



## Project information

### Assessment of potential trans-boundary benefits from improved water management in Azerbaijan and Georgia



Kura river

Source: OECD

Updated: January 2015

## Background

Azerbaijan and Georgia have shown commitment to implement the principles of the EU Water Framework Directive; they started reforms of water institutions and policies in approximation with these principles. The two countries share some important water management issues in the Kura river basin, such as flood prevention and management, and pollution from untreated wastewater.

Trans-boundary cooperation in the Kura basin remains problematic. There is a need for a shared knowledge base on the physical, social and economic features of cooperative river management, and for sharing experience with Integrated Water Resource Management (IWRM) and, *inter alia*, flood risk management.

Despite the numerous technical assistance interventions that have taken place in the region there is still strong demand for external support in assessing economic benefits of cooperative management in the basin. Economic analysis can help identify potential benefits of improved coordination/cooperation, and allocate them fairly, to drive further improvement of the river management.

## Project

This project has been put in place to address this need by providing further insight on the potential benefits of trans-boundary cooperation. The objective of the project was to contribute to an initial assessment of

**Target country/region:**

Azerbaijan, Georgia

**Duration:**

03/2013 – 01/2015

**Beneficiaries:**

Ministries of Environment of Azerbaijan and Georgia, State Water Agency of Azerbaijan

**Implementing organisation:**  
Organisation for Economic Co-operation and Development (OECD)**Project number:**  
26276

the potential economic benefits of enhanced trans-boundary cooperation on the Kura river, and of the costs generated by a non-coordinated approach. The following measures were implemented to achieve the project objectives:

1. Inventory of the potential benefits of cooperative water management between the two countries was done at the first stage;
2. Assessment of the economic benefits to be gained from cooperative action in water management; economic benefits have been assessed in two case studies;
3. Suggestions on mechanisms to realize these benefits.

A regional workshop in Baku gathered for the first time the national and international experts involved in the project, as well as government officials from the two countries. A second regional workshop in Tbilisi discussed the draft case-studies, preliminary results of development scenarios analysis and corresponding costs and benefits for each riparian country.

---

**Federal Environment Ministry's Advisory Assistance Programme (AAP) for Environmental Protection in Central and Eastern Europe, the Caucasus and Central Asia as well as other neighboring countries to the European Union**

**AAP Project service unit:**

[AAP-info@uba.de](mailto:AAP-info@uba.de)  
[www.uba.de/en/advisory-assistance-programme](http://www.uba.de/en/advisory-assistance-programme)  
[www.uba.de/en/project-database-advisory-assistance-programme](http://www.uba.de/en/project-database-advisory-assistance-programme)

**Thematic management:**

Federal Agency for Environment Protection (UBA)  
Jörg Rechenberg  
Tel.: +49-340-2103-2425  
[joerg.rechenberg@uba.de](mailto:joerg.rechenberg@uba.de)

**Project coordination:**

AAP Project Service Unit  
Ralph Wollmann  
Tel.: +49-340-2103-2196  
[ralph.wollmann@uba.de](mailto:ralph.wollmann@uba.de)