

Second Annual Activity and Management Report
AquaMoney, contract no. SSPI-022723
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Colophone



SIXTH FRAMEWORK PROGRAMME

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Content

Executive Summary	3
1. Project objectives and major achievements	1
2. Workpackage progress	3
2.1WP 0 - Overall project coordination and management	3
2.2WP 1 - Assessment of policy maker demand	5
2.3WP 2 - Database development & meta-analysis	6
2.4WP 3 - Guideline development	7
2.5WP 4 - Practical testing of the draft guidelines in case studies	8
2.6WP 5 - Communication and dissemination	9
3. Consortium management	11
4. Justification major cost items and resources	12
4.1 IVM	12
4.2 Ecologic	13
4.3 UEA	14
4.4 UMB	14
4.5 UPVLC	15
4.6 BRGM	15
4.7 AEGEAN	16
4.8 RISSAC	16
4.9 AAPC	16
4.10 VITO	17
4.11 DEIAGRA	17
4.12 NIVA	18
4.13 RVAU	18
4.14 UNIBUC	19
4.15 IHSK	19
4.16 CUB	20
5. Form C completed for all contractors	21
6. Summary Financial Report	22
7. Distribution of the Community's contribution	23
Annex I Cost budget follow-up table & Person month status table	24
Annex II Forms C for all contractors	25
Annex III Summary financial report	26
Annex IV Plan for using and disseminating knowledge	27

Executive Summary

This is the second annual report of the European project AquaMoney (contract n° SSPI-022723) funded under the European Commission Directorate-General Research Sixth Framework Programme, covering the reporting period 1st of April 2007 until and including 31st of March 2008. The project AquaMoney aims to develop and test practical guidelines for the assessment of environmental and resource costs and benefits in the European Water Framework Directive (WFD). More specifically, a protocol for good practice is developed for the use of economic values related to environmental and resource costs and benefits under different European water management conditions at local water body scale, regional and international river basin level. Special attention is paid to the economic assessment of the non-market benefits of WFD implementation and benefits transfer.

Draft guidelines were produced during the first project year, while these draft guidelines were tested in practical case studies in 13 different EU Member States during the second project year based on a common valuation design (blue print). The case study work continues into the first half of the third project year. The case study reports are expected to be available in September 2008. Based on the practical case study findings the draft guidelines developed during the first year will be further refined and illustrated in the second half of the third and last project year. The case studies are organized around the following three WFD related management issues across EU Member States:

- *Ecological restoration of rivers and floodplains*
- International Danube river basin in Austria, Hungary, Romania
- *Chemical and ecological surface and groundwater quality management*
- UK, Norway, Denmark, Netherlands, Belgium, Lithuania, France, Spain
- *Water scarcity, water allocation and environmental degradation*
- Spain, Greece, Italy

The most important achievement and output in the second year is the development and implementation of a common valuation design (blue print) for the case studies. The practical work associated with the case studies was carried out during the second project year in the international Danube case study (Austria, Hungary, Romania), the international Scheldt case study (the Netherlands, Belgium), Lithuania and Spain. The common valuation design was piloted in the remaining country case studies. Final implementation of the common valuation design in these remaining case studies is currently ongoing and foreseen to be finished in the second quarter of the third project year. Although an enormous time consuming challenge, the development of a blue print for all European case studies and the consistent and coherent integration of the relevant WFD management issues in the three case study clusters by 16 international research institutes is considered a unique achievement.

Based on the achievements during the second project year, work continues in the third and final project year. Together with the results from the European valuation database, also developed in AquaMoney, the case study results will be integrated in the guidelines. This should result in a final version of the guidelines by the end of the third project year. More project information including the project deliverables can be obtained from the project website www.aquamoney.org or the project coordinator Roy Brouwer at the Institute for Environmental Studies, Vrije Universiteit Amsterdam (roy.brouwer@ivm.vu.nl).

1. Project objectives and major achievements

The project AquaMoney aims to develop practical guidelines for the economic valuation of environmental and resource costs and benefits related to water use and water services to be included in the economic analysis in the WFD. More specifically, a protocol for good practice will be developed for the use and transferability of economic values related to environmental and resource costs and benefits under different European water management conditions at water body, national and international river basin scale. The economic valuation experts participating in the project AquaMoney aim to provide more guidance regarding the assessment of especially the non-market benefits of WFD implementation.

In order to achieve the project's main objective, a three-year work plan was developed. In the first year draft guidelines were developed, which are tested in the second and part of the third year in 15 different EU Member States in practical case studies. The practical case studies are organized around the three main WFD related management issues across the EU:

- **Ecological restoration of rivers**

International Danube river basin case study carried out in Austria, Hungary, Romania

- **Chemical and ecological water quality**

- Humber catchment, UK
- International Scheldt river basin, the Netherlands and Belgium
- Morsa catchment, Norway
- Neris river basin, Lithuania
- Odense river basin, Denmark
- Guadalquivir river basin, Spain
- Upper Rhine river basin, France

- **Water scarcity**

- Guadalquivir river basin, Spain
- Serpis river basin, Spain
- Tajo river basin, Spain
- Po river basin, Italy
- Lesvos, Greece

Based on the practical case study findings the draft guidelines developed during the first year will be further refined and illustrated in the third and last project year.

The most important achievements and outputs in the second year are the development of a common valuation design (blue print) for the pilot case studies, and the implementation of this common valuation design in most case study areas. The practical survey work associated with the case studies was carried out in the international Danube case study (Austria, Hungary, Romania), the international Scheldt case study (the Netherlands, Belgium), and Lithuania and Spain (water quality). The common valuation design has been pre-tested in the remaining country case studies, but implementation of the main survey is either currently ongoing or foreseen in the next weeks or months. The slight delay in finalizing the case study work, reported back at the last plenary project and Advisory Board meeting beginning of April 2008, is due to the enormous challenge posed by the development of a blue print for all European case studies. This cost much more time than initially expected. In order to streamline all the case studies, additional meetings were organized in June 2007 in Budapest for the international Danube case study, and in September 2007 in Amsterdam for the water quality case studies. These meetings were unplanned and not included in the original description of work. The work in AquaMoney on the development of a common valuation design for all case studies is unique. Such a design has never been developed for European water bodies before. Also the integration of the relevant WFD management issues in a coherent and consistent way in the three main case study clusters and the intensive collaboration in AquaMoney between the 16 international partners is, although extremely time consuming, considered a unique achievement.

Other achievements include progress in the meta-analyses of the existing water resources valuation literature. Also this work is slightly delayed due to the enormous amount of data collected (around 2000 economic values from 250 international studies). This delay was already reported back during the second plenary project and Advisory Board meeting end of March 2007 in Berlin. The first meta-analysis on the available groundwater valuation studies has been completed, while work on the surface water studies is ongoing and expected to be completed in the next months. Finally, a final list of criteria for guideline development was produced based on the policy maker survey and follow-up interactions with the members of the Advisory Board.

2. Workpackage progress

In this section, progress in each work package (WP) during the second project year will be detailed. The project consists of 6 WPs, including one WP for overall project management and coordination:

- WP 0 – Overall coordination and management
- WP 1 – Identification of policy maker demand
- WP 2 – Database development & meta-analysis
- WP 3 – Guideline development
- WP 4 – Guideline testing in practical case studies
- WP 5 – Communication and dissemination

2.1 WP 0 - Overall project coordination and management

The main objective of WP0 is to deal with the overall project co-ordination, manage the essential links between the various WPs, take care of the contractual links between partners, prepare financial and other interim reports to be sent to the European Commission, formalize WP activity reports received from the various WP leaders and their submission to the Commission according to the terms of reference of the contract, scheduling, preparing, organizing and facilitating international project meetings and workshops and the final conference. During the second year progress has been made in the following sub-activities:

Activity 0.1 - Overall administrative co-ordination

The project coordinator informed all project partners about the comments received from the financial administration in DG Research on the first annual report and allocated the received budget from the EC after acceptance of the first annual report across all project partners. An amount of 998.91 euro was not allocated to the Greek partner number 7 as this amount corresponded with their financial contribution to the participation in the 4-day internal capacity building training course (see below). The change of name of the Danish project partner was considered a merger by the financial administration in DG Research and both the project coordinator and the Danish partner were asked to follow the official procedure for such a merger. The official procedure could not be completed during the second project year, but is currently close to completion. Due to a change in staff in the project partner Ecologic, the coordinator and Ecologic asked the scientific officer for permission and were granted this permission to shift a small part of Ecologic's budget for their contribution in work package 3 (6 person months for the development of the guidelines) to the project coordinator, who took over the tasks of Ecologic in work package 3. The project coordinator also asked the scientific officer for permission and was granted this permission to subcontract the survey work by the Austrian partner IHSK in the international Danube case study to a specialized marketing bureau. On behalf of all project partners who participated in a 4 day internal capacity building training course, the project coordinator asked the scientific officer for permission and was granted this permission to claim back the costs for participation in this course in Amsterdam. This includes the financial contribution each participant was asked for to cover the running costs of the training course.

