.

## Safeguard role

During the second phase, which leads to a stabilized shared vision of services, operators generally act as a safeguard. Once the diagnosis phase is over, they gain the respect of the other players: the safeguard is the one who dampens fervor and keeps enthusiasm in check, because he is the one who can “present the bill”. He is recognized in the dialogue as being the representative of the “real economy”. This role is, however, positively offset by the other players, because if the operators become prescribers of what is economically acceptable, the other participants clearly assume their responsibilities and say what is politically, socially, and (more rarely) environmentally acceptable. ...



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... The role played by the Quadrilogue, by creating a balance between the different logics, can consequently be clearly seen: each player is legitimate in his role, and is aware of his responsibilities and the constraints of the others. The conditions are then met to seek a compromise that will provide the best response to all expectations.

## The Quadrilogue, a platform to legitimize the private sector?

In both Benin and Togo, the participation of the “real” private sector in the provision of essential services is still in its infancy. The priority is to improve the collective comprehension of economic mechanisms and integrate them into realistic social, political and environmental strategies that are pragmatic in terms of local situations. It is eventually - without being an objective in itself - a question of creating favorable conditions that will allow the private sector, with all its specificities and with a well-defined role accepted by all, to contribute to improving essential services.

The Benin and Togo Quadrilogues gather players with real responsibilities that are recognized for their benefits. They have consequently made a twofold contribution to giving legitimacy to the private sector in these countries. The historical operators who then take the floor (even if they are public) first do so from an economic point of view; they gradually build up the market logic of services in the minds of the other partners in the dialogue. Moreover, some associations that are similar to an entrepreneurial model (water vendors, waste collectors, small-scale urban transporters) are accepted around the table as being essential players, even if they have no official responsibility, little economic weight and a legitimacy that is sometimes challenged by regulations – in cases where the historical operator has a legal monopoly. By taking the floor during these Quadrilogues, these players raise the awareness of the various partners to the economic and financial constraints that are inherent, for example, to water management. They consequently play an important educational role and help avoid “public-private” quarrels – a luxury that these countries surely still cannot afford. ●