

Policy Review Debate of the National Council of Provinces (NCOP)
Speech by Ms BP Sonjica, MP, Minister of Water Affairs and Forestry
NCOP, Parliament
31 May 2005

The Honourable Chairperson of the National Council of Provinces
Honourable Members and Premiers present
Dignitaries
Invited Guests

It gives me immense pleasure to have the honour of addressing the National Council of Provinces today. In my budget speech to the extended committee of the National Assembly I dealt with water resource and forestry issues at length. In this address I will focus particularly on matters of provincial and local government competence such as water supply and sanitation services, intergovernmental challenges, and co-operative governance.

I would like to begin by recounting the words of the late Chairperson of the NCOP, Joyce Kgoali, in her speech during 'Taking Parliament to the People Programme' on the 26 of November last year. She said, "The NCOP, provinces and municipalities are at the cutting edge of the national programme to build a better life for all. Municipalities in particular are the coalface of service delivery. They are an important front desk of government and should be capacitated in order to assist us in reaching our strategic goal of reconstruction and development"

These words remain as relevant today. The urgency of addressing municipal capacity is a high priority on our agenda. Without institutional capacity we will not achieve our goals. Water is a life and death matter and this is why we have such ambitious targets for addressing our backlogs and for providing free basic services to the poorest of the poor. We therefore have to work together to achieve these targets.

The NCOP, as the custodian of intergovernmental relations and cooperative governance, has a major task in ensuring that we work effectively together across the different spheres and sectors of government.

We often speak of co-operative governance, but less often are able to effectively put it into practice. Co-operative governance between different spheres of government and between large departments is not easy to achieve. It requires commitment, leadership and a strong drive towards common objectives.

Despite the challenges of co-operative governance, our department has achieved some very real successes in the water services sector through co-operative arrangements with the Department of Provincial and Local Government, National Treasury, and the South African Local Government Association.

Together we are working on our transfer programme, to place water services schemes in municipalities where they rightfully belong. My Department has signed 27 Transfer Agreements with municipalities, transferred 78 schemes with a value of approximately R1 679 million, as well as 717 staff members, and seconded a further 892 personnel to municipalities. Despite the immense challenges we still anticipate that we will be able to execute all transfers by the target date of March 2006.

Other joint initiatives include support programmes to municipalities to identify the most appropriate water services provider institutional arrangements. This support takes place through the implementation of the National Institutional Reform Strategy and support to municipalities' section 78 processes. Both of these initiatives are driven and guided by task teams comprising DWAF, the Department of Provincial and Local Government (DPLG), National Treasury (NT) and the South African Local Government Association (SALGA).

A further important initiative, in many ways a pilot for the new budget process that will see Departments working together to ensure the alignment of their budgets, was the allocation of R1.2 billion to DPLG's Municipal Infrastructure Grant for a targeted bucket eradication programme. Through this injection, we can proudly say that buckets will be eradicated throughout South Africa in the life of this Parliament.

Whilst these programmes are examples of operationalising co-operative governance, our entire approach to water services delivery is a sector-wide collaborative approach, appropriately named *Masibambane*, "Lets work together".

The fundamental principle underlying this successful collaborative approach is that we are working together as a sector to deliver against jointly identified and unanimously agreed upon sector goals and targets. At the national level we are working with various sector departments such as Housing, DPLG, Health, Education, Public Works as well as representatives from SALGA, NGOs and the Sector Education and Training Authorities (SETAs). In the provinces similar structures have been established to ensure that support is targeted to local government needs.

These initiatives illustrate how our department has *championed sector collaboration*. We now want to embark on a vigorous programme of action to strengthen collaboration between our DWAF Regional Offices and Provincial Government across all our functions.

Chairperson, there are a number of reasons for this -

Firstly, water resource management is not simply a sectoral function that the Department of Water Affairs and Forestry and Local Government need to address. Water is an indispensable national resource, crucial to all social and economic development, not just the provision of domestic water supplies. Water is an essential ingredient in every Provincial Growth and Development Strategy. Therefore, we want provinces to come into the arena of engaging more effectively in water related affairs.

Secondly, provincial government is a crucial interface between local government and national government and has a key role to play in strengthening the capacity of local government to deliver services, including water and sanitation services.

Thirdly, there is no concurrent function for forestry or for water resources in our Provincial sphere of government. This is an intergovernmental challenge that we need to address. Although we have our DWAF Regional Offices, these offices are accountable to the national Department of Water Affairs and Forestry and have no provincial mandate.

Various attempts have been made in the past to establish mechanisms to address water and forestry related matters at provincial level and these included such as the establishment of Provincial Liaison Committees chaired by the MECs of Local Government or of Agriculture and Nature Conservation. However, these initiatives have not always been successful. It is now imperative that we jointly develop a more holistic and co-ordinated approach to our cooperation at provincial level.

This collaboration must ensure that Provincial Growth and Development Strategies take the relevant catchment management strategies into account in terms of water resources available as well as plans for the development of those resources.

