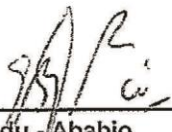


## OFFICIAL SIGN-OFF


It is hereby Certified that this Annual Report:

- Was developed by the Governing Board of the Inkomati Catchment Management Agency with the assistance of the Management of the Inkomati CMA.
- It takes into account all relevant policies, legislation and other mandates applicable to the Inkomati Catchment Management Agency.
- Accurately reflects the performance of the ICMA in 2013/2014 financial year.



---

Dr T Gyedu - Ababio  
Acting Chief Executive Officer



---

Ms TP Nyakane - Maluka  
Chairperson



## **ICMA STRATEGIC OBJECTIVES**

*Ensure Effective, Efficient and Sustainable Management of Water Resources*

*Ensure Collaborative and Co-Ordinated IWRM for Wise Socio-Economic Development*

*Ensure Effective and Efficient Management of ICMA Resources*

*Promote Knowledge Generation and Distribution*

*Promote and Pursue an International Developmental Agenda*

## **STRATEGIC ACTION PROGRAMMES EMANATING FROM OUR CATCHMENT MANAGEMENT STRATEGY**

*Achieving Equity*

*Water Availability & Flow Management*

*Managing Water Quality*

*Generating & Managing Knowledge*

*Achieving Compliance and Enforcement*

*Generating Revenue*

## CONTENTS

1.	Board Members	5.
2.	ICMA Management	6.
3.	Acronyms	7-10.
4.	Chairperson's Statement	11-13.
5.	Overview by Acting C.E.O	14-15.
6.	Defining the ICMA	16.
6.1	Legislative framework	16.
6.2	ICMA Vision	17.
6.3	ICMA Mission	17.
6.4	ICMA Strategic Objectives	18-19.
7.	Backround of the Catchment	20.
7.1	Figure 7.1. Inkomati Catchment Map	20.
7.1.1	The Crocodile Catchment	21.
7.1.2	The Inkomati River Catchment	21.
7.1.3	The Sabie Sand River Catchment	21-22.
8.	Organisational Structure	24.
9.	Performance Description	25.
9.1	Figure 9.1 Example of the High Resolution Landcover Map in the Lower Komati	25.
9.2	Figure 9.2 Example of the 1972 forestry Landcover Database	26.
9.3	Figure 9.3 Example of the High Resolution Digital Elevation model and Dam Surface Areas in support of validation	26.
9.4	Figure 9.4 7DWA = Department of Water Affairs; ICMA = Inkomati Catchment Management Agency; NWRP = National Water Resource Planning; WRPS = Water Resource Planning Systems; DSS = Decision Support System; RRS = Rapid Response System; WUA = Water User Association; KNP = Kruger National Park; MTPA = Mpumalanga Tourism and Parks Agency; IWRM = Integrated Water Resource Management; CRMIB = Crocodile River Major Irrigation Board	29.



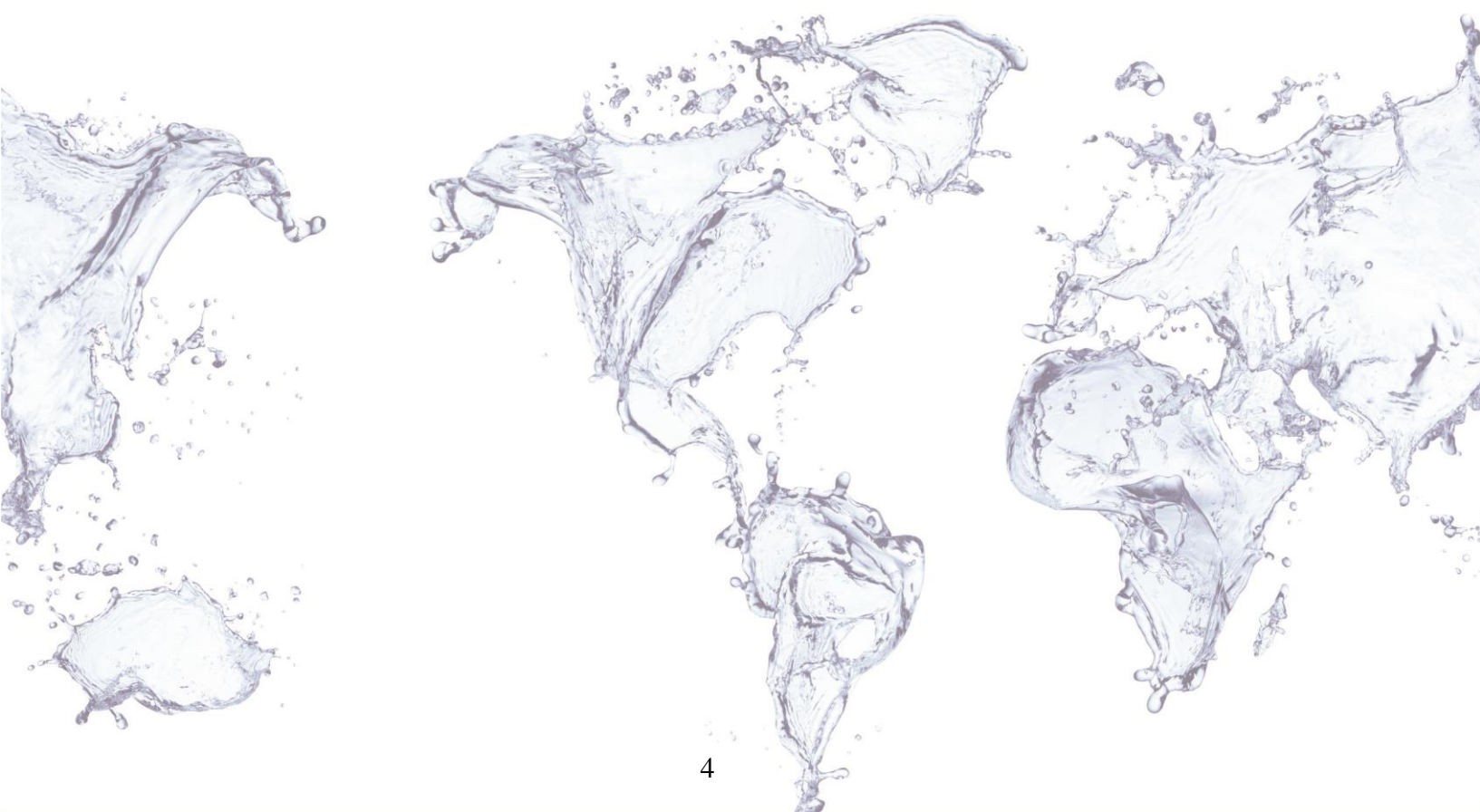
9.5	Figure 9.5 Percentage of time for monthly ecological flow compliance before and after implementation of the AOWRMF	30.
9.6	Figure 9.6 Metered Water Use	31.
9.7	Figure 9.7 The average number of E. coli counts in CFU/100ml in the Sabie River from January 2013 to January 2014	33.
9.8	Figure 9.8: Average monthly Electrical Conductivity levels (mS/m) in the tributaries of the Komati River from January 2013 to January 2014	34.
9.9	Figure 9.9: The average Electrical Conductivity in mS/m measured in the in the Crocodile River from January 2013 to January 2014	35.
9.10	Figure 9.10: The GeonetCast Satellite dish installed on the top of the ICMA Offices	38.
9.11	Figure 9.11: Example of the Prototype Adaptive operational Governance Dashbaord	39.
10.	ICMA Governing Board Member's Profile and Experience	39.
11.	Consolidated Performance Tables	47-70.

## ANNUAL FINANCIAL STATEMENTS

Statement of responsibility for the Annual Financial statements	2.
Audit Committee Report	3.
Report of the Independent External Auditor	4-5.
Accounting Authority Report	6.
Statement of Financial Position	7.
Statement of Financial Performance	8.



Statement of changes in net assets	9.
Cash Flow Statement	10.
Statement of comparison between budget and actual amounts	11.
Accounting policies	12-14
Notes to the financial statements	15-21



## INKOMATI CMA GOVERNING BOARD MEMBERS



**TP Nyaka-Maluka (Chairperson)**  
**Local Govt.- Water Services**



**CJH du Preez**  
**(Acting Deputy**  
**Chairperson)**  
**Commercial Agriculture**



**L.S Masilela**  
**Civil Society**



**F. Roux**  
**Conservation**



**B.K Mokoena**  
**Potential Agric. Use by**  
**HDI'**



**S.E Thwala**  
**Tourism & Recreation**



**T.G Mokoena**  
**Stream Flow**  
**Reduction**



## ICMA MANAGEMENT



**Dr. T. Gyedu-Ababio**  
COO also appointed acting CEO  
From 2 April 2013



**T. Mjaji**  
Executive: Corporate Services



**M.M Selepe**  
Manager: Water  
Utilization



**Adv. Boschoff**  
Board Secretary



**J.H Mabunda**  
Manager:  
Institutions &  
Participation



**C.A Nkuna**  
Manager:  
Finance  
(Resigned)



**M/ Kolesky**  
Manager:  
Water Resource  
Planning &  
Co-ordination



**B. Jackson**  
Manager:  
River Systems &  
Data Management



**S. Machimana**  
Manager:  
Marketing &  
Communications



**N. Mashele**  
Manager:  
Human Resource  
(Resigned)



## ACRONYMNS

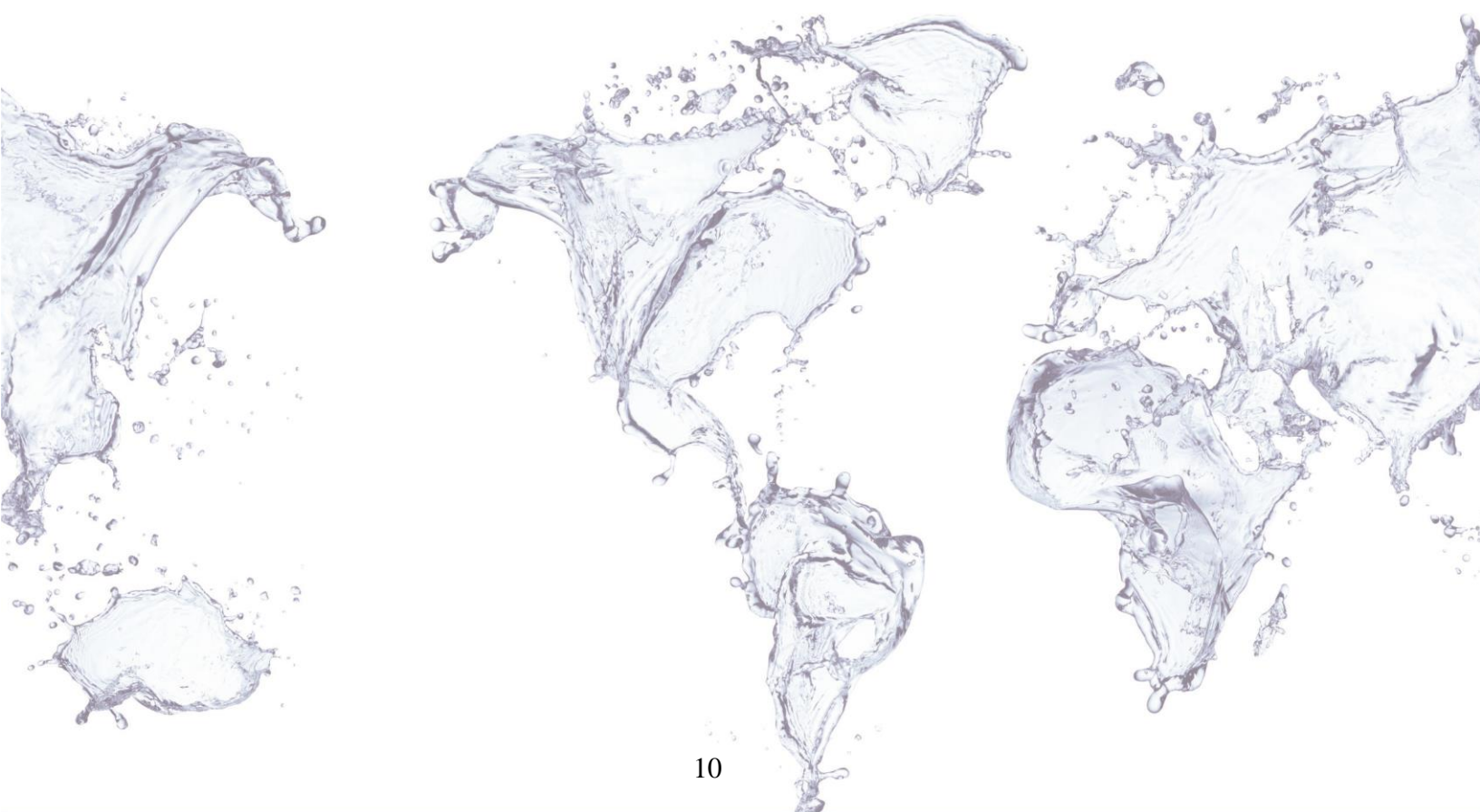
ACRONYM	DESCRIPTION
APP	Adaptive Planning Process or Annual Performance Plan
AMD	Acid Mine Drainage
AWARD	Association for Water and Rural Development
SP	Strategic Plan
COGTA	Cooperative Governance and Traditional Affairs
CL	Compulsory Licensing
CM	Compliance monitoring
CMA	Catchment Management Agency
CME	Compliance Monitoring and Enforcement
CMS	Catchment Management Strategy
CROCOC	Crocodile River Operations Committee
DSS	Decision Support System
DNA	National Department of Water Affairs in Mozambique
DME	National Department of Minerals and Energy
DMS	Decision Making System
DORA	Division of Revenue Act
DPSA	Department of Public Service and Administration
DWA	Department of Water Affairs
EE	Employment Equity
EEA	Employment Equity Act
EEP	Employment Equity Plan
EIA	Environmental Impact Assessment
EMPR	Environmental Management Programme Report
ER	Ecological Reserve
EWR	Environmental Water Requirement
GB	Governing Board
GIS	Geographical Information Systems
HDI's	Historically Disadvantaged Individuals
HYCOS	Hydrological Cycle Observing System
HYDSTRA	Surface Hydrology Information System
IAAP	Implementation Activity and Action Plan
IAP's	Invasive Alien Plants
ICMA	Inkomati Catchment Management Agency

ACRONYM	DESCRIPTION
IGR	Inter-Governmental Relations
IDPs	Integrated Development Plans
IFR	In-Stream Flow Requirement
IIF	Inkomati Irrigation Forum
IIMA	Interim Inco-Maputo Agreement
ISOTG	Inkomati Systems Operations Task Group
IS	Information Systems
IT	Information Technology
IWAAS	Inkomati Water Availability Assessment Study
IWMA	Inkomati Water Management Area
IWRM	Integrated Water Resources Management
KJOF	Komati Joint Operations Forum
KNP	Kruger National Park
KOBWA	Komati Basin Water Authority
LM	Local Municipality
MAR	Mean Annual Runoff
MCCAW	Mpumalanga Coordinating Committee on Water Use
MDALA	Mpumalanga Department of Agriculture and Land Administration
MOA	Memorandum of Agreement
MSF	Mpumalanga Spatial Framework
MTEF	Medium Term Expenditure Framework
MTPA	Mpumalanga Tourism and Parks Agency
MTSF	Medium Term Strategic Framework
MWF	Mpumalanga Wetland Forum
NFEPA	National Freshwater Ecosystems Priority Areas
NGO	Non Governmental Organization
NWA	National Water Act, Act 36 of 1998
NWRI	National Water Resources Infrastructure
NWRIA	National Water Resources Infrastructure Agency
REMC	River and Environment Management Corporation
RemCo	Remuneration Committee of the Governing Board
NWRS	National Water Resources Strategy
OHS	Occupational Health and Safety
OP	Operational Plan

ACRONYM	DESCRIPTION
OR	Operating Rules
OSD	Occupation Specific Dispensation
PA	Performance Agreements
PCC	Project Coordinating Committee
PFMA	Public Finance Management Act
PGDS	Provincial Growth and Development Strategies
PMDS	Performance Management and Development System
PRIMA	Progressive Realisation of the Inco-Maputo Agreement
PSP	Professional Service Provider
RDM	Resource direct Measures
RHP	River Health Programme
ROR	River Operating Rules
RPF	Resource Poor Farmers
RQO	Resource Quality Objectives
RWQOs	Resource Water Quality Objectives
SADC	Southern African Development Community
SAM	Strategic Adaptive Management
SANBI	South African National Biodiversity Institute
SANCIAHS	South African National Committee on Implementing Applied Hydrological Sciences
SANCOLD	South African National Convention on Large Dams
SANPARKS	South African National Parks
SASRI	South African Sugar Research Institute
SCM	Supply Chain Management
SDC	Source Directed Controls
SDP	Spatial Development Plans
SG	Surveyor General
SLA	Service Level Agreement
SMME	Small Medium Micro Enterprises
SP	Strategic Plan
STEEP	Social, Technological, Ecological, Economic, Political
TOR	Terms of Reference
TPTC	Tri-Partite Permanent Technical Committee
VSTEEP	Values, Social, Technological, Ecological, Economic, Political



ACRONYM	DESCRIPTION
WAP	Water Allocation Plan
WARMS	Water Authorisation and Registration Management System
WAR	Water Allocation Reform
WC/DM	Water Conservation /Demand Management
WDCS	Waste Discharge Charge System
WISA	Water Institute of South Africa
WMA	Water Management Area
WMI	Water Management Institution
WRC	Water Research Commission
WRM	Water Resource Management
WReMP	Water Resources Management Platform
WRIM	Water Resources Information Management
WSDP	Water Services Development Plan
WUA	Water Users Association
WWTW	Waste Water Treatment Works



## CHAIRPERSON'S STATEMENT

I wish to take this opportunity to sincerely express my gratitude to the Minister of Water Affairs (DWA) and my colleagues on the governing board for the enduring guidance and support; the ICMA employees for sterling job done; all our stakeholders; research institutions and practitioners as well as the regional and international water resources management partners for their various contributions. Our achievements during 2013/14 financial year are attributed to your respective massive contributions.

Since inception, the ICMA's strategic framework has consistently placed strong emphasis on organizational capacity building to enhance service delivery in accordance with the mandate as envisaged in the National Water Act (36 of 1998). It is in keeping with this commitment that '*Maintaining Momentum*' was the theme associated with the annual report for the 2012/13 financial year. This trajectory was carried into the 2013/14 financial year – the current annual report which is themed '*Additional Momentum*'.

On behalf of the governing board, I wish to express our profound appreciation to management for having recorded yet another unqualified audit opinion. It is a source of inspiration to all of us.

Our stakeholders and their participation in our activities in the catchments under our jurisdiction is close to the core of our mandate. We have, during the year, engaged with them vigorously to ensure the necessary capacity and awareness on various water resources management are extended throughout the Inkomati water management area. One of the programmes that saw our stakeholders participating effectively was the Water Week awareness campaign where stakeholders from our Catchment Forums sponsored the whole exercise.

### Organisational Restructuring

The outcome of the organizational restructuring done in 2012/13 financial year that led the four existing executive management positions being reduced to two, following the creation of the positions of Chief Operations Officer and Executive Manager: Corporate Services has been fruitful. The management team has become a very strong force that moves in the same direction. The interaction between management, other employees and the governing board has improved tremendously.

At macro level, the implementation of the remuneration strategy has been very good. The parallel implementation of the performance policy has given effect to our remuneration strategy. Performance reviews have been accepted by all employees and the implementation thereof has been very smooth and effective.

Other Human Resources policies have also been implemented accordingly. Review of most of the policies were undertaken to ensure appropriate alignment and consistency of the ICMA with Government Policies. Existing divisions were slightly amended to reduce cost and to ensure effective and efficient operations. Currently, the structure consists of two categories as in the 2012/13 amendment, but one core division was dissolved and functions distributed amongst the remaining divisions. The reporting lines of some departments in the Corporate Services were also realigned. The line functions and support functions are as illustrated below:

- Core Functions: Water Resource Protection and Waste, Water Resource Planning and Coordination, River Systems Operations and Data Management as well as Institutions and Participation.
- Support Functions: Operational Governance and Marketing, Financial Management and Corporate Services.



## **Catchment Management Strategy**

The 2013/14 Annual Performance Plan had envisaged the Catchment Management Strategy (CMS) to shall have been finally established as a public document as stipulated in the National Water Resource Strategy. The written comments received after announcement or publication in the Government Gazette of 7 December 2012 were attended to. The comments were incorporated and the revised document submitted to the Minister for her approval. Response is awaited from the Minister in this regard.

## **Knowledge generation and sharing at a global level**

The ICMA has a long-standing twinning agreement with Waterschap Groot Salland, a water governance institution from the Netherlands. This agreement is grounded on sharing knowledge and expertise in operational water management and governance. The financial year under review saw the rolling-out of a project to cooperate and share expertise for improved results in operational river management through the use of remote sensing technology. Lessons from international/shared water course management were shared during this period. The new association, River and Environment Management Cooperation (REMCO) members attended a conference in the Netherlands. ICMA members attended this conference on the Vetch River which is shared by Germany and the Netherlands.

The recorded deliverables thus far include but are not limited to:

- sharing knowledge and expertise on hydrological data network, sources and data acquisition;
- real time measurement of water quality;
- water resources information management database; and
- strategic adaptive management for river operations.

The report on River Systems Operations and Data Management will provide more details.

## **Institutional Review and Realignment**

The National Water Resource Strategy (NWRS) of 2004 makes provision for 19 Water Management Areas (WMAs) and proposed the establishment of corresponding 19 Catchment Management Agencies (CMAs) to manage these areas. Following the viability assessment conducted by DWA with regard to water resources management, funding, institutional capacity, skills and expertise as well as the oversight role by DWA; the current NWRS recommends the consolidation of 19 WMAs into 9, together with the corresponding reduction in the number of CMAs.

