

# Factsheet Business Case Marker Wadden

## About Marker Wadden

Marker Wadden are a new island group in the Markermeer, a large freshwater lake in the centre of The Netherlands. The goal is to create a nature and recreation area where plants, animals, birds and fish feel at home and where people can enjoy nature. In addition, Marker Wadden are expected to help improve the water quality and ecological status of Markermeer, which have been declining over the past decades. In the Knowledge and Innovation Program Marker Wadden (KIMA), Rijkswaterstaat, Deltares, EcoShape and Natuurmonumenten investigate the Marker Wadden ecosystem, innovative use of sand and fine sediment, the effects on the ecology of the Markermeer and the governance of the project.

## Business case approach

What type of business case was used to compare BwN to alternative solutions, and what role did it play in realizing funding for the project?

A business case was not developed for the Marker Wadden, since the project was not the result of a problem for which the best solution was selected, but it resulted from the wish of Natuurmonumenten to create islands in the Markermeer. An environmental impact analysis was made to determine the best location, and to assess the potential impact of four alternative (general) designs on the Markermeer.

## Reason for investors to select BwN approach

The main reason to apply a BwN approach was the expressed wish of the client to build these islands (Rijkswaterstaat/Natuurmonumenten). In addition, the BwN approach (using silt from the Markermeer and creating muddy ecosystems) could have a positive effect on the water quality and ecosystem of the Markermeer.

## Coping with uncertainty in the business case

The effectiveness of the project in reaching the project objectives (especially improving ecological quality) is uncertain. There was no business case to describe here, but the design, implementation and monitoring programme were adapted to these uncertainties. For example, the contractor would closely monitor the settlement of mud, to deal with the uncertainty of settlement and to decide if additional sediment is needed to reach the desired elevation height and consistency.

## Barriers and opportunities in BC approach

No barriers or opportunities were identified (since there was no business case).

## Finance

Who funded the project and how was the financing arranged?

### ***Funding of the construction project***

The total costs of Marker Wadden are 78 Million euros. This was financed from different sources, and also during different steps in time: part of the funding was secured only after the construction had already started. All funds are managed by an external account of Groenfonds (excluding the fund of

Municipality of Lelystad). The project does not have subsidies; all actors take part in the project on their own (financial) account and risk.

<b>Funder</b>	<b>Source of finance</b>	<b>% of initial investment costs</b>	<b>Motivation</b>	<b>Type of finance</b>	<b>Conditions of finance</b>
Natuurmonumenten	Mainly by Nationale Postcode Loterij Droomfonds (NPL) and a smaller part by members of Natuurmonumenten, businesses and other NGO's	39%	NPL wants to invest in 'dream projects' that create added value for nature and/or society. Members are attracted by nature values and recreation opportunities.	Diverse	NPL fund should be spent within one year.
National government (min. IenM, EZ)	Deltafonds and budget water quality measures	47%	Project contributes to (legal) environmental objectives in Markermeer.	Public domestic government	RWS is part of project team.
Provinces	Province of Flevoland and Noord Holland	14%	Project contributes to recreation opportunities and regional economy.	Public domestic government.	-
Municipality	Municipality of Lelystad	0.5%	Project contributes to recreation opportunities and regional economy.	Public domestic government	Fund is used for harbour facilities on Marker Wadden

### **Funding of Knowledge programme Marker Wadden (KIMA)**

The Knowledge Programme Marker Wadden (KIMA) consists of different elements: The Monitoring and Evaluation Programme (funded by the Ministry of Infrastructure and Environment), Applied Research (funded by the Ministry of Infrastructure and Environment and EcoShape partners), Natuur in Productie (funded by Gieskes-Strijbis Fonds), and Living Lab (containing diverse initiatives).

<b>Research programme</b>	<b>Funder</b>	<b>Source of finance</b>	<b>% of initial investment costs</b>	<b>Motivation</b>	<b>Type of finance</b>	<b>Conditions of finance</b>
Monitoring Evaluation Programme (MEP)	Rijkswaterstaat Water, Verkeer en Leefomgeving	Ministry of Infrastructure and Environment	100%	Evaluate effectiveness of MW and learn for future projects	Public domestic government	-
Applied Research	Rijkswaterstaat	Ministry of Infrastructure and Environment	49%	Learn from MW for future projects.	Public domestic government	-
	EcoShape	EcoShape + In kind	24% EcoShape 27% In kind	Learn from MW.	Business	-

Natuur in Productie	Natuurmonumenten	Gieskes-Strijbis Fonds	100%	Understand ecological processes and effect on MW on ecology.	Private-philanthropic	-
Living Lab	Diverse	Diverse	-	-	-	-

## What are the motives to invest in BwN?

Most important factors to invest in MW:

1. Improve ecological value
2. Innovative approach
3. Create recreation opportunities

## Barriers in financing BwN

There were barriers that reduced funding opportunities for Marker Wadden. Especially convincing businesses to contribute to the project was not successful. The expectation was that business would be interested to finance part of the project, but in reality they funded only a fraction of the amount that was anticipated upon for the project. Also, financing from EU grants was anticipated upon. The proposal for this grant was not awarded, however. As a result, the (national) domestic government had to increase its financial contribution to the project.

With regard to the knowledge programme, a research fund was not granted due to which other funding sources had to be found. And knowledge institutes are restricted in how they use their finances, which made it difficult for them to join the project from the start.

## Enablers in financing BwN

The ecological quality of the Markermeer has been low for several decades, including high water turbidity and decreasing bird populations. Marker Wadden could contribute to a solution to this problem. Since the government has experienced trouble with initiating projects to increase the ecological value, and because the goals of the project fitted with the governmental legal obligations very well, they were happy with the proposal of Natuurmonumenten to build these islands partly financed by Natuurmonumenten themselves. As such, the national government was willing to provide part of the funding. Provinces and municipalities provided part of the funding as well, since the project objectives fitted well to their ambitions to increase regional economy and give an impulse to tourism.

## Procurement, how is it arranged and does it affect the BwN approach?

The procurement phase existed of several 'scoping rounds', during which different consortia would work on improving the design of Marker Wadden. After the scoping rounds a shortlist was made for a selection of consortia. It was innovative that no 'reference design' was used to assess the project proposals, but that the consortia were relatively free in the way they wanted to reach the project objectives with their proposed design.

The contract type was an UAV-gc contract (Uniforme Administratieve Voorwaarden voor Geïntegreerde Contractvormen).