

AU-AIP AFRICA WATER INVESTMENT SUMMIT 2025

13 - 15 August 2025
Cape Town, South Africa



AU AIP WATER INVESTMENT SUMMIT: PROJECT SHOWCASE

PROGRAMME/ PROJECT OVERVIEW	
Project name	Kazungula Water Supply and Basic Sanitation Project (Phase II)
Location (Country, Region, Coordinates)	Zambia, Southern, -17.775558°S, 25.277208°E
Involved countries (if regional)	Zambia
Sub-Sector	Sanitation
Project description (Goals and expected outcomes)	Sanitation Systems which is intended to :- Construct Waste water treatment plant & backbone sewerage system for sludge treatment plant , Ventilated Pit Latrines to 70% of the population & Piped sewerage system for public administration, commercial Outcome- improve the ecology, healthy lives and well-being of the population of the border town
Technological details/ innovation	On-site and Off-site technology includes:- Faecal Sludge Treatment Plant (FSTP),Anaerobic Digesters converting Off-site Sanitation technologies include: Gravity Sewage Backbone 4.5km & connects septic tanks to central lines & Wastewater Treatment Plant
Governance improvements / innovation	Governance Zambia Southern Water and Sanitation Company (SWSC) – Project owner, Kazungula Town Council & District Administration & Local Stakeholders Innovation :-Reuse: Fecal sludge converted into Birkerts and Manure for Biogas. Capturing methane to reduce greenhouse gas emissions and generate energy.
IMPLEMENTATION & KEY PLAYERS	
Lead institution	Southern Water and Sanitation Company Limited (SWSC)
Implementing agent(s)	DBSA SADC Water Fund
Sponsors / Investors / Contractors / Advisors	Sponsors / Investors:- DBSA Project Preparation Development Fund (funded through kfw) Consultants (Investment consultant appointed)
PROJECT TIMELINE & DEVELOPMENT STAGE	
Year of preparation, estimated start & end dates	Sanitation Concept Plan: May 2023 , Sanitation Feasibility Study: Dec 2023 , Preliminary Designs: May 2024 ,Environmental and Social Impact Assessment (ESIA) Completed (August 2024,)Detailed Designs and drawings: Dec 2024
Current development stage	Draft Tender document for Construction
PROJECT RATIONALE & STRATEGIC IMPORTANCE	
Alignment with national/regional plans, SDGs, Agenda 2063	Aligned to :- SDG 6 (Clean Water and Sanitation), SDG 3: (Good health & well-being), SDG 11 (Sustainable Cities and Communities) and SDG 13 (Climate Action) and AU Agenda 2063
Contribution to NDC's and alignment with NAPs / Adaptation and Mitigation measures	Aligned to the Zambia's National Urban and Peri-Urban Sanitation Strategy (2015-2030), Zambia's NRWSSP II (2019–2030)
Paradigm shift potential (scalability, replicability, policy or behavior change)	High scalability and replicability across border towns as it promotes policy and behavioural change in water use and hygiene
FINANCIAL & INVESTMENT DETAILS	

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Total project cost, currency	Estimated €3million
Funding already raised	Project Preparation funding-
Proposed revenue model	User Fees: Households or businesses pay sewerage. Subscription Models: Regular monthly desludging payments
Financial metrics (IRR, Payback Period, DSCR, NPV) available? Y/N, date	20 years subject to review.
Economic performance	N
INVESTMENT ASK & WAY FORWARD	
Remaining investment required: project component & type (Loan/Equity/Grant/Guarantee/insurance)	VIP Latrines: €780,000 — Grant + Household Equity Sewerage System (4.5 km): €156,000 — Grant/Equity Treatment Plant (sludge + wastewater): €1.58 million — Grant/Equity Sanitation Marketing Consultant: €60,000 — Grant
Opportunity for bundling with other projects (Y/N, date)	Y, possible during implementation phases (2025–2027).
Next steps	Secure Land for Treatment Plant; Finalize Detailed Design & Tender Documents
TARGET GROUPS & SOCIAL IMPACT	
<u>Direct beneficiary</u> population per project component	Kazungula IDP Urban Population 22,000 by 2040. 1,160 current household
Social & gender impact assessment	Y, May 2023
Job creation estimate / local economic benefit assessment (Y/N, date)	Y, May 2023 ~350 Jobs (Construction and operational)
SUSTAINABILITY & ENVIRONMENTAL ANALYSIS	
Environmental compliance & climate assessment (Y/N, date)	Y, May 2024
Environmental impact assessment (Y/N, date)	Y, August 2023
ESG performance (Y/N, date)	Y, May 2024
Safeguards & community engagement	Y, August 2023
RISK MANAGEMENT	
Main risks & mitigation measures	Political & Institutional , Legal & Regulatory; Social; Environmental
Constraints or bottlenecks to finance	Limited Budget (€3M), Low Household Contribution Operational Sustainability
CONTACT INFORMATION	
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