



EFFECTIVE INSTITUTIONAL ARRANGEMENTS FOR GOOD GOVERNANCE

**INTERNATIONAL CONFERENCE ON
FRESH WATER GOVERNANCE FOR SUSTAINABLE
DEVELOPMENT
5 November 2012**



water affairs

Department:
Water Affairs
REPUBLIC OF SOUTH AFRICA



THE CASE FOR CHANGE

Poor delivery of outcomes

Too many people without access to water supply and sanitation

Water allocation reform has been slow

Management of pollution, illegal water use,

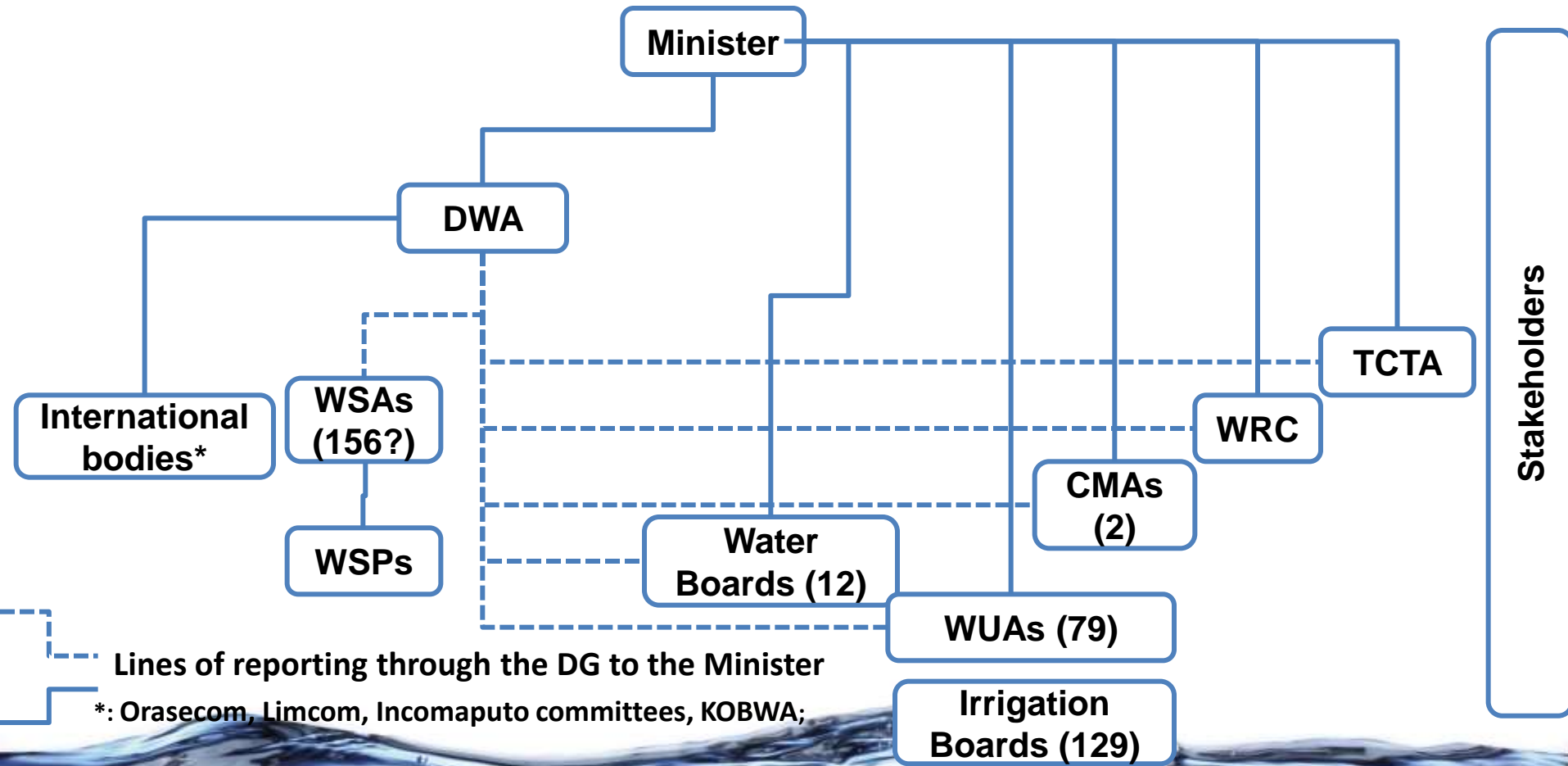
Infrastructure backlog & poor maintenance



