



Climate Resilient Water Investment Plans

Examples & Outlook for Montenegro

10 March 2026 | Kolasin, Montenegro

The main purpose of a Climate-Resilient Water Investment Programme (WIP), is to **provide a process** around which to rally and **engage a diverse range of stakeholders, identify shared goals and opportunities, mobilise political support, and coordinate funding and financing** to achieve water security and resilience goals in the most efficient and equitable manner.

The output – the Climate-Resilient Water Investment Programme document – succinctly **summarises the key findings and recommendations** of the process and **charts an ambitious but realistic financing pathway** over a medium-term development period and beyond.

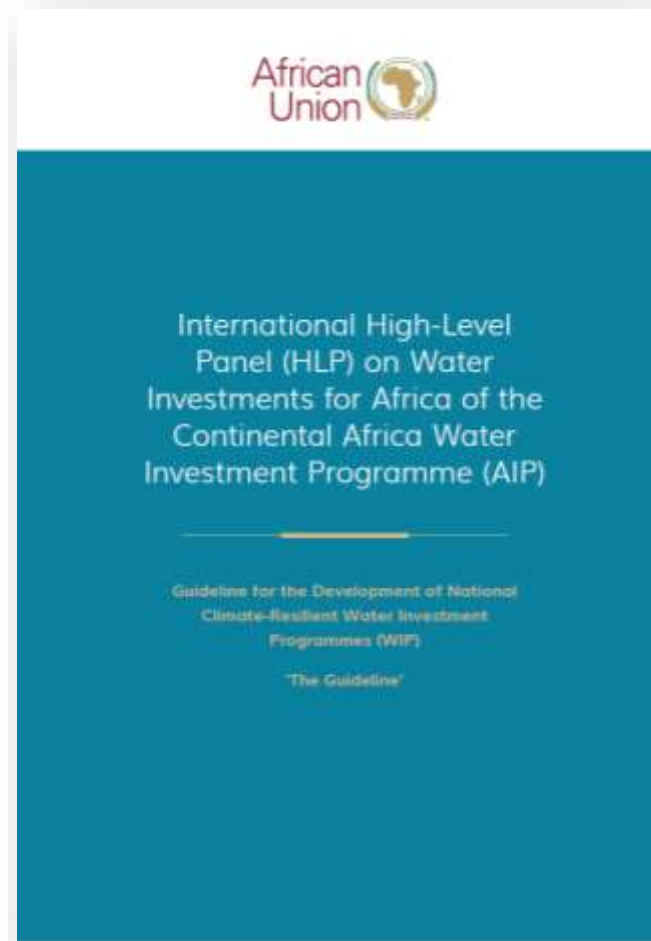
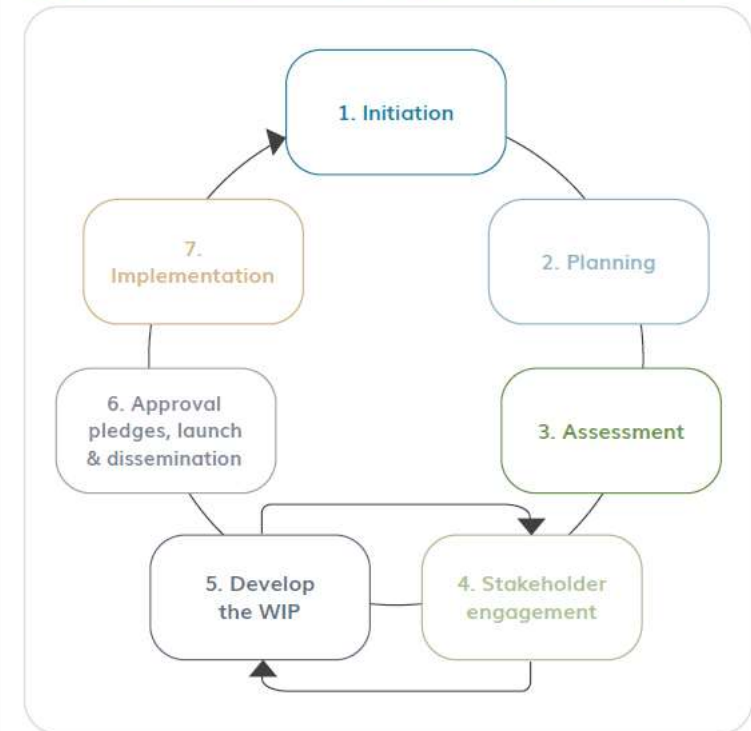
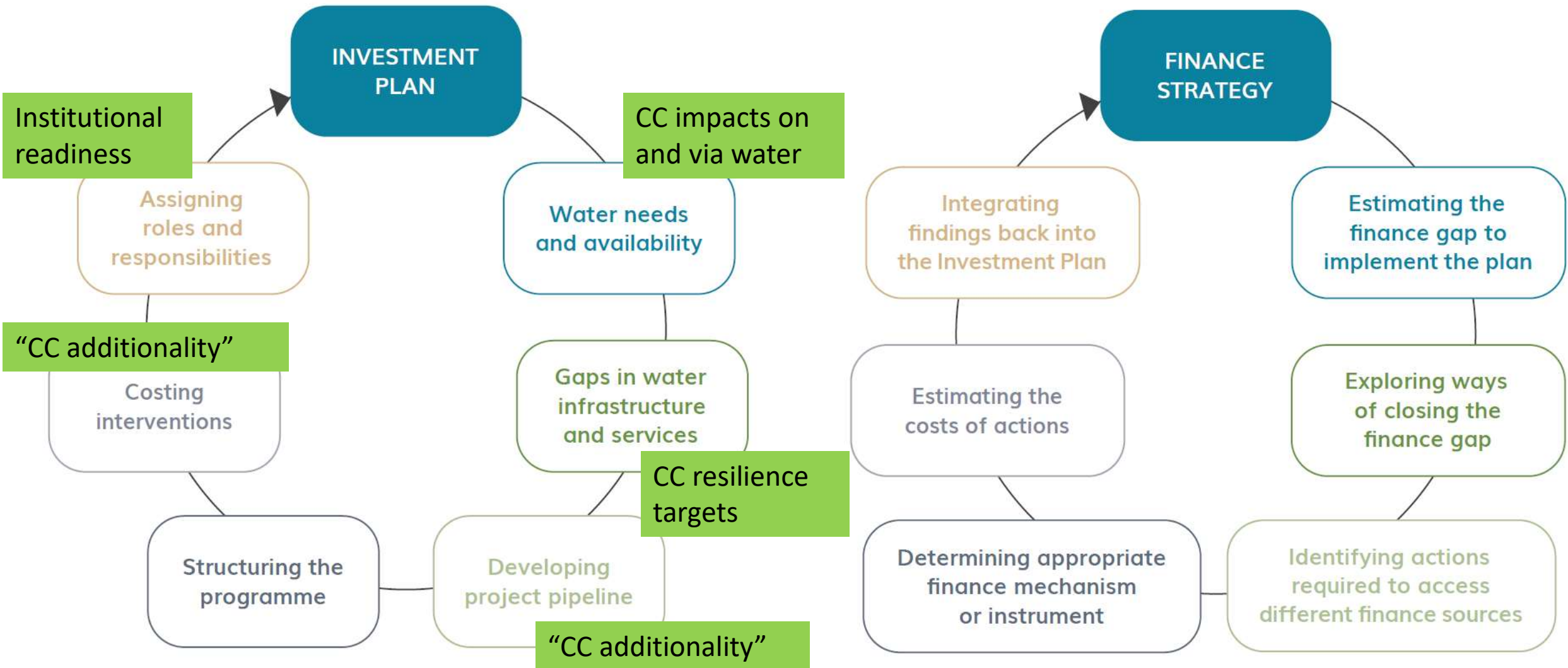


