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Call on SA to foot the bill for Maseru damage

By JACQUI REEVES,
MELANIE-ANN FERIS AND
SAPA

The South African Government is coming under pressure to set up a fund to rebuild Lesotho's destroyed capital Maseru and bail out businesses which suffered huge losses in last week's devastation.

Anglican Archbishop of Cape Town, Njongonkulu Ndungane, yesterday joined South African political parties and Lesotho's opposition coalition in calling for South African and other Southern African Development Community (SADC) countries to reconstruct Lesotho.

Ndungane, during his visit to Lesotho refugees in Ladybrand, warned SADC leaders not to shirk their responsibilities.

"SADC countries can't get away from their responsibilities. They made a decision, so we want to put a case to SADC countries to assist in Lesotho," he said.

President Mandela yesterday said he expected the subject to be raised at Friday's peace

talks between Lesotho's rival parties brokered by mediators from Botswana, South Africa, Mozambique and Zimbabwe.

Speaking in Cape Town after talks with Lesotho's King Letsie III, he also questioned why South Africa should be expected to help rebuild Lesotho's economy when it was the Basotho people themselves who were responsible for destroying their capital.

'No one can define if it was war or an uprising'

South African companies whose businesses were destroyed in last week's riots are also calling on the Government to either bail them out or intervene on their behalf as insurance companies are reluctant to pay for damage incurred.

Businesses are expecting to know by today what the exact figure will be for damage to the Maseru central business district. Conservative estimates

have put the bill at R1-billion.

Insurers are saying that the damage was related to political and military action, categories which are not covered by standard policies.

According to Mike Strydom, managing director of the South African Special Risk Insurance Association (Sasria), special risk assurance which also covers politically motivated damage does not extend across South Africa's borders.

"From media reports it seems that the damage in Lesotho was caused by a mutiny. If this is the case then I believe that the claims will not be paid out. People with property damage will have to seek compensation from non-insurance sources, and by this I mean the Government," said Strydom.

He said, however, that the Government would only pay if a war compensation fund had been established.

Lesotho crisis committee leader Steve Buys said: "No one, from any government, is willing to define what happened here. They won't say if it was a war, a riot, a civil upris-

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1 druk

2 intoefening

3 Suid-Afrika

4 hulpverlening

5 Lesotho

6 ontwikkelyk

7 Maseru

8 reder

9 opstande

10 militêre

Operasies

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Die Universiteit van die Oranje-Vrystaat

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ing or anything. So as long as it's classified a war by insurance companies, no one will be paid out a cent."

A spokesperson for the Alliance Insurance Company in Lesotho said it was expecting claims running into millions of rands once people assessed the damage.

South African based business who supply Lesotho retailers have also been hit hard

Insurance restricted to certain categories

because Maseru businessmen cannot pay for stolen or destroyed stock.

Meanwhile, a humanitarian forum, involving several government departments from South Africa, has been established in Lesotho to look into the reconstruction and development of Maseru.

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