

This article was downloaded by: [Oxfam UK]

On: 16 July 2012, At: 06:43

Publisher: Routledge

Informa Ltd Registered in England and Wales Registered Number: 1072954 Registered office: Mortimer House, 37-41 Mortimer Street, London W1T 3JH, UK



Development in Practice

Publication details, including instructions for authors and subscription information:

<http://www.tandfonline.com/loi/cdip20>

Public-private partnership (PPP) and water-supply provision in urban Africa: The experience of Congo-Brazzaville

Gabriel Tati ^a

^a Department of Statistics, University of the Western Cape, Private Bag X17, Bellville, 7535, South Africa E-mail:

Version of record first published: 19 Jan 2007

To cite this article: Gabriel Tati (2005): Public-private partnership (PPP) and water-supply provision in urban Africa: The experience of Congo-Brazzaville, *Development in Practice*, 15:3-4, 316-324

To link to this article: <http://dx.doi.org/10.1080/09614520500076068>

PLEASE SCROLL DOWN FOR ARTICLE

Full terms and conditions of use: <http://www.tandfonline.com/page/terms-and-conditions>

This article may be used for research, teaching, and private study purposes. Any substantial or systematic reproduction, redistribution, reselling, loan, sub-licensing, systematic supply, or distribution in any form to anyone is expressly forbidden.

The publisher does not give any warranty express or implied or make any representation that the contents will be complete or accurate or up to date. The accuracy of any instructions, formulae, and drug doses should be independently verified with primary sources. The publisher shall not be liable for any loss, actions, claims, proceedings, demand, or costs or damages whatsoever or howsoever caused arising directly or indirectly in connection with or arising out of the use of this material.

Public–private partnership (PPP) and water-supply provision in urban Africa: the experience of Congo-Brazzaville

Gabriel Tati

This paper addresses the introduction of a public–private partnership (PPP) for water provision in urban Congo. It describes the organisational context before and after PPP and discusses the various outcomes of the partnership, both positive and negative. Despite some promising early results, the PPP arrangements did not develop as planned and the private enterprises ran into financial problems. The role of the political environment in compromising the potential benefits of PPP was important, and the article closes with some policy recommendations in light of Congo's ongoing negotiations with the international financial institutions to secure their assistance for new economic reforms.

Introduction

This article discusses the dynamics of a public–private partnership (PPP) in urban water supply with special reference to Congo-Brazzaville, and assesses how far PPPs are a viable policy instrument for addressing the inadequacies of state-owned enterprise (SOEs). In Congo, the partnership between an SOE and two private operators was established against a backdrop of major economic reforms. The article looks briefly at why the Government of Congo (GoC) considered privatising water-connection activities, examines some of the PPP arrangements that were applied in this case, and discusses the benefits and obstacles that arose. Finally, the article draws out some conditions under which private-sector participation in providing water services might be appropriate, and it suggests ways to improve PPP policies in the future. The paper is based on the author's research in Pointe-Noire between 1996 and 2001, which included in-depth interviews with representatives from the private-sector companies, several site visits, and informal interviews with customers.

Background to PPPs in Congo-Brazzaville

Despite the importance it has gained in the decentralisation agenda since the 1990s (Chavane 1998; Duchemin 1998; Ter-minassian 1997), the involvement of the private sector in the provision of water and sanitation through PPPs has received limited attention in studies investigating the performance of privatisation programmes. Most studies on the privatisation of utilities tend to focus on the full privatisation of SOEs (see, for example, Loftus and McDonald

2001; Megginson 1998; Megginson and Netter 2001). To date, the few case studies of national or local experimentation with PPPs have tended to be vague about what is really happening at the interface between the private service providers, the public sphere, and consumers. More importantly, socio-economic analyses of PPPs in sub-Saharan Africa have paid little attention to how private providers can handle risk and demand in a way that generates sustainable profits.

