2nd Stakeholder Workshop for the Fitness Check of EU Freshwater Policy

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Organized by

on behalf of the European Commission

Discussion Paper

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List of Abbreviations

CAP	Common Agricultural Policy
CIS	Common Implementation Strategy
EEA	European Environmental Agency
EIA	Environmental Impact Assessment
EQS	Environmental Quality Standards
EQSD	Environmental Quality Standards Directive
IPCC	Integrated Pollution Prevention and Control
MFSD	Marine Strategy Framework Directive
NiD	Nitrates Directive
PoM	Programme of Measures
RBD	River Basin District
RBMP	River Basin Management Plan
SEA	Strategic Environmental Assessment
UWWTD	Urban Wastewater Treatment Directive
WFD	Water Framework Directive
WISE	Water Information System for Europe

1 Fitness Check of EU Freshwater Policy

As part of its Smart Regulation policy, the European Commission announced in its Work Programme for 2010 that, *"to keep current regulation fit for purpose, the Commission will begin reviewing, from this year onwards, the entire body of legislation in selected policy fields through "Fitness Checks".* The purpose is to identify excessive burdens, overlaps, gaps, inconsistencies and/or obsolete measures which may have appeared over time. Pilot exercises started in 2010 in four areas: environment, transport, employment and social policy, and industrial policy. In the area of environment, the protection of EU freshwater resources was selected as the pilot area.[1] The **Fitness Check on the protection of EU freshwater resources** will be published in the first half of 2012.

The **Fitness Check of EU Freshwater Policy** focuses on, inter alia:

- Barriers (including in other policy areas) to meeting the already agreed objectives;
- Issues related to implementation and measures that could improve the implementation of EU water policy;
- Coherence of the legislation in place and whether there are any overlaps, inconsistencies and/or obsolete measures.

The Fitness Check will be a building block of the **Blueprint to Safeguard Europe's Waters** to be published in November 2012, whose twofold purpose is to:

- Assess the implementation and achievements of current policy while identifying gaps and shortcomings.
- Look forward at the evolving vulnerability of the water environment to identify measures and tools that may be needed in several EU policy areas in order to ensure a sustainable use of good quality water in the EU in the long term.

The **scope of the Fitness Check** includes the following Directives:

1) the Water Framework Directive,
2) the Groundwater Directive,
3) the Directive on Environmental Quality Standards,
4) the Urban Waste Water Treatment Directive,
5) the Nitrates Directive and
6) the Floods Directive.

It also examines quantitative and adaptive water management issues, for which there is currently no legislation at EU level (except for Floods), namely the Communication on Water Scarcity and Drought and its annual follow-up reports, and the Policy paper accompanying the White Paper on Adapting to Climate change on Water, Coasts and Marine Issues.

To ensure a proper link with the wider scope of the Blueprint, the Fitness Check includes the question of the consistency with other regulations addressing pressure on water resources

[1] European Commission. (2011). Roadmap – Fitness Check Freshwater Policy, DG Environment. Brussels, http://ec.europa.eu/environment/water/blueprint/pdf/roadmap.pdf

(e.g. Plant Protection Products Directive) or the (re-)use of water by specific activities (e.g. Drinking Water and Bathing Water Directives).

1st phase of the Fitness Check

In 2011, a scoping study on the Fitness Check of EU Freshwater Policy was undertaken by Deloitte and IEEP. This explored the relevance, coherence, effectiveness and efficiency of EU freshwater policy.

The scoping study was based on a literature review and a stakeholder consultation, including a Stakeholder Workshop on the Fitness Check (Brussels, 10 May 2011).

The 1st phase of the Fitness Check ended in June 2011 with the publication of the scoping study on the Fitness Check of EU Freshwater Policy.

2nd phase of the Fitness Check

The preliminary findings from the 1st phase of the Fitness Check are the basis for public consultation and discussion with a broad group of stakeholders in the 2nd phase of the Fitness Check.

It is critically important in a Fitness Check to seek stakeholder views on its key issues (such as barriers, implementation issues, coherence, etc.). Issues may not be readily apparent outside of a particular Member State, region, business sector, etc., and stakeholders must be given the opportunity actively to contribute views and information to ensure the conclusions of the Fitness Check are robust.

