

Third Annual Activity and Management Report  
AQUAMONEY, Contract no. SSPI-022723  
Reporting period 1 April 2008 – 30 September 2009

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Date 30 December 2009



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# Colophon



SIXTH FRAMEWORK PROGRAMME

This report is part of the EU funded project AQUAMONEY, Development and Testing of Practical Guidelines for the Assessment of Environmental and Resource Costs and Benefits in the WFD, Contract n° SSPI-022723.

General		
Deliverable	AQUAMONEY Third Activity and Management Report	
Complete reference	Brouwer, R. (2009). AQUAMONEY Third Activity and Management Report. IVM, Vrije Universiteit Amsterdam.	
Status	Author(s)	Date
Approved / Released	Roy Brouwer	30 December 2009
Confidentiality		
Public		X
Restricted to other programme participants (including the Commission Service)		
Restricted to a group specified by the consortium (including the Advisory Board)		
Confidential, only for members of the consortium		
Accessibility		
Workspace		X
Internet		X
Paper		X

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## Executive Summary

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 Water Framework Directive (WFD). The guidelines focus on key methodological issues in water resource valuation, including the use and transferability of existing economic values, in the specific context of the WFD. The guidelines provide particularly more guidance on the assessment of the non-market welfare implications of WFD implementation. In order to achieve the project's main objective, a three-year work plan was developed. This report presents the main achievements in the third and final project year. Due to the extra time invested in (1) grouping the project case studies according to the main WFD water management issues in EU Member States, (2) the design of a common research format in all these case studies to facilitate cross-country comparisons, and (3) the development of a common water quality ladder across EU member states together with water scientists, the project was granted a 6 month extension. The most important achievement in the third year was the completion of the case studies and the incorporation of the best practice recommendations from these case studies in the guidelines. The 6 month project extension was used to complete the guidelines and organize a major international conference where the project outcomes were presented.

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## 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 Water Framework Directive (WFD). The guidelines focus on key methodological issues in water resource valuation, including the use and transferability of existing economic values, in the specific context of the WFD. The guidelines provide particularly more guidance on the assessment of the non-market welfare implications of WFD implementation.

Due to the extra time invested in (1) grouping case studies according to the main water management issues in EU Member States in the context of the WFD, (2) the design of a common, comparable research format ('blue print') in all these case studies accounting for contextual differences between country case studies, and (3) the development of a common water quality ladder across EU member states together with water scientists, translating the WFD objectives into goods and services explaining what good water status means for different groups of water users, the project was granted a 6 month extension until and including the 30<sup>th</sup> of September 2009 upon request by the scientific officer of the European Commission. This request was submitted after the presentation of the case study results and best practice recommendations during 5<sup>th</sup> plenary AQUAMONEY project meeting in Valencia 15 and 16 October 2008, which was also attended by a representative from DG Environment (Ms. Anita Payne). Besides presentation and discussion of the case study results, also the results from the feasibility study on GIS based value maps and the concept of cost recovery and environmental and resource costs was discussed once again together with the project consortium and the representative from DG Environment at the meeting in Valencia.

Hence, the most important achievement in the third year was the completion of the case studies and the incorporation of the best practice recommendations in the draft guidelines, while the 6 month project extension was used to complete the guidelines and organize a final international conference where the project outcomes were presented.

The three clusters of case studies were highlighted in the second annual report already and refer to the three main WFD related water management issues:

- 1) Improvement of water quality to good chemical and ecological status (Humber, UK; Scheldt, NL; Scheldt, BE; Morsa NO; Neris, LT; Odense, DK; Rhine, FR; Guadalquivir, SP).
- 2) Ecological restoration of heavily modified water bodies in the Danube, the second largest river basin in Europe (AT, HU, RO).
- 3) Water conservation and allocation under climate change and increasing water scarcity conditions (Serpis, SP; Po, IT; Lesvos, GR).

The case studies were carried out in 13 different EU Member States. Two case studies address water management issues in an international river basin context: the Danube (AT, HU, RO) and the Scheldt (NL, BE). As mentioned, much extra time and effort was invested in the translation of context-specific water management conditions into a common research design with the help of water experts and stakeholders (hydrologists, ecologists, water managers, sector representatives from agriculture and nature conservation) to accommodate and facilitate cross-country comparisons. The WFD objectives were translated into goods and services, explaining what good water status means for different groups of water users. The integration of the relevant WFD

management issues into a coherent and consistent way in the three main clusters of case studies and the intensive collaboration in AQUAMONEY between all 16 international partners is considered a unique achievement.

The final project results were presented during the 6 month project extension at the Water Economics Preconference to the Annual Conference of the European Association of Environmental and Resource Economists 24-27 June 2009 in Amsterdam (see <http://www.eaere2009.org/>, click Programme, then Preconference Water Economics). This Preconference was organized back-to-back to the 6<sup>th</sup> and final plenary AQUAMONEY project meeting in Amsterdam (a decision made at the 5<sup>th</sup> plenary project meeting in Valencia) and attracted around 200 international participants. At the final plenary project meeting the final version of the guidelines was discussed, while AQUAMONEY partners presented an overview of the AQUAMONEY guidelines and the AQUAMONEY case study results at the Preconference.

The guidelines discuss the definition of environmental and resource costs in the context of article 9 in the WFD and the concept of cost recovery. Environmental and resource costs are not defined in the WFD. The guidelines aim to clarify the economic meaning of the terms in article 9. Cost recovery is a well-known economic pricing principle referring to the recovery of the total economic costs of a good or service. Economic valuation of the environmental and resource costs related to the goods and services provided by the WFD includes more than a financial analysis of the costs of water service provision as defined in paragraph 38 in Article 2. Related to the 'no deterioration' rule in the WFD in paragraph 4.4 in Article 4 - meaning that water status is not allowed to deteriorate only to improve from the current baseline conditions - the environmental and resource costs are equal to the benefits foregone of not reaching the WFD objectives.

Besides the organization of a successful major scientific event where the project results were presented, a number of common and individual journal papers were written during the 6 month project extension by the project consortium around the three clusters of case studies and submitted to different economic journals, some of which were accepted for publication at the writing of this final annual activity report, in journals such as Applied Economics, Land Economics and Environmental and Resource Economics. Two papers submitted to the Annual Conference of the European Association of Environmental and Resource Economists 24-27 June 2009 in Amsterdam were furthermore accepted for presentation:

- Bateman, I.J. et al. Making benefit transfers work: Deriving and testing principles for value transfers for similar and dissimilar sites using a case study of the non-market benefits of water quality improvements across Europe.
- Brouwer, R. et al. Ecosystem service valuation from floodplain restoration in the Danube River Basin: An international choice experiment.

