



INKOMATI-USUTHU
CATCHMENT MANAGEMENT AGENCY

ANNUAL PERFORMANCE PLAN

FOR THE 2024/25 FINANCIAL YEAR



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ANNUAL PERFORMANCE PLAN FOR THE

FISCAL YEARS

2024/25 TO 2026/27

FOREWORD BY THE MINISTER OF WATER AND SANITATION



Dear Stakeholder

The Catchment Management Agencies are institutions at the cutting edge of natural water resources management in South Africa. An Annual Performance Plan for the 2024/25 planning period demonstrates how the Inkomati-Usuthu Catchment Management Agency aims to continue with the protection and enhancement of the natural water resources while also making a socio-economic contribution. The water resources sector has encountered several challenges associated with its external environment, such as the impacts of climate change, water availability and water quality, among others, however, the organisation still managed that the spotlight be put on its work in building catchment resilience.

Transboundary catchment management

The integrated catchment management responds to what is important to countries that share common catchments with South Africa to business, communities including an array of other stakeholders. International collaborations that enable obligations to transboundary partners to be met, such as the Southern Africa Development Community (SADC) protocols on shared catchment enhance the profile of South Africa in both the regional economic community of Southern Africa and the African continent at large. It is therefore crucial that collaborative efforts be enhanced to continue so that the obligations to transboundary partner countries are met to deliver on the outcomes of transboundary catchment management.

Engagement with stakeholders

A potential for big opportunities can be created if a new societal deal is forged, which is collaborative efforts being entered into between business, communities and Government. These collaborations within the context of a social compact can enable the country to progress and propel its economic development. The Inkomati-Usuthu Catchment Management Agency can play a huge role in those efforts through its stakeholder engagement efforts by empowerment of communities, to not only take care of the water resource, but to overcome the effects of some of the global challenges such as climate change. In addition, involvement of business in socio-economic development is central by ensuring that it is socially responsible, and its activities do not adversely impact water resources. The social compact will thus be informed by those collaborations among Government, business and communities to ensure that those who are historically disadvantaged are considered in the processes of water allocation reforms and granting of water use licenses.

Climate change

Climate change has not only demonstrated to impact on the natural environment but also has economic impacts. It is expected that with any increase in temperatures beyond 1.5%, the economic impacts of such will be blistering on economies, especially those of sub-Saharan Africa. The impacts will also be most debilitating for countries that are in the northern part of Africa where agricultural production will be mostly affected. Climate change affects the hydrological cycles and leads to more extreme weather events such as droughts and in a water-scarce country like South Africa, it leads to a rapid increase in water scarcity. There are, however, opportunities emanating from the impact of climate change to the effect that other economies may emerge out of that, being implementation of penalties for those that are engaged in activities that may be detrimental to the water resources. It has therefore never been opportune enough, for the wastewater discharge charge system to be implemented in South Africa so that polluters of resources may start paying for the betterment of water resources.

Industrial revolutions

The current technological advances emerged from improvements within multiple persuasions or expertise and/or from a combination of disciplines and inventions that are seemingly disparate. There has also been an emergence of industrial revolutions within the water sector, which necessitates further technological investments within the sector. The water sector is still considered a sector with an under-investment in technology; therefore, investments in remote sensing technology, artificial intelligence and big data among others, will usher in an era of effective technology-enabled water resource management.

Optimisation of service delivery models

Water service delivery models in the developed world have stabilised, and most of the developing countries are still in the process of service delivery models enhancement. In South Africa, there is an ongoing process of refinement of institutional models for service delivery improvements. Water sector economic regulation and oversight are being enhanced and strengthened to move towards independent regulation of the water sector. There is an increasing trend towards independent regulation of the water among the developing world and South Africa is also moving in the same direction. Continued establishment of Catchment Management Agencies will also be carried out as strategic institutions in water resources management.

Conclusion

With the aforementioned, I thus wish the Board of the Inkomati-Usuthu Catchment Management Agency, its senior management and employees, including its stakeholders community all the success in the implementation of the commitments in this Annual Performance Plan. My office, including those of Deputy Ministers David Mahlobo and Judith Tshabalala, and the rest of the officials of the Department of Water and Sanitation will always provide unwavering support to the Inkomati-Usuthu Catchment Management Agency.


MR SENZO MCHUNU (MP)

MINISTER OF WATER AND SANITATION

DATE 13/02/2024

FOREWORD BY THE CHAIRPERSON OF THE GOVERNING BOARD



On behalf of the Accounting Authority, it gives me great pleasure to present the Annual Performance Plan (APP) to the stakeholder, the Department of Water and Sanitation (DWS), for the financial year 2024/25.

The IUCMA is established in terms of section 78 of the National Water Act (NWA), 1998 (Act 36 of 1998). The legislative mandate of the IUCMA comprises the protection, conservation, development, and management of water resources in a localised area.

As required by legislation, a Shareholder Compact (SHC) and an Annual Performance Plan (APP) must be developed to outline the planned activities and associated budget for the coming financial year. The current APP is in harmony with the national planned outcomes, the NDP, the DWS Strategic Objectives and the IUCMA Strategic Objectives, which also emanate from the IUCMA Catchment Management Strategy (CMS) which is aligned with the National Water Resource Strategy (NWRS).

The IUCMA is progressively working in collaboration with Government departments and other institutions which mandates have the potential of impacting or being impacted on by water resources management activities within our Water Management Areas (WMA), and being a CMA in a transboundary basin, has the responsibility to collaborate with other institutions locally, regionally, and nationally to ensure that the resources in the basin are managed to the satisfaction of sharing states.

I would like to extend my gratitude and appreciation to the Minister and the Deputy Minister for their unwavering support, leadership, and guidance since the appointment of the Board on 10 August 2023. I wish to express our appreciation to the IUCMA staff and Management under the guidance of the Acting CEO, for their engagement and support. I am confident that the Agency will continue to strive to improve on the execution of its mandate and enhance service delivery.



MS L.C ZULU
CHAIRPERSON OF THE GOVERNING BOARD
DATE : 30 JANUARY 2024

OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the IUCMA under the guidance of the IUCMA Governing Board.
- Key legislation and policy relevant to functioning and delivery of the IUCMA mandate are as follows:
 - i. The Constitution of the Republic of South Africa, 1996 (Act 108 of 1996)
 - ii. National Water Act, 1998 (Act 36 of 1998)
 - iii. Public Finance Management Act, 1998 (Act 1 of 1998)
 - iv. National Water Resource Strategy 3
 - v. National Development Plan, 2030
 - vi. National Water and Sanitation Masterplan
 - vii. African Union, Agenda 2063
 - viii. United Nations Sustainable Development Goals
 - ix. Southern Africa Development Community Protocol on Shared Watercourses
 - x. Presidential Commission on the Fourth Industrial Revolution
 - xi. Economic Reconstruction and Recovery Plan
- Accurately reflects the impact, outcomes and outputs that the IUCMA will endeavour to achieve over the period 2024/25 – 2026/27.

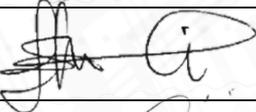
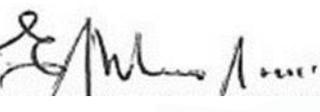
Mr. G.N Nevari Planning, Monitoring and Evaluation	
Ms. S Mabunda Chief Financial Officer	
Ms. S. Machimana Acting Executive Corporate Services	
Dr B.N Mhlanga Ndlovu Executive Water Resource Management	
Adv. M.B Shabangu Acting Chief Executive Officer	
Ms. L.C Zulu Chairperson of the Governing Board	
Mr. Senzo Mchunu (MP) Minister of Water and Sanitation	

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LIST OF ABBREVIATIONS AND ACRONYMS

Abbreviation / acronym	Description
ABSA	Amalgamated Banks of South Africa
APP	Annual Performance Plan
ARA-Sul	Aqua Regional Association- South (Mozambique)
BBBEE	Broad-Based Black Economic Empowerment
CIPC	Companies and Intellectual Property Commission
CMA	Catchment Management Agency
CME	Compliance Monitoring and Enforcement
CSF	Catchment Stewardships Forum
COBIT	Control Objectives for Information and related Technologies
CROCOC	Crocodile River Catchment Operations Committee
DEA	Department of Environmental Affairs
DMR	Department of Mineral Resources
DSS	Decision Support System
DWS	Department of Water and Sanitation
EIA	Environmental Impact Assessment
ELU	Existing Lawful Water Use
EME	Exempt Micro Enterprise
EMPR	Environmental Management Programme Report
EWR	Ecological Water Requirements
EWSETA	Energy Water Sector Education Training Authority
EXCO	Executive Committee
GA	General Authorisation
GB	Governing Board
HDI	Historically Disadvantaged Individuals
HYDSTRA	Surface Hydrology Information System
IO	International Obligation
IT	Information Technology
IUCMA	Inkomati-Usuthu Catchment Management Agency
KJOF	Komati Joint Operations Forum
KLCBT	Kruger Lowveld Chamber of Business Tourism
MP	Member of Parliament
NWA	National Water Act, Act 36 of 1998
NWRS3	National Water Resource Strategy-3
OHS	Occupational Health and Safety
PFMA	Public Finance Management Act 1 of 1999
QSE	Qualifying Small Enterprise
REMCO	River and Environment Management Corporation

Abbreviation / acronym	Description
REMP	River Eco-status Monitoring Programme
RMC	Risk Management Committee
SAHRC	South African Human Rights Commission
SARS	South African Revenue Services
SEDA	Small Enterprise Development Agency
SEFA	Small Enterprise Finance Agency
SMME	Small Medium and Micro Enterprises
WAP	Water Allocation Plan
WAR	Water Allocation Reform
WARMS	Water Use Authorisation and Registration Management System
WMA	Water Management Area
WUA	Water Users Association
WULA	Water Use License Application

PART A: MANDATE

1. Constitutional mandate

The Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) as amended, provides through the Bill of Rights that:

- a) everyone has a right to an environment that is not harmful to their health or well-being;
- b) the environment is protected for the benefit of present and future generations through reasonable legislative and other measures that,
 - i prevent pollution and ecological degradation;
 - ii promote conservation; and
 - iii secure ecologically sustainable development and use of national resources while promoting justifiable economic and social development.

2. Legislative and policy mandates

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

The IUCMA has the following inherent functions in terms of section 80 of the National Water Act:

- Investigate and advise interested persons on water resource management
- Compilation of the Catchment Management Strategy (CMS)
- Co-ordinate related activities of water users and WMIs
- Promote co-ordination of implementation of any applicable development plan
- Promote community participation in water resource management

In terms of section 5 of the National Water Act 36 of 1998, the National Water Resource Strategy determines the water management areas to be managed by catchment management agencies. The National Water Resource Management Strategy third edition (NWRS-3) provides the framework for the protection, use, development, conservation, management and control of water resources for the country as set out in the National Water Act.

The Catchment Management Agency must, in terms of section 80(b) of the National Water Act, develop a catchment management strategy for its water management area which must not conflict with the National Water Resource Management Strategy III. The catchment management strategy will be a stakeholder driven document which, on completion, is a policy mandate by stakeholders.

In terms of the National Pricing Strategy for Raw Water Use Charges the determination of sectorial water resource management charges and the determination of annual waste loads are to be per water management area. In terms of section 57(2) of the National Water Act, the IUCMA can determine the charges payable to the agency, in line with the National Pricing Strategy.

The legislative environment, policies, and frameworks of Government, provide developmental priorities for the country. Defined priorities provide strategic impetus for the water sector and ultimately the functioning of the IUCMA. Key legislation and policy relevant to functioning and delivery of the IUCMA mandate are as follows:

2.1 National Water Act, 1998 (Act 36 of 1998)

The National Water Act, 1998 (Act 36 of 1998) (NWA), as amended provides for establishment of the IUCMA, which is detailed in section 78 as a water resource management authority to perform water resource management functions within its Water Management Area (WMA). The NWA further provides a mandate/object of the IUCMA and detail its inherent powers and functions as follows:

- a) To coordinate related activities of water uses and the establishment of the water management institutions within its WMA;
- b) To promote coordination of its implementation with the implementation of any applicable development plan established in terms of the Water Services Act, 1997 (Act 108 of 1997);
- c) To promote community participation in the protection, use, development, conservation, management, and control of the water resources in the WMA.
- d) To investigate and advise interested persons on the protection, use, development conservation, management, and control of the water resources in its WMA;
- e) To develop a Catchment Management Strategy (CMS);

2.2 Public Finance Management Act, 1998 (Act 1 of 1998)

The Public Finance Management Act, 1998 (Act 1 of 1998) (PFMA) regulates financial management in the national government and provincial governments to ensure that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in those governments; and to provide for matters connected therewith. The IUCMA is a public entity listed in Schedule 3A of the PFMA.

2.3 National Water Resource Strategy -3

The scope and purpose of the third instalment of the National Water Resource Strategy 3 (NWRS3) provides a vision for the protection and management of water resources to enable equitable and sustainable access to water and sanitation services in support of socio-economic growth and development for the well-being of current and future generations. The NWRS3 aims to achieve this vision by means of on the following overarching goals:

- a) Water and sanitation supporting development and elimination of poverty and inequality;
- b) Water and sanitation contributing to the economy and job creation; and
- c) Water that must be protected, used, developed, conserved managed and controlled sustainably and equitably.

The institutional landscape required for effective delivery of services then provides a clarion call to the Department of Water and Sanitation (DWS) as a sector leader, associated sector departments, such as the Department of Minerals and Energy (DMR), Department of Environmental Affairs (DEA), Catchment Management Agencies (CMAs), Water Boards, Private Sector and other agencies of State to commit to an involvement in developmental water resource management.

2.4 National Development Plan, 2030

The National Development Plan, 2030 (NDP) provides an overarching policy framework on a trajectory in dealing with the triple challenges of inequality, unemployment, and poverty. The NDP further supports anew societal deal of increased cooperation between Government, business, labour and other social partners for economic growth and development. The NDP further puts an emphasis on investment and development of bulk water including water resources management infrastructure for water conservation and demand management; integrated catchment management and resource protection such that there is water availability for economic sectors to create jobs.

2.5 National Water and Sanitation Masterplan

The National Water and Sanitation Masterplan (NW&SM) intends to coalesce water users and all the Water Management Institutions (WMI) to resolve issues on water and sanitation service delivery. The NW&SM is a novel plan that will guide the South African water sector led by the DWS and implemented at local government level and other sector partners. The plan is intended towards implementation of tangible actions that will have an impact on the management of South Africa's water resources and the supply and use of water and sanitation in the country.

2.6 African Union, Agenda 2063

Africa Union, Agenda 2063 (Agenda 2063) provides a blueprint and master plan for transformation of Africa into a global powerhouse of the future. It is a strategic framework for the continent that aims to deliver on the goals for inclusive and sustainable development. It serves as a concrete manifestation of the pan-African drive for unity, self-determination, freedom, progress, and collective prosperity. South Africa has prioritised its contribution to the development of the continent and in this regard the African Union Agenda 2063 is key. It provides the strategic framework for the socio-economic transformation of the continent and builds on the initiatives for growth and sustainable development. A prosperous Africa based on inclusive growth and sustainable development is one of Agenda 2063 aspirations and is key to the IUCMA as it places an emphasis on Africa's unique natural endowments, health and protection of its environment and ecosystems with climate resilient economies and communities.

