

Water & for growth development

BULLETIN



Welcome to the Second Bulletin!

As promised in our first Water for Growth and Development bulletin sector stakeholders will be kept up to date on progress made towards complete implementation of WfGD objectives. This bulletin provides some feedback on special meetings held since our last issue. We also inform our stakeholders on progress made and achieved by our project stream leaders namely, the Economic Pillar.

In this issue stakeholders gain more insight on Sector Partnership Participation as well as what Water for Growth and Development is achieving from the Ground!

The week ahead will be filled with meetings with the Masibambane Supportes' Club and the Masibambane Water Sector Coordinator Committee - be assured that you will get feedback on these in our third issue!

FEEDBACK FROM THE SPECIAL MEETING OF THE WATER SECTOR LEADERSHIP GROUP

A Special meeting of the Water Sector Leadership Group (WSLG) was held yesterday (24 April 2008) at Gallagher Estate in Midrand to deliberate on the Discussion Document on Water for Growth and Development. The meeting attracted stakeholders from various sectors agriculture, mining, civil society, local government and the broader water sector.

Setting the scene for the discussions the DWAF DG, Ms Pam Yako highlighted the importance of stakeholder inputs and sector leadership towards the development of a Strategic Framework on Water for Growth and Development. She outlined some key challenges relating to how the water sector could impact on social and economic development of the country without compromising spatial and environmental aspects. She specifically indicated that in addressing these challenges, the sector must begin to interrogate how water is allocated to the different water use sectors agriculture, domestic, industry, energy, etc and whether the current economic development trends should inform how water is allocated. Should DWAF

allocate water to support growing sectors e.g. mining by reducing allocations to agriculture, and how would that impact on food security?

The opening remarks were followed by a panel discussion representing views of different sectors on how water should contribute towards growth in the different sectors. The Chamber of Mines emphasised the need to ensure that in moving forward with reviewing water use in the mining sector, the strategic framework should take note of some undesirable social and environmental legacies of the past mining practices and develop means of strengthening regulation and still allow for flexibility of application. Further issues of concern for the mining sector are increasing tariffs without any economic basis and promoting re-use of water. The emerging farmers



Ms. Pam Yako
Director General-Water Affairs & Forestry
Setting the scene at the Special WSLG meeting on 24 April 2008 at Gallagher Estates



Water Affairs and Forestry
Provincial and Local Government



European Commission & Member States





Panelists sharing their perspectives on Water for Growth & Development - Representatives from Chamber of Mines; Agricultural sector; Organised labour; Civil Society Organisations; Business South Africa and Developing Finance Institution.

expressed their concerns about the visibility of DWAF and the poor linkages between water, land and agriculture at implementation level. There is still a need to ensure that water contributes towards the transformation of the agricultural sector. The development financing sector indicated the need to strengthen institutional capacity and stability coupled with strong business cases for project development to attract development finance. The business sector emphasised the importance of ensuring security, availability and quality of water to support business enterprises. The business sector also committed itself to participating in the development and maintenance of water supply systems as business ventures and as part of corporate social responsibilities. The civil society stressed that citizen participation is a critical component of ensuring sustainability of water provision at different levels. Local government indicated that there may be a need to not only provide support to municipalities but to also strengthen regulation over time.

The Mvula Trust presented a brief outline of a discussion document highlighting how the water sector can be strengthened to support water for growth and development. Key issues for building an effective sector include strong regulatory regime, focus on

outcomes than outputs and skills development, attraction and retention. Mr H Muller also shared experiences from a recent SADC Conference on Water and Poverty Reduction which highlighted amongst others the critical contribution of South Africa's economic growth to growth in the region. Key issues for the region include ensuring food security, sharing growth, developing skills and improving productivity in agriculture.

The final session involved group discussions on different aspects of the Discussion Document: investing in people and building adaptive capacity; leveraging infrastructure; institutional reform; integrated planning; and pricing and finance. The different groups highlighted gaps in the document and proposed key actions for further consideration in the development of the Strategic Framework. The inputs and comments were submitted to the different teams to contribute towards the revision and strengthening of the document.

The draft Strategic Framework on Water for Growth and Development will be presented at the next WSLG sitting early in June 2008 for ratification before submission through official decision-making and presentation to the next Cabinet Lekgotla in June 2008.



