

**CIWEM West Midlands conference  
The EU Water Framework Directive  
Birmingham December 2005**

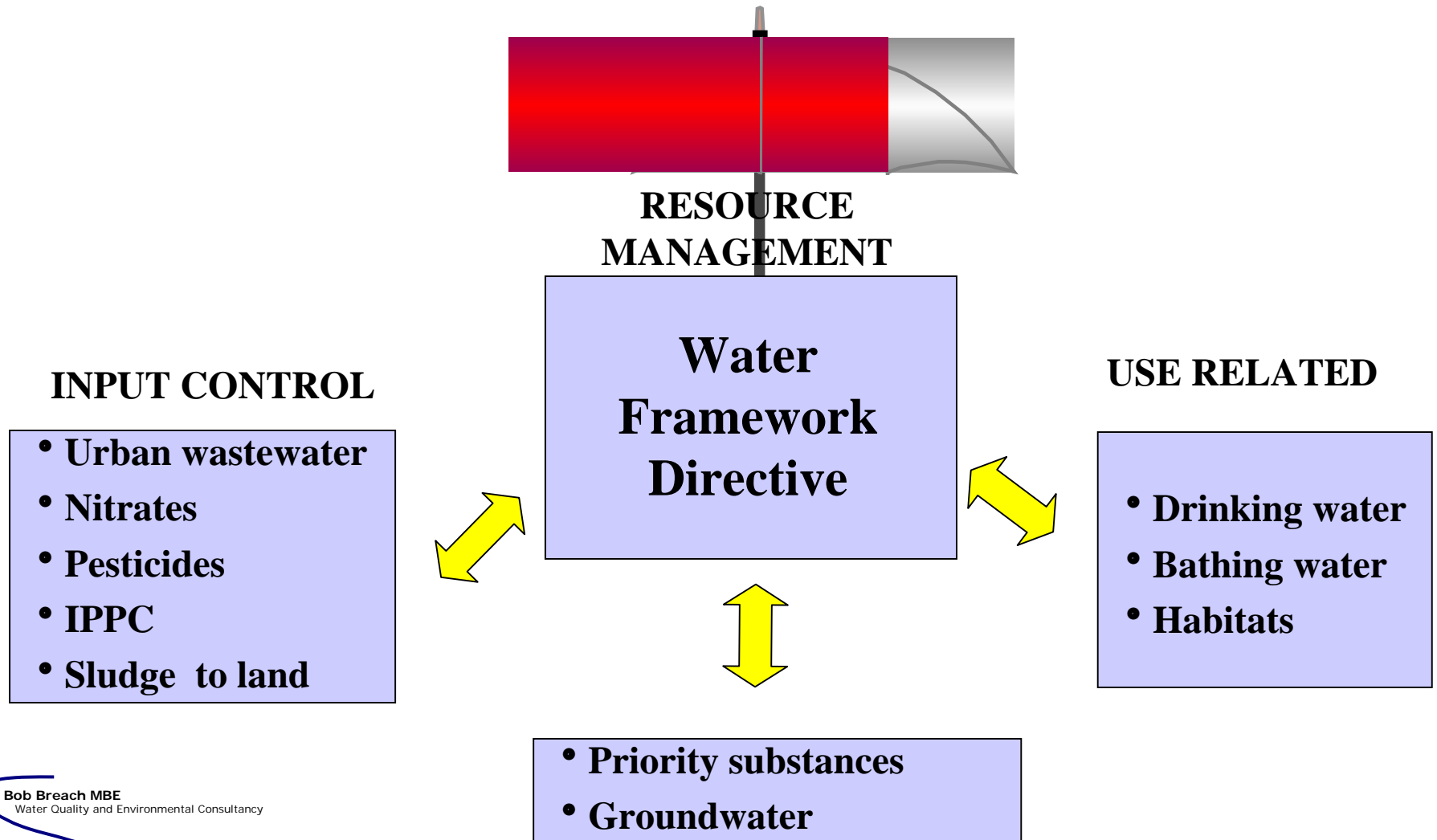
**Can we afford it?  
Sustainability, economics and  
public participation.**

**Bob Breach**

**Water is not a commercial product like any other but, rather a heritage which must be protected, defended and treated as such**



# A NEW TYPE OF UMBRELLA DIRECTIVE



# WHAT DOES IT ACTUALLY MEAN ?

## ■ The optimist

- The most sensible piece of integrated water legislation emanating from Brussels ?

## ■ The pessimist

- The most expensive piece of water legislation ever?

## ■ The realist

- Both the most sensible piece of integrated water legislation and potentially the most expensive ?

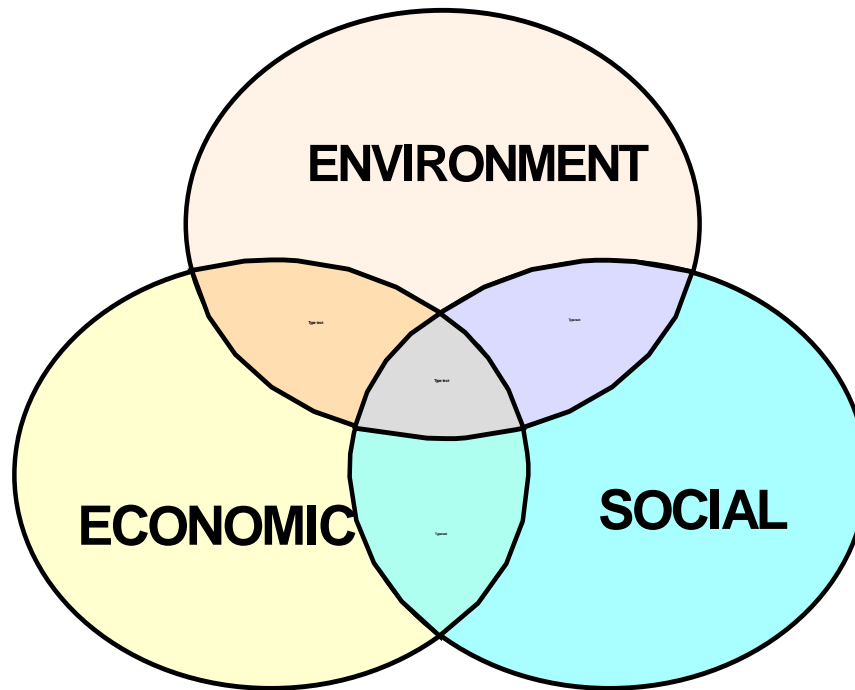


# WHAT'S IN A NAME?

- ~~The Ecological Directive~~
- ~~The Water Framework Directive~~
- A Framework for Sustainable Water Resources