2.7 United Nations Sustainable Development Goals

The Sustainable Development Goals (SDGs) are designed to be a blueprint in achievement of a sustainable future across the world. The SDGs seek to address key systematic barriers to sustainable development such as inequality, unsustainable consumption patterns, weak institutional capacity, and environmental degradation. The SDGs further seeks to improve quality of water through pollution reduction including to ensure sustainable withdrawals and supply of freshwater to address water scarcity. The United Nations further convened a High-Level Panel on Water (HLPW) which made recommendations on how to accelerate progress in the achievement of availability and sustainable management of water and sanitation for all and the achievement of other multiple SDGs. High-level recommendations by the HLPW, among others, included understanding, valuing and managing water which will provide a foundation for broader integrated water management; integrated approach at local, country and regional levels including building partnerships and international collaboration at global level.

2.8 Southern Africa Development Community Protocol on Shared Watercourses

This South African Development Community (SADC) Protocol provides institutional mechanisms to achieve the SADC agenda of regional integration and poverty alleviation. This protocol therefore seeks to:

- a) Promote and facilitate the establishment of shared watercourse agreements and shared watercourse institutions for the management of shared watercourses.

- b) Advance the sustainable, equitable and reasonable utilisation of the shared watercourses.
- c) Promote a coordinated and integrated environmentally sound development and management of watercourses.
- d) Promote the harmonisation and monitoring of legislation and policies for planning, development, conservation, protection of shared watercourses and allocation of resources thereof; and
- e) Promote research and technology development, information exchange, capacity building and application of appropriate technologies in shared watercourses management.

2.9 Presidential Commission on the Fourth Industrial Revolution

The Presidential Commission on the Fourth Industrial Revolution (PC4IR) has outlined a vision for South Africa's development. This vision includes goals such as fostering prosperity, generating wealth, promoting inclusivity, and advancing in digital and technological capabilities. Furthermore, development of 4IR systems can help to reach several goals articulated in the South Africa: Vision 2030, specifically those that relate to:

- a) Economy and unemployment;
- b) Economic infrastructure;
- c) Improving education, training and innovation;
- d) Environmental sustainability and resilience;
- e) South Africa in the Region and the World; and
- f) Transforming human settlements.

The PC4IR further identifies that South Africa's water sector can respond to the opportunities that are provided by the advent and proliferation of technologies that can increase its effectiveness.

2.10 Economic Reconstruction and Recovery Plan

The Economic Reconstruction and Recovery Plan (ERRP), published by the National Treasury in the midst of the COVID-19 pandemic, aims to stimulate equitable and inclusive growth. One of the nine priority interventions the ERRP identified is "green economy interventions", which can be linked to the water sector as it guarantees the security of water supply, among others. The ERRP states that as part of South Africa's green agenda, private and public buildings will be retrofitted with measures to improve water efficiency. The plan earmarks creating 1560 new opportunities for facility maintenance, water and energy efficiency including construction of rural bridges.

3. Relevant court rulings

The institution has continuously monitored progress of a matter that has the potential to impact on its policy and strategic direction. In the matter, the IUCMA is cited as a Third Respondent, and therefore, a party to the proceedings, together with the Department, the Minister, the Breede-Gouritz Catchment Management Agency, and the Chairperson of the Water Tribunal.

In *Forestry South Africa versus the Minister of Human Settlements, Water & Sanitation and Four Others*, on 29 October 2019, the Applicant (Forestry South Africa) launched an application in the Western Cape Division of the High Court, Cape Town, wherein it sought relief in the form of declaratory orders regarding the application of sections 33 and 35 of the National Water Act. During November 2023, the Supreme Court of Appeal (SCA) delivered judgment where it upheld the Forestry SA appeal and upheld the statutory authorities' appeal, in part.

The appeal revolved around two principal issues, namely, the regulation of existing lawful water use, and the continuation of existing lawful water use. The first issue concerned stream flow reduction activity (flow activity), as defined in the Act, being the use of land for afforestation which has been, or is being established, for commercial purposes. The second issue in respect of which Forestry SA sought relief in terms of s 34 of the Act, namely that a person enjoyed the right to continued existing lawful water use and that did not limit the planting of specific species of trees.

The SCA upheld the Forestry SA appeal and declared that existing lawful water use in respect of a stream flow reduction activity in respect of the use of land for afforestation was not subject to authorisation by any law immediately in force before commencement of the Act.

As this decision was against the authorities (including the IUCMA), leave to appeal has been filed at the Constitutional Court and the matter may be argued during the 2024/25 financial year.

PART B: STRATEGIC FOCUS

1. Vision

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

2. Mission

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

3. Values

- Integrity
- Batho Pele (stakeholders' orientation)
- Accountability
- Diversity
- Transparency

4. Impact statement

The IUCMA is progressively working in collaboration with Government departments and other institutions which mandates have the potential of impacting or being impacted on by water resources management activities within our Water Management Area (WMA), and being a CMA in a transboundary basin, has the responsibility to collaborate with other institutions locally, regionally, and nationally to ensure that the resources in the basin are managed to the satisfaction of sharing states.

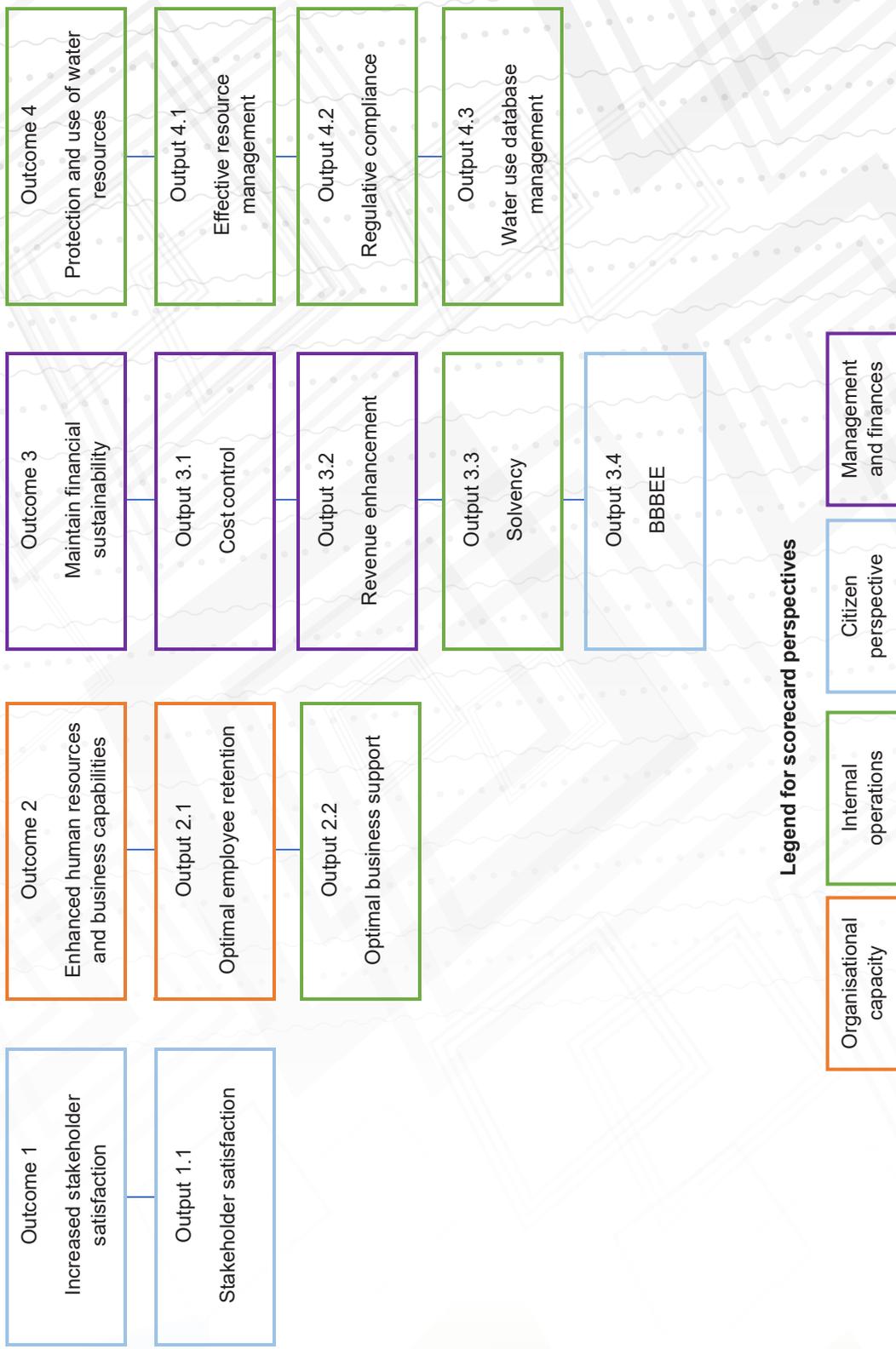
5. Alignment with national priorities

The IUCMA outcomes are aligned to the relevant national Government outcomes and priorities including the SDG goals as presented below.

Departmental outcomes	Outcome indicator as per the Department's strategic plan	Departmental 5-year targets	CMA Outcome	Outcome indicator	CMA target	
1 Efficient, effective and development orientated department	1.1 Percentage compliance with corporate governance regulatory prescripts	100% compliance	Enhanced human resources and business capabilities	Percentage implementation of HR plan	80%	
	1.2 Annual communication, stakeholder management and partnership programme implemented	98% compliance	Increased stakeholder satisfaction	Percentage implementation of ICT strategy	60%	
	1.3 Targeted procurement supporting SMMEs	30%	financial sustainability	Maintain financial sustainability	Targeted procurement supporting SMMEs	40%
					1.3.1 Women	40%
					1.3.2 Youth	30%
1.3.3 People with disabilities	7%					
1.5 Percentage implementation of annual international relations programme implemented	75%	Protection and use of water resources	Percentage monitoring of compliance to international obligations	≥90%		
2 Ecological infrastructure protected and restored	2.2 Number of rivers in which the river eco-status monitoring programme is implemented	81	-	-	-	
	2.3 Number of main stem rivers monitored for implementation of Resource Directed Measures (i.e. classification, resource quality objectives and the reserve) by 2026	10	Protection and use of water resources	Percentage monitoring of compliance to Resource Quality Objectives	≥90%	
						2.4 Wastewater management plans developed and implemented
	2.4.2 Implement catchment plans	-	-	-	-	
2.4.3 Implement waste discharge charge system (WDCS) countrywide	-	-	-	-		

Departmental outcomes	Outcome indicator as per the Department's strategic plan	Departmental year targets	CMA Outcome	Outcome indicator	CMA target
3 Water demand reduced and water supply increased	3.1 Water conservation and water demand management strategies developed for water use sectors	-	-	-	-
	3.2 Water resource mix diversified	See details below	-	-	-
	3.2.1 Reliance on surface water reduced	-	-	-	-
	3.2.2 Groundwater use increased	-	-	-	-
	3.2.3 Use of return flows increased	-	-	-	-
	3.2.4 Desalination use increased	-	-	-	-
	3.2.5 Use of acid mine drainage increased	-	-	-	-
4 Enhanced regulation of the water and sanitation sector	4.1 Timeframe for processing water use license application reduced	90 days (working days)	-	-	-
	4.2 Average number of water users in various sectors monitored for compliance with water use license per year	396	Protection and use of water resources	Percentage of planned inspection conducted for related uses of various sectors.	≥90%
5 Water redistributed for transformation	5.1 Effective and efficient institutions established	See details below	-	-	-
	5.1.1 Water user associations established	41	-	-	-
	5.2 Regulation for advancement of water allocation reform finalised	Validation and verification of existing lawful use in 5 water management areas	-	-	-

6. Strategy map of the IUCMA



Legend for scorecard perspectives



7. Updated situational analysis

7.1 Overview of the Water Management Area

The Inkomati-Usuthu WMA is one of the six (6) WMAs in South Africa, covering an area of approximately 36 256 km² divided by the great escarpment (along the Graskop-Sabie-Nelspruit-Barberton axis) into the western plateau and the sub-tropical Lowveld in the east. The WMA of the IUCMA has four (4) main rivers which effectively divide the WMA into Sabie-Sand, Crocodile, Komati and Usuthu sub-catchments. The IUCMA operates within the Incomati International River Basin, which is shared between the Republic of Mozambique, the Kingdom of Eswatini, and the Republic of South Africa. The river basin is managed under Tripartite Permanent Technical Committee (TPTC) Interim Agreement and recently established Incomati and Maputo Water Commission (INMACOM)

The characteristics of the WMA are thus:

Table 1: Characteristics of the Water Management Area

Item	Sabie-Sand	Crocodile	Komati	Usuthu
Area	9 304km ²	10 446km ²	8 621km ²	7 785km ²
Key economic activities	Forestry, irrigation and eco-tourism	Forestry, irrigation, eco-tourism and industry	Inter-basin transfer to supply strategic water for Eskom, forestry and irrigation.	Inter-basin transfer for supply to Vaal and Komati WMA. Strategic transfer for Eskom, SASOL Secunda complex, third-party users, forestry and irrigation.
Water requirements	Domestic use, irrigation and eco-tourism	Domestic use, irrigation, paper and sugar mills	Domestic use, irrigation, eco-tourism and industry.	Domestic and strategic use, forestry
Water storage infrastructure	Inyaka dam, transfer pipeline from Sabie to Sand catchment, Da Gama	Kwena dam, Witklip, Lomati, Klipkopjes, Primkop and Longmere	Vygeboom and Nootgedacht dams in upper Komati, Driekoppies dam in low Komati and Maguga dam in Swaziland.	Heyshope, Jericho, Morgenstond and Westoe

The Inkomati-Usuthu WMA comprises large inter-basin transfers into the Vaal River system and the Olifants WMA for strategic use to SASOL Secunda and Eskom power stations. Inter-basin transfers occur through a complex water supply system of dams, pumping schemes, diversion weirs, canals, and pipelines, including inter-basin water

transfer schemes. Most of the water from the Upper Komati and Usuthu catchment is of strategic importance as it is utilised for power generation. Land use within the WMA is largely for irrigated agriculture from commercial and emerging farmers, extensive afforestation, and urban, rural, and industrial users, including international and ecological water requirements.

7.2 External environment

Based on the situational analysis, the IUCMA has identified thematic areas that will serve as a framework to organise an external environment analysis as follows:

Climate change

Climate change is a powerful global force that inspires a new business narrative as it may destabilise markets and curb economic growth. Weather patterns are increasingly becoming less favourable, and the frequency or severity of extreme events is increasing as temperatures are projected to continue rising, with rainfall patterns expected to shift. Those climate change phenomena have blistering effects on the global water resources, and the South African water resources are no exception. Africa is one of the regions largely exposed to climate change, with Southern Africa already disproportionately affected by its impacts, which has made agricultural developments in Africa more challenging. Climate change has adverse impacts on agricultural production and will have debilitating impacts on economies as the South African economy is largely dependent on agriculture. This sector is the highest water user.

Agreements as per the Paris Accord were to keep the temperatures increasing by 1,5%, which could potentially lessen the GDP losses of countries. If these countervailing actions to reduce emissions are not implemented in South Africa, temperatures could increase by 4% by the year 2100, resulting in increased potential GDP losses of 3,4%.

Industrial Revolutions in the Water Sector

The Fourth Industrial Revolution (4IR) involves a range of new technologies and new forms of connection between various economic actors, with information and communication technology (ICT) and digitisation being particularly critical to the 4IR. Technologies related to the 4IR are disruptive to the traditional business models, albeit one of the global forces inspiring a new narrative of doing business. The traditional business models involved customer-to-business type of relations whilst the 4IR technologies enhance the development of new industries and online platforms that enable customer-to-customer exchange. In addition to the 4IR, the water sector is undergoing its own fourth revolution, which involves establishing water conservation strategies and transitioning toward closing water loops.

