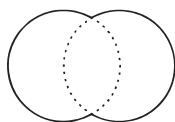


Overview



Transparency:

35 /100

(Open Budget Index score)



Public Participation:

9 /100



Budget Oversight:

22 /100

About the survey

Government budget decisions – what taxes to levy, what services to provide, and how much debt to take on – have important consequences for all people in society. When governments provide information and meaningful channels for the public to engage in these decisions, we can better ensure public money is spent on public interests.

The Open Budget Survey (OBS) is the world’s only independent, comparative and fact-based research instrument that uses internationally accepted criteria to assess public access to central government budget information; formal opportunities for the public to participate in the national budget process; and the role of budget oversight institutions, such as legislatures and national audit offices, in the budget process.

The survey helps local civil society assess and confer with their government on the reporting and use of public funds. This 9th edition of the OBS covers 125 countries.

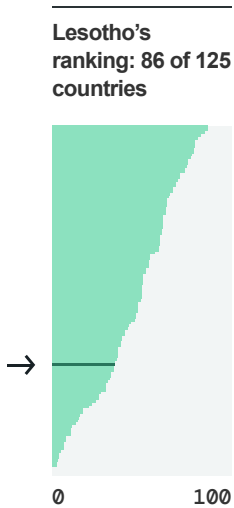
Visit www.internationalbudget.org/open-budget-survey for more information, including the full OBS methodology, the 2023 Global Report, findings for all surveyed countries, and the Data Explorer.

Transparency

This part of the OBS measures public access to information on how the central government raises and spends public resources. It assesses the **online availability, timeliness, and comprehensiveness** of eight key budget documents using 109 equally weighted indicators and scores each country on a scale of 0 to 100. **A transparency score of 61 or above indicates a country is likely publishing enough material to support informed public debate on the budget.**

Lesotho has a transparency score of **35** (out of 100).

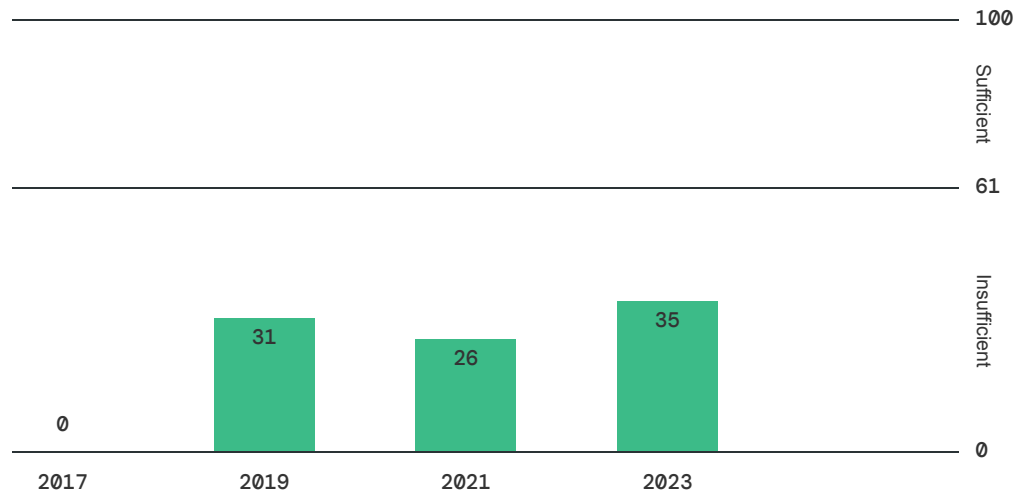
Transparency in Lesotho compared to others



| | |
|----------------|----|
| Global Average | 45 |
| South Africa | 83 |
| Zimbabwe | 63 |
| Namibia | 54 |
| Mozambique | 47 |
| Botswana | 39 |
| Lesotho | 35 |
| Zambia | 34 |
| Eswatini | 30 |
| Angola | 26 |
| Malawi | 6 |

0 Insufficient 61 Sufficient 100

How has the transparency score for Lesotho changed over time?



Public availability of budget documents in Lesotho

| KEY | |
|---------------------------------------|--|
| ● | Available to the Public |
| ● | Published Late, or Not Published Online, or Produced for Internal Use Only |
| ⊘ | Not Produced |

| Document | 2017 | 2019 | 2021 | 2023 |
|-----------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Pre-Budget Statement | ● | ● | ● | ● |
| Executive's Budget Proposal | ● | ● | ● | ● |
| Enacted Budget | ● | ● | ● | ● |
| Citizens Budget | ● | ● | ● | ● |
| In-Year Reports | ● | ● | ● | ● |
| Mid-Year Review | ⊘ | ● | ● | ● |
| Year-End Report | ● | ● | ● | ● |
| Audit Report | ● | ● | ● | ● |

How comprehensive is the content of the key budget documents that Lesotho makes available to the public?