# THE THREE COMPONENTS OF SUSTAINABLE DEVELOPMENT



# SOME PRACTICAL ISSUES

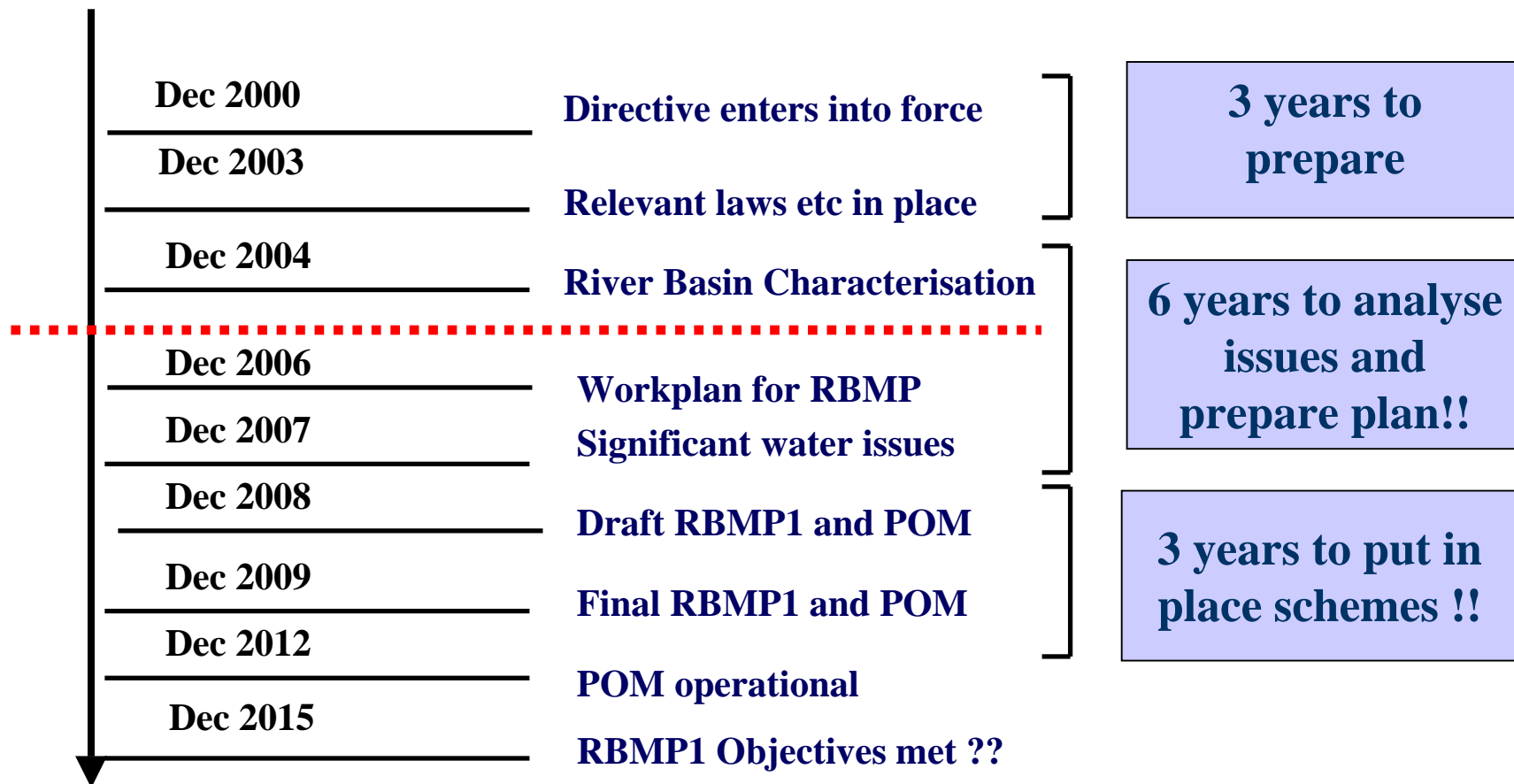
- Making the directive operational
  - Involving business sectors
  - Scale up and roll out
  - Business planning alignment
- Practical Economics
- Involving the public: creating a compelling case
- New problems: new approaches



