



Mall coming soon at former Fairways Site

LNDC ADVERT



Factory Buildings WANTED

Notice is hereby given to all interested Basotho who have suitable buildings that can be rented and used as factory shells by industrialists to register such buildings with the LNDC. The required buildings should conform to the LNDC's standards and other legal requirements.

When registering, the following features should be clearly stated: plot number, location, size (strictly 500m²

Factory Buildings-Tikoe

or bigger), title deed, height, and available infrastructure such as installed electricity in kva, water in kilolitres, etc.

For further details, contact the office of the Head – Investment Services Division at LNDC, P/Bag A96, Maseru, 5th Floor, Block A, Development House, Kingsway Street, Maseru.

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From the CEO's Desk



*Mr Kelebone Leisanyane
CEO LNDC*

The past quarter of the 2014/2015 financial year, which literally was the first in my service as the LNDC CEO has been eye-opening, challenging and a fulfilling one, not just for me in the steering wheel but for my Team as well, as each member adjusted to a new Leadership and Management approach.

I am therefore, more than happy to share with you in this column; some of the important activities that we have been working on, particularly in Trade and Investment as well as in Strategic Management.

Trade and Investment

The **Katse Fish Farms** is one of the strategic projects that we would like to see expanding and increasing jobs here in Lesotho. I have visited both the hatchery and processing plant still in Cape-Town, and appreciated how these two could complement the production happening in the highlands of Lesotho. In this regard, I would like to assure you that LNDC is working tirelessly to ensure that the expansion dream becomes a reality in the near future.

Advocating for the timely re-authorisation of the African Growth and Opportunity Act (**AGOA**) has been one of the important tasks through which the Corporation through my office supported the Trade Minister's lobbying delegation in January. While beneficiaries still bargain for a renewal period of 15 years, the Obama administration seems more inclined to a 10-year renewal period.

Efforts to integrate the regional economy have been advanced at different fora and levels. Lesotho, through the LNDC hosted the Southern African Development Community Investment Promotion Agencies Forum in February. Promotion of peer to peer learning amongst the **SADC IPAs** is one of the key elements of this annual gathering. At the same Forum, LNDC and Mauritius signed a Memorandum of Understanding.

The Corporation has during the quarter took the second step towards enhancement of the city centre, through **investment in property**; that in turn will not only beautify the Capital Maseru, but will create the much needed hundreds of jobs for our people. A retail and office block development is already visible at the former Fairways site.

Strategic Management

We have finalised recruitment in terms of our Executive Management and many of the vacant positions will be filled during the next quarter. In the same manner, the LNDC Team has begun to work on the 2015/16 – 2017/18 Strategic Plan which shall be finalised in the near future.

I did take familiarisation tours to some of our industrial firms; namely; Formosa Textiles, Nien Hsing International, China Garments Manufacturing (CGM) as well as the Industrial Garments Manufacturers (IGM), founded and run by a local entrepreneur under the guidance of CGM, whom I applaud for the bold move.

In terms of the Corporate Social Investment, LNDC has supported the launch of the Student Training for Entrepreneurial Promotion (STEP) and sponsored the initiative to a tune of M100, 000.00.

These are the highlights and I believe I have given you a clear picture of how our journey has begun. As we walk into the first quarter of the financial year 2015/2016, let us all continue to support and contribute to the success of the LNDC. Enjoy reading this copy!

Kelebone Leisanyane

Chief Executive Officer - LNDC

Editor's Note



Ntsiuoa Sekete

Warm greetings and thank you for taking time to read this edition. I would like to take this opportunity to show our gratitude to every one of you who has been following without fail; the LNDC News from mainstream media to our very own Social Media channels and publications.

As we move into a brand new financial year, the Corporation also intends to intensify communications efforts as well as interaction with all our stakeholders, from the Capital Maseru to all corners of the Kingdom. 'Ho tloha Tele ho ea Mechachane' as said in Sesotho, LNDC will again start to engage with citizens in Mokhotlong in the next quarter. Our aim is to finally make it to the ten districts of this country by the end of this financial year.

