



NATIONAL STRATEGIC
DEVELOPMENT PLAN II
STRATEGIC FOCUS
2023/24 -2027/28

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I. Context/Background

Past and current Development Plans have been formulated to define a desired destination and identify the roles that different sectors of society need to play in order to realise a set goal. This requires critical levels of commitment and leadership to strengthen the planning systems within and across all the spheres of government, and collaboration of the private sector, civil society and development partners.

Lesotho's planning and fiscal operations have been guided by the national planning frameworks to promote sustainable development. However, the country remains vulnerable, with low investment in key areas, low productive capacity, and high-income inequality. The economy is still highly dependent on government for economic activities and fiscal revenues. Lesotho's capacity to attract foreign investment is limited and the country remains very dependent on imports. Poverty and unemployment remain high, especially in the rural areas, affecting mostly women and youth.

The Government of Lesotho has taken the decision to extend the NSDP II for the next coming five years to ensure the effective implementation of policies and actions set out therein. The extension will also provide an opportunity for the Government to prioritise NSDP Goals in line with coalition government's objectives and priorities as outlined in the coalition agreement.

II. INTRODUCTION

Since her independence, Lesotho has made critical strides towards sustainable development, but this has neither eradicated multidimensional poverty nor reduced unemployment levels. According to the world bank report (2022), on inequality in Southern Africa, the unemployment rate in Lesotho remains high at 22.5 percent (using a strict definition) and 38.3 percent (using the expanded definition that includes discouraged job seekers) in 2019. As a result, 49.7 percent of the population in Lesotho live below the \$1.90 per person per day¹ (Lesotho Poverty Mapping Report, 2018). In terms of inequality, as measured by the Gini coefficient, Lesotho is amongst the most unequal countries in the world as inequality remains high at 0.44. Although some progress has been made since 2010, there is need to focus on income and asset inequality so that Lesotho does not remain one of the most unequal societies in the world.

Nearly 50 percent of population lives below poverty line. Over 20 percent of the labour force is unemployed. This is evidenced by the deteriorating macroeconomic position of the country. GDP has declined steadily since 2015 which is attributed to the growing structural gap between the government's spending and the amount of revenue it collects. Government spending is estimated at around 60 percent of the GDP and is evidenced by the deteriorating macroeconomic position of the country. Overdependence on SACU revenues and improper intertemporal revenue management have also put a strain on the economic prospects and macro fiscal outlook of the country. SACU receipts have been declining steadily over the past years and are expected to drop even further in the near-to-medium term future. The country's debt; which stands at a staggering 35.5 percent of the GDP is also burdening the country while the capital investment is minimal.

Education and skills development are recognised as cornerstone for any development as it aims to ensure that a person has an opportunity to be productive and be grounded with moral values. Though spending is high on education, the outcomes keep on declining. The skills mismatch is also one of the challenges for the country. There is a need to identify skills need and labour market trend to avoid unnecessary unemployment and underemployment among the educated. The COVID-19 global pandemic represented a severe and unexpected exogenous shock to Lesotho's economy, in the context of an already weak economic performance. Inequality, deepening poverty and extreme levels of unemployment, were all exacerbated by the effects of the pandemic. The advent of COVID-19 further exposed the vulnerability and non-resilience of Lesotho's health system, thus underlined the need to make economies and societies more sustainable, resilient and better prepared for future challenges.

Health outcomes have been regressing regardless of high spending on health sector, which satisfies the Abuja declaration where 15 percent of national budget should be allocated to health. A large proportion of population is vulnerable to communicable and non-communicable diseases. The

¹ international poverty line

prevalence rate of HIV is particularly high amongst the adults at 22.7 percent. Furthermore, lifestyle changes have increased the rate of chronic illness and need to be addressed urgently to curb the negative economic effects. Social protection sector is well resourced, but it remains poorly organised and managed. People with disabilities continue to receive unequal access to social services and economic opportunities. In terms of migration, there is inconsistency between policy and legislation of migration and lack of reliable data for migration. Human trafficking is also on the rise. However, Lesotho was upgraded to Tier 2 due to its efforts to eliminate trafficking of persons. Lack of enabling infrastructure has contributed to Lesotho's economic imbalance. A significant expansion in the delivery of public infrastructure will enable creation of jobs, unlock investment and boost aggregate demand in the ICT, agricultural sector, financial sector, manufacturing sector and other related sectors across the value chains.

