



ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

Policies to Manage Agricultural Groundwater Use

CHILE

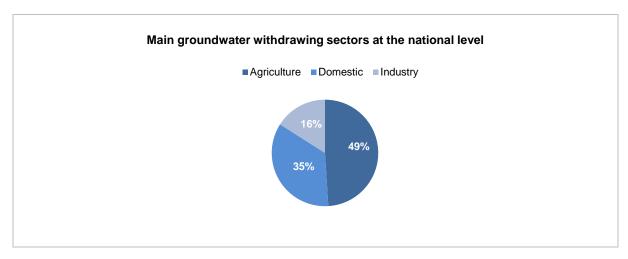
Agriculture represents about half of groundwater withdrawals in Chile. If groundwater use for irrigation is moderate compared to other OECD countries, its irrigation intensity is very important, mostly localised in drier areas. Groundwater use is managed via a range of regulatory, economic and collective management instruments, complemented by supply side programs, but also potentially encouraged by other policies including electricity subsidies.

1. Main national governmental agency responsible for quantitative management of groundwater

| Institution | Role | | |
|---|--|--|--|
| General Water Direction (DGA) | Government Institution whose mission is to promote the efficient management of water resources. | | |
| National Irrigation Commission (CNR) | Government Institution whose mission is to increase the irrigated land and develop the irrigation policies of the country. | | |

2. Status and use of groundwater resources

- Annual groundwater recharge was estimated to be 55m³/s in the North in 2003 and 160m³/s in the South in 2003.
- Annual groundwater use is estimated 2.77 km³ 2003.
- Groundwater irrigation area is 58 900 ha in 2010.
- Groundwater withdrawals for irrigation are 0.7154 km³ in 2010.



3. Inventory of national policies affecting agricultural groundwater use

Recent groundwater management reforms

| Reforms | Year | Scope and objective | Degree of implementation | |
|------------------------|------|---|--------------------------|--|
| Water Code | 1981 | Give the general rules for the management of water resources. | Complete | |
| Groundwater Regulation | 2014 | Give the rules for the aquifer exploration and exploitation. | Complete | |

Core groundwater management approaches at national level

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Groundwater entitlement characteristics

Beneficiaries of entitlement

- ► Private and public
- ► Permanent, temporary and transferable
- ► Individuals, collective bodies and companies
- Groundwater entitlement allocation doctrine ► Absolute ownership, correlative rights and prior appropriation

Main types of instruments used to manage groundwater use in agriculture

Regulatory approaches

Economic instruments

Collective management approaches

Coordination with surface water management

▶ Limited

The Water Code includes the coordination between surface water and groundwater.

Regulations on wells

- ► Approval of new wells
 - Accounting for well space restrictions
- ► Groundwater withdrawal restrictions

Mandated metering or monitoring system for groundwater

► Mandated metering for other users (about 400 monitoring wells (diary) and these measures are not enforced).

Groundwater markets

- ► Temporary entitlements are marketable.
- ► Long term entitlements are marketable.
- ► Pumped water is marketable among users.

Irrigation programs

- ► Generic irrigation subsidies
- ► Irrigation subsidies focusing on efficiency.

Collective management schemes

- ► Framed by regulation
- ►Water user association

Other policies and programs affecting agricultural groundwater use

Agriculture water conservation programs

➤ Subsidies

Land policies with implications on groundwater use

► Zoning with restriction on groundwater use

Climate change adaptation programs

- ► Investment in agriculture and groundwater R&D
- ► Water infrastructure investment
- ► Groundwater modelling and data development

Watershed conservation programs

- ► Exclusion zone for conservation area
- ► Limits of groundwater use close to protected areas

Energy programs

- ► Electricity subsidies
- ► Other energy supporting programs (diesel, natural gas)

Supply side management approaches

Programs supporting the development alternative water supplies

- ► Surface water reservoir expansion
- ► Rainwater harvesting
- ▶ Desalinisation

Aquifer recharge program

► Aquifer storage and recovery programs

Others

Drought insurance programs

- ► Government subsidized plans for field crops
- ▶ Private insurance only

5. Bibliography

Institutional websites

- www.dga.cl
- www.cnr.gob.cl

Official reports

• Diagnóstico de la gestión de los recursos hídricos, World Bank, 2011

Additional sources

- 2011, World Bank
- National Library of Congress.
- General Water Direction

This country profile was compiled by the OECD Secretariat and reflects information obtained in a 2014 OECD questionnaire on groundwater use in agriculture. Further information and analysis can be found in OECD (2015), <u>Drying Wells, Rising Stakes: Towards Sustainable Agricultural Groundwater Use</u>, OECD Studies on Water, OECD Publishing. The countries profiles for 16 countries of OECD are available for download at: <u>www.oecd.org/tad/sustainable-agriculture/groundwater-use.htm</u>