1. IS YOUR TRADE STRATEGY MAINSTREAMED?

Q1.1 Does your country have a national development plan or strategy?

- Yes
- No

If YES, does this development plan include trade as a lever for growth and poverty reduction? (please tick the most accurate description below)

- Trade is a key priority and the plan includes well developed trade-related priorities and implementation actions (please attach).
- Trade is mentioned but the plan does not include operational objectives and action plans.
- No.
- Other, please describe:

If your Government does NOT have an articulated national development plan or strategy, or if trade is not strongly present in it, are there other separate strategies/plans addressing trade-related objectives? (feel free to tick more than one box)

- Government priority areas are not systematically subject to a documented strategy.
- In the annual government budget.
- In various sectoral strategies (e.g. one per relevant ministry, or per sector). Please describe and attach:
In one single trade development/competitiveness strategy document encompassing all trade-related priorities across different government departments (*please attach*).

Other, please describe:

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*For Least-Developed Countries participating in the Enhanced Integrated Framework (EIF), former Integrated Framework (IF):*

Do the Diagnostic Trade Integration Study (DTIS) and Action Matrix reflect your Government trade strategy? (*please tick the most accurate description below)*

- [ ] The DTIS and accompanying action matrix reflect well my country's trade-related needs and my Government's priorities.
- [ ] The DTIS and accompanying action matrix partly reflect my Government's analysis of trade needs and priority areas.
- [x] The DTIS and accompanying action matrix are not (or are no longer) a good indication of my country's trade-related needs and priorities.
- [ ] The DTIS and accompanying action matrix are not currently a good indication of my country's trade-related needs/priorities, but they are in the process of being updated.

Other, please describe:

---

**Q1.2** What are your Government's priority areas of intervention to improve your country's capacity to benefit from trade expansion and integration into the world economy? *(Below are listed the most common areas grouped according to broad aid category – please rank the top 3 priority areas among the 12 listed)*

<table>
<thead>
<tr>
<th>Trade Policy and Regulations</th>
<th>Economic Infrastructure</th>
<th>Building Productive Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade Policy Analysis, Negotiation and Implementation</td>
<td>Network infrastructure (power, water, telecom)</td>
<td>Other</td>
</tr>
<tr>
<td>WTO Accession costs</td>
<td>Other transport</td>
<td>Adjustment costs</td>
</tr>
<tr>
<td>Trade Facilitation</td>
<td>[x] Cross-border Infrastructure</td>
<td>Regional Integration</td>
</tr>
<tr>
<td>[x] Export Diversification</td>
<td></td>
<td>Other, please describe:</td>
</tr>
</tbody>
</table>

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- [ ] Other, please describe:
Q1.3  Does your Government have an operational strategy (with action plans, timelines and budgets) for its priority areas?

<table>
<thead>
<tr>
<th>Priority 1:</th>
<th>Yes</th>
<th>Being formulated</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>If Yes or Being formulated, please describe</td>
<td>Lesotho has a Growth Strategy with costed action matrix and articulated implementation agencies.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Priority 2:</th>
<th>Yes</th>
<th>Being formulated</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>If Yes or Being formulated, please describe</td>
<td>Same as in one..</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Priority 3:</th>
<th>Yes</th>
<th>Being formulated</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>If Yes or Being formulated, please describe</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Q1.4  Are the financing needs of these trade-related priorities included in your national dialogue with donors?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Not sure</th>
</tr>
</thead>
</table>

If YES, which structures do you use to discuss the financing needs of your trade-related priorities with your donors? (feel free to tick more than one box)

- PRSP/CAS
- Bilateral dialogues
- Regional-wide dialogues
- Other, please describe:

Please describe the type of dialogue or alternative method, its level, its frequency, and its specificity to trade matters:
The Ministry holds annual bilateral dialogues with organisations such ADfD, World Bank, DFID mainly to discuss trade related issues such investment climate, trade policy, trade facilitation, etc.

