

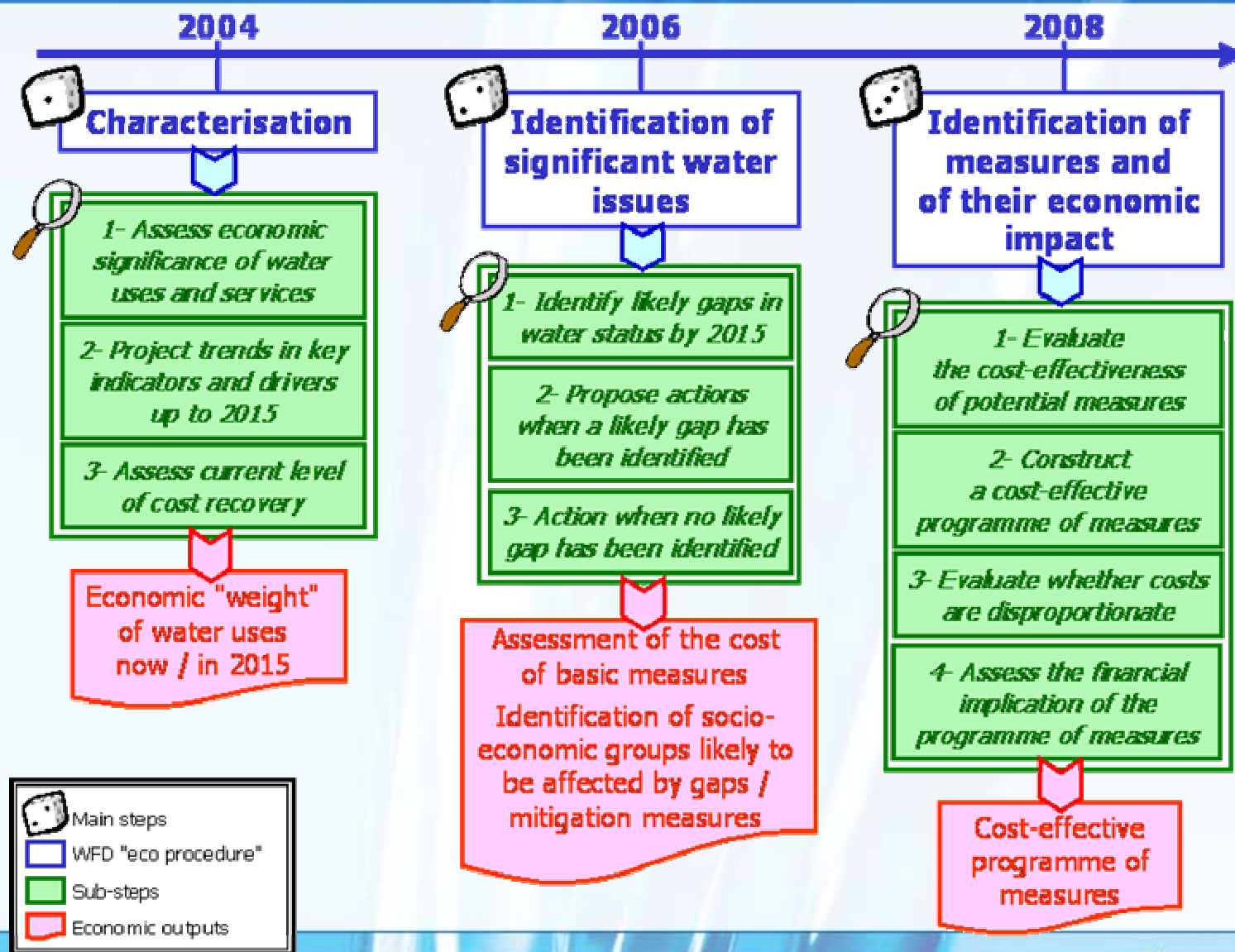
Integrated Water Resource Management: how to use the benefits of the EU experience in implementing the Water Framework Directive for EUWI

Economic analysis and the Water Framework Directive : reasons to believe

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Content of the presentation

- Context and objectives of the economic analysis required by the WFD
- Feedback from the development of economic activities in member states and candidate countries
- illustration from Artois-Picardie basin and Scheldt International District
- Comments/Conclusions



Activities for 2004

Activities	Content	Stakes
Economic characterisation of water uses	Set of economic indicators (GPD, Turnover, added value, Employment)	<ul style="list-style-type: none"> • link Economic data with Pressure & Impact data
Assessment of the current level of cost-recovery for water services	For each water services, identification of financial flows and contribution of the 3 main economic sectors	<ul style="list-style-type: none"> • current cost recovery • sustainability of the services • financial equity between the 3 sectors
Provide elements for the baseline scenario development	Which trends for economic driving forces for 2015	<ul style="list-style-type: none"> • which impact of economic drivers on pressures

