

Municipal Water Services in South Africa

DBSA – INFRASTRUCTURE DIALOGUES
Department of Water Affairs

7 October 2010

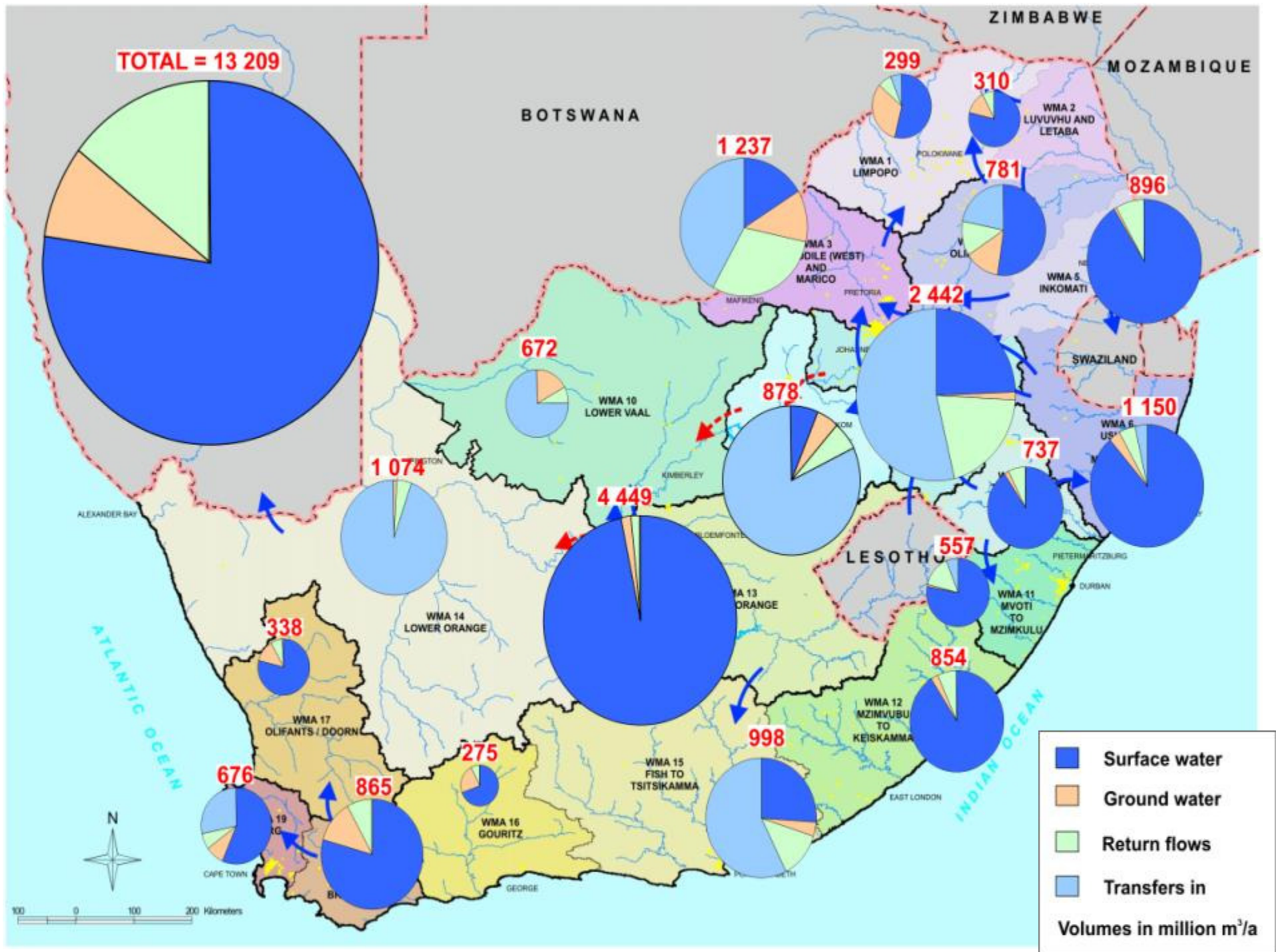
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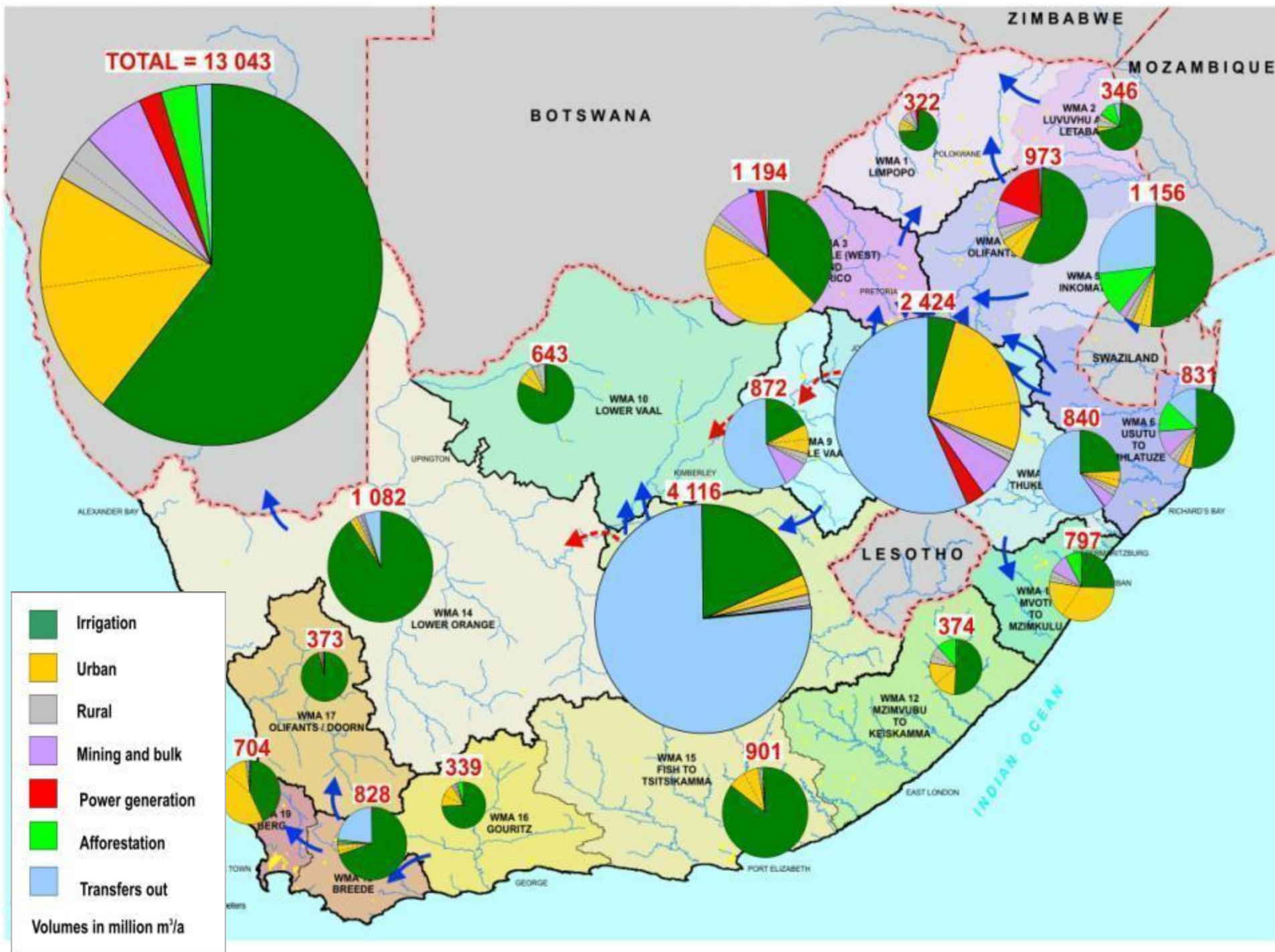
Resource Overview

