



Solidarité Eau Europe
Solidarity Water Europe
Solidarität Wasser Europa

Decentralised Solidarity Financing Mechanisms for Access to Water and Sanitation for All

REPORT from the European Strategy and
Action Plan Workshop

10-11 December 2012

Strasbourg – Council of Europe

In collaboration with:



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Workshop Framework

Article 7C of the Millennium Development Goals aims to halve, by 2015, the proportion of the population without sustainable access to safe water or basic sanitation.

Despite all the efforts made and the increases in Official Development Assistance over the past decade, achievement of this MDG varies around the world and there is a growing gap between the levels of access to services between urban and rural areas.

We must urgently develop and strengthen new financing mechanisms to guarantee access to safe water and sanitation for all.

Decentralised solidarity financing mechanisms (DSFM) are complementary to and should be used to supplement existing mechanisms such as conventional bilateral cooperation, Official Development Assistance etc.

In May 2012, Global Water Solidarity (GWS)¹, entrusted Solidarity Water Europe (SWE) and its partners with the mandate to design and coordinate a European platform² to promote and accompany the setting up of decentralised solidarity financing mechanisms in Europe.

On 10 and 11 December 2012, Solidarity Water Europe organised at the Council of Europe, a Strategy and Action Plan Workshop³. Around thirty European stakeholders⁴, from ten countries participated. The workshop programme covered three main issues:

1. **Poverty in Europe:** its manifestations, the affected populations and the consequences⁵
2. **The different types of decentralised solidarity mechanisms:** definition, their position in the funding landscape, their added value, the origin of funds etc.
3. **The European platform** to promote decentralised solidarity mechanisms, its role, its functions, its activities, how it is managed, its partners etc.

¹ Appendix 1: presentation of GWS

² Appendix 2: reference framework for regional platforms

³ Appendix 3: Workshop programme

⁴ Appendix 4: Workshop participants

⁵ Appendix 5: Document "Poverty in Europe: Findings, figures, comments" and the article which appeared in Le Monde on 3 January 2013 "*Un quart de la population européenne est menacée par la pauvreté*"

I. Presentation of different types of Decentralised Solidarity Financing Mechanisms (DSFM)

1. Existing decentralised solidarity financing mechanisms and recommendations for setting them up.

Many DSFM were presented by the different participants. Certain practices already exist and are regularly implemented, others are still at the conception stages and need to be officially set up and tested.

a) Existing types of mechanism⁶:

- Block tariff systems with payment assistance options and social tariffs.
- National or international funds. National projects such as those in the Walloon area of Belgium are already up and running with Government funding.
- Banks for solidarity or local development such as the *Banque Malienne de Solidarité*.
- Application of the principle that water finances water within the framework of:
 - Regional solidarity (e.g. the Water Agencies in France), fees collected in a region are not re-allocated according to who pays, but according to overall priorities and needs of the region.
 - Inter-regional solidarity to bring urban and rural areas together.
 - International solidarity: part of the revenues generated from water sales funds international actions (e.g. 1% in France and the Netherlands).
- The proposal to create an international fund managed by Global Water Solidarity would require further discussion on the source of funding (% on credit card transactions, % on airplane tickets etc.), how such a fund would be governed, who would benefit and the criteria for allocating grants.

b) Comments and recommendations for setting up decentralised solidarity financing mechanisms

- Being firmly rooted in the local context seems to be a condition for the viability and success of these mechanisms.
- Create alliances with existing local bodies and/or networks.
- Increase awareness-raising and mobilisation of all stakeholders (companies, citizens, local authorities, universities, NGOs, institutions). Potential tool: creation of opportunities for dialogue at local level “places for the people”.

⁶ See the guide “International Solidarity for Water and Sanitation: European Citizens take Action” http://www.pseau.org/outils/biblio/resume.php?pgmpseau_id=64&docu_document_id=3206

- Training and capacity building were mentioned to ensure not only that existing aid is better utilised but also as an added value of decentralised cooperation, which encourages knowledge sharing.
- In some cases these financing systems can create leverage to facilitate raising of additional funds. The platform could look at identifying, characterising and sharing these practices. (e.g.: Vitens Vides in Netherlands, Red FASCO/Banrural in Guatemala etc.)