On 19 March 2012 the Minister pronounced the establishment of 9 CMAs in the new WMAs as confirmed by the NWRS (2<sup>nd</sup> edition – June 2013). Effectively, this pronouncement requires that the operational boundary of the Inkomati WMA is extended to include Usuthu portion of the then Usuthu-Mhlathuze WMA. A steering committee to facilitate the roll-out of this process has already been established. Implementation of the merger with Usuthu is ongoing and it is hoped that final gazette on the merger (extension of the boundaries of Inkomati to form the Inkomati-Usuthu CMA) will be produced in the 2014/15 financial year.

All of these require stakeholders' engagement. In terms of progress thus far, it is reassuring to note that significant amount of ground has been covered with respect to stakeholders' engagement on a range of issues. The ICMA plays a constructive role in steering committee meetings dealing with an array of issues. The stakeholders' database is being updated on an on-going basis to include stakeholders from Usuthu WMA.

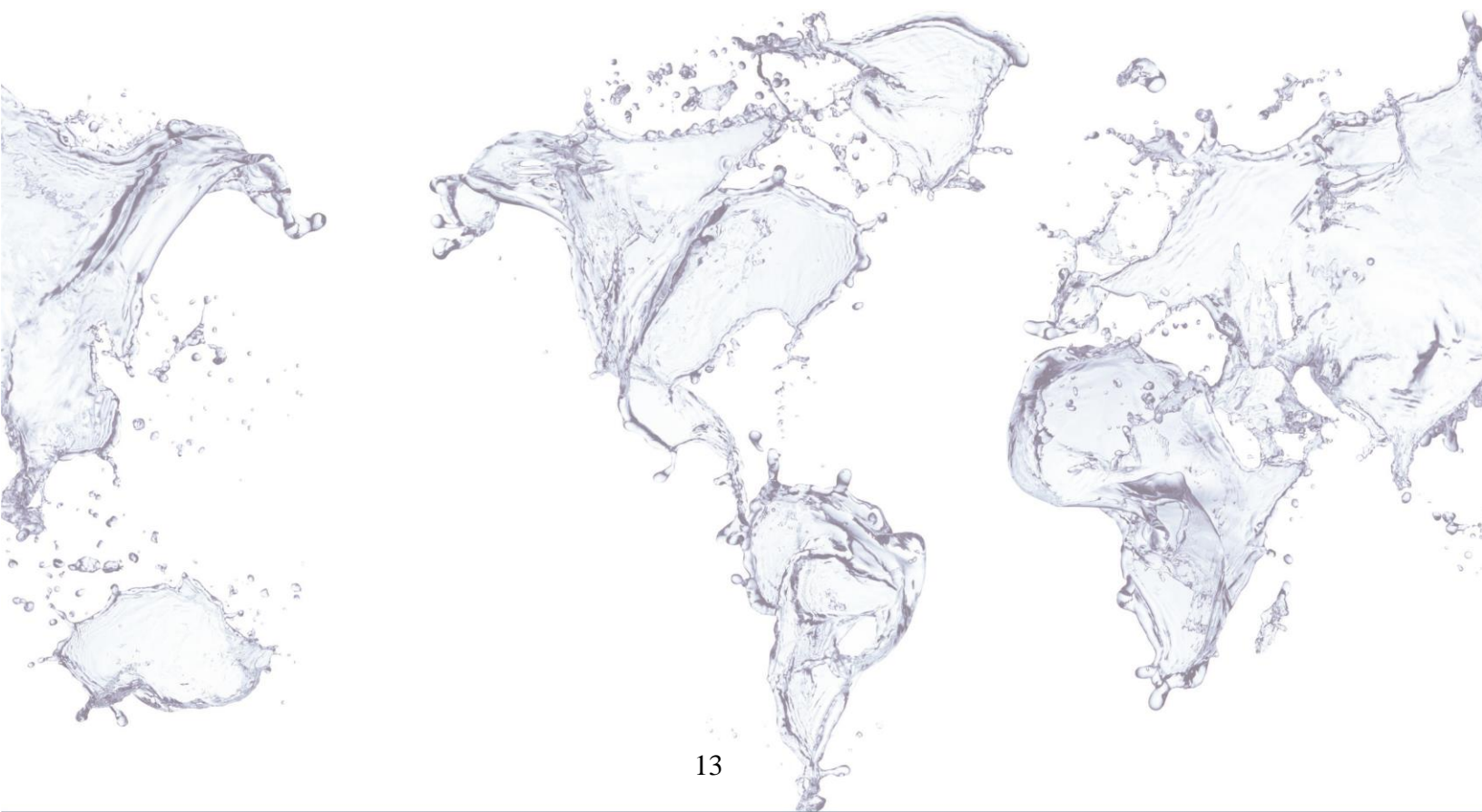


In closing, I would like to reiterate that it is indeed inspirational for all of us in the ICMA to devote our energy towards serving your interests in the best way possible and we look forward to your continued support and contribution in all our endeavours in 2014/15 financial year and beyond.



---

**Ms TP Nyakane - Maluka**  
**Chairperson**



## **ACTING C.E.O OVERVIEW**

Under the theme additional momentum, this incorporated annual report comprises both the financial and non-financial performance for the financial year 1<sup>st</sup> April 2013 to 31<sup>st</sup> March 2014. Progress, innovations, successes as well all challenges were experienced. Due to commitment and positive teamwork from our employees as well as stakeholders, we were able to turn challenges to lessons and would be realised in the coming financial year.

The theme additional momentum is a continuation from previous financial year reports. As the entity grows and new people come in, further momentum is being added, which explains the current ICMA operational positions as shown below:

- The receipt of delegation of powers and functions by the minister has been matched with the progressive development of corresponding capacity in terms of personnel to enable effective implementation,
- Additional capacity came as a result of filling of critical positions created by organizational restructuring.
- Significant progress has been made with regards to the merger of the Inkomati with the Usuthu, including preparing the ICMA to access water authorisation and registration management system functions.

## **Building partnerships for sustainable IWRM**

It is a pleasure to report that over the years, the ICMA has remained steadfast in its commitment to generate value for all stakeholders. The ICMA subscribes to a vision that sees water resources as an integral component of the ecosystem, a natural resource and a social and economic good.

Hence, in delivering on its mandate, the ICMA strives to work in collaboration with strategic partners and stakeholders to promote and strengthen cooperation across all levels and sectors to ensure sustainable Integrated Water Resources Management (IWRM). As per the Annual Performance Plan, ICMA was able to participate in the Trans boundary water management forum meetings, international programmes beneficial to ICMA, IWRM related projects, forums and conferences. Capacity building and our stakeholder interactions have catapulted to a higher level. The ICMA has added many more stakeholders to the existing stakeholder base. It is encouraging to report that the relationship between the ICMA and her stakeholders is such that stakeholders continue to sponsor some educational/awareness campaigns. More grease to the elbows of our stakeholders.

## **Accomplishing reporting requirements**

Over the course of the financial year under review, the ICMA had some financial hiccups which affected the performance of the organisation in different ways. Submissions and or motivations were sent to DWA to ensure that amendments were made to the APP in relation to available budget.

Following DWA's appraisal of the 2013/14 Annual Performance Plan (APP), amendments were effected to align with the available budget. It is against this amended APP that the performance detailed in this Annual Report has been audited.

## Management of risks

Concerned with optimising operational efficiency, the ICMA manages risk in a manner that increases the probability of success, while reducing both the probability of failure and uncertainty of achieving the organisation's overall objectives. Over the course of the financial year under review, the risk committee was reconstituted and terms of reference reviewed. Risk management workshop was organized for all managers and supervisors and they contributed to the new updated risk register. Updated risk management framework has also been developed to cover areas like;

- the control methods in terms of management responsibilities for risk management,
- the process used to identify risks and how they are addressed,
- the control systems in place to manage risks and
- review system in place.

Quarterly updated risk registers were submitted to the Audit Committee and subsequently the governing board, addressing areas of importance as listed above.

## Water Quality

The problems affecting water quality in the Inkomati WMA are largely attributed to industrial and mining activities as well as poor state of water service authorities' infrastructure.

The common cases during the financial year under review include:

- spillages of raw sewage into the water resources,
- overflow of manholes and pump stations into the water resources, and
- Spillage of mining effluents into the water resources.

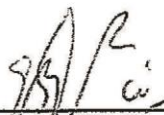
Enforcement measures were taken to mitigate the pollution incidents. Positive outcomes were realized from the actions.

## Water Allocation Plan

The Water Allocation Plan has not commenced since it is fully dependent on the completion of the validation and verification of water use project. The ICMA has successfully completed the first part of the project. ICMA has asked DWA to agree to a MoA where the ICMA continues with the process since it is the competency of DWA to finalise the project.

## Transforming Irrigation Boards and establishment of WUAs

There was a directive from the Minister of DWA to put a stop to the establishment of WUAs and transformation of Irrigation Boards during the course of the financial year. As a result the ICMA could not establish any new WUA or transform any Irrigation Board during the financial year under review. The Policy Review of the NWA will give directions on the future of Irrigation Boards and Water User Associations in ICMA's Water Management Area.

---

Dr T Gyedu - Ababio  
Acting Chief Executive Officer



## DEFINING THE INKOMATI CATCHMENT MANAGEMENT AGENCY

### 6.1 LEGISLATIVE FRAMEWORK

The ICMA is a water management institution in the Inkomati Water Management Area (WMA) and it is established in terms of section 78 of the National Water Act 36 of 1998.

The ICMA has the following initial functions in terms of Section 80 of the National Water Act:

- Investigate and advise interested persons on water resource management
- Compilation of the CMS
- Co-ordinate related activities of water users and WMIs
- Promote co-ordination of implementation of water services development plans
- Promote community participation in water resource management within its WMA

In addition to section 80 above, the ICMA also has the following inherent functions:

- Prevention and remedying effects of water resource pollution as stipulated in section 19 of the NWA
- Control of emergency incidents in respect of water resource pollution as stipulated in section 20 of the NWA.

In terms of section 25 of the National Water Act the Inkomati Catchment Management Agency may as water management institution on request authorise the temporary use of existing authorised irrigation water for a different use on the same property or for the same use or similar use on another property in the vicinity.

The Inkomati Catchment Management Agency may as a water management institution appoint in terms of section 124 Authorised Persons to perform inspection and remedy functions in respect of water resources in terms of section 125(1) – (3).

In terms section 57(2) of the NWA charges within a specific water management area may be made by and are payable to the relevant water management institution. In the case of the Inkomati WMA the ICMA is the relevant water management institution. However, the ICMA is not in a position to undertake this function until the linkage between the ICMA systems and the Water Authorisation and Registration Management System (WARMS) and SAP are in place to enable billing.

On 17 December 2010 the Minister of Water and Environmental Affairs delegated the powers and functions in the following provisions of the National Water Act to the Inkomati Catchment Management Agency:

- Schedule 3 – Power to manage, monitor, conserve and protect water resources and to implement catchment management strategies; To make rules to regulate water use; To require establishment of management systems; To require alterations to water works and To temporarily control, limit, or prohibit use of water during periods of water shortage.
- Section 34(2) – To register an existing lawful water use
- Section 35(1) – To verify the lawfulness or extent of an existing water use by written notice requiring any person claiming an entitlement to that water use to apply for a verification of that use
- Section 92 – Establishment and amendment of Water User Associations subject to certain conditions

## 6.2 ICMA VISION

The ICMA vision remains “Water for all in the Inkomati”

## 6.3 ICMA MISSION

The mission of the ICMA 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 ICMA exists within the Inkomati WMA 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



## 6.4 ICMA STRATEGIC OBJECTIVES

### *Ensure Effective, Efficient and Sustainable Management of Water Resources*

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

### *Ensure Collaborative and Co-ordinated IWRM for Wise Socio-Economic Development*

- 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.
- Structure the ICMA's advisory function, within resource constraints, to ensure ICMA needs are served alongside those who are requesting advice.
- Support the development, and where appropriate transformation, of other WRM institutions (WUA, CMC, etc.).
- Develop and implement rules and procedures for operational river management.

### *Promote and Pursue an International Developmental Agenda*

- Improve cross-boundary stakeholder relationships and understanding of current agreements.
- 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).
- Exchange of knowledge and expertise.

### *Promote Knowledge Generation and Distribution*

- Design and implement a system of data and meta-data management, pertinent to participative IWRM in the Inkomati that is accessible to all stakeholders.
- Identify, collect and collate data/information for the system in 4(a) and map the stakeholder network, including the distribution of STEEP competencies, activities, needs, decision making mandates, etc.
- 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.
- Develop/implement strategic empowerment programmes that are explicit about the transfer and diffusion of knowledge/skills across the stakeholder network.

### *Ensure Effective and Efficient Management of ICMA Resources*

- Explore and internalise the characteristics and processes of an enabling environment for pioneering IWRM in an emerging African democracy.
- Ensure appropriate capacity is built within the ICMA for participative IWRM.
- Co-ordinate and align the adaptive systems that serve objectives 1-4.
- Improve internal and external networking.
- Improve internal service infrastructure e.g. the computer network. Strategic Action Programmes emanating from the Catchment Management Strategy

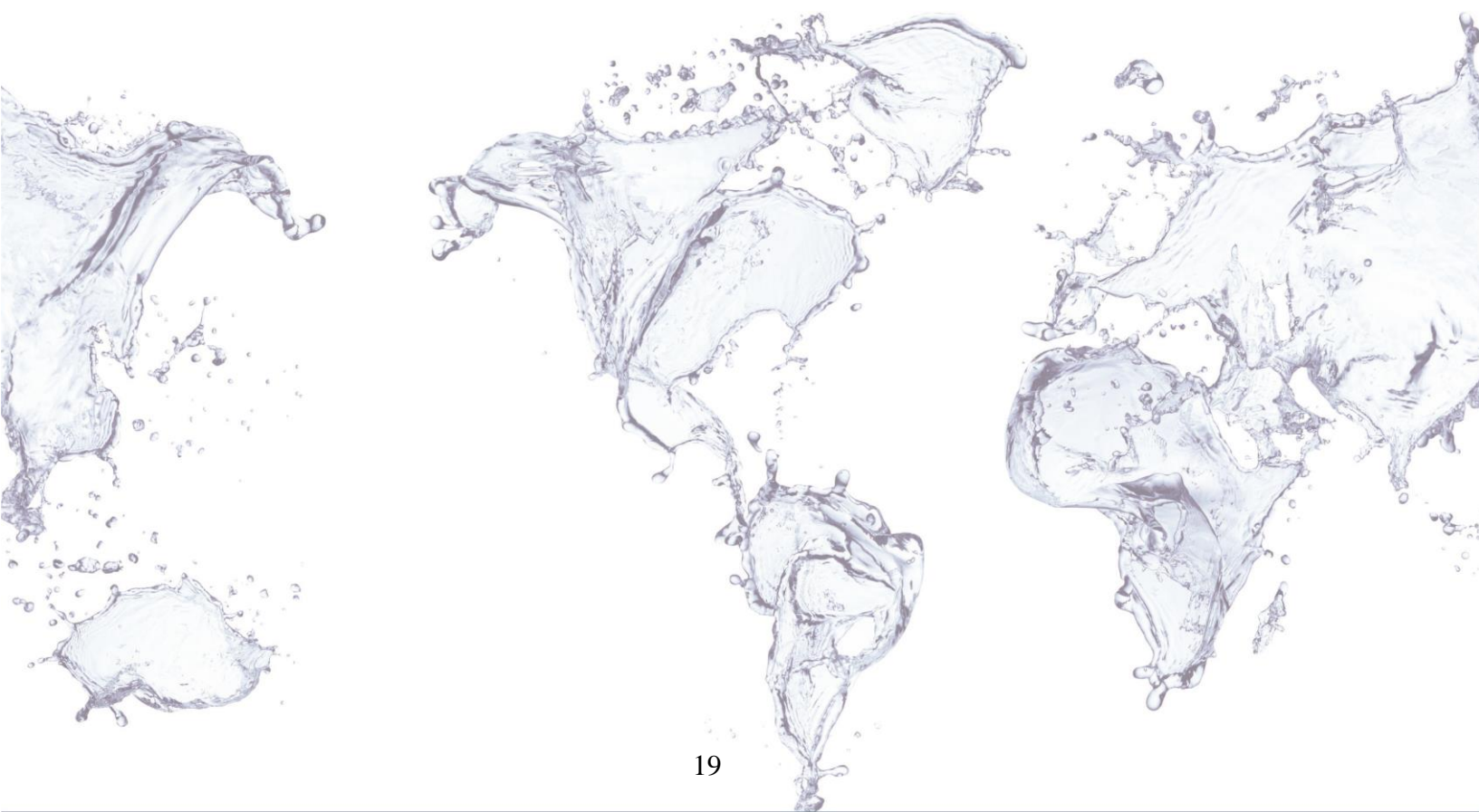


The ICMA finalised the development of its draft first generation catchment management strategy in the 2010-11 financial year and approval has been given to gazette for public comment. The invitation for written comments was published in the Government Gazette of 7 December 2012. Interested individuals and organisations were given until 15 April 2013 to submit their comments to the ICMA for integration into CMS.

Subsequently, only a limited number of written and verbal comments were received. The submission date has since been extended to end of May 2013.

The Strategic Action Programmes emanating from the stakeholder derived vision for the Inkomati are summarised below. They have been incorporated into the Strategic Plan developed during the financial year and have also been linked to the strategic objectives of the ICMA in that Strategic Plan:

<b>Strategic Action Programme: 1</b>	<b>Achieving Equity</b>
<b>Strategic Action Programme: 2</b>	<b>Water Availability and Flow Management</b>
<b>Strategic Action Programme: 3</b>	<b>Managing Water Quality</b>
<b>Strategic Action Programme: 4</b>	<b>Generating and Managing Knowledge</b>
<b>Strategic Action Programme: 5</b>	<b>Achieving Compliance and Enforcement</b>
<b>Strategic Action Programme: 6</b>	<b>Generating Revenue</b>



## 7. BACKGROUND OF THE CATCHMENT

The IWMA has been divided into three Sub-catchments as the appropriate initial scale for participative IWRM (where appropriate these may be broken down further):

- the Komati River, which rises in South Africa, flows through Swaziland and then re-enters South Africa before flowing on into Mozambique;
- the Crocodile River;
- the Sabie and Sand River catchment, and

the undeveloped Nwanedzi and Nwaswitsontso Rivers that are wholly within the Kruger National Park. These Rivers have been lumped together with the Sabie-Sand Catchment for the purposes of the CMS



**Figure 7.1. Inkomati Catchment Map**



### **7.1.1 THE CROCODILE RIVER CATCHMENT**

The Crocodile River originates near Dullstroom, from where it flows into the Kwena Dam and eastwards through Nelspruit before entering Mozambique at Komatipoort. Its lower reaches from Matsulu eastwards form the southern boundary of the Kruger National Park.

There are numerous **significant Tributaries** including the **Lunsklip, Elands, Houtbosloop, Stads, Nels, Gladde, White, Kaap, Nsikazi and Mbyamiti**. The Elands River is very important for the Crocodile system and joins the Crocodile upstream of Nelspruit. The Crocodile joins the Komati just upstream of the border with Mozambique. After the confluence, the river is called the Incomati and flows into Mozambique.

The **significant Dams** include the **Kwena** Dam on the crocodile river augmenting supply for the entire Crocodile river, the **Ngodwana Dam** on the Elands river for the Sappi Ngodwana Mill and town, the **Witklip Dam** in the Nels catchment for local irrigation and augmentation to White River Town and the **Klipkoppie, Longmere and Primkop** Dams on the White River for Irrigation.

### **7.1.2 THE KOMATI RIVER CATCHMENT**

The Komati River originates near Breyton before flowing into Nooitgedacht Dam near Carolina, onwards into Vygeboom Dam near Badplaas, before entering Swaziland. In Swaziland it flows through the Maguga Dam and then back into South Africa again before finally flowing into Mozambique near Komatipoort. It can be split into two further sub Catchments for management purposes, the Upper Komati and Lower Komati upstream and downstream of Swaziland respectively.

The **Main Tributaries** are the **Seekoeispruit, Teespruit, Gladdespruit, Mntsoli, Popanyane, Mhlambanyati, Mzinti and Lomati** Rivers.

The **Significant Dams** are the Vygeboom and the Nooitgedacht dams in the Upper Komati that supply water for Strategic Use by Eskom, via an inter-basin transfer scheme. The Maguga Dam in Swaziland and Driekoppies Dam in South Africa, developed through International cooperation and which supply Swaziland and South Africa in the lower Komati and Lomati Rivers. The Mazibikela and Mbambiso Dams augment supply for local Irrigation requirements in Nkomazi, the Barberton Dam transfers water to the Kaap River valley for Barberton and the Shiyalongubo Dam transfer water across into the Louw's Creek River for Irrigation.

There is also a canal transferring water from the Gladdespruit and Poponyane Rivers into Vygeboom dam and in Swaziland a large Canal transfers water out of the Komati River Catchment to the Sand River Dam in the Mbuluzi river Catchment for Irrigation use.

### **7.1.3 THE SABIE-SAND RIVER CATCHMENT**

The Sabie-Sand Catchment can be further divided into the two separate Sabie and Sand River catchments for management and operations purposes.

