



Harmoni-CA

Economics and Economic Tools in the Implementation of the WFD

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Abstract:

The Water Framework Directive (WFD) is one of the first European directives in the domain of water, which explicitly recognizes the role of economics in reaching environmental and ecological objectives, and where economics is an integral part of the decision-making processes surrounding its implementation in Member States. The Directive calls for the application of economic principles (e.g. polluter pays principle), economic methods and tools (e.g. cost-effectiveness analysis) and for the consideration of economic instruments (e.g. water pricing methods) for achieving good water status for all European water bodies in the most effective manner. The implementation process has been an important learning

process so far for both experts and policy makers. Many decision issues have been clarified in the past few years, but equally many policy and research questions related to the development of the first integrated river basin management plans in 2009 remain open. The paper presented at the conference provides an overview of economic methods and tools available to underpin the implementation of the WFD, including cost-effectiveness analysis, cost-benefit analysis and integrated river basin modelling, and experiences with these approaches and tools so far in the actual implementation of the WFD.