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JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)

DEPARTMENT OF WATER AFFAIRS AND FORESTRY
THE REPUBLIC OF SOUTH AFRICA

THE STUDY ON THE EXPANSION OF CAPACITY OF MAGALIES WATER IN THE REPUBLIC OF SOUTH AFRICA (PHASE 1)

FINAL REPORT

SUPPORTING REPORT (F)
INSTITUTIONAL DEVELOPMENT PLAN

DECEMBER 1996

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SUPPORTING REPORT F: INSTITUTIONAL DEVELOPMENT PLAN

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ABBREVIATIONS AND TERMINOLOGY

The following abbreviations are used in this report:

AADD	Annual Average Daily Demand
ANC	African National Congress
BLA	Black Local Authorities
BODA	British Overseas Development Agency
CAPEX	Capital Expenditure
CASE	Community Agency for Social Inquiry
CBOs	Community Based Organisations
CDE	Centre for Development and Enterprise
CIP	Capital Investment Plan
CRDC	Community Reconstruction and Development Committee
CRCS	Crocodile River Catchment Study
CSIR	Council for Scientific and Industrial Research
CWSS	Community Water Supply and Sanitation
DAF	Dissolved Air Flotation
DANIDA	Danish International Development Agency
DBSA	Development Bank of Southern Africa
DC	District Council
DCF	Discounted Cash Flow
DFA	Development Facilitation Act
DWAF	Department of Water Affairs and Forestry
ESA	Extended Supply Area of Magalies Water Board as gazetted in April 1996
ESCOM	Electricity Supply Commission
GIS	Geological Information System
GNU	Government of National Unity
GSWCA	Government Subterranean Water Control Area
GWCA	Government Water Control Area
GWS	Government Water Scheme
IB	Irrigation Board

IBS	Irrigation Board Scheme
IDT	Independent Development Trust (NGO)
IFR	Instream Flow Requirements
IMT	Interim Management Team
INR	Institute of National Resources
JICA	Japan International Cooperation Agency (the official agency responsible for the implementation of the technical cooperation programmes of the Government of Japan)
LAPC	Land and Agricultural Policy Centre
LRDC	Local Reconstruction and Development Committee (Local RDP Committee)
LWC	Local Water Committee
MSF	Medicines Sans Frontiers
MEC	Member of Executive Committee
MW	Magalies Water Board
NELF	National Electrification Forum (ESKOM Database)
NGOs	Non-Governmental Organisations
NPV	Nett Present Value
NWP	North West Province
NWWA	North West Water Supply Authority
O&M	Operation and Maintenance
ODA	Official Development Assistance
ODO	Organisation Development Officer
OECF	Overseas Economic Cooperation Fund of Japan
PLP	Presidential Lead Project
PMC	Project Management Committee of the JICA Study
PSC	Project Steering Committee of the JICA Study
PWB	Phalaborwa Water Board
PWG	Project Working Group of the JICA Study
PWSSD	Provincial Water Supply and Sanitation Directorate
PWV	Pretoria Witwatersrand Vereeniging triangle (geographical area)
RBC	Rotating Biological Contactor
RDP	Reconstruction and Development Programme

RSA	Republic of South Africa
RSC	Regional Service Council (regional bodies established to facilitate and coordinate service provision across local boundaries. To be replaced by Regional and District Councils)
RWB	Rand Water Board
S/W	Scope of Works
SAMWU	South African Municipal Workers Union
SANCO	South African National Civic Organisation
SCOWSAS	Standing Committee on Water Supply and Sanitation
SDD	Summer Daily Demand
Setplan	Settlement Planning Services Consulting Engineers
SGT	Self-Governing Territories
SR	Service Reservoir
STW	Sewage Treatment Work
SWET	Sanitation and Water Education and Training Program
TA	Tribal Authority
TBVC	Transkei, Bophuthatswana, Venda, Ciskei (former ""independant"" homelands)
TDS	Total Dissolved Salts
THM	Trihalomethanes
TLC	Transitional Local Council
TMC	Transitional Metropolitan Council
TOR	Terms of Reference
TRC	Transitional Rural Council
VIDP	Ventilated Improved Double Pit toilet (latrine)
VIP	Ventilated Improved Pit Latrine
WP	White Paper
WRC	Water Research Commission
WRYM	Water Resources Yield Model
WTW	Water Treatment Works

UNITS

c	Cent (100c = R1)
ha	Hectare
kg/c/year	Kilograms per capita per year
kl	Kilolitre
kld	Kilolitres per day
km	Kilometre
km2	Square kilometre
l/c/yr	Litres per capita per year
lcd	Litres per capita per day
m3/c/yr	Cubic metres per capita per year
mcm	Million cubic metres
mcm/a	Million cubic metres per annum
mg/l	Milligrams per litre
Mld	Megalitres per day
R	Rand (R1 = 100c)

CHAPTER 1 INTRODUCTION

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1.1 Background

In August 1995, the Governments of South Africa and Japan agreed the scope of work for a technical co-operation programme focused on the expansion of the capacity of Magalies Water (MW). The Japan International Cooperation Agency (JICA) is currently undertaking the study in close co-operation with the Department of Water Affairs and Forestry (DWAF) in South Africa. The initiative to expand the capacity of Magalies Water is a direct outcome of South Africa's new Water and Sanitation policy, which is based on the Reconstruction and Development Programme (RDP). In terms of the policy, institutions like Magalies Water will extend bulk supply networks in the longer term, and will assist in stimulating and supporting local level water supply and management institutions in the short to medium term.

The overall framework of the JICA Study is as follows:

PHASE 1 - Formulation of a Master Plan

Stage 1 - Situational Analysis

Stage 2 - Formulation of a Master Plan up to the year 2015 and priority projects to the year 2002

Stage 3 - Recommendations on study methods and terms of reference for Phases 2 and 3

PHASE 2 - Feasibility Study on priority projects

PHASE 3 - Implementation of selected water supply and sanitation pilot initiatives

Against the background of the overall framework described above, the present JICA Study is concerned only with the Phase 1, formulation of an overall and strategic framework / master plan for the appropriately phased, long term, sustainable development of water supply infrastructure and sanitation, including appropriate Second and Third Tier support, in the Study Area. The formulation of a priority project to the year 2002, and an extended programme up to the year 2015 is included in the present JICA Study.

The first Stage of this Phase was a Situational Analysis. The purpose of this was to understand the socio-economic conditions, hydrological and hydrogeological resources, demand for water, supply of water, existence and condition of infrastructure, present standard and coverage of services, environmental conditions, policy implications, capacity and roles of the First, Second and Third Tiers, water supply attitudes and practices at the community level, financial situation, and water tariffs and cost recovery systems.

The second Stage of the Phase is to formulate a Master Plan which includes the Gap Analysis,

the Policy / Strategy Recommendation / Plan, the Preliminary Study of Water Supply System (Technical Solution), and the Economic/Financial Analysis of the formulated project(s) under pre-feasibility level including an initial capital investment plan.

The objective of the Gap Analysis was to establish a complete understanding of the Gap between the Current State (institutional, technical and financial) of water infrastructures in the Magalies Water Study Area and the desired future state, as presented in the Water Supply and Sanitation policy. The current state has been determined in the Situational Analysis. The future state is identified through key policy documents such as the White Paper on Water Supply and Sanitation, as well as the needs and expectations of the communities and other consumers in the Study Area.

The objective of the Policy / Strategy Recommendation / Plan was: to facilitate and guide the expansion of Magalies Water through practical recommendations regarding policy and strategy; to identify areas of national policy that support/hinder the expansion of MW, and to propose actions to be taken; to identify areas of policy in specific water sector and related institutions that require attention, and to propose appropriate actions; and to propose strategies to deal with institutional and technical gaps that are likely to hinder the expansion of MW, together with strategies that will facilitate the expansion process.

The objective of the Technical Solution was to quantify the technical requirements to achieve the standards and levels of service identified in the desired future state and bridge the Gap mapped out in the Gap Analysis.

The objective of the Economic/Financial Analysis is to quantify both the cost and the benefit to be incurred by and arising from the project proposals which are to be evaluated from various viewpoints of RSA's national economy and the second and third tiers' entrepreneurial stance. The lessons obtained from a series of analysis will be fed to further Phases 2 and 3 of this Study.

Key to the success of the JICA Study is the support and involvement of the main stakeholders in water supply and sanitation in the Study Area - Magalies Water Board, national and regional offices of DWAF, local authorities, district councils, local and Provincial Government, communities and their representative organisations, and NGOs. To ensure that this involvement occurs the following institutional arrangements have been put in place:

- The entire JICA Study is managed by a Project Management Committee (PMC), on which sits representatives of Magalies Water, Department of Water Affairs and Forestry and JICA. The PMC sits approximately once a month; and

- Project Working Groups (PWGs) have been established to oversee the activities of the Study Team and the local consultants. Three PWGs were established, which include representatives of key stakeholders, as well as MW, DWAF and JICA.

1.2 Composition of Master Plan Report

The Final Report is composed of an Executive Summary, Main Report, Supporting Reports and a Data Book. Each Supporting Report covers an individual part of the Study and has been prepared to provide detailed information to the more interested or specialist reader. The Supporting Reports are as follows:

A General Affairs
B Situational Analysis
C Gap Analysis
D Policy and Strategy Options
E Preliminary Study of Water Supply System
F Institutional Development Plan
G Economic/Financial Analysis

The Data Book contains primary data and information, and only a limited number of hard copies will be produced which will be held by key stakeholders (such as DWAF and MW). The contents of the Data Book will be made available in electronic format whenever applicable.

1.3 Supporting Report F

This report describes the Institutional Development Plan developed in the context of the JICA Magalies Expansion Project. This plan compliments the technical options and capital investment plans detailed in Supporting Reports E and G. Despite the apparent second tier focus of the Study, institutional development in the water sector is seen to be a process that cannot be pursued in discreet compartments. Since the effectiveness of organisations in the sector depends both on their internal capabilities and on their links with other organisations, institutional development has to address the full network of organisations and functional relationships, since weakness in one part of the system will impact the performance of other parts.

Against this background, institutional development issues and initiatives are examined within and across tiers of government, and across the line between government and non-government institutions. The key components of the report are the following:

(1) A review of water sector policy regarding institutional development.

(2) An outline of the status of institutional development in the Study Area.

(3) A description of current institutional development initiatives undertaken by government and other organisations in the Study Area.

(4) A review of institutional capacity in the third tier and initiatives to address key institutional problems.

(5) A review of the institutional implications for Magalies Water of the expansion activities recommended by the JICA Study, and suggestions regarding the evolution of a revised organisational structure.

(6) An overview of all of the institutional development recommendations emanating from the JICA Magalies Study.

It should be noted that institutional thinking based on the three-tier model is currently under review, as is the hierarchical perspective that is implied. The emerging vision speaks more of "spheres" (eg national, provincial/regional, local). The orthodox terminology is used in this report, mainly because the study was organised around tasks focussed on the various tiers. However it will be evident that the findings of the study support a nonlinear and interactive view of institutional arrangements in the water sector.

1.4 Institutional Development and Water Sector Policy

1.4.1 White Paper Vision

The White Paper on Water Supply and Sanitation (1994) was the first substantial policy document to guide the development of the water sector in post-Apartheid South Africa. In this role, the White Paper has served as a catalyst, but several of its provisions are now under review as a result of changing circumstances. This chapter looks at the institutional development vision of the White Paper, and subsequent chapters look at the challenges that have emerged since its publication.

(1) Summary of institutional roles

The White Paper devotes considerable attention to institutional development in the water sector. The proposed institutional framework has two primary characteristics:

(a) It recognises the dual challenges of government transformation at all levels and ensuring that existing water supply capacity and sanitation provision is not compromised in the transformation process.

(b) It is an integrated framework which sees interlinked and complimentary roles for all tiers of government, and the necessary involvement of non-government institutions, including NGOs and the private sector.

