

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	
Programme name	South Africa Water Reuse Programme ("WRP")
Location (Country, Region, Coordinates)	South Africa
Involved countries (if regional)	N/A
Sub-Sector (Water Supply, Sanitation, Irrigation, Flood Management..)	Water supply and sanitation (waste water treatment and water reuse)
Project description (Goals and expected outcomes)	The South African Water Reuse Programme (WRP) is a flagship initiative that promotes the advanced treatment of municipal wastewater for reuse (potable, industrial, agricultural), incorporating circular economy principles like biogas generation and sludge beneficiation, while aiming to establish water reuse as a new infrastructure asset class. The WRP contributes to climate adaptation by enhancing water security, strengthening municipal resilience, and enabling a paradigm shift in integrated water resource management through programmatic support, blended finance, and the mobilisation of catalytic and climate funding.
Technological details/ innovation	The WRP Programme targets activated sludge wastewater treatment plants—effective, oxygen-driven systems that reduce pollutants and form the foundation for advanced water reuse—focusing on facilities with a design capacity greater than 20 Ml/day to ensure feasibility and cost-effectiveness of reuse sub-projects.
Governance improvements / innovation	The National Water Partnerships Programme (NWPP), established by DWS, SALGA, and DBSA to enable private sector investment in water infrastructure, is implemented through the Water Partnerships Office (WPO)—a ring-fenced entity within DBSA operating independently under a Master Framework Agreement and governed by an Oversight Committee and project-specific steering and approval committees to ensure strategic, transparent delivery of programmes like the Water Reuse Programme.
IMPLEMENTATION & KEY PLAYERS	
Lead institution	The Water Partnerships Office ("WPO")
Implementing agent(s)	The Water Partnerships Office ("WPO")
Sponsors / Investors / Contractors / Advisors	To be determined on a project-by-project basis for all projects supported & implemented under the WRP Programme – sponsors will typically be municipalities in SA and water reuse projects prepared, funded and implemented by the private sector through PPP models
PROJECT TIMELINE & DEVELOPMENT STAGE	
Year of preparation, estimated start & end dates	2024 to 2033
Current development stage	Project definition and planning, Pre-feasibility studies & Bankable Feasibility studies
PROJECT RATIONALE & STRATEGIC IMPORTANCE	
Alignment with national/regional plans, SDGs, Agenda 2063	The Water Reuse Programme (WRP) supports South Africa's climate and development goals advancing SDGs 6, 11, 12, and 13 through improved water quality, strengthened local economies, reduced

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	pressure on ecosystems, and increased water security—particularly benefiting vulnerable communities, including women and girls
Contribution to NDC's and alignment with NAPs / Adaptation and Mitigation measures	To address South Africa's projected 17% water deficit by 2030, the National Water and Sanitation Master Plan promotes interventions like non-revenue water reduction and water reuse, with the DBSA and WPO securing \$235 million in catalytic adaptation funding from the Green Climate Fund to establish a national Water Reuse Programme that supports municipalities in developing bankable projects, lowers financing costs, and unlocks private capital to improve water security and climate resilience.
Paradigm shift potential (scalability, replicability, policy or behaviour change)	The WRP follows a programmatic approach for the scaling of water reuse projects across SA. The WRP uses a blended finance structure to establish water reuse as a new asset class, with catalytic GCF funding enabling initial private sector participation and mobilising a total investment of approximately USD \$1.472 billion for long-term sustainability.
FINANCIAL & INVESTMENT DETAILS	
Total project cost, currency	USD \$1,472 billion
Funding already raised (amount & sources)	USD \$35 million in Grant Funding & USD \$200 million Concessional Loan Funding from Green Climate Fund ("GCF")
Proposed revenue model	WRP projects will be implemented as PPPs using project finance models, with detailed financial assessments conducted to evaluate viability—including FNPV, FIRR, and debt service coverage—so that sub-projects falling below target thresholds can access GCF and other concessional loans to close funding gaps and enhance bankability.
Financial metrics (IRR, Payback Period, DSCR, NPV) available? Y/N, date	The WRP Programme demonstrates strong investment justification with an Economic IRR of 28%, a Financial IRR of 26%, and a Net Present Value ranging from ZAR 13 to 34 billion (USD 817 million to 2.1 billion), with each sub-project assessed individually using the WRP financial model.
Economic performance (Benefit-Cost Ratio) Y/N, date	This will be determined on a project-by-project basis for projects forming part of the WRP Programme
INVESTMENT ASK & WAY FORWARD	
Remaining investment required: project component & type (Loan/Equity/Grant/Guarantee/insurance)	<ul style="list-style-type: none"> Project preparation / technical assistance: co-funding for preparation of water reuse projects (grants or loans) Implementation: Co-Financing/Funding comprising Senior / Mezzanine Debt, Equity, Grant funding & Guarantee funding in the amount of USD \$1,237 billion WRP guarantee instrument
Opportunity for bundling with other projects (Y/N, date)	Project-dependent but has to be a water reuse project opportunity
Next steps	Building of the water reuse project pipeline: Implementation of bankable/prepared projects & continued preparation of water reuse projects. Refer to initial project pipeline below.

