Service to the poor in megacities of developing countries: how to combine efficiency and equity?

Lise BREUIL, breuil@engref.fr
Christelle PEZON, pezon@engref.fr
Laboratory for Water and Sewerage Management (GEA), ENGREF, 648 rue Jean-François Breton, BP 44494
34093 Montpellier Cedex 5 - FRANCE

Preliminary version

Abstract
Explosive urbanisation in developing countries during the last thirty years led to a crisis of water services in big cities, which can not meet population increase and fail to supply water to up to 30% of the population. In this paper, we assume that the organisation of water services can be characterised by three key dimensions of governance: the mechanisms of coordination that regulate interdependence between stakeholders, the processes of adhesion of all stakeholders to the model, and the incentives provided in order to achieve objectives. We propose a three-dimensional analysis of the water reforms undertaken during the last 30 years and a new model based on public-private partnership, that could fit risky environment and reconcile efficiency with equity. The model is illustrated thanks to a Brazilian case study.

Key Words
Water services; public-private partnership; developing countries; governance; regulation; incentives.