



water & sanitation

Department:
Water and Sanitation
REPUBLIC OF SOUTH AFRICA

**ADDRESS BY THE MINISTER OF WATER AND SANITATION, Ms.
NOMVULA MOKONYANE, NATIONAL COUNCIL OF PROVINCES
BUDGET REVIEW – PARLIAMENT
10 JUNE 2014**

Honourable Chairperson of the NCOP
Honourable Chairperson of the Select Committee and Honourable Members
Chairpersons and Chief Executives of Boards and Other Entities
Government Officials
Distinguished Guests
Ladies and Gentlemen

In about 16 days' time South Africa will be joined by the rest of the progressive humanity to celebrate a milestone in the history of the country – the 60th anniversary of the founding of the Freedom Charter.

The Freedom Charter is a document that stood, for all these years, as a beacon of hope for the people of South Africa in their auspicious journey towards a democratic, non-racial and non-sexist country.

As we join the rest of South Africa during this Youth Month in the celebration of the 60th and 39th Anniversary of the Freedom Charter and the June 16th Uprising, respectively; let me take this opportunity to commit both myself and the Deputy Minister, together with the entire team of the Department and the

Entities, to demonstrating a sense of urgency in dealing with the realities of inequality, poverty and unemployment..

For the downtrodden, marginalized and ordinary people, like Ma-Dlamini, who has to share water from the river with animals whilst facing various security challenges of abuse and molestation, radical socio-economic transformation in the area of water and sanitation cannot be delayed any further. For Ma-Dlamini's grand-daughter who continues to miss school due to unhygienic sanitation conditions both at home and at school the situation needs even more urgent attention.

The right to water as a basic service is a constitutional right. Yet, ownership of access to water continues to perpetuate inequality and poverty in our country. However, we are convinced that with this budget we will be able to open up this protected space so as to ensure that water as a natural resource is available and shared by all.

Importantly, the active participation of our people in the water sector is also vital to ensure that water-issues such as water conservation and water demand management programmes, water awareness education and vandalism of infrastructure get taken up as societal issues.

Honourable Chairperson and Members, as guided by the National Development Plan, the ANC Manifesto and the second National Water Resource Strategy, we will continue to apply a seamless integrated approach to managing our water resources.

This is a co-ordinated approach that is inter-dependent and inter-related to other Departments at National level, other spheres of government, the private sector, civil society, and to the people. In addition, this approach will ensure

that we provide a sustainable and holistic approach across the value chain of water supply, from source to tap and from tap back to source.

However, our engagement with local government has identified a number of challenges; prominent of which were the issues of ageing infrastructure, lack of budgets for operations and maintenance, poor technical capacity as well as lack of proper water and sanitation plans.

It will be in this Financial year where we will have to do an objective review of roles and responsibilities of local authority with respect to capacity, leadership and viability of local government as Water Services Authorities.

In pursuit of solutions aimed at addressing these challenges, the Department continues to work in close concert with the Department of Co-operative Governance and Traditional Affairs (CoGTA) and National Treasury to enhance and strengthen the Back to Basics Programme. To this end, clear benchmarks of acceptable performance have been set in an effort to ensure that all municipalities perform their basic responsibilities consistently and without fail.

Whilst the Back to Basics Programme focuses, in general, on the 27 District Municipalities that are dysfunctional; on the other hand, the Department of Water and Sanitation in co-operation with the Province of North West and Eastern Cape has made Section 139 (1)(b) interventions on water and sanitation matters in Madibeng, Ngaka Modiri Molema and Makana and would continue with such on a case-by-case basis.

Honourable Chairperson and Members,

In support of the National Development Plan in regard to forward strategic planning we shall prioritize the implementation of National Water Resource Strategy II (NWRS 2). Moving forward, the strategic framework articulated herein shall serve as a guiding document for all stakeholders in the water sector in pursuit of effective and efficient delivery of service.

In the drive towards improved delivery of service to our people, we shall be guided by the following Strategic Priorities:

- Water Resource Management
- Water Infrastructure Development
- Water and Sanitation Services, and
- Water Sector Regulation and Policy Development.

