Water Research Commission

ANNUAL PERFORMANCE PLAN

2025/26

EXECUTIVE AUTHORITY STATEMENT

Water is the basis of all life. It is a critical resource, indispensable not only for the maintenance of human life and health but also for the conservation of ecosystems and the socio-economic advancement of any country. South Africa is blessed with many natural riches, but water is not one of them. This means that the country must work carefully with the water that it has. Through sophisticated engineering and technological advances, South Africa has managed to expand access to water to nearly 90% of all households, while 84% have access to sanitation services.

Providing services to the remaining unserved communities while halting the deterioration of existing water and sanitation services is an important obligation for the South African government. The South African Constitution guarantees water rights. We therefore cannot let our people down by not fulfilling this commitment. Therefore, ensuring that water is available at the quantities and quality required to meet the needs of people, industry and the environment remains essential to our socio-economic progress.

These challenges are exacerbated by climate change, which essentially expresses itself through changes in the hydrological cycle. Climate change is expected to have a major impact in South Africa, with consequences for people, the economy, and the ecosystems. These consequences have been experienced in the form of extreme weather events, such as droughts and floods, which have impacted various parts of the country. To address these impacts, adaptation actions must be taken to manage or reduce potential harm. Planning for such adaptation measures requires expanding our knowledge about climate change impacts, and integration of adaptation and mitigation measures into long-term water resource management plans.

The Department of Water and Sanitation (DWS) has identified three key priorities in the short- to medium-term. Firstly, the department is investing in additional water resource infrastructure to capture the remaining exploitable water resources in South Africa. In this regard, several bulk water infrastructure projects, including the raising of existing dam walls and the building of new dams, such as Polihali Dam as part of the Lesotho Highlands Water Project, are well underway.

Secondly, the DWS is looking to diversify the water supply mix. At present, South Africa's water supply consists of 77% surface water. As water demand grows due to population and economic growth and development, alternative sources are required to meet the supply. More investment is therefore required in alternative water resources, including groundwater, desalination of seawater, utilising return flows from treated wastewater systems, and the reuse of poor-quality water such as industrial effluent and mine water.

Thirdly, the DWS is implementing more effective water conservation and demand management programmes to reduce water consumption levels among all water users. There are opportunities to increase water use efficiency in all water use sectors. Most of these sectors are expected to experience growth and use more water as the country develops. Given the complexity of the water agenda, it is clear that no single government department or organisation can tackle these issues alone. Addressing these challenges requires a combination of resources, investments, technical expertise, and innovations. Research, development and innovation (RDI) have a significant role to play in the improvement of the management of our water resources for the benefit of all our citizens.

South Africa is privileged to have a productive, albeit small, water science community, led by the Water Research Commission (WRC). We are inspired by the fact that the country has produced several new solutions, inventions and technologies that have the potential to not only solve South Africa's problems but may also have further applications globally. Scientific research is continuously adding to our knowledge and tools required to achieve a water-secure future. The Department will continue to work with the WRC towards innovative, sustainable solutions for the benefit of all South Africans.

MS PEMMY MAJODINA MP
MINISTER OF WATER AND SANITATION
DATE 05 | 02 | 2025

ACCOUNTING AUTHORITY STATEMENT

The presence of an organisation such as the WRC is increasingly vital as South Africa faces the growing challenges of water scarcity and recognises the central role that water plays in the country's development. While South Africa is rich in many natural resources, as a semi-arid country, water is one of its most limited, as a semi-arid country, compelling the country to invest heavily in resilient water infrastructure and technologies.

As the primary funder of water- and sanitation-related research in South Africa, the WRC has been at the forefront of water and sanitation RDI for more than five decades. The WRC fulfils its mandate by prioritising research based on the needs of the water sector and its stakeholders. Supported projects span the entire water cycle, addressing critical issues related to water availability, water quality, water use and water management. Through the RDI agenda, programmes and projects, the WRC aims to make a significant contribution to resolve water security and socio-economic challenges, whilst fostering an innovation-driven water and sanitation sector in South Africa. In 2024, the RDI programme introduced five thematic areas that will guide the creation of new knowledge, innovation and capacity building in the years to come. The WRC contributed towards an inclusive water and sanitation sector skills pool training, increasing the RDI research capabilities by focusing on women and youth, and funding of students through RDI projects and other partnership initiatives for training and development. The WRC RDI has been reorganised to focus areas include water availability, water use, water quality and health, water advisory support and knowledge services.

As the gap between water supply and water demand continues widen, it is crucial to act before water demand exceeds supply in any of the water management areas. South Africa's inherent l water scarcity is exacerbated by climate change. Water is the primary medium through which the impact of climate change will be felt. Climate change is expected to alter rainfall patterns, increase temperatures, and lead to more frequent, intense and extreme weather events.

Additionally, increased in evaporation rates, changes in soil moisture, recharge and runoff are likely to affect water availability and water quality. Projections of climate change scenarios indicate that the western and interior parts of the country will become drier and hotter. In contrast, the eastern parts of the country will experience wetter and warmer conditions. In response to these challenges, the WRC has prioritised climate resilience and adaptation-related research as the key focus of its current strategy.

The WRC is funded by levies on water consumption, and the responsible management of these public funds remains a top priority for both the Board and the Executive team. The WRC also leverages co-funding through partnerships with the private sector and donor organisations to augment its research efforts and extend the impact of its RDI work. Over the next five years, the WRC will continue to lead the charge from within the water science and technology community, the broader National System of Innovation (NSI) and build capacity for the sector toward a water-secure future for South Africa and its people. The WRC Board is committed to oversee the implementation of the strategy for the next strategy cycle.

Dr RB Melamu
Chairperson of the Board

ACCOUNTING OFFICER STATEMENT

Achieving sustainable water security remains an elusive challenge for semi-arid South Africa and even more challenging with population growth, urbanisation, and the recent frequent and prolonged extreme weather events such as floods and droughts. The ecosystem requires enough water that is fit for purpose to ensure human health, sustain livelihoods, protect biodiversity and for economic growth. Thus, the management of the water resource holistically (surface water, groundwater, spring, etc.,) is a pre-requisite to ensure water security and that all needs are serviced effectively and efficiently from the available finite resource.

There is convergence across the globe that increasing water scarcity, deteriorating quality, and climate change impacts remain a critical risk (WEF, 2025) and South Africa is not immune to this. In response, the WRC has heightened its efforts to develop new scientific and technical knowledge and translate it into impactful solutions that can contribute to addressing the triple challenge of inequality, poverty, and unemployment and to improve the South African socio-economic development outlook. Thus, the WRC has arranged its technical core Research, Development and Innovation (RDI) programme into five key thematic areas namely; water availability, water use, water quality and health, water advisory support and knowledge services. This program's key focus outcomes include; contribution towards South Africa's attainment of the United Nations (UN) Sustainable Development Goals (SDG), the National Development Plan (NDP) and Vision 2030 Targets, and the government's 2025-2030 priorities.

Over the next five years, the WRC will focus on achieving four main outcomes through the implementation of its legislated mandate as follows:

- An informed society: through a stakeholder-centric strategy where the research agenda outcomes are responsive to the water sector and broader societal challenges.
- An innovative water sector: that embraces digitization, automation and new systems and technologies, that can prevent, predict and address water resource and water service provision challenges.
- A transformed water sector: where the human capacity and skills development interventions will ensure the production of graduates, researchers, citizen scientists and water stewards with a bias on women, youth and people living with disability for the benefit of the water sector.

- An agile organisation: where behavioural competencies are linked to the values of the organisation through training, development, and upskilling interventions.

As the leading funder of water research in South Africa, and funded through the water research levy, the WRC aims to effectively contribute to making an impact through the development of solutions that will improve the current state of water and sanitation in the country to a secure and resilient one. Over this 5-year planning cycle, the finance sub-program will continue to focus on prudent financial management practices and associated clean audit outcomes.

The WRC will continue to re-skill and upskill its employees to ensure that they can respond to the 4th Industrial Revolution (4IR), digitisation, and artificial intelligence in the workplace, as well as data management and analytics. Furthermore, the development of high-end water sector skills will be emphasised as part of the RDI outcomes by funding postgraduates, Post Doctoral fellows and exposing them internationally, and the training and development of young graduates through internship programs. The interaction with the broader community who are stakeholders will be implemented through a stakeholder-centric progressive and transformed Corporate Social Investment (CSI) program, that aims to develop a citizen science and water stewards' community.

The management of the WRC appreciates the effective participation of the Board, staff, and broader stakeholder community in developing this five-year Vision and Strategy aimed at making an impact on the sector and broader society.

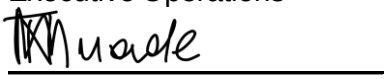
Dr JB Molwantwa
Chief Executive Officer

OFFICIAL SIGN-OFF

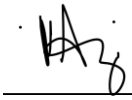
It is hereby certified that this Annual Performance Plan:

- Was developed by the management and the Board of the Water Research Commission under the guidance of Ms Pemmy Majodina MP, the Minister of Water and Sanitation
- Considers all relevant policies, legislation, and other mandates for which the Water Research Commission is responsible
- Accurately reflects the outputs which the WRC will endeavour to achieve over the 2025/26 planning period

Ms T Muade
Executive Operations

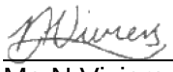


Ms T Muade
Acting Executive: Corporate Services



Dr S Liphadzi
Executive: Research, Development, and Innovation

Dr V Naidoo
Acting Executive: Stakeholder and Communication



Ms N Viviers
Acting Chief Financial Officer

Dr JB Molwantwa
Chief Executive Officer

Dr RB Melamu
Chairperson of the Board

Approved by:

Ms Pemmy Majodina MP
Minister of Water and Sanitation

LIST OF ACRONYMS

4IR	Fourth Industrial Revolution
Agenda 2063	African Union, Agenda 2063
AI	Artificial intelligence
CBOs	Community-based organisations
DSTI	Department of Science, Technology and Innovation
DWS	Department of Water and Sanitation
ERRP	Economic Reconstruction and Recovery Plan
GDP	Gross domestic product
GERD	Gross domestic expenditure on research & development
HCD	Human capital development
HEIs	Higher education institutions
HLPW	High Level Panel on Water
ICT	Information and communication technology
IWRM	Integrated water resource management
MTSF:2024	Medium-Term Strategic Framework: 2019–2024
NDP	National Development Plan, 2030
NRF	National Research Foundation
NSI	National System of Innovation
NWSMP	National Water and Sanitation Masterplan
NWA	National Water Act, 1998 (Act 36 of 1998)
NWRS3	National Water Resource Strategy 3
PC4IR	Presidential Commission on the Fourth Industrial Revolution
PFMA	Public Finance Management Act, 1998 (Act 1 of 1998)
POPIA	The Protection of Personal Information Act, 2013 (Act No. 4 of 2013)
RDI	Research, Development, and Innovation
SDG	Sustainable Development Goals
SMME	Small, medium and micro enterprise
Wader	Water Technologies Demonstration Programme
WMI	Water management institutions
WRA	Water Research Act
WRC	Water Research Commission
WRL	Water research levy
WSA	Water Services Act, 1997 (Act 108 of 1997)
WSDP	Water Services Development Plan

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PART A: OUR MANDATE

1. LEGISLATIVE AND POLICY MANDATES

1.1. Legislative mandate

The legislative environment, policies, and frameworks of Government which, among others, provide developmental priorities for the country and the water sector, are a strategic impetus for the WRC. Key legislation and policy mandates relevant to the functioning and delivery of the WRC mandate are detailed below.

