

## **Manual of European Environmental Policy**

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# Water scarcity and droughts

<b>Formal reference</b> <a href="#">(COM/2007/0414)</a>  18 July 2007	Communication from the Commission to the Council and the European Parliament, Addressing the challenge of water scarcity and droughts in the European Union.
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## Purpose

The Communication on Water Scarcity and Droughts sets out options for reducing the impact of droughts and planning for water scarcity. It is a non-legislative document which stresses the need for an integrated policy approach, including a hierarchy of measures and full implementation of the Water Framework Directive [2000/60/EC](#). It also sets in place a process to review progress on this issue.

## Summary

Over the past 30 years droughts have increased in both intensity and frequency in the European Union (EU). The number of areas and people affected by droughts increased from 6 per cent during the period 1976–1990 to 13 per cent during 1991–2006. Over this time, the overall economic impact of droughts was estimated to be about €100 billion, without even including social and environmental costs (COM/2007/0414). As a result in June 2006 the Environment Council called for EU action on water scarcity and droughts. In response, on 18 July 2007, the European Commission published a Communication on water scarcity and droughts (COM/2007/0414), which presented a set of policy options at EU, national and regional level to address and mitigate water scarcity and droughts within the Union. The Communication identified seven key challenges to move towards a water-efficient and water-saving economy, namely:

- The need fully to implement the Water Framework Directive [2000/60/EC](#) especially the provisions on water tariffs and compulsory metering, River Basin Management Plans and drought management plans (Articles 9, 11 and 13).
- Improving water pricing policies to better reflect the ‘user pays principle’.
- Moving towards sustainable land-use planning.
- The need to base policy making on a clear water hierarchy, giving priorities to water-saving and water-efficiency measures.
- Further integrating water issues into all sectoral policies.
- Improving knowledge and information.

The Communication stated that an integrated approach is needed, based on a combination of multiple options. A key option is to put the right price on water in accordance with the ‘user pays’ principle. The recovery of the costs of water services is a requirement of Directive 2000/60/EC. Another major option is improving land-use planning, in particular to tackle the impact of agriculture and tourism on water resources. Adapting all economic activities to the

amount of water available locally is considered to be a key condition for sustainable land-use planning.

The Commission proposed a hierarchy of measures. It placed water saving at the top of the ‘water hierarchy’, whereas creating new water supplies (storage of water, river basin transfers and desalinization) was considered to be an option of last resort and therefore put at the bottom of the hierarchy. In order to save water, water-efficient technologies and practices need to be encouraged. The Commission recommended, amongst others, to develop standards for irrigation systems and other farm water-using equipments, to develop legislation for water-using devices such as taps, shower heads and toilets and to develop a new Directive for water performance of buildings.

The Communication also encouraged the efficient use of EU and national funds to improve water demand management and respond to droughts (including through the use of the EU Solidarity Fund and the European Mechanism for Civil Protection), the development of a European Drought Observatory and early warning systems by 2012. The effective implementation of the Directive [2003/35/EC](#) on Environmental Impact Assessment and Directive [2001/42/EC](#) on Strategic Environmental Assessment by all Member States was also considered key to avoid any adverse impact of water management projects on water resources.

## **Follow-up to the Commission Communication on Water Scarcity and Droughts**

### **Initial Response**

In October 2007 the Council supported the options identified in the Communication and invited the Commission to review and further develop the strategy for water scarcity and drought by 2012.

The European Environmental Bureau and WWF criticized<sup>1</sup> the policy for not adequately addressing agricultural water use, which is a major contributor to the problem as it was responsible for 44 per cent of all water abstracted in Europe, and over 67 per cent in southern Europe.

### **Report on drought management plans**

A European network of experts on water scarcity and droughts produced a report<sup>2</sup> on drought management plans as part of the Common Implementation Strategy of the Directive 2000/60/EC. It set out recommendations in preparing operational drought management plans to prevent and mitigate the impact of droughts on the environment, society and the economy. The report included examples of drought management plans in place in Member States such as Portugal, Spain and the United Kingdom.

### **Follow-up Communications**

In 2008 the Commission published a follow-up report reviewing progress on the key issues that were identified in the Communication ([COM\(2008\)875](#)). The Commission continued to

stress the importance of implementation of Directive 2000/60/EC as an integrating mechanism to tackle water issues. However, the Commission recognized that ensuring coherence across policy areas is a major governance challenge. The Directive 2000/60/EC requirement on water pricing is an important element and the Commission reported action by some Member States, although it was not clear how far this action was a response to the Directive 2000/60/EC or was pre-existing action. The report did, however, note increasing use of metering.

