

**DRAFT FOUR – 13 April 2011**

**BUDGET VOTE SPEECH DELIVERED BY THE HONOURABLE  
MINISTER OF WATER AND ENVIRONMENTAL AFFAIRS, MINISTER  
EDNA MOLEWA, MP**

**PARLIAMENT NATIONAL ASSEMBLY**

**14 APRIL 2011**

***“WORKING TOGETHER WE CAN MAKE MORE WATER AVAILABLE  
FOR ECONOMIC GROWTH”***

Honourable Chairperson of the session

Honourable chairperson of the Portfolio Committee

Honourable members of Parliament

Chairpersons of boards and CEO's of entities

Distinguished guests

Ladies and gentlemen:

***INTRODUCTION***

We present our Budget Vote Speech, during an important month in the history of the development for our democratic society.

The month of April is a month when we celebrate freedom and democracy in our country.

In particular this year we are celebrating 17 years of the progress we are making in building one South African nation, united in its diversity.

This is a society envisaged by those visionaries who many years ago, in 1955, declared that **South Africa belongs to all who live in it, Black and White.**

April is also historic in that it is the month in which we remember those gallant fighters of our liberation struggle, Chris Hani, Oliver Tambo and Solomon Mahlangu, who passed on during this month.

As we celebrate and remember these milestones in the history of our country, we must not lose sight of our historic mission: To build a united, democratic, non-racial, non-sexist and prosperous society.

Honourable Chairperson, we present this budget fully aware of the responsibility we carry as the Department of Water Affairs to contribute to the national effort to build a more just and equal society; focused on the creation of more and sustainable decent job opportunities.

This is the vision that President Jacob Zuma so eloquently articulated during the State of the Nation Address.

Guided by this vision we as the Department of Water Affairs will during this financial year work together with the people of South Africa to; ***“make more water available for economic growth and the creation of decent jobs.”***

### ***WATER SCARCITY WILL LIMIT THE POTENTIAL FOR ECONOMIC GROWTH***

Honourable Chairperson, as we stand here today to, among others, solicit your endorsement and support of this budget vote on Water Affairs, the world population is at 6.8 billion and is increasing at about 83 million people every year.

Just as alarming as this increasing rate is, so is the rate at which natural resources upon which all life depend dwindle!

In our own country of about 50 million people, we face the challenges of freshwater scarcity which is exacerbated by its growing demand, pollution of its sources, its wastage and its unsustainable usage.

Honourable Members we have no option but to change our behavior and attitudes towards water use, as part of our ongoing endeavour to build sustainable livelihoods for the people of our country.

Indeed if we do not change the way we use our water resources, our ability to meet the objectives of The New Growth Path, key among them is the creation of decent work, will not be achieved.

Without water, we will struggle to meet the energy generation capacity we need for economic growth.

Without water, the agricultural sector's ability to create jobs and provide food security for our country will be severely curtailed.

Honourable Members, the mines and factories that must contribute to economic growth and employment creation will not survive.

We therefore have a collective responsibility to proactively protect our water resources, prevent them from being contaminated, and to use our water resources efficiently to ensure its sustainable availability for the benefit of all.

### ***WE WILL CONTINUE TO BUILD AND MAINTAIN ADEQUATE WATER INFRASTRUCTURE***

Honourable Members, one of the imperatives for economic growth and job creation is infrastructure development.

In this regard, we are proud of the work we are doing to improve water infrastructure in our country.

You will be pleased to note that the Trans-Caledon Tunnel Authority has procured funding in order to implement the Mokolo and Crocodile River (West) water augmentation project phases 1 and 2, with total cost of about R2b, in order to deliver water to Eskom's new Medupi power station and other industries in the area as well as domestic water to the Lephalale local municipality.

About 75 per cent of this phase will be funded by off-budget sources while the remainder will come from our budget and we expect the first water delivery in 2014.

In Kwa Zulu Natal on the Mooi River near Rosetta, we have already awarded a R2.2b contract for the construction of the 42m-high Spring Grove Dam with a storage capacity of 142 million m<sup>3</sup>.

Work will commence shortly and we expect the first water delivery in November next year.

In the same vein, we will be spending R91, 2 million in this financial year to raise the Hazelmere Dam, in order to augment the water supply to Umgeni Water for

treatment and supply purposes to the KwaZulu Natal North Coast in the areas of Mdloti to Thukela.

Honourable Members the construction of De Hoop Dam and its associated distribution systems to deliver water for domestic and agricultural use in the Greater Sekhukhune, Waterberg and Capricorn District Municipalities is on course.

