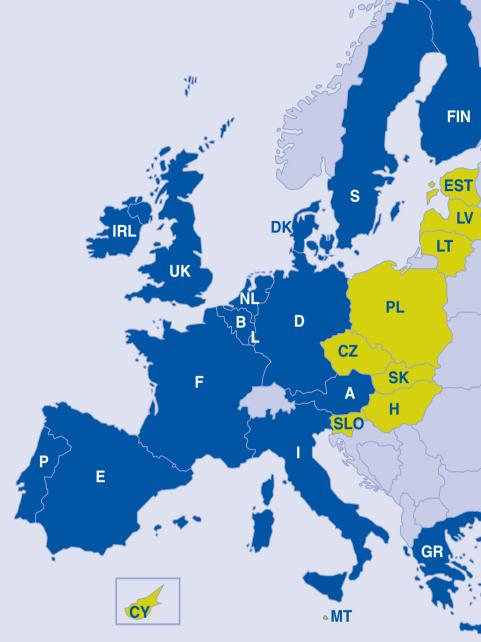
LOCAL PUBLIC COMPANIES IN THE 25 COUNTRIES OF THE EURO

KOMMUNALE UNTERNEHMEI

MITGLIEDSSTAATEN DER EUROPA



THE 25 COUNTRIES OF THE EURO 2nd edition Dexia, the leading European banking group in the

ructures in the 25 European Union countries. hart focuses on the corporate entities totally or This publication has been realized in collaboration enterprises Association (VKVO). It is an update and extension of the 1999 edition

Weltweit führend in der Finanzierung öffentlicher i Finanzdienstleistungen im öffentlichen Dienst, Gruppe zusammen mit dem französischen Ver schaftlicher Unternehmen SEM (Fédération des tische Vergleichstabelle der verschiedenen Unter cher Beteiligung und vergleichbarer Strukturen i ländern der Europäischen Union. Die vergleiche sichtigt dabei insbesondere Unternehmensform iger bzw. partieller kommunaler Anteilseignerscl Diese Veröffentlichung entstand in Zusammenar

aktualisiert und vervollständigt die vorherige Versi





LOCAL PUBLIC COMPANI KOMMUNALE UNTERNEHMEN I

PEAN UNION	BEFORE
IN DEN 25 SCHEN UNION	Only LUXEMBOURG DOES NOT HAVE LOCAL PUBLIC COMPANIES
SE MINER TO THE PARTY OF THE PA	LPC AND SIMILAR KEY FIGURES
FIN	Milestones
LT	LPC MAIN Trends
PL	SECTORS OF ACTIVITIES (IN DECREASING ORDER)
SK H	Main Applicable Laws
GR	Legal Forms
EAN UNION Tinancing of public the public sector,	CAPITAL STRUCTURE
vork out a compa- types and similar re particularly, the partially owned by	Main competition Tendering Features
with the German Austrian networks	TERRITORIAL BOUNDARIES
DEN 25 CHEN UNION	LOCAL GOVERNMENT SHAREOLDER REPRESENTATION
nfrastrukturen und rfaßte die Dexia- and gemischtwirt- SEM) eine synop- hmen mit öffentli-	TARIFF SETTING
den 25 Mitglieds- le Tabelle berück- in hundertprozent- eit mit dem deut-	Specific Public Controls
erband VKVÖ. Sie in von 1999.	LOCAL GOVERNMENT FINANCIAL SUPPORT
EXIA	MAIN LPC REPRESENTATIVE BODIES
	© 2004 Dexia

.1 million inhabitants al government satellites trieben, Eigenbetrieben) 149 local public companies 243 local public companies 150 LPCs and similar 243 LPCs (intercommunales) Results: 1.9 billion € mong which 149 LPCs Staff: 27,250 employees aff: 44,000 employees

asing transformation of munici- | Electricity and gas Intercommunale

internal bodies into LPCs under reorganisation, in the energy liberali-

lectricity, gas, heating, public | Electricity, gas, communication net-

nt, cemeteries, public areas, care

Internal organisation:

ecutive and supervisory boards

No specific capital composition rule

nment to open the capital

ocal government keeping

Capital structure in practice:

Mostly 100 % owned by local

o other public shareholders,

holding local government

lected representatives

ariff setting by the LPC

ansport, water, sewerage, waste, works, funding, economic develop-

ommunications, public equipe- ment, water, waste, health, social

al Government Acts adopted by Brussels intercommunales and interre-

sation process : capital and activ

between the distribution netwo

management activities and the

schedule varying from the Regions

gional ones: 22.12.1986 Act, Orders

Decrees 01.07.1987 on Supervision,

Cooperation, 18.07.2000 on Electrici-

sion and 17.07.2001 on Electricity

Flemish Region: 22.12.1986 Act,

06.07.2001 on intercommunale

Walloon region: Decrees 5.12.1996

modified in 1999 and 2002).

07.03.2001 on Public Information

12.04.2001 on Electricity, and

- non-profit making associations (asso

cooperative companies (sociétés

ératives à responsabilité

In Flanders: interlocal, projects, service

provider and mission associations

Intercommunales are public law entities

ntercommunales mixtes (with in

vidual or private legal persons)

majority and presidency for the local

Whatever its shareholding, voting

In Flanders, interlocal associations

structure ruled by a legal contract

In the electricity and gas sectors,

increase of local government share

holding in the intercommunales mix

As awarder, LPCs are governed by

Tariff setting by the intercommunale

Tariff ceilings in the sectors of water

tory authorities)

government - the statute of ment (budget, decision taking)

he association can allow a right Supervisory control at federated

and energy (for the latest, by regula-

Capital structure in practice

tes to be expected at the end

of the liberalisation process

government to its LPC

Public procurement Act

ontract to any activity non covered No legal rules regulating the delega-

imited to the territory of the share- No territorial limits

- intercommunales pures (100%

owned by public entities)

ciations sans but lucratif - ASBL)

20.07.1989 on Supervision,

19.12.2002 on Gas

Company Act Legal forms:

limitée - SCRL)

limited companies (Aktiengesells- | - limited companies (sociétés anony-

ty and 06.07.2001 on Gas

energy supply - implementation

ties restructuring, due to demerge

Capital city: Wien

LOCAL PUBLIC

COMPANIES =

LPCs

urnover 100,000 employe

e first LPCs were

eated in the Xth century

rtain services a e local econom

out 10 different

ctors of activity

nited compan d limited liab

erritorial oundaries limited to the local

vernment area

ocal government epresentatives are sually elected one

PC or the local

ory authorities in some sectors

cal government o ational authorities

dies by sectors

er-municipal structures 78 church councils (fabrique First creations in 1980

apital city: Copenhagen

Local government satellites 50 inter-municipal structures 19 inter-municipal regional 648 municipal internal bodies 944 local public companies Turnover: 2.1 billion €

Capital city: Helsinki



Capital city: Berlin trieb, Eigenbetrieb) inter-municipal structures (amon 3.500 LPCs and similar (kommunale Unternehmer Turnover: 82 billion € Staff: 530,000 employees

First transformation of local govern-

Local Government Acts adopted by

(Gesellschaft mit beschränkte

executive and supervisory boards

Legal distinction between Eigenge-

sellschaft with a sole shareholde

possible public/private

and Beteiligungsgesellschaft with

In a few years, capital opening to

housing, energy and public

transports, local governments

keeping usually the majority

private shareholders in 20% of LPCs

mainly in water distribution, waste,

Limited to the territory of the share

holding local government, except fo

liberalised sectors (ex. : electricity,

Elected representatives

For water and sewerage: local

submitted to authorization

submitted to authorization

For other services: LPC

Control by the local government Control by the local government and,

Control by the regional audit Com-

Sem Federation: Fédération des Sem | Associations by sectors of activity,

ves in the LPC)