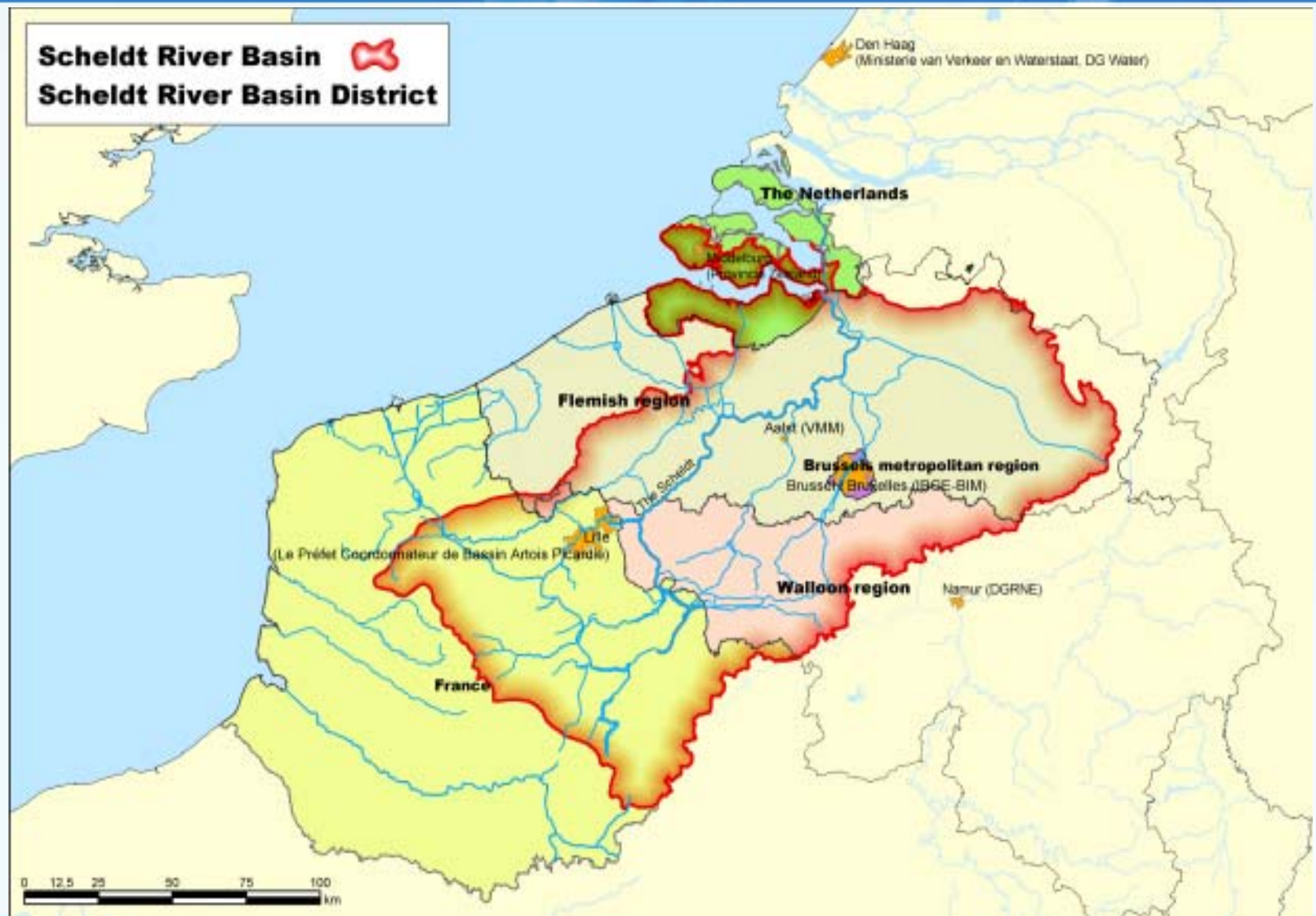
Within the frame of the Common Implementation Strategy (CIS), set up of EU working group dedicated to economic analysis in order to provide :