The White Paper defines the core roles as follows. These are the roles expected under "normal" circumstances. During transition a number of support roles will be undertaken by various government and non-government actors.

(a) Central Government. Central government is to manage the nation's water resources and ensure that all citizens have access to adequate water and sanitation services. In this context central government has a primary responsibility to monitor the implementation of water policy.

(b) Provincial Government. Provincial government is to ensure service provision through the promotion of effective local government.

(c) Water Boards. Water boards are agents of government and have a regional supply management and bulk water distribution function.

(d) Local Government. Local government has responsibility for the provision of services and amenities to all residing in its areas of jurisdiction.

(e) Local Water Committees. LWCs are bodies envisaged in the context of the White Paper to undertake local water and sanitation provision whilst effective local government is being established.

(f) Private Sector and NGOs. The private sector and NGOs are seen to work in partnership with government in a variety of contexts.

To achieve the desired institutional end state, the White Paper envisages short, medium and long-term objectives:

(a) Short Term. To maintain service delivery whilst rationalising the central government department and transforming and democratising Water Boards. Strategies to address these short-term objectives are largely underway, and are nearing completion in some cases.

(b) Medium Term. To support institutional development at local level and to provide financial and technical assistance for the physical development of water supply and sanitation services. Major actors are the restructured DWAF and the Water Boards, with the involvement of the private and NGO sectors. Strategies to achieve medium term objectives are in place in some contexts, but experience is revealing the complexity of the third tier support task.

(c) Long Term. To realise the "normal" roles described above.

1.4.2 Factors Modifying Policy

The White Paper vision has proved durable in many respects, but since it was published in 1994, several factors have modified or rendered more complex its institutional provisions.

(1) Institutional shifts.

(a) Local government elections. Democratically elected local government was not in place at the time the White Paper was written. Elections held in late 1995 saw the installation of elected local and district officials in most parts of the country, in the framework of transitional arrangements codified in the *Local Government Transition Act of 1993*. The institutional implications of the new transitional structures are many, but in the context of the water sector (especially in the JICA

Magalies Study Area), they are the following:

1) A number of areas which have not previously had elected local government now have it in some form.

2) Elected District Councils are in place in many areas.

3) This means that broadly legitimate local authorities serving all sections of the population (and with *de jure* responsibility for the provision of services, including water) are now in place in many areas.

4) However, in many areas the political transformation of local government is not matched by operational transformation. In areas where operational capacity is present, this often remains to be structured effectively to address the challenge of serving neglected communities. In other areas, newly elected officials have little or no operational infrastructure, and are not able to act on their service delivery brief.

The key challenge is to support and entrench democratic local government, whilst ensuring the delivery of water and sanitation services, especially where the capacity or the will is not present. Finding the appropriate balance between empowerment and delivery is often a delicate matter.

(b) Discussions over the roles and powers of local government. As the process of third tier democratisation and empowerment unfolds, new initiatives are being introduced, and revised structures and roles are being discussed. Among the matters under review are:

1) Sources of finance for the development of municipal infrastructure, and the most effective ways to deploy such support.

2) Provincial roles in the monitoring and regulation of cost recovery and local government finance.

3) The simplification and rationalisation of the highly complex local government system presently in place.

From the perspective of the water sector, these discussions have a bearing on both the nature and the target for third tier support activities. It is clearly important for institutional development around water to build skills, structures and processes that will survive and support local government changes.

(c) Changing views on Local Water Committees.

With the advent of elected local government, the role and function of Local Water Committees has been subject to review. In place of the strong and unambiguous

gap filling role originally envisaged in policy, roles are now more complex, especially in relation to local government structures. An observed effect in the study area is a loss of direction and motivation on the part of some LWCs.

(2) Environmental realities.

(a) Pace of implementation.

The White Paper is clear that institutional development in the water sector is likely to be a difficult process. However, it seems likely that many of the capacity problems (especially in the third tier) will not be resolved for a considerable period of time. The possible implications for water policy are:

1) That the long term objectives of full institutional "normalisation" will remain out of reach for a considerable period of time.

2) That medium term support strategies will take a more integrated form (with initiatives based in other sectors of government), and that support functions will become a semi-permanent institutional arrangement in some parts of the country.

Implementation of RDP projects has demonstrated the institutional challenge that faces the water sector. A number of these have encountered institutional problems that were more complex than initially envisaged.

(b) Cost of implementation.

RDP levels of service were formulated with the cost of policy implementation in mind. However, several factors have intervened to increase the costs of basic water supply and sanitation provision in many areas:

1) Problems with cost-effective water schemes based on ground water. These problems include water quality and lack of sustainable yield in the face of population growth.

2) Problems with the installation of sustainable management and operations capacity. These problems have increased costs directly (the cost of training and institution building) and indirectly (as a result of project delays).

3) Limited cost recovery.

All of the above have had an impact on the pace and scope of water and sanitation delivery envisaged in policy and expected by practitioners and users in the water sector.

(c) Role and Location of Planning and Coordination.

Policy is not definitive on the role and location of planning and coordination. As the implementation of policy has progressed, a number of bodies charged with planning and/or coordination have emerged. Many of these were not a part of the original institutional framework, and their place in a "normal" institutional structure is a matter that will require attention in due course.

Examples of planning/coordination bodies that have been added to the three tier institutional structure envisaged for the water sector are the following:

1) Provincial Planning Forums

2) Provincial Water Forums

3) Area Planning Forums

The overall trend appears to be one of making planning more inclusive and more accessible. There is also a clear emphasis on securing development planning in the third tier. This is generally in line with the White Paper's institutional development plan, but its development is not guided by definitive policy.

CHAPTER 2 INSTITUTIONAL DEVELOPMENT IN THE STUDY AREA

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2.1 Institutional Challenges

2.1.1 First Tier

First Tier institutional development is relatively well progressed in the Study Area. The DWAF offices in the region have pioneered initiatives in the field of organisational development (the office serving the North West Province was one of the first in South Africa to plan internal restructuring, and the first to deploy Organisational Development Officers). Key institutional challenges for the First Tier in the study area are:

(1) Coordination with other departments.

Much of the coordination challenge resides in the relationship between DWAF and the various national and provincial departments charged with mobilising and developing local government.

(2) Policy formulation and revision.

DWAF is still in the process of formulating policy in some areas (eg the Water Law Review process, and detailed sanitation policy). In addition, policy revision is required, to respond to some of the structural changes and environmental realities discussed in Section 1.4.2 above.

(3) Internal transformation.

The process of internal transformation is continuing. Policy envisaged this as a short-term activity, but in reality the process may take longer, as DWAF responds to institutional development in other tiers.

2.1.2 Second Tier

The key institutional challenges to the Second Tier, and particularly to Magalies Water, are the following:

(1) The MW/NWWA merger process.

This process is progressing well, but it has placed considerable strain on the capacity of Magalies Water.

(2) Relationships with the Third Tier.

Forming and sustaining relationships with the Third Tier is the major institutional challenge for MW. The task is made more difficult in that tier institutional arrangements are themselves in flux. This challenge is discussed in more detail throughout this report.

2.1.3 Third Tier

The Third Tier in the Study Area has to deal with many institutional development challenges. The most important are:

(1) Clarifying general roles and responsibilities.

Policy has provided broad guidelines regarding roles and responsibilities, but the resolution of these is complex due to the vast differences in capacity and preparedness that characterise the Third Tier. The key institutional challenge in the context of roles and responsibilities resides more in assigning and accepting responsibility for roles than it does in their definition.

(2) Establishing functional capacity.

The political transformation of the Third Tier has yet to be matched by a functional transformation. In other words, whilst political role-players are in place in local government throughout the Study Area, the process of linking these to functional capacity has a long way to go in many cases. The difference between political and functional transformation is often not fully recognised, or it is assumed that the former will automatically produce the latter.

(3) Relationships with other tiers.

Water and sanitation policy has tended to take a uni-dimensional view of relationships between the Third Tier and other tiers. In reality these relationships are made more complex by the fact that local government has multi-sectoral responsibilities, and hence has to interact with many other government institutions. In the long term, having multiple sources of support is a strength of the Third Tier, but in the short term the coordination of these relationships is a daunting challenge.

(4) Relationships within the Third Tier.

The process of forming relationships within the Third Tier is progressing at different rates, largely as a consequence of variations in the capacity of the six District Councils active in the Study Area (discussed in more detail in Chapter 4). Whilst institutional development is often seen in hierarchical terms, an important institutional challenge is that of forming support networks among and within Third Tier organisations. The issue is that of mobilising existing capacity, and utilising it to best advantage.

2.2 Institutional Problems

A key component of the JICA Magalies Expansion Study was the Gap Analysis undertaken as part of Phase 1. The Gap Analysis was an interactive process involving a spectrum of stakeholders in the Study Area. The process is described in detail in Supporting Reports C and D, but a number of impediments to institutional development were identified. These are summarised in Table 2-1 below.

Table 2-1: Impediments to Institutional Development in the Study Area

PROBLEM	DESCRIPTION
Unclear Roles and Responsibilities	Roles and responsibilities among water sector institutions are often not clearly defined, assigned or understood. Actors are sometimes reluctant to negotiate roles for themselves.
Insufficient and Ineffectively Utilised Capacity	Many water sector institutions lack human, financial and technical capacity. This is so in new organisations (eg. new TLCs), and where new or revised functions have been delegated. Capacity requirements are not well understood.
Gap Between community Involvement Ideals and Reality	Community involvement is widely promoted and encouraged, but its practice is variable and outcomes are of differing value to the communities concerned. Mechanisms for involvement across tiers are sometimes weak.
Limitations in Coordination and Communication	Despite a proliferation of forums and similar communication vehicles, coordination and communication is still limited. In some cases this may have more to do with a lack of will to share agendas than opportunities to interact.
Divergent Perspectives on the Value of Safe Water	Policy stresses the economic value of safe and reliable water supply. This perspective is not always shared by users, for reasons relating to limited water knowledge, local payment history, poor service, poverty and opportunism.
Poor Development of Third Tier Planning Roles	Many Third Tier organisations are unclear on their roles in local and regional development planning, and in planning around the integrated provision of services. There is no integrated planning framework, but DFA may help.
Lack of Accommodation of Local Diversity	Policy offers little guidance in terms of dealing with the implications of local social, economic and political diversity.
Poor Deployment of Resources: Overstaffing and Under staffing	Human resources (and skills) are not optimally deployed among water sector organisations. Due to shifting roles and new administrative circumstances, some are overstaffed, while others are understaffed.

Possible responses to these problems are discussed in Chapter 3 of the Main Report, in Supporting Report D, and in Chapter 6 of this report. The most important point to be made here is that the resolution of many of these issues requires joint action among several parties, and across tiers.

CHAPTER 3 INSTITUTIONAL DEVELOPMENT INITIATIVES

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In the two years since the publication of the White Paper, a number of institutional development initiatives with an impact on the water sector have been launched. Many of these are not focussed specifically on the Study Area, but a number have a provincial emphasis. Selected initiatives are discussed below.

3.1 Initiatives by Water Sector Actors

3.1.1 DWAF (and Partners)

(1) Community Water Supply and Sanitation.

The Community Water Supply and Sanitation Chief Directorate was established specifically to assure the effective on-going operation of potable water supply systems for which DWAF is responsible, to plan and promote the expansion of services, and to develop organisations at the local and regional level to achieve the goals of the RDP. Activities addressing the latter responsibility are:

(a) The negotiation, establishment and training of Local Water Committees.

(b) The creation and deployment of organisational development capacity in Pretoria (in the form of a Directorate) and in provincial DWAF offices. As mentioned before, the North-West Province office of DWAF pioneered the use of Organisational Development Officers, and similar initiatives have been undertaken by DWAF in Mpumalanga and the Northern Province.

