

REFLECTIONS

VOLUME 7 - ISSUE 5 - DECEMBER 2022



LESOTHO REGISTRY OF INTEREST IN MOVABLE ASSETS

A Tool for Curtailing Credit
Risk in Lesotho

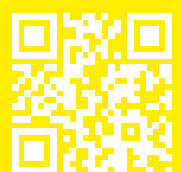


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- Impact of cyber-attacks
- Who are the new **Governor** and **First Deputy Governor** of the Central Bank of Lesotho?
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- Promoting financial inclusion through financial literacy



CBL, Governor, Dr. Letete



Editorial Team

Editors

1. Ms. T. Senthebane
4. Mr. E. Moremoholo

Sub editor

Mr. S. Sothoane

Contributors

1. Mr. T. Moshoeshoe
2. Mrs. M. Hloele
3. Ms. T. Senthebane
4. Mrs. S. Khoabane
5. Mr. E. Moremoholo
6. Mr. L. Nalane

Graphic design & photography

Mr. S. Sothoane

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Foreword

By Dr. Maluke Letete

Governor of the Central Bank of Lesotho

On 31st December 2021, the contract of the former Governor, Dr. Retšelisitsoe Matlanyane, came to an end together with those of the First Deputy Governor, Dr. Masilo Makhetha, and Second Deputy Governor, Ms. Mathabo Makenete.

Following the departure of the former governor and her deputies, Mr. Powell Lehlomela Mohapi, was appointed by the Government of the Kingdom of Lesotho as Acting Governor (AG) from 1st January to 31st May 2022.

The appointment of the AG came at a time when the world, country, and the Bank were grappling with many issues, including limited access to credit, cyber security threats, financial illiteracy, and exclusion. To tackle these issues, and ensure the Bank's successful transition under his reign, the AG implemented a number of activities:

Firstly, the Bank accelerated the training of the public in Lesotho on the new initiative to facilitate credit to both households and companies by commercial banks, credit providers, microfinance institutions, and the public called Lesotho Registry of Interest in Movable Assets (LERIMA), which had been launched in July 2021.

LERIMA provides an opportunity for creditors to accept the use of assets as collateral against loans issued to clients. Hence, it is expected to harbour tens or even hundreds of thousands of movable assets pledged as collateral.

Secondly, the Bank continued to pursue the country's financial inclusion agenda. In this regard, the AG, in collaboration with financial industry leaders, implemented the Lesotho Money Month Campaign from 25th April to 27th May 2022. The theme of this year's campaign was "Build Your Future. Be Smart about Money".

This theme was anchored on the importance of planning for one's future through making prudent and well-informed financial decisions now. Thus, it prompts all the citizens and residents of this country, particularly young people, to own the responsibility of securing their financial future.

The 2022 campaign encouraged the public to invest in their future, emphasizing the importance of financial literacy, which will help them become aware of their

financial rights, facilitate access to financial services and develop their financial skills.

During this campaign period, the various sections of civil society were engaged through virtual and face-to-face interactions focusing on areas such as personal financial management, savings, investments, mobile money, money transfer, credit, debt management, pension, insurance, and financial consumer protection.

Thirdly, the Pension Funds Act of 2019 was promulgated on 15th November 2019. Subsequently, its implementing regulations were gazetted on 11th September 2020. The ongoing sensitization of the public on the above-mentioned regulatory frameworks was aimed at promoting:

- The interests of those who make contributions into a pension fund as savings that they would draw the money during retirement when they would no longer work and earn an income; and
- The development of the domestic capital market by ensuring that a share of the pension funds contributions is invested in the country.

Fourthly, digitalization and financial integration require that we all exercise increased diligence, prudence, and ethical conduct. Desirable as technological innovation is, it also encapsulates risk and possibilities to contaminate the financial industry and profession with bad behaviour and harmful activities.

There was a time when the main threats to banks were robberies and insider collusion relating to the stealing of physical cash. These days, harmful activities, fraud, and theft are perpetrated through cybercrime, infiltration of systems, and unauthorized access to information and identity records. Therefore, CBL should be alive to these possibilities. This issue highlights some of the strategies CBL should be alive to mitigate or forestall such harmful activities, cybercrime in particular.

Finally, this issue welcomes the appointment of Dr. Emmanuel Maluke Letete and Mr. Powell Lehlomela Mohapi, who assumed responsibilities as Governor and First Deputy Governor respectively on 1st June 2022.

The appointment of the Governor came at an opportune moment when the Bank had just adopted its 2022-2024 Strategic Plan. This plan has, among others, identified the successes, challenges, and mapped out strategies to overcome the risks facing the Bank today. This strategy, therefore, will serve as a roadmap that will guide me as I begin the journey of taking this great institution to another level.

I wish to express my gratitude to the Government of the Kingdom of Lesotho for entrusting me with the huge responsibility of leading this Bank during these trying times □



THE LESOTHO REGISTRY OF INTEREST IN MOVABLE ASSETS

By Mr. Thabiso Moshoeshoe

This collateral registry, called Lesotho Registry of Interest in Movable Assets (LERIMA) was launched in July 2021 and is envisaged to harbour tens or even hundreds of thousands of movable assets pledged as collateral.

It remains a tough task for lenders to distinguish between good borrowers and bad ones. In the credit world, a good borrower is believed to be one who is able to make timely loan repayments, while bad borrowers are those that are not able to make loan repayments.

However, certain other proponents believe that there is no such thing as good borrower or bad borrower, rather believe that, there is 'good credit' and 'bad credit'. As such, they believe that borrowers are all the same, what differs is the facility given to them and the terms for such operations. They claim that good credit is one that is given based on proper assessment of borrowers' ability to repay whereas bad credit is the one given to borrowers without proper credit underwriting.

Borrowing from the latter proposition, credit is either good or bad based on lenders' ability to make predictions on borrower future behaviour with regard to loan granted. Lenders would use both borrower's credit history and their performance on live credit accounts to simulate such borrower's credit status; should he be issued a new loan, thereby establishing such borrower's credit affordability. Responsible lenders would consider potential borrower's character, capacity or cash flow, capital put forth, collateral pledged and conditions for such loan. Furthermore, creditors could use such models as credit scoring to make this determination.

However, there are times when good credit goes bad! This may happen despite a borrower having passed all pre-loan assessment as briefly outlined. When this happens, lenders potentially suffer a loss. In such events, lenders may enter into legal methods attempting to recoup their capital. Such initiatives may be lengthy and sometimes unsuccessful. It is, therefore, imperative for lenders to make continuous assessment of loans, even after granting it as preliminary assessment, which is not an adequate risk management tool.

The loss given default (LGD) is one of the credit risk metrics used to determine how much a lender will lose if a client defaulted on his/her loan. Creditors use this parameter in monitoring loans issued. Determining LGD would help lenders establish how much to provide for such losses so as not to overestimate their profits. While this approach may save lenders from severely losing on non-performing loans, it also inhibits their business as they are required to meet higher regulatory requirements to cover against credit risk. Such requirements as loan loss provisions corrode economic capital used to support future loans and regulatory capital in case of banks.

Moreover, this measure poses disadvantages for creditors as they will lend out funds below their ability. It also denies potential borrowers of the opportunity



to obtain much needed funds at affordable terms, thereby limiting access to finance, especially for small enterprises.

In order to reduce the expected loss through reduction of loss given default, creditors may accept the use of assets as collateral against loans issued to clients. Asset based lending is touted as a creative solution used to close gap between need for funding and risk of funding. In the past, lenders accepted fixed assets such as land and building to secure loans. Vehicles were accepted as collateral at bank level. Small and medium enterprises could not access much needed funding for lack of fixed assets while the lenders did not have appetite for movable assets as collateral.

Lesotho is not an exception in this dilemma. In its case, creditors prefer lending to clients who show proof of stable monthly income. This, therefore, leaves lending to small and medium enterprises scant, while lending to salaried households keep soaring both in banks and in microfinance institutions. Where borrowers wish to access unsecured lending, interest rates tend to be higher, this inadvertently discourages potential small and medium enterprises from accessing loans.

In realising this problem, the Financial Sector Development Strategy of Lesotho (2013) envisaged to close a gap between a need for funding and available funding by stimulating supply of funds through mechanisms that curtail risk of lending. Firstly, the credit bureau system was developed and guided into running. To date, information of over 200,000 borrowers is exchanged by lenders, thereby aiding their informed lending decisions. In the year 2020, the collateral registry regime was established. This facility allows lenders to take movable assets as collateral against loans issued. For this system to function, the Government of Lesotho promulgated laws enabling the lenders to register any such pledged assets. These laws were accompanied by an online registry on which all movable assets are registered for purposes of perfecting such collateral.

CBL was commissioned to operate the registry by hosting this system and providing trained human resources to man it. The intended purpose of this registry is to enable small businesses to offer their assets, mainly movable assets as they mostly do not have fixed assets and land to pledge while applying for loans.

