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Lesotho: Statistical Annex

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Money and Banking

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Lesotho: Basic Data 1/

Area, population, and income

Area (thousands sq. km)	30,355
Population (1995)	2.0 million
Annual demographic growth rate (1990-95; in percent)	2.1
GNP per capita (1996 est.; in U.S. dollars)	568

Fiscal year (April - March)	1992/93	1993/94	1994/95	1995/96	1996/97
National accounts					
(In millions of maloti, unless otherwise specified)					
GDP at current market prices	1,985.3	2,389.7	2,797.3	3,241.1	3,848.0
<i>Of which: agriculture</i>	159.2	257.7	308.3	331.9	470.4
<i>manufacturing</i>	272.3	325.4	367.9	443.9	547.1
GNP at current market prices	3,241.0	3,688.8	4,176.1	4,488.4	5,212.7
Real GDP growth (percent)	3.8	6.0	11.9	10.0	11.3
Real GNP growth (percent)	-0.9	1.5	6.8	1.3	8.6
Prices					
Consumer Price Index (percent change; end of period)	15.4	6.1	10.6	9.3	8.8
Employment					
(In thousands)					
Migrant mine workers 2/	119.6	116.1	112.7	103.7	101.2
Central government finance					
(In millions of maloti)					
Revenue	1,019.6	1,263.0	1,438.5	1,685.3	2,034.6
<i>Of which: SACU 3/</i>	547.7	746.0	840.9	906.5	1,006.0
Total expenditure and net lending	1,085.2	1,243.1	1,419.3	1,723.3	2,051.5
Current	723.9	834.5	980.6	1,104.9	1,177.8
Capital	361.3	408.6	438.7	618.4	873.7
Overall balance, before grants	-65.6	19.9	19.2	-38.0	-16.9
Grants from abroad	141.8	137.4	143.6	163.2	203.4
Overall balance after grants	76.2	157.3	162.8	125.2	186.5
Foreign financing (net)	140.8	170.5	104.1	203.9	347.2
Domestic financing (net)	-271.4	-346.2	-246.9	-327.2	-536.8
Residual	54.4	18.4	-20.0	-1.9	3.1
Monetary survey					
(In millions of maloti; end of period)					
Foreign assets (net)	822.1	1,319.5	1,736.5	2,018.6	2,539.6
Domestic credit	154.5	-43.3	-266.5	-465.7	-855.1
Government (net)	-244.5	-601.6	-873.2	-1,190.7	-1,712.1
Statutory bodies	26.2	29.1	38.5	92.8	166.6
Private sector	372.8	529.2	568.2	632.2	690.4
Money and quasi-money	818.2	1,027.1	1,163.8	1,221.9	1,400.7
Other items (net)	158.3	249.1	306.2	331.0	283.8
Balance of payments					
(In millions of U.S. dollars, unless otherwise specified)					
Current account deficit (-)	-174.3	-143.9	-197.4	-311.8	-264.3
Exports, f.o.b.	112.1	138.6	149.5	155.2	188.9
Imports, f.o.b.	-899.6	-853.6	-939.0	-1,037.8	-990.9
<i>Of which: LHWP 4/</i>	-112.2	-90.9	-127.1	-195.1	-176.7
Miners' remittances	372.5	331.0	337.4	357.0	298.3
Unrequited transfers	218.7	205.6	231.3	248.3	220.0
Capital account	257.1	235.6	301.0	305.4	306.5
Long-term capital (net)	215.0	228.3	291.0	341.2	303.8
<i>Of which: LHWP investment 4/</i>	147.3	175.5	222.8	276.7	243.2
Short-term capital (net)	42.1	7.3	10.0	-35.8	2.7
Errors and omissions	-26.0	49.7	8.4	113.5	71.3
Overall balance	56.8	141.4	111.9	107.1	113.5
Net official reserves (in months of imports)	2.8	4.7	5.8	7.0	7.6
External debt					
Disbursed and outstanding	397.8	476.4	548.3	583.3	591.1
Debt service ratio (as percent of exports of goods and services, and factor income)	4.3	3.9	4.1	4.8	5.2
Exchange rate (loti per U.S. dollar; end-of-period)	3.1756	3.4795	3.5905	3.9806	4.4224

Sources: Lesotho authorities; and staff estimates.

1/ Fiscal year is April-March.

2/ Average number employed in South Africa.

3/ Southern African Customs Union.

4/ Lesotho Highlands Water Project.

Table 1. Lesotho: Gross Domestic Product by Sector (at current prices), 1992-96 1/

(In millions of maloti)

	1992	1993	1994	1995	1996 Prel.
Primary sector	132.5	239.1	313.5	292.6	449.8
Crops	32.0	55.0	86.0	54.0	135.0
Fruit and vegetables	16.7	22.1	34.5	14.1	54.4
Livestock	62.1	137.1	167.0	188.6	226.7
Agricultural services	21.7	24.9	26.0	35.9	33.7
Secondary sector	533.6	679.2	842.4	1,011.9	1,298.8
Mining	3.2	2.2	0.3	3.3	0.5
Manufacturing and handicraft	257.4	316.9	350.8	419.0	518.6
Electricity and water	43.3	65.6	67.3	82.2	121.0
Construction	87.3	135.0	190.4	233.0	265.5
LHWP construction 2/	142.4	159.5	233.6	274.4	393.2
Tertiary sector	813.3	940.2	1,091.9	1,288.9	1,403.7
Wholesale and retail	155.6	190.4	233.0	265.0	315.4
Hotel and restaurants	23.5	21.5	29.3	43.4	59.1
Transport	29.8	33.4	41.7	45.3	55.7
Communication	31.8	34.6	40.4	41.5	49.2
Finance and Insurance	107.4	113.0	134.0	117.4	74.1
Real estate and business services	47.3	54.0	61.2	69.4	77.5
Government services	365.6	440.6	512.4	634.5	670.8
Other services less imputed bank charges	52.3	52.7	39.9	72.4	101.9
House ownership	115.7	118.7	115.3	130.8	146.0
Other services	27.6	31.5	33.7	37.6	46.0
Less: Bank service charges	-91.0	-97.5	-109.1	-96.0	-90.1
GDP at constant factor cost	1,479.4	1,858.5	2,247.8	2,593.4	3,152.3
Plus net indirect taxes	405.6	427.7	452.5	495.0	547.0
GDP at market prices	1,885.0	2,286.2	2,700.3	3,088.4	3,699.3
Plus net factor income from abroad	1,241.1	1,335.1	1,327.1	1,202.3	1,425.5
GNP at market prices	3,126.1	3,621.3	4,027.4	4,290.7	5,124.8

Sources: Lesotho Bureau of Statistics; Central Bank of Lesotho; Lesotho Highlands Development Authority; and staff estimates.

1/ The national accounts series have been downwardly revised by the Lesotho authorities.

2/ Lesotho Highlands Water Project (LHWP).

Table 2. Lesotho: Gross Domestic Product by Sector (at constant 1980 prices), 1992-96 1/

(In millions of maloti)

	1992	1993	1994	1995	1996 Prel.
Primary sector	43.1	54.8	63.2	50.5	78.0
Crops	11.0	14.3	18.6	12.0	31.0
Fruit and vegetables	3.0	4.9	10.3	3.2	9.4
Livestock	22.3	28.5	27.5	27.1	30.8
Agricultural services	6.8	7.1	6.8	8.2	6.8
Secondary sector	163.0	162.5	202.4	239.2	268.0
Mining	3.3	1.9	0.3	2.9	0.7
Manufacturing and handcraft	57.0	61.9	67.2	80.9	92.3
Electricity and water	8.0	9.2	8.9	9.2	10.0
Construction	45.1	40.9	60.0	74.6	75.6
LHWP construction 2/	49.6	48.6	66.0	71.6	89.4
Tertiary sector	198.0	207.3	222.6	243.5	258.6
Wholesale and retail	35.2	37.9	42.9	49.6	57.1
Hotel and restaurants	5.3	4.3	5.8	7.7	9.7
Transport	8.3	8.5	8.9	9.4	10.1
Communication	8.5	11.6	12.8	15.6	17.5
Finance and insurance	38.2	35.3	40.4	37.0	35.2
Real estate and business services	12.0	12.4	12.7	13.0	13.3
Government services	96.5	100.0	104.7	113.5	120.4
Other services less imputed bank charges	-6.0	-2.7	-5.6	-2.3	-4.7
House ownership	22.7	23.3	23.9	24.5	25.1
Other services	6.1	6.5	6.7	6.9	7.6
Less: Bank service charges	-34.8	-32.5	-36.2	-33.7	-37.4
GDP at factor cost	404.1	424.6	488.2	533.2	604.6
Plus net indirect taxes	51.6	49.2	47.0	50.4	53.7
GDP at market prices	455.7	473.8	535.2	583.6	658.3
Plus net factor income from abroad	220.5	205.1	184.6	153.2	167.3
GNP at market prices	676.2	678.9	719.8	736.8	825.6

Sources: Lesotho Bureau of Statistics; Central Bank of Lesotho; Lesotho Highlands Development Authority; and staff estimates.

1/ The national accounts series have been downwardly revised by the Lesotho authorities.

2/ Lesotho Highlands Water Project (LHWP).

Table 3. Lesotho: Resources and Domestic Expenditures (at current prices), 1992-96 1/

	1992	1993	1994	1995	1996
					Prel.
(In millions of maloti)					
Resources	4,703.6	5,315.4	6,189.6	7,046.2	8,286.3
GDP at market prices	1,885.0	2,286.2	2,700.3	3,088.4	3,699.3
Imports of goods and nonfactor services	2,818.6	3,029.2	3,489.3	3,957.8	4,587.0
Expenditure	4,703.6	5,315.4	6,189.6	7,046.2	8,286.3
Consumption	3,161.7	3,500.0	3,896.2	4,393.3	4,759.4
Private consumption	2,525.9	2,757.7	3,009.9	3,378.6	3,669.2
Government consumption	635.7	742.3	886.3	1,014.7	1,090.3
Investment	1,093.9	1,238.3	1,607.2	1,904.5	2,419.1
Gross fixed capital formation	1,101.6	1,238.3	1,607.2	1,904.5	2,419.1
Government	360.0	396.8	431.2	573.5	809.9
Private	205.8	265.5	354.6	348.4	343.1
LHWP 2/	535.8	576.1	821.5	982.7	1,266.1
Change in stocks	-7.7	...	...	...	...
Exports of goods and nonfactor services	448.0	577.0	686.2	748.4	1,107.8
Memorandum items:					
Gross domestic savings	-1,276.7	-1,213.8	-1,195.9	-1,304.9	-1,060.1
Private					
Public					
Net factor income	1,241.1	1,335.1	1,327.1	1,202.3	1,425.5
Net private transfers	11.1	8.3	9.1	10.0	9.1
Gross national savings	-24.5	129.6	140.3	-92.6	374.4
(In percent of GNP)					
Resources	150.5	146.8	153.7	164.2	161.7
GDP at market prices	60.3	63.1	67.0	72.0	72.2
Imports of goods and nonfactor services	90.2	83.6	86.6	92.2	89.5
Expenditure	150.5	146.8	153.7	164.2	161.7
Consumption	101.1	96.7	96.7	102.4	92.9
Private consumption	80.8	76.2	74.7	78.7	71.6
Government consumption	20.3	20.5	22.0	23.6	21.3
Investment	35.0	34.2	39.9	44.4	47.2
Gross fixed capital formation	35.2	34.2	39.9	44.4	47.2
Government	11.5	11.0	10.7	13.4	15.8
Private	6.6	7.3	8.8	8.1	6.7
LHWP 2/	17.1	15.9	20.4	22.9	24.7
Change in stocks	-0.2	...	...	...	...
Exports of goods and nonfactor services	14.3	15.9	17.0	17.4	21.6
Gross domestic savings	-40.8	-33.5	-29.7	-30.4	-20.7
Private	0.0	0.0	0.0	0.0	0.0
Public	0.0	0.0	0.0	0.0	0.0
Net factor income	39.7	36.9	33.0	28.0	27.8
Net private transfers	0.4	0.2	0.2	0.2	0.2
Gross national savings	-0.8	3.6	3.5	-2.2	7.3

Source: staff estimates.

1/ Data for change in stocks are not available after 1992 and are therefore implicitly included in private consumption.

2/ Lesotho Highlands Water Project (LHWP).

