























Report on International High-Level Panel on Water Investments for Africa Events at Stockholm World Water Week 2022

28-30 August 2022 Stockholm, Sweden and online

Part 1: International High-Level Panel on Water Investments for Africa Session during Stockholm World Water Week 2022 | 30 August 2022

Part 2: Inaugural Meeting of the Expert Advisory Group for the International High-Level
Panel on Water Investments for Africa | 28 August 2022

Part 1: Report on the High-Level Panel Event during the Stockholm World Water Week

<u>Date and Time</u>: 11:00 – 12:30 CEST, 30 August 2022 <u>Location</u>: Stockholm, Sweden during World Water Week 2022 and online

<u>Introduction</u>

The International High-Level Panel on Water Investments for Africa, which draws representatives from current and former Heads of State as well as other global leaders, was launched at the 9th World Water Forum in Dakar, Senegal in March 2023.

The International High-Level Panel on Water Investments for Africa session during World Water Week presented the Panel's Road Map towards COP 27 and the 2023 UN Conference on Water. Led by the co-chairs of the Panel, the panel members and high-level leaders, the session presented progress of its work in developing an investment action plan and emerging pathways for countries to mobilise US\$30 billion/year by 2030 to close the water security and sanitation investment gap in Africa, with opportunities for development partners to contribute.

A first of its kind AIP-PIDA Water Investment Scorecard was showcased as a tool to track progress in mobilization of water investments, identify bottlenecks, and enhance mutual accountability and for action at the Heads of State Level. Perspectives for enhancing climate resilience and gender equality were explored.

The session was convened by African Union Commission (AUC), African Union Development Agency (AUDA-NEPAD), Development Bank of Southern Africa (DBSA), Global Center on Adaptation (GCA), Global Water Partnership (GWP), Government of Senegal, Government of the Netherlands, Government of the Republic of Namibia, Organisation for Economic Cooperation and Development (OECD), Stockholm International Water Institute (SIWI), United Nations Children's Fund (UNICEF), United Nations Development Programme (UNDP), and World Bank Group.

<u>Outcomes of the International High-Level Panel on Water Investments for Africa Event</u> during Stockholm World Water Week

- a) The Expert Advisory Group for the International High-Level Panel on Water Investments for Africa was formally inaugurated by the Government of Senegal.
- b) The commitment to the objectives of the High-Level Panel on Water Investments for Africa were reiterated by the Panel Co-Chairs and Alternative Co-Chair as well as convening partners.
- c) Opportunities for development finance and technical partners to support the work of the High-Level Panel and developing the Investment Action Plan were shared by various partners.
- d) Potential Partnerships were explored with OECD, SIDA, Convergence WRI towards the work of the High-Level Panel were mobilised.

Recommendations emerging from the International High-Level Panel on Water Investments for Africa Event during Stockholm World Water Week

The recommendations emerging were as follows:

- a) To contribute to the defragmentation of the water sector by through collective high-level discourse that addresses institutions, donors, development agencies, and the private sector;
- b) To pair high-level political discourse and agency with national and local-level programming and institutional reform;
- c) To demonstrate the potential of blended finance in mobilising the investment required to achieve SDG 6 in Africa;
- d) To encourage African countries to follow the example set by Zambia in developing a national water investment programme supported by the Panel; and
- e) To use the AIP-PIDA Water Investment Scorecard as a tool to enhance mutual accountability and transparency in investment mobilisation and track progress and bottlenecks and areas for action.



High-Level speakers at the Panel session during World Water Week

- 1. Opening statement by Hon. Serigne Mbaye THIAM, Minister of Water and Sanitation for the Republic of Senegal (virtual)
- 1.1. The session was introduced by the moderator, Mr. Alex Simalabwi, Executive Secretary-GWPSA-Africa, Sherpa to the Alternate Co-Chair of the High-Level Panel and Head of Panel Convenors Secretariat. Mr Simalabwi introduced the session objectives, thanked the African Union Commission and Co-Chairs of the Panel for convening the session. He invited the government of Senegal to open the high-level event as Co-Chair of the Panel.
- 1.2. Hon. Serigne Mbaye THIAM, Minister of Water and Sanitation from Senegal opened the event and thanked the Panel members and the Secretariat of the Panel for the important work since the Panel's official launch during the 9th World Water Forum in March 2022, by H.E. Macky Sall, President of the Republic of Senegal and current Chair of the AU.



Hon. Serigne Mbaye THIAM, Minister of Water and Sanitation for the Republic of Senegal

- 1.3. Hon. THIAM said that since its establishment, the Panel has expanded and aroused a great deal of interest and enthusiasm on the part of the partners. He went on to thank the partners for: (1) the definition and proposal of a roadmap for mobilizing investments in the water sector in order to strengthen Africa's resilience to climate change; (2) consolidating political commitments and partnerships to support the work of the Panel, and (3) the implementation of concrete actions towards COP27 and the 2023 United Nations Water Conference.
- 1.4. Hon. THIAM said that the achievement of the SDGs seems compromised following the Covid-19 pandemic and the ensuing economic crisis particularly in Africa where the mobilization of resources and adequate funding for water infrastructure remains largely insufficient. Hence the strategic importance of this Panel, which is at a pivotal stage in the global water agenda.
- 1.5. Two important key aspects may help to inform the work of the Panel:

- a) The Panel is taking place in a favourable context with the conclusions of the Bonn Water Dialogue 2021, the Blue Deal on Water Security for Peace and Development of the 9th World Water Forum, and the results of the Dushanbe Water Process 2022, among others.
- b) The Panel could benefit from the happy coincidence of the preparation of the UN Water Conference of 2023, where the question of the financing of water infrastructures will be at the centre of the debates and the key actions to be carried out.
- 1.6. Hon. THIAM invited the members of the Panel's Advisory Group of Experts to seize this historic opportunity so that the Panel's conclusions can set in motion an effective dynamic of lasting actions, and to reflect on the importance of mobilizing private funding. Interesting discussions were initiated at the 9th World Water Forum, in Dakar with the support of the International Finance Corporation, through discussions with CEOs of multinationals and the global private sector.
- 1.7. In Senegal, the idea of a National Blue Fund was launched, combining several sources of financing, focused on the mobilization of domestic resources to increase the financing of water.
- 2. Statement by H.E. Josefa Leonel Correia Sacko, AUC Commissioner for Agriculture, Rural Development, Blue Economy, and Sustainable Environment, represented by Mr. Harsen Nyambe, Director Head: Sustainable Environment and Blue Economy, Environment, Climate Change, Water and Land Management at the African Union (AU)
 - 2.1. Mr. Nyambe reaffirmed the African Union Commission's commitment to the process and objectives of the AIP and of the Panel, reminding the participants that Africa aspires to peace, prosperity, and unity. These aspirations will not be possible without directly addressing water and food insecurity.



Mr. Harsen Nyambe, Director Head: Sustainable Environment and Blue Economy, Environment, Climate Change, Water and Land Management at the African Union (AU)

2.2. Climate change will intensify the problems faced by the continent, specifically because the majority of food production is handled by small-scale farmers. Mr. Nyambe also

- addressed the rapid rate of urbanisation in Africa and the lack of adequate water infrastructure to meet the needs of the growing urban population.
- 2.3. The Panel would address the critical water challenges faced by Africa including face food insecurity, climate change, and lack of sufficient infrastructure to support the continent's rapidly urbanising population, concluded Mr. Nyambe.
- 3. <u>Statement by Ms. Nardos Bekele-Thomas, Chief Executive Officer of the African Union Development Agency (AUDA-NEPAD)</u>
 - 3.1. Ms. Nardos Bekele-Thomas said that water links energy, food security, health, human well-being and multiple other development sectors. Africa and the world cannot underestimate the importance of financing water services. Only 5% of Africa's potential water resources have been developed. If we are to meet Agenda 2063, we need to be serious about investing in water.
 - 3.2. Water will become of increasing importance as Africa's population grows as water is needed for food production.



Ms. Nardos Bekele-Thomas, Chief Executive Officer of the African Union Development Agency (AUDA-NEPAD)

- 3.3. AUDA—NEPAD is committed to supporting the infrastructure development and investment into the water projects in the Programme for Infrastructure Development in Africa-Priority Action Plan 2 (PIDA-PAP 2). Ms. Bekele-Thomas said that it is critical to find financing from international, private and national sources for these priority water projects. AUDA-NEPAD will be bringing the private sector on board and will support by derisking water investments so that companies feel comfortable and safe to invest in water.
- 4. <u>Statement by Hon. Calle Schlettwein, Minister of Agriculture, Water and Land Reform for the Republic of Namibia and President of the African Ministers' Council on Water (AMCOW)</u>
 - 4.1. Hon. Schlettwein congratulated the Government of Senegal for the successful outcome of the 9th World Water Forum in Dakar, Senegal during March 2022, the Blue Deal, and the

launch of the International High-Level Panel on Water Investments for Africa by H.E. Macky Sall, President of the Republic of Senegal.



Hon. Calle Schlettwein, Minister of Agriculture, Water and Land Reform of Namibia

- 4.2. Hon. Schlettwein reminded the participants that the Governing Council of AMCOW adopted a decision in February 2019 for the transformation of Africa's water investment outlook through increased partnerships and implementation of the AIP. The Minister commended efforts of AUDA-NEPAD for the design and implementation of the Programme for Infrastructure Development in Africa-Priority Action Plan.
- 4.3. The water sector remains fragmented. Water as a topic on its own needs to receive a central role in global discourse. The International High-Level Panel on Water Investments for Africa will drive global political mobilization and international engagement to support the implementation of the AIP. The Panel will provide the firm political commitments that are required by the water sector.
- 4.4. AMCOW expects the Panel to contribute to elevate water to the highest political level as the world prepares for the 2023 UN Water Conference.
- 5. <u>Vision for the High-Level Panel, Road map for investment mobilisation and commitments towards UN 2023 Water Conference by Amb. Henk Ovink, Special Envoy for International Water Affairs for the Kingdom of the Netherlands and Sherpa to Panel Co-Chair, H.E. Prime Minister Mark Rutte of the Netherlands</u>
 - 5.1. The water investment gap in Africa is a result of fragmentation in the sector that exists from local to national level, fragmentation on a transboundary level, and fragmentation of donors. There is a lack of understanding of the linkages of water in achieving a wide range of development goals, which leads to leads to defragmentation and lack of focus at a political level. Water trickles down to every Sustainable Development Goal.
 - 5.2. The Panel can focus energy at a political level and pair this with national and local-level programming. Amb. Ovink commended African leadership in bringing water to the political stage.

5.3. The UN 2023 Water Conference is the second global stakeholder consultation on water since 1977. The United Nations, with support from the Governments of Tajikistan and the Netherlands, will host the UN 2023 Water Conference in New York from 22 to 24 March 2023. It is critical that the conference results in commitments, change, impact, and a global mind-shift for water.



Amb. Henk Ovink, Special Envoy for International Water
Affairs for the Kingdom of the Netherlands

- 5.4. Amb. Ovink said that the Panel will deliver a roadmap and a plan to show how blended finance can work to mobilise funding, supported by defragmentation of the sector. The roadmap will live beyond 2023, and will result in coalitions that can transform the water investment outlook.
- 6. <u>High-Level Address by Panel Co-Chair, H.E. Mark Rutte, Prime Minister of the Netherlands (prerecorded)</u>

H.E. Mark Rutte said that 2023 UN Water Conference gives the world an opportunity to unite to achieve water security for all people and accomplish SDG 6. H.E Rutte applauded the AU for decisive action on water investment in Africa and reaffirmed the Netherlands' commitment in working together with partners to achieve its goals. Investment in water trickles down to all other SDGs. Every dollar invested in water is returned five times over in the form of protection, good security, health, and environmental protection. H.E. Rutte urges all participants to act urgently and act together.



