



T&C Snapshots Data Note

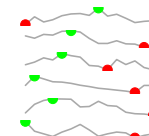


Lesotho

| GDP (US\$ billions) (2016) | Population (millions) (2016) | Income per capita (current US\$) (2016) | Poverty rate (2010) | Unemployment rate (2014) |
|-------------------------------|------------------------------------|---|------------------------|-----------------------------|
| 2.5 | 2.2 | 1,164.8 | 59.6 | 26.2 |

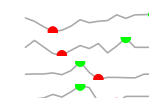
Macro Indicators

| | Avg 2002-2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---------------|------|-------|-------|-------|-------|
| GDP growth (annual %) | 4.1 | 4.9 | 3.6 | 2.2 | 2.6 | 2.8 |
| Current account balance | 6.3 | -3.6 | -11.4 | -12.1 | -19.8 | -18.1 |
| Fiscal balance (% of GDP) | 1.6 | 5.0 | -2.5 | 2.9 | -7.0 | -10.3 |
| Remittances, received (% of GDP) [1] | 39.5 | 23.3 | 20.9 | 17.4 | — | — |
| Real Effective Exchange Rate (2010=100) | 94.9 | 89.8 | 77.4 | 74.3 | 73.6 | 71.3 |
| Consumer Price Index, annual percent change | 7.6 | 6.1 | 5.6 | 2.6 | 4.1 | 5.0 |



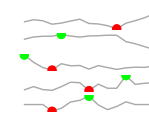
Investment indicators

| | Avg 2002-2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---------------|------|------|------|------|------|
| Gross domestic investment (% GDP) | 29.3 | 34.1 | 31.5 | 34.1 | 34.2 | 34.7 |
| Gross domestic investment, of w: Private investment (% GDP) [1] | 25.5 | 27.2 | 33.1 | — | — | — |
| Inward FDI (% of GDP) [2] | 5.0 | 2.4 | 2.3 | 2.2 | — | — |
| Inward FDI, % of private investment [2] | 21.6 | 6.7 | NA | — | — | — |



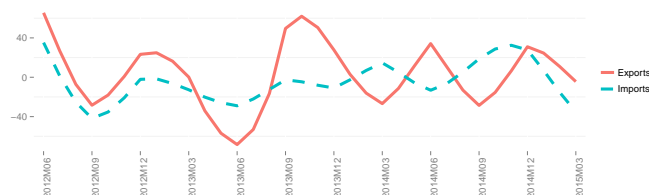
Trade Indicators

| | Avg 2002-2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---------------|-------|-------|-------|-------|--------|
| Total Trade in Goods and Services (% of GDP, real terms) | 177.8 | 166.9 | 178.5 | 183.7 | 189.7 | 197.7 |
| Trade balance (% GDP, real terms) | -77.6 | -71.8 | -85.5 | -90.1 | -96.3 | -102.3 |
| Exports, Goods and Services, annual percent change (real terms) | 9.8 | -2.1 | 1.3 | 2.8 | 2.4 | 5.0 |
| Imports, Goods and Services, annual percent change (real terms) | 3.6 | 2.2 | 14.6 | 6.0 | 7.1 | 7.9 |
| Total reserves in months of imports [1] | 4.8 | 4.4 | 5.4 | — | — | — |



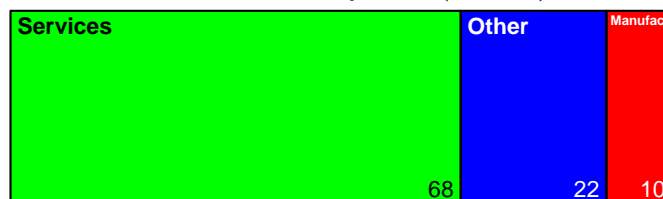
Sources: MFM note, [1] World Development Indicators (WDI), [2] UNCTADSTAT, [3] World Economic Outlook (WEO)

Goods Export and Import volume growth, 2012-2015



Source: Development Prospects Group (DECPG)

Gross Value Added by Economic Activity 2013 (% GDP)



Source: World Development Indicators (WDI)

Top 5 Exports by % of Total Value, NA

Data not available

Doing Business 2015 Ranks (among all countries)

| | DB 2015 Rank | DB 2016 Rank | Change in Rank |
|-----------------------------------|--------------|--------------|----------------|
| Dealing with Construction Permits | 173 | 172 | 1 |
| Ease of Doing Business Rank | 110 | 114 | -4 |
| Enforcing Contracts | 85 | 85 | 0 |
| Getting Credit | 150 | 152 | -2 |
| Getting Electricity | 146 | 147 | -1 |
| Paying Taxes | 108 | 109 | -1 |
| Protecting Minority Investors | 98 | 99 | -1 |
| Registering Property | 107 | 108 | -1 |
| Resolving Insolvency | 117 | 117 | 0 |
| Starting a Business | 107 | 112 | -5 |
| Trading Across Borders | 35 | 36 | -1 |

