

Right to water – from ethics to policies

I would like to pay tribute in this communication to the great water academician Henri Smets, who left us last January. After a career at the OECD, this economist of Belgian origin devoted his retirement years to the cause of Water for All. Thanks to his numerous reports, he was at the forefront of advocacy, including when in 2010 it was necessary to convince the representatives of the French government to defend the recognition of water and sanitation as a human right at the UN.

What path have we traveled since 2010 to humanize water services? I have been asked to approach this question from an economic angle. I will begin by recalling certain characteristics of water services, to then see how the new right to water has moved the lines in two worlds: in the South on the one hand, and in the countries of the North by taking France as example on the other hand.

1) The constraints of a water service

The principle of subsidiarity (managing a problem as close to the ground as possible) would require that water and sanitation services be organized at the level of the agglomerations, or at least, of the provinces that surround them. under the political responsibility of local authorities.

The existence of a water service obviously requires the availability of a water resource in sufficient quality and quantity. This availability will result from a water resource policy, managing competition between uses and pollution, a policy

which generally intervenes on a scale much greater than that of the community to be served.

A water service provides of course a product and a service. The product is guaranteed drinking water supplied in large quantities (150l of water per inhabitant per day in France). The service is the delivery to the inhabitant 24 hours a day, 365 days a year of the quantity of water they need. Water has no economic value by itself, even if its ecological and symbolic value is very great. On the contrary, the high cost of collecting, supplying, treating, storing, distributing and monitoring water requires rigorous management.

The sanitation service is responsible for the extension and maintenance of the sewer network, the purification of wastewater and stormwater and their residues after treatment, before their discharge into the natural environment, possibly still the maintenance of decentralized systems in private homes. In developed countries, the per capita cost of the two services, water supply and sanitation, is roughly equivalent.

The costs of these services are a function of multiple factors, including in particular the history of investments, and the treatment needs related to the level of quality of the starting water, and the quality of the final product required by constantly changing standards. A characteristic of these services is the importance of fixed costs: especially staff costs and the reimbursement of investments with their possible financial costs. They statistically correspond to approximately 80% of the total cost of a water service.

The level of costs is called upon to be reflected in the prices so as to ensure the accounting balance of the service over time. Most often the tariff includes a subscription component, and a variable part depending on the volume of water consumed. In general, a relatively high weight is given to the variable part of water to avoid wasting it. This implies that the revenues of a water service, called upon to guarantee the accounting balance, will be more dependent on the

volumes consumed by the users than would be required by a simple transparent commercial translation of the structure of the charges.

But the invoices do not necessarily cover all the costs: this is often impossible for reasons of social acceptability. Since the investments are often too costly to be passed on to the population, a principle of good management would require that at least the operating costs be covered locally by the tariff paid by the users. This imperative aims to be able to ensure continuity of service, without having to wait for the arrival of external funding.

The water service is, of all the urban network services, the one with the lowest cost recovery rate, compared to gas, electricity or communications, products whose technical nature is undisputed. Because water is essential to life and dignity, it is a very politically sensitive sector and elected officials are subject to double pressure between the economic constraints of the water service and those of their electorate. Balancing service sustainability with social equity is a tricky issue.

2) The service dimension in the SDGs

For 2030, the Sustainable Development Goals (SDGs) voted by the UN General Assembly in September 2015 target in their objectives 6.1 and 6.2 the coverage of 100% of humans, respectively for water and sanitation.

The SDG approach reinforces the fact that the right to water is no longer just an individual right, but is part of a collective objective of all nations with an action plan, the 2030 Agenda decided and monitored at global level.

The main consequence of the recognition of the human right to water in 2010 is the integration of the notion of water service into the SDGs. The continuity of access to water, under the required safety conditions, implies the responsibility of a service whose reliability, responsiveness and durability must be ensured. Moving from infrastructure counts to correct service counts has tripled the global

estimate of the number of people with insufficient access to water: from 780 million to approximately 2.2 billion. As for proper toilets, 2.5 billion people were deprived of them in 2015.

As local authorities and southern states rarely have the means of financing to match the challenges, transfers are essential.

Currently, the overall annual investment for drinking water and sanitation is around \$120 billion per year. Official development assistance represents the bulk of transfers for water from countries of the South, because the sector does not offer good enough prospects for profitability for the private sector. Aid increased sharply in this sector after 2010. Today, we are witnessing many financial innovations to make substantial funding available and secure its safe arrival by avoiding misappropriation due to corruption. But there is no point in investing if the property assets are not maintained. Training needs, especially for medium-sized towns, are enormous.

