

Practice and exploration of water right and water price reform in water-saving reward

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Content

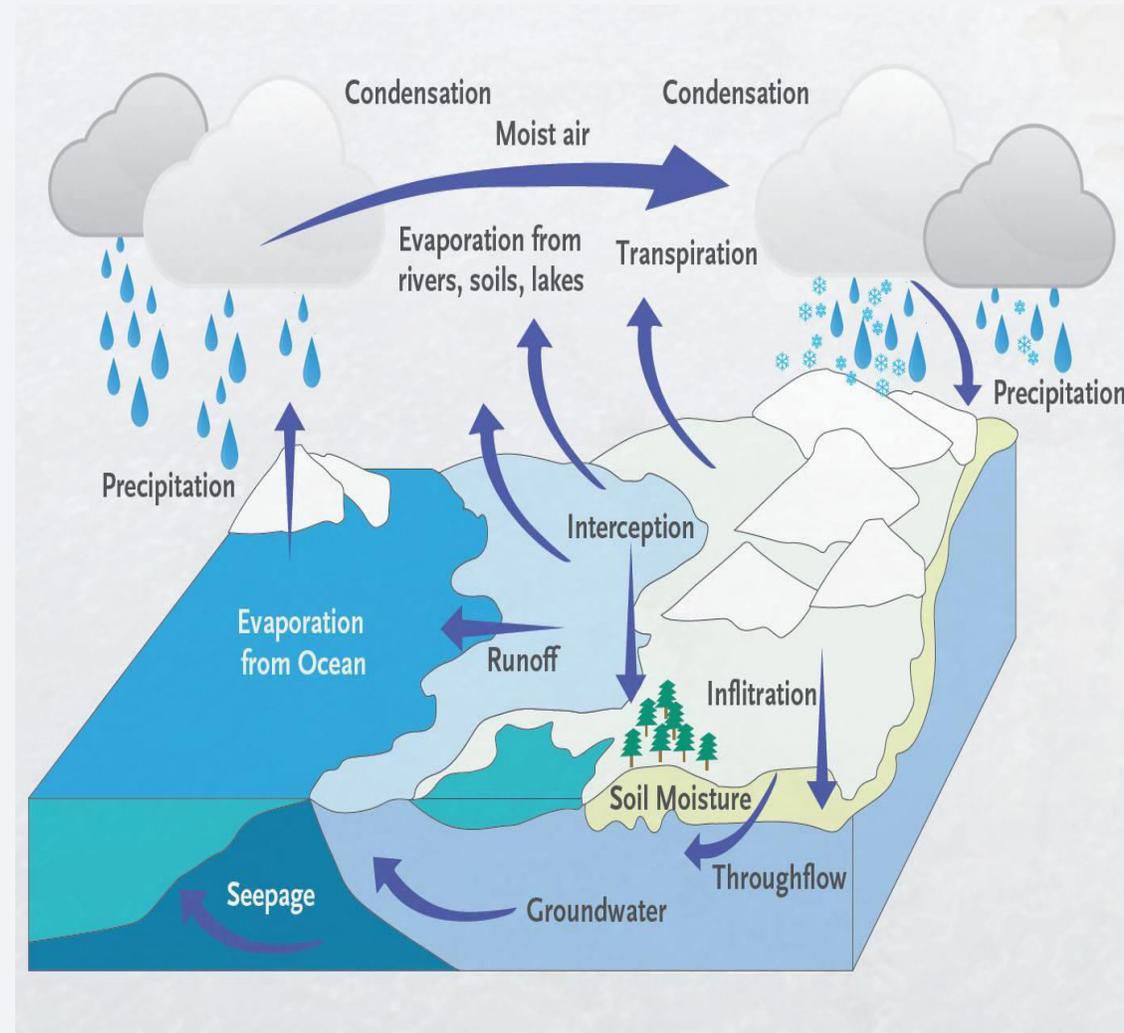
- Why Carry Out Water Rights and Water Pricing Reform?
- Current Situation and Existing Issues of Water Rights and Water Pricing Reform in Sichuan Province
- General Ideas for Water Rights and Water Pricing Reform in Sichuan Province
- Strategies and Suggestions

Why Carry Out Water Rights and Water Pricing Reform?

