Identifying, assessing and communicating the benefits of transboundary water cooperation

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Why to assess the benefits to promote or strengthen transboundary water cooperation?

• TWC generates more benefits than those traditionally considered
• An benefit assessment (with a high participative component) can provide fact-based argument that generates credible results to start up or develop stronger cooperation
• It facilitates the engagement of different sectors
• We need to (better) communicate the benefits of TWC to decision-makers
• It can help attract financial resources to implement water cooperation solutions
The Policy Guidance Note aims to contribute to the realisation of the potential benefits of transboundary water cooperation (TWC)

- Tool of global relevance
- Recommends to carry out benefit assessments
- Conceptual framework and guidance (starting point, flexible methodology), no technical guidance
- Learning exercise -- “pilots” in CORB, Drina, SMM, a benefit focus on SASS

Contents

- Executive Summary
- Introduction
- Launching a benefit assessment exercise
- Identifying benefits
- Evaluating benefits
- Communicating benefits
It can be applied to cooperation process at different levels of maturity.

Tailor the assessment to the needs of the cooperation process.

<table>
<thead>
<tr>
<th>Stage of development of the transboundary water cooperation policy process</th>
<th>Needs of the transboundary water cooperation policy process</th>
<th>Focus of the benefit assessment exercise</th>
<th>Main focus of the assessment phase</th>
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<tr>
<td>Pre-initial stage (e.g. basins characterized by political conflict)</td>
<td>Establish the conditions for launching a cooperation process</td>
<td>Identification of mutually beneficial opportunities from shared water resources</td>
<td>Rapid qualitative assessment of key benefits</td>
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<td>Initial stage (e.g. basins without international agreement or transboundary coordination body)</td>
<td>Launch of the cooperation process, supported by awareness raising on the need to cooperate</td>
<td>Identification of the full range of the benefits of cooperation</td>
<td>Rapid qualitative assessment of all identified benefits</td>
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<td>Medium stage (e.g. negotiations on an agreement ongoing or basins with international agreement, but without coordination body)</td>
<td>Consolidation of the cooperation process through negotiations, strategic planning and the implementation of basic cooperation initiatives (e.g. information sharing)</td>
<td>Broad assessment of the range of benefits of cooperation (including cost of non-cooperation)</td>
<td>In-depth qualitative assessment of all identified benefits Include easily available quantitative and monetary estimates</td>
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<td>Advanced stage (e.g. basins with international agreement and coordination body)</td>
<td>Realisation of the potential benefits of cooperation through the implementation of advanced cooperation initiatives (e.g. infrastructure projects, coordinated management instruments)</td>
<td>Assessment of the benefits of independent national projects, joint projects, or a basin programme of measures</td>
<td>Carry out quantitative and monetary valuation, when justified given available resources</td>
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A detailed identification of benefits represents a significant step forward

- Past and potential future benefits
- "Process benefits" vs "development outcome benefits"
- Wide range of benefits – "benefits matrix"
- Net benefits
- Beneficiaries
- Importance of a participative process

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<th>Origin of benefits</th>
<th>Benefits for economic activities</th>
<th>Benefits beyond economic activities</th>
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<td><strong>Improved water management</strong></td>
<td><strong>Economic benefits</strong>&lt;br&gt;Expanded activity and productivity in economic sectors (aquaculture, irrigated agriculture, mining, energy generation, industrial production, nature-based tourism)&lt;br&gt;Reduced cost of carrying out productive activities&lt;br&gt;Reduced economic impacts of water-related hazards (floods, droughts)&lt;br&gt;Increased value of property</td>
<td><strong>Social and environmental benefits</strong>&lt;br&gt;Health impacts from improved water quality and reduced risk of water-related disasters&lt;br&gt;Employment and reduced poverty impacts of the economic benefits&lt;br&gt;Improved access to services (such as electricity and water supply)&lt;br&gt;Improved satisfaction due to preservation of cultural resources or access to recreational opportunities&lt;br&gt;Increased ecological integrity and reduced habitat degradation and biodiversity loss&lt;br&gt;Strengthened scientific knowledge on water status</td>
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<td><strong>Enhanced trust</strong></td>
<td><strong>Regional economic cooperation benefits</strong>&lt;br&gt;Development of regional markets for goods, services and labour&lt;br&gt;Increase in cross-border investments&lt;br&gt;Development of transnational infrastructure networks</td>
<td><strong>Peace and security benefits</strong>&lt;br&gt;Strengthening of international law&lt;br&gt;Increased geopolitical stability and strengthened diplomatic relations&lt;br&gt;New opportunities from increased trust (joint initiatives and investments)&lt;br&gt;Reduced risk and avoided cost of conflict and savings from reduced military spending&lt;br&gt;Creation of a shared basin identity</td>
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The assessment will be imperfect, but still useful

• Looking at the past and the future
• Mostly qualitative assessment, but combine
• Favour “joint”, ”integrated” and “participative” assessment
• Assess the benefits reaped by other riparians
• Possible perspective: costs of inaction
### Assessing different types of benefits

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<th>Economic</th>
<th>Social and Environmental</th>
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| • Greatest scope for monetary valuation (e.g. CBA of infrastructure)  
• “Soft” solutions harder to quantify  
• Techniques to quantify impacts on national economy very demanding  
| • Less scope for quantification and monetary valuation  
• Monetary values likely to be contested  
|### Regional Economic Integration  
• Largely rely on qualitative assessments  
• Some quantification possible (e.g. expansion of regional infrastructure)  
|### Peace and Security  
• Qualitative assessment (e.g. traffic lights)  
• Avoid quantification and monetary valuation  

A BAE is fundamentally a communication exercise

• We want to convince someone (decision-makers, stakeholders, donors) to do something different
• A major outcome of a BAE is probably the “education” of the participants
• The results of a BAE can be the basis of a communication plan on the transboundary cooperation efforts (and the value of the associated institutions)
• Do not spend all resources on identification and evaluation

Target audience

Aim

Tactics

Messages

Mechanisms
3 projects applying the Policy Guidance Note on benefits

Drina River Basin

Sio Malaba Malakisi River Basin

Okavango Cubango River Basin
Thank you!

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