Table 4. Lesotho: Consumer Price Indices, January 1994-July 1997
(Beginning of month indicated, April 1989 = 100)

Weights	1994												1995			1996			1997		
	Jan.	Apr.	July	Oct.	Jan.	Apr.	July	Oct.	Jan.	Apr.	July	Oct.	Jan.	Apr.	July	Oct.	Jan.	Apr.	July		
	Consumer price index (CPI) 1/	100.0	184.0	188.2	193.7	199.8	202.9	207.0	213.9	216.8	221.7	227.6	232.1	236.8	240.7	247.6	252.7				
Food, beverages, and tobacco	48.0	185.1	189.5	196.8	209.1	212.2	218.9	225.7	229.7	233.2	241.8	245.4	250.4	254.5	264.7	270.8					
Bread and cereals	18.2	190.8	195.5	196.2	199.8	201.9	205.4	220.3	226.6	231.4	239.9	244.1	249.0	253.1	260.9	263.6					
Meat and meat products	3.6	192.6	198.3	219.8	230.3	240.0	245.5	246.0	253.9	257.4	257.2	259.8	265.1	269.5	279.8	277.5					
Fruits and vegetables	4.5	257.4	262.7	285.5	415.0	410.1	420.8	438.7	438.6	446.8	454.0	454.4	463.6	471.3	497.5	522.6					
Alcoholic beverages, and tobacco	11.9	158.6	162.5	168.7	168.6	171.6	185.7	176.1	177.3	178.1	193.9	195.0	199.0	202.3	216.7	220.8					
Food and drinks	9.8	178.4	181.9	191.7	192.9	197.5	200.0	210.9	214.4	198.2	205.5	208.6	212.8	216.3	221.3	226.5					
Clothing and footwear	16.4	183.1	186.6	192.0	189.1	187.1	195.6	206.9	206.7	209.5	212.9	219.3	223.7	227.4	229.0	234.1					
Blankets	3.3	166.5	166.0	171.4	174.2	183.9	183.0	201.6	203.3	206.3	210.6	221.0	225.4	229.2	225.1	230.5					
Other clothing	8.2	180.3	186.5	187.8	185.9	176.2	190.8	202.4	210.6	214.7	217.9	222.6	227.1	230.9	236.7	242.2					
Footwear	4.9	199.1	200.8	213.0	204.8	207.5	212.1	218.0	202.3	202.7	206.2	212.4	216.7	220.3	218.6	222.6					
Gross rent, fuel, and power 2/	10.1	195.8	203.7	199.8	198.2	200.7	200.9	200.7	200.6	200.6	219.1	227.3	231.9	235.7	246.3	247.1					
Gross rent and water charges 2/	5.6	183.5	183.5	183.5	183.5	183.5	186.2	186.2	183.5	183.5	183.2	183.2	186.9	189.9	183.2	183.2					
Fuel and power	4.5	196.8	205.3	201.1	199.4	202.1	202.1	202.1	202.1	202.1	221.99	230.9	235.6	239.5	251.4	252.3					
Furniture and household operation	11.9	173.3	176.7	182.2	182.9	184.8	188.4	194.0	196.8	201.9	206.4	211.9	216.2	219.8	223.2	228.5					
Transport and communications	4.7	172.0	173.4	175.8	176.5	176.4	173.0	179.0	181.3	204.0	204.7	207.8	212.0	215.5	213.2	215.1					
Other goods and services	8.8	195.7	199.4	201.0	203.8	205.8	208.4	213.3	217.2	219.1	221.5	224.8	229.4	233.2	237.7	240.7					
Memorandum item:																					
Annual CPI inflation rates (end of period)		5.7	6.1	7.9	8.9	10.3	10.0	10.4	8.5	9.3	9.9	8.5	9.2	8.6	8.8	8.9					

Source: Lesotho Bureau of Statistics.

1/ Covers all households in Maseru. A national index covering other cities and rural areas is being constructed.

2/ Since January 1994, rent has been excluded from CPI calculations because of data collection problems.

Table 5. Lesotho: Basic Monthly Minimum Wages, 1992-97 1/

	1992 Sep.	1994 July	1995 Aug.	1996 Nov.	1997 Oct.
	(In maloti)				
Copy typist	301.5	346.7	378.0	419.5	457.3
Driver					
Car and light van	350.0	402.6	438.8	487.1	530.9
Medium size vehicle	383.7	441.2	481.0	533.9	581.9
Heavy vehicle	491.3	565.0	615.9	683.6	745.2
Operator (hammer mill)	255.4	293.7	320.1	355.3	387.3
Junior clerk	301.5	346.7	378.0	419.5	457.3
Machine operator	350.0	402.6	438.8	487.1	530.9
Messenger	255.4	293.6	320.1	355.3	387.3
Machine attendant	301.5	346.7	378.0	419.5	457.3
Receptionist	301.5	346.7	378.0	419.5	457.3
Shop assistant	281.5	323.7	352.8	391.7	426.9
Telephone operator	301.5	346.7	378.0	419.5	457.3
Ungraded artisan (heavy physical work)	325.3	374.1	407.8	452.6	493.4
Unskilled labor					
Heavy physical work	281.5	323.7	352.8	391.7	426.9
Light physical work	255.4	293.7	320.1	355.3	387.3
Waiter	289.5	332.9	362.9	402.8	439.1
Watchman	266.9	306.9	446.1	495.2	539.7
Weaver					
Training (six months)	255.4	293.7	320.1	355.3	387.3
Trained	267.8	308.0	335.7	372.6	406.2
Sewing machine operator					
Training (six months)	255.4	293.7	320.1	355.3	387.3
Trained	267.8	308.0	335.7	372.6	406.2
Small business	...	200.0	218.0	242.0	263.8
Domestic servant	...	100.0	109.0	121.0	131.9
	(Annual percentage change)				
Memorandum items:					
General increase 2/	...	15.0	9.0	11.0	9.0
Exception: watchman	...	15.0	45.3	11.0	9.0

Source: Ministry of Labor.

1/ Based on legal notices issued in August 1992, July 1994, July 1995, October 1996, and September 1997. There were no changes in the minimum wages in 1993.

2/ Rate of increase for all categories unless specified as exception.

Table 6. Lesotho: Public Service Employment, 1992/93-1996/97 1/

	1992/93	1993/94	1994/95	1995/96	1996/97
Established civil service 2/					
Professional and administrative	1,730	1,752	1,813	1,863	1,649
Executive	4,910	4,960	4,990	5,073	3,371
Clerical	10,498	10,624	10,881	11,054	13,364
Total	17,138	17,336	17,684	17,990	18,384
Actual employment					
Civil service 2/	15,376	15,521	15,686	16,780	17,685
Defense and public order	5,669	5,653	4,881	4,881	4,942
Teachers	9,092	8,903	9,396	9,601	9,868
Total	30,137	30,077	29,963	31,262	32,495

Source: Ministry of Public Service.

1/ Fiscal year is April-March.

2/ The established civil service posts exclude teachers, members of armed forces, and daily paid workers, but include chiefs, parliamentarians, senators, and statutory positions.

Table 7. Lesotho: Central Government Operations, 1992/93-1997/98 1/

	1992/93	1993/94	1994/95	1995/96	1996/97		1997/98	1996	1997	
		Actual			Program	Pr. Act.	Budget	April-Sep.		
	(In millions of maloti)									
Revenue	1,019.6	1,263.0	1,438.5	1,685.3	1,969.6	2,034.6	2,105.1	934.0	1,068.1	
Tax revenue	881.7	1,099.9	1,268.8	1,413.5	1,612.7	1,553.8	1,807.8	770.7	874.3	
Customs revenue	547.7	746.0	840.9	906.5	1,006.0	1,006.0	1,172.0	503.0	586.4	
Noncustoms tax revenue	334.1	353.9	427.9	507.0	606.7	547.8	635.8	267.7	287.9	
Income taxes	165.5	166.2	228.2	275.8	319.5	299.0	330.0	150.2	155.1	
Sales tax	123.0	141.5	149.8	174.0	235.5	193.9	244.6	90.4	104.2	
Oil levy	32.2	32.5	39.3	45.6	42.6	46.0	48.7	23.1	23.0	
Other tax revenues	13.4	13.7	10.6	11.6	9.1	8.9	12.5	4.0	5.6	
Nontax revenue	137.9	163.1	169.7	271.8	356.9	480.8	297.3	163.3	193.8	
Water royalties 2/	0.0	0.0	0.0	0.0	72.0	142.8	86.1	0.0	36.0	
Interest received	...	...	...	109.8	110.0	150.7	90.0	69.9	86.1
Other nontax revenues	137.9	163.1	169.7	162.0	174.9	187.3	121.2	93.4	71.7	
Total expenditure and net lending	1,085.2	1,243.1	1,419.3	1,723.3	2,078.5	2,051.5	2,368.6	989.6	1,080.7	
Current expenditure	723.9	834.5	980.6	1,104.9	1,349.6	1,177.8	1,621.9	602.3	736.9	
Wages and salaries	320.5	367.9	453.6	518.7	651.9	604.4	763.2	282.3	353.6	
Interest payments	58.3	66.6	54.8	60.6	74.0	72.2	100.4	32.2	33.3	
Of which: external interest	23.4	24.8	27.5	33.4	43.4	42.5	67.8	16.3	17.8	
Goods, services, and transfers	345.1	400.0	472.2	525.6	623.7	501.2	758.3	287.8	350.0	
Goods and services	268.5	309.6	317.0	358.8	...	261.1	517.5	199.0	248.1	
Transfers and subsidies	76.6	90.4	155.2	166.8	...	240.1	240.8	88.8	101.9	
Capital expenditure and net lending	361.3	408.6	438.7	618.4	728.9	873.7	746.7	387.3	343.8	
Domestically funded	81.0	93.2	129.0	179.6	274.3	252.3	304.0	123.0	103.9	
Of which: Development Fund 3/	0.0	0.0	0.0	71.2	65.0	86.5	75.0	53.5	19.9	
Externally funded	280.3	315.4	309.7	438.8	454.6	621.4	442.7	264.3	239.9	
Grant funded	...	137.4	143.6	163.2	194.8	193.4	198.3	82.5	74.1	
Loan funded	...	178.0	166.1	275.6	259.8	428.0	244.4	181.8	165.8	
Overall balance before grants	-65.6	19.9	19.2	-38.0	-108.9	-16.9	-263.5	-55.6	-12.6	
Grants from abroad	141.8	137.4	143.6	163.2	194.8	203.4	198.3	82.5	74.1	
Overall balance after grants	76.2	157.3	162.8	125.2	85.9	186.5	-65.2	26.9	61.5	
Total financing	-76.2	-157.3	-162.8	-125.2	-85.9	-186.5	65.2	-26.9	-61.5	
Financing abroad	140.8	170.5	104.1	203.9	161.6	347.2	139.1	141.3	126.8	
Loan drawings	187.7	220.8	166.1	275.6	259.8	428.0	244.4	181.8	165.8	
Amortization	-46.9	-50.3	-62.0	-71.7	-98.2	-80.8	-105.3	-40.5	-39.0	
Domestic financing	-271.4	-346.2	-246.9	-327.2	-247.5	-536.8	-73.9	-168.1	-192.1	
Bank	-271.0	-357.1	-271.6	-317.4	-232.5	-521.5	-73.9	-152.1	-204.1	
Nonbank 4/	-0.4	10.9	24.7	-9.8	-15.0	-15.3	0.0	-16.0	12.0	
Residual 5/	54.4	18.4	-20.0	-1.9	0.0	3.1	0.0	-0.1	3.7	
	(In percent of GNP)									
Revenue	31.5	34.2	34.4	37.5	37.8	39.0	37.0	17.9	18.8	
Customs revenue	16.9	20.2	20.1	20.2	19.3	19.3	20.6	9.6	10.3	
Noncustoms tax revenue	10.3	9.6	10.2	11.3	11.6	10.5	11.2	5.1	5.1	
Nontax revenue	4.3	4.4	4.1	6.1	6.8	9.2	5.2	3.1	3.4	
Total expenditure and net lending	33.5	33.7	34.0	38.4	39.9	39.4	41.7	19.0	19.0	
Current expenditure	22.3	22.6	23.5	24.6	25.9	22.6	28.5	11.6	13.0	
Wages and salaries	9.9	10.0	10.9	11.6	12.5	11.6	13.4	5.4	6.2	
Other expenditure	12.4	12.6	12.6	13.1	13.4	11.0	15.1	6.1	6.7	
Capital expenditure and net lending	11.1	11.1	10.5	13.8	14.0	16.8	13.1	7.4	6.0	
Overall balance before grants	-2.0	0.5	0.5	-0.8	-2.1	-0.3	-4.6	-1.1	-0.2	
Grants from abroad	4.4	3.7	3.4	3.6	3.7	3.9	3.5	1.6	1.3	
Overall balance after grants	2.4	4.3	3.9	2.8	1.6	3.6	-1.1	0.5	1.1	
Financing abroad	4.3	4.6	2.5	4.5	3.1	6.7	2.4	2.7	2.2	
Domestic bank financing	-8.4	-9.7	-6.5	-7.1	-4.5	-10.0	-1.3	-2.9	-3.6	
Memorandum item:	(In millions of maloti)									
GNP at current market prices	3,241.0	3,688.8	4,176.1	4,488.4	5,212.7	5,212.7	5,683.8	5,212.7	5,683.8	

Sources: Ministry of Finance; and staff estimates.

