

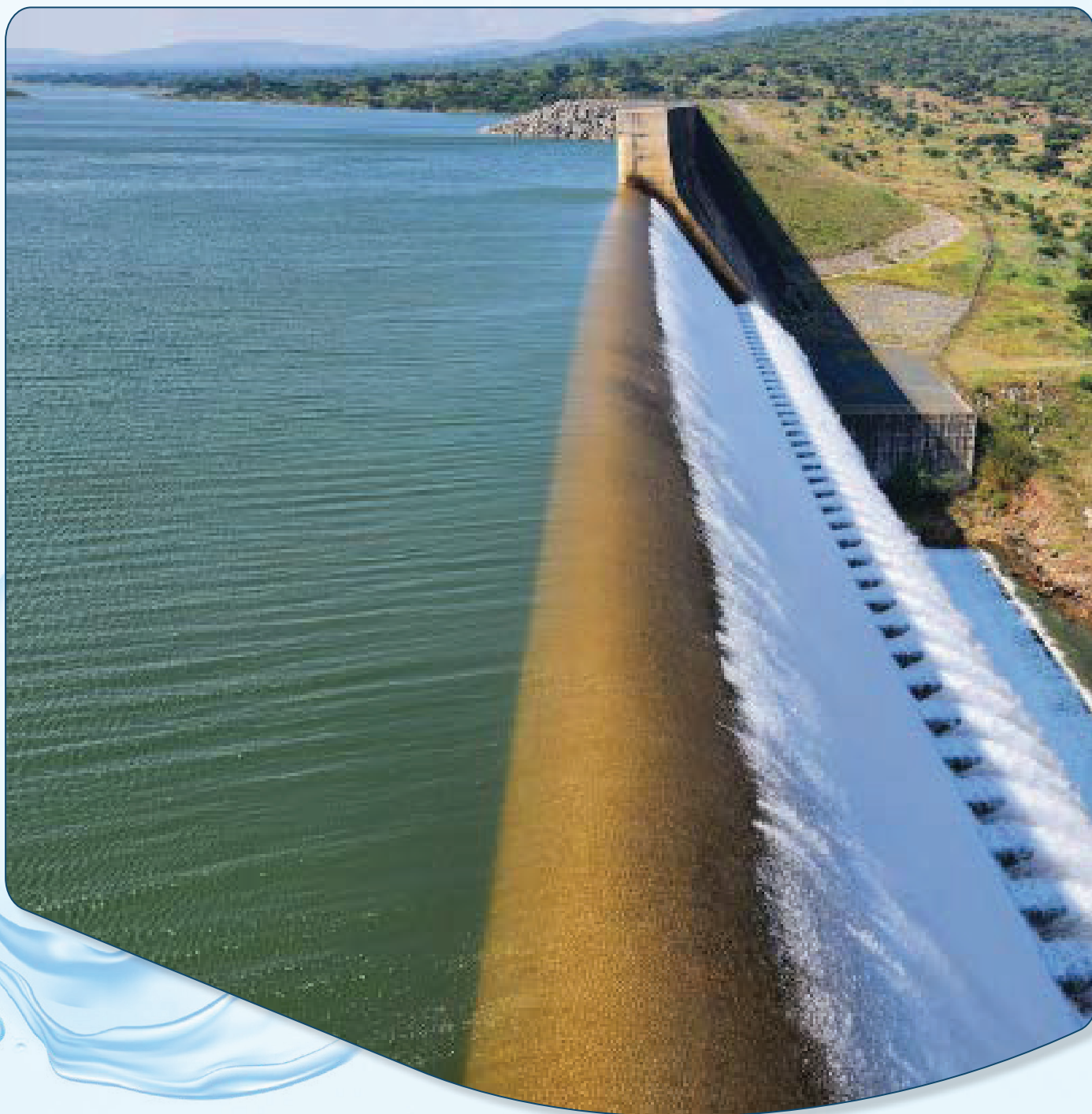


**CONSOLIDATED
PERFORMANCE
REPORT 2021 - 2025**



INMACOM

INTEGRATED WATER RESOURCES MANAGEMENT



ANNUAL REPORT 2021–2025

OFFICIAL SIGN OFF

It is hereby certified that this Annual Report:

- Was developed by the Technical Steering Committee of Incomati and Maputo Watercourse Commission with the assistance of its Management;
- Considers all relevant legislation, policies, and other mandatory documents applicable to the Commission; and
- Accurately reflects the performance of the Commission in the 2020-2022 financial years.

Ms. Sindy Mthimkhulu
Executive Secretary

Ms Duduzile Mthembu
Chairperson-TSC

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LIST OF ACRONYMS AND ABBREVIATIONS

ACRONYMS

INMACOM

PRIMA II

IWRM

RBO

TSC

MIS

GEF

UNDP

TWM

VUNWE

SADC-GMI

MoU

GIS

ISO

IWMI

KOBWA

HR

IT

USD

EUR

WB

INMACOM

ABBREVIATIONS

Incomati and Maputo Watercourse Commission

Programme for Integrated Management of the Incomati and Maputo Basins - Phase II

Integrated Water Resources Management

River Basin Organisation

Technical Steering Committee

Management Information System

Global Environment Facility

United Nations Development Programme

Transboundary Water Management

Transboundary Water Management Programme for Strengthening Water Governance (Dutch-supported programme)

Southern African Development Community - Groundwater Management Institute

Memorandum of Understanding

Geographic Information Systems

International Organization for Standardization

International Water Management Institute

Komati Basin Water Authority

Human Resources

Information Technology

United States Dollar

Euro

World Bank

Incomati and Maputo Watercourse Commission

Council of Ministers



Hon. HRH Prince Lonkhokhela
(Senator)
Minister of Natural
Resources and Energy.
(Eswatini)



His Excellency Fernando Rafael
Minister of Public Works,
Housing and Water Resources
(Mozambique)



Hon. Ms. Pemmy Majodina (MP)
Minister of Water and Sanitation
(South Africa)

Leaders Of Delegation



Ms. Lindiwe Mbingo
Principal Secretary
(Eswatini)



Dr. Agostinho Vilanculos
National Director
Water Resources Management
(Mozambique)



Ms. Duduzile Mthembu
Chief Director
(South Africa)

Commissioners



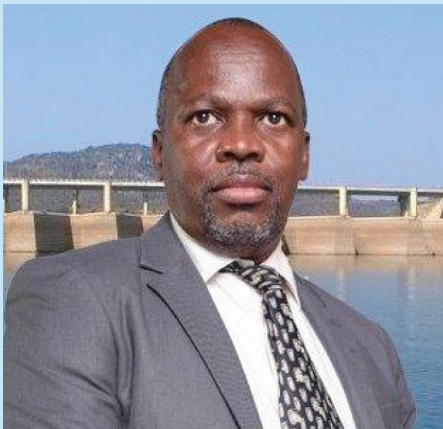
Mr. Sydney Simelane
(Eswatini)



Edgar Bernardo chongo
(Mozambique)



Ms. Dudu Sifunda
(South Africa)



Mr. Makhosini Khoza
(Eswatini)



Silo Kheva
(South Africa)

Secretariat



Ms. Sindy Mthimkhulu
Executive Secretary

INMACOM TSC Chairperson's Foreword



Resources shared by the member states, signifies the strong and existing relations between the Kingdom of Eswatini, Republic of Mozambique, and Republic of South Africa.

Over the years, INMACOM has made significant strides in promoting collaboration and addressing water challenges in the respective member states. This has been done through a range of initiatives, programmes and knowledge exchange workshops which were attended by highly skilled Technical Steering Committee members of the Commission. The workshop included, amongst others, the 10th SADC River Basin Organisations / Shared Watercourse Institutions (RBOs/SWIs) Workshop which took place in Maputo, Mozambique and the Stockholm World Water Week in Sweden, as well as the Trade Shows in Mbombela, Mpumalanga and Maputo, Mozambique.

Furthermore, the Commission has successfully facilitated the sharing of knowledge, expertise, and resources, thereby fostering a harmonious

environment for the sustainable management of the precious water resource. One of the key achievements of INMACOM is the establishment of robust mechanisms for information exchange and joint decision-making, by enhancing communication channels and promoting transparency, through which it has enabled and empowered the three member states to make informed decisions regarding the utilization and protection of transboundary water resources. This has not only strengthened our collective efforts but has also fostered trust and understanding among our diverse stakeholders.

