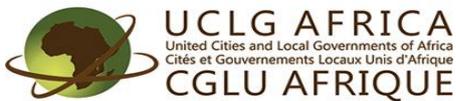


Integration of Local Authorities of Lesotho In the European Cooperation Programming Process 2021 - 2027

Analytical Report



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Introduction

Purpose of the Report

This report provides a situational analysis regarding the decentralisation process in Lesotho, in the perspective of localisation and territorialization of the plans/policies/programmes/strategies adopted and implemented at the national level. It is also intended to serve as background document for the organisation of the National Seminar, in order to define the key priority actions to be identified by the Local Authorities in Lesotho for the proposed dialogue with the Government of Lesotho and the EU Delegation for consideration in the EU cooperation programming process.

Background

The European Commission concluded a new financing instrument, the Neighbourhood Development and International Cooperation Instrument (NDICI) that will guide its next programming for the period 2021 to 2027. This was subsequently followed by pre-programming phase conducted internally between the EU delegations and EU headquarters in Brussels to define the key priorities of EU cooperation in each partner countries. The in-country programming phase also commence in August and is expected to be completed by end November 2020. It is at the programming phase that stakeholders of the partner countries are consulted, and that a dialogue is established with the EU delegation to define the specific priorities and programs of the EU cooperation aligned with the political objectives identified during the pre-programming phase for each country.

It is expected that the integration of subnational/regional governments would represent a key innovative feature of the programming process. The process has until now been mostly focused on the dialogue with national governments, while local authorities were considered as non-state actors. It has been noted that the EC 2013 Communication on “*Empowering local authorities in partner countries for enhanced governance and more effective development outcomes*”, recognized from then on local and subnational governments (local authorities) as state actors in their own rights and capacity, working as proximity public authorities besides the central government according to the principle of subsidiarity based on the key dynamics and interaction between the two levels of public governance.

Context of the Mission

In recognition that

1. In order to promote growth, create jobs and reduce inequalities, core public policies should be “territorialized” so as to integrate the diverging realities and needs of different areas in a given country.
2. In order to “localize” the sustainable development Agenda 2030 (SDGs) and other global commitments as well as ensure effective delivery of essential services. In order to achieve this goal local and regional governments should be seen as an “essential partner” of central government. This calls for a “mainstreaming” of LA participation in (EU-supported) sector policies and programmes (e.g. agriculture, climate change, energy, migration, youth, gender, etc.), that
3. It would be in the interest of both the national government and the EU to actively support territorial approaches to local development spearheaded by LAs – as they can help to unlock the potential of territories and create additional wealth and income; and
4. Development-friendly decentralization policies which enhance both the autonomy and accountability of LAs are key to promote place-based dynamics from the bottom-up.

The UCLGA members are encouraged to collectively promote and defend the above ethos, to an extent that these are even used as the basis for dialogues with the Central Government and the EU during discussions leading to prioritisation of which developmental areas get supported through the Countries and EU Cooperation.

It is against the above explained backdrop that efforts to support the Local Authorities to adequately prepare for meaningful and fruitful engagements in these process that this mission is being undertaken.

Methodology

The collection of information relevant to the analysis of the current situation has been from three (3) different channels.

- 1) Existing documentation relating to the Decentralisation Agenda was sourced and information talking to or having a bearing on the decentralisation process extracted. These included Legislative frames, National Plans, Reports, and the partnership agreements entered into by the National Government with the European Union;
- 2) A formal request for information to enable political economy and analysis on decentralisation was issued to the relevant ministries at the central government level, viz: Ministry of Development Planning, Ministry of Finance and Ministry of Local Government and Chieftainship Affairs. In case of MoLGCA, a structured questionnaire was designed to guide and solicit their reflections, comments and inputs. Meetings with the Principal Secretary – MoLGCA and key officials from MoLGCA were also solicited to provide responses from the questionnaire.
- 3) Efforts to get inputs from the Local Authorities through umbrella Lesotho Association of Local Authorities (LALA) were also made. The interim National Executive Committee of LALA was engaged to share their views on the status quo regarding the issues of decentralisation, their relationship with the officials within the MoLGCA as well as to contribute inputs into the analytical model of strengths, weaknesses, opportunities and threats (SWOT). Whilst the intended SWOT analysis was to focus on the Local Authorities' involvement in the decentralisation processes, the evident tension between the officials from the MoLGCA and LALA nudged the exercise to assess more LALA as a National Association regarding its ability to deliver on its mandates, one of which is to represent the Local Authorities.

It is the data collected from these three bases that informed what has been captured here as the current situation regarding the decentralisation agenda.

