



EdST

Enquiries: Z Mbele

Telephone: 012 683 1300

Reference: 7/7/1/8

MINISTER OF WATER AND ENVIRONMENTAL AFFAIRS

NATIONAL ASSEMBLY: QUESTION ★470 FOR ORAL REPLY

A draft reply to the above question asked by Mr J J Skosana (ANC) is attached for your consideration.

DIRECTOR-GENERAL

DATE:

appell amended & sent to Errol last Friday

DRAFT REPLY APPROVED/AMENDED

MRS BEE MOLEWA, MP

MINISTER OF WATER AND ENVIRONMENTAL AFFAIRS

DATE: 16 /11/2

NATIONAL ASSEMBLY

FOR ORAL REPLY

QUESTION NO 470

DATE OF PUBLICATION IN INTERNAL QUESTION PAPER: 13 NOVEMBER 2012 (INTERNAL QUESTION PAPER NO. 40)

★470. Mr J J Skosana (ANC) to ask the Minister of Water and Environmental Affairs:

(a) What are the details of her department's plan in respect of future increases in water charges and (b) how does her department intend to ensure that end users understand and endorse future benefits emanating from the Lesotho Highlands Water Project 2?

NO4089E

---00000---

REPLY:

(a) Water charges take account of raw water charges, which are from the result of water resource development and management, and water services costs (which are the costs of purifying and distributing potable water to consumer, industry and commerce).

Increases in raw water charges are determined in accordance with the prescripts of the Pricing Strategy for Raw Water Use Charges which were published in Government Gazette No. 27732 on 1 July 2005, issued in terms of the National Water Act, Act No. 36 of 1998. The Pricing Strategy makes for provision for, *inter alia*, funding of water resource management and water resource development. In accordance with the Pricing Strategy, the cost of this resource development will be recovered through increased water charges paid by users of the Vaal River system. These tariff increases are being phased-in progressively to minimise the impact on water users and currently contribute 10 c/kl to raw water charges.

In addition to the funding of water resource development, increases in raw water charges are linked to the Consumer Price Index (CPI).

---00O00---