

*Application Form submitted by the initiatives to participate in the Transformative Cities People`s Choice Award*

<b>GENERAL INFORMATION</b>	
<b>Location:</b>	Paris, France
<b>Title of the Transformative Initiative:</b>	Eau de Paris
<b>Name of organization:</b>	Eau de Paris
<b>Type of organization:</b>	Public Water Company
<b>Website:</b>	<a href="http://www.eaudeparis.fr/">http://www.eaudeparis.fr/</a>
<b>Category and Edition:</b>	WATER. Transformative Cities Award 3er edition (2020).
<b>STORYTELLING</b>	
<b>Summary</b>	
<p>Since 2010, Eau de Paris aims to ensure a transparent public water service, serving citizens and the general interest.</p> <p>It is a public company with strong values of quality, responsibility, sustainability and solidarity, which symbolizes a virtuous economic and social model and contributes to make water management a major democratic issue.</p>	
<b>Context and problem definition</b>	
<p>The creation of Eau de Paris was a political response by the City of Paris to the bursting of the municipal water service between multiple actors, responsible for a very great opacity for elected officials and citizens and a significant drift of water prices for users.</p> <p>Until 2010, the public water service of Paris was provided in a fragmented way between four actors: two private companies (Suez and Veolia) for distribution management, SAGEP, a joint-venture (public/private) in charge of the production of water, with infrastructures belonging to the city, and a public laboratory in charge of water quality analyzes and sanitary</p>	

control. This fragmented organization was generating a dilution of the responsibility and a substantial increase in costs and therefore had an impact on the price of water for the final user. This fragmentation also resulted in a lack of an overall vision for the future of the resource or for the social needs of the populations served.

Furthermore, the delegation contracts in progress did not allow a real transparency and a real control of the financial flows, even though over the period from 1980 to 2010, the price of drinking water for the users knew an average increase of 7% per year, much higher than inflation.

At the same time, local public authorities had lost control and steering of the investment policy necessary for the maintenance and modernization of the production and distribution legacy.

### **Design and Implementation**

In 2006, Paris municipality launched a series of legal, technical and financial audits as well as extensive consultations with stakeholders to assess the potential consequences of terminating the contract. The investigation concluded it was best to wait until the end of the contract in December 2009, for legal and technical reasons.

The municipal team made its first major move to remunicipalize in March 2007 by ousting Veolia and Suez from SAGEP through a city council vote that forced the companies to sell their shares —at a good profit— to the French national investment bank CDC. The private companies were worried but anticipated that they could still renew their contracts in 2009.

However, on November 5, 2007, B. Delanoë, campaigning for his second term as Paris mayor, promised that water supply and billing would be publicly managed again if he were re-elected. The main reason was that the numerous audits and studies commissioned by the city and SAGEP indicated that substantial savings could be achieved by taking the service back in-house, and that a unified institutional setup made more sense than the on-going fragmentation of responsibilities.

Once mayor Delanoë reelected, in 2008, the decision was made to fully remunicipalise and reintegrate the water services.

This decision was based on public debates with associations and trade unions as well as the opinions of the consultative bodies where representatives of 'users. The decision was made in 2008 to create a public entity, taking in charge of the entire water production and distribution cycle, with the sole purpose of the general interest and the objective of sustainable development.

This is how Eau de Paris (EDP) was born from the political will of elected officials in Paris to set up a local public water service that is perfectly controlled, transparent and providing its users with a high quality service, at the right price.

In doing so, the city of Paris also intended to assume its social and environmental responsibility, affirming the right to water for all and the non-lucrative management of water, fragile natural resource, common good of humanity.

Eau de Paris began operating Paris' water systems on January 1, 2010, and there was no apparent difference in service to end users. But of course lots had changed, including the signing of a performance contract between the city and Eau de Paris, defining the new public company's objectives, putting it under closer public scrutiny than any local water provider in the past.

As soon as the official remunicipalisation decision was taken, a task force was created to organize the transition. It was an enormous challenge given the short 18 months left before the actual transfer, with major bottlenecks to be overcome.

The transition from private and fragmented management to public management, by a single operator, meant a transition phase of several years during which several difficulties had to be overcome.

Among these, the question of merging teams and the status of staff led to an intense period of negotiations in order to achieve consensual harmonization, most often on a favorable basis for employees. The challenge of building a common corporate culture remains central and still mobilizes Eau de Paris teams today.

The question of information systems, their compatibility and the processing of data useful to the service, previously held by private operators, has also proved particularly sensitive. The process of remunicipalisation encountered several technical and legal obstacles, which were only lifted at the cost of setting up transitional markets with these former delegates, to allow continuity of service to users.