H.E. Mark Rutte, Prime Minister of the Netherlands and Co-Chair of the International High-Level Panel on Water Investments for Africa

- 7. <u>High-Level Address by Panel Alternate Co-Chair, H.E. Jakaya Kikwete, Former President of the</u> *United Republic of Tanzania (pre-recorded)*
 - 7.1. H.E. Jakaya Kikwete said that one in three Africans face water insecurity, about 400 million Africans have no access to safe drinking water and about 700 million do not have access to good sanitation. The economic and service sectors do not get the water they need for optimal performance thus impeding socio-economic growth and development.
 - 7.2. In 2016 the then Secretary General of the United Nations Ban Ki Moon and the then President of the World Bank Jim Yong Kim established a High-Level Panel on Water. In its report in 2018, the Panel recommended the establishment of a water investment programme for Africa. In pursuit of that recommendation, in 2019 AMCOW directed that the Africa Water Investment Programme AIP be conceived.



H.E. Jakaya Kikwete, Former President of the United Republic of Tanzania and Alternate Co-Chair of the International High-Level Panel on Water Investments for Africa

7.3. Subsequently, the AMCOW Secretariat teamed up with African Union Development Agency - NEPAD, AfDB, GWP-SA and others to undertake the work of conceiving and developing the Africa Water Investment Programme (AIP). This work was successfully

- concluded and in February 2021 the Assembly of African Heads of State and Government of the African Union endorsed the AIP as part of the African Union's Programme for Infrastructure Development in Africa.
- 7.4. A huge sum of money is required to implement the Africa Water Investment Programme. The African Ministers Council on Water estimates that about US\$30 billion would be required to be invested annually to be able to meet the SDG6 targets on Water and Sanitation in Africa by 2030.
- 7.5. Currently, water investment in Africa stands at between US\$10 -19 billion, leaving a huge investment gap to be filled whichever estimates one uses. It is with the desire to build capacity to mobilize increased investments and financing to implement the AIP and close the investment gaps that AMCOW and partners resolved to establish the International High-Level Panel on Water Investment in Africa.
- 7.6. The Africa Water Investment Programme is designed to address the obstacles to investments and financing for climate resilient water investments in Africa. As we all know the biggest impacts of climate change are water related. Nowhere is this more pronounced than in Africa where even in the 2021 report of the Intergovernmental Panel on Climate Change States that the rate of temperature increase in Africa to be faster than the global average. As a result, there is increased frequency and intensity of heavy precipitation in some parts of Africa and recurrent periods of draught in many parts of our dear continent. At the centre of this crisis is the African farmer. With over 95 percent of African food production being rain-fed, Africa's poor subsistence farmers are among the most hurt by climate change. It is of utmost critical urgency that increased attention is paid to adaptation interventions and investments related to water retention, storage, rainwater harvesting, water source protection, and water infrastructure.
- 8. Mobilising investments for protection of ecosystems, biodiversity in mountain water towers critical for social-economic development by H.M. King Letsie III, King of Lesotho on the Lesotho Highlands Water Project
 - 8.1. H.M. King Letsie III commended the Co-Chairs of the Panel and H.E. Macky Sall for the launch of the International High-Level Panel of Water Investments for Water.
 - 8.2. H.M. King Letsie III said that the ever-deteriorating state of water sources in Africa calls for urgent and immediate action from all stakeholders. H.M. added that to remedy this situation, water investment gap estimated between US\$11-19 billion/year has to be reduced or even eliminated, meaning that all partners have to come forward to erase this gap to ensure that the initiative to mobilise US\$30 billion/year becomes success.
 - 8.3. H.M. King Letsie III said that it was the hope of the Kingdom of Lesotho that the Panel will provide the necessary political leadership and impetus to create a well-coordinated plan of action, creative partnerships, and secure financing mechanisms for restoration of ecosystems. The Kingdom of Lesotho called on development partners to pledge and fulfil their pledges to increase the level of investments for water resources in Africa.

8.4. H.M. made reference to the challenges of land degradation and soil erosion as well as drying up of water catchments areas in his Kingdom, that pose a serious threat to the security of clean and fresh water to Lesotho and other southern African countries which benefit from the 40% water supply run off from the Kingdom.



H.M. King Letsie III of Lesotho

- 9. Address by Mr. Torgny Holmgren, Executive Director: Stockholm International Water Institute (SIWI)
 - 9.1. Mr. Holmgren said that SIWI has worked for a number of years to place water firmly on the climate change agenda. This is increasingly important given growing food insecurity around the world. He added that investment in water infrastructure is needed to accommodate the growing urban population.
 - 9.2. Mr. Holmgren urged the Panel to find new sources for water infrastructure investment given limited public funds.
- 10. <u>Ministerial statements on mobilising national commitments: Hon. Senzo Mchunu, Minister for</u> Water and Sanitation for the Republic of South Africa
 - 10.1. Hon. Senzo Mchunu said that South Africa is a water scarce country and most of its water resources have already been developed. Future expansion will comparatively be much more costly than past projects and will involve complex technical, social, institutional and governance solutions to meet the growing water demands of our country.



Hon. Senzo Mchunu, Minister for Water and Sanitation for the Republic of South Africa

- 10.2. The National Water and Sanitation Master Plan articulates the prioritised actions and investments required between now and 2030 to overcome challenges and ensure a water secure future supporting inclusive development across the country.
- 10.3. The current capital requirement of the sector totals approximately R90 billion per annum, comprising about R70 billion for water supply infrastructure from source to enduser and about R20 billion for sanitation and wastewater collection and treatment. A funding gap of R333 billion is anticipated over the next 10 years.
- 10.4. Hon. Senzo Mchunu proceeded to outline various regional and local water investments plans and projects which are currently underway and require the support of the Panel.
- 11. <u>Ministerial statements on mobilising national commitments: Hon. Mike E. Mposha, Minister of Water Development and Sanitation in Zambia</u>
 - 11.1. The Republic of Zambia presented the US\$6bn Zambia Water Investment Programme, which was developed in response to the Panel's objectives and launched by H.E. Hakainde Hichilema, President of Zambia, on the margins of the Africa Union Mid-Year Coordination Summit Meetings in Lusaka, Zambia in July 2022. The Zambia Water Investment Programme aims to create 1mn jobs.



Hon. Mike E. Mposha, Minister of Water Development and Sanitation for the Republic of Zambia

- 11.2. Hon. Mposha said that Zambia cannot achieve these aspirations on its own but will need to partner with key stakeholders particularly the private sector. The private sector will be key in ensuring the effective implementation of the Zambia Water Investment Programme through public-private partnerships and other innovative financing initiatives using the blended financing approach. Given that the Zambia Water Investment Programme is the first water programme designed and formulated after the launch of the International High-Level Panel On Water Investments in Africa, there is need to recognise this as an opportunity for all African states and stakeholders to gain inspiration on how similar programmes can be formulated and implemented for all African countries.
- 11.3. Hon. Mposha said that the Zambia Water Investment Programme should not be seen as an undertaking for Zambia only, rather it should be viewed as the beginning of many similar initiatives at country level on the African continent.

12. Partner statements

- 12.1. Mr. Ulf Källstig, Assistant Director General for Africa at the Swedish Development Agency (SIDA) commended African leadership on the AIP and High-Level Panel.
- 12.2. Dr. Xavier Leflaive, Team Lead: Resilience-Adaptation to Climate Change at the Organisation for Economic Co-operation and Development (OECD) commended the establishment of the Panel and reaffirmed support to AUDA-NEPAD in the development of the AIP-PIDA Water Investment Scorecard, a tool to enhance mutual accountability and transparency in investment mobilisation and track progress and bottlenecks and areas for action.
- 12.3. Ms. Catherine Russell, Executive Director of UNICEF said that water is life for children but millions of children across Africa still do not have sustainable access to sufficient water. Ms. Russell said that if we are serious about our goal of water security and sanitation for every child, we must increase financing for water investments in Africa.

UNICEF is a strong supporter of the Continental Africa Water Investment Programme (AIP) which is helping mobilize partnerships and increasing vital international financing.



Ms. Catherine Russell, Executive Director of UNICEF

- 12.4. Prof. Dr. Patrick Verkooijen, Chief Executive Officer of the Global Center on Adaptation (GCA), reminded the attendees that Africa was experiencing the most harrowing impacts of climate change, despite contributing least to emissions. He cited recent climate change precipitated human crises in the Horn of Africa and West Africa.
- 12.5. Prof. Dr. Verkooijen urged participants to prepare for a sustainable and green future, adding that adaptation leads to economic opportunities and poverty alleviation. According to the GCA's State and Trends in Adaptation 2021 Report, each US\$1 invested in water and sanitation has an economic return of US\$12.



Prof. Dr. Patrick Verkooijen, Chief Executive Officer of the GCA

- 12.6. The GCA and AFDB have collectively initiated the African Adaptation Acceleration Programme, which aims to increase climate finance for Africa by mobilizing \$25 billion by 2025 to scale up innovative and transformative actions on climate change adaptation across Africa.
- **12.7.** On 5 September, the GCA will host an Africa Adaptation Summit with African leaders including the African Union and Climate Vulnerable Forum presidencies, and the

- leadership of the African Development Bank in Rotterdam. The main outcome of the Summit's deliberations was to outline a 5-point "Adaptation Breakthrough for Africa at COP27", and the key determinants of success for Africa at COP27.
- 13. Formal declaration by the Government of Senegal on the inauguration of the Expert Advisory
 Group for the International High-Level Panel on Water Investments for Africa. The declaration
 was read by Mohammed Diatta, Sherpa to High-Level Panel Co-Chair H.E. Macky Sall, on
 behalf of Hon. Serigne Mbaye THIAM, Minister of Water and Sanitation for the Republic of
 Senegal
 - 13.1. On behalf of Hon. Serigne Mbaye THIAM, Minister of Water and Sanitation for the Republic of Senegal, Mr. Diatta declared the inauguration the Technical Expert Advisory Group. The High-Level Panel Expert Advisory Group will be led by the Panel Sherpas/Advisors to the High-Level Panel Co-Chairs.
 - 13.2. The High-Level Panel Technical Expert Group shall contribute to the development of the African Union water policy and AIP-PIDA Water Investment Scorecard and overall AIP implementation through contribution to relevant follow up actions and recommendations. The composition of the High-Level Panel Expert Advisory Group shall be made up of the Panel Sherpas/Advisors, experts invited by the African Union Commission and the Republic of Senegal, and representatives from the over 30 organisations supporting the development of the AIP-PIDA Water Investment Scorecard.
 - 13.3. The High-Level Panel Expert Advisory Group shall be coordinated by the African Union Commission and African Union Development Agency-NEPAD and supported by the Panel Convenors secretariat and AIP Technical Support Unit hosted by GWPSA-Africa, which is led by the Alternate Co-Chair to the High-Level Panel.
 - 13.4. Mr. Diatta congratulated the African Union Commission for leading the process to establish the Expert Advisory Group for the panel building on the foundation of the structures established by AUDA-NEPAD for development of the AIP-PIDA Water Investment Scorecard.



