



# **EU Water Blueprint Conference**

26 – 27 November 2012, Nicosia, Cyprus

## **Summary Report**

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# EU Water Blueprint Conference

26 – 27 November 2012, Nicosia, Cyprus

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**Conference webpage:** Presentations, webcast  
videos, conference background document, speaker  
biographies, all available at:

<http://www.euwaterblueprintconference.eu/>



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## I Introduction

The 2000 Water Framework Directive (WFD) put forward an integrated approach for EU water policy, centered on the concept of river basin management. The WFD aims to achieve good status for all EU waters by 2015. However, as pointed out by the European Environment Agency's 2010 State of the Environment Report,<sup>1</sup> the achievement of EU water policy goals appears uncertain due to a number of anticipated and emerging challenges.

The **Blueprint to Safeguard Europe's Water Resources**<sup>2</sup> is a European Commission Communication, published in November 2012, which presents the EU policy response to these challenges.

The long-term objective of the Blueprint is to ensure the sustainability of all activities that impact water, thereby securing the availability of good-quality water for sustainable and equitable water use. This goal is already enshrined in the WFD in various ways. The Blueprint will facilitate its achievement by identifying obstacles and ways to overcome them.

Most of the challenges faced by aquatic ecosystems can be addressed through **better implementation** of the extensive legislative framework on water in place<sup>3</sup> and by **enhancing the integration** of water policy objectives into other policy areas such as the Common Agriculture Policy (CAP), the Cohesion and Structural Funds, and the policies on renewable energy and transport. Only in a minority of cases have gaps been identified that would require the completion of the current framework by new action of a legislative/legal nature.<sup>4</sup>

The Blueprint time horizon is closely related to the EU 2020 Strategy and, in particular, to the 2011 Resource Efficiency Roadmap. The Blueprint is the water milestone on that Roadmap. However, the analysis underpinning the Blueprint covers a longer time span, up to 2050, and is expected to drive EU water policy over the long term.

The EU Water Blueprint Conference took place on 26-27 November 2012 in Nicosia, Cyprus, to hold a debate between different stakeholders, Member States, and the European Commission on the implementation of the policy proposals of the Blueprint to Safeguard Europe's Water Resources.

<sup>1</sup> SOER Synthesis, 2010. The European environment - State and Outlook 2010: Synthesis.

<sup>2</sup> Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, A Blueprint to Safeguard Europe's Water Resources. COM(2012) 673, 14.11.2012. [http://ec.europa.eu/environment/water/blueprint/pdf/COM-2012-673final\\_EN\\_ACT-cov.pdf](http://ec.europa.eu/environment/water/blueprint/pdf/COM-2012-673final_EN_ACT-cov.pdf).

<sup>3</sup> Particularly the WFD, the Environmental Quality Standards, Groundwater, Urban Wastewater Treatment (UWWTD), Nitrates and Industrial Emissions Directives.

<sup>4</sup> See Commission Communication, A Blueprint to Safeguard Europe's Water Resources.



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A background document was prepared for the Conference including preliminary views of the conference panelists on the main Blueprint proposals for policy action.

The EU Water Blueprint Conference was jointly organised by the Directorate-General for Environment of the European Commission and the Cyprus Presidency of the Council of the European Union. Approximately 180 participants representing 92 different organisations attended the conference, 11 speakers gave wide-ranging points of view and 17 exhibitors presented key European water projects. A live webcast was available on the Conference website.

This report summarises the speeches, presentations and discussions held at the Conference as well as the key messages of this event. The presentations and speeches held at the Conference can be viewed at: <http://www.euwaterblueprintconference.eu/>.

## 2 Key messages

### General remarks

- The policy proposals of the Blueprint are wide ranging. The Blueprint, published by the European Commission, is the result of a collective effort involving consultation and preparative activities together with Member States, stakeholders, NGOs and the scientific community.
- There is a need to step up actions and carry out joint work at all levels in order to get closer to attaining the goal set by the Water Framework Directive (WFD) for good water status. At present we are a long way from reaching that goal as only 53% of EU surface waters are expected to be in good ecological status by 2015. The Blueprint options are not one size fits all and the aim is to help direct efforts and actions where they are most needed.
- The 1<sup>st</sup> River Basin Management Plans (RBMPs) showed an impressive improvement of knowledge, an increase in transparency and a larger inclusion of ecological perspectives into EU water management. Nonetheless, there are areas where further efforts are needed to improve implementation (e.g. monitoring, chemical status, hydromorphology, over-use, exemptions and analysis of the cost of water use). There is also a need to better define measures, and to this end, we need a better understanding of the cost of inaction and costs/benefits of selected measures, as well as a consistent planning process.
- More policy integration is needed, in particular in the agricultural field. This is critical and can only be achieved through greater coherence between water policy and the Common Agricultural Policy (CAP). In this respect, the ongoing negotiations on the



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reform of the CAP are crucial.

- The EU legislative framework on water is comprehensive and there are only a few gaps left to fill, e.g. in relation to water re-use.

## Land use and ecological status vulnerability

- Green infrastructures (e.g. wetlands, floodplains) are key measures to reduce the impacts of land use on water status and to decrease the vulnerability of the water ecosystem. A multi-stakeholder dialogue is key to increasing the uptake of green infrastructure needed for achieving WFD goals. Water managers should develop integrated water resource management plans in a way that ensures the protection of ecosystems so that other sectors, including funding schemes, can consider this in their planning.
- The promotion of strategic approaches for hydropower planning is necessary to assist authorities in taking decisions on best solutions and projects which are in the pipeline as well as for a better-informed and transparent application of WFD article 4.7 on new modifications of water bodies.
- Stronger policy harmonization and integration is needed between water, agricultural and energy policy. In addition, biodiversity policies can significantly contribute to reaching the goal of restoring European waters.
- To address pressures on ecological status, there is a need for more knowledge (e.g. on water accounting, needs of ecological flow and hydromorphological processes) and for reinforced tools on knowledge sharing between different stakeholders.
- The need for further knowledge should not be used as an argument to postpone the appropriate consideration of ecological flow. Member States need to work on ways to implement ecological flow together with stakeholders (particularly relevant in transboundary contexts) and to integrate it into the current policy framework. The definition of ecological flow has both an ecological and an economic dimension and should be a step-by-step process. In addition, it needs to be combined with an adaptive management strategy which periodically adjusts flow requirements.
- Using technologies such as satellite imagery is important to locate illegal abstractions. However, political will and subsequent adequate management is also needed to address this issue and technologies need to be complemented with other measures (e.g. awareness-raising, water demand management, product labeling systems, inclusion of abstraction permits in CAP cross-compliance).



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## Tackling water pollution – Water infrastructure

- EU legislation to tackle water pollution is comprehensive. Future focus should be on improved implementation of water pollution related directives. The European Commission and the WFD Common Implementation Strategy process offer a platform for sharing relevant experience and best practices.
- Financing is needed to promote innovation and solutions that are less cost-intensive in the build-up and maintenance of infrastructure. Financing should come partly from the private sector/industry. The use of economic mechanisms such as pricing needs to be strengthened.
- Pollution prevention is to be preferred and end-of-pipe technologies should be the last resort for the removal of chemicals in water. However, it is clear that end-of-pipe technologies will continue to play an important role in the short and medium term.
- No single measure can address water related risks from pharmaceuticals. The EU, Member States and industry must act together to solve this problem in a complementary way.
- Water infrastructure faces several challenges including the maintenance of aging infrastructure, adaptation to climate change and the introduction of new pollutants. A way to finance water infrastructure in view of these challenges is the use of the 3 Ts approach (tariffs, taxes, transfers).
- Producing food with less impact on water resources could be achieved partly by water re-use in agriculture. Water re-use needs clear standards at the EU level to ensure confidence in the quality of re-used water and to enable the circulation of agricultural products in Europe's open market.

