

INTERFACE BETWEEN WATER RESOURCE MANAGEMENT *and* WATER SERVICES

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REPUBLIC OF SOUTH AFRICA

SOME QUATATIONS

- The mountain Climber James Ullman said

” Challenge is the core and mainspring of all human action”

- If there is an ocean, we cross it;
- If there is disease, we cure it;
- If there is wrong , we right it;
- If there is a record , we break it;



CONTENT

- Introduction
- Constitutional Requirement on Resource Management
- The National Water Act 108 of 1998
- Some Compelling reasons for Reform
- Water Resource Structures
- Interface between WRM and WSI
- The Ideal State
- Models from other parts of the World



CONSTITUTIONAL REQUIREMENTS

- Section 24 of the National constitution of South African on resource principles states that “everyone has the right to an environment that is not harmful to their health or well-being and to have the environment protected, for the benefit of present and future generations through reasonable legislative and other measures that prevent pollution and ecological degradation, promote conservation and secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.
- The management of the use and protection of water resource is regulated by the provisions of the National Water Act 108 of 1998
- The Act bestows the trusteeship of the nations water resource on the Minister and the Department of Water Affairs and Forestry .



CONSTITUTIONAL REQUIREMENTS

- ✚ The pre-emble stresses the need for the integrated management of all aspects of water resource as well as the need to delegate management functions to Regional or catchment level to facilitate participatory management.
- ✚ Schedule 4 of the Constitution contains the functional areas of concurrent national and provincial legislative powers including the environment, forests, agriculture, cultural matters, nature conservation, pollution control and soil conservation.
- ✚ Legislation on matters excluded from these schedules which include water; marine resources; minerals and National parks may only be passed by National Parliament such as the National Water Act of 108 OF 1998



CONSTITUTIONAL REQUIREMENTS

- ✚ The Constitution further states that the spheres of government are distinctive, interdependent and interrelated and are obliged to adhere to the principle of co-operative governance. (Chapter 3 section 40)
- ✚ It further states that all spheres of Government must: respect the constitutional status, institutions, powers and functions of government in the other spheres. Section 41(1)(f).
- ✚ They should co-operate with one another in mutual trust and good faith by fostering friendly relations, assisting and support one another on matters of mutual interest, coordinating their actions and legislation, adhering to agreed procedures and avoiding legal procedures. Section 41(1)(h) and section 41(3)



WATER MANAGEMENT INSTITUTIONS

- The National Water Act gives rise to the establishment of Water Management Institutions to decentralize the management of Water
- National Water Resource Infrastructure Agency
- The Catchment Management Agencies
- Water User Association



The Catchment management Agencies

- The Legal status and structure of the Catchment Management Agency is provided for in Chapter 7 of the National Water Act and schedule 4 of the same act
- 19 CMA will be established through-out the country (see attached map) through a thoroughly consultative process that include the 2 spheres of Government.



SOME COMPELLING REASONS TO REFORM!



WATER SUPPLY CHAIN CHARGE

4

MUNICIPAL CHARGE: (About R2.00)

Municipalities buy e.g. at R2.77 from RW and sell on average at ±R5.00 per (k)l m³

Typical costs: reticulation pipeline, storage and reservoir, pumping costs, O&M

N.B. Municipalities use (*tariffs*) as an incentive to attract industries and they can use differential charges e.g. for industries and more for consumers.

Municipal tariff (R2.77)(Mines (R3.66)

1

RAW WATER CHARGE:

Cost of abstraction (DWAF water from resource dams, rivers, ground water).

1. WRM charges: Cost of Catchment (1-2c per m³)
2. Infrastructure costs (ROA/Depreciation O&M – differ from scheme to scheme) e.g.. R1.74c

3

WATER BOARD CHARGE:

(About R1.70c)

Water Boards e.g. RW, abstract from State funded schemes and off-budget schemes

DWAF scheme = charge 27c } = R1.59c
TCTA charge = R1.32 }

Typical costs: labour cost, energy, maintenance, chemicals, depreciation on their infrastructure, repayment of loans (R2.67) = R2.91 average raw water tariff

