



EUREAU Position on the draft report of the European Parliament:

“Addressing the challenges of water scarcity and drought in the European Union”

(2008/2074(INI))

Summary

Many of EUREAU members are heavily impacted by water scarcity and drought. All are making the necessary efforts to cope with the variety of situations in a suitable way, taking into account local environmental, societal and economical conditions. For the future, EUREAU believes that water scarcity and drought shall be best tackled in the frame of the WFD, using the tool-box it offers, with special attention to cost-recovery and polluter-pays principles. Specific guidance may prove necessary to better address water scarcity. In this process, EUREAU strongly believes in a holistic approach, combining demand management measures in parallel with supply management measures. Since water resources are local and their availability varies to a great degree, any one size-fits-all solution should be avoided.

EUREAU welcomes the European Commission Communication on water scarcity and drought, as well the European Parliament’s initiative report. This issue is extremely important for a number of our members and we would like to take the opportunity to share with you a number of comments.

1 General Comments

1.1 The water hierarchy

The European Commission’s Communication (COM(2007)414) introduces the concept of a “water hierarchy” where demand management should be a priority and the exploitation of “new” water

resources should only be considered as a last resource, *after all demand management measures have been fully exhausted*. This view is currently supported in the draft Parliament's report.

While EUREAU fully recognise the importance of demand management, we believe that the EU should adopt a **holistic approach** combining measures of demand management, measures to optimise existing resources within the water cycle, and measures to create new resources. This approach needs to **integrate environmental, social and economic considerations** in deciding upon the prioritisation of alternative measures to address water scarcity and drought. An approach prioritising demand measures is somewhat restrictive and not consistent with the spirit of the Water Framework Directive (WFD). Drought management and water resources planning must be consistent with River Basin Planning under the WFD. Through this process, sustainability objectives are set under hydrological and risk conditions that relate to the level of services provided. This requires a "twin track" approach to balancing water availability with customer demand (balancing demand management with sustainable resources development).

This is concurrent with a recent report¹ from the UN's **intergovernmental panel on climate change (IPCC)** which provides a new analysis of some of the water-relevant findings from their major report dating from last autumn. In this report, **the panel says that adapting to freshwater supply changes will require new demand-side in parallel to supply-side measures**.

An approach prioritising demand management is limiting:

- Takes limited account of the **geographical variability of resource availability**. It therefore neglects the benefits to customers where water resources are available without significant environmental impacts or where mitigation measures may result in additional local supplies being made available on a sustainable basis. For instance, water reuse or the control of excess winter run-off are techniques which can be used on a sustainable basis in regions affected by water stress, in combination with demand management. This enables to maintain more efficiently the supply/demand balance and thus security of supply (to the benefit of water customers across all sectors, including agriculture and residential users).
- Takes no account of **social and environmental benefits** of balancing supply side and demand side measures, taking into account cost benefits and affordability
- Takes no account of **externalities**: It is unreasonable that end-users should be systematically compelled to incur higher water charges by mandatory imposition of demand management measures whilst the economic impact of additional water resources management may be lower and the environmental impact may be insignificant/sustainable. It is necessary to consider the full economic cost of all supply and demand options (e.g. to a 30 year time horizon), including all externalities.
- Takes limited account of **water cycles** and how to maintain them according to scale and local variabilities. For instance, water reuse at the small scale can be seen as domestic water saving

¹ IPCC Technical Paper on Climate Change and Water (<http://www.ipcc.ch/meetings/session28/doc13.pdf>)

(which is likely to only be cost-effective in new housing developments) whereas water reuse at the large scale becomes an alternative resource (resource development). The difference is in the scale not the goal and there is no reason to favour one and not the other solely on principles.

1.2 Water saving

Extensive reference is made to a study accompanying the EC's Communication. While we welcome some of the findings of this study, it should be acknowledge that the recommendations (e.g. 20% wastage and 40% saving potential) are solely based on qualitative assessment on a limited number of small scale projects. It does not take into account economic or social considerations. In our view, the study demonstrates that water savings are possible, but their potential and viability will vary from case to case. Raising awareness to reduce domestic demand is of importance, but due its relatively small share in the total water use and low price elasticity, EU instruments based on water savings should focus on the most water-intensive sectors like the agriculture sector. In these sectors efficiencies are cost-effective and can result in significant water savings.

Furthermore the local conditions have to be taken into consideration when "water saving" is being promoted. It might make sense in some regions or Member States but might result counter-productive in others. A further decrease in water consumption or flow rate due to water saving might lead to problems for treatment installations and networks, which in turn leads to problems with the water supply and the wastewater disposal. Longer periods of stay in the pipes for drinking water would result in more flushing and use of disinfectants.

EUREAU therefore suggests a "sustainable use of water" adapted to local availability of water.

1.3 Public supply of water

Maintaining water security must be one of the underlying EU objectives. From a public health perspective, it seems important to recall that public supply of water is a fundamental public service which should not be disrupted. Water operators are already very active and successful in the reduction of water demand.

1.4 Full implementation WFD

The full implementation of the WFD though the Member States and its application to all sectors, including agriculture, will best possibly help to tackle the issues of water scarcity and drought. Under no circumstance should climate change and its consequences be used as an excuse for a poor implementation of the WFD, especially concerning water quality objections. It is therefore crucial to clearly define droughts – excluding long-term phenomenon's following the impacts of climate change.

2 Detailed comments

2.1 Recital E and point 3 on the fact that 20% of the water in the EU is wasted

In addition to the comments already made (refer to point 1.2 above), we believe that this statement must be accompanied by economic considerations. As far as network leakage rates are concerned, there is evidence that investment could prove to be very high in order to reach lower leakage rates. Other external cost would also need to be taken into consideration (e.g. pipe manufacturing, transportation, traffic disruption, etc.). In many cases, many other measures would prove more effective as far as the triple bottom-line is concerned. Regarding domestic demand, there is scope for improvement, depending on the relative starting positions of member states, but much of the investment here may fall on individual householders and will need a wide variety of normalisation, economical, and other instruments. As regards to Point 8, it seems necessary for the EU approach to focus on the most intensive water uses and the sectors where the water saving potential is most significant (as opposed to concentrate solely on distribution networks).

2.2 Recital F. “Whereas no comprehensive, technically and scientifically sound assessment of the water quantity situation in the EU exists; whereas the available data at regional level and on seasonal variations are very limited;”

The lack of data should be addressed at the river basin district level, which is the right scale under the WFD to determine water use and availability. Regional bodies that follow political boundaries also have data and must be involved in this process, but water quantity is a function of hydrological boundaries which aligns with river basin districts. It would be inappropriate to dismiss natural boundaries even if they happen not to match the administrative boundaries. The progress made by the WFD in recognizing this fact is the corner stone of the entire WFD approach, and should not be compromised by future actions using alternative geographical areas.

2.3 Point 3. “Recalls that demand-side approach should be preferred when managing water resources; notes that supply-side measures should be considered after the options of enhancement of water efficiency, improvement of demand management and educational measures have been exhausted;”

See comment under general comment (point 1)

2.4 Point 10. “Stresses that 40% of the water used in the EU could be saved¹; calls for concrete measures and financial incentives to promote a more efficient and sustainable use of water;”

This duplicates recital E and point 8. The EU approach should encourage a holistic assessment of available options and should encourage river basin authorities to carry out cost-benefit analysis of all options considered. Water saving potential is highly variable across regions and sectors. Many regions in the EU have no reasons to save more water than they already do and it would be unreasonable to impose uneconomic measures in such cases.