In the past, the utilization rights of most water resources in Sichuan relied on **administrative allocation**. “This approach was predominantly based on **longstanding experience** in administrative arrangements. The primary objective of water rights reform is to **expedite the clear delineation of initial water rights and the allocation of water resources**.

Why is water pricing reform closely intertwined with water rights? Because the construction and operation of water conservancy projects require financial and human resources, water supply naturally incurs costs.

Sichuan's implementation of water rights and water pricing reform primarily focuses on **establishing a robust water rights management system characterized by clear ownership, well-defined responsibilities, smooth transferability, and effective oversight**. Ultimately, the goal is to enhance the construction of a holistic lifecycle management framework for the sustainable development of water resources.



Relevant Institutional Documents Involving Water Rights Management:

- "Administrative Measures for Water Taking Permits and Water Resource Fees in Sichuan Province"
- "Regulations on Water Resources in Sichuan Province "

These documents provide explicit regulations on key aspects of water rights management, including **water resource allocation and control of water resource usage**.

They encompass:

1. Clear identification of entities eligible for water taking permits.
2. Confirmation of ownership and distribution of regional water rights.
3. Defining fundamental principles for controlling water resource usage.
4. Introduction of the requirement for planned water management for scale water users within public water supply networks.
5. Explicit guidelines for enhancing the institutional development of water rights transactions.



取水许可和水资源费
征收管理条例



四川省水资源条例

Challenges:

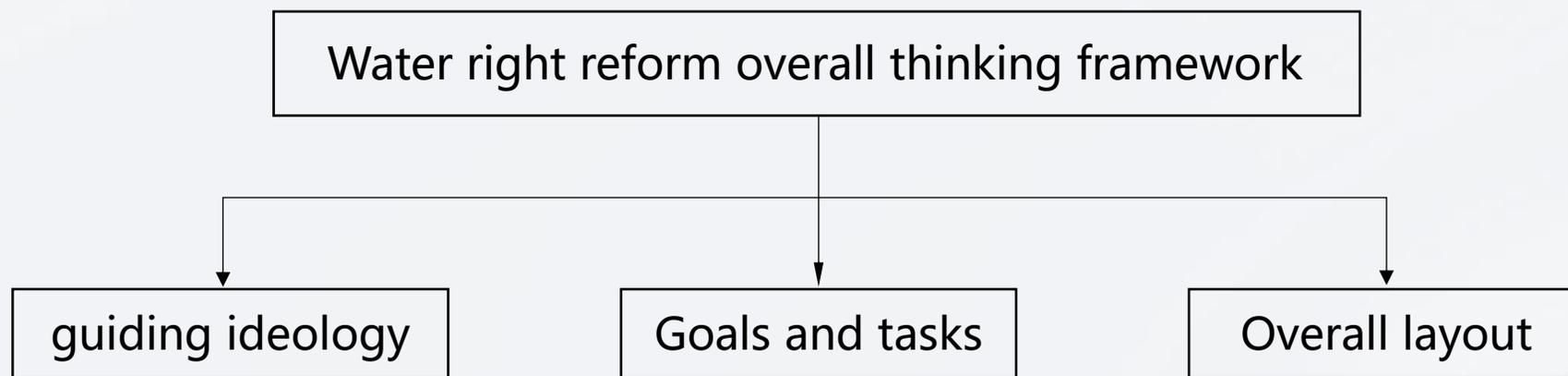
1. Insufficient **Theoretical and Policy Research** on Water Rights Reform.
2. Lack of Focus on **Basin-Level Water Rights Reform Initiatives**.
3. Weak Foundation for Initial Water Rights Confirmation.
4. Balancing Efficiency and Equity in Agricultural Water Use is Challenging.
5. Lack of **Economic and Social Infrastructure** to Promote Water Rights Trading.
6. **Inadequate Water Measurement and Monitoring Facilities**, Limited Capacity for Water Resource Monitoring and Management.