The first paper reports the results from the water quality group (UK, BE, NO, LT, DK) and the second paper the results from the international Danube case study, including the use of GIS based value maps.

Finally, besides the technical guidelines on water resource valuation in the context of the WFD targeting practitioners, two new policy briefs were produced and published online informing policymakers and other stakeholders about the use and usefulness of the AQUAMONEY project outcomes.

## 2. Work Package progress

In this section, progress in each work package (WP) during the third project year and the 6 month project extension 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 – Meta-analysis of existing studies
- 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 second annual report and allocated the received budget from the EC after acceptance of the second annual report across all project partners. The name of the Danish project partner was officially changed into University of Copenhagen (before Royal Veterinary and Agricultural University). The project coordinator asked the EC for a 6 month project extension due to the extra time invested in the three clusters of case studies at the end of 2008. This 6 month extension was granted beginning of 2009 by the EC. As a result, the project coordinator modified the Description of Work in Annex I. The extension procedure was officially approved by the EC on the 17<sup>th</sup> of March 2009.

An additional extension was granted to submit the final Activity and Management report due to the fact that not all partners were able to provide the coordinator in time an audit certificate covering the full project lifetime. Despite frequently repeated requests from the project coordinator since the beginning of August 2009 to submit their final financial report and audit certificate, one audit is still missing with this final Activity and Management report, namely the one for the University of Copenhagen. The project coordinator decided not to wait any longer for this last piece of information and further exceed the deadline to submit the final Activity and Management report. The University of Copenhagen has guaranteed the project coordinator that this missing audit certificate will be sent to the EC as soon as possible. The coordinator will do everything possible to ensure the EC receives this missing audit certificate as soon as possible and remains in close contact with the University of Copenhagen about this.

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

Throughout the project lifetime the project coordinator has had frequent contact with the WP leaders about progress, among others through two plenary project meetings per year and regular (monthly or every other month) updates of project progress circulated by the coordinator by email to all project partners. The coordinator prepared the 5<sup>th</sup> and 6<sup>th</sup> plenary project meetings together

with the other WP leaders and chaired the plenary project meetings in Valencia and Amsterdam and also the final international conference in Amsterdam.

In addition, a separate interim review meeting was organized in Brussels at DG Environment on 30 May 2008. This review meeting was attended by the project coordinator Roy Brouwer, the WP5 leader Ingo Brauer, the scientific officer from DG Research Mr. Balabanis, and the DG Environment representatives in the AQUAMONEY Advisory Board Ms. Maria Braettemark and Ms. Anita Payne.

Within the formal WP structure, the coordinator appointed leaders for the case study clusters in the second project year already and in the third year also additional leaders for the key methodological issues addressed in the different case studies. This included researchers from IVM, UEA, NIVA, UMB and UPV. This core group helped finalizing the guidelines. The WP5 leader (Ecologic) mobilized the project consortium to help with the production of the final policy briefs, including a policy brief detailing the main case study results.

Activity 0.3 – Organization of international project meetings

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

- 15-16 October 2008: Fifth plenary project meeting in Valencia with the whole project team (all consortium partners). This meeting was organized by the University of Valencia together with the project coordinator.

The following plenary project meeting took place during the 6 month project extension after the third project year:

- 23 June 2009: Sixth plenary project meeting in Amsterdam with the whole project team (all consortium partners). This meeting was organized by the project coordinator and was the final plenary project meeting. At this final meeting the guidelines were discussed one last time, the final policy briefs, and the administrative and financial wrap-up of the project.
- 24 June 2009: European Association of Environmental and Resource Economists (EAERE) Conference on Water Economics (preconference to the annual EAERE conference). This meeting was organized by the project coordinator. Besides presentations from the project consortium, also external speakers were invited to present work related to the economics of the WFD. A total of 80 scientific papers were submitted to the Water Economics Preconference and reviewed by the project coordinator and a second anonymous academic reviewer. Of these 80 papers, 12 were selected and presented at the Preconference.

An overview of the milestones and deliverables from WP0 during the third project year and the 6 month extension is given in the table below.

No	Deliverable name	WP no.	Date due	Actual delivery date	Estimated indicative person-months	Used indicative person-months	Lead contractor
D4	Final activity report	0	Month 42 (Sept 2009)	Month 42 (Sept 2009)	1.0	1.0	1 (IVM)
D10	Report of the 5 <sup>th</sup> plenary project meeting	0	Month 24 (March 2008)	Month 31 (Oct 2008)	0.5	0.5	2 (Ecologic)

D11	Proceedings final international conference	0	Month 42 (Sept 2009)	Month 42 (Sept 2009)	2.0	1.0	1 (IVM)
<b>No</b>	<b>Milestone name</b>	<b>WP no.</b>	<b>Date due</b>	<b>Actual delivery date</b>	<b>Lead contractor</b>		
1	Workshop case study presentations in Valencia	0	Month 30 (Sept 2008)	Month 31 (Oct 2007)	1 (IVM)		
2	International conference in Amsterdam	0	Month 39 (June 2009)	Month 39 (June 2009)	1 (IVM)		

## 2.2 WP 1 - Assessment of policy maker demand

The main objectives of WP1 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

This activity was completed during the second project year.

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

Deliverable D15 Draft List of Criteria for the Practical Guidelines were further refined in deliverable D16 Final List of Criteria for the Practical Guidelines.

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

No	Deliverable name	WP no.	Date due	Actual delivery date	Estimated indicative person-months	Used indicative person-months	Lead contractor
D16	Final list of criteria for the guidelines	1	Month 18 (Sept 2007)	Month 30 (Sept 2008)	3.5	3.5	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

This activity was completed during the first project year.

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

This activity was completed during the second project year.

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

This activity was completed during the 6 month project extension. The first results were already presented to the AQUAMONEY project consortium and Advisory Board during the 4<sup>th</sup> international project meeting beginning of April 2008 in Budapest.

An overview of the milestones and deliverables from WP2 during the third project year and 6 month project extension is given in the table below.

No	Deliverable name	WP no.	Date due	Actual delivery date	Estimated indicative person-months	Used indicative person-months	Lead contractor
D19	Report with meta-analysis results	2	Month 36 (March 2009)	Month 42 (Sept 2009)	10	15	1 (IVM)

#### 2.4 WP 3 - Guideline development

The main objective of WP3 is to develop practical guidelines concerning the application of economic valuation methods for assessment of policies and projects associated with implementation of the WFD. During the third year and the six month project extension 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 were further refined and illustrated with the help of the practical case study results in the third project year and the six month project extension.

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

The feasibility of developing maps of economic values associated with the WFD based on Geographical Information Systems (GIS) was explored in the international Danube case study. A separate report was written to try this at a European level.