2

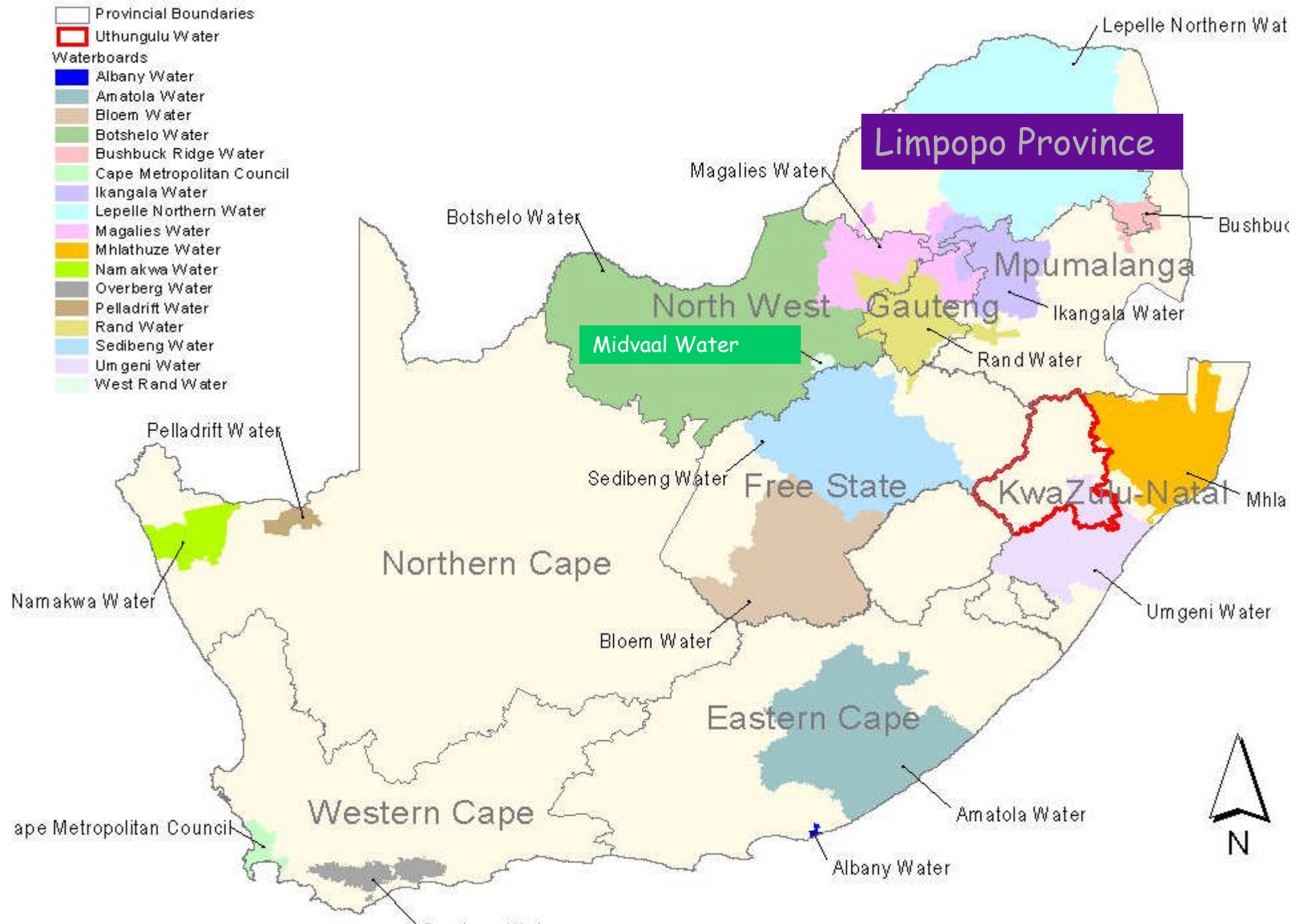
TCTA / OFF BUDGET CHARGE:

(About R 1.50c)


- Vaal River System which is operated by TCTA/ RO.
- Finance charge for economic scheme.
- TCTA raise finance and they structure a deal where the user agree to an installment to repay the loan
- E.g. On the VRESS, the users are ESKOM & SASOL
- Users pay a Capital User charge and not depreciation.

