

Table 1. Lesotho: Selected Economic and Financial Indicators, 1994/95-2002/03 1/

	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00 Prog.	2000/01 Prog.	2001/02 Proj.	2002/03 Proj.
(Annual percentage change, unless otherwise specified)									
National income and prices 2/									
Real GDP	3.7	5.9	9.4	4.6	-3.8	0.5	2.2	2.6	3.0
Real GNP	0.3	2.7	8.1	3.4	-7.7	-0.8	0.7	3.0	3.5
Consumer price index (end of period)	10.6	9.3	8.8	7.3	8.9	6.0	5.9	5.4	4.9
Nominal GDP (in millions of maloti)	3,074.5	3,547.8	4,208.7	4,750.0	4,950.5	5,344.5	5,796.0	6,282.1	6,741.7
Nominal GNP (in millions of maloti)	4,270.9	4,792.4	5,619.6	6,271.4	6,263.9	6,676.6	7,139.3	7,762.9	8,372.1
External sector 3/									
Exports, f.o.b.	15.5	6.6	50.1	8.7	15.4	6.2	8.0	9.6	10.6
Imports, f.o.b.	11.8	18.9	18.5	8.4	-4.1	2.8	1.5	5.2	6.0
Net labor income	11.7	6.1	3.6	9.9	-13.0	-3.1	-0.9	2.9	8.3
Real effective exchange rate 4/	-3.2	-1.6	-2.0	-2.1	-12.4	15.5	...	...	...
Government budget									
Revenue (excluding grants)	13.9	17.2	20.7	10.4	-3.9	0.8	4.4	7.2	6.2
Total expenditure and net lending	14.2	21.4	19.0	14.1	-2.6	32.2	-18.9	0.2	3.5
Current expenditure	17.5	12.7	6.6	25.1	17.7	12.4	-3.7	-1.2	3.7
Capital expenditure and net lending	7.4	41.0	41.3	-0.6	-41.9	109.7	-50.9	5.9	2.8
Money and credit 5/ 6/									
Net foreign assets	40.6	24.2	42.6	67.2	12.5	-20.9	-4.7	6.5	9.3
Net domestic assets	-27.3	-19.2	-28.0	-42.6	-13.2	21.1	12.6	1.5	-1.2
Credit to the government	-26.4	-27.3	-42.7	-32.2	14.4	56.1	3.4	-7.3	-9.9
Credit to the rest of the economy	4.7	10.2	10.8	7.8	3.7	-5.1	6.8	7.2	7.7
Broad money	13.3	5.0	14.6	24.6	-0.7	0.3	7.9	8.0	8.1
Velocity (GDP/average broad money)	2.8	3.0	3.1	3.0	2.8	3.1	3.2	3.2	3.2
(In percent of GNP, unless otherwise specified)									
Investment and saving 2/									
Investment	41.0	44.3	42.7	39.2	31.1	24.8	24.7	26.4	24.8
Public	10.3	12.9	15.5	13.8	7.9	6.9	7.1	7.0	6.6
Private	9.9	10.1	7.3	4.5	5.4	7.0	8.9	13.7	15.1
LHWP	20.9	21.3	19.9	20.8	17.8	10.9	8.7	5.7	3.1
Gross national savings (including remittances)	22.6	18.9	20.6	16.0	8.3	5.8	7.8	11.1	10.6
Public	12.0	13.4	16.5	13.8	5.7	3.5	5.2	7.2	7.5
Private	10.6	5.5	4.0	2.2	2.6	2.2	2.6	3.9	3.1
Government budget									
Revenue	33.7	35.2	36.2	35.8	34.7	32.8	32.0	31.6	31.1
Total grants	3.4	3.4	3.6	2.8	1.9	2.2	3.3	3.0	2.8
Total expenditure and net lending	33.2	36.0	36.5	37.3	38.9	48.3	36.6	33.7	32.4
Overall balance (before grants)	0.4	-0.8	-0.3	-1.5	-4.3	-15.5	-4.6	-2.2	-1.3
Overall balance (after grants)	3.8	2.6	3.3	1.3	-2.3	-13.2	-1.3	0.9	1.5
Foreign financing	2.4	4.3	6.2	5.5	0.3	-0.3	0.2	0.9	0.9
Domestic financing	-5.8	-6.8	-9.6	-6.9	2.1	14.8	1.1	-1.8	-2.4
Primary balance	1.7	0.5	1.0	-0.1	-2.2	-12.0	-1.9	0.3	0.9
External sector									
Current account balance (excluding official transfers)	-33.9	-41.5	-36.8	-38.2	-35.5	-33.6	-30.8	-28.2	-26.3
Current account balance (including official transfers)	-18.4	-25.4	-22.1	-23.2	-22.8	-19.1	-16.9	-15.2	-14.1
Stock of external debt	46.3	48.5	47.3	50.5	63.4	63.8	60.8	61.6	58.2
Debt-service ratio 7/	4.4	4.6	4.5	4.0	6.9	8.1	8.3	7.7	7.1
(In millions of U.S dollars, unless otherwise specified)									
Overall balance of payments	103.7	95.6	106.7	127.8	-7.1	-61.9	-11.9	20.1	31.3
Gross official reserves (end of period)	393.6	454.2	523.8	604.0	550.5	503.5	484.4	503.8	534.4
Gross official reserves (months of imports, f.o.b.)	5.2	5.6	6.8	8.8	9.3	8.1	7.2	7.0	6.8
Gross official reserves (in percent of broad money)	121.4	148.0	165.4	174.3	191.0	167.4	151.3	146.1	143.7

