



ACCESS TO WATER

The case of Wallonia

Yellow River Forum 2012

INTRODUCTION

What is the place of water in Belgian laws

BELGIUM :

- Water is a public good fundamental for life and health with a strong social and environmental dimension.
- Protocol on Water and Health : *Water is essential to sustain life and that availability in quantity and in quality is a prerequisite for improved health and sustainable development.*
- *Convention on the Elimination of all forms of Discrimination against Women.*
- *Convention on the rights of the child*
- *Belgian Constitution : the citizens should be able to live in dignified manner and have therefor the right to the protection of a save environment and health.*

ENVIRONMENT

WALLONIA :

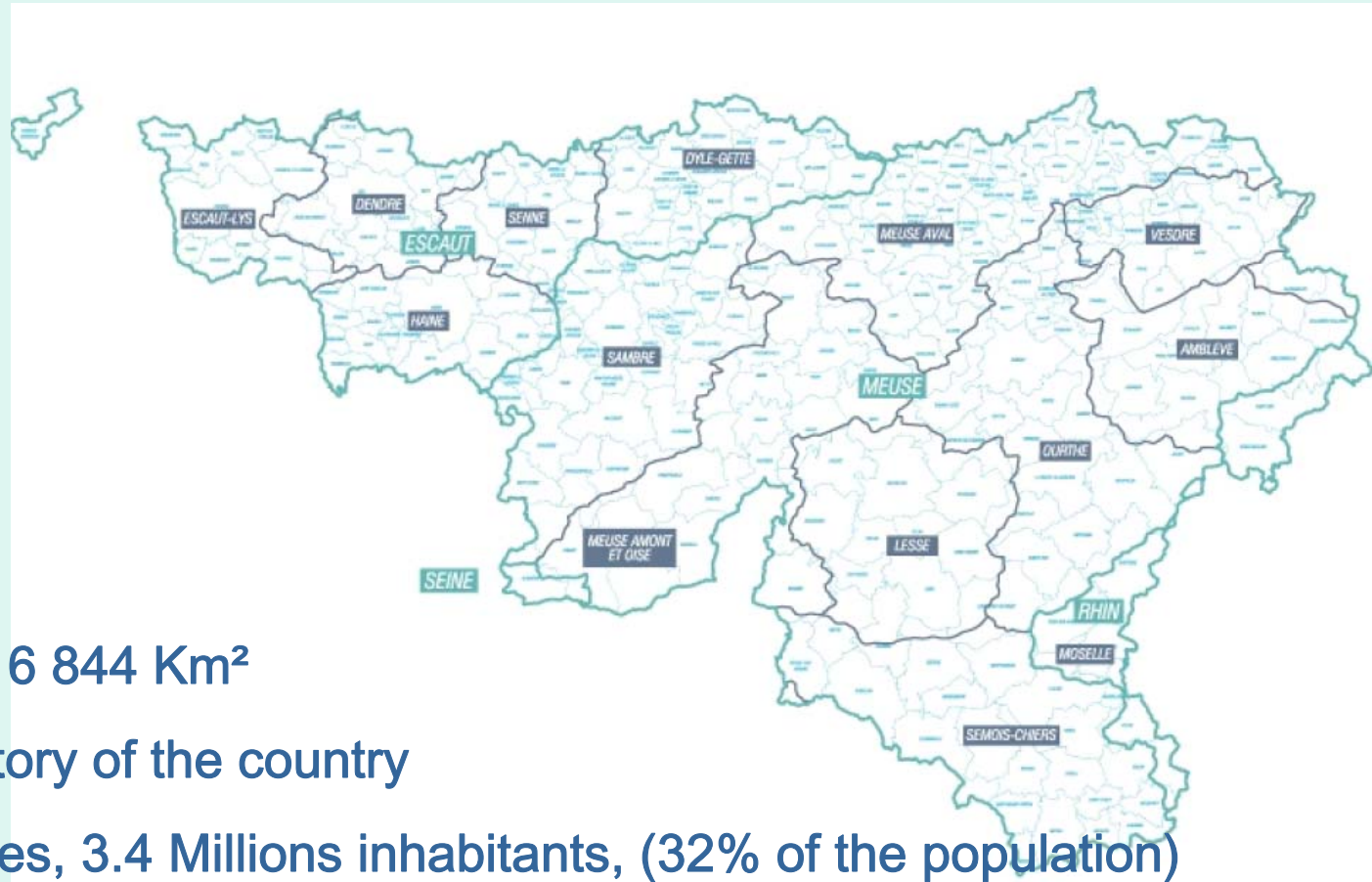
Book 2 of the Environmental Code :

Water is a part of the common heritage of the Walloon region ... each person has the right to dispose of drinking water of quality and in sufficient quantity for its nutrition, its household needs and its health.

