



Lesotho Highlands Development Authority

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SETTLEMENT AGREEMENT

BETWEEN

LESOTHO HIGHLANDS DEVELOPMENT AUTHORITY (hereinafter referred to as 'the LHDA')

AND

CHIEF KHETHANG KHETHANG and 75 OTHERS (hereinafter referred to as 'the Applicants')

1. PREAMBLE:

- a) Whereas the Applicants are suing LHDA at the High Court for the supply of potable water in the matter cited as Chief Khethang Khethang & 75 Others v. LHDA CIV/APN/623/2011;
- b) Whereas the Parties deem it prudent that this matter be settled and that a judgment in favour of the Applicants be granted in terms of this agreement;
- c) Whereas the Mapeleng water supply project [Hereinafter referred to as "the project"] is intended to complete water supply works under Phase 1A water supply programme as a "special compensation project" in compliance with the provisions of the laws governing the Lesotho Highlands Water Project (LHWP); and currently not embodied in the KLM WATSAN Programme;

2. NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS

2.1 PURPOSE

- The purpose of the Mapeleng water supply project is to provide the community with potable water supply facility and hence improve the current standard of living of the people of the Mapeleng Village.

2.2 DURATION OF THE PROJECT

- The duration of the Project is estimated to be 16 weeks. The target project completion date is on or before the 30th September 2012; weather conditions and other intervening circumstances permitting.

2.3 IMPLEMENTATION STRATEGY

- Implementation will commence with the public consultation process involving the local area chief, the local village water management committees, local government structures and other identified stakeholders.
- The implementation of the Project will be carried out by the LHDA through its in-house team or appointed contractors.
- Unskilled labour required for the construction of the project will be sourced from within the Mapeleng village where the facility is to be constructed. Recruitment of the labour will be carried out by the community management structures (with required numbers given by LHDA or its contractor) which will provide a list of available labour that will be engaged on a rotational basis to ensure equity and fairness.
- LHDA shall construct a water supply system for the benefit of the Applicants. The water system shall supply potable water of a standard compliant with the relevant WATSAN standards in respect of quality, quantity and convenience.
- Where as a result of the Mapeleng Water Supply Project works, the properties of the villagers or community are affected (for example residential sites, gardens, fields and communal assets) no compensation shall be disbursed by LHDA.

2.4 EXTERNAL STAKEHOLDERS

- The external stakeholders of the Mapeleng water supply project are Ministry of Natural Resources (MNR) through the DRWS, Ministry of Local Government (MLG) as well as Transformation Resource Centre (TRC). These stakeholders will be passively involved in the implementation of the project, providing LHDA with due support. They will also attend the final inspections for handover of the completed facility.
- The role of the DRWS will be the long-term maintenance and operation of the water supply systems through engagement of the two (2) Mapeleng community members known as Water Minders who will be trained during the construction phase by the contractor to operate and maintain the facility. Since the water supply systems will be gravity-fed, the routine maintenance involves washing out silt from the pipelines and storage tanks.
- The role of the MLG will be to ensure that the community in this project area is equitably engaged in construction of the facility on a rotational basis for the benefit of all families.

2.5 MONITORING AND EVALUATION

- LHDA in-house progress meetings will be held to ensure the fast and more efficient implementation and execution of the project through project monitoring and the resolution of all critical issues which could adversely affect progress;
- In addition monthly progress meetings will be held with all relevant stakeholders to ensure proper coordination and implementation of the project. Monthly reports will be prepared and submitted to all the relevant stakeholders. The Ministry of Natural Resources (MNR) through a representative of the Department of Rural Water Supply (DRWS) will be officially invited for the physical commissioning of the project;
- Following the completion of construction of the facility, the facility shall be handed over to the Mapeleng community as



well as DRWS; and the Defects Liability Period (DLP) of twelve (12) months for water supply will commence thereafter.

- During the Defects Liability Period (DLP) LHDA will maintain and repair all structural and latent defects of the facility. At the end of the DLP, a joint inspection of the facilities will be carried out by LHDA, Mapeleng Community Management Structure (Village Health/Water Committee) and the Ministry of Natural Resources through the Department of Rural Water Supply to finally hand over the facility to the Mapeleng community and DRWS.

2.6 POLICY FIT

- This project will observe the government policy in terms of provision of good public health, employment during construction and supply of potable water to the affected community.

2.7 THE AGREEMENT

- This agreement is the full and final settlement of the Applicants' claim under case number CIV/APN/623/2011.
- It is agreed by the Parties that this agreement shall be made an Order of Court in terms of a judgment for the Applicants under case number CIV/APN/623/2011.

3. COSTS OF SUIT

- It is agreed that the Respondent will pay, within fourteen (14) days of signature of this agreement, the sum of Fourteen Thousand Maloti (M14, 000.00) towards the Applicants' costs.



DATED AT MASERU ON THISDAY OF MAY 2012

**FULL NAMES OF
PLAINTIFF/ REPRESENTATIVE**

REFILOE TLALI
**FULL NAMES OF
LHDA CHIEF EXECUTIVE**

SIGNATURE




SIGNATURE

**FULL NAMES OF
WITNESSES**

THABO PHEKO
**FULL NAMES OF
WITNESSES**

Signatures: _____

Capacity: _____



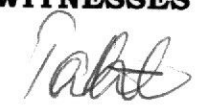
LAWYER

**FULL NAMES OF
WITNESSES**

TATUKU MASWATILE
**FULL NAMES OF
WITNESSES**

Signatures: _____

Capacity: _____



OPERATIONS COORDINATOR