The inclusion of water issues within the Good Agricultural and Environmental Conditions requirements under cross-compliance under the Common Agricultural Policy (CAP) was viewed as an important step forward. The Commission had rejected further requirements of the Directive 2000/60/EC as a cross-compliance condition (due to problems identifying what these should be), but it stated that this would be considered in the discussion on the CAP post-2013. The Commission noted some improvements on land-use planning in relation to water scarcity, but overall it concluded that ‘there is currently little evidence that land-use challenges are being fully integrated into the water management decisions taken by the Member States’. The report continued by considering financing options (such as within aspects of the CAP or under climate adaptation). It noted increasing use of different types of drought management plans and increasing technological innovation.

The 2008 Communication highlighted that some Member States (Cyprus, France, Portugal, Spain, the United Kingdom) were taking actions to set tariffs that are consistent with the level of water scarcity at local level, the season and/or the level of consumption. Others (United Kingdom) were conducting reviews and assessing the effectiveness of different types of tariffs in water-stressed areas. Progress was also being made in the area of water metering. A few Member States were developing national strategies to ensure the metering of water abstraction in agriculture and proof of public authorization to abstract (France, Spain), extending metering to include water abstraction and consumption (Cyprus, France, Portugal), and introducing possible metering obligations in water-stressed areas (France, United Kingdom) or to all households that were part of new multi-occupancy buildings (France). However, it was noted that further action was needed.

The Communication noted that there was little evidence that land-use challenges were being fully integrated into the water management decisions taken by Member States. A few Member States, however, had taken some steps to reduce the pressure on water resources, such as a ban on increases in water abstraction in overexploited areas (France, Spain), an assessment of the volumes that can be sustainably abstracted and a review of the abstraction authorizations (France, United Kingdom), and an obligation to put in place collective irrigation organizations in charge of limiting and distributing abstraction volumes among irrigators (from 2011 in France).

As for fiscal incentives, some Member States had taken a range of initiatives to promote water efficiency. Some for instance had put in place schemes to support the purchase of rainwater harvesting and waste water reuse equipment in private and public buildings or aquifer recharge (Cyprus, France, Netherlands). Some were developing schemes that enable businesses to claim allowances for investments in water-efficient technologies and equipment (United Kingdom). Both regional and local authorities (Spain) and the private sector had sometimes put in place specific action plans in order to support the use of water-saving devices and improve water supply networks. Some Member States (such as Portugal, Spain)

also took actions to improve water management through the CAP rural development programmes.

Some Member States were also implementing, or planning to implement, additional measures, such as water company drought plans (United Kingdom), national drought plans (Cyprus, France), a system for the prediction and management of droughts (Portugal). However, only a few Member States had taken action.

The Commission concluded that progress had been made, but that the key challenges remain and the EU and Member States needed to take significant further additional action to tackle the priorities identified in the 2007 Communication which 'remain valid'.

A Commission Communication ([COM\(2010\)228](#) 18.5.2010) formed the second follow up report, assessing progress towards the implementation of the objectives set out in 2007. Its overall conclusions were that many of the 2007 objectives remained valid and that specific measures it prescribed had been implemented. However, more efforts were required to 'stop and reverse the process of over-exploitation of Europe's precious but limited water resources'. The Communication also emphasised the lack of production of some of the River Basin Management Plans under Directive 2000/60/EC (see implementation of the [Water Framework Directive](#)). Many of the Member States that failed to meet the deadline of December 2009 are also those where drought is the most severe. This was particularly unfortunate as the Water Framework Directive encourages the development of Drought Management Plans within River Basin Management Plans.

The Communication focused mainly on measures concerning water pricing, water saving and water efficiency. However, other measures, such as creating a water saving culture, improving information and data collection and financing, were also discussed. Water pricing policy was introduced by Directive 2000/60/EC. However the Communication stressed that water pricing on its own may not be effective at reducing water consumption. Thus increased prices need to be introduced gradually and complemented with additional measures that would encourage efficient use of water. The Commission supported the promotion of developing a new culture of water management in municipalities' development plans. It also noted that only a few Member States had adopted taxation policies to address water scarcity issues.

The Commission encouraged the development of large scale water planning especially in the areas of farming or tourism, where over-abstraction is a problem. A separate part of the Communication considered the agriculture sector, noting that the 2008 Health Check of the Common Agricultural Policy introduced better water management as an objective (see section on [Agriculture](#)). The Communication emphasised the need to improve drought risk management, and argued for a conceptual shift from 'crisis response to risk management'. In addition to the identification of areas likely to be affected by regular or long-lasting drought, the Commission continued to encourage the development of Drought Management Plans.

