ASSESSMENT OF THE BENEFITS OF TRANSBOUNDARY WATER COOPERATION WITHIN THE CORB

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Geneva, Switzerland
Background

- 20th OKACOM Annual Planning Meeting in Rundu
- OKACOM Dialogue topic
- 20th OKACOM Anniversary Celebration
- Counting our gains on TWC
- Reflect on the 20 Years of OKACOM existence
- Galvanize support and commitment to the next phase of TWC
### TWC generates more benefits than generally thought

<table>
<thead>
<tr>
<th>From improved water management</th>
<th>On economic activities</th>
<th>Beyond economic activities</th>
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</thead>
</table>
| Economic benefits             | • Expanded activity and productivity in economic sectors  
• Reduced cost of carrying out productive activities  
• Reduced economic impacts of water-related hazards (floods, droughts)  
• Increased value of property | Social and environmental benefits  
• Health impacts  
• Employment and reduced poverty impacts  
• Improved access to services (such as electricity and water supply)  
• Improved satisfaction due to preservation of cultural resources or access to recreational opportunities.  
• Avoided/reduced habitat degradation and biodiversity loss |

<table>
<thead>
<tr>
<th>From enhanced trust</th>
<th>Regional economic cooperation benefits</th>
<th>Peace and security benefits</th>
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</table>
| Development of regional markets for goods, services and labour  
Increase in cross-border investments  
Development of transnational infrastructure networks | • Strengthening of international law  
• Increased geopolitical stability  
• Reduced risk and avoided cost of conflict  
• Savings from reduced military spending |
Now is the right time to undertake a benefit assessment exercise (BAE) in the CORB

<table>
<thead>
<tr>
<th>Opportunity to look to the past and the future</th>
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<tbody>
<tr>
<td>• 20 years of TWC in the CORB</td>
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<tr>
<td>• Threats to the CORB’s health are becoming more real with the need for development</td>
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<th>Turning point in the TWC process</th>
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<td>• Transboundary Diagnostic Analysis, NAPs and Strategic Action Programme approved</td>
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<td>• Need to reach out to new constituencies</td>
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<td>• Notification procedures</td>
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<th>Step up in the institutional setting</th>
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<td>• Strengthening of OKASEC</td>
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<td>• Operationalisation of Technical Committees</td>
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<td>• Communication and Stakeholder Strategies</td>
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Reasons to undertake a Benefit Assessment exercise

• A Benefit Assessment exercise can provide fact-based arguments for (stronger) cooperation.
• It can facilitate broadening the scope of cooperation by defining a “benefit-shed”
• It can help to attract financial resources to implement TWC solutions.
The cycle of benefit assessment

- Assessing benefits
- Identifying benefits
- Communicating benefits
Selected issues in assessing the benefits of TWC

- Gross benefits vs net benefits – focus on net benefits
- Cost of inaction i.e. not cooperating
- Double counting
- Benefits of RBO vs benefits of TWC
- Benefit-shed – benefits derived from more than one river basin
- Benefits and beneficiaries in the CORB
How to approach a Benefit Assessment exercise:

• OKACOM has identified the need for TWC benefit assessment - TWC policy process is supported

• Mandate to carry out a BA exercise has been given

• Design the Benefit Assessment exercise to match the level of maturity of the TWC policy process

• Plan to ensure that the results will not be contested
### Preliminary BAE in the CORB