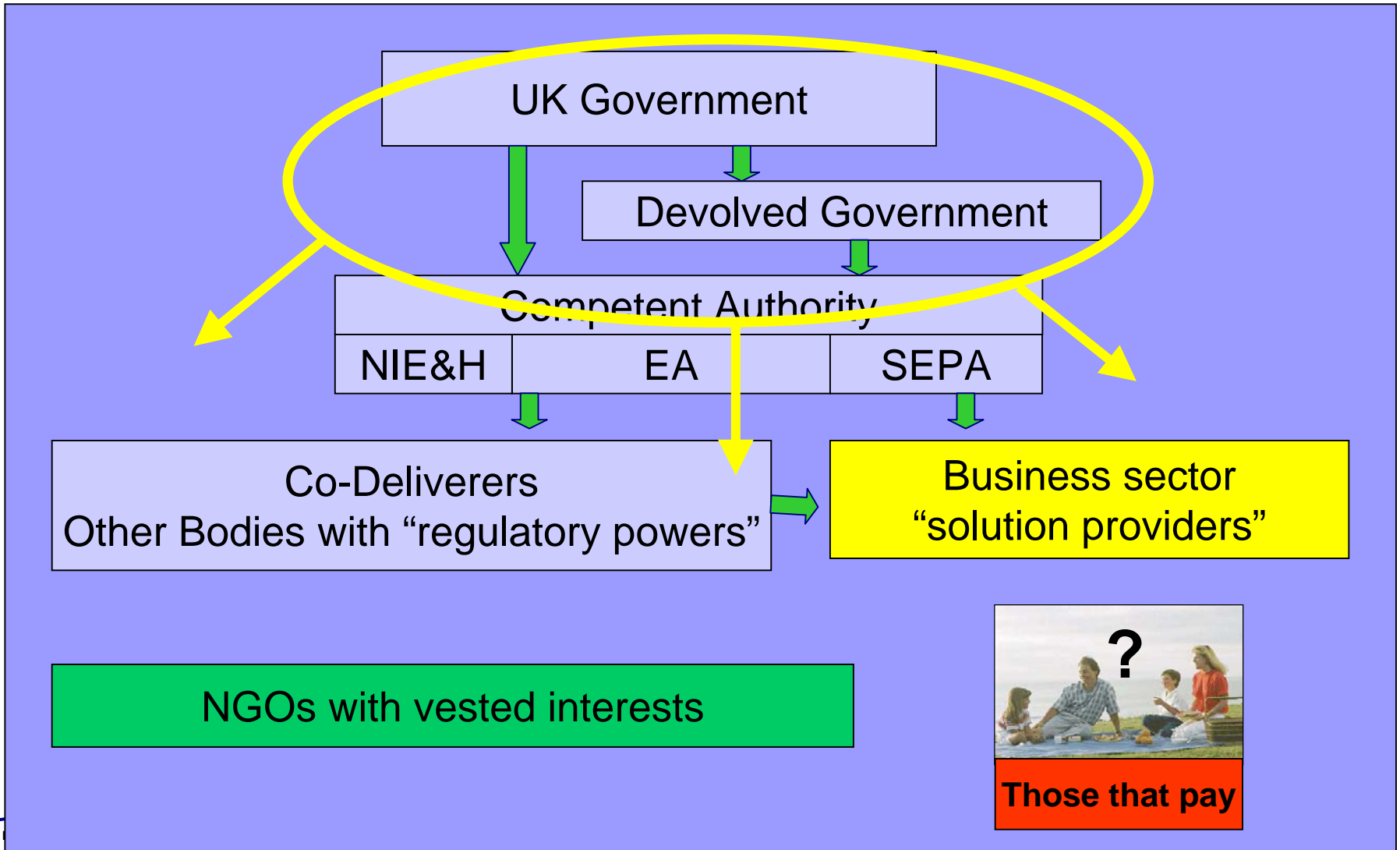
# MAKING THE DIRECTIVE OPERATIONAL



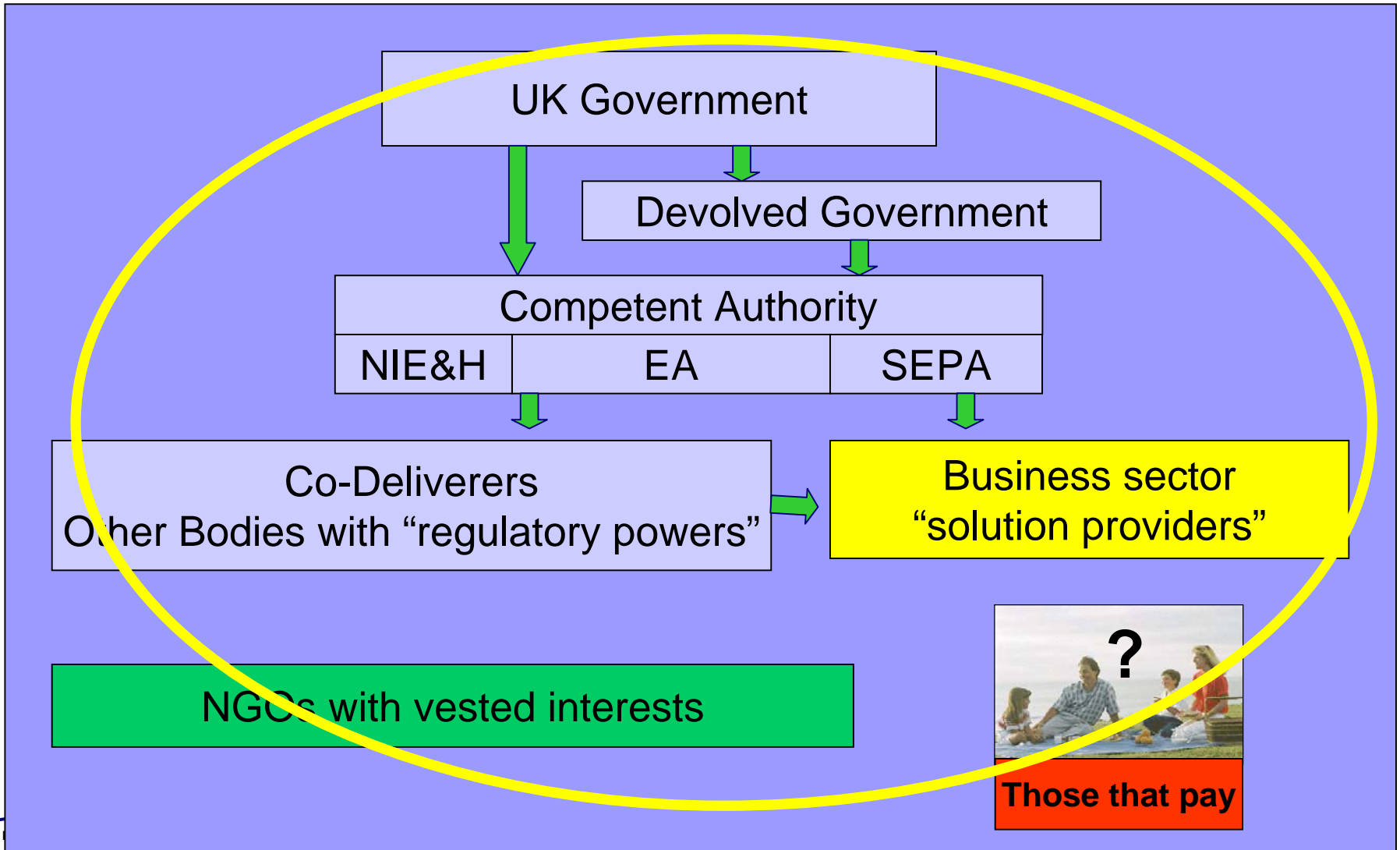
# THE WFD PLANNING TIMEFRAME



# THE KEY UK PLAYERS



# THE KEY UK PLAYERS



# PLANNING THE NECESSARY RESOURCES FOR SCALE UP

- The potential work programme is scary
- Not just for regulators but for those that must deliver the environmental outcome
- People, technical skills, cash and time are finite
- Implementation needs a realistic estimate of resources that can be made available within the delivery timescale
- For expensive solutions the cost might justify extra resources- but this will be the exception



# ALIGNING BUSINESS PLANS

■ Regulators	➔	RBMP
■ Planning authorities	➔	STRATEGIC PLANS
■ Water Industry	➔	AMP
■ Agriculture	➔	SEASONAL PLAN
■ Manufacturing industry	➔	PRODUCTION CYCLE
■ Highway and local authorities	➔	STRATEGIC PLANS
■ Ports and harbour authorities	➔	STRATEGIC PLANS