Good governance and strong accountability systems play an imperative role in the economic growth enhancement. It provides a conducive and stable environment for private investment. Lesotho's institutions of governance have weakened and lack transparency. The legal frameworks establishing the oversight bodies have not permitted for full autonomy of oversight bodies. Public services have also deteriorated while local government structures lack financial and technical resources.

The Strategic Framework set out four key priority areas to develop and diversify Lesotho's economy. It outlines initiatives that focused on achieving increased and higher economic growth from both existing sectors of Lesotho's economy and those that are new and emerging. It sets in motion key objectives of the situational analysis and foundational work that were carried out in a number of areas and key economic sectors across the economy. It highlights the need to consider cross cutting issues such as environment and climate change, Youth, gender and emerging sectors such as digital technology and, renewable energy. It is, therefore, the purpose of this framework to set out a roadmap for achieving the rapid economic growth through adherence to the following key priority areas of sustainable development: **Growth Progression (NSDP II Key Priority Area I or in short KPA I), Social Transformation (NSDP II KPA II) , Infrastructure Development (NSDP II KPA III), Good Governance and Accountability (NSDP II KPA IV).** This strategy also contains cross cutting themes or topics such as **Environment and Climate Change** that are integral components of NSDP II, as the population relies heavily on climate vulnerable sectors such as agriculture, water resources and biodiversity.

III. Strategic Direction

Lesotho's planning and fiscal operations have been guided by the national planning frameworks to promote sustainable development. However, the country remains vulnerable, with low investment in key areas, low productive capacity, and high-income inequality. The economy is still highly dependent on government for economic activities and fiscal revenues. Lesotho's capacity to attract foreign investment is limited and the country remains very dependent on imports. Poverty and unemployment remain high, especially in the rural areas, affecting mostly women and youth.

In order to move forward and achieve sustainable growth and development critical levels of commitment and leadership are required to strengthen the planning systems within and across all the spheres of government, and collaboration of the private sector, civil society and development partners is imperative.

1. Growth Progression

The goal of this KPA is to ***achieve inclusive, sustainable and equitable growth and create private sector lead employment for Basotho***. The aim is to transform the country from a consumer-based economy to a producer and export-driven economy. This is hoped to be achieved through structural transformation of the following productive sectors. Agriculture, Manufacturing, Mining and Tourism. The NSDP II KPA is aligned with Food Security and Agriculture Revolution, Industrialisation Revolution, Development Finance Revolution and Extractive Industry Revolution with the following objectives:

1.1 Food Security Agriculture Revolution

- Increase agricultural production capacity
- Develop agriculture commodity markets
- Maximise value from wool and Mohair

1.2 Industrialisation Revolution

- Achieve urbanisation and industrialisation
- Develop creativity industry

1.3 Extractive industry Revolution

- Map and quantify the country's assets to enhance bargaining power
- Attract financing in top mining projects
- Capture maximum value for the Basotho nation
- Establish Sovereign Development Fund

1.4 Development Finance Revolution

- Provide guidance for credit giving financial institution
- Re-engineering and reorganising LNDC and BEDCO
- Reinforce and enhance the financial inclusion mandate of Lesotho Postbank
 - .1. Convert the Post Bank into a fully-fledged development bank mandated to support, amongst others, the energy security national priority.

2. Social Transformation

The aim of this key priority area is ***to build capable and healthy human resources*** Quality human capital is crucial to optimizing productivity and associated socioeconomic benefits to the people. The healthcare and social security revolutions will be implemented through the social transformation. Lesotho's population is undergoing a demographic transition where the age structure is changing from dominantly children to one dominated by working age population. Thus, provide an opportunity for demographic dividend. Lesotho should choose to accelerate demographic transition through investment in youth, education, and health. The NSDP II is aligned to the following revolutions and their objectives:

2.1 Healthcare Revolution

- Enhance productive pharmaceutical and healthcare capacity
- Combat and effectively respond to pandemics
- Improve quality of health infrastructure, care and personnel

2.2 Social Security Revolution

- Harness and improve the existing social development projects
- Create jobs as a social safety net against poverty and social exclusion
- Taking care of the vulnerable
- Introduction of a social security fund
- Low income housing development

3. Infrastructure Development

The aim of this key priority area is ***to build new and expand (maintain) the existing infrastructure that will help the productive sectors*** to achieve their goal. Strong infrastructure enables economic growth and is the bedrock for better living conditions. Energy, water, transport, Information Communication and Technology (ICT) and build environment are the vital forces that supports economic transformation. Sustainable investment in infrastructure needs to be prioritized and

sequenced to support economic development. This KPA is in line with the industrialisation revolution, ICT revolution and energy security revolution.

