



ABInBev

## EXECUTIVE SUMMARY

# AFRICA'S WATERSHED MOMENT

## HOW BETTER WATER MANAGEMENT CAN UNDERPIN AFRICA'S DEVELOPMENT

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This report was commissioned by AB InBev and WWF to articulate their recognition that water, and the rivers, lakes and wetlands from which it is sourced, is fundamental to sustained economic development in Africa and for achieving the Sustainable Development Goals. The report is written as a briefing and call to action for politicians, senior bureaucrats, business leaders and development agencies to ensure that the continent's economic trajectory overcomes its climate challenges and variable water availability.

For most African countries economic growth is dependent upon agriculture, mining and manufacturing, and is likely to remain so for at least the next decade. Reliable water supply is critical to catalyse growth in these sectors. It is also needed to generate energy and grow crops that will support the development of Africa's cities, the population of which will treble over the next 35 years. Demands for and impacts on water resources are likely to increase rapidly as Africa's economy grows, people become more affluent, cities expand and the climate changes. Meanwhile, pressure on Africa's unique freshwater habitats and biodiversity grows.

However, large parts of Africa are subject to seasonally variable hydrology and geographically uneven distribution of water resources. This is compounded by climate change, to which Africa is particularly vulnerable and it both complicates the management of water resources and requires significant investment in water information, planning, governance and infrastructure.

Water-related investment choices made over the next decade will have a substantial influence on the long-term development trajectory of African countries. Trade-offs between water for agriculture, energy, cities and manufacturing will increasingly come to the fore. Simultaneously, rural access to water will influence the livelihoods and household security of half the African population. Extreme floods, drought and disease will increase migration pressures on refugee settlements and informal urban areas.

The relatively low level of water infrastructure and institutional investment in Africa presents a major challenge. It also means that African countries and organisations are well placed to learn from global experience and adapt successful solutions that have been applied elsewhere. Water is fundamental to the achievement of many of the SDGs, and alongside the looming climate adaptation challenge provides the impetus now to make the right investments in water management across the continent, for the benefit of people nature, and business. Now is a critical time for Africa's development: building the water-resilience of countries and economies over the next decade will be essential for long-term sustainable development.

**This report addresses these issues through the lens of four key themes:**

### 1) SUSTAINED GROWTH REQUIRES WATER INVESTMENT:

Water is required for economic production and consumption, whether it is used in business operations and supply chains, or to ensure healthy, educated workers and customers. Current economic growth rates require a dramatic increase in water use by 2030. Achieving the SDGs in Africa requires careful balancing of the needs of economic growth with shifting demographics and maintenance of freshwater ecosystems to sustain a reliable, clean water supply to the continent.

### 2) FEEDING A BILLION MORE PEOPLE:

Over the next 35 years, the African population is expected to increase by more than a billion people, increasing demand for food, energy and WASH. This increasing population will have the greatest impact on water through agriculture (the largest water user in Africa). Improved water management will be required to support the development of agricultural and rural economies, as well as to achieve SDG2 – Zero Hunger.

### 3) RURAL WATER VULNERABILITY, POVERTY AND MIGRATION:

Rural livelihoods in Africa are highly water dependent. The combination of climate variability, climate change, political instability, lack of economic opportunities and poor water resources management has far-reaching implications for vulnerable rural communities. Water-related drought and flood events contribute to the factors driving migration. Investment in water management and access for rural communities is critical to reduce poverty and support resilient livelihoods, contributing to SDG 10 – Reduced Inequalities.

### 4) CITIES AS THE ENGINE OF WATER-RESILIENT DEVELOPMENT:

Projected rates of urbanisation are expected to result in a trebling of the population in African cities by 2050, with the urban population exceeding the rural population of Sub-Saharan Africa by about 2040. African cities will be the drivers of economic growth, diversification and trade, and will have an increasing requirement for water, food and energy, all of which require reliable water supply. The water-resilience and sustainable development of African cities will be dependent upon their water resource management to achieve SDG 11 – Sustainable Cities and Communities.

## RECOMMENDATIONS

**Water managers alone cannot build water resilience. The following audiences need to respond to the importance of water for Africa's sustained development:**

- **Economic planners** should seize the opportunity to catalyse development by investing in water management, and take a holistic view on the role that water plays in economic growth.
- **Business leaders** should increase investment in water management to reduce risks, advocate with governments for additional investment, and promote partnerships to support the achievement of the SDGs and resilient water management.
- **Investors** should explore mechanisms to finance water development that underpins sustainable and inclusive economic growth and link these to productive use of water, considering the threats of a changing climate.
- **City managers** should recognise the increasing direct and indirect vulnerability of cities to water and cooperate to ensure coherent planning between urban and rural areas.
- **Development agencies** should promote water-resilient development, with a focus on the livelihoods of the most marginal people in the least developed economies.

