



# Water Cap & Trade

## Water market scenarios for Southern Europe

### Scientific Partners

Brgm (Fr) – *JD Rinaudo (coord.)*

Cemagref (Fr) – *M. Montginoul*

ACTeon (Fr) – *P. Strosser*

Polytechnic University of Madrid (E) – *Alberto Garrido*

University of Cordoba (E) – *J. Berbel*

University of Bologna (I) – *D. Viaggi*



## Policy context

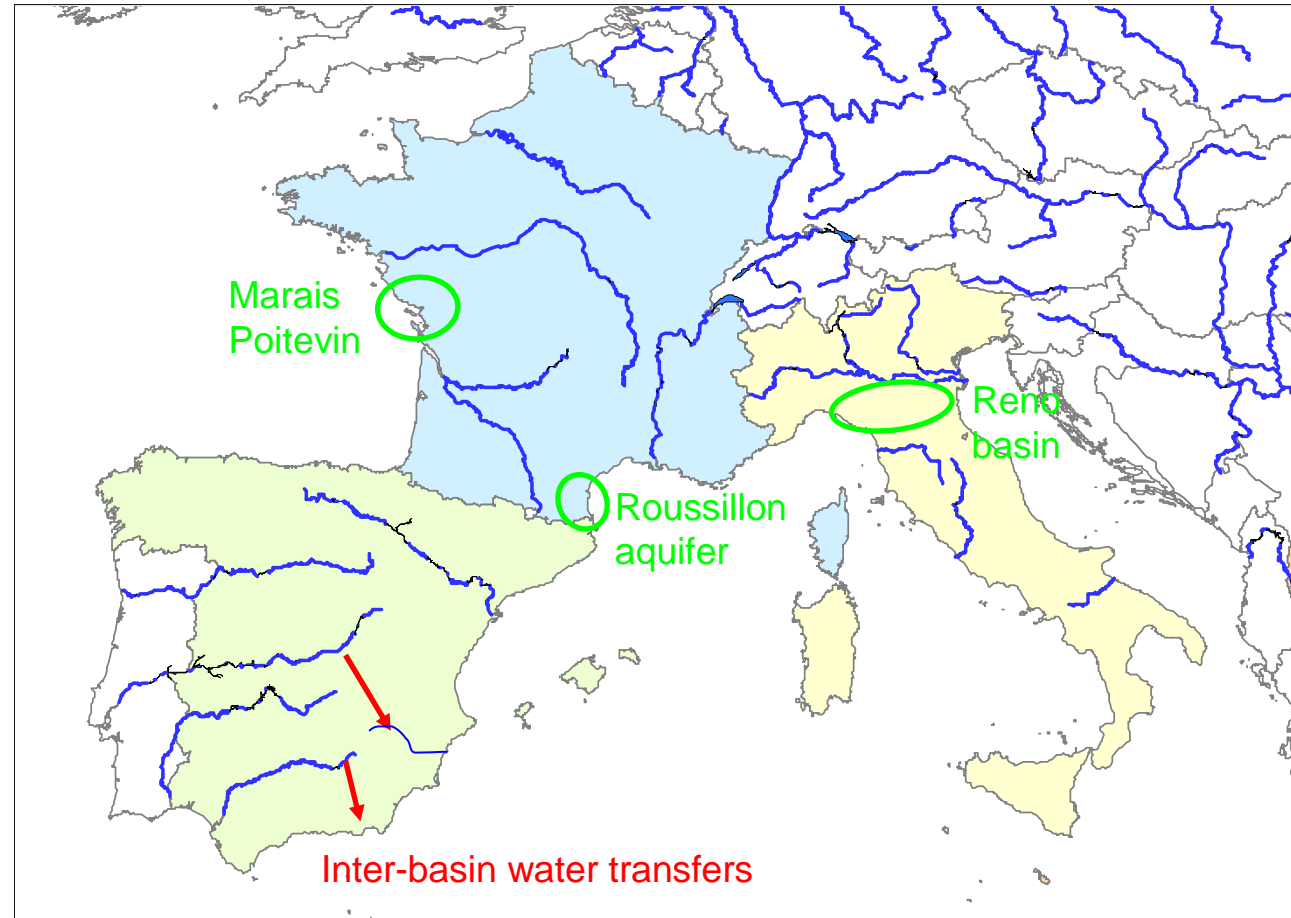
- Increasing water scarcity in Mediterranean regions
  - Climate change: reduced available resources, increased demands (agriculture)
  - Increased environmental allocation (WFD)
  - Rationing procedures will be needed (Cap)
- Increasing flexibility & efficiency through trading
  - Water transferred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