## Economic instruments and planning tools to support higher water efficiency

The right water price signals are essential to encouraging the uptake of water efficiency measures by economic agents:

- Political barriers are the main reason for the distortion of water prices. Better integration between different policy streams is needed. Subsidies, historic allocation rights, illegal abstraction, and lack of metering can result in misallocation of water resources among competing uses and the deterioration of ecological status.
- While water pricing policies need to account for equity concerns, ensuring an adequate degree of cost recovery of water services provision (including environmental and resource costs) is necessary in order to ensure the financial



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sustainability of water resource management and to achieve environmental and health objectives.

- In the area of agriculture, increased irrigation efficiency can be achieved with the right balance between incentives (subsidies), conditionality, farm advice, education and awareness-raising.

Accounting for water availability and demand is a key decision-making tool for water management:

- Water accounts, based on standard UN principles on environmental and economic accounting, need to take into consideration WFD ecological status requirements. It is necessary to first set-aside the water needed for the ecological flow and then use economic instruments to allocate the remaining water available in the system between other uses.
- However, knowledge on ecological flows and water availability at river basin scales is either insufficient or not adequately integrated into decision making. It is therefore essential to further share results from research, monitoring, reporting and assessment, at local, national and EU levels, in order to inform the development of quantity and quality accounts at the river basin level.

## Global aspects of EU water policy

- A water-energy-food security nexus perspective helps identify interdependencies and find interdisciplinary solutions. The nexus is about the way different goals are interconnected and about enabling cooperation between the water sector and other sectors.
- The water sector needs to get more involved in the climate change discussion. The impact on water resources should be better integrated in climate change mitigation strategies (e.g. impact of EU biofuel objectives on water management).
- Development policy needs to address the setting and enforcement of standards, and ensure a good water governance structure supported by adequate technology. In addition, the issue of corruption is crucial for water management in development policy.
- It needs to be clarified how the European Commission intends to proceed with the EU Water Initiative, which can be used as a platform to work on the above nexus, to accelerate cooperation with the private sector and to address security issues related to water.



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- The EU should be a credible strategic partner on water issues for developing countries. Land grabbing is an issue of global concern, which also implies water grabbing and endangers subsistence agriculture.
- Sanitation is a problem for which a solution needs to be accelerated. Even within the EU, there are sanitation issues that still need to be addressed via the full implementation of the Urban Waste Water Treatment Directive.

## Crosscutting solutions

- Stakeholders support the Blueprint proposals to streamline reporting cycles and data collection arrangements under EU water policy. There is a need to focus data collection on what is important and necessary for policy implementation, in order to be efficient and reduce data costs for Member States.
- By the next WFD reporting cycle, the Water Information System for Europe (WISE) should be enhanced to make information better accessible and improve the collection of certain types of data, e.g. on economic analysis. In order to improve WISE, it is necessary to clearly define its purpose and the target groups to whom it is most useful.
- Scientific information from EU-funded research has already been largely used to support the activities of the WFD Common Implementation Strategy. There is a need to further improve knowledge transfer and uptake by river basin authorities and implementers.
- Stakeholders expressed support for the Blueprint proposal to set up a voluntary peer review system of draft RBMPs by River Basin District authorities. Exchange between Member States is valued and information and experiences should be more intensively shared between lower levels of administration (e.g. at the river basin level).
- It is important to ensure effective public participation in the implementation of EU water policy and to ensure that stakeholders are involved from the beginning of the RBMP development process. Public participation is also key as an integrating process in promoting cooperation with other sectors at both the EU and local levels.
- On the introduction of specific requirements from the WFD in the CAP cross-compliance, some stakeholders supported the inclusion of key legal measures, e.g. on abstraction permits and water pricing. Other stakeholders argued that pillar I of the CAP should be very simple at the Member State level and may only lead to relatively modest environmental benefits. Concerning pillar II, several stakeholders emphasised its importance in stimulating farmer behaviour in specific areas and the need to



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further strengthen this pillar in terms of budget and legal framework. However, others suggested that pillar II has a lower impact than pillar I and needs to be accompanied by certain binding requirements.

- Overall, there is a need to combine both mandatory and voluntary measures for the agricultural sector and use a differentiated approach based on the problems and needs of each river basin.

## 3 Session I: Welcome and Opening

### Welcome by the Cyprus Presidency

*Sofoclis Aletraris, Minister of Agriculture, Natural Resources and Environment of Cyprus*



In his welcoming speech the Minister underlined that the Cyprus Presidency fully supported the Commission's initiative to prepare and present the Blueprint, and it would spare no effort to adopt Council Conclusions at the December Environment Council. The Minister added that the topics of the EU Water Blueprint Conference are very relevant for Cyprus, since the country faces water scarcity intensified by droughts and climate change. Water availability is a critical issue in Cyprus highlighting the need for better preparation and management of water-related threats.

A key national objective of Cyprus is to secure enough quantities of potable water to cover at least the basic needs of the population, and to eliminate dependency on weather conditions by, inter alia, installing seawater desalination plants. Surface water reservoirs designed to store rainwater have only been able to provide short-term relief from long and frequent droughts. In addition, water recycling technologies for crop irrigation and aquifer recharge have been implemented, freeing up an equal amount of good quality water for domestic use. Managing the demand for water has also been a core tenant of sustainable water policy in Cyprus. Water authorities in Cyprus use a variety of means to manage water demand and usage, including: awareness-raising, metering water consumption, pricing water on a volumetric basis, reducing distribution losses, improving irrigation systems, promoting water saving, increasing use efficiency, retaining water during droughts, etc.



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## Blueprint Recommendations by the European Commission

*Janez Potočnik, European Commissioner for the Environment, European Commission*



The Commissioner for the Environment highlighted that the Water Blueprint is the fruit of a real collective effort of consultation and preparation involving Member States, the water service sector, water-using industries, the scientific community, NGOs, and the European Parliament. According to the Blueprint, we need to improve policy implementation (something better), increase policy integration (something more), and fill in a few policy gaps (something new).

On implementation, the key legislation is already in place but there are steps we can take to deliver improvements. In this context, the Blueprint puts forward the concept of water accounts and brings together the concepts of water balances and ecological flows to address sustainable limits in river basins. In addition, the Blueprint proposes to develop a common methodology for cost-recovery calculation which would allow for comparable results throughout the EU and duly take into account ecosystem services. It also proposes to extend water metering and this could be supported, *inter alia*, under the provisions on irrigation efficiency in the reform proposed for future Rural Development regulation.

Including water policy objectives more consistently in other policies, for example through support for green infrastructure by agricultural policy and Cohesion and Structural Funds and loans of the European Investment Bank, will further contribute to achieving water policy objectives.

The Blueprint preparatory process confirmed that EU water legislation is well developed and extensive. However, there are two main areas where further development is needed: water efficiency in buildings (by making water related products more water and energy efficient under the Eco-design Directive) and water re-use (by setting EU quality standards).

Finally, a number of measures underpin and reinforce the Blueprint, including: the Water Innovation Partnership, possible water related recommendations under the European Semester process, reinforcing inspections and the knowledge base for water policy. The knowledge base will be supported by further developing the Water Information System for Europe (WISE) and the hydro-economic model of the Joint Research Centre as well as by simplifying reporting requirements to focus on key statistics useful for water managers.



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## Assessment of the River Basin Management Plans (RBMPs)

*Peter Gammeltoft, Head of Unit, Environment Directorate General*



The assessment of the reported RBMPs indicates an impressive improvement in the knowledge of water status. Moreover, the ecological perspective is now generally firmly integrated into the surface water status assessments and has become an integral part of water management. The plans illustrate that a lot of effort was put into their preparation and the common framework and language on water management provided by the WFD have been taken up. The

RBMPs also show an enhancement of international cooperation, public participation and stakeholder involvement.

