



2021 – 2024 STRATEGIC PLAN REVISED VERSION

**Board Adoption
LHWC Approval**

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List of Abbreviations

CE	Chief Executive
COVID-19	Corona Virus Disease of 2019
DM-CS	Divisional Manager Corporate Services
DM-DOD	Divisional Manager Development and Operations Division
DM-Phase II	Divisional Manager Phase II Division
DM-SDE	Divisional Manager Social Development and Environment Division
ERM	Enterprise Risk Management Process
FOB	Field Operations Branch
GOL	Government of Lesotho
LHDA	Lesotho Highlands Development Authority
LHWC	Lesotho Highlands Water Commission
LHWP	Lesotho Highlands Water Project
O&M	Operations and Maintenance
RSA	Republic of South Africa
SARS-CoV2	Severe Acute Respiratory Syndrome Corona Virus Number 2
SMP	Strategic Management Process
SWOT/SLOT	Strengths, Weaknesses/Limitations, Opportunities and Threats

The Chairman's Statement

It gives me great pleasure to present the LHDA's Strategic Plan for the period 2021 to 2024. It sets out the context in which we operate and plays an important role in influencing our priorities over the planning period and setting the pace and direction for the organisation.

The key driver is the Preamble to the LHWP Treaty, *"expectations are high, it is not going to be business as usual"*.

To effectively implement the agreed strategy in this changing environment with all its dynamics will require internal consistency, coherence and synergies across a number of fronts. Amongst others, it will, require the tenacity of the leadership and governance structures to ensure that the organisation has in place an appropriate organisational structure that is supported by aligned internal systems and processes. This also requires developing and/or retaining the right skills set and competencies to drive the required change and to create a supportive culture and a set of core values, which are responsive to the strategy.

The onset of COVID-19 has brought to the fore the old adage "adapt or die". It has placed the spotlight on contingency planning and highlighted the need to adapt and develop infrastructure to enable telecommuting or remote working and exploit the advantages that come with such a new normal way of working

It is our conviction that by having a good handle on these imperatives, the LHDA will be in a better space and position to deliver the greatest possible operating efficiencies and effectiveness. This will ensure that the considerations, desires and wishes of the Parties to the Project as captured the Preamble to the LHWP Treaty are realized.

Chairman of the Board

Robert Mbwana

The Chief Executive's Foreword

I am pleased to announce that the Lesotho Highlands Development Authority (LHDA) has completed a Strategic Plan Document for the next 3 years (April 2021 to March 2024). This is a high-level document that is intended to chart the course and set the strategic direction for the LHDA during the planning period.

This Strategic Plan is designed to provide the direction, marshal resources and energies towards achieving optimum performance during the planning horizon. The Plan is developed at the time when the pace of implementing the second phase of the Project is picking up momentum and the focus shifts from engineering designs to physical construction. Therefore, in the process of crafting this high-level navigational tool, the LHDA took cognizance of the developments in the operating environment.

The Strategic Plan recognises a fundamental shift in the way business is being done now and in the future due to the advent of the COVID-19 pandemic. One of the key strategic actions in the Plan is to exploit fifth industrial revolution. Rather than looking at it as a setback, the Covid-19 pandemic should be seen as a catalyst for the prioritisation of digitisation. While this may initially disrupt the old way of doing things but there are cost savings and productivity gains that can be realised. However it is to be acknowledged that this digitisation needs resources, financial and human and cannot just happen at the flick of a switch.

The pandemic also serves to advance the LHDA's plans on the adoption of the Internet of things (IoT) to make it easier and more efficient to operate and maintain the LHDA's assets and facilities, mobile and fixed.

The Plan highlights the organization's strategic vision by integrating and adopting internationally recognized standards where applicable. It considers a high-performance culture anchored by capable and effective teams to be critical in assisting LHDA to increase its operational efficiency in carrying out its mandate effectively. It is my hope that the current Plan will reposition LHDA to better deliver on its Vision and Mission

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Chief Executive

1.0 STRATEGIC PLAN 2021 – 2024

The LHDA has adopted the three-year rolling strategic plan as guided by the LHWP 2017 Governance Manual. The strategic plan is revised every fiscal year of the strategic planning horizon, mainly focusing on key performance indicators and target outputs, such that every year of the three (3) years horizon, there is an up-to-date version of the three-year strategic plan.

