

\$EOLCOM //  
\$TITLE Iraq Water Rights Priority Model  
\$OFFSYMXREF OFFSYMLIST OffLISTING OFFUPPER

**OPTION** LIMROW=000, LIMCOL = 0;

\$ONTEXT

*EOLCOM // tells GAMS to ignore anything in the line's text after the symbol //*  
*OFFLISTING deletes all program lines and just includes GAMS listing*  
*Set LIMROW = 0 to eliminate all equations in the GAMS listing*  
*Set LIMROW = 100 or more to show all equations in listing. Helps trap errors*

\* -----

*Frank A. Ward:  
Dept of Agr Economics/Agr Business  
New Mexico State University, Las Cruces, NM USA  
e-mail: fward@nmsu.edu*

*Dina A. Salman:  
Dept of Agr Economics/Agr Business  
New Mexico State University, Las Cruces, New Mexico USA  
email: dinasalm@nmsu.edu*

*Saud A.Amer:  
US Geological Survey - International Water Resources Division  
Reston VA USA  
email: samer@usgs.gov*

*May 13, 2013*

\* -----

\* *Model 5 Simple Farm management*  
\* *Exports results to excel spreadsheet*

\* -----

\$OFFTEXT

\*\*\*\*\* Section 1 \*\*\*\*\*  
\* Sets \*

**SETS**

i province

```
/
  1-Mousil
  2-Basra
/
```

k crop

```
/ 1-wheat
  2-cotton
/
```

s hydrologic water supply scenario

```
/
normal
dry/
```

j water right priority: water right priority: same number # of elements as # of provinces - 1 priority per province

```
/ j1*j2
/
```

r water allocation rule allows for many water shortage sharing rules to be considered

```
/
us_priority      upstream priority           //rule 1
prop_sharing     proportional sharing of shortages //rule 2
/
```

**set** rji(r, j, i) mapping set: assigns priorities to province - separate assignments for each proposed rule

```
/ us_priority . (j1.1-Mousil, j2.2-Basra)
  prop_sharing . (j1.1-Mousil, j1.2-Basra)
/
```

```
***** Section 2
*****
```

```

*                               Data
*
*****
****

```

```

table Bc(i,k)      crop water demand (ET) (1000s cubic meters per Ha = 10ths of meters depth)

```

```

* Data: Allen 1998, FAO 56 applied to year 2012 weather information in Iraq
* Crop Water Requirements: Food and Agricultural Organization Report 56.

```

|          | 1-wheat | 2-cotton |
|----------|---------|----------|
| 1-mousil | 11.9    | 18.0     |
| 2-Basra  | 13.5    | 21.4     |

```

*Bc(k) = 0.5 * Bc(k)

```

```

table Yield_p(i,k)  Crop Yield tons per Ha (proportional to ET)

```

|          | 1-wheat | 2-Cotton |
|----------|---------|----------|
| 1-Mousil | 1.39    | 2.32     |
| 2-Basra  | 1.57    | 2.75     |

```

* economic data

```

```

parameter Price_p(k)      Crop Prices ($ US per ton)

```

|          |     |
|----------|-----|
| /1-Wheat | 225 |
| 2-Cotton | 906 |
| /        |     |

```

table Cost_p(i, k)      Crop Production Costs excluding water ($ US per Ha)

```

```

* FAO Ag Stats, adapted from Iran and Egypt

```

|          | 1-wheat | 2-cotton |
|----------|---------|----------|
| 1-Mousil | 200     | 1286     |
| 2-Basra  | 207     | 1345     |

```

;

```

```

* data from Dr. Saud Amer 2012

```

**Table** land\_p(i,k)    observed land in prodn for year 2006 (1000 Ha)

|          | 1-wheat | 2-cotton |
|----------|---------|----------|
| 1-mousil | 47.4    | 0.45     |
| 2-basra  | 16.9    | 0.00     |

**Parameter** Net\_revenue\_p(i,k)    calculated net revenue per ha (\$ US per HA)

```

;
Net_revenue_p(i,k) = Price_p(k) * Yield_p(i,k) - Cost_p(i,k);

```

**parameter** Wat\_supply\_p(s)          total water available (million cubic meters per year) calculated total ag water use (not meas from gauges)

```

;
Wat_supply_p('normal') = sum((i,k), land_p(i,k) * Bc(i,k));    // calculates observed water use
Wat_supply_p('dry'     ) = 0.50 * wat_supply_p('normal');       // dry: half of observed value

```

**parameter** right\_p(i)          total water assigned by province in full supply conditions (paper water)

```

;
right_p(i) = sum(k, Bc(i,k) * land_p(i,k));    // sums over crops: ith province's historical (2006) water use under full supply

```

\*\*\*\*\* code defines water sharing methods \*\*\*\*\*

\* code below loops over each priority (j) then maps each priority to corresponding province i  
\* code is thanks to Pete Stacy at GAMS Development Corporation Feb 1 2012

