



water & sanitation

Department:
Water and Sanitation
REPUBLIC OF SOUTH AFRICA



PROGRESS ON ESTABLISHMENT THE VAAL RIVER CATCHMENT MANAGEMENT AGENCY TO INCLUDE THE ORANGE WATER MANAGEMENT AREA

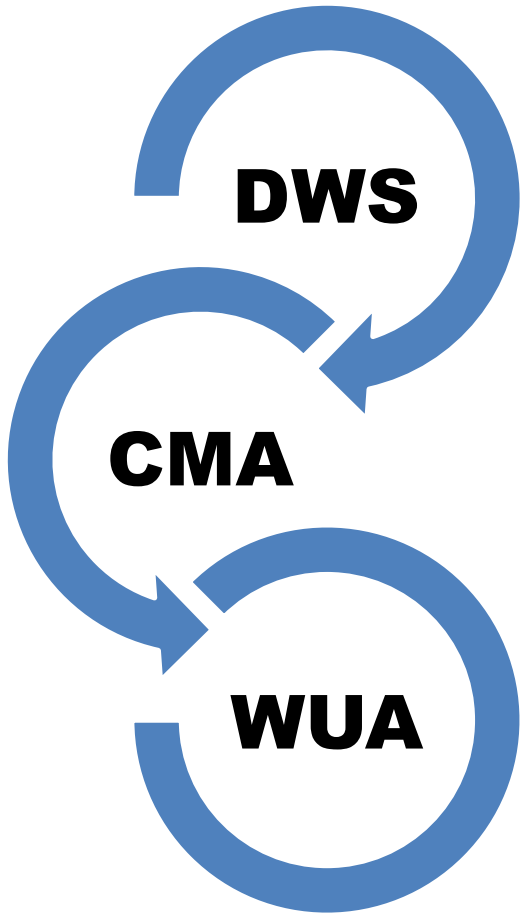
PRESENTED TO DEPUTY MINISTER OF WATER AND SANITATION

Konanani Khorommbi
Date: October 2021

PURPOSE

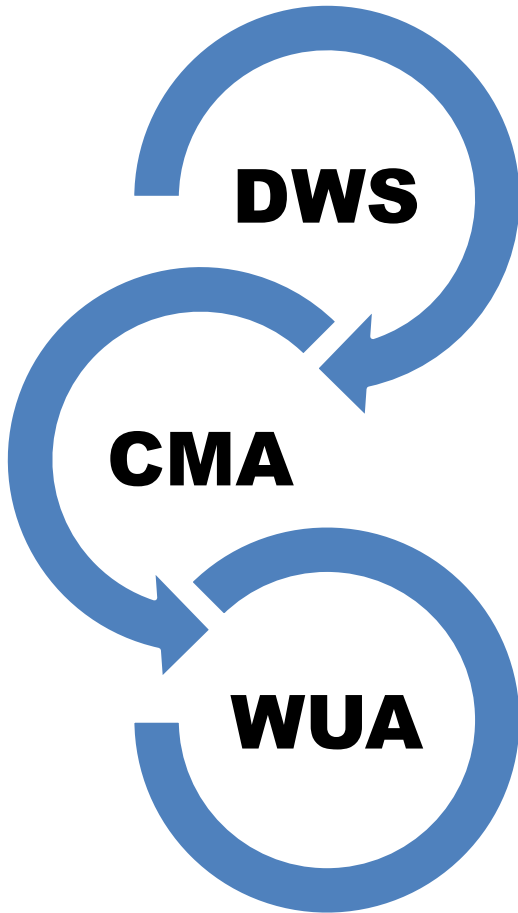
- To provide progress on the establishment and the proposed re-configuration of the Vaal River Catchment Management Agency to include the Orange Water Management Area (WMA)

LEGAL MANDATE



- CMAs are statutory bodies established through Chapter 7 of NWA
- They are listed as schedule 3A entities under the PFMA.
- DWS remains the custodian of national water resources, and responsible for policy and regulation of the sector.
- In the absence of established CMAs, DWS undertakes WRM functions.
- WUAs operate at a local level

LEGAL MANDATE



- Key mandate of the CMA is to undertake WRM to achieve the following
 - Meet basic human needs
 - Promote equitable access to water
 - Redress results of past racial and gender discrimination
 - Facilitate social and economic development

