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Economic Partnership Agreements: The Lesotho Perspective

Southern Africa Trust

Table of Contents

Acronyms	3
Executive Summary	4
1. Background	4
2. Legislative And Policy Review	6
3. SADC-EU Economic Partnership Agreement: Lesotho's Perspective	9
4. Status Of SADC-EU EPA Implementation In Lesotho	12
5. Challenges, Opportunities And Interventions	17
6. Overview Of Advantages Of EPA For Lesotho and Other SADC Countries	18
7. Regional Integration	19
8. Policy Recommendations	21
9. Recommended List Of Stakeholders	23
10. References	24

Acronyms

AAA	Accra Agenda for Action
ABC	All Basotho Convention
ACPs	African, Caribbean and Pacific Countries
AGOA	Africa Growth and Opportunity Act
BCP	Basotho Congress Party
BNP	Basotho National Party
CMA	Common Monetary Area
CSD	Commission on Sustainable Development
CSP	Country Strategy Paper
EBA	No Arms Agreement
EPA	Economic Partnership Agreement
EU	European Union
GATT	General Agreement on Tariffs and Trade
IMF	International Monetary Fund
LCD	Lesotho Congress for Democracy
LHWP	Lesotho Highlands Water Project
LPC	Lesotho People's Congress
MFP	Marematlou Freedom Party
NIP	National Independent Party
NSA	Non-State Actors
NT	National Treatment
OPEC	Organisation of Petroleum Exporting Countries
RSA	Republic of South Africa
SACU	Southern African Customs Union
SADC	Southern African Development Community
TRIPS	Trade-Related Aspects of Intellectual Property Rights
UNCED	Governments at the United Nations Conference on Environment and Development
WCO	World Customs Organization
WMD	Weapons of Mass Destruction
WTO	World Trade Organization

Executive Summary

Lesotho signed the SADC-EPA with the EU on 10 June 2016 along with several SADC and SACU members. While this marked the end of a negotiation process that started in 2004, it also means the beginning of the EPA implementation process, which already faces some hardships given the country's continuously unstable political state, as well as its weak policy-effecting history.

While the EPA emphasises the three pillars of sustainable development, the entirety of its negotiation process did not fully commemorate the principle of public participation, as provided for by the Cotonou Agreement. This was established following the NSA meeting organized by the Southern Africa Trust on 24 March 2017, the objective of which was to build awareness and share information on the EPAs among the NSAs.

It is against this backdrop that the Southern Africa Trust sought to acquire insight into the EU-SADC EPA, specific to Lesotho. The findings of this report will be used to foster inclusion of, and information sharing with NSA in future EPA matters.

1. Background

Lesotho Socio-economic Overview

Area	30 355 Sq. Km
Population	2,135.02 Million
Official Languages	Sesotho and English
Gender Equality Ranking	57 out of 144 Countries
Currency	Loti
GDP	USD 1.9 Billion
GDP per capita	USD 938.6
Central Bank	Central Bank of Lesotho
International Reserves	USD 0.9Billion
Trade Organizations	SACU, SADC, WTO

Source: (IMF, IMF Country Report No. 16/33, 2016) and (World Economic Forum, The Global Gender Gap Report, 2016)

1.1 Economic Perspective

Lesotho is highly reliant upon South Africa economically, as its only neighbouring state. A substantial percentage of the country's imports are therefore derived from South Africa, while its exports are mostly to the United States. Added to this, one of the significant contributors to the country's economy are remittances from the South African mines for Basotho workers. These contributed 17.7% to the national GDP in 2016. Lesotho's mining sector is showing considerable expansion as more mines are opening up and increasingly contributing to the country's economy (refer to Table 2), while major infrastructure projects by the Lesotho Highlands Water Project are also making their mark in the local economy.

Given Lesotho's slightly weaker currency as compared to ZA Rand, the enclaving of Lesotho by South Africa, and the trade bond between the countries, Lesotho's inflation always trails that of South Africa's. The rise of food and fuel prices have had an accelerating impact on the country's inflation levels.

Lesotho is a member of the rand Common Monetary Area (CMA) and the Southern African Customs Union (SACU). Although SACU Revenues have attributed to the state's expenditure planning and contributed between 30%-60% of the state's GDP in the past, their steady decline has led to the country's dwindling of the fiscal condition.

There has been a considerable transformation in the country's economic background during the past thirty years, due to a variation of factors attributed to social, environmental and economic elements.

Lesotho's Economic Drivers by GDP Contribution

Economic Driver	Product	Country Of Destination For Export	Product Input To GDP (%)		
			1999	2011	2015
Agriculture	Wool, Mohair, Livestock	South Africa, Canada, Belgium, USA	14	7	*
Manufacturing	Textile, Apparel	South Africa, USA, Canada, Belgium	13.4	13.3	10.7
Mining	Diamonds		0.1	4.5	8.5
Industry			30	32.7	32.0

Source: African Development Bank, 2017 and Country Watch, 2017

Initially, Lesotho's main economic driver was agriculture, but its performance has since dropped as the textile industry (clothing) propelled the country into the broader global economy. This was pushed even further by the country being part of the African Growth Opportunity Act 2000.

However, in 2005, following the global economic meltdown, the country's economy has been on the decline. The situation is worsened by the apparent collapse of the local garment and textile industry, the elimination of the global textile quota system and tight competition from Asian countries in the export of clothing merchandise, due to the phasing out of the Multi Fibre Agreement. Another contributing factor to the slowing down of the economic growth is low implementation of the public investment budget. The International Monetary Fund (IMF) attests to these by stating "a substantial real appreciation of the exchange rate of the rand, to which the loti is pegged; the removal of textile quotas by industrial countries; a continuing decline in the terms of trade; and persistent drought [due to climate change]" are other underlying factors.

In addition, SACU revenue decline and subsiding allowances (dropped by 12.4% in 2015) from Lesotho workers in South Africa, also contributed to the decrease in manufacturing shares in the GDP and the country's reduced economic growth.

In terms of tax, the corporate income, capital gains, and branch tax rates are each 35%. Those dividends paid to non-residents and interest are subject to a 25% withholding tax. Resident companies that pay dividends must make an advance income tax payment of 53.8%, unless the dividends are paid out of manufacturing income or out of dividends paid by another resident company. Manufacturing companies pay no tax on dividends and enjoy a special income tax rate of 25%. Repatriated income is subject to a 25% tax.

