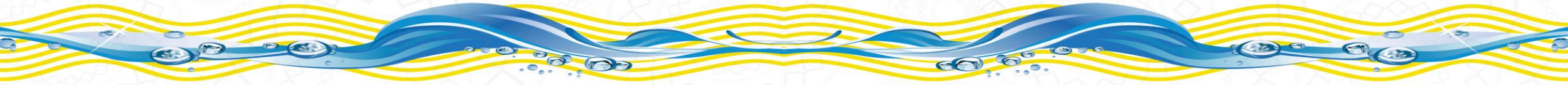




INKOMATI-USUTHU

CATCHMENT MANAGEMENT AGENCY



2022/23 IUCMA Annual Performance Report Presentation

PRESENTATION OUTLINE

Mandate

Legislative Framework

Inkomati Usuthu Water Management Area

Vision, Mission and Values

Outcomes alignment

Programmes

Organisational structure

Water Resource Management

Transformation

Human Resource information

2022/23 Performance

2022/23 Financial Performance

External Audit Report



MANDATE

Established in terms of Section 78 of the National Water Act 36 of 1998.

The IUCMA is mandated to ensure the protection, conservation, development, use and management of the water resources at a localised area.

Stakeholders are considered a critical component of decentralised water resources management.

Water use activities include: Strategic use (ESKOM and Sasol Secunda Complex), Transboundary International Obligations (Mozambique and eSwatini), Agriculture, Forestry, Mining, Industry, Domestic, and Tourism.

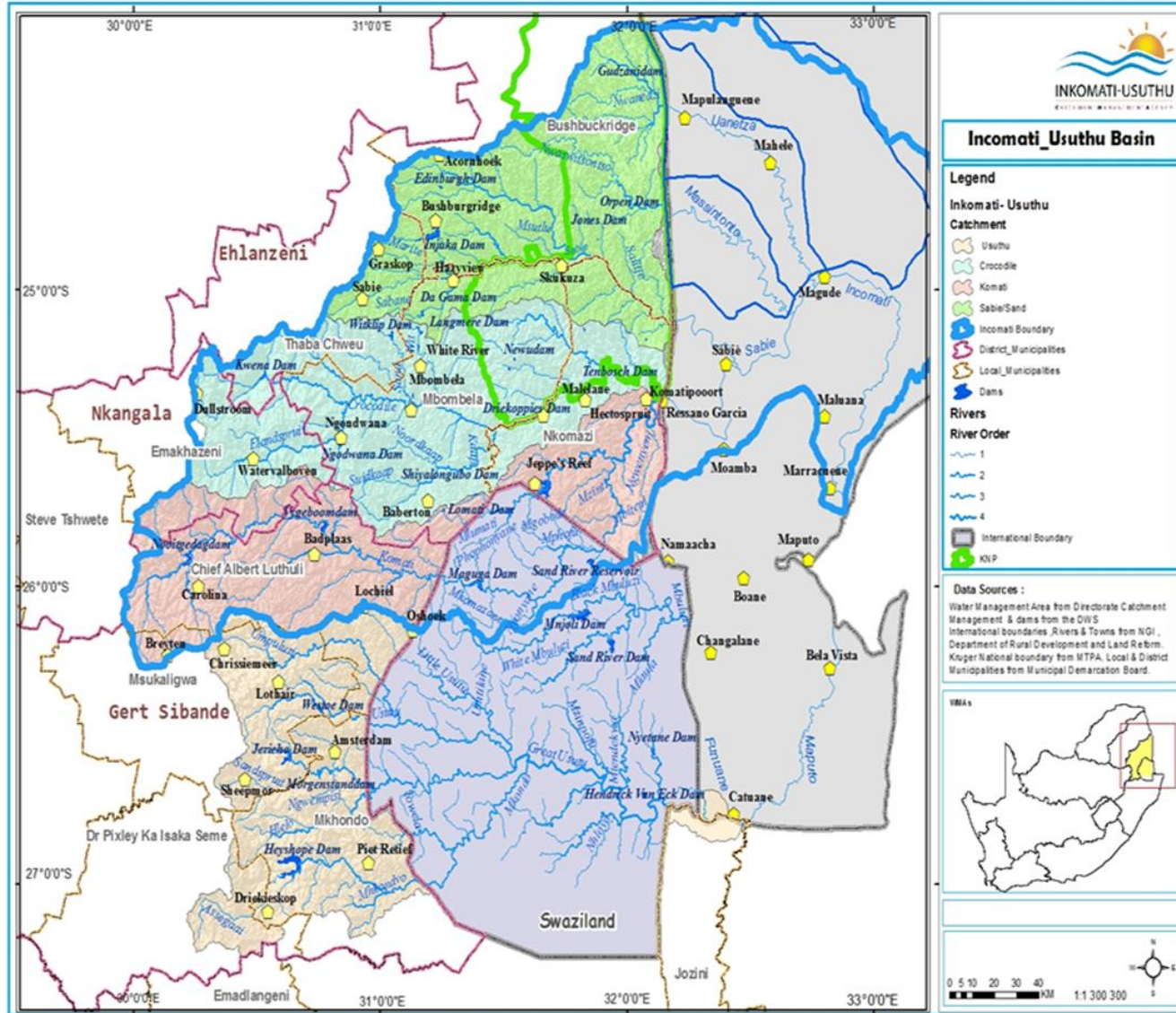
Funded through Parliamentary Grant and Water Resources Charges.

The IUCMA is a Schedule 3A Public Entity .

LEGISLATIVE FRAMEWORK

ACTIVITIES	NWA REFERENCE
Prevention and remedying of water resource pollution	Section 19
Management of emergency water resource pollution incidents	Section 20
To surrender an entitlement to facilitate a particular water use	Section 25(2& 3).
Assessment of the water uses as part of the Water Use Authorization Application	Section 21
The verification of Existing Lawful Water Use (ELU)	Sections 33 and 35
Administrative function of the water use authorization for recommendation to the Responsible Authority	Section 40
Compulsory licence application	Section 43
Late applications	Section 44
Proposed Allocation Schedules and Preliminary Allocation Schedules	Section 45 and 46
Publishing a Gazette stating that a preliminary allocation schedule has become a final allocation schedule	Section 47
Procedure for earlier renewal or amendment of licence condition	Section 52
Rectification of contraventions	Section 53
Implementation of the inherent functions: -Investigate and advise all interested persons regarding management of water resources -Development of CMS -Co-ordinate related activities of water users and water management institutions in area- -Promote community participation in water resource management	Section 80
Appointment of authorised persons to implement inspections related to compliance with the NWA which include inspections related to compliance with the NWA	Section 125
Make information available to the public regarding floods, droughts, failing or potential failing water works, levels of flood water, risks posed by water quality to life, health or property and any other matters	Section 145

INKOMATI-USUTHU WATER MANAGEMENT AREA (IUWMA)



The WMA has four (4) main catchments, namely; Crocodile, Sabie/Sand, Usuthu and Komati;

Geographically, the IUWMA is wholly located within the Mpumalanga Province comprised of 3 Districts and 8 Local Municipalities;

The IUWMA is transboundary in nature and forms part of the IncoMaputo Basin shared between the Republic of Mozambique, the Kingdom of Eswatini and the Republic of South Africa.