Mr. Mohammed Diatta, Sherpa to High-Level Panel Co-Chair H.E. Macky Sall

- 13.5. Mr. Diatta called on the African governments, development partners, development finance institutions, and stakeholders assembled here today to seize the opportunity presented by the International High-Level Panel to elevate the agenda of water to the highest levels of decision making. A peaceful, prosperous, and water-secure Africa as outlined in the Dakar Declaration, a "Blue Deal for water and sanitation security for peace and development" is within our reach.
- 13.6. The full declaration by the Government of Senegal on the inauguration of the Expert Advisory Group for the International High-Level Panel on Water Investments for Africa is shown below.

Declaration on the Inauguration of the Expert Advisory Group for the International High-Level Panel on Water Investments for Africa

By Mohammed Diatta, Sherpa of the High-Level Panel Co-Chair -Republic of Senegal

- On 25 March 2022, during the 9th World Water Forum in Dakar, Senegal, H.E. Macky Sall, President of the Republic of Senegal and Chairperson of the African Union formally launched the International High-Level Panel on Water Investments for Africa.
- 2. The International High-Level Panel will drive global political mobilization and international engagement to mobilise investments to meet the socio-economic needs of the continent and Sustainable Development Goal 6 water related targets.
- 3. The International High-Level Panel on Water Investments for Africa will mobilise investments for implementing the Continental Africa Water Investment Programme (AIP) and closing the existing water investment gap in Africa, which is estimated at US\$11-20bn annually by 2030.

- 4. The High-Level Panel will develop a Report and investment action plan, with pathways to mobilise \$30 billion/year by 2030 to implement the AIP and close the water investment gap in Africa.
- 5. The High Level Panel report will be be launched during the UN 2023 Water Conference.
- 6. The convenors of the Panel appointed three Co-Chairs of the Panel:
- 7. H.E. Macky Sall President of the Republic of Senegal and Chairperson of the African Union
- 8. H.E. Mark Rutte Prime Minister of The Kingdom of the Netherlands, in his capacity as co-host of the UN 2023 International Decade for Action on Water for sustainable development.
- 9. H.E. Hage Geingob President of the Republic of Namibia in his capacity as host country of the Presidency of AMCOW, and
- 10. An alternate Co-Chair, H.E. Jakaya Kikwete Former President of the United Republic of Tanzania, in his capacity as chair of the board of GWPSA-Africa Coordination which is the host of the Secretariat for the convenors of the panel.
- 11. The work of the Panel will be supported by a Steering Group, Core Group and Expert Advisory Group comprising Sherpas/Advisors to the Panel members and experts from the technical working group developing the AIP-PIDA Water Investment Scorecard.
- 12. This Sunday, on 28 August 2022, over 40 experts met here in Stockholm, invited by the African Union Commission, and Co-Chaired by the Republic of Senegal and the Netherlands. The Experts adopted the Terms of Reference for the Experts Advisory Group.
- 13. I welcome the experts and thank you for accepting to support the high-level panel to achieve its mandate.
- 14. I hereby declare the inauguration the Technical Expert Advisory Group at this Stockholm World Week 2022 to support the High-Level Panel.
- 15. The High-Level Panel Expert Advisory Group will be led by the Panel Sherpas/Advisors to the High-Level Panel Co-Chairs.
- 16. The High-Level Panel Technical Expert Group shall contribute to the development of the African Union water policy and AIP-PIDA Water Investment Scorecard and overall AIP implementation through contribution to relevant follow up actions and recommendations
- 17. The composition of the High-Level Panel Expert Advisory Group shall be made up of the Panel Sherpas/Advisors, experts invited by the African Union Commission and the Republic of Senegal, and representatives from the over 30 organisations supporting the development of the AIP-PIDA Water Investment Scorecard.

- 18. The High-Level Panel Expert Advisory Group shall be coordinated by the African Union Commission and African Union Development Agency-NEPAD and supported by the Panel Convenors secretariat and AIP Technical Support Unit hosted by GWPSA-Africa which is led by the Alternate Co-Chair to the High-Level Panel.
- 19. In conclusion, I congratulate the African Union Commission for leading the process to establish the Expert Advisory Group for the panel building on the foundation of the structures established by AUDA-NEPAD for development of the AIP PIDA water investment scorecard.
- 20. I call on the African governments, development partners, development finance institutions, and stakeholders assembled here today to seize the opportunity presented by the International High-Level Panel to elevate the agenda of water to the highest levels of decision making.
- 21. A peaceful, prosperous, and water-secure Africa as outlined in the Dakar Declaration, a "Blue Deal for water and sanitation security for peace and development" is within our reach.

Thank you.



Part 2: Report on the Inaugural Meeting of the Expert Advisory Group for the International High-Level Panel on Water Investments for Africa

Date and Time: 9:00 – 13:00 CEST, 28 August 2022

Location: Stockholm, Sweden on the sidelines of World Water Week 2022 and online

Key take aways

- a) High-Level Panel Expert Advisory Group was formally constituted with founding Experts as members and Terms of Reference adopted with the caveat that the members would continue to input into the document. The Group was formally inaugurated by the Government of Senegal.
- b) Road Map of the High-Level Panel was updated with inputs from experts on essential building blocks for transforming the investment outlook for water security and sustainable sanitation in Africa.
- c) A first of its kind AIP-PIDA Water Investment Scorecard was presented as a tool to track progress in mobilization of water investments, identify bottlenecks, and enhance mutual accountability for action at the Heads of State Level.
- d) Progress was shared on preparations towards the UN Conference on the Midterm Comprehensive Review of the Implementation of the Objectives of the International Water Decade for Action in March 2023, including that the Panel's report would be one of the main outcome of the event.
- e) The commitment to the objectives of the High-Level Panel on Water Investments for Africa were reiterated by the Panel Co-Chairs and Alternative Co-Chair as well as convening partners.

Main challenges

- a) The need to defragmentise the water sector by aligning priorities, commitments, and actions of national governments, economic regions, development organisations, financiers, and other stakeholders.
- b) The need to demonstrate the potential of blended finance to mobilise resources for water and sanitation in Africa.
- c) The need to match the high-level commitments and advocacy of the Panel with national-level reforms, programmatic approach, development plans, and capacity.

Next steps

a) The High-Level Panel Expert Advisory Group will meet on 29th September to further develop member roles and responsibilities and to finalise its ToR.

- b) The High-Level Panel Expert Advisory Group will commence working on the Panel's vision statement and high-level report.
- c) A high-level Panel inauguration/event will be convened during COP27, Sharm El-Sheikh, Egypt, in November 2022;

The High-Level Panel Expert Advisory Group will work on a guiding outline for potential commitments that may emanate from the UN 2023 Water Conference.

<u>Proceedings of Inaugural Meeting of the Expert Advisory Group for the</u> International High-Level Panel on Water Investments for Africa

Introduction

- 1. On 25 March 2022, H.E. Macky Sall, President of the Republic of Senegal and Chair of the African Union launched the International High-Level Panel on Water Investments for Africa, at the 9th World Water Forum in Dakar, Senegal.
- 2. The Panel is convened by the African Ministers' Council on Water (AMCOW), African Union Development Agency (AUDA-NEPAD), United Nations Development Programme (UNDP), UNICEF, African Development Bank (AfDB), Global Center on Adaptation (GCA), and Global Water Partnership (GWP).
- 3. The panel is led by three Co-Chairs: H.E. Macky Sall, H.E Mark Rutte, Prime Minister of The Kingdom of the Netherlands, H.E. Hage Geingob, President of the Republic of Namibia, as well as an Alternate Co-Chair, H.E Jakaya Kikwete, Former President of the United Republic of Tanzania.

High Level Panel Leadership



H.E. Macky Sall

Co-Chair

President of the Republic of Senegal

Chair: African Union



H.E. Hage Geingob Co-Chair President of the Republic of Namibia



H.E. Mark Rutte

Co-Chair

Prime Minister of the
Netherlands



H.E. Jakaya Kikwete Alternate Co-Chair Former President of the United Republic of Tanzania

4. The International High-Level Panel on Water Investments for Africa will drive global political mobilization and international engagement to meet the socio-economic needs of the continent, SDG 6 water related targets, and address the twin challenge of climate change and the Covid-19 pandemic.

- 5. The objective of the Panel is to develop a high-level report and investment plan with pathways and recommendations for countries on how to mobilize US\$ 30 billion/year to close the water investment gap in Africa, estimated at US\$11-US\$20 billion/year.
- 6. The Panel's High-Level Report and Investment Action Plan will be launched during the UN Conference on the Midterm Comprehensive Review of the Implementation of the Objectives of the International Decade for Action in March 2023 and presented to the AU Heads of State Summit in June 2023. The African Union Commission water policy will also be developed.
- 7. The Panel's work will be supported by a High-Level Panel Technical Expert Advisory Group comprising Sherpas/Advisors to the Panel members and experts from the technical working group developing the AIP-PIDA Water Investment Scorecard led by AUDA-NEPAD.
- 8. The Inaugural Meeting of the Expert Advisory Group for the International High-Level Panel on Water Investments for Africa (the Panel) was convened by Union Commission (AUC) and the Government of Senegal, current Chair of the African Union.
- 9. The Expert Meeting was led by AUC and Kingdom of Netherlands, on behalf of the Panel Co-Chairs, with support from Panel convenors secretariat, Global Water Partnership Africa Coordination (GWPSA-Africa).
- 10. The meeting took place on 28 August 2022, on the sidelines of World Water Week 2022, Stockholm, Sweden.
- 11. The meeting bought together technical experts from a wide range of expertise, representing the organizations supporting the development of the AIP-PIDA Water Investment Scorecard (led by AUDA-NEPAD) and other water stakeholders. The Expert Group is led by the AUC, AUDA-NEPAD, and the Sherpas/Advisors to the Panel members. Participants attended physically as well as virtually. The main objective of the meeting was to formally constitute the Expert Advisory Group for the Panel.

Outcomes of the Inaugural Meeting of the Expert Advisory Group

The key outcomes of the meeting were as follows:

- a) High-Level Panel Expert Advisory Group was formally constituted with founding Experts as members and Terms of Reference adopted with the caveat that the members would continue to input into the document.
- b) Road Map of the High-Level Panel was updated with inputs from experts on essential building blocks for transforming the investment outlook for water security and sustainable sanitation in Africa.
- c) A first of its kind AIP-PIDA Water Investment Scorecard was presented as a tool to track progress in mobilization of water investments, identify bottlenecks, and enhance mutual accountability for action at the Heads of State Level.

- d) The High-Level Panel Expert Advisory Group formally commenced its support to the Panel in developing its High-Level Report and Investment Action Plan.
- e) Progress was shared on preparations towards the UN Conference on the Midterm Comprehensive Review of the Implementation of the Objectives of the International Water Decade for Action in March 2023, including that the Panel's report would be one of the main outcome of the event.