The SDGs provide a clear framework for mobilization with its system of homogeneous indicators making it possible to compare the policies of the States at the global level, and to highlight the links between objectives, avoiding work in silos. Governments are under an obligation to ensure that for each citizen there are adequate water services in quantity and quality, at an affordable price and at an accessible distance, as well as decent toilets. The minimum sufficient quantity is estimated at 50 l per day and per person, and the access time must not exceed 30 minutes, including the queue.

Unfortunately, no agreement could be reached on a measurable service affordability criterion, despite the work of Henri Smets. Is the acceptable cost limit 5% or 3% of household income? Free water supply is not required by the human right to water, but how to ensure that the poorest are not harmed? This question arises differently depending on the context: carrying water from standpipes, or housing connected to the network.

3) Cases where home delivery cannot be considered.

Tap water and sewer connections in homes are very safe systems from a hygienic point of view, but costly in capital at the start. In many localities in the South, in Africa in particular, the financial means will not yet allow everyone to have water and sewage at home.

For the poorest in the city, water can represent more than 10% of the family budget, because the delivery of drinking water by truck or in bottles is very expensive. Some neighborhoods are implementing rustic techniques, in particular light networks off ground, in collaboration with NGOs, or in the form of micro-enterprises of a social nature. Sanitation in poor neighborhoods poses an even bigger problem than drinking water because there is hardly any social demand and the subject is often taboo. Social marketing methods can be applied to create demand for hygienic latrines, made by local artisans. Campaigns are often relatively neglected. They suffer from a lack of staff training, and difficulty in accessing replacement parts for service maintenance.

Many cities and towns in the South do not wish to charge the poorest people for water from standpipes, and this hesitation is understandable. The difficulty will be to cover the remuneration of employees locally, because if it is not maintained the network of fountains will deteriorate. In Africa, we are often at the third supply system, after the ruin of two previous achievements. We cannot do without a viable economic model. We must find the niches of prosperity and rely on them to progress through equalizations (surcharge on electricity or bottled drinks, local businesses). We cannot rely on long-term volunteering.

The rights, duties and means of each actor are not always clear. It is not up to a local elected official to hire employees of the water service, which may not have the means to pay them. It is not up to the users' committee to be responsible for supplying and selling water at the standpipes, which can become an income for some families. Therefore, an effort of contractualization is necessary.

In France, too, the question of access to water arises for homeless people, precarious inhabitants, and travellers, who represent around 1% of the population. In 2018 Henri Smets piloted for the Water Academy, with students from the Institute of Political Sciences, a research project on access to water for these people in Ile de France, which highlighted a great need for free shower services and toilets, despite the efforts of civil society, which is more concerned than many local elected officials. Today, the Coalition Eau is developing its observatory of the right to water, starting with the big cities, because the situation of people in precarious housing is very difficult to define.

4) Case of housing connected to urban networks

In 2014 in France, although the share of income devoted to water was approximately 1% on average, there were nevertheless one million households faced with water expenditure exceeding 3% of income.

Water service cuts for non-payment have been prohibited since the Brottes law of 2013 and its implementing decrees. The Water component of the Departmental Solidarity Fund for Housing can intervene in the event of payment difficulties, but this fund is not securely supplied. In 2016, a bill largely stemming from the work of H. Smets aimed to formally enshrine the right to water in French law, and to generalize and secure water relief funds through a tax on bottled drinks. The bill did not survive its passage through the Senate in February 2017.

In December 2019, the French law on the proximity of public action opened up the possibility for urban services to experiment with social tariffs, including sections specially adapted for poor households.

The debate today focuses on the following alternative:

- maintain the equality of citizens with regard to the tariff and support poor households with personalized social assistance, or
- look for pricing innovations with a social purpose, which may be more complex to implement, to make financially reliable, and to target precisely the people who really need help: indeed a large poor family consumes more water than a wealthy bachelor whose bills could fund the budget.

3) Conclusion

It is a half-hearted situation that appears in conclusion. On the one hand, the SDG approach is both ambitious, flexible in its methods and empowering for the States, but it will probably not yet lead to the generalized coverage of needs in 2030. The UN declared in March 2021 that it was necessary to quadruple the efforts if one wanted to reach the target! Worse, the number of people with poor access to drinking water is increasing in sub-Saharan Africa on the one hand, and in the urban half of the world on the other. The new indicators take into account the quality of water and its spatial accessibility, which is a significant advance, but not yet affordability.