Lenders are provided this newly established infrastructure to list all such accepted assets to maintain their priority in case borrowers happen to default. This facility enables all concerned creditors to have a share of proceeds on such assets when they are disposed, furthermore, this law provides for swift and cost-effective processes in case of such disposition.

Notable benefits of this initiative include reduced cost of borrowing as the risk of loss is abridged through the use of collateral. Moreover, borrowers may access higher amount of loans as lenders' appetite to accept assets reduces risk of lending. This may translate into improved productivity and creation of jobs. Similarly, lenders stand to benefit from lower credit risk, increased appetite to lending towards small enterprises and higher profits.

In order to ensure uptake by the market, the CBL rolled out training for such credit providers as microfinance institutions, banks and retailers prior to switching the registry website on. Over 200 officers across the country belonging to these lending institutions benefitted from these training sessions. LERIMA is envisaged to harbour tens or even hundreds of thousands of movable assets pledged on collateral.

The registry is accessible to all members of the public on <https://lerima.centralbank.org.ls>. Registered users will be any formal and licensed credit providers who shall be able to upload information pertaining to collateral taken against loans while unregistered members of the public will be allowed to make 'public searches' to view limited information pertaining to pledged assets

WHO ARE THE NEW GOVERNOR AND FIRST DEPUTY GOVERNOR OF THE CENTRAL BANK OF LESOTHO?

By Ms. Teboho Senthebane

Dr. Letete successfully led the development of the country's Second National Strategic Development Plan (NSDP II), currently under implementation. Mr Lehlomela Mohapi is the former Chief Economist and Director of Research and Secretary of the Monetary Policy Committee of the Central Bank of Lesotho for over nine (9) years.

The Right Honourable Prime Minister, Dr. Moeketsi Majoro's former Chief Economic Advisor and Head of the Accountability Unit, Dr. Emmanuel Maluke Letete has been appointed as the new Governor and Chairman of the Board of Directors of CBL. Dr. Letete is no stranger to the Bank. He previously served as a Non-Executive Director of its board for more than eight years before joining the Prime Minister's office in 2020.

The appointment follows the departure of his predecessor, Dr. Retšelisitsoe Matlanyane, whose contract ended on the 31st December 2021. Her contract expired along with those of her deputies, namely, Dr. Masilo Makhetha, and Ms. 'Mathabo Makenete.

Dr. Letete successfully led the development of the country's Second National Strategic Development Plan (NSDP II) currently under implementation. He holds a Doctor of Philosophy (Ph.D.) in Economic Science, Financial Economics, Political Economy, and Institutional Economics from the University of Cape Town in South Africa.

He has been an international consultant for various organizations including the Commonwealth Secretariat, Southern African Development Community (SADC), United Nations Development Programme (UNDP), Economic Commission for Africa (ECA), and the International Labour Organisation (ILO) among others. He also served as a senior lecturer and Head of the Department of Economics at the National University of Lesotho (NUL) from 2006 to 2018. He specializes in economic modelling, strategic planning, governance, and institutions.

Mr. Powell Lehlomela Mohapi has now been appointed as Dr. Letete's First Deputy Governor. Lehlomela Mohapi, the former Chief Economist and Director of Research and Secretary of the Monetary Policy Committee of the Central Bank of Lesotho for over nine (9) years. Prior to this appointment, he had served as Acting Governor in the position since January 2022. Among others, Mr. Mohapi has served as Board Chairman for the Lesotho Revenue Authority and The Fund Executive Secretary for the Lesotho Communications Authority. He has also served as Senior Lecturer and Head of the Department of Economics at NUL.

Mr. Mohapi holds MSc. (Economics & Econometrics) obtained from the University of Manchester and an MBA from Edinburgh Business School, Heriot-Watt University. Meanwhile, the position of Second Deputy Governor remains vacant.

During the welcoming ceremony, which was held at the Lehakoe Recreation and Cultural Centre on the 10th June 2022, Mr. Mohapi, thanked God for granting him the opportunity to serve the Bank as First Deputy Governor.

The Government of the Kingdom of Lesotho has appointed Dr. Emmanuel Maluke Letete as the new Governor of the Central Bank of Lesotho (CBL) effective 1st June 2022. Mr. Powell Lehlomela Mohapi, who had been the acting Governor since January, was appointed as the First Deputy Governor of the Bank around the same time.

The tenure of both the Governor and First Deputy Governor will be five years. His Majesty King Letsie III appointed the two leaders on the advice of the Right Honourable Prime Minister, Dr. Moeketsi Majoro, in accordance with Section 9 of the CBL Act, 2000.



He also expressed appreciation to the Government of Lesotho for appointing him in that capacity. Most importantly, he recognized the Bank's Management and staff for their cooperation and support during his reign as the Acting Governor, which culminated in record performance in the implementation of the Bank's Strategic Plan between January and June 2022. Finally, he reiterated his support to the Governor as they commenced the massive task of leading the Bank.

In his remarks, the Governor expressed appreciation to the Bank for organizing such an important event to welcome him as the new Governor. He also recognized the important role played by the First Deputy Governor during his tenure as Acting Governor between January and June 2022. Based on his previous roles as a board and Monetary Policy Committee member respectively, the Governor hoped that the experience gained during those assignments would help him adjust to the new role as soon as possible. He also indicated that he was aware that the Bank had adopted its new strategy covering the 2022-2024 period. In this regard, he assured the Management and staff of the Bank that he

would familiarize himself with the document and see where improvements could be made. He also promised to continue engaging in consultations with the various departments of the Bank in order to have a clear picture of where the Bank was, and map out strategies on the way forward. Among others, he assured the members of staff that he would engage with the Staff Association Committee (SAC) to understand its constituency's discerning needs and expectations.

On behalf of the Staff, the President of the SAC, Mr. Thabiso Moshoeshe, welcomed the Governor and the First Deputy Governor and committed the staff's support to ensure that their tour of duty was both fruitful and enjoyable. He also welcomed the Governor's commitment that he would arrange meetings with the SAC as soon as possible, which would provide the SAC with the platform to brief the Governor on the issues affecting staff welfare, and together exchanging views, ideas, and experiences on how the relations between staff, Management, as well as the Bank's stakeholders could be improved.



PROMOTING FINANCIAL INCLUSION THROUGH FINANCIAL LITERACY

By Ms. Teboho Senthebane

As part of the Global Money Week Campaign, the major stakeholders within the financial sector in Lesotho, through the Financial Education Steering Committee (FESC) held the Lesotho Money Month Campaign from 25th April to 27th May 2022.

The Central Bank of Lesotho as a Secretariat and custodian for financial education and financial inclusion, in collaboration with major stakeholders within the financial sector coordinated the Lesotho Money Month Campaign 2022 for the tenth year, in celebration of the Global Money Week.

“There is no pot of gold at the end of the rainbow”, said the Acting Governor, Central Bank of Lesotho, Mr. Powell Lehlomela Mohapi.

As part of the Global Money Week (GMW) Campaign, the major stakeholders within the financial sector in Lesotho, through the Financial Education Steering Committee (FESC) held the Lesotho Money Month Campaign from 25th April to 27th May 2022.

The GMW is an annual global awareness-raising campaign on the importance of ensuring that young people, from an early age, are financially aware, and gradually acquiring the knowledge, skills, attitudes, and behaviors necessary to make sound financial decisions and ultimately achieving financial well-being and financial resilience.

The Lesotho Money Month Campaign 2022 adopted this year’s GMW’s theme, “Build Your Future. Be Smart about Money”, which focused on building financial resilience and making informed financial decisions for the future. This theme was considered relevant to Lesotho by FESC in her ambitions to help young people to: consider their skills and interests when earning money in the future; set clear savings goals; and also consider the future of others in their community through donating time, items or money.

This theme did not only prompt the public to be forward-looking, but also encouraged participating organizations to think about the future when planning their activities, providing flexibility, for example, to address issues such as sustainability or the digitalization of financial services. Several activities were held physically in Maseru while others were held online.

The FESC adopted a number of tactics (or tools) to effectively implement the campaign including radio and television programmes, interviews, presentations, news articles, press releases, websites, webinars, lamp poles, and outdoor advertising for the campaign to mention a few.

When officially launching the 2022 campaign, the then Acting Governor of the Central Bank of Lesotho, Mr. Lehlomela Mohapi, encouraged the public to subscribe to three ports of money being transaction, cash reserves or insurance and investment.

Mr. Mohapi said that the three ports of money should be a necessity to everyone; individual, a business and



the country at large. “At a country level, we can have an emergency and money is needed or a bread winner loses the job or an accident happens due to a natural disaster,” he said.

For her part, the Banking Association of Lesotho’s (BAL) chairperson, Mrs. Delekazi Mokebe, said their mandate as bankers was to ensure that they fueled the economy by helping their clients’ to access finance.

