

LESOTHO COUNTRY ANALYSIS

WORKING DOCUMENT

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Acronyms and Abbreviations

AIDS	Acquired Immunodeficiency Syndrome
AU	African Union
ART	Antiretroviral
BOS	Bureau of Statistics
CAADP	Comprehensive Africa Agricultural Development Programme
CCA	Common Country Analysis
CCS	Country Cooperation Strategy
CSOs	Civil Society Organizations
DaO	Delivering as One
CBO	Faith-Based Organization
CSO	Civil society Organization
DCEO	Directorate of Corruption and Economic Offences
DDCC	District Development Coordination Committee
DHS	Demographic Health Survey
GEWE	Gender Mainstreaming and Women's Empowerment
GoL	Government of Lesotho
HIV	Human Immunodeficiency Virus
IEC	Independent Election Commission
IMS	Information Management System
LMIC	Lower-Middle-Income Country
LUNDAP	Lesotho UN Development Assistance Plan (2013-2017)
LVAC	Lesotho Vulnerability Assessment Committee
MAPs	Mainstreaming, Acceleration and Policy Support
MDAs	Ministries, Departments, Agencies
MDG	Millennium Development Goals
MIC	Middle Income Country
MLA	Monitoring Learning Achievement
MoDP	Ministry of Development Planning
NISSA	National Information System for Social Assistance
NGO	Non-Governmental Organizations
NSDP	National Strategic Development Plan
SDGs	Sustainable Development Goals
TVET	Technical and Vocational Education and Training
UN	United Nations
UNDG	United Nations Development Group
UNCT	UN Country Team
UNDAF	UN Development Assistance Framework

EXECUTIVE SUMMARY

This Country Analysis report is based on a desk review of literature and consultation with government ministries, departments and agencies (MDAs). Lesotho UN agencies' working groups also prepared Issues Papers (on the thematic areas of environment, climate change and resilience; gender equality and women's empowerment; governance; health, nutrition and Human Immunodeficiency Virus and Acquired Immunodeficiency Syndrome (HIV), poverty, social protection, and youth) that provided data and information for this analysis report. The analysis was conducted between July 2016 and January 2017.

The issues addressed in this report are identified on the basis of and (informed by) the five areas of Agenda 2030: People, Planet, Prosperity, Peace and Partnership. Lesotho's performance in MDGs also provided a basis for the selection and reporting on the agendas below. This report comprises five chapters. **Chapter 1** introduces the report, giving the context and objectives of the country analysis. **Chapter 2** describes the development context in Lesotho in relation to international, regional and national perspectives. **Chapter 3** reports on the analysis on the following issues:

- *Poverty Situation and Status of Health, Education and Gender Equality and Women in Leadership;*
- *Situation of Inclusive Economic Growth and Shared Prosperity;*
- *Situation of Environment, Sustainable Development and Resilience;*
- *Peace, Politics and Accountability in Lesotho;*
- *Social Protection and empowering the vulnerable groups.*

Chapter 4 reports on the UN Lesotho Comparative Advantage. **Chapter 5** presents the conclusions and recommendations.

1. Poverty and Inequality

Available reports indicate that over a million people (57.1% of Lesotho's population) live below the national poverty line, and that 34.0% are below the food poverty line of Maloti (LSL) 138 (approximately USD 10.30)¹ per adult per month, which translates to one out of every three people.² Although the World Bank categorized Lesotho as a lower-middle-income country (LMIC), the country is currently lowly ranked 162 out of 187 countries on the Human Development Index 2015.³ With a Gini coefficient of 0.53 Lesotho is ranked among the ten most unequal countries in the world.⁴ The proportion of very poor people showed an increase from 29.1% in 2002/03 to about 35% in 2014/2015.⁵ Poverty is more prevalent in rural areas.⁶ Poverty in Lesotho is attributable to such factors as the global economic downturn, climate change, international economic policies and an uncertain political environment. Limited and relevant education and training of the youth, which leads to increased unemployment, is also another factor contributing to the country's poverty. Women are more likely to be poor, unemployed, face gender-based violence and have a higher prevalence of HIV than their male counterparts across the country.⁷ Poor women-headed households are vulnerable and are more at risk from food insecurity.

The right to food and nutrition: Lesotho faces chronic food insufficiency and hunger. The impact of chronic food insufficiency and hunger is grave and a major concern to the Government, the UN and non-governmental organizations (NGOs).⁸ For example, one-third (33%) of children under 5 years of age are stunted, 3% suffer from acute malnutrition (wasting), and 10% are underweight. Only 11% of infants 6-23 months are covered by

¹ All USD conversions are based on the exchange rate USD 1 = LSL 13.3973569442 (8 February 2017, xe.com).

² World Bank, 2015; Oxford Poverty & Human Development Initiative (OPHI), 2016; Smith et al 2015; Lesotho HDR, 2015; Lesotho Bureau of Statistics, 2014.

³ UNDP 2015.

⁴ World Bank, 2015.

⁵ World Bank, 2015; LHDR, 2015; Lesotho Bureau of Statistics, 2014, Ministry of Health, 2015.

⁶ Ibid.

⁷ Ibid.

⁸ Ibid.

the minimum accepted dietary standards and more than half of infants 6-23 months are anaemic. Over 27% of women and 14% of men age 15-49 are anaemic. Children under 5 years of age from poor communities and households are likely to be malnourished compared to their counterparts from rich, educated families. The highest levels of chronic malnutrition prevalence is in mountains (42% of residents), followed by foothills (41% of residents) and the Senqu River Valley (34% of residents).⁹

Root causes of increased poverty and food insufficiency include the following

- Land degradation / poor land governance
 - Lack and poor management of resources (financial barriers, access to land and tools etc.)
 - Lack of technical capacities of farmers
 - Lack of coordination between ministries
- Low private sector development / investment
 - Low stipulating/enabling environment for the private sector (policy wise)
 - Lack of infrastructure
- Gender inequality & equity
 - Early child marriage & cultural practices that prevent woman from inherent properties
 - Unequal access to resources & unequal control / access to economic activities
- Lack of education & high unemployment
 - No clear policies to tackle unemployment
 - Subjects taught in schools do not respond to unemployment
 - Education does not address the practical needs of the country / private sector
 - No start-up capital to assist entrepreneurship

Child Health: Maintaining children's health is a major challenge in Lesotho. Neonatal, infant and under-5 mortality remain high. According to the Lesotho Demographic and Health Survey (LDHS) 2014, the neonatal mortality rate is 34 per 1,000 live births; infant and under-5 mortality rate is 59 and 85 per 1,000 live births, respectively. This means that one in every 29 children die in the first month of life; one in every 17 children dies before celebrating a first birthday, and one of every 12 children die before their fifth birthday.

Maternal and Mortality Rates: Lesotho has high maternal mortality rates: 1,024 deaths per 100,000 live births.¹⁰ These are mainly caused by limited access to appropriate health services across Lesotho. Delivery in health facilities was 77% in 2014 (an increase from 59% in 2009). Home deliveries are still common in rural areas and among less educated and poor women. Only 62% of women and 18% of new-borns receive the recommended postnatal health checks within two days of delivery. Poor and uneducated women who live in rural areas and poor communities (for example, in Butha-Buthe, Mokhotlong and Thaba-Tseka districts) are likely not to visit any health facility, give birth at home, are not assisted by skilled provider and their infants are not vaccinated against preventable diseases such as tetanus, measles and poliomyelitis.¹¹

HIV: HIV is a major developmental challenge for Lesotho and burden to the health system and is the leading cause of morbidity and mortality in Lesotho. With a national HIV prevalence rate of 25% among adult men and women between the ages 15 to 49, the country ranks second in the world in terms of prevalence.¹² HIV prevalence is significantly higher in women (29.7%) than men (18.6%), with women aged 35 to 39 years having the highest prevalence of 46%. Only 39% women and 31% men have comprehensive knowledge (transmission and prevention of HIV) with lower rates among rural women (43%) and men (26%) compared to urban women (46%) and men (42%). HIV incidence is 1.9 per 100 person-years and is among the highest in the world.¹³ Of particular concern is HIV prevalence among vulnerable and key populations. For example, HIV prevalence is 72% in sex workers, 43% among factory workers, 33% among men who have sex with men and 31% among prison inmates.¹⁴

⁹ LDHS 2014.

¹⁰ LDHS, 2014. Ministry of Health Lesotho, 2012; 2015.

¹¹ Ibid.

¹² PEPFAR Country Operation Plan, 2016; LHDR, 2016; MoH Lesotho, 2015; UNAIDS Country Profile 2014.

¹³ Ibid.

¹⁴ Ibid.

Migration and Health: Mobility and migration, along with gender inequality, poverty; income disparities and food insecurity, is classified under the structural factors for HIV infection. Other related behavioral and social factors affecting the migrants and migration affected communities include multiple and concurrent sexual partnerships, sexual and gender-based violence, transactional sex and inter-generational sex. As the Southern African Development Community (SADC) has signed a Declaration on TB (tuberculosis) in Mining sector in October 2012, it is acknowledged that HIV prevalence is higher and vulnerability to HIV infection is more acute among mineworkers, their families and surrounding communities in SADC region, and furthermore, mining workers are vulnerable to TB. In addition, internal migrants, typically, women moving from the rural areas to the urban areas in search of employment opportunities in textile and clothing factories in Maseru and Maputsoe are vulnerable to the HIV infection as they have limited access to sexual reproductive health service.

Migrants often get involved in multiple and concurrent sexual partnerships, transactional sex and are exposed to sexual exploitation and harassment. The current policy framework is generally focusing on health with limited aspects of migration. There is also a policy gap in terms of group-specific and context-sensitive responses regarding (i) rural-urban migration; (ii) child mobility within Lesotho and across the borders; (iii) international migration; (iv) migrant sending families and communities;

The root causes of poor health system in Lesotho and limited access to health services include the following:

- Limited Accountability – supervision; limited documentation & data; limited implementation of policies;
- Inadequate skills & capacities – limited HR;
- Weak supply chain management;
- Socio-cultural factors - Limited community empowerment; access to services.

Right to Education: The Government spends about 14% of public resources in the education sector. Despite state efforts and investment in education, Lesotho has not been able to provide basic quality education for all. Issues of limited education opportunities for school age population, high dropout rates, poor retention, poor quality of education and low transition to secondary education are critical issues across the country, in particular in rural areas.¹⁵ The UNDP's 2014 Human Development Report (HDR) states that the gross enrolment ratio for pre-primary education stands at 36 percent. Early education centres currently cater for just under a third of the pre-school age appropriate group. There is a negative trend in enrolment figures in primary education, primary school enrolment declined from 82% in 2000 to 76.6% in 2015¹⁶. There is a higher rate of enrolment of girls than boys. Women literacy stands at 98.6% compared to 90.6% for men. Secondary education enrolment is 36% for girls and 22% for boys although there is almost gender parity at primary school level. Studies¹⁷ have shown that girls' course selection and performance at secondary-level education are influenced by the persistence of traditional gender roles and cultural norms. Only 8% of Lesotho population has secondary education. Non-formal education is an essential component for all those that have been excluded from the formal schooling system. In Lesotho, there is some provision for adults and out-of-school youth to receive education that is equivalent to Standards 1-10, most of which takes place through skills development centres. Generally community centres rather than government institutions, these non-governmental organisations (NGOs) rely largely on sponsorship from donor agencies. There are presently no benchmarks for non-formal education provision.

The root causes of limited access to and quality of education include the following:

- Poverty (over 57% of people in Lesotho are poor).
- Insufficient attention to early learning (Early Childhood Development and Education)
- Mis-allocation of financial resources and inefficiency across the education system
- Corruption and mismanagement of education resources and institutions

¹⁵ LUNDAP Annual Review, 2016.

¹⁶ MDG Report 2015

¹⁷ UNICEF (2003). *Report of the Gender Audit on the Education Sector. Okwach Abagi, UNICEF.*

- Limited capacity and commitment of teachers.

Voices of People Leaving with Disabilities in Lesotho: -

CCA gave opportunity to people living with disabilities to air their views about UN work, the challenges they face and what they see as priorities for the next UNDAF. The majority of People Leaving with Disabilities are not aware of the LUNDAP 2013-2018. Asked whether they are satisfied with the way UN has addressed issues affecting those living with Disability, they were clear and forthright that:

- i. UN does not have programmes that are targeting and implemented specially to facilitate the domestication of the UN Convention on the Rights of People with Disabilities by Lesotho Government
- ii. UN has not funded programmes and activities that are carried out by Organizations of people with disability; which advocate for equal inclusion of needs and rights or persons with disability into public services.
- iii. Most people with disability are not aware of and about UN activities.

According to PLWDs, the three priorities that should be the focus of the next UNDAF are: Inclusive education; Poverty, and unemployment.

Voices of the Youth in Lesotho: CCA also gave the youth in Lesotho the opportunity to voice their grievances. Over 90% of the young people in Lesotho who attended the meeting organized by the UN Lesotho does not know the current LUNDAP programmes and how the UN assist the government. The youth expressed their feelings that UN is not doing enough to target and involve the youth in its programmes in Lesotho.

The youth groups listed and prioritized the following: Poverty/Youth unemployment, Corruption, and Quality & Relevant Education system as challenges that should be the focus of and addressed in the new UNDAF 2019-2023.

Gender and Poverty: - Lesotho is largely patriarchal society. Although women are generally more educated, cultural and traditional practices tend to prejudice women with respect to decision-making and ownership of property in all spheres of their lives. Triangulation of data from different sources indicates that women are more likely to be poor, unemployed, face gender-based violence and have a higher prevalence of HIV than their male counterparts across the country (Table 5).¹⁸ Poor women-headed households are vulnerable and face more risks from food insecurity and experience more challenges in obtaining decent work.

Women in Lesotho make up a majority of the agricultural labour force and contribute substantially towards sustainable livelihoods and economic development of the country. Growing of crops such as vegetables, maize, beans, and fruit is largely rain-fed. Women farmers have little or no capacity to absorb major shocks as their productive capacity and productive asset base is considerably smaller compared to that of male farmers. Further, women lack control over decision-making processes and have less access to credits and incomes from agricultural produce. This situation results in gender inequalities and which may lead to gender based violence.¹⁹

Gender Equality and Women in Leadership: - Even today the majority of men in Lesotho fail to see women as their equal peers. This has often greatly compromised women's socioeconomic status and welfare. Although more women are more educated than men in Lesotho, their positions in political and economic leadership roles is still very low. As of December 2014 women representatives comprised only 25% of National Assembly (lower house) members. There are still four men for every one woman in Lesotho's Parliament. The proportion of women in Lesotho's Senate has fluctuated around the 30% target since 1998, and women's representation in the lower house has steadily increased. On the whole, women's political representation in Lesotho falls below the SADC recommended target of at least 30%. In the post-2015 elections women's representation was 37 (8 in the Senate and 29 in the National Assembly). The Speakership of the National Assembly was held by a woman before the 2012-2014 Parliament and since the 2015 elections. For the first time also, a woman was appointed to head the Judiciary as the Chief Justice. Similarly, from 2003, Lesotho had its first woman member of the Independent

¹⁸ *Ibid.*

¹⁹ *ADB report of 2005.*

Electoral Commission (IEC) and later in 2008 she became Chairperson of the Commission. One of the current three Commissioners is a woman. The Governor of Central Bank of Lesotho is also a woman.

But negative perceptions and unequal gender norms still persist among people and present a challenge to gender equality in representation and participation in public decision-making forums.

Gender Based Violence: - Violence against women in Lesotho is pervasive and seems, by all indications, to be on the increase. Gender-based violence, thus, presents a major obstacle for women across the country to realize their fundamental human, sexual and reproductive rights. Lesotho is a patriarchal society with distinct gender roles. Girls and women are more vulnerable to the trafficking in persons.

In recent years the government of Lesotho has had discriminatory provisions against women in laws repealed representing a crucial improvement in the legal status of women. Despite efforts and commitments made by governments to eliminate GBV, prevalence remains unacceptably high, with many cases going unreported.

Approximately 86% of women experience GBV perpetrated by men in their lifetime²⁰. In the same report it is indicated that 62% of these violations relate to intimate partner violence (IPV). The study also revealed that violence in the public domain is significantly high, indicating that 16% of women in their lifetime experience rape perpetrated by strangers.

El-Nino drought induced GBV is a common occurrence in all the 10 districts in Lesotho with physical violence standing at 27.5%, sexual at 22.8%, emotional violence at 20.6%, socio-economic violence 22.9% and harmful traditional practices at 7%²¹. Cases of domestic violence are often not reported possibly due to fear, stigma and inadequate understanding of human rights.

Human Trafficking: Lesotho is a source, transit, and destination country for women and children subjected to forced labour and sex trafficking, and for men subjected to forced labour. In Lesotho, Basotho children are subjected to domestic servitude and forced labour in animal herding; children, especially orphans who migrate to urban areas, increasingly are subjected to sex trafficking. The government did not address the legal framework for addressing human trafficking, which include definitions that are inconsistent with the 2000 UN TIP Protocol and penalties that are not sufficiently stringent to deter the crime. Furthermore, the 2011 Anti-Trafficking in Persons Act required the use of deception, threat, force, or other means of coercion for a child to be considered a trafficking victim, which is inconsistent with international law. The government identified and referred fewer potential victims of trafficking. For the majority of the reporting period, the NGO-run shelter providing care was closed due to a lack of victim referrals²². In accordance with international standards, it is necessary to have a policy framework that addresses human trafficking and people smuggling through strengthening of the criminal justice system and victim support:

2. Inclusive Economic Growth and Shared Prosperity: Dwindling Fortunes and Prosperity

Lesotho's real gross domestic product (GDP) is about USD 2.5 billion and the economy grew on average by 4.5% over the past five years. Lesotho's economy is dominated by the public sector.²³ In terms of structure, the economy is dominated by finance, real estate and business services, which constitute 17.9% of the GDP. Following a dip in 2015, the primary sector is expected to rebound in the medium term and register a robust growth of 15.3% in 2017 before subsiding to 5.3% in 2018. The secondary sector is projected to slowdown and ultimately dip by 4.4% in 2017 before rebounding strongly in 2018. Public spending grew from 45% of the GDP in 2004-2005 financial year to 63.1% in 2014-2015 financial year, and the public sector remains the formal economy's largest employer, on which even the private sector contractors are dependant.²⁴

²⁰ *Gender Links Gender based Violence Indicator's study, 2014; LDHS, 2014*

²¹ *The UNFPA Baseline study on El-Nino linked GBV, 2016*

²² *US Department of State, Trafficking in Persons Report, 2017*

²³ *World Bank, 2015; ADE, 2015.*

²⁴ *World Bank, 2015.*

Lesotho has a small but growing private sector.²⁵ Inadequate enabling policy frameworks and regulatory environment, poor functioning business development services, a paucity of domestic capital markets investing in local economies in a way that promotes sustainable and equitable growth, and weak private sector organizations are some of the contributory factors.²⁶ But the potential is there for the sector, cottage and service industries in particular, to develop competitive and outward-looking entrepreneurs focusing on value addition for exports. The growth recovery is largely supported by strong growth anticipated in mining industry and moderate growth expected in the services sector.

In 2013 about 25% of the population was unemployed, with the highest rate among young people with 35% unemployed across the country. The proportion of unemployment is linked to low levels of educational attainment and to vulnerability of households, their structure and living conditions. The probability of a member of a poor and uneducated family finding a job is very low because of limited opportunities for education, training and information about the job market.²⁷

Emerging data²⁸ indicates that since 2004, women's ability to make independent decisions on the use of their earnings has declined from 52% in 2004 to 37% in 2009 and 33% in 2014. However, women's ability to make joint decisions with their husbands has increased from 36% in 2004 to 58% in 2009 and 62% in 2014 and overall in the last decade, women's ability to make decisions whether independently or jointly with their husbands on the use of their earnings has increased from 88% in 2004 to 94% in 2009 to 95% in 2014. Although women's contributions to the households' economy have made joint decision-making more common among partners, this does not necessarily translate into greater equality. Women's income and labour are often undervalued, both socially and institutionally, and contemporary development policies have reinforced existing gender inequalities through systematic devaluing of women's labour.²⁹ Legal Capacity of Married Persons Act of, 2006 provide equal status of married women; however, the economic and social effects of this law are unclear and Lesotho remains a traditionally patriarchy society in which households and inheritances³⁰ are still organized around men's lineage³⁰. While there is a relatively high unemployment rate generally (24.5%) there are more unemployed women (30%).

Labour Migration: Lesotho recognizes migration as one area in which opportunities for skilled and surplus labour may be explored, and the government has made migration a major theme of Lesotho's foreign and public policies, as is reflected in a range of key Lesotho policy documents, including National Vision 2020 and the National Strategic Development Plan 2012/13 – 2016/17, as well as in historical bilateral labour agreements. Lesotho has actively participated in the Migration Dialogue for Southern Africa (MIDSA), an inter-governmental forum for policy dialogue on migration within SADC, as well as in the SADC Employment and Labour Sector Ministerial and Technical meetings which regularly deal with labour migration issues. Lesotho has ratified a range of international agreements pertaining to migration and migration-related matters, including (in 2005) the 1990 UN International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families. At the bilateral level, the Government of Lesotho has committed itself to discuss migration-related matters on the basis of bilateral cooperation with South Africa, through the Joint Bilateral Commission of Cooperation (JBCC).³¹

Supported by UN and other donor, there has been an efforts to develop various labour migration policy. Ministry of Labour and Employment (MoLE) developed (i) National Migration and Development Policy; (ii) (ii) National Labour Migration Policy; and (iii) National Employment Policy. Nevertheless, due to change in governments, all three policies are yet to be formally endorsed at Cabinet level.

²⁵ *Ibid.*

²⁶ *Ibid.*

²⁷ *Bureau of Statistics Lesotho, 2016. LDHS 2014.*

²⁸ *LDHS, 2014*

²⁹ *Braun, 2010*

³⁰ *Corno and de walque, 2007*

³¹ *National Vision 2020.*

Diaspora Engagement: Migrant remittances are the country's major source of foreign exchange, and Lesotho is one of the leading recipients of officially recorded remittances in the world as measured against GDP. In the last three years, approximately 15% of the Lesotho's GDP comes from the remittances³², continues to be among the largest recipient of remittances (as a percentage of GDP) in Africa. On the other hand, there is a long history of constant brain drain from Lesotho to South Africa and other countries including UK and USA. The migration of professionals and skilled Basotho (especially health professionals) going to South Africa and other overseas destinations has been on the increase. In order to reduce the negative impact of brain drain, Ministry of Health conducted *Needs Assessment of Human Resources in the Lesotho Health Sector* and *Mapping the Basotho Health Professionals in the Diaspora* to see if diaspora can return to Lesotho to provide their service under a temporary return programme.

Root causes of poor inclusive economic growth and increased inequality include the following:"

- Lack of supportive Infrastructure (energy, water, transport, etc.).
- Lack of access to financial markets
- Limited capacity of farmers, business people and households
- Lack of diversity in products and markets in both agricultural, business and entrepreneurs sectors.
- Lack of targeted enabling policies and legal frameworks to empower and support the population, women and youth in particular.
- Limited risk-based and integrated planning, implementation and coordination.

3. Environment, Sustainable Development and Resilience

Climate change and environmental degradation represent a great threat to poverty reduction and to achieve Sustainable Development Goals (SDGs). In the past ten years, Lesotho has experienced successive climate shocks such as recurrent droughts, dry spells and floods, which have negatively affected communities and households' livelihoods, with serious consequences for people's food security. The convergence of multiple vulnerabilities in Lesotho has created a complex risk profile, in which poor households and communities are continually exposed to a wide range of economic, health, environmental, income and climate risks and shocks. Girls and women bear the greatest burden as compared to men. With drought and erratic rainfall, women must work harder for their families. This puts added pressure on the girls within the households, who may be forced to drop out of school to help their mothers manage the heavier burden. Women and girls spend many hours; averaging 8 hours collecting water-this undermines productivity and fuels a cycle of poverty that limits the economic and social capital that would be generated to combat climate change

Abundant evidence exists of environmental degradation in the form of deforestation, exogenous plants invasion, desertification and acidification of soils, greenhouse effect and inappropriate waste disposal. Human activities like farming, construction, cutting of trees, and use of wood are some of the factors responsible for the environmental degradation. The most affected areas are the highlands and Senqu Valley.³³

About 66% of households live on degraded lands, and mostly depend on biomass for heating (51%) and cooking (53%) due to limited access to clean energy. Only 23% have access to electricity. Lesotho has one of the lowest forest covers in Africa and only 0.4% of the land area is under conservation. The Food and Agriculture Organization (FAO) estimates that Lesotho loses 2% of its topsoil each year. The topography as well as Lesotho's geographical location as a land-locked country contributes to the vulnerability profile of the population.³⁴

The Government and development partners have committed to mitigating the effect of climate change and environmental degradation. Lesotho is in the process of developing a National Resilience Framework (2016). This was borne out of a quest for a sustainable solution to address the multi-faceted challenges posed by all types of shocks and stresses. The important role of a National Resilience Framework is to facilitate and increased mainstreaming of climate and disaster risk management in the national and sector plan and strategies.

³² World Development Indicators Database <http://data.worldbank.org/indicator/BX.TRF.PWKR.DT.GD.ZS?locations=LS>
23.2% (2011), 20.7% (2012), 18.3% (2013), 15.1% (2014), 15.6 (2015) and 15.1% (2016)

³³ *National Environment Secretariat (NES), 2000; Dejene et al, 2011; Lesotho Report on Biodiversity Implementation (2007).*

³⁴ *Ibid.*

Root causes of environmental degradation and negative impact of climatic changes include the following:

- Increased climate change and lack of strategies to address its impact
- Poverty (over 57% of the population is poor)
- Limited risk-based planning and tools for resilience building.
- Corruption and poor governance and management of natural resources.

4. Peace, Politics and Governance. Searching for Stability

The Kingdom of Lesotho celebrated 50 years of political independence in October 2016. It has been dominated by an eight-year period of military rule between 1986 and 1993. The period after military rule has seen a commendable entrenchment of democratic governance with elections being held regularly. Notable progress includes reforms to the electoral process from the “first-past-the-post” (FPTP) to “mixed-member proportional” (MMP) representation and peaceful alternation of power between contending parties and coalitions. However, Lesotho continued to contend with political instability, which necessitated the intervention of the Southern African Development Community (SADC) since 2014. Unstable coalition governments saw the country hold three elections between 2012 and 2017.

Lesotho has laudably established key governance institutions such as the Directorate of Corruption and Economic Offences (DCEO), Office of the Ombudsman and the Independent Election Commission (IEC). Lesotho also has Parliament, Labour Court, and the Directorate of Disputes Prevention and Resolution. Strengthening the capacities of these institutions remains a major challenge and a priority for the Government and its partners, including UN Lesotho.³⁵ Ombudsman has limited autonomy and capacity. Its functionality is affected by the fact that it cannot enforce its recommendations and determinations since they are not binding. Overlapping mandates with DCEO and Police Complaints Authority is also noted.