VISION, MISSION AND VALUES

VISION

Sufficient, equitable
and quality water resources
for all in the Inkomati-Usuthu
Water Management Area

MISSION

To efficiently manage
water resources by empowering
our stakeholders in our quest to
contribute towards transformation
by promoting equal access
to water and protecting the
environment

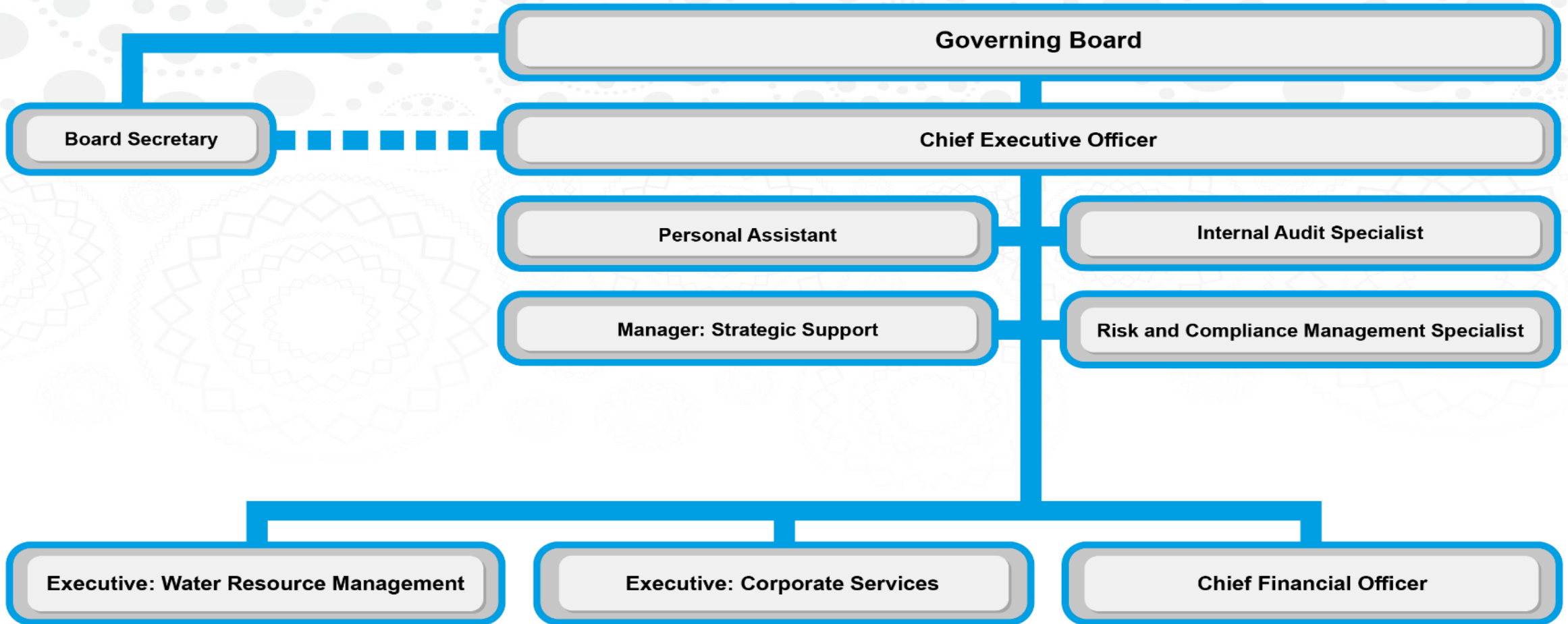
MISSION

Integrity
Batho Pele (Stakeholders Orientation)
Accountability
Diversity
Transparency

OUTCOMES ALIGNMENT

Outcome	Programme	Output	Output indicators
Outcome 1: Increased stakeholder satisfaction	Programme 1: Administration and Governance	Stakeholder satisfaction	Percent implementation of a stakeholder engagement plan
Outcome 2: Enhanced human resources capabilities	Programme 2: Human Resources and business support	Employee safety	Disabling Injury Frequency Rate
		Optimal employee retention	Rate of Employee turnover
Outcome 3: Maintain financial sustainability	Programme 3: Finance	Cost control	Working ratio
		Revenue enhancement	Debt collection ratio
Outcome 4: Protection and use of water resources	Programme 4: Water resource management	Effective resource management	Percent compliance to Resource Quality objectives
		Water use authorisations	Percent compliance to international obligations
		Regulative compliance	Percentage of water use authorisations processed within the regulated timeframe
			Percent of reported cases of non-compliance cases investigated