“This year’s theme is one that calls for all of us to have an intimate relationship with money”, she said. Consequently, she urged Basotho to “take some time to understand which products and services are suitable for our different needs”. The BAL Chairperson added, “the Banks are here to provide safe and secure products and services”.

Mr. Mokhápheka Lazaro, the Chairperson of the Insurers Association said that they were excited about the launch of the money month.

Mr Lazaro asserted that in the insurance sector, “forming habits is an important element in managing personal finances”. He added that if cultivated well, the culture of saving will gradually improve and graduate into investing that ultimately will guarantee financial freedom.

Speaking on behalf of the licensed Mobile Network Operators, Mr. Mohale Ralebitso, indicated that the role of the mobile money operators was to extend the capability that is already available in the country. He

reflected that in order for anyone to build a bright future and be smart about money, they must start today. He added that people should be intentional about their money and plan it, “start small and grow big”.

The webinars held for four days, covered the following topics: Saving, Investment, Personal Financial Management, Mobile Money, Money Transfer, Credit, Debt Management, Pension, Insurance and Financial Consumer Protection.

A Roundtable Discussion was held on the 23rd May 2022 as an official wrap-up of the campaign. All events were live-streamed on the Money Month Lesotho Campaign and Central Bank of Lesotho Facebook pages. Other financial institutions shared the content on their social media pages. Participation to the launch and roundtable were both hybrid, onsite and online.

The permanent official GMW slogan is “Learn. Save. Earn.” Initially used as the theme for 2017 and transformed into the Campaign’s slogan, it conveys the key messages of the Campaign and supports the goal of the Week by empowering children and youth to not only learn to manage their money wisely, but save for their futures and earn for themselves and their families. Earlier GMW themes include:

- 2021 – Take care of yourself, take care of your money!
- 2018 – Money Matters Matter!
- 2017 – Learn.Save.Earn.
- 2016 – Take Part. Save Smart.
- 2015 – Save today. Safe tomorrow.



FINANCIAL CONSUMER PROTECTION – FCP

Under Financial Consumer Protection Act 2022



Consumers have the right to protection against humiliation and harassment during debt collections

For More Information contact: **+266 22314281 | 22232009**
email: fcp@centralbank.org.ls



PROMULGATION OF THE CONSUMER PROTECTION LAW, 2022

By Mr. Lefela Nalane

CBL can intervene where the two parties - namely, a customer and a concerned financial institution - seem to have reached a deadlock.

The Central Bank of Lesotho (CBL) established the Financial Consumer Protection Division (FCPD) in 2018. The key functions of this Division include (a) legal and regulatory framework development, supervision of the conduct of individual regulated financial service providers in order to avoid or minimize harm to consumers and, thus, build consumer trust and confidence in the financial system; and (b) off-site market monitoring for identification of consumer risks, consumer empowerment with financial education, and complaints mediation.

To facilitate smooth operations of the Division, the Bank has the Financial Consumer Protection Act, 2022 in place. This law particularly designates or empowers the CBL as the financial consumer protection regulator and supervisor, and financial consumer complaints mediator as well.

According to this law, consumers of financial services offered by regulated financial service providers in Lesotho may seek the mediation of the CBL in disputes or complaints they have with the financial service providers. However, they should only lodge complaints with CBL after they had given financial service providers sufficient time to address their complaints and when they have received a resolution they are not satisfied with.

Role of CBL as a Mediator

The CBL can intervene where the two parties namely; a customer and a concerned financial institution seem to have reached a deadlock.

It should, however, be mentioned that CBL will only do so after a complainant has formally sought help by submitting a signed complaint letter to its service provider. In other words, CBL will handle a complaint only after it has confirmed that the complaint had been handled by the bank before it could be submitted to it.

Processes or procedures to be followed to get mediation assistance

If a consumer has received an unsatisfactory complaint response or resolution from a regulated financial service provider, he/she should follow these steps:

Firstly, a complainant should obtain a reference number of his/her complaint from the financial service provider against which the complaint is lodged. This number helps to expedite the search and tracking of the complaint by the financial service provider against which the complaint was lodged.



► **Secondly**, a complainant should write a detailed complaint letter, stating important facts about the nature of the complaint:

- How it was handled and resolved;
- What the complainant is not satisfied with which he/she would like CBL to help to resolve and provide an indication of what kind of resolution he/she would like CBL to work towards;
- The letter should also include the complainant's reference number and contact information, such as telephone numbers and or an email address through which the FCPD will communicate with him/her to seek further information and relay feedback throughout the complaint handling cycle;
- The letter should be addressed to the CBL Governor and can be written in both Sesotho and English; and
- The complaint letter should be appended with a complainant's signature.

Thirdly, a complainant should submit the complaint letter and relevant documents to CBL's premises or via email. When submitting the complaint letter to CBL's premises, the complainant should hand them to CBL's staff at the reception of its new building.

As for complainants who would wish to use an email to submit a complaint, they should email the complaint

letter and accompanying documents to Registry@centralbank.org.ls

Fourthly, after receiving a complaint, FCPD's complaint investigators will contact the complainant to acknowledge the receipt of the complaint and seek further clarifications before the regulated financial service provider complained about could be engaged.

Fifthly, the assigned FCPD investigator will assess the complaint and facilitate its resolution by engaging all the parties to the complaint. The complainant/s will be updated about the status of their complaint/s every week until the complaint is resolved.

Lastly, when the complaint is resolved, a complaint feedback letter will be prepared and sent to the complainant and the complaint is then closed.

Circumstances where members of the public can seek intervention from CBL

The consumers of financial services and products can submit their complaints to CBL under the following circumstances:

- When the complaints about the financial service, product, or channel offered by a regulated financial service provider have not been resolved to the satisfaction of the consumer; and
- When a complaint is not handled by the Courts of Law



HOW CYBER-ATTACKS COULD MATERIALLY IMPACT THE FINANCIAL SYSTEM

By Ms. Moleboheng Hloele

Their main motives and goals include permanent data corruption, payment system disruptions, financial gain, identity theft, and fraud among others.

The use of Information and Communications Technologies (ICTs) brings great benefits. However, the increasing reliance on the use of ICTs comes with inherent risks, including cyber risks. The financial system is not an exception to cyber-related risks as it has swiftly adopted the use of ICTs to operate financial systems. Cyber attackers have different motives including financial gain. Thus, the financial sector is one of the main targets.

The threat landscape has doubled due to the global COVID-19 pandemic which has forced organizations to adopt a work from home (WFH) movement. The new normal brought by the WFH movement has increased vulnerabilities that can be exploited by malicious threat actors to the extent that cannot be measured. As the attack landscape increases exponentially and the attackers' skills sharply become sophisticated, the financial sector remains the largest target on their radar. The attackers look to destroy the financial markets infrastructure (FMI) and financial data, for financial gain. These attacks can then lead to FMI failure and loss of confidence in the financial system. Given the interconnectedness of the financial system with the rest of the economy, if such an attack hits one sector, then it affects the whole financial system and causes financial instability, which could also lead to a financial crisis due to a ripple effect.

Given the frequency of cyberattacks and their magnitude, there is no doubt that cyber risk is present, rising, and therefore needs to be dealt with just as any other enterprise risk. However, as a starting point, one needs to understand who is behind these cyber-attacks and their motive? Cyberattack assessment reports have revealed the main drivers behind the cyber-attacks and their targets. These attackers include amongst others, national states, state-sponsored groups, and criminals. Their main motives and goals include permanent data corruption, payment system disruptions, financial gain, identity theft, and fraud among others. These attackers are taking advantage of the digital transformation¹ taking place since the start of the COVID-19 pandemic and posing a significant threat to the global financial system, financial stability as well as confidence in the use of financial services.

According to the Financial Stability Board, if the cyber risk is not well managed, it could seriously disrupt the financial systems, leading to broader financial stability implications, and the potential economic costs of such an event can be immense and damage public trust and confidence significantly. Therefore, the objective of this article is to understand how cyberattacks could