The legislature, the National Assembly in particular, has experienced challenges to its functioning and stability, which has also affected the stability of the cabinet and the entire political system. The ability of the Legislature to discharge its constitutional responsibilities is severely impeded by the political instability in Lesotho. Coalition governments have become a feature of Lesotho's political landscape. In general these coalition governments are fragile, often held together by weak political agreements. Within the coalition, each party has an incentive to maximise their own benefits. Thus, any party that believes that they can gain more by joining another coalition or by threatening to leave will use any mechanism at their disposal.

Governments are far less likely to remain in power for their entire term. These short-lived coalition governments tend to create incentives for myopic behaviour and rent-seeking by politicians. If elected representatives know that their term of office will be brief, they are incentivised to seek out public resources for their constituents, regions and themselves. This is a particular challenge for sustaining investments in social sectors over the long-term, which do not tend to produce short-term benefits.

Another worrying trend in the political landscape is rise of factionalism within Lesotho politics. Splinter parties are easy to form, and permissive floor crossing arrangements in Lesotho allow MPs to change their political allegiances without losing their seats.²⁰ They simply have to notify the Speaker of the House of their intention to do so. Floor-crossing provisions has been used to oust governments, dissolve parliaments and trigger new elections. It has created the conditions for political opportunism and rent-seeking amongst MPs and threatens the continued existence of coalition governments, fuelling political instability and uncertainty. Although many have called for the banning of floor-crossing in Lesotho like South Africa did when it enacted legislation to outlaw the process, nothing has yet been done to reform the parliamentary process. However, in a multi-party and highly contested electoral system, there are few incentives for parties, particularly smaller ones, to change the floor-crossing rules.

The Government views an effective local governance system as a critical vehicle for accomplishing its efforts in reducing poverty, promoting inclusive economic growth and entrenching democratic principles that are vital to

³⁵ *Ibid.*

the development of the people. In 2014 the Government formulated and adapted the National Decentralization Policy with the purpose of deepening and sustaining grassroots-based democratic governance and promoting equitable local development by enhancing citizen participation and strengthening the local government system, while maintaining effective functional and mutually accountable linkages between central and local governmental entities.³⁶

Lastly, Lesotho is surrounded by a porous border. There are automated borders and non-automated borders where the Immigration officers capture very limited information on passengers manually. It is also known that one can cross border illegally through bribery of the border officials or through the river. Ministry of Home Affairs acknowledges the dire need for capacity building on border officials to identify and handle suspicious human trafficking cases. Despite their successful rollout E-visa system, Immigration laws is outdated (developed in 1966) the Ministry of Home Affairs does not have a visa policy in place.

Root causes of political instability and poor governance include the following:

- i. Struggle for power by individual politicians and groups
- ii. No strong political parties
- iii. Corruption
- iv. Poor leadership
- v. Less empowered voters and citizen in general.

5. Social Protection and Empowering the Vulnerable and those at Risk

The Government, UN and other partners recognize the preventive, protective, promotive and transformative function of social protection in reducing poverty and inequality, guaranteeing human rights, promoting human development and economic growth. Through the formation of the National Information System for Social Assistance (NISSA), Lesotho has made impressive strides towards systems approach to social protection. The key steps include, establishment of policy framework, strengthening of institutional capacity, high level of investment, and application of innovations in programme implementation. The country spends about 9% of its GDP or 16% of the national budget on social protection programmes and is the highest social protection spending rate in Africa. The underlying vulnerabilities in Lesotho are multifactorial and include increased poverty and hunger, HIV, fragile ecosystems and natural disasters including droughts and flooding. The main challenges facing full social protection coverage include, among other things, limited resources, a lack of coordination and duplication of efforts and little data on the numbers of deserving cases. Orphans, labour migrants who are working with an irregular status, migrant sending families, victims of trafficking, sex workers, should be considered among the vulnerable category of groups which requires a specific social protection support.

Root causes of increased people who need social protection and poor management of existing programmes include the following:

- Increased climate change and lack of strategies to address its impact
- Poverty (over 57% of the population is poor)
- Limited risk-based planning and tools for resilience building.
- Corruption and poor governance and management of natural resources.

Conclusions

This UN Country analysis report provides baselines to envision and prioritize issues for the new Lesotho UNDAF 2019-2023. Significant developmental challenges remain in Lesotho that need to be tackled if the country is to address the 2030 Agenda, African Union (AU) Agenda 2063 and achieve the Vision 2020. These challenges include addressing the following issues among others: poverty, economic and social inequalities, youth unemployment, poor health and limited quality health services, poor quality of education and training, limited environmental protection and resilience programmes, an uncertain political environment and fostering a stable and effective governance across the country. To address the significant gender inequalities, requires the government to invest in development areas like health, education, agriculture and financial inclusion, leverage partnerships and work closely with the private sector and undertake gender mainstreaming across all the

³⁶ *Government of Lesotho, 2014.*

development programs, policies and plans to generate gender smart solutions. The development of the UNDAF IV (2019-2023) comes at a time when development and social progress indicators are below the expected targets for a low middle-income country like Lesotho. The analysis indicates that Lesotho must strategically and comprehensively plan to address the core development needs and priorities from the 2030 Agenda's perspective but based on the country's context and past performance. This therefore, calls for focus on promising interventions that achieve tangible, real-world results that transform lives and genuinely level the playing field and create opportunities for all.

Recommendations

The following recommendations should be considered in the framework of 2030 Agenda and contributing towards achieving SDGs, with a focus on inclusive economic growth, social progress and sustainable development.

1. Addressing Poverty and Inequality

There is need for pro-poor, livelihood-focused programmes and strategies for climate change adaptation and improving/strengthening communities and households' sources of livelihood. Investment in food security programmes (covering food access, supply, utilization and stability) is the first priority. The Government and development partners should develop sustained strategies and interventions to address food security in Lesotho. Programmes targeting the most food insecure across various disadvantaged and vulnerable communities groups including youth and women, and vulnerable households and communities should be given priority in the next planning cycle. Involvement of local government, the private sector and civil society organizations (CSOs) in developing sustainable value chains is critical for effectiveness of such initiatives.

Greater national recognition of the importance of employment creation and enterprise development is central to sustained economic growth and poverty reduction through increased opportunities for decent work. The Government, working with the private sector and individual investors, should place employment creation, especially for youth and women in particular, as central to all government policies, strategies and programmes.

There is also a need to develop economic and business programmes targeting diversification of income creating opportunities in Lesotho particularly for rural informal sector activities, like cottage industries, that are export-market oriented. National and local government, and development partners should work together to ensure that the National Decentralization Policy (2014) is effectively implemented.

2. Strengthening Access and Quality of Health Sector and Services

The current high investment in health has not translated into improved health outcomes for the population. An all-inclusive, consultative process should be put in place to finalize the five-year health sector strategic plan and health policy in which the SDGs have been mainstreamed. These strategic health documents will facilitate a coordinated joint stakeholder implementation and review process. Further analytical work to determine and address the underlying causes ill health and inefficiencies in the health sector need to be carried out with support from UN, health stakeholders and donors, with the government leading the process. This should include the evaluation of previous health sector programme including the Health Sector Reform Project Phase 2 supported by the World Bank.³⁷

High maternal and child mortality and HIV-related deaths are in part to poor access to affordable, quality relevant service delivery. Continued implementation of the comprehensive Human Resources Development and Strategic Plan (2005-2025) to recruit and retain, including an exit strategy for health care professionals will strengthen the human resource for health structures. National and local governments should work with development partners and CSO to reduce waste and inefficiency in the procurement and supply chain system in the health. This will ensure supplies and equipment are available in sufficient quantities and qualities. Completion of the current and development of a new Health Management Information System will streamline the existing multiple data systems and ensure availability of accessible, uniform and validated real-time data for evidence informed interventions.

³⁷ <http://projects.worldbank.org/P076658/lesotho-health-sector-reform-project-phase-2?lang=en&tab=overview>

The establishment of a robust surveillance system and contingency plans will help to prepare, manage and respond to health emergencies. Finally, strengthening the leadership governance and stewardship role of the Ministry of health will lead to better management and accountability for results.

3. Addressing Youth employment and empowerment

Promoting youth engagement across Lesotho is critical to the country's development. The Government, development partners and CSOs should develop and support the establishment of youth engagement forums at national and decentralized levels. There is need to launch advocacy and sensitization campaign, through various media including social media, to mobilize youth to participate effectively in national and decentralized dialogue forums on development and social issues.

In order to promote cooperation among government, private sector and workers' organizations towards addressing skills mismatch, work should be conducted to introduce a national apprenticeship programme for young people. It is important to increase youth employment, improve youth knowledge on HIV, and their access to youth friendly reproductive health services, as well as enhancing youth participation in political/decision-making forums is critical for youth empowerment. The Government and the UN should consider designing joint programmes for youth empowerment, which would enhance technical and innovation skills among the adolescent and young women and men (15-24 years of age).

4. Mainstreaming and enhancing resilience and sustainable development

The Government and partners, including the UN, have to develop sound, comprehensive and sustainable environmental management and resilience programmes, build household resilience to threats and shocks, further strengthen early warning systems, and address the risks and vulnerability to, inter alia, climate change and other socioeconomic and health challenges. Equally critical is the coordination of resources, research, monitoring and evaluation and knowledge management on resilience and environmental protection and conservation. As investments in agriculture are most effective in sustainably reducing poverty, special attention is necessary for strengthening the economic and institutional underpinnings of agricultural value chains.

Adopting the resilience lens at the onset of an emergency requires bridging the existing division between humanitarian and development programming to ensure that short-term actions lay the groundwork for the medium to long-term interventions.

There is need to provide technical assistance to the Government to finalize the establishment of an efficient Early Warning System (EWS) and a Vulnerability Analysis and Mapping (VAM) unit, which is government owned for market analyses, food security and vulnerability assessments.

5. Enhancing good governance and building enabling environment for peace and development

Consensus-building on and the implementation of fundamental constitutional, institutional and sector reforms need to be supported to solve the political instability, strengthen institutions, and promote unity and inclusiveness. This includes supporting on-going decentralization efforts³⁸ and interventions to make local governments effective and efficient. There is need to support political party development through promoting good governance within political parties and resilience.

6. Enhancing Social protection programmes

It is important to strengthen the current national/public social protection programmes. There is an emerging consensus that development partners need to focus their support to governments to further strengthen national and local capacities to design, deliver, evaluate and finance their social protection systems. This may require improved coordination of social protection activities across government ministries and development partners. It also requires strengthening and expanding NISSA, so that it can become the database of all beneficiaries of all social protection programmes; moving from manual to electronic payments wherever appropriate; and

³⁸ *Local Government Act of 1997 (amended several times) as the main instrument*

strengthening accountability and transparency through strengthening complaint response mechanisms (CRM), among other things.

7. Strengthening evidence-based planning, monitoring and evaluation In Lesotho the main custodian of national data is the Bureau of Statistics (BOS), which carries out and coordinates data collection in the country as is mandated through the Bureau of Statistics Act 2001. The national statistical system is faced with multiple bottlenecks, including limited resource allocation and inadequate capacity that directly affect the quality, and therefore utilization of data.

It is crucial and strategically important to strengthen the national statistics system that will continuously generate good quality data for monitoring and evaluating country programmes as well as identifying critical areas for improvement. Key areas to be addressed include: 1) building human capacity focusing on equipping personnel with skills and knowledge, and changing the culture of statistical work (monitoring and evaluation, and research); 2) strengthening partnership and coordination where all key players from all constituencies (government, development partners, CSO, community-based organizations, CBOs) play a critical role, advocate for a statistical system to secure a place in the priority list, and mobilize required resources for evidence generation.

CHAPTER 1: INTRODUCTION AND BACKGROUND

1.1 Context

The Lesotho United Nations Development Assistance Action Plan (LUNDAP, 2013-2017), which outlines the United Nations (UN) support to the Government of Lesotho (GoL), will end in 2017. The United Nations Country Team (UNCT), in collaboration with the Government of Lesotho, has initiated the process of preparing a new UNDAF cycle (2019-2023). As required by the United Nations Development Group (UNDG) guidelines, an annual review and external evaluation of LUNDAP was completed, and the two reports are available as resources for the Common Country Analysis (CCA) exercise.³⁹

The development of a new UNDAF is coming within the context of many new emerging global and regional development issues, and agendas that have a direct impact on Lesotho's development agenda. These include the following: the adoption of 2030 Agenda (Sustainable Development Goals, SDGs) and Africa Union Agenda 2063; the effect of climate change; global economic downturn; increased global insecurity, conflict and humanitarian needs; and new calls to enhance the fight against HIV and chronic illnesses such as cancer.

It is from the above context that UN Lesotho carried out a Country Analysis to inform and facilitate the development of the new UNDAF 2018-2022 for Lesotho. This UN Country Analysis was informed by the core focus of Agenda 2030 and SDGs. The four United Nations Development Group (UNDG) namely leave no one behind; human rights, gender equality, and women empowerment; sustainability and resilience; and accountability were also taken into account during this analysis.

1.2 CCA Objectives

The purpose of Lesotho CCA 2016 is to provide analytical basis for joint planning process that include the participation of the Government, UN and other non-government stakeholders in defining areas of focus in the next planning cycle for five years.

The specific objectives of the CCA are:

(i) To identify and review the underlying root causes, gaps and challenges facing development and social progress; their impact on the population especially the most vulnerable, disadvantaged individuals and groups such as poor, children, youth, women, persons with disabilities, persons living with HIV, internally displaced persons, street people, orphans, and migrants;

(ii) To identify the UN Lesotho comparative advantages, key priorities, entry points and opportunities for effective support to the government and other partners; and

(iii) To conduct UNCT Lesotho capacity assessment and preparedness to support the Government and other partners to achieve development objectives and priorities. The CCA is guided by the basic elements and principles of the UN programming, putting into consideration three core SDGs focus of inclusive economic growth, social progress, and environmental protection.

1.3 Country Analysis Methodology

A literature review was conducted and aligned to the global, regional and national framework, policies and strategies of Agenda 2030 and SDGS. Lesotho's current National Development Strategic Plan (NDSP) 2013-2017 also provided the basis of analysis and reporting on progress made towards addressing development priorities and needs in Lesotho.

The UN Lesotho Country Analysis 2016 was carried out between July 2016 and January 2017 and used both quantitative and qualitative research methods. The analysis followed the new UNDG Guidelines for the preparation of UNDAF and other UN policies and guidelines on monitoring and evaluation of economic growth,

³⁹ *United Nations Development Group. UNDAF Guidance (Final Version of May 2016).*

social progress and sustainable development. The analysis was informed by and based on a literature review and consultation with government ministries, departments and agencies (MDA) (including the Prime Minister's Office and Ministry of Development Planning), UN agencies and non-government stakeholders.⁴⁰

A review of relevant documents including policies, plans, baseline surveys and special studies was one of the key sources for this country analysis (refer to the Reference section of this report for the relevant documents reviewed).

Lesotho UN agencies' working groups also prepared Issues Papers (on thematic areas of environment, climate change and resilience; gender equality and women's empowerment; governance; health, nutrition and HIV; poverty; social protection; and youth) that provided data and information for the analysis.

⁴⁰ Refer to Annex I for the list of those interviewed during the stakeholders consultations.

CHAPTER 2: LESOTHO DEVELOPMENT CONTEXT

2.1 International Development Context

In September 2015 the international community, including Lesotho, adopted the Agenda 2030 for Sustainable Development (which includes the SDGs), and agreed on 17 development goals, 169 sub-goals and 255 indicators targeted for the period 2016-2030. The Agenda goals and targets will stimulate action in the next 15 years in five areas of critical importance for humanity and the planet namely: People, Planet, Prosperity, Peace and Partnership.⁴¹ To support countries in implementing the 2030 Agenda, the UN System has come up with a guiding tool called Mainstreaming, Acceleration and Policy Support (MAPs). The UN analysis was done from the perspective and framework of 2030 Agenda. The four UNDG programming principles namely leave no one behind; human rights, gender equality, and women empowerment; sustainability and resilience; and accountability were also taken into account during the analysis.

Through the 2030 Agenda, countries and stakeholders have committed themselves⁴² to working together to achieve sustained and inclusive economic growth, social development and environmental protection. The Agenda articulates a promise to ensure that all women and men, boys and girls, youth and future generations, fulfil their potential in dignity and equality in a healthy environment. The 2030 Agenda is to be implemented in a manner consistent with existing obligations of Member States under international law, including international human rights law, and in particular the commitment to eradicate poverty, address inequalities, end discrimination, promote and sustain peace, and leave no one behind.

The United Nations Development Group (UNDG) has provided guidance for a new generation of UN Development Assistance Frameworks (UNDAFs) reflecting the 2030 Agenda and the UNDG principles and commitments described above.⁴³

These commitments and principles have implications on how the Government, in partnership with the UN Lesotho, plans its development agenda, mobilizes and allocates resources, and implements and monitors its development programmes.

The Government of Lesotho receives financial and technical support from various bilateral and multilateral organizations. The Government acknowledges and appreciates the role that development partners have played and continue to play in Lesotho's development. The Government further recognizes that the impact of this assistance could be much greater given improved and strengthened systems for aid coordination management within government institutions. To this end, in 2013 the Government developed the Lesotho Partnership Policy with three main objectives:⁴⁴

- To improve the effectiveness of development cooperation through increased government ownership and leadership;
- To increase transparency and accountability between the government and its citizens on the one hand, and government and the development partners (DPs) in the management of development cooperation on the other; and
- To accelerate progress towards policy harmonization in Lesotho's relationships with its development partners.

⁴¹United Nations. *Transforming the World: Agenda 2030 for Sustainable Development, 2015. UNDG. UNDAF Guidance (Final Version May 2016).*

⁴² "Stakeholders": Governments, including line ministries; social partners, comprising workers' and employers' organizations; private sector and other development partners relevant to a country context; civil society; and NGOs.

⁴³ United Nations Development Group. *UNDAF Guidance, November 2016.*

⁴⁴Government of Lesotho, 2013; Lesotho Ministry of Development Planning, 2015.

Lesotho has a very young population with 45.3% under 20 years of age, of which 33.3% under 15 years of age and 10.0% under 5 years of age.⁴⁷The distribution of the population across the four livelihood zones is presented in Table 1.

Table 1: Distribution of Lesotho’s Population by Livelihood Zone

Livelihood Zone	Population	Proportion of total population (%)	Number of Households	Average Household Size (# of people)
Lowlands	1,178,804	57.9	259,873	4.5
Foothills	262,383	12.9	51,095	5.1
Mountains	430,965	21.2	82,803	5.2
Senqu Valley	163,694	8.0	32,144	5.1
TOTALS	2,035,846	100.0	343,112	

(Source BOS, 2014)

The highest concentration of the population lives in the lowlands (comprising both northern and southern lowlands), accounting for 57.9% of the total population, followed by the Mountains, the Foothills and the Senqu Valley, which account for 21.2%, 12.9% and 8.0%, respectively, of the total population. Over the past 35 years Lesotho’s urban population increased from 10.5 per cent of the total population to 23.7% in 2011.

Vision 2020: In 2000 the Government formulated the country’s development aspirations.⁴⁸ The specific objectives of the Vision 2020 are to establish a vision for economic, political and human development to the year 2020; to identify alternative development strategies suitable for Lesotho’s situation; to promote the process of open dialogue and consultations with socioeconomic groups country-wide; to create an environment whereby people will actively participate in achieving the Vision 2020; and to develop view to the future direction of how development plans could be rolled out.

Lesotho is a small, open economy, with modest growth of about 4%, limited economic diversification and limited resilience to global and internal shocks. Lesotho is categorized as a Lower-Middle-Income Country (LMIC) by the World Bank, but faces development and social challenges of a poor developing country. The UNCT annual reviews of development and social indicators in the past five years and external evaluation of LUNDAP indicate that Lesotho did not meet the MDGs, although some progress was made (Table 2).⁴⁹

⁴⁷The Bureau of Statistics groups the population in five year age cohorts. Children are generally defined as persons under the age of 18, so it is difficult to establish the exact number of children in Lesotho since the 4th age cohort comprises persons between 15 and 19 years of age. The 19 year olds are not children, but are included with them in of the 4th cohort.

⁴⁸ Government of Lesotho (2000). *Lesotho Vision 2020*.

⁴⁹ Ministry of Development Planning, 2015; United Nations, 2015.

Table 2: Lesotho’s progress and status in each of the MDGs Targets

MDG	STATUS
MDG 1: Eradicate Extreme Poverty and Hunger	Very Slow Progress But Target Not Achieved
MDG 2: Achieve Universal Primary Education	Substantial Progress But Target Not Achieved
MDG 3: Promote Gender Equality and Empower Women	Substantial Progress
MDG 4: Reduce Child Mortality	Very Slow Progress Target Not Achieved
MDG 5: Improve Maternal Health	Very Slow Progress Target Not Achieved
MDG 6: Combat HIV and AIDS and TB	Very Slow Progress Target Not Achieved
MDG 7: Ensure Environmental Sustainability	Very Slow Progress Target Not Achieved
MDG 8: Develop a Global Partnership for Development	Substantial Progress

Source: Lesotho MDGs End-point Report, 2015.

The Government and UN Lesotho are committed to the 2030 Agenda, SDGs and AU Agenda 2063. Building on the achievement under the NSDP 2013-2017 and lessons learned under the current LUNDAP 2013-2018, the Government and UN have commitment to coordinate and make inclusive and participatory development of the new UNDAF 2019-2023. This process will be guided and done under the framework and focus of the SDGs, the core focus of which is inclusive economic growth, social progress and sustainable development and putting people and the environment first. The first step towards this process is mapping out the status (baseline) of Lesotho’s development and social progress outcomes, challenges and gaps, opportunities and prospects.

The section below provides an analysis of the status of development in Lesotho, identifying the challenges, gaps and opportunities – as a basis of envisioning the new UNDAF in Lesotho.

CHAPTER 3: ANALYSIS OF DEVELOPMENT AND SOCIAL PROGRESS IN LESOTHO

The Agendas for development and social progress for Lesotho addressed in this report are identified on the basis of and informed by the five core areas of Agenda 2030: People, Planet, Prosperity, Peace and Partnership. Lesotho's performance in MDGs also provided basis for the selection and reporting on the agendas below. In the following section, we therefore, report on the following: status of people in terms of poverty and inequalities and their access to social services such health and education, status of Lesotho's economy, environment, governance/politics and social protection demands including growth, challenges and gaps. In the annexes, data on the Lesotho Human Development Index is provided and is compared to some selected countries, in addition, there is the Lesotho SDGs' indicators and status of data, and population in need of assistance by districts.

3.1 Agenda 1: Poverty Situation and Status of Social Capital (Health, Education), Gender Equality and Gender Based Violence (GBV) in Leadership: An Unfulfilled Agenda

3.1.1 Poverty and Inequalities in Lesotho

The 2030 Agenda for Sustainable Development puts people first and has a central objective of addressing poverty and hunger while promoting the human rights and gender equality.⁵⁰ SDGs 1, 2, 3, 4, 5 and 10, in particular, require countries to focus their development agenda on people, by ensuring that poverty and hunger are addressed in a sustainable manner. It also requires that vulnerable children, youth, women and those living with disabilities and HIV, in particular, are targeted, protected and empowered. The implication is that Lesotho has to address in a sustainable manner development and social issues that respond to human rights, gender equality and women's empowerment, environmental protection and resilience, and accountability perspectives.

Recognizing that Lesotho is one of the poorest countries in Sub-Saharan Africa,⁵¹ the Government and the development partners have focused on addressing poverty and hunger in the past decade.

Deep and widespread poverty is the primary development challenge facing the country. This is closely linked to the many obstacles holding back the generation of sufficient decent work opportunities for women and men. Over a million of Lesotho's population (57.1%) are poor. Almost two out every three people are living in poverty.⁵² Comparable data by the World Bank (2015) further indicates that 34.0% of the population are below the food (extreme) poverty line of LSL 138 (USD 10.30) per adult per month, which translates to one out of every three people.⁵³ This has remained largely unchanged in the past decade but is likely to worsen if the economic and environmental situation across the country remains the same.

The failure of economic growth to reduce the number of working poor suggests the need to critically examine the links between growth, employment and poverty reduction. The problems of unemployment and underemployment in the country are of a structural nature. Lesotho's unemployment was estimated at 25.3%⁵⁴, in 2008. However, the subsequent statistics have recorded unemployment rate of 33% (male 26.2%, female 39.7% and youth 32.3%)⁵⁵. Subsistence farming and survivalist activities were identified as the biggest sources of household incomes at 29.5% (HHBS, 2011), compared to those with salaried employment, estimated at 28.5%. Formal employment is limited to about 10% of the labour force, with most workers scraping by in survivalist-oriented activities in the smallholder or subsistence agricultural sector and in the urban informal economy, both characterized by poor productivity, low incomes and little protection. Furthermore, little progress has been made in shifting the reliance of the country's economic growth away from agriculture and

⁵⁰ United Nations Development Group. *Interim UNDAF Guidance (Final Draft)*, June 2016.

⁵¹ GoL. *National Strategic Development Plan, 2013*; World Bank. *Lesotho: Systematic Country Diagnostic (2016)*.

⁵² The conceptualisation of poverty as a multi-dimensional phenomenon arises from the thinking that it entails more than just the lack of income to attain basic needs. Poverty includes multiple deprivations comprising basic needs as well as capabilities to realise better standards of living. A commonly used measure of multidimensional poverty is the Multidimensional Poverty Index (MPI) adopted by UNDP. Measures deprivation in human capabilities across three dimensions comprising health, education and standard of living.

⁵³ BoS, 2014; Oxford Poverty and Human Development Initiative, 2016. World Bank, 2015

⁵⁴ BOS, (Labour Force Survey) 2008

⁵⁵ BOS (Continuous Multipurpose Survey (Q1, 2015)

resource extraction towards manufacturing and other more dynamic and knowledge-intensive activities in the service sector.

The poor population in Lesotho comprising mainly youth, children and women are unable to access their basic rights: decent shelter, education, food, health and information among others.⁵⁶ Lesotho is currently ranked 100 out of 190 countries in the Human Development Index (HDI) 2017 (Table 3).⁵⁷ With a Gini coefficient of 0.53, Lesotho is ranked among the ten most unequal countries in the world.⁵⁸ Lesotho's Gini-coefficient has slightly worsened, rising from 0.52 in 2002-2003 to 0.53 in 2010/11 showing an increasing disparity between the rich and the poor. Analysis by the World Bank indicates that Lesotho's poverty is not only high, but is also deep, and the depth has increased overtime.⁵⁹ *Source: World Bank 2017.*

Inequalities are high and cut across ecological zones, rural/urban, gender, class and age difference and are widening. According to the LDHS, in 2014 the wealthiest households were concentrated in urban areas. Fifty-five per cent of the urban population belongs to the two highest quintiles. More than half (54%) of the rural population falls into the two lowest wealth quintiles. The majority of the population in the two districts in the Mountain's ecological zone of Lesotho - Mokhotlong and Thaba-Tseka – are the poorest in the country (53% and 55% of the population, respectively) and are in the lowest wealth quintiles.