1.1.1 Constitutional mandate

The Constitution of the Republic of South Africa, 1996, as amended, encompasses the Bill of Rights, which is a cornerstone of democracy and enshrines the rights of all people, including affirmation of democratic values of dignity, equality, and freedom. The WRC, therefore, aligns with the following Constitutional imperatives:

- Everyone has the right to an environment that is not harmful to their health.
- Everyone has the right to have the environment protected, for the benefit of present and future generations, through reasonable legislative and other measures that prevent pollution and ecological degradation; promote conservation; and secure ecologically sustainable development and use of national resources while promoting justifiable economic and social development.
- Everyone has the right to have access to sufficient food and water.

The Constitution further provides a foundation to effect the individual rights of academic freedom and freedom of scientific research, which aligns with the WRC mandate.

1.1.2 Water Research Act (Act 34 of 1971)

The Water Research Act enables the WRC to coordinate and promote, as determined by the Minister or in broad outline, research in respect of:

a) The occurrence, preservation, conservation, utilisation, control, supply, distribution, purification, pollution, and reclamation of water supplies and water
b) The use of water for:
    i. Agricultural purposes
    ii. Industrial purposes

iii. Urban purposes

1.1.2.1 Functions of the Water Research Commission

In executing its mandate, the functions of the commission shall be:

a) to cause, by itself or in collaboration with the Council for Scientific and Industrial Research established by section 2 of the Scientific Research Council Act, 1945, any State department, university or other institution, research to be undertaken in respect of matters relating to water;
b) to promote the research referred to in section 2(3), and in connection therewith to establish research programmes or to alter research programmes so established;
c) to make grants, with the approval of the Minister, and on such conditions as the Minister may approve (including conditions relating to rights regarding inventions and discoveries arising therefrom) from the fund to individuals, universities and other institutions for the benefit of such research, the development work for the application of the results of such research and the establishment of facilities for such research;
d) to receive and to examine progress reports on such research and the development work for the application of the results of such research;
e) to obtain information relating to such research and to development work for the application of the results of such research;
f) to accumulate, to assimilate and to disseminate knowledge in regard to the results of such research and the application thereof, and to promote development work for the purposes of such application;
g) to co-operate with institutions undertaking such research in other countries, with a view to the accumulation or dissemination of knowledge of such research and the results thereof;
h) to advise the Minister in respect of the levying of rates or charges under section 11;
i) to take such other measures as the commission may consider conducive to the attainment of its objects.

1.1.3 National Water Act, 1998 (Act 36 of 1998) as amended

The objective of the National Water Act (Act 36 of 1998) (NWA) is to ensure that South Africa's water resources are protected, used, developed, conserved, managed, and controlled in a sustainable and equitable manner, for the benefit of all persons. The NWA provides for the pricing strategy for water use charges, the primary mechanism for the calculation of a charge, payable

by some or all raw water users, that is set for research purposes. The role of the WRC is to align its funding priorities with those key national water challenges articulated in the NWA and to help solve water-related problems which are critical to South Africa's sustainable development and economic growth.

1.1.4 Water Services Act, 1997 (Act 108 of 1997)

The Water Services Act (Act 108 of 1997) (WSA) provides for the right of access to basic water supply and basic sanitation by setting national standards and norms. Section 156, read in conjunction with Part B of Schedule 4 of the Constitution of the Republic of South Africa, vests in the Executive Authority the responsibility to support and strengthen the capacity of municipalities to manage their affairs, exercise their powers and perform their functions. Applicability of the WSA to the WRC rests in the WRC's duty to respond through research and development to water supply and sanitation needs with research and development that helps to address those needs.

1.1.5 Public Finance Management Act, 1999 (Act 1 of 1999)

The Public Finance Management Act (Act 1 of 1999) (PFMA) regulates financial management in the national government and provincial governments to ensure that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in those governments; and to provide for matters connected therewith. The WRC is listed in Schedule 3: Part A as a National Public Entity and the provisions of the PFMA and its Treasury Regulations apply to its operations.

1.1.6 Protection of Personal Information Act, 2013 (Act 4 of 2013)

The Protection of Personal Information Act (POPIA) has been promulgated to regulate, in harmony with international standards, the processing of personal information by anyone who keeps any type of records relating to the personal information of others, public and private bodies in a manner that protects the right to privacy, subject to justifiable limitations that are aimed at protecting other rights and important interests.

The processing of information includes collecting, receiving, recording, organising, retrieving, or using such information; or disseminating, distributing, or making such personal information available. POPIA also relates to records which are already in one's possession.

1.2. Policy Mandates

1.2.1 National Water Resource Strategy 3

The scope and purpose of the third instalment of the National Water Resource Strategy (NWRS-3) provides a vision for the protection and management of water resources to enable equitable and sustainable access to water and sanitation services in support of socio-economic growth and development for the well-being of current and future generations. The NWRS-3 aims to enable achievement of this vision through the following overarching goals:

- Water and sanitation supporting development and elimination of poverty and inequality
- Water and sanitation contribution to the economy and job creation
- Water that must be protected, used, developed, conserved, managed and controlled sustainably and equitably

NWRS-3 considers research and innovation in the water sector as crucial elements in the achievement of both national and international imperatives of water conservation and demand management, water security and the public health benefits of sanitation. The key focus area will be on development of tools for skills development and the capacity required to address the current and future needs of the water and sanitation sector.

1.2.2 National Development Plan, 2030

The National Development Plan, 2030 (NDP) provides an overarching policy framework for a trajectory to deal with the triple challenges of inequality, unemployment, and poverty. The NDP supports a new societal deal of increased cooperation between government, business, labour and other social partners for economic growth and development. The NDP further emphasises investment and development of bulk water, including water resource management infrastructure for water conservation and demand management, integrated catchment management and resource protection, and human capital development, such that there is water security for development.

1.2.3 African Union Agenda 2063

Agenda 2063 of the African Union provides a shared strategic framework for inclusive and sustainable development and a global strategy to optimise the use of resources for the benefit of all Africans. It serves as a concrete manifestation of the pan-African drive for unity, self-determination, freedom, progress, and collective prosperity. South Africa has prioritised its

contribution to the development of the continent and in this regard the African Union Agenda 2063 is key. It provides the strategic framework for the socio-economic transformation of the continent and builds on the initiatives for growth and sustainable development. A prosperous Africa based on inclusive growth and sustainable development is one of Agenda 2063's aspirations and is significant to the WRC as it emphasises Africa's unique natural endowments, health and protection of its environment and ecosystems, and climate-resilient economies and communities.

1.2.4 United Nations Sustainable Development Goals

The Sustainable Development Goals (SDGs) are designed to be a blueprint for the achievement of a sustainable future across the world. The SDGs seek to address key systematic barriers to sustainable development, such as inequality, unsustainable consumption patterns, weak institutional capacity and environmental degradation. The SDGs further seek to improve water quality through pollution reduction, and to ensure sustainable withdrawals and the supply of freshwater to address water scarcity. The United Nations further convened a High Level Panel on Water (HLPW) which made recommendations on how to accelerate progress in achievement of availability and sustainable management of water and sanitation for all, as well as achievement of multiple other SDGs. High-level recommendations by the HLPW included, among others: understanding, valuing and managing water so as to provide a foundation for broader integrated water management; an integrated approach at local, country and regional levels, including building partnerships and international collaboration at the global level.

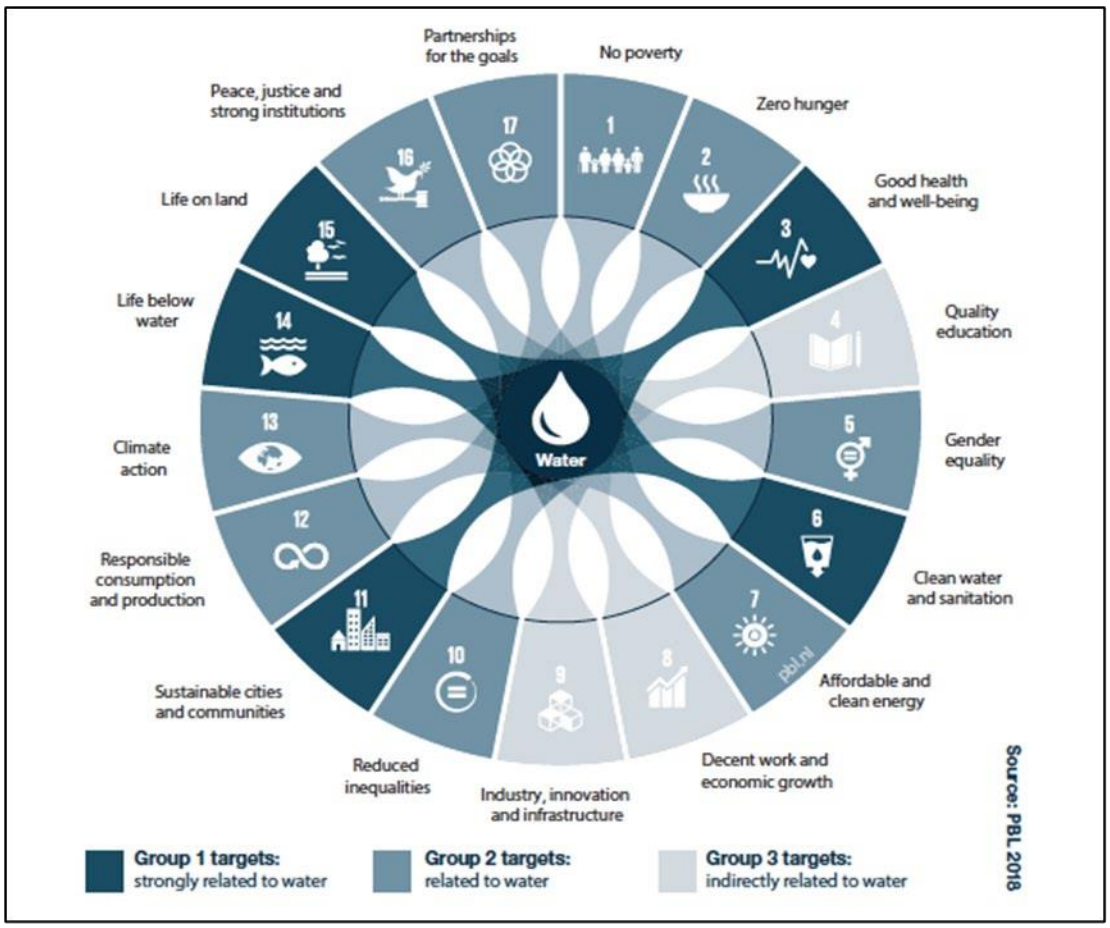


Figure 1: How water links to the SDGs

1.2.5 Presidential Commission on the Fourth Industrial Revolution

The Presidential Commission on the Fourth Industrial Revolution (PC4IR) outlined a vision for the development of South Africa to achieve prosperity, wealth creation, and inclusiveness, in being connected, digitally advanced, and technologically 'smart'. Furthermore, the development of 4IR systems can help to reach several goals articulated in South Africa: Vision 2030, specifically those that relate to:

- Economy and unemployment
- Economic infrastructure
- Improving education, training, and innovation
- Environmental sustainability and resilience
- South Africa's role in the region and the world
- Transforming human settlements

The PC4IR further identifies that South Africa's National System of Innovation (NSI) needs research and ideas on how it can be more effective, which is an element that the WRC will adequately respond to.

