



Department: Water and Sanitation REPUBLIC OF SOUTH AFRICA



### DETERMINATION OF WATER RESOURCE CLASSES AND ASSOCIATED RESOURCE QUALITY OBJECTIVES IN THE THUKELA CATCHMENT

### **PROJECT STEERING COMMITTEE (PSC) MEETING 2**

Presented by: Golder Associates and Prime Africa

Date: 22 September 2020

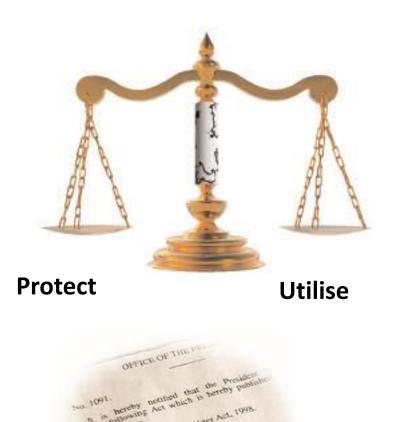
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## **Study objective**

- To determine appropriate Water Resource Classes and Resource Quality Objectives (RQOs) for all significant water resources in the Thukela River catchment area
  - > that would facilitate sustainable use of the water resources while maintaining ecological integrity,
  - > specifically maintaining or improving the present ecological state of the water resources.

## **Legal Foundation**

- Water Resources need to be managed so that they are protected on one hand and
- utilised for social and economic development on the other hand.
- The National Water Act provides decision-making tools to achieve a balance between protecting and utilising water resources.



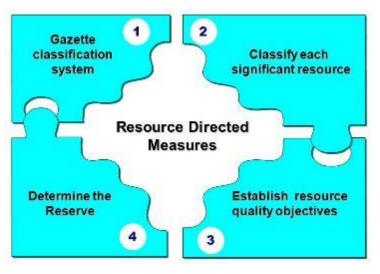
No. 36 of 1998. Nutrional Water Act, 199

Chapter 3 Protection of Water Resources

# How does national government determine the level of protection required for a particular water resource?

- Very few water sources that are in a natural state and therefore our water resources require protection.
- Protection is aimed at ensuring current and future use of water resources
- Quantity and quality (overall health)
- > Different water resources require different levels of protection.

Chapter 3 - Resource Directed Measures (RDM) which together are intended to ensure the comprehensive protection of all water resources. These include:



## **Classifying each major resource**

- Rivers,
- Groundwater,
- Wetlands and estuaries.

Each class represents:

- A different level of protection that is required for the water resource, and
- The extent to which water can be used.

	Description of use	Ecological Category	Description of resource
Class I Minimally used		A-B	Minimally altered
Class II Moderately used		С	Moderately altered
Class III	Heavily used	D	Heavily altered

## **Determining Resource Quality Objectives**

Releases are looking good Resource quality objectives provide statements about:

- what the quantity of water should be (water level, pattern, timing)
- what the water quality should be (physical, chemical, biological)
  - what the condition of the instream and riparian (river bank) habitat should be
- what the condition of the aquatic (water) animal and plant life should be.



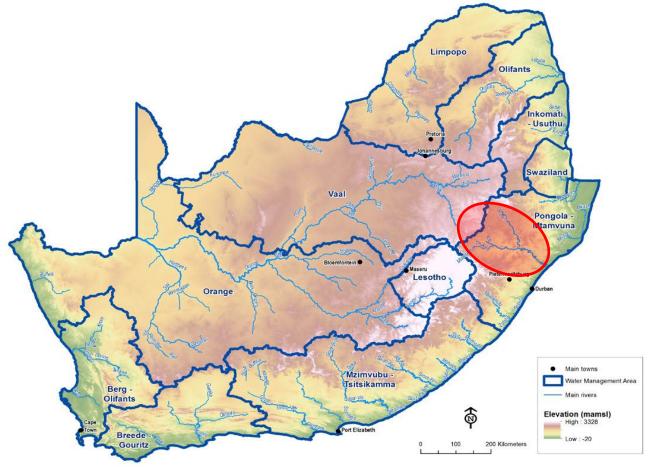
## **STUDY AREA**

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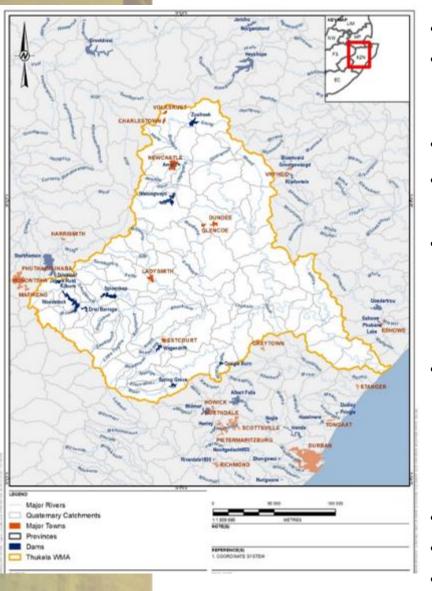
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## **Thukela catchment**

