

# Exploring the **Role of Policy Transfer** in Water Governance: A Discussion Paper



Water  
Policy and  
Governance  
Group

December, 2010



# Preface

This discussion paper was prepared as part of two related projects: *Improving Water Governance Through Policy Transfer and Lesson Learning* and *Governance for Source Water Protection in Canada: A National Assessment*. It was written to stimulate discussion and to encourage a more systematic approach to the existing practice of policy transfer within the water governance sector.

## *Project Principal Investigator:*

Rob de Loë, PhD  
University Research Chair in Water Policy and Governance  
University of Waterloo  
Waterloo, ON

## *Report Lead Researchers and Authors*

Rebecca Swainson, MA  
Water Policy and Governance Group  
Waterloo, ON

Rob de Loë, PhD  
University Research Chair in Water Policy and Governance  
University of Waterloo  
Waterloo, ON

We would like to thank the Social Sciences and Humanities Research Council, the Canadian Water Network, and the Walter and Duncan Gordon Foundation for their financial support of this work.



Social Sciences and Humanities  
Research Council of Canada

Conseil de recherches en  
sciences humaines du Canada

Canada



We would also like to thank the members of the *Improving Water Governance Through Policy Transfer and Lesson Learning* team for their contributions to this report (Dr. Ryan Plummer, Brock University, Dr. Sarah Michaels, University of Nebraska, and Oliver Brandes, POLIS Project, University of Victoria). Thanks also are due to Dr. Dan Murray (Water Policy and Governance Group) who provided research and editing support.

*This document should be cited as follows:*

Swainson, B. and de Loë, R.C. 2010. *Exploring the Role of Policy Transfer in Water Governance*. Water Policy and Governance Group, University of Waterloo: Waterloo, ON.

Copies of this discussion paper are available from the project web site ([www.governanceforwater.ca](http://www.governanceforwater.ca)) and from the Water Policy and Governance Group web site ([www.wpgg.ca](http://www.wpgg.ca)).

## Executive Summary

Jurisdictions around the world are faced with urgent challenges relating to increasing water security, securing adequate water supplies, and protecting sources of water from overexploitation and degradation. It is widely accepted that addressing these challenges requires fundamental changes to water policies, institutions and governance mechanisms. Unfortunately, developing new policies and creating new institutions for effective water governance can be time consuming and challenging. *Policy transfer*, which involves using knowledge of water policies, programs and institutions in one context in the development of water policies, programs and institutions in another, can help to expedite the changes that are needed to improve water governance.

A common challenge facing policy transfer in practice is that simply identifying “successful” policies and attempting to replicate them in new locations is not feasible. Critical contextual factors determine why policies are appropriate in one place, and inappropriate in others. Despite this concern, it is possible to learn important lessons from other places, and even to transfer elements of successful policy solutions between jurisdictions. Indeed, if approached carefully and systematically, policy transfer has the potential to shorten time lines for identifying and implementing workable policies and lower costs. A key to achieving these benefits is learning how to undertake appropriate and effective policy transfer.

This paper advances the case for a more strategic approach to policy transfer – one involving a more deliberate, purposeful and analytical approach. Such an approach can be differentiated from other, less systematic approaches that may include scanning international experiences and attempting to transfer relevant policies without consideration of whether or not they are appropriate for the context in which they will be used.

A more strategic approach to policy transfer involves a systematic process of identifying relevant experiences (both positive and negative), assessing what parts of those experiences can be transferred, and devising ways to apply those lessons. A more strategic approach requires awareness of and information about policies (or institutions, programs, approaches, etc.) in existence elsewhere, as well as evaluation or assessment of those policies and their potential application in new contexts. Key to this evaluation is the concept of “fit”, which may be measured by assessing how well the policy proposed for transfer addresses the policy problem in the receiving cultural, economic, political, and geographic context. Put simply, does the policy proposed for transfer fit the social, economic, institutional and biophysical setting where it is proposed to be applied?

When fit is high, there is a greater likelihood that transfer will be appropriate and successful. Conversely, where the policy considered for transfer exhibits little fit with the receiving context or requires significant modification, transfer can prove infeasible, or the degree to which the policy can be successfully implemented can be limited. “Fit” can be determined through detailed consideration of both the internal factors that influence transferability (characteristics of the policy or program, and the policy problem it is intended to address), and the external or broad contextual influences in both the source and receiving jurisdictions.

By drawing on existing insights on policy transfer and critically applying these insights to the field of water governance this discussion paper presents important elements that shape transferability (“fit”). These include the following:

- Adequacy of financial resources, bureaucratic size and efficiency, and capacity for policy implementation in the receiving jurisdiction;
- Comparability of financial and other resources between source and receiving jurisdictions;
- Similarities in cultural institutions and values in the source and recipient jurisdictions;
- Similarities in political and institutional contexts in the source and receiving jurisdictions;
- Comparability of ecological and physical geographical contexts in the source and receiving jurisdictions;
- Similarity in policy problems and policy goals in the source and receiving jurisdictions;
- Complexity of policy being transferred;
- Number of perceived or actual externalities created by introduction of new policy; and
- Extent to which policy being transferred has a clearly defined cause and effect structure.

The paper has three major sections: (1) a summary of key findings from the contemporary literature that presents insights into policy transfer relevant for people involved in water governance; (2) a synthesis of ideas that contribute to a more analytical approach to policy transfer; and (3) a set of guiding principles that practitioners can use in determining fit when considering a policy for potential transfer.