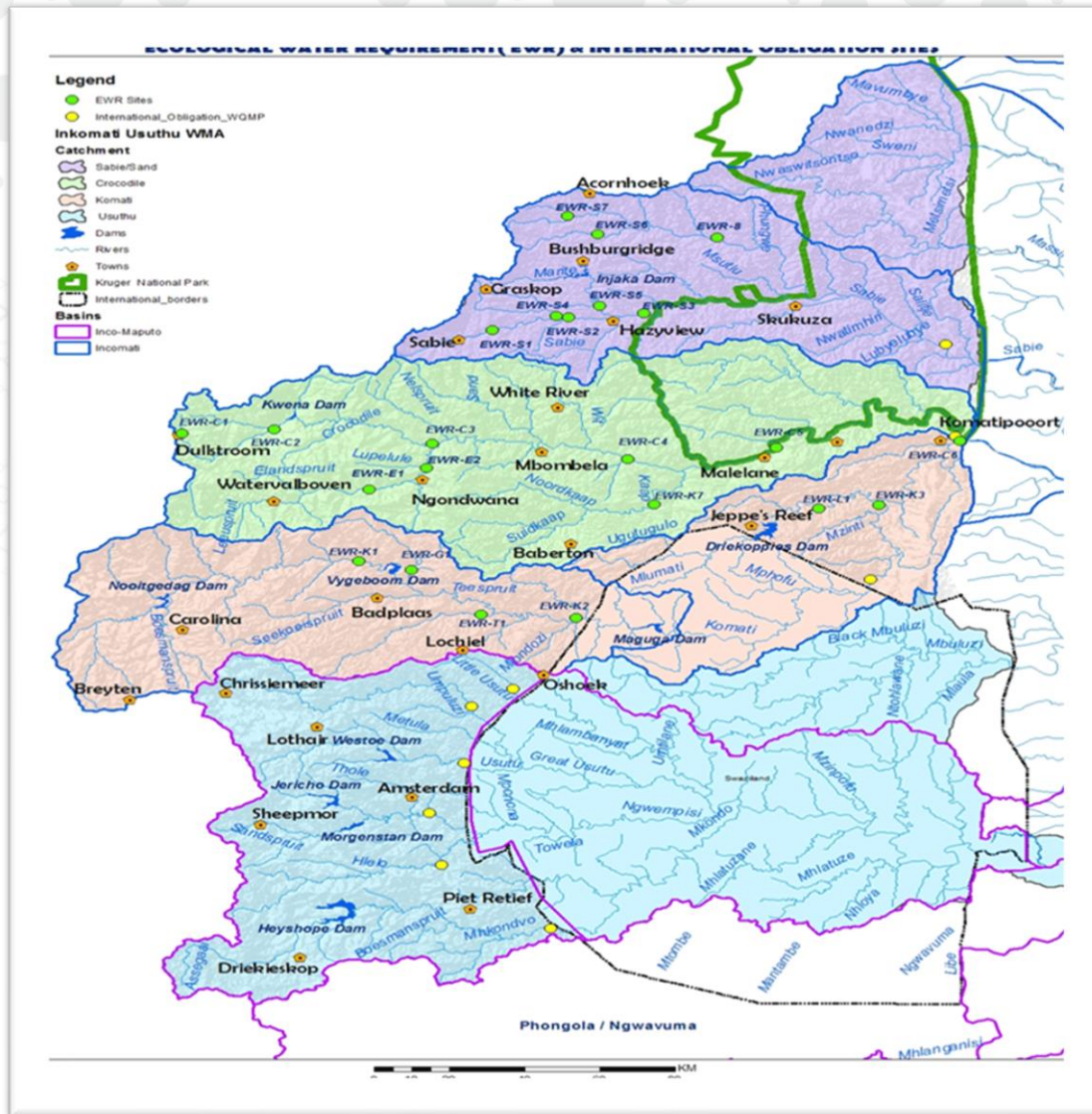
ORGANIZATIONAL STRUCTURE



2022/23 ANNUAL PERFORMANCE

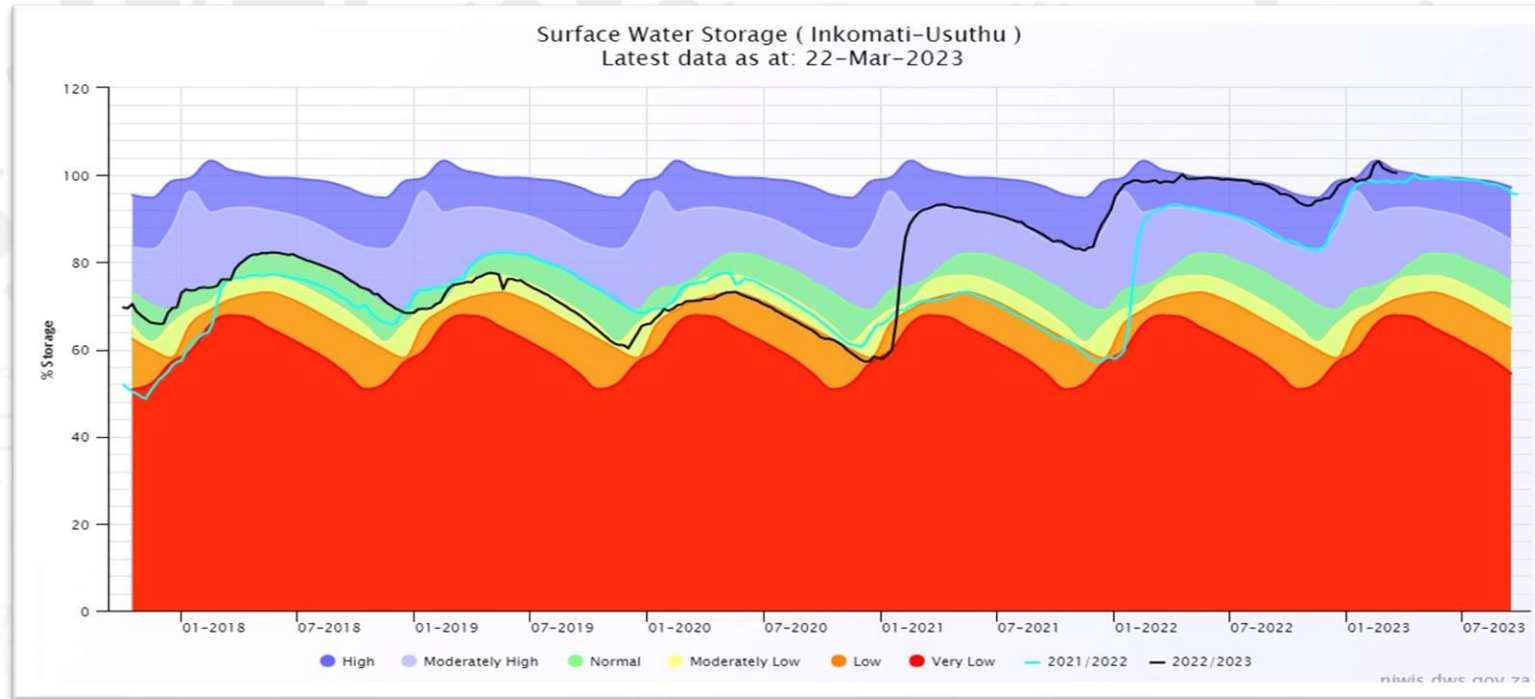


WATER RESOURCE MONITORING (QUALITY AND QUANTITY)



- **269** surface water quality sites,
- **31** river flow sites,
- **25** rainfall sites and
- **12** groundwater sites within Inkomati-Usuthu Water Management Area (these are in addition to **45** DWS managed sites).
- **23** Ecological Water Requirement (EWR) sites.
- **10** International Obligation (IO) sites.
- Eutrophication and National Eutrophication Monitoring Programme (NEMP) is conducted on **10 Major Dams** within the WMA.

2022/23 SURFACE WATER STORAGE STATUS



In the financial year under consideration, the WMA water resource status was high (rivers and dams' levels) compared to the previous hydrological years. Prior 2021 dam levels were below 80% for most of the time, however, from 2021 the level increased to 100% and were even spilling.

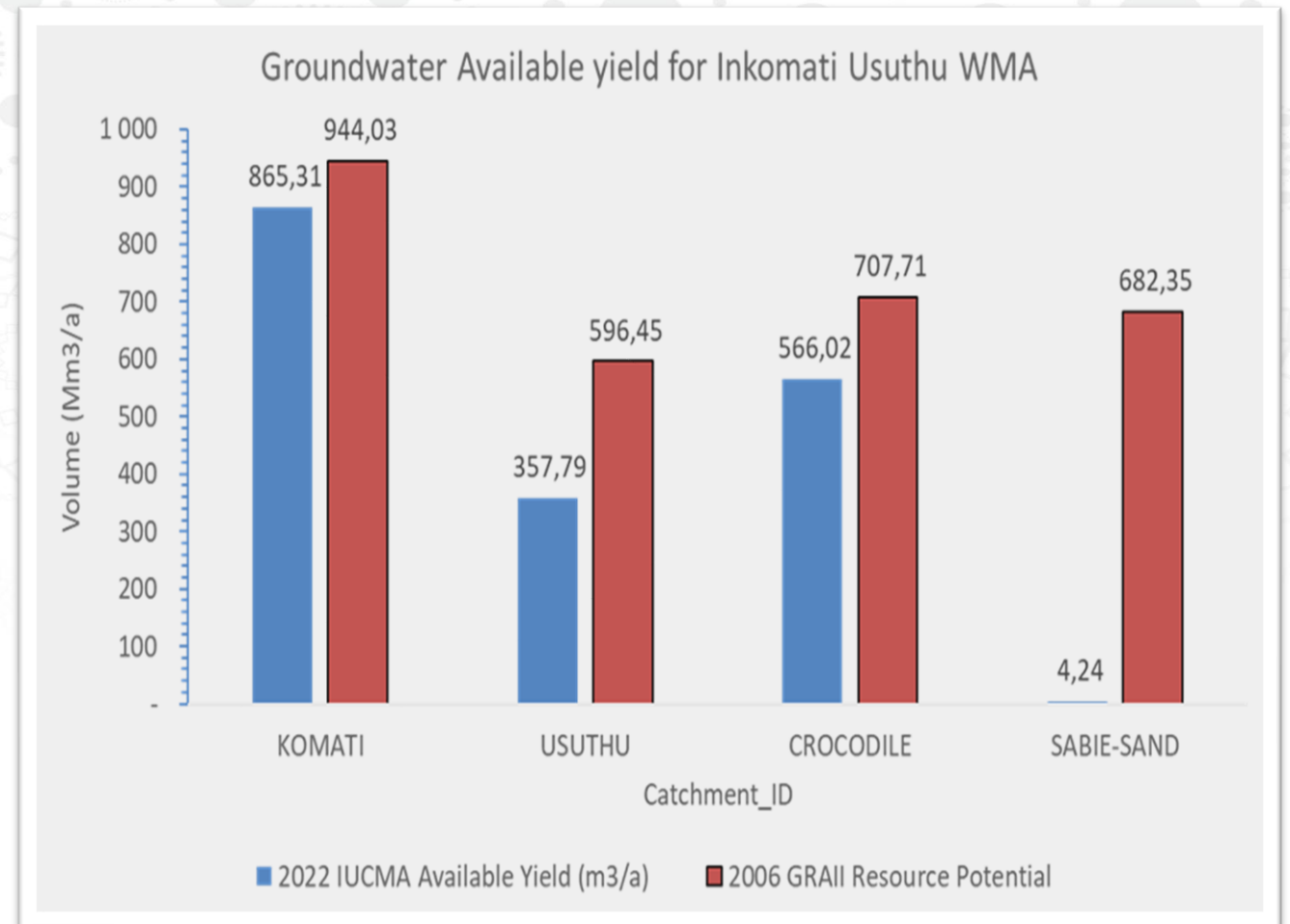
No water use restrictions were imposed to water users in the 2022/23 financial year as most dams were 100.0 % full due to the above normal rainfall received.

