

## STANDARD PROGRESS REPORT

Reporting Agencies: UNDP, ILO, ITC and UNCTAD (Agencies members of UN-CEB  
Inter-Agency Cluster on Trade and Productive Capacity)  
Country: Lesotho  
No. and title: Joint Programme on Economic Growth and Development  
Reporting period: August – December 2010

### I. PURPOSE

The Joint Programme on Economic Growth and Development falls under the 'Poverty and Food Security' component of the UNDAF Action Plan (2008-2012) for Lesotho. It focuses on interventions which support the reduction of poverty as well as improved food security. This will be achieved through increased employment and household food security. This is part of the UN System's contribution to the PRS priority cluster related to sustained economic growth, poverty reduction and environmental management.

The programme relates to UNDAF Outcome 3: National Institutions able to implement sustainable pro poor economic development, environmental management and household food security policies and strategies with special focus on vulnerable groups including women, young men and women and the disabled. The expected results under the Poverty and Food Security sub-programme are:

- Employment opportunities for men, women and youth created through enterprise development in urban and rural areas;
- National policies for employment adopted and implemented for youth in viable sectors; and,
- Productivity of communal land improved through implementation of integrated watershed management programmes.

The program supports national development goals as it is aligned to the priorities in the previous PRSP and the coming NDP and aims at achieving the National Vision 2020. It supports mainly MDG 1 'Eradicate extreme poverty and hunger' but contributes indirectly to achievement of all the MDGs.

The main implementing partners for the project were Ministry of Finance and Development Planning, Ministry of Trade and Industry, Cooperatives and Marketing and Ministry of Gender and Youth, Sports and Recreation.

### II. RESOURCES

The total approved budget for the project for August 2010 – December 2010 was USD 385,713.00. This allocation was made available through UNDP.

In addition to the direct funding for the programme activities additional support was provided through in-kind supporting. For example, Ministry of Gender and Youth, Sports and Recreation was providing in-kind support through entrepreneurship trainings. ILO supported for other programmes assisting different entrepreneurial activities, especially women entrepreneurs was almost USD 400,000.00. Other stakeholders were supporting the NDP processes and EU alone had set aside USD 630,000.00 and Government of Lesotho USD 290,000.00.

### III. RESULTS

Despite some external delays all the planned activities were either completed or at initiated. Main achievements during the five months were the following:

#### Output 1:

- Stakeholder consultations were held in all 4 districts, Local Economic Development report was produced, which will help planning in 2011
- Consultancy report produced on creating linkages to regional markets, which will help in designing informed interventions in the districts
- An action plan for wool and mohair and preliminary work on agricultural value chains were done, which will help in designing informed interventions in the districts in 2011

#### Output 2:

- Capacity development of 19 district officials, community developers etc. who were trained in gender sensitive value chain analysis to enable enhanced gender focus in the entrepreneurship and community development
- Small entrepreneurs were trained in entrepreneurship
- More training manuals have been ordered
- Two ILO manuals have been translated into Sesotho
- 47 entrepreneurs in Mokhotlong and Thaba-Tseka were trained on ILO tool on improving your exhibition skills so that they are better positioned to participate into market fairs and they can better market their products
- Contribution to UNFPA activities: Two grinding mills were ordered, 40% has been paid. The grinding mills will be benefiting women entrepreneurs.

#### Output 3:

- The program helped Ministry of Finance and Development Planning (MFDP) to set up the needed structures to develop the new National Development Plan, which will replace the PRSP which expired in 2008. Office equipment, hardware and software were purchased to support both MFDP & Bureau of Statistics
- BoS support for data enumerators and OVC study, which will feed into the NDP
- NDP Coordinator hired (Dec)
- 10 background analysis consultancy reports for different NDP sectors were done
- SMME policy was drafted, which will also feed into the NDP and address one of the national priority areas

Implementation constraints were mainly related to the short implementation time (five months) as the planning stage required time and the four agencies needed to coordinate among each other. UNDP is the only resident agency, whereas the three others, ILO, ITC and UNCTAD are non-resident agencies. Despite the different locations, the agencies managed to collaborate actively and work together successfully. It is worth mentioning that all agencies are used to work together and coordinate their interventions (both at the national and at the headquarters level) through the coordination mechanisms set up by the UN-CEB Inter-Agency Cluster on Trade and Productive Capacity, of which all four agencies are members.

All the agencies gained better knowledge on the local situation from the local economic development workshops held in the four districts as well as from the different consultancy reports. All these inputs will be used when planning for future activities.

The key partnerships between different ministries and UN agencies enabled good results in a short implementation time. Tight collaboration will be continued in 2011.

#### IV. FUTURE WORK PLAN

The programme will be building upon the baseline work carried out in the first phase with a view to generating balanced and sustainable economic activities within the region. This would entail support for setting up small enterprises and scaling up potential participation in the local and regional value chains. Particular attention would be paid to encouraging enterprise development by women and vulnerable groups and creating green enterprises.

As in the first phase this would be a collaborative initiative leveraging the different competencies within the UN System, GoL, Development Partners and other stakeholders.

#### V. FINANCIAL IMPLEMENTATION

2010 realized expenditure:

Output	Budget	Expenditure	Balance
1	100,580.00	38,118.61	
2	57,153.00	46,003.06	
3	227,980.00	257,417.58	
<b>TOTAL</b>	<b>385,713.00</b>	<b>341,539.25</b>	<b>44,173.75</b>

Commitments from 2010 to be paid early 2011:

Output	Expenditure	Balance	Explanation
1	3,959.50		Final consultancy fee Agric VC
2	15,200.00		Grinding Mills final payment
3	10,120.00		Final consultancy fees NDP
3	10,932.00		NDP Coordinator Jan & Feb
3	9,800.00		Final payment SMME Consultant
<b>TOTAL</b>	<b>50,011.50</b>	<b>-5,837.75</b>	