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REPORT OF THE AFRICAN MEMBERS OF THE UNITED NATIONS HIGH LEVEL PANEL ON WATER - THE REPUBLIC OF MAURITIUS; THE REPUBLIC OF SENEGAL; AND THE REPUBLIC OF SOUTH AFRICA

ON

Motivating Effective Action; and Advocating for Innovation, Partnerships, Investment and Implementation of Initiatives to Ensure Water Security; Expand Economic Opportunities; Enhance Job Creation and Curtail the Social Economic Factors underlying Unemployment, **Migration and Displacement** 

Launching the Africa Water Investment Programme as a Legacy Initiative of the High Level Panel on Water in Africa to revitalise ongoing efforts to implement the July 2008 Assembly Declaration (Assembly/AU/Decl.1(XI)) on the Sharm el-Sheikh commitments for accelerating the achievement of water and sanitation goals in Africa

#### I. Background

- 1. In April 2016, the UN Secretary-General Ban Ki-moon and the World Bank Group President Jim Yong Kim convened a High Level Panel on Water (HLPW) charged with the dual responsibility of motivating effective action; and advocating for innovation, partnerships, financing and implementation of initiatives to improve water management and sanitation service delivery, as well as build more sustainable and resilient societies and economies. To ensure the highest level of political leadership, 11 sitting Heads of State and Government, as well as a Special Advisor, were invited to lead the panel for a two-year period till March 2018. The Heads of State and Government were from Australia, Bangladesh, Hungary, Jordan, Mauritius (co-chair), Mexico (co-chair), Netherlands, Peru, Senegal, South Africa and Tajikistan.
- 2. On 14 March 2018, the HLPW issued a New Agenda for Water Action calling for a fundamental shift in the way the world manages water so that the Sustainable Development Goals (SDGs), and in particular SDG6, can be achieved. This clarion call highlighted the urgent need for evidence-based policies and innovative approaches at the global, national and local level to make water management and water and sanitation services attractive for investment and more disaster-resilient. The Panel also called for policies that will allow for at least a doubling of water infrastructure investment in the next five years. The HLPW Outcome Document sets forth a new approach to catalyse change and build partnerships and cooperation: outlining why an integrated and inclusive approach that draws in all relevant sectors and stakeholders is needed.
- 3. On the basis of the synthesis report of the Africa regional consultation process for the 8th World Water Forum, the African HLPW Members Mauritius, Senegal and South Africa put forward the Africa Water Investment Programme (AIP) as a legacy initiative of the HLPW in support of the region to address the fundamental challenge facing water management in Africa and in turn revitalise implementation of among others the commitments of the July 2008 Sharm el-Sheikh Declaration (Assembly/AU/Decl.1(XI)) on accelerating the achievement of water and sanitation goals in Africa; the January 2014 Decision (Assembly AU.516 (XXII)) on the Kigali Action Plan for improving rural water supply and sanitation; the 2004 Sirte Declaration (Ex/Assembly/AU/Decl.1(II)) on Integrated development of agriculture and water in Africa; and the N'Gor Declaration on Water Security, Sanitation and Hygiene; and the water related priority projects of the Programme for Infrastructure Development in Africa (PIDA).

#### **II. The Africa Water Investment Programme**

4. The Africa Water Investment Programme (AIP) will support and encourage Member States on a voluntary basis to implement the outcomes of the two-year tenure of the HLPW, particularly relating to creating jobs, promoting industrialisation, and unlocking inclusive, sustainable climate-resilient development and achievement of SDG 6 targets through water security investments that work towards attainment of universal access to safe water and safely managed sanitation across Africa. The AIP is expected to leverage over \$30 billion in SDG 6 investments, and create at least 5 million jobs by 2030: four million of which will be targeted at benefitting the vulnerable, the poor, the youth, women, and girls. In addition, there are aspirations for the economic opportunities arising from implementing the AIP to benefit 250 million people in Africa and make a significant

contribution to ongoing efforts to address the root causes of irregular water-related migration and population displacements in Africa.