Abbreviations / Acronyms

CSO	- Civil society organisation
DDCC	- District Development Coordinating Committee
EC	- European Commission
EU	- European Union
GoL	- Government of Lesotho
KPA	- Key priority area
LA	- Local Authority
LALA	- Lesotho Association of Local Authorities
LGBIT	- Lesbian, gay, bisexual, intersex and transgender
MoLGCA	- Ministry of Local Government and Chieftainship Affairs
MTEFF	- Mid-Term Fiscal Framework
NDCs	- Nationally Determined Contributions
NDP	- National Decentralisation Policy
NEC	- National Executive Committee
NGO	- Non-Governmental Organisation
NIP	- National Indicative Programme
NSA	- Non-State Actor
NSDP	- National Strategic Development Plan
RISDP	- Regional Indicative Strategic Development Plan
SADC	- Southern African Development Community
SDGs	- Sustainable Development Goals
SFDRR	- Sendai Framework for Disaster Risk Reduction
SWOT	- Strengths, weaknesses, opportunities and threats
TALD	- Territorial Approach to Local Development
UCLGA	- United Cities and Local Governments of Africa
UNAIDS	- Joint United Nations Programme on HIV and AIDS
UNDP	- United Nations Development Programme
VNR	- Voluntary National Review

I- An Analysis of Political Economy

1) Evolution and devolution of public services, integrated and territorial planning and fiscal decentralization

The Government of Lesotho (GoL) prepared the National Strategic Development Plan II (NSDP II)¹ that covers the period for 2018/19 to 2022/23 for implementation of the Vision 2020. The NSDP II was also conceived as demonstration of Lesotho's commitment to the implementation of the sustainable development goals (SDG) Agenda, African Union Agenda 2063 goals as well as the Southern African Development Community (SADC) Regional Indicative Strategic Development Plan (RISDP). The overarching goal of the NSDP II is to combat poverty and sustainable growth through employment creation and inclusive growth. The key priority areas (KPAs) aligned to SDGs are:

- i) Promoting inclusive and sustainable growth (All 17 SDGs);
- ii) Strengthening human capital (SDG 3, 4,5 and 10);
- iii) Building enabling infrastructure (SDG 6, 7,9 and 11); and
- iv) Strengthening governance and accountability (SDG 5,16 and 17).

The corresponding outcome 4.3 of KPA (iv) has been stated as improved service delivery which also embraces decentralization. Consequently, decentralization of the public sector services was identified as the strategic objective. It was noted in the NSDP II that, the National Decentralisation Policy of 2014² was adopted by Government of Lesotho (GoL) with the purpose of deepening and sustaining democratic governance at the grass-roots level as well as promoting equitable local development by enhancing citizen participation and strengthening local government systems. It was also intended to maintain effective functional and mutually accountable linkages between the central and government entities. The proposed interventions in the NSDP II include the following:

- ✓ Develop fiscal decentralization framework and service decentralization framework to provide vertical and horizontal allocation of resources for local governments.
- ✓ Ensure fiduciary responsibilities of councils match capacity
- ✓ Improve capacity for planning, procurement, budget management, project cycle management and results-based management for local authorities.
- ✓ Strengthen capacity of District Development Coordinating Committees (DDCCs) to enhance collaboration and coordinating implementation of programmes.
- ✓ Raise awareness of citizen and non-state actors on local governance and service delivery to stimulate demand for accountability.
- ✓ Harmonise central and local governments and facilitate integrated development planning, budgeting and performance monitoring and reporting.

Although the Cabinet sub-committee chaired by the Deputy Prime Minister was then established to fast-track the implementation of the decentralization, the progress has been sluggish to date. Corresponding task teams from various government ministries were also established for the

¹ Government of Lesotho, 1918. National Strategic Development Plan II 2018/19 -2022/23, Ministry of Development Planning, Government of Lesotho

² Government of Lesotho, 2014. National Decentralisation Policy. Ministry of Local Government, Chieftainship and Parliamentary Affairs, Government of Lesotho

decentralization process. Despite commitment by some line ministries to start devolving activities to local government level, lack of guiding framework for fiscal decentralization retarded progress since local government structures remain depended on central government for funding. Consequently, Local Government (Transfer of Functions) Regulations, 2015 as per Legal Notice No. 138 of 2015 was issued as a guiding service framework intended to expedite the decentralization of key functions. Corresponding seven ministries have been identified for pilot, viz: local government, health, social development, energy, forestry, mining and water.

It should be noted that this noble move of decentralization of certain functions has been piloted with limited success due to various challenges. Due to absence of clear and unified fiscal framework, there was a practical problem of accounting, administration and honouring associated costs of deployed physical and human resources from the central to the local government levels. The relationship between the central government and local government in terms of funding, implementation and monitoring of development projects still remains a challenge. Local councils are not yet able to collect meaningful revenues at the territorial levels despite huge potential sources of revenues as this still remains a purview of the central government.