An online public consultation on the Fitness Check of EU Freshwater Policy is running from 6/12/2011 to 28/02/2012 (http://ec.europa.eu/environment/consultations/freshwater.htm). This will allow the European Commission to obtain views and evidence from as wide range of stakeholders as possible.

In the context of the 2nd phase of the Fitness Check, a 2nd Stakeholder Workshop is taking place, whose aims and approach are explained in the next section.

2 Aims and approach of the workshop

Aims of the workshop

Organised by DG Environment, the 2nd Stakeholder Workshop on the Fitness Check of EU Freshwater Policy is an important component of the stakeholder consultation process of the 2nd phase of the Fitness Check.

The event will focus on the **precise definition and explanation of the issues, problems and challenges identified in the scoping study** on the Fitness Check of Water Policy.

Possible solutions to the problems will be part of the discussion for further use in the preparation of the Blueprint to Safeguard Europe's Waters.

The workshop results will be summarised and made publicly available after the event. The European Commission will use the workshop results in the process of drafting and finalising the Fitness Check of EU Freshwater Policy.

The Ecologic Institute, IEEP and BIO IS are engaged in a support contract with the European Commission for the organization of this event.

Approach of the workshop

Workshop invitees are members of the Strategic Coordination Group of the Common Implementation Strategy of the WFD.

The event is set up in a participative way to consult with and actively gather feedback and contributions from all participants.

The afternoon session of the first workshop day is structured in roundtable discussions. Participants will split into 4 different tables for 4 successive rounds of discussion of 50 minutes each. In detail:

- Each table is dedicated to one of the 4 major topics of the Fitness Check, i.e. table 1 focuses on the relevance of EU water policy, table 2 on the coherence of EU water policy, table 3 on the effectiveness of EU water policy and table 4 on the efficiency of EU water policy.
- At the registration desk, participants will be assigned a table (and topic) for the first round of discussions (first set of 50 min.), so that Member State representatives and different stakeholder groups are spread in a balanced way. Each table should have a maximum of 10 participants.
- Each table is chaired by a moderator (DG ENV), who welcomes and introduces participants to the table, guides the discussion and acts as time-keeper. He is assisted by a rapporteur who takes notes of key elements of the discussion.
- After the first 50 minutes of roundtable discussions, participants will be asked to change clockwise to the next table (and topic) for the next round of discussions (50 min.).

- In total, there will be 4 rounds of discussion of 50 minutes each. Participants will change table (and topic) for each round, allowing them to contribute their views to all 4 topics of relevance, coherence, effectiveness and efficiency of EU water policy.
- The moderators and rapporteurs will remain at the same table (and topic) throughout all rounds of discussion.
- At the end of all discussion rounds, the moderators and rapporteurs will summarise the key points of the discussions which took place at their table and present them to the plenary on the second workshop day.

3 Aims of this discussion paper

The workshop is intended to be a working meeting and will require the active participation of delegates.

The purpose of this discussion paper is to prepare participants for the discussion by providing a **summary of key preliminary findings** of the scoping study on the Fitness Check of EU Freshwater Policy.

The key findings are structured around the 4 topics, which will be discussed at the roundtables at the workshop:

- Relevance of EU water policy
- Coherence of EU water policy
- Effectiveness of EU water policy
- Efficiency of EU water policy

For further details on these 4 topics, please refer to the full scoping study (Deloitte/IEEP, 2011).

In addition, this discussion paper proposes **questions for discussion** on each topic at the workshop.

4 Topic 1: Relevance of EU Water Policy

4.1 Key findings of Fitness Check scoping study

What is the relevance of EU water policy about?

The relevance of EU water policy is about checking whether current policy has the right mix of instruments to address the main problems facing Europe's freshwaters. Are there overlaps and/or gaps?

State of Europe's freshwaters

Considerable success has been achieved in reducing the discharge of pollutants to Europe's waters, leading to considerable water quality improvements. However, pollution levels remain significant in several European rivers, also directly affecting marine and coastal environments. Groundwater pollution remains a relevant concern too. There is considerable scope for greater implementation of source control measures across all sectors (EEA, 2010). This concerns particularly agriculture, but also the urban environment which is a source of diverse pollutants, including chemicals, metals, pharmaceuticals, nutrients or pesticides.