In addition, INMACOM has played a pivotal role in enhancing capacity-building efforts among our member states by providing technical assistance and sharing best practices, we have empowered our nations to better respond to water-related challenges and promote responsible water usage. In line with our commitment for sustainable development, INMACOM has also undertaken various projects aimed at enhancing water resource management. These projects encompass the implementation of innovative technologies, the promotion of water conservation practices, and the establishment of robust monitoring systems by embracing cutting-edge solutions, thereby ensuring the long-term viability of our shared water resources, while simultaneously mitigating the adverse effects of climate change.

Looking ahead, I strongly believe that INMACOM remains one of the best water commissions to be established and a force in the water sector not to be reckoned. On behalf of the three-member state Commissioners, we remain deeply committed to INMACOM's vision of a

INMACOM TSC Chairperson's Foreword

leading transboundary water management institution that promotes sustainable, equitable management and protection of the shared water resources in the Incomati and Maputo Basins.

As the Commission expands in stature and workforce, I extend my gratitude to all the member states of INMACOM for their unwavering support and commitment to our shared vision. Together, we have made significant strides

in promoting cooperation and sustainable management of transboundary water resources. I am confident that, with our continued dedication and collaboration, we will achieve even greater milestones in the years to come.

Ngiyabonga!
Ms Duduzile Mthembu
Chairperson-TSC





INMACOM

FOREWORD FROM THE EXECUTIVE SECRETARY



The early years of the reporting period were necessarily focused on laying strong foundations, building governance structures, establishing the permanent Secretariat, developing financial and procurement systems, and positioning the Commission as a credible transboundary institution. Despite funding delays and operational constraints, INMACOM progressively strengthened its institutional capacity and advanced key technical and legal processes, including the development of water resources information systems, the Disaster Management Plan, and the Draft Comprehensive Agreement.

From 2023 onwards, the Commission demonstrated growing delivery capacity, converting earlier preparatory work into tangible outputs and frameworks. By 2024, emphasis shifted toward consolidation, operationalization, and strategic planning, culminating in the adoption of the 2024–2027 Strategic Plan.

In 2025, INMACOM entered a new phase marked by the mobilization of major programmes, notably the UNDP/GEF and Dutch-supported Transboundary Water Management initiatives, and the expansion of basin- and community-level interventions. As I assumed office during this period of growth, my focus has been to build upon the solid groundwork already in place—strengthening organizational alignment, supporting effective programme delivery, enhancing cooperation among Member States, and ensuring that INMACOM’s expanding portfolio translates into meaningful water security, resilience, and shared benefits across the basin. The “twin-track” approach adopted in 2025 positions the Commission well to balance institutional strengthening with practical, on-the-ground impact.

This performance summary reflects a Commission that has matured substantially, while also recognizing the challenges that remain, particularly in relation to predictable financing, procurement efficiency, and the sustained translation of plans into results. The lessons documented here provide a valuable platform for accelerated delivery from 2026 onwards.

I wish to express my sincere appreciation to the Member States, development partners, and all stakeholders whose dedication and support have guided INMACOM through its formative years. I look forward to continued cooperation as we collectively advance sustainable, equitable, and resilient management of the Incomati and Maputo river basins.

Executive Secretary

Incomati and Maputo Watercourse Commission (INMACOM)

VISION, MANDATE & MISSION STATEMENTS

The vision of INMACOM is:

To be a leading transboundary water management institution that promotes sustainable and equitable management and protection of the shared water resources in the Maputo and Incomati basins.

The Commission's mandate is:

To promote IWRM of both ground- and surface-water resources in the Incomati and Maputo River Basins through environmentally sustainable and socio-economically uplifting solutions.

INMACOM's vision and mandate are supported by the following mission statements:

- Promote regional cooperation, coordination, and integration between the three Member States to better manage the shared water resources.
- Enable knowledge and information sharing across the riparian countries to inform planning, management and decision-making processes of the Incomati and Maputo River Basins.
- Create an enabling environment to support transboundary IWRM that has environmental, and socioeconomic benefits.
- Undertake appropriate and targeted capacity building and training to develop the skills of key stakeholders in the river basins at all levels.
- Foster and promote research of the Incomati and Maputo River Basins that enables improved management of the water resources.
- Advocate and raise awareness of sustainable water resource management of the shared watercourses through the dissemination of information, data and knowledge products.
- Support infrastructure development that promotes sustainable water resource management and development of the Incomati and Maputo River Basins.



INMACOM

Preamble

The Ministry of Natural Resources and Energy of the Kingdom of Eswatini (MNRE), acting on behalf of the water management authorities in the three riparian countries of the Incomati and Maputo River basins that are mandated to support the implementation of the Interim Inco-Maputo Agreement, has applied for a cooperation programme with the Government of the Netherlands.

Having a long history of cooperation in the water sector in the Republic of Mozambique, the Republic of South Africa and the Kingdom of Eswatini, Southern Africa, and recognising that proper water management is essential for the social and economic development of the countries, has decided to support a new initiative in Integrated Water Resources Management (IWRM) at the international level (development of a cross-boundary River Basin Organization of the Incomati and Maputo River Basins). In November 2021, the three Member States, the Governments of the Kingdom of Eswatini, of Republic of Mozambique and of Republic of South Africa, established the Incomati and Maputo Watercourse Commission (INMACOM). The three member states recognise the vulnerability of Incomati and Maputo to events of floods, transboundary droughts originated upstream, especially in low-lying areas.

The Member States are committed towards the realisation of the principle of equitable and reasonable utilisation, as well as of the principle of sustainable and integrated development, in relation to the Incomati and Maputo Watercourses.





1. EXECUTIVE SUMMARY

The period from 2021 to 2025 marked the transformation of INMACOM from a newly established transboundary watercourse commission into an increasingly operational and strategically positioned regional institution. Over these five years, the Commission strengthened its governance systems, developed key technical and legal frameworks, mobilised international financing, and progressively expanded its focus toward practical basin-level and community impact interventions.

Key achievements included the establishment of the INMACOM Secretariat, the development of financial and procurement systems, and significant progress in core technical outputs such as the Management Information System (MIS), the Disaster Management Plan, and the Draft Comprehensive Agreement. The Commission also launched its 2024-2027 Strategic Plan and successfully mobilised major programmes, including the UNDP/GEF initiative and the Dutch-supported Transboundary Water Management (VUNWE/TWM) programme. These efforts were complemented by the implementation of initiatives in groundwater management, water quality monitoring, aquaculture, and stakeholder engagement.

Importantly, INMACOM evolved from a focus on institutional establishment to a more community-centred approach to water security. Its interventions increasingly contributed to climate resilience, improved water access, drought preparedness, environmental protection, youth engagement, and strengthened transboundary cooperation, with tangible benefits for vulnerable communities in the Incomati and Maputo River Basins.

Financially, INMACOM's budget increased from **EUR 564,558/ E/R 10,133,816** in 2021 to **EUR 25,282,534/ E/R 1,285,988** in 2025. Budget execution improved compared to the initial implementation period, although it remained constrained by delays in fund disbursement, procurement timelines, capacity gaps, and the complexity of multi-currency reporting. The unqualified audit opinion in 2024 marked an important milestone in institutional credibility, while the 2025 recovery plan target was exceeded, with actual execution reaching 53% against a target of 45%.

Looking ahead, the report projects that by 2027/2028, INMACOM will transition from systems development and planning toward delivering measurable basin-wide outcomes. These include improved access to water resources, enhanced community resilience, strengthened ecosystem restoration, fully operational data-sharing systems, and deeper regional cooperation among Member States.