5. Within the context of attaining the goals of the African Union Agenda 2063; the AfDB High Five Priorities; the 2030 Agenda for Sustainable Development; and the Paris Agreement on climate change, the AIP will bolster on-going efforts to actualise the Africa Water Vision 2025 of "an Africa where there is an equitable and sustainable use and management of water resources for poverty alleviation, socio-economic development, regional cooperation and the environment."

#### 6. Goal and Objective

- A) The goal of the Africa Water Investment Programme is to transform and improve the investment outlook for water security and sustainable sanitation for a prosperous, peaceful and equitable society. It will strengthen the business case for investments in water security and climate resilience; and facilitate preparation of bankable projects as instruments to stimulate transformative, equitable and inclusive economic growth. The AIP will promote innovative public private partnership models to unlock private sector investments in water, energy and agriculture as key pillars of Africa's growth, development and employment creation agenda.
- **B)** The objective is to enhance job creation through gender sensitive investments in water security, sustainable sanitation, industrialisation and climate resilient development. There is an urgent need to overcome particular challenges in mobilising the investments required to meet the targets of the Africa Water Vision 2025 for:
  - i. basic water supply and sanitation;
- ii. water productivity in industry, irrigated agriculture, energy, tourism and transport; for conservation and restoration of environments; and,
- iii. developing appropriate tools and indicators for measuring the contribution of water to development, and thus provide a basis for highlighting the pivotal role of water resources as an essential ingredient in the advent of a green economy and sustainable development in Africa.
- **C)** Through promoting the application of the HLPW Principles on Valuing Water; and through activities to catalyse change, focus will be placed on responding to the three generally accepted bottlenecks in the delivery of the infrastructure needed to underpin economic growth and transformation in Africa, namely:
  - i. the need for investment guarantees for water management, the fundamental aspects of which are not only a public responsibility, but also require 15 25 years for the tangible benefits to be realised;
  - ii. the need for Member-States-led, integrated economic analyses to highlight the pivotal role of effective water management and adequate sanitation and related services provision in the economy; and where development is most urgently required to facilitate growth; and,
- iii. the need for effective transaction management to enable development planning to be effectively translated into both tangible infrastructure assets and related solutions, which will contribute to sustainable growth and prosperity for all.

#### 7. Rationale: the AIP Business Case

A) In recent years the focus of most governments in Africa has shifted to the urgent need to industrialise as a first step to advance economic growth, and to do so in an

inclusive way to alleviate persistent poverty. The ambition is to build robust, competitive and climate resilient economies; accelerate employment and labour productivity growth; and, as a result, deliver inclusive socio-economic development and livelihoods improvement. The express political will notwithstanding, numerous logiams still existing that have resulted in stagnation of sorely needed investments and, in turn, an impeding infrastructure gap.

- **B)** Similarly, Member States are facing several challenges. By 2030, Africa's population is expected to be 1.6 billion. This translates into a need to produce at least 50% more food and at least a tenfold increase in water needs for energy production to support modernisation of economies and social progress. Rapid urbanisation and industrialisation will both increase the water demand and, on the basis of current trends in sanitation services provision, increase environmental degradation and the pollution of water bodies. Coupled with the anticipated impacts of climate change on water availability, the need to protect and better manage Africa's freshwater resources to avert the growing risks and uncertainties to economic productivity and political stability cannot be overemphasised.
- C) Africa's Small Island Developing States (SIDS), in particular faces high risks due to their exposure to environmental disasters. Many SIDS are faced with rising sea levels and coastal erosion, which threatens their territorial integrity and in some cases their very existence. A single natural disaster could - due to its disproportionate impact relative to SIDS' national capacities – destroy vital infrastructure, displace a significant number of the national population or impact on a nation's sustainable economic growth trajectory. Climate change is a risk multiplier: exacerbating existing security and development challenges. Rising sea levels, dying coral reefs and the increasing frequency and severity of natural disasters exacerbate the conditions leading to community displacement and migration. They also threaten to increase tensions over resources and affect domestic and regional stability. SIDS are faced with the challenge of energy insecurity caused by dependence on expensive fossil fuels. Up to a third of the total import bill of SIDS is the cost of oil for electricity: on average 10% per cent of their GDPs! The size of the SIDS also contributes to their vulnerabilities. Often with Exclusive Economic Zones larger than their land areas, SIDS face the challenge of managing fisheries and preventing illegal, unreported and unregulated fishing, which undermines economies and contribute to insecurity. Indeed, their size and capacity limitations make them a target for transnational criminal networks, including those involved in piracy or the smuggling of people, among others.
- **D)** Migration within Africa and across the Mediterranean to southern Europe has reached crisis levels, in part, due to political instability in some parts of Africa, but also due to general lack of economic opportunity and poor service delivery at the local level.
- **E)** The unifying factor for all these challenges and opportunities are Africa's water and related resources. Our governments, societies and the private sector need to take deliberate action to change the way we use and manage water to achieve the African Union's Vision of: "an integrated, prosperous and peaceful Africa, driven by its own citizens and representing a dynamic force in global arena."
- **F)** In order to achieve rapid, sustained growth in a climate change context, Member States must urgently put in place water infrastructure and institutional measures to enhance resilience to the shocks caused by climate risks. Vulnerable people, especially women and youth, need social, environmental and development systems which are resilient to climate change. Resilient systems will support and sustain Africa's growth leading to improved livelihoods and sustainable growth and nowhere more so than in

