

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

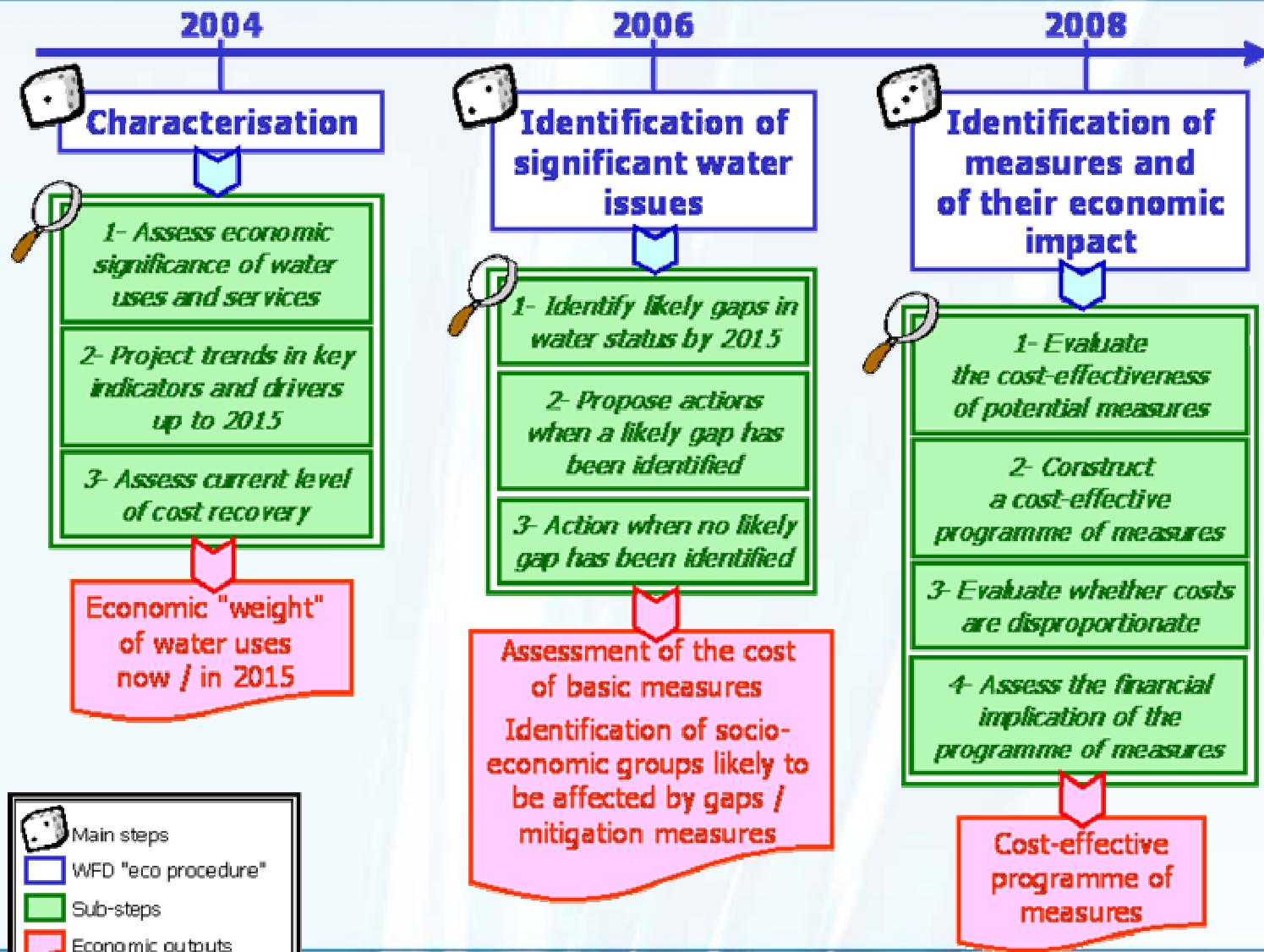
Economic analysis and the Water Framework Directive : reasons to believe

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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

1. WFD economic analysis – context & objectives



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 recoverysustainability of the servicesfinancial 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

