

An international Exchange of Experience

**Economic Analysis according to the WFD:
Status of Implementation**

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**„The findings of Paris
October 2003 workshop –
Building the bridge with
Berlin and Lille conferences“**



Berlin, 20 – 21 November 2003

Conference organised by **Ecologic** - Institute for International and European Environmental Policy

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The findings of Paris October 2003 workshop

*Building the bridge
with Berlin and Lille conferences*



Purpose and field

- ⇒ Foster common understanding on objectives of Article 5 results in the field of economic analysis and baseline scenario
- ⇒ Focus on “how to do” article 5 analysis, 2004 requirements, consistency with wateco guidelines
- ⇒ Take stock of progress made in Pilot River Basins (PRBs) and other case studies

Contents

- ⇒ Technical exchanges in parallel sessions, introduced by plenary speeches on PRB experiences or other case studies
- Economic part of district characterisation: Piemonte (Italy) and Odense (Denmark)
 - Baseline scenario: Loire-Bretagne and Seine-Normandy (France)
 - Cost-recovery analysis: Scheldt (France, Belgium, NL), Jucar (Spain)



Main findings on economic part of district characterisation

(Chair: R. Brouwer. Personal interpretation in brackets)

Berlin Leading Question "A" (How implemented)

- ⇒ Scale of analysis preferably determined by pressures evaluation scale + data supply + decision-making needs
- ⇒ Do not pre-define cost-effectiveness analysis, only prepare to it by building knowledge on w. uses and services
- ⇒ Private/public data: first step public data then extrapolation to private and small scale (then experts and cross-reviews)



Main findings on economic part of district characterisation

Berlin Leading Question “B” (Links with pressures)

- ⇒ Use w. quality indicators to focus eco.^c characterisation on main issues
- ⇒ Baseline is a convenient means for organising links with pressures and impact analysis
- ⇒ Pay attention to economically small sectors that produce heavy pressures (or “emerging” pressures)



Main findings on economic part of district characterisation

Berlin Leading Question "C" (what after 2004)

- ⇒ Major resource for preparing cost-effectiveness and derogation (characterisation → economic side of w.uses → costs + potential evolution of pressures)
- ⇒ Communication tool: reaching and involving stakeholders, (participation in article 14 significant issues and in programme priorities)
- ⇒ Feeds into BLS (and other long-term investments needs analysis of annex. III)





Main findings on economic part of district characterisation

Berlin Leading Question "D" (international rivers)

⇒ Produce bird's eye view to determine main issues for focusing data collection on IMPRESS and economics



Main findings on Trend analysis and Baseline Scenario (BLS) (Chair: J. Fisher. Personal interpretation in brackets)

Berlin Leading Question "A" (How implemented)

Who does what at least on PRB?

⇒ First stage of BLS: Denmark, France, Norway (nutrients), Portugal.

⇒ Might with some operational conditions: Germany, Greece, Hungary

⇒ Something different "in situ": UK



Main findings on Trend analysis and Baseline Scenario (BLS)

- Berlin Leading Question "A" (How implemented)
- ⇒ Possible use of several scenarios, allowing for uncertainty (e.g. CAP reforms). Choice can be narrowed by probability assessment and expert review. Not always necessary: output is assessment of good status failing *probability*
 - ⇒ Liberty for MS to rely on different scenarios vs. consistence (e.g. CAP reforms...)?
Try and use common knowledge and widely published scenarios



Main findings on Trend analysis and Baseline Scenario (BLS)

Berlin Leading Question “B” (Links w. Impress)

- ⇒ Difficulty in integrating pesticides, hydromorphology, ... Use qualitative methods, experts workshops, cross-review
- ⇒ Integrate exercise strongly with scientists, technical experts, policy-makers
- ⇒ Do not wait for “economic GIS data”. Use Gis-based data on pressures and let this define the smallest spatial units of analysis. Eventually feed GIS with some economic activity indicators



Main findings on Trend analysis and Baseline Scenario (BLS)

Berlin Leading Question "C" (what after 2004)

⇒ RBCharacterisation will assess *current* "risk to fail". BLS will assess likely percentage of change in risk if nothing more is done



Main findings on Cost-recovery analysis

(Chair: J. Maestu. Personal interpretation in brackets)

Berlin Leading Question "A" (How implemented)

- ⇒ Scale of analysis, considering that data may vary widely on local basis (i.e. price of services): Article 5: district scale. Possibility of more detailed according to specific issues. Adapt to country organisation
- ⇒ (First step: analyse prices for services and subsidises). But do not forget (prepare to) environmental and resource costs.



Main findings on cost-recovery analysis

Berlin Leading Question "A" (How implemented)

- ⇒ Comparison of prices to income for assessing payment capacity: delicate (no common references)
- ⇒ Some "Financial costs" are environmental costs: i.e. additional treatment costs due to pollution. = Non-exclusive categories.



Main findings on cost-recovery analysis

Berlin Leading Question "B" (Link w. pressures)

- ⇒ Agriculture and industry are addressed through sectoral typologies
- ⇒ Economic side of pressures from activities: preferably through additional costs and subsidises to use of w. services by activities



Main findings on cost-recovery analysis

Berlin Leading Question "C" (after 2004)

- ⇒ CR analysis is a tool to assess evolution of CR in Member-States. Awaited comparison 2004-2010 (at least).
- ⇒ Economic side of pressures from activities: through additional costs and subsidises to use of w. services by activities