

# T&C

## Snapshots

### Data Note

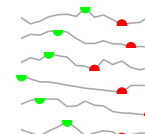


## Lesotho

| GDP (US\$ billions) (2017) | Population (millions) (2017) | Income per capita (current US\$) (2017) | Poverty rate (2010) | Unemployment rate (2014) |
|----------------------------|------------------------------|---|---------------------|--------------------------|
| 2.7                        | 2.2                          | 1,246.3                                 | 59.6                | 26.2                     |

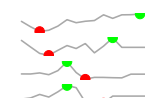
### Macro Indicators

|   | Avg 2003-2012 | 2013  | 2014  | 2015  | 2016  | 2017  |
|---|---------------|-------|-------|-------|-------|-------|
| GDP growth (annual %)                       | 4.1           | 3.6   | 2.2   | 2.6   | 2.8   | 4.5   |
| Current account balance                     | 5.6           | -11.4 | -12.1 | -19.8 | -18.1 | -19.2 |
| Fiscal balance (% of GDP)                   | 1.9           | -2.5  | 2.9   | -7.0  | -10.3 | -6.6  |
| Remittances, received (% of GDP) [1]        | 37.9          | 20.9  | 17.4  | —     | —     | —     |
| Real Effective Exchange Rate (2010=100)     | 94.5          | 77.4  | 74.3  | 73.6  | 71.3  | 69.4  |
| Consumer Price Index, annual percent change | 7.5           | 5.6   | 2.6   | 4.1   | 5.0   | 5.0   |



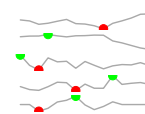
### Investment indicators

|   | Avg 2003-2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---------------|------|------|------|------|------|
| Gross domestic investment (% GDP)                               | 29.6          | 31.5 | 34.1 | 34.2 | 34.7 | 34.6 |
| Gross domestic investment, of w: Private investment (% GDP) [1] | 25.7          | 33.1 | —    | —    | —    | —    |
| Inward FDI (% of GDP) [2]                                       | 4.8           | 2.3  | 2.2  | —    | —    | —    |
| Inward FDI, % of private investment [2]                         | 20.2          | NA   | —    | —    | —    | —    |



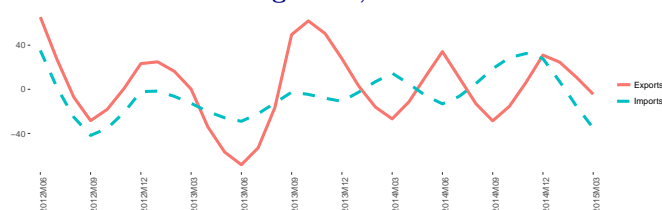
### Trade Indicators

|   | Avg 2003-2012 | 2013  | 2014  | 2015  | 2016   | 2017   |
|---|---------------|-------|-------|-------|--------|--------|
| Total Trade in Goods and Services (% of GDP, real terms)        | 176.9         | 178.5 | 183.7 | 189.7 | 197.7  | 198.4  |
| Trade balance (% GDP, real terms)                               | -77.2         | -85.5 | -90.2 | -96.3 | -102.3 | -105.7 |
| Exports, Goods and Services, annual percent change (real terms) | 8.8           | 1.3   | 2.8   | 2.4   | 5.0    | 1.6    |
| Imports, Goods and Services, annual percent change (real terms) | 3.5           | 14.6  | 6.0   | 7.1   | 7.8    | 6.0    |
| Total reserves in months of imports [1]                         | 4.7           | 5.4   | —     | —     | —      | —      |



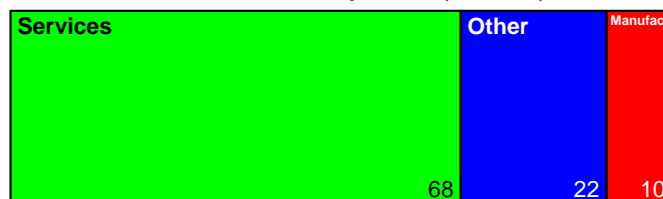
Sources: MFM note, [1] World Development Indicators (WDI), [2] UNCTADSTAT, [3] World Economic Outlook (WEO)

### 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

### Imports Categories by % of Total Value, NA

Data not available

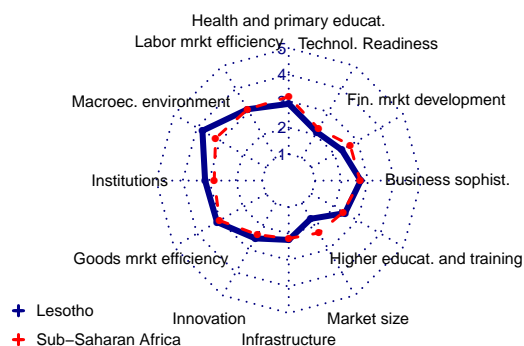
### Doing Business 2015 Ranks (among all countries)

|                                   | 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             |

Source: World Integrated Trade Solution (WITS)

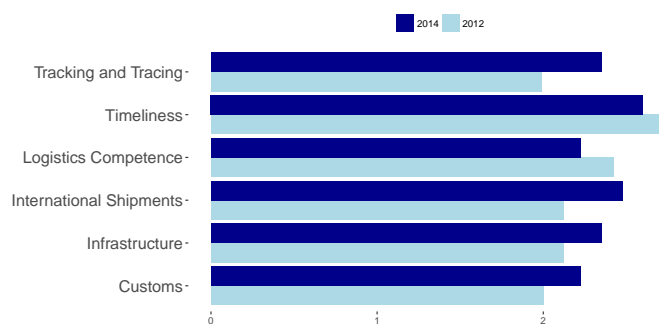
Source: Doing Business Report 2015

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



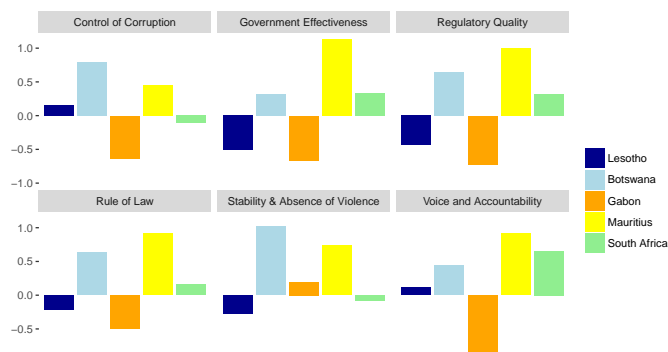
Source: WEF Global Competitiveness Report 2015

## 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

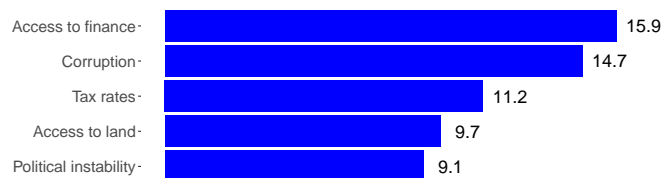
## Private Sector's Views

### 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          |

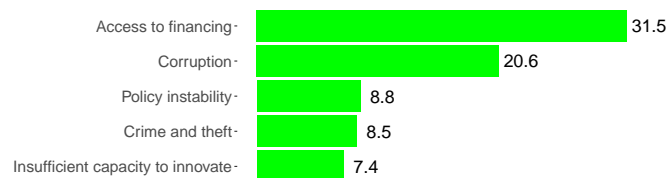
Source: Enterprise Survey 2013

### 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 |
| Country Focus | 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                                 |