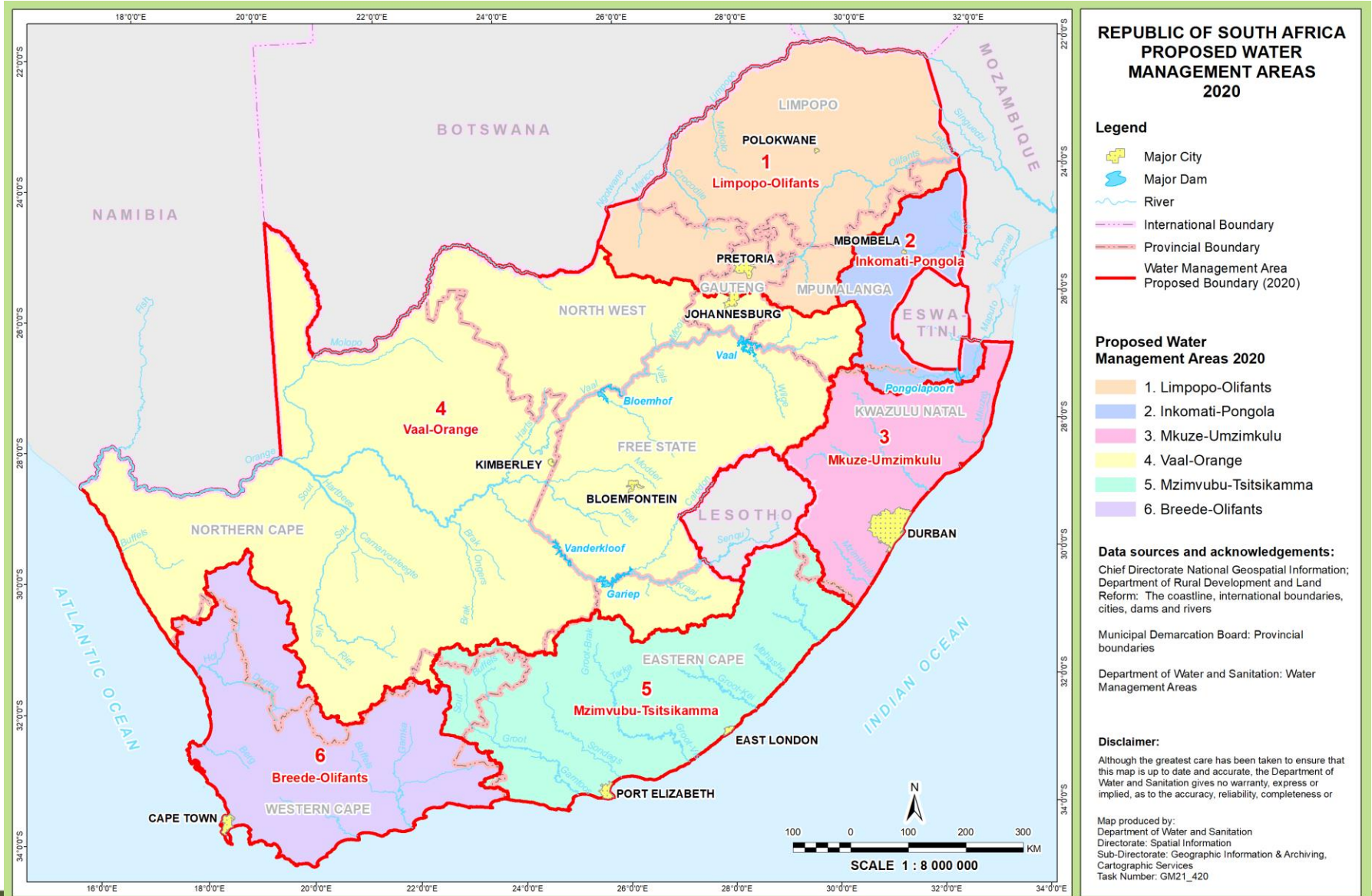
BACKGROUND ON THE ESTABLISHMENT OF CMAs

- In 2007, the Department rationalised recommended establishment of 19 CMAs through the IRR Project
- In 2012, the former Minister rationalised CMAs from 19 to 9 after the second IRR Project.
- To date, six CMAs have been established, namely Inkomati-Usuthu, Breede-Gouritz, Pongola-Umzimkulu, Limpopo-North West, Vaal and Olifants CMAs.
- The Inkomathi-Usuthu and Breede Gouritz are operational.

