

# ANNUAL REPORT

2009 / 2010 Financial Year

*Flying Low*



**I N K O M A T I**

INKOMATI CATCHMENT MANAGEMENT AGENCY



## 1. CHAIRPERSON'S STATEMENT

### 1.1 INTRODUCTION

As the chairperson of the Governing Board of Inkomati CMA, I am extremely grateful and proud to present the 2009/10 annual report with yet another **unqualified audit opinion**. This financial year had its challenges such as the untimely resignation by the first Chief Executive Officer Mr Ndlovu Sizile and achievements such as the implementation of the decision support system for the crocodile sub-catchment, the participation in the Provincial Water Indaba as well as the finalisation of the first generation Catchment Management Strategy which has since been submitted to the Minister of Water and Environmental Affairs.

Despite the solid foundation laid so far in terms of organisational development, policies and procedures; at least two challenges still lie ahead. The first one relates to the slow progress with regard to transfer of functions, systems and personnel from the DWA regional office as well as delays in transferring the approved budget from DWA national office. The functionality of the Inkomati CMA as envisaged in the National Water Act has been negatively impacted on by these challenges.

The delay in assignment and delegation of functions has resulted in the theme for this year's annual report being branded 'flying low'. It is the Governing Board's understanding that most basic building blocks are in place, and that the assignment and delegation of functions will allow the Inkomati CMA to operate at optimal level.

### 1.2 GOVERNING BOARD AND COMMITTEES

Two Governing Board vacancies still existed during the financial year under review, emanating from the loss of one member who passed away in the previous year, and another who was recalled by the sector that she represented. Both these vacancies were unfortunately never filled.

The National Water Act provides for existing Governing Board members to remain in office until the first meeting of the new board takes place. It is within this context that the current Governing Board still holds office.

The Governing Board revised the Governing Board Charter, Delegation of Powers and Functions by the Governing Board, Audit Committee Charter and Terms of Reference for both the Executive and Water Committees.

The milestones achieved during 2009/10 financial year include the following:

- Participation in the Provincial Water Indaba held within the Inkomati Water Management Area that lead to a meeting with the Mpumalanga MEC for Human settlements on 8 June 2010 when a presentation was made to the MEC with the objective of co-operation between the Inkomati CMA and the Provincial Department of Human Settlements;
- Meeting with the Minister of Water and Environmental Affairs on 3 December 2009;
- Adoption and review of 20 policy documents; and
- The development of a stakeholder-centred Catchment Management Strategy.

### **1.3 MEMORANDUM OF AGREEMENT WITH DWA**

The Memorandum of Agreement between the Inkomati CMA and DWA addresses issues of transfer of staff, functions, assets, systems and budgets. It also sets out the timeframes for phased implementation of activities in the Inkomati CMA as well as creating associated capacity to ensure optimal performance.

### **1.4 CATCHMENT MANAGEMENT STRATEGY**

A significant cause for celebration this year has been the finalisation of the consultation processes for the submission of the first generation catchment management strategy to the Minister during April 2010. I am humbly indebted to many people and organisations that have worked tirelessly in an effort to produce the first ever catchment management strategy.

### **1.5 ASSIGNMENT AND DELEGATION OF FUNCTIONS**

Currently, the Inkomati CMA only performs the initial functions as stipulated in section 80 of the National Water Act as well as functions in terms of sections 19 and 20, which are assigned by the NWA to a catchment management agency once established. The assignment and delegation of functions has been eminent for a very long time. It was hoped and envisaged that this process would take place during the financial year under review.

Meanwhile, the Governing Board resolved to appoint the Mpumalanga Regional Office of DWA as agent of the Inkomati CMA to perform the functions relating to the prevention and remedying of water resources pollution as well as control of emergency pollution incidents as stipulated in section 19 and 20.

### **1.6 CHALLENGES**

The assignment and delegation of powers and functions by DWA as contemplated in section 73(4) of the National Water Act continues to be a long drawn out and protracted process. However, I am drawing comfort from the fact that the Minister is determined to get both existing CMAs fully functional, hopefully during the next financial year.

The sustainability of CMAs is seen as a future challenge to the Inkomati CMA and other sister CMAs and is dependent on the creation of an appropriate and enabling environment by the Department of Water Affairs. On the one hand, the department must ensure that water use charges are market related. On the other hand, they must also ensure the implementation of Waste Discharge Charge System country wide and not in selected water management areas.

### **1.7 ACKNOWLEDGEMENTS**

Firstly, I would like to express my sincere gratitude to the Minister of Water and Environmental Affairs, the Provincial leadership especially MEC for Human Settlements, SALGA Mpumalanga, my colleagues on the Governing Board, management, staff, Waterschap Groot Salland, irrigation boards, ARA-Sul, KOBWA and stakeholders for their support and commitment in ensuring that the Inkomati Catchment Management Agency is managed in an effective and efficient manner also ensuring that water resources remain a catalyst to socio-economic development and hence play a critical role in supporting the country's developmental agenda.

## **1.8 PROSPECTS FOR THE FUTURE**

As this is the last financial year on which the first appointed Governing Board is submitting the Annual Report of the Inkomati CMA, the process for the appointment of the Governing Board members for the next term of office has already started in February 2010 when the Minister appointed the Advisory Committee which met for the first time on 30 March 2010.

On behalf of the Governing Board of the Inkomati CMA, I would like to wish the incoming board all the best and pledge our support as and when it is needed.

## **2. OVERVIEW BY THE ACTING CHIEF EXECUTIVE OFFICER**

The Inkomati CMA continued to draw significant amount of attention from both local and international stakeholders, hosting a high-level delegation of Ethiopians who came to study the Inkomati CMA institutional arrangements in relation to stakeholders and other issues pertaining organisational design. The Inkomati CMA also hosted a delegation from Levhuvu/Letaba Water Management Area, which was also interested in learning from the Inkomati CMA experience..

### **2.1 INSTITUTIONAL PERFORMANCE**

The Inkomati CMA conducted on an in-depth strategic review of the core business and mandate to achieve improved operational efficiencies within the context of limited financial resources. The Department of Water Affairs allowed the Inkomati CMA to take over the operation and implementation of the Crocodile Real Time Decision Support System. Remarkable progress was achieved towards effectively managing this system by way of establishing relevant platforms (Crocodile River Operating Committee) as well as getting models set up and operated.

It is envisaged that once optimised, the DSS will be expanded to cover the entire Water Management Area. This has a propensity to galvanise all water users in the Water Management Area to be involved in the management of the resource, since all the water that is being used by various users can be accounted for and valid reasons provided for implementing curtailment and restrictions when it becomes necessary to do so. This will further enhance the ability of the Inkomati CMA to implement environmental flow requirements as well as meet international obligations.

The implementation of DSS by the operating committee has already provided DWA, the Inkomati CMA and stakeholders with an excellent opportunity to create new interactive space for generating a common understanding of the management of a shared watercourse.

The first generation catchment management strategy for the Inkomati Water Management Area was finalised during this reporting period. Furthermore, an induction document to assist the incoming members of the Governing Board to find their feed in respect of the business processes and objectives of the organisation was also finalised during the review period.

Most importantly, the Inkomati CMA has again obtained an unqualified audit opinion.

### **2.2 LEGISLATIVE REPORTING REQUIREMENTS**

The Governing Board approved a three-year strategic plan and an associated budget developed in accordance with the Public Finance Management Act. An operational plan was also developed to guide the implementation of the strategic plan. All legislative reporting requirements such as annual and quarterly financial and performance reporting were complied with.

### **2.3 COLLABORATIVE PLANNING AND COORDINATION**

The Inkomati CMA supports co-operative approaches as espoused in the Inter-Governmental Relations Framework Act as an enabling mechanism for improved alignment of development initiatives in ways that maximise the socio-economic impact. Hence the Inkomati CMA has provided technical advice and support in a range of studies and projects carried out in the water management area by the DWA. In addition to these studies, the Inkomati CMA also provided support to other government departments and institutions in the implementation of their programmes. This effort sought to emphasise the pivotal role played by water resources in all development planning initiatives.

### **2.4 VACANCIES AND STAFF TURNOVER**

The Inkomati CMA finalised a recognition agreement with labour union (NEHAWU) during the period under review. The Inkomati CMA currently employs twenty six staff members, and during the reporting period, two of its members resigned. Consequently, the Inkomati CMA currently has six vacancies including those that were not filled from the previous financial year.