From a human right perspective, despite being categorized as LMIC Lesotho has not made significant progress to move out of the category of countries that are classified as low human development countries (LHDC), with HDI score of below 0.550 (Figure 2).

Figure 2: Lesotho HDI 1980- 2013



Source: Lesotho National Human Development Report, 2015.

A World Bank assessment of poverty trends between 2003 and 2010 indicates that overall there have been very marginal declines in poverty in both urban and rural areas (Table 3).

Table 3: Urban and Rural Poverty Trends (2003 – 2010)

	National Poverty Rate (%)			Extreme Poverty Rate (%)			US\$ 1.25/day Poverty Rate (%)		
	2003	2010	Change	2003	2010	Change	2003	2010	Change
Lesotho	56.6	57.1	0.5	34.0	35.1	1.1	55.3	55.8	0.5
Urban	39.0	39.6	0.6	20.3	20.4	0.1	37.1	38.5	1.4
Rural	60.9	61.2	0.3	37.4	38.5	1.1	59.8	59.9	0.1

Source: World Bank 2015

⁵⁶ LDHS various years, ADE, 2015; OPHI, 2016; Smith et al, 2015.

⁵⁷ UNDP, 2015. Refer to Annex II for comparison with other countries in the region.

⁵⁸ World Bank, 2017.

⁵⁹ Ibid.

The distributions of wealth quintiles of urban-rural location and livelihood zone are presented in Table 4:

Table 4: Wealth Distribution by Urban-Rural Location and Livelihood Zone

Wealth Quintile	Urban-Rural Location		Livelihood Zone			
	Urban (%)	Rural (%)	Lowlands (%)	Foothills (%)	Mountains (%)	Senqu Valley (%)
Lowest	0.2	27.5	4.8	26.4	47.8	35.5
2 nd Lowest	3.0	26.4	13.7	29.9	27.3	27.6
Middle	12.4	22.9	21.9	25.3	13.9	17.2
Fourth	30.7	15.9	27.5	14.0	7.3	13.5
Highest	53.8	7.3	32.1	4.5	3.7	5.2

Source: LDHS, 2014

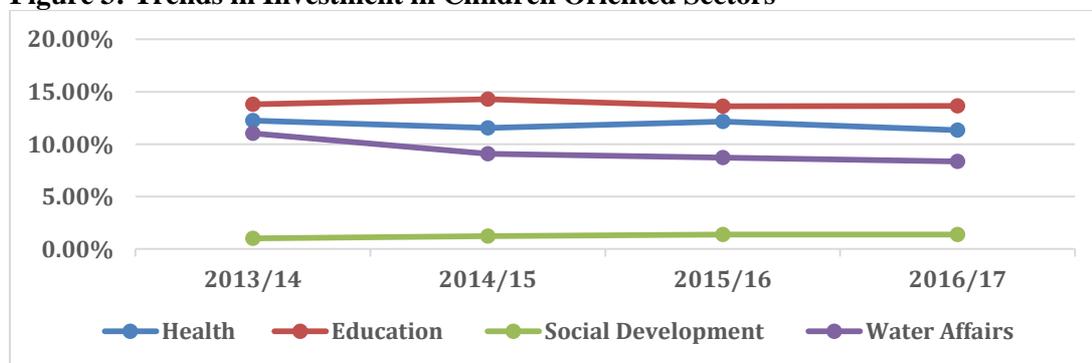
In summary the root causes of increased poverty and food insufficiency include the following:

- Land degradation / poor land governance
 - Lack and poor management of resources (financial barriers, access to land and tools etc.).
 - Lack of technical capacities of farmers
 - Lack of coordination between ministries
- Low private sector development / investment
 - Low stipulating/enabling environment for the private sector (policy wise)
 - Lack of infrastructure
- Gender inequality & equity
 - Early child marriage & cultural practices that prevent woman from inherent properties
 - Unequal access to resources & unequal control / access to economic activities
- Lack of education & high unemployment
 - No clear policies to tackle unemployment
 - Subjects taught in schools do not respond to unemployment
 - Education does not address the practical needs of the country / private sector
 - No start-up capital to assist entrepreneurship

3.1.2 Child Poverty and Nutrition in Lesotho

There is a growing consensus that child poverty⁶⁰ is an area that needs special consideration. Figure 3 indicates Government investment in children-focused sectors (for example in education, health, social development and water). Lesotho allocates higher proportions of public resources in education and health, about 14% and over 10%, respectively, of the national budget. Over time, such expenditures have gone down, and are likely to go down if the public expenditure is not made more focused on people.

Figure 3: Trends in Investment in Children Oriented Sectors



Source: Developed by the Consultant from various Lesotho official documents, 2016.

⁶⁰The UNICEF definition of child poverty Children living in poverty [are those who] experience deprivation of material, spiritual and emotional resources needed to survive, develop and thrive, leaving them unable to enjoy their rights, participate as full and equal members of society (UNICEF, 2005).

Despite significant investment in social programmes, the data available, and as shown in Table 6, for some of the key indicators, indicates deprivation among children that resulted in a high level of infant mortality, low child vaccination rates, and high trends in malnutrition. Current statistics also show that 3% of the country's children (6-14 years old) are involved in child labour. The prevalence of child labour may therefore be a much bigger problem than suggested by national estimates, which show that 66% of child workers are engaged in subsistence farming and the remaining proportion is largely engaged mainly in private households, employed as domestic workers. Child labour is predominantly higher among boys (86.6%) than girls (13.4%) irrespective of the type of economic activity considered. In 2015, Lesotho made a moderate advancement in efforts to eliminate the worst forms of child labour. During the year, the Government created an implementation strategy for the National Action Plan on the Elimination of Child Labour, published implementing regulations for the Anti-Trafficking in Persons Act of 2011, and established an Anti-Trafficking in Persons Task Force to collect data on human trafficking. However, children in Lesotho continue to engage in the worst forms of child labour, including in herding cattle and commercial sexual exploitation sometimes as a result of human trafficking. Lesotho law does not prohibit the use of children in illicit activities, and a gap between the compulsory education age and the minimum age for employment leaves children vulnerable to the worst forms of child labour. A lack of government resources for enforcement and social programs also remains a major challenge to combatting child labour in Lesotho⁶¹

Table 6: Key indicators on Child Poverty⁶²

Indicator	Status
Children as a proportion of total population (0-15 years)	33.3%
Children living in absolute deprivation (2009)	52%
Orphanhood	27%
Child registration at birth	43%
Population of under 5 years	10%
Neo-natal mortality	34/1,000
Infant mortality	59/1,000
Under 5 years child mortality	85/1,000
5-9 years mortality	99/1,000
10-14 years mortality	104/1,000
Vaccination coverage	68%
Stunting	33%
Overweight	13%
Wasting	3%

Source: LDHS 2014, Ministry of Social Development, 2014

Lesotho faces chronic food insufficiency and hunger. This is due to a number of factors, including⁶³:

- Constrained food supply: caused by declining agricultural productivity. The country, thus, relies on food imports; which are expensive, and depletes foreign reserves;
- Limited access to food: poverty and an extremely skewed income distribution that limit the poor's access to food;
- Poor food utilization caused by inadequate feeding and food preparation practices, limited dietary diversity and skewed intra-household distribution of food; and
- Instability caused by climate change, the El Niño induced drought of the 2015-16 season, food price hikes, and economic shocks (devaluation).

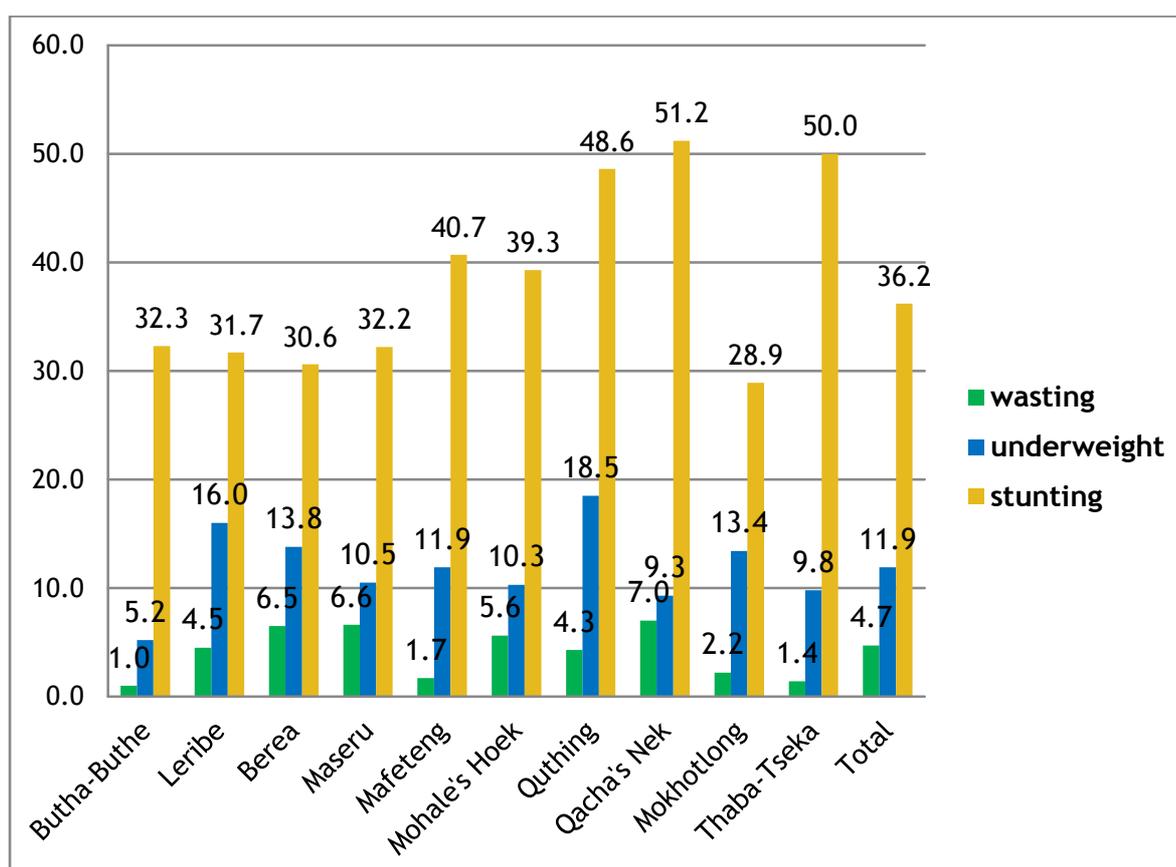
⁶¹ US Dep't of Labor, Bureau of International Labor Affairs; 2015, findings on the worst forms of child labor in Lesotho,.

⁶² LDHS, 2014.

⁶³ World Bank, 2015; LDHS, 2014; Lesotho MDGs End-point Report, 2015.

Women and children, in rural areas in particular, suffer from chronic hunger. The impact of chronic food insufficiency and hunger is grave and a major concern to the government, the UN and non-governmental organizations (NGOs). For example, stunting in Lesotho ranges from a minimum of 28.9% in Botha Bothe to 51.2% in Qacha's Nek (Figure 4). The national prevalence of stunting is 36.2% which would suggest an increase from the 2014 DHS (33.3%). Indicatively, wasting in Lesotho range from a minimum of 1.0% in Botha Bothe to 7.0% Qacha's Nek. The national prevalence of wasting is 4.7% which would suggest an increase from the 2014 DHS (3.5%). International thresholds for GAM are at 5%.

Figure 4: Prevalence of malnutrition in children under 5 years by districts

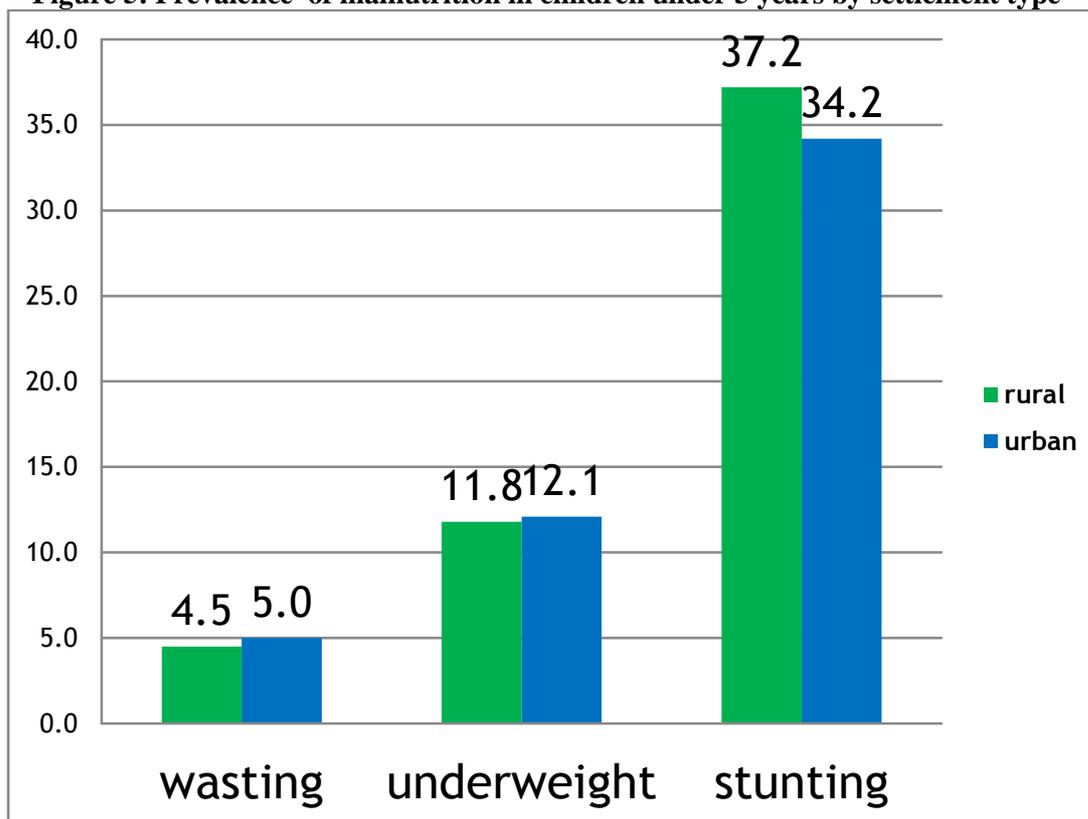


Source: Lesotho Vulnerability Assessment Committee Report, July 2017

Figure 5 shows the trends of stunting, underweight and wasting from 1992 to 2016. These indicators of malnutrition have remained high.

- Prevalence of stunting is higher in the rural areas than in the urban areas
- For both wasting and under weight, prevalence is higher in the urban areas
- Overall, compared to the 2014 DHS, there has been a suggested increase in malnutrition
- Results to be validated in a more comprehensive survey due to the small sample size.

Figure 5: Prevalence of malnutrition in children under 5 years by settlement type



Source: Lesotho Vulnerability Assessment Committee, July 2017.

Threats that have a significant impact on food sufficiency and security in Lesotho include the following: poor farming methods (less use of modern technology); global warming and climate change; drought; floods and extreme temperatures; and loss of biodiversity.

3.1.3 Health Situation in Lesotho

The Government allocates over 10% of public resources to the Health Sector (one of the highest in Sub-Saharan Africa but below the Abuja agreement of 14%). This investment is 9% of the GDP with a per capita expenditure of USD 54 which is well above the World Health Organization (WHO) recommended minimum of USD 34. However, the health outcomes are not commensurate with the resource input.

More than three decades after the Ministry of Health adopted the Primary Health Care (PHC) strategy in 1978, Lesotho has been experiencing worsening health outcomes (Figure 6-8). At the end of 2015 most of the health MDGs were far from being achieved. The high rates of communicable diseases and HIV and AIDS pandemic are already putting a lot of pressure on the health infrastructure and resources. At the same time, the health sector in Lesotho has suffered a high attrition of health professionals in recent years, in spite of efforts to reform the health sector within the context of the National Health Plan. The World Bank estimated that one-third of Lesotho-born physicians have emigrated.⁶⁴

Life expectancy, which peaked at 59 years in 1990, fell to 44 in 2008 and dropped further to 41 years in 2014 (39.7 years for males and 42.9 years for females, according to the WHO Lesotho Country Cooperation Strategy, CCS, 2014-2019) and according to the LHDR 49.4 years in 2015. This decline is partly due to the high burden of the AIDS related deaths as well as high mortality due to non-communicable diseases, including cardiovascular and chronic respiratory diseases, diabetes, road traffic crashes and injuries. The vulnerable and socially disadvantaged are more likely to die sooner than people of higher social economic class due to their

⁶⁴ World Bank, 2015; WHO, 2014; UNDP, 2015.

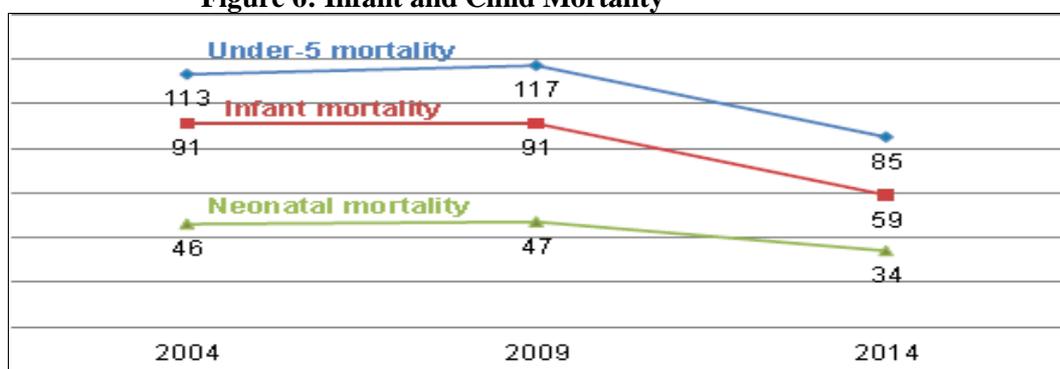
exposure to hunger, harmful products, such as tobacco or unhealthy food, and the limited access to health services.

The causes of poor health and high death rates among the population, in particular those in rural areas, include:⁶⁵

- Limited capacity of health facilities;
- Poor quality of health services across the country;
- Limited access to appropriate and quality health services;
- Constraints to food supply and poor nutrition status;
- High prevalence of HIV.

Child health in Lesotho: Neonatal, infant and under-5 mortality remain high. According to the LDHS 2014, neonatal mortality rate is 34 per 1,000 live births; infant and under-5 mortality rate is 59 and 85 per 1,000 live births, respectively (Figure 6). This means that one in every 29 children dies in the first month of life; one in every 17 children dies before celebrating their first birthday, and one of every 12 children dies before their fifth birthday.⁶⁶

Figure 6: Infant and Child Mortality

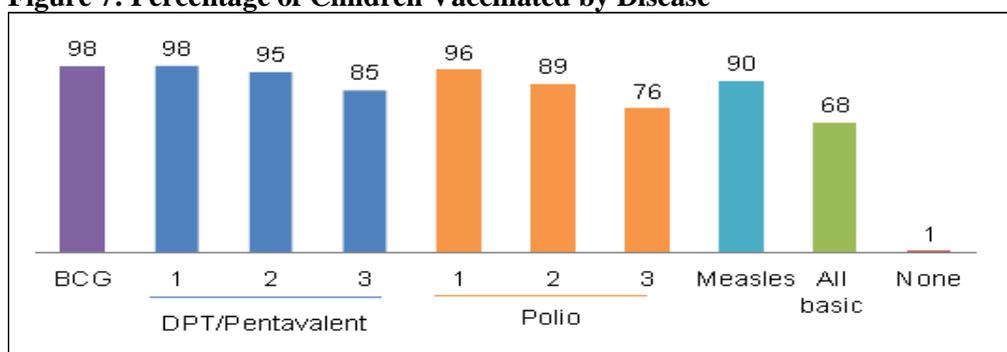


Source: LDHS, 2014

Children from poor homes, especially those in the rural areas and regions prone to natural disasters, are more likely to die than those from wealthier homes, due to limited access to primary health services.

According to the LDHS 2014, only 68% of children have received all three key vaccinations comprising one dose of Bacillus Calmette–Guérin (BCG) vaccine, which protects against tuberculosis (TB), three doses of the diphtheria, pertussis and tetanus (DPT) vaccine, three doses of polio vaccine and one dose of measles vaccine (Figure 7). Only one per cent of children did not receive any vaccination at all.

Figure 7: Percentage of Children Vaccinated by Disease



Source: DHS 2014

⁶⁵ MoH 2015.

⁶⁶ LDHS, 2014

Table 7 indicates the situation vaccination, deworming and Vitamin A supplementation estimated coverage in children under five years by July 2017 (Lesotho Vulnerability Assessment Committee, 2017) vis:

- Vitamin A supplementation coverage is above 80% in 7 districts and below 50% in one district (Mokhotlong)
- Measles Rubella vaccination: all 10 districts reported over 70% coverage, while 3 out of 10 districts had above 90% (achieving “herd immunity”)
- Important link as children with vitamin A deficiency are more likely to die of measles infection
- Deworming coverage is above 50% in 9 out of 10 districts and only 20% in Mokhotlong (important link deworming helps to prevent -micronutrient deficiencies)

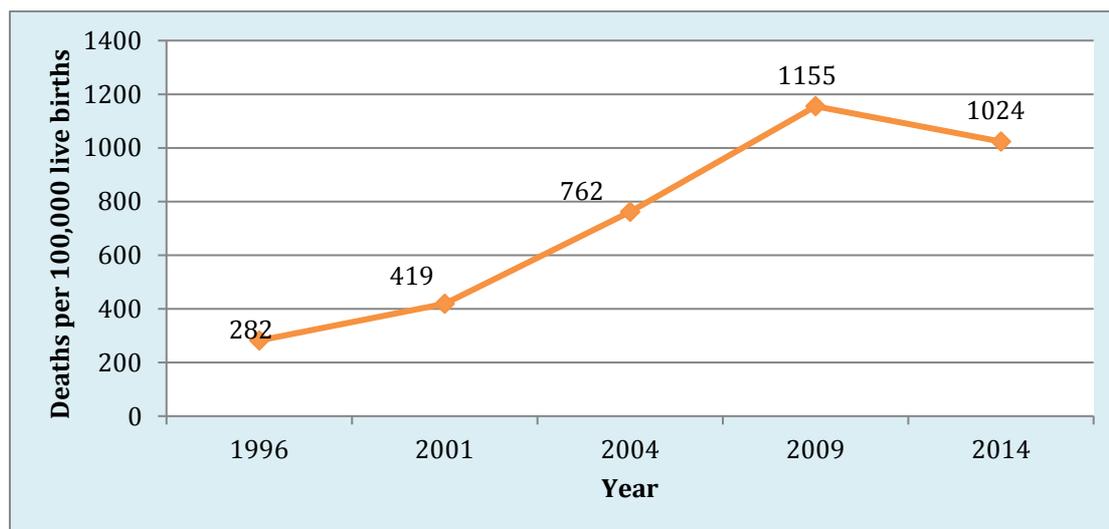
Table 7: situation vaccination, deworming and Vitamin A supplementation coverage in children under five years by Districts, July 2017

District	Vitamin A	Deworming	Measles Rubella	DPT3
Butha-Buthe	69.8%	57.3%	85.4%	91.7%
Leribe	70.1%	63.1%	82.8%	86.6%
Berea	80.3%	65.0%	96.4%	79.6%
Maseru	82.5%	70.2%	85.5%	79.8%
Mafeteng	84.7%	72.9%	96.6%	88.1%
Mohale's Hoek	86.0%	84.1%	86.9%	91.6%
Quthing	92.9%	84.3%	85.7%	90.0%
Qacha's Nek	90.7%	88.4%	97.7%	100.0%
Mokhotlong	44.4%	20.0%	73.3%	80.0%
Thaba-Tseka	80.6%	59.7%	86.1%	90.3%

Source: Lesotho Vulnerability Assessment Committee Report, July 2017.

Maternal and Mortality Rates: Lesotho has high maternal mortality rates, 1,024 deaths per 100,000 live births (2014), just slightly lower than 1,155 in 2009 (Figure 8).⁶⁷ This is because important health care services during pregnancy and childbirth and after delivery are still limited for the poor, especially those living in rural areas. Delivery in health facilities stands at only 77% in 2014 (an increase from 59% in 2009). Home deliveries are still common in rural areas and among less educated and poor women. Only 62% of women and 18% of newborns receive the recommended postnatal health checks within two days of delivery. Poor and uneducated women who live in rural areas and poor communities (for example, in Botha-Buthe, Mokhotlong and Thaba-Tseka districts) are unlikely to visit any health facility, more likely to give birth at home and are not assisted by a skilled provider, and having an unvaccinated infant.⁶⁸

Figure 8: Trends in Maternal Mortality (1996 – 2014)



Source: LDHS 2014

Access and Use of Contraceptives: In Lesotho family planning is part of the Sexual and Reproductive Health Programme of the Ministry of Health and an important strategy in the NSDP 2014-2017. Although knowledge on at least one method of contraception is high among women (99%) and men (98%) aged 15-49 years old, the contraceptive prevalence rate is only 60%, among sexually active unmarried women aged 15-49 years old. Educated women from wealthy backgrounds are more likely to use modern contraception than less educated women from poor homes. Teenage pregnancy in Lesotho has remained unacceptably high for the past 10 years with estimates of 20% in 2004 and 19% in 2014.⁶⁹ These numbers are even higher among adolescent girls in the rural areas than in urban areas.

3.1.4 HIV Status in Lesotho

HIV and AIDS is a burden to the health sector and is one of the factors that have contributed to the slow economic growth and social progress in Lesotho. AIDS has become the leading cause of morbidity and mortality in Lesotho. Twenty-five per cent of adults aged 15-49 years old in Lesotho are infected with HIV, and is one of the highest prevalence rates in the world (Table 8). The prevalence of HIV is significantly higher among women (29.7%) than men (18.6%), with women aged 35-39 years old having the highest prevalence of 46%. Additionally, the incidence rate of HIV is 1.9 per 100 person years and is among the highest in the world.⁷⁰ One out of four new HIV infections occur among adolescent girls and young women, mainly as a result of exclusion, inter-generational sexual relationships, discrimination and gender based violence. Approximately 310,000 children and adults are living with HIV.