BACKGROUND ON THE ESTABLISHMENT OF CMAs

- In 2013, the Presidential Review Committee on State-owned Entities recommended the consolidation and rationalisation of public entities
- The DWS institutional arrangements review in 2017 culminated in the gazetting for public comment a proposal to establish a single national entity.
- In 2018, the former Minister reverted to the establishment of nine separate CMAs.
- In 2019, the former Minister reduced the number of CMAs to be established from 9 to 6.

MAP OF PROPOSED NEW CONFIGURATION OF WMA



REPUBLIC OF SOUTH AFRICA PROPOSED WATER MANAGEMENT AREAS 2020

Legend

- Major City
- Major Dam
- River
- International Boundary
- Provincial Boundary
- Water Management Area Proposed Boundary (2020)

Proposed Water Management Areas 2020

- 1. Limpopo-Olifants
- 2. Inkomati-Pongola
- 3. Mkuze-Umzimkulu
- 4. Vaal-Orange
- 5. Mzimvubu-Tsitsikamma
- 6. Breede-Olifants

Data sources and acknowledgements:
 Chief Directorate National Geospatial Information;
 Department of Rural Development and Land Reform: The coastline, international boundaries, cities, dams and rivers

Municipal Demarcation Board: Provincial boundaries

Department of Water and Sanitation: Water Management Areas

Disclaimer:

Although the greatest care has been taken to ensure that this map is up to date and accurate, the Department of Water and Sanitation gives no warranty, express or implied, as to the accuracy, reliability, completeness or

Map produced by:
 Department of Water and Sanitation
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PHASE ONE TOWARDS RATIONALISING CMAs FROM NINE TO SIX



Extend the Breede-Gouritz CMA to include the Berg Olifants WMA,



Extend the Vaal CMA to include the Orange WMA,



Extend the Limpopo–North West CMA to include the Olifants WMA and



Extend the Inkomati-Usuthu CMA to include the Pongola catchment

PHASE ONE TOWARDS RATIONALISING CMAs FROM NINE TO SIX

- The Breede-Olifants CMA has been gazetted for establishment
- The Vaal-Orange CMA has been gazetted for public comments.

MAIN PRINCIPLES IN REALIGNING WMAs/CMAs FROM 9 TO 6

- ***Operational Integration***
 - Connected and integrated water systems
 - Easy coordination and monitoring of agreements
 - Improved capacity-pooled technical skills

MAIN PRINCIPLES IN REALIGNING WMAs/CMAs FROM 9 TO 6

Integrated water resource planning

- The river basins fall within the same water system
- Improved resource planning
- Transboundary systems managed by same conventions

MAIN PRINCIPLES IN REALIGNING WMAs/CMAs FROM 9 TO 6

Economies of scale

- Enhance revenue and hence sustainability
- Cost – effectiveness
- Consolidate management structures

STATUS ON THE ESTABLISHMENT OF VAAL-ORANGE CMA

- March 2012: IRR resulted in one Vaal WMA
- 2016: Establishment Government Gazette No. 39636
- 2019: Appointment of Advisory Committee
- 2020: Adverts for board appointment:
- The appointment of Board members were delayed because of the amalgamation.

ROAD MAP FOR VAAL-ORANGE CMA

March 2021

- Gazette Notice for the extension of area of operation of the Vaal CMA to include the Orange WMA for 60 days public comments
- Ongoing internal and external stakeholder consultation on the Vaal/orange merger

ROAD MAP FOR VAAL-ORANGE CMA

**November
2021**

- Appointment of the works stream to support the establishment and operationalisation
- Finalisation of Service Level Agreement (SLA) between the three Provincial Offices for the management of the Orange WMA
- Final Gazette for the establishment of Vaal-Orange CMA

ROAD MAP FOR VAAL-ORANGE CMA

March 2022

- Appointment of Board in March 2022
- Approve the updated business case for the realigned Vaal CMA which will include the Orange WMA
- Minister requests National Treasury to list the entity

PROPOSED WAY FORWARD

Parallel activities

- Consultation with organised Labour
- Continuous engagement with NT on the listing of CMAs.
- Consultation with stakeholders.