**It will be critical to ensure increasing alignment between the many different types of business planning process**





# PRACTICAL ECONOMICS



# THE THREE MAIN ECONOMIC TESTS

1. Cost effectiveness
  1. Measures are required to be cost effective
  2. New CEA methodology developed but will not be necessary for all schemes
2. Disproportionality
  1. A key test for derogations
  2. Methodology being developed
3. Equitable cost recovery
  1. Costs for water services to be recovered
  2. Water pricing must incentivise efficient use

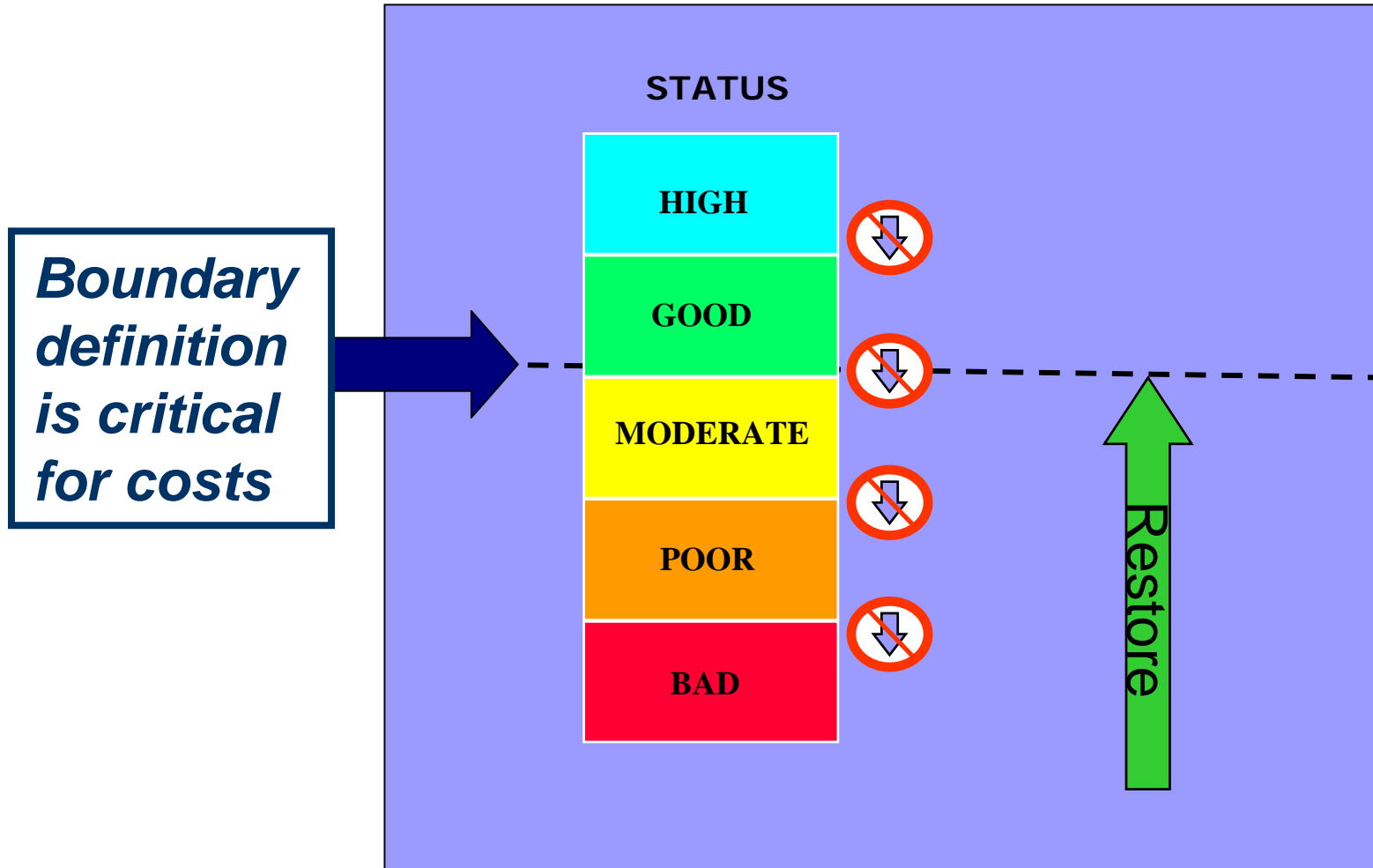


# WHAT WILL IT ALL COST ?

- No-one actually knows
- A number of (gu)estimates for England and Wales
  - Original for DEFRA up to £9 Billion
  - Water UK: £6-15 Billion-water industry alone
  - PS: £1-4Billion over 30 years but could be much more
  - The truth ??????????
- Depends on:
  - Lots of heroic assumptions
  - Extent to which disproportionate costs justified
  - Timescale for achievement
  - Extent to which other directives are fully implemented