### **2.5 FINANCIAL MANAGEMENT**

Notwithstanding the approval of strategic plan and budget of the Inkomati CMA by the Minister, the transfer of budget to the account of the Inkomati CMA was insufficient and irregular. Consequently, cash flow challenges emanating from delays in the transfer of approved budget were experienced, impacting negatively on the implementation of the operational plan, filling of critical posts as well as expenditure patterns. This also resulted in office space that was meant to accommodate staff transferred from the regional office also being relinquished.

### **3. DEFINING THE INKOMATI CATCHMENT MANAGEMENT AGENCY**

#### **3.1 OVERVIEW OF LEGISLATIVE FRAMEWORK**

The Inkomati Catchment Management Agency is defined as schedule 3 (a) public entity in accordance with the Public Finance Management Act No 29 of 1999. Essentially, the Inkomati CMA is a creation of the National Water Act No 36 of 1998 which provides that when a catchment management agency is established, it has inherent powers and five initial functions.

Section 80 and Schedule (3) of the National Water Act outlines the initial functions in greater details. It is important to note that the functions referred to are official tasks and actions that are required to exercise powers to perform duties. Duties are mainly obligations imposed by law which must be performed, while powers are competencies given by statute which may be exercised.

In terms of the initial functions, the Act stipulates that when a catchment management agency is established, it has the following initial functions:

- To investigate and advise on the protection, use, development, conservation, management and control of the water resources in its water management area;
- To develop a catchment management strategy;
- To co-ordinate the activities of water users and water management institutions within its water management area;
- To promote co-ordination between implementation of its catchment management strategy with the implementation of water services development plans by water services authorities; and
- To promote community participation in the protection, use, development, conservation, management and control of the water resources in its water management area;

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#### **3.2 PHYSICAL DESCRIPTION OF THE WATER MANAGEMENT AREA**

The Inkomati CMA is situated in the Mpumalanga Province, north-eastern part of South Africa and borders Mozambique and Swaziland. It covers an area of 28, 757 km<sup>2</sup>. The Mpumalanga Province in which the water management area is located occupies 6.5% of the surface area of South Africa. The Inkomati water management area covers about 95% of Ehlanzeni District Municipality, portions of Albert Luthuli Local Municipality and Msukaligwa Local Municipality in Gert Sibande District Municipality, and about 50% of Emakhazeni Local Municipality in Nkangala District Municipality. The Inkomati water management area is divided into three sub-catchments as reflected in the National Water Resource Strategy and they are Komati, Crocodile, and Sabie-Sand.





### 3.3 VISION

The Inkomati CMA's vision is: *Water for all in Inkomati*

### 3.4 MISSION

The mission of the Inkomati CMA is of a pioneering catchment management system that empowers stakeholders to engage in consensual and adaptive decision making, to achieve reform, and to promote persistent social, economic and environmental justice across the Inkomati catchment.

The Inkomati CMA exists in the Inkomati Water Management Area with a purpose to:

- Manage the water resources according to the National Water Act. We will achieve this through the development and implementation of a Catchment Management Strategy with all stakeholders, balancing the utilisation, development and protection of the water resource.
- Manage all water uses to promote equity and efficiency. We will achieve this through appropriate authorisation, pricing, control and enforcement of water use together with programmes to promote water conservation and pollution control.
- Protect the water resources to support biodiversity and local use by communities. We will achieve this through setting objectives through a consensus seeking process that balances the need to protect and sustain, with the need to develop and use the water resource.
- Involve stakeholders in water resources decision making. We will achieve this through mobilising, empowering and consulting water users and stakeholders, focussing on expanding participation by communities, women and rural poor.
- Facilitate co-operation between water related institutions to promote political credibility within the Inkomati WMA. We will achieve this through building strong relationships, advising, supporting and monitoring the water related activities of private and public sector bodies.
- Contribute towards social and economic development in the Water Management Area. We will achieve this through allocation of water and creative initiatives in support of government objectives and strategies.
- Support the co-operative management of the Inkomati basin as an internationally shared water course. We will achieve this by supporting the Department of Water Affairs (DWA) to implement international agreements.

### 3.5 VALUES/ PRINCIPLES TO GUIDE OPERATIONS AND DECISION MAKING

- 3.5.1 Our understanding and management of the Inkomati catchment reflect the social imperatives (e.g. transformation, equity, efficiency, empowerment, development) of an emerging African democracy.
- 3.5.2 We practice problem solving leadership that embraces:
- ethics of Ubuntu (my humanity is defined by how others experience my behaviour), Simunye (we are one) and Batho pele (people first)
  - consensus driven stakeholder participation
- 3.5.3 Decisions within our mandate are made and are justified on the basis of the best available social, technical, economic, environmental and governance knowledge.
- 3.5.4 We objectively balance, within our mandate, the reform and distribution of the costs and benefits of water resource use to ensure sustainable quality of human life, and social, environmental and economic justice.

### 3.6 CONTEXT FOR THE MANAGEMENT OF THE INKOMATI CATCHMENT

#### 3.6.1 The Inkomati economy is highly dependent on water, with forestry, irrigation-based agriculture and eco-tourism as the main economic drivers.

- Irrigation-based agriculture and forestry provide most (approximately 60%) of the jobs in the catchment.
- Rainfall in the catchment is spatially and temporally variable, and does not always correlate with the water use requirements.
- Eco-tourism is based on the catchment's high biodiversity, relatively free-flowing river systems, and generally high water quality.
- Poor municipal waste (dumps, sewerage, storms water etc) management results in decreased water quality and fitness for use.
- Uncoordinated, poorly resourced land use planning and management have potentially negative impacts on terrestrial and aquatic systems.
- Geographically, the catchment is the artery linking South Africa's industrial and administrative centre (Gauteng) with our important SADC neighbours Swaziland and Mozambique.

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#### 3.6.2 The National Water Act is the enabling piece of legislation, which provides potential to pro-actively address current WRM challenges in the catchment.

- Catchment water use is currently characterised by: inequitable distribution; water stress (quantity and quality over allocation before the reserve is implemented); inefficient use in many, but not all, areas; strategic water export, in the form of inter-basin transfers for Eskom and international obligations; and virtual water export, in the form of exported products.
- There is very poor enforcement and variable monitoring of water quality, quantity, and legal and illegal use.
- Legislative implementation is lacking, particularly in terms of: the Reserve (ecological flow reserve and the basic human reserve); the transformation of irrigation boards to WUAs; and co-operative governance. There is also a slow progress on strategic direction around the institutional transformation in the country.

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### 3.6.3 **There is a wide diversity of water users, cultures, skills, knowledge and attitudes in the catchment.**

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- Gross disparities in technological and traditional knowledge and their transfer between age, gender and cultural groups exacerbate the variability in spatial distribution of water and land use efficiency and development.
- There are vast disparities between social groups in terms of: employment opportunities and income; education levels and access to knowledge (particularly technological knowledge, for women and youth); understanding of water resources and IWRM; access to water and sanitation; access to productive land, and support and infrastructure that promote effective farming practices.
- Despite many challenges to water reform, there are many localised examples of voluntary resource-sharing, relationship building and skills development in the catchment on which we can draw.
- There is a perception that despite a general acceptance of the need for change amongst stakeholders, some of them exploit limitations in the law and its lack of implementation to frustrating the water reform process.

### 3.7 **VITAL ATTRIBUTES**

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- The Kruger National Park and Cape Town, are the mainstays of South African tourism. The KNP/Lowveld, and Trout/Panorama tourism draw-cards are vital to both the catchment and national economies.
- The state of development in the catchment is still largely compatible with both tourism and agriculture.
- The strategic water use for power generation and agriculture is a critical vital attribute in the sustenance and development of the economy of the region and the country.
- The rivers are international rivers.
- The Inkomati WMA is pioneering the field of participative IWRM and is thus an international point of interest and scientific attention.
- There are currently governance structures, and a large, diverse and appropriate knowledge base, on which innovative and enthusiastic stakeholders can, and do, draw.
- Despite the overall state of water stress, there is still potential for increased water yield and economic development in some areas of the catchment.
- The catchment geology (especially that of the escarpment) acts as an important hydrological and water quality regulator, and primary driver of aquatic biodiversity (including a Ramsar wetland).

