

# PORTFOLIO COMMITTEE ON WATER AND ENVIRONMENTAL AFFAIRS

## Water Infrastructure Funding versus End-user Tariff – Water Value Chain

Maselaganye P Matji: Director - National Treasury | 24 - 25 April 2012



**national treasury**

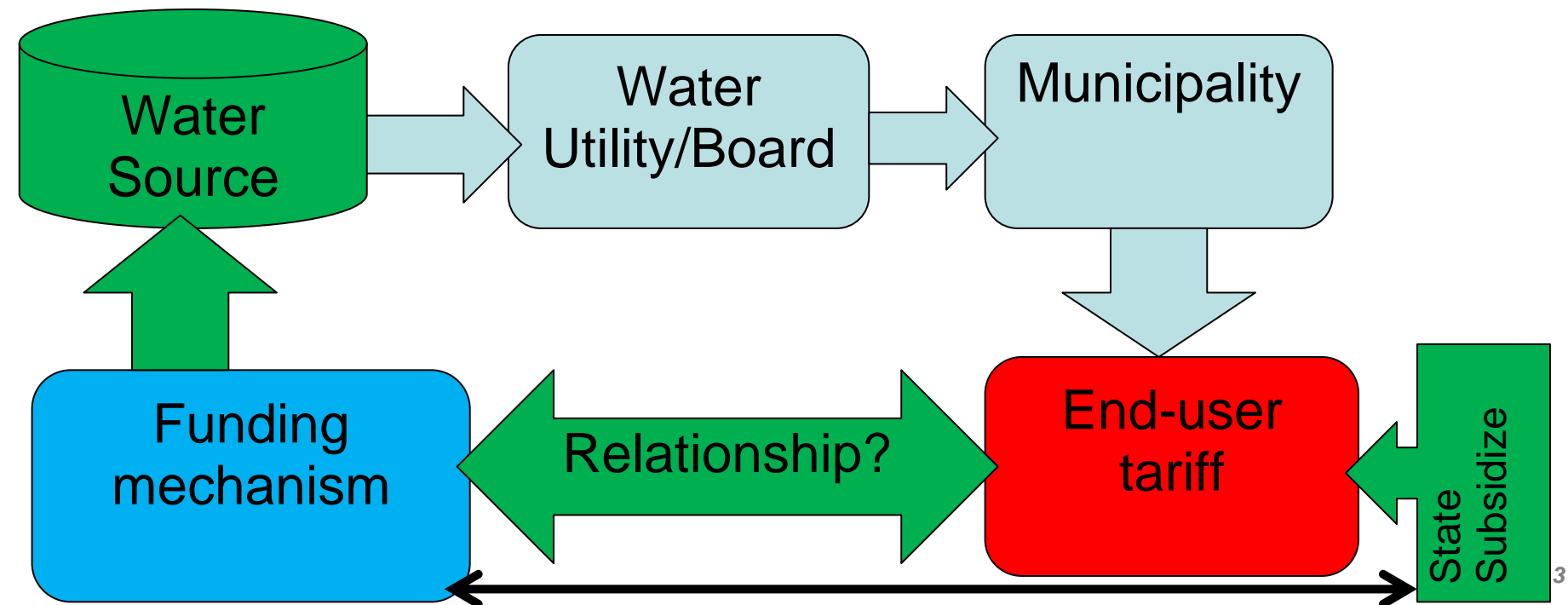
Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

# Presentation Outline

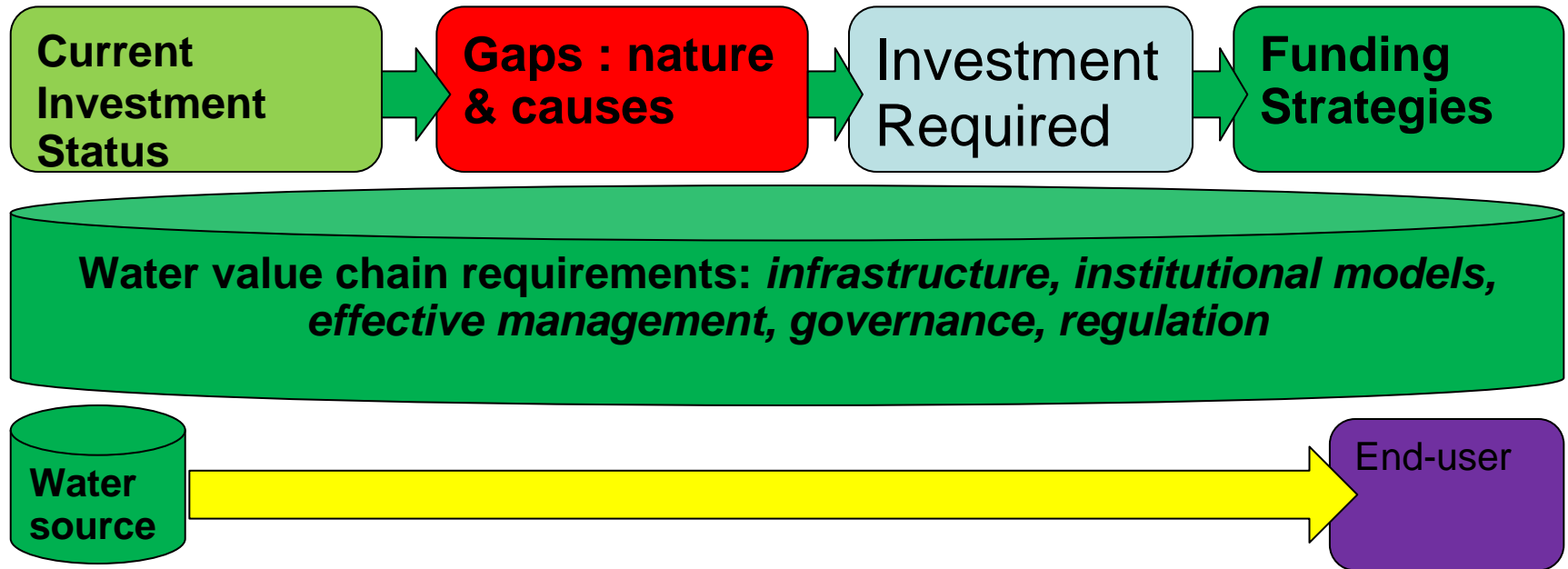
- National Water Infrastructure Funding versus End-user Tariff
- National Water Investment Framework
- Funding regional/municipal infrastructure refurbishment vs replacement
- Water Sector Regulation (Tariff & capital unit charge)

