Problem statement

Uncertainty of actual costs; under-recovery; major grant funding;

Inadequate investment in O&M etc; poor service management; unaffordable services; poor billing and revenue collection; value for money

Poor service quality

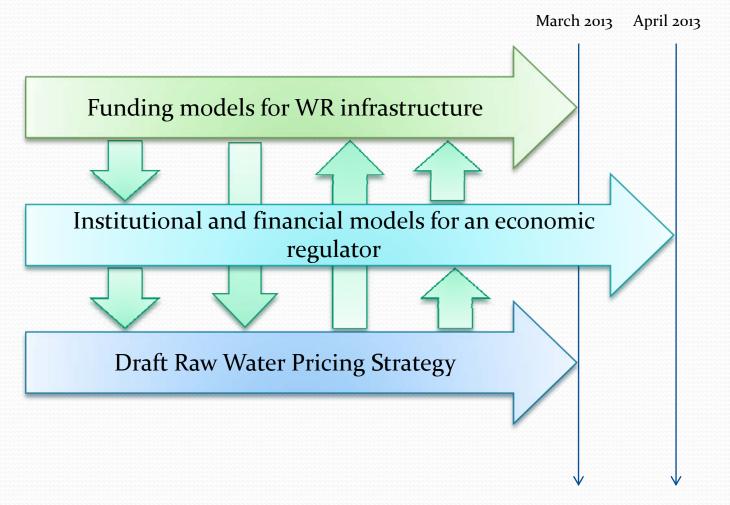
Impacts on human rights, well being, economic development

Taxes Financial Tariffs requirements Transfers Asset development Service delivery and maintenance Quantity Service quality Quality Reliability

Water users (raw water and potable water)

Need stronger economic regulation

The bigger picture





- Insufficient investment in maintenance, refurbishment and replacement of infrastructure;
- Poor management of services interrupted supply, water quality, etc;
- High levels of unaccounted for water theft, wastage, unbilled;
- Areas still unserved, particularly sanitation;
- Weak tariff setting and billing;
- Value for money in use of MIG and ES;
- High levels of debt:
 - national and provincial govt to local govt water services;
 - local government to water boards;
 - water boards to DWA;
- = unsustainable services; non-viable institutions; degrading infrastructure
- = water users don't get the services they are paying for or are entitled to
- = impacts on human rights

Therefore: need stronger *economic regulation*