



RAND WATER

HEAD OFFICE

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MEDIA STATEMENT

RAND WATER TAKES FIRM ACTION TO ADDRESS OUTSTANDING DEBTS OF APPROXIMATELY R5 BILLION FROM MULTIPLE MUNICIPALITIES

Rand Water, South Africa's leading water utility provider, thanks all Municipalities who are responding to the call to pay for the water provided to them by Rand Water. Rand Water financial sustainability which impacts on the current and future provision of water depends on Municipalities paying for the water they receive from Rand Water. Rand Water is facing a significant challenge in relation to outstanding debts owed by various municipalities. The cumulative debt owed by Municipalities is **R4,617,629,351**, and is shared among municipalities in Gauteng, Mpumalanga, and the Free State. These Municipalities include Emfuleni Local Municipality, Govan Mbeki, Merafong, RandWest, Victor Khanye and Ngwathe Local Municipalities.

As part of options available to it, Rand Water sort alternative means to recover monies owned to it and attached Emfuleni Local Municipality's bank account but has not yet been able to recover any funds from it due to persistent interference from the Municipality. To recover funds owed by Municipalities, Rand Water is proactively engaging with various government entities through the Inter-Governmental Relations (IGR) process.

Whilst certain municipalities are struggling to pay within the agreed timelines, others are unable to meet their payment commitments. Rand Water has planned infrastructure development projects that are designed to improve the provision of water services; and is thus negatively impacted by the lack of revenue generation to support such projects. Rand Water urges municipalities to pay for the water they receive and commits towards collaborating with them to come up with payment plans that they will be able to adhere to.

Rand Water urges defaulting municipalities to acknowledge the seriousness of the situation and proactively cooperate with Rand Water to find mutually beneficial resolutions. By working together, we can devise sustainable payment plans and mechanisms to recover the outstanding amounts, thereby ensuring the long-term financial sustainability of both the municipalities and Rand Water.

We urge ALL consumers to continue using water sparingly.

For Media enquiries please contact the following officials:

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