A. DESCRIPTION OF WALLOON WATER SECTOR



Wallonia :

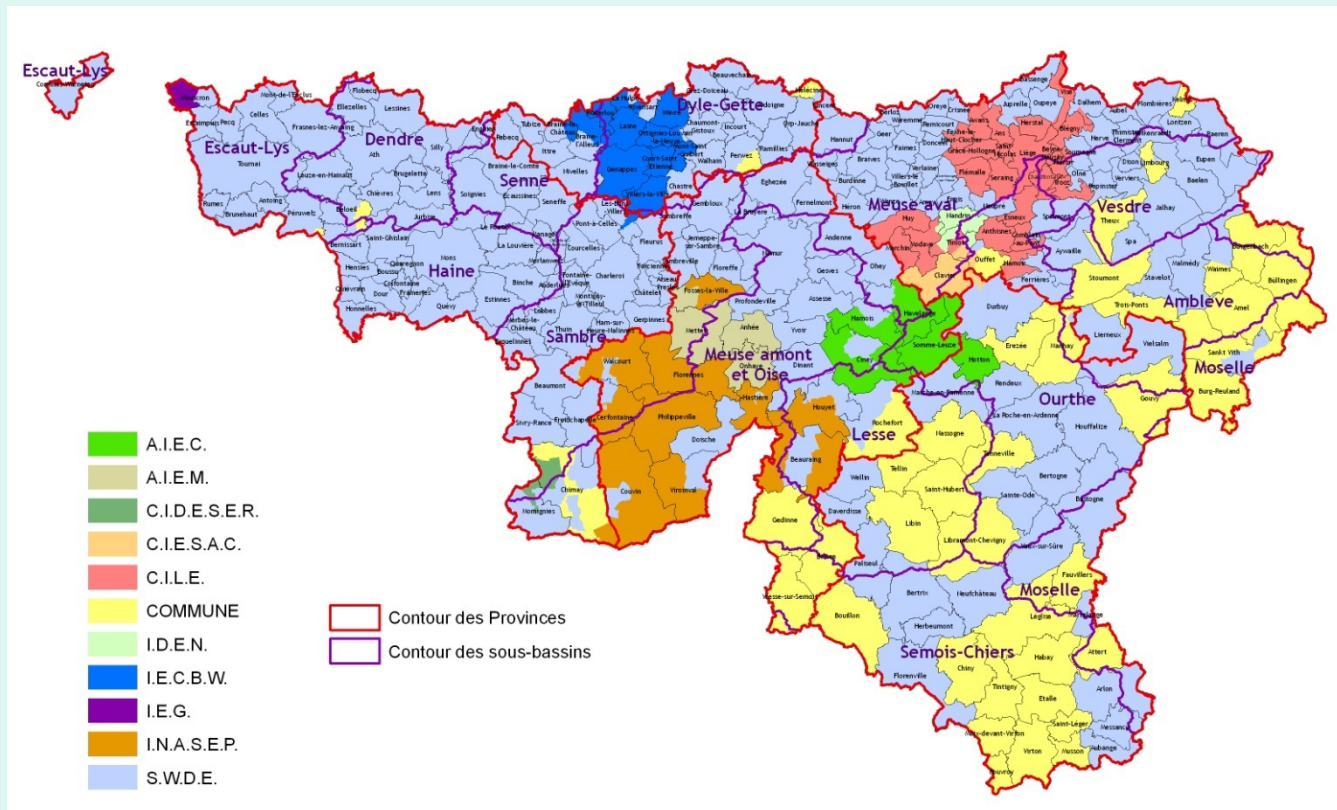


- Surface area : 16 844 Km²
- 55% of the territory of the country
- 262 municipalities, 3.4 Millions inhabitants, (32% of the population)
- Four main river basins : Meuse, Scheldt , Rhine, Seine
- All the water operators are public

3 kinds of operators :