The estimated cost for completing the construction of the De Hoop Dam which began in 2007, is approximately R3.1b. Of this amount, R2.1b has been spent up to the 2010/11 financial year, and R926 million will be spent over the next three years to complete the dam. The distribution network will be constructed concurrently with the completion of the dam.

This will deliver water to a total of 3 million Limpopo residents for domestic purpose.

During this financial year, we will commission the construction of a water conveyance system from the Vaal Dam to Secunda to augment the water supply to Eskom power stations and SASOL.

This comprises abstraction works, storage reservoir, high lift pump station, and a 121 kilometer pipeline.

In addition to the infrastructure development that is currently underway, we are also finalizing the planning and preparing for the construction of other dams and related infrastructure.

These include the completion of Water Treatment Works and Bulk Distribution system from Nandoni Dam in Limpopo, the construction of a pipeline from the Flag Boshielo Dam to Mokopane and nearby communities, the completion of feasibility studies and designs of the Umzinvubu and Foxwood Dams in Eastern Cape, the construction of the Bulk Distribution Pipelines and reticulation networks from the Jozini Dam in KZN as well as the Groot Letaba Augmentation project, consisting of the raising of the Tzaneen Dam, the finalisation of the plans of the construction of the N'wamitwa Dam and the associated Water Treatment Plants and Bulk Distribution pipelines.

We are well advanced with the negotiations for a joint agreement with the government of Lesotho for the implementation of the second phase of the Lesotho Highlands water project, which will augment the Vaal River system that supplies water to Gauteng and the surrounding areas. This is scheduled for completion in 2020.

Honourable Chairperson, all this work is intended to improve our water infrastructure in our country is in line with our overall commitment to ***“make more water available for economic growth and the creation of decent jobs.”***

We will continue to rely on your support as we embark in this important task.

### ***WATER SECURITY AND SECURITY OF SUPPLY ARE HIGH ON OUR DELIVERY AGENDA***

South Africa is arguably, a water scarce country. It has a low rainfall and has one of the lowest run-offs in the world. I must emphasise that this phenomenon is not only unique to South Africa, it is a global issue.

Some prophets of doom have sent wrong signals that Gauteng will run out water by the year 2013, while others say in 2025.

What is interesting is that there is no agreement among them on this issue.

As the Minister responsible for Water, I want to assure the Honourable members and the South African citizens that if we manage our resources well and use water judiciously, there will be no eminent shortage of water.

Our current projections are that South Africa will in all probability exceed the limits of our economically useable land based water resources by 2050, - but my department is working on innovative measures to ensure that there will be clean water for human consumption for future generations.

We admit that there are real and significant challenges with regard to water management in our country and it in this regard that we have already began to think creatively about different ways of preserving and protecting this precious resources.

Factors such as climate change and the increasing population growth, lead to an increase in water consumption and continue to be challenges.

Education of the general public on water conservation continues to be highly imperative. Thus we have begun with campaigns aimed at raising awareness about

water conservation and encourage our communities to become leaders of a movement that will wage war against water wastage.

We have also begun engaging in the task of desalinating sea water into fresh drinking water.

We have already started this work in the Western Cape and we intend bringing it to other coastal towns to augment the water supply for domestic.

In December 2009, we completed a Desalination plant in Sedgefield and in June last year, we completed a waste water recycling facility in George.

We have already secured water supply for the Eden District through desalinated water from the Mosselbay, Sedgefield and Bitou plants.

Honourable Members, groundwater remains a very important source of water which we have not fully exploited as a country.

I am pleased to announce that we have already started to implement a strategy aimed at exploiting our underground water resources.

Elements of this strategy include training and support for municipalities with groundwater management tools, publishing of the National Groundwater Archive and support to municipalities with the implementation of artificial recharge where feasible, to secure water for later use.

During this financial year, we will focus more on monitoring of groundwater resources especially Acid Mine Drainage, trans-boundary aquifer systems, climate variability and municipality systems.

Honourable Speaker, collectively these interventions will go along way towards making more water available to allow our country to pursue the strategic objective of growing the economy and creating more decent jobs.

### ***OUR SUPPORT TO LOCAL GOVERNMENT IS KEY TO THE EFFICIENT DELIVERY OF BASIC SERVICES***

Honourable Members, we will continue to work with local government to assist them in dealing with challenges related to water provision.