In an effort to lessen the burden on surface water resources, water use efficiency and groundwater use continued to be promoted.

GROUNDWATER AVAILABILITY STATUS

Groundwater availability (million m³/annum)

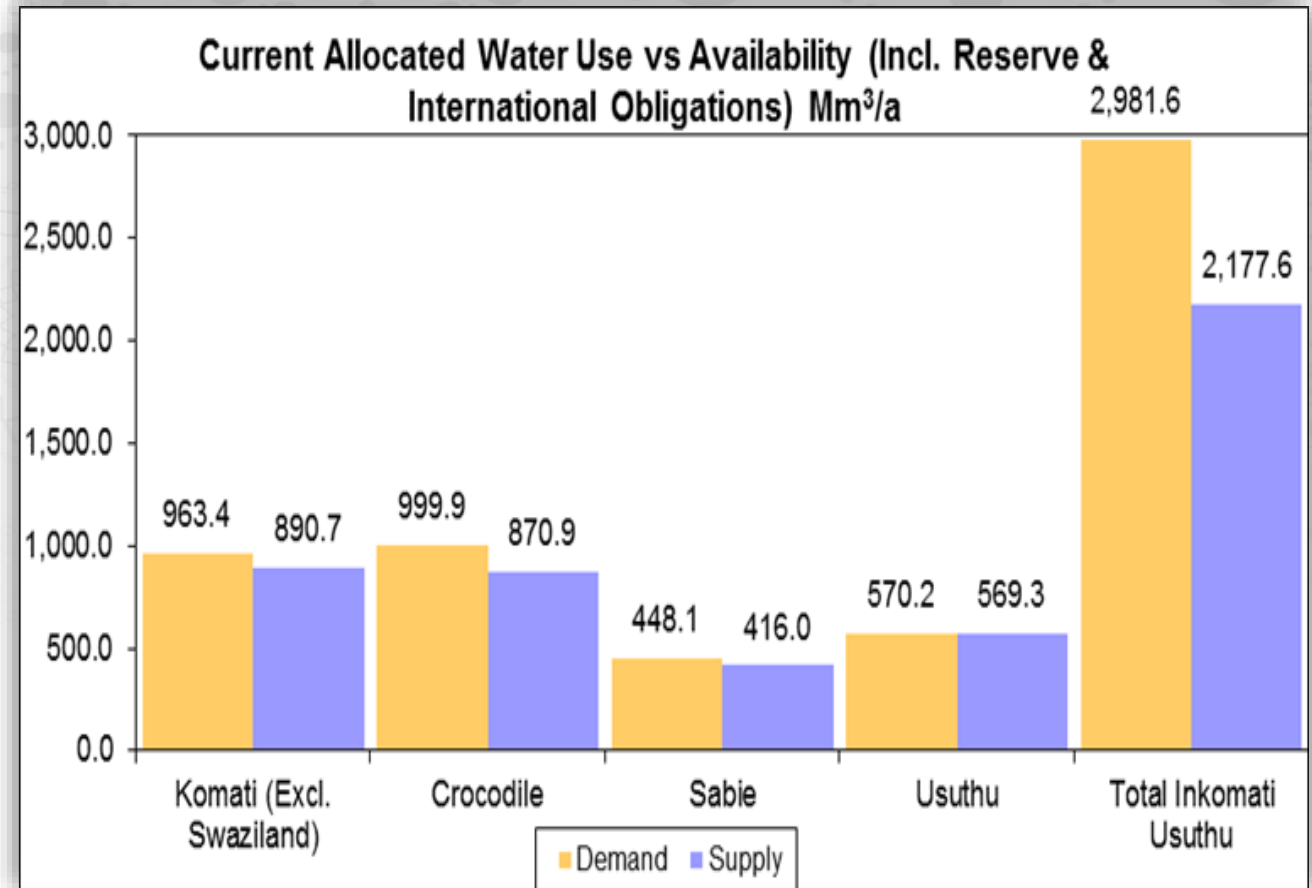
- Except for Sabie-Sand Catchment, the overall groundwater availability remains high in the other three catchments (Komati, Usuthu and Crocodile). However, the groundwater resource availability has declined for the last 16 years (since 2006).



WATER AVAILABILITY STATUS

Demand and Supply (based on 2022 water requirements)

- The demand continued to exceed surface water supply in the WMA, hence alternative sources continued to be explored to meet future demands.



WATER QUALITY AREAS OF CONCERN PER CATCHMENT

Catchment	Water Resource and Area	Parameters of concern
Sabie/Sand	Klein Sabie, Langspruit at Hazyview and Bega River and Ngwenyameni River at Mkhuhlu.	EC (Salts)
		PO ₄ (Nutrients)
Crocodile	Tributary of Crocodile River at Hectorspruit, Komatipoort and Tenbosch including tributary of Gutshwa River at Kabokweni. Leeuspruit, White River, KaNyamazane stream, tributary of Gutshwa at Kabokweni and tributaries of Crocodile River at Hectorspruit and Komatipoort all these points are down stream of municipal WWTWs. Kaap River system due to gold mining activities.	EC (Salts)
		PO ₄ (Nutrients)
		Arsenic
Upper Komati	Boesmanspruit and its tributaries, Vaalwaterspruit and Witkloofspruit (Carolina area) due to mining activities. Tributary of Boesmanspruit at Carolina Town and tributary of Komati River downstream of Tonga Hospital WWTWs.	Sulphates, EC (Salts)
		PO ₄ (Nutrients)
Lower Komati	Ntulane River (Boschfontein), tributary of Mahorwane stream at Block B, Mahorwane Stream (Kamaqhekeza area) and Sikwakwa River due to impacts from residential settlement and return flows from sugar cane irrigation.	EC (Salts)
		PO ₄ (Nutrients)
Usuthu	Chrissiessmeer lake, Egude River (Driefontein area, known as Saul Mkhizeville) and Klipmisselspruit and its tributaries (Mkhondo area). Assegai River and Hlelo River for sulphate and Aluminum due to mining activities. Nutrients mostly on downstream of the of the WWTWs.	EC & SO ₄ (Salts)
		PO ₄ (Nutrients)
		Al (Toxic)
Inkomati-Usuthu WMA	All EWRs reflected non-compliance to the set RQOs and most of the points throughout the entire water management area did not comply to the strictest TWQG. Most of the downstream points of WWTWs indicated high levels concentration of ammonia above (1 mg/l). All EWRs indicated non-compliance to the set RQOs and most of the points except for EWR C-1 and headwaters. The presence of E coli and Faecal Coliforms in water resource is a huge challenge throughout the entire water management area.	Ammonia (Toxic)
		E coli (Microbial)

TRANSFORMATION



Job creation



CSI



HDI empowerment



BBBEE

TRANSFORMATION

- Job Creation

Programme	Contract Periods	Impact
Alien Vegetation programme	2 years (2022/23-2023/24)	75 community workers
River rehabilitation	2 years (2022/23-2023/24)	75 community workers
Graduate program	2 years (2021/22-2022/23)	18 graduates



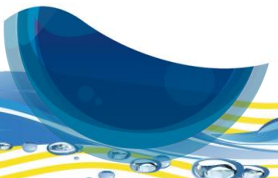
TRANSFORMATION

- CSI - Ward 2 and 3 in Tonga in the Nkomazi Local Municipality and Dr Pols in the Mkhondo Local Municipality
- HDI empowerment workshops
- Water Use Authorization workshops
- Resource protection roadshows to empower HDIs



