

Bolstering regional productive capacities for water, energy, food security and ecosystem resilience to achieve inclusive and sustainable industrial transformation













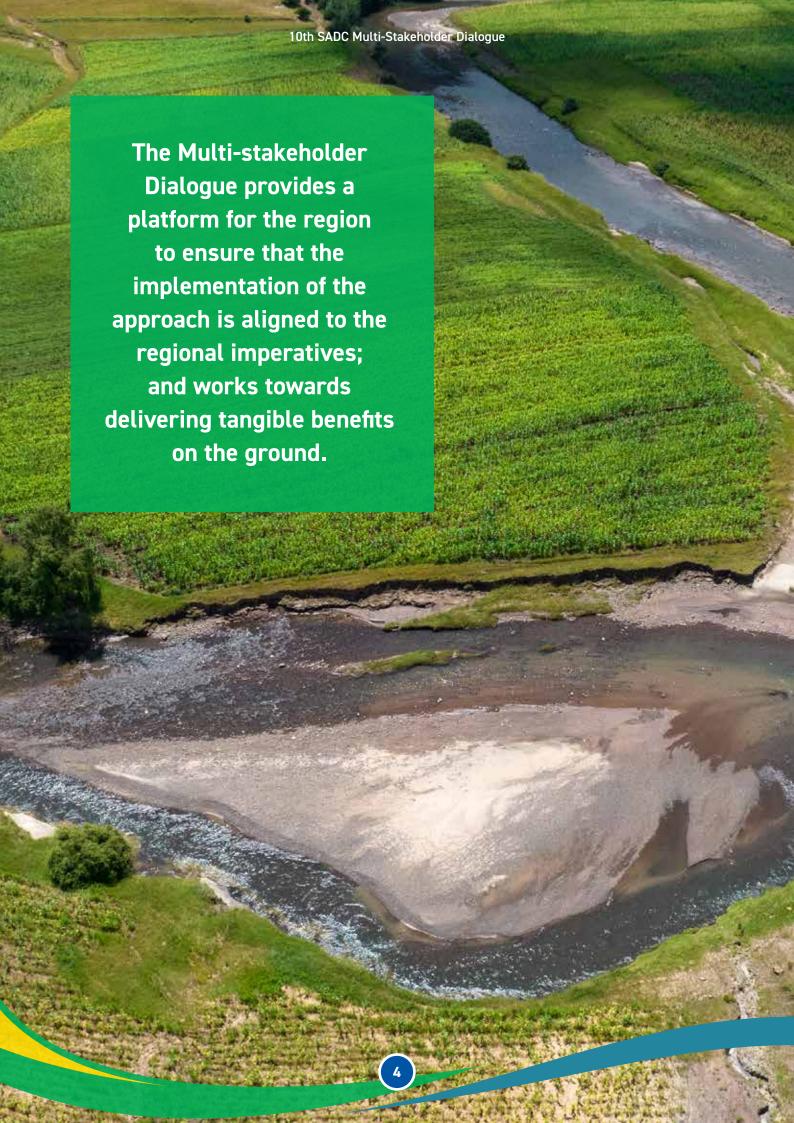




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#### 1. Background of the SADC Multi-Stakeholder Dialogue

The SADC Multi-Stakeholder Dialogue is a biennial event organised by the SADC Secretariat traditionally held as events driven by the Water Sector. It provides a forum for practitioners and other influencing sectors to have a dialogue on pertinent issues that need to be addressed to deepen regional integration and address poverty in the region. The underlying objective is to ensure that the region unlocks the potential of sustainable water resources development in contributing to regional integration, poverty eradication and socio-economic development.

With the advent of the Water, Energy and Food (WEF) security sector integrative collaboration, SADC has once again considered it prudent that this year's event be fully integrative of these three sectors, under the Water-Food-Energy Nexus concept. Increased integration and inclusive approaches to water resources management, development and its utilisation are crucial for water to truly play its role of catalysing regional development, and to attract more investment into the sector. Through interactive sessions the dialogue will seek to identify solutions and come up with recommendations to address pressing issues and take forward the Dialogue outcomes into programmes.