1/ Fiscal year is April-March.

2/ Royalties from exports of water relating to the Lesotho Highlands Water Project (LHWP).

3/ Spending from accumulated earmarked customs and water revenues attributed to LHWP.

4/ Based on Ministry of Finance records, which differ from those of the Central Bank of Lesotho.

5/ Treated as financing. Positive implies understatement of financing or revenues, or overstatement of expenditure. For 1992/93 and 1993/94, residual represents mainly grant receipts blocked pending satisfaction of project conditions and reimbursements of costs incurred by the water component of the LHWP for work on the hydroelectric component.

Table 8. Lesotho: Government Revenue and Grants, 1992/93-1997/98 1/

(In millions of maloti)

	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1996	1997
	Actual				Pr.Act.	Budget	April-Sep.	
Taxes on net income and profits	165.5	166.2	228.2	275.8	299.0	330.0	150.2	155.1
Company tax	53.0	46.4	65.2	56.1	52.6	70.0	26.7	31.2
Income tax (pay as you earn)	103.6	110.2	140.1	195.1	204.6	220.0	106.4	101.4
Gaming tax	2.1	2.0	3.7	2.5	2.9	4.0	1.4	1.4
Withholding tax	6.8	7.6	19.2	18.4	23.4	30.0	9.8	13.5
Other income and profit taxes	0.0	0.0	0.0	3.7	15.5	6.0	5.9	7.6
Taxes on goods and services	158.7	176.6	190.8	220.7	241.6	294.8	114.3	128.8
Sales tax	123.0	141.5	149.8	174.0	193.9	244.6	90.4	104.2
Trade licenses	3.5	2.6	1.7	1.1	1.7	1.5	0.8	1.6
Petrol levy	32.2	32.5	39.3	45.6	46.0	48.7	23.1	23.0
Taxes on international trade and transactions	548.9	746.9	840.9	906.5	1,006.0	1,172.0	503.0	586.4
Customs duties	547.7	746.0	840.9	906.5	1,006.0	1,172.0	503.0	586.4
Livestock import levy	1.1	0.7	0.0	0.0	0.0	0.0	0.0	0.0
Export duties on diamonds	0.1	0.2	0.0	0.0	0.0	0.0	0.0	0.0
Other taxes	8.7	10.2	8.9	10.5	7.2	11.0	3.2	4.0
Stamp duty	0.9	1.2	0.8	1.4	2.0	2.8	0.5	1.3
Other taxes	7.8	9.0	8.1	9.1	5.2	8.2	2.7	2.7
Total tax revenue	881.7	1,099.9	1,268.8	1,413.5	1,553.8	1,807.8	770.7	874.3
Administrative fees, charges, and nonindustrial sales	51.6	50.8	53.9	85.0	82.0	57.8	49.4	52.4
Attestation fees	1.1	0.9	0.9	1.0	0.5	0.0	0.2	0.4
Fines and forfeits	0.8	0.6	0.9	1.1	3.2	1.9	0.7	1.3
Property and other income	84.4	110.8	114.0	184.7	395.1	237.6	113.0	139.7
Interest on deposits	...	...	...	109.8	150.7	90.0	69.9	86.1
Water royalties	0.0	0.0	0.0	0.0	142.8	86.1	0.0	36.0
Rand monetary compensation	...	...	...	28.6	64.7	30.0	28.2	0.0
Dividends	...	...	...	17.5	15.6	9.4	8.0	5.0
Other property income	...	...	...	28.8	21.3	22.1	6.9	12.6
Total nontax revenue	137.9	163.1	169.7	271.8	480.8	297.3	163.3	193.8
Total revenue	1,019.6	1,263.0	1,438.5	1,685.3	2,034.6	2,105.1	934.0	1,068.1
Grants	141.8	137.4	143.6	163.2	203.4	198.3	82.5	74.1
Total revenue and grants	1,161.4	1,400.4	1,582.1	1,848.5	2,238.0	2,303.4	1,016.5	1,142.2

Sources: Ministry of Finance; and staff estimates.

Table 9. Lesotho: Southern African Customs Union (SACU) Operations, 1992/93-1997/98

Revenue Year 1/ Data Year 2/	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98
	1990/91	1991/92	1992/93	1993/94	1994/95	1995/96
	(In percent)					
Basic rate 3/	9.2	8.9	8.7	9.1	8.0	7.5
Revenue ("compensation") rate 4/	13.1	12.6	12.3	12.9	11.4	10.7
Stabilization factor 5/	3.5	3.7	3.8	3.5	4.3	4.7
Stabilized rate (calculated) 6/	16.5	16.3	16.2	16.5	15.7	15.3
Stabilized rate (actual) 7/	17.0	17.0	17.0	17.0	17.0	17.0
	(In millions of maloti, unless otherwise specified))					
Dutiable base 8/	2,367.1	3,116.9	3,656.7	4,224.6	4,787.3	5,561.6
Growth rate (in percent)	28.6	31.7	17.3	15.5	13.3	16.2
First estimate (payment) 9/	402.4	529.9	621.6	718.2	813.8	945.5
First adjustment (payment) 10/	145.3	217.0	219.2	188.3	192.2	227.3
Final adjustment (payment) 11/	0.0	-0.9	0.0	0.0	0.0	0.0
Actual receipts 12/	547.7	746.0	840.9	906.5	1,006.0	1,172.7
Growth rate (in percent)	29.1	36.2	12.7	7.8	11.0	16.6
Memorandum item:						
First estimate based on basic rate only 13/	218.0	276.6	317.3	384.4	383.0	417.1

Sources: Department of Customs and Excise; and staff estimates.

1/ Fiscal year (April-March) in which indicated revenue payments are received.

2/ Fiscal year of data on which calculations are based (rates, dutiable base).

3/ Customs and excise revenues as percent of dutiable base (imports and excisable production, and duties) for SACU as a whole (data year).

4/ Basic rate multiplied by 1.42, as initial compensation for disadvantages to smaller members.

5/ One-half of difference between 20 percent and revenue (compensation) rate.

6/ Revenue (compensation) rate plus stabilization factor.

7/ At least 17.0 percent and no more than 23.0 percent; the calculated stabilized rate applies if it falls between 17-23 percent. In recent years, the lower limit of 17.0 percent has been the operative rate applied to the dutiable base.

8/ Lesotho's imports (c.i.f. and duty-paid, adjusted to include electricity, estimated border shopping, etc.), excisable goods produced and consumed, and duties collected in the data year.

9/ Stabilized rate (actual) times dutiable base. Referred to as "accrued receipts" of data year.

10/ Stabilized rate (actual) times increase in dutiable base from two years earlier (as allowance for growth in dutiable base to revenue year).

11/ Minor adjustments made to account for revisions in base data, usually of previous data year. Calculated here as a residual.

12/ As reported in government revenue data.

13/ Basic rate times dutiable base. Referred to as "accrued receipts based on basic rate only."

Table 10. Lesotho: Economic Classification of Government Expenditure, 1992/93-1997/98 1/
(In millions of maloti)

	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1996	1997
		Actual			Pr.Act.	Budget	April-Sep.	
Current expenditure	723.9	834.5	980.6	1,104.9	1,177.8	1,621.9	602.3	736.9
Goods and services	589.0	677.5	770.6	877.5	865.5	1,280.7	481.3	601.7
Wages and salaries	320.5	367.9	453.6	518.7	604.4	763.2	282.3	353.6
Other purchases	268.5	309.6	317.0	358.8	261.1	517.5	199.0	248.1
Interest payments	58.3	66.6	54.8	60.6	72.2	100.4	32.2	33.3
External	23.4	24.8	27.5	33.4	42.5	67.8	16.3	17.8
Domestic	34.9	41.8	27.3	27.2	29.7	32.6	15.9	15.5
Subsidies and transfers	76.6	90.4	155.2	166.8	240.1	240.8	88.8	101.9
Pensions	18.0	19.1	18.8	20.6	29.8	22.0	12.7	16.4
Subventions and transfers	58.6	71.3	136.4	146.2	210.3	218.8	76.1	85.5
<i>Of which: social safety net</i>	7.0	8.0	10.0	8.0	6.0	5.0	0.0	0.0
Capital expenditure and net lending	361.3	408.6	438.7	618.4	873.7	746.7	387.3	343.8
Acquisition of assets	319.5	316.6	304.7	512.5	835.6	733.1	363.6	341.4
Transfers and subventions	19.8	28.6	57.2	45.3	27.1	13.6	16.8	2.4
Net lending	22.0	63.4	76.8	60.6	11.0	0.0	6.9	0.0
Total expenditure and net lending	1,085.2	1,243.1	1,419.3	1,723.3	2,051.5	2,368.6	989.6	1,080.7

Sources: Ministry of Finance; and staff estimates.

1/ Fiscal year is April-March.

Table 11. Lesotho: Functional Classification of Government Expenditure, 1992/93-1997/98 1/
(In millions of maloti)

	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98
		Actual			Pr.Act.	Budget
Current expenditure	723.9	834.5	980.6	1,104.9	1,177.8	1,621.9
General public service	200.9	247.5	279.7	336.3	369.1	613.2
Public order, safety, and defense	112.7	131.0	149.5	187.3	203.0	275.8
<i>Of which: defense</i>	...	60.9	87.4	96.9	109.8	147.1
Other services	88.2	116.5	130.2	149.0	166.1	337.4
Health, social security, and welfare	79.8	92.3	123.3	128.7	131.3	153.6
Education and community services	160.2	197.3	284.6	360.5	370.9	460.3
Economic services	155.4	175.0	207.9	197.4	214.7	279.9
Agriculture and rural development	64.1	87.9	91.1	105.2	107.8	137.4
Commerce, tourism, and industry	29.0	14.2	22.8	17.4	19.8	28.8
Water, energy, and mining	7.9	9.4	14.4	12.3	15.5	24.0
Roads	36.7	43.3	51.3	53.7	55.8	74.1
Other transport and communication	17.7	20.2	28.3	8.8	15.8	15.6
Unallocable and other purposes 2/	127.6	122.4	85.1	82.0	91.8	114.9
Capital expenditure and net lending	361.3	408.6	438.7	618.4	873.7	746.7
General public service	21.8	17.5	15.0	42.2	119.1	134.8
Public order, safety, and defense	1.8	7.5	5.2	4.1	17.2	25.5
<i>Of which: defense</i>	...	2.6	0.6	0.5	0.0	0.0
Other services	20.0	10.0	9.8	38.1	101.9	109.3
Health, social security, and welfare	53.8	42.3	48.1	46.5	73.1	41.4
Education and community services	58.1	68.1	76.1	77.0	101.7	73.9
Economic services	219.9	273.6	295.8	448.9	577.2	496.6
Agriculture and rural development	70.1	57.5	52.1	102.7	115.6	119.4
Commerce, tourism, and industry	5.6	38.9	28.7	27.4	0.9	10.2
Water, energy, and mining	83.2	86.2	106.1	215.1	266.2	204.4
Roads	49.0	81.6	95.3	99.8	116.7	131.1
Other transport and communication	12.0	9.4	13.6	3.9	77.8	31.5
Unallocable and other purposes 2/	7.7	7.1	3.7	3.8	2.6	0.0
Total expenditure and net lending	1,085.2	1,243.1	1,419.3	1,723.3	2,051.5	2,368.6
General public service	222.7	265.0	294.7	378.5	488.2	748.0
Public order, safety, and defense	114.5	138.5	154.7	191.4	220.2	301.3
<i>Of which: defense</i>	...	63.5	88.0	97.4	109.8	147.1
Other services	108.2	126.5	140.0	187.1	268.0	446.7
Health, social security, and welfare	133.6	134.6	171.4	175.2	204.4	195.0
Education and community services	218.3	265.4	360.7	437.5	472.6	534.2
Economic services	375.3	448.6	503.7	646.3	791.9	776.5
Agriculture and rural development	134.2	145.4	143.2	207.9	223.4	256.8
Commerce, tourism, and industry	34.6	53.1	51.5	44.8	20.7	39.0
Water, energy, and mining	91.1	95.6	120.5	227.4	281.7	228.4
Roads	85.7	124.9	146.6	153.5	172.5	205.2
Other transport and communication	29.7	29.6	41.9	12.7	93.6	47.1
Unallocable and other purposes 2/	135.3	129.5	88.8	85.8	94.4	114.9

Sources: Ministry of Finance; and staff estimates.