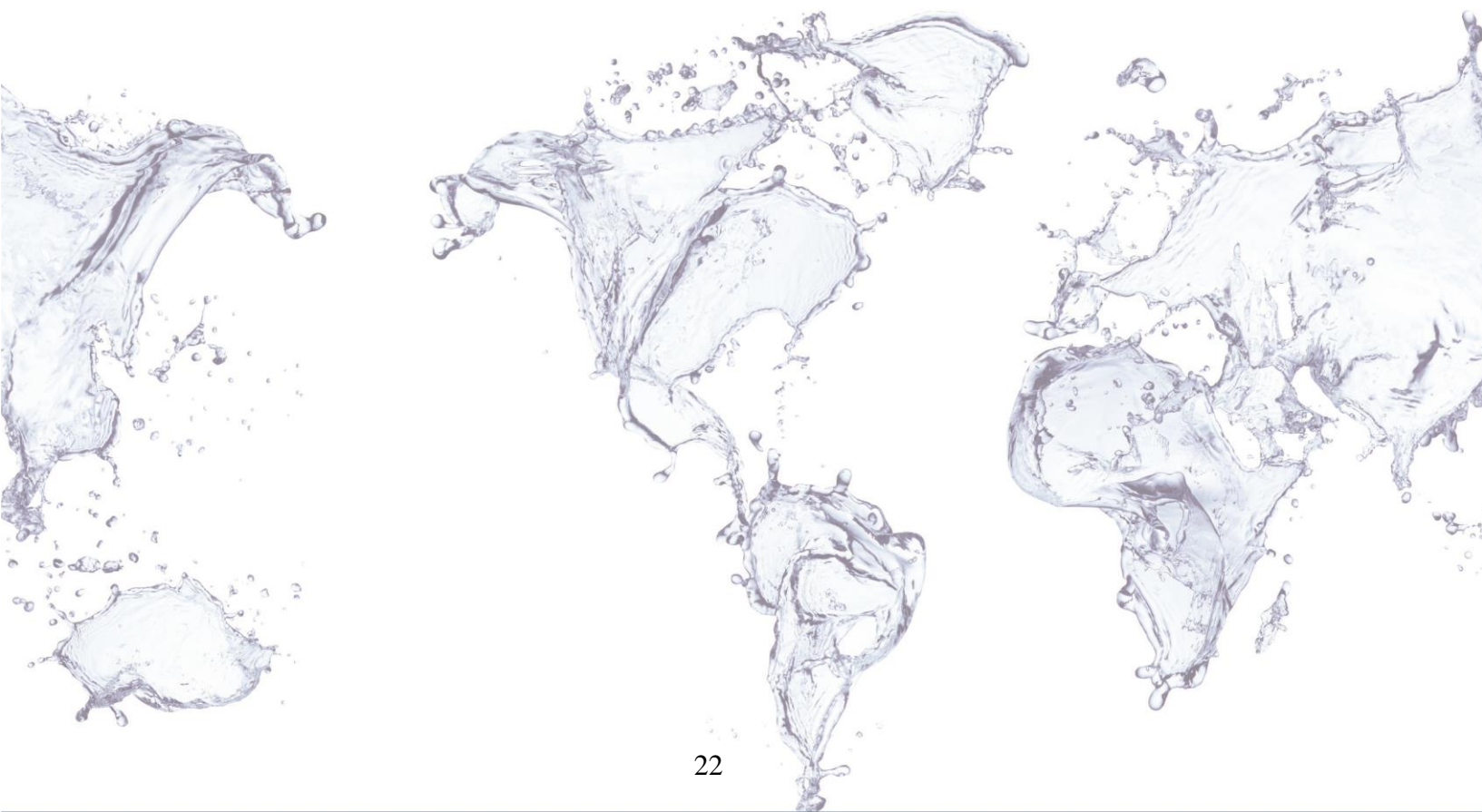
The Sabie River originates in the northern part of Mpumalanga near the town of Sabie, and the Sand River originates from the escarpment west of Bushbuckridge. The two rivers join near Skukuza (in the Kruger National Park) to become the Sabie River which then flows southeast into Mozambique, where it joins the Incomati River.



The **significant tributaries** in the Sabie include the Mac-Mac, Sabane, White Waters, Noord Sand, Marite and Saringwa Rivers. The significant tributaries in the Sand include the Klein Sand and Mutlumuvi Rivers.

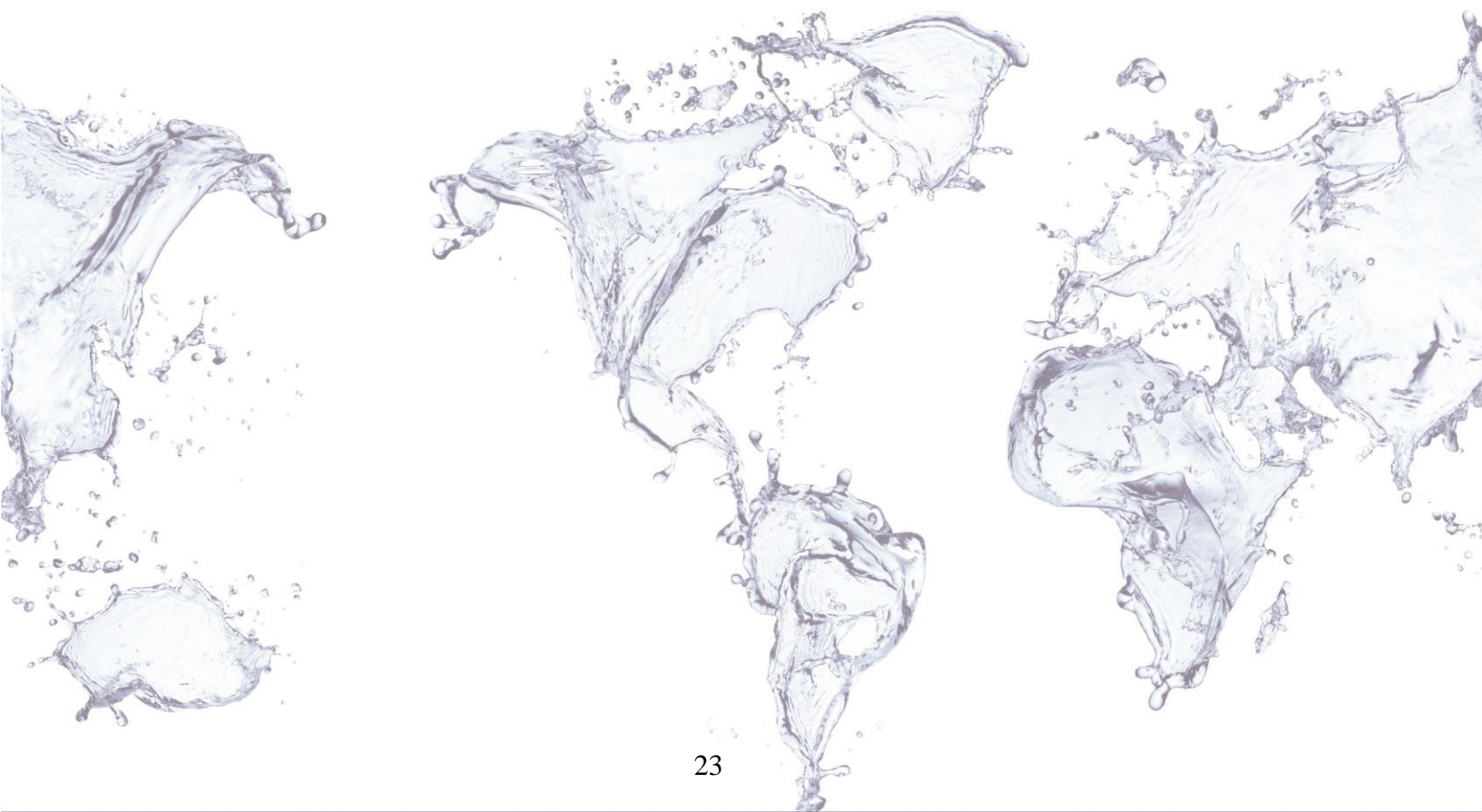
The **Significant Dams** in the Sabie are the Da Gama Dam which Supplies local Irrigation and the Inyaka Dam which augments supply for the lower Sabie River as well as transferring water north into the Sand River for Domestic Use. In the Sand River the Orinoco, Casteel and Edinburgh Dams augment local irrigation and domestic demands.

The **Nwanedzi catchment** is wholly within the Kruger National Park and comprises the Nwaswitsontso and Nwanedzi Rivers. The Sweni is a significant tributary of the Nwanedzi. The two rivers flow eastwards into Mozambique where they join to become the Uanetze before eventually joining the Incomati River in Mozambique



*“Water is the softest thing, yet  
It can penetrate mountains  
and earth.*

*This shows clearly the principle  
of softness overcoming hardness”  
-Lao Tzu*



## 8. ORGANISATIONAL STRUCTURE

## GOVERNING BOARD

## Chief Executive Officer

Personal Assistant  
Marketing and Communications Manager

## Board Secretary

Committee Secretary  
Records management Officer

## Chief Operations Officer

Executive Secretary  
Senior Admin Clerk

## Executive: Corporate Services

Executive Secretary  
Outsourced Services

## Manager: Institutions and Participation

Institutional Specialist  
Catchment Coordinator  
6x Community Officers  
3x Office Receptionist

## Specialist Manager: River Systems operations and Data Management

Specialist: River Systems Operations  
Hydrologist Technician  
Geohydrologist  
  
GIS and information Coordinator  
  
GIS Specialist

## Specialist Manager: Water Resources Planning and Coordination

Specialist: Water Resources management  
Specialist: Planning Coordination  
  
**WARMS**  
Information Coordinator  
2x Data Capturers

## Manager: Resource Protection and Waste

Water Quality:  
2x Control Env. Officers  
4x Env. officers  
2x Auxiliary officers  
Admin Clerk

River System Health:  
Specialist Scientist  
Aquatic Scientist

## Manager: Water Utilisation

Water Abstraction & in-stream Use:  
Engineer  
Water Resource Scientist  
WUE Officer  
Admin Clerk  
Geohydrologist

Compliance & Enforcement  
Control Env. officer  
2x Env. Officers  
Admin Officer

## Manager: Human Resources

**Administrative Officer**  
Receptionist  
Driver / Messenger  
General office Assistant  
**Human Resource Practitioner**

## Manager: Finance

Senior Admin Officer

Accountant: Financial Accounting  
2 Sen. Acc. Clerks  
Payroll Officer  
Asset management Officer

Accountant: Financial management  
Budget Management Officer  
Revenue Officer

SCM Officer  
Procurement Clerk



## 9. PERFORMANCE DESCRIPTION

### Validation and verification of water use

After suffering a Delay of around 18 months due to the loss of all electronic data at the Mpumalanga SG Office, the update to the cadastral data project was finally completed in September 2013.

This consequently allowed for the Data Collection and Lawfulness Assessment in Support of the Verification of Existing Lawful Use project to commence. The project is due for completion in July 2014. In anticipation of completion, the ICMA has drafted an Implementing Agent agreement with DWA to complete the remaining steps for verification in which the responsibility vests with DWA. This is yet to be signed.

During the year delay created by the issues with the SG Office, a 5m resolution Digital Elevation Model, dam area / volume estimations from all farm dams, high resolution (2,5m pixel resolution) landcover classification for current (2011) land use, medium resolution (30m pixel resolution) landcover classification for forestry in 1972 and a revised methodology to determine volumetric water use for irrigated land using SAPWAT 3 (based on FAI 56 methodology) have been developed to improve the lawfulness determinations to be done. All supporting information was also gathered from the DWA regional and head office. The supporting information for validation is thus the best data available anywhere in the country

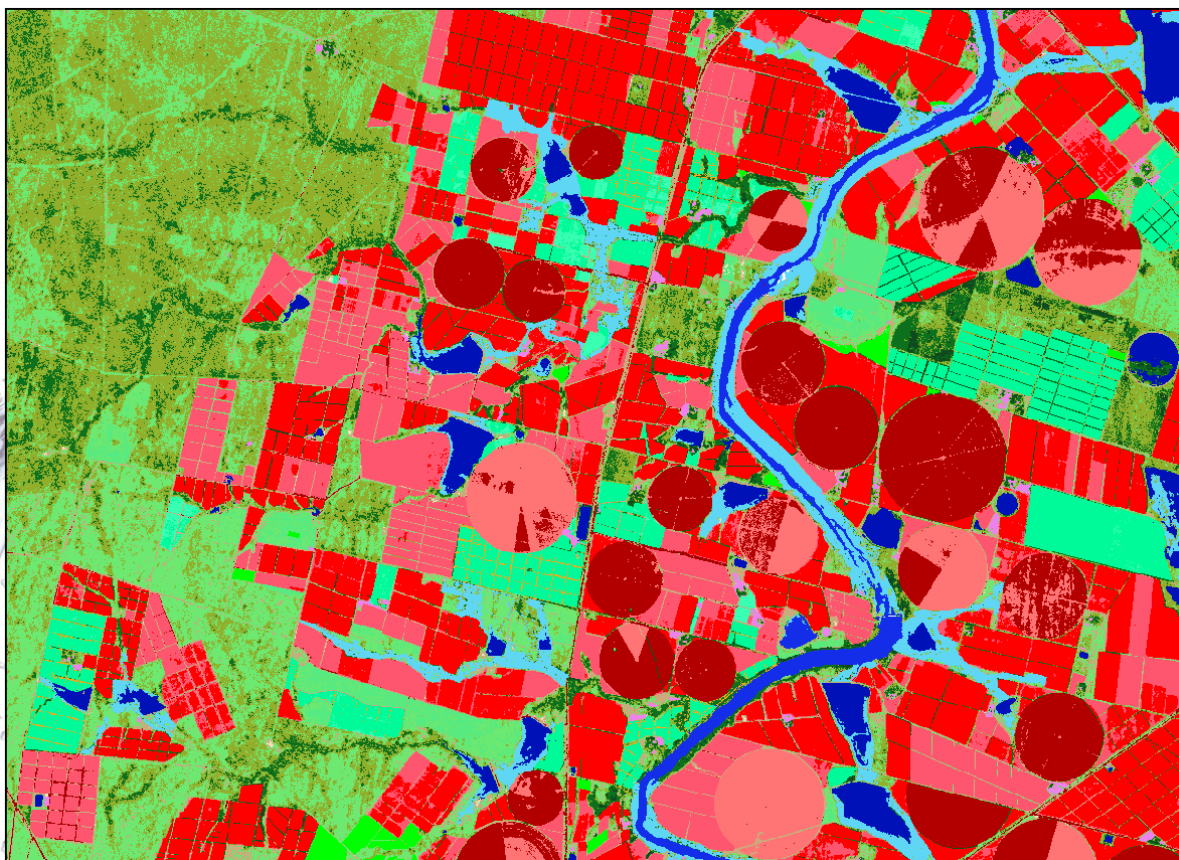


Figure 9.1: Example of the High Resolution Landcover Map in the Lower Komati



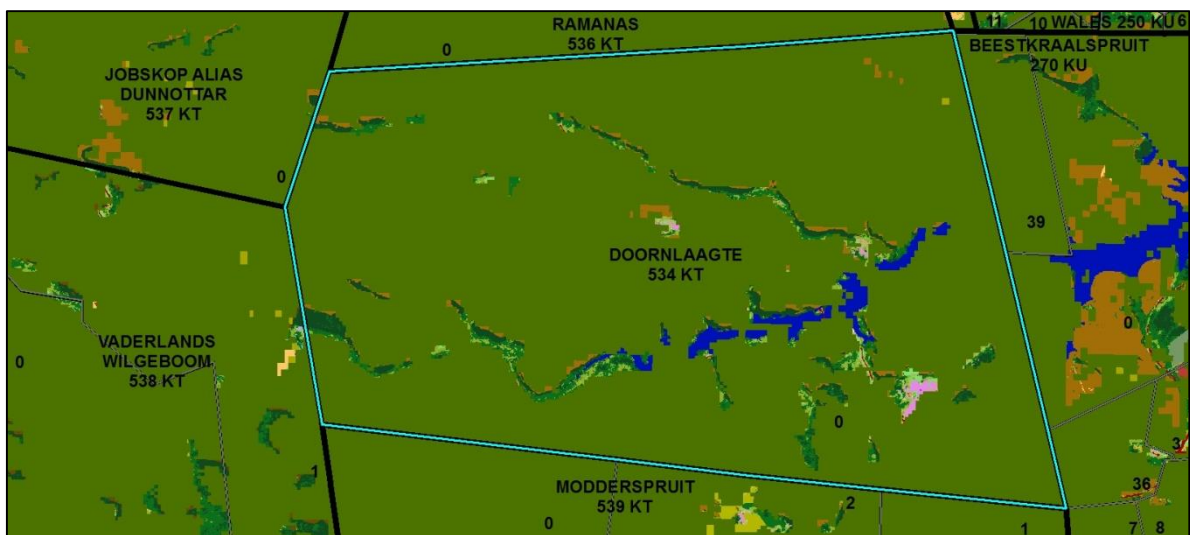


Figure 9.2: Example of the 1972 Forestry landcover Database

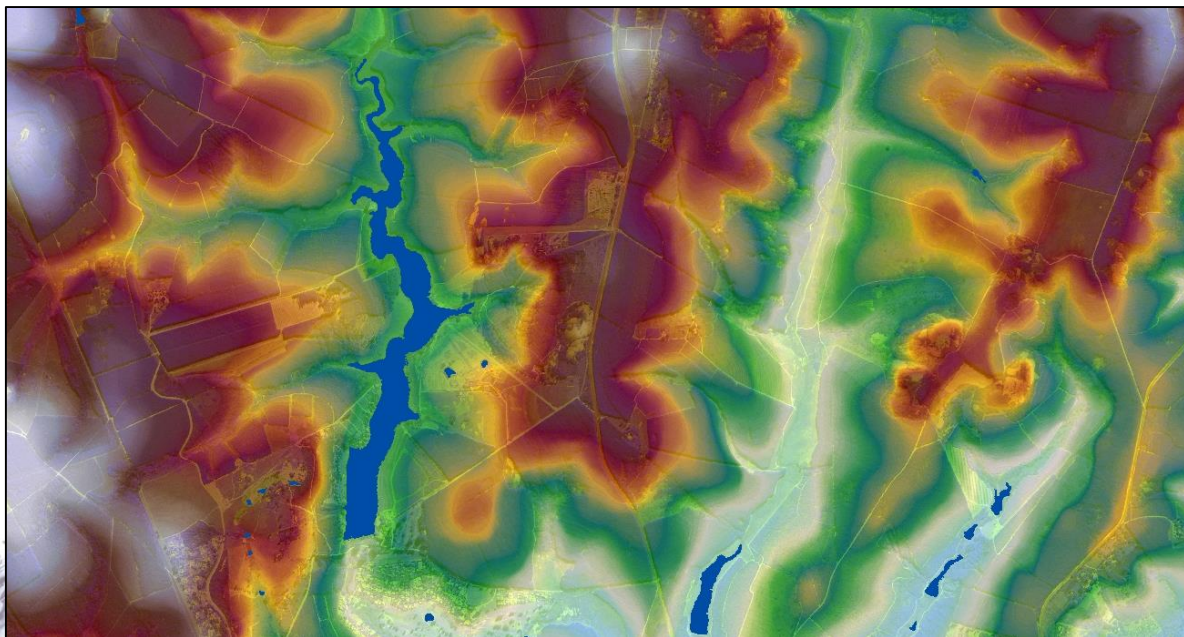


Figure 9.3: Example of the High Resolution Digital Elevation Model and Dam Surface Areas in support of Validation

The above project will deliver the following:

- Validation database containing information per property as follows:
  - Cadastral specific data.
  - Ownership data.
  - WARMS registration data.
  - Extent of the water use in terms of Sections 21 (a), (b) & (d) for each of the Qualifying and Current Periods.
  - Additional extents reflecting historical (1972) forestry extents that are required in the ELU determination process.
  - Existing authorisations in terms of permits, Licenses, authorisations, proclamations, government notices and water court orders.
  - Existing authorisations in terms of Irrigation Board/WUA schedules.

- GIS Mapbooks and all spatial data derived and utilised.
- Copies of all legal documents, notices and proclamations utilised.
- Set of Legal Principles for the Inkomati WMA.
- Set of water use tables with a determination of ELU for each of Section 21 (a), (b) and (d) water uses.
- Export of water use tables for direct population of Section 33 and Section 35 letters via Mail Merge.

### **Establishment of Water Users Association**

This output under the strategic objective, Ensure Effective, Efficient and Sustainable Management of Water Resources has been inactive since the Department of Water and Sanitation (DWS), the erstwhile Department of Water Affairs (DWA), had put it on hold until the finalization of the policy framework on Irrigation boards (IBs), Water User Associations (WUAs) and its related institutional arrangements. However the Institutions and Participation (I&P) division continued to provide support and engage the existing irrigation boards and catchment forums on issues related to integrated water resource management (IWRM). As key stakeholders in the water management area (WMA), the I&P initiated and facilitated sub catchment forums in the six sub-catchments including the recently integrated Mkhondo which falls under the Usuthu WMA.

Some key issues discussed in the sub-catchment forums are:

- Water Quality Status in municipal areas and mining industries.
- Water Use Licencing
- Resource poor farmers Funding from Department of Water and Sanitation
- Water tariffs from the Irrigation Boards and usage
- Conditions for drilling domestic boreholes for house hold water use in terms of licensing and related tariffs involved.
- The progress on the process of establishing other WUA's in the sub-catchment.
- The water trading policy amongst water users
- Metering of water use.

The DWS has embarked on the status quo analysis of all water management institutions (WMIs) that forms part of the disestablishment process of irrigation boards and the other WMIs. The I&P provided a support role to the department by ensuring that information is readily available that would assist the department in finalizing the process. Two officials from the I & P accompanied the Acting CEO to attend the New Catchment Forum visioning/policy position reference group session coordinated by DWS at the Water Research Commission (WRC) in Pretoria.

### **Systems for integrated planning and operations of river systems effectively implemented**

Both the Crocodile and Sabie Decision Support Systems (DSS) are operational on the ICMA river operations server, which was substantially upgraded during the year. The supporting Water Resources Information Management Database is operational and the software has been upgraded and migrated to the latest MIKE Customised and MIKE Real Time software.

The operating committee for the Crocodile River (CROCOC) is fully operational and the reporting of water quality has been added to the agenda during the year. Unfortunately, there have been delays in the establishment of the Sabie Operating Committee. This is planned for establishment in 2014-15.

The implementation of the Ecological Reserve has also continued with great success.



Two technical support contracts to support the planning and operations software respectively are in place and providing effective support when required.

An upgrade to the internet access speed is required to improve the speed of the river operations web portal. This is planned for upgrading in 2014-15.