The idea of PPPs has been the subject of heated discussions in the context of the institutional changes accompanying economic reforms in Africa. National governments are increasingly relying on private-sector involvement in the provision of urban services through the partial decentralisation of utilities. This approach received a boost from the 2002 World Summit on Sustainable Development commitment to facilitate access to drinking water to millions of poor households currently without such provision. The water industry is one of the utilities at the heart of private-sector participation in the delivery of public services throughout Africa today. PPPs offer an alternative to full privatisation, in that government and private companies assume co-responsibility and co-partnership for the delivery of services. PPPs are assumed to combine the advantages of the dynamism, access to finance, knowledge of technologies, and the managerial and entrepreneurial spirit of the private sector with the social responsibility, environmental awareness, local knowledge, and job-creation concerns of the public sector (Thavisin 2000). PPPs have already been widely adopted in many Asian countries (see TUGI 2000 for a compilation of their experiences). However, the PPP approach is still the subject of contentious development debates, in part because of the lack of hard evidence about its benefits (Fourie and Burger 2000). Another concern relates to the implementation problems associated with this type of service-delivery arrangement. Discussions on these issues are particularly heated in countries that have a long history of highly centralised services, but that eventually have had to adopt this policy, including Congo-Brazzaville.

The long path to the privatisation of water services in Congo-Brazzaville

From its independence in 1960 until 1989, public services in Congo were a state monopoly, in line with the 'scientific socialism' promoted by the former Soviet Union during the Cold War. Thus, planning in relation to water supply in Congo was supply oriented and solely in the hands of the state, and focused largely on technical aspects. As in many other developing countries (Rondinelli and Kasarda 1993), this approach failed to deliver the necessary services and resulted in some de facto private-sector participation in order to complement or even substitute for the inadequate supply. The de-monopolisation of public services under structural adjustment paved the way for the private sector to take on a demand orientation with a focus on consumers' needs and their willingness to pay for the full costs of the services provided within a competitive market. PPP was incorporated into the urban water-supply policy framework through arrangements established between the *Société Nationale de Distribution d'Eau* (SNDE) (National Company for Water Distribution) and two local companies. This pilot experiment with PPP came into force at a time when macro-economic reforms (stabilisation) were still being consolidated, and the arrangements (including the transfer of risk) and regulatory system needed to monitor the PPP were never properly institutionalised.

The distribution of water for both domestic and non-domestic uses across the country remained a state monopoly until the second attempt to implement economic reforms in Congo-Brazzaville. Established soon after independence, SNDE, like many other SOEs, experienced chronic budget deficits and relied on government subsidies to keep it from bankruptcy. High running costs, in part due to a large workforce and an inefficient commercial strategy, undermined efforts by public authorities to address its poor performance.

The commitment to subsidise SNDE with public funds was justified by its being a major asset in the political economy and a vital component of the government propaganda inspired by scientific socialism. Water and electricity distribution alone accounted for 8 per cent of all SOE employees. Jobs remained relatively stable and in fact increased slightly over the period 1984–1987, before the first structural adjustment programme (SAP). The GoC did make attempts to limit the number of employees in public utilities, particularly during the second SAP, but for several years the SOEs responsible for water and electricity distribution continued to benefit from substantial government subsidies. Indeed, it was the level of public subsidies to these two companies that made their privatisation such a priority. However, the privatisation process was constantly delayed owing to endless discussions among the GoC, trade unions, and donors. Strong union resistance to privatisation because of fears of job losses, and the GoC's fear of losing an important propaganda asset, were the major causes of delay (Tati 1997). Before 2001, the practicalities for privatising the *Société Nationale d'Electricité* (SNE) (National Electrical Company) got no further than technical documents.

The way in which the situation at SNDE evolved followed a pattern that has some relevance to the debate over the privatisation of SOEs. During the first SAP, a review conducted by the Department of the Economy found that SNDE's turnover was stable, but that the company lacked any kind of market-driven strategy to expand its customer base. Furthermore, despite the rapidly growing demand for water in the urban areas, the number of new connections rose extremely slowly, especially in peri-urban areas. This was particularly disappointing given the potential for new connections offered by the newly operational Djiri dam.

