Early Warning System

AFDB-P-LS-E00-009

Lowlands Water Development and Sanitation Project - Phase III: Additional Financing

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Quick Facts

Countries	Lesotho
Specific Location	Butha-Buthe District: Qalo, Butha-Buthe Industrial Area, Ha Mopeli
Financial Institutions	African Development Bank (AFDB)
Status	Approved
Bank Risk Rating	A
Voting Date	2026-06-25
Borrower	Ministry of Natural Resources and Environmental Affairs
Sectors	Water and Sanitation
Investment Type(s)	Loan
Investment Amount (USD)	$ 13.67 million
Loan Amount (USD)	$ 13.67 million
Project Cost (USD)	$ 13.67 million

Project Description

According to bank's website, the Lesotho Lowlands Water Development and Sanitation Project – Phase III Additional Financing is an additional financing operation designed to scale up the ongoing Phase III project and extend climate-resilient water supply and sanitation services to three additional underserved localities in Butha-Buthe District, Lesotho. The additional financing will expand the water distribution network to Qalo (Kontsokoaneng), Butha-Buthe Industrial Area (Ha Majara Serutle), and Ha Mopeli (Nqabeni). It will finance approximately 171.3 km of water transmission and distribution pipelines, a 2,000 m^3 service reservoir, seven pressure-break tanks, access roads to the reservoirs, network control chambers, and approximately 5,050 metered household connections serving 25 villages. It will also support the construction of 300 climate-resilient sanitation facilities, hygiene promotion, community mobilization, establishment and training of village water and health committees, water-resource monitoring and early-warning systems, institutional strengthening, and project management. The additional financing cost is estimated at approximately UA 11.11 million, equivalent to USD 15.34 million, financed by an ADF-16 loan of UA 10 million, or approximately USD 13.8 million, and an in-kind contribution from the Government of Lesotho of approximately UA 1.11 million, or USD 1.54 million. The initial Phase III project had an estimated cost of UA 87.19 million, equivalent to USD 117.71 million. In addition to the Bank's initial financing of UA 10 million, the Bank mobilized approximately USD 94.2 million in co-financing from five Arab development partners: the Arab Bank for Economic Development in Africa – USD 20 million; Kuwait Fund for Arab Economic Development – USD 13 million; OPEC Fund for International Development – USD 30 million; Saudi Fund for Development – USD 11.2 million; and Abu Dhabi Fund for Development – USD 20 million. The executing agency is the Ministry of Natural Resources, through the Commissioner of Water and the existing Project Implementation Unit.

Early Warning System Project Analysis

Environmental Category: [1] High Risk

Climate Safeguards Categorization: [2] Projects may be vulnerable to climate risk

Investment Description

- African Development Bank (AFDB)

African Development Fund

Financial Instrument: Project

Masterloan number: 2100150045343

ADF Cycle: ADF-16

Commitment (UA): 10,000,000

Contact Information

Name: Herbert Mugwagwa CHINOKORO

Email: h.chinokoro@afdb.org

ACCESS TO INFORMATION

You can submit an information request for project information at: https://www.afdb.org/en/disclosure-and-access-to-information/request-for-documents. Under the AfDBÕs Disclosure and Access to Information policy, if you feel the Bank has omitted to publish information or your request for information is unreasonably denied, you can file an appeal at https://www.afdb.org/en/disclosure-and-access-to-information/appeals-process.

ACCOUNTABILITY MECHANISM OF AfDB

The Independent Review Mechanism (IRM), which is administered by the Compliance Review and Mediation Unit (CRMU), is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an African Development Bank (AfDB)-financed project. If you submit a complaint to the IRM, it may assist you by either seeking to address your problems by facilitating a dispute resolution dialogue between you and those implementing the project and/or investigating whether the AfDB complied with its policies to prevent environmental and social harms. You can submit a complaint electronically by emailing crmuinfo@afdb.org, b.kargougou@afdb.org, b.fall@afdb.org, and/or s.toure@afdb.org. You can learn more about the IRM and how to file a complaint at: https://www.afdb.org/en/independent-review-mechanism/

Bank Documents

- Environmental Study (EN)
- Expression of Interest (EN)
- Project Appraisal Report (EN)
- Project Appraisal Report (FR)
- Specific Procurement Notice (EN)