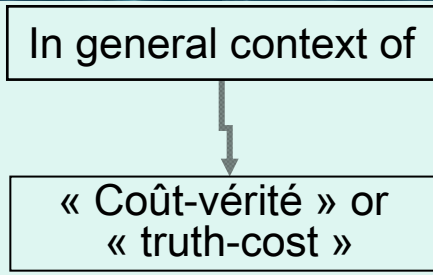
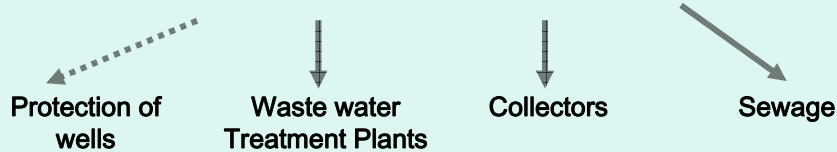
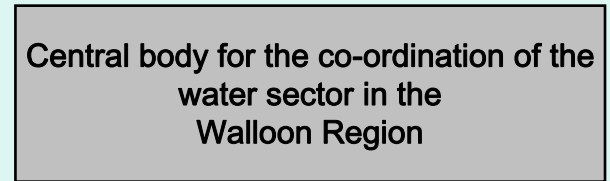
- 1 Regional operator : (SWDE) : 67 % of the population
- 41 Municipalities services : 6% of the population
- 10 Intercos : 27 % of the population

Water supply sector in the Walloon Region



Waste Water treatment policy :

Walloon Region Decree (1999/15/04)



B. WATER PRICE IN WALLONIA



Composition of a water bill

- CVD
- CVA
- Water social fund

1. Water price in Wallonia

Water pricing : Application of « TRUTH COST »



Truth cost of water aims to include all services costs in water price = *full-cost recovery pricing*



TRUTH COST FOR DISTRIBUTION (CVD)

[established by distributors]
[based on water accounting plan]

TRUTH COST FOR SEWAGE AND WASTE WATER TREATMENT (CVA)

[established by SPGE]
[based on financial plan]

- Sewage (SPGE, Interco's)
- Waste water treatment (SPGE, Interco's)
- Protection of wells (SPGE, Producers, Protectis)

2. Water pricing structure

General principle :

- One invoice per water meter
- Water bill is proportional to consumption

Fixed charge	:	20 CVD + 30 CVA
From 0 to 30 m ³	:	½ CVD
From 30 to 5 000 m ³	:	CVD + CVA
From 5 000 to 25 000 m ³	:	0.9 CVD + CVA
> 25 000 m ³	:	a CVD + CVA with $0.5 \leq a \leq 0.9$
<hr/>		
+ <i>Water social fund</i>	:	0.0125 €/m ³
+ <i>VAT</i>	:	6 %

3. Calculation of CVD

General principles :

- Based on the water accounting plan
- Standardized accounting of water distributors charges
- Analytical accounting per final and intermediate cost centers
- Repartition of charges by production units, transport lines and distribution networks

Customer profit :

- Price transparency for all operators towards their customers
- Comparability of prices between all operators (performance indicators)

4. Truth cost for sewage and WWT

General principles :

- CVA is determined by Walloon Government and SPGE
- Based on the current investment plan from which comes the financial plan
- CVA varies year by year but is identical for all the distributors (so for all the territory)
- CVA includes 60 % of sewage and 100 % investments in collectors and waste water plant.



Water control Committee gives an advice on each increasing of CVA

5. Water pricing in Wallonia

Estimation of the average water bill for households :

- Year: 06/2012
- CVD_{SWDE} : 2,40 €/ m³, VAT excluded, CVA : 1,475 €/ m³ , VAT excluded
- average household size in Wallonia : 2,3 persons
- average household consumption : 75 m³ / year (source: Aquawal)
- average daily consumption: 89 litres / person / day