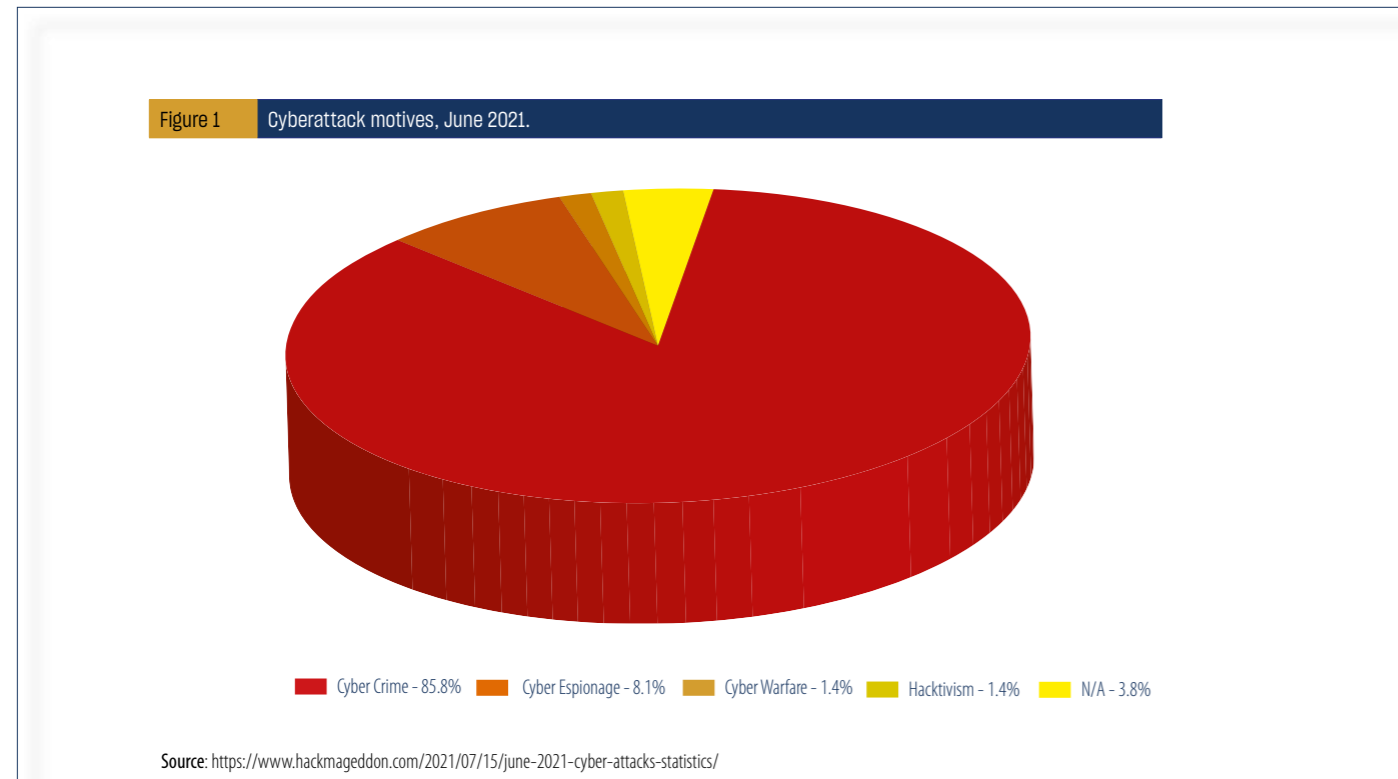
¹The financial systems around the world are going through a digital transformation, and as such, exacerbate cyber risk. Banks are now competing with the technology companies and vice versa. Apart from the pandemic, most central banks around the globe are implementing digital currencies or modernizing payment systems. All these new developments are exposing the financial system to cyber risk.

materially impact the financial system and what are some missing elements regarding cyber security measures in Lesotho.

Recent cases of cyber attacks around the world

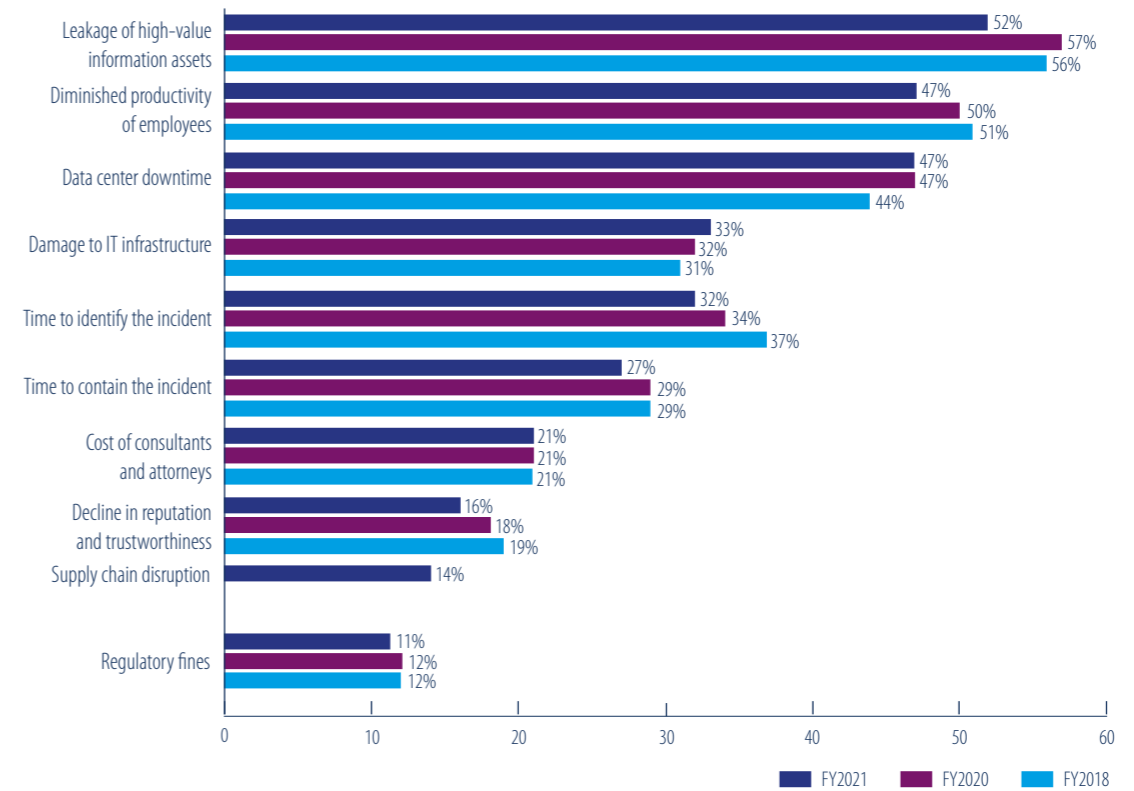
New cyberattacks are on the rise. Most countries around the world are experiencing cyberattacks, regardless of their size and/or economy. Some of these attacks include malware², social engineering, network breaches, etc. In the first half of 2021, there have been some major cyberattacks on organizations that left experts as well as the world baffled. Figure 1 below depicts cyberattack motivations as at July 2021.

As Figure 1 suggests, approximately 78.5% of cybersecurity incidents are due to cybercrime. This shows that as long as companies and organizations do not have strong cybersecurity culture and resilience, they will continue to be exploited. Major cyberattacks in the first half of 2021 included attacks on the Microsoft exchange server which happened in January 2021. Hackers struck the Microsoft exchange servers operating all over the world in full force. These then affected other organizations including governments and companies storing crucial information of their customers, including email addresses, passwords, etc. Figure 2 below is a comparative analysis of the past three years.



² A malware attack is a common cyberattack where malicious software executes unauthorized actions on the victim's system. The malicious software, that is, virus, encompasses many specific types of attacks, such as ransomware, spyware, command and control, and more.

Figure 2 Severity of incidents on cyberattacks on organizations



Other cyberattacks include a Ransomware attack on CNA³, the largest United States (USA) insurance provider. CNA experienced a ransomware attack, forcing the company to go out of business for some days. The breach caused network disruption on systems like emails. Other attacks include the Acer⁴ ransomware attack. The company lost confidential organizational data plus information about customers and suppliers were also compromised.

Attacks close to home include Transnet⁵ cyberattacks on their computer systems, where the hackers disrupted normal processes and damaged equipment and information. The city of Johannesburg network had also been breached by hackers. The attack was ransomware, meaning, the key systems and data were encrypted and locked down by malware. The key systems were shut down, including online services, bill payments, and other services. The attack happened at a time when payments to suppliers and customers were supposed to happen. Another attack on South African Banks including Standard Bank and ABSA. The hackers' goal was also to demand Bitcoin ransom from the victims.

³ <https://www.bloomberg.com/news/articles/2021-05-20/cna-financial-paid-40-million-in-ransom-after-march-cyberattack>.

⁴ Acer is an aerospace company.

⁵ Transnet is the South African logistics firm.



Figure 3 Ransomware attacks on organizations and their after effects

What happened after organizations paid the ransom demand

- Regained Access on First Payment
- Paid Extra to Regain Access
- Refused to Pay Extra and Got No Data
- Paid but Didn't Get Data Back



Source: https://www.antivirusguide.com/cybersecurity/ransomware-statistics/?gclid=CjwKCAiAheacBh8EiwAltV0Z701AQINZ4Wj1SgUINtAGkcM4wOJ-FRp7EX2yvE3FvYu4RII7rzibhoC9DYQAvD_BwE

Main drivers behind the cyber attacks

Over the previous years, the number of hackers has increased significantly, both in terms of sophistication and skills. The actors behind these incidents include not only criminals but also states and state-sponsored groups with different goals and motives as highlighted in Table 1 below.