Recommendations emerging from the Inaugural Meeting of the Expert Advisory Group

The recommendations emerging were as follows:

- a) For the Panel to contribute actively in the preparatory process leading up to the 2023 UN Water Conference, focusing on concrete actions and commitments which can result in the mobilization of resources;
- b) The Panel's outputs roadmap and high-level report need to be translated to national level implementation strategies, investment plans/programmes and supported by a gender transformative approach, blended finance approach, and enabling environment;
- c) To consider launching a campaign leading up to the UN 2023 Water Conference that will assist in the mobilization of commitments and resources;
- d) To produce a vision statement for the Panel ahead of the UN 2023 Water Conference;
- e) To convene a high-level Panel event during COP27, Sharm El-Sheikh, Egypt, in November 2022;
- f) To incorporate further input from the Expert Advisory Group in the finalisation of its Terms of Reference (included as Annex 1 of this report);
- g) To consider that high-level engagement needs to be combined with capacity building and a programmatic approach at a national and local level;
- h) To find avenues to incorporate a blended finance approach in the financing of water and sanitation investments in Africa;
- i) To mobilize increased participation of the private sector in the financing of water and sanitation-in Africa;
- j) To target concessional finance for utilities and municipalities in the financing of water and sanitation projects in Africa;
- k) To target the untapped potential of development banks to invest in the African water and sanitation sector;
- To engage African Ministries of Finance, Foreign Affairs, and Defence on the issue of water investments, in addition to African Ministries of Water and increase public spending in water and sanitation;
- m) To consider more active participation by African Ministries of Water, Regional Economic Communities, and AU Member States within the Panel's coordination structures;
- n) To advise African governments to make water and sanitation a national priority, thereby reducing the fragmentation in the sector and encouraging the private sector through an open and transparent tender process;

- o) To consider barriers around gender transformative investments in the Panel's coordination and outputs;
- p) To consider the AIP-PIDA Water Investment Scorecard as a significant tool to aid in the mobilisation of resources;
- q) To use the political clout of the Panel to mobilise structural and institutional reforms for the African water sector;
- r) To consider the role of innovation in the water sector (such as the use of philanthropic capital, decentralized solutions using mobile tech, and the use of the water-energy-food nexus) as investments are designed;
- s) To consider investable water solutions for rural Africa;
- t) To consider economic integration between projects as premised by the PIDA corridor approach. The <u>PIDA corridor approach</u> is a strategic framework that prioritises regional projects that translate fully the African Union Vision under Agenda 2063; and
- u) To recognize the importance of information sharing and collaboration between stakeholders.

1. Proceedings of the Expert Meeting

- 1.1. The Secretariat for the Panel Convenors welcomed the meeting convenors, and the experts present and online for accepting the invitation to join the Expert Advisory Group. Mr Alex Simalabwi, Sherpa to the Alternate Co-Chair and Executive of Secretary of GWPSA-Africa, which hosts the Panel Convenors Secretariat, introduced the meeting objectives and invited the AUC and Kingdom of Netherlands to Co-Chair the Expert Meeting.
- 1.2. The meeting was opened by H.E. Josefa Leonel Correia Sacko, AUC Commissioner for Agriculture, Rural Development, Blue Economy, and Sustainable Environment (ARBE) who was represented by Mr. Harsen Nyambe, Director of Sustainable Environment and Blue Economy at the African Union (AU). Mr Nyambe welcomed the attendees and reaffirmed the African Union's commitment to achieving Africa's water targets as articulated in SDG 6.
- 2. Remarks by Amb. Henk Ovink, Special Envoy for International Water Affairs for the Kingdom of the Netherlands and Sherpa to Panel Co-Chair, H.E. Mark Rutte
 - 2.1. Amb. Henk Ovink, Special Envoy for International Water Affairs for the Kingdom of the Netherlands and Sherpa to Panel Co-Chair, H.E. Mark Rutte, Prime Minister of the Netherlands, said that the International High-Level Panel on Water Investments for Africa had emerged from the recommendations made by the United Nations (UN) World Bank High Level Panel on Water (HLPW) in 2018.
 - 2.2. Amb. Ovink said that one of the most significant issues faced by the water sector is fragmentation. Water stakeholders need to work together and consider programmatic approaches to water security that span from local to national level, and beyond. Amb. Ovink said that fragmentation in governance, financing, and implementation are core and

- central to failures in the water sector. Therefore, understanding and addressing these will allow African countries to come closer to achieving SDG 6.
- 2.3. Amb. Ovink added that there is an opportunity for the International High-Level Panel on Water Investments for Africa to drive leadership but this high-level engagement needs to be combined with capacity building and a programmatic approach at local level, as individual projects can actually increase fragmentation. The efforts of the Panel need to increase the investments in Africa and ensure that they support climate sustainability.
- 2.4. Amb. Ovink urged those present to work together towards the 2023 UN Water Conference, as this would represent a significant milestone in the global effort to achieve SDG 6. He said that the Panel's outputs (roadmap and high-level report) would need to be translated to national level implementation strategies, and supported by a gender transformative approach, blended finance approach, and enabling environments.
- 2.5. Amb. Ovink mentioned that there is sufficient funding for water infrastructure however pathways are required to align public and private funding, and position the water sector in a way that can unlock funding.
- 3. Remarks by Dr. Towela Nyirenda-Jere, Head: Economic Integration, AUDA-NEPAD
 - 3.1. Dr. Nyirenda-Jere said that the AUDA-NEPAD had worked tirelessly with GWPSA-Africa and other partners to improve the investment outlook of the water sector. They have made progress in putting together tools that will mobilise the sector.
 - 3.2. The remaining challenge is how to mobilise the necessary funding required for programme implementation. Dr. Nyirenda-Jere said that AUDA-NEPAD Chief Executive Officer, Nardos Bekele-Thomas, is very committed to the development of the infrastructure sector and on capitalising on the political commitment that is presented by the Panel. AUDA-NEPAD has recently launched the Energize Africa Programme which looks to mobilise women and youth.
 - 3.3. Dr. Nyirenda-Jere concluded by saying she looks forward to the emergence of the roadmap and action plan towards the implementation of the panel.
- 4. <u>Background to the International High-Level Panel on Water by Mr. Alex Simalabwi,</u>
 Executive Secretary, GWPSA-Africa. Sherpa to Alternate Co-Chair of the High-Level Panel
 - 4.1. In April 2016, the United Nations Secretary-General and President of the World Bank Group convened a HLPW; consisting of 11 sitting Heads of State and Government and one Special Advisor from Australia, Bangladesh, Hungary, Jordan, South Africa, Mauritius, Mexico, Netherlands, Peru, Senegal, and Tajikistan; to provide the leadership required to champion a comprehensive, inclusive and collaborative way of developing and managing water resources, and improving water and sanitation related services.

- 4.2. The outcome document of the UN-World Bank HLPW launched by the UN Secretary General on March 2018 called for the launch of an Africa Water Investment Programme (AIP) to accelerate mobilization of water investments and ensure availability and sustainable management of water and sanitation for all, achievement of SDG 6, as well as to contribute to the achievement of the other SDGs that rely on the development and management of water resources, and the 2025 Africa Water Vision.
- 4.3. In February 2019, recognizing the critical water security challenge Africa faces and mounting investment needs, the Governing Council of the African Ministers Council on Water (AMCOW) adopted a Decision for development of the AIP with a goal of transforming the investment outlook for water and sustainable in Africa.
- 4.4. On 7 February 2021, the Assembly of the AU Heads of State and Government adopted the AIP as part of Programme for Infrastructure Development in Africa Priority Action Plan 2 (PIDA-PAP 2) during the 34th Ordinary Session of AU Summit.
- 4.5. At least US\$30 billion needs to be invested annually to meet the SDG 6 target on water and sanitation in Africa. Currently, only US\$10-US\$19 billion is invested each year. The AIP aims to close the existing water investment gap in Africa, which is estimated at US\$11-US\$20 billion/year.
- 4.6. To mobilize US\$30 billion annually by 2030 for the AIP, on 26 May 2021, African stakeholders called for the establishment of the International High-Level Panel on Water Investments for Africa at the Heads of State level to develop actionable pathways for countries to mobilise water investments and accelerate efforts to meet SDG 6 and other related targets.
- 4.7. On 12 August 2021, AUDA-NEPAD, AMCOW, United Nations Development Programme (UNDP), United Nations Children's Fund (UNICEF), African Development Bank (AfDB), Global Center on Adaptation (GCA), and GWP adopted a resolution for convening the International High-Level Panel on Water Investments for Africa.
- 4.8. On 25 March 2022, H.E. Macky Sall, President of the Republic of Senegal and Chair of the AU, formally launched the International High-Level Panel on Water Investments for Africa, at the 9th World Water Forum in Dakar, Senegal.
- 4.9. The Panel is led by three Co-Chairs: H.E. Macky Sall, H.E Mark Rutte, Prime Minister of The Kingdom of the Netherlands, H.E. Hage Geingob, President of the Republic of Namibia, and Alternate Co-Chair, H.E Jakaya Kikwete, Former President of the United Republic of Tanzania.
- 4.10. The Panel will drive global political mobilization and international engagement to bring water to the highest political level. There is currently no Heads of State committee for water in Africa, in the same way that one exists for climate change. There is a need to engage with Heads of State to make the final decision regarding resource allocation and to really see the needle move in terms of larger budget allocations for water. Ministries of

Finance, Foreign Affairs, and Defence also need to engage in the issue of water investments.

- 4.11. The objective of the Panel is to develop pathways for countries to mobilise investments for implementing the AIP and closing the existing water investment gap in Africa. The Panel will develop a high-level report and investment plan with pathways and recommendations for countries on how to mobilize US\$30 billion/year to close the water investment gap in Africa.
- 4.12. The Panel's high-level report and Investment Action Plan will be launched during the UN Conference on the Midterm Comprehensive Review of the Implementation of the Objectives of the International Decade for Action in March 2023 and presented to the AU Heads of State Summit in June 2023. The African Union Commission Water Policy will also be developed.
- 4.13. The Panel's work will be supported by a High-Level Panel Technical Expert Advisory Group comprising Sherpas/Advisors to the Panel members and experts from the technical working group developing the AIP-PIDA Water Investment Scorecard (led by AUDA-NEPAD).
- 5. International High-Level Panel on Water Investments for Africa Proposed Coordination Structures and Draft Terms of Reference (TORs) By Mr. Ahmed K. Eldaw, Water Climate Change and Gender Policy Advisor: African Union Commission (AUC)
 - 5.1. Mr. Eldaw outlined the Panel's coordination, saying that the Panel's work will be supported by a Steering Group, as well as an Expert Advisory Core Group comprising Sherpas/Advisors to the Panel members and experts from the technical working group developing the AIP-PIDA Water Investment Scorecard. This builds on the existing structures and coordination arrangements established by AUDA-NEPAD for developing the AIP-PIDA Water Investment Scorecard.
 - 5.2. The Steering Group of the Panel is led by the AUC, AUDA-NEPAD, and the Alternate Co-Chair of the Panel H.E. Jakaya Kikwete. The Steering Group will oversee and provide overall strategic guidance to development of the Panel's report and investment plan. The Steering Group would ensure alignment all AIP initiatives and investments programmes and facilitate the Panel's synergies, AIP coordination and alignment with global and continental initiatives and processes related to water.
 - 5.3. Building on the Steering Group for the AIP PIDA Water Investment Scorecard, the Steering Group will comprise Sherpas/Advisors from High Level Panel Co-Chairs, high-level representatives of AUC, AUDA-NEPAD, AMCOW, World Bank, AfDB, UNDP, UNICEF, Development Bank of Southern Africa, and COMESA. The Steering Group is accountable to the Co-Chairs of the High-Level Panel.
 - 5.4. The Steering Group meetings will be supported by technical teams from the AUC and AUDA-NEPAD, with support from AIP Technical Support Unit and Panel Convenors secretariat hosted by GWPSA-Africa. The secretariat will facilitate the sharing of

information and resources ahead of each meeting. External partners and resource persons may be invited at the discretion of the Steering Group Co-Chairs to provide specific input to facilitate the progress towards developing the AIP-PIDA Water Investment Scorecard.

