



LESOTHO HIGHLANDS DEVELOPMENT AUTHORITY

**STRATEGIC
PLAN
2008/09 – 2012/13**

MARCH 2008

1. BACKGROUND

1.1 INTRODUCTION

This high level strategic plan provides a road map for the Lesotho Highlands Development Authority (LHDA) over the next five-year period, 2008/09 to 2012/13. It is the third multi-year strategic plan in terms of the requirements of the Treaty, the LHDA Order and Protocol VI.

The strategic plan describes the LHDA's legally and duly mandated core functions. It is within the broad strategic planning parameters provided by the Board and the Commission. The plan addresses the twelve (12) Key Focus Areas (KFAs) and defines the strategic objectives therein, relevant performance measures and target outputs for each strategic objective over the next five years. The vision, Mission and values of LHDA have also been re-confirmed.

The extent to which LHDA succeeds in converting these intentions to reality will be reported in its annual report of each year of the multi year period 2008/09 to 2012/13 as well as in the quarterly reviews in each year.

The LHDA went through an organisational restructuring process from 2005 until March 2007 and 98% of the positions have now been filled. The success of achieving strategic objectives will depend on the effectiveness of the new management structure.

1.2 THE LHWP TREATY

The Treaty between the Governments of the Kingdom of Lesotho and the Republic of South Africa established the objectives of the Lesotho Highlands Water Project (LHWP). The Treaty entrenches the sovereignty of Lesotho and the benefits she derives from the project. South Africa is responsible for all the water transfer costs and its financial interests are safeguarded by assured water delivery schedules. Lesotho is responsible for all costs on the hydropower component and ancillary development related to the LHWP in Lesotho.

The Treaty also contains the agreement on royalty payments by South Africa to Lesotho and commits both countries to the implementation of Phase 1, while allowing future reviews in relation to the implementation of possible further phases. Four protocols in the Treaty were envisaged at the outset. Protocol V added the agreement on taxes between South Africa and Lesotho, and Protocol VI addressing Project governance were subsequent additions.

1.3 ESTABLISHMENT OF LHDA

The LHDA Order No. 23 of 1986 established LHDA as an autonomous statutory body under the laws of the Kingdom of Lesotho in accordance with the provisions of the Treaty.

According to the Order, the primary objective of the LHDA is to implement and manage the LHWP in Lesotho.

1.4 PURPOSE AND DESCRIPTION OF LHWP

As stipulated by Article IV of the Treaty, the purpose of the project is to... “... enhance the use of the Senqu / Orange River by storing, regulating, diverting and controlling the flow of the Senqu / Orange River and its effluents in order to effect the delivery of specified quantities of water to the Designated Outlet Point in the Republic of South Africa and by using such delivery system to generate hydro-electric power in the Kingdom of Lesotho.”

The LHWP was envisaged in the Treaty as a four-phased development implemented over a period of thirty years and expected to transfer about 70m³/s of water to the Witwatersrand region in South Africa. The full project would comprise 5 large dams in the upper catchment of the Senqu/Orange River.

Completion of the first phase of the project was symbolized by Phase 1B inauguration on the 16th March 2004. Consequently, LHDA has been right sized to operate and maintain the existing water resources infrastructure and implement the Treaty obligations on compensation, resettlement and environment. While a decision on further phases is yet to be taken, a Memorandum of Understanding for Phase 2 was signed on the 22nd September 2005 at Mphahlele. Stage 1 of the feasibility study has been completed and recommended that Phase II layout be studied in more detail. In February 2007 the LHWC confirmed that the preferred location for Phase II of the project is Polihali in the Mokhotlong District. Stage 2 of the study commenced in April 2007 and is to determine whether or not to implement Phase II of the LHWP.

1.5 GOVERNANCE

Implementation, operation and maintenance of those parts of the Project situated in the Kingdom of Lesotho is the responsibility of the LHDA. LHDA reports to an independent Board that is appointed by the bi-national Lesotho Highlands Water Commission (LHWC), a body comprising 3 members (and 3 alternates) each from Lesotho and South Africa. Protocol VI regulates governance and delegations between LHWC, the Board and LHDA management.