TRANSFORMATION

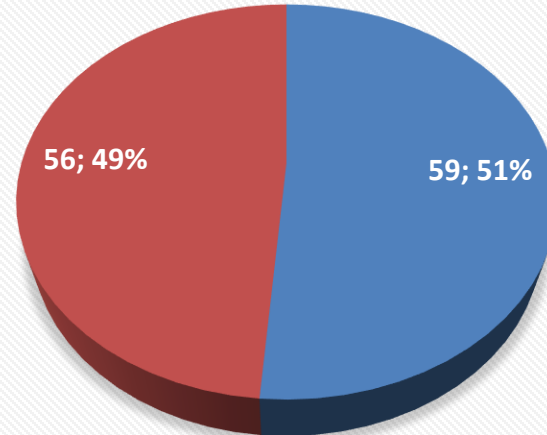
- The IUCMA's strategic outcome in 2022/23 target was 40% of total spending allocated to B-BBEE suppliers and achieved 51%
- The Agency conducted 2 SMME empowerment workshops and will continue to conduct free seminar workshops targeting SMMEs in collaboration with key strategic partners



HUMAN RESOURCE INFORMATION

- A total number of 115 posts out of 144 approved posts have been filled.
- Based on a workforce profile, 49% (56 females out of 115 filled positions) of positions were occupied by female

IUCMA staff gender rate as at 31 March 2023



■ Male ■ Female

HUMAN RESOURCE INFORMATION

The agency continued with empowering of the employees, where in the 2022/23 financial year a total number of 20 internal bursaries were awarded in the fields depicted in the below table:

Field of study	Number of bursaries	Financial Impact
Bachelor of Science in Environmental and Water Science	4	R93 646.00
Environmental Management	4	R115 210.00
Environmental Law / LLB	2	R75 804
Science / Geohydrology	2	R36 305.00
Information technology	3	R23 011.00
Public / Business Management	2	R22 294.00
Accounting / Finance	3	15 500.00

HUMAN RESOURCE INFORMATION

The agency also continued with empowering external students, where in the 2023 academic year a total number of 4 external bursaries were awarded in the fields depicted in the below table:

Field of study	Number of bursaries	Financial Impact (Excluding Monthly stipend of R2500, per month per student)
BSC in Environmental and Water Science	2	R164 084.72
BSC in life and Environmental Science	1	R74 520.00
BSC in life and Environmental Science Specialising in bio-chemistry and botany	1	R78 740.00



OVERALL PERFORMANCE

- The annual performance IUCMA achieved an overall of a hundred percent (100%).
- Out of the set thirteen (13) targets, for the performance indicators the following can be noted:
- Seven (07) were achieved (07/13 = 53,85%),
- Six (06) were overachieved (06/13= 46,15%),

2022/23 PROGRAMME 1: ADMINISTRATION AND GOVERNANCE

Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Annual target 2022/23	Actual achievement 2022/23	Reason for deviation	Corrective measure
Outcome 1: Increased stakeholder satisfaction	Effective participation by institutions and stakeholder	Percent implementation of a stakeholder engagement plan	100% (32/32)	100% (164/164)	85%	119.89% (235/196)	Increased efforts to engage key stakeholders on revenue and other strategic matters relating to the WMA	The Agency will continue to engage key stakeholders on water resource management issues

2022/23 PROGRAMME 2:HUMAN RESOURCE AND BUSINESS SUPPORT

Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Annual target 2022/23	Actual achievement 2022/23	Reason for deviation	Corrective measure
Outcome 2: Enhanced human resources capability	Employee safety	Disabling injury frequency rate	-	0%	<1	<1	None	None
	Optimal employee retention	Rate of employee turnover	-	0%	6%	4.34%	None	None

2022/23 PROGRAMME 3: FINANCE

Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Annual target 2022/23	Actual achievement 2022/23	Reasons for deviation	Corrective measure
Outcome 3: Maintain financial sustainability	Cost control	Working ratio	-	106%	≤80%	76%	None	None
		Current ratio	-	-	≥1:1	2,41: 1	None	
	Revenue enhancement	Debt collection ratio (toxic book)	26% (R 34,554,989.4/R133,381,545.23)	32.9% (R37,869,940.05/R115,069,122.97)	4%	13% (R7 286,16 590 /R56 590 446,01)	Collection rates improved following increased customer engagement at a strategic level and the roll-out of approved initiatives in terms the debt management strategy, namely: entering acknowledgement of debt (AoD) contracts and extending the waiver of interest chargeable for early settlement of debt	None
		Debt collection ratio (healthy book)			60%	148% (R46 760,15 /R31 447 881,30)		



2022/23 PROGRAMME 4: WATER RESOURCE MANAGEMENT

Outcome	Output	Output indicator	Audited actual performance 2020/21	Audited actual performance 2021/22	Annual target 2022/23	Actual achievement 2022/23	Reason for deviation	Corrective measure
Outcome 4: Protection and use of water resources	Effective resource management	Percent monitoring of compliance with RQOs	-	100% (23/23)	≥90%	100% (23/23) ¹	None	None
		Percent monitoring of compliance with IOs	-	100% (10/10)	≥90%	100% (10/10)	None	None
	Water use authorisations	Percentage of water use authorisations processed within the regulated timeframe	100% (92/92)	95.2% (120/126)	80%	102.91% (106/103)	None	None
	Water use database management	Percentage of water use authorisations registered on WARMS	-	-	90%	100% (358/358)	None	None
	Regulative compliance	Percentage of activities monitored for compliance	-	-	90%	100.89% (113/112)	None	None
		Percentage of enforcement action taken against non-compliant activities	-	-	100%	100% (60/60)	None	None



2022/23 FINANCIAL PERFORMANCE

ANNUAL FINANCIAL STATEMENTS

The financial statements for the year 2022/23 have been prepared in accordance with GRAP standards, noting the following highlights:

Matters of compliance:

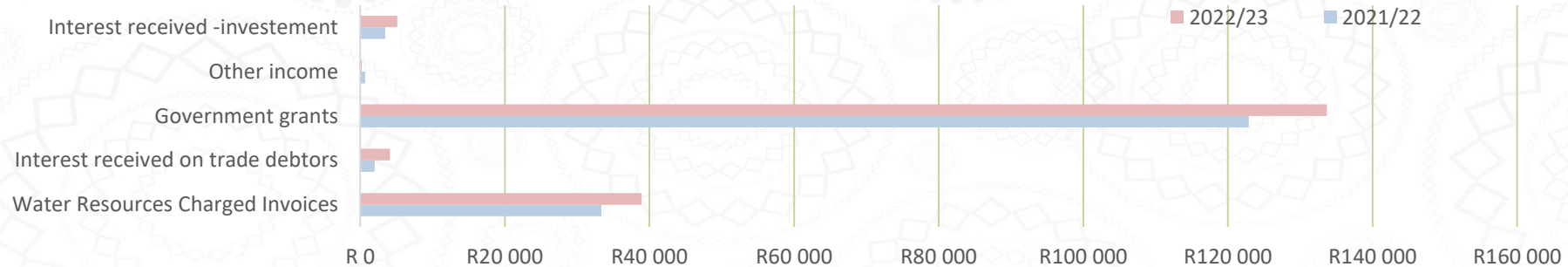
- The Agency has complied with all legislative requirements in the preparation of annual financial reports for 2022/23;
- The Agency has adopted GRAP 1 (Presentation of Financial Statements) and GRAP 104 (Financial Instruments) early. Early adoption has not had any material impact on reporting processes, and
- Non-compliance regarding irregular expenditure amounting to R119,018 incurred in the year (2022: R732,970) has been reported.

Financial Results:

- The Agency has prepared the financial statements on an accrual basis and as a going concern;
- No prior adjustments or changes in accounting estimates were applied;
- The Agency reported a net surplus of R42,8 million (2022: R8,7 million); and
- Total net assets reported were R42,8 million by 31 March 2023 (2022: R4,9 million).