Financial stability and cyber-risk: Impact of cyber risk on the financial system

The impact of cyber risk on financial stability can result in significant losses regardless of the motive of the attacker. Any attack on the critical components or services of the financial system could have either a direct or indirect impact that could threaten the finances of the system. As a result, the threats caused by cyber-attacks are no longer regarded as IT operational risks, but rather the risk has expanded into broader

and more holistic categories such as systemic risk. However, unlike the common risks that the financial system may experience, cyber risk cannot be measured or modelled. The financial system cannot even hedge against the risk, given the historical information. Figure 4 below depicts facets of a systemic cyber incident and mode of transmission leading to a financial crisis/instability.

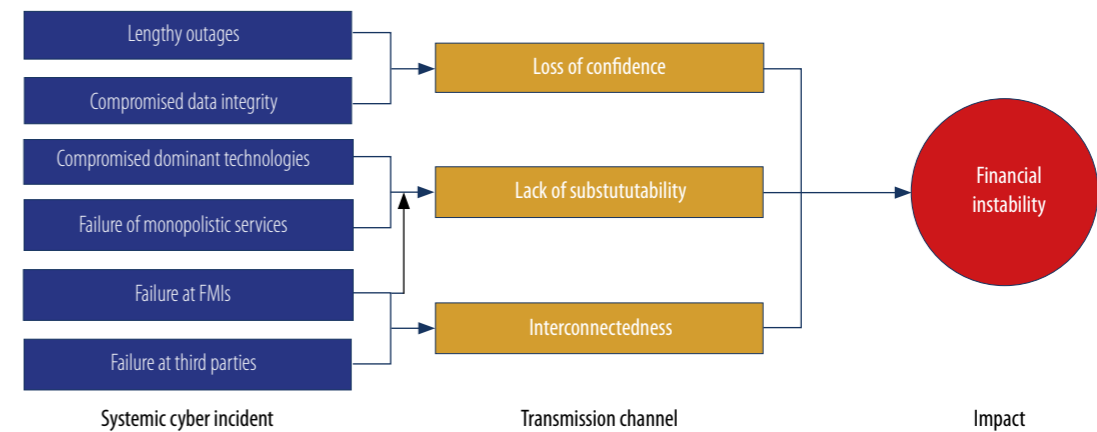
The stability of the financial system is very crucial for the development of any country and in ensuring financial services continuity. The 2007/2008 financial crisis had put the financial stability at very high risk and in many jurisdictions; the public sector/government had to intervene to ensure the systemically important institutions do not fail. As a result, several measures were taken after the crises which were and are still are meant to safeguard such crises. However, these measures do not address the core factors of cyber risks.

Table 1: Main drivers behind the cyber attacks

No.	Sources of threat	Motive	Goal	Example
1.	National states and state-sponsored groups.	Geopolitical Ideological	Disruption, destruction, damage, theft, espionage, financial gain.	Permanent data corruption, targeted physical damage, power grid disruption, payment system disruption, fraudulent transfers, espionage.
2.	Cybercriminals.	Enrichments	Theft or Financial gain.	Cash theft, fraudulent transfers, credential theft.
3.	Terrorist groups, hacktivists, insider threats.	Ideological Discontent	Disruption.	Leaks, defamation, distributed denial-of-service attacks.

Source: The global-cyber-threat-to-financial-systems-Maurer, March 2021.

Figure 4 Cybersecurity and Financial Stability Channels.



Cyber-attacks are considered a threat to financial stability, not only through their impact on the individual institution but also through their impact on various components of the system. Therefore, cyber-attacks can result in system-wide risk, which can be difficult to manage and control. The main participants in the financial system include:

- Banks including commercial banks, investment banks, and central banks.
- Non-banks financial institutions: which include asset managers, insurance companies, finance & loan companies, and mutual funds.
- Other financial services include credit card companies, payment service providers, investment funds.
- Markets: which include stock markets, debt markets, derivative markets, commodity markets, foreign exchange markets.
- Financial markets infrastructure: Payment systems, central securities depositories, central counterparties, securities settlement systems, trade repositories, and messaging systems.

All these components of the financial system are closely interconnected, and their underlying infrastructures are built to satisfy customer demands. This means that if one sector of the financial system becomes affected by the cyber-attacks, then other sectors may also be affected. Financial Market Infrastructures are key components of the financial system. FMIs are often interconnected to other components as they process large volumes of transactions and are highly reliant on the use of ICTs. This aspect makes FMIs a cyber risk concern. Should a cyber breach succeed on the FMIs, for example, on a payment system that processes

large-value and critical transactions, the disruption could affect the entire financial system, domestically and across borders.

Such attacks could target banks, payment systems, financial market infrastructure, service providers, messaging and data providers, telecom and cable companies, and central banks, and other public sector systems. The impacts from such attacks would be far-reaching and could include: liquidity dislocation, credit losses, clearance and settlement disruption, threats to data integrity, loss of consumer confidence (bank runs), interrupted revenues, and other materials cost to financial institutions and end-users⁶.

Some scenarios can be easily created which will depict clearly how the financial system may be affected if one of its components can be hidden by the cyber-attacks. For example:

- An attack on Payment systems⁷: Many payments systems are critical services that are usually provided by governments in cooperation with banks and other financial institutions. Generally, if such an attack could happen, all cross-border and domestic transactions between banks operating through the attacked large-value payment system might not be settled. This could lead to liquidity issues for receiving parties, breach of contracts, failures of payment or delivery obligations, etc. The impact could also create a lack of confidence in the system that could trigger bank runs, which would exacerbate potential liquidity issues that some banks might be already facing, or even cause the failure of some of them.

⁶ See "Martin Boer, Director, Jaime Vazquez, Cyber Security & Financial Stability: How cyber-attacks could materially impact the global financial system. Institute of international finance, September 2017

⁷ A payment system is defined as any system used to settle financial transactions through the transfer of monetary value, and includes the institutions, people, processes, and technology that make such an exchange possible.

- Other scenarios can manifest such as loss of data confidence and integrity. Recently, all financial sector participants include data as one of their critical assets within their cyber-strategy. As much as data should be readily available, the confidentiality and integrity aspect must be attained, to maintain the good functioning of the financial system.

Global cyber risk mitigation measures in place

The financial sector has long been the largest target for cyber attackers. And as such, the financial institutions have invested heavily in time, money, and other resources to ensure that they mitigate the risk of cyber-attacks. Also, it is important to note that the financial system comprises critical data and there is always money involved relative to other sectors in the economy. And as such, cyber resilience measures are necessary. These measures include cyber resilience which provides a broader approach in protecting against cyber-attack. The concept does not only focus on prevention but also on corrective actions, such as having solutions in place to ensure business continuity should the attack occur.

Another important aspect that is already available is the information-sharing platforms. Even though information sharing is considered a challenge recently,

technology only but also which also relates to people and processes to protect themselves.

Recommended Measures to reduce the risk of cyber attacks

Global developments regarding the cyberattacks mitigation strategies are not sufficient to ensure that the financial system remains resilient to such shocks. And as such, other measures can be included in the already existing strategies to enhance the financial system's resilience. These include collaboration amongst different stakeholders, collective international strategies, and capacity developments.

Collaboration is Essential

According to the Carnegie Endowment for International Peace, there is a need for collaboration amongst international bodies to solve the issue of cyber risk. It can be noted that most organizations around the world have put in some efforts to better protect the financial system. However, more needs to be done to harden defenses and toughen regulations, given the rate at which the risk is increasing. Therefore, collaboration is needed amongst relevant stakeholders in ensuring and implementing technical solutions. As is the norm, most institutions and government entities consider

the risk of cyber-attack. These strategies include:

- Reducing fragmentation will free up capacity to tackle the problem.
- Protecting the international financial system can be the model for other sectors.

Analysis of Lesotho's cyber security issues

Lesotho like any other country which has infrastructures like the financial system, government, and central banks, is no exception and is faced with the risk of cyber-attacks. Some developments have been implemented regarding the cyber risk mitigation measures in Lesotho. This includes the release of the guideline on cyber risk management for banks in Lesotho by the Central Bank of Lesotho⁹. The key objectives of the guideline are to give guidance on governance and management of cyber risks in the banking sector in Lesotho. And also, to ensure that banks have put in place adequate cyber risk management structures, policies, procedures, and systems in line with international standards and best practices, appropriate operational guidelines, and internal controls to identify, measure, monitor, and control cyber risk, and recover from cyber-attacks.

However, since there is still a lack of properly organized cyber-risk regulations and legislation in Lesotho. Therefore, there is a need for the country to fast-track the implementation of cyber security regulations. Apart from the regulations, other factors are of importance that the country is still lacking and need to be put in place regarding the cyber security issues. These include but are not limited to the following:

- Lack of focused research:** At the national level, there is no proper research on how the country, particularly on the financial system aspect, can tackle the issue of cyber risk. And as such, these put the country at high risk (more vulnerable) to any kind of cyber-attack since this risk can happen at any point in time.
- There is a lack of awareness in terms of cyber-attacks:** Since the world is now evolving around technological innovation, the country, however, does not make awareness campaigns to educate its people about cyber-attacks and the consequences of this risk.
- Roles and responsibilities:** The roles and responsibilities are also lacking. It is not specified who is responsible to see that the risk of cyber-attack is minimized and who is responsible for the management of such risks.