1.6 THE NEW ORGANIZATIONAL STRUCTURE OF LHDA

After an extensive and intensive study of water management utilities model across developing world the option adopted provided the attached structure.

- *The Office of the Chief Executive*, comprising of the Chief Executive and specialist positions for Public Relations, Legal Services, and Assets Transfer. The office also includes Internal Audit, which administratively

reports to the Chief Executive but is functionally directly accountable to the Board.

- ***Strategic and Corporate Services Division*** is responsible for the strategic water resources, environmental and social planning; monitoring and Evaluation; Information Systems, Finance and Human Resources.
- ***Development and Operations Division*** is responsible for operating and maintaining water resources infrastructure, implementing water transfer and electricity generation, environmental management, social and economic development.

2. STRATEGIC INTENT

2.1 OUR VISION:

To be a world-class water resources development and management organization.

2.2 OUR MISSION:

To efficiently and effectively implement the Lesotho Highlands Water Project in an environmentally and socially friendly manner.

2.3 OUR VALUES

As an aspiring world-class organization, we believe in:

Professionalism / Commitment

Our leadership, through example, will lead staff in displaying the highest level of professionalism. Our commitment to the success of the LHWP and the LHDA will be reflected in our search for excellence.

Ethics/ Morals

Management and staff espouse ethics and morals of the highest standards in their daily actions and activities.

Teamwork

As an organisation we promote a culture of motivated, accountable and committed employees working in teams that have clear goals and standards of performance to meet.

Stakeholder Focus

Our efforts are aimed at ensuring total satisfaction of all stakeholders, ensuring we exceed our customers' expectations by configuring our business

in such a manner as to deliver quality services. We are empathetic towards the challenges facing the Project-affected communities and carry out our responsibilities in a socially aware and responsible manner.

Efficiency of Operations (Cost Consciousness)

We continually seek to deliver according to international standards as is required in the Treaty and the Order. In implementing the LHWP on behalf of the Governments of Lesotho and South Africa, we actively seek to ensure that all operations are carried out in a cost effective manner.

Achievement / Goal-orientated

As an effective and achievement-orientated organisation, we encourage, recognise and reward success.

3. SITUATION ANALYSIS

LHDA PERFORMANCE AGAINST STRATEGIC PLAN 2007/2008 AS AT SEPTEMBER 2007

The Strategic Plan for 2007/2008 was considered by the Board of Directors and subsequently approved by the LHWC. Monthly reports were submitted to the Board in respect of progress on achieving Key Focus Areas as per the Strategic Plan. Highlights of achievements were as follows:

Water Transfer and Hydropower Generation

Targets on transfer of high quality water and electricity generation were satisfactorily achieved. Muela Hydropower has been performing well and exceeded annual generation targets.

Safety and Security of LHWP Installations

Targets on safety and security were satisfactorily achieved. MHP obtained IRCA "SHE" 4 Star rating and 98% confidence level on installed instruments was achieved.

Compensation, and Management of the Biophysical Environment

Targets on compensation were fairly achieved. ACP distribution was slightly delayed due to installation of new compensation model and missing beneficiary documents. Grain and pulses distribution was on target.

Improving the standard of living and health

Targets on improvement of the standard of living and health of affected communities were fairly achieved. The socio-economic study has been completed and awaiting final reports from the Consultant.

Management of the biophysical environment

Targets on sustainable management of the biophysical environment were fairly achieved. A comprehensive IFR Audit was undertaken and LHDA has developed an Action Plan based on report findings and recommendations.

Support Services and human resources development

The performance and service level targets of support services were satisfactorily achieved. The recruitment of staff in the new structure is 98%. A Climate survey is to be rolled out to staff in September 2007.

Management of relationships with Stakeholders

Stakeholders' relationships as evidenced by stakeholders rating have been successful. In 2006 the LHDA scored 86% in performance rating at the Stakeholders Conference.

Assets transfer

Annual target not achieved due to intransigence and non-responsiveness of the agencies identified to receive the assets.