## Selected case studies

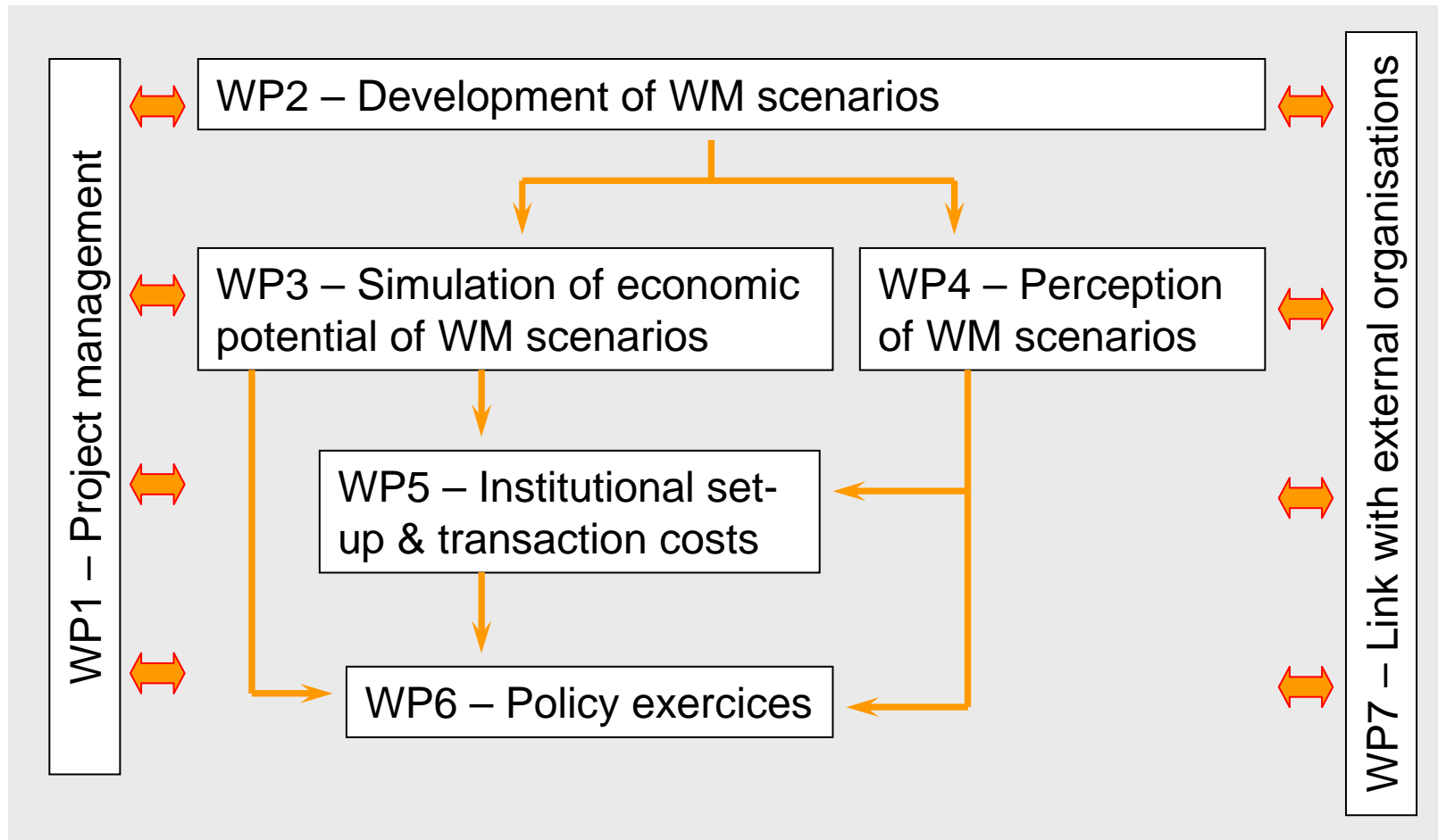
**Spain** : existing WM  
and scenarios of  
more sophisticated  
WM scenarios