# National infrastructure funding versus end user tariff

- What should guide our decisions to the funding models?
- Does one size fits all funding model work?
- What options are available?



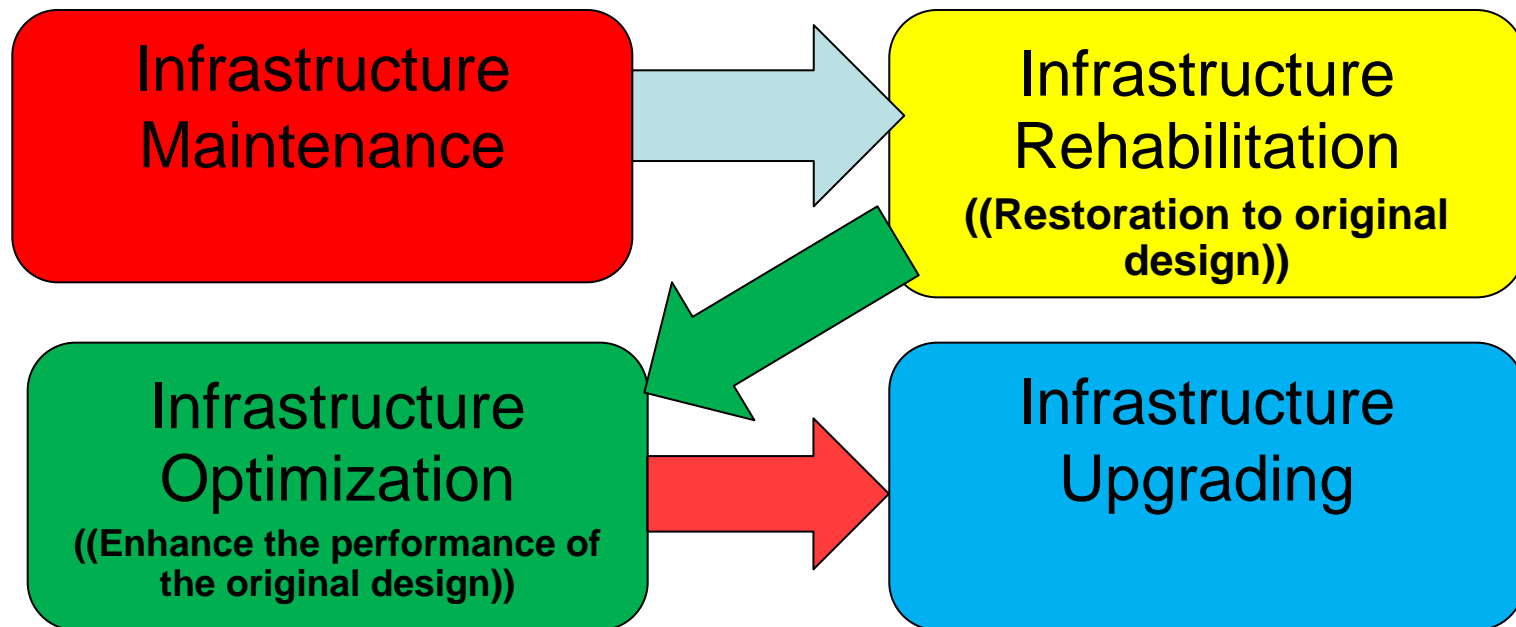
# National water investment framework



- Funding mechanisms

# Funding regional/municipal infrastructure refurbishment vs replacement

- What should come first and at what cost?
- How should current grants accommodate this?
- What tools are available to assess this and by who?



# Economic regulator – Water Value Chain Tariffs & Capital Unit Charge

- **Economic regulator**
  - ✓ Water value chain tariff regulation
  - ✓ Unit capital charge for national infrastructure (Debt finance or alternative)

**Thanks**