#### **4. STRATEGIC OBJECTIVES**

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**4.1 Adaptively develop/implement participative systems for authorisation, compliance, monitoring and enforcement that aim to balance resource use and protection in ways that ensure reform and promote socio-economic development.**

- a) Develop/implement empowerment programmes that promote strategic, adaptive and consensual decision making across the stakeholder base.*
- b) Develop/implement systems and strategies (e.g. the CMS and river operating systems) that facilitate improved and equitable access to the resource.*
- c) Develop/implement cost effective monitoring programmes that serve strategic, adaptive and consensual decision making.*

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**4.2 Adaptively stimulate/develop/implement co-operative governance that promotes co-ordination of river operating systems, spatial planning and development to protect the resource and catchment.**

- a) Grow multi-level, multi-sectoral (Private, NGO and Gov.) governance networks and engagement processes that keep ICMA agendas at the forefront, taking advantage of existing structures wherever they can achieve this purpose.*
- b) Structure the ICMA's advisory function, within resource constraints, to ensure ICMA needs are served alongside those who are requesting advice.*
- c) Support the development, and where appropriate transformation, of other WRM institutions (WUA, CMC, etc.).*
- d) Develop and implement rules and procedures for operational river management.*

**4.3 Set and pursue the agenda for international negotiations that reflect local conditions/needs.**

- a) Improve cross-boundary stakeholder relationships and understanding of current agreements.*
- b) Strategically improve understanding of local catchment conditions and IWRM needs to inform decision-making about international obligations under changing circumstances. (i.e. do not wait for a crisis or demand from a neighbour).*

**4.4 Become an internationally recognised hub for participative IWRM by adaptively coordinating, generating and distributing data, knowledge, skills and management systems.**

- a) Design and implement a system of data and meta-data management, pertinent to participative IWRM in the Inkomati that is accessible to all stakeholders.*
- b) Identify, collect and collate data/information for the system in 4a) and map the stakeholder network, including the distribution of STEEP competencies, activities, needs, decision making mandates, etc..*
- c) Using outputs from a) and b), develop a strategic plan for knowledge acquisition that will guide future partnerships with stakeholders, and with other knowledge/skills providers.*
- d) Develop/implement strategic empowerment programmes that are explicit about the transfer and diffusion of knowledge/skills across the stakeholder network.*

**4.5 Adaptively develop/implement institutional structures and services within the ICMA to create an enabling environment that supports achievement of the above objectives as they evolve to meet changing circumstances.**

- a) Explore and internalise the characteristics and processes of an enabling environment for pioneering IWRM in an emerging African democracy.*
- b) Ensure appropriate capacity is built within the ICMA for participative IWRM.*
- c) Co-ordinate and align the adaptive systems that serve objectives 1-4.*
- d) Improve internal networking.*
- e) Improve internal service infrastructure e.g. the computer network.*



## **5. PROGRAMMES**

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### **5.1 WATER USE MANAGEMENT**

The Water Use Management division is responsible for the management of water resources both quantity and quality, including the management of land based activities with special emphasis on waste and management of effluent in the Inkomati water management area. The National Water Act acknowledges that water is a finite natural resource, and that managing water use and the waste released into the resource is of importance to ensure sustainability of the resource and the economic activities relying on it. It remains a challenge to provide water of adequate quality and quantity for socio-economic development, the environment and public health purposes.

It was envisaged that the transfer of proto-CMA personnel and functions from the DWA Regional Office to the Inkomati CMA would be finalised during the financial year under review. Apart from the initial functions stipulated in section 80 of the National Water Act, the Act also assigns section 19 and 20 functions to CMA's once established. Unfortunately, the Inkomati CMA could not start performing these functions as envisaged in the Act because the functions are being performed by the regional office of the department.

#### **5.1.1 AUTHORISATION OF WATER USE**

The Inkomati CMA sought to provide technical advice to the Regional Office with respect to technical and strategic activities as and when required, including the project on validation and verification of water users as well as on water use trading by providing inputs and advice through Mpumalanga Coordinating Committee on Agricultural Water. However, due to lack of human resources and coupled with prioritisation of commitments of the Office of the Chief Executive Officer as well as the finalisation of the catchment management strategy, this objective could not be achieved.

#### **5.1.2 CONTROL OF WATER RESOURCE POLLUTION**

The National Water Act assigns this function to a CMA once established. However, this function continued to be performed by the regional office of the department since this is where human resource capacity is currently based. The Inkomati CMA could not establish additional capacity to fulfil the same function. The officials that perform this function in the regional office also perform other delegable functions, so they cannot be transferred to the Inkomati CMA. This function will continue to be performed by the regional office of the department until the finalisation and implementation of the Memorandum of Agreement.

#### **5.1.3 COOPERATION WITH OTHER GOVERNMENT DEPARTMENTS**

The Inkomati CMA supported and co-operated with the Department of Water Affairs as well as other government departments and entities in the implementation of their operational plans. However, the objective of supporting and co-operating with these organisations was not fully achieved due to commitments of the office of the Chief Executive Officer. Only a few activities such as attending Regional Office Operations and MANCO meetings, Low Flow Management and Restrictions meetings as well as KOBWA Joint Operations Forum meetings were attended. Other activities such as the Mpumalanga Wetlands Indaba and the Mpumalanga Co-ordinating Committee on Agricultural Water use meetings could not be attended at all.

#### **5.1.4 SUPPORT DEPARTMENTAL STUDIES**

Apart from supporting programmes, a number of projects or studies conducted by the Department of Water Affairs were also supported. For instance, the Inkomati CMA participated in the Project Management Committee for the Komati Comprehensive Reserve Study. The objective of supporting departmental studies taking place in the Inkomati WMA was not achieved since some of the studies such as the Inkomati Water Availability Assessment Study and the Mpumalanga All Towns Study could not be attended.



## **5.2 WATER RESOURCES PLANNING AND PROGRAMMES**

The Water Resources Planning and Programmes division plays a leading role in respect of co-ordinating planning initiatives that have a potential to impact on water resources. It is also responsible for research to support and promote integrated water resources management and regional cooperation in the water sector. Water Resources Planning and Programmes coordinates the activities of relevant local and regional bodies as well as contributing substantially to alignment of development initiatives, strategies and plans through providing technical inputs and advice. It must be mentioned that the objectives of this division were streamlined to optimise resources and outcomes. Hence only two strategic objectives will be reported on.

### **5.2.1 KNOWLEDGE GENERATION AND DISTRIBUTION**

The purpose of this objective is to ensure collection, management, production and dissemination of data in appropriate formats to support institutional objectives. This objective has not been achieved due to lack of enabling environment including the installation of server and network. This is vital for the division to successfully implement proper data acquisition and dissemination as well as a library and any relevant management systems. The second challenge relates to the finalisation of the linkage with DWA network. Discussions with the DWA in this regard are currently underway.

The Inkomati CMA participated in the bi-annual National Hydrological symposium in order to obtain information on the latest knowledge in hydrology and hydraulics as well as training on relevant models such as (Mike 11 and Mike Floodwatch). Both these software packages are used in the Crocodile River Decision Support System.

### **5.2.2 INTEGRATED PLANNING AND OPERATION OF RIVER SYSTEMS**

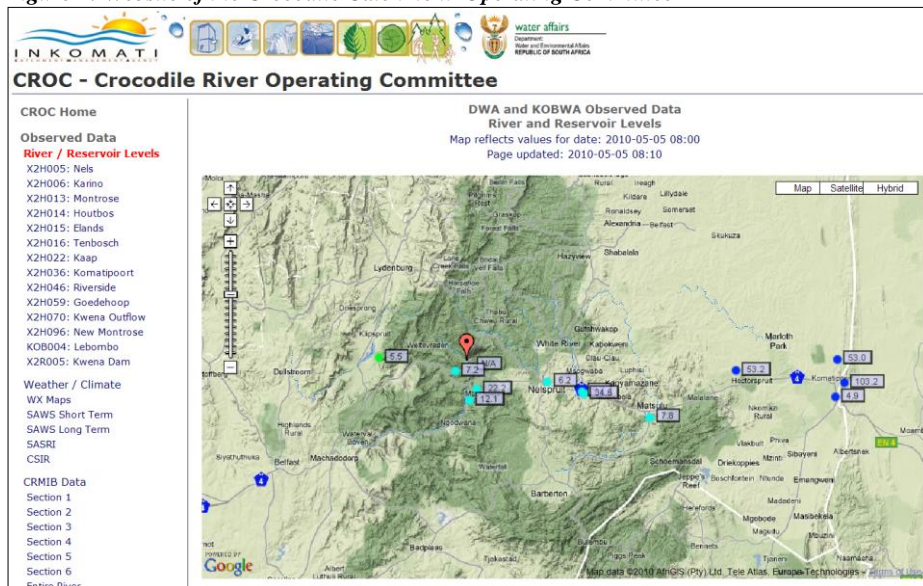
The Inkomati CMA supported and assisted the DWA in the development of River Operating Rules for the Crocodile River. It was subsequently agreed that the Inkomati CMA lead the process to implement and operate the Crocodile River Real Time Decision Support System (DSS).

