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Country programming and related matters**Country programme for the Kingdom of Lesotho (2005-2007)****Contents**

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Introduction

1. The Kingdom of Lesotho now faces a multiple crisis caused by the nexus of HIV/AIDS pandemic, deep-rooted poverty and chronic food insecurity that is undermining past gains in socio-economic and human development and threatens the very existence of the state and people of Lesotho if not urgently addressed. This Third Country Programme Document (CPD III: 2005 - 2007) for Lesotho has resulted from extensive discussions with all major stakeholders, commencing with the May 2003 meeting between the UNDP Resident Representative and the Minister of Finance, followed by consultations with donor and civil society representatives and culminating in a workshop with senior government officials involving the participation of all other UN agencies in Lesotho.

Part I: Situation Analysis

2. The CPD is based on the priority needs of the country identified in the revised CCA (2003) currently being developed in the face of Lesotho's rapidly changing development, social and political context. It is informed by the Administrator's Business Plan, the country's reform agenda (spelt out in the Vision 2020 and PRSP documents currently being finalised), and the Country Office's response to the UN mandate on the [Next Steps for Action In Southern Africa \(April 2003\)](#) issued by the Secretary General's Special Envoy for the Humanitarian Needs in Southern Africa.

3. Lesotho has made great progress in consolidating democracy in the aftermath of the successful 2002 General Elections, following years of political turmoil and conflict. This represents a potential asset in the challenge ahead, and there is now a growing recognition within government, civil society and international partners that a unique opportunity exists for real change to take place in the development process. Yet, issues such as political distrust, human and women's rights issues, and the relative inexperience with multiparty democratic principles continue to strain socio-political relations.

4. Unfortunately, the country faces considerable development challenges driven primarily by the HIV/AIDS pandemic. With the fourth highest infection rate in the world, now estimated at approximately 350,000 people (about 30% of the adult population), the country is experiencing an unprecedented challenge. The pandemic, combined with deep-rooted poverty and food insecurity, is causing a new kind of vulnerability, which affects almost every household in the country. Declining agricultural productivity, extensive land degradation, inappropriate farming practices, and population pressure on available arable land, compounded by continuing weather-associated crop failures since the 2001 harvest, has resulted in a desperate situation. In the 2004/05 harvest season, some 948,300 people, almost half of the entire population,

required food assistance. Meanwhile, the prevailing chronic poverty has resulted from a large reduction in personal remittances of migrant Basotho miners in South Africa (from 46 percent of GNI in the 1980's to about 20 percent in the late 1990s). About 60 percent of the population lives below the poverty line and the Gini coefficient, which measures inequality, was 0.66 in 1995 and is believed to be rising.

5. Unlike most other countries in the world, women in Lesotho enjoy higher rates of educational attainment and literacy, dominate the rural small land holdings, own almost three-quarters of small enterprises, and are driving the extraordinary boom in the garments sector. However, Basotho society is still patrilineal and patriarchal, with the man as the head of the family and sole decision maker. Discrimination against women in Lesotho is based on customary and common laws enshrined in the constitution.

6. Meanwhile, the morbidity and mortality associated with the pervasive HIV/AIDS have reduced the capacity of agricultural production to recover fully, even if adequate input assistance were available. In addition, reduced household incomes and reduced employment opportunities for the large number of returning migrant miners is perpetuating the situation of chronic poverty.

7. There exists a clear correlation between the current multiple crisis and environmental quality. Environmental degradation impacts on livelihoods, while poverty, illness and desperation contribute to continued degradation.

8. Lesotho's human development indicators have worsened rapidly over the last decade because of the increased mortality associated with HIV/AIDS since the late 1980s. In 1986, life expectancy at birth was 55 years, which was projected to rise steadily to 60 years in 2001. But, owing to the pandemic, overall life expectancy has been reduced to 49 years. Lesotho's overall position in UNDP's [human development index \(HDI\)](#) ranking fell from 127 out of 174 countries in 1998 to 137 in 2003.

9. The net result of the complex crisis is its negative impact on progress towards human development, and in particular, towards the achievement of the Millennium Development Goals. HIV/AIDS drastically reduces household incomes, assets and social safety nets, which in turn, erode the traditional mechanisms by which poor households cope with transitory crop failures and food insecurity. Furthermore, it is increasing drop-out rates for school children, especially girls, in their efforts to find work or forage for food as well as caring for the sick.

10. The MDG related to global market access, has been driven by massive employment (50,000 in all) in the

garments sector to take advantage of concessions under the US initiative related to the Africa Growth and Opportunity Act (AGOA). The resultant increased rural-urban migration of predominantly female workers without ties to their traditional social networks represents a potential source of further HIV transmission similar to that associated with the returning Basotho migrant miners from South Africa.