⇒ *These examples and recommendations can be consolidated by stakeholders who were unable to attend the workshop and be continually updated with platform members' experiences via the experience sharing form.*

Three general comments were made as regards the setting up of such mechanisms:

- Whether or not the mechanism proposed is compulsory or voluntary.
- There is no miracle solution. Solutions will emerge through experience and setting up of pilot projects.
- Mechanisms must be adapted to the local context: "kapiieren, nicht copieren" (Understand, not Copy).

These discussions led to a framework to define decentralised solidarity financing mechanisms:

Decentralised solidarity financing mechanisms (DSFM) are financial tools that can be used to respond to the demand for local economic development to uphold basic human rights, particularly that of access to safe water and sanitation.

These decentralised solidarity financing mechanisms, managed at local regional and/or national level are donations, interest-free loans, guarantees, voluntary contributions, tax transfers, a percentage of interest etc. and may provide leverage for conventional development aid funding.

They are set up on a voluntary basis in a spirit of solidarity to build synergies among all stakeholders (users, Government, operators, elected officials, private sector, civil society organisations etc.) to contribute to building local capacities and facilitate the appropriate transfer of technologies.

2. The underlying issues

The discussions over these two days highlighted many issues that need to be considered and integrated into the development of DSFMs.

- The importance of a legal framework as a guarantee of good governance, to structure water pricing but also the way international aid is sent and received.
- The reduction of the gaps between:
 - Urban and rural areas,
 - Marginalised populations and the rest of the population
 - Northern and Southern Europe
 - Eastern and Western Europe
 - Water experts and the general public.

- The increasing impoverishment of people in rich countries.
- Ensure that water and sanitation issues remain at the top of political agendas at national, regional and international levels.
- The integration of the right to water into national legislation.
- The financial and social sustainability of the mechanisms set up.
- Analysis of all aspects of existing models (Belgium, French, Dutch, British, Nordic, Spanish, Italian etc.), bearing in mind that these models were shaped by the history and culture of each country.
- The possibility of applying the principle of solidarity financing to the water sector while ensuring that the attraction of new financing does not foster a commoditisation of water.

3. The reference framework for decentralised solidarity financing mechanisms

Several discussions during the sessions touched on the key themes to be defined to ensure the future activities of the platform are firmly rooted in a shared understanding. The concepts used today are sometimes somewhat tired and worn. It appeared crucial to identify what would make up the field of action for DSFMs.

- Review the paradigms, the principles and concepts such as cooperation, solidarity and development.
- Review geopolitical contextual analyses: the role of the BRICs, international relations, the definition of Europe and its main regions (East, North, South etc.).
- Review the themes pertaining to the often too sectoral approach to water and sanitation to incorporate other dimensions in discussions. New solutions will emerge if we bring down the barriers. The main associated themes covered were the social economy, solidarity, energy, health, the environment and agriculture.
- Focus above all on the local level and then push these forces towards regional, national and international levels.
- Integrate the approach into the principles of Integrated Water Resource Management (IWRM).
- Ensure dignity for all, that is to say access to safe water and sanitation, sufficient food, medical care, education, decent housing and security.
- Carry out an overall analysis (developments, disparities, needs etc.) of the situation for access to water and sanitation in the 47 countries of Europe. A Blue Book⁷ written according to future sustainable development objectives could be the tool to do this.
- Recognise cultural identity and adapt the actions accordingly.

⁷ The Blue Books are a snapshot/independent diagnosis which propose indicators to undertake and/or improve regional and/or national actions to uphold the right to water and sanitation for all. <http://www.sie-isw.org/fr/plaidoyers/livres-bleus>

- Review the notion of responsibility associated with a region. Everyone is responsible for the region in which he lives.
- Review the interests and positions of water stakeholders (private sector, governmental and non-governmental).

