

MAJORO'S CONTEMPT FOR COURT ORDER EXPOSED BY DISHONESTY ON ASSET FREEZE

Overview

Since May 2021, Prime Minister Dr Moeketsi Majoro has made numerous statements warning of the disruption that would be caused to ordinary citizens in Lesotho if the water royalties seized by Frazer Solar were not paid to the Government of Lesotho. However, it has now been disclosed that the Government has secretly been collecting the royalties from the Trans-Caledon Tunnel Authority in breach of a court order for 6 months.

Legal Status

On 17 May 2021, lawyers acting for FSG served notice to the Trans-Caledon Tunnel Authority Soc. Ltd (Centurion, South Africa) directing the transfer of royalties owed to the Government of Lesotho in connection to the Lesotho Highlands Water Project (LHWP), which delivers water to South Africa be seized. FSG's lawyers successfully enforced their judgment via the Sheriff to seize the royalties. In an act of good faith, FSG agreed to not take possession of the royalties even though it was legally entitled to, and instead agreed for them to be frozen i.e. not available to either party, to give Dr Majoro a chance to finally engage in the legal process.

The High Court of South Africa was given assurances by the Government of Lesotho that court orders would be complied with. As recently as 10 November 2021, Dr Majoro's lawyers misled the judge at urgent case management meeting, failing to disclose that royalties had been paid to the Government of Lesotho since May 2021, in brazen defiance of the South African court order to freeze the royalties and the undertakings given to FSG and the High Court in July and November.

FSG's lawyers state that this behaviour constitutes prima facie contempt of court, is completely unacceptable and disrespecting of the South African judicial system, and that this action completely undermines the Government of Lesotho's application for an urgent stay application. This is likely to be struck out now and FSG awarded costs, further increasing the financial cost to Basotho of Dr Majoro's actions.

Statement from FSG

A spokesperson for FSG said:

"Again and again in the course of this dispute, Dr Majoro and his lawyers have been caught in brazen and contemptable acts of dishonesty. Not only did Dr Majoro deny all knowledge of Frazer Solar's contract and claim against Lesotho; not only did Dr Majoro try and pass the blame on to Ministers and officials in his government; not only did Dr Majoro falsify his own affidavit; but he has now been exposed as misleading the South African court over royalty payments. It is increasingly obvious that no-one can believe a single word he says.

For the last 6 months, Dr Majoro has acted as though there is one rule for him, and another for everyone else. But complying with court orders is not optional for anyone, it is compulsory. A criminal cannot avoid going to jail just because he doesn't want to go. Likewise, ignoring a court order is contempt of court, it is against the rule of law, it is unlawful and illegal, and it is plain wrong.

It is now clear why Dr Majoro did not wish for the hearing to determine his own urgent application to proceed on 10 November. Not only would his defiance of the judicial process be uncovered, but

the very basis for the urgent application would be exposed as a sham: there is no need to unfreeze royalties that the Government of Lesotho has in fact been collecting unimpeded for 6 months.

The lengths that Dr Majoro has gone to in an attempt to frustrate this legal process point to one obvious truth: that he has little confidence in the merits of his own legal case. The delaying tactics are not cost-free to Basotho, as the 6 month delay in the legal proceedings will increase FSG's claim by a further M22 million in interest alone. FSG will continue to act in good faith and in compliance with all court orders, the judicial process, and looks forward to a just and final resolution to this matter in the near future."