1.1 Vision

A world class organisation in the development and management of water resources and electricity generation

1.2 Mission

To implement the Lesotho Highlands Water Project:

- (a) effectively and efficiently, in accordance with internationally recognised standards
- (b) through capable and engaged people

1.3 Values

The values that lay a foundation for LHDA to fulfil its Mission and realise its Vision include:

- a) Caring**
To be responsible, sensitive, economical and protective of our resources, sense of ownership
- b) Professionalism**
Discharge duties with efficiency, care and skill; we conduct ourselves and work competently
- c) Execution**
We get things done; have a bias for action
- d) Team Work**
Unity is strength; we value the role and inputs of others; draw on strengths and skills
- e) Communication**
Listening, effective information sharing, two-way communication
- f) Customer Focus**
Meet the requirements of a customer; all our actions are directed towards delivering value

2.0 THE STRATEGIC PLANNING PROCESS

This Strategic Plan was revised by the Management in September 2020, facilitated by the Corporate Planning and Risk Management (CPRM) Team. The process followed the LHDA Strategic Management Process (SMP) and the LHDA Enterprise Risk Management (ERM) Process.

The process started with formal one-on-one consultations with all divisional managers, branch managers and senior officers, focusing mainly on individual branches' performance against the 2020–2023 Strategic Plan.

The discussions started with reviewing the LHDA performance against the 2020/21 Business Plan up to August 2020, identifying activities which would be carried forward into the 2021 -2024 Strategic Plan. Subsequently, the SWOT analysis was performed and new initiatives formulated against the issues identified for inclusion into the 2021/22 Corporate Business Plan, the second year of 2020-2023 Strategic Plan. The 2020-2023 Strategic Plan was reviewed to incorporate the new initiatives, spreading over three (3) years of the 2021-2024 Strategic Plan.

3.0 PLANNING ENVIRONMENT (LHDA IN CONTEXT)

The planning environment changed from the 2020-2023 Strategic Plan planning environment, significantly influenced by the outbreak of the corona virus 2 (SARS-CoV-2) that led to the COVID-19 pandemic. The COVID-19 pandemic disruption resulted in the national lockdown, which completely shut down the LHDA's engineering and construction operations while most of other activities had to be driven outside the usual workplace, from home. Thus, a number of planned initiatives got derailed intensely, leaving no option but to push some of the timelines into the next financial year.

To circumvent the impact of the COVID-19 pandemic disruption, in April 2020, the COVID-19 Mitigation Guidelines and Procedures were developed and implemented, the 2020/21 Corporate Business Plan was revised with the associated 2020/21 Finance Plan (budget) as well as the 2020/21 Risk Registers to incorporate the emerging risks. Furthermore, working from home became the modus operandi. The September 2020 planning cycle presented the opportunity to review the scenario plans developed and implemented since April 2020, together with the implemented approaches, including working on rotational basis and working from home, which became the new normal.

4.0 STRATEGIC THRUST

The strategic thrusts did not change as the LHDA continues to reposition the culture of performance and service to stakeholders, even in the 2021-2024 Strategic Plan horizon. The repositioning focuses on the following thrusts:

1. Compensation stability
2. Proper operations and maintenance (O&M)
3. Effective communication and stakeholder engagement
4. Re-alignment of organisational structure to the strategy.

5.0 ANALYSIS OF STRENGTHS, WEAKNESSES/LIMITATIONS, OPPORTUNITIES AND THREATS (SWOT/SLOT)

Table 1 illustrates the summarised results of the internal and external environment scanning (SLOT analysis.)