FIGURE 2. SEVEN MAIN STEPS IN DEVELOPING COUNTRY WATER INVESTMENT PROGRAMMES



What's in a Climate Resilient Water Investment Programme?



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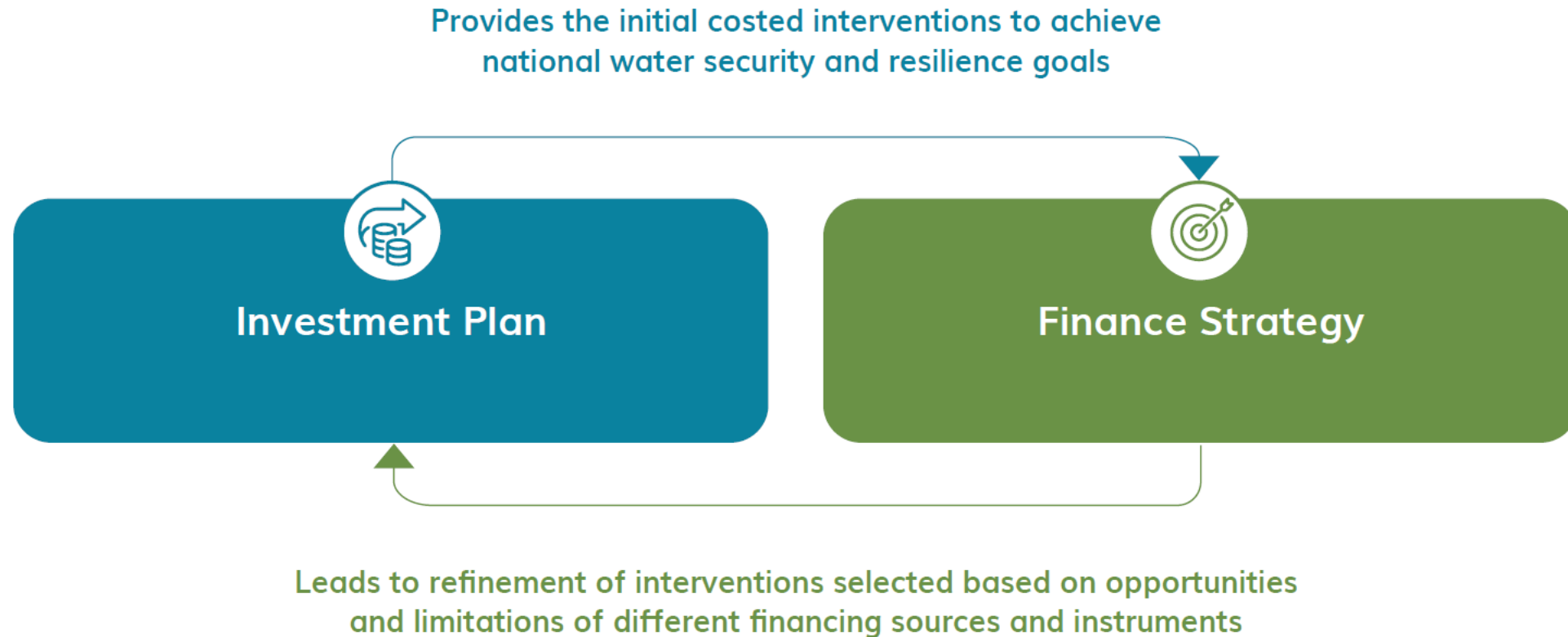
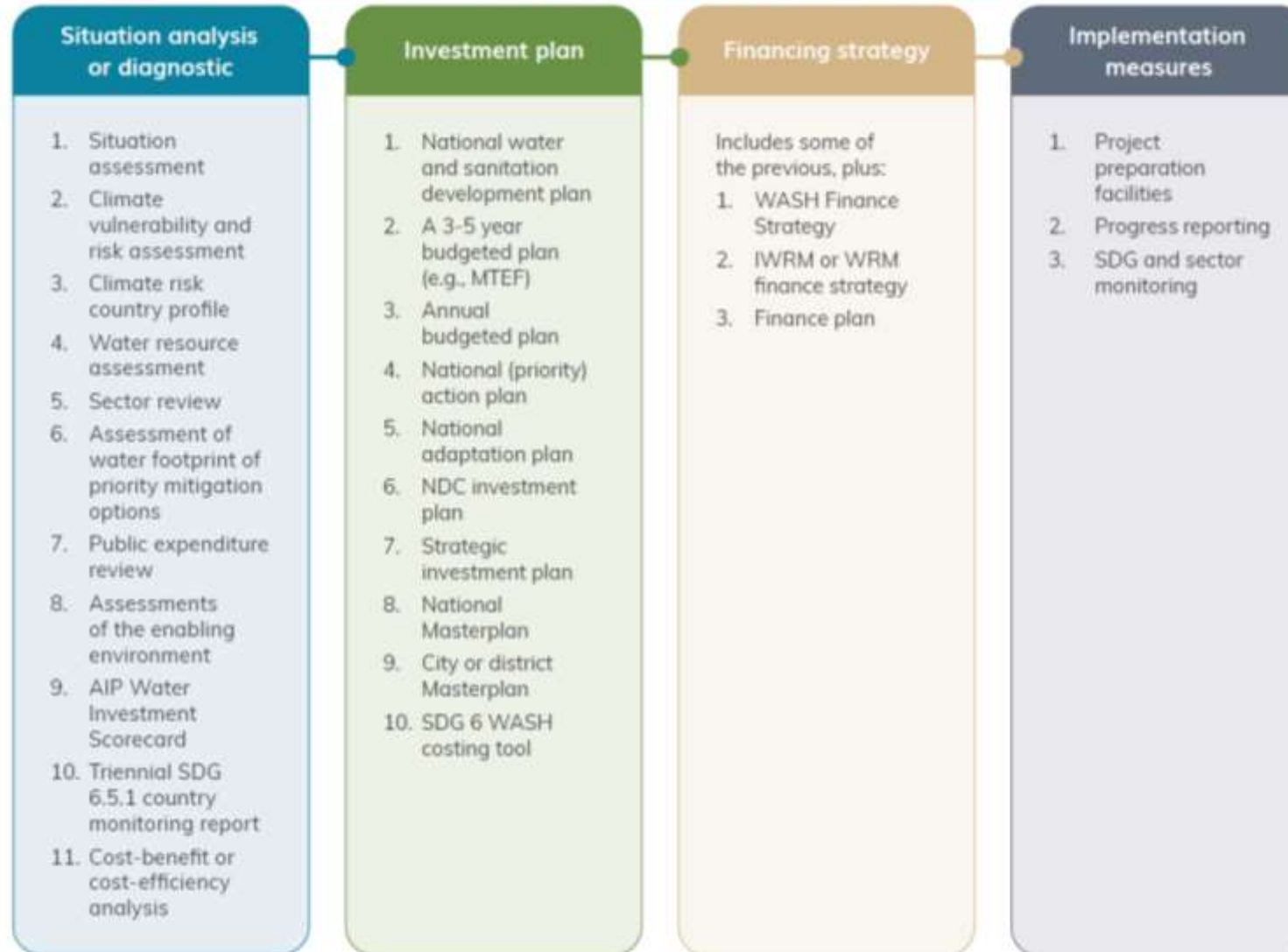
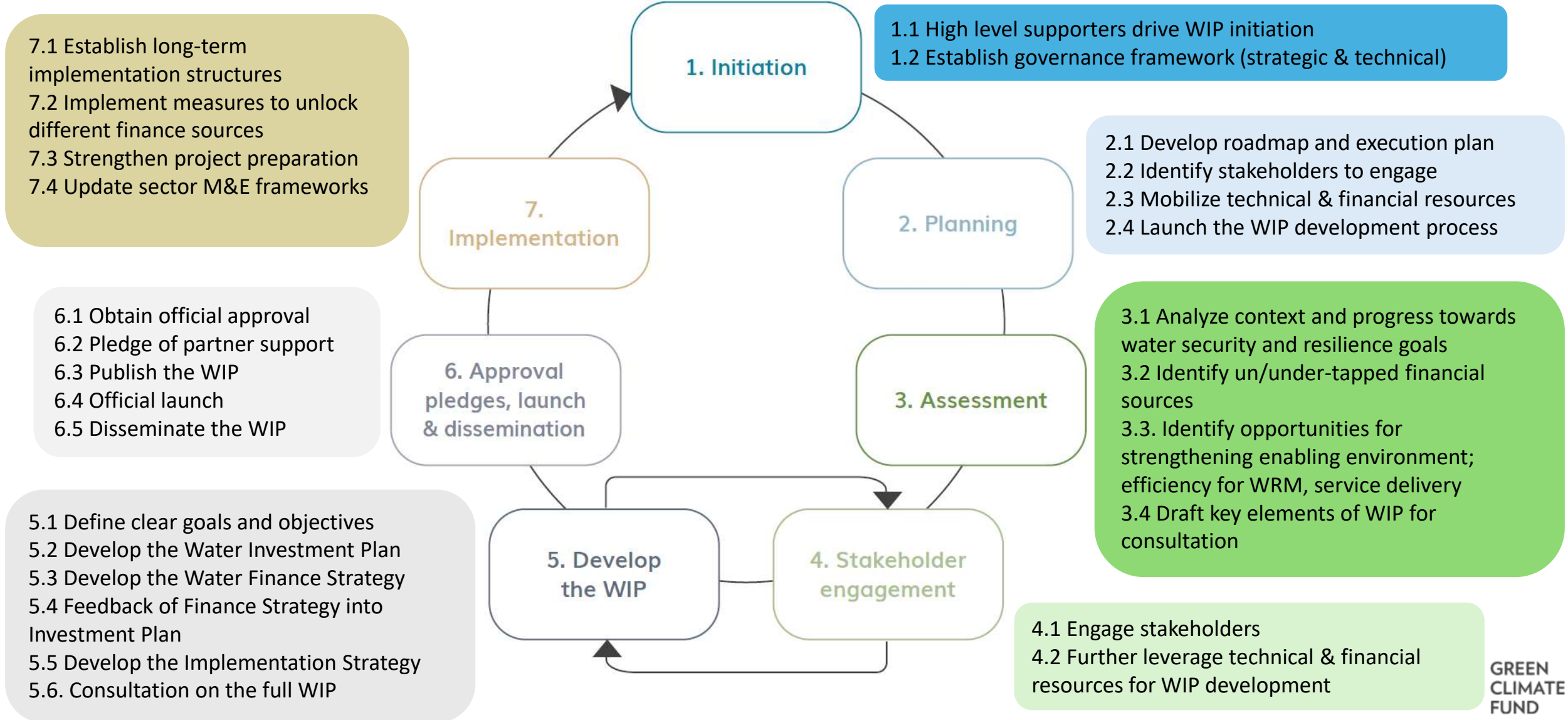


