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BY EMAIL: Bongani.mnisi@capetown.co.za

Mr. BE Mnisi
Chairperson: Breede-Olifants Catchment Management Agency
Private Bag X3055
WORCESTER
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Dear Mr Mnisi

APPROVAL OF RAW WATER USE CHARGES FOR THE 2027/28 FINANCIAL YEAR

I acknowledge receipt of the Breede-Olifants Catchment Management Agency (BOCMA) Board resolution and recommendations regarding the proposed Raw Water Use Charges for the 2027/28 financial year.

Having considered the Board's submission, together with the regulatory review undertaken by the Economic and Social Regulation Office, including an assessment of the financial, technical and operational information provided by the Board and management, as well as inputs received during stakeholder consultations, I hereby approve the proposed Raw Water Use Charges for the 2027/28 financial year in terms of the National Water Act, 1998 (Act No. 36 of 1998) and the Revised Pricing Strategy for Raw Water Use Charges, 2024.

In granting this approval, I have taken cognisance of the Board's preference to retain differentiated charges for the Breede Gouritz and Berg Olifants Water Management Areas while a longer-term solution to harmonise the charges across the two areas is being explored.

BREEDE GOURITZ WATER MANAGEMENT AREA

Abstraction-Related Charges	2026/27 Approved Charge (c/m³)	2027/28 Approved Charge (c/m³)	% Increase
Municipal	6.60	6.60	0%
Industry and Mining	6.60	6.60	0%
Strategic Users	6.60	6.60	0%
Agriculture	3.44	3.78	10%
Forestry	1.81	1.99	10%

Waste-Related Charges	2026/27 Approved Charge (c/m³)	2027/28 Approved Charge (c/m³)	% Increase
Municipal	6.75	6.75	0%
Industry and Mining	6.75	6.75	0%
Strategic Users	6.75	6.75	0%
Agriculture	-	4.93	-

BERG OLIFANTS WATER MANAGEMENT AREA

Abstraction-Related Charges	2026/27 Approved Charge (c/m³)	2027/28 Approved Charge (c/m³)	% Increase
Municipal	6.59	6.60	0.15%
Industry and Mining	6.59	6.60	0.15%
Strategic Users	6.59	6.60	0.15%
Agriculture	3.22	3.54	10%
Forestry	3.15	3.47	10%

Waste-Related Charges	2026/27 Approved Charge (c/m³)	2027/28 Approved Charge (c/m³)	% Increase
Municipal	4.87	4.87	0%
Industry and Mining	4.87	4.87	0%
Strategic Users	4.87	4.87	0%
Agriculture	-	4.46	-

The approved charges seek to strike an appropriate balance between ensuring the financial sustainability of water resource management functions and protecting the interests of water users. Adequate revenue generation remains essential to fund the management, protection and development and regulation of water resources, and to promote the long-term security, reliability and sustainability of South Africa's water resources.

I request the Board to ensure that the approved charges are implemented in a transparent, efficient and accountable manner. The Department will publish the approved raw water use charges in the Government Gazette and on its website and will provide the relevant publication details with Breede Olifants CMA. The Agency

is expected to communicate the approved charges to affected stakeholders under its own letterhead and to make all necessary administrative and operational arrangements for their effective implementation.

Furthermore, the Board is encouraged to continue pursuing measures to improve operational efficiency, strengthening revenue management, enhance financial sustainability, and ensure the prudent utilisation of resources in the interest of water users and the broader public.

I wish to express my appreciation to the Board and management for their work in preparing and submitting the tariff proposal and for their continued commitment to the sustainable management of water resources within the Breede-Olifants Water Management Areas. I am confident that the Agency will continue to discharge its responsibilities effectively in implementing the approved Raw Water Use Charges for the 2027/28 financial year.

I trust that you will find this in order.

Yours sincerely



MISS PEMMY C.P. MAJODINA, MP
MINISTER OF WATER AND SANITATION
DATE: 29 - 09 - 2026