**parameter**    tot\_assigned(r,s)    cumulative water assigned to province (i) including higher priorities;  
                  tot\_assigned(r,s) = 0;    // starts at 0 - prepares to loop

**parameter**  
  tot\_pap\_right\_by\_prior( r,j)    cumulative paper right at jth priority for all provinces including ties  
  remain\_supply\_by\_prior(r,s,j)    residual supply    at jth priority after supplying higher priorities  
  wet\_wat\_use            (r,s,i)    wet (not paper) water use assigned to ith province - limited by total basin supply  
;

```

Loop(r,                                                // loop over sharing rule (r)
  Loop(j,                                               // loop over priority (j)

```

```

tot_pap_right_by_prior(r,j) = sum[i$rji(r, j, i), right_p(i)] ; // total paper rights by (j) priority by
provinces includes ties
remain_supply_by_prior(r,s,j) =
min[(wat_supply_p(s) - tot_assigned(r,s)), tot_pap_right_by_prior(r,j)] + eps; // remaining supply by (j)
priority after protecting higher priorities
Loop(i$rji(r, j, i),
wet_wat_use(r,s,i) = (right_p(i)/tot_pap_right_by_prior(r,j))
* remain_supply_by_prior(r,s,j) + eps; // wet water assigned to (i) province
tot_assigned(r,s) = tot_assigned(r,s) + wet_wat_use(r,s,i) ; // cumulative water (check) assigned to
last province getting water - should match total supply

); // end province loop
); // end priority loop
); // end rule loop

```

```

parameter tot_wat_use(r,s) total water use defined;
tot_wat_use (r,s) = sum(i, wet_wat_use(r,s,i)) + eps; // checks total use assigned against supply

```

\*\*\*\*\* end of water allocation system \*\*\*\*\*

\*\*\*\* begin looping over water sharing rule and water supply scenario below  
\* rr, ss, are subset of orginal sets... allows fast scenario analysis below

```

set rr(r); // water sharing rule
set ss(s); // water supply scenario

```

```

rr(r)=no; // switches subset off for now
ss(s)=no; // switches subset off for now

```

\*\*\*\*\* SECTION 3 \*\*\*\*\*  
\* Variables \*

**positive variables**

|              |           |   |   |
|--------------|-----------|---|---|
| hectares_v   | (r,s,i,k) | land in production by rule-province-crop-scen | (1000 Ha - marginal is \$US per Ha)           |
| T_hectares_v | (r,s,i )  | total land in prodn by rule-province-scen     | (1000 Ha - marginal is \$US per Ha)           |
| uses_crop_v  | (r,s,i,k) | total water use by rule-province-crop-scen    | (million m^3 - marginal is \$US per 1000 m^3) |
| uses_v       | (r,s,i )  | total water use by rule-province-scen         | (million m^3 - marginal is \$US per           |

1000 m^3)

**variables**

ag\_ben\_k\_v (r,s,i,k) total farm income by rule-province-crop-scen (\$US 1000s - no marginals shown)  
ag\_ben\_v (r, s) total farm income by rule-scen (\$US 1000s - no marginals shown)

Tot\_b\_v total farm income re-calc for each rule-scen (objective) (\$US 1000s - no marginals shown)

\*\*\*\*\* Section 4 \*\*\*\*\*  
\* Equations \*  
\*\*\*\*\*

**Equations**

// Equations DECLARED

T\_hectares\_e (r,s,i ) total land in production by province-scen (1000 Ha - marginal is \$US per Ha)  
Uses\_crop\_e (r,s,i,k) total water use by crop-province-scean (million m^3 - marginal is \$US per 1000 m^3)  
uses\_e (r,s,i ) total water use by scen (million m^3 - marginal is \$US per 1000 m^3)  
ag\_ben\_k\_e (r,s,i,k) total farm income by crop-province-scen (\$US 1000s - no marginals shown)  
ag\_ben\_e (r, s) total farm income by scen (\$US 1000s - no marginals shown)  
Tot\_b\_e total farm income by element of loop (\$US 1000s - no marginals shown)  
;

// Equations defined (using above names with algebraic formulas)

// Equations below defined over rule (rr) and scenario (ss) using subset rr and ss