Some economic vulnerabilities that the country faces include backwardness in development, intense poverty, food insecurity, climate change, reduced migrant remittances and high HIV/AIDS prevalence. There is a need for Lesotho to fast-track economic competitiveness to broaden its export base, to decrease existing high poverty levels and to foster general country development. There is also a need for policy that nurtures economic growth and expansion, as well as the management of sectors such as mining and construction. The country can also improve its macroeconomic stability through development and implementation of practical monetary strategies and programmes geared towards improving public debt management.

As it stands, the country's external competitiveness has depreciated, and while the country's imports remain high due to increased reconstruction and emergency food imports, its export base has depreciated. Lesotho's gross reserves have been on the decline, while inflation is projected to remain in the single digits. There is hope that the country's external accounts will recover given the increase in mining and construction activities, as well as the AGOA extension.

There is need for Lesotho to engage in economic policy reform to improve public debt management, restore external competitiveness and accomplish the Millennium Challenge Goals. The low per capita income is another challenge that requires urgent address.

2. Legislative and Policy

The economy determines people's sources of making a living and therefore remains the crux of any governance for the survival of its people. However, inadequate laws and policies, and inefficient institutions hamper countries' abilities to take full advantage of the benefits of services trade. There are laws drafted and executed to ensure enabling environments for the systems of production, procurement and distribution of goods and services together with the monies used as the medium of exchange. Unions also seem to be the efficient means to survival of national economies, and through them, members are treated fairly with befitting opportunities. This can only be achieved through laws and regulations, as well as treaties in many such coalitions.

2.1 Regional Context

Most countries have sought to use the power of synergy by forming alliances with those sharing similar plights. Oil-producing countries have for instance formed a body, which protects their interests and are therefore better able to control oil prices than they could outside OPEC (Organization of Petroleum Exporting Countries). We make mention of SACU, wherein Botswana, Namibia, RSA, Swaziland and Lesotho sell and buy products in these SADC regions duty free.

2.1.1 Common Monetary Area

Some countries have forged alliances with more powerful economies, taking wing under them to offset some of the financial blows. Lesotho has done the same under the Republic of Southern Africa (RSA), with the rand Common Monetary Area (CMA), where Lesotho uses the rand as its shield because its own Loti would not easily handle economic blows over and above the country's limited natural resources and its physiography.

2.1.2 SACU Agreement

The SACU Agreement that is currently in place, was published and came into operation from 15 July 2004. It is a Common Customs Area with a common revenue pool (wherein all countries' customs, excise and additional duties collected by the different members, are paid within three months of the end of the quarter of a particular financial year). SACU Member States are then paid from this pool and the share of each member state is calculated from the different components according to a specific formula. It has five member states, within which goods are grown, produced or manufactured. On importation from one of the member states to another, they shall be free of customs duties and quantitative restrictions.

Since the first 1910 agreement, SACU has met some challenges. The agreement advocates for the enforcement of a common external tariff and makes it mandatory that no Member State shall negotiate and enter preferential trade arrangements with third parties without the consent of other Member States. Given the status quo, it is apparent that SACU members, Lesotho included, who signed the EPA with the EU were in violation of this condition. After many deliberations, Botswana, Lesotho, Swaziland and Mozambique signed the Interim Economic Partnership Agreement (IEPAs)

in June 2009. Lesotho was interested in the opportunities the IEPA Rules of Origin offered for textile and clothing exports to the EU.

2.1.3 SADC Treaty

According to the treaty document, SADC is an international organization with a legal personality with capacity and power to enter contracts, acquire, own or dispose of/or immovable property and to sue or be sued. It is governed by five principles: equality, balance and mutual benefit; solidarity, peace and security; human rights, democracy and rule the law; peaceful settlement of disputes; and sovereign equality of all member states. Within the environment the organization has created, the aim is to steer development and economic growth for member states. In so doing, poverty, low quality and life standards of the Southern African region will be eradicated. The union set out to promote and defend the same principles that guide it in all the member states of this region. This shall be achieved through harmonization of economic and socio-politic policies and plans of member states. Membership is not by virtue of geographic location, but rather by interest. Endorsement of membership is also granted given that there are no objections from existing member states.

2.1.4 The Constitutive Act of African Union

The Constitutive Act of the African Union represents a serious commitment to the promotion and protection of human rights, at least in comparison to the Organization of African Unity (OAU) Charter. It was agreed that a need existed to amend the OAU Charter, to streamline the organization to gear it more accurately for the challenges of a changing world. Based on this Act, the African Union (AU) was formed by the heads of states of 53 African countries.

2.2 Local Context

2.2.1 The Constitution of Lesotho

The constitution of Lesotho shows a very enthusiastic state on matters concerning its people's development and that of the countries' economy. Chapter II of the constitution depicts the basic human rights and freedoms individual Basotho are entitled to, regardless of socio-economic aspects. The Constitution provides citizens the freedom of association including those associated to economic purposes. It also states that equality and justice shall be exercised in the adoption of policies promoting the nation by means of protection of health; provision of education; opportunity to work' economic opportunities; and protection of the environment. The Constitution therefore intimates that the country seeks to create an environment which enables development to ensure sustainable development that is so needed for the Basotho nation.

2.2.2 Kingdom of Lesotho Country Strategy Paper

The Country Strategy Paper (CSP) is a five-year plan which elaborates the next strategy for Bank Group operations in Lesotho. The current 2013-2017 CSP ensues the 2008-2012 CSP. It is improved following intense consultations with the Government and several stakeholders. Efforts have been exhausted to align it with the Government's development agenda, and the core operating priorities of the Bank's new LTS 2013-2022, anchors it. The CSP is not Working in isolation but is in-line with the NSDP 2012/2013 - 2016/2017, which reiterates the promotion of sustainable and inclusive growth, to reduce poverty and inequality and achieve the MDGs.

This CSP is meant to guide the Bank's support for the mentioned implementation of the country's priorities. The Government's dialogue during the CSP implementation is meant to focus on five issues:

1. Effective utilisation and leveraging of the ADF resources, including exploring the possibilities of more co-financing and private sector financing through PPPs.
2. Improving the quality of statistics for monitoring purposes.
3. Measures to improve institutional capacity in PFM.
4. Reforms to improve the business environment.
5. Improving domestic revenue mobilization. In addition, the Bank will encourage and facilitate inter-Governmental dialogue between Lesotho and South Africa on multinational projects, to enhance Lesotho's potential for accessing resources from the regional operations envelope and enclave projects.

