



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

19 MAY 2016

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

INTRODUCTION

In South Africa, the right to water as a basic service is a constitutional right. Yet, the lack of ownership of access to water continues to perpetuate inequality and poverty. However, we are convinced that the impact of inequality and poverty could be minimized by opening up this protected space so as to ensure that water as a natural resource is available and shared by all.

As guided by the National Development Plan, the ANC Manifesto, the second National Water Strategy, the Strategic and Annual Performance Plans of the Department of Water and Sanitation have put water provision and sanitation services as a non-negotiable centre of focus. As part of that commitment to deliver service to our people, the issue of access to water and sanitation becomes central in the drive towards radical socio-economic transformation to create jobs, reduce inequality and push back the frontiers of poverty.

For downtrodden, marginalized and ordinary people, like uMaDlamini and Kokwana Chauke, who have 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 should cease being just a swan song.

As part of the drive towards radical socio-economic transformation, we need to emphasize the point that solutions to water and sanitation service delivery challenges must include the opening of the sector to those that have been disenfranchised. This will have to be done, amongst other things, by providing skills development, economic empowerment as well as access to quality water and dignified sanitation.

In this regard, the game changers will firstly have to be about revisiting the water ownership patterns and water use rights in our country. Secondly, it is about educating and creating awareness amongst our communities about conservation, preservation and security of our scarce resource as well as innovation.

Furthermore, the game changers will have to harmonize the roles and responsibilities of institutions and all spheres of government in the best interest of the end-user both individually and collectively. We can achieve this, only if we put communities first in what we do and demonstrate that it is now ***business unusual!!!!***

In an attempt to deal with the above-mentioned challenges we have introduced policy, legislative and institutional reforms to give effect to the radical transformation of the water and sanitation sector to redress the imbalances of the past. In this regard, the Department has gazetted the sanitation policy for public comment. Furthermore, the Department is in the process of finalizing the National Water and Sanitation Bill and will move with speed to create the Water and Sanitation Infrastructure Agency.

South Africa and the entire region have in the past few months experienced a severe drought last experienced 34 years ago. The country's dam levels averaged 34% then as compared to the 2015 dam levels of approximately 55% recorded in January 2016. Coupled with the El Nino phenomenon, this became a wake-up call to most South Africans that water is a precious resource which needs to be guarded and preserved. To mitigate this challenge of drought and climate change, we have put in place in a number of interventions in the short-term as well as the medium to long-term. The Department has already spent in excess of R500 million on emergency and short-term interventions.

Honourable Chairperson and Members,

As we stated during the budget review last year, 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.

Our Department continues to work in close collaboration with the Department of Co-operative Governance and Traditional Affairs (CoGTA) and National Treasury to deal with issue of poor technical capacity, ageing infrastructure, lack of budgets for operations and management to enhance and strengthen the Back to Basics Programme.

Whilst the Back to Basics Programme focuses, in general, on the 27 District Municipalities that are dysfunctional; in addition to the B2B work the Department of Water and Sanitation in co-operation with the Province of North-West and Eastern Cape have made Section 139 (1) (b) interventions on water and

sanitation matters in Madibeng, Ngaka Modiri Molema and Makana and will continue with such whenever the need arise.

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 therein shall serve as a guiding document for all stakeholders in the water sector in pursuit of effective and efficient delivery of service.

When we tabled the Budget Vote last year, we outlined our strategic priorities (Water Resource Management; Water Infrastructure Development; Water and Sanitation Services and the exercise of Regulatory and Policy responsibilities) for improving service delivery to our people. Therein we recognize that a large number of the municipal water systems and sewerage systems are in a very poor state of operation and we are committed to fixing this.

As an intervention to deal with the aforementioned challenges, the Inter-Ministerial Task Team endorsed and supported implementation of a proposal by the Department of Water and Sanitation to implement a **“Radical Approach for Operations and Maintenance of Water and Sanitation Infrastructure”**.

This Budget Vote today takes account of all the policy and strategic imperatives as well as the implementation of the Annual Performance Plan for 2016/17. The total budget for the Department for the 2016/17 financial year is **R15,2 billion**. Over the medium-term, this budget is expected to grow to slightly more than **R16 billion by 2017/18** as the Department strives to improve the delivery of service to the people.

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

- **R1,6 billion** is allocated to Administration.
- **R841 million** is allocated to Water Planning and Information Management.
- **R11,6 billion** is allocated to Water Resources Infrastructure Development.
- **R7,1 million** is allocated to Water and Sanitation Services.
- **R345million** is allocated to Water Sector Regulation and Policy Development.

In addition, the Department will also transfer, **R 1,8 billion** in 2016/17 and **R 2,1 billion** in 2017/18 to the Water Trading Entity through the Water Infrastructure Management programmes.