2. BACKGROUND & INSTITUTIONAL CONTEXT

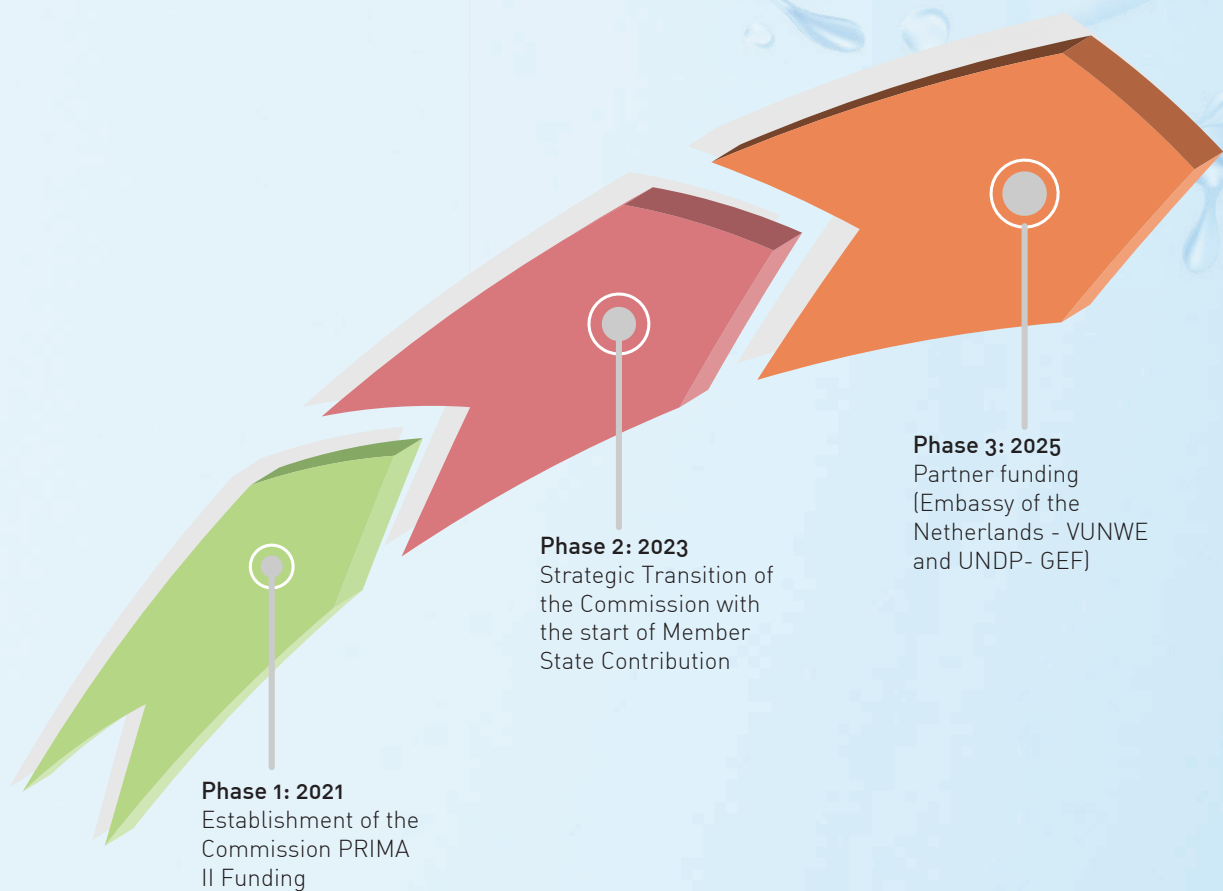
Incomati & Maputo Watercourse Commission (INMACOM) is a transboundary river basin organization operating in the Incomati and Maputo river basins, serving the three Member States: Eswatini, Mozambique, and South Africa. The Commission was officially established on 18 November 2021, evolving from the Tripartite Permanent Technical Committee, which had existed since 1983. The organization is aligned with SADC principles on the shared management of transboundary water resources.

The Commission exists to strengthen cooperation among Member States, support the sustainable sharing and protection of water resources in the Incomati and Maputo river basins, and enable the exchange of knowledge and information to inform planning, management, and decision-making. These functions are consistent with the broader shift taking place in Southern Africa – from reactive technical coordination to integrated river basin governance, hydrodiplomacy, climate resilience, and source-to-sea management.

The reporting period of 2021 – 2025 therefore represents both a phase of institutional establishment and a phase of program expansion. The early years were dominated by institution-building supported by PRIMA II. Since 2025, INMACOM has been managing a more complex environment involving funding from Member States, UNDP/GEF programming, the Netherlands-supported VUNWE Integrated Programme, support from SADC-GMI, and partnerships with regional and river basin actors.



INMACOM



3. KEY STRATEGIC MESSAGES

- INMACOM has evolved from a provisional cooperation mechanism into a river basin organization with growing institutional legitimacy and programmatic reach.
- The Commission now requires stronger internal controls, financial predictability, and integrated management of programmes and skilled human resources to sustain project implementation across multiple funding sources from donors and Member States.
- The period from 2025 to 2030 should be viewed as a transition window toward financial sustainability, unified data systems, basin-wide stakeholder engagement, and the implementation of the Twin-Track approach.
- The main strategic opportunity is to position INMACOM as the central coordination platform for transboundary water governance, climate resilience, data-driven decision-making, and investment mobilization in the Incomati and Maputo river basins.
- In line with the principles of gender, equality and social inclusion INMACOM is committed to youth inclusion and the empowerment of women, by integrating them in participation platforms and in the implementations of programmes.

4. STRATEGIC RESULTS FRAMEWORK, 2021 – 2025

During PRIMA II, INMACOM organized its implementation around four strategic result areas. These results provided the operational framework for the period 2021–2024 and remained relevant for the Commission’s institutional consolidation through to 2025.

PRIMA II OUTPUT AREA	MAIN FOCUS	RELEVANCE FOR INMACOM INSTITUTIONAL DEVELOPMENT
Result 1: Adequate information on available water resources	REIWQ obligations, Management Information System, disaster management planning, and water resources data	Established the foundation for evidence-based river basin management, decision-making support, climate risk awareness, and future reporting through dashboards
Result 2: Draft Comprehensive Agreement	Preparation and negotiation of a comprehensive agreement among the three Member States on river basin management	Promoted legal and policy harmonization and strengthened the long-term framework for cooperative water sharing and river basin governance
Result 3: Stakeholder competencies	Training, stakeholder organizations, governance skills, and regional knowledge exchange	Built governance capacity among Commissioners, working teams, and Member State institutions; supported stakeholder engagement and regional visibility
Result 4: Secretariat and TSC functioning satisfactorily	Staffing systems, finance and procurement, office infrastructure, communications, TSC meetings, and interpretation	Enabled the establishment of a permanent river basin organization and a platform for implementing multiple programmes

The PRIMA II Strategic Results Framework (2021–2025) provided a structured pathway for strengthening INMACOM’s institutional capacity and operations. Each result area enhanced key functions, including data systems, evidence-based decision-making, and legal harmonization. Capacity building efforts improved stakeholder competencies and governance across Member States. The effective functioning of the Secretariat and TSC established a solid foundation for coordination and programme delivery. Overall, these achievements positioned INMACOM as a credible river basin organization supporting cooperative and climate-resilient water management.

5. CONSOLIDATED OVERVIEW, 2021–2025

The period from 2021 to 2025 reflects INMACOM's transition from establishment and institutional set-up into a more mature transboundary watercourse commission with an expanding programme portfolio. The work across the period was anchored in the shared responsibility of the Kingdom of Eswatini, the Republic of Mozambique, and the Republic of South Africa to cooperate on the Incomati and Maputo watercourses. The core direction remained the promotion of integrated water resources management, improved information sharing, strengthened institutional systems, and practical interventions that support water security, climate resilience, and equitable basin management.

In 2021, the key institutional milestone was the establishment of the Incomati and Maputo Watercourse Commission by the three Member States. This created the formal institutional platform through which PRIMA II implementation, water resources cooperation, and future basin governance could be coordinated. The early period was therefore less about full-scale implementation and more about building the Commission's foundation, including arrangements for governance, staffing, financial management, and transfer from earlier cooperative structures.

In 2022, the Commission moved into active implementation under PRIMA II. The planned programme was organised around four strategic output areas: adequate water resources information, a draft Comprehensive Agreement, capacity development for stakeholder organisations, and the satisfactory operation of the interim River Basin Organisation Secretariat and TSC structures. Performance was uneven because the year started slowly due to the movement of funds from the Central Bank of Eswatini into the INMACOM bank account, delays in procurement, and challenges in attracting consultants for certain assignments. Still, key institutional gains were made: finance and procurement manuals were developed, Secretariat positions were filled, offices were secured in Mbabane, and technical assignments were placed into procurement.

In 2023, INMACOM made stronger progress. The Management Information System work advanced, the Disaster Management Plan was completed, the Draft Comprehensive Agreement was completed and endorsed at technical level, governance training was delivered, and the Secretariat continued to operate through TSC meetings, audit work, communications, translation services, and institutional promotion. The year also showed continuing constraints, especially delayed funding, delayed no-objection approvals, and the inability to recruit a substantive Executive Secretary due to funding.

In 2024, the planned programme shifted toward implementation and consolidation. The annual plan budgeted for operationalizing earlier outputs such as: implementing the MIS, advancing the Water Sharing Agreement, implementing the 2024–2027 Strategic Plan, continuing disaster management work, supporting stakeholders, training, communications, and strengthening the permanent Secretariat. The factual findings report later confirmed that the 2024 action plan existed and that key activities had been implemented, including water resources information work, the Comprehensive Agreement process, final consulting reports for MIS and website work, and continued implementation into 2025.

