

Strategic Sector Corporation on Water South Africa / Denmark

FINAL

General information	
Project Title	South African – Danish Strategic Sector Cooperation on Water
Partner Country	South Africa
Responsible Danish public authority	Danish Ministry of Environment & Food
Partner Institution	Department of Water & Sanitation
Project duration	2016-2018
Total budget (DKK)	4.968.160 Dkr.
Thematic focus	<p>The objective is to establish a framework for co-operation between the Parties and a strengthened relationship through long term collaboration in the water sector on issues of mutual interests. <i>The co-operation will support a balanced social, environmental and economically sustainable development</i> as directed in the National Water Resource Strategy II (2013); “water is efficiently managed for equitable and sustainable growth and development ” and the global 2030 Sustainable Development Goal 6 on water; “Ensure availability and sustainable management of water and sanitation for all”.</p> <p>The water authorities in South Africa are seeking solutions to establish a strong and resilient water sector to embrace societal water challenges, i.e. water scarcity and poor water quality. In 2014, South Africa requested a closer cooperation with Denmark in the water sector. Consequently, a Memorandum of Understanding (MoU) on water sector cooperation was signed in November 2015. The present program shall be seen as a direct follow up and as a specific contribution to the effectuation of the intentions and the spirit in the MoU on Water between South Africa and Denmark.</p> <p>In a mutual process the program focus has been scoped down and agreed to three thematic areas that are reflecting prioritized needs and challenges in the South African water sector and areas where Denmark differentiates and can be a strong partner in terms of management practices, know-how and technology.</p> <p>The thematic areas are:</p> <ul style="list-style-type: none"> • Urban water management • Ground water management • Water efficiency in industries <p>The programmatic approach has been structured to include a policy/strategy component and an operational demonstration component for each thematic area. Additionally, the program includes two cross cutting themes:</p> <ul style="list-style-type: none"> • Research and innovation • Water sector investment financing.
Growth Advisor	<p>Jørgen Erik Larsen</p> <p>Based at the Danish Embassy in Pretoria from August 2015-August 2018.</p>

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Head of Representation	<p>Ambassador to South Africa, Trine Rask Thygesen</p>
Partner country institution contact person and contact details	<p>South Africa, Department of Water & Sanitation (DWS) Refiloi Moloi , Director Americas Europe, International Water Cooperation, DWS, MoloiR@dws.gov.za</p>
Summary of the preparation project	<p>During the preparation process the needs, challenges and opportunities for cooperation between South Africa and Denmark was mutually identified and defined in an open and inclusive process with DWS and MEF as leading institutions. The final output of this process is a result of a comprehensive joint assessment, analysis and elaboration of specific areas of engagement ready for collaboration, driven by South African and Danish stakeholders. During this process, objectives, outcomes, results and a set of tangible indicators, to be used in the monitoring and evaluation of the project, have been developed and agreed.</p> <p>The preparation process has included an in-depth consultation and involvement of management level and experts from the key institutions, and other relevant stakeholders to ensure the required awareness and support for a successful project implementation. Two fact finding, one design and one formulation mission have been conducted comprising key experts from the Danish partners. The missions have engaged with the potential partners through bi- and multilateral meetings, workshops and events including participation of the Danish Ambassador and high level RSA officials from the potential partner institutions. A final workshop with participation at management level from key partners was conducted to assure a common understanding of the thematic areas, the work flow and required involvement from both sides, as outlined in the present document.</p> <p>In between the missions, the resident Growth Advisor has been very active in following up on meetings and extending the network and consultation.</p> <p>DWS which has specifically requested and agreed on a formalized and structured cooperation within the water sector is the key partner and focal point. Further, the Department of Science & Technology, The National Cleaner Production Centre, the Council for Scientific and Industrial Research (CSIR), and the Water Research Commission (WRC) are expected to be key partners in the program and also in</p>

relation to R&D related activities. The consultation has also included sector representatives from the civil society – NGOs like WWF that are playing a very active role in the RSA water sector, Sustainable Water Partners Network – which is the RSA arm of the Water Resources Group, Professional Associations like Water Institute of Southern Africa (WISA), SALGA South African Local Government Association, Cities Network and National Business Initiative – a NGO instituted by Mr. Mandela in 1996 to bridge between public and private sector.