Noteworthy, is that the recent past four Dialogues were focussing on various areas of the WEF Nexus Concept. This year's Dialogue will build on those conversations working within the context of building inclusive and resilient systems for the sectors towards strengthening their productive capacities, for them to contribute effectively to regional development and crucial industrial transformation. Below is the list of the recent four Dialogue themes, starting from the sixth Dialogue that introduced the WEF Nexus dimension to regional development:

 6th Dialogue (2013) was held in Lusaka, Zambia under the target theme - Exploring the water, energy and food nexus for regional development.

- 7th Dialogue (2015) was held in Windhoek, Namibia under the theme - The central role of water in driving industrialization, with the realisation that water attains its true value when it has optimised contribution to other productive sectors of the various industrial value chains (e.g., energy and agro-food processing).
- 8th Dialogue (2017) was held in Boksburg, South
  Africa under the target theme Fostering regional
  value chains and job creation through the WaterEnergy-Food Nexus approaches
- **9th Dialogue (2019)** was held in Johannesburg, South Africa under the theme - *Promoting the* water-energy-food nexus approach and youth empowerment for sustainable development.

The Multi-stakeholder Dialogue provides a platform for the region to ensure that the implementation of the approach is aligned to the regional imperatives; and works towards delivering tangible benefits on the ground.

Global Water Partnership Southern Africa has once again been mandated to facilitate this process on behalf of the SADC Secretariat Water Division, as it has done since 2007. Regional cooperating partners in the water sector through the framework of the Water Strategy Reference Group (WSRG) contribute to the implementation of the Dialogue.

The 10th SADC multistakeholder will be hosted by the Government of Lesotho (GoL) through Ministry of Water (MoW).

The base funding will come from the European Union (EU) supported SADC WEF Nexus Dialogue Project as well as the "Support to Integrated Catchment Management (ICM)" Project in Lesotho, co-financed by the EU and the German Federal Ministry for Economic Cooperation and Development (BMZ) and implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). Other funding will come from the SADC Regional Fund for Water Infrastructure and Basic Sanitation (SADC Water Fund) and Orange-Senqu River Commission (ORASECOM).

#### 2. Overview of the 10th SADC Multi-Stakeholder Dialogue

The focus for 2021-2022, emanating from the 41st Summit theme, is focussing on "Bolstering Productive Capacities in the face of COVID-19 Pandemic for Inclusive, Sustainable, Economic and Industrial Transformation". The theme aims to accelerate implementation of the Vision 2050 aspirations and the RISDP (2020–2030), in particular, the Industrialisation and Market Integration, and the Infrastructure in Support of Regional Integration pillars.

SADC countries have been hard hit by the economic crisis associated with the coronavirus disease 2019 (COVID-19) pandemic. The pandemic has widened gender and socioeconomic inequalities within, and between member states and reversed years of progress made in achieving the Sustainable Development Goals (SDGs). Labour intensive sectors such as retail trade, manufacturing and transportation have been severely affected by the measures instated to contain the pandemic and are anticipated to remain subdued in the short to medium term. This has resulted in widespread joblosses and soaring unemployment rates within the region, particularly affecting low-skilled, low-wage workers in both formal and informal sectors. Further, the pandemic has impacted on debt levels through widening fiscal deficits as revenues shrink due to disruptions of economic activity as well as contraction of export receipts. Member States are grappling with increasing public debt which is likely to trend above the threshold of 60 percent of GDP in 2021 and 2022 for a majority of countries in the region . The recent political tensions in Eastern Europe have also added a strain to global food security and supply chains. Africa has not been spared, and is being impacted by the resultant economic shocks, which in the long-term will be exacerbated by climate change impacts, adding to the vulnerability of the region.1

SADC has been working to support its Member States to coordinate and harmonize response efforts at a regional level and to provide a platform for regional policies, guidelines and measures to be applied in dealing with the pandemic across different economic sectors. A few of these support interventions include the development of the following:

- SADC Guidelines on Harmonisation and Facilitation of Cross Border Transport Operations across the Region During the COVID-19 Pandemic developed to coordinate COVID-19 response measures across the region and introduce the Standard Operating Procedures for Management and Monitoring of Cross Border Road Transport at Designated Points of Entry and COVID-19 Checkpoints. These were meant to facilitate the safe transportation of all passengers, goods and services, and to promote business continuity and resumption of cross border activities across the region while preventing the spread of the COVID-19 across the SADC region.
- COVID-19 Regional Power Assessment Note for the SADC Region – which focuses on the impact of the COVID-19 pandemic on the electricity sector and provides recommendations of mitigation measures that could be applied at the regional level for consideration by SADC.
- Assessment on the impact of COVID-19 on the SADC Water Sector – which focused on the impact of COVID-19 on the water sector in the SADC Region as well as the provision of strategic interventions that will serve as guidelines, which member states and relevant key stakeholders in the SADC region may utilise and implement to strengthen the accessibility and delivery of Water, Sanitation and Hygiene (WASH) services to the people in the region.

The United Nations Conference on Trade and Development (UNCTAD) states that the strengthening of productive capacities will be critical for boosting the ability of countries to respond to and recover from crises such as COVID-19, and to advance towards sustainable development. Productive capacities is defined as "the productive resources, entrepreneurial capabilities and production linkages that together determine the capacity of a country to produce goods and services and enable it to grow and develop"<sup>2</sup>. The development of productive capacities leads to structural economic transformation ensuring that a country's productive resources move from low to high productivity activities.

<sup>1</sup> https://www.accord.org.za/analysis/impact-of-covid-19-on-economic-social-and-state-citizens-relations-in-the-sadc-region/

<sup>2</sup> Boosting productive capacities only hope for least developed countries post COVID-19 | UNCTAD

#### **Productive Capacities Productive Entrepreneurial Production Capabilities** Resources Linkages Backward and forward Natural resources Core competencies linkages **Human resources** Technological capabilities Flows of information and Financial capital exchange of experience Physical capital Resource flows (human capital, financial capital) Regional and global value

SADC's sustainable development largely depends on goods and services derived from its environment and natural resource base. The environment and natural resources are crucial in efforts to eradicate poverty. Livelihood strategies and food security of the poor often depend directly on functioning ecosystems and the diversity of goods and ecological services they provide. Equally, water, food and energy security which are critical for development depend on natural endowment. However, a number of drivers like climate change, environmental degradation, growing economies and populations are intensifying the pressure on water, land and energy resources. These pressures and drivers have an implication on the social, economic and ecological systems and this has a huge impact on water, energy and food security.

The WEF nexus acknowledges that water security, food security and energy security are inextricably linked and that actions in any one area usually have impacts in the others. Water, energy and food security are key priority areas for SADC as noted in 2018 by the Ministers in charge of food security, water security and energy security in their reports to the SADC Council of Ministers. Integrated planning of water, food and energy sectors and promoting regional cooperation has been considered as a strategy to simultaneously meet water, energy and food security targets, and to improve natural resource use efficiencies in the region.

Building productive capacities requires coordinated policies and actions in the SADC Region. The previous Multi-Stakeholder Dialogues have confirmed that a long-lasting solution in dealing with the SADC regions' challenges can only be realized when the related sectors find a truly collaborative arrangement. As the SADC region pursues sustainable growth pathways and structural transformation, the management of its natural endowments and most importantly water, land and energy resources are critical. To avoid competition and create synergies between sectoral development agendas, integrated planning and cross-sectorial coordination is crucial.

Building on the momentum from previous dialogues and in-line with the theme of the 41st Summit, the 10th Multi-Stakeholder Dialogue takes forward the implementation of the SADC Industrialisation Strategy and Roadmap 2015-2063, with a specific focus on enhancing regional productive capacities through the WEF Nexus and Ecosystems based approaches.

#### 3. Proposed objectives and expected outcomes of the dialogue

The overall objective of the 10th SADC Multi-Stakeholder Dialogue is to identify strategies that will bolster the productive capacities for water, food and energy security in the region whilst ensuring environmental security.