Many of our followers will recall that LNDC also communicates through Facebook, Flickr and YouTube. We did take a short break from social media but today, it gives me great joy to say; our channels will once again be active and a lot on our developments can be viewed on the LNDC TV / YouTube.

It is also gratifying to share the news that LNDC in Collaboration with a local service Provider 'Khaya Holdings', will produce twelve episodes of a programme titled **Tseba ka LNDC "Invest in Lesotho."** This is one of the means in which we can all get to appreciate LNDC, its mandate and its business better.

Allow me not to spill all the beans as we have a lot in store for our readers and viewers this year. Enjoy reading this edition and remember;

Invest, Live and Prosper in Lesotho

Staff Movements



Mrs. Nthabiseng Posholi has been appointed Head of Finance Division with effect from 1st January, 2015. She was previously serving as Senior Accountant at LNDC.

Ms Puseletso Makhakhe has been appointed Investment Services Manager with effect from 2nd of March, 2014. Ms Makhakhe has been serving in the division as an Investment Services Officer.



Mrs. Mphu Khaka has been appointed Head of Property Management Division with effect from 1st January, 2015. She served in the same division as Property Development Officer.



Ms. Puseletso Mokete has joined the LNDC family as the Accounts Officer from March, 2015. She previously worked as a Credit Controller with Morai Maseela & Co. Ms Mokete has also been an intern at LNDC.

LNDC contributes M100, 000.00 towards the Student Training for Entrepreneurial Promotion (STEP)

The Lesotho National Development Corporation has welcomed the initiative of the Leuphana University in Germany with the support of the Lesotho National Commission for the United Nations Educational, Scientific and Cultural Organisation (UNESCO), to launch the Student Training for Entrepreneurial Promotion (STEP) in Lesotho.

STEP is a joint project between the Leuphana University and some partner institutions in seven countries across Africa, including Lesotho. The main purpose of the project is to provide an answer to adverse labour market conditions and limited employment opportunities.

In Lesotho, STEP trainees are final year students at tertiary level. 100 of them are from the Lesotho Agricultural College (LCA), and 20 from each of the following institutions; Lesotho College of Education (LCE), Limkokwing University of Creative Technology, National University of Lesotho (NUL), Centre for Accounting Studies (CAS). Furthermore, the other 20 has been drawn from recent graduates.

A representative of Leuphana University, Ms. Kim Boschoff says the idea was brought up by their partners in Uganda, where they had realised a high rate of youth unemployment subsequent to completion of their university studies.

The LNDC Chief Executive Officer Mr. Kelebene Leisanyane announced at the launch that LNDC has invested M100, 000 towards financing the project.

“STEP has come at the right time and complements our Private Sector Development Initiatives, particularly the youth; as it is aimed at empowering young professionals and students with skills and knowledge to start new businesses, to be able to provide their own business plans and marketing strategies as well as have necessary skills and knowledge for employment,” explained Mr. Leisanyane.

The programme was applauded by the Honorary Consul of Germany to Lesotho, H.E Heinz Fiebig saying “ the STEP programme is 100% financed by the Federal Republic of Germany and we hope it will continue here for a long time. Lesotho may be a small country, but has great human potential.” Mr. Fiebig also encouraged participants to be ambitious, dedicated, energetic and prepared to take limited risks.

Delivering her keynote address, the Minister of Education, Hon. 'Makabelo Mosothoane expressed gratitude to all the partners for the noble gesture aimed at assisting young professionals to realise their dreams.



Dignitaries and Partners pose for a photo at the launch of STEP



LNDC hosts national trade and investment summit

The Lesotho National Development Corporation (LNDC) in collaboration with the Global Business Roundtable (GBR), hosted a four-day annual National Trade and Investment Summit in Maseru.

The first of its kind to be held in Lesotho, the conference focused primarily on exploring possible short-term, medium and long-term business and professional opportunities between LNDC and representatives of the countries where GBR is present, with the objective of fostering socio-economic development.

Head of the LNDC Investment Promotion Division Mr. Mokhetli Shelile presented investment opportunities to participants, putting emphasis on sectors such as agribusiness, energy, infrastructure, ICT, mining and services.