2.2.3 The National Strategic Development Plan (NSDP)

The NSDP is a key planning document designed to guide the country's long-term development plan, while providing measures and initiatives for the economic growth and the social uplifting for all Basotho.

The Government has set the objective of creating 50 000 new jobs by the end of the NSDP period in 2016/17 fiscal year. To achieve the employment target, the Government intends to increase private sector participation by significantly reducing barriers to private investment and private sector development. The NSDP, which is the implementation strategy for the National Vision 2020, has six strategic pillars as indicated below:

- Pursue inclusive growth
- Develop key infrastructure
- Enhance the skills base, technology adoption and foundation for innovation
- Improve health, combat HIV and AIDS and reduce vulnerability
- Reverse environmental degradation and adapt to climate change
- Promote peace and democratic governance and build effective institutions

2.2.4 The National Investment Policy

The National Investment Policy drawn in 2015 is another illustration of putting to action the desires of development for the country. It promotes and regulates private investment within the fundamental national objective of sustainable and inclusive development for its citizens. The National Strategic Development Plan sees private investment as the engine of growth and the most effective way to raise living standards by creating sustainable jobs.

2.2.5 Lesotho Vision 2020

Vision 2020 is another key strategy meant to direct the country's long-term development plan by postulating processes and programs for the economic upliftment and improvement of living standards of citizens of Lesotho. Below is the summary of Vision 2020:

Key Aspects of Lesotho's Vision 2020

Challenges	Weaknesses
Increasing levels of poverty, escalating unemployment, environmental degradation, economic and political instability, and the HIV and AIDS pandemic	Food insecurity, unemployment, poor strategic and operational planning, inadequate research in science and technology, and an underdeveloped small, medium and micro enterprises (SMMEs) sector
Strengths	Opportunities

Government commitment to development, its widely accepted and respected constitution, cultural homogeneity, the electoral system, and high adult literacy	FDI and good relations with the Republic of South Africa
Threats	Pillars of development
Brain drain, donor conditionality, decline in mine labour remittances and increasing competition from international markets	Democracy, unity, peace, education and training, economic growth, management of the environment, and advancement in technology
Factors that are pivotal in Lesotho's development	
Political commitment, FDI and public sector management	

Source: Government of Lesotho

3. SADC-EU Economic Partnership Agreement: Lesotho's Context

Lesotho's economy is divided into three sanctions - the exports and imports route comprises of SACU member states at regional level, and North America, EU and Asia at international level. Lesotho is also part of the Free Trade Area, which grants Basotho producers an opportunity to trade in twelve countries, with a market prospect of approximately 270 million people.

Lesotho has entered Double Taxation Treaties with three countries: RSA (entered into force in 2016), UK (1997) and Mauritius (in 2004) as a means of avoiding paying tax twice on the same income. As a member of SACU, Lesotho's investors can attain tax returns from all products exported to other SACU member states. This in turn enables producers to import necessary materials from these states without facing tax charges. The Ministry of Trade and Industry works hand in hand with the Lesotho Revenue Authority (LRA) to take responsibility of tax issues in the country.

In terms of inflation, food items, non-alcoholic beverages, apparel, electricity and gas are in the forefront. The country's inflation is highly dependent on the SA rand due to Lesotho's membership to the Common Monetary Area. This has been facing inconsistency from 2000 to 2015.

Lesotho is aligned to several trade treaties. Under the Preferential Tariff for LDCs, Lesotho's exports do not incur tax charges in the Republic of Korea, while in India the country's exports are tax free under the Duty-Free Preference Scheme for LDCs Markets. The country is also operating under free trade in Australia, Czech Republic, Hungary, Japan, New Zealand and Turkey under the Generalized System of Preferences. Lesotho has also been granted an opportunity to undertake tax and duty-free trade until 2025 through the African Growth and Opportunity Act (AGOA) in the USA.

As a less developed country, Lesotho has recently entered the SADC-EU EPA (October 2016) for almost similar benefits (as AGOA) under EU countries for all products except arms and ammunition. The EPA is an attempt to give LDCs an opportunity through trade liberalization to develop their economies. The SADC-EU EPA replaced the LOME Convention, initially expected to be activated by 1st January 2008, ultimately signed off on 10th June 2016.

For decades, Lesotho has been on the fringe of the trade liberalization, even while depending so much on international import, mainly from China, USA and EU, as well as those from SACU member states, especially South Africa. The country took part in the EPA negotiations as part of the SADC member states bloc, which were also aligned to SACU due to the nature of the customs union (common external tariff).

As part of SADC, Lesotho adopted the SADC Trade Protocol in 2000 along with other SADC countries, and therefore eventually aligned to the resultant Free Trade Agreement. In this case,

Lesotho was better placed negotiating the EPA under the SADC group, as it shared various similarities with the member states. For one, all countries under this group were, like Lesotho, members of the World Trade Organization, part of the Doha Development Round as well as the Cotonou Partnership Agreement.

Given Lesotho's state as a LDC, the principles of the EPA to reach an agreement that would not only lead to trade liberalization, but also to sustainable development, while also augmenting integration between Lesotho and other SADC states, gave hope that the country would overcome its dire poverty, improve its economic status while also reinforcing its regional and international relations. Another appealing factor during the negotiations was that Lesotho's economic muscle would be considered individually, and therefore country specific aspects would be taken into consideration in the agreement.

There were three levels of the SADC-EU EPA negotiations; the ministerial level; the senior officials and Brussels-based ambassadors' level; and the SADC Trade Negotiation Forum (TNF), which consisted of officials from trade and industry departments, non-state actors and the private sector representatives. In as far as feedback from the study indicates, Lesotho seems to have been well presented in the first two levels, while there is a blurry line in terms of the TNF level, specifically regarding NSA participation. The Ministry of Trade and Industry through its mandate to coordinate all trade related issues in Lesotho, was involved in these negotiations and lead facilitation at national level. The Ministry of Agriculture and Food Security was also involved in the negotiations, along with the Lesotho Revenue Authority (LRA), Private Sector Organisations including Lesotho Chamber of Commerce and Industry, Private Sector Foundation of Lesotho, Lesotho National Farmers Union, Lesotho Industrial Employers Association and Lesotho Textiles Employers Association.

