

The Neretva and Trebišnjica river basins are of critical economic significance for three economies and four political entities: Republika Srpska and Federation Bosnia and Herzegovina (both in Bosnia and Herzegovina), Croatia and Montenegro as tens of thousands of jobs – and hundreds of thousands of livelihoods – depend directly on water-based activities, such as hydropower, public water supplies, tourism, and selected agricultural production, finds the study *Streams of Income and Jobs: The Economic Significance of the Neretva and Trebišnjica River Basins*.

However, according to study, the decision-makers at all levels are faced with difficult and complex choices as they attempt to weigh up development options and balance the land and water needs of different sectors, while also considering the natural environment.

The study underlined the massive economic values that are at stake. The gross primary returns from water use in just the four sectors covered are almost EUR 450 million a year generating values of EUR 0.04 to EUR 6.8 m<sup>3</sup> of water.

The study was realized as part of the initiative “Case Study Water in the Economy of the Neretva and Trebišnjica Basins,” supported by the Open Regional Fund for South-East Europe – Biodiversity project’s sub-project on Ecosystem Services Assessment and Valuation in Future Course of Action in South-East Europe Region, implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH and funded by the German Federal Ministry for Economic Cooperation and Development.

The case study was realized in partnership with Udruga Dinarica – the World Wide Fund for Nature Adria, and it focused on valuing the economic contribution of wetlands and water-based ecosystem services to income, jobs, and public revenues in the renewable energy/hydropower, agriculture, water supply and tourism sectors.

The ORF-BD-ESAV and partners seek to use the case study findings to influence decision-making in the SEE region, multiply ecosystem services assessment and valuation practice, and share lessons learned. The case study is to be used as a tool to raise awareness among planners, policy-makers and managers about specific and tangible contributions that biodiversity and ecosystem services make to the economic growth.

Electricity, wine...

Through the study *Streams of Income and Jobs: The Economic Significance of the Neretva and Trebišnjica River Basins*, the Udruga Dinarica – WWF Adria Protected Areas for Nature and People – PA4NP and the ORF-BD-ESAV projects set out to identify how many jobs and how much revenue is dependent on waters from the Neretva and Trebišnjica river basins. According to this study, tens of thousands of jobs – and hundreds of thousands of livelihoods – depend directly on freshwater ecosystems.

The hydropower facilities generate around 4,400 GWh of electricity a year from the waters of the Neretva and Trebišnjica, earning revenues of almost EUR 380 million. In Republika Srpska, up to 80% of commercial wine production in the study area depends on irrigation, earning almost EUR 4 million.

Municipal water utilities distribute some 18 million m<sup>3</sup> a year of water from the Neretva and Trebišnjica basins in Bosnia and Herzegovina and Montenegro alone, contributing more than EUR 16 million in public revenues.

“Taking into account the substantial multipliers which link these sectors to additional jobs, earnings, and production in the rest of the economy would increase these values many times over,” the study reads.

In everybody's interest

The study has however also highlighted some major data gaps, which hinder understanding and awareness of the full economic value of water. Data on the use of water for agriculture and municipal water supplies is not readily available and in many cases is contradictory. But these sectors are also significant users of water and the study shows that many communities are dependent on these water resources.

“Without a clear picture on how much water from the Neretva and Trebišnjica basins is needed for these sectors, decision-makers in Croatia, the Federation of Bosnia and Herzegovina, Republika Srpska, and Montenegro are limited in being able to prioritize investments in improving water-related infrastructure,” the study finds.

The study makes the point - and illustrates with hard economic evidence - that it is in everybody's interest to ensure that these shared water resources are managed in an integrated, transboundary way: for economic growth, sustainable development, environmental management and disaster risk reduction.

Source: balkangreenenergynews