SIDS where building resilience is integral to deriving full benefit from their often limited resource base.

- **G)** Advancing gender equality and empowering women and girls is critical for effectively reducing poverty; sustaining growth; and building a more inclusive, peaceful, and prosperous Africa. This directly applies to creating jobs; promoting industrialisation; and unlocking climate-resilient development and achievement of SDG 6 targets through water security investments. Women have a tremendous potential as agents of change on this front; however, systemic inequalities around the gendered roles and responsibilities in managing water and related resources has two significant implications. First, they adversely impact the women and girls' wellbeing, their workforce opportunities and outcomes, and wider roles within the home and community unless specific, well-targeted measures are put into place. Secondly, they persistently hold back African society from achieving its full potential.
- **H)** The time to act, expand economic opportunities and jobs is now. The urgency and need to fully embrace the concept of environmental security cannot be overemphasised.

#### 8. Programme Components

- **A)** The programme will focus on overcoming the challenges constraining Africa's efforts to assure water, food and energy security and, in turn, <u>play a significant role in global efforts to provide the environmental security required to address the political, economic and social factors underlying <u>migration</u>, <u>displacement and regional and national security</u>. It is structured into three components namely:</u>
  - i. Catalysing climate resilient SDG investments for inclusive growth, jobs and industrialisation (water security). Activities within this component will centre on (a) leveraging both political support and innovative finance; and (b) mainstreaming climate resilience, gender, youth and social inclusion in development planning processes.
  - ii. Mobilising Innovative Partnerships for Water Governance and Investment, focusing on: (a) strengthening water governance at regional, transboundary and national levels; b) facilitating country-driven integrated socio-economic analysis to determine the costs and benefits of improved water security; and (c) Investment readiness indexing.
- iii. Accelerating Project Preparation, which has the following sub-components: a) supporting the preparation of bankable projects embedding Integrated Water Resources Management (IWRM) principles; Water-Food-Energy Nexus and Integrated Urban Water Management (IUWM) approaches; b) accelerating project preparation through enhanced transaction management, capacity development and knowledge Transaction management; and c) AIP Programme Coordination, Monitoring and Evaluation, and Experiential Learning.

#### 9. Targeted Outcomes

- A) The expected outcomes are:
- i. the Business case for investments in water security and sustainable sanitation is strengthened, and the profile of water is raised as a success factor for economic growth and transformation in Africa;
- ii. delivery of critical water infrastructure accelerated, addressing the water-energyfood-ecosystems nexus and meeting the needs of water dependent growth sectors and the poor;

- iii. water security and climate resilience integrated in regional and national development plans;
- iv. accelerated preparation of bankable projects and removal of transaction management related blockages of stalled projects; and,
- v. innovative public-private partnerships established; as well as strengthening of national and regional level institutions for improved water governance and knowledge management.