4. ENVIRONMENTAL SCAN AND SWOT ANALYSIS

The LHDA has transformed from a construction mode to operations and maintenance of plant and equipment required for the transfer of water and generation of electricity, and implementation of environment and social programmes. The transition has brought a lot of challenges for the LHDA and Project Authorities. Developments in the Lesotho Water Sector present additional challenges and opportunities.

4.1 Key challenges and opportunities:

1. LHWP Phase 2 – The feasibility studies are on going and due for completion in December 2007. The LHDA was delegated authority to implement Phase 1 and there is an opportunity for the LHDA to implement Phase 2. The LHDA has the opportunity to be appointed implementing agent for Phase 2 based on its performance in implementing Phase 1.
2. Ring fencing of 'Muela Hydropower Project (MHP) – The finalisation of the MHP ring fencing will enhance the financial accountability of MHP.
3. Commercialization of MHP: The ultimate target of Government is to commercialise 'Muela Hydropower in order that it becomes a commercial enterprise to improve its efficiency. The donors of the Project promise favourable terms on their loans upon commercialization of the MHP.
4. Retention of skills and resources – The low staff moral, perceived low salaries and benefits have had a negative impact on some of the staff. Three Percent (3%) of the (professional) staff has resigned since the beginning of the year. The LHDA needs to attract and preserve core skills and expertise by implementing appropriate staff retention policies.

5. Technology - An increasing reliance of organizations on ICT implies that LHDA will have to more than before focus on improving its ICT Systems. Since the introduction of Internet and electronic mail communications systems, unique computing advances have been made, resulting in increased computing solutions that can lead to low costs and affordability by end-users. Teleconferencing is now becoming a cheaper option for conducting meetings between the head office and the Operations Branches.
6. Managing relationships with stakeholders - Affected individuals and communities are LHDA's major clients. The communities and NGOs are given the opportunity to assess the performance of LHDA on service delivery and in 2006 the LHDA scored 86% in performance rating at the Stakeholders Conference. There's a need for the LHDA to improve communication with stakeholders, address complaints on time and respond timeously to issues raised in the Ombudsman's report.

4.2 Key Assumptions

1. LHDA will continue operating under existing governance structures
2. LHDA will be provided with adequate budget to implement the Strategic Plan
3. LHDA will be provided with access to reliable and efficient communication and transport systems
4. Support from project Authorities to secure new projects for implementation by the LHDA.
5. Commitment from the Board and LHWC to implement the strategic Plan

4.3 Opportunities and Threats

Opportunities

- The Project is seen as the gateway to contributing to the economic destiny of the two countries viz. South Africa and Lesotho.
- Availability of multi-disciplinary skills and competencies in the water resources development and management areas in Lesotho.
- Involvement of LHDA in other GOL projects/sectors where LHDA has developed the necessary expertise and competency.
- Outsourcing of non-core operations and "sticking to the knitting".

Threats

- Drought or below average rainfall.
- The decision by the two parties to bypass LHDA as an implementing agency for further phases.
- Intensifying anti-dam lobby, environmentalists and other adverse NGO advocacy.

- Less than full exploitation of the potential of developmental activities, fueling the dependency syndrome in the affected communities and perpetuating a complaint culture.
- HIV/AIDS pandemic and the resultant loss of critical expertise and institutional capacity.
- The high prevalence of sexually transmitted diseases and HIV/Aids will lead to increased social resistance and adverse publicity of Water Resources Projects in Lesotho.
- Closing of the World Bank Loan in December 2006 poses a threat of foregoing the valuable IBRD supervision of the Social and IFR issues which are currently at a more critical stage.

4.4 Strengths and Limitations

Strengths

- Strong top leadership.
- Continued support by the Project Authorities, the Board, the World Bank and the Panel of Experts on Social and Environmental aspects.
- Leadership with several years of combined experience of the LHDA environment.
- An international reputation for implementing a very complex project.
- Experience with and confidence of major funding institutions and international business community.