When viewed as a whole, this paper represents a conceptual framework to guide policy transfer in the context of multi-level water governance. This framework can encourage and guide policy makers and practitioners in adopting a systematic and analytical approach to integrating lessons from elsewhere into their own decision making contexts.

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# 1. Introduction

Jurisdictions around the world are faced with urgent challenges relating to increasing water security, ensuring adequate water supplies amid a changing climate and growing demand, and protecting sources of water from overexploitation and degradation. It is widely accepted that addressing these challenges requires fundamental changes to water policies, institutions and governance mechanisms<sup>[26]</sup>. Unfortunately, developing new policies and creating new institutions for effective water governance can be time consuming and challenging. Policy transfer, which involves using knowledge of water policies, programs and institutions in one context in the development of water policies, programs and institutions in another<sup>[20][22]</sup>, can help to expedite the changes that are needed to improve water governance.

Addressing governance challenges in one place by learning lessons from others is a well established practice. For example, instances of policy transfer can be found in the history of Canadian water management<sup>[35]</sup> (Box 1). The same is true internationally. For instance, selected lessons learned from experiences in Australia's Murray-Darling Basin have been applied in the Mekong<sup>[11][31]</sup>, the Ganges<sup>[50]</sup>, and various rivers in China<sup>[29]</sup>, Vietnam<sup>[33]</sup>, and other parts of Australia<sup>[7]</sup>. Indeed, assessments of "lessons learned" and generic models for water management based on experiences in jurisdictions considered exemplars are routinely published in best practice manuals, surveys of international practice, conference sessions, and websites<sup>[1][2][3][13]</sup>.

Information about policy experiences in other jurisdictions is now widely available. Nonetheless, the evidence suggests that policy makers and practitioners may lack the time, skills and resources to acquire, evaluate and use this information effectively to inform their own decision making<sup>[58]</sup>. While practitioners and decision makers often are open to receiving information about policies and programs elsewhere to generate new ideas and to avoid "reinventing the wheel"<sup>[58]</sup>, the potential for incorporating these ideas depends on the capacity of actors to negotiate the policy transfer constraints and challenges<sup>[6]</sup>.

A common challenge relates to the fact that simply identifying "successful" policies and attempting to replicate them in new locations is not feasible. This is understood intuitively by most people. Nonetheless, the search for answers to complex policy problems still often focuses on finding generic solutions or models. Even though it is widely understood that one size rarely fits all, it is not uncommon for people considering experiences from other places to downplay or ignore critical contextual factors that explain why policies are appropriate for one place, and may not be appropriate in others<sup>[27]</sup>. For instance, international surveys of best practices often do not include systematic consideration of the extent to which policies are embedded in their local socio-economic, political and biophysical contexts, and thus fail to consider how their transferability to new jurisdictions or different contexts may be constrained.

## Box 1: Policy Transfer in Canadian Water Governance

### The Northwest Irrigation Act

Core elements of the *North-west Irrigation Act* (1894), the statute that defined the water allocation system for Canada's western territories, were transferred directly from the Australian Colony of Victoria's *Irrigation Act* of 1886. The Canadian statute adopted the Australian idea of vesting surface water rights in the Crown to avoid the conflict and legal battles that resulted from the American-style doctrine of prior appropriation. This historical example of policy transfer continues to be significant today. Alberta's contemporary *Water Act* has its roots in the 1894 statute<sup>[9][41]</sup>.

### The Conservation Authority Model

When the province of Ontario set out to develop a conservation program in the 1940s, it drew on lessons and experiences from the Grand River Conservation Commission (in Ontario) as well as the Tennessee Valley Authority and the Muskingum Conservancy District (in the USA). Provincial officials toured the American organizations in 1944 searching for lessons. Based on these experiences, Ontario transferred the principles that guide the Conservation Authority model today: water management on a watershed scale, local initiative, and provincial-municipal partnership<sup>[36][51]</sup>.

Despite these concerns, it is possible to learn important lessons from other places, and even to transfer successful policy solutions between jurisdictions. Indeed, if approached carefully and systematically, policy transfer has the potential to improve water governance. Benefits of policy transfer identified in other settings include shorter time lines for adopting workable policies and lower costs<sup>[12]</sup>. The key to achieving these benefits is learning how to do policy transfer *better*.

In this discussion paper, we introduce the concept of policy transfer, highlight influences that can increase (or decrease) the chances of successful policy transfer in the water governance sector, and provide a starting point for a more strategic approach to policy transfer. A key goal in the discussion paper is clarifying the circumstances under which policy transfer can be used effectively. Thus, we emphasize the idea of "fit" in discussing the transferability of policies for water governance.

## 2. What is Policy Transfer?

As noted in the introduction, people have always learned from others' experiences and imported and adopted ideas. However, in recent years researchers and practitioners have recognized that a more systematic approach to policy transfer is needed. Thus, there has been considerable attention to the phenomenon in the literature<sup>[6][14]</sup>. Terms commonly used include “policy transfer”<sup>[25]</sup>, “lesson drawing”<sup>[20][45]</sup>, “policy learning”<sup>[30]</sup> and “institutional transfer/transplantation”<sup>[15]</sup>. We suggest that these all refer to different forms of policy transfer<sup>[25]</sup> when that term is defined as the processes through which knowledge of policies, administrative arrangements, institutions and ideas in one political system are used in developing policies, administrative arrangements, institutions and ideas in another<sup>[22]</sup>.