Delegates at the Special WSLG meeting on 24 April 2008 at Gallagher Estates.

Words from a Stream Leader...

Economic Pillar Working toward a Strategy on Water for Sustainable Growth and Development

The economic pillar is led by the esteemed stream leader, Mr Silas Mbedzi. The core task team initially started with 5 members and was later expanded to consist of twelve members. The reason for the expansion was to afford the stream the opportunity to get broader input on the process. The team reports to the Water for Growth and Development project manager, Mr Junior Potloane who in turn reports to the Programme manager, Mr Kalinga Pelpola.

Within the department there is the National Water Strategy which talks about volumes of water; that is, what is available and what might need to be built in order to meet future demands of water. As such, the National Water Strategy doesn't quantify water resources in South Africa. The team was excited for the opportunity that actually allows them to put a numeric and quantified value to water (cost implications). This will allow them to quantify the value-add of water in South Africa's economy, albeit only the first economy; e.g. Eskom and Sasol to start with. Currently, the quantification of the value-add of water for citizens in the second and third economies has not been possible even though the value-add is evident - water is used by all!

So far, the task team has met four times to work out and agree three things:

1. the team's modus operandi (mode of Operation);
2. The framework that the position paper would take and
3. the involvement of the broader water sector stakeholders in the development of the position paper.

Having concluded this, the team is now developing the actual indicators around how much water is used by organisations such as Eskom, agriculture and Sasol. Added to this, is the quantification of the impact of the



Mr. Silas Mbedzi
Economic Pillar Leader

water used by the aforementioned users on other users in the country. The indicators and opportunity cost will be first applied to the bigger water users and later cascaded down to even the smallest water user in the country. This will allow the team to come up with preliminary figures on prevalent opportunity costs and opportunity losses of water being made available to the bigger water users versus water being made available to other users.

To this end, an initial meeting was held on the 22nd April 2008 in Cape Town to discuss issues pertaining to the development and improvement of the framework for the economic stream on Water for Growth and Development. On the 7th of May 2008 with the various industries, including Eskom, Water Users' Association (WUA), mines and emerging farmers. The meeting was attended by about twenty (20) representatives from the affected sectors. These representatives undertook to make information available to the task team at the follow-up meeting that is to be held on the 27th of May 2008. The information that will be made available will include the revenue generated by DWAF from these industries. These figures will allow the Economic Pillar task team to start the process of measuring the economic benefits of water in the respective industries.

An Analysis of the Contribution of Dams to Water for Sustainable Growth and Development in South Africa

A study was commissioned by WIN SA on behalf of DWAF to provide pointers to the role of DAMS for sustainable growth and development in South Africa. The study has attempted to provide some objective pointers as an answer to these questions. It focuses specifically on the role of dams, using the example of four dams in South Africa, namely the Berg River Dam, De Hoop Dam, Nandoni Dam and Pongolapoort Dam.

In addition to the role of these dams, the study has looked at the potential for re-using water around Rustenburg, as an illustration of the need to make the best use of our scarce water at each stage of the water cycle.

The following conclusions emerge from this preliminary analysis of the contribution of dams to water for growth and development:

- Dams have been critical in providing water for all our needs, they have helped to cope with times of drought and have protected us against floods.
- Often, their benefits exceed the initial expectations, considering the spin offs that result from a dam project.
- The needs of poor have not always been taken into account when planning for dams. This calls for a corrective action in the allocation of water from all dams where such a mistake was made. Pongolapoort is an example.
- The challenge is to optimise at all times the contribution of dams to sustainable growth and development; this calls for a more integrated approach.

In addition to the role of dams, the opportunity for **re-using water** has been looked and the following conclusions emerge:

- The opportunity to re-use water as currently happening around Rustenburg has been looked at as case study. It emerges that re-use of water is set to become gradually a viable option in reconciling demand and supply, especially in the booming mining sector and agriculture. Potable water currently used for mining operations will then be freed for domestic use.
- Other options (not looked at in this desktop study) include water conservation and water demand management, conjunctive use of surface and groundwater and rainwater harvesting. These will play a role in optimizing the contribution of water for growth and development.

One recommendation is that considering the opportunity to conduct the first review the National Water Resources Strategy (NWRS) by 2009, it is important to adopt, this time, a more integrated approach from water resources infrastructure throughout the chain of supply down to the user. Thus the NWRS and the W4GD framework should be integrated into one strategy.

