

Improving Transparency and Accountability in the Electricity and Water Sectors

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This document summarizes the need for transparency and accountability in the utility sectors and presents the RIC's proposals for ensuring the utility service providers become more transparent in their operations and therefore, more accountable to stakeholders and the public.

**Summary
Document**

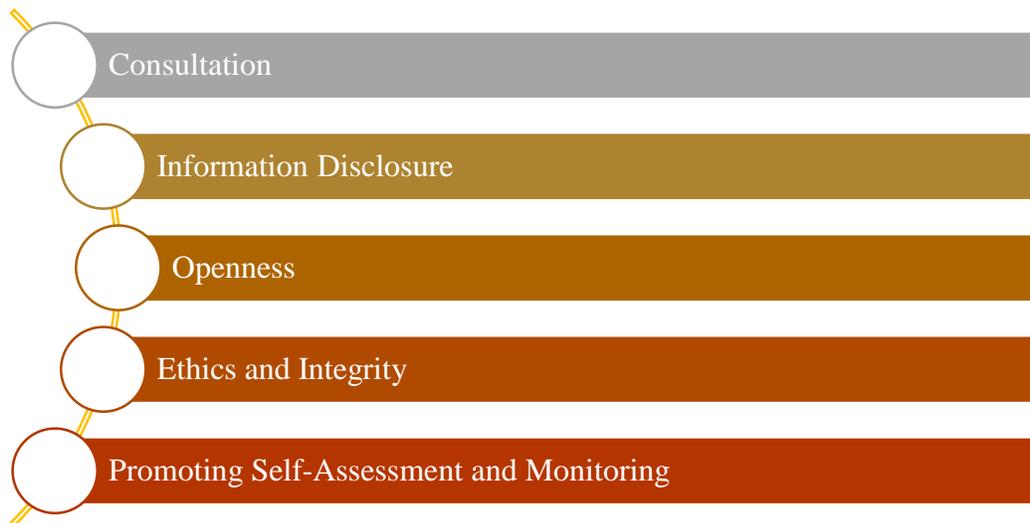
TRANSPARENCY & ACCOUNTABILITY

Transparency can be generally considered as the release of information by institutions (public or private) that allows for examination of these institutions. Transparency can conceptually be viewed as having an informational component (value of the information itself) as well as a constraining mechanism component (the extent to which public officials are held accountable). It is generally accepted that greater transparency in public affairs is preferred to little or no transparency¹.

Accountability is about ensuring that actions taken by persons with responsibility for decision-making within an institution are subject to oversight. Effective accountability involves answerability (an obligation, often legal, for institutions to provide information on their internal decisions, to the public and oversight bodies) and enforcement (ensuring sanctions can be applied to institutions that do not comply).

TOOLS TO FOSTER TRANSPARENCY AND ACCOUNTABILITY

There are a number of measures available to promote accountability and transparency, which are broadly classified as follows:



¹ The RIC undertakes a number of activities to ensure that its own activities are transparent and has published a number of documents which highlights the performance of the service providers in specific areas such as quality of service.

Consultation

Service providers must develop a consultation code inclusive of an obligation to consult with the public on plans/proposals to undertake any significant activity in the exercise of their core functions. Among the topics for public consultation, service providers must ensure that those affected by their major infrastructure and large construction projects are fully consulted and informed about these activities.

Information Disclosure

Service providers must use their websites and other media/fora, to promote openness and facilitate public knowledge about, and participation in their core activities by:

making information and documentation available; and

making the website more interactive, especially in relation to e-mail queries, outlining how queries are responded to (feedback function).

The information to be disseminated to the public should include reports on quarterly revenue and expenditure, key performance indicators for service delivery and complaints resolution.

Openness - Pathway to Two-Way Feedback

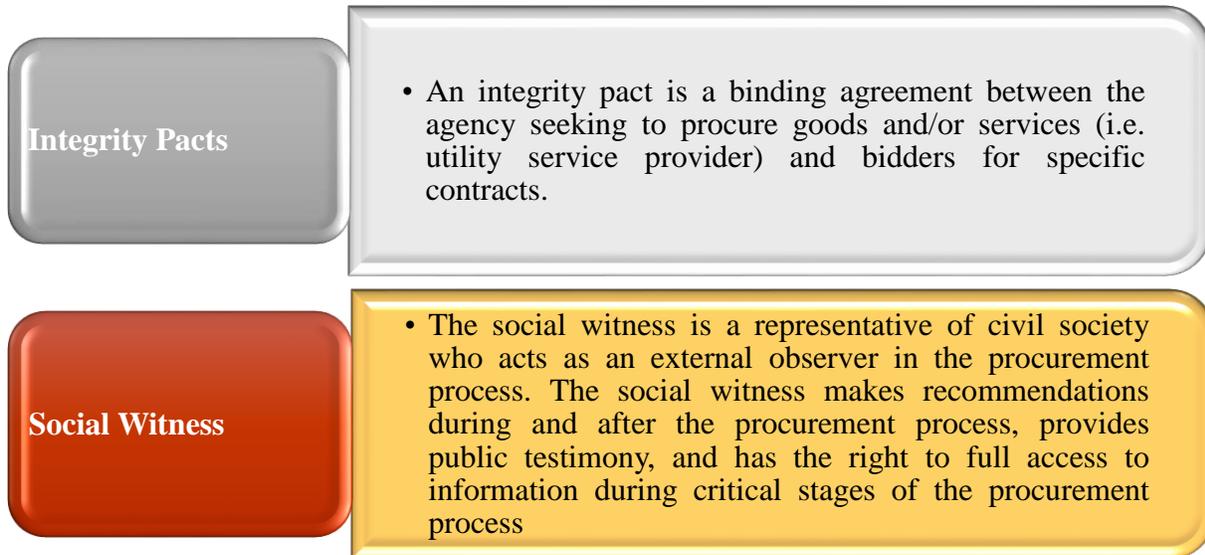
The Boards of the service provider must hold at least one (1) formal Annual Public Meeting in a public place where individuals can question the Board and the Chief Executive Officer/General Manager.