1/ Fiscal year is April-March.

2/ Calculated as a residual.

Table 12. Lesotho: Outstanding Government Domestic Debt
by Instrument and Holder, 1992-97

(In millions of maloti)

	1992	1993	1994	1995	1996	1997	1997
	March 31						June 30
Commercial banks							
Gross lending 1/	123.2	115.7	95.8	93.5	65.8	63.5	65.7
Long term	26.4	19.5	6.5	5.7	6.2	4.1	3.7
Bonds	15.8	11.5	0.0	0.0	0.0	0.0	0.0
Loans	10.6	8.0	6.5	5.7	6.2	4.1	3.7
Short-term	96.8	96.2	89.3	87.8	59.6	59.4	62.0
Loans	1.9	1.4	1.0	0.5	0.1	0.0	0.0
Treasury bills	94.9	94.8	88.3	87.3	59.5	59.4	62.0
Less government deposits (-)	-28.9	-47.0	-49.2	-41.7	-37.5	-50.9	-46.5
Net total	94.3	68.7	46.6	51.8	28.3	12.6	19.2
Central bank							
Gross lending 1/	34.0	129.4	331.2	144.9	233.3	152.0	131.4
Long term	3.0	1.8	1.8	0.9	0.5	0.0	0.0
Bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	3.0	1.8	1.8	0.9	0.5	0.0	0.0
Short term	31.0	127.6	329.4	144.0	232.8	152.0	131.4
Loans	0.0	115.4	315.3	127.1	184.2	124.8	125.2
Treasury bills	31.0	12.2	14.1	16.9	48.6	27.2	6.2
Less government deposits (-)	-104.0	-438.8	-972.0	-1,068.4	-1,441.7	-1,873.5	-2,028.5
Net total	-70.0	-309.4	-640.8	-923.5	-1,208.4	-1,721.5	-1,897.1
Nonbank 2/							
Long term	6.0	1.0	0.0	0.0	0.0	0.0	0.0
Bonds	6.0	1.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Short term	71.6	48.6	55.8	57.8	43.3	67.5	85.9
Treasury bills	28.2	47.1	51.7	49.9	46.0	67.5	85.9
Compulsory savings	43.4	1.5	4.1	7.9	-2.7	0.0	0.0
Promissory notes	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total nonbank	77.6	49.6	55.8	57.8	43.3	67.5	85.9
Total domestic debt, net	101.9	-191.1	-538.4	-813.9	-1,136.8	-1,641.4	-1,792.0
Gross debt outstanding	234.8	294.7	482.8	296.2	342.4	283.0	283.0
Less government deposits (-)	-132.9	-485.8	-1,021.2	-1,110.1	-1,479.2	-1,924.4	-2,075.0

Source: Central Bank of Lesotho.

1/ Data differ slightly in coverage from banking statistics and may not fully reflect revisions made there.

2/ The nonbank sector includes insurance, bank pension schemes, public servants' promissory notes and compulsory savings, and public enterprises, as well as the general public.

Table 13. Lesotho: Monetary Survey, March 1992-June 1997

	1992			1993			1994			1995			1996			1997		
	March	June	Sept.	March	June	Sept.	March	June	Sept.	March	June	Sept.	March	June	Sept.	March	June	
(In millions of maloti; stocks at end of period)																		
Foreign assets (net)	533.2	822.1	1,319.5	1,736.5	2,018.6	2,143.3	2,207.1	2,378.3	2,539.6	2,688.3								
Central bank	367.4	533.2	1,006.4	1,407.5	1,801.4	1,894.4	1,961.8	2,148.2	2,310.3	2,478.7								
Commercial banks 1/	165.8	288.9	313.1	329.0	217.2	248.9	245.3	230.1	229.3	209.6								
Domestic credit	391.0	154.5	-43.3	-266.5	-465.7	-553.3	-567.2	-598.7	-855.1	-1,025.9								
Claims on government (net)	26.5	-244.5	-601.6	-873.2	-1,190.7	-1,290.9	-1,342.8	-1,396.1	-1,712.1	-1,880.4								
Central bank	-70.0	-309.4	-646.1	-923.8	-1,217.6	-1,328.9	-1,375.0	-1,426.7	-1,722.4	-1,897.4								
Commercial banks	96.5	64.9	44.5	50.6	26.9	38.0	32.2	30.6	10.3	17.0								
Credit to the economy	364.5	399.0	558.3	606.7	725.0	737.6	775.6	797.4	857.0	854.5								
Private sector	332.6	372.8	529.2	568.2	632.2	614.1	649.8	656.1	690.4	711.4								
Statutory bodies	31.9	26.2	29.1	38.5	92.8	123.5	125.8	141.3	166.6	143.1								
Money and quasi money	734.9	818.2	1,027.1	1,163.8	1,221.9	1,258.3	1,314.8	1,415.3	1,400.7	1,439.3								
Narrow money	318.0	363.6	501.1	595.6	596.8	623.1	654.0	723.0	706.9	739.6								
Maloti with public	30.6	46.5	50.1	61.4	75.9	75.8	92.6	88.9	86.8	84.4								
Demand and call deposits	287.4	317.2	451.0	534.2	520.9	547.3	561.4	634.1	620.1	655.2								
Of which: MDPF 2/	5.8	5.7	5.4	5.4	4.8	5.2	6.0	5.4	5.7	5.4								
Quasi money	416.9	454.6	526.0	568.2	625.1	635.3	660.8	692.3	693.8	699.7								
Time deposits	116.3	130.0	155.0	161.2	183.9	195.4	204.9	220.0	219.9	223.8								
Of which: MDPF 2/	52.4	50.9	48.5	48.7	43.6	46.6	54.4	48.6	51.2	48.4								
Savings deposits	300.6	324.6	371.0	407.0	441.2	439.9	455.9	472.3	473.9	475.9								
Other items (net)	189.3	158.3	249.1	306.2	331.0	331.6	325.2	364.3	283.8	223.1								
(Annual percentage change)																		
Memorandum items:																		
Broad money	7.6	11.3	25.5	13.3	5.0	3.0	7.6	15.8	14.6	2.8								
Net foreign assets	20.8	54.2	60.5	31.6	16.2	6.2	9.3	17.8	25.8	5.9								
Total domestic credit	0.5	-60.5	-128.0	-515.5	-74.7	-18.8	-21.8	-28.6	83.6	20.0								
Credit to government (net)	-83.5	-1,022.6	-146.1	-45.1	-36.4	-8.4	-12.8	-17.3	43.8	-9.8								
Credit to the economy	59.4	9.5	-39.9	-8.7	-19.5	-1.7	-7.0	-10.0	18.2	-0.3								
(Changes as a percentage of opening broad money)																		
Net foreign assets	13.4	39.3	60.8	40.6	24.2	10.2	15.4	29.4	42.6	10.6								
Total domestic credit	0.3	-32.2	-24.2	-21.7	-17.1	-7.2	-8.3	-10.9	-31.9	-12.2								
Credit to government (net)	-19.6	-36.9	-43.6	-26.4	-27.3	-8.2	-12.4	-16.8	-42.7	-12.0								
Credit to the economy	19.9	4.7	19.5	4.7	10.2	1.0	4.1	5.9	10.8	-0.2								

Source: Central Bank of Lesotho.

1/ Includes rand notes and coins.

2/ Miners' Deferred Pay Fund.

Table 14. Lesotho: Assets and Liabilities of the Central Bank of Lesotho, March 1992-June 1997
(In millions of maloti; end of period)

	1992	1993	1994	1995			1996			1997			
		March	June	Sept.	Dec.	March	June	Sept.	Dec.	March	June		
Foreign assets	373.2	538.7	1,012.0	1,413.2	1,510.9	1,553.8	1,667.0	1,808.1	1,900.7	1,968.1	2,154.4	2,316.5	2,485.0
Claims on government	417.7	129.4	325.9	144.6	138.6	139.6	147.9	224.1	183.0	123.4	160.7	151.1	131.1
Unclassified assets	43.1	45.4	59.3	59.5	71.2	71.7	71.3	61.7	82.8	74.7	107.9	93.7	108.0
Total assets = Total liabilities	834.0	713.5	1,397.2	1,617.3	1,720.7	1,765.1	1,886.2	2,093.9	2,166.5	2,166.1	2,423.0	2,561.3	2,724.1
Reserve money	211.4	135.8	175.7	192.4	202.2	213.2	286.5	230.2	221.6	222.9	319.4	241.1	254.8
Maloti in circulation	39.6	59.6	61.1	73.9	82.0	88.7	98.6	91.5	88.9	107.4	107.8	107.2	107.1
Bankers' deposits	171.8	76.2	114.6	118.5	120.2	124.5	187.9	138.7	132.7	115.5	211.6	133.9	147.7
Foreign monetary liabilities	5.8	5.5	5.6	5.7	5.7	5.7	5.7	6.7	6.3	6.3	6.2	6.2	6.3
Government deposits	487.7	438.8	972.0	1,068.4	1,164.0	1,201.9	1,325.8	1,441.7	1,512.0	1,498.3	1,587.4	1,873.5	2,028.5
Other deposits	24.7	13.6	39.0	106.2	121.9	133.1	67.4	98.3	59.2	78.7	86.0	80.9	73.6
Capital accounts	52.4	55.9	62.0	67.3	71.8	69.6	71.8	71.4	71.4	75.0	78.4	79.6	79.2
Capital and reserves	38.4	39.4	43.7	48.2	50.5	50.5	50.5	50.1	50.1	51.5	54.9	56.1	55.7
Allocation of SDRs	14.0	16.5	18.3	19.1	21.3	19.1	21.3	21.3	21.3	23.5	23.5	23.5	23.5
Unclassified liabilities	52.0	63.9	142.9	177.3	155.1	141.6	129.0	245.6	296.1	284.9	345.6	280.0	281.7

Source: Central Bank of Lesotho

Table 15. Lesotho: Assets and Liabilities of Commercial Banks, March 1992-June 1997
(In millions of maloti; end of period)

	1992		1993		1994		1995		1996			1997	
			March		March	June	Sept.	Dec.	March	June			
Reserves	178.3	85.2	123.0	92.8	151.4	168.6	129.8	245.6	146.6	166.8			
Maloti on hand	9.0	13.2	10.0	12.5	15.7	13.1	14.8	23.0	20.4	22.7			
Rand on hand	11.3	8.2	6.9	6.6	6.3	6.1	7.0	17.1	6.7	8.8			
Balances with central bank	158.0	63.8	106.1	73.7	129.4	149.4	108.0	205.5	119.5	135.3			
Foreign assets	184.4	311.5	342.7	352.1	272.0	286.9	271.2	272.9	255.9	224.6			
Claims on government	125.4	111.9	93.7	92.3	64.4	82.3	72.5	74.3	61.2	63.5			
Claims on statutory bodies	31.9	26.2	29.1	38.5	92.8	123.5	125.8	141.3	166.6	143.1			
Claims on private sector 1/	332.6	372.8	529.2	568.2	632.2	614.1	649.8	656.1	690.4	711.4			
Unclassified assets	107.4	130.2	140.3	148.9	183.4	54.1	87.9	73.5	101.3	161.3			
Total assets = Total liabilities	960.0	1,037.7	1,258.0	1,292.8	1,396.2	1,329.5	1,337.0	1,463.7	1,422.0	1,470.7			
Demand and call deposits 2/	264.8	299.6	412.3	435.2	418.0	482.9	475.7	542.6	533.7	576.2			
Savings and time deposits 2/	360.5	399.3	452.2	507.0	581.5	588.6	606.4	643.7	642.6	651.3			
Savings deposits	300.6	324.6	352.5	407.0	441.2	439.9	455.9	472.3	473.9	475.9			
Time deposits	59.9	74.7	99.7	100.0	140.3	148.7	150.5	171.4	168.7	175.4			
Miners' Deferred Pay Fund	58.2	56.5	53.9	54.1	48.4	51.8	60.4	54.0	56.9	53.8			
Foreign liabilities	29.9	30.8	36.5	29.7	61.1	44.1	32.9	59.9	33.3	23.8			
Government deposits	28.9	47.0	49.2	41.7	37.5	44.3	40.3	43.7	50.9	46.5			
Capital accounts	97.2	108.4	117.3	155.9	158.4	161.9	161.9	108.4	112.6	112.6			
Unclassified liabilities	120.5	96.1	136.6	69.2	91.2	-44.1	-40.7	11.4	-8.0	6.5			

Source: Central Bank of Lesotho.

