



LNDC Luring Japanese Investors

Mission

To promote economic growth by facilitating the development of sustainable medium to large enterprises through promotion and establishment of domestic and foreign direct investment

Vision

By 2020, LNDC shall be a leading institution in industrial and commercial development in the SADC region, through expanded and diversified sustainable high quality investments that will create wealth and jobs for Basotho.



LNDC donates a building to One-Stop Business Facilitation Center in Maputsoe

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FACTORY BUILDINGS WANTED – LNDC ADVERT



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 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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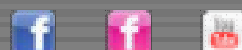
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Why Invest in Lesotho?



From The CEO's Desk !



Dear Distinguished Reader,

I would like to greet you once again and invite you to explore yet another quarter of our journey with us. This period has been interesting, exciting and setting the pace for us across all divisions in driving the mandate of our great Corporation. We have worked towards stabilization of our boat through commencement of the recruitment process to fill up vacant positions, including that of the CEO.

Repositioning of the Property Division has begun with the assistance of a Consultant engaged on a 6-month contract. Our newly created Division of Planning, Research and Information Management has reinforced the existence of the division with Planning, Research, Information and Management Policies and also reviewed the ICT Policy.

Talking Investment!

An exciting project of growing and processing trout fish from Lesotho is keeping our Corporation busy. LNDC and the Industrial Development Corporation are working tirelessly with the help of the Katse Fish Farms promoters to appraise this dream project. Energy is one of our strategic projects and we have now embarked on the feasibility of generation of wind energy at Semonkong, together with local promoters. As we work towards an Investment Forum on phase II of the

Lesotho Highlands Water Project, to unpack opportunities that could be exploited before, during and after construction of the Polihali dam, we are excited to have started exploring possibilities of cement production.

Our Foreign Investment Promotion Missions during this quarter were in South Africa, reinforcing the Ministry of Development Planning Mission. In London, at the Commonwealth Business Council; LNDC formed part of the Prime Minister's delegation and in Tokyo, Japan; at the support of the United Nations Industrial Development Organization, LNDC generated satisfactory interest, which was followed by immediate site visits and further enquiries.

On the Domestic Investment Front, the Corporation has engaged on a series of training workshops for our private sector, to appreciate the LNDC Partial Credit Guarantee Scheme. We look forward to the launch of the Supply Chain Finance in the near future; which will also respond to the challenge of access to finance for our local private sector.

The Basotho Fruit and Vegetable Cannery has been a success story for us and the country at large. The Cannery, now operating as Mountain Kingdom Foods; has begun to process tomatoes and exporting to Europe. We are now looking forward to the warmer seasons that will allow for processing of more diverse vegetable and fruit inputs.

During the coming quarter, Lesotho and many other countries will be keeping their focus and attention on the extension of AGOA. While renewal of the act is critical for the LNDC and Lesotho, I would like to make an assurance that the Corporation is working hard to strike the balance such that our industrial development is sustainable despite any decision taken by the US Congress. Enjoy this edition!

Tseko A. Bohloa (Mr)

Caretaker CEO

Lesotho “open for business” at Commonwealth forum



Dr Motsoahae Thomas Thabane Prime Minister of Lesotho and Lord Marland of Odstock Chair of the Commonwealth Business Council

Lesotho's Prime Minister, the Rt. Hon. Dr. Thomas Thabane in April declared the small southern African Kingdom “open for business” at an investment forum in London to raise awareness of growing economic opportunities in his country.

Around 100 delegates attended the Lesotho Investment Forum, which was convened by the Commonwealth Business Council and took place at Marlborough House, headquarters of the Commonwealth.

The forum highlighted opportunities for investment in Lesotho and showcased its sectors including mining, manufacturing, agriculture, financial services, infrastructure and tourism.

Dr Thabane said: “My sincere wish is that this forum will rekindle interest for Lesotho as a destination for investment plans. We are indeed open for business.” He added that Lesotho offered investors a young labour force, flexible tax incentives, competitive wage rates and a gateway to lucrative markets in the Southern African Development Community.