The Economic Environment

"For a water-stressed country such as South Africa, understanding the close relations between water and the economy is key for sustained economic growth. This has been clearly illustrated by the hydro-economic study. The direct economic impact of the drought on the Western Cape economy was estimated to be nearly R15 billion, which is about 3.4 percent of provincial GDP and 0.3 percent of national GDP in 2018," said **Asmeen Khan, Manager of Operations for the World Bank in Southern Africa.**

The findings demonstrate the economic benefits of augmentation, a reliable water system, and opportunities and requirements for building a climate-resilient water system and economy. This can be achieved through collaborative governance by South Africa's national, provincial, and local governments, water users, and key stakeholders.¹

The global economic growth is sluggish, with the global GDP stagnating in the second quarter of 2022. High inflation has also persisted for longer than expected, exacerbated by the lingering impacts of the COVID-19 pandemic. These adverse effects resulted in slowed expansion momentum wherein the World Bank revised its global growth projections. The world GDP is expected to grow by 3% in 2023, and the worldwide global output in trade volumes is expected to grow by 4,3%.

Similar to the global economic outlook, South Africa's GDP growth remains constrained and worsened in the second quarter of 2022 year, albeit the economic growth started on a steady recovery path at the beginning of 2022. Adverse international developments contributed to the deterioration in the economic growth, with the outlook remaining weaker with the GDP growth outlook of 1,4%. Inflationary pressures have increased in South Africa, leading to a projected high inflation rate of 5.3% by 2023.

State of the water resources and services

Sustainability of ecosystems, communities and economic activities depends on the continued availability and accessibility to water sources, which are obtained through rainfall (precipitation), surface flow (rivers) and groundwater. Water availability from the catchments is a global phenomenon that continues to be at risk due to water scarcity. More than half of the world's population and most of the grain production will be at risk of water stress by 2050. Water scarcity is exacerbated by factors such as climate change, as reflected above, which affects the hydrologic cycles, leading to extreme weather events such as droughts and having adverse impacts such as salination of surface waters and groundwater aquifers.

Increasing water demand due to rapid urbanisation, population growth, declining water quality, irrigation for food security, and industrial use adversely impact available water resources. South Africa is generally well-endowed with water resources infrastructure and is highly dependent on it to maintain reliable water supplies. Water resources and water services infrastructure in South Africa are relatively well developed,

¹ The economic implications of water resources management in the Western Cape Water Supply System – **published by the World Bank**

with approximately 4 395 registered dams and a storage capacity of approximately 31 million m³, with almost 20% provisioned for the ecological reserve.

The South African water resources and services sector is not without challenges, which can be summarised as follows:

- In the year 2030, the water deficit could be between 2,7 and 3,8 billion m³/annum, which is a gap of about 17% of available surface and groundwater;
- South Africa average use of water is approximately 235 l/c/d which is above a global average of 173 l/c/d;
- Water losses are exceptionally high, with non-revenue water estimated at 41%;
- The capacity of Water Services Authorities (WSA) to operate Wastewater Treatment Works (WWTWs) is inadequate. Thus, 56% of those are in a poor and critical state, 44% are in a poor or critical condition, and 11% are dysfunctional;
- 5,3 million households do not have access to reliable drinking water, and
- There is a R33billion water infrastructure funding gap.

South Africa is a water-scarce country with a net negative precipitation index made up of low rainfall, high evaporation, and uneven rainfall distribution; thus, pressure on the water resources is mounting. The mean average rainfall is 500mm compared to the global average of 860mm, with 65% of the country receiving less than 500mm and 21% receiving less than 200mm. Water resources are impacted by severe and prolonged droughts wherein 25% are drained by perennial rivers and 75% by seasonal to episodic rivers, which is depicted below:

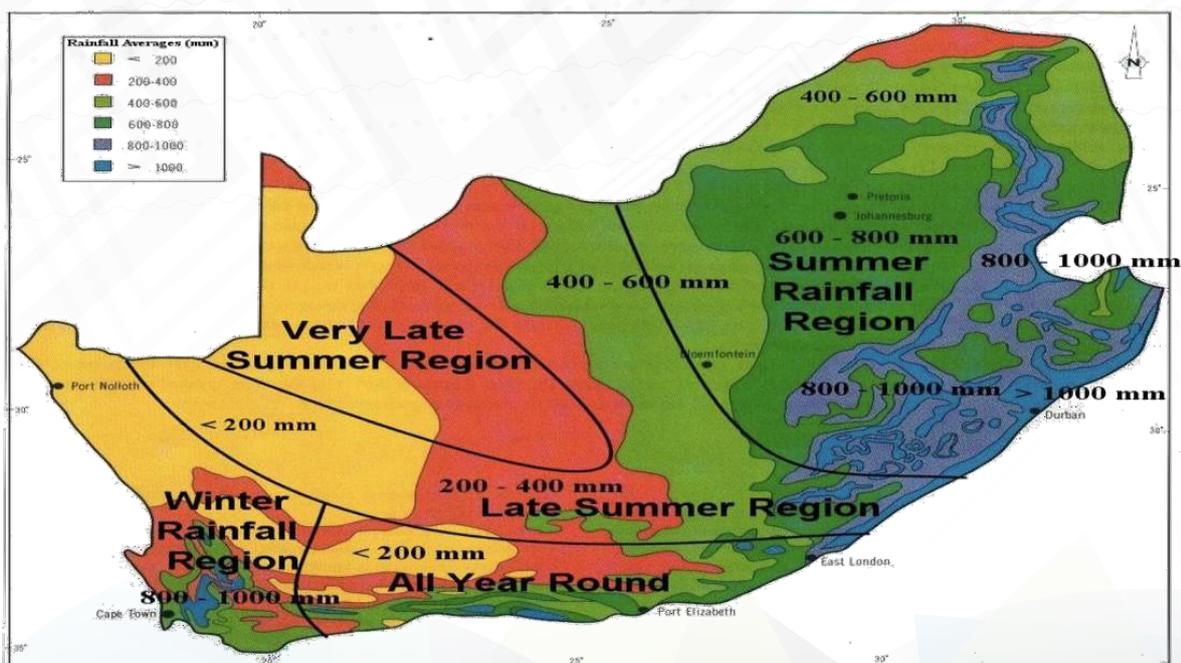


Figure 1: Mean average rainfall

Water availability in the Water Management Area

The Water Management Area (WMA) experiences distinct wet summers and dry winters due to seasonal variations in rainfall. These patterns can also change over extended periods, with yearly and longer-term fluctuations in rainfall. Most of the water demand occurs in the lower, drier, and hotter regions of the WMA, where there is limited rainfall and runoff.

These conditions add complexity and instability to the region's economy, which heavily relies on the availability of water. Therefore, it is crucial to effectively manage river flows. Generally, the water demand in the WMA consistently surpasses the available supply.

Emerging trends with regards to water availability are as follows:

- a) There is a need for the development of water allocation plans that will take into consideration both water resources infrastructure development and demand management;
- b) Promotion of water use efficiency, particularly in the stressed catchments;
- c) Increased assurance of supply to existing users and/or making water available to new water users;
- d) Implementation of adaptation strategies for water resource resilience to address the challenges of high population growth and climate change.

Surface water availability in the WMA

The amount of water available from the rivers is typically insufficient to support both a sustainable economy, environmental and social needs. The implementation of the Reserve, which is an amount of water that must remain in the river system to enable sustainability in the catchment and for basic human needs, has a potential to increase water availability stress in the IUWMA.. Despite the overall state of water stress in the WMA, there exists potential for increased yield and economic development in some areas of the catchments based on reconciliation study results conducted for major towns by the DWS. The main source of water is from key major dams, and the combined storage of the dams by the beginning of January 2024 is illustrated in Figure 2 below.

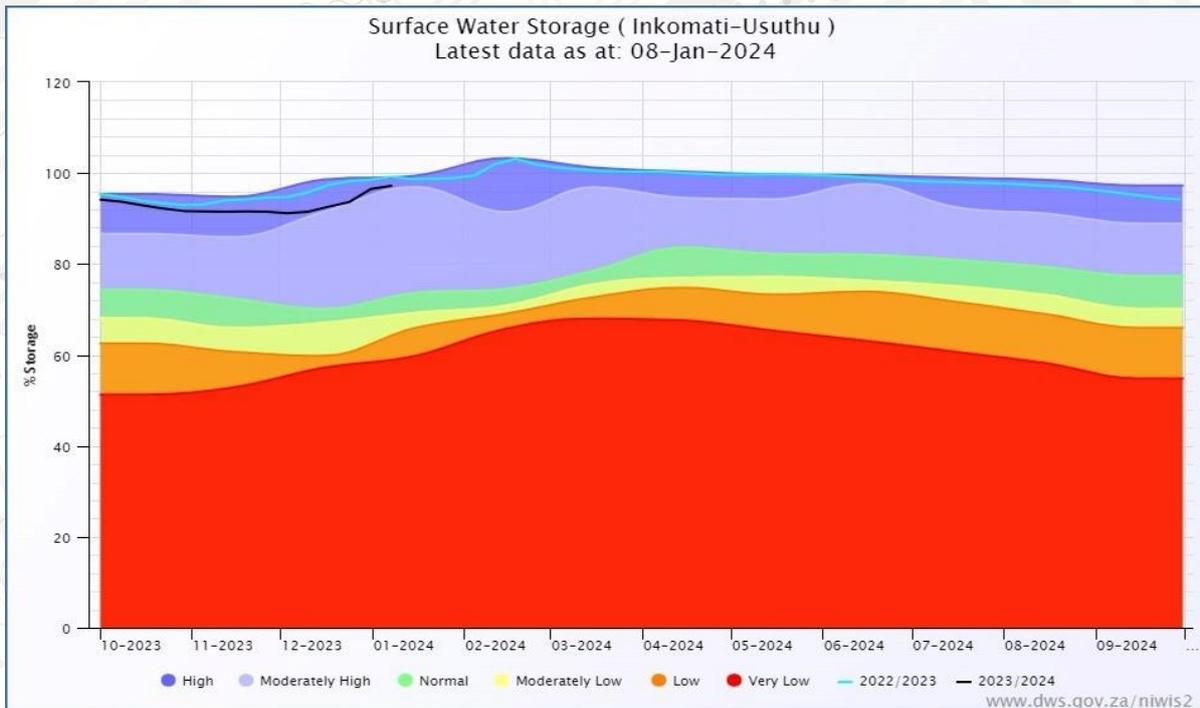


Figure 2: Inkomati – Usuthu WMA Dams Combined Storage historical analysis

The various sectors water needs , including the ecological reserve, have a total volumetric requirement of 2981 million m³ / annum and a supply of 2 177 million m³ / annum. The prevailing trend is that of volumetric requirements that exceed supply which is observed to be pervasive in all the sub-catchments of the WMA. The graphical depiction of the allocated water use and supply dynamics is presented in Figure 3 below.

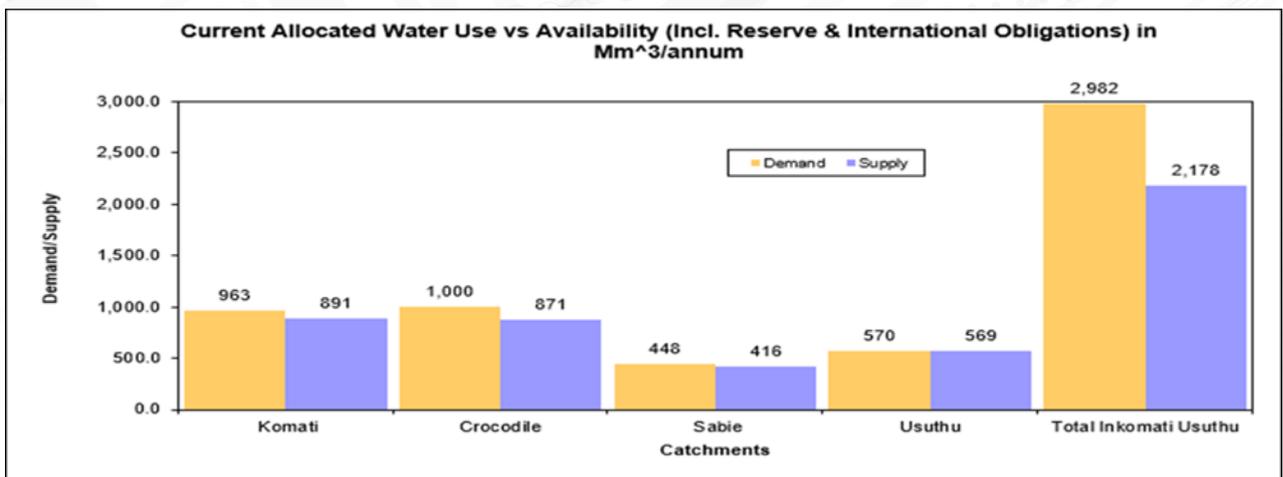


Figure 3: Comparison between current allocated water use and availability in the Inkomati-Usutu WMA

Groundwater availability in the WMA

Over the years, groundwater levels within the WMA have been declining at a rate which is more than that at which it can be replenished. Since 2006, the groundwater potential of the WMA (Figure 4) has been as follows:

- The Crocodile catchment dropped by 142 million m³/annum from a resource potential of 707 million m³/annum to an available yield of 566 million m³/annum;
- The Sabie-Sand catchment dropped by 678 million m³/annum from a resource potential of 682 million m³/annum to an available yield of 4 million m³/annum; and
- The Komati catchment dropped by 79 million m³/annum from a resource potential of 944 million m³/annum to an available yield of 865 million m³/annum.

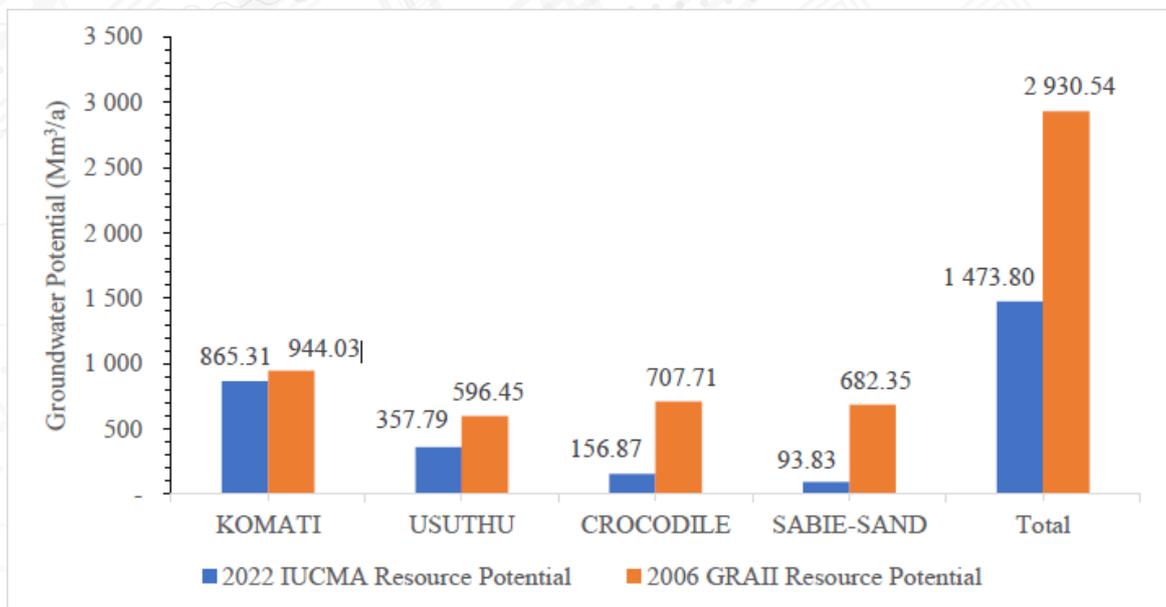


Figure 4 Groundwater availability in the Inkomati-Usuthu WMA

Water Quality in the WMA

Quality of water within the WMA is determined through compliance with the resource quality in terms of criteria set through:

- Resource Quality Objectives (RQO) of the IUCMA;
- South African Target Water Quality Guidelines (TWQG); and
- International Water Quality Guidelines (IWQG) which determines conformance to obligations contained in the Tri-partite Interim Agreement between the Kingdom of Eswatini, the Republic of Mozambique, and the Republic of South Africa.