Large areas, particularly in the south of Europe, are affected by water scarcity, while competing uses are increasing demand across Europe. Rising demands and the impacts of climate change are expected to increase the pressure on Europe's water resources, underlining the importance of increased efficiency and savings in water use. Europe is also suffering from a rise in the frequency of major floods and related floods damage.

European water bodies have also been significantly altered through physical modifications, leading to changes in water flows, habitat fragmentation and obstructions of species migration.

Instruments of EU water policy

The main instruments of current EU water policy aimed at the sustainable management of EU freshwater resources are:

- The Water Framework Directive (WFD) which establishes long-term objectives for water protection in the EU and applies to surface and ground waters. The key criterion for judging performance is the achievement of 'good status'.
- The daughter directives of the WFD (Groundwater Directive and Environmental Quality Standards Directive) which complement the WFD framework with specifications for groundwater protection and chemical objectives through harmonized environmental quality standards for surface waters respectively.
- The Urban Wastewater Treatment Directive (UWWTD) and the Nitrates Directive (NiD) which address respectively key pressures from domestic sewage, industrial wastewater and rainwater run-off and pressures from the application and storage of inorganic fertilizer and manure on farmland.
- The scope of EU water policy is expanded with the Floods Management Directive which establishes a risk assessment and planning framework for floods.

- The objectives and instruments of EU water policy are also complemented by non-legislative action on scarcity and droughts (2007 Commission Communication on Water Scarcity and Droughts) and climate adaptation (2009 White Paper on Adaptation to Climate Change).

Challenges in meeting key objectives of EU water policy

The Fitness Check scoping study identified the following as the three most challenging objectives for current EU water policy:

- Reaching and maintaining a high quality of European freshwaters (good status)
- Addressing water demand and water availability in a sustainable way
- Decreasing vulnerability to droughts and floods in a changing climate

The following sections discuss the extent to which the policies in place are sufficient to meet these objectives, and thus to contribute to the sustainable management of freshwater resources.

Reaching and maintaining high quality of European freshwaters (good status):

Good status for all European waters is a key objective of the WFD, whose introduction has established a policy framework that addresses relevant aspects of reaching and maintaining high quality of European freshwaters. The WFD is widely appraised as a good example of an integrated approach to environmental policy-making, particularly with regard to the ecological assessment of ecosystems and the approach to integrated river-basin management.

Concerns have been raised that the policy objectives of the **WFD** may be too **ambitious,** given the significant investments required, which sometimes compete with other priorities. At this stage it is difficult to judge the reality of such concerns – certainly the objectives are ambitious, but the implementation timetable from 2000 has been, and will be, longer than any other EU environmental legislation, so that it will be some years before an ex-post evaluation of the level of ambition is possible.

Many **measures** required to reach good status may require time to fully unfold their impacts, and in some cases, it can take years to decades for aquatic ecosystems to reach the aspired "good status". However, some measures can also result in rapid improvements. Controls on point source discharges of industrial or urban pollutants or hydromorphological changes for fish migration all can have rapid positive impacts.

There are also concerns that the WFD **lacks clarity** on some details and **leaves a lot of room for divergent interpretation** of its requirements. This may make it difficult to ensure that policy objectives are being met, but at the same time allows Member States the flexibility to choose the most locally cost-effective measures to deliver those objectives.

The instrumental mix in place is broad: While regulatory instruments continue to form the policy core of EU water policy, planning, informational and participatory instruments play an increasingly important role. While the **instruments in place at EU level are sufficient to pursue EU water quality objectives, implementation depends on Member State action** and this may not sufficiently address the urgent needs for water protection.

Accurate information plays an important role in current EU water policy, especially under the WFD and the Floods Directive. However, there is often still insufficient information on key

pressures and water uses (e.g. efficiency of different types of water use, potential climate impacts, interaction with other policy objectives). Ensuring the right information is collected and reported is critical to successful policy implementation and future policy development.

Addressing water demand and availability in a sustainable way:

The current EU water policy framework recognises the challenge of addressing water demand and availability. Quantitative water objectives are addressed by the WFD, which states that **good groundwater status** "means the status achieved by a groundwater body when both its quantitative status and its chemical status are at least good". For surface waters, the ecological status objectives include a quantitative element (e.g. **minimum ecological flows**), but wider quantitative objectives are less clear. In addition, the WFD requires an **analysis of past and future trends of water demand** and related risks.