Current water availability

At 98% assurance level, SA water is constituted as follows:

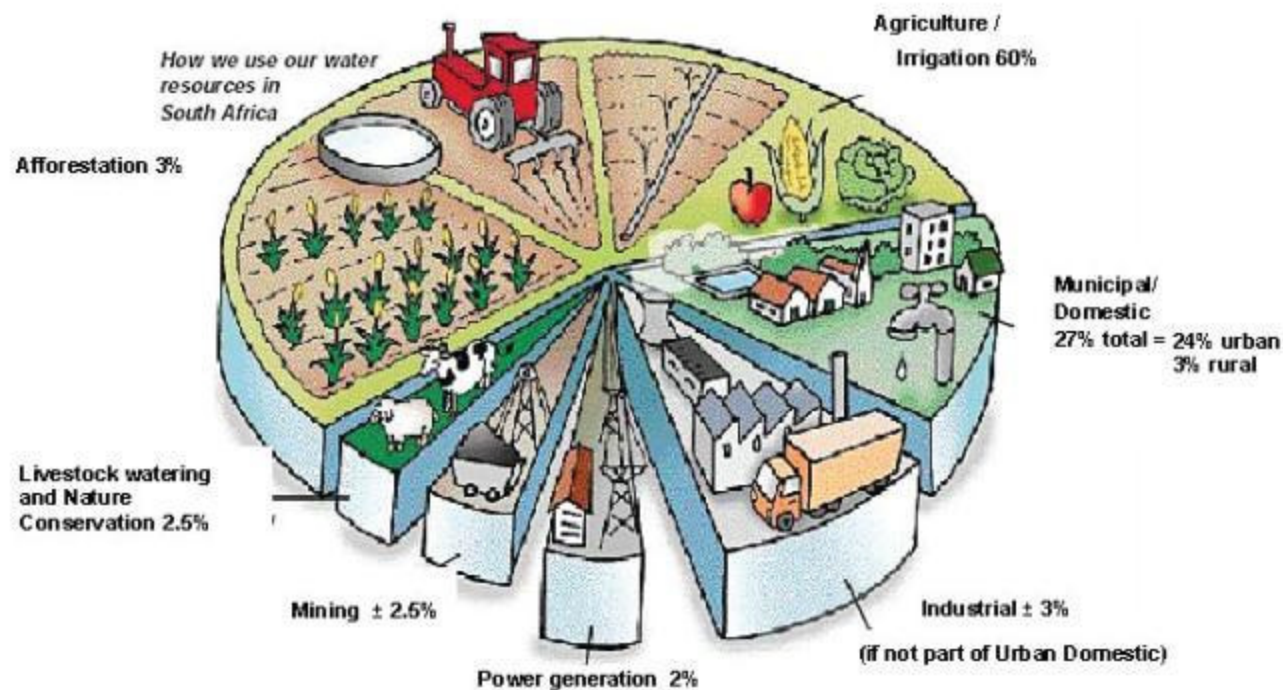
- 77% surface resources
- 9% ground water
- 14% return flows
- Desalination < 1%





