



MINISTRY  
WATER AND SANITATION  
REPUBLIC OF SOUTH AFRICA

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**Budget Speech By Minister of Water and Sanitation, Ms  
Pemmy Majodina, at the Ncop**

NCOP, Parliament of South Africa (10 July 2025)

Honourable Chairperson;

Cabinet Colleagues;

Deputy Ministers of Water and Sanitation, David Mahlobo and  
Sello Seithloho;

Chairperson of the Portfolio Committee of Water and Sanitation;

Honourable Members of Parliament;

Director-General and Senior Managers of the Department of  
Water and Sanitation;

Leadership of our Entities: Chairpersons, Members of the  
Boards, CEOs, and Senior Executives;

Leadership of various stakeholders in the sector and civil  
society;

Fellow South Africans

## **INTRODUCTION**

Honourable Chairperson, as we are all aware, municipalities have executive authority, other sections of the Constitution and legislation require national and provincial government to support municipalities and to intervene in municipalities where there is failure of municipal water and sanitation services.

Section 139 of the Constitution enables government to intervene in the affairs of municipalities where there is failure to fulfill their Constitutional obligations.

Sections 40 and 41 of the Constitution require all spheres of government to work in a cooperative manner.

The department has a mandate to ensure that there is sufficient water to meet the needs of our growing population as mandated by the Constitution. As the Regulator, the Department of Water and Sanitation has a Constitutional and legislative duty to ensure that national minimum norms and standards are met for water services.

The reality is that the bulk of our challenges lie at municipal level. Some of these emanate from lack of technical skills and resources required to meet people's needs.

Based on the Blue and Green Drop reports, 105 out of the 144 water services authorities are experiencing a water service delivery crisis. These municipalities are unable to discharge their constitutional responsibilities in a number of areas, including basic service delivery and the management of critical infrastructure such as water treatment plants and wastewater treatment plants.

As I have consistently said, the causal factors of many of the challenges of water supply are man-made and must be confronted. These are organised criminality, water tankering and extortion mafia, vandalism of critical public infrastructure, poor reticulation, corruption, poor financial management, poor revenue management, escalating debt in the water sector, poor billing system, illegal connection, over consumption, high non-revenue water, infrastructure decay, lack of maintenance, non-payment for services, governance instability and poor enforcement of by-laws. Most of these challenges fall within the purview of municipalities.

Amongst some of the remedies the government has identified are:

- The Deputy President, as leader of the Water Task Team and Chairperson of the Inter-Ministerial Committee on Water, recently instructed DWS and COGTA to develop a

joint programme to provide intensive support to these municipalities. This programme is under implementation.

- The Water Services Amendment Bill, which will soon be presented to Cabinet, National Treasury's Reform of Metropolitan Trading Services Programme and Phase 2 of Operation Vulindlela are introducing reforms aimed at changing the municipal water sector to operate on a utility model (through either internal or external utilities). These reforms involve:
  - Separation of the WSA and WSP functions, as is already required by law
  - Ringfencing revenues from the sale of water for the water function
  - Ringfencing all management functions related to the delivery of water and sanitation services, with single-point accountability.
- Municipalities are being encouraged to adopt a utility model without waiting for the reform processes to be finalised. For example, Emfuleni Local Municipality and Rand Water are in the process of establishing a Special Purpose Vehicle (SPV) to be the Water Services Provider in Emfuleni.

## **WATER AND SANITATION INDABA**

The Water and Sanitation Indaba we convened in March this year, which was attended by delegates from national government and national entities, provincial government, the municipalities which are water services authorities, SALGA, the private sector, and water and sanitation experts, resolved on the following implementation models and key pillars:

- Increasing investment through financing options
- Ensuring the financial viability of the sector;
- Enhancing and strengthening technical and operational capacity and efficiency;
- Building partnerships through building water sensitive and resilient communities;
- Fighting criminality and corruption in the water and sanitation sector.

In the spirit of intergovernmental relations and cooperative governance, my regular meetings with Premiers, MECs for COGTA, Executive Mayors and Water Boards are meant to assist us to respond collectively to the challenge of debt owed to water boards by municipalities. The problem of water debt, which is about R24 billion, is detrimental to water security in the country as well as reliability of services.

