

# 1 Minister's Statement

We are into the second year of our second decade of freedom, which has its own unique challenges for the consolidation and further gains of our freedom. These gains must be understood in the context of the broader transformation of our society of which our Department is a microcosm.

The central challenge of the second decade of freedom is to build the capacity of all institutions of government to implement the government's policies of reconstruction and development. This means that DWAF has to pay visible attention to supporting and capacitating local government in the delivery of Free Basic Water and the eradication of backlogs in water supply and sanitation. Our support to local government extends to the implementation of the Extended Public Works Programme (EPWP). DWAF will continue to interact with municipalities to incorporate water, sanitation and afforestation activities in their development of integrated development plans (IDPs) for the benefit of Local Economic Development.

The role of the Department of Water Affairs & Forestry (DWAF) is changing as a result of the transformation of the water sector in South Africa, where water services (water supply and sanitation) are being devolved to Municipalities that are water services authorities, and water resources management will be delegated to Catchment Management Agencies (CMAs). This requires that we re-evaluate our functional environment to fulfil our mandate in the overall programme of government -that of reducing poverty through growth and development to achieve social justice and dignity for our people. We have to lead our country to use the water and forestry resources wisely and in a sustainable manner for the benefit of all our people, especially those who were previously excluded.

The implementation of many of the programmes outlined in the strategic plan (2006/07 – 2010/11) will involve partnerships with other public and private sector entities and agencies as well as non-governmental organisations. Such partnerships will assist the ultimate achievement of our strategic objectives. To provide effective sector leadership, DWAF has to strengthen its strategic partnerships for improved service delivery.

As sector leader, DWAF is expected to set standards and to assist municipalities at acquiring the necessary technology to adhere to the set standards for improved service delivery.

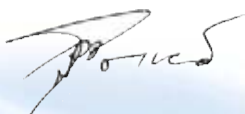
DWAF is committed to actively engaging in the 21 Integrated Sustainable Rural Development Plan (ISRDP) nodes, the provincial growth and development plans (PGDPs) and IDPs in order to maximise its contribution to poverty eradication, growth and economic development within the framework of our functional areas. DWAF will continue to guide Provinces in developing and implementing their PGDPs in so far as water and forestry resources are concerned.

The soon-to-be established National Water Resources Infrastructure Agency (NWRIA) is of strategic importance, in that it will contribute to the achievement of the 2014 vision of government – that of developing economic infrastructure for growth and development. The challenge for the Department is to craft a strategic agenda that ensures that NWRIA creates a balance in the development of social and economic raw water projects in the country.

We will continue to play a leading role in the Forestry Sector Charter and will ensure that the BBBEE charter attains its objectives. Our campaigns have to be sustained and incorporated into our monitoring and evaluation systems to check their impact on the ground.

Our role beyond the borders of our country requires our involvement in the consolidation of the African agenda. DWAF will continue to play a leading and supportive role in promoting the principles of the New Partnership for Africa Development (NEPAD), namely to deepen democracy, promote peace and security and expand investment and intra-Africa trade. This relates to fast-tracking the economic integration of Southern Africa, thereby contributing to the success of NEPAD.

Our programmes, activities and performance have to embrace the principles of *Batho Pele*. Our people have to occupy the centre stage of what we do. Their centrality in our services should not be compromised at any cost.



**Ms BP Sonjica, MP**  
**Minister: Department of Water Affairs and Forestry**



## 2 Overview by the Accounting Officer

The 2005 departmental strategic planning session gave us the opportunity to take stock of DWAF's mandate and to map out how DWAF will attend to the National priorities as set out in the State of the Nation Address (SONA), Government Programme of Action (GPOA) and the Plan of Action from Minister's Lekgotla in 2005.

We are fully committed to contributing to new ways of working as an integrated and coordinated government. In this regard, we will continue our high level and active participation in the Forum of South African Directors General (FOSAD) cluster activities and seek to elevate these to include coordinated planning, prioritising and budgeting.

The Department of Water Affairs and Forestry (DWAF) seeks to ensure that South Africa has reliable sources of water and sufficient forest resources for sustainable social and economic development. The activities of the Department support job creation, poverty eradication, the provision of basic services, the building of the economy and the development of human resources and capacity. The Department also plays an important role in seeking to create an environment that is not harmful to the health or wellbeing of people in South Africa.

Building on the foundation laid by the White Paper on National Water Policy (1997) and the National Water Act (Act 36 of 1998), significant progress was made with the development of the national policy, legislative and strategy framework for managing water resources. This culminated in the establishment of the National Water Resource Strategy, First Edition, in 2004. The strategy sets out the procedures, guidelines and institutional arrangements for managing water resources, and provides water-related information for identifying development opportunities and constraints.

Some operational policies, strategies, guidelines, procedures and other tools to implement the National Water Act's requirements remain to be developed by the national office, but in the medium term the emphasis has to be on implementation. In this context, the establishment of an agency to manage national water resources infrastructure, and regional and local institutions to manage water resources, will enable the department to progressively move towards its role of developing policy, regulation, planning, monitoring and providing institutional support, and away from day-to-day water resource management activities.

The Forestry sector holds significant potential for rural development and job creation in under-developed areas. The Department has been working with other relevant departments and spheres of government to promote community-based afforestation in the Eastern Cape and KwaZulu Natal in particular. Limpopo has also identified forestry as a growth opportunity, as is reflected in the Limpopo Provincial Growth and Development Strategy. The Forestry Sector Charter that was initiated by the Minister in 2005 will develop in more detail the opportunities for social and economic development and BBBEE in the Forest sector.

The Department has also been working closely with provincial governments to ensure that water-related constraints and opportunities for development are aligned with the Provincial Growth and Development Strategies. These approaches have seen the identification of water development requirements for activities that include large-scale mining in Limpopo and emerging farmer projects in the Eastern Cape.

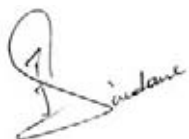
In 2003, Cabinet adopted the Strategic Framework for Water services, which sets out the roles, responsibilities, and approach for delivering sustainable water supply and sanitation to all people. In line with this, the Department has been transferring its implementation functions to local government while providing support through Project Consolidate. At the same time, the Department has been developing its regulatory role.

The Department identified a major need for human resource development in the water services and water resource sectors, and launched a 2025 Capacity-building Strategy for the Water Sector, which has brought together all the role players in the water sector to work together on this strategy.

