

Lesotho

Introduction

This note was developed by Global Off-Grid Lighting Association (GOGLA) with the support of the World Bank Group Lighting Global Program, the Energy Sector Management Assistance Program (ESMAP), the Shell Foundation, USAID, Power Africa, the UK Department for International Development (DFID) and Sustainable Energy for All (SEforAll). It is part of a series of briefing notes that provide a high-level overview of the status of different countries' off-grid solar markets, as well as relevant policies and programs¹.

Key statistics^{2&3}

Demographics

Total Population	2,108,132
Population Density per km ²	69
GDP per Capita	USD 1,324.3
GDP Growth	1.5%

Energy Access Deficit

National Electrification Rate	33.7%
Urban Electrification Rate	69.6%
Rural Electrification Rate	20%

Electrification Planning

Electrification Targets ⁴	75% Electrification rate by 2020
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Impact⁵

0 people currently accessing Tier 1 energy services	0 people currently accessing Tier 2 energy services
0 additional light hours unlocked for study, productive tasks or leisure time	0 change in quality of light in lumens per household
0 people currently living with improved energy access	

Sales⁶

There is no sales data for Lesotho.

Current Status

At present, around 34% of the Lesotho population has access to electricity, with a sharp divide between urban (69.6%) and rural (20%) areas. Lesotho is a mountainous country and the challenging topography – especially in the Southern part of the country – means that grid extension is costly and often unfeasible. Off-grid solar products could play a prominent role in the electrification of households, but the off-grid solar market is currently nascent with only a few local players operating at small scale and only one company selling IEC/Lighting Global quality-verified products. However, the Lesotho

¹ The information and views expressed in this brief are GOGLA's alone and are based on our current understanding of the policy situation in this country. We welcome any updates, revisions or clarifications at info@gogla.org.

² <https://data.worldbank.org/>

³ <https://www.usaid.gov/powerafrica>

⁴ Scaling-up Renewable Energy in Low-Income Countries SREP Investment Plan for Lesotho, Government of Lesotho, 2017

⁵ Impact numbers have been estimated by plugging the most recent sales data into the [Standardized Impact Metrics for the Off-Grid Solar Energy Sector](#). The reported estimates differ from the previous edition of the country briefings due to the use of a smaller, yet more consistent and recent dataset, considering only products sold by GOGLA members and Lighting Global affiliates since 2016. Note that while the numbers shown represent the aggregate impact of key players in the off-grid solar sector, these estimates do not present the full global impact of off-grid solar lighting products sold.

⁶ All sales data included in this briefing is derived from the "Global Off-Grid Solar Market Report Database", result of a joint primary data collection effort carried out by GOGLA in partnership with IFC Lighting Global and the Efficiency for Access Coalition. The public version of the resulting report of the effort is available [here](#).

Government considers off-grid products to be an important part of their work towards universal access to electricity, as outlined in its Scaling-up Renewable Energy Investment Plan (SREP)⁷. With this investment plan, Lesotho aims to enable increased adoption of renewable energy technologies, such as wind, solar and small hydro power, through the development of commercial on-grid and off-grid renewable energy markets. The plan aligns with the government's Vision 2020 goals to increase private sector investment in infrastructure and promote increased use of renewable energy.

Promoting Quality & E-Waste Management

The Lesotho Standards Bureau was only recently operationalized, and no quality standards have been adopted to date.

Taxation

There is both import duty and sales tax for solar products in place, however, there is no import duty on products from South Africa. As part of SREP, the government is considering excluding off-grid products from sales tax in the future.

Investments

The Government of Lesotho expects that US\$18.5 million of SREP funding will leverage over three times as much investment by organisations such as the World Bank, the African Development Bank (AfDB) and private investors. The aim is to have a self-sustaining market for off-grid investment by the early 2020s.

Sector Support Programs

Donors such as World Bank, United Nations Development Programme, African Development Bank and the European Union are involved in the energy sector in Lesotho, including both on and off-grid work.

Opportunities and Barriers

It is expected that SREP will provide opportunities for the development of the off-grid solar market. The current major barriers for market growth include the influx of poor-quality products, the lack of a regulatory framework governing the importation of solar products, the absence of financing to provide working capital for scale up, the lack of technical capacity to operate and maintain solar home systems (SHS), and low demand due to market spoilage from poorly designed and managed SHS distribution pilots.

Further Information

- [Lesotho 2020 Vision, Government of Lesotho](#)
- [Lesotho Energy Policy 2015-2025, Kingdom of Lesotho, 2011](#)
- [Scaling-up Renewable Energy in Low-Income Countries SREP Investment Plan for Lesotho, Government of Lesotho, 2017](#)

⁷ [Scaling-up Renewable Energy in Low-Income Countries SREP Investment Plan for Lesotho, Government of Lesotho, 2017](#)