FIGURE 3. ELEMENTS THAT MIGHT HAVE BEEN PREPARED UNDER DIFFERENT STAGES

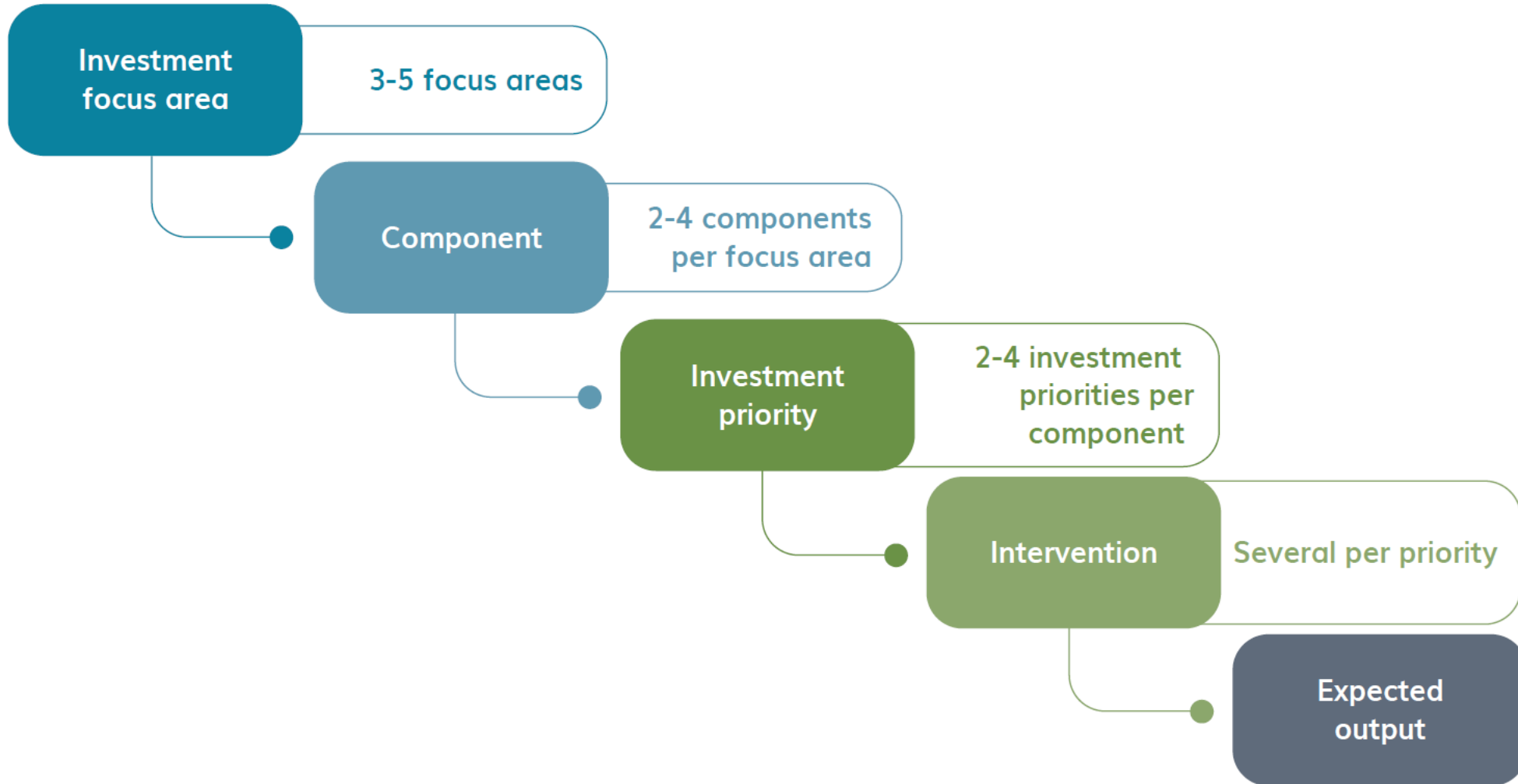


- ✓ Integrated Water Resource Management and Cross-Sectoral Integration
- ✓ Resilience to Climate Change
- ✓ Good Governance and Accountability
- ✓ Stakeholder Participation and Inclusivity
- ✓ Environmental and Social Safeguards
- ✓ Gender Equality and Social Inclusion
- ✓ Sustainability and Long-Term Planning
- ✓ Adaptive Management
- ✓ Knowledge Sharing and Capacity Building
- ✓ Partnerships and Collaborations
- ✓ Transboundary Cooperation & Approaches

How to develop a Water Investment Programme?



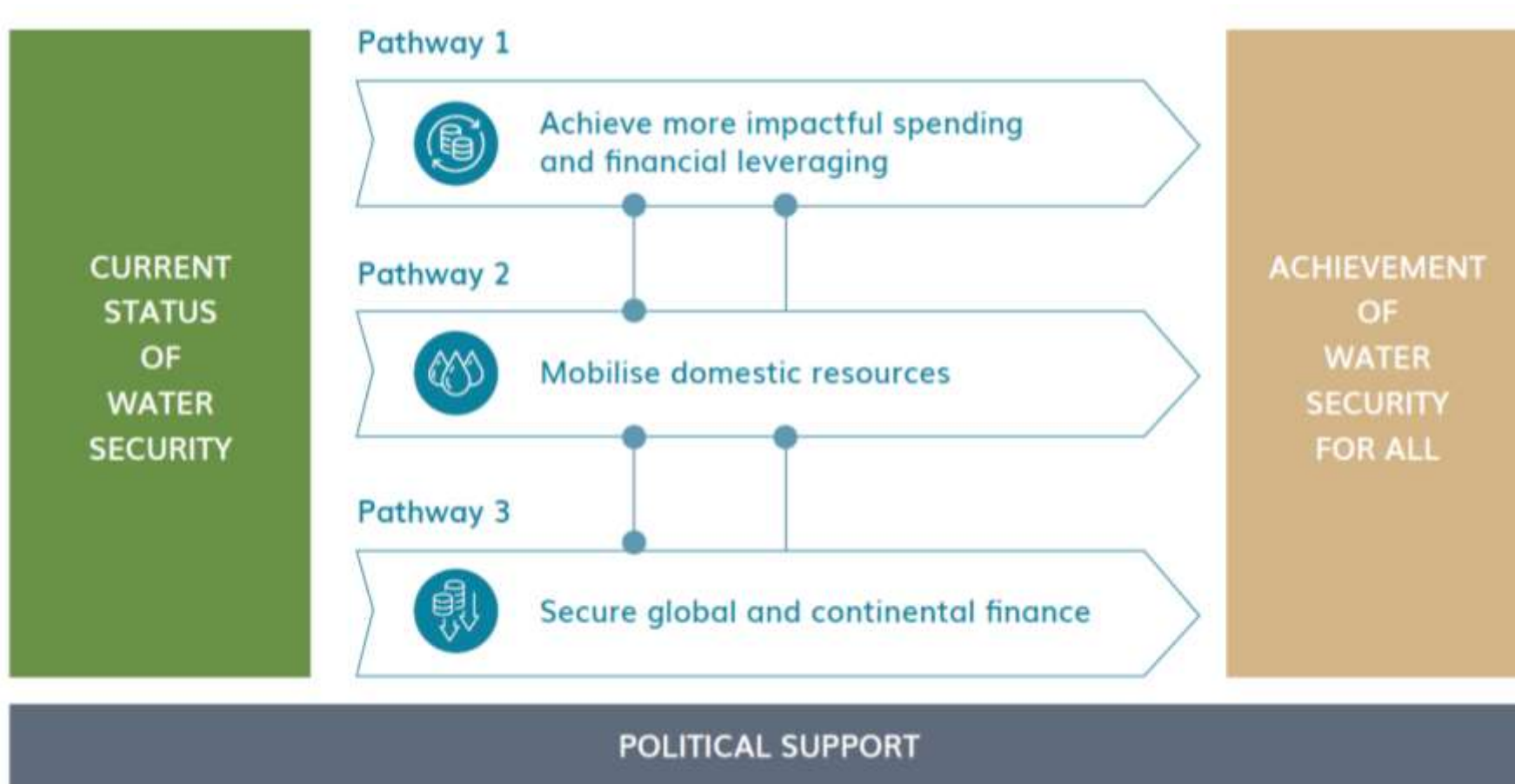
General structure of a Water Investment Plan