However, there are still areas where additional efforts are needed. These areas include: monitoring, chemical status, costs and benefits analysis, hydromorphology, setting of exemptions, etc. Moreover, four Member States have not yet submitted all their plans (Belgium, Spain, Greece, Portugal) and many of the reported plans demonstrate lack of ambition dressing up "business as usual" as WFD implementation. Frequently, measures are not sufficiently defined and there is lack of information which makes comparability impossible (e.g. on chemical status). There are many exemptions and low consideration of water pricing and cost benefit analysis.

With regard to water body status, only 43% of European waters are in good or high ecological status. The chemical status is unknown for 40% of water bodies in Europe due to lack of monitoring. In addition, in many International River Basin Districts, transboundary surface water monitoring programmes are not in place. The most significant pressures on water bodies are physical modifications and diffuse pollution, notably from agricultural sources. The designation of Heavily Modified Water Bodies (HMWB) is mostly based on expert judgment. Progress in 'translating' ecological potential into biological targets differs greatly across Member States and only few Member States have developed biological targets for GEP.

The review of the Water Scarcity and Droughts policy shows that a significant proportion of EU basins are currently water scarce and this proportion will increase (almost double) by 2030. This is not going to be only a southern issue, as almost half of the water stressed river basins are expected to be in central and northern Europe. Some of the measures put forward in the Commission Communication of 18 July 2007: "Addressing the challenge of water scarcity and droughts in the European Union" [COM(2007) 414 final] are being implemented, but this is insufficient to reverse the trend in the near future and climate change may exacerbate the problem. Overall, the RBMPs contain little information on water demand (only for 35 % of RBDs) and water availability scenarios (in less than 25 % of the plans). The



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presented information is often based on assumptions with particularly scarce data for international river basins.

Exemptions have been applied for many water bodies and the assessment of the RBMPs clearly demonstrates a need for more transparent justifications. The use of Article 4.7 is often lacking and its requirements not clearly followed.

Overall, the Commission is concerned about the slow rate of implementation and achievement of objectives of the WFD. There is a need for a determined effort to ensure achievement of WFD objectives in the 2015 and 2021 planning cycles. Setting the programme of measures requires a better understanding of costs of inaction and benefits of measures, and a consistent assessment framework at EU level. The strength of the planning process, and the adequacy and reliability of the RBMPs depends on good implementation of every intermediate step. Integration needs to be strengthened EU-wide; at national and basin scale and the quality of reporting must be improved.

From the Commission side, the main follow-up steps to the assessment of the RBMPs include: Bilateral meetings with Member States, possible enforcement actions, possible new legislative initiatives and making use of the Common Implementation Strategy to deliver the Blueprint policy proposals. In addition, the Commission will assess the programmes of measures due by the end of 2012 and prepare the WFD review scheduled for 2019.

## Discussions

*Chair: Sofoclis Aletraris, Minister of Agriculture, Natural Resources and Environment of Cyprus*

- In his intervention, Mr. Federico Ramos (State Secretary for the Environment, Spain) stated that Spain shares the assessment of the Commission, but we need to assess why we fall short so far in reaching the WFD objectives. We should consider if the original goals of the WFD were in line with the respective capabilities of the different Member States and if the level of ambition was realistic and still valid. Each country has its own reality (depending on geographical, cultural and economic factors) and there is no one-size-fits-all solution. To better implement the WFD in the future, sufficient flexibility should be given to Member States when choosing the Blueprint options which fit the reality of different River Basin Districts. Spain has identified three tools to make relevant progress: More investment in R&D, deeper policy integration and improved financing in the water sector.
- Mr. Peter Kovacs (Deputy State Secretary for Water, Hungary) highlighted that local aspects of water governance and the use of economic instruments for water services play a central role. Moreover, a strengthening of cooperation, especially in transboundary river basins, is needed. EU technical guidance is preferable to additional legal tools. Finally, he indicated that Hungary is planning to organise a UN



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conference, in October 2013, on Sustainable Development Goals (SDG) for water.

- The Water Director from Germany, Fritz Holzwarth, stressed the critical need for the Commission to address policy integration and distorted subsidies at EU level. Integration must work first at EU level. Member States struggle with (wrong) incentives given by other EU policies, which in some cases limit their ability to implement EU water policy and reach the set goals.
- The Commissioner replied that there is a need to be more honest about integration between policies. He agreed that environmentally harmful subsidies have to be removed, but also underlined that Member States are blocking this at EU level. This is a long-lasting conflict and rhetorical statements by Member States are not followed by facts.

## 4 Session II: Land use and ecological status vulnerability

### Introductory presentation

Marta Moren Abat, Policy Officer, Environment Directorate General, European Commission



The ecological status of 57% of Europe's waters is less than good. Problems are not only evident for rivers and lakes, but also coastal and transitional waters. The main causes of poor ecological status stem from point and diffuse sources of pollution coming from wastewater and agriculture as well as hydromorphological pressures (due to canals, dams, weirs, dykes, straightening, dredging, agricultural practices) and water abstractions. The percentage of water bodies affected by hydromorphological pressures is particularly high in certain parts of Europe and the ambition of measures taken to bridge the gap and meet good ecological status/potential by 2015 differs greatly among Member States.

In order to foster Green Infrastructure, the Blueprint proposes to develop guidance on natural multi-purpose water retention measures (NWRM), promote good agricultural practices, green CAP pillar I to support NWRM, and set up flood risk management plans and drought risk management plans.

The Blueprint also proposes to improve our knowledge of the requirements of ecological flow through guidance on ecological flow and on water balances by developing guidance on water accounts. Additional measures include: environmental impact assessment processes (EIA, SEA and correct application of WFD Article 4.7) and reliance on EU Structural and Cohesion



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funds to support NWRM. In order to tackle illegal abstractions, the Blueprint proposes to implement metering, water accounts and GMES tools to map irrigated areas and compare them with abstraction permits.

## Discussions

*Chair: David Wiberg, Research Scholar, International Institute for Applied Systems Analysis (IIASA)*

*Panel: Irene Lucius, CEE Head of Policy and Green Economy, WWF Danube-Carpathian Programme; Alistair Maltby, Director – North, The Rivers Trust; Philip Weller, International Commission for the Protection of the Danube River (ICPDR); Xavier Ursat, Deputy Vice President Hydro Generation and Engineering, Electricité de France (EDF)*

### Take-up of green infrastructure

- A multi-stakeholder dialogue is key to increase the uptake of green infrastructure for achieving WFD goals. In the Danube region, it has been possible to implement win-win measures with the navigation sector. Water managers should indicate what is important and what needs to be achieved in terms of green infrastructure, so that other sectors can consider this in their planning. In addition, EU funding schemes relevant to green infrastructure measures should be coherent (ICPDR panelist).
- The Rivers Trust panelist pointed out that green infrastructure is complex and that technically competent people are needed for its implementation.
- Green infrastructure measures (e.g. natural water retention, river bank restoration, sediment continuity) require a high level of knowledge of hydromorphological, biological and ecosystem processes. In the process of filling knowledge gaps and assessing appropriate measures, it is important to promote cooperation between (hydropower) operators and scientists (EDF panelist).
- In spite of lack of knowledge, some developments progress at an alarming rate (e.g. micro- and mini-hydropower), permanently compromising our ability to reach good ecological status. In this context, it is key to look at all costs and benefits before proceeding with new developments (Rivers Trust panelist). Green infrastructure (e.g. wetlands, floodplains) that is already available should be maintained (WWF panelist). To this end, the WWF panelist proposed the promotion of strategic approaches for hydropower planning to assist authorities in taking decisions on projects which are in





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the pipeline as well as a better-informed and transparent application of WFD Article 4.7. The EDF panelist pointed out that it is important to work on ways to prioritise measures. In this context, cost benefit analysis and cost efficiency of measures are key issues.

