## Stockholm Water Symposium Speech by Mrs L Hendricks, Minister of Water Affairs and Forestry Stockholm, Sweden 21 August 2006

# "BENEFIT SHARING IN TRANSBOUNDARY WATERS – THE SADC APPROACH AND THE SOUTH AFRICAN EXPERIENCE"

Programme director Honourable members of the panel Distinguished guests, Friends in water and sanitation from all over the world

### 3. Introduction

It is indeed an honour for me as the Minister of Water Affairs and Forestry from South Africa to join you today to discuss the issue of the benefits in sharing transboundry waters. I would like to talk about the approach of the Southern African Development Community and the South African experience as practical examples of sharing transboundry waters.

Southern Africa is a water stressed region but this is not the case for all countries in our region, and the sharing of water resources between countries is for us not merely an academic or policy exercise – it has a direct impact on whether people will live or die in times of drought, whether their crops will fail, and whether livestock will survive.

Ensuring that there are benefits for all countries in the sharing of water resources is therefore critical and is the approach we have adopted in our region, as it contributes to the sustainability and ongoing commitment to sharing of this precious resource.

### 2. The SADC Approach

The Southern African Development Community or SADC is one of the five Regional Economic Communities on the African continent. It is a formalised structure that promotes regional co-operation on a number of issues such as policy, trade, infrastructure, energy, tourism and water amongst other things. Within the structures of SADC we have a water division to specifically focus on promoting co-operation amongst the 14 member states. And we have a protocol on shared watercourses that was first adopted in 1995.

This Protocol sets the framework for future water resource development and management in the shared watercourses in SADC. It promotes and facilitates the establishment of shared watercourse agreements and very importantly institutions to manage these agreements – and we already have agreements and institutions being established arising from our co-operation arrangements with the protocol being quite specific on what these institutions aims and objectives should be. The protocol seeks to advance the sustainable, equitable and reasonable utilisation of shared watercourses; promote a co-ordinated and integrated environmentally sound development and management of shared watercourses; as well as promote harmonisation and monitoring of legislation and policies. Finally the protocol promotes research, technology development and information exchange.

### 3. THE SOUTH AFRICAN EXPERIENCE

Overall, South Africa comes far down the list of water availability *per capita* so bringing water from other parts of the country to water stressed areas, which is something we do, is not always possible, particularly in drought years. Furthermore, like many other countries, we are experiencing the impacts of global climate change, with increased variations in rainfall and extreme events. As a country already prone to droughts and floods this scenario remains extremely worrying, and one that has the potential to threaten our water security.

Programme director, South Africa shares four water basins, namely the Orange River, the Limpopo River, the Inkomati River, and the Maputo River. And through co-operation with our neighbours, in line with the SADC protocol on shared watercourses, we are responding to the water needs of our country to the mutual benefit of all parties involved.

Over the years a number of "Joint Water Commissions" and "Joint Technical Committees" have been established to discuss and negotiate issues of common interest, to manage the water resources or implement joint development projects.

The best known is the Lesotho Highlands Water Commission, which is responsible for the overall management of the Lesotho Highlands Water Project. Two agencies have been established to implement the project, namely:

- The Lesotho Highlands Development Authority (LHDA), which was established to plan, design, construct, operate and maintain the components of the project in Lesotho; and
- The Trans Caledon Tunnel Authority (TCTA) to plan, design, construct, operate and maintain the components in South Africa; and to take responsibility for all the financial arrangements related to the project. The water component of the project is financed through loans, which are repaid through water use charges in the areas served by the project in South Africa.

The benefit sharing between Lesotho and South Africa was critical and forms the cornerstone to the project, and indeed made the project possible.

The benefits to South Africa include the increased security of water supply to Johannesburg and the Gauteng province.

The benefits to Lesotho include major infrastructure development in the country such as roads, power lines, communication lines, schools and clinics; a hydropower scheme supplying the electricity needs of the whole of Lesotho; and, a constant income from the selling of water to South Africa. The supply of reliable energy is a prerequisite for economic development and this project therefore has the potential to further stimulate economic growth.

A second situation where we have implemented a transboundry arrangement is in the Inkomati Basin. Here the institutional set-up is a little different, and maybe more efficient and more in line with the SADC strive towards regional integration. A Joint Water Commission between South Africa and Swaziland oversees the implementation of the Komati Basin Project. The water supplied by the project is mainly for irrigation development of small-scale farmers in both countries and therefore directly in line with the goals of SADC. The needs of Mozambique and the environment are also taken into account. Both countries are sharing the benefits of increased insurance of water supply for irrigation. The costs are shared in the same ratio as the water is shared. The difficulty of the arrangement is to also ensure that the benefits of the project flow to the other country of the basin, i.e., to Mozambique.