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CURRENT ARRANGEMENT OF WATER SECTOR INSTITUTIONS



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Minister has many entities reporting organisations,



VISION AND OBJECTIVES

To create sustainable water sector institutions that will facilitate effective service delivery

- The **overall trusteeship** of the water value chain is with the Minister
- The Department will set policy, regulate, and provide support
- The ownership, financing, development, management and operations and maintenance **of national water resources infrastructure** will be strengthened
- The development, financing, management, operation and maintenance of **regional bulk water and wastewater services** will be strengthened through the consolidation **of existing water boards** .
- Water resource management strengthened through consolidating into 9 CMAs.



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VISION AND OBJECTIVES

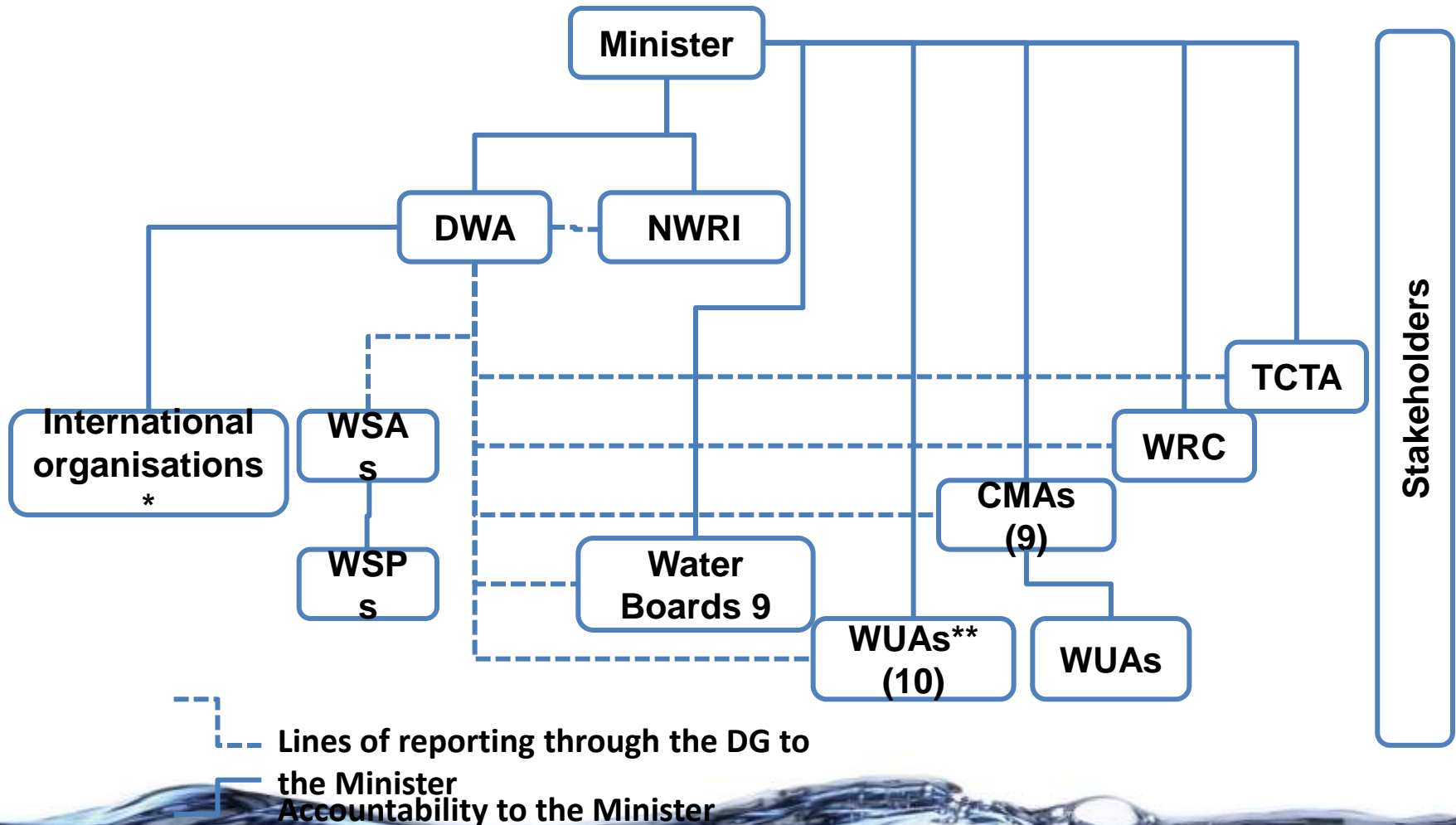
- Water user associations will facilitate the management of local water resources infrastructure
- The development and management of the four international river basins will be undertaken by trans-boundary water management institutions.
- Water research, information and knowledge management will contribute to improved water resource management and sustainable water service provision.
- Economic regulation is to being explored and by the end of 2014 which will ensure that water provision and services is provided in an efficient, fair and sustainable manner



