

## **Extraordinary informal meeting of EU Water Directors**

**29 March, 2012, Borschette Centre, Brussels**

### **Summary Note of the Discussion of the Blueprint (Chatham House Rule)**

#### **Introduction**

At the Water Directors (WD) meeting in Poland, it was agreed to hold an extraordinary meeting to discuss policy options for the Blueprint (BP). The launch of the public consultation on the BP options (15 March-7 June) was timely for the WD discussion.

The objective of the meeting was to support the Commission in the development of the Blueprint while giving WD the possibility to influence the BP development. The background document on Blueprint options had been circulated to participants. This was a first discussion on the options for WD. There would be a follow-up discussion at the WD meeting in June.

Moreover, the Commission circulated a letter recently looking for good examples of implementation of the Water Framework Directive(WFD) and WD were encouraged to respond to this as it is important to highlight good practice.

In the document on policy options there are some options that would revise the WFD. It is important to stress that these are wide ranging options and not all of them will be chosen. It would not be appropriate to revise the WFD now, but it is possible to examine issues for the future review in 6 years.

#### **Tour de Table: 3 most important things you would like to see from the BP**

WD were asked to identify the 3 most important things they would like to see in the BP. Key messages from the tour de table can be summarised as follows:

- No one size fits all.
- No new law now, i.e. regarding the WFD, but some think it might be needed in other areas.
- Integration needs to be improved.
- Take a serious look at monitoring and reporting obligations.
- Exchange of experience is very much supported
- Role of R&D and innovation is to be enhanced
- Support to governance improvements, including international co-operation.
- Better information on ecosystem services and economic analysis is helpful.
- Focus on water efficiency, demand and supply and eflows.
- Address re-use of treated waste water.
- Focus on droughts.

#### **Presentation from the Commission**

The Commission presented the background to the BP i.e. the RBMP implementation, the reviews of WSD policy and of climate change and vulnerability, the fitness check (the main conclusions of which match the above tour de table) and the options selection. The Commission clarified that the options will be narrowed down for the impact assessment of the Blueprint and that it does not support all options.

Then, the Commission presented each problem and the related options in public consultation. This was followed by a discussion after each problem/options' presentation.

*Problem 1: water balances and target setting.*

The discussion underlined that exchange of information is the most widely supported way forward for WD. The Commission pointed out that this is happening already but has not resolved the shortcomings in the quantitative aspects of water management that we witness in the MS. Water accounting is necessary to address these challenges, including in trans-boundary basins where MS could use different approaches leading to inconsistent results.

*Problem 2. Droughts*

There was considerable support for the integration of drought concerns into RBMP and for work on early warning. The discussion did not show support for a drought directive and split opinions on funding possibilities. There was some support for a drought observatory but also concerns related to its costs. On funding, it was clear that it should, in any event, include requirements that funding is to be dependent on drought management measures being taken.

*Problem 3: Land use impacts, including agriculture*

It was pointed out that CAP measures are essential to achieve the WFD objectives and that the implementing rules to the current Commission CAP proposals will be important. There was support for green infrastructure guidance, guidance for farmers but also for dialogue with spatial planners. In relation to the CAP, it was argued that there is a need to also look at derogations under the Nitrates Directive. On EIA/SEA, support was expressed for their extension to renewable energy as a whole, not only for hydropower, e.g. to geothermal, but they cannot apply to all irrigation projects as some are small. Some underlined that we should not always put agriculture in a bad light as we want, at the same time, that farmers act positively. The Innovation Partnership was considered a potential source of solutions and not only for this problem. It was stressed that we should not only look at the CAP but also at other policies, e.g. state aids, use of public funds for environmental purposes.

*Problem 4: water efficiency and buildings*

It was recognised that there is a potential for reducing domestic water use. But in some countries 80% of water goes to agriculture, 5-10% to domestic use, so this needs to be put in a broader context.

The question was raised whether it will be possible to reach agreement on water efficiency standards. Health concerns need also to be taken into account.

While standards for appliances got some support, there was opposition to binding obligations on buildings. It was also pointed out that in some countries domestic water use is 40% of total use and that labelling for energy efficiency of appliances has worked and could do the same for water. Some measures don't need legislation, but incentives. It was also recalled that less water use means less energy use and less chemical use in water treatment. Metering and measuring is important and is not expensive for new buildings. The incentive role of pricing is also part of the picture.

The Commission agreed that there is a diverse pattern for water use in Europe and in some places we need to address domestic use. So no one size fits all. Also there is a need to link to problem 1 which considers efficiency targets for sectors and to the Eco-design Directive that can develop standards for energy using water appliances.

#### *Problem 5: leakage in water infrastructure*

The role of Cohesion Policy was stressed by several WD. Some recalled the link to innovation and were happy to share practice on methods for leakage assessment. Some others argued in favour of a common method and definition. It was pointed out that in many cases infrastructure investment is not part of water price, hence the leakage problem. It was also stated that public private partnerships can contribute to addressing leakage.