1. WFD economic analysis – context & objectives

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

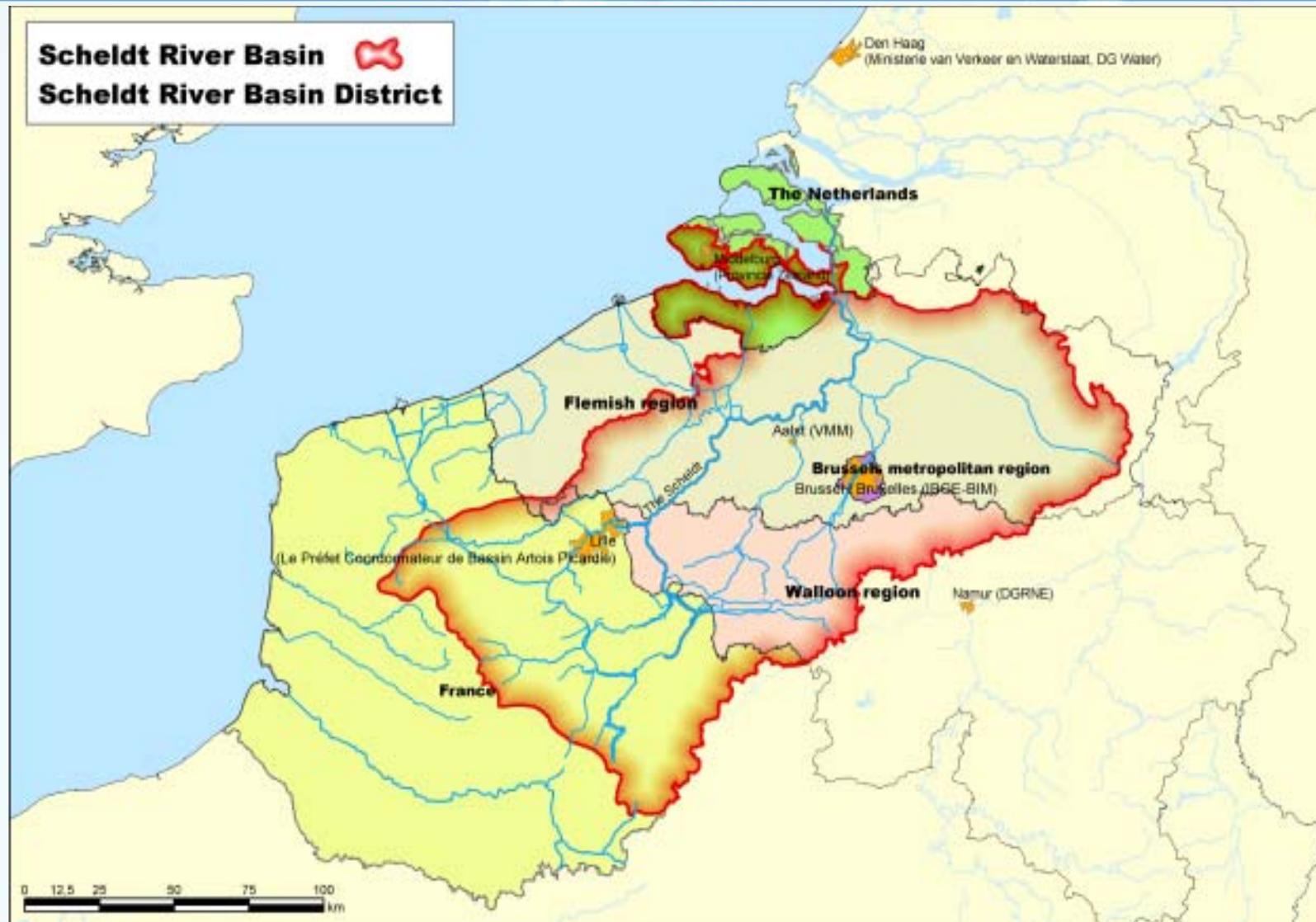
- guidance documents
- training products
- network of experts