(c) A recent development of DWAF's institutional development programme is the establishment of Area Planning Forums. These are designed to facilitate participative planning on a regional basis, and to ensure synergy between the planning agendas of water sector actors and the Third Tier. Several such forums have been established in the Study Area, and discussions have taken place around projects to be undertaken as part of the RDP 4 programme.

(d) CWSS is also continuously reviewing broad policy regarding institutional development in the water sector. One of the most significant developments is a strong emphasis on building and empowering local government.

(2) RDP

RDP water projects have been established throughout South Africa. Thirteen of these are in the Study Area (one under RDP 1, six under RDP 2 and five under RDP 3). The implementation of RDP projects has been accompanied by institutional development at local and regional level, in the following contexts:

(a) Project Steering Committees.

In order to ensure local ownership and management of RDP water projects, these are controlled by Project Steering Committees. The PSCs emphasise local stakeholding in their membership, and in some situations may offer communities their first opportunity to participate in, and to own a development initiative. In this context, while RDP PSCs have very clear project-oriented objectives, they also provide a practical opportunity for local actors to establish development links and expertise. Hence the PSCs are a component of water sector institutional development.

(b) Local Institutional Development.

The RDP Programme has mobilised a network of regional and local RDP structures. The relationships between these have, in some cases, demonstrated the potential of cross-tier interaction.

(3) Provinces

A number of forums have been established at provincial level to ensure interaction between key water sector actors. These are:

(a) Provincial Liaison Committees.

The PLCs are bilateral structures involving DWAF and relevant provincial departments.

(b) Provincial Planning Forums.

In contrast to the PLCs, Provincial Planning Forums are multilateral in nature, providing a vehicle for stakeholders to discuss issues related to development planning, including water supply and sanitation. Provincial Planning Forums act as subcommittees of the PLCs in many provinces.

3.1.2 Water Authorities

MW is the sole Water Board in the Study Area, following the process of rationalisation and merger with North West Water Supply Authority. The key institutional contributions of these organisations (individually and collectively) are the following:

(a) Community liaison.

NWWA, in its rural water supply role, developed a community liaison function. Dedicated officials undertook this task.

(b) Technical training.

MW is considering the training of former NWWA officers for roles in the Third Tier.

3.2 Initiatives around Local Government

There are too many institutional development initiatives focussed on the enablement of local government to be discussed in detail here.

3.2.1 First and Second Tier

(1) Development Facilitation Act.

A key development with the potential to impact institutional development in and around local government is the mobilisation of the Development Facilitation Act. The DFA should add impetus to regional and local development planning, but the details of its deployment in the Study Area are not yet clear.

(2) Assistance with financial management and funding.

Municipal and rural infrastructure programmes are being developed at present. It has also been reported that provincial government officials are to be given the power to intervene where local authorities are unable recover costs, or to run effective financial management systems. Further research is required to describe the details of this initiative.

(3) Training.

Local government training has been undertaken by Local Government Training Boards. These are reportedly under review, but research is required to establish the nature and possible outcome of the review process.

3.2.2 District Councils

(1) Elected councils

An important contribution to institutional development in the Study Area is the election of councillors to serve on the various District Councils. Reports from the field suggest that some councillors have established closer ties with their constituencies than others, but the councils do provide the potential for previously isolated rural communities to present their development needs and priorities. The capacity of District Councils varies considerably, as will be illustrated in Chapter 4.

(2) Rural local government.

In many areas, District Councils are fulfilling the role of rural local government.

(3) Local development planning.

The area forums initiative is designed to support and build local development planning. Rustenburg District Council has also established an innovative local development framework based on planning zones. These zones include groups of communities, and planning activities are facilitated by consultants who work closely with the communities concerned.

3.3 Non-Government Organisations

3.3.1 Mvula Trust

The Mvula Trust is a national NGO whose aim is to improve the health and welfare of disadvantaged rural and peri-urban South Africans through increasing access to safe domestic water and sanitation services. Mvula Trust has worked in close consultation with all tiers of government, and is committed to strengthen the capacity of local and regional authorities where the capacity of such institutions is not sufficient to meet local needs. Mvula Trust is involved in a number of projects in the Study Area.

3.3.2 Other NGOs

The South African development arena is characterised by the presence of numerous smaller NGOs, often pursuing specialised objectives. No detailed inventory of the Study Area is available, but the capacity building contribution of these actors should not be overlooked.

3.3.3 Technical Assistance Projects

(1) DANIDA

The Danish government is funding a technical assistance project in North West Province. In its first phase (1995), the project facilitated discussions around the restructuring of DWAF in Mmabatho, assisted with negotiations leading to the rationalisation of water board boundaries in North West Province, and supported Third Tier support functions such as the training and deployment of ODOs. The project also gave technical support to training activities related to the North West Rural Water Supply RDP project, and funded investigations of unauthorised connections and cost recovery.

The second phase started in 1996. The emphasis in now on Third and Second Tier support. In the case of the former, the project will undertake a series of pilot studies designed to test and disseminate activities that will have a bearing on policy (for example the use of the private sector in service provision at local level). Second Tier activities will include the development of a subsidy reduction strategy for NWWA and the training and redeployment of former Second Tier officials to private sector roles at Third Tier level.

(2) British ODA

BODA is assisting DWAF in expanding the capacity for the management of water supply services in areas of Mpumalanga and the Northern Province. The major activities of the support programme are the facilitation of new management structures, support to local posts in organisational development, funding of consultancies covering specific water related issues, support/funding for workshops and training activities, and related project support and research.

Key institutional development activities include wide-ranging consultations and workshops in former homeland areas, looking at the role and possible establishment of water boards in particular areas. A task team has been formed to look at water board options for the Kwandebele/Moutse/Moretele 2 area, and this group is due to make its recommendations in late 1996.

CHAPTER 4 INSTITUTIONAL DEVELOPMENT IN THE THIRD TIER

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4.1 Institutional Development in the Water Sector

In the transformation of the water sector, a major task is that of institutional change and development. On the one hand, institutions established under a different water supply and sanitation regime have to be modified. On the other, new institutional arrangements have to be set in place where gaps are identified. The process of institutional reform is often difficult, because change at one level requires or enables change at another. For example the installation of elected local authorities has prompted reconsideration of the roles and powers of local water committees, and the emergence of proactive District Councils could modify the Third Tier support roles envisaged for Water Boards in water supply and sanitation policy.

As discussed in Chapter 3 of the Main Report, Water Boards face two challenges in terms of policy. One of these is to provide support to the Third Tier where this is needed. It has been recognised that Third Tier support has several dimensions (Chapter 3). These are:

(1) Interim project implementation where other capacity is not present.

(2) Technical support in the form of training, networking and the development of systems.

(3) The development of new bulk markets, which implies the creation of permanent relationships with various emerging Third Tier customers.

The policy and strategy options presented in Chapter 3 of the Main Report include initiatives to address various facets of Third Tier support (see Section 3.4).

The second challenge is to extend supply areas, and within these to expand supply capacity and infrastructure in order to serve previously unserved consumers. The technical proposals presented in Chapter 5 of the Main Report represent a framework within which Magalies Water can develop a sustainable response to this challenge.

The implementation of these tasks requires purposeful institutional development. This development cannot look at first, second or Third Tier actors in isolation, because lack of development at one level will impact institutional effectiveness elsewhere. Figure 4-1 illustrates the institutional relationships and capacity that have to be grown if Magalies Water and partners in the water sector are to address the challenges that face them.

4.2 Third Tier Focus

This chapter recognises the relationships outlined above. The institutional development plans seek especially to address the links between the Second and Third Tiers. The chapter has three parts:

(1) An evaluation of the capacity of the Third Tier in the study area. This is particularly important because the level of capacity in elements of the Third Tier will determine the nature and priority of support actions by the First and Second Tiers, and by Third Tier organisations able to offer such support. Following from this, the structure and deployment of Magalies Water has to be based on an understanding of the extent and pace of organisational development in the Third Tier.

(2) Issues informing the appropriate structuring of Magalies Water. These issues are developed against the background of the recommendations from Chapters 3 and 5 of the Main Report, and they reflect the present and expected short and medium term status of the Third Tier.

(3) Programmes to address institutional development imperatives in the Third Tier. It is recognised that whilst Magalies Water is expected to support the development of the Third Tier in the study area, there are critical arenas of Third Tier institutional development that will require contributions from other parties. The three programmes discussed are:

   (a) A support and development programme for undercapacity and underdeveloped District Councils.

   (b) A support and development programme for isolated and vulnerable rural and peri-urban communities.

   (c) A service support network and enabling structure for local authorities.

4.3 The Capacity of the Third Tier

As policy implementation has proceeded, the complexity of so called "Third Tier support" has become increasingly evident. This complexity has led to considerable vagueness regarding the nature of the Third Tier and a wide diversity of views regarding its duties and capabilities. For the sake of clarity in this discussion, a definition of "Third Tier" is provided, and roles that are clearly defined by the constitution, legislation or policy are outlined.

4.3.1 Definition of the Third Tier

A narrow definition of the Third Tier would be confined to government institutions. However, some usage in the water sector also includes various non-statutory government-supported structures with a direct or potential role in water and sanitation provision. The JICA study has adopted this broader definition, and has also included water-focussed NGOs under the "Third Tier" rubric. The broader "for profit" private sector is not included, but it is acknowledged as

a significant actor in water supply and water management at local level.

The JICA study did include two private sector "capacity building" organisations in its Third Tier audit (see Supporting Report B), but this was purely to understand the role such hands-on bodies might play.

Table 4-1: Third Tier Structures with Water and Sanitation Roles

Statutory	Government-Supported Non-Statutory	Non-Government (NGO)
District Councils TMCs TLCs TRCs Tribal Authorities* Water-related forums steered by Third Tier authorities, or dealing with Third Tier issues (eg. Provincial Planning Forums, Area Forums)	Local Water Committees Local RDP structures Informal water-related forums (eg. Water Board forums convened by British ODA)	NGOs involved in water supply and local development (eg. Mvula Trust, Independent Development Trust) Informal planning forums

* The relationship between tribal authorities and local government is the subject of much debate. Further, much of the apartheid era legislation supporting them is questioned. The JICA study has included them because they play a de-facto service provision role in some areas, and because they represent capacity that might be useful in some contexts.

4.3.2 Water Sector Roles

Many of the organisations listed in the table above have roles that are defined constitutionally, in supporting legislation, or within some formal institutional structure. It is important to recognise and understand these formal roles for several reasons:

(a) They capture the core accountability of the organisations concerned.

(b) They often include responsibilities that are outside the ambit of the water sector. The champions of water supply and sanitation sometimes fail to recognise this broader spectrum of responsibility. It is important to note that whilst the First and Second Tiers have substantial organisations and infrastructure *dedicated* to water delivery, this is not the case for the Third Tier.

(1) Roles and Responsibilities of District Councils

In the Study Area, District Councils are an evolution of the former Regional Services Councils (established in terms of the *Regional Services Act, No 109 of 1985).* In their new guise, the DCs retain the RSC brief to render local government services on a regional basis, but have the additional responsibility of acting as full local government in situations where this does not exist (new roles defined in the *Local Government Transition Act, No 209 of 1993* and relevant Provincial Proclamations). In practice the District Councils often act as rural local government, or in support of new Transitional

Rural Councils. The DCs are responsible to the relevant provincial local government departments. DC income is still largely derived from levies on business in their areas of jurisdiction. The Development Facilitation Act (DFA) has added a planning role to local government. The District Councils are institutionally well placed to facilitate such planning if they elect to do so, and they now have the necessary enabling legislation. In practice, the various DCs in the study area are taking up their new roles in different ways, and at widely varying rates.

