

The creation of specialised support funds

In 2010, more than **60 local authorities and EPCIs applied the Oudin Law:**

- 30 syndicates, 16 of which made contributions of over €10 000
- 30 towns and cities, the main ones (those who made "Oudin" contributions over €10 000) being: Angers, Brest, Poitiers, Belfort, Chambéry, Evry, Cherbourg, Lanvollon-Plouha, Lyon, Nancy, Narbonne, Nantes, Reims, Limoges, Montreuil, Paris, Quimper, Seine-Eure, Plaine Commune.
- 1 Département (Seine-Saint-Denis)

The Oudin-Santini Law made it possible for the local authorities and EPCIs to create specialised support funds for water and sanitation, sometimes in collaboration with water and/or sanitation utilities. In 2010, the main specialised support funds were those created by:

- The SEDIF: annual fund of €1 500 000
- The Greater Lyon City Council (in collaboration with the utility companies Veolia Lyon and SDEI, and the participation of the Rhône Mediterranean and Corsica Water Agency): annual fund of €1 050 000
- The City of Paris: annual fund of €1 000 000
- Nantes Métropole (supports the decentralised cooperation actions of its member local authorities): annual fund of €150 000
- The Greater Nancy City Council: annual fund of €100 000
- The Bordeaux Urban Community (in collaboration with their utility company, Lyonnaise des Eaux): annual fund of €100 000

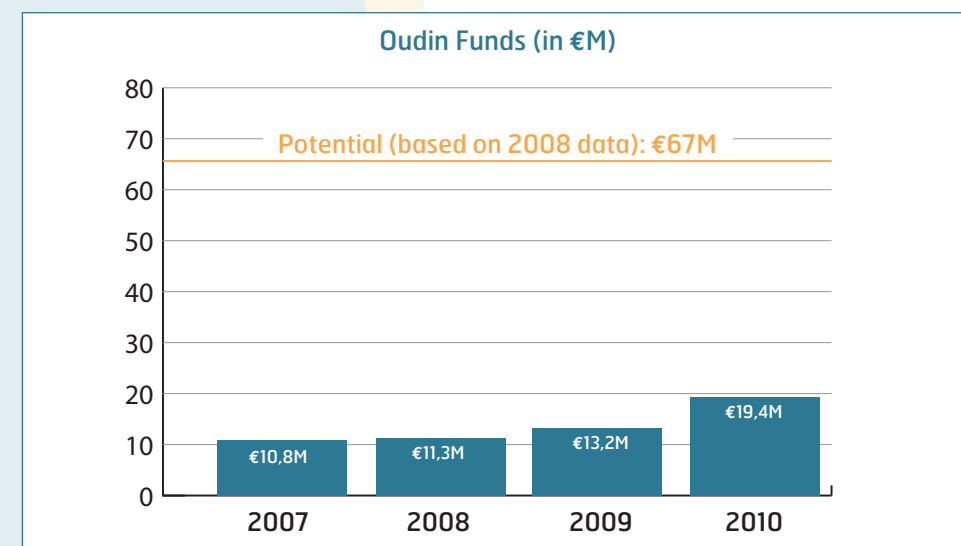
Significant potential to raise more funds

If the Oudin-Santini Law was fully applied by all stakeholders, €67 million could be raised per year : in 2010, **only one third of the potential of the Oudin Law was met**, with a higher rate of application by the water agencies than by local authorities and EPCIs:

- Water Agencies: €12.2 million raised in 2010 out of a potential €17 million⁵.
- Local authorities and EPCIs: €7.2 million raised in 2010 out of a potential of €50 million⁵.



This overview of international actions led by French local authorities and water agencies to improve access to water and sanitation in developing countries was made by the programme Solidarité Eau (pS-Eau) on behalf of the French Development Agency (AFD) and the working group on developing international cooperation in the field of water and sanitation.



For more information on decentralised cooperation for water and sanitation:

www.pseau.org/coopdec

Decentralised Cooperation in the Water and Sanitation Sector

February 2012



Overview 2010

⁵ Estimated according to 2008 data provided by the BIPE/FP2E report on public water and sanitation services in France. It refers to the funds that can be directly raised by local authorities, EPCIs and water agencies by taking 1% from their actual revenues, not from the share of the utilities.

French local authorities and water agencies are involved to varying degrees in promoting access to water and sanitation in developing countries. Their actions can be divided into two main types:

- **Financial support** for international development actions carried out by a third party,
- **Cooperation with a local authority** in the South, under a “decentralised cooperation” agreement in the context of a close, long-term partnership that facilitates the sharing of know-how and public service management support.