1/ Includes mortgages from March 1994.

2/ Excludes Miners' Deferred Pay Fund and nonresidents' deposits.

Table 16. Lesotho: Principal Aggregates of Commercial
Banks' Operations, March 1992-June 1997

(In millions of maloti, unless otherwise specified; end of period)

	Deposits 1/	Loans and Advances 2/	Credit- Deposit Ratio 3/	Liquid Assets 4/	Liquidity Ratio 5/
1992					
March	654.2	463.9	70.9	376.2	57.5
June	710.2	497.8	70.1	402.0	56.6
September	697.8	473.3	67.8	500.0	77.7
December	751.5	454.2	60.4	407.5	54.2
1993					
March	746.0	480.6	64.4	383.6	51.4
June	806.4	503.6	62.5	353.1	43.8
September	807.5	526.1	65.2	257.6	31.9
December	885.8	516.9	58.3	328.6	37.1
1994 6/					
March	935.0	597.0	63.9	270.4	28.9
June	923.6	634.2	68.7	248.9	26.9
September	920.5	629.5	68.4	262.9	28.6
December	976.7	611.2	62.4	329.6	33.7
1995					
March	983.9	642.5	65.3	221.1	22.5
June	959.9	658.3	68.9	288.2	30.2
September	971.9	664.0	68.3	288.7	29.7
December	1031.9	680.7	66.0	294.3	28.5
1996					
March	1037.0	639.5	61.7	320.9	30.9
June	1115.9	657.0	58.9	330.9	29.7
September	1122.5	693.0	61.7	211.7	18.9
December	1230.0	714.7	58.1	410.1	33.3
1997					
March	1227.2	759.2	69.9	255.8	20.8
June	1274.0	757.7	59.5	251.4	19.7

Source: Central Bank of Lesotho.

1/ Excludes Miners' Deferred Pay Fund and deposits of nonresidents.

2/ Excludes loans and advances to nonresidents. Includes treasury bills held by banks.

3/ Loans and advances as a percentage of deposits.

4/ Cash reserves, call or demand deposits with banks in the Common Monetary Area, and short-term government securities.

5/ Liquid assets as percentage of deposits.

6/ From 1994, loans and advances include mortgages.

Table 17. Lesotho: Assets and Liabilities of Lesotho Agricultural Development Bank, March 1992-September 1997

(In millions of maloti, unless otherwise specified; end of period)

	1992	1993	1994	1995	1996			1997			
		March	March	March	March	June	Sept.	Dec.	March	June	Sept.
Balances with local banks	5.5	9.4	7.3	9.8	2.1	2.0	6.2	6.0	2.0	1.8	2.3
Loans and advances to private sector	53.2	46.3	54.3	56.4	58.5	55.9	58.7	59.7	60.6	61.5	67.1
Balances with foreign banks	15.3	14.0	11.3	9.8	8.5	7.3	5.8	4.6	6.0	6.1	3.0
Claims on government	3.0	0.0	0.0	0.0	...	...	...	...	...	...	...
Other assets	30.6	40.6	47.2	45.2	46.8	49.9	47.5	50.3	55.3	56.6	28.1
Total assets = Total liabilities	107.6	110.3	120.0	121.1	115.8	115.1	118.2	120.6	123.9	126.0	100.5
Call deposits	8.2	19.0	20.1	21.4	21.2	22.3	22.2	21.4	21.8	24.6	23.4
Savings deposits	45.8	53.6	65.0	73.6	81.5	80.4	84.3	85.1	86.0	86.6	92.2
Fixed time deposits	11.6	11.7	11.4	10.9	14.4	15.4	15.2	14.9	14.3	14.8	16.5
Paid up capital and reserves	7.5	7.5	30.1	32.1	34.9	34.9	34.9	50.9	50.9	50.9	35.5
Liabilities to government	0.0	0.0	0.0	...	...	...	...	...	...	...	...
Other liabilities	34.5	18.6	-6.6	-16.8	-36.2	-37.9	-38.4	-51.7	-49.1	-50.9	-67.1
Memorandum items:											
Interest rates (in percent)											
Charged to borrowers	21.5	22.0	22.5	22.5	22.5	22.5	22.5	22.5	23.5	23.0	23.0
Paid on one-year fixed-time deposits	12.7	8.5	7.5	10.5	10.5	12.7	11.7	11.7	12.7	12.7	11.2
Paid on savings deposits											
Minimum	13.3	7.0	6.0	6.3	6.3	11.0	10.0	10.0	10.0	6.5	6.5
Maximum	13.8	7.7	6.6	7.2	7.2	12.0	11.0	11.0	11.0	7.5	7.5

Source: Central Bank of Lesotho.

Table 18. Lesotho: Sectoral Distribution of Commercial Bank Credit to the Private Sector and Statutory Bodies, March 1992-June 1997 1/

(In millions of maloti; end of period)

	1992	1993	1994	1995	1996			1997		
		March	March	March	March	June	Sept.	Dec.	March	June
Agriculture	4.5	28.4	37.9	36.4	39.7	38.3	39.1	40.3	41.0	41.6
Mining and quarrying	0.2	0.3	0.5	0.7	0.9	0.7	0.7	6.6	0.8	0.8
Manufacturing	31.3	39.4	59.0	63.6	62.8	56.4	59.4	48.8	67.6	73.4
Electricity, gas, and water	11.1	11.4	13.3	9.2	70.3	85.3	104.5	114.5	76.4	78.0
Construction	30.1	24.7	87.8	97.7	146.8	138.6	148.4	149.3	221.0	207.9
Trade, hotels, and restaurants	94.1	106.2	69.4	76.9	64.4	62.9	65.4	60.1	68.5	70.7
Transport, storage, and communications	27.4	32.1	42.5	57.1	50.6	51.5	52.6	56.4	57.5	59.0
Nonbank financial institutions, real estate, and business services	19.3	31.7	32.2	30.8	42.7	54.2	50.3	53.8	51.3	44.1
Community, social, and personal services	34.7	45.5	49.6	40.1	36.1	38.8	35.8	37.9	37.6	43.1
Personal loans 2/	68.2	78.3	166.1	184.1	198.7	198.8	208.2	217.4	222.1	222.8
Other 3/	43.5	1.1	0.0	10.1	11.8	12.1	11.2	12.3	13.2	13.1
Total claims on the economy	364.5	399.0	558.3	606.7	725.0	737.6	775.6	797.4	857.0	854.5
Private sector	332.6	372.8	529.2	568.2	632.2	614.1	649.8	656.1	690.4	711.4
Business enterprises	264.4	294.5	363.1	384.1	433.5	415.3	441.6	438.7	468.3	488.6
Personal loans 2/	68.2	78.3	166.1	184.1	198.7	198.8	208.2	217.4	222.1	222.8
Statutory bodies	31.9	26.2	29.1	38.5	92.8	123.5	125.8	141.3	166.6	143.1

Sources: Central Bank of Lesotho, *Quarterly Reviews and Annual Reports*; and staff estimates.

1/ Does not include investments and certain securities.

2/ Includes mortgages from March 1994.

3/ Calculated as residual.

Table 19. Lesotho: Interest Rates Paid by the Central Bank
on Commercial Bank Deposits, March 1992-June 1997

(In percent per annum; end of period)

	Call	31 Days	88 Days	6 Months	1 Year
1992					
March	12.0	12.3	12.8	13.5	13.9
June	12.4	12.8	12.8	12.6	11.9
September	10.5	11.3	11.0	11.2	9.9
December	10.2	10.6	10.8	10.5	9.5
1993					
March	9.3	9.6	9.8	9.7	9.4
June	9.3	9.6	9.8	9.7	9.4
September	9.3	9.6	9.8	9.7	9.4
December	8.1	8.7	9.1	9.2	9.3
1994					
March	8.1	8.7	9.1	9.2	9.3
June	8.1	8.7	9.1	9.2	9.3
September	8.1	8.7	9.1	9.2	9.3
December	8.9	9.5	10.1	10.5	12.3
1995					
March	10.3	10.9	12.1	12.7	13.6
June	11.0	11.5	12.8	13.2	14.5
September	11.0	11.5	12.8	13.2	14.5
December	11.0	11.5	12.8	13.2	14.5
1996					
March	11.0	11.5	12.8	13.2	14.5
June	13.8	14.2	15.3	15.5	15.4
September	13.6	13.9	14.1	14.1	14.0
December	15.0	15.3	15.5	15.4	15.2
1997					
March	15.0	15.3	15.5	15.4	15.2
June	13.6	14.2	14.5	14.5	14.5
June	13.6	14.0	13.9	13.9	13.9

Source: Central Bank of Lesotho.

Table 20. Lesotho: Interest Rates at Commercial Banks, March 1992-June 1997
(In percent per annum; end of period)

	1992			1993			1994			1995			1996			1997			
	March	June	Sept.	Dec.	March	June	Sept.	Dec.	March	June	Sept.	Dec.	March	June	Sept.	Dec.	March	June	
Lending rates 1/																			
Minimum	19.0	15.0	14.0	14.0	14.0	14.0	14.0	15.0	16.5	16.5	16.5	16.5	16.5	16.5	18.0	18.5	18.5	18.1	18.1
Maximum	30.0	25.0	24.0	24.0	24.0	24.0	25.0	25.0	26.5	26.5	26.5	26.5	26.5	29.0	28.0	28.5	28.1	28.1	28.1
Prime rate	20.0	15.0	14.0	14.0	14.0	14.0	15.0	15.0	16.5	16.5	16.5	16.5	16.5	19.0	18.0	18.5	18.5	18.5	18.1
Deposit rates																			
Savings deposits	13.3	7.3	6.0	6.0	6.0	6.0	6.1	6.1	6.1	6.2	6.2	6.2	6.2	6.0	6.0	6.0	6.0	6.0	6.0
Time deposits																			
31 days	12.3	7.6	6.7	6.7	6.7	6.7	7.5	7.5	10.3	10.3	10.3	10.3	10.3	11.0	10.0	15.3	...	...	...
1 year	13.9	7.8	7.5	7.5	7.5	7.5	10.5	10.5	13.6	13.6	13.6	13.6	13.6	13.8	11.5	15.2	...	...	...
Memorandum items:																			
South African rates																			
Prime overdraft	20.3	16.3	15.3	15.3	16.3	16.3	16.3	16.3	17.5	17.5	18.5	18.5	18.5	20.5	19.3	20.3	20.3	20.3	20.3
Deposit rates																			
Notice (31 days)	15.6	11.3	10.3	10.5	11.5	11.5	11.8	11.8	12.5	13.0	13.5	14.3	14.3	15.8	15.3	17.0	16.3	15.5	15.5
Fixed (12 months)	14.3	11.6	9.8	11.0	12.3	12.3	13.7	13.7	14.3	15.0	14.5	13.9	13.5	15.1	14.9	16.0	15.4	14.8	14.8

Sources: Central Bank of Lesotho, *Quarterly Review*, and South African Reserve Bank, *Quarterly Bulletin*.

1/ Minimum and maximum lending rates are not statutory rates; they simply indicate the range of interest rates reported by banks.

