



## RESOURCE

# Economic valuation techniques

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### Description / Abstract

The various techniques presented in this chapter include the estimation of demand curves and the area beneath them, analysis of market-like transactions, use of production approaches that consider the contribution of water resources to the production process, estimation of the costs of providing alternative sources of water, as well as other techniques used to estimate environmental resources more generally. The techniques reflect the extent to which the goods and services provided by water resources touch on the welfare of society either as direct determinants of individuals' well-being (e.g. as consumer goods) or via production processes (e.g. as intermediate goods). They are grouped here according to whether the techniques rely on observed market behaviour to infer users' value of water resource functions (indirect techniques), or on whether they use survey methods to obtain valuation information directly from households (direct techniques).

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### Thematic Tagging

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### Related IWRM Tools



● Tool

## **Evaluating Water Investments**

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