Lead delegates at the LNDC-GBR Investment Summit receive tokens of appreciation

The LNDC Chief Executive Officer, Mr. Kelebene Leisanyane said the partnership that the Corporation was forging with GBR was not only focused on sponsorship, but also on the establishment and enhancement of business networks between Basotho and fellow counterparts from other parts of the world.

“This summit comes at an opportune time, as our country faces challenges of unemployment and under-employment of young professionals in particular. It will enable the Corporation to access a lucrative network of investors that are geared to ensuring equitable and holistic benefits for the nation and the continent and we look forward to seeing our local private sector tapping from the pool of experience and expertise from around the globe,” Mr. Leisanyane said.

The roundtable is an initiative based on Christian Principles founded by South Africa in 2009. Its vision is to ‘Make Africa the Epic Destination of Trade and Investment Globally By 2050’ through the creation of investment opportunities.

Similar initiatives have been successfully launched by GBR in approximately 35 countries both in Africa and Europe, inclusive of South Africa (founding member), Nigeria, USA, Canada, Ghana, Kenya, Togo, Benin, Ivory Coast, France and Spain.



CEOs of LNDC and Lesotho Postbank sign a PCG agreement

Lesotho Post Bank partners with LNDC on the Partial Credit Guarantee Scheme

The Lesotho National Development Corporation (LNDC) has announced the Lesotho PostBank as one of its partners in implementation of the Partial Credit Guarantee scheme.

Established in 2011, the scheme is aimed at addressing the challenge of access to finance for local entrepreneurs by providing them with a guarantee of 50 per cent on their business loans with local commercial banks.

To benefit from the scheme, prospective entrepreneurs are required to submit their business plans to any of the participating banks to obtain loans.

Lesotho PostBank joins First National Bank (FNB), Standard Lesotho Bank and Nedbank which have also partnered with the LNDC in the past years.

“It is a privilege that we are gathered here today to sign the Partial Credit Guarantee with the Post Bank.

We have since been able to support 27 projects and created 600 jobs under this scheme. We however have one or two projects that encountered problems,” said Mr. Kelebhone Leisanyane, the LNDC CEO during the signing ceremony.

“The bank has a relatively greater opportunity over other banks as it is local. Although it’s the last one to come on board, it will soon be at the forefront. When the scheme kicked off, that was the beginning of great things to come. Lesotho Post Bank came at the right time and we believe this agreement will bring a huge difference in the lives of Basotho,” Mr. Leisanyane underscored.

Lesotho PostBank CEO Mr. Molefi Leqhahoe said they have had time to analyse the scheme to establish what other banks have not done to date. “We wish to bring in some innovation into the scheme,” adding he was confident that they would meet the needs of their clients.



Global Garments Factory in Maseru

The US Congress likely to renew AGOA

The African Growth and Opportunity Act (AGOA); that offers tangible incentives for Sub-Saharan countries to get integrated into the global multilateral trade system and grow their economies looks set to be renewed prior to its expiry.

Signed into law on May 18, 2000 under the Trade and Development Act of 2000, AGOA expires in September 2015.

In an effort to lobby for timely renewal, the African Union Ministerial Delegation, led by Lesotho Trade Minister, Hon. Sekhulumi Ntsoaole and supported by Trade Ministers of Gabon and Mauritius as well as a technical team from the Lesotho National Development Corporation and the Lesotho

Textile Exporters Association, travelled to Washington DC from the 20th to the 24th January 2015, in order to meet with US trade policy makers.

LNDC CEO, Mr. Kelebhone Leisanyane says “both the Republican majority in Senate and Congress as well as the Democrats are in agreement that AGOA should be renewed. The AGOA draft bill for renewal has been developed and is set for tabling and debate in the next few weeks. It is expected to be passed without challenges by both parties in both Houses. However, renewal for 15 years seems highly unlikely. Authorities in the US seem to settle for a maximum 10 years.”

