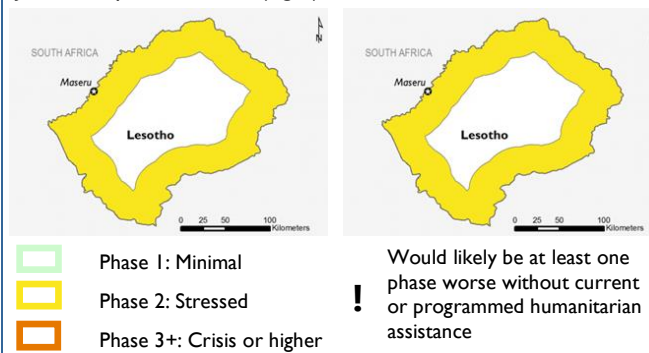


Despite declines in production prospects, Stressed (IPC Phase 2) outcomes are still most likely

KEY MESSAGES

- Across much of Lesotho, crops are in the maturation stage, with the green harvest ongoing and the main harvest beginning in May. As a result, households have started consuming own foods. Despite the ongoing green harvest, food prices remain high, coupled with lower-than-average income are driving Stressed (IPC Phase 2) outcomes. These outcomes are expected to persist through September, as households are expected to consume food from own production or have sufficient income to meet their minimum food needs.
- Rainfall for the 2021/22 season was generally average and well distributed; however, heavy rainfall from late December into early February led to waterlogging conditions and flooding. Flooding associated with the heavy rainfall resulted in the loss of some crops. According to the Disaster Management Authority, about 10 to 50 percent of the area planted was affected due to being washed away, silting, and waterlogging. The heavy, consistent rainfall also resulted in stunted crops and difficulty carrying out weeding activities. While official crop estimates are not yet available, production is now expected to be slightly lower than last year and average.
- February 2022 prices for most commodities were higher than during the same time in 2021 and the five-year average. Food prices have notably increased between January and February for edible oil and wheat flour; this is mainly associated with the increases in global food prices related to the crisis in Ukraine. Lesotho is expected to continue sourcing maize typically from South Africa; however, due to high international prices and high food prices, maize and overall food prices are expected to remain high.

Projected food security outcomes, April to May 2022 (left) and June to September 2022 (right)



Source: FEWS NET

FEWS NET classification is IPC-compatible. IPC-compatible analysis follows key IPC protocols but does not necessarily reflect the consensus of national food security partners.

FEWS NET Remote Monitoring countries use a colored outline to represent the highest IPC classification in areas of concern.

ZONE	CURRENT ANOMALIES	PROJECTED ANOMALIES
National	<ul style="list-style-type: none"> • Below average income from labor and remittances • Higher than typical food prices 	<ul style="list-style-type: none"> • Reduced 2022 harvest will likely lead to an earlier than normal reliance on purchases as early as September • Low-income levels and rising food prices will most likely weaken the purchasing power of poor households

PROJECTED OUTLOOK THROUGH SEPTEMBER 2022

Across much of Lesotho, most poor households are expected to be accessing foods from own production due to the ongoing green harvest and the start of the primary harvest in May. As the harvesting season peaks between May and July, most poor households are expected to access income and food from the harvest through consumption and labor. Although, income is likely to be below average due to low payment power by the better-off due to high inflation and lower income from labor in South Africa. Despite overall below normal income levels, household food consumption is expected to improve between

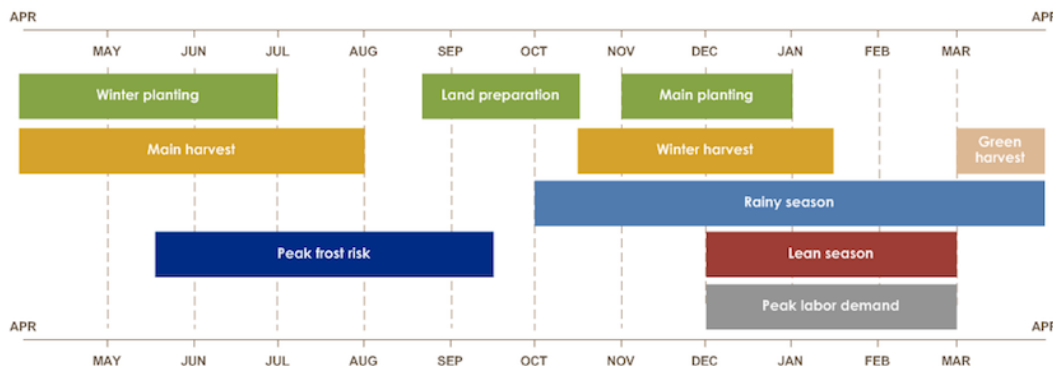
May and July as most households will be consuming own-produced food stocks. Despite the downgraded 2022 harvest estimates, households are still likely to consume food from own production through August/September.

