

Session 5.

The Guidance Document:  
towards an annotated outline

roberto\_martin@hotmail.com

13h15-14h00

## **Part I. Characteristics of the Guidance Document**

Ambition, depth, length, language, tone...

1. What type of Guidance Document do policymakers need? (selected participants, plus reactions) **25'**
2. What type of Guidance Document can be developed in the framework of the Water Convention? (Nick, Jos, plus reactions) **15'**

14h00-15h45

## Part II. Content of the Guidance Document

Potential chapters, topics to be covered

1. Draft ToC (level 1) 15' (followed by coffee break)
2. Content of chapters: 1h15'
  - Topics, questions to be addressed
  - Sources of information: literature, case studies
  - Key gaps to be filled?

# Draft ToC

- ExecSum
- Intro (rationale, aim, nature, structure)
- Ch1. Transboundary water cooperation
- Ch2. Benefits of TWC
- Ch3. Methodologies assess TWC benefits
- Ch4. Setting up a process for assessing the benefits of TWC

# Ch1. Transboundary water cooperation

- What is TWC? (in the Water Convention context)
- Cooperation and conflict
- Levels and degrees of cooperation
- Cooperation options
- Cooperation cannot be assured by legal instruments
- Benefits of cooperation promote self-enforcement
- Cooperation has benefits but also costs (cost of actions, transaction costs of cooperation)
- Benefit sharing (between countries) and getting there: benefit sharing steps, benefit sharing mechanisms (tradable water rights, side payments, joint infrastructure investments), losers
- Institutional setting determines the potential cooperation space

# Ch2. Benefits of TWC

- Need to identify benefits
- Need to identify full range of benefits
- Range of benefits (with examples)
- Attraction of finance (private, dev.coop., GEF)
- Typology(ies) of benefits
  - “from and to the river”, “traditional” benefits (better known)
  - “beyond and because of the river”, “non-traditional” benefits (incl. resilience/adaptive capacity, regional security and stability, and other intangibles) (help to narrow down, drawing on political science)
  - TEEB approach
- Variability (e.g. productive structure) as key source of benefits
- Beneficiaries
- Distributional issues (between and within countries)
- Risk/uncertainty of benefits
- Benefitshed / issue linkage
- Examples of benefits achieved in the past

# Ch3. Methodologies to assess benefits

- Benefit assessment:
  - qualitative assessment, physical quantification , monetary quantification (market and non-market)
  - focus on outcomes, establish baseline, avoid double counting
  - valuing long-term benefits with good quality studies
- Critical overview of methodologies (partial and general equilibrium, CVM/choice experiments, game theory, political science...)
  - Brief description
  - Benefits that can be evaluated with this methodology
  - Potential and limitations (incl. uncertainty)
  - Examples of application
  - Further references

# Ch4. Process of benefit assessment

- Starting point: TWC policy process to be informed (demand, selection of methodologies, how to communicate)
- The benefit assessment chain: identify, (prioritise), quantify, value, communicate and integrate into policy and decision-making (scenario analysis)
- Importance of baseline
- Institutional setting within which the assessment process will take place:
  - stakeholder participation in the benefit assessment process (policymakers, experts, beneficiaries, losers)
  - addressing the challenge of information sharing (transparency)
  - monitoring the generation of benefits
  - = transaction costs
- Communicating and using the results: awareness raising, advocacy, policy development (incl. water markets), negotiation, compensation. Need to tailor the presentation of the benefit assessment results.
- transboundary policy dialogues?
- DOs and DON'Ts
- Examples