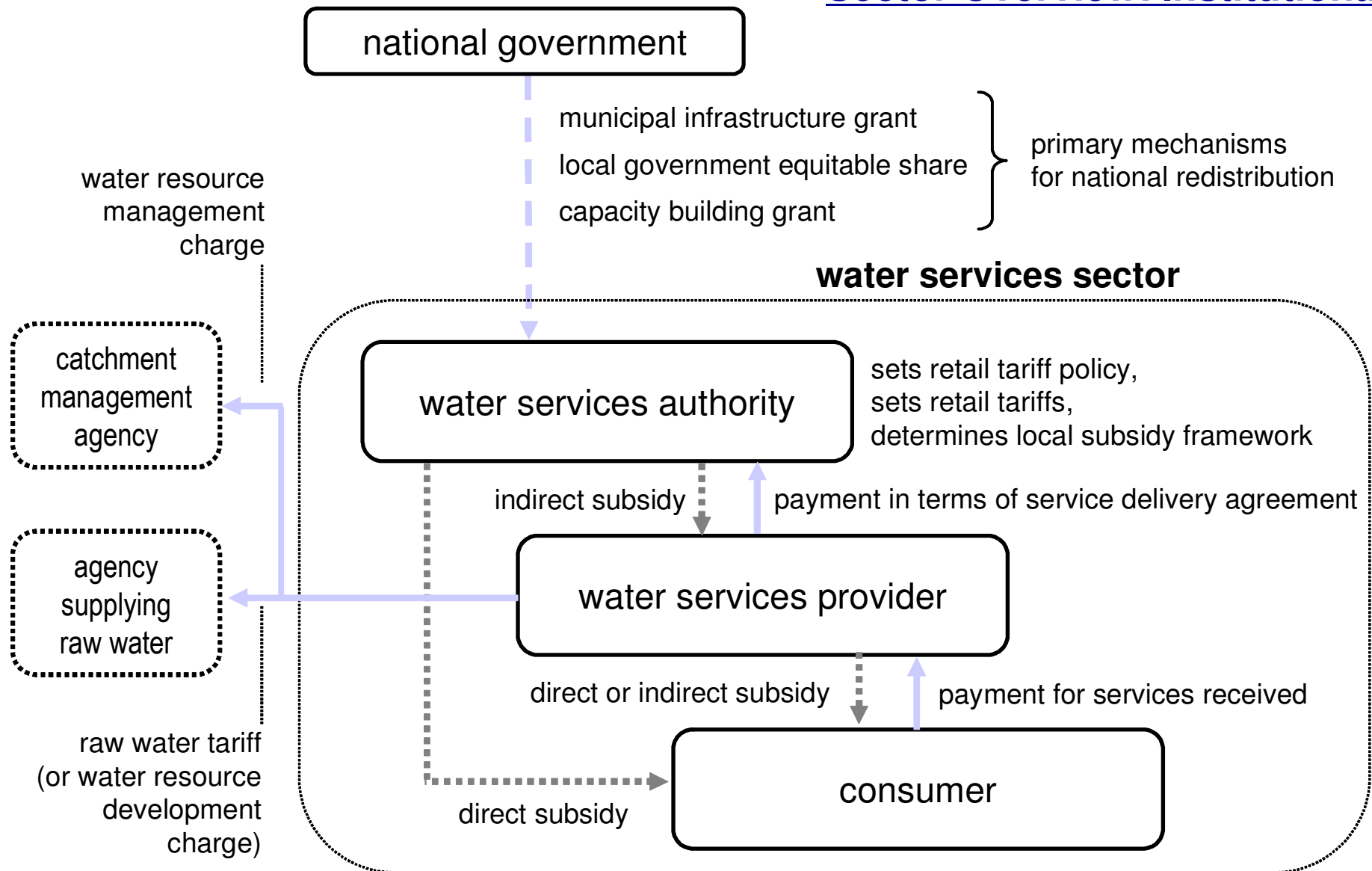
Water Use per economic sector

Proportional water use per main economic sector

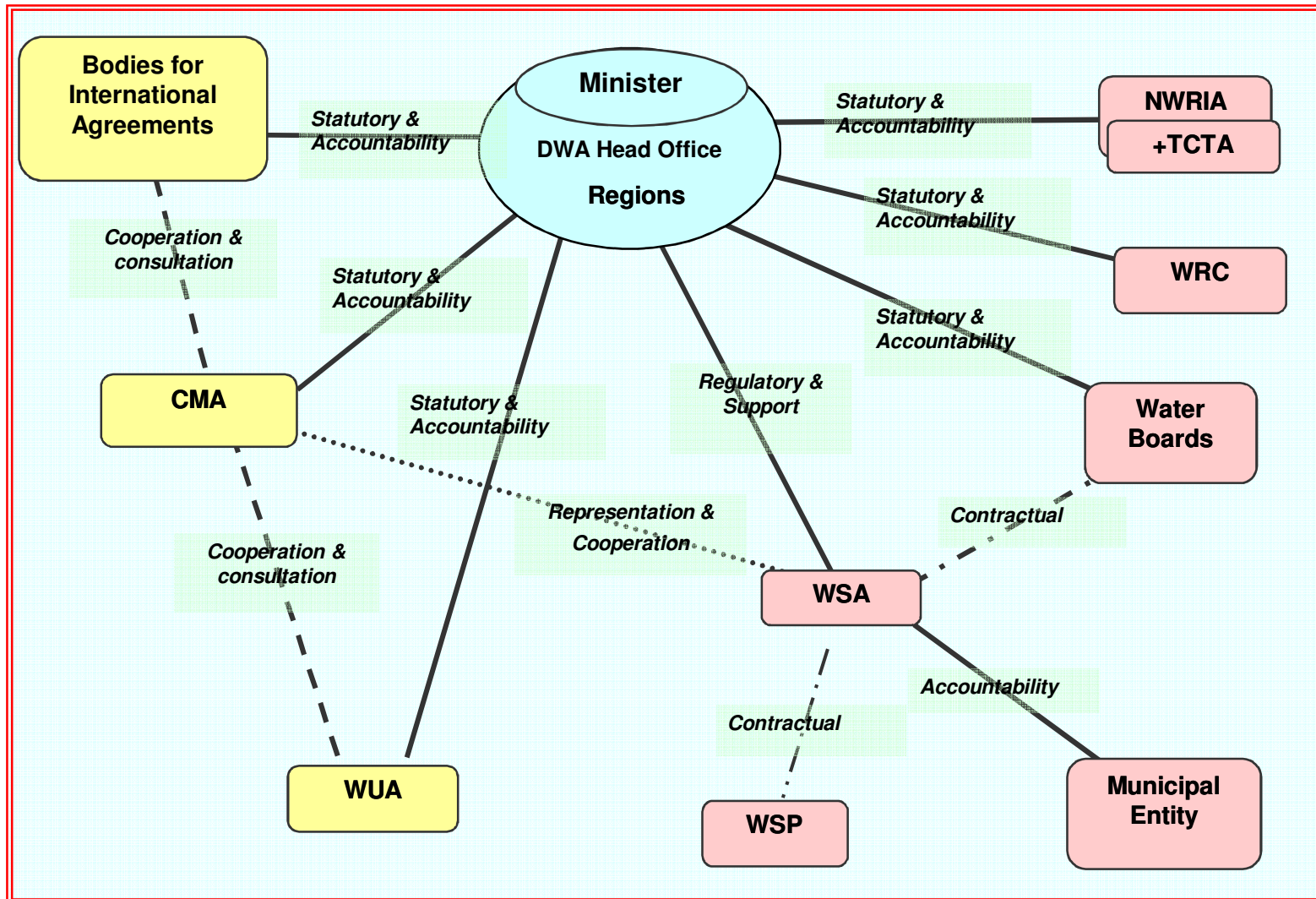


Water Services

Sector Overview: Institutional



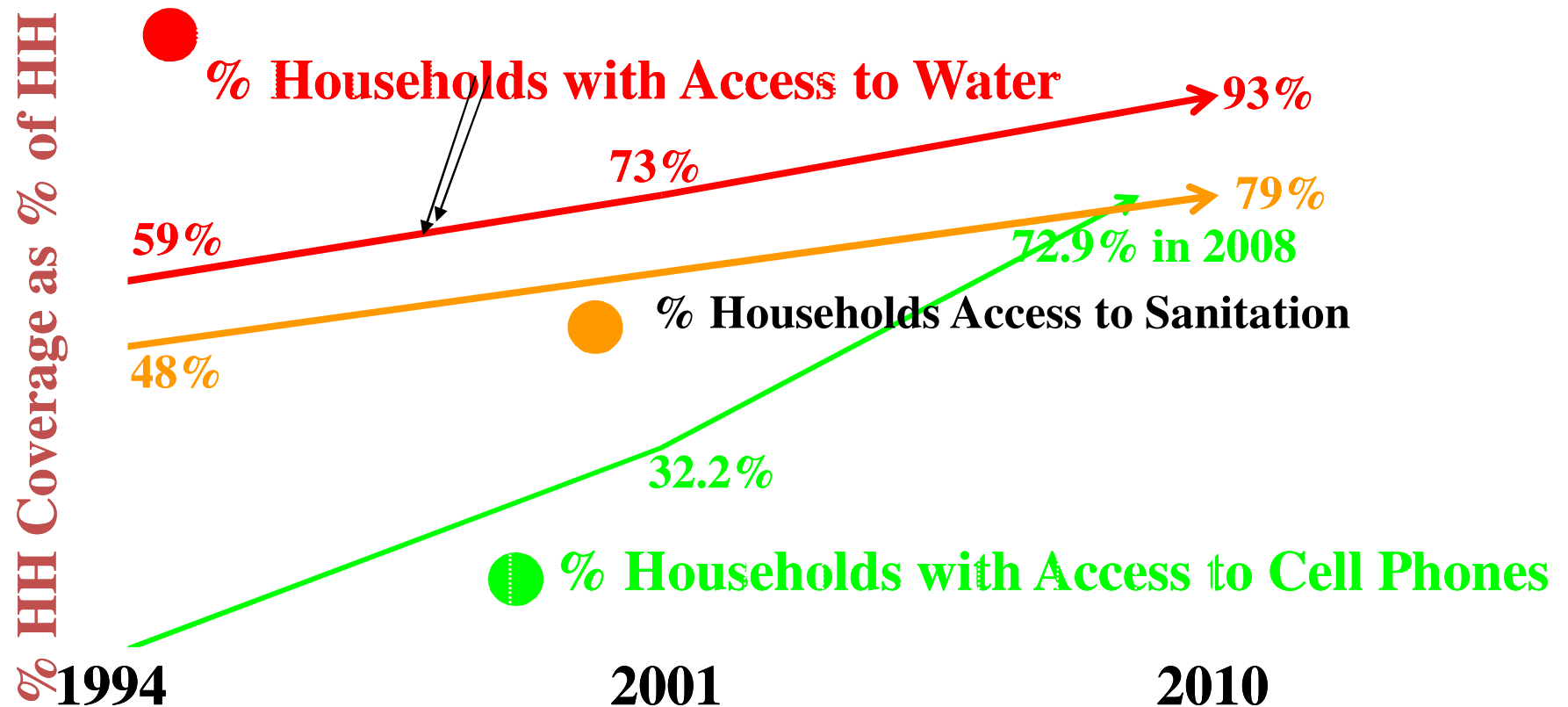
Key:  payments  national subsidies  local subsidies



Access to basic water services

- MDG:
 - Halve the basic services backlog by 2015
- Africa:
 - Support AU and AMCOW 2015 drive
- South Africa:
 - Ensure all people in South Africa have access to Sustainable **Basic water supply and sanitation by 2014**

SA -% Households with Access to: Water, Sanitation & Cell Phones



Formal Historic Basic Water Service Challenges

GROUNDWATER & WATER QUALITY CHALLENGE

- Scattered rural settlements (high poverty)
 - Low economic development potential
- Groundwater dependent (with water quality risks)
 - Limited surface water development potential
- Water reticulation needs (with O&M challenges)