- 5.5. The AUC, AUDA-NEPAD, and Sherpas/Advisors to the Panel Co-chairs lead the Expert Advisory Core Group. The Expert Advisory Core Group will provide support to the High-Level Panel through contribution to development of the Panel's report and investment action plan. The Expert Advisory Core Group will provide operational guidance in the development of the Panel's report and Investment Action Plan and ensure that its alignment with the AIP-PIDA Water Investment Scorecard and the AU water policy. The Core Group will implement decisions made by the Steering Group.
- 5.6. The Expert Advisory Core Group is composed of AUC, AUDA-NEPAD, AMCOW, World Bank, OECD, AfDB, UNICEF, DBSA, and GWPSA-Africa. AUC and AUDA-NEPAD will lead overall coordination of the Expert Advisory Core Group supported by the AIP Technical Support Unit and Panel Convenors secretariat hosted by GWPSA-Africa who will facilitate the sharing of information and resources ahead of each meeting. External partners and resource persons may be invited at the discretion of the Co-Chairs and Core Group Members to provide specific input to facilitate the progress towards developing the Panel's report and investment action plan, the AU water policy and AIP-PIDA Water Investment Scorecard.
- 5.7. The Technical Working Group will provide support in the Panel's report and investment action plan, the AU water policy and AIP-PIDA Water Investment Scorecard and overall AIP implementation through contribution to relevant follow up actions and recommendations. Refer to detailed ToR (Annex 1 of this document) for composition of the Technical Working Group.
- 5.8. The Technical Working Group will be supported by the AIP Technical Support Unit and Panel Convenors secretariat hosted by GWPSA-ACU. The secretariat will facilitate the sharing of information, meeting invites, meeting agendas, minutes, and resources ahead of each meeting. External partners may be invited at the discretion of the Technical Working Group Members to provide specific input to facilitate the progress towards developing the AIP-PIDA Water Investment Scorecard.
- 5.9. The full detailed outline of the functions and coordination of the three group is available in the High-Level Panel Expert Advisory Group Terms of Reference (ToR) attached as Annex 1 to this document.
- 5.10. In a discussion following the presentation, Ms. Marianne Kjellen, Senior Water Advisor at UNDP, suggested that barriers around gender transformative investments approach is considered in the ToRs. She added that investment risks of water may be reduced by augmenting operational structures of African utilities.
- 5.11. Mr. Harsen Nyambe, Head, Environment Climate Change, Water and Land Management at AU said highlighted a need to create room for AU Member States and

Regional Economic Communities to be included in the coordination structures of the HLPs, throughout all structures. This was seconded by K.B. Djeri-Alassani, ECOWAS Water Managements.

- 5.12. Ms. Nchedi Moripe, Chief Director: Global Cooperation and Strategic Partnerships in the South Africa Department of Water and Sanitation noted that ministerial participation is required within Panel structures to ensure that water and sanitation ministries have ownerships the policies, recommendations, etc.
- 5.13. The High-Level Panel Expert Advisory Group Terms of Reference were adopted subject to incorporating the inputs made during the meeting.
- 6. <u>Update on UN Conference on the Midterm Comprehensive Review of the Implementation of the Objectives of the International Water Decade for Action March 2023 by Amb. Henk Ovink, Special Envoy for International Water Affairs, Kingdom of the Netherlands and Sherpa to Panel Co-Chair, H.E. Mark Rutte</u>
 - 6.1. Amb. Henk Ovink delivered remarks on behalf of the Kingdom of the Netherlands as co-host of the UN Conference on the Midterm Comprehensive Review of the Implementation of the Objectives of the International Water Decade for Action March 2023 (UN Water Conference 2023). Amb. Ovink is the conference lead on behalf of the Kingdom of the Netherlands.
 - 6.2. Amb. Ovink said that the conference can make a mark but will not lead to fundamental change. There are no negotiations towards the conference, and the event is not an SDG 6 conference but rather will address all elements of development in relation to water.
 - 6.3. The conference is aimed at generating commitments, actions with roadmaps, linking and mobilising partners, and if needed, funding. Any resulting commitments will be brought into a Water Action Agenda, which will focus on action, collaborations, and bringing about change in the hearts and minds of people. Commitments will be aimed at institutions such as UN agencies, governments, NGOs, academia and focus on policies, programming, practices, and the enabling environment. Commitments will also look for game-changers.
 - 6.4. The conference has five themes: (1) Water for Health, (2) Water for Development, (3) Water for Climate, Resilience and Environment, (4) Water for Cooperation, and the (5) Water Action Decade.
 - 6.5. The International High-Level Panel on Water Investments for Africa is one the main inputs and outputs of the UN 2023 Water Conference.
- 7. <u>Update on Panel Roadmap by Mr. Alex Simalabwi, Executive Secretary, GWPSA-Africa and Sherpa to Alternate Co-Chair of the High-Level Panel</u>

8.

7.1. Mr. Simalabwi said that the Panel was formally launched on 25 March 2022, during the 9th World Water Forum in Dakar, by H.E. Macky Sall, President of the Republic of Senegal and Chair of the African Union. The objective of the panel is to develop

- actionable pathways for countries to mobilise US\$30 billion annually by 2030, for implementing the AIP and closing the existing water investment gap in Africa, which is estimated at US\$ 11-20bn.
- 7.2. The Panel will drive global political mobilization and international engagement to meet the socio-economic needs of the continent, SDG 6 water related targets, and address the twin challenge of climate change and the Covid-19 pandemic.
- 7.3. The key deliverables of the Panel are a high-level report and investment action plan, which will be launched during the 2023 UN Water Conference and presented to the AU Heads of State Summit in June 2023. The African Union Commission (AUC) water policy will also be developed under the leadership of the AUC.
- 7.4. On 16 July 2022, The Zambian Government launched a US\$6 billion Water Investment Programme, expected to benefit hundreds of thousands of people in the country. The Zambia Water Investment Programme was launched by the President H.E. Hakainde Hichilema, on 16 July 2022, during the African Union 4th Mid-Year Coordination Meeting of Heads of State and Government in Lusaka, in partnership with the Panel.
- 7.5. A high-level Panel event would be held during COP27, Sharm El-Sheikh, Egypt, in November 2022.
- 7.6. A key deliverable of the core group will be a Vision Statement on behalf of the Panel, which will be released in October 2022. A small advisory group will begin drafting the High-Level Report that same month, which will contain clear concrete recommendations. The report will be finalised in February 2023.
- 7.7. The report will be launched during the 2023 UN Water Conference. Possibly a campaign will be launched where heads of state will need to mobilise funding commitments.
- 7.8. The Panel's duration is 18 months from its upcoming inauguration in November at COP27, however an implementation framework will guide the work until 2030.
- 9. <u>AIP-PIDA Water Investment Scorecard by *Dr. Towela Nyirenda-Jere, Head: Economic Integration, AUDA-NEPAD*</u>
 - 8.1. The AIP-PIDA Water Investment Scorecard will enhance mutual accountability for results in mobilisation of water investments, mobilise political and leadership commitment, and support countries to track progress, identify bottlenecks, and take action to meet the investment needs for achievement of SDG 6 on water and sanitation. The Scorecard will also set benchmarks to track country progress and offer a cross-country learning on climate readiness and water investment.
 - 8.2. Dr. Nyirenda-Jere said that being able to track water investments is very important for AUDA-NEPAD and the AUC. She added that the organisation was working very actively with partners to obtain acceptance and endorsement of the Scorecard at very highest political level. The AU adopted the Scorecard as a PIDA-PAP 2 mechanism in February

- 2022. The AIP-PIDA Water Investment Scorecard supports the AIP, which is also positioned within broader continental framework.
- 8.3. The AIP-PIDA Water Investment Scorecard compliments other PIDA mechanisms such as Continental Business Network (CBN). The Scorecard supports accelerations of PIDA water projects, and accountability and transparency between Member States, project owners, financiers. It is aligned to Water and Sanitation Sector Monitoring and Reporting System (WASSMO) and leverages other development tools.
- 8.4. The AIP-PIDA Water Investment Scorecard development process to date has involved multiple stakeholder consultations, and the constitution of various working groups. The Scorecard is currently being piloted with data collection underway. The first AIP-PIDA Water Investment Scorecard will be submitted to the AU Assembly in 2023.
- 8.5. Dr. Nyirenda-Jere concluded her presentation by extending gratitude on behalf of AUDA-NEPAD and the AUC to the stakeholders and organisations who have committed their time to supporting the development of the Scorecard.
- 10. <u>Opportunities and challenges of financing water security and sanitation by *Dr. Catarina Fonseca, Independent Finance Expert for the Kingdom of the Netherlands*</u>
 - 9.1. Dr. Fonseca uses JMP data to show that there are no African countries currently on track to achieve universal access to water and sanitation by 2030. Investment in African water and infrastructure in 2018 was US\$5,6bn, led by South Africa and Angola. Of this amount, US\$256mn was private sector investment and represented 2% of all overall private sector financing. The water sector requires 5% of GDP to be invested in sector actual investment is less than 1%.
 - 9.2. Dr. Fonseca outlined three challenges and three opportunities to mobilizing investments.
 - 9.3. <u>Challenge 1</u> is that one in three African countries have no long-term investment plans for water, but only project-based plans. This undermines confidence in the sector and its institutions. The countries that do have plans have not integrated climate and gender goals into the plans.
 - 9.4. <u>Challenge 2</u> is that there is weak performance monitoring and weak data in the sector. Member States cannot confirm how investments are leading to better development outcomes this breaks down trust in the sector.
 - 9.5. <u>Challenge 3</u> is that there is no clarity on cost recovery mechanisms for water, which leads to inadequately bankable projects. There is a need for adequate tariff schemes that do not exclude any population groups.
 - 9.6. Opportunity 1 is the potential of the Panel to mobilize reforms. Heads of State can request reforms from their ministries.

- 9.7. Opportunity 2 is to target concessional finance for utilities and municipalities that can repay debt and release public finance for the areas that need it the most.
- 9.8. Opportunity 3 is the untapped potential of national public development banks to invest in the sector. This is a critical source also instrumental for cross-sectoral projects and mitigating risks.
- 11. <u>Private Sector Investment in the Water Sector by Mr. Hubert Danso, CEO and Chairman, Africa investor (Ai) Group, Continental Business Network</u>
 - 10.1 Africa needs to mobilise US\$3 trillion for nationally determined contributions (NDCs) projects by 2030. This means that Africa needs to mobilise more in the next eight years than the entire world has been able to mobilise in the last 20 years. Therefore, we need to implement future-fit business models and platforms that can allow us to raise capital at scale for African NDCs, many of which are water related.
 - 10.2 Within the US\$30bn/annual investment requirement for water, there is a possibility for greater public-private partnerships for governments, investees, and development financiers to adopt a different approach and tackle head-on the climate adaptation needs of the continent.
 - 10.3 Water capital mobilisation at this scale is a solvable problem and is being solved routinely in many parts of the world.
 - 10.4 The Africa investor (Ai) Group supports the objectives of the Panel and recognises that its major contribution is to identify the best route to market and de-risk water for the institutional investment community.
 - 10.5 From a domestic asset owner's perspective there are three major initiatives with the goal of establishing African water as an investable asset class; to design greater public-private partnerships; and to deliver catalytic financing. The three initiatives are (1) the African Green Infrastructure Investment Bank, (2) the Model Law for Institutional Investor Public—Private Partnerships, and (3) a high-level roadmap that brings together best practices and regulations that may be used to attract high volumes of investment into the sector.
- 12. SDG 6 Global Acceleration Framework: Governance, Data and Information, Innovation, Financing, and Capacity by Ms. Kathryn Pharr, Senior Policy Adviser for International Climate Action at WaterAid
 - 11.1. The global community requires an annual investment of US\$229bn to reach SDG 6 for low- and middle-income countries. The capital is available but the key obstacle to accessing it is aligning project design to access requirements. The private sector needs to view the water sector as an investable and bankable opportunity. The current concerns of the private sector include the lack of strong return on investment, high water infrastructure costs, perceived-as-high-risk investment locations, the fact that social benefits of water investments are hard to

monetize, upstream risks, and the fact that water is seen as a complicated sector to invest in.