There is GoL commitment (*in principle*) to integrate spatial dimension in development management despite challenges. One of the provisions within the Local Government Act³ is a support structure for the local councils. A Planning Unit at District level manned by planning officers, is charged with considering / reviewing developmental proposals from the central government departments and '**councils**', and prepares district development plans that would be presented to the District Development Coordinating Committee. The Act therefore implies that rudimentary developmental plans usually prepared at the grassroots level from the various community councils (territories), can be motivated at the District Council level for rationalization and adoption. The developments would then be territorialized in this sense. However, there are no clear supporting policies and processes to facilitate their implementation hence dependent on technical and financial resources from the central government through their parent MoLGCA.

The local government structures do not influence budget allocation from the central level. It is the responsibility of the MoLGCA to put-up a joint annual budget to cover both their funding requirements from central and local government structures based on three-year Mid-Term Fiscal Framework (MTFF)⁴. The allocation to local government structures is usually intended for development of rural community roads, council waste management and council development funds. The size of the budget for local government structures is therefore depended on allocations made by the central government to the MoLGCA. Thus, they only get a slice of the cake based on general budget cuts and allocation to the MoLGCA. If there are cuts on capital programme budget, then the residual allocation coming from the MoLGCA gets further prioritized at the district, municipal and urban councils.

The MoLGCA is aware of the above status quo hence its support (in principle) for a national funding mechanism that will ensue effective territorialization of core public policies and plans. It is also aware of the limited financial resources from the central government which also affects

³ Local Government Act 1997 [including the amendments effected on it thereafter >> Amendment Act 2010; Amendment Act (No. 2) 2011; Local Government Elections Amendment Act 2011]

⁴ Interview with relevant officers from the MoLGCA

and at times retards progress of the decentralization process. The Ministry has since developed a Concept Note for development of appropriate Fiscal Decentralisation Framework to address the physical and human resources allocation, management and accountability. It is intended to develop a corresponding Fiscal Decentralisation Policy to guide Public Financial Management at the local authority level to be followed by development of requisite legal framework. This initiative will complement the Service Decentralisation Framework that was developed to enable devolution of specific functions and piloted by seven Ministries alluded to earlier.

It also has to be appreciated that there have been other challenges that affected the decentralization process. The frequent changes of political administrations within an average of 2.5 years instead of a five-year full-term since 2012, elicited inconsistent commitments to the decentralization process by those coming into power at each and every point the changes happened. The high turnover of Ministers had been such that the priorities and political agendas clouded focus on the decentralization process. There have been at least four different Ministers and Principal Secretaries (PSs) appointed since the adoption of the National Decentralisation Policy of 2014 to date. Every Minister would either denounce the process on political grounds or seek to chart a new direction at the expense of progress made by their predecessor in the past. This has also affected the recognition and/or non-recognition and support to the Lesotho Association of Local Authorities (LALA) as an umbrella body to represent the collective voice of Local Authorities over the past five years. It is encouraging that the current Minister seems to be very keen on pushing the decentralization process in the country. This is evidenced for example by the fact that the minister recently tabled a long-pending Decentralisation Bill before parliament on 21 October 2020 for consideration.

Over and above the foregone, it is to be noted that Local and Regional governments in Lesotho face a myriad of challenges such as lack of skilled and empowered manpower, financial resources and technical capacities in order to implement the decentralized policies and programmes. Consequently, the above stated deficiencies negatively impact on the local authorities' ability to meet community demands and provide effective and efficient service delivery.

2) Partnership in development between central government and local government

The central government has recognised the importance of local authorities as development actors. Evidence of this is the pronouncements in legislation guiding the decentralisation and local government in Lesotho. This emanates from the specific provisions in the National Constitution of Lesotho (1993), Local Government Act, 1997 (as amended) and subsequent other related pieces of legislation to facilitate the implementation of the decentralisation process. The National Decentralisation Policy (NDP) also reinforces the central government intentions about local government and provide guiding principles for decentralisation as well as 21 key areas of policy focus and strategic action. In particular, the strategic objective (iv) of the NDP is 'To enhance local autonomy by ensuring that the local government institutions are sustainably capacitated and organised with a strong collective voice to engage proactively and effectively address issues of common concern'.

The enshrined principles of local autonomy and non-subordination in the NDP do advocate for some level of autonomy in decision-making for the local government as well as mutual respect between the central and the local government. However, the current reality is that the central

government has not yet effectively practiced these principles. In this regard, the Local Authorities have been considered to a limited extent as 'development actors' in their own rights.

There have been inadequate consultations in conceptualisation and development of public policies and their implementation at the territorial level including sustainable development goals (**SDGs**). Given Lesotho's unique geographical situation (completely landlocked by South Africa, rugged terrain and scattered rural settlements) and its small size (30.355 sq. km), the intension of the GoL is to create sub-national governments with considerable authority but must maintain authority of one state. This further confirms that due to slow devolution of central services and inadequate financial and human capacity at the local government level, the local authorities have to date remained as subordinated 'implementation agencies' of the centrally conceived and steered national policies and strategies.