WATER AVAILABILITY CHALLENGE

- Extensive water backlogs (villages)
- Water stressed areas
- Local WR limitations
- Water quality challenges
- Water demand management need
- Requires WR development (De Hoop & others)
- Requires major regional bulk infra
- High capital and O&M cost
- Major funding needs

HISTORIC WATER BACKLOG

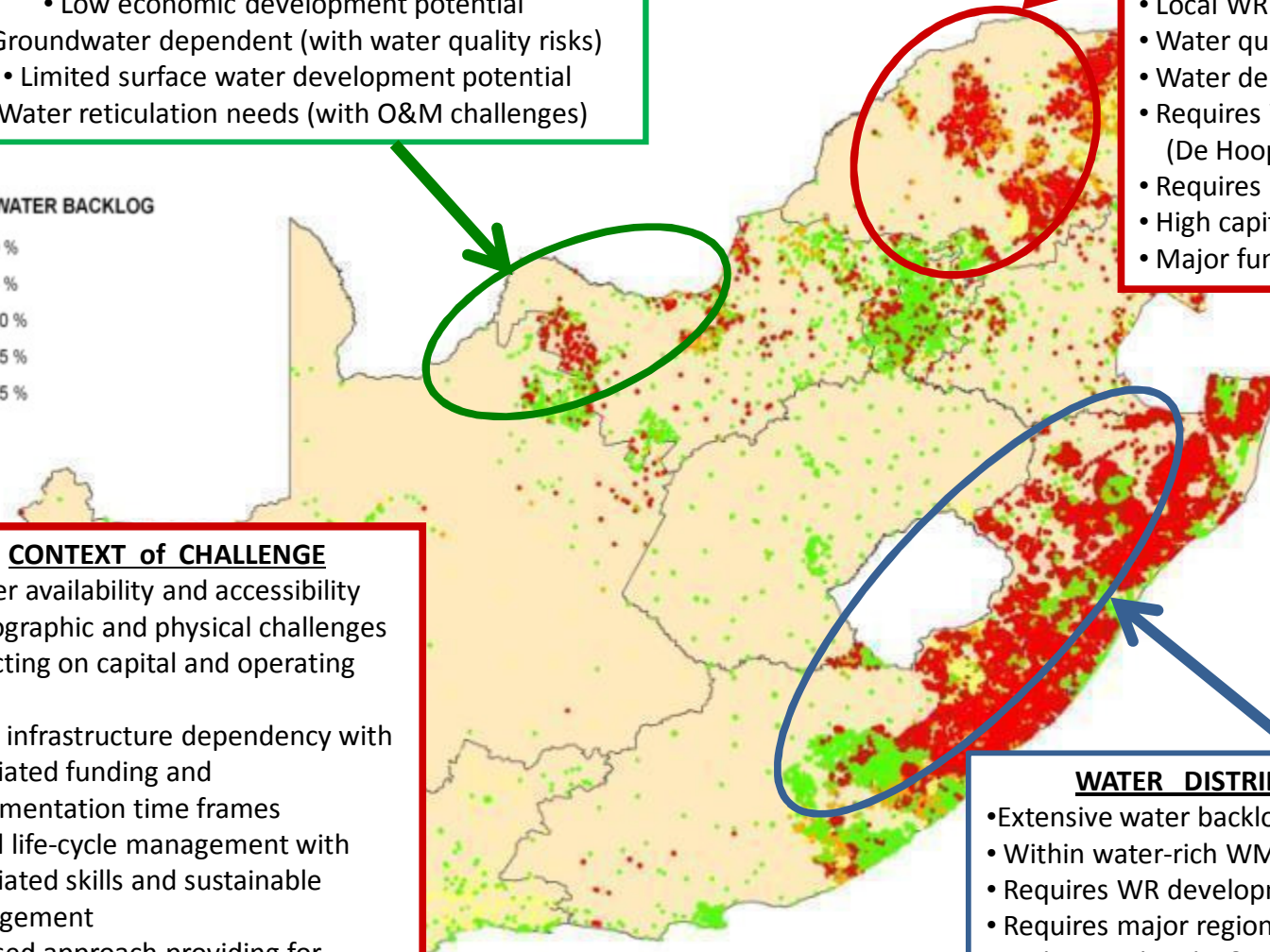
- 0 %
- 1 - 25 %
- 26 - 50 %
- 51 - 75 %
- > 75 %

