



**RESOURCE**

# Addressing the social consequences of tariffs for water supply and sanitation

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**Description / Abstract**

Where they exist, tariffs for water supply and sanitation services face a tension between different policy objectives, such as ensuring the financial sustainability of service provision and ensuring access to all, including vulnerable and poor social groups. Governments (local and national) resort to a range of measures to reconcile these objectives and address social consequences of tariffs: tariff levels and structures, nudging, budgetary transfers, targeted social measures. The paper revisits most common practices and discusses their pros and cons, and requisites to make them work. It provides up-to-date analyses on a series of related issues, such as definitions of affordability, principle for cost recovery, benefits and costs of metering, elasticity of domestic water use to prices, fiscal transfers to water services. The paper is informed by recent academic research, data on selected countries, and interactions with OECD bodies.

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Tool

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