This overview covers:

- the **amounts contributed in 2010** by local authorities, EPCIs¹ and water agencies to improving water and sanitation in developing countries.
- the **projects carried out or supported in 2010** by these stakeholders. In 2010, almost 400 projects were underway².

Overall Financial Contributions

24 million Euros mobilised in 2010

The amounts accounted include both actual expenditure on actions as well as the value of the human resources dedicated to water and sanitation actions (provision of expertise, project monitoring and management).

Cooperation actions supported by local authorities and water agencies represented **a little more than €24 million in 2010**. This is equivalent to a contribution of almost **€0.40 per person per year** in France.

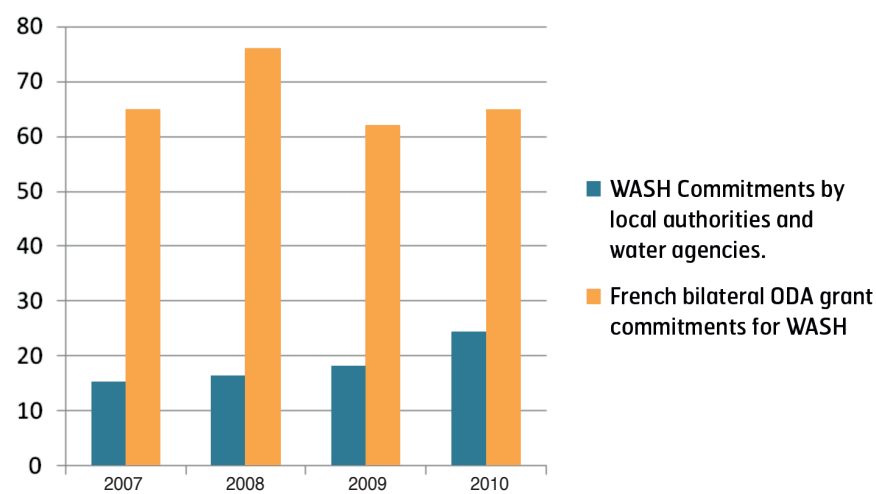
Contributions are on the rise

The funds raised by decentralised cooperation for water and sanitation are contributed solely in the form of grants and are quite significant when compared against the bilateral aid that France provides as grants (€62 million in grants in 2009)³.

Total contributions increased by 36% between 2009 and 2010 (contributions in 2009: €18.5 million). This rise corresponds to the **considerable increase in contributions made by the Water Agencies (+86%)**, while **contributions from local authorities and EPCIs remained stable (+6%)**.

The amounts have been increasing steadily since the Oudin-Santini Law was passed in 2005, contributions rising from €15 million in 2007 to €24 million in 2010.

Changes in WASH contributions by local authorities and water agencies and French bilateral aid for WASH from 2007 to 2010



1 EPCI: établissement public de coopération intercommunale, a public structure within which several local authorities can manage joint actions.

2 Information on these water and sanitation projects is available at: www.pseau.org/actions

3 Source: “Changes in French bilateral and multilateral ODA for water and sanitation 2001-2009”, a study carried out by the Coalition Eau.

4 Source: “Changes in French bilateral and multilateral ODA for water and sanitation 2001-2009”, Coalition Eau.

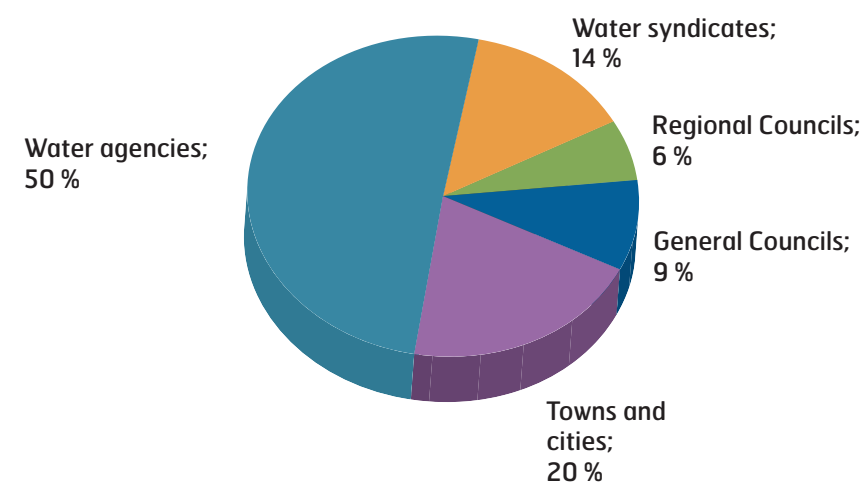
Distribution of Financial Support

Many different stakeholders

In 2010, **more than 200 local authorities** and water agencies involved in actions for water and sanitation were identified.

