Orange-Senqu River Basin Stewardship Learning Journey

Overall Report

renoka
We are a river

European Union

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Implemented by:
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Orange-Senqu River Basin Stewardship Learning Journey

Overall Report

March 2021

ReNOKA is a national programme and citizen movement for the restoration of land and water in Lesotho and the Orange-Senqu basin. Support for ReNOKA is provided through a partnership between the Government of Lesotho, the European Union (EU) Delegation to the Kingdom of Lesotho and the German Federal Ministry for Economic Cooperation and Development (BMZ). The EU provides € 27.5 million financial contribution through the 11th European Development Fund with Lesotho, while BMZ provides € 6 million contribution through its Transboundary Water Management Programme in the SADC Region. The Government of Lesotho provides LSL 80 million in parallel financing. The EU and BMZ contributions are implemented through a technical assistance project "Support to Integrated Catchment Management in Lesotho" by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH.

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List of Acronyms

AWS	Alliance for Water Stewardship
CRS	Catholic Relief Services
DBSA	Development Bank of Southern Africa
DSW	Department of Water and Sanitation
EU	European Union
GEF	Global Environment Facility
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH
GOL	Government of Lesotho
ICM	Integrated Catchment Management
ICU	Integrated Catchment Unit
IFAD	International Fund for Agricultural Development
IVRS	Integrated Vaal River System
IWaSP	International Water Stewardship Programme
KOL	Kingdom of Lesotho
KfW	Kew Development Bank
LHDA	Lesotho Highlands Development Authority
LHWA	Lesotho Highlands Water Authority
LHWP	Lesotho Highlands Water Project
LMDA	Lesotho Millennium Development Agency
NatuReS	Natural Resources Stewardship Programme
NRAF	Natural Resources Risk and Action Framework
ORASECOM	Orange-Senqu River Commission
OSB	Orange-Senqu Basin
ROI	Returns on Investment
RSA	Republic of South Africa
RWP	Resilient Waters Programme
SWPN	Strategic Water Partners Network
TCTA	Trans-Caledon Tunnel Authority
TFCS	Trans-Frontier Conservation Areas
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
WEF	Water-Energy-Food nexus
WASH	Water Sanitation and Hygiene for All
WWF	World Wildlife Fund

Introduction

This report presents a description of and reflection on the pilot Orange-Senqu Basin (OSB) Stewardship Learning Journey. This project was specifically designed to explore the potential of establishing a multi-stakeholder, trans-boundary stewardship platform for stakeholders from the Kingdom of Lesotho and the Republic of South Africa. Five sessions were held online between January and March 2021 with a variety of stakeholders from both countries representing government, the private sector, civil society and international development partners. Targeting a different thematic dimension in each session, the Learning Journey focused on building a shared understanding of the benefits and risks of, as well as the necessary preconditions for, the initiation of a water stewardship programme relating to the valuable and critically important Orange-Senqu River Basin. The OSB Stewardship Learning Journey comprised the following five sessions:

Session 1:
Understanding the Orange-Senqu Basin

Session 2:
The people of the OSB - users and custodians

Session 3:
Catchment management lessons for learning

Session 4:
Exploring possible financing mechanisms

Session 5:
Way forward - How to protect the OSB

An average of 40 participants representing 26 organisations and six government departments from Lesotho and South Africa consistently attended the sessions of the OSB Stewardship Learning Journey. By the close of the programme, it was clear that:

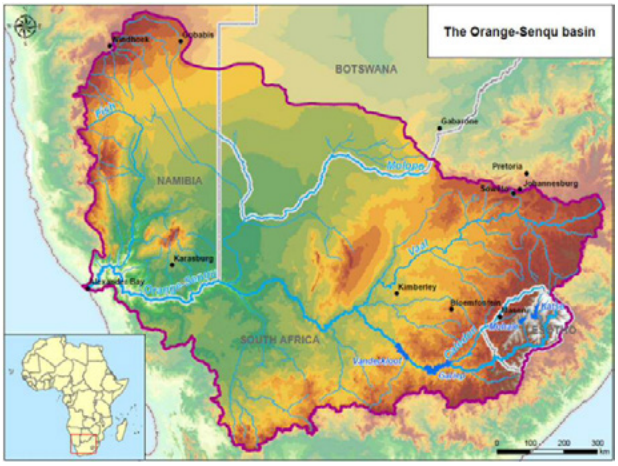
- There is a deep concern for, and interest in, protecting the OSB for the purposes of sustainability and use value
- There is a strong commitment to the principle of collaboration – trans-boundary and cross-sector
- There is a need to build knowledge and practices in order to develop an ongoing water stewardship programme for the OSB

Background

The OSB is the most developed river basin in southern Africa. It is a trans-boundary water resource which significantly contributes to the social economies of its riverain countries, namely Lesotho, South Africa, Botswana and Namibia. The headwaters of the Orange-Senqu River are in the Maluti Mountains of Lesotho. The unique geographic location, high altitude and pristine natural quality of the mountain areas position Lesotho as the 'water tower' of southern Africa. As such, Lesotho's contribution to the annual run-off in the OSB is 40%, despite hosting only 3% of the basin area. Roughly 30% of all water supplied to the 12 million people in South Africa's Gauteng Province derives from the dam system of the

Lesotho Highlands Water Project (LHWP). South Africa pays the Government of Lesotho (GOL) for the water of the OSB, a revenue stream critical to Lesotho's national fiscus. As much as 40% of South Africa's GDP is generated in Gauteng, the water supply for which is dependent on the transfers from the OSB. This makes the protection and sustainable use of Lesotho's water resources a priority, not just for the country itself but for all the riverain states of the Orange-Senqu River Basin. A project is currently being investigated under the Orange-Senqu River Commission (ORASECOM) Secretariat to take Lesotho's water as far as Botswana via the Lesotho-Botswana Water Transfer Scheme. Water, Lesotho´s "white gold", is key for the socio-economic development of the country and the livelihoods of its people; it is the lifeblood of the whole region.

Environmental challenges such as land and wetland degradation, soil erosion, deterioration of water quality, stress to ground and surface water in a context of worsening climate change, threatens regional water security and hampers socio-economic stability and development. To tackle these issues, collective, holistic and integrated responses are necessary.



The importance of the OSB and the commitment to the sustainability of its precious water resources was acknowledged by all of the riparian member states through the signing of an agreement for the establishment of ORASECOM. The Commission is mandated to promote and oversee the equitable and sustainable use and development of the water resources in the spirit of an integrated and trans-boundary management arrangement. ORASECOM is recognised as the primary consultation and co-ordination body of the states linked to the critical OSB.

ReNOKA "we are a river"

The ReNOKA movement was created as a collective response by the GOL and GIZ to the complex issues raised above. In Sesotho, 'ReNOKA' means "we are a river". The movement represents an integrated custodial network of critical agents dedicated to the restoration of water and land resources, as well as to the long-term prosperity of all communities in the region. The movement stems from Lesotho and expands to all countries in the Orange-Senqu River Basin to build a shared sense of ownership of, and need to protect, natural resources through a vision of oneness, integration, and through multi-sectoral and multi-disciplinary approaches. The national Integrated Catchment Management (ICM) Programme in Lesotho aims to put the vision of ReNOKA into practice. One of its key aims is to rally the private sector, public sector and civil society around the implementation of a truly integrated catchment management programme.

To this end, the programme, together with the GIZ Natural Resources Stewardship Programme (NatuReS), has initiated a cooperation with the private sector, public sector and civil society stakeholders from Lesotho and South Africa to pilot a cross-boundary collaborative engagement with the objective of initiating a trans-boundary, multi-stakeholder water stewardship partnership.

This pilot OSB Stewardship Learning Journey was limited to Lesotho and South Africa. However, there is strong potential for expansion as a learning opportunity for an inclusive collaboration, bringing the private sector on board for the protection of water resources. Opportunities for replication and scalability should be considered in line with interest from ORASECOM member states, such as Botswana or Namibia.

The idea behind the OSB Stewardship Learning Journey

The OSB Stewardship Learning Journey brought together key stakeholders from civil society, the private sector, the GOL and South Africa, in a learning exchange to explore the concept of collaborative water stewardship and its potential for sustainable and integrated management of the OSB. The sessions discussed the risks of failing to address the root causes of water insecurity, uncoordinated responses to water insecurity, the roles and responsibilities of a good stewards, and the potential of existing stewardship initiatives and networks to inform work going forward. This initial pilot aims to evolve into a regular information exchange forum and action platform. It will function as a catalyst for collaborative, multi-stakeholder projects to ensure water security and natural resource sustainability across the whole OSB.