Typical costs: interest charges;

Servicing of loans, labour costs etc



- Serious duplication of work
- Duplication of cost structures
- Overloaded structures-40-60% going into operational expenses

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- End –result is that consumers pay higher charges
 - No proper coordination of service delivery
 - Service does not cover all areas
 - In-efficiency in service provision



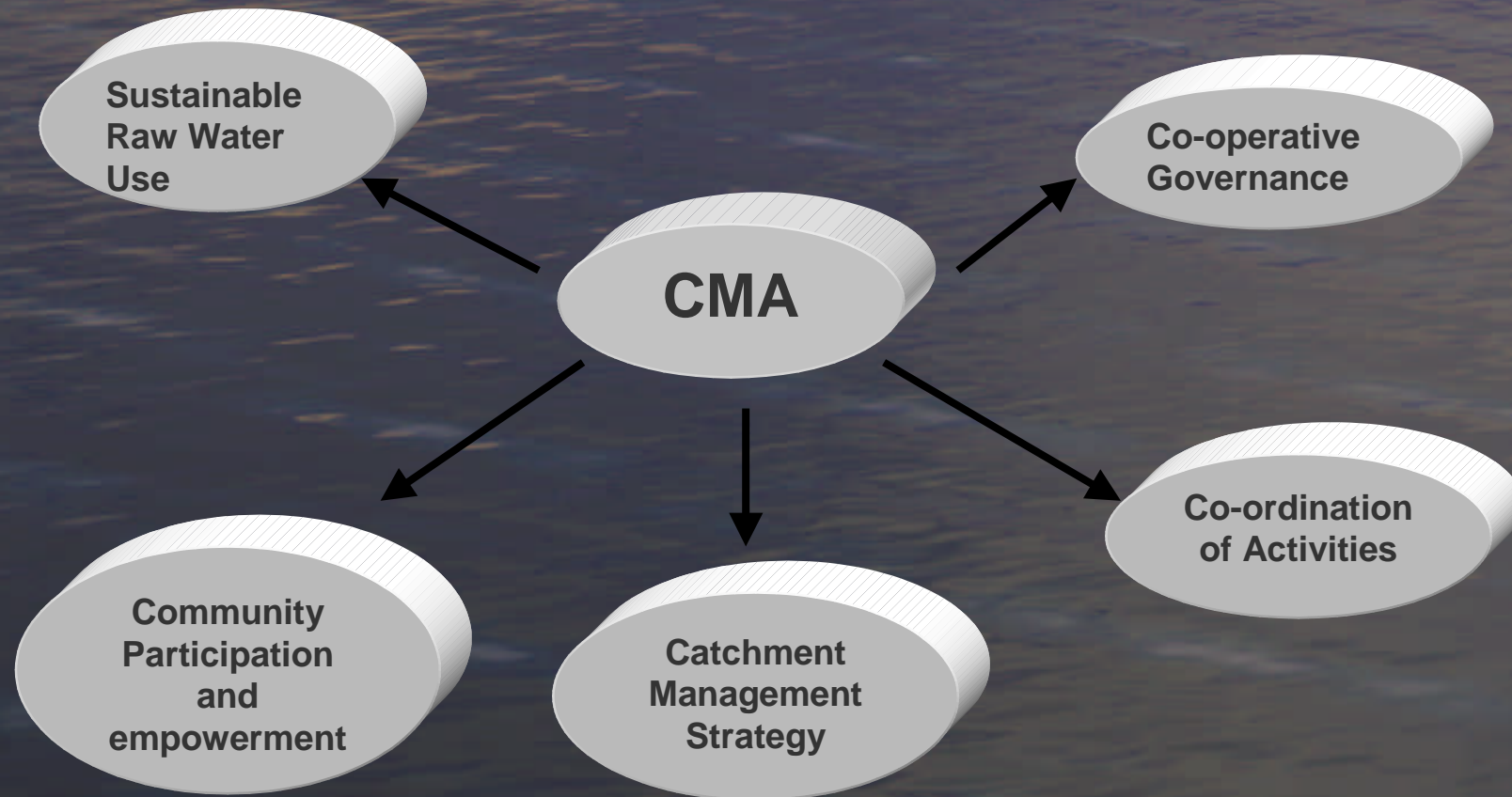
WATER RESOURCE STRUCTURES!



