



**REPORT OF THE COMMITTEE ON PETITIONS BY HA MAKHALANYANE, HA  
MOKHATHI, HA THAFENG, KHORONG HA NCHELA VILLAGES, AGAINST  
LESOTHO HIGHLANDS DEVELOPMENT AUTHORITY (LHDA).**

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**PRESENTED**

**BY**

**THE PORTFOLIO COMMITTEE ON NATURAL RESOURCES, TOURISM  
AND LAND CLUSTER**

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## **ACKNOWLEDGEMENTS**

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The Committee would like to express its most sincere appreciation and gratitude to the various witnesses inter-alia; Ministry of Natural Resources, Private entities and Institutions that appeared before the Committee to give valuable information. The Committee also appreciates the role played by the press and media in publicizing the Committee's work for appreciation and participation of the wider population.

## **LIST OF ACRONYMS**

LHDA	- Lesotho Highlands Development Authority
LHWP	- Lesotho Highlands Water Project
CEO	- Chief Executive Officer
LLEs	- Legal Local Entities
SO	- Standing Orders
RSA	- Republic of South Africa
GOL	- Government of Lesotho
SDA	- Selected Development Area
CRTT	- Compensation and Resettlement Task Team
ALC	- Area Liaison Committee

## **1. INTRODUCTION**

The Portfolio Committee on Natural Resources, Tourism and Land Cluster received petitions from the following villages; Ha Makhalanyane, Ha Mokhathi, Ha Nchela and Ha Thafeng for scrutiny, pursuant to Standing Order No. 79.

The Committee proceeded with its mandatory function provided under SO 95 (1) (d) which allows the Committee on Natural Resources Cluster to examine matters related to: Natural Resources (Water and Mining), Energy, Environment, Forestry, Public Works, Transport, Tourism, Sports, Arts and Culture.

SOs 95 (1) and (2) further authorizes the Committee to scrutinize government departments with responsibility within the Committee's subject area, including investigating, inquiring into and making recommendations relating to any aspect of such a department's administration, legislation, or proposed legislation program, budget, rationalization, restructuring, functioning, organization, structure and policy formulation.

The Committee reports to Parliament any matters referred to it, as soon as it has completed its considerations and deliberations as stipulated under SO 95.

The Committee, therefore, presents this report to the House for consideration.

## **2 BACKGROUND**

The Lesotho Highlands Water Project (LHWP) was established by a Treaty signed in October 1986 between the Governments of Lesotho (GOL) and the Republic of South Africa (RSA). The project involves the design and construction of dams, tunnels, hydropower station and other infrastructure such as roads,

telecommunications and power lines. The environmental and social development programmes are also implemented as part of the project to mitigate against the negative impact of the constructions.

Lesotho Highlands Development Authority (LHDA) was established to implement and manage part of the project that falls within Lesotho's borders; it includes secondary developments such as: relocation, resettlement, compensation and supply of water to resettled villages among others. Compensation for communal assets are used for development purposes. They are paid by LHDA into community trust fund accounts, to be used under agreed conditions by the communities for their own resources replacement or other economic and community development programs.

## **2.1 Legal and Policy Framework**

The LHWP facilitates for the resettlement and relocation of persons who are affected by the construction of the project. Therefore, LHDA's legal obligation to the affected communities is based on the Lesotho Constitution, 1986 Treaty, LHDA Order 1986 and LHWP Regulations of 1990; hence the Committee's state of intervention to the above mentioned petitions.

The LHWP Compensation Policy for Phase 1A and 1B covers compensation for: loss of assets, Uprootment (including resettlement), Income Restoration, Rural Development, Natural Environment and Heritage and the implementation of Public Health plans within Lesotho. Compensation Policy of 1997, Sect. 11.5 states that "all communal assets will be compensated through lump sums or annual cash payments to communities as a whole, with the funds intended for development purposes within the communities." This Compensation is meant to bridge the

financial impact of initial settlement and costs for loss of property resulting from the project works and to enable households to be economically independent following settlement.

### **3. FINDINGS OF THE COMMITTEE**

#### **3.1 Rationale for Communal Compensation and Compensation and Resettlement Task Team (CRTT).**

During the commencement of LHWP, it was recognised that impoundment of rivers created both biophysical and social aspects. Therefore, the Treaty recognised the value of maintaining environmental flows of existing dams and made a provision for communities living close to the dam structures to be compensated based on presumed losses.

For implementing this task, a Compensation and Resettlement Task Team (CRTT) was established to carry out the functions of helping the affected families about the compensation options available and their entitlement by providing information that is accurate in a simplified manner to the families. CRTT consists of two members from LHDA, two members elected from the scheme area, including Area Liaison Committee (ALC) representative, and Field Operation Team (F.O.T) Leader.

#### **3.2 DELIBERATIONS**

##### **3.2.1 Khorong Ha Nchela**

When asked further about a detailed analysis of Khorong Ha Nchela funds, LHDA C.E.O explained that the community had to choose the type of development that

they want and the community chose water. He stated that the Community of Ha Nchela still has funds amounting to **M608, 491.50** in their account.

Ha Nchela community representatives on the other hand explained that they have submitted many plans to LHDA but each time they made follow up, LHDA would require them to write and re-submit new plans until they decided to sought intervention from the Committee. They requested access road and water following a decline of a request for a hall which they thought would improve their standard of living through rental earnings for different purposes, but was dismissed on the basis that money would cause conflicts between the community.

