

APPENDIX G: WATER USE LICENCE



water & sanitation

Department:
Water and Sanitation
REPUBLIC OF SOUTH AFRICA

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LICENCE IN TERMS OF CHAPTER 4 OF THE NATIONAL WATER ACT, 1998 (ACT NO. 36 OF 1998) (THE ACT)

I, **Anil Singh**, in my capacity as Director-General (Acting) in the Department of Water and Sanitation and acting under authority of the powers delegated to me by the Minister of Water and Sanitation, hereby authorise the following water use in respect of this licence.

SIGNED:

DATE: 8/8/16

LICENCE NO: 17/N40E/AB/4671
FILE NO: 27/2/1/N540/10/1

1. **Licensee:** **Ikamva Lethu (Pty) Ltd**
Postal Address: Private Bag X24
Addo
6105
2. **Water Use**
 - 2.1 Section 21(a) of the Act: Taking of water from a water resource, subject to the conditions set out in Appendices I and II.
3. **Properties in respect of which this licence is issued**
 - 3.1 Remainder of Farm 653, Uitenhage RD
4. **Registered owner of the Properties**
 - 4.1 Ikamva Lethu (Ltd) Pty
5. **Licence and Review Period**
 - 5.1 This licence is valid for a period of twenty (20) years from the date of issuance and it may be reviewed at intervals of not more than five (5) years.

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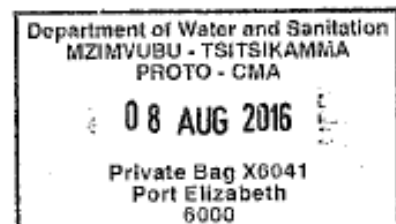
6. Definitions

Any terms, words and expressions as defined in the National Water Act, 1998 (Act 36 of 1998) shall bear the same meaning when used in this licence.

"The Provincial Head" means the Head of Provincial Operations: Eastern Cape Provincial Operations, Department of Water and Sanitation, P.O Box 7019, East London, 5200".

7. Description of the activities

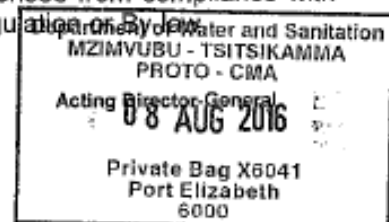
This water use licence authorises the maximum taking of 6 075 000m³ of water per annum from the Lower Sunday River. The abstraction point will be located at 33° 28' 07.4" S 25° 36' 30.9" E within N40E quaternary catchment on the Remainder of Farm 653, Uitenhage Registration Division, Sundays River Valley Municipality.



APPENDIX I

General conditions for the licence

1. This licence is subject to all applicable provisions of the National Water Act, 1998 (Act 36 of 1998).
2. The responsibility for complying with the provisions of the licence is vested in the Licensee and not any other person or body.
3. The Licensee must immediately inform the Regional Head of any change of name, address, premises and/or legal status.
4. If the property in respect of which this licence is issued is subdivided or consolidated, the Licensee must provide full details of all changes in respect of the properties to the Regional Head of the Department within 60 days of the said change taking place.
5. If a water user association is established in the area to manage the resource, membership of the Licensee to this association is compulsory.
6. The Licensee shall be responsible for any water use charges or levies imposed by a Responsible Authority.
7. While effect must be given to the Reserve as determined in terms of the Act, where a desktop determination of the Reserve has been used in issuance of a licence, when a comprehensive determination of the Reserve has finally been made; it shall be given effect to.
8. The licence and amendment of this licence are also subject to all the applicable procedural requirements and other applicable provisions of the Act, as amended from time to time.
9. The Licensee shall conduct an annual internal audit on compliance with the conditions of licence. A report on the audit shall be submitted to the Regional Head within one month of the finalisation of the audit.
10. The Licensee shall appoint an independent external auditor to conduct an annual audit on compliance with the conditions of this licence. The first audit must be conducted within 3 (three) months of the date this licence and a report on the audit shall be submitted to the Regional Head within one month of finalisation of the report.
11. Flow metering, recording and integrating devices shall be maintained in a sound state of repair and calibrated by a competent person at intervals of not more than two years. Calibration certificates shall be available for inspection by the Regional Head or his representative upon request.
12. Any incident that causes or may cause water pollution shall be reported to the Regional Head or his/her designated representative within 24 hours.
13. The licence shall not be construed as exempting the Licensee from compliance with the provisions of any other applicable Act, Ordinance, Regulation or By-Law.