<table>
<thead>
<tr>
<th>Specific benefit</th>
<th>Ongoing/ potential</th>
<th>Benefit generation mechanism</th>
<th>Beneficiary</th>
<th>Current beneficiary pays mechanism</th>
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<tr>
<td><strong>ECONOMIC BENEFITS</strong></td>
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<tr>
<td>Tax revenues from tourist industry</td>
<td>Ongoing</td>
<td>Ensuring flow levels in the delta</td>
<td>Government of Botswana (GoB)</td>
<td>Financial contributions by the GoB</td>
</tr>
<tr>
<td>Security for investors that water entitlements will not be challenged</td>
<td>Potential</td>
<td>Agreeing a water allocation mechanism</td>
<td>Agricultural sector in Angola and Namibia</td>
<td></td>
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<tr>
<td><strong>SOCIAL AND ENVIRONMENTAL BENEFITS</strong></td>
<td></td>
<td></td>
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<td>Employment generated in the tourism industry in Botswana</td>
<td>Ongoing</td>
<td>Ensuring flow levels in the delta</td>
<td>Local communities in Botswana</td>
<td>Income tax paid by employees</td>
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<tr>
<td>Sustainable livelihoods from sustainable fishing and conservation agriculture</td>
<td>Ongoing and potential</td>
<td>Attracting development cooperation support</td>
<td>Local communities in Angola, Namibia and Botswana</td>
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<td>Recreation opportunities</td>
<td>Ongoing</td>
<td>Ensuring flow levels in the delta</td>
<td>Tourists</td>
<td>Embedded in tourism service charges</td>
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<td>Biodiversity conservation</td>
<td>Ongoing</td>
<td>Ensuring flow levels in the delta</td>
<td>Global community</td>
<td>Financial contributions by ICPs</td>
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<td>Development of other regional development initiatives (e.g. KAZA)</td>
<td>Ongoing and potential</td>
<td>Generating trust between countries and showing to ICPs that the countries can cooperate effectively</td>
<td>Local and business communities in Angola, Namibia and Botswana</td>
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<td>Development of closer trade links</td>
<td>Potential</td>
<td>Facilitating relationships between business communities</td>
<td>Local and business communities in Angola, Namibia and Botswana</td>
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<td><strong>GEOPOLITICAL BENEFITS</strong></td>
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<td>Reduced risk of conflict between Angola, Namibia and Botswana</td>
<td>Ongoing</td>
<td>Preventing unilateral action that damages other parties</td>
<td>Angola, Namibia and Botswana</td>
<td>Financial contributions of GoA, GoN and GoB, and foregone development opportunities</td>
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<td>Preservation of good international reputation</td>
<td>Ongoing</td>
<td>Preventing unilateral action that damages other parties</td>
<td>Angola, Namibia and Botswana</td>
<td>Financial contributions of GoA, GoN and GoB, and foregone development opportunities</td>
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<td>Contribution to upholding international law</td>
<td>Ongoing</td>
<td>Preventing actions that breach international laws</td>
<td>International community</td>
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Tangible benefits from TWC in the CORB

- Spin-off benefits to countries with respect to capacity building programmes
- Broadened understanding of the basin as a whole
- Leveraging investments – e.g. $100,000 from Member State leveraging $200,000 from the other MS
- Leveraging through multi-lateralism (USAID, UNDP GEF, World Bank, DFID, GIZ)
Lessons

• Issues of attribution and contribution
• Target audience – different things to different stakeholders
• Stakeholder participation – cost
• Rhetorical question of why cooperate – obvious answer
Suggested components of the BAE

1. **Project management**: OKASEC, OBSC and Commissioners

2. **Beneficiary Assessment** – of development projects (livelihoods, health impacts, …)

3. **National Seminars** – on “un-explored benefits” led by reputed national research institutions

4. **Policy Paper** – bringing different strands together

5. **Regional Dialogue** – discussing national perspectives
Suggested approach for a BAE in the CORB

**Scope**
- Broad assessment
- Mostly qualitative (quantitative and monetary when easy)

**Timeline**
- 12 months (June 2015, June 2016)
- In time to feed SAP review

**Informing TWC process**
- Involvement of Commissioners
- National Seminars to reach out to other constituencies

**Budget and funding**
- Around USD 70k
- Exploit synergies for funding (e.g. communications strategy)
OKACOM has an opportunity to lead

UNECE Policy Guidance Note on Identifying, Assessing and Communicating the Benefits of TWC
- Scoping workshop, Amsterdam 2013
- Case studies workshop, Geneva 2014
- Regional integration and geopolitical benefits workshop, Tallinn 2015
- Third draft to be discussed by IWRM Working Group in June 2015
- Final draft to be approved by Meeting of the Parties in November 2015
- New work programme 2016-2018 to focus on BAEs

CORB case study presented in Geneva in 2014
Potentially one of the first case to apply the Policy Guidance Note