One of the key milestones and decisions on the implementation of the NDP recognises the value of localising regional integration and international cooperation. However, whilst the Government recognises the value of being part of regional and international cooperation, the full value-add has not yet been enjoyed by the country due to non-participation of the local authorities in these platforms where Local Authorities could secure tangible benefits for local people.

There are varied challenges/constraints which affect future partnership in development between the central government and local authorities. There is seemingly unequal partnership between the central and the local government. The current local authorities lack the technical and managerial capacity as well as advocacy strategy to engage with the parent ministry about issues of concern regarding slow devolution process and recognition of LALA as a collective voice of local authorities. Capacity building of the local structures has been slow due a number of factors, among others the funding constraints from the central government. It has already been pointed out that the perceptions that some influential officials from the MoLGCA as well as the interim National Executive Committee (NEC) of LALA had about each other have not been helpful for collaborative engagements. During the information gathering process, an unofficial 'legal opinion' document surfaced that seemingly advised/warned the Ministry against supporting the Local Association as constituted. The local government structures are neither enabled to effectively discharge their mandate nor given opportunity and recognition to air their views as a collective through their National Association.

The NDP (*under the section dealing with the Fiscal Decentralization and Public Financial Management*) notes that for the Local Governments to carry out decentralized functions effectively, they must have adequate and predictable flow of income. The policy already identifies the challenges for fiscal decentralisation being inadequate funding, weak public financial management and accountability systems, and low local revenue generation. Information gathered from the officials of the MoLGCA as well as the interim NEC of LALA points to the lack of fiscal decentralisation framework, which has affected the necessary physical and financial resources in a manner that these have not yet fully been transferred to the custody and management of the local authorities.

The experiences of the last five years regarding how the Central Government related with LALA (*representing the Local Authorities*) suggests that LALA is not yet considered a legitimate body to capably push the development agenda on the local level – as an essential partner (*in its own right*) by the Central Government.

- a) Almost all the Local Authorities (*with the exception of the City Councils*) in their different forms as Local Councils are still heavily/ (*almost entirely*) dependent on the resources provided by the Central Government – therefore still being under very strict controls, with minimal empowerment!
- b) Interactions and cooperation between the Councillors at the local level with the Officials at District levels is varying from one district to the another. In some cases, the relationships are harmonious while in others not;
- c) Implementation of developmental programmes at a territorial level therefore still remains a challenge.

3) Recognition of added value of Territorial Approaches to Local Development

The central government in principle recognises the added value of territorial approaches to local development spearheaded by the LAs on the basis of their general mandate. Consequently, they have created the enabling legislation and decentralisation policy. However, all the necessary instruments such as Decentralisation Act (Draft Decentralisation Bill recently tabled in parliament) and the Fiscal Decentralisation Framework are not yet in place to expedite the process of devolution of public services. It has been noted that the Service Decentralisation Framework through creating enabling legislation has recently been piloted. Thus, at this stage, the LAs are ill-equipped to effectively spearhead the local development mandate.

Although the central government embraces and promotes local government structures as gateway to the district and community level developments, not much has been done to realise this noble course. The central government through the MoLGCA have lamented budget constraints, pending establishment of necessary fiscal instruments and decentralisation structures as provided in the policy and regular changes in political administration hence lack of continuity as some of the constraints that affects the decentralisation process. Ideally the LAs should also act as catalysts for bottom-up development processes since they are at the grassroots level. They have since embraced partnership support from the private sector and other civil society organisations in the development agenda. However, even in these initiatives, they are not equal partners in development. Usually the sponsor to a large extent determines the development course and the extent of support to provide. As a result, the LAs becomes passive recipients instead of dictating the development course based on own and grassroots priorities.

There are opportunities and constraints created by the decentralisation systems for the empowerment of local authorities as development actors in their own rights. In terms of opportunities, local authorities are already embedded at the local level and hence have a better sense of development challenges and priorities facing the communities/territories they serve. The roads infrastructure development projects and services (access to water and sanitation, electricity, etc.) they have prioritised and sanctioned have enhanced the economic development at the local level. This has not only created employment opportunities during life of the projects but has also contributed towards other economic spinoffs. Business ventures have developed to provide ease of access to desired goods and services for the local communities. The decentralisation system has also created opportunity for better coordination of service delivery and hence improved performance. It has for example become easier to advocate for community service day campaigns. Similarly a one-stop service week/day can be arranged for bringing services to the community such as registration of livestock, issuing of national identity cards, passports, mobile clinics, mobile courts etc.