Generally, surface water in the WMA complied with the RQO, TWQG and the IWQG. However, quality concerns were observed in the following areas:

- High levels of E. coli, mainly in Sabie and Crocodile catchments;
- High phosphate concentrations in the Usuthu and Komati catchments; and
- Elevated Electrical conductivity, mainly in the Komati and Crocodile catchments.

The quality concerns could be attributable to the following:

- Pollution that emanates from human or animal faecal materials;
- Existing and defunct mining activities;
- WWTWs effluent discharge; and
- Raw water sewer overflowing manholes.

Transboundary Water Resource Management

The SADC Protocol on Shared Watercourses provides an overarching framework for the required institutional mechanisms in management of shared watercourses and fostering transboundary water cooperation. The Sabie, Crocodile, Komati, and Usuthu rivers flow into the Kingdom of Eswatini and then into Mozambique. As a result, international treaties and commissions have been established to control the use of water by the three countries. In addition, the treaties set limits to the amount of water that South Africa may utilise out of the rivers as well as the amount of water that the upstream countries are obliged to release downstream. South Africa is required to operate within these established transboundary agreements such as the Piggs Peak Agreement. . This Agreement however, has been replaced with a the Interim IncoMaputo Agreement (IIMA), which has a higher minimum flow requirement of 2.6 cumecs. Similarly, the minimum flow from Sabie River is 0.6 cumecs to Mozambique while 0.1cumecs flow from Usuthu to Eswatini. Consequently, the Incomati and Maputo Water Commission (INMACOM) was established at the end of 2021 to manage the Inco-Maputo Basin shared between South Africa, Eswatini and Mozambique, creating harmonised monitoring mechanisms, compatible assessment methods, data management systems, and uniform reporting procedures.

Transformation agenda

- **CSI**

The IUCMA is obligated to consistently demonstrate responsible corporate and public citizenship. The agency utilises Corporate Social Investment (CSI) as a tool for societal transformation in accordance with its legislative mandate. CSI initiatives can effectively aid the IUCMA in fulfilling its Catchment Management Strategy (CMS) objectives while upholding principles of good governance. This concept of good corporate and public citizenship encompasses several key aspects, including the promotion of equality, the prevention of unfair discrimination, the reduction of corruption, and active contributions to community development.

Notably, the Agency remains committed to supporting Historically Disadvantaged Individuals (HDIs) through initiatives such as borehole drilling and the provision of water storage facilities, etc.

- **HDI empowerment**

Initiatives such as education and awareness, water use authorisation workshops, resource protection road shows with the public and schools, and career exhibitions are aimed to empower water users, especially the historically disadvantaged individuals (HDIs), in the process of applying for water use authorisation. The other initiatives are aimed at creating awareness of resource protection and encouraging school learners to follow careers in the water sector in order to close the skills gap in the sector.

- **BBBEE**

The Broad-Based Black Economic Empowerment (B-BBEE) Act, 2013 (Act 46 of 2013), as amended, was established as a framework to support black economic empowerment to restore economic disparities. The Agency's strategic outcome in 2023/24 has been defined as 40% of total spending allocated to B-BBEE suppliers. It is the Agency's strategic outcome to ensure heightened support for women, youth, and people living with disabilities. This has now been fully catered for by the inclusion of prequalification criteria in the revised SCM Policy, as approved on the 29th of October 2021. Supply Chain Management intends to conduct free seminar workshops targeting SMMEs within the catchment in collaboration with key strategic partners such as SEFA, SARS, SEDA, CIPC, Nedbank, ABSA, Provincial Treasury, KLCBT and other strategic partners. The workshop intends on focusing on pertinent business areas that will allow for economic growth for the sector.

Management has further identified service providers that will be coached and mentored by Supply Chain for other opportunities and interests outside the IUCMA procurement plans. This initiative will ensure real value is created for the sector beyond procurement prospects at the IUCMA. The data assessed internally is indicative of the high non-responsiveness of SMMEs when responding to tenders as advertised by the IUCMA. This data may suggest that similar cases of poor performance are likely consistent in other entities. The selection process will be limited to a pool of SMMEs that have responded to technical bids with adverse outcomes due to non-compliance with the tendering process. The mentoring will be aimed at limiting future disqualifications resulting from poor completion of the documents and attachments of wrong returnable documents of the tender document. The coaching and mentoring will be conducted utilising in-house skills limited to two entities per annum and will focus on training on the following main aspects:

- Tendering framework (regulations, policy and contract)
- The legality of a tender document (completing a tender document)
- Returnable and their meaning to the contract
- Legal requirements of the responding entity to a tender

7.3 Internal environment

Pursuit and success in execution of the strategy of the IUCMA can be achieved when the organisation has built the required strategic resources and capabilities. Those resources and capabilities that form the basis for successful strategy execution must be ready for deployment for effective functioning of the IUCMA.

Resourcing of the mandate

The current funding model is that allocation from the fiscus makes up 69% of the total IUCMA annual budget and 31% collected from water resource management charges. This funding model is sub-optimal and will not be sustainable in the long term. Therefore, a strategically oriented funding framework is required to allow the IUCMA the ability to deliver on its mandate.

Organisational culture

The IUCMA is committed to fostering a robust organisational culture that promotes and actively embraces attitudes, behaviours, and work practices conducive to effective execution. This culture is characterised by a strong emphasis on achieving results and creating a work environment that supports this goal. Within the agency, there is a strong focus on aligning rewards and incentives directly with the attainment of strategic objectives, ensuring that employees are motivated and recognised for their contributions towards achieving the organisation's goals. This proactive approach to organisational culture enhances productivity and reinforces the link between individual efforts and the broader strategic outcomes of the IUCMA.

Organisational alignment

A high-level organisational structure to support the execution of mandate is depicted:

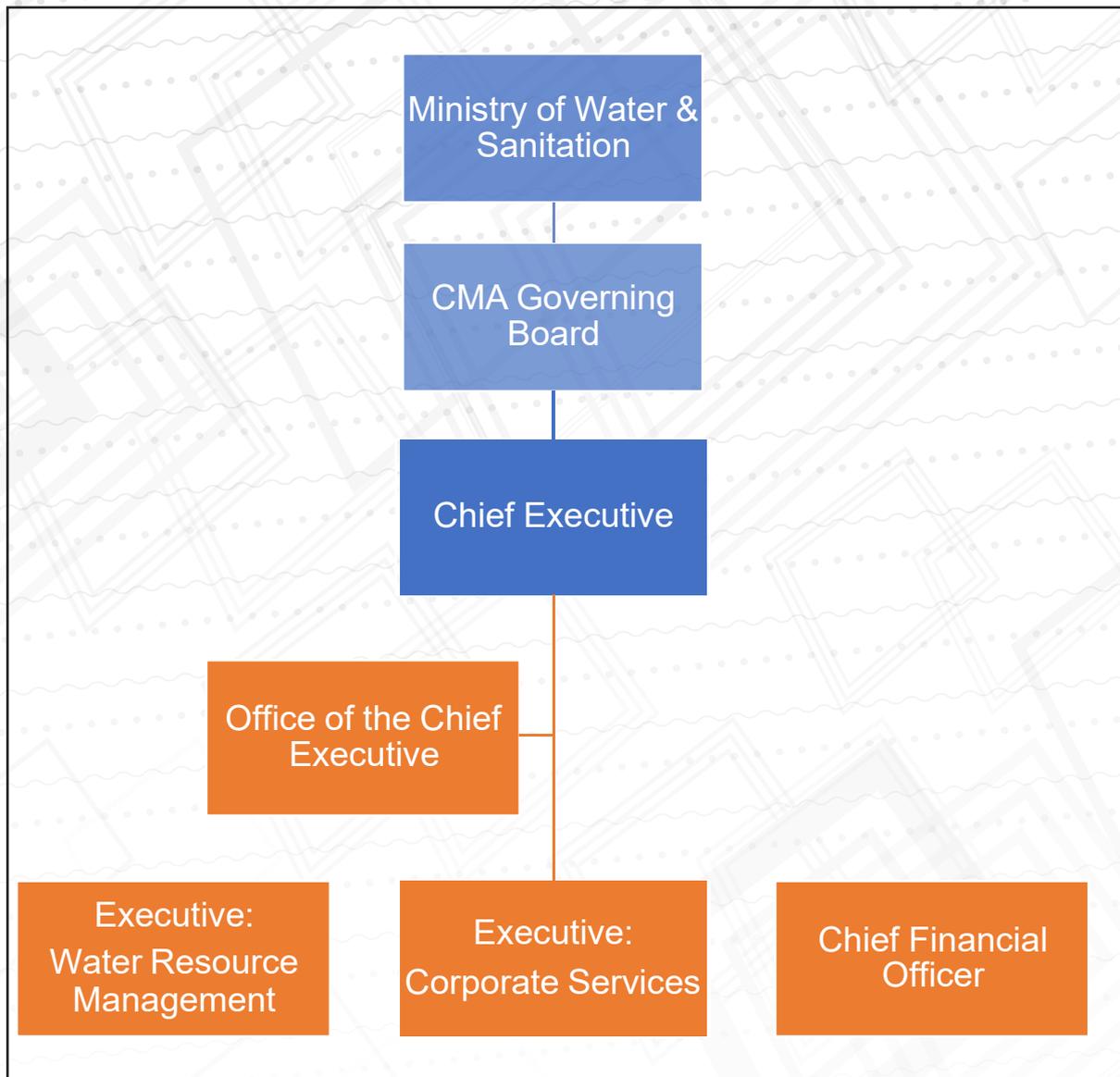


Figure 1: High-level organisational structure of IUCMA

Managing data and information

The Information Communications and Technology (ICT) environment within the IUCMA has been identified as an area that requires attention. An assessment of the ICT control environment has been performed which has revealed that an enterprise architecture of the IUCMA needs to be assessed and defined. The enterprise architecture will allow an assessment of the current status and the desired state of the following components:

- Applications architecture;
- Database architecture;

- Technology architecture; and
- The ICT business area.

A Control Objectives for Information and related Technologies (COBIT) assessment has been performed and has identified governance areas for enhancement. In addition to the COBIT assessment that was performed, an ICT strategy has been developed to implement ICT projects that will enable the IUCMA to embark on a digital transformation strategy in the future.

8. Overview of the budget and medium-term estimates

The 2024 budget estimates of IUCMA are detailed below:

8.1 Overview of the CMA budget structure

The CMA budget programmes and associated sub-programmes are indicated below:

Programme / sub-programme	Purpose / description
Administration	Strategic leadership and support services for the organization
Office of the Chief Executive	Policy and strategic direction for the organisation including governance functions
Corporate services	Enterprise-wide support on specialised services including human resource management, auxiliary services, legal services, IT and communications
Finance	Planning, organising, controlling and monitoring the organisation's financial resources (i.e. financial management, supply chain management as well as billing and revenue management)
Internal audit	Independent and objective assurance on the effectiveness of organisational internal control processes.
Risk and compliance management	Identify, analyse and mitigate organisational risks
Office accommodation	Payments for rental charges on all occupied leased office space and for municipal services such as electricity, water, and sewage and waste removal.
Water resource management	Protection, use, development, conservation, management and control of water resources
Compliance monitoring and enforcement	Compliance monitoring and enforcement activities [as well delegated dam safety activities]
Institutions, stakeholder engagements and governance	Establishment and oversight of water management institutions, stakeholder consultation and capacity empowerment
Water use authorisation and registration	Technical processing of water use license applications, manage water use registration as well as verify and validate water use.
Water resource planning and management	Develop catchment management strategy; implement resource directed measures; river health, maintenance and restoration of eco-systems as well as geo-hydrology and hydrology monitoring.

8.2 Financial resources

Over the years, the Agency has provided results that have signaled sound financial management as evidenced by the attainment of an unqualified audit opinion expressed for the 13th consecutive year running. Achieving an unqualified audit opinion becomes the standard of operations as the Agency, in future periods, will ensure that internal controls are continuously assessed for efficiency and effectiveness. In conjunction with ensuring sufficient internal control, the Agency has elevated the need to become financially sustainable as a prerequisite. With activities competing for limited financial resources and sluggish local economic growth, a prerequisite to cautiously managing the entity's working capital became apparent.

Financial resources are among the Agency's inputs that remain key in ensuring water resource preservation. The Agency must closely monitor its expenses and revenue streams to achieve this. Whilst these elements have found an expression in previous years, with the effective cost containment measures applied in conjunction with those pronounced by the National Treasury, future periods will see more applied responsive strategies. The Agency plans to finalize studies on how the CMAs should be funded in future periods. This analysis is expected to contribute towards a change in policy position ultimately. The initiatives, amongst many, will include the application of low-risk and high returns initiatives that could reduce overall reliance on the allocation appropriated by parliament. These new areas defined as fit for exploration loosely articulated in strategy have now become the cornerstone for the Agency's going concern to be firmly secured.

8.3 Sources of funding

The Agency continues to place reliance on grant funds appropriated by parliament. This is evidenced by a proposed 69% funding rate in 2024/25. As the Agency enters its first years, wherein it applies the Wastewater Discharge Charge (WWDC), the reliance is expected to reduce over the years. The Agency also envisions about 29% of its revenue emanating from water resource charges. This funding stream, with a recoverability rate of just over 65%, requires increased levels of intervention to ensure that collections amongst the water users improve.

