



water & sanitation

Department:
Water and Sanitation
REPUBLIC OF SOUTH AFRICA

EdTM

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Reference: 6/2/2/6

MINISTER OF WATER AND SANITATION

NATIONAL ASSEMBLY: QUESTION 1416 FOR WRITTEN REPLY

A draft reply to the above mentioned question asked by Mr T W Mhlongo (DA) is attached for your consideration.

DIRECTOR-GENERAL

DATE: 12/6/16

DRAFT REPLY APPROVED/AMENDED

**MRS NP MOKONYANE
MINISTER OF WATER AND SANITATION**

DATE: 28.06.16

NATIONAL ASSEMBLY

FOR WRITTEN REPLY

QUESTION NO 1416

DATE OF PUBLICATION IN INTERNAL QUESTION PAPER: 13 MAY 2016
(INTERNAL QUESTION PAPER NO. 14)

1416. Mr T W Mhlongo (DA) to ask the Minister of Water and Sanitation:

Whether (a) her department and (b) all entities reporting to her are running development programmes for (i) small businesses and (ii) co-operatives; if not, why not; if so, in each case, (aa) what are the relevant details, (bb) what amount has been budgeted and (cc) how many jobs will be created through the specified development programmes in the 2016-17 financial year?

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REPLY:

(a) Refer to the tables below for my Department's development programmes.

(a)(i) My Department's development programmes for small businesses:

(a) My Department	(i) Small businesses	(aa) Relevant details	(bb) Amount budgeted	(cc) number of jobs created
	Enterprise development initiatives to develop emerging businesses	A target of a minimum of 30% of the scope of work of major projects is designated for small businesses from the project area.	±R, 796, 591, 779.00	Number of jobs created is dependent on the scope of each project.

(a)(ii) My Department's development programmes for co-operatives:

(a) My Department	(ii) Co-operatives	(aa) Relevant details	(bb) Amount budgeted	(cc) number of jobs created
	Resource Poor Farmers	1 462 were financially supported to enhance access to water	R 15 387 000,00	769 job opportunity were created

(b) Refer to **Annexure A** for all entities running development programmes for small businesses and co-operatives.

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Annexure A

(b)(i) My Entities development programmes for small businesses:

(b) Name of Entities	(i) Small businesses	(aa) Relevant details	(bb) Amount budgeted	(cc) number of jobs created
Amatola Water	Yes	<ul style="list-style-type: none"> • In house empowering supplier days workshops • Tender Advice Trainings • Early payments • B-BBEE certificate assistance • Health & Safety Trainings • Preference to businesses with 50.1% black ownership status on all procurement transactions 	R500 000	Subject to approval of ED Strategy
Bloem Water	Yes	<p>Capacity building through MoU with the local tertiary institutions;</p> <ul style="list-style-type: none"> • Identify CAPEX projects targeted at empowerment of Woman, Youth, and Disabled persons owned companies. This will target skills in Water retaining structures and other water infrastructure. • Targeted procurement of chemicals and equipment such as Pumps, Valves etc. in order to develop a Black owned supplier and maintenance base. 	3% of Net Profit after Tax as per BBBEE Act	To be determined, subject to availability of funds and approval of the Business Plan and Tariffs.
Magalies Water	Yes	<p>Various training skills i.e.</p> <ul style="list-style-type: none"> • Business planning • Financial statements • Regulatory compliance • Forms of ownership • SARS requirements 	<ul style="list-style-type: none"> • 20% of the operational expenditure (R11million) • 40% of the total Capex budget (R87million) 	100 job opportunities anticipated

