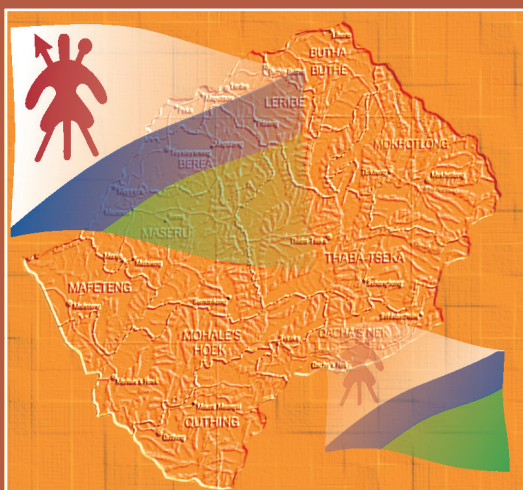


UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

INVESTMENT POLICY REVIEW

LESOTHO



UNITED NATIONS

United Nations Conference on Trade and Development

Investment Policy Review
Lesotho



UNITED NATIONS
New York and Geneva, 2003

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Reference to "dollars" (\$) means United States dollars, unless otherwise indicated.

Annual rates of growth or change, unless otherwise stated, refer to annual compound rates.

Details and percentages in tables do not necessarily add to totals because of rounding.

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PREFACE

The UNCTAD Investment Policy Reviews are intended to help countries improve their investment policies and to familiarize governments and the international private sector with an individual country's investment environment. The reviews are considered at the UNCTAD Commission on Investment, Technology and Related Financial Issues.

The Investment Policy Review for Lesotho was initiated at the request of the Government. The review was carried out through a fact-finding mission in August 2002. In preparing the review, UNCTAD received the full support and cooperation of the Lesotho National Development Corporation, the designated cooperating agency, and other government ministries and agencies. The mission also had the benefit of the views of the private sector, foreign and domestic, civic society, as well as the resident international community, particularly bilateral donors and development agencies.

This report was prepared by Sanjaya Lall, Rory Allan, Zbigniew Zimny, Diana Barrowclough and Lena Chia, under the direction of Khalil Hamdani. Chiraz Baly and Lang Dinh provided research assistance, Essie Saint-Clair and Deborah Wolde-Berhan provided production support.

The United Nations Development Programme was a co-partner in this project and the Government of Germany also provided financial support. The background work for the project was an input to the Lesotho Integrated Framework Diagnostic Trade Integration Study (World Bank, UNDP IMF, ITC, UNCTAD and WTO). The Review was presented at a national workshop on 11 February 2003 and considered at the UNCTAD Commission on Investment, Technology and Related Financial Matters on 24 April 2003 in Geneva. The Government has endorsed the main recommendations of the Review and a follow up programme is being implemented with the United Nations Development Programme and financial support from bilateral donors.

It is hoped that the analysis and recommendations of this Review will contribute to an improvement of policies, promote dialogue among stakeholders and catalyse investment in Lesotho.

Geneva, July 2003

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