While the WFD requires action to address water availability and demand, Member States enjoy considerable autonomy and flexibility with regard to the instruments to use, such as adequate **pricing of water use**. Flexibility allows Member States to adopt measures adapted to their own specific circumstances; however, in some cases the instruments adopted may be insufficient to address the challenges of managing water demand. **Transparency** in pricing policies is sometimes lacking and higher **cost recovery** could allow water providers to invest in infrastructure maintenance. Furthermore, while some Member States set out **priorities for competing water uses**, this is not always the case, which can inhibit effective drought and scarcity planning.

Decreasing vulnerability to droughts and floods in a changing climate:

Objectives of EU water policy for quantitative water management have been further elaborated in the Floods Directive and non-legislative action on scarcity and droughts and on climate adaptation.

Provisions for risk and hazard assessment under the Floods Directive can be regarded as adequate. The Directive can facilitate a more proactive approach as it encourages risk analysis and mapping to address future challenges (such as climate change). Implementation would benefit from a much **stronger link to integrated land use management**. The approach taken so far is rather reactive, in terms of better preparing for floods, rather than mitigating their causes.

Water "**scarcity and drought"** continues to remain **under-addressed** as a policy issue. In the 2007 Communication on Water Scarcity and Droughts, a number of policy options to address water savings in key sectors such as agriculture, buildings or industrial processes were presented, with a view to support policy learning and coordination among EU Member States in the absence of legislative requirements.

A recent evaluation of the process shows that most EU Member States have not introduced legislation on water efficiency standards in buildings or for water using devices. The European Commission is considering options for harmonising requirements on water savings in buildings. Member States are also introducing different approaches to addressing water leakages from distribution networks.

Long-term planning (for flooding, scarcity management, ecological objectives, etc.) requires the impacts of climate change on waters directly and, indirectly, on pressures to be

understood. Without this, inefficient investment decisions may be made. Information on potential climate impacts has improved and potential no regrets measures identified. However, Member States need to integrate climate change impacts into their adaptive strategies for water management.

4.2 Questions for workshop discussion on Topic 1

- Does the current EU water policy framework adequately address all challenges regarding surface and ground water quality?
- Are the current EU instruments sufficient to address water quantity issues (flooding, droughts and long-term scarcity) and the sustainable management of different water uses?
- Does EU water policy allow Member States to respond to future climate change impacts with effective adaptive responses?
- Where gaps exist in water protection actions on the ground, is this a reflection of gaps in the EU policy framework or of Member State interpretation and/or implementation?
- Where gaps exist in the EU policy framework, what solutions are appropriate to address these?

5 Topic 2: Coherence of EU water policy

5.1 Key findings of Fitness Check scoping study

What is the coherence of EU water policy about?

The coherence of EU water policy is about checking whether policies are coordinated and complementary, and do not contradict one another. A minimum criterion for policy coherence is the absence of major conflicts between policies. Moreover, policy coherence requires that policies need to reinforce their effects (i.e. synergies) to the extent possible while minimising negative trade-offs.

The Fitness Check focuses on the analysis of policy coherence within EU water policy (internal coherence), coherence with other environmental policies and coherence with sectoral policies such as the Common Agricultural Policy, energy, navigation, etc. (external coherence).

Integration of WFD with other instruments covered by the Fitness Check

Achieving greater policy coherence within European water policy was a key reason for introducing the WFD. Both major **point sources and diffuse sources are now tackled in one common regulatory framework**, and there is no major conflict of objectives or instruments. The WFD complements the regulatory framework of the Urban Waste Water Treatment Directive (UWWTD) and the Nitrates Directive (NiD) and reinforces action taken to implement these Directives.

However, there is concern that **reporting obligations** under the different water Directives are **not coherent** with each other (such as reporting cycles of the WFD, NiD and UWWTD). However, since adoption of the WFD, much water law (revised and new) has become increasingly coherent in this regard (and this has been further taken forward through WISE). Clearly, failure to achieve integration of monitoring and reporting obligations may lead to unnecessary burdens on public administrations. Future improvement of WISE and future review of Directives will also assist in enhancing coherence.