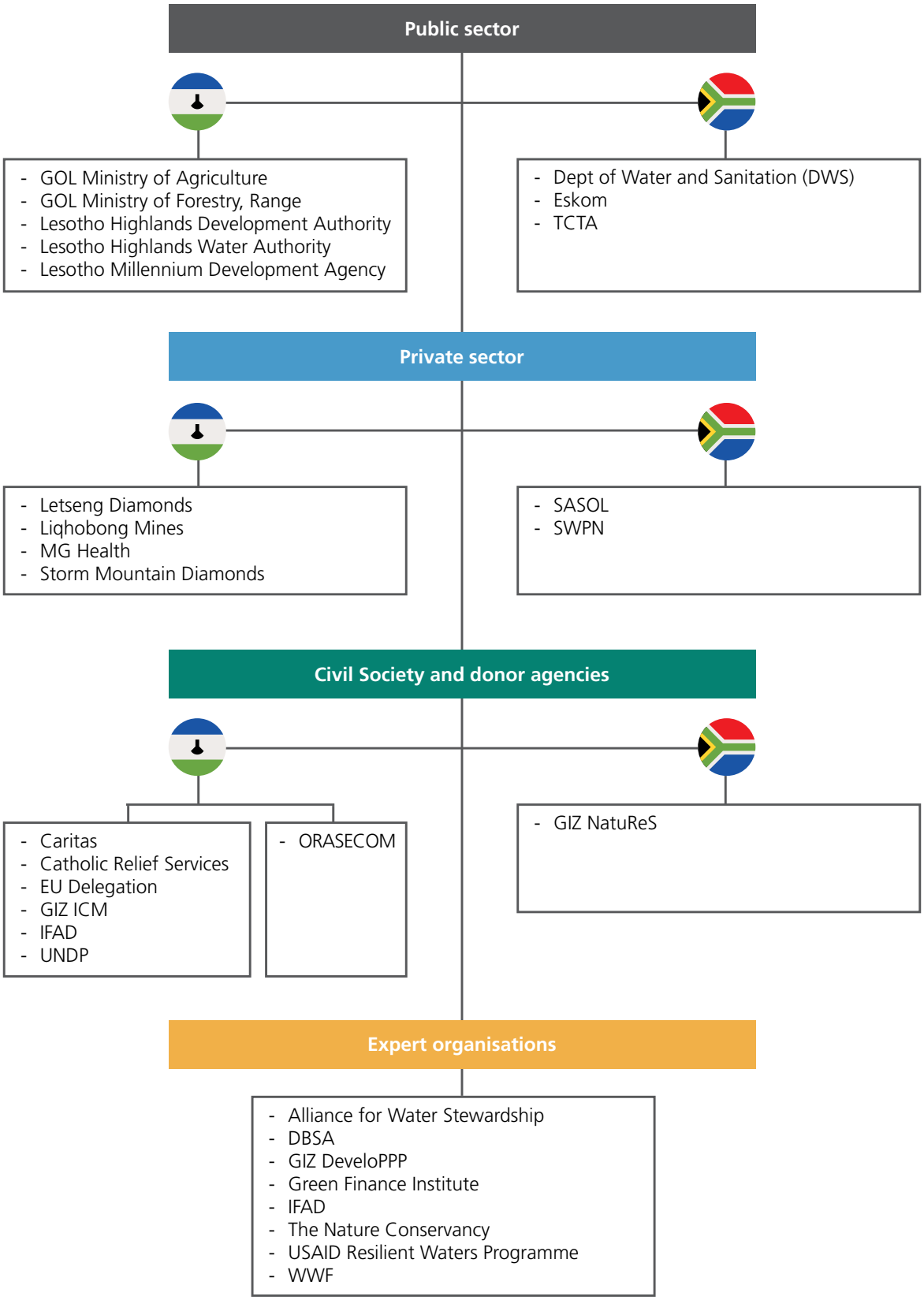
Key objectives:

- Facilitate dialogue between selected public and private sector stakeholder, relying significantly on the effective and efficient delivery of water
- Unpack the catchment and the shared water resources through a holistic and multi-disciplinary approach
- Explore hydrological features in the socio-economic contexts of Lesotho and South Africa, and their shared history
- Foster a comprehensive understanding of the catchment, including the interconnectivity of the upper and lower catchment
- Establish a collaborative relationship that could yield significant long-term mutual benefits for the public sector, private sector and civil society in both countries
- Establish a cross- boundary stewardship platform

Participants

A large number of Basotho and South African participants from relevant organisations and government departments across the three sectors – private, public and civil society – were invited to take part in the OSB Stewardship Learning Journey. These included international donor agencies. The initiative was met with a high degree of enthusiasm, as reflected by the high number of participants – ranging from 35 to 45 participants per session. Attendance was consistent, with over 90% of participants attending all five sessions. Below is a snapshot of the organisations and government departments that attended the OSB Stewardship Learning Journey, together with key experts that supported the learning experience.

Stakeholders



Framing of the OSB Stewardship Learning Journey and key concepts

Launched as a demonstration of the ReNOKA Integrated Catchment Management Movement, the OSB Stewardship Learning Journey was guided by the Natural Resources Risk and Action Framework (NRAF) developed by NatuRes, using the universally endorsed definition of water stewardship promoted by the Alliance for Water Stewardship.

What is (water) stewardship?

"Water stewardship defines the use of water that is socially and culturally equitable, environmentally sustainable and economically beneficial, achieved through a stakeholder-inclusive process that includes both site- and catchment-based actions." Alliance for Water Stewardship

This definition suggests that all users of natural resources should take responsibility for their impact on shared resources and work together to ensure these resources are managed sustainably. The concept of stewardship emphasises the notion that natural resources challenges cannot be resolved by individual organisations (or countries), but must be addressed using concerted, collaborative action.[1]

Collective action for Integrated Catchment Management through stewardship

The problems affecting the sustainability of water security and natural resources are often complex and multi-layered. If the root causes are to be addressed and a sustainable solution achieved, an integrated and collaborative planning approach is essential. A stewardship approach fosters collective action built on the understanding that those benefiting from shared natural resources can increase their benefit and reduce their long-term risks and costs through collaborating to protect these resources. Natural resources stewardship is based on the premise that all actors play a vital role in the sustainable use and management of natural resources, as neither businesses, governments nor civil society can effectively address complex, shared environmental threats alone.

It is of extreme importance that stewardship partnerships not only focus on outlining the natural resources objectives, but also take the time to outline governance structures, principles and processes, to ensure that all common and distinct stakeholder issues and interests are addressed. Thus, stewardship partnerships require

1 The Natural Resources Stewardship approach has been used by GIZ's NatuReS programme in its work to build expertise, tools and approaches to empower and support all stakeholder groups – public, private, civil society and international donors – to collaborate more effectively in addressing risks related to life-supporting natural resources (including water, soil or forests). The aim is to pave the way for economic development that is more socially and environmentally sustainable, while simultaneously strengthening participatory governance. The establishment of partnership platforms is core to this work. NatuReS is a continuation of the International Water Stewardship Programme (IWaSP), and builds on the many successes of IWaSP, which was active from 2013 to 2019. This predecessor project has already reached more than 2.7 million people with more than 180 partners in 38 partnerships, and leveraged private sector investments amounting to EUR 15 million. IWaSP has partnered with over 70 companies, including international trading, drinks and agri-food businesses such as Coca-Cola, SABMiller/AB InBev, Marks & Spencer, Heineken, Kinyara Sugar and Olam, as well as many prominent companies in the programme's project countries.

the participation of all sectors. This ensures the achievement of a balanced, fair and sustainable stewardship impact.

Unique benefit of cooperation with private sector:

1. The private sector is uniquely placed to offer insights and capacities:

- Useful perspectives on water resources, water value and water costs.
- Important collective voice supporting more effective water governance with:
  - Innovative water technologies and processes, and associated supply chain developments.
  - Connections and influence along the catchment, and can also engage on multi-stakeholder platforms.
  - Potential additional source of investment, especially relating to emerging mechanisms such as blended finance, as well as patient capital, insurance/ reinsurance, and corporate social responsibility.