(2) Roles and Responsibilities of Transitional Local Government

Among the many responsibilities of the various forms of transitional local government (established in terms of the *Local Government Transition Act, No 209 of 1993)* is that of providing and managing services such as water, electricity, roads, basic health care (eg clinics), sanitation and refuse removal. Transitional local authorities are also empowered to impose and collect taxes and levies, and to proclaim and enforce by-laws. The transitional process has sought to reform the political component of local government to reflect the multi-racial character of South African towns and cities, and operational transformation has had the objective of ensuring more effective and equitable service delivery. In practice, whilst the political transformation is well progressed, operational transformation is taking place more slowly. In well-resourced TMCs and TLCs, factors retarding progress have largely to do with integrating formerly segregated systems, and overcoming resistance among wealthier sections of the population to increased cross subsidisation. In areas where no formal democratic local government existed in the past, the problem is much more one of creating new operational capacity.

(3) Roles and Responsibilities of Local Water Committees

LWCs were conceived as water-dedicated local structures empowered by statute to undertake local water and sanitation provision and to manage existing supply infrastructure in the absence of established and competent local government. In essence, it was envisaged that they would assume a local government role, but only in the context of water supply and sanitation. LWCs have not been given the statutory muscle envisaged, but they are in place in numerous areas. Many have received training through DWAF and its agents, and have been active in their communities. In some areas the LWCs are well integrated into other planning and service related structures (for example RDP committees), and in others they are relatively isolated. Relationships with newly established local governments are varied, ranging from cooperation to relative hostility.

(4) Roles and Responsibilities of Local RDP Structures

Reconstruction and Development Programme (RDP) Committees are non-statutory organisations operating under the constitutional guidelines of the RDP Commission. They have the following powers:

(a) The right to request information both locally and provincially;

(b) To manage their own projects;

(c) To liaise and consult with local government;

(d) To be representative and inclusive (including civil society, business, labour, political organisations, associations, burial societies, NGOs and development forums).

The specific task of RDP committees is to identify and prioritise development needs. They are not implementing agents, but facilitators of development. Project Steering Committees are established to ensure the representative management of RDP projects once funding has been secured. The PSCs themselves are a source of capacity, having been involved in the practical side of infrastructural development.

4.3.3 Dimensions of Capacity

Among the sixteen gaps identified through the gap analysis process (see Supporting Report C), several relate to a lack of capacity in the Third Tier. Examples are insufficient and ineffectively utilised human resource capacity, limited community involvement, limited communication and coordination, lack of integrated service delivery, limited cost recovery, limited capital resources, poor development of Third Tier planning roles and limited dialogue around RDP standards and community expectations. Among respondents at the gap analysis workshops, limited Third Tier capacity and the related issue of poor cost recovery were listed as the major constraints to the realisation of the vision of the White Paper on Water Supply and Sanitation.

On the whole, the capacity issue is often oversimplified and poorly understood. This has the potential to lead to stereotyping and to inappropriate and wasteful capacity building initiatives. In an effort to avoid these pitfalls, the following discussion examines the dimensions of capacity in some detail. In Chapter 3 of the Main Report, institutional capacity was depicted in four categories (see Section 3-4). These categories are summarised in the table below. The table refers specifically to internal capacity, recognising that capacity is also derived from relationships external to organisations.:

Table 4-2: Components of Internal Institutional Capacity

Component	Description
Organisational Capacity	Refers to the human/social system that comprises the organisation. Includes human resources, individual and collective competencies, organisational structures which direct effort and the culture determining interaction and relationships.
Process Capacity	Refers to the macro processes via which the organisation performs its tasks, and the internal systems that underpin measurement, management and control.
Technical Capacity	Refers to the technology employed to convert resource inputs into outputs in the form of products or services. Technology may range from plant and facilities to software and encoded data and processes.
Financial Capacity	Refers to the capital investment necessary to create physical and organisational infrastructure and the financial resources necessary to operate on a day-to-day basis.

Capacity is frequently viewed within the bounds of specific organisations or structures. However, there are also external determinants of capacity. Some of these are presented below:

Table 4-3: External Determinants of Capacity

Determinant	Description
Enabling Framework	This is the legal and regulatory framework that allows organisations to act in particular ways, for example levying fees and acting against defaulters.
Mandate	Delegated power to act which is backed by the relevant higher authorities and key affected parties. It is possible to have an enabling framework, but without the necessary support of (for example) important political actors.
Access to Support Networks	It is sometimes not necessary for organisations to have internal capacity, provided they have access to appropriate external support. Factors determining such access are information, planning capability, financial resources and the availability of the right kind of capacity.
Legitimacy	Similar to mandate. In this case, legitimacy refers to the right to act conferred by a broad spectrum of people and organisations.

In some circumstances, external determinants of capacity can cancel or neutralise internal capacity. So, for example, a well resourced organisation that is perceived to lack legitimacy might be prevented from doing its work in a particular area. Similarly, external factors may cancel each other. In this context, a legitimate organisation with a mandate but no enabling framework might be ineffective in pursuing its brief.

4.3.4 Information from the Situational Analysis

Addressing Third Tier capacity is recognised as a priority by most actors in the water sector. A problem is that the nature and extent of the evident capacity vacuum is incompletely understood. A consequence of this is stereotyping and a tendency toward symptomatic "fire-fighting" solutions.

The Stage 1 situational analysis incorporated two tasks which permit an assessment of institutional capacity in the study area: (see supporting Report B for more detail):

(1) The Third Tier audit investigated selected organisations in a variety of categories:

- (a) District Councils.
- (b) Transitional Local Councils.
- (c) Tribal Authorities.
- (d) Local Water Committees.
- (e) Local RDP committees.
- (f) Water-related NGOs.
- (g) Water-related capacity building organisations.

(2) The community case study component of the situational analysis examined the social and organisational characteristics of 30 peri-urban and rural communities, many of which had no formal local authority at the time of the research.

In combination, the Third Tier audit and the community case studies provided fair coverage of the Third Tier in the study area.

4.3.5 Quality of Situational Analysis Data

An overview of Third Tier capacity based on the situational analysis is presented below. However, it is necessary to recognise some of the difficulties inherent in the body of information available:

(1) Capacity is a dynamic issue, and circumstances can sometimes change quickly, particularly as a result of the availability of previously unutilised support. For example, the Rustenburg District Council has appointed zonal planning consultants to serve groups of towns and villages. The presence of these experienced people has the potential to rapidly increase the planning capacity of the communities and authorities involved. The situational analysis provides a time-bound snapshot does not capture such changes.

(2) The mere presence of capacity does not necessarily reflect effective utilisation. In some of the case study villages, RDP Committees and Local Water Committees have substantial membership and have received training. However, they are uncertain of the steps necessary to move from local consultation to project implementation. The information available cannot accurately address the question of effectiveness.

(3) To have meaning, capacity has to be assessed relative to a task or to a series of tasks. Hence a small operation with a simple task (like distributing information on water quality) might have sufficient capacity, whilst a large organisation with a complex task (like managing the full range of municipal services) might not. Water supply and sanitation provision encapsulates a wide variety of tasks (technical and organisational, and spanning planning, installation and operation). Capacity depends on the balance of resources and the spectrum of tasks that a particular organisation is charged to execute. An attempt is made to consider capacity against the background of task, but far more detailed auditing is required if detailed capacity-building programmes are envisaged.

(4) As indicated earlier, capacity has internal and external determinants. Many of the external determinants, such as legitimacy, mandate and access to support networks are difficult to quantify, or even to evaluate with any degree of accuracy. The situational analysis did not specifically address external determinants, but these are taken into account in the discussion below.

4.3.6 Capacity Profiles

The Third Tier capacity profiles presented here are based on two steps:

(a) A broad classification of Third Tier organisations, based on situational analysis

material, and using criteria such as internal capacity, the scale of the water sector challenge, and the influence of external capacity determinants.

(b) A profile of each of these groups of organisations reflecting different aspects of Third Tier capacity relevant to water supply and sanitation.

(1) Classification of Third Tier Organisations

Table 4-4 presents a classification of Third Tier organisations and structures covered by the situational analysis. It will be noted that characterising any one of the organisation types homogeneously is incorrect. The example of District Councils illustrates this point. The Eastern Gauteng DC has more internal capacity than other DCs in the study area, and EGDC does not have the scale of rural/peri urban challenge that faces many other DCs. This is in stark contrast with the Eastern District Council, which has jurisdiction over many rural and peri-urban settlements, but which presently has almost no internal capacity. Similarly, whilst the Greater Pretoria, Bushveld, Rustenburg and Highveld DCs are similar in terms of internal capacity, the latter pair appear to face the larger challenge (in the study area, at least).

The classification of "rural authorities" is difficult because of the importance of local political and organisational dynamics. Many rural villages are clustered in a bigger local authority. Their capacity depends in part on the resources available to the umbrella authority, but also on the strength of their relationship to the larger authority. Further, with reference to water supply and sanitation, it is often the case that the most substantial pool of human resources resides in LWCs or in other development-related structures. As indicated earlier, the effectiveness of these structures depends on their external connections, but also on relationships within the community. The case study investigation revealed a number of examples of communities where tension and conflict among local structures is firmly entrenched. The roots of these tensions are multiple, but in many cases they have to do with traditional vs. democratic roles, conflict over access to development resources, or dissatisfaction over the rate of development delivery.

Table 4-4: Classification of Third Tier Organisations/Structures in the Study Area

Organisation Type	Description	Examples
District Council A	Established internal capacity, moderate rural/peri urban challenge	Eastern Gauteng DC
District Council B	Small internal capacity, good networks, moderate rural/peri urban challenge	Greater Pretoria Metropolitan DC, Bushveld DC*
District Council C	Small but developing internal capacity, good networks, substantial rural/peri urban challenge	Rustenburg DC, Highveld DC
District Council D	Very limited internal capacity, limited networks, substantial rural/peri urban challenge	Eastern District Council
Transitional Local Council A	Established and well resourced local authority, with wide spectrum of capacity, substantial peri urban challenge	Rustenburg TLC, Bronkhorstspruit TLC
Transitional Local Council B	Very limited internal capacity, strong reliance on DWAF and/or DC, substantial peri urban challenge	Siyabuswa TLC, KwaMhlanga TLC
Rural Authority A**	Very limited internal capacity, strong community organisations	Kameelboom (NWP), Norokie (NWP)
Rural Authority B**	Very limited internal capacity, capable community organisations, limited interaction	Sehoko (Mpumalanga)
Rural Authority C**	Very limited internal capacity, weak or non-existent community organisations	Mabele-a-Podi (NWP)
Tribal Authority A	Well resourced tribal authority, with a substantial support base and management and (outsourced) technical capacity	Bafokeng (NWP)
Tribal Authority B	Limited internal capacity, uncertain legitimacy and very limited technical capability	Ndzundza (Mpumalanga)
Local Water Committee A	Good capacity due to training and links with RDP structures, CBOs and local government.	Phatsima LWC (NWP)
Local Water Committee B	Limited capacity due to absence of training and relative local isolation.	No examples from the situational analysis
RDP Committee A	Good capacity due to wide participation and good links with higher level RDP structures, local government and CBOs	Saulspoort Village RDP Committee (NWP)
RDP Committee B	Limited capacity due to poor participation and/or relative isolation	No example from the situational analysis
NGO A	National, relatively well resourced development and water-related NGOs	Mvula Trust, Independent Development Trust
NGO B	Local issue-focused NGOs with limited resources	No example from the situational analysis

Notes: * Assessment of Bushveld DC applies only to the Study Area.
** The capacity issue in rural areas is far more complex than this classification suggests.

(2) Capacity Profiles

As argued earlier, it is important to preface any discussion of water supply and sanitation capacity with an assessment of what is needed. For the sake of the impressionistic overview developed here, it is assumed that water and sanitation provision requires skills, human resources, management, organisational structures, systems, technology and finance to deal with different phases in a project or scheme. Hence capacity is considered in the context of planning, installation and operation. Further, the four components of capacity described in Table 4-4 above are assumed to be necessary (to a lesser or greater degree) during each of these phases. Again, it must be noted that the broad brush approach used here might conceal a great deal of detail. However, this is done in response to the information available, and to permit a global view of the much discussed but often misunderstood issue of Third Tier capacity.