- Pongola to Mtamvuma Water Management Area (WMA 4)
- Largest river system within the WMA
- Catchment drains an area of 29 040km<sup>2</sup>
- Two main drainage systems: Upper Thukela and Buffalo rivers



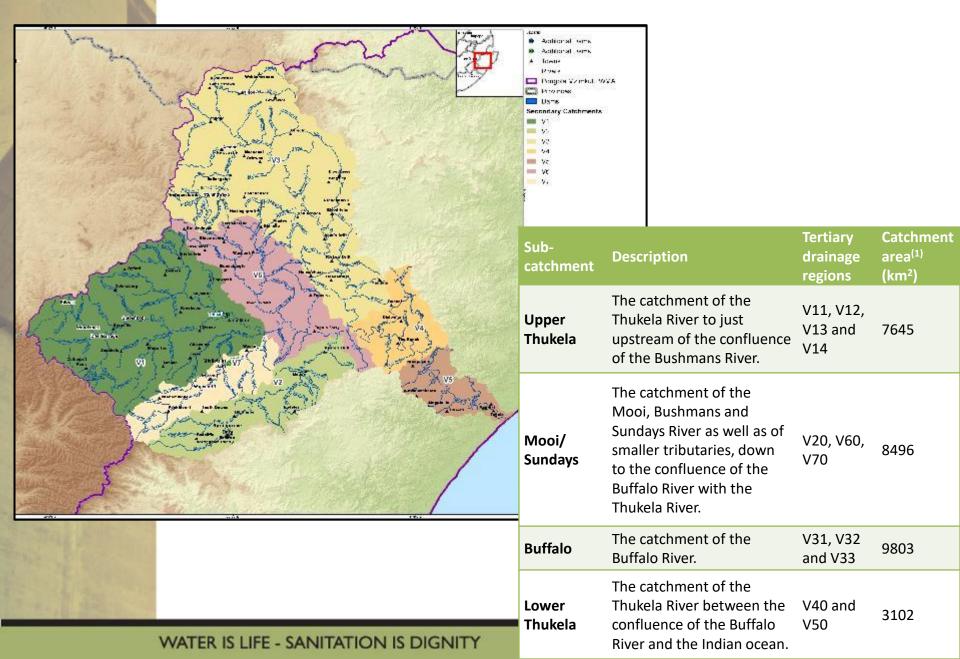
## Water Resources



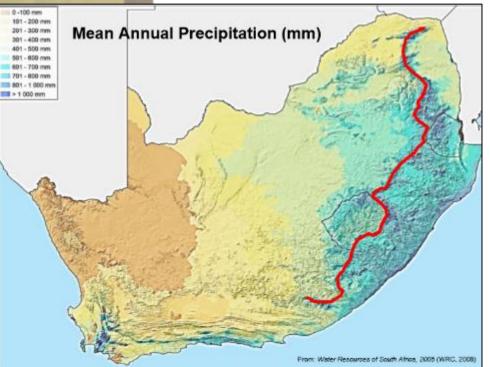
- Tugela River primary river
- Major surface water resource of SA
- Originates on the 3 050 m high Mont-aux-Sources plateau in the Drakensberg Mountain Range along the border between Lesotho and the KZN
- a funnel shaped catchment with several tributaries
- discharge into the Indian Ocean on the eastern side of catchment (512 km).
- Major tributaries flowing into the Thukela River from the north include:
  - The Klip River, which passes through Ladysmith,
  - The Sundays River, and
  - The Buffalo River, which rises above Newcastle.
- Major tributaries into the Thukela River from the south include:
  - The Little Thukela River,
  - The Bloukrans River,
  - The Bushmans River, passing though Estcourt, and
  - The Mooi River.
  - Thukela Estuary
  - Aquifers weathered and fractured hard rock systems
- Protected Wetlands

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### **Key sub-catchments**

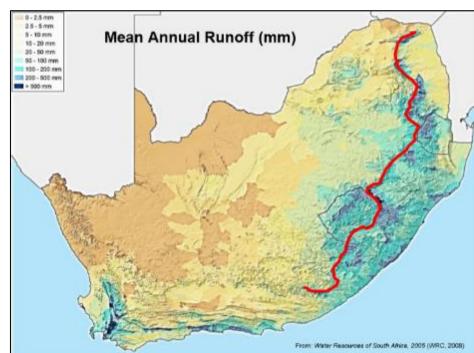


## **Hydrological characteristics**



- Rainfall average SA = 450mm
- Thukela ranges = 800 to 1500 mm

- Second highest MAR of 3799 Mm<sup>3</sup>/a,
- 9.9% of South Africa's total runoff after the Orange/ Gariep River
- Transfers 60 to 70 % of yield