- guidance documents
- training products
- network of experts

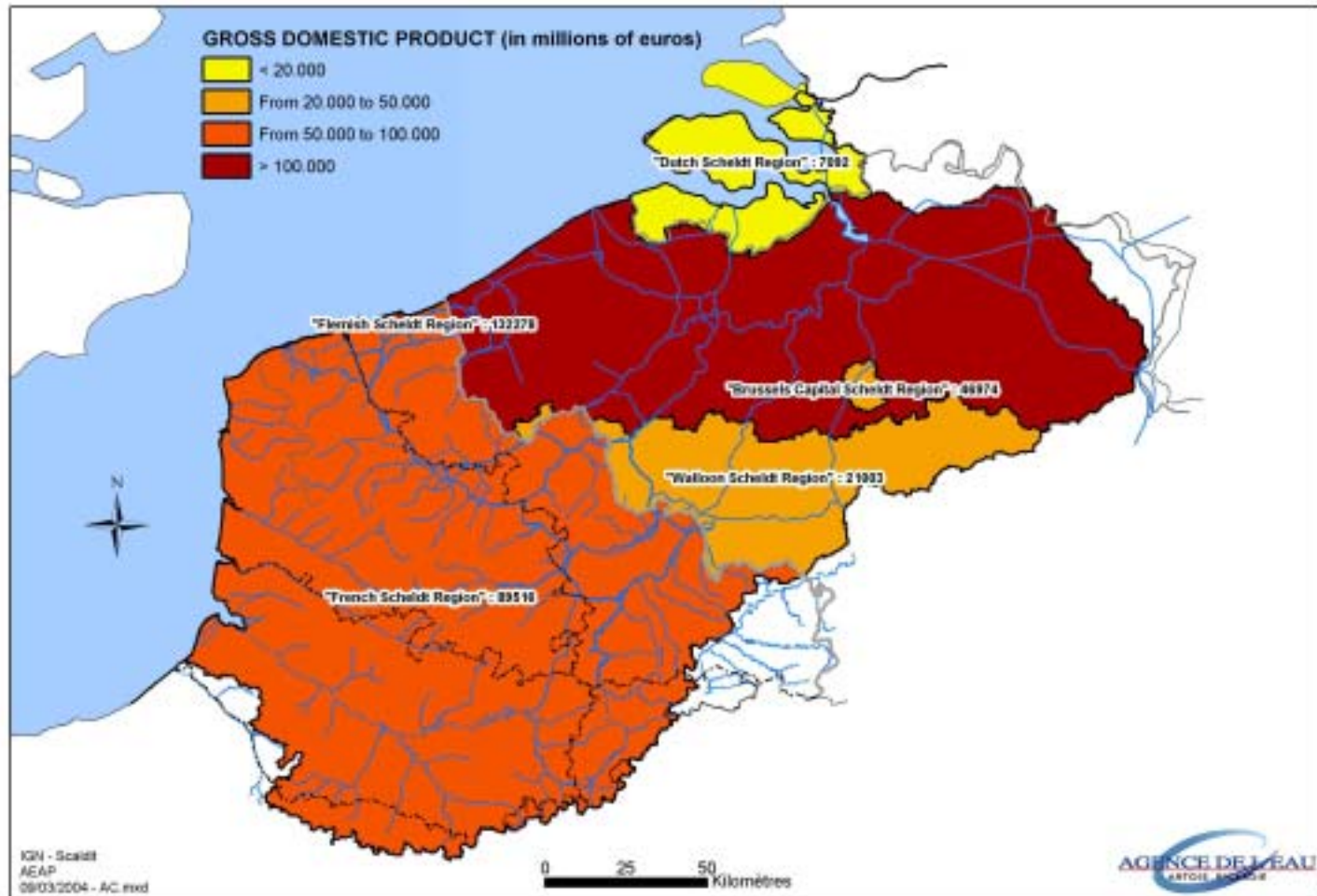
Available at : www.oieau.fr/west

- A large amount of work on the economic analysis 2004 has already been undertaken in current and future Member States
- As an important step, gaps in information and knowledge are currently identified and activities are proposed for filling these gaps after 2004
- Assessing the socio-economic importance of water uses is an activity on the good tracks
- Baseline scenario still remains unclear (difficulties related to the availability and quality of projections, disaggregation,...)
- Cost-recovery focusses on financial costs (capital and operating costs); assessment of environmental and resource costs remains uneasy