The Ministry of Trade and Industry was cognisant of the fact that the private sector would ultimately benefit from the EPA, and therefore frequently consulted it on issues relating to tariffs, rules of origin, sanitary and phytosanitary matters. The role of Lesotho NSA during the SADC-EU EPA negotiations was therefore realized in devising Lesotho's national position, which included defensive and offensive interests in the negotiations. The private sector specifically, was involved in all aspects of the negotiations until the very end. Throughout the negotiations, the SADC bloc had kept open the opportunity for any interested SADC member countries negotiating under other blocs to join at a later stage. Issues of rules of origin, market access for agricultural and non- agricultural products as well as fisheries were a cause of divergence during the negotiations, and Lesotho, along with the other states, presented a strong front that issues pertaining to these matters, especially the RoO, had to be simplified in order to "benefit from greater EU market access". Yet another source of contention during the negotiations was the fact that EU considered inclusion of trade related issues as important to the quest to improve SADC's business environment and to achieve development goals.

Conversely, SADC member states, Lesotho included, did not approve of binding section in EPA for trade-related issues due non-existence of this in the WTO provisions as well as their limited capacity to negotiate. Some challenges encountered during the negotiations were as follows:

Geographical Configuration: It is understood that due to its geographical proximity to SA, most happenings in SA affect Lesotho. One of the greatest challenges Lesotho was faced with during the negotiations was based on SA's TDCA with Europe, and it (SA) being just an observer in the EPA negotiations. In fact, the existence of Government procurement, investment, competition and trade facilitation presented a challenge for all SADC states, which raised an idea to rather negotiate as the SACU-EU EPA, though this would further render Lesotho and other states in lesser market access, as compared to the Cotonou Agreement specifications. In truth, the existence of the three trade agreements within the SADC region complicated the EPA negotiations even further as there was concern over coherence and coordination.

Capacity to Negotiate: Lesotho was faced with limited capacity to negotiate the EPA, in addition to the confusion caused by the overlapping membership (integration), and the difficulty in aligning the EPA specifications to existing local policies and other trade agreements and ensuring compatibility to the WTO.

Capacity for Resource Mobilization: Lesotho was faced with limited ability to raise funds and acquire technical support for the purposes of capacity building in multilateral trade negotiations and implementation. The cost required for implementation, say for infrastructure investment, could be more than what the government can raise in order to make success of the EPA.

Cost of reciprocity: In effect, Lesotho offered reciprocity to EU as part of SACU, while also using the TDCA as basis for tariff negotiations. Improved access of EU to Lesotho market has the potential to cause more harm than good to local producers. There is competitive disadvantage to local producers due to lack of advanced technology locally to compete in EU markets. There also exists the possibility of fiscal revenue losses, which will ultimately impact negatively on Lesotho's economy.

3.1 NSA Reflections during the EPA Negotiation Process

According to NGOs feedback, Non-State Actors (NSA) in Lesotho were not effectively involved in the EPA negotiations. The government seems to have not invited any NGOs that usually partake in such issues, to contribute in any way during the negotiation process. However, during the early stages of the negotiation process, NGOs such as LCN, CCJP, TRC and DPE got involved with some regional NGOs in the quest to offset the involvement of Lesotho in the EPA. The government did not initiate this participation and due to general lack of information sharing and engagement from the government's side as the main stakeholder, and lack of funding to continue engaging in EPA related issues, the NSA subsequently let go of any participation thereof.

During the short time that the Lesotho NSAs were engaging in EPA issues, their advocacy against EPA ratification was based on several concerns, the greatest of which was that the negotiating capacity between Lesotho and EU was unequal. Moreover, the fact that there was a threat to withdraw LOME type preferences to the states that failed to conclude the EPA by the then set deadline was cause for concern, and also raised eyebrows in relation to the EPA mission and timing, as these countries felt inclined to sign even if they did not want to. In addition, the NSAs raised that should the agreement suffice, the Lesotho producers would still be in the losing end as their products would most definitely be below the EU sanctions. Over and above this, the NSAs grievance was the apparent lack of engagement of the public (NSA) in the entire process.

Another objection raised was that the EPA negotiation groupings defied the principles of integration that the countries were familiar with and therefore caused confusion. It becomes difficult to ignore the fact that the EPA has potential to substantially impact the regional integration, as it bears the African countries to much stronger markets, such as those of Asia and the Americas.

One other issue had been that since local producers would experience a detrimental effect through EPA, the African Union should then facilitate discussions on superlative ways to integrate Africa, Lesotho included, into the global supply chains and distribution networks, an element that EPA specifications did not cater for. In addition, the EPA negotiations restricted the African countries from negotiating trade agreements with other external partners, unless they afforded for concessions excluded in the EPA, yet the EPA itself failed to provide safeguards for African countries, should there be resulting trade concessions.

During the EPA negotiations, the challenge faced by the SADC bloc was that even with the existing SADC Trade Protocol, there was limited regional integration, and the policy itself was inconsistent with the member states' existing trade policies. There was a great concern that the African countries negotiating the EPA with the EU had little interaction with each other and this resulted in confusion.

The differences in each EPA also seemed to defy integration of the African region in general. This lack of harmony between regional trade policies was a source of great unease, in addition to the fact that some important local products had also been side-lined from the Free Trade Agreement, while there was also an overlap of custom unions within the bloc.

There was a concern that the EPA had come prematurely, and that exclusion of some subsidized agricultural products and sensitive industries from the agreement has opened the country's market to some negative elements. It was foreseen that it would be difficult for local producers to compete with the European products that would be coming into the local market, as they would be not only cheaper but of much higher quality, overthrowing the local producers. Also, the specifications of the EPA did not protect any new and upcoming African products, rendering the African market fragile, more disadvantaged and more exploited.

4. Status of SADC-EU EPA Implementation in Lesotho

The EPA has been in force for just over a year, a relatively short period to have a conclusive analysis on the intra-regional trade and the effectiveness of the EPA implementation. In addition, there is very little and slow progress towards the implementation due to the recent political hand over. It is worth mentioning that the EPA complements regional trade efforts including those under SADC, and African Union. Through the EPA, Lesotho is assured an opportunity to export all its products, besides the arms and ammunition, to the European market, which has availed its markets, with different consumer preference up for grabs. The EPA will then contribute to the development of the country as Basotho producers have a chance of empowerment through the agreement.

Market access opportunities are available for Lesotho-based businesses regardless of their size, although supply side challenges remain, including lack of both financial and technical resources. The Government has sourced funding from development partners including the EU, in order to facilitate among others, purchasing of equipment for use in laboratories for quality assurance and accreditation and to improve the ITC infrastructure to make it easier for the private sector to trade. Once of the major challenges have been issues of accreditation and quality assurance, which the Government is in the process of addressing in collaboration with all relevant stakeholders.