Focus areas	Components
<p>Water investment for social wellbeing</p>	<p>Water investment for improved water supply Water investment for improved sanitation services Gender equality and social inclusion Livelihood improvement</p>
<p>Water investment for sustainable economic development</p>	<p>Water resources management and development Water investments for productive use and economic growth</p>
<p>Investments for strengthening water governance and institutions</p>	<p>Strengthening institutional arrangements and enabling environment Human resource development Financing water investments and resources mobilisation Strengthening public-private partnerships and international cooperation in water investments Data and information management, water sector monitoring, and AIP Water Investment Scorecard</p>
<p>Water investment for climate resilience and disaster management*</p>	<p>Improving climate-resilient water infrastructure development Enhancing environmental integrity and sustainability Sustainable land management</p>

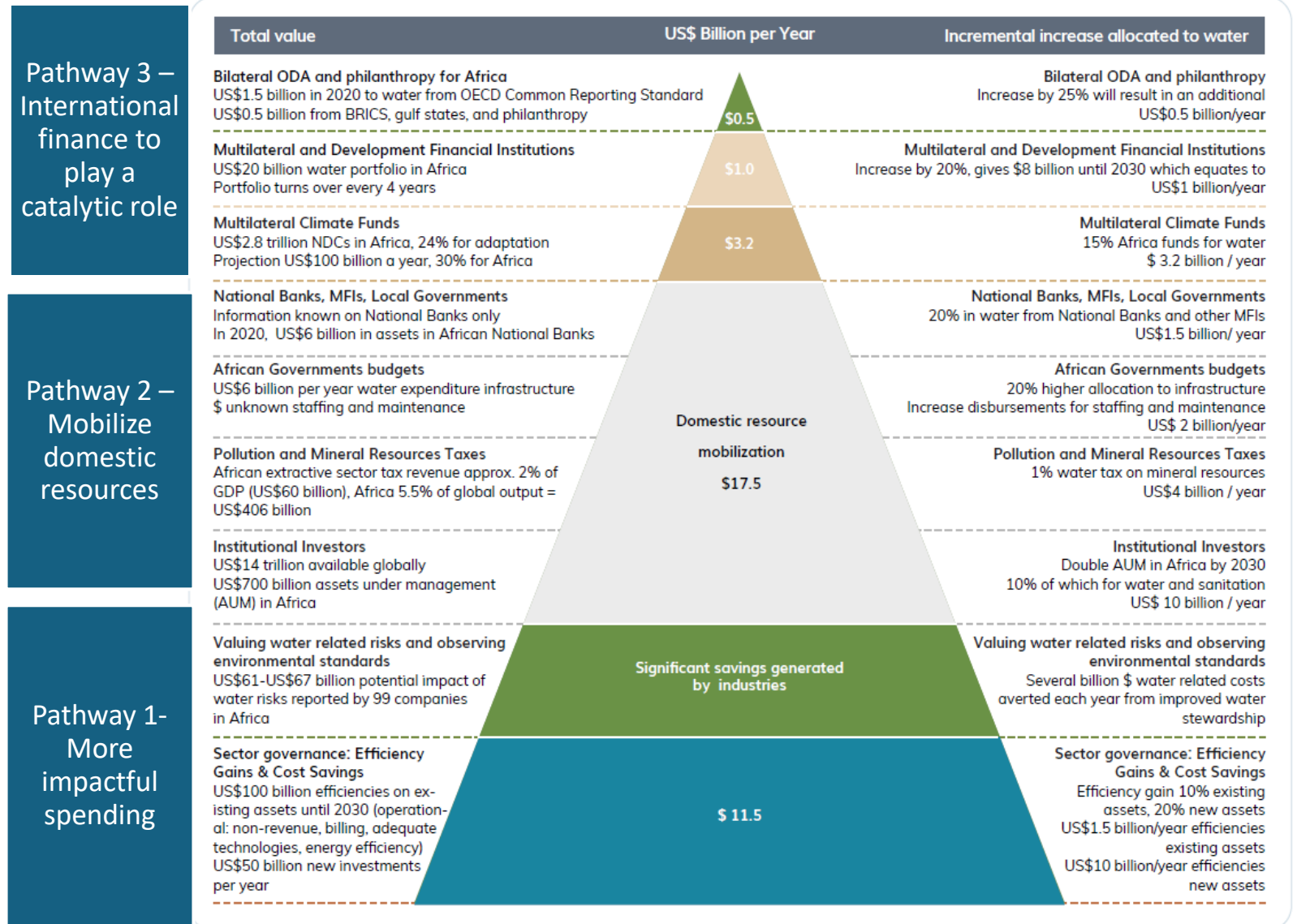
*Includes aspects cutting across and supporting other focus areas, or separate elements

Three potential actionable pathways



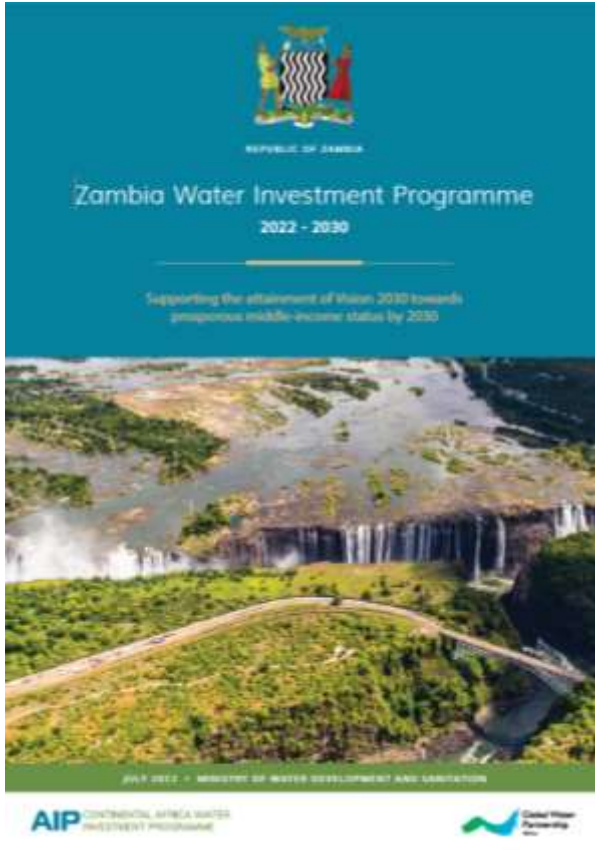
Pyramid of water investment transformation

Aligned with the 3 financing pathways, African countries have identified 9 sources to finance their annual USD 30B water investment gap



- Zambia is endowed with vast water resources: **36 – 40% of water resources in Southern Africa**
- However, **access to basic, improved water sources is limited:** around 54% in rural areas, 67% in urban and peri-urban
- Barriers:
 - Inadequate bankable investments, pipeline
 - low investments (public and private sector) in the water sector
 - limited implementation capacity
 - inadequate regulations, fragmented multi-sectoral strategies
- **Climate change exacerbating water availability and accessibility challenges** – frequent droughts and floods





- USD 5.75B in investment
- 2M direct beneficiaries
- 200,000 direct formal jobs
- 800,000 indirect jobs



President Hakainde Hichilema of Zambia during the launch of the Zambia Water Investment Programme on 18 July 2022.



