

# SACU INVESTMENT ROUNDTABLE

*“Positioning SACU as an industrial, investment, manufacturing and innovation hub for the African Continent and beyond”*

**12<sup>TH</sup> – 13<sup>TH</sup> APRIL 2022**

**GABORONE INTERNATIONAL CONVENTION CENTRE**

**GABORONE, BOTSWANA**



# INTRODUCTION

- Background
  - Lesotho National Development Corporation (LNDC).
  - Objectives of the presentation.
  - Expected Outcomes
- Synopsis of Investment Projects
- Conclusion

# BACKGROUND

## Lesotho National Development Corporation (LNDC)

- ❑ the main parastatal of the Government of Lesotho charged with the implementation of the country's industrial development policies.
- ❑ to promote Lesotho as an attractive investment location for both foreign and domestic investors.

# BACKGROUND CONT'D

❑ LNDC is the first point of contact for investors who intend to set up projects in Lesotho.

## ❑ The Mandate

To initiate, promote and facilitate the development of manufacturing and processing industries, mining and commerce in a manner calculated to raise the level of income and employment in Lesotho.

# BACKGROUND CONT'D

## Objectives for the presentation:

- Showcase the Kingdom of Lesotho's investment export opportunities in targeted key priority sectors;
- Attract partnerships in expansions of existing projects for which Lesotho is looking for joint venture partners and collaboration.
- Attract partnerships in new investment projects to take full advantage of the market access opportunity presented by the African Continental Free Trade Area (AfCFTA);

# BACKGROUND CONT'D

## Expected Outcome:

- Engagement with the potential investors with the aim of showcasing investment and export opportunities, securing investments and identification of joint ventures partners and collaboration on priority sectors;

# FOOTWEAR MANUFACTURING

## **PROJECT SUMMARY:**

- Around 7.2 million pairs of shoes manufactured per year.
- Positive conditions exist to expand the footwear industry
- Exports to the USA, Africa and other markets.

**Project Location:** Yet to be determined

**Project investment value:** USD 2 million

**Project Status:** The project is in search of a potential partner.

**Existing partners and commitments:** No commitments yet

**Requirements:** Development partners, off-take agreements, strategic investment, technology packages/license agreements.

# DECIDUOUS FRUIT PRODUCTION AND PROCESSING

## □ PROJECT SUMMARY

- Lesotho is an ideal location for growing deciduous fruits for export market.
- Suitable land measuring 5,500 acres is available for growing deciduous fruits
- Existing 34 hectares pilot farm owned by the communities have been successful and proven that harvest are 2–3 weeks earlier than the neighbouring countries.
- The plan is to expand by 120 hectares every year to reach 500 hectares including machinery, processing and cold chain management.



# DECIDUOUS FRUIT PRODUCTION AND PROCESSING CONT'D

- ❑ **Project Locations:** have been determined with suitability map
- ❑ **Project Investment Value:** USD8.6 million for each 120 hectares until 500 hectares, machinery, processing and cold chain estimated at USD36 million
- ❑ **Project Status:** The project is ready and currently in development phase.
- ❑ **Partners:** Strategic partners are still committed to investing in the expansion and open for additional partnerships including local communities.
- ❑ **Requirements from additional partners:** Development partners, Off-take agreements, Strategic investment, Technology packages/license agreement

# HERBS, SPICES AND AROMATIC PRODUCTS

## □ PROJECT SUMMARY:

- Boosting primary production of local farmers to meet increasing global demand for herbs (including aromatic plants).
- The project involves boosting primary production by local farmers through establishment of processing facilities in Lesotho.
- Lesotho mountainous terrain and climate favour the cultivation of herbs and spices.
- Potential to grow high quality of organic varieties benefiting from the clean air, unpolluted water and elevated land that permit improved disease-resistance.

# HERBS, SPICES AND AROMATIC PRODUCTS CONT'D

- Project Location:** suitability map has been developed.
- Project Investment Value:** USD297,000.
- Project Status:** The project has been developed for up-scaling at different levels to meet local and export market.
- Existing partners and commitments:** Local producers have been identified for further expansion into regional production.
- Requirements from additional partners:** Strategic investment, Off-take agreements, technology packages/license agreements.

# KNIT/WOVEN FABRIC MILL

## □ PROJECT SUMMARY

- Lesotho is an ideal location for further investments in knitted/woven fabric mills for integration with textile producers and export markets.
- One woven fabric mill already exists and utilizes 100% cotton sourced from Africa.
- LNDC is ready to partner and to assist with infrastructure needs.
- More than 200,000 sqm of serviced plots are available for development in established textile industrial locations.
- More than 100,000sqm of fully serviced, modern industrial units of variable sizes are available

# KNIT/WOVEN FRABRIC MILL CONT'D

- PROJECT LOCATION:** Still to be determined.
- PROJECT INVESTMENT VALUE:** USD 13 million
- PROJECT STATUS:** currently in development phase
- EXISTING PARTNERS AND COMMITMENTS:** LNDC is ready to partner and to assist in dedicated knit/woven fabric mill infrastructure needs.
- REQUIREMENTS FROM ADDITIONAL PARTNERS:** Development partners, off-take agreements, strategic investment, technology packages/license agreements

# MEDICAL CANNABIS

## □ PROJECT SUMMARY

- Lesotho offers natural and legal environment conducive and profitable for growing and processing of medicinal cannabis.
- Lesotho passed the Abuse of the Drugs (Cannabis) Regulations in 2008.
- First African country to issue licenses to produce medicinal cannabis in 2017.
- One company has acquired European GMP certification.

# MEDICINAL CANNABIS CONT'D

- PROJECT LOCATION:** the ideal growing areas in Lesotho are above 2,000m altitude and yet to determine locations.
- INVESTMENT VALUE:** USD24 million.
- STATUS:** currently in development phase.
- EXISTING PARTNERS AND COMMITMENTS:** no commitment yet.
- REQUIREMENTS FROM ADDITIONAL PARTNERS:** development partners, strategic investment, off-take agreements, technology packages, license agreements.

# RESPONSIBLE INSTITUTION

## Lesotho National Development Corporation (LNDC)

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*THANK YOU!*