

MINISTRY OF WATER AND SANITATION REPUBLIC OF SOUTH AFRICA

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MINISTERIAL STATEMENT BY DEPUTY MINISTER ISAAC SELLO SEITLHOLO AT THE ORASECOM CLIMATE RESILIENT INVESTMENT CONFERENCE

08 MAY 2025, MASERU, LESOTHO

Programme Director

Host Minister Honorable Mohlomi Moleko from the Ministry of Natural Resources Minister of Environment and Forestry of Lesotho, Honorable Letsima Adontsi Her Excellency Dr Sanji Monageng, Botswana High Commissioner to Lesotho and South Africa Mr Ueritjuina Kauaria, Deputy Executive Director of Ministry of Agriculture Fisheries Water and Land Reform of Namibia Executive Secretary of the ORASECOM, Mr Comfort Molosiwa Your Excellencies, Members of the Diplomatic Corp, Leaders of delegations, Business

Distinguished guests and all participants.

Programme Director and distinguished guests, allow me to convey the warm greetings from the people of the Republic of South Africa and its government, as lead by our President, His Excellency President Cyril Ramaphosa. Our President and our government wish this important Climate Resilience Investment Summit a remarkable success and hope that the outcomes of this Summit will contribute to greater water cooperation and climate resilience in Southern African.

The Republic of South Africa is incredibly pleased to be a partner of the Orange-Senqu River Commission (ORASECOM), and has benefited immensely from the work of the commission, which it undertakes with dedication, passion, and resilience. The Commission advises the member countries, on the state of the river basin, the sustainable management, conservation, and equitable sharing of water resources.

To undertake this work, the Commission requires resources, specifically, human expertise and financial. We as member countries pay our annual country contributions to support the work of the commission. I am happy to say, that South Africa is up to date with its country contributions. Additionally, we are also pleased to be the country host for ORASECOM, this too is a contribution testament to our country's commitment.

South Africa receives hundreds of millions of cubic meters of water annually from the Orange River, which contributes to our water security and socio-economic development activities. This is made possible, through the work of the Commission, which goes an extra mile and leverages resources to undertake scientific and engineering studies in order to better manage this precious resource. These studies include the Basin wide Climate Resilient Strategy and Plan, which was developed by ORASECOM with the support of the African Development Bank and member countries, and reason we are here today.

Ministers, the Climate Resilience Strategy and Plan recognises that the high level of variability in precipitation due to climate variability and change defines the need to optimize and implement efficient water resources development and management in the Basin. The development of new infrastructure to meet increasing water demands, even if technically and environmentally feasible, is both expensive and complex.

Economic considerations of water use have been identified as a key part in the planning and optimal use of what would become an increasingly scarce and expensive resource. Projections of future water demand and associated infrastructure development must be based on balanced considerations of economic, social, and environmental factors. The integration of water resources yield analysis, water resources development planning and economic optimization would ensure the development of short, medium- and long-term solutions to address basin water resources needs and development challenges.

Honourable Ministers and colleagues, the reality is that the Commission requires both human expertise and financial resources to undertake this vital work. This important Climate Resilient Strategy and Plan requires approximately \$7.5 billion (around R137 billion) to implement 36 priority large water infrastructure projects and key strategic actions in the Orange-Senqu River basin between 2015 and 2050. This investment is crucial to ensuring reliable water resources for various demands and development needs.

Some of these projects include:

- The Orange River Project and Noordoewer-Vioolsdrift (NVD) Intervention Options
- Lesotho to Botswana Water Transfer Scheme
- Integrated Vaal River Intervention System Options
- Caledon to Greater Bloemfontein Transfer
- Greater Bloemfontein Internal Resource Improvements
- Gariep to Greater Bloemfontein Transfer

When implemented efficiently, these projects will provide equitable benefits for all partner countries, contribute to socio-economic development, and strengthen water security. They will lead to improved water provision, enhanced water quality, climate resilience, water conservation, and effective environmental management. We must therefore make their success our generational mission and legacy.

Attracting investors to the water sector in South Africa and partner countries, as per the Southern Africa Integrated Resource Management Plan, remains a crucial mission. Our Ministry will, this year, host the Africa Water Investment Summit aimed at mobilizing investment into the African water sector. In our Presidency of the G20, we will also endeavor to make water an important conversation, particularly the aspect of investment into the African water sector.

Honourable Ministers, over and above our crucial climate resilient investment conversation today, there are other crucial water management aspects that go in tandem with the broader conversation on investment.

