

**«EUROPE-INBO 2021»
19th INTERNATIONAL CONFERENCE
FOR THE IMPLEMENTATION OF
THE EUROPEAN WATER DIRECTIVES**

**Economic tools for basin management:
integrating environment and biodiversity
in cost-recovery**

December 10, 2021



**GOBIERNO
DE ESPAÑA**

**MINISTERIO
PARA LA TRANSICIÓN ECOLÓGICA
Y EL RETO DEMOGRÁFICO**

**CONFEDERACIÓN
HIDROGRÁFICA
DEL DUERO, O. A.**

Costs of water services WFD

- Financial costs
- Resource costs
- Environmental costs

Another costs

- Flood protection
- Water administration and management
- Monitoring nets

Another costs nor linked to uses

Duero river basin (Spain)

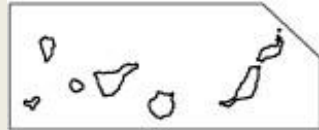
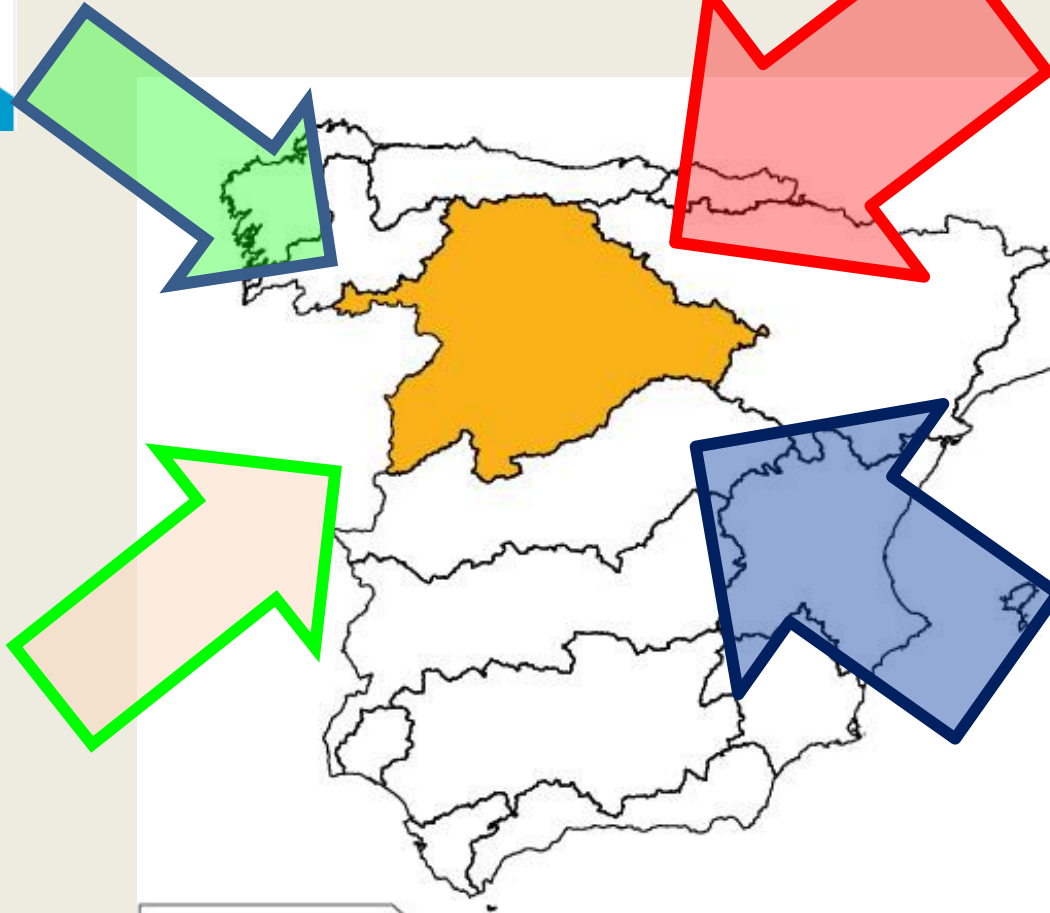
Cost-generating uses ...

	Financial	Resource	Environmental
Households	X		X
Agriculture/ Livestock farming	X	X	X
Industry	X	X	X

Cost recovery instruments

	Financial	Resource	Environmental
Households	X		X
Agriculture/ Livestock farming	X		
Industry	X		X

Duero river basin (Spain)

