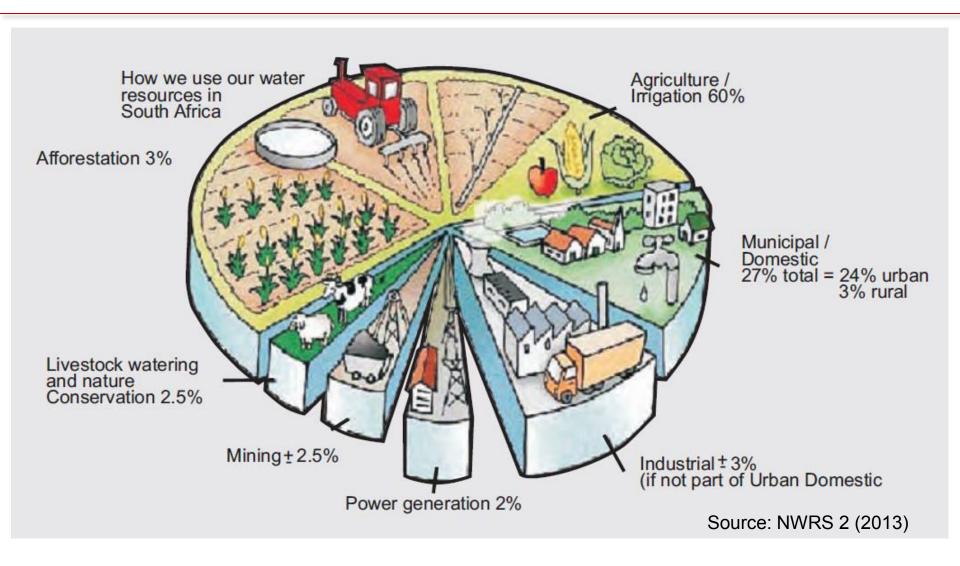


Compulsory Licensing under South Africa's National Water Act



Context



Goals

- Efficiency
- Equity
- Sustainability

Why compulsory licensing?

- New Constitutional era 1994
- New National Water Act 36 of 1998
- Water scarcity
- Existing lawful use most productive water users still white farmers



CHIEF DIRECTORATE: WATER USE

WATER ALLOCATION REFORM

STRATEGY

September 2008

Water Allocation Reform

 Targets for allocation of water to Blacks

Table 2.1: National targets for water allocation

YEAR	TARGET
2014	30%
2019	45%
2024	60%

Water Allocation Reform

Targets for allocation of water to women

Table 2.2: National targets for water allocation in respect of women

YEAR	TARGET
2014	30%
2019	40%
2024	50%

Equity

- Equity involves three aspects:
 - Equity in access to water services
 - Equity in access to water resources
 - Equity in access to benefits from water resource use through economic, social and environmental development and management.

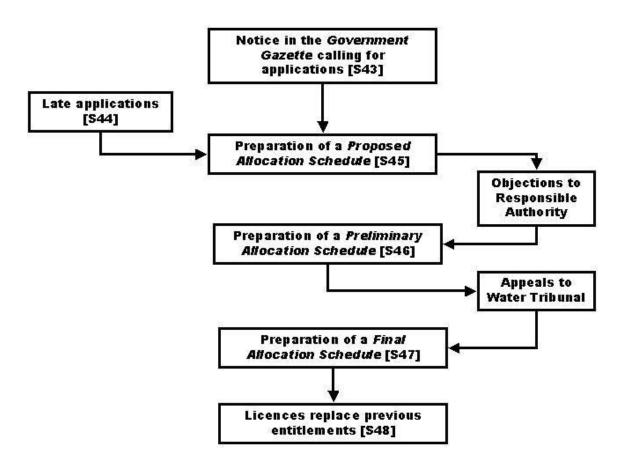
Water allocation priorities

- 1. The Reserve:
 - Basic human needs (25 lppd)
 - Ecological requirements
- 2. International requirements
- 3. Poverty eradication and greater racial and gender equity
- 4. Nationally strategically important uses
- 5. General economic purposes

NWAs43

- 43 Compulsory licence applications
- (1) If it is desirable that water use in respect of one or more water resources within a specific geographic area be licensed-
- (a) to achieve a fair allocation of water from a water resource ...-
 - (i) which is under water stress; or
 - (ii) when it is necessary to review prevailing water use to achieve equity in allocations;
- (b) to promote beneficial use of water in the public interest;
- (c) to facilitate efficient management of the water resource; or
- (d) to protect water resource quality,
- the responsible authority may issue a notice requiring persons to apply for licences for one or more types of water use ...