Customer growth was significantly less than it should have been, while the inadequate service was a source of intense dissatisfaction among potential customers. The bureaucratic application procedures for a new connection also dissuaded many households from even trying. The processing of applications by SNDE was so slow that many applicants had the impression that nothing was happening. Some applications remained unprocessed for several years even though the would-be subscribers had made advance payments. As unprocessed dossiers continued to pile up, it became difficult to make even two new connections a year. The system had become critically dysfunctional. The general deterioration of the water system and the lack of spare parts needed to repair ageing equipment and pipes contributed to SNDE's inefficiency, and applicants for the service became increasingly annoyed. As has been observed in many other cases of public-sector service delivery, corrupt practices gradually assumed more importance in dealing with applications. Many people eventually resorted to personal contacts or bribes (known as *Madesso y bana*, or 'beans to feed kids at home') to get the service provided, or, more often than not, simply to ensure that their dossier received some attention from the department in charge of processing it. At every stage in the process, a bribe was frequently required to move the dossier along.

Such practices became so deeply embedded that SNDE was eventually barely able even to process more than six dossiers a year. This extensive corruption in the handling of applications and the billing of customers seriously tarnished the company's image. The routine use of corrupt practices provided an important source of additional income for certain opportunistic employees. Naturally, the cumulative effect of such malpractices undermined SNDE's overall performance. But although this institutionalised embezzlement significantly eroded the company's connection revenues, the only ones to benefit were those employees who were in some way involved in the network of bribery. SNDE was in chronic deficit and productivity was very low. This poor performance motivated the GoC to privatise the subscription department as part of the company's internal restructuring, in accordance with SAP macro-economic reforms. From the standpoint of SNDE's board of management, this partial privatisation was a major concession, given the strong resistance to it. For those involved in

corruption, privatisation represented a real threat to the income they could obtain through bribery. However, across the board most employees were hostile to any form of privatisation, which they feared would open SNDE up to wider private ownership that could affect the whole structure and threaten jobs. It was felt that the privatisation of the subscription department heralded worse to come. Indeed, this partial privatisation was perceived as concluding the debate between the government and the trade unions on whether to privatise the whole company.

It is clear, however, that the subscription and water connection department needed radical change, and neither the management nor the unions could come up with a viable alternative to its privatisation. An audit process set up by the pro-privatisation government of the day presented it as the healthiest option for the company. In the end, it was agreed that there would be no further privatisation of any kind, and that the retrenched staff would be redeployed within SNDE. The attitudes of employees I spoke to during the course of my own research could be summarised as: 'We have agreed to allow private operators to establish water connections as long as this does not affect the workers' overall status or [or lead to] lay-offs among staff who were working in that department'. Thus, public-sector workers were more cooperative about accepting the privatisation of the management functions than about making concessions about the status of the enterprise itself. In other words, as has been underscored in most SOE privatisation schemes, provided the demands on the management side did not entail job losses, privatisation was an acceptable option from the standpoint of employees.

PPP at work: actors, marketing strategies, and operational sustainability

Following the decision to privatise the activities of the connection department, two enterprises, a general construction company, GETRAB (*La Général des Travaux de Bâtiments*), and a technical construction company, SCT (*Société Construction Technique*), applied to take these over. The tendering procedure was not made public as no official announcement was made in the local press. The bidding process was not competitive, nor was it transparent, as no regulatory body was in place to provide guidance on how water should be supplied.

The case of GETRAB

GETRAB, owned by a Congolese national, was the first private company to start connecting households to the existing water network, though this represented only one of its wide-ranging activities. GETRAB made considerable investments to set up three customer service offices in Pointe-Noire. Its initial target was encapsulated in the slogan '10,000 connections operation', half in Brazzaville, the capital, and half in Pointe-Noire. To achieve this goal, GETRAB made arrangements with SNDE allowing it to use the infrastructure that the SOE had already built for connecting the households and businesses applying for water.