Table 4-5 shows the capacity profiles of the 17 organisational categories presented in Table 4-4. The colouring of the cells represents a qualitative interpretation of capacity, with green and red cells reflecting opposite ends of the capacity spectrum (green=good capacity; red=very limited or no capacity). In interpreting the matrix, the following points should be borne in mind:

(a) The classification of cells is subjective, but it is based on the information gathered by the situational analysis. The detailed results of the two relevant investigations are contained in Supporting Report B and in the accompanying Data Book.

(b) Where organisations have been able to access outside resources, this is taken into account. So, for example, whilst most District Councils have a very small core of permanent staff, many make considerable use of consultants and contractors. Access to such additional capacity is itself a function of other forms of capacity; for example the financial resources to hire consultants and contractors, and the technical and managerial capacity to use them effectively.

(c) The scale of the water challenge is considered wherever possible. Hence District Councils classified "C" are considered to have very little or no financial capacity for installation and operation by virtue of the daunting rural and peri-urban hinterlands they contain.

(d) Different forms of capacity interact. Hence while District Council "D" has some process capacity to hire consultants and contractors, its financial resources are inadequate for the challenge its faces. The lack of financial capacity also prevents many other bodies from contracting the operational and technical capacity they require (for example TLCs classified "B").

(e) The external factors determining capacity are difficult to classify. For example, District Councils and TLCs are assumed to have an adequate enabling framework by virtue of the legislation that underpins them. However, it might be argued that they still lack the policy and legal backing to deal with non payment and unauthorised connections. The more qualitative issues of mandate, access to

support and legitimacy are even more elusive, but they still serve to illustrate some important points. An example is that of Tribal Authority "A". It has significant internal capacity, and it appears to enjoy a fair level of legitimacy. However, its capacity in the water sector is limited by the lack of an enabling framework and mandate. In another example, Local Water Committees are present in many communities, but policy flux has left them with an unclear enabling framework and a mandate that is open to a range of local interpretations.

4.3.7 Conclusions

The following are the key conclusions drawn from the above capacity evaluation. These conclusions inform the institutional development plan outlined in Section 4.4:

(1) District Council capacity varies widely in the Study Area. The DCs are assuming an increasingly important role in current institutional development thinking, both as facilitators of local development planning, and as the key interface between DWAF and the Water Boards on one hand, and local government on the other. Many of the policy and strategy recommendations of the JICA study place District Councils in a lead role, echoing the broader thinking in DWAF and in the water sector generally. These approaches are clearly at risk where DC capacity is nominal, as in the case of the Eastern District Council. With this in mind, building the capacity of the weaker District Councils is a priority.

(2) There is an acute lack of local capacity in rural areas, and among some TLCs. This is well recognised, but it is particularly serious where the affected authorities and communities have no access to support networks. Hence a rural village in the area of jurisdiction of the Eastern District Council would be particularly isolated, especially if the local LRDC and LWC have fallen into inaction and have lost legitimacy. Against this background it seems evident that some communities are especially vulnerable, and in need of support through extraordinary institutional channels.

(3) Planning capacity is concentrated largely in well resourced DCs, TLCs and NGOs. The ability to plan locally to meet local needs is the essence of the demand driven water policy articulated in the White Paper. This vacuum is well recognised, and institutional responses are being lead by DWAF and some District Councils. For example, DWAF is pursuing the notion of area planning forums, and Rustenburg District Council has established planning zones. Two priorities in this context seem to be those of ensuring planning capacity in the "vulnerable" communities discussed above, and of remaining alert to the need for local planning capacity to be truly rooted in the communities it serves. In this context, it appears worthwhile to give special attention to structures capable of building and cementing local planning. From the capacity analysis of Table 4-5, these include LWCs, LRDCs and some NGOs.

(4) Some organisations have capacity that might be more effectively deployed in the service of water supply and sanitation. LWCs and LRDCs are discussed above, but it is worth adding that they may be the *only* significant capacity in some areas. Other sources of capacity are the larger TLCs (eg. technical training, technical sub-contracting to smaller

local authorities), some of the NGOs (eg. training in planning skills), and Tribal Authorities such as Bafokeng. Many of these would require limited institutional support to be effective in specific contexts.

(5) Some District Councils are useful models of organisations with limited in-house human resources, but with the technical, process (and sometimes financial) ability to contract others and thereby to build a network of capacity beyond the small management core. The model may merit consideration in many local authority contexts. To do this it would be necessary understand the nature of the core capacity required. Among others, financial capacity would be essential.

(6) Whilst many forms of capacity relate to operational effectiveness, other forms are the foundation for growing capacity itself. The latter might be called "generative" capacity. In the analysis presented above, the two key forms of generative capacity relate to planning and financial resources. If a local authority has the capacity to plan (including planning its own organisational development), and the money to put plans into action, much else will fall into place. From the capacity analysis it is evident that many Third Tier structures lack both forms of generative capacity (especially the rural areas), and are therefore at risk of remaining dependent on external actors.

4.4 Institutional Development Plan

4.4.1 The Appropriate Structuring and Positioning of Magalies Water

(1) Context

It is clear that the appropriate structuring and positioning of Magalies Water cannot be determined out of the context of the broader water sector in the Study Area. Further, decisions around structure and position will have to consider the pace of institutional development in the sector as a whole. Against this background, a clear distinction has to be made between the development of permanent capacity which will allow Magalies Water to execute its long term role as an extended bulk supplier in the Study Area, and the development of transitional capacity, which will enable MW to play various support roles. Many of the support roles should not be considered in isolation of the Third Tier. Some of these might be undertaken in cooperation with Third Tier actors, with a view to the Third Tier taking responsibility for them in due course. The policy and strategy proposals in Section 3-4 of the Main Report outline several possible joint ventures of this nature:

(a) Training coordination. It is envisaged that training resources should be rationalised and optimally deployed, using vehicles such as area planning forums to determine needs and appropriate responses.

(b) Sharing best practice. This too is a shared Second Tier/ Third Tier activity that might be mobilised through area forums or similar interactive vehicles.

(c) Developing systems and key processes (eg metering options, local accounting

systems, cost recovery roles for the private sector, local financing systems for higher levels of service). Again, discussion of such systems and processes might take place in area planning forums, or other suitable venues.

Hence structure and positioning proposals for MW have to be dynamic and flexible. In response to this, Section 3.4.14 of the Main Report proposes the establishment of a Coordinating Forum which, among other things, would consider roles and responsibilities and from this the optimal interactive structuring of MW and partners such as District Councils. As proposed, the coordinating forum is envisaged to include DWAF, MW and the District Councils in the Study Area

(2) Considerations for the Structuring and Positioning of Magalies Water

A number of issues will inform the structuring and positioning of MW. These were outlined in Section 3.4.11 of the Main Report, and are elaborated below. Chapter 5 this report examines second tier structure options in more detail.

Table 4-6: Issues Informing the Structure and Positioning of Magalies Water

Issue	Organisational Implications
The extent and pace of infrastructural development. This will be determined by priorities set by MW, technical and financial feasibility, and the prospects for sustainable cost recovery.	Decisions will have to be made regarding the expansion and deployment of technical, financial and operations and maintenance capacity. With extended infrastructure, the appropriate definition and deployment of business units will have to be considered.
The present status of Third Tier capacity and expected developments in various Third Tier organisations.	This will influence the view taken on the capacity and deployment of project implementation capacity; the nature and focus of Third Tier support (including technical training and organisational development); the nature of partnerships with the Third Tier (especially the District Councils). The view taken on expected Third Tier developments will also have implications for the time horizons set for Third Tier support.
The nature of long term Third Tier support, especially in terms of strategies to develop new bulk markets and to promote the emergence of viable bulk customers.	Decisions will have to be taken regarding the organisational capacity required to develop and sustain long-term relationships with emerging bulk customers. Such capacity might address communication and information, and might incorporate organisational development.
The likely short and long term resolution of issues relating to the definition of the supply area boundary.	Organsational structuring (and especially the definition of business or management units) will have to allow for the likely outcome of deliberations around the formation of a water board in the area of the former KwaNdebele, and for the finalisation of long term options around the present supply agreements between MW and Rand Water. There are implications for the short and long term deployment of MW capacity, and for capital investment and infrastructural development priorities.

(3) Structure Proposals.

Detailed structure options for MW are presented in Chapter 5. These take cognisance of the contextual issues outlined above. The discussion to follow addresses key areas in which parallel Third Tier institutional development will have to take place.

4.4.2 Capacity Building in Lagging District Councils

(1) Problem

The District Councils in the Study Area form an important institutional link between Magalies Water and the broader body of small local authorities. In this way, the District Councils are an important component of the "network capacity" of Magalies Water. They are also ideally placed to promote and facilitate local development planning and demand driven water supply planning.

From this perspective, the broad variation of District Council capacity is a matter for concern. It has consequences for the pace of water provision in many parts of the study area. There are also implications for Magalies Water, in that "emergency" project implementation will continue to be required whilst some District Councils are unable to tackle implementation themselves.

Among the policy and strategy proposals presented in Section 3.4.11 of the Main Report, the following would not be effective without full DC participation:

(a) Integration of communication and planning initiatives led by DWAF and by some District Councils.

(b) Coordination of training and training resources.

(c) Integration of water supply with local economic and resource development.

(d) Sharing "best practice".

(e) Development of systems and key processes.

Against this background, the development of capacity among lagging District Councils is a priority for institutional development in the Third Tier. A proposed action plan is outlined below.

(2) Action Plan

Provincial departments of Local Government have primary responsibility for District Councils, and this should be recognised. However, there is clearly a need for the accelerated development of District Councils like the Eastern DC. With this objective, it is proposed that the six District Councils in the Study Area join to establish a District Council Institutional Development Forum. There is already a plethora of such bodies, so

the proposed forum should set clearly defined objectives and a definite time limit for its work. Key issues for discussion in the forum might include:

(a) Nature of capacity shortcomings in some District Councils.

(b) Organisational models for District Councils (eg. internal technical capacity; limited core capacity with contracted technical capacity).

(c) Lessons from District Councils that have implemented particular organisational models.

(d) Relationships with Magalies Water.

The appropriate local government departments should sanction the action plan and programme, but initial facilitation will be required from DWAF in the North West Province and Mpumalanga, District Councils such as Rustenburg and Eastern Gauteng, and Magalies Water.

4.4.3 Community Institution Building Programme

(1) Problem

The evaluation of Third Tier capacity in the Study Area suggests that there are communities (especially in the rural areas) that have cumulative capacity problems. In essence, they lack internal capacity to plan and implement water and sanitation services, and they have limited access to external support (for example in areas falling under the jurisdiction of the Eastern District Council). In some of the cases examined under the situational analysis, additional disadvantages related to tension among elected officials and LWC and LRDC structures, or simply to stagnation of LWCs and LRDCs.

The "marginal" communities identified may well fall under the umbrella of capacity building and coordination initiatives such as area forums and infrastructural support programmes, but these are not uniform in coverage. The challenge is to ensure that the vulnerable communities concerned do not fall between stools; to build generative capacity which will enable them to identify and tap the resources available, and to set in motion processes of self-sustaining planning and institutional development.

(2) Action Plan

Ideally, a community institution building programme for the most disadvantaged communities should reside under a District Council. However, it is largely because of the patchiness of DC capacity that such an initiative is necessary. Hence the management dilemma is to find an appropriate champion for the programme.

