

OECD Overview on Economic and Financial Information and Data Needs

Roberto MARTÍN-HURTADO
Environment Directorate, OECD, Paris, France



**OECD Workshop: Improving the information base to better guide water resource
management decision making, International Centre for Water and Environment,
Zaragoza, Spain, 4-7 May, 2010**

OECD needs economic and financial water data

- **Benchmarking role – provider of water information and data**
- **Policy analysis role – user of water information and data**

Country reviews

- Environment
- Economic
- Agriculture

Multi-topic reports

- Environment Outlook
- Green Growth

Water policy reports

- Water Pricing
- Water Financing
- Agricultural Water Mgt



We are interested primarily in three areas

Effectiveness of water pricing as environmental policy instrument

- Price levels and structures
- Billing rates and collection rates
- Price-elasticity of demand

Financial sustainability of water management

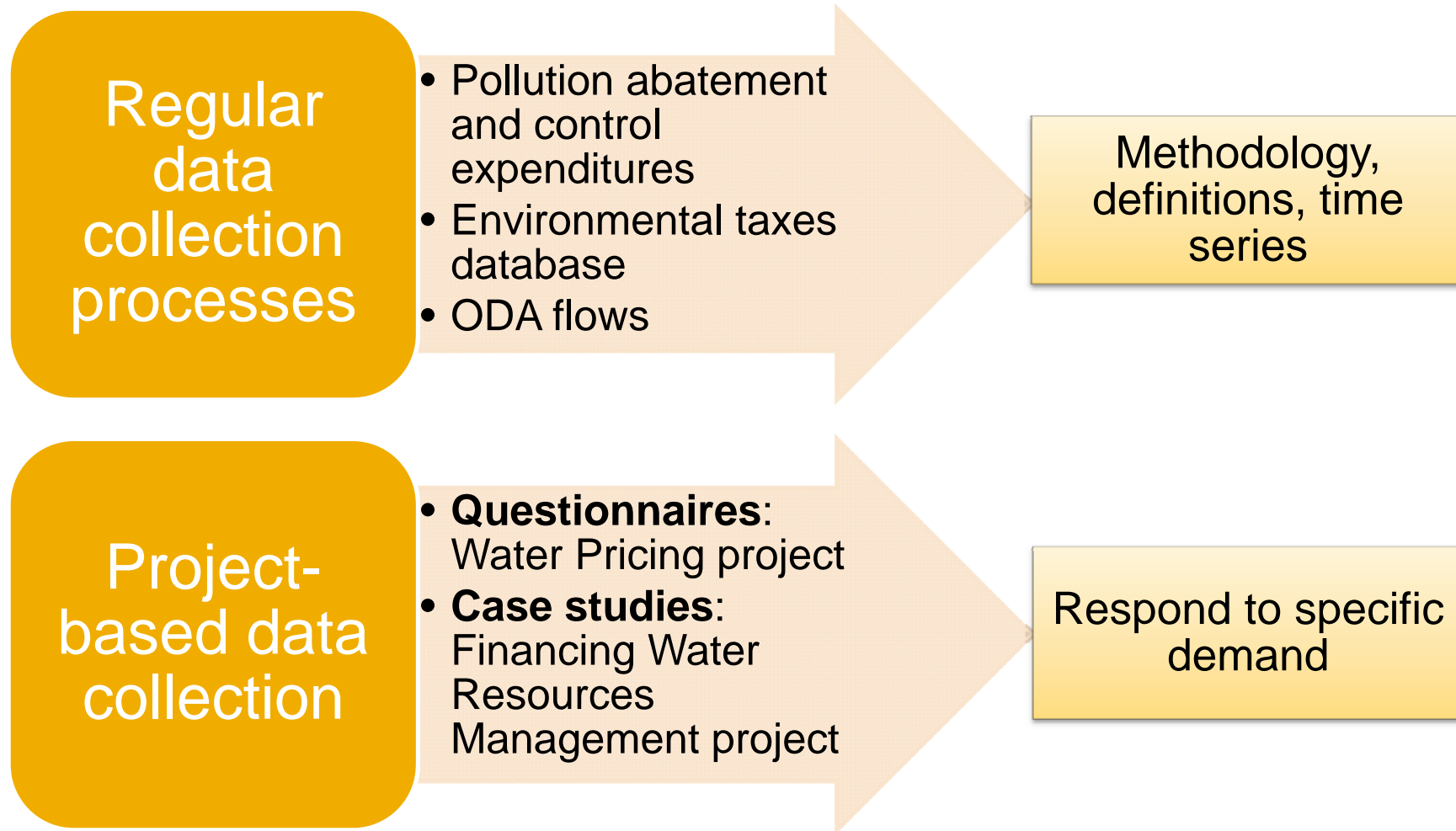
- Estimated costs to achieve water policy objectives
- Expenditures (infrastructure, governance)
- Funding sources (water charges, public budgets, ODA)