This arrangement did not, however, cover the maintenance of the existing network or its extension to new customers. In other words, GETRAB merely simplified the bureaucratic procedures from the initial application to the completion of the connection. The administrative and technical procedures were monitored by GETRAB, namely gathering everything needed for the dossier, connecting water pipes and taps, assessing the technical feasibility of the connection, etc. Applicants had the option of purchasing their own building material from local retailers, but in practice this was not particularly attractive since it required a great deal of knowledge about the technical specifications of the material needed for this type of operation. To address this,

GETRAB also took on works relating to pipe laying and developing overall plans of the network in the area where a plot had to be serviced. According to the supervisor I interviewed, all the building works met the appropriate technical standards for this kind of water connection.

With respect to connection costs, the lowest fee was set at 250,000 FCFA (approximately US\$355 at the 1995–2000 exchange rate, with per capita GDP standing at about US\$870). Customers were requested to make an advance payment of 175,000 FCFA on submitting the application, with the balance to be paid within one month following successful completion. There was, however, a major technical obstacle to achieving the ‘10,000 connections operation’, namely that there were no water meters available, without which it was not possible to bill customers according to their water consumption. SNDE had faced the same problem, which had arisen from its failure to keep track of how many meters were in stock as stipulated in its contract with the supplier in France. As unpaid orders accumulated, the French company stopped supplying water meters to SNDE.

To address this situation, GETRAB instituted a ‘by-pass’ arrangement with the customers, connecting their plot to the network despite the lack of a water meter but demanding instead a fixed-rate payment of 11,437 FCFA for the first two months, regardless of the volume of water consumed. Thereafter, the monthly fee went up to 12,700 FCFA. The monitoring of water consumption was undertaken by SNDE, which also sent out the bills and received the fees directly—the SNDE board had not been willing to relinquish this activity. GETRAB was not liable either for maintaining the network or for collecting monthly fees. As we shall see, this aspect of the PPP arrangements was to prove problematic for both SNDE and GETRAB.

The financial arrangement between these two operators was that, of the connection fee paid to GETRAB by each new customer, 15,000 FCFA was put aside for SNDE. Although not clearly justified, this deduction could be interpreted as a fee levied by SNDE for every connection made. It should be noted here that the partial privatisation did not curtail SNDE’s power to monitor the implementation of the ‘10,000 connections operation’. The two companies agreed to handle new applications in a collaborative manner. An SNDE employee was allocated to each of the three sites where GETRAB was in charge of establishing water connections; and I was able to observe that in each case the SNDE representative held the position of cashier. This division of tasks defied any straightforward interpretation. Some saw it as a way to ensure a degree of transparency in the transactions with customers. To others, it served to ensure that the levying arrangement was handled properly. Collaboration with SNDE also included identifying the locality of the customer within the existing network. In addition, technical checks were made by SNDE concerning the quality of connections—though such checks were infrequent, according to the GETRAB supervisor I interviewed. The technicians working with GETRAB therefore had to rely on their own know-how to connect the water supply.

GETRAB operated only in the zones already covered by the network, and no major technical problems were encountered in this regard. The peri-urban areas were not covered by GETRAB, nor did the company respond to demands from residential areas without access to the network. Consequently, many districts, especially in the peri-urban areas in which vast numbers of poor households live, were not covered by GETRAB. Criticism of the privatisation of utilities has been fuelled by examples of profit-driven approaches that ignore social needs. However, it is important to assess the situation in relation to the scale of investment required to extend the water infrastructure network. GETRAB, with its limited financial and technological capacity, was not in a position to provide this. In several countries where PPPs have been promoted, too little attention has been paid to the limitations of such ventures, and to the tasks the private partner is really able to undertake. This issue will be revisited in the final section of this paper.

The effects of the PPP in the water-connection operation

Once under private management, the water-connection process became noticeably faster and performance also improved in other ways. Statistics provided by one GETRAB supervisor revealed that by 1998 the company had managed to connect 3411 consumers to the network in Pointe-Noire, representing 68 per cent of the target. As for the capital, the figure was about 2000 out of the target of 5000 connections. At first glance, this looks quite encouraging. But this result needs to be viewed from two angles: on the one hand, the abysmal performance observed under SNDE management, and, on the other, GETRAB's policy of insisting on advance payments from customers as a condition of connecting the supply.