The entire process of remunicipalization of public water service and creation of Eau de Paris was led by the municipality of Paris, supported by the technical and legal services that were heavily involved given the complexity and the scale of the project.

However, in keeping with its political will to involve civil society actors closely, many associative partners have followed the process closely and have been given formalized advice at several key stages.

Thus, the Paris Observatory of Water has played a central role of control and vigilance. Composed of a multitude of actors with various profiles (social landlords, tenant associations, environmental associations, Unions, neighborhood councilors, researchers ...), he

accompanied the city in its approach by giving detailed opinions at the essential stages of the process remunicipalisation.

Today, the OPE remains a central interlocutor of the city and Eau de Paris; it is consulted on each of the major aspects of Paris water policy, as the non-drinking water master plan, Eau de Paris' resource protection strategy or the revision of the Parisian water public service regulation.

### **Results achieved and Evaluation**

Today, as a public industrial and commercial establishment belonging to the city of Paris, Eau de Paris draws, produces and distributes 170 million cubic meters of drinking water per year to 3 million users. Given the almost exclusively collective habitat of the territory, Eau de Paris manages a total of 93,000 subscribers' contracts.

Eau de Paris is now 914 men and women employees, representing more than 60 professions that manage the public drinking water service. They are spread over 5 regions and 12 departments where the equipment used to manage the service is located: 6 water treatment plants, 5 main reservoirs, 470 kilometers of aqueduct. Eau de Paris is also in charge of the management and modernization of the non-potable water network of the city of Paris, as well as fountains on the public space and the management of the water points necessary for the defense service outdoor fire.

The public institution is administered by a board of directors composed of elected representatives, representatives of civil society and employees. The operational management is provided by a management team of 10 technical and administrative directors, under the responsibility of a managing director and two assistant general managers.

Its status as a public company backed by high-performance infrastructures enables Eau de Paris to guarantee the lowest water price in its region (about € 1 per cubic meter for the drinking water portion of the bill) while re-injecting all of its operating surpluses in its maintenance and modernization programs.

Regarding evaluation system, Eau de Paris operates in a field that is subject to regular controls by supervisory authorities.

Thus, the objective contract linking Eau de Paris to its organizing authority, the city of Paris, sets operational objectives and targets, with performance indicators, which are subject to regular exchange and evaluation and an annual report presented to the Board of Directors.

In addition, as a public entity, Eau de Paris is subject to the control of the Regional Chamber of Accounts, which has a mission of controlling the financial management of public policies.

Moreover, as an industrial entity, Eau de Paris submits voluntarily to independent technical evaluations, which notably relate to the Quality / Environment and Safety and give rise to certifications obtained for 3 years (certifications ISO 9001 and 14001 and OHSAS 18002).

The quality of Eau de Paris' commitment in terms of solidarity and responsibility is also recognized through the awarding of the label "Professional gender equality" and the "diversity" label, which testifies to the prevention of discrimination, equal opportunities and the promotion of diversity in the context of human resources management.

Lastly, the quality of the service and the satisfaction of the users are measured on a regular basis by professional firms which estimate at more than 90% the satisfaction rate with the services of Eau de Paris. For the seventh year in a row, the company was awarded the Customer Service of the Year award in 2018, which aims to test the quality of services provided by French companies.

Moreover, Eau de Paris is now producing annual reports on the price and services. This report is voted on by the city council and by another city committee which consists of all kinds of public service users.

Subsequently, these reports are spread online. In order to engage more people and increase participation Eau de Paris tries to really make the water issue concrete by connecting it to people's everyday life. The narrative is now more about water in the city, from public fountains to swimming in the river to water as an energy means (geothermy). Water is now also more tied into the debate on climate change.

In order to involve more Parisians, the City of Paris is using new tools. In 2014, water was included in the participatory budget. In the first year they asked for new fountains and now € 2M is allocated to realize 40 new fountains. Eau de Paris is also present at festivals to educate and engage people on how crucial issue water is and on how to protect natural resources.

From the start Eau de Paris has thought of itself as an actor to deliver a public good and thereby impact the everyday life of people in Paris and beyond. Now the communication strategy is more framed in terms of the concrete ways people use water in everyday life in order to really connect with the citizens. For example, for a current campaign Parisians are filmed in Paris' every day life and asked, how do you experience Eau de Paris. They are positive about the water service and are really impressed when they hear that they are actually drinking the water from the Seine and work with farmers to protect the ground sources.

Moreover its also beneficial for the staff of Eau de Paris to hear how users experience and appreciate the water service.