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

This activity was completed during the second project year.

An overview of the milestones and deliverables from WP3 during the third project year and 6 month project extension is given in the table below.

No	Deliverable name	WP no.	Date due	Actual delivery date	Estimated indicative person-months	Used indicative person-months	Lead contractor
D23	Final guidelines	3	Month 42 (Sept 2009)	Month 42 (Sept 2009)	18.0	18.0	1 (IVM) & 3 (UEA)
D24	Feasibility study value map	3	Month 42 (Sept 2009)	Month 42 (Sept 2009)	14.0	14.0	1 (IVM)
<hr/>							
No	Milestone name	WP no.	Date due	Actual delivery date	Lead contractor		
1	Presentation of the guidelines at the final international conference	3	Month 42 (Sept 2009)	Month 39 (June 2009)	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. Due to the extra time invested in the second project year in (1) grouping the project case studies according to the main WFD water management issues in EU Member States, (2) the design of a common research format in all these case studies to facilitate cross-country comparisons, and (3) the development of a common water quality ladder across EU member states together with water scientists, the case study work was substantially delayed, and the reason why a 6 month extension was requested from the EC. The most important achievement in the third year was the completion of the case studies and the incorporation of the best practice recommendations from these case studies in the guidelines. Instead of turning the best practice recommendations into a separate deliverable, they were included as a separate section in each case study report in view of the fact that they immediately follow from the case study results and conclusions (and are hence an integral part of the report containing the case study results). It was therefore decided to keep the best practice recommendations in the report detailing the pilot case study results (deliverables D35-D44), and not produce separate documents with the best practice recommendations (deliverables D45-D54).

Besides finalization of the individual case study reports, two additional papers were written already containing the common case study results for the water quality group (carried out in Denmark, UK, Belgium, Norway and Lithuania) and the international Danube case study (carried out in Austria, Hungary and Romania). At the time of the writing of this final activity and management report, the paper detailing the common case study results for the water scarcity group was in the process of being finalized. These concern separate new deliverables, not originally included as separate deliverables in the Description of Work. An overview of the milestones and deliverables from WP4 during the third project year is given in the table below.

No	Deliverable name	WP no.	Date due	Actual delivery date	Estimated indicative person-months	Used indicative person-months	Lead contractor
D35-D44	Pilot case study results	4	Month 36 (March 2009)	Month 42 (Sept 2009)	72.0	72.0	All project partners
D45-D54	Best practice recommendations from pilot case studies	4	Month 36 (March 2009)	Month 42 (Sept 2009)	11.0	11.0	All project partners
No	Milestone name	WP no.	Date due	Actual delivery date	Lead contractor		
1	Presentation of the case study results at the 5 <sup>th</sup> plenary project meeting	4	Month 24 (March 2008)	Month 31 (October 2008)	All project partners		
2	Presentation of the case study results at the final international conference	4	Month 36 (Sept 2009)	Month 39 (June 2009)	All project 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 Board 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 third project year and the 6 month project extension progress has been made in the following sub-activities:

### Activity 5.1 – Management of knowledge and interactions with policy makers

The activities covered here include the continuous management of the Advisory Board, informing the members of project progress, eliciting comments and feedback, ongoing exchanges via email, phone and personal communication (Ecologic took over the chair of the Advisory Board in the second project year); the presentation of the AQUAMONEY project at several workshops, seminars and conferences, as well as the production of dissemination material. The latter included the production of 13 Policy Briefs for the different case studies, one project flyer or “business card”, one project poster and one newsletter entry. In addition, a report was produced on raising participation (D58) as well as a final plan for using and disseminating knowledge (D57).

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

The project website was regularly updated with new project material in the third project year and the 6 month project extension.

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

No	Deliverable name	WP no.	Date due	Actual delivery date	Estimated indicative person-months	Used indicative person-months	Lead contractor
D57	Final plan for using and disseminating knowledge	5	Month 42 (Sept 2009)	Month 42 (Sept 2009)	2.0	2.0	2 (Ecologic)
D58	Report on raising public participation and awareness	5	Month 42 (Sept 2009)	Month 42 (Sept 2009)	2.0	2.0	2 (Ecologic)

### 3. Consortium management

As in the first two project years, the consortium management during the third project year did not yield any specific problems. The delay with the case studies was noted at an early stage by the end of the second project year. The development of a common valuation design across 13 European country case studies was an exceptional challenge. The end result, however, is considered unique in this European research project. 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.

The project coordinator monitored the progress in the case studies very carefully in the third project year in the hope that all project activities could be successfully concluded within the originally agreed 3 project years. The decision to ask for a project extension of 6 months was not taken lightly and only after mutual agreement with the entire project consortium at the 5<sup>th</sup> plenary project meeting in Valencia half of October 2008, i.e. halfway through the third and final project year. This meeting was also attended by a representative from DG Environment.

Also the involvement and commitment of the members of the Advisory Board was stimulated in the third and final project year. They were all invited to the final international conference in Amsterdam and although an academic event, considerable effort was put into the design of an attractive conference program also from the point of view of policymakers and other stakeholders interested in the economic aspects of the WFD. The program covered important economic issues such as climate change and integrated hydro-economic models, the economics of water conflict and cooperation, water resource valuation, and the use and usefulness of economic instruments in integrated water policy. 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 a bilateral interim review meeting in Brussels together also with two representatives from DG Environment.

## 4. Justification major cost items and resources

The Cost Budget Follow-Up Table (Table 1.3) and the Person Month Status Table (Table 1.4) is found in Annex I.

### 4.1 IVM

IVM contributed to WP0: overall project management and coordination through preparation of the two plenary project meetings in Valencia and Amsterdam, the interim review in Brussels at the beginning of the third project year in Brussels at DG Environment with the scientific officer and 2 representatives from DG Environment, the organization of the final international conference. Especially hosting the latter event required an enormous investment in time of the coordinating institute, more than originally budgeted.

IVM finished the meta-analysis in WP2 and the AQUAMONEY guidelines in WP3 and conducted the feasibility study on the use of GIS based value maps. IVM is the lead author of the AQUAMONEY guidelines and the inclusion of the wide variety of case study results, key methodological issues and best practice recommendations also was a time consuming process, not only in the third project year and the 6 month extension but also in the previous years. IVM conducted part of the work originally foreseen to be done by partner 4-UMB in WP2 and WP3.