Ex post control by the State repreat tits request, by the local audit

Grants with control on their use Possible tax equalisation for

Support to LPCs with financial associated LPCs aiming at

Financial support when contractual

For electricity: LPC within a scale se

up by the Land (Land ministry of Ec

For passengers transport: tariffs

Authority (local government control

among which the main following ones:

Municipal enterprise Association

sunternehmen-VDV

Verband kommunaler Unternehmen

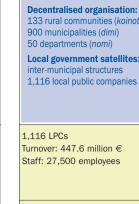
ciation - Verband Deutscher Verkehr-

Supervisory control by the Land

equalisation (Querverbund)

Haftung - GmbH)

Internal organisation:



the 1954 Act

First creations in 1857, confirmed by

Increasing number in the 1990's

LO69/1980 Act governing water

1984 Act on municipality sharehol-

ding in limited companies

1994 Act on LPC creation by

Rural community and Municipality

Company rules

limited companies

cooperative companies

LPCs, inter-municipal LPCs

- legal entity under private law:

legal entity under public law: pure

inter-municipal LPC 100% owned owned

- "popular companies" within a 2%

limit (ceiling) owned by citizens

At least 50% owned by public

Capital structure in practice:

Mostly 100% owned by local govern-

Public/private LPCs":

Elected representatives

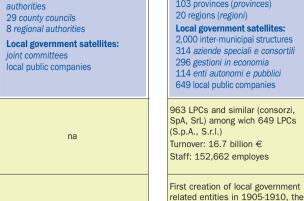
State legal control (ministry of

or the media companies

Association of Greek Local

Deficiency grants forbidden except Loan guarantees

Capital city: Athens



DENMARK FINLAND FRANCE GERMANY GRECE GRECE (GR) GRECE (GR) (IRL) ITALY (I) NETHERLANDS (IRL) NETHERLANDS (P) SPAIN (E) SPAIN (S) KINGDOM (UK)

Capital city: Rome

transformed into companies from

Increasing number of LPCs, due to

the reorganisation of the local publ

services and transformation of

aziende speciali into LPCs

Legal forms:

limited companies (società

Internal organisation:

limited liability companies (società

At least 20% owned by local govern

Varying capital composition rules i

on the competition tendering rules

Capital stucture in practice:

Other shareholders than local

out competition tendering)

LPCs mainly owned by local goverr

minority partners, particularly in

he energy, water, transport sector

e local governments keeping the

governments: italian SME, foreign

ortant groups, banks, LPCs

d waste sectors: A.T.O. (ambito

Others sectors: no specific territorial limits

epresentatives in the LPC based on

and gas regulatory national authority government on the basis of the

Control of LPC activities by an Control by the National Audit Com-

ad hoc regulatory authority on national mission for LPCs owned by local

contract provision

Banning of local elected

court decision

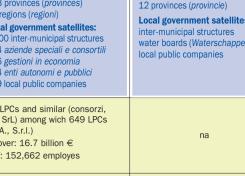
(at local level)

administration

For transport: public authorities

For water and waste: LPCs, within

criteria set up by central



Capital city: Amsterdam



Capital city: Lisbon



Increasing number from 1980's on

7/1985 Act on the Local Govern-

1564/1989 Law-Decree modifying

39/1988 Act on Local Finance

2/1995 Act on Limited Liability

the Limited Company Act

ment Organisation

LPCs existing since 10 years First creations in 1900

Energy, public transport, tourism, Municipalities and provinces: public

nvironment, planning, commercial transport, water, real estate,

and industrial infrastructures, health, planning, economic development,



First creations in 1870

Energy, water, waste, public

transport, housing, tourism,

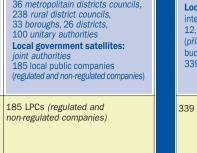
Local Government Act 1991

Public Procurement Act 1994

Internal organisation:

Company Act 1975

8.9 million inhabitants



na

Economic development, tourism

Local Government & Housing

1989 for Wales and England

ocal Authorities Companies Or

1995 (LACO) for Wales and Engla

companies limited by guarant

Internal organisation:

public equipment, health,

Company Act 1985

58.9 million inhabitants

Capital city: London

224 LPCs Turnover: 150 million € Staff: 10,900 employees tions to the municipalities | ownership to local governments 001. transfer of State-owned | Since 1996. transformation of the tions to the regions

alities and the regions

wnership transfer of a

ory organisations were

lisation of the LPCs number

L Transfer of State Ownership to 1989 Local Government

O Transfer of Ownership to the 1996 Commercial Code

ecutive and supervisory boards executive and supervisory boards

No specific capital composition rules No specific capital composition rules

public transport, heating, health,

social services, trade, waste

Foundation Act

1993 Local Government

2001 Health Services Act

limited companies (aktsiaselts)

(osaühing - $O\ddot{U}$), the most

Local government own statute

stinguishes between LPCs 100%

owned by a local government (valla

või linna aktsiaselts oo valla või linna

saühing) and LPCs with "municipal

participating interest" (valla või linna

osalusega aktsiaselts ou valla või

Capital structure in practice:

Mainly 100% local government

In LPCs with public shareholding,

board is its representative

government) and energy if not

specified in the contract (national

Auditing committee composed of

LPC internal organisation:

nd to stabilisation and

eating, water, waste

Commercial code

2000 Budgetary Rules of territorial

02 Transfer of Ownership to the

.8 limited companies (akciová

001 Financial Control in public

00 Region Act

000 Municipality Act

tration Act

mezeným. s.r.o.)

LPC internal organisation:

Capital structure in practice:

Mostly 100% owned by local

CZECH ESTONIA (EST)

From 1990 on, municipal enterprises created by the transfer of State of State-owned enterprises to municipalities and transformation of the quence of State ownership transfer ocialist municipal enterprises (Vál- | Since 2001, creation of companies alat) into companies under municipal enterprises into companies under commercial law In 2001, hospitals transformed into municipal companies under commercial law First a rapid increase, followed by f State-owned entities to decreasing LPCs (by half), due to the

Local government satellites:

(valla- või linnavalitsuse hallatav

foundations (sihtasutus – SA)

224 local public companies

nter-municipal structures

oudgetary organisations

chosen by local governments Decreasing number of LPCs. Decreasing number of LPCs, due to due to the privatisation process local government merger merging LPCs in the sectors of par- process, to the regulators' ing spaces, environment, and inter- authorities supervision for some net services in rural areas services and to the privatisation Public cleaning, housing, health, Health, heating, waste, real estate sewerage, water, environment, parking spaces

1988 Company Act

2003 Hospital Act

limited companies

limited liability companies

- public interest companies

(Közhasznú Társaság)

Legal rules:

LPC internal organisation:

than 49% of the capital

Capital structure in practice:

100% local government capital is

mpanies executive directors

Private shareholders are mainly

ompetition tendering with the

Associations by sectors of activity,

among which: Public Cleaning Asso-

ciation - Köztisztasági Egyesület;

Public Services Enterprises

Association - Települési

Szolgáltatók Egyesülete

citizens, and LPCs executive

(Korlátolt Felelőségű Társaság)

xecutive and supervisory boards

Company Act

1989 Transformation into

1990 Local Government Act

1995 Public Procurement Act

ocal government satellites

Health, housing, pharmacies, Water, construction, waste, real market places, public baths, public estate operations, electricity, gas, operations, sport, public transport pharmacies, water, social care transport, sport, tourism, heating, heating, public transport, trade, radio & tv, auditing, training, water, waste, local road, public leisure, culture, sport tourism, electricity 1991 Local government nterprise Act 1991 Limited Liability Company Ac 1993 Limited Company Act 1994 Local Government Act 1996 Transformation of State and Local Government Enterprises into 2001 Commercial Act

Local government satellites:

local government agencies (pašvaldības aģentūra)

669 local public companies

Turnover: 718 million €

under commercial law

By the end of 2003, end of the local

government enterprise statute, to b

transformed into any structure free

2002 State and Local Government

- 365 local government enterprises

7 limited companies (akciju

258 limited liability companies

executive and supervisory boards

(pašvaldības kapitālsabiedrība) and

companies with local governmen

Capital structure in practice:

Mainly 100% local government

50% shares in 15% of LPCs

Private shareholders are mainly

domestic groups and citizens

No competition tendering with the

LPCs with a local governmer

shareholding exceeding 25%

Competition tendering for clients of

pašvaldības daļu)

capital (80% of LPCs)

(sabiedrībām ar ierobežotu

LPC internal organisation:

Capital Shares and Company Ad

2002 Regulators of public

Service Act

Legal rules:

No specific capital composition No specific capital composition rule

te shareholders cannot own more | local government companies

domestics and international groups. Local governments have less than

shareholder local government as well | shareholder local government

For Budapest public transport, joint- lators of public services): regulatory

decision between the Capital city agencies (independent entities

ules, except for hospitals, where pri- but legal distinction between 100%

Legal forms:

Staff: 53,142 employees

669 LPCs

94 Transfer of Part of the State 1990 Local Government Act Property to the Municipalities 1996 Municipal Economy Act 1998 Regions and Counties Act 995 State and Municipal 2000 Commercial Code 1995 Privatisation of State-owned and municipal Property Act 1996 Public Institution Act 1996 Health Care Institution Act 2000 Company Act municipal enterprises limited companies

limited liability companies

LPC internal organisation:

Municipal shareholding reduction

Capital structure in practice:

ompetition tendering with the

shareholder local government

(1996 Public Procurement Act)

For other services: LPC

Loan guarantees

public cleaning

nmunal Services and Waste

under 66.6% of the capital

LITHUANIA

,325 budgetary organisations

3 municipal enterprises

cipal enterprises as a

ership to local authorities

m 2000 on, transformation

POLAND

2.415 LPCs

sequence of transfer of State as a consequence of the State

companies under commercial law (jednoosobowa spółka gminy) coming

Decreasing number in the following | Increasing number to the detriment

process: health, local road, public organisations within the public

lighting, housing, pharmacies services modernisation

Turnover*: 5.2 billion €

Staff*: 160,402 employees

(*LPCs with more than 9 employees

From 1996 on, transformation of

under the Company Law

16 regions (województwa)

inter-municipal structures

Local government satellite

6,948 budgetary organisation

2,415 local public companies

1991 Business Code 358 limited companies (spółka 2,056 limited liability companies (spółka z ograniczoną odpowiedzialnościa - Sp. z o.o) LPC internal organisation:

executive and supervisory board

compulsory in limited companies

Only counties can't create LPCs

Capital structure in practice:

ment owned (water, sewerage)

construction, energy, water

vernments in the sectors of

(domestic groups, foreign groups)

Competition tendering (1994 Public

LPC only within a public service mis-

gospodarcza), among which the

Loan guarantees

Associations by sectors of activity, Chambers by sectors of activity (izba

Management Association (*LIETUVOS* | wodociągi polskie) or the urban

KYTOJŲ ASOCIACIJA): waste and komunikacji miejskiej)

KOMUNALININKŲ IR ATLIEKŲ TVAR- transport one (Izba gospodarcza

Procurement Act)

2/3 of LPCs are 100% local govern-

Legal rules:

No specific capital composition rules No specific capital composition rule

Mostly 100% owned by local govern- Other shareholders than local

 22 limited companies (a.s.) limited companies (javna delniška 217 limited liability companies z omejeno odgovornostjo), the LPC internal organisation: most frequent executive and supervisory boards No specific capital composition rules | the LPC creation requires at least Capital structure in practice: two local governments Most frequently 100% owned by Capital structure in practice: Mostly 100% owned by local governocal governments ments - a mixed capital structure is Private shareholders: mainly nevertheless becoming more domestic private companies -

Competition tendering (1999 Public No competition tendering with the

SLOVENIA

inter-municipal structures (regi

public communal institutions

municipal internal bodies

transformation of the local

importance" into LPCs

Stable number of LPCs

1993 Economic Public Service Act

frequent, with private shareholders

(water, sewerage, etc.)