As a result of our engagements with provincial and local government, we are beginning to see positive changes. Today, Mangaung, Johannesburg and Tshwane no longer owe water boards. Sadly, many municipalities are still failing to honour their debts. As a result of these debts, 18 municipalities will have their quarterly equitable share allocation withheld by National Treasury this month. The allocation will be paid to the municipalities in tranches depending on them paying their current invoices from the water boards.

As the Ministry, we expect all water services authorities to reduce demand, through reducing leaks, awareness campaigns and stakeholder engagements aimed at behaviour change, water restrictions and tariffs, and technical interventions such as flow restrictors and pressure management. All water users must pay for services, insource water tankers, and endeavour to enter into partnerships with the private sector, to draw on private sector finances and skills. In addition, municipalities should prioritise the filling of key technical positions such as process controllers, artisans, scientists and engineers.

We are supporting municipalities to derive optimal benefits from partnerships with the private sector. In this regard, the department has established the Water Partnerships Office (WPO), which has developed national programmes designed to standardise and streamline private sector participation in municipal water and sanitation services. The programmes

include municipal non-revenue water, water re-use, wastewater treatment, non-sewered sanitation and seawater desalination.

We will also be tabling the National Water Amendment Bill which will enable the achievement of greater equity in water use allocation.

## **GRANT-FUNDED PROJECTS**

I am pleased to announce that in this financial year, **110** bulk infrastructure projects across all provinces will be funded through the Regional Bulk Infrastructure Grant. The projects are at various stages of implementation. The Water Services Infrastructure Grant will be used to fund **391** projects, all currently at various stages of implementation, with **163** of them planned to be completed in the current financial year. I will now highlight some examples of these projects:

### **Eastern Cape**

We will continue with the **R792 million** Ngqamakhwe Regional Bulk Water Supply Scheme, Phase 5A, which will supply water to 78,000 people in 120 rural villages. The project is currently under construction, at over 40% progress, to be fully completed by June 2027.

Another major project is the **R423 million** Ndlambe project, which includes a borehole field, reverse osmosis plant, and two water transfer systems. The project is under construction, is

81% complete, and is scheduled for completion by the end of 2026. This project will benefit over twelve thousand households in Port Alfred and Alexandria.

We handed the completed **Klipplaat Water Treatment Works to Dr Beyers Naude Local Municipality in November 2024.**

The plant is part of the Ikwezi Regional Bulk Water Supply Scheme which was funded by the department through a grant of **R67 million**. It will supply water to over nine thousand people in Klipplaat and Jansenville.

**We also handed over a commissioning certificate of the upgraded Mount Ayliff Water Treatment Works (WTW) to Alfred Nzo District Municipality in December 2024,** funded to through an allocation of **R370 million** and intended to serve about 38 000 people.

**We further handed over the completed Kirkwood Bulk Water Supply to Sundays River Valley Local Municipality in April 2025,** which was funded to a value of **R35 million**, providing potable water to approximately seventeen thousand people in Kirkwood town and the townships of Moses Mabhida and Bergsig.

In addition, we handed over phase 2 of the James Kleynhans water treatment works extension in September 2024, which doubled the supply of potable water to the town of Makana.



## **Free State**

**As Honourable Members are aware, the maintenance work at the Lesotho Highlands Water Project (LHWP) tunnel in Clarens, Free State, has been successfully completed.** The closure was planned from October 2024 to March 2025. The maintenance work performed by TCTA on Delivery Tunnel North was completed on 19 March 2025. The Lesotho Highlands Development Authority completed all the work on the Lesotho side and started to fill the tunnel with water on 8 May 2025. Flow of water returned to South Africa on 23 May 2025.

The department, through its Water Services Infrastructure Grant, availed **R22.4 million for the refurbishment of boreholes to the local municipalities of Dihlabeng and Nketoana to ensure consistent supply of water to the high lying areas affected by the closure.** In Kgubetswana (Clarens), 12 boreholes were drilled and another two refurbished. In Mamafubedu (Petrus Steyn), 15 boreholes were refurbished, and in Petsana (Reitz), 10 boreholes were drilled and equipped. **The Clarens Water Treatment Works was also upgraded from 1 to 4 megalitres of water per day to supply water to the community of Clarens and its surroundings.** The boreholes and upgrade of the Clarens WTW ensured that there was a sustainable water supply to the communities during the Lesotho Tunnel closure.