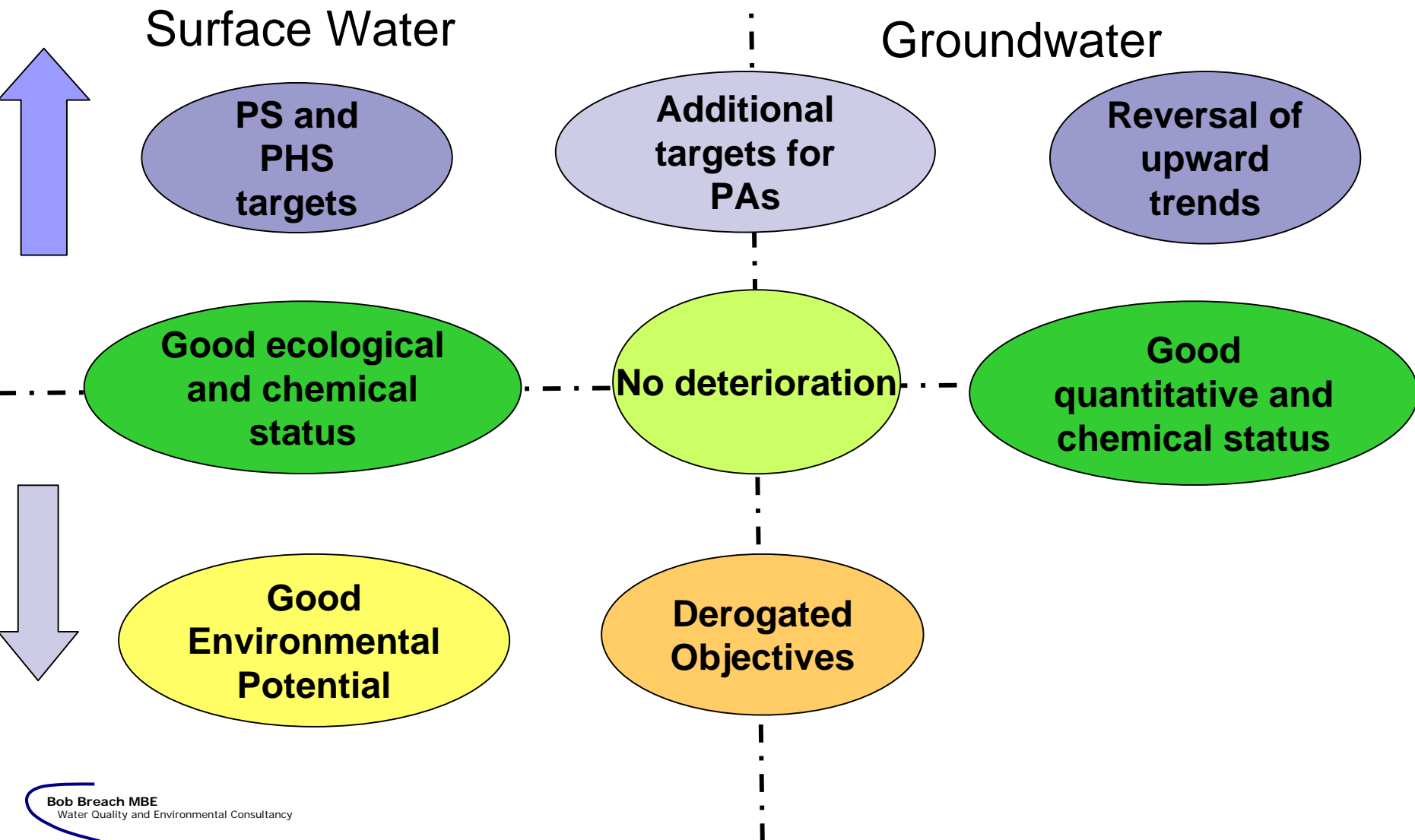


# THE COST IS IN THE DETAIL



No deterioration

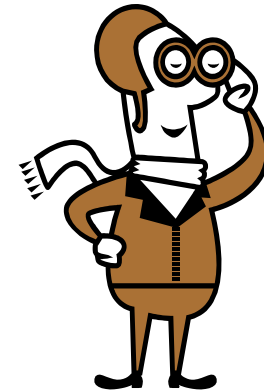
# REMEMBER ALL THE OBJECTIVES



# HOW DO WE ENSURE ECONOMIC SUSTAINABILITY?

## ■ Requires

- Clear and consistent long term planning
- Early involvement of the business sectors
- Viable and equitable financing framework
- Creating a compelling case for public investment