Table 1: SLOT Analysis

INTERNAL – CURRENT STATE	EXTERNAL – FUTURE STATE
<p style="text-align: center;">STRENGTHS</p> <ul style="list-style-type: none"> • LHDA is a reputable organisation (unique project management exposure) • Diverse skills and competencies • Effective governance processes • Lessons learnt from Phase I to effectively implement Phase II • Effective financial systems and controls • Compliance with applicable laws, policies and procedures • Affiliation with internationally recognised bodies • Robust Financial Systems (SAGE, etc.) • Functional Procurement Policy 	<p style="text-align: center;">OPPORTUNITIES</p> <ul style="list-style-type: none"> • Increased demand for water in Lesotho and in the SACU Region (more dams, more royalties) • Availability of infrastructure for ancillary developments • Availability of technology advancements • Potential for partnerships with learning institutions • Availability of national regulatory frameworks • Donor funding • Advances on social networks nation-wide (Facebook, Twitter, Instagram, LinkedIn, WhatsApp, etc.) • High electricity demand in Lesotho • COVID-19 effects (shift from paper-based transactions to electronic, working from home, etc.) • ‘Muela Hydropower Plant potential to run commercially
<p style="text-align: center;">LIMITATIONS</p> <ul style="list-style-type: none"> • Inefficient compensation processes • Inadequate monitoring and evaluation function • Aging infrastructure • Inadequate asset management • Limited delegation of authority • Unresolved compensation complaints • Ineffective stakeholder management and marketing of the Project • Long turnaround time – LHWC approvals taking longer than expected • Unsustainable funding model for the ‘Muela Hydropower Plant • Non-existing dam standards 	<p style="text-align: center;">THREATS</p> <ul style="list-style-type: none"> • Mining activities impacting the LHWP activities • Climate change effects • Poor land use practices (deterioration of wetlands, rampant soil erosion, deteriorating water quality, etc.) • Political instability • Absence or lack of legislation and regulations (also lack of enforcement, fragmented and outdated pieces of legislation) • Corrupt and fraudulent practices • Declining economic trends (GoL and SA funding shortage due to COVID-19 and governance issues) • Delay in domestication of Phase II Agreement • Lack of economic developments in the catchment (leading to poor livelihoods initiatives)

The SLOT analysis covered the operations of the LHDA including the emerging issues following the COVID-19 pandemic disruption, as the emerged working environment was considered as the new normal three (3) months down the line. Most of the weaknesses have been addressed by initiatives contained in the Operational Plan while some have been earmarked for initiatives contained in the branches' business plans. The threats were also addressed in the corporate risk register and branches' risk registers. The major issues highlighted by the SWOT have been categorised and summarised as follows:

The human resources: The misaligned organisational structure to the strategy, absence of the succession planning and the limited inter-branch cooperation have far reaching repercussions that might cripple the LHDA's operational efficiency. The LHDA planned an organisational wide climate survey which aims to determine the employees' level of satisfaction and motivation in order to improve and create better performing and more efficient organisation. A review and monitoring of relevant human resources policies to accommodate succession planning will be considered.

Infrastructure and facilities management: the LHDA is facing the challenge of aging infrastructure and facilities, which may deem difficult to either refurbish or replace as the appropriate services are not easily obtainable in the market. The planned development of the Asset Management System is meant to scale down the impacts of this challenge.

Management of community complaints: this has been a problematic area with supporting documentation missing resulting in disservice to community and bad reputation. However, efforts to collaborate with the LHWC on Phase I related complaints are made, while in Phase II, effective implementation of Complaints Resolution Procedures and Participation Strategy play a preventative measure in controlling complaints. Furthermore, Phase II offers opportunities to approach livelihood projects carefully to improve on the livelihoods of communities affected by the LHWP resulting in good reputation.

Poor land use management: improper use of land by the external stakeholders such as communities, mining companies, and other developmental organisations has an impact in the LHWP operations of which the LHDA has limited control. The climate change impacts are likely to inflict more hindrances on the use of land ultimately impacting on the operations of the LHDA. The continued implementation of the Integrated Catchment Management Programs, including intensive collaboration with the relevant stakeholders goes a long way in addressing this challenge.

Political, economic and social: changing political environments has a direct bearing on governance and progress on operations of the LHDA resulting in delayed decisions due to limited knowledge on operations of LHDA by new Authorities. The COVID-19 pandemic impacts, with imposed national lockdowns, exacerbated the economic situation of the Parties. While the LHDA does not have strategies directly addressing these threats, the on-board induction of the new Authorities, the general cost-saving initiatives and close monitoring of financial accounts are implemented in cognisance of these threats.

6.0 KEY FOCUS AREAS AND SMART OBJECTIVES

The identified key focus areas (KFA) and the smart or strategic objectives (SOs) are summarised in Table 2.

Table 3: Operational Plan

KFA 1: Development and Management of Infrastructure
1.1 To ensure optimal operations and proper maintenance of existing infrastructure
1.2 To implement Phase II of the LHWP
KFA 2: Biophysical Environmental Management
2.1 To implement sustainable management of biophysical environment within the LHWP Area
KFA 3: Socio-economic Development of Affected Communities
3.1 To maintain and improve the standard of living of the communities affected by the LHWP
KFA 4: Governance and Management of the LHDA
4.1 To strengthen capacity to manage and coordinate the LHDA activities
KFA 5: Ancillary Developments
5.1 To maximise opportunities for public private partnership ventures within the LHWP Area

7.0 STRATEGIC PLAN CRITICAL SUCCESS FACTORS

1. Staff and Board buy-in
2. Government(s) buy-in (LHWC, collaboration with Governments departments)
3. Availability of resources (financial, technological, human, data and time.)