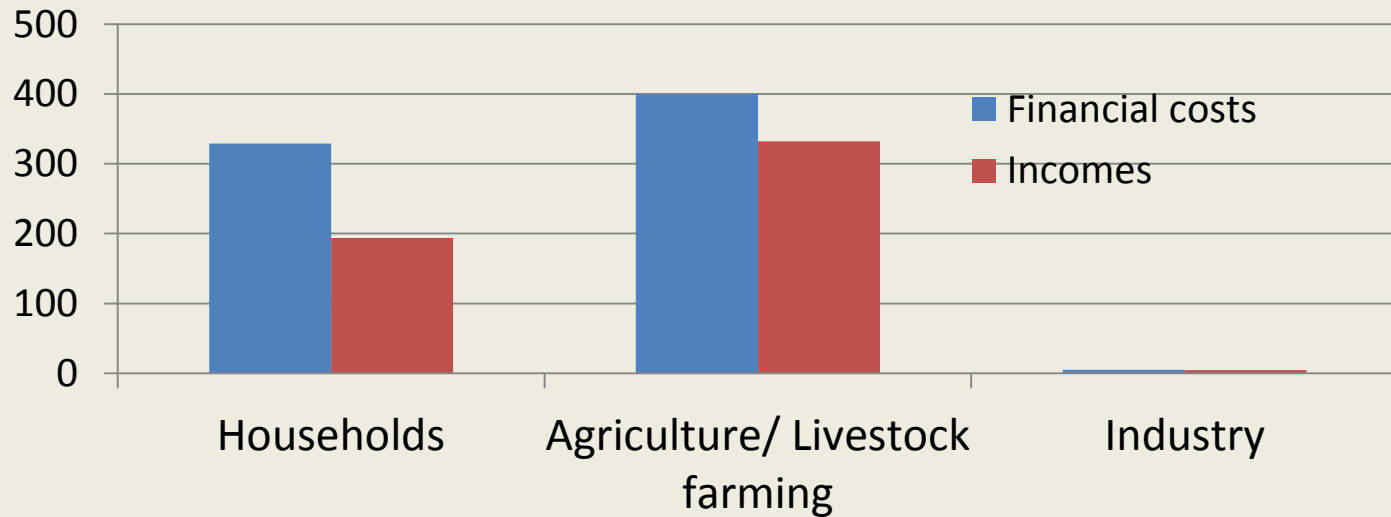
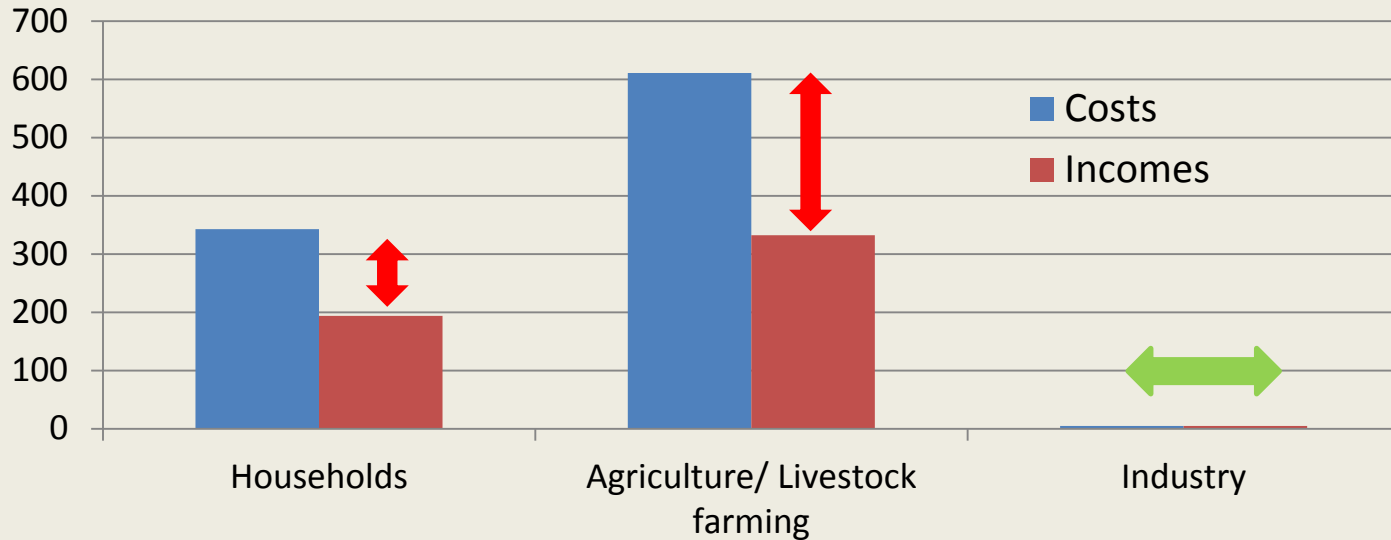


Economic instruments regulated by current laws in Duero RB

- Tax for the use of DPH assets (art 112)
- Fee for the use of water for the production of electricity (art 112.bis)
- Discharge control fee (art 113)
- Water regulation and water use fees (art 114)
 - Tax on the environmental damage of the use of dammed water in Galicia
 - Canon da Auga de Galicia
- Environmental damage tax of hydropower production with dammed water through dams
 - Town authority taxes