**On the 27<sup>th</sup> of June 2025, we handed over Phase 1 of the 33 km Welbedacht Pipeline Project which was completed by Vaal Central Water Board at a cost of R585 million. The Welbedacht pipeline will ensure a more sustainable water supply for Mangaung.**

The second phase of the project will consist of a 71.3km pipeline at a cost of R1.6 billion. It is anticipated that the second phase will commence in August 2026 and be completed in August 2031. Funding is still to be raised for the second phase. The Department and Vaal Central Water will work with the Infrastructure Fund to apply to the Budget Facility for Infrastructure for partial funding for the project, and the remainder of the funding will be raised in the markets by Vaal Central Water. The loans will be serviced from revenue from the sale of water, which will be underwritten by an offtake agreement between Vaal Central Water and Mangaung Municipality.

**The department, through the Vaal Central Water Board, will continue to support Maluti-a-Phofung and Matjhabeng Local Municipalities with a range of projects.**

**R2.4 billion was allocated to Maluti-A Phofung. The projects include refurbishments and upgrades of important water and wastewater treatment works and related infrastructure to address the dire state of water and sanitation infrastructure in the municipality. The Department has successfully**

**completed the refurbishment of the Fika-Patso Water Treatment Works at R46 million, to improve water quality in the area of Qwaqwa.**

**R3.5 billion was allocated to the Matjhabeng Local Municipality. The refurbishment and upgrading of 14 sewer pump stations and 30km outfall sewer lines has been completed. Furthermore, two Wastewater Treatment Works, namely Kutloanong WWTW and Thabong WWTW are planned to be completed in this current financial year.**

Furthermore, in Kestell, Extension 5, the Department has refurbished a non-functional water reticulation system to ensure reliable water supply to the area. To ensure sustainable raw water supply to Harrismith during the winter period, when the Wilge River experiences low flow levels, **the Department upgraded the Nuwejaar Spruit Pumpstation and associated works at an estimated cost of R32 million.**

## **Limpopo**

The department will continue to accelerate implementation of a range of major water services projects. **For example, on the R4.8 billion Giyani Water Project, the bulk pipeline from Nandoni Dam in Vhembe to Nsami Dam in Giyani, as well as the upgrading of the Giyani Water Treatment Works, have been completed.** The current focus is now on working with the Mopani District Municipality for the bulk reticulation and

yard connections to households in fifty-five villages, while at the same time adding a further 10ml/day of treatment capacity to the municipality's Water Treatment Plant.

**To date, 23 villages have been connected and are receiving water, with the remaining village in phase one to be completed by the end of July 2025.** Reticulation to the thirty-one villages as part of phase two will commence this financial year and be completed over the next two years. The reason for staggering the project over two phases over several years is due to the limited amount of funding available through the Water Services Infrastructure Grant, which has to be spread across the whole country.

In addition, **Lepelle Northern Water is implementing the R18 billion Olifants Ebenezer project**, which will provide additional water to Polokwane, Seshego and surrounding areas. **For Phase 1A, which is estimated at about R1.4 billion, the refurbishment of pipelines and pump stations is nearing completion. This phase is fully funded and will continue this financial year, with the focus on the upgrade of two water treatment works.**

Subsequent phases of the project will involve the construction of bulk water supply pipelines from Ebenezer Dam and Olifantspoort Weir to Polokwane. The planning has been finalised and the process of raising the funding with the assistance of the Infrastructure Fund will start imminently. This

project will benefit approximately 370 000 households within Capricorn District Municipality, Polokwane City, Mopani District Municipality and Sekhukhune District Municipality.

## **KwaZulu-Natal**

**In Zululand District Municipality we are accelerating the R4.9 billion Mandlakazi Bulk Water Supply Scheme** to ultimately provide water to over 33 000 households in the Zululand District Municipality as well as uMkhanyakude District Municipality, including the Jozini, Big 5 Hlabisa, uMhlabuyalingana and Mtubatuba Local Municipalities. The project consists of the installation of almost 60 km primary and secondary bulk water pipelines, upgrading of pump stations, construction of various reservoirs, augmentation of the Mandlakazi Water Treatment Plant, as well as reticulation to households.