Table 1: Funding source

SOURCE OF FUNDING	AUDITED OUTCOME				APPLIED BUDGET 2023/24	PROPOSED BUDGET 2024/25	%	PROPOSED BUDGET		
	2019/20	2020/21	2021/22	2022/23				2025/26	2026/27	2027/28
GRANT APPROPRIATED BY PARLIAMENT	80,357,470	84,375,000	88,861,371	89,394,000	128,234,765	72,306,000	52%	75,545,000	79,007,000	82,469,000
WATER RESOURCE MANAGEMENT FEES	50,086,018	47,193,285	49,702,637	55,485,141	54,042,511	56,606,688	40%	61,474,863	66,761,701	72,503,207
WASTE DISCHARGE CHARGE	-	-	-	-	-	7,819,236	6%	8,491,690	9,221,976	10,015,066
ACCUMULATED SURPLUS	95,368,447	-	-	-	-	-	0%	-	-	-
INTEREST RECEIVED	-	1,100,000	1,145,060	3,000,000	3,270,000	3,564,300	3%	3,885,087	4,234,745	4,615,872
TOTAL FUNDING SOURCES	225,811,935	132,668,285	139,709,068	147,879,141	185,547,276	140,296,224	100%	149,396,640	159,225,422	169,603,145

8.4 Overview of expenditure estimates over the medium term

8.4.1 Expenditure estimates per budget programme

Administration and Governance

EXPENDITURE ESTIMATE PER ECONOMIC CLASSIFICATION	AUDITED OUTCOME				APPLIED BUDGET 2023/24	PROPOSED BUDGET 2024/25	%	PROPOSED BUDGET		
	2019/20	2020/21	2021/22	2022/23				2025/26	2026/27	2027/28
SALARIES	34,713,943	43,769,986	42,968,911	50,131,781	52,457,579	49,357,455	71%	50,838,178	52,363,324	53,934,223
PROJECTS	9,223,910	10,457,817	5,674,891	7,781,117	13,593,250	4,538,000	6%	4,674,140	4,814,364	4,958,795
RENTAL PREMISES	4,558,138	5,136,479	5,552,964	6,500,000	7,088,000	4,200,000	6%	4,326,000	4,455,780	4,589,453
GOODS AND SERVICES	7,142,705	5,330,457	9,696,898	6,643,636	15,208,306	8,536,875	12%	8,792,981	9,056,770	9,328,473
REPAIRS AND MAINTENANCE	928,922	525,000	515,775	621,960	667,445	450,000	1%	463,500	477,405	491,727
CAPITAL LAYOUT	840,666	510,000	1,403,050	2,094,254	2,000,000	200,000	0%	206,000	110,285	113,594
BOARD RELATED COSTS	3,050,034	2,000,000	2,110,000	2,500,000	2,675,000	2,691,050	4%	2,707,582	2,724,609	2,742,147
TOTAL EXPENDITURE	60,458,319	67,729,739	67,922,489	76,272,747	93,689,580	69,973,379	100%	72,008,381	74,002,537	76,158,413

Water Resource Management

EXPENDITURE ESTIMATE PER ECONOMIC CLASSIFICATION	AUDITED OUTCOME				APPLIED BUDGET 2023/24	PROPOSED BUDGET 2024/25	%	PROPOSED BUDGET		
	2019/20	2020/21	2021/22	2022/23				2025/26	2026/27	2027/28
SALARIES	34,627,741	43,960,592	43,478,636	46,450,210	62,407,323	57,648,148	82%	59,377,592	61,158,920	62,993,688
PROJECTS	16,444,236	11,569,828	7,354,605	7,256,075	11,870,000	650,000	1%	669,500	689,585	710,273
RENTAL PREMISES	-	-	-	-	-	-	0%	-	-	-
GOODS AND SERVICES	113,604,374	9,062,027	20,706,313	17,384,567	17,580,374	12,024,697	17%	17,341,168	23,374,380	29,740,772
REPAIRS AND MAINTENANCE	485,300	245,000	57,525	60,742	-	-	0%	-	-	-
CAPITAL LAYOUT	191,965	101,100	189,500	454,800	-	-	0%	-	-	-
BOARD RELATED COSTS	-	-	-	-	-	-	0%	-	-	-
TOTAL EXPENDITURE	165,353,616	64,938,547	71,786,579	71,606,394	91,857,696	70,322,845	100%	77,388,260	85,222,885	93,444,732

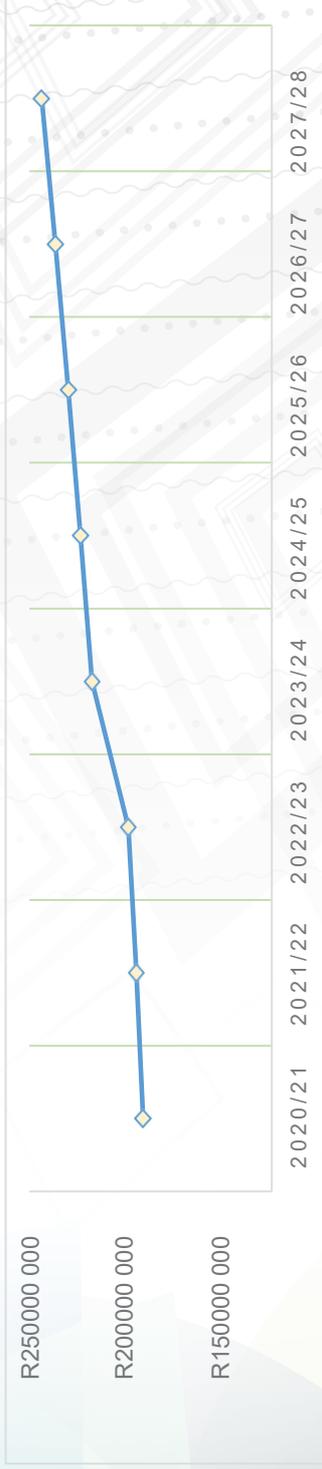
8.4.2 Expenditure estimates per economic classification

EXPENDITURE ESTIMATE PER ECONOMIC CLASSIFICATION	AUDITED OUTCOME				APPLIED BUDGET 2023/24	PROPOSED BUDGET 2024/25	%	PROPOSED BUDGET		
	2019/20	2020/21	2021/22	2022/23				2025/26	2026/27	2027/28
SALARIES	69,341,685	87,730,578	86,447,547	96,581,991	114,864,901	107,005,603	76%	110,215,771	113,522,244	116,927,911
PROJECTS	25,668,146	22,027,645	13,029,496	15,037,192	25,463,250	5,188,000	4%	5,343,640	5,503,949	5,669,068
RENTAL PREMISES	4,558,138	5,136,479	5,552,964	6,500,000	7,088,000	4,200,000	3%	4,326,000	4,455,780	4,589,453
GOODS AND SERVICES	120,747,079	14,392,484	30,403,211	24,028,203	32,788,680	20,561,572	15%	26,134,148	32,431,150	39,069,245
REPAIRS AND MAINTENANCE	1,414,222	770,000	573,300	682,702	667,445	450,000	0%	463,500	477,405	491,727
CAPITAL LAYOUT	1,032,631	611,100	1,592,550	2,549,054	2,000,000	200,000	0%	206,000	110,285	113,594
BOARD RELATED COSTS	3,050,034	2,000,000	2,110,000	2,500,000	2,675,000	2,691,050	2%	2,707,582	2,724,609	2,742,147
TOTAL EXPENDITURE	225,811,935	132,668,285	139,709,068	147,879,141	185,547,276	140,296,224	100%	149,396,641	159,225,422	169,603,145

Management views the budget as a control tool that sets out parameters of operations; however, it is an imperative management position to ensure that only expenditure that is fully cash backed up is approved. Where practicable, management will implement cost containment to ensure that budget parameters are cautiously observed. The detailed budget is presented as Annexure A

8.5 Performance trends

With augmentation still part of the revenue stream, an analysis of its performance over a 5-year trend is noted below. The trend indicates that the DWS has not been able to meet the funding requirements of the Agency over the last few years. Management has therefore flagged funding received from the DWS as a volatile and high-risk source; with this notion, extensive sector-based assessment is currently underway to identify alternative permissible revenue streams to fund the operations of the Agency.



Management has developed a cost containment strategy currently being implemented institutional-wide to further augment the strained funding sources.

Year	Funding required & applied for	Approved & transferred	Difference	Annual percent increment
	(R'000)	(R'000)	(R'000)	(R'000)
2020/21	R109,560	R84,375	-R25,185	-22.98%
2021/22	R88,861	R88,861	R0	5.32%
2022/23	R116,433	R89,394	-R27,039	-23.22%
2023/24	R128,235	R93,864	-R34,371	-26.8%
2024/25	R136,557	N/A	N/A	N/A

Water Use Charges

The weakness of the current applied Water Pricing Strategy has further exasperated challenges around the financial constraints of the Agency. These weaknesses include the lack of a provision within the strategy for the Agency to implement the water discharge charge, a glaring misalignment of approved tariffs (as indicated above), and true costs attributable to service delivery. The glaring misalignment induced by sector capping has resulted in the Agency's inability to recover full costs attributable to the delivery of water resource-related services. To the detriment of the Agency, full cost recovery, the preferred tariff, is not supported by legislation. Sectorial sustainability for the Agency, therefore, lies in a shift in a policy position that allows for the intrinsic balance between enabling economic activities for water users and preserving the Agency's ability to recover total water resource management costs. This position has now been well defined in the revised Pricing Strategy that advocates for full cost recovery over a 5-to-10-year period from the date of its adoption.

The adverse outcome is due to the Pricing Strategy that mandates an average charge of 3,75c per cubic meter for 2024/25 versus a more realistic average cost of service of 6,94c per cubic meter that allows full recovery of water management-related costs. The losses projected to be realized by the Agency in noted below:

Increments as per Pricing Strategy				
Sectors	Registered volumes	Percentage increase	Proposed tariffs	Projected revenue
Domestic & Industry	434,551,561	13.55%	0.0530	R23,031,233
Irrigation	1,016,907,245	8.6%	0.0257	R26,134,516
Forestry	424,141,080	7%	0.0257	R8,270,751
Total: Abstraction & Streamflow reduction	1,875,599,88			R57,436,500
Total: Waste Discharge Charge	712,231,19	n/a	0.0507	R36,110,121
Total Projected Revenue: 2024-25				R93,546,621

Proposed Tariff 2024/25

The water sector is definitive of hereditary challenges of recouping the true costs of delivering quality water from registered water users. According to the Water Pricing Strategy, the CMA is required to recover total costs relating to water resource management from its customers. The Agency has projected a budget of R 185,4 million for the 2024/25 financial year. According to the pricing strategy,

this amount should ideally be directly recovered from the water users through permissible charges currently applied in 2023/24 (i.e., streamflow reduction and water abstractions).

In addition to streamflow reduction and water abstraction, the Agency must implement the wastewater discharge charge (WWDC) as of the 2024/25 financial year. According to internal records, registered volumes (loads) have been estimated at 712,2 million for the projected year (2024/25). The Agency, thus in addition, envisages charging this additional charge to ensure full compliance. Whilst the new charge brings some relief to the Agency, it being its first implementation, it brings new unintended challenges. Albeit robust consultative sessions have been held throughout the catchment, it is expected that some users, at worst, may delay or may not accept to pay for the additional charge. Management is currently assessing the impact of this position to allow correct provision for bad debt to be provided for adverse debtor behaviour.

The tariffs are computed utilizing the approved tariff proposal framework. This framework used sector-wide as designed by the DWS, looks at 11 key functional areas and the costs attributable to their operations. The eleven functions noted below have been utilized when deducting proposed tariffs.

Upon tariff deduction, the Agency consulted with stakeholders on the proposed Water Resource Management Charges as mandated by section 57 of the National Water Act 1998 (Act 36 of 1998) and the Pricing Strategy for the financial year 2024/25. The tariffs, as supported by the water users, were submitted for ministerial approval as follows:

Sectors	Domestic/ Industrial	Irrigation	Forestry	Waste Discharge Charge
	c/m ³	c/m ³	c/m ³	c/m ³
Proposed 2024/25 Tariffs	5,39c	2,57c	1,95c	5,07c
% Increments	13,6%	8,6%	7%	-
Capping Policy Applications as per Pricing Strategy	D&I - no capping applicable	Irrigation – Base year x PPI of 13.1% as per Water Pricing Strategy	SFRA – R10 per hectare [10,000c/m3] + Base year x PPI of 13.1% as per Water Pricing Strategy	No capping applicable

PART C: MEASURING PERFORMANCE

1. Institutional programme performance information

The optimal operating model design was utilised to organise organisational capabilities into a programme structure to implement strategy as follows:

- Programme 1: Administration and Governance, aligned to Outcome 1, 2, and 3.
- Programme 2: Water Resource Management, aligned to Outcome 4

The structure of the Department's performance information is aligned with the budget structure as detailed below:

1.1. Administration programme

The purpose of this programme is to support the business of the IUCMA in terms of planning, risk management, assurance services, governance structures and setting of appropriate parameters for organisational performance. The extent of the programme is within the Office of the Chief Executive Officer within the areas of governance as reflected in the former statement. The programme consists of the following sub-programmes:

1.1.1 Sub-programmes

Office of the Chief Executive provides policy and strategic direction for the organisation including governance functions.

Corporate Services provides for enterprise-wide support on specialised services including human resource management, auxiliary services, legal services, IT and communications

Finance provides for planning, organising, controlling and monitoring the organisation's financial resources (i.e. financial management, supply chain management as well as billing and revenue management)

Internal Audit provides independent and objective assurance on the effectiveness of organisational internal control processes

Risk and compliance management identifies, analyses and mitigates organisational risks

Office accommodation provides for payments for rental charges on all occupied leased office space and for municipal services such as electricity, water, and sewage and waste removal.

1.1.2 Outcomes, outputs, performance indicators and targets

Outcomes	Outputs	Output indicators	Annual audited / actual performance					Estimated performance	Annual medium-term targets		
			2020/21	2021/22	2022/23	2023/24	2024/25		2025/26	2026/27	
1 Increased stakeholder satisfaction	1.1 Annual stakeholder management programme implemented	1.1.1 Percentage implementation of stakeholder management plan	-	100%	85%	100%	100%	100%	100%	100%	
	2.1 Compliance with corporate governance regulatory prescripts	2.1.1 Percentage compliance with Approved Audit plan	-	-	-	-	≥80%	≥80%	≥80%		
2 Enhanced human resources and business capabilities		2.1.2 Percentage Implementation of Strategic risk register action plans	-	-	-	-	90%	90%	90%		
		2.1.3 Percentage implementation Risk Management plan.	-	-	-	-	100%	100%	100%		
		2.1.4 Percentage implementation of Human Resource plan	-	-	-	80%	80%	90%	100%		
		2.1.5 Percentage implementation of the ICT strategy	-	-	-	30%	60%	80%	100%		
3 Maintain financial sustainability	3.1 Targeted procurement supporting SMMEs	3.1.1 Percentage of targeted procurement budget spent on SMMEs	-	-	-	-	40%	40%	40%		

Outcomes	Outputs	Output indicators	Annual audited / actual performance				Estimated performance	Annual medium-term targets			
			2020/21	2021/22	2022/23	2023/24		2024/25	2025/26	2026/27	
		A Women	-	-	-	-	40%	40%	40%	40%	
		B Youth	-	-	-	-	30%	30%	30%	30%	
		C People with disabilities	-	-	-	-	7%	7%	7%	7%	
	3.2	3.2.1 Percentage of debt Working ratio (cash based)	-	106%	≤80%	≤80%	≤80%	≤80%	≤80%	≤80%	
		3.2.2 Percentage of debt collection ratio: Healthy book	26% (R34,554,989.4 /R133,381,545.23)	32.9% (R37,869,940.05/R115,069,122.97)	60%	65%	65%	70%	75%		
		3.2.3 Percentage of debt collection ratio: Toxic book			4%	6%	8%	10%	10%		
		3.2.4 Number of debtors payment in days (Healthy book)	-	-	-	-	D&I: ≤ 100 days Irrigation: ≤270 days Forestry: ≤270 days	D&I: ≤ 100 days Irrigation: ≤180 days Forestry: ≤180 days	D&I: ≤ 50 days Irrigation: ≤180 days Forestry: ≤180 days		
		3.2.5 Number of Current Ratio	-	-	≥1:1	≥1:1	≥1:1	≥1:1	≥1:1		

1.1.3 Indicators, annual and quarterly targets per sub-programme

1.1.3.1 Office of the Chief Executive sub-programme

Output indicators	2024/25 annual targets	Quarterly milestones			
		Quarter 1 April – June	Quarter 2 July - September	Quarter 3 October - December	Quarter 4 January – March
1.1.1 Percentage implementation of stakeholder management plan	100%	100%	100%	100%	100%

1.1.3.2 Internal Audit sub-programme

Output indicators	2024/25 annual targets	Quarterly milestones			
		Quarter 1 April – June	Quarter 2 July - September	Quarter 3 October - December	Quarter 4 January – March
2.1.1 Percentage compliance with Approved Audit plan	≥80%	≥80%	≥80%	≥80%	≥80%