Sources: Lesotho authorities; and Fund staff estimates and projections.

1/ Fiscal year beginning in April.

2/ Based on the revised national accounts data provided recently to the staff by the Bureau of Statistics.

3/ In maloti.

4/ Based on partner country data (excluding South Africa); estimate for 1999/2000 based on 12-months ending July 1999.

5/ Change in percent of broad money at the beginning of the period.

6/ Monetary data for the period 1996/97-1998/99 are very provisional as the Lesotho Bank published no regular accounts for the period from December 1996 to September 1998.

7/ In percent of exports of goods, services, and income.

Table 2. Lesotho: Central Government Operations, 1997/98-2002/03 1/

	1997/98	1998/99	1999/00				2000/01				2001/02	2002/03
			Q1-Prel.	Q2-Prel.	Q3-Proj.	Q4-Prog.	Q1-Prog.	Q2-Prog.	Q3-Prog.	Q4-Prog.	Proj.	Proj.
(In millions of maloti)												
Revenue	2,247.0	2,171.6	492.1	1,041.4	1,582.4	2,189.5	538.2	1,101.7	1,663.9	2,286.4	2,450.9	2,602.1
Tax revenue	1,794.9	1,695.7	420.7	887.5	1,345.8	1,824.8	454.2	902.5	1,387.7	1,875.4	2,003.5	2,104.8
Customs revenue	1,172.7	1,034.4	295.8	591.6	887.3	1,183.1	281.6	563.0	844.6	1,126.0	1,130.0	1,130.0
Noncustoms tax revenue	622.2	661.3	124.9	296.0	458.4	641.7	172.7	339.5	543.1	749.4	873.5	974.8
Income taxes	340.1	387.0	66.5	171.5	267.2	357.5	81.1	175.0	293.2	399.3	432.8	494.6
Sales tax / value-added tax (VAT)	223.5	233.3	54.4	116.2	178.4	245.4	76.2	137.2	210.4	285.0	355.3	388.9
Petrol levy	47.4	35.9	3.4	6.0	10.0	35.0	13.6	24.2	34.8	55.0	74.5	80.0
Other tax revenues	11.2	5.1	0.6	2.2	2.9	3.8	1.7	3.1	4.8	10.0	10.8	11.4
Nontax revenue	452.1	475.9	71.4	153.9	236.7	364.7	83.9	199.2	276.2	411.0	447.5	497.3
Grants	178.7	120.0	23.4	48.9	80.0	150.0	82.4	134.5	198.5	235.0	235.0	235.0
Total expenditure and net lending	2,341.4	2,438.4	547.8	1,638.9	2,588.1	3,223.2	617.8	1,202.4	1,882.9	2,613.6	2,618.7	2,711.0
Current expenditure	1,473.1	1,942.7	462.9	905.2	1,744.4	2,183.5	488.7	950.4	1,501.9	2,103.6	2,078.7	2,156.0
Wages and salaries	721.3	837.6	201.9	397.1	605.0	827.0	210.5	419.4	643.3	867.2	921.1	968.7