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FUTURE WATER SECTOR INSTITUTIONAL ARRANGEMENTS



*: Orasecom, Limcom, Incomaputo committees, KOBWA;

** WUAs with state infrastructure or state guaranteed loans

The proposed structure will reduce the number of institutions



POLICY AND CONTEXT

- The National Government is the custodian of the nation's water resources, as an indivisible national asset.
- The Minister (Public Trustee) must therefore ensure that water is protected, used, developed, conserved, managed and controlled in sustainable and equitable manner.
- The Minister may establish suitable institutions to perform water resource management functions.



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POLICY AND CONTEXT

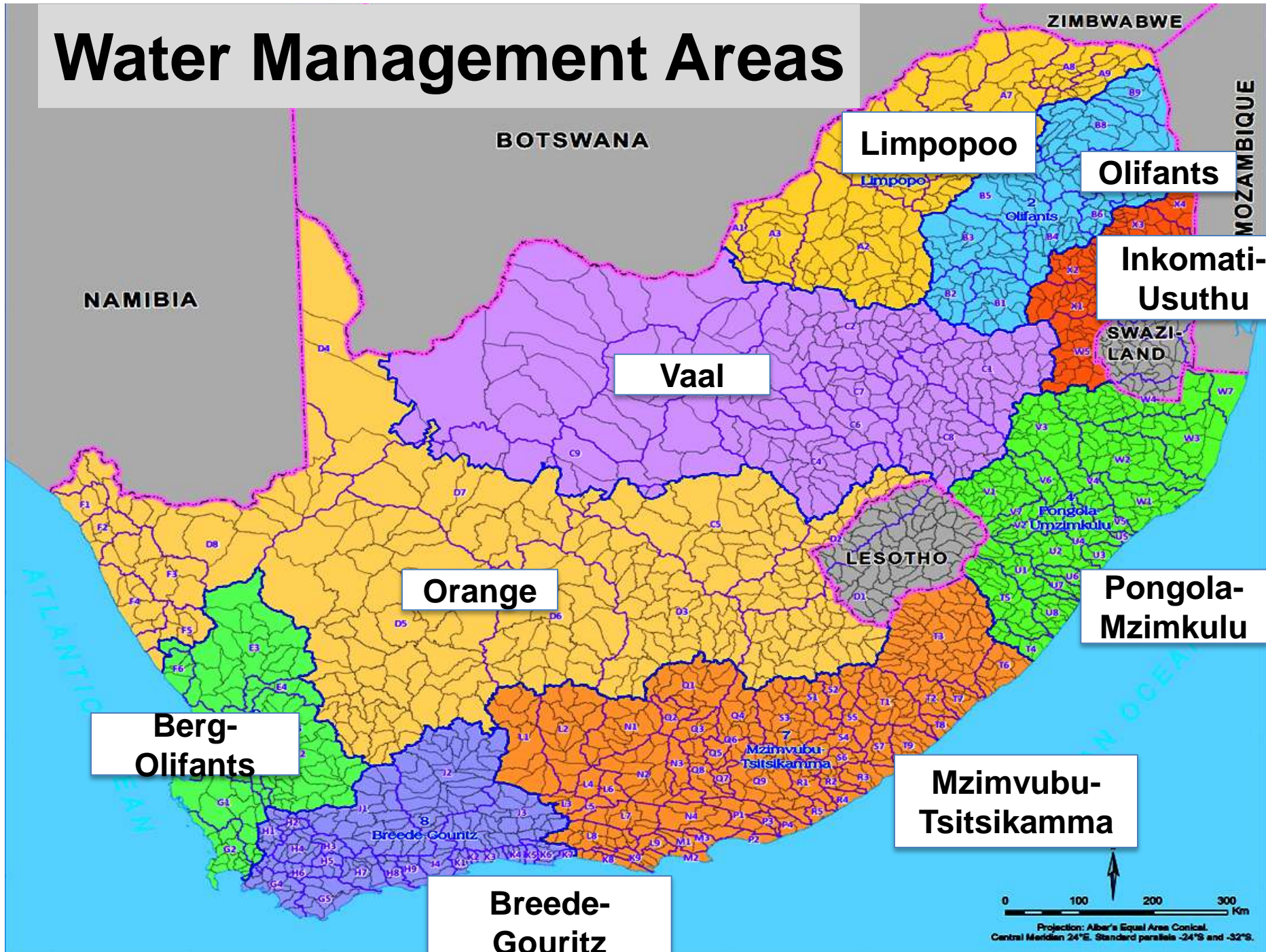
- CMAs are established in terms of section 78(1) of the National Water Act, 1998 (Act No 36 of 1998).
- Statutory bodies established in terms of Chapter 7 of the National Water Act and listed as schedule 3a entity under the **PFMA-service delivery Public entity**
- In the absence of established CMA's, DWA undertakes these functions.



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Water Management Areas



Lessons Learned

3 broad areas

8 key lessons

Interventions

A

Political
Leadership &
Strategic
direction

1

Political stability

2

Resource
intensive

B

Organizational
Readiness for
change , letting
go & embracing
the future.

3

Change
management

4

Policy Financial
support

5

Delegations of
functions , staff, and
budget

6

Stable system
integration

C

Clear
Institutional
framework and
roles and
responsibilities

7

Governance:
Representative Boards

8

Oversight ,
monitoring

Strong change Management
Communication strategy

Proposal for project team to
drive the process

Financial support by DWA for
public interest functions and
regulatory functions-non self
sustainability