In 2025, INMACOM entered a larger delivery phase. The UNDP/GEF Programme formally entered implementation. Additionally, the Dutch-supported Transboundary Water Management Programme was conceptualized under the name VUNWE. The Catuane Groundwater Project moved through Phase 1 technical assessments, the Driekoppies aquaculture pilot advanced, water quality laboratory assessment work was completed, stakeholder engagement widened, and organizational alignment work was adopted for implementation from January 2026. The year showed a clear move from institutional set-up toward implementation at basin and community level.

5.1 The year 2021: Baseline and Institutional establishment

The year 2021 marked the establishment of INMACOM. The Member States formally established the Commission, building on a long-standing transboundary cooperation mechanism and in response to shared concerns regarding transboundary floods, droughts, equitable water use, and sustainable development. The Commission operated with an approved annual budget of EUR 564,558/ E/R 10,133,816,, primarily funded through support from the PRIMA II programme, provided by the Embassy of the Kingdom of the Netherlands in Mozambique. The funding model reflected the understanding that Member State contributions would be gradually integrated into national budgeting systems following the initial PRIMA II period.

- Institutional structure and governance architecture were initiated.
- Interim leadership arrangements were established through secondment by the Government of Eswatini.
- Foundations were laid for the RBO bank account, operational systems, and Secretariat staff recruitment.
- The final financial position provided the initial capital base for 2022.

5.2 Year 2022: First Full Year of Operation

The 2022 operational budget increased to **EUR 1,114,507/ E/R 18,723,718**, reflecting the first full year of the Commission's operations and an expanded activity plan across all four PRIMA II result areas. Implementation was stronger under Result 4, where the Secretariat began to take shape. Progress in technical results was slower due to procurement delays, challenges in recruiting consultants, and practical constraints associated with establishing a new institution.

- The positions of Administrative Assistant, Office Assistant, Driver, and Data Manager were filled during the year.
- INMACOM opened its bank account in April 2022 and secured office space on the 4th floor of the Dlanubeka Building in Mbabane.
- Finance and procurement manuals were developed, and accounting and communication systems were implemented.
- MIS development progressed through the appointment of service providers, while REIWQ and MIS operations were extended to 2023.
- The tender process for the Disaster Management Plan and the Draft Comprehensive Agreement had to be relaunched due to low market response.

Output 1: Water Resources Information Systems

This output aimed to ensure the availability of adequate water resources data through four key activities:

- Management Information System (MIS) Development (A.1.2): This activity saw the most progress. A service provider was recruited to assess existing systems and began developing the MIS after proposals were validated. Remaining steps, including staff training and IT equipment procurement, were moved to 2023.
- Data and Information Capacity (A.1.1): Implementation stalled because a consultant could not be engaged to assess water quality data collection capacity. This delayed equipment procurement and training, pushing the activity to 2023.

- **MIS Operations (A.1.3):** Operational use of the system was deferred to 2023 pending the completion of the system itself.
- **Disaster Management Plan (A.1.4):** Funding issues and a required restart of the procurement process delayed this plan. Work was rescheduled to the year 2023, building on existing flood response and early warning protocols.

Output 2: Comprehensive Agreement

The goal was to draft a management agreement for the Incomati and Maputo basins:

- **Procurement Challenges:** Initial bidding resulted in no responses, and a re-advertisement yielded only one proposal.
- **Status:** While administrative costs were incurred for evaluation, the main assignment was delayed to 2023.
- **Future Scope:** The process was designed to incorporate legal and technical expertise, utilizing stakeholder consultations and technical discussions to ensure ownership before ministerial signature.

Output 3: Stakeholder Competency and Training

This output aimed to build relevant water management skills among key personnel:

- **Training Program (A.3.2):** This was a successful area, with 26 participants—including Commissioners—completing “Being a Director” training to strengthen institutional governance.
- **Stakeholder Support (A.3.1):** This activity was not implemented in 2022 due to fund transfer delays and pending terms of reference. It was intended to map participation programs and develop joint forums.

Output 4: Institutional Operations

This represented the strongest performance area as it focused on establishing the Commission’s physical and administrative base:

- **Staffing:** Key recruitments were made, including an Administrative Assistant and Data Manager, while the Kingdom of Eswatini seconded an Interim Executive Secretary.
- **Infrastructure:** The Secretariat secured offices in Mbabane, purchased furniture, and established essential IT and accounting systems (Pastel) to ensure transparent financial reporting.
- **Governance:** The Secretariat developed finance and procurement manuals and successfully held three TSC meetings during the year.

Key Challenges and Outcomes

- **Obstacles:** Progress was hindered by delayed fund transfers, non-responsive procurement bids, COVID-19 meeting restrictions, and project budgets that were below market rates. While technical goals faced delays, 2022 successfully introduced the financial systems, staff, and governance foundations necessary for full execution in 2023.

5.3 Year 2023: Expansion and Member State Integration

The 2023 budget increased to **EUR 1,928,157/ E/R 34,706,826** and, for the first time, included contributions from Member States within the funding structure. This marked an important governance transition—from a donor-supported establishment model to a co-financed operational model.

Implementation progressed across all four results, particularly in the development of the Management Information System (MIS), completion of the Disaster Management Plan, finalization of the Draft Comprehensive Agreement, and strengthening of stakeholder capacity.

- MIS development advanced, including installation, server commissioning, training, and planned operationalization in 2024.
- The Disaster Management Plan was completed in December 2023.
- The Draft Comprehensive Agreement was finalized on 31 December 2023 and approved by the Technical Steering Committee.
- A Memorandum of Understanding with SADC-GMI paved the way for future groundwater interventions in Mozambique.
- A GIS specialist/modeler was recruited, the website was developed and hosted, and the communication strategy and action plan were finalized.

Outputs 1 & 2: Technical and Legal Advancements

Performance in these areas transitioned from design to completion of key documents:

- **Management Information System (MIS):** The MIS plan was approved in early 2023, and staff training was completed. While system development progressed significantly, full operational roll-out was rescheduled for 2024 due to budget constraints and equipment procurement delays.
- **Disaster Management Plan:** This activity was successfully completed in December 2023. It was expected to move to a functional platform for Member States in 2024.
- **Comprehensive Agreement:** After the 2022 delays, a consultant was engaged in 2023 and completed the draft agreement by year-end. The draft was endorsed by the Technical Steering Committee (TSC), setting the stage for national consultations and legal reviews in 2024.
- **Water Quality Capacity:** Following TSC advice, the Secretariat utilized internal experts from Member States for assessments rather than external consultants. Full consultant engagement was moved to 2024 due to funding issues.

Output 3: Stakeholder Engagement and Training

Efforts focused on visibility and continued professional development:

- **Training:** 26 officials completed “Being a Director – Part 2 training,” and TSC members attended international forums to benchmark on climate change responses.
- **Partnerships:** INMACOM strengthened future ties by partnering with GEF in developing a transboundary source to sea project and signing an MoU with SADC-GMI for groundwater management.
- **Visibility:** The Secretariat promoted the institution through World Water Week activities and trade shows across all three Member States.

Output 4: Institutional Strengthening

The Secretariat became more robust through staffing and systems management:

- **Personnel:** A GIS Expert/Modeller was recruited, though the appointment of a substantive Executive Secretary was deferred to 2024 due to shortage of adequate funding.
- **Operations:** The INMACOM website was launched, and external auditors were engaged for the 2022 audit. The Secretariat successfully managed three TSC meetings and utilized the Pastel accounting system for all financial reporting.

Persistent Challenges

Despite stronger delivery, the year 2023 was still hampered by delayed fund releases from Member States and donors, slow ‘no-objection’ processes for consultants engagement, and budget shortfalls for specific technical roles.

5.4 Year 2024: Planned activities and performance

The 2024 budget was reduced to **EUR 988,900 / E/R 19,481,338**, as PRIMA II entered its closing phase. The year marked a shift in focus—from producing institutional outputs to operationalizing the INMACOM Strategic Plan 2024 – 2027 and strengthening the permanent mechanisms of the Secretariat.

The 2024 audit issued an unqualified opinion, representing an important assurance milestone. However, several internal control and financial management issues remained outstanding, particularly related to segregation of duties, budget classification alignment, and delays in Member State contributions.

- Final MIS reports and website design reports were delivered.
- The Disaster Management Plan entered the operationalization phase with support from Member States and the Secretariat.
- Implementation of the INMACOM Strategic Plan 2024–2027 became the largest single activity allocation under Result 2.
- The majority of the 2024 operational budget was allocated to personnel and equipment of the Permanent Secretariat. Regarding contributions, some challenges were experienced due to delays in payments from Member States.