Cost recovery for uses in Duero RB



Impact of a 100% cost recovery on uses

Households

Water average allocation	Analysis unit	Cost increase		Comparison unit		Cost increase (%)
10,26 m ³ /month/person	Monthly tax for a 4 people family	23,30	€/month	2.306,58	Average monthly income per household INE 2019 (€/month/household)	1%

Irrigation

Water average allocation	Analysis unit	Cost increase		Comparison unit		Cost increase (%)
6.150 m ³ /ha/year	Irrigated hectarea	544,87	€/year	815,00	Irrigation gross margin (€/ha/year)	67%

New instruments to recover environmental and biodiversity costs

➤ New finalist character tribute:

Motivate Environmental objectives

Penalize PRESIONS

Benefit uses that do not cause significant pressures.

➤ IRPF

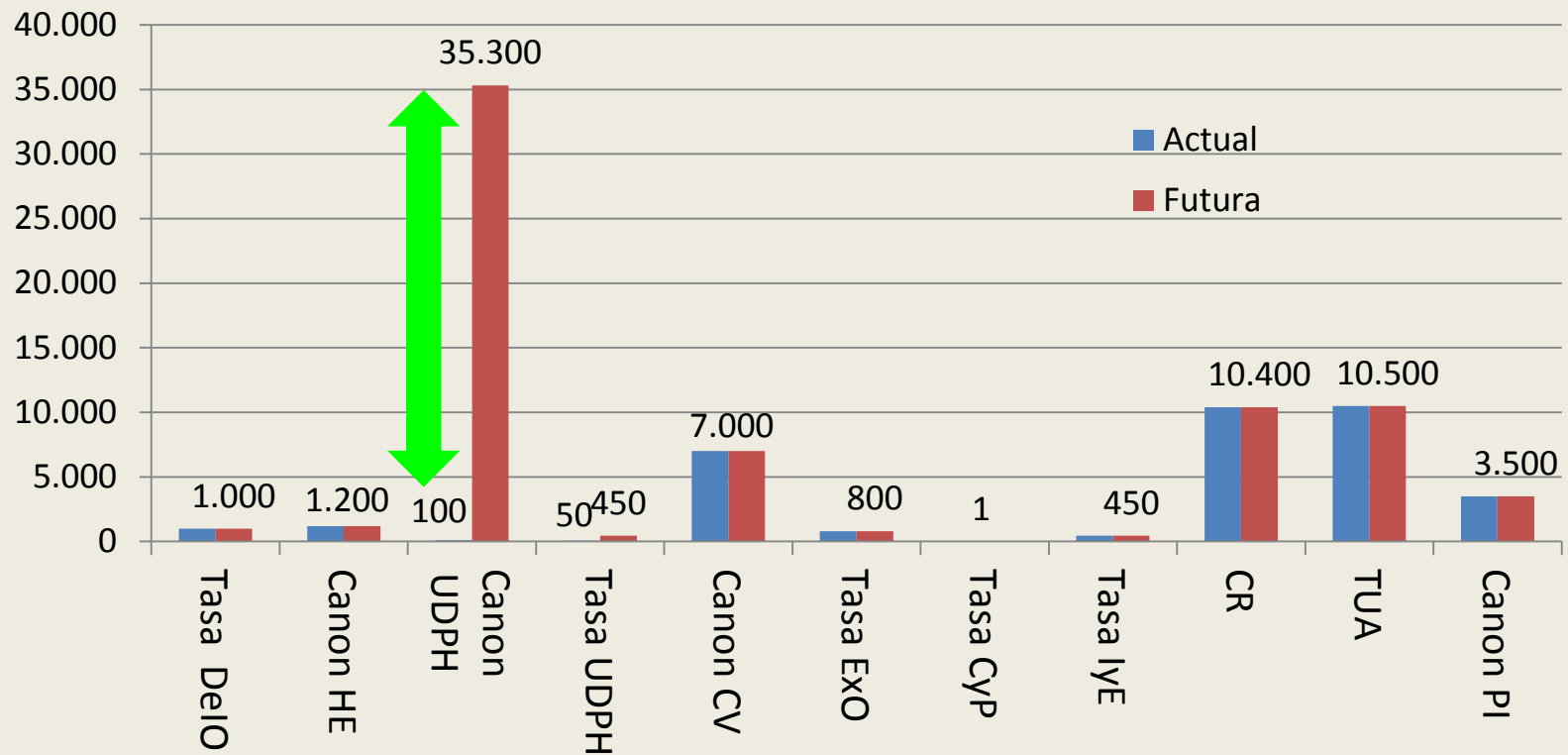
Distribute environmental costs among the entire society, current and past, responsible for the current pressures

➤ “Green” treasury o particular bonds:

Complement the current financial scheme with the issuance of debt or green bonds

New instruments to recover environmental and biodiversity costs

- Modify the current economic regime with a higher tax burden on the use of water for economic purposes





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