In the initial phase of the pre-project the scope was rather broad – including both environment and energy. Denmark already has a substantial presence in the energy sector through the ongoing South African – Danish Renewable Energy Sector Program. The program is focusing on how to strengthen and facilitate renewable energy sources in the energy mix, but also looking at energy efficiency. Consequently it was decided to exclude energy as a specific thematic area in this SSC corporation, but still having an eye on potential water – energy nexus synergies.

It was also decided not to include environment in broader sense e.g. ecological management, solid waste management and air pollution. Inclusion of these thematic areas would have resulted in the engaging of more ministries and new sets of stakeholders. In perspective of the resources available it was assessed more feasible to focus on water.

Based on the first rounds of consultations in South Africa and Denmark 5 focus areas were identified:

Water resources:

- Ground water management
- Catchment water quality management

Water services:

- Urban water services - NRW
- Decentralized water services for remote rural communities

Water conservation and demand management

- Water efficiency in Industries

During the following consultations it was jointly decided to narrow down to only one theme under each of the three overriding categories. Accordingly the thematic focus areas are:

Water resources:

- Ground water management

Water services:

- Urban water services - NRW

Water conservation and demand management

- Water efficiency in Industries

And as cutting across the themes:

- Research and Innovation
 - Danish – South African Strategic cooperation on the RSA water research road map
- Water sector financing
 - Mapping of financing modalities

	<ul style="list-style-type: none"> ○ Opportunities for upscaling demonstration projects with a significant Danish technology component <p>The approach and applied criteria for corporation was to match expressed and prioritized needs from the South African partners with areas where Danish water governance and solutions stand out and further are applicable in a South African context. The themes underpin the overall priorities of the strategic sector corporation facility, development, economic diplomacy and pave the way for mutual business opportunities.</p> <p>In the selection of focus areas is has been very important to tap into already ongoing processes and activities that are anchored, planned and budgeted for in the partner organisations. This additional selection criteria supports commitment to engagement, relevance and sustainability of the results.</p> <p>The last and very important aspect of the preparation project has been to build the network and relations between the implementing institutions and staff and ensure the necessary attention and resource mobilization for implementation.</p>
<p>Background</p>	<p>South Africa is facing growing demands to manage environmental, social and economic challenges in a holistic and sustainable manner. One of the key challenges is sustainable water resource management and use. In a time with increasing water scarcity and pressure and demand on water from all parts of the society, water will be a crucial resource for development and lifting people, and the most marginalized groups, out of poverty.</p> <p>South Africa is ranked as the 30th driest country in the world. Increased land use, economic development, population growth and demands for increasing living standards, result in unsustainable pressure on the water resources and the water infrastructure. Less than 10% of South Africa’s rainfall becomes available as surface water, one of the lowest conversion ratios in the world. At the same time only 15% of South Africa’s water use is based on groundwater and less than 15 % is reused, with the remainder relying on surface water. Additionally, the water consumption in South Africa per habitant is 230 liters per day, compared to 107 liters per day in Denmark and a decoupling of water consumption and growth. This clearly demonstrates an un-released potential for diversified water resource supply and improved water efficiency at all levels. Further, available water resources in South Africa are uneven distributed in terms of geography and access to clean and sufficient water is still social biased.</p> <p>The water and environmental management issues are strongly interlinked with overriding social challenges with poverty, unemployment and inequity, and solutions have to be seen and found in that context.</p> <p>In short, South Africa is facing significant challenges in meeting demands on sustainable and safe water supply and effective management of the sector in the decades ahead.</p> <p>While South Africa allegedly has some of the world’s best legislative and strategy frameworks for water management there are several acknowledged needs for updates, and specifications bringing it into force at all levels and to achieve the desired societal benefits and sustainable growth. This also includes imbedding recent innovations and best international practices. There is an ongoing process of updating the National Water Resource Strategy which is expected to be finalized in 2018. The program has been formulated to support these processes.</p>