- 11.2. We have seen private sector progress in other similar sectors by using blended finance. There are three main benefits to the blended finance approach in the water sector: (1) blended finance can increase overall investment in water, (2) blended finance reduces the risk to both private and public investors, and (3) continued investments smooths out risks for future investments.
- 11.3. The water sector needs to consider blended finance as an approach for the entire sector, not individual projects.
- 11.4. The blended finance approach is effective and can work for the water sector but it requires the collaboration of governments, financiers, project owners, and development organizations.
- 13. <u>Kigali Bulk Water Supply Project as a model Public Private Partnership by Mr. Luke Foley,</u>

 Deputy Head of Technical Assistance, Private Infrastructure Development Group
 - 12.1. The Kigali Bulk Water Supply Project is public private partnership between the Government of Rwanda, represented by the Ministry of Infrastructure, Water, Sanitation Corporation (WASAC), the government water utility company and Kigali Water Limited. This is the first Independent Water Producer project on a large scale in Africa and was financed using a blended finance approach.
 - 12.2. The project scope involves the development, design, financing, construction and operation of 40,000m3/day Bulk Water Facility (BWF) south of Kigali in Rwanda. The scope of the BWF comprises of a water treatment plant, a well field with 38 wells, three pumping stations, pipelines and three storage reservoirs. Under the private public partnership, Kigali Water Limited supplies bulk water to the Water and Sanitation Corporation, which WASAC then sells to the local consumers.



Caption: Kigali Bulk Water Supply Project (photo credit: Kigali Water)

- 12.3. The Kigali Bulk Water Supply Project:
 - a) demonstrated an effective public private partnership process, which determined feasibility and adapted the design;
 - b) benefited from a good sponsor with experience of developing water projects;
 - c) received long term financing from the AfDB;
 - d) received viability gap funding of US\$6.5mn; and
 - e) was prioritized by government which made the project more appealing to private sector.
- 12.4. The challenges experienced by the project included the long project timeline. The upstream advisory work was approved in 2010 but the project only reached financial closure in 2017 this required patience by financiers, government, and other stakeholders. The credit worthiness of the water utility was a further challenge, as was the issue of non-revenue water. To address the latter two challenges, the Rwandan government provided a guarantee.
- 12.5. The lessons that have emerged from the project is that government must make the project a national priority this reduces the fragmentation in the sector and encourages the private sector. An open and transparent tender process is also important.
- 12.6. The Private Infrastructure Development Group is attempting to synthesise all of the lessons learnt to that process can be replicated in other countries.
- 14. <u>Opportunities and challenges of financing water security and sanitation in Africa by Eng.</u>

 Konstant Bruinette, Senior Deal Originator at the Development Bank of Southern Africa (DBSA)
 - 13.1. In Sub-Southern Africa, 42% of people live without basic water supply while 72% live without sanitation. Given the rapid rate of urbanization in the region, securing safe and sustainable water supply is an urgent priority.
 - 13.2. Limited public finance needs to be geared by public sector funding. The bankability of water sector investments is compromised therefore a paradigm shift is required which will consider water scarcity and the developmental need for equitable access to water. In the case of private sector funding the benefits from equitable access to water need to be monetized.
 - 13.3. The challenges experienced in the sector include: (1) poor regulatory and policies; (2) lack of policy coherence between sub-sectors which results in overall cost increases; (3) the poor creditworthiness of the sector; (4) poor tariff setting; and (5) poor project preparation.
 - 13.4. Critical success factors for water sector projects are: (1) development finance institutions' ability to influence stakeholders; (2) focused use of limited grant funding to gear in private sector funding; (3) collaboration between stakeholders; and (4) and applying a programmatic approach to scale up.

- 14.0 <u>Formal establishment of the High-Level Panel Expert Advisory Group moderated by Mr. Robbert Moree, Policy Coordinator: Directorate for Climate Adaptation and International Water Policy, Ministry for Infrastructure and Water Management, The Netherlands</u>
 - 14.1. Each representative of High-Level Panel Expert Advisory Group was asked to share their priority for the Panel's work.
 - 14.2. The African Water Association prioritized the need for political will to overcome the challenges around funding that exist. The African Water Association has focused on encouraging peer-to-peer learning among water utilities.
 - 14.3. International Water Management Institute prioritized the need to ensure that the policies and enabling environments are in place that can carry out the vision of the Panel on the ground. The Nexus is critically important to resolving norevenue water challenges. Rural water also needs to be considered.
 - 14.4. Global Water Partnership prioritized the need to consider innovation in the water sector specifically the use of philanthropic capital, decentralize solutions using mobile tech solutions, and the use of the water-energy-food nexus as investments are designed. Climate investment Readiness to be embed with countries that are being supported through the GCF Readiness Process
 - 14.5. WaterAid is committed to working on the Expert Advisory Group.
 - 14.6. UNDP Cap-Net prioritized to need to inform and educate all stakeholders of the potential solutions. The efficiency of the actions taken by the Panel will depend on how much awareness raising and knowledge building is done this will sustain the results on the ground. Accountability, transparency, and participation are also very important to ensure efficiency.
 - 14.7. UNDP prioritized the need of reform of policy and governance; this will be a key catalyst for success. Peer-to-peer learning between utilities will be important to build capacity.
 - 14.8. Water Research Commission (South Africa) prioritized the need to consider the water and sanitation needs of rural communities, to consider innovations and technologies, and the need to align policies and legislation.
 - 14.9. UNICEF prioritized the need for massive political leadership, backed by data and information.
 - 14.10. Stockholm International Water Institute's African Regional Centre prioritized the importance of the high-level political office bearers as well as public-private partnerships. Maintenance of existing infrastructure needs to be accounted for.

- 14.11. Department of Water and Sanitation (South Africa) prioritized the need for Member States to acknowledge the need to approach water investment in a new way. Ministerial level action is very important to move projects and reform. They prioritized the need to align the Panel to other related initiatives on the continent so that synergies can be maximized.
- 14.12. Private Infrastructure Development Group prioritised the need for collaboration and coordination between stakeholders.
- 14.13. AUDA-NEPAD prioritised the need for economic integration between projects as premised by the PIDA corridor approach.
- 14.14. AUC prioritised the need to apply learning from other and related sectors; as well as to close the gap between perceived risk and actual risk.
- 14.15. The World Bank Group prioritised the need to de-fragmentise the sector. The World Bank would commit to working with countries and partners to bring the spirit of the Paris Declaration on Climate Change back into the water sector.
- 14.16. African Investor Group committed to helping to develop the regulatory and legal framework, to contribute expertise to de-risk transactions, introduce place-based impact investment to the financing mix of water sector.
- 15. Conclusion and close Mr. Robbert Moree, Policy Coordinator: Directorate for Climate
 Adaptation and International Water Policy, Ministry for Infrastructure and Water
 Management, The Netherlands
 - 15.1. The High-Level Panel Expert Advisory Group was formally constituted. Mr. Moree encouraged all of its members to work together and share knowledge so that they can lead to actions and recommendations for the Panel.
 - 15.2. The Inaugural Expert meeting was closed.

Annex 1: AIP Coordination Structures and Terms of Reference for the Expert Advisory Group for the International High-Level Panel on Water Investments for Africa

Adopted on 28 August at the Inaugural Expert Meeting, Stockholm, Sweden

14.1 Background

The Assembly of the African Union Heads of State and Government adopted the Continental Africa Water Investment Programme (AIP) as part of Programme for Infrastructure Development in Africa – Priority Action Plan 2 (PIDA-PAP 2) during the 34th ordinary session of African Union summit on 7 February 2021.

The goal of the AIP is to transform the investment outlook for water security and sustainable sanitation for a prosperous, peaceful and equitable Africa. The objective is to enhance job creation through gender sensitive investments in water security and climate resilient development.

Delivery of water investments across Africa is below the required target to meet the continent's growing needs. It is estimated that US\$30 billion/year needs to be invested to meet the Sustainable Development Goal 6 target on water and sanitation. Currently, only US\$10-US\$19 billion is invested each year, leaving a water investments gap of US\$11-US\$20 billion/year. AIP aims to close the water investment gap by leveraging US\$30 billion/year in climate-resilient water investments by 2030 and create 5 million jobs towards the African water vision and SDG 6 targets.

The water investment requirement is even larger for Africa to achieve the Africa Water Vision 2025, which requires an annual investment of US\$64 billion/year, according to the African Development Bank.

The AIP aims to close the water investment gap through five interrelated initiatives and programmes:

- 1. AIP International High-level Panel to strengthen political commitment and leadership
- 2. AIP-PIDA Water Investment Scorecard to enhance mutual accountability, transparency and efficiency of water finance and investments
- 3. International blended investment mechanism to leverage public- private partnership finance
- 4. Gender equality and empowerment of women and girls in water investments
- 5. Climate resilient regional, transboundary and national water investment programmes

1.1 Mobilise political commitment: International High-Level Panel on Water Investments

The International High-Level Panel on Water Investments for Africa¹ was formally launched on 25 March 2022, during the 9th World Water Forum in Dakar, by H.E Macky Sall, President of the Republic of Senegal and Chairperson of the African Union. The Panel comprises representatives from current and former Heads of State as well as other global leaders, with Co-Chairs; Prime Minister of The Kingdom of the Netherlands, President of the Republic of Namibia; and an Alternate Co-Chair, H.E Jakaya Kikwete, Former President of the United Republic of Tanzania.

The International High-Level Panel will drive global political mobilization and international engagement to mobilise investments to meet the socio-economic needs of the continent, SDG 6 water related targets. The objective of the High-Level Panel is to mobilise investments for implementing the AIP and closing the existing water investment gap in Africa, which is estimated at US\$11-20bn annually.

The Panel will develop a high-level report and investment plan with pathways and recommendations for countries on how to mobilize US\$30 billion/year to close the water investment gap in Africa, estimated at US\$11-US\$20 billion/year. The African Union Commission will leverage the panel to develop the AU Water Policy.

The Panel's High-Level Report and Investment Action Plan will be launched during the UN Conference on the Midterm Comprehensive Review of the Implementation of the Objectives of the International Decade for Action in March 2023 and presented to the AU Heads of State Summit in June 2023.

1.2 Develop and implement a water investment scorecard to enhance mutual accountability, transparency and efficiency of water finance and investments

On 6 February 2022, the Assembly of the AU Heads of State and Government adopted the AIP-PIDA Water Investment Scorecard.² Developed by over 25 global and pan Africa partners³, the scorecard will be presented regularly to Heads of State to enable them to know what is happening in the water sector in their respective countries. The scorecard will support countries to track progress, set benchmarks, identify bottlenecks, and take action to meet the investment needs to achieve SDG 6 targets on water and sanitation. The scorecard will track progress in the mobilisation of climate resilience investments, enhance mutual accountability and transparency for results and promote peer-to-peer review mechanisms at all levels. The scored development will include country pilots to refine the indicators, data collection methods and develop recommendations to inform the high-level panel report and investment plan.

² https://aipwater.org/implementation/aip-water-investment-scorecard/

https://aipwater.org/high-level-panel/

³ The following organisations are collaborating on the development of the scorecard: AUDA-NEPAD, World Bank, AfDB, DBSA, UNICEF, World Health Organisation, WMO, GWP, Food and Agriculture Organization, International Water Management Institute, United Nations Environmental Programme, DBSA, International Union for Conservation of Nature, United Nations Industrial Development Organization, United Nations Development Programme, Stockholm Water Management Institute, and others.