8.0 2021 - 2024 OPERATIONAL PLAN

Table 3 below indicates the link between the SOs and respective strategies, key performance indicators and annual target outputs for the period 2021 to 2024.

Table 3: Operational Plan

SMART OBJECTIVE	KEY PERFORMANCE INDICATOR	STRATEGIC ACTION	TARGET OUTPUT 2021/22	TARGET OUTPUT 2022/23	TARGET OUTPUT 2023/24	RESPONSIBLE MANAGER
KFA 1: DEVELOPMENT AND MANAGEMENT OF INFRASTRUCTURE						CE
1.1 To ensure optimal operations and proper maintenance of existing infrastructure	1.1.1 96% performance availability and reliability achieved	1.1.1.1 Implement asset management system (Project 2 to Project 9) ¹	Components of Asset Management Maturity Level Assessment Recommendations implemented by the 31 st March 2022 (Projects 2, 3, 5, 6 and 7)	Components of Asset Management Maturity Level Assessment Recommendations implemented by the 31 st March 2023 (Projects 2, 4, 6, 7, 8 and 9)	Asset Management fully implemented as per plan	DM-DOD
			Not more than 2% unplanned downtime	Not more than 2% unplanned downtime	Not more than 2% unplanned downtime	
		1.1.1.2 Implement Planned Major Maintenance Projects	Annual Planned and Major Maintenance 100% complete by the 31 st March 2022	Annual Planned and Major Maintenance 100% complete by the 31 st March 2023	Annual Planned and Major Maintenance 100% complete by the 31 st March 2024	
		1.1.1.3 Deliver water to RSA and generate electricity for Lesotho	780MCM of water delivered and 500GWh of electricity generated by the 31 st December 2021	780MCM of water delivered and 500GWh of electricity generated by the 31 st December 2022	780MCM of water delivered and 500GWh of electricity generated by the 31 st December 2023	
		1.1.1.4 Implement Project Life-cycle Management Framework	Project Life-cycle Management System implemented by the 31 st March 2022:	More than 90% adherence to plan, budget and quality	More than 90% adherence to plan, budget and quality	

¹ Project 2 - Strategic Asset Management Plans, Project 3 - Condition Assessment of LHDA critical assets, Project 4 - Long-term planning and budgeting (Project 4), Project 5 - Incorporation of Maintenance Planning function into Manpower Study, Project 6 - Implementation of 5S', Project 7 - Focused OHS interventions, Project 8 - Comprehensive asset information management, Project 9 - Performance Management Framework

SMART OBJECTIVE	KEY PERFORMANCE INDICATOR	STRATEGIC ACTION	TARGET OUTPUT 2021/22	TARGET OUTPUT 2022/23	TARGET OUTPUT 2023/24	RESPONSIBLE MANAGER
			<ul style="list-style-type: none"> • Mapping of Business Processes • Procurement of Consultants to review and streamline business processes 	<ul style="list-style-type: none"> • Business Processes reviewed and streamlined • LHDA skills and capacity assessment • Procurement of Project Life-cycle Management Tool 	<ul style="list-style-type: none"> • Supply of Project Life-cycle Management Tool and roll-out 	
1.2 To implement Phase II of the LHWP	1.2.1 60% implementation of Master Plan by the 31 st March 2024 ²	1.2.1.1 Implement Water Transfer infrastructure	90% completion of advanced infrastructure by the 31 st March 2022	100% completion of advanced infrastructure by the 31 st March 2023	N/A	DM-Phase II
			25% main bridges construction completed by the 31 st March 2022	70% of main bridges construction completed by the 31 st March 2023	90% of main bridges construction completed by the 31 st March 2024	
			Feeder Roads Master Planning Strategy 100% complete by the 31 st March 2022	Consultancy contract for the Feeder Roads Programme awarded by the 30 th June 2023	Construction contract(s) for the Feeder Roads Programme awarded by the 30 th June 2024	
		1.2.1.2 Implement Water Transfer Main Works	Dam construction 10% complete by the 31 st March 2022	40% of dam construction complete by the 31 st March 2023	70% of dam construction complete by the 31 st March 2024	
			Tunnel construction 5% complete by the 31 st March 2022	30% of tunnel construction complete by the 31 st March 2023	60% of tunnel construction complete by the 31 st March 2024	
		1.2.1.3 Implement Hydropower Main Works	Procurement of the hydropower consultant completed by the 31 st March 2022 (dependent on confirmation of option by GOL)	Tender Design for selected Phase II Hydropower Scheme 50% complete by the 31 st March 2023	Construction contract for the selected Phase II Hydropower Scheme awarded by the 31 st March 2024	
Restoration of Mini-hydropower Plants (at Katse and Mohale) 50% complete by the 31 st March 2022	Mini-hydropower Plants (at Katse and Mohale) fully functional by the 31 st March 2023		N/A			