3.1. Energy Security Revolution

- Enhance energy self-sufficiency and export to South Africa and SADC
- Build skills that support the energy revolution
- Augment storage capacity of fuels and energy

3.2. ICT Revolution

- Strengthen ICT

3.3. Industrialisation Revolution

- Develop physical infrastructure to achieve urbanisation and Industrialisation

4. Good Governance and Accountability

Aligned to Good Governance revolution and implementation revolution, the goal of this KPA is to promote good governance through effective institutions. Good governance and responsive institutions and engaged citizens are the fundamental principles of democracy and sustainable development. Lesotho's economic, social, political, and environmental future rests on its ability to put people at the centre of decision making. Lesotho wants to continue to safe, peaceful and upholding the rule of law, secure, transparent and accountable and to improve the service delivery while also being at peace with other countries. This KPA is in line with the following revolutions and objectives:

4.1. Good Governance Revolution

- Strengthen Institutions of Good Governance

5. Cross Cutting Themes

This section highlights the critical issues to be addressed in the Plan period for a number of cross-cutting themes. The Government will promote gender equality, protect the interests of children and youth, people with disabilities, the elderly and other disadvantaged groups. These critical topics will be implemented by integrating them into relevant chapters and action programmes.

5.1. Environment and Climate Change,

- Strengthen climate risk management Resilience because Lesotho is experiencing devastating impacts of climate change and extreme weather conditions.
- Address soil erosion and bad land management practices.
- Manage wetlands

6. Implementation, Monitoring and Evaluation

The successful implementation NSDP II outcomes is dependent on robust monitoring and evaluation systems. To achieve the NSDP key reforms are needed to improve allocative efficiency and absorptive capacity as well as policy implementation efficiency. This resonates well with the Implementation Revolution.

The Government of Lesotho is committed to effective service delivery to its people. To accomplish this, the government had already adopted the prudent and accountable methodology that is result driven and performance-oriented for the benefit of all Basotho - The Big Fast Results Methodology (BFR). It is the methodology that has sufficient intermediate indicators which deliver quick feedback on results that can continually be improved through decision making and learning. Frequent monitoring and evaluation need to be undertaken while frequent reporting should also be done to track the progress through usage of dashboards.

6.1 Implementation Revolution

- Promote a culture of getting things done
- Establish Government Priority Project Implementing Unit.
- Appoint Principal Secretaries on merit and introducing performance management system.
- Reform the civil service to merit-based revolution.

IV. NSDP STRATEGIC FRAMEWORK

STRATEGIC FOCUS (NSDP II & PM Speech)	PRIORITY AREA	INVESTMENT AREA	PRIORITIES
Growth Programme (NSDP II KPA I)	<p>Agriculture,</p> <p>Manufacturing,</p> <p>Mining,</p> <p>Tourism,</p>	<p>Macroeconomic Policy, Agro-Industry Food Security, Commercialization of agriculture,</p> <p>Diversification of Exports, Textile & Garments industry, Leather and footwear, Consumer electrical and electronic appliances, Packaging materials and accessories Automotive components, Industrialization through localization Water bottling</p> <p>Diamond Mining Sandstone quarrying, building of minerals value chains and strengthening broad-based industrialization</p> <p>Tourism Attraction sites investment, Accommodation, sports, and recreation, Creative arts</p>	<ul style="list-style-type: none"> • Agriculture Revolution Increase agricultural production capacity <ul style="list-style-type: none"> ○ Improve the tertiary institution of agriculture to enhance national expertise ○ Resuscitate agriculture extension and business support programmes ○ Introduce tech-driven methods to Lesotho farming, including more climate-change-resilient methods such as smart technology linked hydroponics ○ Facilitate sharecropping schemes as a way of reaping the benefits of economies of scale by overcoming the challenges of Lesotho's land tenure system ○ Review the land tenure system to facilitate commercialisation of agriculture and improve the country's farm labour productivity as well as export competitiveness ○ Introduce risk management schemes to de-risk farming thereby improving yields, enhancing profitability and attracting credit into farming ○ Establish irrigation systems to enable sustainable production

