



Project title: **Water Cap & Trade:
Water market scenarios for
southern Europe**

France, Italy, Spain - 3 years.

Presente: Jean-Daniel Rinaudo





Research team

- Coordinator
 - BRGM (French Geological Survey), Public Research Center.
- Partners
 - CEMAGREF (FR) – Public Research Center in Agriculture & Environmental Engineering Research.
 - ACTeon (Fr) – Private research & consultancy bureau.
 - University of Bologna (It), Dep of Agricultural Economics & Engineering
 - Polytechnic University of Madrid (Sp), Research Center for the management of Agricultural and Environmental Risks (CEIGRAM)
 - University of Cordoba (Sp).



Policy context

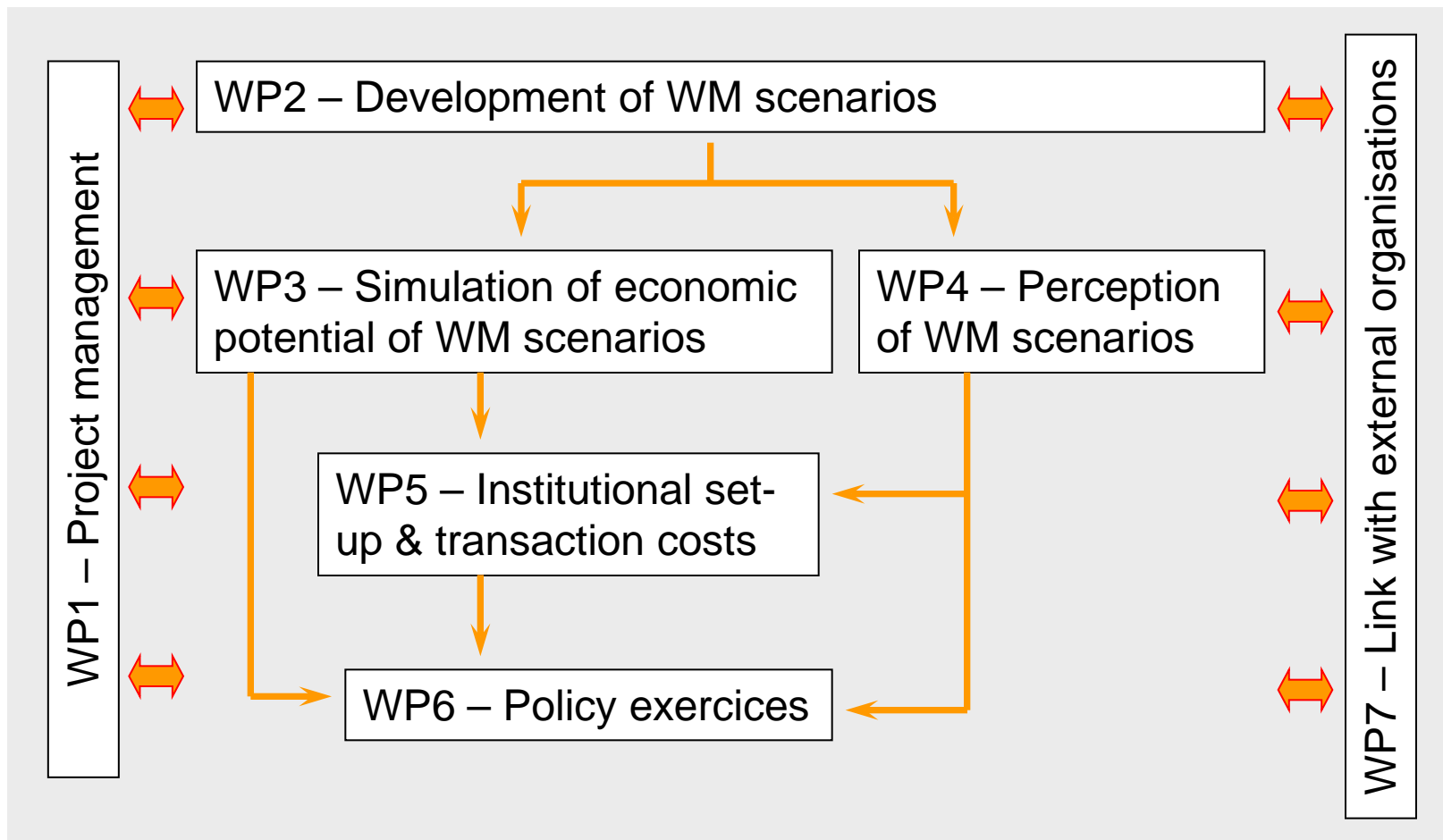
- Increasing water scarcity in Mediterranean regions
 - Climate change: reduced available resources, increased demands (agriculture)
 - Increased environmental allocation (WFD)
 - Rationing procedures will be needed (Cap)
 - Source of economic inefficiencies
- Increasing flexibility through trading
 - Water transferred from low to high economic value uses
 - On a voluntary basis, win-win agreements
 - Exchanges within or between economic sectors, long or short term ..



