
Water Sector Leadership Group

MINUTES OF MEETING
HELD ON 17-18 JUNE 2009

Riviera Hotel, Vereeniging

Day One: 17 June 2009

Theme: Mainstreaming Water as Central to Planning to Promote Economic Growth and Development in South Africa

1. OPENING SESSION

1.1. Welcome Remarks

Ms Thandeka Mbassa (DDG: Dept. Water Affairs) welcomed all delegates to the meeting. She thanked delegates for a positive response to the invitation in light of other government pressures related to the reconfiguration of the new state administration. She introduced her co-chairperson, Mr Mthobeli Kolisa (SALGA) and further announced that Ms P Yako (DG: Dept of Water Affairs) will join the meeting later.

In her opening remarks, Ms Mbassa acknowledged the continued commitment from stakeholders towards strengthening the concept of working together, and thereby contributing towards improving the sector and the work of the Department of Water Affairs. She pointed out that her Department (DWA) always endeavoured to ensure that meetings such as the WSLG are used to engage stakeholders on the most current and pressing issues.

She took the meeting through a few proposed changes on the agenda which mainly included revision of the sequence of items (to accommodate those that were to arrive late) than addition or cancellation of items.

1.2. Meeting Objectives

The chairperson gave an overview of the meeting objectives. She further informed the meeting that Ms P Yako had expressed concerns about apparent lack of progress regarding the implementation of the Water for Growth and Development Summit outcomes. The WSLG is well-placed to assist in ensuring that some movement is achieved in that area. Upon the chairperson's enquiry regarding the agreement on the set meeting objectives, delegates further raised the following key issues for consideration by the meeting:

- ✚ Water sector response on HIV/AIDS – how far is the process of developing a sector strategy?
- ✚ The mismatch between what is proposed regarding water resources management programmes and water conservation and demand management
- ✚ Strategic direction regarding the future of WIN-SA
- ✚ Specific direction on issues emanating from the Regulation Task Team meetings
- ✚ Concerns about increasing delivery of untreated water in rural areas (by municipalities)

In response, it was clarified as follows:

- ✚ The draft WIN-SA programme and HIV/AIDS strategy will be presented on the second day of the meeting
- ✚ Other items are subject to discussion at task team level. From a Department's perspective, it is important for stakeholders to be aware that there are current initiatives that address the various issues raised by stakeholders. What is important is to ensure that stakeholders are constantly made aware of outcomes of the various initiatives and to create avenues for sector stakeholder inputs, where necessary.

2. KEY ISSUES ON THE WATER FOR GROWTH & DEVELOPMENT FRAMEWORK

2.1. Presentation

Mr Harrison Pienaar (DWA) updated the meeting on progress towards finalising the framework on Water for Growth and Development (WfGD). He briefly highlighted the following in terms of progress to date and future plans:

- ✚ The framework was presented to Cabinet in January 2009 and it was approved for consultation
- ✚ The Minister formally launched the framework during the National Water Week in March 2009
- ✚ A national summit was held on 27-28 March 2009 where the strategy was further considered by stakeholders and preliminary inputs on targets were given
- ✚ Further consultation on the strategy will continue at provincial level starting in July 2009
- ✚ It is planned that the final draft framework (including targets and implementation framework) will be completed by August 2009
- ✚ A Cabinet Memorandum will be submitted in September 2009

He quickly reflected on some key issues, arising from consultative summit in March 2009, which the sector must debate and address, These include:

- ✚ The need to strengthen institutional capacity at various levels of the water value chain (DWAF, municipalities, water sector institutions, sector partners, etc)
- ✚ Overcoming challenges of cooperative governance to deal with various facets of implementing the framework (water allocation, regulation, etc)
- ✚ Addressing water allocation reform, illegal use of water and water pollution problems (including industrial discharge and oil spillage) in an effective and consistent manner
- ✚ Ensuring accountability by water users, especially in terms of safeguarding the environment
- ✚ Enabling integrated planning, noting the National Planning Commission in the Presidency should facilitate this, but the sector needs to be well prepared.
- ✚ Broadening the dialogue and affording all voices a chance to be heard, especially the informal sector e.g. small scale farmers and miners
- ✚ Positioning the framework as a core driver of sector strategies and programmes and ensuring common direction and maximum impact
- ✚ Setting targets for different sectors based on critical analysis of problem areas and root causes.
- ✚ Assessment of resource implications of the framework after finalisation – human, capital, finance skills, systems, infrastructure.