1.2.6 Economic Reconstruction and Recovery Plan

The Economic Reconstruction and Recovery Plan (ERRP), published by the National Treasury during the COVID-19 pandemic, aims to stimulate equitable and inclusive growth. One of the nine priority interventions the ERRP has identified is 'green economy interventions', which can be linked to the water sector as they guarantee the security of water supply, and effective wastewater management, among others. The ERRP indicates that, as part of South Africa's green agenda, private and public buildings will be retrofitted with measures to improve water efficiency.

1.2.7 White Paper on Science, Technology and Innovation, 2019

The National System of Innovation (NSI) concept was introduced into the formal public discourse through the 1996 White Paper on Science and Technology. The NSI is conceptualised as a means by which a country seeks to create, acquire, diffuse, and put new knowledge into practice so that the country and its people achieve their individual and collective goals. The 2019 White Paper on Science, Technology, and Innovation advocates for a coherent, inclusive NSI. The NSI concept is thus retained as an organising framework for the institutional landscape, wherein interactions and partnerships are encouraged among businesses, research institutions, higher education institutions (HEIs), and civil society. Coherence in key policy areas is encouraged and should be strengthened through shared values, information, and competencies. Further, the White Paper reflects the expansion of the scientific knowledge base, the strengthening of institutions, and the expansion and upgrading of the policy position, including monitoring and evaluation of the NSI.

1.3 Institutional Policies and Strategies

1.3.1 National Water and Sanitation Master Plan (NWSMP)

The National Water and Sanitation Masterplan (NWSMP) intends to coalesce water users and all the water management institutions (WMI) to resolve issues on water and sanitation service delivery. This is a novel plan that guides the South African water sector, led by the DWS, and is implemented at the local government level and with other sector partners. The plan is directed

towards the implementation of tangible actions that have an impact on the management of South Africa's water resources and the supply and use of water and sanitation in the country.

The plan proposes three pillars for RDI, namely: research activities, skills, and deployment of innovation. The 'research activities' pillar aims to address ongoing research gaps, deepen insights and outputs in areas where South Africa has a unique global contribution to make, and continue growing capabilities in areas that are key to South African water security. The pillar on 'skills' focuses on high-end skills to ensure that there are suitably qualified individuals to drive the system of water for innovation, and to obtain an understanding of how universities are preparing their graduates for careers in the water sector. It further focuses on postgraduate, post-doctoral and research skills in alignment with international trends. The third pillar focuses on the deployment of innovation into practice in several ways: firstly, to package research outputs in a way that supports decision-making or policy-making, with demonstration and validation of a range of technology and decision support tools.

1.4 Alignment with Government and sector priorities

The WRC strategy seeks to align its outcomes and long-term impact (Table 3) with the priorities of the Medium-Term Development Plan: 2024-2029 (MTDP:2029).

The MTDP: 2029 priorities are as follows:

- Priority 1: Drive inclusive growth and job creation
- Priority 2: Reduce poverty and tackle the high cost of living
- Priority 3: Build a capable and ethical and developmental state

Table 1: Alignment of WRC outcomes to the SDGs, MTDP and sector priorities, and outcomes

GOVERNMENT PRIORITIES	DWS/SECTOR PRIORITIES	WRC PRIORITIES
Drive inclusive growth and job creation: 1. Save existing jobs and industries 2. Industrialisation and localisation 3. Regulatory reforms, competition and SMMEs 4. Infrastructure investment	Ensure timeous investment in additional water resources infrastructure to capture the remaining 25% of exploitable surface water resources.	An innovative water sector
		A transformed water sector

GOVERNMENT PRIORITIES	DWS/SECTOR PRIORITIES	WRC PRIORITIES
5. Ensure economic policy coherence and integration 6. Promote trade, tourism and investment	Diversify the water mix and make use of other sources of water (groundwater, re-use, desalination)	An agile organisation
7. Ensure a just transition to a low-carbon economy 8. Promote spatial transformation and cities as engines of growth 9. Rural development, land reform and agriculture 10. Promote science, technology and innovation for growth 11. Promote economic transformation	Implement more effective water conservation & demand management programmes to bring the water consumption per capita levels in line with or below the international average	
Reduce poverty and tackle the high cost of living: 1. Reduced poverty and improved livelihoods 2. Leverage of social security for local economic development 3. Early childhood development 4. Enhancing the quality of basic education and technology 5. Improve post-school education and training 6. Non-communicable diseases 7. Strengthen the national health system 8. Progressive implementation of the NHI	Implement more effective water conservation & demand management programmes to bring the water consumption per capita levels in line with or below the international average	An informed society A transformed water sector
Build a capable and ethical developmental state:		An informed society

GOVERNMENT PRIORITIES	DWS/SECTOR PRIORITIES	WRC PRIORITIES
1. Improve coordination, priority setting and implementation 2. Strengthen local government 3. Professionalisation of the public sector to improve delivery/ efficiency 4. Continue work to reform SOEs and public entities 5. Promote safer for communities 6. Address various forms of organised crime 7. Improve prosecutions against crime & corruption & improve coherence of CJS 8. Ensure effective border management		An agile organisation A financially sustainable organisation

1.5 Relevant court rulings

There are no relevant court rulings that may have an impact on the operations or service delivery obligations in the 2025/26 financial year.

PART B: OUR STRATEGIC FOCUS

OUR VISION

To be the premier water research development and innovation knowledge hub in South Africa and globally.

OUR MISSION

Coordinate and promote water research development and innovation to enhance evidence-based decision-making for improved socio-economic conditions and technological developments to:

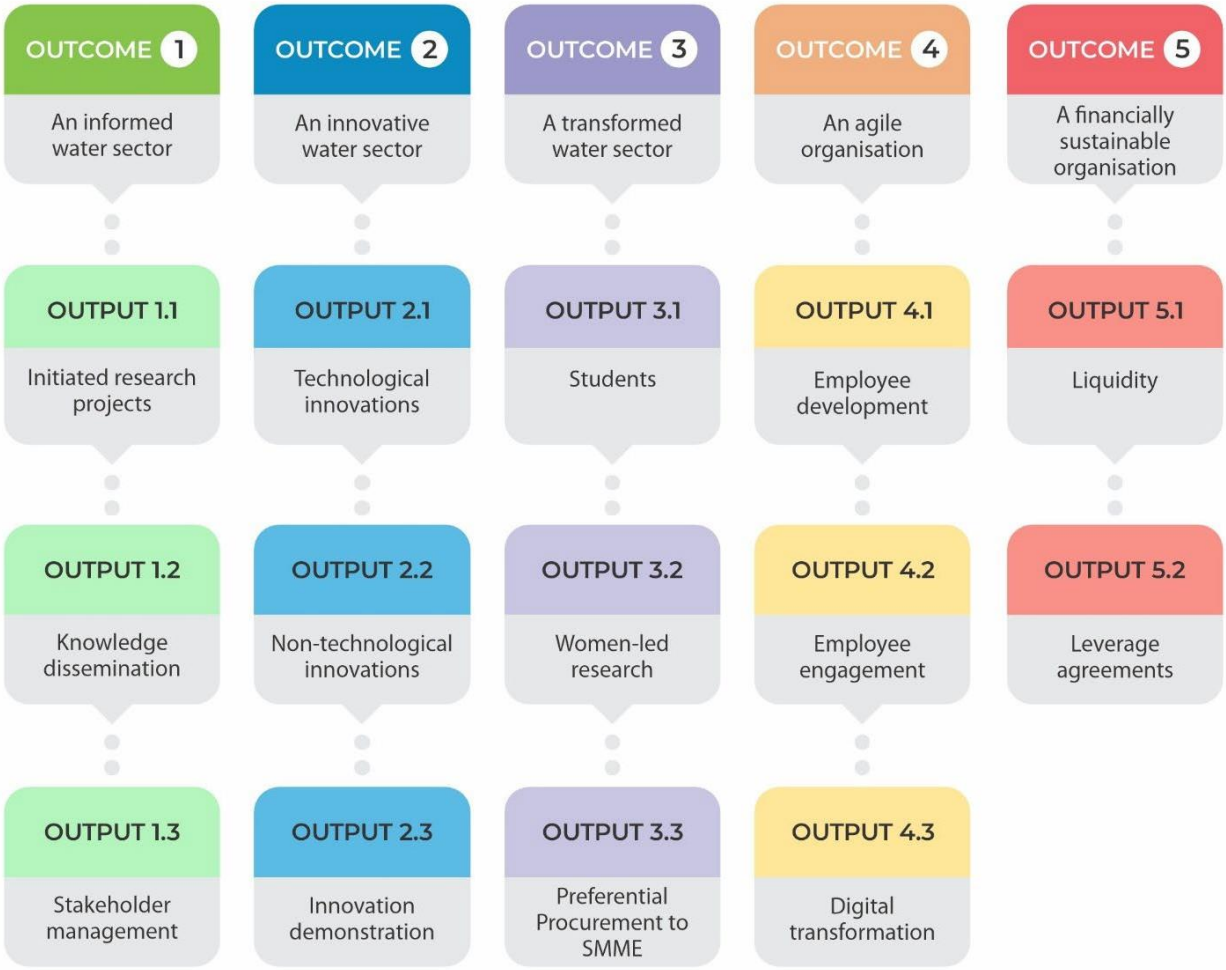
- Inform policy and decision-making;
- Create new products, innovations and services for socio-economic development;
- Develop human capital in the water and sanitation science sector;
- Empower communities and reduces poverty; and
- Support the national transformation and redress project.

OUR VALUES

- **S**takeholder centric
- **I**ntegrity
- **P**rofessionalism
- **I**nnovation and creativity
- **L**earning and sharing
- **A**gility

STRATEGY MAP

Figure 2: WRC Strategy Map



2 SITUATIONAL ANALYSIS

The WRC's performance environment is created on the premise that the crux of the water and sanitation challenge in South Africa is a capacity and capability challenge that requires evidence-based and scientific decision-making. The three dimensions of this challenge addressed by the WRC are new knowledge, human capital, and technological solutions, through funding and facilitation of water RDI; knowledge generation and dissemination; and the translation of research and innovation products to advance national water security. The recipients of this knowledge may be HEIs, science councils, the private sector, and the various tiers of government.