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# OVERVIEW OF TECHNICAL PROCESS

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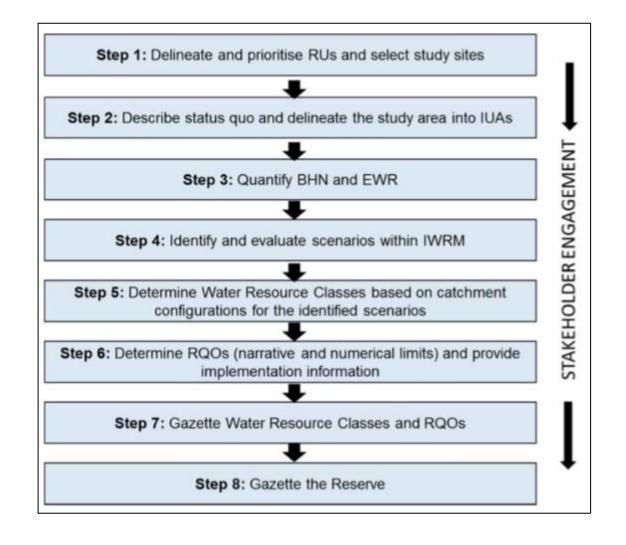
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## Key aims of this study

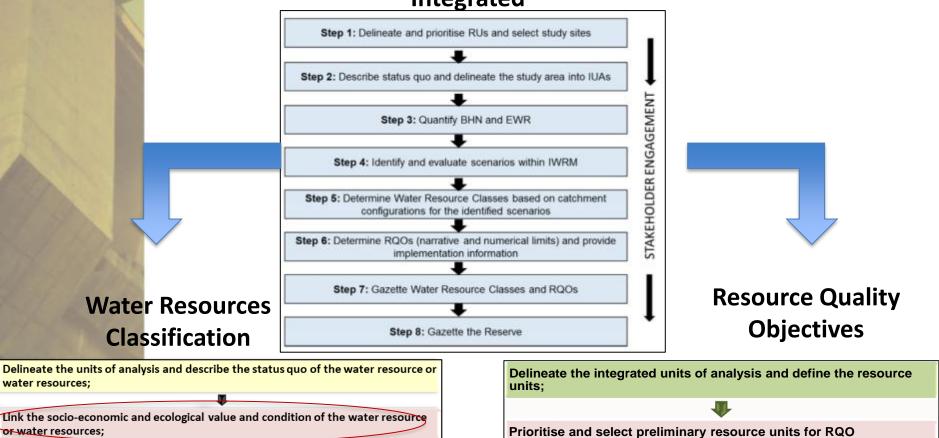
- co-ordinating the implementation of the Water Resource Classification System (WRCS); and
- undertaking the implementation of the RQO determination procedure (7 step process)
- It is noted that the study is linked to the previous Reserves studies and other water resource management initiatives.
- Where the preliminary Reserve is available and relevant, this information is to be adopted and where needed, gaps will be filled.

## Water Resource Classes and RQOs

### **Integrated Process**







Quantify the ecological water requirements;

Determine an ecologically sustainable base configuration scenario;

Evaluate scenarios within the integrated water resource management process;

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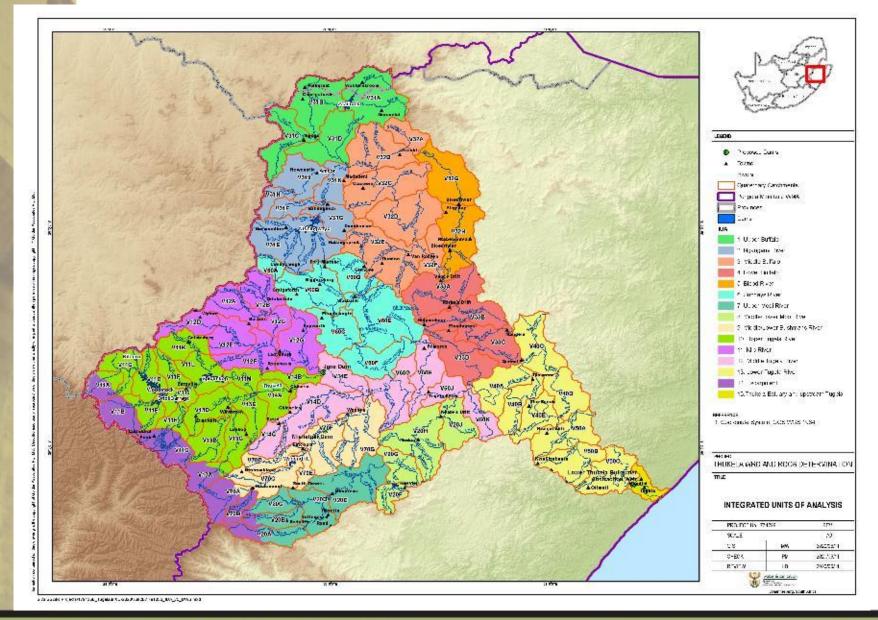
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determination; Prioritise sub-components for RQO determination and select indicators for monitoring; Develop draft resource quality objectives and numerical limits; Agree on resource units, RQOs and numerical limits with stakeholders: Finalise and gazette RQOs.