⁶⁷ LDHS, 2015;

⁶⁸ *Ibid.*

⁶⁹ LDHS, 2014

⁷⁰ Ministry of Health Lesotho, 2015; LDHS, 2014; PERFAR, 2016; WHO, 2014

Table 8: HIV Prevalence indicators for men and women aged 15 – 49 years old

Indicator	Value of Indicator
HIV Prevalence (national)	24.6%
HIV Prevalence (men)	18.6%
HIV Prevalence (women)	29.7%
HIV Prevalence, peak age women	35 – 39 years (46%)
HIV Prevalence, peak age men	40 – 44 years (44%)

Source: LDHS, 2014

Of particular concern is HIV prevalence among vulnerable and risk populations. The prevalence of HIV is 72% among sex workers, 43% in factory workers, 33% in men who have sex with men and 31% among prison inmates. Prevalence is higher in urban areas than in rural, and by districts, ranging from a low rate of 17% in Mokhotlong to a high rate of 28% in Maseru.⁷¹

The key drivers that significantly contribute to new infections in the general population include multiple and concurrent sexual partners, low and inconsistent use of condoms, low rates of medical male circumcision, mother-to-child transmission and gender based violence.

Poverty and poor psychosocial support are also factors that increase susceptibility to HIV infection. Only 39% women and 31% men have a comprehensive knowledge (transmission and prevention) of HIV with lower rates in rural women (43%) and men (26%) compared to urban women (46%) and men (42%). According to the LDHS (2014), 7% of women and 27% of men had two or more sexual partners, and among these, only 54% of women and 65% of men reported using a condom during their most recent sexual encounter.

More women (84%) than men (66%) had been tested at least once for HIV and had received their results.⁷²

Currently, 56% of all people living with HIV are on antiretroviral therapy (ART) (adults 56% and children 5%), but far below the 80% global coverage target for 2015. Equally the PMCT coverage is still relatively low at 65%. Mother-to-child transmission rates increase from 6% at six-weeks of life to 14% at the end of the breastfeeding period. This is due to socioeconomic, workplace and cultural constraining factors to antiretroviral treatment especially in the breastfeeding period. In 2016 Lesotho adopted, and is implementing, the WHO guidelines on treating every person testing positive for HIV (Test & Treat).

The World Health Organisation (WHO) estimates a TB incidence of 916/100,000 and prevalence of 613/100,000 in Lesotho. This is an increase in prevalence from 548/100,000 in 1990 mainly due to HIV. The rate of TB/HIV coinfection is high, at 76%⁷³.

In summary the root causes of poor health system in Lesotho and limited access to health services include the following:

- Limited Accountability – supervision; limited documentation & data; limited implementation of policies
- Inadequate skills & capacities – limited HR;
- Weak supply chain management
- Socio-cultural factors - Limited community empowerment; access to services.

3.1.5 Access to Education in Lesotho

The Government spends about 14% of public resources on the education sector. Despite government efforts and investment in education, Lesotho has not been able to provide quality basic education for all.⁷⁴ Issues of

⁷¹ *Ibid*

⁷² Ministry of Health Lesotho, 2015; LDHS, 2014; PERFAR, 2016.

⁷³ Ministry of Health, 2014: Evaluation of TB Surveillance and TB Epidemiological Analysis in Lesotho

⁷⁴ Basic education refers to pre-primary, primary and secondary education, of high quality, free or affordable to all regardless of sex, SEC, religion, location urban-rural or geographical location.

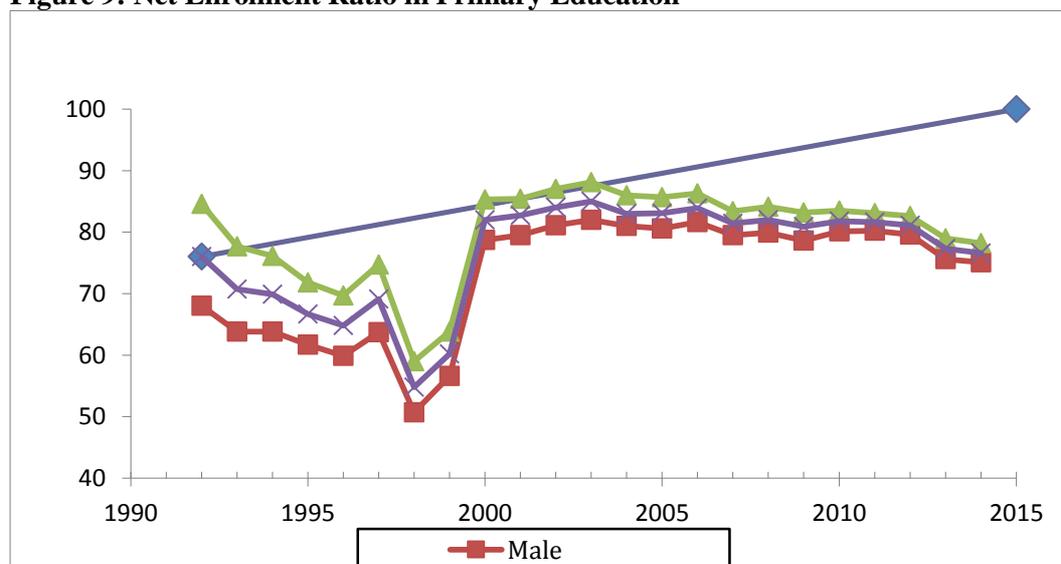
limited education opportunities for the school-aged population, dropouts, retention, quality of education and transition to secondary education are critical across the country, in particular in rural areas and among the poor. As indicated in Figure 9, the negative trend in enrolment figures in primary education is especially worrisome given the size of budget allocated towards education in Lesotho.⁷⁵

Pre-primary Education: The Early Childhood Development unit established under the Ministry of Education and Training coordinates all Early Childhood Care and Development (ECCD) activities and endeavours to increase access to ECCD and standardise such training. Pre-school education can be enhanced through the establishment of reception classes and Government support for home and community-based kindergartens. An additional 66 Early Childhood Care and Development (ECCD) teachers graduated in 2013/14, resulting in a total of 90 ECCD teachers under the Teaching Service Department of the Ministry of Education and Training.

The UNDP's 2014 Human Development Report (HDR) states that the gross enrolment ratio for pre-primary education stands at 36 percent. Early education centres currently cater for just under a third of the pre-school age appropriate group, according to a National University of Lesotho report, 'Youth and Adult Learning and Education in Lesotho', published by OSISA in 2012. The United Nations Children's Fund (UNICEF) in its Lesotho Country Programme document 2013-2017 focuses on achieving enhanced access to quality integrated ECCD services, especially for the most vulnerable children, with the emphasis on rural and mountainous areas.

Primary Education: Free and compulsory primary education was introduced in Lesotho in 2000. The crude cohort survival rate increased from 40.9% when the class of 2000 completed primary school in 2006, to 67.1% in 2013 when the class of 2007 completed primary school. The net enrolment rate increased from 38.8% to 54.6% over the same period but lower for a LMIC like Lesotho. While the dropout rate decreased from 59.1% in 2006 to 32.9% in 2013.⁷⁶

Figure 9: Net Enrolment Ratio in Primary Education



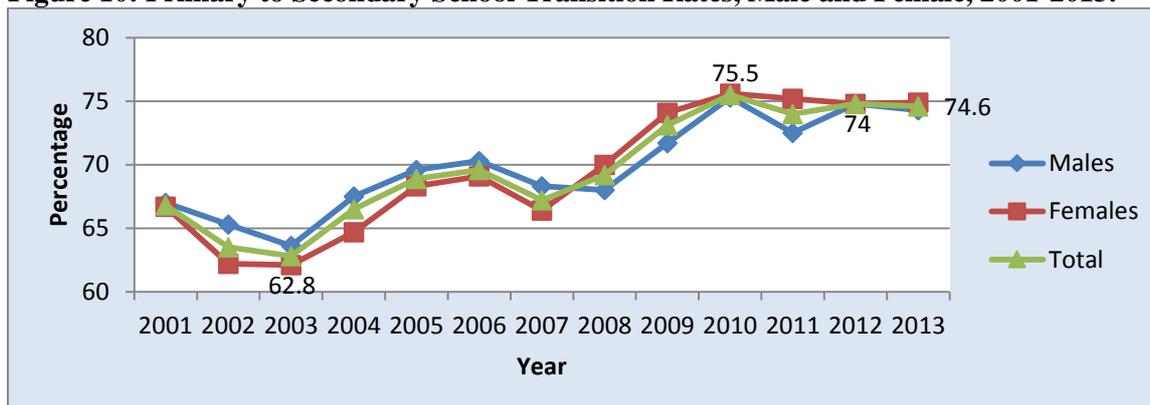
Source: MDGs End-Point Report, 2015.

Figure 10 shows that the transition rate from primary to secondary education is very high. Overall there have been only marginal differences between transition rates of boys and girls from the end of primary to the beginning of secondary school. As shown in Figure 10, between 2001 and 2007 the transition rates of boys were slightly higher than those of girls. The overall trend indicates that the transition rates for boys and girls increased from 62.8% in 2002 to a peak of 75.5% in 2010, but then levelled off in subsequent years.

⁷⁵ UNESCO Global Partnership for Girls' and Women's Education, 2015. http://www.unesco.org/eri/cp/factsheets_ed/LS_EDFactSheet.pdf; LDHS, 2014.

⁷⁶ Lesotho MDG End-point Report, 2015.

Figure 10: Primary to Secondary School Transition Rates, Male and Female, 2001-2013.



Source: MOET 2014

A lack of sector capacity to construct sufficient secondary schools together with high tuition fees remains the key barrier for young people wanting to attend secondary education. The poor, orphans and boys are more likely not to attend and complete basic education in Lesotho.

Non-formal and Special Education: Non-formal education is an essential component for all those that have been excluded from the formal schooling system. In Lesotho, there is some provision for adults and out-of-school youth to receive education that is equivalent to Standards 1-10, most of which takes place through skills development centres. Generally community centres rather than government institutions, these non-governmental organisations (NGOs) rely largely on sponsorship from donor agencies. There are presently no benchmarks for non-formal education provision.

The Government budget for non-formal education (literacy and adult basic education) is mainly channeled through the Lesotho Distance Teaching Centre (LDTC), which offers six Junior Secondary courses and seven Senior Secondary Certificate courses. The Institute of Extra-Mural Studies (IEMS) in the National University of Lesotho also provides a range of courses.

NGOs doing much of the actual youth and adult education provision are legal entities registered with the Law Office and governed by Boards. Current umbrella bodies helping to coordinate the sector include:

- The Lesotho Council of NGOs (LCN)
- Lesotho Association for Non-Formal Education (LANFE)
- Lesotho Youth Federation
- Lesotho Cooperative Credit Union League (LCCUL)
- Lesotho National Federation of Organizations of the Disabled (LNFOD)

LANFE provides literacy education as well as vocational skills and training to herd-boys, other OVCs and their families, training of trainers in literacy and small business management, and empowerment of villagers in development and poverty reduction.

Established in 1991, LNFOD provides support for disabled people's organizations in empowering their members with life-skills, financial and material resources, and representing their needs to Government, development partners and society at large. Its membership consists of the Lesotho National Association of Physically Disabled (LNAPD), Intellectual Disability Association of Lesotho (IDAL), Lesotho National League of the Visually Impaired Persons (LNLVIP) and National Association of the Deaf in Lesotho (NADL).

Technical and Vocational Education: The Department of Technical and Vocational Training (TVD) of the Ministry of Education and Training is an umbrella regulatory body responsible for technical and vocational education and training (TVET) in Lesotho. The Department accredits TVET institutions, regulates their curricula, and inspects and assesses them through trade tests.

There are eight post-junior secondary school level TVET institutions in Lesotho, according to the 2012 OSISA report, 'Youth and Adult Learning and Education in Lesotho'. Only two of these, Lerotholi Polytechnic and Thaba-tseka Technical Institute, are completely government-funded. The other six are church-owned and receive only funds for teachers' salaries from the Government. There are also church and private providers offering non-formal training and traditional apprenticeship.

Thaba-Tseka Technical Institute provides training courses, business advice and technical services to the mountain communities. Trade courses last two to three years and computer training programmes are also available. Lerotholi Polytechnic is one of the leading educational institutions in Lesotho, and has been autonomous since 2002. The Polytechnic offers education and training programmes of between one and three years in its four schools, which comprise the School of the Built Environment (SOBE); School of Enterprise and Management (SEM); School of Engineering and Technology (SET) and School of Continuing Education (SOCE).

The Polytechnic is pursuing transformation into a University of Technology by 2015 in order to provide professional manpower development in the engineering and technology fields. The review of the Lerotholi Polytechnic Act (1997), which will not only align it with the Higher Education Act of 2004 but also afford the Polytechnic a chance to offer degree programmes, has been completed. However, there is still much to be done to make the programme suitably responsive to the needs of local and regional markets.

The Ntlatso Skills Training Centre provides skills-oriented training for the unskilled, unemployed, school-leavers, disadvantaged youth and adults, and retrenched migrant workers. Courses are offered in bricklaying and plastering, carpentry, plumbing, cookery and catering, panel beating and spray painting, and motor mechanics, each lasting in the region of 12 weeks.

Tertiary Education: Higher education in Lesotho is offered through public as well as private institutions, with the majority of the latter owned by the Christian Health Association of Lesotho (CHAL). The Higher Education Act of 2004 provides the legal framework for the regulation of higher education through the Council for Higher Education (CHE). Relatively few learners – just 11 percent – progress through all stages of schooling and qualify for entry to higher education (UNDP, 2014 HDR). A separate stream of technical and vocational education and training (TVET) is open to qualified applicants who are sixteen years of age or older.

According to the CHE's 'Report on The State of Higher Education in Lesotho', which covers the 2011 to 2013 period, there are 13 institutions recognised by the Council and the Government of Lesotho. Of these, 61.5 percent are public while 38.5 percent are private. The four largest institutions comprise the National University of Lesotho, Lerotholi Polytechnic, Lesotho College of Education and Limkokwing University of Creative Technology

Access to higher education is poor in Lesotho. Only 9% of the women and 8% of men have more than secondary education.⁷⁷ Education attainment varies widely across districts, by level of poverty, gender and urban-rural location. In urban areas more people have university education compared to rural areas.

Table 9 indicates that 13 institutions offer tertiary-level education in Lesotho, with a total enrolment of 25,508 students in 2012, of which 23,100 (90.1%) were young people (15-35 years of age). Five institutions - specifically the National University of Lesotho, Limkokwing University of Creative Technology, Lesotho College of Education, Lerotholi Polytechnic and Centre of Accounting Studies - account for 91.2% of the total enrolment among all tertiary institutions. There are also significant numbers of pupils who receive tertiary education outside Lesotho's borders, principally in South Africa, including through distance learning, though the exact figures are not available.

⁷⁷ DHS Report, 2014; Council on Higher Education, 2013.

Table 9: Tertiary Enrolment by Institution and Sex, 2011

INSTITUTION	ENROLMENT			Gender Parity Ratio
	Males	Females	Total	
Centre for Accounting Studies (CAS)	586	710	1,296	1.212
Institute of Development Management (IDM)	168	310	478	1.845
Lesotho Agricultural College (LAC)	161	196	357	1.217
Lesotho Institute of Public Administration and Management (LIPAM)	168	290	458	1.726
Lesotho College of Education (LCE)	1,295	3,509	4,804	2.710
Lerotholi Polytechnic (LP)	1,896	820	2,716	0.432
Limkokwing University of Creative Technology (LUCT)	1,498	1,591	3,089	1.062
Maloti School of Nursing (MSN)	28	98	126	3.500
National Health Training Centre (NHTC)	142	393	535	2.768
National University of Lesotho (NUL)	4,367	6,994	11,361	1.602
Paray School of Nursing (PSN)	11	85	96	7.727
Roma College of Nursing (RCN)	18	71	89	3.944
Scott Hospital School of Nursing (SHSN)	19	84	103	4.421
Total	10,357	15,151	25,508	1.463

Source: *Education Statistics Bulletin, 2013*

Science, Information Technology and Innovations: - Lesotho has weak research capacity and poor institutional mechanisms for technology acquisition and adapting new innovations and technology. Innovation in science and technology depend on an appropriate and adequately resourced research and development institutions. There is low enrolment in Mathematics and Science in tertiary institutions and not enough crops of graduates to drive research and innovation. Many students do not enroll in tertiary education on account of high failure rates, probably related to poor foundation at primary and secondary levels, and fear of losing government scholarships or bursaries if they fail.⁷⁸

Information and communication technologies (ICTs) have become the gateway to knowledge economies in the era of globalization. The development of ICT capabilities is, therefore, an essential priority to enable youth to fully participate in the global society and economy. Table 10 shows the ICT indicators for Lesotho, 1.3 million people connected to a mobile phone.

Table 10: ICT Indicators for Lesotho, 2013-2014

Indicator	Statistics (year)
Mobile Cellular subscriptions	1.2 million (2013)
Service Providers	2 (Vodacom and Econet Lesotho)
3G coverage	38% and projected to reach 58% in March 2014)
Mobile Penetration	65% (2013)
Facebook users	51,440 with penetration rate of 2.7% (World Stats, 2014)
Network Readiness Index Ranking	133/142 countries (2013)

Source: *Ministry of Communications, 2013.*

⁷⁸ *Science, Technology and Innovation Policy Review, Lesotho, UNCTAD, 2010.*

ICT use is still very low among the general population particularly in relation to Internet access. Computer literacy is still very low at primary and secondary levels. Young people, in particular, are learning very quickly to use digital technology, especially mobile phones and social media platforms, and other web-based applications, which shows that with broad based access to technology there can be a radical change in the way of life and information is disseminated. E-learning opens up opportunities that have not yet been fully utilized in Lesotho. Innovations for learning both ICT and soft skills are many and are evolving as new entrants continuously introduce new products and services. Many of the resources are available at little or no cost. Training and collaborative innovation approaches vary from face-to-face interactions, such as technology hubs, co-working spaces, apprenticeships, networking events and online approaches. The use of these innovations could be increased in Lesotho but not as high as they could be if access to digital technology and awareness of platforms remain the same.

In summary, the root causes of limited access to and quality of education include the following:

- Poverty (over 57% of people in Lesotho are poor).
- Insufficient attention to early learning (Early Childhood Development and Education)
- Mis-allocation of financial resources and inefficiency across the education system
- Corruption and mismanagement of education resources and institutions
- Limited capacity and commitment of teachers.

3.1.6 Gender Mainstreaming and Women's Empowerment Empowerment (GEWE)

Gender and Poverty: - Lesotho is largely patriarchal society. Although women are generally more educated, cultural and traditional practices tend to prejudice women with respect to decision-making and ownership of property in all spheres of their lives. Triangulation of data from different sources indicates that women are more likely to be poor, unemployed, face gender-based violence and have a higher prevalence of HIV than their male counterparts across the country (Table 11).⁷⁹ Poor women-headed households are vulnerable and face more risks from food insecurity and experience more challenges in obtaining decent work.

Women in Lesotho make up a majority of the agricultural labour force and contribute substantially towards sustainable livelihoods and economic development of the country. Growing of crops such as vegetables, maize, beans, and fruit is largely rain-fed. Women farmers have little or no capacity to absorb major shocks as their productive capacity and productive asset base is considerably smaller compared to that of male farmers. Further, women lack control over decision-making processes and have less access to credits and incomes from agricultural produce. This situation results in gender inequalities and which may lead to gender based violence.⁸⁰

Table 11: Gender related Multidimensional Poverty Indicators⁸¹

Sector	Indicator	Value of Indicator for Lesotho
Health	HIV prevalence among Males aged 15 - 49	18.6%
	HIV prevalence among Females aged 15 - 49	29.7%
Education	Gender Parity Index ⁸² primary school	0.99
	Gender Parity Index secondary school	1.6
	Gender Parity Index tertiary	1.41
Economic Activity	Employment rate – Men	64%
	Employment rate – Women	38%

⁷⁹ *Ibid.*

⁸⁰ *ADB report of 2005.*

⁸¹ *Lesotho Human Development Report, 2015; LDHS, 2014.*

⁸² *The Gender Parity Index measures equity between boys and girls at a particular school level (primary, secondary or tertiary). A value of more than one (1) indicates more females than Males while a value less than one (1) indicates more males than females, while a value of one (1) indicates equity between males and females.*

The general literature on gender and poverty suggests feminisation of poverty. World Bank (2015) data indicates that in 2010 there were significant differences in the prevalence of poverty among female-headed households and other households in the population. In fact, it is perceived that single-mother households have fared generally better than single-father households. This is a paradox that may need further investigation.

Gender and Education: In terms of education, women are more educated than men. Secondary education enrolment is 36% girls and 22% boys although there is almost gender parity at the primary school level.⁸³ While boys drop out of school to herd cattle, girls drop out to provide child labour to households. This can be attributed to sociocultural norms and practices, and economic and social factors, such as poverty, distance from school, the impact of HIV, teenage pregnancies, child marriages and the lack of sanitary material.

More females than males are enrolled in university education in Lesotho. For example, in 2011 a total of 5,387 pupils graduated from Lesotho's tertiary institutions.⁸⁴ Women comprised 63.3% of all graduates. However, this has not translated into changes in socio-cultural norms and practices. Studies⁸⁵ have shown that girls' course selection and performance at secondary schools were influenced by the persistence of traditional gender roles and cultural norms. For example, the perception that boys are good at mathematics, science and technology while girls are good at languages and home economics is widespread among teachers, parents and, consequently, male and female students. In addition, teachers and principals are often not gender sensitive in their attitude, behaviour and teaching practices, which negatively influence the opportunities of girls' access to, retention in and completion of secondary education.

Gender Equality and Women in Leadership in Lesotho: - Having committed itself to gender equality through the United Nations Convention on the Elimination of All forms of Discrimination against Women (CEDAW), the African Union Protocol on the Rights of Women (2003), and the SADC Protocol on Gender and Development (2008), Lesotho has taken measures towards these commitments. One was to make it legally mandatory for political parties to ensure equal representation on the PR party list submitted to the IEC during elections, and to reserve a third of seats in local council elections for women in 2005 and 2011, and the adoption of the MMP system at local government level. The passing of Legal Capacity of Married Persons Act No. 9 (2006) was another measure to address gender inequality in the family and the social sphere. In addition, appointment of women in key positions in the public sector has been another observable measure. In the Cabinet, this has resulted in nine women out of 25 ministries (or 40.9%) in 2011; eight women out of 30 places (or 26.7%) during the post-2012 All Basotho Convention (ABC) party-led coalition government; and eight women out of 35 places (or 22.85%) in the post-2015 elections coalition government. This trend indicates a steady worrying decline in the representation of women in the country's executive arm of the state. The figure was far below the SADC quota of 50% women in legislative assembly by 2015.

The total number of women in the post-2007 was 37 out of 153 members (seven in the Senate and 30 in the National Assembly), thus constituting 24.18% of the whole membership. The figure increased marginally after 2012 elections to 40 (or 26.14%) of the entire legislature (nine in Senate and 31 in the National Assembly).⁸⁶ In the post-2015 elections there were 38 women in the whole Parliament (eight in the Senate and 30 in the National Assembly). This shows that Lesotho's performance in this regard is not impressive. However, there are exceptions. The Speaker of the National Assembly was the same woman before 2012-2014 Parliament and after the 2015 elections. For the first time also, the head of the Judiciary, the Chief Justice, is a woman, appointed by the ABC-led administration. Similarly, from 2003, Lesotho had its first woman as a member of the IEC and later in 2008 she became Chairperson of the Commission. One of the current three Commissioners is a woman. The Governor of Central Bank of Lesotho is also a woman.

⁸³ UNESCO *Global Partnership for Girls' and Women's Education, 2015.*

http://www.unesco.org/eri/cp/factsheets_ed/LS_EDFactSheet.pdf

⁸⁴ MOET, 2014

⁸⁵ *Report of the Gender Audit on the Education Sector. Okwach Abagi, UNICEF, 2003.*

⁸⁶ Kapa, 2013: 77

Participation of women in leadership in both the public and private sector in Lesotho is still low. This is attributed to mainly the patriarchal nature and values of society, attitudes and perceptions, and the violent nature of politics that tend not to attract women to complete for elective positions.

In summary, the root causes of political instability and poor governance include the following:

- Struggle for power by individual politicians and groups
- No strong political parties
- Corruption
- Poor leadership
- Less empowered voters and citizen in general.

But negative perceptions and unequal gender norms still persist among people and present a challenge to gender equality in representation and participation in public decision-making forums.

Gender Based Violence: - In Lesotho Gender Based Violence (GBV) is a common occurrence. Access and Quality of GBV responsive services such as health services, psycho-social services, police, and legal services are reportedly available for prevention and response to GBV. It is however notable that there is generally low information on GBV related support services and structures.

There are, laws and policies that protect women's and children's rights. However, the dual legal system limits their application. For instance, customary and civil laws contradict on cases relating to issues of sexual violence and inheritance.

There is the *Legal Capacity of Married Persons Act of 2006*, which addresses the socio-economic and political relations between men and women and thus strengthened women's equality rights within marriage.

Gender and Employment: From a gender perspective, men are more likely to be employed than women and earn one-and-a-half times more than women on average. It is worth noting that though there are high numbers of women in the textiles and apparel export-oriented industries, most of them are in low-paying grades and their wage is below the average wage in the manufacturing sector. Furthermore, the labour code does not yet provide for guaranteed pay to working women during illness or maternity leave. Some are forced to work till the last day of pregnancy and go back immediately thereafter resulting in child neglect and malnutrition. Similar challenges are apparent for young women and girls in the informal sector. The implementation mechanisms of the draft social security policy are still being developed, as the fiscal implications are quite significant for the government, employers and employees.

While men are likely to occupy managerial jobs and earn significantly higher wages than women, young boys that are hired as herders or look after family flocks often have low education and skills, receive minimal compensation and live in very poor conditions. Those that live in cattle posts are exposed to severe weather conditions and high risk of attack and stock theft. The declining employment of young men and declining income from the South African mines has greatly affected investment in the agricultural sector and, therefore, negatively affected opportunities for income generation and development of downstream industries in the rural economy.

Child abuse in Lesotho: - Lesotho has already demonstrated its commitment to protecting vulnerable children and families. But available data indicates that there are documented cases of child abuse across the country (Table 12 below). The Children's Protection and Welfare Act (CPWA) of 2011 sets out a commitment to protect all children. The costing of the CPWA undertaken in 2014 estimates the cost for implementing legal obligations a phased manner and the different services envisaged by the CPWA, The law is also a tool to prioritize planning, decision-making and investment in child protection.⁸⁷ There is need to strengthen all elements of the child protection system by focusing more on prevention of violence against children, a coordinated referral mechanisms to respond to violence against children, generation of data, administration of justice for children and the establishment of an integrated information management system (IMS). The Child and Gender Protection

⁸⁷*Costing the Children's Protection and Welfare Act, 2011 of Lesotho (2014).*

Unit received 160 cases from November 2015 to March 2016.⁸⁸ The Children’s Court recorded 155 court cases⁸⁹ from October 2013 to August 2015. A majority of these cases are sexual-offences and custody-related.