The increased scope and intensity of research relating to policy transfer, and, simultaneously, attempts on the part of policy makers to learn lessons from other places, reflects trends such as globalization and a world-wide movement to multi-level governance<sup>[22][24]</sup>. Critical policy problems are becoming commonplace, and more and more people and organizations, inside and outside of governments, are involved in the policy making process. At the same time, the widespread availability of good-practice guides, policy reports, benchmarking studies, and websites offering descriptions of various policy programs and their successes has made it easier to learn about experiences in other countries<sup>[12][58]</sup>. As a result, opportunities to take advantage of experiences in other places are increasing.

### 2.1. Insights from Contemporary Policy Transfer Research

Policy transfer research to date has largely focused on describing and analyzing what is being transferred, who is involved in transfer processes, what motivates transfer, and what may go wrong in the transfer process<sup>[19][22]</sup>. This section summarizes key findings from the contemporary literature that present insights into policy transfer relevant for people involved in water governance.

The object of policy transfer, or “what” is transferred, is understood to be much more than just “policy”; it can include everything from pieces of legislation, policies, policy goals, tools and instruments, programs and program design to broad ideas, concepts, approaches, as well as “lessons” from experiences elsewhere, including negative lessons (or “what not to do”)<sup>[22][53]</sup>. For example, a frequently cited example of policy transfer is the proliferation of laws banning smoking in public spaces<sup>[10]</sup>; in this case, a piece of legislation has been the object of transfer between jurisdictions. Similarly, the idea of Business Improvement Districts has been transferred from cities in the US to cities in the UK; in this example, an idea and a related organizational model were transferred<sup>[12]</sup>.

Policy transfer can be initiated and undertaken by elected officials, bureaucrats, civil servants, non-governmental organizations, think-tanks, policy entrepreneurs, consultants, corporations, or supra-national organizations such as the UN or the World Bank – with the role of each of these actors depending on the context in which transfer takes place<sup>[22][53]</sup>. Though most analyses of policy transfer have tended to focus on transfers that occur between governments of nation states (such as the transfer of social welfare policies between the US and the UK governments<sup>[21]</sup>), researchers are starting to pay attention to policy transfer processes within multi-level

governance structures<sup>[24]</sup>. Governance is increasingly fragmented, collaborative, and networked in nature, with decision making responsibility distributed among a variety of actors. Policy transfer processes are increasingly reflecting the nature of multi-level governance, with transfer occurring across horizontal linkages established between international, national, regional and local levels, inside and outside of government<sup>[6][25]</sup>.

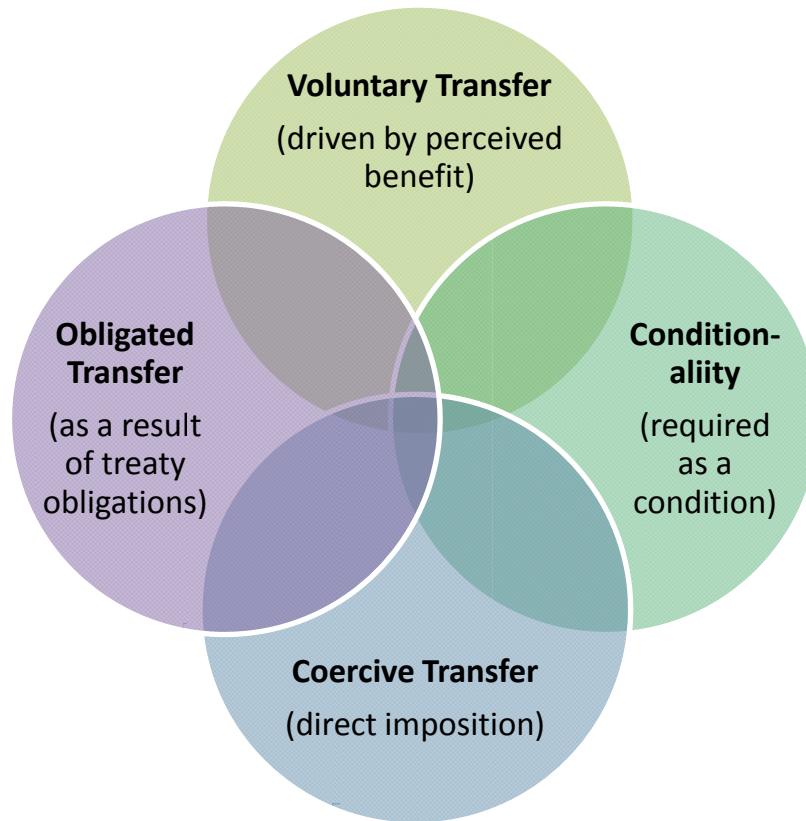
The motivations for engaging in policy transfer often differ according to the context surrounding transfer processes. For instance a government or organization may engage in policy transfer because it wants to (voluntary policy transfer), or because it has to (coercive policy transfer), or for reasons that are a function of both voluntary and coercive rationale<sup>[22]</sup>.