In WP4 IVM helped clustering the different case studies under three main management issues and helped coordinating two out of the three groups (international Danube case study and water scarcity). In the international Danube case study GIS experts from IVM helped developing a GIS based value map for this specific case study. In order to coordinate the work in especially the international Danube case study and the water quality group, additional travel took place of researchers to work together on the common analysis of these two clusters of case studies. IVM paid for the travel and accommodation costs of partner 15-IHSK who visited Amsterdam for a few days to coordinate the international Danube case study and IVM conducted a large part of the analysis of the results in the international Danube case study for partners 8-RISSAC, 15-IHSK and 16 - CUB. The same applies to the international Scheldt where IVM worked on the French part of the basin instead of partner 6- BRGM. This too was originally unplanned. IVM produced the general policy briefs together with the WP5 leader Ecologic.

Finally, with permission of the scientific officer the project coordinator spent 3 months in Vancouver to work on the finalization of the AQUAMONEY guidelines and present the work to scientific experts from Simon Fraser University (SFU) in Vancouver. The project AQUAMONEY was presented at different seminar meetings at the SFU and the feedback was incorporated in the final guidelines. Marije Schaafsma spent 3 months in Sydney at the Faculty of Economics and Business of the University of Sydney to finish the analysis of the Dutch case study which is part of her PhD. AQUAMONEY will generate one PhD (the degree from the VU University is expected first half of 2010).

Most of the costs in the third project year are related to research time. In total, IVM researchers worked 35.33 person months on the project (€182.533). Other important cost items are listed below:

- Travel and accommodation costs of members of the Advisory Board (€2708)
- Final international conference (€5316)
- 4<sup>th</sup> plenary meeting Budapest (€2576)
- 5<sup>th</sup> plenary meeting Valencia (€728)
- 6<sup>th</sup> plenary meeting Amsterdam (€825)
- Travel IVM (Roy Brouwer, Marije Schaafsma) to Budapest (€1159)
- Travel IVM (Roy Brouwer, Marije Schaafsma, Luke Brander) to Valencia (€1464)
- Subcontracting Dutch case study (web-based survey) (€5025)
- Travel Roy Brouwer Vancouver (€5025)
- Travel Marije Schaafsma Sydney (€2998)
- Tutors choice experiment course Amsterdam (€4899)
- Extra costs Danube case study (visit Markus Bliem to Amsterdam) (€1381)

- Extra costs water quality group coordination (visits Roy Brouwer and Marije Schaafsma to Norwich visit Brett Day to Amsterdam) (€942)
- Travel Roy Brouwer key speaker International Groundwater Congress Lissabon (€568)
- Travel Roy Brouwer to Leeds presentation AQUAMONEY at Nitrogen and water quality workshop (€599)

The choice experiment course was reported in the second annual report. However, some of the costs were only reimbursed in the third project year, hence the reason why these costs (tutors choice experiment course Amsterdam) are listed here. The costs of the plenary project meetings refer to hiring rooms (in Budapest only) and catering costs (lunch and dinner). The travel and accommodation costs of Advisory Board members refer to members who attended the plenary project meetings. Those Advisory Board members who attended the final international conference paid for their own travel and accommodation costs.

#### 4.2 Ecologic

Cost items mainly refer to personnel input, which constitute 88% of the resources consumed in the third year. The remaining percent consists mainly of travel costs, e.g. to the project meetings in Valencia and Amsterdam, or to several events and seminars where the project was presented. 2000 € were spend on a final financial audit by a subcontractor.

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

- WP 0 - Management: 2 person months (accumulated 4.8 versus 4 planned). The management input was mainly necessary for the organisation and the proceedings of the meeting in Valencia (D10) and the last project meeting in Amsterdam (D11). The deviation from the planning can be explained by the fact that the management effort for organisation of meetings is concentrated in the first and the third year of the project, but was less in the second year.
- WP 1 – Assessment of policy maker demand: 0.8 person months consumed (accumulated 11 versus 7 planned). The activities in this work package included delivering a final list of criteria to include policy maker demand in the set of guidelines (D16).
- WP 3 – Development of practical Guidelines: 0.2 person months consumed (accumulated 0.2 versus 2 planned). The activities in this work package included commenting on the final Guidelines.
- WP 5 – Communication and dissemination of results: 12 person months consumed (accumulated 19 versus 8 person months planned). The activities covered here include the running management of the Advisory Board (informing the AC of project progress, eliciting comments and feedback, ongoing exchanges via email, phone and personal communication); the set-up and maintenance of the project website, the presentation of the AquaMoney project at several workshops, seminars and conferences, as well as the production of dissemination material. That included the production of 15 Policy Briefs (nos. 1, 2, 4-1-13), one project flyer or “business card”, one project poster and one newsletter entry. In addition to the website (D56), the team produced a report on raising participation (D58) as well as a final plan for using and disseminating knowledge (D57). One factor explaining the higher person months in work package five is the extension of the project duration and the corresponding additional work load. Furthermore, additional new staff had to be trained due to a change in personnel.

An adjustment in the amount of EUR - 36.473,38 for project periods I + II (04/06 - 03/08) was made in the final cost statement in order to comply with the findings of audit BAEA080402 (B64-24) and with the Commission's letter dated 19 August 2009. The direct and indirect hourly rates of permanent staff for periods I + II were recalculated according to the audit findings, which leads to a total adjustment in the above-mentioned amount and which has been certified by an external auditor.

Table 1: Budgeted costs versus actual costs (periods I – III)

<b>cost item</b>	<b>planned</b>	<b>actual</b>
<b>personnel costs</b>	232.388	244.293
<b>travel</b>	15.000	12.679
<b>subcontract</b>	2000	2000
<b>adjustment</b>		-36.473
<b>SUM</b>	249.388	222.499

Table 2: Budgeted person months versus actual accumulated person months (periods I – III)

<b>work package</b>	<b>task</b>	<b>planned</b>	<b>actual</b>
<b>WP0</b>	meetings and reports	4	4.8
<b>WP1</b>	policy maker demand, survey and evaluation, draft list of criteria	7	11
<b>WP3</b>	comments on the Guideline	2	0.2
<b>WP5</b>	Policy Briefs, Website, Advisory Board	8	19
<b>SUM</b>		21	35

#### 4.3 UEA

Cost item	Researcher	Cost (€)	Explanation	WP
Salary	C Fezzi	50765	Employed on the contract 16 months due to no cost extension to 30/09/09. The extended contract was possible due to the poor euro/sterling exchange rate.	All
Travel	I Bateman	519	AQUAMONEY conference - Budapest Apr 08	WP5
	C Fezzi	749	EAERE conference - Gothenburg June 08	WP5
	C Fezzi	1181	Discrete choice modelling course - Bologna July 08	WP2
	I Bateman	1978	ENVECON 2009 London - Mar 09	WP5
	C Fezzi			
	I Bateman	2446	RELU conference - Harrogate Apr 09	WP5
	C Fezzi	735	83rd IMI conference - Dublin Apr 09	WP5
	I Bateman	923	NCI conference - London Apr 09	WP5
	I Bateman	2043	EAERE 2009 conference Amsterdam June 09	WP5
	C fezzi			
	C Fezzi	1775	IAAE conference . Beijing May 09	WP5
	I Bateman	2711	Various meetings and presentations to DEFRA 08/09	WP5
	I Bateman	4432	Project visits to Norwich mainly by co-ordinator institution	ALL