- Stronger policy harmonisation and integration is needed between water, agricultural and energy policy (EDF panelist). In addition, biodiversity policies can significantly contribute to reaching the goal of restoring European waters (WWF panelist).
- According to Grüne Liga/EEB, natural water retention measures must be included in the ecological focus areas under pillar I of the CAP (and not only in pillar II). The Rivers Trust panelist highlighted the fact that green infrastructure needs to be targeted very accurately. Such targeting is not possible when using a broad statutory approach in cross-compliance, whereby all farmers are forced to implement the same requirements.
- According to Coalition Clean Baltic, green infrastructure is also relevant to the issue of water eutrophication. In the Baltic, there are contradicting policies, on the one hand, giving subsidies for reconstructing wetlands and, on the other hand, for ditching wetlands. Eutrophication issues must be solved in connection with legal requirements related to CAP subsidies since voluntary measures are not working so far.

## Implementing ecological flows

- Currently, minimum flow is an arbitrary number in many places. To be able to build up information on water balances and define ecological flow in different locations, it is necessary to strengthen relevant scientific knowledge, monitoring and expertise. Ecological flow cannot be a single number. It needs to be flexible, adaptive and integrated in water management involving experts who are familiar with the ecological status of a specific river system (EDF panelist).
- At the same time, the need for further knowledge should not be used as an argument to postpone action on ecological flow (Birdlife Cyprus). The European Anglers Alliance raised the question of whether a moratorium is needed on current project applications (e.g. new hydropower), since it will still take time to conclude research on relevant impacts on ecological flow. According to the WWF panelist, a moratorium is unlikely to be implementable. For this reason, a preplanning mechanism based on available knowledge on how to make hydropower development sustainable is urgently needed.
- According to WWF, the Blueprint does not provide sufficient tools to deal with new modifications in natural water stretches. It is very important to include ecological flows in the next phase of the WFD Common Implementation Strategy (CIS) because there



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is a very different understanding of minimum flows in the Member States. The Water Director from Germany pointed to lessons that can be learned from Switzerland that has developed guidelines on ecological flows.

- The Rivers Trust panelist expressed the concern that the understanding of minimum flow of ecologists is different to that of engineers. Besides minimum flow, ecosystems also need high flow, since rivers are dynamic. Although it is very positive to work on the definition of ecological flow, it should be considered as a compromise and not the ultimate solution for ecological aspects. According to the Water Director from Germany, the definition of ecological flow has both an ecological and an economic dimension and is usually a reconciliation of these two aspects.
- It can be a challenge to combine the implementation of ecological flow in an adaptive management setting with legal requirements for fixed flows (Rivers Trust panelist).
- The Water Director from Germany viewed the inclusion of ecological flow in the Blueprint as a major step. However, the real challenge is not to make a guidance document, but how to respond to and renegotiate water use concessions that have to be renewed all over Europe.
- Member States need to work on ways to implement ecological flow together with stakeholders (also in transboundary contexts) and to integrate it into the current policy framework. It is also critical to have political will to support the implementation of ecological flows, develop a roadmap and then implement it step-by-step (WWF panelist).
- The ICPDR panelist argued that ecological flow has to be combined with issues related to sediments, for which there is also a need for a better knowledge base. According to CEDEX, GMES tools can play a role in enhancing data provision on sedimentation (and not only on water abstractions). The EDF panelist emphasised that sedimentation is the largest issue the hydropower sector has to address in the coming years and a number of solutions have already been developed, e.g. structural modifications of schemes.

## Tackling illegal abstraction

- Using technologies such as satellite imaging is important to locate the problem of overabstractions and illegal abstractions. However, political will is needed to address this issue and technologies need to be complemented with other measures (e.g. product labeling systems) (WWF panelist). Other important measures should include awareness-raising (raised by Global Water Partnership) and the inclusion of abstraction permits in CAP cross-compliance (WWF). Birdlife Cyprus was of the opinion that the EC has a very clear role to play on the issue of illegal abstractions



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and should push Member States to enforce the WFD.

## Other issues

- Pond Conservation/EEB raised the issue of small waters, which is not well considered in the WFD. However, small waters are fundamental for freshwater biodiversity and ecosystem services and relevant policy needs to be improved to address their problems. Guidance is needed on how to best tackle small waters as well as demonstration measures and research.

## 5 Session III:Tackling Water Pollution – Water Infrastructure

### Introductory presentation

*Henriette Faergemann, Policy Officer, Environment Directorate General*

According to the assessment of the RBMPs, about 40 % of the water bodies have an unknown chemical status. Due to insufficient monitoring in many Member States it is therefore not possible to derive a clear baseline for chemical water status. In response, the Blueprint stresses the need to enforce the WFD monitoring requirements.

While the implementation of the Urban Waste Water Treatment Directive (UWWTD), Nitrate Directive (ND) and Industrial Emissions Directives (IED) has progressed, diffuse source pollution (38 %) and point source pollution (22 %) are still significant pressures on a large part of EU water bodies, preventing the achievement of the WFD environmental objectives.



With regard to diffuse sources, the Blueprint proposes to extend nitrate vulnerable zones and reinforce action programmes. Moreover, effective enforcement and adding the Directive on Sustainable Use of Pesticides to cross-compliance under the CAP would help reduce water pollution. In addition, the Commission's proposal for amendments to the Environmental Quality Standards (EQS) Directive could strengthen the WFD's role in identifying risks and managing risk from chemicals. A basis for consideration of possible amendments in the pharmaceuticals regulation will be provided by a report on pharmaceuticals in the environment which is going to be presented by the Commission in 2013.

Point sources should be addressed via long-term investment planning (e.g. for the UWWTD) and preparation of implementation plans. Moreover, the permits under the IED need to be



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improved to implement Emission Limit Values (ELV) which integrate relevant water objectives.

Promoting sustainable water infrastructure includes adapting infrastructure to climate change and addressing leakages. The Commission will therefore on the one hand work together with the water industry and other stakeholders to develop a strategic vision on how to adapt to climate change and on the other hand facilitate the development and spread of best practices on Sustainable Economic Leakage Levels (SELL).

With regard to water use, Ms. Faergemann pointed out that it is considered to have a lower environmental impact than other alternative water supplies (such as water transfers or desalination). Water re-use is only used to a limited extent in the EU because of a lack of common EU standards and potential obstacles to the free movement of agricultural products irrigated with reused water. The Blueprint proposal is therefore to establish common standards and to identify the most suitable EU-level instrument to encourage water re-use.

## Discussions

*Chair: Stephan Müller, Water Director, Switzerland*

*Panel: Almut Bonhage, Secretary General, European Federation of National Association of Water Services (EUREAU); Gheorghe Constantin, Water Director, Romania; Ann Dierckx, Environmental Policy Manager, European Chemical Industry Council (CEFIC); Niels Peter Nørring, Director, Environment & Energy Division, Danish Agriculture & Food Council*

### More enforcement or more funds for full compliance?

- The panelist from the Danish Agriculture & Food Council argued that there was a need for both enforcement and funds to ensure compliance with the WFD. According to the Water Director from Romania, there is no need for more EU enforcement, but for EU support to steer the implementation of the Directives. Funds are a fundamental issue in this context: Funds are needed to implement all EU Directives and to build up better water infrastructure. Funds are also needed to promote innovation. Innovation should provide us with affordable solutions with regard to building and maintenance costs. Funds should not only come from the EU, but also from the private sector, e.g. agriculture and industry, by strengthening economic mechanisms. To this aim, it is very important to have a European approach to economic mechanisms in the water sector. In 2000 in Romania, drinking water prices increased





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three times and this led to a substantial decrease of water consumption. Fertilisers have also been taxed and the use of fertilisers decreased significantly.