#### The following are the specific objectives of the dialogue:

- To discuss strategies and approaches to optimize the use of productive natural resources for water, energy and food security and enhancing ecosystem integrity.
- ii. To mobilise inclusive entrepreneurial capabilities around the WEF Nexus that can contribute towards enhancing regional productive capacities and optimise the use of natural resources.
- To increase the understanding of regional instruments to supporting water, energy, food and environmental security.

#### The following are the proposed outcomes of the Dialogue:

- Increased awareness of strategies to bolster regional capacities using the WEF nexus approach and efficient use of natural resources
- Increased understanding on how entrepreneurial capabilities can enhance the water, energy, food and environmental security in the region in driving
- Increased understanding on optimising WEF resources and ecosystem services in driving the forward and backward production linkages





# 4. Involvement of regional partners in the organisation of the dialogue

Key partners will be identified to share their perspectives and experiences on accelerating investments through the WEF Nexus approach. These partners include:

- Partners implementing WEF Nexus approaches
- SADC Secretariat (IS, PPRM and FANR)
- Regional and Pan-African institutions (SACREEE, CCARDESA, RERA, RBOs, AfDB, FANRPAN, IWMI, CRIDF, AUDA-NEPAD etc.)

#### 5. Participants

- Senior officials from water, energy and food sectors across all 16 SADC Member States
- Regional institutions (named above), youth representatives, women groups, civil society organisations, private sector, International Cooperation Partners (WSRG and other financing partners)
- Government Ministries responsible for economic planning (selected representative member states), and selected utilities from water, energy and food sectors, as well as regional agencies will also be invited.

#### Proposed Dialogue Themes and Sub-themes

The proposed themes for the Dialogue are listed below:

Dialogue Theme: Bolstering regional productive capacities for water, energy, food security and ecosystem resilience to achieve inclusive and sustainable industrial transformation

## Sub-Theme 1: Enhancing productive resources for water, energy and food security and ecosystem resilience

This theme would focus on integrating WEF Nexus and ecosystems approaches to enhance productive resources for water, energy and food security and sharing lessons from the implementation of WEF nexus approaches in the region.

## **Sub-Theme 2: Mobilising inclusive entrepreneurial capabilities**

This theme would focus on strengthening the core competencies and technological capabilities required to boost productive capacities in the SADC region. As part of this, an exposition of the latest technologies for enhancing productive resources and capacities will be showcased. The entrepreneurial capabilities session will also focus on identifying strategies to ensure private sector engagement, youth empowerment and gender and social inclusion.

## Sub-Theme 3: Role of water in driving production linkages in regional value chains

This theme will unpack the role of water in driving forward and backward production linkages <sup>3</sup>. Strengthening production linkages will be critical to ensure growth and sustainability - water plays a critical role in any economic sector for downstream and upstream production. Therefore, deepening the understanding of the role of water in production linkages and value chains is a critical discussion for the region to have. Suggested sub-themes for discussion:

- Water in global/regional value chains
- Water enabling production backward and forward linkages
- Resource flows (water accounting)

Backward linkages of a product suggest what other products have contributed to make or produce one particular product. And forward linkage refers to what other products can be built, produced, or made using that particular product.

#### 7. Proposed Dialogue Sessions

The Dialogue will take place over a period of three days. The first two days will involve structured sessions with presentations, exhibitions and dialogue. The third day will involve an excursion to ICM sites.

The proposed sessions are listed below. During the sessions, practical case studies and lessons learnt will be shared from regional programmes and projects such as the SADC WEF Nexus Regional Dialogues Project and the Lesotho Integrated Catchment Management Programme.

#### Session 1: Opening Session (Plenary)

The objective of the session is to give the official welcome remarks and speeches by the organising institutions and dignitaries present.

#### Session 2: Setting the Scene (Plenary)

The objective of the session is to set the scene by providing an understanding on bolstering regional productive capacities for water, energy and food security. The plenary session will involve a presentation and technical reflection on the Dialogue theme and background paper followed by a panel discussion and audience engagement.