The achievement of these Strategic Priorities is paramount. In this regard, we therefore, then, need to improve our service delivery model that will also have to be matched by the requisite technical expertise and capacity within the Department and the Entities.

This budget vote today takes account of all the policy and strategic imperatives as well as the implementation of the Annual Performance Plan for 2015/16. And the total budget for the Department for the 2015/16 financial year is **R 16,4 billion**. Over the medium-term, this budget is expected to grow to more than **R 17 billion by 2016/17** as the Department strives to improve the delivery of service to the people.

Thus, our budget vote per programme will be as follows:

- **R 1,5 billion** is allocated to Administration.
- **R 808 million** is allocated to Water Planning and Information Management.
- **R 12,4 billion** is allocated to Water Resources Infrastructure Development.
- **R 1,4 billion** is allocated to Water and Sanitation Services.
- **R 231 million** is allocated to Water Sector Regulation and Policy Development.

In addition, the Department will also transfer, **R 3,7 billion** in 2015/16 and **R 4,0 billion** in 2016/17 to the Water Trading Entity through the Water Infrastructure Management programmes.

THE REGIONAL BULK INFRASTRUCTURE PROGRAMME:

Honourable Members, the implementation of regional bulk infrastructure plays a critically important role in ensuring that we provide a sustainable and holistic value-chain of water supply and sanitation infrastructure.

In this regard I am pleased to announce that in this financial year we will be spending in excess of **R 6 billion** through our Regional Bulk Infrastructure Grant in various projects across the provinces to address these infrastructure challenges. We shall also focus our attention on Acid Mine Drainage with the

view of turning this environmental hazard into an opportunity to produce water.

In **Mpumalanga**, we will be spending an amount of **R 286 million** towards water infrastructure development and maintenance this financial year. Projects that will benefit in this programme include the Msukaligwa Regional Water Supply Scheme, Amsterdam and Sheepmore bulk water scheme, Carolina/Selobela Water Supply Scheme, and Emalahleni Bulk Water Supply Upgrade and Northern Nzikazi Bulk Water Scheme among others.

The **Eastern Cape** on the other hand will receive an amount of **R 1,2 billion** for during this financial year. These funds will address the challenges of bulk infrastructure the areas are OR Tambo District Municipality, and the King Sabata Dalinyebo Local Municipality water supply scheme and sanitation, the Xhoxa Bulk Water Supply in Chris Hani, the Mbizana Bulk Water Supply in Alfred Nzo and many others across the province. This will include the intervention in Makana and the support to complete the Nooitgedacht Coega Low Level Scheme.

In **Limpopo** the Department will be implementing a total of eight regional bulk infrastructure projects totaling **R 955 million** including projects in the , Mopani and Water Berg as well as Vhembe and Sekhukhune District Municipalities, which includes the Bulk Distribution System to be connected to the De Hoop and Nandoni Dams, respectively

The **North West** Province will receive an amount of **R757 million** to implement various infrastructure development and maintenance schemes in

Greater Taung Local Municipality under the Dr. Ruth Mompati District Municipality.

This budget will thus address challenges with ground water quality, as well as inadequate bulk supply. Other projects include the Pilanesberg Bulk Water Supply Scheme which will benefit various municipalities for both domestic and industrial water supply. The challenges in the Madibeng Local Municipality will also be addressed.

The **Northern Cape** will receive an amount of **R 341 million** for its Regional Bulk Infrastructure Grant projects.

Several bulk water schemes are currently under construction, these are the Namakwa Bulk Water and the Heuningvlei Bulk Water Supply Schemes which will ensure sustainable water supply to Springbok and the surrounding towns as well as the John Taolo Gaetsewe Municipality, respectively.

The construction of the Kalahari East Pipeline Extension and the Vaal Gamagara Bulk Water Supply Projects will also be pursued.

Kwa-Zulu Natal will receive an amount of **R1, 4 billion**, this financial year.