#### **III. Governance and Accountability**

10. The initiative will be championed by the three African HLPW members (Mauritius, Senegal and South Africa), and implemented under the auspices of the African Union. The organs, structures and institutions of the African Union will provide political leadership and guidance to further the goals of the initiative, which are to ensure commensurate investment to assure water security and sustainable sanitation for all as a vital element of efforts to achieve inclusive economic growth and transformation.

#### 11. Funding and Implementation Arrangements

- A) The implementation arrangements will consider the subsidiary principle and allow utilisation, as appropriate, of national as well as RECs' and/or RLBOs' systems. The African Union Commission (AUC), with support from the Global Water Partnership, will establish and coordinate a mechanism for providing technical support to the AU Member States and regional implementing partners. The AU's sovereign and non-sovereign partners, as well as the bilateral, funding and development partners supporting the water sector in Africa are encouraged to support the implementation of the AIP.
- **B)** Existing procedures for implementing investments at national level into the water and sanitation sector shall be applied for executing all relevant activities in Member States. Coordination of the processes for implementing prioritised interventions of a transboundary/ regional nature shall rely on the established mechanisms of the AUC, AMCOW, NEPAD, RECs and R/LBOs.
- **C)** Participatory approaches shall be applied to elaborate, as necessary, the individual programme components into aptly scaled programmes and/or projects, the implementation of which shall be managed through any one or more of the following arrangements:
  - i. Streamlined interventions in national programmes for implementing water, food, energy and environment activities by the responsible ministries and/or departments;
  - ii. Bi- and multi-lateral programmes of development partners at Member States or regional level;
- iii. Private sector involvement through direct investments and/or corporate social responsibility initiatives in support of programme coordination and community level activities; and,
- iv. Social mobilisation for community-led action to assure both impact of interventions at a grassroots level and sustainability of outcomes.
- **D)** For the duration of the implementation period of the AIP, the Member States championing the initiative with support from the AUC, the NEPAD Agency, AMCOW, GWP, the AfDB; and the World Bank shall regularly convene a dedicated AIP Investment Roundtable. The round-table shall bring together Member States, the private

sector, RECs, R/LBOs, funding and bilateral implementing partners to, review progress; the commitments for funding; and the implementation responsibilities under the AIP.

#### 12. Financial Implications

- **A)** Against the background of the foregoing, and to the extent that the Commission of the African Union and the NEPAD Agency will mobilise and facilitate Member States to elaborate individual programmes of activities for implementation within the framework of the AIP, existing budgetary allocations to facilitate implementation of the Sharm elSheikh Declaration and the PIDA priority transboundary water projects will suffice for the financial year 2019. The supporting partners will mobilise own resources.
- **B)** Detailed programme components; funding and implementation arrangements; as well as resources mobilisation strategies will be presented for the consideration of the Assembly as part of the AIP progress report in January 2020.

#### 13. Legal Implications

A) Whereas it is desired for all AU Member States to participate in the implementation of the AIP, and indeed no effort shall be spared to bring the benefits of implementing the AIP to all AU Member States, endorsement of the AIP by the Assembly of the African Union is a non-binding expression of the current intention of the Member States to revitalise efforts to achieve the Africa Water Vision 2025. Nothing specified or referred to in the programme documents is intended to be legally binding on the Member States, nor to create, evidence or imply any contract, obligation to enter into any agreement, or obligation to negotiate. Member States' participation in the implementation of the AIP will be on a voluntary basis.

#### 14. Monitoring, Evaluation and Reporting

**A)** Elaborate systems for gathering the required information to report on progress towards the targets of the AIP shall form integral elements of the AIP's governance and accountability arrangements at the various levels of implementation. As a first step, the collaborating partners will review and ensure broadening of the scope of the indicators of the African Water and Sanitation Sector Monitoring and Evaluation System to track implementation of the AIP. As a result, the outcomes of the implementation of the AIP shall be reported on within the framework of the Africa Water and Sanitation Sector Report to the Assembly of the Heads of State and Government of the African Union.