- The panelist from CEFIC stated that good quality monitoring is a key factor for implementation. With good monitoring in place, it becomes possible to analyse where risks and pollution are coming from. In addition, she affirmed that the available policy tool-box is already quite comprehensive and future focus should be on implementation. The implementation of REACH, for example, is strongly supporting the improvement of water quality. So far, water quality improvements have resulted from a combination of legislation and voluntary initiatives by industry to make operations respectful for the environment.
- CEFIC also highlighted the role of the EC and the CIS process as a platform to share experiences and best practice. Skills and expertise of local stakeholders are key for successful implementation. The Women for Water Partnership underlined this statement by indicating that participation and information were better to tackle water pollution than enforcement. The Water Director from Romania stressed that participation depends on people's readiness to participate and pointed to the responsibility of NGOs to strengthen the participation process. CEFIC indicated that the industry should participate more in river basin management planning.

## Extension of vulnerable zones and pesticides handling

- The Blueprint proposal to extend vulnerable zones according to the Nitrates Directive was controversial. The Water Director from Romania emphasised the positive impact, whereas the Coalition Clean Baltic questioned whether problems with nitrate and eutrophication would be solved by just extending the vulnerable zones.
- According to the panelist from the Danish Agriculture & Food Council, the following steps are relevant when regulating pesticides: 1) a sound approval system for pesticides ensuring that harmful products cannot be used, 2) point sources have been managed, avoiding spillage and dilution of pesticides using innovative equipment and 3) behaviour is changed by advisory services and training, reducing use to as little as possible. IPM (integrated pest management), market based organic farming, and intelligent crop rotation systems could be areas of encouragement in this regard. A representative of the organic farming sector of Cyprus underlined that organic farming is the best practice to address water quality problems associated with agriculture by limiting input of contaminants.
- In addition, the panelist from the Danish Agriculture & Food Council argued that European agriculture needs fewer, simpler and more targeted regulations. The aim of the CAP-reform should be a simplification of cross-compliance – not an addition of new rules and regulations, since each new rule means a new administrative burden



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on farmers.

## Sustainable infrastructure and climate change

- The main challenges with sustainable water infrastructure are the costs associated to old systems and the question of who is going to pay for the maintenance of the existing infrastructure. EUREAU proposes the 3 Ts approach of taxes, transfers and tariffs (of the OECD), which analyses possible funding sources and investigates the most appropriate ways to tackle a problem for individual companies.
- When adapting to climate change, a major concern is that the capacity of the infrastructure to absorb rainwater is exceeded with extreme stormwater run-offs. Using a river basin approach for climate change adaptation to tackle land-use patterns is welcomed by EUREAU. It should, however, include closer involvement of the water utilities into river basin management planning.
- According to the Water Director from Romania, there are two options as a response to climate change: we can increase regulation or put the right price to promote water conservation using innovative techniques.

## Water re-use: Alternative water source and relevant standards

- In places where water is scarce, water re-use from wastewater or rainwater harvesting for toilet flushing and irrigation are appropriate means to reduce freshwater consumption. The potential of water re-use is still underexploited (EUREAU panelist). The panelist from the Danish Agriculture & Food Council added that sustainable intensification of agriculture means to produce more food with less water and that “less water” could also be achieved by water re-use (focus on resource efficiency). CEFIC, however, pointed out that re-use cannot be an objective in itself. It has to be carefully examined how much energy and material are needed for water re-use.
- There was consensus among the panelists about the need for clear standards at EU level for water re-use to achieve e.g. more confidence among consumers within Europe’s open market on agricultural products. Moreover, EU standards and regulations are also needed to address water quality objectives for specific processes in order to know where it is appropriate to re-use water and of which quality with the overall goal of avoiding health problems.

## Emerging pollutants: Pharmaceuticals and other chemicals

- Mr. Gammeltoft, Head of Unit, Environment Directorate General gave a brief introduction on the topic of pharmaceuticals: Due to current demographic trends, the use of pharmaceutical substances is increasing and they can be found in the water. The Commission proposed to add three additional substances to the EQS Directive,



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which is before the Council and the European Parliament. The Commission points out that there is no single measure that can solve the problem of pharmaceuticals in a cost-effective way. The EU, the Member States and industry must act in a complementary way. The Commission will come forward with a report, looking into authorisation of pharmaceuticals for veterinary and human use. Member States are in charge of health policy and of managing public health costs integrating environmental aspects. Industry is in charge of research and development to replace problematic pharmaceuticals.

- The Women for Water Partnership welcomed the inclusion of pharmaceuticals in the Blueprint, but regretted that ways to tackle pharmaceuticals are not proposed. They recommend speeding up discussions with the pharmaceutical industry as well as with sanitation and toilet experts on possible technological innovations to reduce pharmaceutical input into water. It may also be an option to use green infrastructure (wetlands) to remove pharmaceuticals from water.
- Differing views were articulated on where chemicals should be reduced: A representative of CONCAWE (Conservation of Clean Air and Water in Europe) stated that it is the duty of wastewater treatment utilities to take care of the elimination of chemicals, since up-stream sources are already adequately regulated by REACH. The panelist from CEFIC added that risks associated with discharges, for which the industry is paying, should be acceptable according to the authorisation process. Moreover, it is the task of the authorities to relate existing discharge permits to WFD goals. Under the IED, BREF documents (Reference Document on Best Available Techniques) focus on the most significant environmental aspects regulating chemicals were they to enter the environment. CEFIC also stated that it would not be feasible or desirable to tackle every single priority substance with a specific emission limit. The EUREAU panelist argued that end-of-pipe technologies are the last possible option for the reduction of chemicals and that more legislation addressing the sources of emerging pollutants is needed.
- The costs and technologies associated with the reduction of emerging contaminants in wastewater treatment were raised by different parties. The Water Director from Romania underlined that affordable technologies to reduce pharmaceuticals and funds to promote innovation to tackle pharmaceuticals were needed. The Water Director from Switzerland underlined that such technologies are already available and the relevant upgrade of wastewater treatment plants would not cost much (“two cups of coffee a month”). The EUREAU panelist replied that it is the sum of various other aspects (fixing leakages, adapting to climate change, etc.) that makes the clean-up of pollutants more expensive than that.



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### 6 Session IV: EU Water Efficiency: Accounting, Allocating, Using, Recovering Costs

#### Introductory presentation

*Jacques Delsalle, Policy Officer, Environment Directorate General*

Increased water efficiency is one of the main goals of the proposed actions of the Blueprint.

In the Blueprint, there are various proposals that deal with economic instruments, integration, governance and improvement of the knowledge base.

- 1) Economic instruments reported in the RBMPs often lack transparency and fail to combine the objectives of efficiency and fairness. The Blueprint proposes to enforce pricing (e.g. by water use metering and cost recovery obligations).
- 2) With regard to water efficiency, the challenge is better integration of quantitative water resource management issues into the next RBMPs. This includes furthering knowledge on water accounting, ecological flows and hydro-economic modeling. The objective is to improve the quality of the assessments. This information needs to be integrated with current statistics and available information at the river basin level.
- 3) The Blueprint proposal on the knowledge base includes sharing information and best practices on water accounting (we need more information about water demand and water availability). This includes increased knowledge on ecological flows. In addition to the development of shared databases on measures and policy instruments, we need further evidence on costs, effects, impacts and applicability of measures. All these tools can fit into the development of hydro-economic models contributing to target setting and the selection of measures.
- 4) Finally, the Blueprint supports specific water efficiency measures for water related products such as the development of voluntary schemes on eco-labelling and green public procurement, the inclusion in the Ecodesign Working Plan and, in the context of the CAP, conditionality for irrigation projects under rural development.