1.1.3.3 Risk and Compliance Management sub-programme

Output indicators	2024/25 annual targets	Quarterly milestones			
		Quarter 1 April – June	Quarter 2 July - September	Quarter 3 October - December	Quarter 4 January – March
2.1.2 Percentage Implementation of Strategic risk register action plans	90%	30%	30%	20%	10%
2.1.3 Percentage implementation Risk Management plan.	100%	30%	30%	20%	20%

1.1.3.4 Corporate Services sub-programme

Output indicators	2024/25 annual targets	Quarterly milestones			
		Quarter 1 April – June	Quarter 2 July - September	Quarter 3 October - December	Quarter 4 January – March
2.1.4 Percentage implementation of Human Resource plan	80%	20%	20%	20%	20%
2.1.5 Percentage implementation of the ICT strategy	60%	10%	20%	20%	10%

1.1.3.5 Financial Management sub-programme

Output indicators	2024/25 annual targets	Quarterly milestones			
		Quarter 1 April – June	Quarter 2 July - September	Quarter 3 October - December	Quarter 4 January – March
3.1.1	Percentage of targeted procurement budget spent on SMMEs	40%	40%	40%	40%
	A Women	40%	40%	40%	40%
	B Youth	30%	30%	30%	30%
	C People with disabilities	7%	7%	7%	7%
3.2.1	Percentage of debt Working ratio (cash based)	≤80%	≤80%	≤80%	≤80%
3.2.2	Percentage of debt collection ratio: Healthybook	65%	30%	45%	65%
3.2.3	Percentage of debt collection ratio: Toxic book	8%	4%	6%	8%
3.2.4	Number of debtors payment in days (Healthybook)	D&I: ≤ 100 days Irrigation: ≤270 days Forestry: ≤270 days	D&I: ≤ 100 days Irrigation: ≤270 days Forestry: ≤270 days	D&I: ≤ 100 days Irrigation: ≤270 days Forestry: ≤2700 days	D&I: ≤ 100 days Irrigation: ≤270 days Forestry: ≤270 days
3.2.5	Number of Current Ratio	≥1:1	≥1:1	≥1:1	≥1:1

1.1.4 Abridged risk management plan for the programme

Link to output	Risk category	Risk	Mitigation measures
1.1 Compliance with corporate governance regulatory prescripts	Stakeholder management	Weak / Reduced stakeholder confidence and trust.	<ol style="list-style-type: none"> 1. Implementation the Stakeholder Engagement Plan. 2. Finalize the stakeholder engagement satisfaction survey and implement the Survey results (i.e. recommendation) 3. a. Implementation of an effective Communication Plan. b. Implementation of Service Standards also referred to as communication principles. c. Develop and implement Social Media Strategy (implementation plan with timelines of related activities)
	Corporate Services	Unsustainable ICT systems.	<ol style="list-style-type: none"> 1. Conduct testing and awareness workshops according to approved ICT operational plan. 2. Conduct testing on the effectiveness of ICT security and firewalls. 3.a. Develop and implement a Disaster Recovery Plan. b. Review and update (i.e. align) Business Continuity Plan and ensure adequacy to business requirements.
1.2 Financial recovery and cost control	Financial Management	Unsustainable IUCMA financial resources.	<ol style="list-style-type: none"> a) Develop a plan aimed at increasing current revenue and alternatives of sourcing /obtaining funding revenue streams. b) Review and reassess effectiveness and responsiveness of Cost Containment Strategy plans. c) Conduct an assessment on the readiness of IUCMA to implement - new pricing strategy

1.1.5 Reconciling performance targets with budget over the medium-term

EXPENDITURE ESTIMATE PER ECONOMIC CLASSIFICATION	AUDITED OUTCOME			APPLIED BUDGET 2023/24	PROPOSED BUDGET 2024/25	%	PROPOSED BUDGET		
	2019/20	2020/21	2021/22				2022/23	2025/26	2026/27
SALARIES	34,713,943	43,769,986	42,968,911	50,131,781	49,357,455	71%	50,838,178	52,363,324	53,934,223
PROJECTS	9,223,910	10,457,817	5,674,891	7,781,117	4,538,000	6%	4,674,140	4,814,364	4,958,795
RENTAL PREMISES	4,558,138	5,136,479	5,552,964	6,500,000	4,200,000	6%	4,326,000	4,455,780	4,589,453
GOODS AND SERVICES	7,142,705	5,330,457	9,696,898	6,643,636	8,536,875	12%	8,792,981	9,056,770	9,328,473
REPAIRS AND MAINTENANCE	928,922	525,000	515,775	621,960	450,000	1%	463,500	477,405	491,727
CAPITAL LAYOUT	840,666	510,000	1,403,050	2,094,254	200,000	0%	206,000	110,285	113,594
BOARD RELATED COSTS	3,050,034	2,000,000	2,110,000	2,500,000	2,691,050	4%	2,707,582	2,724,609	2,742,147
TOTAL EXPENDITURE	60,458,319	67,729,739	67,922,489	76,272,747	69,973,379	100%	72,008,381	74,002,537	76,158,413

1.2. Water Resource Management programme

This sub-programme implements effective river operations within the WMA to manage droughts, surface and groundwater management, water allocation plan and data management systems to effect the mandate of the IUCMA. The sub-programme also implements water quality routine monitoring plans.

1.2.1 Sub-programmes

Water Resource Planning and Management implements effective river operations within the WMA to manage droughts, surface and groundwater management, water allocation plan and data management systems to effect the mandate of the IUCMA. The sub-programme also implements water quality routine monitoring plans.

Water Use Authorisation and Registration is dedicated towards effective data management and information systems within the operational core of the IUCMA. The sub-programme functions in a shared services format and provide services to the support core areas of the IUCMA.

Compliance Monitoring and Enforcement performs inspections and audits, including investigations of reported incidents of resource pollution in compliance with the NWA and other environmental legislation. Comprehensive education and awareness campaigns are conducted to ensure that water users and law enforcement agencies are aware of their role in supporting the work of the IUCMA.

Institutions, Stakeholder Engagement and Governance bears responsibility for stakeholder engagement, institutional participation and international liaison. This is to ensure that stakeholders' legitimate interests and material issues of engagement, locally and internationally, are addressed to mitigate against the potential reputational risk. Further, pathways to address the extent and level of engagement with stakeholders through the Stakeholder Engagement Plan are developed and implemented.

1.2.2 Outcomes, outputs, performance indicators and targets

Outcomes	Outputs		Output indicators		Annual audited / actual performance				Estimated performance	Annual medium-term targets		
					2020/21	2021/22	2022/23	2023/24		2024/25	2025/26	2026/27
4. Protection and use of water resources	4.1	Water resource classes and Resource Quality Objectives determined and monitored	4.1.1	Percentage monitoring compliance of Resource Quality Objectives	-	100% (23/23)	≥90%	≥90%	≥90%	≥95%	≥95%	≥95%
			4.1.2	Percentage monitoring compliance of international obligations	-	100% (10/10)	≥90%	≥90%	≥90%	≥95%	≥95%	
	4.2	Water resource institutions established	4.2.1	Number of irrigation boards transformed into water user associations	-	-	-	-	3	3	3	
	4.3	Water resource institutions' compliance implemented	4.3.1	Number of institutional annual performance plans evaluated	-	-	-	-	3	3	3	
4.3.2			Number of institutions assessed per quarter	-	-	-	-	3	3	3		
4.4	Regulatory compliance and enforcement	4.4.1	4.3.3	Number of institutional annual reports evaluated	-	-	-	-	3	3	3	
			4.4.1	Percentage of planned inspections conducted for related uses of various sectors	-	265% (212/80)	-	≥90%	≥90%	≥95%	≥95%	

Outcomes	Outputs	Output indicators	Annual audited / actual performance				Estimated performance	Annual medium-term targets		
			2020/21	2021/22	2022/23	2023/24		2024/25	2025/26	2026/27
		4.4.2 Percentage of enforcement action taken against non-compliant users	-	-	-	≥90%	≥90%	≥90%	≥95%	≥95%
		4.4.3 Percentage of approved water use authorisations registered on WARMS	-	≥90%	90%	≥90%	≥90%	≥90%	≥90%	≥90%
		4.4.4 Percentage of water use authorisations processed within the regulated timeframe	-	95.2% (120/126)	80%	≥90%	≥90%	≥90%	≥90%	≥90%

1.2.3 Indicators, annual and quarterly targets per sub-programme

1.2.3.1 Water Resource Planning and Management sub-programme

Output indicators		2024/25 annual targets	Quarterly milestones			
			Quarter 1 April – June	Quarter 2 July - September	Quarter 3 October - December	Quarter 4 January – March
4.1.1	Percentage monitoring compliance of Resource Quality Objectives	≥90%	≥90%	≥90%	≥90%	≥90%
4.1.2	Percentage monitoring compliance of international obligations	≥90%	≥90%	≥90%	≥90%	≥90%

1.2.3.2 Institutions, Stakeholder Engagements and Governance sub-programme

Output indicators		2024/25 annual targets	Quarterly milestones			
			Quarter 1 April – June	Quarter 2 July - September	Quarter 3 October - December	Quarter 4 January – March
4.2.1	Number of irrigation boards transformed into water user associations	3	-	-	-	3
4.3.1	Number of institutional annual performance plans evaluated	3	-	-	-	3
4.3.2	Number of institutions assessed per quarter	3	-	-	-	3
4.3.4	Number of institutional annual reports evaluated	3	-	-	-	3

1.2.3.3 Compliance Monitoring and Enforcement sub-programme

Output indicators		2024/25 annual targets	Quarterly milestones			
			Quarter 1 April – June	Quarter 2 July - September	Quarter 3 October - December	Quarter 4 January – March
4.4.1	Percentage of planned inspections conducted for related uses of various sectors	≥90%	≥90%	≥90%	≥90%	≥90%
4.4.2	Percentage of enforcement action taken against non-compliant users	≥90%	≥90%	≥90%	≥90%	≥90%

1.2.3.4 Water Use Authorisation and Registration sub-programme

Output indicators		2024/25 annual targets	Quarterly milestones			
			Quarter 1 April – June	Quarter 2 July - September	Quarter 3 October - December	Quarter 4 January – March
4.4.3	Percentage of approved water use authorisations registered on WARMS	≥90%	≥90%	≥90%	≥90%	≥90%
4.4.4	Percentage of water use authorisations processed within the regulated timeframe	≥90%	≥90%	≥90%	≥90%	≥90%

Link to output	Risk category	Risk	Mitigation measures
2.1	Water resource management	Decline in water security.	<ul style="list-style-type: none"> Implementation of climate change response strategy initiatives Reduction of water pollution by land-based activities. Manage water use application process. Improve data integrity-data cleaning and quality check.
2.2	Regulatory compliance and enforcement	Reduction in billable volumes.	<ul style="list-style-type: none"> Establish a task team from relevant divisions (CME, WUA, DIM and Revenue), and develop terms of reference for non-registration of water use. Compile a list of expired and soon to expire licenses. The list should quantify possible lost revenue. Engage water users (customers) and encourage them to apply and comply if they are still utilizing the resource. Implement a punitive charge for water users have not applied for new licenses or comply with the NWA. Conduct planned inspection on authorized and unauthorized water uses.

1.2.5 Reconciling performance targets with budget over the medium term

EXPENDITURE ESTIMATE PER ECONOMIC CLASSIFICATION	AUDITED OUTCOME				APPLIED BUDGET 2023/24	PROPOSED BUDGET 2024/25	%	PROPOSED BUDGET		
	2019/20	2020/21	2021/22	2022/23				2025/26	2026/27	2027/28
COMPLIANCE, MONITORING AND ENFORCEMENT	13,360,953.54	16,231,782.00	16,317,158.73	17,435,045.57	15,694,685.91	13,643,168	19%	14,052,463	14,474,036	14,908,257
INSTITUTION, STAKEHOLDER ENGAGEMENTS & GOVERNANCE	10,496,610.23	12,979,817.69	12,174,369.96	12,458,872.23	12,322,006.74	8,776,342	13%	9,039,632	9,310,821	9,590,146
RESOURCE QUALITY MONITORING, PLANNING & OPERATIONS	30,433,166.93	32,933,981.07	39,285,190.46	34,764,286.43	46,769,433.73	33,198,007	47%	39,149,677	45,837,145	52,877,420
WATER USE AUTHORISATIONS	-	-	-	-	8,731,404.33	7,317,848	10%	7,537,383	7,763,505	7,996,410
DATA & INFORMATION MANAGEMENT	-	2,792,965.19	4,009,859.67	6,948,189.15	8,340,165.62	7,387,480	11%	7,609,105	7,837,378	8,072,499
TOTAL EXPENDITURE	54,290,730.69	64,938,545.95	71,786,578.81	71,606,393.38	91,857,696.33	70,322,845	100%	77,388,260	85,222,885	93,444,732

2. Explanation of planned performance over the planning period

To provide an outline of planned performance over the three-year period, strategic intents were organised per programme for effective strategy execution. Key priorities over the medium term are as follows:

2.1. Programme 1: Administration

2.1.1 Increased stakeholder satisfaction outcome

The IUCMA aims to enhance its partnerships with stakeholders throughout South Africa to support strategy execution and manage reputational risks. Stakeholders will be assessed based on their level of influence and control over IUCMA operations. Material concerns arising from engagement with these stakeholders will be identified to address their legitimate interests in the IUCMA.

The IUCMA has adopted a policy position on effectively addressing stakeholders' legitimate interests. The overarching stance of the IUCMA is to organize stakeholder engagement with a primary focus on socio-economic impact while considering other aspects such as academic impact, conceptual impact, and instrumental impact.

Furthermore, stakeholder value propositions, encompassing value-added inputs, activities, outputs, impacts, and outcomes, has been developed. This approach will enable the IUCMA to establish engagement strategies with stakeholders, including determining the frequency of interactions to manage reputational risks. It will also ensure that stakeholder engagement is at the core of governance, aligning with the requirements of the King IV Report on Corporate Governance for South Africa.

2.1.2 Enhanced human resources and business capabilities outcome

Integrated strategic workforce planning: To achieve excellence in fulfilling its mandate, the IUCMA needs to optimize the way it manages its resources. This includes bolstering its organizational structures to improve the delivery of its primary mission, which involves the management of water resources and supporting essential areas. The IUCMA will implement integrated workforce plans that align with other aspects of its human resources systems, including technology.

Talent management: Organisational excellence should be created and sustained through proactive talent management practices. Employees should not only be attracted and recruited but trained and developed in all critical skills so that they possess the proficiencies that match those required for their positions. Such employees should also be retained to ensure that they play a role in the attainment of the IUCMA strategic outcomes and impacts, the reason being, employees are a fundamental input in the strategic management process of the IUCMA.

Performance management: when the workforce with required proficiency levels, skills and knowledge are retained, it will improve the performance management system of the organisation. This improvement will lead to the attainment of the strategic outcomes and impacts of the IUCMA. A robust performance management system will therefore need to be implemented.

Rewards and retention management: through a robust performance management system, the workforce with suitable skills and proficiency levels achieving the desired outputs and outcomes, are appropriately rewarded. When the performing workforce is appropriately rewarded, an extension will thus be made towards retention of those competencies that align with the outcomes and impacts of the IUCMA.

Career and succession management: an implemented workforce plan will, among others, identify critical positions and imminent retirement across the organisation. A clear understanding of available skills and where the workforce can be utilised within the organisation will be obtained. This will lead to effective succession strategies which will be implemented in the medium term.