STRATEGIC FOCUS (NSDP II & PM Speech)	PRIORITY AREA	INVESTMENT AREA	PRIORITIES
			<ul style="list-style-type: none"> ○ Establish National seed propagation centre to enable agriculture production ○ Establish fruits production and processing centres at the mountains ● Develop agriculture commodity markets <ul style="list-style-type: none"> ○ Establish a Lesotho Commodities Futures Exchange, owned and operated by farmers, to determine the price of their output accompanied by a national warehouse receipting system. Farmers will bring their produce at these warehouses for grading and storage ○ Establish an out-grower farming scheme that will i) address the challenge of market access for farmers, ii) control risk of unfavourable price changes for both farmers and buyers, iii) complement the Commodity Futures Exchange. Out-growers scheme will be designed as the first stage towards growing Basotho smallholder farmers into large commercial farmers ○ Develop a Basotho Brand for farmers to export Lesotho produce ● Maximise value form wool and mohair <ul style="list-style-type: none"> ○ Strengthen business support services, equipping and building more shearing sheds throughout the country and providing veterinary and extension support

STRATEGIC FOCUS (NSDP II & PM Speech)	PRIORITY AREA	INVESTMENT AREA	PRIORITIES
			<ul style="list-style-type: none"> ○ Develop a local manufacturing value chain for wool and mohair sector, in collaboration and full voluntary participation of farmers. ○ Establish a Wool and Mohair Value Chain Localisation Financing that promotes local value addition from raw wool to finished branded garments for export. <p>Industrialisation revolution</p> <ul style="list-style-type: none"> ● Develop physical infrastructure to achieve urbanisation and industrialisation Build physical infrastructures <ul style="list-style-type: none"> ○ A Mega Trans-Maloti Development Corridor Infrastructure Project to unlock Lesotho's labour productivity through Urbanization and Industrialisation ● Achieve urbanisation and industrialisation <ul style="list-style-type: none"> ○ Position Lesotho as a regional cargo consolidation hub. ○ Drive high-value added export-led growth. ○ Operationalise the Bureau of Standards. ○ Indigenise textile manufacturing industry. ○ Develop related human capacity for all relevant sectors.

STRATEGIC FOCUS (NSDP II & PM Speech)	PRIORITY AREA	INVESTMENT AREA	PRIORITIES
			<ul style="list-style-type: none"> ○ Enhance and improving education and training. ○ Move Lesotho from being only a primary producer to value adding processing facilities. <p>Develop creative industry</p> <ul style="list-style-type: none"> ○ Build capacity in the creative arts industry through enhancing relevant courses in tertiary institutions. ○ Create a regulatory or legislative framework on all creative industry in Lesotho to protect intellectual property and enable job creation, especially for youth. ○ Develop relevant infrastructure for creative industries, including studios and theatres. ○ Develop markets to local markets and showcasing the creative work of Basotho including fashion, arts and crafts through local events and media platforms. ○ Open up the broadcasting space to allow for more players. <p>Natural/extractive asset wealth Revolution</p> <ul style="list-style-type: none"> ● Map and quantify the country's assets to enhance bargaining power ○ Remedy the inherent asymmetries of information, technical, financial and legal knowhow and skill that are often

STRATEGIC FOCUS (NSDP II & PM Speech)	PRIORITY AREA	INVESTMENT AREA	PRIORITIES
			<p>in favour of the global mining companies.</p> <ul style="list-style-type: none"> ○ Invest in a holistic review of all previous geological surveys previously done in the country for all types of minerals. ○ Strengthen the bargaining power of the government by mapping and quantifying the whole country's sub-soil assets. ○ Derive maximum value out of the country's mineral wealth to fulfil its role as a custodian of the minerals on behalf of the Basotho Nation. ○ Attract financing into mining projects ○ Attract financing into mining projects and making it possible for less wealthy Basotho to venture into all types of mining projects. ○ Public prospecting and the transparent availability of mining survey results to de-risk mining as a business as it is typically a high-risk capital-intensive industry. ○ De-risk mining operations in Lesotho by widely and aggressively marketing the prospective operations around the world to large capital funds and negotiating risk mitigating measures to attract new FDI and re-open operations