Among the schemes to benefit through the Regional Bulk Infrastructure Grant in KwaZulu Natal are the Lower uThukela Regional Bulk which will deliver potable water southwards to local developments and rural communities. This will also link into the existing Umgeni Water North Coast Supply system supplying 586 thousand people with water.

The Raising of Hazelmere Dam will augment the water supply to the Kwa-Zulu Natal North Coast for domestic use and irrigation downstream of the dam. The Jozini-Ingwavuma Bulk Water Supply Project will provide the Jozini Local Municipality with sustainable water supply.

The **Free State** province will receive **R 484 million** for their Regional Bulk Infrastructure Grant projects for this financial year.

The province is currently implementing ten projects which are all aimed at increasing its capacity for water supply through augmentation and refurbishment of water infrastructure. Critical of these projects is the size optimization, routing and integration of a pipeline to supply water to Mangaung Metro Municipality directly from the Gariep Dam on the Orange River.

Gauteng will receive **R 349 million** for these projects. Currently there are two projects being implemented under Regional Bulk Infrastructure Grant. These include the Sedibeng Regional Sanitation and Westonaria Regional Sewer Schemes.

The Sedibeng project was initiated due to spillages of raw sewage into the Vaal River. The Westonaria Regional Sewer Scheme covers parts of the City of Johannesburg Metro, Randfontein, Westonaria and other projects that were initiated to address the backlog of Sanitation Services.

The other two Strategic Projects are Syferfontein and Lion's Park. These will be implemented to unlock infrastructure development in the south and north of the City of Johannesburg, respectively.

In the Western Cape, the Department recently completed an exercise to determine the bulk water and sewerage infrastructure needs for the Western Cape for the next 15 to 20 years.

To date Department has invested **R533 million** through Regional Bulk Infrastructure Grant and Accelerated Infrastructure Community Projects with a further **R 194,8 million** allocated for the 2015/16 period.

Honourable Chairperson and Members,

We will also spend significant amounts of money through the following grants and programmes in this financial year:

The **Accelerated Community Infrastructure Programme** will receive **R 254 million** in this financial year. The programme will focus on universal access to water services by implementing projects related to Water Conservation and Demand Management.

Furthermore, the programme will also attend to managing the revenue system whilst monitoring and evaluating the water supply systems through metering.

The **Municipal Water Infrastructure Grant** will receive more than **R2.5 billion**. The programme aims to facilitate the planning, acceleration and implementation of various projects that will ensure water supply to communities that were not previously served.

In addition, we will also spend an amount of **R 31,8 million** on rain water harvesting to provide poor farmers with quality water as well as general assistance for their harvests.

In this regard, Honourable Chairperson and Members, we firmly believe that the funds allocated will go a long to assist us meet the various challenges of water shortages, inadequate sanitation services and general infrastructure decay and dilapidation.

SANITATION INFRASTRUCTURE:

Honourable Members, in our quest to address the sanitation backlog our priority is the complete eradication of the use of bucket toilets across the country in formal areas by the end of December 2015.

In the 2014/15 Financial Year, the Bucket Eradication Programme eradicated 20 560 bucket toilets in the Free State (4056), Eastern Cape (2672); Northern Cape (2421); North West (398). Through this Programme, the remaining bucket toilets will be eradicated at a cost of **R 975 million**.

Through the **Rural Household Infrastructure Grant**, the Department delivered 9347 dry on-site sanitation solutions to rural communities in the Free State (392); Eastern Cape (2334), North West (425), Kwa-Zulu Natal (3903), Limpopo (1843); Mpumalanga (450) whereas Limpopo Province delivered 11 088 and particularly in the 27 priority district municipalities by the end of the 2014/15 Financial Year.

In 2015/16, some **R 115 million** will be invested and a further 11 000 units will be provided in these provinces and municipalities to eradicate rural sanitation backlogs.

Overall, the Budget allocations for the 2 Sanitation Grants is as follows;

- The allocation for the Bucket Eradication Grant is **R 975,3 million** and will eradicate some 30 069 Bucket Toilets;
- Rural Household Infrastructure Grant (**Direct Grant**) is **R48,182 million** delivering **5072** dry on-site sanitation solutions whereas the Rural Household Infrastructure Grant (**Indirect Grant**) allocation is **R 67,328 million** and will deliver some **7426** dry on-site sanitation solutions, respectively. This service is rendered in the 27 Priority District Municipalities through the Water Services Authorities as well as the Department as implementing Agent.

