

UiO : **Department of Public and International Law**
University of Oslo

Does ownership to water still matter?

A peak into European models of ownership to groundwater resources and some of their implications

PhD Fellow Gunnhild Storbekkrønning Solli
g.s.solli@jus.uio.no



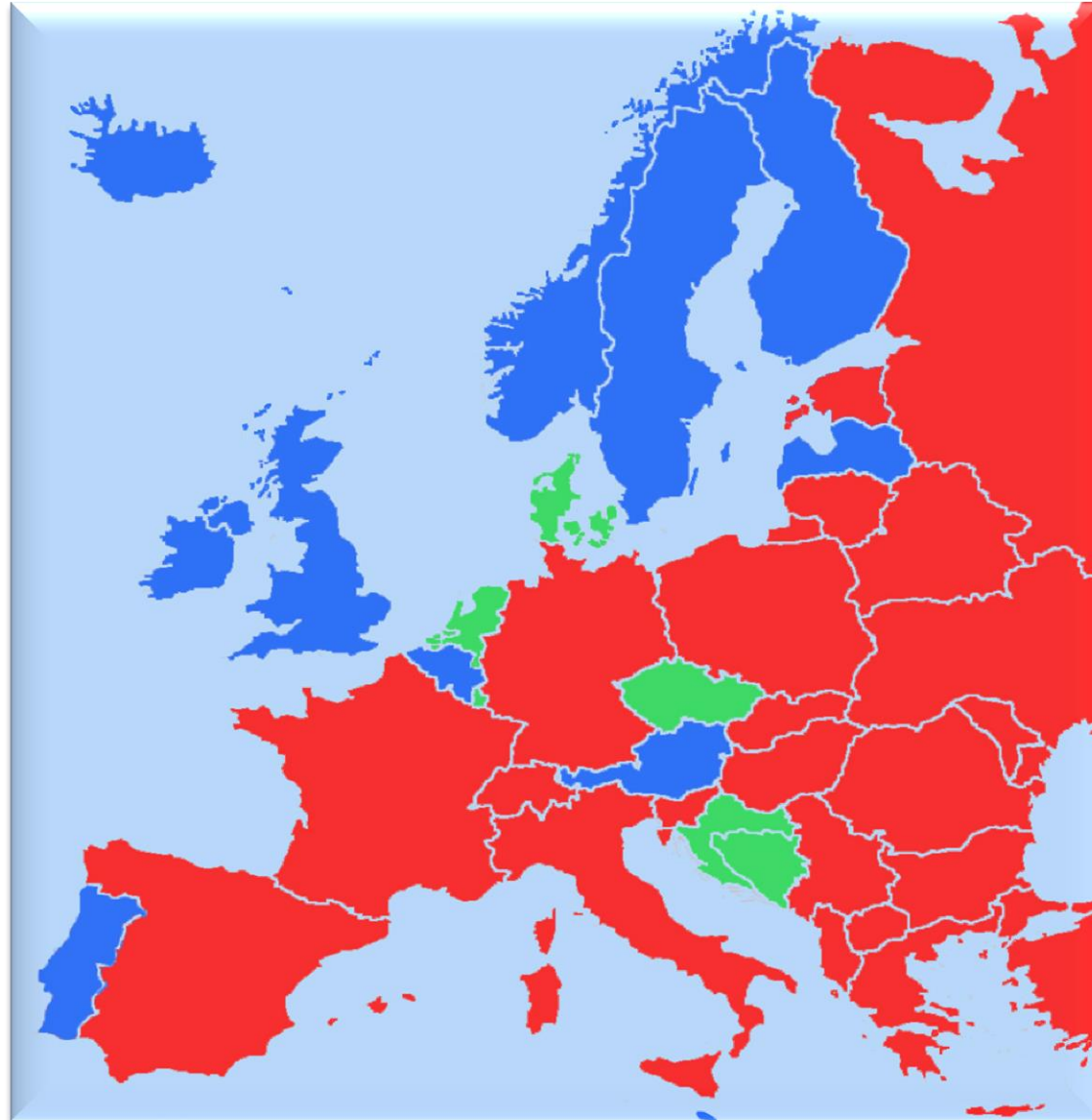
Structure

- 1) Overview of ownership models in European countries today.
- 2) Some advantages and disadvantages of the different ownership models.
- 3) Some implication of these models.

