



Lesotho Highlands Development Authority

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PRESS RELEASE

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Unveiling ceremony at Tlokoeng launches Phase II of the Lesotho Highlands Water Project

Today the two nations of Lesotho and South Africa marked an important milestone in the Lesotho Highlands Water Project with the launch of Phase II at a formal ceremony held at Tlokoeng in the Mokhotlong district. The ceremony, officiated by His Majesty King Letsie III and President Jacob Zuma, and attended by Cabinet ministers and senior officials from both countries, demonstrates the warm relations that exist between the two countries and their commitment to a project which is considered to be one of the most successful cross-border water collaboration schemes between two sovereign states in the world.

“The agreement governing Phase II of the Lesotho Highlands Water Project was ratified by the Government of the Republic of South Africa in November 2012 and subsequently by the Government of the Kingdom of Lesotho in May 2013, paving the way for the implementation of the second phase of the project. Phase II implementation is scheduled to commence with the construction of advance infrastructure projects in 2015 and the construction of the dam and tunnel in 2017. Delivery of water and hydroelectricity generation by Phase II is expected in 2022,” confirms Mr Tente Tente, the Divisional Manager for Phase II of the Lesotho Highlands Development Authority (LHDA). “The project, which is expected to take approximately ten years to be completed, is a further step in the process of securing an independent electricity source for Lesotho that will meet the

country's electricity requirements and to provide assurance of Water delivery to Gauteng region.”

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The Lesotho Highlands Water Project is a multi-phased project that delivers water to the Gauteng region of South Africa and utilises the water delivery system to generate hydro-electricity for Lesotho. Phase II includes the construction of a dam at Polihali and the Polihali to Katse transfer tunnel, with a significant investment into improving road infrastructure and associated environment and social programmes which will benefit the communities in the the project area.

Phase II is expected to ensure a reliable water supply to South Africa by 2022 that will meet the demands of the Gauteng region, increasing the current supply rate of 780 million cubic metres per annum from the LHWP to the Vaal System by approximately 465 million cubic metres to make a total of 1255 million cubic metres per annum. Phase II is equally significant for Lesotho. The existing 72MW 'Muela hydropower station was built under Phase I of the project. Under Phase II the hydropower generation capacity of the scheme will be increased. In addition the 1200MW Kobong Pumped Storage Scheme is part of the bi-national Phase II agreement and is currently still in the feasibility phase.

Feasibility studies estimate that the cost of Phase II will be in the region of R17 billion, which will be carried by both South Africa and Lesotho. South Africa will bear the costs related to the water transfer component, while Lesotho will bear the costs related to the Kobong Pumped Storage Scheme and its related social and environmental costs.

The people of Lesotho and South Africa are already reaping the benefits of Phase I of the Lesotho Highlands Water Project. Phase II promises benefits beyond the increased water and electricity supply. These include economic benefits such as a growing market as a result of the expected influx of people during construction, more employment opportunities, capacity building and skills development.

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