



# Perspectives on Green Growth Partnerships

Strategic Water Partners Network  
South Africa

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The opinions expressed in this publication are those of the author. They do not reflect the opinions or views of the 2030 WRG or 3GF.

**Publication date:** August 2015

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# Foreword

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A growing movement of governments, businesses, and civil society are calling for green growth—development that is compatible with environmental limits. The key to accelerating this type of growth and the transition to an inclusive green economy lies in strategic partnerships.

Such partnerships have huge potential, but often involve difficult processes: they require a significant investment in time and resources, and bring together individuals and organizations with different cultures, interests, incentives, value systems, and expectations.

To inspire those who are forming collaborative partnerships for green growth, the **2030 Water Resources Group** (2030 WRG) and the **Global Green Growth Forum** (3GF) have developed this case study. It provides insights on how collaborative partnerships can be a solution for green growth and what helps them succeed.

This document discusses the **Strategic Water Partners Network** (SWPN) for South Africa, which is part of the 2030 WRG network of country partnerships. The SWPN is a multi-stakeholder collaboration addressing the country's most pressing water issues: improving water efficiency and reducing leakage, managing effluent and wastewater, and managing agricultural and supply-chain water.

Based on the perspective of network partners, this case study demonstrates the benefits and challenges of companies working together with the government to overcome water challenges and identifies key success factors in establishing the partnership.

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**The Global Green Growth Forum** is a Danish-led green growth platform. 3GF seeks to accelerate the transition to a green future by being a global platform that initiates and enables scalable green growth solutions through an annual process, convening top decision makers from governments, business, finance, civil society, and international organizations to exchange strategic green ideas, share novel green growth evidence, and push forward innovative partnerships for green growth. One such partnership is the 2030 Water Resources Group.

**The 2030 Water Resources Group** is a global public-private civil society partnership that helps governments and the private sector accelerate water resource reform. The 2030 WRG aims to develop national partnerships to help governments increase water sustainability and efficiency. The group is active in Bangladesh, India, Kenya, Mongolia, Peru, South Africa, and Tanzania.



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# 1. Overview

## The Challenge

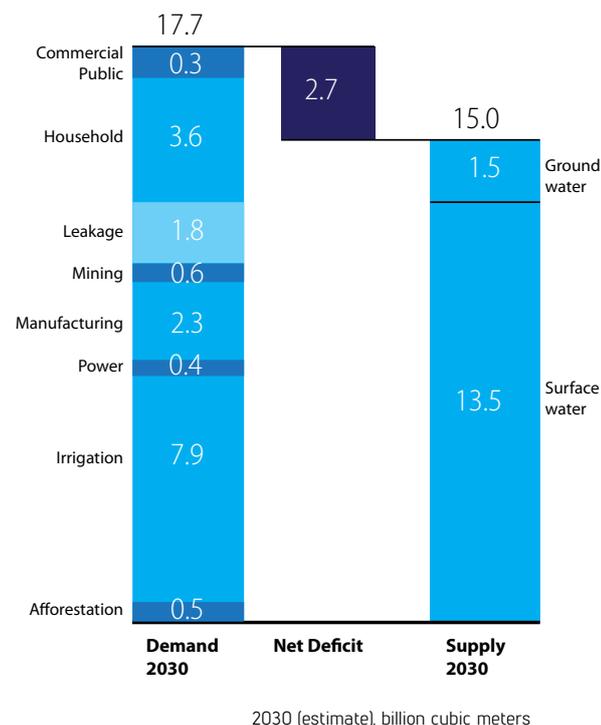
Water is arguably one of the most important resources on our planet. We are already consuming too much of it, and demands are increasing dramatically as more food and energy are produced and the world population continues to grow. By 2030, the world is predicted to face a 40 percent gap between available renewable water supply and demand. Water scarcity and competition for water use is already a fundamental challenge to development in many countries.

The water resource challenge is of particular importance for the governments of developing and fast-growing countries. Traditional approaches to managing water resources are struggling to deal with the increasing complexity of water demand and supply and are unlikely to close the predicted gap. As the competing demands of agricultural, energy, manufacturing, and domestic users increase, so will the complexity of managing water.

## Projected Water Supply–Demand Gap in South Africa by 2030

By 2030, South Africa is projected to have a 17 percent gap between its water supply and demand. Water demand, driven by rising population levels, economic growth projections, and current efficiency levels, is expected to rise by 52 percent over the next 15 years (17.7 billion cubic meters [m<sup>3</sup>] in 2030). Water supply is projected to amount to 15 billion m<sup>3</sup>, representing a 2.7 billion m<sup>3</sup> deficit—roughly one-sixth of the country’s current use.<sup>1</sup>

To close this gap, South Africa needs to make difficult trade-offs between basic human and environmental needs and the



needs of agriculture, key industrial activities such as mining and power generation, and large and growing urban centers.<sup>2</sup> These trade-offs can cause tension and conflict among water users. No actor alone has the ability to solve these challenges, but much can be achieved if water users work together to identify shared solutions and implement strategies, policies, plans, and programs.

Although water stakeholders in South Africa recognize the importance of collaboration, experience of working across sectors has been limited and, in some cases, has resulted in frustration. In addition, there was no tailored vehicle to address these issues, at least not at the scale required to match the projected risk.

## The Partnership Solution

In an effort to combat the country’s pressing water concerns, Edna Molewa, South Africa’s former Minister of Water and Environmental Affairs,<sup>3</sup> working closely with the 2030 WRG, established the SWPN. The network, inaugurated in November 2011, brings together senior government representatives, leading private sector corporations, and other key stakeholders to discuss South Africa’s water challenges.

The SWPN is an informal and voluntary platform that aims to close the 17 percent gap between water supply and demand projected for 2030. It has nearly 50 members, and has rapidly become an established space for constructive dialogue and the “go to” place for business and government relations on water management.

