

Govt Commended on Corruption Bust in Water Project

March 16, 2004

President Thabo Mbeki has heaped praises on the Lesotho government on the way it has dealt with malpractices at the Lesotho Highlands Water Project, saying the action ensured increased investor confidence in future projects.

President Mbeki was speaking at the opening of Phase 1B of the bi-national project between South Africa and Lesotho in that country, today.

He was referring to the prosecution of individuals and multinational corporations, including a former senior official in Lesotho found guilty of taking bribes from an international consortium of construction firms.

The official was sentenced to 18 years in prison in 2002.

President Mbeki said what came out during the judicial processes was that agents of some companies from developed countries were the prime movers in spreading the cancer of corruption, by enticing officials with huge amounts of money to afford them special favours.

"We therefore thank the government of Lesotho for the sterling work which has been done over the past seven years, to confront the malpractices that were uncovered in this Project, resulting in successful prosecution of the culprits," he said.

These unfortunate developments, President Mbeki added, had fostered a closer relationship between the prosecuting and law enforcement agencies of Lesotho, the European Union and South Africa.

The co-operation also extended to international development agencies such as the World Bank and the European Investment Bank.

"The manner in which the Lesotho authorities have handled this Project has ensured increased investor confidence in present and future major development programmes that are undertaken in this part of the world."

The Lesotho Highlands Water Project is said to be the largest water transfer project in the history of the African continent.

It is also the largest ongoing, bi-national construction project in Africa.

The project was conceptualised and implemented to address the needs of South Africa's rapidly expanding Gauteng province.

Over 40 percent of the country's population live in the area, and almost 60 percent of all industrial and 80 percent of all mining output is generated in Gauteng.

The Lesotho Highlands, with its high rainfall and surface area of high basalt mountains - the Maloti - was an "outstanding" catchment area, the President said.

The project's first phase solved Gauteng's water problem for the immediate future and rejuvenated the Vaal River.

In addition, its Phase 1 provides Lesotho with valuable income, job opportunities, electricity and infrastructure on which tourism and industrial development can thrive.

The construction of Phase 1B began around 1999 and its infrastructure includes three mountain passes, 72km tarred road, more than 100 construction houses and 75km power lines, amongst others.