

Institutional Systems and Financial Instruments Subject Group

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Benefits and Potential

- Water supply availability could be increased by more than 10% in many cities by reducing non revenue water, thereby improving access to water and numbers connected to formal supplies
 - Analysis using simple tools and limited data shows scope for economic leakage reduction
 - Need to understand governance and social inclusion issues to reduce around water theft
- Moving users from informal to formal water supplies would reduce their payments for water and reduce poverty
 - poor users may pay more than 10 x as much as rich users for water (Accra: the better off pay 0.66 GH¢ per m³; the poor pay between 3 and 11.6 GH¢ per m³)

- Tariffs are an important and complex issue
 - Cost recovery, to pay for O&M, and service loans
 - Enabling alternative sources to compete (rainwater, reused wastewater etc)
 - Cost of water is significant to users and can influence behaviour and water conservation
 - Block tariffs
 - Provide incentive to people to save water (Zaragoza)
 - Disaster for people who share a connection (Accra)
 - regulations should make appropriate exceptions in block tariff
 - Study and develop locally appropriate tariff design

- By considering how people use water (drinking, washing, toilets, gardens), alternative ways can be identified to meet these needs – like use of rainwater (X% of water resource in say Accra)
- By understanding how some people are excluded from water services and the reasons
 - significant impacts can be made through small changes (eg Lima, Belo Horizonte, Alexandria)
 - Longer programmes can be developed to address social inclusion with other issues (eg Bogota)

Implications for EU Research agenda – FP8, WFD, EUWI, EUWF etc

- Combine technical and non- technical (social, finance, governance etc) research approaches to develop sustainable solutions and concepts for IUWM across the water cycle, in Europe and in developing countries
- Prioritise projects which include technical and non technical researchers working together rather than in separate work packages
- Allow more flexibility to encourage and enable demand led research and adapt to changing opportunities
- Identify research topics on barriers which bring together multi-disciplinary teams – eg tariffs

Key outcomes of SWITCH

- Combination of following, developed through interaction
 - Established LAs
 - Demos
 - Written outputs
 - Working software