| KEY | |
|---------------------------------------|--------------|
| ● | 61-100 / 100 |
| ● | 41-60 / 100 |
| ● | 1-40 / 100 |

| Key budget document | Document purpose and contents | Fiscal year assessed | Document content score |
|-----------------------------|---|----------------------|------------------------|
| Pre-Budget Statement | Discloses the broad parameters of fiscal policies in advance of the Executive's Budget Proposal; outlines the government's economic forecast, anticipated revenue, expenditures, and debt. | 2022-23 | 61 |
| Executive's Budget Proposal | Submitted by the executive to the legislature for approval; details the sources of revenue, the allocations to ministries, proposed policy changes, and other information important for understanding the country's fiscal situation. | 2022-23 | 44 |
| Enacted Budget | The budget that has been approved by the legislature. | 2022-23 | 22 |
| Citizens Budget | A simpler and less technical version of the government's Executive's Budget Proposal or the Enacted Budget, designed to convey key information to the public. | 2022-23 | Published Late |
| In-Year Reports | Include information on actual revenues collected, actual expenditures made, and debt incurred at different intervals; issued quarterly or monthly. | 2021-22 & 2022-23 | Internal Use |
| Mid-Year Review | A comprehensive update on the implementation of the budget as of the middle of the fiscal year; includes a review of economic assumptions and an updated forecast of budget outcomes. | 2022-23 | 59 |
| Year-End Report | Describes the situation of the government's accounts at the end of the fiscal year and, ideally, an evaluation of the progress made toward achieving the budget's policy goals. | 2021-22 | Internal Use |
| Audit Report | Issued by the supreme audit institution, this document examines the soundness and completeness of the government's year-end accounts. | 2020-21 | 48 |

Lesotho's transparency score of **35** in the OBS 2023 is moderately higher than its score in 2021.

What changed in OBS 2023?

Lesotho has increased the availability of budget information by:

- Publishing the Audit Report online.
- Publishing the Enacted Budget online in a timely manner.

Recommendations

Lesotho should prioritize the following actions to improve budget transparency:

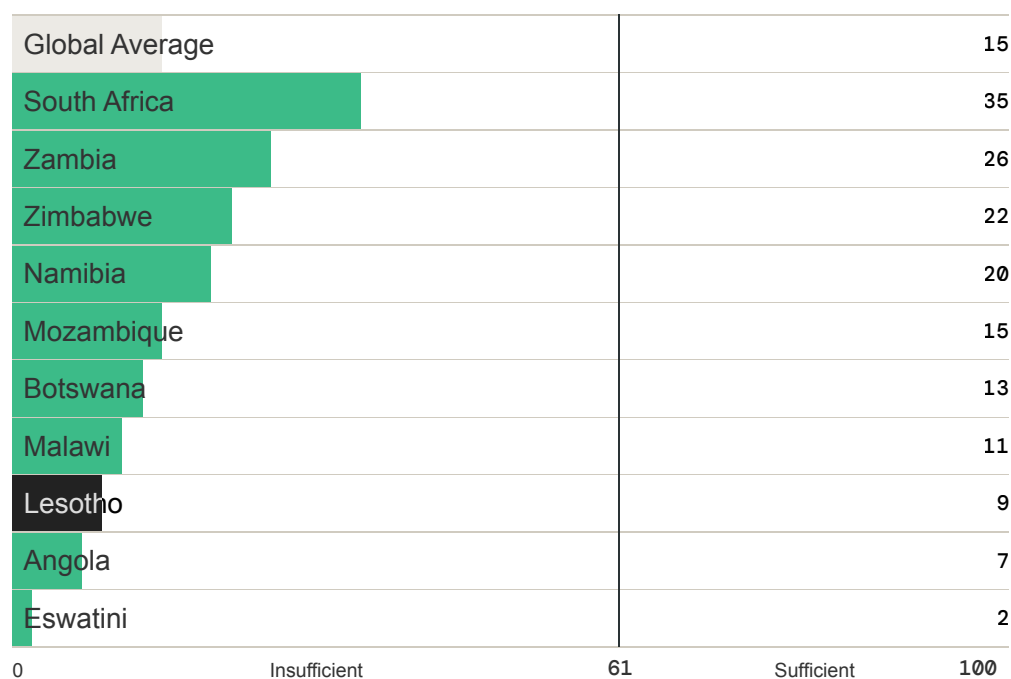
- Publish the Citizens Budget, In-Year Reports and Year-End Report online in a timely manner. The Citizens Budget should be published along the same timeframe as the document that it simplifies. The In-Year Reports should be published within three months of the period of implementation and reporting. The Year-End Report should be published within 12 months of the end of the budget year.
- Include in the Executive's Budget Proposal data on the financial position of the government and information on performance and policy. This includes publishing information on all financial and nonfinancial assets held by the government, as well as an analysis that shows the impact of different macroeconomic assumptions on expenditure, revenue, and debt estimate
- Improve the comprehensiveness of the Audit Report and Enacted Budget.

Public Participation

The OBS assesses the formal opportunities offered to the public for meaningful participation in the different stages of the budget process. It examines the practices of the central government's executive, the legislature, and the supreme audit institution (SAI) using 18 equally weighted indicators, aligned with the Global Initiative for Fiscal Transparency's [Principles of Public Participation in Fiscal Policies](#), and scores each country on a scale from 0 to 100.