In February, month-on-month and annual inflation rates were somewhat stable compared to January (Figure 1). The most significant contributors to high monthly and annual inflation rates are wheat, bread flour, pork, minced meat, edible oil, margarine, paraffin, diesel, and petrol. Inflation is to remain high and potentially increase due to the impact of the Ukraine crisis on imported fuel and food prices. The Central Bank of Lesotho’s Monetary Policy Committee raised interest rates to 4.25 percent to encourage saving and reduce spending. This is an effort by the government to decrease annual inflation; however, this will not likely have a significant impact on the market.

The Ukraine crisis has sparked substantial increases in global oil, food, and other commodity prices. These price pressures were transmitted into Lesotho from South Africa in the form of higher fuel, cereal, and agricultural input prices (Figure 2). Higher electricity import prices from South Africa will further drive-up input costs for firms and a higher cost of living for consumers. The Lesotho Loti (LSL), which is pegged to the South African Rand, has been supported by a boost in diamond mining and export revenues. The stability of the LSL is helping to mitigate some of the high import costs.

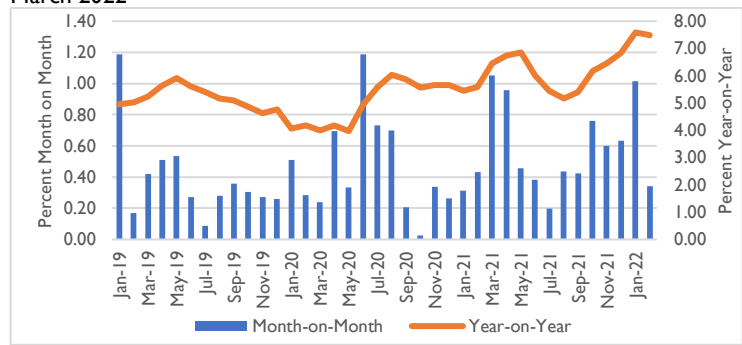
Market supply of staple foods is expected to improve to near normal levels through July, owing to the 2022 harvest. Due to expected reductions in crop production, households are expected to start relying on purchases earlier than typical, as soon as September. The combination of access to own-produced foods and in-kind food payments from harvesting labor and winter cultivation is expected to support household food consumption through at least September. Although, due to lower income levels, amidst elevated consumer inflation and high food prices, poor households will likely not be able to afford their basic non-food needs, driving Stressed (IPC Phase 2) through at least September.

SEASONAL CALENDAR FOR A TYPICAL YEAR



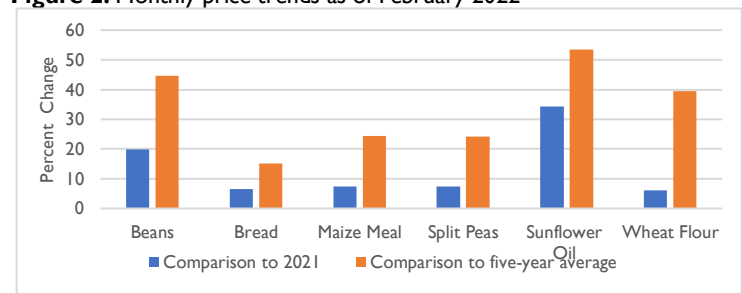
Source: FEWS NET

Figure 1. Annual and monthly inflation rates from February 2019 to March 2022



Source: Lesotho Bureau of Statistics

Figure 2. Monthly price trends as of February 2022



Source: FEWS NET based on BOS data

ABOUT REMOTE MONITORING

In remote monitoring, a coordinator typically works from a nearby regional office. Relying on partners for data, the coordinator uses scenario development to conduct analysis and produce monthly reports. As less data may be available, remote monitoring reports may have less detail than those from countries with FEWS NET offices. [Learn more here.](#)