The scorecard development processes is led by a Steering Group co-chaired by AUDA-NEPAD and GWPSA-Africa, a Core Group and Technical Working Group, both Co-Chaired by AUDA-NEPAD.

1.3 Assess the need and potential of an AIP International Blended Investment Mechanism to leverage private sector finance

To close the water investment gap, additional finance needs to be mobilised from the private sector. A comprehensive assessment is required to address the difficult and challenging question of inadequate private sector investment in water, assessing what is needed to unblock this to leverage private sector finance and blended finance at scale. The assessment will explore the potential for a blended investment mechanism to leverage existing project preparation facilities across Africa to unlock private sector finance and develop recommendations to inform the high-level panel report and investment plan.

The Infrastructure Consortium for Africa (ICA, 2014) identified at least 52 Project Preparation Facilities (PPFs) operating across the African water sector. Today there is a fragmented picture of PPFs and there is need for improved coordination to meet an alignment in sources of finance and operations and leverage the private sector finance.

The assessment will analyse what is needed for enhancing collaboration and coordination with existing project preparation facilities at all levels; national, regional, continental, and international level, to unlock public, private sector investments and commercial capital. The assessment will investigate how countries can leverage ODA and grant finance to de-risk priority climate-resilient water investments using a variety of innovative financial instruments including sovereign wealth funds, guarantees, commercial finance, institutional investors and private equity, foundations, value-based impact investment, climate finance, GCF, GEF, AF, and other climate funds.

The assessment for a blended investment mechanism responds to expressed demand for African countries to strengthen mechanisms to access private sector finance for climate resilience water projects. In September 2018, 100 participants, comprising GCF National Designated Authorities (NDAs), GCF Direct Access Entities (DAEs), and decision-makers in Water Ministries and agencies – from 24 African countries attended a Technical Workshop on Project Preparation for Transformational Climate Resilient Water Project Concepts in Africa for GCF. The participants launched a project preparation partnership, which will inform the assessment for the blended financing facility. The recommendations would contribute to the high-level panel report and investment action plan.

1.4 Addressing bottlenecks of formulating bankable climate resilience water projects and promote gender equality and empowerment of women in water investments

Bottlenecks include inadequate transformative approaches that promote gender equality and empowerment of women in water investments, lack of gender disaggregated data in investment planning processes, inadequate access to reliable hydro-climatic information and early warning systems that targets vulnerable gender groups, lack of access to usable targeted hydrological information systems and products for gender informed decision-making, inadequate finance for early-stage project preparation, long and slow procurement processes, inadequate co-financing, inadequate integration of gender and climate risks, inadequate investment guarantees and weak inclusion of gender considerations across all

stages of the project cycle to enable effective transformative water investments that promote gender equality and empowerment of women and translation of project preparation to 'on the ground' gender responsive physical water and sanitation infrastructure assets.

Interventions will promote enhanced collaboration with existing project preparation facilities to promote gender equality and empowerment of women and provide technical assistance in the entire project development cycle with emphasis on the planning and early/mid-stage development phase. Interventions will develop recommendations inform the high-level panel report and investment plan on climate resilience and gender equality.

1.5 Develop capacity to formulate, implement climate-resilient regional, national investment programmes with project pipelines to close the water investment gap

Climate-resilient water investment programmes to close the water investment gaps at regional and national level will promote low-emission development pathways, and evidence-based and data-driven investment decisions with prioritised and well-sequenced project pipelines across the entire water supply value chain. The investment programmes will also serve as tools for addressing ongoing hydro-climatic information and hydrological data gaps and bottlenecks identified through the water investment scorecard, while implementing interventions to address obstacles.

Regional Economic Communities, River Basin Organisations and governments will be supported to develop and implement climate-resilient water investment programmes to close their water investment gaps. Analytical work will be undertaken on the bottlenecks and gaps of attracting additional finance and interventions implemented to address identified bottlenecks informed by insights from the AIP-PIDA Water Investment Scorecard. Capacity will be developed to prepare evidence-based, data-driven investment programmes with prioritised and well-sequenced bankable projects and project pipelines across the entire water value chain. Lessons and experiences from implementation of locally led water investment programmes will inform the high-level panel report and investment plan.

15.0 Proposed TORs and Coordination structures for the High-Level Panel

The Panel's work will be supported by a Steering Group, Core Group and Expert Advisory Group comprising Sherpas/Advisors to the Panel members and experts from the technical working group developing the AIP-PIDA Water Investment Scorecard. Support will include input into the Panel report and investment action plan, high-level Panel outputs, participation in Panel events, and others as may be required.

To enhance efficiency, coordination and avoid duplication, it is recommended that the High-Level Panel coordination structure build on the existing structures and coordination arrangements established by AUDA-NEPAD for developing the AIP PIDA water investment scorecard, Scorecard Steering Group, Core Group and Technical Working Groups. The following coordination structures are proposed to guide the panels work and overall implementation of the AIP:

- International High-Level Panel
- Steering Group

- Expert Advisory Core Group
- Technical Working Group
- Independent Reference Group

3.0 TORs for the International High-Level Panel

Led by the Panel Co-chairs, this will provide overall high-level guidance and strategic direction on the development of the panel report and investment action plan. The TOR for the High-Level Panel is provided as a separate document.

4.0 TOR for the High-Level Panel Steering Group

4.1 Steering Group leadership and mandate

Led by AUC, AUDA-NEPAD, the Alternate Chair of the Panel, the steering group will provide overall strategic guidance to development of the panel's report and investment plan.

The steering group will also ensure alignment all AIP initiatives and investments programmes with the overall mandate of the high-level panel and facilitate high level synergies, AIP coordination and alignment with global and continental processes related to water including the water action decade, the 2023 UN water conference, SDG 2030 agenda, AU Agenda 2063, the proposed AUC water policy, post 2025 Africa water vision development and others.

4.2 Composition of the Steering Group

Building on the Steering Group for the AIP PIDA Water Investment scorecard, the High-level Panel Steering Group is proposed to comprise **sherpas/advisors from High Level Panel Co-Chairs**, high level representatives of AUC, AUDA-NEPAD, AMCOW, World Bank, AfDB, UNDP, UNICEF, DBSA, COMESA. Accountable to the Co-Chairs of the High-Level Panel, it is envisioned that the steering group will include the following partners:

- African Union Commission: Co-Chair the steering group with AUDA-NEPAD, Alternate
 Co-Chair of the Panel. Overall coordination with AUC, AUDA-NEPAD and responsible for
 anchoring the panel report and Investment Action Plan, AU water policy within AU panAfrica priorities and structures, overall coordination with RECs as part of Agenda 2063 in
 line with AUC mandate on continental policy coordination;
- AUDA-NEPAD: Co-Chair the expert Core Group. Convene and preside over Core group
 meetings and responsible for anchoring the High-Level Panels report, investment action
 plan and AIP PIDA water investment scorecard within pan-Africa priority structures, as
 part of the PIDA PAP II process and IAIDA governance.
- Sherpas of the High-Level Panel Co-Chairs: Ensure alignment with the High-Level panel mandate and lead preparation of the Panel Vision Statement and coordination with the Panel Co-Chairs on the Panel Report and Investment action plan and lead the process for input of the panel to the UN 2023 conference and water action agenda.

- AMCOW: Mobilisation of water and sanitation ministers across Africa to contribute to
 the panels work, support AUC in leading development of the AU Water policy, ensure
 coordination with the African Network of River Basin Organisations (ANBO) and
 alignment of the panels work with the AMCOW Water and Sanitation Sector Monitoring
 and Reporting System (WASSMO), and reporting to the AMCOW Ministers.
- World Bank Group: Responsible for providing relevant World Bank financing and investment data on water, sanitation, climate resilience, gender, ensuring synergies and complementarity of the panels work with World Bank relevant initiatives such as Global Water Security & Sanitation Partnership (GWSP), 2030 Water Resources Group (2030 WRG), Cooperation in International Waters in Africa (CIWA), IFC's work with private sector and other World Bank water and climate related trust funds. Support development of the panel's investment plan;
- AfDB: Responsible for providing relevant AfDB financing and investment data on water, sanitation, climate resilience, gender, ensuring synergies and complementarity of the panels work with AfDB relevant initiatives such as Africa Adaptation Acceleration Programme (AAAP), Affirmative Finance Action for Women in Africa, Africa Water Facility, NEPAD Infrastructure Project Preparation Facility, Support development of the panel's investment plan;
- **UNDP and UNICEF:** Ensure coordination with the UN system, including UN-water on the high-level panel
- DBSA: Support identification and provision of relevant data sources required for use in the development of the water investment plan and provide guidance on methods for measuring water investments against targets and indicators to support the panels investment plan;

4.3 Timeframe and frequency of meetings of the Steering Group

The Steering Group- will meet bi-annually. All Steering Group meetings will be held in hybrid format to enable both in-person and virtual participation. Special meetings may be called as and when necessary to address any urgent matters related to the High-Level Panel work and AIP implementation.

4.4 Working modalities of the Steering Group

The Steering Group meetings will be supported technical teams from AUC, AUDA with support from AIP Technical Support Unit and Panel Convenors secretariat hosted by GWPSA-ACU. The secretariat will facilitate the sharing of information, meeting invites, meeting agendas, minutes, and resources ahead of each meeting. External partners may be invited at the discretion of the Steering Group Co-Chairs to provide specific input to facilitate the progress towards developing the AIP Water Investment Scorecard.

The quorum of the meeting will be at least half of the members represented (50%). Should a quorum not be present to start the meeting, continuing the meeting on an informal basis (no decision making) or cancelling is at the discretion of the Co-Chairs.

5.0 TORs for the Expert Advisory Core Group

Led by the AUC and AUDA-NEPAD, and Sherpas to the Panel Co-chairs, the Expert Advisory Core Group will provide support to the High-Level Panel through contribution to development of the Panel's report and investment action plan. The Core Group will provide operational guidance in the development of the Panel's report and Investment Action Plan and ensure that this is aligned with the water investment scorecard, the AIP-PIDA water investment scorecard and the AU water policy. The Core Group will implement decisions made by the Steering Group.

The proposed roles and responsibilities of the Expert Advisory Core Group will include:

- Implementing the decisions of the Steering Group and ensuring alignment with global and Pan African water related agendas and processes.
- Supporting the development of the High-Level Panels report and investment action plan, the AU water policy and AIP PIDA water investment scorecard, with support from the Technical Working Group, experts, consultants, and stakeholders.
- Providing guidance, and feedback to experts, consultants and other stakeholders on the development of High-Level Panels report and investment action plan, the AU water policy and AIP PIDA water investment scorecard;
- Consider and review recommendations from the Technical Working Group, consultants, and other stakeholders on the High-Level Panels report and investment action plan, the AU water policy and AIP PIDA water investment scorecard;
- Preparing progress reports and any other information required by the Steering Group for the development of the High-Level Panels report and investment action plan, the AU water policy and AIP PIDA water investment scorecard;
- Providing potential data and available resources that can support the development of High-Level Panels report and investment action plan, the AU water policy and AIP PIDA water investment scorecard;
- Facilitating access to the relevant organizational information, networks and staff expertise required to support the development of the High-Level Panels report and investment action plan, the AU water policy and AIP PIDA water investment scorecard;
- Contributing to consultations, webinars and other stakeholder meetings related to the High-Level Panels report and investment action plan, the AU water policy and AIP PIDA water investment scorecard;
- Serving as ambassadors and champions to communicate the importance and motivate for the High-Level Panels report and investment action plan, the AU water policy and AIP PIDA water investment scorecard;

- Participating in bi-monthly meetings of the Expert Advisory Core Group to monitor progress and continuously guide the development of the panel deliverables;
- Sharing of evidence-based knowledge, lessons learnt and best practices from organizational experience in developing similar initiatives.
- Facilitating operational engagements with key stakeholders to drive the strategic orientation of the High-Level Panels report and investment action plan, the AU water policy and AIP PIDA water investment scorecard;
- Contributing to the development of recommendations for the High-Level Panel report and investment action plan;
- Provide guidance and support in implementation of AIP relevant initiatives and actions to address key gaps and bottlenecks constraining water investments.

