Country context

Much of Armenia’s agriculture and aquaculture is located in the Ararat Basin Management Area (BMA). Ararat BMA consists of three river basins: Azat, Vedi, and Arpa. Water quantity and quality in the rivers of Ararat BMA have been declining, and overall, natural ecosystems have been degraded due to unsustainable groundwater use and infrastructure development, as well as climate change impacts. A second update to the Ararat River Basin Management Plan (RMBP) is under development, as required by the government and in keeping with the European Union Water Framework Directive.

What will this pilot project do?

This project will integrate the role natural ecosystems play in ensuring ground and surface water quality and quantity into the Ararat RMBP, to better address significant sources of risk (such as land transformation and degradation, and climate change); it will also highlight opportunities for enhancing water security through management of natural capital in the basin. This information will be used by ADB and ARM to target investments in key ecosystems, such as conserving or restoring forested areas or wetlands near water sources. This can safeguard water quality by enhancing the natural systems that reduce erosion, filtering pollutants, and supporting dry season flows, thereby boosting the country’s water security.

Note that this is an iterative process and the specifics of the project may evolve.

Key steps

- **Map current and future contributions of nature for replenishing water resources using the InVEST Seasonal Water Yield Model on a national scale and in a changing climate.**

- **Perform a deep dive on seasonal water yield in the Ararat Basin Management Area**, including mapping different water users (beneficiaries), to inform the Ararat RBMP.

- **Target ADB investments for sustainable watershed development** using science-based information on where and how natural systems support water security to better target environmental projects.

Key Collaborator

Armenia Ministry of the Environment
Project-at-a-glance

Ararat River Basin Management Plan

| Type of policy or finance mechanism this will inform: | River Basin management plans and Strategic Environmental Impact Assessments |
| Planned methods for natural capital approach: | Mapping natural capital for water security; climate change scenarios |
| Key issues to be addressed: | Freshwater |
| Geographic scale: | Watershed (Basin Management Area) |
| Ecosystem services to be assessed: | Water yield; groundwater recharge |

Pathway to impact

**Vision**
Ensure water security and appropriate investments in watersheds by integrating natural capital approaches into river basin management plans and other strategic documents, while promoting inter-institutional collaboration to motivate science-informed policy making.

**Outcomes ’24**
SWY model output for Armenia (w/greater detail in Ararat River Basin), subchapter on NCAA included into 2025-2030 Ararat RBMP; local capacity for NCAA and ecosystem services valuation developed.

**Activities**
Perform SWY modelling for Armenia w/greater detail in Ararat River Basin; integrate this information into Ararat River Basin Management Plan.

**Partners**

**Policy & Investment Windows**

For more information, please visit the project page: [bit.ly/peopleplanetprosperity](http://bit.ly/peopleplanetprosperity).
Please contact [naturalcapitalproject@stanford.edu](mailto:naturalcapitalproject@stanford.edu) with questions about this project!