Part II: Past Cooperation and Lessons Learned

11. Throughout the period leading to the May 2002 elections and thereafter, UNDP has been using its unique position as an impartial broker to bring forward the democratic agenda, through strategic support to the political process. This helped to create an environment of trust, building on the considerable dialogue that has taken place between the different political parties in the aftermath of the turmoil of 1998. The key lesson from this is that UNDP activities cannot be evaluated only in terms of funds expended, but also of greater importance, in terms of the quality of advice and support to the process of moving the democratic and development agenda forward.

12. By the same token, UNDP has played an important role in the national process of developing a Poverty Reduction Strategy as well as the Vision 2020. Perhaps the most important contribution of UNDP to the poverty reduction process has been to assist with the national consultation, reflecting real efforts by Government to hear the voices of the people in relation to ways to fight poverty. UNDP has also been responsible for managing the basket funding facility, established under a Memorandum of Understanding among several donor agencies, for financing the Poverty Reduction Strategy Paper (PRSP) process. As a result of this support, the PRSP is being finalized and some of its elements are included in the 2004/05 Budget cycle.

13. The UN Expanded theme group on HIV/AIDS has engaged with stakeholders throughout the country for over a year to come up with strategies needed to combat the pandemic. These consultations have culminated in the preparation of a document: *Turning a Crisis into an Opportunity: Scaling Up the National Response to HIV/AIDS in Lesotho*. This strategy manual has been adopted by Cabinet for implementation at all levels. In this context, UNDP sees the HIV/AIDS pandemic not only as a fundamental challenge, but as an opportunity for the kind of total national mobilisation it requires which can lead to a more effective and responsive government and society, enabling it to tackle a wider set of developmental challenges.

14. In the review of past cooperation activities during the last two years, a number of issues have surfaced in programme implementation, not least the slow and inefficient delivery of a number of UNDP-supported

projects, thereby undermining the up-stream orientation of the Country Office. This reflects not only implementation weaknesses within the public service but also backstopping lapses within UNDP. Project implementation mechanisms were established which in many cases did not reflect the structures of our Government partners, but in some cases inadvertently undermined these structures. The key issue of capacity building was not often addressed in project design and, where it was addressed, capacity building was approached from the traditional perspective of training and exposure visits, rather than from the perspectives of using the projects as instruments for learning-by-doing. Achieving project outputs was then seen as an end in itself, rather than a means to an end.

15. While results-orientation will be the key focus of UNDP's country cooperation activities at all stages, care will be taken to ensure adequate attention to national capacity building dimensions. In this regard the Country Office has recognized that UNDP will only focus on areas of comparative advantage, within a collaborative framework that ensures that other complementary activities are implemented by other agencies.

16. In 2002, UNDP globally identified six core practice areas, guided by the worldwide momentum behind the MDGs including; Democratic Governance, Poverty Reduction, Crisis Prevention and Recovery, Energy and Environment, ICT and HIV/AIDS. While the new CCA has identified five of these for UN System support, UNDP will focus on four, namely: HIV/AIDS; Poverty Reduction; Energy and Environment; and Democratic Governance.

Part III: Proposed Programme

17. *An Integrated programme:* The aim of the proposed programme is to ensure an integrated response to the complex and rapidly worsening development challenges facing Lesotho today. The programme will seek to further this goal by supporting Government's efforts to: (a) scale up the national response to HIV/AIDS; (b) reduce poverty; (c) reverse environmental degradation; and, (d) deepen democratic governance in the country. An integrated programme of activities will be developed drawing on lessons from the past and using the comparative advantage of UNDP to achieve the necessary enabling environment that facilitates change and speeds up the reform agenda of Government.

18. There are many types of linkages that bind the four programme components. For instance, environmental degradation leads to a weakened natural resource base, which in turn can only support limited crop production. Reduced crop production leads to food insecurity among rural households, increased morbidity and risky coping behaviour, and greater vulnerability to HIV/AIDS. Land productivity is a function of the land tenure system (a land

governance issue), given that most of the land in Lesotho is communally-owned.

19. Under the strategies to be employed to achieve this goal, UNDP will: (a) continue its extensive engagement with Government and other partners involved in addressing the country's development challenges, beginning by equipping the public service with the transformational leadership attributes required for effectively responding to HIV/AIDS; (b) strengthen its partnership with Government and other partners to ensure that the fight against HIV/AIDS is core-streamed in all development activities; (c) support the proposed establishment of the National AIDS Commission and other institutions; and (d) support greater levels of coordination among international partners and greater dialogue within the country on development issues.

20. At the national level, and in accordance with the Secretary-General's mandate on the [Next Steps for Action in Southern Africa](#), UNDP will assist Government to ensure that policies, strategies and resource allocations enhance household, community and national resilience to shocks, particularly HIV/AIDS. All the four components of the integrated programme will be designed to ensure that their results are consistent with those spelt out in the [Multi-Year Funding Framework \(MYFF 2004-2007\)](#).