If NO, do you have plans to include trade-related priorities in your dialogue with donors in the next two to three years?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Not sure</th>
</tr>
</thead>
</table>

- End of Section 1 -

Please feel free to provide additional information about your trade strategy

The Government of Lesotho has an operational Growth Strategy with several identified interventions, however the Government does not have the capacity to implement these activities at once. The Government has therefore set up a Growth Strategy Task Team that will identify the priority actions required for each project and how long it will take before they are ready for implementation. The Task Team will also prioritise the activities for the 2009/10 Annual Budget.
2 HOW IS YOUR TRADE STRATEGY FINANCED?

Q2.1 Does the attached CRS\(^1\) profile accurately quantify the Aid for Trade you received in 2006 and 2007?

- Yes
- No
- Not sure/NA

If NO, please provide details of the Aid for Trade you received in 2006 and 2007.

*Please describe with figures, and include any activities that may fall under 'other trade-related needs'*

- End of Section 2 -

Please feel free to provide any additional information on aid-for-trade flows

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\(^1\) The CRS profile summarises the commitments and disbursements reported by donors to the OECD Creditor Reporting System on the aid categories most closely associated with Aid for Trade as defined by the WTO Task Force, specifically support for trade policy and regulations, trade development, trade-related infrastructure, building productive capacity and trade-related adjustment (available from 2008 only).
### Ownership

#### Q3.1  Who is responsible for overseeing and coordinating the implementation of your trade strategies including activities funded by ODA?

- [ ] A national committee is responsible for coordination and implementation.
- [x] The Trade Department has a coordinating role but implementation is overseen by each relevant department separately.
- [ ] The national aid agency has the main coordinating role but implementation is overseen by each relevant department separately.
- [ ] There is no central coordination department. Each relevant department is separately responsible for implementation.
- [ ] Other, please describe:

*If you have (or are in the process of establishing) a national committee, please describe its main functions, its membership (e.g. ministries, private sector), frequency of its meetings and to whom the committee reports. [Please describe and exemplify below.]*

In the process of establishing a national committee, and its functions are currently being discussed among relevant stakeholders.

#### Q3.2  Do you engage in dialogue with the private sector and other key domestic stakeholders about the formulation and implementation of your trade strategy?

- [ ] Nearly always
- [x] Regularly
- [ ] Rarely
- [ ] Not sure/ NA

*If you do, please describe your main stakeholders and the focus and frequency of your dialogue. [Please describe and exemplify below.]*

Chambers of Commerce, Trade and Investment Associations, Non-Governmental Associations, Parastatals, Lesotho Business Council (Interim).

*For Least-Developed Countries participating in the Enhanced Integrated Framework (EIF):*

#### Q3.3  Is your EIF focal point and committee responsible for overseeing and coordinating all your trade agenda?

- [x] Yes
- [ ] No
- [ ] Not sure/ NA
If no, please describe the different arrangements:

Working with external partners: harmonisation and alignment

**Q3.4** In your Aid for Trade programs, how often do donors co-ordinate and align through:

<table>
<thead>
<tr>
<th></th>
<th>Regularly</th>
<th>Sometimes</th>
<th>Rarely or Never</th>
<th>Not Sure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joint needs assessments</td>
<td>☒</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Co-financing</td>
<td>☒</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Sector-wide approaches</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Joint Implementation</td>
<td></td>
<td>☒</td>
<td></td>
<td></td>
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<tr>
<td>Joint Monitoring and Evaluation</td>
<td>☒</td>
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<td></td>
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<tr>
<td>Other, please describe:</td>
<td></td>
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</tbody>
</table>

Monitoring and evaluation

**Q3.5** Do you monitor or evaluate your donor supported trade-related programmes?

- □ Nearly always
- ☒ Regularly
- □ Rarely or Never
- □ Not Sure

*If you monitor and evaluate your donor supported trade-related programmes, do you use:*

<table>
<thead>
<tr>
<th></th>
<th>Regularly</th>
<th>Sometimes</th>
<th>Rarely or Never</th>
<th>Not Sure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donors’ monitoring and evaluation results</td>
<td>☒</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Joint monitoring and evaluation arrangements</td>
<td>☒</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Own monitoring and evaluation arrangements</td>
<td></td>
<td>☒</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Own monitoring but joint/donor evaluation</td>
<td></td>
<td></td>
<td>☒</td>
<td></td>
</tr>
</tbody>
</table>

*If you use nearly always or frequently your own monitoring and/or evaluation arrangements, can you please provide examples of your methodology and results? [Please describe and exemplify below.]*
Mutual Accountability

Q3.6 Have you established mechanisms/procedures to discuss with the relevant donors the outcome and impact of your trade-related programmes?