#### IV. Roadmap and Key Milestones

**C)** The table below lists the key next steps and the proposed activities of the AIP in the short term:

#	Activity	Target Completion Date
A)	Engagement with the NEPAD Coordination Agency and relevant Member States to elaborate a programme to revitalise implementation of the PIDA Water Projects	30 Jan 2019
B)	Briefing of the AU Assembly on the outcomes of the HLPW and the AIP, by the African HLPW Members	11 Feb 2019
C)	Engaging the Member States and potential funding/investing and implementing partners to prioritise and elaborate programme activities and costing	Jan – Dec 2019
D)	Progress report and resources mobilisation at the AU Summit of Heads of State and Government	Jun/Jul 2019
E)	AIP promotion event at the Stockholm World Water Week	Aug 2019
F)	Convening of an AIP Global Partners Engagement side event hosted by Mauritius; Senegal; and South Africa on the margins of the UN General Assembly	Sep 2019
G)	Progress report to the AU Summit of Heads of State and Government and a resources mobilisation side event	Jan 2020
H)	Convening of the Inaugural AIP Investment Roundtable and signing of AIP Phase I Funding Agreements between the AIP Investors Group and the initial group of AU Member States	TBD 2020
I)	Initiation at the AfDB Annual General Meeting 2020 of work on the establishment of the African Water Investment Guarantee Fund	May 2020
J)	Programme evaluation and review	Jul 2020

#### V. Conclusion

- D) The proposed Africa Water Investment Programme (AIP) will revitalise ongoing activities of the water community in Africa to realise the Africa Water Vision 2025 and consolidate the achievements to-date of those interventions. The initiative will catalyse ongoing interventions through an approach that will emphasise the inter-relatedness between the needs of the productive water-dependent growth sectors and the provision of natural and built water infrastructure to meet those needs.
- E) The overall objective is to enhance water security and sustainable sanitation; and in turn facilitate industrialisation; job creation; and climate resilient development through among others economic analysis and transaction management of targeted gender sensitive investments towards the achievement of SDG6: ensure availability and sustainable management of water and sanitation for all.
- F) Achieving SDG6 and other water-related goals requires coordinated and consolidated efforts of all stakeholders through different mechanisms. To support these efforts, the United Nations General Assembly (UNGA) has proclaimed the period 2018–28 the International Decade for Action: "Water for Sustainable Development" and urged Member States and stakeholders to use it as a platform for policy dialogue, exchanges of best practices and building partnerships to address water issues at all levels. In

addition, governments are encouraged to devote each year of the Water Action Decade to an issue that advances the implementation of the recommendations of the HLPW Outcome Document, which include the launch and implementation of the Africa Water Investment Programme.

- G) It is also about time that commensurate political attention is dedicated to the vitality of investing in activities to assure water security and sustainable sanitation. Environment and natural resources, particularly freshwater, are critical to the productivity of sectors such as agriculture, industry and fisheries and therefore unblocking Africa's development potential, as well as sustaining growth and development. Freshwater availability is a key determining factor in efforts to ensure food and energy security as well as for increasing industrial production. The quality of freshwater ecosystems has a direct impact on the wellbeing and productivity of the population and, therefore, on the sustainability of economic growth and development at a national level. The benefits of investing in improved water resources management and access to clean water and sanitation therefore remain clear and germane.
- **H)** The AIP will, therefore, advance the narrative that "*Investing in Water is investing in Jobs*" especially given that:
  - A) three out of four jobs are water-dependent;
  - **B)** up to 80% of ailments impacting on the productivity of the labour force in Africa can be attributed to poor hygiene and sanitation;
  - C) water scarcity and supply disruptions limit economic growth and, in turn, jobs;
  - D) water scarcity (exacerbated by climate change) is a contributing factor to migration; and,
  - **E)** the transition to a greener economy enhances opportunities for decent jobs.

