



JAPAN-AFRICA BUSINESS FORUM 2021

SESSION 2 “FEED AFRICA”

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LESOTHO'S DEVELOPMENT PRIORITIES

1. 2nd National Strategic Development Plan priorities :
 - i. Agriculture and agro-processing
 - ii. Manufacturing
 - iii. Technology and Innovation
 - iv. Tourism
2. LNDC Strategic Plan 2018 – 2023 priorities:
 - i. Agriculture and agro-processing
 - ii. Manufacturing
3. Lesotho is also in pursued of Sustainable Development Goals (SDGs); Africa Agenda 2063 – African Development Bank's high Fives; SADC; and SACU development goals.

OVERVIEW OF LESOTHO'S INVESTMENT & TRADE WITH JAPAN

Lesotho exported US\$381,000.
US\$381,000.

US\$343,000 of Fish (90%
trout); 10% Apparel and others
others

2017

2018

2019

Lesotho exported US\$204,000.
US\$113,000 of Fish (55% trout), 45%
Apparel and others.

Japan exported US\$10,156,000 to
Lesotho.

US\$78,000 Apparel and other
clothing (100%).

Japan exported US\$10,792,000
US\$10,792,000 to Lesotho
(mostly vehicles and
components).

UNIQUE SELLING POINTS OF LESOTHO'S AGRICULTURE & AGRO-

1. Preferential trade agreements create export opportunities for a wide range of Lesotho produce.
2. Membership of SADC and the SACU confer trading benefits for Lesotho.
3. Labour availability and low unit cost gives Lesotho an advantage over its regional competitors.
4. Lesotho has plentiful supplies of pure water to support the growth of crops and food processing.
5. The Government of LESOTHO strongly supports the agricultural sector and is eager to see it grow;
 - i. 10% Corporate tax
 - ii. Inputs subsidies
 - iii. Infrastructure support
6. Lesotho is well endowed with agricultural produce and crops are harvested two to three weeks earlier than South Africa.

INVESTMENT OPPORTUNITIES FOR JAPANESE SMES IN LESOTHO'S AGRICULTURAL VALUE CHAINS AND POTENTIAL PARTNERSHIPS WITH RURAL COMMUNITIES:

| <u>Opportunity</u> | <u>Trade Agreements</u> | <u>Target Export Markets Served</u> | <u>Japan SME Linkages</u> |
|----------------------------------|-------------------------|--------------------------------------|---|
| Medicinal Cannabis Cannabis | AGOA, EPA, SACU, GSP | USA, EU, China, Japan | <ol style="list-style-type: none"> 1. Investment (FDI, JVs) 2. Production technology and knowhow for Asian Markets 3. Agro-processing technology and knowhow knowhow for Japan and and Asian Markets 4. Packaging technology 5. Marketing (agents) and distribution partnerships |
| Hemp | EPA | EU | |
| Organic Vegetables Vegetables | SACU, EPA, AGOA AGOA | SACU, EU, USA | |
| Cereals (Grains) | SACU, AGOA, EU | SACU, USA, EU | |
| Spices & Herbs | GSP, SACU, EPA, AGOA | China, Japan, SACU, SACU, EU, USA | |

INVESTMENT OPPORTUNITIES FOR JAPANESE SMES IN LESOTHO'S AGRICULTURAL VALUE CHAINS AND POTENTIAL PARTNERSHIPS WITH RURAL COMMUNITIES:

| <u>Opportunity</u> | <u>Trade Agreements</u> | <u>Target Export Markets Served</u> | <u>Japan SME Linkages</u> |
|---|--|-------------------------------------|--|
| Deciduous Fruits | SACU, AGOA, EPA, Japan, China China | SACU, USA, EU, GSP | <ol style="list-style-type: none"> 1. Investment (FDI, JVs) 2. Production technology and knowhow for Asian Markets 3. Agro-processing technology and knowhow for Japan and Asian Markets 4. Packaging technology 5. Marketing and distribution partnerships |
| Game Birds & Organic Poultry | SACU, AGOA, EPA EPA | SACU, USA, EU | |
| Pig/Hog Production Production | SACU, AGOA, EPA EPA | SACU, USA, EU | |
| Game Birds & Organic Poultry | SACU, AGOA, EPA EPA | SACU, USA, EU | |
| Cold-Fresh water Aquaculture (trout, trout, salmon) | SACU, AGOA, EPA, Japan, China China | SACU, USA, EU, GSP | |

WE PROMOTE AND FACILITATE PARTNERSHIPS AND LINKAGES
WITH LOCAL ENTERPRISES AND RURAL COMMUNITIES

THANK

YOU!!

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