Focus: Access to groundwater and sustainable use.



Three main models (sources annexed to the article)

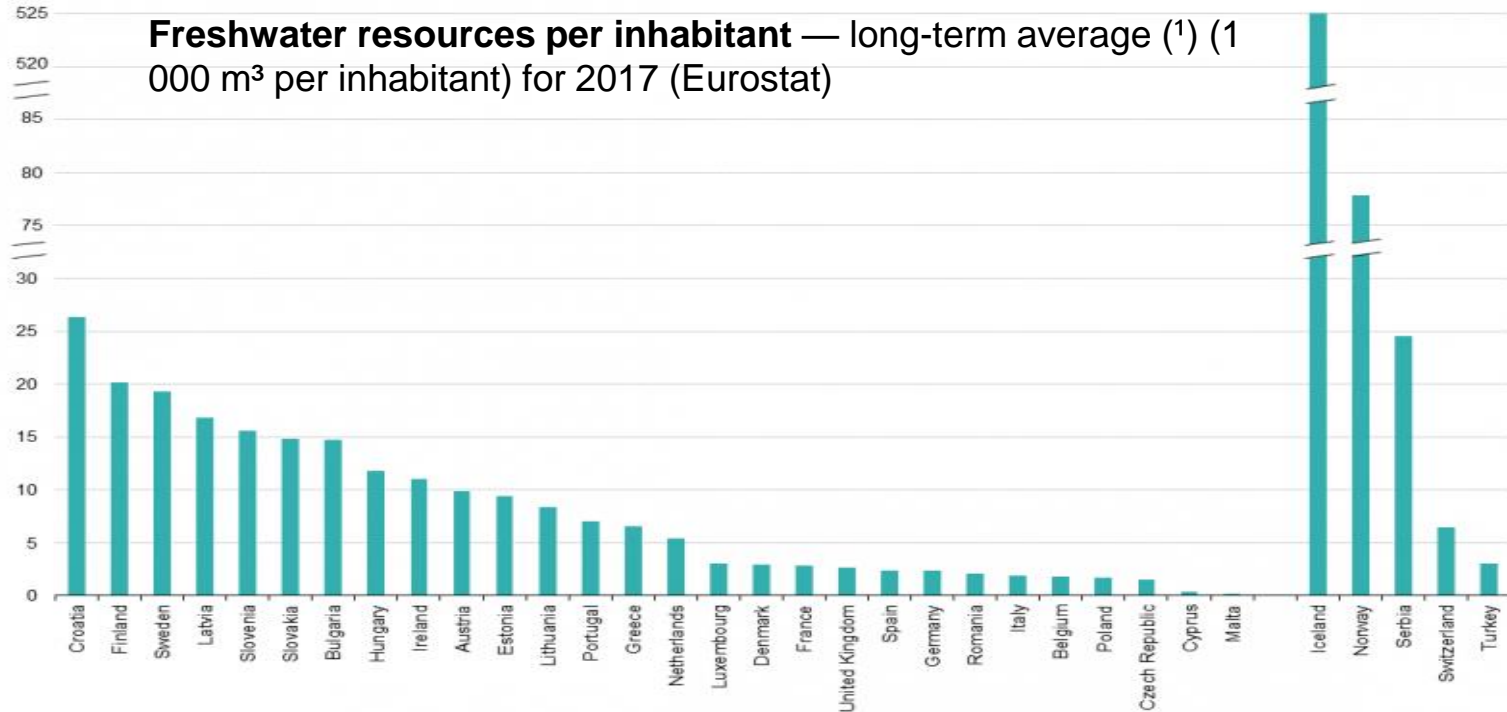


**Public (state)
ownership** 56,4 %

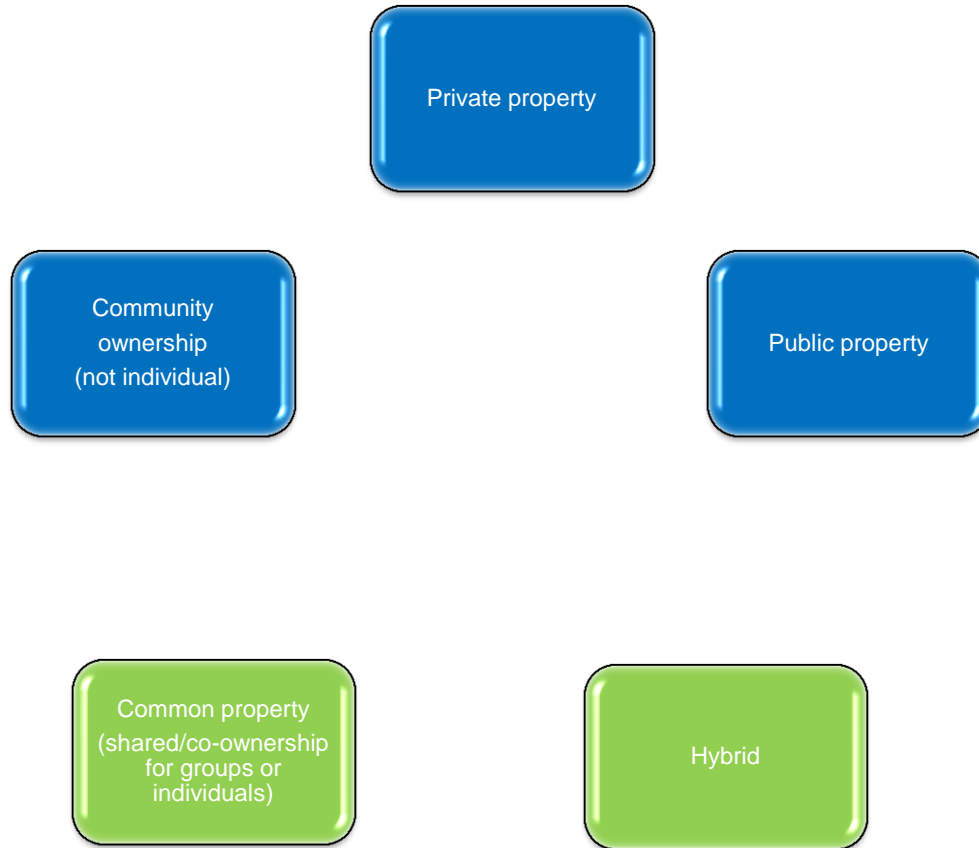
**Community ownership
(not individual)** 15,4 %

Private ownership 28,2 %

***“When the well runs dry, we shall know the value of water.”
(Benjamin Franklin)***



Note: The minimum period taken into account for the calculation of long term annual averages is 20 years.
Source: Eurostat (online data code: env_wat_res)