Ms Mbassa reminded the WSLG that the framework is to enable the sector to actively manage water resources, ensure effective services and put water central to development. A number of initiatives are already in place related to improving water use efficiency in the energy and agriculture sectors, improving asset management and strengthening enforcement capacity (including how to capitalise on the water-environment merger). It is therefore important that the WSLG assists with key threads towards achieving these, including improving integration within the sector and between different sectors. It is also important to locate the framework within the context of broad government challenges such as poverty alleviation and job creation – what is the sector's contribution towards addressing this?

2.2. Responses

2.2.1. Mining (Chamber of Mines)

Mr N Lesufi raised three issues for noting:

- There is a need to enhance regulatory capacity to deal with wrongdoers and address mining companies fairly balancing old and new entrants
- Ensure an equal playing field to handle the mismatch of capabilities amongst mining houses, noting that the newer and less endowed companies face larger water resource challenges. In terms of historic water pollution the actual perpetrator needs to account (not the new mine owners, who have taken over).
- Develop a strategy to handle legacy issues, that currently fall in 'no-man's' land with no one held responsible. DWA must take the lead on this issue and mines will contribute, without running the risk of being deemed liable. If possible a special fund for rehabilitating abandoned mines should be established

2.2.2. Energy (ESKOM)

Mr N Govender presented ESKOM's position on mainstreaming key thrusts of the WfGD. He mentioned that ESKOM is developing a comprehensive 2030 Pathway, with milestones, which responds to how people issues, organisational systems, and infrastructure should be developed to ensure better resource efficiencies to reduce demand, including water. He further mentioned that the pathway also responds to key issues such climate change. The WfGD issues, e.g. water use efficiency, are addressed in the pathway from multiple angles.

Eskom's approach is to first get their own house in order and then to look at their role externally. They have set a target of zero pollution at all power stations and lower emissions, which stakeholders must monitor. They are developing an internal water strategy, which they will share with the sector and against which they will be accountable. This will require Eskom management, in particular power station managers, to understand water policy issues and be responsible for water accounting.

2.2.3. Private Sector (BUSA)

Mr M Ginster reminded the WSLG that he represents BUSA, which is an important vehicle for business to respond on issues of the day and to contribute to social and economic development. BUSA has made extensive comment on Draft 7 and is very willing to hold more in-depth discussions with DWA.

He remarked that the private sector has acknowledged that it is not business as usual. It is therefore important for the sector to gear itself to make difficult choices because that is what the framework will require. He further commented that:

- Various water sector initiatives must be reviewed to ensure alignment with the WfGD paradigm, taking a long term view (water security in 2030) including workable regulations and mix of economic instruments.
- The WfGD framework must guide the review of the national water resources strategy
- The sector should establish principles for decision making, especially in terms of development planning and initiatives that rely on water.

2.2.4. Local Government (SALGA)

Mr M Kolisa raised three issues of concern to the local government sector:

- Provision of water supply and sanitation to rural communities
- The impact of on-site dry sanitation on ground water resources

- Design and management of waste water treatment plants
- Skills needs – over and above what has been traditionally required

He concluded by saying that W4GD is seen as a change of mindset and it will be important to reach out to political decision makers and leaders. He proposed that the planned provincial consultation should be broadened to include district level stakeholders and provincial departments.

3. TAKING THE POLICY REVIEW OF LOCAL AND PROVINCIAL GOVERNMENT FORWARD

Ms Sheila Hughes (Department of Cooperative Governance and Traditional Affairs) updated the meeting about progress on the white paper review of powers and functions of local and provincial governments. The key highlights of her presentation included the following:

- ✓ The context of review is informed by policy positions of the ruling party and new mandate of the state
- ✓ The Department of Cooperative Governance and Traditional Affairs (CGTA) will focus on promoting the developmental state and cooperative governance, with improved coordination and planning, stability of the management system and more effective accountability.
- ✓ The current review of powers and functions of provinces and municipalities include the following:
 - Redefining the role of provincial government and defining this beyond the constitutional provisions. This will, amongst others, clarify configuration of provincial departments, national government's oversight responsibilities, and concurrent functions of national and provincial governments.
 - Reforming the two-tier local government system and deciding whether to reduce, reconfigure or abolish district municipalities.
 - Classifying municipalities according to their performances and allocating functions on the basis of these categories. There are ten possible categories. A differentiated approach is essential, based on spatial, socio-economic factors, service delivery and functions performed. A study has already been commissioned and municipalities have been categorised into four – worst performing (Class 1) to highly performing (Class 4). From the study 57 local municipalities and 12 district municipalities are currently underperforming. Based on the findings of this study, the department may review allocations of functions according to performance levels, with due consideration of imperative functions such as water services.
 - Movement between categories would be possible. The department is considering reviewing allocations of municipal functions every five years as part of an M&E process
- ✓ The outcomes of the review process will be implemented between 2010 and 2011. For outcomes that impact on local government, the process will be completed before the local government elections.
- ✓ She emphasised the importance of collaboration between CGTA and DWA, due to the centrality of service functions and in acknowledgment of the decisive role DWA has played in terms of local government.

Questions/Comments

- Q1 How will the department (CGTA) engage provincial government on the possible implications of the review process?
Workshops are planned with provinces. Intensive consultation has already begun at MINMEC level with senior provincial political leadership.
- Q2 What criteria were used to determine the classification of municipalities?
The ranking was based on national averages of municipal performance based on a robust data analysis system. The performance indicators utilised are based on international accepted norms.
- Q3 When functions are removed from municipalities, where will they be transferred to?
The department (CGTA) is considering a number of ways of dealing with situations where functions are removed from a municipality. Some of the proposals include establishing service centres or technical hubs (for dealing with infrastructure development and service provision). These concepts are not yet concretised, so ideas on workable solutions are still welcome.
- C1 Most of the municipalities that are classified as non-performing are located in former homelands. This must be factored into final analysis of the study; otherwise the reconfiguration will reinstate old apartheid municipal configurations.
- Q5 What format will the technical service hubs take?
This concept is still under investigation and there are no concrete proposals about modalities of the model.
- Q6 There are municipalities that are classified as highly performing yet these municipalities are grappling with serious challenges such as poor water quality management. How is this explained?
A few anomalies have been observed in the study findings. These include cases where known "under-performing" municipalities are classified as performing. These have to be worked out and factored into the final results before decisions on reallocation of functions are taken.
- C2 SALGA has been consulted on the reconfiguration of municipalities, and SALGA has agreed to the review of the two-tier local government system.
- C3 The review must also include redefining provincial government's role in water services provision. The current support role is ambiguous.

4. DWA'S RESPONSE ON THE POWERS AND FUNCTIONS REVIEW

Mr Helgard Muller presented a response on the powers and functions review, the Department of Water Affairs' position. The emerging position of the department contends, amongst others, that:

- Whilst the proposed differentiation of municipalities is supported in principle, the system should apply to all municipalities using performance as a criterion and not the urban or rural base of a municipality's base.
- The Section 78 process should be amended. DWA must have oversight. It is also important to ensure that public utilities are given preference as potential WSPs

- A policy norm must be developed to guide the reallocation of powers and functions in a manner that is consistent and methodologically sound. Future WS authorisation should be done of SWS principles.
- The Minister of Water Affairs must be able to intervene without the hassles of the current legislative provisions.
- The roles and responsibilities between national and provinces in water services provision must be clarified
- The review process must incorporate regulation of human resource competencies for water services officials

He further stated that the DWA has embarked on a process to develop a tool that will guide the DCGTA to review the allocation of WSA functions. This tool is currently being piloted in Limpopo as a response to request by the provincial government to authorise WSA functions to four local municipalities.

Comments

- C1 The proposed preferential treatment of water boards may lead to complacency and a lack of a competitive approach to water service provision.
- C2 There is a need for urgency in finalising the process before the local government elections.
- C3 The Ministerial intervention will require a legislative amendment as the current provisions do not provide for such.
- C4 In taking the process forward, it was noted that:
- The concept of technical service hubs should be further explored
 - Legislative tools for removing functions from municipalities must be developed, beyond the proposed five-year review
 - Various legislation on interventions must be aligned
 - The policy review process must be streamlined
 - There is a need for separation of governance and technical service delivery to limit the involvement of political decision-makers on matters that are purely technical
 - There needs to be a stronger separation between governance and delivery – between WSA and WSP.