Table 12: Status on child abuse cases 2013-2016

Type of abuse	Number of cases	Girls	Boys
Sexual abuse	106	105	1
Neglect	12	11	1
Property grabbing	7	1	6
Abduction	12	12	-
Assault	7	1	6
Murder	16	16	-
Maintenance	30	-	- -
Custody	57	-	- -
Sexual offence: -	68 5 - pending update 13 pending set-down 3 ready for hearing	66	- 2

The Lesotho Children’s Protection and Welfare Act, 2011 (CPWA) strengthen protection of the rights of children, including the right to protection from sexual violence, and specific protection of children living with HIV. Despite the presence of laws to protect children, early and forced marriage, including marriage by abduction, continue to be a problem. *The 2003 Gender and Development Policy* as reviewed in 2016, supports the mainstreaming of gender in development. However, implementation of this policy is pending cabinet approval; this also affects the establishment and operationalization of the women, girls and children safe spaces.

The baseline study on El-Nino linked gender-based violence conducted in the ten districts of Lesotho in 2016 showed that most vulnerable and at risk groups includes women, adolescent girls and elderly women are most at-risk groups with 28.4%, 25.9% and 18.4% respectively. Among other most at risk groups mentioned include: pregnant and lactating women 5.1%, PLWDs 0.5% and Orphans 1.6%.

3.2 Agenda 2. Inclusive Economic Growth and Shared Prosperity: Dwindling Fortunes

Environmental protection, mitigating the effect of climate change and social protection alone is not enough to promote the country’s prosperity unless inclusive economic growth, provision of decent work, and related protections, promotion of entrepreneurship and increased productivity in the various sectors including agriculture, mining, manufacturing and service sector are targeted. This is because in the last decade, the country’s economy has been as fragile as its environment.

As indicated previously in this report, more than two-thirds of the country is mountainous and less than 10% of the land area is arable. The most abundant natural resources comprise water and diamonds and with a potential for hydroelectric power development. The tourism sector is highly undeveloped; however, it also has significant potential. Lesotho’s main trading partners are the Republic of South Africa and the United States of America. The main exports include water and textile products.

3.2.1 Macroeconomic Outlook

Lesotho’s real Gross Domestic Product (GDP) is about USD 2.5 billion and the economy has grown on average by 4.5 per cent over the past five years. The fastest growing sectors are mining, financial intermediation, construction and public administration. The country exports are water, textile, and diamonds.⁹⁰

⁸⁸ *Child and Gender Protection Unit Report (2016)*.

⁸⁹ *Children’s Court Returns (August 2015)*.

⁹⁰ *World Bank, 2015; AfDB, OECD & UNDP, 2016; Lesotho Central Bank, 2016*.

Over the past decade, the economic situation in Lesotho has undergone major changes including slow economic growth, changes in economic structure from manufacturing and agriculture to mining, construction and government services (Table 13).⁹¹

Table 13: Macro - Poverty Outlook 2013 – 2018, percentages

Indicator	2013	2014	2015	2016	2017	2018
Real GDP growth at factor prices	4.4	3.1	3.1	2.6	3.7	3.9
Agriculture	13.2	4.8	-3.5	-4.0	2.0	2.0
Industry	-1.5	0.6	3.0	3.1	3.7	3.7
Services	6.8	-4.2	3.9	3.1	3.9	4.1
Inflation	4.9	5.3	4.1	5.5	5.0	5.0
Current Account Balance/GDP	-11	-6.3	-10.4	-18.5	-16.1	-14.8
Financial & Capital account/GDP	9.0	11.2	3.4	14.2	5.9	2.5
Net Foreign Direct Investment/GDP	1.2	1.2	1.1	1.2	1.2	1.2
Fiscal balance/GDP	-2.3	0.6	0.1	-8.1	-7.0	-5.3
Debt/GDP	43.4	49.5	60.0	61.4	58.5	55.5
Poverty Rate \$1.9/day 2011 PPP	57.5	57.0	56.7	56.4	55.9	55.3
Poverty Rate \$3.1/day 2011 PPP	76.0	75.7	75.5	75.4	75.0	74.7

Source: World Bank, 2016

Lesotho's economy is dominated by the public sector.⁹² Public spending grew from 45% of GDP in 2004-2005 to 63.1% in the 2014-2015 financial year. The public sector remains the formal economy's largest employer, on which even the private sector contractors depend.⁹³ Lesotho's open economy is largely dependent on its South African neighbours, from which it imports nearly 90% of its requirements under the SADC Transboundary Agreement. Furthermore, the national budget is heavily reliant on receipts from the Southern African Customs Union (SACU), which contributed, to more than 50% of Lesotho's total revenues from 2008 to 2013.⁹⁴ According to Central Bank of Lesotho (2016), domestic economic growth is projected to rise from 2.9% in 2015 to 4.6% in 2018. The recovery is largely supported by strong growth anticipated in mining industry and moderate growth expected in the services sector. Despite a dip anticipated during 2016 and 2017 following the completion of major construction projects (notably the Lihobong Diamond Mine), a strong recovery in building and construction activities largely supported by the implementation of the second phase of the LHWP is set to boost domestic growth prospects. The textiles and clothing industry, as well as crop production are expected to remain under pressure in the next 3-5 years.

In terms of its structure, the economy is dominated by finance, real estate and business services, which constitute 17.9% of GDP. Following a dip in 2015, the primary sector is expected to rebound in the medium term and register a robust growth of 15.3% in 2017 before subsiding to 5.3% in 2018. The secondary sector is projected to slowdown and ultimately dips to 4.4% in 2017 before rebounding strongly in 2018. The manufacturing subsector is set to remain subdued until 2018, mainly due to a decline anticipated in the textiles and clothing industry. While textiles and clothing exports to non-African Growth and Opportunity Act (AGOA⁹⁵) destinations are expected to grow, exports to American markets are set to remain under pressure due to continuous erosion of the country's competitiveness in the US market. Furthermore, the recent signing of the Trans-Pacific Partnership (TPP) (agreement between several Pacific Rim countries and the US poses a threat to Lesotho's manufacturing exports.⁹⁶

The main exports are garments, which are directed to the US market and raw diamonds, which are sent to Europe. The transfer of water from the Lesotho Highlands Water Project (LHWP) also earns Lesotho sizeable water royalties of around LSL 700 million (more than USD 52.2 million). A large number of the country's

⁹¹ World Bank 2015.

⁹² World Bank, 2015; ADE, 2015.

⁹³ World Bank, 2015.

⁹⁴ Central Bank of Lesotho, 2016; ADE, 2015; AfDB, OECD & UNDP, 2016.

⁹⁵ AGOA <https://agoa.info/profiles/lesotho.html>

⁹⁶ Ibid.

skilled workers migrate mainly to South Africa or elsewhere in search of better employment opportunities. Labour income from South Africa mines and remittances are estimated at LSL 3.2 billion (USD 238.8 million) and LSL 43 million (USD 3.2 million), respectively. The number of mine workers in South Africa is declining every year, In 2013 and 2014 there were 33, 500 people from Lesotho working in South Africa, in 2018 and 2019 it is projected to be 26,100 people.

Lesotho has a relatively high labour force participation rate (77%). The official unemployment rate is 25.3%, but reaches 33% in among people aged 15 to 34 years old, as reported. The rate of vulnerable employment is estimated to be 46%. The fastest growing sectors are mining, financial intermediation, construction and public administration. The country exports are water, textile and diamonds.⁹⁷

The rural population mostly depends on subsistence agriculture for their livelihoods. Owing to low agricultural productivity and with only 10% of its land surface available for arable agriculture, the country relies heavily on imports from South Africa. Excessive dependence on the Southern Africa Customs Union (SACU) receipts, reliance on miners' remittances and textile exports to the United States continues to make the country vulnerable to external setbacks. Revenues from SACU finance a significant portion of the national budget; 53% in 2012-13, 42% in 2013-14 and an expected 48% in 2014-15. Lesotho exceeded the per capita GNI target of USD 600 by 2010, and is expected to reach an annual GDP growth target of 7% for 2016-20. The economy grew by an estimated 4.3% (real GDP) in 2013.

Excessive dependence on the Southern Africa Customs Union (SACU) receipts, reliance on miners' remittances and textile exports to the United States continues to make the country vulnerable to external setbacks. Revenues from SACU finance a significant portion of the national budget; 53% in 2012-13, 42% in 2013-14 and 48% in 2014-15.

3.2.2 Sector Analysis: Agricultural Sector Performance and Growth Constraints

Agriculture is still one of the most important sectors addressing livelihood and poverty issues in Lesotho. More than 70% of the population in rural Lesotho is engaged in agriculture and the performance of the sector plays an important role as the livelihood of last resort. However, arable land suitable for agriculture is below 10% (270,000 hectares) of total land area (3 million hectares), 25,000 hectares of which are irrigable.

Table 14 indicates the trends in the growth of the sector. As a share of total GDP, agriculture, forestry and fishing (AFF) have declined from 12% in the 1990s to around 7%, while other sectors have grown more rapidly, especially manufacturing and, more recently, mining. Similarly, the contribution of crops to total AFF output has declined from 39% in the 1990s to around 25% in recent years, though a majority of people are predominantly in crop production.⁹⁸ The crops sub-sector is dominated by cereal production, including maize, sorghum and wheat, as well as beans, peas and horticulture.

Table 14: Agriculture, Forestry and Fishing (AFF), GDP, 5 -Year Averages, 1995 – 2014

Industry	1995-99	2000-04	2005 -09	2010-14
Agriculture, forestry and fishing (% of total GDP)	775 (12)	785 (10)	683 (8)	808 (7)
Growing of crops; horticulture (% of AFF GDP)	303 (39)	285 (36)	176 (26)	207(26)
Farming of animals	352 (45)	390 (50)	398 (58)	423 (52)
Agricultural service activities (% of AFF GDP)	68 (9)	54 (7)	41 (6)	44 (5)
Forestry (% of AFF GDP)	52 (7)	55 (7)	68(10)	133 (16)
GDP at purchasers' prices	6,500	7,544	8,982	11,274

Source: Bureau of Statistics, Lesotho 2014

⁹⁷ Ibid.

⁹⁸ Bureau of Statistics Lesotho, 2014.

Available data illustrate the decline in agricultural productivity in Lesotho. Crop production value per hectare fell from USD 186 USD in 1997 to USD 140 in 2012. Two-thirds of the annual cereal requirement is imported,⁹⁹ mainly from South Africa. The agriculture sector in across Lesotho has experienced the following:

- Generally cereal production has drastically declined. Maize decreased by 89%, sorghum by 93% and wheat by 96% between 2012 and 2015-2016;
- The rural population will rely mostly on imported cereals. Staple food prices are likely to remain high, increase in 2016-2017, and be substantially above the rate of general inflation;
- The lean period is expected to start as early as June 2016 for most districts among the very poor and poor households; and
- Overall, households lost many livestock in the past year due to drought.

Women in Lesotho make up the majority of the agricultural labour force and contribute substantially towards sustainable livelihoods and the country's economic development. However, women farmers have little or no capacity to absorb major economic shocks as their productive capacity and productive asset base is considerably smaller compared to that of male farmers. Further, women lack control over decision-making, have less access to modern technologies, credits and incomes compared to men; a situation, which results in gender inequalities and increase their vulnerability to gender based violence.¹⁰⁰

Various factors have negatively affected the agricultural sector growth, including global economic downturns, climate change, and overexploitation of available land resources and limited application of technology by a majority of farmers. The adoption of a value chain approach to agricultural development, that gives due attention to the involvement of all stakeholders (not only farmers but also providers of financial services, retailers/wholesalers, input providers, government and others) will be key to providing lasting economic incentives to agriculture development.¹⁰¹

3.2.3 Tourism Sector Status

There is great potential for eco-tourism in Lesotho, which remains largely untapped.¹⁰² The contribution of tourism to the GDP, which is determined through the overturn of hotels and restaurants, is a modest 1.2%, but it has experienced moderate annual growth that is above 4% (2012-2013). The potential lies in Lesotho's natural beauty, rich flora and fauna, and absorbing prehistoric and cultural heritage. Mountains, valleys, and rivers provide memorable scenery for tourists. The serene simplicity offers a very different tourism experience, rarely found in more commercialized destinations. Development of community-based tourism products can create more jobs without heavy investment costs. The critical aspect is to create interlinked and sufficiently animated attractions and marketing them within and outside the country. But the sector faces many challenges including limited infrastructure, where existing accommodation facilities and attractions are not linked, there is limited protection of cultural heritage from destruction, and packaging, branding and marketing of tourism sector in Lesotho is still undeveloped.¹⁰³

Private investment in the sector is low and tourism services are still developing. The planned immediate interventions are to promote private investment and development of appropriate infrastructure to consolidate and deepen the tourism experience around the northeast corridor to match similar offerings on the South African border areas and linking this area further south to the Katse Dam catchment area and to the east through Sani Pass. The Lesotho Tourism Development Corporation (LTDC) and the Government are still in the process of pursuing potential investors. The on-going establishment of a museum will add significantly to the tourism experience if managed well.

⁹⁹FAO Cereal Supply/Demand Balances for Sub-Saharan Africa, available at www.fao.org/giews/english/ewi/cerealbs.

¹⁰⁰ *Ibid.*

¹⁰¹ *Discussion with stakeholders in the Ministry of Agriculture Lesotho, 2016.*

¹⁰² *Government of Lesotho, 2014; International Monetary Fund, 2012.*

¹⁰³ *Ibid.*

The contribution of the tourism sector to the national GDP could be improved, but there has been stagnation in the sector. The population has not capitalized on its abundant tourism assets, which include natural resources, great potential for outdoor activities and the rich Basotho culture. Performance has also been constrained by limited progress in diversifying source markets for tourist arrivals, with the country continuing to rely heavily on the South African market.¹⁰⁴ The expansion in employment was expected to be derived from hotels, travel agencies, airlines and other passenger transportation services and restaurant and leisure industries. The hospitality industry is an important source of employment within the broad tourism sector; hotels, followed by lodges, employ the majority of people. Lesotho's ranks poorly on the World Economic Forum's (WEF) Travel and Tourism Competitiveness Index at 135 out of 139 countries 2011.

There is potential also for the growth of cultural and creative industries (other manufacturing). Crafts provide income for many households, but most struggles to cater for the basic needs of their families. The local market is limited, as crafts are considered luxury goods and its tourism potential remains largely unexploited. The growth of primary and secondary industries could stimulate demand for services and, therefore, the potential for increased job creation in services as 'follower sectors'.

The major challenges for the tourism sector are poorly developed value-chains across the subsector and activities, poor customer service, limited promotion of tourist attractions, and the loss of flora and fauna. The problems are caused by limited skills, low access to finance and poor natural resource management, especially under common community resource ownership.

3.2.4 Manufacturing Performance:

The manufacturing sector, especially the textiles and clothing industry, accounts for more than 65% of total manufacturing. Over the past five years it has been in decline, leading to job losses (Table 15), mainly (80%) affecting women.¹⁰⁵

Table 15: Manufacturing GDP by sub-Industry, 2006 - 2014

Sector	2006	2007	2008	2009	2010	2011	2012	2013
Total Manufacturing	1,532	1,563	1,598	1,495	1,704	1,503	1,452	1,305
Growth in %	8.5	2.1	2.2	-6.4	14	-11.8	-3.4	-10.1
Food products and beverages	231	252	265	261	283	306	309	293
Growth in %	1.0	8.9	5.3	1.8	8.6	8.2	0.7	-5.1
Textiles, clothing, footwear and leather	1,120	1,098	1,076	972	1,124	1,007	951	819
Growth in %	10	-1.9	-2.0	-9.7	15.7	-10.7	-5.1	-13.9
Other manufacturing	180	213	257	263	296	189	192	194
Growth in %	10.3	18.2	20.4	2.4	12.8	-36.1	1.3	0.8
Employment in Manufacturing								55,376

There is considerable potential to expand export-led growth in labour intensive manufacturing and assembly for the SACU/SADC market by building on regional comparative advantage in labour and access to markets. There are, however, various challenges facing the sector, including low productivity, limited industrial infrastructure, low diversification of products and limited markets and innovations.

Whereas manufacturing and services sectors in many countries have succeeded in absorbing the outflow of labour from increasingly productive agricultural activities, the exact opposite has happened in Lesotho where the productivity of the agricultural sector has been declining in combination with a return migration caused by layoffs in South African mines. The expansion of textiles and tourism industries is insufficient to compensate for the employment losses in South Africa. The recovery and the development of the manufacturing sector, which includes agro-industry, non-textile industries and handicrafts, is not adopting innovative strategies to transform the sector and increase productivity for local and regional markets. Supportive trade and investment

¹⁰⁴UNCTAD, *Lesotho SPR Report 2012*

¹⁰⁵Central Bank of Lesotho, 2016; ADE, 2015; AfDB, OECD & UNDP, 2016.

policies, as well as increasing productivity remain critical. Furthermore, the envisaged mining legislative reforms to increase access to diamonds for the country's benefit could significantly increase contribution of manufacturing to the growth of the economy.

The shift in export destination of the textile-led manufacturing sector to the closer regional markets has been very slow. The existing large manufacturing firms are calibrated for the high volume, low-cost mass markets. The efforts to create partnerships between foreign investors that dominate the sub-sector and local entrepreneurs have not been very successful. In addition, there is low value addition as the industry is predominantly 'cut - trim - make'. The capacity of textile enterprise incubation centres is also very limited to increase the local manufacturing base.

3.2.5 Informal sector and SMMEs

Lesotho has a large informal sector as a result of limited opportunities for better paying wage employment and low entry and exit costs. But the sub-sector faces the challenges of limited growth, low productivity and poor quality products that lead to a lack of competitiveness. Most of the small, medium and micro enterprises (SMMEs) have difficulty accessing the appropriate technology (technical processes and equipment) to improve cost efficiency and quality of goods and services, and compete with imports. There are also limited opportunities for short-term training on new technologies (plus exposure to use technology) for different sub-industries, such as cottage/crafts, food preparation, processing and safety, wood and other artisanal areas.

The mainstream financial institutions (banks) regard SMME sector as risky as they are dispersed, small and informal, and have limited business acumen. Even when clustered in cooperatives, they often fail before they reach maturity. Credit is given to salaried people with monthly pay slips. Besides, there exist limited innovation and suitable business models, and limited provision of well-coordinated and integrated services, and support along value chains (from finance to market). Some of the businesses do not generate enough income to enable engagement of personnel with appropriate skills to run the businesses with or on behalf of the members.

Low Quality of Skills and Mismatch between Supply and Labour Market Demand: As mentioned earlier in this report, Lesotho spends about 14% of its budget annually on education and training. However, some of the underlying causes for joblessness and low income earning capacity are related to low quality of skills, limited entrepreneurship culture and limited technical skills. Economies like Lesotho that are still dependent on primary production and SMMEs require a large pool of quality technical skills to adapt knowledge and technology produced elsewhere.¹⁰⁶ Unfortunately the curriculum in most technical vocational education and training (TVET) institutions in Lesotho does not supply market-demanded vocational and technical skills. There are a number of factors at play. For example, there is a lack of modern technology and equipment used in modern industry, a lack of qualified teachers to implement the required changes in the curriculum, a limited linkage between TVET institutions and the industry, and limited financial resources to buy the skills.

There are also limited opportunities for apprenticeship and internship, which include employers seeking to protect business secrets/intellectual property rights (IPRs). Increasing globalization and competition calls for multiplicity of skills in the labour force – what is commonly referred to as 'soft skills' including analysis, communication, good work ethic, and culture of excellence, entrepreneurship, ICT and critical thinking skills. However, the curriculum and quality of skills generated in the education system and training institutions in Lesotho do not reflect these new realities. There are limited studies and data about this, but anecdotal evidence from the labour market indicates that most graduates from the Lesotho education and training system lack such skills.

Employment and People with Disabilities: People with disabilities, who comprise 2.6% of the population, face great challenges in access to the labour market and the unemployment rate is much higher than that of other people. Women with disabilities are less likely to be employed. People with mental health issues and learning disabilities are even less likely to be employed.¹⁰⁷ The biggest barriers for employment are prejudice,

¹⁰⁶There is a shortage of Scientists and Engineers? How Would We Know? Issue Paper by William Butz, Gabrielle Bloom, Mihal Gross, K. Kelly, Aaron Kofner, Helga Rippen.

¹⁰⁷WHO 2011/ILO 2015.

the perception of low productivity and fear of potential additional costs for the employer including transport and insurance costs. For those living with disabilities, they face difficulty in finding employment because a significant size of that population have low levels of education and training, and some are discouraged to look for employment due to prolonged failure in finding work or lack of access to assistive technology. If employed, people with disabilities are likely to be in low-paying jobs with poor prospects for promotion and in poor working conditions.¹⁰⁸ Programmes for supported and sheltered employment are quite limited. (Data on disability and employment is not available to make detailed analysis).

CCA gave opportunity to people living with disabilities to air their views about UN work, the challenges they face and what they see as priorities for the next UNDAF. About 25 people living with disabilities representing the following groups attended a half-day meeting at the UN House in Lesotho.

- National Groups present:
- Lesotho National League of Visually Impaired Persons (LNLVIP)
- Lesotho National Federation of the Organizations of the Disabled (LNFOD)
- National Association of the Deaf (NADL)
- Lesotho National Association of Physically Disabled (LNAPD)

All those who attended the discussion are not aware of the LUNDAP 2013-2018.

Asked whether they are satisfied with the way UN has addressed issues affecting those living with Disability, they were clear and forthright that:

- i. UN does not have programmes that are targeting and implemented specially to facilitate the domestication of the UN Convention on the Rights of People with Disabilities by Lesotho Government
- ii. UN has not funded programmes and activities that are carried out by Organizations of people with disability, which advocate for equal inclusion of needs and rights or persons with disability into public services.
- iii. Most people with disability are not aware of and about UN activities.

According to PLWDs, the six key challenges that affect them include the following: Inclusive Education 2. Poverty, 3. Unemployment, 5. Lack of access to health services, 6. Lack of laws, specifically protecting the rights of people with disability.

Of these the priority three that should be the focus of the next UNDAF are: Inclusive education, Poverty, and unemployment.

In summary, the root causes of poor inclusive economic growth and increased inequality include the following:"

- Lack of supportive Infrastructure (energy, water, transport, etc.).
- Lack of access to financial markets
- Limited capacity of farmers, business people and households
- Lack of diversity in products and markets in both agricultural, business and entrepreneurs sectors.
- Lack of targeted enabling policies and legal frameworks to empower and support the population, women and youth in particular.
- Limited risk-based and integrated planning, implementation and coordination.

3.2.6 Youth Unemployment and Deprivation

Lesotho has a demographically young population, where young people account for 39.8% of the total population. Youth in Lesotho are defined as persons between 15 and 35 years of age. This contrasts to the international definition of youth as persons between 15 and 24 years of age. However, it is consistent with the

¹⁰⁸ILO 2015.

definition of youth adopted by the African Union. This presents a potential demographic dividend for the country. However, Lesotho is ranked 33 out of 51 Commonwealth countries on the Youth Development Index at 0.282, and the major contributing factor is the low standard of living among the youth (0.098), which is significantly lower than that of the entire population¹⁰⁹. The Empowering Youth for Development study indicated that multidimensional poverty is calculated at 69% of young people. Figure 11 indicates the levels of deprivation among the youth in Lesotho. The four key contributing factors to youth poverty are a lack of access to electricity, a lack of asset ownership, limited access to sanitation, the lack of access to cooking fuels, and lack of education and skills.

Figure 11: Youth Deprivation



In 2013 about 25% of the population was unemployed, with young people being the highest proportion of that group at over 40% across the country. The high unemployment rate is linked to low level of educational attainment, the vulnerability of households, their structure and living conditions, and the limited opportunities for education, training and information on the job market. Almost 80% of the employed youth are working in the private sector, comprising 31% in agriculture, 17.8% in home-based income generating activities, 23% in other activities. Due to limited opportunities for youth employment, there is also a high income - dependency among youth. To take advantage of the existing demographic dividend, Lesotho would need to make investments in education, health, employment and encourage youth participation in governance. Lesotho youth need decent work to be able to cope with the various socioeconomic, political and environmental related challenges they are facing.

Youth's Participation in Politics: Youth participation in politics in Lesotho is low. This is attributed to limited programmes and interventions by the political parties targeting the youth to participate effectively in party and the country's politics, leadership and decision-making processes. Lesotho scores 0.583 - just above average - in terms of youth political participation and ranked 14th out of 54 Commonwealth countries (CWC).¹¹⁰ The key dimensions for assessing political participation in determining Youth Development Index (YDI) are the existence of youth policies and level of representation in political structures, voter education and opportunities to express political views. With regards to civic engagement, Lesotho scores low at 0.336 and ranked 21 out of 54 CWC.¹¹¹

CCA consultation with youth indicated that over 87% of the young people who attended the meeting organized by the UN Lesotho does not know the current LUNDAP programmes and how the UN assist the government. They expressed their feelings that UN is not doing enough to target and involve the youth in its programmes in Lesotho.

Three youth groups listed the following as the major challenges facing the youth and also indicated the key priorities that should be the focus of the new UNDAF 2019-2023.

¹⁰⁹ NHDR 2015

¹¹⁰ National Human Development Report, 2015.

¹¹¹ Ibid.

Table 16: Major challenges faced by youth group and priorities for the new UNDAF

Youth Group 1	Youth Group 2	Youth Group 3
Major challenges		
Unemployment	Unemployment	Unemployment
Corruption	Low quality and irrelevant education	Poverty
Lack of transparency	Gender Based Violence	Corruption and poor governance
Limited and unfriendly health services	Corruption	Limited youth participation in decision making
Relevant education - poor curriculum regarding entrepreneurship skills	Poverty	Skill mismatch
Exploitation of the youth in the work place	Unfriendly health services	Limited and unfriendly health care services
Three Priorities for the new UNDAF:		
i. Job Creation ii. Dissemination of information to all communities and the youth across Lesotho iii. Fighting Corruption	i. Poverty and Youth Unemployment ii. Fighting Corruption iii. Improving the quality of education and making it relevant to the labour market	i. Unemployment ii. Corruption and poor governance iii. Improving access and quality of health services to the youth.

3.2.7 Private Sector and Economic Competitiveness

Lesotho has a limited private sector but with a potential for sector, cottage and service industry focusing on value addition for exports. In terms of Doing Business, which measures regulatory quality and efficiency in ten areas, Lesotho has moved up quite significantly. Lesotho is ranked 110 in 2016 and was 110 out of 189 countries in 2015, compared to 138 in 2014.¹¹²

Unfavourable environment for doing business in Lesotho is also worrying. As indicated in the Table below, in 2017 Lesotho ranked 100 out 190 countries according to Ease of Doing Business Report.