INFRASTRUCTURE PROGRAMMES

The total amount of the Infrastructure Programme is **R10,8 billion**. The breakdown is as follows:

- Regional Bulk Infrastructure Programme (RBIG) has been allocated **R5,3 billion**
- Water Services Infrastructure Grant (WSIG) to the tune of **R3,1 billion**
- Accelerated Community Infrastructure (ACIP) Programme to the tune of **R164 million**
- Water Infrastructure Management Programme has an amount of **R1,8 billion**
- Bucket Eradication Programme (BEP) to the tune of **R350 million**

Regional Infrastructure Grant per Province

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. Thus the Regional Bulk

Infrastructure Grant aims to develop new, refurbish, upgrade and replace ageing infrastructure that connects water resources to infrastructure serving extensive areas across municipal boundaries.

As indicated above, we will be spending in excess of **R5 billion**, in this financial year through our Regional Bulk Infrastructure Grant in various projects across the provinces to address these infrastructure challenges.

In **Mpumalanga**, we will be spending an amount of **R580 million** towards 16 projects towards water infrastructure development and maintenance during this financial year. Four (4) projects are already at a construction stage with R215 million budget. One (1) project is earmarked for completion during this financial year. Ten (10) projects are at Infrastructure Requirement Specification (IRS) stage with a budget of R172 million. Two (2) projects are at Feasibility Study and at planning stages with a Budget of R191 million, respectively.

Projects that will benefit in this programme include the Lushushwane Bulk Water scheme, Hoxane Bulk Water Supply (Phase 3 Extension), Bushbuckridge Water Services, Balfour Waste Water Treatment Works, Upgrade of Delmas Waste Water, the Emalahleni Bulk Water Supply Upgrade and Northern Nzikazi Bulk Water Scheme among others.

The **Eastern Cape** will receive an amount of **R1,1billion** for this financial year. These funds will address the challenges of bulk infrastructure in different areas including the OR Tambo District Municipality XXXXX, and the King Sabata Dalinyebo Local Municipality water supply scheme and sanitation, the Xhoxa Bulk Water Supply and the Middleburg Ground Water Supply in Chris Hani, the Mbizana Bulk Water Supply in Alfred Nzo, including Sterkspruit Bulk Water Supply and the Lady Grey Bulk Water Supply in Joe Gqabi and many others across the province.

Furthermore, it 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 seventeen (17) regional bulk infrastructure projects totaling **R1billion**. **Ten (10)** projects are in construction stage and 5 projects are earmarked for completion in this financial year. Three (3) projects are at design stage and four (4) other projects are at **IRS** stage.

We will also intervene in the Polokwane Municipality to help unlock development which has been stifled due to water shortages as a result of drought and ageing infrastructure. In this financial year, we will spend approximately R200 million towards replacement of an asbestos pipeline and completion of the boreholes project as immediate relief to the current crisis.

Some of the projects to benefit include the Mametya Sekororo Bulk Water Supply in Mopani, the Giyani Water Services, Mogalakwena Bulk Water Scheme, Mooihoek/Tubatse and Nebo Bulk Water Schemes in Sekhukhune.

The **North West** Province will receive an amount of **R550 million** to implement various infrastructure development and maintenance schemes comprising seventeen (17) projects. Ten (10) projects are under construction with one (1) project at retention stage. One (1) project is earmarked for completion in this financial year.

This budget will thus address challenges with ground water quality, as well as inadequate bulk supply, for an example the Taung/Naledi Bulk Water Supply and Greater Mamusa Bulk Water Supply in the Dr. Ruth Mompati District Municipality.

Other projects include the Pilanesberg Bulk Water Supply Scheme which will benefit various municipalities for both domestic and industrial water supply. Koster Waste Water Treatment Works upgrade, Mafikeng South Bulk Water Supply, and the Madibeng Bulk Water Supply will also receive attention, amongst others.

The **Northern Cape** will receive an amount of **R229 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 two catalytic projects being pursued are the Kalahari East Pipeline Extension and the Vaal Gamagara Bulk Water Supply Projects

Kwa-Zulu Natal will receive an **amount of R795 million**, this financial year.

Fifteen (15) projects have been allocated for 2016/17 financial year. 12 Projects under construction stage and 5 projects are earmarked for completion in during this financial year. We also have three (3) projects that are at designed stage.

Among the schemes to benefit through the Regional Bulk Infrastructure Grant in KwaZulu Natal are the Lower uThukela Regional Bulk, the Greater Mthonjaneni Bulk Water Supply Phase 2, Dukuduku Resettlement Water Supply, and the Nongoma Bulk Water Supply, amongst others.

The Raising of Hazelmere Dam will augment the water supply to the KwaZulu-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 **R519 million** for their Regional Bulk Infrastructure Grant projects for this financial year.

The total budget allocation will fund 23 Projects during this financial year. 17 Projects are under construction stage and 3 earmarked for completion in 2016/17 financial year.

