

MEDIA RELEASE



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MEDIA STATEMENT BY THE MINISTER OF WATER AFFAIRS AND FORESTRY, MR RONNIE KASRILS

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Embargo: None

Minister Kasrils today addressed the new Board of Umgeni at Umgeni Water in Pietermaritzburg. "The new Board of Umgeni Water has a series of challenges to address", says Minister Ronnie Kasrils.

1. They have to complete the task of regularising the management of the organisations finances.
2. They have to consolidate the new ventures in service provision both inside and outside South Africa.
3. Most important, however, are to establish effective and cooperative relationships with their consumers and other stakeholders and bring to an end the debilitating disputes that have divided the organisation.
4. On the controversial issue of tariff increases and responsibility for rural water supplies, Minister Kasrils welcomed the fact that Umgeni had brought these matters to public attention.

"We cannot accept the criticism that Umgeni should not have sought to address the shameful lack of water service in the rural areas around Ethekeweni and Msundunzi. Now that these areas have been incorporated into the city, agreement must be reached about the financial responsibility for financing these services."

5. Minister Kasrils confirmed that he would be meeting with his colleagues, the Minister of Finance and Provincial and Local Government to discuss

approaches to resolve these problems together with the Executive Mayors of Ethekeweni and Msunduzi as well as Mgungundlovu District Council.

6. Regarding allegations of corruption, Minister Kasrils confirmed that the recent report of the investigation team had been referred to the Auditor-General for recommendations of further action. “We will not hesitate to act against anyone found to have acted illegally”, said Minister Kasrils.
7. The meeting with Umgeni followed a series of consultations between Minister Kasrils and a range of local stakeholders, including the Mayor of Ethekeweni and organised labour.

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