Table 17: Rankings on doing business topics – Lesotho 2017

Business Environment	
Doing Business Indicators	Rank out of 190
1. Starting a Business	117
2. Dealing with Construction Permits	171
3. Getting Electricity	150
4. Registering Property	108
5. Getting Credit	82
6. Protecting Minority	106
7. Paying Taxes	99
8. Trading Across Borders	39
9. Enforcing Contracts	94
10. Resolving Insolvency	121

Source: Doing Business 2016, Lesotho Economy Profile¹¹³ World Bank

¹¹² World Bank, 2016.

¹¹³Note: The rankings are benchmarked to June 2015 and based on the average of each economy's distance to frontier (DTF) scores for the 10 topics included in this year's aggregate ranking. The distance to frontier score benchmarks economies with respect to regulatory practice, showing the absolute distance to the best performance in each Doing Business indicator. An economy's distance to frontier score is indicated on a scale from 0 to 100, where 0 represents the worst performance and 100 the frontier. For the economies for which the data cover 2 cities, scores are a population-

Lesotho has a limited private sector. Inadequate enabling policy frameworks and regulatory environment, poor functioning business development services, a paucity of domestic capital markets investing in local economies in a way that promotes sustainable and equitable growth, and weak private sector organizations are some of the contributing factors.¹¹⁴ But the potential is there for the sector, cottage and service industries in particular, to develop competitive and outward-looking entrepreneurs focusing on value addition for exports. Yet, private firms and small, medium and micro-sized enterprises (SMMEs) in particular, remain largely uncompetitive.¹¹⁵

In 2013 about 25% of the population was unemployed, with the highest rate among 35% of young people unemployed across the country. The proportion of unemployment is linked to low levels of educational attainment and to vulnerability of households, their structure and living conditions. The probability of a member of a poor and uneducated family finding a job is very low because of limited opportunities for education, training and information about the job market.¹¹⁶

3.3 Agenda 3: Sustainable Development and Resilience: Counting the Losses and Building Resilience

Sustainable development lies at the heart of 2030 Agenda. It spearheads a balanced approach to development whereby interventions reflect the interconnections between economic, environmental and social dimensions of development.¹¹⁷ This implies protecting the environment from degradation, managing natural resources and taking urgent action on climate change.

Lesotho has rich biodiversity including the Maloti-Drakensburg Park that forms 70% of the globally recognized hotspot for climate balance. However, of the 3,094 plant species, 30% are endemic and, unfortunately, some are near extinction due to climate change.¹¹⁸ Plant biodiversity is also continuing to be depleted due over-exploitation for grazing livestock, fuel for cooking and heating.

The country has extreme climatic conditions characterized by droughts, floods, frosts, hailstorms, snow and tornadoes; which are exacerbated by climate change and have worst consequences for vulnerable communities.¹¹⁹ The Lesotho Meteorological Services (LMS) has developed climate change scenarios for the years 2030, 2050 and 2075. The LMS predicts warmer climatic conditions with lower rainfall in the spring and summer seasons, and a higher precipitation in autumn and winter. This is likely to have serious implications for agro-ecological conditions in the country as the growing season will be delayed and perhaps shortened exposing crops to lower temperatures. This scenario is particularly worrying given the fact that 99% of cultivated land in Lesotho is rain-fed. An increase in winter precipitation may suggest, however, increased activity in frontal systems, which may result in heavier snowfall occurrences and strong devastating winds, which often bring disasters and human suffering given the lack of infrastructure-resilient building practices.¹²⁰

The Lesotho National Human Development Report 2015 indicated that there is high environmental degradation in Lesotho due to human activities like farming, construction, and cutting of trees and use of wood. The most affected areas are the highlands and Senqu Valley. About 66% of households live on degraded lands, high dependence of households, especially in rural areas, on biomass for heating (51%) and cooking (53%) due to

weighted average for the 2 cities.

¹¹⁴ *Ibid.*

¹¹⁵ *World Bank, 2015.*

¹¹⁶ *Bureau of Statistics Lesotho, 2016. LDHS 2014.*

¹¹⁷ *United Nations. Transforming the World: 2030 Agenda for Sustainable Development.*

¹¹⁸ *UNDP. National Human Development Report, 2015.*

¹¹⁹ *Disaster Management Authority, 2016; Lesotho Vulnerability Assessment Committee, May 2016.*

¹²⁰ *As a result, the UNCT tasked the United Nation Disaster Risk Management Team (UNDRMT) to develop a Lesotho Resilience Building Framework (multi-sectoral, strategic and analytical) in line with Government of Lesotho (GOL) policy for DRR and in line with the Lesotho United Nations Development Assistance Framework (LUNDAF). This is to facilitate UN's support to the Government of Lesotho (GOL) in addressing the root causes of vulnerability. United Nations and Swiss Agency for Development and Cooperation supported the development of Lesotho Resilience Strategic 2013 - 2017.*

low access to clean energy (only 23% have access to clean energy).¹²¹ Lesotho has one of the lowest forest cover in Africa and only 0.4% of the land area is under conservation. Overgrazing, agriculture encroachment of sloping rangelands, fire wood harvesting, conventional farming and insufficient law enforcement threaten the natural assets, depletion of soil quantity and quality, siltation of man-made reservoirs and water catchment capacity. FAO estimates that Lesotho loses 2% of its topsoil each year.¹²²

The country is already paying high premiums because of the impact of global warming, evidenced by increasing intensity and frequency of natural disasters, devastating droughts and emerging signs of progressive desertification. The fragile soil/terrain characteristics, the erratic climatic conditions, ill-adapted industrial exploitation of the land, growing level of poverty and the relative deprivation in the mountain region covering more than 60% of the country, characterize Lesotho as one of the most highly vulnerable developing countries.¹²³

In the past ten years Lesotho has experienced successive climate shocks such as recurrent droughts, dry spells and floods negatively impacting on communities and households' livelihoods, with serious consequences for people's food security. The convergence of multiple vulnerabilities in Lesotho has created a complex risk profile, in which poor households and communities are chronically exposed to a wide range of economic, health, environmental and climate threats and shocks. In particular, Lesotho suffers from skewed distribution of water resources, extended periods of drought, declining soil fertility, poor land management practices, biodiversity threats, compound problems of soil erosion, declining agricultural production, and the consequential food insecurity and livelihood degradation. For example, due to the effect of climate change, farmers are losing interest in farming. In 2015 only 35% of households cultivated their land because of lack of rain. As a result, agricultural production is estimated to have dropped by over 89%. The crisis is more acute in the southern part of Lesotho where soil is fragile and vegetation desertification is taking hold due to the extreme climatic condition.¹²⁴

OCHA GenCap Lesotho Mission Report 2016 indicates that there is an emergence of incidences of gendered social tension and conflicts linked to El Niño drought. The El Niño drought in Lesotho created challenges for pasture use, water and food at the household and community levels. Tensions relating to pasture use and water for livestock predominately affected men due to their ascribed roles ensuring livestock eat and have water. Social tensions linked to household water availability predominately affected women due to their role of fetching and managing water for household use. As a result, the mission noted an emergence of gender-based violence (GBV) incidences linked to the El Niño effects.¹²⁵

Lesotho has good water resources, and is one of the important foreign exchange earners (South Africa buys water from Lesotho), and yet up to a third of households indicated using unprotected sources of water. There is a problem of water supply (and subsequently issues with water, sanitation and hygiene, WASH) to communities. Lesotho Vulnerability Assessment Committee Report July 2017 indicates that (Figure 12).

- ❑ 80% households are using improved sanitation showing 10% increase from the previous year, while 20% use bush out of whom 75% live in rural areas.
- ❑ Quthing, Thabatseka, Qacha's Nek, Mohale's Hoek and Mokhotlong: 27-48% showing improvement compared to 2016 (26-69%) reported using bush.

Some of the districts above had high percentage of HH using unprotected water sources (Figure 12)

¹²¹ Lesotho Human Development Report (HDR), 2015

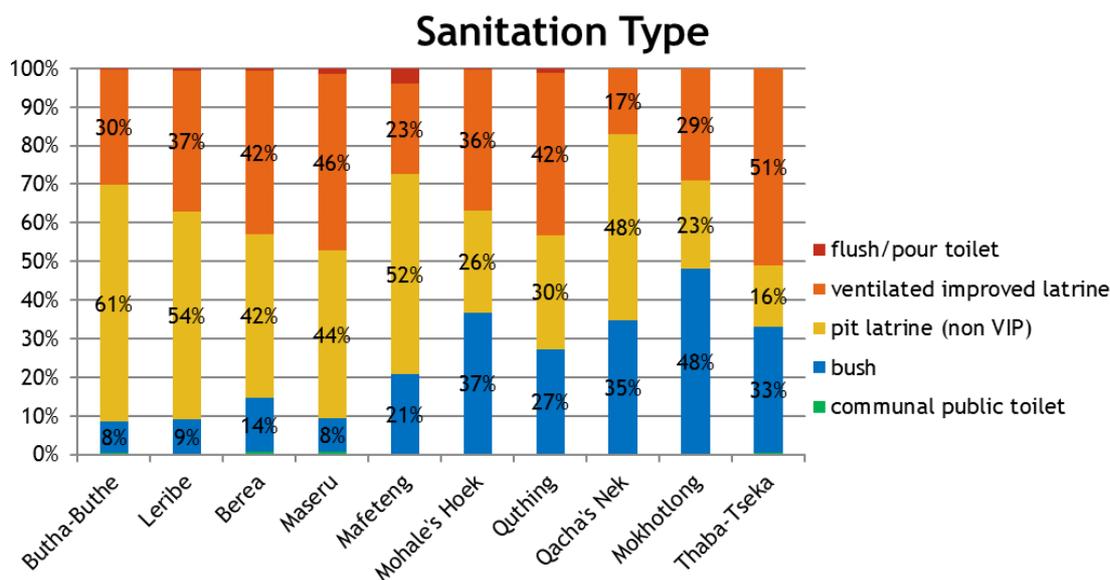
¹²² FAO. 2008. *Lesotho National Adaptation Programme of Action*. Rome. Also refer to the following for useful literature on food insecurity in Lesotho. www.alnap.org/pool/files/ecb/downloads/lesotho_food_insecurity_sep_2012.pdf

¹²³ Lesotho HDR, 2015; FAO, 2011.

¹²⁴ Disaster Management Authority, 2016. *Towards an effective disaster management in Lesotho*.

¹²⁵ OCHA GenCap Mission Report, 2016.

Figure 12: Sanitation Type by Districts in Lesotho



Source: Lesotho Vulnerability Assessment Committee Report July 2017

National Resilience Strategy: Lesotho is currently developing the National Resilience Framework (2016) with the purpose of finding solutions to address the multi-faceted challenges posed by climate-induced shocks and stresses. The annual vulnerability assessments, which are conducted by the Lesotho Vulnerability Assessment Committee (LVAC), have consistently concluded that a high number of people, especially those that fall within categories of the very poor and the poor, remain highly vulnerable even to the slightest shocks that occur in the country. Subsidies for agricultural inputs exist every year. But gender analysis in key humanitarian assessment, contingency plans and reports has been limited or absent across all sectors.¹²⁶

There exist high levels of vulnerability and food insecurity across Lesotho. The situation of droughts and floods in 2012 and 2015 were acute and was followed by declarations of emergency and preparations of appeals for humanitarian assistance in the form of short-term response strategies such as distribution of food and provision of agricultural inputs and subsidies from partners. Less emphasis was directed at building and strengthening livelihoods of the affected population in order to improve their resilience to disasters. Funding has been made available to support resilience-building activities; however, the impact is yet to be seen.

The overall objective or goal of the resilience framework¹²⁷ is to build a resilient and prosperous nation that is able to protect its development gains and aspirations against shocks and stresses. The specific objectives are:

To detect in advance and take early action to prevent and mitigate the potential negative impact of shocks and stresses through an effective and efficient early warning system;

1. To help individuals, households, communities and societies affected by shocks and stresses to recover faster and to rebuild their lives in ways that reduce their vulnerability;
2. To help communities to absorb and adapt better to the economic and social strain; and
3. To address the underlying structural issues that has the potential to precipitate crisis.

¹²⁶ OCHA GenCap Lesotho Mission Report, 2016.

¹²⁷ In the context of Lesotho Resilience is defined as: "The capacity of individuals, households, communities and systems to continuously prepare, withstand, rebuild their assets, adapt, recover and restore essential basic structures and functions from the effects of shocks, stressors and hazards, in a timely manner using viable locally available mechanisms that protect and sustain livelihoods in the short and long term."

There expectation from stakeholders is that the National Resilience Framework will facilitate and increased mainstreaming of climate and disaster risk management in the national and sector plan and strategies.

In summary root causes of environmental degradation and negative impact of climatic change include the following:

- Increased climate change and lack of strategies to address its impact
- Poverty (over 57% of the population is poor)
- Limited risk-based planning and tools for resilience building.
- Corruption and poor governance and management of natural resources.

3.4 Agenda 4. Peace, Politics and Governance: Searching for Stability

3.4.1 Constitutionality and Governance

Peace and governance are key drivers of development and are key pillars in the 2030 Agenda for sustainable development and Africa Union Agenda 2063. The issue of accountability and equitable development has emerged as one of the underlying factors that affect economic growth, social progress and environmental sustainability in Lesotho. Although Lesotho has been independent since 1966, cyclic political instability has had a disruptive effect on the environment for steady and peaceful development. There is a general agreement both nationally and regionally that Lesotho urgently needs reforms in its governance structures and culture.¹²⁸

The legal system is based on Roman-Dutch law, English law and customary law. It is also a predominantly Christian country. Administratively, it is divided into ten districts with ten district councils, 65 community councils and 11 urban councils, and one municipal council that form local government. The National Assembly comprises 80 elected constituency members based on a first-past-the-post model and then 40 proportional representatives, making a total of 120 members. During the period of the review, there is a coalition government of seven political parties.

The country celebrated 50 years of political independence in October 2016. It has been dominated by often divisive politics and included a seven-year period of military rule. The period after military rule has seen a commendable entrenchment of democratic governance with elections being held regularly. Notable progress includes reforms to the electoral process from the “first-past-the-post” (FPTP) to “mixed-member proportional” (MMP) representation and peaceful alternation of power between contending parties and coalitions.

With the exception of the seven years of military rule, Lesotho has held regular democratic elections since independence with varying degrees of success. However, unstable coalition governments saw the country holding three elections between 2012 and 2017. There were 29 political parties contesting in the 2017 elections, all of them off-shoots of the original three at independence. The collapse of two successive coalition governments (2012-2014 and 2015-2017) demonstrates the volatility of coalition politics while the election of yet another coalition government in 2017 points to the possibility of coalitions becoming a trend for the foreseeable future as long as the number of political parties continues to grow. Building and sustaining a culture of internal party democracy, peaceful political negotiations and compromise is necessary for continued stability.¹²⁹

¹²⁸ A series of reforms have been suggested by both the Commonwealth and SADC, which are also supported by the AU, the US, the EU, the UN) concerning in particular principles of rule of law, respect for human rights and accountability or face sanctions of whatever sort. Kapa, 2016.

¹²⁹ Following the political upheaval and tension in August 2014, the South African Development Community (SADC) intervened and deployed an observer mission to Lesotho. SADC appointed Deputy President Ramaphosa as the Facilitator for Lesotho to address the political problems that ensued and to help to restore order. As a result of his efforts acting on behalf of SADC, a number of agreements were signed, including the Maseru Facilitation Declaration, which stipulated that the country go for snap elections on 28 February 2015. Political Tension remains high in the country and building a peaceful governance system will depend how political leaders from various parties engage in true dialogue and solve their differences amicably.

The current focus of the international community is on the implementation of the recommendations of the SADC Commission of Inquiry into the 2014-15 instability (Phumaphi Report) as well as governance reforms.

SADC has played and continues to play a key role in Lesotho's stability.¹³⁰ Lesotho's commitment to implementing various SADC decisions, as well as its own reform agenda, including a review of the constitution and reforming the security, public and other sectors will be crucial in creating a stable environment for development programming. The Security Sector Reform (SSR) Roadmap presented to the SADC Summit in August 2016 captured such necessary reforms in Lesotho. This roadmap provides an important point of engagement between Lesotho and its development partners. At the policy level the strategy should incorporate the application of ratified conventions into national development policies, strategies and programmes. In addition, there is a need to maximize information, advocacy and organizational skills, so that labour standards issues are not confined to one ministry but rather mainstreamed into the work plans of most government and national partners. That kind of interaction and the transmission of good practices will lead to a coherent and realistic set of measures for decent work with widespread support among national actors.

Lesotho's State of Governance: Based on the Ibrahim Index of African Governance (IIAG) Index (Mo Ibrahim Foundation), Lesotho's overall score on governance in 2016 is 61.1 out of 100 (the top score), and ranked 15 out of 54 countries in Africa.¹³¹ The 2016 report indicates that Lesotho demonstrates positive overall governance. However, Lesotho exhibits negative trends in Human Development.¹³² Table 15 shows Lesotho's trend in overall governance since 2010 based on IIAG index.¹³³

Table 18: Lesotho Annual Rating on Governance 2010 -2014

Governance Indicator	2010	2011	2012	2013	2014
Overall Governance score	58.2	58.9	60.7	61.5	61.1
Safety and rule of law	63.6	64.9	66.1	65.8	66.7
Rule of law	63.9	63.0	63.2	64.0	65.9
Accountability	54.3	53.6	56.1	57.2	59.5
Personal safety	46.3	47.9	50.1	46.8	51.2
National security	90.0	95.0	95.0	95.0	90.0
Participation and human rights	62.9	62.3	68.1	71.2	70.9
Participation	62.1	62.1	77.9	82.4	82.4
Rights	54.1	54.0	55.1	60.1	58.8
Gender	72.5	70.8	71.1	71.2	71.5
Sustainable Economic opportunity	49.9	50.6	51.3	51.3	50.5
Public Management	54.6	53.5	55.8	55.1	60.3
Business environment	53.7	55.4	56.0	55.1	47.2
Infrastructure	37.6	38.2	38.5	37.9	40.1
Rural Sector	53.7	55.4	54.9	57.3	54.3
Human Development	56.4	57.7	57.3	57.6	56.4
Welfare	49.4	51.1	50.6	50.6	51.1
Education	51.8	51.2	50.1	51.2	53.1
Health	68.0	70.9	71.0	71.1	65.1

Source: IIAG, 2015

¹³⁰ Kapa, 2015; 2016.

¹³¹ 2016 IIAG Index. The Ibrahim Index of African Governance (IIAG) is an annual statistical assessment of quality of governance in every African country by Mo Ibrahim Foundation. Presently the IIAG consist of more than 90 Indicators (mo.ibrahim.foundation/.../2016/progress-african-governance-last-decade); IIAG, 2015.

¹³² *Ibid.*

¹³³ *Ibid.*

3.4.2 The state of key governance institutions and their performance: the DCEO, Office of the Ombudsman, and the IEC

The Directorate of Corruption and Economic Offences (DCEO), the Office of the Ombudsman, and the Independent Electoral Commission (IEC) are some of the key governance institutions in Lesotho. DCEO's legal mandate is to prevent corruption, economic crimes and other related matter (Prevention of Corruption and Economic Offences Act, 1999). The Office of the Ombudsman is provided for under the Constitution of Lesotho, 1993 (134). Its mandate enables the office to investigate actions of public officers and public authorities for alleged injustices to citizens as a result of their actions (Constitution of Lesotho, 1993 (Article 135). Most of the oversight institutions share a common thread of challenges. These can be summarized as follows:

- i. Weak constitutional, legislative and policy frameworks: In current democratic governance discourse (and in line with international good-practice), oversight institutions should be independent so as to effectively hold the executive branch to account. This is not the case with DCEO and the Office of the Ombudsman. Some of the oversight institutions (the Police Complaints Authority and the Office of the Ombudsman) have overlapping mandates, thereby duplicating roles and confusing citizens who may need to use the services of such institutions.
- ii. Limited financial resources versus efficiency: There is a challenge of finances within key oversight institutions. This can be partly due to the limited revenue resources available in a poor country like Lesotho, but it can also be due to under-prioritization of the function of oversight by the government leading to little budgetary allocation towards oversight institutions.

DCEO: The DCEO was established as a specialized anti-corruption institution in 2003 but has not yet attained the requisite autonomy and capacity to discharge its mandate. The country attempted to separate the agency staff from general public service by establishing a structure called the Appointment and Promotion Board, charged with the responsibility to deal with all human resources matters at the lower levels of its administrative structure. However, the process is not complete; other important issues such as appointment criteria and code of conduct have not yet been developed.¹³⁴

Office of the Ombudsman: A 2009 assessment of the effectiveness of the Office of the Ombudsman found that the performance of the Office is constrained by severe resource challenges and a complete lack of autonomy in terms of control over the budget voted for the office by Parliament and its powers to recruit its own staff. Although the constitutional and legal provisions provide for the Ombudsman to be answerable to Parliament, its independence is potentially in doubt, given that the Ombudsman is a de facto appointee of the executive branch. Ombudsman has limited autonomy and capacity. Its functionality is affected by the fact that it cannot enforce its recommendations and determinations since they are not binding.

IEC: The IEC presents a relatively promising picture in terms of performance evidenced notably by no more claims of election maladministration from the its key stakeholders (the political parties). Several studies attest to this. The IEC works very closely with political parties and other stakeholders, and monitors its performance. As such there are no more claims of fraud or malpractice in Lesotho's elections.¹³⁵ Some gaps, however, remain and would require a review of the electoral laws. These include reviewing the threshold of for proportional seats allocation in parliament to reduce the proliferation of parties in parliament.¹³⁶ The requirements for a political party to register are stipulated in Section 24 of the National Assembly Electoral Act 2011. The MMP system is a mixture of the First-Past-The-Post (FPTP) electoral system and Proportional Representation (PR) system, where the country's 120 seats are allocated along an 80:40 ratio between the FPTP and the PR components of the MMP.

¹³⁴Kapa, 2015

¹³⁵ Ibid.

¹³⁶Sejanamane 2015

Other organs of the state: the Judiciary and the Legislature: This include general courts, labour court and the Directorate of Disputes Prevention & Resolution. Although fairly independent in the discharge of its mandate (passing judgment even against the government in somewhat high profile cases), the Judiciary has a similar challenge in the appointment of judges.

The legislature, the National Assembly in particular, has experienced challenges to its functioning and stability, which has also affected the stability of the cabinet and the entire political system. The ability of the Legislature to discharge its constitutional responsibilities is severely impeded by the political instability in Lesotho. Coalition governments have become a feature of Lesotho's political landscape. In general these coalition governments are fragile, often held together by weak political agreements. Within the coalition, each party has an incentive to maximise their own benefits. Thus, any party, which believes that they can gain more by joining another coalition or by threatening to leave, will use any mechanism at their disposal.

One such mechanism is the tabling of a vote of no confidence in the Prime Minister in the legislature. Over the last five years, MPs have used votes of no confidence to dissolve the coalition government, when relationships between coalition partners have broken down. The ease through which the vote of no confidence can be tabled means that coalition governments are far less likely to remain in power for their entire time.

Governments are far less likely to remain in power for their entire term. These short-lived coalition governments tend to create incentives for myopic behaviour and rent-seeking by politicians. If elected representatives know that their term of office will be brief, they are incentivised to seek out public resources for their constituents, regions and themselves. This is a particular challenge for sustaining investments in social sectors over the long-term, which do not tend to produce short-term benefits.

Another worrying trend in the political landscape is rise of factionalism within Lesotho politics. Splinter parties are easy to form, and permissive floor crossing arrangements in Lesotho allow MPs to change their political allegiances without losing their seats.²⁰ They simply have to notify the Speaker of the House of their intention to do so. Floor-crossing provisions has been used to oust governments, dissolve parliaments and trigger new elections. It has created the conditions for political opportunism and rent-seeking amongst MPs and threatens the continued existence of coalition governments, fuelling political instability and uncertainty. Although many have called for the banning of floor-crossing in Lesotho like South Africa did when it enacted legislation to outlaw the process, nothing has yet been done to reform the parliamentary process. However, in a multi-party and highly contested electoral system, there are few incentives for parties, particularly smaller ones, to change the floor-crossing rules.

Lesotho Parliament faces the challenge of capacity gaps in terms of policy, effective operations, budgetary constraints and research capacity. There is no Parliamentary Service Commission to deal with employees to effectively support the institution.

3.4.3 Human Rights: Commendably, the Government has ratified 22 international labour standards including those concerning freedom of association and non-discrimination. This is to ensure that all women and men work in conditions in which basic human rights are respected. The application of international labour standards provides a normative framework for labour market governance, employment and social policies. Nevertheless, respect for human rights was a challenge particularly since 2014 following serious security incidences. The UN has been supporting the Human Rights Unit within the Ministry of Law and Constitutional Affairs, on the establishment of an independent national human rights institution (the National Human Rights Commission), on treaty body reporting and on follow-up to the recommendations of the Universal Periodic Review (UPR). The UN has also supported other governance agencies, in particular the Office of the Ombudsman (Matshelaga). Some progress has been made with regard to the passage of the Human Rights Act providing for the National Human Rights Commission (NHRC), though the law faced a court challenge brought by civil society organizations.

3.4.4 Political Rights and Civic Participation:

Lesotho is a relatively young democracy, however, participation of those at voting age in national elections has been increasing and stands at 52% (2015). The available data shows that the number of women elected to Parliament compares well with old democracies in the developed world. Despite some pre-election violence

and a deeply divided result, the parliamentary elections are declared free and fair. The integrity of Lesotho's elections, under the auspices of the Independent Electoral Commission (IEC), was ranked 45 globally (out of 139 countries that held elections between 2012 and 2015) and fifth in Africa (out of 35).

There are more than 29 parties and several independent candidates currently represented in Parliament as a result of the mixed proportional representation electoral model introduced in 2003. Currently the proliferation of small parties is becoming critical as the deciding factors in determining which of the big parties could form a government. Furthermore, it creates intra-party conflicts, as there are cases when small party members who gain seniority over party stalwarts in big political parties in the coalition government despite having very small representation.

3.4.7 Progress towards Decentralization: The decentralization model designed and implemented in Lesotho combines elements of devolution and deconcentrating, which is a very complex and multifaceted process that requires political commitment, an enabling policy and legal environment, institutional and structural capacities and resources. The Local Government Act of 1997 and the Local Government Elections Act of 1998 (both amended in 2004) provide the legal framework for the establishment and functioning of local authorities. The amended Act created three types of devolved structures for local government consisting of community, district and municipal councils. Central government is represented at the local level through deconcentrated ministries and by district administrators (DAs), who also supervise the work of other public sector agencies and officials at the local level. There are still capacity and effectiveness issues in the decentralized structured. The relationship between the central government and decentralized structures in terms of funding, implementation and monitoring of development programmes and projects also still needs to be clearly defined and operationalized for effective delivery of services and development in general.

