# The European Commission's science and knowledge service

Joint Research Centre

## Water purification: economic valuation and accounting

Presenter: Alessandra La Notte Contributors: Sara Vallecillo, Joachim Maes

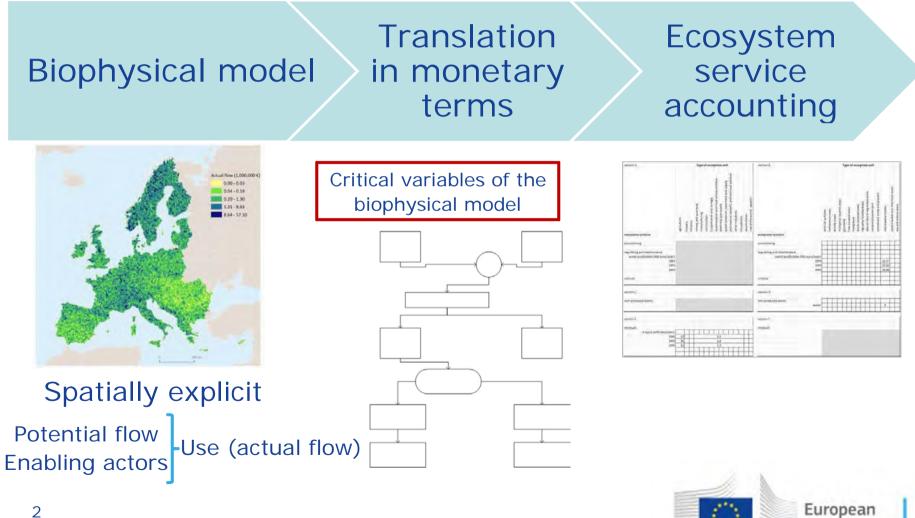
Bonn, 24-26 April 2018

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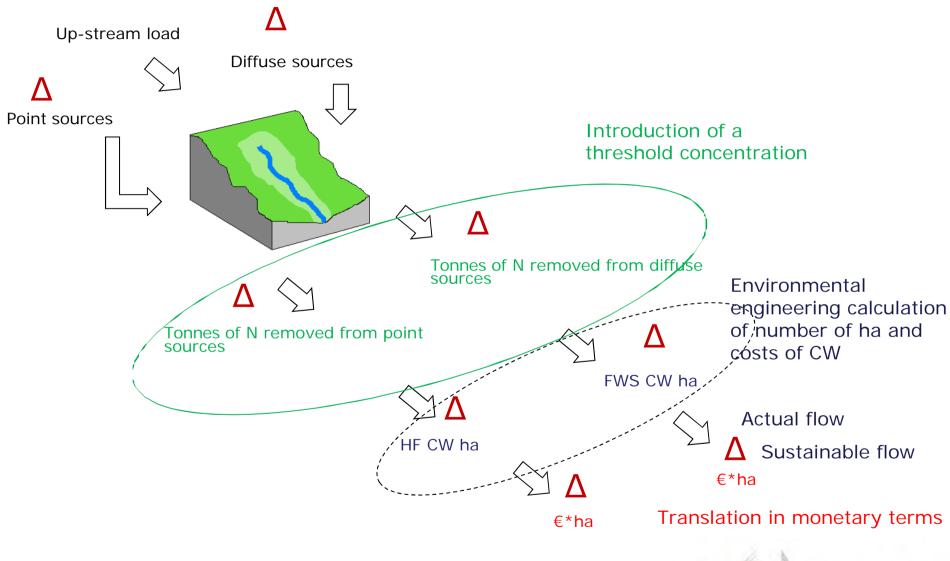


## **JRC approach for Ecosystem Service** Accounting



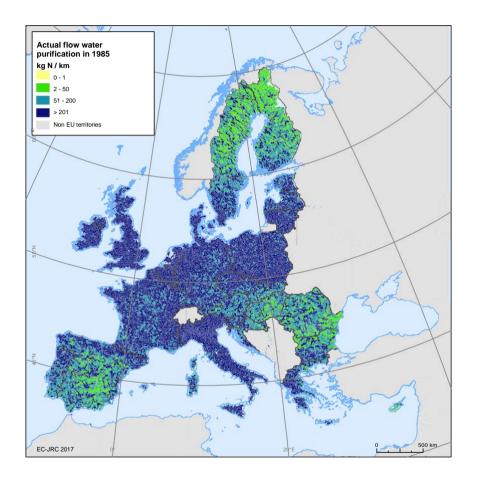
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### **Graphical simplification of the procedure**