STATEMENT OF FINANCIAL PERFORMANCE : CASH-IN-FLOWS

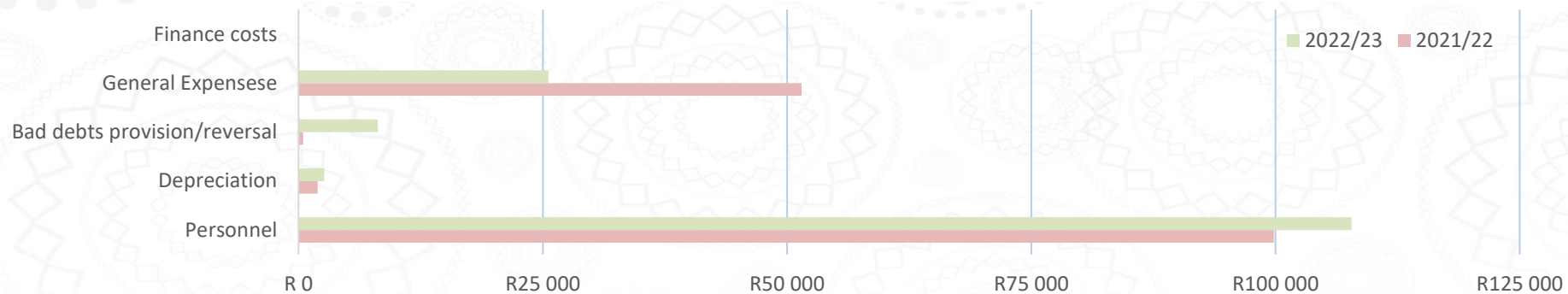
Revenue	2021/22		2022/23		Movement %
	R'000	%	R'000	%	
Water Resources Charged Invoices	R33 366	21%	R38 906	21%	14%
Interest received on trade debtors	R1 998	1%	R4 137	2%	52%
Government grants	R122 867	76%	R133 676	73%	8%
Other income	R701	0%	R215	0%	-226%
Interest received -investment	R3 485	2%	R5 124	3%	32%
Total Revenue	R162 417		R182 058		11%



- i. The Agency's revenue is predominately grant appropriated by Parliament. The second main revenue stream is the collection of water-related charges.
- ii. Overall increase of 11% in revenue following the reported figure of R182,1 million in 2023 (2022: R162,4 million). The increase was due to increased augmentation (an additional R21 million received) and recognition of a conditional grant valued at R30,5 million.
- iii. Trade debtors have seen increased performance due to the application of debt management strategy. The strategy realised collections of R54,2 million. The collection rates were over the targeted threshold and were indicative that the Agency is now collecting historic debt.
- iv. The Agency has incepted a process of identifying alternative sources of revenue to curb heavy reliance on government grants.
- v. The introduction of wastewater discharge charge in future years is expected to further improve the performance of institutional cash inflows.

STATEMENT OF FINANCIAL PERFORMANCE : CASH-OUT-FLOWS

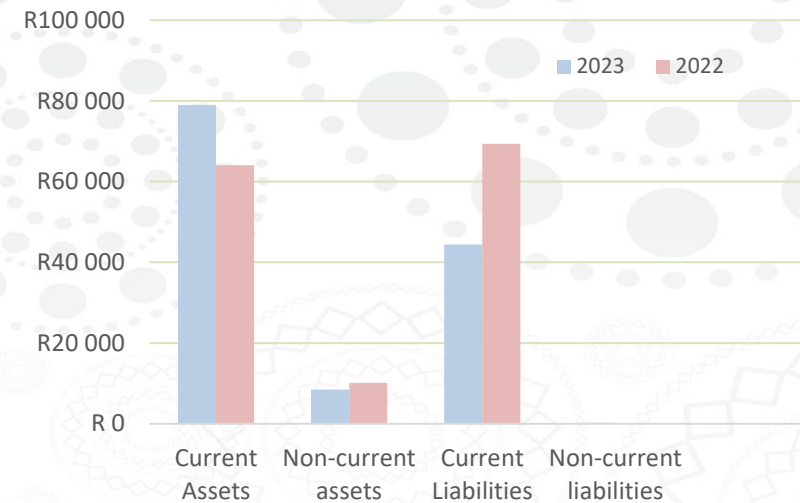
Expenditure	2021/22		2022/23		Movement
	R'000	%	R'000	%	%
Personnel	R99 819	65%	R107 776	75%	7%
Depreciation	R1 934	1%	R2 620	2%	26%
Bad debts provision	R467	0%	R8 094	6%	94%
General Expenses	R51 494	33%	R25 565	18%	-101%
Finance costs	R44	0%	R3	0%	-1367%
Total expenditure	R153 758		R144 059		-7%



- i. Being a service-intensive entity, the Agency's main drivers continue to be the cost of employment, office lease, laboratory testing, and activities linked to monitoring and compliance. These are closely monitored to ensure they do not perform outside budget parameters.
- ii. The Agency has applied responsive cost containment measures that have reduced total spending by 7% (R9,7 million) over the two years under analysis. The most substantial savings were reported under general expenses (reduced by 101%).
- iii. Personnel costs have increased by approximately 7% following the cost-of-living adjustment. The Agency has applied extreme caution in recruitment and selection processes. Only positions deemed critical are funded. The Agency has incepted a process of identifying alternative sources of revenue to curb heavy reliance on government grants.

STATEMENT OF FINANCIAL POSITION

Discription	2022 R'000	2023 R'000	% movement
Assets			
Current Assets	R64 058	R78 949	19%
Non-current assets	R10 165	R8 435	-21%
TOTAL ASSETS	R74 223	R87 384	15%
Liabilities			
Current Liabilities	R69 358	R44 393	-56%
Non-current liabilities	R0	R190	100%
TOTAL LIABILITIES	R69 358	R44 584	-56%
Accumulated loss (-) or profits	R4 865	R42 800	89%



Assets

- i. 27% increase in **cash and cash equivalents**. Reported figure of R62,9 mil in 2023 (2022: R49,6 million); the increase was due to additional augmentation received in December 2022 amounting to R21,3 million and a recorded increase in collection rates of 148% (R46,6 million) and 7% (R7,6]million) for the healthy and toxic debt, respectively.
- ii. 17% decrease in **property, plant, and equipment** due to applied depreciation and low acquisition levels recorded during the year. Reported figure of R8,2 million in 2023 (2022: R9,9 million).

Current Liabilities

- i. 37% decrease in **payables from exchange transactions** owing mainly to a decrease in accruals. Reported figure of R4,9 million in 2023 (2022: R7,8 million);
- ii. 56% reduction in **conditional retained funds** (rollover funds) due to grant utilisation following met conditions. Reported figure of R32,4 million in 2023 (2022: R54,2 million); and
- iii. 26% decrease in **payables from non-exchange transactions**. Reported figure of R1,9 million in 2023 (2022: R2,7 million).

BUDGET MANAGEMENT

BUDGET MANAGEMENT	2022				2023			
	Budget		Actual	Variance	Budget		Actual	Variance
	R'000	%	R'000	%	R'000	%	R'000	%
Revenue								
Water Resources Charged Invoices	R49 703	36%	R33 366	-49%	R55 485	38%	R38 906	-43%
Interest received on trade debtors	R0	0%	R1 998	28%	R0	0%	R4 137	100%
Government grants	R88 861	64%	R122 867	100%	R89 394	60%	R133 676	33%
Other income	R0	0%	R701	67%	R0	0%	R215	100%
Interest received -investment	R1 145	1%	R3 485	14%	R3 000	2%	R5 124	41%
Total Revenue	R139 709		R162 417	14%	R147 879		R182 058	19%
Expenditure								
Personnel	R96 939	69%	R99 819	100%	R104 000	70%	R107 776	4%
Depreciation	R0	0%	R1 934	100%	R0	0%	R2 620	100%
Bad debts provision/reversal	R0	0%	R467	17%	R12 823	9%	R8 094	-58%
General Expenses	R42 669	31%	R51 494	-130%	R30 971	21%	R25 565	-21%
Finance costs	R101	0%	R44	-130%	R85	0%	R3	-2733%
Total expenditure	R139 709		R153 758	9%	R147 879		R144 059	-3%
Total operating surplus / deficit	R0		R8 659		R0		R37 935	

- The Agency continues to be predominately funded by the DWS, with a 60% budgeted funding rate in 2023 (2022: 64%). This reliance is expected to reduce by almost 47% in future periods due to the introduction of the wastewater discharge charge (WWDC). 2023 results indicated a 33% overcollection of this revenue stream.
- Revenue collected from water resource charges has reported an adverse variance of 43% in 2023 (2022: 49%). Reduction is due to the loss of billable volumes and lower than anticipated tariffs applied as pronounced by the Minister of Water and Sanitation.
- Personnel costs accounted for 70% of projected budgets for 2023 (2022: 69%). Actual costs came in 4% higher than budgeted figures. This significant cost driver has increased by 1% over the two years under analysis following COL adjustments.
- Costs relating to projects have seen a 74% decline over the years following the usage of internal capacity to deliver on critical projects. Other cost drivers (i.e., goods and services, travel and accommodation, lease, etc.) have realised an increase over the years aligned to CPI or approved contractual escalations.
- Total expenditures were 3% lower than budgeted figures.