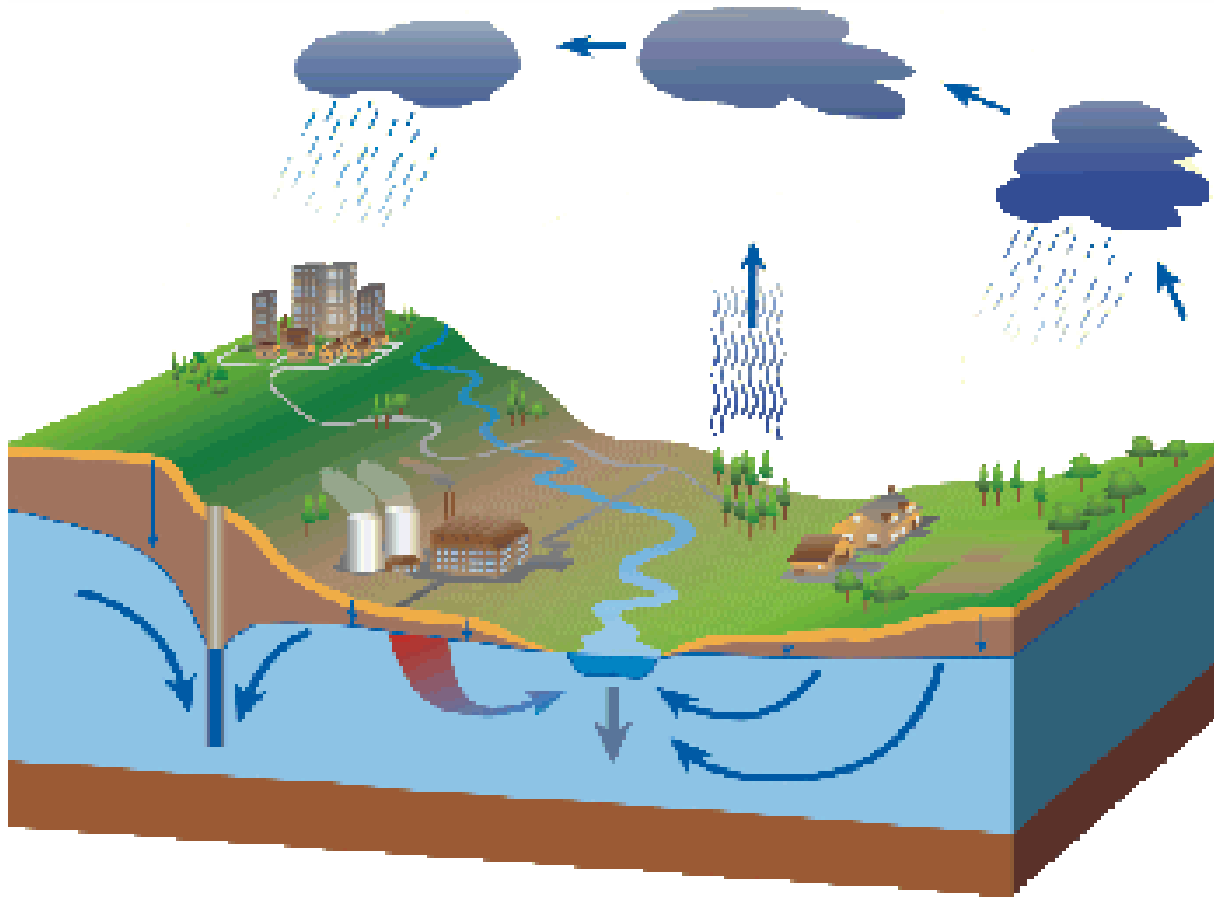


Illustration: Geological Survey of Norway (NGU)

Ownership model	Advantages	Disadvantages
Private	<ul style="list-style-type: none"> • Efficient use of resource? • Efficient control of the resource? • Best allocation of rights? • Minimize coordination costs? • Economic good- value for owner? • Willingness to make investments for efficient use of the water? 	<ul style="list-style-type: none"> • No guarantee for public access • Potential for overexploitation and hinder sustainable use of water • Commodity under trade law? • High transaction costs to monitor and manage (exclude) • High capital investment costs • Not accurate information about the resource • Potential for conflict of interests?
Public	<ul style="list-style-type: none"> • Easier to adapt to public needs in comparison with models like private ownership • Need for public control over the resource as water is a human right • Economic benefits for users not a requirement. Non-effective use and cost of social distribution accepted • Cost of capital investment in infrastructure? 	<ul style="list-style-type: none"> • Ineffective use • Free-riding • Cost of capital investment in infrastructure projects? • Depend on access to groundwater on landowners grounds
Common property	<ul style="list-style-type: none"> • “True common property” a successful management system for several shared resources (not open access) - characterization given by Ostrom • Stable user groups • Economic good - value for users • Access for all or a specific group • Cost split and sharing risk 	<ul style="list-style-type: none"> • Overexploitation and hinder sustainable use of water • High coordination costs • No accurate information about the resource • No common understanding about benefits and risks? • High transaction costs to monitor and manage • Collective rules developed over time? Type of ownership • Share norms of reciprocity and trust? • No incentive to protect from overexploitation or quality degradation • No guarantee for public access • High capital investment costs
Community property	<ul style="list-style-type: none"> • Access for all • No single individual or group specially privileged 	<ul style="list-style-type: none"> • No incentive to protect from overexploitation or quality degradation • Dependent on infrastructure not easy to set up and manage?
Hybrid	<ul style="list-style-type: none"> • Aim is sustainable development and ensuring public access to water • Efficient use of resource 	<ul style="list-style-type: none"> • Gives third parties right to the resource • High transaction costs to monitor and manage • High capital investment costs • Complex management system – less flexible?

Access to water and sustainable use can be achieved also in private ownership models – *if regulated right..*

- Access
 - Landowner has privileges regardless of model
 - Licences in all systems to ensure public access
 - But – a licence does not necessarily give a right to access
- Sustainability
 - Pre-emption for licence
 - Type of ownership model little impact on overexploitation or not (IUCN)

Does it still matter?



- 1) Different ownership requires different tools and procedures to achieve the aims set for the resource
- 2) Constitutionally protected property right – some content still remain
- 3) The concept of groundwater as a common resource
- 4) Need for direct and immediate control?