Because of its consideration to the rule of origin, the EPA considers regional integration, while also taking cognisance of protected businesses such as Basotho Cannery. There is an apparent inequality in this agreement, e.g. EU has 250 protected industries while SADC has only 100. EU has however ensured, by approving asymmetrical liberalization, that SADC benefits significantly from the EPA. With the declining SACU revenues, Lesotho is in dire need for economic opportunities, and the final EPA as it stands contains better market access conditions for Lesotho products.

Lesotho qualifies for 100 % duty free and quota free market access to the EU. The EPA is also developmental in nature and contains development chapters with reference and recognition of Multilateral Environmental Agreements and ILO Agreements. In addition, the EU also avails funds for Lesotho to address challenges of standards and quality assurance issues and supply side constraints.

For all intents and purposes, the agreement is already being implemented, and the Ministry of Trade and Industry coordinates the process. The EPA is being implemented by a number of government ministries and agencies as well as the private sector. Parties involved in the implementation of the agreement are the Ministry of Trade and Industry, Ministry of Small Business Development, Cooperatives and Marketing, Ministry of Agriculture and Food Security, Lesotho Revenue Authority, Lesotho National Dairy Board and the private sector.

The usual practice in Lesotho is that private sector organizations represent their membership during consultations for negotiations and other concerns that they might have. The Lesotho Chamber of Commerce and Industry, Private Sector Foundation of Lesotho, Lesotho Textiles

Exporters Association, Lesotho Industrial Employers Association, Lesotho National Farmers Union and other representations work with the Ministry on such issues. The EU delegation in Lesotho has indicated that the final EPA has been fashioned in a manner that will facilitate, through harmonizing their regulations, free trade between Lesotho and other SADC countries. In this way, the EPA will facilitate value chains where one country is not capacitated to produce the finished product. It has also indicated that the EPA, by making mention of stakeholder ownership, participation and dialogue, mandates inclusion of the private sector and civil society for instigating thriving trade.

It is then the role of the private sector and the civil society to lobby for trade growth in the country. The EU has also made efforts to include NSAs in EPA related issues. The SME sector is also being included in the EPA. About 118,000 Basotho work in the SME sector, generating a turnover of approximately M192million per month. Even though most of these SMEs grow to medium and larger enterprises, the greatest challenge they face is that of financing. The government is addressing such challenges through programmes and discussion forums such as the Expo and Business Summit.

There are continuous efforts that are being implemented in order to disseminate information to the EPA stakeholders on the opportunities for exporting and to source inputs from the EU in this regard. However, this applies to all other markets available for Lesotho products as a result of other trade agreements such as the AGOA. The private sector is always engaged and consulted in its different configurations whenever policies and legislation are being formulated. These are done through workshops and direct information disseminations, utilisation of the media and websites such as the Lesotho Trade Portal.

4.1 EPA National Implementation Committee

Currently, the Ministry of Trade and Industry has not yet established a specifically named EPA National Implementation Committee. However, on 15th September 2017, the Lesotho Coordinating Committee on Trade (LCCT) and the National Trade Facilitation Committee (NTFC) were launched. The LCCT is meant to act as the state advisor on trade related issues and policies, to drive facilitation of trade negotiations and to steer implementation of trade agreements.

The LCCT, made up of government, NSAs, private sector and academic representatives, consists of four sub-committees:

- Technical Committee on Trade Facilitation
- Technical Committee on Standards, Product and Market Diversification
- Technical Committee on Market Access (Goods and Services)
- Technical Committee on Monitoring, Evaluation and Resourcing

The NTFC is an exertion to escalate the country's competitiveness in the global markets, especially given its geographic constriction, and to foster ease of implementation for the TFA.

4.2 Role of NSAs in the Implementation Process

The NSAs in Lesotho acknowledge the fact that they have stake in the implementation of the EPA, though they are currently focusing on other issues. There seems to be a general feeling of disinterest or disheartenment within NSA in terms of inclusion in the implementation process. All NSAs interviewed indicated that during the negotiation process, they were not substantially included, and that any action they took was voluntary and unfortunately side-lined by the government.

The government representatives indicated that there seemed to be a level of disinterest from the NSA side, as seen in the fact that the government repeatedly invite NSA representation to different decision-making platforms, yet the NSAs do not attend. Subsequently, the NSAs claim that the government fails to include them in decision-making processes, yet they do not acknowledge nor

act upon any initiative from the government's side. This communication breakdown between government and NSAs requires urgent address moving forward.

Another issue is that NSAs are currently engaged in issues that have preference with the donor community, and the EPAs have fallen off this radar. There is need for capacity building within NSAs in terms of trade policies and related issues, especially given the fact that they hardly partake in the negotiation process. The government indicated that some committees have been formed within the Ministry of Trade and Industry to deal with issues of trade agreements among other issues, and that there is representation of parastatals within these committees. In this case, the NSAs should take this opportunity to be fully involved in the implementation process, while also soliciting funds for purposes of capacity building and technical engagement in the implementation process of EPA.

The Lesotho Council of NGOs (LCN), as the umbrella body for NGOs in Lesotho, then has responsibility to identify and allocate its member organizations that are equipped with capacity and knowledge to partake in the implementation process. It must also lobby for funding to support any action put forth for this purpose and act towards mending relations between the government and the NSAs.

Yet another issue is that when it comes to practicality, the EPA document is too difficult to decipher. The final EPA document is too bulky (over 1300 pages) and therefore overwhelming for a businessperson at grassroots level. For this reason, the NSAs advocate for a simplified and localized version of the EPA, so that there is true participatory engagement of all local stakeholders at all levels. Given this, the NSA should then lobby for technical and financial support to oversee simplification of the EPA, in collaboration with the Government of Lesotho.

4.3 Policy and Legislative Environment set for EPA Implementation

The formation of the LCCT and the NTFC is a step in the right direction in terms of creating a conducive policy and legislative environment for EPA implementation in Lesotho. The government is already taking action to ensure that local policy and legislation are favourable for the implementation process. The Honourable Minister Tefo Mapesela indicated that the Ministry of Trade and Industry, with funding from the EU-SADC Trade Related Facility, is currently developing an integrated Trade Policy, which he said, would ultimately ensure smooth implementation of the SADC Trade Protocol and the EU-SADC EPA.

The Government is working in collaboration with the EU Delegation to draft the EPA National Implementation Plan, while the EU is also financing projects geared towards improving trade facilitation in Lesotho. The National Trade Policy is being drawn up with assistance from the EU and SADC Secretariat.

