



5th SADC Multi-stakeholder Water Dialogue Outcomes

“Watering Development in SADC: Financing Water for Climate Resilience to Ensure Regional Security”

28 - 29 June 2011, Ezulwini Valley - The Royal Kingdom of Swaziland

- Building a case for water: Highlighting the critical role of water in the economy to show that water is about development is important. The sector needs to start talking about the value of water from an economic perspective to convince the planners and financiers on why they should put money in water resources management. This can be done by demonstrating the socio-economic and development gains that will be made by investing in water. There is need to build capacities among water managers' to understand Economic Accounting for Water Use, to enable them to communicate water flows in the economy.
- Investing in good project preparation: Project preparation funds and a facility are needed in the region to ensure good water projects are developed for funding. The Water sector needs to move from concepts to bankable projects and programmes. Capacities to develop projects must be strengthened to avoid dependence on external consultants and multi-lateral donors for project development.
- Capacity development: This is a critical area that the region needs to continuously address in order to harness funding through different windows. Capacity is needed to:
 - Develop fundable proposals.
 - Show the role of water and importance of water in the economy.
 - Understand the impact of climate change on water resources.
 - Absorb funding - through strengthening support functions to the water sector.
- Capturing indigenous knowledge in climate change adaptation: It is important to ensure that coping strategies of communities are documented and institutionalised as adaptation strategies. This knowledge should be used to guide the inclusion of the vulnerable, poor and marginalised in communities.
- Raising awareness among politicians and traditional leaders: Politicians need to be involved for political buy-in. The water sector should continue to build a relationship with the SADC Parliamentary Forum so as to ensure that their issues and concerns are understood by parliamentarians. For inclusiveness in the development and implementation of adaptation strategies it is also important to involve traditional leaders and their structures.
- Influencing global processes: There is need to ensure that the regional voice is organised to influence global and multilateral processes. There is need to:
 - Raise the profile of water among UNFCCC climate negotiations: the water sector's influence in international negotiations should be strengthened. The sector should ensure it engages earlier in contributing to the Africa Position to COP meetings. There is need for strong national consensus that leads into regional and continental consensus to inform negotiations at the global forum. The technical and political negotiators must bridge the existing divisions during negotiations towards COP 17 and beyond the Durban UNFCCC conference.
 - Funding mechanisms: There is a need to engage in influencing funding mechanisms (like the Green Fund) to ensure that water is specifically catered for.
 - Technology Transfer mechanisms: Within the on-going negotiations issues of technology transfers are pivotal to ensuring mitigation and adaptation responses work - it is important for water experts to be involved. This will allow the Water sector to identify the appropriate technologies needed by the sector to contribute to the implementation of mitigation and adaptation strategies.
 - Engaging multi-lateral donors and funding institutions: There is a need to look into funding mechanisms in order to highlight blockages to accessing the funding. The region needs to engage bilaterally with donors and other financiers to break these blockages towards finances. The region needs to be pro-active and influence decisions on financing, so as to harness windows of funding opportunities. Africa needs to enhance negotiation capacities in order to have a strong and united voice on the global forum to deal with barriers in accessing the available climate change adaptation finances.
- Visioning climate finance implementation mechanisms: Institutional capacities at national and sub-regional levels must be strengthened so that the most affected nationals and sub national institutions are eligible to access funds directly without going through intermediaries. The region needs to put in place appropriate institutions at national and regional levels that are capable of attracting the funding opportunities available.



Outcomes of the 5th SADC Multi-stakeholder Dialogue on Financing Water for Climate Resilience to Ensure Regional Security

An Integrated Water Resource Management (IWRM) approach in managing and developing water resources is a key factor in ensuring water security thus climate resilient development in the SADC region. Climate resilient development will ensure regional security and thus prosperity. However, to ensure water security in the region, investments have to be made into the sector. Water is under threat from a number of drivers like population growth, increased demand of the resource due to economic growth, increased demand for food and climate change. Water managers are grappling with the need to plan for an uncertain future in order to adapt to the changes. With all these challenges the region still has to increase its adaptive capacity in order to cope and this requires sizeable funding. It is also important for the region to focus on developing low regret investment strategies that are robust enough to respond to a range of possibilities thus ensuring water security.

Several opportunities are available to finance climate change adaptation aimed at ensuring that water continues to enable development. It is important that stakeholders understand these opportunities. Experience in the region has shown that awareness and knowledge of these opportunities is low, particularly in the Water sector. It was with this in mind that SADC decided to focus its 5th SADC Multi-Stakeholder Water Dialogue on the importance of financing water for climate resilience to ensure regional security.