#### VI. Recommendation

- I) Going forward, the Assembly is requested to:
  - **A)** endorse the Africa Water Investment Programme to transform and improve the investment outlook for water security and sustainable sanitation to assure water, food, and energy security and play a transformational role in Africa's aspirations to expand economic opportunities for the poor and curtail the political, governance, economic and social factors underlying unemployment, migration, displacement, regional and national security.
  - **B)** launch the initiative and encourage all AU Member States to implement the Africa Water Investment Programme as a vehicle to cultivate the leadership required to champion a comprehensive, inclusive and collaborative way of developing and managing water resources; improving water and sanitation related services; and enhancing resilience to the shocks caused by climate risks as a means of alleviating poverty and ensuring sustainable development.
  - **C)** take note of the launch of the International Decade for Action: "Water for sustainable development" 2018-2028; and adopt "Water for Economic Growth and Transformation" as the theme of the African Union for 2021; and,

**D)** designate His Excellency President Cyril Ramaphosa of the Republic of South Africa as the champion for the implementation of the Africa Water Investment Programme, as well as providing leadership and inspiration to accelerate achievement of water and sanitation goals in Africa. He will regularly update the Assembly on progress in implementing the programme.

#### DRAFT

# DECISION ON THE AFRICA WATER INVESTMENT PROGRAMME TO REVITALISE IMPLEMENTATION OF THE

## SHARM EL SHEIKH DECLARATION ON ACCELERATING WATER AND SANITATION GOALS IN AFRICA

#### The Assembly,

- 1. **TAKES NOTE** of the report and briefing on the outcomes of the United Nations and World Bank High Level Panel on Water.
- ACKNOWLEDGES the leadership of the United Nations Secretary General and the President of the World Bank in commissioning the High Level Panel on Water to formulate the Agenda for Water Action to tackle the challenge of the approaching global water crisis.
- 3. COMMENDS the three African High Level Panel on Water members: the Republic of Mauritius as Co-Chair of the panel, the Republic of Senegal and the Republic of South Africa for carrying the aspirations of Africa through the Africa Water Investment Programme to revitalise ongoing efforts to actualise the Africa Water Vision 2025; and attain the commitments of the Sharm el-Sheikh Declaration (Assembly/AU/Decl.1(XI)), as well as the goals of the African Union Agenda 2063; the African Development Bank High Five Priorities; the 2030 Agenda for Sustainable Development; and the Paris Agreement on climate change.
- 4. FURTHER COMMENDS the Global Water Partnership (GWP) for providing support to the three African High Level Panel on Water members in formulating the Africa Water Investment Programme, in collaboration with the sectoral sub-committee on Water and Sanitation of the Specialised Technical Committee on Agriculture, Rural Development, Water and Environment (AMCOW); the African Development Bank (AfDB); and the African Water Facility.
- 5. ENDORSES the Africa Water Investment Programme to transform and improve the investment outlook for water security and sustainable sanitation to assure water, food, and energy security and play a transformational role in Africa's aspirations to expand economic opportunities for the poor and curtail the political, governance, economic and social factors <u>underlying unemployment, migration, displacement, regional and national security.</u>
- 6. **Takes note** of the United Nations General Assembly resolution declaring 2018-2028 as the International Decade for Action "Water for Sustainable Development";
- 7. **FURTHER TAKES NOTE** of the landmark decision of the World Water Council to host the 2021 World Water Forum in Dakar, Senegal; and **adopts** "Water for Economic Growth and Transformation" as the theme of the African Union for 2021.

- 8. **DESIGNATES** H E Cyril Ramaphosa President of the Republic of South Africa as the champion for the implementation of the Africa Water Investment Programme, as well as providing leadership and inspiration to accelerate achievement of water and sanitation goals in Africa, and report regularly to the Assembly on progress in implementing the programme;
- 9. REQUESTS the Commission of the African Union, with support from the Global Water Partnership and in collaboration with AMCOW; the NEPAD Coordination Agency; the AfDB; the AWF; the World Bank; other partners; and the private sector to facilitate implementation of the Africa Water Investment Programme in all AU Member States with the overall objective of enhancing job creation through gender sensitive investments in water security, industrialisation, and climate resilient development.
- 10. ENJOINS all Member States of the African Union to implement the Africa Water Investment Programme as a vehicle to cultivate the leadership required to champion a comprehensive, inclusive and collaborative way of developing and managing water resources; improving water and sanitation related services; and enhancing resilience to the shocks caused by climate risks as a means of alleviating poverty and ensuring sustainable development.

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