

Environmental and Social Data Sheet

Overview

Project Name:	LOWLANDS WATER DEVELOPMENT PROJECT
Project Number:	2017 – 0197
Country:	Lesotho
Project Description:	The Lowlands Water Development Project (LWDP) is the second phase of the Lesotho Lowland Water Supply Scheme (LLWSC). It will include bulk water production infrastructure, distribution networks and actions on water efficiency, sanitation and capacity building. The overall LLWSC aims at improving the climate resilience and security of potable water access in the Lowlands of Lesotho. The first phase, the Metolong Dam and Water Supply Programme (MDWSP), was already financed by the Bank.
EIA required:	yes This is required for the project according to Lesotho regulations and the Bank Social and Environmental standards. The documents will be published on the Bank's website once the studies have been carried out.
Project included in Carbon Footprint Exercise :	no

Environmental and Social Assessment

Environmental Assessment

The proposed Lowlands Water Development Project (LWDP) includes bulk water infrastructure (river intake, water treatment plant, transmission mains and pumping stations for the project area), distribution network extension in the demand centers (Maputsoe, Lhotse, Mafeteng and Mohale's Hoek), low-scale sanitation and hygiene actions, non-revenue water reduction measures in the existing networks and capacity building and technical assistance for the Lesotho water sector institutions. LWDP is part of the Lesotho Lowlands Water Supply Scheme (LLWSS), which covers all the Lowlands of Lesotho. LWDP covers four priority areas of the LLWSS, which are around the four demand centres listed above. LLWSS was developed in 2004 through a feasibility study; the detailed designs as well as the Environmental and Social Impact Assessment (ESIAs) studies were prepared and approved in 2008. A revised public consultation report was produced in 2009 and the Environmental Impact Assessment was updated in 2010.

The cornerstone of water conservation and management is the Water Act (No. 15 of 2008), which provides for the management, protection, conservation, development and sustainable utilisation of water resources in an integrated and sustainable way. The principles underlying the Act include: sustainable usage; intergenerational equity; the equitable distribution of water and sanitation services; a public participatory approach; and, included in integrated water resources management, the integration of environmental and social issues, "among them, HIV/AIDS and gender mainstreaming".

Within the EU context (2014/52/EU Directive on Environmental Impacts), this project would have been screened as an annex II project. According to the Schedule in Section 27, Part 4 of the Lesotho Environment Act No. 15 of 2001, any project dealing with water, reservoirs,

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pipelines and associated structures requires a full Environmental Impact Assessment. World Bank has funded the specific ESIA studies related to the current project (the four priority areas and not the full LLWSS) and they will be finalized in November 2018 after local public consultation (one study will concentrate on the area funded by the World Bank and another study will concentrate on the area funded by the EIB). A separate Resettlement Action Plan (RAP), and an Environmental, and Social Management Plan (ESMP) are also being finalised together with the ESIA.

The RAP and the ESMP, also funded by the World Bank, will be made public with the ESIA, on the EIB website.

The main expected impacts of the project include:

Positive impacts

- Improved and generalized access to water supply services: the most beneficial impacts of the Project will be the increase in potable water distribution coverage in urban and small towns (above 2,500 inhabitants) areas;
- Public Health improvement: increase in potable water coverage both in terms of quantity and quality has a direct impact on personal hygiene and thus public health;
- Economic attractiveness: the project areas host an important garment and textile industry and light-manufacturing firms, which are highly dependant on reliable water supply;
- Gender and water security: water supply is traditionally the responsibility of women in rural Lesotho, thus by improving the water supply (access and security) the project will have a positive impact on women's daily life. Furthermore, a UNFPA study conducted during the 2015 – 2016 drought period in Lesotho lowlands demonstrated a correlation between a water stress situation and the increase of Gender Based Violence.

Negative impacts

- Works impacts: during construction, occurrence of occasional and localized disturbances (mainly dust, noise, construction waste and traffic). Mitigation: an Environmental and Social Management Plan is being prepared along with the ESIA and will be included in the works tender document for implementation by the future contractor;
- HIV and AIDS: during construction, presence of numerous workers can have an impact on the spread of Sexually Transmitted Diseases (STD). Mitigation: the ESMP under review includes a programme of actions for the minimization of HIV and AIDS transmission.
- Impact of the water security measures on the Makhaleng River: water security measures consist in retractable weirs at the river intake, these infrastructures can affect the Makhaleng river flows. Mitigation: the ESIA will determine the minimum environmental flow of Makhaleng river and the potential impacts of the water security measures (retractable weirs) on the river flow and fauna (especially fish migration) and propose adequate mitigation measures (such as a fish migration ramp and pipes for environmental flows).

Climate change

The project aims at improving the sustainability of the water supply service in the Lowlands areas including its resilience toward climate change, which is already severely affecting Lesotho through more frequent and longer drought spells. The project responds to both population and economic pressures and to climate change pressures as per the adaptation strategy of Lesotho. The project tackles climate change impact in terms of adaptation.