Limitations

- Shortcomings in the implementation of governance structures.
- Poor image as evidenced by the compensation and resettlement related complaints.
- Ineffective Management Information System/Performance Monitoring System
- Limitations of supporting systems, procedures and processes in implementation of the LHDA mandate.
- Insufficient project management expertise especially lack of timely and proper follow-ups to resolve issues before they get out of hand.
- Ineffective implementation of the EAP.
- Shortfalls in funding for programmes

5. KEY CHALLENGES

The key challenges presented below cover the priorities that both the Board and the LHWC have set for LHDA. The challenges also reflect the issues that emanate from the environmental scan presented above as follows:

5.1 *Corporate Governance*

- Streamlining of policies, procedures, delegations and levels of authority.
- Successful Implementation of the Governance model

5.2 *Successful Implementation of the O& M Study*

- Implementing recommendations of the study.
- Putting in place the performance management development system, building capacity, implementation of the new and/or revised policies, and cultural transformation.
- Assessment of the O&M Study (restructuring)

5.3 *Successful human resources management*

- Maintaining the staff morale,
- Retention of critical competencies.
- Institutionalisation of best practice in HR management including a credible Performance Management Development System

5.4 *Successfully transferring the non-core assets and facilities to Lesotho Government Ministries*

- Effectively communicating to all stakeholders that once transferred, the facilities are no longer LHDA's responsibility.

5.5 *Improved systems, procedures and processes for effective service delivery*

- Institutionalizing a project management approach to all critical tasks.
- Successfully managing the EAP programme within given time frames and establishing clear exit strategies.
- Establishment and maintaining effective systems for monitoring and assessing the impacts and the effectiveness of the EAP programmes.
- Applying international best practices in the provision of water transfer services and hydropower generation.

6. KEY FOCUS AREAS

Based on the internal and external assessments, the Environmental Scan and the Key Challenges facing the organization, the twelve Key Focus Areas are as follows:

KFA 1: To ensure the optimal transfer and delivery of high quality water to RSA.

The target over the five year period is the delivery of approximately 3,900 million cubic metres of high quality water to South Africa and the collection of royalty revenue of approximately M1.7 billion.

KFA 2: To ensure efficient and cost effective production of electricity for Lesotho.

Over the five- year period, LHDA projects to generate and transmit 2,336 GWhr of electricity and earn revenue of approximately M387 million

KFA 3: To ensure the optimal operation of LHWP facilities in a safe and secure manner

The targets are to obtain the IRCA SHE Star rating; safe and secure installations and maintain the structural integrity of all dams, tunnels and related infrastructure. Implementation of SHE programmes at Muela and across the whole organisation.

KFA 4: To efficiently and effectively operate assets and other facilities

The plan envisages attainment of cost savings through commercial operation of LHWP facilities that generate revenue and effective contract management. Facilities targeted include MHP, Lesotho Bank tower building, various town site properties, the lodges and closure of remaining construction contracts. This also covers commercial issues such as invoicing and debt collection.

KFA 5: To compensate the affected individuals and communities for identifiable direct losses due to LHWP.

LHDA currently compensates about 2,920 affected households (1,016 in grain and pulses and 1,904 in cash). The number has decreased by 12% and 2% respectively from 2006 to 2007. There was also a notable decrease in the number of people converting to lump sum payments, i.e. 151 HH in 2006 switched from ACP and grain to lump sums whereas in 2007 there were only 47HH. This could be due to the fact that resources were diverted to finalisation of the compensation audit. During 2008/09, the plan envisages a decrease in grain and pulses compensation to 800HH and increased cash compensation to 2,000HH. The plan is to, over the five

year period, halve the grain and pulses compensation and convert the HH to Annual Cash Compensation and Lump Sum payments.

The Plan also envisages the LHDA's increased ability to resolve compensation complaints lodged on yearly basis. The figure rises from 60% of complaints successfully resolved in year one to close to 95% of complaints in year 5 successfully resolved by that year. The Ombudsman has released his Phase 1B findings report and a task team within LHDA has been established to resolve complaints and also identify a champion that would deal specifically with complaints management.

KFA 6: To ensure that the standard of living for people affected by LHWP is either maintained or raised above pre- project levels.

The income generation programmes are still behind schedule due to shortage of manpower and expertise. Over the five year period, the LHDA intends to accelerate development interventions, particularly targeting income generation in agriculture, ecotourism and small and micro enterprise development. The LHDA has engaged a consultant to assist the technical Assistance Unit to fast track establishment of Local Legal Entities (LLEs) and disbursement of communal compensation.