The report (of which this brief is an executive summary) concludes Phase 1 of the assignment. Phase 2 of which an outline has been provided as an Appendix to the report, will confirm, if approved, through field work, the potential and spin off of dams as a contribution to Water for Growth and Development, with a focus on surrounding communities.



From the Ground...

DWAF-Danida IWRM II Programme: Using Water as a Catalyst for Development and Stakeholder Participation in Water Resource Management

D. R. Weston; R. Short*; T. Matabane and S. S. Mbedzi * Senior Technical Advisor DWAF- Danida IWRM II Programme

Introduction

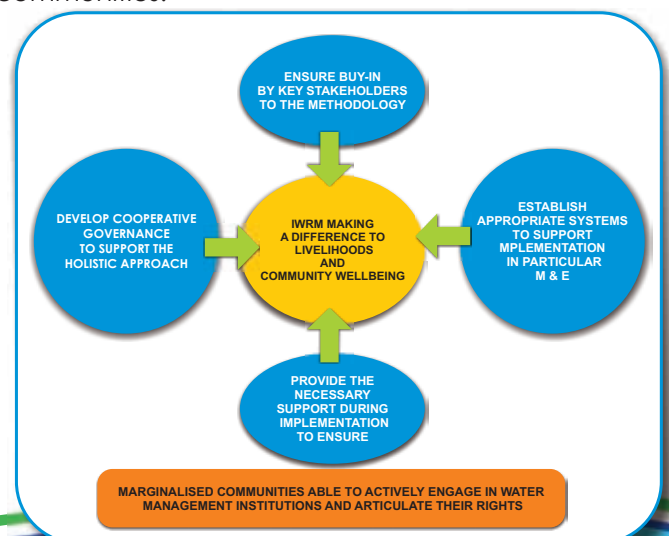
Water management institutions are going to be an essential part of the governance framework that will ensure the sustainable management of South Africa's water resources into the future. Whilst the challenges of implementing the governance framework in terms of Catchment Management Agencies and Water User Associations are numerous we, as a sector still have the opportunity to engage with stakeholders and role-players in preparation for these new institutions.

The South African Department of Water Affairs and Forestry (DWAF), with the assistance of the Royal Danish Government (DANIDA), initiated a programme in 2000 to pilot Integrated Water Resources Management (IWRM) approaches in three water management areas of South Africa. These are the Crocodile West Marico (mainly in North West Province), Mvoti to uMzimkulu (Kwa-Zulu Natal) and Olifants-Doorn (mainly in Western Cape Province). These Water Management Area's (WMA) were selected as they represent a cross-section of water resources conditions as well as water use conditions and user interests.

Water for Growth and Development - IWRM Second Phase (2006 2010)

The second IWRM programme is different from the previous phase in that it is being implemented through direct support and it is driven by a partnership between DWAF, the South African Government Department of Provincial and Local Government (DPLG) and the South African Local Government Association (SALGA). The programme further supports the CMA establishment process in the start-up phases, and provides stakeholder capacity building to specific marginalised groups and local authorities.

A significant part of the DWAF & DANIDA support addresses many of the issues that were discussed at the 2006 National Water Summit, and relates to the integration of IWRM into service delivery. IWRM II builds upon the experiences of IWRM I, working with beneficiaries to design and implement a broad spectrum of projects that include: water awareness and conservation, food security, wetland conservation, water reuse, grey-water irrigation systems, and support to emerging farmers and water reform. The programme provides development support to projects that demonstrate that water is, and can be used an important catalyst for development. Projects range from those at municipal levels, including the Metros, through to very localised projects that involve the communities.



To date significant progress has been made in all three water management areas. In the Crocodile West Marico water management area a number of stakeholder meetings have been held to initiate community based projects whilst at a larger scale the initiation of the larger scale "Community Health Clubs" approach is gearing up for implementation. Further initiatives in this area will see an active partnership with Tshwane metro on riverine rehabilitation projects.

In the Mvoti to Umzimkulu, the Ethekewini Metro has undertaken a number of community development projects, under an implementing agent agreement, that are showing that water can support not just economic growth and development, but also a stronger sense of community and social cohesion. Community based projects are being developed and the "Community Health Club" approach is also to be used in the Umzimkulu area of southern KwaZulu-Natal.