shareholder local government

within the shareholding local

government territory

Local councillors or other

the local government

inflation policy

Loan guarantees

Associations by sectors of activity, Associations by sectors of activity

among which the Slovak Public Association of municipalities and

1993 Company Act

60 LPCs

ownership Act, transfer of local ownership to municipalities and

After the transfer wave, own local entreprises "of special social

Waste, water, sewerage, heating, Water, waste, road, cemeteries,

public spaces, health, public public transport, public spaces,

transport, public lighting, sport, electricity, heating

regions (Vyssie uzemmne celk)

contributory organisation

ocal government satellites

enterprises to municipalities

ncreasing number due to

transformation of budgetary

decentralisation process

LPCs rather in large cities

990 Municipality Act

ousing, cemeteries, local television

1991 Communal Property Act

foreign shareholders in heating,

Procurement Act)

No territorial limits

1995 Budgetary Rules Act

government choice to transform

budgetary organisations into LPCs

239 LPCs

OCAL PUBLIC

OMPANIES =

LPCs

ith the transfer of

middle of 1990's

mmercial law

activity: electricity,

te ownership to

& MALTA

DON'T HAVE

FIGURES

MILESTONES

SINCE

PERIOD

LPC MAIN

SECTORS

OF **A**CTIVITIES

(IN DECREASING

ORDER)

HE TRANSITION

waste and water and in large cities like private firms and employees

COMPETITION Competition tendering with other No territorial limits, but in practice TERRITORIAL local government BOUNDARIES councillors ariffs set by the

LOCAL GOVERNMENT SHAREHOLDER REPRESENTATION authorities, or, less often, by the LPC

TARIFF SETTING SPECIFIC PUBLIC local government & the State CONTROLS LOCAL GOVERNMENT or loans guarantees

TENDERING

FEATURES

FINANCIAL SUPPORT

bodies by sector REPRESENTATIVE

Bodies

of activity

Grants by the local government, with Loan guarantees for LPCs 100% Loan guarantees Support to LPCs with financial National tax exemptions owned by local governments d National fiscal

sterreich - vkvö, and other

ssociations by sectors of activity

government (staff management)

(offentige-private selskaber) rst creations of local government First creations at the end of the related entities in 1900, transformed | XIXth century, recognised by the w or created ex nihilo from 1960 | Since the 1993 federalisation communales' organisation

First creations at the end of the XIXth century in the energy sector

Economic development, electricity, Economic development, energy,

384/1992 Act for Activities based 1978 Company Act, modified in 19

- limited companies (aktieselskaber | - limited companies (julkinen

Involvement of a sole local govern- No specific capital composition rule

Competition tendering (procurement | Competition tendering (procurement

contracts) to cover activities in the contracts) to cover activities in the

No territorial limits

Tariff setting by the LPC

Ministry of Industry legal control for activities: for energy, State control

LPCs covered by 384 Act on the electricity market

company's statute and any other company's statute and any other

Elected representatives or local civil | Elected representatives

appointed by the shareholding local

Ministry of Interior legal control for

LPCs covered by the unwritten local

government laws or by the 383 Act

transport, leisure, computing, transport, ports, telecommunications

modified in 1995

- limited liability companie

gas, heating, water, waste, public water, sewerage, waste, public

for municipal activities

on Municipality Know-how

Company Act

383/1992 Act for economic

limited liability companies

ansvar - AMBA)

Internal organisation:

cooperative companies (andels

- profit-sharing companies (I/S)

ment limited at 49%, except for

Capital structure in practice:

Mostly 100% owned by one or

several local governments

No territorial limits

some activities for which the loca

overnment can be the sole share

First creations in 1920 Increasing number in the 1980's. | ment related entities into companies | due to the decentralisation process under commercial law in the 1870's Stability as a whole, but reorganisa- LPCs sector reorganisation, notably tions in housing and planning Increasing number in the public services activities (health, tourism,

environment, leisure, culture, telecommunications

odified by the 02.01.2002 Act each Land based on the 1935

4.07.1966 Limited Company Act, Budgetary laws for the City-Länder

Legal forms:

- limited companies (sociétés anony- | - limited companies (Aktiengesells-

Public/private ownership, with the No specific capital composition rules

nareholders than local govern- Capital structure in practice

Competition tendering as the general LPC competition tendering by the

ments, among which 15% owned by 80% of LPCs 100% owned by local

lecommunications, parking spaces

7.07.1983 Act on local Sem.

(CGCT art. L 1521-1 et s.)

specified by Act 1983

Internal organisation:

supervisory boards

mainly board, or executive and

50% and 85% and at least one

Capital structure in practice:

Derogatory rules for housing and

No territorial limits

Elected representatives

Tariff setting by the local

35% of Sem capital owned by other ownership

private shareholders, this share governments

LPCs mainly active in public services | Sector currently undergoing a reform - their capital structure, with private a reorganisation process between the networks companies (merging, interest acquisitions) in the electrici and gas sectors, as a consequen of European regulations Tourism, planning, housing, public Energy, economic development, transport, economic development, water, waste, public transport, training, careers public equipment, housing, banks

Water, sewerage, culture, tourism, | Economic development, 065/1980 Act on profit-making | 1991 Local government Act companies setting up by municipal | Company Act

companies under commercial law

No specific capital composition rules

provision to cover activities in the

Elected representatives or local civil

Department of Environment

Local government

General auditor

company's statute and any other

Mostly 100% local government

Internal organisation:

Depending on their capital structure, executive and supervisory boards

- LPC 100% owned by only one local | Capital structure in practice:

by two or more local governments | Sometimes public/private ownership

owned by public entities | competition tendering

properatives companies 100% with private shareholders chosen be a superior of the companies of the companies

Capital city: Dublin

29 county councils

Regions: economic development, plan- | Economic development, energy, environment, planning, public ng, public equipment, public transport | waste, public transport, culture, Provinces: commercial events, tourism roads, parking spaces, fire fighting transport, water, sewerage, leisure agriculture, education, health Municipalities: energy, water, waste, harmacies, cemeteries

. 113 of Law-Decree 267/2000 Company Act limited art. 234 of on Networks and Local Public Service | municipal code Provision Management Art. 35 of 2002 Finance Act 448/2001) on Local Public Service Provision Management Company act Art. 14 of Act 326/2003 on Local Public Service Provision Management and adjudication - This article does no apply to gas and electricity sectors, that are regulated by sectoral rules Art. 4 co.234 of 2004 Finance Act (350/2003)

- limited companies (Namloze Ven-- limited liability companies (Besloten Vennootschap - BV) Internal organisation:

general assembly holding majority

executive and supervisory boards

No specific capital composition rules

Capital structure in practice:

Mostly 100% public owned

powers ("ordinary companies")

(structural companies)

 limited companies - limited companies (sociedad limited liability companies Internal organisation: board and general assembly or At least 50% local government

education, food industry

18.08.1998 Act on Municipal.

Intermunicipal and Regional

Company Act

owned capital

egal distinction:

ments (empresas publicas)

sas de capitais publicos)

- LPCs owned by local governments

and other public entities (empre-

- LPCs with more than 50% of public

Contract to cover activities in the Competition tendering for out

ompany's statute and any other contracting of public services

Elected representatives or any other | Elected representatives or any other

epresentative appointed by the local representative appointed by the local

Il government approval required Local government approval required

Audit Commission

Provinces and municipalities

Municipios y Provincias - FEMP

for all LPC basic decisions (budgets, | for forecast and executed budgets

management report, loans, etc.) LPC accounts control by the National

ff setting by the LPC, with local Tariff setting by the local

government

entities (empresas de capitais

Capital structure in practice:

Mostly 100% local government

activity: competition tendering.