*Voluntary* transfer – including “lesson drawing” – fits within a rational conceptualization of policy making, in which a government or organization seeks out and voluntarily chooses to engage in transfer. This may occur for a number of reasons, including dissatisfaction with the status quo, e.g., when existing policies are considered ineffective and/or inappropriate, or when there is a perception of policy failure<sup>[12][22][24]</sup>. Voluntary policy transfer can also occur when a jurisdiction or organization wants to be seen as progressive or modernizing, and thus adopts or emulates policies from elsewhere that are considered to be innovative<sup>[32]</sup>. An organization might also choose to engage in policy transfer when a “quick fix” is required because of a crisis; when political pressure demands a rapid response<sup>[38]</sup>; when internal expertise to deal with a problem is lacking<sup>[23]</sup>; or when a tried-and-true solution is sought due to uncertainty surrounding a policy problem and potential solutions<sup>[20][43]</sup>.

Alternatively, *coercive* policy transfer occurs when one organization or government forces another to adopt a specific policy or approach<sup>[20]</sup>. This can occur through the use of force or military power by another government or group, but more often occurs not as direct imposition but as a condition or obligation under an international treaty or agreement<sup>[22]</sup>. For example, international organizations such as the Organization for Economic Co-operation and Development, the United Nations and the World Bank are increasingly playing a role in the spread of ideas, programs and institutions around the world. These organizations can influence policy makers directly, through loan conditions and treaty obligations, or indirectly through information they disseminate via conferences and policy reports<sup>[22][53]</sup>.

Figure 1 offers a representation of driving forces behind policy transfer. The overlapping elements of the identified driving forces symbolize that in reality policy transfer is rarely purely voluntary or purely coercive, but most often falls somewhere in between the two ends of this spectrum. For example, national governments in Europe are required to fulfill specific policy obligations as a condition of receiving European Union membership, but can choose the type of tool or mechanism they use to achieve specific outcomes. Under these circumstances, governments can use voluntary policy transfer to fulfill their obligations<sup>[8]</sup>.

Figure 1: Driving Forces Behind Policy Transfer



Source: Adapted from Dolowitz and Marsh<sup>[22]</sup>.

Even voluntary policy transfer is rarely (if ever) undertaken from a purely rational-comprehensive standpoint – in other words, through a search for all options, systematic assessment of those options, and transfer of the most appropriate policy that is most likely to succeed (Box 2). For example, Dolowitz and Marsh identify four ways in which actors can incorporate lessons into their political system: *copying*, *emulation*, *hybridization* and *synthesis*, and *inspiration*<sup>[20]</sup>. Policy transfer does not simply mean the adoption in total of complete policies, but includes the incorporation of administrative arrangements, institutions and ideas<sup>[22]</sup>.

Decisions as to the extent that elements of a policy successfully implemented in one location can be adopted in another should be the result of careful consideration. Much more common, however, are situations where the people involved are making decisions with limited information, and under the constraints imposed by the institutions in which they are situated<sup>[22][43]</sup>. In that respect, common motivations for policy transfer include the following:

- Herding behaviour, for instance, when an international consensus forms around an issue and there is pressure to conform or “keep up with the Jones”<sup>[19]</sup>;
- Promotion of particular policy options or solutions by supranational organizations or policy entrepreneurs<sup>[12][52]</sup>;
- A desire on the part of governments or organizations to gain legitimacy, or to legitimize decisions already made<sup>[24][43]</sup>.

As these motivations demonstrate, policy transfer is rarely a linear, purely rational activity, and is most often influenced by a number of structural and institutional factors<sup>[23]</sup>.

## Box 2: Policy Transfer in Action

The experiences with policy harmonization and integration within the European Union (EU) have proved to be a fertile ground for policy transfer, especially with respect to environmental policy. Often, EU policy makers have relied on transfer of lessons learned from the policies of countries that are environmental “leaders” to develop their Directives for the entire EU. For example, the 1984 Framework Directive on industrial emissions has been called a classic case of policy emulation. According to Bulmer and Padgett<sup>[8]</sup>, a German official “was simply given the German law and told to translate it into Euro-speak”. Negotiations were concluded smoothly and the Directive was adopted unanimously; Germany was successful in ensuring that the principles of its original legislation (the precautionary principle and best available technology requirements) were employed as anchors in the EU Directive.<sup>[8]</sup>

### 3. The Case for a More a Strategic Approach to Policy Transfer

As noted in Section 2, policy transfer can be a voluntary process, or it can be imposed by external bodies. Regardless of how it occurs, a key determinant in whether or not the policy transfer will be successful is the extent to which it effectively addresses problems in ways that are most appropriate for the given context in which solutions are applied. This discussion paper advances the idea that adopting a more analytical approach to policy transfer can increase the instances where policies that are transferred from another context successfully addresses problems where they are applied.

Failed policy transfers are not unusual. They commonly are attributed to the transfer being uninformed, incomplete, or inappropriate<sup>[22]</sup>:

- Uninformed transfer occurs when the borrowing jurisdiction does not have enough information about the policy and how it operates in its original jurisdiction
- Incomplete transfer occurs when crucial elements of a policy or program are not implemented during transfer
- Inappropriate transfer occurs when insufficient attention is paid to the differences between the many important aspects of the contexts in the original and recipient jurisdictions.

Maximizing the prospects for successful policy transfer requires approaching policy transfer as a strategic process that requires awareness of and information about programs and policies elsewhere, and systematic assessment of those policies and programs in their original setting as well as their potential application in a new setting<sup>[38]</sup>.