- [ ] Yes
- [ ] No
- [ ] Not sure/ NA

If yes, please can you describe and exemplify them?
Project steering committee and advisory committee under the chairmanship of the Ministry of Trade and Industry, Cooperatives and Marketing

Priorities for improvement

Q3.7 What are your government’s priorities to improve the implementation and effectiveness of the aid for trade it receives? Please rank the top three in order of importance.

Greater say in the design of aid for trade interventions: [ ]

Stronger donor focus on capacity development: [ ]

Better predictability of aid for trade funding: [ ]

More extensive use of Budget Support (or Trade Sectoral Wide Approaches) [ ]

More regular joint-donor implementation actions [ ]

More harmonised reporting requirements [ ]

More frequent joint donor-partner implementation efforts [ ]

More systematic use of joint donor-partner monitoring and evaluation [ ]

Other, please describe: [ ]

Please, describe in detail the improvements needed in your top priority area
There is a lot of identified trade-related interventions, which the Government does not have capacity to implement due to lack of finance. Should Government have a greater say in the design of aid for trade interventions, it will make it possible to cover a wider area of trade-related programmes. On the other hand, there is lack of human capacity to implement these programmes. So, if stronger donor focus on capacity development can be availed, it will lead to improved programmes implementation.
Q3.8 Please identify and rank three areas of interventions (see Question 1.2 for a list of examples) where aid for trade has been most effective at raising trade capacity in your country.

(Please explain your choice)

Area 1 Trade Policy Analysis, Negotiation and Implementation

Area 2 Trade Facilitation

Area 3 Regional Integration

Q3.9 Are there any particular examples of your aid-for-trade processes, programmes or projects that have obtained good results that you think could contribute to the development of good practices?

[If so, please describe them below and attach any relevant documents.]

Mushroom Growing Project and Establishment of One-Stop Shop

Integrated framework (IF) donor assistance came up through Lesotho Trade Poverty and Priority Support Program to support the three areas as prioritised above. These included training of negotiators, establishing Trade Policy Analysis Unit of the Ministry, setting up the One Stop Shop Facility as well as assisting negotiators to participate in regional integration fora.
4 ADDRESSING TRADE CAPACITY CONSTRAINTS AT THE REGIONAL LEVEL

Q4.1 Do your trade strategies specifically address regional trade capacity challenges?

☑ Yes ☐ No ☐ Not sure/ NA

If YES, please describe them:

Under Southern African Customs Union (SACU) we have common negotiating policy for market access. We are in the process of establishing a common industrial policy, SACU Tariff Body and individual Member States National Bodies. Under Southern African Development Community (SADC) a Free Trade Area has just been launched and we are in the process of setting up a common external tariff followed by a customs union, free market and common currency.

Q4.2 Do you participate in regional dialogues, programmes or activities aimed at promoting regional integration?

☑ Yes ☐ No ☐ Not sure/ NA

If YES, can you tell us in how many of these you participate in and describe the most important ones to you? [Please describe below.]

SACU, SADC, AU, NEPAD

Q4.3 Do you know if these regional dialogues, programs, and/or institutions receive aid for trade?

☐ Yes, they do ☐ No, they don’t ☑ I don’t know/ NA

If YES, are you an active participant in the regional dialogues, programs and/or institutions?

☐ Yes ☐ No ☐ Not sure/ NA

Q4.4 Do you participate in or benefit from aid-for-trade programmes implemented at the regional level?

☐ Yes ☐ No ☑ Not sure/ NA

If YES, please describe the main benefits. [Please describe and quantify whenever possible.]

- End of Section 4 -

Please feel free to provide any additional information concerning the regional dimension of your trade strategies:

-- Thank you --