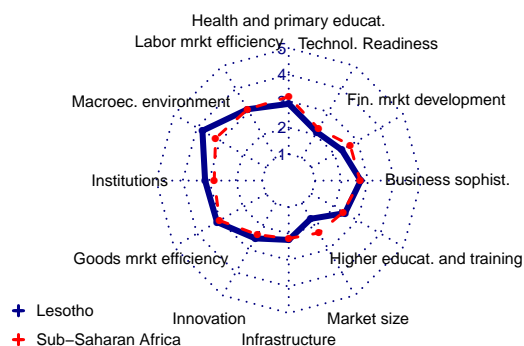
Imports Categories by % of Total Value, NA

Data not available

Source: World Integrated Trade Solution (WITS)

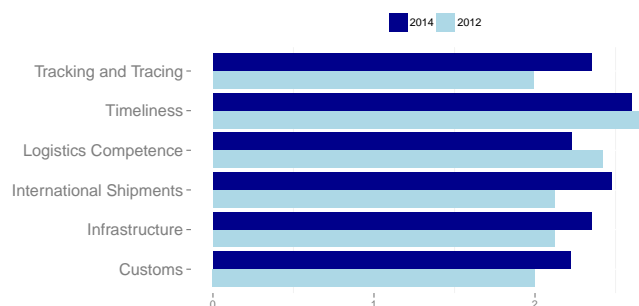
Source: Doing Business Report 2015

WEF Competitiveness Indicators (Scale 1-5, 5=best)



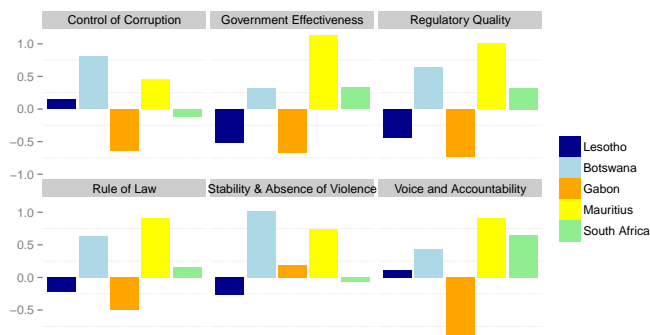
Source: WEF Global Competitiveness Report 2015

Logistics Performance Index (Scale 1-5, 5=best)



Source: Logistics Performance Index (World Bank)

World Governance indicators (Std. score, High=best)



Source: Worldwide Governance Indicators

Trade Policy

| | 2010 | 2014 |
|--|------|------|
| Applied Tariff (Incl. Prefers. and Trade-Weighted) | 10.7 | 3.3 |
| Binding (%) | 100 | 100 |
| Dispersion (Standard Deviation) | 15 | 13.1 |
| Import duties collected [1] | — | — |
| MFN Tariff (Agriculture) | 8.9 | 9.1 |
| MFN Tariff (Non-Agriculture) | 7.6 | 7.5 |
| MFN Tariff (Simple Average) | 7.7 | 7.7 |
| Services sectors with GATS commitments [1] | — | 80 |

Sources: WITS, [1] WTO Trade Profiles

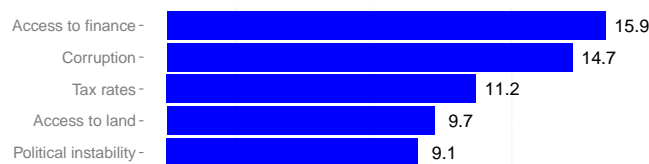
Private Sector's Views

Enterprise Survey 2013

| | Sub-Saharan Africa | Lesotho | All Countries |
|---|--------------------|---------|---------------|
| Number of electrical outages in a typical month | 8.30 | 4.10 | 6.30 |
| Percent of firms with a bank loan/line of credit | 23.10 | 32.20 | 34.30 |
| Proportion of investment financed by banks (%) | 9.90 | 23.30 | 14.30 |
| Proportion of investment financed internally (%) | 76.70 | 50.90 | 71.80 |
| Senior management time spent dealing with the requirements of government regulation (%) | 8.20 | 5.60 | 9.90 |

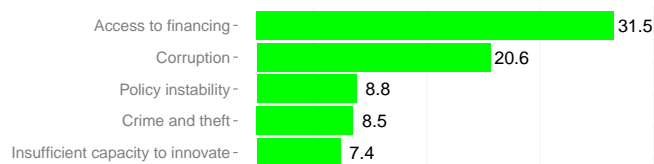
Source: Enterprise Survey 2013

Top 5 constraints according to ES 2013 (% respondents)



Source: Enterprise Survey 2013

Top 5 constraints according to WEF 2015 survey (% respondents among 88 executives)



Source: WEF Global Competitiveness Report 2015

T&C Snapshots Operations Note



Lesotho

SCD/CPF

Most Recent

| Product | Document Date |
|---|---------------|
| Lesotho - Systematic country diagnostic | 2015-07-02 |