Ms Nantso Binko-Thomas, CEO AUDA-NEPAD addressing the launch of the Zambia Water Investment Programme.



H.E. Amb. Josefa Socka, AU Commissioner for Rural Economy and Agriculture at the launch of the Zambia Water Investment Programme.

- Centered on **economic diversification and job creation; building resilience via water: improving water governance** by strengthening institutions and human capacity
- Strongly aligned with the four strategic development areas (SDAs) of the 8th NDP (2022-2026)
- 3 investment focus areas, 9 components
- Implementation via 61 interventions
- Interventions costed; funding needs presented by investment area

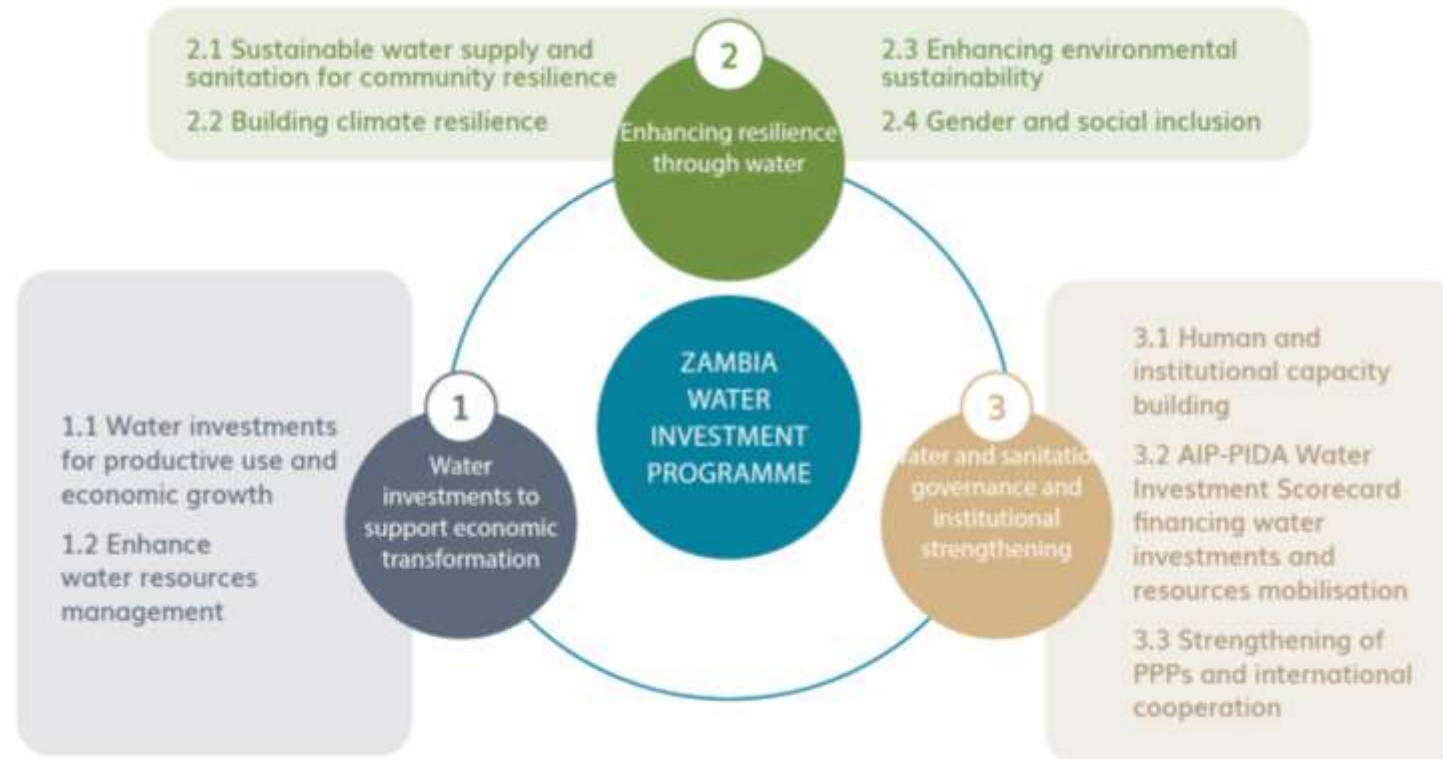
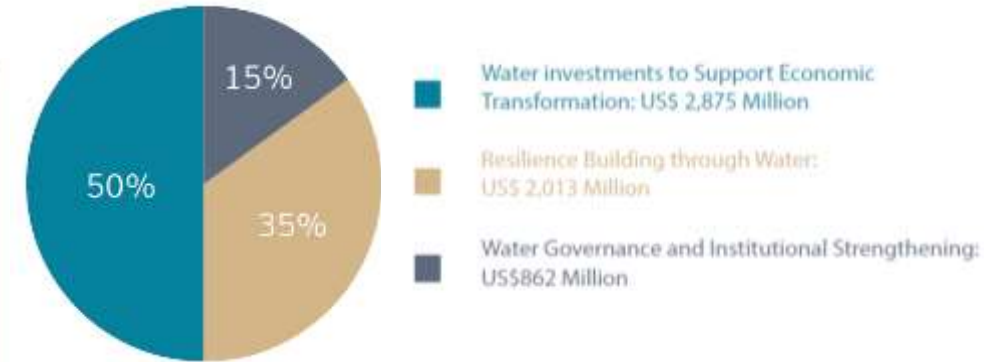


Table 10: Financial Resource Requirements for the Zambia Water Investment Programme

(A) Investment Focus Area	(B) Components	(C) Priority Interventions Area and Action	Budget Estimate (US\$ Million)
1. Water investments to support economic transformation	1.1 Water investments for productive use and economic growth	1.1.1 Enhance irrigated agriculture systems	2,875
		1.1.2 Develop and strengthen fisheries and aquaculture systems	
		1.1.3 Develop climate-resilient energy	
		1.1.4 Water infrastructure for tourism development	
		1.1.5 Support for dewatering for small-scale artisan mining	
		1.1.6 Develop and implement strategies for sustainable dewatering and tailing disposal targeted at small-scale artisan mining	
		1.1.7 Water supply for mineral beneficiation and value addition	
		1.1.8 Water for navigation	
		1.1.9 Inland waterways development and maintenance	
	1.2 Enhance sustainable water resources management	1.2.1 International water cooperation and transboundary water resources management	
		1.2.2 National programme on water resources development and management	
		1.2.3 Strengthening water information systems to support decision-making	
		1.2.4 Inter- and intra-basin water transfer schemes	
		3.3.8 Establishment of international public private water investment partnerships	
3.3.9 Mobilization of international water investment champions and envoys			
3.3.10 Establishment of an annual or biannual international water investment summit			
3.3.11 Capacity development strategy and plan for private-sector participation in water and sanitation investments			