Lesotho is the second largest textile exporter to the United States market through AGOA. According to the U.S-Africa Trade Report of 31st January, 2015; the U.S apparel imports from Africa under AGOA continued to grow during January – November 2014, increasing by 7.4% in volume and by 9.83% in value terms. During the period, Africa supplied 0.47% of total U.S textile and apparel imports, which is down from a high of 1.1% when the Multi-Fibre Agreement quotas expired in January 2005.



LND Officials attend to guests at the Magic Show in the USA

Source Africa 2015 coming soon

LND is gearing up for the upcoming Source Africa 2015, which will again take place from the 9th to the 11th June 2015, at the Cape Town International Convention Centre. The location hosts at least 19 South African chain stores and 30 mini and regional chains, as well as many independent retailers and importers.

At least 250 exhibitors from more than 20 African countries are expected to converge at this annual pan-African textile, clothing, footwear and fashion accessory trade event that encourages linkages between buyers, manufactures and suppliers, investment into manufacturing capacity in Africa and accelerating job creation for many years to come.

Investment Promotion Officer coordinating Lesotho exhibitors, Ms. Phomotso Sematlane says "we have realised value and much growth in regard to our manufacturers; both domestic and foreign investors, since we participated in the event. Our aim is to ensure that our products are well positioned and marketed to international and regional buyers while we also work hard towards boosting intra-African trade."

To ensure that exhibitors continue to derive more value and

make more impact from this trade fair, LND in partnership with the Southern African Trade Hub will also hold a two day workshop for textile and garment manufacturing companies to be certified under the Worldwide Responsible Accredited Production (WRAP) during the last week of April 2015.

The LND Investment Services Manager Ms. Puseletso Makhakhe, says "this will assist exhibiting manufacturers to meet the requirements of international buyers."

This year's event is expected to attract at least 1600 decision makers and will include a two-day trade exhibition, African country pavilions, international business seminars, as well as an opening plenary session.

The African Growth and Opportunity Act is highly likely to be renewed and the business seminars will be based on the theme "AGO and the next 10 years." Ms. Makhakhe says "this will be one of the most important sessions of this year's trade fair as we recently attended the Magic Show in Las Vegas, in the USA where exhibitors from Lesotho generated lots of business leads and interest from the US Market decision makers. Staff from the US Government, who are involved with the Africa Outreach Programmes have also pledged support in promotion of Source Africa."

Supply Chain Finance coming soon

The launch of the long awaited Supply Chain Finance (SCF); one of the four components of the LNDC Enterprise Development Facility (EDF) is just around the corner, with final consultations being made with relevant stakeholders that include Government Ministries, the Lesotho Highlands Development Authority, Lets'eng Diamonds, and local Banks. The facility is made up of the Partial Credit Guarantee Scheme, Equity Fund, Wholesale Financing and Business Support.

LNDC Domestic Investment Promotion Officials began to engage with participants in October last year, to share this innovative idea and to factor in the concerns and inputs in a bid to ensure that the product becomes effective, efficient and beneficial to the local private sector.

The SCF will incorporate Invoice Factoring and Contract Financing. According to the LNDC Investment Promotion Manager, Mr. Semethe Raleche, the product is aimed at fostering lending by leveraging access to Corporate and Government Market; enabling local suppliers to unlock working capital financing backed by suppliers' receivables and contracts, as well as effectively transforming suppliers' credit risk to their high-quality customers.

"Our policy guidelines shall apply to suppliers providing goods and services to approved buyers and registered on the Supply Chain Finance Database and by so doing, we are looking forward to stimulating enterprise development and providing just-in time access to Working Capital Finance for Basotho owned businesses," Mr. Raleche explained.

He emphasised that the SCF shall apply only to qualified suppliers providing goods and services to buyers (Corporate; de-

velopment agencies and government) pre-approved and listed in the program and that such suppliers shall be local businesses with a majority shareholding of Basotho.

The Invoice Factoring entails the purchase of a firm's accounts receivables at a discount by the lender; thereby addressing the problem of lack of clear credit information by focusing on the quality of the buyer enabling a risky supplier to transfer its credit risk to that of a higher quality buyer. The facility will enable local suppliers of goods and services to raise up to 80% on outstanding invoices secured by a strong credit rating of a Corporate buyer or Government.