The Government views an effective local governance system as a critical vehicle for accomplishing its efforts in reducing poverty, promoting inclusive economic growth and entrenching democratic principles that are vital to the development of the people. In 2014 the Government formulated and adapted the National Decentralization Policy with the purpose of deepening and sustaining grassroots-based democratic governance and promoting equitable local development by enhancing citizen participation and strengthening the local government system, while maintaining effective functional and mutually accountable linkages between central and local governmental entities.¹³⁷ The policy articulates the vision, mission, guiding principles and strategies for achieving effective decentralization. In a nut shell the policy articulates Lesotho's model for decentralized governance and service delivery; establishment of local governments with autonomy and executive authority; development and implementation of strategic framework for participatory and integrated development planning; establishment of fiscal decentralization and prudent public financial management; and the development of a framework for exercising local autonomy and intergovernmental relations.¹³⁸

Local councils have low technical and administrative capacity and are also not able to meet the needs of the communities due to inadequate financing (the current government capital funding to councils is inadequate, unpredictable and not formula based). During financial year 2017/18, the allocation was 14.5% of the national capital development budget. These are funds meant for development of rural community roads, waste management for councils and a development fund for councils. The national decentralization policy has been developed and remains to be implemented. Since November 2015, five line ministries articulated activities at devolved levels but the progress of implementing such activities has been slow with the new coalition government, which ushered in new ministers and principal secretaries. A cabinet sub-committee chaired by the Deputy Prime Minister has been established to fast track the decentralization policy reforms. The fiscal decentralization framework also needs to be refined to provide for vertical and horizontal allocation of resources for the local governments and ensure that the fiduciary responsibilities of the councils match their capacity. The District Development Coordination Committees (DDCCs) have been established to enhance collaboration and coordinated implementation of programmes but their capacity and effectiveness are considered insufficient to meet local development objectives.¹³⁹ Citizens' and non-state actors' participation in local governance and

¹³⁷ *Government of Lesotho, 2014b.*

¹³⁸ *Ibid.*

¹³⁹ *Setsabi, Selinyane, and Tsoeu 2008.*

service delivery is still low; there is no effective central-local government harmonized and integrated development planning, budgeting, and performance monitoring and reporting.

Labour rights: Although the country has ratified a number of international labour conventions, their implementation has not always been effective owing to capacity challenges in ensuring enforcement and compliance. The last ratification of International Labour Organization (ILO) conventions in Lesotho was in 2001. The ILO's Committee of Experts on the Application of Conventions and Recommendations provides useful input regarding the status quo. The Committee's annual reports provide insights into the actions taken by a Government to meet its labour standards commitments. Where available, macro-level data has been used to supplement the analysis.

Civil Society: Since the advent of pluralist politics in 1993, Lesotho has seen an expansion of civil society organizations, organized under their umbrella body, the Lesotho Council of Non-Governmental Organisations (LCN). But those that are politically oriented have capacity to advocate for and contribute towards the promotion of good governance or, in particular, addressing issues of human rights, popular participation in public policy-making processes. The strength of civil society in Lesotho is its diversity and ability to work with society at all levels, and organizations raise serious national issues concerning governance. Civil society is also highly robust in articulation of national issues despite perceptions that from time to time it is not politically impartial. Civil society organizations have in the current crises demonstrated their credibility and have been largely independent, particularly of government; both during the post-2012 election coalition government of the ABC, LCD, and Basotho National Party (BNP); and during the current Democratic Congress (DC)-led seven-party coalition government. Some weaknesses of civil society are also visible. These include capacity challenges in the areas of financial and human resources, and with the latter exacerbated by the fact that CSO leaders leave for better remuneration packages.¹⁴⁰ There is also a perception, especially from the Government, that civil society in Lesotho is often against the government and pro-opposition.

Limited Capacity for Implementation, Monitoring and Evaluation: The capacity of communities to actively participate and engage in governance, decision-making process, demand their rights and take part in the implementation and monitoring of development activities is also an issue in Lesotho. To build communities' capacities the MoDP is working with the Ministry of Local Government and Chieftainship Affairs (MoLGCA) to establish the modalities of fiscal decentralization, promote accountability and transparency, as well as account for funds to be disbursed to the newly established local institutions (APRM 2010).

3.4.8 Building Good Governance and Political Stability in Lesotho: In the postpost-2012 elections period, casually referred to as the advent of coalition politics, the escalation of divisions and political rivalries has been overt. Politics have divided the nation, resulting in tensions, marginalization and victimization. In direct response to governance and political stability challenges, several development partners have made efforts to assist Lesotho address these challenges. The UN in Lesotho and the Government organized a High-Level Roundtable in July 2016 to discuss the development environment in the country and identify the underlying contributing factors to the challenges and recommend policy initiatives to address them.¹⁴¹ The event brought together – and for the first time since the country plunged in the current crises – key stakeholders in Lesotho's political system to highlight critical issues to be addressed.

The Commonwealth provided an expert to advise the post-2012 elections coalition government on key public service reforms to enable Lesotho to adapt to a new political dispensation ushered in by the MMP voting system. It also facilitated a study trip to New Zealand for a 25-member delegation comprising representatives of the executive and legislature (including opposition Members of Parliament) led by the Deputy Prime Minister to observe the following: (a) how the MMP system works, (b) the nature of non-political public service, and (c) mechanisms for managing successful coalition procedures for government formation after elections.¹⁴² On its part, SADC has been engaged in mediation efforts and the implementation of the Phumaphi Report. Similarly,

¹⁴⁰Kapa, 2013:49.

¹⁴¹ Kapa, 2016

¹⁴² Prasad 2015:1.

the US government has been unwavering in its call for accountability, rule of law, and respect for human rights and indicated clearly that these are the conditions upon which its assistance to Lesotho, including the continued eligibility of Lesotho for the Africa Growth and Opportunity Act (AGOA) depend.¹⁴³

Civil society organizations, although not as coordinated as they were after the 2007 elections conflict, have been active in pushing for the return to democratic practices of the rule of law, respect for human rights and accountability. The council of chiefs have been vocal, calling for the respect of human rights, rule of law and accountability. .¹⁴⁴ Under the broad umbrella of the ‘Alliance of Non-State Actors’ – comprising organizations representing retail business, trade unions, transport, academia and other civic organizations – members petitioned the Government to speedily implement the Phumaphi Commission Report recommendations so that Lesotho does not lose the benefits under the AGOA, thereby causing job losses for estimated 40,000 factory workers and adversely affecting their business.¹⁴⁵

The Christian Council of Lesotho (CCL) has also been active using a variety of interventions in response to these challenges. These include issuing common pastoral statements, shuttle diplomacy, mediation and prayer breakfasts with political leaders, and the signing of pledges committing political parties to peaceful campaigns and acceptance of election results. This approach by CCL was repeated successfully ahead of the June 2017 election.

3.4.9 Migration: According to the International Organization for Migration (IOM), Lesotho is a country of origin, transit and destination for people engaged in complex mixed migration movements including asylum seekers, unaccompanied minors, smuggled persons, victims of trafficking and economic migrants. The growing phenomenon of mixed migratory groups from, to and through Lesotho is causing a strain on the country, which is experiencing difficulty coping with large numbers of people, and placing the lives of thousands of people on the move, including refugees and asylum-seekers, at risk. Individuals taking hazardous journeys are exposed to violations of their human rights throughout their passage, regardless of their migration status, and, as such, require protection and assistance.

People from Lesotho have relied on labour migration for decades as an employment opportunity in mining, agriculture and domestic work. It has also served more highly skilled people in a range of sectors (such as medicine, nursing and teaching). It has substantively complemented the country’s GDP. Lesotho is also host to foreign workers in a range of sectors, mostly in highly skilled positions, but also in certain specific lower skilled occupations (construction), because of the establishment of new industries supported by foreign direct investment.

There is a long history of migration brain drain to South Africa. It is estimated that in 2010 there were 427,500 migrants from Lesotho (approximately 20% of the population) living outside the country with 99.8% working in South Africa. However, in recent years the number of migrant workers from Lesotho has drastically decreased from 121,450 in 1986 to 42,786 in 2010, and had further declined to 28,000 by December 2013. The world economic meltdown resulted in some gold mines closing down in South Africa and consequently resulted in most migrants working in mines returning to Lesotho. While the number of people from Lesotho working in South Africa reduced drastically, there has been an increase in the number of women (mostly unskilled) and skilled workers migrating mainly to South Africa. Most of the unskilled women work on farms and do domestic work. The majority of those working on farms are hired as seasonal labourers on commercial farms mostly in the Orange Free State. Migration in Lesotho is of such a magnitude that the country is one of the most dependent on migration in the world. Migrant remittances are the country’s major source of foreign exchange. In 2009 remittances accounted for 25% of GDP and Lesotho was the largest recipient of remittances in Africa. Labour migration can, however, make an important contribution to well-functioning labour markets, economic growth and development. SADC ministers of labour and employment have directed all SADC member states to develop national labour migration policies to promote fair and effective governance of labour migration in the sub region. While the primary government objectives hinge on strengthening employment opportunities at home

¹⁴³ Harrington, 2016.

¹⁴⁴ Mohloboli, 2015; Mohloboli, 2016

¹⁴⁵ Mohloboli, 2016

and retaining skills in the country, Lesotho's approach to labour migration needs to be holistic.

Labour migration, especially young men working in South African mines, has been a key development feature of Lesotho. However, in the 1990s, patterns of migration changed significantly as the Government of South Africa called for the increase of South Africans in the mines and, therefore, reduced the number of migrants from Lesotho. The number of mineworkers from Lesotho employed through the Employment Bureau of Africa (TEBA) declined from 111,000 to around 30,000 in recent years. The age profile of mineworkers has also changed, over 50% are over the age of 40 and 20% are over 50 years of age.

The protection of vulnerable migrants is a priority due to the increasing complexity of international migration from neighbouring countries, through and to Lesotho. In 2013 the declaration from the High-Level Dialogue on Migration called for migration to be addressed in a coherent, comprehensive and balanced manner. In Lesotho the UN has a clear role to provide concrete guidance on how to ensure that protection within mixed migration is strengthened and migration benefits both migrants and the society.

Integrating migration, labour and economic policies, among others, in order to realize the full potential of migration in contributing to prosperity and growth needs more focus. Two defined goals in terms of UN support have been identified:

- i. Governance of international migration in Lesotho to advance the well-being of migrants *and* society; and
- ii. Support migration in a *safe, orderly* and *dignified* manner, in line with international norms and standards.

The key barriers, however, to progress on migration governance and protection of vulnerable migrants, women and children in particular, in Lesotho are:¹⁴⁶

- Lack of data on numbers, type, characteristics and conditions of travel;
- Lack of applying data in planning for education, investment, socioeconomic development and social protection policies;
- Lack of coordination between key government partners at both technical and political levels;
- Lack of government capacity in terms of resources, skills and know-how;
- Absence of coherent national policies and operational documents (for example, standard operating procedures, SOPs);
- Challenges in social protection and social security regimes for many migrants;
- Weak civil society engagement regarding migration governance and protection of vulnerable migrants;
- Negative attitudes and perceptions of migration, and a lack of vision of the potential benefits of migration; and
- Lack of implementation of free circulation regimes in the SADC region.

3.5 Agenda 5. Social Protection: Empowering the Vulnerable and those at Risk

The Government of Lesotho and UN Lesotho recognize the preventive, protective, promotive and transformative function of social protection in reducing poverty and inequality, guaranteeing human rights, promoting human development and economic growth. The two parties, together, have made impressive strides towards a system approach to social protection.¹⁴⁷ The key steps include, establishment of policy framework, strengthening of institutional capacity, high level of investment, and application of innovations in programme implementation.

Public expenditure data on social protection in Lesotho is not clear and varies from one source to another. For example one source indicates that Lesotho spends about 9% of its GDP or 16% of the national budget on social

¹⁴⁶ IOM Issue Paper 2016.

¹⁴⁷ Dietrich et al 2016.

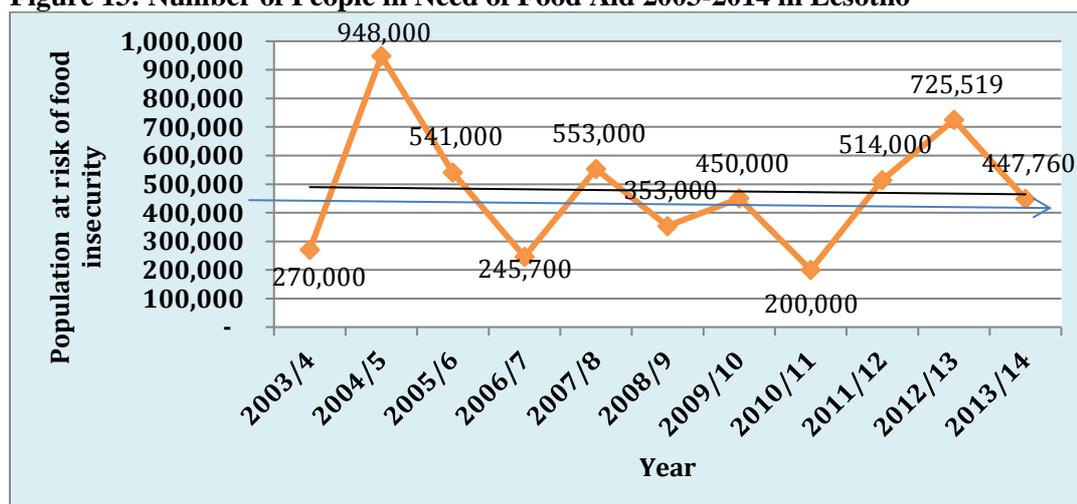
protection programmes and has the highest social protection spending rate in Africa.¹⁴⁸ Another source¹⁴⁹, however, gives the figure as 4.59% of GDP in 2014-2015. In an effort to strengthen the implementation of social protection system the Government has put in place the following:

- Established of the Ministry of Social Development in 2012 to provide leadership on social protection issues;
- Developed the National Social Development Policy, the National Social Protection Strategy, Child Protection Strategy, National Information System for Social Assistance (NISSA) to serve as a central repository for social protection programmes and increase operation efficiency and reduce duplication;
- Established a citizen service centre, for referrals and information dissemination for a range of social services to support vulnerable communities; and
- Implemented a Community Development Model to facilitate sustainable economic self-reliance through transforming livelihoods and increasing productivity in the context of the evolving economic landscape.

The underlying vulnerabilities characterized by poverty and hunger, HIV and increasing tendency to natural disasters, including droughts and flooding, are widespread in Lesotho. These vulnerabilities increase the demand for social protection.¹⁵⁰

According to the Lesotho Vulnerability Assessment Committee (LVAC), around half of the rural population were at risk of livelihood and food insecurity between May 2016 and April 2017. The estimated affected total was 679,437 people (113,240 households) who were at risk in the absence of all other safety nets except school feeding and cash-for-work (*fato-fato*). Also refer to Annex II for the number of population in need by districts across Lesotho. Of the above, 476,842 people (79,474 households) required life-saving and livelihood protection interventions from 9 to 12 months, while 202,595 people (33,765 households) required only emergency livelihood support in the same time period. The Integrated Food Security Phase Classification (IPC) estimated 510,258 to be in a state of food security crisis or above from July to October 2016, covering all ten districts of Lesotho. From year to year, Lesotho has a significant proportion of its population in a state of food insecurity. Food insecurity is a constant problem in Lesotho with almost one in every five people is facing chronic food insecurity annually. Food insecurity in Lesotho is intrinsically tied to the risks in volatility of climate change in part due to the widespread dependence on rain-fed agriculture. Figure 13 shows the number of people who are food insecure over the past decade in Lesotho.

Figure 13: Number of People in Need of Food Aid 2003-2014 in Lesotho



Source: LVAC, 2013, 2014

¹⁴⁸ *Ibid.*

¹⁴⁹ World Bank, 2014.

¹⁵⁰ Government of Lesotho, 2014a; World Bank, 2013

In 2013 the Government estimated that 33% of all children were orphaned, which translated to approximately 150,000 individuals.¹⁵¹ This data is nonetheless not disaggregated by gender and geographical distribution (zones). The Ministry raised pertinent issues relating to the overall policy responses to vulnerable children in Lesotho, including the following:

- Weak programmes and slow implementation, resulting in many children not receiving adequate comprehensive care and the support they need for their optimal development;
- Vertical, duplicative and often competing programmes that lack coherence; and
- Weak monitoring, evaluation and reporting. There is limited knowledge and understanding of the most vulnerable and needy groups.

The Government and development partners, the UN in particular, have mobilized resources to support the vulnerable and at risk population across Lesotho – such as the poor, orphans, the elderly, those living with HIV and those displaced by floods and droughts – with social support interventions, largely referred to as safety nets.¹⁵² The anticipated benefits of safety nets often include reduction of poverty and inequality through directly distributing resources to the very poor, enabling households to make investments that they would otherwise not be able to make and helping to manage risk at the household level¹⁵³ Lesotho has several safety net programmes in place including the following (Table 19):

Table 19: Safety Net Programmes in Lesotho

Programme	Outreach	Annual Contribution (USD)
1. Child Grants Programme	10,000 households	US \$2.2million
2. Public Assistance	9,500 beneficiaries	US \$2.2 million
3. Old Age Pension	83,000 beneficiaries	US \$49 million
4. School Feeding Programme	389,000 students	US \$31 million
5. Orphans and Vulnerable Children (OVC) Bursary Programme	20,000 beneficiaries	US \$6.4 million
6. Nutrition Support Programme	85,000 beneficiaries	US \$6.3 million
7. Agricultural Input Fairs	18,600 farmers	US \$2.3 million
8. Integrated Watershed Management Public Works Programme	96,000 people annually	US \$15 million
9. National Fertiliser and Input Subsidy	Unknown	US \$5.9 million
10. Tertiary Bursary Scheme	16,200	US \$76 million

Source: Developed from the findings of Smith et al (2013)

The Government has built strong partnership with UN organizations, World Bank, bilateral donors, NGOs and private organization to strengthen the implementation of the social protection strategy. Among the NGOs, Catholic Relief Service (CRS) has been supporting disadvantaged children through programmes focused on agriculture, education, food security, health, HIV prevention, nutrition and protection. The Basotho Enterprises Development Corporation (BEDCO) supports vulnerable households with income generation activities. Among private companies, Lesotho Standard Bank, and a mobile company are supporting to distribute cash grants to beneficiary families.

¹⁵¹Ministry of Social Development, 2014.

¹⁵² Safety Nets can be very broadly defined as any programmes that transfer resources either in cash or in kind to individuals or households with the intention of increasing their consumption (Smith, 2013).

¹⁵³Ministry of Social Development, 2014.

On the question of how effective and efficient existing safety nets are in Lesotho, some critical observations have been made, including the following:¹⁵⁴

- Total spending on transfer programmes amounts to about USD 197 million annually or roughly USD 104 per person;
- Only a small share of the poor is being reached even though a large amount is being spent on transfers. Most of the benefits of the large-scale programmes (agricultural subsidies, tertiary bursaries, and school feeding) go to the non-poor, typically reaching only 3% to 4% of the extremely poor;
- Although the current range of safety nets misses some important aspects of poverty such as seasonal poverty and malnutrition;
- There is no overall framework for coordinating transfers. As a result, overlaps and duplication occur, with some needy households (or areas) benefitting from multiple programmes, while others that are equally in need benefit from none;
- The existing range of programmes cannot be easily scaled up or down in response to changing economic conditions or to shocks such as drought;
- With the exception of the Child Grants Programme, none of the existing programmes have been rigorously evaluated either in terms of who they are reaching or of their impact on poverty or consumption.
- While some of the existing programmes aim to raise the poor out of poverty in the longer term, most do not explicitly include any measures to permanently increase the productivity of the poor;
- The lack of an overall strategy and agency means that there is no framework for political leaders or the Ministries of Finance and Development Planning to evaluate trade-offs between programmes or even to get an overall view of total spending on transfers; and
- The weaknesses of data, both on household poverty and on the coverage and impact of programmes, makes it difficult for policymakers to know which programmes are effective at reducing poverty and to determine if they represent value for money.

The Lesotho Vulnerable Assessment Committee Report of July 2017 indicates about 179, 043 are current in Phase 3, 4 and 5 of food crisis, emergency and facing famine. As indicated in Figure 14 this is expected to increase to about 224,664 by March 2018.

Figure 14: Current Population by District facing Food Crisis and Famine

Projected

District Name	District Population	Percentage of People in Each Phase - Projected (October - March 2018)							
		Phase 1		Phase 2		Phase 3		Phase 4	
		%	#	%	#	%	#	%	#
Butha-Buthe	83 187	82	68 213	10	8 319	6	4 991	2	1 664
Leribe	248 652	81	201 408	2	4 973	11	27 352	6	14 919
Berea	174 190	55	95 805	25	43 548	15	26 129	5	8 710
Maseru	222 772	53	118 069	28	62 376	12	26 733	7	15 594
Mafeteng	149 532	64	95 700	20	29 906	8	11 963	8	11 963
Mohale's Hoek	152 449	60	91 469	20	30 490	13	19 818	7	10 671
Quthing	112 812	62	69 943	46	51 894	3	3 384	5	5 641
Qacha's nek	53 290	54	28 777	28	14 921	13	6 928	5	2 665
Mokhotlong	94 620	55	52 041	40	37 848	5	4 731	-	-
Thaba-Tseka	122 412	53	64 878	30	36 724	10	12 241	7	8 569
National			886 304		320 998		144 269		80 394

224 664



Source: Lesotho Vulnerable Assessment Committee, July 2017.

¹⁵⁴Smith et al. 2013.

Limited resource mobilization opportunities: The humanitarian funding will increasingly be focused on the more imminent global crisis such as the Syria crisis with negative consequences for humanitarian funding elsewhere such as in Southern Africa. Liaison with resource partners is complicated as most of them non-residential, based in Pretoria (exceptions are China, EU and US), in Harare (Swiss Development Cooperation, SDC), Johannesburg (UK Department for International Development, DFID), Nairobi (European Civil Protection and Humanitarian Aid Operations, ECHO), and New York (Office for the Coordination of Humanitarian Affairs Central Emergency Response Fund, CERF).

There are very limited systematic and qualitative studies of the status of people's livelihood and how poor and vulnerable people and households make their way out of poverty in Lesotho. While the country is spending a significant amount of the national budget on social protection, inefficiency in spending remains a concern. The fragmented approach to the social protection programme is also a key challenge; the government has recently established a coordination mechanism for social protection programmes in the country, which could lead to a streamlined and coordinated approach to social assistance, minimizing leakages and wastage in the system.

In Summary root causes of increased people who need social protection and poor management of existing programmes include the following:

- Increased climate change and lack of strategies to address its impact
- Poverty (over 57% of the population is poor)
- Limited risk-based planning and tools for resilience building.
- Corruption and poor governance and management of natural resources.

CHAPTER 4: UN LESOTHO COMPARATIVE ADVANTAGE AND CAPACITY

The United National Country Team (UNCT), in collaboration with the Government of Lesotho, is preparing to develop a new UNDAF (2018-2022). It is an opportune time for both parties to assess the comparative advantage of the UN in Lesotho. In the context of CCA, comparative advantage means:¹⁵⁵

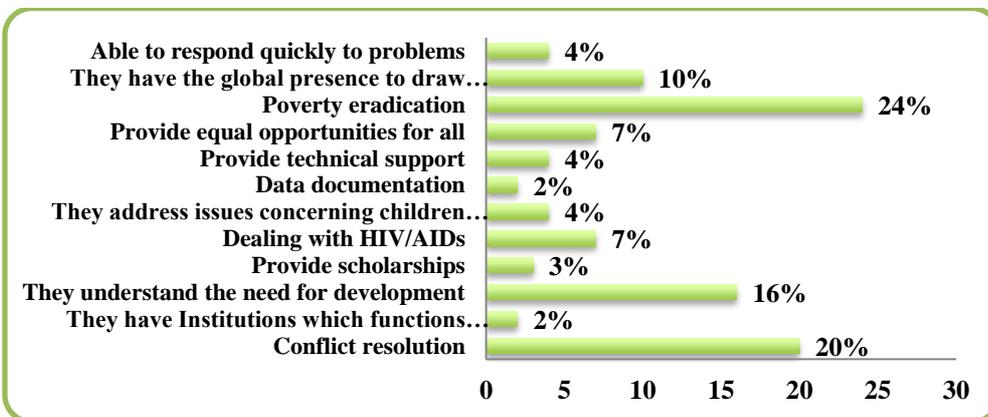
- the mandate to act;
- the capacity to act; and
- being best positioned to act.

Classical comparative advantage of many UNCTs across the globe include:

- strengthening national capacities at all levels;
- supporting the monitoring and implementation of international commitments, norms and standards;
- acting as a convener of a wide range of national and international partners;
- providing high quality technical expertise in specific areas;
- objective monitoring and evaluation of the national development framework;
- providing impartial policy advice, based on international experience, technical expertise and good practices; and
- providing a neutral space with which sensitive political issues can be addressed and resolved. In mission/non-mission setting this might include support for mediation or peace negotiations.

Stakeholders in Lesotho were given the opportunity to provide their opinion on the UN comparative advantage in the country. Figure 15 shows responses from government and non-government stakeholders, including CSOs, on what the UN is doing better as compared to other development partners in Lesotho. Poverty (24%), conflict resolution (20%) and understanding framework for development (16%) were some of the areas where the UN is seen as having a comparative advantage.

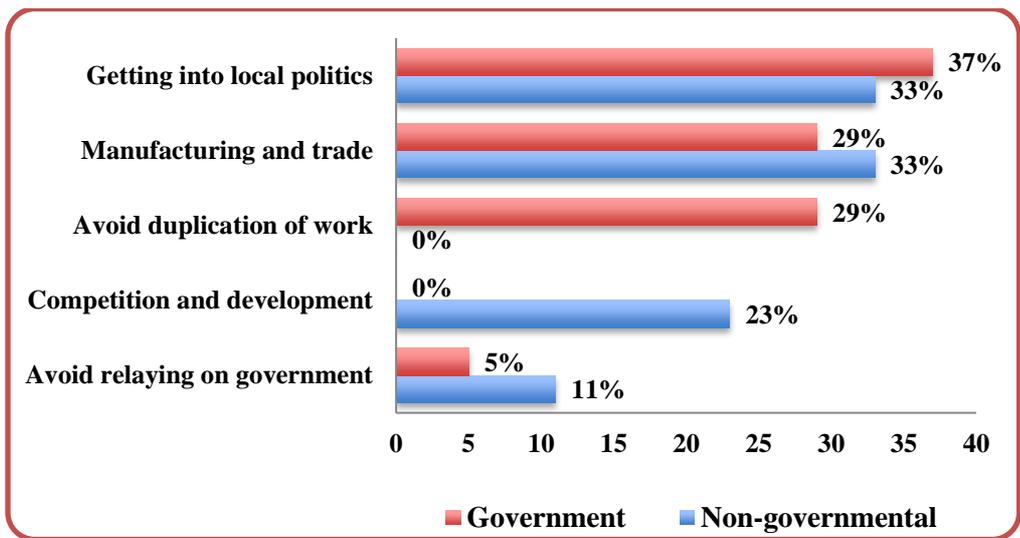
Figure 15: Government and Non-Government Stakeholders' Perception of What UN is Better at Compared to other Development Partners



Topping the list on what the government and non-governmental stakeholders considered the UN should avoid is 'involvement in the country's politics' (Figure 16).