**To date most of the bulk pipelines have been completed,** with the exception of a pipeline bridge and the N2 road crossing. The storage tank to supply some communities in Hlabisa has also been recently completed and is undergoing commissioning. However, for the system to provide the required flow, the construction of the permanent abstraction works and upstream bulk pipeline is most critical. **These projects are currently being prioritized and planned for completion by November 2026.**

Through the uMngeni-uThukela Water Board, we are also supporting the uMkhanyakude District Municipality, which was placed under Section 139, with the implementation of water infrastructure projects that will provide water to villages in Jozini LM, uMhlabuyalingana LM, Mtubatuba LM and Big 5 Hlabisa LM. This is being done through a Section 63 Intervention, estimated at R1.3 billion, which will conclude in September 2027. **Currently we are implementing 22 projects through the water board, with approximately R400 million spent to date.**

The uMngeni-uThukela Water Board is also closely monitoring the developments of the Mandlakazi Project, which will ultimately augment the supply in uMkhanyakude in Zululand District Municipality in order to align plans.

**During the last financial year, the department successfully assisted Ugu District Municipality with R150 million for the municipality to implement various projects** to replace and refurbish pipelines, refurbish bulk meters and chamber valves, as well as mechanical and electrical equipment to reduce water losses. This was done as part of the **Water Conservation and Water Demand Management Programme.**

## **Mpumalanga**

During the current financial year, the department will complete implementation of the R2 billion Loskop Regional Bulk Water

Supply Scheme, which entails the construction of bulk pipeline from Loskop Dam, various pump stations, reservoirs and water treatment plants to supply 54 193 households in Thembisile Hani Local Municipality in Mpumalanga and Moutse village in Elias Motsoaledi Municipality in Limpopo. **The project is currently at 78% overall physical progress.**

**The Department will also complete implementation of the various water and sanitation Ministerial Intervention projects at Lekwa Local Municipality in Mpumalanga, with a total project cost of R350 million.** These projects include the refurbishment of Standerton Water Treatment Works, construction of a 5 megalitre clear water underground reservoir, remedial works to water and sewer infrastructure in Extension 8, refurbishment of four sewer pump stations, unblocking of sewers and water conservation and demand management. **To date, 12 out of the 15 projects have been completed. The remainder of these projects will be completed by March 2026.**

The Department has allocated funding for the upgrading of the Ermelo Wastewater Treatment Works (WWTW) to 18 ML/day, in order to curb ongoing pollution into the Vaal River at Msukaligwa Local Municipality in Mpumalanga. This is the point where the Vaal River originates, and the appointment of a contractor for the commencement of the works has been finalized.

In addition, the Department is intervening in Emalahleni Local Municipality in Mpumalanga as per the call by His Excellency the Honourable President Cyril Ramaphosa during the April 2024 Presidential Imbizo, and the project is at the procurement stage for a contractor for the rehabilitation of bulk water infrastructure, with a total project cost of R252 million over this financial year and next financial year. The aim is to improve the infrastructure condition and subsequently improve water supply in Emalahleni.

## **Gauteng**

**Rand Water continues to assist Emfuleni Local Municipality and Midvaal Local Municipality with a range of projects to address the sanitation crisis in the Vaal.** This includes the unblocking of sewage pipelines, replacing collapsed sewage pipelines, repairing and refurbishing pumpstations, assisting the Emfuleni Municipality to restore its operation and maintenance functions, as well as upgrading the capacity of the wastewater treatment works in the area. The total investment is estimated at R4.7 billion over the multi-year implementation.

**For sustainable water and sanitation services in Emfuleni the Minister of Finance and I have approved a partnership between Rand Water and Emfuleni Local Municipality in the form of a Special Purpose Vehicle** that will be the Water Services Provider in Emfuleni on a long-term contract, which the



aim of improving revenue collection, management, operation and maintenance of water services in Emfuleni.

**The Klipdrift Water Treatment Works is being upgraded to boost water supply to Hammanskraal, with Modules 1 and 2 completed by June 2025. Once Modules 3 and 4 are finished by September 2025, capacity will reach 50 megalitres per day, benefiting nearly 50,000 households across 15 wards. The Hammanskraal projects, including the City of Tshwane's Rooiwal WWTW refurbishment and upgrade are progressing, driven by strong collaboration between national, provincial, and local government partners.**

## **North West**

**Last month, we handed over the refurbished Boitekong Sewer Pump Station and Outfall Sewer in Boitekong in Rustenburg Local Municipality, North West province. R133 million** was allocated by the department towards this project as part of accelerating access to water and sanitation services in the province. The project will reduce frequent blockages in the system and improve the quality of sanitation services in Boitekong, Freedom Park, Meriting and Seraleng.

