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SOCIOECONOMIC AND ENVIRONMENTAL VALUATION OF SOME OUTPUTS OF PETRENIA IRRIGATION DAM, EAST HALKIDIKI

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EXTENDED ABSTRACT

Water supply in rural and urban areas is an issue of prime concern, especially in developing countries. The objective of this study was to *ex ante* estimate some socioeconomic and environmental values of Petrenia Irrigation Dam on the east Halkidiki border. The study area characterized, especially during the summer session, by limited water supply for household and municipal purposes. Although the majority of Contingent Valuation Method (CVM) studies have been for environmental goods, the method can be applied to public goods in general. It was hypothesized that the satisfaction of consumers about water supply service, their beliefs in the water management system and affordability might influence Willingness to Pay (WTP) more for water. Accordingly, a Contingent Valuation study was planned in six separate municipal districts (Ouranoupoli, Ierissos, Gomati, Nea Roda, Stratoni and Ammouliani), around the Petrenia irrigation Dam, of Halkidiki prefecture.

Several outputs were identified and an economic value was estimated for each. Water supply, recreation, health effects, social impacts, environmental sequences and some more outputs were valued using the CVM. These values can assist managers and policy makers in making decisions regarding the opportunity costs of Petrenia irrigation dam management options or of dam alterations or preservations. These snapshot values of the dam outputs “at the margin” are estimated under the assumption that all other wetlands or water resources in the region are unchanged.

It is argued that the highly symbolic and emotional nature of many socioeconomic and environmental issues often activates the need for individuals to express their attitudes and values, which when coupled with a perceived non-decisiveness of individual questionnaire responses, can result in value-expressive considerations dominating some CVM responses at the expense of the desired outcome-appraisal economic tradeoffs.

Key words: Dam, Socioeconomic, Environmental, Impacts, Contingent Valuation Method, Level of satisfaction, Water Resources