Interest payments	90.0	128.5	18.7	71.4	130.2	230.8	35.8	79.4	132.4	188.5	188.3	182.7
External	59.9	96.2	9.5	52.6	66.8	117.1	14.0	35.8	67.0	101.3	104.6	104.7
Domestic	30.1	32.3	9.2	18.8	63.4	113.7	21.8	43.6	65.4	87.2	83.7	77.9
Of which : bank restructuring	0.8	13.2	0.0	0.0	27.8	44.5	15.3	29.5	43.4	62.9	57.2	51.4
Other expenditure	661.8	976.6	242.3	436.7	1,009.2	1,125.7	264.2	495.2	791.6	1,047.9	969.2	1,004.7
Of which : bank restructuring	50.0	238.0	...	...	...	...	0.0	0.0	0.0	0.0	0.0	0.0
LHDA	0.0	0.0	28.4	52.0	343.8	376.8	0.0	0.0	0.0	0.0	0.0	0.0
Capital expenditure and net lending	868.3	495.7	84.9	733.7	843.7	1,039.7	129.0	252.0	381.0	510.0	540.0	555.0
Domestically funded	247.4	233.2	24.5	58.5	101.0	214.0	15.8	45.3	112.7	180.0	200.0	215.0
Externally funded	620.9	262.5	60.4	99.5	167.0	250.0	113.2	206.7	268.4	330.0	340.0	340.0
Grant funded	178.7	120.0	23.4	48.9	80.0	130.0	54.9	107.0	143.5	180.0	180.0	180.0
Loan funded	442.2	142.5	37.0	50.6	87.0	120.0	58.3	99.8	124.9	150.0	160.0	160.0
Net lending 2/	...	0.0	0.0	575.7	575.7	575.7	0.0	0.0	0.0	0.0	0.0	0.0
Overall balance before grants	-94.4	-266.8	-55.7	-597.4	-1,005.6	-1,033.6	-79.6	-100.7	-219.0	-327.2	-167.7	-108.9
Overall balance after grants	84.3	-146.8	-32.3	-548.5	-925.6	-883.6	2.8	33.7	-20.5	-92.2	67.3	126.1
Excluding exceptional factors 3/	84.3	-146.8	-32.3	27.1	-86.2	-44.2	220.9	251.8	197.6	67.8	67.3	126.1
Total financing	-84.3	146.8	32.3	548.5	925.6	883.6	-2.8	-33.7	20.5	92.2	-67.3	-126.1
Financing abroad	345.5	18.1	22.0	-13.2	-21.4	-22.0	1.6	10.9	12.5	16.7	69.2	74.8
Loan drawings	442.2	142.5	58.9	72.4	95.0	120.9	47.5	95.0	142.5	190.0	240.0	240.0
Amortization	-96.7	-124.4	-36.9	-85.6	-116.4	-142.9	-45.9	-84.1	-130.0	-173.3	-170.8	165.2
Domestic financing	-429.8	266.5	14.1	643.4	1,028.7	987.3	-4.4	-44.6	8.0	75.5	-136.5	-200.9
Bank	-448.2	252.0	7.4	628.2	1,012.7	971.3	-11.1	-59.8	-8.0	59.5	-136.5	-200.9
Nonbank	18.4	14.5	6.7	15.2	16.0	16.0	6.7	15.2	16.0	16.0	0.0	0.0
Residual 4/	0.0	-137.8	-3.8	-81.7	-81.7	-81.7	0.0	0.0	0.0	0.0	0.0	0.0