Integration of freshwater policy with other relevant environmental policies

There are numerous interaction points of freshwater policy with other environmental Directives, including:

- land use planning (Strategic Environmental Assessment and Environmental Impact Assessment – SEA and EIA Directives),
- protected areas (Habitats and Birds Directives) and
- pollution sources (Plant Protection Products (Pesticides) Directive, chemicals policy, Integrated Pollution Prevention and Control - IPPC Directive, now the Industrial Emissions Directive).

Many stakeholders regard the further **harmonisation of reporting requirements and public participation requirements under the different Directives** as important, particularly in order to avoid stakeholder consultation fatigue.

In spite of existing advice, the extent to which the provisions of the **SEA Directive** should apply to the River Basin Management Plans (RBMPs) or the Programmes of Measures (PoMs) of the WFD, or to both, remains unclear.

Good progress has been made in clarifying the relationship between the WFD and the **Habitats Directive**, particularly in view of diverging objectives and deadlines. Problems are rather linked to issues of practical coordination than to systemic legal interaction.

The links with the **IPPC Directive (**now **IED)** are more complex and challenging, particularly with regard to translating pressures on good ecological status and good chemical status to discharge requirements for IPPC permits. Existing IPPC installations were required to have permits by October 2007 – before the completion of the PoMs of the WFD. Therefore, it is possible that the objectives of the WFD and Environmental Quality Standards Directives (EQSD) require the conditions of some permits to be revisited.

In sum, the scope of **integration of freshwater policy with other environmental Directives** can be considered as **fairly advanced,** but there are practical coherence issues which remain.

Integration of freshwater policy with sectoral policies

The **relationship with other sectoral policies** remains the subject of much **more controversial** discussion. Clearly, some consider that not enough progress on sectoral integration of water concerns has been made over the past years.

Past **reforms of the CAP** have increased the importance of environmental protection within its overall policy framework. Nonetheless, a number of key pressures and impacts arising from farming practice throughout Europe continue to impact on water quality, quantity and hydromorphology. For example, in two thirds of River Basin Districts (RBDs), nutrient enrichment is linked to agriculture, according to the identification of significant water management issues prior to the publication of the 1st river basin management plans. The post-2013 revision of the CAP may offer prospects for better integrating water concerns into farming practice, both in integrating water requirements into cross compliance and better targeting of rural development funding.

The environmental dimension is still not on an equal footing with the economic and social dimension when it comes to priority-setting for funding to achieve greater territorial cohesion. While the **cohesion funds** have contributed to measurable improvements concerning water availability, public networks coverage, better quality and improved service continuity, the effectiveness and efficiency of spending could be improved.

Links with other sectoral policies also need to be improved, particularly with regard to **energy** and **navigation**. On energy policy the driver for some renewable energy sources and targets (for hydropower and biofuel production) have implications for water use and water quality and it is important that future policy development in this area is harmonised with water policy objectives. Similarly, there is also renewed emphasis on water-based transport, again with a need for future policy development in this area to be harmonised with water policy objectives.

5.2 Questions for workshop discussion on Topic 2

- Are there particular issues of concern regarding the coherence of EU water policies (including those not covered by the Fitness Check, such as Bathing Water, Drinking Water, Marine Strategy Framework Directive)?
- What are the main concerns on the coherence of freshwater policy with other relevant environmental policies (especially policies dealing with land use planning, protected areas and pollution control)?
- What are the main concerns arising from the integration of freshwater policy with other relevant sectoral policies?
- What solutions are appropriate to address the most significant problems identified in terms of policy integration?

6 Topic 3: Effectiveness of EU water policy

6.1 Key findings of Fitness Check scoping study

What is the effectiveness of EU water policy about?

The effectiveness of EU water policy is about whether the water policies deliver the objectives for which they have been developed. For the older Directives, it is possible to examine the effectiveness of practical implementation. However, for the WFD**,** for instance, it is only possible to assess the extent to which output objectives (i.e. policy measures adopted) have been achieved, as it is too early to assess effectiveness in terms of achievement of environmental objectives (or outcomes).

It is also important to note that effectiveness of an EU instrument depends not only on how the objectives and obligations of that instrument are presented, but also on how well Member States have implemented that instrument in practice.