The Department continues with the process of substantial restructuring, which will only be completed in eight to ten years' time. DWAF in a number of areas continues to perform both implementation and regulatory functions, and the restructuring aims to separate these. This process involves transferring most of the Department's implementation functions to more appropriate levels of government and institutions. The Department to focus on macro-planning, regulation, sector leadership, institutional regulation, oversight and monitoring.

Some of the significant policy developments during the past four years and key challenges facing the department during the MTEF period are highlighted in this document for each of the Department's functional areas.

In order to achieve the objectives in the strategic plan, we need committed and capacitated employees. To this end, we will continue to place a high premium on the continued development and nurturing of our employees. DWAF must become an employer of choice; characterised by a high level of service delivery.



**Mr JI Sindane**  
**Director-General**

## 3 Business Definition

### 3.1 Legislative mandate of the Department

The Department is legislatively mandated by:

**The National Water Act (No. 36 of 1998):** to ensure that South Africa's water resources are protected, used, developed, conserved, managed and controlled in a sustainable and equitable manner, for the benefit of all persons. The Act provides the National Government – acting through the Minister of Water Affairs and Forestry, who is the public trustee of the nation's water resources – with power to regulate the use, flow and control of all water in the Republic.

**The Water services Act (No. 108 of 1997):** to create a developmental regulatory framework within which water services can be provided. The Act establishes water services institutions, and defines their roles and responsibilities. Section 156, read in conjunction with Part B of Schedule 4 of the Constitution of the Republic of South Africa (Act 108 of 1996) vests the executive authority and responsibility for water supply systems and domestic wastewater and sewage disposal systems, in Local Government. However, the National Government has a constitutional responsibility to support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and to perform their functions. It also has the authority to see to the effective performance by municipalities of their functions in matters listed in Schedules 4 and 5 of the Constitution, by regulating the exercise by municipalities of their executive authority. The Water services Act gives substance to these constitutional requirements and provisions, whilst acknowledging the authority of Local Government in respect of water services.

**The National Forests Act (No. 84 of 1998):** to promote and enforce the sustainable management and development of forests for the benefit of all; the promotion of sustainable use of forests as well as the provision of special measures for the protection of forests and trees. To balance the protection of forests with sustainable use, the Act regulates a wide range of uses, and sets out the right of everyone to have a reasonable right of access to State forests for non-consumptive purposes, such as recreation. The rights to the use, management, control and operation of State forests and the produce in them vest in the Minister of Water Affairs and Forestry and are regulated by the Department through this Act.

**The National Veld and Forest Fire Act (No. 101 of 1998):** to prevent and combat veld, forest and mountain fires throughout the country and thereby limit and reduce the damage and losses caused by fires to life, fixed property, infrastructure, movable property, stock, crops, fauna and flora and veld in South Africa. In terms of the Constitution, fire-fighting services are a Local Government function, with Provincial and National Governments playing a facilitating role. The Minister of Water Affairs and Forestry must prepare and maintain a fire danger rating system for the country, in consultation with affected role players, including Fire Protection Associations, which are to be established under the Act. The Department must also keep a record of fires and develop a database to capture the statistics of fires and their impact on society.

The work of the Department is informed by these pieces of legislation, nationally appropriate policies and laws, relating to the Public Service as a whole, as well as those pieces of legislation that promote such Constitutional goals as equality, accountability, the Rule of Law and openness.

### 3.2 Vision

As the Department of Water Affairs and Forestry, we want to be viewed as a department that provides "some for all forever" and this is captured strategically in our vision, mission and values.

We have a vision of being:

a country that uses water and forests productively and in a sustainable manner for social and economic activities; in a manner that promotes growth, development and prosperity of all people to achieve social justice and equity.

### 3.3 Mission

As **sector leader**, the mission of the Department of Water Affairs and Forestry is to serve the people of South Africa by:

**guiding**, leading, developing legislative framework, regulating and controlling the water and forestry sectors;

**conserving**, managing and developing our water resources and forests in a scientific and environmentally sustainable manner in order to meet the social and economic needs of South Africa, both now and in the future;

**ensuring** that water services are provided to all South Africans in an efficient, cost-effective and sustainable way;

**managing** and sustaining our forests, using the best scientific practice in a participatory and sustainable manner;

**educating** the people of South Africa on ways to manage, conserve and sustain our water and forest resources;

**cooperating** with all spheres of Government, in order to achieve the best and most integrated development in our country and region;

**creating** the best possible opportunities for employment, the eradication of poverty and the promotion of equity, social development and democratic governance.

### 3.4 Values

As public servants, our skills will at all times be used for the benefit of the people and for the reconstruction and development of our country in the spirit of *Batho Pele*.

As management, it is our responsibility and aim to provide high-quality, transformational leadership

and a disciplined work ethic and to promote a working culture for motivated, accountable and committed teamwork.

As citizens of the African continent, we are dedicated to long-term, integrated regional security and cooperation and also to the spirit of the African Renaissance.

Our working environment is governed by the principle of representivity, equality, mutual respect and human development.