On the positive side, the average number of connections rose to 11 per day; set against the average of one connection per day under SNDE, GETRAB's performance was really outstanding. In addition, the interval between the submission of an application to SNDE and the establishment of a water connection was between six months (on paper) to at least two years, while GETRAB took 48 hours at the most. The difference in turnaround was highly praised as a sign of good service.

One important issue in assessing the efficiency of privatisation is job loss or job creation. As has already been stated, the partial privatisation of SNDE did not result in redundancies. In terms of job creation, however, the PPP resulted in only 15 permanent new jobs, though a varying number of temporary workers were recruited on a daily basis, depending on need. The permanent employees were charged with the technical supervision of connections, administration (including keeping records on the financial status of each customer), and public relations. Temporary workers were assigned to excavation works and linking up pipes. They were trained briefly on site, and consolidated their experience through repeating similar tasks. These workers, paid a daily rate of 1500 FCFA (about US\$2), represented what could be called 'floating' personnel. It was possible to graduate from temporary to permanent status, but this very seldom happened. By way of illustration, the supervisor I interviewed had started as a temporary worker. His qualifications as a technician in hydraulic mechanics (obtained in Latin America) were of no help in ensuring him a better starting position. Rather, he had risen to the status of supervisor largely on the basis of his family ties with the owner of the enterprise.

For all employees, industrial relations were characterised by a high degree of flexibility. Workers were not affiliated to any trade union, and the salary scales did not meet existing regulations on such matters. Workers were not covered by any form of social security provision, such as pension or family benefits, and there were very few career development opportunities. Taken together, these characteristics tended to place GETRAB on the borderline between informality and formality. Moreover, the lack of formal rules gave rise to deviant attitudes on the part of some employees, largely dictated by uncertainty as to their future in the enterprise and to the limited financial incentives derived from their job.

The case of SCT

The second partner in the PPP was SCT, and although its operations on the ground were not as smooth as GETRAB's, the two enterprises became involved in the water-supply experiment. SCT experienced some initial problems, related primarily to the company's commercial strategy of dealing with potential customers over a longer timeframe. Unlike its competitor, which focused on the network already established by SNDE, SCT tried to anticipate demand by moving to residential areas that were not served by that facility. SCT therefore embarked on massive investment—as much as several million FCFA, according to some sources—in a

vast project aimed at equipping peripheral residential zones with the basic water-supply infrastructure. In any zone in which new pipes were to be laid, the network was intentionally designed to follow the major roads or streets in the area. Some of the new zones were in fact old residential areas that had not been served by the existing network, in part because the municipality had classified them as slums or squatter settlements. Peripheral city wards, resulting from uncontrolled urban sprawl, were the zones targeted by SCT.

By anticipating the demand in peripheral zones, the enterprise became a key player in an activity that had hitherto been controlled by SNDE. While its strategy was socially justifiable, it also made SCT more vulnerable to problems of cost recovery. At 400,000 FCFA (about US\$571), SCT's connection fees were significantly higher than the 275,000 FCFA charged by GETRAB. The difference was justified by the need to recover the costs incurred in establishing the basic network, but for most residents such fees were beyond what they could readily afford. Consequently, there was little demand for connection to the SCT network, and the company therefore did not perform as well as expected. Several pipes had been installed without evidence of real demand from the local residents, and this eventually had a negative impact on SCT's finances. It was not surprising, therefore, that SCT had to admit publicly that it was losing money because it had committed itself to such a commercial strategy. One might question the rationale for anticipating demand from low-income residents. My own research identified what could be called the 'political environment of the enterprise' as one of the dominant factors; in other words, it was suggested that SCT was highly politicised in that its shareholders included prominent businessmen who were close to government circles. These same nationals were in partnership with some Italian businessmen in what could be seen as a joint-venture operation in water provision. Relations with key financial institutions, both national and international, helped this group of partners to mobilise significant funds, which is what enabled SCT to cover the costs associated with constructing a new water-supply network. What SCT had failed to predict was the level of demand, and simply assumed that residents would come forward in large numbers to apply for connection to the network. This assumption was to prove unfounded, despite its attractiveness both in social and marketing terms.