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## Discussions

*Chair: Beate Werner, Water - Head of Group, European Environment Agency (EEA)*

*Panel: Werner Heinzelmann, Head of intellectual property, Hansgrohe SE; Kyriacos Kyrou, Water Director, Cyprus; Conchita Marcuello, Technical-Scientific Programme Coordinator, Centro de Estudios y Experimentación de Obras Públicas (CEDEX); David Zetland, Senior Water Economist, Wageningen University*

### Water accounting for allocating water resources

- There was consensus among the panelists that accounting for water availability and demand has a promising role as a decision-making tool for water management in Europe. Such accounts, based on standard UN principles on environmental and economic accounting, would take into consideration WFD ecological status requirements. According to the CEDEX panelist, water accounts can help to close some gaps on information about water availability (e.g. on soil) and how much water can be used for different economic uses and for the benefit of the environment.
- EU efforts in water accounting should not be centralised, but seen as an information/knowledge sharing initiative to inform water management decisions across Europe. This entails understanding knowledge gaps and links with monitoring in order to inform the development of quantity and quality accounts. The CEDEX panelist argued that the EEA should propose some model that could be used in all countries in a systematic way. There are issues of scale in the current approach that impedes the harmonisation of data flows. Finally, the proposed system needs to be realistic vis-à-vis available resources in Member States. The Water Director from Cyprus indicated that Cyprus already does accounting for water balances. In Cyprus it is current practice to allocate water among competing uses using accounting techniques.
- There is currently a lack of knowledge on ecological flows and water availability at river basin scales. One option for the allocation of resources is to first set aside ecological flows and then use economic instruments to allocate the remaining water available in the system between other uses. Auctions are a good market instrument for this allocation (panelist Wageningen University).



### Achieving water efficiency

- In relation to metering devices, the market for green products and environmental regulations already acts as an incentive for industry to accommodate water resource



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efficiency objectives. The panelist from Hansgrohe SE reminded the audience that the problem lies in the fact that most water efficient products developed by industry are on/off type (e.g. either you use them or not). Some types of products have limitations as to the amount of water you can reduce. The panel agreed that there are also synergies that need to be accounted for in water efficient products (e.g. not only less water is used, but also less energy to heat the water). According to the panelist from Hansgrohe SE, there are different requirements in different countries on water efficiency. In order to plan ahead and introduce quickly water-efficient products, the industry seeks a stable regulatory framework at EU level.

- Irrigation efficiency can be achieved with the right balance between incentives (subsidies) and farm advice, education and awareness-raising. The Water Director from Cyprus introduced the example of Cyprus in the '80/'90s when irrigation efficiency initiatives were funded by the European Investment Bank (EIB) among others. The lending/advice scheme resulted in a massive uptake of advanced irrigation technologies by farmers. Water meters were also funded under the EIB scheme and became a standard for buildings in the country. He agreed that decisions should be based on the results of a cost effectiveness analysis (CEA) of different options.
- The right water price signals are essential to encourage farmers to take up more resource efficient measures. The panelist from Wageningen University explained that if water prices are set right, economic agents would find ways to use less water. So it is not clear that efficiency alone will lead to lower water consumption. There is a need to establish links with markets and trade which will ensure (under the right conditions) efficient allocation.
- Ultimately, efficiency is an issue that needs to be taken into account at all decision making levels. The panelist from CEDEX believes that maximisation of efficiency will create incentives for innovation. It is important to analyse who are the winners and losers. The application of cost-benefit analysis or multi-criteria analysis as tools to assess the benefits of increased efficiency across economic sectors is important in this respect.

## Barriers to the implementation of pricing schemes

- The panelists agreed that political barriers are the main reason for the distortion of water prices and that better integration between different policy streams is needed. Otherwise, sectoral policies (e.g. supporting the competitiveness of agriculture) can result in misallocation of water resources among competing users (including the environment). Misallocations are very costly





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for society in comparison with the few that benefit from them. There are cash transfers in place in many areas in Europe that result in subsidies to practices that are not all that valuable; this may lead to problems of fairness and intergenerational equity.

- Water policies need to explore how pricing can account for equity concerns. Metering is a fundamental delivery mechanism for efficient water pricing. The Water Director from Cyprus stated that access to good water quality is seen in Cyprus as a fundamental right. Society still demands today that water should be free or almost free. The panelist from Wageningen University disagreed with this concept; where water is scarce, it becomes an economic good.
- The panelists and some members of the audience agreed that water management is a matter of policy decision and a more comprehensive approach is needed from governments in order to make water allocation more affordable, equitable and fair. A representative of the International Office for Water expressed doubts about how markets can take into account issues of fairness and equity. Furthermore, the Water Director from Germany added that we need to be very careful about what we can do through water pricing and what we cannot. A member of the International Institute for Applied Systems Analysis added that price alone does not stimulate change quickly enough. Regulation on water efficiency is needed and, therefore, the right policy mix to change behaviour is important.
- Price elasticity is low in many countries which means that price signals would do nothing to solve some allocation problems (where elasticity is close to 0). There was consensus that water pricing should be applied together with other demand management measures (e.g. metering).
- Paying the full cost of water services provision (including environmental and resource costs) is necessary in order to ensure the financial sustainability of water operators and to achieve ecological objectives (panelist from Wageningen University). A representative from the Danish Ministry of Environment explained that Denmark has an interest in water pricing. Denmark is hoping to measure and put a value on water use with the underlying objective that efficient pricing should change behaviour and push companies to install water efficient technology. This will contribute to growth and the creation of green jobs.
- The Water Director from Cyprus stated that the price of water for domestic use needs to cover the costs of service provision. But farmers cannot cover irrigation costs. Increased prices will force farmers out of business and will create a social issue.
- Transparency is also an important element to be considered in the application of pricing schemes (European Investment Bank). New systems to increase transparency are needed. See for example the 3T's approach proposed by the OECD as a system



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to account for sources of financing for the water industry.

## 7 Session V: Global Aspects

### Global water/energy/food nexus

*Fritz Holzwarth, Water Director, Germany*



The Water Director from Germany highlighted the importance of water resources as the basis for water supply security, food security and energy security. The global water/energy/food nexus is highly influenced by urbanisation, population growth and climate change. Mr. Holzwarth pointed to land grabbing as an issue of global concern that implies water grabbing endangering subsistence farming. He stated that energy is not addressed sufficiently in the Blueprint and that the

water sector needs to get more involved in the climate change discussion. The impact on water resources should be better integrated in climate change mitigation strategies (e.g. impact of EU biofuel objectives on water management).

Adopting a nexus perspective helps identify interdependencies and find the necessary interdisciplinary solutions. The concept of integrated water resources management was primarily driven by water experts, without considering the knowledge about water management in other sectors. In the future a dialogue will be needed: it is not about the water sector telling the others what to do, but about working together with the other sectors. The concept of integrated water resources management is a concept we should use as long as we have not yet internalised the nexus thinking. The Water Director closed his speech mentioning a leading project of the World Bank on economic trade-offs of the water and energy nexus. The World Bank picked up the energy models that the energy sector of the Bank is dealing with and investigated where there are gaps in the models in relation to water. This approach started a debate creating more acceptance from the energy side in discussing this issue.

