

## **MEDIA STATEMENT – FRAZER SOLAR SUPPORTING DCEO INVESTIGATION**

### **CORRUPTION WATCHDOG ASKS FOR FRAZER SOLAR'S HELP, MAJORO UNDER THE SPOTLIGHT**

#### **Overview**

On 15 December 2021, Lesotho's corruption watchdog the Directorate on Corruption & Economic Offences (DCEO) reached out to Frazer Solar for its help in investigating the breach of contract by the Government of Lesotho (GOL) which ultimately led to Frazer Solar being awarded €50 million (M855 million) via an international arbitration process.

Frazer Solar has the following commitments and comments to make to the DCEO in response:

- Frazer Solar will assist the DCEO investigation, and says this investigation is long overdue
- Focus of the investigation must be Dr Majoro
- Dr Majoro refused to support the German project as he preferred the Chinese project
- The Chinese project is the subject of a separate DECO corruption probe
- Frazer Solar calls for both investigations to be joined and investigated together

#### **Media Commentary**

A spokesperson for Frazer Solar said:

"Frazer Solar is willing to assist the DCEO and warmly welcomes a probe into the circumstances that led to the contractual breach that prevented the Frazer Solar project from proceeding. It is high time that this probe commenced, and we will cooperate fully with any complete, thorough, and impartial investigation. We make it clear that the crux of the investigation must centre around Dr Moeketsi Majoro himself. Dr Majoro was the sole reason for the breach when he was the Minister of Finance and he is the one who ignored the legal process as Prime Minister.

**To be crystal clear, Frazer Solar was awarded €50 million from the arbitrator solely due to Dr Moeketsi Majoro not concluding the finance agreement.**

Therefore, the DCEO must start with investigating why Majoro refused to do this, and further probe the reasons for which – as concluded by the arbitrator – Dr Majoro preferred the Chinese government financed Mafeteng solar project over and above the German government financed Frazer Solar project.

Dr Majoro refused to conclude the finance contract for the German project but willingly and without any question concluded the finance contract for the Chinese project. This is of vital importance for the DCEO fraud and corruption investigation to focus on.

The Mafeteng project is itself mired in controversy with allegations of overpayments and corruption to the tune of some M1.7 billion (USD 100 million) and is already the subject of a separate DCEO investigation. Frazer Solar requests and indeed insists that both investigations be joined as they are inextricably linked, they are two sides of the same coin, Majoro stymied the German project but proceeded with the Chinese project. Why he did this is the key question to be answered."

## **Timeline of Chinese funded Mafeteng Solar ‘Rip Off’**

- 4 June 2019                      Lesotho & China agree on a loan of M2.0 billion for the Mafeteng Project<sup>1</sup>
- 13 November 2020              Lesotho Times Exposes a massive solar rip-off, cost escalated to M2.8 billion despite market prices for solar dropping significantly, approximately M1.7 billion (USD 100m) alleged in ‘overpayments and bribes.’<sup>2</sup>
- 17 November 2020              Minister Hloalele denies receiving bribes, confirms Majoro just signed the finance agreement without questioning them as the figures were ‘merely presented to him.’<sup>3</sup>
- 15 December 2020              DCEO commences investigation into the alleged corruption for the ‘grossly inflated deal.’<sup>4</sup>

More information on the Mafeteng fraud and corruption matter can be found at <https://www.frazersolarvlesotho.com/mafeteng-project>

**ENDS**

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<sup>1</sup> <https://sundayexpress.co.ls/lesotho-china-negotiate-loan-for-mafeteng-solar-project/>

<sup>2</sup> <https://lestimes.com/exposed-massive-solar-rip-off/>

<sup>3</sup> <https://lestimes.com/my-hands-are-clean-hloalele/>

<sup>4</sup> <https://lestimes.com/dceo-probes-m2-8-billion-solar-project/>