Gazette and implement the class configuration

Evaluate the scenarios with stakeholders; and

## Step 1: Integrated Units of Analysis



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# **Purpose of the Meeting**

- To present the methods for linking the socio-economic and ecological value and condition of the water resources in the Thukela catchment
  - The Decision-making Framework
- To obtain feedback and input

# SOCIO ECONOMIC ANALYSIS

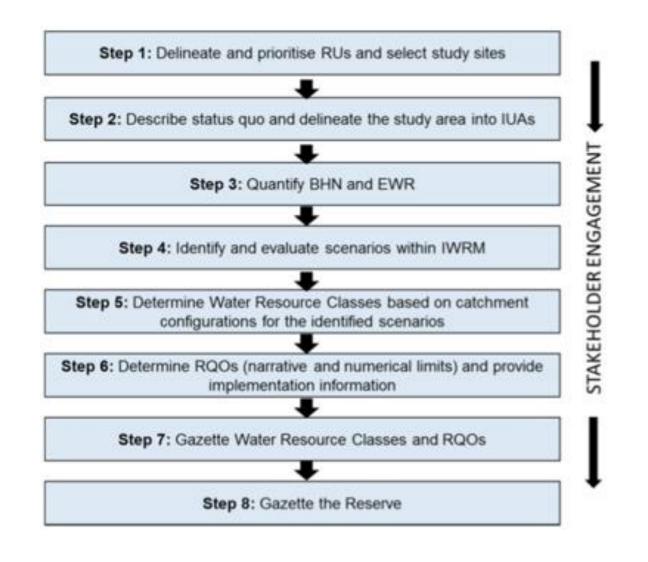
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# **Prime Africa Team**

- Resource Economists
  - Jackie Crafford (PhD Environmental Economics)
  - Joe Mulders (MSc Ecology)
  - Dineo Maila (MTech Water Chemistry)
  - Valmak Mathebula (B. Hons. QRA)
  - Karen Eatwell (PhD Genetics)
  - Micah Moynihan (BCom Economics, MPhil Climate Change (in prog))
- Prime Africa has
  - Completed more that 200 resource economics studies across
     Africa over the past 10 years
  - Completed to previous WRCS studies and was instrumental in the WRCS methodology review by DWS and WRC.

## Process



# **The Socio-Economic Component**

- To determine appropriate Water Resource Classes and Resource Quality Objectives (RQOs) for all significant water resources in the Thukela River catchment area
  - that would facilitate sustainable use of the water resources while maintaining ecological integrity,
  - specifically maintaining or improving the present ecological state of the water resources.
- This is analysed at the hand of various Scenarios (still to be defined), and further, the trade-offs associated with each Scenario.

# **The Socio-Economic Component**

- To inform decision-making based on socio-economics
  - Economics does not make the decision ... rather, it demonstrates the consequences of making specific decisions
- Assess trade-offs using scenarios
  - The decisions we need make here are defined by the Scenarios to be developed for the WMA
- Link the changes of management with impacts on beneficiaries
  - Use an evidence-based economic analysis that links all the work done by ecologists, hydrologists, engineers and other specialists