The Inkomati CMA established and facilitates the Crocodile Catchment Operations Committee (CROCOC) during the financial year and provided the secretariat and chair to ensure effective communication with stakeholders as well as establishing an enabling environment for consensual decision-making. The Inkomati CMA has been operating this system effectively and continues to do so. Figure 1 demonstrates the type of information that can be obtained on a real time basis from the system on the Internet. The internet site is <http://crocdss.inkomaticma.co.za/Website/Index.html>. Figure 2 illustrates the membership structures as well as the hierarchy of decision-making and information needs.

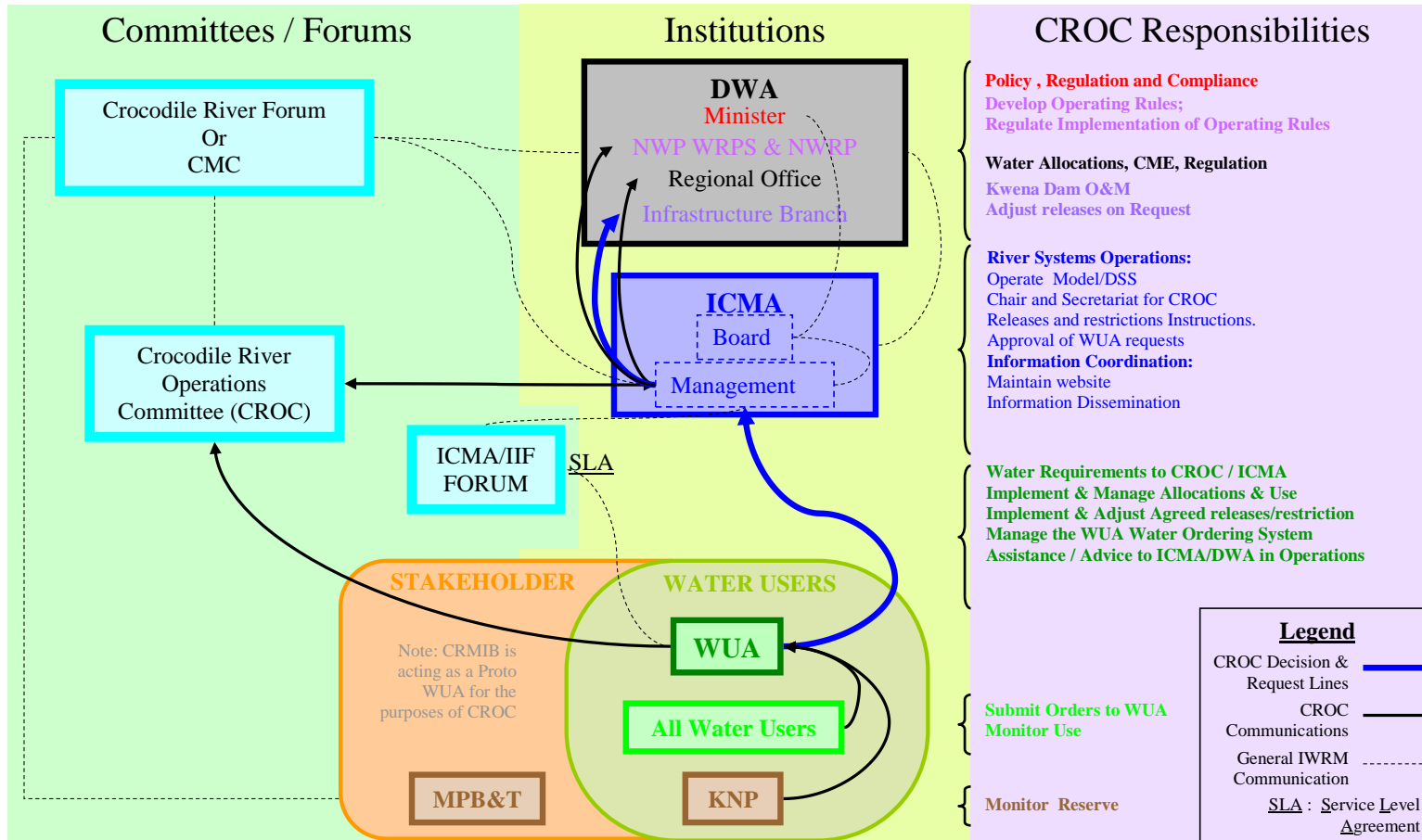
Appropriate support and maintenance contracts on the DSS software will be put in place to ensure that the system continues to operate effectively. Additional data loggers will be procured and commissioned to address gaps that currently exist.

The ICMA has also assisted the DWA in developing the terms of reference for the Sabie River Operating Rules project. It is envisaged that as part of rolling out the Crocodile Real Time DSS, the Sabie Real Time DSS will also be handed over to the Inkomati CMA once the project is completed. The Komati Joint Operations Forum (KJOF) was also regularly attended by the division during the year.

Figure 2: Website of the Crocodile Catchment Operating Committee



**Figure 3 Responsibility and communications around the Crocodile River Operating Committee:**



### 5.2.3 NEW INFRASTRUCTURE NEEDS IDENTIFIED

The National Water Act requires that Water Management Institutions (WMI) ensure equitable access to water resources as well as redress the past racial and gender imbalances. The ICMA has and continues to work in collaboration with the Maruleng Bushbuckridge Economic development Initiative (MABEDI) in the Sabie-Sand sub-catchment to address issues of access to the water resource by emerging farmers. The objective of the project is to upgrade the infrastructure of New Forest and Dingleydale schemes to enhance access to the water resources and thus ensure sustainability of agricultural activities that depend on the Sand River.

### 5.2.4 DEVELOPMENT OF A CATCHMENT MANAGEMENT STRATEGY

The first generation Catchment Management Strategy (CMS) was completed and submitted to the Minister for comments at the end of the financial year. The first generation Catchment Management Strategy in its current form is available for download at <http://cms.inkomaticma.co.za>. The pdf documents for download include the main Inkomati CMS document, appendices for the CMS as well as the Executive Summary for the Inkomati CMS

The finalisation of the CMS was handled internally with the assistance of officials from the Department of Water Affairs. A series of planning meetings involving key role players to determine the stakeholders' engagement, visioning processes as well as identifying resource officials for the development of specific sub-strategies of the catchment management strategy were held.

Stakeholders were given the opportunity to share their understanding of the current status of water resources. Based on that common understanding, a vision for the desired future status of the resource was articulated. Consequently, various sub-strategies of the CMS were developed based on that desired future status of the resource, ensuring that the water resources in the water management area will be managed with an objective of achieving that vision in the medium to long term. The CMS must still be gazetted to allow further public comment before it can be promulgated.

### 5.2.5 COORDINATION OF DEVELOPMENT AND PLANNING

The Inkomati CMA has successfully positioned itself as a central advisory player on all development planning initiatives within the Inkomati Water Management Area. It played an active role in relevant forums and projects taking place within the WMA. A list of some of the collaborative planning platforms in which the Inkomati CMA took part and continues to play a constructive role includes the following:

- Mpumalanga Coordinating Committee on Agricultural Water
- Low Flow Management Restrictions and Curtailment meetings
- Mpumalanga Wetlands Forum
- Inkomati Comprehensive Reserve Determination Project
- Inkomati Water Availability Assessment Study Project Coordinating Committee
- Progressive Realisation of Inco-Maputo Agreement (PRIMA) project meetings
- KOBWA Joint Operation Forum (KJOF) meetings
- Maruleng and Bushbuckridge Economic Development Initiative (MABEDI) project to upgrade New Forest and Dingleydale irrigation schemes
- Komati River future development studies project

### **5.3 INSTITUTIONS AND PARTICIPATION**

South Africa's legislative environment prioritises the promotion of community participation in matters affecting their lives. Similarly, section 80 of the National Water Act provides the initial functions of catchment management agencies, including the promotion of community participation in the protection, use, development, conservation, management and control of the water resources in their water management areas.