(In percent of GNP, unless otherwise indicated)												
Revenue	35.8	34.7	7.4	15.6	23.7	32.8	7.5	15.4	23.3	32.0	31.6	31.1
Customs revenue	18.7	16.5	4.4	8.9	13.3	17.7	3.9	7.9	11.8	15.8	14.6	13.5
Noncustoms tax revenue	9.9	10.6	1.9	4.4	6.9	9.6	2.4	4.8	7.6	10.5	11.3	11.6
Nontax revenue	7.2	7.6	1.1	2.3	3.5	5.5	1.2	2.8	3.9	5.8	5.8	5.9
Grants	2.8	1.9	0.4	0.7	1.2	2.2	1.2	1.9	2.8	3.3	3.0	2.8
Total expenditure and net lending	37.3	38.9	8.2	24.5	38.8	48.3	8.7	16.8	26.4	36.6	33.7	32.4
Current expenditure	23.5	31.0	6.9	13.6	26.1	32.7	6.8	13.3	21.0	29.5	26.8	25.8
Wages and salaries	11.5	13.4	3.0	5.9	9.1	12.4	2.9	5.9	9.0	12.1	11.9	11.6
Interest payments	1.4	2.1	0.3	1.1	2.0	3.5	0.5	1.1	1.9	2.6	2.4	2.2
Of which : bank restructuring	0.0	0.2	0.0	0.0	0.4	0.7	0.2	0.4	0.6	0.9	0.7	0.6
Other expenditure	10.6	15.6	3.6	6.5	15.1	16.9	3.7	6.9	11.1	14.7	14.9	14.2
Of which : bank restructuring	0.8	3.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.7	0.6
LHDA	0.0	0.0	0.4	0.8	5.1	5.6	0.0	0.0	0.0	0.0	0.0	0.0
Capital expenditure and net lending 2/	13.8	7.9	1.3	11.0	12.6	15.6	1.8	3.5	5.3	7.1	7.0	6.6
Overall balance before grants	-1.5	-4.3	-0.8	-8.9	-15.1	-15.5	-1.1	-1.4	-3.1	-4.6	-2.2	-1.3
Overall balance after grants	1.3	-2.3	-0.5	-8.2	-13.9	-13.2	0.0	0.5	-0.3	-1.3	0.9	1.5
Excluding exceptional factors 3/	...	...	-0.5	0.4	-1.3	-0.7	3.1	3.5	2.8	0.9	0.9	1.5
Financing abroad	5.5	0.3	0.3	-0.2	-0.3	-0.3	0.0	0.2	0.2	0.2	0.9	0.9
Domestic financing	-6.9	4.3	0.2	9.6	15.4	14.8	-0.1	-0.6	0.1	1.1	-1.8	-2.4
Excluding exceptional factors 3/	...	...	0.2	1.0	2.8	2.2	-3.1	-3.7	-2.9	-1.2	-1.8	-2.4
Memorandum items:												
Defense, public order, and security	5.2	6.3	...	...	...	...	...	...	...	...	...	...
Health, education, and social services	11.4	14.1	...	...	...	14.8	...	...	...	15.3	15.4	15.6
GNP at current prices (in millions of maloti)	6,271.4	6,263.9	6,676.6	6,676.6	6,676.6	6,676.6	7,139.3	7,139.3	7,139.3	7,139.3	7,762.9	8,372.1
GDP at current prices (in millions of maloti)	4,750.0	4,950.5	5,344.5	5,344.5	5,344.5	5,344.5	5,796.0	5,796.0	5,796.0	5,796.0	6,282.1	6,741.7