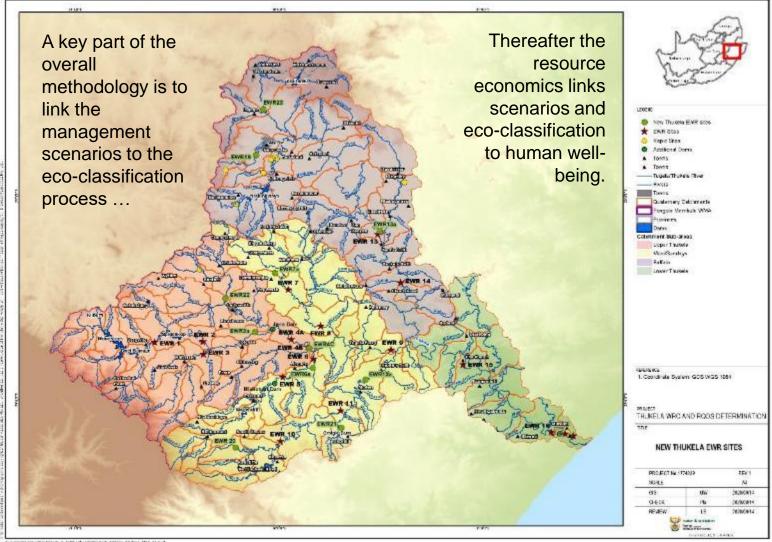
# **Identifying Linkages**

- The things that will change in future?
  - Population growth, economic growth, water resource management scenarios, water demands in other catchments, climate change, etc
- Beneficiaries: Who are impacted?
  - People impacted, positively and/or negatively
  - Who are they, where are they?
  - How will they be impacted? (Income, health, well-being, security, higher water prices?)
- Link "the things that will change" with the beneficiaries through the following:
  - Flow / water quality / eco-classification / water resource changes
  - Ecosystem services
  - Economic transactions

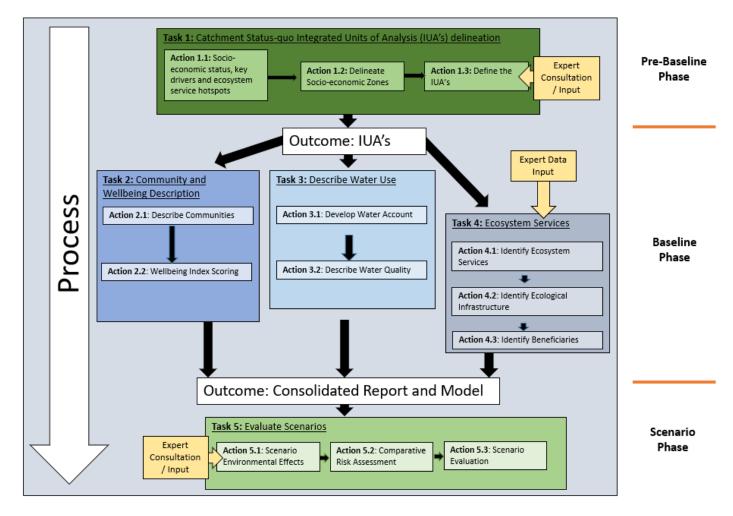
# **Foresighting Scenarios**

Present: Scenario 1		
Scenario 1a	Current development levels (Status quo); no EWR	
Scenario 1b	Current development levels (Status quo); with full EWR	
Future: Scenarios X <sub>i</sub>		
Scenario X <sub>1</sub> (a)	[Future water use with no new water resource	
	development; no EWR]	
Scenario X <sub>1</sub> (b)	[As above with full EWR]	
Scenario X <sub>n</sub> (a)	[Future water use with [to be determined] new water	
	resource development; no EWR]	
Scenario X <sub>n</sub> (b)	[Future water use with [to be determined] new water	
	resource development; with full EWR]	

# EWR Sites are the eco-classification monitoring points in the WUA and the eco-classification links to the final Classification



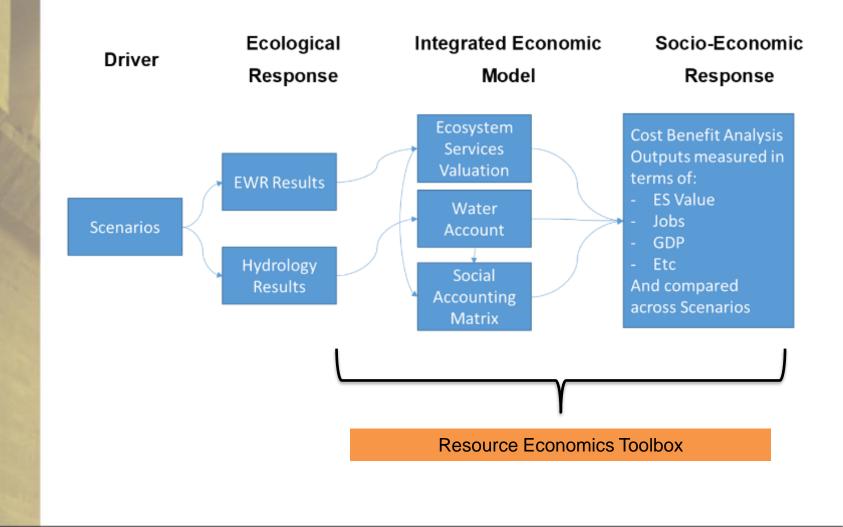
# WRC-developed methodology to support classification process: SEcT



