

Water finance: a checklist for water managers in the SADC region

As a water manager, you are responsible for catchments and their water infrastructure. You have to balance the interests of water users, the public and stakeholders. You may be involved in the challenging process of setting and collecting water charges and tariffs. Here are some important things to think about.

- **Strengthening water governance.** As catchments are developed, expenditure and other governance issues grow, requiring increasingly focused management. When most water resources have been developed, spending on infrastructure decreases. Then, spending on water demand management increases. You will need different governance skills to take part in this transition. Invest in this.
- **Understanding and strategically managing asset values.** Well-maintained infrastructure helps ensure reliable water supplies, and costs less in the long term because investing in costly rehabilitation is avoided. Know what you have, and what is needed to maintain it. Timing is important, so plan early for maintenance and replacement.
- **Maintaining good communication channels with water users.** Tariffs paid by water users make up a large proportion of the funds available for water resource management. Cooperation of users in paying these tariffs can be enhanced by

clear and transparent communication about the benefits of paying them. See it from their point of view, keep in touch with them, and build trust so that problems are dealt with at an early stage.

- **Ensuring that the use of public funds is transparent.** Funding for water resource institutions, schemes and other public interest functions is dependent on transparent governance and financial management. Legitimacy of water management helps sustain funds from taxes, tariffs and other sources. Make sure that your current systems deliver accurate and up to date information. Provide timely, transparent and complete responses to inquiries.
- **Planning realistically.** Be guided by a vision of what you would like to achieve. Planning and management is most effective when this vision is coupled with shorter-term, realistic projections of income and expenditure. Practice adaptive management by frequently feeding your experience back into the planning process.

*When we invest in water,
water pays us back*

The source of this advice is the report, *Financing Water Resources Management and Development*, SADC Water Division, February 2014.

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