“This investment forum has made us have a fresh look at ourselves, at our problems and at possible solutions, as seen by others who are our friends and who see opportunities in raising the standard of living in our country, and looking at investment opportunities which naturally will create jobs for our people which we need very badly.”

Earlier, the Prime Minister met with Commonwealth Secretary-General Kamallesh Sharma who said in his opening remarks: “This forum, in seeking to unlock and develop potential as yet untapped or underutilized, can truly work for the good of Lesotho and the Commonwealth if the ambitions, expectations and needs of all - particularly the excluded and disadvantaged - are kept in the forefront of our thinking at all times.”

Lesotho is a landlocked country; entirely surrounded by South Africa and is one of the world's highest countries - the whole of Lesotho is over 1,000m in altitude. Through the Lesotho Highlands Water Project, the country exports water to its neighbour. It enjoys one of the highest literacy rates in Africa – 92% of people aged 15-24 are literate (2010).

Its economic growth exceeded an average of 5% between 2010 - 2013: the country has a growing diamond industry, textiles industry, electronics' factories and one of only two ski resorts in Sub-Saharan Africa.

In March this year, Lesotho participated in the Commonwealth's Third Global Biennial Conference on Small States. During the conference progress was made on a number of practical areas for the sustainable economic growth of small states, including a framework for building the resilience of small states.

Article Courtesy of the Commonwealth Business Council!

LNDC enhances business facilitation in the north of Lesotho!



The second biggest home to industrial development in Lesotho; Maputsoe town will soon enjoy the services of a one-stop-business facilitation centre; currently offered in the Capital City, Maseru.

The Lesotho National Development Corporation Caretaker Chief Executive Officer, Mr. Tseko Bohloa handed over a newly refurbished building to the Deputy Minister of Trade and Industry, Cooperatives and Marketing Hon. Maliehe

Maliehe in May 2014 for the purposes of enhancing business and trade facilitation in Maputsoe and the rest of the Northern region of the Country.

The building existed over four decades and was used as a bakery for years, prior to the overhaul. “There are many investors who need to go to Maseru for all services. This facility is the first leg of response towards their needs. Our aim is to do more in regard to accommodation, restaurants, services and shopping malls, to mention a few,” said Mr. Bohloa. Deputy Minister of Trade, Hon Maliehe Maliehe said the facility was long overdue, and hailed the LNDC for the move, saying “it is the right way to decentralize services”.

The facility boasts self-service desks and ICT provision, installed generator to sustain work during load shedding and a server room to ensure proper Information Management.

Amongst others, the District Administrator, Trade Ministry Officials and some Investors witnessed the handing over of the building.



1. Small ceremony of handing over the building to the Ministry of Trade by the LNDC Caretaker Chief Executive Officer.

2. Touring of the facility by the Deputy Minister, LNDC CCEO and Management of the OBFC



On the Foreign Investment Promotion Front: Luring Japanese Investors



The UNIDO Investment and Technology Promotion Office facilitated an extensive programme for Lesotho National Development Corporation in Japan, Tokyo from the 18th to 27th May 2014. Working in coordination with the Embassy of Lesotho in Japan, the programme gave LNDC a platform to present investment opportunities and the business climate in Lesotho to over 100 Japanese investors and development partners through group meetings, one on one encounter sessions as well as the business forum.

In her presentations, the LNDC Foreign Investment Promotion Manager, Mrs Marina Bizabani underscored the Lesotho Government commitment to industry development through investment and the ease of doing business. She presented opportunities in Agriculture, Manufacturing, Energy, ICT, Infrastructure and Tourism, as sectors deemed strategic by the National Strategic Development Plan.