Natural resources stewardship initiatives or partnerships

Natural resources stewardship initiatives or partnerships are coordinated engagements between interested parties to address specific shared natural resources challenges. They typically involve structured collective action, joint decision-making and joint implementation.

Collective action

Collective action is understood as joint action in order to achieve a common objective. Different sector actors may influence the scale of natural resources threats, sometimes without being aware of it. In order to successfully mitigate threats related to natural resources and achieve a common objective, stewardship partnerships aim to mobilise the capacities and mandates from the different actors, building complementarity, allowing for measures to be much more efficient and impactful.

Corporate water stewardship

Corporate water stewardship is an approach whereby companies identify and manage water-related business risks, understand and mitigate their adverse impacts on ecosystems and communities, and contribute to and help enable more sustainable management of shared freshwater resources.

The Natural Resources Risk and Action Framework (NRAF)

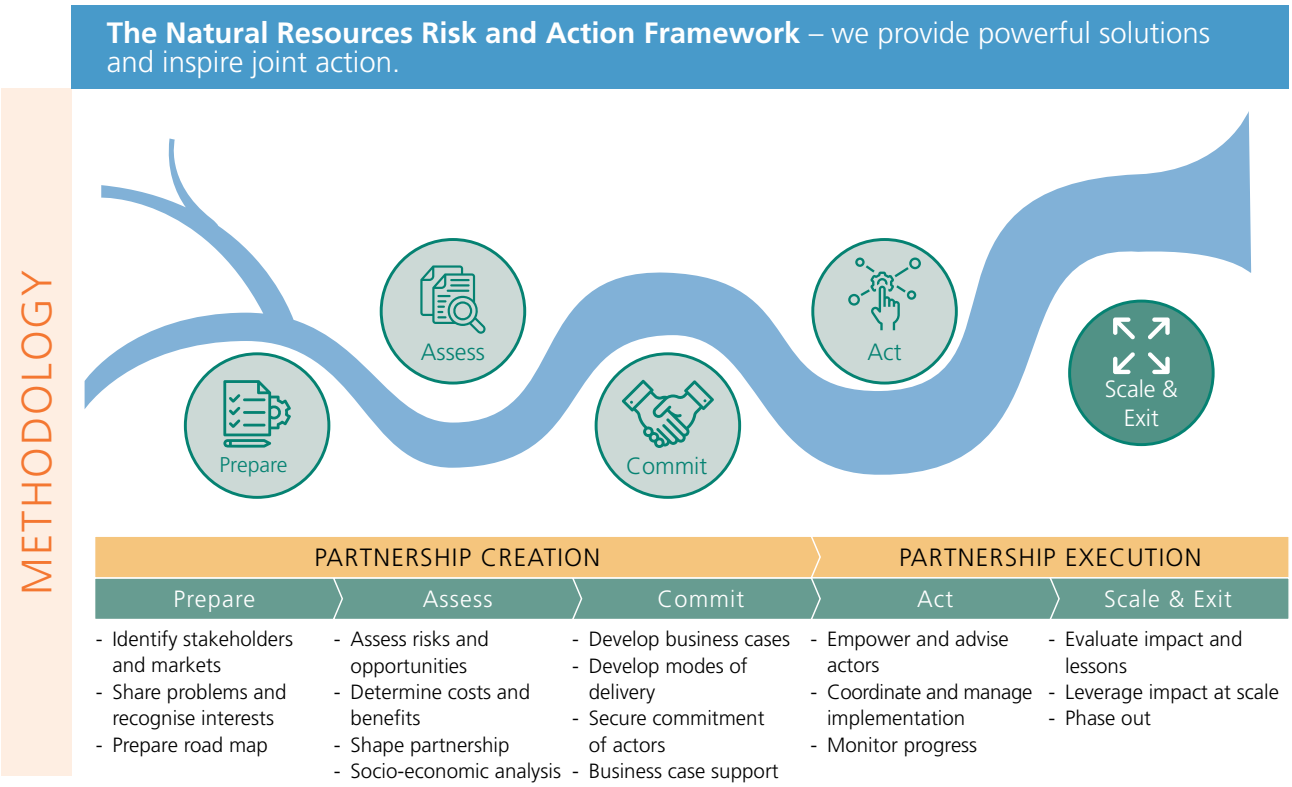
The NRAF is a holistic approach developed by NatuReS. It is made up of a series of facilitated steps, skills development measures and tailored tools provided for a whole natural resources stewardship initiative lifecycle. The NRAF guides practitioners in forming and executing high quality natural resources stewardship partnerships, delivering sustainable results to manage environmental risks for businesses, communities, and government.

Each of the framework's five phases comprises three elements, each accompanied by a "how to" with several key points to guide practitioners' activities in the design and implementation of natural resources stewardship projects. A set of tools is provided to achieve these key objectives, to address various themes such as building relationships, assessing risks and options for natural resources risk mitigation measures, as well as making the business case for stewardship. In general, the guidance in this framework is neither linear nor absolute, as elements of some phases may occur simultaneously, while other phases may have to be revisited iteratively. However, the suggested order of phase implementation typically offers the highest probability of favourable outcomes in natural resources stewardship. The following figure gives an overview of the NRAF.

In the OSB Stewardship Learning Journey, mainly phases one and two (i.e. the "prepare and assess" phases) were targeted.

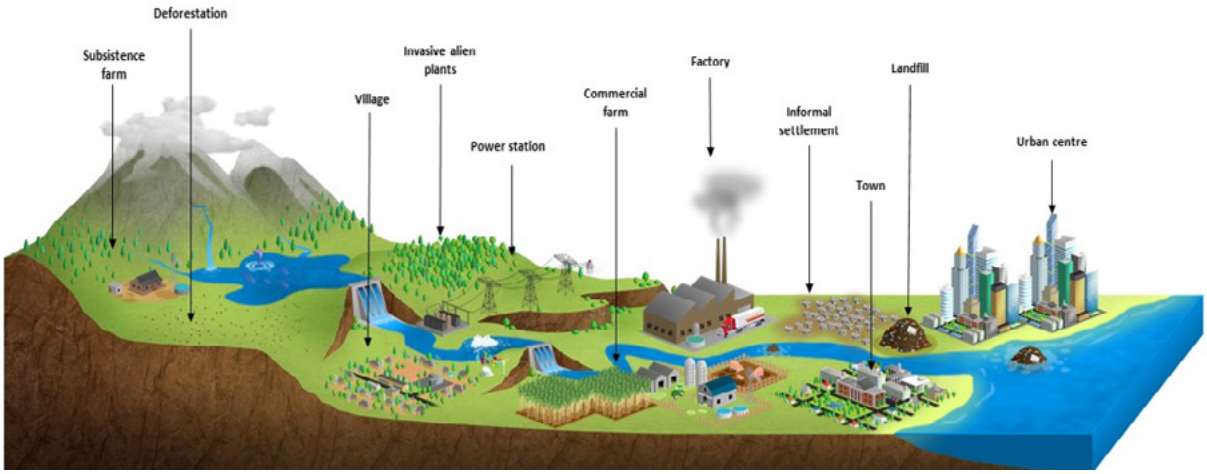
In addition to the NRAF, a further and critical framing condition of the OSB Stewardship Learning Journey Is the Integrated Catchment Management principle, which addresses water stewardship along the whole catchment from source to sea, through all terrains, and involving all uses along the way.

Piloting a cross boundary stewardship partnership within the ICM private sector engagement initiative



The Natural Resources stewardship approach

Water Stewardship addresses shared risks associated with water insecurity through a collaborative approach that builds on a common understanding of the value of water and the need to protect this finite natural resource



The different sessions of the OSB Stewardship Learning Journey

As noted above, the OSB Stewardship Learning Journey consisted of five sessions. A description of each session is presented to provide the rationale and objectives for the session, an overview of the content and a summary of key highlights and findings.

Session 1: Understanding the Orange-Senqu Basin

Rationale and objectives

The primary rationale underpinning Session 1 of the OSB Stewardship Learning Journey was the imperative to build a shared understanding of the OSB amongst participants as a starting point for the whole process.

The objectives of Session 1:

- Understanding the geo-physical/ environmental characteristics and importance of the Orange-Senqu Basin for Lesotho and South Africa, including the socio-economic value of the water resources.
- Understanding and prioritising the shared risks and threats facing the OSB.
- Establishing the basis for and steps to be taken towards building a collaborative, trans-boundary water stewardship partnership, based on a shared understanding of the concept.