#### 3.4.1 CORE VALUES FOR TRANSFORMATION

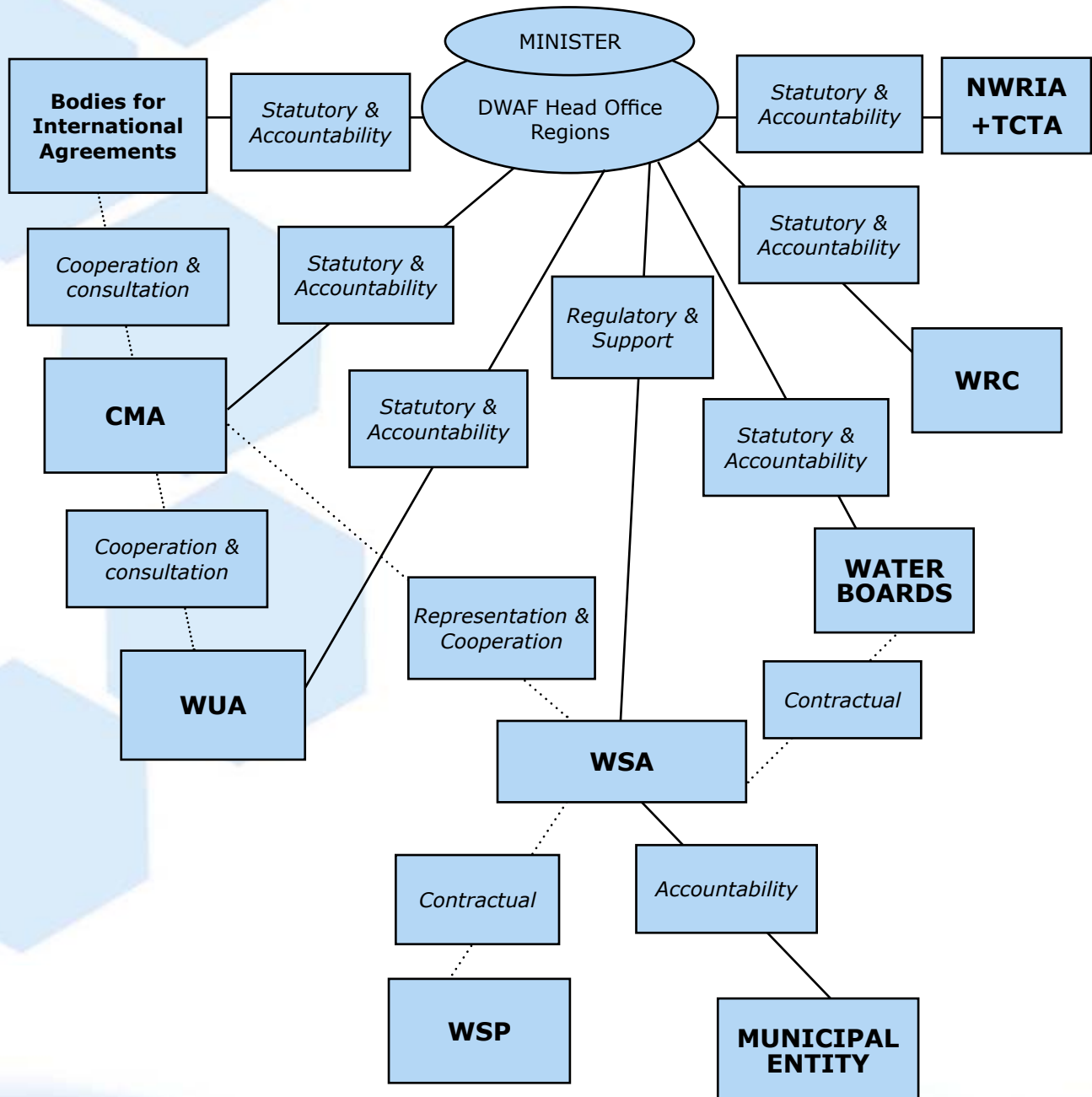
We recognise that:

**people** are the cornerstone of the Department's success and **diversity** is valued as a source of strength. We strive for a Department that fosters **personal growth and achievement**.

## 4 Sectoral Overview

### 4.1 Water Sector

Figure 1 illustrates the institutions that are major role players in the water sector, and that are part of transformation of the sector.



**Figure 1 Water sector institutional setting**

The respective roles and responsibilities are as set out in various policies and legislation, and include the following:

**Catchment Management Agencies (CMAs):** Management of water resources at catchment level

**Water User Association (WUA):** An association of water users that operates within a given allocation at a localised level

**Water services Authority (WSA):** Municipality with powers to ensure delivery of water services

**Municipal Entity:** Public entity at municipal level intended to carry out municipal mandate

**Water services Providers (WSP):** An organisation providing water services on behalf of a Water services Authority

#### 4.1.1 Water Resources

Four consecutive years of below-average rainfall over much of the country resulted in a decline in the total volume of water in storage in the country's major dams from around 90 percent of the total national full supply capacity in March 2002 to around 67 percent at the end of March, 2005. Groundwater levels have fallen in many areas. As a consequence, restrictions on water use from surface water sources – widespread in the northern, north-eastern, central and south-western parts of the country – were imposed during 2004/05, although some restrictions were subsequently eased because of better rains in late 2005 and early 2006. Drought relief efforts were necessary to support municipalities in delivering water services where sources – especially groundwater sources – had failed or were failing, and it was also necessary to construct emergency pipelines to supply water for domestic and industrial use and power generation on the eastern highveld.

Analysis of biological monitoring data, collected in 24 rivers or groups of rivers throughout the country – the catchments of which represent a little more than a quarter of South Africa's total land area – indicates that 6% of the rivers studied are in an overall natural condition, 22% are in good condition, 44% are in a fair condition and 28% are in a poor condition. Biological monitoring presents a holistic and integrated picture of the condition of a river, by monitoring the condition of the animals and plants that live in or near it and which continuously experience – and therefore reflect – the cumulative effect of variations in

flow-rate and water quality over extended periods of time.

The achievement of equity and social justice in resource distribution remains one of the most important challenges facing water managers. The recently-commenced process of reforming water allocation aims to reallocate resources from those who have been favoured by history to those who have been neglected, but it will also be necessary to consider the complex linkages that exist between the benefit to society, the state of the environment and the needs of the economy, and to ensure that the competing needs and demands of industry, agriculture, cities and ordinary people are catered for.

The process of establishing new institutional arrangements for water resource management – regional and local institutions to manage water resources and a new institution to manage national water resources infrastructure – is in its relative infancy. Cabinet approved the establishment of the National Water Resource Infrastructure Agency (a public entity) in 2005, and the Agency is expected to be fully functional by 2008.

The institutional reform process serves two principal purposes. Firstly, to decentralise the responsibility for managing water resources to regional and local levels in order to facilitate wider public involvement in water matters and, secondly, to move the Department away from day-to-day water resource management activities towards its ultimate role of developing policy, regulation, planning, monitoring and providing institutional support. As part of its support role the Department has recently embarked on the development of a capacity-building strategy to address capacity limitations in the sector.

Establishment of the National Water Resource Strategy (First Edition), in September 2004, met the Johannesburg Plan of Implementation target (JPOI) to develop a national integrated water resources management and water efficiency plan by 2005. The second edition is scheduled to be completed in 2009.

#### 4.1.2 Water services

Various government policies and legislation relating to water services and the role of local government have been developed and implemented since 1994. The Strategic Framework for Water services





South Africa's plantations, natural forests and woodlands are relatively intact and well-protected in comparison with many other countries around the world, where large-scale unsustainable clearing is taking place.

There is, however, concern around the ability of our plantations and forests to support the growth of the country as a whole. The natural forests are under increasing pressure to provide goods and services – especially to the rural poor, who depend on these resources – while the growth of the commercial forestry sector, which is dependent on plantations, has been hampered to some extent by limited expansion over the last ten years. A draft sector growth and development strategy has been produced by this department, the Department of Trade & Industry (DTI) and the Department of Environmental Affairs and Tourism (DEAT). Other interventions are reflected in subsequent sections of this strategic plan.