Output 1: Moving to Operational Systems

The focus transitioned from planning to the functional use of water resource tools:

- **System Implementation:** Activities centered on the operational use of the Water Quality Information System and the Disaster Management Plan.
- **MIS Status:** While the plan included the implementation of the Management Information System (MIS), expenditure reports suggested that planned spending in this area was not have fully executed during the review period.

Output 2: Legal Agreements and Strategic Planning

This output focused on formalizing long-term governance frameworks:

- **Comprehensive Agreement:** Following the completion of the draft in 2023, the year 2024 was dedicated to ownership-building, stakeholder consultations, legal reviews, and preparing the document for formal ministerial signature.
- **Strategic Plan:** The 2024–2027 Strategic Plan was introduced to provide a multi-year planning framework, moving the institution beyond project-based implementation.

Output 3: Stakeholder and Human Capacity

- **Competency Building:** The program continued to prioritize training, development, and knowledge sharing to strengthen institutional competence.
- **Participation:** Efforts remained focused on supporting stakeholder organizations and enhancing public participation in basin management.

Output 4: Institutional Capability

Organizational capability and internal controls were treated as central to performance in 2024:

- **Secretariat Operations:** Key activities included staffing and equipping the permanent Secretariat, implementing human resource policies, and maintaining financial reporting frameworks.
- **Governance and Communication:** Routine functions such as TSC meetings, travel, and the full implementation of the communication plan were prioritized.

Financial and Strategic Outlook

- **Funding:** The budget relied on a combination of Member State contributions and unspent funds from the Dutch Embassy.
- **Transition to 2025:** A factual findings mission confirmed that 2024 effectively prepared INMACOM for a larger 2025 portfolio, which included projects supported by the GEF and the Dutch Phase III/TWM.

5.5 Year 2025: – Expansion, Twin-Track Alignment, and Implementation Capacity

By 2025, INMACOM had transitioned into a more complex and institutionally mature operating environment, with a broader, multi-donor programme portfolio. The Commission strengthened governance, planning, monitoring systems, financial controls, and implementation readiness, while managing new programmatic relationships with UNDP/GEF, the Netherlands Embassy's VUNWE/TWM programme, and SADC-GMI.

The formal signing of the UNDP/GEF project in July 2025 and the initiation process in September 2025 positioned INMACOM at the center of a six-year transboundary and source-to-sea management initiative, implemented by UNDP and executed by GWP Southern Africa. Public records from GWPSA indicate GEF funding of over USD 7.1 million and more than USD 64 million in confirmed co-financing.

- Implementation of the UNDP/GEF project was initiated following the ProDoc signing on 16 July 2025 and the launch workshop in September 2025.
- The VUNWE/TWM programme was developed through co-creation and a Twin-Track alignment framework with the GEF project.
- The Catuane Groundwater Project completed Phase 1 and initiated the tendering process for Phase 2 for the construction of the water supply system.
- Laboratory water quality assessment activities were completed, followed by planned and implemented comparative monitoring.
- Guidelines for the Multi-Sectoral Platform were adopted, strengthening basin-wide stakeholder participation architecture.
- The 70th Technical Steering Committee (TSC) adopted a new salary classification structure for implementation in January 2026, and new GEF-funded recruitments were approved.

Major Strategic Programmes

INMACOM launched two primary multi-year initiatives in 2025, adopting a 'Twin-Track' approach to ensure they reinforce rather than duplicate each other:

- **UNDP/GEF Project:** A USD 7.1 million project titled "Strengthening Integrated Transboundary Management of the Incomati and Maputo River Basins" officially commenced on July 16, 2025. It focuses on physical implementation, scientific monitoring, and ecosystem restoration.
- **Dutch TWM Programme (VUNWE):** This EUR 6 million Transboundary Water Management initiative (shared with BUPUSACOM) focuses on institutional governance, staffing architecture, and financial sustainability. A core element of this programme also relates to the integration of the Umbeluzi Basin on the operational water management aspects.
- **Strategic Alignment:** Under the Twin-Track approach, the TWM programme manages the "fiduciary and systems" side, while the GEF project handles "on-the-ground" environmental and technical work. Water Security and Community Projects

The portfolio moved closer to practical basin needs through several key projects:

- **Catuane Groundwater Project:** Supported by USD 250,000 from the World Bank and SADC-GMI, this project addresses water supply in Mozambique following the 2002 Usuthu River breach. Phase 1 (hydrogeological assessment) was completed in November 2025, with construction targeted for early 2026.

- **Aquaculture Pilot:** A partnership with KOBWA at Driekoppies Dam began planning a fish farming pilot to test revenue generation and transboundary cooperation.
- **Bulk Water Supply:** South Africa's eMpuluzi/Methula project received "no-objection" letters from Mozambique and Eswatini, allowing for the advancement of domestic water supply infrastructure. Technical and Disaster Resilience
- **Water Quality:** A major laboratory assessment was completed in June 2025, recommending standardized parameters and ISO accreditation across Member States. Cross-border collaboration also occurred to address a cholera outbreak at Ressano Garcia.
- **Scenario Modelling:** Using the Pywr platform, INMACOM worked with the International Water Management Institute to model trade-offs between agriculture, domestic supply, and environmental flows.
- **Disaster Management:** A World Bank-led Drought Risk and Resilience Assessment commenced in July 2025 to support risk mapping in the region.

Governance and Organisational Growth

- **Stakeholder Engagement:** Guidelines were developed for a new IncoMaputo Multi-Stakeholder Platform, featuring a committee and a broader forum for regional cooperation.
- **Organisational Alignment:** A revised salary grading and organizational structure was adopted, representing a 29% increase in HR costs to support the expanded portfolio. This structure was approved for implementation in January 2026.
- **Increased staffing profile:** Processes to recruit additional staff through the GEF8 project were initiated
- **Digital Innovation:** INMACOM launched a year-long Transboundary Digital Hackathon to encourage youth inclusion and enhance data sharing through a new dashboard portal.

6.COMMUNITY IMPACT AND BASIN-LEVEL BENEFITS

A major institutional shift became visible between 2024 and 2025, where INMACOM's work expanded beyond institutional systems toward interventions with direct community and livelihood relevance. The Commission increasingly prioritized practical water security and climate resilience initiatives targeting vulnerable communities across the basin.

Key community-focused interventions included groundwater development planning under the Catuane Project in Mozambique, drought risk assessments, water quality laboratory strengthening, cross-border cholera response coordination, stakeholder engagement forums, youth digital innovation through the Transboundary Digital Hackathon, and exploration of aquaculture opportunities for livelihood diversification around Driekoppies Dam.

These initiatives contributed toward improved access to safe water, strengthened early warning systems, enhanced institutional responsiveness to climate shocks, promotion of regional food security opportunities, and increased participation of communities and youth in transboundary water governance.

The establishment of multi-stakeholder platforms and strengthened technical collaboration among Member States also improved the ability of local communities, water users, and institutions to participate in shared basin decision-making processes.

7.2026/2028 STRATEGIC PROJECTIONS

By 2026/2028, INMACOM is projected to enter a more mature implementation phase characterized by measurable transboundary development outcomes and strengthened institutional sustainability. The Commission is expected to transition from foundational Programme Mobilization into accelerated implementation and basin-scale delivery.

Projected milestones include:

- Full operationalization of the UNDP/GEF and VUNWE programmes.
- Completion and signing of the Comprehensive Agreement among Member States.
- Expanded climate resilience and drought preparedness systems across the basin.
- Operational transboundary data-sharing and decision-support systems.
- Improved water quality monitoring harmonization across Member States.
- Increased community access to sustainable groundwater and domestic water supply systems.
- Expansion of livelihood-oriented demonstration projects including aquaculture and ecosystem restoration.
- Strengthened youth participation, digital innovation, and stakeholder engagement platforms.
- Improved institutional sustainability through strengthened financial and governance systems.

The 2026/2028 period is therefore expected to demonstrate clearer evidence of basin-level impact, improved regional cooperation, and stronger contributions toward sustainable development, water security, ecosystem protection, and socio-economic resilience.