Consumables	295	Computer consumables used for project.	WP2
Subcontract			
	ACCENT	36630	By arrangement ACCENT were subcontracted to design a Computer Assisted Personal Interview (CAPI) and implement the initial survey. They also cleaned all of the data and conducted some preliminary analysis.
			WP4

#### 4.4 UMB

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

- Participation at the Preconference (to the EAERE annual conference) on "Water Economics" June 24th 2009 at Free University, Amsterdam; where results from the Aquamoney project were presented .(Both academics and policymakers were present, and we contributed to the discussion and dissemination (WP5) .
- Work on WP 2 regarding benefit transfer of willingness-to-pay estimates for improved water quality across several European countries, including contribution to the Norwegian case study. Resulted in joint paper on benefit transfer validity tests which was presented at the Preconference on "Water Economics" and submitted to the journal "Environmental and Resource Economics". The paper is entitled "Making Benefit Transfers Work: Deriving and testing principles for value transfers for similar and dissimilar sites using a case study of the non-market benefits of water quality improvements across Europe" ( I.J. Bateman; Roy Brouwer; Silvia Ferrini; Marije Schaafsma; David N Barton; Alex Dubgaard; Berit Hasler; Stephanie Hime; I Liekens; Ståle Navrud; Leo De Nocker; R Ščeponavičiūtė; and D. Semėnienė).
- Contributed to the construction of Guidelines for economic valuation of water resources (WP4), especially with regards to benefit transfer

Reason for major deviation in allocated budget and actual expenditures. Less number of person months, and thus less than the budgeted costs were used. There are two main reasons for this. First, part of the work on the project was carried about by the permanent staff of the University (whose costs cannot be charged to the project). Secondf, part of the work on the meta-analysis in WP2 and the guidelines in WP3 was conducted by the project coordinator.

#### 4.5 UPVLC

Work performed in the period (3<sup>rd</sup> period, april 2008 – september 2009):

In WP3, our team had a very active participation in development of the guidelines for the economic valuation of environmental and resource costs and benefits in the WFD. Specifically, we are mainly responsible of the section related to hydro-economic models, although we have participated in the discussion and drafting of other sections in the final document.

For WP4, we have coordinated the development of the final reports for the different case studies. For that purpose, we drafted a template to homogenize the reporting, and reviewed all the final reports for suggestions on both the format and the content. Finally, we have analyzed and modelled the results of the valuation exercise in the Serpis basin, and produce a final report.

Summary of resources employed:

- Personnel – Writing of the final guidelines
- Personnel – Writing of final report for the Case Study Area (Serpis basin, Valencia)
- Personnel – Writing and researching final policy brief documents
- Personnel – Tasks related to leading WP4
- Personnel - Related administrative tasks: management support related to the general project administration

### Major cost items

1) Personnel: Personnel costs for the work performed during WP3 and 4 during the period.

2) Travel:

Travel and accommodation cost of Julia Martin (at that time, IVM, Amsterdam) to Valencia, who collaborated in a short training period for the students in charge of conducting the survey of the valuation study for the Serpis river case study. 3th Aquamoney Plenary Meeting, Valencia.

Participation of Manuel Pulido in the Conference Water Tribune (Expo Zaragoza 2008), Water Economics and Financing (Zaragoza, sept. 2008). This scientific conference attracted scientist from various disciplines to exchange and discuss how to cope with water economic issues. The conference was considered relevant for the research that is being undertaken in the AQUAMONEY project.

Participation of 2 persons of UPVLC (Manuel Pulido and Joaquin Andreu) and Julia Martin (IVM) in the 4th Aquamoney Plenary Meeting (Budapest, April 2009). As mentioned above, Julia Martin collaborated with the UPVLC team in preparing the survey.

Participation of 2 persons of UPVLC (Manuel Pulido and Joaquin Andreu) in the Aquamoney Final Project Meeting (Amsterdam, 23-24 June 2009).

### **Budgeted and actual costs**

TYPE of EXPENDITURE (as defined by participants)	BUDGET	ACTUAL COSTS (EUR)			
		Period 1	Period 2	Period 3	Total
<b>Total Person-month</b>	<b>16,00</b>	<b>4,50</b>	<b>6,00</b>	8,00	<b>18,50</b>
Personnel costs	69.340	13.665	21.739	48.147	<b>83.551</b>
Major cost item 'Travel'	18.000		2.198	4.710	<b>6.908</b>
Major cost item 'Computing'	0		0		<b>0</b>
Major cost item 'S/contract'	0		0	2.000	<b>2.000</b>
Other costs ('the rest')	45.783	15.886	18.403	23.241	<b>57.530</b>
<b>Total Costs (incl. Indirect costs)</b>	<b>133.123</b>	<b>29.551</b>	<b>42.339</b>	<b>78.098</b>	<b>149.989</b>

## **Budgeted and actual person-months**

The UPVLC has used 8 pm in the 3th period, what means a total of 18.5 pm devoted to the project, instead of the 16 pm planned for our contribution to the project.

## **Explanation of major deviations from cost and person-month budget**

The deviation in the budget is partially due to fact that our team devoted much more effort than initially foreseen to tasks related with the valuation methods for environmental costs, and also to the 6 month extension of the project and the additional need of more person-month (with the corresponding increase in personnel cost) to finish the project tasks. Given that the travel expenses were minimized (less than 40% of the corresponding budget), part of the saving was used for personnel cost (as it was done with part of the consumable budget).

### **4.6 BRGM**

The activities performed during the 3<sup>rd</sup> period are the following:

A social survey was organised in the case study area to assess problems related to perception of groundwater by lay persons. Two missions were organised in the region (5-7 mai 2008 & 15-16 mai). A total of 80 face to face interviews were conducted by a subcontractor from Metz University (under Brgm's supervision) in the streets of Nancy, Metz and surrounding small cities. The results helped better understanding respondent ability to understand groundwater management issues and options. This information is required to design relevant CV questionnaire. This task was a direct contribution to the French case study but also to the development of the guidelines concerning groundwater specific issues.

A CV questionnaire was then developed for assessing the benefits of groundwater protection in the selected case study area. This questionnaire was then tested through 50 face to face interviews conducted by 3 researchers from BRGM (3 to 6<sup>th</sup> June 2008).