Activity 0.2 – Overall coordination and management of the work carried out in the WPs

The project coordinator has frequent contact with the WP leaders about progress. A regular update of project progress is furthermore circulated by the coordinator by email to all project partners. The coordinator chaired the Scientific Council (SC) meeting during the plenary project meeting in Bologna (see below). Unfortunately the scientific officer was unable to attend this third plenary project meeting. During the SC meetings, overall project progress and progress in the different WPs is discussed, including possible bottlenecks. Furthermore, a brief discussion took place of the interim mid term review (deliverable D8). The required content of the mid-term review is not very clear to the project group and WP leaders and due to the fact that the scientific officer was not present during the project meeting where this would be discussed, no report is yet available.

In order to ensure that the case study work is carried out in a coordinated way in each EU country participating in the project, a leader and contact person was appointed to each of the three clusters of case studies. Furthermore, two intermediate meetings were organized to further coordinate the case study work

(see below). The overall project coordinator was present during both these intermediate meetings, and ensures that also the linkage between the three case study clusters is maintained.

Activity 0.3 – Organization of international project meetings

The following plenary project meeting took place during the second project year:

- 26-28 September 2007: Third plenary project meeting in Bologna with the whole project team (all consortium partners). As agreed during the first Advisory Board meeting, also the Advisory Board members were invited to this meeting. This meeting was organized by the project coordinator together with the University of Bologna.

Besides this official plenary project meeting, two intermediate meetings were organized by the project coordinator together with Corvinus University 7-8 June 2007 in Budapest and 5-6 September 2007 in Amsterdam to coordinate and set up the case studies.

A capacity building international valuation training course was organized by the project coordinator 21-24 November in Amsterdam. Also during this course the different case study clusters met up to discuss the common valuation design used in the various country case studies.

An overview of the milestones and deliverables from WPO during the second project year is given in the table below.

No	Deliverable name	Work package no.	Date due	Actual/Forecast delivery date	Estimated indicative person-months	Used indicative person-months	Lead contractor
D3	Annual report 2	0	Month 24 (March 2008)	Month 26 (May 2008)	1	1	1 (IVM)
D7	Report of the 3 rd international project meeting	0	Month 18 (Sept 2007)	Month 19 (October 2007)	0.5	0.5	2 (Ecologic)
D8	Interim mid-term review report	0	Month 19 (October 2007)	Month 26 (May 2008)	1	1	1 (IVM)
No	Milestone name	Work package no.	Date due	Actual/Forecast delivery date	-	-	Lead contractor
1	Case study workshop in Bologna	0	Month 18 (Sept 2007)	Month 18 (Sept 2007)			1 (IVM)
2	Interim mid-term review presented in Bologna	0	Month 18 (Sept 2007)	Month 18 (Sept 2007)			1 (IVM)

2.2 WP 1 - Assessment of policy maker demand

The main objectives of Work Package 1 are to re-define the concept and role of environmental and resource costs and benefits in the WFD, provide an overview of how environmental and resource costs are currently dealt with across Europe, and identify policy maker demand for economic information in the assessment procedures for environmental and resource costs and benefits in the context of the WFD. During the first year progress has been made in the following sub-activities:

Activity 1.1 - Definition of environmental and resource costs and benefits in the WFD

This activity was completed during the first project year.

Activity 1.2 - Identification of the role of environmental and resource costs and benefits in the economic analysis in the WFD

In order to assess the current state of thinking on environmental and resource costs and benefits in the EU Member States, and their use in decisions related to Articles 4 and 9 in the WFD, a survey was conducted by the end 2006.

Based on these activities, a total of 40 questionnaires were received. In several instances (e.g. UK, NL, Austria), these questionnaires represent (inofficial) country responses that have been accorded by a number of relevant decision makers within the agencies involved in WFD implementation.

The summary report of the survey has been finalised in June 2007.

The results of the assessment of policy maker demand were presented and discussed at

- the 2nd meeting of the CIS DG on Environmental Objectives and Exemptions in Brussels in April 2007,
- the international Workshop “How can economics best support water policy decision making? Taking stocks of the first years of WFD implementation” in Alsace in May 2007.
- the 4th HarmoniCA policy workshop on Using Economic Methods and Models for the Implementation of the Water Framework Directive. Berlin June 2007
- the 7th International Conference of the European Society for Ecological Economics, Leipzig, June 2007.

Activity 1.3 – List of criteria and recommendations related to policy maker demand for practical guidelines

Based on the findings from the policy maker demand questionnaire, D14 Policy Maker Demand Survey Results was finalised, resulting in D15 Draft List of Criteria for the Practical Guidelines. These draft criteria will be refined into D16 Final List of Criteria for the Practical Guidelines, but due to the delay in project progress caused by some of the Case Studies, insufficient information was available to refine the criteria. The process will be finalised in the first quarter of the third reporting period, when the case study work shows more progress and more information is available.

An overview of the milestones and deliverables from WP1 during the second project year is given in the table below.

No	Deliverable name	Work package no.	Date due	Actual/Forecast delivery date	Estimated indicative person-months	Used indicative person-months	Lead contractor
D16	Final list of criteria for the practical guidelines	1	Month 18 (Sept 2007)	Month 30 (Sept 2008)	3.5	3.5	2 (Ecologic)
No	Milestone name	Work package no.	Date due	Actual/Forecast delivery date	-	-	Lead contractor
3	Final list of criteria for the practical guidelines	1	Month 18 (Sept 2007)	Month 30 (Sept 2008)			2 (Ecologic)

2.3 WP 2 - Database development & meta-analysis

The main objective of WP2 is to review and develop an international data base with economic valuation studies of environmental and resource costs and benefits. During the second project year progress has been made in the following sub-activities:

Activity 2.1 - Review of available economic valuation studies across Europe of environmental and resource costs and benefits related to water use and services

Completed in the first project year.

Activity 2.2 - Set-up of a database of existing economic valuation studies of groundwater and surface water

Completed in the second project year. The database structure and the preliminary results were presented to the whole project group during the third plenary project meeting in September 2007 in Bologna and the second Advisory Board meeting beginning of April 2008 in Budapest.

Activity 2.3 - Meta-analysis of existing groundwater and surface water studies for the purpose of benefits transfer

Based on the database completed in the second project year, an analysis of the empirical findings of the individual valuation studies is ongoing into the third project year. The first meta-analysis on economic groundwater values has been completed. Currently work is focusing on the economic values found for different types of surface water bodies. Idea is to present policy and decision-makers with a structured overview of available economic estimates, which they can use in their policy and decision-making process.

An overview of the milestones and deliverables from WP2 during the second project year is given in the table below.

No	Deliverable name	Work package no.	Date due	Actual/Forecast delivery date	Estimated indicative person-months	Used indicative person-months	Lead contractor
D19	Meta-analysis results	2	Month 15 (June 2007)	Month 30 (Sept 2008)	10	10	1 (IVM)
No	Milestone name	Work package no.	Date due	Actual/Forecast delivery date	-	-	Lead contractor
4	Meta-analysis results	2	Month 15 (June 2007)	Month 30 (Sept 2008)			1 (IVM)

2.4 WP 3 - Guideline development

The main objective of WP3 is to develop practical guidelines for both experts and policy makers concerning the application of economic valuation methods for assessment of policies and projects associated with implementation of the WFD. During the first year progress has been made in the following sub-activities:

Activity 3.1 – Development of practical guidelines

During the first project year, a draft technical guideline was developed by the project coordinator together with the University of East Anglia. This draft guideline provided the basis for the development of the case study blue print. The draft guidelines will be further refined and illustrated with the help of the practical case study results in the third project year.

Activity 3.2 – Feasibility study regarding development of a water value map for European river basins

A feasibility study will assess the potential for developing a digital map of economic values associated with the WFD. This study will harness the spatial analytic capabilities of Geographical Information Systems (GIS) to incorporate data on the pressures and impacts in the different representative river basins included in this project. The GIS based value map will be based on the results from the meta-analysis and the case studies and developed further in the third project year.