<p>Project description</p>	<p>The SSC comprise three thematic areas (urban water management, groundwater management and water efficiency in industries) and two crosscutting areas (research and innovation, and water sector investment financing). Each of the themes contains a strategy/policy component and an operational demonstration component.</p> <p>The strategy/policy and the demonstration sub-components, are developed within the given regulatory framework, and can be implemented independently. Eventual delays in the policy / strategy component are consequently not assessed to impact the progress of the demonstration sub-components.</p> <p>The policy / strategy component will be weighted differently in the three thematic areas, but will still be the prioritised level across the SSC, as it is where the Danish key partners can introduce and deliver well tested approaches and implementation modalities with a potential positive impact on water resource. This component will be displayed through strategy development with both public and private sector in South Africa.</p> <p>The operational component will introduce and demonstrate Danish concepts, approaches and solutions, adapted a south African context, on specific water challenges. Learnings and findings from this process will be lifted into the national approach and strategy addressing similar at a national level in South Africa. Possible scalability and dissemination will be given particular consideration so solutions can be implemented across the subsector, if proven successful. Component 5 which focus on financing modalities, financing opportunities and bankability assessments is intended to facilitate upscaling of the piloted demonstrations. If this activity is successful in attracting the necessary external funding it will provide a much more substantial platform for private sector involvement, introducing Danish know-how and technology.</p> <p>After the first year of operation an internal assessment and evaluation of the implementation and progress will be conducted in mutual understanding between the key partner institutions. Based on the findings from this process possible change of the implementation structure, activities etc. will be discussed at project management level and recommendations will presented at the mid 2017 Steering Group meeting for decision.</p> <p>Scope of the SSC</p> <p>The overall scope and content of the SSC within each of the three thematic areas and the crosscutting themes are outlined below.</p> <p>Activities are outlined in more detail in annex 3.</p> <p>Thematic area 1: Urban water management</p> <p>The Blue, Green and No Drop programs has since 2010 been gradually instituted as benchmarking and incentive based regulation programs in order to be able to monitor and improve performance in the water services provision sector. The programs collects a complex set of data and information regarding performance of water treatment (Blue), water distribution (No) and waste water treatment (Green). The data is reported annually/bi-annually and used for awarding Blue/Green/No drop certificates.</p> <p>The programs have been very effective in providing an overview of performance,</p>
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but is not giving insight to drivers, barriers and differentiators for high/low performance nor being used for follow-up to ensure improvements and compliance.

DWS has expressed a need to operationalize the extensive and diverse data sets as an instrument to design and direct intervention programmes, investment schemes and private public partnerships. The SSC has chosen to focus on the No drop program as Denmark has long term and in-depth experiences with systematic water leakage and integrated solutions for NRW management.

The average NRW in South Africa is 35 % (as opposed to 7 % in Denmark) and can in some municipalities be as high as 70 %. Not only is this an unnecessary waste of a scarce resource, but it is also a major loss of revenue for the municipalities and a barrier towards maintenance and investments in the water supply infrastructure.

The SSC program will analyse the No drop data and information sets' applicability for designing and directing intervention programs. The consultancy will look at drivers and differentiators behind the data sets - characterizing champions and low performers. The outcome of the consultancy will be used by DWS through key expert cooperation and workshops to process how this can be effectuated in the department's intervention policies and planning. The processes will further entail a study tour to DK to achieve in-depth insight into best management and technological practices and lessons learned. The target group for the study tours is on the policy / regulatory level - managerial and technical staff from DWS and on the operational level - managerial and technical staff from the water services providers e.g. municipalities and water boards

The SSC program will give input to the development of concrete guidelines for a recurrent intervention programming instrument and test the guidelines and implementation at water service provider level. The testing and demonstration will give experiences which shall feed back into refinement of national guidelines and tools disseminated by DWS / WRC. The demonstration will also give possibilities for introducing Danish integrated solutions and provide Danish companies with a demonstration platform for their technology. Please refer to annex for details on planned activities.

