

# AU-AIP AFRICA WATER INVESTMENT SUMMIT 2025

13 - 15 August 2025  
Cape Town, South Africa



## AU AIP WATER INVESTMENT SUMMIT: PROJECT SHOWCASE

PROGRAMME/ PROJECT OVERVIEW	
Project Name	Premium Sustainable Aquaculture & Trout Farming Project
Location (Country)	Lesotho, Leribe
Involved countries (if regional)	Lesotho
Sub-Sector	Aquaculture
Project description (Goals and expected outcomes)	The Premium Aquaculture & Trout Farming Project leverages Lesotho Highlands' pristine cold-water reservoirs (Katse, Mohale, future Polihali) for Sustainable, high-value fish farming, targeting premium trout markets in South Africa (RSA) and the European Union (EU). The Goal is to enhance rural livelihoods through aquaculture-based community cooperatives. The expected outcome includes annual trout production of ~1,500–2,000 tons and export revenue ~USD 10–15M/year.
Technological details/ innovation	Modern processing & cold-chain logistics for export-grade trout and IoT water quality sensors and automated feeding systems ( <b>Technologies</b> ). Premium cold-water aquaculture model for the SADC region and Integrated hatchery-to-market value chain including EU-standard processing plant.
Governance improvements/innovation	<b>Compliance with</b> Lesotho Fishery & Aquaculture Policy and the LHDA Aquaculture Regulations. EU & RSA export HACCP-certified processing plant.
IMPLEMENTATION & KEY PLAYERS	
Lead institution	Lesotho Highlands Development Authority (LHDA)
Implementing agent(s)	TBC
Sponsors / Investors / Contractors / Advisors	Government of Lesotho, LHDA
PROJECT TIMELINE & DEVELOPMENT STAGE	
Year of preparation, estimated start & end dates	Ongoing
Current development stage	Two Operators at Katse Dam (Sanlei and Katse Fish Farms (KFF))
PROJECT RATIONALE & STRATEGIC IMPORTANCE	
Alignment with national/regional plans, SDGs, Agenda 2063	Alignment with SDG and Agenda 2063 Goals. Supports SADC Regional Agricultural Policy for aquaculture development.
Paradigm shift potential (scalability, replicability)	Opportunities exist at Mohale Dam for trout or other fishes' farms. The same can be replicated in future at Polihali Dam currently under construction
FINANCIAL & INVESTMENT DETAILS	
Total project cost, currency	\$42 000 000
Funding already raised	No Funding yet
Proposed revenue model	RSA & EU premium trout sales (~USD 12–15 M/year) & Local market sales for affordable protein
Financial metrics (IRR, Payback Period, DSCR, NPV) available? Y/N, date	<ul style="list-style-type: none"> <li>▪ <b>CAPEX:</b> USD 8–10M (hatchery, cages, processing plant, logistics).</li> <li>▪ <b>OPEX:</b> ~USD 3M/year (feed, labor, maintenance).</li> <li>▪ <b>Annual Revenue:</b> ~USD 10–15M/year.</li> <li>▪ <b>IRR:</b> ~22–25% (high ROI due to premium export pricing).</li> <li>▪ <b>Payback:</b> ~4–5 years. Premium export price: ~USD 6–8/kg vs. local ~USD 3/kg</li> </ul>
Economic performance (Benefit-Cost Ratio) Y/N, date	N
INVESTMENT ASK & WAY FORWARD	
Remaining investment required: project component & type	<b>TBC</b>

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Opportunity for bundling with other projects (Y/N, date)	Sanlei Trout Farm and Katse Fish Farm – Agro-processing and
Next steps	<ul style="list-style-type: none"> <li>Structure PPP with a Commercial Aquaculture Operator</li> <li>Mobilize Climate Funds &amp; DFIs for blended financing</li> <li>Launch Pilot Cage Farm (Phase 1 – 500 tons/year) &amp; scale to 3,000 tons</li> </ul>
<b>TARGET GROUPS &amp; SOCIAL IMPACT</b>	
<u>Direct beneficiary</u> population per project component	Food Security & Nutrition – provides affordable protein for Lesotho households Export-Oriented Agro-Industry – supplies premium markets in RSA & EU with sustainable Trout. Job Creation & Livelihoods – ~300 direct jobs and ~1,000 indirect jobs
Social & gender impact assessment (Y/N, date)	Direct Beneficiaries: ~2,000 locals via jobs & cooperatives <b>and</b> 50% women participation in fish processing & cooperatives. Women-led SMEs for packaging, retail & community-based logistics
Job creation estimate / local economic benefit assessment (Y/N, date)	Operations: ~300–400 direct jobs, ~1,000 indirect jobs (feed supply, logistics, processing). Local economy benefit ~USD 15–20M over the project lifecycle. Women-led cooperatives for fish processing & value-added products
<b>SUSTAINABILITY &amp; ENVIRONMENTAL ANALYSIS</b>	
Environmental compliance & climate assessment (Y/N, date)	N
Environmental impact assessment (Y/N, date)	N
ESG performance (Y/N, date)	N
Safeguards & community engagement (Y/N, date)	N
<b>RISK MANAGEMENT</b>	
Main risks & mitigation measures (Political, Legal, etc)	Lower than expected returns and Fish diseases
Constraints or bottlenecks to finance	Familiarity with the subject matter.
<b>CONTACT INFORMATION</b>	
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