



## water & sanitation

Department:  
Water and Sanitation  
REPUBLIC OF SOUTH AFRICA

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### NATIONAL ASSEMBLY *WRITTEN* FOR ORAL REPLY

#### QUESTION NO 1748

DATE OF PUBLICATION IN INTERNAL QUESTION PAPER: 04 APRIL 2025  
(INTERNAL QUESTION PAPER NO 14 -2025)

#### 1748. Mr S J Moore (DA) to ask the Minister of Water and Sanitation:

Since her reply to question 428 on 7 March 2024, what (a) is the updated cost overrun of the Lesotho Highlands Water Project, (b) amount of the total cost is shared by the Government, (c) are the amended dates for completion and water delivery, (d) are the causes of the delays and (e) confirmation is available that the specified dates will be met?

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#### MINISTER OF WATER AND SANITATION

- (a) The current projected costs of Phase II of the Lesotho Highlands Water Project are detailed in the table below.

Cost Category	Long Term Cost Plan (Nov 2024) billion	Cost (to Feb 2025) Billion	
Engineering	R 4 459	R 1 930	43.29%
Main Works	R 22 518	R 6 577	29.21%
Advance Infrastructure	R 8 618	R 6 967	80.84%
Administration and PMU	R 1 966	R 1 238	62.97%
Environmental and Social	R 1 064	R 254	23,92%
Sub-Total	R 38 625	R 16 966	43.93%

Cost Category	Long Term Cost Plan (Nov 2024) billion	Cost (to Feb 2025) Billion	
Planned Contracts	R 3 041	R184	6.06%
Additional FRMP&SDMP	R 5 358		0,00%
<b>Sub-Total</b>	<b>R 47 024</b>	<b>R 17 150</b>	<b>36.47%</b>
Contingency	R 6 270	-	-
<b>Total</b>	<b>R 53 294</b>	<b>R 17 150</b>	<b>32.18%</b>

The following should be noted about the costs provided above:

- The long-term cost plan figures provided are what was projected in November 2024. Projections are calculated every six months and will be adjusted again in May 2025 if necessary.
  - The cost is the cumulative amount spent as at February 2025.
  - Environmental and Social category costs are not final costs as the two countries have not yet agreed on who should carry those costs.
- (b) The South African Government is responsible for the water component of the project and the Lesotho Government is responsible for the costs of the hydropower project component. The water component costs are all financed using money raised on the markets by the TCTA – there is no government contribution.
- (c) The target date for completion of the project remains 2029. While some of the contracts are currently behind schedule, an acceleration programme is being implemented. It is envisaged that water will start to be available in the dam for inclusion in the planning of water usage from the Integrated Vaal River System by 2028.
- (d) Delays have been caused by several factors including:
- Contractors' inadequate resources (skilled labour, plant and equipment) on site
  - Contractors' poor planning
  - Late approval of Contractors' visas/work/residence permits by the Lesotho Government
  - Community protests for job opportunities and business forums - seeking sub-contracting opportunities.

(e) The Lesotho Highlands Development Agency (LHDA) developed a turn-around strategy in November 2024, which indicates measures to improve efficiency on site such that time lost is recovered and to mitigate against further slippages and delays going forward. The strategy involves:

- The Dam contractor has mobilised four highly experienced resources to oversee different departments to improve efficiency on management of different areas of the works
- Strengthening of the contractor's management, technical, health & safety, environmental and quality management staff
- Increasing resources and maximising work hours
- Penalties on the contractors for failure to meet the targets.

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DRAFT REPLY: RECOMMENDED/ ~~NOT RECOMMENDED~~/ AMENDED

*SPhillips*

**DR SEAN PHILLIPS**  
**DIRECTOR-GENERAL**  
**DATE: 11 April 2025**

✓  
DRAFT REPLY: APPROVED/ NOT APPROVED/ AMENDED



**MISS PEMMY C.P. MAJODINA, MP**  
**MINISTER OF WATER AND SANITATION**  
**DATE: 16/ 04/ 2025**