The meeting agreed to a principle decision of opening up space for sector involvement, using the WSLG as a platform. On the basis of this principle, it was duly proposed that a small team must be formed, representing the WSLG, to engage the DWA team and develop a sector-wide joint position on the review process. The task team must, amongst others, identify and comment on:

- Key areas of commonality and difference (within the water sector and between the water sector and local government)
- Proposals on mechanisms of interventions where powers are removed
- Robust methodologies of assessing powers and functions and classification of municipalities
- Regulation of municipal human resource competencies
- Effective measures of addressing pressing problems currently affecting local government service delivery whilst awaiting the finalisation of the review process (noting the 2011 timeframe).

5. STRATEGIC OVERVIEW AND IMPLICATIONS OF GOVERNMENT RECONFIGURATION

Ms Pam Yako highlighted some key issues arising from the reconfiguration of government departments. She indicated that although the Departments of Water Affairs and Environmental Affairs are effectively housed under one Ministry, this decision must still be gazetted and that during the transition (which involves transfer of Forestry to another Ministry, and Sanitation to Human Settlements), the departments will continue operate as separate entities under two Directors-General. A final decision on whether the Departments remain separate but under one Ministry or are merged into one Department will be taken as part of the gazetting process. For now the former Department of Water Affairs and Forestry will be known as the Department of Water Affairs.

She went further to give an overview of the Department of Water Affairs' strategic plan, which amongst others identified the strengthening of sector partnerships through the WSLG as a key strategic goal.

Other strategic goals include:

- o Ensuring sustainable and effective management of water resources
- o Ensuring universal access safe and affordable water
- o Build, operate and maintain infrastructure
- o Aligned and effective institutions
- o Pursuing African advancement and enhanced international cooperation and development
- o Create a value, driven and responsive department

Ms Yako further remarked that the reconfiguration of government, and its implications to the Department of Water Affairs, coupled with key priorities set in the department's strategic plan, will require a review of the positioning of the WSLG. The WSLG should be positioned as a platform for dialogue on shared areas of concern in the sector. Such concerns should be identified through a streamlined process of priority setting. She also mentioned that the new Minister of Water and Environmental Affairs has expressed a desire to interact with sector stakeholders through platforms such as water summit, and she would also like to concretise such sector partnerships through a social compact.

Questions/Comments

- Q1 The Department has taken a stand to change from being an active implementer to being a regulator; however the contents of the strategic plan seem to suggest that the department will continue to implement projects directly. Can this apparent disjuncture be clarified?
Regulation is one of the responsibilities of the department and not the only function. It is proposed that in future the department may even decide on a separate regulatory regime outside the department.
- C1 WISA notes that there is a need to educate the media around water issues given the current poor profiling of the sector and the department. WISA is available to work with DWAF on this issue. A media breakfast may be useful.
- Q2 When will the review of the Act to include the waste water discharge tariffs be introduced? What is the progress with regards to the NWRS? What is the current position of the department regarding the National Water Resources Infrastructure Agency?
 - o *The Department has put the review of both the National Water Act and the Water Services Act as part of its business plan, and therefore the outputs, in terms of timeframes, are covered in the normal business planning process.*
 - o *It is acknowledged that the process of reviewing the NWRS needs to be fast-tracked. However, the strategic position of the department is that the WfGD framework should*

set a foundation for the review of the NWRS. A number of initiatives that feed into the review, such as reconciliation studies, are already under way, so it does not mean that work on the review has stalled until the finalisation of the WfGD framework.

- *Regarding the NWRIA proposal, the department is currently considering three options as part of the institutional alignment process and consultation is going on regarding what may be the best option for the country. The most feasible architecture will be implemented within the next five years.*

Q3 Is the process of institutionalising the raw water pricing included in the strategic plans, in terms of multi-year pricing? How far is the process of revising the national sanitation policy?