The Orange Senqu Basin profile:

- The Orange Senqu Basin is a unique basin in southern Africa, running across 964,000 square metres across Lesotho, South Africa, Botswana and Namibia.
- Over 19 million people depend on the sustainable management of its water resources for their livelihood and economic prosperity
- The water source is located in Lesotho at 3,000 metres above sea level. The preservation of the unique highlands and wetlands ecosystem is crucial to sustaining the basin flow, particularly during the dry season and drought period.
- The river mouth between Namibia and South Africa has been declared a Ramsar site under the Ramsar Convention.
- Key economic functions supported by the river include power generation, agriculture, industrial development and business growth.
- A **key transboundary institution** is the Orange-Senqu River Commission (ORASECOM), established in 2000 through the signing of an agreement between the four riverain countries. ORASECOM is responsible for guiding parties towards the sustainable development and management of the OSB, and for fostering joint and integrated planning among the countries.

The socio-economic value of water

The economies of South Africa and Lesotho are linked by the flow of the OSB; the Lesotho Highlands Water Project is a key source of water for South African businesses, and of revenue for Lesotho.

According to a study carried out in 2020[2] to quantify the extent of shared risks linked to water security for the two countries:

- The decrease in water levels in the two most important dams supplying the LHWP are a cause for concern – Katse is at 22% of its capacity, and Mohale at 3% as measured in November 2020. This trend indicates a steady decline in water levels in the dams over the last five years.
- For Lesotho, the total revenue from LHWP including electricity sales was described as amounting to 677 million maloti in 2012, and increased to 944 million maloti in 2019. This represented 3.7% of the national GDP in Lesotho for 2019, and accounts for 16,058 direct and indirect jobs. It is the equivalent of 14% of taxes, 48% of government health expenditure and 41% of government education expenditure.
- Water is not only vital to Lesotho for its GDP, but also for most South African businesses and all residents across the Vaal and in Gauteng Province. The total value of the economy of the Vaal River water system was estimated in the region of R1.7 billion in 2018. The economic impact of water shortage was modelled to reflect a 17%, 25% and 50% water reduction:
    - A 17% water shortage would result in this economy losing R3.6 billion, equivalent to 0.2% of GDP, and 26,000 job losses – 0.3% of all jobs.
    - A 25% water shortage would reduce the economy by R34 billion, with 244,000 job losses. This would be 3.0% of jobs and 2.0% loss of GDP.
    - Finally, a 50% water shortage would cost R129 billion in GDP, 11% of total GDP, and 924,000 jobs, also 11% of total jobs.

Key water resources threat affecting the OSB:

- Large-scale industrial pollution from industries and mines.
- Toxic run-off from large-scale agri-business.
- Soil erosion from agriculture and urban development.
- Sedimentation resulting from eco-system degradation, such as wetlands.
- River bank degradation from large- and small-scale agriculture.
- Disruption of flow and silting affecting estuary ecology.
- Climate change impacts – temperature change, precipitation change, unpredictability, downstream and upstream impacts.

Resulting into:

Water quantity	1. Environmental water stress 2. Human water stress 3. Agricultural water stress
Water quality	1. Nutrient pollution 2. Wastewater pollution
Ecosystems	1. Wetland disconnectivity 2. Ecosystem impacts from dams 3. Threat to fish 4. Extinction risk
Governance	1. Legal framework 2. Hydro-political tension 3. Enabling environment
Socioeconomics	1. Economic dependence on water 2. Societal wellbeing 3. Exposure to flood and droughts

2 Stratecon 2020 - the Economic and Social Value of Water in Lesotho and South Africa: A Macroeconomic baseline analysis

Session findings and highlights

Both Lesotho and South Africa, together with their neighbours Botswana and Namibia, are economically dependent on a functional and sustainable OSB.

As a result:

- Options for water yield are diminishing
- Land degradation coupled with climate change pose significant risks to the livelihoods and economies of OSB riverain countries.
- Water conservation and demand management, coupled with strong and effective institutions for water management, are crucial.
- Partnerships among various stakeholders fostering integrated planning and joint action are critical in order to face the current water risks.

Water insecurity affects all sectors, and its consequences are serious for all. These include:

- Loss of revenue - private sector, public sector.
- Loss of livelihoods - communities; civil society.
- Compromised food security - agricultural smallholders; communities.
- Loss of electricity - private sector; public sector; civil society.

An Integrated Catchment Management approach supported by stewardship facilitates:

- A systems approach to water resource management, i.e. linking what happens upstream and downstream, current and potential future water usages, and catchments management and development dynamics.
- Thinking of water resources in terms of asset management for long-term sustainability.
- Consistent implementation of existing and new operating rules along the whole catchment, particularly across borders.
- Climate change adaptation as a shared effort for all stakeholders affected by changes in the cost and supply of water.
- An improved understanding and dialogue around the LHWP - Integrated Vaal River System (IVRS) transfer system needs for long-term water security.
- Shared risks and collective actions in response to joint water security issues.

If we do nothing now, we will have nothing in 50 years.

Session 2: The people of the OSB – users and custodians

Rationale and objectives

Given the fact that there is such a variety of stakeholders involved in and dependant on the OSB, it is not only important to have a proper understanding of the stakeholder landscape, but also to look into the unique and shared interests and responsibilities of the different stakeholders. By understanding the various perspectives, the stakeholders can begin to see how building on commonalities and managing differences can develop the basis of cross-sectoral, trans-boundary cooperation addressing various interests and responsibilities.

The objectives of Session 2:

- Understand the stakeholder landscape of the OSB, and what the key interests of the major stakeholders are.
- Identify the main responsibilities of government, the private sector, communities, and NGOs and donors in respect of these main interests.
- Identify the benefits and challenges of trans-boundary and multi-stakeholder cooperation.

As part of the OSB Stewardship Learning Journey, stakeholders in Lesotho and South Africa were identified by sector[3] (government, private and civil society), and divided into key primary or secondary stakeholder categories with regard to their stake in the OSB. It is clear that significant private sector companies in both countries are dependent on water that comes directly or indirectly from the Orange-Senqu River. In Lesotho, relevant sectors include mines, textiles, agriculture and breweries, whereas in South Africa, they include agriculture, mines, energy companies (such as Sasol), car manufacturers, and others as primary users.

The importance of understanding interests and responsibility

It is critical to understand the unique and shared interests that different kinds of stakeholders have in the OSB, noting that key interests such as water quantity and quality, energy supply and environmental factors are shared, but others are sector specific. The private sector, for example, has a unique interest in the use of water for industrial processing, while the public sector is specifically concerned with service delivery, governance and regulation of water supply, demand and quality. Civil society has a strong interest in access. The nature of responsibilities and incentives to partake in a water stewardship initiative are directly related and proportional to the interests of each of the stakeholders.

While collaboration is a 'no-brainer', there are risks, benefits and transactional costs linked to collaborating across sectors. Those should be carefully acknowledged and accounted for when planning the development of, or participation in, a water stewardship initiative, and must be managed throughout. Each sector has its own agenda and direct imperatives, and these can sometimes compete across sectors. Decision-making for the private sector, for instance, needs to be agile and rapid, so the slower and more consultative mechanisms of decision-making used by government departments could be experienced as frustrating and costly. Other issues such as technical capacity, operational protocols and specific needs can also cause tension.

3 It was agreed that in the event of the initiation of a water stewardship programme, a detailed stakeholder identification and mobilisation exercise would need to be carried out.