There is convergence across the globe that increasing water scarcity on the back of decreased availability, deteriorating quality, and impacts of climate change is a crowning global crisis. South Africa is not immune to this. As a response, the WRC has heightened its efforts to not only grow scientific and technological knowledge but to translate this repository of knowledge into tangible, accessible, and cost-effective products that provide options for use on the ground. While the Commission's increased efficiencies, innovation, and partnerships will continue to maintain knowledge production levels, it is becoming increasingly difficult to meet two very basic challenges in the South African water value chain: The first is the ability to address the increasingly complex nature of problems such as non-revenue water, water quality and quantity, food security and the burden of disease, which are inter-linked and water-related. The second is the WRC's ability to both transform the South African RDI community through the development of researchers from the designated groups and to create further avenues for job creation and entrepreneurship development, which are all restricted by the limited availability of funds. At the same time, technological innovation, improvements in communication, increased collaboration and international partnerships have enhanced the ability of the South African water RDI community to contribute to global knowledge and communities of practice.

With the aforesaid, pursuit and success in the execution of the strategy of the WRC can be achieved when the required strategic resources and capabilities have been built and deployed. The WRC is thus considered to be a system, with an array of parts with their own distinct functions that can be affected by internal and external environmental factors. The external and internal environmental factors are discussed below.

2.1 External environment

The outcome of an external environmental analysis provides the identification of strategic capabilities that may affect the delivery of the WRC's mandate. These are derived from global influences whose impacts on industry drivers are immense and disruptive to current business models. The water sector, including the WRC, is no exception. The external environmental analysis was organised across the following key dimensions:

2.1.1 Climate change

Climate change is one of the most powerful global forces inspiring a new business narrative as it may destabilise markets and curb economic growth. Weather patterns are increasingly becoming less favourable, and the frequency and severity of extreme events are increasing as temperatures are projected to continue rising and rainfall patterns are expected to shift. The incidence of climate-related water- and vector-borne diseases is expected to rise across all regions, and there will be a higher frequency of substantial damages, and increasingly irreversible losses, in freshwater ecosystems.

It is expected that Southern and North Africa will be severely impacted as it is estimated that their 'share of decade spent in drought' will average 80% by the year 2050 (UN World Development Report, 2024). Potential impacts of climate change on the South African economy are projected in Table 1, which shows that if South Africa adopts the agreement as per the Paris Accord and temperature increases are kept at or below 1°C, the potential GDP losses could be minimised. If there are no countervailing actions to reduce emissions, temperatures could increase by 4°C by the year 2100 resulting in increased potential GDP losses of 3.4%.

Table 2: Potential South African GDP losses due to climate change by 2100

Increase in temperature	1°C	2°C	3°C	4°C
Impact on South African GDP	−0.74%	−1.57%	−2.46%	−3.43%

Source: Kompas, Ha & Che, 2018

2.1.2 Digital transformation

It is estimated that 80% and 50% of utilities in the developed and developing worlds, respectively, are expected to undergo digital transformation by 2025, meaning that fast advances in affordable

sensors, high-resolution remote sensing, communication technologies, and social media are contributing to the proliferation of big data in the water sector and are likely transforming traditional decision-making strategies. Big data analytics and AI are set to bring new opportunities and challenges into the water sector that may have policy and labour outcomes.

Progress in these revolutions in the water sector, intertwined with AI and big data, can be a catalyst for socio-economic changes that will cross sector boundaries (for instance, water and health sectors), as the emergence of new needs and business models will influence research in the water sector, with new forms of research based on large amounts of data being possible.

While technology will not be a panacea to address the current water-related challenges, technological advances are changing the resources equation in several ways; for instance, advances in analytics, robotics, and other elements such as materials science are already reducing resource consumption. The Fourth Industrial Revolution in the water sector will thus lead to an acceleration of a water resources innovation cycle.

2.1.3 State of the South African water research enterprise

The South African research enterprise has seen some growth in the past two decades as there has been a substantial amount of research collaboration in various fields culminating in an increased production of academic articles. In addition, there has been an improvement in the quality of articles produced and the frequency of their citation. However, there are still weaknesses in the system that require attention, particularly that investments in research and development in South Africa have not increased substantially compared to the rest of the world, meaning that strategic research areas such as water, energy, and food security remain underfunded.

The minimum funding requirements to achieve all the aspects of water research in the three main crucibles, i.e., access to water and sanitation, water and sanitation services, and preservation of ecological water resources, suggest a wide range of priorities indicative of the need for more resources. However, the South African Gross Domestic Expenditure on Research and Development (GERD) averaged 0.6%, compared to the global average of 2.6%. The DWS, through the WRC and the National Research Foundation (NRF), are the biggest funders of water research in South Africa. Across all science, technology, and innovation sectors, South Africa is struggling to break through the 1% benchmark. There is therefore a need to explore other funding

sources for water research and development, with the private sector being the most obvious partner. Countries that have business funding a major component of research have recorded huge economic growth compared to those where funding is mostly from the government.
The institutional landscape in water research is composed of a number of research groups located within the HEIs. The institutional landscapes governing water research is sub-critical in comparison to the socio-economic importance of water in South Africa, with the additional challenge being that of data management, to the effect that datasets are incompatible and maintained in different databases.

The National Water and Sanitation Masterplan points to a need for recruitment of human resources at technical and managerial levels. The number of Masters and Doctoral graduates in the field is quite low, which is a concern. The water sector will not perform at its optimum if the current proficiency levels are not enhanced to the required levels across the entire value chain. Human capital development (HCD) is therefore required to increase the amount of locally produced expertise throughout the researcher pipeline.

2.1.4 State of South African water resources and services

Enormous pressure is mounting in terms of the demand for freshwater resources, due to increased demand for water and the prevalence of drought in Southern Africa. In South Africa's water sector and, more specifically, its water services sector, there are current dire and complex challenges linked to drought and associated management of water, as well as the critically concerning nature of the country's service delivery crisis. This has put pressure on wastewater treatment infrastructure and sanitation systems as key contributors to pollution in the water value chain.

The roots of this crisis have been linked to multiple issues that have led to the failure of local authorities to deliver water and sanitation services with commonly cited key issues being:

- ✓ Insufficient infrastructure capacity, coupled with poor maintenance of infrastructure
- ✓ A shortage of technical skills and overall human capacity shortages

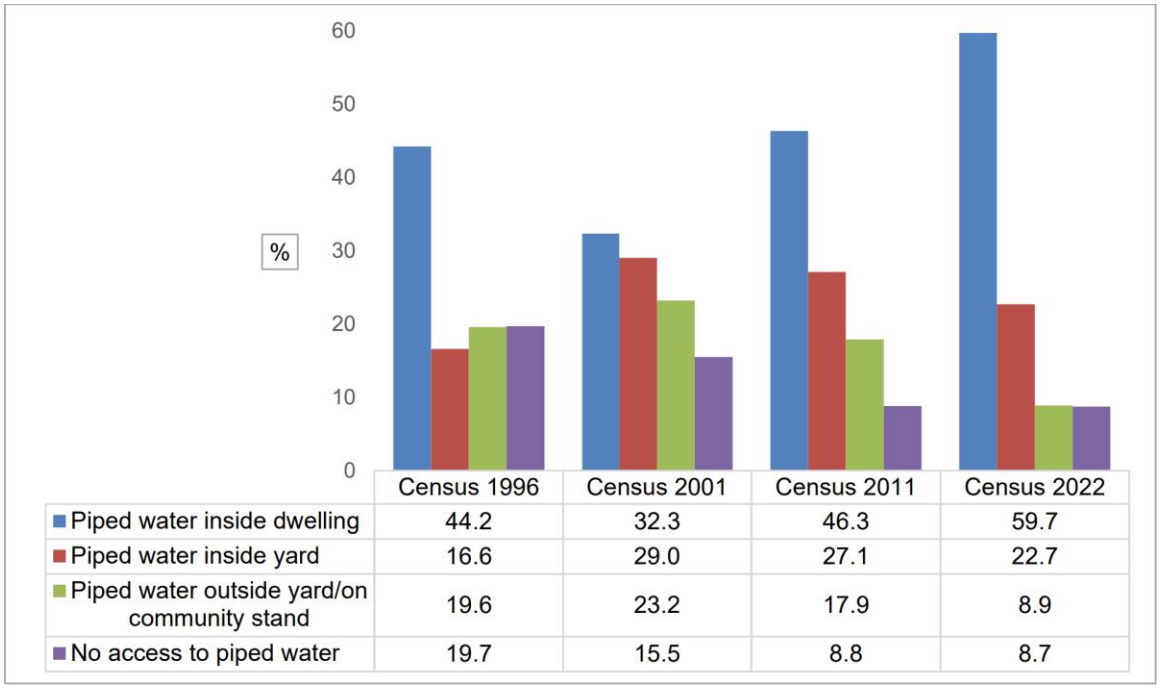
While there has been a proliferation of technocratic tools to assist with the planning and management of the water services sector, including spatial development frameworks, water services development plans (WSDPs), water safety plans, wastewater risk abatement plans, and others, there has been little success in effecting any significant improvements in the sector. Thus,

the institutional landscapes governing water research remain sub-critical compared to the socio-economic importance of water in South Africa, with the additional challenge being data management, to the effect that datasets are incompatible and maintained in different databases. Human capital development (HCD) is therefore required to increase the amount of locally produced expertise throughout the researcher pipeline.

South Africa is generally well-endowed with water resources infrastructure and is highly dependent on it to maintain reliable water supplies. Most of South Africa's rivers have been dammed with a storage capacity exceeding 100 million m^3 and approximately 20% provisioned for the ecological reserve. The biggest challenge affecting water resources is increasing pollution, mainly from industrial and domestic effluents, which is impacting the biotic diversity of freshwater ecosystems.

Notwithstanding the above, South Africa has made progress since the advent of democracy in providing water and sanitation services which has contributed toward the SDG targets, with some of the key achievements as follows:

- 82.4% of households have access to piped water inside the yard and 17.9% to piped water outside the yard



	Census 1996	Census 2001	Census 2011	Census 2022
Piped water inside dwelling	44.2	32.3	46.3	59.7
Piped water inside yard	16.6	29.0	27.1	22.7
Piped water outside yard/on community stand	19.6	23.2	17.9	8.9
No access to piped water	19.7	15.5	8.8	8.7

Figure 3 Percentage distribution of households by access to piped water, Census 1996–2022

2.1.5 The South African economic environment

Inflation has recently been at its highest in the past decade in most economies, with some developed economies announcing packages to countervail the rising inflation. While high inflation has put upward pressure on prices, mainly food and energy, the South African economy strengthened by 0.4% in the second quarter of 2024. The finance, manufacturing, trade, and electricity, gas, and water supply industries drove most of the economy's momentum on the production (supply) side. With the strengthening of the Rand, the Reserve Bank cut interest rates by 25 basis points in the third quarter as it continued to see a dip in headline inflation in the near term. This interest rate reduction is the first in more than four years, leaving the benchmark repo rate at 8%.