CMA's & Water Management Areas

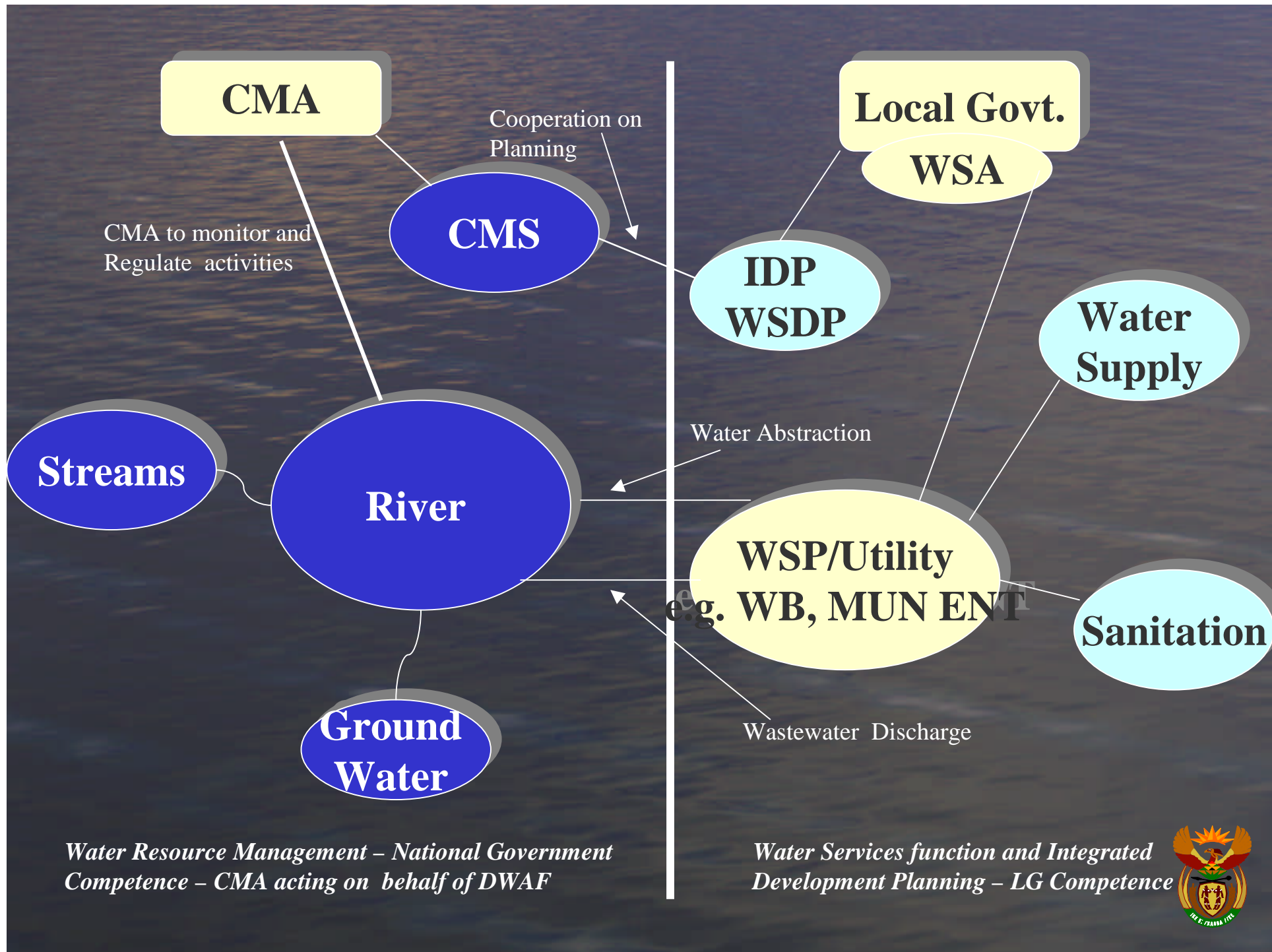


CMA Mandate

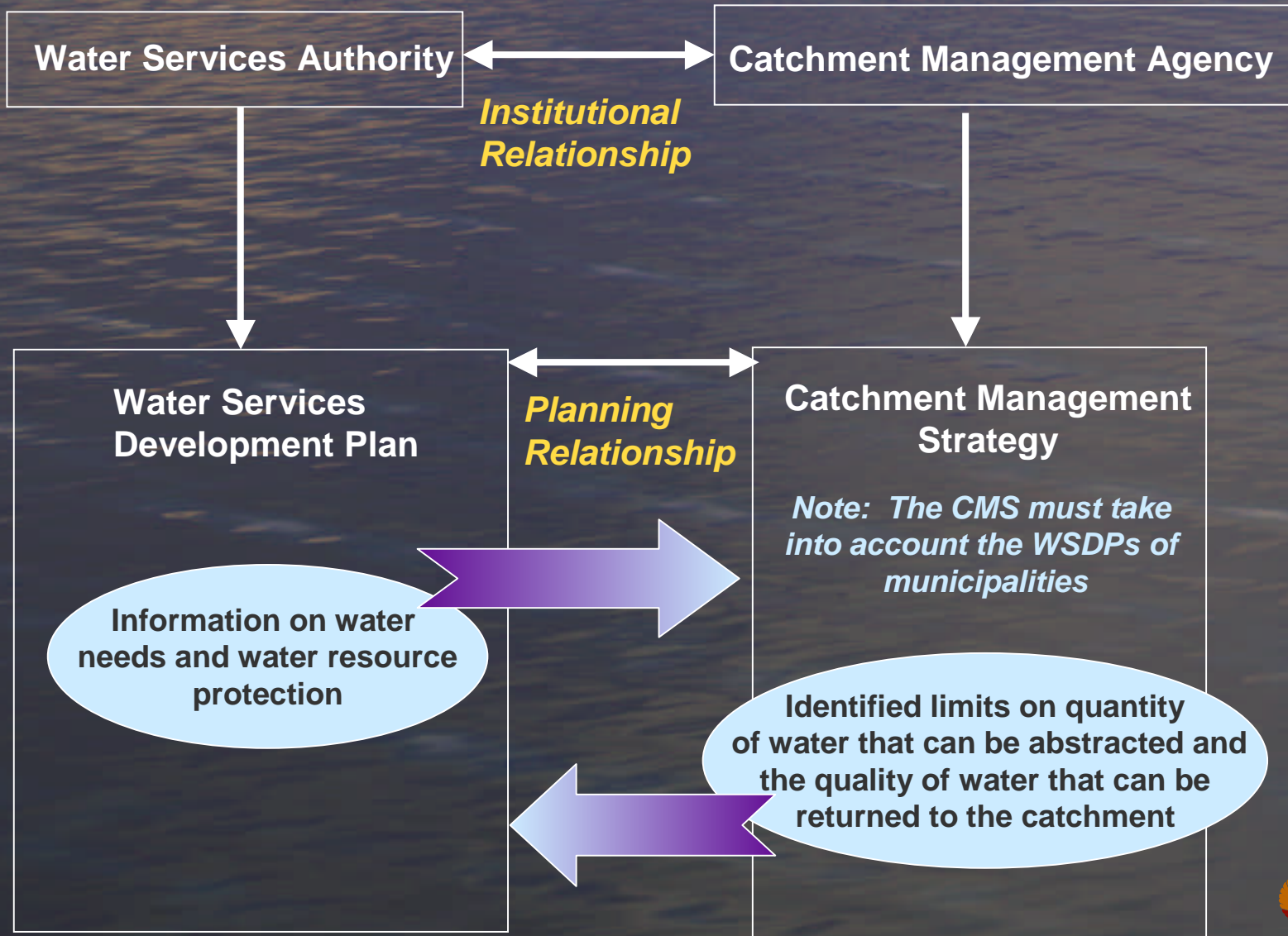


The interface at the Water Management Area Level!





LG- CMA Planning Interface



LG- CMA Water Use Interface

LG has water use functions such as:

- abstraction
- discharging wastewater
- changing the physical structure of a water course (altering, obstructing or diverting flow)

This municipal water use activity becomes the driver of co-operation with the CMA

In many cases LG water related functions have high impact and therefore require licence application from DWAF/ CMA



