LESSONS LEARNT FROM MOZAMBIQUE'S DEVELOPMENT OF THE WATER INVESTMENT PROGRAMME



Mozambique has abundant surface and groundwater, but 54% of its freshwater originates in upstream countries. National water stress is low: renewable water resources per capita (7,317 m3) exceed the Falkenmark Water Stress Index threshold, and major economic sectors withdraw only 1.75% of available freshwater. However, uneven distribution and seasonal watercourses can cause regional stress, especially in the south and during droughts.

Mozambique's climate projections show rising temperatures, volatile rainfall, severe droughts and floods, sea-level rise, and more frequent, powerful tropical cyclones. With 60% of the population living along the coast, storm surges and erosion threaten settlements and critical infrastructure.

Unpredictable weather and saltwater intrusion also undermine food security and economic stability, making climate adaptation essential for long-term development.

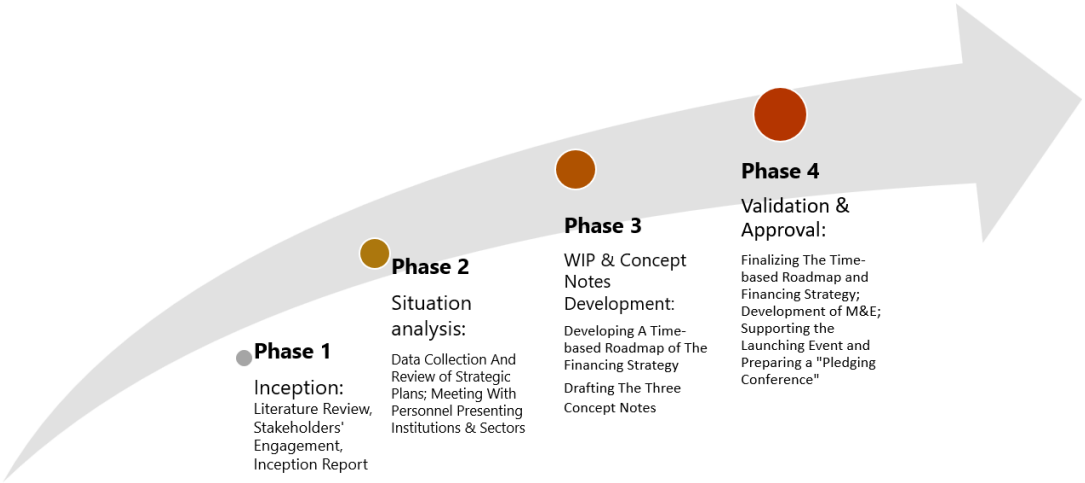
Water investment remains far below the country's needs. The national climate-resilient Water Investment Programme (WIP) was therefore developed to address these challenges and close the investment gap.

Mozambique developed its WIP under the AU-AIP Multicounty Green Climate Fund Readiness Project implemented in 15 countries to accelerate & enhance investment into gender-responsive climate resilience in Africa.

Development Process & Methodological approach

The WIP was developed through a collaborative, multisectoral approach led by a dedicated task force of technical experts from the water, hydropower, irrigation, environment, and private sectors. Engaged from the inception-report stage, the task force ensured that relevant technical expertise informed the programme from the outset.

Mozambique developed its WIP through four main phases which included inception, situation analysis, WIP & Concept Notes Development and validation and approval. The figure below details what each phase involved:



Partnerships and Collaboration

The Mozambique National Climate-Resilient Water Investment Programme was completed with cooperation between the African Union's Africa Water Investment Programme (AIP), Global Water Partnership Southern Africa (GWPSA) and a team of national experts from the institutions:

INSTITUTIONS	SECTOR
MINISTRY OF PUBLIC WORKS, HIOUSING AND WATER RESOURCES	National Directorate of Water Resources Management
	National Directorate of Water supply and Sanitation
	National Directorate of Cooperation and Planning
MINISTRY OF PLANNING AND DEVELOPMENT	National Directorate of Climate Finance

MINISTRY OF AGRICULTURE AND ENVIRONMENT	National Directorate of Environment and Climate Change
	National Institute of Irrigation
MINSTRY OF ENERGY AND MINERAL RESOURCES	National Directorate of Mining
MINISTRY OF TRANSPORT AND COMMUNICATION	National Institute of Meteorology
MINISTRY OF FINANCE	National Directorate of Planning
DISASTER SECTOR	National Institute of Disaster Risk Management
ACADEMIA	Eduardo Mondlane University
PRIVATE SECTOR	Industry Forum

A Technical Working Group, comprising representatives from the institutions listed above, was established to support the development and operationalisation of the Water Investment Programme.

Three stakeholder workshops and several individual consultations with Technical Working Group members were held to support programme development. These engagements helped define key priorities and gather relevant information and data.

A situational analysis report was prepared to inform the development of the Water Investment Programme. It assessed water resources and identified challenges related to water availability, sector needs, and investment gaps. Key references included the Water Resources Master Plan; PRONASAR (Rural Water Supply and Sanitation Program); the National Irrigation Program (PNI); the Strategic Plan for the Development of the Agrarian Sector 2022–2030 (PEDSA II); the National Strategy for Adaptation and Mitigation of Climate Change (ENAMMC, 2013–2025) and its National Adaptation Plan (NAP, 2023); and the Nationally Determined Contribution (NDC).

The Core Investment Pillars of the WIP, among others, included the Infrastructure Development (91% of Budget), Integrated Water Resources Management (IWRM) (6% of Budget), and Governance and Institutional Strengthening (3% of Budget).

Along with producing a validated WIP, Mozambique's process also resulted in a validated Investment Priorities Repot and a validated Financing Strategy Report.

Financing and Implementation of the WIP

To bridge over $14 billion funding gap, the Mozambique WIP introduces innovative financing mechanisms:

- **FIPAAS Blended Finance Facility:** A vehicle to combine government tax revenue with international grants and private capital.
- **Climate Finance Integration:** Aggressive targeting of specialized funds (eg. GCF, Adaptation Fund) and "blue carbon" credit certification.
- **Water Investment Scorecard:** A digital transparency tool to track fund flows, project performance, and socio-economic outcomes like jobs created for youth and women.

Lessons Learnt in Development of the Mozambique WIP

1. Close collaboration between GWPSA and national institutions through the Technical Working Group was essential to building key stakeholders' understanding of the process and enabling the development of the Water Investment Programme.

2. The multi-stakeholder partnerships established during programme development are essential to strengthening local ownership, building trust, and increasing partners' visibility in the sector. These partnerships should be maintained and supported throughout the implementation of the Water Investment Programme.

3. A participatory approach is critical to producing a high-quality document; however, the capacity of those involved is even more important and should be institutionalised.

4. The national executing entity needs to be fully informed at the start of the project about project costs, and which activities are eligible for funding from the project funds to build trust between the fiduciary entity and the local implementing entity.