Most of the research and innovation projects in South Africa are funded through appropriations from the National Government. In the Auditor-General's report for water boards 2020/21 a slight financial health improvement was realised. However, concerns were raised about the time it takes for the water boards to collect monies owed to them and to pay their creditors. Furthermore, the WRC acknowledges the increased risk to financial sustainability, considering that the major source of the water research revenue comes from bulk water sales by water boards

2.2 Internal environment

The outcome of the internal environment analysis is the identification of core competencies and a focus on addressing critical internal vulnerabilities to build an effective water research institution. The internal environmental analysis is organised along the following dimensions:

2.2.1 SWOT analysis

Table 3: SWOT analysis

STRENGTHS	WEAKNESSES
- Good governance - Evidence-based knowledge solutions - Experienced and globally recognised research experts - Strong networks and partnerships - Innovative water solutions	- Undefined organisational culture - Undigitised organisational business processes and systems - Low brand awareness & visibility - Low cross-utilisation of skills - Poor brand enforcement from research products

OPPORTUNITIES	THREATS
- Respected leadership - Digitisation of organisational business processes and systems - Footprint expansion - Define organisation culture - Upgrade staff skills to meet future demands	- Decrease in water research - The legislative limitation to uptake of research - Misunderstanding of the WRC mandate - Cyber crimes

2.3 Organisational structure

The WRC structure (Figure 4) has been organised to enable it to be fit-for-purpose and comprises elements that enable its governance framework and are supportive towards effective strategy execution.

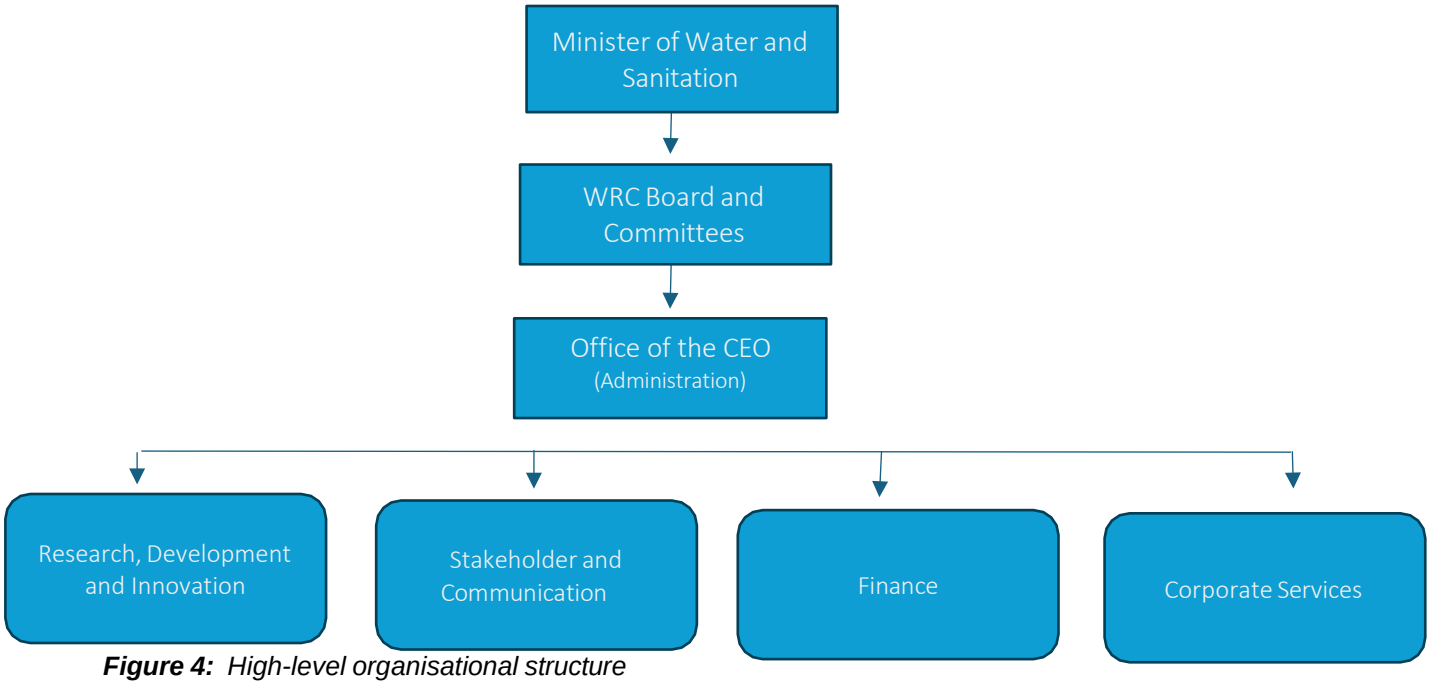


Figure 4: *High-level organisational structure*

Figure 4 depicts the relationship between the Board and the Minister of Water and Sanitation as the principal shareholder. Governance principles having implications for the shareholder, Executive Management and the Board apply.

PART C: MEASURING OUR PERFORMANCE

3. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

The optimal operating model design was utilised to arrange organisational capabilities into a programme structured to implement strategic outcomes as follows:

- Programme 1: Administration
- Programme 2: Research, Development, and Innovation
- Programme 3: Stakeholder and Communication

3.1 Programme 1: Administration

The purpose of this programme is to provide strategic direction and leadership to the organisation, in which the five-year strategy is operationalised through the Planning, Monitoring and Evaluation (PME), Risk and Compliance Management, ICT Governance, Finance and Corporate Services units and to set up appropriate parameters for organisational performance. Assurance services are provided to the Board through the Board Governance and the Internal Audit services, which administratively report to the CEO.

3.2 Programme 2: Research, Development and Innovation

Ensuring water security and continuous access to water for socio-economic activities in South Africa and the region is a key priority and core technical mandate of the WRC. The RDI programme focuses on the generation of new knowledge and innovations, and necessary enabling mechanisms, including continuously building human capital with the requisite cohort of skills required to support water RDI. The outputs from the RDI interventions generate results in new or adapted technologies and innovations which the WRC provides to the water and related sectors to address specific needs, priorities, opportunities, and challenges. It supports, ensures, and facilitates innovations and technologies that enable uptake along the innovation value chain and ultimately have a greater impact. The programme continues to support and encourage new RDI initiatives which adequately address these challenges and associated risks. Projects span the water value chain, including sanitation. This is implemented through active engagement with stakeholders to contribute to the RDI agenda and associated prioritisation and funding.

The co-funding through leverage projects from water and associated sector departments and entities, as well as private sector and donor organisations, provides a critical augmentation of the WRC's income and provides the opportunity for extending the water RDI impact. Through the RDI programme, there is significant progress made in informing policy and decision-making, piloting novel approaches and processes, providing skills and training development, and improving community and citizen science ambassadors' involvement, as well as significantly contributing to the global scientific endeavour. The programme continues to provide new tools and systems to enhance our ability to deal with environmental and economic shocks and to build the required resilience.

The programme executes its strategy through five (5) thematic areas as detailed.

Theme 3.2.1: Water Availability

Improving water availability through resource expansion and discovery is vital for tackling water stress and ensuring sustainable water resource management in South Africa. The Water Availability thematic area seeks to ensure sustainable water availability across all scales and contexts, and to produce innovations that resolve water challenges and improve water management practices.

Theme 3.2.2: Water Use

The water use thematic area seeks to provide knowledge and innovation that ensures reliable, affordable, and efficient water use services in the domestic, industrial, agricultural and mining areas to enhance the quality of life and contribute to economic growth and improved public and environmental health.

Theme 3.2.3: Water Quality and Health

The thematic area drives integrated research and innovation to generate new knowledge, insights and data to inform the establishment of appropriate health-based targets and thresholds for different water uses, development and deployment of appropriate and innovative water treatment and ecological infrastructure rehabilitation methods, inform adaptive strategies, and support the development of effective interventions to protect public/environmental health, build resilient communities and contribute to the attainment of water security.

Theme 3.2.4. Water Advisory Support

The water advisory support theme seeks to support extension services and strengthen capacity-building instruments through support for centres of excellence, communities of practice, Research Chairs, and advisory panels, in areas of importance at the local, district, provincial and national levels. The theme will be accelerating development support for technologies ready for demonstration and transfer, and provide advisory support as well as supporting grassroots innovators, startups and entrepreneurs while building resilience.

Theme 3.2.5 Knowledge Services

The water RDI products must reach the target audience and different levels of expertise, including academia, students, regulators and policy developers, water services and resources entities, the DWS and other associated government departments. An unremitting challenge for the WRC is to improve the accessibility of WRC-generated knowledge to the stakeholders it is intended to reach, in a format that is acceptable and understandable for each stakeholder type. Effective knowledge dissemination often requires the distribution of the same key messages in multiple formats and through multiple channels to reach and inform different stakeholders. The WRC will work towards creating specific knowledge dissemination methods and strengthen existing tools to cater for the knowledge and information needs of its specific stakeholders.

3.3 Programme 3: Stakeholder and Communication

The WRC's five (5)-year strategy is premised on recognising the importance of the role played by stakeholders to ensure that the water RDI products are taken up, used and contribute to adaptation and creation of a resilient water sector. The WRC has developed a stakeholder management strategy focusing on partnerships that contribute to RDI agenda setting, while in some cases funding/co-funding water RDI projects. The RDI products will be promoted and displayed through a comprehensive communication and promotions strategy and implementation plan, where the broader water and associated sectors, as well as the South African public, will derive benefit. Critical to the monitoring of impact will be the feedback from stakeholders acquired through ongoing surveys, which will be used to improve the services delivered by the WRC to its stakeholders.

Collaborative partnerships and stakeholder engagement (both local and international) are not only aimed at extending the WRC footprint and profile, but also at enhancing the impact of the WRC knowledge and innovation products through the multiplier effect. Awareness and access to

credible research and innovative products and solutions relevant to the world's water challenges will lead to improved decision-making and uptake within the water sector.

