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## **THE DCEO IS NOT FIT FOR PURPOSE. PRIME MINISTER MATEKANE MUST TAKE URGENT ACTION**

The recent decision made by Lesotho's Directorate on Corruption and Economic Offences (DCEO) concerning Frazer Solar highlights growing concerns about the organisation's investigative procedures and its lack of impartiality.

Frazer Solar maintains that the DCEO's charges are baseless and trumped-up, especially as the organisation made no effort to gather information from the company or put questions to its directors. Instead, after initially contacting Frazer Solar in December 2021, DCEO did not attempt any further communications until publicly announcing the charges almost 12 months later.

A spokesperson for the company said: "The DCEO's claim that they had no knowledge of how to contact our directors is nonsense, as we provided this information at the outset. Furthermore, our Lesotho attorneys are only 3 kms from the DCEO's office, meaning they could have driven for 5 minutes and talked to our legal team face-to-face. We have always been available and willing to talk to the DCEO. However, it is apparent they have never had any desire to talk to us."

No other organisation with a similarly important remit to the DCEO would be allowed to operate in such a cavalier and disrespectful manner within countries which have fair, adequately funded and properly functioning judicial systems.

Based on Frazer Solar's own experience, and recent examples provided by other interested parties, it is clear that the new government must urgently address key issues concerning the DCEO.

These issues include:

### **1) The prime minister being the sole decision-maker for appointing or dismissing DCEO director generals.**

It has become an unfortunate national tradition in Lesotho that prime ministers alone have this power.

For example, Mahlomola Manyokole was serving as the DCEO's director general until former prime minister Moeketsi Majoro suspended him in January 2021. Mr Mayokole's case regarding his suspension is still pending.

### **2) The DCEO pursuing politically motivated cases.**

According to Mr Mayokole, Dr Majoro (together with former law and justice minister Nqosa Mahao) "were interfering with my duties to investigate corruption by harbouring criminals and protecting them from prosecution. They would ask me about progress in cases that they had an interest in. They would also tell me who to investigate. I found all this unprofessional."

### **3) The DCEO's lack of impartiality.**

In 2017, the DCEO charged former Finance Minister 'Mamphono Khaketla with corruption concerning her role in a government fleet management contract. She was eventually acquitted earlier this year after the DCEO failed to bring a case against her.

Following her acquittal, Dr Khaketla said: "the DCEO has become a wing of some political parties. They're not dealing with cases professionally. I was up against a DCEO that was dipping into a bottomless bag of state coffers and it hit me hard."

Frazer Solar calls on the new prime minister, Sam Matekane, to take action. Above all, he must instruct the DCEO to re-commence its investigation into awarding the Mafeteng solar generation contract to the Chinese company Sinoma Tbea Consortium.

It is common knowledge that former prime minister Majoro favoured the Chinese proposal over a solar power project developed by Frazer Solar. However, he has never been asked to justify this decision, despite the unresolved questions concerning corruption and bribery that still surround the Mafeteng project.

Instead, Frazer Solar believes that Dr Majoro instructed the DCEO to turn its fire on the company, so leaving the Mafeteng allegations – including the exact role he played in the whole process - free from further scrutiny.

The Frazer Solar spokesman said: "It is Prime Minister Matekane's responsibility to restore DCEO's credibility as an effective and impartial instrument of justice. Getting to the truth of the Mafeteng controversy would be the best place to start."

**ENDS**

#### **Notes to editors**

In January 2020, an independent arbitrator ruled in Frazer Solar's favour concerning a series of contractual breaches committed by the Kingdom of Lesotho, related to a renewable energy project developed by the company. Lesotho was ordered to pay Frazer Solar €50 million in damages but failed to do so.

Consequently, in May 2021, Frazer Solar's lawyers commenced a worldwide enforcement action against assets held by the Kingdom.

At the end of October 2022, a court in Belgium issued an order allowing Frazer Solar to seize the Kingdom's assets in the country, including its Gem Diamond operations and the bank account of the Lesotho embassy in Brussels.

For more information about Frazer Solar's ongoing legal proceedings against the Kingdom of Lesotho, visit <https://www.frazersolarvlesotho.com/>.