The proposed District Council Forum might be a suitable vehicle, because it allows District Councils to share ideas and, where possible, capacity. Whilst some of the District Councils have limited organisational and technical capacity, they do have the advantage

of an elected Council with representatives from sub-districts within Council areas of jurisdiction. These representatives should be able to assist in the identification of vulnerable communities, and to facilitate interaction with them.

Initiatives falling under the ambit of a community institution building programme might be the following:

(a) Capacity audits in the identified communities, especially to determine the role and potential of existing structures like LWCs and LRDCs.

(b) Exploration (with the communities and authorities concerned) of capacity needs. The analysis presented in Section 4.3.7 suggests that emphasis might be placed on planning capacity and financial capacity, since the development of these will enable local officials and communities to engage in sustainable and locally relevant institutional development. The JICA pilot projects (see Chapter 10 of the Main Report) might provide a vehicle to investigate options for the development of such generative capacity.

(c) Design and implementation of an appropriate support programme, incorporating the possible remobilisation of LRDCs and LWCs, training in planning skills, and identification of training agents to act in specific areas. These areas might be the precursor to planning zones such as those established by Rustenburg District Council, and an option may be to use private sector facilitators/ training co-ordinators.

(d) Appropriate use of available resources, such as Organisational Development Officers (or similarly skilled officials) employed by Magalies Water, DWAF, Rand Water and possible the larger TLCs such as Rustenburg, Brits and Bronkhorstspruit.

Where possible, District Councils should fund community institution building initiatives in their own areas. However, an objective of self-generating capacity building would be that of installing cost recovery processes as soon as possible.

4.4.4 Institutional Support Programme

(1) Problem.

Participants in the gap analysis process recognised the need for Third Tier institutions to share resources wherever possible. In fact a key institutional development theme emerging from this study is the imperative of communication and the exchange of experiences and capacity.

The policy and strategy recommendations reflect this theme, and outline a number of initiatives:

(a) Coordination of training and training resources through area planning forums and District Councils.

(b) The possible establishment of training, service and support cooperatives, possibly under the auspices of District Councils or area planning forums.

(c) Sharing of "best practice" among second and Third Tier actors, again through area forums and District Councils.

(d) Joint development of systems and key processes, such as prepaid metering, effective local accounting, community-based collection systems, and local financing systems for higher levels of service. Area forums and District Councils were again envisaged as vehicles for such initiatives.

Taking the variable capacity of the District Councils into account, and acknowledging that area planning forums themselves have limited coverage and capacity, it is evident that an overarching champion is required for the envisaged support networking process. This is particularly necessary if the process is to be extended beyond the Study Area.

(2) Action Plan

There is no obvious institutional home for the institutional support programme, but the facilitation of networking does seem to be an activity well suited to the NGO sector. This possibility should be explored with existing NGOs such as the Mvula Trust and the Independent Development Trust.

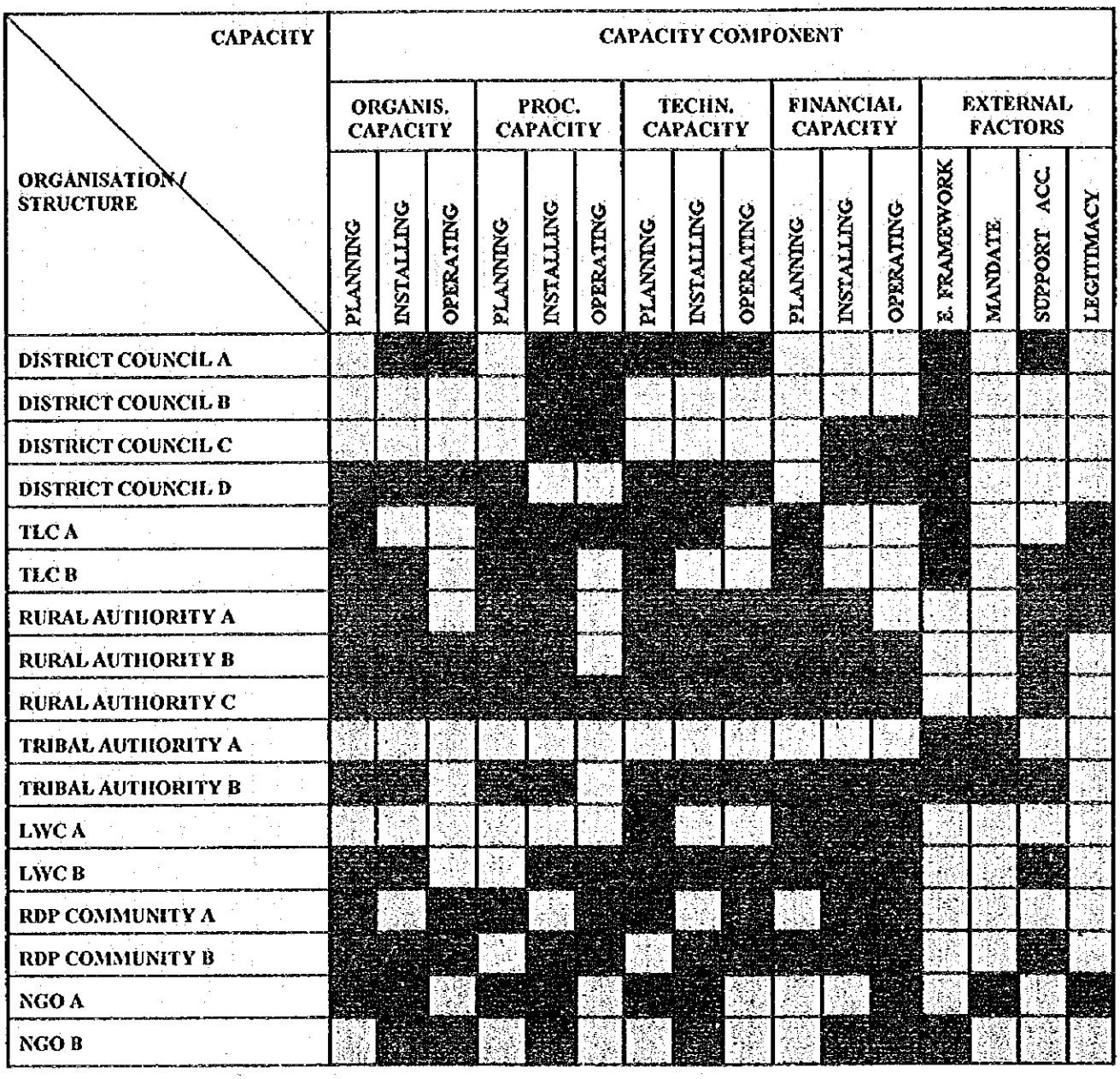
4.4.5 Training Programmes

The three initiatives outlined above have training implications. Table 4-7 summarises the requirements for each of the three support programmes.

Table 4-7: Training Requirements for Support Programmes.

Support Programme	*Implementing Agent*	*Training Type*	*Training Provider*
District Council Capacity Building Programme	District Council Forum	1. Managerial and technical training for core officials of District Councils	1. Possible training providers are the private sector, larger District Councils, provincial departments of local government. If possible, emphasis should be placed on in-service training, and exchange programmes between District Councils.
		2. Technical training for DC project managers and field operatives	2. Magalies Water has already undertaken to train former NWWA staff for roles in the Third Tier. Some of these trained staff might be usefully deployed in undercapacity District Councils. Candidates selected from this group might receive additional project management training from private sector, or from larger TLCs and DCs.
Community Institution Building Programme	District Council Forum	1. Training in planning skills for local officials. These skills should include organisational planning and financial planning.	1. Private sector, DWAF (in the form of mentoring and exchange), bigger DCs and TLCs (also on exchangebasis).
		2. Reinforcement of planning skills in existing LWCs and LRDCs. Particular emphasis on technical and infrastructural planning.	2. Private sector, Magalies Water, Rand Water, DWAF (possibly on an exchange basis)
Institutional Support Programme	Selected Non-Government Organisation	1. The ISP is a networking and facilitation initiative. Training might include project evaluation and communication technology.	1. Private sector

Table 4-5 : Overview of Third Tier Capacity



Legend

- Very Low or No Capacity
- Intermediate Capacity
- Good Capacity

CHAPTER 5 INSTITUTIONAL DEVELOPMENTS IN THE SECOND TIER

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5.1 Introduction

Figure 5-1 shows the relative scheduling of the implementation of activities leading from the JICA Magalies Study. These are described in more detail in Chapter 8 of the Main Report. Key points of note from the table are the:

(1) Need to get significant capacity in place right from the start of implementation as all the major activities commence during the year 1997.

(2) Ongoing nature of the implementation initiatives over almost a twenty year period. Sustainability is therefore crucial.

(3) Multidisciplinary nature of the activities which will need to be undertaken particularly in the early stages i.e. 1997 to 2002.

5.2 Institutional Implications

Analysis of the above requirements and findings in preceding chapters lead to the following main overall conclusions about the institutional arrangements which will have to be put in place if the master plan is to be successfully achieved. These apply to both the implementation and subsequent operations and maintenance time periods:

5.2.1 Restructuring within Zones

Existing structures within each zone will need to undergo significant change. None of the zones currently has an appropriate structure in place to meet the challenges of interacting directly with communities and customers.

5.2.2 Capacity within Zones

Each of the three zones will require both implementation and O&M capacity to manage the required changes. This will require appropriate structures to be set up in each zone to accommodate additional resources.

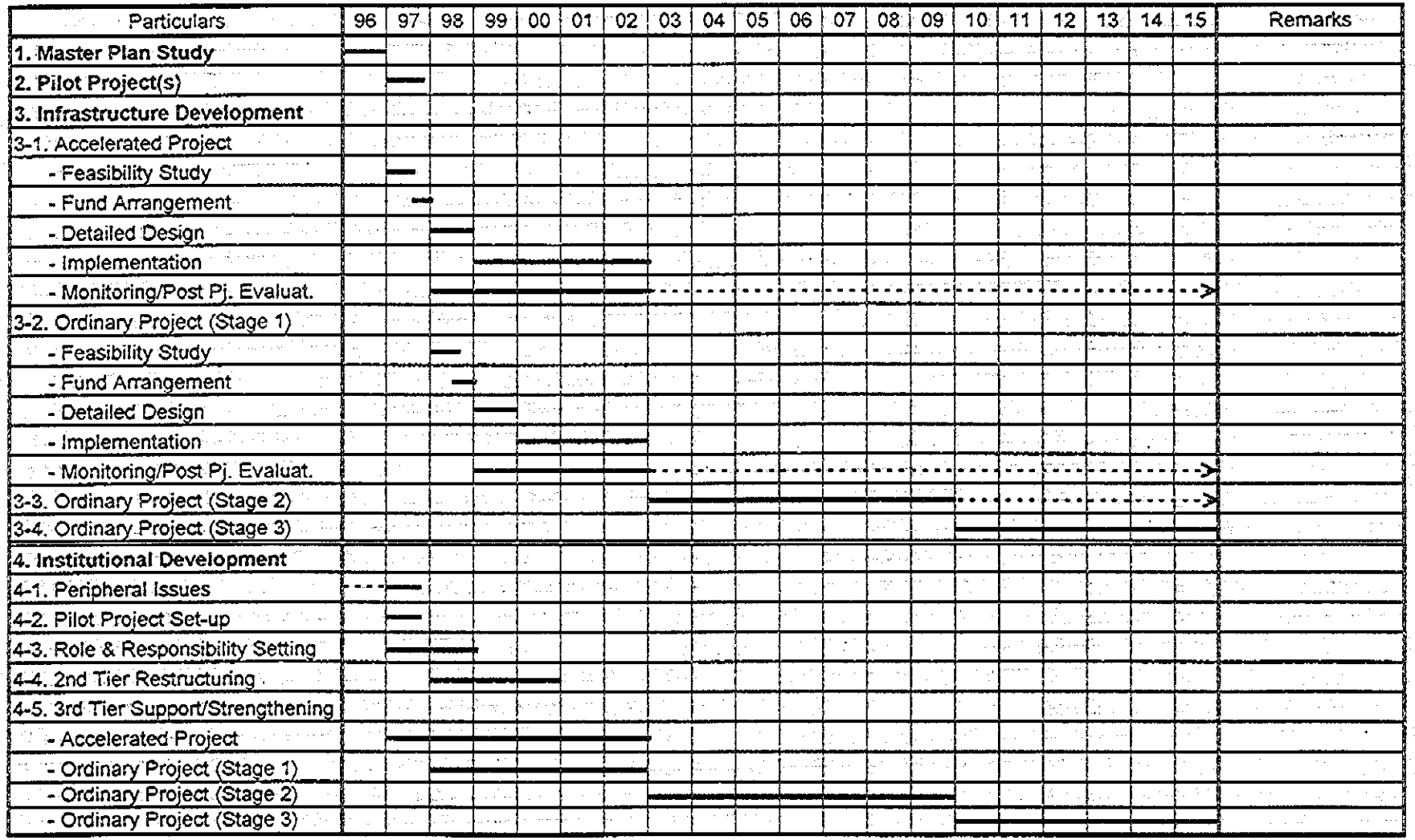
5.2.3 Third Tier Support

In the absence of Third Tier capacity MW will need to be actively involved in supporting development in the Tier in the interests of securing long term expansion of it's bulk water supplies.