General Ideas for Water Rights and Water Pricing Reform in Sichuan Province

The overall water pricing is relatively low, deviating significantly from the water supply costs, and there is still a notable disparity in water pricing among different industries. In Sichuan Province, **the agricultural water supply pricing and non-agricultural water supply pricing** exhibit a substantial deviation from the water supply costs. Currently, water supply costs only cover operational expenses and partial depreciation of fixed assets, falling short of compensating for the total costs. **The welfare nature of agricultural water usage** results in agricultural water prices being significantly lower than the water supply costs. Although the government provides subsidies to various irrigation districts, maintenance expenses for these districts are generally insufficient. This leads to inadequate upkeep of water infrastructure, exacerbating water supply conflicts within irrigation areas and giving rise to issues such as **low water use efficiency and agricultural water-related conflicts**.



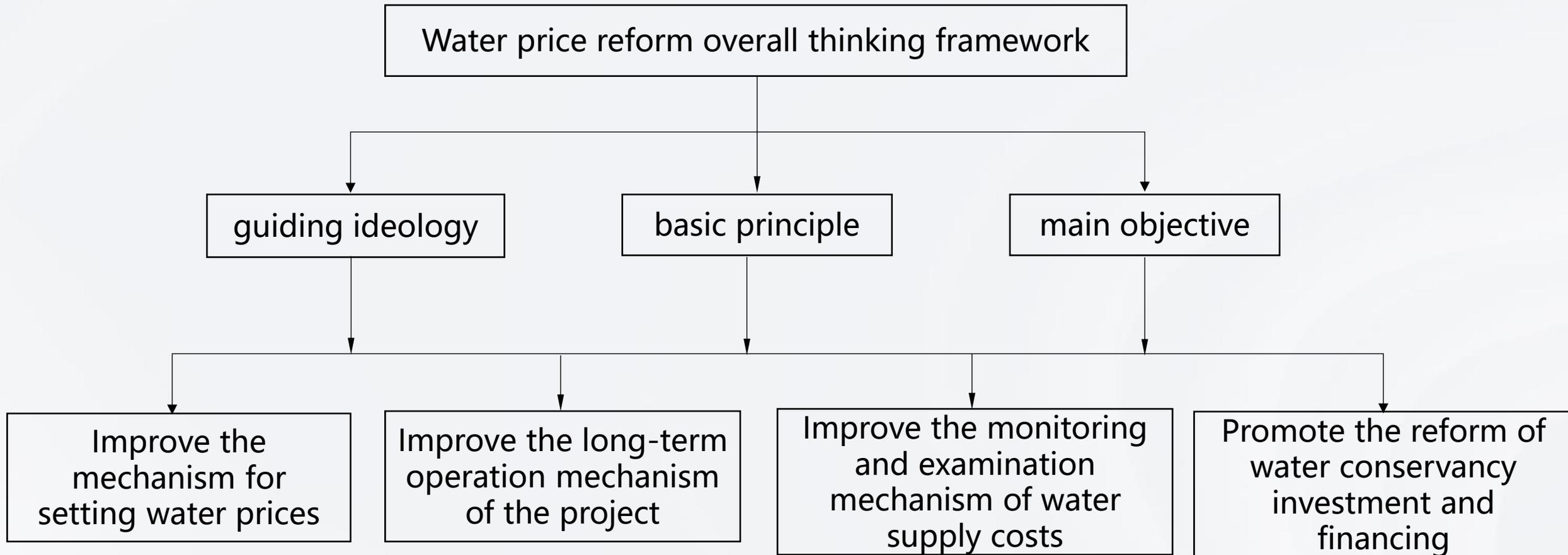


Guiding Ideology: With the **theme of promoting high-quality development of water resources** in Sichuan, water rights reform is regarded as a means to achieve a significant breakthrough in the province's water resource productivity. Through synchronized scientific research and pilot reforms, the aim is to systematically study theoretical mechanisms, practical bottlenecks, and institutional gaps that impede major breakthroughs in Sichuan's water rights reform.

Goals: Taking into account the demands for water resources from administrative regions, river basins, and local economic and social development, the proposed research focuses on **three dimensions: four spatial scales** (basin-region-irrigation district-reservoir), **five usage controls** (irrigation, drinking water, industrial, ecological, and power generation), and **four rights categories** (water extraction rights, usage rights, management rights, and trading rights). The goal is to formulate research directions and a comprehensive plan for breakthroughs in water rights reform at different scales.