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TARGET GROUPS & SOCIAL IMPACT	
Direct beneficiary population per project component (if available, please provide estimated by income status, gender, ethnicity and/or other status, and numbers of each)	The WRP Programme expects to directly increase the resilience to climate change of a total of 3.4 million direct beneficiaries and at scale a further 3.8 million indirect beneficiaries considering combined treated water output
Social & gender impact assessment (Y/N, date)	Yes. Social & Gender Action Plan developed for the programme (13 th July 2023)
Job creation estimate / local economic benefit assessment (Y/N, date)	585 new jobs. Improvements in water security would enable further expansion of economic activities including local agriculture and industry, as well as other businesses
SUSTAINABILITY & ENVIRONMENTAL ANALYSIS	
Environmental compliance & climate assessment (Y/N, date)	Yes on WRP Programme Level Detailed climate risk and vulnerability assessments completed for 47 municipalities in SA
Environmental impact assessment (Y/N, date)	Yes on WRP Programme Level Further to be done at project level (ESMF and ESMP)
ESG performance (Y/N, date)	To be implemented under Impact & ESG Framework of Developing Blended Financing Solutions under Implementation of WRP Projects
Safeguards & community engagement (Y/N, date)	Yes on WPR Programme Level. DBSA and GCF safeguards to be met at project level
RISK MANAGEMENT	
Main risks & mitigation measures (Political, Legal, etc)	The WRP forms part of the WPO standardized programmes with support from the Department of Water and Sanitation in SA. Project specific risks will be identified and mitigation measures implemented on a case by case basis.
Constraints or bottlenecks to finance	The WRP is designed to overcome key barriers to climate-resilient water reuse by addressing fragmented water initiatives, limited municipal technical and procurement capacity, poor access to project preparation funding, low private sector participation, and a lack of awareness around climate impacts and water reuse, through programmatic support, blended finance, technical assistance, and public-private collaboration.
CONTACT INFORMATION	
AIP Secretariat	info@aipwater.org

Initial WRP project pipeline:

Project	Municipality	Estimated project value	Stage
Umhloti and Umkomaas WWTW	Ethekwini Metro	USD150m	Implementation (RFP stage)

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and reuse PPP project			
Northern and Kwa-Mashu Reuse PPP project	Ethekwini Metro	USD190m	Preparation (feasibility completed)
Olifantsfontein WWTW and reuse project	Ekurhuleni Metro (working with Rand Water Services)	USD165m	Preparation (preparing to procure TA)
Waterval WWTW and reuse project	Ekurhuleni Metro (working with Rand Water Services)	USD140m	Preparation (preparing to procure TA)
Rooiwal WWTW and reuse project	Tshwane Metro (working with ISA)	USD130m	Preparation (feasibility commenced)
Sebokeng WWTW and reuse project	Emfuleni (working with Rand Water Services)	USD150m	Preparation (preparing to procure TA)
Outeniqua Advanced Wastewater Treatment Plant	George LM	USD30m	EoI submitted (Preparation)
Pelsvale WWTW reuse project	Rand West City LM	USD30m	EoI submitted (Scoping/pre-feasibility)
Buffalo City Reuse Project	Buffalo City Metro	USD165m	EoI submitted (Scoping/pre-feasibility)