On the other hand, Contract Financing provides bridging finance to the supplier backed by a healthy credit rating of the buyer. As such, it provides working capital financing to SMEs without considering credit worthiness of the supplier. The product will enable local suppliers to raise up to 70% of their contract cost price secured by a strong credit rating of a corporate buyer or government. The LHDA CEO, Mrs Refiloe Tlali has applauded the move saying "We are pleased that LNDC wants to do more than required by its mandate, which is to bring in investors. The SCF will make the required impact if well implemented."



Mr. Semethe Raleche presents Supply Chain Finance concept to LHDA Executive Management

LNDC hosts the SADC Investment Promotion Agencies Forum



Delegates at the 2015 SADC IPA Forum pose with Trade Minister and LNDC CEO.

The Lesotho National Development Corporation hosted the 4th forum of the Southern African Development Community (SADC) Investment Promotion Agencies (IPAs) on the 17th and the 18th February, 2015 in the Capital Maseru.

The objective of the forum was to accelerate the regional economic integration agenda and promote peer to peer learning amongst SADC Investment Promotion Agencies.

"The integration agenda is a topical issue that calls for more attention from relevant bodies. We hope that the forum will assist the region to appreciate the benefits of integration and thus unify the IPAs' voice to reassure governments of the 14 SADC countries," says Mr. Kelebone Leisanyane, LNDC CEO.

During the forum, participants visited the Lets'eng Diamond Mine as one of the locations of economic interest in Lesotho. The meeting was expected to increase knowledge and shared experiences of investment climate developments in the SADC Region. Global FDI flows grew by 9% in 2013 and are projected to grow even further until 2016. According to the 2014 World Investment Report produced by UNCTAD, mega-regional groupings shape the Global FDI flows, with Asia-Pacific Economic Cooperation accounting for the largest share of 54%.

Conversely, Africa and Least Developed Countries are experiencing high FDI flows in manufacturing and services sectors; shifting more and more from dependency on extractive industries. More FDI flows are also in basic infrastructure and energy projects, with FDI continuing to be a major source of finance.

LNDC and Mauritius sign an MoU

At the closing ceremony of the SADC IPA Forum in Thaba-Bosiu in February, LNDC signed a Memorandum of Understanding with the Board of Investment Mauritius. The MoU is meant to strengthen investment promotion and facilitation, as well as to build reciprocal cooperation between the two institutions.

Both LNDC and BOI, support promotion of regional integration and the signed agreement seeks to establish a practical framework for development of business relations between the two parties, set forth procedures of cooperation for the expansion of investment and trade relations, as well as strengthen institutional relations and capacity building.

The Board of Investment (BOI) is the national investment promotion agency of the Republic of Mauritius, mandated to stimulate the development, expansion and growth of the economy by promoting Mauritius as an international investment, business and service centre.





Johnsson Controls in Maseru

Further strides in the promotion of opportunities in the automotive industry

In the quest to intensify efforts in promotion of investment opportunities in the Automotive Industry, LNDC is working on an initiative to unpack incentives provided by the Automotive Production and Development Programme (APDP). By virtue of being a Southern African Customs Union member, Lesotho can benefit from the programme.

LNDC together with Officials from the Ministry of Trade and Industry, the Lesotho Revenue Authority, Private Sector Competitiveness Project and Basotho Enterprise Development Corporation attended a two-day workshop at the Department of Trade and Industry (DTI) in Pretoria in March.

Head of Investment Promotion, Mr. Mokhethe Shelile says "This initiative is a result of the Lesotho-RSA Trade and Investment Roadshow that was launched in Sandton in March 2014. Our plan is to develop an automotive cluster for Lesotho around the incentive programme and to capitalise on Lesotho's competitive advantage."

South Africa makes 40% and imports 60% of components; meaning there is a lot that can be done regarding car manufacturing in the region. Lesotho was advised by a private sector representative of the automotive industry; NAACAM, to explore opportunities and harness benefits brought by tiers 2 & 3 in the automotive supply chain.