Recruitment: an integrated workforce plan will not only inform the resourcing strategy in the short and long term but will ensure effective recruitment and retention of staff with expertise, experience and skills within a framework that ensures diversity. The available talent that the organisation should urgently fill would be noticeable and recruitment processes will be informed by numbers that should be filled and by the long-term outcomes and impacts that must be achieved.

To ensure that the right culture permeates throughout the IUCMA, within the context of integrated workforce planning, the observable behavioural competencies which are knowledge, skills, competencies and other characteristics that contribute towards individual success within the IUCMA, should be observable. Generally, the behavioural competencies are linked to the values of the organisation and should be embedded within the organisational culture so that there is efficient and effective delivery of the mandate. In this instance, an employee culture survey will be performed in the medium term to derive the baseline culture levels to be used for organisational culture enhancements. An employee survey will also be conducted in the medium term to understand the current proficiency levels of employees to the required proficiency levels.

Workforce analysis

A depiction of workforce across various levels reflects that employees within the organisation are skilled. Unskilled employees constitute approximately 9% of the entire workforce. Within the context of the integrated strategic workforce planning, an analysis should extend beyond the numbers and a determination be made whether the employees possess the required proficiency levels for their respective position. Determination of required proficiency levels will lead to development of a workplace skills development plan which will focus on bespoke skills development initiatives per employee that will be performed over the medium term. Wellness of employees in the organisation is a serious imperative and the IUCMA intends to implement an employee wellness programme in the medium term.

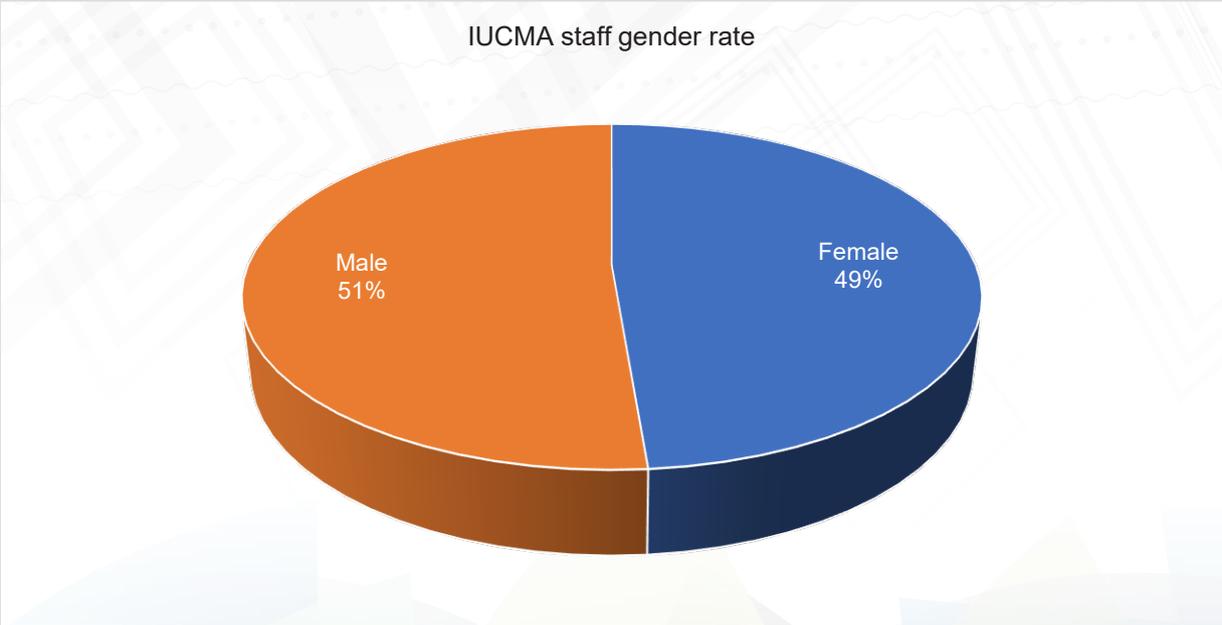


Figure 2: Profile of workforce by gender

Gender profile within the organisation indicates a proportion of male and female employees at 56:49% and 59:51%, respectively which is almost an equitable balance based on gender. An employment equity plan has been concluded and monitoring thereof will be performed over the medium term.

Information Communication and Technology

The advent of global forces such as industrial revolutions, in this instance, the Fourth Industrial Revolution, the Internet of Things and digital transformations, compels the IUCMA to continuously assess the implication of these forces and provide an appropriate response. These global forces can affect and lead to changes in business models of organisations, therefore, the IUCMA needs to have some strategic responses to have Information Communication Technology (ICT) strategies that enable the entire business strategy. The Department of Public Service and Administration (DPISA) also issued a Corporate Governance for ICT Framework that provides a trajectory of the ICT strategy development and how to have ICT as an enabler of strategies in service delivery. This implies that the IUCMA should implement ICT solutions that align with business priorities so that resources are appropriately deployed for continuous improvements in the ICT realm.

The ICT strategy of the IUCMA will be reviewed to implement the recommended roadmap in the medium term and beyond. Technology architecture (appropriate data, applications and IT infrastructure) that aligns with the service delivery mandate of the organisation will be implemented. The ICT strategy will bolster efforts to align deployed technologies to the overall organisational strategy of the IUCMA.

Records Management System

Since records are considered a digital asset of the IUCMA, a records management strategy for implementation post the medium term will be considered. The emphasis of this implementation will be to ensure that there is accurate and reliable water resources management information to inform policy and planning, regionally and nationally.

2.1.3 Maintain financial sustainability outcome

Over the years, the Agency has provided results that have signaled sound financial management as evidenced by the attainment of an unqualified audit opinion expressed for the 13th consecutive year running. Achieving an unqualified audit opinion becomes the standard of operations as the Agency, in future periods, will ensure that internal controls are continuously assessed for efficiency and effectiveness. In conjunction with ensuring sufficient internal control, the Agency has elevated the need to become financially sustainable as a prerequisite. With activities competing for limited financial resources and sluggish local economic growth, a prerequisite to cautiously managing the entity's working capital became apparent.

Financial resources are among the Agency's inputs that remain key in ensuring water resource preservation. The Agency must closely monitor its expenses and revenue streams to achieve this. Whilst these elements have found an expression in previous years, with the effective cost containment measures applied in conjunction with those pronounced by the National Treasury, future periods will see more applied responsive strategies. The Agency plans to finalize studies on how the CMAs should be funded in future periods. This analysis is expected to contribute towards a change in policy position ultimately. The initiatives, amongst many, will include the application of low-risk and high returns initiatives that could reduce overall reliance on the allocation appropriated by parliament. These new areas defined as fit for exploration loosely articulated in strategy have now become the cornerstone for the Agency's going concern to be firmly secured.

2.2. Programme 2: Water Resource Management

2.2.1 Protection and use of water resources outcome

Availability of water within the WMA is a serious challenge and is a powerful force that requires attention. As a strategic imperative, resources within the WMA will be protected so that the availability of water for strategic and economic use is secured. This will be ensured through implementation of the Integrated Water Quality Management Strategy. The inseparable interaction of water quantity and water quality clearly exists in any water resource system. Unfortunately, the management and regulation of water quantity and quality is not currently treated in an integrated fashion. Integrating water quantity and quality issues in water resources management will alleviate many of the problems that exist between water users and water managers/administrators.

The public is demanding improvements in the conservation of water quantity and quality and this will position the IUCMA towards the socio-economic impact. These impacts must be studied at the regional or river basin scale, and not be limited to localised impacts. In addition, evaluation of water rights and transboundary agreements must also be a critical consideration.

A comprehensive river basin network flow and water rights simulation model is needed that can be incorporated into a decision support system for simultaneously assessing water quantity and quality impacts on both surface water and groundwater, while analysing the effects of implementing improved irrigation practices on total flows in the river, water quality from wastewater treatment plants and water rights.

The strategy would be able to demonstrate the intricate relationships between water quality and water quantity in a river basin. This relationship plays an important role in determining the most appropriate way of managing a river system, such that both the quality criteria and the quantity criteria are considered in an unbiased fashion. Water regime is a driving force to sustain health and integrity of an ecosystem but in recent decades, with rapid economic development, water shortage and water quality deterioration have seriously influenced aquatic ecosystems and this has led to the science of environmental flow assessment that has been established since the 1990s. Assessment of environmental flow is the basis from which to solve ecological problems caused by water shortage and pollution. This can provide a scientific guide for water management, regulation, and configuration within the WMA.

Principles of integrated water quality management strategy within the IUCMA are thus:

- Improving source management controls and measures in order to limit and control point sources that significantly impact on the quality of the water resource;
- Improving the management of the water resources by conducting effective monitoring, assessment and reporting
- Maintaining or improving the water quality of the resources to ensure fitness for use for all water users through compliance to the RQOs, IWQG, TWQGs; and
- Identifying hotspots and implementing targeted measures to progressively improve the quality of the water resource.

3. Key risks

The approach to risk management assumed an integrated Enterprise-Wide Risk Management which incorporates internal controls into the entire risk management process. The risk management process is premised on a notion that the Agency provides value to its stakeholders to be able to effectively deal with uncertainty, associated risks, and opportunities. The risks identified will enable the Agency to effectively mitigate against any events that may impede achievement of its strategy.

The Agency has developed a risk appetite and tolerance framework aimed at defining the allocation of resources for management and monitoring of mitigation strategies. A combined assurance framework was developed to align assurance processes between internal audit and other assurance providers to deliver deeper insights on governance, risk, and control management to senior management and the Governing Board Committees.

Strategic outcome	Risk number	Risk description	Risk description explained
Outcome 4: Protected water resources	Strategic risk 1	Decline in water security.	Availability of water within the WMA is a serious challenge and is a powerful force that requires attention.
	Strategic risk 2	Reduction in billable volumes.	There is growing gap between the volumes of water that are available and the volumes of water required (water supply and water demand). Registered water users decline due to numerous challenges in the Water use Authorization & Registration Management System (WARMS).
Outcome 3: Maintain financial sustainability	Strategic risk 3	Unsustainable IUCMA financial resources.	The current revenue trajectory of the IUCMA is not sustainable therefore, a plan to optimise the revenue and resource allocation cycles is developed to have a financial trajectory that would create a sustainable future capital base.
Outcome 1: Increased stakeholder satisfaction	Strategic risk 4	Weak / reduced stakeholder confidence and trust.	Linked to the APP targets, the IUCMA seeks to eliminate any risk exposure to stakeholder relations, and increased stakeholder satisfaction.
Outcome 2: Enhanced human resources and business capabilities	Strategic risk 5	Unsustainable ICT systems	ICT is regarded as key IUCMA business enabler. The ICT strategy and MSP are approved and implemented, to ensure efficient business software applications systems are applied.

PART D: TECHNICAL INDICATOR DESCRIPTION

1. Programme 1: Administration and Governance

1.1. Stakeholder engagement sub-programme

PPI no 1.1.1: Percentage implementation of a stakeholder engagement plan

Indicator title	Percentage Implementation of a Stakeholder Engagement Plan
Definition	To depict that the organisation implemented the stakeholder engagement milestones as per the Stakeholder Engagement Plan.
Source of data	Records showing attendance of meetings and engagement with stakeholders.
Method of calculation / assessment	Performance of this indicator will be calculated in a quantitative manner. $Y = a/b \times 100$ Where: Y = is the percentage compliance with the Stakeholder Engagement Plan. a = is total number of engagement milestones achieved. b = is total number of milestones planned.
Means of verification	Reports showing that engagement took place with stakeholders
Assumptions	Reliable records of engagement with stakeholders
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Cumulative on a quarterly basis
Reporting cycle	Quarterly
Desire performance	Performance higher than expectations is desirable
Indicator responsibility	Executive Manager: Water Resources Management

1.2. Internal Audit sub-programme

PPI no 2.1.1: Percentage compliance approved audit plan

Indicator title	Percentage compliance approved audit plan
Definition	This tracks the progress in the implementation of the approved audit plan
Source of data	The following are data sources: <ul style="list-style-type: none"> • Three-year and annual internal audit plan • Quarterly progress reports • Internal Audit Charter approved by April 2024 • Quarterly Internal Audit findings matrix detailing audit findings, recommendations and progress in addressing the audit findings. • Audit Committee Charter approved by April 2024
Method of calculation/ assessment	Performance of this indicator will be calculated in a quantitative manner • $Y = a/b \times 100$ Where: <ul style="list-style-type: none"> • A: Actual number of reports submitted • B: Total number of all reports within a given period
Means of verification	Detailed Quarter 1,2,3 & 4 actual performance information 2024/25 progress report indicating the status of each audit project. This will be accompanied by the following POE: <ul style="list-style-type: none"> • Copies of the reports that have been issued for each project. Approved policy framework which will be accompanied by the following POE: <ul style="list-style-type: none"> • Quarterly Internal Audit findings matrix detailing audit findings, recommendations and progress in addressing the audit findings. • Approved Three-year and annual internal audit plan • Internal Audit Charter • Quarterly Internal Audit findings matrix detailing audit findings, recommendations and progress in addressing the audit findings. • Approved Audit Committee Charter by April 2024
Assumptions	The reports will be produced on time and the Executive Management may assign additional work within a given period which may affect the performance against planned targets.
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-Cumulative
Reporting cycle	Quarterly
Desired performance	≥80% compliance with approved audit plan
Indicator responsibility	Chief Executive Officer

1.3. Risk management sub-programme

PPI no 2.1.2 Percentage Implementation of strategic risk register action plans

Indicator title	Percentage Implementation of strategic risk register action plans
Definition	These are the risks of the organization complied with the planned deliverables set out in the strategic risk register action plans of the IUCMA
Source of data	Records showing achievement of strategic risk register plans deliverables
Method of calculation or assessment	Performance of this indicator will be calculated in a quantitative manner Y: $a/b*80$ (Annual) Y: $a/b*20$ (Per quarter) Where <ul style="list-style-type: none"> Y: is the percentage compliance with the strategic risk register action plans A: is total number of planned activities B: is total number of achieved activities
Means of verification	Reports/ performance showing that strategic risk register action planned activities took place
Assumptions	Reliable records of reported activities of strategic risk register action plans
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	90%
Indicator responsibility	Chief Executive Officer

PPI no 2.1.3 Percentage Implementation of strategic risk management plan

Indicator title	Percentage Implementation of strategic risk management plan
Definition	To depict that the organization complied with the planned deliverables set out in the Risk Management plan
Source of data	Records showing achievement of Risk Management plan deliverables
Method of calculation or assessment	Performance of this indicator will be calculated in a quantitative manner Y: $a/b*100$ (Annual) Where <ul style="list-style-type: none"> Y: is the percentage compliance with the strategic risk management plan A: is total number of planned activities B: is total number of achieved activities
Means of verification	Reports/ performance showing that Risk Management planned activities took place
Assumptions	Reliable records of reported activities of Risk Management plan
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Cumulative on a quarterly basis
Reporting cycle	Quarterly
Desired performance	100%
Indicator responsibility	Chief Executive Officer

1.4. Corporate Services sub-programme

PPI no 2.1.4: Percentage implementation of a Human Resource implementation plan

Indicator title	Percentage implementation of a human resource implementation plan
Definition	This depict that the organisation implemented planned deliverables are set out in the Human Resource Plan of the IUCMA
Source of data	Records showing achievement of Human Resource Plan deliverables
Method of calculation or assessment	Performance of this indicator will be calculated in a quantitative manner. Y: $a/b*100$ Where: <ul style="list-style-type: none"> Y is the percentage actual implementation of the plan A is total number of planned activities achieved B is total number of planned activities
Means of verification	Reports showing that communication activities took place
Assumptions	Reliable records of communication activities
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	100%
Indicator responsibility	Executive Manager: Corporate Services

