

## DEPARTMENT OF WATER AND SANITATION

NO. 2557

30 September 2022

**WITHDRAWAL OF NOTICE ON INTENTION TO DISESTABLISH LEBALELO WATER USER ASSOCIATION (LWUA) AND INCORPORATE IT INTO LEPELLE NORTHERN WATER (LNW) PUBLISHED IN TERMS OF SECTION 96 (2) OF THE NATIONAL WATER ACT, 1998 (ACT NO. 36 OF 1998)**

I, Senzo Mchunu, Minister of Water and Sanitation, hereby withdraw the gazette notice No 1340, published in the gazette No 40375 on 28 October 2016 in terms of section 96 of the National Water Act, 1998 (Act No. 36 of 1998), that was intended:

- a) to disestablish the Lebalelo Water User Association;
- b) direct that the operations and functions of Lebalelo Water User Association be transferred to Lepelle Northern Water.

The Lebalelo Water User Association (LWUA) is a water management institution established in terms of section 92 of the National Water Act, 1998 (Act 36 of 1998). Its area of operation and constitution were approved and published in Government Notice No. 89 of 1 February 2002. The area of operation was extended and published in Government Gazette Notice number 1110 of 18 November 2005. The LWUA is not responsible for the supply of water for irrigation purposes nor the supply of potable water but, rather, was established to supply raw water for industrial-mining and municipal use.

The reasons for withdrawal of the intention to disestablish LWUA are the following:

- the LWUA has heeded Government's call for increasing private sector involvement in the implementation of infrastructure projects and proposed an alternative solution that will support the accelerated completion of ORWRDP. The proposal considers the acceleration of bulk and portable water delivery in the ORWRDP. This is in line with the President's call for 'a new social compact among all role-players to restructure the economy and achieve inclusive growth'.
- The proposal identifies portable water service delivery as being hampered by the lagging development of bulk raw water infrastructure in the Northern Limb of the ORWRDP project. LWUA propose to Support the existing potable water services authorities and developing and operating potable water infrastructure in defined areas in the Northern and Eastern Limb to address immediate and long-term social water needs.
- The proposal aims to pool the existing Government and LWUA water infrastructure assets by reaching agreement on the management and operation of these assets. These assets would earn a prescribed return on asset (RoA) with Government and contributing commercial members receiving recognition for their previous capital contributions through a capital credit mechanism to reduce their water tariffs.

- The proposal will include five infrastructure projects with the aim to maximise current Department and LWUA assets to deliver and to deliver new assets efficiently to achieve short term benefits and maximise total life cycle cost efficiencies.



**MR SENZO MCHUNU, MP**  
**MINISTER OF WATER AND SANITATION**

DATE: 16/09/22