Available at : www.oieau.fr/west

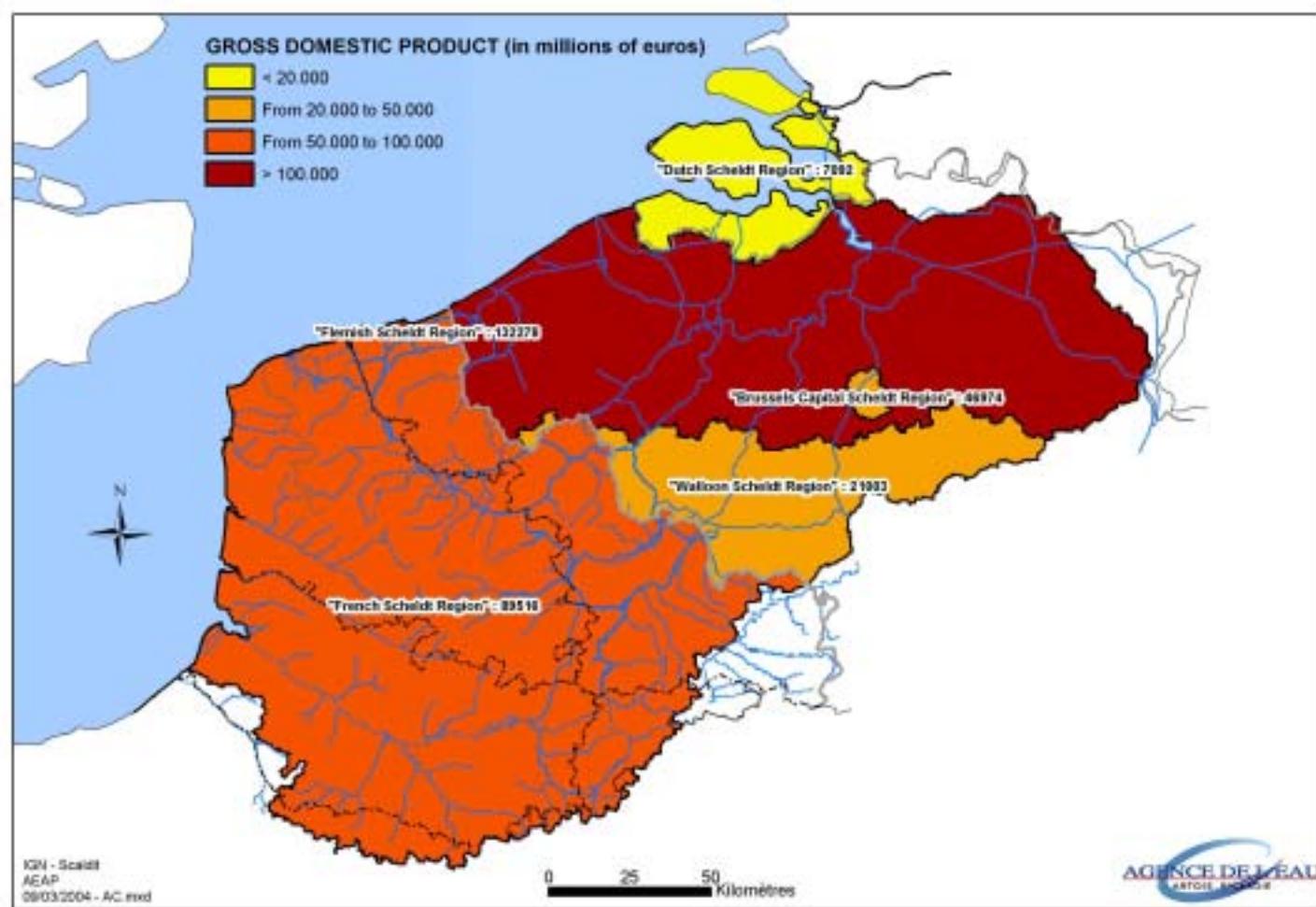
2. Feedback from member states & candidate

