

**MINISTRY:**

**HUMAN SETTLEMENTS, WATER AND SANITATION**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NO.: 764 (57)**

**DATE OF PUBLICATION: 3 SEPTEMBER 2019**

**Mr L J Basson (DA) to ask the Minister of Human Settlements, Water and Sanitation:**

(a) By what date will the second phase of the Lesotho Highlands Water Project be completed and (b) what is the projected final cost? NO1814E

**REPLY:**

1. Impoundment of water in Polihali Dam will commence in mid Aug 2024 and water deliveries to Katse Dam in Feb 2026. The planned date of completion of the Project is measured when the first water can be delivered from Polihali Dam into Katse Dam.

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| **PHASE II**  **MASTER IMPLEMENTATION PROGRAM** | |
| **ITEMS** | **CRITICAL DATES** |
| Designs of Advanced Infrastructure commenced | Apr 2015 – end Sept 2018 |
| Award tenders for construction of Advanced Infrastructure | End June 2018 – Jan 2020 |
| Tenders awarded for Polihali Dam design and Polihali Tunnel design | Dam: Jul 2017  Tunnel: Nov 2017 |
| Award tenders for construction of Polihali Dam and Tunnel | Dam: Sept 2020  Tunnel: Apr 2020 |
| Start impounding water in Polihali dam | Aug 2024 |
| Water delivery to augment Katse Dam for RSA deliveries | Feb2026 (Highly dependent on reasonable rainfall) |

(b) The final cost at completion of Phase II of the Project in 2026 will be R 32,562,290,145.00 this includes provision for escalation due to inflation up to 2026, and a contingency amount to take care of unforeseen circumstances during the implementation of all features of the Project.

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| **PHASE II**  **BUDGET AND EXPENDITURE TO DATE** | | | |
| **Water Transfer : Audited costs to June 2019** | | | |
| **Cost by Category** | **Revised LTCP**  **(Nov 2018)** | **Cost to Date**  **(June 2019)** | **Expended %** |
| All Engineering | 2,100,100,033 | 350 897 766 | 16,7% |
| Construction - Main works | 13,204,085,486 | - | 0,0% |
| Construction - Advanced infrastructure | 4,800,345,677 | 114 284 833 | 2,4% |
| Administration & PMU | 551,542,109 | 325 681 635 | 59,0% |
| Environmental & Social | 1,201,963,757 | 105 330 757 | 8,8% |
| **Sub-totals** | **21,858,037,062** | **896 194 991** | **4,1%** |
| Escalation – LSL (Lesotho Loti) | 4,432,007,238 | 75 305 037 | 1,7% |
| Escalation – Forex | 2,989,867,884 | 48 158 208 | 1,6% |
| **Sub-totals** | **29,279,912,184** | **1 019 658 236** | **3,5%** |
| Contingency | 3,282,377,961 | 67 556 115 | 2,1% |
| **Total** | **32,562,290,145** | **1 087 214 351** | **3,3%** |

Note:

1. “Cost to date” will increase rapidly since a large number of construction contracts were awarded lately.

2. LTCP = Long Term Cost Plan