

# **WATER TARIFF SYSTEMS: HOW TO CONFER SOCIAL JUSTICE AND SUSTAINABILITY?**

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## **ABSTRACT**

The absence on sustainability in the water services is a big challenge. This is not only a problem of service management, but also an issue related to political will, since tariffs increase has a great effect on customer's opinion. Although in several countries the sustainability of water utilities might include a 3Ts policy (tariffs, taxes and transfers), the optimum would be to adjust the tariff system to the real costs. This study presents the measures that have been taken in Portugal and also to highlight best practices around the world. For instance, the Portuguese regulator (ERSAR), through a (national) non-mandatory recommendation, promotes a social tariff system for customers with special needs and for numerous families, while the harmonization of the tariff systems is encouraged in the country, defining, for example, the standard for the consumption blocks and meter size, for the variable tariff and the fixed tariff, respectively.

**PALAVRA-CHAVE: Tariffs, Sustainability, Regulation, Portugal**