Compulsory licensing



Source: https://www.dwa.gov.za/WAR/compulsorylicensing.aspx

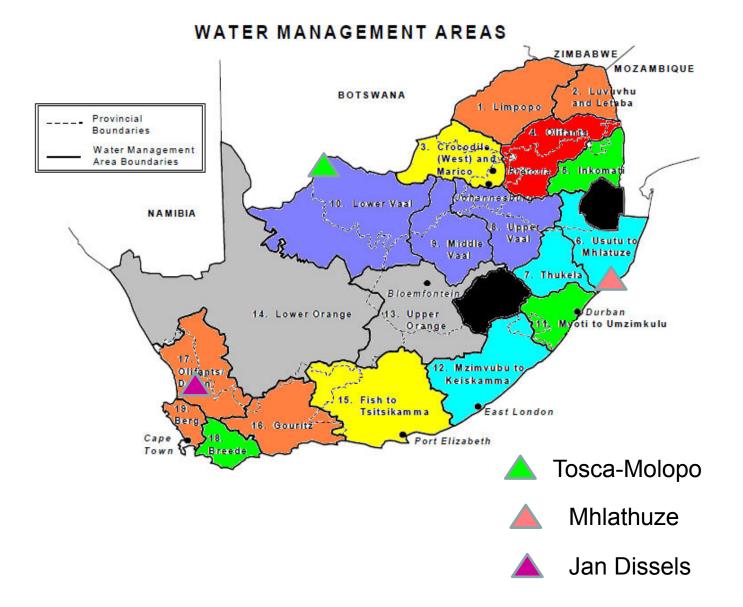
Compulsory licensing

- Prior to call for applications
 - Preparatory Catchment Assessment Report
 - Reconciliation
 - Implementation (diagrram on previous page)

Source: https://www.dwa.gov.za/WAR/compulsorylicensing.aspx

Three processes

Area	First notice	Proposed allocation schedule	Preliminary allocation schedule	Final allocation schedule
Tosca-Molopo	12 Aug 2010	17 Dec 2010	20 May 2011	22 Jul 2011
Jan Dissels	20 Aug 2010	28 Sep 2012	8 Feb 2013	26 Apr 2013
Mhlathuze	12 Aug 2010	10 Aug 2012	14 Oct 2014	25 Mar 2015



Tosca-Molopo



Tosca-Molopo



Jan Dissels

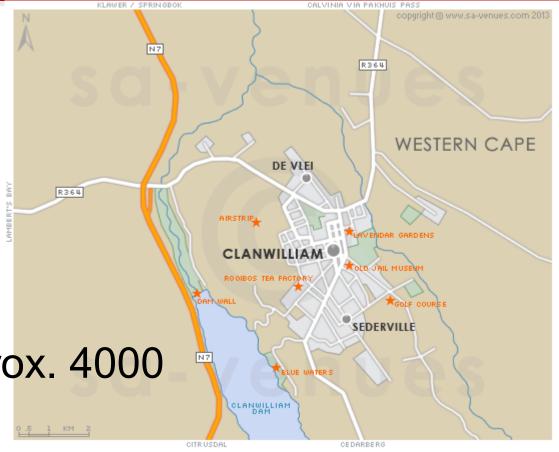


Largely rural

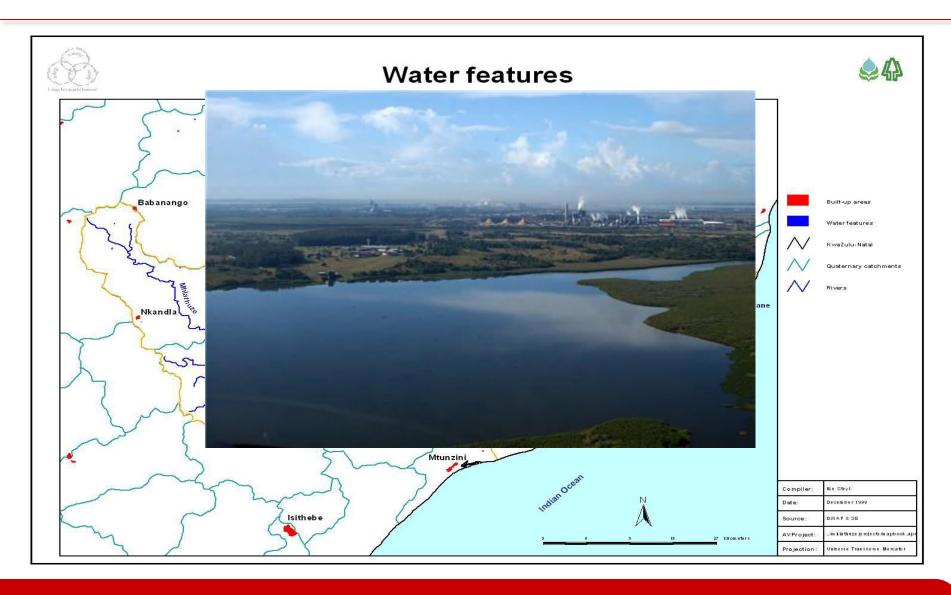
Population approx. 4000

• Size 197 km²

Primarily surface water



Mhlathuze



Mhlathuze



Comparative statistics

Area	Number licence applications	Volume applied for (million m ³ /annum)	Volume allocated (million m ³ /annum)	Number of licences
Tosca-Molopo	60	14,424	9,960	50
Jan Dissels	33	5,436	3,920	43?
Mhlathuze	670	401	288,088	1141

Analysis

- Complex process
- No international dimensions
- No appeals
 - Highlights importance of ongoing communication
- In all cases objective primarily to address water shortage

Analysis – CL for equity

- (Non) alignment with land reform
- How to classify juristic persons?
- Successors in title
 - NWA s 51 (2): A successor-in-title of any person to whom a licence to use water has been issued-
 - (a) may, subject to the conditions of the relevant licence and paragraph (b), continue with the water use; and
 - (b) must promptly inform the responsible authority of the succession, for the substitution of the name of the licensee, for the remainder of the term.

Conclusions

- Land reform links with water allocation reform?
- Amendment of NWA re primacy of transformation (equity)?
- Food security?
- More difficult processes in future?