Here are some important points to consider, which I may add South Africa is at various stages of implementation:

1. Regulatory Framework

The National Water Act of 1998, and the water services act of 1997 provide the Government, in this case the Department of Water and Sanitation of South Africa with the responsibility to manage, regulate its water resources and provide water and sanitation services to its people. This is enshrined in constitution, that states that every citizen has the right to water and sanitation. Additionally, Chapter of the National Water act of South Africa grants the Minister, the right to enter international partnerships of water such as ORASECOM.

We are committed to establishing clear, stable, and investor-friendly regulations that encourage private sector participation. We have committed ourselves to simplifying the approval processes for projects, which will also be beneficial. We are in the process of amending the Water Services Act to introduce a licence for water services providers; to address water service management in our water service authorities (municipalities). Tackling the issue of non-revenue water as well as pollution.

2. Infrastructure Development:

There are numerous opportunities for investment in water infrastructure, including wastewater treatment plants, water conveyance pipelines, and novel technologies and innovations. South Africa has adopted the Public-private partnerships model as one of the ways of being more effective in this regard. To this end, the Department entered into partnership with the Development Bank of South Africa (DBSA) to establish the Water Partnership Office (WPO), which aims to accelerate water infrastructure development through private-public partnerships. These are models of partnerships that watercourse commission employ in their arsenal of resource leveraging.

3. Sustainability Initiatives:

We are promoting projects focused on sustainable water management, such as water reuse, where treated affluent can be used for irrigation and mining purposes. Our appreciation exists to emphasis environmental sustainability.

4. Technological Innovation:

South Africa has embarked on roll-out of smart metering, not only for revenue collection efficiency, but also to ensure we are able to better keep an eye on loss of non-revenue water. South Africa is committed to advancements in water technology.

5. Market Demand:

We recognize the growing demand for water, particularly driven by population growth and climate change, translating into the importance of collaborations with sister countries as well as getting investors to invest in water affairs to further ensure reliability and access. The earlier mentioned projects are interventions are envisaged to be implemented to ensure water security and socio-economic growth.

6. Risk Management:

Addressing potential risks associated with water and climate change, such as droughts, floods (extreme water events) or regulatory are priority.

7. Government Support:

Our government contributes significantly towards addressing the challenges faced in relation to water security and provision through government grants, and numerous funding opportunities. We have the Water Services Infrastructure Grant (WSIG) and the

Regional Bulk Infrastructure Grant (RBIG). These grants provide critical support to our water services authorities and ensure water provision security.

Government support programmes must also be garded against the perils we observe on our continent. These mechanisms should be put in place to ensure that there is no wastage or corruption. In South Africa, we are establishing the Water and Sanitation Sector Anti-Corruption forum led by our Special Investigative Unit to deal with project fraud and corruption.

8. Community Engagement:

Our legislation supports inclusion and involvement of communities in water projects, which amongst others includes the Vaal-Anti Pollution Forum and the Knysna Water Community Forum, as participatory mechanisms to ensure active citizenry in water and sanitation matters. I am aware that ORASECOM has the specific programme aimed at gender inclusion, women, and youth development. This is in line with our priorities.

9. Partnership Opportunities:

We encourage and have various collaborations, partnerships (national and International) with the private sector, NGOs, and other stakeholders with the aim of leveraging resources, knowledge, expertise, technologies and innovations.

Partnerships with Coca Cola have assisted in going further on addressing some of the challenges we face; the Unity Water is a great example of a partner NGO. We further have entities of government that support the Department that conduct research development and innovation activities, at a national and international level, with the aim of providing government with evidence-based solutions and knowledge towards water security. In light of this, we are pleased to have seen some of the research products from ORASECOM, including the Climate Resilient Strategy and Plan, which has resulted in

this conference which is aimed at mobilising funding to undertake priority projects identified to address climate change and water challenges in partner countries.

By focusing on these points, South Africa aims to create a compelling case for investment in its water sector, fostering growth and innovation while addressing critical water challenges.

This conference, along with the participation of all stakeholders, is a testament to water diplomacy and the strengthening of partnerships for socio-economic development. We wish remarkable success for the conference and hope that before the day is done, we can achieve the target of USD 7.5 billion in financing commitments. I encourage everyone to actively participate and engage in all relevant activities of the program.

As we know, water is life, and it knows no borders. Our commitment here today should reflect this truth. Together, let's harness the potential of our shared water resources to create a sustainable and prosperous future for all.

Thank you. Kea leboha!