5.2.4 New Functions

MW will be involved in significantly different roles during the period 1997 - 2015 from its traditional roles. This will require a number of new functions to be carried out by MW which are discussed fully in Section 5.5

Figure 5-1 Implementation Schedule



Note: This Implementation Schedule is applicable both for each Supply Area and Supply Zone.

5.3 Alternative Options in Response to Change Requirements

The requirements discussed can be addressed by appropriate changes within MW. There are two fundamental options that could apply to implementing changes and each of these has been considered by the Study Team:

5.3.1 Central Control of Implementation

In terms of this option the whole process of implementation would be directed and controlled by the central office of MW i.e. from Rustenberg. Existing or additional resources would be given full responsibility for bringing projects to fruition thereafter handing them over to locally based management (or Third Tier organisations). The time frame for this hand over could be fairly extended. Characteristics of the centralised option are likely to be:

(1) A functional orientation (e.g. financial, engineering and human resource management).

(2) Integrated project management across all the activities being implemented.

(3) Day to day facilities management only at zone and area level.

5.3.2 Decentralised Control of Implementation

By contrast to the above this option will require the implementation capacity to be located within the zone (and within areas within the zone.) It has been highlighted that little capacity currently exists in the zones and this option should not be assessed on the basis of existing resources in the zones. Clearly appropriate resources will need to be put in place. Key characteristics of this option would be:

(1) Structures determined by the physical processes infrastructure and spatial distribution of communities in the zone rather than functions.

(2) Integration of operations within the zone as the focus of structure rather than integration between zones in the whole area.

(3) More emphasis in structure on the interface with end users.

5.4 Recommended Structural Framework

Solutions seldom represent absolute choices between options. In this case the view of the Study team is that while we believe a high degree of decentralisation will best serve the interests of implementation there are aspects of centralised control that are also appropriate. Our recommended approach between these two options is illustrated in the following diagram:

Figure 5-2: Implementing Structure : Conceptual Framework

	Centralised	Integrated Centralised and Decentralised	Decentralised
Overall Management and Co-ordination			
Project Management			
Operations and Maintenance			

5.4.1 Overall Management and Co-ordination

Key functions needing to be performed will not be significantly affected by implementation and are the normal high level functions of MW:

(1) Strategic planning and management.

(2) Business development.

(3) Stakeholders relations

(4) Overall accounting and auditing.

(5) Setting personnel policy.

(6) Setting technical standards.

These will continue to be done centrally by MW head office.

5.4.2 Project Management

This is an area where there should be shared responsibility between the central functions and the operational level in the zones. Key considerations being:

(a) The learning experiences which can be shared across projects.

(b) Common activities which will need to be contracted for across projects e.g. soil investigations.

(c) The multidisciplinary nature of the activities.

Figure 5-2: Implementing Structure : Conceptual Framework

	Centralised	Integrated Centralised and Decentralised	Decentralised
Overall Management and Co-ordination	← 1		
Project Management		← 1	
Operations and Maintenance			← 1

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(a) The learning experiences which can be shared across projects.

(b) Common activities which will need to be contracted for across projects e.g. soil investigations.

(c) The multidisciplinary nature of the activities.

(d) Close co-ordination with communities involved.

5.4.3 Operations and Maintenance

This is the area of greatest impact as the proposals and recommendations contained in this chapter result in significant changes in structure in the zones. The institutional structures within the zones will be responsible for all aspects of project implementation and operation and maintenance of water supply. Making these changes is the responsibility of MW in the first instance as the principal player in the study area. To this end the Policy and Strategy options report makes the recommendation that MW needs to adjust its structure to meet the new demands of the area. Specific proposals in this regard are the responsibility of MW's management.

5.5 New Functions

5.5.1 Change in Emphasis

The proposed new functions relate to meeting two needs the importance of which cannot be over emphasised:

(1) Firstly the smaller water boards depend upon a growing base of bulk customers for long term survival. The very low level of capacity in the Third Tier means that these future bulk customers will not emerge unless water boards actively assist in the process of developing their water supply capacity.

(2) Secondly water supply policy of DWAF envisages a role for water board in ensuring that the overall goals of rectifying the imbalances created by the previous government are achieved.

There still needs to be a lot of discussion between DWAF and water boards on these new roles. The recommendations assume that discussion and future legislation will resolve many of the outstanding issues and that structures should therefore be based on the future vision.

5.5.2 New Functions

The major new functions which will flow from the redefined role for water boards and hence MW are:

(1) *Bulk Supply Development*

This is the function of developing new bulk markets. It has a long term perspective and while it needs to be put in place as soon as possible will only yield results in a minimum of five years. Sub-functions of this are:

(a) Stakeholder engagement : Is the process of interaction with stakeholders to identify needs and opportunities. Also to build up relationships of trust necessary for taking projects from inception to implementation.

(b) Development planning : Is the process of co-ordinated planning which will need to take place between the Second and Third Tiers. This function will facilitate the realisation of RDP principles and White Paper goals.

(c) Organisation development : Is the process of facilitating the development of leadership, management and operational structures necessary to mobilise Third Tier institutions which will become suppliers of water to communities (and future bulk customers of MW).

(d) Third Tier Support : Will involve determining needs of mobilised Third Tier organisations which can be met by support arrangements with MW. Support could be in the form of training, systems, technology and resources.

(2) Water Supply Projects

This is the function concerned with all aspects of bringing projects for design through to commissioning. While this function currently exits it has an engineering orientation. In future certain new sub-functions will add to the scope of this area:

(a) Project structuring : Is the function of setting up the necessary matrix structures for managing projects so as to ensure the appropriate involvement of stakeholders.

(b) Institutional development : Is the function of creating the necessary institutional infrastructure for operating and maintaining projects. This is essential to ensuring the sustainability of infrastructure created by projects.

(c) Training : Is a sub-function of institutional development. All projects create training needs which must be addressed. It is logical that this is an integral part of the project delivery process rather than being separate from it.

(3) Within Operations and Maintenance

Two new sub-functions are proposed:

(a) Interim resourcing : This is the function of providing resources to other institution or projects to assist with commissioning or O & M on an interim i.e. non permanent basis. It may be necessary within zones to assist the Third Tier with getting water supplies to communities by providing resources.

(b) Third Tier support : This is the same function as discussed above. It needs to take place at zone level as well as centrally.

(3) Changes to Existing Functions

There are a number of areas where functions are already in place but will need to be redefined. MW will need to look at these in some detail. Obvious areas are:

(a) Project finance

(b) Personnel/IR

(c) Accounting (e.g. Debtors systems)

5.6 Suggested Evolution of Structure

5.6.1 Time Scale

While the period of the master plan is twenty years i.e. from 1997 to 2015. It is appropriate for the purpose of structure to consider two target date periods:

(1) A Set up and operationalisation phase spanning the years 1997 to 2002.

(2) A full operational phase where O & M needs comes to the fore, spanning the years 2003 to 2015.

In the former period assistance to the Third Tier will be particularly important.

5.6.2 Development Phase : 1997 - 2002

Proposed functional structure for this phase is shown in Figure 5-3. The purpose of this proposal is to show how the structural framework (centralisation/decentralisation) and the new functions can be accommodated. A brief description of this structure is as follows;

(1) The split of the O & M function into three according to the zones proposed in the master plan. Currently there is only a western and eastern zone.

(2) Incorporation of the new functions within the zone structures : Interim resourcing and Third Tier support.

(3) Incorporation at an overall level of a new function being Bulk Supply Development together with its sub functions. This puts a strong emphasis on the goal of creating future bulk customers by providing support and development now.

(4) Inclusion with the Water Supply Projects of new sub functions to introduce a more developmental emphasis to this function.

5.6.3 Operationalisation Phase : 2003 - 2015

Proposed functional structure for this phase is shown in Figure 5-4. This proposal is based on several assumptions:

(1) Firstly that considerable progress will have been made in establishing a process of stakeholder engagement and development planning. It will therefore be possible to rationalise this with the water supply projects function to create a more economical

structure and more integrated long term approach. This single function is termed Planning and Development.

(2) Secondly that the question of the future of the eastern zone will have been resolved and it will become part of a future "Highveld Water Board".

Both the above changes are shown on the revised structure.

It is noted that the interim resourcing and Third Tier support functions are retained in the zone structures as it is envisaged that these will be required for a long time.

It is also noted that in both the periods 1997 to 2002 and 2003 to 2015 the design and construction of projects is envisaged as being contracted out to local consultants and construction entities to a significant degree. This will reduce staff and administration costs.

5.7 Training for New Roles

It is clear that the proposed new functions will create many training needs for MW. These will need to be assessed in further detail. It is proposed that they can be considered in terms of the following framework. An initial assessment of training needs is indicated in the Table 5-1.

Table 5-1 : Training Assessment

	TRAINING NEEDS	
FUNCTIONAL AREA	STAFF WITHIN MW	TRAINING PROVIDED IN SUPPORT OF OTHER INSTITUTIONS
Administration Function	- Industrial Relations Skills	- Budgeting - Project Evaluation
Bulk Supply Development	- Stakeholder Processes - Development Planning - Organisation Development	- Planning - Feasibility Assessment
Water Supply Projects	- Institutional Development - Skills Transfer	- Project Management - Management and Supervision
Operations and Maintenance	- Industrial Relations Skills - Skills Transfer	- Budgeting - Bookkeeping - Administration - Supervision - Technical Skills

It is difficult to estimate the amount of training at this stage as this depends on organisational structure, numbers of people and their current degree of competency in the areas of training need. Research in South Africa shows that organisations spend 2% to 5% of their turnover on staff development. This is low by international standards although needs in South Africa are probably greater. Needs in the Study Area because of the transition will be very significant. As a rough

estimate MW should be currently spending R1.85 m per annum on training based on national norms. (R37m turnover x 5%). Training needs in the whole Study Area have been estimated at 5% of the retail cost of water which is an amount of R96.9 million.