Currently, it is estimated that some 88 127 households in formal settlements are utilising the bucket system as a form of sanitation. This backlog is found predominantly in the Eastern Cape, Free State, Northern Cape and North West Provinces and at the end of this programme the Department would have eradicated some **58 453** buckets with decent sanitation in the form of water borne sanitation.

In pursuit of sustainability of the programme, we shall also strive to standardise sanitation costs, align sanitation projects amongst the various government departments, and ensure that adequate budgets are set aside for the operations and maintenance of the infrastructure.

Honourable Chairperson and Members, the Implementation programme for the 2015/16 year is as follows:

In the **Eastern Cape Province**, the Department will focus on eradicating some **5013 bucket** toilets in the municipalities such as **Makana** (Grahamstown – 288), **Sundays River Valley** (Patterson – 1245), **Ndlambe** (Nemato – 1250) and in **Nelson Mandela Bay Metropolitan Municipality** (Despatch – 2230 Units); the latter emanating from the relocation of families from the nearby informal settlement to serviced sites at a **cost of R 150 million**.

Whereas a significant part of the Bucket toilet backlog is located in the **Free State Province** however, the programme seeks to eradicate some **16 521** buckets as follows - In the Setsoto Local Municipality buckets will be eradicated in projects such as Marquard (848 Units), Ficksburg (5396 Units), Senegal (2913 Units) and Clocolan (3379 Units).

On the other hand, in the Nketoana Local Municipality, the Department will be eradicating buckets in following areas: Petrus Steyn (2424 Units), Lindley (517 Units), Arlington (210 Units) and lastly Reitz (834 Units) at a cost of **R 495,6 million**.

In the **Northern Cape Province**, a total of **8337 Buckets** toilets will be eradicated in a number of municipalities that include **Emthanjeni**: Britstown (424 Units) and in the **Khara Hais**: Rosedale (2374), Pabalello (533 Units), Louisvale (800), Dekota Weg (306 Units), Kameelmond (122) and Kalksloot (138 Units).

In addition, bucket toilets will also be eradicated in the **Renosterburg Local Municipality** in the project areas of (Petrusville Phase 2 – 20 Units) and Phillipstown (107 Units) as well as in the **Siyacuma Local Municipality** in the areas of Bongani (555), Griekwastad (480 Units) and Campbell (596 Units).

Lastly, projects in the **Ubuntu Local Municipality**, including in Victoria West (890 Units) will be assisted. And in the **Nama-Khoi Local Municipality** various sites will be targeted (192 Units) and in Kai Garib (800 Units). The allocation for **Northern Cape Province** will be **R 250,1million**.

In the **North West Province**, a total of **198 buckets** will be eradicated in the **City of Matlosana Local Municipality** in areas such as Kanana (73 Units) as a continuation of the work commenced during the previous financial year. Finally, the community of Boitumelong (125 Units) in the **Lekwa-Teemane Local Municipality** will also see the provision of water borne sanitation and the replacement of the bucket toilets by December 2015 at a cost of **R 5,9 million**.

In conclusion, Honourable Chairperson and Members I wish to submit that a firm foundation has been created for the Department. We now need to consolidate our monitoring and evaluation endeavors with yourselves.

Secondly, Honourable Chairperson I would like to thank the Deputy Minister for her diligence and the Members of this Honourable House for their support in the work of the Department as well as the members of the public who constantly liaised with the Department on very important issues of service delivery. We need One Message, but Many Voices.

As the Department we are pleased with the level of co-operation and support we continue to receive from the leadership in the various provinces and for that I wish to thank all our provinces.

Lastly, I would like to thank the Director General, Senior Management and staff for the plans we have in place and the work we continue to execute as we reach out to the service needs of our people.

Dankie.

Ngiyabonga.