



BACKGROUND NOTE

Cities: collectively addressing the need for basic services

Creating sustainable cities corresponds first and foremost to the successful integration of areas, infrastructure and financing systems to support a shared project. This collective dimension is seen particularly in basic services (water, sanitation, energy, transport), as these are network services, connecting and associating people and neighbourhoods, from both a technical and political point of view. More than ever, ensuring their sustainability in a context of a highly urbanised population implies reasserting this collective dimension and exploring the technical, financial and governance conditions that must be met in order to implement it.

1. CONTEXT

The provision of basic services (water, sanitation, energy, transport) links Sustainable Development Goals (SDGs) N°6 and N°7 on water and sanitation and energy, N°10 on reducing inequalities and N°11 on cities that are “inclusive, safe, resilient and sustainable”. The articulation of these goals is central to this session: urban services are considered as tools for public urban action, and as drivers of political cohesion, social inclusion and environmental sustainability. Ensuring recognition and a sustainable trajectory for informal settlements,¹ for example, implies equipping them with services. Infrastructure networks, beyond their role as a material support for service delivery, serve as a system of financial equalisation between users and as a symbol of integration for people hoping to become part of the city community.

Beyond its administrative boundaries, the city is defined by the sharing of spaces and collective infrastructure and by the coherent operation of its different components, including services. The negative and positive externalities of these systems (network effects and economies of scale, pollution, territorial attractiveness, redistribution by tariffs) are fundamental and must be organised sustainably for the benefit of all.

However, the effectiveness of the Western model involving the centralised provision of unified services in shared networks is challenged in contexts of rapid urbanisation and inadequate capacity in the public authorities. Faced with deficient collective services,

people living in poor, unconnected settlements turn to more or less formal private operators, at a price higher than the public tariff, whereas the more affluent residents can opt for individual solutions (garden wells) or community solutions (gated communities with their own generator, individual or private transport) that are more satisfactory than a deficient collective service. This threatens the technical and economic equilibrium and viability of the public network for the whole city.

Although this coexistence of different means of access theoretically contradicts the principle of a collective service, the challenge is nevertheless to ensure their collective, inclusive regulation. This should help to avoid socially unequal and financially imbalanced services, to manage resource monopolies (water), environmental externalities (energy) or the sharing of public spaces (transport), and to ensure coherence with territorial dynamics. This session reasserts the role of cities as a guarantor of and place for the deployment of these collective goods, and seeks to identify the means of ensuring sustainable, inclusive access to them.

2. ISSUES/SOLUTIONS

◇ *Balance and redistribution for financing*

Service networks require substantial initial investment, as well as cost recovery mechanisms that guarantee their operation, maintenance and extension. The scope for defining these mechanisms depends on technological choices, but also on organisational and financial configurations. It is therefore important to convince all city stakeholders of the merits of collectively financing these services.

The OECD 3Ts model (tariffs, taxes, transfers), for example, makes redistribution and solidarity a central component of the collective financing of services. However, several combinations are possible: cross subsidisation between different types of consumers (industrial/commercial/domestic), levels of consumption (progressive billing), services (energy/water/sanitation), and territories (national equalisation). How and at what level should solidarity be achieved between different users?

◇ *Uniform design and differentiated access*

The technical model of the centralised network is supposed to benefit all users equally, and to be more effi-

1. “These [informal] settlements suffer the principal infrastructure and service deficits, since the public authorities oppose their connexion in order to control in vain their extension” (Barbier et al., 2007).

cient and profitable than a multitude of independent solutions. However, decentralised systems can be more adapted to difficult urban situations and/or to environmental and participatory requirements (off-grid solar networks, autonomous community water networks, toilets that separate solid and liquid waste, greywater and blackwater, bikes²). Paradoxically, decentralised solutions promoted as innovative alternatives in the industrialised countries may be criticised as “sub-networks” reserved for the poor in developing cities, and meet with reluctance from engineers, local population and the public authorities.

The tension between uniformity of access and the adaptation of delivery raises the question of discrimination: can diversifying service provision increase socio-spatial fragmentation and exclusion? Or, on the contrary, is it a way of adapting supply to a diverse urban society, where an approach based on equity is more pragmatic than one based on equality? How can we build a collective object that no longer consists of a single network, but rather of a multiplicity of possible configurations?

◇ *Multi-stakeholder management and governance*

In terms of financing, management and planning, the collective organisation of networks challenges the vision of the city and its governance. In the 1990s, the liberalisation of urban services established public-private partnerships; it now appears that their results depend largely on local political economy. The collective management of services is based on different demand and offer stakeholders: private companies, public operators, but also regulators (state, municipalities), civil society, donors, and users, etc.

Rather than choosing an ideal management practice (public/private), the goal is to create a coherent, collective governance of the different functions: construction, operation, maintenance, regulation, uses, financing, planning, etc. The modalities of these collective arrangements (goals, institutions, contracts) will determine the long-term conditions for access to services and their technical and economic viability. Co-construction is therefore decisive in terms of balancing interests and involving all stakeholders.

What are the guidelines defined by governments and the roles attributed to operators, regulators and users? If it falls to the public authorities to lead an inclusive and equitable policy project for the future of cities and their services, how can a concerted discourse be developed with the other stakeholders?

3. OBJECTIVES OF THE SESSION/QUESTIONS

- What are the main obstacles and potential solutions for the collective management of basic services?
- Does equal access to services mean the same service for everyone? With the diversification of service provision, how can equity be guaranteed? How can solidarity systems and collective management be guaranteed?
- What can be done to adapt to the different capacities and aspirations of residents and to convince them to join a collective system?
- Which actors should be mobilised to lead this debate?
- Could new services (mobile telephony) be integrated in this collective framework?
- Do the SDGs and the fight against climate change provide a strategic framework for action?

2. A symbol of poverty or of modernity?

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