STRATEGIC FOCUS (NSDP II & PM Speech)	PRIORITY AREA	INVESTMENT AREA	PRIORITIES
			<p>at promising sites such as Lemphane and Moteete</p> <p>Capture maximum value for the Basotho nation</p> <ul style="list-style-type: none"> ○ Ensure maximum value by adhering faithfully to the principles enshrined in the Lesotho Constitution and the Mining and Minerals Act, which places ownership of all mineral wealth in the Basotho Nation. ○ Engage investors in mineral operations to avail increasing business and job opportunities to Basotho, as the country has built some capacity over the past two decades. ○ Encourage and facilitating the placement of investing opportunities and FDI-local capital partnerships in the mineral extraction operations of the country. ○ Formalise the re-opening of alluvial mining [i.e. mining along river-beds] and preserving these operations for artisanal Basotho miners. Successful alluvial mining has previously been undertaken around the riverbeds of the Patiseng, Khubelu, Qaqa, Matsoku and Mokaolibane rivers. ○ Organise appropriate training for the artisanal miners and supporting their

STRATEGIC FOCUS (NSDP II & PM Speech)	PRIORITY AREA	INVESTMENT AREA	PRIORITIES
			<p>operations with the basic technical support necessary to engage in successful alluvial mining.</p> <ul style="list-style-type: none"> ○ Enrol Lesotho into the Extractive Industries Transparency Initiative (EITI), thereby mitigating the risk of plunder of the country's mineral wealth by corrupt public officials, the mining companies and their officials. ○ Prioritise the adoption of environmentally and health-conscious practices at all mining operations including improving risk mitigation and benefits flows to mine-adjacent communities. ○ Prioritise the eradication of corruption in the extractive industries, as well as all other sectors, through the strengthening of the justice system. The Government will also adopt a policy and legislation framework that will mandate public auctioning of mining rights. ○ Design mining taxation, risk sharing, profit and loss sharing based on the principle of fairness. ○ Continually reviewing the prevailing tax regime and practices to ensure they remain transparent and equitable.

STRATEGIC FOCUS (NSDP II & PM Speech)	PRIORITY AREA	INVESTMENT AREA	PRIORITIES
			<ul style="list-style-type: none"> ○ Establishing a semi-independent government mining company that will be entitled to allocation of mining rights <p>Establish sovereign development fund</p> <ul style="list-style-type: none"> ○ Mitigate the risk of plunder by the current generation by establishing a sovereign development fund. ○ Pass legislation to direct at least 30% of government mining incomes comprising royalties, dividends, turn-over tax and export sales tax into such a fund. ○ Ensure the fund prioritizes investments into Lesotho's physical infrastructure such as highways, dams, irrigation systems, healthcare facilities, schools and hydro and wind power plants that are a conversion of the subsoil mineral wealth into income earning and economic growth boosting investment which will create perpetual wealth for the current and future generations.
Social Programme (NSDP II KPA II)	Skills Health & Nutrition	<p>Skills Development: <i>Applicability, Relevance, affordability, TVET, Higher Education</i></p> <p>Resilient Healthcare System; <i>Management, Human Resources recruitment and retention,</i></p>	<p>Healthcare Revolution</p> <ul style="list-style-type: none"> ● Enhance production pharmaceutical and healthcare capacity <ul style="list-style-type: none"> ○ Improve primary health care by building the capacity of village health workers.

STRATEGIC FOCUS (NSDP II & PM Speech)	PRIORITY AREA	INVESTMENT AREA	PRIORITIES
	<p>Social Protection</p> <p>Migration</p>	<p><i>Infrastructure, maintenance, nutrition improvement</i></p> <p>Social protection system and programmes, Efficiency, Disability</p> <p>Diaspora Engagement Human Trafficking Cross Border</p>	<ul style="list-style-type: none"> ○ Improve management and governance of the health centres to better provide comprehensive primary health care services to communities. ○ Enhance pharmaceutical industry for production of medicines, including medicinal cannabis and other local medicinal plants. ○ Incentivise and compensate medical personnel adequately to stop the exodus of Basotho medical professionals to RSA and Europe. ● Combat and effectively respond to Pandemics <ul style="list-style-type: none"> ○ Tackle the stigma and discrimination faced by people living with HIV and other pandemics. ○ Fund HIV and reproductive health services to meet the needs of local communities. ○ Make testing kits accessible to all individuals at risk of HIV in all health centres. ○ Improve management of pandemics such as Covid-19, HIV and AIDS and TB, through provision of modern medicine, as well as health education in schools and communities. ○ Intensify the test and treat initiative to improve the quality of life for the