## Figure 2 Forestry institutional setting

The extent of these resources is currently as follows:

<b>Natural forests:</b>	503 000 ha (0.5% of the land area of South Africa)
<b>Planted forests:</b>	1 400 000 ha (1.25% of the land area of South Africa)
<b>Woodlands:</b>	29 000 000 ha (21% of the land area of South Africa)

With respect to plantations the country enjoys the highest rate of international certification in the world, with more than 80% of the country's forests being certified by the Forestry Stewardship Council. This gives reasonable assurance that these areas are sustainably managed in terms of social, economic and ecological principles and criteria.

### The state of the sector is as follows:

Black ownership is largely limited to the ownership and supply of timber and contracted services to the sector. Currently about 8% of planted forests are black-owned and around 40% of contractor enterprises are black-owned. Many of the smaller forest owners are black women in rural areas. However, the participation of women in the sector is extremely low.

Forestry contributes significantly to the economy, both directly and indirectly, with formal commercial forestry alone contributing 2% to the national

GDP. Forestry accounts for 9% of agricultural output (despite its much smaller footprint) and 8% of manufacture output. It provides for 4% of the country's total annual exports.

The commercial forestry sector is acknowledged as one of the best in the world with some South African companies being listed on foreign stock exchanges and being the largest producers in the world of certain products. Further, as pointed out above, the country's plantations enjoy the highest rate of international certification.

There has, however, been significant lack of attention to cross-cutting research and development, which has seen companies focusing on internal research and which poses risks to the sector broadly and results in inefficiencies.

There has been a decreasing interest in and erosion of existing forestry expertise, as evidenced by the low enrolment of students into tertiary institutions dealing with forestry.


Internationally, in addition to the status enjoyed by the private sector, this department has been very influential in global forums on forestry and drove the development of the Southern African Development Community (SADC) forestry protocol. It has been a key role player in the African Forestry Law Enforcement and Governance initiative, the NEPAD initiative, the Congo Basin Forestry Partnership and the Global Partnership on Forest Landscape Restoration. It has also played a leading role in the deliberations and decision-making of the United Nations Forum on Forests and its sub-committees as well as in the Food and Agricultural Organisation (including the Committee on Forestry, in which the Minister of Water Affairs and Forestry participates, annual participation in the Global Forest Resource Assessment and the international Code of Best Practice for planted forests).

## 5 Institutions of support to DWAF's mandate

### 5.1 Institutions under the Minister's Oversight

#### 5.1.1 Water Research Commission

The Water Research Commission (WRC), classified as a Schedule 3A Public Entity under the Public Finance Management Act, was established in



terms of the Water Research Act (Act No. 34 of 1971) with the mandate to coordinate, promote, encourage, finance and manage research in respect of the occurrence, preservation, utilisation, conservation, control, supply, distribution, purification, pollution or reclamation of water supplies or water resources. The WRC is given further responsibility to accumulate, assimilate and disseminate knowledge with regard to the results of such research and the application thereof, and to promote development work for the purposes of such application. To enable the WRC to carry out its mandate, the Water Research Act makes provision for a Water Research Fund to be administered by the WRC, the income of which is composed of rates and charges levied either on land irrigated, or on water supplied to users by the State, water boards and local authorities.

Revenue from the Fund is made available for research projects and research support services, including knowledge dissemination and technology transfer. Research projects support postgraduate students, especially those from previously disadvantaged backgrounds.

### 5.1.2 Water boards

Chapter Six of the Water services Act, 1997 (No. 108 of 1997) provides the legislative framework in which water boards operate. In terms of the Act, the primary activity of a Water Board is to provide water services to other water services institutions within its service area. Water boards must enter into formal service provision agreements with the water services authorities (municipalities) in their service areas.

Water boards are public-sector water services providers, whose primary activity is to provide bulk water to municipalities.

Many water boards have developed good relations with local municipalities but others have still not established formal agreements.

DWAF will continue to work in partnership with the South African Local Government Association (SALGA), Department of Local Government (DPLG) and South African Association for Water Utilities (SAAWU) in order to ensure that water boards continue to play a meaningful role in service provision. There are currently 15 water boards, namely:

- a Albany Coast Water Board
- b Bloem Water
- c Bushbuckridge Water Board
- d Lepelle Northern Water
- e Mhlathuze Water

- f Overberg Water
- g Rand Water
- h Umgeni Water
- i Amatola Water Board
- j Botshelo Water
- k Ikangala Water
- l Magalies Water
- m Namakwa Water
- n Pelladriest Water Board
- o Sedibeng Water

### 5.1.3 Trans-Caledonian Tunnel Authority

In terms of the 1986 treaty on the Lesotho Highlands Water Project (LHWP) between Lesotho and South Africa, South Africa was obliged to establish the Trans-Caledon Tunnel Authority (TCTA) to implement the LHWP on the South African side. The actual establishment was done under the 1956 Water Act. Since the completion of Phase 1A of the project, the TCTA's treaty functions have been limited to the operation and maintenance of the project on the South African side. This has, over time, become a minor function, which no longer requires full-time staff. The main business is now to raise funds and to manage liabilities on behalf of Government in respect of this project and other projects.

For example, the TCTA was directed by the Minister in 2001 to undertake the treasury management function of Umgeni Water, and in May 2002 the Minister directed it to implement the Berg River Water Project (BWP), which will augment the water supply to the Western Cape Water System. Construction of the dam commenced in July 2004 with the road infrastructure having been completed in January 2005.

In May 2004, the Minister directed the TCTA to provide financial and treasury management services to Umgeni water, other Water Boards, Water Management Institutions and the Department of Water Affairs and Forestry.

On 26 November 2004, it was issued a directive to implement and fund the Vaal River Eastern Sub-system Augmentation Scheme. A Cabinet Memorandum was also approved, assigning it the task of advising on funding options for Phase 2 of the Olifants River Water Resources Development Project (ORWRDP).

The TCTA and the National Water Resource Infrastructure Branch of DWAF will ultimately merge into the National Water Resource Infrastructure Agency.

## 5.2 Water Management Institutions

Whilst water resource management is a function of exclusive national competence, it is recognised that it is necessary to separate the regulatory functions from the actual management functions. To this end, the National Water Act, 1998 (Act No. 36 of 1998) provides for the establishment of various institutions, most of them at local and regional level, to facilitate the management of water resources at the catchment levels. The most important of these are the CMAs. The entire country is divided into 19 water management areas. The plan is to establish a Catchment Management Agency in each of the areas.