CONTEXT of CHALLENGE

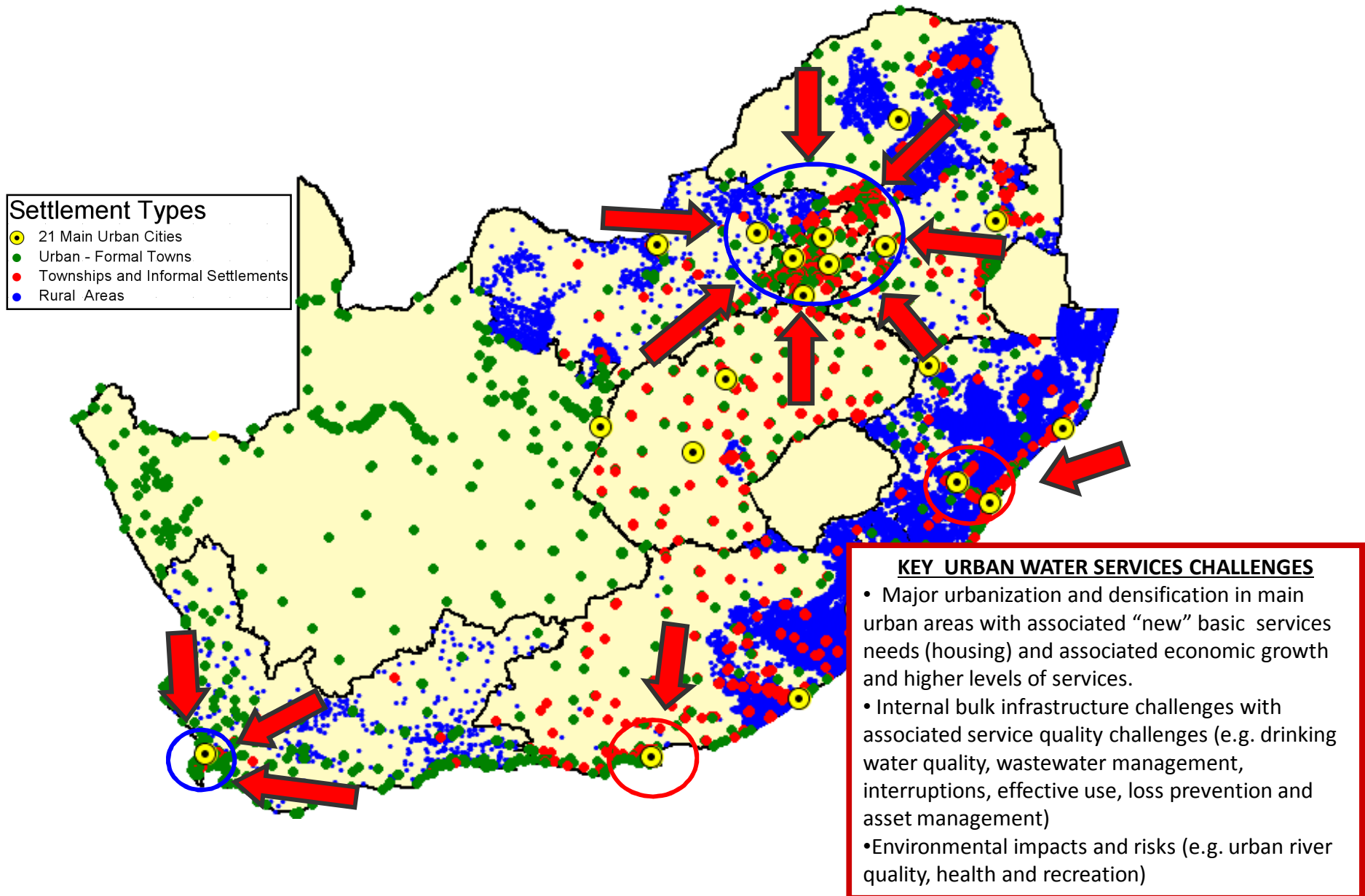
- water availability and accessibility
- topographic and physical challenges impacting on capital and operating costs
- bulk infrastructure dependency with associated funding and implementation time frames
- total life-cycle management with associated skills and sustainable management
- phased approach providing for interim solutions while addressing longer-term sustainable development