- 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

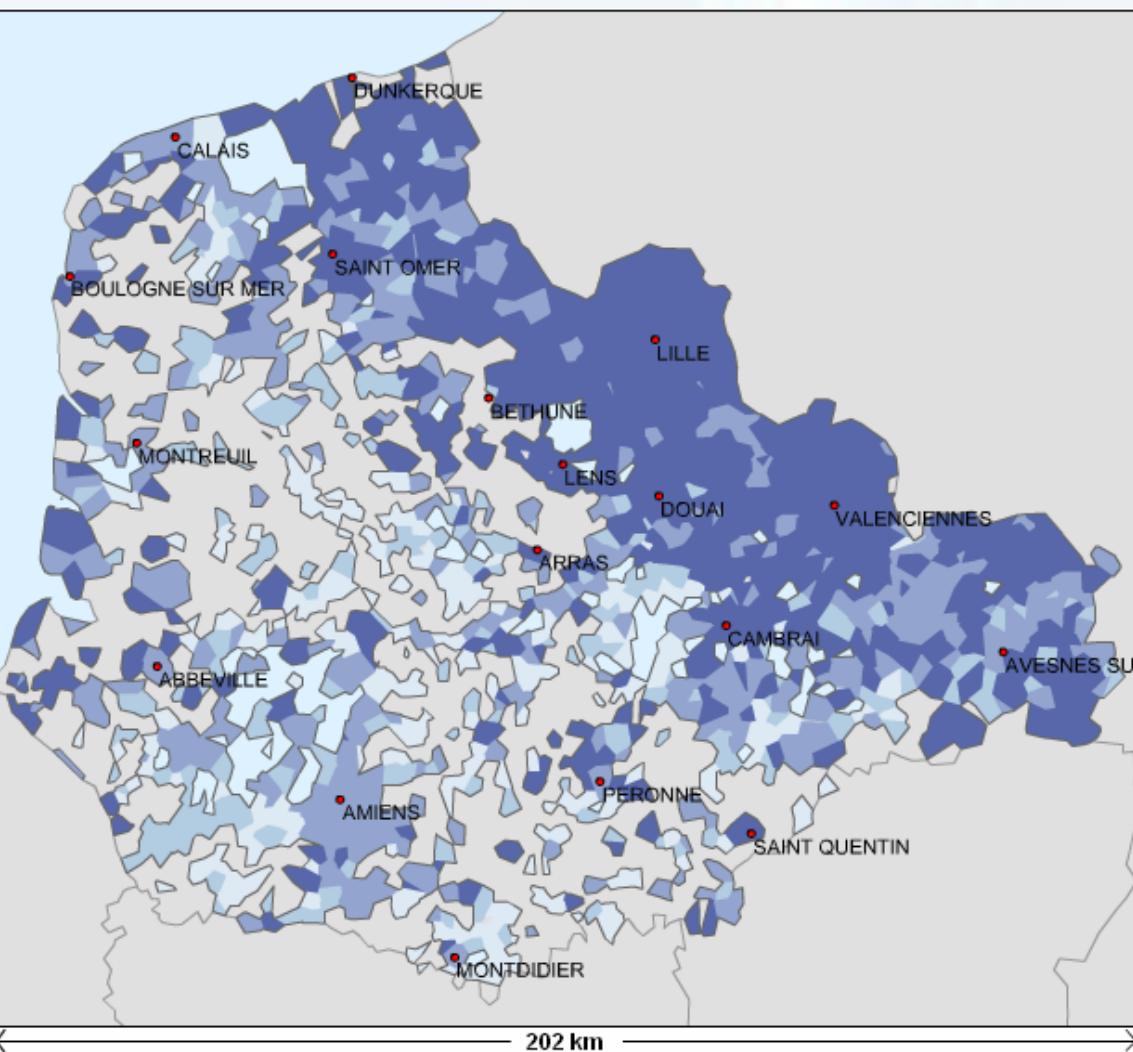
3. Illustration from Artois-Picardie Basin and Scheldt International District



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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

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

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**1. Agriculture****2. Agro-food****3. Textile****4. Paper & carton****5. Chemistry****6. Materials****7. Energy****8. Metallurgy****9. retail & services****10. Water services****NACE-Codes**