WRC, 2018 K5/2465

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# **Overview of Analysis**



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Ecosystem Services

Typology as per MEATypology as per(2005)TEEB (2010)

Ecosystem Services Ecosystem Services Typology as per CICES Typology as per (Haines-Young & Potschin, 2013)

> Diaz et al 2018, Kadykalo et al 2019) Focus on framing the benefits. Th

**Natures Contribution to People** 

(NCP) as per IPBES (IPBES 2018;

Fo	ocus on framing Focus on framing		Focus on framing Ecosystem Services in	Focus on framing the benefits. This
Ecosystem Services Ecosystem Services		Ecosystem Services	hierarchical system	drives the consideration of
				variation in benefits between
				groups of beneficiaries.
Pr	ovisioning Services	Provisioning	Provisioning	Material NCP (includes non-
-	Food	Services	- Nutrition	material elements)
-	Fresh Water	- Food	o biomass	11. Energy
-	Fiber	- Fresh water	o water	12. Food and feed
-	Fuelwood	- Raw materials	- Materials	13. Materials, companionship and
-	Genetic	- Genetic	<ul> <li>biomass, fibre</li> </ul>	labour
	resources	resources	o water	14. Medicinal, biochemical and
-	Biochemicals	- Medicinal	- Energy	genetic resources
		resources	<ul> <li>biomass based energy sources</li> </ul>	
		- Ornamental	<ul> <li>mechanical energy</li> </ul>	
		resources		

Ecosystem Services	Ecosystem Services	Ecosystem Services Typology as per CICES	Natures Contribution to People (NCP)
Typology as per MA	Typology as per TEEB	(Haines-Young & Potschin, 2013)	as per IPBES (IPBES 2018; Diaz et al
(2005)	(2010)		2018, Kadykalo et al 2019)
Focus on framing	Focus on framing	Focus on framing Ecosystem Services in	Focus on framing the benefits. This
Ecosystem Services	Ecosystem Services	hierarchical system	drives the consideration of variation in benefits between groups of beneficiaries.
Regulating Services - Climate Regulation - Disease Regulation - Water Regulation - Water Purification	Regulating Services         -       Air quality         regulation         -       Climate         regulation         -       Moderation of         extreme events         -       Regulation of         water flows         -       Waste         treatment         -       Erosion         prevention         -       Maintenance of         soil fertility         -       Pollination         -       Biological         control       Control	<ul> <li>Mass</li> <li>Liquids</li> <li>gaseous/airflows</li> <li>Maintenance of physical, chemical and biological conditions</li> <li>lifecycle maintenance, habitat and gene pool protection</li> </ul>	Regulating NCP1. Habitat creation and maintenance2. Pollination and dispersal of seedsand other propagules3. Regulation of air quality4. Regulation of climate5. Regulation of ocean acidification6. Regulation of freshwater quantity,location and timing7. Regulation of freshwater andcoastal water quality8. Formation, protection anddecontamination of soils andsediments9. Regulation of hazards and extremeevents10. Regulation of detrimentalorganisms and biological processes

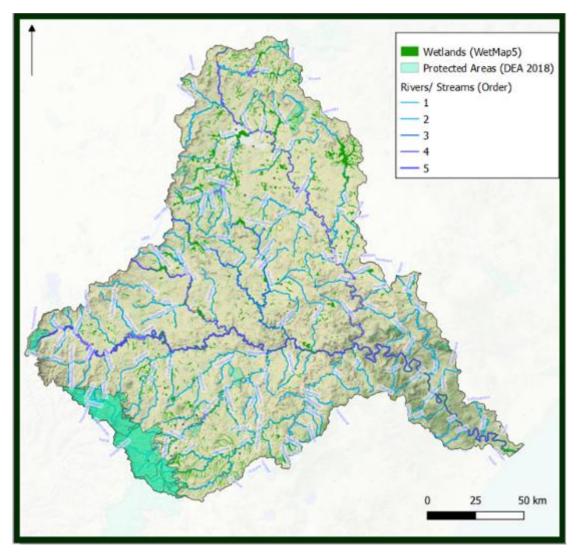
Ecosystem Services	Ecosystem Services	Ecosystem Services Typology as per CICES	Natures Contribution to People
Typology as per MA	Typology as per	(Haines-Young & Potschin, 2013)	(NCP) as per IPBES (IPBES 2018;
(2005)	TEEB (2010)		Diaz et al 2018, Kadykalo et al
			2019)
Focus on framing	Focus on framing	Focus on framing Ecosystem Services in	Focus on framing the benefits. This
Ecosystem Services	Ecosystem Services	hierarchical system	drives the consideration of variation
			in benefits between groups of
			beneficiaries.
Cultural Services	<b>Cultural and Amenity</b>	Cultural Services	Non-Material NCP
- Aesthetic values	Services	- Physical and intellectual interactions with	15. Learning and inspiration
- Spiritual/	- Recreation,	ecosystems and land-/seascapes	16. Physical and psychological
religious values	mental and	<ul> <li>Physical and experiential</li> </ul>	experiences
- Educational	physical health	interactions	17. Supporting identities
- Recreation and	- Tourism	<ul> <li>Intellectual and representational</li> </ul>	
ecotourism	- Aesthetic	interactions	
- Inspirational	appreciation	- Spiritual, symbolic and other interactions	
- Sense of place	- Spiritual	with ecosystems and land-/seascapes	
- Cultural heritage	experience and	<ul> <li>Spiritual and/or emblematic</li> </ul>	
	sense of place	<ul> <li>Other cultural outputs</li> </ul>	

