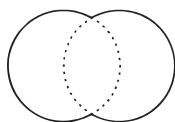


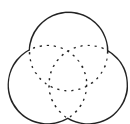
Lesotho

Overview



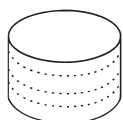
Transparency:

46 /100



Public
Participation:

22 /100



Oversight:

39 /100

About the survey

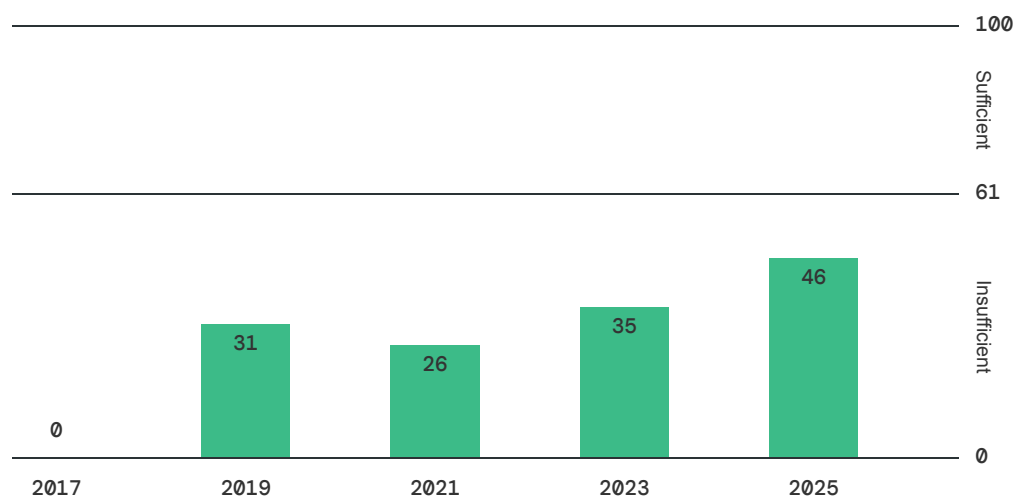
Government budget decisions – what taxes to levy, what services to provide, and how much debt to take on – have important consequences for all people in society. When governments provide information and meaningful channels for the public to engage in these decisions, we can better ensure public money 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 10th edition of the OBS covers 82 countries.

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

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
⊘	None

Document	2017	2019	2021	2023	2025
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.	2025-26	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.	2024-25	52
Enacted Budget	The budget that has been approved by the legislature.	2024-25	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.	2024-25	42
In-Year Reports	Include information on actual revenues collected, actual expenditures made, and debt incurred at different intervals; issued quarterly or monthly.	2023-24 and 2024-25	48
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.	2024-25	67
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.	2023-24	29
Audit Report	Issued by the supreme audit institution, this document examines the soundness and completeness of the government's year-end accounts.	2022-23	Published Late

Lesotho's transparency score of **46** in the OBS 2025 is substantially higher than its score in 2023.

What changed in OBS 2025?

Lesotho has increased the availability of budget information by:

- Publishing the In-Year Reports online.
- Publishing the Citizens Budget online in a timely manner.

However, Lesotho has decreased the availability of budget information by:

- Failing to publish the Audit Report online in a timely manner.

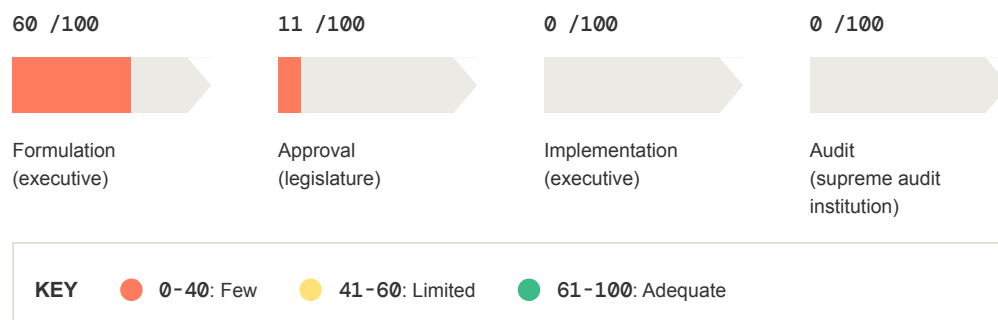
Recommendations

Lesotho should prioritize the following actions to improve budget transparency:

- Publish the Audit Report online in a timely manner.
- Enhance the comprehensiveness of the Executive Budget Proposal by strengthening the disclosure of fiscal risks and policy and performance information. In particular, improve the reporting of extra-budgetary funds, government liabilities and fiscal sustainability, contingent liabilities, expenditure arrears, earmarked revenues, and tax expenditures to support more transparent and informed public oversight of public finances.
- Further improve the comprehensiveness of the Executive Budget Proposal and Enacted Budget by ensuring a clear distinction between functional and programme classification systems, guided by an elaborate program structure and accompanied by nonfinancial performance information.
- To strengthen the comprehensiveness of year-end reporting, the government should publish the Consolidated Annual Financial Statements as a stand-alone, publicly available Year-End Report. Publishing a comprehensive Year-End Report that includes full financial statements, budget execution data, and narrative explanations would improve the timeliness, accessibility, and completeness of information on the government's fiscal performance.
- Improve the comprehensiveness of the Citizens Budget by strengthening the disclosure of core fiscal and policy information and expanding the availability of citizen-friendly budget documents across the budget cycle. The government should also enhance public dissemination and outreach efforts to ensure that budget information is more accessible, understandable, and widely available.

- Improve the comprehensiveness of the Enacted Budget by strengthening the disclosure of debt levels and debt servicing details, program-level expenditure information, revenue categories (tax and non-tax), and individual sources of revenue. To support this, the government should also ensure that the more detailed Budget Estimates Book is published in a timely manner alongside the Appropriations Act so that comprehensive budget information is publicly available during the budget approval stage.

Extent of opportunities for public participation in the budget process



Recommendations

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

- Strengthen feedback to stakeholders after pre-budget consultations to complete the accountability loop.
- Strengthen mechanisms for engaging citizens during budget implementation, monitoring, and review.
- Broaden participation of stakeholders in pre-budget consultations to include marginalized groups such as persons with disabilities, women, rural farmers, and workers' organizations.

Lesotho's Parliament has established public hearings related to the approval of the annual budget, but should also prioritize the following actions:

- Allow any member of the public or any civil society organization 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:

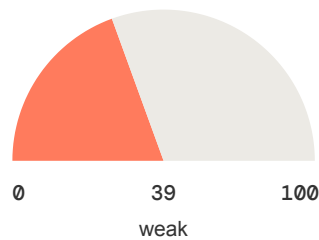
- Establish formal mechanisms for the public to assist in developing its audit program and to contribute to relevant audit investigations.

Oversight

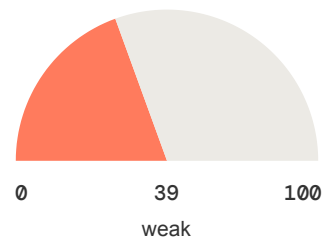
The OBS examines the role that legislatures and supreme audit institutions (SAIs) play in overseeing the budget process, including how effectively they scrutinize budget proposals, monitor budget implementation and review government accounts. Using 18 equally weighted indicators, the OBS assesses the strength and independence of these oversight institutions and scores each country on a scale from 0 to 100. In addition, the survey collects supplementary information on the existence and role of independent fiscal institutions (IFIs), which can contribute to informed debate and enhanced oversight of fiscal policy (see box below).

The legislature and supreme audit institution in Lesotho, together, provide weak oversight during the budget process, with a composite oversight score of **39** (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 limited 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.
- 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 the supreme audit institution has adequate funding to perform its duties, as determined by an independent body (e.g., the legislature or judiciary).
- Ensure audit processes are reviewed by an independent agency.

The benefit of establishing independent fiscal institutions

Lesotho does not have an independent fiscal institution (IFI). IFIs are widely 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 2024 were assessed in the OBS 2025.
- The survey is based on a questionnaire completed in each country by an independent budget expert:
For inquiries please contact the International Budget Partnership
info@internationalbudget.org
- To further strengthen the research, in Lesotho the draft questionnaire is reviewed by a representative of the Ministry of Finance.