STRATEGIC FOCUS (NSDP II & PM Speech)	PRIORITY AREA	INVESTMENT AREA	PRIORITIES
			<p>infected while also preventing further infections.</p> <ul style="list-style-type: none"> ○ Make psychosocial support an integral element of the treatment campaign. ● Improve Quality of Health Infrastructure, Care and Personnel <ul style="list-style-type: none"> ○ Develop an infrastructure master plan that will ensure the achievement of universal healthcare in accordance with the 2030 Plan of Action and SDG 3. The plan will then enable resource allocation and prioritisation for implementation. ○ Monitor and evaluate of the quality of service at all health facilities, using a star rating system and surveys to obtain and act on patients' feedback. ○ Revamp the performance management system for all health care personnel. ○ Ensure adequate staffing and equipment at all health facilities including rural clinics to keep medical staff motivated to provide the best patient care. ○ Establish stronger cooperation with regional Centres of Disease Control (CDC) to enable the government to proactively mitigate health risks.

STRATEGIC FOCUS (NSDP II & PM Speech)	PRIORITY AREA	INVESTMENT AREA	PRIORITIES
			<ul style="list-style-type: none"> ○ Allocate adequate funding to strengthen the Health Management Information System. <p>Social Security Revolution</p> <ul style="list-style-type: none"> ● Harness and Improve the Existing Social Development Projects <ul style="list-style-type: none"> ○ Improve existing social development projects such as old age pension scheme, child grant system, persons with disabilities grant, quality free education, school feeding programme and a free and comprehensive free healthcare system. ○ Ensure better coordination and integration of the social security and social protection programs to achieve better targeting of the vulnerable with minimal wastage. The elimination of corruption and theft in this sector will be a priority ● Create Jobs as a Social Safety Net Against Poverty and Social Exclusion <ul style="list-style-type: none"> ○ Adopt a job creation strategy aimed at ensuring that no Mosotho will be left unemployed. ○ Offer a job guarantee scheme as part of job creation strategy. The scheme will not only be aimed at providing jobs for all but also at achieving specific

STRATEGIC FOCUS (NSDP II & PM Speech)	PRIORITY AREA	INVESTMENT AREA	PRIORITIES
			<p>developmental project deliverables within the broad strategic objective of achieving economic sovereignty. It is also expected that by solving the problem of joblessness, the tear in the Lesotho social fabric as indicated by many symptoms such as crime, poverty and human trafficking will be mended.</p> <ul style="list-style-type: none"> • Take Care of the vulnerable <ul style="list-style-type: none"> ○ Work with chiefs, village councillors and relevant authorities to ensure a collective effort towards the security and protection of the vulnerable people including the disabled ○ Deter violent crimes being perpetrated against the elderly, children and women. ○ Establish awareness and education programs throughout the whole country to rally the nation in support of eradicating violent crime. ○ Capacitate the Police and the Courts of Law with physical and human resources (including training and awareness) to enable a coordinated and decisive victory against the perpetrators of these crimes. ○ Develop a diversion program to rehabilitate children with behavioural

STRATEGIC FOCUS (NSDP II & PM Speech)	PRIORITY AREA	INVESTMENT AREA	PRIORITIES
			<p>challenges as well as inpatient and out-patient substance abuse facilities</p> <ul style="list-style-type: none"> • Introduce a social security fund <ul style="list-style-type: none"> ○ The Government will introduce a social security fund to reduce the risk exposure of workers to job losses and other risks that could result in loss of income. The Fund will be a contributory scheme for the employer and employee and pay benefits to the employee in the event of them losing their job or being impaired. The Fund will provide investment further capital for the industrial development of Lesotho • Low Income Housing Development <ul style="list-style-type: none"> ○ The Government will prioritise the development of decent low-income housing to cater for those who cannot afford to put a roof on top of their heads due to their failure to qualify for commercial bank mortgage finance. To this end, the Lesotho Housing and Land Development Corporation will be directed, with government support, to focus on financially sustainable low-income housing development.