In order to redress the history of exclusion, community participation remains one of the key ingredients of empowered water users. It is a principle so important that the Inkomati CMA has employed in all aspects of strategic plan and budget development, and implementation, and the development of the catchment management strategy.

Being the first catchment management agency in the country, the Inkomati CMA has gone a long way in attempting to give effect to this legislative provision. This has been made possible by establishing the Institutions and Participation division with the primary purpose of promoting stakeholder involvement and participation in Integrated Water Resources Management.

#### **5.3.1 MANAGEMENT OF STAKEHOLDER RELATIONS**

The Inkomati CMA defines its stakeholders as individuals and groups of individuals having vested interest or affected by the management of water resources. These include commercial agriculture; forestry; local government; industry and mining; organs of civil society; tourism and recreation; government departments; and existing agriculture by historically disadvantaged communities who in one way or the other benefit or are disadvantaged by the way in which water is managed.

The Inkomati CMA has compiled a database of stakeholders classified according to water related activities in the catchment management area. The Institutions and Participation division is responsible for the design, implementation and maintenance of the organisation's stakeholder database. Currently, due to lack of server facilities, it is done manually on a computer. This is a function being carried out on an on-going basis.

#### **5.3.2 INSTITUTIONAL ARRANGEMENTS FOR STAKEHOLDER PARTICIPATION**

The Inkomati water management area has been divided into three sub-catchments for administrative purposes, namely, Crocodile, Sabie-Sand and Komati. The National Water Act provides for the establishment of institutions to undertake water resources management and to determine the inter-relationship between institutions involved in the water resources management. This is intended at achieving improved consensual decision-making in the management of water resources, ensuring sustainable development is achieved and creating a sense of awareness among the public of the competing use and related trade-offs as well as creating space for communities to be involved in decision-making.

Institutional support was limited to Crocodile sub-catchment forum, Irrigation Boards, the Decision Support System for Crocodile Sub-Catchment Operating Committee, the Mpumalanga Wetlands forum, IDP reviews and Ehlanzeni Sector Collaboration Forum. These were carried out by way of providing secretariat support.

### **5.3.3 AWARENESS CREATION**

Co-operative governance and stakeholder participation are essential to achieve the protection, use, development, conservation, management, and control of water resources. The Inkomati CMA has carried out awareness creation and capacity building as mutually-reinforcing processes through which stakeholders were involved in decision-making for the integrated water resources management.

Capacity building and awareness creation programmes could not be rolled out as planned for the financial year under review.

### **5.3.4 TRANS-BOUNDARY CO-OPERATION**

Trans-boundary cooperation emanates from the Inco-Maputo Agreement to which South Africa is a signatory. Although strategic decision-making remains the competency of the national government through DWA, the Inkomati CMA by virtue of the fact that it manages shared watercourse is involved at operational level.

The Inkomati CMA's involvement is limited to participation in the implementation of the Progressive Realization of the Inco-Maputo Agreement (PRIMA) Project. The goal of the PRIMA is to realize the objectives and purpose of the Interim Inco-Maputo Agreement (IIMA) by supporting the TPTC to promote cooperation among the parties and to ensure the protection and sustainable utilization of the water resources of the Inkomati and Maputo watercourses. Over and above partaking in the PRIMA Project, the Inkomati CMA has also attended two joint consultative meetings by the Basin Committees in Mozambique convened by ARA-Sul.

### **5.3.5 COLLABORATION WITH DWA**

The transformation of Irrigation Boards is a function that is still being performed by DWA, owing to the finalisation and implementation of the Memorandum of Agreement between the Inkomati CMA and DWA Regional Office.

However, the Inkomati CMA is part of the task team comprising of representative from the Irrigation Boards, DWA and Inkomati CMA Officials. The task team has been entrusted with the responsibility of drafting the constitution to regulate all Water User Associations (WUA). Currently out of the two WUA established only one, the Elands WUA is fully functional while the Upper Komati WUA requires on-going institutional support. Further, all departmental activities requiring stakeholder participation are being conducted in collaboration with the Inkomati CMA.

## **5.4 CORPORATE AND FINANCE**

The Corporate and Finance division provides support services to the line functions of the Inkomati CMA. Its core functions entail ensuring proper financial reporting in accordance with the Public Finance Management Act, human resources management support, information technology support services, ensuring organisational efficiency as well as auxiliary services. The report below details the performance of the division for the financial year under review.

### **5.4.1 SOUND FINANCIAL SERVICES**

During the financial year under review, the budgeting processes for the Inkomati CMA was well co-ordinated and inputs from divisions received culminating in timeous submission of the strategic plan and budget. The Department approved a budget of R20 958 313 for the Inkomati CMA, but only R17 million was transferred to the institution's bank account during the financial year under review. The unreliability of transfer of funds made it difficult for the Inkomati CMA to implement its operational plan because it was not clear as to when funds would be available to honour payments. As a result of this challenge, the Inkomati CMA could not achieve its objective of ensuring that there is no over or under expenditure. At the end of the financial year, an amount of R6 995 522 had not being spent in terms of the approved budget due to funds not being available.

At certain instances salaries were paid late which gave rise to staff grievances. The Inkomati CMA also incurred penalties and interest from the South African Revenue Service (SARS) due to late payment of taxes.

#### ***Tariff setting***

Tariff setting is still the responsibility of the Department of Water Affairs until such time as the Inkomati CMA receives the delegation to this effect from the Minister. At this point the budgeting process does not necessarily affect the tariff since 95% of the Inkomati CMA's activities are financed from the exchequer. However, the process of stakeholder consultation on the strategic plan and budget was done.

#### ***Unqualified audit opinion***

The annual financial statements were prepared on time as required by the Public Finance Management Act. All information required for audit purposes was provided to ensure non-limitation of scope. PriceWaterhouseCoopers Incorporated has been appointed as external auditors for the current financial year. It must be mentioned that the Inkomati CMA has once more obtained an unqualified audit opinion on the financial statements.

Quarterly financial reports were submitted within thirty days of the end of each quarter and monitoring reports on compliance were also submitted accordingly. Similarly, all revenue received by the Inkomati CMA was accurately recorded.

#### ***Accurate recording of supplier's accounts***

Payments due for goods supplied and services rendered to the Inkomati CMA were accurately recorded and where possible timeously paid. Reconciliation of suppliers' account was performed on regular basis. At the end of the financial year, the Inkomati CMA had long outstanding accounts due for payments as a result of the challenges experienced with late transfers funds by the department. Weekly bank reconciliations were conducted to ensure sound cash flow

management. However it was virtually impossible to do proper monthly projections based on divisional procurement needs since there was a moratorium on expenditure and the implementation of the operational plan.

#### ***Effective procurement management system***

The Governing Board adopted a supply chain framework which complies with the Preferential Procurement Policy Framework and BBBEE. The system utilized seeks to ensure that fair, equitable, transparent, competitive and cost effective procurement process is followed at all times. As a result, 63% of procurement conducted by the Inkomati CMA was with Historically Disadvantaged Individuals and on a rotational basis. Disposal management policy could not be developed due to human resource constraints related to vacant posts that could not be filled. The Inkomati CMA also maintains an up-to-date register of all assets, to ensure that the movements and spread of expenditure among suppliers is consistently being monitored.

#### ***Efficient and accurate payroll management***

All fixed expenditure in the form of salaries and third party deductions were honoured and updated monthly payroll reports produced accordingly. However, the integration of the human resources and finance electronic system could not be done due to financial constraints.

#### ***Risk Management***

A risk assessment for the organization was done and a risk-register drawn up and updated on a quarterly basis. This was used to draw up the internal audit plan. The internal audit executed six audits during the year including a special audit requested by the Governing Board. Quarterly risk assessment was conducted and all identified risks addressed accordingly. Only the fourth quarter risk assessment could not be conducted because the focus at the time was only on the finalisation of the CMS.

#### ***Long term liabilities***

Currently, the Inkomati CMA only has long term liabilities in terms of office equipment lease agreement and office space accommodation. The value of the liability at the end of the financial year amounted to R153 123. In terms of subsequent events, it can be reported that there are no material events that took place after the balance sheet date.