The third case is that of the Orange Senqu Commission (ORASECOM), which was established in 2000 between South Africa, Lesotho, Botswana and Namibia to manage the Orange River. The ORASECOM is slowly moving towards a true "river basin organisation" with responsibilities and capacities separate from the member states. The ORASECOM has now decided to establish a Secretariat that will exist as an autonomous international organisation with its own personnel and financial resources.

The fourth case is the Limpopo Watercourse Commission, which was established in 2004 between South Africa, Botswana, Zimbabwe and Mozambique to manage the Limpopo River.

We are also looking at further commissions between South Africa, Swaziland and Mozambique to manage the Inkomati and Maputo Rivers.

### 4. Conclusions

The conclusions of sharing water resources and rivers, and the benefits of doing so are clear for Southern Africa. While these benefits are not necessarily transferable to other regions, they include:

- 1. The clear social and health benefits of having enough water to drink, use in agriculture, and for economic activity.
- 2. There are positive economic spin-offs from investment in water infrastructure; showing the clear link between water and economic growth for developing economies in Africa. This link is one of the main themes in my department and informs the approach we have taken in this area both domestically and in our

co-operation with our neighbouring countries. The development of water infrastructure and the major investment in infrastructure programmes such as dams have been identified as having critical importance to support and stimulate our growth and development plans; with the South African government committing funding and other resources to ensure infrastructure for water and sanitation is developed.

- 3. Promoting regional co-operation and co-operation across the continent. Through the New Partnership for Africa's Development (NEPAD) we are seeing intra-African co-operation at a number of levels, including at a political, cultural, academic, economic, infrastructure, and in water issues. They all are tied together, for example, water from the Congo River for hydro-power is linked to political stability, technical co-operation, well maintained transboundry infrastructure, etc. We, as African countries, need to align and integrate our plans with initiatives of other countries. NEPAD and institutions such as AMCOW therefore have a critical role to play here.
- 4. The benefits to local communities, as our view is that no matter whether the water project is sovereign or transboundry, local communities must benefit from the project. We also have to work harder in implementing Integrated Water Resource management (IWRM) to be able to impact on poverty that is affecting Africa, South Africa included.
- 5. Knowledge sharing on issues affecting the water sector across countries in the continent, although a great deal more can be done in this area. We have to encourage and see improved participation of African countries in events of this nature.

I thank you.

### Additional information on the SADC Protocol and approach

The responsibilities of the shared watercourse institutions shall be determined by the nature of their objectives, which must be in conformity with the principles of the Revised Protocol. The SADC Regional Water Policy gives guidance on Shared Watercourse Institutions, namely that an Appropriate Shared Watercourse Institutions shall be established in all shared watercourses by agreement between the Watercourse States.

Cooperation in the integrated management of shared watercourses should be institutionalised through appropriate Shared Watercourse Institutions (SWCI), *such as Watercourse Commissions, Water Authorities or Boards.* A Watercourse Institution shall be established on each shared watercourse to advise and coordinate the sustainable development and equitable utilisation of the associated water resources for mutual benefit and integration

Every SADC Watercourse State must participate in the SWCI. However, this does not exclude the possibility of other bi-lateral or multi-lateral water institutions for specific purposes, particularly the development and operation of joint water projects, but these are subject to the framework provided by the Watercourse States.

The development of SWCI may be phased to enable gradual development of the cooperative arrangements and necessary institutional capacity requirements.

SWCI must efficiently and effectively fulfil the institution's responsibilities considering sustainability

Watercourse States are encouraged to jointly plan the development of water resources through the SWCI and to undertake the development and operation of joint water resources infrastructure on behalf of two or more countries for mutual benefit through Water Authorities or Boards.

Policy and strategy level decision-making within SWCI should be through consensus between Watercourse States

Stakeholder participation in decision-making is promoted by Member States and/or SWCI. In the interests of integrated water resource managment, SWCI are encouraged to foster cooperative relationships with non-governmental and civil society grouping within the shared watercourse

The role of Shared Watercourse Institutions include:

- Facilitate cooperative decision making about the integrated management of shared watercourses
- Formulating integrated water resources management strategies and basin plans outlining the development, conservation and protection of shared watercourses
- Developing a monitoring and information policy for the shared watercourse and coordinating its implementation.
- Promoting the equitable utilisation of shared watercourses
- Ensuring the coordinated management and response to water related disasters in shared watercourses
- Monitoring the execution of integrated water resource

#### Data on Water availability / usage

Every year, South African rivers receive 50 billion cubic metres of water with a further 6 billion cubic metres available from underground aquifers. This translates into 1,400 cubic metres per person per annum making us a water-stressed country. Of this **56 billion cubic metres**, 21 billion is utilised. Of this volume 52 percent is used for agriculture and irrigation, 8 percent for forestry, 11 percent for industry, 10 percent for domestic use, with 19 percent allocated to ensure a sustainable environment.