5.8 Implications/Implementation

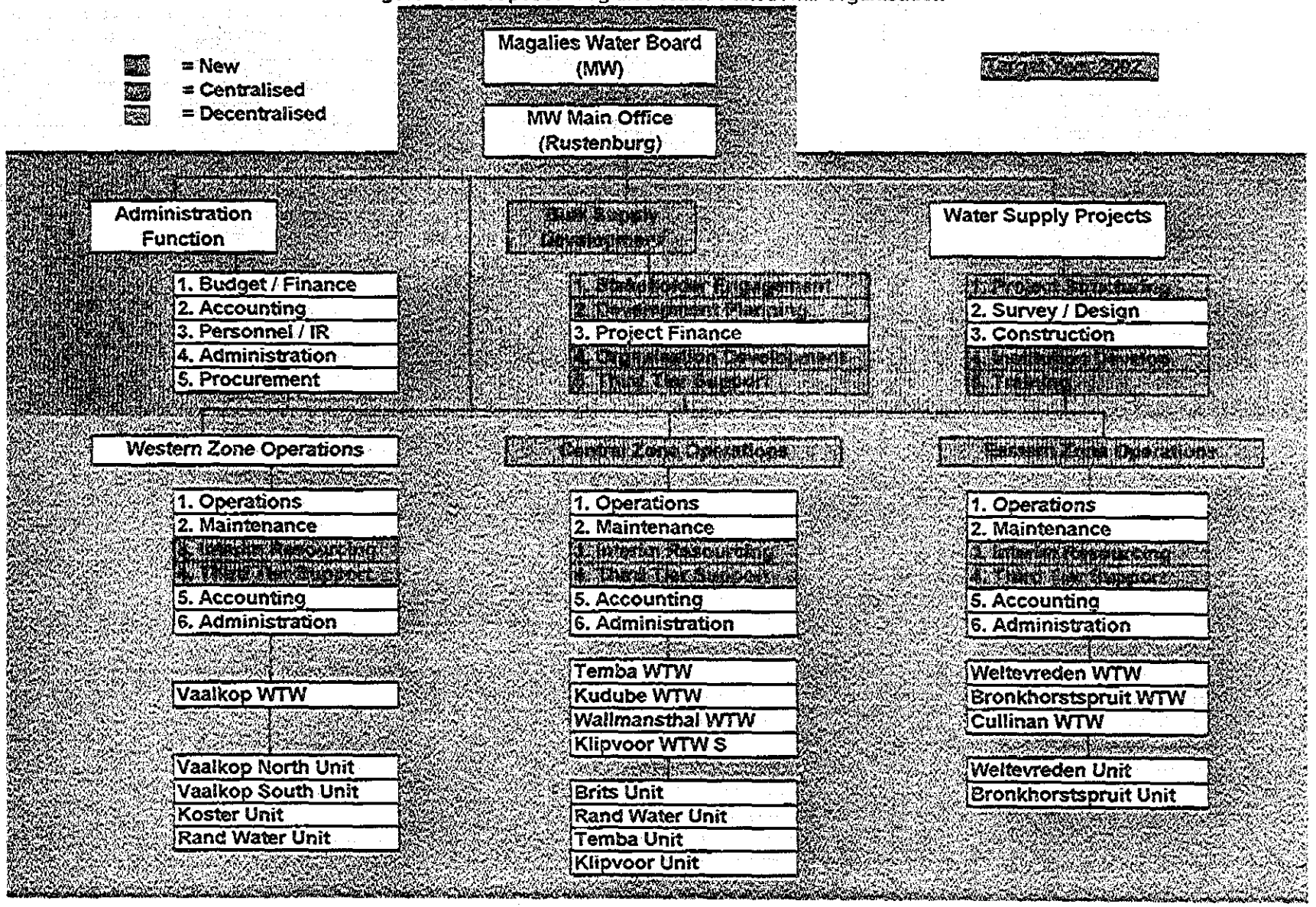
There are many implications of the proposals discussed in this chapter. These will need to be discussed in depth in the forum proposed in Section 3.4.13 of the Main Report which suggests how the policy and strategy proposals should be taken forward. In particular it is noted that:

(1) These proposals will represent an investment by MW in staffing to provide for the functions needed to ensure the development of future bulk customers. MW's board will need to consider the pros and cons of this required commitments.

(2) If DWAF want water boards to play an expanded role they need to formulate a clear policy in this regard and not only communicate it but support water boards in the repositioning they need to go through.

The proposals in this chapter are the views of the study team formulated after extensive consultation. In that they inevitably represent a compromise between views these proposals will either be viewed as controversial or as not going far enough to meet goals.

Figure 5-3 : Proposed Magalies Water Functional Organisation



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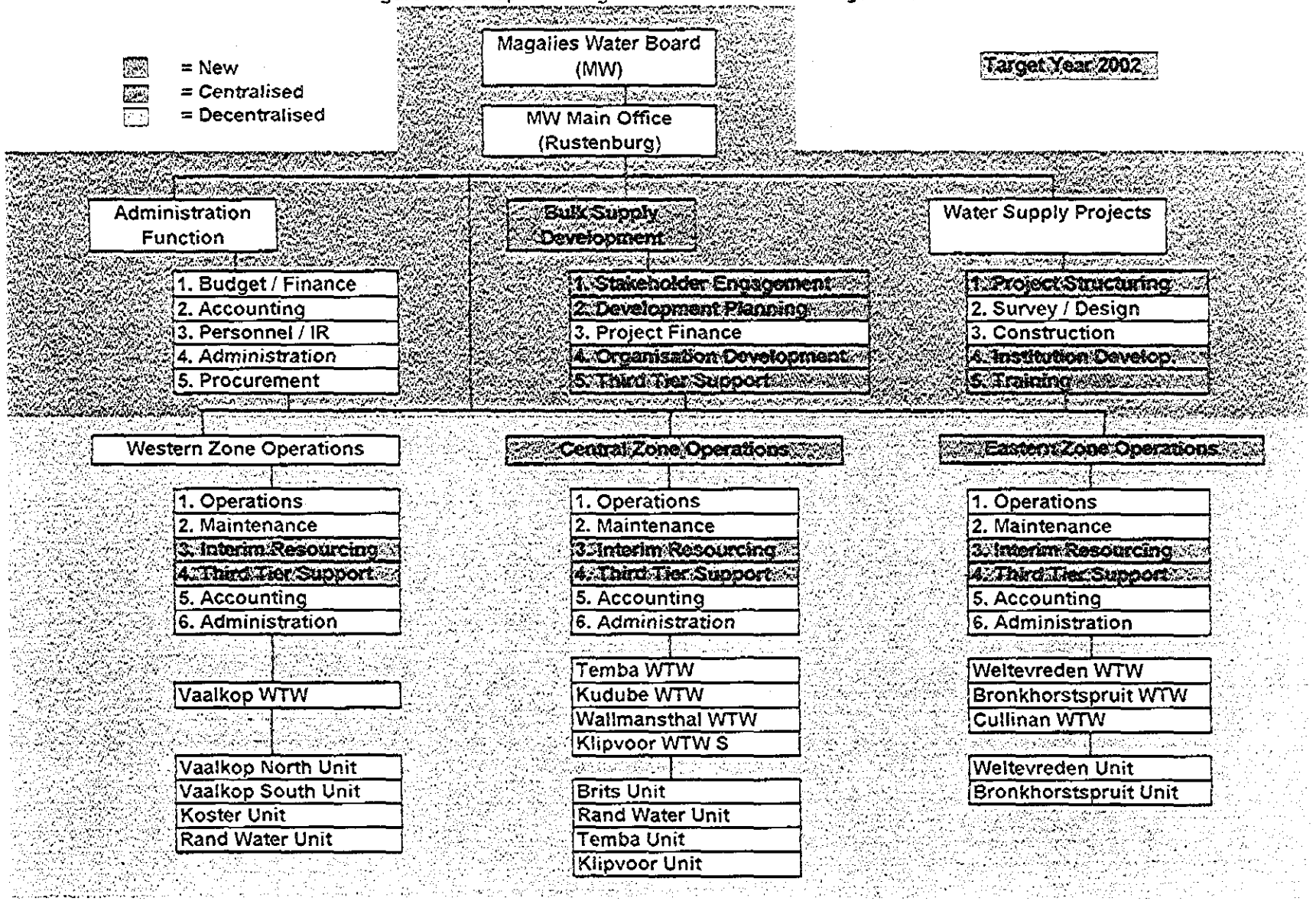

Figure 5-4 : Proposed Magalies Water Functional Organisation

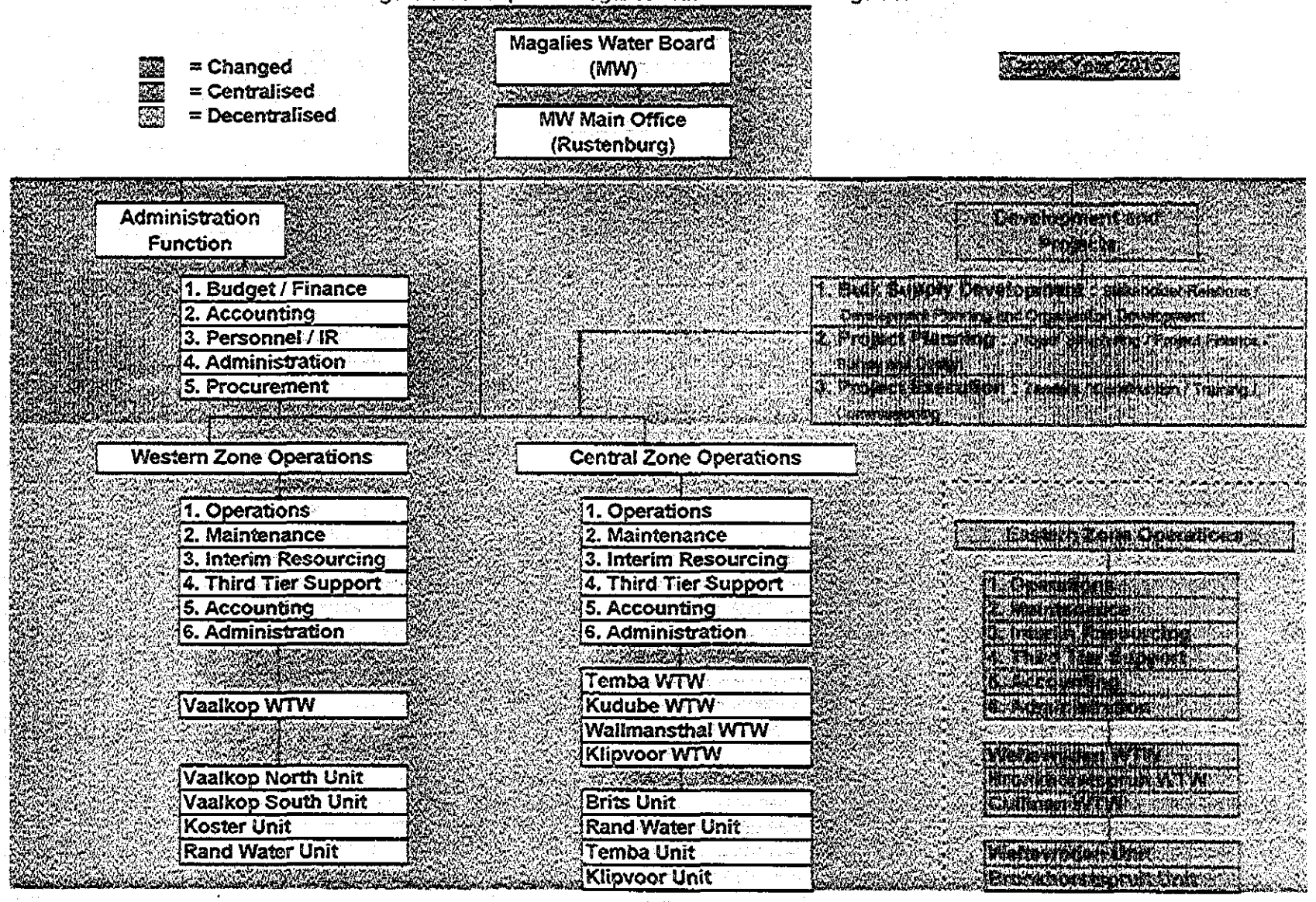

Figure 5-4 : Proposed Magalies Water Functional Organisation