1+2+5

15+16

17+18+19

20+21+22+23

23+24+25

10+11+12+13+14+26+45+23.1+23.3+37.1

40

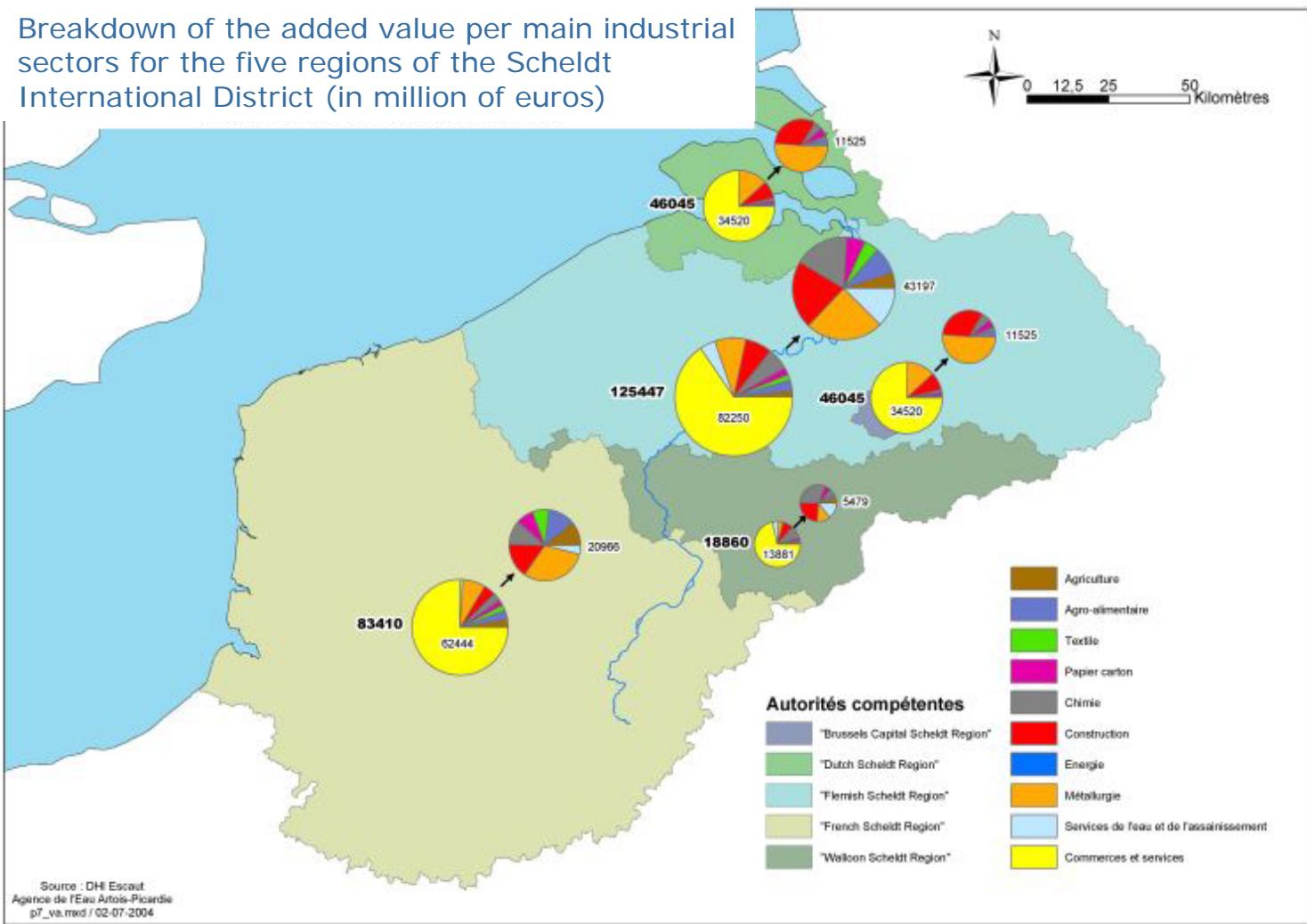
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66+67+70+71+72+73+74+75+80+91+
92+93+99

41+90

3. 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)



4. Comments and conclusions

- 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