Activity 3.3 – Blueprint for the set-up of the case studies in WP4

The development of a blueprint for the case studies was the most important activity in the second project year. To this end two intermediate project meetings were organized (see section 2.1, Activity 0.3). The case study work is organized around three common water management ‘themes’ in EU Member States:

- 1) Water quality
- 2) Water scarcity
- 3) Ecological restoration of river systems (from Heavily Modified Water Bodies to Natural Water Bodies)

Each theme is led by 1-2 AquaMoney partners. Overall coordination is in the hands of the project coordinator and the Spanish WP4 leader UPVLC.

An overview of the milestones and deliverables from WP3 during the second project year is given in the table below.

No	Deliverable name	Work package no.	Date due	Actual/Forecast delivery date	Estimated indicative person-months	Used indicative person-months	Lead contractor
D22	Blueprint for the case studies	3	Month 15 (June 2007)	Month 21 (December 2007)	6.0	6.0	1 (IVM) & 3 (UEA)
No	Milestone name	Work package no.	Date due	Actual/Forecast delivery date	-	-	Lead contractor
5	Blueprint for the case studies	3	Month 15 (June 2007)	Month 21 (December 2007)			1 (IVM) & 3 (UEA)

2.5 WP 4 - Practical testing of the draft guidelines in case studies

The main objective of WP4 is to test the draft guidelines and the methods and procedures for assessing WFD related environmental economic values across representative European river basins. Most of the work carried out in the second project year was carried out according to the original description of work in this work package, based on the blue print developed in work package 3. That is to set up the case study and implement the common valuation design developed for the three clusters of case studies. In order to facilitate the coordination of the activities carried out in work package 4 across the different case studies, case study cluster leaders were appointed by the overall project coordinator and a large part of the third plenary meeting in Bologna was used to discuss the implementation of the common valuation design in the three clusters of case studies. Furthermore, as mentioned in section 2.1, two extra meetings were organized, first in Budapest and later in Amsterdam, to ensure consistent and coherent integration of the common valuation design in all country case studies. The common valuation design for the three clusters of case studies was elaborated and pre-tested in all the case studies, and has been implemented in the second project year in the three Danube case study countries (Austria, Hungary, Romania), the international Scheldt case study countries (the Netherlands, Belgium), Lithuania and Spain. Implementation of the blueprint in the remaining country case studies (UK, Norway, Denmark, France, Italy, Greece, Spain) is foreseen in the first quarter of the third project year. Besides a common valuation design, also a protocol for harmonized reporting of the case study results has been developed to facilitate cross-country comparisons of the final results. This protocol includes a section on best practice recommendations, which was identified in the original description of work as a separate deliverable (D45-D54).

An overview of the milestones and deliverables from WP4 during the second project year is given in the table below.

No	Deliverable name	Work package no.	Date due	Actual/Forecast delivery date	Estimated indicative person-months	Used indicative person-months	Lead contractor
D35-D44	Pilot case study results	4	Month 24 (March 2008)	Month 30 (Sept 2008)	72	72	5 (UPVLC)
No	Milestone name	Work package no.	Date due	Actual/Forecast delivery date	-	-	Lead contractor
6	Presentation common research design case studies in Bologna	4	Month 18 (Sept 2007)	Month 18 (Sept 2007)			All partners
7	Final research design case studies	4	Month 22 (January 2008)	Month 25 (April 2008)			All partners

2.6 WP 5 - Communication and dissemination

The main objectives of Work Package 5 are to:

- (a) ensure and facilitate a continuous flow of information within the project from policy makers and stakeholders involved in the pilot case studies and the Advisory Committee to the project researchers and vice versa;
- (b) establish effective dissemination channels for communicating the results of the project within the project and between the project and the outside world, including external audiences such as academics, policy makers and other stakeholders at a national and European level.

During the second project year progress has been made in the following sub-activities:

Activity 5.1 – Management of knowledge and interactions with policy makers

Interaction with the AquaMoney Advisory Committee.

The activities covered here include the running management of the Advisory Committee (informing the AC of project progress, eliciting comments and feedback, ongoing exchanges via email, phone and personal communication, preparing the AC meeting in Budapest in April 2008); the set-up and maintenance of the project website and the presentation of the AquaMoney project at several workshops, seminars and conferences, as well as the production of dissemination material (policy brief).

Assessment of the Stakeholder Participation

In addition deliverable D55 the report on “Benchmark Stakeholder Participation” was finalised and submitted in late April 2008, the delay being due to a change in personnel and changes in the scope and aims of the benchmark. For this report a questionnaire was developed in the January/February 2007 and circulated in April 2007. A first draft of the report was handed in at the 3rd plenary project meeting in Bologna. Based on the first presentation of the report a discussion arose regarding appropriate indicators to measure stakeholder participation. The comments of the team were included which changed the report significantly. The revised version was circulated among the team in December 2007.

Dissemination at conferences and events

The AquaMoney project was presented at a number of workshops, seminars and conferences, attended both by decision makers, practitioners and administration officials involved in the implementation process, academia and the wider research community. This includes presentations devoted entirely or predominantly to the AquaMoney project given at the following events or meetings (a complete description of the presentations as well as meetings with stakeholders is found in Annex IV):

- 35th (XXXV) IAH congress (International Association of Hydrogeologists), key note speech by Roy Brouwer, held in Lisbon, 21 September 2007
- 7th HarmoniCA workshop, presentation on economics in the WFD, 14 June 2007 in Berlin (presentation by Roy Brouwer),
- The 2nd Workshop of the InterReg project “WaterCost” on the issue of “Cost Effectiveness Analysis in the context of groundwater and water supply”, held in Newcastle on 23 November 2007 (presentation by Benjamin Görlach).
- The 2nd meeting of the CIS Drafting Group on Environmental Objectives and Exemptions, which took place at DG Environment in Brussels on 18 April 2007, where preliminary results of the assessment of policy maker demand, were presented and discussed, as well as general information about the scope, focus and approach of the project (presentation by Benjamin Görlach),
- The international workshop “How can economics best support water policy decision making? Taking stocks of the first years of WFD implementation”, which was held in Alsace on 2-4 May 2007, and where a parallel session was devoted to the issue of decision makers needs for guidance on the economic elements of the WFD, including a discussion of needs, requirements and expectations from the AquaMoney project (session chaired by Benjamin Görlach).
- A Norwegian Workshop on Water in EIAs (Vann i konsekvensutredninger) on 9 May, where David Barton presented on economic valuation of impacts in water bodies (Prissetting av konsekvenser i vann) including the Norwegian AquaMoney case study.

For dissemination purposes, some material has been developed, including a one-page project flyer (business card) as well as a 5-page policy brief on the AquaMoney project objectives and its approach.

Activity 5.2 - Set-up and maintenance of a project web site

The project website has been regularly updated with new project material.

An overview of the milestones and deliverables from WP5 is given in the table below.

No	Deliverable name	Work package no.	Date due	Actual/Forecast delivery date	Estimated indicative person-months	Used indicative person-months	Lead contractor
D55	Benchmark stakeholder participation	5	Month 12 (March 2007)	Month 21 (December 2007)	2.0	2.0	2 (Ecologic)
No	Milestone name	Work package no.	Date due	Actual/Forecast delivery date	-	-	Lead contractor
15	Intermediate plan using and disseminating knowledge	5	Month 24 (March 2007)	Month 26 (May 2007)			2 (Ecologic)

3. Consortium management

As in the first project year, the consortium management during the second project year does not yield any specific problems. Given overall progress, there is no need to change any of the milestones and project deliverables except for the timing of their final delivery. The activities that were delayed due to an underestimation of the amount of work involved include the work on the meta-analysis in work package 2 and the development of a common valuation design across 13 European country case studies. The latter was an exceptional challenge. The end result, however, considered unique in this European research project.

The set-up and development of the project in general and progress in the different work packages specifically was discussed effectively and adequately with the entire project group and during the Scientific Council meetings at the third plenary project meeting in September 2007 in Bologna. Like the second plenary meeting, parallel sessions in sub-groups were organized during the 3 day third plenary project meeting to enhance efficient use of limited available meeting time, and increase consistency and coherence between case studies in the three case study clusters. The decision to organize the case study work around three clusters has proven to be very successful, resulting in stimulating and enthusiastic collaboration between researchers working in countries with similar water management complexities.

