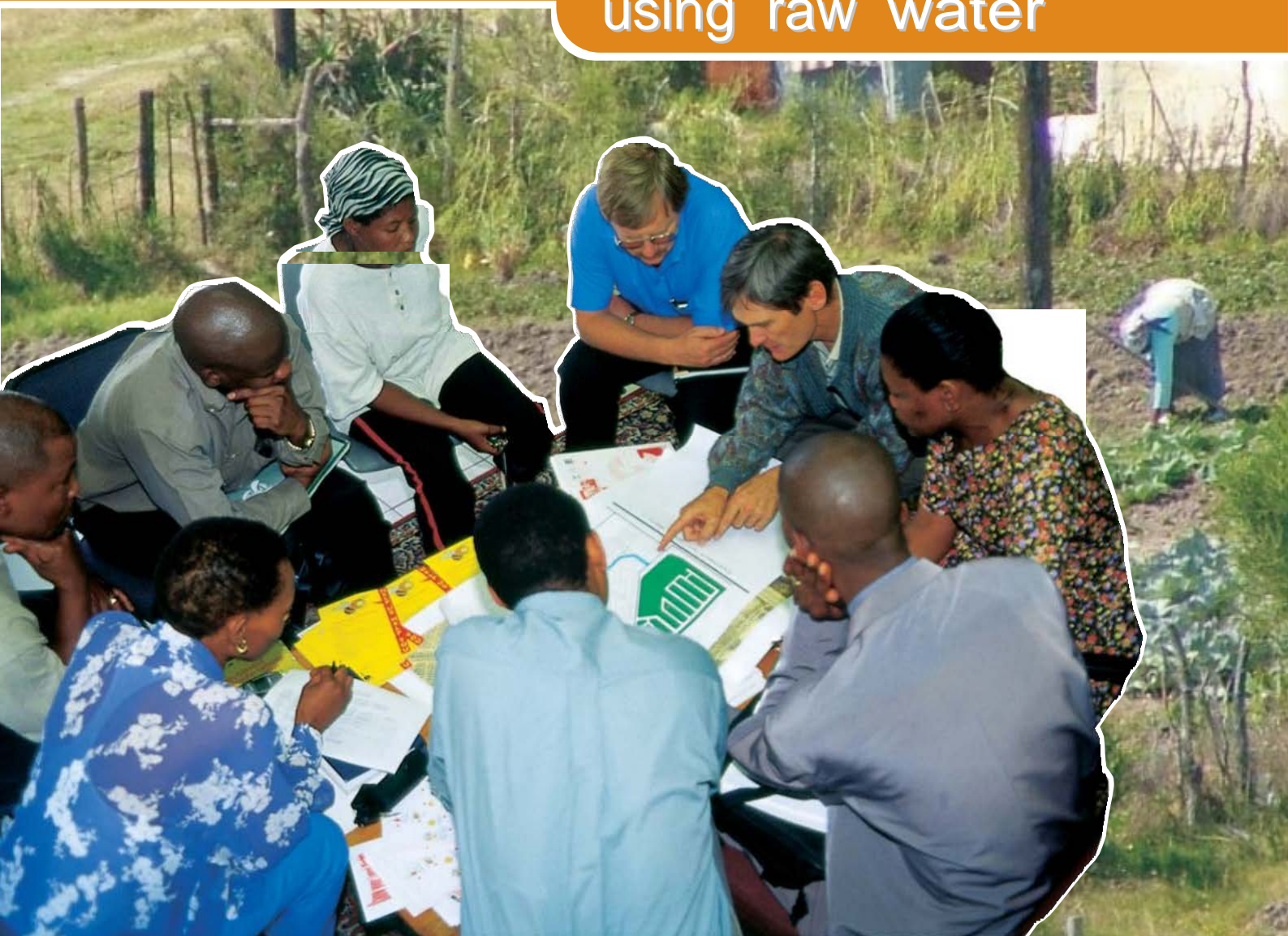




Partnerships for development using raw water



water affairs

Department:
Water Affairs
REPUBLIC OF SOUTH AFRICA



Water in development

Water is an essential element for our country's social and economic development.

Water is a basic human need, to which everyone has a right, for drinking and household use and to sustain healthy, productive communities. A great deal of effort has gone into providing water services to ensure that every South African has access to a minimum amount of potable (treated, clean) water for their basic household needs.

But water is also a key ingredient for economic development. Water is vital for growing food, for the mining industry, for forestry and for a range of industrial processing and manufacturing activities. Water therefore helps to produce wealth and create jobs. Much of the water that is used for productive economic purposes is raw water, usually untreated and taken directly from rivers or boreholes.



The bulk of this raw water is currently used by a minority of mostly white-owned farms and businesses. In apartheid times black communities and entrepreneurs had little access to raw water because water use was linked to land ownership, and most land was owned by a white minority.