The main constraint remains slow progress in implementation of the decentralisation process. The decentralisation policy aims to address the need for efficient, financially viable and technically effective local government structures. There is a concern that local councils are not appropriately organised and adequately capacitated to deliver services effectively. Equally, the quality of leadership at local levels needs to be improved. Proposed devolution of services and transfer of competencies and resources was attempted as pilot but constrained by lack of Fiscal Decentralisation Framework. The following are critical issues to be addressed:

- a) The need to increase financing for decentralised activities is being recognised, and the Government acknowledges the fact that devolution cannot effectively work without adequate and reliable financing.
- b) There is also the challenge of coordination of decentralised functions, in order to address the gaps resulting in inadequate provision of services to citizens.
- c) The citizens' participation/*(non-thereof)* in influencing the level of service delivery, pushing for accountability is one major area.
- d) It is also acknowledged that the information systems and information management is lacking in many respects, and hopefully with decentralisation the communications with citizens would be better from the local levels.
- e) There is also the recognition of the inadequate involvement / engagement from the civil society actors such as Faith based Organisation, Community Based Organisations, and NGOs in national and local developmental processes.
- f) The lack of capacity to handle environmental management and sustainable development is a concern. There is even inadequate infrastructure to support local authorities' operations.
- g) The shortage of skilled personnel in critical areas is also acknowledged despite concerns that the public service is over-staffed.
- h) The current local councils are yet to be capacitated and empowered to effectively advocate for mainstream HIV and AIDS and implementation of the District HIV and AIDS Fast-track Plans concluded in July 2020 with technical support provided by the National AIDS Commission through UNAIDS funding support.

Even against the background of the aforesaid challenges, it is noteworthy that the government officially remains committed to provide better services to its citizens, improve citizens' empowerment and participation in governance and service delivery activities, promote equitable local development, facilitating job creation, food security and poverty reduction. The reduction of inefficiencies within the public sector, and the facilitation of locally beneficial regional and international cooperation form part of the government's aspirations at political level.

The renewed official commitment to recognise and support LALA as spearheaded by the current Hon. Minister of MoLGCA, provides opportunity for inclusion of Local Authorities in the development arena that focuses on their mandates within their respective jurisdictions. The proposed participation in the EU programming processes present a huge opportunity for the Local Authorities to steer the developments to being more relevant and meaningful for their constituencies at local levels. Even if their participation is relegated to that of an observer, it would still serve them good as a learning platform for future fruitful engagements – where they can motivate for developments that are aligned with the local needs knowing what has been signed for between the European Union and the Central Government.

The EU's current support to the Government of Lesotho is in the sectors of Energy, Water, Governance and other measures in support of non-state actors (NSAs). The latter already

recognised the importance of partnership between the Government and civil society organisations as part of strategies in the implementation of NSDP. The 11th EDF programme⁵ focuses on strengthening the competency and capacity of civil society to effectively with the central government in structured dialogue; monitoring Government public service delivery performance; participate in the design, implementation and monitoring of gender -sensitive and sustainable polices linked to focal sectors; water and energy; as well as climate change and food security. it would indeed be beneficial for the local authorities to be more aware of the developmental areas and roles that they could engage in within these sectors. The civil society component was allocated as a grant to the Lesotho Council of Non-Governmental Organisations (LCN) to ensure its implementation. The Mid-Term Review of the National Indicative Programme (NIP)⁶, recommendations highlighted the need for some adjustments on the resources allocated to the different sectors until 2020. An additional Euro 10M was recommended for the Social Protection Sector, thereby increasing the sector allocation to MEuro32. Under the Energy Sector a reduction of Euro 11M is recommended leaving the allocation for this sector at Euro 11M. The new re-allocations still add up to MEuro 142 though [Water – 78; Energy – 17; Good Governance – 32; Support to Civil Society – 6; and Support Measures – 9].

The local authorities' participation in next EC programming process would actually elevate their appreciation of their roles in advancing efforts to realise the relevant Sustainable Development Goals connected to these focus areas, examples being SDG 6 (*Ensure availability and sustainable management of water and sanitation for all*); and SDG7 (*Ensure access to affordable, reliable, sustainable and modern energy for all*). The added value of LAs participation could be realised in the following focus following priority areas:

- a) the development and maintenance of water and sanitation infrastructure in areas where bulk water supply methods are not a practical or economically feasible option in their territories;
- b) exploration of possible alternatives in the future, which would include environmentally sensitive and sustainable water harvesting technologies, small scale irrigation schemes, small scale gravity schemes and well/spring protection;
- c) Promotion and participation in climate smart technologies and modes of productions to increase food security, improve community and households' incomes and livelihood as well as boost economic development in their respective areas;
- d) Promotion and access to renewable energy technologies for economic development;
- e) Advocate for TALD and partnership in development through necessary capacity development to LAs for meaningful participation in the development arena; and
- f) Advocate acceleration in implementation of the National Decentralisation Policy especially devolution of functional services and powers to the local authorities.