Thematic area 2: Groundwater

South Africa has a strong wish to diversify its water resources and increased use of groundwater resources for drinking water is one of the core means to achieve this. Denmark, as a small densely populated country with its water supply based solely on groundwater, has during decades created a solid and well proven legal framework, practices, knowledge and technologies to the protection and sustainable use of groundwater. Combining the plans in South Africa to develop the use of groundwater resources and Danish learning is an obvious match.

With the current water scarcity in South Africa, there is a demand for alternative water resources, e.g. groundwater. Danish knowledge and experience on groundwater management and protection are to be integrated into the ongoing process of developing a National Groundwater Strategy (NGS). This cooperation will be close partnership with pairing of relevant institutions and staff from public institutions in South Africa and Denmark. The anchoring partner of the Groundwater Strategy is the National Ground Water Commission under the Department of Water & Sanitation.

A key challenge in the groundwater management in South Africa is sustainable well-field and aquifer management at municipal level. Many boreholes and well fields are badly managed and maintained - factors that contribute significantly to the under-utilization and under-rating of the groundwater resources. A series of guidelines do exist but needs to be updated and possible gaps filled out. The specific guidelines on groundwater planning, management and protection will be assessed and tested at two existing well fields, respectively an urban and a rural area.

The testing will provide opportunities for showcasing Danish know-how and technology on well field management and operation.

The output and findings will feed back as a first draft of a new set of guidance documents. The guidelines will support and operationalize the implementation of the NGS, loop back to ongoing NWRS revisions. Experiences achieved at the two selected test sites (expectedly a rural and urban) will be disseminated at national level together with NGO institution like NBI and associations like SALGA (South African Local Government Association). This will further gain improved awareness on groundwater use, pushing it towards a strong alternative water resource for surface water, and underpinning the strategy towards a more diversified water resource in South Africa.

Please refer to annex 3 for details on planned activities.

Thematic area 3: Water efficiency in industries

Improved water efficiency is increasingly becoming a prerequisite for competitiveness and investor risk reduction. Main drivers are risk of water scarcity and possible water rationing, abstraction and discharge permits requirements, risk of deteriorating water quality, competing water use, rising water prices and - emerging – public and investor demand for demonstrating water stewardship.

Water efficiency in the food and beverage industry is crucial in Denmark due to its high water prices and strict environmental regulation. Recognizing this, Denmark seeks to support the development of a strategy framework and policy incentives for water efficiency in industry in South Africa and contribute to the demonstration of scalable approaches and solutions in the food and beverage industry and beyond.

The corporation will further develop and strengthen existing strategy and regulatory framework that promote water efficiency in industry including water saving, water reuse and water recycling. In this process, the Department of Water & Sanitation as the mandating entity, and the Department of Trade and Industry and its National Cleaner Production Centre (NCPC) will be key partners to ensure synergy and necessary interfacing with the upcoming Industrial Water Efficiency project (IWE - see below). The partnership will include a study tour to Denmark supporting desk studies and analyses, workshops, and possible staff exchange between the South African and Danish institutions. The study tour and training will be focused on a selected group of key staff from national government level, NCPS, IWE and industry organisations. This group of approx. 10 persons will have a future role as trainers and water efficiency ambassadors in the public and private sector, and be linked to relevant partners in the Danish DRIP partnership (see below).

One of the focus sectors of the IWE project is the agro processing, a sector where Danish industries are amongst the world's most water-efficient. In Denmark a comprehensive five-year Danish partnership on Resource efficient Industrial Production (DRIP) with focus on water efficiency in the food and beverage sector

was launched in 2015, involving the major Danish food processing companies, technology suppliers, knowledge institutions and universities. The sector corporation will facilitate Private-to-Private Partnerships in general, and in particular linking up the IWE project and the DRIP partnership to the benefit of both initiatives. This will be anchored within the National Cleaner Production Center (NCPC) who has been mandated by DWS to manage the IWE project. Danish learnings and know-how will support the IWE project within a water-fit-for-purpose concept and with efficient approaches and tools for water, energy and resource flow mapping and water efficiency scenario analysis. The corporation will include a study tour to Denmark and training seminars.

Please refer to annex 3 for details on planned activities.