WFD (and daughter directives) and Floods Directive

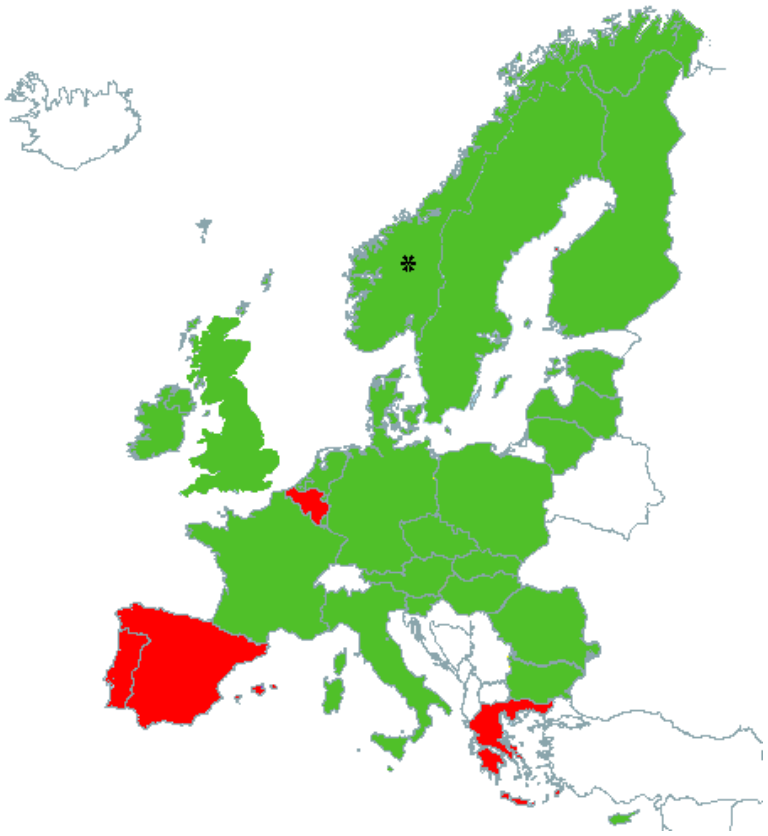
Regarding the **transposition of the WFD** in national legislation, the process has been **problematic** with a **high number of infringement procedures** in relation to non-communication and incorrect and incomplete transposition. First, the transposition deadline (December 2003) was poorly met by the EU15; the new Member States though had progressed well by the date of their accession in 2004. Second, conformity-checks of national transposing legislation revealed widespread shortcomings. Therefore, the European Commission has been pursuing many cases of non-conformity.

Member States managed to **identify river basin districts and designate competent authorities** by 2004, except for one country. Most Member States reported **on time** (i.e. by December 2003).

The **characterisation of river basins** (including analysis of pressures, impacts and economic analysis) proved to be a challenge for many Member States, though most submitted reports on time. The quality of the reports and the level of detail varied considerably, though all Member State reports had **data gaps**. The economic analysis reports in particular appeared to be incomplete and relatively weak for most Member States.

Most Member States managed to establish **monitoring networks** for both surface and ground water by 2006, though there were still gaps at that time in some river basin districts or for some water categories. On the one hand, the establishment and implementation of the monitoring programmes is generally considered to be a **great achievement in overall terms**, among others because for the first time comparable pan-European data sets to assess the ecological status of surface waters are being gathered as a basis for restoring aquatic ecosystems. On the other hand, the European Commission has expressed its concern about the absence of exhaustive national methods for assessing the ecological status of surface water bodies, stating that this may affect the correct implementation of the WFD.

Member States were required to publish RBMPs by 22 December 2009 and to report these plans to the Commission by 22 March 2010 but a significant number were late. The following map shows the current availability of RBMPs across the EU:



GREEN - RBMPs adopted

YELLOW - consultations finalised, but awaiting adoption.

RED - consultation have not started or ongoing.

Source: http://ec.europa.eu/environment/water/participation/map_mc/map.htm (20 Jan 2012)

An assessment of the **first round of submitted RBMPs** is currently on-going, so that it is not possible to assess many specific compliance issues. The **quality of information** contained in many of the draft RBMPs was **rather poor**, in particular **links to spatial planning frameworks for land use in EU Member States were underdeveloped**, and foreseen **action on economic incentives difficult to assess**.