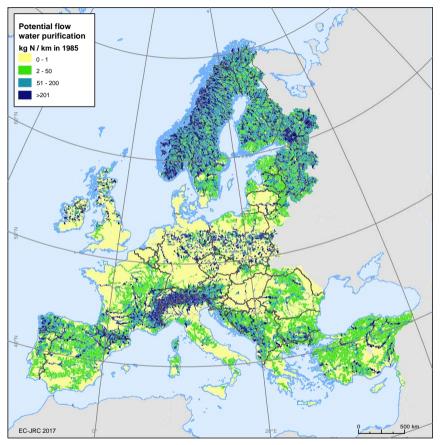




### Actual flow



### Potential flow



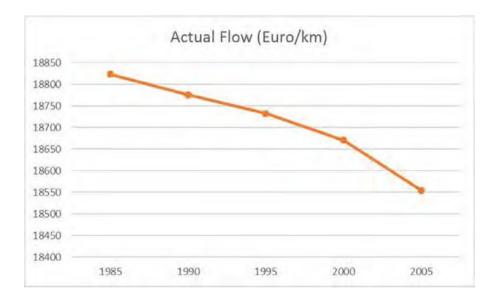
Considering a threshold of 1mg/l

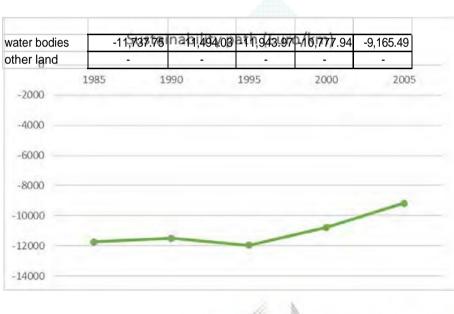


## Role of enabling actors: who drives changes in the actual flow...

## ...what is the impact of these changes?

EU 25					
Agriculture	18,467.93	18,417.70	18,372.09	18,317.43	18,223.31
Other sectors	355.71	357.98	360.24	353.31	331.71

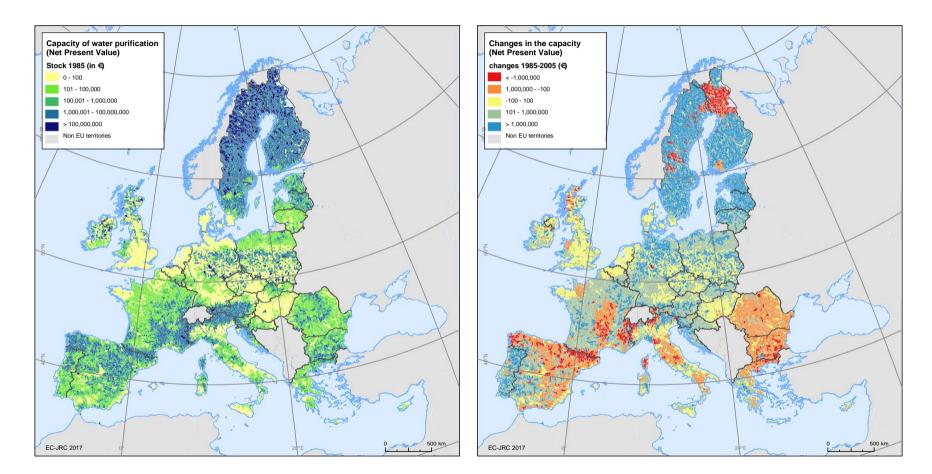






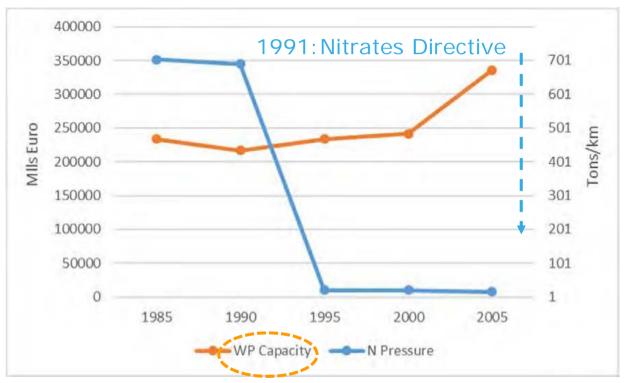
### Water purification capacity (NPV)

### Capacity trend 1985 - 2005





### How much is it worth to decrease N inputs?



EU-27 (no Malta)

Long term ability to generate water purification



### Issues that need to be discussed

- Motivations for the use of replacement cost
- Motivations for the use of CW as replacement cost
- NPV: lifetime (T)? Interest Rate?
- Approach for application in time series:

If there is only one reference monetary value

- CPI?
- Constant prices /current prices?
- Exchange rate?

If there are more reference monetary values but not for all the time series

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- How to "mix" the values



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