### Water – The blue gold of the 21<sup>st</sup> century

*Friedrich Barth, Senior Advisor at the Environment, Climate and Energy Group, United Nations Development Programme (UNDP)*

Water will be one of the key limiting factors of economic development and we are already facing a global water crisis due to over-abstraction, pollution, missing access to drinking water and sanitation. Even though we have achieved the Millennium Development Goals



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(MDGs) for drinking water, we are not on track with sanitation. We also have to keep in mind that even coping with the MDGs, still half of the population is going to be without access to sanitation.

Ongoing economic growth and population growth will increase pressure on the world's resources. By 2030, there will be a need for 50 % more food, 45 % more energy and 30 % more water and the middle class will increase by 3 billion people throughout the world, asking for all kinds of resources. Key drivers for accelerating this water crisis are climate change, land use changes and changes in consumption patterns.



Already today the poorest countries are most affected by climate change. However, at the moment land use changes have much more negative consequences than climate change. As an example, Mr. Barth referred to trans-European water cycle changes due to deforestation. Deforestation will deteriorate the atmospheric transport of moisture from the oceans to the continent induced by the large European forests. Mr. Barth thus encourages the European Commission to look into these drivers.

With regard to policy responses, there is a need for a paradigm shift within the current management approaches from a supply driven to a demand driven perspective. Mr. Barth addressed policy integration, water security, virtual water and the EU Water Initiative. He pointed out that the EU has not succeeded in integrating environmental policies into other policy areas e.g. agriculture and energy. Energy, for example, was not adequately addressed in the Blueprint even though EU biofuel policy highly influences water issues in developing countries. The Blueprint, unfortunately, has not looked into the issue of water and security either, a topic which at the moment might not be key, but will be in the future. Even though water has not led to wars, it has already led to local conflicts. The EU should be a world leader on water security. Mr. Barth also drew attention to the political consequences of using the instrument of virtual water. This concept has to be handled with care in order not to stop the import of agricultural products, but to improve water management in the exporting countries. Mr. Barth finally called for a clearer elaboration of what should be achieved through the EU Water Initiative. This platform could be used to work on nexus issues, to accelerate cooperation with the private sector or to address security issues related to water. In his closing words, he underlined that the water crisis can only be solved if water is valued in its full economic, ecological and cultural dimensions.

## Discussions

*Chair: Peter Gammeltoft, Head of Unit, Environment Directorate General*

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### The nexus idea



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- An economics expert from Wageningen University argued that the concept of the water/energy/food nexus idea makes it, on the one hand, easy to shift from one problem to another and, on the other hand, is too complicated for the individual to be manageable, for example pointing to problems from over-managed development programmes. Moreover, water is a local resource and local bottom-up management remains very important. He argued that if we manage water sustainably, energy will manage itself. The Water Director from Germany replied that the nexus idea is not meant to be an administrative umbrella, covering all issues leading to over-managed programmes, but a change of mindset.

## EU development policy

- According to the UNDP representative, the Commission's DG Development has to prioritise water in its policy agenda, because as long as the EU does not prioritise water, the ministers of other countries will not do it either. The Water Director from Germany added that development policy needs to address the setting and enforcement of standards, and ensure a good water governance structure supported by adequate technology. In addition, the issue of fighting corruption is crucial for water management in development policy.
- Moreover, it is key for the EU to go into a partnership with Africa and present itself as a credible strategic partner on water issues, offering an alternative to China, which is using Africa as a resource backyard (UNDP representative).
- The UNDP representative added that the focus of development policy was first on infrastructure and investment while capacity building and governance were disregarded. Then it shifted to governance and the investments were disregarded.

## Sanitation

- Sanitation is an issue which should not be underestimated and relevant actions need to be accelerated. Even in Europe we have 10 to 12 million people without adequate sanitation and it is necessary to address the issue of lacking sanitation in some places in Europe (Coalition Clean Baltic). According to the European Commission, the EU indeed has to look at its own “backyard” for sanitation issues and address them via the full implementation of the UWWT. The UNDP representative argued that sanitation solutions are often very small scale and cannot be funded by the EU which targets large-scale projects. EU funding mechanisms, therefore, have to be adapted.



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### 8 Session VI: Crosscutting Solutions

#### Introductory presentation

Nicola Notaro, Deputy Head of Unit, Environment Directorate General, European Commission



Many linkages between different policy options of the Blueprint have been discussed at the EU Water Blueprint Conference. The following crosscutting tools are especially important to support specific sectoral measures proposed by the Blueprint: innovation and knowledge, governance and policy integration.

On innovation and knowledge, the Blueprint refers to the implementation of the Innovation Partnerships on

Water (kicked off in May 2012) and on Agricultural Productivity and Sustainability in order to support some of the Blueprint priorities. Upgrading and improving WISE is also part of the Blueprint, together with streamlining reporting and statistics requirements, completing the hydro-economic model to support water managers as well as making the CIS work on science policy interface more effective.

On the crosscutting issue of governance, the Blueprint proposes to set up a peer review system for RBMPs, whereby RBDs which are more advanced can share their experience with other RBDs. The EC can facilitate this process, based on its in-depth assessment of the RBMPs. It is also proposed to strengthen inspections and surveillance requirements and to look into country-specific recommendations on water in the European semester, identifying actions that are win-win from an economic and environmental point of view.

Concerning integration, the Blueprint proposes, *inter alia*, to add WFD requirements (specific measures) to cross-compliance under the CAP and supporting awareness-raising tools on water consumption (e.g. voluntary labelling & certification schemes).



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## Discussions

*Chair: Andrew Farmer, Director of Research, Institute for European Environmental Policy*

*Panel: Leonardo Gatta, Responsible of Water Resources Operational Unit, Tiber River Basin Authority; Sonia Phippard, Water Director, UK; Beate Werner, Water - Head of Group, European Environment Agency (EEA)*

### Improving the knowledge base and sharing on aquatic ecosystems in the EU

- The UK Water Director expressed strong support for the intention of the European Commission to streamline reporting, monitoring and data collection arrangements under EU water policy. Overlaps should also be avoided with other data collection requirements, e.g. under INSPIRE. There is a need to focus data collection on what is important and necessary for policy implementation, in order to be efficient and reduce data costs for Member States. The UK Water Director also mentioned that the EEA analysis of the data from RBDs should be made easier and quicker to use by the Member States.
- The Tiber River Basin Authority panelist argued that socioeconomic information needs to be improved as in the future more information on the microeconomic level (e.g. farm and single activity level) will be needed for the purpose of management. In addition, Grüne Liga suggested that data on economic analysis should contain information to address main pressures and pointed to the need for a process at European scale to adapt statistics to provide consistent and comparable data.
- According to the EEA panelist, by the next WFD reporting cycle, WISE will be improved to further support communication and dialogue at different levels. In the context of these improvements, there is a need to define what is required in terms of water accounting. In particular, a good methodology is needed that is applicable in the right level of detail to specific problems in a given river basin. It will also be explored how reporting to WISE can be made lighter and more efficient and information better accessible.
- In order to improve WISE and make it a useful tool operationally, it is necessary to clearly define its purpose. It is also necessary to be clear on the target group it is designed for (academics or practitioners). It is recommended to establish a proactive management to maintain the system and revisit its design based on an assessment of its performance (European Investment Bank).





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- Scientific information from EU-funded research has already been largely used to support the activities of the WFD Common Implementation Strategy (CIS). There is a need to further improve knowledge transfer and uptake by river basin authorities and implementers (ONEMA). CEDEX asked for more involvement of countries in the Science Policy Interface activity at operational level.
- According to CEDEX, the WISE RTD pillar should be supported and could be very useful for Member States. The EEA panelist confirmed that WISE RTD has been a very good start for the use of scientific information and needs to be better integrated in the whole WISE system. The WISE RTD association called for the need to find funding to further extend and improve this tool.