Speaking at the closure of the workshop, Mr. Shelile said LNDC had signed a number of MoUs in the region. "We are here to make a business proposition to the DTI, to ensure stability of the industry in the region and to see if tiers 2 & 3 can grow and stabilise as well as benefit our region in the end." Preceded by a tour of the BMW manufacturing plant, the workshop featured presentations on the SACU Perspective; Private Sector Perspective-South African Automotive Industry Overview as well as Automotive Components.



CEO K. Leisanyane on a guided tour of Formosa Textiles

CEO tours Textile Factories

The Chief Executive Officer, Mr. Kelebene Leisanyane has begun a familiarisation tour of different factories under the LNDC portfolio. The CEO has this quarter visited Formosa Textiles as well as CGM.

Formosa Textiles employs 10 000 Basotho and is the pioneer of the Industrial Attachment Programme that has co-opted 10 Basotho young professionals to give them an insight into production and management of a Textile Operation. These graduates are attached in different sections such as the finishing, engineering and yarn departments.

Among some of the challenges that were brought to the attention of the CEO, was the language barrier; which Formosa plans to overcome by setting up a Chinese Language Teaching Centre.

CEO at CGM

During the same quarter, Mr. Kelebene Leisanyane also visited the pioneers of the Garment Industry; CGM, the first foreign direct investment company that arrived in Lesotho in 1987. CGM employs more than 4000 workers from the initial employment of 300 workers.

CGM started diversifying its products from jeans to work wear; as well as diversifying its market from the United States and directing attention to the South African and Zimbabwean

Markets, to manage the risk in case the AGOA renewal would not materialise.



Factory Manager, Mr. M. Dalvi shows the CEO some of the garments produced by CGM

CGM Managing Director, Mr. Madhav Dalvi said he was looking forward to support pledged by the CEO when he accepted leadership of the Corporation that; he would assist the industry to become self-sufficient and sustainable. He added that his company would soon be supplying Uniform to the Lesotho Defence Force; which marked another milestone in the journey of the CGM group in Lesotho.

CGM is a mentor of Industrial Garments Manufacturers (IGM), established and fully run by a Mosotho entrepreneur under close supervision and guidance. The Company has pledged to lease machines and donate fabric, accessories and provide training to more Basotho entrepreneurs willing to become players in the garment Industry. "If LNDC wants to take the lead to explore this development, I am willing to assist and turn five more local entrepreneurs into garment Industrialists," said Mr. Dalvi.

Speaking during the tour, Mr. Leisanyane said "It is important for us to work hard and duplicate the effort, roll it out to the rest of the public. I applaud CGM for reaching out to our local people by sharing skills and mentoring them to establish themselves in this complex industry."



The CGM management disclosed during the CEO's visit; its intention and plans to open a factory outlet, also indicating that as part of its Corporate Social Responsibility Programme, CGM plans to create 20 outlets that would be owned by Basotho.

The tour ended at IGM

From a warehouse to a garment manufacturing factory! That's the story of the one year old Industrial Garment Manufacturers (IGM); an official mentee of the CGM.

"The issue of the extension of AGOA said to me, there is vulnerability; Vietnam and Cambodia are becoming threats to Lesotho. I took my chances soon after leaving the ministerial post," said, Dr. Timothy Thahane, the founder of IGM when briefing LNDC CEO during his first tour of the facility.

"We are very happy with the model. However, we still need to think as a country; how do we partner with Government, LRA and LNDC to make it a success?" Dr. Thahane also acknowledged that the Magic Show was of great benefit to IGM as a new player in the industry. "The Market was huge, and the exposure gave us a lot on new ventures and what one has to look out for," said Mr. Chris Mohapi, the IGM Manager.

CEO on a guided tour of IGM by Production Manager, Ms. Nthathi Thahane

LNDC hosts a Risk Mitigation Workshop

"Interest to invest in Africa by foreign financiers is reportedly on a steady surge, despite the high business risk the continent faces," says the Chief Executive Officer of the Lesotho National Development Corporation (LNDC) Mr. Kelebone Leisanyane.