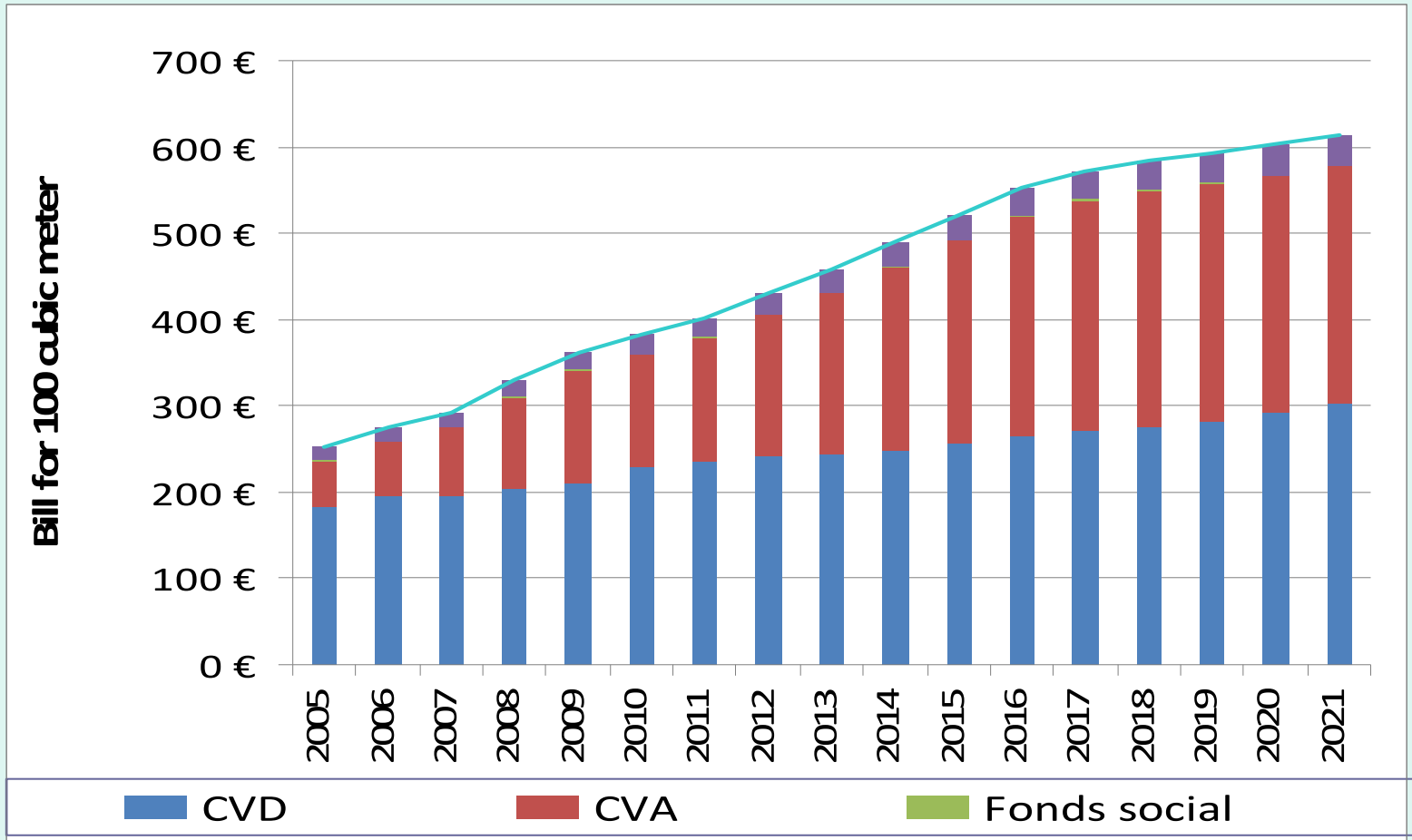
		Amount in €	Price €/ m ³
Fixed component:	20 x CVD + 30 x CVA	91,25	
Variable component:	From 0 to 30 m ³ : 0,5 x CVD	36,00	
	From 30 to 5.000 m ³ : CVD + CVA	174,38	
Water social fund	Consumption x 0,0125 €/ m ³	0,94	
VAT	6%	18,19	
TOTAL		321,78	4,29

