

Water charges and the EU Water Framework Directive

Article 9 of the EU Water Framework Directive, “Recovery of costs for water services,” states:

Member States shall take account of the principle of recovery of the costs of water services, including environmental and resource costs, having regard to the economic analysis conducted according to Annex III, and in accordance in particular with the polluter pays principle.



And annex III, “Economic Analysis,” states:

The economic analysis shall contain enough information in sufficient detail in order to:

(a) make the relevant calculations necessary for taking into account under Article 9 the principle of recovery of the costs of water services, taking account of long term forecasts of supply and demand for water in the river basin district and, where necessary: estimates of the volume, prices and costs associated with water services, and estimates of relevant investment including forecasts of such investments;

(b) make judgements about the most cost-effective combination of measures in respect of water uses to be included in the programme of measures under Article 11 based on estimates of the potential costs of such measures.¹

According to John Gormley, the Government wants to squeeze €1 billion a year from householders in water charges. This suggests an average take of €900 a year from each household, while Mary Hanafin suggests it will be €700 to €800 per year.

Meanwhile the Government has approved €600 million for the installation of domestic water meters in every home in the country.

In another stitch-up, the general public is being blamed for the water crisis now being experienced in many areas; and the proposed solution—in the

interests of “conservation”—is in effect, to impose another tax on the hard-pressed population.

Years of under-investment have led to wastage of more than 50 per cent of *treated* water in many local authority areas through leaks from broken pipes; and meanwhile, simple water conservation measures, such as installing and retro-fitting dual-flush toilets, have been ignored.

But the real reason for these punitive charges is the Water Framework Directive from the EU Commission, which seeks to commodify the provision of water through establishing the principle of “recovery of the costs of water services.” This is supported by IBEC,² which sees the possibility of easy profits after the taxpayer has upgraded the system. “There are still too many sectors in Ireland where providers are shielded from competition, one of which is water. Business would like to see more competition introduced into the water market.”

Article 9 of the directive requires member-states to adopt water-pricing policies that provide adequate incentives for promoting the efficient use of water resources by 2010. This entails the recovery of an adequate cost contribution for water services from the main user groups, in line with the “polluter pays” principle. Full cost recovery encompasses not only the cost of water supply, maintenance and new infrastructure but also the environmental and resource costs.

This EU directive has been transposed into Irish law through statutory instrument SI 722 (2003). Article 11 (1) (b) of this regulation seeks to ensure “that water-pricing policies and practices are in place in compliance with Article 9 of the Directive, not later than 31 December 2009.”³ They’re late; but that is the real reason behind the planned water charges.

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1. 22.12.2000 L 327/31 Official Journal of the European Communities EN.

2. www.ibec.ie/IBEC/DFB.nsf/vPages/Environment~Key_issues~water-framework-directive-draft-river-basin-management-plans-09-01-2009.

3. www.irishstatutebook.ie/2003/en/si/0722.html#article11.