Also the involvement and commitment of the members of the Advisory Committee was stimulated by inviting them to the third plenary project meeting in Bologna in September 2007 and recently also the fourth plenary project meeting in Budapest in April 2008, where a number of Advisory Board members attended during the full three days. Their interest and commitment to the project outcomes is strong and stimulates the researchers in turn to produce policy relevant outcomes. Unfortunately the scientific officer has not been able to attend any of the plenary project meetings. This compensated for through email correspondence and the organization of bilateral meetings in Brussels.

4. Justification major cost items and resources

The Cost Budget Follow-Up Table (Table 3) and the Person Month Status Table (Table 4) is found in Annex I.

4.1 IVM

IVM's participation in the different work packages is summarized below:

- WP0: most effort went into the coordination of the case studies, that is, the three case study clusters and the linkage between the three clusters. The project coordinator facilitated the third plenary project meeting in September 2007 in Bologna, and the unplanned intermediate meetings in Budapest (June 2007) and Amsterdam (September 2007).
- WP1: together with Ecologic the project coordinator was involved with the identification of the draft and final list of criteria for the development of the guidelines, and correspondence and interactions with members of the Advisory Board (including invitation of a few new members).
- WP2: extra time went into the meta-analysis of the collected data from existing water valuation studies A meta-analysis of economic groundwater values was completed. Work on the surface water studies is still ongoing and is expected to be finalized in the second quarter of the third project year.
- WP3: the draft guidelines were completed by IVM in collaboration with Dr. Stavros Georgiou and UEA beginning of the second project year and submitted to the scientific officer. As an external expert Dr. Georgiou was hired to help the project team with the finalization of the draft guidelines.
- WP4:
 - The Dutch Scheldt case study was developed and completed during the second project year and time was also spent on coordinating the design of the case study with the other groups, especially the Belgian partners, who carried out the same study in the Scheldt basin in Belgium.
 - Coordination effort went into the implementation of the international Danube case studies, including the organization of and participation in an unplanned intermediate meeting in Budapest in June 2007, the development and implementation of a common valuation design for the water scarcity cluster and the water quality group, including the organization of and participation in an unplanned intermediate meeting in Amsterdam in September 2007 in preparation of the third plenary project meeting in Bologna.
 - A capacity building international valuation training course was organized by the project coordinator 21-24 November 2007 in Amsterdam for all partners to help them design and analyze the case study results.
- WP5: besides presentations during workshops and seminars, and the production of a project brief, no other dissemination activities were developed in the second project year.

The major cost items are justified below:

Personnel costs

Total personnel input during the second project year was just over 10 person months. This is less than originally planned and due to the fact that the VU University uses from the beginning of 2008 another time registration system. In the first quarter of 2008 this system was not yet fully operational to declare the personnel costs for that quarter. This will be done in form C for the third project period from 1 April 2008 until and including 31 March 2009.

Subcontracting costs

Permission was granted by the scientific officer to temporarily hire Dr. Stavros Georgiou to assist with the development of the draft guidelines. The total costs were €6062. Although IVM does not have any subcontracting costs in its original budget, IVM was advised by the financial department in DG research to include these costs as subcontracting costs.

Travel costs

The total travel costs (€20477 including 20% indirect costs) include among others (cost items below are exclusive of 20% indirect costs):

- Roy Brouwer, Marije Schaafsma and Julia Martín-Ortega participated in the 3rd meeting in Bologna 26-28 September 2007. Roy Brouwer flew one day earlier to Bologna for a guest lecture about AquaMoney at the university: €1496.78
- Roy Brouwer helped organizing and attended the unplanned intermediate meeting in Budapest 7-8 June to coordinate the implementation of the international Danube case studies: €943.19
- Travel costs were incurred for the implementation of the Scheldt case study in the remote south-western part of the Netherlands: €1791.54
- Travel and subsistence Dr. S. Georgiou in Amsterdam and Berlin: €2096.73
- Travel and subsistence Advisory Board members kickoff meeting Berlin: €2449.61
- Travel and subsistence R. Brouwer Lisbon conference key note AquaMoney: €337.29
- Travel and subsistence R. Brouwer and M. Schaafsma kickoff meeting Berlin: €1267.70
- Travel and subsistence R. Brouwer Environmental Economics Conference London March 2007: €251.61
- Travel and subsistence R. Brouwer Ecological Economics Conference Berlin June 2007: €1294.50
- Travel and subsistence R. Brouwer 4th plenary project meeting Budapest, April 2008: €340.33

Other costs

Total other costs are €32658 (including 20% indirect costs). These costs include among others (cost items below are exclusive of 20% indirect costs):

- Survey implementation costs (reimbursement interviewers): €6610.57
- Purchase software common valuation design and implementation Skim Software CEC/WEW €9275.63
- Rental price meeting rooms 2nd plenary project meeting Berlin (AVZ Logenhaus Berlin): €3490.90
- Catering costs second plenary AquaMoney meeting Berlin: €1385.46
- Rental price meeting rooms 3rd plenary project meeting Bologna (AVZ Logenhaus Berlin): €2698.18
- Catering costs third plenary AquaMoney meeting Bologna: €922.73
- Correction catering plenary kickoff meeting Amsterdam, not declared during first annual report: €911.50

As agreed with the scientific officer Mr. Balabanis, the costs incurred by IVM to organize the AquaMoney capacity building course on Choice Experiments held in Amsterdam 21-24 November 2007 are not included in the IVM cost statement. The costs were covered by a financial contribution from each AquaMoney participant. Together, these financial contributions covered the total costs of the course. Those AquaMoney partners who participated in the course included their share to cover the costs in their own cost statement. In order to obtain approval from Mr. Balabanis, the overview of costs and revenues directly related to the course were sent to Mr. Balabanis in November 2007.

4.2 Ecologic

Cost items consumed in the second year mainly refer to personnel input. The remaining part consists mainly of travel costs, e.g. to project meeting in Bologna and Budapest, or to several events and seminars where the project was presented.

In terms of labour input, the resources consumed are mostly in line with the original planning. In more detail, this includes the following items:

- WP 0 - Management: – 0,7 person months consumed (4 planned). The management input was mainly necessary for the organisation of the second meeting of the advisory committee and the writing of the reports of the meetings. D 6 Report 2nd international project meeting in Berlin was submitted in time, whereas D7 Report 3rd international project meeting in Bologna was handed over to the project coordinator IVM as the partner Ecologic could only participate for one day at the

meeting due to overlaps with other project meetings. For the third project meeting in Budapest Ecologic is preparing the minutes.

- WP 1 – Assessment of policy maker demand: 6 person months consumed (7 planned). The activities in this work package included setting up a questionnaire assessing the policy maker demand, coordinating the survey itself, which was conducted by the AquaMoney project partners, and finally evaluating the results. Based on the findings from the policy maker demand questionnaire, D14 Policy Maker Demand Survey Results was finalised, resulting in D15 Draft List of Criteria for the Practical Guidelines. These draft criteria ought to be refined into D16 Final List of Criteria for the Practical Guidelines, but due to the delay in project progress caused by some of the Case Studies, only insufficient data was available to refine the criteria. The process will be finalised in the first quarter of the third reporting period, as Case Studies show more progress.
- WP 3 – Development of practical guidelines: 0 person months consumed (1 planned). There has been an adjustment of financial resources within the team. 6 person month were shifted from the Ecologic budget to the budget from IVM.
- WP 5 – Communication and dissemination of results: 5.3 person months consumed (8 person months planned). The activities covered here include the running management of the Advisory Committee and in special the preparing the AC meeting in Budapest in April 2008; the maintenance of the project website and the presentation of the AquaMoney project at several workshops, seminars and conferences, as well as the production of dissemination material (policy brief). Deliverable D55 Benchmark Stakeholder Participation was finalised and submitted in late April 2008. Here more budget as envisaged was spent as changes in the scope and aims of the benchmark came up.

4.3 UEA

Dr Carlo Fezzi worked alongside Prof Bateman on work package 3, developing practical guidelines for the economic valuation for the environmental and resource costs and benefits of the WFD. Specifically they worked on deliverables D20, D22 and D24. Key achievements during this period were the finalisation of a common design for WFD valuation studies for water quality. Through a series of meetings with other Aquamoney partners we agreed strategies for the implementation of this common design throughout the water quality group (work package 4). This will result in common format applications in the UK, Lithuania, Belgium, Norway, Denmark and the Netherlands. Data from this exercise will be analysed consecutively. This work will continue to the end of the project.