C. THE WATER SOCIAL FUND IN WALLONIA

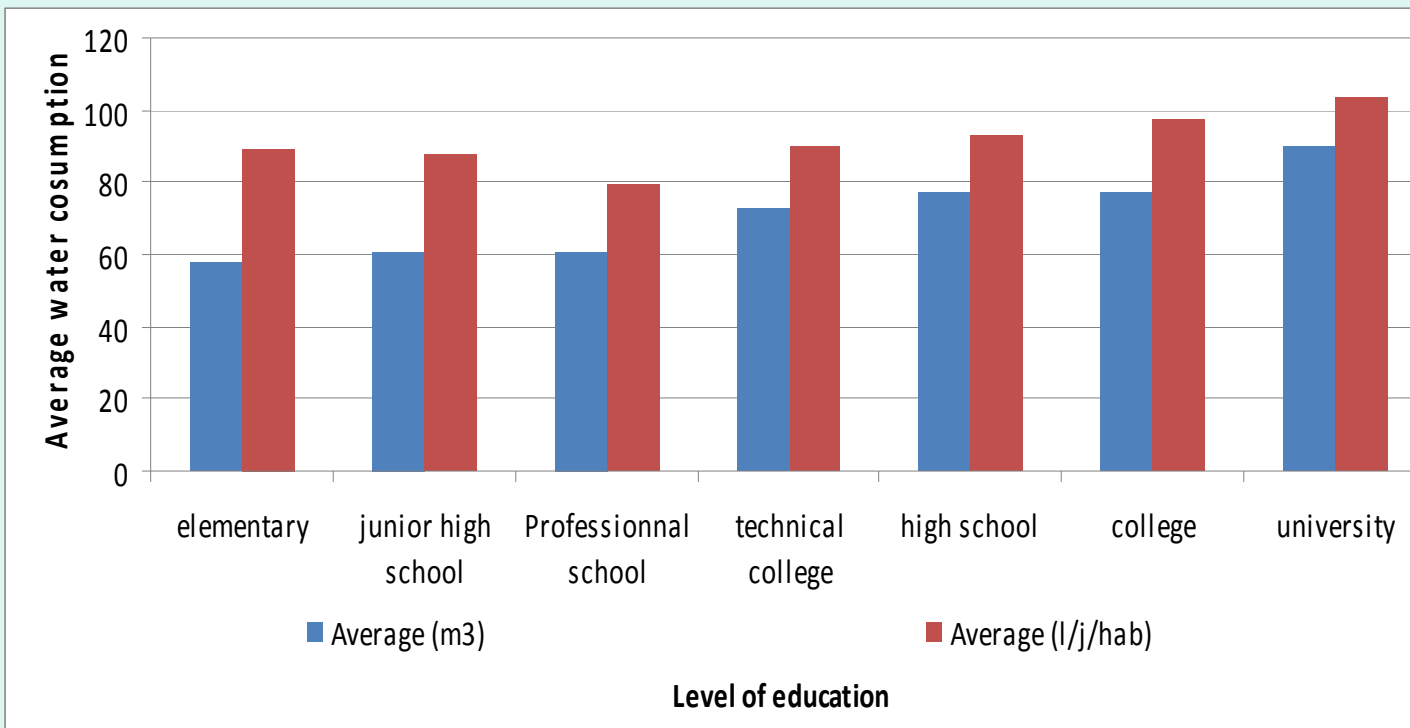


Evolution of the number of consumers in difficulties to pay their bill

Date	Number of consumers in difficulties
31/12/2004	47.263
31/12/2005	67.580
31/12/2006	76.580
31/12/2007	103.054
31/12/2010	119.660



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Aim :

Play a part in water bills payment for consumers with financial difficulties

= Financial mechanism based on the participation of :

- the water distributors*
- the CPAS*
- the SPGE*

Principle :

- *setting-up a fund*
- *drawing rights = rights of the CPAS on the fund proportionally of the difficulties of their consumers to pay their bill.*

Fund setting-up :

- *0,0125 € per m³ of billed water, paid by the consumer.*
- *= 2 millions €/year*

Procedure :

- *Reminder in case of unpaid bill*
- *Forwarding the lists to the CPAS*
- *Decision of the CPAS*
- *Intervention of the social fund in the limits of the rules (282 € per household + 85 € per supplementary person being part of the household from the 4th one.*

Some results for 2009 :

- *Number of beneficiaries of the social insertion income on the 01/01/2008 :* 39.827
- *Number of consumers with paying difficulties on the 31/12/2008 :* 107.623
- *Number of interventions in 2009 :* 11.008
- *Number of interventions/number of water meters :* 0,0077
- *Prices of the interventions :* 1.926.665,00 €

Evolution of the use of drawing rights

Year	Number of interventions	Total price of the interventions (in €)	Average price of the interventions (in €)
2004	6.532	866.528,91	132,66
2005	8.991	1.259.932,65	140,13
2006	9.816	1.408.525,58	143,49
2007	9.733	1.484.249,95	152,50
2010	8.312	1.997.432	231,89

D. CONCLUSIONS :



Conclusions : WSF is a matter of values

1.EQUITY :

The contribution of high incomes is more important than the contribution of lower ones.

Conclusions : WSF is a matter of values

2. ETHICS : respect of everybody

More particular, it's a question of respect of the human condition of everybody : the basic right to drinking water.

Conclusions : WSF is a matter of values

3. Continuity :

The WSF is alimented every year,
proportionally to the consumption.

Conclusions : WSF is a matter of values

4. Accountability :

Every consumer knows his contribution to the WSF.

Conclusions : WSF is a matter of values

5. Sustainability :

This kind of help also contains some improvement of technical means, for example to regulate the consumption

Thank you for your attention



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