

### 8<sup>th</sup> SADC Multi-stakeholder Water Dialogue "Fostering Regional Value Chains and Job Creation through the Water-Energy-Food (WEF) Nexus Approaches"

21-22 November, 2017 Johannesburg, South Africa

### Background

The SADC Multi-Stakeholder Water Dialogue is an event organised by the SADC Water Division to provide a forum for practitioners in the region to have a dialogue with water using and water influencing sectors. The underlying objective is to ensure that the interventions in the water sector are well communicated to the non-water sector actors and also create an environment to receive inputs from them.

The Dialogue has been held since 2007 under the broad theme of: **Watering Development in SADC** and has been premised on raising the awareness and understanding of how Integrated Water Resources Management (IWRM) approaches can contribute to 'socio-economic development and poverty eradication' by ensuring a water secure region. Stakeholders at the Dialogue provide solutions and recommendations aimed at ensuring that water continues to enable socio-economic development in the region. The outcomes from the Dialogue are taken forward into programmes and responses at different levels.

Through the subsidiarity principle of SADC, Global Water Partnership Southern Africa was mandated to facilitate the convening of the Dialogue on behalf of SADC Secretariat's Water Division since 2007. DANIDA provides base funding for the Dialogues with support from other cooperating partners in the water sector through the framework of the Water Strategy Reference Group (WSRG). For the 2017 Dialogue funding will also be provided by DfiD and BMZ through GIZ; and from 2017 the European Commission (EC) is supporting the implementation of the SADC Nexus Dialogue Project which builds up from the 2013 Dialogue on Nexus Approaches. Over the past ten years, the following Dialogues have been held:

• 1<sup>st</sup> Dialogue (2007) was held in Maputo, Mozambique - Watering

Development in SADC: Beyond IWRM Concepts and the Converted.

- 2<sup>nd</sup> Dialogue (2008) was held in Maseru, Lesotho under the theme *Watering Development in SADC: Rising above the Climate Change Threat–Towards Security.*
- 3<sup>rd</sup> Dialogue (2009) was held in Johannesburg, South Arica and focused on groundwater. Its theme was Watering Development in SADC: Surfacing of the Hidden Resource – Groundwater.
- 4<sup>th</sup> Dialogue (2010) was held in Maun, Botswana under the theme Watering Development in SADC: Toward Climate Resilience through Benefit sharing.
- 5<sup>th</sup> Dialogue (2011) was held in Ezulwini, Swaziland Watering development in SADC: Financing Water for Climate Resilience to Ensure Regional Security.
- 6<sup>th</sup> Dialogue (2013) was held in Lusaka, Zambia *Watering development in SADC: Exploring the water, energy and food nexus for regional development.*
- 7<sup>th</sup> Dialogue (2015) was held in Windhoek, Namibia under the theme Watering Development in SADC: the central role of water in driving industrialization

#### Focus of the 2017 Dialogue

#### The challenge – resource depletion and unemployment

SADC's sustainable development largely depends on goods and services derived from its environment and natural resource base. The environment and natural resources are crucial in efforts to eradicate poverty. Livelihood strategies and food security of the poor often depend directly on functioning ecosystems and the diversity of

goods and ecological services they provide. Equally, water, food and energy security which are critical for development depend on natural endowment. However, a number of drivers like climate change, environmental degradation, growing economies and populations are intensifying the pressure on water, land and energy resources. These pressures and drivers have an implication on the social, economic and ecological systems and this has a huge impact on water, energy and food security.

On the other hand, although Southern African region presents the least population growth rate in comparison to the other parts of the continent (UN-DESA, 2007), unemployment rate is very much an issue that requires attention. Some estimates show that youth unemployment reached a highest value of 57%. In order to address these challenges SADC is pursuing a sustainable transformation pathway from factordriven development to efficiency driven and ultimately innovation in its industrialization agenda. For this to be achieved the management and development of natural endowments and most importantly water, land and energy resources is critical. The Water, Energy and Food (WEF) Nexus approach which SADC is focusing on facilitating building of synergies and has become central to the Dialogues facilitated by the SADC Water Division.

From 2013 when the initial Dialogue was held on the Nexus Approaches – the region has taken forward the implementation of the approach with the water, energy and food sectors working together in SADC. As mentioned above, the EC is now supporting a SADC Nexus Dialogue project which will support the development of a nexus operational framework and identification of nexus investment projects. SADC has therefore designed a series of political and technical Nexus Dialogues to explore how the nexus approach will contribute to achieving regional agendas. The 2017 Dialogue therefore, focuses on the issue of management and development of natural resources (water, land and energy resources) and unemployment – and looks at exploring how the nexus approach can be implemented in the SADC region and foster regional value chains and support in creating and sustaining jobs – through building synergies and integrated planning.