Crosscutting thematic areas

Water sector research and innovation

DST requested, in connection with the Bilateral Consultation, to enter into a strategic water sector research and innovation cooperation with Denmark and a Memorandum of Understanding to formalize this cooperation is under development.

DST and WRC are currently finalizing and preparing to unfold the South African Water Research Road Map (SA WRRM). Through several consultations DST has expressed interest in investigating how the Danish water sector research stakeholders and Danish research commissioning modalities could be included in this process.

Present corporation on R&D between South African and Danish research institutions is primarily at the level of individual professors. The Danish MHES is interested in investigating opportunities for strategic long term cooperation.

The SSC R&D initiative will focus on enabling strategic cooperation at sector and institutional level – thematically guided by the framework of the SA WRRM. The South African research sector has additionally expressed interest to engage on modalities for getting research results closer to or ready to market. Main activities will be joint research capacity mapping, match making events, joint research funding mapping and facilitation of joint research applications.

Please refer to annex 3 for details on planned activities.

Water sector financing and business models

There is a 600 billion rand investment and maintenance back log in the water sector in RSA. It is estimates that approx. 300 billion are available – and hence there are potentially huge business opportunities. This is exemplified by approx. 85 % of TCTA's (mega water transport infrastructure) activities are financed by commercial banks. The bankability of water infrastructure projects in general, however, is unclear and faces huge barriers. The predominant water service providers – the municipalities - are not ring fencing the revenue collected through water tariffs and consequently tariffs are not reinvested for water. In other cases the municipalities are not paying the bulk water supplier for the water - and penalties in terms of cutting water resource delivery are for social and political reasons not feasible.

Modalities for overcoming these barriers have to be identified and discussed with

	<p>relevant stakeholder. Concrete investment opportunities linked to the thematic areas in the program - NRW management and groundwater resource development – will be identified and pre-feasibility studies for 2 – 3 specific projects will be conducted, e.g. in the area of NRW reduction in an entire town district, energy and nutrient production from waste water treatment, or regional groundwater resource mapping and modelling. The studies will provide the basis for assessing the bankability and facilitate financing and implementation. The projects can act as an implementation and upscaling of the desk top demonstrations that the present program will be able to fund. The program will push to secure that the Danish financing facilities IFU and EKF are mobilized in the South African water sector.</p> <p>Mobilization of the Danish financing facilities will help to ensure substantial Danish know-how and technology components in the expected investment projects and provide an attractive platform for the Danish companies to demonstrate and showcase their solutions under component 1 and 2.</p> <p>Please refer to annex 3 for details on planned activities.</p>
Purpose	<p>The purpose of the SSC is to support the South African government agencies and other relevant stakeholders in developing and implementing strategy, management and regulatory frameworks to contribute to the political visions and selected goals of the South Africa’s National Water Resource Strategy (2013), namely that <i>water is efficiently and effectively managed for equitable and sustainable growth and development</i>. The government of South Africa is committed to the National Water Resource Strategy and this strategy is seen as a contributor to the fulfilment of the 2030 National Development Plan.</p>
Result	<p>When completed, the SSC will have contributed with international learnings and experiences into the development and implementation of strategy and regulatory frameworks within the selected thematic areas, towards:</p> <ul style="list-style-type: none"> • reduced drinking water leakages in public distribution systems • increased use of groundwater resources for drinking water in rural and urban areas • efficient and sustainable use of water in the production sector. <p>These results will be underpinning South Africa to achieve its immediate and long term objectives for efficient and sustainable management of the water resources and delivery of water services.</p>
Result indicators:	
Output1 :Urban Water	Proposal for operationalizing National Non-Revenue Water benchmarking framework (No-Drop) as an instrument for strategic interventions at national and municipal level has been facilitated, tested and disseminated.
Output 1.1 indicator	Proposal for operationalization of No Drop benchmarking program data as recurrent instrument to guide invention programming in place
Output 1.2 indicator	Draft guidelines for intervention programming demonstrated including piloting management strategies and technological solutions in place
Output 2: Ground Water	A strengthened regulatory and institutional framework for using groundwater and improved awareness of the potential using groundwater in the water resource mix has been facilitated.
Output 2.1 indicator	Danish and international best management and regulation practises reflected in National Ground Water Strategy
Output 2.2 indicator	Draft guidance documents on groundwater well field and aquifer management reflecting Danish and international management practises in place

