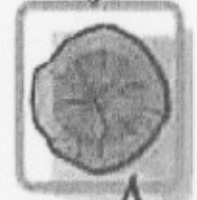


Project Management Structure



Programme Manager
(Sibusiso Mthembu)

National Coordinator
(George Constantinides)
(Supported by D vd Boon)

Specialist Support
Contract/ Legal (RW)
Finance (Magalies)
M&E (DWAF)
Institutional (DWAF)

Linkages
DWAF Regions
NT
DPLG
SALGA

Regional Coordinator
(DWAF Northern Cape)

Regional Coordinator
(DWAF Gauteng)

Regional Coordinator
(DWAF Mpumalanga)

Regional Coordinator
(DWAF Eastern Cape)

Include 9 Provinces →

Implementing Agent
Waterboards
PSPs
DWAF

Municipalities

Implementing Agent
Waterboards
PSPs
DWAF

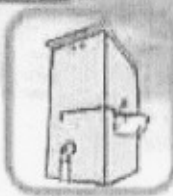
Municipalities

Implementing Agent
Waterboards
PSPs
DWAF

Municipalities

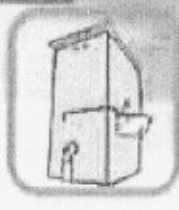
Implementing Agent
Waterboards
PSPs
DWAF

Municipalities



Project approval / agreements

- Letters informing benefiting Municipalities
 - NB: grant-in-kind; not default transfer
- Project profiles
- DoRA compliance: formal agreements on
 - Ownership
 - Implementation arrangements
 - Operations & maintenance
 - Financial management (financing & cost recovery)
 - Effective water use
 - Asset management
 - (Expert team support – format, agreements, authorization?)



Monitoring of implementation

Monitoring of projects /programme:

- Implementation action plan with monthly deliverables & cash flow
- Implementation arrangements
- Oversight
- Monthly reporting per region (certification payments and BAS)

Reporting of programme

- DWAF management, Cash flows, status report
- NT, DoRA financial expenditure report (as from Jan 08)
- NT, Information / reporting system IRM ?



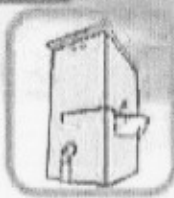
Strategic Support

- Identify projects, nomination & prioritization
- Developing Project proposals
- Populating the Information system (to be developed)
- Monitoring & reporting
- Expenditure forecasts
- Reallocation of budgets



Feasibility studies

- Regional coordination
- Guidelines, checklist and tools
- Water services planning mentoring (training, modular development)
- Provincial planning task team
- NB: Comprehensive plan
 - Total services
 - Water resources
 - Appropriate solutions (Technical)
 - Institutional
 - Financial
 - Impact & outcome
 - Validation & Adjudication
- Expert teams
- Other programs alignment (Housing, MIG, etc).



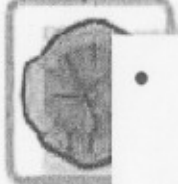
Business case for Internal Bulk

- Municipalities highlighted the need
- Recognized that there is gap between Regional Bulk and reticulation.
- Motivation for internal bulk is similar to that of regional bulk, (I.e should not be through MIG because it does not supply directly to consumers.)
- Currently collecting information on potential projects
- Business case to be completed by end March 2008



PROGRESS TODATE

KWAZULU NATAL



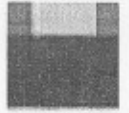
- Budget Allocation 2007/08

- Infrastructure Implementation R 69.0 million
- Implementation Readiness R 4.0 million
- Management Support R 0.25 million



- Project Status

- 5 Infrastructure projects all in implementation phase
- 7 Implementation readiness projects, Municipalities already started with development of feasibilities
- R 25.9 mill certified for payment by end December (35%)
- R 22.2 million paid through BAS by end December (30%)
- Progress satisfactory and budget will be spend by end March 2008



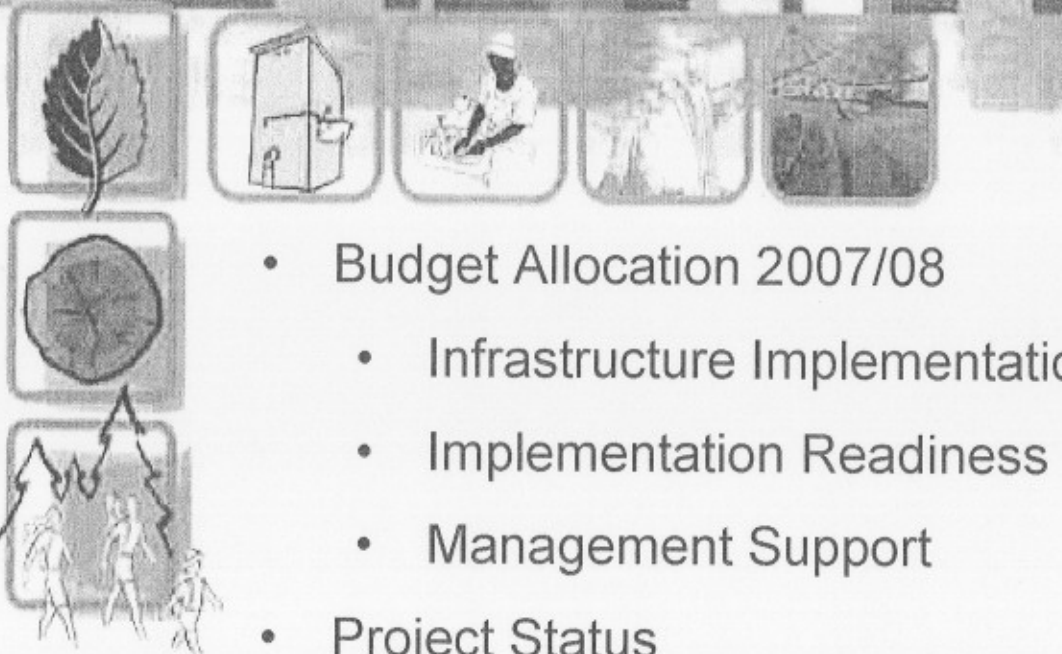
- Budget Allocation 2007/08

- Infrastructure Implementation R 20.0 million
- Implementation Readiness R 3.0 million
- Management Support R 0.25 million