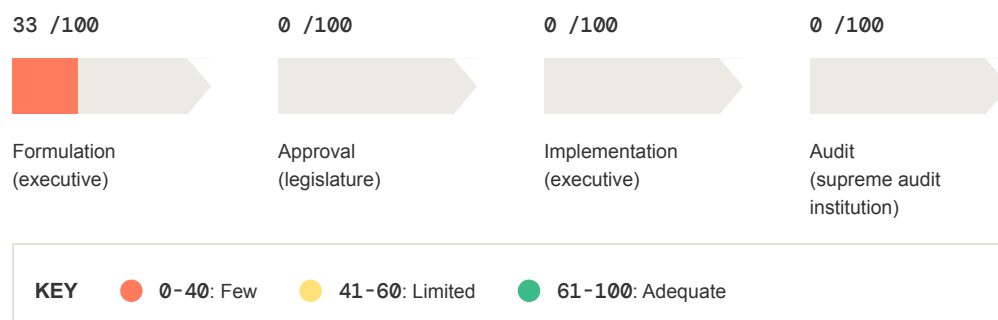
Lesotho has a public participation score of **9** (out of 100).

Public participation in Lesotho compared to others



For more information, see [here](#) for innovative public participation practices around the world.

Extent of opportunities for public participation in the budget process



Recommendations

Lesotho's Ministry of Finance has established pre-budget deliberations during budget formulation but, to further strengthen public participation in the budget process, should also prioritize the following actions:

- Pilot mechanisms to monitor budget implementation.
- Expand mechanisms during budget formulation to engage any civil society organization or member of the public who wishes to participate.
- Actively engage with vulnerable and underrepresented communities, directly or through civil society organizations representing them.

Lesotho's Parliament should prioritize the following actions:

- Allow members of the public or civil society organizations to testify during its hearings on the budget proposal prior to its approval.
- Allow members of the public or civil society organizations to testify during its hearings on the Audit Report.

Lesotho's Office of the Auditor General should prioritize the following actions to improve public participation in the budget process:

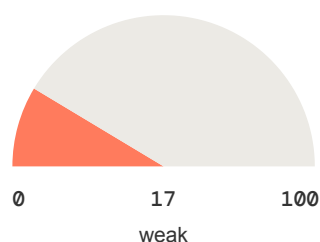
- Establish formal mechanisms for the public to assist in developing its audit program and to contribute to relevant audit investigations.

Budget Oversight

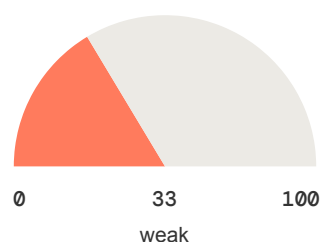
The OBS examines the role that legislatures and supreme audit institutions (SAIs) play in the budget process and the extent to which they provide oversight; each country is scored on a scale from 0 to 100 based on 18 equally weighted indicators. In addition, the survey collects supplementary information on independent fiscal institutions (see Box).

The legislature and supreme audit institution in Lesotho, together, provide weak oversight during the budget process, with a composite oversight score of **22** (out of 100). Taken individually, the extent of each institution's oversight is shown below:

Legislative oversight



Audit oversight



KEY ● 0-40: Few ● 41-60: Limited ● 61-100: Adequate

Recommendations

Lesotho's Parliament provides weak oversight during the planning stage of the budget cycle and weak oversight during the implementation stage. To improve oversight, the following actions should be prioritized:

- The legislature should debate budget policy before the Executive's Budget Proposal is tabled and approve recommendations for the upcoming budget.
- The Executive's Budget Proposal should be submitted to legislators at least two months before the start of the budget year.
- Legislative committees should examine the Executive's Budget Proposal and publish reports with their analysis online.
- The legislature should approve the Executive's Budget Proposal before the start of the budget year.

- A legislative committee should examine in-year budget implementation and publish reports with their findings online.
- In practice, ensure the legislature is consulted before the executive shifts funds specified in the Enacted Budget between administrative units; spends any unanticipated revenue; or reduces spending due to revenue shortfalls during the budget year.
- A legislative committee should examine the Audit Report and publish a report with their findings online.

To strengthen independence and improve audit oversight by the Lesotho Office of the Auditor General, the following actions are recommended:

- Require legislative or judicial approval to appoint and remove the head of the supreme audit institution.
- Ensure audit processes are reviewed by an independent agency.

The emerging practice of establishing independent fiscal institutions

Lesotho does not have an independent fiscal institution (IFI). IFIs are increasingly recognized as valuable independent and nonpartisan information providers to the Executive and/or Parliament during the budget process.

**These indicators are *not* scored in the Open Budget Survey.*

Methodology

- Only documents published and events, activities, or developments that took place through 31 December 2022 were assessed in the OBS 2023.
- The survey is based on a questionnaire completed in each country by an independent budget expert:
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- To further strengthen the research, each country's draft questionnaire is also reviewed by an anonymous independent expert, and in Lesotho by a representative of the Ministry of Finance.