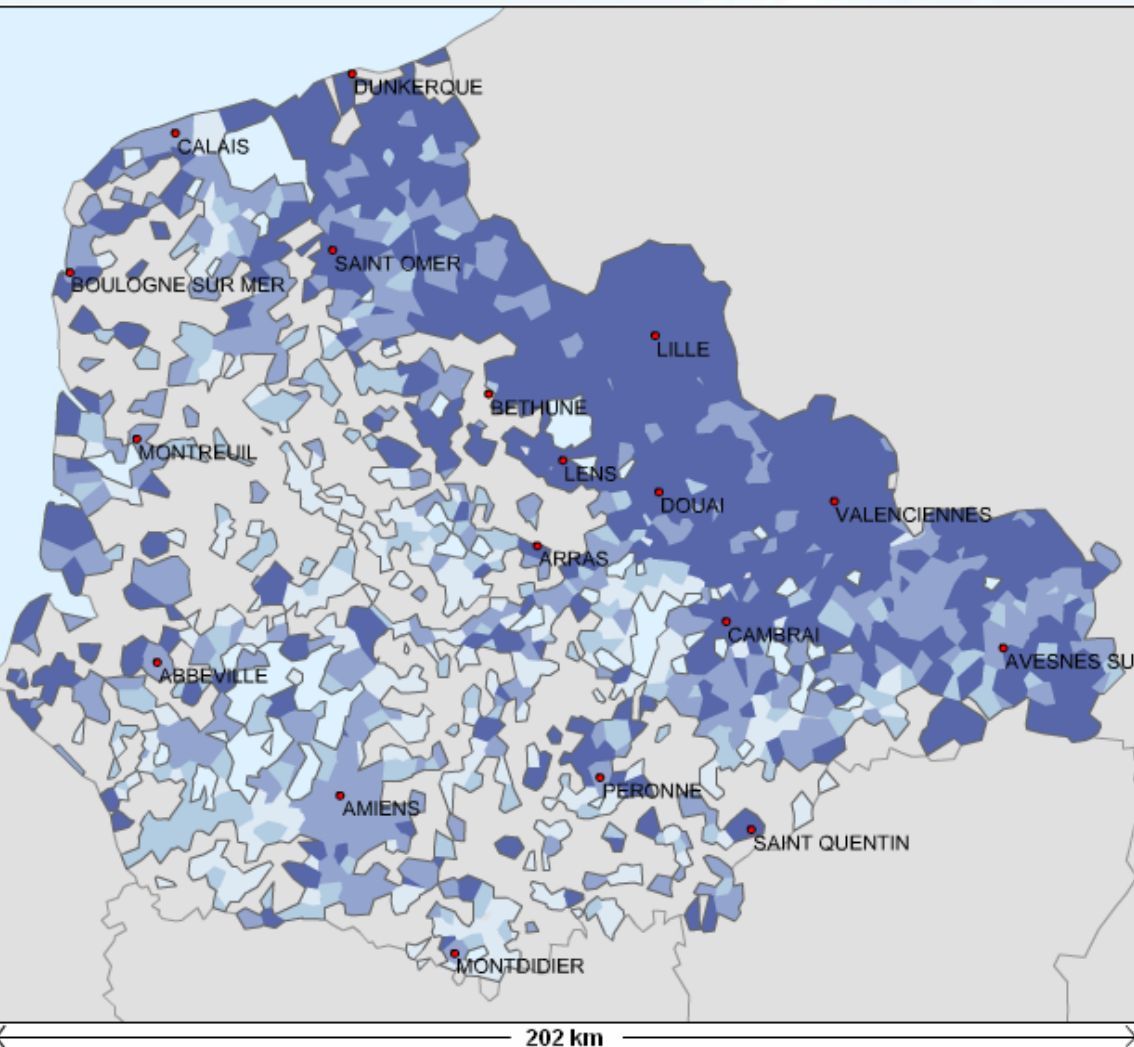
5. Illustration from Artois-Picard-Bassin and Scheldt International District



5. Illustration from Artois-Picardie Basin and Scheldt International District



5. Illustration from Artois-Picardie Basin and Scheldt International District



Water price & cost recovery

- strong variability (municipalities set their tariffs) – from 1.5 to 5.5 € /m³ in 2003
- key indicator : Average Water invoice / average income per household

the NACE codes illustration

In order to :