Output 3:Water Efficiency	Improved strategy, policy, and regulatory framework for and implementation of water efficiency interventions in industries supported and disseminated
Output 3.1 indicator	Draft versions of WCWDM sub-strategy on industry, mining and power generation and water stewardship policy respectively reflecting Danish and international best practises
Output 3.2 indicator	Danish experiences, technology innovations and assessment tools applied in the NCPC IWE project implementation
Output 4: Cross cutting: research and innovation	Strategic cooperation between research institutions in South Africa and Denmark established
Output 4.1 indicator	Strategic cooperation between water sector research institutions in South Africa and Denmark consolidated through established strategic institutional cooperation several joint research project proposals
Output 5:Cross cutting: Water sector investment	Water sector investment financing modalities, business models and opportunities identified, assessed and disseminated
5.1 Indicator	Several water financing models, business models and business opportunities identified and documented
5.2 Indicator	Bankability of 2 - 3 water investment projects in urban water services and ground water supply assessed and documented
Means of verification	<ul style="list-style-type: none"> • Yearly SSC progress reports presented for the Steering Committee • Minutes from Steering Committee and working groups • Proceedings from workshops • No drop evaluation reports and guidelines • National Ground Water Strategy • Water Efficiency Strategy and guidelines • Study tour reports / evaluations • Mission TORs and reports.
Management set-up	<p>Steering Committee</p> <p>A SSC Steering Committee (SC) will be established. The SC will approve annual work plans and budgets, thereby providing overall project management based on ownership, a common understanding of the purpose and approach towards the project. It is also the task of SC to approve the annual and final reporting. The SC will receive progress reports prepared by the PMT before each SC meeting. The SC meeting will discuss and approve the progress reports. It will meet biannually to decide on needed adjustments and changes to the annual work plans and budgets. Terms of Reference for expert input and consultants will be agreed upon during the meetings in the SC or in email procedures agreed upon.</p> <p>Terms of Reference for the SC will be developed before the first SC meeting and approved during that first meeting in the SC.</p> <p>The steering committee will be co-chaired by the DWS DG and the MFE counterpart. Other members are: DWS Project manager, MFE Team leader (secretary), DST, MHES, NCPC, WRC, Danish Embassy (Ambassador and Growth Advisor).</p> <p>The steering committee will meet twice a year The SC secretariat will be responsible for organising the SC meetings and preparing agendas and minutes.</p>

	<p>Project Management Team (PMT) The project management team will be co – chaired by the DWS and MFE. Other members are: Key experts from thematic work areas from RSA and DK partners and the Danish Embassy (Growth Advisor). The Project management team will meet on a quarterly basis.</p> <p>The project management team will be responsible for</p> <ul style="list-style-type: none"> - Coordinating activities between Denmark and South Africa - Reporting the status of the activities to SC through progress reports and seminar and workshop reports and participant evaluations - Preparing the annual work and budget plans including targets/milestones, major activities and a plan for technical input and budget for the expected activities together - Providing monitoring input for the progress reports <p>After the first year of operation an internal assessment and evaluation of the implementation and progress will be conducted in mutual understanding between the key partner institutions. Based on the findings from this process possible change of the implementation structure, activities etc. will be discussed at project management level and recommendations will presented at the mid 2017 Steering Group meeting for decision.</p>
<p>Input and budget</p>	<p>See Annex 4 for budget and budget assumptions.</p>
<p>Contribution of the partner organisations</p>	<p>DWS</p> <ul style="list-style-type: none"> - Identify relevant experts to participate in the described activities - Prepare the experts that will participate in the specific activities in order to ensure expected outcomes of their participation - Prepare practical arrangements and logistics for activities held in South Africa, e.g. meeting rooms and related facilities - Be in contact with relevant South African stakeholders - Follow, evaluate and adjust activities together with MFE - Monitor and evaluate the SSC project progress provided by the PMT - Cover own expenses (flight, hotel, per-diem) related to travels and study tours. <p>MFE</p> <ul style="list-style-type: none"> - Coordinate the activities within MFE - Practical preparation of the experts (e.g. travel information) - Practical arrangements and logistics for activities - Follow, evaluate and adjust activities together with DWS - Provide overall management of project process and economy (settlement of accounts with MFA) - Contact to the Danish stakeholders - Annual and final reporting - Monitor and evaluate the SSC project progress provided by the PMT