## Session 3: Enhancing productive resources for water energy and food security and ecosystem resilience (Parallel sessions)

This session will explore the sub-theme on enhancing productive resources for water, energy, and food security through three parallel sessions. The proposed sessions are as follows:

- Integrating ecosystems approaches to enhance productive resources for WEF security. Below are the proposed issues to be discussed under this parallel session:
  - Protocol for ecosystem management
  - Harmonisation and subsidiarity in land and water resources management governance
  - Sustainable financing and investment for land and water resources management
  - Increasing water efficiency to enhance productive capacities in the region
- Demonstrating WEF Nexus approaches in the region: sharing of lessons learnt. The following issues will be presented:
  - Experiences in the implementation of the Nexus Governance Framework
  - Outcomes of the WEF Nexus National Dialogues
  - Presentation of the WEF Nexus Regional Guidelines
  - Lessons learnt from the implementation of WEF Nexus demonstration projects in the region
- Inclusive and effective conjunctive utilisation and governance of shared surface and groundwaters, for developed and resilient regional value chains.

#### Session 4: Mobilising inclusive entrepreneurial capabilities

This session will be run through an exhibition which will bring together stakeholders, from the private sector, research institutions, youth and women groups etc, to showcase various technologies as well as initiatives created to create an enabling environment supporting communities and entrepreneurs to strengthen their capabilities for bolstering productive capacities.

## Session 5: Role of water in driving production linkages in regional value chains (Plenary)

SADC has embarked on a mission of developing and promoting the concept of regional value chains. In this regard, SADC is engaged in a pursuit of mapping the region's member states within the context of their strength in relation to national value chains that promote or could contribute to regional development. The idea is then for SADC to support the region's countries to maximize the output in their value chains of economic competence. The regional development corridors of importance will then be developed to aid trade and regional movement of the region's goods and services that support this development. It is important therefore to understand the role of water in supporting the region's value chains. Water being an agent in energy and food production as potential areas of promoted value chains, the session will also seek to connect the story of service-informed water resource development.

The objective of this session will therefore be to identify areas of focus on the governance and development of national and transboundary waters to effectively support development of priority regional value chains for regional development.

## Session 6: Approaches to address the double tragedy of COVID-19 and rising global food and energy insecurity.

This session will involve a panel discussion to discuss the double tragedy of COVID-19 and rising global food and energy insecurity. The session will also showcase lessons learnt in implementing response strategies to the COVID-19 pandemic.

#### Session 7: Way forward

The objective of this session is to summarize the key findings and outcomes from the various sessions held and provide recommendations, strategies and practical steps on how to promote ecosystems-based approaches and bolster regional productive capacity for WEF. The session will be conducted through a panel discussion and will also discuss opportunities to deal with the double tragedy of COVID-19 and the rising global food security concerns.

#### Site visit: Excursion to ICM sites

To showcase impact on the ground, the Lesotho Integrated Catchment Management Unit have arranged an optional site visit.

Table 1: Proposed structure of Dialogue sessions and site visits

DAY 1				
Session 1	Opening Session			
Session 2	Setting the Scene			
Session 3	Enhancing productive resources for water energy and food security and ecosystem resilience (Parallel sessions)			
	Parallel session 1: Integrating ecosystems approaches to enhance productive resources	Parallel session 2: Demonstrating WEF Nexus approaches in the region: sharing of lessons learnt	Parallel session 3: Inclusive and effective conjunctive utilisation and governance of shared surface and groundwaters, for developed and resilient regional value chains	
		DAY 2		
Session 4	Mobilising inclusive WEF Nexus entrepreneurial capabilities – what the WEF sectors can do to contribute to the global challenge of threatened security in WEF-related supply chains (Plenary and exposition)			
Session 5	Role of water in driving production linkages in regional value chains (Plenary)			
Session 6	Panel discussion on approaches to address the double tragedy of COVID-19 and rising global food and energy insecurity			
Session 7	Way forward and closing panel discussion			
		DAY 3		

#### **Excursion to ICM sites**

### 8. Date and venue of the Dialogue

The Dialogue be held between **5-7 September 2022** in Maseru, Lesotho.





The SADC Secretariat is grateful to all the funders and partners whose financial and in-kind contributions made the 10<sup>th</sup> SADC Multi-stakeholder Dialogue on WEF Nexus a success.















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