- Lack of skills in cybersecurity issues:** Cyber risk is no longer the problem associated with IT and other related disciplines, but rather it remains the responsibility of everyone. It is, therefore important that all aspects of disciplines are given some kind of technical assistance and knowledge enough to see when the risk emanates. Therefore, capacity building remains also the key challenge in Lesotho.

Conclusion

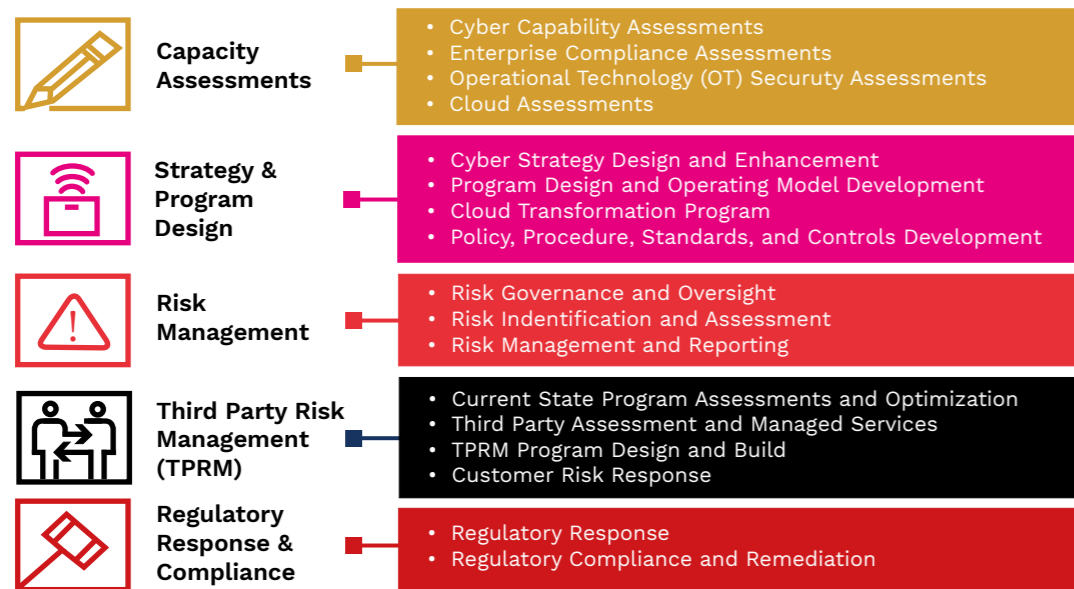
The risk of cyber-attack has been an issue for a long time. However, it has increased significantly during the COVID-19 pandemic, since during this time, the use of technology has increased drastically.

Different attackers have different motives. As such, regardless of their motive behind the attacks, if the attack could hit one of the participants in the financial sphere, it could lead to financial instability given the interconnectedness of the financial institutions. The financial sector is regarded as very prone to such attacks and therefore the main target for cyber-attacks. Therefore, collaboration amongst different stakeholders is needed to enhance the already available strategies for cyber-security. In addition, there is also a need for capacity developments within various disciplines since the cyber risk is no longer regarded as the risk associated with the IT departments only, but rather the risk has become holistic and needs to be mitigated by everyone.

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Figure 5 Recommended steps to strengthening financial stability



Source: <https://www.pwc.com/us/en/services/consulting/cybersecurity-risk-regulatory/strategy-risk-compliance.html>

several platforms are specifically meant for sharing information on attacks⁸, especially in the financial sector. However, some of these platforms are at their infant stages. Authorities are also developing some approaches to cyber security, which encourages firms to assess security vulnerability not only relating to

themselves unique and as such, solve the problem of cyber-attack alone.

International Strategies and capacity development

According to Carnegie Endowment for international peace, some strategies need to be put in place to reduce

⁸ These platforms are mainly used by financial institutions to disclose the attacks they experience.

⁹ As the way to strengthen the financial sector resilience.



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THE PENSIONS INDUSTRY REGULATION AND SUPERVISION

By Mrs. Selloane Khoabane

The Act and its
implementary Regulations
are the main elements of
the regulatory framework
of the pensions industry
in Lesotho.

The Pension Funds Act, 2019 was gazetted on the 15th November, 2019, as the first law that provides for the regulation, registration, supervision and dissolution of pension funds, and for matters incidental thereto. Before the publication of the Pension Funds Act, 2019 in the Gazette, Lesotho's pension industry was operating in an unregulated space.

This Act gives the Central Bank of Lesotho (the Bank), as the Regulator of all Pension Funds in Lesotho, the responsibility of administration and enforcement of this Act and stipulates that this Act applies to all pension funds in Lesotho.

The provisions of the Act are implemented through Pension Funds Regulations (2020), which were gazetted on 11 September, 2020. The Act and the Regulations are the main elements of the regulatory framework of the pensions industry in Lesotho.

There are two major objectives behind the introduction and implementation of this regulatory framework.

The first one is to protect the interests of those who make contributions into a pension fund as savings that they would draw money from during retirement when they would no longer work and earn an income.

The second one is to promote development of the domestic capital market by ensuring that a share of the pension fund contributions is invested in Lesotho.

Registration and Governance of a Pension Fund

The Act categorizes the pension funds into occupational pension funds, non-occupational pension funds and umbrella funds. All pension funds are required to be registered with the Regulator. According to the law, it is a criminal offence for anyone to conduct pension fund business in Lesotho unless that person has made an application for registration to the Regulator and the Regulator has registered such a business as a pension fund.

The criteria for registration include that the rules of the fund should be consistent with the Act, the fund should be managed by a board that shall carry-out the activities of the fund with integrity, prudence and professional skill and that registration of the fund shall not be contrary to public interest.

The Act requires a fund to have a board as its governing body. The board is vested with the power to manage and administer the pension fund with the overarching objective of protecting the best interest of plan members and beneficiaries in adherence with the Act and other laws governing the operations of pension funds in Lesotho.

This means that the ultimate responsibility for the pension fund lies with the board, even when certain functions are delegated to external service providers. As such, the board is responsible for monitoring and oversight of service providers, that the Act gives the board the responsibility to appoint as well.

► The board is responsible for the following, amongst others:

- The appointment, management and monitoring of the performance of the following service providers who shall carry out functions required by the fund.
- Safe-guarding financial soundness of the Fund and managing the risks that the fund is exposed to.

Some of the responsibilities of the fund in relation to ensuring its financial soundness include ensuring that the contributions are paid on time to the fund and that audited accounts and other statements and reports are submitted to the Regulator on a regular basis. In addition, the financial condition of the fund should be investigated by an actuary and the actuarial report submitted to the Regulator, at least, every three years.

Pension funds are prone to a number of risks, such as liquidity risk, credit risk, investment risk and operational risk, amongst others. The Act provides for the mitigation of these risks by requiring that the board of the fund should establish a risk management system for the fund that includes setting and monitoring of standards and limits so that all major risks are specified, measured, monitored and controlled on an on-going basis.

Investment of the Assets of a Pension Fund

The Act outlines the provisions for regulating the investment of pension funds. These include the requirement that a pension fund should develop a

written investment policy and giving the Regulator the power to issue regulations on the jurisdictions to which a fund may invest and the applicable limits.

The Pension Funds (Investments) Regulations, 2020 provide details about the coverage of the investment policy and clarify that a minimum of 30 per cent of the assets of a pension fund should be invested in Lesotho and that a maximum of 25 per cent could be invested outside the Common Monetary Area (CMA). The requirements for investing in a collective investment scheme are also elaborated on.

Undertaking Measures to Control Financial Crime

The Act recognizes the need to curb money laundering and financing of terrorism by requiring pension funds to establish preventive measures and to report any evidence of financial crime to law enforcement agencies.

Any contravention of failure to comply with any provision of the Pension Funds Act, 2019 or any regulation, directive or anything whatsoever done, in the exercise of any power conferred by any provision of this Act, is a criminal offence that could be punished by imposing an administrative fine or which may upon conviction, be liable to a fine and/or imprisonment.

Ensuring that adequate and appropriate information is communicated to stakeholders informing them about their rights, benefits and duties.

No.	Service Provider	Responsibility	Statutory Requirement
1.	Administrators	Administer the fund by collecting contributions and paying benefits, maintaining up to date records and books of accounts of the fund, other reports, statements or returns as per the contract with the fund.	Should be licensed by the Regulator
2.	Intermediaries	Act as links between the pension funds and potential members of funds by marketing the funds, providing potential members with information and advice about the fund and assisting them to acquire membership.	Should be licensed by the Regulator
3.	Asset managers	Is responsible for implementing the investment policy of the fund.	Should be licensed by the Regulator
4.	Custodians	Be responsible for safekeeping of the assets of the fund.	Should be a bank licensed by the Regulator
5.	Insurers	Is required where the fund provides any benefits that require insurance, such as, disability and death benefits.	Should be licensed by the Regulator
6.	Auditor	To provide auditing functions.	Should be a member of the Lesotho Institute of Accountants certified recognized by the institute.
7.	Actuary	To provide actuarial functions.	Should have an actuarial qualification and be a member of a professional actuarial body or institute recognized as such by the Regulator.