	<p>The Danish embassy in South Africa</p> <p>The role of the embassy is to facilitate the project. The Growth Advisor is the main contact to DWS and MFE will function as the intermediate between the two ministries supporting the project during the project period with the identified activities.</p>
<p>Justification of proposed methodology, activities and input in relation to expected results (simple theory of change)</p>	<p>The SSC has been initiated on request from the South African Government and the Danish Government as an effectuation of a water sector MoU signed to strengthen the water sector cooperation between the two countries.</p> <p>The SSC project will happen in the wake of an already started process towards more social, economic and environmentally balanced development of the water sector in South Africa.</p> <p>The SSC project will target complementing and further strengthening of ongoing strategy and policy processes in the thematic areas of engagement. The cooperation will focus on the policy/strategy sub-components, but also include operation of management interventions and demonstrations of effective technological solutions and interventions that further strengthen strategy sub-components and policy incentives.</p> <p>The major enabling factor will be staff exchange where key experts from the two Ministries will be assigned to each of the three focus areas (Groundwater management, Urban water services and Water efficiency in industries). The cooperation between key experts and units in the Ministries will facilitate building and maintaining the institutional relations. International and national services providers will be procured to complement the expertise of the leading GO institutions. The service providers will work closely together with and under the supervision of the ministerial key expert teams</p> <p>The selection of areas of engagement has further been directed by including areas where Denmark has technological advances and solutions that are applicable in a South African context. This will facilitate private sector involvement.</p> <p>It is envisaged that the strengthened dialogue between Denmark and South Africa created by the SSC will help identify further collaboration opportunities for Danish and South African R&D institutions. Such collaboration will not be limited to the time frame of the SSC.</p> <p>A cornerstone of the SSC is to build institutional relations that will continue to be beneficial for both parties even after the termination of the project.</p> <p>Finally, as the results will be institutionally anchored at national level and part of ongoing processes and initiatives, the expected long term impacts of the corporation on the water framework and sector in South Africa is assessed to be sustainable, also after termination of the project.</p> <p>Please refer to annex 6 for assumptions, risks and mitigation</p>

<p>Environmental, gender and social impacts – and improvements to good governance</p>	<p>Humans have a fundamental right to clean drinking water. This is written explicitly in the South African Constitution and in its National Water Act, declaring that every South African should have access to 6,000 liters of free and clean water per month. Furthermore it is anchored internationally in the global 2030 sustainable development goal 6: <i>Ensure availability and sustainable management of water and sanitation for all.</i></p> <p>It is crucial that people have access to a reliable source of water in order to sustain livelihood and social stability. Furthermore, improved water quality minimises water-borne diseases, supports food security and helps ensuring healthy lives and well-being for all.</p> <p>It is broadly recognized water security, in terms of quality and quantity for all, is paramount for poverty alleviation and is a requisite for economic growth and sustainable development, also in other sectors e.g. food and energy. Clean, plentiful and reliable water resources is needed to attract business and foreign investments, creating jobs and livelihoods, with social positive impact and decreasing the high unemployment rates that South Africa is experiencing.</p> <p>Moreover, the achievement of fair water management can help increasing gender equality, as it is often women’s responsibility to collect and use water for domestic purposes in rural areas of most developing countries.</p> <p>A more efficient use of the water, both in the industries and in terms of non-revenue water will result in a more sustainable water management. This will increase the resilience towards future water scarcity as well as have a positive impact on fresh water ecosystems.</p> <p>Furthermore, freshwater vulnerability is a threat to the stabilization of a country. The focus on institutional collaboration and strategy/policy sub-components in the SSC is expected to contribute to good governance of the societal crucial natural capital, water.</p>
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