



water affairs

Department:
Water Affairs
REPUBLIC OF SOUTH AFRICA

MINISTRY OF WATER AND
ENVIRONMENTAL AFFAIRS

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MINISTER OF WATER AND ENVIRONMENTAL AFFAIRS

NATIONAL ASSEMBLY: QUESTION 1902 FOR WRITTEN REPLY

A draft reply to the above-mentioned question asked by Mrs A T Lovemore (DA); is attached for your consideration.


DIRECTOR-GENERAL (Acting)

DATE: 9/9/10

DRAFT REPLY APPROVED/AMENDED


MS B P SONJICA, MP
MINISTER OF WATER AND ENVIRONMENTAL AFFAIRS

DATE: 11/09/2010

NATIONAL ASSEMBLY

FOR WRITTEN REPLY

QUESTION NO 1902

DATE OF PUBLICATION IN INTERNAL QUESTION PAPER: 26 JULY 2010
(INTERNAL QUESTION PAPER NO. 17)

1902. Mrs A T Lovemore (DA) to ask the Minister of Water and Environmental Affairs:

- (1) What (a) are the details of increases in water tariffs for agricultural users in the (i) 2009-10 financial year and (ii) during the period 1 April 2010 up to the latest specified date for which information is available and (b) factors were taken into account when the tariff increases were determined;
- (2) whether any consultations with agricultural stakeholders took place prior to the implementation of the tariff increases; if not, why not; if so, what are the (a) relevant details of the consultations and (b) outcomes of the consultations? NW2288E

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REPLY:

- (1)(a)(i) Water Resource Management tariff increases ranged from 0% to 12.4%.
Water Resource Infrastructure tariff increases ranged from 0% to 30%.
- (1)(a)(ii) Water Resource Management tariff increases range from 0% to 30%.
Water Resource Infrastructure tariff increases range from 0% to 50%.
- (1)(a)(iii) Water resource management charges (tariffs) are water management area-specific and water resource infrastructure charges (tariffs) are scheme-specific, and there are a great multitude of such tariffs for a given year, each with its own physical circumstances and associated cost implications. The tariffs are based on cost recovery, and it often happens that for a given year the costs to be recovered remain the same, or can even be lower those of the previous year. Tariffs for the new financial year are then kept at the same level as for the previous year, which therefore represents a 0% increase in such tariffs for the next financial year.
- (1)(b) Operational costs such as employee remuneration, electricity, traveling costs, maintenance and repairs in the case of Water Resource Management tariffs and Water Resource Infrastructure operations and maintenance tariff portions. Capital costs such as depreciation costs for refurbishment of scheme infrastructure in the case of Water Resource Infrastructure tariffs can be obtained from my Departments website <http://www.dwaf.gov.za/projects/WARM/>
- (2) Water users (including agricultural stakeholders) were consulted regionally and nationally.
- (2)(a) National consultations were held on 29 September 2008 and 15 September 2009. (Attached are the minutes of the national consultation held on 15 September 2009). The detail process is explained below.
- (2)(b) Water tariffs were based on the current Pricing Strategy for raw water use charges, taking into account comments and concerns of, and points of agreement with, stakeholders. The consultation and approval process comprises of the consultation on draft water charges with interested parties at regional level prior to the national consultation level. The Director-General and I have to consider all the inputs and comments of the water users stakeholders before raw water charges are approved by the end September every year. Once the raw water charges have been approved by the Director-General they are published on my Departments website.

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