

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	Vaal Gamagara Bulk Water Supply extension (Phase 2)
Location (Country, Region, Coordinates)	South Africa, Northern Cape, 28°24'58.0"S 24°18'20.0"E
Involved countries (if regional)	Not Regional
Sub-Sector (Water Supply, Sanitation, Irrigation, Flood Management..)	Bulk Water Supply
Project description (Goals and expected outcomes)	Developing an additional 25,62 Ml/day in Groundwater supply and upgrading the associated bulk potable distribution infrastructure, including pipelines, pumpstations and reservoirs.
Technological details/ innovation	Options analysis was conducted to select the most viable technological option from a life-cycle costing point of view.
Governance improvements / innovation	Follows the Department of Water and Sanitation: Water Services Planning Guidelines as per the newly developed Water Services Planning Standard Operating Procedure.
IMPLEMENTATION & KEY PLAYERS	
Lead institution	Vaal Gamagara Water Users Association and Department of Water and Sanitation
Implementing agent(s)	Vaal Gamagara Water Users Association
Sponsors / Investors / Contractors / Advisors	Sponsor: Department of Water and Sanitation (RBIG), Contractor (Implementing Agent): Vaal Gamagara Water Users Association
PROJECT TIMELINE & DEVELOPMENT STAGE	
Year of preparation, estimated start & end dates	Planning is currently being updated, which will confirm the updated start and end dates
Current development stage	Adaptive Planning – Implementation Readiness Study (Bankable Feasibility Study)
PROJECT RATIONALE & STRATEGIC IMPORTANCE	
Alignment with national/regional plans, SDGs, Agenda 2063	Increasing the provision of reliable water services, in line with the SGD 6 targets.
Contribution to NDC's and alignment with NAPs / Adaptation and Mitigation measures	NAPs Water Adaptation and Mitigation Measures
Paradigm shift potential (scalability, replicability, policy or behaviour change)	Project is scalable and replicable, with a 30-year design horizon up to 2052
FINANCIAL & INVESTMENT DETAILS	
Total project cost, currency	R8 128 763 890, 000, South African Rands
Funding already raised (amount & sources)	TBC, Department of Water and Sanitation RBIG, Vaal Gamagara Water Users Association and private sector investors.
Proposed revenue model	Water Tariff Collection from end users
Financial metrics (IRR, Payback Period, DSCR, NPV) available? Y/N, date	Yes, July 2020 (being updated)

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Economic performance (Benefit-Cost Ratio) Y/N, date	Yes, July 2020 (being updated)
INVESTMENT ASK & WAY FORWARD	
Remaining investment required: project component & type (Loan/Equity/Grant/Guarantee/insurance)	Implementation
Opportunity for bundling with other projects (Y/N, date)	Yes, July 2020
Next steps	Funding for the project preparation has been secured, planning to be finalized and then need to secure funding for implementation
TARGET GROUPS & SOCIAL IMPACT	
<u>Direct beneficiary</u> population per project component	117 921 people
Social & gender impact assessment (Y/N, date)	Yes, July 2020
Job creation estimate / local economic benefit assessment (Y/N, date)	Yes, July 2020
SUSTAINABILITY & ENVIRONMENTAL ANALYSIS	
Environmental compliance & climate assessment (Y/N, date)	Yes, July 2020
Environmental impact assessment (Y/N, date)	Yes, July 2020
ESG performance (Y/N, date)	Yes, July 2020
Safeguards & community engagement (Y/N, date)	Yes, July 2020
RISK MANAGEMENT	
Main risks & mitigation measures (Political, Legal, etc)	Financial – Co-funding Commitment to be met by the industries (Mine and Agriculture)
Constraints or bottlenecks to finance	Financial – Co-funding Commitment to be met by the industries (Mine and Agriculture)
CONTACT INFORMATION	
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