The SWPN is a multi-stakeholder platform, brokered by the 2030 WRG, chaired by the Department of Water and Sanitation (DWS), and co-chaired by South African Breweries (SAB) on behalf of business. This diverse group of water professionals has one thing in common—a shared interest in the future of South Africa’s water resources and how to manage them sustainably.

The SWPN Steering Committee provides the overall strategic direction and is made up of the DWS, the 2030 WRG, key companies, and invited organizations such as the World Wildlife Fund (WWF) South Africa. The SWPN partnership is hosted by the New Partnership for Africa’s Development (NEPAD) Business

*The SWPN of South Africa is exactly the platform we need to forge the partnerships to achieve the impact and results that we need in order to ensure South Africa’s continued growth and development. This leadership and effort, as already demonstrated by this group, serves as a model for collaboration moving forward.*

*Edna Molewa,  
former Minister of Water and Environmental Affairs*

Foundation (NBF), which supports the SWPN's business engagement and interests. The role of the NBF is to provide a secretariat function, including administrative and technical support, project management, funding mobilization, and stakeholder management.

Seven of the corporate partners provide a financial commitment of about 150,000 South African rand per year, with support from the German development agency GIZ and the 2030 WRG. The DWS recently made an additional financial commitment of 500,000 South African rand.

## SWPN Activities

The SWPN has a range of practical projects and initiatives across three strategic areas, each led by individual companies: Nestlé leads the group on improving water-use efficiency and reducing leakage in local government and the industrial sectors, Eskom Holdings SOC Limited heads a second group on effluent partnerships for wastewater treatment and reuse, with a primary focus on the mining industry, and the Coca-Cola Company leads the third group, which focuses on the agricultural supply chain.

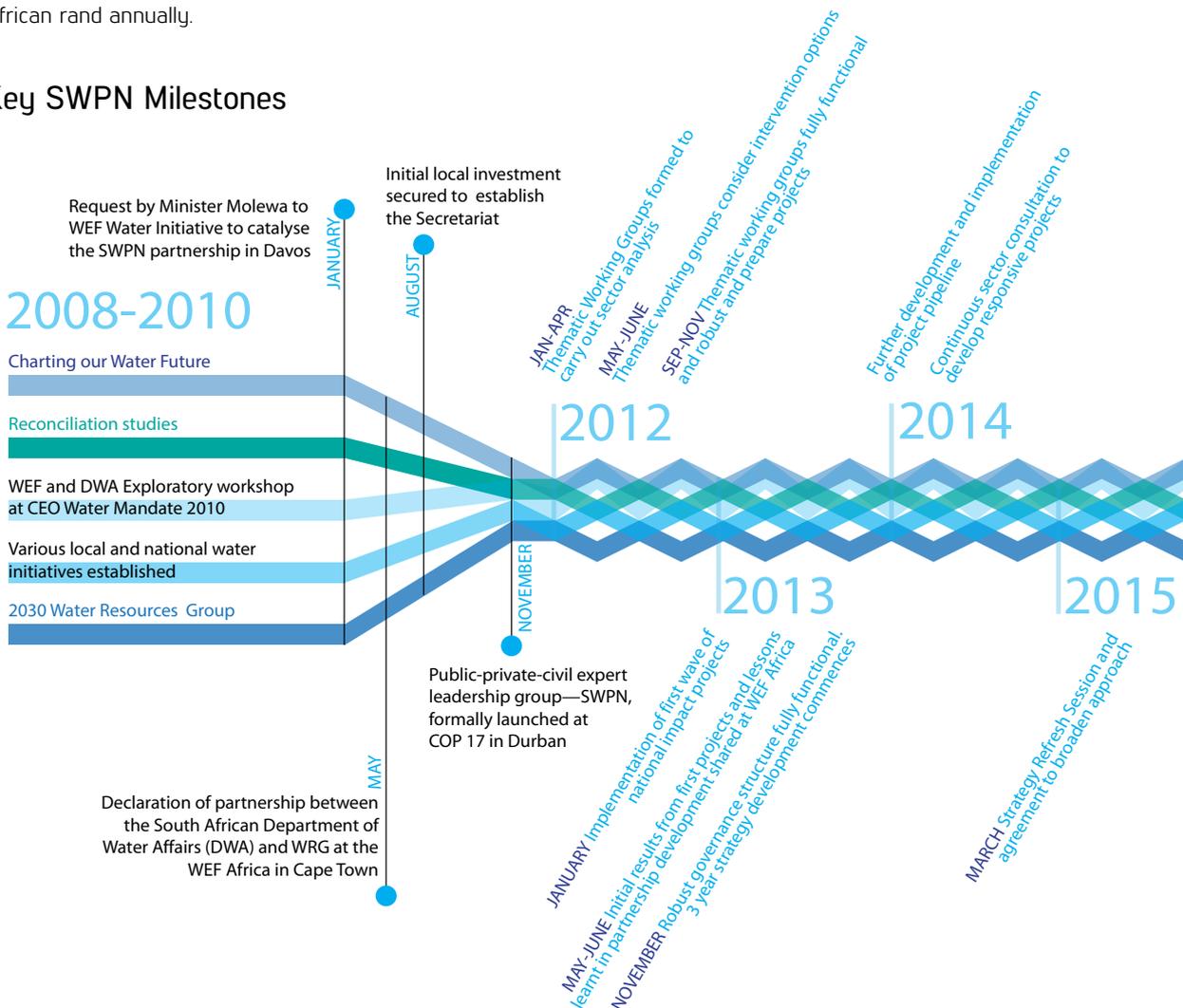
### Water-use efficiency

Non-revenue water in municipal systems in South Africa is estimated at 37 percent and is worth more than 7 billion South African rand annually.

