

AU-AIP AFRICA WATER INVESTMENT SUMMIT 2025

13 - 15 August 2025
Cape Town, South Africa



PROGRAMME/ PROJECT OVERVIEW	
Project name	Lomahasha Namaacha Transboundary Water Supply – Phase 2 (Water Treatment Plant and Reticulation)
Location (Country, Region, Coordinates)	Eswatini and Mozambique, SADC,
Involved countries (if regional)	Eswatini and Mozambique
Sub-Sector (Water Supply, Sanitation, Irrigation, Flood Management..)	Water Supply, Sanitation
Project description (Goals and expected outcomes)	Construction of 10MGL water treatment plant at Simunye and water reticulation for Maphiven, Shewula, Lomahasha and Namaacha
Technological details/ innovation	Upgrading the Water Treatment plant to meet demand for both countries as a result of the water supply scheme currently in construction
Governance improvements / innovation	Bi-Directional cross border supply between Mozambique and Eswatini
IMPLEMENTATION & KEY PLAYERS	
Lead institution	Ministry of Natural Resources and Energy (Eswatini) Direcção de Nacional de Abastecimento de Água e Saneamento (Mozambique)
Implementing agent(s)	SADC Water Fund, DBSA
Sponsors / Investors / Contractors / Advisors	German Government German Government through the Federal Ministry for Economic Cooperation and Development and the KfW Development Bank and also co-financing from the Zambian Government.
PROJECT TIMELINE & DEVELOPMENT STAGE	
Year of preparation, estimated start & end dates	2025, January 2026 to December 2027
Current development stage	Construction of phase 1 ongoing, overall progress at 30% (32km water mains, booster pump stations at Nduma and Mbokodjweni and reservoirs at Lomahasha and Namaacha)
PROJECT RATIONALE & STRATEGIC IMPORTANCE	
Alignment with national/regional plans, SDGs, Agenda 2063	Government of Eswatini national development goals 2030 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	Regional integration and sharing of water resources between SADC Member states National Water Resource Strategy III, National Drought Plan (Eswatini)
Paradigm shift potential (scalability, replicability, policy or behavior change)	Improved diplomatic cooperation, most borderline communities tend to be neglected and/or have stuck differences in service provision without the option of sharing resources between the neighboring counties.
FINANCIAL & INVESTMENT DETAILS	
Total project cost, currency	Total cost estimates 44 731 027 Euros Pinda dam and water treatment plant – 16 773 403 Euros, Reticulation – 18 457 214 Euros, Sanitation service level 1 – Euros 6.300 410,

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	Design and supervision – Euros 3 200 000
Funding already raised (amount & sources)	10% co-contribution from Eswatini and Mozambique's (4,5million Euros) Phase 1 KFW Grant Funding for Phase 1 (16.5million Euros), Construction underway (Phase 1) Phase 2 – pre feasibility & preliminary design (312,271 Euros)
Proposed revenue model	Cost Recovery from domestic pro-poor communities in Mozambique and Eswatini as billed and managed by the Water Utilities
Financial metrics (IRR, Payback Period, DSCR, NPV) available? Y/N, date	IRR, 25 years
Economic performance (Benefit-Cost Ratio) Y/N, date	N, To be studied during studies
INVESTMENT ASK & WAY FORWARD	
Remaining investment required: project component & type (Loan/Equity/Grant/Guarantee/insurance)	90% Grant Funding Preferred due to Pro-Poor beneficiary communities. Co-contribution Eswatini funding 5% and Mozambique 5%
Opportunity for bundling with other projects (Y/N, date)	Current Phase 01 under construction (30%)
Next steps	Technical assessment, capacity modelling, engineering redesign and regulatory compliance of the WTW
TARGET GROUPS & SOCIAL IMPACT	
<u>Direct beneficiary</u> population per project component (if available, please provide estimated by income status, gender, ethnicity and/or other status, and numbers of each)	Pro-Poor and smaller percentage of disabled.
Social & gender impact assessment (Y/N, date)	Y, 2022
Job creation estimate / local economic benefit assessment (Y/N, date)	Y, Directly 300 and indirectly 600
SUSTAINABILITY & ENVIRONMENTAL ANALYSIS	
Environmental compliance & climate assessment (Y/N, date)	Yes, 2022
Environmental impact assessment (Y/N, date)	Yes, 2022
ESG performance (Y/N, date)	
Safeguards & community engagement (Y/N, date)	Yes, 2023
RISK MANAGEMENT	
Main risks & mitigation measures (Political, Legal, etc)	Political & Institutional , Legal & Regulatory; Social; Environmental
Constraints or bottlenecks to finance	Limited Budget , Low Household Contribution Operational Sustainability
CONTACT INFORMATION	
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