



TERMS OF REFERENCE FOR A SOLICITED WRC PROJECT

KEY STRATEGIC AREA	KSA 1&2: Water Resources and Ecosystems
THRUST	Thrust 5: Resource Quality and Management
PROGRAMME	Programme 3: Source Water Protection
TITLE	Piloting the implementation of the waste discharge charge system in the crocodile catchment

Background and Rationale

The Inkomati-Usuthu Catchment Management Agency (IUCMA) is a water resource management institution established under Section 78 of the National Water Act (Act 36 of 1998, NWA) having jurisdiction over the Inkomati-Usuthu Water Management Area (WMA). One of the IUCMA objectives, is to ensure effective, efficient and sustainable management of available water resources. It intends to meet this objective through various tools including the use of the waste discharge charge system (WDCS).

The Waste Discharge Charge System (WDCS) forms part of the Pricing Strategy for Water Use Charges established in terms of Section 56 of the National Water Act (NWA) (Act 36 of 1998) and is a regulatory tool which can be used to improve the quality of water resources as well as compliance to the management class and associated resource quality objectives and the ecological reserve. The development of a Waste Discharge Charge System (WDCS) has been proposed to promote water conservation and waste reduction. It is well known that in some instances the discharge of poor quality effluent into streams causing pollution of water resources is occurring. Poor quality of water resources contravenes the resource quality objectives and international obligations. Furthermore, waste related activities currently do not contribute any revenue towards the management of the water resources.

The implementation of WDCS is supposed to achieve the following:

- Promote the sustainable development and efficient use of water resources
- Promote the internalisation of environmental costs by impactors
- Recover some of the costs of managing water quality
- Create financial incentives for dischargers to reduce waste and use water resources in an optimal manner.

The development of the WDCS has four phases:

- Phase 1: Formulation of a Framework Document
- Phase 2: Development of a draft WDCS strategy
- Phase 3: Establishment of the final strategy and implementable system
- Phase 4: Implementation of WDCS in pilot areas

The first three phases were completed by the Department of Water and Sanitation. The project came to a halt during Phase 4 (implementation of the WDCS in pilot areas) and as a result certain tasks in this phase have not been completed. The IUCMA would therefore like to conduct phase 4 of this project in its water management area, focussing on the Crocodile Catchment.

Objectives:

The objectives of the project are to:

- Capture all waste related water uses on the water authorisation and administration system (WARMS).
- Determine waste discharge charge rates
- Pilot the implementation of the waste discharge charge system (WDCS) in the Crocodile catchment.

Specific:

- Location of study site – The study location is the Crocodile Catchment from its source up to the confluence with the Komati River, including its tributaries.
- Work stages – The work should be conducted in three stages
 - Stage 1 - Study Planning and Process Initiation - to plan the study and to compile an Inception Report. During the Inception phase a familiarity with the area and identification of all the different stakeholders in the Crocodile Catchment is essential.
 - Stage 2 – Study implementation – should have 5 components; development of documents, technical methodology and guideline development, determination and implementation of charge rates, communication and liaison and capacity building
 - Stage 3 – Study termination – a report which must include a summary of the theoretical assumptions made during conceptual design as well as unit rates applied in the costing analysis. Prioritisation of all options must be clearly presented and summary/recommendations provided.

Deliverables:

- Inception Report & Study Plan
- Updated reports on the following:
 - WDCS Strategy
 - National Non-Point Source Strategy
 - Catchment Project Plans
 - Data Collection and Situational Analysis Report
 - Registered Water Users Analysis
 - WDCS Business Plans for the Crocodile Catchment
- Conduct consultation workshops with stakeholders
- Proposed Charge Rates for the Crocodile Catchment
- A mitigation charge disbursement plan
- A report on the capacity building programme done for relevant officials at IUCMA
- WDCS communication Strategy

Time Frame: 3 years (starting in 2021/22 and ending in 2023/24 financial year)

Total Funds Available: R 2 000 000 over 3 years with R 500 000 available in year 1.