## Improving water governance in the Member States

- The panelists expressed support for the Blueprint proposal to set up a voluntary peer review system of draft RBMPs by RBD authorities. The Tiber River Basin Authority panellist suggested it is difficult to decide what kind of draft plan to share with other RBDs. In order to avoid burdening RBD authorities, he suggested setting up a questionnaire to focus on specific items in a peer review system, before sharing the draft plan. According to the UK Water Director, exchange between Member States is valued (e.g. through the proposed voluntary peer review system), but information and experiences should be more intensively shared between lower levels of administration (e.g. at river basin and lower levels).
- Concerning the proposal of the Blueprint to strengthen inspections and surveillance, the UK Water Director argued that this should not be an end in itself, but our focus must remain on identifying risks and focusing on the outcomes of actions. Inspections should be strengthened where the risks need this, otherwise we should put our resources somewhere else.
- The Tiber River Basin Authority panelist also called for more policy integration at all levels, starting at the EU level. Funds, including regional funds, should be better coordinated and RBD authorities should be empowered to manage the funds relevant to river basin management planning.
- The EEA panelist argued that it is important to set up effective public participation for implementing EU water policy and to ensure that stakeholders are involved from the beginning of RBMP development. Public participation is also key as an integrating process to cooperate with other sectors both at EU and local level. WWF pointed out that one of the lessons learned from projects financed by EU funds is that funds should provide for closing gaps in knowledge, but should also support a stakeholder process.



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- WWF also suggested that a platform to share good practices on the proper application of WFD Article 4.7 and the SEA Directive would be helpful and contribute to more transparency.

## **Adding WFD measures to CAP cross-compliance**

- On the introduction of specific requirements from the WFD in the CAP cross-compliance, different views were expressed.
- WWF argued that certain WFD measures which are already legal requirements need to be cross compliant in pillar I, e.g. abstraction permits and water pricing. Also, Birdlife Cyprus suggested focusing cross-compliance on very simple and achievable things, such as the control and penalty of illegal boreholes. The Coalition Clean Baltic argued it is very important to have WFD measures in pillar I, which rules the behavior of farmers, while pillar II has a lower impact and needs to be reinforced by some binding requirements.
- The UK Water Director recalled the limitations of cross compliance concerning pillar I measures, which have to be very simple at Member State level. In the UK, pillar I was used to impose requirements on buffer strips or set aside which had water benefits among other things. Overall, an extension of the measures under pillar I should be done looking at farming and environmental impacts related to this.
- Concerning pillar II, the UK Water Director argued that the biggest benefits from the CAP come from this pillar, since large sums of money are directed at specific areas. Thus, the focus should not be so much on pillar I, since pillar II can make an important contribution. Also, the Danish Ministry of Environment viewed pillar II instruments as more efficient and called for the need to strengthen pillar II both in terms of budget and legal frameworks.
- According to Birdlife Cyprus, pillar II has a very important role to play to meet WFD and nature conservation laws. The EC also has a key role in checking the quality of plans that Member States submit under Rural Development.
- It was also suggested to cut CAP money from Member States that are not complying with EU laws and divert certain CAP funds into capacity building and exchange programmes for water managers between Member States (Wageningen University).
- The European Commission clarified that the Blueprint pursues both avenues: cross-compliance for WFD requirements under pillar I and support through Rural Development pillar II. Under Rural Development, the Commission proposal contains a conditionality related to the presence of river basin management plans and water pricing policy, before payments can be made (to be seen if this conditionality will survive the EP/Council discussions). Finally, what is mainly relevant for cross-



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compliance under the CAP are the basic measures under WFD Article 11 which are compulsory for all Member States; what changes is the intensity of the application of the measures in the various river basins which depends on the intensity of the problem at hand.

## 9 Session VII: Closing Session

### Concluding remarks by the Cyprus Presidency

*Egly Pantelakis, Permanent Secretary of the Ministry of Agriculture, Natural Resources and Environment*



In her concluding remarks, Ms. Pantelakis praised the discussions of the Conference on the critical issues presented by the Blueprint. To preserve and improve EU waters, additional actions including better implementation of the Water Framework Directive are required. A focus on green growth, resource efficiency, climate change adaptation, and resilience to disasters will help EU countries to achieve a sustainable recovery from economic and environmental crises.

The Blueprint does not offer a one-size-fits-all solution to sustainable water management; rather, it offers a tool-box of measures that Member States can choose from to address the challenges faced by the aquatic environment. These challenges include a need for better implementation of current water legislation and increased integration of water policy objectives into other policy areas. Adequate priority to water policy objectives needs to be given under national and EU funds to support effective water governance and secure reliable funding. Also, climate change adaptation strategies should be integrated into water management decisions and hydromorphological pressures reduced via green infrastructure. Additional necessary actions include the development of flood risk management plans, tackling over-allocation/overuse of water and diffuse and point source pollution.

Improving irrigation efficiency, providing incentive-based water pricing, implementing volumetric metering, and promoting water re-use would help to alleviate water scarcity and reduce vulnerability to water shortages. Regarding droughts, it is important to further develop an EU-wide early warning system and to integrate drought risk management and climate change adaptation into river basin management plans.

The EU and its Member States must also continue the strengthening of international cooperation on water issues with a view to contributing to the achievement of the Millennium Development Goals, Agenda 21 and the Rio+20 outcome.



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## Conclusions drawn from the Conference by the European Commission

*Karl Falkenberg, Director General, Environment, European Commission*

The Blueprint has been prepared in a true participatory process. There is recognition by stakeholders of the soft-law approach put forward in the Blueprint but, at the same time, the Blueprint should not be misunderstood. The objectives of EU water policy have not been achieved, and we will need to make additional efforts. Although the Blueprint does not provide one-size-fits-all solutions, this does not mean that it is only a tool-box from which to pick and choose. We should stick to our obligations and the responsible parties have to make their choices with the objective of reaching good status of European water bodies. The Commission will continue its enforcement actions and look into legal measures where voluntary approaches fail.



On the issue of water quantity, a better balance between water abstraction and availability based on better information is needed in Europe (but also worldwide). Water accounts can only be developed if the proper knowledge base is increased, therefore better monitoring is needed. More efficiency in water use complements this approach.

Water quality also remains a concern and further improvement will depend on the integration of water policy with other policies. Although agriculture is a key player, there are a lot of other pressures on water such as energy production and navigation. Sanitation has also been highlighted during the conference. Wastewater has to be turned into a resource and reused.

The best means to achieve the goals of EU water policy is to weigh and combine regulation, market instruments (pricing measures) and awareness-raising. At the same time, Mr. Falkenberg reminded the Conference participants that subsidiarity only works in the context of overall established common policy goals at European level, leaving sufficient flexibility for national, regional and local authorities for actions suitable to their respective areas and water challenges.

Mr. Falkenberg also addressed global water challenges in the follow up to Rio+20; working with partners on the definition of sustainable development goals will be a real challenge, and the discussion on water needs to take place in a wider sense, including also the oceans. In addition, a narrow focus on single challenges is not appropriate and we need discussion and consideration of interlinkages with other issues, such as poverty, social inclusions, food security and climate change.

In discussing budgets in the next financial perspectives for the environment, DG Environment made the conscious decision not to request more funds directly for environmental protection, but to green budgets in other areas (agriculture, R&D, regional funds). In this way, it is expected to get much more leverage on much larger funds targeting environmentally relevant



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measures. The aim is a 3-fold increase of relevant funding for the environment. For this reason, it looks particularly at pillar I of the CAP which contains (and will most likely continue to contain) the largest funds under the CAP. Existing legal environmental requirements, such as those included in the WFD, are relevant for cross-compliance in pillar I. Overall, the Commission will continue to argue on all fronts that the environment be taken into account when further developing EU policies in all areas.