

European Federation of National Associations of Water Services

## **EUREAU** statement on the right to water

European Citizens Initiative "Water and sanitation are a human right!"

The Water Framework Directive acknowledges that "water is not a commercial product like any other but, rather, a heritage which must be protected, defended and treated as such". This principle has been guiding the members of EUREAU in their provision of services to 400 million citizens in Europe.

EUREAU's members share the view that the Human Right to Water and Sanitation, recognised in the Rio+20 document "The future we want", should be part of the Charter of fundamental rights of the European Union. They are committed to make this human right a reality by providing high quality water and waste water services 24 hours, 7 days a week, 365 days a year.

Nevertheless, EUREAU considers that the first European citizens' initiative "Water and sanitation are a human right", submitted in December 2013, fails to take into account some important elements essential to an effective European water policy, while fostering confusion between water and water services and blaming liberalisation for an inappropriate increase of water tariffs.

EUREAU invites European citizens and, in particular, the EU decision makers to discuss the right to water within its proper context and offers the following comments.

EUREAU underlines that providing water services is an activity with important economic aspects- whether carried out by public or private operators; but since water services are services of general interest, rendered in a monopoly regime and essential to public health and well-being, they have to be subject to strict regulation.

The water sector is a capital-intensive industry. Water assets have to be properly maintained for future generations and long-term investment has to be financed. Securing appropriate funding is a pre-requisite for the sustainability of the water sector and the water environment.

Governance and accountability mechanisms are fundamental in ensuring the optimal use of finance within the sector. In an endeavour to provide water services in an efficient way, various governance and management systems have been established in Europe.

According to the principle of subsidiarity, it is a competence of Member States to organise water services in conformity with the relevant provisions of the TFEU: this organisation can include in-house management, outsourcing, private or mixed management, as well as benchmarking systems and/or economic regulation.

None of these systems can be considered successful or unsuccessful per se, since any system's performance depends on the way it is executed. Currently, the majority of operators in Europe are public. One in three citizens receives water services provided by private operators.



The citizens' initiative implies that the liberalisation of water services could jeopardise the right to water for European citizens, as if liberalisation automatically leads to higher levels of water tariffs and makes water unaffordable for disadvantaged groups. This implication is inaccurate in two respects.

First, there is no causal link between liberalisation, the presence of private operators, and high water tariffs. Secondly, the right to water cannot mean that water services should be for free.

The Water Framework Directive (art. 9) requires "an adequate contribution of the different water uses to the recovery of the costs of water services". Water is both a heritage and a scarce resource and needs to be protected from over-abstraction and pollution for future generations. Both the polluter pays and the user pays principles need to be more widely applied in water management and water pricing policies.

EUREAU recognises the difficult circumstances faced by many European citizens and is supportive of the various initiatives to ensure that water is affordable for all consumers.

In summary, EUREAU calls for an appropriate level of water tariffs, meaning that tariffs should not only cover the resource and operational costs of the service, but should also allow the water companies to invest in infrastructure. An artificially low level of water prices would not only lead to the depletion of water resources, but would fail to secure investments in infrastructure maintenance, leaving a heavy burden of investment for future generations.

EUREAU is the voice of Europe's drinking water and waste water service operators. Collectively, they provide water services to more than 400 Million people and reflect the full diversity of the European private as well as public water service industry across Europe.

EUREAU brings together national associations, representing water supply and waste water services in EU and EFTA countries. An observer status is granted to representative associations of countries in accession negotiations with the EU.