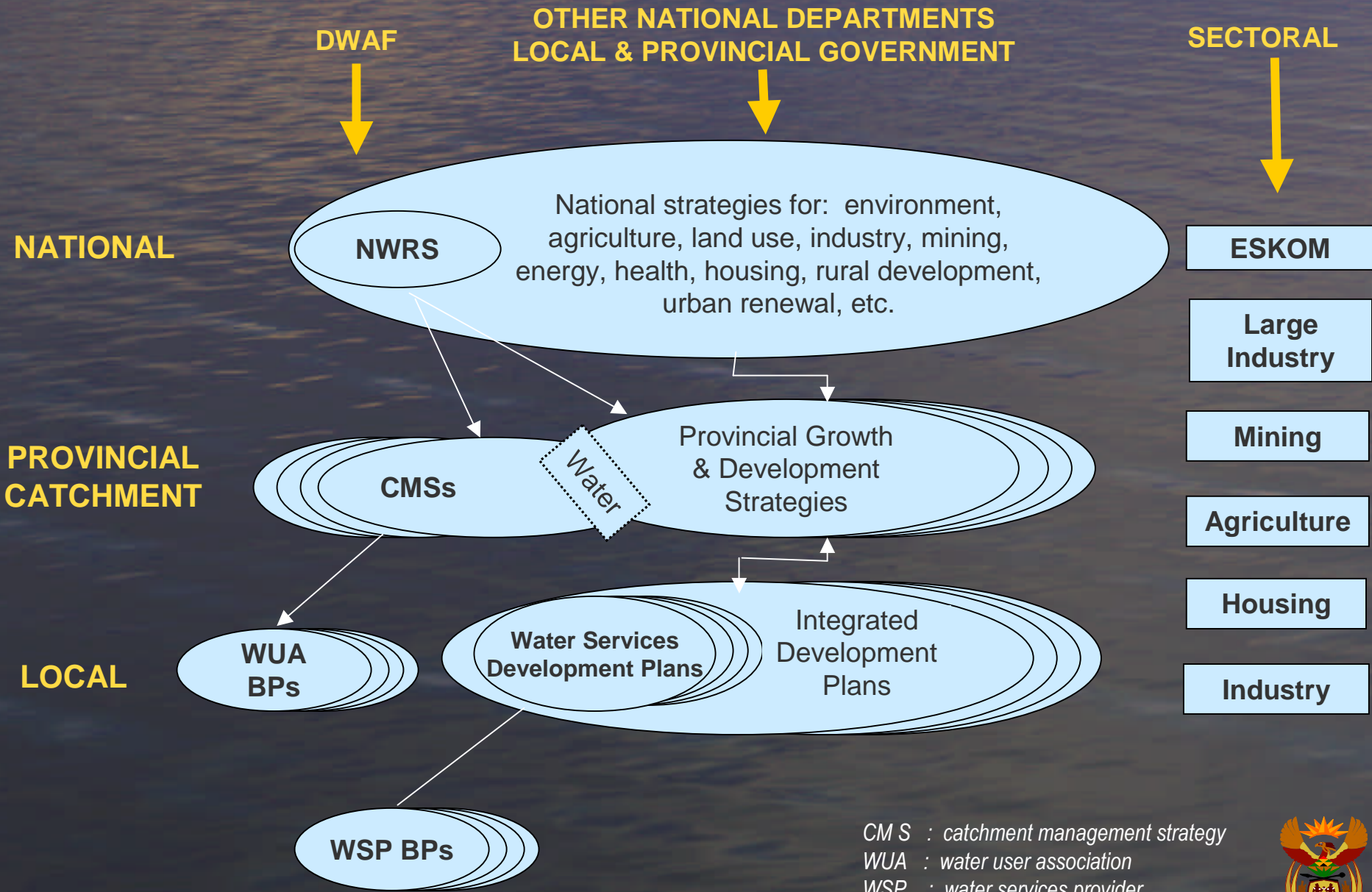
Phase	Mechanism	Function	Participation
Pre-Establishment	Reference Group	Develop CMA establishment Proposal	Various municipalities would be invited to be a part of this group
Initiation	Advisory Committee	Determine institutions/ organisations to be represented on Governing Board	Local Government has a seat on the Committee as would other sectors and participative structures (such as the Reference Group). This committee will have 8-10 members
	Governing Board	Provide the broad strategic direction of CMA and WRM	Local Government would have (a) seat/s on the Board
Post-Establishment	Catchment Management Committee	Facilitates coordination of activities and aligns planning	Formalised statutory body that could represent only local government or be integrated with other sectors
	Catchment Forum	Consults and advises- an important participative vehicle	Formalised but non-statutory body made up of a wide variety of sectors and interests
	Municipal Committee/ Routine bi-laterals	Ensures internal alignment and coordination of implementation	Routine bi-laterals with either of these Committees, or directly with local government are critical



The interface at the National Planning Level!