The Commission stressed again the link with problem 1 which sets targets for which one needs to be able to measure change and the fact that there is no one size fits all. Also, the Commission would welcome material from MS on best practices on this issue.

#### *Problem 6: Standards for waste water re-use*

It was argued that waste water reuse should be aimed at agriculture since industry is already covered by EU legislation, e.g. the Industrial Emissions Directive (IED). Water re-use should not only concern waste water but also brackish water. Across the 27 MS, less than 2% of water use is unconventional (re-used or desalinated water). Some argued that guidance or CEN standards are not sufficient and a Regulation would be preferable. Also artificial recharge was identified as a potential re-use of treated waste water. It was stated that in developing standards there is a lot of best practice across the Mediterranean to rely on. Some WD recalled they already have standards for waste water re-use in agriculture but not for industry as for the latter water needs are very different.

#### *Problem 7: Metering and illegal abstraction*

- Support was expressed to make metering a condition for major irrigation funding under the CAP and for cohesion funding but an exemption may be needed for small abstractors where there is no water problem. There was no support for amending

the WFD at this stage to make metering compulsory. There was support for the use of GMES technology to tackle illegal abstraction.

#### *Problem 8: Water pricing*

It was pointed out by some that all options in the background document to tackle this problem could be supported – including conditionality under CAP and Cohesion - except an amendment of WFD. Water trading is attractive (interesting and intellectually challenging), but it requires a major re-organisation of water administrations, so there is a need to be very cautious.

Other expressed doubts about trading in water rights – it is not easy to transpose the experience from Australia to Europe. Also the administrative burden of the options needs to be considered. Applying options across all of EU is not needed.

It was stated that bioenergy crops should not be demonised.

Some explained that there is a lack of comparable data on costs and water pricing in the EU. A more rigorous assessment of pricing is needed. It was pointed out that pricing linked to volume in a water rich country may not be appropriate.

The Commission pointed out that, in a tool box with no one size fits all solution, trading should be in the tool box. Trading can be an alternative to water allocation. Allocation is already in WFD as abstraction is subject to permitting and this is supposed to be kept at a level consistent with the objectives of WFD. But under this system there is inertia, such as old concessions and political pressures from those with existing rights. Trading is one way to get around this.

#### *Problem 9: Costs and benefits methodology*

It was recognised that there are challenges in quantifying costs and benefits and support was expressed for guidance on this. But there is a real timing challenge as for the 2<sup>nd</sup> RBMP cycle the guidance should be available sooner rather than later.

Some considered the lack of methodology as a big weakness in WFD implementation while others stressed the need for a better understanding of how to price ecosystem services and their benefits which should not be limited to a monetary perspective only.

#### *Problem 10: Governance*

It was stated by some that almost all options could be supported. It is useful to assess best practices and to do peer reviews as the OECD is doing. A WFD amendment to strengthen powers of river basin authorities does not seem needed.

Others argued that, when the Commission reviews the RBMPs, it is important to state that the river basin management perspective should work beyond borders. Doubts were expressed about inspections and surveillance. It was recalled that in some countries the river basin authority is a planning authority and does not only have water as its competence. The good aspect of this is that it integrates sectors/issues, but the problem is how to put national priorities into regional planning processes. There was some strong

support for an exchange of best practices while peer review processes were perceived as potentially burdensome.

The Commission recalled that, on environmental inspections and surveillance, there is an EU Recommendation which is currently up for review.

#### *Problem 11: Knowledge sharing and research*

Strong support was expressed for a data sharing system and burden reduction approach. But it is necessary to think of the different users of data so caution is needed on a full SEIS if it does not build on what we already have. There was also strong support for a research roadmap. It was pointed out that harmonising reporting timetables is good, but it needs amendments to the legislation so it is for the future, e.g. through a horizontal instrument. Support was stated for improving WISE. On the SEIS system, it was stressed that this should link to INSPIRE and that it may be expensive. Opposition was expressed by some to the option of enhancing minimum reporting requirements while others supported it.

#### *Problem 12: Global*

It was recalled that in the current (draft) EU development policy, water is not addressed, so this needs to be emphasised. On using footprints, doubts were raised but there was support for water stewardship activities in developing countries together with the private sector. Some argued that the EU should be ambitious on the global stage. The Millennium Development Goal on water is only on access to safe drinking water and sanitation but environmental sustainability is not covered and the EU should argue for this in RIO+20. Others considered that it is early to speak about sustainable development goals but the Blueprint should take stock of the result of RIO+20. It was maintained by some that international Conventions like the 1997 New York Convention on international watercourses should be promoted. But others expressed strong reservations on the 1997 Convention while supporting trans-boundary water management generally.

It was recalled that there is a Commission paper, 'Agenda for Change', on development cooperation which is with Council and EP. Therefore, to strengthen water aspects there needs to be action by MS. Currently, development cooperation is only prioritised around energy and agriculture.