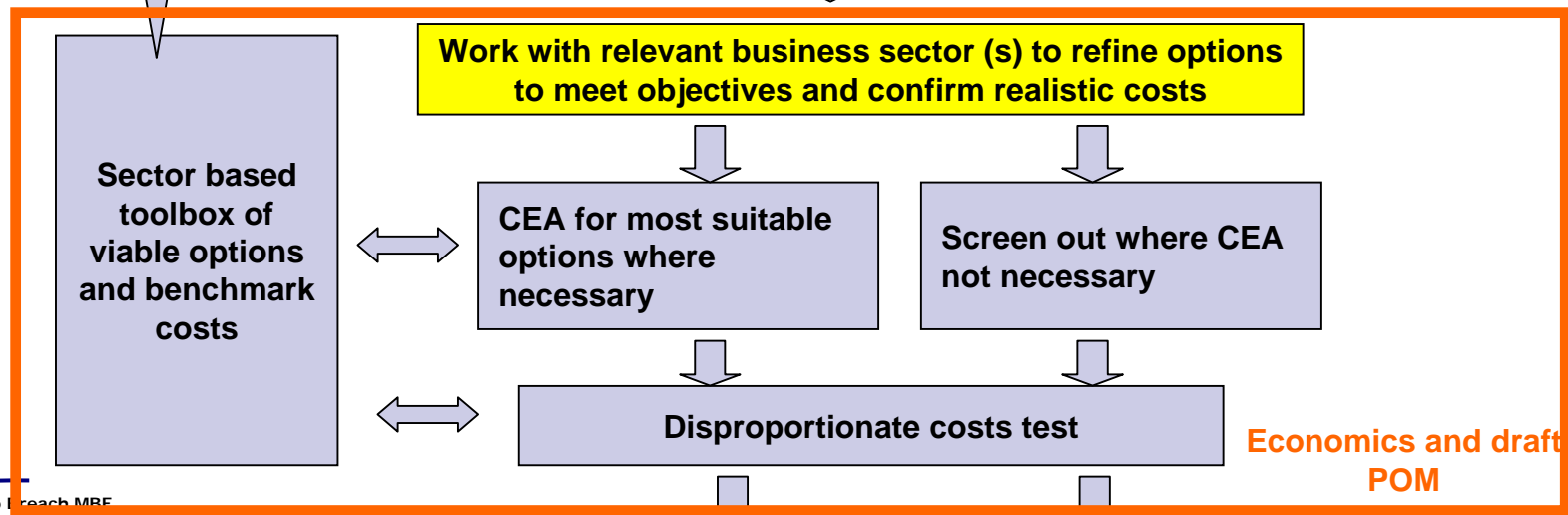
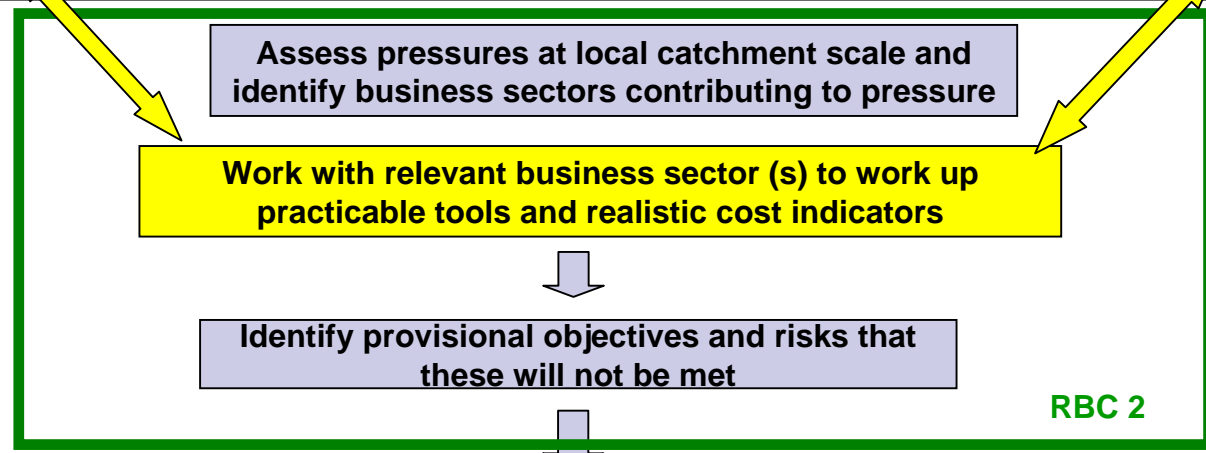
National scale

National support  
•Sector based toolboxes  
•Incentivisation packages  
•National policy initiatives