¹⁵⁵ United Nations Development Group (2016). *Interim UNDAF Guidelines*.

Figure 16: Stakeholders Perception of What UN Should Avoid Doing



Government stakeholders, in particular, and politicians considered the UN as a trusted and neutral partner. Thus it has a comparative advantage of convening partners and mobilizing stakeholders around key issues on inclusive economic growth, social progress like health, education, security, shelter and environmental protection.

CHAPTER 5: CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusions

Since independence 50 years ago, various governments in Lesotho have taken definite steps to improve the well-being of the people. Notable achievements include mitigating the effects of climate change, social support and increasing access to education and health care. But Lesotho failed to meet the MDGs. Significant development challenges remain which need to be tackled if the country is to address the 2030 Agenda and achieve the Vision 2020. These challenges including poverty; economic and social inequalities; youth unemployment; poor health and limited quality health services; poor quality of education and training; limited environmental protection and resilience programmes; and an uncertain political environment and creating a stable and effective governance across the country among others. The development of UNDAF IV (2018-2022) for Lesotho therefore comes at a time when development and social progress indicators are below the expected targets for a low middle-income country like Lesotho. This CCA indicates that Lesotho has to plan strategically and comprehensively to address poverty reduction, provision of quality and inclusive health services and education, good governance and accountability, and environmental conservation, climate change adaptation and mitigation from the perspectives of 2030 Agenda for Sustainable Development.

The country's commitment to SDGs is an opportunity for the Government and the UN to invest in development and social programmes that would directly benefit the people, in particular the poor and the most vulnerable. This is development that targets a healthy, well-developed and informed population, who are well fed, have income and actively participate in socio-economic, political and environmental development of their communities and country. The above challenges and risks are at the heart of such a development. They have needs, therefore, which must be addressed in a comprehensive, inclusive and sustainable manner.

The development and social progress challenges identified in this document, their causes and relationship to the SDGs imply that the Government, other key national stakeholders, such as CSOs and the UN, need to plan together and target more effectively than before. The country's commitment to SDGs creates both a challenge and also an opportunity for the Government and the UN to act differently, smartly and with a clear purpose of investment in people-focused development. As the two parties are planning to develop a new UNDAF for Lesotho, the reality is that, the country faces the following challenges and risks that will need to be addressed in a comprehensive, inclusive and sustainable manner:

- Increased poverty, unemployment (particularly youth unemployment) and inequalities due to slow economic growth, climate change, poor growth of various sectors, increased in government expenditure and limited people-focused planning and investment;
- Increased vulnerability and helplessness of communities and families due to climate change and poor protection and management of natural resources and eco system across the country. These factors will continue to threaten the livelihoods and resilience of the vulnerable people;
- Uncertain political environment and increased instability and poor governance, thus leading to increased human right abuses, a slowdown in direct foreign investment, slow inclusive economic growth and shared prosperity, and increased tension in the country;
- Increased macroeconomic instability, such as increasing fiscal deficits, limited diversification of the economic including the over reliance on SACU receipts that are projected to decline with increasing trade liberalization;
- Children and young people, in particular, being trapped into poverty and chronic hunger thus worsening their already livelihood and helplessness;
- Worsening health outcomes, including child and maternal mortality and those high incidence and mortality from HIV and AIDS;

- Limited access to social services including quality water, sanitation and electricity;
- Increasing urbanization and demand for basic services and electricity. The situation is likely to worsen in the future.

But the biggest risk and challenge for the Government and its partners, including the UN, is not conceptualizing these challenges and what it would take to tackle them effectively and in a sustainable manner.¹⁵⁶ The risk of complacency and denial is very high, which may lead to failure to achieve the goals for inclusive economic development, social progress and environment protection. Therefore, the Government and the UN have to work together in a coordinated manner, build robust and sustainable systems, mechanisms and capacities to comprehensively address the socio-economic, political and environmental challenges in Lesotho.

Lesotho faces a challenging economic outlook, constrained growth and high unemployment, particularly youth unemployment, and growth is expected to slow to about 2.5% in the next five years. The labour-intensive potential growth sectors such as agriculture, manufacturing and tourism are stagnant or expected to decline in the current policy scenario. Furthermore, SACU revenue that finances more than 40% of government expenditures, is highly volatile and expected to fall sharply in 2016-2017 to just over 15% of GDP, compared with almost 30% in 2014-2015. Uncertainties are rife about future donor fund flow to finance major infrastructure projects due partly to the inability of the Government to meet some obligations for budget support commitments and due partly to the unstable political situation. The current account balance (CAB) is also likely to decline further and the level of foreign reserves (FR) is also expected to be below the preferred target level of six months of import cover.

Finally, it is critical to note that addressing the articulated challenges and risks in Lesotho is the collective responsibility of Government, UN family and other non-governmental stakeholders, including civil society organizations.

5.2 Lessons Learned

This UN Common Country Analysis noted the successes and challenges during the implementation of NDSP 1 and MDGs in Lesotho. The following lessons are important for the development of the next UNDAF:

- With enough public resources being allocated to the provision of basic social services like education and health vis-à-vis the existing gaps and the challenges these sectors are facing, investment into these social sectors needs re-thinking and other innovative ways to improve quality and inclusive access to these sectors sought. Business as usual will not be able to make the sectors effective and achieve national goals and sectors' objectives.
- In the past ten years, Lesotho has experienced successive climate shocks such as recurrent droughts, dry spells and floods, which have negatively affected communities and households' livelihoods. Therefore, policy development, planning and resource allocation that is not risk-based and does not take into account building early warning systems and climate change adaptation and will not promote sustainable economic growth and the country's development.
- Lesotho's development and social progress requires devolution of governance and strengthening capacities of local government bodies and CSOs to actively participate in planning, implementation and monitoring of development programmes and ensuring effective accountability.

¹⁵⁶ *The 2016 Evaluation of LUNDAP 2014-2017 indicated that in the last five years, although the GoL and UN have invested a lot of resources into development and social progress efforts, limited achievements and outcomes have been realized and the country is at a development cross-road.*

- iv. Addressing HIV and thus reducing new infection among the adolescence and youth 15-24 years of age in Lesotho requires innovations and new approaches targeting this group; including addressing the socio-cultural attitudes and practices and myths surrounding sex, gender and relationships.
- v. Lesotho's political stability, reconciliation and accountability and building democratic governance requires creating a neutral consultation and dialogue platform/space and strengthen dialogue among stakeholders at national and decentralize levels in all sectors public, private and civil society spheres.

5.3 Risks and Mitigation Measures

Lesotho's development and the achievement of SDGs will depend on the extent to which the Government of Lesotho, UN and other development partners, CSOs, the private sector and communities work in partnership to address various risks that have faced the country for decades (Table X). This is because investing in risk-informed programming entails effective management of risk at every step of the UNDAF process. Importantly, risk-informed development takes into account “risks to” programming as well as “risks from” programming. While assessing risks to programming, the focus is on those that might impact or facilitate the achievement of the development objectives. The “do no harm” principle addresses risks from programming

In summary, Lesotho and its people face the following risks:

Ineffective Political and governance risk: These include the unstable coalition government structure and lack of majority support for existing political parties that have resulted in political instability in Lesotho. The current political climate has created a politicized public service with government officials using their influence for personal gains. The legislative and executive branches also do not have adequate capacity to execute policies effectively.

Risks of environmental degradation and climate change and their negative impact in the country's development: Based on the past experience, Lesotho faces the risks of successive climate shocks such as recurrent droughts, dry spells and floods negatively impacting on communities and households' livelihoods, with serious consequences for people's food security. The convergence of multiple vulnerabilities in Lesotho is likely to continue creating a complex risk profile, in which poor households and communities are chronically exposed to a wide range of economic, health, environmental and climate threats and shocks.

Poor economic growth and increased inequality risks: With political instability, the effect of climate change and environmental degradation, Lesotho faces the risks of slow economic growth, less FDI, food insecurity and limited creation of jobs for the youth. The country will continue relying heavily on imports from South Africa. Excessive dependence on the Southern Africa Customs Union (SACU) receipts, reliance on miners' remittances and textile exports to the United States continues to make the country vulnerable to external setbacks.

Risks of coping with and managing increased demand for social protection from the poor and vulnerable groups like women headed households, orphans and those leaving with disabilities, in particular those leaving in rural districts. With increased poverty, food insecurity and negative effect of climate change, millions of the people will continue to need and demand social protection services and empowerment.

Risk of continued high incidence of HIV and negative impact of AIDs on the country's development and social sector, especially among the youth, thus increasing the public resources allocated to health sector and overstretches the health system across the country.

Risk of running poor quality education/training and health systems and institutions: Thus increasing the risks of limited participation in basic education, getting quality basic health services and producing poor quality graduates - exacerbating limited linkages between education and labor market needs.

Risks of limited support from development banks and development partners (bio - and multi-lateral partners) thus the country lacking needed finances, foreign currency in particular) to finance government developmental and social programmes.

Table 20: Lesotho's Risks and mitigation strategies

Risk	Magnitude	Mitigation Mechanism	Risk Owner
1. <i>Ineffective Political and governance risk</i>	High	<ul style="list-style-type: none"> - Aggressively and effectively institute, in a participatory and inclusive manner, political and governance reforms - Create effective platform for genuine dialogue among all political parities. 	<ul style="list-style-type: none"> ○ Government of Lesotho ○ Political parties ○
2. <i>Risks of environmental degradation and climate change and their negative impact in the country's development</i>			
3. <i>Poor economic growth and increased inequality risks</i>			
4. <i>Risks of coping with and managing increased demand for social protection</i>			
5. <i>Risk of continued high incidence of HIV and negative impact of AIDs on the country's development and social sector</i>			
6. <i>Risk of running poor quality education /training and health systems and institutions:</i>			
7. <i>Risk of limited support from development banks and development partners, thus limited finances for capital development and social sector support.</i>			

5.4 Recommendations

The following recommendations should be considered in the framework of the 2030 Agenda and contributing towards achieving SDGs, with a focus on inclusive economic growth, social progress and sustainable development.

1. Addressing Poverty and Inequality

Half of Lesotho's population is living below the poverty line and food insecurity is a perennial problem in the country with almost one in every five people facing annual chronic food insecurity. Therefore, there is need for pro-poor, livelihood focused programmes and strategies for climate change adaptation and improving/strengthening communities and households' sources of livelihood. Investment in food sufficiency and security programmes is the first priority.

There is need for the Government and development partners to develop sustained strategies and interventions to address food security in Lesotho. Programmes targeting the most food insecure across various disadvantaged and vulnerable communities and households should be given priority in the next planning cycle. Involvement of local government, the private sector and CSO in developing sustainable value chains is critical for effectiveness of such initiatives

Greater national recognition of the importance of employment creation and enterprise development is central to sustained economic growth and poverty reduction through increased opportunities for decent work. The Government, working with the private sector and individual investors, should place employment creation, especially for young women and men, as central to all government policies, strategies and programmes.

The majority of Lesotho's population continues to live in rural areas. Rural women are more likely to be poor, unemployed, face gender-based violence and have a higher prevalence of HIV than their male counterparts across the country.¹⁵⁷ Poor women-headed households are vulnerable and face more risk from food insecurity. Gender specific interventions will be key to the success of poverty alleviation efforts.

For less vulnerable groups there is need to develop economic and business programmes targeting diversification of income creating opportunities in Lesotho particularly for rural activities, like cottage industries, that are export-market oriented. National and local government and development partners should work together to ensure that the National Decentralization Policy (2014) is effectively implemented.

The informal sector is likely to continue playing a very important role as a survival strategy of the poor in terms of offering employment opportunities. There is a need to develop comprehensive programmes on the informal sector including policy-oriented studies.

2. Strengthening Access to and Quality of Health Sector and Services

The current high investment in health has not translated into improved health outcomes for the population. An all-inclusive, consultative process should be put in place to finalize the five-year health sector strategic plan and health policy in which the SDGs have been mainstreamed. These strategic health documents will facilitate a coordinated joint stakeholder implementation and review process. Further analytical work to determine and address the underlying causes of inefficiencies in the health sector need to be carried out with support from UN health stakeholders and donors, with the government leading the process. This should include the evaluation of previous health sector programme including the Health Sector Reform Project Phase 2 supported by the World Bank.¹⁵⁸

High maternal and child mortality and HIV-related deaths are partly due to poor quality of service delivery. Continued implementation of the comprehensive Human Resources Development and Strategic Plan (2005-2025) to recruit, and retain, including an exit strategy for health care professionals will strengthen the human resource for health structures. National and local governments should work with development partners and CSO to reduce waste and inefficiency in the procurement and supply chain system in the health. This will ensure

¹⁵⁷ *Ibid.*

¹⁵⁸ <http://projects.worldbank.org/P076658/lesotho-health-sector-reform-project-phase-2?lang=en&tab=overview>

supplies and equipment are available in sufficient quantities and qualities. Completion of the current and development of a new Health Management Information System will streamline the existing multiple data systems sources and ensure the availability of accessible uniform and validated real-time data for evidence informed intervention.

The establishment of a robust surveillance system and contingency plans will help to prepare manage and respond to health emergencies. Finally, strengthening the leadership governance and stewardship role of the Ministry of health will lead to better management and accountability for results.

3. Addressing Youth employment and empowerment

Promoting youth engagement across Lesotho is critical to the country's development. The Government, development partners and CSOs should develop and support the establishment of youth engagement forums at national and decentralized levels. There is need to launch advocacy and sensitization campaign, through various media, including social media, to mobilize youth to effectively participate national and decentralized dialogue forums on development and social progress. Stakeholders in Lesotho led by the Government should review and adopt available strategies and tools¹⁵⁹ that could enhance the creation of decent work for the youth.

In order to promote cooperation among the government, the private sector and workers' organizations towards addressing the skills mismatch, work should be conducted to introduce a national apprenticeship programme for young people. It is important to increase youth employment, improve youth knowledge on HIV, and their access to friendly reproductive health services, as well as enhancing youth participation in political/decision making forums is critical for youth empowerment. The Government and the UN should consider designing joint programmes for youth empowerment, which would enhance technical and innovation skills among the adolescent and young people (15-24 years of age).

4. Mainstreaming and enhancing resilience and sustainable development

The Government and partners, including the UN, have to develop sound, comprehensive and sustainable environmental management and resilience programmes, build household resilience to threats and shocks, further strengthen early warning systems, and address the risks and vulnerability to, inter alia, climate change and other socioeconomic and health challenges. Equally critical is the coordination of resources, research, monitoring and evaluation and knowledge management on resilience and environmental protection and conservation. As investments in agriculture are most effective in sustainably reducing poverty, special attention is necessary for strengthening the economic and institutional underpinnings of agricultural value chains.

Adopting the resilience lens at the onset of an emergency requires bridging the existing division between humanitarian and development programming to ensure that short-term actions lay the groundwork for the medium to long-term interventions.

There is need to provide technical assistance to the Government to finalize the establishment of an efficient Early Warning System (EWS) and a Vulnerability Analysis and Mapping (VAM) unit, which is government owned for market analyses, food security and vulnerability assessments.

5. Enhancing good governance and building enabling environment for peace and development

On-going political dialogues need to be supported to solve the political stalemate and promote unity and inclusiveness. There is need for continued financial and technical support to political, constitutional, judicial and civil service reform in Lesotho. This includes supporting on-going decentralization efforts and interventions to make local governments effective and efficient.

There is need to mainstream peace building and good governance within political parties and resilience into national and UN development plans. This will address the governance and leadership issues within the political parties and build communities' and households' capacities for peace and sustainable development.

¹⁵⁹ ILO, 2007.

The Government and UN family should consider developing a joint programme on enhancing decentralization reforms to strengthen structures, institutional capacity development, public financial management capacities and local financing for effective and efficient delivery of services and downward and upward accountability.

6. Enhancing Social protection programmes

It is important to promote the strengthening of the current national/public social protection programmes. Social protection is one of the key priority sectors in the National Strategic Development Plan 2012-2017 (NSDP) and in the National Policy on Social Development approved in 2014 (Government of Lesotho, 2015). It represents at least 4.6% of GDP, which is well above 1% to 2% spent by most developing countries. There are currently ten different social protection/assistance programmes implemented in Lesotho, covering agricultural, children, education and health. The biggest are the Child Grants Programme (CGP), the Old Age Pension (OAP), the Public Assistance (PA) and the Orphans and Vulnerable Children (OVC) bursary programmes.

There is an emerging consensus that development partners need to focus their support to governments to further strengthen national and local capacities to design, deliver, evaluate and finance their social protection systems. This may require improved coordination of social protection activities across government ministries and development partners. It also requires strengthening and expanding NISSA, so that it can become the database of all beneficiaries of all social protection programmes; moving from manual to electronic payments wherever appropriate; and strengthening accountability and transparency through strengthening complaint response mechanisms (CRM), among other things.

7. Strengthening evidence-based planning, monitoring and evaluation

In Lesotho the main custodian of national data is the Bureau of Statistics (BOS) and carries out and coordinates data collection in the country as is mandated through the Bureau of Statistics Act 2001. The national statistical system is faced with multiple bottlenecks, including limited resource allocation and inadequate capacity that directly affect the quality, and therefore utilization of data.

It is crucial and strategically important to strengthen the national statistics system that will continuously generate good quality data for monitoring and evaluating country programmes as well as identifying critical areas for improvement. Key areas to be addressed include: 1) building human capacity focusing on equipping personnel with skills and knowledge, and changing the culture of statistical work (monitoring and evaluation, and research); 2) strengthening partnership and coordination where all key players from all constituencies (government, development partners, CSO, community-based organizations, CBOs) play a critical role, advocate for statistical system to secure a place in the priority list, and mobilize required resources for evidence generation.

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7. ANNEXES:

Annex I: Human Development Index of Selected Countries*

Country and Rank	HDI Value (Year)	Life Expectancy at birth (years)	Expected Years of Schooling (years)	Mean year of schooling (years)	Gross National Income (GNI) per capita (2011:PPP\$)
	2014	2014	2014	2014	2014
1. Norway	0.994	81.6	17.5	12.6	64,992
62. Malaysia	0.779	74.7	12.7	10.0	22,762
63. Mauritius	0.777	74.4	15.6	8.5	17,470
106. Botswana	0.698	64.5	12.5	8.9	16,646
116 South Africa	0.666	57.4	13.6	9.9	12,112
139 Zambia	0.586	60.1	13.5	6.6	3,734
140 Ghana	0.579	61.4	11.5	7.0	3,852
Low Human Development					
145 Kenya	0.548	61.6	11.0	6.3	2,762
150 Swaziland	0.531	49.0	11.3	7.1	5,542
151 Tanzania	0.521	65.0	9.2	5.1	2,441
152 Nigeria	0.514	52.8	9.0	5.9	5,341
155 Zimbabwe	0.509	57.5	10.9	7.3	1,615
161 Lesotho	0.497	49.8	11.1	5.9	3,306
185 Chad	0.392	51.6	7.4	1.9	2,085

**Countries selected purposively for comparison purposes with Lesotho.*

Annex II: Indicators for SDGs and Data Status

SDG/Indicator	SDG Target	Lesotho Value
Goal 1: End Poverty in all its forms		
Proportion of population below the international poverty line, on \$1.25 per day	By 2030 Reduced by at least half the proportion of men, women, and children of all ages living below poverty line	57.1% Very poor (35%)
% of the population living below the national poverty line disaggregated by sex and age group	By 2030 Reduced by at least half the proportion of men, women, and children of all ages living below poverty line	Urban = 38.5% Rural = 59.9%
Percentage of eligible population covered by national social protection programmes		Data very limited
Economic Growth	7%	4.5%
Goal 2: End Hunger, Achieve Food Security and Improved Nutrition		
Prevalence of stunting and wasting among children under age 5 years	0	33% stunted
Percentage of infant under 6 months who are properly fed (meeting acceptable dietary standards)	100	11%
Underweight children	0	10% underweight
Goal 3: Ensure Health Lives and Promote well-being for all at all ages		
Infant (new-born) mortality rate	12/1000 live births	34/1,000 live births
Under-5 mortality rate	25/1000 live births	85/100 live births
Children under 1 year fully immunized	100%	68%
Maternal mortality rate	70/100,000 live births	1,024/100,000
Proportion of births attended by Skilled Health Attendants	100%	77%
HIV prevalence		24.6% (Men 18.6%, Women 29.7%)
Children under-5 sleeping under insecticide treated bed nets	100%	
Pregnant women sleeping under insecticide treated bed nets	100%	
Goal 4. Inclusive Quality Education		
Primary school net attendance ratio	100% with gender parity	54.6
Primary six completion rate	100% with gender parity	Limited data
ECDE attendance rate	100% with gender parity	Data not available
Youth with ICT skills	Substantial % increase by type of skills	Data not available
Learners with relevant knowledge and skills for sustainable development	% of learners (15 year olds) demonstrating a fixed level of knowledge	Data not Available
Educational facilities with child, disability and gender friendly leaning environment for all	% of schools with access to: a) Electricity, b) Internet, c) Computers, d) adapted infrastructure for those with disabilities, e) Single sex basic sanitation, and f) Basic Hand washing facilities.	Data not available

Goal 5: Achieve Gender Equality and Empower All women and girls		
Proportion of Women (15-49 years) experiencing physical and sexual violence	a) 0%	
Proportion of seats held by Women in National parliaments and local government	50/50 (gender parity)	
Access to reproductive health services (Contraceptive Prevalence Rate)	100%	60%
Goal 6: Ensure availability and sustainable management of water and sanitation for all		
Safe and accessible drinking water	100%	%
Access to improved sanitation	100%	%
Access to reliable and affordable Electricity	100%	Limited data
Proportion of population with primary reliance on clean fuel and technology	Substantial increase share	Data not available
Goal 7. Ensure access to affordable, reliable, sustainable, and modern energy for all		
Share of the population using modern cooking solutions, by urban/rural	100%	Data not available
Share of the population using reliable electricity, by urban/rural	100%	Data not available
Rate of primary energy intensity improvement	Substantial increase share	Data not available
Goal 8 Promote inclusive and sustainable economic growth, full and productive employment and decent work for all.		
Economic Growth	7%	4.5%
Share of informal employment in non-agriculture employment by sex	% share	Limited data
Unemployment rate by sex, age group and persons with disabilities	Full and productive employment	28% (National) 33% Youth
Percentage of youth not in education, employment or training	Substantially reduce this groups	Limited data
Percentage of number of children aged 5-17 in child labour by sex and age group	0%	Data not available
Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation		
Access to all weather road		Data not available
Mobile broadband subscription per 100 inhabitants		Data not available
Manufacturing value added (MVA) as a percentage of GDP		Data not available
Total energy and industry related GHG emission by gas and sector expressed as production and demand-based emission		Data not available
Personnel in R&D		
Goal 10. Reduce inequality within and among countries [States]		
Poverty prevalence by States (Districts)		Data available
Gini Coefficient by States (Lesotho)		0. 53
Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable		

Percentage of urban population living in slums or informal settlements		Data not available
Percentage of people within 0.5km of public Transit running at least every 20 minutes		Data not available
Mean urban air pollution of particulate matter(PM10 and PM2.5)		Data not available
Area of public and green space as a proportion of total city space		Data not available
Percentage of urban solid waste regularly collected and well managed		Data not available
Goal 12.Ensure sustainable consumption and production patterns		
		Data not available
Goal 13.Take urgent action to combat climate change and its impacts		
		Data not available
Goal 14.Conserve and sustainably use the oceans, seas and marine resources for sustainable development		
Share of coastal and marine areas that are Protected		Data not available
Percentage of fish tonnage landed within Maximum Sustainable Yield(MSY)		Data not available
Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and revers land degradation and halt biodiversity		
Forest area as a percentage of total land area		Limited data
Net permanent forest loss		Limited data
Promote fair and equitable sharing of the benefits from genetic resources and promote appropriate access to such resources	Fair and equitable distribution [citizens' satisfaction]	Limited data
Area of forest under sustainable forest management as a per cent of forest area		Data not available
Goal 16.Promote peaceful and inclusive societies for sustainable development, provide Access to justice for all and build effective, accountable and inclusive institutions at all levels		
Violent injuries and deaths per 100,000 population		Data not available
Number of refugees[IDPs]		Data not available
Proportion of legal persons and arrangements For which beneficial ownership information is publicly available		Data not available
Percentage of children under age 5 whose Birth is registered with a civil authority		Limited data
Perception of public sector corruption		Limited data
Goal 17.Strengthen the means of implementation and revitalize the global partnership For sustainable development.		
Domestic revenues allocated to sustainable Development as percentage of GNI, by sector		Data not available
Official development assistance and net Private grants as percentage of GNI		Data not available
Private net flows for sustainable development at market rates as share of high income country GNI, by sector		Data not available
Share of SDG indicators that are reported annually		Data not available

Annex III: Lesotho Population in Need by District

Source: Lesotho Vulnerability Assessment Committee, May 2016.

Population in need by district

Unit for Cash: Maluti x1000

Country	District	SURVIVAL DEFICIT			L/HOODS PROT. DEFICIT			TOTAL		
		Benefic- iaries	Either	OR	Benefic- iaries	Either	OR	Benefic- iaries	Either	OR
			MT	Cash		MT	Cash		MT	Cash
Lesotho	Butha-Buthe	34,186	4,211	37,324.8	41,425	892	7,719	41,425	5,103	45,044
Lesotho	Leribe	87,271	7,679	71,472.42	109,683	1,972	18,009	109,683	9,651	89,481
Lesotho	Berea	35,246	2,481	13,386.36	84,292	3,452	17,863	84,292	5,934	31,250
Lesotho	Maseru	96,155	6,769	76,971.10	126,143	2,111	24,012	126,143	8,880	100,983
Lesotho	Mateteng	56,606	2,988	36,945.16	84,743	1,486	18,163	84,743	4,474	55,108
Lesotho	Mohale's Hoek	56,469	3,975	45,990.39	75,610	1,347	15,564	75,610	5,322	61,554
Lesotho	Quthing	40,763	3,587	40,184.19	51,164	915	9,847	51,164	4,502	50,031
Lesotho	Qacha's Nek	17,842	1,256	12,522.99	23,839	422	3,957	23,839	1,678	16,480
Lesotho	Mokhotlong	14,533	767	6,648.18	31,578	900	7,797	31,578	1,667	14,445
Lesotho	Thaba-Tseka	37,771	2,659	29,445.51	50,960	928	9,918	50,960	3,587	39,364
TOTALS		476,842	36,373	370,891	679,437	14,426	132,848	679,437	50,799	503,739