Economic efficiency of water policy

- Cost-effectiveness
- Economic benefits



We combine two data collection strategies



Challenges with regular data collection processes

Environmental taxes and charges database

- Water behind other policy areas (MoE vs MoF)
- Country coverage
- Comprehensiveness within country (institutional fragmentation)
- Definitions (tax / charge)
- Taxes and charges at local and river-basin level

Pollution abatement and control expenditures

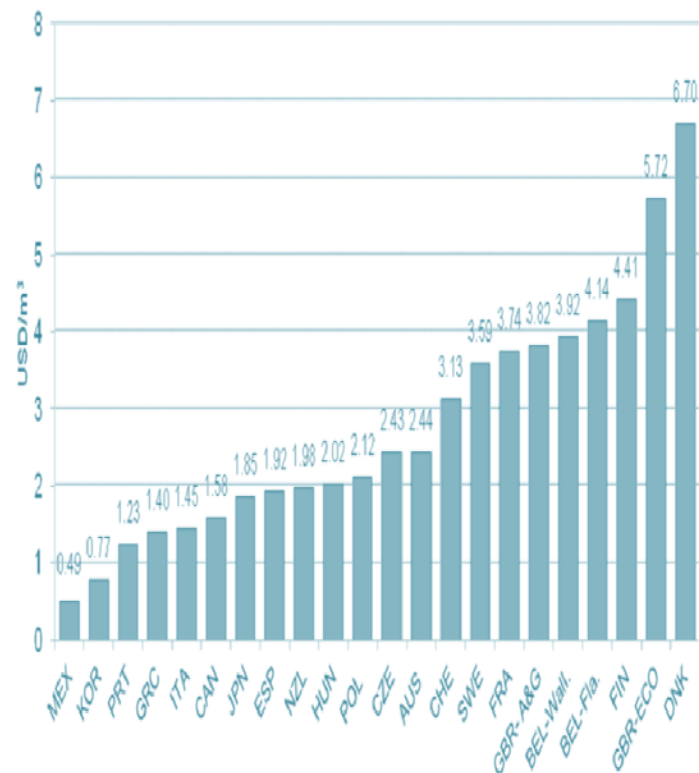
- Water and waste better than average
- Evolution of country coverage
- Consistency over time
- Reliability of aggregates (gaps in components)
- Timeliness



Challenges with project-based data collection

Water pricing

- Low response rate =>
=> different data sources =>
=> data comparability
- Dealing with geographical level (municipalities, river basins)
- Gaps: e.g. industrial pricing
- Definitions: cost recovery



Member countries could provide us with more and better economic and financial data

To improve the current coverage of our regular data collection processes	To expand the coverage of our regular data collection	To complement our regular data collection
<p>PAC expenditures</p> <ul style="list-style-type: none">• Continuity of series• Reliability of aggregate data• Timeliness <p>Environmental taxes and charges</p> <ul style="list-style-type: none">• Country coverage• Comprehensiveness of water levies <p>ODA flows</p> <ul style="list-style-type: none">• Disaggregated data	<p>Expenditure</p> <ul style="list-style-type: none">• Raw water supply infrastructure• Flood protection infrastructure• Ecosystem management• Water governance <p>Water pricing</p> <ul style="list-style-type: none">• Pricing structures• Bill & collection rates• River-basin level• Use of revenues	<p>Costs</p> <ul style="list-style-type: none">• Estimates of costs of achieving policy objectives <p>Benefits</p> <ul style="list-style-type: none">• Economic benefits of sound water management



OECD member countries could work together to better define demand and improve supply

- Identify priorities for benchmarking to guide our regular data collection -- according to their policy development, implementation and evaluation needs
- Agree on key definitions – e.g. cost recovery
- Develop methodologies – e.g. dealing with sub-national levels (river basin, municipality)
- Share lessons on improving reliability and timeliness of water data (readiness of national information system)



- **Managing Water for All, 2009**
- **Pricing Water Resources and Water and Sanitation Services, 2010**
- **Innovative Financing Mechanisms for the Water Sector, 2010**



Visit the OECD websites:

www.oecd.org/water

www.oecd.org/env

Contact:

roberto.martin-hurtado@oecd.org