## Addressing the resource depletion and unemployment challenges using a nexus approach

The Agenda 2030 on Sustainable Development aims to leave no-one behind in reducing poverty in the world. A total of seventeen goals have been developed to drive this agenda and those related to the challenge named above (pressure on resources that drive development and unemployment) include No poverty (SDG 1), Zero Hunger (SDG 2), Clean Water and Sanitation (SDG 6), Affordable and Clean Energy (SDG 7), Decent Work and Economic Growth (SDG 8), Industry, innovation and infrastructure (SDG 9), Reduced inequalities (SDG 10) and Climate Action (SDG 13).

The Addis Ababa Declaration calls for the transformation and

diversification of African economies through accelerated industrialization, investment in infrastructure and new technologies as well as increased agricultural productivity. At the sub-regional level, Heads of State of the Southern African Development Community (SADC) adopted an Industrialisation Strategy and Roadmap in 2015, to leverage the region's resources for sustainable development. These will in turn lead to a more inclusive growth and the creation of decent job opportunities.

The SADC Industrialisation Roadmap and Strategy notes that by removing barriers to infrastructural impediments, developing value chains, enhancing productivity, competitiveness and deepening regional integration, industrialisation is achievable and will in turn create and sustain jobs. This is in pursuant of a number of SADC Treaty objectives

- to achieve development and economic growth, alleviate poverty, enhance the standard of life of the people of Southern Africa and support the socially disadvantaged through regional integration;
- *ii.* to promote and maximise productive employment and utilisation of the resources of the Region; and
- iii. to achieve sustainable utilisation of natural resources and effective protection of the environment

There is also a strong correlation between economic growth, industrial growth, water consumption, and energy demand and food production. The SADC Regional Indicative Strategic Development Plan (RISDP) 2015 - 2020 has four pillars of Industrial Development and Market Integration, Infrastructure in support of regional integration, Peace and security cooperation and the fourth is on Special programmes of regional dimension. The RISDP sets a number of critical targeted outputs that are key to addressing the resource and employment challenge - some key ones are; development of a Regional Strategy on Inclusive Business, Regional agriculture and non-agriculture value chain and value addition strategies, policies and strategies for exploitation of industrial development opportunities, planned electricity generation and transmission expansion capacity, the regional agricultural policy investment plan and the multi-dimensional programme for women's economic empowerment. The Southern African region represents a wide range of resource and climate contexts with varied supplies of water, food and energy and the region has been working to respond to these through various instruments:

- The SADC Regional Water Policy was adopted in 2005. The Policy is implemented through a Regional Strategic Action Plan (RSAP), a 5-year Regional Water Programme. The current RSAP IV (2016-2020) consists of 8 programmes, out of which one is on Water, Energy, and Food (WEF) security nexus.
- A Regional Energy Access Strategic Action Plan (REASAP) was approved in 2011, setting broad goals for improving access to

modern forms of energy as well as specific policy mechanisms to achieve increased access.

- A Renewable Energy Strategy and Action Plan (RESAP) was approved in 2016, and a SADC Centre for Renewable Energy and Energy Efficiency (SACREEE) has been established.
- SADC's Regional Agricultural Policy (RAP) is being implemented through a Regional Agricultural Investment Plan.

Integrated planning of water, food and energy sectors and promoting regional cooperation has been considered as a strategy to meet water, energy and food security targets, and to improve natural resource use efficiencies in the region. A nexus approach supports better resource use efficiency and greater policy coherence. Conventional policy and decision-making is structured in 'silos' which makes it difficult to build synergies across sectors - a nexus approach allows for better interactions and synergies. Improved water, energy and food security can be achieved through a nexus approach - which integrates management and governance across sectors and scales. Water, energy and food security are key priority areas for SADC. The critical question now is how this integrated planning can be used to increase productivity, enhance competitiveness and contribute to fostering regional value chains and creating and sustaining jobs thus addressing the pressures on the natural resources and the unemployment dilemma the region faces.