Information Systems (WARMS,
SAP ,

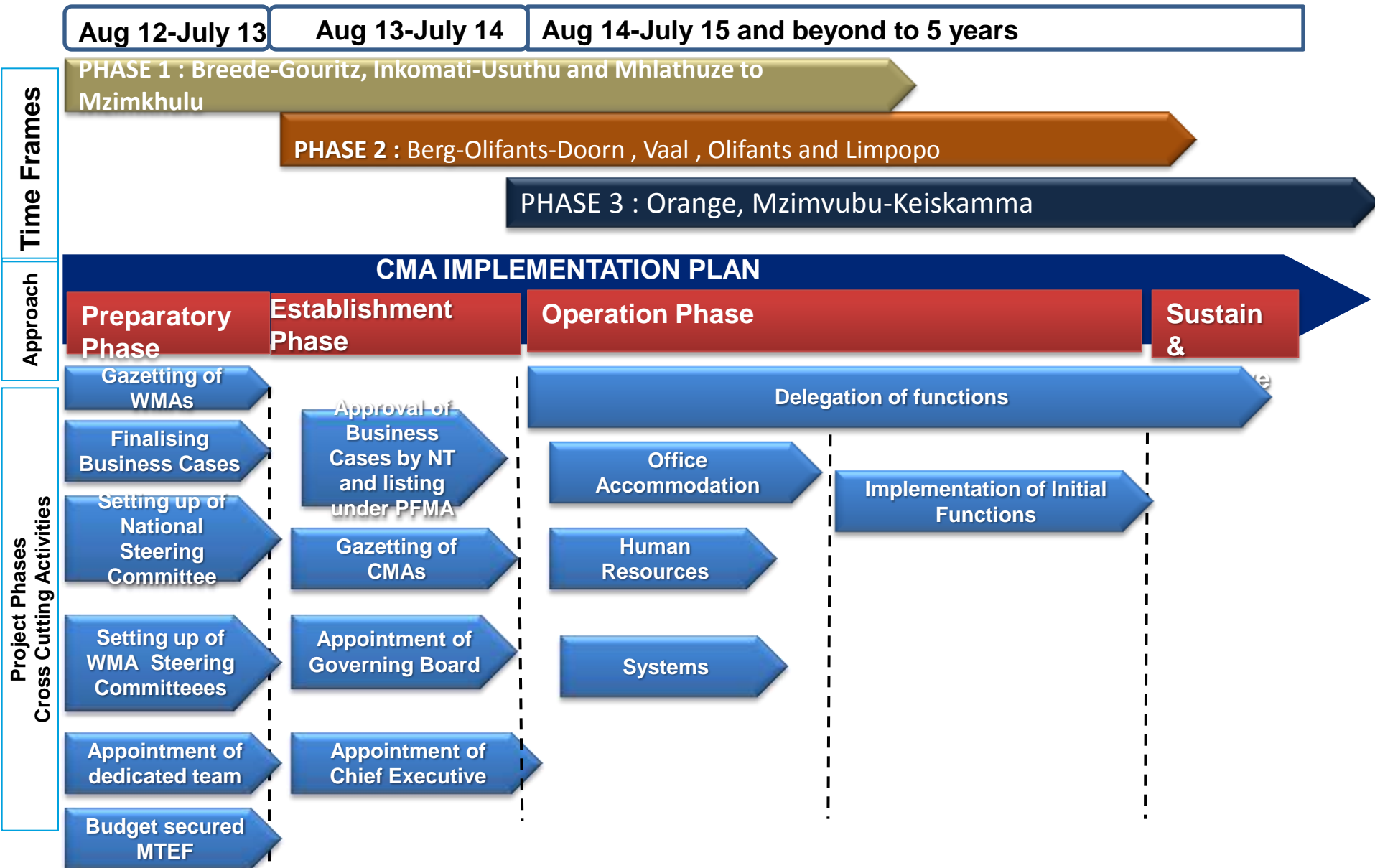
Improved Governance : skills
based boards