Some of the projects include Jagersfontein/Fauresmith Bulk Water Supply Phase 2 in Kopanong, the Mohokare Bulk Water Supply, Setsoto Bulk Water Supply, Maluti-a-Phofung Bulk Water Supply Phase 2, Ntakoane Regional Water Supply augmentation.

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 through the construction of the Caledon Bloemfontein portable water supply scheme.

Gauteng will receive **R346 million** to be allocated to six (6) projects for 2016/17 financial year. Three (3) Projects under construction stage and one (1) project is earmarked for completion in this financial year. In addition, one (1) project is under tender stage and already awarded, whilst two (2) projects are at designed stage.

Currently some of the projects being implemented include the Sedibeng Regional Sanitation and Westonaria Regional Sewer Schemes, Rothdene Pump Station as well as the Mohlakeng Pump Station and Sewer Outfall.

The other two Strategic Projects are Syferfontein and Lion's Park. On implementation, pending the agreement between the Department of Water and Sanitation on the one hand and the Gauteng Provincial Government and the

Johannesburg Metro, the two projects will unlock infrastructure development in the south and north of the City of Johannesburg, respectively.

In the Western Cape, ten (10) projects at construction stage, with one (1) project earmarked for completion in the financial year. Three (3) projects are at **IRS** stage, whilst feasibility studies are undertaken for two (2) other projects.

Some of the projects that will benefit are Citrus Waste Treatment Works and the Clanwilliam/Lambertsbaai Regional Water Supply and Desalination in Cederberg, Tulbagh Bulk Water Supply, Calitzdorp and Ladismith Waste Water Treatment works in Kannaland and the Outshorn Groundwater Supply.

Honourable Chairperson and Members,

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

The **Accelerated Community Infrastructure Programme** will receive **R164 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 **R 3,1 billion**. The programme aims to facilitate the planning and implementation of various water and sanitation projects to accelerate backlog reduction and improve the sustainability of services in prioritised district municipalities, especially in rural municipalities (areas).

Furthermore, it aims to provide interim, intermediate water and sanitation services that ensure provision of services to identified and prioritised

communities, including through spring protection, drilling, testing and equipping of boreholes and on-site solutions. The programme will also support drought relief projects in affected municipalities.

In addition, we will spend an amount of **R 33,5 million** on rain water harvesting to provide poor farmers with quality water as well as general assistance for their harvests.

SANITATION INFRASTRUCTURE PROGRAMME

Honourable Chairperson and Members,

We have eradicated all buckets in 5 provinces. We are currently working in the remaining 4 provinces. Those 4 provinces have about 18 000 buckets that still need to be eradicated with the majority in the Free State province and by the end of Quarter 2 of the financial year buckets would be eradicated in three of those provinces i.e. North West, Northern Cape and the Eastern Cape. In the Free State we would have installed all top structures with only connection to bulk pipes remaining.

We can confirm that no more **bucket toilets exist in the formal areas** of Gauteng, KwaZulu-Natal, Mpumalanga, Limpopo and North West Province.

Rural Household Infrastructure Grant

This programme will provide dry, on-site sanitation to the 27 priority district municipalities in 7 provinces and a total of 11 360 toilets were provided in the 2015/2016 financial year. A further 10813 toilets will be provided in the 2016/2017 financial year at the cost of R113,4million as follows;

Eastern Cape with a total number of **2395 toilets** were provided In the 2015/16 financial year in 5 District Municipalities and a further 2478 Toilets will be provided in the 2016/17 Financial Year at the cost of R26million.

Free State a total number of **360 toilets** were provided In the 2015/16 financial year in 1 District Municipalities and a further 429 Toilets will be provided in the 2016/17 Financial Year at the cost of R4,5million.

North West a total number of **900 toilets** were provided In the 2015/16 financial year in 2 District Municipalities and a further 762 Toilets will be provided in the 2016/17 Financial Year at the cost of R9million.

KwaZulu-Natal a total number of **5251 toilets** were provided In the 2015/16 financial year in 9 District Municipalities and a further 3500 will be provided in the 2016/17 Financial Year at the cost of R41,9million.

Limpopo a total number of **1306 toilets** were provided In the 2015/16 financial year in 4 District Municipalities and a further 1953 Toilets will be provided in the 2016/17 Financial Year at the cost of R20,5million.

Mpumalanga a total number of **890 toilets** were provided In the 2015/16 financial year in 1 District Municipalities and a further 762 Toilets will be provided in the 2016/17 Financial Year at the cost of R8million.

Northern Cape a total number of **429 toilets** will be provided in the 2016/17 Financial Year in 1 District Municipality at the cost of R 4,5million.

CONCLUSION

In conclusion, Honourable Chairperson and Members I wish to submit that a firm foundation has been created for the Department and that we will pull all stops to ensure that delivery of service is effective and efficient at all times.

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 liaise with the Department on very important issues of service delivery.

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