To address this problem, the SWPN helped the DWS develop the No Drop Scorecard and Strategy, which were adopted by government in mid-2013 and are already starting to influence municipal plans and targets. The strategy outlines the key performance areas, processes, systems, and timelines that will drive change in water-use efficiency in the foreseeable future. The scorecard provides the specific criteria and scores to assess and evaluate a municipality's water-use efficiency against compliance requirements and best management practice requirements. Water service providers that are awarded No Drop status are required to comply with 90 percent of the weighted criteria in the scorecard.

The No Drop approach was implemented in eight metropolitan municipalities, which together account for 47 percent of South Africa's total water demand, to develop baselines, targets, and plans. The remaining municipalities have gathered data for the three most essential key performance areas of the No Drop scorecard, which will enable the DWS to quantify and report on the status of each municipality's water usage, the amount and cost of water lost, plans to address gaps and challenges (action, time, cost, responsibility), multi-year targets, and technical capacity to execute plans. The No Drop program has cemented South Africa's position as the world leader in water-loss benchmarking.

## Key SWPN Milestones



## Strategic Water Partners Network

**Government:** City of Johannesburg, Department of Water Affairs and Sanitation of South Africa, National Planning Commission, South African Local Government Association, Tshwane Metro, Vaalharts Water Board

**Industry:** Anglo American, AngloGold Ashanti, Aveng Water, Barclays Africa, BHP Billiton, Coca-Cola Company, Eskom Holdings SOC Limited, Exxaro, Glencore Xstrata, Illovo Sugar, Johannesburg Water, KPMG, MetKoh, Mondi, Murray and Roberts, National Treasury, Nestlé, Obaro, Randwater, Rio Tinto, SABI, Sanlam, Sasol, Sembcorp, South African Breweries, The Water Academy, Trans-Caledon Tunnel Authority

**Business organizations:** AgriSA

**Civil society organizations:** Endangered Wildlife Trust, WWF South Africa

**Multilateral and bilateral development:** Development Bank of Southern Africa, GIZ, Industrial Development Corporation, International Finance Corporation (IFC)

**Research agencies:** Water Research Commission

The water efficiency group has also focused on performance-based contracts. While the No Drop program provides a regulatory environment that incentivizes leakage reduction, performance contracts can also help municipalities achieve this goal. The contracts enable municipalities to address water loss and bring in expertise and technologies, which are paid for through the savings they create. To support this shift, the SWPN has helped develop a performance-based contracting toolkit, which is expected to be tested by municipalities soon, to support the work undertaken during the No Drop assessment.

### Effluent partnerships for wastewater treatment and reuse

The SWPN seeks to develop sustainable technical, financial, institutional, and policy solutions to address water pollution caused by mining.

SWPN partners have identified the issues, opportunities, and constraints and are now developing the institutional and funding options for sustainable mine-water management solutions. The aim is to:

- Identify and prioritize opportunities for collaborative planning, treatment (including passive treatment) and reuse, and rehabilitation at different scales.
- Define and develop the appropriate institutional mechanisms and arrangements that would enable implementation of priority collaborative treatment and reuse opportunities.

The group is working on improving water quality and potentially using treated mine water to increase water supply to meet local or regional demands in the Olifants River catchment, specifically the Witbank coal mining area. The traditional view of mine effluent as a liability is changing; it is increasingly being viewed as an opportunity to increase water supply without the high infrastructure and environmental costs associated with traditional water augmentation initiatives such as the Lesotho Highlands project, which forms a significant portion of South Africa's water resources.

The group has also developed an emerging initiative on municipal wastewater management, which aims to improve South African municipalities' performance in managing their wastewater and influence the direct reuse of municipal water,

which has the potential to provide about 280 million m<sup>3</sup> of water and unlock financing for much-needed improvements in municipal waste management.

### Agricultural supply chain

The agricultural sector in South Africa accounts for 60 percent of water demand, of which losses in the river and canal conveyance system account for 35 percent.

To address this challenge, the SWPN is developing a program to expand the reach and improve implementation of the national Water Administration System, a bulk water irrigation management tool that has already saved more than 81 million m<sup>3</sup> of water across 13 irrigation systems since 2009. The Water Administration System, developed by the South African Water Research Commission, is used to improve the matching of water distribution from dams and canals to downstream demand.

Another project focuses on rehabilitating and upgrading the country's irrigation systems. The SWPN is discussing a joint project with the National Agriculture Marketing Board to develop a multi-stakeholder business case to upgrade the 35,000 hectare Vaalharts system, with potential savings of 40 million m<sup>3</sup> of water per year.

### Case Study Objectives

Having presented the background, context, and overall summary of the SWPN, the following sections focus on how the partnership works, providing insight and guidance on the challenges of managing collaborations and how to overcome them. It is based on a series of interviews with SWPN partners and does not aim to evaluate the partnership but to illustrate how it works. The case study focuses on seven key themes, or success factors, as identified by the interviewees:

1. Defining the water gap
2. Championing the partnership
3. Mobilizing business commitment
4. Establishing an inclusive approach
5. Focusing on solutions
6. Identifying appropriate resources
7. Building trust.

The document concludes with a discussion on scale.

# 2. Success

## Defining the Water Gap

The SWPN was launched in 2011, but plenty of work was done beforehand. Two achievements were of particular importance. First, various organizations defined South Africa's water challenge and quantified the scale of the problem. Second, key stakeholders were made aware of the facts and implications for South Africa. This was achieved by packaging information for senior decision makers and mobilizing new actors. Over time, the projected 17 percent gap between water demand and supply by 2030 became a simple and compelling fact that lay fertile ground for a groundbreaking partnership.

