

General Conclusions

Issues, solutions, opportunities and benefits

Nexus issue	A problematic situation that affects more than one sector.
Nexus solution	An intervention that would benefit more than one sector, in this context including also interventions that reduce the pressure on the ecosystems (or the environment at large).

- Benefits – at national and basin level – are associated to each solution proposed.
- Therefore: issues and solutions are basin and context specific
- However some similarities exist, both in terms of type of issues/solutions and in terms of benefits that may be gained

	Proposed Solution	Benefits	
		Basin/transboundary	National
Alazani/Ganikh	<u>Energy:</u> Sustainable hydropower development needs to follow best-practice approaches, taking into account effects on other uses and sediment transport as well as geological constraints Fuel wood substitution in rural households	Better planning and control of flash floods Improved indoor air pollution and reduced deforestation (Georgian side)	Higher efficacy of efforts to improve sustainability & stimulate growth Improved effects of reforestation (synergy)
	<u>Environment:</u> Reforestation (coordinated with an energy plan of fuel substitution) Eco-tourism development (taking advantage of the high potential of wine tourism in Georgia) Improved waste management (including regular clean up of the river banks) and elimination of residual effects of old pesticides	Improved ecosystem services related to forests (in particular flood control) and to the river (e.g. fishing) Expansion of tourism sector, employment and economic growth Improved living of local population	Reduced unemployment and poverty and increased opportunities for young people in the tourism and agriculture sector Increased carbon stock in forests
	<u>Water:</u> Rehabilitation of irrigation schemes Coordinated and improved flood risk management	Improved agriculture and resilience to floods: reduced loss of fertile soil and damage to settlements	Reduced spending on emergency situations (flash floods) Reduced erosion with higher quality water for uses downstream (e.g. hydropower in Azerbaijan)
	<u>Regulation:</u> Improve intersectoral coordination Clarification of responsibilities for reparation and maintenance of infrastructure Approximation with EU legislation <ul style="list-style-type: none"> • Association Agreement between Georgia and the EU • EU Water Framework Directive 	More efficient management at basin level and in particular better response to emergencies	Alignment to international and EU regulation

Key Background

Key drivers in one or more basins:

1. Local energy, food and livelihood security
2. Employment: agriculture and tourism
3. National energy security

Further policy incoherence with:

- i. Climate proofing & other Resilience
- ii. GHG mitigation targets and funding
- iii. Energy Planning

They can take precedence over IWRM.

- A. Incentives are stronger
- B. Planning cycles are different

Approach to identifying solutions

Because of the different level of cooperation in each of the three basins, evaluating the possible actions to reduce negative impacts across sectors or to capitalize on synergies has different perspectives:

- In the **Alazani/Ganikh**, transboundary cooperation is being built now between the two countries. In the assessment it was interesting to identify the main sectoral and intersectoral interventions needed.
- In the **Sava**, transboundary cooperation is advanced, covering multiple sectors and the ISRBC offering a platform for cooperation. Here it is interesting to explore how the existing cooperation could be improved, in particular from the governance and technical perspectives.
- In the **Syr Darya**, transboundary cooperation is currently compromised by lack of trust. Here it was interesting to discuss how national policies could be aligned with a path towards restoring cooperation between countries.

General types of solutions

- Facilitating **trade**
 - **Optimizing** operation of **infrastructure** (notably flow regulation), **multipurpose** designs,
- Energy: integrated renewables, improve efficiency
- Integrating **environmental** considerations into sectoral policies and decision-making and keeping the state of the environment under scrutiny
- Science and **technology** (especially water and energy efficient technologies)
- **Investments**, creating an environment which encourages sustainability

General types of benefits

At transboundary level:

- reduce pressure on shared resources
- Improve health and livelihoods
- Better environment and healthier ecosystems
- Increased cooperation/trust
- Greater involvement of agricultural and energy sectors in the dialogue on basin planning

At national level:

- Improved resilience to external shocks (e.g. climate change, market etc)
- Reduced costs (by better planning)
- Improved profitability of utilities
- New opportunities for economic cooperation

Which benefits can be quantified and how?

Underlying enabling instruments ...

1. Valuing water services (differ by 'commercial vs basic needs' & service and location)

2. Valuing energy inputs (cost reflective tariffs)

3. Metering, monitoring and measuring

4. Setting up pricing / subsidy structures that:

- Locally acceptable and supportive to the poor
- Encourage / reward responsible water management and rational use (supply and demand)
- Recover costs required for infrastructure

Some emerging conclusions on what supports addressing intersectoral frictions



- Coordination between regional economic organisations, basin organisations, power pools is important
- Appropriately broad representation of sectors in joint bodies; broadening the mandate gradually reflecting uses & pressures
- In strengthening the institutional capacity, building on existing structures by their further development and broadening the scope of work can be recommended as a first step
- Many river basin organizations and other joint bodies already have a multisectoral scope: can function as effective platforms for a dialogue, negotiation and agreeing about actions
- Joint bodies effectiveness to address the nexus depends on various factors, among them the breadth of the mandate

Some emerging conclusions (...)

- Formal structures and processes facilitate but do not guarantee coordination and consultation planning. The political will is of key importance
- Various intersectorally coordinated processes can help to align policies:
 - National sustainable development strategies
 - Adaptation plans on climate change
 - Strategic Environmental Assessment, EIA
 - Regional development strategies and integration processes (e.g. EU approximation, where applicable)
- Appropriate mechanisms for enabling participation of different stakeholders and the public and for communication strengthen decision-making
- Short-term, interventionist and reactive policies without sufficient social consultation may not be efficient

Information flows to planners over appropriate time scales

