

Markets and alternative instruments for groundwater management: lessons learnt from stakeholder workshops in France

Session 4: positioning water markets in the economic tool box

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Introduction

A cap to enforce: maximal volume of irrigation water withdrawals A decentralized management: Water Users' Association

2 approaches

Economic incentives

Taxes
Subsidies
Tradable water rights

Cooperative behaviors

Transparency
Non financial negociation
Contracts

Scenario workshops: to elicitate stakeholders' preferences







Embedding water markets' discussion into broader scenarios



Progression towards Water Markets, to allow

- comparisons between competing instruments
- adjustment in institutional framework (2030 time horizon)



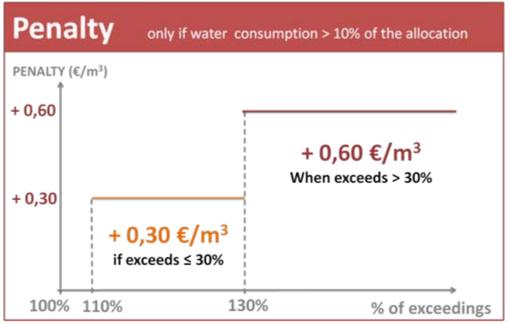




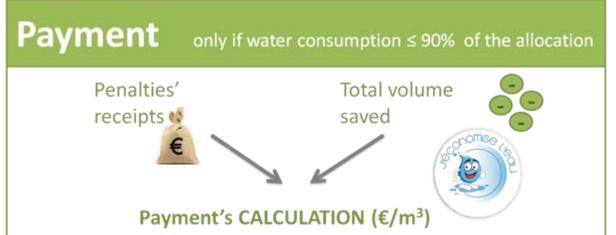
16 workshops in 5 regions 80 farmers, 44 stakeholders



Combined payment-penalty system







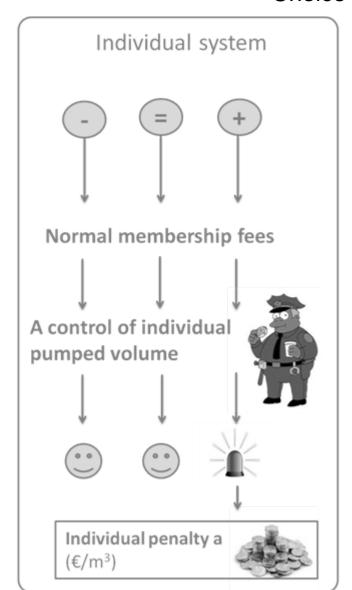


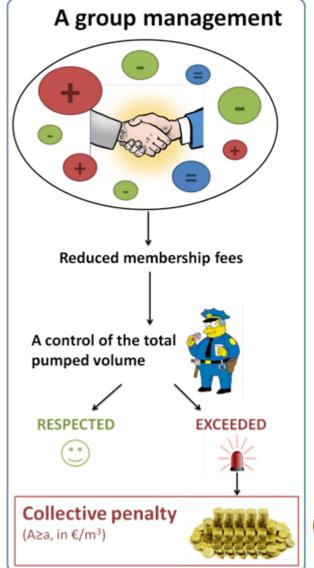




A joint liability contract

Choice between:

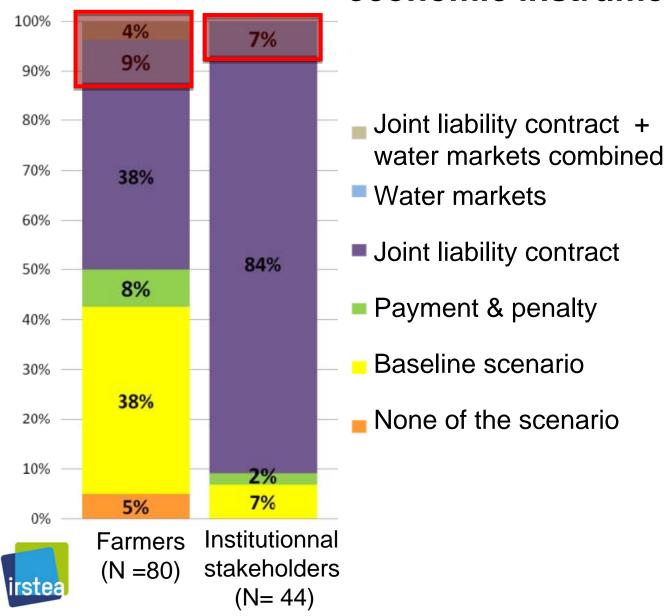








Stakeholders' preferences for various economic instruments













Conclusion

A need to embed water markets into broader scenarios to discuss with stakeholders on this radically new perspective

- In situation where cap is just defined
- When implementing them need drastic institutional changes

A reject of water markets





Stakeholders' preferences for various economic instruments