4. OUTCOMES, OUTPUTS, PERFORMANCE INDICATORS AND TARGETS

Impact Statement : *An informed society for a water -secure future*

The programme outputs, performance indicators, and targets aligned to outcomes are presented in Table 4:

Table 4: Outcomes, outputs, performance indicators and targets

Outcomes		Outputs		Output indicators		Annual audited actual performance			Estimated performance	Annual medium-term targets		
						2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
1.	An informed society	1.1	Initiated research projects	1.1.1	Percentage of initiated water quality and health research projects	-	-	-	New indicator	25%	25%	25%
				1.1.2	Percentage of initiated water use research projects	-	-	-	New indicator	40%	40%	40%
				1.1.3	Percentage of initiated water availability research projects	-	-	-	New indicator	30%	30%	30%
		1.2	Knowledge dissemination	1.2.1	Number of science publications	-	-	-	3	10	15	20
				1.2.2	Number of water knowledge presentations made to stakeholders	-	-	-	New indicator	15	20	25
		1.3	Stakeholder management	1.3.1	Number of strategic stakeholder engagements completed	-	-	-	New indicator	8	9	10

Outcomes		Outputs		Output indicators			Annual audited actual performance			Estimated performance	Annual medium-term targets		
							2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
2.	An innovative water sector	2.1	Technological Innovations	2.1.1	Number of technological innovations produced		-	-	-	New indicator	5	6	6
		2.2	Non-technological innovations	2.2.1	Number of non-technological innovations produced		-	-	-	New indicator	6	6	7
		2.3	Innovation demonstration	2.3.1	Number of innovations demonstrated to stakeholders		-	-	-	New indicator	4	4	4
3.	A transformed water sector	3.1	Students	3.1.1	Number of students supported for capacity building		-	-	262	250	250	260	270
		3.2	Women-led projects	3.2.1	Number of initiated research projects led by women		-	-	-	New indicator	20	25	30
		3.3	Preferential procurement to support SMMEs implemented	3.3.1	Percentage of procurement spent on SMMEs through preferential procurement		-	-	-	New indicator	≥30%	≥30%	≥30%
					A	Women	-	-	-	New indicator	40%	40%	40%
					B	Youth	-	-	-	New indicator	30%	30%	30%
					C	People with disability	-	-	-	New indicator	7%	7%	7%

Outcomes		Outputs		Output indicators		Annual audited actual performance			Estimated performance	Annual medium-term targets		
						2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
4.	An agile organisation	4.1	Employee development	4.1.1	Number of planned employee training interventions completed	New indicator	-	-	New indicator	15	20	25
		4.2	Employee engagement	4.2.1	Number of planned employee engagement initiatives implemented	-	-	-	New indicator	4	4	4
		4.3	Digital transformation	4.3.1	Percentage implementation of digital transformation strategy	-	-	-	New indicator	50%	60%	70%
5	A financially sustainable organisation	5.1	Liquidity	5.1.1	Current ratio	-	-	3.2:1	New indicator	≥ 2:1	≥ 2:1	≥ 2:1
				5.1.2	Cash ratio	-	-	-	New indicator	>1	>1	>1
		5.2	Leverage agreements	5.2.1	Number of new partnership agreements with associated leverage funding		5	4	-	3	4	4

1.1.1 Indicators, annual and quarterly targets per sub-programme

1.1.1.1 Programme: Research Development and Innovation

Table 5*:* Research development and innovation targets

Output indicators		2025/26 annual targets	Quarterly milestones			
			Quarter 1 April – June	Quarter 2 July - September	Quarter 3 October - December	Quarter 4 January – March
1.1.1	Percentage of initiated water quality and health research projects	25%	0	0	0	25%
1.1.2	Percentage of initiated water use research projects	40%	0	0	0	40%
1.1.3	Percentage of initiated water availability research projects	30%	0	0	0	30%
1.2.1	Number of science publications	10	0	0	0	10
1.2.2	Number of water knowledge presentations made to stakeholders	15	0	5	5	5
2.1.1	Number of technological innovations produced	5	0	0	0	5
2.2.1	Number of non-technological innovations produced	6	0	0	0	6
2.3.1	Number of innovations demonstrated to stakeholders	4	0	0	2	2
3.1.1	Number of studentssupported for capacity building	250	0	0	0	250
3.2.1	Number of initiated research projects led by women	20	0	0	0	20

Explanation of planned performance over the medium-term period

Adaptation and resilience to climate change impacts

Adaptation and resilience to climate change as well as extreme weather events are critical in ensuring water security in South Africa. Several parts of the country receive very low annual rainfall (less than 400 mm per year) and the water deficit is increasing due to climate change and other global change factors. The WRC will produce knowledge and tools required to aid decision-making in the water and sanitation, agriculture, environment, municipality and other sectors. The WRC knowledge will assist in the improvement of

water use efficiency by all users, which should result in saving more water that can be utilised (allocated) for other social and economic activities. This will be accompanied by tools and activities that support the improvement of water quality. Water security is achieved by having sufficient and good-quality water. The WRC will produce knowledge that enables South Africa to adapt and be resilient in the prevailing water-limiting environmental conditions.

Some of the areas to be addressed are:

- ✓ Failing water service delivery at the local level
- ✓ Inefficient water use across all users
- ✓ Poor resilience to global changes (climate change, urbanisation, population growth, energy and food shocks)
- ✓ Weaknesses in the (institutional landscape and) governance of water and sanitation
- ✓ Slow digital transition for improved water and sanitation management
- ✓ Deterioration of water resources and increase of associated health risks
- ✓ Neglecting of new, emerging, and fundamental RDI

1.1.1.2 Programme: Stakeholder and Communication

Table 6: Stakeholder and communication targets

Output indicators		2025/26 annual targets	Quarterly milestones			
			Quarter 1 April – June	Quarter 2 July - September	Quarter 3 October - December	Quarter 4 January – March
1.3.1	Number of strategic stakeholder engagements completed	8	0	2	3	3
5.2.1	Number of new partnership agreements with associated leverage funding	3	0	0	1	2

Explanation of planned performance over the medium-term period

Impactful stakeholder engagement

The WRC is accountable to stakeholders who have legitimate and reasonable expectations for the research that the WRC enables. A stakeholder who is empowered and influenced is a means for the WRC to close the gap between knowledge production, use of research and innovation products and influencing policy and broader water sector decision-making. Thus, having relevant and timeous stakeholder engagement is an important pathway to achieving the aspired research impact.

The WRC is moving towards stakeholder engagement organised for socio-economic impact (to benefit society, the economy, and the nation), including striking an appropriate balance between academic impact (shifting understanding and advancement of scientific methods, theory and practise), instrumental impact (influencing the development of policy, practice, shaping legislation and changing behaviour) and conceptual impact (contribution towards understanding of policy issues and reframing debates)..

Key strategic initiatives:

- ✓ In organising for greater impact, knowledge products developed by the WRC will be fast-tracked to where they can have influence and impact on policy development and practice, service provision, legislation and change in behaviour.
- ✓ Further projects and services that could potentially introduce new or improved technologies to the market, promote job creation, stimulate economic development, and ensure water security will be developed.
- ✓ Increased awareness of national, provincial, and local government authorities of the critical balance between development and water availability will be created. Capacity and awareness will not only be built nationally but will be enhanced through international collaborations.

Knowledge dissemination

A tenet of the WRC is ensuring knowledge dissemination to the water sector and stakeholders at large. In this sense, the WRC, together with its partners, creates platforms to accelerate or ease the uptake of available knowledge, both locally and internationally. Further, platforms and vehicles for reaching out to rural and semi-urban stakeholders require improvements, and these will be

performed during the planning cycle. Publications and presentations will be used to position the WRC on national and global platforms, and this will assist in showcasing the work of the WRC and South Africa. This may elevate the position of the WRC in mobilisation of additional RDI funds from international funders and donors.

Key strategic initiatives

- ✓ Partnerships will be created with community-based organisations (CBOs), non-governmental organisations, local government, and academic institutions to accelerate the uptake and use of RDI knowledge products.

Footprint expansion

The WRC will over the next 5 years continue to raise awareness and profile the WRC as a key knowledge partner, convene engagements to gain a better understanding of the priority stakeholders' needs, and share, disseminate and showcase WRC knowledge and innovation products locally and internationally to potential adopters, users, funders, and investors. Each strategic engagement will be guided by a clear 'game plan' supported by tailor-made material aligned to each stakeholder's needs. Moreover, the WRC will align and support the Government's water and related agenda, strategies and plans, and strengthen links and partnerships with the relevant technical, stakeholder, communication, and international directorates within the departments.

Key initiatives:

- ✓ Stakeholder management and strategic engagement
- ✓ Partnership and business development
- ✓ Communication and brand promotion

1.1.1.3 Programme: Administration

Table 7 : Administration targets

Output indicators			2025/26 annual targets	Quarterly milestones			
				Quarter 1 April – June	Quarter 2 July - September	Quarter 3 October - December	Quarter 4 January – March
3.3.1	Percentage of procurement spent on SMMEs through preferential procurement		≥30%	0	0	0	≥30%
	A	Women	40%	0	0	0	40%
	B	Youth	30%	0	0	0	30%
	C	People with disabilities	7%	0	0	0	7%
4.1.1	Number of planned employee training interventions completed		15	2	4	4	5
4.2.1	Number of planned employee engagement initiatives implemented		4	1	1	1	1
4.3.1	Percentage implementation of digital transformation strategy		50%	0	10%	30%	50%
5.1.1	Current ratio		≥ 2:1	≥ 2:1	≥ 2:1	≥ 2:1	≥ 2:1
5.1.2	Cash ratio		>1	>1	>1	>1	>1

Explanation of planned performance over the medium-term period

Digital transformation

The rapidly changing business environment and the ever-increasing demands for service delivery make efficient, effective leverage of technology even more critical for business, with government institutions such as the WRC not being an exception. This leverage can only be achieved if the business environment is well understood, and the technology solutions are traceable to the business requirements. This means that the ICT strategy and digital transformation are no longer IT disciplines, but rather a joint business–technology endeavour. Business-driven frameworks should thus be employed as a method for organising the thinking around the business in a way that makes it possible to drive technology solutions out of the business strategy.

Key strategic initiatives:

- ✓ Development of a digital transformation strategy for the WRC
- ✓ Development of a detailed roadmap with planned initiatives and a financial estimate for delivery over 5 years

A financially sustainable organisation

The historical financial performance of the organisation is solid, and this has enabled the WRC to boast a strong financial position. The sustainability of the revenue trajectory is, however, under constant threat. The WRL collected is affected by unsustainable water services as income is received by the DWS and the water boards as part of their overall revenue collection processes. There has been a consistent increase in the level of outstanding debt due by water users to the DWS and water boards and this has caused significant cashflow pressures.

The WRC has recognised this financial sustainability concern, and to augment the WRL there is a renewed focus on increasing the leverage income base. Key business processes need to be strengthened to enhance the governance of the accounting environment in the management of leverage-funded RDI business so that it supports the critical core levy-funded business of the WRC. Further, strategies will be developed to counter the risk of financial stress related to the uncertainties associated with income, so that the WRC can continue with the sustainable delivery of its mandate.

Key strategic interventions:

- ✓ Develop a revenue enhancement strategy to counter the risk of financial stress for the WRC related to WRL uncertainties.

- ✓ Maintain a strong focus on cost containment and responsible procurement, in line with Government's transformation priorities

Defined organisational culture

In order to ensure that the right culture permeates throughout the WRC, within the context of integrated workforce planning and change management, the behavioural competencies, which are knowledge, skills, competencies, and other characteristics that contribute towards individual success within the WRC, must be observable. Generally, the behavioural competencies are linked to the values of the organisation and should be embedded within the organisational culture so that there is efficient and effective delivery of the mandate.

Key strategic initiatives:

- ✓ Empower management team to manage competently, professionally, and ethically
- ✓ Assess skills gaps and develop competencies required to meet WRC future service needs

Implement employee engagement plans to achieve performance excellence and defined organisational culture

5. PROGRAMME RESOURCE CONSIDERATIONS

5.1 Overall considerations

In determining the budget over the planning cycle, the key drivers include the inflation outlook and the WRC's operational requirements to meet its objectives as detailed in its Strategic Plan, in terms of research and innovation planned and other resources to support its operations.

The medium-term expenditure framework technical guidelines published for the 2025 MTEF indicated that the budget is again formulated within a tight fiscal environment and, considering this, the total spending envelope will be maintained within the parameters set out in the 2024 MTEF.