Interests

PRIVATE SECTOR	PUBLIC SECTOR	CIVIL SOCIETY
- Water quality - Water quantity - Energy - Industrial processing water requirements - Irrigation supply - Bulk storage - Environmental factors	- Water quality - Water quantity - Governance & regulation - Revenue - Service delivery - Environmental factors - Energy - Bulk storage - Livelihoods - WASH	- Water quality - Water quantity - Livelihoods - Service delivery WASH - Research & Development - Environmental factors - Energy

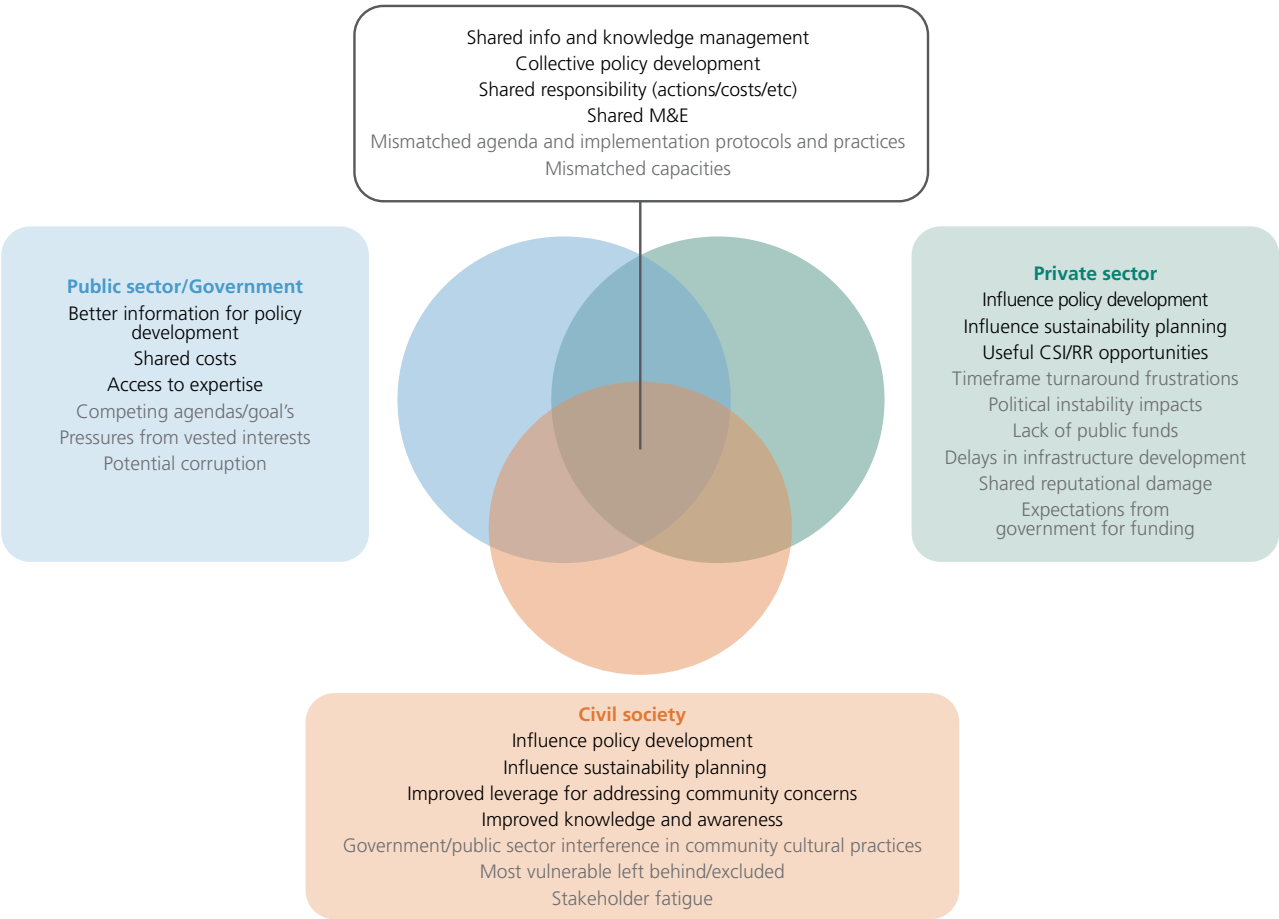
Responsibilities

PRIVATE SECTOR	PUBLIC SECTOR	CIVIL SOCIETY
- Develop & implement internal water protection protocols & practices (use, contaminant management, conservation) - Manage abstraction & use optimally - Contribute to policy development - Share knowledge, expertise for common benefit - Share financial resources - Fund innovation - Resource water-related CSI	- Ongoing consultation & communication - Develop appropriate policies & regulations - Enforce policies & regulations - Manage water pricing optimally - Maintain accurate information & knowledge - Source expertise - Resource infrastructure requirements & maintenance - Resource conservation & environmental rehabilitation (including PES)	- Be informed - Comply with regulations - Perform watchdog role in respect of both public & private sectors - Engage in local conservation & rehabilitation projects - Involve schools and learners

SHARED INTERESTS	SHARED RESPONSIBILITIES
- Water quality - Water quantity - Environmental factors - Energy	Overall collaboration in the service of the protection of the OSB - Policy development, enforcement & compliance - Knowledge & expertise - Financial resourcing - In-kind resourcing - Infrastructure design, development & maintenance - M&E

We need to understand the risks from all perspectives, bring all stakeholders together in a collaborative response, building transparent accountable processes to take water stewardship forward on the OSB.

A summary of the main benefits (green) and risks (red) are represented in the following visual:



Ultimately the benefits outweigh the risks, providing shared, cost-effective and integrated solutions for the long-term collective benefit of all stakeholders.

Session findings and highlights

1. Multi-stakeholder collaboration requires careful analysis of stakeholder groupings: public sector from Lesotho and South Africa (national, regional, local), private sector (rural/ agricultural, urban/ industrial, domestic) and civil society (communities, NGOs).
2. All stakeholder groups have shared and unique interests. Shared interests are tied to access to quality, quantity, reliability and sustainability of water provision, while unique interests are tied to specific water use.
3. All stakeholder groups have shared and unique responsibilities, which are directly tied to interests.
4. Shared interests and responsibilities make collaboration a 'no-brainer'.
5. There are risks and benefits to collaboration. These must be understood and managed with the right will and commitment.

Session 3: Catchment management lessons

Rationale and objectives

A key strength of the water stewardship approach is the wealth of experiences available and the ability to learn from what works, allowing for lessons to be shared and valued within initiatives. There are several projects that have applied the stewardship approach to achieve multi-stakeholder buy-in and ICM, both at the national and trans-boundary levels. These offer critical lessons for the OSB Stewardship Learning Journey.

The objectives of Session 3:

- To ensure stakeholders remain mindful of the threats and risks, and aware of who the stakeholders of the OSB are, along with their respective interests and responsibilities – as discussed in Sessions 1 and 2 of the OSB Stewardship Learning Journey.
- Learn about water stewardship from stewardship practitioners and champions of collective multi-stakeholder approaches.
- Examine the key issues to be addressed in preparation for planning a water stewardship intervention.
- Introduction to the 2018 GIZ document titled '10 x 10 Lessons Learned' on best practices for the set-up and implementation of stewardship partnerships.

The following three initiatives shared their experiences, covering different perspectives and areas of implemented projects:

- The Resilient Waters Programme, a five-year USD32 million project funded mainly by USAID, which focuses on improving the sustainability of the Limpopo River Basin through integrated planning and nexus approaches, as well as improved trans-boundary cooperation, capacity development, and stakeholder mobilisation and involvement. This basin shares many common features with the OSB, being a key water resource for multiple types of users across a number of countries.
- Letseng Diamond Mine from Lesotho, who showcased a number of their projects carried out in Oxbow-Senqu Critical Habitat Priority Area of Lesotho. They shared information on holistic rangeland management, wetland restoration and conservation, as well as community education projects and the extremely successful Khubelu Sponges project.
- Sasol, a private sector stakeholder operating within the IVRS, that is dependent on water quantity and quality from the OSB. Sasol shared their approach in championing water stewardship activities within the company in respect of operations, as well as for community-based water projects (i.e. projects in Matsimaholo, Secunda, dealing with the establishment of water targets).

The following key lessons are to be considered when developing a water stewardship project:

Programme design

- Successful programmes have continuity – we must take a long-term approach.
- Short-term funding does not work – many examples exist.
- The private and public sectors, and civil society, must be involved from the outset.
- Sustainable programmes need clear definitions of roles and responsibilities e.g. Letšeng MOU with two government departments.
- Monitoring of adherence to water and rangeland regulations is critical.
- Referees and players are needed.

- Demonstrating the benefits to the stakeholders and communities is important for them to take ownership.
- Stakeholder empowerment means they understand the benefits.
- Guidelines and a strategy are needed.
- A technical approach is required, involving mapping the area. Water is trans-boundary, so we must understand factors such as the extent of acid mine drainage.
- Clear entrance and exit strategies are crucial.

