

KwaZulu-Natal Provincial Legislature
Speech by Mrs LB Hendricks, Minister of Water Affairs and Forestry
Pietermaritzburg, KwaZulu-Natal
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Premier
Honourable Speaker
Members of the Executive Council
Member of the Legislature

1. Introduction

It is indeed an honour for me to be here with you today to share our vision and strategies in terms of the Water and Forest Sectors that I represent at National Government level. The invitation is sincerely appreciated.

It has historically been proven that water is a catalyst that enables economic development and social progress. Increasingly we are paying more attention to the contribution that water makes to development, as it is much more than saying that the absence of water will prevent economic development – we are recognising that access to water, water infrastructure, and the effective management of water institutions form a key component of growth and development. We must therefore invest in this resource to achieve our objectives of government to create a better life for all. It is against this background that I want to share some thoughts and visions with you.

Thirteen years after democracy we are still suffering severely from the legacies of the past, and while we have made major inroads in supplying water and sanitation services we still remain with about 680 000 households in KwaZulu-Natal not having access to safe drinking water and a further 993 000 households without the dignity of access to their own household latrines. We must ask ourselves what impact this lack of adequate services is having on our people.

Honourable Premier, I am aware that you may have slightly different figures in terms of the current water and sanitation services backlog in this Province, but this should not distract us from the fact that there still is a major challenge facing us to fulfil the obligation of Government and make the dreams of our people come true. Our officials will jointly verify the actual figures with input from the local government sphere, but it is our duty to guide development and delivery of services strategically and holistically.

What then are the challenges that prevent us from providing universal access to services? We can argue about the funding limitations, the capacity of local government to deliver, competition in the building industry for scarce resources in preparation of the 2010 FIFA World Cup that we shall proudly be hosting, amongst other very serious reasons. But none of these reasons should allow us to lose sight of what we need to achieve, and we must respond to each of these challenges in order to overcome them.

Part of our response requires us to work together as all spheres of government, in the true spirit of co-operative government to ensure delivery of services to the people of our country in the shortest possible time, and then to maintain sustainable service delivery.

2. Drought

Honourable Speaker, to compound our challenges we are also dealing with the effects of a drought in KwaZulu-Natal, notwithstanding the recent rainfall. The lack of access to basic services as well as the inadequate bulk infrastructure in certain areas, makes the situation dire for such communities. An analysis of rainfall patterns over the past three seasons (2003 to 2006) indicated that large portions of KwaZulu-Natal falls within a band that stretches over the central and northern part of the Province that received below 75% of the average annual rainfall in the past three consecutive years. By international standards this defines the condition as a drought of significant magnitude. The impact is that we have experienced water source failures across the province, in both surface and underground water. It will take a number of rainfall seasons at or above normal precipitation to restore the underground sources and sustain flow in our smaller rivers and streams. All the historic small schemes are now experiencing periodic disturbances in their ability to provide water. As a short term intervention my Department is working with National Treasury, and in close co-operation with the provincial government, to ensure that

drought mitigating programme funding is provided to municipalities severely stressed by the drought. The recent budget adjustment confirmed by Parliament earlier this week has seen R35 million being made available for this assistance.

Honourable Members, until we are able to address the infrastructure needs and supply water to communities our people will continue to suffer during periods of drought. The impact of climate change will only worsen the situation.

3. Addressing the needs

Premier, we have not been sitting idly allowing events to overtake us. Together with provincial government and local government and relevant stakeholders we have a number of strategies and measures that we are undertaking to cater for the needs of both water resources and water services.

3.1 Water Resources

In Water Resources my Department has recently initiated a study to develop a water reconciliation strategy for the KwaZulu-Natal coastal metropolitan areas which includes eThekweni Metro, uMsunduzi local municipality and the adjacent areas of the districts of uMungundlovu, iLembe and Ugu. This study will be expanded over time to have all municipalities in the province covered in terms of water reconciliation strategies in due course.

Other Water Resources Development projects that are imminent include:

- The Spring Grove dam is about to be implemented on the Mooi River at a cost of R360 million to transfer water to the Mgeni River. Construction is expected to start in 2008.
- The Hazelmere Dam is to be raised by 7 metres at a cost of R25 million. The water will supply the Dube Trade Port and the new Airport, as well as the rapidly growing urban areas north of Durban. Construction is expected to start in 2008.
- A dam is being investigated in the KwaDukuza area on the Umvoti River. The cost of this dam will be about R600 million.
- A dam is being investigated on the Umvoti River near Greytown to supply rural water schemes. The dam will cost approximately R100 million.
- A licence for an off-channel dam on the Ngwadini Stream, a tributary of the Mkomazi River has been issued. This dam will be filled by pumping during the high flow period and will release water for the SAICCOR factory during drought periods, thus preventing factory closure.
- An off-channel storage dam on the Cwabeni Stream and pump station is being investigated at feasibility level. This will be built by the Ugu District Municipality. The estimated cost for the scheme is R200 million.
- My Department is participating in a provincial investigation into a flood attenuation dam on the uMzimkhulu River in the Sisonke District. The possibility of developing this structure to also serve as storage reservoir is being considered. Water supply to the town will probably be best served from a local weir on the river.
- A dam is being investigated on the Horn River for agricultural use for resource poor farmers along the Buffalo River in the Amajuba District.
- A licence application for two dams for the Eskom Pumped Storage Project which will take off peak power and store it for peak demand times has been approved. The upper dam will be on a small tributary of the Wilge River, and the lower dam will be on the Besterspruit, a tributary of the Klip River in the uThukela District.
- Resource Management Plans are being developed for all the dams for sustainable utilization of the land and water surface. This initiative will present the Province with economic development opportunities, positively impacting on the Provincial Growth and Development Strategy.