The **6 water agencies** are the largest contributors to this type of cooperation for water and sanitation, providing 50% of the financial contributions. Towns and cities are the second largest in terms of volume: 100 towns and cities combined make up 20% of the total amount.

Distribution of financial contributions in 2010 according to type of organisation



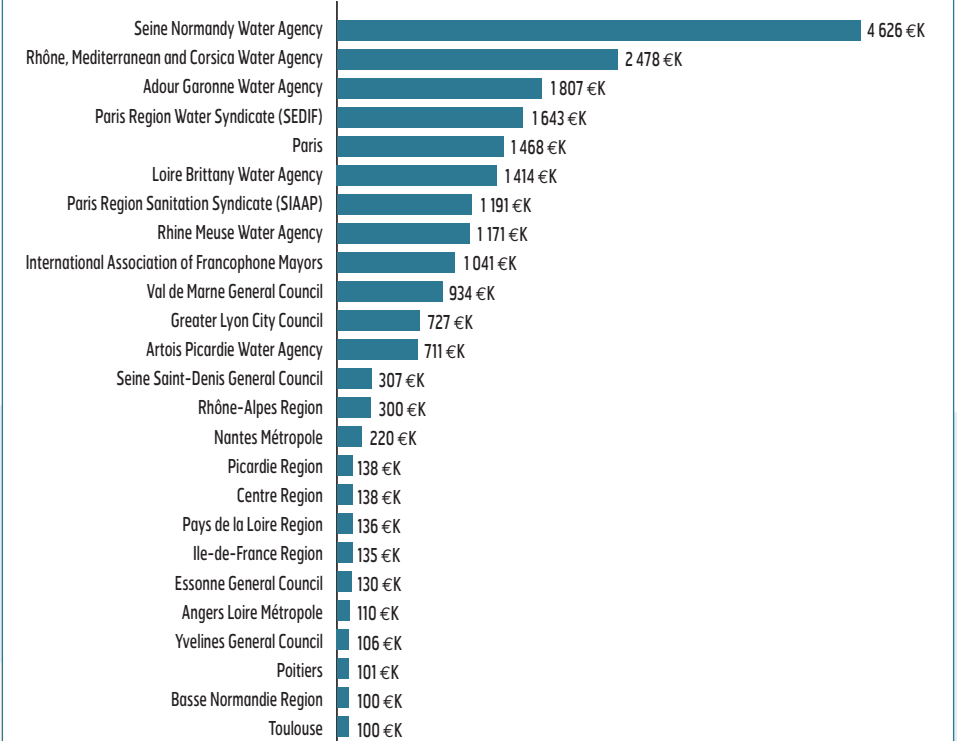
Uneven distribution of financial contributions

25 organisations represent 90% of the funding mobilised in 2010, each committing sums of over 100 000 euros. On the other hand, 100 organisations make up 2% of overall contributions, each mobilising less than 10 000 euros.

Thus there is a **minority of institutions providing the lion's share of the funding**. This should not, however, minimise the **importance of those organisations that make more modest contributions**: on the one hand, even modest contributions can provide leverage to attract larger funds and on the other, these organisations can bring specific expertise or techniques to their actions.

Contribution by organisation in 2010	Number of stakeholders	Total Contributions 2010	Percentage of total contributions
> 1 €M	9	€17.000.000	72 %
de €100.000 à 1 €M	16	€4.500.000	18 %
de €10.000 à 100.000 €	~ 80	€2.500.000	8 %
< €10.000	~ 100	€500.000	2 %

The 25 main contributors to decentralised cooperation for WASH projects: financial contributions and value of human resource contributions in 2010.



Impact of the Oudin-Santini Law

In France, decentralised cooperation is permitted under the Thiollière Law. In the water and sanitation sector, these provisions are supplemented by the **Oudin Santini Law**, passed on 9 February 2005.

The Oudin-Santini Law authorises local authorities, EPCIs and water agencies to dedicate up to 1% of the income from their water and sanitation services to international cooperation actions for water and sanitation.

Almost 20 million euros raised in 2010

Application of this law enabled **19.4 million euros to be raised in 2010**, as against 5 million euros mobilised from the general budget in application of the Thiollière Law.

Money raised through decentralised cooperation in 2010



Overall, since 2005 it can be seen that the Oudin-Santini law has not replaced the funding raised by the Thiollière Law. On the contrary, **the Oudin Law has provided another tool** for decentralised cooperation in the water and sanitation sector, leading to an increase in contributions and the creation of specific actions and mechanisms for water and sanitation.