WATER DISTRIBUTION CHALLENGE

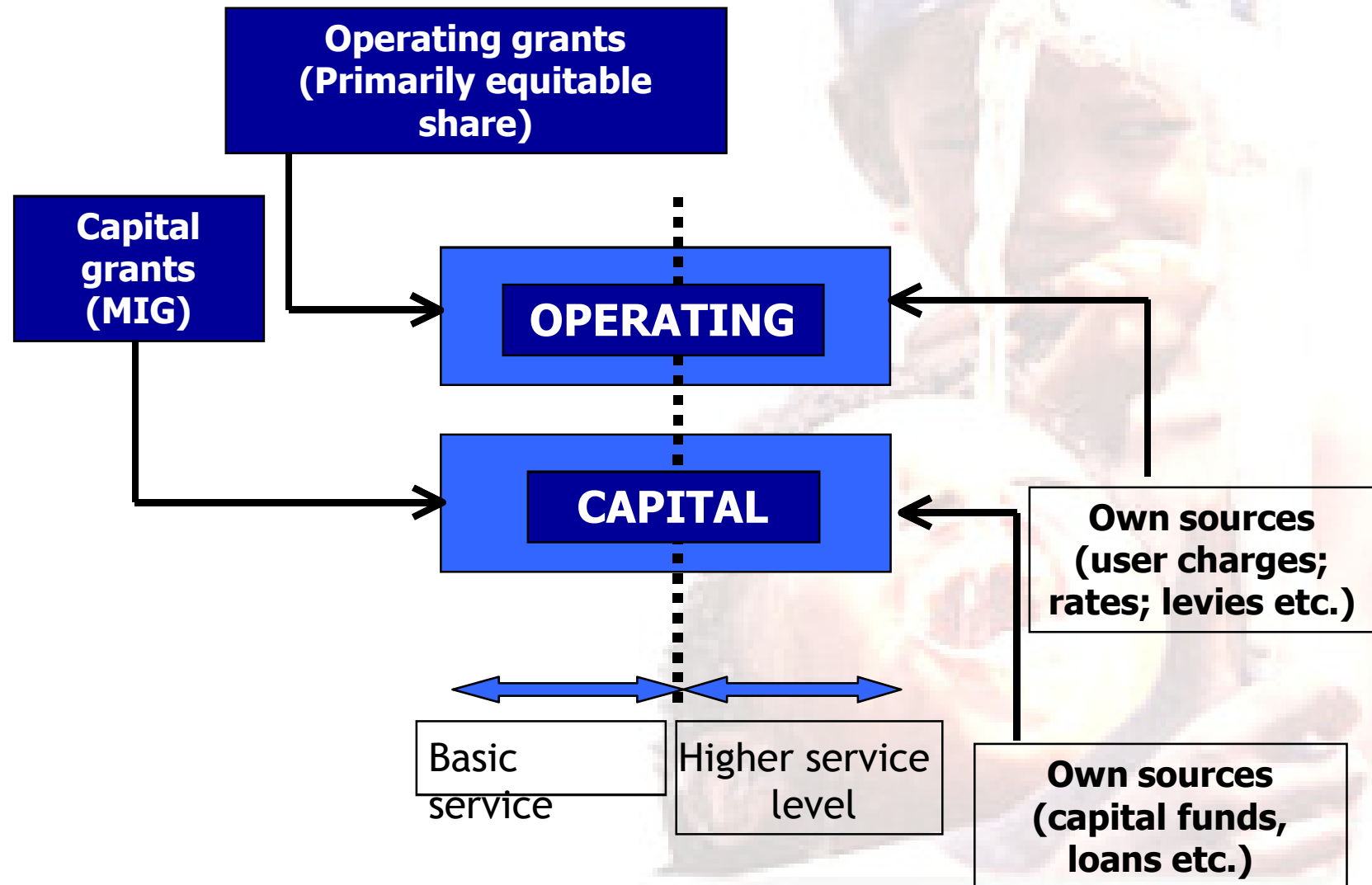
- Extensive water backlogs (scattered)
- Within water-rich WMA (but no access)
- Requires WR developments
- Requires major regional bulk infra
- High capital and O&M cost (topography)
- Major funding needs



Urban Water Services Challenges & Perspectives



WSA FINANCIAL FRAMEWORK



Principles for institutional reform

- **ensure** the **provision** of an appropriate level of water and sanitation services which are sustainable to all households in South Africa and to implement the free basic water and sanitation policies effectively and efficiently;
- **ensure** quality Asset Management and **effective** Operation & Maintenance of infrastructure that will contribute towards **sustainability**
- improve the **performance** of water services providers;
- improve the **financial viability and sustainability** of the water services sector by significantly enhancing revenue collection (from those who use in excess of a basic service) and improving consumer management;
- improve the **accountability** of water services providers to water services authorities and to consumers;

Principles for institutional reform

- use existing **capacity**, skills and resources in the water services sector in an integrated and optimal way and to attract, develop and retain the necessary professional and technical skills, and improve employment, disability and gender equity;
- improve the **efficiency of water use** so as to ensure the wise use of South Africa's scarce water resources through appropriate demand management and conservation initiatives (UFW); and
- improve the **regulation** of water services providers to ensure technical and environmental standards are met, services are provided efficiently and services are appropriately priced.

Thank you