(b) Name of Entities	(i) Small businesses	(aa) Relevant details	(bb) Amount budgeted	(cc) number of jobs created
Mhlathuze Water	50.1% black owned businesses to benefit from the programme	Enterprise and Supplier Development (ESD) Programme (large enterprises to form strategic alliances through joint ventures and sub-contracting initiatives). Targeted payment system (where SMMEs will be paid within 14 days of invoice receipt)	R350 000	ESD strategy recently approved by the Board, effective from the 1 st of July 2016
Rand Water	Yes	Construction Services, Greening Landscaping, Catering services, Agricultural, Farming, Water and Sanitation services and Environmental Services	20,850,000	1, 400
Sedibeng Water	Yes	Construction and consulting engineering, Community facilitation	25 758 350.00	250 indirect jobs
TCTA	Yes	Through SMMEs participation in TCTA socio-economic interventions: <ul style="list-style-type: none"> • Boreholes, • Purification plant upgrades, • Training with focus on women and youth; • Land clearing; • Construction of roads around our projects • Reduced payment periods to 7 days for small business or cooperatives. 	R7,000,000 NB: Please note that TCTA budgets for SMMEs as we gets directives.	60 jobs
Lepelle Water	Yes	SMMEs Empowerment In-house Workshops	None	None

(b) Name of Entities	(i) Small businesses	(aa) Relevant details	(bb) Amount budgeted	(cc) number of jobs created
WRC	MIH Projects; Funama Productions; Tsogang Water and Sanitation as a non-governmental organization; AmanzAbantu Consultants ;International Water Management Institute (IWMI) and Kukho Consulting Engineers; Various SMME's to be identified as well as Communities and Youth.	Women Empowerment programs, Multiple Use Water Service and roll out the 200 earth auger sanitation units; Pour flush demonstration in six LMs; The geyser app demonstration in two LMs; Conduit Hydro in 5 LMs; The Spiral membrane Water Treatment Module for rural areas	R 45 339 515.50	<ul style="list-style-type: none"> • 260 part time jobs • 80 informal jobs • 30 plumbers • 15 full time jobs
Overberg Water	None	None	None	None
Umgeni Water	None	None	None	None
Inkomati-Usuthu CMA	None	None	None	None
Breede-Gouritz CMA	None	None	None	None

(b)(ii) My Entities development programmes for Co-operatives:

(b) Name of Entities	(ii) Co-operatives	(aa) Relevant details	(bb) Amount budgeted	(cc) number of jobs created
Bloem Water	Yes	Farming: <ul style="list-style-type: none"> • Provision of farming Starter packs, Poultry and Piggery supplies. • Assistance with grazing land in our rural areas of supply and water for farming where possible. • Sewing projects support with sewing equipment. 	A portion of the 3% NPAT as indicated in small businesses above.	To be determined, subject to availability of funds and approval of the Business Plan and Tariffs.

(b) Name of Entities	(ii) Co-operatives	(aa) Relevant details	(bb) Amount budgeted	(cc) number of jobs created
Magalies Water	Yes	Various training skills i.e. <ul style="list-style-type: none"> • Business planning • Financial statements • Regulatory compliance • Forms of ownership • SARS requirements 	<ul style="list-style-type: none"> • 20% of the operational expenditure (R11million) • 40% of the total Capex budget (R87million) 	100 job opportunities anticipated
Rand Water	Yes	School Uniform Manufacturing, Agricultural Services, Farming, Medicinal Plants, Greening and Landscaping.	R4, 000, 650	350
Sedibeng Water	Yes	Agricultural Services and Farming.	R500 891.00	80
Umgeni Water	Yes	Grass Cutting- Pipelines & Reservoir - Mkondeni Grass Cutting- Pipelines & Reservoir - Mkondeni General Maintenance & Office Cleaning – Darvill WWW General Maintenance-Durban Heights Grass cutting- Darvill Office Cleaning-Mkhondeni, Inland Sites Office Cleaning Head Office Office Cleaning Pineside Office Cleaning-Amanzimtoti Office Cleaning Office Cleaning Office Cleaning & General Maintenance Recycling	R10 215 588.56	136
Amatola Water	None	None	None	None
Lepelle Water	None	None	None	None
Mhlathuze Water	None	None	None	None
Overberg Water	None	None	None	None
TCTA	None	None	None	None
WRC	None	None	None	None
Inkomati-Usuthu CMA	None	None	None	None
Breede-Gouritz CMA	None	None	None	None