Broad brush estimates of cost and other impact by sector-refined over time



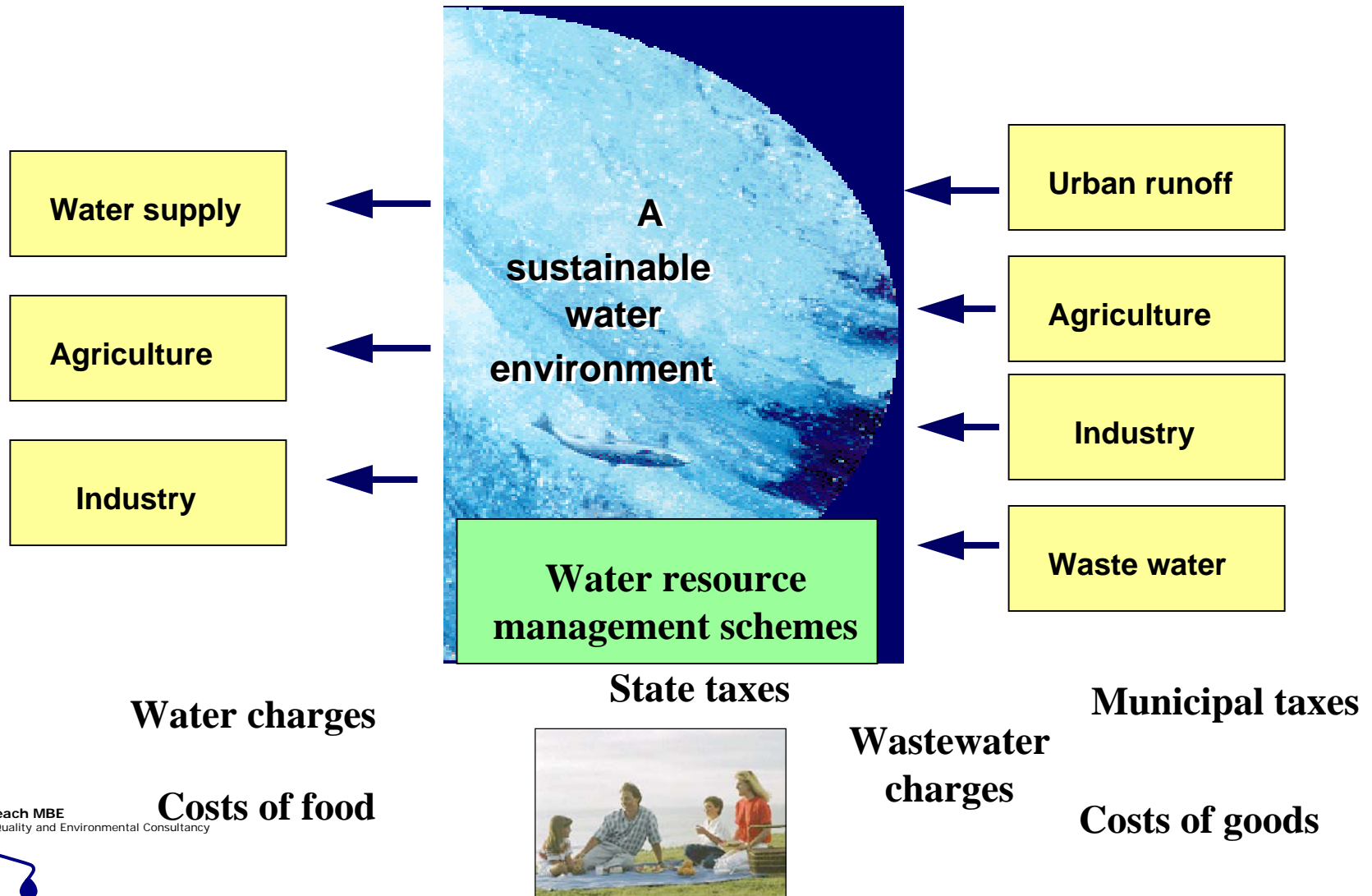
Catchment scale



Derogation

POM

# EQUITABLE ALLOCATION OF COSTS FOR WATER INFRASTRUCTURE





# INVOLVING THE PUBLIC

Art 14 Member States shall encourage the active involvement of all interested parties in the implementation of this directive



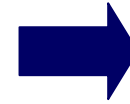
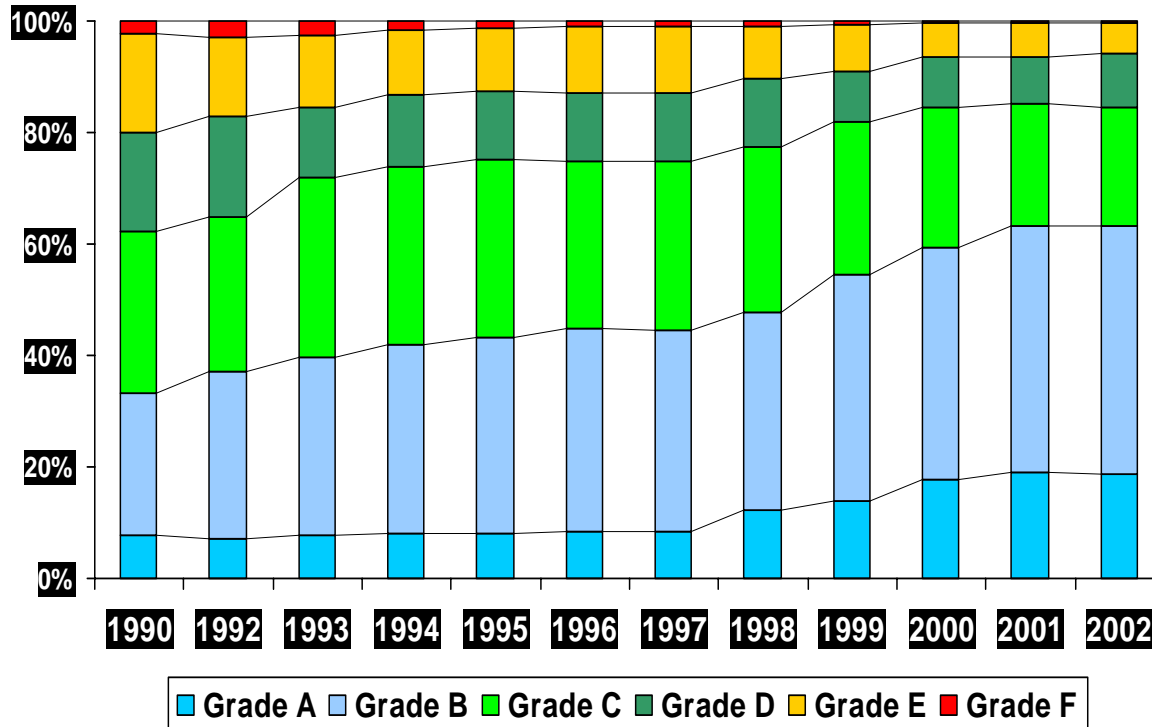


# **EFRA SELECT COMMITTEE**

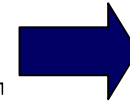
## **March 2003**

**“The first and perhaps  
overriding conclusion is that  
the directive needs much  
greater public promotion”**

# MIDLANDS RIVER WATER QUALITY - A SUCCESS STORY ?



**Return of the  
Salmon and Otter**



**So where is the problem?**



# THE WFD

## A MAN IN THE STREET VIEW

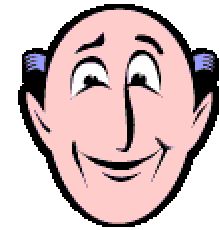
- What's a directive ?
- More Brussels bureaucracy
- My water charges are already appallingly high- what do I actually get for my money?
- I am all in favour of reducing pollution - why doesn't
  - Government
  - water companies
  - someone else
  - do something about it?



# THE PUBLIC LACK OF CONNECTION



**“Water bills in Wales could rise by nearly a quarter over the next few years, according to the industry's regulator Ofwat”**



**“MORLEY WELCOMES NEW RIVER WATER FIGURES”**



# WHO PAYS ? *The polluter pays*

WHO ARE THE  
BIGGEST  
POLLUTERS ?



*Us all or our  
lifestyle !!!*

So how do we ensure

- Proper cost transparency
- Effective public consultation on costs?
- Buy in to the right level of funding?