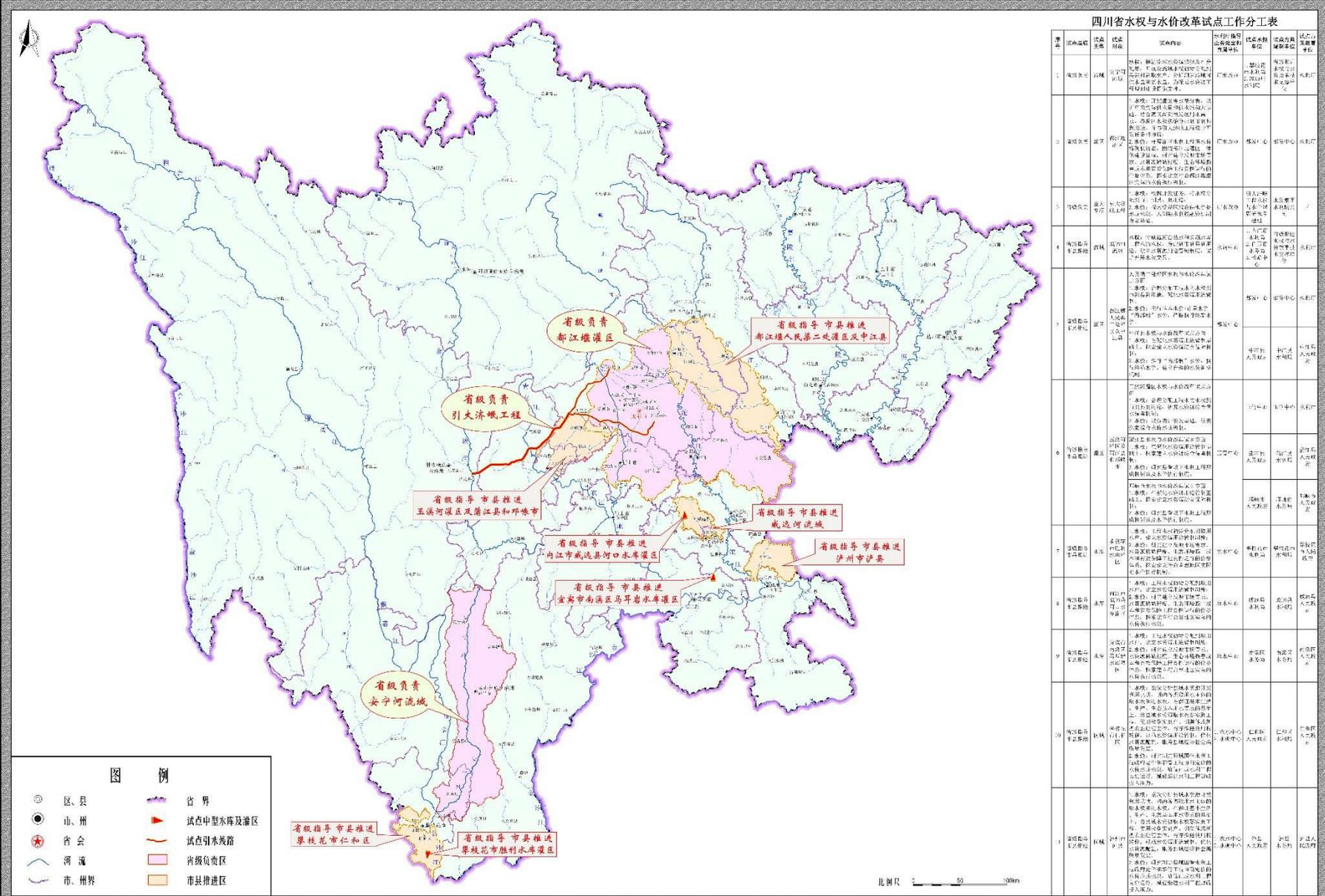
Tasks: **Deepen reform pilots, refine institutional measures, and promote the development of the water rights market.**

Overall Layout: Initially, explore and summarize effective approaches to water rights reform based on **the 3+8 reform pilots**. Focus efforts on advancing water rights reform in water-deficient areas. By the year 2025, implement comprehensive water rights reform across Sichuan Province.



Overall Approach to Water Rights and Water Pricing Reform in Sichuan Province

四川省水权与水价改革试点分布图



Sichuan Province has designated **11 pilot areas for water rights and water pricing reform** according to provincial-level responsibility and guidance, with the province guiding the cities and counties.