The law gives fund members, beneficiaries and prospective members the legal right to ready access or disclosure to basic information about the pension fund. This right should be fulfilled through:

The **Communication Policy** details the principles that govern the communication activities of the pension fund. It should be accessible to members, prospective members and the public at large.

The **Prospectus** provides prospective members with sufficient information to make an informed decision and for use by members as a guide for their participation in the pension fund.

Benefit Statements should be provided to individual members within three months following the end of the financial year to provide them with information about their benefits and their nominated beneficiaries.

Fund Information is provided annually to members to update them about the activities of the fund and includes amongst others, financial reports, investment performance against benchmarks.

Information for Investment Choice guides members to make informed decisions on their choice of investment options in cases where a pension fund provides members with such choice.



KE BOHLALE BA HO TŠELA LIROBOTONG

By Mr. Ephraim Moremoholo
& NCDC

“Na tsohle tseo u li rekang li tla u kenyetsa chelete?”
Ke potso ea hae eo, a u
kentse mahlo e-ka a tla
tsoa linameng.

Lorenti ke mohlankana ea matjato, ea bileng a leng bohlajana ha a sebetsana le chelete. O re ba bangata ba bohlale ba ho tšela lirobotong tsa literopong, empa ha e le ho sebelisa chelete ka bohlale teng, ke mathata.

Ha a bua taba ena, Lorenti o teteanya nyao. Ea mo mametseng o phakisa a ipone booatla, a be a tiise lebanta la mose kapa la borikho. U na le lintho tse ngata tseo a hlokomelisang batho hore ba li etsa feela hobane ba bone ba bang ba li etsa, kapa hobane ba lelekisa setumo. Ha e le ho inahana pele hore na li tla kenyetsa motho chelete joang, eo ha se taba ho ba bangata.

Ho ea ka Lorenti oa Mohlakoana, matlo ana a mejajaulahali a ja chelete, ha a e etse. Ha a iqabola ka beng ba 'ona o re ha ba itokisetsa ho a aha ba re: “Ke batla liphapusi tse hlano tsa boroko - tse peli ke tsa baeti. Ha ke rate bana baka ba roale thoto ha baeti ba fihla.” O re ka nako eno ba bang ba bona ba qeta selemo mph! ba so be le baeti, feela ba ba hahetse ntlo. O re eena o hahile ntlo e ntle, e majabajaba, feela e lekaneng eena le ba alohelang ha hae ka matsatsi ohle. Ho tloha moo, ha a luba taka feela ke ha a etsa matlo a tlo mo kenyetsa chelete.

“Na tsohle tseo u li rekang li tla u kenyetsa chelete?” Ke potso ea hae eo, a u kentse mahlo e-ka a tla tsoa linameng. Ha a rialo o bua ka mofuta oa thelefishini, se-ea -le moea, koloi, setofo, setulo le tse ling tse ngata. Etlare moo motho u halefang u re na joale Lorenti o re o phehe ka eng, a u tšehe hanyenyane. A re, “Pheha ka setofo, empa e se sa likete tse mashome a mabeli a maloti, empa u se 'maphepo ea etsang chelete ka lijo tseo a li phehang.” Motho a ipone e le mphophotha e fetang ha Lorenti a mo hlokomelisa hore koloi ena eo a tsamaeang ka eona, eabileng a e rekileng ka sekoloto, e mamati a mabeli feela ke bohlaya-ntja. O tla mo supisa koloi e theko e tlase ho eo ea hae ha mashome a metso, e nkileng bana ba sekolo e etsa chelete. He Lorenti!

Ha a tloha moo o tla etsa mehlala e bonolo ea lintho tseo motho a ka etsang chelete ka tsona. O ile a botsa motho e mong a ntse a ja liskopas (makip-kip a mebala), na ha a chechise poone e serapeng sa hae ke'ng a ba a rekisa machechisa ao. Eo a re ha a na ntho e besetsang. A mo supisa lekopokopo la parafini le tsofetseng, a re na ha a etse paola ke'ng a sebelisa lona. Eo a sala a ahlame.

O kile a botsa mohlankana e mong oa habo hore na litulo tsa hae tsa lisofa ke bokae. Eo a bolela likete tse raranyang leleme ha u li bitsa. A re na hobaneng a sa reka litulo tsa lisofa le tse ling tsa matsoelo-pele, tse hirisoang meketeng e phahameng. Eo a sala a maketse.

A mo hlokomelisa hore ka chelete eo a ka be a ntse a rekile lisofa tseo tsa hae tsa maemo, 'moho le thepa ena e mo kenyetsang chelete.

E mong eena o ne a latile phate e boea bo mabutšabutša tjena mose ho maoatle. A ea le eena moo ho rekisoang litente. Ha a ka a re letho ho eena ka phate eo e chelete e tšosang. O ile a re a mo felehetse a ke a eo sheba na litente li bitsa joang. Ha ba se ba fumane litefiso tsa litente tse fapaneng tsa maemo, a re, “Chelete ea tente e kena hakae ho phate ela ea bosolla-tlhapi mor'a ntate?” Eo a hla a tseba hore na Lorenti o reng ho eena?

O ne a ka re ho bahlankana ba bang, “Le ke le iqamake hle banna le shebe na le na le eng e le kenyetsang chelete bophelong ba lona. Ha e hloke hore e-be chelete e ngata. Ke re le litulo tse peli tsa polasitiki tse hirisetsoang batho ba ileng lipaseng hore ba kobe o ba lefise. Kiribae ea nkukele, sehatsetsi se batetsang metsi a rekisoang boemelong ba koloi. Helang batho! Qamakang le tsoe le phaphama. Jerusalema ha ea ahoa ka letsatsi le le leng. Le bana ba rona batla re ba tsoetsoe ke lihole kannete. Ha le bona ke rekile kiribae e isetsang batho lijo leloaleng, tjee le nahana kea bapala? Sheba monyetla ntate u sunye hlooho. Liphoofole ha li sa le eo hona joale. Batho ha ba sa na lipokola ho ea sila. Tsohang banna, tsohang! Le tlohele bohlayenana bona ba ho tšela lirobotong! “Anything is something! Ha se Sekhooa ntho eo?”



Na u ne u tseba hore thuto ka tšebeliso e ntle ea chelete ese e kene lenane thutong likolong tse phahameng ka hare ho naha? Re se re tla ufa mofetolela oa hore na bana ba rona ba ithuta life khatisonng tse latelang ena. Kajeno lula fatse u ikutloe tsa Lorenti, mohlankana oa lekeja-kejane, ea hlomphang le ho rata chelete ea hae.



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EMPA U ITSE RE TSETELE CHELETE!!

By Mr. Ephraim Moremoholo
& NCDC

(Ke Motseng Ha Morena Mpiti. Seboholi sa morena se eme leralleng le holim'a motse o bitsetsa sechaba pitsong.)

Sofia: Che! Batho baa fuoa maemo hle. Hantle Morena Mpiti ha a tla khetha Milo hore e-be seboholi sa hae, banna ba motse oo ba ne ba felile? A k'u utloe mepoto eo a ntseng a e bua. Che, motho u se u tla ea feela hobane Mpiti enoa oa teng a ahlola batho ba sa eeng lipitsong tsa hae.

Ralejoe: 'Na kea e hloka ntho ena eo ho ilo buuo ka eona. Ha ho thoe chelete feela ha ke botse ngoana ntate. Ho tseba mang haeba re ilo phakeloa matsebetsebe?

Sofia: Tse fumanoang li tonositse tsona le li rata hore bo Ralejoe! Ha ho motho ea ka phakelang motho chelete lefatšeng lena la litšehlo ke ikana ka ntate a shoele. Bona! (*O itšehla molala ka monoana.*) Nka u fa 'mé eaba 'ma'o. Chelete ea sebeletsoa uena!