STRATEGIC FOCUS (NSDP II & PM Speech)	PRIORITY AREA	INVESTMENT AREA	PRIORITIES
Infrastructure Programme (NSDP II KPA III)	Built Environment	Commercial property development, Solid Waste Management	<ul style="list-style-type: none"> • Energy Security Revolution <ul style="list-style-type: none"> ○ Enhance Energy Self-Sufficiency and Capacity to Export ○ Enhance the productive capacity of Lesotho's energy sector so that the country becomes both self-sufficient and a net exporter of energy to South Africa and SADC countries via the SADC power pool. ○ Facilitate and catalysing public and private sector investment in the generation, transmission and distribution of sustainable, green energy in the form of hydro, solar and wind power. ○ Drive the transition to adoption of environmentally friendly production and industrial technologies that deploy sustainable and green energy sources. This will make Lesotho an attractive destination for foreign direct investment (FDI) that supports environmental sustainability, and first taker in the Southern African ○ Building skills that support the energy revolution ○ The Government shall introduce and enhance curriculum that supports production, storage and distribution of renewable and green energy technology
	Renewable Energy,	Hydro power, Wind energy, Solar energy,	
	ICT	Digital transformation, Public service delivery enhancement	
	Water,	Lesotho Highlands Water Development, Water Production Water Access,	
	Transport	Air and road transport: <i>development management and regulation</i>	

STRATEGIC FOCUS (NSDP II & PM Speech)	PRIORITY AREA	INVESTMENT AREA	PRIORITIES
			<p>with the aim of establishing Lesotho as a technological hub for environmentally friendly technologies in Southern Africa</p> <ul style="list-style-type: none"> ○ Augmenting Storage Capacity of Fuels and Energy ○ Expand the current storage capacity of fossil fuels and energy in order to cushion the nation against sharp increases in prices of fossil fuels, and thereby limit the impact of geopolitical tensions in oil exporting countries on prices of goods and services and the standard of living of Basotho. ○ Building the capacity for management and maintenance of storage facilities for fuels and energy <ul style="list-style-type: none"> ● ICT Revolution <ul style="list-style-type: none"> ○ Strengthen ICT <ul style="list-style-type: none"> ○ Given Lesotho's impressive tele-density, the RFP-led Government intends to aggressively adopt and enhance the use Internet of Things (IoT) in line with global trends to increase efficiency, productivity, capacity and safety across sectors by; ○ Digitise agriculture and agro-processing through smart farming applications.

STRATEGIC FOCUS (NSDP II & PM Speech)	PRIORITY AREA	INVESTMENT AREA	PRIORITIES
			<ul style="list-style-type: none"> ○ Adopt Digital ID Technologies to consolidate financial inclusivity and e-governance. ○ Develop e-Health Systems focusing on convenience of a patient. ○ Enhance usage in education through adoption of e-admissions, e-learning and schools Management Systems. ● Industrialisation Revolution <ul style="list-style-type: none"> ○ Achieve urbanisation and industrialisation ○ Develop physical infrastructure towards achieving urbanization and industrialisation.
Governance Programme (NSDP II KPA IV)	Public Financial Management Accountability and Oversight Service Delivery Peace, Security and Stability Human Rights	Management Tracking and Reporting Procurement procedure and compliance Legal frameworks: <i>promote independence, capacity</i> Decentralization, Effectiveness National Reform Agenda Security Dialogue/Citizen Engagement Protection: <i>legal framework, Commission,</i>	Good Governance Revolution <ul style="list-style-type: none"> ● Key areas <ul style="list-style-type: none"> ○ Establish and maintaining a system on recruitment and employment of good governance personnel that is based on merit, competency, integrity, and professionalism. ○ Establish a ‘fit for purpose’ framework for public office bearers. ○ Establish a ‘fit for purpose’ framework for political candidates ○ Review and enhancing regulatory framework to ensure ethical and corruption-free culture. ○ Implement declaration and disclosure of assets and other interests annually

STRATEGIC FOCUS (NSDP II & PM Speech)	PRIORITY AREA	INVESTMENT AREA	PRIORITIES
	Justice	Administration Effectiveness & Efficiency (Access, Justice Institutions) Amnesty programme Anti-money laundering	by public office bearers. At the onset, all Government candidates for 2022 shall voluntarily declare. <ul style="list-style-type: none"> ○ Establish a National Procurement Authority to enhance public financial management ○ Enact whistle-blowing legislation; ○ Strengthen institutions of good governance, namely, the Judiciary, Lesotho Mounted Police Service, Prosecution Directorate on Corruption and Economic Offences, office of the Accountant General and office of the Auditor-General ○ Establish a specialised crimes court on corruption, fraud, money-laundering and other economic offences. ○ Empower the Office of the Ombudsman such that amongst that it has binding recommendations and decisions.
	Development Planning	Monitoring and Evaluation Development Partners Coordination Projects Policy	
	Development Finance	Regional Integration	
	Reform of Public Enterprises		