Project management

- A full time secretariat/driver group must be established.
- The secretariat must have the appropriate technical skills set.
- A detailed stakeholder assessment must be undertaken to understand the stakeholder landscape. This must include a plan to engage them.
- Roles must be clearly defined with regard to programme implementation.
- An active secretariat must have a clear workplan and budget in place.
- A clear steering structure must be in place to guide and manage the secretariat.
- A monitoring and evaluation framework with clear indicators of progress must be designed to ensure intended outcomes are being realised,

Building partnerships

- Building trust and confidence is key to successful partnerships.
- A common purpose and shared goals need to be agreed on by all stakeholders at the outset to ensure alignment.
- Partnerships must be managed from the outset to build cohesion and functionality. The road to a sound partnership can be tedious; processes like 'Forming' and 'Storming' must be undertaken before the rules of the partnership are established through 'Norming', and mutual trust enhances 'Performing'.
- It is important that all levels of the partnership are kept integrated and informed. People on the ground might not be able to see the bigger picture (such as having a catchment-wide view) because they are focused at a local intervention site. They may not see how the intervention fits into a bigger, more strategic plan.
- Committed leadership is necessary to champion and drive the work of partnerships.
- It is useful to identify and mobilise individual champions from the public, and private and civil society sectors, who can bring their sector on board.
- Partnerships must be based on an understanding that you can only achieve the outcome together. It needs to be very clear from the outset what the contributions, as well as roles and responsibilities, of each of the stakeholders are.
- Partners can be identified in local/regional/national government departments, as well as in the private sector and civil society organisations. Those with a stake in water must be identified and mobilised.
- Outcomes must be beneficial to all, and all contributions should produce shared value.
- A secretariat is very important in running partnership arrangements, and this helps leverage funding.
- It is very useful to have support from leadership at a senior level.
- Sustainability requires government involvement.

- Neutral brokers, such as GIZ, are useful for achieving success and encouraging trust within partnerships.
- It takes time to establish a concrete relationship/partnership.
- It is important to ensure that all role players are knowledgeable about water issues and water. stewardship.

Challenges

- There can be mistrust that needs to be overcome, especially when the private sector approaches the public sector (i.e. municipalities) with a partnership initiative. Mistrust is often mutual.
- The public sector can be protective about their mandates.
- High human resources turnover in the public sector undermines relationship building, making the formalisation of partnerships challenging.
- Lack of ownership can be a serious challenge.

Financing

- Development financing from development partners (i.e. GIZ) can be a key catalyst in getting partnerships started.
- Partnerships must be based on an understanding that outcomes can only be achieved together, benefits must be shared, and shared contributions from each of the stakeholders is required. What each partner can contribute must be clear from the start.
- A commitment to financial assistance from the GOL would go a long way to realising the sustainability of the project.
- The interests of the private sector could change if their revenue reduces for any reason, and they might reduce contributions. If the government can allocate budget to sustain the initiative, it would have a greater change for success in the long-term. Government funding is key in the long run.
- Grant-based funding is useful.
- The range of income streams available for consideration include corporate funding, grant-based funding, government funding and self-sustaining commercial funding.
- Aligning stewardship objectives/actions with companies' sustainability and environmental strategies results in quick wins.

Challenges

- Attracting corporate funding is challenging. An option for addressing this is to try and mobilise corporate social responsibility allocations.

Stakeholder mobilisation

- Planning and research are critical – stakeholder engagement is key, but is not always a tangible deliverable and so is often under-resourced.
- It is important to recognise the complexity of the stakeholder landscape – different levels, degrees of interest, risks, capacities, mandates, cultures, etc. Mobilisation strategies that overcome the complexity obstacle must be developed.
- Stakeholder identification requires time and effort.
- Stakeholder mobilisation requires expertise – stakeholders must know why they are being mobilised.
- Stakeholders at all levels must be understood in terms of what their interests are. Stakeholders get involved based on their interests – this should be the basis of engagement strategy.
- Mobilisation must be rational and practical, especially in the early stages. It must also be strategic and sensitive to exclusions.

- One should identify sector stakeholders and pay extra attention to engaging them, and maintaining that engagement.
- Existing networks, systems, structures from the SWPN to farmer groups should be tapped.
- Mobilisation must take a multi-level approach – role players operate at all levels, from the farm, to the river front, to the boardroom, to the senate chamber.
- Government involvement at all levels must be secured from the outset (despite high staff turnover).
- Initial and ongoing relationship building is key.
- Communication is essential to stakeholder engagement – keep stakeholders informed.
- Stakeholder mobilisation must be resourced – necessary time and money must be set aside.
- Stakeholder databases must be continually updated.

Capacity building and behaviour change

- Be aware of the different kinds of skills and knowledge required for effective water stewardship – including administrative and coordination skills, technical skills and knowledge, general awareness, etc. Different stakeholders require different input.
- Different kinds of capacity development are necessary – ranging from technical skills related to water stewardship, to project management.
- Coordination skills are essential.
- It is useful to mobilise the assistance of existing NGOs and other support agencies like GIZ, as well as the private sector and other structures working in the space. They often have resources available for capacity building, especially at the community level.
- Sharing learnings is a helpful approach to capacity development.
- Capacity development must be ongoing.
- To secure behaviour change, it is helpful to create options for change that are aligned to people's needs and which are easy (Nudge Theory).
- A 10 x 10 Lessons Learned document prepared by GIZ in 2018 after extensive project evaluations and consultations is a further tool that can be used as a learning resource.

Session findings and highlights

The highlights from this session were rich and extensive, as the practical applications yielded many learnings.

1. Water stewardship projects should be introduced and designed based on a clear understanding of catchment dynamics (upstream or downstream).
2. Water stewardship projects need to address issues related to the following:
    a. Program and project planning should be integrated. It would be helpful to use the Water-Energy-Food (WEF) nexus approach; this should be strategic, and interventions can be catchment-wide or local.
    b. Trans-boundary cooperation must Mobilise key participants and include a capacitated secretariat. Unified data sets are the bedrock of agile decision-making.
    c. Develop capacity must be examined from institutional, operational and grassroots levels, and must involve the public, private and civil society sectors. Existing agencies and learning materials should be used, and lessons learnt should be shared. Upstream and downstream information, and information on climate change, should be included.

d. Stakeholder identification, mobilisation and involvement should take cognisance of the fact that stakeholder groupings have their own specific challenges. Stakeholders should be engaged intelligently; this requires skills, time and effort. Strategic (government and key at national and trans-boundary stakeholders), operational (organisational users), local (organisational and individual users) stakeholders are all important, and none should be excluded. Communication must be frequent and effective, and employed to build and service networks.

e. Private sector participation must be approached from a position of interests. Partnerships should be built around design and implementation, resource mobilisation (cash and in-kind), and building a common vision. This will lead to synergies and combined actions which are local and strategic. The private sector must be involved in networks. The involvement of key stakeholders (agriculture and mining especially) is important.

f. Risk management requires the identification of all risks – such as climate change – which is dependent on sharing information. Stakeholders must strategise explicitly and proactively around risk management in a multi-sectoral way, and encourage interaction between Trans-Frontier Conservation Areas (TFCA) and trans-boundary water institutions for ecosystems-based adaptation.

g. The WEF nexus impacts on livelihoods must be clearly understood, and this should be brought into the design of interventions. For positive impacts on livelihoods and community development to be realised, climate smart agriculture and 'Water Sanitation and Hygiene for All' (WASH) investments should be encouraged. Stakeholders must engage local communities on their own practices, needs and issues, and should always be prioritising local economic empowerment.

Session 4: Exploring financing mechanisms which offer potential for application to an OSB Stewardship platform

Rationale and objectives

Water stewardship needs appropriate resourcing to deliver long-term benefits. The rationale of water stewardship, demonstrated through several business cases, is that in the long-term, investment into stewardship initiatives proves to be cost-effective. It realises returns by offering savings through mitigation of water risks. Stakeholder can contribute differently to stewardship initiatives according to their means and availability. Different mechanisms exist, and selecting the appropriate one could make or break the success of partnership intervention.

Objectives of Session 4:

- Learn about financing options from a portfolio of funding mechanisms presented by fund experts from various agencies involved in Integrated Catchment Management and water stewardship.
- Ascertain the interest from participants and prioritise what may be most appropriate to promote Integrated Catchment Management across the OSB through a water stewardship approach.

Six different organisations were invited to present their approaches in Session 4. A summary of the various mechanisms is represented in the table (p.25). All of the mechanisms have demonstrated potential applicability to the OSB, however the qualifying criteria are different for each.