The CEO was speaking at a two-day workshop hosted by the LNDC to sensitise local business stakeholders on business risk mitigation.

The workshop, which was attended by members of both the public and private sector, was held in collaboration with the African Development Bank Group (AfDB) and Initiative for Risk Mitigation in Africa (IRMA).

Mr. Leisanyane told participants that the objective was to discuss mitigating business risk, which he said affects the investment climate in the country.

"This phenomenon has stimulated a lot of interest from foreign investors, which are now increasingly focusing their attention on Africa. Their perception is that the level of business risk incurred when operating in Africa is still quite high," which is Africa's responsibility to manage and change.

"It is important that both investors and national authorities

are fully aware of the existence of a variety of instruments that have been designed with the purpose of managing and mitigating the risk borne by private sector operators when doing business in Africa, especially in the infrastructure sector," the CEO said.

He further noted that investment needs in Africa are enormous because estimates published by the Africa Infrastructure Country Diagnostic (AICD) show that every year, African economies need funds worth a total US\$93 billion to maintain, upgrade and build infrastructure.

A consultant commissioned by the African Development Bank Group, Mr. Keith Martin, said: "While an important part of these needs is financed through national budgets, and even considering that important efficiency gains are being achieved; the estimated annual gap is approximately US\$31 million."

Mr. Martin also noted that both the AfDB and IRMA have launched a capacity-building programme on the African continent that is aimed at improving the capacity of governments, ministries, regulatory agencies and state owned enterprises in order to appreciate and apply the best practice risk analysis models as well as implement mitigating tools, to allow for an amelioration of risk profile of projects.

LNDC in Pictures



CGM Factory Outlet at Thetsane Industrial



Mr. K. Leisanyane on a guided tour of the Maluti Mountain Brewery



Delegates from Lesotho attend the APDP workshop in Pretoria



Serumula Performing Arts Academy entertaining delegates the closing ceremony of the SADC IPA Forum



Lets'eng Diamonds CEO welcomes SADC IPA Delegates



Tlotliso Holdings and Luqy's Manufacturing participate at the Magic Show in the USA



Why invest in LESOTHO?

Political Stability

A stable social and political environment which is investor friendly.

A free enterprise and free market economic system which forms the basis for sustained development and growth.

Labour

A young abundant predominantly English speaking, literate and well-motivated labour force with a tradition of manual dexterity at competitive wage rates.

Market Access

55 million consumers in Southern African Customs Union (SACU).

Preferential access to 260 million consumers in the Southern African Development Community (SADC) market.

Duty and quota-free access to the United States market (310 million consumers) through the African Growth and Opportunity Act, (AGOA).

Export of all Lesotho-made products to the EU (500 million consumers) duty free under SACU EPA Agreement.

Preferential trade agreements between SACU and MERCOSUR (Argentina, Brazil, Paraguay and Uruguay) as well as SACU EFTA (Iceland, Liechtenstein, Norway and Switzerland)

Lesotho also enjoys preferential market access, duty and quota free in countries such as Australia, Canada, Japan, New Zealand, Turkey and Nordic countries.

Tax/Financial Incentives

10% corporate tax on profits earned by manufacturing companies exporting outside SACU.

Corporate tax rate of 10% on profits earned on exports within SACU.

No withholding tax on dividends distributed by manufacturing companies to local or foreign shareholders.

Unimpeded access to foreign exchange.

Easy repatriation of manufacturing profits.

Training costs are allowable at 125% for tax purposes.

Payments made in respect of external management skills and royalties related to manufacturing operations are subject to withholding tax of 10%.

Import VAT credit facility that provides for an input tax credit upon importation and local purchasing of raw materials and capital goods.

Bank administered foreign currency accounts are permissible. Double taxation agreements with R.S.A. and U. K.

Industrial Infrastructure

Serviced industrial and commercial sites, factory shells and commercial buildings are available for rental at competitive rates.

Special incentives for construction of investor-financed factory buildings.

Easy access to Gauteng and the Durban harbour.

Full government support on trade and investment issues.

Backstopping services from the Lesotho National Development Corporation in relation to procurement of all permits, licenses, and company registration.