**France & Italy** :  
scenarios of future  
water market  
development





# Workpackages

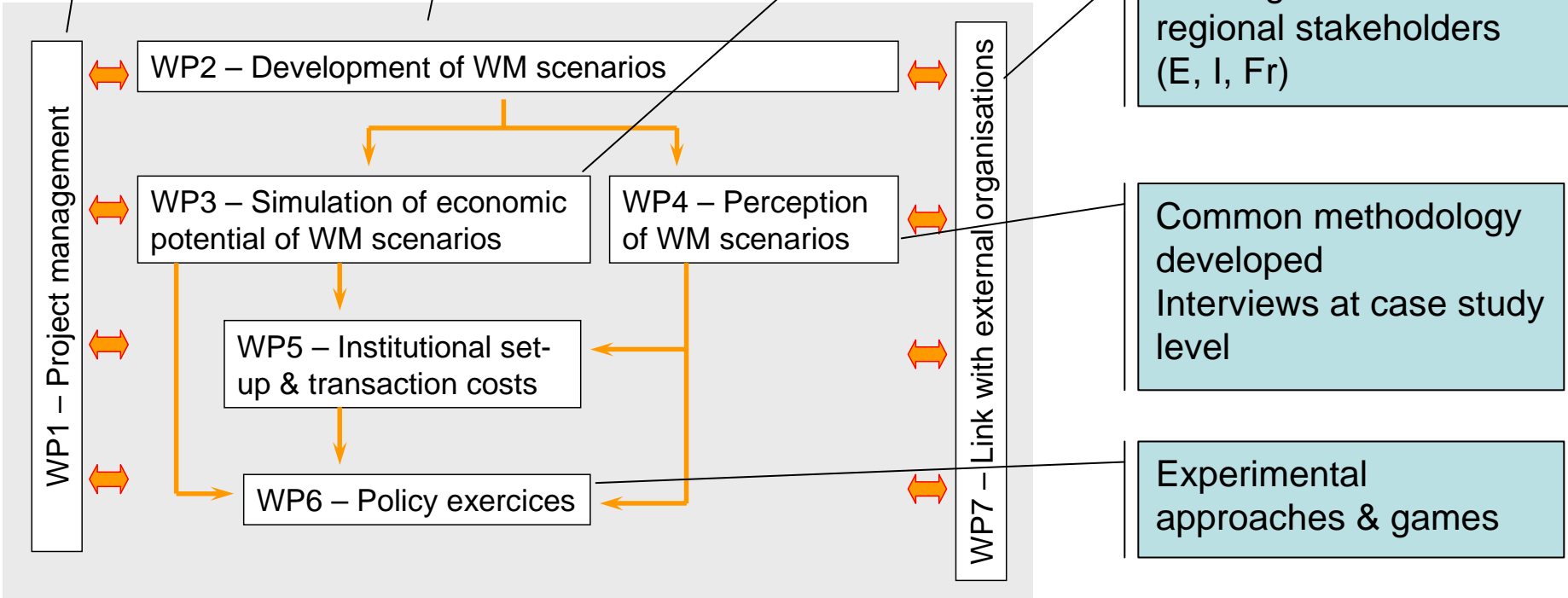




Kick-off meeting  
25/01/11  
2<sup>nd</sup> meeting  
Madrid 03/11/11

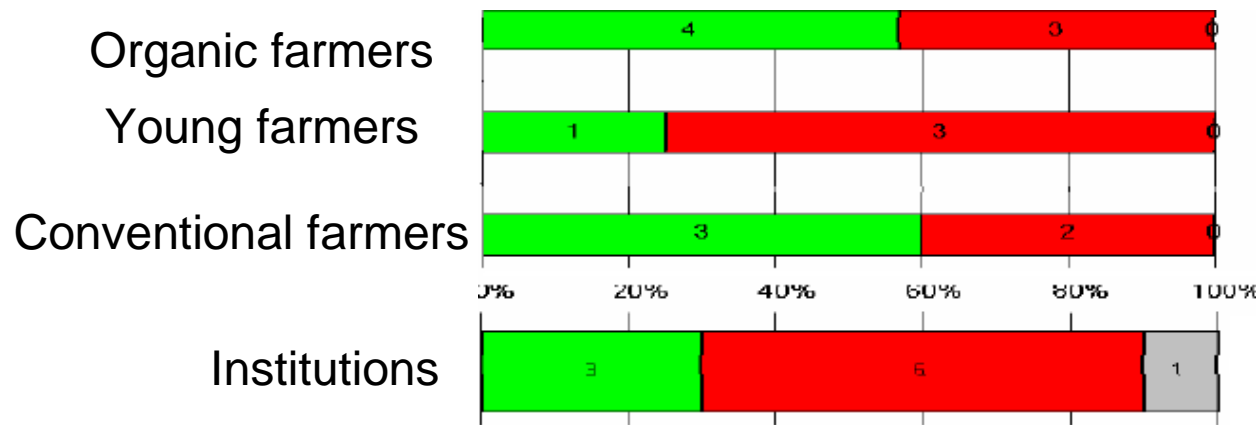
Review of international  
experiences: selection  
of common scenarios

Preliminary agricultural model  
developped (Marais Poitevin)