Session findings and highlights

1. The existing treaty between Lesotho and South Africa regulates water related financial flows. This existing mechanism has served to ensure the conservation and rehabilitation of key ecosystems. However, a funding gap still exists that could be supplemented through the application of a stewardship approach.
2. There are various types financing mechanisms that are appropriate for work on the OSB, including grants, shared risk grants and investment bonds.
3. Most mechanisms promote an integrated catchment approach, rather than small one-off projects.
4. In order for the private sector to be prepared to make larger/longer term contributions to water stewardship initiatives, the interest needs to be from a direct supply perspective. The private sector would likely be keen on an initiative that can support the continuation of the supply of water – it must also make business sense.
5. The private sector has a significant interest in water stewardship based on direct potential impact on their operations. Not all private sector parties are aware of the importance of their contribution for the sustainability of their businesses.
6. In-kind contributions are a key driver of stewardship initiatives.
7. It is important to link financing and governance capacity. There is a need to invest in local governance capacity within the local catchment. For example, if tariffs are raised, there is no certainty that there will be improvement in raising and tracing. The question is how to ensure proper governance?
8. The trans-boundary nature of the OSB need not be a big barrier to securing finance.
9. There are a number of precedents to build upon and to learn from, for which the Alliance for Water Stewardship is a good resource.

There is a need for a science-based, evidential foundation for quantifying and justifying outcomes to work out returns on investment so that interventions can be proposed to stakeholders with confidence. This requires data, investigation, justification, etc.

New water stewardship initiatives need to pick up on work that has already been done. It is a 'no-brainer' to preserve institutional memory and collate information for multiple benefit - this is cost effective, and strategic.

MECHANISM					
TNC Water Funds	**DBSA and KfW SADC Water Fund**	**Development Impact Bonds**	**GIZ/DeveloPPP**	**Regeneration Opportunity Fund (ROF)**	**Alliance for Water Stewardship**
KEY FEATURES					
- Aims to unite public, private and civil society stakeholders in multi-sectoral governance structure carrying out collective action projects. Buy-in is key. - Nature-based solutions for sustainable integrated catchment management that are science/evidence based. - Long-term and scale are important to turn the tide on water security. - Has a guideline "toolbox".	- Established by SADC as a blended financing instrument to promote grey and green infrastructure, managed by DBSA, supported by KfW. - Requires partnership with private sector, trans-boundary approach in support of integrated water management, especially in towns along catchment in order to build resilience.	- Performance-based investment instrument intended to finance development programmes in low resource countries to improve functionality. - Mechanism to manage investment in e.g. water infrastructure on the basis of returns on investment (e.g. used If outcome payer is not fully invested with top management buy-in, then need a guaranteed off-taker, who needs to be confident re results - need to be specific and evidence based and quantifiable. - DIB/SIB benefits the private sector beneficiaries as they are not responsible for implementation - way of being assured that aid agencies are securing cost recovery down the line.	- Carried out by GIZ and DEG, the instrument is demand oriented and based on developing partnership with private sector, whereby fund contributions should be equal. - Not suitable for short term, 3 year max timeframe - scaling up is possible to extend projects. - ZAR100000 to ZAR1mill scale - Investment is not in core business but in a public benefit combine business interest with public benefit.	- Working in Lesotho with a range of ministries – agriculture, water, environment, local govt. - Objective is to reduce biophysical degradation (a consequence of inadequate management of resources and poverty impacts), improve livelihoods, increase social capital in respect of environment, oriented to long term vision. - Fund will have 3 windows: 1) Community and labour based; 2) Livelihoods development; 3) innovation - evidence and science based e.g. biofuel; - Aims to mobilise funds from various actors in different ways including using carbon offsets.	- Diverse global alliance of private, public and civil society, aimed at igniting global leadership for water stewardship, by implementing a standard - to get reliable evidence of water stewardship actions of private sector sites. - "Curator" of extensive experience from multiple entities doing water stewardship in multiple countries to learn from.

Session 5: Way forward - How to protect the OSB

Rationale and objectives

The fifth and final session was held on 17 March 2021, with the aim of bringing the learnings from the previous four sessions to the fore to inform a way forward for developing a water stewardship programme on the OSB.

Objectives of Session 5:

- Collaboratively develop a way forward to protect the OSB, drawing from all previous sessions.
- Identify potential projects of joint interest.
- Identify suitable institutional arrangements and (partnership) platforms to structure further engagements on collective responses.

Institutional arrangements and a sound governance structure are key to the success of a stewardship platform. The SWPN has long-standing experience as a network for water stewardship in South Africa with over ten years of experience and over 100 members

"The Strategic Water Partners Network is a multi-stakeholder (public, private and civil society) partnership working collectively to close the gap between water supply and demand by 17% by 2030".

STRATEGIC FOCUS AREAS

Water use efficiency and leakage reduaction
- Municipal and industrial water loss
- Polokwane partnership project

Effluent and wastewater management and sanitation
- Municipal wastewater management and reuse
- Promote access to resilient, cost effective and efficient sanitation solutions

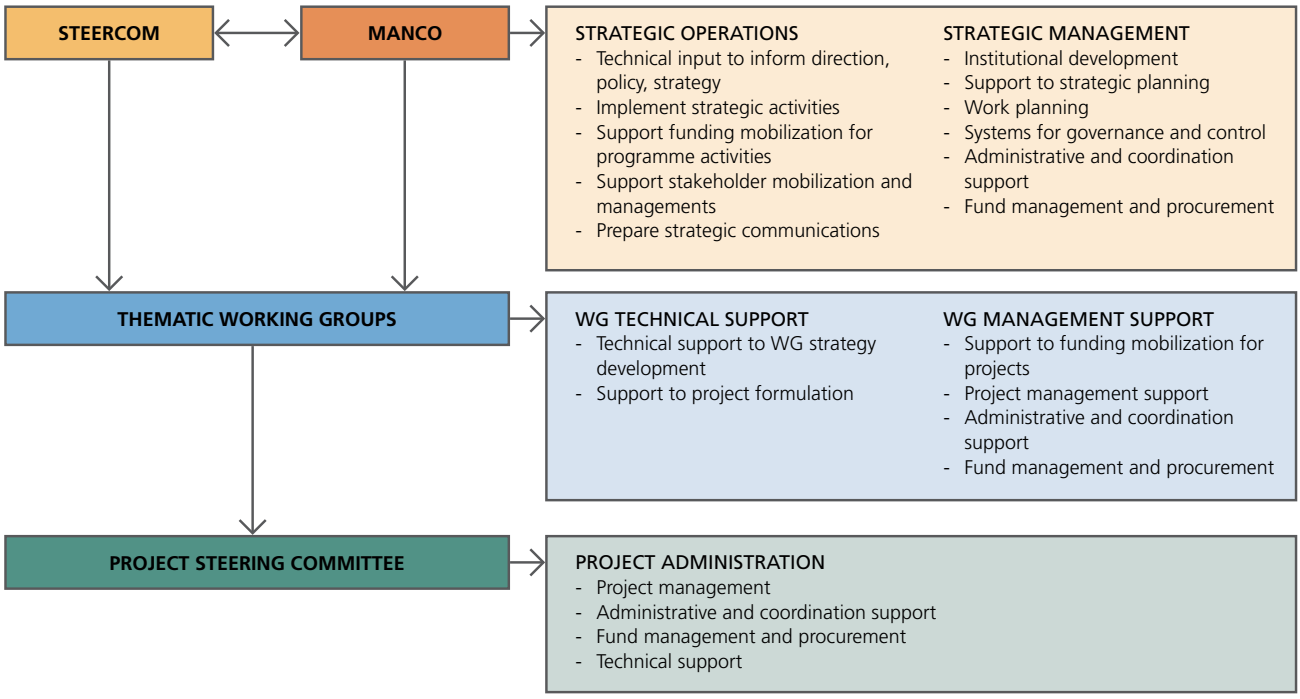
Agricultural supply chain
- Irrigation water use efficiency and promotion of equitable access

Water stewardship
- Collective response to water risks through section and supportive policy

Skills development and transformation
- Development of skills water sector

Priority areas based on:
- Replicability
- Scalability
- Potential for public/private engagement
- Potential to close 17% gap

SWPN Structure



Its strength lies in the shared chairmanship between the private and public sectors (the rotating private sector chair along with the Director-General of the Department of Water and Sanitation). The presence of a high-ranking government official as chair provides for the institutionalisation of the network in the South African water sector, and secures sector buy-in from senior officials and CEOs. The backbone of the network is its secretariat, hosted by the NEPAD Business Foundation, which oversees the day-to-day business and administration. A carefully selected management board provides the network with steering oversight. The stewardship work undertaken in cooperation with the private sector is in the thematic working group. The work and secretariat structure of the network is financed through private sector contributions, both in-kind and monetary, and through development partners support, as well as public sector funding.