PPI no 2.1.5: Percentage implementation of the ICT strategy

Indicator title	Percentage implementation of the ICT strategy
Definition	Measures implementation of the ICT strategy.
Source of data	Documents showing evidence that the ICT strategy was developed and approved, and those showing implementation of the ICT strategy.
Method of calculation or assessment	Performance of this indicator will be calculated in a quantitative manner. Y: $a/b \times 100$ Where: Y: is the percentage implementation of the ICT strategy A: is actual number of projects achieved. B: is total number of planned projects.
Means of verification	Inspection of records showing that the ICT strategy elements are being implemented.
Assumptions	Progress made in the implementation of ICT projects.
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	80%
Indicator responsibility	Executive Corporate Services

1.5. Financial sub-programme

PPI no 3.1.1: Percentage of targeted procurement budget spent on SMMEs

Indicator title	Percentage of targeted procurement budget spent on SMMEs
Definition	The extent in which the Department empowers exempted micro enterprises (EME) and qualifying small enterprises (QSE) through the procurement of goods and services in line with the department BBBEE policy. The Broad-Based Black Economic Empowerment Act defines: Exempted Micro Enterprises (EME) – any enterprise with annual total revenue of R10 million or less. Qualifying Small Enterprises (QSE) – any enterprise with an annual total revenue of between R10 million and R50 million.
Source of data	Contract Register and Central Supplier Database
Method of calculation/ assessment	If the total procurement from EME and QSE is given the value “x” and the total procurement budget is given the value “y” the formula is as follows: $SMME \text{ procurement} = x/y \times 100$
Assumptions	The specifications will incorporate targets for designated groups (i.e., women, youth and people with disabilities)
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not Applicable
Reporting cycle	Annually
Desired performance	Achieve 40% for targeted procurement supporting SMMEs
Indicator responsibility	Chief Financial Officer

PPI no 3.2.1: Percentage of debt working ratio (cash based)

Indicator title	Percentage of debt working ratio (cash based)
Definition	The indicator measures the efficiency of cost management of the IUCMA and the extent to which costs are covered by the revenue of the organization.
Source of data	Financial records
Method of calculation or assessment	Performance of this indicator will be calculated in a quantitative manner. $y = a/b \times 100$ Where: <ul style="list-style-type: none"> • y = working ratio • a = total operating expenditure • b = total revenue
Means of verification	Operating activities from cashflow statement
Assumptions	Reliable financial records are available
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	≤80%
Indicator responsibility	Chief Financial Officer

PPI no 3.2.2: Percentage of debt collection ratio: Healthy Book

Indicator title	Percentage of debt collection ratio: Healthy Book
Definition	This is part of the debt that is reported as outstanding for a period less than 180 days. The debt is made up of both active and closed / cancelled accounts.
Source of data	Financial records
Method of calculation or assessment	The indicator will be calculated in a quantitative manner $y = a/b * 100$ Where: <ul style="list-style-type: none"> • y = debt collection ratio for healthy book • a = total debt recovered from healthy book • b = Opening toxic balance + closing toxic balance / 2
Means of verification	Payment reports and general ledger
Assumptions	Reliable financial records are available
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	65%
Indicator responsibility	Chief Financial Officer

PPI no 3.2.3: Percentage of debt collection ratio: toxic book

Indicator title	Debt collection ratio (toxic book)
Definition	The indicator measures the amount of debt recovered from the toxic debt. This part of the debt is reported as outstanding for a period greater than 180 days. The debt is made up of both active and closed / cancelled accounts.
Source of data	Financial records
Method of calculation or assessment	The indicator will be calculated in a quantitative manner $y = a/b * 100$ Where: <ul style="list-style-type: none"> • y = debt collection ratio for toxic book • a = total debt recovered from toxic book • b = Opening toxic balance + closing toxic balance / 2
Means of verification	Payment reports and general ledger
Assumptions	Reliable financial records are available
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	8%
Indicator responsibility	Chief Financial Officer

PPI no 3.2.4: Number of debtors payment in days (healthy book)

Indicator title	Number of debtors payment in days (Healthy Book)
Definition	The indicator measures the number of days it takes for the debtors to pay their outstanding debt.
Source of data	Financial records
Method of calculation / assessment	The indicator will be calculated in a quantitative manner. $y = a/b * \text{days as per period under assessment (e.g., 90 days, 180 days, 270 days, 365 days)}$ Where: <ul style="list-style-type: none"> • y = debtors payment period in days • a = total debt • b = total sales
Means of verification	Billing reports and general ledger
Assumptions	Reliable financial records are available
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Cumulative on a quarterly basis
Reporting cycle	Quarterly
Desire performance	D&I: ≤ 100 days Irrigation ≤ 270 days Forestry: ≤ 270 days
Indicator responsibility	Chief Financial Officer

PPI no 3.2.5: Number of current ratio

Indicator title	Number of current ratio
Definition	The indicator measures the ability of the organization to pay its short-term debts as they fall due.
Source of data	Financial records
Method of calculation or assessment	The indicator will be calculated in a quantitative manner $Y = A : B$ Where: <ul style="list-style-type: none"> • Y = current ratio • A = current assets • B = current liabilities
Means of verification	General ledger
Assumptions	Reliable financial records are available
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	$\geq 1:1$
Indicator responsibility	Chief Financial Officer

2. Water Resource Management programme

2.1. Resource quality monitoring, planning and operations

PPI no 4.1.1 Percentage monitoring compliance of resource quality objectives

Indicator title	Percentage monitoring of compliance with resource quality objectives
Definition	The indicator measures the capacity of the organisation to monitor the compliance to the Resource Quality Objectives that were set by the Department of Water and Sanitation
Source of data	Quarterly reports on the compliance to the resource quality objectives Resource quality monitoring data (quality and quantity)
Method of calculation / assessment	Performance of this indicator will be calculated in a quantitative manner. $Y = a/b * 100$ Where: <ul style="list-style-type: none"> • Y: is a percentage of monitoring compliance to Resource Quality Objectives. • a: is the actual number Resource Quality Objectives EWR sites that were compliant (flow, biota and quality). • b: is the total number of Resource Quality Objectives EWR sites that required compliance.
Means of verification	Reports showing compliance with Resource Quality Objectives. Inspection reports.
Assumptions	Reliable records showing compliance with the set Resource Quality Objectives
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Cumulative
Reporting cycle	Quarterly
Desire performance	$\geq 90\%$
Indicator responsibility	Executive: Water Resources Management

PPI no 4.1.2: Percentage monitoring of compliance of international obligations

Indicator title	Percentage compliance of international obligations
Definition	The indicator measures capacity of the organisation to monitor compliance to international obligations in terms of the treaties that were entered into with regional countries whereby South Africa share the river basins with
Source of data	Reports on monitoring compliance to international obligations
Method of calculation / assessment	Performance of this indicator will be calculated in a quantitative manner. $Y = a/b \times 100$ Where: <ul style="list-style-type: none"> • Y: is a percentage of monitoring compliance to international obligations. • a: is the actual number of international obligations IO sites that required compliance that were compliant (flow and quality). • b: is the total number of international obligations IO sites that required compliance.
Means of verification	Reports showing monitoring of compliance to international obligations for Mozambique and Eswatini
Assumptions	Reliable records showing compliance to international obligations for Mozambique and Eswatini
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Cumulative
Reporting cycle	Quarterly
Desire performance	≥90%
Indicator responsibility	Executive: Water Resources Management

2.2 Institutions, Stakeholder Engagement and Governance sub-programme

PPI no 4.2.1: Number of irrigation boards transformed into water user associations

Indicator title	Number of irrigation boards transformed into water user associations
Definition	This measures the extent of the organisation in transforming irrigation boards within the water management area into water user associations.
Source of data	Proposals and constitutions of Irrigation boards to be transformed
Method of calculation / assessment	The roadmap and implementation plans on the transformation of Irrigation Boards and the review of constitutions and proposals for the 3 irrigation boards
Means of verification	Status report(s) on transformation of respective irrigation boards
Assumptions	Cooperation from the irrigations boards
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-cumulative
Reporting cycle	Quarterly
Desire performance	3
Indicator responsibility	Water Resource Management

PPI no 4.3.1: Number of institutional annual performance plans evaluated

Indicator title	Number of institutional annual performance plans evaluated
Definition	This measures the compliance of institutions within the water management area to provide the Executive Authority with their annual performance plans in line with the National Water Act.
Source of data	Water institutions' annual performance plans
Method of calculation / assessment	Number of performance assessments/appraisals conducted
Means of verification	This will be the performance assessments / appraisals conducted
Assumptions	The water institutions will submit their annual performance plans on time
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-cumulative
Reporting cycle	Quarterly
Desire performance	3 institutional annual performance plans evaluated
Indicator responsibility	Water Resource Management

PPI no 4.3.2: Number of institutions assessed per quarter

Indicator title	Number of institutions assessed per quarter
Definition	This measures the compliance of institutions within the water management area to provide the Executive Authority with their quarterly reports in line with the National Water Act.
Source of data	Water institutions' quarterly reports
Method of calculation / assessment	Number of performance assessments/appraisals conducted
Means of verification	This will be the performance assessments / appraisals conducted
Assumptions	The water institutions will submit their quarterly on time
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-cumulative
Reporting cycle	Quarterly
Desire performance	3 institutional quarterly reports assessed
Indicator responsibility	Water Resource Management

PPI no 4.3.3: Number of institutional annual reports evaluated

Indicator title	Number of institutional annual reports evaluated
Definition	This measures the compliance of institutions within the water management area to provide the Executive Authority with their annual reports in line with the National Water Act.
Source of data	Water institutions' annual reports
Method of calculation / assessment	Number of performance assessments/appraisals conducted
Means of verification	This will be the performance assessments / appraisals conducted
Assumptions	The water institutions will submit their annual on time
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-cumulative
Reporting cycle	Quarterly
Desire performance	3 institutional annual reports assessed
Indicator responsibility	Water Resource Management

2.3 Regulatory compliance monitoring and enforcement

PPI no 4.4.1: Percentage of planned inspections for related uses of various sectors.

Indicator title	Percentage of planned inspections conducted for related uses of various sectors.
Definition	The indicator measures the capacity of the organisation to conduct planned inspections on quantity related uses.
Source of data	Reports (feedback letters, file notes, inspection/audit reports) showing inspections on quantity related uses.
Method of calculation / assessment	Performance of this indicator will be calculated in a quantitative manner. $y = a/b * 100$ Where: <ul style="list-style-type: none"> • y: is a percent of inspections for quantity related uses • a: is the actual number of inspections conducted for quantity related uses. • b: is the total number of planned inspections for quantity related uses.
Means of verification	Evidence/reports showing total inspections for quantity related uses
Assumptions	Reliable records of uses inspected
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Cumulative
Reporting cycle	Quarterly
Desire performance	≥90%
Indicator responsibility	Executive: Water Resource Management

PPI no 4.4.2: Percentage of enforcement action taken against non-compliant users

Indicator title	Percentage of enforcement action taken against non-compliant users
Definition	The indicator measures the monitoring and enforcement capacity of the organisation such that enforcement actions are taken against non-compliant users.
Source of data	Reports (notices, directives and criminal cases, interdicts) showing enforcement action taken against non-compliant users.
Method of calculation / assessment	Performance of this indicator will be calculated in a quantitative manner. $Y = a/b*100$ Where: <ul style="list-style-type: none"> • Y: is a percentage of enforcement action taken against non-compliant users • a: is the number of enforcement action taken against non-compliant users. • b: is the total number of non-compliant users.
Means of verification	Evidence/reports showing total number of enforcement actions
Assumptions	Reliable records of enforcement taken
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Cumulative
Reporting cycle	Quarterly
Desire performance	≥90%
Indicator responsibility	Executive: Water Resource Management

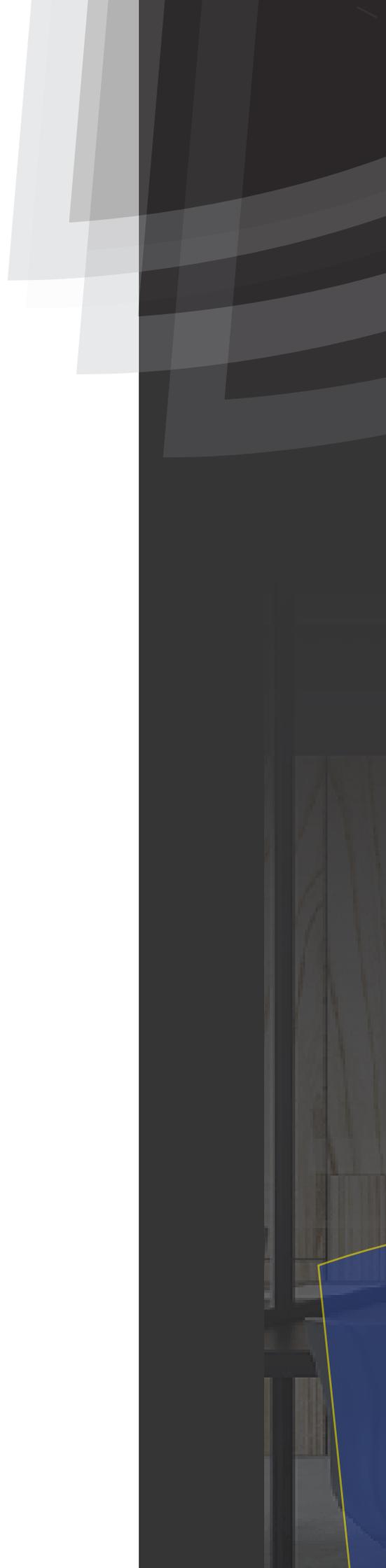
2.4 Water use authorisation and registration

PPI no 4.4.3 Percentage of approved water use authorisations registered on WARMS.

Indicator title	Percentage of approved water use authorisations registered on WARMS
Definition	The indicator measures the capacity of the organisation to capture the approved authorisations on WARMS.
Source of data	Approved water use authorisation
Method of calculation / assessment	Performance of this indicator will be calculated in a quantitative manner as follows: $Y = a/b \times 100$ Where: <ul style="list-style-type: none"> Y: Percentage of approved water use authorisations registered on WARMS a: is the actual captured/ registered authorisations or declared ELU on the WARMS database. b: is the total GAs confirmed / Authorisations issued by the DWS/ ELU declared
Means of verification	Approved authorizations and confirmed GAs & ELU
Assumptions	Reliable records showing approved authorisations, confirmed GAs and ELU
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-cumulative
Reporting cycle	Quarterly
Desire performance	≥90%
Indicator responsibility	Executive: Water Resources Management

PPI no 4.4.4 Percentage of water use authorisations processed within the regulated timeframe

Indicator title	Percentage of water use authorisations processed within the regulated timeframe
Definition	The indicator measures the capacity of the organisation to process the water use authorisation applications within the regulated timeframe.
Source of data	<ul style="list-style-type: none"> Record of recommendation GA confirmation Record of backlog
Method of calculation / assessment	Performance of this indicator will be calculated in a quantitative manner as; $Y = a/b \times 100$ Where: <ul style="list-style-type: none"> Y: is a percentage of water use authorisations processed within the regulated timeframe. a: is the actual number of processed water use authorisations within the regulated timeframes. b: is the total number of water use authorisations submitted.
Means of verification	Processed water use authorisations
Assumptions	Reliable records showing applications for authorisations
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Cumulative
Reporting cycle	Quarterly
Desire performance	≥90%
Indicator responsibility	Executive: Water Resources Management



ANNUAL PERFORMANCE PLAN

FOR THE 2024/25 FINANCIAL YEAR

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