The mail survey was then subcontracted to NEOPTEC, a company specialised in mailing and optical questionnaire analysis. 6000 questionnaires were printed and posted to a sample of households selected according to a sampling procedure defined by BRGM. More than 600 questionnaires were returned. Data were entered using an optical reading software.

Data analysis was then performed by BRGM. Preliminary results were presented and discussed during the Valencia meeting. Implications from the case study for the guidelines were presented here too, together with a short document sent to the person in charge of this task. The final report was then prepared and sent to the coordinator.

The results have then been presented to stakeholders and discussed with them. A first meeting was organised on April 3<sup>rd</sup>, 2009 at Epinal, with the regional Inter-Services Water Commission (MISE des Vosges). This was followed with a second meeting organised with the Prefet des Vosges (highest government representative at the regional level) on June 26<sup>th</sup> 2009. The Prefet suggested that the results of AQUAMONEY case study on groundwater be used for wider dissemination. Reports and a summary in French have been sent to the Association "Des Hommes et des eaux" which objective is to increase public awareness of water related issues.

## **Justification of cost**

Salaries and overheads are the main cost item for BRGM during this third period. Work has mainly been carried out by a senior researcher (Dr. J-D Rinaudo) whereas it was initially planned to be conducted by a junior (Dr. S. Aulong). It was performed with a lower number of person months than expected (9,25 instead of 13) but for the same cost (due to higher unit cost of the senior

researcher). This explains the apparent deviation from original provisions in terms of person months.

Subcontracting: two tasks have been subcontracted. The undertaking of 80 face to face semi-structured interviews was subcontracted to the University of Metz. And the printing, posting and data entry of the quantitative survey (6000 questionnaires) was subcontracted to NEOPTec. The total subcontracting budget slightly exceeds the initial plan.

Travel and subsistence costs: two international travels have been organised to attend project meetings in Budapest (7-9 April 2008) and in Valencia (14-17 October 2008). Several missions involving several persons were organised in the case study area for pre-testing the questionnaire, working on the design of the social survey with the subcontractor in Metz and presenting the results to stakeholders and government representatives.

#### 4.7 AEGEAN

During the third reporting period, AEGEAN research team worked mainly in WP4. We elaborated the pretest data and submitted them for presentation in the Budapest plenary meeting 7-9 April 2008. Based on the results of the meeting, we finalized the questionnaire, improved the pictograms and implemented a new pretest in Lesvos in June 2008. The new results were also reported. In the meantime, we contributed a short report on the use of environmental and resource cost and benefits in Greece in the framework of WFD. The final survey took place in Lesvos during the summer 2009. A total of 300 questionnaires were collected via face-to-face interviews by trained PhD students. Preliminary results were presented at the Valencia meeting 15-16 October 2008.

The econometric analysis of the collected data were further elaborated in cooperation with the other teams of the scarcity team and presented at the EAERE Preconference on Water Economics, Amsterdam 24 June 2009 and at the AQUAMONEY final meeting, also in Amsterdam 23-24 June 2009. During this period we contributed also to the refinement of the draft Technical Guidelines and the writing of the 4<sup>th</sup> Policy Brief of AQUAMONEY.

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 Valencia meeting and several domestic travels for meetings with the General Secretary of Water Resources Office in Athens. 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 deviation from cost budget has occurred. A deviation from planned person-months (9 person-months) has occurred. The reason was the fact that unforeseen problems in the design of a common valuation survey in Spain, Italy and Greece raised the demands for research which, in agreement with the persons involved were accommodated without a corresponding raise in the wages. Accordingly, the planned person-months during the third period (2.53) were exceeded by 1.07 person-months, reaching 3.6 person-months.

#### 4.8 RISSAC

In the last period of the project we had 4 major events – annual meeting in Budapest, including advisory board meeting (7-9. April, 2008), the project partner meeting in Valencia (15-16, October, 2008) and the final project meeting in Amsterdam (20-21 June, 2009) followed by an international conference presenting the results of the Hungarian case study area as well. All these events were supporting the project overall implementation. Since the GA took place in Budapest it required

more effort by the Hungarian partners (both CUB and RISSAC) concerning organization and implementation, provision of facilities by lower cost rate persons. That is why our dedicated Person Months – **at a same cost base** – has increased up to 11,99. At RISSAC specific inkind contribution as well as accounted personal time has been dedicated to these events (K. Varga- 0,19 PM, Zs. Flachner 0,1 PM)

Besides several activities supporting the WPs took place:

- Under WP4 the survey development, specification and implementation have been done in Hungary (majority by CUB students and small scale service contracts). After the personal interviews the web based tool design and development took place to enable the Hungarian project site to implement a web-based survey as well and compare in the future the two methods. To fulfil these task at RISSAC 2 minor subcontracts have been assigned (Atmosfera Ltd., Hungary – 3700 euro; Autoidea Ltd, Hungary 925,04 Euro).
- Under WP3 (2) and WP5 (0) the planned person months were much lower than the real spend / in case of WP3 GIS development for web survey with digitalization of local maps and historic land use, restoration levels took place – 0,5; in case of WP5 Hungarian dissemination (WFD regional and national debates) as well international conference lecture presenting AQUMONEY took place – Water Policy conference, Prague, 2009 June – 0,2/, and these extra PMs are counted as partner contribution.

#### 4.9 AAPC

The travel budget was used for the following purposes:

1. Participation of Daiva Semėnienė in the 5<sup>th</sup> AQUAMONEY Meeting in Valencia (October 15-16, 2008).

Travel expenditures: 1452,85 EUR

2. Participation of Daiva Semėnienė in the Final AQUAMONEY Meeting in Amsterdam (June 23-24, 2009). Travel expenditures: 885,75 EUR

Total expenditures of travel costs during the third period (April 2008 – June, 2009) – 2338,60 EUR.

The remaining travel budget for the third project Period is 14,17 EUR. Additionally 2,83 EUR of Indirect cost.

Total travel expenses during Period 3 is 2338,60 EUR. We have exceeded the travel budget foreseen in the contract by 2324,43 EUR. Due to the lack of funds we have reallocated 300EUR from the line “Management cost-Indirect costs” to “Travel costs” line to cover a part of our losses. The rest missing amount – 2024,43 EUR is included in our Financial reports as well.

#### 4.10 VITO

VITO contributed mainly to WP3, WP4 and WP5:

Workpackage 3: Development of practical guidelines

- Discussion on draft version practical guidelines

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

- Economic valuation of the environmental change:
  - o Analysis of the results
  - o Integrating results with Dutch part
  - o Writing report
- Suggestions/lessons learned towards final meeting and towards practical guidelines.