The Development of operating rules for the White River catchment have commenced during the year and the development of the operating rules for the Kaap River are ongoing. For the Kaap River, a MIKE SHE model is setup for the present and natural land use, to estimate present and naturalised flows. A MIKE Basin is also setup for the catchment to develop operating rules based on the naturalised flows of the catchment and to produce the draft Operating Rules. These have yet to be implemented.

A report on the March 2014 flood events was compiled.

#### Adaptive operational Water Resources management Project:

During the year, an Adaptive Operational Water Resources Management Framework was finalised in collaboration with the WRC to aid the implementation of the real time river operating rules. It is the result of a four year research programme. It brings together the necessary aspects of IWRM , split into four main categories, being:

The AOWRMF is the outcome of four years of deliberation, action research and development in collaboration with the CROCOC stakeholders. The AOWRMF includes a Rapid Response System and is the core around which the adaptive management aspects of the AOWRMF is conducted in the Crocodile River and is also the key enabler of short term feedback loops.

The rapid response system includes the following aspects:

- Dissemination of real time rainfall, runoff and dam level information through emails and a web portal.
- Calculation and dissemination of short term forecasted rainfall, runoff and dam levels (weekly, but updated daily).
- Defined monthly alerts for river flows based on international obligations and historical statistics compared to current real time information.
- Defined worry levels around the reserve or ecological flows, linked to management actions.
- Calculation and dissemination of the weekly forecast ecological flows or reserve.
- Automated emails and sms delivery to relevant stakeholders linked to the alert and worry levels.
- Management log of all alerts and related actions, available for all.
- Linked to longer term aspects of the AOWRMF through the presentation of the logbook and short term monitoring results at CROCOC meetings.

The Institutional Roles and Responsibilities have also been determined as shown in the figure below:

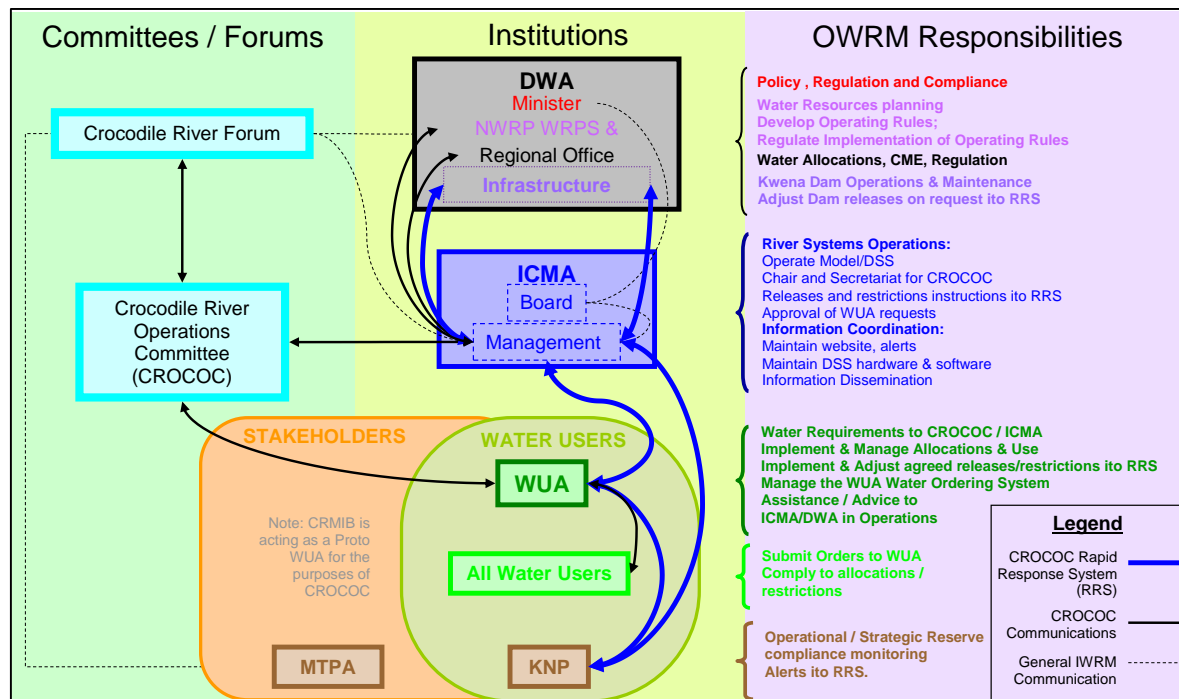


Figure 9.4: DWA = Department of Water Affairs; ICMA = Inkomati Catchment Management Agency; NWRP = National Water Resource Planning; WRPS = Water Resource Planning Systems; DSS = Decision Support System; RRS = Rapid Response System; WUA = Water User Association; KNP = Kruger National Park; MTPA = Mpumalanga Tourism and Parks Agency; IWRM = Integrated Water Resource Management; CRMIB = Crocodile River Major Irrigation Board

#### Institutional Arrangements, showing the Institutions, Roleplayers, Responsibilities, Forums, Communications and Feedback loops for Operational Water Resources Management in the Crocodile River

The compliance to the ecological reserve has been used as the main means of evaluating the efficacy of the AOWRMF. This is apt as the ecological flows were not being implemented at all before the commencement of the AOWRMF and yet were the main source of concern and conflict amongst the stakeholders related to operational water resources management.

The percentage time, magnitude and contiguity of non-compliance to the ecological flow requirements have all drastically reduced since October 2009, when the AOWRMF was introduced. Before then, these factors all showed a steady increase in non-compliance since 1960. This is a clear indication of the impact the AOWRMF has had and its efficacy in implementing OWRM. The non-compliance before and after the implementation of the AOWRMF in 2010 is shown below:



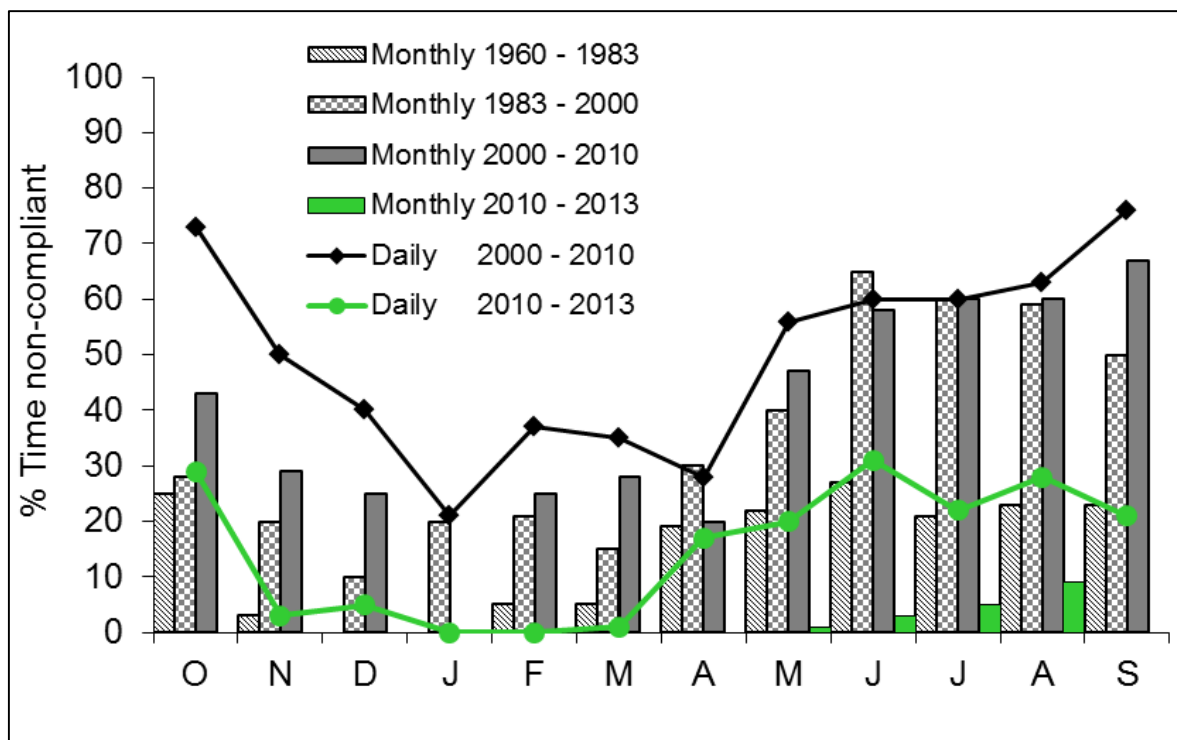


Figure 9.5: Percentage of Time for Monthly Ecological Flow Compliance before and after the implementation of the AOWRMF

### Stakeholder-centred implementation of Reserve

The River Health Programme (RHP) support is up and running through the Memorandum of Agreement concluded between the ICMA and Mpumalanga Tourism and Parks Agency (MTPA) with the completion of the Crocodile River Health Report.

Under the Memorandum of Agreement concluded between the ICMA and Sanparks, a report on the assessment of algae in the Crocodile River was also concluded as part of the project "Exploring critical feedback components of a strategic adaptive management system associated with implementation of the ecological reserve in the inkomati water management area".

### Authorized Water Use

The annual target was to process and recommend 8 water use authorisations. Seven (7) water use authorisations were recommended. These included 4 water use authorisations, 2 general authorisations and 1 water use license amendment. It must also be mentioned that a number of other water use license applications were in various stages of assessment, which will be carried over to the next financial year.

## Metered water use

Appointment of the Contractor for the installation of the Water Meters in the Middle Komati was delayed due to a shortage of funds, but the recommended contractor was prepared to hold his prices firm until such time as appointment could be made. This eventually happened during February 2014 and the Contractor moved onto site almost immediately. The March 2014 floods however caused widespread damage and delayed the installation programme. Further negotiation with affected farmers was also required to ensure that their approval for the installation was obtained. By 31 March 2014, a total of 11 Magflo meters were installed, and it was expected that the contract would be completed by 2014/15 financial year.



Figure 9.6: Metered Water Use

## Discharge and water resource quality effectively monitored

The annual target for the number of samples to be taken was 1968 and these were supposed to be taken from 164 monitoring sites on monthly basis. However, 1850 samples were taken. The variance was as a result of lack of flow in some non-perennial streams and samples not being taken in the Crocodile catchment for one month due to a vacant position.

The bio-monitoring of the Komati River could not be commissioned due to financial constraints. The Crocodile River study which was rolled over from the 2012/13 financial year due to delays associated with heavy rains that made the river inaccessible was finalized in this financial year.



### **Proactive AMD Strategy**

The draft strategy was submitted for review by the ICMA and comments sent to the service provider for corrections. The strategy was rolled over to the 2014/15 financial year for finalization.

### **Water resource pollution remedied**

Eighteen (18) reported pollution incidents were attended to and remedied to the satisfaction of the ICMA.

A total of one thousand one hundred and forty six (1146) backlog monitoring data was captured on the Water Management System (WMS). However, the data from the second through to the end of the financial year could not be captured due to the short-term laboratory contract that was in place wherein frequent update and consolidation of monitoring points on the WMS was required each time results were loaded.

### **Stakeholder Empowerment and Interactions**

The ICMA I&P in collaboration with DWS conducted a number of stakeholder empowerment workshops with Historically Disadvantaged Individuals (HDI) in the Sabie, Sand, Upper Komati and Lower Komati sub-catchments. These workshops are meant to capacitate those HDIs in IWRM principles. The participation of HDIs in the Crocodile sub-catchment is minimal and the I&P has been engaging with those affected HDIs in trying to bring them on board by providing a number of workshops and other water related activities.

Beyond empowerment workshops the I&P has been representing the ICMA in a number of intergovernmental relations (IGR) forums and environmental activities such as the Water Week, World Environment Day celebrations and Wetland Forums.

The ICMA I&P also participated in the Stakeholder Engagement session for the Pongola to UMzimkhulu CMA on 30 January 2014. This session facilitated by the DWS, Kwazulu- Natal (KZN) regional office and DWS head office at Mkhondo Local Municipality Town Hall. The ICMA (I&P-Manager) made a presentation on the CMA strategic functions in relation to IWRM. The amalgamation of the two CMAs was also presented and key issues were discussed with the stakeholders which were dominated by emerging farmers and some established commercial farmers from the White and African communities.

The ICMA I&P also collaborated with Ehlanzeni District Integrated Environmental Management Forum which was held on the 12<sup>th</sup> of September 2013 at Ehlanzeni Disaster Management Centre.

The I&P participated in the task team which developed the Water Safety Plan of the Bushbuckridge Local Municipality at the Inyaka Dam Water Treatment Works on the 18<sup>th</sup> Sept 2013. Support has also been provided for the Resource Poor Farmer Support Programme (RPF) which funded and implemented by the DWS. The I&P has conducted a number of workshops with emerging farmers throughout the Inkomati Usuthu WMA, also assisting them in making applications and developing business plans for accessing the funds .

## Water Quality status report

The annual target was to produce and present 12 status reports at catchment forum meetings. A total of 22 presentations were made on the water quality status of various catchments. The excess was as a result of the increased frequency of meetings and additional forums being established.

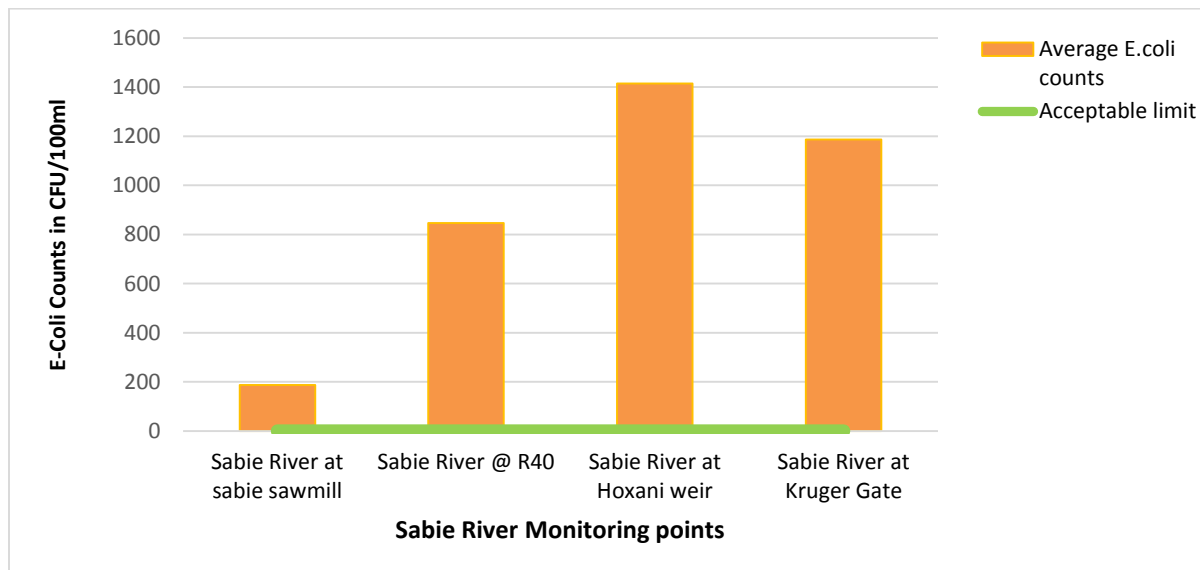
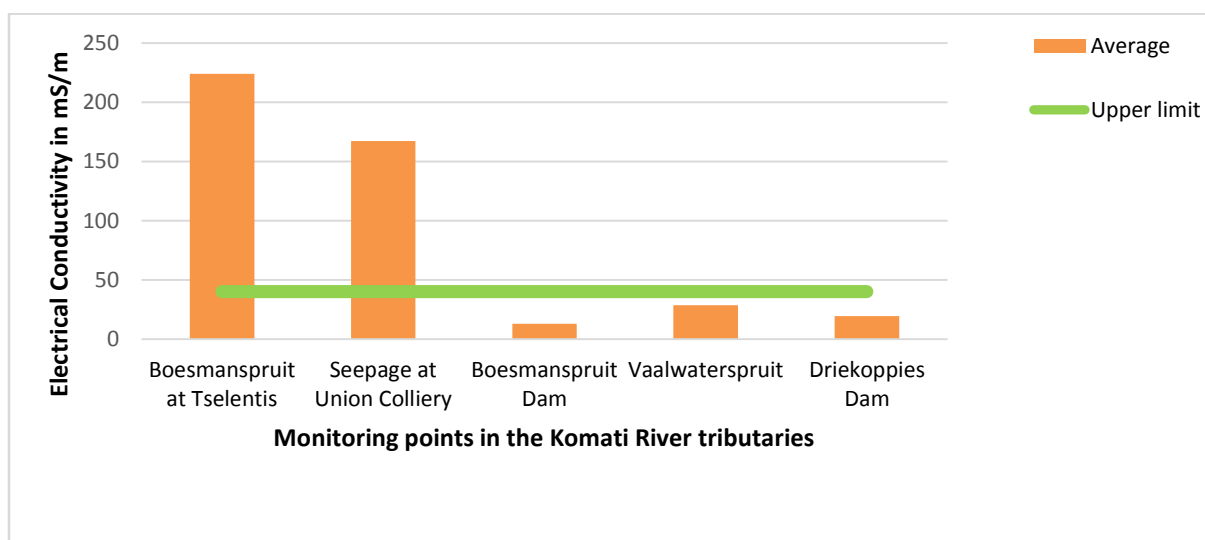


Figure9.7: The average number of E. coli counts in CFU/100ml in the Sabie River from January 2013 to January 2014.

The microbial quality of water in the entire WMA is a cause for serious concern. The figure above shows the average *E. coli* counts per 100 ml of in-stream water quality at various locations within the Sabie River for the reporting period. The quality is heavily impacted/degraded and significantly above the tolerable levels. The quality in the head waters shows average *E. coli* counts of approximately 200 counts/100 ml and deteriorates further as the river flows towards the Kruger National Park.

This is attributed to the impacts of various Municipal WWTW for both Thaba Chweu and Bushbuckridge municipalities as well as overflows from manholes and non-functional pump stations. The situation is pretty much the same throughout the WMA.



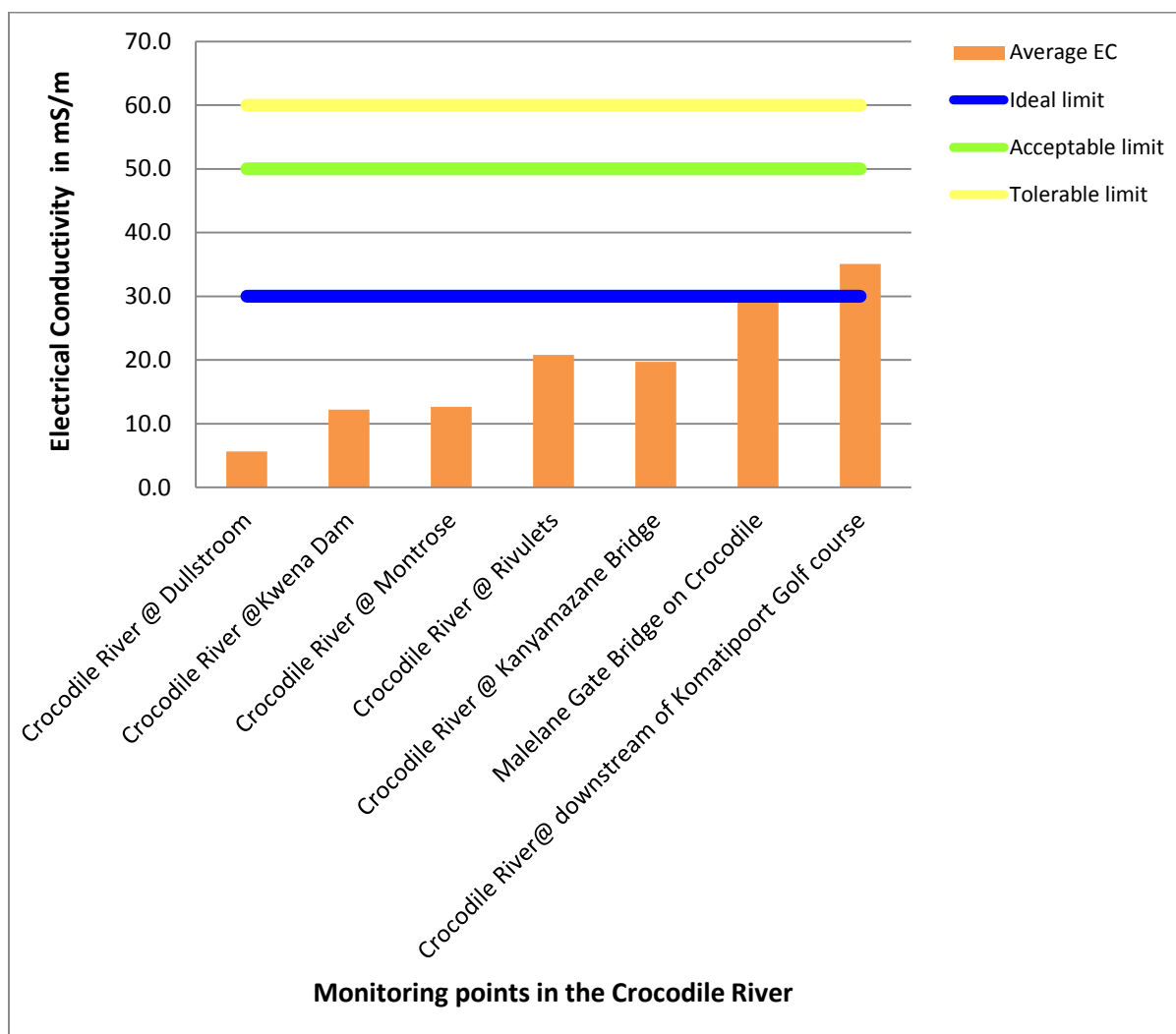


**Figure9.8: Average monthly Electrical Conductivity levels (mS/m) in the tributaries of the Komati River from January 2013 to January 2014**

The above figure shows the average electrical conductivity as a measure of dissolved salts in the tributaries that feed the Komati River. The first two monitoring points were taken in tributaries that confluence before entering the Boesmanspruit dam in the Carolina area. The Boesmanspruit then feeds into the Nooitgedacht dam through the boesmanspruit. The quality of water in the two streams upstream of the Boesmanspruit is impacted by mining activities within the Boesmanspruit Catchment. However, the quality of water in the Boesmanspruit dam is misrepresenting the actual situation since it is musked by the dilution emanating from the Usuthu transfer scheme. The transfer occurred during part of the reporting period.