Government is determined to transform the way our limited water resources are allocated so that Historically Disadvantaged Individuals have access to the benefits of raw water use, both to address poverty and to promote black-owned and managed businesses. This process of transformation is called the Water Allocation Reform (WAR) programme.

Water Allocation Reform (WAR)

Through the WAR programme, the Department of Water Affairs (DWA) aims to ensure the sustainable use of the nation's water resources while at the same time helping to address:

- Poverty
- Equity
- Black Economic Empowerment.

Equity in water allocation

WAR therefore means taking proactive action to change the way raw water is allocated. The DWA is committed, as part of WAR, actively to identify opportunities for HDI to make productive use of raw water that is of benefit to local communities and to the nation as a whole.

Support to Historically Disadvantaged Individuals and communities

In addition, government at all levels and in all sectors is committed to providing support to poor communities and to emerging black entrepreneurs to help to ensure that their water-using projects – be they for poverty alleviation or for business development – are successful.



WAR addresses the allocation of raw water (taken directly from rivers or boreholes) to authorised users, for productive purposes. This is not the same as water provided by municipalities for basic water services, in line with municipal Water Services Development Plans. (Water Services Providers taking raw water for treatment are included in the Compulsory Licensing process.)



Compulsory Licensing – a tool for transformation and development

As the custodian and regulator of the nation's water resources, the DWA must authorise all water use. The DWA has the task of deciding where to allocate raw water and how much to allocate to each user to be in line with regional and national development goals.

As part of WAR, the DWA will slowly introduce a system of Compulsory Licensing (CL), and will prioritise those areas where water is limited and demand exceeds supply. One of the most important aims of Compulsory Licensing is to ensure, through a participatory process with existing and emerging water users, that a fair share of available water is allocated to HDIs – both for poverty alleviation purposes, and for black business development.

As poverty alleviation and broad-based BEE are key goals for local and provincial government, it follows that the DWA and our government partners need to work together to ensure that the benefits of productive raw water use are maximised for HDIs.

Compulsory Licensing – changing the way water is shared out

Compulsory Licensing is an important tool in the WAR programme. It will eventually be introduced across the whole country. When Compulsory Licensing is introduced, all water use in the area is reviewed, and a new Water Allocation Framework, or Plan, is developed to change the way water is shared out in the area. The changes will be gradual, and everyone will have the opportunity to have their say.

For more information on Compulsory Licensing, see the Water Allocation Reform and Compulsory Licensing series of guides, pamphlets and posters, available from your DWA regional office, or on the DWA website at: www.dwa.gov.za

Co-operative governance and water use

The twin constitutional principles of co-operative governance and developmental government, aim to promote co-operation and co-ordination between the different levels of government and government departments, as well as with partners in the private sector and civil society, to achieve common national development goals.

The DWA's mandate is to make water available for the development plans of local, provincial and national government. The DWA, however, has neither the mandate nor the capacity to initiate the development projects themselves. Neither can the DWA provide the land, or the business management skills, or the farming skills, or many of the other things that HDI communities and emerging black entrepreneurs need in order to make a success of their enterprises.

The support that HDIs need to make productive use of a water allocation has to come from local and provincial government, from relevant government departments, and from development agencies. These could be, for example, the Local Economic Development units in local government, the provincial Departments of Agriculture, Trade and Industry, Land Reform, Rural Development, Social Development, etc., and NGOs working in poverty alleviation, rural development and SMME development.



The DWA will work with communities and with our partners in government, to co-ordinate our efforts to achieve our common goals for transformation and development. This will mean that many potential water users may need to work with more than one government agency, so we must take care to co-ordinate our efforts around the productive use of water.

Aligning development plans with national and regional priorities

In terms of the co-operative governance clauses in the Constitution and national policies and legislation, all levels of government across all sectors need to harmonise their development planning to achieve national development priorities.

- National government, in line with the Intergovernmental Relations Framework Bill, sets key national development priorities.
- Provincial government aligns its regional development plans with the national priorities.
- District and local municipalities align their Integrated Development Plans with the provincial development priorities.
- Government's Medium Term Expenditure Frameworks (5 year expenditure plans) are in turn aligned with these development plans to ensure that adequate resources are available to implement the plans.

In this way, all development efforts at all levels of government and in all government departments, are focused on achieving the same goals and delivery is optimised.

The DWA will align water allocation planning with your development plans

Before deciding on which individual users will be authorised to use raw water, the DWA/CMA will first draw up a Framework for Allocation¹ for each catchment (or Water Management Area).

In the process of drawing up the Framework for Allocation, the DWA/CMA will consult with local and provincial government to ensure that the Framework is aligned with local and provincial development plans.

By aligning our plans in this way, all of government will automatically be working towards the achievement of the same objectives. All of our resources will be focused on the same development goals, and the chances for success will be greatly strengthened.