A CMA is a local institution, which comprises stakeholders in a catchment area (including water users and municipalities) to govern water resources in their catchment. The Minister may delegate powers to a CMA. A CMA is accountable to the Minister for carrying out its function and is funded through water charges and from the national fiscus.

Four of the eventual 19 catchment management agencies (CMAs) have formally been established. It is anticipated that the remaining fifteen will progressively be established by 2010.

## 5.3 Bodies to Implement International Agreements

The NWA recognises that, in order to implement international agreements, specialised institutions may need to be created for this purpose. In this regard, the Act gives the Minister (acting in consultation with Cabinet) the power to establish bodies to implement international agreements if and when the need arises. An example of such an institution is the TCTA, which was established to implement the RSA side of the agreement with Lesotho (the Lesotho Highlands Water Project).

To the extent that it may not compromise its primary objective, the NWA gives the Minister the power to direct such a body to carry out additional functions.

### 5.3.1 Komati Basin Water Authority (KOBWA)

The Komati River Basin Authority (KOBWA) is a bi-national water authority of the Kingdom of Swaziland and the Republic of South Africa, formed under the Treaty on the Development and

utilisation of the Water Resources of the Komati River Basin, ratified in 1992. KOBWA is tasked with the implementation of phase 1 of the Komati River Basin Development Project, which comprises the Driekoppies Dam (phase 1a) near Schoemansdal in South Africa and the Maguga Dam (phase 1b) near Pigg's Peak in Swaziland. The purpose of the project is to promote rural development and alleviate poverty in the lower Komati Valley, by increasing the productivity of the land through irrigated agriculture.

Following a request from DWAF, KOBWA took over the implementation of the Driekoppies Dam relocation programme during 2004.

### 5.3.2 International Watercourse Commissions

Regional cooperation is important because South Africa shares four major river basins ( $\pm 60\%$  of land area,  $\pm 40\%$  of total runoff) with six neighbouring countries.

South Africa is committed to the joint management and equitable utilisation of the international waters that it shares with neighbouring countries.


The Orange-Senqu River Commission, an international water management institution, was established in 2000; an agreement was signed in 2003 to establish the Limpopo River Commission, and negotiations are in progress to complete the international institutional arrangements for all four river basins that South Africa shares with neighbouring countries. International basin studies are in progress to facilitate the development of formal water-sharing agreements with neighbouring states.

Regional cooperation is founded on and guided by:

- the Revised Protocol on Shared Watercourses in the Southern African Development Community (SADC), which is an outstanding development in the water field;
- the SADC Regional Strategic Action Plan, which is aimed at the harmonisation of national water policies and strategies to support integrated water resource management with regional cooperation instruments such as the Revised SADC Protocol on Shared watercourses.

Co-operation is facilitated by:

- **Continual dialogue** – project-related and on matters of common interest through technical committees and commissions between South Africa and other countries,



under the leadership of DWAF. Some of these committees include:

- Lesotho Highlands Water Commission (Lesotho, RSA)
- Swaziland/RSA Joint Water Commission
- Orange-Senqu River Commission (Botswana, Lesotho, Namibia and RSA), established 2000
- Limpopo Basin Permanent Technical Committee (Botswana, Mozambique, RSA and Zimbabwe)
- Botswana/RSA Joint Permanent Technical Water Committee
- Mozambique/RSA Joint Water Commission
- Permanent Water Commission (Namibia, RSA)
- Swaziland/Mozambique/RSA Tripartite Permanent Technical Committee
- **Agreements and Treaties**
  - Interim Water-sharing Agreements, signed for the Inkomati and Maputo river systems in 2002
  - Treaty to establish the Limpopo Watercourse Commission, signed in 2003
  - Treaties to establish the Inkomati and Maputo River Basin Commissions in preparation
- **Joint basin studies**
  - Joint Inkomati Basin Study that was completed 2002
  - Studies on the Orange-Senqu, Maputo and Limpopo rivers in progress

In order to effectively achieve the objectives of our legislation the importance of a coordinated approach towards institutional governance cannot be overemphasised. There is a strong need to build the capacity of the various institutions to be able to carry out their mandates.

Information sharing and exchange at different levels are critical to ensure success in integrated water resources management and sustainable development.

## 6 Service Delivery Environment

The department works according to a matrix management system in which policy, strategy, regulatory and implementation activities combine to achieve the Key Focus Areas and Strategic Objectives of the Department as a whole.

There are nine Regional Offices (one in each province) that are responsible for water resource management, water services provision and the implementation of the Working for Water Programme. These offices also deal with forestry issues in the northern, eastern and southern parts of the country.

## 6.1 Key Focus Areas

The following are Key Focus Areas (KFAs) in the three line functions of the Department (Water services, Water Resource Management and Forestry):

**Table 1: Description of Key Focus Areas per programme**

<b>Programmes in ENE report</b>	<b>Key Focus Area in Strategic Plan</b>	<b>Description</b>
<b>Forestry</b>	<b>KFA 1</b>	Create and promote an enabling regulatory environment for sustainable forest management
	<b>KFA 2</b>	Promote socio-economic growth through the development of the forestry sector
	<b>KFA 3</b>	Create and promote an enabling regulatory environment for the prevention and management of veld and forest fires to support local and rural socio-economic development
	<b>KFA 4</b>	Transfer and post-transfer administration of State forestry assets
	<b>KFA 5</b>	Sustainable management of State forests to optimise social, economic and environmental benefits
<b>Water Resource Management</b>	<b>KFA 6</b>	Ensure reliable and equitable supply of water for sustainable economic and social development including the eradication of poverty
	<b>KFA 7</b>	Ensure the protection of water resources
	<b>KFA 8</b>	Develop effective water management institutions-
	<b>KFA 9</b>	Align staff, stakeholders and general public with a common vision for Integrated Water Resource Management (IWRM) and develop, capacitate and empower them in best practices thereof-
	<b>KFA 15</b>	Promote Integrated Water Resource Management in Africa in support of NEPAD
<b>Water services</b>	<b>KFA 10</b>	Ensure provision of basic Water Supply and Sanitation for improved quality of life and poverty alleviation
	<b>KFA 11</b>	Ensure effective and sustainable delivery of water services to underpin economic and social development
	<b>KFA 12</b>	Ensure effective Water services Institutions
	<b>KFA 13</b>	Ensure effective local-level operations and management of DWAF water services schemes
	<b>KFA 14</b>	Promote and support sound policy and practice of WS to achieve millennium targets in Africa

## 6.2 Support functional environment

Administration reflects the corporate services and the financial management functions done to support the core functions of the Department.