On internal side, Eau de Paris is positioning itself as a public company committed to equality at work; Beyond its strong commitments in the field of professional equality between women

and men and gender diversity, the company acts for equal opportunities in recruitment and career, gender diversity, the fight against stereotypes and the prevention of all forms of discrimination.

Thus, the proportion of women in promotions and increases reflects at least their share in each occupational category. In terms of training, the share of women beneficiaries also reflects the share of the female population within each category and each occupation. Eau de Paris promotes access to training for women after maternity leave or parental leave, to facilitate career development. Training in highly masculinized trades is offered to women, and vice versa.

### **Political Strategies**

Since its creation, Eau de Paris has allowed the emergence of a new model of public water service at the scale of a large metropolis. This new model is based on a global approach, in all its economic, civic, social and environmental dimensions. Thus, Eau de Paris is both an industrial operator in charge of the production and distribution of guaranteed quality drinking water, at the lowest price and a company with open and participative governance. It is a guarantor of access to water as a vital and essential element for all, and committed in the medium and long term preservation of water, a natural resource threatened by the effects of climate change, human activities and intensive agriculture.

Eau de Paris has been gradually deployed since 2010 with:

- Establishment of a single operator of the public drinking water service for more than 3 million users (inhabitants or visitors), with merger of entities and integration of employees.
- A performant and efficient financial management which allowed a 8% price drop as soon as mid-2011 for all users, a price that is still today lower than the initial price, before remunicipalisation.
- Fully integrated water management, from the water catchments to the tap of the inhabitants, with a full accountability of the operator to community and users.
- Transparent activity and controlled by a Board of Directors composed of elected representatives, representatives of employees of the company, associations and experts and by the supervisory authority that is the city of Paris with which is concluded a Objective contract, which sets management and performance indicators.
- Implementation of the right to water through the development of free public fountains on the public space, some of them opened even in winter time in key spots, cooperation with associations supporting homeless people and refugees, partnership with social landlords and intervention in the Housing Solidarity Fund of the city of Paris.

- An active strategy to protect the resource, through a close partnership with the communities and farmers of Eau de Paris feeding areas, aimed at changing agricultural models and practices to preserve water quality and resources.
- An active strategy to restore and protect the biodiversity.
- Commitment as a stakeholder of the sustainable city, through the implementation of an energy-climate plan aimed at reducing the ecological footprint of the company's activities and contributing to the strategy of adapting the territory to climate change, including the revegetation of its infrastructure, the development of non-potable water and of renewable energy (geothermy).

Almost 10 years after its creation, Eau de Paris has consolidated its activity and displays a perfect economic and financial health, in a context where the structural decline in water consumption and rising costs are putting the whole sector in tension. This business model, based on the general interest, is particularly resilient and now represents a strong example of effective, inclusive and sustainable public management. These efforts and achievements were recognized in 2017 by the international community as Eau de Paris was awarded a public service award by the UNPSF.

## Communication and Cultural Strategies

For the example of Covid-19: The pandemic led us back to basics. We immediately communicated about the safety of the drinking water and affirmed that the water is safe and we are professionals as a public company. And then this led us to explain the water cycle, e.g. why drinking water is safe, even while some traces of the virus can be found in rivers and used water.

At the start of the pandemic, the bottled water and plastic lobbies immediately started lobbying to say that bottled water was safe and advertised more. So we went back to a zero-waste campaign of last year that was initiated together with an NGO fighting plastic waste in the oceans and a French start-up making plastic-free reusable bottles. We tried to counter this resurgence of plastic lobby. The long-term objective of Eau de Paris and thus our communications message is that public water contributes to a more sustainable way of living and fights climate change. We have kept repeating these main messages: The tap water is safe; drink our public water; don't produce more plastic waste. And by doing so, we educate people about the natural water cycle.

Due to the pandemic, we had to adjust our tools from the usual street campaigns to more social media-based strategies, and we try to put everything into perspective, organize video conferences, invite experts to discuss long-term issues with us, etc. But the basic message that we want to bring across is the same: We show that as a public utility we think in long term, collectively, across sectors and for the commons in general, not just the water sector. We think about a sustainable way of running water sector and running cities.

### Resources, Financing and Transformative Economy

- Financing through user fees, with an 8% price drop as soon as mid-2011 for all users, a price that is still today lower than the initial price, before remunicipalisation. Due to efficient financial management
- Establishment of a single operator of the public drinking water service for more than 3 million users (inhabitants or visitors), with merger of entities and integration of employees.
- Accessibility: 1200 drinking fountains for free throughout the city, as to include homeless people etc.
- National Network of public operators to exchange and share knowledge : France Eau public

### Related legislations

On this subject, I propose to focus on social and societal issues taken into account by Eau de Paris.