Sources: Ministry of Finance; and Fund staff estimates and projections.

1/ Fiscal year from April to March.

2/ Net lending in 1999/2000 consists of recapitalization of the old Lesotho Bank of M 575.7 million, an equity injection into the new Lesotho Bank '99 of M 15 million, and severance payments of M 22 million.

3/ Exceptional factors in 1999/2000 include the recapitalization of the old Lesotho Bank amounting to M 575.7 million and the early repayment of domestic loans on behalf of the LHDA/Muela Hydropower Project amounting to M 263.8 million. In 2000/01, they include the costs of about M 160 million for the repeat elections, which are expected to be held in the second half of the fiscal year.

4/ Including discrepancies between the fiscal and monetary accounts, which may have arisen following recent revisions to the classification of items in the monetary survey.

Table 3. Lesotho: Monetary Survey, March 1998-March 2003

	1998 Mar.	1998 Jun.	1998 Sep.	1998 Dec.	1999 Mar.	1999 Jun.	1999 Sep.	1999 Dec. Proj.	2000 Mar. Proj.	2000 Jun. Proj.	2000 Sep. Proj.	2000 Dec. Proj.	2001 Mar. Proj.	2002 Mar. Proj.	2003 Mar. Proj.
(In millions of maloti)															
Net foreign assets	3,480.4	3,573.6	3,798.0	3,624.2	3,698.3	3,481.0	3,446.5	3,344.0	3,336.7	3,311.7	3,301.7	3,275.3	3,255.1	3,376.0	3,564.2
Central bank	3,034.0	3,268.5	3,436.5	3,236.7	3,284.7	3,121.6	3,111.9	2,964.4	2,907.5	2,877.5	2,862.5	2,845.1	2,836.1	2,957.0	3,145.2
Commercial banks	446.4	305.1	361.5	387.5	413.6	359.4	334.6	379.6	429.2	434.2	439.2	430.2	419.0	419.0	419.0
Net domestic assets	-1,735.5	-1,818.8	-1,913.9	-1,996.5	-1,966.2	-1,771.8	-1,821.4	-1,624.6	-1,600.1	-1,549.1	-1,512.6	-1,452.8	-1,380.9	-1,351.8	-1,375.3
Domestic credit	-1,195.9	-1,155.9	-1,227.0	-1,045.2	-879.5	-808.9	-181.2	32.0	3.5	30.5	51.1	110.2	180.5	179.6	134.7
Claims on government (net)	-2,162.6	-2,145.5	-2,135.0	-1,999.4	-1,910.6	-1,903.2	-1,282.4	-897.9	-939.3	-950.4	-999.1	-947.3	-879.8	-1,016.3	-1,217.2
Central bank	-2,171.1	-2,146.1	-2,147.3	-1,974.2	-1,884.4	-1,853.1	-1,873.5	-1,448.4	-1,489.8	-1,500.9	-1,492.0	-1,440.2	-1,372.7	-1,451.6	-1,595.0
Commercial banks	8.6	0.5	12.3	-25.2	-26.2	-50.1	591.1	550.5	550.5	550.5	492.9	492.9	492.9	435.4	377.8
Claims on the rest of the economy	966.7	989.7	907.9	954.2	1,031.1	1,094.3	1,101.2	929.9	942.8	980.9	1,050.2	1,057.5	1,060.3	1,195.8	1,351.9
Private sector	842.7	865.7	741.7	728.6	722.0	779.3	745.5	834.3	842.3	877.4	945.7	949.9	949.5	1,076.1	1,220.2
Statutory bodies	124.0	124.0	166.3	225.6	309.1	315.0	355.7	95.7	100.4	103.5	104.5	107.6	110.8	119.7	131.7
Other items (net) 1/	-539.6	-662.9	-686.9	-951.2	-1,086.7	-962.9	-1,640.2	-1,656.6	-1,603.6	-1,579.5	-1,563.7	-1,563.0	-1,561.4	-1,531.4	-1,510.0