- Travel and subsistence Prof. I. Bateman AquaMoney meeting Berlin 25-28 March 2007 €270.49 (cost incurred 16-05-07)
- Travel and subsistence Ms. S. Watkins AquaMoney meeting Amsterdam 4-6 September 2007 €583.13 (cost incurred 26-09-07)
- Travel and subsistence Prof. I. Bateman AquaMoney meeting Amsterdam 4-6 September 2007 €139.45 (cost incurred 26-09-07)
- Registration fee Choice Experiment course Amsterdam €528.45 (cost incurred 31-10-2007)
- Travel and subsistence Prof. I. Bateman Land Use meeting London 11 December 2007 €167.95 (cost incurred 29-01-08)
- Travel and subsistence Prof. I. Bateman AquaMoney meeting Bologna 25-27 September 2007 and Chopice experiment course Amsterdam 21-24 November 2007 €704.93 (cost incurred 10-12-07)
- Travel Prof. I. Bateman AquaMoney meeting Budapest 7-9 April €378.30 (cost incurred 29-02-08)
- Hotel reservation Prof I. Bateman Budapest meeting €101.42 (cost incurred 08-02-08)

No deviations from budget.

4.4 UMB

Below is a justification of the major costs incurred and resources deployed:

- Development of a common baseline scenario for a Choice Experiment (CE) survey of water quality improvements, to be implemented in several European countries. Test of a CE instrument in a survey of recreational users of Lake Vannsjø - the Norwegian case study area – and analysis of the results.

Development of cross-country benefit transfer validity tests. Ståle Navrud and Richard C. Ready participated at the AQUAMONEY project meeting in Budapest.

- Participation at the AQUAMONEY training course in Choice Experiment (CE) in Amsterdam by Nina C. Lande, who conducted the Norwegian CE test survey (see above) and analysed the results.
- Richard Ready and Tuan Tran Huu have been contracted to the project, and have worked on the development of the CE scenario and the benefit transfer test procedures and guidelines.

Since the majority of the work on benefit transfer tests and communication/dissemination of results will take place in period 3, the majority of the total budgeted personnel costs will accrue in the next reporting period.

4.5 UPVLC

Travel to Bolonia (september 2007)

The reason of this travel was the celebration of a third preliminary meeting of the AQUAMONEY project in Bolonia (Italy) (26-28 september 2008). The main objectives of the meeting were:

- Discuss common design and preliminary results case studies
- Discuss elaboration of the key methodological issues in the case studies
- Integration of case study results in guidelines
- Presentation valuation database

.For the UPVLC, two persons participated in the meeting: Manuel Pulido and Joaquin Andreu.

Participation of Julia Martin, works and meeting in Berlin (march 2007)

Julia Martin (Univ. Cordoba, Spain, and IVM, The Netherlands) collaborated with the UPVLC team in the design of the questionnaire for valuing water for household and the environment under water scarcity conditions. This cost item is related to the travel cost of Julia to present the common results of the valuation pretest in the second plenary meeting of AQUAMONEY, hold in Berlin from 26 to 29 of March, 2007.

Participation in the CAIWA Conference

Joaquín Andreu participated in the first international conference CAIWA on adaptive and integrated water management, which took place in Basel, Switzerland, from 12 to 15 of November 2007. This scientific conference attracted scientist from various disciplines to exchange and discuss how to cope with complexity and uncertainty in water management under changing conditions. The conference was considered relevant for the research that is being undertaken in the AQUAMONEY project.

4.6 BRGM

The scientific contribution of Brgm to the project has been the following:

- Concerning WP1, BRGM's team has intensified the exchange of information with French regional and national policy makers involved in the implementation of the WFD. It has been agreed with the Rhine Meuse Water Agency that Brgm would provide estimates of groundwater protection benefit. The Agency will focus its own research effort on the economic valuation of surface water and ecosystems restoration. Contacts have also been established with the ministry of environment to optimise the synergies between case studies conducted as part of AQUAMONEY and studies commissioned by the ministry (one study on groundwater). Additional meetings with the economists of other Water agencies have also been organised. Extensive discussions have taken place with staff in charge of designing the programme of measure at Rhône Méditerranée Corse Water Agency.
- Concerning WP2, BRGM's team has finalised the identification of valuation studies dealing with water protection benefits in France. The corresponding literature has been sent to the person in charge of this WP and the Excel sheets filled in as required.
- Concerning WP4: Brgm has contributed to the development of the common design study questionnaire on water quality. However, due to the fact that Brgm is only focussing on groundwater (and not surface water resources), a separate conceptual framework had to be developed. In doing this, Brgm has made significant efforts to address the same research issues as those tackled by the water quality group (distance decay, effect of substitute, perception of environmental good). Overall, only limited resources have been spent by Brgm during year 2, as the common survey design was not progressing very quickly (final agreement was only reached during the Budapest meeting on

April 8th 2008). The implementation of the CV survey is now ready to start. As agreed during the 2008 annual meeting, the results will be delivered at the beginning of September.

Concerning costs:

- The budget spent mainly corresponds to salaries and overhead.
- Travel cost correspond to one trip to Paris (meeting with the Rhine Meuse Water Agency), one trip for one person to Berlin (annual meeting 2007), one trip for 2 persons to Bologna (project meeting).

4.7 AEGEAN

During the second reporting period, AEGEAN research team worked mainly in WP4. It translated and adapted the questionnaire for the first pre-test of the survey in Thessaly river basin; administered 30 pilot face-to-face interviews and analysed the results. Conducted further focus groups in the region to test for possible bias and misconceptions of the questionnaire and discussed the results with the other members of the 'water quantity group'. The questionnaire was revised and tested again in the Lesvos basin where 33 face-to-face interviews were administered and the results analysed. A report on the results was prepared.

During the whole period, AEGEAN was actively involved in critically reviewing the proposed versions and amendments of the common valuation design by the coordinator and proposed its own amendments relevant to the Euro-Mediterranean context of application.

The AEGEAN research team did not realize any equipment purchase. The travel costs of the team for this period are justified on the basis of the presence of two researchers at the Bologna meeting and the Amsterdam choice experiment course. Here it should be taken into account that the University of AEGEAN is located on the island of Lesvos, a factor that raises travel costs essentially.

No budget deviation occurred.

4.8 RISSAC

No major cost items and no budget deviation occurred.

4.9 AAPC

- CEP researchers Daiva Semėnienė and Rasa Ščeponavičiūtė participated in the AquaMoney Meeting on Common Valuation Design for Water Quality group, which was held on September 5-6 at IVM, Amsterdam. The main objectives of the meeting was to discuss the common valuation design; elaborate the key methodological issues in the case studies and link and integrate these case studies. The outcome of the meeting was a preliminary proposal for a common CV survey design for water quality sub-group.
- WP2: Data base development and meta-analysis for the purpose of benefits transfer. CEP experts commented on the database.
- WP3 Guideline Development. Draft guidelines were analysed and comments on them provided. The draft guidelines (technical guidance for practitioners) were presented at the Second Plenary AquaMoney meeting.
- WP 4Testing guidelines in case studies. CEP experts finalised the Case Study Status Report on Neris river basin in April 2007. Afterwards the practical case study set up started. Experts participated in the preparation of the Common valuation design, which was developed during meetings in Amsterdam (5-6 September, 2007) and Bologna (26-28 September, 2007). The Survey questionnaire for the Neris case study was developed and tested during December 2007-February 2008 in Lithuania. Researchers worked closely with interviewers from the TNS Gallup during the testing phase. The actual survey was carried out in March 2008.

Daiva Semėnienė and Rasa Ščeponavičiūtė participated in the Third Plenary AquaMoney Meeting on 26-28 September 2007 in Bologna, Italy. The main objective of the third plenary AquaMoney meeting was to

discuss the design and set-up of the AquaMoney case studies based on the key methodological issues in water resource valuation outlined in the draft guidelines. Lithuanian case study is a part of the Water quality group; therefore experts participated in the Water quality group work session, where the preparation of the Common valuation design continued. Experts also participated in the plenary sessions where common research design was presented and discussed.

The travel budget was used for the following purposes:

1. Participation of Daiva Semėnienė and Rasa Ščeponavičiūtė in the AQUAMONEY project meeting on Common valuation Design Water Quality in Amsterdam (September 05-06, 2007).

Travel expenditures: 1239,07 EUR

2. Participation of Daiva Semėnienė and Rasa Ščeponavičiūtė in the Third Plenary AQUAMONEY project meeting in Bologna (September 26-28, 2007).

Travel expenditures: 2891,81 EUR

Total expenditures of travel costs during the first period (April 2007 – March 2008) – 4130,88 EUR.