- *The old pricing system will be used for this year until a review is finalised.*

Q4 How is capital funding to achieve strategic goal number 2 (access to basic water) covered given the current challenges of poor revenue bases in most municipalities leading to poor infrastructure maintenance? How do we put a collaborative effort to negotiate with National Treasury for additional funding?

There is a new government cluster that will focus on infrastructure, and through this cluster proposals will be developed on how infrastructure will be funded. This will be linked to the national planning commission in terms of integration. Each sector is also required to ensure that there is an integrated plan for the sector, with different actors responsible for implementation according functional authority.

Q5 How has the water sector's response towards climate change been addressed in the strategic plan?

The process is led by the Department of Environment and DWA will respond on the basis of a national framework that will be developed by the Department of Environment.

Q6 It is said that sanitation will be transferred to another department. What are the implications and will it still be part of the water sector?

- *It was announced that the sanitation function will transfer to Human Settlement, Discussions on the implications and redefining what the transfer means are still on-going. Nothing has been concluded.*

Q7 How can the department improve awareness of littering by combining efforts with the Department of Environment?

This issue will be addressed once the two departments develop integrated plans on areas of common interest, but the input is valid.

6. ENSURING ALIGNMENT OF THE WSLG STRATEGIC TASK TEAMS AND UPDATE ON THE MUNICIPAL ACTION PLAN

6.1. EXCO Report

Mr M Kolisa briefly went through the report from the WSLG EXCO. He highlighted the following:

- ✓ The EXCO has met twice, and mostly focused on establishment of the strategic task team and preparing for the WSLG meeting.

- ✓ Nine strategic task teams have been proposed and terms of reference developed; however only three are actively convening. There are specific concerns about the skills development task team, which does not have a convenor.
- ✓ The terms of reference of the WSLG EXCO have been revised, based on inputs from the previous WSLG meeting. The EXCO will focus on three functional areas: guiding agenda setting for WSLG meetings; providing strategic leadership to WSLG meetings; and coordination and alignment of Task Teams.

Questions/Comments

- Q1 Is the fact that some task teams are not meeting symptomatic to the current problems that the sector is experiencing?
- Q2 How are the previous core groups included in the structure?
- C1 Ms Yako observed that there seems to be a few challenges affecting the EXCO's ability to function effectively and coordinate the convening of the strategic teams. She proposed to have a short session with the EXCO to explore ways of addressing this, including reducing the number of task teams.

6.2. Report from the Regulation Task Team

Mr Neil McLeod gave a brief presentation on progress of the Regulation Task Team. He began by mentioning that task team does not struggle with attendance and that the debate in the meetings is very good. He highlighted overall progress on regulation activities including successful staging of the Drinking Water Quality Conference, and development of a regulatory framework. He mentioned some issues that require attention as follows:

- ✓ Lack of clarity on the institutional form of regulation creates uncertainty in the sector
- ✓ Doubt on the vision and commitment for an independent regulator. Suggested that it should be a medium term vision rather than long term, as there is already a conflict of interest (e.g. blue drop certification & hosting of 2010)
- ✓ Local regulation is not moving well as the WSA/WSP separation of roles is a huge challenge that can only be addressed through revision of Water Services Act. Progress on revision is very slow.
- ✓ Lack of capacity throughout the regulations arena is of major concern, but specifically on the resourcing of the CME and Regulations Units, which leads to ineffectiveness on enforcement issues
- ✓ Need vision and clarity on the support role of DWA. Mixed messages creating confusion
- ✓ Long delays in issuing of licenses leads to inability to enforce conditions
- ✓ Delay in responding or approving draft Integrated Regulatory Framework for consultation is seriously retarding progress.

- Q1 Did the task team resolve the issue of the independent regulator?
The task team is looking for clarity on the matter and has not resolved it.