4.4 Insight of AGOA

Lesotho is already part of a trade agreement that could be named the equivalent of EPA. The US government approved AGOA in 2000 and will be in effect until 2025. AGOA is a non-reciprocal and unilateral preference programme that provides for duty-free entry of goods into the United States from Lesotho and other Sub Saharan African countries, for both textile and non-textile goods. It raises concern on good governance, oversight responsibility and effective rule of justice. Access to the agreement rests on political stability and therefore democratic rule. The main attraction of AGOA is the duty-free and quota free access to the US market that least-developed countries like Lesotho currently enjoy.

AGOA is not projected to be a permanent arrangement but rather a transition to influence competitiveness and manufacturing capacities of LDCs. It offers 6 400 products duty-free and quota-free access to the US market and the US Harmonised Tariff Schedule (HTS) includes about 10

500 tariff lines for import products to the US, out of which 3 800 have no most-favoured-nation (MFN) status or are exported to the US duty free.

Under the Generalised System of Preferences, a programme designed to promote economic development in LDCs through preferential access to the developed markets, 4 800 products enter the US duty-free. This agreement has ensured that the state as per constitution truly avails the inclusion of women in the economy on an unprecedented scale unlike any other. As it is, about 40 000 Basotho are employed in the factories that export to the US as per AGOA provisions, and over half of these are both women and youth, so AGOA is in effect empowering the women and youth of Lesotho. AGOA has rules of origin requirements whereby beneficiary countries can only export duty-free based on the following elements:

- The product is directly exported from the beneficiary country.
- At least 35% of the value of the product is originating from the beneficiary country (local cumulation).
- Up to 15% of the required 35% may be of US origin or/and the remainder from other AGOA beneficiary countries (regional cumulation).

Under AGOA, LDCs like Lesotho qualify for the third-country provision, which is a special rule that allows them to export textiles and garments duty-free even if they source inputs from non-AGO beneficiary countries. AGOA is not just a pact but also an aid project and therefore also provides beneficiary countries with technical assistance in the following areas:

- Liberalising trade policy
- Harmonising laws and regulations with WTO membership commitments
- Fiscal and financial restructuring
- Promoting greater agribusiness linkages
- Developing private sector business associations and networks with US enterprises Increasing trade in services
- Addressing critical agricultural policy issues.

Through AGOA, the following US development institutions have been put at the disposal of beneficiary countries to offer varied assistance based on their areas of specialisation:

- Overseas Private Investment Corporation (OPIC)
- US Trade and Development Agency (USTDA) –Export-Import Bank (Ex-Im Bank)
- United States Trade Representative (USTR) –US Foreign Commercial Service (CS)
- US Agency for International Development (USAID)
- Competitiveness and Trade Expansion (ACTE)

5. Challenges, Opportunities and Interventions

Identified Challenges	Apparent Opportunities	Possible Interventions
EPA process was not a participatory process and there is a lack of NSA recognition.	There is room for empowerment of NSA and other stakeholders in the decision-making processes concerning the country. Improved harmony within the country's different structures and enhanced technical and intellectual capacity through inclusion	-Public participation platforms can then be improved in Lesotho by means of policy reforms and actual liaison initiatives between the government and the NSAs. -Involvement of trade unions, educational institutions, research organizations & private sector etc.

	of all stakeholders. This may result in successful implementation.	
Identified Challenges	Apparent Opportunities	Possible Interventions
Lack of information sharing during the entire process.	-Knowledge based decision- making -Informed general public -Improved transparency and accountability -Enhanced and growing private sector due to knowledge of existing policies, agreements and opportunities.	-Public launch of EPA in Lesotho -Dissemination of information and education concerning EPA through all modes of communication -Collection of public commentaries, and involvement of information dissemination-based NSA -Legislation to warrant information access as a consumer right
Donor fatigue	Improved knowledge base and increased implementation chances	EPA Fund to be managed regionally e.g. At SADC Headquarters
Unequal negotiating powers and development levels within states	Empowered decision makers	-Institutional/organisational development programmes -Capacity building and training -Administrative services support related fields
Weak policy and legislative support and poor implementation	Legislation and regulatory framework development and synchronisation of regional policies	-Legislative and policy reform -Public participation improvement initiatives
Lack of technical capacity to produce up-to-standard products	Enhancement of production capacity	-Training of local producers -EU to offer technical skills share and capacity building to local producers -Human resource development in trade-related matters (Competition, International trade, customs)
Confusion caused by the groupings during the negotiations and restricted border movement within the region	Improved regional integration	Regional integration to be led by SADC
Amplified export levels of raw materials, augmented importing of finished products	Boosted competition between member states	-Capacity building of regional bodies -Technical advisory services
Overflowing of EU products and side-lining of local producers	Reduced quality commodity prices and improved product diversity	-Development of consumer protection laws and competition policies -Operational support including equipment, materials and related works

Lack of markets for local products	Attraction of international investments and industries as well as introduction of local products beyond AGOA borders	-Inclusion of local producers and sharing of information with them -Capacity building
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6. Overview of Advantages of EPA for Lesotho and other SADC Countries

Amplifies development within member countries	
Asymmetric Liberalization	For the first time, the EU approves unequal market access, with it (EU) offering 100% free access and the SADC EPA states allowed to keep tariffs on products sensitive to international competition. For that reason, the Southern African Customs Union (SACU) removes customs duties on only around 86% of imports from the EU and Mozambique only 74%.
Safeguards on imports	The SADC EPA has set in place precautions that member states can trigger to increase the import duty in instances where imports from the EU escalate so much or so quickly that they threaten to disrupt domestic production. Furthermore, should the EU apply a safeguard under WTO rules, the EU offers its EPA partners a renewable 5-year immunity from its application, so the SADC EPA countries will still be able to export.
Possibility of flexible sourcing	Lesotho (and South Africa) textile industry stand to benefit greatly through the rules of origin, which determine which products can benefit from the trade preferences. Through the SADC EPA, it becomes easier for member states to benefit from reduced EU customs duty rates for their textiles products using on imported fabric.
Fair conditions in agri-food trade	The SADC EPA is the first agreement eradicating the possibility for the EU to use agricultural export subsidies.
Assists economic expansion in SADC-EPA countries	
Access to intermediate goods	The SADC EPA reduces the import duties on many intermediate goods such as fertilisers, seeds, machinery and industrial parts for the purposes of adding value to their products and diversifying the member states' industries, hence their economy.
Protection of industry	The EPA contains a clause that let SADC EPA partners protect their infant industries and let them grow longer in isolation from market forces.
Development of regional value chains	Agri-food, fisheries and industrial sectors will benefit from flexible rules of origin, which are fashioned in a manner that support development of new value chains in the region. Whether a product can or cannot be exported to the EU with a reduced or zero duty therefore depends on its origin.
Endorses democracy and sustainable development	
Adherence to principles	Article 2 of the SADC EPA recalls that the agreement is based on the principles of respect for human rights, rule of law, and democracy.
Conditionality of trade benefits	The SADC EPA is aligned to the Cotonou Agreement in instances where a member fails to comply with its responsibilities by applying appropriate measures such as suspension of trade benefits.
Respect of environmental and labour standards	Member states are bound to align to international standards in the formation of labour and environmental policies and legislation. They are also prohibited to promote trade and investment to the detriment of labour and environmental protection. For this reason, it is advised that each country seek capacity building in sustainable development issues and to involve civil society.