We have to create a compelling case for the need  
for more investment in water resource  
management

# CREATING THE VISION

- ~~The Ecological Directive~~
- ~~The Water Framework Directive~~
- ~~A Framework for Sustainable Water Resources~~
- Protecting our precious water and landscape heritage ?





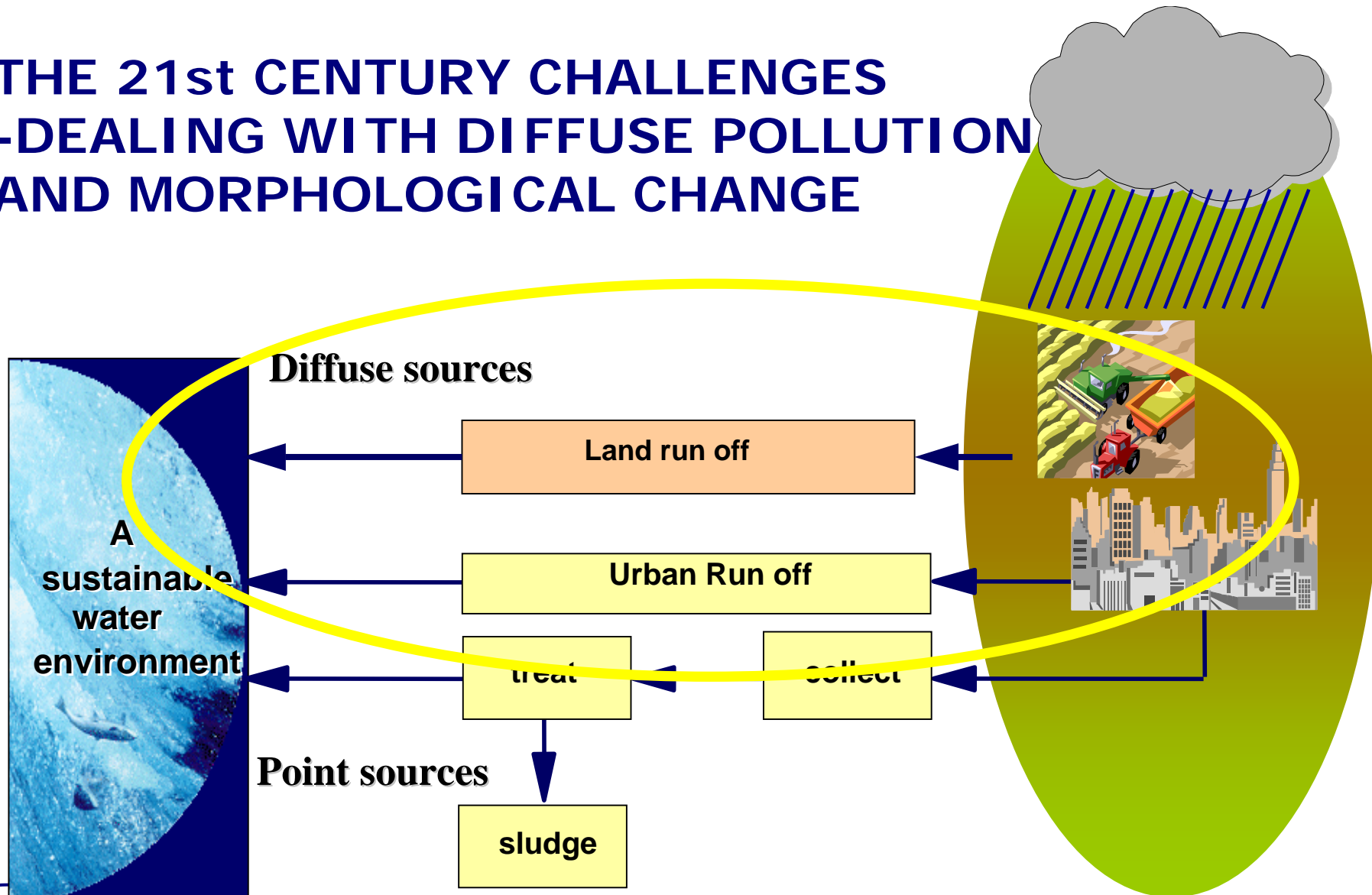
# NEW PROBLEMS- NEW APPROACHES

# THE 2005 ART 5 ASSESSMENT- England and Wales

% water bodies at risk of not meeting WFD objectives (GS)

Pressures	Rivers	Lakes	Estuaries	Coastal waters	Ground waters
Point	23.1	20.1	48.5	18.2	3.9
Diffuse	82.4	53	25	24.2	75.3
Abstraction	10.7	2.1	14	n/a	26.1
Physical	48.2	59.3	89.7	77.8	n/a
Alien species	21.1	9.3	36.8	45.5	n/a
<b>Overall % at risk</b>	<b>92.7</b>	<b>84</b>	<b>98.5</b>	<b>84.8</b>	<b>75.3</b>

# THE 21st CENTURY CHALLENGES -DEALING WITH DIFFUSE POLLUTION AND MORPHOLOGICAL CHANGE



# DEALING WITH DIFFUSE POLLUTION

-Focus on the root cause



**Diffuse sources**

Land run off

Urban Run off

treat

col

**Point sources**

sludge



# THE NEW PRESSURES

## Dealing with the new pressures

- Diffuse pollution
  - Agriculture and land use
  - Urban environment
- Morphological changes

Whilst taking into account a changing climate will need some radical new approaches



# REQUIRES NEW THINKING ON

- Land and water interaction
- More holistic management of chemicals
  - In the domestic environment
  - In the urban landscape
  - In managing land
- Management of extreme water events
- And effective use of economics and public participation



# SUMMARY AND CONCLUSIONS

- The WFD
  - is a very different kind of directive
  - provides a good mechanism for integrated long term planning
  - affects all water stakeholders
  - but most are not yet fully involved
- The resources needed for roll-out and scale up are daunting
- Business urgently needs a much more stable long term planning and financing framework to deliver its contribution
- Much more needs to be done to persuade the public that the benefits are justified by the cost





# Thank you

We ignore early and active involvement of  
all key players at our peril !!