¹Catchment Management Agencies (CMAs) in each catchment must draw up an Allocation Plan as part of their Catchment Management Strategy. Where this exists, it will be used to develop the Framework for Allocation, but in the absence of a CMA the DWA will be responsible for developing the Framework for Allocation.

Consider water use in your development plans

The DWA's WAR process provides real opportunities for HDIs both to fight poverty and to build black-owned businesses. If your municipality's or department's community and business development projects require significant volumes of raw water (such as for irrigated fields, community forestry, or small-scale mining) you need to factor this into your development planning, and to consult with the DWAF over the availability of the water.



Providing water for development projects is not enough. Communities and emerging entrepreneurs also require other support to build their capacity to make productive use of the water and achieve their development goals. The DWA will work with municipal and provincial government partners and development agencies to make sure new users have the best chance of making productive use of water before allocating the water.

How can new users make productive use of water?

Using water productively means creating jobs and incomes that last. This is more likely if a new water user is enthusiastic about using water, and understands how her or his actions affect other water users in the catchment. But new users also need:

- The right to use the land
- Money to start and run the business or project
- Technical skills to run the business or project
- Planning skills to manage water use
- Markets, to which they can sell products made from the use of the water.

The DWA will check that all these things are in place. If anything is missing the DWA, together with other government departments, will help the user get what he or she needs.

If Compulsory Licensing is introduced in your area....

What will the DWA do?

The DWA will make every effort to provide raw water for development and business projects involving HDIs, in line with municipal, provincial and national development goals.

The DWA will consult with government partners to ensure that their raw water needs are catered for as far as possible in the Framework for Allocation for the area.

The DWA will work with government partners and development agencies to identify opportunities for HDIs to make productive use of raw water for poverty relief and business development. The DWA will also work with its partners to make sure that all the elements needed for productive use of water are in place.

The Intergovernmental Relations Framework Bill makes provision for an Implementation Protocol to be established to streamline co-operation between government departments working towards common development objectives. Implementation Protocols – which are a form of Memorandum of Understanding – may in future be developed to facilitate the co-operative governance processes necessary for the implementation of Compulsory Licensing. This will be particularly helpful in streamlining intergovernmental co-operation to provide proper support to HDI individuals and communities to enable them to make productive use of water.



What can government partners do?

You should consider raw water needs in your development planning. The DWA has already identified where raw water for productive use might be made available. This information should help you in your planning. If you consider raw water needs in your development planning, it will be easier for the DWA to make sure there will be raw water available to implement your development projects, or to advise you about what water resources in the area can support

If you have already identified HDI development opportunities that require raw water, for example in your IDP, you should contact the DWA regional office so that together we can work to ensure that the water and appropriate support are available.



If you have not yet identified HDI development opportunities that require raw water, contact your DWA regional office. As part of the WAR process, the DWA is working to identify areas, communities and sectors where there is potential for productive water use. We can then work together to turn this potential into viable community and business development projects.

Care and sensitivity must be exercised when approaching communities who do not yet have basic water services. Understandably, many communities do not make a distinction between basic water services and raw water for productive purposes. Talking about the opportunities presented by WAR with communities who are still waiting for basic water services could lead to confusion and even anger, unless at the same time a plan for the provision of basic water services is developed with the community.



What can communities do?

If your community has an idea to start a community project that needs raw water – like an irrigated vegetable farm, or a community forestry plantation – contact the DWA regional office. We will work with you to develop your plans and we will call in other government departments who can provide support. Together we can work to make sure your project can be successful, and help you get the authorisation you will need to use the water.



What can emerging black entrepreneurs do?

If you have plans to start a business that needs raw water, contact the DWA regional office. We will work with you to develop your business plan and call in other government departments to provide small business development support – things like feasibility studies, start-up finance, management and marketing skills training, access to markets, etc. We will also help you get the authorisation you need to use the water.





Partnerships for development using raw water

This booklet aims to:

- Inform municipal and provincial government, and development agencies, about the opportunities provided to Historically Disadvantaged Individuals (HDIs) by the DWAF's Water Allocation Reform programme and Compulsory Licensing
- Encourage government partners to consider raw water needs in their planning processes
- Suggest ways that government partners can plan and work together to ensure HDI communities and entrepreneurs can benefit from raw water use

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water affairs

Department of Water Affairs
REPUBLIC OF SOUTH AFRICA
Guide to Water Allocation Reform and Compulsory Licensing

What can emerging black entrepreneurs do?

If you would like to know more about the opportunities for HDI that the DWA's WAR programme and Compulsory Licensing can offer, please get in touch with your DWA regional office. We can help each other to identify areas where there is potential for development using raw water, and to provide the necessary support to development projects and emerging businesses.



You can also visit the DWA website on www.dwa.gov.za or ask the DWA regional office to send you guides, pamphlets and posters that explain the WAR programme.

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