#### **SADC Nexus Dialogues**

The SADC Multi-Stakeholder Water Dialogue in 2013 was on the water-energy-food nexus. The dialogue contributed in raising awareness on the nexus approach and its potential contribution to the regions' development agenda. The 2013 Dialogue recommendations were taken up as Programme 8 in the RSAP IV, as mentioned earlier and now SADC is implementing a regional WEF Nexus project "Fostering Water, Energy and Food Security Nexus Dialogue and Multi-Sector Investment in the SADC Region" (SADC Nexus Dialogue Project). The objective of the project is to create an enabling environment that will drive cross-sectoral engagement and implementation of nexus investment projects that contribute to enhancing water, food and energy security in SADC region. A series of high level political and technical dialogues are being held in order to contribute to support SADC in the development of the nexus operational framework, define and identify nexus projects.

In May 2017, the SADC River Basin Organisation's Workshop was held looking at river health and nexus approaches, as the first political dialogue and this brought together SADC Member countries, major SADC RBOs, key partners and the SADC Secretariat. The July 2017 SADC Energy and Water Ministers conference in Swaziland, the second one to be held after the Botswana one in June 2016, was another important forum to facilitate investment in water and energy to support the industrialization development agenda of the region. This shows that at a high level there is recognition of the interdependencies of the water and energy sectors.

SADC needs to further promote dialogues between the water, energy and food sectors maintaining the balance of representation. **The 2017 SADC Multi-Stakeholder Dialogue focusing on the** water-energy-food nexus approaches will focus on elaborating on the three dimensions of the nexus approach and how they contribute to fostering sustainable value chains and job creation. Participants will interrogate how the SADC countries can leverage the pressures of global population trends, economic growth and climate change—all at the core of the energy-food-water nexus—to expand industrial capacity, open up investment opportunities, develop new products and services, and create jobs? The figure below shows the casual chain that will guide the dialogue.



### **Objectives of the 8<sup>th</sup> SADC Multi-Stakeholder** Water Dialogue

The objective of the 2017 SADC Multi-Stakeholder Water Dialogue is to provide a platform for water, energy, food, economic planning and gender policymakers and practitioners to develop strategies that will ensure that nexus approaches contribute to fostering regional value chains and job creation.

#### **Expected outcomes**

The expected outcomes are:

- Recommendations aimed at taking forward the WEF Nexus agenda in the SADC region, specifically its role in sustaining jobs and value-chains
- Clear strategies on how the WEF nexus will contribute to specific value chains and contributing to the achievement of the SADC development agenda
- Come up with concrete ideas and project proposals where WEF nexus will contribute to value chains

#### **Preparations to the Dialogue**

**Preparing background paper:** A background paper will be prepared to inform and guide the dialogue by providing the conceptual framework, assessing the regional context, collating existing information and evidence and identifying issues for the dialogue.

Identifying partners that can reflect on the topic from their experience: key partners will be identified to share their perspectives and experiences on the WEF Nexus approaches and its role in sustainable jobs and value chains.

# Overview of the 2017 SADC Multi-Stakeholder Dialogue

The 2017 Dialogue will focus on the water-energy-food nexus approach and its role in sustaining jobs and value-chains. An interdepartmental dialogue between the water, energy, agriculture, economic planning and gender sectors will be at the centre of the dialogue. The following gives the highlights of the Dialogue.

# Session 1: Understanding the Nexus approach and its role in the SADC region:

- This session will be will have three presentations to facilitate discussions:
- WEF Nexus approaches and updates in the SADC region
- Background paper on Nexus and its role in sustaining jobs and value chains
- Acase study

#### Session 2: Inter-Departmental dialogue:

This session is key as it brings together senior government officials and experts from the water, energy, agriculture, economic planning, gender

and private sectors to discuss the nexus approaches and its role in fostering value-chains and contributing to creating and sustaining jobs in the SADC region. The Dialogue is expected to address the following issues:

- WEF Nexus approaches for WEF security and resource use efficiency
- WEF Nexus approach in sustaining value chains and jobs

### Session 3: Defining a way forward in embracing the Nexus agenda in the region

This session is expected to identify strategies and policy implication aimed at promoting the WEF Nexus agenda and its role in sustaining jobs and value chains in the SADC region"

#### Target Group: participants of the Dialogue

The forum will be attended by around 90 people representing:

- Departments of Water, Energy, Agriculture, Economic Planning and Gender from the SADC Member States (16\*5=80)
- SADC Secretariat (Infrastructure and Services Department, Water Division, Energy Division, Agriculture Division, Policy, Planning and Resource Mobilisation, Gender Unit) (6)
- GWP SAF (technical and logistic support staff (10)
- Other partners including the private sector (10)

