## LESOTHO: SCALING UP ECONOMIC AND IMPLEMENTATION CAPACITIES AT THE LOCAL LEVEL FOR MATERNAL AND CHILD HEALTH

United Nations Development Programme United Nations Capital Development Fund

**POVERTY REDUCTION AND MDG ACHIEVEMENT** 



### Background

Lesotho is a landlocked country surrounded completely by South Africa, with a population of 1.8 million. It is one of the Least Developed Countries (LDCs) in the world, ranking 141 of 169 countries in the 2010 Human Development Index (HDI). GDP per capita is at US \$851 in 2009 (PPP), with imports constituting about 90% of GDP. The global economic downturn has dramatically affected the open economy of the country. Despite several initiatives to promote economic growth, the country's private sector remains small. The Southern African Customs Union (SACU) has been a major revenue source for the government, accounting for more than 60% of Government expenditures in 2008. However, the recent decline in revenues from SACU (by 65% over the last three years) has severely affected the government's budget, posing risks to sustainability of development and social protection programmes.

Although Lesotho is one of the smallest countries in the world, its people face many challenges such as widespread poverty, chronic food insecurity and a high prevalence of HIV/AIDS (ranked third highest in the world) at 28% in urban areas and 21% in rural areas. The HIV/AIDS epidemic, threatens to decline primary enrolment rates of girls, as they care for HIV-affected family members. Increased vulnerability to poverty may disproportionately affect women who are household heads and caregivers, or are infected with HIV/AIDS. The number of

children who are orphaned, infected or made vulnerable by HIV/AIDS is also increasing, posing economic and social challenges for the country's future growth.

# MDG Localization and Local Development Programmes

The Lesotho Local Development Programme (LLDP) is a collaborative effort of the central government, local governments and development partners (including UNDP and UNCDF) to achieve poverty reduction through inclusive, responsive service delivery mechanisms in the districts of Maseru, Berea and Thaba Tseka. Although the programme is still in its initial stages as the fiscal decentralization process matures, four community-led projects have already implemented in close collaboration with districts and community councils. As a result, a total of 1,148 people have access to portable water sources, in addition to creating at least 50 small and medium businesses.

Lesotho has also established the Integrated Sustainable Waste Management programme, a public-private partnership (PPP) for solid waste management. This initiative covered 70% of households in Maseru, and created more than 100 sustainable jobs and businesses, particularly for women and youth. The national government, with support from various UN agencies, has sought to address the maternal and child health challenges by developing a comprehensive programme that integrates the capacity development of health service providers with investments in healthcare facilities, outreach for HIV prevention, nutrition support and economic growth led by the private sector. These concerted efforts under the "Delivering as One" initiative provide an excellent opportunity to scale up successful local responses to the poverty and HIV/ AIDS challenges. The joint programme is one of the main pillars of a comprehensive plan for improving sustainability and building national capacity to create jobs and livelihoods, especially for women.

### **Opportunities for Scaling Up**

The current joint UN programme on maternal and child health care addresses one of the main development priorities of the government and garnered the commitment of all the UN agencies. The programme recognized the central role of local governments and actors in the delivery of the essential package of integrated services in health and economic development. The valuable lessons learnt and results achieved from ongoing initiatives at the local level, including the PPP initiative in Maseru City and the essential HIV/AIDS service package will be integrated in the scaling up phase. The integrated nature of the joint initiative will simultaneously address constraints from both supply (e.g. proper facilities and brain drain limiting the availability of local professionals) and demand sides (eq. cultural and religious practices, and voice and accountability). The main activities involving Local governments include: a) planning and monitoring at the local level; b) advocacy and outreach; c) data collection and coordination; d) engagement of the private and non-profit service providers; e) establishment of auxiliary health care services in remote areas; and f) decentralized management of staff responsible for service delivery.

The initial phase will reach a population of 377,000 living in the districts of Berea and Thaba-Tseka, which have the highest unemployment rates among women and where the joint UN initiative and the local development programme are being implemented. A subsequent phase could be extended to an additional 544,000 people living in Mokhotlong and Qacha's Nek, two of the three mountain districts with the highest poverty rates in the country.

#### THE ROLE OF LOCAL GOVERNMENTS IN ACHIEVING THE MDGS:

The Local Government Act of 1997 established a three-tier system for local governance, with the central government at the top, ten district councils in the middle, and the local and municipal councils at the lowest tier. The central government, through the Ministry of Local Government and Chieftainship (MoLGC), has been leading the decentralization process since 1997, and the first local government elections were held in 2005.

A major challenge for the future is ensuring that local councils have sound managerial and fiscal capacity to perform their constitutional functions. Local sources of revenue (e.g. local taxes) are often inadequate to meet the councils' responsibilities and financial obligations, creating a dependency on the central government.



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