The link between climate change and water scarcity was also explored. The Commission referred to its 2009 guidance document on incorporating climate change in River Basin Management Plans (see section on the [Water Framework Directive](#)). Also in March 2009 the Commission published a [working document](#) 'Regions 2020 - Climate change challenges for European Regions' which also addressed the effect of climate change of water scarcity and droughts. The Commission proposed further development of the European Drought

Observatory, engaged ‘in pre-operational production of drought indices’. It also reported that for the first time the EU solidarity fund was used in relation to droughts. However the procedure to apply for funding was not appropriate for ‘slowly unfolding disasters’. Thus it called for a reconsideration of the [European Union Solidarity Fund](#) Regulation to widen the scope of events eligible for funding. Concerning water efficiency measures, the Communication stressed results of a 2009 assessment that showed that the introduction of a mandatory requirement on water using devices under the revised Eco-design Directive (see section on [Energy Using Products](#)) would result in significant savings (up to 19.6 per cent of the total EU public water supply).

The Commission published its third follow-up report on the Communication on 21 March 2011 ([COM\(2011\)133](#)). It found that water scarcity was experienced by various Member States and was not limited to the Mediterranean region. Mitigation actions and restrictions of uses had been implemented in various Member States; France restricted general water use, while Romania, Sweden and Cyprus restricted irrigation uses. It was reported that authorisation procedures for water abstraction and water use restrictions were.

The report found that few Member States had implemented water efficiency standards in buildings. Some had integrated it within the River Basin Management Plans (RBMP), but only in a minority of cases. Water efficiency had also been addressed through reduction of leakages in distribution systems and agricultural uses. Studies suggested that as much as 50 per cent of the water abstracted was lost in distribution in certain parts of the EU. Thirteen of the twenty one countries which responded to the Commission reported the implementation of measures to reduce leakage - this included regular maintenance works and the integration of the update of the network within the RBMP.

Eight Member States had introduced water-tariffs and five more were currently developing tariffs. An assessment had been launched by the Commission on water pricing policies for the agricultural sector. The Commission reported on a lack of comparable quality data across the EU. Indicators were being developed under the Common Implementation Strategy for the period 2010-2012 and a set of vulnerability indicators were also being developed to analyse the water related impacts, both with a strong emphasis on water scarcity and droughts.

## **Other responses**

In 2009 the Commission published a [report](#) ‘Water for life - LIFE for water: Protecting Europe's water resources’; examining funding of projects under [LIFE+](#) including noting the future challenge of funding projects to address water scarcity and droughts.

An international conference on water scarcity and droughts was organised by the Spanish Council Presidency in February 2010. The conference aimed to raise awareness and stimulate discussions on the available tools to prevent and mitigate water scarcity in view of increasing pressures due to climate change.

## **Related legislation**

The Water Framework Directive [2000/60/EC](#) sets a framework for the comprehensive management of water resources in the EU, within a common approach and with common objectives, principles and basic measures. It can help to address issues of water scarcity,

through the implementation of the water management plans and associated programmes of measures. In particular, Article 11 requires the implementation of a programme of measures taking into account quantity issues and measures to promote an efficient and sustainable water use. It also requires a systematic control over the abstraction of fresh surface water and groundwater. Furthermore, Article 9 (see Annex 1) and Annex III require Member States to take into account the principle of recovery of the costs of water services, including environmental and resource costs, in accordance with the polluter pays principle. It requires Member States to ensure, at the latest by 2010, that water-pricing policies provide adequate incentives for users to use water resources efficiently and that the various economic sectors contribute to the recovery of the costs of water services. Regarding droughts, Article 13.5 of Directive 2000/60/EC requires River Basin Management Plans to be supplemented by the production of more detailed programmes and management plans to deal with drought issues.

As regards the EU Solidarity Fund, Regulation (EC) No [2012/2002](#) allows droughts to be considered for aid only if the specific conditions for its mobilization are respected, including the ten-week time limit from the start of the disaster for presenting an application to the Commission.

Directive [92/75/EEC](#) on the indication by labelling and standard product information of the consumption of energy and other resources by household appliances aims at promoting the use more resource-efficient appliances.

## Further developments

In 2012 a full review of the policy will take place. This will coincide with a report from the Commission on the implementation of the [Water Framework Directive](#), examining future water policy directions in the form of a blueprint to safeguard Europe's waters. The evaluation of the water scarcity and droughts Communication will assess the implementation and achievements of policies and measures and identify gaps and shortcomings; it will also examine the future vulnerability of the waters to identify policies needed in other areas.

## References

1 EEB & WWF (2007) Press Release, *EU Drought/Water-scarcity Strategy Ignores Water Wasting Farmers*, Brussels.

2 Water Scarcity and Droughts Expert Network (2008) Drought Management Plans.  
[http://ec.europa.eu/environment/water/quantity/pdf/dmp\\_report.pdf](http://ec.europa.eu/environment/water/quantity/pdf/dmp_report.pdf)