Money and quasi money (M2) 2/	1,744.9	1,754.8	1,884.1	1,757.3	1,732.1	1,709.2	1,625.1	1,719.4	1,736.6	1,762.6	1,789.0	1,822.5	1,874.2	2,024.1	2,188.9
Narrow money (M1)	975.2	1,015.5	1,244.6	982.0	974.8	995.3	908.0	966.0	975.7	990.3	1,005.2	1,024.5	1,054.0	1,138.3	1,231.0
Maloti with public	91.1	106.7	129.8	145.1	122.1	125.2	126.0	145.0	146.5	148.6	150.9	153.1	160.8	173.7	187.8
Demand and call deposits	884.1	908.8	1,114.8	836.9	852.7	870.1	781.9	821.0	829.2	841.7	854.3	871.4	893.2	964.6	1,043.2
Quasi money	769.7	739.3	639.5	775.2	757.3	713.9	717.2	753.3	760.9	772.3	783.9	798.0	820.2	885.9	958.0
Time deposits	220.5	205.3	137.9	212.2	210.7	201.5	208.0	218.4	220.6	223.9	227.2	231.3	239.4	258.6	279.6
Savings deposits	549.2	534.0	501.6	563.0	546.6	512.4	509.5	535.0	540.3	548.4	556.6	566.7	580.8	627.3	678.4
(Annual change in percent of beginning-of-period M2, unless otherwise specified)															
Net foreign assets	67.2	5.3	18.2	8.2	12.5	-12.5	-14.5	-20.5	-20.9	-1.4	-2.0	-3.5	-4.7	6.5	9.3
Net domestic assets	-42.6	-4.8	-10.2	-15.0	-13.2	11.2	8.4	19.7	21.1	2.9	5.0	8.5	12.6	1.5	-1.2
Claims on government (net)	-32.2	1.0	1.6	9.3	14.4	0.4	36.3	58.5	56.1	-0.6	-3.4	-0.5	3.4	-7.3	-9.9
Claims on the rest of the economy	7.8	1.3	-3.4	-0.7	3.7	3.7	4.0	-5.8	-5.1	2.2	6.2	6.6	6.8	7.2	7.7
Claims on private sector (quarterly change)	5.1	2.7	-14.3	-1.8	-0.9	7.9	-4.3	11.9	1.0	4.2	7.8	0.4	0.0	...	...
Other items (net)	-18.3	-7.1	-8.4	-23.6	-31.4	7.1	-32.0	-32.9	-29.8	1.4	2.3	2.3	2.4	1.6	1.1
Money and quasi money (M2)	24.6	0.6	8.0	0.7	-0.7	-1.3	-6.2	-0.7	0.3	1.5	3.0	4.9	7.9	8.0	8.1
Quasi money	5.4	-3.9	-16.9	0.7	-1.6	-5.7	-5.3	-0.5	0.5	1.5	3.0	4.9	7.8	8.0	8.1
Memorandum items:															
Net foreign assets (in US\$ million)	691.3	606.2	647.1	616.4	597.5	579.5	573.8	556.7	555.5	551.4	549.7	545.3	541.9	562.1	593.4
Claims on the rest of the economy (annual percent change in real terms)	5.1	...	...	...	-2.1	...	...	...	-13.7	...	...	...	6.2	7.0	7.8
Money velocity (GDP/M2; average)	3.0	2.9	2.7	2.7	2.8	2.8	3.0	3.1	3.1	3.2	3.2	3.2	3.2	3.2	3.2

Sources: Central Bank of Lesotho; and Fund staff estimates and projections.

1/ The movements in "other items (net)" partly reflect valuation adjustment and the distortions caused by the problem banks, especially the Lesotho Bank.

2/ Broad money data for the period 1996/97-1998/99 is very provisional as the Lesotho Bank published no regular accounts for the period December 1996 to September 1998.

3/ In August 1999 the Government of Lesotho recapitalized the (old) Lesotho Bank with an equity injection in the form of bond issue of M 575.659 million maloti.

This is reflected in an increase in bank capital (and OIN) and an increase of 'claims on Government' by commercial banks.