4.10 VITO

Workpackage 1: Identification and integration of policy demand for practical guidelines and information

- Feedback on document on stakeholder involvement

Workpackage 3: Development of practical guidelines

- Discussion and input on common research design case studies

Workpackage 4: Testing of the guidelines in pilot case studies in representative European river basins

- The design and set-up of the appropriate research methodology (i.e. the economic valuation of the environmental and resource costs or benefits) .
- Economic valuation of the environmental change:
 - o Set up valuation study
 - o Developing internet based survey
 - o Conducting survey
- Project training on analysis of data by VU Amsterdam

4.11 DEIAGRA

- WP2

During the second year of the project, UNIBO collected and analyzed the available data and information about the economic values of environmental and resource costs and benefits across Italy: The national and also the grey literature have been searched and studied in order to classify the evaluation methods used and the obtained values.

- WP3

UNIBO participated in the preparation and revision of the draft guidelines together with the whole AquaMoney consortium. This draft highlights methodological and policy issues relevant to the WFD implementation process.

- WP4

The UNIBO research staff selected the Italian case study and studied the characteristics of the river basin. The case study is still in progress and will be completed during the third year of the project. The ‘scarcity group’ of AquaMoney, in which UNIBO is involved, is implementing a common survey design. Its aim is to test and investigate the robustness of the guidelines by including sufficiently diverse and various geographical, economical, political-institutional and cultural areas.

Explanatory note on major cost items

The major cost in the budget of UNIBO is the personnel costs, namely the salaries of two young researchers employed within the project, one is paid by a fellow and the other by a grant for research. The collaborators are involved in the activities foreseen in WP2,3,4.

The major travel costs regard travels of the Prof. Davide Viaggi and Dr Meri Raggi to Berlin for the ‘Second Aquamoney Plenary Meeting’. Minor travel costs are due to the missions to Parma (13 April 2007 by Prof. Davide Viaggi and Dr Meri Raggi and on 15 Nov by Dr Meri Raggi and Dr Laura Sardonini). The reason for

travels was to establish a coordination between UNIBO and the Authorities of Po' river regarding the case studies foreseen in WP4. The last travel costs represent the reimbursement of the mission to attend the 'Aquamoney course on choice modelling of water resources benefits' in Amsterdam (Dr Meri Raggi 20-25 Nov 2007).

Summary explanation of major deviations from budget

There are no major deviations from budget aside the number of person months. In the proposal of the project only one student was initially considered to be contracted as researcher but due to the complexity of the project tasks and the volume of work a new researcher has been additionally contracted. It has incremented the number of person month without affect the personnel costs.

4.12 NIVA

WP3 Contributed 0,5 manmonths to development of the common design of the pilot case studies

WP4 4.1 manmonths for development and implementation of the the pilot case studies

Explanatory note on any major cost items

Software purchases

1) Sawtooth CBC and HB software (Euro 5260)

2) Stata 10 (Euro 383)

Participation in course in choice experiments (Euro 556)

Subcontracting pilot survey (Euro 2749)

Subcontracting programming in STATA (Euro 2300)

No major deviations from the from cost budget and from person-month budget.

4.13 RVAU

Partner no. 13 Royal Veterinary and Agricultural University, Denmark and the subcontractor Danish National Environmental Research Institute (NERI) have made the following contributions:

- WP2 Data base and meta-analysis, where a detailed review has been prepared for the available Danish water valuation studies.
- Preparation of Case Study Status Report for Odense River Basin, Denmark with a description of economic valuation methods to be used (Deliverables D25-D34)
- Participation in the international Aquamoney project meetings and Workshops with presentations.
- WP4 Testing of guidelines in pilot case study, where a questionnaire has been developed including both the "common valuation design" and a specific "Choice Experiment" part developed to the Danish valuation study. The questionnaire was tested on an internet panel with help from TNS GALLUP A/S. 350 persons answered the pilot-questionnaire, and the results were analysed to improve the final questionnaire and make some temporarily conclusions. Some of the temporarily results has been presented in the Aquamoney meeting in Budapest.

Partner no. 13 has had some travel costs in relation to participation in the Aquamoney project meetings in Amsterdam and Budapest.

Reported use of manpower was above budgeted use mainly because main work on case study has started later than expected and the budgeted person months in year 1, have been used in year 2.

4.14 UNIBUC

WP 3 - Activity 3.1. – Development of practical guidelines

Analysis of the developed draft guidelines

WP 4 – Testing guidelines

- Development of the common survey (contributing in the working group meeting for establishing attributes and their levels for the choice experiment and designing scenarios for contingent valuation)
- Contribution to the questionnaire development for refinement of the instrument (comments and recommendations for adding / eliminating some of the questions; translation)
- Implementing / applying the questionnaire in the two case study sites – Neajlov and Braila Islands
- Development of the database and data analysis for the Islands of Braila site.

Personnel costs (€26253) involve 2 senior researchers, 1 junior researcher, 4 PhD students and 7 Master student performed a total of 4.3 PM. Consumables and internal travel costs (€1652.204) are associated to the implementation of the questionnaires in the two study sites – Small Island of Braila and Neajlov. No major deviations from cost and PM budgets have been recorded.

4.15 IHSK

Basically all relevant research activities in the second project year are related to Working Package 4: *Testing of the practical guidelines in representative European pilot river basins*

The work carried out in this work package during the second project year was focussed on the further set-up and design of the case study, based on a common valuation design. IHS Carinthia (Markus Bliem, Michael Getzner) put considerable effort in the coordination and set up of a common valuation design on ecological river restoration together with project partners in Hungary and Romania. In detail IHS Carinthia contributed to:

- the preparation and compilation of the common valuation design on ecological river restoration
 - wording of the questionnaire
 - design of experiment
 - wording of the introduction to the contingent valuation as well as the choice experiment
 - defining the water quality latter (pictograms where provided by IVM)
- a joint workshop (Danube group) at Budapest's Corvinus University on 8 June 2007
- pre-testing the questionnaire between 14 and 19 September 2007; the pre-test survey was carried out as a web-based survey, the sample size was n=109.
- preliminary results where presented at the Third Plenary AquaMoney Meeting (Bologna 26-28 September 2007).

IHS Carinthia also invested substantial time in the design of maps for the CV. The maps were used to show the status quo situation along the river stretch and how measures will improve the ecological situation. It was agreed to use the same sort of maps (CORINE Landcover files) in all three case study areas (AUT, HUN, ROM).

The technical implementation of an internet-based survey was sub-contracted to a survey company (Market Agent). The costs of this are entered as subcontracting (€ 5.520). Permission for this was asked and granted by the scientific officer Mr. Panagiotis Balabanis. The main survey was carried out in November 2007.

Finally, Mr. Bliem attended the Choice Experiment Workshop in Amsterdam which took place from 21 - 24 November 2007.

4.16 CUB

- Work Performed

Contribution toward partner work package 4: namely testing of the guidelines in representative European river basins.

Resources employed:

- Personnel – composing survey questionnaire for use in Pilot case study
- Personnel - conducting survey questionnaire in Pilot case study
- Personnel - conducting analysis and preparing summary of questionnaires used in Pilot case study
- Personnel - related administrative tasks: 1. finance-related support, 2. administrative support related to creation of questionnaire and general project administration, 3. computer/technical support
- Personnel – conference organisation (in preparation for 4th Plenary Aquamoney Project meeting held at Corvinus University of Budapest on 7/8/9th April 2008)

- Major Cost Items

1)Travel: 3 persons from Corvinus University participation in 3rd Plenary Aquamoney Meeting in Bologna 26th -28th September, 2007.

2)Travel: 2 persons from Corvinus University participated in training course on theory and use of econometric software in Amsterdam for the purpose of improving knowledge and skills related to analysis of data from Pilot case studies (2007.11.21-2007.11.23)

- Explanation for major deviations –

1) *WPM for Period 2 is lower* than originally planned as outstanding analysis and final case-study reports from WP4 (planned for completion in Period 2) will be completed in reporting period 3.

2) *Personnel costs* are lower than budgeted for due to the fact that the majority of personnel costs incurred in reporting Period 2 will be paid in reporting period 3.

3) *Travel costs in Period 2 are slightly higher than budgeted* for due to an underestimation in the original travel budget. Corvinus University is making inquiries into whether approximately 2000 euros of the funds now apportioned to ‘personnel costs’ may be re-allocated to ‘travel costs’.

5. Form C completed for all contractors

The Forms C for all consortium partners are found in Annex II. The signed Forms C are sent separately by registered mail to the responsible Scientific Officer.

