

TABLE OF CONTENTS

FOREWORD.....	1
EXECUTIVE SUMMARY	5
AGRICULTURAL WATER PRICING IN OECD COUNTRIES	7
Scope and objectives.....	7
Context	7
Objectives.....	7
Sources	8
Structure	8
Definitions and caveats.....	9
The concept of "water price"	9
Heterogeneity of irrigation water.....	10
Water subsidies to the agricultural sector	11
Legal and institutional dimensions	12
The political process of reforming water pricing policies	12
The elusive definition of "full-cost recovery" prices.....	13
Irrigation water demand elasticity.....	13
Pricing mechanisms in the agricultural sector.....	14
OECD country experiences.....	16
Australia	16
Austria	19
Belgium	19
Canada	19
Czech Republic	20
Denmark	20
France	21
Germany	22
Greece.....	22
Italy.....	24
Japan.....	25
Mexico.....	26
The Netherlands	26
New Zealand	27
Portugal	28
Spain.....	29
Sweden	30
Switzerland.....	31
Turkey	31
United Kingdom.....	32
United States	33
European Union.....	34

A comparison of OECD agricultural water prices..... 35

 Differing institutional approaches to agricultural water pricing..... 35

 Differing levels of agricultural prices 42

Reforming agricultural water prices 48

 Managing the reform process..... 49

BIBLIOGRAPHY..... 52