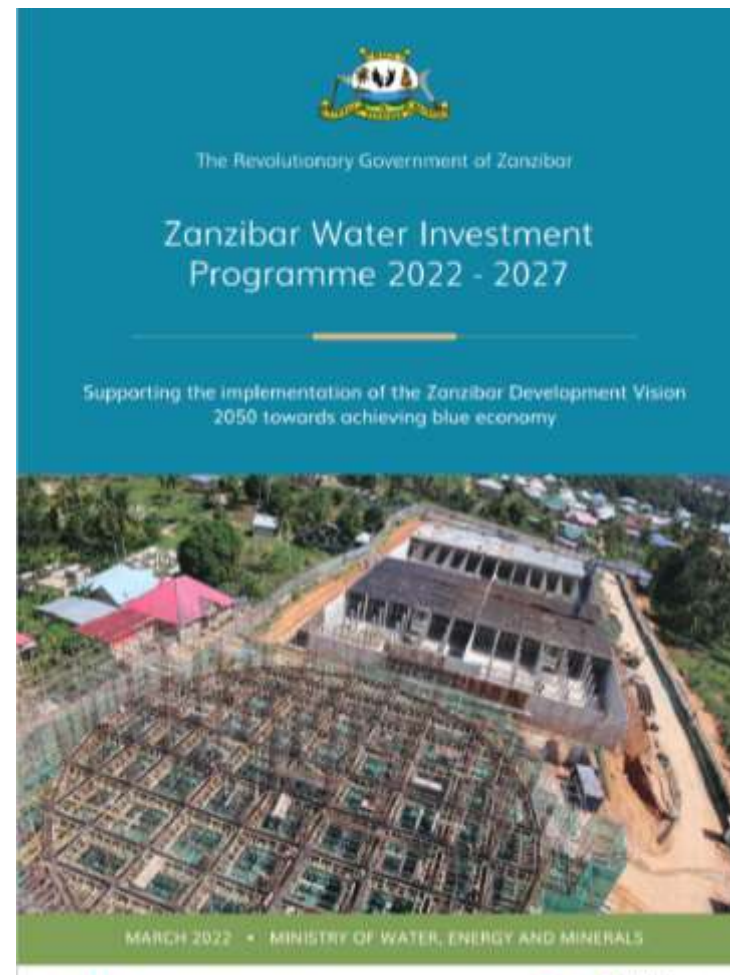
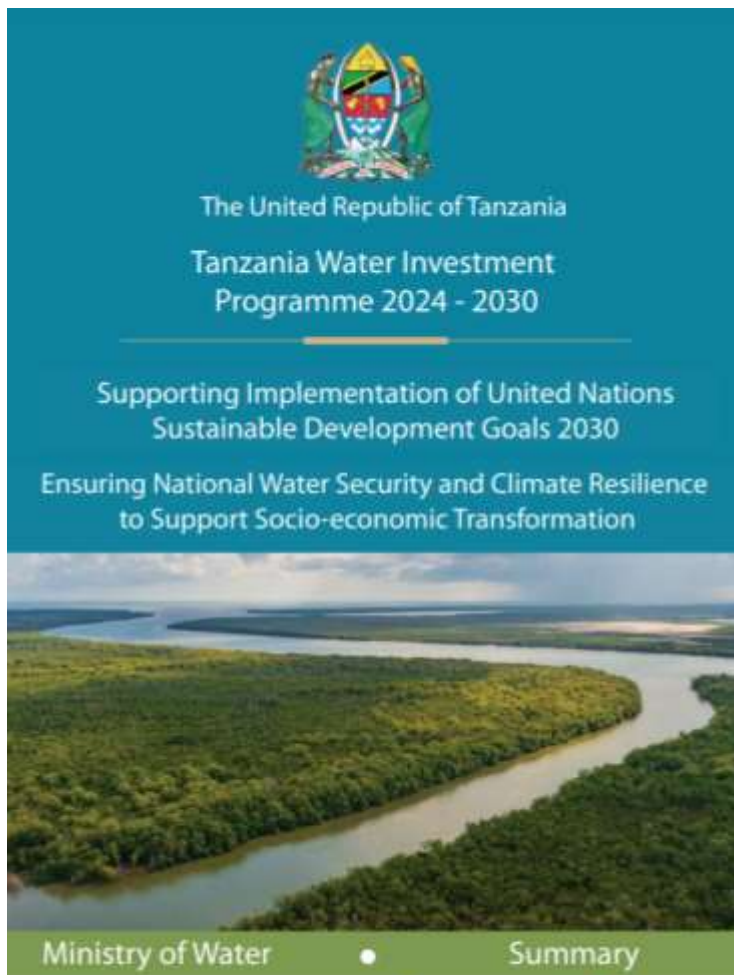
TOTAL BUDGET ESTIMATE: US\$5,750 Million



FINANCING STRATEGY

1. Convene a water investment summit
2. Develop a water investment scorecard
3. Develop a pipeline of bankable projects
4. Establish international PPPs
5. Develop capacity and competence of public and private institutions, and water professionals
6. Establish a Water Development Fund

- **Need for a clear Financing Strategy:** The Zambia WIP was developed without a financing strategy. A resource mobilization strategy was completed afterwards. This affected timely resourcing and implementation of the programme.
- **Resource mobilization for the WIP requires innovative approaches and a dedicated team:** In Zambia, a Blended Finance Platform is currently being established. Feasibility of a Water Development and Sanitation Trust Fund is under assessment.
- **Alignment with National Climate Change Strategies and Development Plans:** Critical for ownership and coherence, the ZIP and its resource mobilization strategy are aligned with the NDC, NAP and 8th National Development Plan and Vision 2030.
- **A clear Monitoring and Evaluation and Reporting framework:** This is key to assess progress in WIP implementation.
- **Securing high-level political commitment is critical:** Before its launch, the ZIP underwent a series of discussions with the Cabinet Office. It was launched on the sidelines of the AU Summit, to leverage on the presence of high-level delegates and international development partners to amplify visibility and support. **This led to the President committing US\$1bn to unlock private sector financing for the ZIP.**
- **A WIP as a National Programme for success and sustainability:** The ZIP approach considered the WIP as a national process and not a Ministry of Water Programme to support all water dependent sectors and socio-economic uses.
- **Supportive Policy and Legal Reforms:** Govt of Zambia enacted various reforms to ensure supportive policies, legislation and regulations - National Water Policy 2024, National Rainwater Harvesting Strategy and Implementation Plan 2024, Water Harvesting and Storage Regulations of 2024, Water and Sanitation Fund (under consideration)