### **5.4.2 ORGANISATIONAL DEVELOPMENT**

The institution experienced a significant amount of staff exodus this year which were also not replaced. This was the resignation of the CEO, and the Institutional Specialist. The Inkomati CMA could not fill vacant as well as new priority posts during the review period.

#### ***Transfer of staff***

The planned transfer of staff from the Mpumalanga Regional Office of DWA to the Inkomati CMA could not take place. Timeframes for specific deliverables or milestones in the MoA between the Inkomati CMA and the regional office of the department lapsed. This has necessitated the review of the MoA to ensure that new achievable timeframes are set, and this process had already being initiated at the end of the reporting period.



### ***Job evaluations***

In preparation for the transfer of staff from the regional office of the department, the Inkomati CMA finalized the job evaluation on all positions in the Institution using the DPSA system. This was implemented for all positions, to ensure that conditions of service for the existing structure of the Inkomati CMA are aligned with those of the transfer staff in order to avoid disparities. Performance management system was not implemented in this year as planned as a result of lack of funds no workshops could be conducted for staff to ensure full understanding and smooth implementation.

### ***Performance management***

The late approval of the strategic plan impacted on the implementation of the performance management and development system, including personal development plans and training.

### ***Skills development***

However, in response to the set targets of the National Skills Development Strategy (NSDS) and the Joint Initiative on Priority Skills Acquisition (JIPSA), the ICMA granted bursaries to eight (8) disadvantaged students to pursue studies in the fields of Engineering, Water Resource Management, Finance and Information Technology in various Universities in the Country.

After completion of studies, the bursars will be put on a 12 month Internship program at the ICMA in order to allow them to acquire relevant experience.

- One student completed a B. Sc degree in Microbiology and Biochemistry and was on internship with the Inkomati CMA but was subsequently appointed permanently by DWA at the end of the term.
- Another student completed a B. Compt degree and is currently on internship with the Inkomati CMA since September 2009.
- Another student who completed B. Sc (Hons) in Hydrology has been appointed permanently by the Inkomati CMA

This initiative is seen as a significant contribution to the reduction of scarce skills in the labour market and a creation of employment opportunities for disadvantaged young people especially from rural communities. The Inkomati CMA is in the process of developing learner-ship in Water Resource Management in conjunction with the Energy SETA. However, no new bursaries were awarded this year due to financial constraints, only those that were already awarded were maintained.

### ***Sound labour relations***

The Inkomati CMA recognized NEHAWU as a staff representative union to ensure sound labour relations. All grievances raised by staff members have been dealt with through proper channels.

### ***Development and review of human resources policies***

Almost all human resources policies were reviewed by the Governing Board during the financial year to ensure alignment with provisions of the Department of Public Service and Administration. This was to ensure a smooth transition when personnel from the DWA are transferred to the Inkomati CMA. The policies that were reviewed include the following:

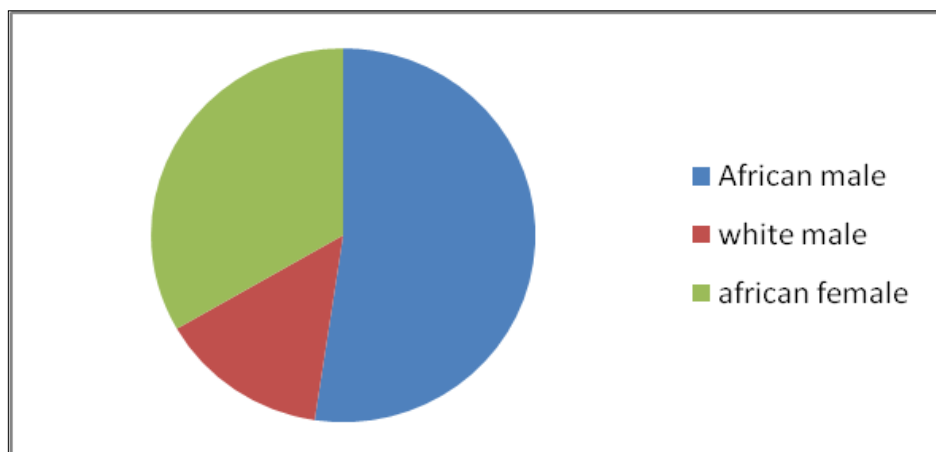
- Code of Conduct
- Acting Policy
- Employment Equity Policy
- Internal Bursary Policy
- Social and Bereavement Policy
- Employee Wellness Programme
- Probation Policy
- Exit Interview Policy
- Conditions of Service Policy
- HIV & Aids Workplace Policy
- Leave Policy
- Compensation & Remuneration Policy
- Grievance Procedures

#### ***Employment equity***

The Employment Equity plan could not be implemented due to the non-filling of vacant positions. It must be mentioned that the current staff complement of the Inkomati CMA is below the required standard of 50 staff members as a minimum for being a designated employer in terms of the Employment Equity Act. However, the Inkomati CMA is at this point fairly representative as illustrated in table 1 and figure 4 below. Table 2 and figure 5 show gender representation at the various levels of the organisation.

***Table 1: Employment According to Race and Gender Statistics***

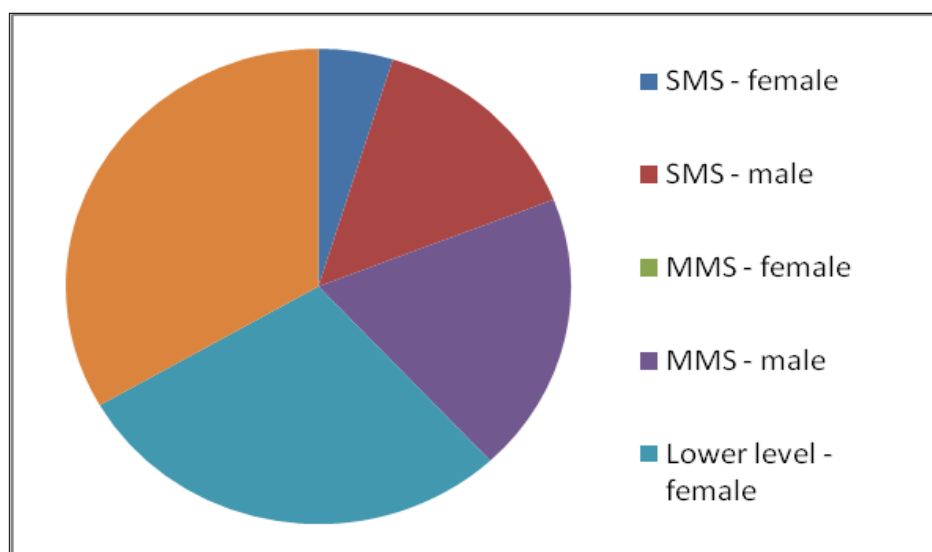
<b>Race and Gender</b>	
African male	11
White male	3
African female	7
Total	21



***Figure 4: Pie Chart Reflecting the Employment according to Race and Gender***

**Table 2: Position Level Occupation according to Gender Statistics**

Position levels occupied according to Gender	
SMS – female	1
SMS – male	3
MMS – female	0
MMS – male	4
Lower level – female	6
Lower level – male	7
Total	21



**Figure 5: Pie Chart of Position Levels Occupied according to Gender**

A health and safety representative was appointed and attended relevant training including Basic SHE Principles, audit and SANTRAC training. A draft program on employee wellness and a program on health and safety were also developed. The ICMA has one staff member who suffered a stroke during the year and is receiving appropriate support from the institution.

## 5.5 CORPORATE GOVERNANCE

The Inkomati Catchment Management Agency is a body corporate in terms of section 79(1) of the National Water Act 36 of 1998. The Inkomati CMA was established under Government Notice No. 397 of 26 March 2004 and is listed as a Schedule 3A public entity in accordance with the Public Finance Management Act No 29 of 1999 (PFMA) and reports to the Executive Authority (the Minister of Water and Environmental Affairs) and to National Treasury.

### 5.5.1 GOVERNING BOARD

The Governing Board of a Catchment Management Agency is appointed by the Minister of Water and Environmental Affairs in terms of section 81 of the National Water Act 36 of 1998. In terms of section 49 of the PFMA the Governing Board is the accounting authority of the Inkomati CMA and the PFMA further requires the Governing Board to submit its Annual Report; its accompanying audited Financial Statements; and Auditors' Report to the Executive Authority, National Treasury and Auditor-General within five months of the financial year end. This report complies with the applicable legislation.