- Project Status

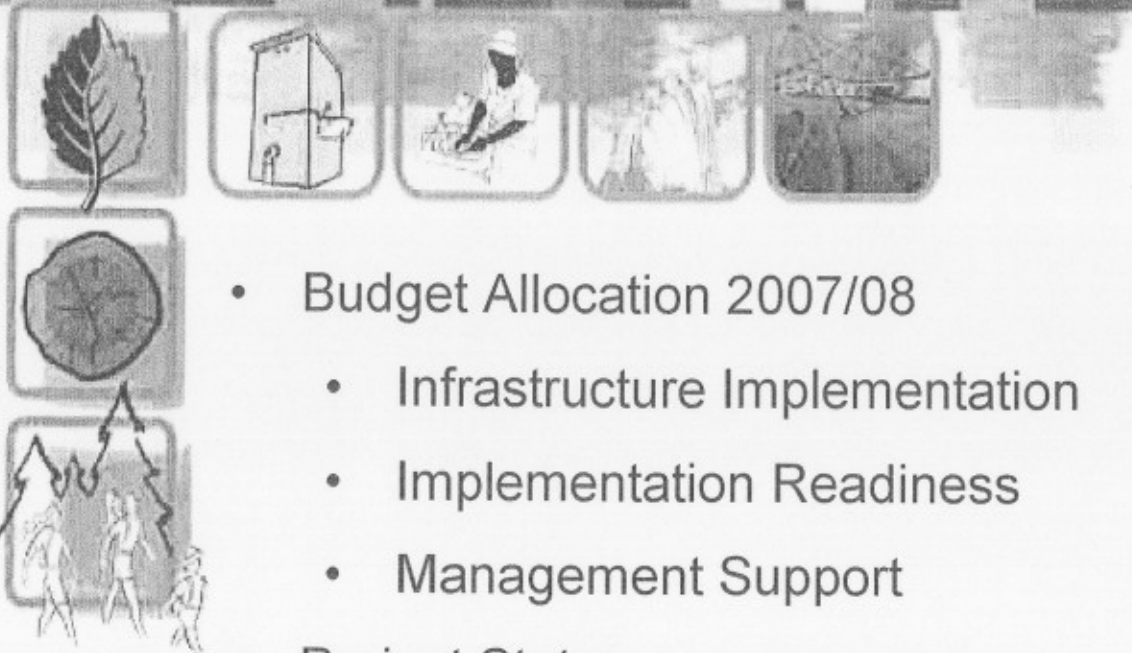
- 1 Infrastructure project in implementation phase
Forms part of R 146 million project currently implemented
- 4 Implementation readiness projects, PSP's appointed for 3 projects
- Progress satisfactory, R 20 million (86%) already transferred (R 13.0 million actual expenditure)



NORTHERN CAPE

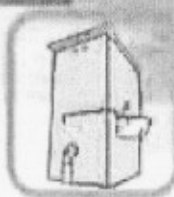
- Budget Allocation 2007/08
 - Infrastructure Implementation R 5.1 million
 - Implementation Readiness R 2.3 million
 - Management Support R 0.25 million
- Project Status
 - 1 Infrastructure project
 - Phase 1 contractor on site November 2007
 - Phase 2 contractor on site January 2008
 - 4 Implementation readiness projects PSP appointed R 3.9 million certified for payment by end December (51%)
 - R 3.6 million paid through BAS by end December (47%)
- Progress satisfactory and budget will be spend

WESTERN CAPE



- Budget Allocation 2007/08
 - Infrastructure Implementation R 0.0 million
 - Implementation Readiness R 3.6 million
 - Management Support R 0.25 million
- Project Status
 - 0 Infrastructure projects
 - 3 Implementation readiness projects PSP appointed November 2007
- Only implementation readiness projects, funds will be spend by March 2008

LIMPOPO



- Budget Allocation 2007/08

- Infrastructure Implementation R 72.3 million
- Implementation Readiness R 8.55 million
- Management Support R 0.0 million



- Project Status

- 8 Infrastructure projects all in implementation phase
- 9 Implementation readiness projects PSP to appointed
- Programme started slow, general progress average, needs close monitoring and budget will be spend by end March 2008



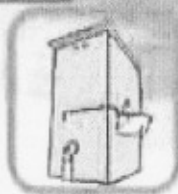
Total spend to date /Projections



- R49,8 BAS (Basic Accounting System), end Dec 2008



- Projection R 126 end Jan 2008
- Projection R 207 end Feb 2008
- Projection R 300 end Mar 2008



Key Challenges-Regional level



- Municipalities slow in procuring PSP's for feasibility study development
- Required agreements not yet in place
- Slow submission of invoices on work completed
- Inadequate capacity for adequate project management
- Ownership of project and O & M for infrastructure that is shared between local authorities.