The development of tourism based ventures is seen as an important avenue for increasing the standard of living of the affected communities. However, the ADB/GOL funded Highlands Natural resources and Rural Income Enhancement Project, HNRRIEP, is experiencing administrative and funding problems.

The baseline studies to determine whether the project has improved the lives of the affected people has been completed and the Consultant is in the process of finalising the report. This study will inform future interventions by LHDA in this regard.

KFA 7: To improve and maintain the health of the communities affected by the LHWP.

There has been significant improvements in access to water and sanitation in LHWP areas through the WATSAN projects. The target for the five-years is to provide over 6,000 households with sanitation facilities, soak-away pits and access to potable water at a total cost of M64.8 million. Improved access to basic health infrastructure, combined with increased awareness/education is expected to have positive impacts on the health of the communities.

KFA 8: To sustainably manage the biophysical and cultural resources within the LHWP area.

The plan envisages effective monitoring and management of the Biophysical resources within the LHWP catchment. This includes implementation of the IFR

Audit Report recommendations, the Integrated Catchment Management project, Range Management Area programme, Zoning plan, rehabilitation of the LHWP wetlands, Lesotho Biodiversity Project, and the Katse Botanical Garden exit strategy.

KFA 9: To provide cost effective and efficient support services.

The financial support function will, during the first year of the planning period, be devoted to rolling out of the new SAGE financial application system to coverage of other business processes. Improvement of the asset management and control through effective monitoring of asset utilisation will also be a priority area. Cost Allocation and Cost to Funding exercises are an annual activity.

The human resources support function will seek to provide LHDA with the best manpower with the right skills and competencies. The implementation of the new structure is currently 98% of total establishment requirements. Implementation of the performance management development system is still a challenge and needs buy-in by LHDA Management.

ICT support function will focus, in the five years from 2008/09 on converging data and voice networks into single wide area networks for efficiency and cost reduction; Deploying the LHDA Information Systems Disaster Recovery Program and facilities; Completing implementation of the remaining ITIL best practices processes and Consolidating the operations of the FOB's documentation centres with the main Library.

M&E support function will continue to provide LHDA and stakeholders with information on water quality to ensure Treaty obligations are met. 2008/09 Targets include effective monitoring of IFR action plan, monitoring and evaluation of EAP programmes and coordination of IFR activities, World Bank and POE (Environment) activities.

KFA 10: To effectively and efficiently manage LHDA's human resources

Implementation and extension of the Performance Management System will be the focus over the next few years with possible implementation of a reward system two years into the strategic plan. Attention will be paid to implementing a robust retention strategy, succession management, and manage relations with employee representatives.

KFA 11: To effectively and efficiently manage LHWP's stakeholders relationships and the image of LHDA.

Targets include gradual improvement of stakeholders' ratings customer focus and effective promotion of LHDA and its image.

KFA 12: To ensure transfer of non-core assets and infrastructure to GOL and other receiving organizations.

It is envisaged that over the five-year period LHDA will have completely and effectively transferred all the non-core assets and facilities, and that the parties that would have acquired them will sustainably manage the assets and facilities.

7. ENABLING ENVIRONMENT

- Effective staff retention strategy
- Adequate budget to implement the Strategic Plan
- Unconditional support to LHDA Management and staff and commitment from the Board and LHWC to implement the Plan
- Divisional activities must be consistent with LHDA Goals and vision
- Stable and secure IT infrastructure and systems
- Reliable and efficient communication and transport systems
- Effective management information systems/ performance monitoring systems

8. KEY PERFORMANCE AREAS AND STRATEGIC OBJECTIVES

The tables below show the Key Focus Areas, The Key Strategic Objectives, related performance measures and target outputs over the plan period per KFA.