6.3. Report on the Skills Development Initiative

Ms P Makhanya (DWA) briefed the meeting about recent developments and proposals regarding skills development in the sector. She mentioned that a core group has been established composed of officials from DWA and SALGA, and the DCGTA is also invited. She mentioned that the core group's initial focus has been on assessing current skills in the sector and the national framework developed by the

Department of Education. The Core Group has found a number of shortcomings which include lack clear alignment between water literacy, skills development and education and training. As a way forward the core group proposes as follows:

- ✓ DWA must lead and own a strategic response in its role as the water sector leader
- ✓ The fragmented approaches, projects, activities within sector need to be brought together for maximum impact – in a strategic way
- ✓ Ownership needed in DWA – sufficient authority and resources to lead, participate, influence, represent at HRD Council, SETA, DOE, sector groups, etc
- ✓ Task Team to convene and identify areas of commonality and develop an implementation plan with short-, medium- and long-term interventions
- ✓ The task team should report to WSLG and Economic Cluster

7. ADOPTION OF KEY RESOLUTIONS

This item was shifted to the next day to allow for a discussion between the DG and the WSLG EXCO aimed at refining the proposals.

8. CLOSURE

The meeting was adjourned at 16h44.

DAY TWO: 18 JUNE 2009

FORMAL BUSINESS OF THE WSLG

1. **OPENING SESSION**

1.1. **Welcome Remarks**

The chairperson, Ms Fortunate Makhubu (DCGTA) welcomed all to the meeting.

1.2. **Attendance and Apologies**

Attached

1.3. **Approval of Agenda**

A few changes were made to the agenda.

- ✓ Mr Fred van Zyl's presentation was brought forward to be presented early
- ✓ Some items were presented on the first day and were therefore removed from the agenda

1.4. **Summary of Key Actions from Day One (17 June 2009)**

Ms Ndala Duma gave a summary of key resolutions proposed during deliberations of the first day. The proposals were further discussed by the WSLG EXCO and the DG and refined for adoption by the WSLG. These are:

- ✓ On the status of the WfGD framework, it was proposed thus:
 - The DWA must include local level (districts) and provincial departments in their provincial consultation
 - The inter-relationship between the WfGD and NWRS must be clarified and communicated
 - The sector must agree on mechanisms of dealing with "crisis" matters whilst awaiting finalisation of the framework
- ✓ On the provincial and local government powers and functions review process, it was proposed thus
 - A small WSLG task team to be established to coordinate sector inputs and develop a sector position on the powers and functions review. The team will work with DWA officials and report at next WSLG. Some proposed team members are: William Moraka (SALGA), Helgard Muller (DWA), Thoko Sigwaza (DWA), Neil McLeod (eThekweni) and Martin Ginster (BUSA)
- ✓ On strengthening the WSLG, it was proposed thus
 - The WSLG task teams will be consolidated into five: Water security; skills development; finance & IAM; and regulation & institutional reform, and sanitation
 - Clearly defined terms of reference to be drafted for all task teams
 - DWA to convene/champion and sector to chair
 - DWA to give prompt feedback to task teams to enable effective deliberations and progress
 - EXCO to discuss draft agenda early and present to DG, then discuss inputs and finalise agenda a month before the next WSLG

Ms T Mbassa added another resolution related to the sector developing mechanisms of dealing with current areas of crisis whilst awaiting finalisation of the WfGD framework. She further remarked that the meeting must also note a proposal to improve communication on the current initiatives undertaken within the department and outside.

Mr Neil McLeod also added that the WSLG must resolve that senior management within DWA must act promptly on requests from strategic task teams to enable effective, progressive and focused interactions.

No objections were raised regarding the proposed resolutions, and they were therefore taken for implementation without amendment. Progress on these will be given in the next WSLG meeting.

2. MINUTES OF THE PREVIOUS MEETING

2.1. Corrections and Adoption

The minutes were adopted without any corrections.

2.2. Matters Arising

(Addressed in the agenda)

3. DWEA CHANGE JOURNEY

Mr Fred van Zyl (DWA) shared the current initiative within the department with the meeting. He outlined what the Change Journey (a purely internal process) entailed and specifically focused on the initiative related to networks and partnerships.

From the sector partnerships perspective, it is first important to clarify and understand 'our' business, around which we unite, combine and inspire sector members within a common vision. DWA is looking at:-

1. Defining and characterising the sector and its business
2. Defining DWEA's position and approach
3. Characterising sector management framework and partnerships
4. Defining and developing the art and skills of participatory processes and tools
5. Developing appropriate management processes and tools
6. Mobilizing and strengthening sector leadership through formal programmes and fora
7. Facilitating leaders and participatory networks through M&E, perception management, capacity building and resourcing

He further announced that the department is developing a blog site "Let's talk" as part of establishing networks between the department and the sector and opening up platforms for dialogues.

