

BDC Launches Lobatse Clay Works: A New Era of Industrial Growth and Economic Transformation

Lobatse – Lobatse Clay Works (LCW), a key player in Botswana's industrial landscape, was officially relaunched following the implementation of a turnaround strategy spearheaded by Botswana Development Corporation (BDC). The event, held on the 24th of September 2024, was officiated by Honourable Mmusi Kgafela, Minister of Trade and Industry, signifies a crucial milestone in Botswana's ongoing quest for economic diversification and industrial growth.

In his address, BDC Managing Director Mr Cross Kgosiidiile underscored the Corporation's pivotal role in driving the nation's industrial and economic transformation. He described LCW as a beacon of resilience and opportunity, with its revitalisation reflecting BDC's broader commitment to advancing Botswana's economic objectives. "The revival of Lobatse Clay Works exemplifies BDC's dedication not only to investing in viable industries but also in those that foster socio-economic growth, positioning Botswana as a competitive player in regional markets," Kgosiidiile stated. He also expressed gratitude to the Botswana Government for its unwavering support as the Corporation embarks on this bold strategic direction, which includes undertaking ambitious projects essential for securing Botswana's future.

Honourable Minister Kgafela further emphasised the significance of LCW's reopening in bolstering Botswana's industrialisation and economic diversification. "LCW is a testament to BDC's ability to turn challenges into opportunities while preserving our industrial base," he remarked. He noted that the relaunch aligns with Botswana's Industrial Development Policy and is a vital step towards achieving the country's broader goals. The Minister reiterated the Ministry of Trade and Industry's commitment to creating a conducive environment for business growth through the implementation of relevant policies and initiatives aimed at uplifting the lives of Botswana and advancing the country towards high-income status by 2036.

BDC's investment into LCW has transformed it into one of the region's most advanced clay product manufacturers. The modernised facility is equipped with cutting-edge technology and boasts an enhanced annual production capacity of 36 million bricks. This significant increase allows LCW to meet the rising demand for high-quality building materials in Botswana, particularly for essential projects such as schools and infrastructure, while also positioning the company to reclaim its market share and reinforce its leadership in the industry.

Ms Boitshwarelo Lebang-Kgetse, caretaker CEO of LCW, highlighted that the successful commissioning of the facility reflects meticulous planning and effort at every stage. The plant now features advanced automation in clay processing, precise moisture control, and energy-efficient kilns. "By introducing premium products, LCW is well-placed to secure lucrative government contracts and contribute to key infrastructure developments," she stated, emphasising the company's commitment to quality and competitive pricing in the face of growing urbanisation and infrastructure needs across Southern Africa.

His Lordship, Mayor Mosimanegape Dithebe, expressed deep pride in the milestone this marks for Lobatse and its surrounding areas. "The revival of Lobatse Clay Works is a significant step in the transformation of our town," he noted, stressing that the project serves as a cornerstone for socio-economic development, creating much-needed employment and revitalising the local economy. He praised the government's support for projects aligned with the national Reset Agenda and commended BDC for its long-term vision and investment in Lobatse, which includes other significant initiatives like Delta Automotive Technologies and Milk Afric.

Established in 1992 as a private entity wholly owned by BDC, LCW has been instrumental in the nation's economic development through local manufacturing. However, operational challenges led to the suspension of activities in 2017, prompting a comprehensive review of LCW's business model to ensure sustainable profitability and competitiveness. The decision to embark on a turnaround strategy marked a pivotal moment in LCW's journey towards revitalisation, adopting efficient, cutting-edge technologies that promise superior product quality for the benefit of customers. Beyond the plant, this project will create 240 jobs at full operational capacity, generating steady income, renewed hope, and paving the way for economic recovery within the community.

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NOTES TO THE EDITOR

ABOUT BDC

Botswana Development Corporation Limited, or 'BDC,' is the country's main agency for commercial and industrial development. Established in 1970, under the Companies Act, BDC is a company Limited by Shares and fully owned by the Government of Botswana. BDC is mandated to provide, facilitate and support funding of commercially viable enterprises that contribute towards building a sustainable and diversified Botswana economy; stimulate the growth of the private sector; to invest in the region and internationally; whilst generating wealth for the Shareholder.

The Corporation invests in commercially viable projects across all sectors of the economy except large-scale diamond mining. These include Energy, Manufacturing, Industry, Property, Services, Tourism, and Technology locally.

Throughout, BDC intends to promote best practices in business, governance and environmental standards in the funds or companies they choose to invest in. BDC conducts its business on a commercial basis and exercises special care and regard to economic and commercial merits.