Recovering its investment costs was not the only major difficulty that SCT faced. During 1997–1999 the enterprise had to deal with several problems affecting its internal organisation. The first was the threat of dismantlement due to the withdrawal of its Italian partners, disappointed by the company's poor performance. Then there was a disagreement with the tax authorities concerning the non-payment of customs duties. Those who were close to the government were accustomed to not paying taxes on equipment imported from abroad. Government protection was used as an instrument for tax evasion. In the end, SCT's unpaid taxes had accumulated to such a point that the customs department threatened the company with impounding its equipment in order to enforce payment. The third problem related to the decision of one of SCT's partner companies, SERETEC (providing civil-engineering services), to operate on its own. SERETEC had been subcontracted by SCT as its operational arm. The company's poor performance motivated SERETEC to set up its own operation of connecting consumers to the existing water network in the same way GETRAB was doing. This resulted in intense rivalry between GETRAB and SERETEC. Both were able to complete connections in about the same amount of time, and provided a comparable quality of service in technical terms. From the consumers' standpoint, the differences between the two companies were of minor importance. Finally, SCT faced the problem regarding the SNDE levy of 15,000 FCFA on each connection, which was part of the institutional arrangement set out in the guidelines authorising any private enterprise to provide connection services. My own research suggested that SCT was not complying with the arrangement, which ran counter to its cost-recovery

concerns. The political involvement of the SCT management was another factor in this lack of compliance, as it weakened SNDE's power to enforce the levy. All these problems ultimately undermined SCT's viability, and its activities declined significantly.

Conclusion

The case studies reported in this article suggest that to achieve the shift from a supply-driven to a demand-led orientation in water supply, PPPs must take into account the economic and social impacts of diverse consumption patterns, and they must also assess consumers' needs. Being able to do this depends on a clear definition of roles and responsibilities and the recognition and mitigation of financial risks.

In the case of the PPP examined in this paper, risk transfer, supposedly the driver of efficiency and effectiveness, was barely present. Risk transfer is a key ingredient of a successful PPP, which depends on an appropriate emphasis on competition and the opportunity to contest a bid. Without actual or potential competition it will be difficult to make efficiency gains unless a competitive environment and the necessary discipline can be stimulated. The lack of attention to these three elements—risk transfer, competition, and contestability—eroded the PPP's capacity to respond to new urban situations and public needs in relation to water supply. In many of the areas covered, the delivery arrangement did not reveal true demand, as is clear from the inadequate provision resulting from selective delivery by the two profit-oriented enterprises. This exclusionary approach affected the poor in particular. In addition, the private companies failed to deliver services (i.e. make sufficient water connections), in many cases simply because residents lacked the financial means to translate their needs into a market demand.

The government failed to meet its responsibility to limit the possibility of bankruptcy and the discontinuity of service delivery by the two private-sector partners, which would have required frequent monitoring of their finances and activities. The available evidence does not allow us to determine whether at the time of considering the PPP bids the government evaluated the capital structure of the private operators in the context of the risk the project faced, nor exactly how it was financed.

Efficiency gains are unlikely when provision shifts from a government monopoly to a private-sector monopoly or tight oligopoly, as was the case with GETRAB. If a PPP arrangement places a private operator in a position of monopoly or near monopoly, there is significantly less incentive to be efficient. In this case, and in the absence of real competition, the PPP partners were weakly regulated, which in turn heightened the principal-agent problem.