### **3.2.2 Ha Makhalanyane**

The Committee requested LHDA to mention the steps taken to help the community of Ha Makhalanyane and the CEO stated as follows:

- The funds for Ha Makhalanyane amount to **M8, 911, 704.59**.
- The community had requested for electricity but there are misunderstandings between the community and L.E.C. on electricity installation hence there is delay to proceed with the communal development project.

Ha Makhalanyane representatives stated that their long term needs included water and electricity supply. With time, the Community received water supply and what is pending is electricity supply as L.E.C quotations are always escalating. The Community's initial request was the Office of the Chief and it is now 20 years since the communal development projects were submitted without any progress from LHDA.

### 3.2.3 Ha Thafeng

On being asked about the steps taken to help Ha Thafeng Community, the C.E.O stated as follows:

- The total amount in the community's account is **M1, 230, 619.84**; and
- The project has good working relationships with this community.

The community representatives indicated that LHDA has not honored its promises; instead it always wants new plans to be submitted from time to time without any implementation. Their request included access road and construction of the Office of the Chief.

### 3.2.4 Ha Mokhathi

The Committee's attention towards Ha Mokhathi community was drawn to the fact that there are Officers from LHDA who seem to be in conflict with the community's needs and wanted LHDA to elaborate more on this issue. The Committee was informed by the C.E.O that:

- Ha Mokhathi had funds amounting to **M1, 300, 000.00**; and
- The funds have been depleted as the community used all the funds.

While responding to allegations that illegal transactions have been made on Ha Mokhathi account by some members of the community and LHDA staff, the C.E.O explained that LHDA does not have access to the Community's account.

The representatives of the community explained that as part of Mokhathi community, they are not satisfied with the **M10, 000.00** that was distributed on



the 17<sup>th</sup> January 2023. They explained further that they are not satisfied with the way their complaints have been handled by the 4 officers from LHDA. And that even after lodging complaints about their Legal Local Entities (LLEs), which is responsible for Ha Mokhathi Cooperative's failure to account for the funds, the officer from LHDA emphasized his interests by publicly speaking that he won't work with any other Committee, other than the one which already exists.

#### **4. COMMITTEE'S OBSERVATIONS AND CONCERNS**

After careful consideration the Committee noted the following:

- Compensation is paid to affected communities through their instituted representative committees known as LLEs which are established "to administer, plan and manage communal compensation on behalf of communities and invest funds into communal development projects as per requirements stipulated in Memorandum Of Understanding (MOU) between the project and communities;"
- Memorandum of Understanding (MOU) mandates Legal Local Entities (LLEs) to use funds for development projects in order to replace lost resources, whilst LHWP's role is advisory. Implementation of development projects using compensation funds in most cases presented major challenges and benefits for communities;
- LHDA's responsibility is to provide development benefits to host communities and mitigate impact of the resettled households. These benefits could be provided in the form of improved school facilities, improved water supplies, health facilities, access roads, and

implementation of programmes related to improved management of natural resources for sustainability as catered for in the Compensation Procedures of 1997 by LHDA;

- 20 years have passed with LHDA failing to help the communities to restore their lives which is in contradiction with the specifications of the Treaty which stipulates that the Authority shall “ensure that as far as reasonably possible, the standard of living and the income of persons displaced by the construction of an approved scheme shall not be reduced from the standard of living and the income existing prior to the displacement of such persons”
- LHDA ignored the Committee’s decision that all activities related to Ha Mokhathi Community’s account be put on hold until the Committee has done thorough investigations and made recommendations to the House for adoption.

## **5. RECOMMENDATIONS**

The Committee recommends the adoption of this report and approval by the House based on the following:

- The community of Ha Nchela should be provided with the hall as per their request, which is going to be beneficial to them in improving their lives. It has to be completed by the end of October, 2024 as agreed between the Committee, LHDA and the community on the 10<sup>th</sup> April, 2024;
- Ha Thafeng community should be provided with the office of the Chief and access road both of which are to be completed by the end of October, 2024

as agreed between the Committee, LHDA and the community on the 10<sup>th</sup> April, 2024;

- Ha Makhalanyane community should be assisted with electricity supply and office of the Chief by the end of October,2024 as agreed between the Committee, LHDA and the community on the April, 2024;
- For Ha Mokhathi community, LHDA should take full responsibility on the funds of the community after refusing to take the Committee's recommendation to put on hold all activities to the community's funds until thorough investigations are done;
- Disciplinary measures should be taken on all LHDA officers involved in Ha Mokhathi's funds to avoid repeat of the same mistake; and
- LHDA should review and amend its compensation policy.

## **6. CONCLUSION**

The Committee, therefore, presents this report for consideration and adoption by the House.

## **ANNEX 1**

### **LIST OF COMMITTEE MEMBERS**

1. Hon. M. Motsoane (Chairperson)
2. Hon. L. Makara
3. Hon. T. Notsi
4. Hon. T. Kibane
5. Hon. T. Lekitla
6. Hon. L. S. Phohleli
7. Hon. M. Hlalele
8. Hon. L. Hlapisi
9. Hon. Dr. T. Moroke
10. Hon. M. Lehata
11. Hon. L. Hlaele
12. Hon. T. Abinyane
13. Hon. R. Nalane
14. Hon. M. Ramakalima
15. Hon. C. Mdlokovana
16. Hon. A. Tsoanamatsie
17. Hon. A. Mabote
18. Hon. M. Tsatsanyane
19. Hon. T. Marelane
20. Hon. M. Khaahloe
21. Hon. M. Moleleki
22. Hon. R. Ramaisa

23.Hon. T. Mojabela

24.Hon. T. Mapesela