The management of the public service only compass is general interest The commitments of Eau de Paris are based on a global and holistic approach : every aspects, wether social, economical or environmental and every stakeholder is taken into account.

On the social aspect, Eau de Paris aims at ensure everyone can have access to water, especially people in precarious situations

Assistance to the less well-off households includes a contribution to the Housing Solidarity Fund (FSL), to the tune of 500,000 euros per year, to help cover unpaid water in the rental expenses of households. This aid ensures that 5,400 families in Paris take care of one-third of an average annual water bill, estimated in Paris at 300 euros. Preventive actions are also developed through partnerships with social landlords (Paris Habitat, Elogie) and through associations projects financing, aiming at raising awareness regarding water issues, help people to improve the control of water and energy consumption (by promoting virtuous water uses and leakages reductions). These measures make it possible, by reducing the volumes consumed, to reduce the cold water and domestic hot water bill.

Eau de Paris also helps the homeless. It provides municipal teams and associations with free drinking water volumes for distribution during marauding. Recently, Eau de Paris

contributed to provide water to refugee reception centers created by the city of Paris. Throughout the year, it keeps fountains in operation, even in winter, and distributes a map of drinking water points to social services.

Eau de Paris's social action is also organized through partnerships with associations located in neighborhoods to promote the daily use of tap water, whether for families or children. Animation and educational awareness are managed in a unique venue in Paris, the Pavillon de l'eau, where each year are welcomed more than 30,000 people, including nearly 20,000 children from Parisian schools.

### **Ecological Transitions**

As a public utility we think in long-term ways, collectively, across sectors and for the commons in general, not just for the water sector. We eventually want to achieve a sustainable way of running the water sector and of running cities. Part of that is to collaborate with NGOs that work against plastic waste and another one that designs reusable bottles without plastic.

### **Lessons learned**

By creating a real Parisian public water service, the City of Paris and its Eau de Paris authority set up transparent and open management and put the user at the heart of decisions. The City of Paris has also built an innovative approach by concluding a contract of objectives in which the prerogatives of the community are recalled, the missions of the governed set and the guidelines of the public water service affirmed. The rationalization of resources, linked to the transition to a single public operator, and the reforms undertaken have led to significant economic gains. These have been fully reinvested in the public water service. The only shareholders of Eau de Paris are now Parisians, and only Parisians.

Ten years later, it is possible to say that the transition to municipal management is a success and has led to the creation of a real public water service. Since 2015, a new objective contract has helped to consolidate Eau de Paris in its missions and to begin the act II of remunicipalization.

Thus, in the coming years, the EDP will be reinforced in its primary missions, namely the production and water supply of Parisian women and men, within the framework of a balanced and efficient management.

Thanks to the remunicipalisation, the Parisians benefit today from a water of quality at a right cost. Its cost is still today the cheapest in the area. Social justice being consubstantial with the public management, the commitment of the management and the City of Paris for a social access to the water has vocation to be extended, just like the public access to the water in Paris in particular to through the development of fountains.

This second act is also an opportunity to innovate to make Eau de Paris a major player in the ecological transition. In coherence with the policies initiated by the City of Paris, sustainable development becomes a strong axis of the EDP's development.

The preservation of the resource remains at the heart of its action. Indeed, for many years, Eau de Paris has been a pioneer in this area by creating an environmental component, with the objectives of protecting the water resource and reducing its ecological footprint. Since 2012, EDP has been increasing in partnership with farmers around catchment areas, accompanying them to agro-ecology.

The consideration of the sustainable dimension in the missions of the Eau de Paris authority is also reflected in the development of the non-potable water network. Essential in a context of scarcity of water resources and necessary adaptation to climate change, the use of non-potable water and raw water will be developed.

Finally, Eau de Paris will have to take into account the construction of the Metropolis of Greater Paris in its reflections. The metropolitan context and the necessary dialog with all stakeholders is an opportunity to coordinate actions for the preservation of water resources.

**Thus, the Paris model of water management continues its consolidation. It makes access to water for all, protection of the resource and citizen governance, the fundamentals of a public service with balanced and efficient management for the benefit of users.**

Municipal elections at the end of this month, probably the current mayor will be reelected but likely they will have a new person as chair of the board. This will mean that in 6-8 months we will have new ideas and new strategies and projects.

