

## **Providing Equitable Access - Private Operators Field Experience**

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**THE INTERNATIONAL FEDERATION OF  
PRIVATE WATER OPERATORS**

UN ECDE - REGIONAL WORKSHOP ON ACHIEVING EQUITABLE ACCESS TO WATER AND SANITATION: FROM ASSESSMENT TO ACTION – March 21 & 22 2016  
Session 3 – Translating the outcomes of the assessments into action to ensure equitable access

## **Rights to Water & Sanitation**

- Universal
- Individual
- State responsibility
- Progressive implementation
- Affirmative action
- Collective systems for delivery
- Investment & operation of “industrial” nature

## Policy from the top Action at the base

- Policy
  - The policy approach (scorecard etc.) comes from the 'top'
- Service Delivery
  - At the level of local unit (municipality)
  - Interaction between:
    - Local public authorities
    - Local operator
    - Consumers

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## Water Services

- Collective public services
  - Inter-user relationship
- Environmental dimension
  - Save water & Protect aquatic environment
- Social dimension
  - Vital & Public health
  - Supports jobs
- Economic dimension
  - Expensive to install & operate
  - Efficiency & Cost optimisation
  - Need adequate investment & cost recovery

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## Who & What is Involved

- Equality Challenges
  - Geography
  - Affordability
  - Gender, Disabilities, Disadvantaged
- Ethical questions
  - Identification of those needing special help
- Parties to Solution
  - Policy Makers
  - Administrations
  - Operators
  - Service Users

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## Core Role of Private Operators

- Operate the public service under control and direction of public authority
- Provide a good quality, reliable service to **all** users
- Optimise the balance of expenditure & income
- Provide advice & information to public authority

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## Private Operators & RTWS

- Implement the RTWS without realising
  - Principle of “universality” of services
- Contributed to General Comment 15
- Contributed to recognition of RTWS @ UN General Assembly and OHCHR
  - Formal consultations & submissions
- Contributed to work of 1<sup>St</sup> & 2<sup>Nd</sup> Special Rapporteurs
- Formal consultations, submissions & Field visits

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## RTWS Challenges & Contradictions

- How to cut cost but maintain revenue
- Non-revenue water has 2 components
  - Physical losses (leaks & waste)
  - Administrative losses (non-payment)
- Who pays
  - Truly disadvantaged “can’t pay but would pay”
  - Rights abusers “can pay but won’t pay”
- Who/how to decide the difference?
- Who/how to help?
- Who/ how to sanction?

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## Private Operators – Advancing good practice

- Initial challenges of developing countries
  - Geograpy – Informal settlements
  - Affordability – Low income
  - Gender – Impact of incomplete services
  - Africa, Latin America, SE Asia etc.
- Research and operation practices on access to water for all

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## Private Operators – Advancing good practice: France

- Rising prices - Growing inequality
- Recognition & Legalisation of RTWS
- Political Challenges – Practical Answers
- The Operators core job – Deliver services & provide advice
- Answers built on experience and innovation
- The Private Operators image

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## **Political Objectives of Mayors**

### **Political objectives that have emerged in discussions with Public Authorities & Private Operators in France**

- Respect & Implement the Right to Water
- Encourage non-wasteful use of water
- Preserve local competitiveness
- Help people in financial difficulty
- Reduce water bill for low income families
- Promote tap water as safe & sustainable
- Promote sustainable water consumption for all uses by helping to reduce consumption
- Ensure equity between permanent and seasonal residents
- Ensure homogeneity between water & sanitation

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## **Practical Solutions from Operators They can't do it alone**

- Developed social support systems
  - Advised mayors & government
  - Solidarity funds
  - Processes for identifying the needy
- Progressive tariffs
- Practical help for users
  - Cost management
  - Consumption management
- Debt write-off

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## Greater Paris

- Partnership between SEDIF & Véolia
- Programme "Eau Solidaire"
- 149 Communes in North Parisian Metro Area, 4.4 million inhabitants
- Programme with 3 components
  - Urgent financial support
  - Assistance
  - Preventive action
- Started in 2011

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## Greater Paris Urgent financial support 1/2

- 2 Approaches
- Aide Eau Solidaire (Mutualised help for water)
- For subscribers (Have a billed connection)
  - Combines help with dignity
  - Véolia contributes to a fund managed by CCAS (Communal Center for Social Action)
  - Financial assistance disbursed by CCAS