## 6.3 Interdepartmental linkages

The Department also expends significant effort in liaising with other departments in all spheres of government, to enhance integrated planning and implementation with all relevant sectors. The principal relationships at national level are as follows:

- The Departments of Agriculture, Environmental Affairs and Tourism, Social Development, Labour, Defence, and Education in relation to alien-vegetation-clearing activities;
- The Departments of Public Service and Administration and National Treasury on corporate (human resources and financial) issues;
- The Departments of Labour, Social Development, Agriculture and Public Works in respect of activities related to poverty reduction and job creation;
- The Departments of Public Enterprises and Land Affairs in respect of the restructuring of commercial forestry;
- The Department of Environmental Affairs and Tourism in respect of environmental issues, including activities related to water quality management and management of indigenous forests;
- The Departments of Trade & Industry and Agriculture in respect of development issues, particularly Spatial Development Initiatives, and
- The Departments of Provincial and Local Government, Health, Environmental Affairs and Tourism, and Education in respect of water services (water supply and sanitation) issues. These departments, together with DWAF, constitute the national Sanitation Task Team.

The Department continues to maintain wide-ranging cooperation and interaction with Provincial and Local Governments, particularly in those areas of activity in which constitutional, legislative competence is enjoyed by these spheres of government.

The Department takes part in the Governance and Administration cluster, Social cluster and Economic, investment cluster and reports quarterly on the progress made regarding the set priorities of government. It is through these clusters that the Department also cooperates with other departments, which are also involved in working towards the achievement of government priorities.

## 6.4 Linkages between Departmental Programmes and Government Priorities

Government is currently implementing its electoral mandate based on the core objectives of increasing employment and reducing poverty. Premised on a People's Contract, this mandate finds expression in the strategic objectives and targets set by government for the first five-year period of the second decade of freedom.

Clear strategic objectives for the second decade of freedom were developed at the January 2005 Cabinet Lekgotla, and subsequently amplified in more detailed statements and undertakings by the President in the 2005 State of the Nation Address, and in the Government Plan of Action that arose from the State of the Nation Address.

These Medium-term Strategic Objectives are founded on the progress that has been made in the past ten years in creating a constitutional democracy, expanding access to services and opportunities, growing the economy, improving citizens' security and positioning South Africa at the forefront of global efforts to build a caring and secure world. They, nevertheless, recognise the critical challenges confronting South Africa, including the need to increase employment opportunities, improve investment rates and accelerate economic growth, develop the skills base and address unacceptably high crime rates.

Government's Medium-term Strategic Objectives are as follows:

- Speeding up delivery of basic human needs
- Human resource development
- Building the economy and creating jobs
- Transforming the State
- Fighting crime and corruption
- Building a better Africa and world

They provide the framework within which all departments in all spheres of government must

develop their own detailed plans, and prioritise their activities to ensure that they are aligned with the objectives of government as a whole, and contribute to addressing the challenges ahead.

It is also of critical importance for all departments to work together to fulfil the government's mandate and to ensure that service delivery is optimised by aligning priorities and harmonising programmes with those of relevant partner departments in the national, provincial and local spheres of government. This essential coordination will be increasingly facilitated by the recently enacted Inter-Governmental Relations Framework Act (Act No. 13 of 2005).

It is, however, important to recognise that the Department's work is also informed and guided by water-related outcomes from a number of international forums, including the Millennium Development Goals. To these were added water resource management and sanitation targets in the Johannesburg Plan of Implementation, developed at the 2002 World Summit on Sustainable Development. The Department is also guided by the New Partnership for Africa's Development Water and Sanitation Sector Policy Objectives, and the Southern African Vision for Water, Life and the Environment in the 21st Century.

This section examines, in broad terms, the Department's planned activities for the five-year period of the Medium-term Strategic Framework in each functional area – forestry, water resource management and water services – and captures the linkages among the work of the Department and the Medium-term Strategic Objectives (MTSO), the State of the Nation Address and the Government Plan of Action. Each section is cross-referenced to the more detailed information provided in Section 10.1.

### 6.4.1 Speeding up delivery of basic human needs

#### Water Resource Management

The Water Allocation Reform (WAR) programme (SO 6.1) has a particular focus on making water available to individuals and groups, who did not previously enjoy access to water resources, and to provide support, in partnership with other relevant departments, to new users to use water effectively in order to support productive livelihoods.

#### Water services

The Department's role in the provision of water services will increasingly become one of providing support to local government to ensure universal

access to effective and sustainable services.

The Department provides institutional support to local government (SO 12.1) and regulatory support to the sector as a whole (SO 11.4), by:

- developing and implementing local government support strategies with sector partners (SO 11.2);
- guiding and supporting:
  - the roll-out of the Municipal Infrastructure Grant (in partnership with the Department of Provincial and Local Government (SO 10.1);
  - implementation of basic and free basic water supply (SO 10.1);
  - implementation of basic and free basic sanitation and the eradication of the bucket system (SO 10.2);
  - improvement of local government planning via the assessment of Water services Development Plans, as part of the Integrated Development Planning process (SO 11.3);
  - active participation in Project Consolidate (SO 12.3 & 12.5), and
  - ensuring legislative compliance by Water services Authorities (SO 11.4).

The Department is in the process of transferring ownership of and responsibility for operating its water services schemes to local government and/or other appropriate institutions (SO 13.2). The Department will continue to create an enabling environment for scheme transfer (SO 13.1) and will manage the schemes that it still owns (SO 13.4) whilst extending management as well as operation and management support to the receiving entities (SO 13.3).

#### Forestry

Forestry (indigenous or planted) can contribute to the quality of life in urban and rural areas, as well as to local economic development. The Department assists local government with specific technical and expert support to achieve this. Greening is one such activity that falls within the ambit of municipal responsibility in providing shade and aesthetic value of trees/ urban forestry (SO 2.1).

The Forest Enterprise Development Programme has been developed to promote the use of forest resources to create employment and to contribute to the eradication of poverty. Projects such as beekeeping, charcoal, development of products from *marula* and *mopani* trees, small-scale woodlots and small-scale furniture-making projects have been supported by the Department

and executed in collaboration with municipalities to improve economic growth and enhance livelihoods of local people. The role of the municipality has been in monitoring and mobilisation of funding to support these projects (SO 2.1).