The most significant progress in terms of community based projects has been made in the Olifants Doorn water management area in the Western Cape. Here 21 projects are displaying the role that water and an integrated approach to resource management has in rights-based development. The projects originate from throughout the Olifants-Doorn Water Management Area in the Western Cape and partly Northern Cape, and range from building community awareness, through fixing taps and leaks, to water harvesting and monitoring ground water and climate change. Many of the projects involve emerging farmers, and address

land and water reform issues. These invariably deal with food security and sustainable farming practices. In addition, a number of projects are concerned with food security for vulnerable groups such as orphans, the elderly and HIV/AIDS affected families. In addition to these projects, initiatives have been undertaken in the Olifants Doorn to support Municipalities in their service delivery efforts as well as a project to ensure that water resource matters are more cogently captured in the Provincial Growth and Development Strategy.



An essential aspect of these projects is that these are run along sound project management principles such that projects are time and budget bound with clear milestones. Capacity building is provided to support this approach which provides for a stronger sense of ownership. A critically important aspect of the projects is the ability to evaluate their own progress against their milestones.

Longer Term Objectives

The processes adopted are also firmly anchored in the South African Government's commitment to people-oriented governance, as captured in the *Batho Pele* principles. These principles provide the ethical code that should guide IWRM and interactions with stakeholders in the water management areas. Local participation by stakeholders in decision-making related to water resources management, based on transparency and appropriate mechanisms is an essential part of ensuring that we have sustainable

growth and development. They also seek to address some of the issues raised in The UNDP Human Development Report 2003, devoted to the Millennium Development Goals (MDGs), recognising that the implementation of the policies and interventions needed to meet MDGs requires the commitment of political leaders. However, it will also require the sustained political pressure, broad popular support and mechanisms for effective service delivery. Popular mobilization and participatory civic engagement are essential ingredients to enable the poor to pressure their leaders to deliver on the commitments to the development goals. The report further identifies a major risk that the Millennium Development Goals could be undermined by entrenched groups that resist policies that reallocate resources to the poorest, most marginalized members of society.

Through such approaches stakeholders truly begin to understand the importance of water and the role it plays within a developmental context. Sustainable management of the resource thereby becomes an important concept to these stakeholders. Capacitated through this approach it is believed that we can have a meaningful impact not just on livelihoods, but also upon the way in which resources are managed on a localised basis. Capacitated through this approach it is believed that stakeholders will have a stronger need, desire and ability to engage with the new water management institutions (Catchment Management Agencies and Water User Associations). This thereby supports the premise for these institutions that should provide for a stronger stakeholder participation to ensure integrated water resource management.

Key Milestone Dates Since 2007:

2007

20th June - Public debate at Spier Wine Estate, Stellenbosch
December - WSLG Meeting at Birchwood

2008

10th-12th March - IWRM Conference: International and national Experts input
17th March - WfGD National Water Summit: Stakeholder input
28th- 29th March - African Water Week
24th April - Special WSLG Meeting to debate the draft Strategic Framework for WfGD at Gallagher Estates

Upcoming Events

19th - 21st May - WISA Conference: Expert and Stakeholder input at Sun City
11th - 12th June - WSLG: Stakeholder and public consultation
July - Cabinet Lekgotla

Key Contacts:

Director General DWAF

Pam Yako

Programme Leader

Thandeka Mabassa

012 336 8972

Programme Manager

Kalinga Pelpola
motlhaoleng@dwaf.gov.za

012 336 8797

Content Coordinator

Shantal Harigobin

012 336 6561

Communications & Logistics

Jabu Mtolo
mtoloja@dwaf.gov.za

012 336 8943

Stream Leaders:

Economic:

Silas Mbedzi

012 336 8752

Social:

Mandisa Mangqalaza

083 419 1023

Spatial Development:

Lehasa Moloi 012 336 8092

Environmental:

Deborah Mochotlhi

012 336 7255

CSO coordination:

Operation Hunger Rosetta Simelane/Frans Themba

Editorial Team:

Mandy Reddy, Shantal Harigobin, Jabu Mtolo, Brian Modiba, Marie Schoeman & Ntsoaki Mohapi