Reconfirmation of Cotonou Agreement clauses	EPAs are based on the Cotonou Agreement of 2000. The provisions of the Cotonou Agreement on human rights, on sustainable development, and on dialogue including parliaments and civil society, continue to apply. As such, the EPA offers some of the most complete protection of human rights and sustainable development available in EU agreements.
Reinforces regional integration in southern Africa	
Improving the Southern African Customs Union	The EU-SADC EPA strengthens regional integration by improving the function of SACU through harmonizing the SACU tariffs imposed on imports originating in the EU. SACU, which is the oldest existing customs union in the world aims to foster a common external tariff for imports. In the case of imports from the EU however, the SACU members today do not all impose the same duty. In other words, the union is not functioning in an optimal way.
More intra-regional preferences	The SADC EPA does more for regional integration, as member states have each consented that any advantage it has granted to the EU shall also be extended to the other SADC EPA states.

Source: European Commission (June 2016)

7. Regional Integration

No state can function in isolation. If a country is to get economic progression to leverage its people, then cooperation essential, especially in the case of the lesser developed countries like Lesotho. This is needed not only in terms of the economy, but also political, social and environmental issues. Regionalization as the latest economic driver further instigated by globalization has accorded countries sharing similar plights therefore to team up and face challenges together.

In the southern African perspective, of which Lesotho is part, we have seen the Cotonou agreement and the WTO, as well as the birth of SADC and SACU. These organizations have been the umbrella that has shielded the smaller economies like Lesotho from the brunt of economic hardships. These not only shield the economy, but also intervene in peace threatening inaccuracies that take place within the member states. E.g. SADC has mediated repeatedly during the political instabilities in Lesotho in recent years. In this light, a normalization of sorts has minimized the national disparity in creating enabling environments, which are meant to put partners on an equal footing on the pursuit of development.

The funding body in most of these countries is the International Monetary Fund (IMF), which even sees to the governments' paving for development. The Lesotho NSDP for instance, is initiated through the funding of the IMF. The duties and tariff-free trading has meant that Lesotho, like any other member regardless of the lack of products to export, also reaps some benefits. Lesotho generally appears to perform substantially in the area of trade integration and moderately in that of free movement of persons relative to other SADC members. The affiliation the region has with the US through the AGOA agreement, has also afforded the country to take part in international trading through the textile industry made possible by heavy Chinese investment.

Though business faced some turbulence upon closure of most factories in 2005, the extension of AGOA to 2025 has affected revival in the economy's growth. Through the No Arms Agreement (EBA), Lesotho has broadened its reach to customers in the European realm. The EU market is opened to imports from EPA partners, except for arms and ammunition. This means no quotas or duties on almost all exports to the EU – free access to a market of half a billion customers, providing plenty of scope for economies of scale.

Moreover, Lesotho (and the rest of SADC) consumers access a wider range of quality EU products at lower prices. This is attested by the various shops in malls in Lesotho selling quality European products, affordable to ordinary middle-class folks in the society. This is testimony that EPA means real benefits to real people.

Though it seemed SADC was struggling with issues such as overlapping memberships of several member states in the EPA groupings, a special support mechanism was launched: the Regional Economic Support Programme (REIS). Through the EU's own funding, REIS extended its focuses on the EU-SADC EPA beyond the negotiation process to SADC's areas of interest based on regional integration, namely investment, payments, tax, technical barriers to trade, sanitary & phytosanitary measures and trade in services.

On that note, through REIS, Lesotho in 2015 has resuscitated the economy by an estimated 10.7% growth of 3.1 GDP in 2016 as a trickle investment in mining and tertiary sector. As far as infrastructure is concerned, the country could see more benefits if its infrastructure was to be on a par with its peers, as this facilitates or hinders business. Business clusters in the region help overcome growth mutual restrictions between firms promoting industrialisation. These clusters empower resource-constrained governments to prioritise and address multiple constraints generally. In turn, clusters help focus resources in infrastructural dimensions. In short, groups allow interaction and links between companies, suppliers, service providers and associated institutions, and Lesotho has greatly benefited from this regional integration.

As far as the CMA is concerned, except for Botswana which has since graduated from the common use, other member countries like Lesotho still use the rand. This means that whatever happens to SA's economy directly impacts Lesotho. The countries within this alliance therefore do not have much say on policy reform but follow what SA's central bank sets. This also means that much of the economic and financial burden rests on SA, accounting for almost 100 percent of the region's GDP and trade. As desirable trickle downs, domestic inflation is anchored to regional inflation ensuring that exports remain competitively priced relative to SA products. Transaction costs across boarder are avoided and movement of capital across member countries flows without reservation. Further still, the Trade Facilitation Agreement (TFA) signed this year has meant that the red tape delaying business flow across borders has been curtailed. For all these to transpire as designed, the LDCs such as Lesotho stand to get the most benefit.

In fact, the responsible body has already passed the first conditions of the agreement which is to avail the TFA information to the public and interested parties to acquaint themselves with new procedures. A description of its procedures for importation, exportation, and transit, including procedures for appeal or review, that informs governments, traders, and other interested parties, is available.

8. Policy Recommendations

8.1 Recommendations

Lesotho remains incapacitated in terms of institutional, human and financial resources to negotiate trade agreements, let alone implement them. Although the conclusion of the current EPA is that NSAs and/or civil society are to be informed about EPAs and involved in their implementation by the Parties of the Agreement, as a further detriment, the EPA process confines NSA participation to 'where appropriate' narrowing things down to pure semantics. In this instance, the country should involve heavy academic deliberations with intentionally targeted debates within educational institutions, by experts on the subject matter.