In addition to these exciting projects we are seeking to provide redress in the inequalities of water allocation to farmers, and the Mhlathuze River Catchment has been selected as one of our national pilots to investigate the potential for water allocation reform. This investigation is well advanced. Indicative figures show that sufficient water can be reallocated to irrigate at least 10 000 hectares (ha) of new land. This represents about half of the current allocation to agriculture in the catchment. My targets are to allocate the water to emerging new farmers to reach at least 10% representativeness in the Mhlathuze River catchment with almost immediate effect and increase this to 30% by 2014. Water allocation reform needs to accompany land reform and the Department of Land Affairs is actively

purchasing farms in the area for resettlement. To date about 3 000 ha of land have been acquired within the Nkweleni and Heatonville Water User Association's Scheduled Areas.

Honourable Speaker, as I said earlier, water is critical to development and it is important for the KwaZulu-Natal Department for Agriculture to work closely with the uThungulu District Municipality and local Water User Associations to find sufficient suitable land to take up the available water quotas and to develop strategies to capacitate the new entrants into the irrigation sector to sustain local economic development.

Honourable Members, you may recall that I announced in March that I had made 60 million cubic metres of water per annum from the Pongolapoort Dam available for sugar development on the Makhathini Flats. The developers, comprising a joint venture between Tongaat-Hulett Sugar and Irrimec will undertake a feasibility study over the next 36 months. It is envisaged that there will be a bio-fuel component and a sugar component to this Black Economic Empowerment (BEE) project.

3.2 Water Services

Already on the Water Services side we have a draft Provincial Water Sector Strategy Plan, which is currently being finalised. The objective of this plan is to provide a strategy and framework for the province to ensure the backlog targets are met, and to achieve sustainability of Water Services at all levels.

The longer term objective of the Provincial Water Sector Strategy Plan is development of Province-wide Bulk Water Schemes aimed at ensuring operational sustainability. Five of these schemes have already been approved in the districts of Ugu, uThungulu, uMkhanyakude and Zululand and seven more schemes are currently being investigated at final feasibility level to be implemented in the other six districts as from early next year. The current allocation to the programme in KwaZulu-Natal is R350 million over the next three years. My Department is finalising submissions to National Treasury to expand the programme over the next two years to a total amount of about R350 million every year until all local water supply networks have been sustained in terms of source security.

The Provincial Water Sector Plan reflects the development priorities of the Provincial Growth and Development Strategy (PGDS). This integration will be enforced through the Water Service Authorities' *Water Service Development Plans* and alignment of these plans with their Integrated Development Plans.

We look forward to this Provincial Plan being finalised next month and presented to the Provincial Structures for adoption, and then integrated into the National Strategy Plan.

Honourable Speaker, aside from the bulk and regional services, water services is in the main a local government competence, which is supported by provincial government and by national government, with my department along with DPLG and National Treasury providing regulatory oversight over the different aspects of the provision of water services.

In the last financial year Water Services Authority municipalities in this province have done us proud and utilised 97% of the almost R1,1 billion that was allocated to them under the Municipal Infrastructure Grant (MIG) programme of which 88% specifically went to water and sanitation services infrastructure. This is by far the best performance of local government in all of the nine provinces. Please accept my appreciation and congratulations on this outstanding performance over the past couple of years since the inception of the MIG programme.

We do acknowledge that there are a few of the Water Services Authority municipalities in KwaZulu-Natal that are still facing challenges to reach their optimal performance. These mainly stems from lack of project management and technical skills available to them. Honourable Speaker, in this we need to take hands and reach out to these municipalities in constructive support. From my side I will ensure that the Regional Office of my Department of Water Affairs and Forestry here in KwaZulu-Natal engage with them on an ongoing basis to assist and support water sector development planning and programme management.

Effective provision of water services and our development initiatives can only be sustained if appropriate operation and maintenance of infrastructure is in place. To this extent municipalities need to implement effective billing and revenue collection programmes, and if they lack capacity in this area, they must be

supported. The income generated by these services is critical for municipalities and will contribute to the successful operations of municipalities and implementation of infrastructure maintenance plans. Where there is the provision of Free Basic Water municipalities are being supported through the Equitable Share of national revenue to sustain services to those consumers.

4. Local Communities

Honourable Speaker, you had requested that I specially address the work that we are doing in the Uthukela, Umkhanyakude, Ugu and UMzinyathi Districts in my address to you today, as this house has visited these four districts during its programme of 'Taking Legislature to the People'.