The quality of water in the Vaalwaterspruit and the outflow of Driekoppies dam complies with the requirements according to the Target Water Quality Guidelines.

The Vaalwaterspruit is an important source of much needed dilution for the Nooitgedacht dam, which in turn is a strategic water supply for power generation. The strategic importance of both the Nooitgedacht dam and the Vaalwaterspruit should be elevated and the quality of water resources maintained by limiting new development activities and enhancing the level of protection among other things.



**Figure9.9: The average Electrical Conductivity in mS/m measured in the in the Crocodile River from January 2013 to January 2014**

The above figure shows the level of dissolved salts as indicated by measuring electrical conductivity averaged over the reporting period and complies with the IWQO of 40mS/m. The quality is fairly good although it deteriorates as the river flows further downstream since it still ranges between the ideal and acceptable water quality limits. This can be attributed to the return flow from sugar cane irrigation in the area and the discharge of partially treated wastewater from and recurring manhole spillages in the area.

### **Catchment Management Strategy effectively implemented**

Following the publication of notice for public comments in the government gazette, all comments received have been incorporated during the year and the revised Catchment Management Strategy has been forwarded to the minister for final approval during December 2013.



## **Build knowledge sharing networks amongst stakeholders**

This output seeks to provide a platform where the ICMA interacts with stakeholders such as municipalities, water users in the District and the entire WMA as well as other sector departments to share ideas, experiences and best practices with regard to integrated environmental and water management. Amongst some of the knowledge sharing activities, the ICMA I&P had two sessions with COGTA and the Premier's Office on information sharing about the amalgamation of Inkomati-Usuthu water management areas. A presentation was made on the progress made so far and extended an invitation the Department to begin to participate in the entire amalgamation process. As result of this knowledge sharing network created, a representative of COGTA eventually became part of the Regional Steering Committee which met in Piet Retief occasionally. The ICMA I&P also collaborated with Wits Rural Facility in Bushbuckridge to facilitate the study of Wetlands and their impacts on communities Of Craighburn versus Hamakhuya in Venda.

The I&P had been making presentations on Water Conservation and Water Demand Management (WC/WDM) and Water Resource Protection (WRP) at various rural communities. Independent Companies and Groups dealing with Water and Waste management constantly come to make presentations to the sub-catchment forums. Forum charters have been adopted for the Crocodile and Upper-Komati Forums. The other sub-catchments are also in the process of adopting their Forum Charters pending election of office bearers.

## **Knowledge Generation and Distribution**

The 28 ICMA real time river flow Data Loggers and Probes as well as the 14 Real time rainfall loggers are all installed and maintained. In this regard, an equipment supply and technical support contract was put in place during the year to enable ongoing maintenance of this equipment.

The GIS Manager was appointed during the year under review.

The ICMA has applied for a Telkom diginet line and SITA CAP access into the government network to enable access to the DWA WARMS system. The access is expected to be finalised in 2014 and will enable the ICMA to have live access to WARMS.

## **Compliance monitoring effectively implemented**

Only forty seven (47) out of sixty (60) targeted quality and quantity inspection could be conducted during the financial year under review. The shortfall is attributable to loss of data as a result of the crash of the computer system and correspondence for additional inspections having not been issued in time.

## **Co-operative governance**

All six (6) Environmental Impact Assessments (EIAs) received during 2012/13 financial year were commented on within set timeframes.

Thirty two (32) out of forty seven (47) Environmental Management Programme Reports (EMPRs) received were commented on within set timeframes. The shortfall resulted from late submission of applications. DWA Regional is being engaged to fast track the movement of documents from the Regional Office to the ICMA.

Due to capacity constraints and structural challenges for participation, the ICMA not make comments on all applicable planning instruments including Integrated Development Plans (IDPs),

Water Services Development Plans (WSDPs), Provincial Growth and Development Strategy (PGDS), Mpumalanga State of Environment Report, Spatial Development Plans, Municipal Environmental Frameworks and Plans.

A provisional program of planning and consultation meetings for IDP and WSDP development for municipalities inside Mpumalanga Province was received from CoGTA, with the promise that official invitations were to be received before such a meeting was attended. We were ensured that the ICMA is on the invitation list. The program ran from September 2013 to well into the next financial year. Despite several reminders, the finalized program was never received, nor did the ICMA receive any invitation to attend any worthwhile technical meetings. The death of former President Nelson Mandela and the 2014 elections were given as reason as to why these meetings were never held. The end result is that the ICMA did not play a notable role in Municipal IDP development in the financial year. CoGTA confirmed that invitations to the 2014/15 process will be issued to IUCMA.

### **Provision of informed advice to DWA on international agreements**

The ICMA has managed to attend seven (7) Komati Joint Operations Forum (KJOF) meetings during the year. The ICMA also completed a project report on possible Improvements to the Operating Rules of the Maguga and Driekoppies Dams. This report was submitted to KJOF for recommendation to KOBWA, which are still awaited.

### **Exchange of knowledge and expertise**

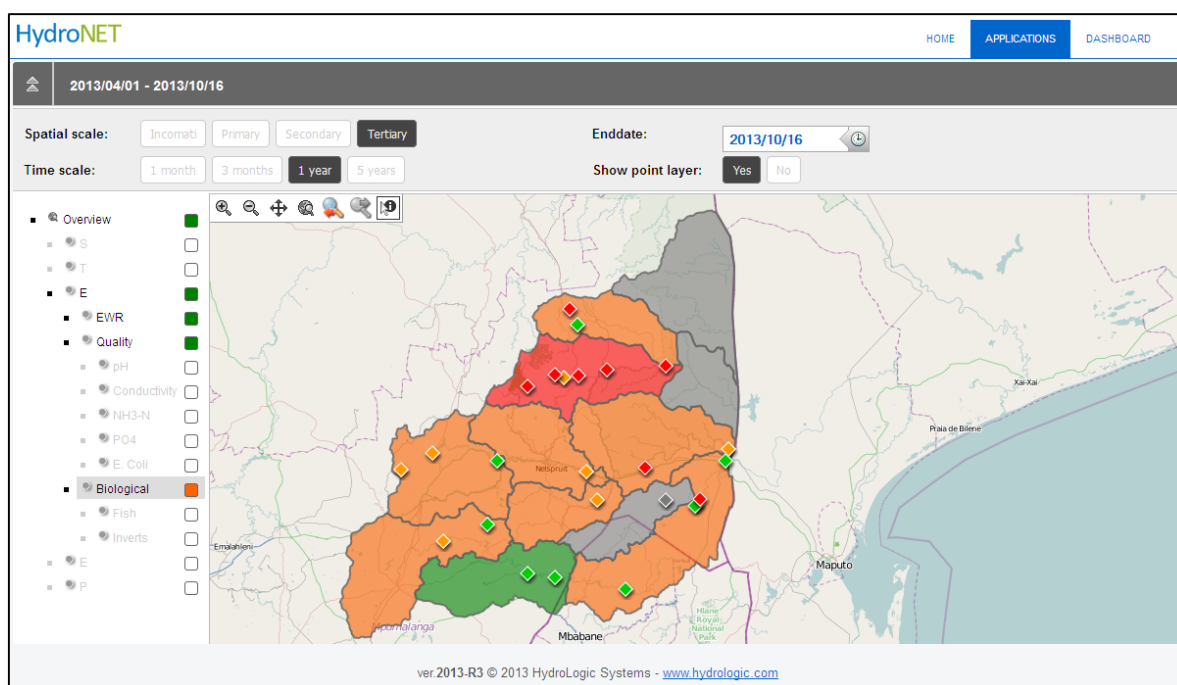
In pursuit of knowledge generation and exchange, the ICMA also visited Netherlands as part of a working group visit with Mozambique and Swaziland counterparts. This was followed up by a further visit to South Africa by our Dutch partners regarding the topic of mutual learning on the use of remote sensing data in river operations. As a direct result of this mutual cooperation, funding proposal was drafted and approved during the year to develop a water control room. The project will develop an operational radar and satellite rainfall product with real time calibration against rainfall gauges; setup a satellite dish GEONetCast remote sensing data acquisition portal at the ICMA, develop an operational governance dashboard and investigate the use of WATPLAN (e-leaf) Remote Sensing data. The purchase of remote sensing data has been approved by the governing board to support this.





Figure 9.10: The GeonetCast Satellite dish installed on the top of the ICMA Offices

Related to this, an Adaptive Operational Governance dashboard (AOGD) is in the process of being developed with co-founding from the Water research Commission and Waterschap Groot Salland in the Netherlands (our twinning partner). It will provide an additional outlet for dissemination of operational decisions and an ICMA self-auditing system (using our Strategic Action Programmes from our CMS) whilst at the same time allowing Governors & Stakeholders to visualize the catchment status-quo over time (using STEEP criteria). It is packaged in such a way that information leaflets can be printed from the AOGD in order to disseminate information at local catchment fora!



**Figure 9.11: Example of the Prototype Adaptive operational Governance Dashbaord**

A representative visited Denmark as part of a South African Water Delegation to learn about their expertise. This resulted in the submission of a funding proposal to develop a flood warning system at the ICMA by DHI. Approval of this submission is awaited.

River Operations and Data management division also presented at the Mpumalanga Young Water Professional Chapter Inauguration, at the international DHI conference on "Improving Water Management in SADC.

## Marketing and Communications

All planned targets under communication and marketing have been attained. Some additional adverts were made due the demand as well as free advertising opportunities that arose during the course of the period under reviews. The following attest to the accomplishments recorded in this regard:

- 2 Inkomati Flows Newsletters were developed. The Inkomati flows are the ICMA newsletter that informs the public and stakeholders on the activities of the institutions.
- 3 programme based information brochures were developed. These brochures were based on the Inkomati Rivers Classification project, the Sabie & Sand ecological status as well as the Eco status of the Crocodile River catchment.



- 12 adverts and advertorials were done both on radio, newspapers and other relevant publications. An example of the publications used is the Mom's Notes (which is distributed in primary schools) and the Project Manager (which is circulated in public sector, business and the SADC region).
- The website has also greatly improved

## Good corporate governance

There has not been any recorded variation from the expected performance regarding good corporate governance, provision of legal services as well as operational risk management. During the 2013/14 financial year the following meetings of the Governing Board and its Committees were convened enabling the Governing Board to perform the management of the affairs of the ICMA and to exercise its powers for which proper agendas and minutes were prepared:

Ordinary Governing Board meetings:	4
Special Governing Board meetings:	4
Governing Board Stakeholder meetings:	1
Governing Board workshops:	2
Ordinary Executive Committee meetings:	4
Ordinary Water Committee meetings:	4
Ordinary Audit Committee meetings:	4
Special Audit Committee meetings:	1
Remuneration Committee meetings:	3
Ad Hoc Committee meetings	1

Over and above the above Governing Board and Committee meetings, 6 other meetings took place which include the welcome and brief of the Chief Operations Officer, complaint by a water user regarding a blocked stream, the performance appraisal of acting Chief Executive Officer and Board Secretary and a planning session for the Governing Board workshop on the alignment of the Governing Board Charter and terms of reference of the committees and Audit Committee Charter.

The tables below illustrate the attendance of meetings by the governing board members, members of committees as well as the nature of meetings during 2013/14 financial year.

**ATTENDANCE OF MEETINGS BY GOVERNING BOARD MEMBERS AND AUDIT COMMITTEE EXTERNAL MEMBERS: 01 APRIL 2013 TO 31 MARCH 2014**

Member	GB ORD	GB SPEC	GB W/S	GB S/H	AUDIT	EXCO	WACO	RemCo	TOTAL	BENCH-MARK
<b>BENCHMARK</b>	<b>4</b>	<b>4</b>	<b>2</b>	<b>1</b>	<b>5</b>	<b>4</b>	<b>4</b>	<b>3</b>		
Ms TP Nyakane-Maluka	4	4	2	1	N/A	4	N/A	3	<b>18</b>	<b>18</b>
Mr CJH du Preez	4	3	2	1	N/A	N/A	4	N/A	<b>14</b>	<b>15</b>
Ms EG Mashele	4	4	2	1	N/A	N/A	4	N/A	<b>15</b>	<b>15</b>
Ms LS Masilela	4	4	2	L	4	N/A	N/A	N/A	<b>14</b>	<b>16</b>
Mr BK Mokoena	4	4	2	1	N/A	4	N/A	3	<b>18</b>	<b>18</b>
Mr F Roux	4	4	2	1	N/A	N/A	4	N/A	<b>15</b>	<b>15</b>
Mr SE Thwala	3	3	1	1	3	N/A	N/A	3	<b>14</b>	<b>18</b>
Mr TG Mokoena	4	4	2	L	N/A	4	N/A	3	<b>17</b>	<b>18</b>

Member	GB ORD	GB SPEC	GB W/S	GB S/H	AUDIT	EXCO	WACO	TOTAL	BENCHMARK
<b>Audit committee external members</b>	<b>4</b>	<b>4</b>	<b>2</b>	<b>1</b>	<b>5</b>	<b>4</b>	<b>4</b>		
Mr S Mthembu	3	N/A	2	N/A	5	N/A	N/A	<b>8</b>	<b>9</b>
Mr NL Mathebula	N/A	1	2	N/A	5	N/A	N/A	<b>8</b>	<b>7</b>
Mr M Secker	2	1	1	N/A	4	N/A	N/A	<b>8</b>	<b>7</b>

**GLOSSARY:**

GB ORD	– Ordinary Governing Board Meeting
GB SPEC	– Special Governing Board Meeting
GB W/S	– Governing Board Workshop
GB S/H	– Governing Board Stakeholders Meeting
AUDIT	– Audit Committee
EXCO	– Executive Committee
WACO	– Water Committee
RemCo	– Remuneration Committee

**GOVERNING BOARD MEETINGS**

Ordinary	: 4
Special	: 4
Workshop	: 2
Stakeholders	: 1
<b>TOTAL</b>	<b>: 11</b>

**COMMITTEE MEETINGS**

Audit Committee	: 5
Executive Committee	: 4
Water Committee	: 4
Ad Hoc	: 1
<b>TOTAL</b>	<b>: 14</b>

<b>Other Meetings</b>	<b>: 6</b>
-----------------------	------------



## Reporting requirements fulfilled

The 2013/14 witnessed no variance from the expected performance provided for in the applicable legislative frameworks as the following reporting requirements in relation to the executive authority were fulfilled:

- Annual Performance Plan was submitted;
- 2012/13 Annual Report submitted to National Treasury, Auditor-General and Office of the Minister and subsequently to parliament;
- 2014/15 Annual Performance Plan was also submitted to DWA; and
- All four (4) quarter reports, namely performance report, revenue and expenditure report and PFMA Compliance Checklist were submitted to DWA every quarter.

## 11. Financial Management

Internal controls were effectively implemented throughout the year and risk management was monitored through compliance by getting an external chairperson specializing in risk management, this was also a co-operative governance initiative with the department of Culture Sports and Recreation through knowledge sharing within a sphere of government.

There were no repeat findings in Internal Audit Reports throughout the year promoting sound financial management and compliance to the PFMA and treasury regulations which are a sound foundation for maintaining clean audit reports.

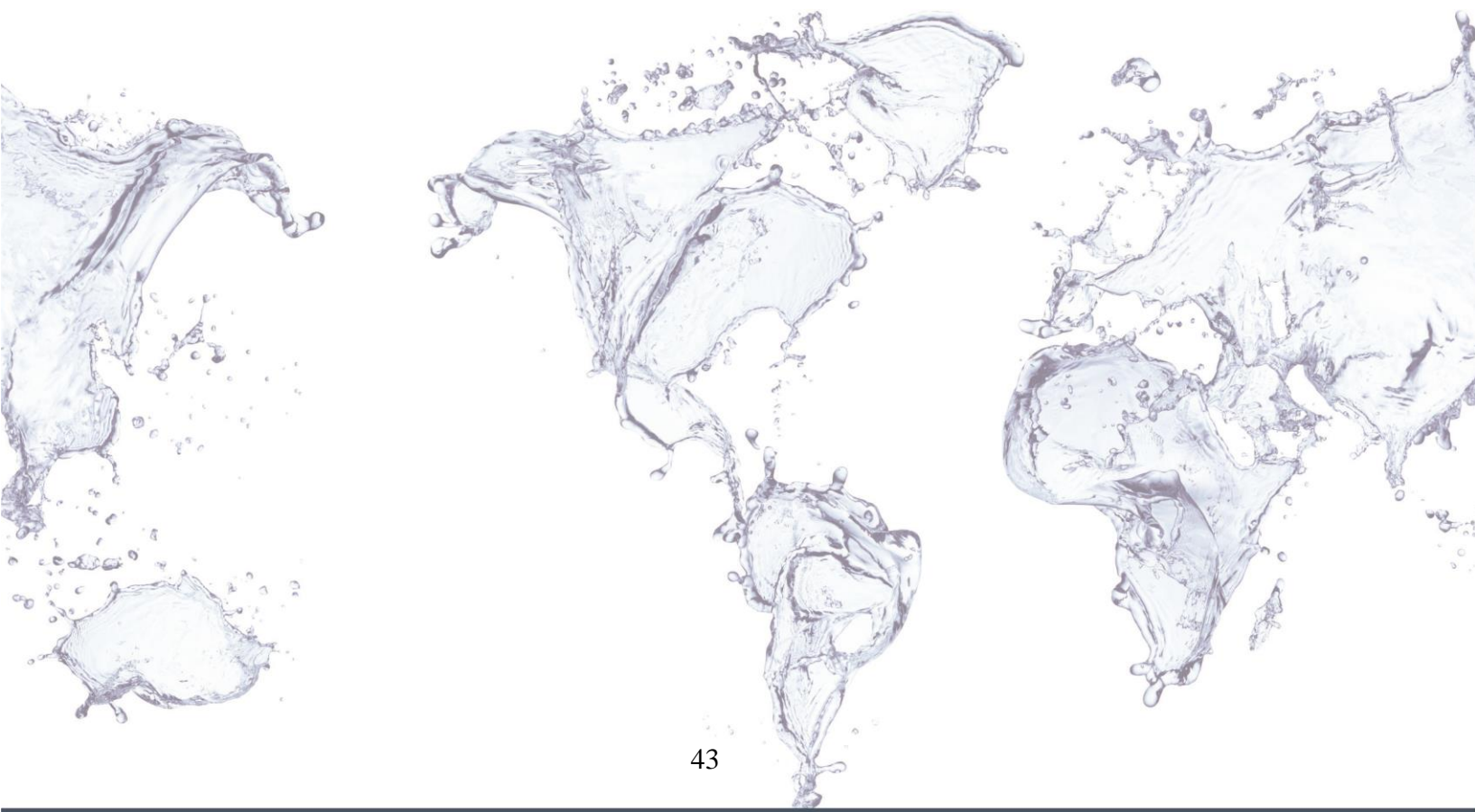
The review of annual tariffs took place in the financial year coupled with discounted tariffs in certain sectors, however, it can be reported that preparations with regard to billing of tariffs to water users continue to be at an advanced stage as illustrated below:

- Training has been attended throughout the year for the designated ICMA officials on WARMS;
- The approval from SETA to obtain the link to WARMS has been granted;
- An indication from the DWS has been given that all financial systems to enable the existing CMA's to do their own billing will be transferred to the CMA by 1 April 2015.
- WTE Debtor's collection rates for the Inkomati have improved from 20% to almost 40% through payment received from some irrigation boards on long outstanding debts, although serious financial constraints were experienced throughout the year owing to delayed transfer payments which resulted in the need to defer a portion of the revenue for utilization in the next financial year.

## 12. Corporate Services

Performance management of employees through quarterly reviews was effective throughout the year with a motivated workforce. The EE plan continues to be monitored to ensure equity in line with national governmental goals. Quarterly labour forum meetings continued to be held which boost staff morale. A few key policies were reviewed including the governing board charters and code of conduct to ensure sustainable good corporate governance. Though difficulty resulted in the WSP being submitted to ESETA, training did continue to take place in line with performance development plans as a mitigating measure to ensure a skilled workforce.

Almost all planned targets under corporate services have been achieved, bar the filling of prioritized positions. Out of thirteen 13 prioritized positions only nine (9) were advertised and filled, 2 contract jobs (internships) were created and filled. The shortfall in performance has been impacted on by the moratorium placed on filling of positions associated with financial constraints caused by delayed transfers therefore cash flow had been to be responsibly monitored. Compliance to the treasury instruction notice 01 of 2013/14 received during 4th quarter resulted in some planned employee wellness programmes to be discontinued as a cost containment measure as they were considered team building and such funds redirected to the continued training of staff and internal bursaries.





