

Statement

**prepared by the Federal Association of the German Gas and Water
Industries, Berlin and Brussels**

on the

**Communication from the Commission
of the European Communities**

**Green Paper “Confronting demographic Change: a new Solidarity
between the Generations“**

COM (2005) 94 final

Berlin, 14 December 2005

The Federal Association of the German Gas and Water Industries welcomes the Draft Communication from the Commission of the European Communities - "Green Paper: Confronting demographic change: a new solidarity between the generations, (COM2005) 94 final".

Politics, the economy and consumers are confronted with complex problems by the phenomenon of shrinking cities and municipalities as a result of demographic change. Though numerous issues associated with demographic change fall into the competence of the Member States, ever more issues of common interest are coming up. Therefore, BGW welcomes the initiative of the European Commission to open the discussion about demographic change and to cope with its consequences.

BGW asks the representatives of the European Commission to take into account that demographic change also concerns the water industry. Demographic change affecting the water sector takes place in very different ways at local and regional levels, and its consequences are already becoming clearly discernible, partly even earlier than originally forecast.

Water is the most important foodstuff for man. Water supply and waste water disposal services affect people's quality of life to a large extent, as they are indispensable. With the EU Drinking Water Directive and the EU Waste Water Directive, the European Communities have set quality targets, which are to be implemented. The implementation of these Directives has been realised in Germany at a very high level beyond the set EU standard, as in many other Member States as well. In the new Member States, the implementation is still due.

The supply and disposal (networks) and facilities required for the implementation of the EU Water Directives are very cost-intensive, they are not mobile and are planned on a long-term basis, i.e. for a period of approx. 40 to 50 years. **First practical experience has revealed that the water sector is facing very specific economic/technical problems and safety risks due to demographic change which have to be settled at national and European levels.**

The following problems arise for infrastructures laid out on a long-term basis, such as water and waste water which are not mobile:

- Decline of the water consumption
- Over-dimension of facilities and networks by means of lower consumptions due to demographic change
- Costly deconstruction and/or additional transitional measures which have to be supported by consumers
- Clarification of the obligations to bear the costs
- New requirements and cost-intensive measures to comply with the standards of the EU Drinking Water Directive and the EU Waste Water Directive
- New concepts for "intelligent" economic/technical solutions on-site.

It is a fact that due to the decrease in water consumption, the efficiency of sewage plants resp. the hygienic quality of drinking water could be affected and can only be

stabilised partly by means of high costs. These problems are additionally aggravated in such places where the infrastructures are new, thus leading to book value losses.

Against this background, BGW asks the representatives of the European Commission with regard to the water sector to

- take into account the problems of water supply and waste water disposal when debating the Green Paper “Confronting demographic change”. Demographic change does not only pose serious problems to the “upper world” but also to the “underworld”;
- initiate research on the consequences of demographic change for water supply and waste water disposal as well as model methods of solution. BGW is quite ready to support the European Commission with data, facts and concepts;
- generally de-ideologies “water saving”. The target called for in the EU Water Framework Directive aggravates the problems for the infrastructures by the decreasing utilisation of networks by the demographic change.

The demographic change will cost Europe a lot of money. BGW asks the representatives of the European Commission to review whether it is possible to make available funds for adaptation and reconstruction measures in the field of water/waste water. This is the only way to increase the attractiveness of residential areas and business locations in Europe in a socially acceptable way.