The Multi-stakeholder Water Dialogue is an annual event organised by the SADC Water Division to provide a forum for practitioners in the Water sector in the region to dialogue with water using and water influencing sectors. The Dialogue which has been held since 2007 under the broad theme of: *Watering Development in SADC* has been premised on raising the awareness and understanding of how IWRM can contribute to 'socio-economic development and poverty eradication' by ensuring a water secure region.

The theme for the 2011 SADC Multi-stakeholder Water Dialogue was "*Watering Development in SADC: Financing Water for Climate Resilience to Ensure Regional Security*". The 2011 Dialogue provided a platform for water practitioners (resource managers and users) to engage with the Conference of Parties (COP) negotiators and development planners in the region to build a relationship that will ensure that climate financing ensures water security leading to regional development.

In the previous regional dialogues it has been noted that any change in the climate leads to changes in the availability and occurrence of water, which in turn affects development. Noting that most of the water resources in the region are transboundary, the dialogue underscored the importance of climate change adaptation to be considered at this level while making a link to the national and local levels where the impacts are felt.

Although the impacts of climate change are mainly felt at the local level, an understanding of the transboundary implications of climate change responses is important. There are different types of water related adaptation strategies that could possibly be funded at the regional, river basin, national, and local levels. In this regard it was noted that water resources management is a concrete adaptation strategy. In responding to climate change adaptation in the water sector it is important to note the following six I's:

- Information - it is important to have data and information to assess current and projected climate changes which will assist in determining vulnerable hot spots and adaptation strategies.
- Infrastructure - in order to cope with extremes in water change either through too much water or little water. Water infrastructure is important in improving the resilience of societies
- Institutions - in order to respond to the uncertainties presented by climate change there is need to ensure that institutions that plan, manage and develop the resource are adaptive enough to tackle the challenges.
- Inclusion - climate change will impact mainly the vulnerable and the poor, who are mainly women and the youth. In developing adaptation responses it is important to ensure their involvement and there is need to use a gender lens in determining the strategies at all levels.

- Integration - it is important to bear in mind that water resources management is cross-sectoral in nature and impacts on a number of sectors. A multi-stakeholder approach is needed in defining adaptation strategies. Transboundary implications of climate change impacts should be considered in determining national and local level responses.
- Investments - It is important to ensure that both public and private investments are directed at water related adaptation strategies. Investments need to be made for all the above responses.

Stakeholders at the Dialogue noted these issues and made the following recommendations aimed at ensuring that water will continue to enable regional security:

- Appreciating the role of water in adaptation and mitigation: Water plays a critical role in both adaptation and mitigation efforts in climate change. Changes in the occurrence of the resource both in terms of quality and quantity will affect mitigation efforts to climate change. Efforts like Reducing Emissions from Deforestation and Forest Degradation (REDD +), development of micro hydropower schemes and use of biofuels all require water to be sustained. Climate change as noted is water change, and in most cases changes in water are manifested through extreme events. Societies have to cope with these extreme events which also have a huge impact on the development of countries. Investments in the sector are therefore important to ensure that the role of water in both mitigation and adaptation is enabled.
- Integrating water security and climate resilience into regional and national development: It was noted that water is important for development and should therefore be integrated into development planning. Water is important to issues of human security, food security, energy security and also contributes to peace through cooperation. Water is therefore a key ingredient in development and should be integrated to ensure it continues to be an enabler.
- Moving beyond borders: Water crosses both national and sectoral borders. There is need for more joint coordination and planning of programmes across sectors, and nations to maximize the available resources. Cross sectoral dialogue and cooperation is important, because cross sectoral proposals are winning proposals
- Increasing water financing: It is important to continue to strengthen the enabling environment (governance, institutions and management tools) in order to increase trust and create a conducive environment to absorb and spend funds. Water institutions should be strengthened to ensure credibility and accountability. The Water sector must strengthen the regional evidence base and develop tools to translate evidence into strategy and policy. Governments need to consider increasing their pot of money through improving efficiencies and reducing administrative bottlenecks; exploring savings from better coordination, planning, regulation and operation; being more imaginative and using a range of instruments to cut costs, and cross-subsidise among different sectors, e.g. energy to water. There is need to engage with other sectors in order to ensure an increase in its financing, for example, water should piggy back on the FDI commodity driven boom.
- Financing water resources management and development: It is also important to address severe information gaps for water resources management and development through investing in information; promoting better governance through investing in 'soft' interventions which are critical to secure infrastructure investment. Implementing an IWRM approach allows for efficient allocation of scarce finances.
- Financing catchment management: It is important to ensure that river catchments and ecosystems that provide the resource are maintained. Climate change will affect water quality - through little water affecting dilution, or too much water increasing siltation. Proper catchment management will ensure that the resource is protected. To increase ecosystem resilience and secure water resources the region should focus on financing catchments.