Strong oversight , monitoring &
reporting ,

Clear roles and responsibilities



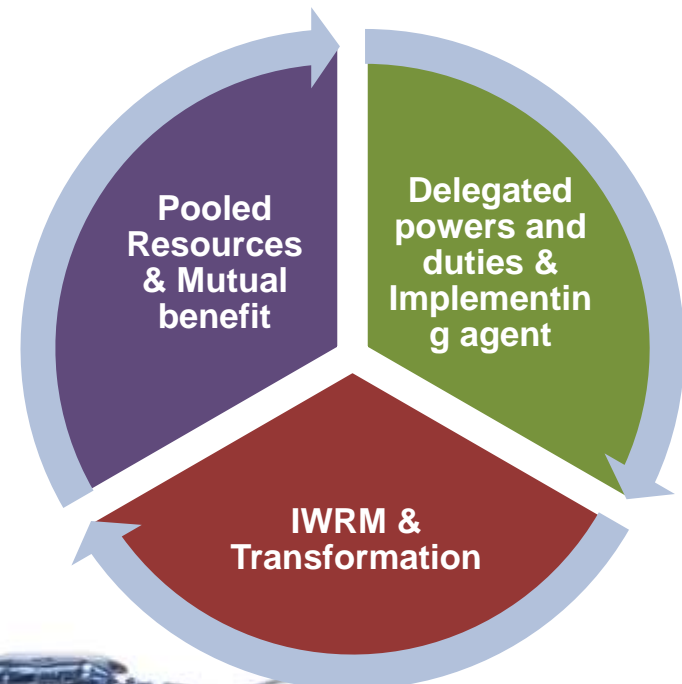
CMA ROLL-OUT IMPLEMENTATION PLAN



MANAGING LOCAL WATER INFRASTRUCTURE (WATER USER ASSOCIATION)

Established in terms of section 92 (1)(a) of the National Water Act, 1998 (Act No 36 of 1998).

Without these institutions at a local scale there will be a need to rapidly upscale staffing levels at Regional Office and CMA levels



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Managing local water infrastructure (water user association)

A

Transformation of Irrigation Boards

- Irrigation boards to be transformed within 12 months to bring within the ambit of the National Water Act
- Amendment of the National Water Act
- Transformation score-card to be introduced.

B

Regulation , Establishment and Accountability

- Differentiated approach to regulation of irrigation boards
- WUAs with government water schemes and state loans to be regulated by DWA
- Establishment and accountability of WUAs to be done by CMAs