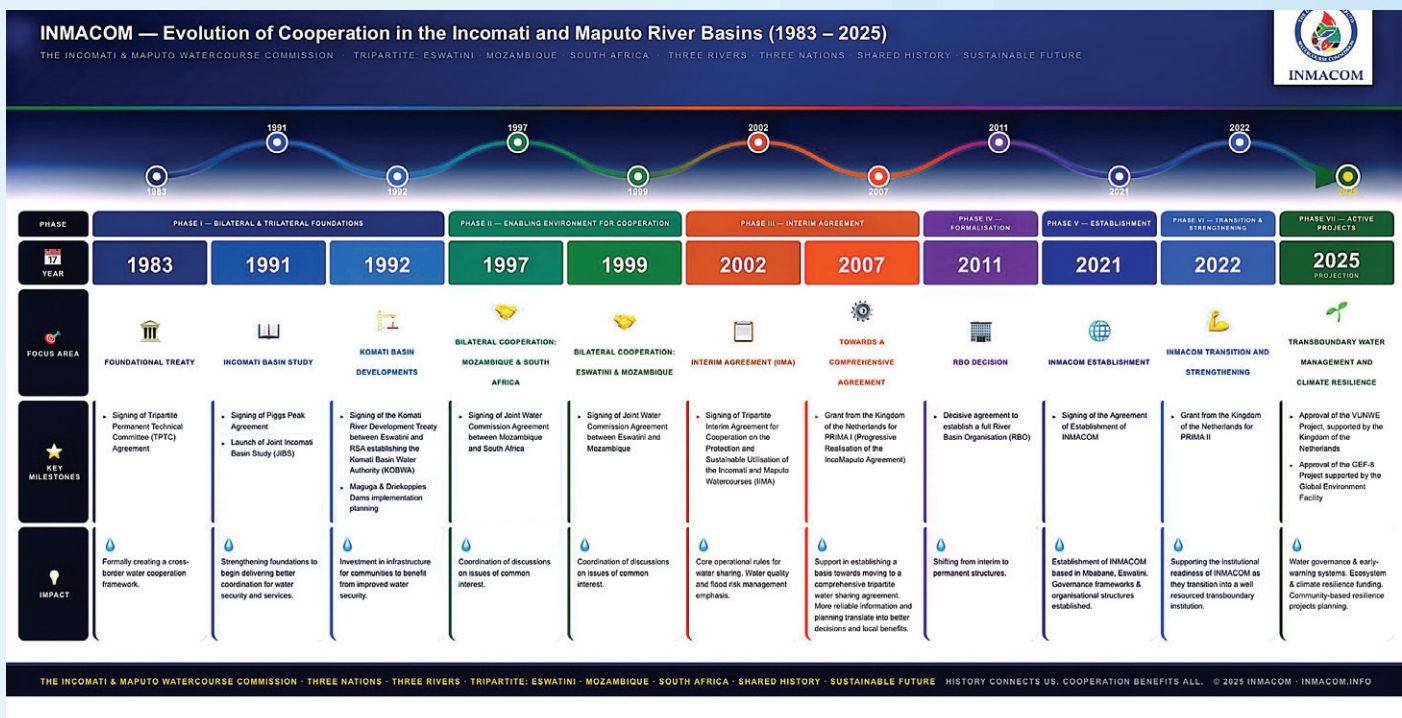


Figure xx: Linear progression of INMACOM institutional development and programme expansion from 2021 to projected 2027/2028 outcomes.

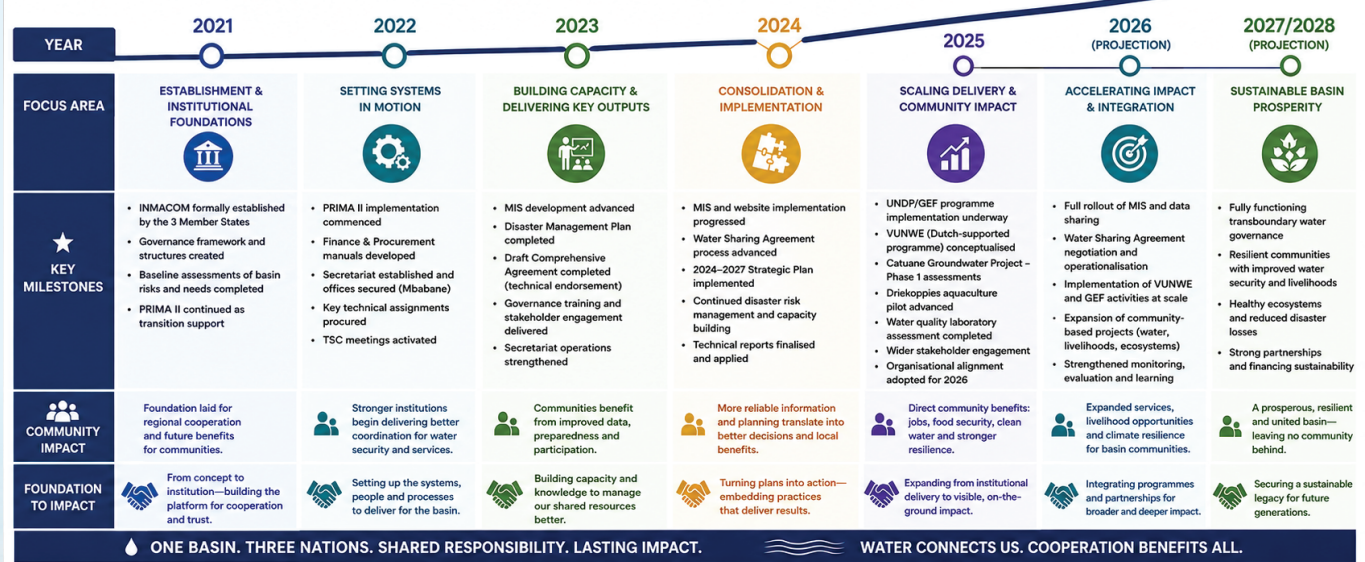


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INMACOM GROWTH JOURNEY AND KEY MILESTONES

Building a Resilient, Inclusive and Prosperous Incomati-Maputo River Basin

A clear progression of institutional development and programme expansion—driven by cooperation of Eswatini, Mozambique and South Africa—for the benefit of our shared communities, economies and ecosystems.





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**INMACOM PERFORMANCE
REPORT 2021–2025
YEARLY PLANNED ACTIVITIES
AND PERFORMANCE**



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8. FINANCIAL REPORTING

8.1 INMACOM's Revenue Sources

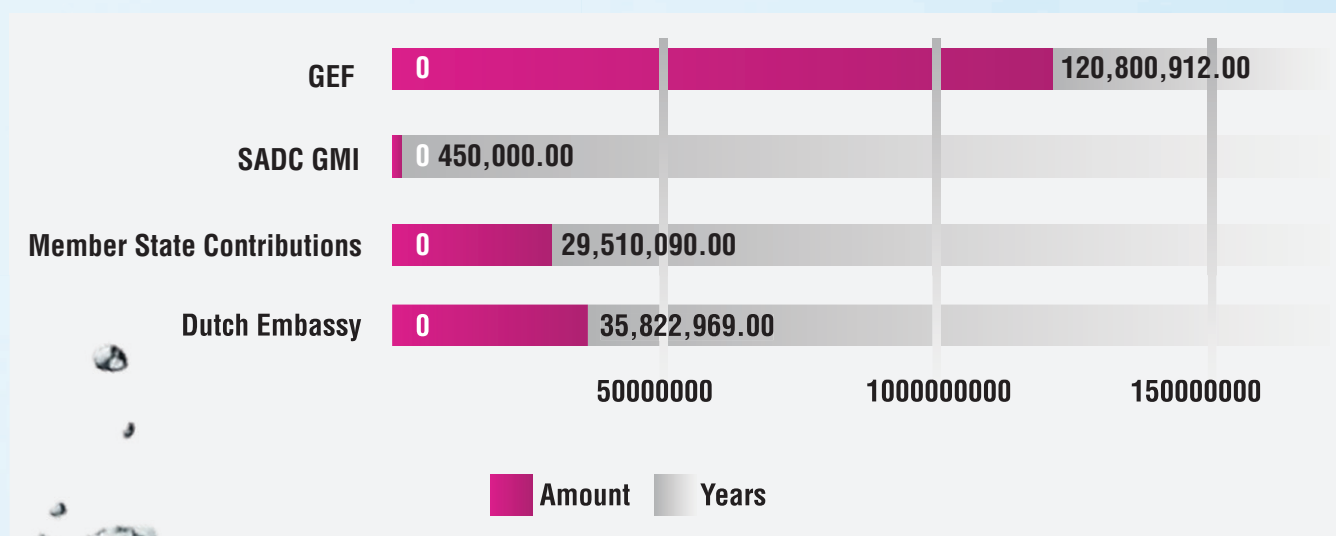
8.1.1 Dutch Government contributed from 2020-2024 amount of **E/R 35,822,969.**

8.1.2 Member States Contributions from 2023-2025 amounted to **E/R 29,510,090.**

8.1.3 SADC – GMI approved a support for the Catuane Groundwater Project with an estimated amount of **E/R 4,500,000.**

8.1.4 GEF approved a funding from 2025-2030 amounted to **E/R 120,800,912.**

Overview of the evolving trends of different revenue streams.

