

# EQUITABLE ACCESS COUNTRY HIGHLIGHTS: PORTUGAL

## Section I: Country setting

### Basic information

POPULATION	10,29 million (2017)
AREA	25,713 km <sup>2</sup>
GDP	US\$ 217.57 billion
GDP PER CAPITA	US\$ 21,144
ACCESS TO DRINKING WATER (2017)	Total: 96% Urban: 99% Rural: 92%
ACCESS TO SANITATION (2017)	Total: 84% Urban: 97% Rural: 70%

**Protocol on Water and Health.** Portugal became a Party in 2006, and it is one of three countries where the Equitable Access Score-card was piloted in 2012–2013.

**Water sector.** Water and waste services are provided to end-users at the level of the municipality: 357 operators serve 278 municipalities on the mainland. Each operator has a significant degree of discretion regarding its operation rules, including tariff-setting. The water sector in the country is under the supervision of various ministries, including the Ministry of Environment and Energy Transition and the Ministry of Health. Social protection is the responsibility of the Ministry of Labour, Solidarity and Social Security, whereas water and sanitation infrastructure is overseen by the Ministry of Planning and Infrastructure. The Water and Waste Services Regulation Authority (ERSAR) is a key independent body with regulatory functions, responsible for public water supply, urban wastewater management and municipal waste management. ERSAR is also the national authority for drinking-water quality control. Its mission is to ensure the protection of water and waste sector users, equal and clear conditions in accessing water and waste services and in the operation of these services, and to reinforce the right to information.

## Section II: Self-assessment of equitable access to water and sanitation

### II.A. Key findings<sup>34</sup>

**Governance framework.** The Strategic Plan for Water Supply and Wastewater Sanitation (PENSAAR 2020) covers the period 2014–2020 and includes a set of targets contributing to achieving access for all, with progress monitored and published by ERSAR annually. This report includes objectives and indicators, focusing specifically on human rights to water and sanitation by assessing, for instance, access to social tariffs. The evolution of equitable access to water and sanitation on aspects related to access by vulnerable and marginalized groups is, however, still lacking, especially as there are several institutions responsible for policies related to the different vulnerable and marginalized groups.

**Geographical disparities.** The self-assessment showed a mixed picture. On the one hand, efforts have been made to reduce price disparities, including the issuance of two related ERSAR recommendations in 2009 on “tariff recommendation” and 2010 on “calculation criteria”. On the other hand, significant access gaps persisted between urban and rural areas, particularly in terms of access to centralized sanitation services. However, it is notable that part of these gaps are due to the different solutions used in sparsely populated areas. In these areas, wastewater is in many cases directed to local installations such as septic tanks, which are more cost effective when compared with centralized solutions and are measured through different indicators. The regulator has worked in recent years to develop an indicator that can measure the use of this type of solution. These figures may then be reflected in a specific policy to support the implementation of appropriate technical solutions to different types of needs. Challenges related to self-provision of water and sanitation services, which was frequently relied upon in rural areas, also persist. Despite being a residual problem in Portugal, mostly related with other housing issues, the

<sup>34</sup> For more information on the findings of the self-assessment of equitable access to water and sanitation, see the country report available at <https://bit.ly/2mPFQxO>

National Strategic Plan on Water and Sanitation neglected the situation of informal settlements and slums, and national data on access by these groups were unavailable.

**Vulnerable and marginalized groups.** The concept is not used in the water sector. Consequently, the national framework lacks: i) mechanisms to identify the water and sanitary needs of vulnerable and marginalized groups; ii) a national policy on ensuring equitable access; and iii) a public budget specifically allocated for such needs. There are also significant data gaps on access to water and sanitation for almost all categories of vulnerable and marginalized users, e.g. persons with special physical needs, institutionalized users, persons without a fixed residence. Nonetheless, water and sanitation concerns are considered within some general regulations and/or social policies, for example in regulations on housing and in the national strategy dedicated to Roma communities.

**Affordability.** This was relatively well tackled as it is an integral part of the Strategic Plan for Water Supply and Wastewater Sanitation (PEAASAR II for the period 2006–2013, and PENZAAR 2020 for the period 2014–2020). Assessments on the affordability of water and sanitation services were carried out by ERSAR at macro and micro levels, and it was found that the percentage of disposable income used by consumers for such services was relatively low, for example in 2011 it was less than 0.7 per cent.<sup>35</sup> ERSAR issued a recommendation on tariff policy in 2009 aimed at addressing affordability at macro and micro levels. More recently, in 2018 ERSAR also issued a recommendation on social tariffs, specifically addressing the methodologies for definition and eligibility criteria to access social tariffs. Finally, within the Portuguese social protection systems, there are special measures, such as cash benefits from the central State budget, to settle water bills of individuals or families in situations of “proven economic need”, namely, when their per capita income is lower than the social pension.<sup>36</sup>

## **II.B. Self-assessment process**

**Brief description.** The self-assessment exercise was performed at the national level from September 2012 to April 2013. It was led by ERSAR and involved a broad range of actors, including governmental bodies, NGOs and local service providers. It also received support from the former Special Rapporteur on the human rights to safe drinking water and sanitation, Ms Catarina de Albuquerque.