Mrs Bizabani says "Our target was mainly companies that have interest in developing businesses in Lesotho, as well as those that already operate in the Mountain Kingdom. We have generated considerable interest, in almost all sectors presented. Some investors have already indicated their desire to enter into joint ventures with local businessmen. Whilst we prepare for the second step of the process as well as the site visits, I would encourage Basotho to hone their expertise, particularly in the agriculture sector which seems urgent in terms of food security for the Japanese nation." Mrs Bizabani says Lesotho has various advantages to benefit from this opportunity, as compared to many other countries. Lesotho is already famous for exporting trout to Japan.



LNDC addresses University Final Year Students on Unemployment



LNDC Manager of Domestic Investment Mr. Semethe Raleche address NUL Final Year BCOM Students

The LNDC took part at the second annual gala dinner by B. COM final year students of the National University of Lesotho in April 2014. This event is meant for students to interact with entrepreneurs and captains of business and industry for career guidance and promotion of entrepreneurship.

Under the theme “Funding techniques that can help to uplift start-ups”, Mr. Semethe Raleche, LNDC Investment Promotion Manager designated to empowering Domestic Investors addressed the youth on programs that LNDC, Lesotho’s Investment Promotion Agency has developed, in order to support and develop entrepreneurs.

Mr. Raleche said “LNDC also has the Enterprise Development facility which encompasses the four packages : the Partial Credit Guarantee Scheme, Equity Financing, Wholesale Financing and the Private Sector Support Programmes.” He added that the LNDC had in 2013; launched an Industrial Internship Programme for newly graduated students to train them as Textile Engineers for a period of two years.

According to Mr. Peter Khaola; Head of the Department of Business Administration, at least one student has registered a business as a result of last year’s career guidance whose theme was “How do relevant bodies ensure creation of opportunities for local entrepreneurs?”

Lesotho entices international buyers at Source Africa 2014

“Lesotho: Your ethical Sourcing Destination” - Lesotho’s theme for the 6th African Clothing and Textile Trade Fair held at the Cape-Town International Convention Centre for the second time created awareness and attracted scores of buyers travelling from the United States, Canada, Europe, Asia, The United Kingdom, Russia, Africa and UAE.

The Lesotho National Development Corporation led local Textile, Apparel & Footwear Manufacturers to Source Africa, from the 19th to the 20th June 2014.

Lesotho is the largest textile and apparel exporter to the United States of America in sub-Saharan Africa in value terms and this event provides an opportunity to mobilize new orders and secure continued employment in the industry. The fair also gave exhibitors the floor to network not only with international buyers, but fashion councils, and suppliers amongst others.

Lesotho Pavilion housed 22 exhibitors comprising Tlotliso Holdings, Hippo Knitting, Formosa Textiles, three medium local Cut-Make and Trim (CMT) companies, 15 small scale garment and leatherwear manufacturers as well as textile, printing and branding companies, Better Work Lesotho, representatives of the LNDC, Basotho Enterprise Development Corporation (BEDCO) and the Ministry of Trade and Industry, Cooperatives and Marketing.

Seminar on The New Face of African Manufacturing



Investment Promotion Officer Ms. Phomotso in meetings with potential sourcing agents.



Ms Jeniffer Chen giving testimony on Doing Business in Lesotho

Why Africa, Why Lesotho?

The textile and clothing fair featured a useful series of trade-related seminars for information sharing amongst industry players. This year's topics included 'Policy priorities for the United States and African Textile, Apparel and Footwear industries, including but not limited to the Africa Growth and Opportunity ACT (AGOA), Partner Africa and Trade Africa.'

'Understanding US Sourcing Needs,' 'Navigating Policies for African Trade' as well as 'The New Face of African Manufacturing,' a subject dissected by panelists drawn from leading garment manufactures in Lesotho, Ethiopia, Kenya and Mauritius. The panelists shared their perspectives highlighting progress that their respective countries have made on product innovation, skills enhancement, CSR compliance, availability of raw materials, investments in technology and improvement on efficiency and competitiveness.