In terms of capacity development, LA's should advocate for similar civil society support that was earmarked for overall implementation of LCN as an umbrella organisation for NGOs/CSOs. They should therefore, in liaison with LCN, also claim future stake for direct funding and technical assistance from the EC funding.

⁵ 11th EDF National Indicative Programme (2014-2020) for co-operation between the Kingdom of Lesotho and the European Union.

⁶ Kingdom of Lesotho -European Union, 2017. *Cooperation under the 11th EDF National Indicative Programme 2014-2020: Mid-Term Review*

II- A Quick SWOT Analysis of the National Association of Local Authorities

Overview

The full establishment and functioning of LALA since its registration in 2014 has been challenging. It had subsequently developed its Five-Year Strategic Plan for 2015-2020. Both the legal registration of LALA and development of its first strategic plan were facilitated by a local expert through technical support provided by UNDP on behalf of the MoLGCA. Given that LALA is a very new player in the local government developmental discourses in Lesotho, it would seem that its relationship with the line Ministry is still at the “Storming Phase”. As it happens in many new relationships, the relationship between LALA and the line ministry – (*which has all the time been in control*) – could have benefited from a guided process by a neutral entity. It is however hoped that the need for closer collaboration in the upcoming EU cooperation programming process will assist in straitening some of the areas of tension in their working relationships.

It is also noteworthy that recent efforts to mediate and intervene on the stand-off between the MoLGCA officials and LALA Interim National Executive Committee – (*in an effort to ensure that input/feedback is received from both parties for this exercise*) - have had a breakthrough, an indication that the “Forming Phase” in this relationship is close. The Hon. Minister has affirmed commitment to the decentralization process and directed that the Ministry should collaborate and cooperate with LALA and embrace the current technical support offered by UCLGA to LALA. This therefore paved way for subsequent engagement with the key officials to solicit pertinent information for the current Analytical Report as well as preparations for the proposed National Seminar.

Rapid SWOT Analysis

The National Consultant had opportunity to engage with the Interim National Executive Committee for briefing on the assignment, to establish the current status quo as well as to engage them on rapid SWOT Analysis. The results of the exercise are as presented in the SWOT matrix overleaf.

Results of RAPID SWOT Analysis with LALA Interim Executive Committee

INTERNAL SITUATION	STRENGTHS	OPPORTUNITIES	EXTERNAL SITUATION
	<ul style="list-style-type: none"> <input type="checkbox"/> Legal constitution and registration of LALA in line with the National Decentralisation Policy <input type="checkbox"/> Recognition by the regional (UCLGA) and international bodies <input type="checkbox"/> Legal mandate to represent collective voice of the local authorities <input type="checkbox"/> Resilient current interim leadership of LALA (NEC), skills mix and experience gained over the years in local government <input type="checkbox"/> Current interim NEC membership includes District Council chairpersons from all 10 districts for easy of decision-making and information dissemination <input type="checkbox"/> Cream of best local leadership from those members local authorities who are a product of democratic territorial/local elections 	<ul style="list-style-type: none"> <input type="checkbox"/> Stimulation and conscientisation of the new Councillors about LALA <input type="checkbox"/> Identifying and submitting Local Authorities priorities for inclusion in the next EU cooperation programming process for 2021-2027 <input type="checkbox"/> Participation in the EU cooperation programming process; <input type="checkbox"/> Evolution of territorial approach to development and growing international and regional demands for paradigm shift and recognition of local authorities as 'development actors' <input type="checkbox"/> Scope for engagement and candid discussions with the relevant MoLGCA officials about fast-tracking implementation of the "decentralisation agenda". <input type="checkbox"/> Capacity building as per Decentralisation Policy from GoL subventions and the donor community <input type="checkbox"/> Natural beauty of the country to leverage partnership for tapping local tourism potential 	
	WEAKNESSES	THREATS	
	<ul style="list-style-type: none"> • Interim National Executive Committee and LALA not yet officially inaugurated • Credibility of LALA not yet widely known around the country by the new Councillors • Lack of resources to fully establish LALA with secretariat and sustain operations • Lack of institutional capacity to mobilise resource for implementation of its Strategic Plan as well as developmental programmes • Fear of victimisations by the officials from the Central Government structures 	<ul style="list-style-type: none"> • Lack of recognition by the Central Government; • Influential officials within the MoLGCA not supportive of the idea of empowered Local Authorities; • Central Government's "shaky" commitment to the devolution of powers / services to the Local authorities; • Legal opinion unilaterally sought by MoLGCA hence used as a weapon by the officials in questioning / discrediting the legitimacy of LALA and imposing proposed amendments to LALA Constitution. • 	

III A State of Art Concerning the Territorialisation of National Policies and Global Programmes implemented within the Framework of the National Development Plan