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## Greater Paris Urgent financial support 2/2

- For non-subscribers (Tenants living in un-metered flats etc.)
- “Fonds Solidarité Logement” Social Housing Fund
  - The water supplier contributes to the (FSL)
  - The tenant applies to FSL and receives direct support with money drawn from the fund
- Véolia also offers easy payment options & has written-off significant debts

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## Greater Paris Assistance

- A dedicated customer relations team
- 8 specialists work with people in need, public authorities and local associations
- Special focus on people in great difficulty
  - Extreme poverty
  - Sub-standard housing
  - Special difficulties
- Personalised solutions
  - Payment facilities
  - Personalised contracts
  - Help to control consumption

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## Greater Paris Preventive Actions

- Local mediation
  - Water supplier participates in local initiatives organised to help people in need
- Helping responsible use
  - Work with local NGOs to provide information and help
- Domestic plumbing
  - Working with local associations to help maintain and repair domestic plumbing installations to reduce leaks and consumption
- Additional benefit – job creation
  - (C 50 jobs per year)

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## Evaluation

- An external independent evaluation for the parties involved – Very positive
- Individual aid system 2013
  - 2,464 families helped €510,000
- Collective aid system 2013
  - 3,064 families helped €300,000
- Debt write-off
  - 2011-2013: €160,000 for 260 families

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## Dunkirk - environmentally-friendly and socially inclusive water pricing

- Partnership between Dunkirk Water Syndicate, a Suez subsidiary, & other social organizations
- 27 communes 220,000 Population
- Environmentally - friendly encourages residents to consume less water
- Socially inclusive - takes households' income into account.
  - Universal Additional Medical Cover (CMU-C "*Couverture Médicale Universelle Complémentaire*").
- 8,600 families are eligible

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## Dunkirk - Water pricing

- Rising block tariffs – additional weighting using a social indicator applied to vulnerable households
- Three price bands
  - "essential" water, (for food and hygiene) theoretical consumption of 15 m<sup>3</sup> per household per year.
  - "useful" water
  - "luxury" water.
  - Households consuming 0 - 75 m<sup>3</sup>, a 20% reduction of water charge compared with previous tariff & a 70% reduction for households covered by the CMU-C scheme
  - Additional "water cheque" for large families

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## Sustainable water fund

- “Sustainable Water” - encourages businesses to invest to reduce consumption and to protect an increasingly scarce resource
- To finance the fund, the price of water increased by 0.01 €/m<sup>3</sup> for this range of users.
- Cross subsidy

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## Consultation & Evaluation

- “Environmentally-Friendly and Socially Inclusive Forum” - residents, local authorities and social security organisations to assess the effectiveness of the measures
- Five tools used: analysis of bills, surveys, questionnaires, workshops and inhabitants
- Feedback is positive, some adjustments required
  - 70% positive opinion of environmentally-friendly aspect
  - 63% positive opinion of socially inclusive aspect.

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## An Important Caveat

- Un-civic behaviour
  - Can pay won't pay
  - Adds to cost of everybody else
  - A challenge for Authorities & both public & private operators
- Countries with largest share of private service operation have made sanctions of disconnection or service limitation illegal – Rapid rise in arrears in payment by those who could & should pay
- A practical and political solution to this challenge is needed.

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## Conclusion

- Private operators in France & elsewhere are actively engaged in working with public authorities to make the rights to water and sanitation a reality for all
- Putting flesh on the bones of UN ECE's "No One Left Behind" and "Equitable Access Scorecard"
- "Solidarity" requires the collaboration & intervention of multiple parties
- Solutions can be tailor made

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## Some sources of additional information

<http://www.veolia.com/en/citizens/access-essential-services/france-water-all>

<http://www.veolia.com/en/citizens/solidarity>

<http://www.veolia.com/fr/pour-les-citoyens/acces-aux-services-essentiels/france-eau-pour-tous>

<http://newsroom.suez-environnement.com/the-first-environmentally-friendly-and-socially-inclusive-water-pricing-scheme-in-france/>

<http://www.emag.suez-environnement.com/dossier/tarification-equitable-eau>

[http://www.fp2e.org/Site/Eau\\_Assainissement/solidarite.php](http://www.fp2e.org/Site/Eau_Assainissement/solidarite.php)