Further initiatives include development of shared information management systems on various water sector components such as state of waste water treatment works and a GIS that can go out on e mail. The latter would provide a 'dashboard' for easy access to information, through which one can get greater detail via google. Regional Offices have this software on their laptops. He concluded by inviting members to participate in the journey.

4. TOPICAL ISSUES ON SECTOR INITIATIVES

4.1. Report from the MCC

Ms N Duma gave a summary overview of outcomes of the MCC meetings and general progress on sector programmes. These are summarised as follows:

- ✓ The MCC has also been restructured and is now focusing on coordinating and reporting on progress from various water sector programmes. This includes analysis of progress against targets and expenditure patterns.
- ✓ Reporting is still a major challenge in the sector and therefore accurate reflection of sector progress has not yet been achieved

- ✓ A mid-term evaluation on the Masibambane WSSP was recently completed and the findings indicate amongst others, that:
 - the RPMS should be implemented across all municipalities
 - Municipal capacity for operation and maintenance is still a huge challenge
 - Development of WSP capacity is key
 - Support towards CMA establishment must be improved
 - Programme support is still biased to water services than water resources
- ✓ Some issues from the MCC discussions on sector performance worth noting are that:
 - Funding cuts from international donors has impacted on completion of work and may limit future impact
 - Concerns about future viability of programmes that are entirely funded by donors e.g. WIN-SA
 - There is a need to articulate, commit and institutionalise meaningful participation of civil society – particularly at local level
 - Weak and diminishing institutional capacity is now an endemic constraint to the sector delivering on its mandate. Support is critical – but there is confusion over roles.
 - Urgently need to define and distinguish between Regulatory and other Support and clarify where responsibility lies, ensuring that it is taken up

4.2. Civil Society Initiatives

Ms Hameeda Deedat briefly shared CSO experiences with the meeting. She specifically focused on the background of the South African Water Caucus and its achievements to date as a lobbying and advocacy group. Reflecting on the SAWC's participation in the MCC, she expressed that the group was positive about MCC's discussions on the position of CSOs within the local government service delivery arena.

A debate on how the sector should respond to cases where communities are rebelling ensued. It was noted that such instances will yield mixed reactions from government (which cannot uphold "anarchy") and civil society organisations (who may view this as a democratic right of demonstrating discontent).

4.3. WIN-SA

Mr W Moraka highlighted the current challenges of the WIN-SA initiative and implications for future viability of the initiative. He cited two problem areas: firstly, the current governance structure (Strategic Advisory Committee) has been weakened by sector representatives leaving the sector or organisations and currently there are only two committee members. Secondly, there is insufficient funding to implement the proposed knowledge management programme, and the current funding is only sufficient to take the programme through this financial year. The question for the sector, and specifically the WSLG, as the initiator and oversight body of WIN-SA, is whether there is still value in continuing with the WIN-SA programme and if so, how should this programme be funded and strengthened to optimise its contribution to knowledge generation and sharing?

The meeting deliberated on the presentation and a number of issues were brought forward, including:

- There should be deliberate measures to ensure that the knowledge base and expertise that has been developed over the years is not lost.
- There is definitely still a lot of value in preserving the programme. Knowledge management is still critical for ensuring sector effectiveness, more so in face of the current skills shortages.

Noting a general agreement that the WIN-SA programme is still valuable to the sector, it was resolved that:

- The WSLG (through EXCO) should identify additional representatives to strengthen the WIN-SA SAC
- The SAC must develop a proposal on WIN-SA sustainability and present to the next WSLG.

4.4. Water Dialogues

Ms Laila Smith briefed the meeting about the work and initial findings of WD-SA, a forum established by government, civil society and private sector to debate critical areas, including those related to private sector involvement in water service provision. It is part of a global initiative, with dialogue and exchange between other WD platforms.