6. Summary Financial Report

The summary report of total (direct + indirect) costs in euros as claimed by each contractor and activity type, for the reporting period is found in Annex III.

7. Distribution of the Community's contribution

The distribution (in euros) of funds made by the coordinator to contractors during the reporting period is presented in the table below.

Annex I Cost budget follow-up table & Person month status table

Annex II Forms C for all contractors

Annex III Summary financial report

Annex IV Plan for using and disseminating knowledge

This annex presents the plan for using and disseminating the knowledge generated within the AquaMoney project in an effective way, both regarding the use and dissemination of knowledge within the project consortium and with the outside world, with academia and policy making as the two main audiences. The management and dissemination of knowledge and information obtained through the AquaMoney project has an internal (within the project) and an external (outside the project) dimension.

The management of knowledge and information within the project basically concerns the provision of adequate and efficient lines of communication between all consortium members, including the Scientific Council and the Advisory Committee, by keeping everyone up to date of relevant project outputs, milestones and decisions through the website and through regular project meetings. The management of knowledge and information related to the outside world (beyond the project) includes the appropriate modes of interaction with the two main constituencies that will have an interest in the project results – policy making and academia – and the use of appropriate dissemination channels (presentations, publications, communication) to achieve a wide distribution and uptake of project results.

The dissemination and knowledge management activities – both within the project and beyond the project team – therefore include a number of separate but interconnected activities, including:

- The project website at www.aquamoney.org
- Presentations and lectures related to the AquaMoney project and its results
- Exchange with the Advisory Committee
- Less formal communication (discussions, email exchanges, meetings)
- Publications targeted at the different constituencies
- Training courses

The management and exchange of knowledge, new insights and information between the project and the ‘outside world’ such as WFD expert groups, relevant stakeholders and policy makers across European river basins and in national Water Agencies and Environment Ministries is to a large extent facilitated through the inclusion of important (inter)national organisations directly involved in the implementation of the WFD in the Advisory Committee and the involvement of national and regional policymakers and stakeholders in the pilot case studies.

In the last year there has been substantial interest in the AquaMoney project as can be seen in the following:

- Here has been a substantial stakeholder involvement in all case studies as the report D55 on stakeholder participation show.
- There was a high attendance of the Advisory Board members the 2nd AB-meeting in Budapest. 13 of the 25 Members attended to the meeting. Fife also attended to the two day team meeting.
- The members of the AquaMoney team have been invited to many occasions to present results or to present the project.

Hence it can be seen as given that both groups – policy makers as well as politicians – are included in the project in a sufficient way and act as multipliers to feed project results into the national implementation process in the Member States.

There is also a lot of interest from the side of the WFD. Many Member States face substantial uncertainties regarding the exact role and context specific estimation and interpretation of the estimated environmental and resource costs and benefits in the river basin management plans to be finalised by 2009, not only in relation to Article 9, but also in relation to Article 4. Hence policy maker demand for the project outputs is expected to be substantial.

The AquaMoney website

The AquaMoney project website has been operational at www.aquamoney.org since a very early stage of the project (Mid-2006). It comprises an external part, which provides background information on WFD and the role of economics in the Directive, information about and access to the AquaMoney case studies, lists the project partners and the members of the Advisory Committee, and which provides access to the project results and deliverables that are in the public domain. In addition, the website also comprises a password-protected internal part, which is intended to support the functioning of the project and the exchange among project partners. Presentations of the last meetings and finalised reports have been uploaded.

Internal dissemination and knowledge sharing through the website

The website features a password-protected section accessible to members only, which has been designed to facilitate the exchange of information. Through a filesharing platform, consortium members are enabled to access all relevant documents and presentations related to the project, including draft reports, background papers, relevant publications (if no conflict with copyright provisions exists), and documents related to the project meetings (agenda, directions, presentations etc.). Discussions about the content of the work are partly facilitated by enabling consortium members to comment on draft versions of reports etc. which are downloadable from the password protected area of the website. In addition, on request of the project participants at the kick-off meeting, a discussion forum has been set up in the password-protected part of the AquaMoney website, which is intended to support discussions in a structured, transparent and easily accessible way and thereby build up a knowledge archive. However, the uptake of this tool by the project team in the first project year has been sluggish, despite several invitations and reminders.

External dissemination through the website

The dissemination of information through the project website will not only include relevant news and information about milestones or products, but also about relevant policy developments in the WFD implementation process, at a European level and where relevant in the Member States. To this end, the AquaMoney website contains a section with background information on the economic elements of the WFD, including links to relevant policy documents and guidance material produced under the Common Implementation Strategy (CIS) process, as well as national-level initiatives and information resources on WFD implementation. In addition, this section also links to other relevant research initiatives and projects.

Presentations and lectures related to the AquaMoney project

In line with the objectives, the AquaMoney project was presented at a number of workshops, seminars and conferences, attended both by policy makers, by practitioners and administration officials involved in the implementation process, by academic scholars and the wider research community. This includes presentations devoted entirely or predominantly to the AquaMoney project given at several events, some of which are listed below.

Table 1: Presentations

Event Title, Place	Place	Date	Presenter	Focus / Title of the presentation	Audience
IVM					
35th (XXXV) IAH congress (International Association of Hydrogeologists)	Lisbon	21.9.2007	Roy Brouwer	Key note speech "Economics of Groundwater Ecosystem Protection"	Academics
4 th HarmoniCA policy workshop on Using Economic Methods and Models for the Implementation of the Water Framework Directive	Berlin	14.6.2007	Roy Brouwer	Economics in the WFD	Academics
Joint Crawford School and Economics and Environment Network Seminar	Australia National University, Canberra	18 March 2008	Roy Brouwer	Water as an economic good: The role of water economics and water values in European water policy	Policy makers, academics, students

Event Title, Place	Place	Date	Presenter	Focus / Title of the presentation	Audience
NIVA					
Norwegian Water Association	Oslo	May 2007	David Barton	Non-market valuation methods in environmental impact assessment. AQUAMONEY Pilot study results	
RISSAC					
Kick off meeting for the survey, Tatabánya Business School	Tatabánya	12.05.2007	Sándor Kerekes Zsuzsanna Flachner	WFD and economics Role of	Different planners, decision makers from companies, municipalities; researchers, civic organizations
Project meeting	Bologna	25-27.09.2007	Zsófia Bakacsi	Web based survey – ideas for common design	Project team
CUB					
Lectures	Corvinus University Of Budapest	Various	Dr. Szerenyi Zsuzsa	Environmental Economics - The role of stated and revealed preference studies - the AquaMoney project	Undergraduate and Graduate students
University of Bucharest					
Lecture at the University of Bucharest	Bucharest	0.10.2007	Angheluta Vadineanu	AquaMoney questionnaires in Braila Islands and Neajlov catchment study cases	Master and PhD students in Systems Ecology & Sustainability
Lecture at the University of Bucharest	See above	26.02.2008	Angheluta Vadineanu	Information from analysis of responses to questionnaire applied in the Braila Islands study case	See above
UCO					
VI Congreso de Economía Agraria. Universidad de Castilla La Mancha.,	Albacete	18-21.09.2008	Julia Martín-Ortega, Berbel Vecino & Roy Brouwer	Beneficios y costes ambientales del uso del agua. Una estimación en aplicación de la Directiva Marco del Agua al Guadalquivir.	
UEA					
UKWIR	London	19.3.2007	Ian Bateman	Modelling and valuing the impacts of the Water Framework Directive, People and the Rural Environment Forum	
Seminar at Corvinus University Budapest	Budapest	9.4.2008	Ian Bateman	Bringing the Environment into Economic Decision Making: Targeting Land Use Policy	Students
Environmental research seminar series, Department of Economic, University of California San Diego	San Diego	8.4.2008	Ian Bateman	Choice Set Awareness and Ordering Effects in Choice Experiments	Students
Fourth Plenary AquaMoney Meeting, Corvinus University Budapest	Budapest	9.4.2008	Ian Bateman	Progress to a Common Study Design: A common approach across Belgium, Denmark, Lithuania, The Netherlands, Norway and the United Kingdom & Aquamoney: UK study	Students