# EMPLOYMENT EQUITY AS AT END OF MARCH 2014

EMPLOYMENT EQUITY STATS AS AT END OF MARCH 2014											
Occupational Level	AM	CM	IM	WM	AF	CF	IF	WF	FOREIGN M	FOREIGN F	TOTAL
Top Management											0
Senior Management-E Band									1		1
Professionally qualified & experienced specialists & mid-management-D Band	2			4	3						9
Skilled technical & academically qualified workers, jnr mgt, supervisors, foremen & superintendents-C Band	14				14	1		1			30
Semi-skilled & discretionary decision making-B Band	1				3						4
Unskilled & defined decision making- A band											0
TOTAL	17	0	0	4	20	1	0	1	1	0	44

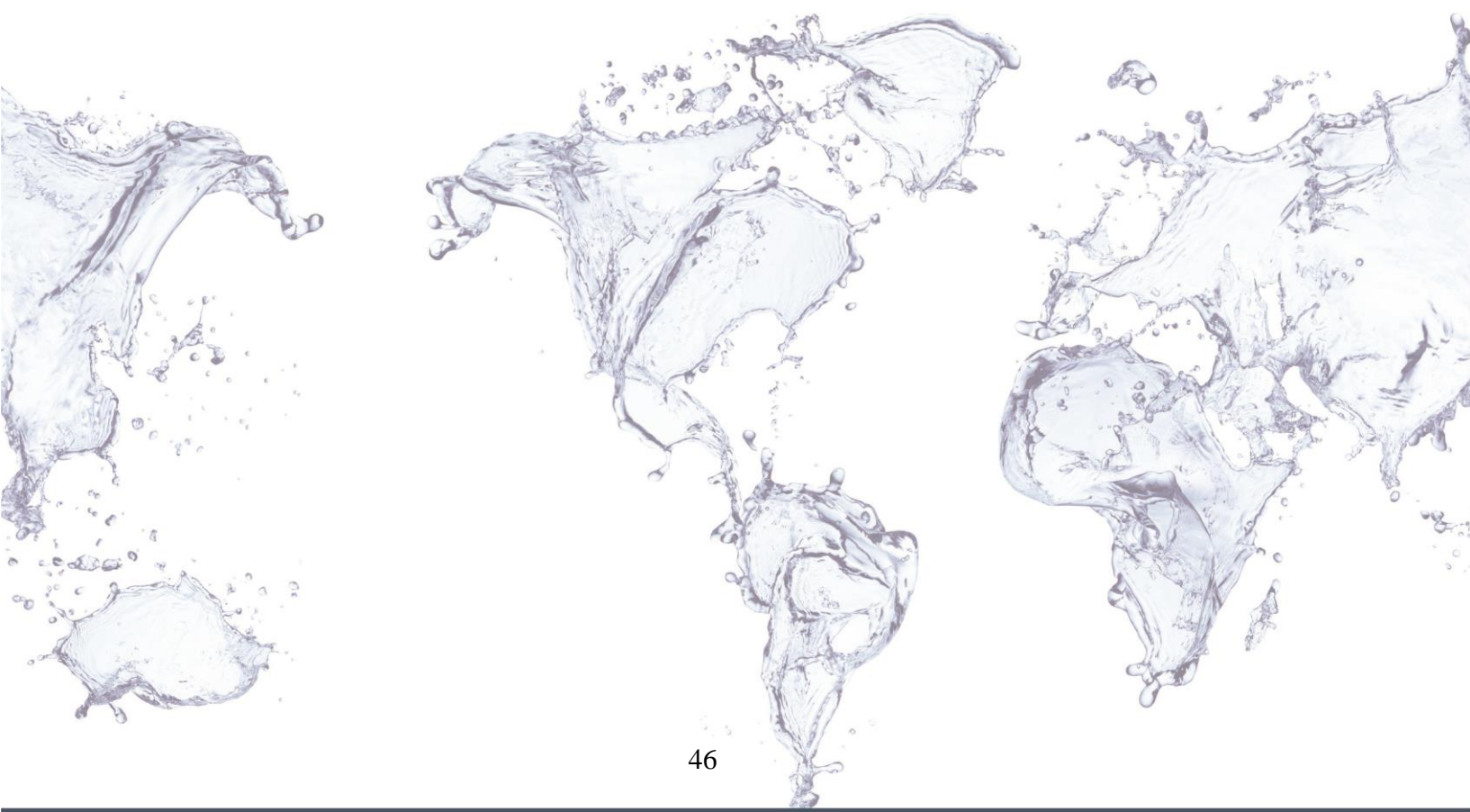
## RECRUITMENT FROM 1 APRIL 2013 TO 31 MARCH 2014

Employee Name	Position	Appointment Date	Division
Mr. Fairbridge Mnisi	Environmental Officer	01 April 2013	Resource Protection and Waste
Dr. Thomas Gyedu-Ababio	Chief Operations Officer	01 April 2013	Core Functions
Ms. Gugu Motha	Community Officer	01 May 2013	Institution and Participation
Mr. Thabiso Malemela	Chief Auxiliary Services Officer	01 May 2013	Resource Protection and Waste
Mrs. Thembelihle Mjaji	Executive Corporate Services	01 June 2013	Corporate Services
Ms. Thobile Hlatshwayo	Executive Secretary to COO	01 June 2013	Office of the COO
Mr. Thabo Mahlobo	Intern: Civil Engineering	01 June 2013	River Systems Operations and Data Management
Ms. Bongekile Mavuso	Intern: Resource Protection and Waste	01 June 2013	Resource Protection and Waste
Ms. Bongiwe Sambo	Environmental Officer	01 July 2013	Resource Protection and Waste
Mrs. Vuthlari Matsane	Technician	01 August 2013	River Systems Operations and Data Management
Mrs. Mamolie Mashaba	Environmental Officer	01 August 2013	Resource Protection and Waste
Mr. Hasani Makhubele	Catchment Coordinator	01 December 2013	Institution Participation
Ms. Beauora Lukhele	General Office Assistant	13 February 2014	Corporate Services



## SERVICE TERMINATIONS

Employee Name	Position	Service Termination Date	Type of Service Termination
Ms. Esmý Mkhombho	Asset Management Officer	30 September 2013	Resignation: Better Offer
Mrs. Cynthia Nkuna	Finance Manager	31 October 2013	Resignation: Better Offer
Mr. Melusi Maduna	Chief Auxiliary Services Officer	31 December 2013	Death
Mrs. Nomsa Mashele	HR Manager	31 January 2014	Resignation: Better Offer
Mr. Van Rooi Princip Khosa	WARMS Coordinator	06 March 2014	Death



## CONSOLIDATED PERFORMANCE TABLES

# CONSOLIDATED ANNUAL PERFORMANCE REPORT

## 2013/14 FINANCIAL YEAR

LEGEND: The outputs have been highlighted in various colour to indicate the primary ICMA division responsible for that output:

	Water Use Division
	Water Resources Planning & Programmes Division
	Institutions and Participation Division
	Corporate Services and Governance
	Multiple division responsibility



**PROGRAM 1: GOVERNANCE**

Outputs	Performance Indicator	Baseline	Annual Target	Annual Performance	Reasons for Variance	Remedial Actions
<b>ICMA Strategic Objective 5: Ensure Effective and Efficient Management of ICMA Resources</b>						
<b>Strategic Action Programme 6: Governance and Administrative Support</b>						
Good cooperate governance effectively implemented	Number of schedule of dates for Governing Board and Committees to enable compliance with legislative and policy requirements adopted	1	1 schedule of dates of governing board and committees submitted and adopted	1	None	None
	Number of updated register of outstanding Governing Board resolutions produced	4	4 updated registers of outstanding governing board resolutions	4	None	None

Outputs	Performance Indicator	Baseline	Annual Target	Annual Performance	Reasons for Variance	Remedial Actions
	Number of agendas compiled and delivered for Governing Board and Committees	GB 8 GB W/S 1 GB S/H 7 EXCO 7 WACO 4 Audit 5 Ad Hoc 6	GB 6 EXCO 4 WACO 4 Audit 4	GB : 4 GB Spec: 4 GB: w/s : 1 GB: S/H : 1 EXCO : 4 WACO: 4 AUDIT : 4 Spec Audit: 1 Ad Hoc: 6	More meetings were required by the Governing Board and its committees than scheduled initially due to circumstances.	None required
Informed legal services provided	Number of legal advice and opinions provided to the GB and its Committees, ICMA Management and administration, DWA, BOCMA and stakeholders	0	5 cases attended to	32 cases attended to	Demand driven	None
Filing system established and maintained	Establishment and maintenance of an approved filing system	0	1	1 (After approval of filing plan, records was transferred to Corporate Services)	None	None



Outputs	Performance Indicator	Baseline	Annual Target	Annual Performance	Reasons for Variance	Remedial Actions
	Maintenance of an operational incoming and outgoing mail register	0	Maintain an operational incoming and outgoing mail register	Maintain an operational incoming and outgoing mail register. (Transferred to Corporate Services on 8 Aug 2013)	None	None
Operational Risk Management Committee	Number of reports of the Risk Management Committee submitted to the Audit Committee and Governing Board	2	4 risk management committee reports submitted to the Audit Committee and governing board	3 risk management reports submitted.	Amendment of terms of reference, risk management framework and change of risk committee members. (The CEO is as from 8 Aug 2013 the CP and the CFO is the Risk Champion)	None

**PROGRAM 2: OFFICE OF THE CHIEF EXECUTIVE OFFICER**

Outputs	Performance Indicator	Baseline	Annual Target	Annual Performance	Reasons for Variance	Remedial Actions
<b>ICMA Strategic Objective 5: Ensure Effective and Efficient Management of ICMA Resources</b>						
<b>Strategic Action Programme 6: Governance and Administrative Support</b>						
Strategic Plan implemented	Strategic Plans and APPs approved by GB and implemented	2 Plans Approved & implemented (Strategic plan & APP)	2 Plans Approved & implemented	Final version Annual Performance Plan (APP) submitted to and approved by GB	Strategic Plan is done only once in 5 years. Current one being implemented.	None
Reporting Requirements done	Required reports submitted to GB, DWA, treasury and auditors	4 Quarterly Performance Reports 1 Annual Report	4 Quarterly Performance Reports 1 Annual Report	4 Quarterly Performance Reports submitted and approved 1 Annual Report	None	None
Branding and Marketing	Number of Inkomati Flows published	2	2 Inkomati Flows published	2 Inkomati Flows published	None	None
	Number of program based ICMA brochures developed	0	Develop 3 program based ICMA brochures	3 program based ICMA brochures developed; (1 Sabie/Sand Biomonitoring and 1 Inkomati Rivers Classification) and 1 for the Eco Status of the Crocodile Catchment	None	None
	Number of projects advertised through effective utilization of National and Local Electronic and Print media	0	4 projects advertised through national and local electronic and print media	12 adverts made	More advertisements were required (demand was higher)	2014/15 target will be reviewed in line with trend



Outputs	Performance Indicator	Baseline	Annual Target	Annual Performance	Reasons for Variance	Remedial Actions
	ICMA Website operational and maintained	ICMA website in place	Operate and maintain ICMA website	Operate and maintain ICMA website	None	None

**PRORAM 3: OFFICE OF THE CHIEF OPERATIONS OFFICER**

Outputs	Performance Indicator	Baseline	Annual Target	Annual Performance	Reasons for Variance	Remedial Actions
<b>DWA strategic Oriented Goal 2: Equitable and sustainable [provisioning of raw water]</b>						
<b>ICMA Strategic Objective 1: Ensure Effective, Efficient and Sustainable Management of Water Resources</b>						
<b>CMS Strategic Action Programme 1: Achieving Equity</b>						
Water Allocation Reform	Water Allocation Plan completed	Nil	Water Allocation Plan commenced	Not achieved	Verification Project delayed until July 2014.	Will commence after completion of the verification process.
Establishment of WUA's	Number of WUA established (7 in Total)	2	Commence establishment of 2 WUAs	None	On hold due to National Water Policy review	None
	Number of Irrigation Boards transformed	0	Commence the process of transforming Irrigation Boards	None	On hold due to National Water Policy review	None
Support Established Water User's Associations	Number of existing WUA's with up to date BP's	0	2 existing WUA's with up to date BP's supported	2 existing WUA's with up to date BP's supported	None	None



Outputs	Performance Indicator	Baseline	Annual Target	Annual Performance	Reasons for Variance	Remedial Actions
<b>DWA strategic Oriented Goal 2: Equitable and sustainable [provisioning of raw water]</b>						
<b>ICMA Strategic Objective 1: Ensure Effective, Efficient and Sustainable Management of Water Resources</b>						
<b>CMS Strategic Action Programme 2: Water Availability and Flow Management</b>						
Verification of water use	Percentage of non-urban Cadastral Properties Updated	90% completed of 11637 Properties	100% completed of 1163 Properties.	Project completed in 3 <sup>rd</sup> quarter.	None	None
	Percentage of Water Users verified	90% completed of 6800 registrations	100% validation and verification completed	None	Delays in Cadastral project have impacted on verification project	The contract has since been extended until July 2014.
Systems for integrated planning and operations of river systems effectively implemented	Number of DSS for ROR developed and effectively implemented.	1	Operate 3 DSS (Crocodile DSS and commence the operation of the Sabie River DSS). Expand operations to the Kaap river	2 DSS for ROR operated – Crocodile and Sabie Rivers.	Implementation of 3 <sup>rd</sup> DSS (Kaap River) delayed until mid 2014 due to budget reprioritisation.	3 <sup>rd</sup> DSS which is for the Kaap River will be done by mid 2014.

Outputs	Performance Indicator	Baseline	Annual Target	Annual Performance	Reasons for Variance	Remedial Actions
<b>DWA strategic Oriented Goal 2: Equitable and sustainable [provisioning of raw water]</b>						
<b>ICMA Strategic Objective 1: Ensure Effective, Efficient and Sustainable Management of Water Resources</b>						
<b>CMS Strategic Action Programme 2: Water Availability and Flow Management</b>						
Authorised Water Use	Number of water quality related authorisations recommended within timeframe	3	8 (demand-driven)	8 achieved during the year (8 WULA finalised during Q3 and are ready to be presented/ recommended to Letsema)	None	None
	Number of temporary Transfers in terms of S 25 (1) approved	0	10 (demand-driven)	0 temporary Transfers in terms of S 25 (1) approved	The target is demand-driven and there were no applications received during the quarter	None
Metered water use	Number of water meters installed	0	Installation of 60 bulk water meters	9	Appointment of contractor delayed due to shortage of funds	Installation to be completed in first quarter of 2014/15



Outputs	Performance Indicator	Baseline	Annual Target	Annual Performance	Reasons for Variance	Remedial Actions
<b>DWA strategic Oriented Goal 2: Equitable and sustainable [provisioning of raw water]</b>						
<b>ICMA Strategic Objective 1: Ensure Effective, Efficient and Sustainable Management of Water Resources</b>						
<b>CMS Strategic Action Programme 3: Managing Water Quality</b>						
Discharge and water resource quality effectively sampled/monitored	Number of sites sampled/monitored per annum	164 programmed monitoring sites sampled/monitored per month	1968 programmed monitoring sites sampled/monitored per annum.	1850 programmed monitoring sites sampled	45 samples not taken during quarter 1 and 20 during the quarter 2 due to no flow. 1 extra sample recorded during quarter 3. 54 samples for the Crocodile Catchment for March 2014 not taken due to the vacant position of the Chief Auxiliary Services Officer for the Crocodile Catchment.	Chief Auxiliary Services Officer for the Crocodile Catchment Management Agency to be appointed as from 01/05/2014.
	River Health monitoring implemented	Sabie River Health monitoring conducted in 2011/12	Komati River Health monitoring	None	The Komati River Health monitoring could not be commissioned due to financial constraints.	Study will be re-commissioned during 2014/15 financial year when funds are available.
Water resource pollution prevention	Percentage of pollution incidents attended to and remedied to the satisfaction of the ICMA	100% of reported incidents	Respond to 100% reported incidents within 24 hours.	100% of 27 reported pollution incidents were responded to within 24 hours	None	None
Outputs	Performance Indicator	Baseline	Annual Target	Annual Performance	Reasons for Variance	Remedial Actions
Pro-Active acid mine drainage strategy	Pro-active acid mine drainage strategy in place	0	Proactive AMD strategy in place	Proactive AMD Strategy submitted did not meet requirements.	PSP did not meet the requirements as per the ToR. Document returned for revision.	PSP was requested to do the corrections which were submitted for review on 28/3/2014.

Outputs	Performance Indicator	Baseline	Annual Target	Annual Performance	Reasons for Variance	Remedial Actions
<b>DWA strategic Oriented Goal 2: Equitable and sustainable [provisioning of raw water]</b>						
<b>ICMA Strategic Objective 1: Ensure Effective, Efficient and Sustainable Management of Water Resources</b>						
<b>CMS Strategic Action Programme 3: Managing Water Quality</b>						
Integrated water quality management Framework	Integrated water quality management framework in place	0	Development of co-operation and protocol for data transparency, confidentiality and sharing	<p>Developed trans-disciplinary water quality management team between Rhodes University, ICMA and AWARD.</p> <p>Inception report on Integrated Water Quality Management Process compiled and forwarded to all stakeholders involved.</p> <p>Stakeholder meeting in Dec 2013 about mirroring back results of Activity System interviews.</p> <p>3 stakeholder workshops, THRIP Project meeting and Green Drop Campaign.</p>	None	None



Outputs	Performance Indicator	Baseline	Annual Target	Annual Performance	Reasons for Variance	Remedial Actions
<b>ICMA Strategic Objective 1: Ensure Effective, Efficient and Sustainable Management of Water Resources</b>						
<b>CMS Strategic Action Programme 5: Achieving Compliance and Enforcement</b>						
Compliance monitoring effectively implemented	Number of water quality inspections conducted	49	104 inspections to be conducted	134 inspections conducted	Due to commitment from the officers and additional inspection for other activities such as the wastewater treatment works at the Kruger National Park were conducted which were not included in the original activity plan	None
Mines inspected for compliance	Number of inspections conducted on mines	0	46 inspections conducted on mines	35 inspections conducted	Moratorium during 2 <sup>nd</sup> quarter placed on cost incurring activities and also late transfer by DWA during 4 <sup>th</sup> quarter.	None
Enforcement effectively implemented.	Number of notices issued to non-compliant users.	12	12 notices issued to non-compliant users (demand driven).	57 notices issued to non-compliant users.	Demand driven. Most municipalities WWTW were non-compliant to section 19 of the NWA and hence more notices were issued.	None
	Number of directives issued to non-compliant users	1	8 directives issued to non-compliant users (demand driven)	21 directives issued to non-compliant users	Demand driven	None

Outputs	Performance Indicator	Baseline	Annual Target	Annual Performance	Reasons for Variance	Remedial Actions
<b>ICMA Strategic Objective 2: Ensure collaborative and co-ordinated IWRM for wise socio-economic development</b>						
<b>CMS Strategic Action Programme 1: Achieving Equity</b>						
Stakeholder Empowerment and Interactions	Number of stakeholder empowerment workshops conducted with HDI users	12	Conduct 16 stakeholder empowerment workshops with HDI users	Conduct 27 stakeholder empowerment workshops with HDI users	There was a need for additional workshops and resources were available.	None
	Number of stakeholder interactions / consultations held and participated with sector institutions	20	Conduct or participate in 20 stakeholder consultations / interactions with sector institutions	Conducted and; or participated in 66 stakeholder consultations / interactions with sector institutions.	Division performed beyond target as capacity and resources were available.	A correction of the target according to real needs due to the availability of funds and capacity has been done for 2014/15.