ERSAR convened a workshop with representatives of 35 organizations working on equitable access to water, sanitation and social protection in order to discuss the preliminary results of the score-card. This was followed by a call for contributions and meetings with institutions dealing with social policies, for example the Institute of Social Security, and the High Commissioner for Immigration and Intercultural Dialogue (ACIDI).

### **Key lessons learned from the process:**

- Reaching out to concerned stakeholders facilitates a broader understanding of the issues related to equitable access to water and sanitation and raises awareness among participants.
- Self-assessment helps to have a clear notion of the available and missing information on the topic.
- The exercise can help gather contributions for the revision of a national strategic plan for the sector and identify suitable partners in the area of equitable access.
- Involving stakeholders from outside the water sector is challenging.

## **Section III: Actions taken to improve equitable access to water and sanitation**

The findings of the self-assessment have informed subsequent national action on water and sanitation.

It has prompted a **set of complementary studies** on topics relevant to equitable access to water and sanitation, which include:

- A study in 2015 about cut-off mechanisms, looking at both the installation of flow restrictors as a way of providing water and the use of informal contracts to reduce the amount of unpaid bills.
- A subsequent study developed by ERSAR in 2017 and 2018 collected figures and qualitative practices related with service suspensions that allowed for the characterization of these practices in Portugal.
- A study entitled, ‘Social tariffs for water and waste services in mainland Portugal’, which was jointly carried out by academics and representatives of ERSAR<sup>37</sup>.

<sup>35</sup> Preliminary data for 2001, Country report, Assessing progress in achieving equitable access to water and sanitation, Pilot project in Portugal, p.8.

<sup>36</sup> Ibid, p.73.

<sup>37</sup> Inês Gonçalves, David Alves and Gisela Robalo (2014) Social tariffs for water and waste services in mainland Portugal: an impact analysis. *Water Sci. Technol.* Vol. 14, pp. 513–521.

- Main recommendations were integrated into the revision process of the Strategic Plan, which has subsequently been replaced by the Strategy for Water Supply and Wastewater Sanitation for 2020 (PENSAAR 2020). Findings also informed the process of setting national targets under the Protocol on Water and Health in 2017. It also led to the inclusion of an affordability indicator in the ERSAR Annual Report on Water and Waste Services in Portugal (RASARP), comparing the charge each consumer pays per year with his/her annual disposable income.
- At a **regulatory level**, the exercise was instrumental in improving legislation. A statutory regime that automatically attributes a social tariff for the provision of water services to lower income consumers was approved by Parliament in 2017. The drafting of a proposal of the Tariff Regulation for Water Supply Services and Wastewater Services is ongoing and is currently under public consultation. This process is linked with the review of other legislation enacted by the government to ensure that the new regulation is applicable to all management models and has a legal framework to support it. This regulation is a cornerstone to ensuring the effective sustainability of the sector, as well as the protection of consumers.
- The practice of developing recommendations on tariff-setting and social tariffs prepared the groundwork for the development of legislative measures on affordability. ERSAR decided to translate in 2017 the Manual on the Human Rights to Safe Drinking Water and Sanitation for Practitioners—the first official translation of the IWA Manual—in order to disseminate these practices across the sector. Additionally, ERSAR issued the aforementioned recommendation on social tariffs and associated definitions.

Finally, Portugal built on the knowledge acquired through the application of the Equitable Access Score-card to contribute and share **knowledge** with the international community through:

- The Manual on the Human Rights to Safe Drinking Water and Sanitation for Practitioners (IWA Manual).
- The Lisbon Charter for Guiding the Public Policy and Regulation of Drinking Water Supply, Sanitation and Wastewater Management Services.

#### **Section IV: Financing equitable access to water and sanitation**

Portugal's public budget addresses certain dimensions of equitable access to water and sanitation. For people with special physical needs there is a national system of support that is jointly managed by the ministries of Health, Education and Social Security, namely, the System of Support to Products of Autonomy (SAPA). This is aimed at funding access to specific products related to the needs of these particular groups of people, including water and sanitation related products, e.g. adapted showers. Despite this however, the country lacks a comprehensive approach to equitable access, and the funding is often not specific to water and sanitation. For institutionalized users in prisons for instance, the funding for water and sanitation comes from the general budget allocated to prison services.

At the international level, Portugal benefits from the EU Cohesion Fund and the European Regional Development Fund (ERDF). These funds are allocated to the least developed areas of the country, which are usually the ones with low access to basic services, so there is a possibility to use the financial contributions for activities related to equitable access to water and sanitation, like in the Operational Programme for Sustainability and Efficient Use of Resources (PO SEUR).