Forestry has been included in the Limpopo and Eastern Cape Provincial Growth and Development Strategies and will assist in the eradication of rural poverty in those provinces. Forestry will also be included in the strategies of Mpumalanga and in Kwazulu Natal, where afforestation possibilities are high and poverty eradication can be optimised (SO 2.1).

Protection of life and property is a basic human need and the Department has been moving ahead with the implementation of the National Veld and Forest Fire Act, 1998 (Act 101 of 1998, as amended), to bring into force the National Fire Danger Rating system that was launched in 2005. This system will enable local government, Fire Protection Associations and Disaster Management Committees to act in an informed manner in planning and dealing with fires (KFA 3).

Criteria, indicators and standards have been incorporated into the forestry statistics questionnaire and thus will contribute to government's ability to monitor and report on the extent of forestry's contribution to and performance in the social, economic and environmental spheres (SO 1.4).

#### 6.4.2 Human resource development

##### Water Resource Management

Building the capacity of departmental staff to undertake their work falls under SO 9.4, whilst programmes of public consultation, communication, awareness creation and education

(SO 9.5) are intended to equip water users, stakeholders and the public in general to effectively contribute to water resource management by building their understanding of the issues.

The provision of water-related information via the National Water Resource Strategy (SO 9.1) and Internal Strategic Perspectives (SO 9.2) (departmental forerunners of catchment management strategies) also contributes to building capacity for water resource management, and is particularly relevant to provincial and local governments in developing their water-dependent strategies and plans.

In this respect the Department is partnered by the Water Research Commission that, in addition to increasing the water-related knowledge base

through supporting research, contributes to building the capacity of water scientists and other professionals through their involvement in research activities (refer to SO 9.1).

##### Water services

The Department's involvement in this respect is focused on enhancing the capacity of local government to address the challenges in the water sector and deliver on its mandate. Implementation of a Local Government Support Strategy (SO 12.5), in partnership with the South African Local Government Association and the Department of Provincial and Local Government, is being expanded and improved to ensure effective and sustainable water services through:

- capacity-building and skill development in the sector, including training programmes for new councillors (SO 12.3);
- deployment of technical expertise in municipalities (SO 12.3);
- implementation of priority actions emanating from the presidential *imbizos* (SO 11.2);
- monitoring the implementation of plans developed by municipalities at the Water Summit (SO 11.4), and
- creation of a knowledgeable sector by promoting information and knowledge sharing (SO 11.6).

##### Forestry

The Department, in partnership with the Forestry Industry Education and Training Authority (FIETA), contributes to building the skills needed by the economy by:

- Supporting the establishment of a network of advice and information on forestry issues, including legislation and opportunities for local economic development, and making this available to local government and other service providers, (SO 1.4).
- Supporting skill development and training in the forestry sector (SO 1.3).

Skill development projects, with a Forestry Enterprise Development (FED) focus, which are already being funded by FIETA include business development support to small, medium and micro-enterprises that are involved in furniture manufacture, and training support to enterprises that are involved in the manufacture of charcoal from waste wood left in plantations. Training of employees of contractors in the forestry sector



is planned. A project is also planned to develop a toolkit and training manual for small timber growers in South Africa.

The Department will be hosting the Fourth Natural Forests and Woodlands Symposium in May 2006 to increase the forestry-related knowledge base through supporting research, which contributes to building the capacity of forestry scientists and other professionals through their involvement in research activities (SO 1.4).

A Forestry Sector Broad-Based Black Economic Empowerment (BBBEEE) Charter process has been launched, which has a specific focus on skill development with targets, and aims to identify the commitment of the State and the private sector in this regard and to transform the sector (SO 2.2).

### **6.4.3 Building the economy and creating jobs**

#### **Water Resource Management**

The fundamental objectives of the National Water Act are to support equitable and sustainable social and economic development. All water resource management activities described in the Strategic Plan contribute to achieving this MTSO.

Specifically, however, the Department's plans for reconciling the availability of and requirements for water include the construction of new infrastructure, the clearing of invasive alien vegetation, and measures to manage water demand (SO 6.4). Planned investments in water resource infrastructure, to address rising requirements for water, include dams, water purification works and bulk distribution systems. They support the implementation of provincial growth and development strategies and local integrated development plans in the medium to long term, but also create jobs and opportunities for skills development during construction. Clearing alien invasive vegetation by the Working for Water programme optimises the benefits of expanded public works programmes by providing temporary work and skill development opportunities for large numbers of people. All of this work is supported by planning activities in SO 6.3 and, importantly, by the availability of information (SO 9.3) from monitoring and information systems.

The maintenance and optimal operation of infrastructure (mostly supplying water to large industries such as Eskom and Sasol, and large water boards), measures to ensure compliance with the conditions of water use, and demand-side measures to improve the efficiency and effectiveness of water use fall under SO 6.2.

Water-related disasters such as floods, droughts and water-borne diseases threaten life, health and livelihoods, especially among the poor. Floods can damage valuable infrastructure, thereby negatively affecting social and economic development. Proactive and reactive measures to deal with such disasters fall under SO 6.5 and include the work done by the Working on Fire programme in poor communities in informal settlements.

#### **Water services**

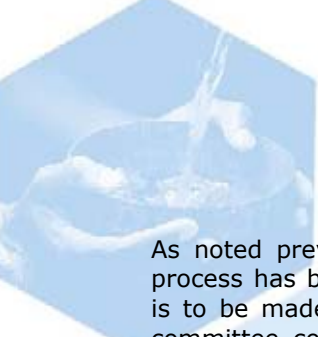
The Department supports investment in water supply and sanitation infrastructure by supporting the implementation of the Municipal Infrastructure Grant programme to meet the targets of ensuring that 1.5 million people will benefit from the provision of basic water supply (SO 10.1) and 350 000 households from improved sanitation (SO 10.2) annually. The Department will continue to ensure effective implementation through proactive planning and implementation of capacity support (SO 12.1).

The Department, as water services sector leader, is actively engaged in programmes such as Project Consolidate, as well as the Integrated Sustainable Rural Development and Urban Renewal programmes, both of which support economic growth and development in rural and urban areas. Sustainable service provision contributes both to local economic development and the broader social and economic objectives of government (SO 11.3).