FRUITLESS, WASTEFUL AND IRREGULAR EXPENDITURE

Fruitless and wasteful expenditure

Opening balance as previously reported
 Add: Fruitless and wasteful expenditure identified – current
 Less: Amount written off
 Less: Amount recovered
 Closing balance

2022/23	2021/22
R18 209	R322 375
R5 064	R34 636
-R5 064	R0
-R18 209	-R338 802
R0	R18 209

- **2021/22** - Opening balance includes R22,374 training and travel arrangements were cancelled due to COVID-19-related matters, and R300,000 was in lieu of a data cleansing project that did not yield the expected results.
- R18,209 was in lieu of 11 advertised tenders and subsequently cancelled before evaluations could be performed.
- **2022/23** - R5,064 was in lieu of forfeited travel arrangements following nationwide protests.

Irregular expenditure expenditure

Opening balance as previously reported
 Add: Fruitless and wasteful expenditure identified – current
 Less: Amount written off
 Less: Amount condoned
 Closing balance

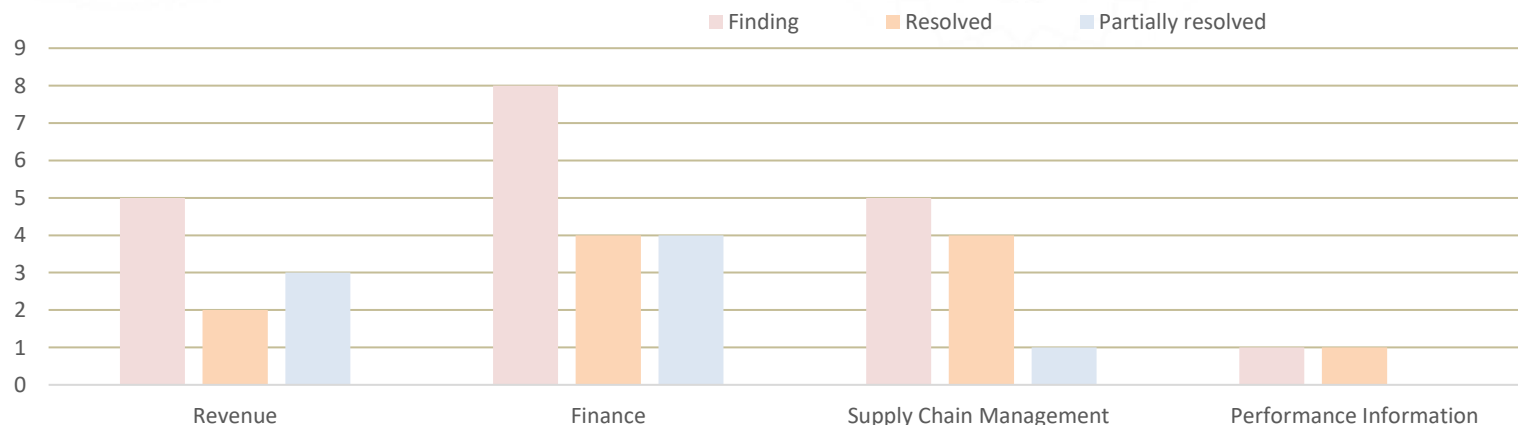
2022/23	2021/22
R15 916 542	R15 421 608
R357 054	R494 934
R0	R0
-R15 421 608	R0
R851 988	R15 916 542

- **2021/22** - Opening balance includes R15,421,608 reported following the identification of an irregular process applied for the contract extension of office space. Services were rendered in full.
- R494,934 reported following the identification of an irregular process applied for international trips. Services were rendered in full. No recovery was applied.
- **2022/23** - R357,054 reported following the identification of an irregular process applied in sourcing ICT-related services. Services were rendered in full. The determination test is underway.

EXTERNAL AUDITOR'S REPORT

- The financial statements were subjected to an external audit review that was incepted in May 2023.
- The audit outcome presented housekeeping matters raised to improve the control environment.
- The opinion expressed makes 2022/23 the 13th consecutive year in which an unqualified audit opinion has been expressed for the IUCMA.
- The below table below summarises the findings raised.

Function	Finding		Resolved		Partially resolved	
	Number	%	Number	%	Number	%
Revenue	5	26%	2	18%	3	38%
Finance	8	42%	4	36%	4	50%
Supply Chain Management	5	26%	4	36%	1	13%
Performance Information	1	5%	1	9%	0	0%
TOTAL	19	100%	11	100%	8	100%



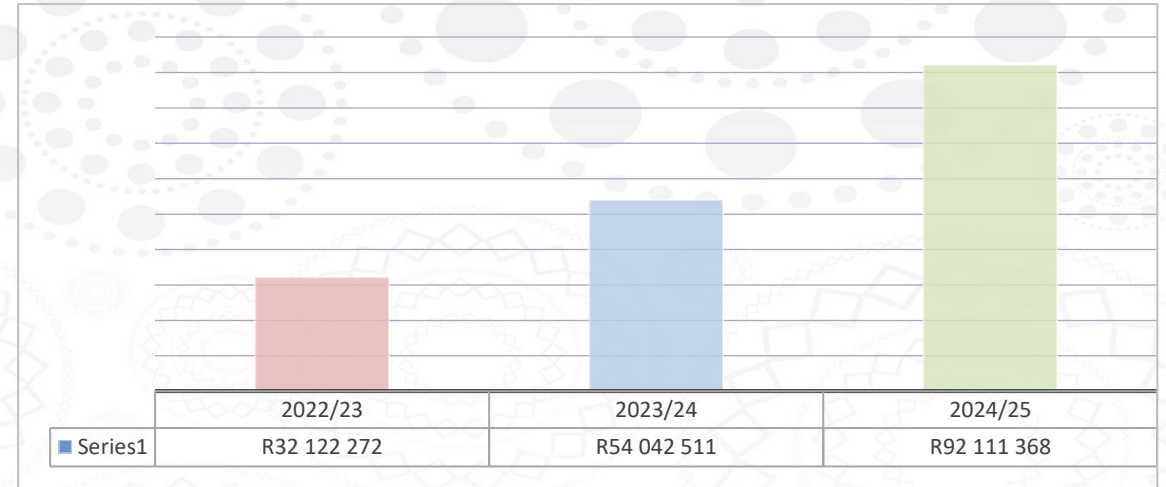
2022/23 FINANCIAL AND TECHNICAL CHALLENGES



