Scoping the benefits of transboundary cooperation in the Drina basin

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UNECE Work on Benefits

• **Policy Guidance Note**: to support governments and other actors in realising the potential benefits of transboundary water cooperation

• **Okavango basin**: OKACOM, World Bank, CRDIF

• **Nexus Assessment summaries**: quick “desk studies”, all basin resources

• **Drina**: first attempt to incorporate a Benefits component in a Nexus Assessment
Benefit assessment exercises: rationale and elements

- Provide fact-based arguments for starting up cooperation or developing stronger cooperation
- Broaden the scope of cooperation by defining a “benefit cluster”
- Attract financial resources to implement cooperation solutions
**IDENTIFICATION OF BENEFITS**

Transboundary water cooperation generates more benefits than generally thought.

<table>
<thead>
<tr>
<th>Origin of benefits</th>
<th>Benefits for economic activities</th>
<th>Benefits beyond economic activities</th>
</tr>
</thead>
</table>
| **Improved water management** | **Economic benefits**  
Expanded activity and productivity  
In economic sectors (aquaculture, irrigated agriculture, mining, energy generation, industrial production, nature-based tourism)  
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 from improved water quality and reduced risk of water-related disasters.  
Employment and reduced poverty impacts of the economic benefits  
Improved access to services (such as electricity and water supply)  
Improved satisfaction due to preservation of cultural resources or access to recreational opportunities.  
Increased ecological integrity and reduced habitat degradation and biodiversity loss  
Strengthened scientific knowledge on water status |
| **Enhanced trust** | **Regional economic cooperation benefits**  
Development of regional markets for goods, services and labour  
Increase in cross-border investments  
Development of transnational infrastructure networks | **Peace and security benefits**  
Strengthening of international law  
Increased geopolitical stability and strengthened diplomatic relations  
New opportunities from increased trust (joint initiatives and investments)  
Reduced risk and avoided cost of conflict and savings from reduced military spending  
Creation of a shared basin identity |
ASSESSMENT AND COMMUNICATION OF BENEFITS

• A BAE will combine qualitative, quantitative and monetary assessments
• A BAE should target decision-making drivers and focus on moving from perceptions to facts
• A BAE needs to involve stakeholders throughout
Task 1. Identification of benefits

1. Take a piece of paper and a pen
2. Write down a list of 10 benefits (historical or potential) of transboundary cooperation in the Drina basin
3. Let’s read out some benefits from your lists
4. Are these outcome benefit or process benefits?
**Task 2. Classification of benefits**

1. Draw this matrix
2. Classify your list of 10 benefits in the matrix
3. Let’s read out those benefits
4. Write your benefit on a post-it and place it in the appropriate cell in the big matrix on the wall

<table>
<thead>
<tr>
<th>Benefits</th>
<th>For economic activities</th>
<th>Beyond economic activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>From improved management of basin resources</td>
<td></td>
<td></td>
</tr>
<tr>
<td>From increased trust</td>
<td></td>
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</tr>
</tbody>
</table>
## RAPID SCOPING OF BENEFITS IN THE SAVA NEXUS ASSESSMENT

<table>
<thead>
<tr>
<th>TABLE 16</th>
<th>The benefits of transboundary cooperation on the nexus issues in the management of the Sava Basin's resources</th>
</tr>
</thead>
</table>
| **From improved management of basin resources** | **Economic benefits**<br>• Increased viability of economic activities relying on basin resources<br>• Development of agricultural sector and its value added<br>• Development of sustainable river tourism<br>• Reduced economic costs of water-related hazards (floods and droughts)<br>• Reduction of transport costs or increased volume of traffic (thanks to increased capacity and use of better maintained waterways)<br>• Reduction of energy costs (thanks to optimisation of potential energy sources)<br>• Reduction of water infrastructure costs (thanks to avoidance of duplication and sub-optimal location)<br>**Beyond economic activities**<br>**Social and environmental benefits**<br>• Employment creation (e.g. in agriculture and tourism sectors)<br>• Reduced human costs of water-related hazards (e.g. floods)<br>• Health benefits from improved water quality<br>• Improved water services for users<br>• Improved recreational opportunities from improved water quality and healthier ecosystems<br>**From increased trust among Sava countries** | **Regional economic cooperation benefits**<br>• Increased trade through waterways<br>• Development of regional markets for goods, services and labour<br>• Increased cross-border investments<br>**Geo-political benefits**<br>• Improved likelihood of complying with EU requirements and regional targets (e.g. regarding status of waters, renewable energy targets and agricultural policy)
Task 3. General overview of benefits

1. Pick your copy of the UNECE Nexus Assessment and open it by page 77-78
2. Look at Table 16. Can you think of any benefits that are missing in our big matrix for the Drina?
3. Can we think of additional benefits for the less populated categories?
A BAE needs to be tailored to the characteristics of the basin as well as to the needs and level of maturity of the transboundary 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>
</tr>
</thead>
<tbody>
<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>
</tr>
<tr>
<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>
</tr>
<tr>
<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>
</tr>
<tr>
<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>
</tr>
</tbody>
</table>
SCOPING THE BENEFITS OF COOPERATION IN THE DRINA BASIN

General overview

Selected solutions
General overview

Don’t look at the screen

Look at the big matrix on the wall
Selected Solutions (from Session 7a)
Task 4. Benefits of specific solutions

1. Write down a list of the selected solutions that require international cooperation
2. Let’s read out those solutions (one per participant to start with)
3. For each solution, write down one benefit
4. Let’s read out those benefits
Task 5. Who do we need to convince?

1. Take a piece of paper and a pen
2. Write down your answer to this question: Who do we need to convince to promote further cooperation in the basin?

3. Let’s read out some of your answers
4. Let’s hear the rationale for the different answers

5. Write your name on a post-it
6. Vote for one of the answers
Task 6. How can we convince them?

1. Write down your answer to the following questions: How can we convince those actors?
2. Let’s read out some answers
3. Let’s discuss briefly... In view of those answers, what level of benefit assessment would be more appropriate in the Drina? “General overview” or “specific solutions”?
4. Pick a yellow post-it and vote