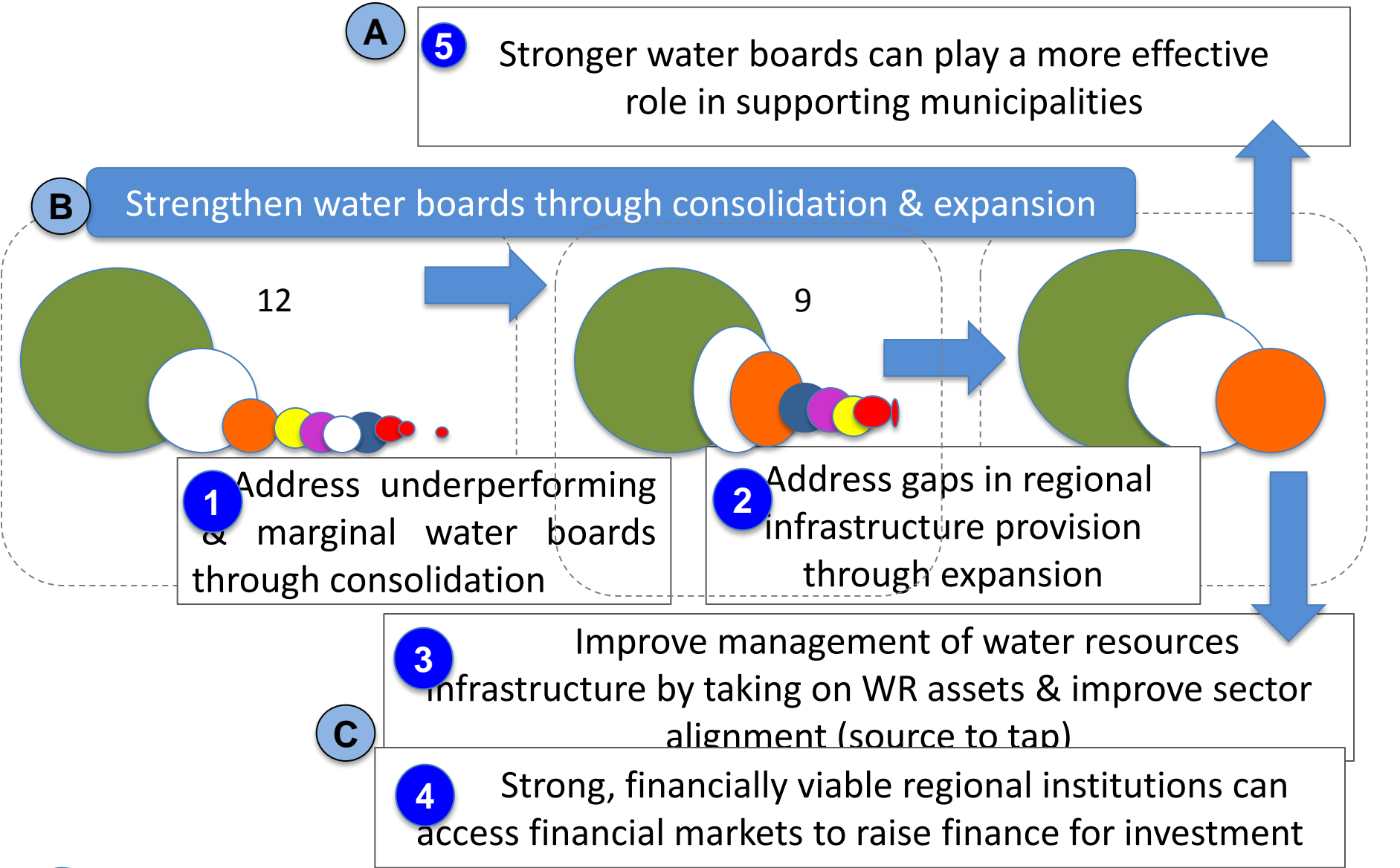
C

Minister Flagship Project on Land/Water and Agrarian for Resource Poor Farmers

- Effective support for the establishment of WUA for resource poor farmers
- DWA to drive support programme on Resource Poor Farmers with Rural & Land Affairs and Agriculture



MANAGEMENT OF REGIONAL WATER INFRASTRUCTURE AND FUTURE ROLE OF WATER BOARDS