No territorial limits

except for LPCs 100% local govern-

board elected by the municipal council if the LPC is 100% owned executive and supervisory board by the local government No specific capital composition rules Capital structure in practice: More than 95% of LPCs have a - LPCs 100% owned by local govern- 100% public owned capital

No specific capital composition rules No specific capital compositi Capital structure in practice: but legal distinction, depending ne capital structure with cor 78% of LPCs are 100% owned by ces on their legal framework: regulated companies: local general Public/private ownership in transport, energy, economic development, tourism sectors

Limited to the territory of the share- Limited to the territory of the share-

Elected representatives or any Elected representatives or local civil

Tariff setting by the local government | Tariff setting by the local govern

in case of monopoly services (water, or by the LPC

holder local government, except for holder local government

transport and energy

other representative,

waste, energy distribution)

the LPC president being always an

limited companies (Aktiebolag)
 companies limited by share

ment with at least 20% of the tal and actual control of the - non-regulated companies: loc nment with less than 2 the capital, without any actual Blocking minority in regulated LPC Competition tendering procurement | Competition tendering for public rules, except for a LPC whose share- service management or proc th the shareholder local holders are the sole customers contracts to cover activities in the during its first three years of activity company's statute or any other

lowever in practice, competition tenhin the shareholding local within the shareholding local ernment territory government territory

iff setting by the LPC, except for Tariff setting by the LPC, except

leating, sewerage, public transport for public transport (local

as with other clients No territorial limits, but in practice within the shareholding local government territory In 100% local government owned Municipal councillors within the The mayor or a deputy mayor LPCs, municipal council acts as supervisory board board of shareholders

within the shareholding local within the shareholding local government territory government territory appointed by the mayor except for electricity and gas (State) | national road transport (law on regu-

on the executive board (constitutional tribunal decision, Oct. 2001): extra-municipal representatives appointed by the public transport, housing: government, generally on the LPC For heating, water: municipalities in proposal within ceilings set by coordination with the State price and the State in some sectors (energy For health: Public health Ministry

No territorial limits, but in practice No territorial limits

Forbidden for a local councillor to sit Local councillors or local government employees, appointed by representatives appointed by the municipal council For water, energy, heating: office for government, by the LPC itself in regulation of network industries a competitive market, by the For public transport, heating, cemeteries: districts (State administration)

Loan guarantees

Works Association - SPWA

cemeteries, local roads

(Zdruzenie organizacii verejnych prac

and local public services governments and State Monitoring committees under the only for gas and electricity sectors local government National Development Plan (the same for two sectors) Grants (compensation of service Support to LPCs with financial government controller) Loan guarantees

The Italian Confederation of Local

Public Services: Confservizi (Conf

derazione nazionale dei servizi)

Local government support necessary Loan guarantees

Control by the local government Regulated LPC loans control by St Control by citizens Control by local government aud Principle of free access to the admi-(Act 1980 on Official Secret) Financial support for LPCs with Grants Loan guarantees Cap on the regulated LPC's loans

The Swedish Organisation for Local

Samorganisation - KFS

LPCs limited by guarantee

Grants through contracts Basic Credit Approval National support: company tax

ate inspection control for some

sociations by sectors of activity

Local councillors

State Audit office (financial control on ownership and subsidies) County governor (State authority) Prior approval by municipal council required for important decisions Grants Loan guarantees Loans or loan guarantees by the local government are forbidden

composed of municipal councillors government auditing committee (not Municipality finance committee and compulsory) other possible ad hoc committees State audit office control depending on the municipal council Financial subsidy to compensate Financial subsidy to compensate lack of revenue due to local govern- lack of revenue due to local govern-

Loan guarantees by local

government for LPCs with a local

government majority shareholding

several local governments exceeding

created by local governments)

set by the law

For housing: housing rent ceilings

For other services: local government

icipality control authority for a National control office company 100% owned by the (NIK – Najwyższa Izba Kontroli) State control authority for municipal enterprises and mixed capital companies Grant by the local government to the

For housing: ceiling prices set by For other services: LPC municipal council for important odbor), appointed by the municipal

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