The partnership obtained information on the water challenge in South Africa through various sources, including the *Reconciliation Studies* and *Charting Our Water Future*. The *Reconciliation Studies* built on the Water Act (1998) and the subsequent National Water Resources Strategy. These publications used local knowledge and expertise to present in-depth technical assessments on key water supply schemes and provided insights on supply and demand issues in particular catchment areas. There were also other timely publications on the looming water crisis, for example, by the Centre for Development and Enterprise.<sup>4</sup>

In parallel, the 2030 WRG published *Charting Our Water Future*, which highlighted that competing demands for water would be a considerable global challenge in future. The document used case studies on four countries, including South Africa, to provide a global perspective on the scale of the water challenge, which would help engage and inform decision makers. The publication, which is the source of the 17 percent water gap projection, has been widely read and publicized.

"*Charting Our Water Future* used the combination of WEF, McKinsey, and other big corporates to put key messages into the laps of CEOs, business people, and non-water specialists," explained Sanjeev Raghuram, Corporate Safety, Health, and Environmental Sustainability Manager at Nestlé and one of the SWPN project area chairs. Alex Mung, Head of the World Economic Forum's Water Initiative, agreed that it provided "easily digestible and actionable information." He added that "the *Reconciliation Studies* gave the SWPN a national, strategic goal which we could hook our efforts on to."

While acknowledging some disagreement on the methodologies used in *Charting Our Water Future*, William Llewelyn Davies, Africa Regional Head of the 2030 WRG, said, "This publication helped to focus attention and elevate the subject of the water gap up the agenda of stakeholders." By the time the partnership was launched some two years later, the water gap was well understood by government and across the major water-using industries.

This groundwork had significant implications for the partnership. It gave the SWPN clarity on its vision—the gap had been identified, the needs assessed, and the potential options identified, including municipal leakage reduction and agricultural water efficiency. And the simple and compelling message became the vision and objective of the partnership: How can we eliminate this gap by 2030, and how can it be achieved in a sustainable manner?

The initial groundwork also helped determine that a collaborative multi-stakeholder solution focused on solving specific issues would be required.<sup>5</sup> Again, the gap had been identified and the key stakeholders—and eventual partners—had been prepared.

Although the vision was clearly defined and understood by the water stakeholders, issues did arise. Water is a cross-cutting challenge that is equally important for other government departments—energy, agriculture, and economic development. However, not all government departments had been effectively engaged and had bought into the need for a collaborative approach to close the water gap. This became clearer once the partnership moved into implementation.

## Championing the Partnership

The former Minister of Water and Environmental Affairs, Edna Molewa, was instrumental in forging the SWPN. She drew on international knowledge and global platforms, and engaged directly with the partnership and enabled others to do the same. The platform included the business community, but was not focused on privatization or access to government. This resulted in an innovative approach to engaging business on water, backed up by support and resources.

After attending the World Economic Forum Annual Meeting in 2011 in Davos, the minister asked the 2030 WRG to help set up a neutral and transparent multi-stakeholder platform to meet the government's strategic objectives for water. "It provides legitimacy for the partnership when there is a global connection and the partners can align with international best practice and platforms," said Andre Fourie, Senior Manager of Environmental Value at SABMiller.

After months of work, a formal partnership announcement was made at the World Economic Forum 2011 Africa Summit in Cape Town. The minister continued to use national and international events to maintain momentum and drive the partnership forward.

The former minister showed ongoing interest in the partnership and committed both her time and government resources. She

*The minister is the custodian of all the water resources in South Africa and the highest government representative on water issues. Through her political guidance and support, she has made this partnership what it is today. Through her leadership, the SWPN is taken seriously at all levels of government. And through her vision, the private sector can contribute to closing the gap between supply and demand of water resources. The government is the lynchpin; this is what has made the SWPN work.*

Tabisa Fiko,  
Director, International Relations, DWS

met with the partnership at least twice a year to assess progress and directly engage with the business participants. She formally appointed senior staff to participate in the SWPN and assigned a director-general to be part of the partnership, empowering him to pull in other key people from the department.

The acting director-general, Trevor Balzer, became accountable for the SWPN, taking on the role of co-chairperson and driving the partnership through government. "A champion on the side of water affairs is absolutely critical to the partnership's success, but success also requires commitment and capacity from beyond leadership and across the government," said Andre Kruger, Public Sector and PPP Financing Specialist from Barclays Africa and member of the SWPN. Margaret-Ann Diedricks has since taken over as co-chair from Trevor Balzer.

The SWPN was to be a new type of space that was not biased towards companies, but could leverage their capacity. Alex Mung, Head of the World Economic Forum's Water Initiative, agreed. "The minister wanted a neutral and transparent place to interact with the private sector and in a way that was not seen as being lobbied by private sector. This partnership was not about regulation, lowering transaction costs, or water contracts, but finding enlightened companies with a shared interest in solving South Africa's water challenge." On reflection, it was this departure from single-sector approaches that was one of the minister's most important actions—recognizing that business had a role to play in solving South Africa's water challenge.

The government's role in the SWPN ensured that the partnership succeeded where other efforts had failed. "The government helped the SWPN to create a brand, a legitimate brand, as a vehicle for the private sector to come on board and do things differently," said Nandha Govender, General Manager, Water and Environmental Operations of South Africa's electricity utility and major water user, Eskom Holdings SOC Limited.

Despite a change of minister in 2014, the government remained fully committed to the SWPN. In her first few months in the role, Nomvula Mokonyane, the new Minister of Water and Sanitation, had already communicated her appreciation, pledged additional financial and staffing commitments, and asked the partnership to consider new areas of concern. A challenge, however, is to enable involvement across government departments and to build the capacity of the staff to engage effectively.