#### Workpackage 5: Communication and dissemination of results

- Writing policy brief on case study
- Discussion on other policy briefs

#### 4.11 DEIAGRA

##### Brief description of the work performed

- 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 ‘scarcity group’ of AquaMoney, in which UNIBO is involved, implemented a common survey design to investigate the robustness of the guidelines by including sufficiently diverse and various geographical, economical, political-institutional and cultural areas.

The UNIBO research staff carried out a face to face survey in the case study area selected. We have been supported by a subcontractor (Medec) that help us in the collection of the data. The main activity of the third year was the collection and the analysis of the data.

##### Explanatory note on major cost items:

The major cost in the budget of UNIBO is the personnel costs. The additional personnel in this period were two young researchers employed through two different collaboration contracts and one grant for research, the total effort for this period is 8,5 P/M. The collaborators are involved in the activities foreseen in WP3 and 4. The effort of the permanent personnel, Prof. Gallerani, Prof. Viaggi and Dr Raggi, worked in the tasks foreseen in WP3 and 4 for a total of 5 P/M.

The major travel costs regard travels of Davide Viaggi, Meri Raggi and Laura Sardonini to Valencia for the ‘Fifth Aquamoney Plenary Meeting’ and of Davide Viaggi and Laura Sardonini to Amsterdam for the ‘Final Aquamoney Plenary Meeting’.

In July 2009, Meri Raggi went to the 2nd International Conference on water economics statistics and finance held in Alexandropolis, where she presented the final results of the Italian case study.

Minor travel costs are due to data collection, the Unibo staff did personally the interview and the reimbursements are those due to reach the case study area.

In September 2009 the staff of UNIBO organized a pre-congress section in the Annual congress of the SIDEA (Italian Society of Agrarian Economists) on the specific topic of the project. We invited the Italian stakeholders to discuss about the implementation of WFD in Italy and to present them the Italian results of the AquaMoney case study. The congress held in Piacenza 16-18 September 2009, the travel costs tied to this dissemination activity are the reimbursement of Vittorio Gallerani, Davide Viaggi, Meri Raggi, Laura Sardonini and Davide Ronchi.

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 increased the number of person month without affect the personnel costs.

Adjustment:

The adjustment made in the last Form C regards in particular the travel costs for the participation of Prof. Viaggi and Dr. Raggi at the Second Aquamoney Plenary Meeting. These costs were wrongly reported both in the first report and in second one. They were subtracted in the final period. The other adjustments regard small amounts of travel costs for the questionnaire submissions and collections, of personnel tax referred to the second period and letter post expenditures.

#### 4.12 NIVA

David N. Barton, NIVA, contributed guideline written material to several chapters of the AQUAMONEY Guidelines, including results from the Norwegian case study of common interest, and an analysis of all AQUAMONEY case study 'best practice recommendations.' David N. Barton, NIVA, conducted the econometric analysis of the Norwegian valuation case study data and edited the case study report and policy brief. Anders Bugge-Mills, NIVA, helped design the maps used in the web-survey, carried out the GIS-based distance calculations, and map illustrations of valuation results.

Contractor TNS Gallup programmed and implemented the web-based survey to over 1100 respondents in Østfold and Akershus counties in August-September 2008. The carried out a follow-up survey in Moss municipality October 2008 to complete the sample frame.

Explanatory note major cost items:

The web-based survey was the main data collection for the Norwegian valuation case study, conducted by TNS Gallup.

- 1) Subcontractor: TNS Gallup Web-based main survey: Total cost excl. VAT NOK 207 951 (30.10.08).
- 2) Subcontractor: TNS Gallup Web-based follow-up survey: Total cost excl. VAT NOK 35 303 (17.11.08)

No further major deviations relative to EC contribution.

Adjustments on previous periods: A reduction of EUR 640,18 due to incorrect exchange rate on the previous period. The correct exchange rate was: 8,0475, the rate used was 7,9805. We have reduced "the others" by this amount in the CBFUT.

#### 4.13 UCPH

Partner no. 13 UCPH and the subcontractor Danish National Environmental Research Institute (NERI) have made the following contributions in period 3 under Work package 4:

Conducted the planned economic valuation surveys in the case study area, the Odense River basin in Denmark. The valuation study included a Contingent Valuation survey based on the common AquaMoney valuation design and a specific Choice Experiment survey developed for the Danish case study. The findings were reported in the case study report: D35-D44: Assessing Economic

Benefits of Good Ecological Status under the EU Water Framework Directive. Testing practical guidelines in Odense River basin, 12 March 2009. By B. Hasler, S.L. Brodersen, L.P. Christensen, T. Christensen, A. Dubgaard, H.E.Hansen, M. Kataria, L.Martinsen, C. J. Nissen, A. F. Wulff.

Case study results were presented at the 17th Annual Conference (2009) of the European Association of Environmental and Resource Economists under the title: Scenario Realism and Welfare Estimates in Choice Experiments - Evidence from a Study on Implementation of the European Water Framework Directive in Denmark. By Kataria, Mitesh, Berit Hasler, Carsten Nissen, Tove Christensen, Louise Martinsen, Jacob Ladenburg, Gregor Levin, Alex Dubgaard, Ian Bateman, and Stephanie Hime.

The cost incurred by UCPH is mainly salary cost. There has been a small deviation on other cost (travel and computing). The audit certificate will be forwarded early January, as the auditors did not find time before Christmas to conduct the audit. UCPH do not expect any major revisions to the overall costs or the distribution of the costs. For the last Cost Statement the institute has made a complete account of the expenditure during the individual projects years. This controlling has lead to some adjustments to previous periods mainly arising from salary costs not attributed corrected in the individual cost statement.

#### 4.14 UNIBUC

UNIBUC contributed to:

WP 3 - Activity 3.1. – Development of practical guidelines

- Analysis of the draft guidelines
- Supplying detailed comments to WP3 coordinator on the draft practical guidelines

WP 4 – Testing guidelines

- Data analysis for the Islands of Braila site.
- Support for designing common part of the River restoration case-study national reports
- Writing the National Report based on the Braila Islands data and policy recommendation for inclusion under WP3 work (practical guidelines)

WP5 – Information dissemination

- Writing the policy brief no 4 in Romanian
- Presenting some preliminary results of the Romanian river restoration case-study at the 6<sup>th</sup> Symposium for European Freshwater Sciences (SEFS6) in Sinaia
- Meetings with Romanian Waters Authority representatives

Cost items	Sum (EURO)	Explanatory note
Personnel	14445	2 senior researchers, 1 young researchers, 4 PhD students and 7 Master student performed a total of 2.3 PM
Travel	2993.3	- attending the meeting in Hungary, April, 2008, Nicoleta Geamana and Teodora Palarie – 1371.9 € - attending the meeting in Spain – October 2008, Teodora Palarie – 786.3 € - Attending the final meeting – The Netherlands – Angheluta Vadineanu – 835.1 €
Consumables and intern travel	0	

There have not been recorded deviations from PM budgets (Personnel costs).

