

Validation Workshop for the Successor Lesotho National Industrial Policy

Maseru, Lesotho

19th March 2024

1.0 Background

The United Nations Economic Commission for Africa, Sub Regional Office for Southern Africa (ECA SRO SA) is currently providing technical support to the Government of Lesotho to review and develop the country's successor industrial policy. This is on the basis that Lesotho's Industrial Policy (2015-2017) has long expired and the government through the Ministry of Trade, Industry, Business Development and Tourism (MoTIBT) thus requested support to draft a successor policy taking into account changes in the regional operating environment, including the AfCFTA. The successor policy will also endeavour to ensure alignment with the SADC Industrialization Strategy and Roadmap (2015-2063), as a regional industrial development blueprint which aims to promote industrialization, enhance competitiveness, and deepen economic growth through structural transformation.

Among others, the development of the successor industrial policy has been informed by other frameworks, including the Enhanced Integrated Framework (EIF) which enables African LDCs including Lesotho, to mainstream trade priorities for national development and build trade-related institutional and productive capacity. In line with the United Nations Sustainable Development Goal 9, "Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation", the EIF not only supports targeted agro-processing projects but also the active integration of trade dimensions in existing national policy strategies.

At the national level, Lesotho's industrial development objectives are encapsulated in the **National Strategic Development Plan Strategic Focus (2023/24 - 2027/28) (NSDP II-SF).** The NSDP II-SF provides a special framework that emphasizes targeted interventions and strategies to accelerate industrialization, aligning closely with the overall national development agenda. This plan outlines the need for Lesotho's transition from a consumer-based, towards a producer and export-driven economy in the pursuit of inclusive economic growth through the earmarked priority industries, namely; Agriculture, manufacturing, mining and tourism, creative industries, sports and recreation, and technology and & innovation. Furthermore, it also emphasizes on increasing agriculture production and its commercialization, diversify products, build business linkages between domestic firms and foreign firms and develop industrial clusters and integrated supply chains.

The successor Lesother National Industrial Policy is also aligned to several national policies and strategies including; The **National Trade Strategy (2021-2025)** which serves as a comprehensive roadmap for trade-related policies, market diversification, product differentiation, and the development of export-oriented industries with focus on the horticulture, textiles and apparel, and light industry; The **Comprehensive National Agriculture Policy (2022-2026)**, whose overall goal is to promote sustainable commercialization and diversification of agriculture commodities

such maize, beans and peas, mushroom, honey, poultry, vegetables, dairy, potato, and piggery, through priority commodity value chains aimed at reducing food imports, enhancing livelihoods, and promoting environmental sustainability.

To develop the successor Lesotho National Industrial Policy, ECA-SRO-SA engaged a consultant to anchor the process and draft the policy which entailed a fully consultative process capturing the views of various stakeholders. The consultant also undertook desk research on the matter and administered a questionnaire to elicit views from the stakeholders recommended by the MoTIBT and the findings have been compiled into a successor draft industrial policy. The industrial policy will strengthen Lesotho's capacity to coordinate industrial policy implementation, mobilize resources for implementation and monitoring progress to deliver on the country's industrialization milestones. The industrial policy will be validated by stakeholders at a workshop organized by MoTIBT in collaboration with the ECA-SRO-SA on 19th March 2024.

2.0 Objectives

As part of the ongoing support towards this agenda, the MoTIBT and ECA-SRO-SA are organising a one day validation workshop for the successor Lesotho Industrial Policy to obtain feeback into the policy document with The overall objective of reviewing and validating the findings and recommendations of the successor National Idustrial Policy (NIP) for Lesotho.

Specifically, the meeting will:

- i. Review the comprehensiveness of the methodology and adequacy on the coverage of issues pertinent to industrial policy development of the report,
- ii. Review alignment of the successor Lesotho National Industrial Policy with other frameworks supporting Industrialization in Lesotho.
- iii. Assess the feasibility of the recommendations, to recalibrate them to support successful implementation.
- iv. Address any gaps and misrepresentations of findings and recommendations from the report.
- v. Finalise the report for MoTIBTs' implementation including identification of required supporting soft and hard infrastructure.

In addition, the meeting will be an opportune platform for stakeholders who were unable to participate in the questionnaire-based data collection to provide inputs into the draft policy document to ensure and enhance collective ownership of the Lesotho National Industrial Policy.

3.0 Expected Outputs/coutcomes

The expected outputs of the workshop will include;

i. Key recommendations for the finalisation of the successor national industrialisation poicy.

- ii. Enhanced appreciation by stakeholders of the purpose and scope of work towards development of the successor national industrial polcy for Lesotho.
- iii. Enhanced understanding of the purpose of the successor national industrial policy in support of industrial development in Lesotho.
- iv. Enhanced ownership of the successor national industrial policy through strengthening implementation of findings; and
- v. A report on the outcome of proceedings.

4.0 Date, Venue and Format

The Validation Workshop will take place as a physical meeting on **Tuesday**, 19th March, 2024 at Avani Maseru in Lesotho.

5.0 Participants

The Validation workshop for the Lesotho Industrial Policy will be attended by participants from Government, the private sector, academic and research organizations. Government ministries to be invited include; Ministry of Finance and Development Planning, Ministry of Gender, youth, sports, arts, culture and Social Development, Ministry of Agriculture and Food Security, Ministry of Tourism, Environment and Culture, Ministry of Local Government and Chieftainship and Ministry of Natural Resources. The private sector will be drawn from; The Lesotho Tourism Development Corporation, Lesotho National Development Corporation, One-stop Business Facilitation Centre, Lesotho Chamber of Commerce and Industry, Lesotho Textile Exporters Association, Lesotho Telecommunications Authority, Revenue Services Lesotho, Lesotho Chamber of Mines, Private Sector Foundation of Lesotho Basotho Enterprise Development Corporation, The Eastern and Southern Africa small-scale Farmers Forum /Lesotho Farmer's Association, Lesotho Electricity and Water Authority, Association of Lesotho Employers & Business, Lesotho National Farmers' Association and the Lesotho SMME Network.

The academia will be drawn from; National University of Lesotho and Limkokwing University of Creative Technology. Lastly, development partners will be drawn from; The World Bank, International Monetary Fund, United States Agency for International Development, United Nations Population Fund, United Nations Educational, Scientific and Cultural Organization, World Food Program. Food and Agriculture Organization and International Fund for Agricultural Development.

6.0 Contacts

Confirmation of participation and the request for additional information and all other communication on the validation workshop should be addressed to:

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