Table 4. Lesotho: Balance of Payments, 1995/96 - 2002/03 1/

	1995/96	1996/97	1997/98	1998/99 Proj.	1999/00 Proj.	2000/01 Proj.	2001/02 Proj.	2002/03 Proj.
	(In millions of maloti)							
Trade balance	-3,173.1	-3,579.7	-3,877.8	-3,536.4	-3,596.9	-3,577.7	-3,710.8	-3,872.5
Exports	570.8	856.8	931.0	1,074.3	1,140.6	1,231.9	1,350.0	1,493.0
Imports, f.o.b.	-3,743.8	-4,436.5	-4,808.8	-4,610.7	-4,737.5	-4,809.6	-5,060.8	-5,365.6
<i>Of which: LHWP 2/</i>	-499.5	-546.6	-726.9	-451.8	-330.1	-310.4	-230.9	-141.0
Services (net)	-72.7	91.7	-51.4	-17.4	5.2	19.1	23.5	23.9
Receipts	152.1	343.2	264.7	280.5	313.6	336.7	360.7	383.4
<i>Of which: Water royalties (and power sales)</i>	0.0	152.2	67.3	115.1	134.4	142.3	150.0	157.3
Payments	-224.8	-251.5	-316.1	-297.8	-308.4	-317.6	-337.2	-359.5
Income (net)	1,244.7	1,410.9	1,521.5	1,313.4	1,332.1	1,343.4	1,480.8	1,630.5
Labor income (net)	1,303.0	1,349.7	1,483.1	1,290.4	1,250.4	1,239.3	1,275.6	1,381.9
Receipts	1,563.2	1,613.7	1,760.7	1,557.0	1,477.2	1,440.6	1,499.2	1,561.2
<i>Of which: miners' wages</i>	1,313.3	1,343.7	1,471.2	1,246.7	1,129.9	1,054.0	1,070.0	1,088.5
Payments	-260.3	-264.1	-277.6	-266.6	-226.8	-201.2	429.3	472.7
Investment income (net)	-58.3	61.2	38.3	23.0	81.7	104.0	205.2	248.5
Receipts	240.9	303.7	323.5	376.5	312.1	313.4	392.5	408.9
Payments	-299.2	-242.5	-285.1	-353.5	-230.3	-209.4	-187.3	-160.4
<i>Of which: interest on debt</i>	-43.5	-59.6	-67.1	-103.2	-119.2	-104.0	-107.9	-108.5
Unrequited transfers	783.2	833.5	951.6	811.0	987.1	1,009.1	1,023.7	1,034.4
Official	771.1	821.9	940.6	795.5	970.6	992.5	1,006.6	1,016.8
Southern African Customs Union nonduty recei	624.2	692.6	838.3	669.7	836.5	795.3	798.1	798.1
Rand compensation	37.6	47.1	46.1	58.3	62.2	65.9	0.0	0.0
Other	109.3	82.2	56.2	67.5	71.9	131.3	0.0	0.0
Private	12.1	11.6	11.0	15.5	16.5	16.6	17.1	17.6
Current account (including official transfers)	-1,217.9	-1,243.6	-1,456.2	-1,429.4	-1,272.4	-1,206.1	-1,182.8	-1,183.8
Capital and financial account	1,207.6	1,185.2	1,139.5	1,428.5	1,272.4	1,206.1	1,182.8	1,183.8
Capital account (transfers received)	170.5	211.5	178.7	110.9	150.0	180.0	235.0	235.0
<i>of which: LHWP</i>	51.6	65.1	37.7	14.1	0.0	0.0	0.0	0.0
Financial account	1,037.1	973.7	960.8	1,317.6	1,122.4	1,026.1	947.8	948.8
Direct investment	1,057.0	1,123.6	1,404.4	1,216.0	758.8	816.6	882.6	938.2
Other investment	331.9	328.7	159.4	60.3	-13.5	138.1	186.2	198.8
Assets	100.4	15.7	-281.3	274.0	-15.0	10.0	0.0	0.0
Liabilities	231.5	313.0	440.7	-213.7	1.5	128.1	186.2	198.8
Loans	199.0	341.4	375.8	17.6	2.1	128.1	186.2	198.8
General government	203.9	347.2	379.7	18.1	3.0	124.1	184.2	198.8
Disbursements	275.6	428.0	442.2	142.5	145.9	297.4	355.0	364.0
LHWP (Hydropower)	110.5	189.4	160.4	52.9	0.0	0.0	0.0	0.0
Other	165.1	238.6	281.8	89.6	145.9	297.4	355.0	364.0
Repayments	-71.7	-80.8	-62.5	-124.4	-142.9	-173.3	-170.8	-165.2
LHWP (Hydropower)	0.0	0.0	0.0	0.0	-23.6	-25.2	-25.2	-25.3
Other	-71.7	-80.8	-62.5	-124.4	-119.3	-148.1	-145.6	-139.9
Private (net)	-4.9	-5.8	-3.9	-0.5	-0.9	4.0	2.0	0.0
Other liabilities	32.5	-28.4	64.9	-231.3	-0.6	0.0	0.0	0.0
CBL liabilities	1.1	-0.5	0.7	0.2	0.0	0.0	0.0	0.0
Commercial banks' liabilities	31.4	-27.9	64.3	-231.5	-0.6	0.0	0.0	0.0
Change in reserve assets 3/	-351.8	-478.6	-603.0	41.2	377.2	71.4	-120.9	-188.2
Errors and omissions	10.4	58.5	316.8	0.9	0.0	0.0	0.0	0.0