 Bubbles are water boards scaled by revenue, a proxy for potential development impact



WATER RESEARCH COMMISSION

A

Coordination of
Water
Research

National Water Research Plan be introduced in South Africa led by DWA and WRC.

B

Legislative
Review

The review of the Water Research Act of 1971 to be fast tracked and the review to be completed within 6 months.



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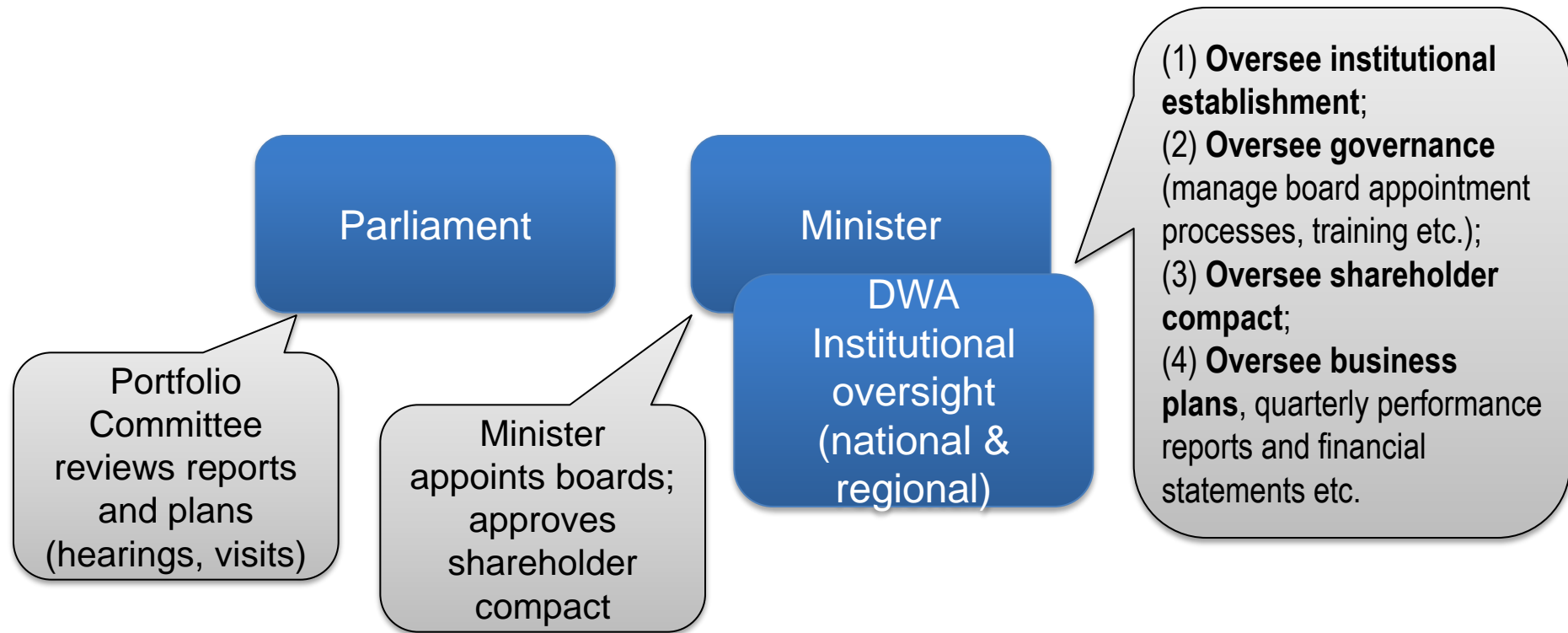


