

Concept note: participatory budgeting in water

Climate change will make it more expensive to deliver clean water. This is because we will need to store more water to counteract increased evaporation from dams and increased variability in rainfall; because infrastructure is more at risk and will need to be built more sturdily or replaced more often; and in some areas because rainfall and runoff will decrease so that water will have to be sourced from further away. So climate change means we need more money.

But already money is a concern. Not only how much money, but also where it comes from and how it is used. The idea that most of the costs of water provision can be recovered from users is a pipe dream for many municipalities, with the possible exception of the Metros. And even for the Metros although short term costs might be covered, long term costs such as replacing bulk-infrastructure or extending the network are not. Furthermore, the price of water has become a means of exclusion for many people who can't afford it. Level of service is set according to how much someone can pay rather than what is best for them or broader social wellbeing.

Service protests around the country highlight that many many people are unhappy with the services they are, or are not, getting. This unhappiness relates not only to how much water is costing them, but also to exclusion from any process of decision making. As one activist from Khayelitsha put it, "it's not that we don't want to pay..." but the system of payment is opaque and it is unclear who decides the price and 'appropriate' level of service.

A participatory budgeting process can help us out of this impasse.

Currently funding for water comes from three main sources – domestic and industrial tariffs (what we pay for water), the equitable share (ES) and the Municipal Infrastructure Grant (MIG). The second two are grants from national to local government. They are designed to fulfil specific functions and they come from our taxes. The existing sources of funding are not enough to invest sufficiently in maintenance or extension of infrastructure to overcome backlogs, to treat our effluent and to ensure supply in the future. Of course insufficient funding is only one of many reasons why provision and treatment of water is in crisis; so having more money alone will not solve the problem. Hence, a *participatory* budgeting process.

What might this look like?

Our experience from The Water Dialogues is that it is important to get the range of views round the table; that no one should be excluded because we don't like their opinions. The experience from Porto Alegre is that it is important to have direct representation from the ground. And information is key. We need to know what it costs to deliver water, who is using how much and what future needs are. We need to know what the technology options are for getting water to people and what the impact of these technologies is on ecosystems, carbon emissions and

people. Then we need to talk, to try to understand what is driving the different views, and what people especially in poorer neighbourhoods are experiencing. This process of networking, information gathering and dialoguing is iterative. Initially we are likely to get only superficial answers, but as it deepens and trust is built, space is created for insight and new approaches. If this is done in a collective way with all parties, there is hope for the kind of radical, fundamental change that we need to build resilience to climate change and embrace truly sustainable development.

So where do we start?

- identify case study area (Cape Town ideal because this is where many of us are, but need champion within the city; other options?)
- gather information from other places where people have tried similar initiatives (for example Venezuela, Brazil)
- start talking about an economy of “sufficiency” that addresses the extreme polarity associated with current affordability and excess consumption
- gather information on domestic and industrial tariffs, who is using how much water and what they are paying for it
- talk to our networks... share the idea of a participatory budget, see what people think, where it might work, how it might work
- explore institutional ‘entry points’ – could this work through the IDP and/or WSDP processes, or through a central (participatory) tariff regulator
- invite city officials to regular (twice a year) meetings to present the budget and talk through the options and what they mean; and then to explain whether their assumptions and projections were correct in terms of water consumption, income and expenditure
- develop criteria for climate friendly, people friendly tariffs (e.g. affordable block, steep tariff curve, bottled water prices for swimming pools)
- develop criteria for wise and adequate expenditure (infrastructure roll-out and maintenance, technology choices)
- develop a dummy/people’s budget for water supply and sanitation
- identify small group of committed individuals to take things forward in a practical step-by-step way

Please let us know if this concept is inspiring to you and if you would like to be involved. Also let us know if you have any suggested changes or additions, and especially if there are existing initiatives you think we can link with. Feel free to circulate widely.

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This concept note emerges from EMG’s water and climate change project and from a series of seminars we are hosting to share information, build networks and respond to the challenges of climate change. Heartfelt thanks to all who have participated and shared their ideas and experiences so freely. Thanks also to Heinrich Böll Foundation who funds the project.