Water-related planning in the national planning framework



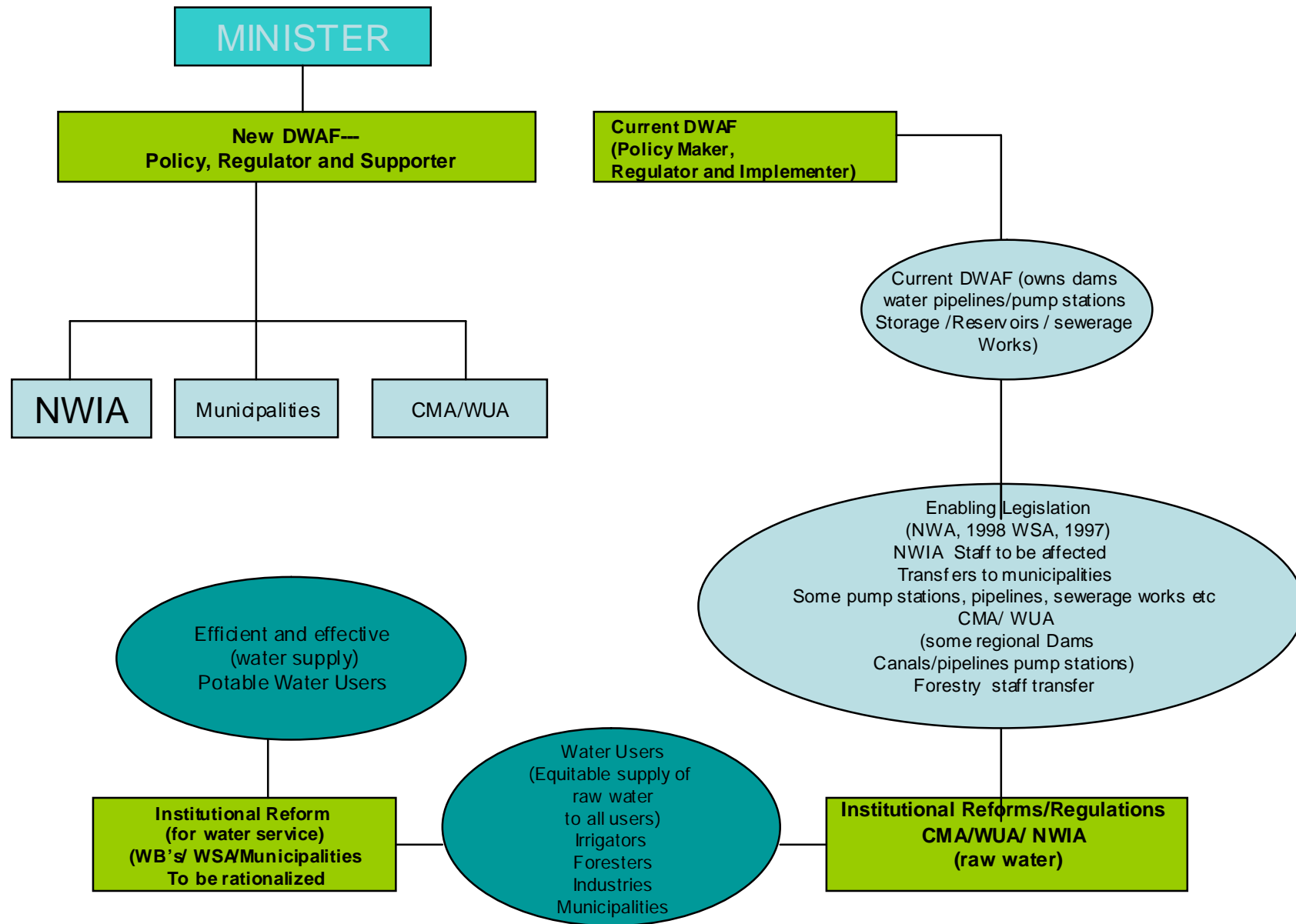
CM S : catchment management strategy
 WUA : water user association
 WSP : water services provider
 BP : business plan



The ideal!



DWAF REFORM and OVERSIGHT



NB:ALL INSTITUTIONS WILL REPORT TO THE MINISTER VIA THEIR BOARDS,MANAGEMENT COMMITTEES AND MUNICIPAL COUNCILS

Models from other parts of the world on Institutional Reforms

- In *Zimbabwe* infrastructure management and CMAs fall under one roof (no water boards).
In *Namibia* infrastructure and catchment functions under one institution.
In *Australia* catchment functions under CMA and infrastructure under water boards.
In *Netherlands* CMA do catchment functions, waste water treatment. Municipalities perform water supply to consumers.
In *Britain* catchment functions sits away from the Department while water boards do bulk infrastructure provision and water reticulation.



Questions and Conclusion

Is the current separation of the reforms enriching our processes?

Is the process in line with the broader IWRM objectives?

Are our customers deriving any value from our envisaged reforms?



I THANK YOU!