FINANCIAL CHALLENGES

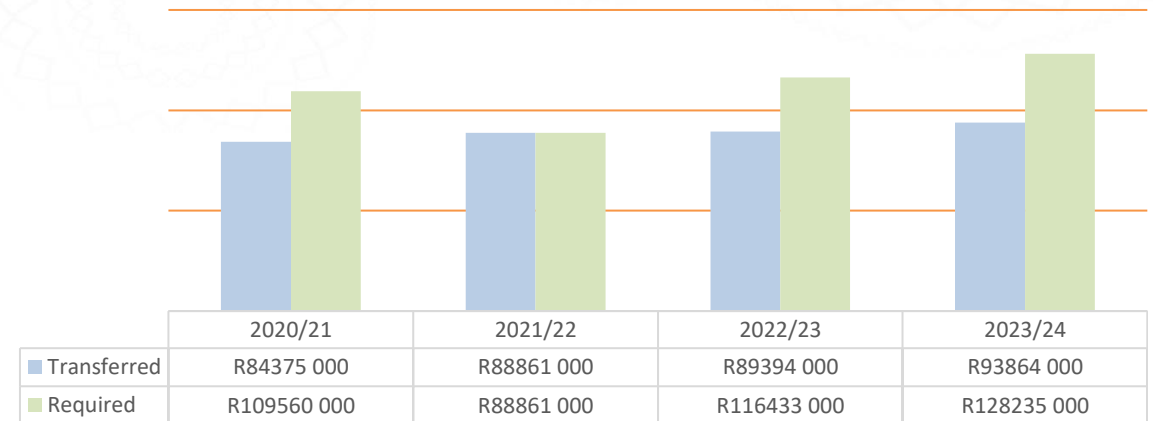
Failure to recover full cost of water charges

- The tariffs as approved and applied by the Agency do not correctly signal the actual cost of the service rendered to users. Over the years, this position has resulted in a deficit that the grant appropriated by Parliament does not fully augment.
- As a result, the Agency's outputs are at risk of being constantly inhibited due to limited funding and recovery mechanisms.
- Deficit has seen increased growth from R32,1 million in 2022/23 to R92,1 million projected in 2024/25



Dwindling allocation of grant funding

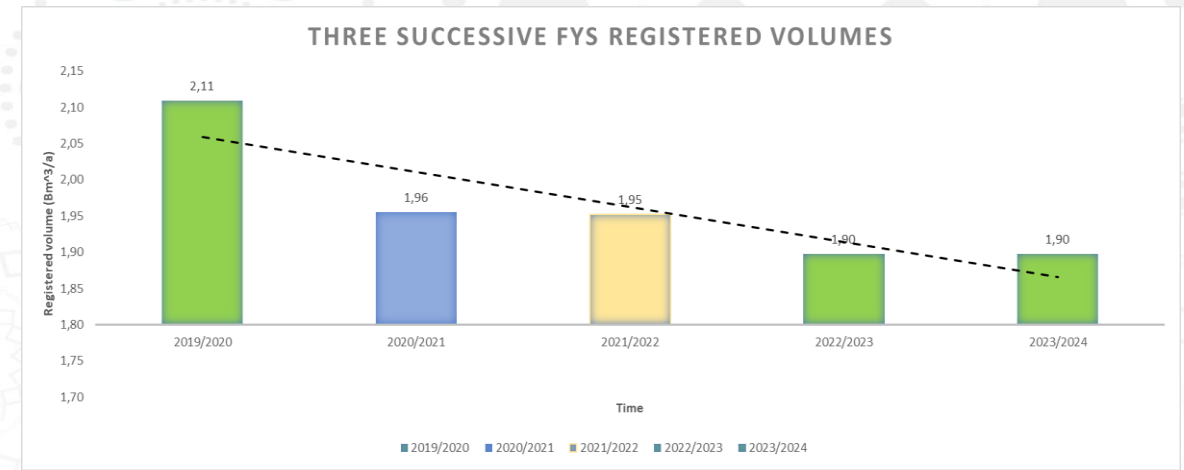
- The grant appropriated by Parliament has yet to be disbursed or allocated sufficiently to allow the Agency to be correctly funded.
- This position emanates from a reducing fiscus and inadequate national policy positions.
- And whilst a slight annual increase of just over 4% of actual disbursed amounts has been noted (albeit far less than what is required), this amount is much lower than the increase reported for operational costs.



FINANCIAL CHALLENGES

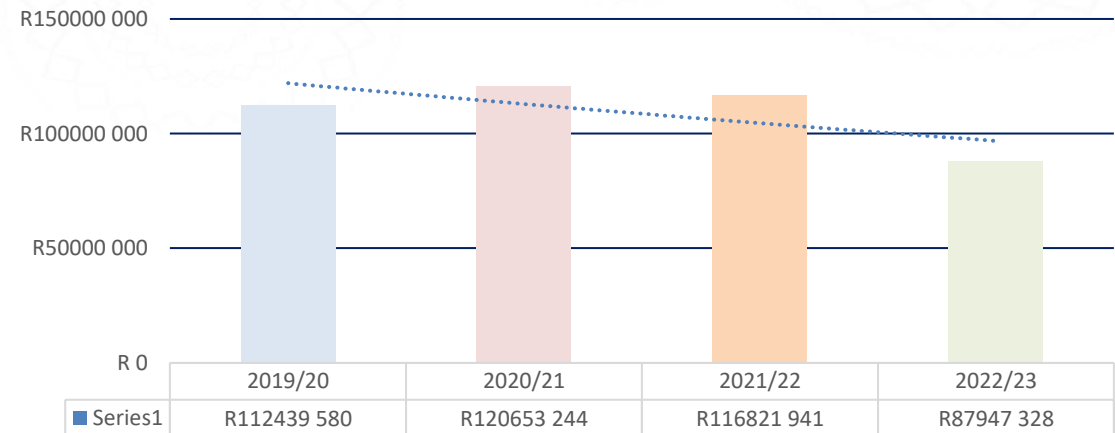
Reduction in registered billable volumes

- The Agency has recorded an extremely worrying position wherein there is an excessive reduction in lawfully registered water volumes.
- The reported decline impacts revenue projections and collections. The adverse movement of volumes is mainly due:
 - Verification and Validation processes;
 - Expired Licenses and/or voluntary surrender of water rights; and
 - The closure of registrations following the sale of property.



Depletion of trade debtors' recoverable balances

- Trade debtors have allowed the Agency to fund some operations when these were successfully turned into cash on hand; however, with improved collection rates, the balance reported as debt on hand has reduced over the years.
- This vital component has been reduced over the years by 22%. Whilst a substantial amount is still reported on hand, at least 64% is deemed toxic. This means that the recoverable rate of 64% of reported trade debtors is about 4%.



WATER RESOURCES MANAGEMENT CHALLENGES

Schedule 3 Delegations: non-delegated powers within this Schedule result in the inability to implement effective and sustainable management of water resources including monitoring and management of floods and droughts in the WMA.

Unauthorized water use: Illegal connections to the raw water bulk line; development that do not take into account water availability; conversion of different water use without approval (forestry to irrigated agriculture).

Water resource quality impacts resulting from pit latrines, illegal waste dumping, animal waste, improper farming activities.

Frequent pollution incidents-Major contributors of reported pollution incidents emanate from sewage spills and manhole overflow from municipalities.

Slow Transformation- Low HDI participation in economic water use.

Delayed Verification and Validation-Finalisation of the process especially in the Usuthu catchment attributed to the predominant forestry sector due to an on-going court case between the Department of Water and Sanitation (DWS) and Forestry South Africa (FSA).

Water use authorisation-cumbersome licence application and renewal processes



INTERVENTIONS IMPLEMENTED TO ADDRESS WATER RESOURCES MANAGEMENT IN THE WMA



Continued to implement the IUWMA water quality improvement strategy.



Continuous implementation of Resource Directed Measures and Source Directed Measures.



Implemented collaborative measures with other spheres of government especially Local Municipalities, with particular focus on addressing sanitation and waste management impacts on the resource. (*E. coli* and ammonia resulting from poor maintenance and operation of WWTWs and associated infrastructure).



In the next financial year, the Agency plans to update the water quality improvement strategy to include the participation of external stakeholders.



**THANK YOU
SIYABONGA
RE YA LEBOGA
RI A LIVHUWA**