**EXTRA INFO****Supporting documents**

[http://www.eaudeparis.fr/uploads/tx\\_edpevents/EDP RA2017 V BD.pdf](http://www.eaudeparis.fr/uploads/tx_edpevents/EDP_RA2017_V_BD.pdf)

[http://www.eaudeparis.fr/uploads/tx\\_edpevents/2018 EDP SDI pap.pdf](http://www.eaudeparis.fr/uploads/tx_edpevents/2018_EDP_SDI_pap.pdf)

[http://www.eaudeparis.fr/uploads/tx\\_edpevents/EAU DE PARIS Innovation Vdef.pdf](http://www.eaudeparis.fr/uploads/tx_edpevents/EAU_DE_PARIS_Innovation_Vdef.pdf)

[http://www.eaudeparis.fr/uploads/tx\\_edpevents/Brochure strategie protection ressource.pdf](http://www.eaudeparis.fr/uploads/tx_edpevents/Brochure_strategie_protection_ressource.pdf)

[http://www.eaudeparis.fr/uploads/tx\\_edpevents/Brochure Plan Climat Energie.pdf](http://www.eaudeparis.fr/uploads/tx_edpevents/Brochure_Plan_Climat_Energie.pdf)

[http://www.eaudeparis.fr/uploads/tx\\_edpevents/20180130 vdef PAP.pdf](http://www.eaudeparis.fr/uploads/tx_edpevents/20180130_vdef_PAP.pdf)

**Covid-19 outbreak impact**

It's been a huge blow, but we managed it well.

Within 3 days before the start of the quarantine we put 400 people on working from home instead of on site, but managed to organize continuity with approximately 10% of normal staff on site. Usually we have about 850 people on site, but then it was only 80 people on ground and in the office, which was still enough to keep the services running.

All in all, the pandemic was a test for our social model. Many private corporations had temporary unemployment which was subsidized by the state, but we decided not to do that. None of our workers was put on part-time or unemployment during the crisis. We deployed a vast special umbrella to protect our workforce from the impact of COVID-19. Thus, the impact of the disease itself was very limited with less than 19 (suspected or confirmed) cases in our workforce. We conducted a survey among the colleagues to see how they lived through this period and the replies were quite positive, with 82-84% of the staff replying that they are satisfied with the way we managed the pandemic.

Secondly, on the economic side, COVID implied a significant decrease in the water consumption in Paris (about 20% for Eau de Paris), which is about 100 000 m<sup>3</sup> per day. Because Paris was empty during that time, the household water consumption and the economic activity decreased as well. We will lose at least 7.7 million Euros income this year.

It's difficult to see the long-term effects of this. Right now the daily consumption of water is still 5 to 10% below what it should be, and we don't know whether this will endure or not. Financially, on the short term, this is not an issue for us because our financial situation is robust enough to deal with this. But in the long run it might lead to issues and we might have to revise investment plans or use the water price, but we would like to keep that low, because in these times water users also need an affordable service.

But everyone in Paris is facing the same challenge, so it might foster more synergies between Eau de Paris and other public services. We are a member of the network of France Eau Publique (National network of public water utilities) and there have been lots of great reactions of solidarity and knowledge-sharing in this network.

Other steps that we took: We decided to reinforce contributions to social security in Paris. E.g. at beginning of the crisis, we had not reopened the 1200 public fountains because they were closed during the winter. But during containment we reopened them in April. We maintained a relationship with NGOs in contact with homeless, migrants, drug users etc. to provide them with water bottles and other things so they have access to water during this difficult period. Lastly, we reinforced financial contributions to those who have difficulties paying their water bills. The system is complicated (water fee is largely paid as an apartment unit rather than a household), but we contributed €100,000 more (600k instead of 500k) to the city's housing solidarity fund.

Prevention: We have a lab that is specialized in looking at viruses in the water. With colleagues from Paris university and other public research institutions they started looking for the presence of the Sars-CoV-2 virus in urban waters (non-drinking water). They were able to follow the course of the pandemic especially via the used water. At the peak of the pandemic there were huge quantities of the virus in the used water, and the team could trace that pandemic was going down again by the concentration of virus decreasing. More interesting, you can trace the virus a few days **before** the people infected start showing actual symptoms. That gives you a head start of 3-4 days. Together with other research institutions in the Paris area they could prove that analyzing water is a very efficient way of following the course of a pandemic. Since the research and the water institution is public, this can be a common tool (as in commons) for people to follow the course of the pandemic. Those research projects conducted by our lab are long-term perspective research, not like private research institute that focus on short-term profits. Plus, as a public institution we easily work with other research institutions because we don't have to protect our findings as much as private institutes, since money is not our primary goal.