Outputs	Performance Indicator	Baseline	Annual Target	Annual Performance	Reasons for Variance	Remedial Actions
<b>DWA strategic Oriented Goal 4: Protection of Freshwater ecosystems</b>						
<b>ICMA Strategic Objective 2: Ensure collaborative and co-ordinated IWRM for wise socio-economic development</b>						
<b>Strategic Action Programme 2: Water Availability and Flow Management</b>						
River operations committees established and maintained	Number of River Operating Committees established and maintained	1	2 river operating committees established and maintained (CROCOC and Sabie).	1 River Operating Committee maintained (CROCOC)	Sabie operations committee not yet established due to human resource constraints.	Sabie operations committee prioritised for establishment in 2014.
<b>CMS Strategic Action Programme 4: Generating and Managing Knowledge</b>						
Catchment Management Strategy effectively implemented	1 Gazetted CMS	Nil	Public comments incorporated into revised CMS.	Public comments incorporated and revised CMS sent to Minister for approval.	None	None
Co-operative governance	Percentage of EIAs evaluated and commented on within specified time frame	100%	Evaluate 100% of received EIAs within timeframes	No EIAs received (demand driven)	None	None



Outputs	Performance Indicator	Baseline	Annual Target	Annual Performance	Reasons for Variance	Remedial Actions
<b>DWA strategic Oriented Goal 4: Protection of Freshwater ecosystems</b>						
<b>ICMA Strategic Objective 2: Ensure collaborative and co-ordinated IWRM for wise socio-economic development</b>						
	Percentage of EMPRs & prospecting applications evaluated & commented on within specified time frame	100%	Evaluate 100% received EMPRs within set timeframes	Evaluate 100% of 70 received EMPRs within set timeframes (demand-driven)	Demand driven	None
	Number of inputs made on IDPs and WSDP's	9	9	Inputs made at 2 IDP meetings (demand driven).	Demand driven	None
	Number of inputs made on PGDS and MPU State of Environment Report	2	2	0	No documents received.	None
	Number of inputs made on Spatial Development Plans commented.	8	8	0	The output is demand-driven and there were no documents received on which inputs were requested	None
	Number of Municipal Environmental Frameworks and Plans commented on	9	9	0	Demand driven. No documents received.	None

Outputs	Performance Indicator	Baseline	Annual Target	Annual Performance	Reasons for Variance	Remedial Actions
	Support DWA NWRP Mbombela Reconciliation Strategy and any other Bulk Water Strategies that may arise.	0	1 Strategy Supported	1 Strategy Supported	None	None

### ICMA Strategic Objective 3: Promote and Pursue International Developmental Agenda

#### Strategic Action Programme 2: Water Availability and Flow Management

Provision of informed advice to DWA on international agreements	Number of KJOF meetings attended in advisory capacity	12	Attend 12 KJOF meetings in advisory capacity	Attended 7 KJOF meetings in advisory capacity	1 Meeting was cancelled and some meetings clashed with other priorities.	None
	Number of trans-boundary water management forum meetings ICMA participated in	0	Participate in 2 trans-boundary water management forum meetings	Participated in 2 trans-boundary water management forum meetings	None	None

Outputs	Performance Indicator	Baseline	Annual Target	Annual Performance	Reasons for Variance	Remedial Actions
<b>ICMA Strategic Objective 3: Promote and Pursue International Developmental Agenda</b>						
<b>CMS Strategic Action Programme 4: Generating and Managing Knowledge</b>						
Exchange of knowledge and expertise	Number of international programmes/partnerships beneficial to the Inkomati CMA participated in	2	Participate in 4 international programmes or partnerships beneficial to the ICMA	Participated in 7 beneficial to ICMA: HYDRONET delegation from the Netherlands; WATPLAN Project meeting in Mozambique; REMCO Steering Committee; Dutch Local Government Capacity Building Programme; REMCO working visit by Waterschap Groot Salland in the Netherlands; Billing workshop funded by VNG; Visited Denmark as part of SA water delegation	None	None
Water quality status report	Number of water quality status reports produced and disseminated	4	Produce 12 water quality status reports	Produced 22 water quality status reports	Water quality monitoring activities increased when funds became available.	None



Outputs	Performance Indicator	Baseline	Annual Target	Annual Performance	Reasons for Variance	Remedial Actions
<b>DWA strategic Oriented Goal 4: Protection of Freshwater ecosystems</b>						
<b>ICMA Strategic Objective 4: Promote Knowledge Generation and Distribution</b>						
<b>CMS Strategic Action Programme 4: Generating and Managing Knowledge</b>						
Build knowledge sharing networks amongst stakeholders	Number of meetings, forums, projects, conferences, networks, organisations, associations attended and participated in.	10	Participation in 10 IWRM related Projects, forums, conferences, associations, organisations, networks etc.	Participation in 17 IWRM related Projects, forums, conferences, associations, organisations, networks etc.:  WRC's Update of water resources of SA; Revision of MAP Estimates project meetings; Presented ICMA powers and functions to Kruger2Canyons Biosphere Reserve Coordinating Unit; DWA's final Mbombela Reconciliation Strategy Project meeting; 2 IWRM Projects; WRC water use efficiency of irrigated crops; WRC WR 2012 and RISKOMAN Evaluation Panel; DWA Reconciliation Strategies for all towns; DWA National Planning	Additional demand to planned schedule of meetings.	None

				Office liaison meeting; DWA Inkomati Licencing Support Project meeting; WRC Development and assessment of an integrated water use quantification methodology for SA (K5/2205/1); WRC Advancing Strategic Adaptive Management as framework for IWRM by CMAs (K5/2072); DWA Project Management and Steering Committees meetings for Classification of water resources; DWA Licencing Support Project Management meeting; Presentation at Water Security Conference		
Collect, manage, store, produce & disseminate data in an appropriate format to support priority strategic action programmes.	Number of installed functional river and rainfall gauges and loggers	34 Priority River data loggers installed and 15 rain gauges installed	Maintain 34 installed data and 15 rain gauges and data acquisition	28 river loggers and 14 rainfall gauges maintained	Only 28 river loggers and 14 rainfall gauges installed and performance deemed adequate.	Target will be revised for 2014/15
	Installed and water resources information management database maintained	None	Set up Real Time WRIMD	Done. Maintain Real Time WRIMD	None	None

## CORPORATE SERVICES

Outputs	Performance Indicator	Baseline	Annual Target	Annual Performance	Reasons for Variance	Remedial Actions
<b>ICMA Strategic Objective 5: Ensure Effective and Efficient Management of ICMA Resources</b>						
<b>Strategic Action Programme 6: Governance and Administrative Support</b>						
Effective internal controls and risk management	No. of repeats in Internal Audit Reports:		0	0	None	None
	Financial Performance	0 5	0	0	None	None
	No of unresolved queries in Internal Audit Reports:	0	0	0	None	None
	Financial Performance	5	0	0	None	None
	Number of Risk Assessment Report produced	1	1 risk assessment report produced	N/A	N/A	None
	Number of updated Risk Registers produced	4	Produce 4 updated risk registers	4 updated Risk Registers produced	None	None



Outputs	Performance Indicator	Baseline	Annual Target	Annual Performance	Reasons for Variance	Remedial Actions
<b>ICMA Strategic Objective 5: Ensure Effective and Efficient Management of ICMA Resources</b>						
<b>Strategic Action Programme 6: Governance and Administrative Support</b>						
	Number of breaches of materiality and significance	0	0 breaches of materiality and significance	0 breaches of materiality and significance	0 breaches of materiality and significance	None
	Number of Audit Strategies developed	2	2	2	None	None
Effective IT management	Implementation of the MSP	MSP phase 1 Implemented	Phase 2 of the MSP implemented	Implementation report produced	None	None
Annual tariff proposals	Tariff proposals Compliant with pricing strategy	1	1	N/A	N/A	None
Sound Financial Services	Percentage of ICMA compliance checklist compliant with PFMA and TR	100% of Compliance checklist	100% of checklist compliant.	100% of checklist compliant.	None	None
	Accurate Annual Financial Statements and compliant with relevant accounting standards	Accurate Annual Financial Statements and compliant with relevant accounting standards	Accurate Annual Financial Statements and compliant with relevant accounting standards	N/A	N/A	None

Outputs	Performance Indicator	Baseline	Annual Target	Annual Performance	Reasons for Variance	Remedial Actions
<b>ICMA Strategic Objective 5: Ensure Effective and Efficient Management of ICMA Resources</b>						
<b>Strategic Action Programme 6: Governance and Administrative Support</b>						
	4 Quarterly Financial Reports	4 Quarterly Financial Reports	4 Quarterly Financial Reports	1	1	None
	Unqualified Audit opinion	Unqualified Audit opinion	Unqualified Audit opinion	N/A	N/A	None
HR approved policies	Number of approved ICMA policies to comply with labour law	2	4	8	A need was identified for Policies to be revised	None
Training and skills development (internal)	Number of Internal bursaries awarded	2	Award 5 internal bursaries	5	None	None
	WSP submitted to ESETA and implemented	0	WSP submitted to ESETA and implemented	WSP submitted to ESETA and implemented	None	None

Outputs	Performance Indicator	Baseline	Annual Target	Annual Performance	Reasons for Variance	Remedial Actions
<b>ICMA Strategic Objective 5: Ensure Effective and Efficient Management of ICMA Resources</b>						
<b>Strategic Action Programme 6: Governance and Administrative Support</b>						
Effective Organisational Development	No. of vacant posts filled No. of new Posts filled	13 Posts filled	13 posts filed	9 posts advertised and filled	Due to financial constraints a reprioritisation of posts had to be done.	To be done next financial year.
	Number of permanent jobs created	11	11 permanent jobs created	9	Due to financial constraints a reprioritisation of posts had to be done.	To be done next financial year.
	Number of contract jobs created	0	2 contract jobs created	2	None	None
Employment Equity	EE plan reviewed	None	EE plan submitted to DoL	EE plan implemented	None	None
Performance management	Percentage of employees with signed performance agreements & performance reviews done	49 employees signed performance contracts and annual reviews conducted	Facilitate the signing of employees performance agreements and annual reviews	Achieved	None	None



Outputs	Performance Indicator	Baseline	Annual Target	Annual Performance	Reasons for Variance	Remedial Actions
<b>ICMA Strategic Objective 5: Ensure Effective and Efficient Management of ICMA Resources</b>						
<b>Strategic Action Programme 6: Governance and Administrative Support</b>						
Wellness	Number of life skills programs	4	4 life skills programs handled	2 life skills program	Service provider was not available during quarter 3.  Due to treasury instruction notice 01 of 2013/14 received during 4 <sup>th</sup> quarter, thus could not be implemented	A request for deviation approval has been sent to the National Treasury to condone the scheduled team building exercise
	Number of referrals for professional help	1	Demand driven	Number of referrals for professional help	Not applicable (demand driven)	None
Employee relations	Percentage of grievances handled according to policy	None	100% grievances handled according to policy	No grievances reported during the year	Not applicable	None
	Percentage of disciplinary cases handled according to policy	100% (2 cases)	100% disciplinary cases handled according to policy	Not applicable	Not applicable	None
	Quarterly labour forum meetings( management & labour forum	4 labour forums meetings	4 labour forum meetings held	4 labour forum meetings held	None	None

# Inkomati Catchment Management Agency

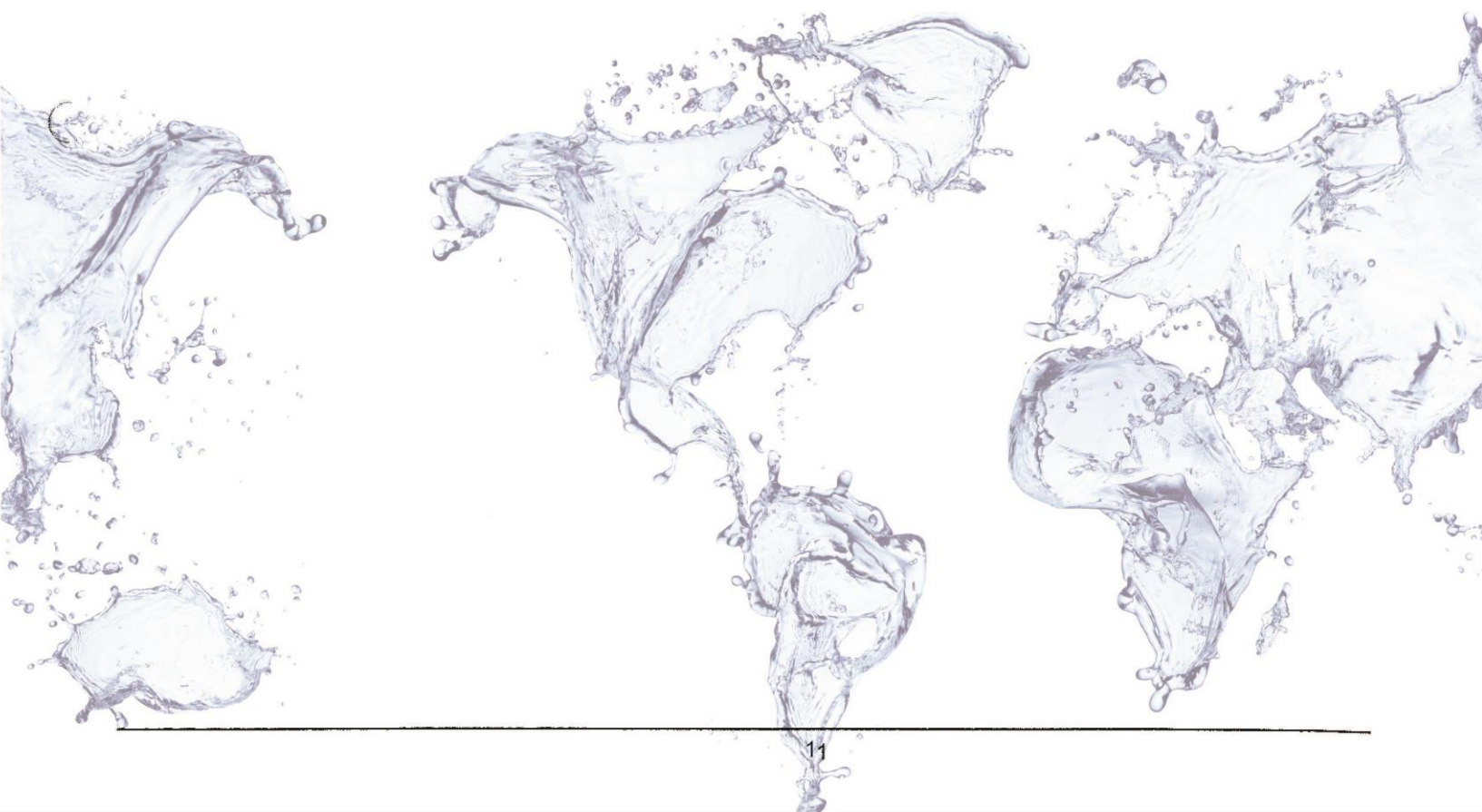
Annual Financial Statements for the year ended 31 March 2014

## Contents

---

The reports and statements set out below comprise the annual financial statements presented to the parliament:

<b>Index</b>	<b>Page</b>
Statement of Responsibility for the Annual Financial Statements	2
Audit Committee Report	3
Report of the Independent External Auditor	4 - 5
Accounting Authority's Report	6
Statement of Financial Position	7
Statement of Financial Performance	8
Statement of Changes in Net Assets	9
Cash Flow Statement	10
Statement of Comparison of Budget and Actual Amounts	11
Accounting Policies	12 - 14
Notes to the Annual Financial Statements	15 - 21





# Inkomati Catchment Management Agency

Annual Financial Statements for the year ended 31 March 2014

## Statement of Responsibility for the Annual Financial Statements

---

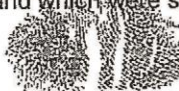
The accounting authority is responsible for monitoring the preparation and integrity of the financial statements and related information included in the annual report. In order for the accounting authority to discharge these responsibilities, as well as those bestowed on it in terms of the Public Finance Management Act and other applicable legislation, it has developed and maintained a system of internal controls.

The internal controls include a risk-based system of internal accounting and administrative controls designed to provide reasonable but not absolute assurance that assets are safeguarded and that transactions are executed and recorded in accordance with generally accepted business practices and the entity's policies and procedures.

The financial statements are prepared in accordance with the prescribed Standards of Generally Recognised Accounting Practices (GRAP). They are based on appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

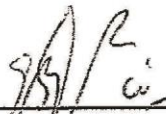
The accounting authority believes that the Inkomati Catchment Management Agency will be a going concern in the year ahead due to the Government grant. For this reason the accounting authority continues to adopt the going concern basis in preparing the annual financial statements.

The accounting authority approved the annual financial statements for the year ended 31 March 2014 set out on pages 7 to 21 on 29 May 2014 and which were signed on its behalf by:



---

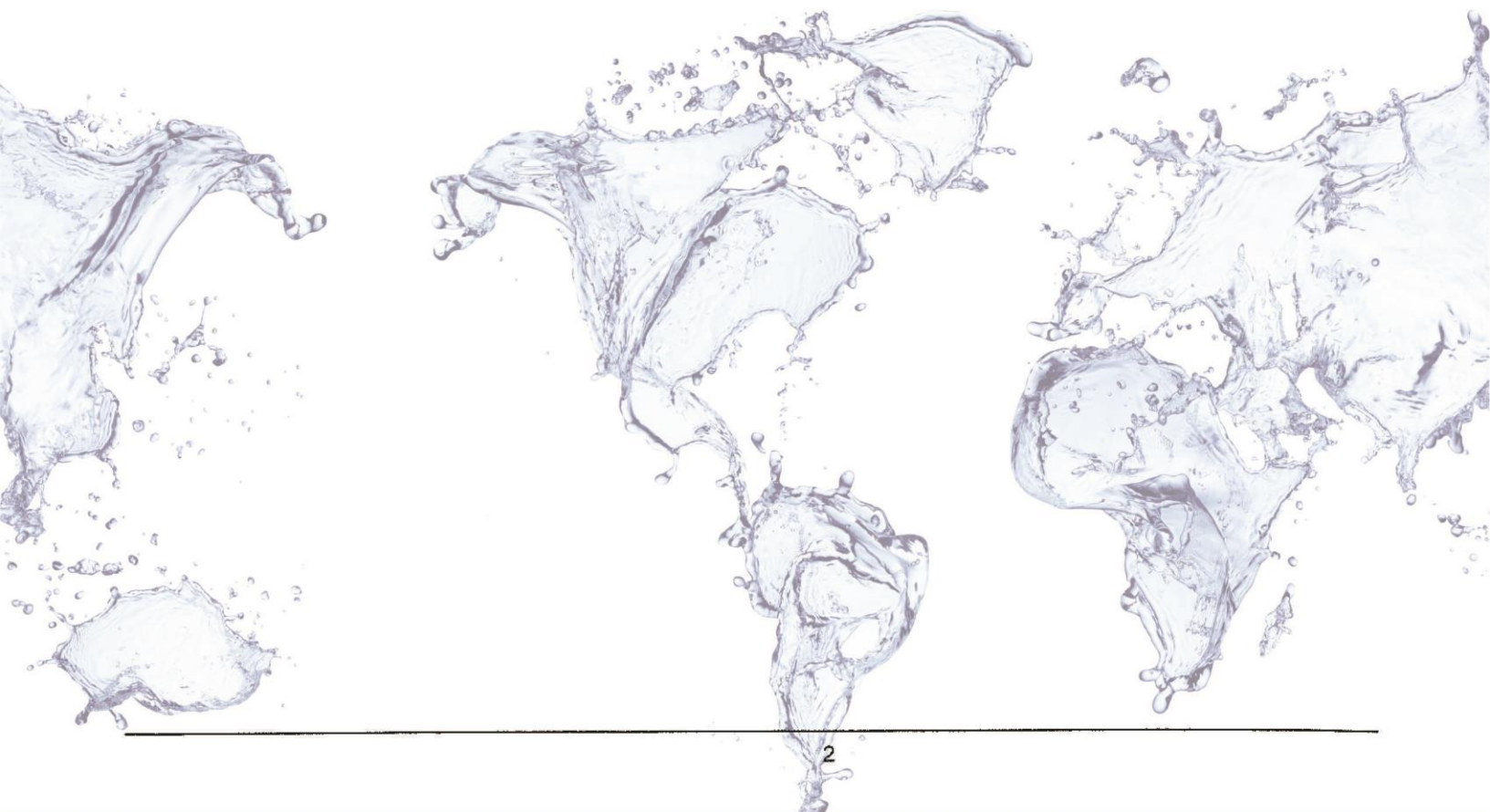
Ms TP Nyakane - Maluka  
Chairperson



---

Dr T Gyedu - Ababio  
Acting Chief Executive Officer

Place of signature: Mbombela





# Inkomati Catchment Management Agency

Annual Financial Statements for the year ended 31 March 2014

## Audit Committee Report

---

### 1. Introduction

We are pleased to present our report for the financial year ended 31 March 2014.

#### 1.1 Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Regulation 27.1.8 of the National Treasury Regulations, 2005 in executing its duties. The Audit Committee also reports that it has adopted appropriate formal terms of reference within its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

### 2. The Effectiveness of Internal Control

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted by the Inkomati Catchment Management Agency revealed certain weaknesses, which were then raised with the Inkomati Catchment Management Agency.

The following internal audit work was completed during the year under review to address the risks identified:

- Developing the Internal Audit Plan and facilitating a Risk Assessment workshop;
- Financial Review in the 3<sup>rd</sup> quarter covering the financial year;
- Human Resource Management Review – with specific focus on Performance management and leave management;
- Performance Information review for the 1<sup>st</sup> and 3<sup>rd</sup> quarter; and
- Follow up Audit on previously reported findings.

The following were areas of concern:

- Certain Performance objectives were not achieved in the current year due to challenges detailed in the divisional reports

No significant subsequent events were noted except for those already highlighted in the Annual Report and Annual Financial Statements wherein the Accounting Authority has highlighted the name change of ICMA to IUCMA.

### 3. In-Year Management and Monthly/Quarterly Report

The Inkomati Catchment Management Agency has submitted monthly and quarterly reports to the Executive Authority.

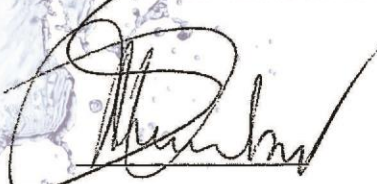
#### 3.1 Evaluation of Financial Statements

We have reviewed the Annual Financial Statements prepared by the Inkomati Catchment Management Agency.

### 4. Auditor's Report

We have reviewed the Inkomati Catchment Management Agency's implementation plan for audit issues raised in the prior year and we are satisfied that the matters have been adequately resolved.

The Audit Committee concurs and accepts the conclusions of the external auditor on the Annual Financial Statements and is of the opinion that the Audited Annual Financial Statements be accepted and read together with the report of the External Auditor.



Mr MS MTHEMBU  
Chairperson of the Audit Committee  
Inkomati Catchment Management Agency  
31 July 2014





## INDEPENDENT AUDITOR'S REPORT TO PARLIAMENT ON THE INKOMATI CATCHMENT MANAGEMENT AGENCY REPORT ON THE FINANCIAL STATEMENTS

### Introduction

We have audited the financial statements of the Inkomati Catchment Management Agency as set out on pages 7 to 21, which comprise the statement of financial position as at 31 March 2014 the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

### Accounting authority's responsibility for the financial statements

The accounting authority is responsible for the preparation and fair presentation of these financial statements in accordance with Standards of Generally Recognized Accounting Practices (GRAP) and the requirements of the Public Finance Management Act of South Africa, and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Public Audit Act of South Africa, the *General Notice* issued in terms thereof and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Inkomati Catchment Management Agency as at 31 March 2014, and its financial performance and cash flows for the year then ended in accordance with Generally Recognized Accounting Practices (GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA).

PricewaterhouseCoopers Inc., 19 Brander Street, Mbombela 1200, P O Box 1875, Mbombela 1200  
T: +27 (13) 754 3300, F: +27 (13) 754 3400, www.pwc.co.za

Africa Senior Partner: S P Kana  
Management Committee: H Boegman, T P Blandin de Chalein, B M Deegan, J G Louw, S N Madikane, P J Mothibe, T D Shango, S Subramoney, A R Tilakdari, F Tonelli  
The Company's principal place of business is at 2 Eglon Road, Sunninghill where a list of directors' names is available for inspection.  
Reg. no. 1998/012055/21, VAT reg.no. 4950174682



## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the PAA and the General Notice issued in terms thereof, we report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

### Predetermined objectives

We performed procedures to obtain evidence about the usefulness and reliability of the information in the consolidated annual performance report as set out on pages 24 to 42 of the annual performance report.

The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury's annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the National Treasury Framework for managing programme performance information.

The reliability of the information in respect of the selected programmes is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).

There were no material findings on the annual performance report concerning the usefulness and reliability of the information.

### Additional matter

Although no material findings concerning the usefulness and reliability of the performance information were identified in the consolidated annual performance report, we draw attention to the following matter below.