Differences appeared in the following budget lines:

- Travel – total costs justified – 9134 €, estimated budget – 5000 € (resulting a difference of -4134 €); the costs estimated for “Travel” were initially appreciated for one person attending the project meetings, but during the implementation of the project, because of the complexity of its activities and of the working group meetings, there was a need for attendance of two persons in most of the meetings.
- The budget estimated for consumables – 4000 € - the actual costs for this line were 2652.2 €, resulting a difference of +1347.8 €
- The budget estimated for Audit were of 1500 €; the actual cost was of 300 €, resulting a difference of +1200 €
- In the first year of the project (1.04.2006-31.03.2007), the reported amount for Indirect costs was of 2000 €, instead of 3155.78 € (20% from Direct Costs), resulting a difference of +1155.78 €

In Total, for the entire period of the project, the Actual costs were of 77509.9 €, with 746.9 € more than the estimated initial budget.

#### 4.15 IHSK

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

The main objectives of work package 4 during the last period were to:

- implement the main survey;
- prepare and code the collected data;
- analyze and interpret the data, including the estimation of the public choice model;
- report and publish the results in a working paper;
- deduce best practice recommendations from the case study.

A professional survey company was hired to make the survey available online and collect the results from their representative household panel. It is important to point out that the core elements of the survey and choice model design were in the hands of IHSK, only the technical implementation of the survey on the internet using an existing representative household panel was sub-contracted. There were two reasons for sub-contracting this specific part of the work. First, hiring a professional survey agency has important efficiency advantages as the agency has the necessary software knowledge and expertise to implement internet-based surveys. Secondly, in order to ensure the target sample is representative, large amounts of email addresses either have to be purchased or access is needed to a representative household panel.

With the survey completed, the collected data was coded and prepared in such a way that it could be used for statistical analysis. First, the demographic, social and economic characteristics of the sample were analyzed in detail. The core of WP4 consisted of the estimation, analysis and interpretation of the public choice model to assess possible trade-offs. From the estimated choice model, the welfare impacts of different hydropower development strategies were estimated, allowing the ranking of most preferred future policy scenarios and their specific characteristics. The data analysis was undertaken using specialist statistical software (e.g. LIMDEP). After the data had been analyzed, the results were reported and published in a working paper and a report. Dr. Bliem spent a full week in Amsterdam (from 4-9 May 2008) to work on the public choice model and to prepare a common working paper.

Based on the case study results a set of best practice recommendations were deduced from the Danube case study and presented at the 5th Plenary Meeting in Valencia (from 14-16 October 2008) by Dr. Bliem.

Finally, Prof. Getzner presented the common paper “Ecosystem service valuation from floodplain restoration in the Danube River basin: An international choice experiment application“ at the 17th Annual Conference of the European Association of Environmental and Resource Economists from 24 – 27 June 2009 in Amsterdam.

#### 4.16 CUB

Most important contribution of CUB was to WP4. Resources employed:

- Personnel – Writing of final report for Hungarian Case Study Area
- Personnel – Writing and researching final policy brief documents for contribution to WP leader deliverable
- Personnel - related administrative tasks: 1. finance-related support, 2. administrative support related to general project administration, 3. computer/technical support

#### Major Cost Items

- 1) Personnel: Personnel costs for much of the work performed during WP4 rolled over from Period 2 and were paid during Period 3.
- 2) Travel: Flights plus accommodation for Corvinus University staff for participation in Aquamoney Final Project Meeting (Amsterdam, 23 June 2009)

Explanation for major deviations:

- 1) Travel costs are higher and personnel costs lower than budgeted for due to changing cost structures at Corvinus University. It was decided more expedient to minimise personnel costs in order to provide for the opportunity for Corvinus Project Members to attend the Aquamoney closing Conference.
- 2) Additionally, in the 2007.03.31 end-of-year financial report the wrong EUR-HUF exchange rate was utilised. This is now corrected. The difference amounted to 992.44 Eur which can be divided into 827.03 Direct costs and 165,41 indirect costs.
- 3) In the 2008.03.31 end of year financial report the per diem daily rate we used was 32,59 Eur (=direct Travel costs) but we should have accounted also for the indirect costs of the per diem (being 6,52 Eur). This is why in the adjustments column in 2008 we have 992,44+6,52 =998,96 Eur.

## 5. Form C completed for all contractors

The Forms C for all consortium partners are found in Annex II. The signed Forms C and audit certificates 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

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. Here we present a summary of the plan for using and disseminating the knowledge generated within the AQUAMONEY FP6 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. More details are found in AQUAMONEY Deliverable D57 – the plan for using and disseminating knowledge.

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](http://www.aquamoney.org)
- Presentations and lectures related to the AQUAMONEY project and its results
- Exchange with the Advisory Board - 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 Board and the involvement of national and regional policymakers and stakeholders in the pilot case studies.
- Less formal communication (discussions, email exchanges, meetings)
- Publications targeted at the different constituencies
- Training courses

There has been substantial interest in the AQUAMONEY project as can be seen in the following:

- There has been a substantial stakeholder involvement in all case studies as the report D55 on stakeholder participation shows.
- There was a high attendance of the Advisory Board members the 2<sup>nd</sup> AB-meeting in Budapest. 13 of the 25 Members attended to the meeting. Five also attended to the two day team meeting.
- Advisory Board members attended the final conference on water economics.
- The final conference was part of the annual European Association of Environmental and Resource Economists (EAERE) in Amsterdam 2009.
- AQUAMONEY was presented at the International Thematic Week of Water Economics and Finance at the International Exhibition of Zaragoza 2008 (Spain) with a poster.
- AQUAMONEY was presented at the 5th International Water Technologies, Renewable Energy & Environmental Control Exhibition and the 2nd International Conference (WATEC 09) in Tel Aviv, Israel on 17-19 November 2009.
- The members of the AQUAMONEY team have been invited to many occasions to present results or to present the project.

There has already been concrete up-take of the AQUAMONEY results: the results from the Belgian Scheldt case study contributed to a disproportionality analysis for the Flemish government. Hence it can be seen 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 high interest from the side of authorities and policy makers in charge of the WFD implementation. 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 WFD, but also in relation to Article 4 WFD. Thus, policy maker demand for the project outputs is substantial.