MID-TERM EVALUATION CONSENSUS REPORT

Nudges for Economics of Water Tariffs (NEWTS)

Name of Coordinator: Dr. Paul Michel
Project code: WaterWorks2017-NEWTS
Start date: **01/05/2019** End date: **30/04/2022**

FOLLOW-UP GROUP

Please include the data of the FG members reviewing the report

Name	Organisation
Gaëtane SUZENET	International Impact Partners
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1. Scientific and technological progress

Significant progress has been made in this project: (i) development of the dashboard (system of behavioral indicators for water use) and selection/development of indicators measuring the socio-economic performance of pricing policy in 3 of the 5 targeted fields of analysis (affordability, incentive effect of pricing, equity); (ii) development of the related prototype micro-simulation model. The project is in line with the scheduled work plan for the following tasks: (iii) the contents of behavioral interventions (BIs), (iv) the design of lab experiments and (v) the development of the multi-agent model. However, work on household water demand econometrics, with one model by study-site, experienced several delays linked to (i) problems of access to or production of individual household data needed to make those estimates, and (ii) the COVID-19 crisis. The programming and experimental plans for the implementation of BIs, both in the field and laboratory conditions, were also impacted by the COVID-19 crisis and had to be adapted.
Several disciplines are involved: Behavioral Economics, econometrics, and sociology. The research on the impact of nudges on household water demand functions and the performance of the resulting DSM policy, strongly promotes behavioural scientists and econometricians to share tools and methods and to work together in the process of data generation and the design of lab and field experiments.
5 publications were issued in peer-reviewed journals. 9 international and national communications were put out. The project was advertised in a number of conferences and magazines.

2. Collaboration, coordination and mobility within the Consortium

The mid-term report states that the coordination and organisation of the project has not been as efficient as it should be, for several reasons: the Coordinator cannot dedicate enough time to the substantial coordination required with 7 partners and The Reunion University's internal issues hampered carrying out a number of tasks (e.g. website creation), which were considered by the Coordinator 'approved' when the project was presented. Only 2 consortium meetings were organised during the reporting period. Nonetheless, to ease progress of the project, it was decided to hold a meeting every two months. And a number of meetings with local stakeholders were organised (e.g. 9 in La reunion and 7 in South Africa).

Close and effective bilateral cooperation has been established to support each other in their tasks completion, e.g. between the French partners to progress the activities on nudges design and lab experiments, and between the French and Spanish partners on the water demand econometrics. The Tunisian partner has however not been fully committed in the task of leading WP 3. To date, the indicators feeding the micro-simulation model were discussed between some partners. The Consortium relies on the Tunisian partner to lead the Evaluation Group on water poverty indicators. Mobility of researchers has been postponed. The transnational aspect is partially demonstrated and only to the extent of the identification of common concerns, features and challenges.

3. Coordination with other international project funded by WaterWorks2017, or other instruments

The project has been in contact with the EnTruGo project, the idea being to allow EnTruGo to use the microsimulation model developed as part of the project as a decision support tool. The transfer of the model may be of interest beyond the actual project implementation and therefore is currently not a priority for either of the projects.
The NEWTS project fostered the initiation of a new project called ECOGEDE that will build on some of the deliverables of the NEWTS project. It will include training actions using the micro-simulation model developed as part of the NEWTS project, its replication with adaptation to local conditions, and BIs targeted at a good understanding of the pricing system and a reduction of over-consumption. This project was rejected under the SWIM/EuropeAid Call and is currently being submitted to the PRIMA Call.

In La Reunion, another project, ECO-GEM, is being built as part of the S3 (Smart Specialisation Strategy) to continue the development of the micro-simulation model with (i) the improvement of computer design weak points and (ii) the development of an additional module enabling institutional bodies such as water agencies to have a mapping of demand management policy performance at their level of competence and action. The aim is to build a global dashboard, fed by local dashboards, and develop appropriate analysis tools for targeting the various measurement programmes, particularly those emerging in line with SDAGE (Water Development and Management Master Plan).

4. Coverage of the themes and sub-themes of the call

The NEWTS project relates to Theme 2 'Strengthening socio-economic approaches to water management' and in particular sub-theme 2.1 'integrating economic and social analyses into decision-making processes'. The projects results are highly relevant for sub-theme 2.1. in particular since it brings together several pricing methods and disciplines, and addresses social (fair pricing), environmental (reducing overall water usage) as well as economic issues. It is however still early stage to give a thorough analysis of the contribution of the results to sub-theme 2.1as the project consortium has been mainly designing the nudges and the content of the behavioural interventions, preparing the lab experiments and starting collecting data.

5. Stakeholder/industry engagement

The mid-term report gives a very good overview of the stakeholders' engagement to date, in particular for France, Spain and South Africa. Stakeholders' engagement in Tunisia has been more challenging, in particular with the local water company. In La Reunion, a project Steering Committee including the local water company and water stakeholders has been set up. The local water company and water agency have been particularly involved in the first phases of the project (i.e. the survey development, the data

management plan preparation and the design of the BIs). These partners will benefit from the (i) estimates of local water demand functions and are partners for (ii) implementing nudging campaigns. In South Africa, discussions have been on going with Representatives of the City of Cape Town on both the project methodology and approach and the preliminary results. In Spain, weekly reporting meetings have been taking place with Representatives of the local water company. A webinar on the analysis of water pricing and taxation in Spain was jointly organised with the Institute of Fiscal Studies. In all these 3 countries, data have been accessible to the partners. Interactions in France and Spain have particularly supported the work to be done under Task 1.1 concerning the Nudges design. Industry's involvement was not reported upon beyond mentioning the participation of one private company in the first workshop in France. At this stage, interactions with the industry would appear to be the only one through, of the dissemination activities.

6. Recommendations for improvements/amendments of the report

Page	Modification	Rationale for change
	N/A	

7. General Assessment Comments

The project encountered many setbacks linked to the COVID 19 situation. In South Africa, the COVID 19 situation has had an impact on the allocation of potential funding required to collect data on the household water demand functions and the performance of the water policy that is now questioned. In Spain, COVID 19 impacted access to data. There was also a delay in starting off the project because of deferred funding decisions by the Spanish Funder.
In France, delays in the project progress and stakeholders' engagement process were also linked to the changes in the local water company status, the municipal elections and the changes in the French Regulations on the protection of personal data. The project consortium has been encountering difficulties in Tunisia.

Progress has nonetheless been made on executing the work plan. The stakeholders' involvement is appropriate and quite extensive, such as in France, where a Steering Committee has been set up. The local and bilateral coordination has been effective. The overall project coordination has been more challenging. Nonetheless, the consortium has addressed this issue by organizing meetings every two months.

Two recommendations would be to ensure the participation of water companies in the process in view of future nudges campaigns and to assess the relevance of demand functions under the COVID 19 situation. The results might not be as accurate as they would be under "normal" circumstances.