## Mobilizing Business Commitment

The 2030 WRG invited SABMiller to be the driving force for business in the SWPN in South Africa. Andre Fourie from SABMiller played a significant role in promoting the partnership among senior business leaders from other reputable and water-engaged companies. He helped these companies recognize the reputational value of public leadership on issues like water that are closely linked to business operations. The combination of commitment and advocacy encouraged other companies to engage. As a result, the SWPN now includes active representation from a diverse range of companies from across the energy, mining, food and beverage, and financial services sectors.<sup>6</sup>

The commitment from the private sector was not about corporate philanthropy; it was based on the recognition that water is an essential part of running a business. "We naturally participate in water initiatives because we need water to succeed...The notion of working with a national initiative, like SWPN, fitted us like a glove," said Andre Kruger from Barclays Africa.

The national interest was also recognized by business. All companies are affected by water—water is part of the manufacture, production, and delivery of nearly all goods and services. Abe Abrahams, the Northern Cape Regional Head at the DWS who works with the SWPN on the agricultural supply chain, said that, "The companies saw that if we can save water in various sectors there might be more available for everybody." Many companies are already managing the water risk within their own operations. However, those that engaged in the SWPN recognize water as a shared business risk and that better water management is in the national interest.

For some, it was an international issue. Companies came to the table because of their multilateral and corporate commitments to better water stewardship.<sup>7</sup> "It's been instrumental," said Sanjeev Raghbir from Nestlé. "It's very convincing when the CEO or chairman says they are interested in certain things—then these things happen." Two of the leading SWPN companies are also members of the 2030 WRG—Nestlé and the Coca-Cola Company.

It was important that the companies involved with the SWPN were engaged with the agenda, were of sufficient size and capacity to contribute to the partnership, and were represented at a senior level. "The companies had ambition, but so did the individuals who were not operational representatives but had a strategic perspective on achieving change," said Pieter Viljoen, Scientific Manager of Water Quality Planning at the DWS. And as Lynette Chen, the CEO of the NBF, highlighted, "There was strength in numbers; together the companies could achieve far more than individual companies."

A shared vision took time to develop and was sometimes difficult to manage. Andre Fourie was a strong leader but also an effective facilitator, helping companies focus on the bigger picture, avoid

*Coca-Cola has the ambitious goal of being a water-neutral company by 2020, and a whole host of interventions are therefore in place to support our products becoming net neutral. However, we can't just do our thing within the factory gates; we have to be involved in the broader water cycle and in the bigger world, because in the end it will come back to affect all of us. So it's against that backdrop that we work with others and develop partnerships.*

Ian Hirschfeld,  
Corporate Brand & Public Policy, Coca-Cola Africa

lobbying, and prevent a focus on what he called “individual pet projects”. “To organize industry is much more difficult than to organize government because industry has private interests. And they need to set that aside, allocating people and resources to focus on this kind of thing,” said Paul Herbst, Director of Water Use Efficiency at the DWS.

Ultimately, companies focused on the high-level objectives rather than individual tenders. According to Tabisa Fiko from the DWS, “When business representatives are at the SWPN, you no longer see individual companies discussing regulation or compliance; you see a partnership of people that are concerned with a shared interest for the country.”

## Establishing an Inclusive Approach

The SWPN avoided two traps that are often fatal to collaborative partnerships. The first: red tape and bureaucracy. To encourage participation, the SWPN has a loose structure with no financial or behavioral commitments. The second: competition with existing and emerging initiatives. The SWPN was not trying to replace mandated organizations or to duplicate approaches such as the CEO Water Mandate. Unlike many other partnerships, the SWPN did not assume that governance must be part of the structure, but waited to see what governance was needed. As the SWPN has grown, so has the need for more mature membership and governance structures.

The SWPN was established as an open, voluntary forum, which means any individual or organization can join, and leave, when they like. To encourage participation, there were no commitments to being part of the partnership—even financial. “All we have is our mandate: one simple agreement that says we’re here to help save water,” explained Julia du Pisani, acting Program Manager at the SWPN.

This inclusivity was a critical step in creating a credible and consensus-driven approach. But it also brought together a diverse group of people who shared a passion for water. Tabisa Fiko elaborated on this: “You get to hear ideas from different walks of life, from different conversations, sectors, and perspectives; you hear ideas on how we can do things differently and then we can create shared solutions.”

But establishing such harmony was not easy. “As new people joined the group, we got taken backwards as they wanted to know what the partnership [was] all about and we had to go over old ground. But this [was] crucial in terms of building trust and changing the way everyone worked together,” explained Andre Kruger. Ritva Muhlbauer, Hydrology Manager from global mining giant Anglo American, highlighted the tension between bringing in new organizations and ensuring the partnership still moved forward: “Nongovernmental organizations, for example, should have been brought into the process early on to avoid the danger of restarting the process each time they joined.”

The SWPN managed these challenges and achieved consensus in two ways. First, once financial commitments had been made to the partnership and there was money in the budget, the governance structure was implemented. A steering committee

was established and the secretariat was identified. The management committee, which is made up of the co-chairs, the working group chairs, and the secretariat manager, enables fast decision making. The governance structures ensured that the partnership had lines of accountability and that the relevant protocols were respected. The group was effectively facilitated and managed towards shared outcomes.

Second, the SWPN had a traditional, life-cycle approach to change, and it was able to adapt. Several interviewees likened the SWPN to a start-up company—at first the focus is on demonstrating success before maturing and grappling with governance structures and accountability.

The SWPN has faced criticism because of its lack of systematic engagement with environmental and civil society groups. Although WWF South Africa has been at the table since the partnership was formed, and the Endangered Wildlife Trust has become involved more recently, the focus has predominantly been on business and government relations. This remains an issue for the partnership to deal with in the future.

## Focusing on Solutions

When the SWPN held its inaugural partners meeting in November 2011, it was unaware that, with an open process and a new partnership, it would be able to move quickly into action. The partners decided to build on existing initiatives, such as the vision and action areas, and focus on solutions and action. This helped build a collaborative spirit between the members and allowed them to quickly define the three project areas.