Social Assessment, where applicable

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In addition to the positive impacts listed above, the project will have further positive social impacts related to employment opportunities: the project will create different employment opportunities during the various phases of the project such as assisting with social surveys, unskilled and skilled labour during construction period. In addition to the direct employment opportunities, there will be also secondary opportunities such as transport, accommodation, food services and laundry services for example.

A Resettlement Policy Framework (RPF) has been developed in 2017 building on the previous extensive experience and lessons learned in Lesotho from the various dam projects. Of particular importance was the Resettlement and Compensation Policy of the Metolong Dam and Water Supply Programme (MDWSP) of February 2010, and the Compensation Policy of Phase II of the Lesotho Highlands Water Project (LHWP), Lesotho Highlands Development Authority (LHDA) and Lesotho Highlands Water Commission (LHWC) of August 2016 (LHWP Phase II Compensation Policy).

The expected impacts on land use have been estimated for the project area and will consider a 10 meters servitude buffer zone along the transmission mains and the necessary lands for the Water Treatment Works (WTW) and the Water Reservoirs (WR):

- Necessary land for pipelines buffer zones: 270 ha, of which a large majority will be road reserve (the pipelines are built on the right of way), the land loss will be mostly temporary in this case;
- Necessary land for WTW and WR: 24 ha, land loss will be permanent.

The related social impacts are addressed appropriately by the Project's ESMP and RAP.

Other social issues

Lesotho has been a member of the International Labour Organization since 1966 (with a gap between 1971 until 1980). Lesotho has ratified 23 ILO conventions which include worker's compensation, safety provisions, minimum age, and forced labour among others. Labour standards will apply to first tier contractors.

Public Consultation and Stakeholder Engagement

Several plans such as Plan and Design Livelihood Restoration and Enhancement Programmes, a Grievance Redress Mechanism (GRM) and a gender analysis are under preparation in line with the World Bank's and EIB's social standards. The documents provide a description of the affected communities and the institutions specifying roles and responsibilities for the planning and implementation of mitigation measures.

During the Social Impact Assessment of 2008 a thorough public consultation process had taken place. New public and stakeholders' consultations have been conducted during the elaboration of the RPF in 2017 and included six Focus Group Discussions gathering about 170 people as well as bilateral meetings with notably Mafeteng (zone 6) Water Committee, Mofale's Hoek District (zone 7) and workshops to present the findings of the Socio-Economic Review. A Public Consultation Process is currently under implementation with at least two main consultations with key stakeholders at the beginning of the study (the Public Consultation Process is part of the ESIA study) and at the end to present the draft ESIA and RAP. The consultation objective is to consult with inhabitants of all villages and towns that will benefit from the project. Preliminary feedbacks from these consultations shows a very high interest in the materialisation of the project, the population having been disappointed several times in the past.

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The ESMP and the GRM will be duly implemented throughout the project's duration, both documents include a stakeholder engagement component. The promoter will report on their implementation including on project information disclosure.

The Promoter will have to ensure compliance with national regulations and facilitate the access by the public to project related relevant information in accordance with the European Investment Bank's Transparency Policy.

The promoter will mobilize an Environmental and Social Impact manager that will be supported by a Public Relation Officer and a Liaison Officer.

The promoter team capacity will be enhanced through the support of an internationally experienced consultant that will provide support to the implementation of the RAP, ESMP and works supervision.

Conclusions and Recommendations

The implementation of this Project will lead to improved potable water supply services and public health, an enabling environment for economic activities in the project areas and a reduction of Gender Based Violence.

The Project is not expected to have significant adverse impact on the environment. Possible negative environmental effects should be temporary and confined to the immediate construction sites.

Involuntary resettlement and economic displacement is expected at the location of the WTP and the trunk main and will need to be addressed appropriately by the Project's Environmental and Social Management Plan and Resettlement Action Plan.

The Project is considered acceptable for EIB financing from an environmental and social point of view with the following conditions relating to environmental and social matters:

Condition for first disbursement (not related to works):

- ESIA, ESMP and RAP completed, to the satisfaction of the Bank
- Evidence of the environmental authorization for implementation of the project by the Lesotho authorities to be provided to the Bank.

Condition for any disbursement related to works:

- Satisfactory evidence of implementation of the ESMPs and RAPs including the grievance mechanism.
- Evidence to be provided that all relevant compensation has been paid to the people affected by the portion of works related to the referred disbursement.

Undertakings

- Compliance with the requirements of the ESMPs. The promoter shall ensure that an independent audit is carried out to verify the satisfactory implementation of the Resettlement Action Plans.
- The provision of a Code of Conduct (as stated in the ESIA) for all project personnel including contractors and sub-contractors.