Briefing to Minister on the status of CMAs.....**Sep-Oct 2021** **1**

Review of CMA business Case and reconfiguration of WMAs.....**Aug-Oct 2021** **2**

Appointment of Advisory Committee by Minister...**Oct-Nov 2021** **3**

Appointment of Boards and operationalisation of CMAs.....**Nov 2021-March 2022** **4**

RINGFENCING THE VAAL PROTO-CMA

- Vaal acting CEO appointed in 2015
- Vaal Proto-CMA was ring fenced to operate independent of the Gauteng, Free State and Northern Cape Provincial Operations.
- The Directorates: Institutional Establishment became Upper, Middle and Lower Vaal Business Units
- Proto-CMA functions (V&V, Water Use Authorisation) were centrally coordinated

RINGFENCING THE VAAL PROTO-CMA

- Budget was centralised and coordinated from Upper Vaal
- Office accommodation sought with Head Office (Jo'burg) and Satelite Offices (business units)
- Business units leadership strengthened

CURRENT CHALLENGES

- Labour indicated that they will not discuss the issue of CMAs establishment until they meet with the Minister.
- The stakeholders within the Orange WMA are apprehensive regarding the amalgamation of the Vaal CMA **due to the water quality complexities** and nature of water use activities within the Vaal WMA.
- The main concern lies within the differences in the raw water tariff between the Vaal WMA and the Orange WMA.
- Access to offices of the CMA due to extended geographical area

CURRENT CHALLENGES

- The reconfiguration will delay the establishment of the Vaal CMAs which is important to achieve effective integrated water resource management.
- The reconfiguration process will have impact on the processing of water use authorisations.
- Configuration of the WMAs will also have impact on the management and development of water user associations as well as the representation of Historically Disadvantaged Individuals

TRANSFORMATION OF IRRIGATION BOARDS TO WATER USER ASSOCIATION

- WUAs are established in terms of section 92 (1)(a) of the National Water Act, 1998
- Irrigation boards (IB) operate in terms of the Water Act, 1956.
- The transformation of irrigation boards (IB) into WUAs is a statutory requirement in terms of section 98 of the NWA (Act 36 of 98).
- WUAs are Water Management Institutions that manage and regulate water at a localised level.
- They are not listed as public entities.

TRANSFORMATION OF IRRIGATION BOARDS TO WATER USER ASSOCIATION

- The scale at which they operate, their roles and functions and their use, management and ownership of infrastructure vary considerably around the country.
- About approximately 305 Irrigation Board (IB) existed until 1998.
- There are about 30 WUAs/IBs operating the Government Water Schemes in the country (11 IBs not transformed and 19 WUA transformed).
- There is a total of 99 WUAs and About 205 Irrigation Board Still Existing

TRANSFORMATION OF IRRIGATION BOARDS TO WATER USER ASSOCIATION

- The National Water Resource Strategy 2 outlined a set of strategic interventions focusing on the transformation of Irrigation Boards and WUAs.
- There is considerable urgency to transform numerous remaining Irrigation Boards to WUAs, to align them with the objectives of the National Water Act.
- Policy positions put forward in the 2013 National Water Policy Review, on the disestablishment of Irrigation Boards and WUAs, have to date not been implemented due to the revision of the legislation.

TRANSFORMATION OF IRRIGATION BOARDS TO WATER USER ASSOCIATION

- Instead, in March 2020 the Minister revived the process for the remaining Irrigation Boards to either be transformed into WUAs or disestablished.
- Targets to this effect were included in the DWS 2020/21 APP and work is underway within DWS for this current financial year.

CHALLENGES IN TRANSFORMATION OF IBs TO WUAs

- There have been challenges faced with the transfer of assets and liabilities into the new WUAs.
- In certain instances, the farmers do not want to be jointly and severally liable for the infrastructure and debt that an irrigation board may bring into the WUA.
- In addition, not all WUA members want to pay for infrastructure where they do not accrue benefits.
- Inability to meet transformational target by WUAs due to lack of active Historical Disadvantaged Individuals (HDIs) in the current Irrigation Boards defined areas of operation.

CHALLENGES IN TRANSFORMATION OF IBs TO WUAs

- HDIs in some management committees are not contributing meaningfully due to limited capacity in WRM and agriculture
- This result in a number of HDIs trading their water use rights to commercial farmers for purposes of generating income.
- Some Irrigation Boards infrastructure which includes dams, distribution pipelines and canals were developed and financed privately over the years and do not include any state assets.

CHALLENGES IN TRANSFORMATION OF IBs TO WUAs

- Some IBs are up to date with water charges as opposed to both private and municipal.
- The resources and cash reserves are likely to become the assets of the bigger WUAs which they are not supporting.