Lesotho has demonstrated its commitment to implementation of the 2030 Agenda for Sustainable Development through domesticating the SDG and mainstreaming them in the NSDP II. The country is also committed to global frameworks and programmes emanating from, inter alia: Paris Agreement, the Addis Ababa Action Agenda, Istanbul Programme of Action and the Sendai Framework for Disaster Risk Reduction (SFDRR). In order to gauge progress made in implementation of the SDGs, Lesotho opted to participate in the formal voluntary national review (VNR) process⁷ (VRP) and was amongst a cohort of 51 countries reviewed in 2019. This was achieved through an inclusive consultative and validation approach that included: Government Ministries, Departments and Agencies; non-governmental organisations (NGOs)/civil society organisations (CSOs); development partners; youth groups; women; academia; people with disabilities; lesbian, gay, bisexual, intersex and transgender (LGBIT) community; diaspora; and inputs from the districts. Progress noted in the implementation of the select SDGs (1,2,4,8, 10, 13, 16 and 17) from the VNR varied. The following are some of the progress highlights:

Goal 1 – No poverty: There was a successful reduction in absolute poverty levels and inequalities in the past five years. The national poverty and head count ratios declined from 56.6% to 49.7% and from 34.1% to 24.1%. On the poverty levels, the Gini index fell from 51.9 points in 2002/03 to 44.6 points in 2017/18.

Goal 2 – Zero hunger: The goal remained elusive since it was related to food and nutrition insecurity owing to poor performance and low productivity in the agricultural sector. This was due to a combination of droughts, land degradation, weak management, lack of resources etc. The nutrition situation was still a challenge although chronic and acute malnutrition had declined since 2004. It was characterised by high stunting in children under five, wide spread micro-nutrient deficiencies in children, adolescents and adults; growing incidents of diet related non-communicable diseases; and obesity.

Goal 4 – Quality education: Significant improvement was recorded. Universal primary education was almost achieved and gender parity. Growth in Net Enrolment Rate (NER) and Growth Enrolment Rate was noted over the years (GER 0.95 and NER 1.0)

Goal 8 – Decent work and economic growth: Lesotho had not achieved the set target of 5% annual growth rate since adoption of SDGs in 2015. The rate of unemployment had risen from 25.8% in 2014/15 to 32.8% in 2015/16 based on second quarter results.

Goal 10 -Reduced inequalities: Lesotho had introduced robust social protection system to reduce inequalities and cater for the vulnerable groups. These included, inter alia: Promoting Gender Inequality and Women's Empowerment Programme (GEWE); Child Protection; Empowering Adolescents and Youth, Programme for People with Disabilities and Migrants; Child Grants Programme; Old Age Pension; building households economic resilience; and strengthening national and district coordination mechanisms for effective programme implementation.

Goal 13 – Climate Action: It was observed that climate change and environmental degradation was a threat to successful implementation of the SDGs. These specifically affects efforts to address

⁷ Government of Lesotho, 2019. Lesotho Voluntary National Review on the Implementation of the Agenda 2030 Report2019

poverty, hunger, creating jobs and stimulating economic growth (SDGs 1, 2, 8 and 9); promote gender equality (SDG 5); reduce inequality (SDG 10); protect the environment and promote sustainable development (SDGs 6, 7, 11, 12, 14 and 15). The impact of climate change over the past 10 years had negatively affected communities and households' livelihoods through reduced agricultural production and food security. The recurring combination of droughts and floods had not only affected food production but also contributed to internal displacement and migration in search of alternative means of livelihoods. The mitigation measure undertaken by the GoL was to establish a policy and institutional frameworks to address and manage climate change effects. This saw the development of National Strategic Resilience Framework 2015-2025, the National Climate Change Policy 2017-2027; and Energy Policy 2015-2025. Implementation of above frameworks is still at an early stage hence the country will benefit from continued support and partnership for effective response and interventions.

Goal 16 – Peace, justice and strong institutions: Lesotho continued to pursue good governance, peaceful and inclusive societies as well as access to justice for all. In an effort to create lasting and sustainable stability, a national dialogue and reform agenda was on course as articulated in the Government blue print “The Lesotho We Want: Dialogue and Reforms for National Transformation – Vision, Overview and Road Map”. Significant progress was made towards improvements of conditions in prisons and other places of detention. Lesotho ratified many international conventions including the Convention on Elimination of All Forms and Discrimination against Women (CEDAW) in 1995, Convention on the Rights of a Child (1992), International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families (2005). It also put in place relevant legislation to facilitate implementation of these commitments.

Goal 17 – Partnerships for the Goals: Lesotho had developed a Partnership Policy aligned to Paris Declaration on Aid Effectiveness and promotes partnership for development. It has embraced partnership in development through mobilising various sectors and promoting inclusive engagement and multi-sector stakeholder consultations and participation. Lesotho was in the process of developing a corresponding national partnership and coordination strategic plan. This was intended to strengthen engagement mechanisms for all stakeholders. Although the GoL had developed Financing Strategy for NSDP II and initiated resource mapping for SDGs, its efforts to mobilise financial resources for implementation of the SDGs was affected by declining revenue sources including Foreign Direct Investment (FDI) and Official Development Assistance (ODA) due to global economic challenges and change in priorities.