The service providers must make arrangements to provide information on their website on their procurement procedures, policies and practices.

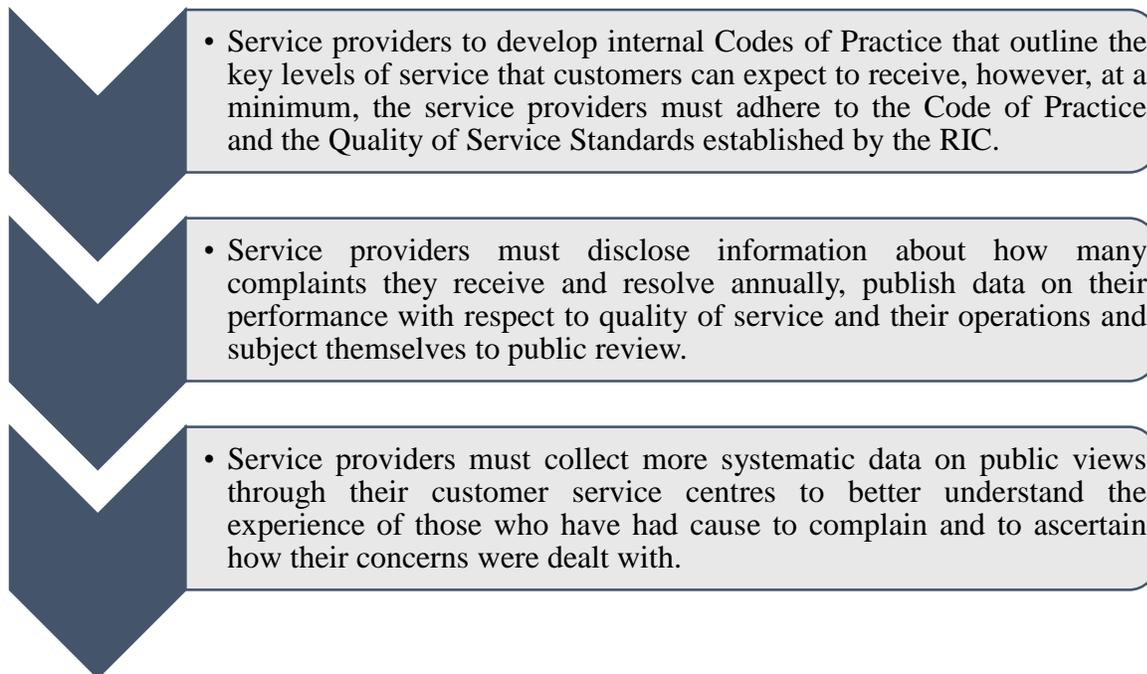
Service providers will be required to disclose the identity of all their contractors, the value of the contracts and the main evaluation criteria used in selecting successful bidders.

Ethics and Integrity – New Business Protocols

The RIC would encourage the introduction of two specific measures to be implemented to help safeguard public procurement from corruption:



Promoting Self-Assessment and Monitoring



OTHER MEASURES – INSTITUTIONAL AND GOVERNANCE ARRANGEMENTS

In the case of state-owned and operated utilities like T&TEC and WASA, the existing institutional and governance arrangements are not sufficiently specific, detailed or transparent to enable the Government to set strategic direction and required performance standards, evaluate service providers' performance, hold them accountable for their performance, or create effective incentives for them to improve their performance. In this regard, the RIC proposes that Government should have three written agreements with the service providers:



The RIC further proposes that these written agreements be made publicly available at the time of executing them and whenever they are updated. Additionally, the service providers should publish on their websites the results of their performance against all targets and produce half-yearly overview reports for the public with commentary on where and why the performance targets were not met.

All persons wishing to comment on Improving Transparency and Accountability in the Electricity and Water Sectors are invited to review the main document and submit their comments using any of the options provided.