The Bulk infrastructure we aluded to above which is provided by the Department of Water Affairs needs to be integrated with water infrastructure provided by the Water Services Authorities (Municipalities) working under COGTA. The Water Services Authorities have been experiencing difficulties in linking reticulation

infrastructure to the Bulk Infrastructure(dams). This challenge has in many instances left communities without water for household consumption whilst the pipelines pass through such communities. In reviewing this practice which had unintended consequences, we have adopted a new approach of water provision with the concomitant infrastructure from " Source to tap". This requires joint planning and execution similar to the one we applied during the FIFA world Cup.

This we will do to give practical meaning to our commitment to cooperative governance across all spheres of government.

Specifically, we will continue to work with municipalities to address challenges such as effluent discharges into rivers and streams, aging water infrastructure at municipal level, the state of the waste water treatment works and skills development.

Indeed, the service delivery agreements we have signed with the President of the Republic attests to the need for all spheres of government to complement each other in the execution of our collective mandates.

We are pleased to report that thus far we have worked well together to build capacity at local government level in the area of water quality management through our Green Drop and Blue Drop Certification programmes.

The continuous consultative audits conducted as part of the Green Drop Certification programme ensured that local authorities are capacitated on the strategic elements required for effective wastewater management.

The introduction of the targeted Risk-based Regulation also ensures that all municipalities are informed on the site-specific risks posed to their wastewater operations with tangible targets set for improved planning.

This Risk-based Regulation was augmented by a global first innovation to develop a Wastewater Risk Abatement Planning (W<sub>2</sub>RAP) process which is currently being peer reviewed by the Water Research Commission and will be rolled out as soon as the peer review is completed. This will create a new pre-emptive paradigm for waste water service management.

We are currently using this system within the Hartbeespoort Dam Catchment area to ensure an improvement at source of the effluent being discharged into contributing tributaries.

We are also grateful for the commitment of the municipal wastewater treatment management in the City of Johannesburg, City of Tshwane, Ekurhuleni, Mogale

City and Randfontein in improving wastewater processing through the introduction of the W<sub>2</sub>RAP process.

In another important development, the Cities of Cape Town and eThekweni adopted this process voluntarily since they saw the enormous benefit that such an approach will bring to their wastewater management approach

We also deployed the Emergency Response Facility (Rapid Response Facility) as informed by the Green Drop regulatory processes.

In this regard, I am also pleased to announce that we will host the 3<sup>rd</sup> Municipal Water Quality Conference between 28 – 30 June this year, in Cape Town.

This Conference will bring together municipal and water service institutions, our public as well private sector partners to engage on various ideas, sharing best practice and expertise towards “*Changing the Landscape of Municipal Water Quality in South Africa*”.

We are also implementing the Accelerated Community Infrastructure Programme (ACIP) whose purpose is to assist with the refurbishment of wastewater related infrastructure at local government level.

Going forward, Honourable Members, we will introduce new Regulations for Process Controlling which incorporates mandatory training for all water and wastewater process controllers.

This we will do with the objective of enhancing and professionalizing water and waste water treatment skills.

In line with our commitment to the principle of cooperative governance we will this year adopt an integrated approach to water provision.

In terms of this approach we will work together with Water Services Authorities in the Metros, District Municipalities and Local Municipalities to provide an unbroken chain of water supply from source to tap and to ensure the sustainability of our water usage.

Honourable Members, we are doing all of these things to ensure that we increase the capacity of Local Government to deliver more quality water services to more people.



## ***WE WILL WORK TIRELESSLY TO UPHOLD THE STANDARD OF OUR WATER QUALITY***

Honourable Members, the issue of water quality in our country is a matter we take very seriously.

Government is determined to provide the best quality water in line with acceptable standards.

In this regard, we note with appreciation that; our Blue Drop Certification process continues to establish a new focused approach towards effective drinking water quality management.

In August 2010, the Drinking Water Inspectorate of the United Kingdom assisted us in creating greater awareness on the relatively new World Health Organization concept of water safety planning.

Today in South Africa, through the implementation of Water Safety Plans, about 150 water supply systems comply with this new approach.

We are also pleased to report that working together with municipalities, we have initiated various capacity building programs in preparation for the Blue Drop audits that are currently underway.

This process will be completed by end of April after which the Blue Drop 2011 Report will be released in June.

We applaud the commitment with which municipal officials are preparing for these audits.

To us this indicates an improved understanding of the importance of effective drinking water quality management and greater respect and credibility of our regulatory role as a Department.

Honourable Members, we are also proud to report that; as a member of the World Health Organization (WHO) Drinking Water Regulators Network, we participated in deliberations where the Blue Drop Certification was presented and well received.

This development proves the assertion that our drinking water compares favorably to the best in the world. We once again make a call to all South African to contribute toward upholding this standard by not polluting our sources of water.