The SWPN’s work was guided by four principles: implementation, collaboration, results, and scale. The partnership started by focusing on implementation. “In all three areas we looked at, without exception, we found that there was a pre-existing, well-advanced, and pretty well-informed policy framework. We didn’t need to sit down with government to reach good water policy, but rather ask how do we help in the implementation of this policy,” said Ian Hirschfeld, Corporate Brand & Public Policy at Coca-Cola Africa.

“The uniqueness was the project focus,” said Paul Herbst from the DWS, “identifying projects that can be replicated across the country, and in essence are making a big difference. Very quickly there were a few projects identified, and I must tell you they were not ‘Mickey Mouse’ projects.”

*Being part of the SWPN was never forced: the sooner you find value, the sooner you will want to contribute...We did not go looking for structures and governance, but we were responsive, introducing solutions as soon as problems came along.*

Muzi Chonco,  
Sustainable Development Executive, SAB

The SWPN's work was achieved through collaboration. It was a new type of relationship between the private sector and government—a platform for addressing issues that could not be resolved through existing mechanisms: What were the potential win-wins, where was a collaborative solution required, and what deadlocks could be unlocked by this type of collaboration?

The need for collaboration was apparent in the projects that were selected. "It was the mine-water issues and continuing to be able to grow the agricultural productivity of the country, the rehabilitation of large-scale irrigation infrastructure...these are the agendas that need the public and private sector at the table with substantive, solution-orientated dialogue. This is where the SWPN can be truly unique," shared William Llewelyn Davies from the 2030 WRG.

The third principle was a focus on results. As Muzi Chonco from SAB highlighted: "It's easy to start anything, but if you don't get tangible results it falls flat. You can only motivate people for so much on a promise. So SWPN is very results- and action-orientated." There was a conscious focus on getting things done and framing the work in a way that people would understand. This meant identifying some quick wins, such as water efficiency, with an eye on the longer-term challenges in the mining and agricultural sectors. But, at the same time, the SWPN was also focused on linking its objectives to the National Water Resources Strategy.

Nicole Kranz, Country Coordinator for South Africa at GIZ, commented on the partnership's principle of scale: "The SWPN focused on scale right from the beginning; a sector like dairy is not going to close the gap, so we chose agriculture." However, the partnership still faces uncertainty regarding how best to achieve impact and scale, and how to most effectively measure and demonstrate success.

## Identifying Appropriate Resources

In any collaborative partnership, resources can cause contention. A lack of resources can lead to frustration and dominant funders may be perceived as calling the shots. However, the initial SAB funding came without commitments and helped establish the

secretariat and a project manager. But the SWPN's resources were not just about money; they were about the skills and capacity required to get the partnership moving—the aforementioned leadership roles, but also the more practical project management. Resources have been a key enabler for the partnership, but financial sustainability has not been a dominant theme.

The SWPN started with \$250,000 seed funding from SABMiller. This initial funding was important—it was not earmarked for specific projects and could therefore be used to support the secretariat function, which was critical in getting the partnership moving.

The 2030 WRG also provided early funding of \$150,000 a year (until 2016), which encouraged the SWPN to move quickly into business planning and project work. Nick Tandl, former SWPN Project Manager and now with the Stockholm International Water Institute, said, "There were just one or two funders in the beginning, but I think the beautiful part of the story is by [the] end of the first financial year we had six private sector contributors in place plus an important contribution from GIZ."

The SWPN is not financially sustainable, but it is moving in the right direction. Once trust in the partnership had been established, the SWPN could start looking for more funding and the bankable projects began to emerge. Seven partner companies are contributing about 150,000 South African rand a year, in addition to the ongoing grant money from GIZ and the 2030 WRG.

Resources also came in the form of the secretariat, through the NBF, which coordinates the SWPN. According to Sanjeev Raghubir, "They were selected because of their reputation in the region, [and they] have a history of audit and experience of multifunctional partnerships." The NBF's main role is administrative, providing reports on projects supported by the working groups, but it is also responsible for delivering the agreed work.

Most partners considered the partnership manager to be a critical part of the SWPN's success. SAB's Muzi Chonco felt that "the project manager played a key role. After the first initial excitement, energies were getting low; you needed someone to do this full-time, without that you can't do anything. You're stifled." Paul

*There was a strong feeling that to make it work, it needed constructive people pushing the same agenda. They may have differences of opinion, but it was all solution-orientated. It wasn't about arguing over political agendas or over vastly different perspectives; it was a group of like-minded people, and that was essential to make the thing work as it has done; the focus was on rather 'we've got a problem, how do we fix it?'*

Sanjeev Raghubir,  
Corporate Safety, Health, and Environmental  
Sustainability Manager, Nestlé

*This partnership is a bit of an anomaly in the way the private sector comes in and brings in their ideas and gives their time, expertise, and resources...Within the mine-water project, we have a new type of problem that requires a new type of thinking for solutions, a collaborative type of thinking. It tests the boundaries and paradigm thinking of government and how they normally view business models, and, in terms of policies, it's a new space.*

Nandha Govender,  
General Manager, Water and Environmental Operations,  
Eskom Holdings SOC Limited

Herbst agreed, “Unless there is a strong secretariat to work behind the scenes, you will not get a thing like this off the ground.”

A successful partnership manager should have an essential set of skills. Alex Mung explained, “That person has to be savvy enough to go back and forth between the government and the companies, and be able to sit down with the different partners and explain the perspective of the other partners and try and understand their concerns.”

“Managing the partnership is extremely time consuming and you can’t have a water expert only—you need a diplomat, a water expert, a policy person—you need somebody who can talk to everyone; they’ve got to be very multi-disciplinary in that respect,” said Ian Hirschfeld from Coca-Cola Africa.