Table 21. Lesotho: Comparative Money Market Rates, March 1992-September 1997

(In percent per annum; end of period)

End of Period	Discount Rate		Treasury Bills		Treasury Bonds Lesotho 3/		
	CBL 1/	SARB 2/	Lesotho	South Africa	Two Years	Three Years	Five Years
1992							
March	18.0	16.0	15.8	15.0	10.0	12.0	14.0
June	16.5	15.0	14.9	...	10.0	12.0	14.0
September	15.5	15.0	14.3	12.1	10.0	12.0	14.0
December	15.0	14.0	11.9	12.1	10.0	12.0	14.0
1993							
March	15.0	13.0	11.1	11.2	10.0	12.0	14.0
June	15.0	13.0	10.1	11.9	...	...	...
September	15.0	13.0	10.0	11.1	...	...	...
December	13.5	12.0	9.9	11.2	...	...	...
1994							
March	13.5	12.0	9.9	10.2	...	...	...
June	13.5	12.0	9.3	10.7	...	...	...
September	13.5	13.0	9.3	10.9	...	...	...
December	13.5	13.0	10.4	12.7	...	...	...
1995							
March	13.5	14.0	10.4	12.8	...	...	...
June	15.5	15.0	12.3	14.1	...	...	...
September	15.5	15.0	13.0	14.0	...	...	...
December	15.8	15.0	13.0	14.2	...	...	...
1996							
March	15.8	15.0	13.0	14.2	...	...	...
June	15.8	16.0	15.5	15.7	...	...	...
September	16.0	16.0	14.3	15.1	...	...	...
December	17.0	17.0	14.3	16.1	...	...	...
1997							
March	17.0	17.0	15.7	15.8	...	...	...
June	16.0	17.0	15.2	15.2	...	...	...
September	16.6	17.0	14.6	14.7	...	...	...

Source: Central Bank of Lesotho.

1/ Central Bank of Lesotho.

2/ South African Reserve Bank.

3/ Treasury bonds transactions have been discontinued since June 1993.

Table 22. Lesotho: Balance of Payments, 1992/93-1996/97 1/

	1992/93	1993/94	1994/95	1995/96	1996/97
	Actual				Est.
	(In millions of U.S. dollars)				
Trade balance	-787.5	-715.0	-789.5	-882.6	-802.0
Exports	112.1	138.6	149.5	155.2	188.9
Imports, f.o.b.	-899.6	-853.6	-939.0	-1,037.8	-990.9
<i>Of which</i> : LHWP 2/	-112.2	-90.9	-127.1	-195.1	-176.7
Services (net)	-35.6	-22.7	-24.0	-16.6	13.4
Receipts	51.1	43.9	49.1	51.6	84.0
Payments	-86.7	-66.6	-73.1	-68.2	-70.6
Income (net)	430.1	388.2	384.8	339.1	304.3
Labor income (net)	449.4	401.7	393.7	354.9	298.3
Receipts	449.4	401.7	393.7	425.7	359.1
<i>Of which</i> : miners' wages	372.5	331.0	337.4	357.0	298.3
Payments	...	...	...	-70.7	-60.8
Investment income (net)	-19.3	-13.5	-8.9	-15.8	6.1
Receipts	30.9	36.3	46.4	65.5	67.7
Payments	-50.2	-49.8	-55.3	-81.3	-61.7
<i>Of which</i> : interest on debt	-8.9	-10.8	-10.4	-11.8	-17.7
Unrequited transfers	218.7	205.6	231.3	248.3	220.0
Official	214.5	203.4	228.7	245.7	218.0
Southern African Customs Union nonduty receipts	127.9	143.0	152.4	169.7	154.3
LHWP (hydropower)	3.2	3.1	17.0	14.0	14.5
Other grants	83.4	57.3	59.3	62.0	49.2
Private	4.2	2.2	2.7	2.6	2.0
Current account	-174.3	-143.9	-197.4	-311.8	-264.3
Long-term capital net	215.0	228.3	291.0	341.2	303.8
Official loans (net)	55.6	30.3	25.4	37.8	36.6
Disbursements	74.5	43.9	41.2	59.5	55.3
Repayments	-18.9	-13.6	-15.7	-21.7	-18.7
Private loans (net)	6.2	2.1	-0.5	-1.3	-1.3
Private foreign investment	153.2	196.0	266.0	304.7	268.5
<i>Of which</i> : LHWP 3/	147.3	175.5	222.8	276.7	243.2
Short-term capital (net)	42.1	7.3	10.0	-35.8	2.7
Errors and omissions	-26.0	49.7	8.4	113.5	71.3
Overall surplus/deficit	56.8	141.4	111.9	107.1	113.5
Change in reserves (increase -)	-56.8	-141.4	-111.9	-107.1	-113.5
Memorandum items:	(In percent, unless otherwise indicated)				
SAF/ESAF net purchases (in millions of U.S. dollars)	8.3	4.8	-1.1	-4.2	-5.8
Current account (as percent of GNP)	-15.7	-13.1	-16.9	-25.6	-22.7
Net official reserves (in millions of U.S. dollars) 4/	167.9	289.2	392.0	452.5	522.4
Net official reserves (in months of imports) 5/	2.8	4.7	5.8	7.0	7.6
Debt-service ratio (in percent of exports, services, and factor income)	4.3	3.9	4.1	4.8	5.2
Stock of external debt (in millions of U.S. dollars) (as percent of GNP)	...	476.4	548.3	583.3	591.1
Export growth 6/	35.0	24.0	6.0	-3.1	26.6
Import growth 5/ 6/	-5.9	-1.6	4.6	-12.0	3.8

Sources: Central Bank of Lesotho; and staff estimates.

1/ Financial year is April-March.

2/ Lesotho Highlands Water Project (LHWP).

3/ LHWP-related investments are now classified as private foreign investment.

4/ Adjusted for exchange rate valuation.

5/ Excluding LHWP imports.

6/ In real terms.

Table 23. Lesotho: Balance of Payments, 1992/93 - 1996/97 1/

	1992/93	1993/94	1994/95	1995/96	1996/97
	Actual				Est.
	(In millions of maloti)				
Trade balance	-2,299.2	-2,392.6	-2,828.5	-3,246.7	-3,596.4
Exports	327.4	463.6	535.5	570.8	846.9
Imports, f.o.b.	-2,626.6	-2,856.2	-3,364.0	-3,817.5	-4,443.3
<i>Of which</i> : LHWP 2/	-327.6	-304.0	-455.2	-717.5	-792.3
Services (net)	-104.0	-75.9	-86.1	-61.0	60.0
Receipts	149.1	146.9	175.9	189.9	376.5
Payments	-253.1	-222.8	-262.0	-250.9	-316.5
Income (net)	1,255.7	1,299.1	1,378.8	1,247.3	1,364.7
Labor income (net)	1,312.0	1,344.2	1,410.5	1,305.6	1,337.5
Receipts	1,312.0	1,344.2	1,410.5	1,565.8	1,610.3
<i>Of which</i> : miners' wages	1,087.6	1,107.5	1,208.8	1,313.3	1,337.6
Payments	...	...	...	-260.3	-272.8
Investment income (net)	-56.3	-45.2	-31.7	-58.3	27.2
Receipts	90.1	121.5	166.3	240.9	303.7
Payments	-146.4	-166.6	-198.0	-299.2	-276.5
<i>Of which</i> : interest on debt	-26.1	-36.0	-37.2	-43.5	-79.5
Unrequited transfers	638.6	687.9	828.7	913.5	986.6
Official	626.4	680.4	819.2	904.0	977.7
Southern African Customs Union nonduty receipts	373.5	478.3	546.1	624.2	692.1
LHWP (hydropower)	9.4	10.4	60.8	51.6	65.1
Other grants	243.5	191.7	212.4	228.2	220.5
Private	12.3	7.5	9.5	9.5	8.9
Current account	-508.9	-481.5	-707.1	-1,146.9	-1,185.1
Long-term capital net	627.7	764.1	1,042.5	1,255.1	1,362.2
Official loans (net)	162.2	101.4	91.1	139.2	164.0
Disbursements	217.4	146.8	147.5	218.9	248.0
Repayments	-55.1	-45.4	-56.4	-79.7	-84.0
Private loans (net)	18.2	6.9	-1.8	-4.9	-5.8
Private foreign investment	447.3	655.7	953.1	1,120.7	1,204.0
<i>Of which</i> : LHWP 3/	430.0	587.2	798.4	1,017.9	1,090.5
Short-term capital (net)	123.0	24.4	35.8	-131.8	12.1
Errors and omissions	-76.0	166.2	30.0	417.6	319.6
Overall surplus/deficit	165.8	473.2	401.1	393.9	508.9
Change in reserves (increase -)	-165.8	-473.2	-401.1	-393.9	-508.9
Memorandum items:	(In percent, unless otherwise indicated)				
SAF/ESAF purchases (in millions of maloti)	24.2	16.1	-4.0	-15.3	-26.0
Current account (as percent of GNP)	-15.7	-13.1	-16.9	-25.6	-22.7
Net official reserves (in millions of maloti)	533.2	1,006.4	1,407.5	1,801.4	2,310.3
Net official reserves (in months of imports) 4/	2.8	4.7	5.8	7.0	7.6
Debt service ratio (in percent of exports, services and factor income)	4.3	3.9	4.1	4.8	5.2
Stock of external debt (in millions of maloti)	1,263.4	1,657.6	1,968.6	2,321.9	2,614.1
(as percent of GNP)	...	44.9	47.1	51.7	50.1
Export growth 5/	35.0	24.0	6.0	-3.1	26.6
Import growth 4/ 5/	-5.9	-1.6	4.6	-12.0	3.8

Sources: Central Bank of Lesotho; and staff estimates.

1/ Financial year is April-March.

2/ Lesotho Highlands Water Project (LHWP).

3/ LHWP-related investments are now classified as private foreign investment.

4/ Excluding LHWP imports.

5/ In real terms.

Table 24. Lesotho: Services and Income Account, 1992/93-1996/97 1/

	(In millions of maloti)				
	1992/93	1993/94	1994/95	1995/96	<u>1996/97</u>
					Est.
Nonfactor services (net)	-104.0	-75.9	-86.1	-61.0	60.0
Credit	149.1	146.9	175.9	189.9	376.5
Shipment	0.0	0.0	0.0	0.0	0.0
Other transportation	7.3	7.1	10.3	8.3	7.5
Travel	53.0	58.1	61.6	73.2	100.2
Sales of water (and power)	0.0	0.0	0.0	0.0	142.8
Other official	49.8	52.0	68.4	70.5	83.0
Other private	39.0	29.7	35.6	38.0	43.0
Debit	-253.1	-222.8	-262.0	-250.9	-316.5
Shipment	-118.2	-112.4	-125.0	-147.9	-167.6
Other transportation	-18.3	-17.5	-13.8	-16.3	-17.7
Travel	-31.7	-18.2	-32.7	-48.4	-125.5
Other official	-75.4	-73.6	-79.6	-8.5	-3.3
Other private	-9.4	-1.2	-10.9	-29.8	-2.4
Factor incomes (net)	1,255.7	1,299.1	1,378.8	1,247.3	1,364.7
Credit	1,402.1	1,465.7	1,576.8	1,806.7	1,914.0
Investment income	90.1	121.5	166.3	240.9	303.7
Interest earned by commercial banks	4.0	43.9	51.5	61.8	61.1
Interest earned by the central bank	86.1	77.6	114.8	179.0	242.6
Labor income	1,312.0	1,344.2	1,410.5	1,565.8	1,610.3
Debit	-146.4	-166.6	-198.0	-559.4	-549.4
Investment income	-146.4	-166.6	-198.0	-299.2	-276.5
Dividends and profits	-120.3	-130.6	-160.8	-255.6	-197.1
Interest	-26.1	-36.0	-37.2	-43.5	-79.5
Labor income 2/	...	...	...	-260.3	-272.8
Total services and income (net)	1,151.7	1,223.2	1,292.7	1,186.3	1,424.7

Source: Central Bank of Lesotho.

1/ Financial year is April-March.

2/ Prior to 1995/96 recorded in the service account.

