



# Lesotho Highlands Development Authority

P.O. Box 7332, Maseru 100, Lesotho • Telephone: (+266) 22 246 000 / 22 311 280 • Fax: (+266) 22 310 665 • Email: lhwp@lhda.org.ls

## RESPONSE TO AMNESTY INTERNATIONAL'S STATEMENT ON PHASE II OF THE LESOTHO HIGHLANDS WATER PROJECT

**Maseru, 6 February 2020** The Lesotho Highlands Development Authority (LHDA) is aware that on 06 February Amnesty International released a statement on Phase II of the Lesotho Highlands Water Project, calling on Lesotho authorities to halt the implementation of Phase II, alleging that the Project does not comply “with international human rights standards on evictions”.

Amnesty International alleges that the Project is being implemented with “no proper consultation with the people of Mokhotlong”.

This is false and misleading. The LHDA's ‘bottom up’ approach has ensured consultation and engagement with local communities from the inception of the Project. The Lesotho Highlands Development Authority has, and still is, working with local communities to understand their preferences for replacement housing, livelihood restoration programmes and compensation, for example. The Environment and Social Impact Assessment (ESIA) for the Polihali Reservoir was carried out in accordance with internationally recognized standards. Stakeholder engagement was extensive and commenced with the affected communities being sensitized to likely project-related impacts.

A second allegation is that “some displaced people were given as little as the equivalent of just over 1 US Dollar as compensation for being resettled”.

The fact is that resettlement has not even started. Not a single household has been resettled. In five (5) cases where there was a requirement to move people temporarily to make way for construction activities, the LHDA has organized temporary accommodation for those households after consulting with them. The LHDA is paying rent on their behalf and in terms of the Compensation Policy, they are due a disturbance allowance (more than M25,000.00 per household) for this temporary relocation. Consultations with them on the choice of a house plan,, choice of place to relocate to and choice of cash option, where they have alternative homes is ongoing.

It would appear that Amnesty International is using the terms compensation and resettlement interchangeably. In the context of LHDA, compensation means payment in kind or other legal payment tendered for the property or resource that is acquired or affected by the Project while resettlement means the process of addressing the effects of physical and economic displacement. This incorporates compensation, relocation and livelihood improvement.



# Lesotho Highlands Development Authority

P.O. Box 7332, Maseru 100, Lesotho • Telephone: (+266) 22 246 000 / 22 311 280 • Fax: (+266) 22 310 665 • Email: [lhwp@lhda.org.ls](mailto:lhwp@lhda.org.ls)

Households are compensated for all assets affected by the Project. The types of assets include and are not limited to the following: arable land, fruit trees, business premises, kraals, etc. Compensation rates are determined for each asset type and the quantum/value of each entitlement is determined by the size of the asset and the compensation rate for that particular asset type. So, a small piece of arable land under a pylon, for example, would attract a small payment, as would a single tree. The LHDA's compensation process also provides for compensation payments per asset, which is why it is possible for a beneficiary to have received a compensation payment to the value of M14.00. Over and above, a second payment – an inconvenience allowance of M1,000.00 (subject to consumer price index every year) is paid to each household affected by the Project. The two payments should therefore be added to get the real picture of the compensation for that particular household.

Compensation is an ongoing process and it is progressing steadily. The LHDA has paid over 74% of the assets that are affected by the ongoing works (construction of roads, power lines and accommodation).

Compensation and resettlement are not simultaneous for all the people who will be affected by the project. They are dealt with on an area by area basis as the land is required for the implementation of the project. Every possible step is taken – in consultation with the community and the multi-disciplinary project team, to limit the impact of the project on the people in the project area. An example of this is the substantial realignment of the Polihali Western Access Road (PWAR) to minimize the need for relocation of households. In the end, approximately 10 primary structures (mainly small business structures) are affected and have to be moved. All of these owners were consulted on their compensation preferences (cash or replacement structures).

In addition, resettlement action planning is also a highly collaborative process where affected communities are extensively engaged from the process of asset registration, verification, compensation and relocation. For example, LHDA in engaging with villagers who are going to be relocated, took into account the villagers' inputs regarding relocation sites and the house designs. Consultations are ongoing.

The other claim made by Amnesty International is that “thousands of people from 35 villages are at risk of losing their homes and livelihoods.”

This is factually incorrect. The fact is, an estimate of 2,300 households will be affected by the implementation of Phase II of the Lesotho Highlands Water Project, of these only 340 households from a total of 9 villages will be physically relocated. The number of physically displaced people has been significantly reduced due to extensive consultations with affected communities and other stakeholders.



# Lesotho Highlands Development Authority

P.O. Box 7332, Maseru 100, Lesotho • Telephone: (+266) 22 246 000 / 22 311 280 • Fax: (+266) 22 310 665 • Email: lhwp@lhda.org.ls

Large scale infrastructure projects like the LHWP do disrupt people's lives. Consultants appointed to plan and manage the resettlement with, and on behalf of, the LHDA, are working closely with community leaders and households to identify all the affected people; to register their assets for compensation purposes and to prepare compensation agreements with them for the loss of their assets. Identifying resettlement areas, designing and building replacement housing and helping affected households to move to their new homes are part of the resettlement process. The resettlement process is still on the planning stage.

LHDA also recognizes the need to improve the livelihoods of those people affected by the project. The LHDA is now at an advanced stage of planning with demonstration projects in vegetable tunnels, skills training and accreditation of those who have skills but no certificates. The livelihoods improvement programme offers support to affected households through projects of their choice with advice from LHDA and external experts. These also include financial literacy programmes and skills training programmes, all intended to support the improvement of sustainable livelihoods for those impacted by the project.

The Lesotho Highlands Water Project is a fine example of transboundary water resources management and collaboration between the governments of Lesotho and South Africa, spanning over 30 years. Phase II of the Lesotho Highlands Water Project builds on the successful completion of Phase I in 2003. It delivers water to the Gauteng region of South Africa and utilises the water delivery system to generate hydro-electricity for Lesotho. Phase II will increase the current water supply rate of 780 million cubic metres per annum incrementally to more than 1 270 million cubic metres per annum. At the same time, it will increase the quantity of electricity generated in Lesotho and is a further step in the process of securing an independent electricity source for Lesotho. The hydropower further feasibility studies have confirmed that conventional hydropower is the preferred option for Phase II.

Ends