As such, the inflation projections utilised for the period 2025/26 to 2029/30, were obtained from the 2024 MTEF Technical Guidelines issued by National Treasury, which are as follows:

- 2025/26 financial year: 4.7%
- 2026/27 financial year: 4.6%

The inflation estimates of 4.6% have been carried through in the WRC budget estimates for the 2027/28, 2028/29 and 2029/30 financial years. The WRC uses a zero-based budgeting approach to ensure expenses are evaluated and justified during each budgeting cycle. As part of this approach, all income and expenditure categories were analysed in terms of historical trends and future operational requirements to ensure that the basis for arriving at the budget estimates is sound.

5.2 Revenue

The total revenue budget, for the WRC over the planning cycle (2025/26 – 2029/30) is presented in Table 8:

Table 8: Total revenue budget

Description	Budget - 2025/26	Budget - 2026/27	Budget - 2027/28	Budget - 2028/29	Budget - 2029/30
Levy income	337 559 149	352 989 123	369 226 622	386 211 047	403 976 755
Leverage income	61 591 844	50 000 000	50 000 000	50 000 000	50 000 000
Interest received	31 591 353	31 591 353	31 591 353	31 591 353	31 591 353
Other income	587 381	614 400	642 663	672 225	703 147
Total income	**431 329 726**	**435 194 876**	**451 460 638**	**468 474 625**	**486 271 256**

5.2.1. Levy income

The WRC derives its primary income from the Water Research Levy (WRL) payable by the Department of Water and Sanitation (DWS) and water boards. The requested increase in the water research levy tariffs for July 2025 – June 2026 amounts to 4.48%, and the year-on-year increases embedded for the remaining budget period incorporate the inflation projections as per the National Treasury.

5.2.2. Leverage income

Leverage income is a secondary source of revenue for the WRC and is earned upon the achievement of deliverables in line with business plans and agreements with funders.

The budget for the 2025/26 financial year is based on detailed business plans. On the other hand, the leverage income forecasts for the 2026/27 financial year and beyond are less certain. The leverage income business process cycle is initiated by a significant amount of pre-work (engagements with possible funders to agree on strategic fit and outcomes) before contracts can be secured with partners, and the timeframes for contract closure vary from 1 to 3 years and this leads to fluctuations in the leverage budget estimates.

Leverage income remains important for the WRC as it provides an opportunity for the WRC to demonstrate impact and enable us to achieve what we would not be able to achieve utilising only WRC resources.

5.2.3. Investment income

Investment income is earned on the cash holdings of the WRC and is secondary income. The interest income estimates over the period (2025/26 to 2029/30) incorporate the expected cash holdings and the view that long-term interest rates will not reduce substantially.

5.3 Expenditure

The total WRC expenditure over the medium term, is presented in Table 9:

Table 9:Total expenditure budget

Description	Budget - 2025/26	Budget - 2026/27	Budget - 2027/28	Budget - 2028/29	Budget - 2029/30
Fixed costs	15 403 440	12 908 212	13 818 919	14 795 844	15 866 844
Running costs	20 465 030	19 319 960	22 044 022	21 752 376	22 078 060
Human resource costs	157 991 617	167 417 080	177 581 016	188 701 654	199 516 149
Research, development, and innovation costs	190 702 574	185 358 434	190 687 128	194 894 202	198 135 651
Stakeholder and Communication	37 084 727	37 693 580	37 500 102	38 161 131	37 714 333
Corporate expenses	4 236 443	4 450 702	4 676 887	4 906 336	5 108 423
Capital expenditure	5 445 896	8 046 907	5 152 565	5 263 083	7 851 794
Total expenditure	**431 329 726**	**435 194 876**	**451 460 638**	**468 474 625**	**486 271 256**

The expenditure over the medium term is expected to increase in line with the inflation rate outlook as per the National Treasury. The human resources budget has considered the cost-of-living adjustment linked to the inflation outlook and annual notch increases.

As a government entity established to coordinate, guide and fund water research, development, and innovation (RDI) programmes, projects and activities aimed at addressing the South African water challenges, the WRC's vision is to have highly informed water decision-making through science and technology at all levels, in all stakeholder groups, and innovative water solutions through research and development for South Africa and the world at large. Thus, the WRC mandate emphasises prioritising water research as informed by the needs of the water sector and its related stakeholders.

Funding is allocated to the research, development, and innovation portfolio to cover research commitments already made by the WRC, including funding for new projects. Furthermore, funding is allocated for knowledge and impact, to ensure accessibility and uptake by all stakeholders. Table 5 above clearly shows that the bulk of the WRC funding is allocated towards RDI costs, as well as Stakeholder and Communication, as these continue to be our priority focus.

5.4 Programme resource allocation

Table 10: Programme resource allocation

PROGRAMME	EXPENDITURE		CURRENT BUDGET	EXPENDITURE ESTIMATES
	2022/23	2023/24	2024/25	2025/26
	R'000	R'000	R'000	R'000
Administration	133 714	142 363	182 531	203 542
Research development and innovation	187 561	204 065	233 532	190 703
Stakeholder and communication	6 874	10 489	42 995	37 085
Total expenditure	**328 149**	**356 917**	**459 057**	**431 330**

6. UPDATED KEY RISKS AND MITIGATION

The updated key risk profile of the WRC per outcome is presented in Table 11.

The approach to risk management assumed an integrated enterprise-wide risk management which incorporates internal controls into the entire WRC operation. The risk management process is premised on the notion that the WRC provides value to its stakeholders. Risks identified will enable the WRC to effectively mitigate against any negative events that may impede the achievement of the WRC strategy, to effectively deal with uncertainty, and to take advantage of emergent opportunities. Risk management is an ongoing process where material risks are identified and assessed, whereafter mitigation actions are formulated and implemented.

Table 11: Updated key risks and mitigation from the SP

OUTCOMES	KEY RISK	RISK MITIGATIONS
Outcome 1: An Informed Society	**Inability to meet stakeholder expectations (expectation gap):** Lack of proper understanding of the WRC mandate by stakeholders which creates unrealistic expectations and also leads to unresponsiveness by the WRC ultimately resulting in stakeholders' expectations not being met	1. Implement the stakeholder management plan 2. Implement communications and promotions plan 3. Develop SOP which guides the on-boarding of stakeholders 4. Repackage material targeting specific stakeholder clusters based on their identified needs 5. Develop robust and digitised communication platforms to build brand and expand target audience
	Inadequate processes to influence and improve water use and awareness: Inability to promote sustainable water use practices or enhance public awareness of water conservation	6. Develop and implement a robust water awareness campaign/s 7. Conduct regular stakeholder engagement sessions, and allocate adequate resources for education campaigns 8. Start a campaign which builds awareness to change societal behaviour towards water and attitude towards water leaks (non-revenue water)
Outcome 2: An Innovative Water Sector	**Slow adoption of emerging technologies:** The reluctance to adopt or incorporate new technologies and innovations, which also results in the ineffective transfer of new innovations and technologies	1 Review and update the research and innovation strategy to include other measures to close the value chain gaps 2 Conduct quarterly assessments and monitoring of the innovation impact with recommendations for further improvement 3 Conduct robust piloting, testbeds and catchment model. 4 Implement the WRC strategy with focus on current and future sector needs and link the process to stakeholder's assessment for the needs/actual demand; communicate effectively to manage expectations
Outcome 3: A Transformed Water Sector	**Lack of equity and redress in the water sector:** Ineffective efforts to address equity, diversity, and transformation in the water sector	1. Increase participation of local stakeholders in defining the WRC research, development and innovation agenda. 2. Source additional funds to support key segments of the knowledge/innovation value chain and WRC strategy 3. Increase funding for transformative projects benefiting marginalised communities. 4. Establish a support mechanism (funding, skills and project management) for the new intake of research leaders, especially of the HDI and quarterly report on the role of this support structure

OUTCOMES	KEY RISK	RISK MITIGATIONS
Outcome 4: An Agile Organisation	**Inadequate succession planning resulting in potential loss of institutional knowledge and business continuity:** Due to aging workforce and inadequate transfer of knowledge there is a potential challenge for business continuity	1. Management Development and Training programme for all SMSs to ensure they are ready to step in leadership positions in the event that there is a need (such as Leadership programmes) 2. Introducing change management programmes to make employees aware of the reviewed WRC strategy 3. Improve and intensify the implementation of Performance Management System to identify areas of weakness for all employees and thereafter conduct relevant training and capacity programmes for each 4. Development of intentional succession plans, with knowledge sharing and transfer being built into performance agreements
	Ineffective information communication technology (ICT) and infrastructure to support and enable the WRC to have reliable, secured and integrated systems: Information technology and communications not supporting the WRC strategic focus and function	5. Develop ICT Project Management Policy, to ensure that all IT related projects involve IT to provide advice and the expertise required. 6. Develop a digital transformation strategy and identify projects which need to be implemented in the financial year (also canvass the responsible branch heads) 7. Develop and implement ICT Change Management Policy. 8. Continuous upskilling of IT staff and awareness for WRC staff, particularly on new systems being introduced (a list of training attended will be required).
Outcome 5 A financially sustainable Organisation	**Possible limitation of WRC implementing mandate due to reduction in revenue:** Risk of WRC becoming an unsustainable business with limitations to fund mandate due to the possible reduction in revenue base and increase in operating costs	1. Implement the communication plan to get the WRC value proposition known in the sector 2. Develop a revenue enhancement strategy 3. Maintain the current ratio of 2:1 4. Maintain the cash ratio of >1

PART D: TECHNICAL INDICATOR DESCRIPTIONS

Outcome 1: An informed society

PPI no 1.1.1: Percentage of initiated water quality and health research projects

Indicator title	Percentage of initiated water quality and health research projects
Definition	This measures the percentage of initiated water quality and health research projects in a given period. The water quality and health projects are those focusing on the chemical, physical, and biological characteristics of water. The target is an estimated projection and cannot be listed as they are derived from the research projects that are initiated annually.
Source of data	WRC RDI project contracts
Method of calculation or assessment	Performance of this indicator will be assessed quantitatively: The % of initiated water quality and health projects is given the value "y". The number of initiated water quality and health projects in a given period is given the value "x" and the total number of initiated research projects within a given period is given the value "z". The formula is as follows: $\gamma\gamma = {}^{x}/_{z} \times 11111$
Means of verification	Approved project contract
Assumptions	Availability of funds to initiate new projects
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-cumulative
Reporting cycle	Annually
Desired performance	25%
Indicator responsibility	Executive: Research, Development, and Innovation

PPI no 1.1.2: Percentage of initiated water use research projects

Indicator title	Percentage of initiated water use research projects
Definition	This measures the percentage of initiated water-use research projects in a given period. The target is an estimated projection and cannot be listed as they are derived from the research projects that are initiated annually.
Source of data	WRC RDI project contracts
Method of calculation or assessment	Performance of this indicator will be assessed quantitatively: The % of initiated water use projects is given the value "y". The number of initiated water use projects in a given period is given the value "x" and the total number of initiated research projects within a given period is given the value "z". The formula is as follows: $\gamma\gamma = {}^{x}/_{z} \times 11111$
Means of verification	Approved project contract
Assumptions	Availability of funds to initiate new projects
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-cumulative
Reporting cycle	Annually
Desired performance	40%
Indicator responsibility	Executive: Research, Development, and Innovation

