

Lesotho: Fed-up wool farmers fight after being forced to only sell to Chinese broker

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Lesotho government not fazed by angry protests and insists new law will go ahead after three-month grace period.

About 30 000 registered wool and mohair farmers in Lesotho are facing calamity after the country's government decided almost two years ago that wool may only be bought in and exported from Lesotho by a Chinese broker.

Lesotho has for decades exported its wool to South Africa, where it is traded on the open market.

However, the country's government decided 18 months ago that all wool and mohair may only be sold to China's Stone Shi.

The result has been a dramatic collapse in prices and farmers have been waiting for their money for months.

The situation is so dire that about 20 farmers have already taken their own lives as a result of exhaustion and hunger, say farmers from all 10 districts in the country.

Thousands of farmers have no money for food, and have been forced to take their children out of school because they can no longer pay their fees.

Desperate farmers are also selling animals or slaughtering them for food. Those who have been paid have received far less than in the past.

Prince Seeiso Bereng Seeiso of Lesotho, who is also a headman in the Matsieng Village about 40km south of Maseru, told City Press' sister publication Rapport that the government's decision was not carefully planned or thought through.

"There was no consultation with farmers or efforts made to understand the industry. My heart is bleeding for my people. I also farm and have lost money, but at least I get a monthly salary," Seeiso said.

According to the new legislation, wool and mohair may only be sold to Stone Shi, but Lesotho's farmers have been selling their wool to South African brokers for 44 years.

During the selling season – from the middle of August until the end of May – the wool is graded according to quality, then it is certified and sold at an auction in Port Elizabeth.

For most of the farmers, this was their only source of income.

Now thousands of them have been waiting for their money for months.

On Friday, about 12 000 desperate farmers marched to Lesotho's Parliament, where they handed over a request for the law to be scrapped.

Lesotho's government last week announced that farmers would be granted a grace period of three months to sell their wool elsewhere and not through the Lesotho Wool Centre, which has been set up by Stone Shi outside Maseru.

However, angry farmers on Friday said the three-month grace period would not help them, and that this was further proof that government did not understand the system.

They said that, although the shearing season was from April to July, wool sorting and trade only started in August, and then ran until the following May – which means three months is not enough time.

Khotsang Moshoeshe, who farms mohair, was imprisoned for 16 days last year because he refused to sell his product to Stone Shi.

"It's simple. He has concluded no written contract with farmers. I can't deliver my valuable commodity to him if I don't know what I'm going to get in return," Moshoeshe said.

Elias Mosuoana (49) said the three-month grace period was a farce.

"This grace period doesn't mean anything. The only people who will benefit from it are the Chinese. It's outrageous," Mosuoana said.

"Every year, I get on average of R15 000 for my wool. With the new law, I delivered my wool last year, but I'm still waiting for my money."

Clementi Letlala (38) said his family had been farming sheep for their wool for 30 years, and earned between R47 000 and R53 000 a year.

But his last cheque was only for R22 000.

Lesotho's minister of trade, Chalane Phori, one of the proponents of the new legislation, said Stone Shi was an "expert" in the wool field.

"The wool was properly classified at the centre in Lesotho and then auctioned," Phori said.

He said the farmers should accept the new legislation.

"We are satisfied with how things are going and will make the new law permanent after the grace period," he said on Friday, shortly after the farmers' protest march.

Stone Shi, through a spokesperson, said that the farmers who took part in Friday's protest were not real farmers and "they don't know what they're talking about".

Isak Staats, head of the agricultural company BKB, said the developments in Lesotho over the sale of wool and mohair were also problematic for South Africa.

"We have permanent employees who focus only on the sorting and classification of wool. About 10% of the wool they handle comes from Lesotho, which has led to a reduction in volume, and so also to the amount of work available," Staats said.

He said Lesotho's decision had already led to about 50 people losing their jobs at the company.

The decline in the volume of wool would also have an impact on the cost of processing and packaging, which is more bad news for South African farmers.

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