T\_hectares\_e (rr,ss,i ).. T\_hectares\_v(rr,ss,i ) =e= sum(k, hectares\_v (rr,ss,i,k));  
Uses\_crop\_e (rr,ss,i,k).. uses\_crop\_v (rr,ss,i,k) =e= Bc(i,k) \* hectares\_v(rr,ss,i,k );  
uses\_e (rr,ss,i ).. uses\_v (rr,ss,i ) =e= sum(k, uses\_crop\_v(rr,ss,i,k));  
ag\_ben\_k\_e (rr,ss,i,k).. ag\_ben\_k\_v (rr,ss,i,k) =e= net\_revenue\_p(i,k) \* hectares\_v(rr,ss,i,k);  
ag\_ben\_e (rr,ss ).. ag\_ben\_v (rr,ss) =e= sum((i,k), ag\_ben\_k\_v(rr,ss,i,k));

```

Tot_b_e          .. Tot_b_v          =e= sum((rr,ss), ag_ben_v(rr,ss  )); // sums total benefits
over indices for sensitivity analysis

***** Section 5 *****
* Labels and defines models *
* Each model has one objective function *
*****

model TE_05 /all/ ;

***** Section 6 *****
* BOUNDS *
* Bounding shows a positive shadow price for each limiting resource *
*****

uses_v.up (r,s,i ) = wet_wat_use(r,s,i ); // upper bound limits available water to observed water use
hectares_v.up(r,s,i,k) = land_p( i,k); // can produce no more crops than observed under full water supply
conditions

*hectares_v.lo('1-mousil','1-wheat') = 10; // food security requirement
*uses_crop_v.lo('wheat') = 1; // another way of enforcing food security

***** Section 7 *****
* SOLVE THE MODEL *
*****
parameter shad_price_p(r,s,i) names shadow price of water to send to spreadsheet
;

loop(r,
loop(s,

    ss(s) = yes;
    rr(r) = yes;

    Solve TE_05 using nlp maximizing Tot_b_v;

    shad_price_p(r,s,i) = uses_v.m(r,s,i) + eps; // export shad prices for all water allocation rules except
unrestricted trading

* closes loops below over r,s (rule for sharing shortages, water supply scenario)

```

```

rr(r) = no;
ss(s) = no;

);
);

```

```

*****
* Section 8: DISPLAY RESULTS TO SPREADSHEET *
*****

```

**parameter**

```

uses_p          (r,s,i ) total water use by province summed over crops
land_v_p        (r,s,i,k) total land in production
ben_by_crop_province_p (r,s,i,k) total benefits by crop and province
ben_by_province_p (r,s,i ) total economic benefits by province
tot_ben_p       (r,s ) total economic benefits

```

**i**

*\* land in prodn (1000 hectares)*

```
land_v_p          (r,s,i,k) = hectares_v.l(r,s,i,k) + eps;
```

*\* water use (million cubic meters)*

```
uses_p          (r,s,i ) = Uses_v.l(r,s,i) + eps;
```

*\* economic benefits (\$1000 US)*

```
ben_by_crop_province_p (r,s,i,k) = ag_ben_k_v.l(r,s,i,k) + eps;
ben_by_province_p      (r,s,i ) = sum(k, ag_ben_k_v.l(r,s,i,k)) + eps;
tot_ben_p              (r,s ) = ag_ben_v.l (r,s ) + eps;
```

*\* GAMS GDX facility writes to excel spreadsheet*

```
execute_unload "farm_mgmt_05.gdx"
```

```

tot_pap_right_by_prior remain_supply_by_prior wet_wat_use
tot_assigned          land_p                land_v_p
uses_p                ben_by_crop_province_p ben_by_province_p

```



```
tot_ben_p          net_revenue_p      shad_price_p
Price_p           yield_p          cost_p
Net_revenue_p     Bc
```

```
;
```

```
$onecho > gdxrwout.txt
```

```
i=farm_mgmt_05.gdx
```

```
o=farm_mgmt_05.xls
```

```
epsout = 0
```

```
par = tot_pap_right_by_prior  rng = total_paper_right_by_priority!c4  cdim = 0
```

```
par = remain_supply_by_prior  rng = remain_supply_by_priority!c4      cdim = 0
```

```
par = wet_wat_use             rng = wet_water_use_by_province!c4    cdim = 0
```

```
par = tot_assigned           rng = basin_cum_water_use!c4      cdim = 0
```

```
par = land_v_p              rng = land_in_prodn!c4          cdim = 0
```

```
par = uses_p                rng = total_water_use_by_province!c4  cdim = 0
```

```
par = net_revenue_p         rng = net_rev_per_ha!c4         cdim = 0
```

```
par = ben_by_crop_province_p rng = benefits_by_crop_province!c4  cdim = 0
```

```
par = ben_by_province_p    rng = benefits_by_province!c4     cdim = 0
```

```
par = tot_ben_p            rng = total_benefits!c4        cdim = 0
```

```
par = shad_price_p         rng = shadow_price!c4          cdim = 0
```

```
par = Price_p             rng = price!c4                 cdim = 0
```

```
par = cost_p              rng = cost!c4                  cdim = 0
```

```
par = yield_p             rng = yield!c4                 cdim = 0
```

```
par = Net_revenue_p       rng = net_rev!c4               cdim = 0
```

```
par = Bc                  rng = wu_ha!c4                 cdim = 0
```

```
$offecho
```

```
execute 'gdxrw.exe @gdxrwout.txt trace=2';
```

```
// THE END
```