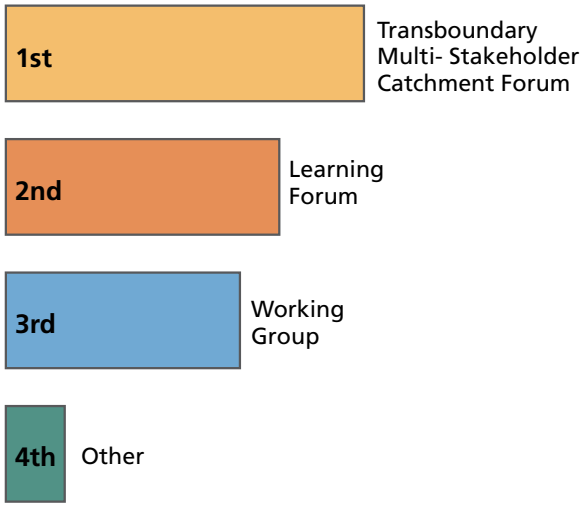
Any trans-boundary, multi-stakeholder water stewardship solution developed for the OSB will need to be governed by an appropriate institutional vehicle.

Three options were discussed as a potential way forward. The development of a multi-stakeholder, trans-boundary catchment forum was the most favoured, however stakeholders expressed support for collaborative working groups and learning forums.

- The results highlight the needs for increasing trans-boundary dialogue around the sustainability of the OSB; a trans-boundary, multi-stakeholder forum including the private sector would fill this gap.
- Complex issues cannot be solved by means of one single forum but must carefully craft a tailormade structure responding to the needs and resources of the context.
- Existing institutional arrangements are crucial as anchors for ensuring the longer-term sustainability of a stewardship platform and its actions.
- Lesotho should explore the creation of a network to structure and institutionalise cooperation with the private sector.

- Smaller focused consultations can serve as a catalyst for building the culture of working together.

As a catalyst for inspiring multiple stakeholders to take action in the OSB, 12 projects supporting the development of an Integrated Catchment Management programme were presented. These are managed by the GOL ICM in partnership with GIZ, LHDA and ORASECOM (in partnership with UNDP and Global Environment Facility (GEF). Participants were invited to indicate their interest in supporting existing projects.



	Project	Votes
1	Priority sub-catchments: six priority sub-catchments have been identified in which rapid and detailed climate change vulnerability as well as water availability assessments are being planned in line with the "science before planning principle". The aim being to ensure that any work carried out in any catchment is informed by a detailed analysis of the vulnerabilities and water stress levels. Those priority sub-catchments are pilots for the country and the methodology will be scaled to further catchments in time- Implemented by ICM	10
2	Economic and social value of wetlands: focussing on confirming and quantifying the main causes contributing to decreasing volumes of water in storage in Katse and Mohale Dams- Implemented by ICM	8
3	Protecting important headwater wetlands through the RAMSAR convention; aims to identify and designate wetlands of international importance implemented by ICM	7
4	Establishing a National ICM Data System: supporting and promoting improvements in the collection and use of data for national monitoring and planning of ICM- implemented by ICM	7
5	Green livelihood measures: Developing a compendium of green livelihoods, looking at opportunities for Aquaculture, Farming/agriculture (Machobane farming, horticulture, green houses, dairy product, orchards, organic vegetables distribution and marketing, new niche markets), IT skills, Tourism industry, Medicinal herbs/plants, Alien invasive species value chain, and Mini hydropower and wind farms- implemented by ICM	6
6	Protection rehabilitation and restoration of wetlands: Establishment of protected area, Physical and biological interventions, Governance - implemented by LHDA	6
7	Conservation and sustainable use of rangelands: Removal of invasive plant species and reseeding, Livestock registration, Rangelands resting, Establishment of RMAs/Gas, Development and implementation of grazing plans -implemented by LHDA	6

	Project	Votes
8	Prevention and control of soil erosion: Establishment of a buffer zone above the dam, Physical and biological interventions, Improvement of vegetative cover implemented by LHDA	5
9	Pollution control: Catchment assessment, Cumulative impact assessments, Stakeholders Engagement- implemented by LHDA	4
10	Livelihoods diversification: Wage-based, enterprise-based initiatives, Ecotourism, Private sector involvement through PPPs with strong community beneficiation component -implemented by LHDA	5
11	Innovative Private Public Partnership schemes developed under the auspices of ORASECOM, building on successful pilot project with Emfuleni municipality - Implemented by UNDP, GEF and ORASECOM	11
12	Potential for implementation of trans-boundary Paying for Ecosystem Service schemes in the basin explored and PES project concepts developed - Implemented by UNDP, GEF and ORASECOM	8

Discussions on the way forward

After five informative sessions, the questions that remain open are:

- Where to from here?
- How will the learning translate into a long lasting engagement and, potentially, into a cross-boundary stewardship platform?

The following points were agreed upon by all participants in the OSB Stewardship Learning Journey as being of great importance and of great concern to all stakeholders:

- The water resource of the OSB is under threat.
- The threat is great for users along the whole catchment, from the headwaters in Lesotho to the ocean, especially for Lesotho and South Africa's Gauteng Province. Livelihoods and economies are at risk.
- The interests in the OSB are different for different stakeholders, but the ultimate goal of keeping the water quantity and quality high is shared. This demonstrates good potential for joint initiatives contributing to a healthy and resilient catchment.
- There is interest, enthusiasm and commitment to action from OSB stakeholders who participated in the OSB Stewardship Learning Journey.
- It is essential that the three broad sectors from both Lesotho and South Africa, namely government, the private sector and civil society, with the support of the international donor community, collaborate to find and implement solutions to address challenges posed by the risks and threats to the OSB.
- Water stewardship requires funds, and there are a range of financial mechanisms that are relevant and applicable to an intervention on the OSB (including an opportunity through the Green Climate Fund).
- There are clear lessons and guidelines to draw from in crafting an appropriate intervention on the OSB.

The follow-up survey confirmed the above.

Participant feedback on the OSB Stewardship Learning Journey

The following infographic captures the responses of the OSB Stewardship Learning Journey participants in response to the question: What was the highlight of the Learning Journey?

The consistently high level of participation from stakeholders from Lesotho and South Africa is clear evidence that the Learning Journey was well-timed and relevant to stakeholder concerns. The level of information sharing was high and brought a combination of the current discourse around catchment management in an era of climate change and practical experience to the table. Participants engaged consistently with the content, the discussions and with each other throughout the five sessions.

The elephant in the room is the role and involvement of the private sector and civil society, which requires more attention during the institutional design process.

Quo vadis? Orange-Senqu Basin partnership

The way forward on the OSB Stewardship Learning Journey will be co-created with stakeholders. As a first step, the existing projects will be used as a catalyser to build relationships of trust and an ethic of working together in a meaningful way. A survey has been shared for participant to express individual interest in supporting those projects, which are safeguards of key water sources. Participations from the South African private sector, along with in-kind contributions, will be key assets to the success of these projects. In parallel, the ReNOKA movement will continue building awareness of the importance of the water resources from the mountain kingdom, and of the dire need for an Integrated Catchment Management approach to ensuring their protection. Working with the private sector is a new practice in Lesotho, however many opportunities exist that will be carefully explored through scientific, physical and economic studies to build strong business cases around cooperation that will also benefit country downstream. Private sector cooperation in Lesotho will need to find an institutional home to ensure its long-term sustainability. The need for cross-boundary dialogue opportunities and knowledge exchanges was felt very strongly, and opportunities to establish a cross-boundary platform will be discussed with ORASECOM.

We should continue as a platform that facilitates collaboration of efforts on the Orange-Senqu Basin to avoid duplication and ensure efficient use of resources. This will create synergies that make us more effective, and will deliver benefits to the stakeholders in the best way possible.

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