Within the policy transfer literature, various terms have been used to describe analytical, systematic approaches. These include “prospective” and “comparative” policy transfer<sup>[38][47]</sup> (Box 3). Conceptualizations such as these offer broad insights into the transfer process. However, they have been criticized for being too prescriptive, and for not adequately addressing the constraints associated with policy transfer<sup>[6]</sup>. Greater guidance is needed on how to assess options systematically so that policy transfer is more likely to be successful.

A strategic approach to policy transfer encapsulates a more deliberate, purposeful and analytical approach to policy transfer. Such a systematic rational approach to policy transfer can be differentiated from less analytical examples of policy transfer that may include scanning of the literature or transfer of policy without consideration of whether it is appropriate for the context in which it is to be applied.

Strategic approaches to policy transfer involve systematic processes of identifying relevant experiences, assessing what parts of those experiences can be transferred, and devising ways to apply those lessons. Such approaches require awareness of and information about policies (or institutions, programs, approaches, etc.) in existence elsewhere, as well as evaluation or assessment of those policies and their potential application in new contexts<sup>[38]</sup>. In the next section of this discussion paper we explore in more detail the constraints associated with policy transfer in the context of water governance in Canada and present ideas that can guide a more systematic and analytical approach to policy transfer.

### Box 3: Perspectives on the Policy Transfer Process

Mossberger and Wolman<sup>[38]</sup> suggest that the rational process of policy transfer includes three broad stages:

- *Awareness*: Becoming aware of policy options, through active information search or from conferences, the media, policy entrepreneurs, colleagues, etc.
- *Assessment*: Considering the information gathered about a policy and assessing the similarity of problems and goals between the original and new jurisdictions, how successful the policy was and why, and differences in setting
- *Application*: Applying the information gathered and assessment of that information in the decision process; a policy can be transferred in whole or adapted with appropriate modifications, or even rejected, as long as the decision is based on awareness and assessment.

Rose<sup>[47]</sup> uses the concept of “lesson drawing” (a term commonly used in the “policy transfer” literature). He outlines a 10 step process for lesson drawing:

1. Learn the key concepts: what a program is, and what a lesson is and is not
2. Catch the attention of policy makers
3. Scan alternatives and decide where to look for lessons
4. Learn by going abroad
5. Abstract a general model of how a foreign program works
6. Turn the model into a lesson fitting your own context
7. Decide whether the lesson should be adopted
8. Decide whether the lesson can be applied
9. Simplify the means and ends of a lesson
10. Evaluate a lesson’s outcome prospectively, and if adopted, as it evolves over time

## 4. Strategic Policy Transfer in Water Governance: The Importance of Assessing “Fit”

Policy transfer is a messy and complex process. Previous research offers guidance. However, the policy transfer process cannot be reduced to simple procedures. In this section we highlight insights that deal with practical concerns such as how and where to scan for lessons, what to consider before transfer, and what can increase (or decrease) the chances of successful policy transfer in the water governance field. Thus, we build on the systematic approaches offered in Box 3, but place particular emphasis on the importance of “fit”.

### 4.1. Information for Transfer

Once a policy problem has been diagnosed, the first stage of the policy transfer process involves gathering information about policy solutions in existence elsewhere. Policy makers and practitioners are constantly exposed to information about experiences in other jurisdictions through discussion with colleagues, attendance at conferences, and reading newspapers, reports, magazines and books. Thus, when policy problems arise in their own jurisdiction, it is often possible to draw on awareness of circumstances in other places, and then make a few phone calls to gather basic information about potential lessons and solutions<sup>[46]</sup>. This is a normal activity in which most policy makers engage – but it is not the same as a systematic process of strategic policy transfer.

The quality of information gathered in the search process has important consequences for the ability of practitioners to assess the transferability of a policy or program in a new context. Indeed, the more information practitioners possess about how a policy operates in another location, the easier it will be to transfer those experiences<sup>[24][45]</sup>. An active, problem-focused information search should take into consideration the scope and quality of information gathered on policies for potential transfer. Scope implies being aware of all (or many) of the places in which a specific policy has been utilized, as opposed to just a single instance, and how implementation and success compares among the different examples<sup>[38]</sup>. Prospective adopters need good quality information about policy or program goals, designs, components, and actual operation of the policy in question in order to assess transferability and to avoid uninformed transfer<sup>[22][38][46]</sup>.