Ms. Jeniffer Chen, of the Lesotho Textiles Exporters Association has been operating in Lesotho for 21 years now. Sharing her experience, Ms Chen said "Most of the Foreign Direct Investment comes from Asia, but there now local players in the industry. There is growth, even though it is sluggish. Companies come, invest, grow and attract more companies. I would love to emphasize the collaboration, support from Government as well as LNDC. We are able to grow and upgrade our work from one level to another and we take pride in having 'Better Work Lesotho,' suggesting our level of compliance. From my perspective, there is no doubt that Africa is a good sourcing destination. We also look forward to the renewal of AGOA."



LNDC UPCOMING EVENTS

THEME: DYNAMICS OF COMMERCIAL FARMING

FOCAL POINT: BREED AND VARIETIES

EXPO 2014 - MASERU CLUB

EXPO 2014 - MASERU CLUB

EXPO 2014 - MASERU CLUB

Program - 23rd September 2014

Facilitation by Nedbank Lesotho Limited

07:00 – 08:00hrs	Registration @ Maseru Club Hall
08:00 – 09:15hrs	President & Deputy Activity Extrapolation by LNDC
09:15 – 09:45hrs	Wine tasting in the Mountain Kingdom – Soil Wine Estate
09:45 – 10:00hrs	Questions & Suggestions
10:00 – 10:15hrs	Tea Break
10:15 – 11:00hrs	Vegetable Production Under Hydroponic System – Binafing Institute of Agriculture
11:00 – 11:15hrs	Questions & Suggestions
11:15 – 12:00hrs	Grain Green Production Method for Commercial Farming
12:15 – 12:30hrs	Questions & Suggestions
12:30 – 14:00hrs	Lunch Break
14:00 – 16:00hrs	Tour to Expo Stalls

Welcome Dinner @ Maseru Sun Convention

17:00 – 17:30hrs	Arrival @ Maseru Sun Convention
17:30 – 17:40hrs	Welcome remarks by Edwin Tse Tse
17:40 – 18:10hrs	Investment Opportunities in Agriculture – LNDC
18:10 – 18:40hrs	Agricultural Insurance – Allstate Insurance Company Limited
18:40 – 19:10hrs	Keynote address: Agribusiness: From the Field to the Future – Agribusiness
19:10 – 21:00hrs	Panel Discussion: LNDC, HEDBANK, ALLIANCE INSURANCE & MASA BREEDERS SOCIETY
21:00 – 22:00hrs	Dinner served by Maseru Sun & Entertainment by Bala Sun Band