### Achievement of planned targets

Of the total number of 37 indicators tested, 20 of the targets were substantively not achieved during the year under review. This represents 54% of total planned targets that were not achieved during the year under review.

### Compliance with legislation

We performed procedures to obtain evidence that the entity has complied with applicable legislation regarding financial matters, financial management and other related matters. We did not identify any instances of material non-compliance with specific matters in key applicable laws and regulations as set out in the General Notice issued in terms of the PAA.

### Internal control

We did not identify any deficiencies in internal control that we considered sufficiently significant for inclusion in this report.

*PriceWaterhouseCoopers Inc*  
PriceWaterhouseCoopers Inc  
Director: Andries Oosthuizen  
Registered Auditors  
Nelspruit  
31 July 2014  
Telephone: 013 754 3300  
Email: andries.oosthuizen@za.pwc.com



# Inkomati Catchment Management Agency

Annual Financial Statements for the year ended 31 March 2014

## Accounting Authority's Report

---

The Accounting Authority submits its report for the year ended 31 March 2014.

### 1. Review of activities

#### Main business and operations

The Inkomati Catchment Management Agency (ICMA) is a Schedule 3A Public Entity domiciled on the 8th Floor, Suite 801, The Maxsa Building, 13 Streak Street, Nelspruit 1200, responsible for the integrated management of the water resource in the Inkomati Water Management Area. The operating results and state of affairs of the Agency are fully set out in the attached financial statements and do not in our opinion require further comment.

Net deficit of the Agency was R 6,499,927 (2013: deficit R 12,510,050).

During the financial year under review the Agency utilised accumulated surpluses arising from underspending of the budget in prior years towards the funding of current years expenditure which has resulted in the deficit for the year.

### 2. Subsequent events

Subsequent to the year end, in terms of Gazette notice number 37602/330 issued on 2 May 2014, the Minister of Water and Environmental Affairs established the Inkomati-Usuthu Catchment Management Agency through extending the boundary and area of operation of the Inkomati Catchment Management Agency in terms of section 78(4) of the National Water Act (Act no. 36 of 1998). All the existing Board members of the Inkomati Catchment Management Agency have also since been appointed by the Minister of Water and Environmental Affairs as the interim Governing Board of the Inkomati-Usuthu Catchment Management Agency.

### 3. Accounting Authority

The members of the entity during the year and to the date of this report are as follows:

#### Board Members

TP Nyakane - Maluka  
CJH du Preez  
EG Mashele  
BK Mokoena  
SE Thwala  
F Roux  
TG Mokoena  
LS Masilela

### 4. Audit Committee

MS Mthembu  
M Secker  
NL Mathebula  
SE Thwala  
LS Masilela

# Inkomati Catchment Management Agency

Annual Financial Statements for the year ended 31 March 2014

## Statement of Financial Position as at 31 March 2014

	Note(s)	2014 R	2013 R
<b>Assets</b>			
Current Assets			
Receivables from exchange transactions	3	219,171	439,893
Cash and cash equivalents	4	14,609,441	15,337,850
		<b>14,828,612</b>	<b>15,777,743</b>
Non-Current Assets			
Property, plant and equipment	2	2,984,607	2,818,102
Deposits		195,900	195,900
		<b>3,180,507</b>	<b>3,014,002</b>
<b>Total Assets</b>		<b>18,009,119</b>	<b>18,791,745</b>
<b>Liabilities</b>			
Current Liabilities			
Finance lease obligation	5	193,333	162,447
Payables from exchange transactions	8	6,374,790	4,322,019
Provisions	6	671,433	509,918
Deferred Income		3,401,000	-
		<b>10,640,556</b>	<b>4,994,384</b>
Non-Current Liabilities			
Finance lease obligation	5	403,933	332,805
<b>Total Liabilities</b>		<b>11,044,489</b>	<b>5,327,189</b>
<b>Net Assets</b>		<b>6,964,630</b>	<b>13,464,556</b>
Accumulated surplus		6,964,630	13,464,556



# Inkomati Catchment Management Agency

Annual Financial Statements for the year ended 31 March 2014

## Statement of Financial Performance

	Note(s)	2014 R	2013 R
Revenue	9	32,273,864	22,327,186
Other income	10	4,221,870	10,000
Operating expenses		(43,464,737)	(35,698,781)
<b>Operating deficit</b>		<b>(6,969,003)</b>	<b>(13,361,595)</b>
Investment revenue	13	513,469	909,101
Finance costs	14	(44,393)	(57,556)
<b>Deficit for the year</b>		<b>(6,499,927)</b>	<b>(12,510,050)</b>

## Inkomati Catchment Management Agency

Annual Financial Statements for the year ended 31 March 2014

### Statement of Changes in Net Assets

	Accumulated surplus R	Total net assets R
<b>Balance at 01 April 2012</b>	<b>25,974,606</b>	<b>25,974,606</b>
Changes in net assets		
Deficit for the year	(12,510,050)	(12,510,050)
<b>Total changes</b>	<b>(12,510,050)</b>	<b>(12,510,050)</b>
<b>Balance at 01 April 2013</b>	<b>13,464,557</b>	<b>13,464,557</b>
Changes in net assets		
Deficit for the year	(6,499,927)	(6,499,927)
<b>Total changes</b>	<b>(6,499,927)</b>	<b>(6,499,927)</b>
<b>Balance at 31 March 2014</b>	<b>6,964,630</b>	<b>6,964,630</b>



# Inkomati Catchment Management Agency

Annual Financial Statements for the year ended 31 March 2014

## Cash Flow Statement

	Note(s)	2014 R	2013 R
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Grants		32,273,864	22,327,186
Interest income		513,469	909,101
Other receipts		4,221,870	10,000
		37,009,203	23,246,287
<b>Payments</b>			
Employee costs		(25,130,797)	(18,775,517)
Suppliers		(11,382,033)	(15,204,176)
		(36,512,830)	(33,979,693)
<b>Net cash flows from operating activities</b>	16	<b>496,373</b>	<b>(10,733,406)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(1,455,814)	(1,376,308)
Proceeds from sale of property, plant and equipment	2	173,411	-
<b>Net cash flows from investing activities</b>		<b>(1,282,403)</b>	<b>(1,376,308)</b>
<b>Cash flows from financing activities</b>			
Proceeds from finance leases		57,621	223,266
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(728,409)</b>	<b>(11,886,448)</b>
Cash and cash equivalents at the beginning of the year		15,337,850	27,224,298
<b>Cash and cash equivalents at the end of the year</b>	4	<b>14,609,441</b>	<b>15,337,850</b>

# Inkomati Catchment Management Agency

Annual Financial Statements for the year ended 31 March 2014

## Statement of Comparison of Budget and Actual Amounts

### Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
	R	R	R	R	R	

### Statement of Financial Performance

#### Revenue

##### Revenue from exchange transactions

DWA Regional Office claims	-	-	-	4,221,870	4,221,870
Interest received - investment	-	-	-	513,469	513,469
<b>Total revenue from exchange transactions</b>	-	-	-	<b>4,735,339</b>	<b>4,735,339</b>

##### Revenue from non-exchange transactions

##### Taxation revenue

Government grants & subsidies	43,212,731	7,627,988	50,840,719	32,273,864	(18,566,855)
<b>Total revenue</b>	<b>43,212,731</b>	<b>7,627,988</b>	<b>50,840,719</b>	<b>37,009,203</b>	<b>(13,831,516)</b>

#### Expenditure

Personnel	(26,106,863)	(13,128)	(26,119,991)	(25,130,797)	989,194
Depreciation and amortisation	-	-	-	(1,173,732)	(1,173,732)
Finance costs	(68,570)	(1)	(68,571)	(44,393)	24,178
Repairs and maintenance	(741,496)	(1,286,390)	(2,027,886)	(471,258)	1,556,628
General Expenses	(15,795,628)	(6,118,242)	(21,913,870)	(16,688,950)	5,224,920
<b>Total expenditure</b>	<b>(42,712,557)</b>	<b>(7,417,761)</b>	<b>(50,130,318)</b>	<b>(43,509,130)</b>	<b>6,621,188</b>
<b>Deficit before taxation</b>	<b>500,174</b>	<b>210,227</b>	<b>710,401</b>	<b>(6,499,927)</b>	<b>(7,210,328)</b>

<b>Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement</b>	<b>500,174</b>	<b>210,227</b>	<b>710,401</b>	<b>(6,499,927)</b>	<b>(7,210,328)</b>
--	----------------	----------------	----------------	--------------------	--------------------



# Inkomati Catchment Management Agency

Annual Financial Statements for the year ended 31 March 2014

## Accounting Policies

---

### 1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise. They are presented in South African Rand.

A summary of the significant accounting policies, which have been consistently applied, are disclosed below.

#### 1.1 Property, plant and equipment

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Average useful life
Furniture and fixtures	5 years
Motor vehicles	5 years
Office equipment	5 years
IT equipment	3 years

#### 1.2 Financial instruments

##### Classification

The entity classifies financial assets and financial liabilities into the following categories:

- Financial assets at fair value through surplus or deficit - designated
- Loans and receivables
- Financial liabilities at fair value through surplus or deficit - designated

Classification depends on the purpose for which the financial instruments were obtained / incurred and takes place at initial recognition. Classification is re-assessed on an annual basis, except for derivatives and financial assets designated as at fair value through surplus or deficit, which shall not be classified out of the fair value through surplus or deficit category.

##### Initial recognition and measurement

Financial instruments are recognised initially when the entity becomes a party to the contractual provisions of the instruments.

The entity classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.



# Inkomati Catchment Management Agency

Annual Financial Statements for the year ended 31 March 2014

## Accounting Policies

---

### 1.2 Financial instruments (continued)

#### Receivables from exchange transactions

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in surplus or deficit when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the deficit is recognised in surplus or deficit within operating expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in surplus or deficit.

Trade and other receivables are classified as loans and receivables.

#### Payables from exchange transactions

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

### 1.3 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

#### Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate on the remaining balance of the liability.

#### Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

### 1.4 Employee benefits

#### Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

### 1.5 Provisions and contingencies

Provisions are recognised when:

- the entity has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.



# Inkomati Catchment Management Agency

Annual Financial Statements for the year ended 31 March 2014

## Accounting Policies

---

### 1.5 Provisions and contingencies (continued)

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

### 1.6 Revenue from exchange transactions

Revenue comprises government grants, which are brought into account in the year in which the amounts are due.

#### Interest, royalties and dividends

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the entity, and
- The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

### 1.7 Translation of foreign currencies

#### Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognised in surplus or deficit in the period in which they arise.

### 1.8 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

### 1.9 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.



# Inkomati Catchment Management Agency

Annual Financial Statements for the year ended 31 March 2014

## Notes to the Annual Financial Statements

	2014 R	2013 R
--	-----------	-----------

### 2. Property, plant and equipment

	2014			2013		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Furniture and fixtures	1,485,435	(804,019)	681,416	1,296,585	(706,349)	590,236
Motor vehicles	586,610	(261,526)	325,084	609,184	(243,673)	365,511
Office equipment	1,108,126	(347,278)	760,848	1,002,146	(361,583)	640,563
Computer equipment	3,162,418	(1,945,159)	1,217,259	2,724,847	(1,503,055)	1,221,792
<b>Total</b>	<b>6,342,589</b>	<b>(3,357,982)</b>	<b>2,984,607</b>	<b>5,632,762</b>	<b>(2,814,660)</b>	<b>2,818,102</b>

#### Reconciliation of property, plant and equipment - 2014

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	590,236	277,339	(10,259)	(175,900)	681,416
Motor vehicles	365,511	155,477	(85,863)	(110,041)	325,084
Office equipment	640,563	341,646	(2,235)	(219,126)	760,848
Computer equipment	1,221,792	681,352	(17,220)	(668,665)	1,217,259
	<b>2,818,102</b>	<b>1,455,814</b>	<b>(115,577)</b>	<b>(1,173,732)</b>	<b>2,984,607</b>

#### Reconciliation of property, plant and equipment - 2013

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	397,420	327,421	(134,605)	590,236
Motor vehicles	487,347	-	(121,836)	365,511
Office equipment	221,361	630,749	(211,547)	640,563
Computer equipment	1,431,977	418,138	(628,323)	1,221,792
	<b>2,538,105</b>	<b>1,376,308</b>	<b>(1,096,311)</b>	<b>2,818,102</b>

#### Assets subject to finance lease (Net carrying amount)

Office equipment	585,733	473,045
------------------	---------	---------

### 3. Receivables from exchange transactions

Prepayments	175,826	435,594
Sundry debtors	43,345	4,299
	<b>219,171</b>	<b>439,893</b>

### 4. Cash and cash equivalents

Cash and cash equivalents consist of:

ABSA Current Account	4,316,753	3,525,562
Corporation for Public Deposits	10,290,688	11,810,288
Petty cash float	2,000	2,000
<b>Cash and cash equivalents</b>	<b>14,609,441</b>	<b>15,337,850</b>



# Inkomati Catchment Management Agency

Annual Financial Statements for the year ended 31 March 2014

## Notes to the Annual Financial Statements

	2014 R	2013 R
<b>5. Finance lease obligation</b>		
<b>Minimum lease payments due</b>		
- within one year	234,115	201,346
- in second to fifth year inclusive	436,514	374,703
	670,629	576,049
less: future finance charges	(73,363)	(80,797)
<b>Present value of minimum lease payments</b>	<b>597,266</b>	<b>495,252</b>
<b>Present value of minimum lease payments due</b>		
- within one year	193,333	162,447
- in second to fifth year inclusive	403,933	332,805
	597,266	495,252
Non-current liabilities	403,933	332,805
Current liabilities	193,333	162,447
	597,266	495,252

It is Agency policy to lease certain office equipment under finance leases.

The average lease term is 3 years and the average effective borrowing rate was 8% (2013: 18%) There are no options for renewal and ownership remains with the lessor.

Interest rates are fixed at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.

The Agency's obligations under finance leases are secured by the lessor's charge over the leased assets. Refer note 2.

## 6. Provisions

### Reconciliation of provisions - 2014

	Opening Balance	Additions	Total
Leave pay provision	509,918	161,515	671,433

### Reconciliation of provisions - 2013

	Opening Balance	Additions	Total
Leave pay provision	394,739	115,179	509,918

This provision is created based on staff leave days outstanding at year end which might have to be paid out to them if they are to leave the Agency. The leave pay provision was calculated based on cost to company for each individual and the leave days not taken at year end for each individual employee.

## 7. Current tax payable (receivable)

No provision for income tax is made as the entity is exempt from payment thereof in terms of section 10(1)(cA)(i) of the Income Tax Act



# Inkomati Catchment Management Agency

Annual Financial Statements for the year ended 31 March 2014

## Notes to the Annual Financial Statements

	2014 R	2013 R
<b>8. Payables from exchange transactions</b>		
Trade payables	2,692,076	2,685,679
Sundry payables	2,055,281	1,479,651
Accruals	1,627,433	156,689
	<b>6,374,790</b>	<b>4,322,019</b>
<b>9. Revenue</b>		
Government grants & subsidies	32,273,864	22,327,186
<b>10. Other income</b>		
DWA Regional Office Claims	4,164,036	10,000
Profit on disposal of assets	57,834	-
	<b>4,221,870</b>	<b>10,000</b>
<b>11. General expenses</b>		
Advertising and Marketing	1,137,833	794,496
External Auditors remuneration	145,600	121,192
Computer expenses	465,513	383,860
Consulting and professional fees	6,089,289	5,019,841
Insurance	160,743	142,000
Lease rentals on operating lease	3,640,197	3,762,385
Motor vehicle expenses	184,271	149,259
Printing and stationery	280,243	183,558
Repairs and maintenance	471,258	154,193
Telephone and fax	538,835	577,865
Training	427,020	525,027
Travel - local	1,548,594	2,035,642
Electricity	412,225	418,348
Laboratory testing	601,522	749,849
Venue expenses	764,034	648,276
Depreciation of property, plant and equipment	1,173,732	1,096,311
<b>12. Employee related costs</b>		
Basic	19,417,200	14,967,748
WCA	105,215	-
Leave pay provision charge	265,031	212,277
Company Contributions	3,656,202	2,885,994
Overtime payments		5,344
Car allowance	1,687,149	704,155
	<b>25,130,797</b>	<b>18,775,518</b>
<b>13. Investment revenue</b>		
Interest revenue		
Bank	513,469	909,101
<b>14. Finance costs</b>		
Finance leases	44,393	57,556



# Inkomati Catchment Management Agency

Annual Financial Statements for the year ended 31 March 2014

## Notes to the Annual Financial Statements

	2014 R	2013 R
<b>15. Auditors' remuneration</b>		
Fees	145,600	121,192
<b>16. Cash generated from (used in) operations</b>		
Deficit for the year	(6,499,927)	(12,510,050)
<b>Adjustments for:</b>		
Depreciation and amortisation	1,173,732	1,096,314
Profit on disposal of assets and liabilities	(57,834)	-
Finance costs - Finance leases	44,393	57,556
Movements in provisions	161,515	115,179
Movement in deferred income	3,401,000	-
<b>Changes in working capital:</b>		
Receivables from exchange transactions	220,722	(315,385)
Payables from exchange transactions	2,052,772	822,980
	<b>496,373</b>	<b>(10,733,406)</b>
<b>17. Commitments</b>		
<b>Operating leases - as lessee (expense)</b>		
<b>Minimum lease payments due</b>		
- within one year	3,542,030	3,615,686
- in second to fifth year inclusive	5,842,003	9,384,033
	<b>9,384,033</b>	<b>12,999,719</b>

Operating lease payments represent rentals payable by the entity for its office properties. Leases are negotiated for an average term of five years. No contingent rent is payable.

### 18. Contingencies

Litigation is in the process against the Inkomati Catchment Management Agency relating to a water user who has applied for an interdict to prevent the entity from disclosing information on that water user to an interested party requesting such information under the Promotion of Access to Information Act, of which information management believes it is entitled to disclose as it would not prejudice the water user in any way. The Inkomati Catchment Management Agency's lawyers and management consider the likelihood of the action against the Inkomati Catchment Management Agency being successful as unlikely. The case should be resolved within the next two years. Estimated additional legal costs are not expected to exceed R300 000.

# Inkomati Catchment Management Agency

Annual Financial Statements for the year ended 31 March 2014

## Notes to the Annual Financial Statements

	2014 R	2013 R
--	-----------	-----------

### 19. Members' and prescribed officer's emoluments

#### Executive

##### 2014

	Committees fees	Total
TP Nyakane - Maluka	223,600	223,600
CJH du Preez	112,875	112,875
EG Mashele	97,825	97,825
BK Mokoena	105,350	105,350
SE Thwala	71,487	71,487
F Roux	101,588	101,588
TG Mokoena	105,350	105,350
LS Masilela	67,725	67,725
	<b>885,800</b>	<b>885,800</b>

##### 2013

	Committees fees	Total
TP Nyakane - Maluka	367,963	367,963
CJH du Preez	303,664	303,664
EG Mashele	132,920	132,920
BK Mokoena	209,093	209,093
SE Thwala	117,696	117,696
F Roux	106,582	106,582
TG Mokoena	175,230	175,230
LS Masilela	79,013	79,013
	<b>1,492,161</b>	<b>1,492,161</b>

#### Audit Committee

##### 2014

	Committees fees	Total
MS Mthembu	48,105	48,105
NL Mathebula	25,311	25,311
M Secker	25,311	25,311
SE Thwala	22,575	22,575
LS Masilela	30,100	30,100
	<b>151,402</b>	<b>151,402</b>

##### 2013

	Committees fees	Total
MS Mthembu	57,349	57,349
NL Mathebula	16,435	16,435
M Secker	7,788	7,788
SE Thwala	13,130	13,130
LS Masilela	28,179	28,179
	<b>122,881</b>	<b>122,881</b>



# Inkomati Catchment Management Agency

Annual Financial Statements for the year ended 31 March 2014

## Notes to the Annual Financial Statements

	2014 R	2013 R	
<b>19. Members' and prescribed officer's emoluments (continued)</b>			
<b>Management</b>			
<b>2014</b>			
	<b>Emoluments</b>	<b>Other benefits*</b>	<b>Total</b>
Chief Operating Officer (appointed 1 April 2013) (Acting Chief Executive Officer)	1,314,325	65,330	1,379,655
Executive Corporate Services (appointed 1 June 2013) (Chief Financial Officer)	766,459	65,330	831,789
	<b>2,080,784</b>	<b>130,660</b>	<b>2,211,444</b>

\* Other benefits comprise travel allowance

### 20. Comparative figures

No comparative figures have been reclassified. The cashflow statement has now been prepared according to the Direct method in the current financial year as opposed to the Indirect method in the prior financial year.

### 21. Risk management

#### Liquidity risk

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

#### Credit risk

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The entity only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

#### Market risk

##### Interest rate risk

Comprises the interest rate risk arising from the disclosed finance lease obligations. As the entity has no significant interest-bearing assets, the entity's income and operating cash flows are substantially independent of changes in market interest rates.

### 22. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

### 23. Events after the reporting date

Subsequent to the year end the Inkomati Catchment Management Agency's Water Management Area and boundaries have been extended and its name changed to Inkomati-Usuthu Catchment Management Agency with the Usuthu Water Management Area that was merged with the Inkomati Water Management Area.

### 24. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure	72,942	-
------------------------------------	--------	---

This arose as a result of a premicell contract that was paid for but the service never rendered due to the equipment not being reinstalled after the installation of a new switchboard.

# Inkomati Catchment Management Agency

Annual Financial Statements for the year ended 31 March 2014

## Notes to the Annual Financial Statements

2014  
R

2013  
R

### 25. Budget differences

#### Material differences between budget and actual amounts

The institution utilised some of the net cash generated from operating, investing and financing activities accumulated from prior financial years towards its budget requirements for the current financial year under review, thereby reducing the Government Grant requirements from the Department of Water Affairs for the current financial year under review. The timing differences are mainly due to delays in recruitment of staff as per the organogram and the implementation of major projects.