Table 3: Governing Board composition

MEMBER	SECTOR
Ms TP Nyakane- Maluka	Local Government Water Services- SALGA
Mr N Govender	Industry, mining and power generation
Mr CJH du Preez	Commercial Agriculture
Dr GH Karim	Office of the Premier Mpumalanga
Ms EG Mashele	Productive use of water by the poor
Ms LS Masilela	Civil Society – SANGOCO
Inkosi MG Makhatshwa	Traditional Leaders
Mr BK Mokoena	Potential agriculture water use by HDIs
Mr TG Mokoena	Stream flow reduction (Forestry)
Mr F Roux	Conservation
Ms BM Khumalo (Withdrawn in November 2009)	Local Government Integrated Planning- SALGA
Mr SE Thwala	Tourism and Recreation

The Governing Board meetings and members' attendance is reflected in the schedule. The Governing Board considered 194 reports that were submitted to it during the 2009/10 financial year.

### 5.5.2 GOVERNING BOARD COMMITTEES

The Governing Board currently has the following committees that were in operation during the 2009/10 financial year:

- Executive Committee
- Water Committee
- Audit Committee

#### **5.5.2.1 EXECUTIVE COMMITTEE**

The Executive Committee assists the Governing Board in respect of the functional areas of the Office of the Chief Executive Officer, Governance Section and Corporate & Finance Division. This committee is reporting directly to the Governing Board.

The members of the Executive Committee are:

Ms TP Nyakane-Maluka – Chairperson  
Dr GH Karim  
Inkosi MG Mkhathshwa  
Mr. BK Mokoena  
Mr. TG Mokoena

This Committee considered 52 reports during the 2009/10 financial year.

#### **5.5.2.2 WATER COMMITTEE**

The Water Committee assists the Governing Board in respect of the functional areas of the divisions for Water Use, Water Resource Planning & Programmes and Institutions & Participation. This committee is reporting directly to the Governing Board.

The members of the Water Committee are:

Mr. N Govender – Chairperson  
Mr. CJH du Preez  
Mr. F Roux  
Ms EG Mashele  
Ms BM Khumalo

This committee considered 28 reports during the 2009/10 financial year.

#### **5.5.2.3 AUDIT COMMITTEE**

The Audit Committee was established in terms of sections 76(4) and 77 of the Public Finance Management Act and Regulation 27.1.1 of the National Treasury Regulations, 2005 as amended. The Audit Committee operated within its approved terms of reference. The Audit Committee provided reports and recommendations to the Governing Board on the effectiveness of internal controls, legal and regulatory compliance and the financial statements in the annual report.

The members of the Audit Committee are:

Mr. S Mthembu – Chairperson  
Ms R Kalidas  
Mr. NL Mathebula  
Mr. SE Thwala (Governing Board member)  
Ms LS Masilela (Governing Board member)

This committee considered 41 reports during the 2009/10 financial year.

#### **5.5.3 TERM OF OFFICE, BOARD VACANCIES AND RESIGNATIONS**

There are two vacancies in the Governing Board. The vacancy of late Mr MM Makhubela that passed away on 27 January 2009 was not filled because the term of office of the current Governing Board terminated on 31 December 2009. During November 2009 Ms BM Khumalo was withdrawn and this seat is also still vacant.

The Governing Board members for the new term have not been appointed yet, and in terms of section 81(13) of the National Water Act 36 of 1998 the current members would remain in office until the first meeting of the new appointed members takes place.

#### **5.5.4 BOARD CHARTER AND COMMITTEE TERMS OF REFERENCE**

The Governing Board approved an updated version of its Charter during the financial year under review. The Governing Board operated in accordance with its Charter and the Board committees operated within their approved terms of reference.

Corporate governance division has been created by the Governing Board to which it is directly accountable. Its role is to ensure that the Governing Board and its committees function effectively by providing strategic guidance and support to the Governing Board on matters of law, business ethics, good governance, fiduciary duties as the accounting authority in relation to the executive authority, as well as compliance and reporting.

This unit is headed by the board secretary and is responsible for ensuring that accurate and sufficient documentation exists to meet legal requirements, and to enable authorised persons to determine when, how, and by whom the Governing Board's business was conducted. The division also ensures recording of minutes of meetings and ensures that the minutes are approved and signed, ensures their accuracy and availability, submit various reports to the Governing Board and its committees as well as fulfilling any other requirements and performs other duties as the need arises. The Governance Division also acts as the custodian of Inkomati CMA Governing Board records by ensuring that such records of the organisation are maintained as required by law and made available when required by authorised persons.

The governance division is also responsible for ensuring that the Governing Board is constantly made aware of and complies with applicable legislations, regulations and policies, formulate, monitor and review corporate strategy, risk policy, annual strategic plans and budgets. The board secretary's role also include the induction of new Governing Board members as well as developing mechanisms for providing continuous training for the Governing Board members in order to improve and maintain the effectiveness of the entire Governing Board.

#### **5.5.5 PERFORMANCE**

##### **5.5.5.1 NOTICES AND AGENDAS**

All scheduled Governing Board and committee meetings have been effectively coordinated. Notices of meetings and agendas were delivered as required by the Governing Board charter. The notices of meetings included the agenda items as well as the necessary covering reports with annexures and appropriate recommendations. A total of twenty eight Governing Board and committee meetings were held during the financial year under review. These can be broken down as follows:

- Four ordinary Governing Board meetings
- Seven special Governing Board meetings
- One Stakeholders meeting in respect of the strategic plan and budget
- One meeting with the honourable Minister of Water Affairs
- Four Executive Committee meetings
- Four Water Committee meetings
- Four Audit Committee meetings
- Three Ad-hoc Committee meetings

#### **5.5.5.2 GUIDANCE AND ADVICE**

Proper reports containing guidance and advice have been submitted to the Governing Board and its Committees and advice and guidance has been given at the meetings. The objective of providing legal advice and guidance to the Governing Board and its committees as well as to management and administration was achieved. All correspondences were properly managed. The Governing Board has been properly assisted in determining the annual board plan and other strategic issues of an administrative nature. Further, the board secretary has been the vital source of guidance and advice to the Governing Board and committees on matters of business ethics and good governance. During 2009/10 financial year, guidance provided to the Governing Board also covered the nature and extent of the respective duties and responsibilities of the Governing Board members and the members of various committees, how such duties and responsibilities should be discharged in the best interest of stakeholders in the water management area and the executive authority.

In keeping with King III Report on corporate governance which seeks to promote highest standard of corporate governance, the declaration of interest form was made available, filled and signed by every member. This was intended to minimise or avoid conflict of interest at all times, and where it existed, other members can be aware of such conflict of interest.

#### **5.5.5.3 GOVERNING BOARD RESOLUTIONS**

Since the Governing Board is the accounting authority and decision maker of the Inkomati CMA and is fully accountable to the executive authority, the Minister of Water and Environmental Affairs for such performance, the quarterly reports was submitted to the Governing Board for submission to the Minister. The updated register of outstanding Governing Board resolution was submitted in every ordinary meeting to enable the Governing Board to track management performance in implementing resolutions. The updated register of Governing Board resolutions with timelines for implementation of resolutions was made available to management on regular basis for implementation and feedback.

#### **5.5.5.4 COMPLIANCE WITH COURT AND TRIBUNAL RULES**

During the 2009/10 financial year there was no litigation and or matters referred to any tribunals by or against the Inkomati CMA.

#### **5.5.5.5 LEGAL OPINIONS**

Legal opinions have to be provided as and when required. In this regard legal opinions do appear in the reports submitted to the Governing Board and Committees to enable the Governing Board and Committees to take informed resolutions.

#### **5.5.5.6 DRAFTING OF CONTRACTS**

The Memorandum of Agreement (MoA) between DWA and the Inkomati CMA has to be revised to be brought in line with the current circumstances between DWA and the Inkomati CMA. The Governing Board resolved that the MoA be divided into two agreements. The first agreement would be in respect of the powers and functions to be assigned and delegated by the DWA to the Inkomati CMA and the second agreement is in respect of the administrative and logistic matters related to the said assignment and delegation. These two draft agreements were subsequently

approved by the Governing Board as discussion documents. Feedback from DWA is awaited in this regard as these two documents were submitted and discussed with them.

#### **5.5.5.7 COMMENTS ON DRAFT LEGISLATION**

During the financial year under review, there was no draft legislation that required the comments from the ICMA.