Program - 24th September 2014

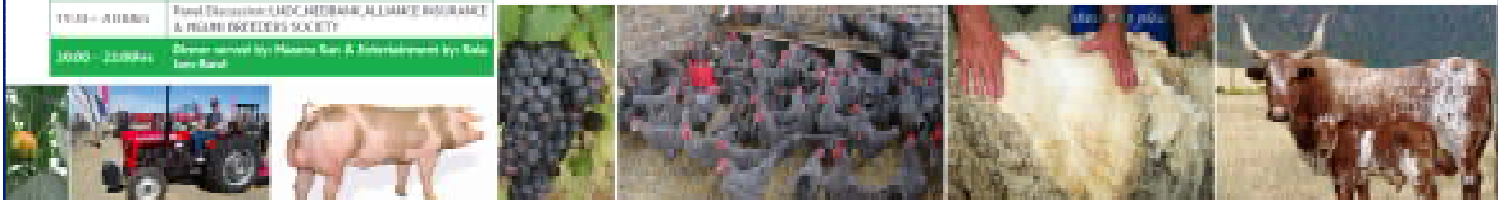
Facilitation by Standard Lesotho Bank

07:00 – 08:00hrs	Registration @ Maseru Club Hall
08:00 – 09:15hrs	President & Deputy Activity Extrapolation by Standard Lesotho Bank
09:15 – 09:45hrs	Agribusiness & Value Chain by Lesotho People Highland Trust
09:45 – 10:00hrs	Questions & Suggestions
10:00 – 10:15hrs	Tea Break
10:15 – 11:00hrs	Vegetable & Water Storage – Binafing Institute of Agriculture
11:00 – 11:15hrs	Questions & Suggestions
11:15 – 12:00hrs	Grain Varieties in Different Environments – Director of Crop Development of Lesotho
12:15 – 12:30hrs	Questions & Suggestions
12:30 – 14:00hrs	Lunch Break
14:00 – 14:10hrs	Identification of 1 central & 20 local production – Binafing Institute of Agriculture
14:10 – 15:00hrs	Questions & Suggestions
15:00 – 15:15hrs	Break
15:15 – 16:00hrs	Planting Options in Commercial Agriculture – Standard Lesotho Bank
16:00 – 16:15hrs	Questions & Suggestions
16:15 – 17:00hrs	Artisanal Water and Technology & Rural Improvement through Village Clubs – BINA
17:00 – 17:15hrs	Questions & Suggestions

Program - 25th September 2014

Facilitation by BKB

07:00 – 08:00hrs	Registration @ Maseru Club Hall
08:00 – 09:15hrs	President & Deputy Activity Extrapolation by BKB Limited
09:15 – 09:45hrs	Proceedings & Value Chain – Private Sector Competitiveness (PSC) & World Bank Project
09:45 – 10:00hrs	Questions & Suggestions
10:00 – 10:15hrs	Tea Break
10:15 – 11:00hrs	Agribusiness, Binafing Institute of Agriculture, Binafing Institute of Agriculture (Pty Ltd)
11:00 – 11:15hrs	Questions & Suggestions
11:15 – 12:00hrs	Grain Management, Grain Storage & Grain Risk Pooling – BINA
12:15 – 12:30hrs	Questions & Suggestions
12:30 – 14:00hrs	Lunch Break
14:00 – 14:15hrs	Supplementary Feed for Livestock – Binafing Institute of Agriculture
14:15 – 15:00hrs	Questions & Suggestions
15:00 – 15:15hrs	Break
15:15 – 16:00hrs	Artisanal Water and Technology – Binafing Institute of Agriculture
16:00 – 16:15hrs	Questions & Suggestions
16:15 – 17:00hrs	Livestock Import Procedures – Department of Livestock Development of Lesotho
17:00 – 17:15hrs	Questions & Suggestions



Investment Forum on Phase II of the LHWP

14 July, 2014

Forum on Construction and Agriculture Projects

September

Progressive Business Forum

September

The SILO EXPO

September

LNDC reaching out to the needy as the Kingdom commemorates the Queen's birthday.



Her Majesty Queen 'Masenate M. Seeiso

Picture Courtesy of Visions Magazine!

The Lesotho National Development Corporation has this winter contributed M10, 000.00 towards the Queen's National Trust Fund that has to date funded the education of more than 300 students across the country. Her Majesty acknowledged support of various institutions and individuals, also calling on more aid to reach out to more needy souls.

Having assumed full duties of the Queen's National Trust Fund, following the passing on of the Queen Mother Nkhono 'Mamohato Bereng Seeiso, The Queen celebrates her birthday anniversary each year with scores of well-wishers, through various activities that include raising funds for the less privileged.

Speaking at the Gala dinner held in honour of her birthday, the Queen said "I am delighted to announce that since the fund started giving grants to our children, 70 have completed their high school education, with some having done so meritoriously. Tonight we can take pride in the fact that some of our students have enrolled at various institutions of higher learning, that include the National University of Lesotho and the University of Free State," said the Queen.

Staff Movements at LNDC



Advocate Selebalo Lekokoto has been appointed LNDC Senior Legal Officer with effect from the 1st of July 2014. Prior to the appointment, Advocate Lekokoto served the Corporation as a Legal Officer.



Mr. Kutlo Kanetsi has been appointed Head of Property Division with effect from the 9th June 2014, under a six month consultancy assignment. Mr Kanetsi will primarily be involved in the restructuring of the Division to turn it into a fully functional and effective organ of the Corporation.