The SWPN faces long-term questions about its resources: How does the partnership move towards a more sustainable financing model that shifts the burden away from just a few financial contributors and multilateral agencies such as the 2030 WRG and GIZ? Will there be more resources available to help the partnership implement its solutions quickly, effectively, and at scale? Although the partnership’s strength has been its shared vision and the deliberate choice not to favor the agenda of any one partner, this does mean that it has not been able to fully capitalize on the extremely valuable partner resources and capabilities available.

## Building Trust

A key success factor underpinning the SWPN is the commitment of the individuals involved and the collaboration between government and business, within the business community, and between individuals and organizations. The implications of how the individual personalities worked together, what roles and responsibilities they played, and how trust was built up between the key players are critical to understand. In the SWPN, trust has been earned slowly, allowing stakeholders to debate openly. There is trust between the co-chairs, between the business representatives, and between the working group participants. The partnership also built trust with the broader stakeholder community.

Both business and government recognized they had challenges at the start of the partnership. Government’s funding and capacity issues hindered its ability to enforce and translate policy into concrete initiatives. There was also a widespread perception that South Africa had transformed but the private sector had not.<sup>8</sup> By working together on a shared vision and common objectives, government began to trust that business was willing to contribute to the broad national interest rather than specific individual corporate interests, and the private sector saw that government was committed to the partnership and leveraging policy to implement change.

Alex Mung reflected on the importance of trust: “The SWPN partnership helped to bring the different sides together—government and private sector—establishing a common understanding of issues where previously they had been quite far apart.” The neutral broker played an important role in the early

*To institutionalize a partnership, you have to establish a secretariat and progressively hand over the action points to someone who is accountable for delivery.*

Anders Berntell,  
Executive Director, 2030 WRG

stages of the partnering process, bringing the partners together and helping them understand each other and what the potential of the partnership might be.

Abe Abrahams from the DWS felt the gap between business and government was bridged relatively quickly: “There is sometimes a false perception that business and government cannot work well together. Through the SWPN process it became clear we can work together and it will create greater efficiencies and effectiveness. For example, by implementing the Water Administration System through the SWPN we are talking about a 10 percent water saving. That’s the type of real impact that we’re looking at through this partnership.”

The relationship between business and government in the mining sector has historically been confrontational and transactional. The partnership helped develop trust between the two parties, said Pieter Viljoen from the DWS. “The trust they built enabled a constructive dialogue. This was partly due to the strategic nature of the partners; they were able to step away from the operational issues and see the bigger picture.”

In part, trust was built through transparency and the leaders who brought that transparency. “The leadership from the two co-chairs, Andre and Trevor, has been very good and is probably why we didn’t lose the focus; everybody knew exactly what was expected of them, and the process was clear and open,” shared Tabisa Fiko. The three working group chairs, from Eskom Holdings SOC Limited, the Coca-Cola Company, and Nestlé, also played an important role, providing responsibility, accountability, and leadership. “All three of them have been towers of strength; they’ve gone way beyond the call of duty,” said Andre Fourie.

Trust and transparency within the SWPN have helped build a powerful partnership for change.

*SWPN reflects the chemistry of partnerships – there is the chemistry of the partnership molecules, but also the chemistry of people in the partnerships. We need to get better at understanding this chemistry and how to make it work quicker and at scale.*

Nick Tandl,  
former SWPN Project Manager

# 3. Scale

## The Story So Far

Although the SWPN has built relationships and trust, it is too early to say whether it has been successful in terms of impact and change. The partnership has made smart and unconventional choices regarding its processes, actions, and resources, which have paid off. It did not fall victim to recreating and duplicating work, and it did not alienate stakeholders in order to establish something new or different.

The partnership benefited from talented leaders in government, such as the Minister of Water, and business, especially SABMiller, Nestlé, Eskom Holdings SOC Limited, and the Coca-Cola Company. The partnership has succeeded because of the trailblazers and talented individuals involved, with support from the 2030 WRG as broker and the NBF as project manager.

With the benefit of hindsight, seven key success factors (discussed in the previous section) have been identified across the partnership's activities. More challenging, however, is looking forward, because experiences and perspectives vary significantly between partners and stakeholders, the partnership has now attracted attention and expectations have been raised, and it is impossible to predict the future.

## Defining Scale

The core challenge for green growth partnerships is achieving impact at speed and at scale.<sup>9</sup> The SWPN shows early signs of success and although it is too early to assess impact, the question of scale is on the partners' minds. Scale at the SWPN means different things to different people: increasing impact, mainstreaming approaches, scaling solutions, sharing learning, replicating success, and scaling internationally.

The SWPN's primary focus has always been on reducing the projected 17 percent gap between water demand and supply by 2030. To some degree, impact and scale can be measured against the reduction of this gap. However, some partners feel that the SWPN has not set specific goals to help demonstrate how the gap has been reduced. Establishing goals and targets could help the partnership to focus impact, galvanize resources, and increase ambition levels.

Goals and targets may also help the SWPN decide whether to take on new areas of work. Early success for the SWPN has meant staying focused on three core issues, and some partners feel these commitments should be completed before starting new projects. Sanjeev Raghuram believes that the "SWPN is not going to get credibility by touching an issue and moving on; we have to create the right structures for change." But he also believes there should be "new projects in the pipeline."

Some partners understand scale as a linear process and believe it will be achieved if more organizations join the partnership, more financial resources become available, or more projects are implemented. Most partners, however, believe that the

SWPN addresses barriers through private and public sector collaboration and designing solutions that unblock long-term or complex barriers that existing mechanisms cannot solve. Scale in this scenario will result in successfully identifying and unblocking these barriers, and then identifying new issues and barriers. The new Minister of Water and Sanitation, Nomvula Mokonyane, believes in this vision and recently asked the SWPN to deal with a broader range of topics, including national concerns such as sanitation, skills development, and water stewardship.