### 4.2. Assessing “Fit”

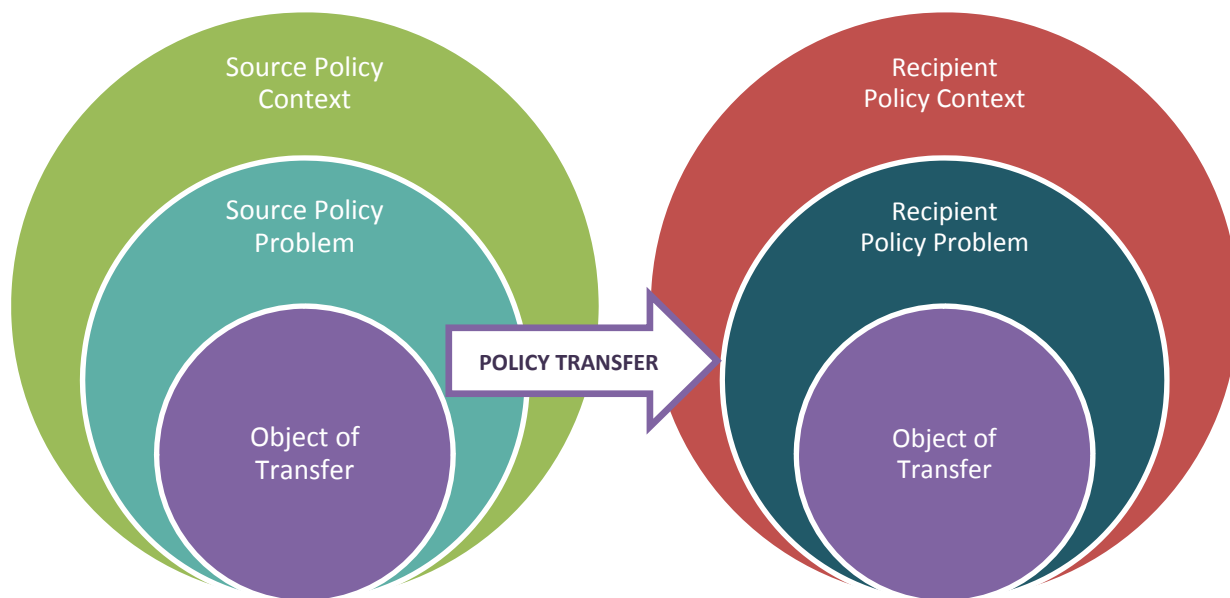
While information gathering is essential, high quality information is not enough to guarantee successful transfer. Once a search has been conducted for potential policy transfer candidates, and once information has been gathered about options, it is necessary to assess the transferability of those policies into a new setting. Transferability may be measured by assessing how well the policy proposed for transfer addresses the policy problem in the recipient cultural, economic, political, and geographic context. Put simply, does the policy proposed for transfer “fit” the policy problem where it is proposed to be applied? The results of studies that have analyzed transferability in any depth caution against uncritical adaptation or transfer of water policies without consideration of the relevant contextual factors that influence their fit<sup>[33][49][54]</sup>.

For example, one study that explored the applicability of the Murray-Darling Basin experience with watershed management in a Chinese context concluded that transfer would be difficult (if not impossible) because of the

following concerns: (1) difficulty of coordinating authorities at different levels; (2) unclear ownership of resources; (3) small farming scales; and (4) poor education of resource users<sup>[29]</sup>. Many in the water sector understand this reality<sup>[5][37][42]</sup>. Indeed, the Global Water Partnership specifically identifies inappropriate policy transfer as one of the common pitfalls of implementing changes in water governance institutions. Failed policy transfer often occurs when organizations attempt the wholesale transfers of policy tools or structures that have worked elsewhere without analyzing how cultural, political and economic conditions will affect the likelihood of successful implementation<sup>[26]</sup>.

Policy transfer involves transferring lessons or knowledge about policies designed to address a specific policy problem in one context, and using those in the development of policies in a different policy context (Figure 2). The *transferability* of policies and other institutions – in other words, the extent to which these may be successfully transferred from one context to another – is shaped by characteristics of what is being transferred (the object of transfer), the policy problem, and, most significantly, the broader policy contexts in which the policy originated and into which it is being transferred.

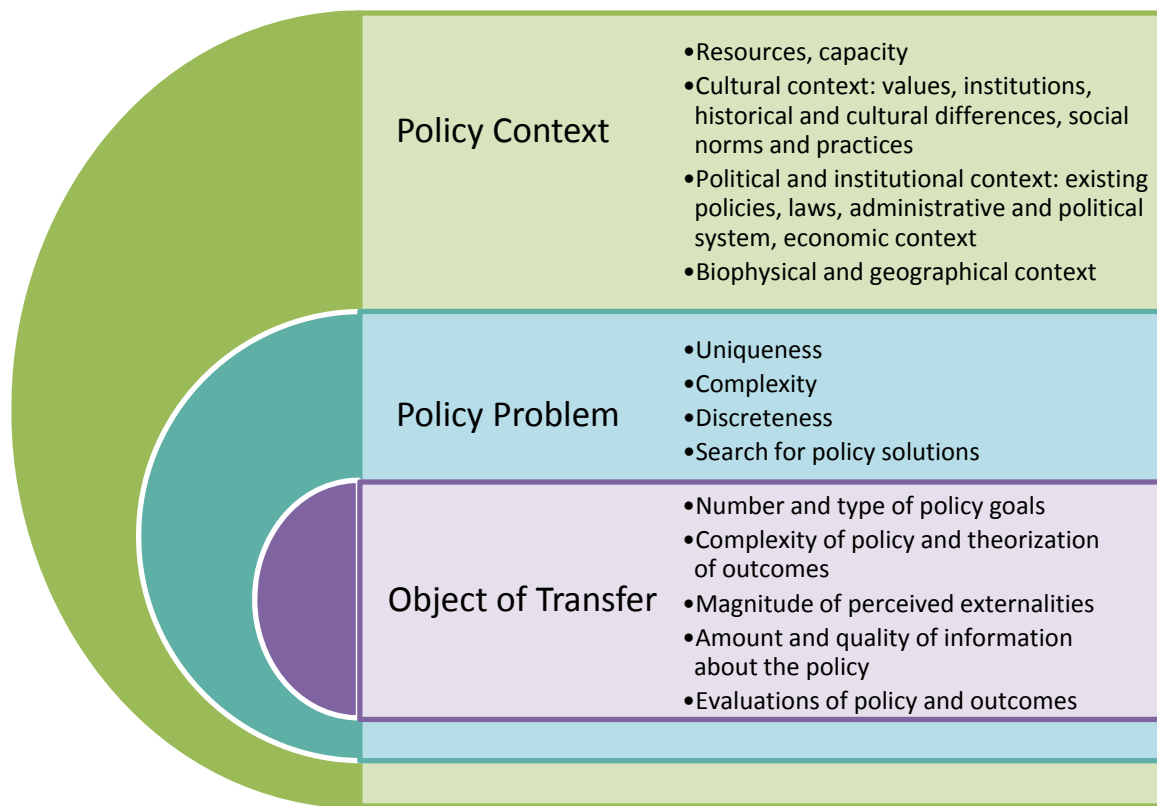
Figure 2: A Conceptual Diagram of Policy Transfer