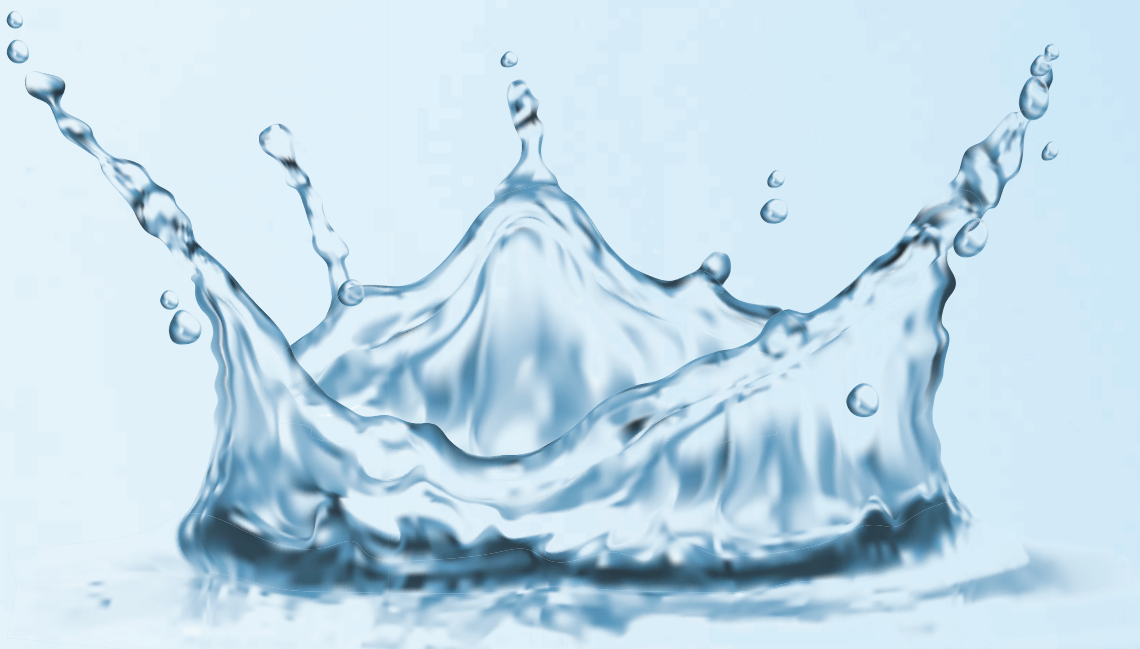


8.2 FINANCIAL EXECUTION (2021-2025)

Description	2021	2022	2023	2024	2025
Received	4,896,977	8,085,159	27,794,247	17,060,451	20,752,062
Executed	-	7,878,278	21,400,289	12,025,704	13,501,340
Level of Execution	-	97%	77%	70%	65%

8.3 Presentation of the budget by component.

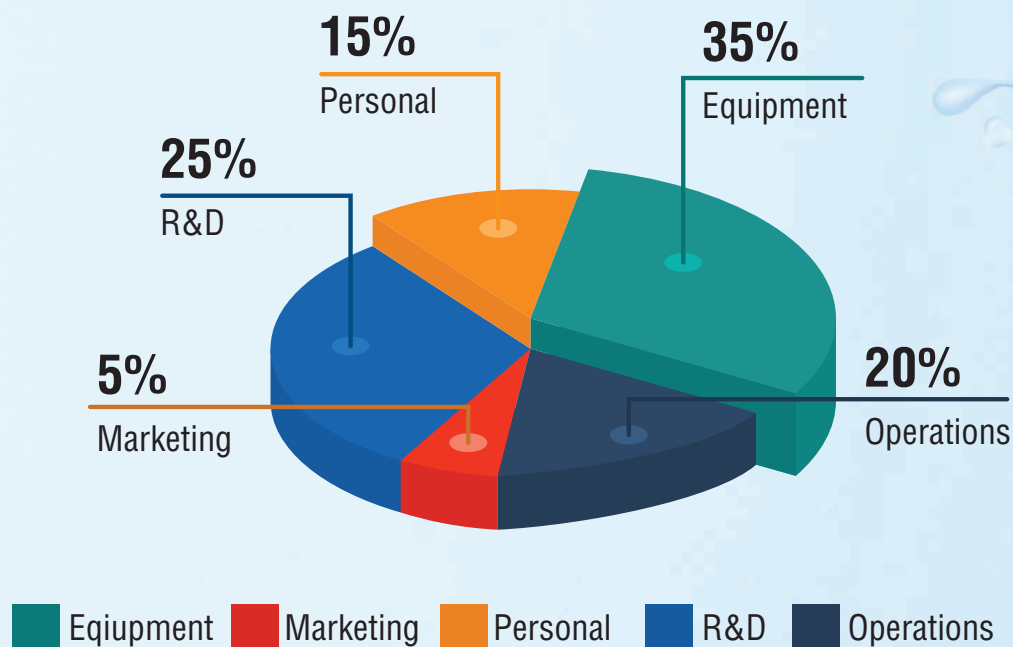
Description	2021	2022	2023	2024	2025
Result 1 – Adequate information on water resources is available	2,171,052	1,938,300	7,143,300	1,365,210	4,776,012
Result 2 - A draft Comprehensive agreement between the three countries on Incomati – Maputo basin management	80,775	6,194,160	7,796,340	3,753,638	3,123,000
Result 3 – Key staff of stakeholders' organizations have competencies that are relevant for water resources management	551,424	1,187,256	2,271,060	593,364	963,000
Result 4 – Interim River Basin Organization (RBO) Secretariat and TPTC operating satisfactorily.	6,368,030	9,453,982	12,783,448	13,769,118	16,420,522
TOTAL	9,171,281	18,773,698	29,994,148	19,481,330	25,282,534





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INMACOM Budget Components



8.4 Validation of Financial Information (Financial Results)

8.4.1 Going concern

The Commission is reliant on donor funding to enable it to carry out its projects. The Commissioners have no reason to believe that donor funding for the continuation of its operations will no longer be forthcoming. The Commissioners believes that the Commission has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis.

8.4.2 Emphasis of Matter-Basis of Accounting

The Financial Statements were prepared in accordance with the Commission's own accounting policies to satisfy the financial information needs of the Commission's members. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter. During the four (4) year audits, the auditors believed that the audit evidence obtained during the periods was sufficient and appropriate to provide the basis of their opinion.

Present annual financial statements and operating costs, and may include financial sustainability ratios for INMACOM.

Description	2021	2022	2023	2024	2025
Total Assets	4,465,416	4,003,420	7,370,728	14,193,807	Not yet verified
Operating Costs	633,756	7,878,277	21,400,289	12,025,703	
Sustainability Ratio	0.14	1.97	2.9	0.8	

During the follow up audit reviews of previous year's management letter, it was revealed that most of the issues raised have been implemented.