Water Rights :

Accelerating the Implementation of Water Rights Reform Achievements

Expediting Concurrent Progress in Project Construction and Water Rights Allocation

Promoting Innovation in Initial Water Rights Acquisition and Transfer Systems

Enhancing the Water Rights Trading System

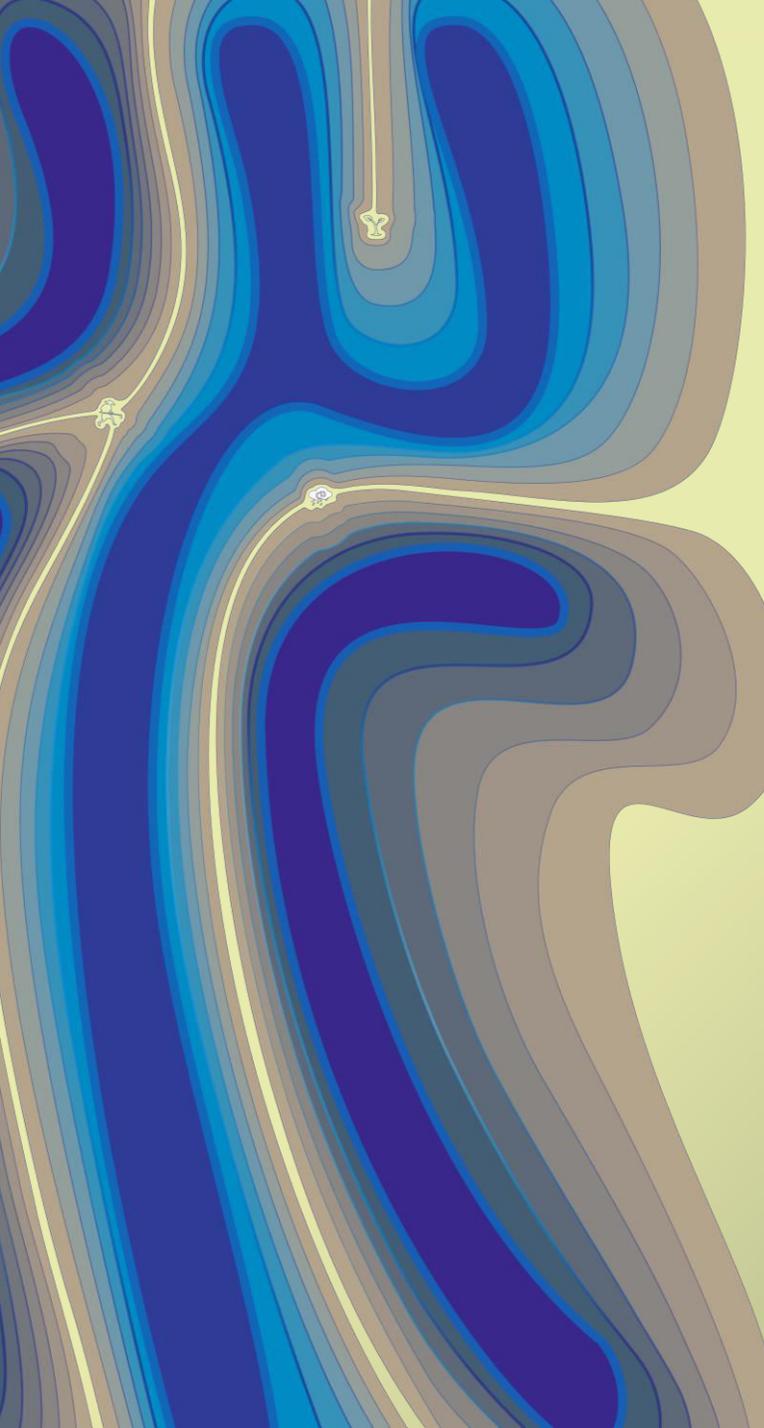
Water Pricing Reform:

Strengthening Top-level Guidance, Establishing a Water Pricing System Framework

Digital Empowerment, Establishing a Water Pricing Accounting Model

Supporting Integration, Simultaneously Advancing Related Reforms

Pilot Demonstrations, Expanding Reforms from Specific Cases



Thank you!