PRINCIPLES OF TRANSFORMING IBs TO WUAs

A number of principles have been established to address the challenges in the transformation Ibs to WUAs

- **Geographical boundaries/Area of operation** - the new Water User Associations will be revised to include users who share the same water resource (hydrological boundaries).
- **Revised constitution** - The Department will provide a revised constitution which will be adopted by all WUAs and address:
 - Compulsory membership within operational area
 - Promote one person one vote and
 - Representation of HDIs,

PRINCIPLES OF TRANSFORMING IBs TO WUAs

- **Irrigation infrastructure: Assets and liabilities:**
When irrigation boards are transformed in terms of s98 of the National Water Act, every property right and liability of the irrigation board automatically become the property right and liability of the relevant WUA, this resulted in a lot of uncertainties.
 - The proposal can be for the establishment of sub-areas within a WUA, as provided for in Schedule 5 of the National Water Act.
 - These sub-areas can then be charged differentiated tariffs based on the infrastructure that is used by that particular sub-area.

CATCHMENT MANAGEMENT FORUMS

- Catchment management forums (CMFs) do not have a historical legacy in water resource management.
- Although not statutory, these structures have been used in collaborative initiatives of the Department.

CATCHMENT MANAGEMENT FORUMS

A catchment management forum has been described as:

- A group of concerned people who agree, on a voluntary basis, to represent different perspectives of society in the CMA process;
- A formal structure which is related to the CMA process
- A place where co-operative and consultative water resource management can take place
- A place where participants provide and share information relating to issues of water environment

and

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CATCHMENT MANAGEMENT FORUMS

A catchment management forum has been described as:

- A body that has the capacity to make recommendations to the authorities and other Forum management structures on behalf of the broader body of Forum members.
- A Catchment Forum is not a pressure group; an activist body; or a body which can prescribe or dictate certain actions to participants.

VISION AND MISSION OF CATCHMENT FORUMS

- **The vision** of a catchment management forum is to promote a healthy, safe and sustainable environment that is fit for all uses through interactive stakeholder participation within a specific geographical area.
- **The mission** is to provide a platform to assist in the development of an Integrated Environmental Management Strategy (IEMS) for the catchment through stakeholder participation

OBJECTIVES OF CATCHMENT FORUMS

- **The objectives of the catchment forum include**
 - To promote the protection, use, development, conservation and management of the environment of the respective catchment;
 - To develop and implement short, medium and long-term goals of an IEMS of the catchment;
 - To effectively communicate and inform the goals of an IEMS and
 - To provide the opportunity for all role-players to participate in a forum that is transparent and representative of the catchment.

THE ROLE OF CATCHMENT FORUMS

- The catchment management forum will advise, monitor, recommend and make suggestions to the CMA structures where final decisions will be taken.
- The forum will strive to give feedback of all relevant decisions to the members.

LOCAL WATER MANAGEMENT INSTITUTIONS OF THE VAAL-ORANGE

- In the Vaal-Orange WMA, there are strong local water management institutions including CMFs, Ibs and WUAs that will support the establishment and operation of the CMA.
- The Upper Vaal Catchment mainly uses catchment forums as consultative structures to promote integrated water resource management and in the establishment of the CMA.
- Although there are few irrigation boards, there is no water user association established yet.

LOCAL WATER MANAGEMENT INSTITUTIONS OF THE VAAL-ORANGE

- The Middle and Lower Vaal Catchments and the Upper Orange use both water user associations and catchment forums.
- On the other hand, the Lower Orange Catchment is dominated by irrigation boards and water user associations.
- These historical institutions are by default the vehicle for consultation in water resource management and establishment of the CMA.

LOCAL WATER MANAGEMENT INSTITUTIONS OF THE VAAL-ORANGE

CATCHMENT	IBS	WUAS	CMFS
Lower Orange	25	5	2
Upper Orange	2	5	2
Lower Vaal	0	4	2
Middle Vaal	0	1	2
Upper Vaal	4	0	10
TOTAL	31	15	18

RECOMMENDATIONS

It is recommended that

- Ministry approves that DWS proceeds with the establishment of the Vaal-Orange CMA
- Ministry convenes a meeting with Organised Labour to discuss the establishment of CMAs.
- Ministry considers the proposal to implement a differential raw water tariff for the Vaal and Orange WMAs.

Thank You



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