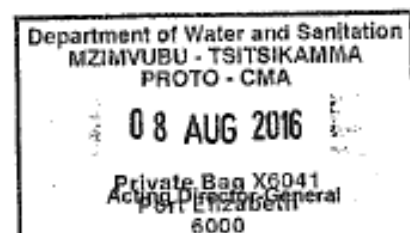
APPENDIX II

Section 21(a): Taking water from a water resource

1. This licence authorises the abstraction of a maximum quantity of 6 075 000m³/a (six million and seventy five cubic metres of water per annum) from the Lower Sundays River Water User Association at geographical position 33° 28' 07.4" S and 25° 36' 30.9" E , N40E quaternary catchment, for the irrigation of citrus crops.
2. The quantity of water authorised to be taken in terms of this licence may not be exceeded.
3. This licence does not imply any guarantee that the said quantity and quality of water will be available at present or at any time in the future.
4. The Licensee shall continually investigate new and emerging technologies and put into practice water efficient devices or apply technique for the re-use of water containing waste, in an endeavour to conserve water at all times.
5. The Licensee shall install and monitor appropriate water measuring devices to measure the amount of water abstracted, received and/or consumed, as applicable to the infrastructure. The Licensee shall ensure that all measuring devices are properly maintained and in good working order and must be easily accessible. This shall include a programme of checking, calibration, and/ or renewal of measuring devices. No water taken may be pumped, stored, diverted, or alienated for purposes other than intended in this licence, without written approval by the Minister or his/her delegated person

All water taken from the resource shall be measured as follows:

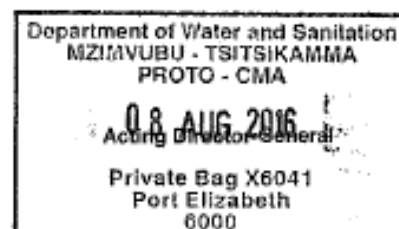
- 5.1 The daily quantity of water taken must be metered or gauged and the total recorded at the last day of each month; and
- 5.2 The Licensee shall keep record of all water measurements taken and a copy of the records shall be forwarded to the Regional Head on or before 25 January and 25 July of each year.
6. Notices written in all official languages prohibiting unauthorised persons from entering the certain areas, as well as internationally acceptable signs indicating the risks involved in case of an unauthorised entry must be displayed along the boundary fence of these areas.
7. The Department accepts no liability for any damage, loss or inconvenience, of whatever nature, suffered as a result of:
 - 7.1 shortage of water;
 - 7.2 inundations or flood;
 - 7.3 siltation of the resource; and
 - 7.4 required reserve releases.



8. The Licensee shall establish a programme of formal Information Management System, which maintains a database on water supply, distribution and delivery infrastructure.
9. The Licensee shall report on an annual basis in a format approved by the Responsible Authority
 - 9.1. Details of crops
 - 9.2. Irrigation system types

The record mentioned in Clause 9 shall be submitted to the Regional Head annually.

10. The Licensee shall establish and implement a continual process of raising awareness amongst itself, its workers and stakeholders with respect to Water Conservation and Water Demand Management initiatives.
11. The Licensee must comply with the motivation for contributing to the need to redress the results of past racial and gender discrimination, including the equitable access to the water resources and the benefits derived from the use of such resources as contained in the "Shareholder Agreement" dated 06 August 2015. A report to this regard must be submitted annually to the Provincial Head, for the full duration of this licence.
12. The shareholding of Worker's Trust and within SRCC Grower's Trust for the staff/employees in Ikamva Lethu Farms (Pty) Ltd must be maintained at 59% or more of the total shares at all times.
13. No limitations or ceiling may be placed on the percentage shareholding of both the Worker's Trust and SRCC Grower's Trust in Ikamva Lethu Farms (Pty) Ltd.
14. The shareholders of the Worker's Trust and SRCC Grower's Trust (Staff/Employees) must comprise of historically disadvantaged individuals for the duration of this licence.
15. Any change in the shareholder's agreement of Ikamva Lethu Farms (Pty) Ltd submitted with this water use licence application, which may reduce the shares for Worker's Trust and SRCC Grower's Trust will result in the withdrawal of this licence.
16. The Licensee must on annual basis submit the audited financial statements and reports to the Provincial Head. These reports must clearly indicate how the benefits, specifically shareholding, management control, economic and skills development accrue to the historically disadvantaged individuals or Worker's Trust and SRCC Grower's Trust.
17. In the event Ikamva Lethu Farms (Pty) Ltd is disposed to another legal entity, the successor must maintain the same or higher shareholding apportioned to the historically disadvantaged individuals.
18. The water use authorised by this licence must only be exercised by Ikamva Lethu Farms (Pty) Ltd on the property stipulated in this licence and may not be transferred or leased temporarily or permanently with prior approval of the Responsible Authority.



19. In the event Ikamva Lethu Farms (Pty) Ltd is abolished or cease to exist, the validity of this water use licence shall be deemed terminated or withdrawn with immediate effect as of the date the company is abolished or cease to exist.
20. If the property in respect of which this licence is issued be subdivided and be subject to change in ownership, the licence may not form part of such an agreement without prior approval from the Minister of this Department or any person delegated by him/her.

[END OF LICENCE]