² Phase II Master Programme V12.0 of 16th January 2020

SMART OBJECTIVE	KEY PERFORMANCE INDICATOR	STRATEGIC ACTION	TARGET OUTPUT 2021/22	TARGET OUTPUT 2022/23	TARGET OUTPUT 2023/24	RESPONSIBLE MANAGER
KFA 2: BIOPHYSICAL ENVIRONMENTAL MANAGEMENT						CE
2.1 To implement sustainable management of biophysical environment within the LHWP area	2.1.1 95% implementation of Integrated Catchment Management Plan	2.1.1.1 Develop and implement Climate Change Adaptation Strategy	Climate Change Vulnerability Assessment Report approved by the 31 st March 2022	Climate Change Adaptation Strategy implemented by the 31 st March 2023	Climate Change Adaptation Strategy implemented by the 31 st March 2024	DM-SDE
		2.1.1.2 Protect, conserve and restore wetlands	Protected area established in the headwaters of Polihali Tributaries Rivers by the 31 st March 2022	N/A	N/A	DM-SDE
		2.1.1.3 Conserve Biodiversity	LHWP biodiversity conservation and monitoring strategies implemented as per Programme	LHWP biodiversity conservation and monitoring strategies implemented as per Programme	LHWP biodiversity conservation and monitoring strategies implemented as per Programme	
	2.1.2 90% compliance with provisions of the Environmental Management Plans (EMPs) and conditions of the LHWP environmental licenses (RODs)	2.1.2.1 Undertake Safety Health Environment and Quality (SHEQ) compliance audits during construction phase on a bi-monthly basis	85% compliance with EMPs and Safety, Health and Quality Framework by the 31 st March 2022	90% compliance with EMPs and Safety, Health and Quality Framework by the 31 st March 2023	90% compliance with EMPs and Safety, Health and Quality Framework by the 31 st March 2024	DM-SDE and DM-Phase II
KFA 3: SOCIO-ECONOMIC DEVELOPMENT OF AFFECTED COMMUNITIES						DM-SDE
3.1 To maintain and improve the standard of living of the communities affected by the LHWP	3.1.1 95% implementation of compensation, resettlement, livelihood and social	3.1.1.1 Re-engineer compensation and resettlement processes	All known assets affected by the Project registered in the database and compensated according to the Compensation Policy by the 31 st March 2022	Payment of all assets affected by the Project up-to-date in accordance with the Compensation Policy by the 31 st March 2023	Payment of all assets affected by the Project up-to-date in accordance with the Compensation Policy by the 31 st March 2024	DM-SDE and DM-Phase II
			90% (reduction from 570 to less than 190 complaints) of	100% (190 remaining complaints) of historical	N/A	

SMART OBJECTIVE	KEY PERFORMANCE INDICATOR	STRATEGIC ACTION	TARGET OUTPUT 2021/22	TARGET OUTPUT 2022/23	TARGET OUTPUT 2023/24	RESPONSIBLE MANAGER
	development programs		historical community complaints resolved by the 31 st March 2022	community complaints resolved by the 31 st March 2023		
			New complaints addressed within a month of registration	New complaints addressed within a month of registration	New complaints addressed within two weeks of registration	
		3.1.1.2 Implement livelihoods improvement programs	95% of Livelihoods Improvement Annual Plan implemented by the 31 st March 2022	95% of livelihoods improvement annual plan implemented by the 31 st March 2023	95% of livelihoods improvement annual plan implemented by the 31 st March 2024	
		3.1.1.3 Implement Social development programs (SDPs)	Social Development Programme Approved by March 2022	95% of the approved annual SDPs implemented by the 31 st March 2023	95% of the approved annual SDPs implemented by the 31 st March 2024	
		3.1.1.4 Implement Resettlement Action Plan (RAP)	RAP implemented according to the programme	RAP implemented according to the programme	RAP implemented according to the programme	
KFA 4: GOVERNANCE AND MANAGEMENT OF THE LHDA						CE