5.1 Composition of the Expert Advisory Core Group

Building on the Core Group for the AIP PIDA Water Investment scorecard, the High-level Panel Expert Advisory Core Group is proposed to comprise technical representatives nominated by sherpas/advisors for the High-Level Panel, technical representatives of AUC, AUDA-NEPAD, AMCOW, World Bank, AfDB, UNDP, UNICEF, DBSA, OCED, and GWPSA-Africa. Accountable to the Steering Group, it is envisioned that the partners core group will include the following partners:

- African Union Commission: Co-chair the expert group with AUDA-NEPAD and reprehensive of the panel sherpas. Overall continental coordination with AU and responsible for anchoring the Panel report and Investment Action Plan, AU water policy within AU pan-Africa priorities and structures, overall coordination with RECs as part of Agenda 2063 in line with AUC mandate on continental policy coordination;
- AUDA-NEPAD: Co-Chair the expert Core Group with AUC. Convene and preside over Core group meetings and responsible for anchoring the High-Level Panels report, investment action plan and AIP PIDA water investment scorecard within pan-Africa priority structures, as part of the PIDA PAP II process and IAIDA governance framework for PIDA:
- Advisors of Sherpas for the High-Level Panel Co-Chairs: Ensure AIP scorecard alignment
 with the High-Level panel mandate and support preparation of the Panel Vision Statement
 and coordination of inputs with Panel sherpas on the Panel Report and Investment action
 plan and the UN 2023 conference and water action agenda.
- AMCOW: Facilitating the alignment of the AU Water policy, the Scorecard alignment
 with the AMCOW Water and Sanitation Sector Monitoring and Reporting System
 (WASSMO), supporting the monitoring of the AIP Scorecard and reporting to the
 AMCOW Ministers.
- AfDB: Responsible for providing the relevant data on water investments in Africa and guidance on methods for measuring water investments against targets and indicators to support the panels investment plan, the Scorecard and relevant panel activities;

- World Bank Group: Support in the identification and provision of relevant data sources required for use in the development of the water investment plan, the scorecard and bringing in experience to guide on appropriate methodological processes;
- DBSA: Supporting the development of the investment action plan and Scorecard through bringing in experience on water investments and also contributing financial resources;
- **OECD:** Support in the identification of relevant data sources and provision of data on Official Development Assistance (ODA) for water in Africa, and guidance on appropriate methodological processes to follow to measure investments flows;
- UNICEF: Facilitating synergies with UN Water Global SDG Accelerator Framework, and also alignment with Joint Monitoring Programme (JPM), Glass Report, and Climate Resilient WASH;
- GWPSA-Africa: Responsible for the AIP Technical Support Unit and secretariat for the panel convenors, support partnership mobilization, coordination of fundraising for the panels work, communication, and awareness raising. Managing consultants and experts for the High-Level Panels report and investment action plan, AIP PIDA water investment scorecard, preparations of meeting reports, planning of high-level panel events, and relevant communication and outreach and prepare for meetings of the Steering Group, Expert Advisory Core Group, Technical Working Group,

5.2 Timeframe and frequency of meetings of Expert Advisory Core Group

The Expert Advisory Core Group will meet bi-monthly. All meetings will be held in hybrid format to enable both in-person and virtual participation. Special meetings may be called as and when necessary to address any urgent matters related to the High-Level Panel work.

5.3 Working modalities of the Expert Advisory Core Group

AUC and AUDA NEPAD will lead overall coordination of the Expert Group supported by the AIP Technical Support Unit and Panel Convenors secretariat hosted by GWPSA-Africa who facilitate the sharing of information, meeting invites, meeting agendas, minutes and resources ahead of each meeting.

External partners may be invited at the discretion of the Co-Chairs and Core Group Members to provide specific input to facilitate the progress towards developing the High-Level Panels report and investment action plan, the AU water policy and AIP PIDA water investment scorecard.

The quorum of the meeting will be at least half of the members represented (50%). Should a quorum not be present to start the meeting, continuing the meeting on an informal basis (no decision making) or cancelling is at the discretion of the Chair.

6.0 Technical Working Group Terms of Reference

The Technical Working Group will provide support in High-Level Panels report and investment action plan, the AU water policy and AIP PIDA water investment scorecard and overall AIP implementation through contribution to relevant follow up actions and recommendations.

6.1 Roles and responsibilities of the AIP Scorecard Technical Working Group

The responsibilities of the Technical Working Group will include:

- Providing technical expertise, guidance, information, and feedback towards the development of the High-Level Panels report and investment action plan, the AU water policy and AIP PIDA water investment scorecard.
- Proposing potential themes, indicators, and data sources to be used for the AIP Water Investment Scorecard.
- Reviewing technical reports and background research documents developed by experts and consultants engaged to support panel deliverables.
- Facilitating access to the relevant data, indicators and information sources required to support the development of High-Level Panels report and investment action plan, the AU water policy and AIP PIDA water investment scorecard
- Participating and actively contributing to monthly meetings of the Technical Working Group;
- Serving as ambassadors and champions to communicate the importance of the High-Level Panels report and investment action plan, the AU water policy and AIP PIDA water investment scorecard;
- Participating in interviews, webinars, and high level panel AIP related events;
- Preparing perspective papers, opinion pieces, blogs, articles, and other awareness materials related to the Scorecard;
- Sharing evidence-based knowledge, lessons learnt, and best practices from organizational experience in similar initiatives;
- Engage with experts from other sectors and incorporate relevant insights and perspectives from experts outside of the water sector in the development of the High-Level Panels report and investment action plan, the AU water policy and AIP PIDA water investment scorecard;
- Facilitating access to the relevant organizational information, networks, and staff expertise required to support the development of the High-Level Panels report and investment action plan, the AU water policy and AIP PIDA water investment scorecard,
- Contributing to the development of recommendations on the development of the High-Level Panels report and investment action plan, the AU water policy and AIP PIDA water investment scorecard
- Contribute to the implementation of relevant initiatives and actions to address key gaps and bottlenecks constraining water investments.

6.2 Composition of the Technical Working Group

The Technical Working Group comprise representatives of the following partners:

- African Union Commission: Co-Chair the Technical working Group with AUDA-NEPAD.
 Overall continental coordination with AU and responsible for anchoring the Panel report and Investment Action Plan, AU water policy within AU pan-Africa priorities and structures, overall coordination with RECs as part of Agenda 2063 in line with AUC mandate on continental policy coordination;
- AUDA-NEPAD: Co-Chair the Technical Working Group Meetings and responsible for anchoring the panels work with within pan-Africa priority structures, as part of the PIDA PAP II process and IAIDA governance framework for the Programme for Infrastructure Development in Africa (PIDA);
- Sherpas of the High level Panel members: Ensure alignment of the AIP scorecard with the High-Level Panel Report and Investment action plan and panel contribution to the UN 2023 conference and water action agenda.
- African Ministers' Council on Water (AMCOW): Responsible for supporting AU water policy development, facilitating the panels work alignment with the AMCOW Water and Sanitation Sector Monitoring and Reporting System (WASSMO), support monitoring of the AIP Scorecard, and reporting to AMCOW Ministers.
- African Development Bank (AfDB): Responsible for providing the relevant data on water investments, data sources and indicators.
- United Nations Children's' Fund (UNICEF): Responsible for supporting indicators related to investments in climate resilience WASH and facilitating synergies with Joint Monitoring Programme (JMP) and the GLAAS Report;
- World Health Organization (WHO): Responsible for supporting indicators related to water investments in Hygiene and Sanitation, facilitating synergies with Joint Monitoring Programme (JMP) and the GLAAS Report;
- United Nations Development Programme (UNDP): Responsible for supporting indicators related to water governance, facilitating synergies with AIP blended Investment mechanism and UNDP indicators for human development;
- United Nations Industrial Development Organization (UNIDO): Responsible for supporting indicator development related to investments for energy and industrialisation and facilitating synergies with indicators on energy and industrial development;
- Food and Agriculture Organisation (FAO): Responsible for supporting indicator development related to investments in irrigation and food security and facilitate synergies with AQUASTAT, FAO's global information system on water resources and agricultural water management and the global framework on Water Security in Agriculture (WASAG);

- International Water Management Institute (IWMI): Responsible for supporting indicator development related to investments in agriculture water management and irrigation efficiency;
- United Nations Environment Programme (UNEP): Responsible for supporting indicator development related to water, environment and facilitating synergies with UNEPs' Global Environment Monitoring System for freshwater quality (GEMS/Water);
- International Union for Conservation of Nature (IUCN): Responsible for supporting indicator development related to nature-based solutions, biodiversity and wetlands management;
- Stockholm International Water Institute (SIWI): Responsible for supporting indicator development related to water governance and transboundary water governance.
- UNDP Cap-Net: Responsible for supporting indicator development related to capacity development
- C40 Cities Climate Leadership Group: Responsible for supporting indicator development related to sustainable cities.
- Global Centre for Adaptation (GCA): Responsible for supporting development of climate adaptation related indicators, facilitating synergies with the Africa Adaptation Accelerator (AAAP).
- AUDA-NEPAD Centre of Excellence on Science, Technology and Innovation: Responsible for supporting data analytics, innovation, and technology in the Scorecard's development; working with experts and consultants on the Scorecard, and facilitating alignment of the Scorecard with AU Agenda on ICT, science, and technology;
- Sanitation and Water for All (SWA): Responsible for supporting indicators related to investments in climate resilience WASH;
- Alliance for Global Water Adaptation (AGWA): Responsible for supporting development of climate adaptation related indicators;
- CARE International: Responsible for supporting indicators related to gender equality and social inclusion and facilitating a gender transformative water investment scorecard;
- Global Water Partnership Southern Africa Africa Coordination Unit (GWPSA-ACU): Responsible for the AIP Technical Support Unit and Secretariat for the panel convenors, fundraising for the panels work, communication, and awareness raising. Responsible for managing consultants and experts, leading the preparations of reports and relevant communication and outreach on the meetings of the Technical Working Group.

6.3 Timeframe and frequency of meetings

The Technical Working Group meetings will be held monthly. All meetings will take place virtually. Special meetings can be called by any member when necessary to address any urgent matters. The Terms of Reference of the Technical Working Group will be

reviewed after the development of the initial phase of the Scorecard, involving ten pilot countries, is completed by March 2022.

6.4 Working modalities of Technical Working Group

The Technical Working Group will be supported by the AIP Technical Support Unit and Panel Convenors secretariat hosted by GWPSA-ACU. The secretariat will facilitate the sharing of information, meeting invites, meeting agendas, minutes, and resources ahead of each meeting. External partners may be invited at the discretion of the Technical Working Group Members to provide specific input to facilitate the progress towards developing the AIP Water Investment Scorecard.

The quorum of the meeting will be at least half of the members represented (50%). Should a quorum not be present to start the meeting, continuing the meeting on an informal basis (no decision making) or cancelling is at the discretion of the Chair.