Inter FDI Games 2014

Fun...Fun... Fun...Travelling and touring, lots of laughter, cultural exposition and games made a good breather for hard-working employees of Development Finance Institutions descending from Swaziland, Durban and Lesotho. The annual social gathering was hosted by the National Development Bank of Botswana in capital city of Gaborone.

Lesotho National Development Corporation teams raised the Lesotho flag with their stunning performance of Mokhibo Dance, pool-table, table tennis, football and netball. Sports and Entertainment Committee President, Mr. Liabo Letseka says “The LNDC employees work extremely hard throughout the year and the committee always ensures that they get their well-deserved reinforcement. With sports and culture-sharing, we can’t go wrong. As we promote investment, we also promote our culture and talent.”

“These social events are not only meant for games, but to allow employees to interact, share experiences and learn from one another, says Team Leader and LNDC Head of Internal Audit, Ms Teboho Lekalakala. “A lot of developments have taken place in our Kingdom, and we will ensure that our guests turn into our ambassadors in Investment Promotion.” LNDC will be the host in 2015.



LNDC Ladies in Seshoeshoe



The Hosts extend a warm welcome



The Swazi Team



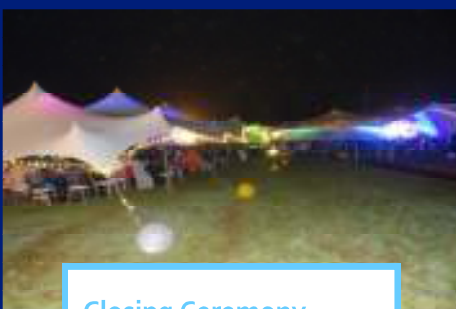
LNDC Mokhibo Group



NDB CEO Welcome Speech



LNDC vs NDB Team



Closing Ceremony



LNDC Team Leader Ms. Teboho Lekalakala presents gifts to hosts



Netball Team getting ready

LNDC In Pictures

LNDC and Central Bank explore Capital Markets



LNDC Team Building Session



LRA briefs LNDC on Customs Modernization Project



Domestic Promotion trains LNFDOD on PCG



Investment / Business Forum in Tokyo



LNDC receives guests at Source Africa



LNDC pose with Her Majesty at the Queen's Gala Dinner



LNDC Netball Team





The Board, Management and Staff of the Lesotho National Development Corporation wish His Majesty King Letsie III a happy 51st birthday. May the Lord grant the King a long, prosperous and healthy life!

LNDC MOMENTS WITH THE KING

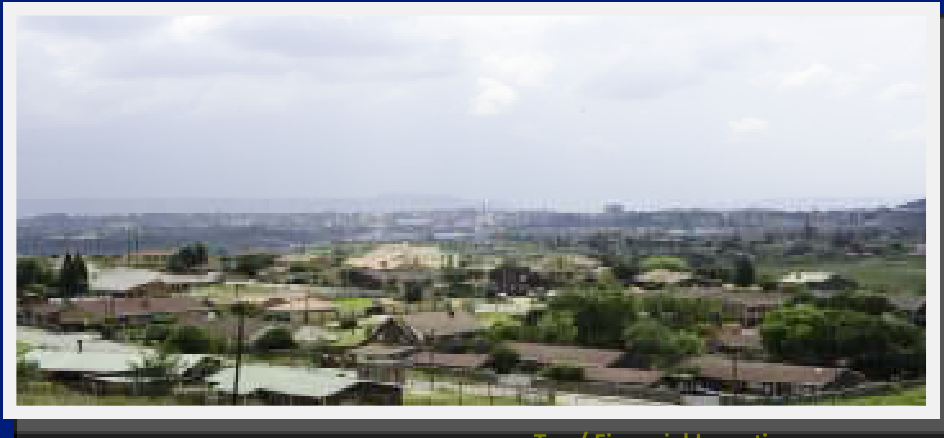


Their Majesties led the Lesotho–Austria Business Forum



The King addressed a business forum in Germany

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.



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