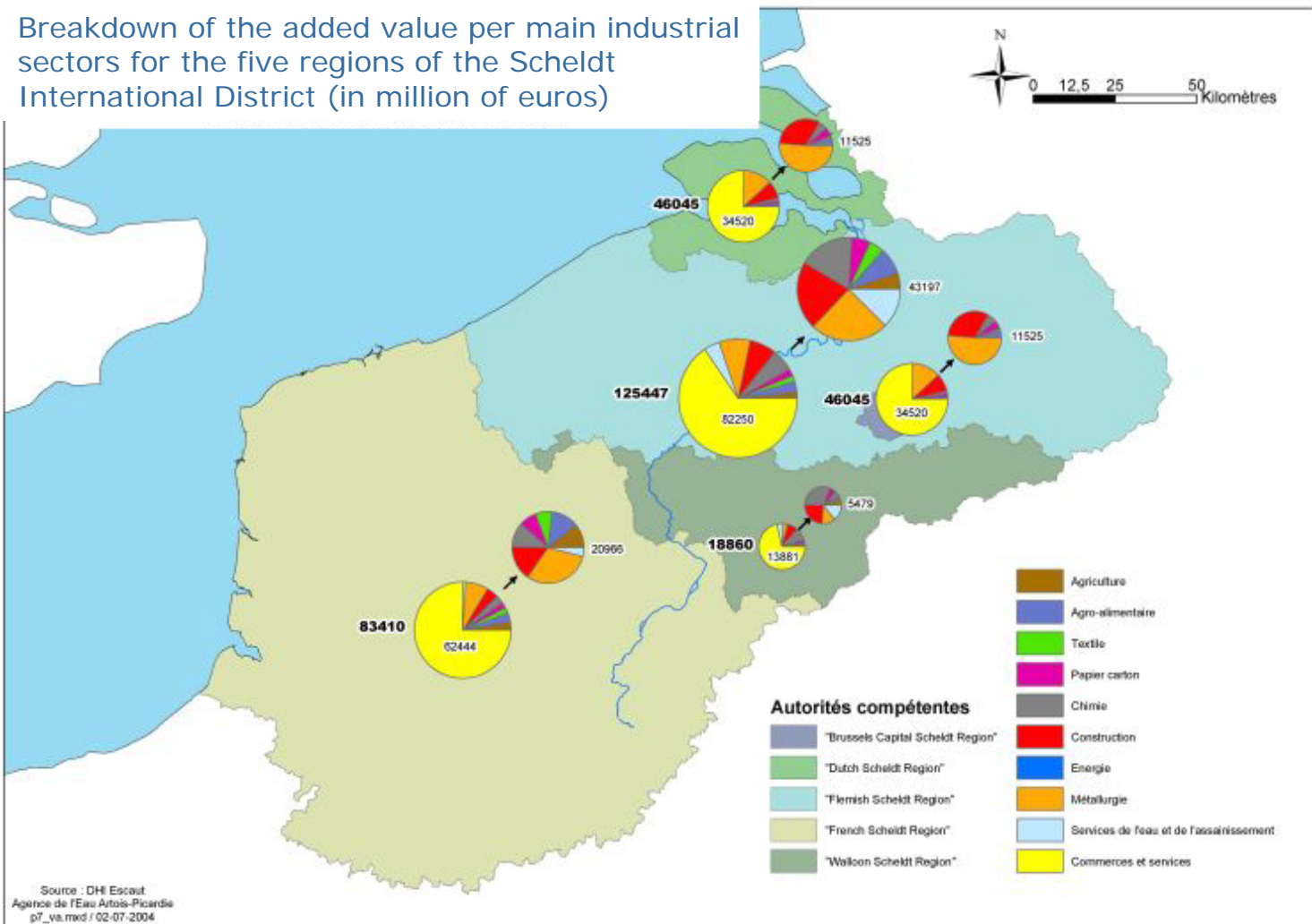
- link economic data with the main pressures (uses) identified
- have elements (i.e. financial health for an industrial sub-branch) on the possibility to implement measures
- provide this combined approach to the baseline scenario development

10 NACE -groups

Group	NACE-Codes
1. Agriculture	1+2+5
2. Agro-food	15+16
3. Textile	17+18+19
4. Paper & carton	20+21+22+23
5. Chemistry	23+24+25
6. Materials	10+11+12+13+14+26+45+23.1+23.3+37.1
7. Energy	40
8. Metallurgy	27+28+29+30+31+32+33+34+35+50
9. retail & services	50+51+52+53+60+61+62+63+64+65+ 66+67+70+71+72+73+74+75+80+91+ 92+93+99
10. Water services	41+90

5. Illustration from Artois-Picardie Basin and Scheldt International District

Breakdown of the added value per main industrial sectors for the five regions of the Scheldt International District (in million of euros)



- need to carry on linking technical (e.g. Impact and Pressures) and economic data
- adopt an iterative process by delivering preliminary results in 2004/2005 and then update/revise for the next steps of the WFD implementation
- do not miss the Baseline Scenario opportunities (inter-disciplinary approach, integrate the “outside world”)
- develop transparency and involvement of stakeholders