Ecosystem Services Typology as per MA (2005)	Ecosystem Services Typology as per TEEB (2010)	Ecosystem Services Typology as per CICES (Haines-Young & Potschin, 2013)	Natures Contribution to People (NCP) as per IPBES (IPBES 2018; Diaz et al 2018, Kadykalo et al 2019)
Focus on framing Ecosystem Services	Focus on framing Ecosystem Services	Focus on framing Ecosystem Services in hierarchical system	Focus on framing the benefits. This drives the consideration of variation
			in benefits between groups of beneficiaries.
Supporting Services - Nutrient Cycling - Soil Formation - Primary Production - Habitat - Biodiversity	<ul> <li>Habitat Services</li> <li>Habitat for species</li> <li>Maintenance of genetic diversity</li> </ul>		Material, Non-material and Regulating NCP 18. Maintenance of options Nature (Intrinsic) Eg: - Genetic Diversity, Species diversity - Evolutionary and ecological processes - Gaia, Mother Earth - Animal welfare / rights

# Ecosystem Services: Salient Features

- SANBI, UN Agencies, Stats SA estimate of ESV for KZN province
  - Used MEA Framework
  - R33 billion per year (2011)
- Clark (2019)
  - Ongoing work on developing water accounting methodology in the uThukela catchment
- 29 of 56 economic sectors benefit directly from ecosystem services: water provisioning, water regulatory, tourism and recreation; these constitute 45% of total GVA (R35 billion GVA)
- All ecosystem services are important, however some would have significant linkages to anticipated water resource management scenarios

# **Ecosystem Services in Context**



ES closely tied to water resources:

- 1. Fresh Water Provisioning
- 2. Water Quantity Regulation
- 3. Erosion Regulation
- 4. Water Quality Regulation: Purification and Waste Management
- 5. Food, Raw Materials and Wild Collected Products Provisioning
- 6. Spiritual, Landscape and Amenity Services
- 7. Tourism and Recreational Services and
- 8. Biodiversity Support.

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# Thoughts on Ecosystem Services Valuation

- Driven by management scenarios and its effects on hydrology and eco-classification
- Comparative Risk Assessment performed with all experts – this prioritises ecosystem services that may be affected (positively or negatively)
- ES that are deemed to be at risk requires evaluation and feeds back into Scenario assessment
- Eco-classification is a proxy for valuation of regulating and supporting services

# **Evaluating Impact of Transfers**

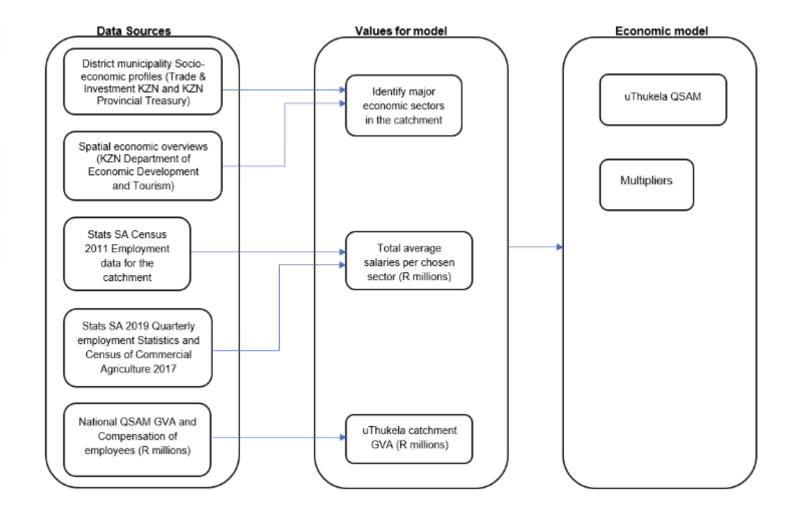


National Water Accounts used to measure costs and benefits of transfers, supported by existing DWS Specialist Studies

## Estimating Impact on the Formal and Informal Economy: Q-SAM

- A Social Accounting Matrix (SAM) is a well-established macro-economic modelling tool, which has been used in several WRCS studies in the past
- It quantifies all transactions between sectors and actors in the economy
  - Primary (predominantly agriculture, forestry and mining)
  - secondary (predominantly manufacturing)
  - Tertiary (all service sectors) sectors
  - Households
  - Trade outside of the economy.
- The underlying data used to construct a SAM is official economic data provided by Statistics SA
- The SAM can be restructured into a modelling tool though which the impact of water resource management scenarios can be evaluated.

