

1 | **Submission to the Expert Independent Water Commission**

Prepared for the Blue Planet Project, by Meera Karunanathan
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Dear Sir or Madam:

The Blue Planet Project is a global water justice project aimed at defending the water commons and promoting the human rights to water and sanitation. We work with communities around the world on campaigns to protect local watersheds and access to water.

It has been brought to our attention that an independent commission is currently collecting evidence with the purposes of making recommendations to the Irish parliament on the future of Irish Water and domestic water charges in the country. Along with this submission, we would like to submit a recent report by the Blue Planet Project titled *Public Financing: ensuring just and sustainable water infrastructure*, which outlines sustainable financing strategies for public water and sanitation services and our recommendations for tariffication strategies that meet human rights standards.

The Blue Planet Project supports the call of the Right2water campaign to abolish water metres in Ireland for the following reasons:

1. Cost-recovery at the 78% rate is unsustainable, inequitable and would result in violations of the human right to water and sanitation
2. The setting up of Irish Water and EU imposed tariffs violates the rights of citizens to participate in decision-making
3. The proposed model of water metering is a false solution to the environmental crisis.
4. Corporatization and full cost-recovery pricing makes public utilities more attractive to private investors.

1. Cost-recovery at the 78% rate is unsustainable, inequitable and would violate human right to affordable water and sanitation services

Progressive taxation remains the most equitable method for funding essential public services by ensuring that all people have access to quality services in sufficient quantities regardless of ability to pay. Ireland's ability to provide high quality water and sanitation services exclusively through central taxation and non-domestic usage revenues has long been held as a model for water justice advocates and for communities struggling for greater access to affordable water and sanitation services. Ireland currently has universal coverage for water and sanitation services and little to no water poverty. As a result it has reaped the immeasurable economic, health and social benefits associated with this status.

The proposal to replace the existing system with regressive water charges that ensure a 78% cost-recovery would be a retrogressive measure for Ireland, which currently meets its human rights obligations of ensuring universal access to water and sanitation through maximum available resources. This proposal represents a sizeable transfer of costs from the public purse to the private citizen and would place a disproportionate burden on poor households. As recently noted by an economist at the Nevin Economic Research Institute, the Irish proposal would exceed the international affordability norm of 2 percent of disposable income for low-

2 | **Submission to the Expert Independent Water Commission**

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income households¹. Other vulnerable communities including individuals with illnesses requiring greater hydration as noted in the Elizabeth Hourihane case² will also be disproportionately affected.

Furthermore metering systems generally entail additional costs for the public utility including the costs of installing and maintaining meters, collecting fees and ensuring compliance. This is in addition to the other costs associated with the corporatization of a public utility that critics have noted in the specific case of Irish water including a hefty CEO salary and millions of dollars spent in consultancy and legal fees.

2. The setting up of Irish Water and EU imposed tariffs violate the rights of citizens to participate in decision-making

The reforms being introduced in order to allegedly ensure Ireland's compliance with EU imposed standards has been met with widespread public opposition. The failure to seek public consent on such sweeping changes to the provision of water and sanitation services is a violation of the right of Irish people to participate in decisions affecting their human rights to water and sanitation.

Meaningful participation requires governments to create opportunities for public input at all stages of decision-making rather than once the final outcomes have been determined. Such opportunities have not been provided to enable people impacted by the new water policy to influence decisions regarding their human rights to water and sanitation.

The state not only has a duty to consult the public on decisions affecting their human rights to water and sanitation, it is also required to give voice to the needs of vulnerable and marginalized communities. The proposed measures have not taken into consideration the needs of the general population or the particular needs of marginalized and vulnerable communities, some of whom have already come forward to indicate how they would be disproportionately affected.

3. The proposed model of water metering is a false solution to the environmental crisis

It is widely accepted that domestic water consumption only accounts for 10% of water consumption worldwide. Furthermore, domestic water use is non-consumptive as it returns to the watershed. Industrial and agricultural use on the other hand, represents 90% of freshwater use. Export-oriented agriculture represents a consumptive use of water. Extractive industries not only use water consumptively but also contaminate local water sources. Therefore, restricting water consumption through domestic water charges is of very little value to the environment compared to measures that regulate industrial and agricultural freshwater use.

As noted in a Quebec study on water metres, much of domestic consumption typically goes

¹ <http://www.irishtimes.com/news/ireland/irish-news/water-charges-risk-plunging-the-poor-into-deeper-poverty-leading-economist-warns-1.1969471>

² <http://www.irishtimes.com/news/crime-and-law/courts/woman-takes-legal-challenge-against-establishment-of-irish-water-1.1946906>

3 | **Submission to the Expert Independent Water Commission**

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towards essential needs³. Cutting down water consumption for essential needs requires structural changes such as improved plumbing, low-flow toilets and better infrastructure. Low-income households whose water consumption patterns are more likely to be affected by metering primarily consume water for essential needs. Higher income households more inclined to use water for non-essential needs (such as swimming pools) are less likely to adjust behavior and more likely to pay higher rates to maintain their lifestyles while lower income households are more likely to forego essential needs to manage water bills.

Non-market strategies such as public awareness campaigns, stronger measures to regulate non-essential uses, and better infrastructure would go much further towards improving water conservation at the domestic level than water metres. With 49% of water reportedly being lost in leakages, fixing leaky pipes would be a much more effective water conservation strategy.

4. Corporatization and full cost recovery pricing makes public utilities more attractive to private investors

The setting up of Irish water and a compulsory metering strategy aimed at cost recovery are signature strategies of the World Bank and regional development banks to prime public utilities for private sector participation. Devoid of human rights and public interest considerations the proposal to reform the Irish public model in order to introduce commercial practices is a frequently used strategy for incentivizing private investors⁴.

Around the world, the privatization of water and sanitation services has led to a rise in tariffs, loss of public accountability, poorer quality services and loss of access for poor and marginalized communities. As a result, hundreds of municipalities have reclaimed water into public hands over the past decade⁵. In response, neoliberal governments, regional development banks and international financial institutions pushing for greater privatization have been advocating for more gradual shifts by reforming public utilities before they are privatized.

In conclusion, the Blue Planet Project is highly concerned that the reforms to the water sector in Ireland do not meet basic human rights standards and will adversely affect the public health, social and economic well being of vulnerable and marginalized populations in Ireland without truly addressing environmental concerns associated with water consumption.

³ http://eausecours.org/esdossiers/compteurs_ang.pdf

⁴ See ADB recommendations for private sector participation:
<https://www.adb.org/sites/default/files/publication/27904/water-supply.pdf>

⁵ <http://www.remunicipalisation.org>