I have already mentioned some of the work that we are doing which includes these areas and would like to add:

I have accompanied the Deputy President on a visit to the Bergville/Woodstock Dam area in May this year. I was shocked to see the hardship of the people of this area when they live in the presence of a major water development scheme, which is transferring water from within this area to the economic hub of our country in Gauteng. I plan to initiate a review of our policies around how the people living around our major storage dams can benefit from these resources. The anomalies of apartheid are there for all to witness; that we have communities living in close proximity to these strategic assets and not being able to benefit from them. I have committed support by my department to the uThukela District Municipality to source funding for the implementation of a local water scheme to unlock tourism potential and contribute to local economic development in the Woodstock Dam area. The cost of this scheme is estimated at R 45 million.

The recent Imbizo of the President has highlighted serious areas of concern in the manner in which the Municipalities manage water resources infrastructure they own and the need for my Department to consider options to assist municipalities in this regard. The Olifantskop Dam in the Indaka Municipality visited by the President is not peculiar in this case, and there is a need to review the role of Local Government in this regard.

Like in Uthukela, the same situation exists around the Pongola Poort Dam at Jozini in the uMkhanyakude District. The proposed sugar development on the Makhathini Flats that I referred to earlier will create opportunities for thousands of families to benefit from the economic spin offs of this development in the district, one of the poorest districts in your province. The uMkhanyakude District Municipality, with support by my Department and the Mhlathuze Water Board, is currently in the process of undertaking a Bulk Water Supply Master Plan which will provide the district with a strategy towards ensuring a sustainable and safe water source. A number of regional and sub-regional schemes have been conceptualised, entailing the utilisation of the dam and development of bulk water storage infrastructure for abstraction of water from the local rivers to serve various communities throughout the district. The completion cost of the Master Plan is estimated at some R 2 billion.

My department supported the Ugu District municipality in developing proposals to plan and implement a bulk regional water supply scheme in the Mathulini area and implement bulk regional waterborne sewage disposal systems in the Malangen area. Similar regional bulk water supply schemes to sustain water supply in the Greytown and Qudeni areas in the uMzinyathi District are being supported.

The water crisis in Umvoti and Umsinga Local Municipalities is being investigated by my Department and Umzinyathi District Municipality, the situation is being compounded by the reported ineffectiveness of Uthukela Water Company established by the District Municipalities in the Uthukela Catchment. I have discussed the Uthukela Water situation with Honourable MEC Mabuyakhulu and we will ensure that the recommendations of the forensic investigation report are considered seriously.

5. Forestry

Honourable Speaker, my Department is also a lead department for Forestry, we are in exciting times in this Sector in terms of transformation. You may be aware that in June 2007, I launched the Forestry BBBEE Charter, which is currently being finalized. I am envisaging dramatic transformation in the sector; KwaZulu-Natal is one of the provinces to significantly benefit, given that it is an important forestry province.

My Department will be transferring indigenous forests to the KwaZulu-Natal Provincial Department of Agriculture and Environmental Affairs, as per Cabinet's decision - the process is at an advance stage.

I have recently approved the transfer of the popular Mbazwana and Manzengwenya plantations to the community neighbouring them, working together with the Regional Land Claims Commission and the KwaZulu-Natal Provincial Department of Economics Development.

Soon, Honourable Speaker, we will see the resolution of the Dukuduku situation. Together with the MEC: Local Government, Traditional Affairs and Housing, Mr M Mabuyakhulu and KZN Cabinet's Ministerial Oversight Committee and the Minister of Environmental Affairs and Tourism, we will be tabling a Cabinet Memorandum to both National and Provincial Cabinets to endorse our recommendation. As the responsible Minister I am happy with progress to this point. A solution to Dukuduku, which is further complicated by a land claim, will require effective intergovernmental engagement; and there are still issues of the Housing Project at Ezwenelisha and Khula Village, the two farms the state acquired to relocate families from the forest, which still need to be resolved by the Province as well as provision of basic services by the Umkhanyakude District Municipality.

We recognise that the growth of the forestry sector will create employment opportunities and contribute to economic growth; I am therefore driving afforestation in KwaZulu-Natal and the Eastern Cape which over the next ten years will see significant expansion of the land under forests. To support this goal we are looking at how we can fast-track water use licensing.

We have also embarked on a campaign to plant a million trees a year - starting this year. This programme is a quest by Government to encourage the 'greening' of environment in partnership with communities, and local and provincial governments. We encourage the planting of indigenous trees and fruit trees, whilst we embark on the elimination of alien vegetation and poverty alleviation through our Working for Water Programme.

The veld and forest fires that ravaged this province and others recently are regretted, the role the Province played in support of the affected families is appreciated. As a result of the fires we have intensified our programme of assisting in the establishment of fire protection associations and awareness promotion in handling fires and prevention. We are hoping that the initiative will make a difference in our lives.

In conclusion, I am placing at your disposal the services of my officials in the region to be of service to the province as and when it is necessary.

I thank you.