Standard	No:
Implemented	4
Partially implemented/Ongoing	2
Not implemented	3
Not applicable	0
Total	9

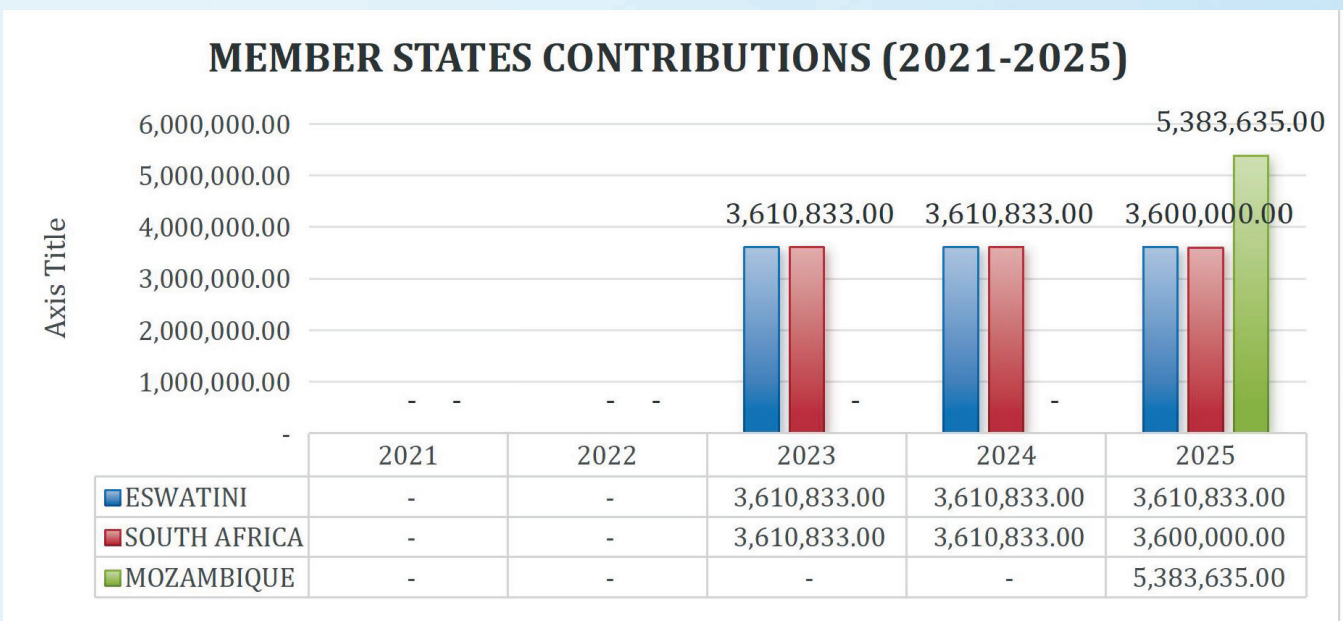
8.4.3 INMACOM TANGIBLE ASSETS

INMACOM tangible assets as per the year 2024 totaling an amount of **E/R 1,037,249.**

8.4.4 CONTRIBUTION OF COUNTRIES

	2021	2022	2023	2024	2025
ESWATINI	-	-	3,610,833	3,610,833	3,610,833
RSA	-	-	3,610,833	3,610,833	3,600,000
MOZAMBIQUE	-	-	-	-	5,383,635

The outstanding Member States Contribution is E/R 5,448,863.80 from the Republic of Mozambique from the year 2023 – 2025.





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Challenges faced in the none funding contributions from Member States

- The Commission is unable to function effectively to address water resource challenges faced by the communities in the Member States.
- The Secretariat fail to meet its operational costs yearly, thus work is compromised.
- Data Sharing of informtion becomes a challenge, as the equipments to collect the data is expensive.

Lessons with respect of Institutional Strengthening

- Due to COVID 19, meeting was held virtual but the TPTC managed to work on the Establishment Agreement and signed in November 2021, procurement of office furniture and project motor vehicle.
- Development of operational policies, (i) Human Resources Regulations; (ii) Asset Acquisition and Disposal Regulations; and (iii) Finance Regulations were done in the beginning of the year 2022. Interim Project office space were also secured and available for use by the incoming project staff. In 2025, INMACOM scaled up the office space with the assistance of the Kingdom of Eswatini as the host of the Secretariat.
- In January 2022, recruitment for interim staff started, employing the Administrative Assistant, and other positions were filled later in the year 2022. In August 2025, the was the recruitment of the Executive Secretary to operationalize the permanent Secretariat.
- Funding from EKN and Member States assisted in funding salaries and operational costs in order for the office to run smoothly.

Lessons with respect of Technical Assignments.

- Slow start on the implementation of the Technical Assignments, due to funds transfers processes from the Government of Eswatini which delayed the completion of the assignments.
- Although procurement processes were sometimes a challenge but INMACOM managed to engaged consultants for different assignments and plan were finalized within the financing agreement.
- Member States (South Africa, Eswatini and Mozambique) honored their obligation to fund the River Basin Organization from 2023 and continued even after the financing period from EKN.



9. PERFORMANCE SYNTHESIS OVER THE YEARS

Overall, the five reporting years present a consistent yet uneven trajectory toward institutional maturity. INMACOM's greatest achievement during this period was not only the execution of activities, but also the construction of an institutional platform capable of absorbing larger regional programs and bringing Member States together around shared priorities in water security, ecosystems, and climate resilience.

DIMENSION	PROGRESS 2021–2025	REMAINING GAP
Institutional establishment	Commission established; offices, bank account, manuals, and core team implemented; permanent Secretariat functions strengthened.	Need to consolidate staffing, reduce concentration of functions, and strengthen business continuity.
Governance and legal framework	Comprehensive Agreement drafted and technically approved; TSC meetings regularized; strategic planning advanced.	Need to finalize legal review, ministerial processes, and operational implementation of strategic commitments.
Data and information systems	Development of management information systems (MIS), water accounting, water quality assessment, and disaster management planning advanced.	Need for a unified, interoperable MIS with guaranteed maintenance, linked to program reporting, hydrological data, and decision-making dashboards.
Program delivery	Portfolio expanded through UNDP/GEF, VUNWE/TWM, SADC-GMI initiatives, and community-focused interventions.	Need for integrated program management, procurement planning, safeguards monitoring, and results-based reporting.
Financial sustainability	Member State contributions introduced and strengthened; unqualified audit completed in 2024; 2025 recovery plan target exceeded.	Need for predictable annual contributions, debt settlement, non-grant revenue strategy, and core cost sustainability plan toward 2030.
Stakeholder engagement	Communication strategy, event participation, MSP guidelines, and youth/women diplomacy activities increased visibility.	Need for systematic stakeholder feedback mechanisms, inclusive participation metrics, and annual basin status reporting.

9.1 Recurring Constraints

- Delays in disbursements and late settlement of Member State contributions slowed implementation in the first quarter in several years.
- Procurement timelines and consultant contracting affected the MIS, Disaster Management Plan, Comprehensive Agreement, and various technical activities.
- Recruitment delays led to underutilization of resources and limited implementation capacity, particularly during the PRIMA II period.
- Segregation of duties remained a recurring concern in audits and internal controls.
- Budget classification and multi-currency reporting became more complex as the portfolio expanded.
- Sustainability of core operations beyond donor support remains the most critical institutional risk going forward.

10. STRATEGIC PRIORITIES AND RECOMMENDATIONS FOR 2026–2030

No.	RECOMMENDATION	IMPLEMENTATION FOCUS
1	Adopt a consolidated institutional sustainability roadmap for 2026–2030.	Translate the January 2030 financial self-sufficiency target into an approved roadmap with annual Member State contribution targets, arrears clearance milestones, revenue options, risk indicators, and governance review points.
2	Establish an integrated program management and M&E architecture.	Align GEF, VUNWE/TWM, SADC-GMI, and Secretariat reporting through a results-based annual work plan, consolidated risk register, procurement tracker, co-financing tracker, and institutional dashboard.
3	Address segregation of duties and internal control weaknesses.	Separate initiation, verification, approval, and payment functions; introduce documented workflows; strengthen finance staffing; update the fixed asset register; and align operational budget codes with the accounting structure.
4	Operationalize the Multi-Sectoral Platform	Move from adopting guidelines to annual committee/forum cycles, stakeholder mapping, gender and youth participation targets, feedback documentation, and reporting for TSC decision-making.
5	Accelerate the Unified Management Information System	Consolidate MIS, water accounting, water quality, project M&E, GIS, and financial reporting requirements into a single data governance framework with clearly defined ownership, access protocols, and maintenance responsibilities.
6	Institutionalize annual State of the Basin reporting	Use INMACOM's knowledge-sharing mandate to publish an annual report on the state of water resources and cooperation in the basin, covering hydrology, risks, water quality, investments, stakeholder engagement, and program performance.
7	Strengthen visibility and strategic communications	Translate technical achievements into clear public products: annual reports, policy briefs, infographics, youth/women diplomacy outputs, program dashboards, and donor impact stories.

11. CONCLUSION

INMACOM's trajectory from 2021 to 2025 demonstrates substantial progress in institutional establishment, governance consolidation, and program development and mobilization. The Commission has moved beyond the initial startup phase and now holds a strategic position as a transboundary platform for water cooperation, climate resilience, ecosystem restoration, knowledge management, and investment mobilization in the Incomati and Maputo basins.

The next phase will test implementation capacity. The Commission's ability to deliver GEF and VUNWE/TWM portfolios, operationalize its data and stakeholder systems, address internal control weaknesses, sustain Member State financing, and achieve financial self-sufficiency by 2030 will determine whether the institutional gains of 2021–2025 translate into long-term basin impact.







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