#### **5.5.5.8 DISCIPLINARY HEARINGS**

The labour relations and discipline at the Inkomati CMA was good during the 2009/10 financial year and fortunately no disciplinary hearings had to take place.

#### **5.5.5.9 GRIEVANCES**

On 13 November 2009 NEHAWU submitted a letter regarding their grievance in respect of the remuneration structures for the employees on post levels 1 to 10 to be brought in line with the post levels 1 to 10 for the public servants as per the DPSA policies. This matter was referred to the Chief Executive Officer. The acting Chief Executive Officer was assisted and the grievance was resolved by correcting the remuneration structures as from November 2009 at the end of January 2010.

#### **5.5.5.10 LABOUR DISPUTES**

There was no labour disputes declared during the 2009/10 financial year.

#### **5.5.5.11 COMPLIANCE**

As per the requirements of PFMA, financial statements which fairly represent the affairs of the Inkomati CMA were prepared in time and submitted to DWA and the National Treasury. Relevant accounting standards have been fully applied by maintaining adequate accounting records and ensuring that suitable accounting policies are constantly applied.

As part of financial reporting process, the Inkomati CMA management has submitted management accounts, budget variance report financial performance reports per quarter to the Audit Committee and the Governing Board to enable the Governing Board to effectively carry out its function as the accounting authority. By having unrestricted access to accurate, relevant and timely prepared information of the Inkomati CMA, the Governing Board has ensured that accurate financial records are kept, and that financial statements and other statutory reports are prepared as well as ensuring that irregular, wasteful and fruitless expenditure are prevented at all times.

The PFMA has been fully complied with in terms of submission of an annual report and the financial statement, to the Executive Authority within 5 months of the end of financial year.



## SCHEDULE

*Attendance of meetings by Governing Board members and Audit Committee external members:  
01 April 2009 to 31 March 2010*

Member	GB ORD	GB SPEC	GB W/S	GB S/H	AUDIT	EXCO	WACO	TOTAL
<b>BENCH-MARK</b>	<b>4</b>	<b>7</b>	<b>0</b>	<b>1</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>16</b>
Ms TP Nyakane-Maluka	4	7		1	N/A	4	N/A	16
Mr N Govender	2	5	0	0	N/A	N/A	3	10
Mr CJH du Preez	4	6	0	1	N/A	N/A	4	15
Dr GH Karim	2	4	0	0	N/A	1	N/A	7
Ms EG Mashele	4	7	0	1	N/A	N/A	4	16
Ms LS Masilela	4	7	0	1	3	N/A	N/A	15
Inkosi MG Makhatshwa	3	6	0	0	N/A	4	N/A	13
Mr BK Mokoena	4	7	0	1	N/A	4	N/A	16
Mr F Roux	4	6	0	1	N/A	N/A	3	14
Mr SE Thwala	1	3	0	0	2	N/A	N/A	6
Mr TG Mokoena	1	6	0	0	N/A	3	N/A	10
Ms BM Khumalo	0	1	0	0	N/A	N/A	0	1

Member	GB ORD	GB SPEC	GB W/S	GB S/H	AUDIT	EXCO	WACO	TOTAL
Audit committee ext members								4
Mr S Mthembu	N/A	N/A	N/A	N/A	4	N/A	N/A	4
Ms R Kalidas	N/A	N/A	N/A	N/A	2	N/A	N/A	2
Mr NL Mathebula	N/A	N/A	N/A	N/A	4	N/A	N/A	4

### 5.5.6 GOVERNING BOARD MEETINGS

Ordinary : 4  
 Special : 7  
 Workshop : 0  
 Stakeholders : 1  
**TOTAL : 12**

### 5.5.7 COMMITTEE MEETINGS

Audit Committee : 4  
 Executive Committee : 4  
 Water Committee : 4  
**TOTAL : 12**

## **5.6 MARKETING AND COMMUNICATIONS**

The Marketing and Communications division is located within the office of the Chief Executive Officer and is responsible for marketing and branding the organisation as well as communication with both internal and external stakeholders. This division is also responsible for international liaison.

The marketing and communications activities carried by the Inkomati CMA during the financial year under review find expression from the Marketing Strategy approved and reviewed by the Governing Board. The strategy seeks to place the Inkomati CMA on the map on issues of integrated water resources management and satisfy the information needs of water users in the Inkomati water management area. It also includes the general public relations as well as ensuring that the activities of the Inkomati CMA have stakeholders as the focus at all times.

During the financial year under review the activities of marketing and communications unit have included determining the integrated water resources information needs of the users; delivering on those needs; facilitating stakeholders' involvement in the core business of the Inkomati CMA; and assisting the internal management process with the necessary communications needs through the correct marketing mix. These include public media, brochures, advertising and promotional mediums, word-of-mouth in public platforms, profiling and branding as well as newsletters.

However, constant evaluation of the performance, benchmarked against agreed targets as contained in the operational plan, reveal the effectiveness of the plan as well as shedding some light in terms of areas that require adjustment. A number of objectives could not be achieved during the 2009/10 financial year.

### **5.6.1 PUBLIC MEDIA**

Wide public media coverage aimed at encouraging stakeholder involvement in the business of the Inkomati CMA was achieved during the reporting period. This includes the development of stakeholders-centred Catchment Management Strategy publicized through a range of public media such as Ligwalagwala FM, Munghana Lonene FM, Laeveld radio, MPower FM, Lowvelder and Mpumalanga news.

Some important projects aimed at creating awareness, perceptions change, obtaining buy-in, as well as changing attitudes and behaviour could not be achieved.

### **5.6.2 SYNERGY WITH DWA AND OTHER INSTITUTIONS**

The Inkomati CMA played and continues to play an important role in harnessing and maintaining strategic relationships with other water management institutions and interested persons. Collaboration with the Regional Office of the DWA on water resources management events and activities has been a remarkable milestone achieved during the financial year under review. The successful hosting of the National Water Week is evidence to this collaborative effort.

The Inkomati CMA also took part in the District Communicators Forum that pulled together communications practitioners from government departments within Ehlanzeni District for knowledge generation and sharing. This in itself is a creative platform for the Inkomati CMA to participate and forge relationships with other institutions in the water management area.

### 5.6.3 PROFILING AND BRANDING

The Inkomati CMA like many other institutions, world-wide, has realised the power of the intangible asset, the brand. This is one area that has been handled with distinction and results are beginning to show. Water users and stakeholders in the Inkomati water management area can now associate with the Inkomati CMA as a corporate entity. The available branding materials have been effectively utilised in all meetings and event, and this has been quite pleasing to stakeholders as it portrays a good public image.

### 5.6.4 NEWSLETTER

The production of quarterly newsletters is another performance area which could not be achieved. Consequently, no newsletters were published during the financial year under review.

### 5.6.5 INTERNATIONAL RELATIONS

The Inkomati CMA currently boasts a reputable international profile and standing. This has been made possible by the twinning arrangement between Inkomati CMA and Waterschap Groot-Salland, a water management institution in the Netherlands. One of the outcomes of the twinning agreement is improved relations between the Inkomati CMA and Mpumalanga Provincial Government as well as municipalities in the water management area following the workshop on *"Inspiration for Sanitation"* hosted by the Waterschap Groot Salland and attended by all the aforementioned parties.

The Inkomati CMA played a pivotal facilitation role as well as hosted a PUM specialist from the Netherlands to assist resource-poor farmers in the water management area, by way of research and capacity building. The research was conducted under the theme *"Knowledge network building with and for emerging farmers in Mpumalanga."* The regional office of the DWA provided financial assistance in this regard.

Other projects within the twinning arrangements include:

- Training of Operations and Maintenance staff in municipalities, including both waste water treatment works and treatment plant operators
- Sincobile School perma-culture garden and sanitation projects

At the end of the reporting period there were seven students from Windesheim University of Applied Sciences in the Netherlands working on projects at Sincobile School.

Furthermore, the Inkomati CMA hosted a high level delegation of government officials from Ethiopia. The delegation consisted of members of ENDIP (Ethiopian Nile Drainage & Irrigation Project). In addition to this, the Inkomati CMA facilitated the attendance of an international trans-boundary water management conference in Germany and the Netherlands. This was also attended by officials from Swaziland and Mozambique. The concept of REMCO (River and Environment Management Cooperation) was borne out of discussions that started at the above mentioned conference, and is a proposal on how a Basin Organisation for the Inkomati basin could be structured.







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