Sources: Central Bank of Lesotho; and staff estimates.

1/ Financial year is April-March.

2/ Lesotho Highlands Water Project (LHWP).

3/ Transaction-based data, excluding the effects of exchange rate changes; a minus sign indicates an increase in reserves.

Table 5. Lesotho: Quantitative Performance Benchmarks, March-September 2000

(In millions of maloti, unless otherwise indicated)

	1999 December Proj.	2000 March	2000 June	2000 September
	Program			
	(In millions of maloti)			
Floor on central government revenue (cumulative from end-September 1999)	541	1,148	1,686	2,250
Ceiling on the stock of net credit to the government by the banking system	-897	-939	-950	-999
Floor on the stock of net foreign assets of the Central Bank of Lesotho	2,965	2,908	2,878	2,863
Ceiling on the amount of new non-concessional debt contracted or guaranteed by the central government (cumulative net disbursements since end-December 1999) 1/2/				
Maturity of less than one year 3/	0	0	0	0
Maturity of one year or more	0	0	0	0
Ceiling on the accumulation of external payments arrears	0	0	0	0

1/ A loan is concessional if its grant element is at least 35 percent, calculated using a discount rate based on the ten-year average of OECD commercial interest reference rates (CIRRs) for loans of maturity of greater than 15 years; for loans of maturity of 15 years or less, the discount rate is based on the six-month average of OECD CIRRs.

2/ Excludes borrowing for water transport operations of the Lesotho Highlands Water Authority.

3/ Except for normal short-term import credits.

Table 6. Lesotho: Structural Performance Benchmarks, January-September 2000

	Timing
Create and fully staff a VAT Implementation Unit to oversee the introduction of the VAT	March 31, 2000
Introduce a mechanism for automatic adjustment of domestic prices of petroleum products in line with movements in international prices	March 31, 2000
Submit legislation to introduce value-added tax (VAT) to Parliament	April 30, 2000
Appoint the Director and staff of the Fiscal Analysis and Policy Unit in the Ministry of Finance	May 31, 2000
Bring to the point of sale the Lesotho Telecommunications Corporation	June 30, 2000
Develop a reporting format for offsite surveillance of commercial banks	June 30, 2000
Develop and begin implementing an action plan for Strengthening tax administration based on a comprehensive study of the problems of tax administration	September 30, 2000