Development finance revolution

• **Provide guidance for credit giving financial institutions**

- Enhance the policy of credit guidance for all credit giving financial institutions to ensure that they extend credit sufficiently to

STRATEGIC FOCUS (NSDP II & PM Speech)	PRIORITY AREA	INVESTMENT AREA	PRIORITIES
			<p>support sustainable sectoral and broad-based economic growth.</p> <ul style="list-style-type: none"> ○ Institute policies to guide financial institutions to extend more business credit to propel and catalyse local investment, growth and employment creation, and limit capital flight out of Lesotho. ○ Put in place policies that limit consumption credit and thereby encourage capital and asset formation <ul style="list-style-type: none"> ● Re-engineering and reorganising LNDC and BEDCO <ul style="list-style-type: none"> ○ The Government shall holistically reorganize and re-engineer LNDC and BEDCO with a view to refocusing their development finance mandate. ● Reinforce and enhance the financial inclusion mandate of Lesotho Postbank <ul style="list-style-type: none"> ○ The Government will strengthen and capacitate Lesotho Post Bank to effectively discharge its financial inclusion mandate
Cross cutting Themes (NSDP II Cross Cutting Topics)	Climate Change, Environnement	Adaptation Mitigation Preserve: legal frameworks	<ul style="list-style-type: none"> ● Strengthen climate risk management Resilience ● Address soil erosion and bad land management practices.

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	Disaster Risk Reduction Land Management	Disaster Risks and management Development Access Education	<ul style="list-style-type: none"> • Manage wetlands

7. Implementation, Monitoring and Evaluation	<p>Accountability Framework</p> <p>Local Governance and Decentralization</p> <p>Chieftainship</p> <p>Citizen Feedback</p>	<p>Performance Management System</p> <p>Community Service and Service Delivery</p>	<p>Implementation Revolution</p> <ul style="list-style-type: none"> • Promote a culture of getting things done • Establish government priority project implementing unit. <ul style="list-style-type: none"> ○ The Government will establish, by Law, a semi-independent Authority whose mandate will be to focus only on the implementation of the priorities of the government. ○ The Unit will be manned by staff recruited on merit and led by a Board of Directors that reports to the Office of the Prime Minister. The Unit will lead the monitoring and evaluation of the Prime Minister's priorities following cutting edge project management techniques. Whereas such projects will be falling under the purview of various government Ministries, the Unit will ensure a coordination and prioritization of projects assigned to it. • Appoint Principal Secretaries on merit. <ul style="list-style-type: none"> ○ The appointment of Chief Accounting Officers of Ministries shall be strictly on merit. A private company will be hired by government to lead the recruitment process. In this way,
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			<p>competent and apolitical individuals will be appointed to champion the change in the culture of the civil service.</p> <ul style="list-style-type: none"> • Reform the civil service to merit-based revolution. <ul style="list-style-type: none"> ○ Within the first year of its rule, the Government will commence a holistic restructuring of the civil service with a view to enhancing the productivity, motivation and morale of civil servants. The Government is very clear that without a competent motivated civil service manned by ethical and law-abiding Basotho, all its plans will come to naught • Introduce a Performance Management System <ul style="list-style-type: none"> ○ A performance management system will be implemented for all categories of government and governance to recognize good performance while also weeding out the poor performers. ○ Develop tools and a standardised system of performance reporting and reflection for the whole of

STRATEGIC FOCUS (NSDP II & PM Speech)	PRIORITY AREA	INVESTMENT AREA	PRIORITIES
			<p>government, including District Administrators and Local Authorities.</p> <ul style="list-style-type: none"> ○ Use appropriate public service legislation and policies and deploy relevant public officials to the authority of District Administrators, and District, Urban and Community Councils ○ Develop a plan of how government should capacitate the Institution of Chieftainship for improved service delivery, accountability and good governance, targeting chiefs who serve their communities on a daily basis for twenty-four hours ○ Develop a system through which citizens can monitor and report on the performance of the public sector and through which their inputs can be recorded and responded to