“Fit” between the policy or program being transferred and the recipient context is perhaps the most critical issue in policy transfer<sup>[6][54]</sup>. When fit is high, there is a greater likelihood that transfer will be appropriate and successful. Conversely, where the lesson being drawn exhibits little fit with the receiving context and/or requires significant modification, transfer could potentially prove infeasible, problematic or limit the degree to which the policy can be successfully implemented<sup>[6]</sup>.

If a certain degree of fit is necessary for policy transfer to be successful, the question then becomes how to assess fit? Practitioners need to cultivate an intimate understanding of the conditions under which policies or programs function in their original contexts (or the potential ‘exporter jurisdiction’) and how this compares to how it might function in the context of the borrowing jurisdiction<sup>[39]</sup>. Essential prerequisites to successful policy transfer include detailed consideration of the internal factors that influence transferability (characteristics of the policy or program, and the policy problem it is intended to address), and the external or broad contextual influences in both the original and transferring jurisdictions<sup>[39][47]</sup> (Figure 3).

Figure 3: Summary of Factors Known to Influence Policy “Transferability”



### Contextual Considerations

Understanding the context in which a policy is situated and considering the contextual differences between the transferring and borrowing jurisdictions is an essential precondition for successful policy transfer<sup>[22][34][55][57]</sup>. To illustrate, coercive policy transfers – where implementation of specific policies is a requirement imposed on a jurisdiction by external actors (Figure 1) – often fail because the policies being transferred are inappropriate for the context, capacity, resources and needs of the receiving jurisdiction<sup>[56]</sup>. Hence it is critical to examine the

multiple dimensions of context surrounding a particular policy in order to assess transferability and potential fit within a new jurisdiction.

From a practical perspective, transferability is strongly influenced by the resources and capacity (political, administrative, and technical) necessary to implement the policy or program in question. Policy transfer is facilitated when the receiving jurisdiction has adequate financial resources, bureaucratic size and efficiency, and capacity for policy implementation<sup>[20][24]</sup>. Researchers have found that the more equivalent financial and other resources allocated to implementation are between jurisdictions, the more transferable policies tend to be<sup>[28]</sup>. For example, when cities in the UK attempted to transfer the idea of Business Improvement Districts (BIDs) from the US, they were unable to successfully replicate the institutions, in large part because they lacked access to the large amounts of money and other resources that were instrumental to the functioning of BIDs in the US<sup>[12]</sup>.

Before considering transfer, it is extremely important to consider the cultural context in which a policy is situated and how this relates to the cultural context in the transferring jurisdiction. Contextual fit is largely dependent on the extent to which institutions are compatible with the socio-cultural norms and values of a jurisdiction<sup>[28][44]</sup>. The more similar the cultural institutions and values in the original and recipient jurisdictions, the more likely it is that transfer will be successful<sup>[28][32]</sup>. Research has shown that significant historical, social, and cultural differences can make policy transfer difficult and problematic, especially when differences are vast<sup>[18]</sup>. As an indicator of socio-cultural context, public opinion is an important factor that influences transferability; fit is reduced when a policy or approach is inconsistent with dominant cultural beliefs and ideologies in the recipient society<sup>[38][57]</sup>. When assessing transferability, it is thus essential to consider how a policy will fit (or conflict) with the overall cultural context of the recipient jurisdiction.

Transferability is also influenced by the political and institutional context in which a policy is situated, including a jurisdiction's political system, institutions and ideology; the structure of existing policies and laws that affect the policy in question (directly and indirectly); and the organizational and bureaucratic structure of the recipient jurisdiction<sup>[6][20][38]</sup>. A lack of regard for these factors can result in failed policy transfer<sup>[22][24]</sup>. For instance, transfer of US welfare-to-work policy to the UK was constrained by deep-seated institutional differences between the jurisdictions, especially the centralized structure of the British state, limited capacity for local level political agency, and differences in political and economic conditions<sup>[40]</sup>.