Research questions

- **Q1:** Which type of water market for reallocating water in Southern Europe ? Learning from international experiences.
- **Q2:** Which potential for WM: trading intensity, prices, economic gains ?
- **Q3:** Cost of establishing and running water markets
- **Q4:** Socio-political acceptability of water markets ?
- **Q5:** How to phase the introduction of WM, minimizing risks of policy reform failure ?

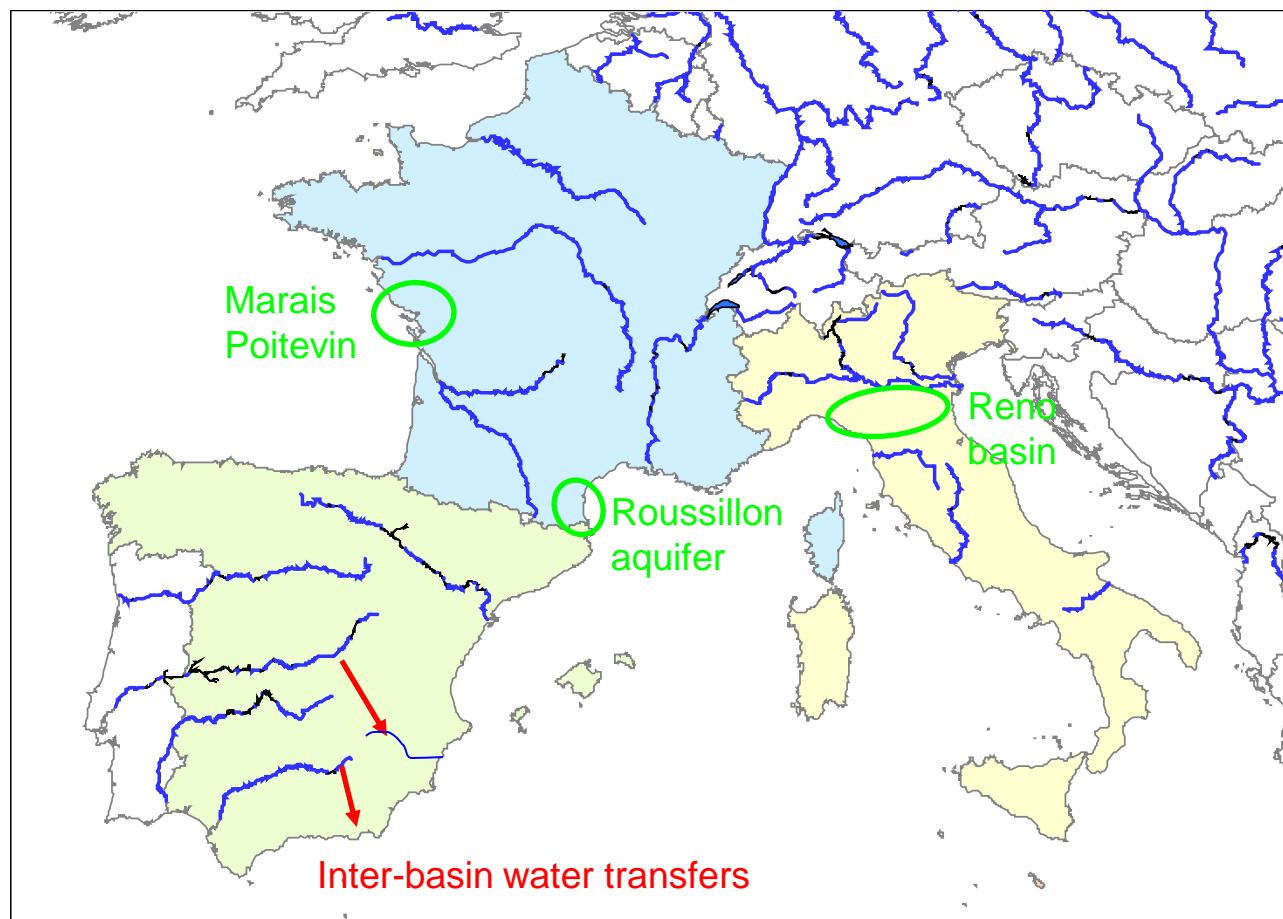
Research activities



Selected case studies

Spain : existing WM and scenarios of more sophisticated WM scenarios

France & Italy : scenarios of future water market development





Cooperation with external organizations