A. HIV/AIDS

21. The expected results under this sub-programme are:

- Advocacy Networks Developed for Multi-Stakeholder Transformational Leadership and Communication;
- Programmes for Responding to HIV/AIDS Established and Supported;
- HIV/AIDS Interventions Core-streamed into Development Planning Instruments and activities of Line Ministries and Local Structures.

22. HIV/AIDS is now recognized as the greatest development challenge facing the country, consequently HIV/AIDS will be the key strategic area for all UN agencies working in the country. The focus of UNDP in this area will, first and foremost, ensure that all interventions core-stream actions against the pandemic.

23. The severity of the pandemic is symptomatic of deeper institutional challenges concerning delivery and the effectiveness of the public service. This demands new thinking in the response to the pandemic, learning from experiences elsewhere and drawing on under-utilized capacity throughout the country, including traditional leadership, churches, the public sector, the private sector and civil society. Specific attention will be given to the role of the traditional leadership, recognizing that this sector of

society has not been mobilized in a sufficient and effective manner to date in the response to the pandemic.

24. The human capital endowment of the country, and the ability of the public sector to deliver services has been critically curtailed by the pandemic. UNDP will facilitate an assessment of the impact of HIV/AIDS on public service delivery as well as support the Southern Africa Capacity Initiative (SACI) which will provide: (i) Policy support for an enabling environment for service delivery, (ii) An inclusive service delivery framework at all administrative levels and building partnerships, (iii) Capacity stabilization through the UNV specialists programme, and (iv) Meeting the demand for new skills through appropriate training.

25. Whereas the country programme focuses on up-stream interventions, linking governance and public sector delivery issues with HIV/AIDS through the transformation process, its efforts compliment those of the Global Fund which focuses on the provision of ARVs, essential drugs and access to treatment and care. The regional response (HIV/AIDS Regional Programme, the SURF, SACI, RIASCO etc.) is critical to the country programme in the supply of additional capacity and competence procurement.

26. Support will be provided to a newly established National AIDS Commission, which will be broadly representative of Basotho society. Furthermore, appropriate leadership training will be provided to senior Government officials to ensure that the public sector institutions develop new approaches to fighting the pandemic.

27. There is a need to create a minimum threshold of knowledge about HIV/AIDS, its causes, prevention, nature, symptoms, impact, consequences and management as basic public knowledge. The capacity of ICT offers a simple and relatively inexpensive way to create this basic knowledge threshold. The dynamics through which human capital attrition can be addressed also requires the introduction of ICT applications to reduce the burden on existing structures to cope with the human resource constraints.

B. Poverty and Food Security

28. The expected results under this sub-programme are:

- National institutional capacities strengthened for coordinating more effectively the response to the combined crises of HIV/AIDS-induced food insecurity and chronic poverty; and
- National institutional capacities strengthened for implementing activities necessary for the achievement of the Millennium Development Goals.

29. As part of the organization's "scorekeeper" role to measure the progress towards the achievement of the MDGs, support will continue to be provided for monitoring

the goals for the purposes of public advocacy and resource mobilization. Strategies include: (a) support to identifying data needs and strengthening statistical capacity to generate indicators relevant for monitoring the implementation of the PRSP for addressing the links between HIV/AIDS and food insecurity; (b) the preparation and wide dissemination of an advocacy National Human Development Report (NHDR) focused on the nexus of poverty, HIV/AIDS and food insecurity (c) strengthening the Ministry of Local Government and empowering local community structures for effective participation in the implementation of poverty interventions.

30. Furthermore, support will be provided for the establishment of a poverty monitoring system in Lesotho, with a specific emphasis on monitoring delivery of basic services. Assistance will also be provided for ensuring the coherence between macro-economic policies, trade liberalization, employment policies and sectoral reforms, on one hand, and the efforts to reduce poverty and inequalities on the other. Part of the agenda for transformation will involve working closely with the Disaster Management Authority (DMA) and the Office of the Prime Minister to facilitate streamlining the efforts to enable the country better respond to the periodic emergencies caused by the structural vulnerability to food insecurity.

C. Environment and Energy

31. The expected results under this sub-programme are:

- Capacity for Promoting Land Management and Bio-Diversity Conservation for Sustainable Livelihoods and Poverty Reduction Strengthened;
- National and Local Strategies for Sustainable Development Designed and Implemented within the Framework of the Poverty Reduction Strategy (PRS); and
- Clean Energy Technologies Promoted to Reduce Emissions, through Energy Efficiency, Renewable Energy, and Technology Demonstration .

