



IN TRANSFORMATION  
INITIATIVE

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# MONTHLY UPDATE

## LESOTHO



### MAIN STORIES

**Political Gridlock  
Elevates Political Risk in  
Lesotho**

**Controversial Computer  
Crimes and Cyber  
Security Bill**

## HIGHLIGHTS

- Political instability in Lesotho remains at elevated levels as the policymaking environment is largely stalled due to a legal dispute between the opposition and the ruling Revolution for Prosperity (RFP) party.
- The National Assembly has tabled the Computer Crimes and Cyber Security Bill 2024, which the government claims will galvanise the country's cybersecurity capability. Critics and journalists indicate that the Bill would in effect enable the State to manage the media landscape and crack down on press freedom.
- Lesotho has established a National Labour Migration Committee, which aims at improving labour migration governance through collaboration across multiple government ministries.
- A financial report by the Lesotho Electricity Company (LEC) given to the Cabinet shows that the utility is saddled with a debt of M712.576mn (US\$41.49mn) owed to its suppliers. The LEC has requested M300mn (US\$17.46mn) in support to cover a supply shortfall amid planned maintenance on the Muela Hydropower Station. The country is at risk of facing blackouts according to the energy minister.
- The government's ban on Famo gangs implemented in May 2024 has done nothing in curbing Famo gang and turf wars, and the spate of killings perpetrated by such groups.
- Amnesty International has decried reports of Lesotho Defence Forces (LDF) soldiers having tortured four people and killed two others in mid-August during the ongoing Operation 'Hard Fist' to confiscate illegal firearms from gang members.
- The BMI Research report indicates that Lesotho's living standards are deteriorating, with Gross Domestic Product (GDP) per capita remaining below 2011 levels. Exposure to climate change is highlighted as a key long-term risk to socio-political stability.



- The Lesotho Highlands Water Project (LHWP) has experienced a setback when an abnormal truck carrying a component of a tunnel-boring machine (TBM) overturned. This could push back the water delivery date to Gauteng even further. The LHWP is also undergoing a 6-month maintenance plan ending in March 2025.
- London-headquartered miner Gem Diamonds Ltd has discovered a 212.91 carat (ct) Type II White Diamond at their high-value Letšeng mine in Lesotho.
- President Cyril Ramaphosa paid a working visit to Lesotho to attend the country's bicentennial anniversary, where he hailed the countries' strong ties and shared history.
- The International Monetary Fund (IMF) released its latest Article IV Consultation report on Lesotho, highlighting that the country's economic growth reached 2.2% by March 2024 and is expected to increase to 2.7% in 2025. Financial conditions remain stable.
- The United States (US) Department of State has published its 2024 Fiscal Transparency Report on Lesotho, which indicates that the country is reasonably transparent in some areas, but lacks transparency in several others.
- A substantial portion of Lesotho's external debt is owed to China, with 15% of the debt owed to bilateral financial institutions.

