

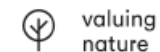


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THE COST OF WATER STEWARDSHIP

A Proposed Methodology

Paul Reig, World Water Week 2016



THE COST OF WATER STEWARDSHIP:
A PROPOSED METHODOLOGY & PILOT STUDY

*Draft Working Paper for Public Consultation
Prepared by Valuing Nature and World Resources Institute*

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Natural
Capital
Valuation

Financial Value
at Water Risk

Full Cost of
Water

Water
Valuation

WATER STEWARDSHIP


Use of water that is socially equitable, environmentally sustainable and economically beneficial, achieved through a stakeholder-inclusive process at a river basin scale.

What does it cost?

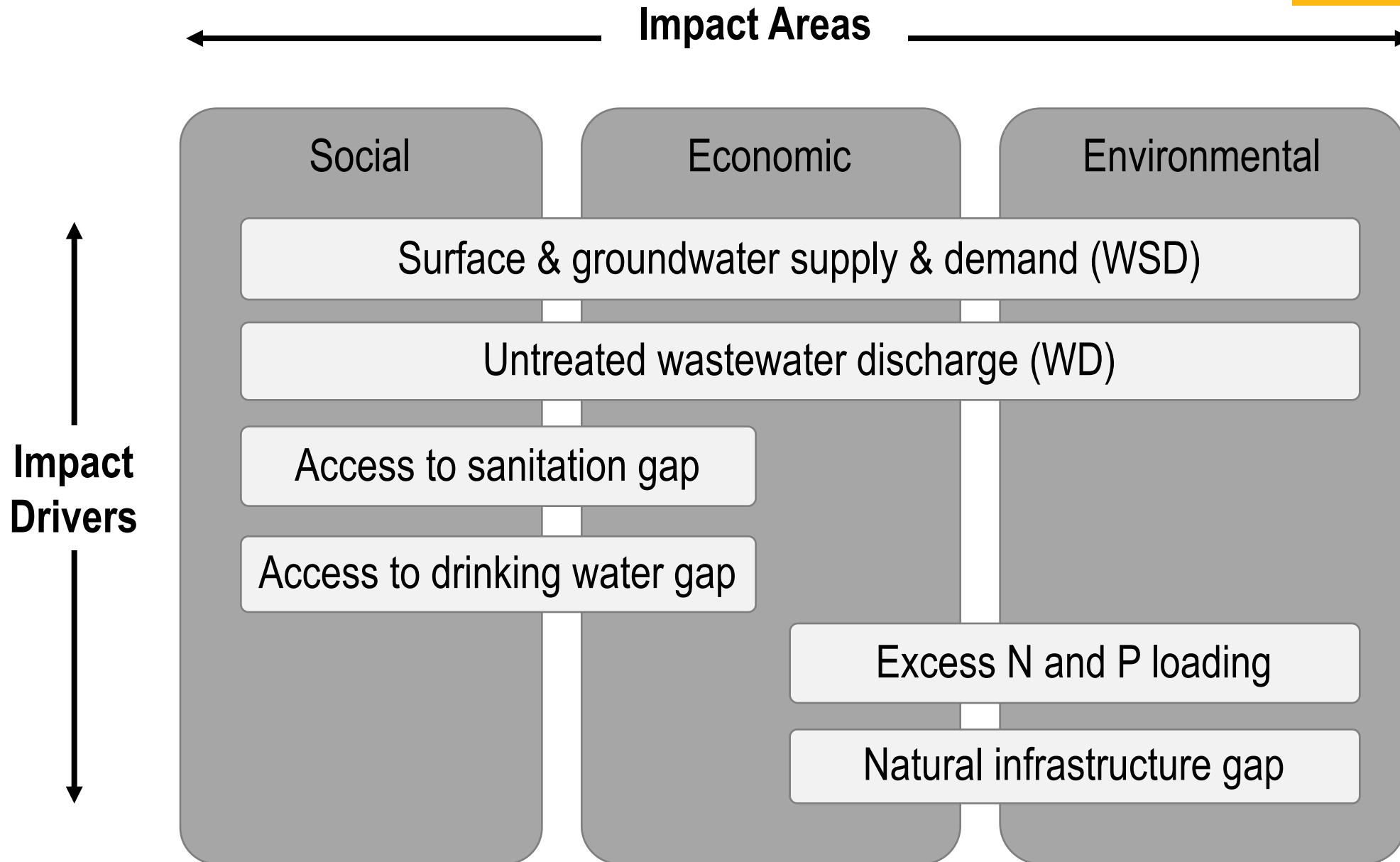
COST OF WATER STEWARDSHIP METHODOLOGY

- Geographic scale: **watershed.**
- Economic valuation approach: **cost of action.**
- Applicability & coverage: **worldwide.**
- Flexibility: **primary & secondary data.**
- Timeframe: **current conditions.**

