

Drinking water: *issues that go beyond progressive pricing*

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The record water shortages and water-related stress of 2022 have put the need to preserve our water resources centre stage. These manifestations of climate change mean there is a growing risk of conflicts of use between agriculture, households and industry.

This is why in spring 2023, as part of its environmental planning, the government launched the "Water Plan", one of whose objectives is to reduce water abstraction by 10% by 2030. Its 53 measures are designed to meet three major challenges: restrained use, water quality and the availability of the resource. Against this backdrop, the Première Ministre has asked the ESEC to look into "the changes needed to make recommendations on progressive water pricing".

A pricing model to be adapted and extended

The ESEC is analysing the initial findings of the various experiments in progressive water pricing introduced by the Brottes Act, as well as the conditions for and obstacles to its implementation. This inventory covers the specific features of various domestic and non-domestic uses, and highlights the inadequacy of the statistical data available. Experiments carried out in communities with varying characteristics (Dunkerque conurbation, Montpellier metropolitan area, Le Sequestre, Libourne, Muret, etc.) show that implementing progressive pricing is complex in the absence of individual water meters. Its effectiveness in reducing water consumption has not been demonstrated, although awareness-raising and information campaigns are proving highly effective. Lastly, this progressive pricing system can be unfair, particularly for large families that consume more than a typical household of 2.2 people (which is used as a benchmark for defining price bands by volume consumed).

At a time when the current environmental challenges go beyond the pricing of drinking water services, the ESEC is questioning the "water pays for water" principle, warning that there will be an end to "cheap" water in the short to medium term.



148
litres

**of drinking water
per day per
French person:
the average
consumption**

Source: Ministry of Ecological Transition, based on data from the BNPE (National Database of Quantitative Water Withdrawals) for mainland France and Corsica



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- **Consolidate data from the Sispea information system (information system on water and sanitation services)** to provide detailed information on the consumption of subscribers (private individuals, professionals, public services, etc.) and to factor in the various stakeholders in the development of public policies
- **Anticipate the inevitable increase in drinking water service rates** with the launch of a prospective study, under the aegis of the General Secretariat for Environmental Planning, to assess the economic, social and environmental impact of this increase
- **Develop a water pricing simulator** for use by local authorities to assess the impact of different pricing models on the financial equilibrium of the organising authority and consumers' budgets, and also to estimate the expected reduction in consumption
- **Enable each user to have an individual meter** to make consumers more responsible by encouraging more restraint (financial measures, actions to raise awareness and provide support for users, coordination between co-owned property managers, public water and wastewater services and private operators)
- **Abolish degressive tariffs by 2030** by providing technical and financial support to professionals and public services to help them reduce their use during the transition phase
- **Regulate sinking permits more effectively** by revising the regulatory framework (written consultation for the community's opinion)
- **Promote the introduction of seasonal pricing** in all municipalities where the balance between water resources and consumption is threatened on a seasonal basis (including those with no tourist activity), as permitted by the 2006 LEMA Act
- **Provide social support for vulnerable users, separate from the pricing system**, with direct assistance from local authorities with the payment of water bills (means-tested, regardless of the type of pricing system or the size of the organisation responsible for distribution)
- **Deploy restraint initiatives within companies** in addition to the communication and awareness-raising initiatives set out in the water plan, co-develop initiatives to reduce consumption and waste within companies

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