Where possible, translations and interpretation of the conditions of the agreement should be made, so the ordinary Basotho producer, consumer and government can have common understanding.

On the note of full stakeholder participation, one cannot ignore the interference of the unstable political environment. The IMF has warned that the government needs to aggressively control spending and address the fragile political situation in the country. The constant power struggles have not only upset the balance of state projects, but the freedom of voice threatens the very democratic nature of the entire kingdom's governance. The country should find a way for the state to uphold freedom of speech and make media independent from the interference of the government.

Freedom of speech in the constitution will be a great move, thereby reducing the limits of the transparency of government institutions. To further improve transparency and information dissemination, it is important that the government removes the protective walls it has built over the years against criticism for services rendered for the Basotho people. This means that Internal Security (General) Act of 1984, Sedition Proclamation (No. 44 of 1938) and many more which ban government criticisms by issuing fines for rebellious defamation, and compromise reporters' capacity to protect the confidentiality of their sources, should also be modified.

There are provisions that NSAs be provided with financial resources and capacity development support, as part of their involvement in the implementation of cooperation projects and programmes under the Partnership Agreements. Capacity building is therefore on the forefront of requirements for Lesotho to enable it to successfully execute the provisions of EPA. In addition, the complaint that the EPA document is too difficult to comprehend should be taken into consideration. For there to be smooth implementation, perhaps the government, in collaboration with all relevant stakeholders, should develop a compact and localized version of the EPA.

Lesotho's culture lacks entrepreneurial ambition and ingenuity, as also stipulated in the country's policy documents such as the National Action Plan on Youth Development 2011, Vision 2020, and the National Strategic Plan. This then poses a question of how the country aims to fully engage local entrepreneurs in, and benefit from, the EPA. However, with structures such as Basotho Enterprises Development Corporation (BEDCO) and Lesotho National Development Corporation (LNDC) in place, perhaps Lesotho's producers stand a chance in the international market.

An important requirement is for Lesotho to increase its export base substantially, and to decrease its import levels, especially on food items. The country imports approximately 70% of its food products, yet the country is an agricultural economy. The government must then put into place growth strategies that will bolster other sectors (mining and manufacturing) while also improving the agricultural sector, to push Lesotho producers to be active players in international markets. Adaptation to new age technologies and innovation should also be in the forefront of capacity building of local producers to maximize the benefit of EPA in Lesotho.

Now that the EPA has been concluded even with all the concerns still standing, Africa should still push the agenda to conclude a Continental Free Trade Area (CFTA) and the African Customs Union as foreseen in the Abuja Treaty. This will instigate regional integration at a higher level and offset any possible EPA threats to the economies of small landlocked countries such as Lesotho.

Finally, maybe at the core of everything, lies the state of decentralisation throughout the entire country. A democratic rule accords that the state is efficient if centralised planning and execution follow bottom-up planning, wherein the people it is intended for have been involved in the initial stages of projects' conceptions. In this ideal, the people will take part in decision making through local councils, whose leaders have been elected by locals on basis of merit and not just political. The peoples' ideas and concerns would be reflected in these platforms and forwarded to the bigger government for final official approval and back down to the people for smooth implementation. Lesotho already has these structures in place, but the general feel is that the power of the central government has still not been dissolved to the local level - executive powers remain central and the delay of adoption of laws etc. is imminent.

There are many opportunities created for Lesotho, the most notable being business prospects created across Europe. The greatest challenge is for Lesotho however is to seize the chance. Perhaps being more participative in regional markets would give Lesotho more practise needed for the bigger EU market. Focusing on passing the policies drafted by the regulation drafters, despite state of politics in the country is imperative, as Lesotho does not even have a trade policy. Furthermore, the involvement of Chamber of Commerce is important, though it seems to be taking a back seat with regards the EPA. In this case, more intense involvement would be encouraged.

8.2 The Role of Regional Integration in Building

Stakeholder roles towards NSA

EU	SADC Secretariat	Member States
<p>ROLE The role of the EU should be to foster inclusion and capacity building (technical and knowledge based empowerment) of NSA.</p>	<p>ROLE The role of SADC Secretariat towards the EPA implementation should be aligned to its core function to achieve economic growth and enhanced quality of life within member states. Given this, the SADC Secretariat should then recognize the necessity for NSA engagement in the implementation of the EU-SADC EPA. SADC Secretariat should also ensure peaceful dealings between all members.</p>	<p>ROLE Member states should undertake this learning process together and use it as a platform to empower its NSAs, therefore improving the state of public participation within the countries. Best lessons should be taken from each other and continuous consultation and meetings should be taken together.</p>
<p>FUNDING EU-SADC Trade Related Facility grant EDF - European Development Fund</p>	<p>FUNDING DBSA</p>	<p>FUNDING The issue of member states funding each other could be a bit difficult given that they may all indicate need for external financial support. However, with specific reference to Lesotho, the neighbouring country SA can be approached to offer technical and financial support. South African parastatals could also be engaged in local NSA support and capacity-building in terms of EU-SADC EPA issues.</p>

9. Recommended List of Stakeholders to be involved in Future National Consultations

Name of Organisation	Acronym	Contact Person
Association of Lesotho Employers and Businesses	ALEB	Adv Lindiwe Sephomolo
Catholic Commission for Justice and Peace	CCJP	Mr Booi Mohapi
Christian Council of Lesotho	CCL	Mr Matubatube
Congress of Lesotho Trade Unions	COLETU	
Development for Peace Education	DPE	Mr Sofonea Shale
IDUL	IDUL	Mr Theko
Lesotho Chamber of Commerce and Industry	LLCI	Mr Ntaote Seboka Mr Faku Hakane
Lesotho Clothing and Allied Workers Union	LECAWU	
Lesotho Council of Non-Governmental Organizations	LCN	Mr Seabata Motsamai
Lesotho Teachers Trade Union	LTTU	Mr Molifi Mafantiri
Lesotho Textile Exporters Association	LTEA	Mr David Chen
Lesotho Trade Union Congress	LTUC	Mrs M. Mosoang-Ocran
MISA	MISA	Mr Tsebo Matsasa
Policy Analysis and Research Institute of Lesotho	PARIL	Mr Nkareng Letsie
Transformation Resource Centre	TRC	Mr Peshoane Tsikoane
Women in Business	WIB	Mrs Mamahlapane Rakuoane
Lesotho Youth Federation	LYFE	Mr Sebili Mohale

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