
Intermunicipal cooperation and prices in the French drinking water market: an empirical study

Mehdi Guelmamen*¹

¹Bureau d'Économie Théorique et Appliquée (BETA) – AgroParisTech, université de Strasbourg, Université de Haute-Alsace (UHA) Mulhouse - Colmar, Université de Lorraine, Centre National de la Recherche Scientifique, Institut National de Recherche pour l'Agriculture, l'Alimentation et l'Environnement – Université de Lorraine, UFR Droit Sciences Economiques et Gestion, 13 place Carnot CO 70026, 54035 Nancy Cedex Université de Strasbourg, Faculté des Sciences Economiques et de Gestion, 61 avenue de la Forêt Noire 67085 Strasbourg Cedex, France

Résumé

In this paper, we have analyzed the impact of intermunicipal cooperation on the price of drinking water paid by consumers. This study has been conducted using a comprehensive panel dataset covering French drinking water services between 2009 and 2021. Municipalities can provide water services alone or join forces. If they collaborate, they can form a syndicate which is a less autonomous structure. They can also transfer competence to a community which is a politically autonomous entity separated from the municipality. We find that when municipalities join communities, the price is lower compared to alone governance. When they join syndicates, the price is higher. We explain this by negotiation or political transaction costs when municipalities join syndicates. As for communities of municipalities and communities of agglomerations, cost savings and organizational economies of scale seem to be achieved.

Mots-Clés: Drinking Water Price, Structure of Government, Intermunicipal Cooperation, Panel data

*Intervenant