32. UNDP will enhance its emphasis on a more comprehensive reforestation and soil conservation strategy. This initiative will be coupled with dissemination of environmental management messages. The pockets of land that are still in pristine condition will be protected. By and large, the success of managing such protected areas will be dependent on the extent to which the surrounding communities are involved in decisions regarding these areas, especially in relation to the provision of alternatives for grazing and wood fuel plans. In this regard, UNDP will continue to strengthen capacity to conserve Mountain Biodiversity and facilitate the necessary efforts aimed at promoting the use of renewable energy at the household level.

D. Democratic Governance

33. The expected results under this sub-programme are:

- Internal Organization of the Legislature Strengthened with Parliamentary Members and Staff Trained for Better Oversight Roles;
- National Decentralisation Strategies in Place and Gender-Sensitive Local Needs-Based Planning Strengthened for Improved Service Delivery and;
- Public Sector Reform and Transparency and Accountability Institutions Strengthened.

34. Under this sub-programme support will continue to be provided for strengthening the oversight role of Parliament through assisting the Office of the Speaker, supporting the establishment of Portfolio Committees and a Parliamentary Reform Committee.

35. A major challenge is the process of transformation of the public sector to help it meet the development needs of the country and lead to profound change in the culture, structure and decision making systems of the public service in Lesotho. Key instruments for change in the lives of Basotho, such as the Vision 2020 and the PRSP, provide unique opportunities for the Government to create an increased demand for change as people become aware of their rights to basic services as citizens.

36. The Government is committed to holding local elections in the year 2004, which will fundamentally change the way services are delivered. Plans for the local elections will be supported and the involvement of all political parties encouraged. Support will be provided to key line ministries in the development of sector decentralization plans. It will also strengthen the role of civil society in the formulation and monitoring processes, in order to ensure that plans are based on local needs and considerations, such as concerns related to gender inequities and marginalization.

Part IV: Programme Management, Monitoring and Evaluation

Results – Based Management

37. One obvious implication of the decision to implement one integrated Lesotho UNDP country programme will be the conversion of the existing three programme focal units into teams for playing lead and coordination roles related to the corresponding programme components. Among other things, this arrangement will also ensure that the UNDP country programme is driven by policy, implying closer collaboration on all programme activities with the Strategy and Policy Unit.

38. The UNDAF will form the comprehensive monitoring and evaluation framework that will guide the implementation of the Strategic Results Framework (SRF) which will be revised in line with the CPD as well as indicators and goals in the CCA/UNDAF. Annual reviews of this CPD against such indicators and goals will be conducted within the context of the annual SRF reviews. Tripartite review meetings with government and other stakeholders will provide participatory, results-oriented decision-making. They will also provide opportunities for assessing the effectiveness of the National Execution (NEX) modality. The auditing of the programme will be strengthened to ensure greater transparency and accountability.

Execution Modality

39. The government and UNDP have agreed that National Execution should cover 90% of programme activities during the current (2002 – 2004) cycle. However, notwithstanding the commitment to NEX, there are problems with programme implementation, and delivery rates are far from satisfactory. The Country Office will review all implementation mechanisms with a view to determining how they impact not only on delivery but also on capacity building within Government institutions. The existence of parallel structures, funded by UNDP, within ministries will be phased out as soon as possible and a new modality for programme implementation within existing government structures will be adopted during this period.

Support to the United Nations System

40. The Resident Coordinator System has been in the forefront of leading the international partnership in scaling up the fight against HIV/AIDS and supporting governance efforts to deepen democracy in the country. However if the reform agenda of the UN Secretary General is to be realized it is essential to strengthen the office of the Resident Coordinator (RC) so that the UN agencies can be more than the sum of their parts. Given the rapid changes in the country situation since the last [CCA \(2000\)](#) and the development of the current [UNDAF \(2002 – 2007\)](#), this CPD is based on data in the new CCA (2003) and anticipates the key contents and focus areas of a revised UNDAF (currently under preparation). UNDP has been playing the key coordinating role in the drafting of the revised CCA (2003) and the revised UNDAF.

41. UNDP will continue to support the Resident Coordinator's lead role in coordinating the UN System's consolidated response to the ongoing humanitarian crises in Southern Africa., as well as the joint initiatives of the UN System. These will include: strengthening national statistical capacities to produce data for analysis related to both short-term emergency responses as well as the longer-

term development interventions; strengthening national capacities to monitor poverty interventions; and, UN System advocacy for and monitoring of Lesotho's progress towards the achievements of the MDGs.

Partnership and Resource Mobilization Strategy

42. UNDP will continue its work to strengthen partnerships with key donors in Lesotho and elsewhere. In particular activities to strengthen links with partners based in South Africa will continue with a view to ensuring that adequate resources are mobilized and also to ensure that there is awareness of the activities of UNDP in particular and the UN in general. Already, a series of meetings have taken place with the donors based in Pretoria with very positive feedback.