Table 25. Lesotho: Basotho Miners in South Africa , 1992-96

	1992	1993	1994	1995	1996
Total average number employed (in thousands)	119.6	116.1	112.7	103.7	101.2
Annual percentage change	-2.1	-2.9	-2.9	-8.0	-2.4
<i>Of which: employed through TEBA 1/</i>					
Average number (in thousands)	93.5	89.9	89.1	87.9	...
Annual percentage change	-0.4	-3.8	-1.0	-1.3	...
Employed through TEBA/total employed (in percent)	78.2	77.4	79.0	84.8	...
Average annual earnings (in maloti) 2/	12,321	13,359	14,562	16,801	19,186
Annual percentage change	8.8	8.4	9.0	15.4	14.2
Total earnings (in millions of maloti)	1,473.5	1,551.4	1,641.5	1,743.0	1,942.3
Annual percentage change	6.5	5.3	5.8	6.2	11.4
Miners' remittances (in millions of maloti) 3/	1,103.8	1,104.5	1,170.5	1,242.4	1,384.3
Deferred pay 4/	288.8	334.4	320.0	410.6	...
<i>Of which: TEBA 1/</i>	228.4	228.5	264.1	281.0	183.9
Remittances through TEBA 1/	132.7	157.6	166.5	209.2	311.3
Unrecorded remittances 5/	682.3	612.6	684.0	622.6	...
Miners' remittances (as percentage of total earnings)	74.9	71.2	71.3	71.3	71.3
Miners' remittances (annual percentage change)	6.3	0.1	6.0	6.1	11.4

Sources: Central Bank of Lesotho; Department of Labor; and the Employment Bureau for Africa.

1/ The Employment Bureau for Africa, an agency of the South African Chamber of Mines.

2/ Average for Basotho miners, including overtime payments and repatriation allowances, as reported by the South African Chamber of Mines.

3/ Estimated by the Central Bank of Lesotho as approximately 71 percent of total earnings.

4/ Compulsory deposits to Deferred Pay Fund; 30 percent of basic wages since April 1991.

5/ Calculated as residual.

Table 26. Lesotho: Composition of Recorded Exports, 1992-96

	1992	1993	1994	1995	1996
	(Value in millions of maloti)				
Foodstuffs, etc.	24.3	25.7	21.1	31.2	33.8
Cereals	4.8	6.9	7.7	7.2	9.2
Beans, peas, and other vegetables	5.0	2.5	3.8	2.5	1.3
Animal feed	0.0	6.0	4.1	8.4	8.4
Beverages and tobacco	1.9	0.0	2.2	1.6	0.5
Other foodstuffs	12.6	10.3	3.3	11.5	14.4
Live animals	0.4	8.9	7.1	3.9	1.6
Cattle	0.4	8.4	6.1	2.7	1.6
Sheep and goats	0.0	0.2	0.7	1.1	0.0
Pigs	0.0	0.3	0.3	0.1	0.0
Livestock materials	19.5	22.2	32.2	34.6	32.9
Wool	15.3	16.9	22.7	27.4	22.7
Mohair	3.8	5.1	8.6	5.2	9.4
Hides and skins	0.3	0.2	0.9	1.5	0.7
Crude materials	0.1	0.0	0.0	0.5	0.1
Diamonds	1.9	4.4	0.5	1.6	0.2
Other	264.8	377.7	448.4	509.3	743.6
Chemicals and petroleum	1.7	0.5	2.5	7.4	24.7
Leather products	1.6	3.8	0.9	0.0	0.3
Wood products	0.1	0.0	0.1	0.0	0.3
Yarn and textiles, etc.	2.4	1.2	2.2	4.3	3.2
Road vehicles	2.8	3.8	10.4	34.3	118.4
Furniture and parts	2.7	27.5	40.5	10.1	8.6
Clothing, etc.	216.9	250.8	279.0	284.1	359.8
Footwear	20.8	50.9	35.1	44.7	101.4
Other manufactures	9.7	35.9	77.5	124.3	126.5
Unclassified	6.1	3.3	0.2	0.1	0.4
Total value	310.9	438.9	509.3	580.6	812.1
Change (in percent)	67.0	41.2	16.0	14.0	39.9
	(Volume as indicated)				
Wool (in metric tons)	2,098.0	2,022.0	1,686.0	1,957.8	2,082.5
Mohair (in metric tons)	463.0	879.0	407.0	142.3	373.7
Diamonds (in thousands of carats)	14.8	8.3	1.2	13.9	1.2
Value per carat (in maloti)	128.4	530.1	416.7	115.0	169.5

Source: Central Bank of Lesotho.

Table 27. Lesotho: Direction of Trade, 1992 - 96 1/

	1992		1993		1994		1995		1996	
	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports
(In millions of maloti)										
World	2,926.0	310.9	3,221.8	438.9	3,391.8	509.3	3,994.7	580.6	4,815.6	812.1
Africa	2,497.6	154.4	2,722.8	206.0	2,881.2	261.8	3,623.7	306.6	4,462.3	569.6
Common Customs Area	2,494.0	152.7	2,716.2	201.3	2,866.5	258.9	3,621.3	299.6	4,417.7	562.6
Other Africa	3.6	1.7	6.6	4.7	14.7	2.9	2.4	7.0	44.6	7.0
European Union	117.6	70.5	85.9	80.0	78.7	51.3	85.3	53.8	55.4	43.6
Belgium	2.3	...	2.6	...	0.9	...	1.6	...	1.0	...
Denmark	1.0	...	2.1	...	10.1	...	2.5	...	0.9	...
France	31.8	...	28.6	...	13.8	...	36.7	...	16.2	...
Germany	28.8	...	20.5	...	16.7	...	19.6	...	18.3	...
Italy	30.3	...	9.1	...	17.9	...	7.9	...	3.5	...
Netherlands	4.7	...	4.0	...	2.3	...	0.7	...	1.0	...
United Kingdom	18.7	...	19.0	...	17.0	...	15.2	...	14.5	...
Other Europe	43.0	1.8	16.5	2.6	3.7	1.9	36.2	0.5	19.4	0.1
North America	17.1	83.3	37.0	147.0	44.9	192.7	29.0	218.3	23.7	198.5
Canada	1.1	...	3.5	...	4.3	...	13.9	...	9.5	...
United States	16.0	...	33.5	...	40.6	...	15.1	...	14.2	...
Asia	249.8	0.8	354.8	2.0	377.2	1.6	219.5	1.4	254.0	0.3
Japan	43.8	...	53.0	...	46.8	...	21.0	...	24.6	...
Hong Kong, China	93.6	...	90.0	...	102.3	...	30.1	...	8.2	...
Taiwan Province of China	54.4	...	108.3	...	150.0	...	114.8	...	154.5	...
Other	58.0	...	103.5	...	78.1	...	53.6	...	66.7	...
Oceania	0.9	0.1	4.8	1.3	6.1	0.0	1.0	0.0	0.8	0.0
(In percent of total)										
Africa	85.4	49.7	84.5	46.9	84.9	51.4	90.7	52.8	92.7	70.1
Of which:										
Common Customs Area	85.2	49.1	84.3	45.9	84.5	50.8	90.7	51.6	91.7	69.3
European Union	4.0	22.7	2.7	18.2	2.3	10.1	2.1	9.3	1.2	5.4
Other Europe	1.5	0.6	0.5	0.6	0.1	0.4	0.9	0.1	0.4	0.0
North America	0.6	26.8	1.1	33.5	1.3	37.8	0.7	37.6	0.5	24.4
Other	8.6	0.3	11.2	0.8	11.3	0.3	5.5	0.2	5.3	0.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Central Bank of Lesotho.

1/ Imports are c.i.f., duty exclusive, and excluding donated food; exports are f.o.b.

Table 28. Lesotho: Public and Publicly Guaranteed External Debt Outstanding, 1993/94-1996/97 1/

	1993/94	1994/95	1995/96	1996/97
(In millions of U.S. dollars)				
Multilateral sources	404.9	466.4	479.9	483.3
IMF	40.0	42.6	37.3	31.9
World Bank Group	165.2	194.3	208.1	215.3
IBRD	28.7	42.8	54.1	59.3
International Development Association	136.5	151.5	154.0	156.0
African Development Bank	25.9	28.1	24.2	18.2
African Development Fund	121.0	142.1	147.1	149.0
Other	52.8	59.2	63.2	68.8
Bilateral sources	49.2	55.2	58.6	56.7
Commercial	22.3	26.7	44.8	51.1
Commercial banks	14.0	21.9	38.1	45.3
Export credits	8.3	4.7	6.7	5.8
Total	476.4	548.3	583.3	591.1
(As percent of total debt)				
Multilateral	85.0	85.1	82.3	81.8
Bilateral	10.3	10.1	10.0	9.6
Commercial	4.7	4.9	7.7	8.6
(As percent of GNP) 2/				
Multilateral	38.2	40.1	42.6	41.0
Bilateral	4.6	4.7	5.2	4.8
Commercial	2.1	2.3	4.0	4.3
Total	44.9	47.1	51.7	50.1
Memorandum items:				
GNP (in millions of maloti)	3,688.8	4,176.1	4,488.4	5,212.7
Maloti per U.S. dollar (end of period)	3.48	3.59	3.98	4.42

Source: External Debt Unit; and Ministry of Finance.

1/ End of fiscal year (April-March).

2/ Based on debt data in maloti at end-period exchange rates.

Lesotho: Summary of the Tax System, November 30, 1997

(All amounts in maloti)

Tax	Nature of Tax	Exemptions and Deductions	Rates
1. Taxes on net income and profits			
1.1 Taxes on companies, corporations, or enterprises			
1.1.1 Income tax			
Income Tax Act 1993, Order No. 9 of 1993 (this act repeals the 1981 Income Tax Act); Income Tax (Amendment) Act 1994; and Income Tax (Amendment) Act 1996.	A tax on the current year's income from all geographical sources (in the case of resident companies) including on specified fringe benefits to employees. Dividends paid by a resident company to a resident shareholder are exempt but advance corporate tax applies.	Deductions include normal operating costs, expenditures for repair and maintenance, and depreciation of plant and machinery. Expenditure on the training of Basotho workers is deductible up to 125 percent of actual expenditure incurred. The income of pension funds, life insurance companies, and charitable institutions is exempt.	For all sectors of activity other than manufacturing, 35 percent; a reduced rate (15 percent) is applicable to all manufacturing companies other than those approved for Pioneering Industries benefits before August 3, 1990 (see Item 6, below). For nonresident companies, 25 percent.
1.1.2 Gambling levy			
The Casino Act, No. 26 of 1969; Legal Order No. 42 of 1971. Casino Order No. 4 of 1989.	A levy on gross profits of gambling casinos.		Fifteen percent

Lesotho: Summary of the Tax System, November 30, 1997 (continued)

(All amounts in maloti)

Tax	Nature of Tax	Exemptions and Deductions	Rates
1.2	Taxes on individuals		
1.2.1	Income tax Income Tax Act 1993.	<p>Exempt incomes include: the first M 500 of interest from savings; income from subsistence farming; scholarships; and foreign-source property income of expatriate taxpayers.</p> <p>Deductions include expenses of deriving income.</p> <p>A uniform personal tax credit of M 2,640 per taxpayer was introduced in April 1996.</p>	<p>Residents</p> <p>First M 30,000 25 percent Over M 30,000 35 percent (marginal)</p> <p>Nonresidents</p> <p>All chargeable income 25 percent</p>
1.2.2	Withholding tax Income Tax Act 1993.	<p>Dividends from manufacturing companies are exempt.</p> <p>Taxes on urban land and improvements based on capital value of property, as assessed periodically. Improvements valued on basis of depreciated replacement value.</p>	<p>Withholding tax is 25 percent.</p> <p>For royalties from nonmanufacturing companies, 15 percent.</p>
2.	Taxes on property		
2.1	Property rates Valuation and Rating Act 1980; Urban Government Act 1993; and Legal Notice No. 10 of 1997.	<p>These taxes are currently applied only within Maseru, Teyateyaneng, and Mafeteng. Government property is subject to a grant in lieu.</p>	<p>Rates of 0.25 percent on residential property; 2.0 percent on commercial property; and 2.75 percent on industrial property.</p>

Lesotho: Summary of the Tax System, November 30, 1997 (continued)

(All amounts in maloti)

Tax	Nature of Tax	Exemptions and Deductions	Rates
2.2	Ground rents Land Act No. 17 of 1979; Land Regulations, Legal Notice No. 15 of 1980; and Legal Notice No. 131 of 1991.	A fee for use right to occupy land. Charged according to area of land and location.	Owner-occupiers are exempted. M 0.05-0.10 per annum per square meter for residential land; M 0.25- 0.30 per annum per square meter for commercial land. Levy of 5 percent for late payment.
2.3	Death taxes		
2.3.1	Estate duty Proclamation No. 20 of 1935 as amended.	A duty paid by the estate in respect of property passing on the death of the person who owned the property at the time of death.	Any amount received under an insurance policy is not subject to tax. Three ten thousandths M 2 for every M 200 or part thereof, subject to a maximum rate of M 0.67 per M 2. A rebate of M 600 is deducted from the amount of duty calculated.
2.3.2	Succession duty Proclamation No. 20 of 1935 as amended.	A duty levied on all successions accruing to any person.	Successions accruing to a surviving spouse, to the Lesotho government, and to nonprofit public institutions within Lesotho are exempt. A rate of duty varying according to the degree of relationship of the successor from 3 percent to 12 percent of the dutiable amount. A 1 percent surcharge is levied on dutiable successions exceeding M 20,000.
2.4	Transfer duty Transfer Duty Act, 1965, No. 7 of 1966; Transfer Duty Order, 1972, Order No. 1 of 1972.	A duty levied on the transfer of immovable property (including lease contracts for at least ten years and any rights to minerals).	The following are exempt: the Lesotho government and its departments, the Lesotho Electricity Corporation, the Lesotho Bank, the Lesotho Airways Corporation, the Lesotho National Development Corporation; local authorities; nonprofit public institutions and public hospitals; and a surviving spouse for the estate of a deceased spouse. A duty of 3 percent on the first M 10,000 of value and 4 percent on the excess value.