THE IMPERATIVE FOR A WATER INVESTMENT PROGRAMME (EWIP)

- **Escalating climate risk:** River streamflow projected to decline **~40% by 2050**; droughts and floods already cause **2–3% GDP losses annually**
- **High economic exposure:** Irrigated agriculture consumes **>95% of surface water**, making the economy vulnerable to shortages that could lead to **up to 5% GDP losses per year**
- **Inequitable access:** Only **69%** of the population has **basic drinking water** and **58%** has **basic sanitation**; rural and informal communities are most affected
- **Chronic underinvestment:** Public WASH spending averages **0.4% of GDP**, while the sector faces a **USD 1.38 billion investment gap**
- **Weak governance framework:** Fragmented institutions and outdated policies treat water as a **subsidized social good**, limiting sustainable financing and infrastructure renewal
- **Environmental and health risks:** Only **17% of wastewater** is safely treated, increasing vulnerability to pollution and climate shocks

Overall Implication: Without an integrated water investment programme, Eswatini risks economic stagnation, infrastructure decline, and rising climate vulnerability.



THEORY OF CHANGE OF ESWATINI WATER INVESTMENT PROGRAMME

Goal: Transform water from a subsidized service into a **strategic economic asset driving climate-resilient growth**

Inputs

- Mobilize **USD 1.38 billion** through domestic finance, private capital, and global climate funds
- Strengthen institutions, data systems, and investment frameworks

Process

- Implement a **multi-pillar strategy**: infrastructure, governance, efficiency, ecosystems, and innovation
- Deploy **multipurpose dams, digital monitoring, and integrated water management systems**

Outputs

- Major infrastructure (e.g., Nondvo & Ethemba dams)
- Modernized water governance and digital permitting systems
- Restored catchments and climate-resilient infrastructure

Outcomes

- **95% universal access** to safe water
- Reduced non-revenue water and improved utility efficiency
- Inclusive water governance and climate-resilient systems

Impact

- Water becomes the **engine of economic transformation**, enabling food sovereignty, industrial growth, and climate resilience by 2050

THREE-LAYER VALUE CHAIN MODEL

To achieve sectoral bankability and to bridge the **USD 1.38 billion investment gap**, Eswatini proposes a **Three-Layer Model**. This model provides the fiscal logic required to attract **blended finance** by transforming water into a productive economic asset.

Layer 1: Anchor Investments: Two bankable flagship assets anchor this commercial engine: the **Mkhondvo–Ngwavuma Water Augmentation Project (MNWAP)** and the **Nondvo Multipurpose Dam** are designed as high-value commercial assets. These "Anchors" **generate early cash flows** from transboundary transfers, export-oriented irrigation and hydropower, serving as the financial backbone of the water economy.

Layer 2: Medium-Value Intermediaries: Revenues from Layer 1 are reinvested to develop water-dependent infrastructure for **Special Economic Zones (SEZs)** and agro-processing clusters. These users pay **cost-reflective tariffs**, creating a **stable revenue stream for operations and maintenance (O&M)**.

Layer 3: Public Water Supply (The Social Priority): Universal access for rural and peri-urban households is achieved through **cross-subsidization** from Layers 1 and 2. This sharing of infrastructure and capital costs makes universal access financially viable without further burdening the National Treasury.

FINANCING PATHWAYS – To close the financing gap, EWIP proposes a multi-pathway blended finance strategy combining public, concessional, commercial and climate-linked sources

Pathway 1 – Enabling Environment

- Utility reforms and reduction of non-revenue water
- Cost-reflective tariff reforms

Pathway 2 – Domestic Resource Mobilization

- Tiered abstraction levy on high-volume users
- Water Investment Fund (WIF) pooling tariffs and levies
- Public budget allocations – MoF, MNRE, local government
- Private equity, PPP models

Pathway 3 – Global & Continental Finance

- Access climate finance through GCF, Adaptation Fund, GEF
- Concessional loans and grants (World Bank, AfDB, DBSA)
- Commercial debt, capital markets: Infrastructure bonds and syndicated loans

IMPLEMENTATION STRUCTURES & ACCOUNTABILITY

National Task Force - Central coordination body under **Ministry of Natural Resources and Energy**

- Provides strategic oversight and investment coordination
- Leads donor engagement and progress reporting

Technical Secretariat - Located in the **Department of Water Affairs**

- Responsible for day-to-day coordination, data systems, and reporting

Key Implementing Institutions

- **MNRE**: policy leadership and coordination
- **EWSC**: urban water supply and sanitation implementation
- **EEA**: environmental compliance and EIAs
- **MEPD**: alignment with national development planning
- **MoF**: financing and budget oversight
- **NDMA**: climate risk and disaster integration

Accountability & Monitoring

- National Monitoring, Evaluation and Learning (MEL) system
- **AIP-PIDA Water Investment Scorecard** for performance tracking; reporting to AUC



Climate Resilient Water
Investment Programmes

On the African continent,
AIP is mobilising financial commitments:

- **\$6.45b** – towards **\$15.2b** Tanzanian Water Investment Programme
- **\$1b** – towards **\$5.75b** Zambian Water Investment Programme
- **\$180m** – towards **\$665m** Zanzibar Water Investment Programme
- **\$1.4m (GCF)** – towards **\$117m** SADC Water Investment Programme
- **\$6m (GCF)** – towards 14 national Climate Resilient Water Investment Progs

- USD 10-12B pipeline showcased, including Zambia, Tanzania, Zanzibar
- Over 20 HoS, HoG
- Project proponents, public & private financiers





14 August 2025

H.E. Cyril Ramaphosa, President of South Africa and G20 President, launched the Global Outlook Council on Water Investments and the Global Water Investment Platform as the world's premier political and investment mechanism on water

G20 PRESIDENTIAL LEGACY INITIATIVE GLOBAL WATER INVESTMENT PLATFORM



GWP works closely with the Global Outlook Council on Water Investments scale-up the **Africa Water Investment Programme** and establish investment programmes in Asia, LAC, and Europe, retaining the AIP as its African pillar



On 9 October 2025, the UN Economic Commission for Latin America and the Caribbean (ECLAC), the Development Bank of Latin America and the Caribbean (CAF), and regional partners with GWP support initiated the process of establishing a **USD 20B LAC Water Investment Program, supported by a High Level Panel**

G20 LEGACY ROADMAP – TOWARDS 2026 UN WATER CONFERENCE

