Financing the program of measures

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Permanent Technical Secretariat of International Network of Basin Organizations (INBO)
Program of measures preparation process:
- adopt a strategic approach to solve main issues with prioritisation
- consider all the type of measures
- select the most cost effective measures!
How to construct a financially balanced Program of Measures?

- What is a financially balanced PoM in the context of limited human and financial resources?

- It is based on:
  - A good **costing of the PoM** (methodology for costing the PoM);
  - **Financial sources** must be fined: current water management analyses (who pay? What? And How?) and in the future: PPP*
  - Prioritization actions is needed and objectives must be defined;
  - **Integration** to other plan is needed (in the all strategy): synergies between different plans must be found.

* Polluter/user pay principle
Improve current financial resources 
lessons learned

Fund raising strategy for an IWRM should be based:

- at the national level:
  - coordination between different institutions (ministries) and integration of different budgets (sectoral plans) for the PoM preparation;
  - Coordination of the donors
  - Support to local project holder for their relation with donors
  - Develop economic instruments

- at the river basin level:
  - Definition of the needs and priorisation
  - Awareness rising on financing needs
  - Run some economic instruments
Agriculture
Industry
Domestic users

To get rid of pollution
To improve knowledge on the environment
To satisfy needs in water
To preserve environment
7 categories of fees

1 - Taxes for water pollution

- Domestic pollution
- Industrial
- Breeding activities
7 categories of fees

2 - Tax for modernization of used water collection networks

- on the domestic water discharge
- on industrial water discharge

3 – Tax for phyto-pharmaceutical products use
7 categories of fees

4 – Taxes on surface and underground water

- For potable water

- For industrialist

- For hydro power

- For irrigation

- For the supply of canals
7 categories of fees

5 – Tax for water storage in reservoir during low water period
   On the restraints > 1 million m³

6 – Tax on dams
   On works over 5 meters high

7 - Tax for the protection of the aquatic environment
   On freshwater fishing
Evolution of earmarked charge in one Water Agency

Earmarked charge collected by Rhone Mediterranea Agency in millions of euros per year

Millions d'euros

0,0 100,0 200,0 300,0 400,0 500,0 600,0

Annual pollution discharged in the environment

Annual water abstraction -> waste water Treatment plant -> Waste water discharged

=> Amount of fee depends on waste water discharged, so on treatment’s performance realized by industry or by urban wastewater treatment plant.
**Use of the funds to support priority type of projects**

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Basin Organisations have a key role to improve water management financing:
- Base on the preparation and costing of the program of measures
- Can have a key incentive role with water policy financing instruments!
Thanks for your attention

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