

**Informal Meeting of Ministers of Environment
and Climate Change**

Nicosia, Cyprus
7 – 8 July, 2012

**Plenary Session 2 – Discussion on the Blueprint
Background Paper**

The first day of the Informal Meeting of Ministers of Environment and Climate Change, which will be held in Nicosia under the Cyprus Presidency, will be dedicated to Water. The main topic on the agenda will be the forthcoming Communication on the “Blueprint to Safeguard Europe’s Water Resources”, which is a key environmental item in the Commission’s Work Programme for 2012.

This background paper is aimed to serve as the basis for the discussion, allowing the Ministers / Heads of Delegations to contribute to the final shape of the Blueprint and laying the ground for the adoption of Council Conclusions on 19 December 2012.

The Blueprint to Safeguard Europe’s Water Resources

The EU has developed, over several years, a comprehensive water policy that has gradually shifted from addressing mainly health concerns to the environmental impacts of major water-using sectors. With the adoption of the Water Framework Directive (WFD), in 2000, water policy has made a step-change taking an integrated approach to water management, centred on the concept of “river basin management”, aimed at achieving good status of all EU waters by 2015.

Nevertheless, the achievement of the EU water policy goals is still presenting considerable challenges, due to, inter alia, a number of persisting as well as emerging water management issues. Pollution of water resources, degradation of hydro-morphology, over-abstraction, decline in soil organic matter, etc., are still occurring and have detrimental impacts on freshwater ecosystems, human health and economic activities, in particular through the nexus between water, food and energy production. Demographic evolution, land use change and economic development are projected to increase pollution and water shortages. This is expected to be exacerbated by climate change, particularly in the Mediterranean region, while increasing the intensity and frequency of floods in many parts of Europe. All this makes it increasingly difficult to achieve the WFD objective of good water status for all EU waters by 2015.

The Fitness Check of EU Freshwater Policy and the assessment of the River Basin Management Plans of the EU Member States conducted by the European Commission in 2010-2012, show that

the adequacy of the current water legislative framework is not questioned by the vast majority of the stakeholders, nor is its coherence with the rest of the environment policy. However, weaknesses still exist in the implementation of the current water legislation as well as conflicting concerns and priorities between water policy and other EU policies' objectives.

With a view to respond to the above challenges and ensure the achievement of EU water policy objectives, it is necessary to clarify whether and what additional actions and tools are needed at Member States and EU level.

The Blueprint to Safeguard Europe's Water Resources will try to do this with the long term aim to ensure availability of good quality water for sustainable and equitable water use, in line with the WFD objectives. It will also set the agenda for EU water policy for the years to come. The time horizon of the Blueprint is 2020 since it is closely related to the EU 2020 Strategy and in particular to the recent Resource Efficiency Roadmap. The Blueprint will be the water milestone on that Roadmap. However, the analysis underpinning the Blueprint will in fact cover a longer time span up to 2050.

In line with the current approach of water policy, the Blueprint will propose EU action where it offers added value and will take fully into account the very significant differences between and within Member States in terms of water availability, quality, quantity, efficiency, etc. Therefore, it will not put forward a "one size fit all" straight jacket but rather try to put in place the tool box that Member States can rely upon to improve water management at national, regional and river basin level.

Stakeholder Consultation – 3rd European Water Conference

Several studies launched by DG Environment, DG Research, the Joint Research Centre, the European Environment Agency and others, have helped boost the knowledge base to develop the policy options that can deliver better implementation, better integration and completion of EU water policy.

The European Commission has conducted a stakeholder consultation (15 March 2012 – 7 June 2012) to gather the public's views on the most appropriate policy options that need to be taken at EU level to improve water management in Europe and to safeguard water resources for all users. These policy options were also presented and debated between a large number of different stakeholders, Member States and the European Commission, at the 3rd European Water Conference (Brussels, 24 – 25 May 2012), which provided a valuable input for the preparation of the Blueprint. The Conference debates confirmed the validity of the analysis of the challenges faced by the water environment in the EU as well as the range of options currently available to tackle them.

Blueprint Policy Options

In order to deliver EU water policy goals, a range of different policy options can be considered at EU level to improve water resource efficiency and sustainability. The options currently assessed in the Blueprint's preparatory process include tools that foster integration and implementation of water policy such as:

- a) **Managing water demand** (improvement of irrigation efficiency, efficiency measures in buildings, labelling of water efficient products, water infrastructure and leakage reduction in distribution networks, etc.)
- b) **Protecting the water ecosystems** (Green Infrastructure such as natural water retention measures, e.g. floodplains and wetlands restoration, sustainable drainage, remeandering of rivers, etc.)
- c) **Increasing availability of clean water** (water reuse and recycling, water storage, etc.)
- d) **Improving drought management** (enhancement of drought management planning into overall river basin management planning, a European wide early warning system for droughts, establishment of a drought emergency fund, enhancement of the funding possibilities currently available, etc.)
- e) **Increasing the use of economic instruments** (incentive pricing policies, payments for Ecosystem Services, metering, conditionalities for using EU funds, etc.)
- f) **Achieving more efficient water governance** (peer reviews of river basins management plans, reinforcement of inspections and surveillance, establishment of systematic water balance assessment / water accounts, water efficiency target setting, etc.)
- g) **Improving the knowledge base** (addressing knowledge gap in water quantitative management, improved analysis of the costs and benefits of water protection measures, increasing interoperability of available information and decreasing administrative burden, further development of the Water Information System for Europe (WISE), etc.)
- h) **Boosting innovation** (creation of a European Innovation Partnership (EIP) on water, involvement of the private sector, etc.)
- i) **Strengthening global cooperation** (achievement of Millennium Development Goals, supporting integrated water management in developing countries, etc.)

Questions for discussion

Against this background, the Presidency invites Ministers / Heads of Delegations to address the following questions:

- The Fitness Check of EU Freshwater Policy and the assessment of the River Basin Management Plans show that improvements in the implementation of the current water legislation are the first priority and that, in relation to other policies, better integration is needed.
 - *What action should the EU take as a priority to improve implementation of water policy and reduce the potential for conflicts with other policies' objectives?*

- Rising water demand and the impacts of climate change are expected to increase the pressure on Europe's water resources and phenomena such as scarcity, droughts and floods. This underlines the importance of increased efficiency in water use and improved resilience to extreme weather events.
 - *How could the uptake of water efficiency and resilience measures be improved?*

- Current pricing schemes in Europe often fail to combine the objectives of efficiency and fairness and do not allow the degree of cost recovery required for the sustainable financing of water policy. Reasons for the lack or inefficient use of such instruments include insufficient knowledge, barriers to acceptance, inappropriate price structures and lack of pre-conditions such as metering and abstraction control.
 - *How can the EU further support the use of economic instruments for better water management?*