#### **Forestry**

Plantations provide direct employment for approximately 107 000 people, of which 67 500 are in formal employment, 30 000 are contract workers and 39 500 are small growers and their helpers. Taking into account the multiplier effect of plantation forestry through its downstream value-adding activities and the effect it has on local, mostly rural economies of between 390 000 and 560 000 people, who depend on plantation forestry for their livelihoods.

There is scope for afforestation over an area of more than 40 000 hectares in KwaZulu-Natal and 60 000 hectares in the Eastern Cape. Added to this is the opportunity to convert 10 000 hectares of wattle jungle to managed plantations and the improved utilisation of the remaining State-managed plantations. The bulk of this development would be on communally owned land, based on community or small grower schemes, and creating an estimated 41 000 jobs, supporting 328 000 people.



As noted previously, a Forestry BBEEE charter process has been launched and the draft charter is to be made available as soon as the steering committee, composed of diverse stakeholders from industry, labour, civil, society and government, have formulated its contents. While the Charter is essentially an economic one, it is supported by a sector growth and development strategy that is being finalised between the Department, and the Departments of Trade & Industry and Environmental Affairs & Tourism (SO 2.2). The Charter will facilitate the introduction of new black entrants at a broad-based level into forestry activities, thereby alleviating poverty in deep rural areas and assisting in enterprise development.

The transfer of the remaining State-owned plantations in Limpopo and KwaZulu-Natal offers opportunities for SMMEs and rural communities to establish small enterprises through, for instance, the production of treated poles.

## 6.4.4 Transforming the State

### Water Resource Management

The creation of new water management institutions and the transformation of existing ones will enable the Department to move towards its eventual role of policy development, regulation, monitoring and providing institutional support, and away from day-to-day management and operational activities. Activities in this respect include:

- establishing the National Water Resource Infrastructure Agency (SO 8.1), including transferring the responsibility for operating, maintaining and further developing national infrastructure;
- establishing Catchment Management Agencies (SO 8.2),
- establishing water user associations and transforming existing irrigation boards into water user associations (SO 8.3), including the transfer of the responsibility for scheme operation and maintenance to water user associations where appropriate.

### Water services

Relevant to this MTSO are the progressive transformation of the Department from its previous role of implementer to its new role as regulator, sector leader and supporter (KFA 11), the initiatives to capacitate local government to its constitutional mandate for water services provision (KFA 12) as well as the transfer of water services infrastructure and scheme operation to local government and/or appropriate water services institutions (KFA 13)".

## Forestry

The transfer of plantation forests can have an important positive impact on the lives of communities and that of society at large. The plantations should be disposed of in a manner that recognises the role of the rightful owners of the land on which the forests have been established and which maximises the potential benefits these resources can make to people's livelihoods and to economic development.

The plantations have been regrouped into management clusters reflecting their forestry potential in the context of their transfers to communities. Steps are being taken to complement the Department's capacity to actively manage these assets until they can be transferred to rightful communities (SO 5.1). These assets represent an important opportunity to strengthen and regenerate local economies and to achieve the objectives of BBEEE (SO 4.2).

With regard to indigenous forests, the management control over approximately 97 000 ha of State Forest land in the Southern Cape and Tsitsikamma areas has been delegated to SANParks. SANParks will manage natural forests in terms of all the provisions of the National Forests Act, 1998 (SO 4.1).

## 6.4.5 Fighting Crime and corruption

The objective of managing forest and water resources is to ensure that they are used productively for social and economic activities; in a manner that promotes equitable and sustainable growth and development. These goals are enshrined in the laws that constitute the Department's legislative mandate, and their achievement will contribute to a more just and prosperous society, and the creation of a social climate in which the levels of crime can be reduced. Activities relating to the enforcement of the provisions of the legislation are included in the plans for all three functional areas.

Within the Department, controls in the management systems are intended to ensure compliance with public service regulations and procedures, the requirements of the Public Finance Management Act, procurement procedures and other relevant policies and legislation, thereby limiting the opportunity for corruption and crime.

Internal control mechanisms include a fraud prevention plan, in which risks are systematically identified and assessed and appropriate preventive control measures implemented, complemented by the detection of ongoing fraud or corruption

through performance and compliance audits or reporting via the corruption hotline, investigations and suitable responses.

#### **6.4.6 Building the world and a better Africa**

##### **Water Resource Management**

Activities under KFA 15 are directly relevant to this MTSO, and include the establishment of water management institutions in internationally-shared river basins (SO 15.1), improving cooperation with other countries in Africa and elsewhere by, among other things, sharing information and expertise (SO 15.2) and contributing South Africa's experiences in global, water-related debates (SO 15.3). These activities are supported by planning activities in shared watercourses (SO 6.3) and the provision of water-related information (SO 9.3).

##### **Water services**

KFA 14 covers a range of activities aimed at contributing to the achievement of the Millennium Development Goals on water and the World Summit on Sustainable Development (WSSD)/JPoI targets in Africa, including knowledge and experience sharing, engagement with NEPAD and SADC initiatives, providing input to reporting frameworks like World Water Assessment Programme (WWAP) and participation in international water services forums.

##### **Forestry**

The Department's role in international forestry issues (SO 2.4) includes:

- A leading role in the Congo Basin Forest Partnership, aimed at galvanising contribution by the developed world to the sustainable management and use of the Congo Forests
- Co-sponsoring the establishment of the Africa Forest Law Enforcement and Governance Declaration

- A leading role in Africa's participation in global forums on forestry, such as the United Nations Forum on Forests, placing Africa on the global map
- Experts from the Department are often invited to share experiences with other countries on a personal basis and to form part of expert groups advising the United Nations.

If the continent were to witness significant growth and potential export market development in the future, Africa, with its currently very low consumption of paper per capita, could prove a valuable market for South African-produced paper and pulp products. The same holds for lumber and other wood products. Forestry is also cooperating with other countries in Africa and internationally by sharing information and expertise. We report annually to the United Nations Food and Agriculture Organisation on forest resources in South Africa and also report on a number of International treaties and conventions.

## **7 Selected High-level Outputs**

The Department has four main programmes, namely, Administration; Water Resources Management; Water services and Forestry. These programmes are organised into three functional areas, namely: water resources, water services and forestry. This section provides selected high-level outputs per programme and the details are covered in the Appendix in section 10.1.

The tables that follow are reproduced from the Estimates of National Expenditure 2006, Vote 34 -Department of Water Affairs and Forestry, and show selected outputs for the three-year Medium term Expenditure Framework period. More comprehensive details of Outputs for the Five-year period of the Strategic Plan are provided in the Appendix (Section 10.1).