

NATIONAL UNIVERSITY OF LESOTHO
BA EXAMINATIONS
EC3309: THE LESOTHO ECONOMY

JANUARY 2024

100 MARKS

3 HOURS

INSTRUCTION: Answer ALL questions.

Question 1

The EIA (Environmental Impact Assessment) report is the final input from a mining company to the permitting authorities. a transparent and well-structured EIA report will ease the work done by the authorities and will also pave the way for getting the necessary permits for operation. Discuss the social & environmental management plan of Letšeng diamond mine in Lesotho. (25)

Question 2

- a) Comment about the composition of energy demand and supply mix in Lesotho. To what extent is Lesotho ready to decarbonize energy and achieve energy security? Justify. (5)
- b) Discuss the institutional structure and key role players of the Lesotho Energy Sector. (10)
- c) Specify any five existing gaps in the current energy policy for Lesotho and recommend how each gap can be addressed. (10)

Question 3

- a) The global demand for textile and apparel (T&A) is huge and is growing continuously. The current global apparel consumption is approximately \$1.9 trillion and is projected to grow at a rate of 5% (CAGR) to reach \$2.6 trillion by 2025. In the next 6 years, there will be an additional demand for apparel worth \$700 billion. What are the top three T&A importing and top two exporting nations? (5)
- b) Lesotho National Trade Strategy (2020– 2024) identified several competitiveness constraints in the textiles and apparel sector in Lesotho. List and explain five constraints faced by T&A firms in Lesotho. Focus only on the connectivity dimension of competitiveness. (20)

Question 4

Compare three major phases of Lesotho’s economic history: the precolonial period (1820s–70s), the colonial period (1870s–1960s) and the postcolonial period (1966–2020). In each phase discuss three key economic activities and two political activities presented during these phases. (25)