In relation to water pricing, it can be concluded that **full cost recovery** has not yet been achieved in many Member States and that **progress is slow**.

Concerning the **links between the ecological status of water bodies and the restoration measures** taken in the PoM, these are **obscure** in many RBMPs. This is due to the delayed development of the assessment systems and the establishment of monitoring programmes. In particular, the effort required for developing assessment methods was underestimated.

It is too early to assess the practical **effectiveness** of the (new) **Groundwater Directive**, the **Environmental Quality Standards Directive** as well as the **Floods Directive**, as these are relatively new Directives. Furthermore, as the first two Directives are daughter Directives of the WFD, their effectiveness will have to be assessed together with that of the WFD.

Urban Wastewater Treatment Directive (UWWTD)

As to the **UWWTD**, **wastewater treatment** all over Europe has **improved during the last 20 years**. However, the percentage of the **population connected** to wastewater treatment in **Southern, South-eastern and Eastern Europe** is still **relatively low** compared to other parts of Europe.

In the EU-15, the implementation of the Directive presents a mixed picture. On the one hand, key infrastructure is in place and significant investments have been made. As a result water quality has improved in the EU-15. On the other hand, there are still a number agglomerations in the EU-15 which lack complete waste water collection systems and treatment facilities. It should however be noted that in recent years considerable progress has been made.

As for the EU-12, implementation of the Directive is subject to transition periods up to 2018. The Directive presents major challenges (for both collection and treatment) to these countries, particularly with regard to investment in this period of economic crisis.

Implementation of the Directive has been and still is a major challenge for many Member States. As a result, the Commission has opened **many infringements cases** and the European Court of Justice has issued a **considerable number of judgements against Member States**, including for failures to designate sensitive areas, treatment of discharges in these areas, failure to provide secondary or equivalent treatments as well as tertiary treatments or collection systems for urban waste water.

Nitrates Directive

Implementation of the **Nitrates Directive** has also been a major challenge for the Member States, resulting in a number of infringement actions by the Commission and a **considerable number of European Court of Justice judgements** over the years.

Nevertheless, **progress** has been made **in reducing water pollution caused by nitrates from agricultural sources**. During the last decade, the extent of **designation of vulnerable zones** and the **quality of action programmes** has **improved** in several Member States. Additionally, very significant reductions in chemical N inputs have taken place across the EU15 since the introduction of the Directive (though 34% of EU15 monitoring stations showed an upward trend in nitrate concentrations in the period 2004-2007). Furthermore, significant **investments in manure storage and management** have taken place. There is, however, a time lag between the adoption of better practices and improvements in water quality. Further improvements in water quality can therefore be anticipated and further reinforcement of action programmes is on-going.

Water scarcity and droughts

According to the Commission 3rd implementation report on its 2007 Communication on water scarcity and droughts, several Member States have integrated water scarcity and drought issues into RBMPs. Another study found that processes for developing and reviewing drought management plans had not been properly integrated in the framework of developing RBMPs and that water management and rural development programmes are not effectively linked in practice.

Few Member States have implemented water efficiency standards in buildings. Water efficiency has been addressed through reduction of leakages in distribution systems and agricultural uses.

Eight Member States have introduced water-tariffs and five more were currently developing tariffs, according to an assessment launched by the Commission on water pricing policies for the agricultural sector.

Climate change adaptation

It is too early to assess the extent to which the measures in the first RBMPs are climate-proof and to what extent measures relevant for climate adaptation will actually be implemented. Moreover, in the absence of a) clear EU guidelines for assessing risks related to climate change, b) examples of cause-effect best practices that can ensure adaptation to climate change and c) key performance indicators for these practices, it is very unlikely that Member States will invest significant resources in this policy area.

6.2 Questions for workshop discussion on Topic 3

- Notwithstanding the ongoing implementation of the existing regulatory instruments of EU water policy, to what extent are preliminary achievements in line with the stated objectives?
- Where implementation is poor, what are the reasons (political, financial, technical, procedural, etc.)?
- Where gaps exist in the achievement of objectives of the EU policy framework, what solutions are appropriate to address these?

