

SUMMARY SOCIO-ECONOMIC SPIN OFF STUDY MEIERIJ

Do investments in nature- and landscape oriented projects in the Meierij contribute to a sustainable regional economic development? To answer this question a socio-economic cost benefit analysis (CBA) was conducted on three development alternatives for the Meierij. By means of this analysis insight was gained into the welfare effects of the projects to be carried out in the region. If the positive welfare effects, i.e. the benefits, surpass the negative welfare effects, i.e. the costs, there is a net positive welfare gain for the region enhancing a sustainable development.

The future development of the Meierij can take different courses. This depends on the direction of investments. For the period 2005-2008 an investment programme was available. Since there was no such programme for the period thereafter, three development alternatives consisting of various projects, were formulated. These alternatives were formulated in such a way that investments were focussed differently each time. In the alternative 'Burgundian', which symbolises the good country life in the Meierij, the largest portion of the investments is aimed at nature, followed by recreation and tourism, water and a touch of cultural heritage. The alternative 'Deer', which provides the region with an image of a large scale nature reserve, investments are mainly focussed on nature and water. The alternative 'Juniper', which reminds Dutch people of an old sale symbol for regional fruit products, investments are concentrated on recreation and tourism followed by the broadening of agricultural activities, nature and real estate.

The results of the socio-economic CBA show that the planned projects in the Meierij are a sound investment. With a positive balance of between EUR 200 and EUR 600 million for all three alternatives, the welfare gains greatly surpass the costs. It also seems beneficial to shift the investment focus towards recreation and broadening of agricultural activities once sufficient investments in nature have been made. This conclusion follows from the differences in cost benefit balance between the three alternatives. Alternative 'Deer', in which nature benefits are the main contributor to the balance, produces a steady positive net welfare gain of approximately EUR 500 million. When investments in nature are reduced by 30 % and the investment focus pivots to cultural heritage and recreation, which is the case in alternative 'Burgundian', the balance is increased by approximately EUR 10 million. With an accent on recreation and tourism plus the broadening of agricultural activities, similar to alternative 'Juniper', the most positive balance is obtained. Precondition to this positive balance is an effort of the agricultural sector to broaden their activities and to shift towards more water demanding crops.

The positive cost benefit balances, i.e. the socio-economic spin off of the development alternatives, consist of a number of large and small benefits. Large benefits are the benefits of shifting towards more water demanding crops in reaction to changed hydrological conditions. Other large benefits are ecosystem benefits (e.g. carbon sequestration, dust retention, nutrient purification etc.), recreational benefits (profits made on recreation and tourism plus market external recreational perception values and employment opportunities), benefits of selling regional country side products and benefits of developing real estate.

Sensitivity analyses on the variables used to calculate the large benefits, showed that the conclusion that investing in the Meierij pays off is robust. Even if a number of benefits turn out to be smaller than originally expected, the balance remains positive.