## Learning and Change

The key impact for the SWPN has been building relationships and trust. The partnership has improved the capacity of the DWS and leading companies to engage in constructive dialogue on water management. One interpretation of scale for the SWPN is to mainstream this positive relationship between business and government.

This could involve building the capacity of public and private sector stakeholders so that they can continue to work together on shared water issues. There is potential for this to work beyond the water community in other green growth areas such as energy and food production.

Beyond the immediate impact of the SWPN projects, there is an opportunity to take lessons learned to individual partner organizations and change strategy and practice within the company. Christine Colvin, Senior Manager of Freshwater Programs at WWF South Africa, felt that "there is still an important role this group can play in terms of challenging each other to demonstrate best water practice in every area of their operations and supply chains."

*The SWPN has great potential and can be used as a two-way sounding board for improving water management both within the private and public sector. While a collaborative culture is important, it is equally important for the partners to speak openly, given that their interests are not always easily compatible. Balancing such openness and a collaborative approach will sustain the partnership.*

Nomvula Mokonyane,  
Minister of Water and Sanitation

Ritva Muhlbauer from Anglo American agreed that there “is a significant opportunity in taking the partnership learnings back inside the company to increase impact.” For some, this change process has already begun. The NBF has used the SWPN model for new thematic partnerships. SABMiller has designed a developmental model to enable effective government consultation and engagement in other countries in which it operates, including Tanzania.

These lessons demonstrate the additional benefit of collaborative partnerships, but they also raise the question of how to institutionalize this knowledge more systematically. “There may be an opportunity for SWPN to really empower government to enforce existing policies and approaches,” suggested Andre Kruger.

Partners are also concerned about long-term planning and how to sustain momentum, resources, and commitment. The SWPN has already survived the departure of its partnership founder, Edna Molewa, and the baton has been seamlessly handed over to the new minister. The partnership is now asking how it can continue to make smart choices as inevitable changes take place.

## Replication and Scale

Sharing and replicating lessons learned is an important part of the SWPN’s work. In particular, the No Drop approach is considered to be an inspirational and world-class solution. If reducing urban water leakage worldwide could provide up to \$170 billion in resource benefits by 2030,<sup>10</sup> then there are clear benefits in sharing the No Drop approach. And as the other projects mature, there will be additional knowledge and experience to draw from the partnerships for wastewater treatment and reuse and agricultural supply-chain projects. The SWPN has a significant opportunity to share its findings.

The SWPN is part of the 2030 WRG, which has a similar vision to the partnership to close the gap between water demand and supply by the year 2030. The 2030 WRG aims to understand the challenges and successes faced by the SWPN and share those findings in different geographical contexts.

The 2030 WRG approach varies in each country of operation to adapt to each country’s specific water challenges. However, its work is always based on a set of transparent criteria. The 2030 WRG needs a strong government commitment, focusing on governments that invite it to work on a comprehensive water sector reform strategy. The 2030 WRG provides a public-private civil society approach to support these governments. It also recognizes the need to “ACT”:

- **Analyze:** Building on data and water resource information, the 2030 WRG works with existing actors to develop analysis that enhances the understanding of the scale and urgency of the water challenge to support better decision making.
- **Convene:** The 2030 WRG’s convening initiatives are a central component of its engagement process, bringing together public, private, and civil society stakeholders to help create broader awareness and momentum, and to trigger actions.
- **Transform:** Having catalyzed project and policy ideas through the 2030 WRG analytics and structured convening initiatives, transformation and implementation are then taken forward by long-term development partners and other water sector professionals.

The SWPN developed the ACT approach. The analysis phase was indirectly undertaken as a result of the *Reconciliation Studies* and *Charting Our Water Future*. The partnership will undertake more analysis before launching new activities, for example, in the area of sanitation.

The 2030 WRG uses the 3GF platform to outline its approach, share lessons and experiences, identify opportunities for scale, and explore and test new water management issues with high-level participants. 3GF benefits from the collaboration with the 2030 WRG by having a well-established and functioning partnership with strong global networks that have experience in identifying events and topical sessions.

In the near future, the 2030 WRG will be attending the 3GF Africa meeting in Nairobi to share the experiences of the SWPN to extend its reach and, where appropriate, replicate the partnership’s experiences elsewhere on the continent. 3GF will continue to share the work of the SWPN and the 2030 WRG with its broad network of senior decision makers and partnership practitioners to accelerate the transition to a greener economy, one partnership at a time.

There is much to learn from the SWPN. The partnership hit the ground running at inception and as a result has demonstrated some early wins. At this point, it might be time to reconsider the question of scale and related issues of impact, learning, replication, and governance. It will, however, be difficult to replace the exceptional individuals who have been involved so far: the championing role of the government and the Minister of Water, the leading and accountable companies such as SABMiller, Nestlé, Eskom Holdings SOC Limited, and the Coca-Cola Company, and the 2030 WRG as a broker, have made the partnership greater than the sum of its parts.

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- <sup>1</sup> 2009, Charting Our Water Future, McKinsey & Company, WRG 2030
  - <sup>2</sup> Internal documentation: SWPN evaluation
  - <sup>3</sup> Water issues were previously managed by the Department of Water and Environmental Affairs, which became the Department of Water and Sanitation in 2014.
  - <sup>4</sup> 2010, A Looming Water Crisis, Cloete, D., de Villiers, R., Bernstein, A., Segal, N., and Altbeker, A.
  - <sup>5</sup> Internal documentation: SWPN evaluation
  - <sup>6</sup> 2030 WRG, Country Highlight, South Africa
  - <sup>7</sup> Internal documentation: SWPN evaluation
  - <sup>8</sup> Ibid
  - <sup>9</sup> 2014, 3GF, Partnership Approach
  - <sup>10</sup> 2012, 3GF, Accelerating Green Growth through Public-Private Partnerships



**2030 Water Resources Group**

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