In provinces such as Mpumalanga, KwaZulu-Natal and the Eastern Cape in particular, they must also reflect the specific opportunities and challenges of forestry development and conservation.

The potential already identified and mapped in KZN can help to transform the rural economy in many areas. It needs provincial and municipal governments to seize the opportunities presented for economic development for our most deprived communities as growers and independent contractors. We are conducting a similar strategic analysis in the Eastern Cape. When we have identified the possibilities for small growers and independent

contractors, we shall call upon the Eastern Cape provincial government and the District Municipalities concerned to assist their communities to develop their rural economies. In cooperation our three tiers of government can transform the lives of these people.

This of course is also part of the Broad Based Black Economic Empowerment process I launched in April of this year. That process is underway.

In terms of the Intergovernmental Relations Framework Bill, my department is strengthening its own structures of intergovernmental relations, and is also participating in the structures of intergovernmental relations at provincial level, such as the Premiers Co-ordination Forums and Mayoral Forums. We are also initiating Joint MINMECs with other national departments, such as the Department of Provincial and Local Government (DPLG), where issues concerning sanitation, transfer of water schemes and institutional reform will be included on the agenda, and Agriculture, which will deal with irrigation and forestry matters.

I have also initiated a series of Water Summits in the different provinces where we will engage with provincial government and other stakeholders around their Provincial Growth and Development Plans. The first of these summits was held in Limpopo Province in February and the second in the Western Cape Province in March. We hope to have covered all nine provinces by March next year.

These summits are intended to facilitate the sharing of information and concerns in order to come up with collective and integrated interventions. In particular, they provide us with an opportunity to explain our water resource management work and that of structures such as Catchment Management Agencies and Water User Associations.

Chairperson, in addition to our immediate support for Project Consolidate, my Department is developing a longer-term water services sector support strategy. Since this is a sector strategy we will be eliciting the views and inputs of all stakeholders in the sector, in particular municipalities, SALGA, sector departments and the provinces. A key objective of the support strategy is to ensure that we are better equipped to support local government in delivering its water services obligations.

A strong and effective local government is fundamental for improved water services delivery. Over the past few years my department has implemented a range of institutional support programmes for local government, with the goal of ensuring sustainable water services institutions. These programmes are outcomes based and are designed to assist with planning, setting tariffs, putting bylaws in place, identifying and implementing capital projects and establishing effective institutional arrangements for service provision. The lessons learnt through these programmes are being documented and shared through the Water Information Network (WIN).

We are also implementing a system to assess water services authority capacity to quickly identify legislative compliance and capacity gaps, in line with the Project Consolidate approach.

From our assessments we will be able to report on the water services capacity and performance of all Municipalities, as well as to provide a provincial perspective.

In his speech on the occasion of the Budget Vote in the National Assembly the Honourable Minister for Provincial and Local Government, Sydney Mufamadi called on officials of national and provincial service delivery departments to spend a significant amount of their time "dirtying their hands" in the goal of helping to remove service delivery blockages and in bridging the gap between intentions and outcomes.

Our water supply target is universal access to a basic water supply by 2008. This means that within the next three years we must put in place infrastructure for basic water services for the 3.6 million of whom currently have no access to safe water, as well as improving supplies for the 5.4 million who are still more than 200 metres from a source of safe water.

To reach our sanitation target by 2010, we will have to provide approximately 16 million people with access to a basic level of sanitation in five years. Most of these people are in rural areas, informal settlements and commercial farms.

If we are going to meet these targets we will need excellent planning in each municipality - through their Water Services Development Plans and IDPs – as well as excellent implementation plans to turn our Municipal Infrastructure Grant (MIG) funds into effective services.

We are supporting municipal planning to ensure that MIG projects are identified and prioritised and move quickly through the implementation process.

Through our support programmes we aim to identify *specific* capacity gaps so that these can be effectively addressed.

Collaboration needs to be operationalised into tasks, outcomes, report backs, and deadlines. Collaboration for water services needs to result in concrete actions on the ground, so that no person is without access to a basic water supply and no person is left without an adequate sanitation facility. Collaboration requires a high level of direction and accountability. This Chamber has a responsibility to ensure that the intergovernmental relations system is effective in meeting our country's developmental needs, and this means achieving our targets, on time.

Meanwhile, my Department will continue to develop its Policy Regulatory and Information role in water services. I have spoken at length about our support role but, in the longer term, our regulatory role is equally important to protect consumers and public interests, to ensure that we do not just provide infrastructure on the ground but working services that meet peoples' needs. A detailed regulatory strategy for water services will be unveiled before the end of this year.

I would like to close by emphasising that improved water resource management; forestry development and improved water supply and sanitation have the potential to contribute hugely to both poverty eradication and to economic growth and development. Improved collaboration between my department and the Provinces and local government will help us to ensure that this potential is realised. It will help to ensure that Provincial and local priorities are addressed and equitable economic growth and development is achieved.

Our forests must remain resources for the lives of our people. Sound water resource management underpins all our Development Goals. Water is life, sanitation is dignity!

I THANK YOU.