LHDA STRATEGIC PLAN TABLES
2008/09 – 2012/2013

Strategic Objective	Performance Indicators / Measures	Target Outputs				
		2008/09	2009/10	2010/11	2011/12	2012/13
KFA 1: To ensure the optimal transfer and delivery of high quality water to RSA [as specified in Annex 2 of the Treaty in accordance with Articles 6(7) and 7(2)]						
1.1 To deliver water to RSA according to agreed annual schedule	Annual deliveries achieved to within 0.5% of planned schedule	780 ¹ Mm ³	780 Mm ³	780 Mm ³	780 Mm ³	780 Mm ³
	Royalties target met to within ± 2.0% variance	M300m	M322m	M346m	M372m	M375m
	Monthly, quarterly and annual reports	Information on performance	Same	Same	Same	Same
1.2 To provide appropriate, accurate reliable and timely information on hydrology, water quality and meteorology on monthly routine basis for planning and operation of the LHWP.	Water Resources Models operational ≥95% at all times	All Models functioning and operational.	Same	Same	Same	Same
	≥95% data availability from station networks reported monthly, quarterly and annually	Information reports	Same	Same	Same	Same
	Reservoir operations planning models operational ≥95% at all times	Reservoir operations planning models operational.	Same	Same	Same	Same

Strategic Objective	Performance Indicators / Measures	Target Outputs				
		2008/09	2009/10	2010/11	2011/12	2012/13
KFA 2: To ensure efficient and cost effective production of electricity for Lesotho						
2.1 To efficiently operate and maintain the hydropower generation plant	≥ 96% MHP reliability	96%	96%	96%	96%	96%
	≥ 90% Katse mini hydro	90%	90%	90%	90%	90%
	Annual Generation target met.	462 GWhrs	462 GWhrs	462 GWhrs	462GWhrs	462 GWhrs
	Annual Revenue target met	M62m Revenue ²	M62m Revenue	M62m Revenue	M62m Revenue	M62m Revenue
2.2 To ensure financial efficiency in electricity generation	Maximum Demand losses kept within acceptable levels	Target annual M.D. losses within 3% of sales forecast	M.D. losses ≤ 3% of sales forecast	Same as 2008/09	Same as 2008/09	Same as 2008/09

¹ It be noted that notwithstanding Treaty specified deliveries, actual final agreed deliveries are based on the established long-term yield of the LHWP annual system.

² This figure will remain the same pending the agreement on the tariff currently under negotiation between LHDA and LEC

Strategic Objective	Performance Indicators / Measures	Target Outputs				
		2008/09	2009/10	2010/11	2011/12	2012/13
KFA 3: To ensure the optimal operation of LHWP facilities in a safe and secure manner						
3.1 To ensure overall safety and integrity of dams, tunnels and weirs and MHP.	95% availability of all instruments /in working condition	98% confidence level installed instruments.	Same as 2008/09	Same as 2008/09	Same as 2008/09	Same as 2008/09
	To obtain and/or improve to IRCA “SHE” 5-Star Rating	Maintenance of highest IRCA SHE Rating (5-Star)	Same as 2008/09	Same as 2008/09	Same as 2008/09	Same as 2008/09
	Less than 2 disabling injuries per year	Secure and Safe environment at LHWP areas.	Same as 2008/09	Same as 2008/09	Same as 2008/09	Same as 2008/09
	Awareness campaigns	50% of sign boards installed	70%	85%	95%	100%
3.2 To maintain the security of assets	Zero security breach	Zero loss/damage of assets	Same as 2008/09	Same as 2008/09	Same as 2008/09	Same as 2008/09
3.3 To complete all pending remedial works	All dam structures, tunnels weirs, ad equipment operating within 100% of design specifications	Within safety margins	Within 100% of design specifications			
3.4 To implement ‘SHE’ standards in all LHWP locations	Attainment of SHE performance Targets	‘SHE’ programmes rolled out across LHDA	90% Attainment of standards			
KFA 4: To efficiently and effectively operate assets and other facilities						
4.1 To close-out all Phase 1 Major Contracts and to close-out all other outstanding LHDA Contracts	100% of Claims successfully resolved by September 2008	All Claims pertaining to Phase 1 Major Contacts resolved and closure of all Contracts.	Completed	Completed	Completed	Completed
4.2 To commercially operate MHP	Reduction in financial net loss	Complete Ring fencing	Implement new PSA	Commercial operations	Same as	Same as