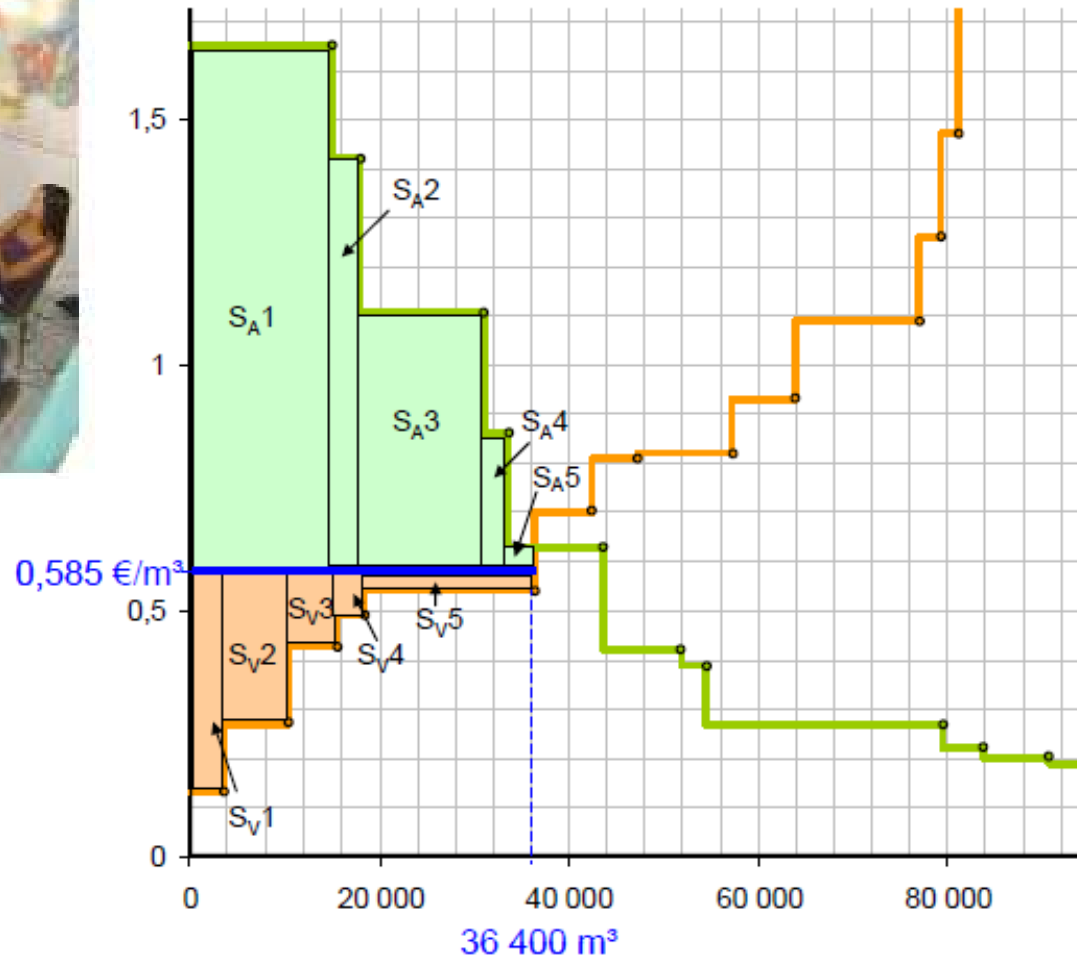




## Example of participatory foresight approaches

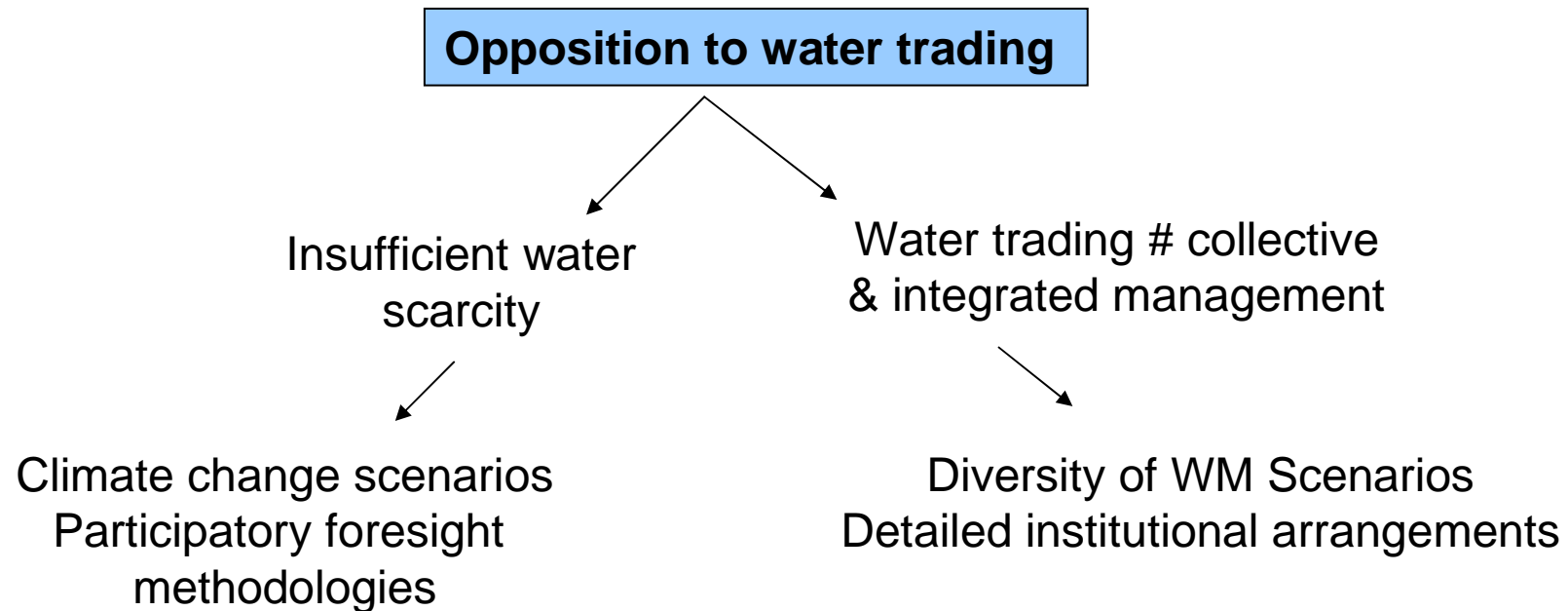








## Focus



**Main expected output:** WM scenarios adapted to local constraints  
(secondary role for economic models)





## Example of scenarios considered in France

- Basic assumptions for all scenarios
  - Individual quotas allocated
  - Use concessions # property rights, water = common property
- Scenarios
  - Lease of quota between farmers
  - Public Water Purchase during drought
  - Option markets agriculture – cities
  - Compensation market between cities
  - Interbasin transfers ?
- Next step: common scenarios => Madrid meeting !