Planned

| Product | Concept Review Date | Board Date |
|---------------------------------------|---------------------|------------|
| Lesotho Systematic Country Diagnostic | 2014-06-24 | 2015-07-02 |

WB Lending Pipeline

| Project ID | Project Name | Team Leader | Approval Date | Lending Inst. Type | Begin Appraisal | Commitment (US\$M) | Latest Sort Overall Risk Rating | FY Expenses (US\$K) | Cum Expenses (US\$K) | FY Prob |
|------------|--------------|-------------|---------------|--------------------|-----------------|--------------------|---------------------------------|---------------------|----------------------|---------|
| None | | | | | | | | | | |

WB Portfolio

Active

| Project ID | Project Name | Team Leader | Approval Date | Lending Inst. Type | Closing Date | Commitment (US\$M) | Undisbursed Balance (US\$M) | Project Rating DO | Project Rating IP | Overall Risk | Months in Problem Status |
|------------|---------------------------------------|------------------------|---------------|--------------------|--------------|--------------------|-----------------------------|-------------------|-------------------|--------------|--------------------------|
| P144933 | LS-Second Pvt. Sector Competitiveness | Maria Paulina Mogollon | 2013-10-31 | IPF | 2019-04-30 | 13 | 6 | S | S | M | 0 |

Closed

| Project ID | Project Name | Team Leader | Approval Date | Lending Inst. Type | Closing Date | Commitment (US\$M) | Project Rating DO | Project Rating IP | IEG Outcome Rating |
|------------|---|-----------------------------|---------------|--------------------|--------------|--------------------|-------------------|-------------------|--------------------|
| P125780 | LS:TFF Lesotho-RSA CustomsCollaboration | Austin Francis Louis Kilroy | — | IPF | 2014-06-30 | 2 | — | — | — |

WB ASA
Active

| Task ID | Task Name | Team Leader | Management Approval Date | Product Line | RAS (Y/N) | Current Expenditure BB (US\$K) | Current Expenditure Total (US\$K) | Lifetime Expenditure BB (US\$K) | Lifetime Expenditure Total (US\$K) |
|---------|-----------|-------------|--------------------------|--------------|-----------|--------------------------------|-----------------------------------|---------------------------------|------------------------------------|
| None | | | | | | | | | |

Closed

| Task ID | Task Name | Team Leader | Management Approval Date | Product Line | RAS (Y/N) | Current Expenditure BB (US\$K) | Current Expenditure Total (US\$K) | Lifetime Expenditure BB (US\$K) | Lifetime Expenditure Total (US\$K) |
|---------|-----------------------------------|--------------------------|--------------------------|--------------|-----------|--------------------------------|-----------------------------------|---------------------------------|------------------------------------|
| P128116 | LS-Economic Diversification | Smita Kuriakose | 2013-06-17 | TA | N | — | 0 | 71 | 71 |
| P082135 | LS-IF Follow up (FY08) | Ian John Douglas Gillson | 2007-11-19 | TA | N | — | 0 | 308 | 308 |
| P076655 | Lesotho-Integration & Comp. Study | Leendert Solleveld | 2002-12-02 | EW | N | — | 0 | 177 | 385 |

IFC ASA
Active

| Project ID | Project Name | Team Leader | IP Approval Date | Expected End Date | Approval Value (in US\$K) | Total Expenditures (in US\$K) | Current FY Expenditure (in US\$K) |
|------------|--------------|-------------|------------------|-------------------|---------------------------|-------------------------------|-----------------------------------|
| None | | | | | | | |

Pipeline

| Project ID | Project Name | Team Leader | IP Approval Date | Expected End Date | Approval Value (in US\$K) | Total Expenditures (in US\$K) | Current FY Expenditure (in US\$K) |
|------------|--------------|-------------|------------------|-------------------|---------------------------|-------------------------------|-----------------------------------|
| None | | | | | | | |

Closed

| Project ID | Project Name | Team Leader | IP Approval Date | Expected End Date | Approval Value (in US\$K) | Total Expenditures (in US\$K) | Current FY Expenditure (in US\$K) |
|------------|--|-------------------------|------------------|-------------------|---------------------------|-------------------------------|-----------------------------------|
| 591907 | Lesotho Tourism PPPs Implementation of Business Registration and Licensing reforms | O'Farrell, Catherine C. | 2012-04-13 | 2014-07-31 | 1,304 | 1,085 | 0 |
| 545284 | | Pepper, Roy | 2006-05-09 | 2007-06-15 | 112 | 62 | 0 |
| 545645 | Sectoral Study of the Effective Tax Burden | Stern, Richard | 2006-03-16 | 2007-07-19 | 100 | 51 | 0 |
| 542884 | Competitiveness and CSR in Lesotho's Apparel Industry | Meisling, Annemarie | 2006-01-23 | 2007-04-30 | 206 | 196 | 0 |
| 538806 | Reform of the Company Registration and Enterprise Licensing Systems | Pepper, Roy | 2005-08-22 | — | 0 | 0 | 0 |