⇒ *The list will be refined as specific actions are implemented in the field and during other such meetings. This step is important as it helps to define and specify the meaning, the values and the vision that will be upheld by the European Platform for DSFM.*

II. The European Platform and its Objectives

The European platform was described as:

- A shared advocacy tool to promote new decentralised solidarity financing mechanisms in Europe.
- An arena for discussions, sharing ideas and know-how as well as experience and expertise from around Europe.
- A catalyst to support and share the decentralised solidarity financing mechanisms that are emerging in Europe.

The issue of defining an identity was raised in terms of messages, image and members.

Beyond the financial mechanisms to be set up to guarantee access to dignity for all, it appeared clear from the discussions that the European platform must also envisage promoting decentralised solidarity mechanisms. A few messages that could be used in communication campaigns were identified:

- Increase awareness on water issues. There is a need to provide more information on the importance of water resources.
- Draw up a simple, clear message in which everyone can feel involved and concerned. This could be about:
 - dignity?
 - Shared responsibility (economic inter-dependence (water footprint) or inter-dependence in water and land resource management)?
 - Civic duty?
 - Right to water?
- Importance of integrating customs and traditions in the design of advocacy tools.
- **Targets:**
 - The general public,
 - Development aid managers, Governments and international institutions,

- Elected officials/decision makers so that they undertake decentralised solidarity approaches.
- **Resources:**
 - Join up with existing networks (European Regional Assembly, local authority networks, INBO, the European portal for decentralised cooperation) and use their communication channels.
 - Involve youth in relaying the messages
 - Develop a specific approach in each country
 - Support the “Right2Water” initiative

III. Next steps for the European Platform

- **Disseminate this report as widely as possible** with a view to gathering comments from those who participated in the workshop and other current or future platform members.
- **Consolidate the role and function of the European platform** with a view to promoting European know-how regarding decentralised solidarity financing mechanisms which are already established and have proven their worth.
- **Participate as active and visible stakeholders in various international meetings, forums and seminars** in order to promote the added value of decentralised solidarity financing mechanisms:
 - At the WACAP forum, Dublin, February 2013 : <http://www.dublin2013.ie/>
 - Session at the European Parliament in March 2013 to promote these mechanisms and encourage their uptake more widely across EU countries.
 - Workshop to write an international guide on good practices in solidarity for water and sanitation, Lausanne 14-15 May 2013, Lausanne
 - World Water Week, Stockholm 1-6 September 2013
 - 4th European Solidarity Week for Water: (October 2013)⁸
- **Write and publish a “Blue Book”** for 2 European Countries

⁸ And event organised by Solidarity Water Europe every three years which will be held this year in the context of “2013 International Year for Water and Cooperation”. The 2 themes of this pan-European event are:

- Regional and equitable integrated management of water resources and sanitation, a weapon against inequality and poverty
- The convergence and complementarity of different types of financing (from users, local, national and international), source of efficiency, solidarity, job creation and better quality of life.

- **Support Moldova** to set up a Moldavian platform to manage decentralised solidarity financing mechanisms initiated at home and abroad.
- **Work on the theme “Europeans Share their Solutions”, an awareness raising and information campaign** targeting European elected officials (European Parliament and the Council of Europe) which will promote solidarity actions initiated or followed in their constituencies and which are financed by decentralised solidarity mechanisms.

The campaign has two objectives

- Highlight the innovative nature of DSFMs, the advantages in replicating them and how they complement other sources of funding.
 - Educate elected officials so they have convincing arguments at their fingertips to place integrated water resource management and access to water and sanitation for all at the top of their political agendas in order to attract further financing and facilitate the setting up of DSMs in their countries.
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- **Contribute to other pan-European campaign initiatives** to mobilise the general public on the preservation, quality and management of water etc. (e.g. the Right2water campaign⁹).

Report based on the summary of the workshop written by Marc Berger, Céline Noblot and Benjamin Noury.

⁹ See site: <http://www.right2water.eu/>



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