It should be noted, although there is no specific SDG on Local Government, this tier of government cuts across the development agenda and should be mainstreamed to achieve implementation of SDGs. Due to challenges in implementing sustainable global and national programmes at the local government level for effective development outcomes, the European Commission adopted the Communication “Empowering Local Authorities in partner countries for enhanced governances and more effective development outcomes”⁸ in May 2013 that commits to promotion of territorial development. Romeo (2014) subsequently developed a Policy Note⁹ that defined Territorial Approach to Local Development (TALD) for DEVCO (European Commission’s International Cooperation and Development arm) as a ‘national policy that promotes endogenous, integrated, multi-scalar and incremental local development’. This implies that the local authorities are given

⁸ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: *Empowering Local Authorities in partner countries for enhanced governance and more effective development outcomes*. Brussels, 15.5.2013, COM (2013), 280 final.

⁹ Romeo, L.G., 2014. *The Territorial Approach to Local Development (TALD): From Decentralisation Reforms to Development Outcomes -A Policy Note*. European Union

opportunity to mobilise existing political and institutional resources; coordinate involvement of all state and non-state actors within a given territory; allow for cooperation and collaboration between all implementing parties on national and local policies; and provide additional resources to complement and improve the national development agenda. It is a new policy framework that increases the scope of action for LAs to also focus on development of their own communities; promotes sub-national planning and localisation of national and global plans; explores opportunity for diversified funding sources; and adopts innovative approaches to mobilisation of civil society for meaningful participation and leveraging existing community and private sector resources.

TALD recognises that disparities and inequalities exist because of socio-economic and policy dynamics of countries, regions and cities which are often unique based on geographical settings. The developmental potential varies in each territory or location based on a set of physical, financial, institutional, human and cultural resources endowment. Consequently, the outcome of national policies and global programmes implemented in one area will not be the same as outcome in another area in terms of the magnitude of impact. For instance, the outcome in an area where there is adequate infrastructure and services will vary from the outcome of an area which has limited and poor infrastructure and services. It is therefore important to consider the prevailing socio-economic and political situations in different geographical areas whenever developmental interventions are conceived, appraised and finally implemented.

The building blocks for TALD have been identified as improving the local management system; national policy changes to support territorial development; sub-national policy changes to support local development. In the context of Lesotho, TALD approach is still far-fetched given the current delays in full devolution of services, financial and administrative functions to the local authorities. Although the past and current National Development Plans (NSDP I and NSDP II) recognised the importance of decentralisation, the main challenges have been to accelerate development of necessary instruments to facilitate smooth implementation of the National Decentralisation Policy.

Conclusion

It is appreciated that the EC 2013 Communication on “Empowering local authorities in partner countries for enhanced governance and more effective development outcomes”, which recognised subnational governments (*local authorities*) as state actors in their own rights and capacity, working as proximity public authorities besides the central government according to the principle of subsidiarity based on the key dynamics and interaction between the two levels of public governance is indeed critical for developments to be relevant and meaningful to the people.

The political will to engage in this journey from 2014 has been evident in Lesotho. Legal frameworks¹⁰ that were meant to support the decentralisation processes were developed and readied for implementation. It is at this point of implementation where challenges were experienced, and progress therefore retarded. The local structures for developments and governance have been established and have started working. The extent of the work being done by the local authorities is still at a very basic level and is more of executing what the central government decides. Whilst there are structures allowing for the flow of inputs from the local level in terms of the development programmes that could benefit their constituencies / territories, the extent of their operations and influence is still not at the point where they can lead developments on their own right. The current status quo can be summarised as follows:

- The intended devolution of governance and service delivery has been partially done.

¹⁰ Example: National Decentralisation Policy 2014

- The political systems of district, municipal, urban and community councils have been established but need to be capacitated to enable them to effectively discharge their mandates.
- The corresponding administrative transfer functions, authority, financial resources and responsibilities to the local government has been partially done.
- The current service decentralisation framework has been recently developed and piloted. It needs to be complemented and supported by the development of fiscal decentralisation framework, including the enabling legal framework.

The participation of the Local Authorities in this programming phase where stakeholders of the partner countries are to be consulted, and that a dialogue is established with the EU delegation to define the specific priorities and programs of the EU cooperation aligned to the political objectives identified during the pre-programming phase for each country, presents a good opportunity for the local authorities in Lesotho to grow. It is well appreciated that it would be in the interest of both the national government and the EU to actively support territorial approaches to local development spearheaded by LAs. This scenario will indeed become a reality once the current storm between the LAs and some influential officials from the MoLGCA has subsided and the norming phase comes in in their relationships.