Event Title, Place	Place	Date	Presenter	Focus / Title of the presentation	Audience
Advisory Board and Policy Executive at the Fourth Plenary AquaMoney Meeting	Budapest	9.4.2008	Ian Bateman	A common approach for valuing water quality across the EU	
Presentation to the Welsh Assembly Government	Aberystwyth	8.2.2008	Ian Bateman	Incorporating environmental complexity into economic analyses	
Research Seminar Series, Economics Department, University of Las Palmas, Gran Canaria	Las Palmas	9.4.2007	Ian Bateman	Using Geographical Information Systems (GIS) and Virtual Reality (VR) to bring the Environment into Economic Analyses	
Economics Department Seminar Series, University of Manchester	Manchester	14.3.2007	Ian Bateman	Stated Preferences: From Construction to Discovery?	
Presentation to the Director's Office, RELU programme, University of East Anglia	York	1.3.2007	Ian Bateman	Integrated Modelling and Valuation of WFD Impacts upon Rural Land Use, Farm Incomes and the Water Environment	
Ecologic					
4 th HarmoniCA policy workshop on Using Economic Methods and Models for the Implementation of the Water Framework Directive	Berlin	14.6.2007	Benjamin Görlach	Using Economic Methods and Models for the Implementation of the Water Framework Directive: Status, Options and Challenges for a better intergration of water economic research into policy implementation	Academia
7 th International Conference of the European Society for Ecological Economics	Leipzig	4.6.2007	Benjamin Görlach	Policy maker demand for valuation in the decision on exemptions	Academia
CIS Working Group on Exemptions	Brussels	18.4.2007	Benjamin Görlach	Disproportionate Costs in the EC Water Framework Directive: Some examples from the Member States	Policy makers
INNOVAMED Course and Workshop on new technologies of recycling non conventional water. Institute of Agronomy and Veterinary Hassan II	Agadir	30.4.2008	Ingo Bräuer	Water Framework Directive as European water management model and Cost-Benefit Analysis: Insights from the EU Aquamoney project"	Academia and Local policy makers
University of Bologna					
International seminar	Bologna	25 September 2007	Roy Brouwer and Davide Viaggi	Il valore economico dell'acqua e l'implementazione della Direttiva Quadro 60/2000	Po Basin Authority, CER, Region Emilia-Romagna, local stakeholders, scientists.
Workshop: Agriculture and environment: Towards a new generation of agri-environmental policies?	Bologna	16 May 2007	Meri Raggi, Davide Ronchi, Davide Viaggi	Valutazione economica del miglioramento qualitativo della risorsa idrica: un'applicazione di benefit transfer al bacino del Po	Local stakeholders, scientists.

Exchange with the Advisory Committee

The AquaMoney Advisory Board comprises 25 high-level decision makers from different EU Member States, relevant CIS working groups, NGOs as well as the European Commission DGs Environment and RTD. Involvement of the Advisory Board in the project takes place through regular phone and email exchange and personal communication on in the margins of workshops and seminars (including those listed in the previous section). Advisory Committee members have the opportunity to comment on relevant documents produced within the project, and to advise the project team on the general direction of the work.

The **second Advisory Committee** took place in Budapest on 9 April 2008, allowing for a pointed and in-depth discussion of the role and relevance of the project as such, the Advisory Committee's role in the project, the information flows between Advisory Committee and the project, and the effective input of the Advisory Committee to the project work.

Other formal / informal dissemination

The AquaMoney team was involved in a number of meetings with local politicians and stakeholders. The meetings are listed in the table below :

Person/Institution	Date	Topic	Characterisation (Policy Maker, Stakeholder, Scientist etc)
NIVA			
Meeting with Morsa Project, Moss Municipality and River Basin Authority	January 2007	Discussion of Norwegian case study design	Local policy makers
Meeting with Norwegian EPA	April 2008	Discussion of Norwegian case study design	National policy makers
Vito			
VMM, Flemish Environmental Agency	12/2007	Aquamoney	Policy maker
LNE, Department of Environment, Nature and Energy of the Flemish Government	26/02/2008	Aquamoney	Policy Maker
Advisory board of study on "environmental costs of projects in harbours"	11/04/2008	Valuation methods and benefit transfer with ex. Aquamoney case	Stakeholders
VITO	Planned in May	Aquamoney: valuation and surveys	Scientists
RISSAC			
CUB+TAKI	2007. April 2007	Design of the questionnaire	Scientist – from the project team
CUB+ TAKI	7-8 June, 2007	Design the common questionnaire with Ro, A, HU	Danube team scientists + coordinator
TAKI	2007. June 11	Detailed introduction of survey	Local planners, municipality water and environmental experts
TAKI	13-14. August, 2007	Field survey and selection of municipalities for survey Discuss the 50%, 90% recovery maps with local experts	Local planners, municipality water and environmental experts

University of Bucharest			
University of Bucharest		Debates with stakeholders of the Braila Islands area within the framework of Stakeholders Forum in South – East Region of Development	Providing assistance in accordance with the WFD requirements by organizing operational meetings with interested policy makers and stakeholders.
University of Bucharest		Debates with stakeholders of the Neajlov catchment area within the framework of Stakeholders Forum in South – Muntenia Region of Development	Providing assistance in accordance with the WFD requirements by organizing operational meetings with interested policy makers and stakeholders.
DMU			
Brian Kronvang (NERI), Gitte Rubæk (Aarhus university), Goswin hekrath (Aarhus university), Hans Estrup Andersen (NERI)	07.05.2007	Presentation and discussion of use of research results from Odense river basin , Phosphorus and nitrogen loss	Scientists
Harley Bundgaard Madsen, Stig Eggert Pedersen , Susanne Thomsen, Environmental Centre Odense	25.06.2007	Presentation of overall valuation questions, discussion and visit to project area	Stakeholders
Harley Bundgaard Madsen, Stig Eggert Peersen, Susanne Thomsen, Environmental Centre Odense	13.02.2008	Presentation of valuation design and discussion of use of results	Stakeholders
Uni Vienna			
Mr. Georg Frank	June & September 2007	River restoration options and effects	Scientist, Donauauen National Park
University of Bologna			
Po Basin authority	19 February 2008	Meeting for the implementation of case study analysis	Po Basin Authority and local stakeholders
Po Basin authority	15 November 2007	Meeting for the implementation of case study analysis	Po Basin Authority and local stakeholders
Po Basin authority	1 June 2007	Meeting for the implementation of case study analysis	Po Basin Authority and local stakeholders

Publications

One key component of the dissemination of AquaMoney project results are the publications. In line with the different audiences which the project addresses, different types of written output are produced. As re case studies have just been finished the results are pending for publication. The bulk of publications is expected for the third year of the project.

The following publication have been finalised in the second project year:

- Brouwer, R. (in press). The role of stated preference methods to assess whether the Water Framework Directive is disproportionately costly. *Journal of Environmental Planning and Management*.
- Hansen, H. E. (2008): "Værdien ved implementering af vandrammedirektivet i Odense Å – et choice experiment værdisætningsstudie" ("The value of WFD implementation in the Odense river catchment – a choice experiment study"). Unpublished master thesis, Copenhagen University. Project supervisor: Berit Hasler.
- Raggi M., Ronchi D., Viaggi D. (2007). *Valutazione economica del miglioramento qualitativo della risorsa idrica: un'applicazione di benefit transfer al bacino del Po*. Proceedings of the workshop "Politiche agroambientali e oltre, Agriculture and environment: Towards a new generation of agri-environmental policies?", Bologna, 16 Maggio 2007, Franco Angeli Eds.

For dissemination purposes, some tailor-made material has been developed. Next to the AquaMoney flyer and the first policy brief on the AquaMoney project objectives a second policy brief has been written regarding economic evaluation techniques and their potentials for application within the WFD. Three more policy briefs are planned in 2008 as part of the AquaMoney guidelines. The topics will be selected in close cooperation with the Advisory Board.

Training courses

The following courses have been organised by AquaMoney team members.

Title	Date	Topic	Audience
IVM			
AquaMoney CE course, IVM Amsterdam	21 - 24 November 2007	Choice Modelling of Water Resources Benefits	AquaMoney partners
VITO			
Impact of economic valuation on policy making	11/04/2008	Environmental costs and benefits	Students Ir. University Gent
RISSAC			
Role of economic assessment in complex river basin design	14.09.2007	Environmental management	MSc students, BUTE
DMU			
Valuation of surface- and groundwater	13.03.2008	Lecture	Master students, Faculty of life science, University of Copenhagen
Environmental Management in Europe	Autumn semester 2007	Part of E-learning course	Master students, Faculty of life science, University of Copenhagen and other universities
University of Bologna			
L'acqua in agricoltura	21 December 2007	WFD and AquaMoney	Bachelor and Master Students
Economia e valutazione delle risorse agroforestali	4 and 11 December 2008	AquaMoney and Choice Experiment	Master Students