



IN TRANSFORMATION
INITIATIVE

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MONTHLY UPDATE

LESOTHO



MAIN STORIES

Trouble in the RFP

Alleged Disfunction at
the NSS

Corruption

South Africa

China

RMB Investment
Index

Business Licensing and
Registration Regulations
to be Implemented

HIGHLIGHTS

- Revolution for Prosperity (RFP) legislator and business tycoon, Mohopoli Monokoane, accused the party's leadership of abusing law enforcement agencies to target Members of Parliament (MPs) unhappy with how the party is being run.
- The National Security Service (NSS) is allegedly in total paralysis with demotivated staff, meagre resources and intelligence officers distrustful of their bosses.
- The fate of Lesotho's reforms hinges on the consciences of individual legislators across the political divide and their will to serve their country, according to the Minister in the Prime Minister's Office, Limpho Tau. The All-Basotho Convention (ABC) signalled it would support the government in passing the reforms.
- According to the results of an Afrobarometer survey, among key leaders, the king is most widely trusted (73%), while Members of Parliament (MPs) are least trusted (29%). Fewer than half (47%) of Basotho approve of the performance of their prime minister.
- The suspended Lesotho Post Bank (LPB) managing director, Molefi Leqhaoe, appeared before the Maseru Magistrate Court facing charges of corruption, fraud and money laundering. The charges involving the leasing of the bank's vehicles.
- The Central Bank of Lesotho (CBL) ruled against the appointment of South Africa's Akani Pension Fund Administrators by the National University of Lesotho (NUL) pension fund to run its business. Akani allegedly paid bribes to Monaheng Mahlatsi, the Principal Officer of the NUL pension fund.



- On 30 August, the Minister of Trade, Industry, and Business Development, Mokhethi Shelile, said the amended Business Licensing and Registration Regulations of 2021, which reserves 47 business sectors for Basotho, are being gradually phased in, starting with Maseru district. Shelile said in Maseru 106 businesses were inspected and 80 belonged to foreigners. Shelile also said the government had urged South African firms, mostly in the retail sector, to enlist local distributors. The government wants to see about 800 South African businesses do such deals, covering 80% of imported goods.
- Rand Merchant Bank (RMB) said in its report titled “Where to Invest in Africa,” that Lesotho was ranked 28th out of 31 countries in terms of investment attractiveness.
- The Minister of Foreign Affairs and International Relations, Lejone Mpotjoane, presented a report concerning the expulsion of Basotho nationals from South Africa (SA), saying that many Basotho who are detained lacked the legal documentation required to reside in SA.
- The Call for Africa Development Movement (CAD), a pressure group, issued a press release denouncing the severe maltreatment of Basotho irregular and labour migrants in South Africa.
- Chinese Premier Li Qiang and Prime Minister Sam Matekane met in Beijing on the sidelines of the 2024 Forum on China-Africa Cooperation (FOCAC) summit. During their meeting, Li expressed China’s commitment to working closely with Lesotho to implement the agreements between the two countries.
- The International Monetary Fund (IMF) said that despite some improvements, gaps in compliance with the Anti-Money Laundering and the Combatting of Financing of Terrorism (AML/CFT) standards and in the effectiveness of the AML/CFT framework still needed to be addressed.





- The Minister of Finance and Development Planning, Rets'elisitsoe Matlanyane tabled the Subordinate Law: Money Laundering (Currency Bearer Negotiable Instruments Declaration) regarding the transportation of currency and negotiable instruments across borders. The amendments will require every person entering or leaving Lesotho to declare any currency or negotiable instruments they possess if the amount exceeds a threshold set by the Commissioner of Banks.
- The IMF said that growth is projected to peak in the fiscal year ending in March 2025 at 2.7%. Gross public debt decreased modestly to 61.5% of GDP, with about three-quarters of that amount owed to external creditors.
- The Tariff and Tax Administration Bill has been hailed as a proactive measure to remedy the problem of dumping in Lesotho and protect the local market from unfair trade practices and competition from outside.
- The Famine Early Warning Systems Network (FEWS NET) Crisis (Integrated Food Security Phase Classification - IPC Phase 3) outcomes are expected through at least January 2025 in the worst-affected areas of Mafeteng, Mohale's Hoek, Maseru, and Quthing districts.
- The World Health Organisation (WHO) has, after its assessment, pronounced Lesotho's preparedness for the threat of the emerging Mpox outbreak to be 46%, below the African regional average of 52%. Lesotho has not recorded any case of Mpox so far.
- Letseng Diamonds mine's plant operator, Minopex Lesotho (Pty) Ltd, will lay off all employees at the Mokhotlong based mine at the end of November 2024. This after Letseng Diamonds decided not to renew Minopex's contract due to a struggling diamond market. (Lesotho Times)
- Storm Mountain Diamonds (SMD), operating the Kao Mine in Butha Buthe, informed its employees on 1 September 2024, about the temporary closure of the mine, effective the same day.





- The statement of the 44th Ordinary Summit of the Heads of State and Government of the Southern African Development Community (SADC) noted the positive development made in relation to the National Reforms. When addressing the SADC summit, Matekane reported that despite the inroads his government had made to drive the process, Lesotho's opposition parties remained hellbent on not fully participating in the reforms.
- Shoprite, Checkers and Usave have ensured continued access to Money Transfer services to Lesotho and eSwatini amid new electronic funds transfer (EFT) regulations.

