

# **AGREEMENT**

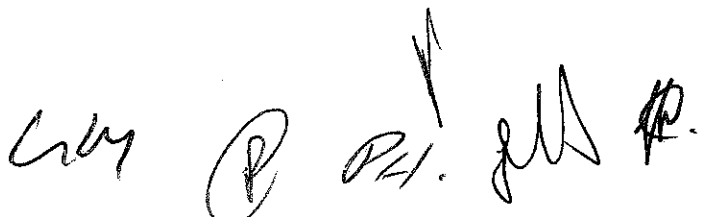
**BETWEEN**

**EMAKHAZENI LOCAL MUNICIPALITY, AS REPRESENTED BY THE MUNICIPAL  
MANAGER**

**AND**

**THE DEPARTMENT OF WATER AFFAIRS AND FORESTRY, AS REPRESENTED BY THE  
DIRECTORATE: LEGAL SERVICES**

**REGARDING THE RECONSIDERATION OF AN APPLICATION FOR A WATER USE  
LICENSE FOR THE ABSTRACTION OF WATER FROM THE ELANDS RIVER,  
TRIBUTARY OF THE CROCODILE RIVER, PROVINCE OF MPUMALANGA**

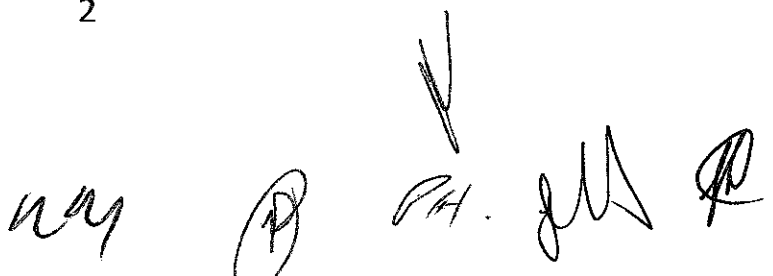
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Whereas the license application submitted to the Department of Water Affairs and Forestry, by BTW Consulting (Pty.) Ltd. in December 2005 (Document Reference Number 20041-REP-002) read with the addendum to this application dated August 2006 (Document Reference Number 20041-REP-003) on behalf of the Emakhazeni Local Municipality;

Considering that, in terms of the license application and the addendum thereto referred to, above, 1 043 000 cubic meters per annum and 1 173 475 cubic meters, respectively being applied for, for bulk water provision to Waterval Boven and Emgwenya from the Elands River

Therefore, the Parties hereby agree as follows:

- 1) The license application remains in force;
- 2) The decision of the Department of Water Affairs and Forestry, dated 2007/05/03, not to grant the license be reconsidered;
- 3) The appeal against the decision in 2, is hereby withdrawn;
- 4) A staggered approach in increasing existing water allocation to the Emakhazeni Local Municipality be taken in the following manner –
  - (i) That a license be issued for a period of a single year, valid from the date of approval by the Chief Director: Water Use, for the abstraction of 2 058 cubic meters per day from the Elands River;
  - (ii) That the license, upon lapsing, be considered for renewal for a second year, for the volume of 2 205 cubic meters per day, from the Elands River.
- 5) A communication regarding a decision in 4, above, shall be forthcoming from the Department of Water Affairs and Forestry to the Emakhazeni Local Municipality by the 15<sup>th</sup> of December 2008.
- 6) Within a reasonable period of time following the approval of the license referred to in 4 and 5, above, the Parties shall engage in consultation in order to facilitate a license application for a

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period of 20 years. This consultation shall take cognisance of, but not necessarily be limited to, the Compulsory Licensing Process of the Department of Water and Forestry, Water Conservation and Demand Management Programs by the Emakhazeni Local Municipality and Strategies for long term water augmentation.

Thus done at Bulwer on this 14<sup>th</sup> day of November 2008

On behalf of the Department of Water Affairs and Forestry

Leopoldina MASHORWA

Patrice Ndzeni

Johannes M. van Aswegen

On behalf of the Emakhazeni Local Municipality

Oscar Moshona Ntosi

Municipal Manager

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[Signature]

SA Chumalo

[Signature]