**Operation Bulela Metsi will continue to be implemented this financial year.** It involves a range of water and sanitation projects across the province. **In the current financial year and**

**over the MTEF, R4.6 billion** has been set aside in DWS grant funding for the programme, with a further R11.8 billion required over the next 7 years.

Operation Bulela Metsi has resulted in the acceleration of implementation and completion of water and sanitation projects in the province, benefiting communities across all ten municipalities that are water services authorities.

## **Northern Cape**

We completed the Calvinia Bulk Water Supply in the Namakwa District and handed over the site in February 2025. This project augments the current supply to the community of Calvinia by means of groundwater from two new wellfields that were developed. **We invested R281 million and the project has improved the water supply to about 9680 people or 2 500 households.**

**In October 2024, we also completed the refurbishment and upgrade of the existing Water Treatment Plant in Douglas, in the Siyancuma Municipality,** to improve the water quality and supply, which was not meeting standards. **The project cost R28.8 million** and benefitted the whole population of Douglas (over 22 000 people).

**The department is providing funding to Sol Plaatje Local Municipality for its R2.7 billion integrated water supply project.** The scope of work includes water conservation and

demand management, installation of zonal bulk meters, replacement of old asbestos cement pipelines, upgrading of water treatment works, upgrading of pumpstations, and construction of additional water storage facilities. **The project began in 2023, is currently approximately 12% complete** and is planned to be completed in March 2030. Work-packages are in various implementation stages, aiming to benefit 74,330 households in the Sol Plaatje municipality.

## **Western Cape**

**The George Local Municipality has been allocated R1.1 billion to implement the George water supply security project.** The scope of works includes the upgrade of two water treatment works and the construction of new reservoirs and pipelines.

**Implementation started in March 2021, the project is approximately 80% complete, and is scheduled for completion in December 2025.** The project will benefit the town of George, with over 295,000 households. The aim is to improve the green drop status and ensure that there is a reliable water supply.

## CONCLUSION

*Honourable Chairperson, the Indaba followed the directive by the President that: “What is needed is course correction – a comprehensive plan that will expand access to water and sanitation services, improve the quality of water and sanitation infrastructure, and bring stability and good governance to all the entities involved in South Africa’s water stewardship.”*

Our department is co-chairing the water and sanitation workstreams of both the Presidential eThekweni Working Group and the newly established Presidential Johannesburg Working Group. The Presidential Working Groups working streams on Water and Sanitation in eThekweni are co-chaired by the representatives of the DWS and Metros. They are monitoring the water and sanitation Turnaround Plans, which were adopted by the Councils of the two metros.

The eThekweni Platform was established in 2024 and has already contributed to the reduction of non-revenue water in eThekweni. The Johannesburg Platform was established in 2025 and the impact in terms of reducing non-revenue water and stabilizing water supply is yet to be realised.

Together with provinces and municipalities, we are registering significant progress in addressing our water and sanitation challenges. We are confident that if we proceed along the same

trajectory, we will be able to overcome our current challenges. To sustain this progress, all role-players in the water sector need to play their part in line with the declaration and commitments made during the National Water and Sanitation Indaba.

We must continue implementing key interventions such as upgrading ageing water infrastructure that contributes to significant water losses. Together, we must confront sabotage, theft and corruption by the water tanker mafias and deal decisively with illegal water connections. As citizens, businesses and government agencies, let us use water sparingly and pay for the water we consume.

In addition, each municipality carries a responsibility to implement its own by-laws, to stop leaks and improve response time in this regard, to improve the billing system, update the indigent register, deal with illegal connections, upgrade water storage capacity, honour their debts to water boards, deploy right skills to maintain water infrastructure, ensure proper maintenance of infrastructure, ring-fencing water revenue for critical maintenance; and protect water infrastructure from vandalism.

We are confident that if all critical role players within the water sector pay focused attention on discharging their

responsibilities in line with their legislative and constitutional mandates, the tide will continue to turn in our favour. The tasks that still need to be accomplished are huge and the responsibilities placed on our collective shoulders are enormous, but let me assure you: We are equal to the task!

I thank you