PPI no 1.1.3: Percentage of initiated water availability research projects

Indicator title	Percentage of initiated water availability research projects
Definition	This measures the percentage of initiated water availability research projects in a given period. Water availability refers to the accessible quantity and quality of water resources within a specific region, shaped by natural supply, anthropogenic demand, environmental needs, and socio-economic factors. It is influenced by physical water sources such as rivers, lakes, aquifers, and wetlands, as well as infrastructure, management practices, and external drivers like global change, and their impacts on distribution, reliability, and usability. The target is an estimated projection and cannot be listed as they are derived from the research projects that are initiated annually.
Source of data	WRC RDI project contracts
Method of calculation or assessment	Performance of this indicator will be assessed quantitatively: The % of initiated water availability projects is given the value "y". The number of initiated water availability projects in a given period is given the value "x" and the total number of initiated research projects within a given period is given the value "z". The formula is as follows: $\gamma\gamma = {}^{x}/_{z} \times 11111$
Means of verification	Approved project contract
Assumptions	Availability of funds to initiate new projects
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-cumulative
Reporting cycle	Annually
Desired performance	30%
Indicator responsibility	Executive: Research, Development, and Innovation

PPI no 1.2.1: Number of science publications

Indicator title	**Number of science publications**
Definition	This measures the number of science and special publications authored or co-authored by the WRC staff and disseminated or formally published. The target is an estimated projection and cannot be listed as they are dependent on the publisher.
Source of data	RDI knowledge outputs or projects.
Method of calculation or assessment	Quantitative: A simple count of science publications produced
Means of verification	Record or proof of publication
Assumptions	Availability of RDI knowledge products
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-cumulative
Reporting cycle	Annually
Desired performance	10
Indicator responsibility	Executive: Research Development and Innovation

PPI no 1.2.2: Number of water knowledge presentations made to stakeholders

Indicator title	Number of water knowledge presentations made to stakeholders
Definition	This measures the number of water knowledge presentations presented to stakeholders for knowledge dissemination.
Source of data	RDI knowledge outputs
Method of calculation or assessment	Quantitative: A simple count of water knowledge presentations presented to stakeholders
Means of verification	Record or proof of presentation
Assumptions	Availability of RDI knowledge products
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-Cumulative
Reporting cycle	Quarterly
Desired performance	15
Indicator responsibility	Executive: Research Development and Innovation

PPI no1.3.1: Number of strategic stakeholder engagements completed

Indicator title	Number of strategic stakeholder engagements completed
Definition	This measures the strategic stakeholder engagements completed
Source of data	Stakeholder management strategy
Method of calculation or assessment	Quantitative: A simple count of completed stakeholder initiatives in a given period
Means of verification	Approved stakeholder engagement report
Assumptions	Stakeholder availability
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-Cumulative
Reporting cycle	Quarterly
Desired performance	8
Indicator responsibility	Executive: Stakeholder and Communication

Outcome 2: An innovative water sector

PPI no 2.1.1: Number of technological innovations produced

Indicator title	Number of technological innovations produced
Definition	To measure the number of technological innovations produced from WRC research in a given period. The target is an estimated projection and cannot be listed as they are derived from the projects that are initiated annually.
Source of data	Innovation reports
Method of calculation or assessment	Quantitative: A simple count of technological innovations produced from WRC research projects in a financial year
Means of verification	Approved innovation report
Assumptions	Availability of funds The WRC research outputs will produce innovation
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-Cumulative

Reporting cycle	Annually
Desired performance	5
Indicator responsibility	Executive: Research Development and Innovation

PPI no 2.2.1: Number of non-technological innovations produced

Indicator title	Number of non-technological innovations produced
Definition	To measure the number of non-technological innovations produced from WRC research in a given period. The target is an estimated projection and cannot be listed as they are derived from the research projects that are initiated annually.
Source of data	Innovation reports
Method of calculation or assessment	Quantitative: A simple count of non-technological innovations produced from WRC research projects in a financial year
Means of verification	Approved innovation report
Assumptions	Availability of funds
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-cumulative
Reporting cycle	Annually
Desired performance	6
Indicator responsibility	Executive: Research Development and Innovation

PPI no 2.3.1: Number of innovations demonstrated to stakeholders

Indicator title	Number of innovations demonstrated to stakeholders
Definition	To measure the number of innovations that have been successfully demonstrated to stakeholders.
Source of data	Innovations reports
Method of calculation or assessment	Quantitative: A simple count of innovation demonstrated in a financial year
Means of verification	Approved demonstration report with proof of demonstration
Assumptions	Availability of funds
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-Cumulative
Reporting cycle	Quarterly
Desired performance	4
Indicator responsibility	Executive: Research Development and Innovation

Outcome 3: A transformed water sector

PPI no 3.1.1 Number of student supported for capacity building

Indicator title	Number of students supported for capacity building
Definition	To measure the number of students supported for capacity building through the WRC initiatives such as research projects, and bursary fund. The target is an estimated projection and cannot be listed as they are derived from the research projects that are initiated annually**.**
Source of data	WRC research contracts or bursary contracts

Method of calculation or assessment	Quantitative: a simple count of students supported for capacity building by WRC in a given period
Means of verification	Signed contract with ID copy
Assumptions	Availability of reliable records
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-cumulative
Reporting cycle	Annually
Desired performance	250
Indicator responsibility	Executive: Research Development and Innovation

PPI no 3.2.1: Number of initiated research projects led by women

Indicator title	Number of initiated research projects led by women
Definition	This measures the number of research projects led by women in a given period. The target is an estimated projection and cannot be listed as they are derived from the research projects that are initiated annually**.**
Source of data	Approved research contracts
Method of calculation or assessment	Quantitative: A simple count of approved research projects led by women researchers
Means of verification	Approved initiated research contracts
Assumptions	Availability of proposals from women researchers
Disaggregation of beneficiaries (where applicable)	Women
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-cumulative
Reporting cycle	Annually
Desired performance	20
Indicator responsibility	Executive: Research Development and Innovation

PPI no 3.3.1 Percentage of procurement spent on SMMEs through preferential procurement

Indicator title	Percentage of procurement spent on SMMEs through preferential procurement
Definition	This measures the extent to which the organisation empowers qualifying small, medium, and micro enterprises through preferential procurement of non-research-related goods and services.
Source of data	Supply chain records
Method of calculation/assessment	Performance of this indicator will be assessed quantitatively: The % of the targeted procurement spent on SMME is given the value “y”. The actual procurement spent on SMME is given the value “x” and the total procurement is given the value "z"; the formula is as follows: $y = {}^{x}/_{z} \times 1\mathbf{1111}$
Means of verification	Payment reports to SMMEs for the reporting period
Assumptions	An SMME is defined in line with the National Small Enterprise Act, 2019 as amended

Disaggregation of beneficiaries (where applicable)	The following designated groups are targeted with SMMEs **Designated group** / **Target** Women / 40% Youth / 30% People with disabilities / 7%
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-cumulative
Reporting cycle	Annually
Desire performance	≥30% procurement spent on SMMEs
Indicator responsibility	Chief Finance Officer

Outcome 4: An agile organisation

PPI no 4.1.1 Number of planned employee training interventions completed

Indicator title	Number of planned employee training interventions completed
Definition	To measure progress towards implementation of employee training initiatives as planned in a given period. A completed training is one that has been attended with a certification of completion or proof of attendance. The training plan will be developed based on the annual employee's development plans.
Source of data	Employee training plan
Method of calculation or assessment	Number of training interventions completed
Means of verification	Proof of completion
Assumptions	• Availability of funds • Employee willingness for training
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-Cumulative
Reporting cycle	Quarterly
Desired performance	15
Indicator responsibility	Executive: Corporate Services

PPI no 4.2.1 Number of planned employee engagement initiatives implemented

Indicator title	Number of planned employee engagement initiatives implemented
Definition	To measure the number of employee engagements implemented. This refers to such initiatives as outlined in the employee engagement plan.
Source of data	Employee engagement plan
Method of calculation or assessment	Quantitative: A simple count of implemented employee engagement initiatives in a given period
Means of verification	• Approved engagement report
Assumptions	Employee availability and funding for the engagements
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-Cumulative
Reporting cycle	Quarterly

Desired performance	4
Indicator responsibility	Executive: Corporate Services

PPI no 4.3.1 Percentage implementation of digital transformation strategy

Indicator title	Percentage implementation of digital transformation strategy
Definition	To measure progress towards implementation of the digital transformation strategy in a financial year
Source of data	Digital transformation strategy and roadmap
Method of calculation or assessment	Quantitative: "y" is the % of actually implemented digital transformation projects. The number of actually implemented digital transformation projects in a given period is given the value "x" and the total number of planned digital transformation projects within a given period is given the value "z"; the formula is as follows: $\gamma\gamma = {}^{x}/_{z} \times 11111$
Means of verification	Reports showing implementation records aligned to the digital transformation strategy/ roadmap
Assumptions	Availability of funds to implement planned projects
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	50% of the digital transformation strategy implemented
Indicator responsibility	Executive: Operations

Outcome 5 A financially sustainable organisation

PPI no 5.1.1 Current ratio

Indicator title	Current ratio
Definition	This measures the ability to pay short-term obligations or those due within one year
Source of data	The following will be used: • Current assets • Current liabilities
Method of calculation or assessment	Quantitative: $\text{Current ratio} = \frac{\text{current assets}}{\text{current liabilities}}$
Means of verification	Approved finance reports
Assumptions	Availability of reliable records
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-cumulative
Reporting cycle	Quarterly
Desired performance	≥ 2:1
Indicator responsibility	Chief Financial Officer

PPI no 5.1.2 Cash ratio

Indicator title	***Cash ratio***
Definition	Cash ratio is a measure of a company's liquidity in which it is measured whether the company has the ability to clear off debts only using the liquid assets (cash and cash equivalents).
Source of data	***The following will be used:*** • ***Cash + Cash Equivalents*** • ***Current liabilities***
Method of calculation or assessment	***Quantitative:*** $$Cash\ ratio = \frac{Cash\ +\ Cash\ EEEuivalents}{current\ liabilities}$$
Means of verification	***Approved finance reports***
Assumptions	***Availability of reliable records***
Disaggregation of beneficiaries (where applicable)	***Not applicable***
Spatial transformation (where applicable)	***Not applicable***
Calculation type	***Non-cumulative***
Reporting cycle	***Quarterly***
Desired performance	***>1***
Indicator responsibility	***Chief Financial Officer***

PPI no 5.2.1 Number of new partnership agreements with associated leverage funding

INDICATOR TITLE	**Number of new partnership agreements with associated leverage funding**
Definition	To measure the total number of signed partnership agreements with an associated leverage funding to augment water research levy.
Source of data	Memorandum of Agreement (MoA)
Method of calculation or assessment	Quantitative: A simple count of leverage agreements entered into in the financial year
Means of verification	Signed MoA
Assumptions	Strong WRC networks and partnerships and business development strategy
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Calculation type	Non-Cumulative
Reporting cycle	Quarterly
Desired performance	3
Indicator responsibility	Executive: Stakeholder and Communication