SMART OBJECTIVE	KEY PERFORMANCE INDICATOR	STRATEGIC ACTION	TARGET OUTPUT 2021/22	TARGET OUTPUT 2022/23	TARGET OUTPUT 2023/24	RESPONSIBLE MANAGER
4.1 To strengthen capacity to manage and coordinate the LHDA activities	4.1.1 Requisite skills acquired, requisite resources in place and set corporate targets met and exceeded by the 31 st March 2024	4.1.1.1 Review the LHDA Organisational Structure	Approved O&M Study Report by the 31 st March 2022	Optimal structure in place by the 31 st March 2023	N/A	DM-CS
		4.1.1.2 Effectively communicate with all the LHWP stakeholders	Stakeholder Engagement Plan and Communications Strategy implemented by the 31 st March 2022	Stakeholder Engagement Plan and Communications Strategy implemented by the 31 st March 2023	Stakeholder Engagement Plan and Communications Strategy implemented by the 31 st March 2024	CE
			Knowledge Management Plan implemented by the 31 st March 2022	Knowledge Management Plan implemented by the 31 st March 2023	Knowledge Management Plan implemented by the 31 st March 2024	
		4.1.1.3 Align culture to the LHDA Values to support corporate strategy	40% of culture survey recommendations implemented by the 31 st March 2022	100% of culture survey recommendations implemented by the 31 st March 2023	N/A	DM-CS
		4.1.1.4 Exploit fifth industrial revolution	50% of identified critical business processes automated by the 31 st March 2022	90% of identified critical business processes automated by the 31 st March 2023	100% of identified critical business processes automated by the 31 st March 2024	DM-CS
	4.1.2 100% compliance with the laws	4.1.2.1 Ensure compliance with the legislative framework	100% compliance with all applicable laws, policies and procedures as per approved Compliance Programme	100% compliance with all applicable laws, policies and procedures as per approved Compliance Programme	100% compliance with all applicable laws, policies and procedures as per approved Compliance Programme	CE
	4.1.3 Good financial management	4.1.3.1 Maintain proper books of the Authority in compliance with IFRS and GAAPs	Clean annual external audit reports	Clean annual external audit reports	Clean annual external audit reports	
	KFA 5: ANCILLARY DEVELOPMENTS					

SMART OBJECTIVE	KEY PERFORMANCE INDICATOR	STRATEGIC ACTION	TARGET OUTPUT 2021/22	TARGET OUTPUT 2022/23	TARGET OUTPUT 2023/24	RESPONSIBLE MANAGER
5.1 To maximise opportunities for public private partnership (PPP) ventures in the LHWP area	5.1.1 At least two (2) new ventures operational in the LHWP area by the 31 st March 2024	5.1.1.1 Create an enabling environment for private business ventures to operate in and around the reservoirs	At least three (3) new business venture approved in the LHWP Area by the 31 st March 2022	At least three (3) additional business ventures approved in the LHWP Area by the 31 st March 2023	At least three (3) additional business ventures approved in the LHWP Area by the 31 st March 2024	DM-SDE

9.0 RISK MANAGEMENT

Risk: risks identification done according to the LHDA ERM Framework and it begun with the revision of the 2020/21 Corporate Risk Register as the review is done bi-annually. The identified risks were incorporated into the revised 2020/21 Corporate Risk Register and new 2021/22 Corporate Risk Register. The major risks towards implementation of the Strategic Plan included the potential for low performance by the LHDA on critical areas such as implementation of Phase II; operation and maintenance of existing infrastructure; management of environment; disbursement of compensations; as well as resolution of complaints.

Impact: Failure to improve performance with regard to implementation of Phase II; operation and maintenance of existing infrastructure; and management of environment, may ultimately result in failure to deliver water to RSA timely and generate electricity for Lesotho while failure to disburse compensations and resolve complaints may taint the LHDA's image.

Mitigation: the 2021/22 Corporate Risk Register, that provides for mitigation measures, was developed and shall be monitored on monthly basis and progress reports produced on monthly, bi-monthly and annual basis.