We look forward to hosting the 4<sup>th</sup> Drinking Water Regulator's Network meeting for 20 Member Countries in Cape Town later this year.

The Network will allow us to showcase our home-grown regulatory approach to regulators from the developed world.

### ***OUR ENFORCEMENT AUTHORITIES ARE READY TO DEAL WITH WATER TRANSGRESSIONS***

Last year we reported that our compliance monitoring and enforcement capacity was increased when a total number of 14 Water Management Inspectors were recruited and trained. You will be pleased to note that that number has now increased to 21.

In this respect, we have issued a total of 141 Pre-Directives and 26 directives. Four (4) of these directives have been resolved positively and 25 cases are currently before the courts.

Our vigilance and water compliance efforts has revealed unlawful water use from the Vaal River system. Over the next financial years, we will continue to undertake measures aimed at clamping down unlawful activities in our water systems across the country.

This will be done after an intensive Verification and Validation process. It is estimated that on the Vaal river system alone, some 244 cubic meters of water per annum are being utilized unlawfully depriving legal users of their legitimate use.

With regard to the Acid mine Drainage, work that needs to be undertaken following a decision of Cabinet in February, will include enforcement of sections 19 and 20 of the National Water Act to follow up on the polluters of water in the Witwatersrand Mining area.

As government, we have rightfully undertaken to rehabilitate and clean up the water in partnership with a few mining houses. We will continue to apply the polluter pays principle without fear or favour.

### **LEGISLATIVE REVIEW**

Honourable Members, as part of ensuring that we make more water available for economic growth and the creation of decent jobs, we will this financial year embark on a process of legislative review.

The legislative review is aimed at addressing the negative consequences emanating from the practice of water entitlement by certain sections of our society.

Out of this legislative review, a process which we will conduct very carefully and after extensive consultation, we will emerge with a legal frame-work that will prevent the practice of water entitlement from resulting in the undesirable situation where water resources are hoarded and not released for the benefit of all.

The revised legislation will make it possible for the reallocation of water resources to other sectors of the economy, especially those sectors that have been identified as critical in advancing the objectives of the New Growth Path.

The new legislation will also make it possible for the reallocation of water resources to new human settlements across the country.

We hope Honourable Members will support us as we embark on this important task which is critical in changing the way we use our water resources and which will go a long way in assisting us expand access to water resources.

***WORKING TOGETHER WITH AFRICA AND THE WORLD, WE WILL COLLABORATE IN BRINGING WATER TO OUR COMMUNITIES***

Honourable members, I am pleased to report that on the 20-22 March, we hosted a very successful World Water Day in Cape Town, which coincided with our Water week. This event was held in partnership with UNHabitat and the African Ministers Council on Water (AMCOW) which South Africa presides over.

It is our intention that by the time we hand over the baton of leadership of the African Ministers Council on Water, we will leave behind a legacy of a solid well-functional Specialized Technical Committee (STC) of the African Union.

This will go a long way towards ensuring that the African Ministers Council on Water continues to provide political leadership that will assist to monitor and guide efforts to achieve the water and sanitation targets of the Millennium Development Goals.

Honourable Members, water knows no boundaries. It is for this reason that we will continue to share our resources with our neighbouring countries.

In this regard four of our major rivers systems are shared with six immediate neighbouring countries, namely, Botswana, Lesotho, Mozambique, Namibia, Swaziland and Zimbabwe.

To regulate the use of water from these rivers, a number of bilateral and multilateral Commissions and Committees have been established between South Africa and our neighbors.

This clearly shows our role as a global player in drinking water quality management and proves our assertion that our drinking water ranks among the best in the world.

## **CONCLUSION**

**In conclusion, as we table this budget vote, we invite you as citizens of this country to support us in this quest to make South Africa a water conscious country for the benefit of the present and future generations. As we chart a new policy context, we shall continue to infuse in our approach the constitutional and human rights imperatives towards our service delivery model.**

Honourable Members, the people of our country continue to have confidence in this government.

They continue to rely on us to work even harder to consolidate and improve on the gains of freedom and democracy, whose 17<sup>th</sup> Anniversary we celebrate this year.

As public representatives we have a responsibility not to let them down. We must remain focused on our historic task; the task of building a united, non racial, non sexist democratic and prosperous society.

As the Department of Water Affairs we are ready to put our collective shoulder to the wheel as we advance towards the completion of our historic task.

Our immediate task in this regard is to continue working together with all stakeholders to ensure that we make more water available for socio economic growth and the creation of decent jobs.

We trust that we can continue to rely on the support of Honourable Members of this house as we do our work.

Thank you.