MANAGING NATIONAL WATER RESOURCES INFRASTRUCTURE

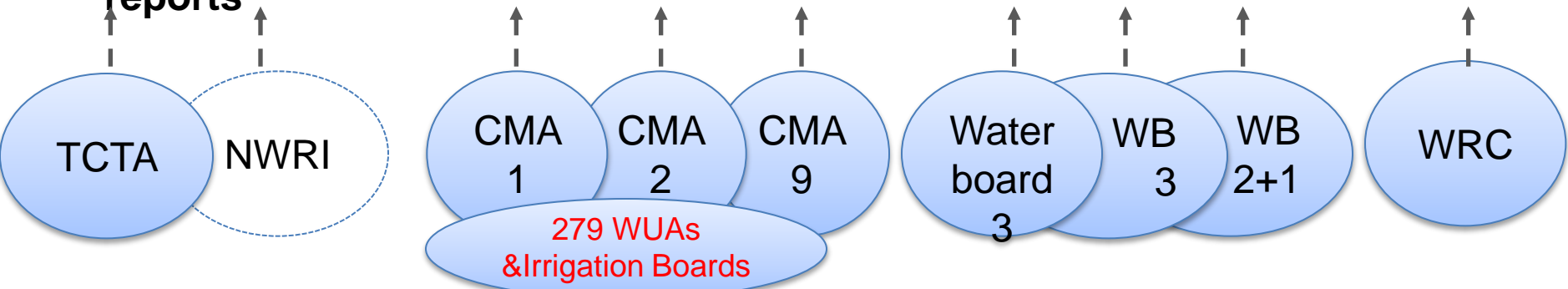
- At present the Department manages most of the **national water resources infrastructure** while the TCTA finances and project manages specific water projects as per Ministerial directives.
- Where possible projects are financed off-budget and the investment costs are repaid through user charges. -
- Key areas of concern are poor financial management, low revenue collection, poor customer management (including poor customer data), delays in procurement of key maintenance contracts, high staff turnover, loss of skills and low staff morale.
- A draft business case has been developed for the creation of an optimal institutional model.....agency....government component
- The main advantages of this are increased accountability, transparency and improved performance.



Reporting and governance



Public institutions report to the public and Parliament through **Annual Reports** and **Annual Financial Statements** and to the Department with **quarterly performance reports**





GOOD GOVERNANCE

- Strong stakeholder participation who will engage at all levels
- An effective institutional arrangement framework
- An appropriate regulatory framework for sector to ensure efficiency in service delivery and financial sustainability;



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THANK YOU



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