Surprisingly, the possibility that profits would be less than expected did not spur the two operators to be more careful in estimating demand, monitoring product quality, minimising costs of production and sales, or ensuring managerial efficiency. One explanation may be in the way the risk transfer was incorporated in the companies' service-provision strategies. The importance of actual or potential competition in making sufficient risk transfer to a private operator has been underscored in the literature, especially in the privatisation of utilities. Competition in the form of options among suppliers and demand risk are crucial for ensuring discipline and efficiency. However, the PPP did not generate a reasonably assured demand for the water-connection service, which resulted in significantly reduced demand risk and efficiency. In economic terms, it would have been preferable to have quantified the demand, for example through appropriate market research, before embarking on the PPP. The high incidence of urban poverty also depressed the demand for water connection. Thus, right from the start, the PPP had to deal with difficulties engendered by the lack of reliable information about the demand for water connections, the lack of strong competition or a stimulated competitive

environment, public perceptions of the social importance of the service, and counter-productive relations with the regulating body. The combination of these difficulties fatally undermined the PPP. In addition, the partnership contract did not specify the terms of its duration, which was left to the private partners to determine. Under such conditions it is hardly surprising that the level of risk transfer was so low, since the supplier could cut the contract irrespective of its performance level. The whole purpose of the PPP was therefore defeated.

References

- Chavane, Bruno** (1998) 'Bilan et perspectives des privatisations en Afrique francophone: une étape de la démocratisation?', Working Paper IPPRED-1F, Geneva: ILO, available at www.ilo.org/public/french/employment/ent/papers/ippred1.htm (accessed 7 September 2004).
- Duchemin, Claude** (1998) 'Aspect sociaux des privatisations et restructurations: le cas des services d'intérêt général', Working Paper IPPRED-19, Geneva: ILO, available at www.ilo.org/public/french/employment/ent/papers/ippred19.htm (accessed 7 September 2004).
- Fourie, F. C. V. N. and P. Burger** (2000) 'An economic analysis and assessment of public–private partnerships', *South African Journal of Economics* 68(4):693–725.
- Loftus, J. A. and A. D. McDonald** (2001) 'Of liquid dreams: a political ecology of water privatization in Buenos Aires', *Environment & Urbanization* 13(2):179–199.
- Mani, Devyani** (2000) 'Investigating a demand orientation in water and sanitation delivery in emerging Indian metropolises', *Regional Development Studies* 6:19–41.
- Meggison, William L.** (1998) *The Impact of Privatisation*, Washington, DC: Center for International Private Enterprise.
- Meggison, William L. and J. M. Netter** (2001) 'From state to market: a survey of empirical studies on privatization', *Journal of Economic Literature* 39(2):321–389.
- Rondinelli, Dennis A. and John D. Kasarda** (1993) 'Privatization of urban services, shelter and infrastructure in developing countries: an overview of experience', in John D. Kasarda and Allan M. Parnell (eds.) *Third World Cities: Problems, Policies and Prospects*, Newbury Park, CA: Sage.
- Tati, Gabriel** (1997) *Système d'emploi et dynamique des reformes dans les secteurs public et Parapublic au Congo*, Report prepared for the CODESRIA Multinational Working Group on Labour Movement and Decision Making in Africa, Dakar: CODESRIA.
- Ter-minassian, Teresa** (1997) 'Decentralizing government', *Finance & Development* 34(3):36–39.
- Thavisin, Nathanon** (2000) 'A conceptual framework for public–private partnership and its applicability to local programmes for social progress in the Asian context', *Regional Development Dialogue* 21(2):98–106.
- The Urban Government Initiative (TUGI)** (2000) *Action for Better Cities*, Kepong, Malaysia: TUGI.

The author

Gabriel Tati is a Senior Lecturer in the Department of Statistics at the University of the Western Cape. Prior to that, he was a lecturer at the University of Swaziland and also a Research Associate with the School of Social Sciences at the University of the Witwatersrand. His research interests include public–private partnership in the provision of public services, urbanisation and local institutions in land–property development, and the relationship between African migrant entrepreneurship, ethnic networks, and the appropriation of space in urban contexts. Contact details: Department of Statistics, University of the Western Cape, Private Bag X17, Bellville 7535, South Africa. <gtati@uwc.ac.za>