(Ke letsatsi la pitso. Batho ba khobokane ka bongata ho tla iphumanela selotho sa Milo le morena oa hae. Moifo o t'lo ba rupela ka mekhoha e nepahetseng, e bileng e bolokehileng ea ho tsoara chelete, o se o le malala-a laotsoe. Ka lehlohonolo, e mong oa bona ke ngoana oa motse oona ona, ea bitsoang Selloane. Ebile ke eena setsebihali litabeng tse. Kamor'a hore Morena Mpiti a ba tebelle lintja, baeti ba qala litaba tsa bona)

Selloane: Lumelang batsoali baka. Ehlile ke 'na enoa, haeka le maketse tjee? Le ne le re le ntse le holisetsa mahala? Kajeno moporofeta o tla qala ho bokoa habo. (*Bohle ba honotha ka thabo. Bang ba opa liatla. Kamor'a motsotsoana lerata la khutsa bohle ba mamela ka hloko.*)

Milo: Ea ntaela Khosi! Fatang litsebe le utloe! O re, hosane ha tali e anyesa, bohle ba bokane lebaleng la lipitso. Sepheo sa pokano ena ke ho ea rupelloa hore re tsebe ho tsoara chelete ka makhethe hore le eona e re tsoare ka lerato le tlhomphe. Ehlile ke rialo. Taba ena ekare selotho. Empa uena atamela u tsebe ho fumana karabo ea sona. Halala!

Selloane: Bo 'mé le bo ntate, ke se ke hlomphe bohle ba lokeloang ke tlhomphe. Litaba tsa rona tsa kajeno li holim'a chelete. Ke hle ke qale ka potso. Ha chelete e fihla ka letsohong la hau u etsa eng ka eona? U e sebelisa joang?

Sofia: Kea sela ka chelete Selloane mosali. Ke ithekela likatanyana le bana bana ba Seoehla. E setseng, ke ithe thoa! Ka likatanyana tsa qhoma u cheche. Ebe ke emela ho khola hape ha khoeli e fela. 'Mele o sebetsang ka thata Tebele.

Famole: Sekolofisi Sofia le uena! Sekolofisi!

Tlhako: Ntlo ena e nhenyetse. Joale marulelo! Molimo ha ke heme. Ke e liella teng kaofela. 'Na ha ke rate ho tšeo ke lihole tsa mona ba re ke haile moajaula oa ntlo joale oa ntlhola.

Selloane: Kea leboha batsoali. Ntle le ho senya nako, ha re eletsaneng he. Ha chelete oela ka matsohong a hau feela, behella kathoko eo u ilo e boloka. Tse ling tsohle li tla latela. Sekolofisi, likatana, masenke, 'mamotsatsa kapa qhoma u cheche, tseba tsohle li etsahale u se u beile bonyane-nyana boo u il'o bo boloka le ho tsetela. Tsetela motsotsoali, tsetela moena le moholoane, tsetela khaitsetsi. Bohle ha re tseteleng. Isa chelete ea hau moo e tla u tsoalla bonyane. Taba ena ha e etsoe ke batho ba nang le chelete e ngata. Ha u ka etsa moralo oa chelete eo u nang le eona, ho tsetela ke bosesanyane ba khoele.

Tlhako: Ekaba joale uena ngoana tooe oa Lebusa, ha ke potiloe ke mokunyane hakale mola moo ke lulang, ke tla tsetela chelete eaka joang? Ha se moo mokunyane oo o tlo iphepa ka eona? Haaaape, ke etsa moralo joang oa makholo a mahlano?

Selloane: Ngola fatše litlhoko tsa hau tseo u ke keng oa phela ha u sa li etsa. Joaloka lijo, liaparo, joalo joalo. Beha na li hloka chelete e kae. Kaholimo-limo ho lethathamo la hau, ngola bonyane bane boo ke itseng u bo isa bankeng kapa setsing seo u ilo boloka kapa ho tsetela ho sona. Joale u thathamise litlhoko. Ke oona moralo ntho eno.

Tlhako: Empa u itse re tsetele chelete. Joale libanka li etsa joang?

Selloane: Helang! Hana uena u itse mokunyane o etsa joang? Morena'ka! Kea leboha Ntate Tlhako ho tsetela chelete ke ho e bolokela hore u tle u e sebelise kamoso. Ebile e se e tsoetse. Joale e-be u etsa mesebetsi e meng e kenyang chelete ka tsoala eo. Kapa u etsa mabaka a mang a bohlokoa. Ke hona ho tsetela. (*Sechaba sea iqabola.*)

Tlhako: Helang banna! Bo Khiba ba limphophotha ba ikutloa monate ka 'na. Joale lekotikoti lee leo morali oa ka a tšelang chelete e leoala lona ke bohlale? □

EVENTS IN PICTURES



Students from Mount Royal High School and St. Cathrines received a donation of tablet computers from the Central Bank of Lesotho.



Maseru Securities Market representatives after listing the first company into the securities market.



Banking Association of Lesotho Chairperson during the launch of Money Month Campaign 2022.



The new Central Bank of Lesotho Governor, Dr. Emanuel Maluke Letete.



The new First Deputy Governor, Mr Powell Lehlomela Mohapi.



Central Bank of Lesotho officials moderating the Virtual Roundtable Discussions of the Money Month Campaign.

EVENTS IN PICTURES



Principals of Financial Industry in Lesotho during the launch of the Lesotho Money Month Campaign 2022 at Lehakoe Recreation and Cultural Centre.



Financial Education Steering Committee (FESC) during the launch of Money Month Campaign 2022 at Lehakoe Recreational Cultural Centre.



Delegates during the BSA Meeting held at Lehakoe Recreational and Cultural Centre in September 2022.



A group of delegates during the BSA Meeting held at Lehakoe Recreation and Cultural Centre in September 2022.

2022 TREASURY BILLS AUCTION CALENDAR

Bids Close Date	Auction Date	Maturity Dates			
		91	182	273	364
2022-01-11	2022-01-12	2022-04-13	2022-07-13	2022-10-12	2023-01-11
2022-01-25	2022-01-26	2022-04-27	2022-07-27	2022-10-26	2023-01-25
2022-02-08	2022-02-09	2022-05-11	2022-08-10	2022-11-09	2023-02-08
2022-02-15	2022-02-16	2022-05-18	2022-08-17	2022-11-16	2023-02-15
2022-03-01	2022-03-02	2022-06-01	2022-08-31	2022-11-30	2023-03-01
2022-03-15	2022-03-16	2022-06-15	2022-09-14	2022-12-14	2023-03-15
2022-03-29	2022-03-30	2022-06-29	2022-09-28	2022-12-28	2023-03-29
2022-04-12	2022-04-13	2022-07-13	2022-10-12	2023-01-11	2023-04-12
2022-04-26	2022-04-27	2022-07-27	2022-10-26	2023-01-25	2023-04-26
2022-05-10	2022-05-11	2022-08-10	2022-11-09	2023-02-08	2023-05-10
2022-05-17	2022-05-18	2022-08-17	2022-11-16	2023-02-15	2023-05-17
2022-05-31	2022-06-01	2022-08-31	2022-11-30	2023-03-01	2023-05-31
2022-06-14	2022-06-15	2022-09-14	2022-12-14	2023-03-15	2023-06-14
2022-06-28	2022-06-29	2022-09-28	2022-12-28	2023-03-29	2023-06-28
2022-07-12	2022-07-13	2022-10-12	2023-01-11	2023-04-12	2023-07-12
2022-07-26	2022-07-27	2022-10-26	2023-01-25	2023-04-26	2023-07-26
2022-08-09	2022-08-10	2022-11-09	2023-02-08	2023-05-10	2023-08-09
2022-08-16	2022-08-17	2022-11-16	2023-02-15	2023-05-17	2023-08-16
2022-08-30	2022-08-31	2022-11-30	2023-03-01	2023-05-31	2023-08-30
2022-09-13	2022-09-14	2022-12-14	2023-03-15	2023-06-14	2023-09-13
2022-09-27	2022-09-28	2022-12-28	2023-03-29	2023-06-28	2023-09-27
2022-10-11	2022-10-12	2023-01-11	2023-04-12	2023-07-12	2023-10-11
2022-10-25	2022-10-26	2023-01-25	2023-04-26	2023-07-26	2023-10-25
2022-11-08	2022-11-09	2023-02-08	2023-05-10	2023-08-09	2023-11-08
2022-11-15	2022-11-16	2023-02-15	2023-05-17	2023-08-16	2023-11-15
2022-11-29	2022-11-30	2023-03-01	2023-05-31	2023-08-30	2023-11-29
2022-12-13	2022-12-14	2023-03-15	2023-06-14	2023-09-13	2023-12-13
2022-12-27	2022-12-28	2023-03-29	2023-06-28	2023-09-27	2023-12-27

Shaded auctions have a 1 week adjustment to accommodate maturing Treasury Bills.



FINANCIAL CONSUMER PROTECTION – FCP

Under Financial Consumer Protection Act 2022



Consumers have the right to know complaint handling procedure

For More Information contact: +266 22314281 | 22232009
email: fcg@centralbank.org.ls



FINANCIAL CONSUMER PROTECTION UNIT - FCP

Under Financial Consumer Protection Act 2022



Stop taking debt unnecessarily

Only go for a good debt that will help you generate money

Wait for some time to consider taking debt. It might be a bad debt

Be smart with your future and your money. Avoid being a slave to unnecessary debts. You can avoid bad debt and live without debt

For More Information contact: +266 22314281 | 22232009
email: fcp@centralbank.org.ls



YouTube : Central Bank of Lesotho