She indicated that the WD-SA has been working for the past four years on researching case studies that highlight challenges facing the sector and developing responses on policy and implementation, including effective utilisation of the private sector in water services delivery. There has been a plurality of perspectives but through valuing diversity and holding honest and open debate, there has been convergence around some key principles and lessons. Some of the key findings are:

1. Governance is absolutely critical to any lasting solutions
2. There needs to be a balance between the technical and social approaches and aspects
3. The on-going institutional reform and changes have had a dire effect on service delivery
4. There is a wide spread lack of financial systems and data and the competencies to manage them.
5. Regulation is critical. The role of WSAs in regulation is seriously limited and it is questioned whether a decentralised model is appropriate.
6. Public participation in planning and decisions on appropriate choices is vital, especially in the face of increasing protests. There is a huge communication gap and lack of trust between providers and clients. There needs to be education and awareness campaigns and means of ensuring public voices are heard.

It is impossible to find workable solutions without being informed. WD-SA has developed a good methodology that could be applied by others.

4.5. Feedback from the Drinking Water Quality Conference

Ms M Swart gave a presentation on the outcomes of the recently held conference on Drinking Water Quality organised by WISA and DWA (held on 11-13 May in Port Elizabeth). She mentioned that about 540 delegates from municipalities, government and other organisations attended. During the conference, municipalities that adhered to standards were awarded the Blue Drop Certificate by the Minister of Water and Environmental Affairs. Only 23 WSA achieved the Blue Drop status

Ms Swart also mentioned that there is a discussion to merge the blue and green scorpions as a way of improving enforcement. The Green Drop will also be launched later – the department avoided a situation where the Blue Drop would have dominated the limelight, whereas achievement of the Green Drop is seen as equally important. The Green Drop entails a bigger task which should be completed by end of July 2009.

The department was congratulated on a well-organised and well-received conference which allowed for sector engagement and elicited a good response from the media. A number of concerns were raised about the interpretation of the Blue Drop status and its possible implications for cities that are hosting the 2010 FIFA World Cup. It was indicated that the department is also using the certification initiative to

push for the blue drop certificate to be achieved in all the 2010 FIFA WC hosting cities. Where they are not able to, the Department will work with the affected cities to identify gaps and assist in the correction of problem areas. It was recommended that whilst it is still valid to send the strongest message about compliance, it is equally important to simplify the message that reaches citizens to ensure that unnecessary alarms are not created.

4.6. Feedback on International Relations Activities

Ms Moloji highlighted developments on events held recently in the international sphere:

- Over 100 South African delegates attended the 5th WWF in Turkey held in March 2009. South Africa presented its bid for hosting the 2012 WWF.
- The 6th WWF bid results have not been announced, however South Africa is concerned that it did not get sufficient space (equal to France) and it was therefore not very visible during the Turkey Forum
- The 2nd Africa Water Week will be held in November 2009
- South Africa will also participate in the World Water Week in Stockholm (Sweden) in August 2009

4.7. Sector Strategy on HIV/AIDS

Mr H Muller presented the draft response strategy on HIV/AIDS. The draft must still be worked on and it was agreed that the next WSLG will adopt it. It was further proposed that the document should be sent in advance to members before the next WSLG to allow for optimum input.

Other comments

- There is a separate process of reviewing the free basic water to look at addressing vulnerable groups
- There is emphasis on delivery – the HIV/AIDS intervention is one of the areas where projects could be initiated without relying too much on guidance from the WfGD framework. There are already success stories that have been documented around the country like support given to the Orange Farm community. A lot of creativity is required.

5. CLOSING SESSION

Next WSLG meeting is scheduled for 12-13 November 2009.

ACTION LIST

Item	Action	Responsibility	Status/Comments	Time Frame
1.	Status of WFGD framework: Feedback on Provincial consultation at district level stakeholders	DWA – H Pienaar	Feedback at the meeting	November 2009
2.	Powers & function review: establish task team to coordinate sector inputs	DWA / Stakeholders - S Harigobin		November 2009
3.	Merger of WSLG task teams	DWA - Sector Collaboration Unit		November 2009
4.	WIN-SA SAC: Presentation on the proposal of the sustainability of WIN-SA	William Moroka / Jay Bhagwan	Feedback at the meeting	November 2009
5.	Feedback on Draft response on HIV/AIDS strategy: WLSG to adopt	DWA – S Harigobin	Feedback at the meeting	November 2009