## Estimating Impact on the Formal and Informal Economy: Q-SAM



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## Demonstrating Linkages between ES and the Economy

Intermediate Ecosystem Service	Final Ecosystem, Services	General Sector	QSAM Beneficiary Class	
	Food	Informal Households	Non-observed, informal, non-profit, households	
	Provisioning	Agriculture	Agriculture	
		Households Non-observed, informal, non-profit, households		
		Agriculture	Agriculture (Irrigation)	
		Forestry	Forestry	
			Food	
			Beverages and tobacco	
			Tanning and dressing of leather	
			Paper	
			Other chemical products, man-made fibres	
			Rubber	
			Plastic	
	Fresh Water		Glass	
Water Quality	(Water quantity) Provisioning	Manufacturing	Basic iron and steel, casting of metals	
Regulation			Basic precious and non-ferrous metals	
Water			Machinery and equipment	
Quantity			Electrical machinery and apparatus	
Regulation			Radio, television, communication equipment and apparatus	
Erosion and			Motor vehicles, trailers, parts	
Soil			Other transport equipment	
Regulation			Furniture	
			Manufacturing n.e.c, recycling	
		Mining	Mining of coal and lignite	
			Other mining and quarrying	
		Government Services	Electricity, gas, steam and hot water supply	
			Collection, purification and distribution of water	
			Sewerage and refuse disposal	
	Raw Materials Provisioning	Informal Households	Non-observed, informal, non-profit, households,	
	Medicinal resources Provisioning	Informal Households	Non-observed, informal, non-profit, households,	
		Households	Non-observed, informal, non-profit, households, Households	

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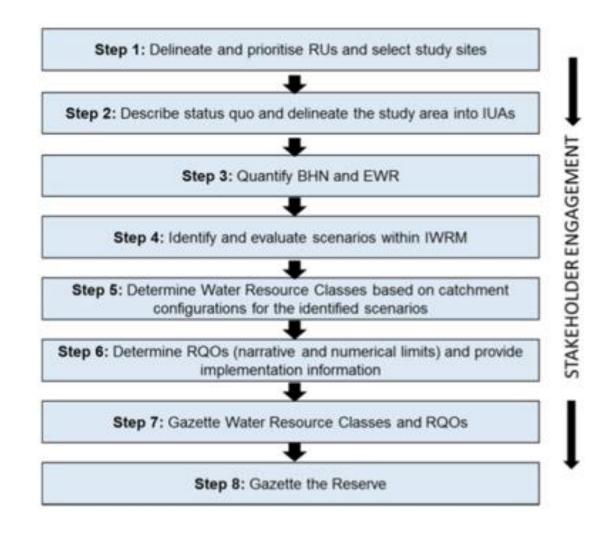
## Demonstrating Linkages between ES and the Economy

- 29 of the 56 sectors identified are directly linked as beneficiaries of ecosystem services: water provisioning, water regulatory, tourism and recreation
- These 29 sectors constitute 45% of total GVA (R35 billion GVA) and provide approximately 125 000 jobs
- The agriculture sector, is the largest sector within the uThukela catchment relying heavily on water provisioning services. The sector contributes 10.3% to the total GVA, and provides an estimated 44,000 jobs
- Tourism sector is observed to make a relatively large contribution, at 4.9%, to catchment GVA, providing 10,700 jobs
- The linkages with cultural ecosystem services provided by key ecological infrastructure, with direct linkages to the presence of ecological features associated with tourism and recreational activities, such as the Drakensberg escarpment, protected areas (both government and private), large dams, the midlands, the coast, and the Tugela estuary.

# Comments received on Methodology Report

- Number of comments received from the steering committee: 27
- All comments captured in IRR and addressed in revised report

# Way Forward



# **UPCOMING ACTIVTIES**

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## **Upcoming Tasks/Activities**

- Finalise Linking of the Socio-Economic and ecological value of the water resources (end September 2020)
- Quantification of EWRs (October 2020)
- Resource Unit Delineation and Selection for setting of RQOs (September 2020)
- Water Resource Model Setup and Scenarios analysis (Nov 2020)
- PSC Meeting 3 November 2020

## THANK YOU

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