7 Topic 4: Efficiency of EU water policy

7.1 Key findings of Fitness Check scoping study

What is the efficiency of EU water policy about?

Assessing the efficiency of a policy concerns the cost-effectiveness of the choice of measures. Are the costs associated with implementing EU water policy proportionate to the benefits that derive from its implementation?

In case of WFD implementation, the assessment of the efficiency of measures is not possible at the current stage, as the PoMs under the RBMPs will become operational only by 2012.

Thus, the scoping study evaluated the extent to which Member States have responded to the requirements of EU water policy in terms of administrative co-operation and policy coordination. It also evaluated whether the availability of and access to funding is a constraint in the implementation of the Directives, or of agreed policies on water scarcity and droughts, and whether compliance costs and the administrative burden for implementation are perceived as significant.

Cooperation and coordination

Regarding cooperation and coordination, the main achievements that have been observed are: higher transparency in policy implementation, better communication and use of joint-resources by administrative bodies (within and across Member States and regions), as well as a stronger incentive to avoid transboundary conflicts. There are also several spill-over effects, i.e. stronger cooperation on water policy has led to higher commitment for cooperation in other policy areas (which is a significant achievement especially as third countries are involved in the co-management of several basins).

Among the shortcomings that may impede stronger cooperation and coordination are legacy practices when shifting from a country-oriented to a river basin-oriented approach. Each country has its own priorities which compete with water policy (especially in the aftermath of the economic crisis, etc.). Therefore, achieving agreement and cooperation on all items of water policy is difficult.

In addition, EU Member States have started from different levels in the implementation of water policy. For some old Member States, previous actions have addressed some water quality concerns, while for some newer Member States major new investments are needed.

Last but not least, the governance framework for river basin management varies significantly, with some Member States finding that fragmented administrative structures is a particular challenge for coherent application of the WFD and related EU law.

Availability of and access to funding

Many Member States have experienced and are experiencing funding problems for different parts of EU water policies. For instance, in implementing the Urban Waste Water Treatment Directive (UWWTD), many Member States have had/are having difficulties to meet the deadlines for the collection and treatment of urban waste water as a result of the high costs of the required investments.

However, considerable EU funding has been available for some water policies for many years. In particular, EU cohesion policy and the second pillar of CAP provide considerable financial support to respectively investments in urban waste water treatment plants and investments at farm level. Also other EU funds, though to a lesser extent, have provided financial support to certain aspects of water policies at national level (e.g. LIFE and LIFE+, the Framework Programmes for Research and Technological Development and INTERREG).

Moreover, Member States have different capacities when it comes down to absorbing EU funding. It is widely acknowledged that newer Member States face more challenges than older Member States; this is mainly because they sometimes lack the capacity to match EU funding, and also because the capabilities required to write, plan and manage EU-funded projects are limited.

Regarding fund availability, EU funding is not expected to cater for all budgeting needs related to water policy implementation. However, more funding streams could be made available especially in areas addressed by a limited number of funding avenues because they are perceived as falling in between two/more policy sectors (e.g. aquatic fauna).

Compliance costs and administrative burden

The scoping study found that for many stakeholders, the administrative burden and compliance costs arising from implementing water policy are significant. Nonetheless, while significant administrative burden was to be expected especially for the first round of action for the WFD implementation, subsequent cycles would require less resources and more easily-observable results.

In total, the administrative costs for the national/regional administrations due solely to the implementation of EU water policy were perceived as acceptable by most of the Public Water Authorities consulted for the scoping study, when it comes to additional reporting requirements and additional controls. However, additional monitoring requirements are considered to result in substantial additional administrative costs.

The additional administrative activities and compliance costs that the implementation of the EU water policy places on the industry and agricultural sectors are also perceived by some stakeholders as of an acceptable level. In order to have a better view on this administrative burden, further analyses involving key stakeholders would be required.

7.2 Questions for workshop discussion on Topic 4

- What are the main concerns regarding the efficiency of administrative co-operation and policy coordination to respond to the requirements of EU water policy?
- What are key concerns regarding the availability of and access to funding to support the implementation of EU water policy?
- Are compliance costs and the administrative burden to public administrations of practical implementation proportionate to the challenges addressed by EU water policy?
- What would it take to improve the efficiency of EU water policy implementation?

Sources

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