4.2 To commercially run LHDA facilities that have potential in order to reduce costs	Contribution made by each facility	Cost reduction	Cost reduction	Commercial operation	Same as	Same as
KFA 5: To compensate the affected Individuals and communities for identifiable direct losses due to LHWP						
5.1 To timeously and accurately compensate affected households and communities for all identifiable losses.	Annual Compensation Payment Plan showing Types, Amounts and Schedules approved by December every year.	95% compliance with the annual plan.	Same	Same	Same	Same
	Annual cash payments by June, Grain by August and LLEs by September	95% compliance with Annual Plan	Same	Same	Same	Same
5.2 To successfully resolve Compensation complaints	Complaints register	60% of complaints resolved	75%	90%	95%	100%

KFA 6: To ensure that the standard of living for people affected by LHWP is either maintained and/or raised above pre- project levels						
Strategic Objective	Performance Indicators / Measures	Target Outputs				
		2008/09	2009/10	2010/11	2011/12	2012/13
6.1 To optimise opportunities for sustainable development and improve the standard of living.	>70% achievement of development projects target.	EAP Programmes implemented and handed over	Same	Same	Same	Same
6.2 To Monitor and evaluate implementation of EAP programmes	Results of Quarterly progress reports and baseline studies	Quarterly progress reports	Quarterly progress reports	Quarterly progress reports	Quarterly progress reports	Baseline study

KFA 7: To improve and maintain the health of the communities affected by the LHWP.						
7.1 To promote and sustain public health awareness within the project areas.	Number of campaigns successfully conducted	Increased number of people aware thru KAP [Knowledge, Attitude & Practices]	Same	Same	Same	Same
7.2 To sustain strategic partnerships with Institutions providing care and counselling to the affected/infected	Sustainable care and counselling	100% access to services	100% access to services	100% access to services	100% access to services	100% access to services

KFA 8: To sustainably manage the Biophysical Environment within the LHWP area.						
8.1 To implement environmental and natural resources conservation programmes.	70% of programmes successfully implemented.	> 70% of the Annual targets achieved.	Same	Same	Same	Same
8.2 To implement the IFR policy to mitigate risks to the downstream ecology	90% compliance with IFR policy	60% compliance	70% compliance	80% compliance	90% compliance	Conduct IFR Audit
KFA 9: To Provide Efficient and Cost Effective Support Services						
9.1 To provide strategic guidance for the efficient and effective operation of LHDA support services applying best practice in the key support areas of HR, Finance, ICT, Internal Audit, Legal and M& E frameworks.	85% Attainment of agreed service levels.	>75% of targets achieved	>90%	>90%	90%	90%
KFA 10: To effectively and efficiently manage LHDA's human resources						
Strategic Objective	Performance Indicators / Measures	Target Outputs				
		2008/09	2009/10	2010/11	2011/12	2012/13
10.1 To successfully implement the Performance Management Development System	Completed Performance Agreements and Assessment Forms in compliance with the PMDS Cycle	100% PAs Completed	Same as 2008/09	Introduce performance awards	Same as 2008/09	Same as 2008/09
10.2 To effectively implement the staff HIV/AIDS Policy	Successful implementation of the HIV/AIDS Policy	100% access to treatment, care and support services	Same	Same	Same	Same
10.3 To implement an effective retention and succession strategy	Absence of key skills	0% loss of key skills	Same	Same	Same	Same

KFA 11 To Cost Effectively and Efficiently Manage relationships with Stakeholders and image of LHDA.						
11.1 To manage relations with stakeholders	Stakeholder surveys	>86% rating	90%	90%	95%	95%
11.2 To enhance the LHDA image	Stakeholder surveys	>75% rating on image	Same as 2008/09	Same as 2008/09	Same as 2008/09	Same as 2008/09
KFA 12 To ensure transfer of non-core assets & infrastructure to GOL and other receiving organisations						
12.1 To transfer non-core assets in accordance with Asset divestiture Policy.	100% of assets transferred by 2011.	20%	Same as 2008/09	Same as 2008/09	Same as 2008/09	Same as 2008/09