Lesotho: Summary of the Tax System, November 30, 1997 (continued)

(All amounts in maloti)

Tax	Nature of Tax	Exemptions and Deductions	Rates										
3. Taxes on goods and services													
3.1 General Sales Tax	<p>A sales tax imposed on every taxable supply in Lesotho and on every import of goods and services. The act provides for the imposition of a single-stage sales tax at retail level. The act also paves the way for value-added tax (VAT) in that it provides for the claiming of credit for import tax paid in respect of certain supplies to, or certain imports by, a taxable vendor. It also provides for a credit for certain taxes paid on goods on hand at the time a person becomes registered.</p> <p>The act provides for mandatory and voluntary applications by vendors and compulsory registration by the Commissioner. Where the vendor has been registered, the Commissioner is obliged to issue both registration certificate and sales tax exemption certificate. However, the Commissioner may refuse to issue a sales tax exemption certificate to a registered person.</p>	<p>Under Section 6(2) the act exempts from sales tax imports of goods prescribed in Schedule II (diplomatic purchases, passengers' baggage, household furniture and effects of new residents, relief and supplies, temporary imports, etc.). It further exempts the goods acquired by the vendor as raw materials for use in manufacturing or for re-supply in substantially the same state, and capital goods supplied to, or imported by, a manufacturer. The following sales or supplies are also exempted: goods as part of the transfer of an enterprise; goods to, or imports by, an employee of a foreign government or public international organization seconded to Lesotho; water, public postal services; passenger transport by road or air; medical and dental services; specified financial services; insurance services; and educational services. Government purchases are exempt.</p>	<p>Rates are prescribed by the minister by notice in the official gazette. The existing rates are:</p> <table> <tr> <td>Goods</td> <td>Rate (in percent)</td> </tr> <tr> <td>General</td> <td>10</td> </tr> <tr> <td>Liquor</td> <td>20</td> </tr> <tr> <td>Telecommunications and electricity</td> <td>5</td> </tr> <tr> <td>Exports</td> <td>nil</td> </tr> </table>	Goods	Rate (in percent)	General	10	Liquor	20	Telecommunications and electricity	5	Exports	nil
Goods	Rate (in percent)												
General	10												
Liquor	20												
Telecommunications and electricity	5												
Exports	nil												
3.2 Excise taxes	<p>A tax on certain goods manufactured and imported into Lesotho, including beer, spirits, matches, tobacco, cigars, cigarettes, petroleum oils, motor vehicles, and tractors.</p>	<p>Exports and purchases by charitable organizations are exempt.</p>	<p>Both specific and ad valorem rates.</p>										

Lesotho: Summary of the Tax System, November 30, 1997 (continued)

(All amounts in maloti)

Tax	Nature of Tax	Exemptions and Deductions	Rates
3.3 Trade licenses Trading Enterprise Order, 1993; and Order No. 11 of 1997	Payable by traders carrying on business.	Charitable, religious, and nonprofit institutions are exempt.	Ranging from M 20 to M 500, depending on the type and size of establishment.
3.4 Petrol levy Fuel and Service Control Act 1983, No. 23 of 1983. Section 3(d) empowers the Minister to impose and collect a levy on fuel. Amended by Legal Notice No. 63, August 1988.	A levy on petrol of all grades or distillate supplied by any person.	Paraffin (kerosene) is exempt.	Rates are 43 lisente per liter on petrol sold to public for private cars, and 37 lisente per liter for diesel used in industry, agriculture, and public buses. In addition, there is an Equal- ization Fund levy of 3 lisente per liter.
4. Taxes on international trade and transactions			
4.1 Customs duties Customs and Excise Act, No. 10 of 1982.	A duty on all goods imported into Lesotho. A three-column tariff schedule based on the Customs Cooperation Council (CCC) nomenclature with fiscal, general, and most-favored nation (MFN) rates of duty used. Goods origi- nating from countries enjoying MFN status pay the fiscal and customs duties. There is no preferential rate of duty.	There are free-trade agreements with Botswana, Namibia, South Africa, and Swaziland.	Ad valorem duties charged on the domestic value of the goods at varying rates.
Customs Union Agreements, Legal Notice No. 71 of 1969 (effective March 1, 1970).	A duty collected by the Republic of South Africa and other partners (at port of arrival) and contributed to a common customs union pool held with Botswana, Namibia, South Africa, and Swaziland. Lesotho's share is calculated according to a fixed formula.		

Lesotho: Summary of the Tax System, November 30, 1997 (continued)

(All amounts in maloti)

Tax	Nature of Tax	Exemptions and Deductions	Rates
4.2	Livestock importation levy Legal Notice No. 196 of 1991.	A duty collected by the Ministry of Agriculture when the import permits are issued.	For private persons: M 30 and M 15 for each head of large and small stock, respectively.
4.3	Sand and stones levy	A tax on the use of sand and stones for commercial purposes.	For licensed butchers: M 7.50 and M 3.75 for each head of large and small stock, respectively. M 1 per ton.
4.4	Diamond sales tax Precious Stones Order 1970, No. 24 of 1970.	A sales tax on the value of every diamond found in Lesotho and exported therefrom.	Fifteen percent of the true market value of every diamond.
5.	Other taxes		
5.1	Attestation fees	Fees on registration of migrant Basotho workers in South African mines.	M 10.15 per contract of 120 to 270 working days, payable at the time of worker's departure for mines.
5.2	Stamp duty Proclamation 16/07 as amended: Stamp Duties (Amendment) Order No. 20 of 1972; and Legal Notice No. 58 of 1988.	Duties levied on a range of instruments, including arbitrations and awards, bills of exchange, bonds, acts or deeds of donation, leases, transfers, and insurance policies.	Rates of duty varying depending on the nature of the instrument, the matter to which it relates, and its value.
5.3	Toll gate fees Toll Gate Act of 1976. Legal Notice No. 18 of 1988; and Legal Notice No. 1 of 1992.	Fees levied on vehicles leaving Lesotho.	M 2 for cars, M 6 for trucks, applied each time leaving Lesotho.

Lesotho: Summary of the Tax System, November 30, 1997 (concluded)

(All amounts in maloti)

Tax	Nature of Tax	Exemptions and Deductions	Rates
<p>6. Pioneer Industries Pioneer Industries Encouragement Act, 1969, No. 19 of 1969, as amended.</p>	<p>Applicable to manufacturers and related industries and building companies establishing their operations in Lesotho that had already been approved for tax benefits to encourage pioneering industries by August 3, 1990.</p>	<p>Approved manufacturers may opt for ten years' exemption from income tax, with five more years carry-forward of assessed losses or a package of tax allowances, which can be extended for approved expansion. An approved existing manufacturer or a hotel or casino-keeper is limited to the package of allowances. The incentives can be revoked, varied, or extended according to the performance of the approved manufacturer, with the approval of the Minister of Trade.</p>	<p>Option for companies approved for tax benefits (mentioned in adjoining column) by August 3, 1990 of surrendering such benefits and immediately switching over to the 15 percent company tax rate or of retaining these benefits and paying the tax rate of 35 percent upon expiry of existing tax holidays. Most tax holiday companies already exercised this option—even before the report of the Pioneering Industries Encouragement Act.</p>

Source: Ministry of Finance.

Lesotho: Summary of the Exchange and Trade System

(As of November 30, 1997)

Exchange arrangement

The currency of Lesotho is the loti (plural maloti), which is pegged to the South African rand at M 1 per R 1. Under the Common Monetary Area (CMA) Agreement, the rand is also legal tender in Lesotho. The principal intervention currency is the U.S. dollar. On November 28, 1997, the buying and selling rates for the U.S. dollar were M 4.8445 and M 4.8675, respectively, per US\$1. Authorized dealers are permitted to conduct forward exchange operations through their correspondent banks abroad at rates quoted by the latter. Forward exchange cover is not, however, common in Lesotho. There are no taxes or subsidies on purchases or sales of foreign exchange.

Exchange control territory

Lesotho forms part of the CMA, which is an exchange control territory comprising Lesotho, Namibia, South Africa, and Swaziland. The amended Trilateral Monetary Agreement among Lesotho, South Africa, and Swaziland became effective on April 1, 1986 (and was further amended in 1989). Namibia, which was an indirect party to the agreement by virtue of its relationship with South Africa, officially became a party following its independence in March 1990. Payments within the CMA are unrestricted and unrecorded except for statistical and customs purposes. In its relations with countries outside the CMA, Lesotho applies exchange controls that are largely similar to those applied by South Africa and Swaziland.

Administration of control

The Central Bank of Lesotho controls external currency transactions and delegates to commercial banks the authority to approve certain types of current payments up to established limits. Permits are issued by the Department of Customs and Excise on the recommendation of the Department of Trade and Industry. Licenses for financial institutions accepting deposits and insurance companies, brokers, and agents are issued by the Central Bank of Lesotho.

Prescription of currency

There are no regulations prescribing the currencies that can be used in particular transactions.

Imports and import payments

Lesotho is a member of the Southern African Customs Union (SACU) with Botswana, Namibia, South Africa, and Swaziland. All imports originating in any country of the SACU are unrestricted (except certain food imports on a temporary basis); those from countries outside the SACU are usually licensed in conformity with the import regulations of the SACU. Lesotho reserves the right to restrict certain imports. Import permits are valid for all countries and entitle the holder to buy the foreign exchange required to make payments for imports from outside the SACU.

Exports and export proceeds

Most exports are shipped without license to or through South Africa, except the exportation of diamonds. Unless otherwise permitted, all export proceeds must be remitted to Lesotho within six months of the date of the export transaction.

Payments for, and proceeds, from invisibles

Limits on purchase of foreign exchange for payments to nonresidents for current transactions were abolished on January 8, 1998, except a number of indicative limits on the purchase of foreign exchange by Lesotho residents for purposes of travel and full time study abroad. The indicative limits on travel allowances are as follows: M 80,000 per adult and M 25,000 per child under 12 years of age, per calendar year; and M 500,000 per firm/company for business travel, per calendar year. The indicative limits on basic education allowance for a student are M 80,000 per annum plus M 20,000 per annum to cover traveling expenses during vacation periods. The indicative limits for a student accompanied by a spouse who is not studying are M 160,000 per annum and M 40,000 per annum, respectively. These indicative limits are applied specifically to prevent unauthorized capital outflows, and amounts in excess of these limits are approved when the applicant provides documents in support of a bona fide request.

Capital

Inward capital transfers should be properly documented to facilitate the subsequent repatriation of interest, dividends, profits, and other income. No person may either borrow foreign currency, register shares in the name of a nonresident, or act as a nominee for a nonresident without prior approval.

Applications for outward transfers of capital are considered on their merits. The rulings on applications for inward and outward capital transfers may depend on whether the applicant is a temporary resident foreign national, a nonresident, or a resident. Certain tax incentives for inward direct investment are provided to manufacturers approved by the Pioneer Industries Board under the Pioneer Industries Encouragement Act of 1969. Funds in blocked maloti accounts may be invested in quoted securities and other such investments approved by the Central Bank of Lesotho. The transfer by nonresidents of dividends and profits from

investments held in Lesotho is not restricted, provided that these funds were not obtained through excessive use of local borrowing facilities. Emigrants may transfer up to M 200,000 per family or up to M 100,000 per person. An emigrant family or an individual may export one automobile only, with a maximum value of M 75,000, provided that the automobile was purchased at least one year before emigration.

Gold

Residents may freely purchase, hold, and sell any gold coins that are legal tender.