A final aspect of context that is almost never considered in the conventional literature on policy transfer is the biophysical and environmental context in which a policy or program is situated. Environmental context may not be a critical concern for public policy fields that lack a direct link to the physical world (such as taxation, crime, or healthcare policy). However, environmental context is extremely important relative to water and other environmental policies<sup>[35][54]</sup>. Important contextual considerations relating to the environment include how resources change over time and move across the landscape, and how resource problems relate to natural and political boundaries<sup>[27]</sup>. In the water field, it is widely recognized that policies and institutions must be appropriate relative to the hydrological, ecological and biophysical conditions of a region<sup>[4][33][48]</sup>. For example, the *North-west Irrigation Act* (Box 1) was introduced in western Canada specifically because water managers recognized that the water allocation system suited to the humid parts of the continent (the doctrine of riparian rights that had been

imported from Great Britain) was not suited to the semi-arid conditions of the west<sup>[16]</sup>. Similarly, arrangements for environmental water allocation in Australia strongly reflect the variable climate (cycles of floods and drought) and the high level of water infrastructure development that exists there<sup>[54]</sup>. Careful evaluation of the biophysical context surrounding water policies is therefore an essential component of assessing fit and transferability.

## Characteristics of the Policy Problem and the Policy Being Transferred

Characteristics of the policy being transferred and the nature of the policy problem strongly influence policy transferability. The following factors should be taken into consideration by practitioners considering transfer:

- Less complex policies with single goals that result in limited changes are more transferable than those with multiple goals that require significant or fundamental changes<sup>[28][45]</sup>.
- Policies with fewer perceived externalities are more likely to be transferable than those with a wide ranging impact<sup>[32][45]</sup>.
- The better theorized and clearer the cause and effect structure of a policy, the more transferable it will be<sup>[28][32][45]</sup>.
- The more similar the policy problem and policy goals in the original and transferring jurisdictions are, the more likely it is that the policy will be transferable<sup>[28][38]</sup>.

Awareness of these factors, especially comparison of the policy goals and the policy problem in the original and transferring jurisdictions, can help practitioners to assess the potential ease of transferability of a particular policy. To guide practitioners in determining fit when considering policy for potential transfer the above discussion has been synthesized and presented as indicators for determining policy transferability (“fit”) (see Table 1).

Table 1: Indicators of Policy Transferability or “Fit” Relevant to Water Governance

Factors	Indicators of Transferability (“Fit”)
<b>Policy Context</b>	<ul style="list-style-type: none"> <li>• The receiving jurisdiction has adequate financial resources, bureaucratic size and efficiency, and capacity for policy implementation<sup>[20][24]</sup>.</li> <li>• Equivalent financial and other resources between source and receiving jurisdictions allocated for implementation<sup>[28]</sup></li> <li>• Similar cultural institutions and values in the source and receiving jurisdictions<sup>[28][32]</sup></li> <li>• Similar political and institutional contexts in the source and receiving jurisdictions<sup>[6][20][38]</sup></li> <li>• Similar biophysical contexts in the source and receiving jurisdictions<sup>[4][33][48]</sup></li> </ul>
<b>Policy Problem</b>	<ul style="list-style-type: none"> <li>• Similar policy problems and policy goals in the source and receiving jurisdictions<sup>[28][38]</sup></li> </ul>
<b>Policy Being Transferred</b>	<ul style="list-style-type: none"> <li>• Policy is less complex with single goal that result in limited changes (as opposed to multiple goals that result in significant or widespread change)<sup>[28][45]</sup>.</li> <li>• Policy has fewer perceived externalities (as opposed to proposing with a wide ranging impact)<sup>[32][45]</sup>.</li> <li>• Policy is well theorized and has clearly defined the cause and effect structure<sup>[28][32][45]</sup>.</li> </ul>

## 5. Conclusion

Analysts and policy makers in the water field have long recognized the utility of scanning international and national case studies and best practices for ideas to help address the numerous water challenges faced around the world. Despite the numerous contingencies and cautions offered in this discussion paper, policy transfer is a viable approach to addressing the need for innovative solutions to water governance challenges in a timely manner. There have been many examples of successful policy transfer within the water field, and the opportunity to learn from water policy experiments and experiences in other jurisdictions, at multiple scales and levels of governance, has never been greater. However realizing the benefits of policy transfer will require that practitioners and policy makers understand the factors that shape transferability, and develop the capacity to utilize lessons appropriately in their own contexts.

Common water challenges are being faced at multiple scales of governance worldwide. Policy transfer represents an opportunity to address these common challenges through benefiting from the experiences of others. Though the mainstream policy transfer literature has tended to focus on transfer between countries and governments, governance structures in general are shifting to become increasingly distributed and networked among a variety of actors at numerous scales (e.g., international organizations, national, regional and local governments, transnational corporation, private business, citizens – and in the case of water governance, watershed and sub-watershed scale actors)<sup>[17]</sup>. Reflecting the increasingly multi-level nature of contemporary water governance, policy transfer can occur between any and all of these levels, and the scope for transfer between actors at multiple levels, both above and below the scale of the national government, is increasing<sup>[6][25]</sup>. However, relatively little work has focused on analyzing transfer within the framework of multi-level governance, and thus much remains to be learned about how policy transfer occurs within this context.

Policy transfer has the potential to advance and improve water governance processes and outcomes in Canada and elsewhere. The key to achieving these benefits is learning how to undertake the search for policies that can be transferred in an appropriate fashion. To better understand how policy transfer can be done most effectively, this discussion paper advocates a more strategic approach to policy transfer. A strategic approach comprises a systematic and analytical process by which knowledge of policies, administrative arrangements, institutions and environmental context of both the source and potential receiving jurisdictions informs the determination of whether policy proposed for transfer is likely to be successful in addressing the identified policy problem, and therefore is appropriate for transfer.

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