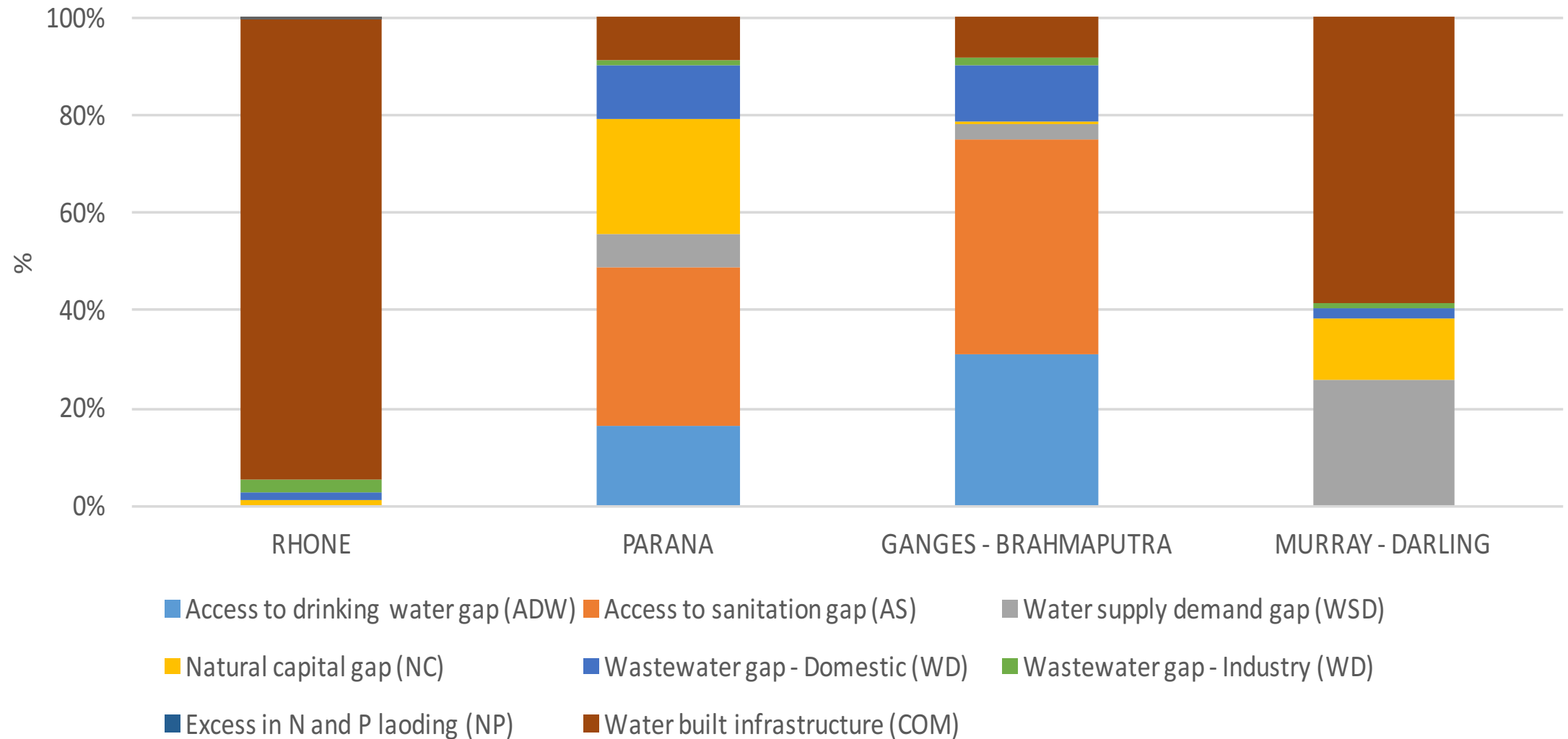
$$SWC = COM + \sum_i IC_i$$

$$IC_i = \sum_j ID_{ij} \cdot SC_{ij}$$


- **SWC:** Sustainable Water Cost
- **COM:** Capital, operating and maintenance costs of built water infrastructure
- **IC:** Investment costs required to achieve desired watershed conditions
- **ID_{ij}:** Extent or magnitude of the impact driver
- **SC_{ij}:** Cost of solutions and interventions required to eliminate impact driver
- **j:** Different solution types
- **i:** Impact drivers (for all social, economic and environmental dimensions)



SWC BREAKDOWN BY SAMPLE WATERSHED



$$SWC = COM + \sum_i IC_i$$

New financing
models

International
transfers

Direct charges

Subsidies

Water pricing

WATERSHED
SWC



For additional questions and feedback:

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